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SENATE—*Thursday, June 15, 1978*

(Legislative day of Wednesday, May 17, 1978)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. PAUL G. HATFIELD).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray:

O Lord of all life, who of old quieted the tempest of the sea, we quiet our inner being in holy reverence before Thee. Remove from us all hidden turbulence, concealed tension, and inner stress. Subdue every unworthy impulse. Remove every impediment to our walking and working with Thee. Give us clean hands and pure hearts, open to the guidance of Thy spirit and the direction of conscience. May we pray as we work.

"And let our ordered lives confess
The beauty of Thy peace."

What we pray for ourselves in this Chamber we pray for the President and all others in the service of this Nation.

In the Redeemer's name. Amen.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, at the moment I have no further need of my time.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the Chair.

I yield my time, Mr. President, to the distinguished assistant Republican leader.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the distinguished minority leader for his time. It is my understanding that I have the first special order also.

The ACTING PRESIDENT pro tempore. Yes, for not to exceed 15 minutes, which means that the Senator has 25 minutes in total.

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that Margaret Chandler, of my staff, be permitted access to the floor during these remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ALASKAN LANDS

Mr. STEVENS. Mr. President, this is the second in a series of statements that I desire to make to the Senate and to the Nation concerning the so-called Alaska land issue, the d–2 issue, and this morning I would like to discuss the western issues involved in this legislation.

There are some who call the d–2 issue a national issue for other reasons. We in Alaska call it a national issue because we believe there is more at stake in the decisions concerning d–2 than just those matters that affect Alaska alone. It is true that this bill directly affects only one State, the State of Alaska, but the decisions that are made with respect to the d–2 legislation will affect the whole West.

D–2 really is a litmus test for public lands policy throughout the Nation, and it is our opinion that Western States should watch closely what happens to Alaska during consideration of this legislation. It is a harbinger of what can be expected on Federal lands in all of the Western States in the next few years.

This d–2 legislation deals with virtually all major issues affecting public lands policy. It concerns wilderness designation, wildlife management, resource development, transportation planning, and overall planning for, and the utilization of, public lands which are primarily located in the 17 Western States and Alaska.

All of these issues are dealt with in the proposals that are before the Senate, that have come to us primarily from the House, in a manner that is radically different from the policies which Congress has established in the past and which currently exist in present law.

If Federal law and practice concerning public lands are changed for Alaska, this will represent a striking new precedent for the future of public land management decisions facing our country in the years ahead.

Let me state a few examples. The instant wilderness proposals of the so-called d–2 legislation are the most onerous to us. Primarily this is because of the national legislation that already exists in the Wilderness Act of 1964.

That national legislation will be bypassed if the legislation passed by the House and sent to the Senate is approved by this body. Areas that technically qualify for wilderness; that is, those lands that are 5,000 acres or more without roads are, under this proposal sent to us from the House and from the administration, to be immediately designated as wilderness without study and without planning.

As I pointed out to the Senate on many occasions, in the 14 years since the Wilderness Act has become law, there are only 15 million acres of wilderness in the whole United States. This one piece of legislation as passed by the House designates 70 million acres of instant wilderness on land alone. The House-passed bill also designates 6 miles seaward of all such areas, and we do not know really how we can manage the area of the offshore waters under the Wilderness Act. But that is what the bill reported and sent to us from the House purports to do.

If that acreage were included, there would be literally twice as much land involved that would be designated as wilderness.

But just looking at the onshore area designated under H.R. 39 alone, there is five times as much land designated to become wilderness instantly in Alaska

alone as exists in the entire Nation after 14 years of planning and study of all the areas that qualify for wilderness in the Nation.

Now, the 1964 act requires local hearings by the Department of the Interior prior to a recommendation that an area be designated as wilderness. Those hearings were not held in Alaska.

The 1964 act requires that the use of local and State governments be solicited and transmitted to Congress, along with any wilderness recommendation. That was not done in connection with the instant wilderness proposals that are before us now.

The 1964 act requires that mineral surveys be conducted on all land recommended to be designated as wilderness. That has not been done, and it is probably one of the most glaring defects of H.R. 39 as it has been sent to the Senate.

These recommendations and requirements of the 1964 act have been ignored and wilderness designation would be applied to about one-fourth of my State instantly, without compliance with existing law and without any consideration for the other national interests involved in the public lands in Alaska. The wishes of Alaskans and their elected representatives have been ignored with regard to wilderness.

I might point out to the Senate, and I hope to point it out again and again, that the Senate has traditionally listened to the Senate delegation from a State on a bill that affects only that State, if both Senators oppose the legislation. In this case, both Senator GRAVEL and I oppose "instant wilderness."

We have been sent here to represent our State. Our Congressman opposed instant wilderness, but the House of Representatives refused to listen to him. We hope that the traditions of the Senate can be relied upon to protect a single State with regard to an issue of such serious nature, particularly when the recommendation that is before us in the form of the legislation that was passed by the House of Representatives, H.R. 39, ignores the provisions of existing law with regard to the designation of wilderness.

To my western colleagues, I point out and ask them to remember the massive wilderness study programs that are being conducted throughout the Nation on national forests and public lands, all of the lands in these systems, a total of 535 million acres, to determine which of these lands qualify as tracts of 5,000 or more roadless acres. The Forest Service will complete its initial study and publish a final environmental impact statement on this by the end of the year. It is the so-called RARE II study. The Bureau of Land Management will complete its review by 1980. That is the wilderness review under section 603 of the Bureau of Land Management Organic Act. All of the roadless areas will be set out, and then Congress will decide which of the areas are to be declared wilderness.

I have supported the acts of Congress which brought about these studies. We believe it is in the public interest to study the areas to determine which of the areas should be identified and preserved as wilderness. What we object to is that, with regard to Alaska, the provisions of existing law have been ignored. I warn my colleagues that if "instant wilderness" is adopted as a concept for Alaska, it will come back to haunt all the Western States during the RARE II and Bureau of Land Management wilderness review. This process has been going on for years and will be completed at the end of this year.

Even though the latest studies from the Forest Service show that the proposals included in H.R. 39 would eliminate 650 to 1,000 existing jobs in the forest area alone in that region, the House of Representatives decided that "instant wilderness" should be created in the great Tongas Forest of southeastern Alaska. Under the planning process, which can be completed according to existing law, and, as I say, it will be completed by the end of this year, wilderness could be designated in western Alaska without an adverse impact on existing employment or on existing installations in Alaska designed to process the products of the national forests. That planning process ought to be allowed to be completed. We ought to be able to rely upon national law to deal with national forests in Alaska to the same extent that any other State should be able to rely on the provisions of national law to protect its citizens and to protect existing uses within the national forests.

If H.R. 39 and its "instant wilderness" is allowed to become law, the precedent on "Rare II" will be so tremendous that it will haunt the consideration of wilderness areas for years to come. It is a means of short-circuiting the whole compass of studies of all of the national interests in public lands. It would lead to the designation of public lands to meet the needs of an absolute minimum number of people—the elite, wealthy of this country, who can afford to travel from place to place, to backpack and walk through public lands, at the same time denying access to those who traditionally visit the national parks and wildlife refuges: the retired and the elderly, those people with young children, those who cannot, because of their health or because of infirmities, walk literally hundreds of miles through millions of acres that are set aside for a single purpose—that is, for those people who are strong enough and, as I say, wealthy enough to travel these areas and to walk through them, because under the wilderness concept, no roads are allowed, no airports are allowed, no landing of aircraft is allowed, no motorboats, no snow machines, no mechanized assistance of any type is allowed in these areas, in which man is designated to be a visitor only.

In addition to that, there could be no visitors accommodations constructed. There could be no cabins erected for those who might be involved in some sort of a catastrophe, such as the crash of an aircraft or the sinking of a boat. We are dealing with lands that are literally without any accommodations other than the isolated cabin or the isolated roadhouse—and I say that advisedly; it is a roadhouse along a trail, not along a road. We call them roadhouses, but they are places for travelers to stop off as they travel across our country by dogsled, by small plane, or by snow machine. All of those would be eliminated under the so-called instant wilderness designation.

We are told by the Department of the Interior that people who currently reside in these areas could stay there. They would allow a life estate to the people who are there now occupying portions of these lands. But all that means, Mr. President, is that after the current generation there would be no habitation at all in almost one-fourth of my State, which again I point out is one-fifth the size of the whole United States. It would be as though no permanent habitation were to be allowed in an area the size of all of New England, Pennsylvania, New Jersey, New York, Delaware, and Maryland—all of the Eastern Seaboard north of Washington.

I hope that the rest of the country will wake up to what is going on in terms of the demands of these extreme environmental organizations that say my State should be made permanent wilderness, that no one should be allowed in there except their members, except those who have great wealth in this country and therefore, the ability to travel to Alaska, to charter twin-engine float planes, to charter helicopters, and to have provisions brought in for them so that they can spend a week to 10 days in Alaska. Yet Alaskans who live there 365 days of the year, or those travelers coming to Alaska as average, normal citizens in station wagons or vans who have saved their money to come and see our great State, will be denied access to the north country under H.R. 39.

Another policy that the West had better watch out for is wildlife management. The traditional policy on public lands divides wildlife management authority between the State and Federal Governments. The State is the daily manager of resident fish and game species, while the Federal Government exercises control over habitat.

I was one of those who participated in the consideration of the legislation which finally established and reaffirmed the principle that exists in the West and has existed throughout the whole time that we have had Federal public land laws in the West. The Alaska Statehood Act reaffirmed this. As a matter of fact, because of the opposition to statehood from some sources, there was a provision in that act that required the Secretary of the Interior to certify that Alaskans were capable of managing their fish and game before we received the traditional authority of all States over resident species of fish and game. However, the Secretary of the Interior did that promptly, and under the Statehood Act and the Sikes Act, we have the same rights as all States in managing fish and game.

Unfortunately, H.R. 39 would change that because throughout the country there is pressure to change existing law as to fish and game management. I feel it is coming from antihunting groups throughout the country who advocate

turning over management of fish and game to the Federal Government as the first step of an eventual curbing or elimination of hunting on Federal lands; as a means to eliminate those of us who oppose restrictive Federal gun control laws, primarily because of our desire to use firearms in sports.

The strength of the Western States is in numbers on this issue. Certainly, we have to be reminded of Benjamin Franklin who said, "We shall surely all hang together or we shall hang separately" on this issue.

If Alaska is separated from the other States as to fish and game management, all of the others will eventually face the same proposals to eliminate hunting on Federal lands in their States. In Alaska, we are dependent to a much larger degree upon our fish and game for subsistence. These subsistence users have already been mistreated in two cases which demonstrate Federal misunderstanding of the need for subsistence uses.

In the case of the bowhead whales, upon which our Eskimo people rely so greatly, the United States failed to protest a decision by the International Whaling Commission and this led to a ban on the taking of whales for subsistence.

Fortunately, the Federal Government realized that these people are from areas that have no meat markets. As a matter of fact, biologically they must have whale meat. The ban was partially lifted.

Second, recently there was action proposed by the Fish and Wildlife Service to prevent our Eskimo and Native people from taking migratory waterfowl. They wanted to enforce the strict provisions of the Migratory Bird Treaty, particularly on Eskimo people. as the birds return to Alaska in the spring.

This is the first fresh meat that comes into the Arctic country in the spring and traditionally our Native people take some of these birds for subsistence. We are dealing with probably 30,000 people who take, at the most, maybe 150,000 to 200,000 birds a year, and the Fish and Wildlife Service proposed to ban them from taking those birds. Yet they live in the area that produces millions and millions of migratory waterfowl for the great flyways of our country, and we produce 40 to 50 percent of all the waterfowl that are taken by hunters throughout the country.

Here we have a situation where the Federal Government was preparing to take away from those who rely upon this waterfowl for subsistence and to preserve the waterfowl for those hunters who are sports hunters, and we support them, sports hunters who do not need that meat for subsistence in the south 48.

Luckily, as I said, we have been able to convince the Federal Government to pull back from these unreasonable positions, primarily because they realized how it impacted the legislation that the administration has submitted to the Congress; primarily, because it demonstrates the inability of Federal representatives in Washington to understand the daily needs of residents of public lands States.

I say to my friends from the West that if Alaska is treated the way H.R. 39 proposes to treat us in connection with the management of our fish and game, the Federal Government eventually will not hear our pleas and it will, in fact, move to curb or eliminate hunting, both subsistence and sport hunting, from Federal lands, and if that happens in Alaska it will happen in the other half of the Federal lands that exist in the south 48.

The precedent-setting nature of Federal involvement in fish and game management in Alaska is something for all States to consider because of its impact on military reservations and on Forest Service lands which also exist in the East and the Southwest.

I believe that the present system of land management in this regard is a good one. It strikes a good balance between State and Federal needs and it ought to be preserved. If H.R. 39 is allowed to change it for Alaska, it will be changed for the Nation as a whole.

Third, with regard to resource development, I pointed out that the Wilderness Act of 1964 requires that there be a mineral survey. In Alaska, we know that we have 16 of the 18 minerals that are in short supply, that are strategic to our national security. None of them are being produced today. They are there in commercial quantity. We know they are there. They have been waiting for the time when they would be economically available for the Nation. We have high-cost operations. We all know that. Alaska's minerals have been kept in reserve, waiting for the day when the Nation would need them and could afford the cost of developing Alaska's minerals.

Under the decision that is presented to us by the administration and by the House, these minerals would be inaccessible because the areas would be designated as wilderness or as national parks prior to the mineral surveys being conducted. If that policy is adopted for Alaska, consider what it means to the West. There is still a sizable number of States in the West where the Federal Government owns more than half of the lands in those States. If this resource development policy is adopted for Alaska, it will be a policy that will slop over into all public land States.

I had a hand in authorizing a study on the availability of minerals on Federally owned lands. In that study, which was recently issued by the Office of Technology Assessment, the task force concluded that no one knows how much land in the United States is withdrawn from mining. No one really knows what the purposes of all these withdrawals were. No one knows the location of the minerals in those public lands for certain. Many of the withdrawals are so obsolete that no one recalls the purpose for which they were originally made, but no one has taken any action to revoke them. In essence, the Federal Government does not know what is going on in its lands, at a time when we import 50 percent of our needs or 35 percent of our minerals, or more.

If Congress forgoes the exploration on the withdrawals in Alaska, if we do not have an inventory of our mineral resources, it will set a precedent that will affect the Nation as a whole.

There are other matters, Mr. President, which I shall address later. Again I hope that the West, and the Nation as a whole, wake up to the issues involved in d–2. I thank the Chair.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma (Mr. BARTLETT) is recognized for not to exceed 15 minutes.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Oklahoma is recognized for not to exceed 15 minutes.

Mr. BARTLETT. Mr. President, I ask that I be notified when there are 2 minutes remaining.

The ACTING PRESIDENT pro tempore. The Senator will be notified.

THE PROPOSED IMPORT FEE ON CRUDE OIL

Mr. BARTLETT. Mr. President, there has been substantial talk in recent months concerning a proposal for the President to impose a tariff on crude oil imported into this country. Rising inflation, the declining value of the dollar abroad, and continuing frustration in their attempts to pass an ill-advised energy package through the Congress have prompted top administration officials to advocate crude oil import fees as a means to reduce the level of imports. James R. Schlesinger, Secretary of Energy; W. Michael Blumenthal, Secretary of the Treasury; and G. William Miller, Chairman of the Federal Reserve Board, have all made statements promoting the use of an import fee. President Carter recently indicated his intent to impose a crude oil import fee should the Congress fail to enact his crude oil equalization tax, which most observers believe is dead.

I submit, Mr. President, that the imposition of a crude oil import fee, such as that presently being considered by the administration, would be counterproductive and inflationary, would have significant adverse impact on our economy, and would not achieve its stated purpose. Moreover, it would openly invite a substantial price hike by OPEC.

Imposition of a fee of $6 per barrel of imported crude would raise the average price of fuel in this country 7 cents per gallon. The cost of goods and services would rise concommitantly. Chase Econometrics conservatively estimates that imposition of such a fee would increase the rate of inflation by at least 1.5 percentage points; the Congressional Research Service says the impact could be as high as 4.0 points.

A tariff on imports may not materially reduce U.S. consumption of foreign oil. However, it would be an open invitation to the Organization of Petroleum Exporting Countries to increase substan-

tially the price of their oil. Self-imposition of an import fee indicates a willingness and ability on our part to absorb a higher cost for oil.

The imposition of a fee on imported crude oil would cripple an already ailing domestic refining industry. Without an offsetting fee on imported refined products, the crude oil tariff would render domestic refiners noncompetitive with foreign refiners. The net effect would be an export of jobs and capital.

On the other hand, imposition of a fee on imported products could have severe economic impacts on those regions of the country substantially dependent on imported fuel oil.

The administration's call for oil import fees to reduce oil consumption is the classic case of treating symptoms, rather than causes, of economic ills. Our substantial reliance on foreign oil may not be bad in itself. What is bad is the fact that we are artificially reliant on foreign oil because the Federal Government has for many years established economic policies having the effect of reducing available supplies of domestic oil, and at the same time insulating American consumers from the economic facts of life. The costs of discovering, producing, and delivering petroleum products have increased, and Americans must realize that in one way or another we must pay the price. The price we are paying now, because we refuse to pay it directly, is in a dollar that is losing its value. This makes all of our imports, oil and otherwise, more expensive. At the same time it enables producers of domestic goods to raise prices to the level of imported goods, thereby fueling the fires of inflation.

Oil import fees may reduce our level of imports somewhat. But they will not eliminate our dependence on foreign energy, because at the same time they will do nothing to increase domestic supplies. In short, to the extent that they are effective at all, oil tariffs would be the most inflationary and least efficient way to reduce our dependence on foreign sources of oil. In order for tariffs to have any significant effect on our foreign oil consumption, they would have to be prohibitively high. The cost of petroleum products to American consumers would rise substantially, but for the wrong reasons and to no beneficial effect. Rather than reflecting the replacement cost of oil and thereby spurring further production, such prices would only serve to fill Government coffers and guarantee future shortages.

To the extent that the decline in the dollar's value is a result of the vast quantities of dollars going abroad to pay for our petroleum gluttony, we should do all we can to encourage domestic production and to face the costs of doing so directly.

For these reasons, Mr. President, I feel that establishment of fees on imported oil is contrary to the national interest.

Mr. President, perhaps at this point some history would be helpful.

Section 232(b) of the Trade Expansion Act of 1962 authorizes the President to "take such action, and for such time, as he deems necessary to adjust the imports of (an) article and its derivatives so that * * * imports (of such article) will not threaten to impair the national security." Pursuant to this authority, President Ford announced a policy in January 1975 to impose tariffs of up to $3 per barrel on imported oil. Shortly thereafter a group of litigants, including eight northeastern Governors, filed suit. In August 1975 the U.S. Court of Appeals for the District of Columbia held that Congress had not authorized the President to impose such fees, which the court held to be an indirect method of controlling imports.

However, in June 1976 the Supreme Court unanimously overturned the lower court's decision. Justice Thurgood Marshall, writing for the Court, held that the Trade Expansion Act authorizes the President to impose import license fees as well as quotas for the purpose of adjusting the level of imports of an article for national security reasons. So much for existing law.

Mr. President, the Senate has already clearly indicated its intent to restrict the President's authority to control oil imports. An amendment to the Senate energy tax bill, now pending in conference, nullifies any Presidential adjustment of petroleum imports under the Trade Expansion Act of 1962, except in time of war or national emergency. In its report to the Senate on the energy tax bill, the Finance Committee stated:

> The Committee believes that the Congress bears the ultimate responsibility for the regulation of foreign imports.

A subsection was added to the Senate energy tax bill in an attempt to protect the domestic refining industry. It preserves the right of the President to impose tariffs, fees, or quotas on imports of refined petroleum products in the interest of national security. However, Congress could veto any such action within 30 days if both Houses adopted a resolution of disapproval.

Mr. President, I am happy to be a cosponsor of Senate Concurrent Resolution 73, authored and introduced by my distinguished colleague from Kansas, Mr. DOLE. That resolution expresses the sense of the Congress that "an import fee on imported oil should not be imposed by the President of the United States as a way to reduce imports of crude oil." Senate Concurrent Resolution 73 was reported favorably by the Finance Committee on April 27 by a vote of 11 to 6.

Mr. President, since the Organization of Petroleum Exporting Countries last raised the posted price for their oil, the real price has declined sharply. Not only has normal inflation taken its toll, but the steady decline in the value of the dollar has substantially reduced the net return the OPEC countries realize on sales of their petroleum. There is already pressure enough among the members of the cartel to increase markedly the price for oil. Our salvation to date has been primarily a result of successful efforts by Saudi Arabia to hold the line.

By imposing a $5 or $6 per barrel tariff on imported petroleum, the President would be sending a clear signal that the United States is prepared to absorb a much higher price for the oil we import. That is all that would be needed to prompt the cartel to jack up the price once more, Saudi Arabia's objection notwithstanding.

As I said previously, imposition of a substantial crude oil import fee, as is being considered, would have disastrous repercussions in the domestic refining industry. Because of the crude oil entitlements system—which is designed to equalize crude oil acquisition costs among domestic refiners of price-controlled domestic oil and world market imports—a $6 per barrel import fee would have the effect of increasing the average refiner acquisition cost of crude oil in this country by about $3 per barrel. Absent any offsetting import fees on fuel oil refined outside this country, domestic refiners and suppliers of fuel oil would be rendered no longer competitive with importers of refined products.

Moreover, the entitlements program itself is so complex and cumbersome that it is wholly unlikely that a significant import fee on the order of $5 or $6 per barrel could be efficiently absorbed by the system. Domestic refiners with proportionately high percentages of foreign crude runs would be placed at a distinct disadvantage. In addition, small and independent refiners would likely suffer severe economic hardship. This would have detrimental effects on independent jobbers and marketers of petroleum products.

The Senate Finance Committee, in its report on the energy tax bill last fall, stated that the U.S. refining industry could be "severely injured if import duties on crude oil were increased significantly * * * by the President under the discretionary authority delegated to him under the Trade Expansion Act of 1962." In addition, the chairman of the board of the American Petroleum Refiners Association has stated in a letter to me that—

> To impose an import fee on crude oil would have drastic consequences for the small refiner and a very detrimental impact on their competitive viability.

Mr. President, it is easy enough to see that the administration is raising the red flag of oil import fees as a means to coerce the Congress to expedite passage of its misguided national energy plan, particularly the crude oil equalization tax. This is not the only trick the administration has tried. Recent reports surfaced of a planned deal to buy votes for the administration's energy package by adjusting the entitlements program to reduce the cost of imported fuel oil on the east coast, at the expense of refiners and consumers in the rest of the country. It is estimated that this plan would cost consumers in each congressional district in the country at least $2 million every year. Curiously, the net effect of this plan is exactly the opposite of the effect of an import fee; that is, literally to subsidize petroleum imports. Not only is the administration going off in many directions, but in opposite ones as well.

The principal justifications the Carter

administration puts forth for a crude oil import fee are: First, mounting inflation; second, declining value of the dollar abroad; and third, a worsening trade deficit due mostly to increasing payments for imported petroleum.

A crude oil import fee will do nothing to slow inflation. In fact, it will worsen it. The principal cause of our inflation is continued deficit spending by the Federal Government and keeping the money mill in Treasury working overtime. Our budget deficit is presently skyrocketing at a rate of $60 billion per year. The way to cut inflation is not by imposing a fee on petroleum imports, which is itself inflationary, but by cutting back on Federal deficit spending and reducing the printing of money to a level in line with productivity increases.

Imposition of an oil import fee will do little to arrest the decline in the value of the dollar. The principal reason for the decline is a serious lack of confidence abroad in the leadership of the United States and its ability to maintain control over our economy. Countries such as Germany and Japan have oil import bills as serious as ours, yet they have held inflation in check and their currency is in much better shape than ours. The solution to the problem of the declining dollar lies not in an arbitrary imposition of crude oil import fees; rather it results from more courageous and effective economic and monetary leadership.

Finally, Mr. President, the way to reduce our reliance on foreign sources of crude oil and refined products is not to make them artifically more expensive, but rather to develop our own petroleum and alternative energy resources to the maximum extent possible. This can be accomplished without subsidy and without penalties. The solution is the free and uncontrolled marketplace.

If, due to decontrol, the cost of home heating becomes unbearable for some citizens, then the Federal Government could provide whatever subsidy is required. But keeping price controls on crude oil in the interest of low energy prices prevents the solution of our domestic petroleum and alternate energy shortages.

When producers of domestic crude oil supplies are allowed to receive replacement costs for their production, only then does this country hold any hope of arresting the serious decline in our petroleum production. Allowing domestically produced crude oil to be sold at a market-clearing price offers the only real hope for relief from worsening dependence on foreign sources of oil and the many ills it begets.

Mr. President, I yield the floor.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Executive Order 12022, as amended on April 7, 1978, recommends the Senator from Utah (Mr. HATCH) for appointment by the President of the United States to the National Commission for the Review of Antitrust Laws and Procedures, in lieu of the Senator from South Carolina (Mr. THURMOND), resigned.

COMMITTEE MEETING

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate today to consider S. 2981, the Railroad Amendments Act of 1978.

Mr. TOWER. I have no objection, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LABOR LAW REFORM ACT OF 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 8410, which the clerk will state by title.

The legislative clerk read as follows:

A bill (H.R. 8410) to amend the National Labor Relations Act to strengthen the remedies and expedite the procedures under such Act.

The Senate resumed consideration of the bill.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina.

Mr. MORGAN. Mr. President, I spoke on Tuesday to some of the lesser known provisions of the labor law reform bill that is now pending before us. At that time, I spoke of my concern that they may suffer from some of the same deficiencies or inconsistencies that plague other parts of S. 2467.

Today, I want to speak to a section of the bill which deals with wildcat strikes and which remains a part of the Byrd substitute amendment.

On the floor of the House of Representatives, the sponsors of H.R. 8410 accepted an amendment to codify the current law on wildcat strikes—that is, a strike made in violation of a contract or on the spur of the moment by a union. This usually takes places in violation of what the national or international union desires. A local union, concerned with a local dispute may simply walk off the job.

Under current law, an employer may seek injunctive relief under certain circumstances to stop the wildcat strike. He may not act, however, to enjoin sympathy strikes by his employees.

The law may be found in two Supreme Court cases. The first is the 1970 case of *Boys Market* v. *Clerks Union*, 398 U.S. 25 (1970), the Supreme Court rules that an employer could seek an injunction to stop a wildcat strike in the issue in dispute was one which was subject to arbitration under a collective bargaining agreement. In short, he could enjoin a strike over an issue which was a subject for arbitration under his contract. The Boys Market case allowed an employer to stop a strike called in violation of a contractual no-strike commitment if the dispute was subject to arbitration. The decision reinforced the validity of contracts and the concept of favoring arbitration to settle industrial disputes.

In another case, the 1976 *Buffalo Forge Co.* v. *United Steelworkers of America*, 428 U.S. 397 (1976), the Supreme Court addressed another problem, that of sympathy strikes. In a 5-to-4 decision the Court held that injunctive relief could not be obtained in cases where a sympathy strike was involved. In other words, the Buffalo Forge case narrowed the earlier ruling in Boys Market. An employer could not enjoin a union from engaging in a sympathy strike, such as where one unit of an employer goes on strike to express its sympathy for another unit which is striking for a new contract.

In H.R. 8410, the supporters of the bill accepted a codification of the Boys Market and Buffalo Forge cases. While I feel that Boys Market is ripe for codification, I believe that the Buffalo Forge case may be too recent a case to be incorporated into statutory law, having been decided in 1976 and not having stood the test of time. By codifying the case, the Congress would exert pressure on the Supreme Court to stand by its ruling in the case. Despite my concerns, I imagine that this codification would not be too harmful.

I believe that the House of Representatives made a few mistakes in its codification. For example, it limited the parties who may seek an injunction to the National Labor Relations Board. The Boys Market case makes no such limitation. On the whole, however, I believe that the effort was worthwhile.

I do not have the same feeling about the Senate version of codifying the two cases contained in section 13 of S. 2467. I believe that there have been some significant problems in the approach of the labor law reform bill.

Section 13 provides that an employer may seek injunctive relief against stranger picketing where the picket line is not maintained by a labor organization in connection with a labor dispute. To my reading this means that an injunction would not be available if the picket line is maintained or sanctioned by a labor organization in connection with a labor dispute. If the refusal is unauthorized, not initiated or not ratified by a labor organization then the employer could seek an injunction. Apparently, the trick is whether a labor organization has authorized the strike. This seems to limit the reading I have made of Boys Market.

The limitation of the Boys Market case by providing an escape clause for "authorized" strikes goes too far in applying the case. Once a bargain is struck, that is, not to strike but to arbitrate, then it should be lived up to by all parties. Denying injunctive relief here denies the validity and sanctity of contracts. Injunctions to enforce arbitration, which has been agreed to, is quite different from injunctions which seek to prevent something not in the contract and contemplated under the Norris-LaGuardia Act. The Boys Market case as it currently stands and as set

forth by the House appears to foster collective bargaining. It makes employers bargain in good faith, because they know that if they do and if they secure a no-strike clause, then that contract will be enforced. This is a more effective way to foster collective bargaining that the make whole remedy proposed in S. 2467. In a contract, the one thing that the union promises is not to strike. If that cannot be enforced, then an employer has no incentive to make any promises or to bargain at all. Section 13 would provide a less than adequate remedy. I am concerned that some of the vagueness and uncertainty of section 13 will injure labor-management relations.

I do feel that the House language is more appropriate and more direct than the language of S. 2476. If we are to have this codification of the wildcat strike provision, then I believe that we should limit our codification to the Supreme Court decisions. My reading of S. 2467 leads me to believe that this is not the case.

CLOTURE

Mr. President, I was quite surprised by some remarks made on the floor of the Senate yesterday. The supporters of this bill, the distinguished Senators from New Jersey and New York, made some rather unbecoming threats about the debate that is underway.

I do not feel that my words to my constituents have been "hollow," as the Senator from New York suggests, when I spoke of my concern for employees in this country. I am not intimidated by statements that because I have voted to continue debate, I will be "stranded on the beach."

Mr. President, it is exactly because of this type of threat that I believe debate should be continued. I think we need to return to a more relaxed and honest discussion of issues. If a substitute bill has been introduced simply to say, "The proponents of this bill have been reasonable; they have compromised," then I reply, "where is the debate and discussion on that compromise, where is the further change and alteration?" I do not believe that compromise means one party comes up with a new proposal and says take it or leave it. With that approach, under this bill, we would be able to have a "make whole" order imposed upon the supporters of S. 2467. It is not good faith bargaining as we understand it in S. 2467.

When we speak of compromise, I believe that we speak of a give and take. Since I have mentioned the "make whole" provision, let me give an example. If the supporters of this bill feel a make whole remedy is necessary, then they should also feel that a cure for the "technical violations" that so often trigger unfair refusals to bargain is in order. I would suggest that we provide direct court review of representation case issues. If one can appeal a certification issue early, then a refusal to bargain is less likely. If one could get to court quickly and deal directly with the election issue, rather than waiting for a year or two to get to court under a technical refusal to bargain, we would all be benefited. At present, an administrative law judge hearing and a Board determination is necessary and only then is a court case in order. This will benefit both employers and unions. For example, if a union wishes to represent a certain unit in a plant, but the employer feels that if he can get more workers into the unit and thereby win the election, under my proposal, a union could go to court to challenge the certification, reduce the size of the unit and perhaps win the election. Now that is the kind of compromise that I am speaking about. I have not seen any movement to accept that type of change.

This debate has been a good one to my mind. I have learned a lot and I believe that the supporters of the bill have seen the need for some changes in the labor law reform bill. That is the beginning of the process, not the end, Mr. President, and that is why I feel that this debate should continue.

Mr. STENNIS. Mr. President, I shall not detain the Senate but a few minutes at this time.

I have spoken in opposition to the bill as a whole and have voted accordingly several times.

Today matters have arisen since the agreement on the time for the vote that compel me to go to Mississippi, and I cannot be here for the actual vote, although I can and will be here until very near the time the vote starts.

I do not want my absence to be taken as any diminution of interest in any way or any change of position.

I noted what the Senator from North Carolina said that he had learned a lot from this debate, and I certainly have. I think, on the whole, it has been a splendid debate on the merits, largely from each side, and it is a sweeping review of our present labor law, a labor law that I would not repeal. I think it has fair balance myself, and I have heard it debated more than once since I have been here, and this last debate brings it up to date, so to speak.

So, I propose to vote against cloture. I am slow to vote for cloture under any circumstances. I have given it thought and time. But, in any event, during the vote this afternoon, as I said, I am compelled to be away.

I have the same interests on the merits of the matter and also an interest in full exposition, because it is a far-reaching subject. How far can we go in an effort to be fair? How can we go with reference to special groups, any special groups?

I think that is a big question in our Government.

I say special groups. I include the farm group. I come from an agricultural State, and I voted against a bill that some of the agricultural people were highly interested in this year, because I thought in its form then it was just going too far as a special group. And that is what I believe about this bill.

I just want at this time to make my position clear, Mr. President.

I ask unanimous consent to be excused from attendance at the sessions for the remainder of the day after 1 p.m. today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I yield the floor.

Mr. HELMS. Mr. President, I ask unanimous consent that a member of my staff, Donnah Harrington, be accorded the privilege of the floor during consideration of this measure and any votes thereon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I particularly appreciate the remarks of the distinguished Senator from Mississippi (Mr. STENNIS), and I agree fully with him. I think that a great deal of time has been spent in discussing this measure, and I think the Senate has further responsibilities which are far higher on the priority scales than this piece of legislation. We shall miss him this afternoon, but wherever he will be, we wish him a good trip.

Mr. STENNIS. I thank the Senator.

Mr. HELMS. Mr. President, the Senate has now been debating this so-called labor reform bill for over a month. I use the words "so-called," because this bill is neither a labor bill nor is it a reform bill. It is a piece of legislation designed by the labor union bosses of this country to bestow upon them even more inordinate power, political, and otherwise, than they now have.

It is interesting, Mr. President, that this legislation is now consuming so much valuable time of the Senate at a period in our history when grave problems confront America. It is equally interesting that this bill is before us at a time when the vast majority of the American people have indicated time and time again, in poll after poll, that they are growing increasingly resentful of the one-way street being traveled by labor union bosses.

The American people are resentful of the violence that occurs during labor disputes. The American people are resentful of the inflation that is such a burden to every housewife when she goes to the grocery store. The American people are not dumb, Mr. President. They understand what is afoot on this Senate floor, and this Senator from North Carolina is especially gratified that the small businessmen of America have risen up as one to protest the thrust of this piece of legislation.

This bill ought never to have been called up in the first place, Mr. President, with the energy problems facing the country and inflation problems burdening the country, and it ought now to be pulled down.

We have had four cloture votes on this bill, Mr. President. A fifth cloture vote is scheduled today. Never have fewer than 41 Senators voted in opposition to cloture.

Now, yesterday's vote, I understand, was supposed to have been the crucial vote. Yesterday was supposed to be the time to terminate all of the posturing. Yesterday was supposed to have been the time for each Senator to cast a vote reflecting how he really felt about shutting off debate on this proposition.

Mr. President, yesterday came and went and the proponents of this legislation were still two votes short in their effort to shut off debate.

Mr. President, the Senator from North Carolina does not want to hear later on in this debate the wails and screams

from the leadership and/or others that the Senate must work its will, that we must get on to the business of the people. This argument is cut out of torn fabric because, if the leadership desires for the Senate to get on with the business of the Senate, let the leadership call down this bill and let us proceed to matters which are really important to the American people. Let us, for a change, do something for the taxpayer. Let us cut Federal spending. Let us spend our time examining the waste and extravagance of the Federal Government.

Let us waste no more time in a special interest piece of legislation that would bestow further inordinate power upon a handful of union bosses.

So the question before the Senate, Mr. President, is how long will this exercise continue? That is up to the leadership. The leadership made the decision to call up this bill instead of some of the more important pieces of legislation. The leadership now must make the judgment as to whether to pull down this unwise piece of legislation and let us proceed to matters of importance to those hard-working Americans all across this land who are becoming more restless and more contemptuous of the system that is so often abused right here in this Chamber.

We heard this week from California, by means of proposition 13 and, Mr. President, I suspect that what we heard from California in that connection was just the tip of the iceberg. One of these days the American people are going to have an opportunity to stand up and participate in the political process, and we may just have a long overdue political revolution in this country.

If anyone ever doubted the power, the political power, of the big unions over this Senate, I ask this simple question: what other piece of unnecessary, unimportant, and publicly unpopular piece of legislation would have been allowed to tie up the U.S. Senate for an entire month, and it may be longer than that, depending upon whether cloture is invoked this afternoon or next week?

The answer, Mr. President, is that no other legislation would have survived this long. You would have seen the leadership come in and say, "We have spent enough time on this. Down she goes."

But not when the labor union bosses say, "Keep it up," Mr. President; not when the labor union bosses say, "Keep it up." It stays up, and it is demonstrable in terms of what has happened in connection with this piece of legislation.

This Congress has always strived for consensus. There must be sufficient consensus or legislation will not and ought not pass. But this is not the case when the lobbyists representing the union bosses of this country line up out there in that reception room. It is difficult most days to even thread one's way through that reception room because there are so many labor union lobbyists out there, Mr. President.

You had better believe they are calling in their green stamps, and that is the problem, and it ought to be a problem of conscience among the Members of this body.

These lobbyists demand that they be appeased no matter how long it takes, no matter what it costs the American taxpayers, no matter what important legislation is piling up on this calendar, Mr. President.

Maybe some of the politicians had better start thinking about appeasing the American people, Mr. President, because the American public has been sending us message after message loud and clear, the most notable one being from California.

Does any Member of this Senate really think that the average American, including union members, gives two hoots about this legislation? What the union member cares about is what his non-union fellow citizen cares about: Taxes, mushrooming inflation, the strangulation of society by big government, the swarms of bureaucrats infesting literally every aspect of our lives.

Mr. President, in North Carolina we have perhaps one of the greatest universities in the country, the University of North Carolina, the consolidated University of North Carolina, which has literally led the Nation in terms of its efforts to comply with and abide by and take the lead in the enrollment of students and the hiring of faculty on the basis of equal opportunity.

Yet this very University of North Carolina has been harassed and intimidated by the bureaucrats of the Department of Health, Education, and Welfare until the board of governors is so frustrated as to be angry. What is happening has been a deliberate attempt by Federal bureaucrats to grind under the heel of Federal power academic freedom in a great university in my State. I thank the Lord that President Bill Friday and the board of governors have stood firm and, for at least a temporary time, Mr. Califano and his bureaucrats have backed away. But I share the concern and apprehension of the chairman of the board of governors that this may be just a lull before another storm.

This is the sort of thing, Mr. President, that the American people are concerned about, not so-called labor reform legislation, which is neither a labor bill nor a reform bill. The American people are concerned about how much money is spent on completely useless, unnecessary activities by the Federal Government.

(Mr. ANDERSON assumed the chair.)

Mr. HELMS. Mr. President, I wonder if you realize that in my State of North Carolina another university, Duke University, has to spend $500 a year per student just to comply with the Federal regulations and redtape? Yet another university, or a branch thereof, the University of North Carolina at Greensboro, a couple of years ago was required to tie up its entire computer center for about 6 months of 1 year in order to respond to just one Federal form. When that response was completed by all of that computer work, one copy of the response weighed 11 pounds.

I say that is too much government, that is too much waste, and I am absolutely persuaded, Mr. President, that the American people would much rather that the Senate of the United States address itself to that sort of thing than to fool away a month or more of its time on an unnecessary, unwise, piece of legislation called labor reform, but which is neither a labor bill nor a reform bill.

The real concerns of the American people are the same concerns they had 202 years ago when their representatives wrote some fairly familiar words about the English Government and the tyranny of a guy named King George. Our Founding Fathers wrote:

> He had erected a multitude of new offices and sent hither swarms of officers to harass our people and eat out their substance.

Those are familiar words. Every school boy knows them, but they are just as relevant and just as applicable today as they were 202 years ago.

I mentioned proposition 13 out in California. I submit, Mr. President, that proposition 13 and the response of the people of California to that referendum expressed what is on the minds of the people not only of California but throughout America. Proposition 13 was designed to send a message. I think Washington is hearing—obviously, there has been some effort to show a bit of prudence in terms of spending, but not nearly enough. I commend the House of Representatives for the start it has made, and I am hopeful that we can put aside this foolish piece of legislation now before the U.S. Senate so that the Senate can go about the process of cutting down on Federal spending and reducing Federal taxes.

But right now we are spending hour after hour and day after day fiddling away on this unwanted and irrelevant piece of special interest legislation.

Inflation is headed toward the stratosphere again. The Federal Government is growing bigger. The bureaucrats are more and more active and, of course, we hear more and more promises from the promising politicians. But that is all the people are getting—promises.

Now, Mr. President, Senators are not elected to represent labor union bosses. Senators are elected to represent the people of their respective States, and the people simply do not want this so-called labor reform bill. What they want is for this Congress to get about the business of doing something about high prices, high taxes, and burdensome Federal controls and harassment and intimidation of the private sector.

I would venture to say that if we were to interview 100 or 1,000 or 10,000 wives and mothers leaving the grocery stores, and if we were to ask them which is more important—labor law revisions as now before the U.S. Senate or inflation—we would have a unanimous vote, I suspect, Mr. President. I imagine that most of the housewives would laugh in our faces if we conducted such a poll. But here we are fiddling around with a useless, dangerous, irrelevant piece of legislation.

What are we doing about inflation? Nothing. In fact, this bill we have before us, which the union bosses have in-

sisted that the Senate spend all its time considering, with cloture vote after cloture vote, will cause more inflation if passed—the Lord forbid—and that will be the U.S. Senate's answer to those who say, "Please do something about inflation."

The Senate will be saying to the American people, "Here, toss this gasoline on the fires of inflation."

Many years ago, business in America was accused by its critics of having an attitude of "the public be damned," and there was some justification for that criticism. But, Mr. President, if there ever was an attitude of "the public be damned," it is now the attitude of the big union bosses and their allies in Congress, forcing the Senate to neglect the serious economic problems of the country and ram, if they can, this inflationary prounion legislation down the throats of the small businessmen and the rest of the American people.

This is not only special interest legislation, Mr. President; it is the most blatant kind of regional legislation. One would hope that after the civil rights legislative battles of the 1950's and 1960's, never again would geographical region line up against geographical region. Yet that is precisely what is happening with this legislation. It is acknowledged to be so by the author of the bill.

The first time I addressed the Senate on this matter, this so-called labor reform bill—and this was about a month ago—I mentioned that the real underlying issue in this debate is not labor, and that certainly it is not reform, and I repeat that today. It is not even the traditional business-union dispute kind of thing. The real underlying issue in this piece of legislation, Mr. President, is whether one section of the country, the so-called "snow belt," will be permitted to reverse the growing prosperity of the South and the West in a misguided and ultimately self-defeating effort to bail out the eroding economies in the North.

Mr. President, just this past Monday, I went to a community in southeastern North Carolina called Maxton. There, it was formally announced on Monday of this week that a Campbell Soup plant will be built, first as a distribution center for the great company, and ultimately a canning facility.

Now, of course, the people in the North regret that Campbell's Soup decided to come to North Carolina instead of staying there in the North and confining itself there. But North Carolina attracted this industry, because of the dedication of our people, the climate, the agricultural efficiency of the area, and the distribution potential.

It is this sort of thing that this bill would try to inhibit. In other words, it would try to block the creation of ultimately 1,100 jobs in the community of Maxton, N.C., and its environs. That is one of the things wrong with this piece of legislation, Mr. President. It is fundamentally unsound in its basic premise. If there is any doubt that this is the absolute truth of the situation, that this is not just so much rhetoric, all one has to do is to look at yesterday's cloture vote in the Senate. Of the 22 Senators who represent the 11 Southern States making up the Confederacy, only one of the 22, the junior Senator from Tennessee, voted for cloture.

On the other hand, of the 36 Senators who represent the 18 States from Maine to Minnesota, making up the Northeast-Midwest industrial complex, the so-called snow belt, only three of the 36 Senators voted against cloture.

Maybe that is the real story of this debate. The people, including the citizens of the snow belt, can judge for themselves just how well they are being represented. That is a judgment for them to make and certainly not one for the Senator from North Carolina to make.

Yesterday, Mr. Barry Bosworth, the President's Director of the Council on Wage and Price Stability, predicted that this Nation will face a new recession within 6 months unless inflation can be immediately brought under control. Mr. Bosworth's forecast is, of course, echoed by other prominent economists, Mr. President. Yet we sit here in this Senate day after day on this inflationary piece of legislation. We sit here day after day considering this regional special interest legislation, and we fiddle while the economy of America burns. Nero reincarnated.

If that recession does occur, Mr. President, I suspect there will be no doubt in the minds of the people of this country as to where to place the blame.

So, Mr. President, that is why I am here this morning speaking again, as I have time and time again, in opposition to this so-called Labor Reform Act of 1978. I am opposed to the passage of this bill because, in my judgment and in the judgment of many of my colleagues, and certainly in the judgment of the majority of the American people, these so-called reforms as contained in this piece of legislation are not necessary, they are not called for, and they would not aid in the maintenance of industrial peace, which is the cornerstone of the present, existing labor laws of this Nation.

It might be a little bit different if this bill addressed itself to the aspect of violence which occurs in labor dispute after labor dispute. But not a syllable, Mr. President, can be found in this piece of legislation to confront the situation that existed during the recent coal strike when miners went to work at the risk of their lives, and when those who would transport the coal that was mined were shot at, and were blown up. Oh, no, this labor reform has nothing to say, not one syllable, about violence, or does it have one syllable to say about the corruption in labor unions that is in our news morning after morning.

If we want to talk about reform, let us get down to the brass tacks and approach the type of thing which is of concern to the American people. But, no, this bill that we have before us is not a labor bill nor is it a reform bill. It is a piece of legislation designed to bestow upon the union bosses of this country even more inordinate political power and the power to thrust upon small businessmen the will of the labor union bosses.

All too often, Mr. President, the word "reform" has been used to put those who would oppose the substance of proposed legislation in the unenviable position of being branded as opposed to some sort of bright, new day that the word "reform" implies.

Well, Mr. President, the American people are quickly learning that when the Congress begins talking about reform, the people better put their hands on their wallets because it is going to cost them. Until fairly recently, however, when the word "reform" was used in the political context, it was sort of like mom's apple pie. You were supposed to jump in line and support it, regardless of what the fine print said. All manner of travesties have been perpetrated upon the American people in the name of reform. The Labor Reform Act of 1978 is not mom, it is not apple pie, Mr. President. The substance of the proposed changes goes to the very heart of labor-management relations that have been established through practice, interpretation and accommodation of our labor laws for more than three decades.

It is no secret that one of the well-known strategies in our system of lawmaking is to cloak a thoroughly obnoxious and self-serving bill under the guise of reform, and then let the media take it and bamboozle the American people. I do not think the media does this intentionally. In the rush to cover all of the news I suppose every reporter has the frailty of accepting as gospel whatever some self-serving politician may say about his own piece of legislation.

After all, I cannot think of a Senator introducing any legislation with an unappealing title. We all put the best possible face on anything we introduce. But when we start abusing the word "reform" as it is being abused in this case, then the Senate is going too far.

What this bill does is substantially rewrite the National Labor Relations Act to make it even more difficult for employers and employees to resist legally a drive by a union organizing team. Union organizers would gain several new weapons, which would then be legal, to assist them in forcing union representation and the dues checkoff on working men and women who do not want to join a union or who do not want to pay tribute to a union. But they would have to do so in order to get a job or keep a job. Taken in its entirety, H.R. 8410 and its companion bill in the Senate, S. 2467, amount to an extension of the principle of compulsory unionism.

Mr. President, compulsory unionism is overwhelmingly opposed by the American people. Yet that is what is afoot. That is the purpose of this bill. Strip away the veneer, and there it lies, like a dead fish stinking on the beach. That is the purpose, to force compulsory union membership upon the working men and women of this country who do not want to have to join a union in order to get a job or keep a job.

Union spokesmen and their agents in Congress have made no bones about what they envision as the end result of this legislation. That is the curious thing. They admit it. Yet we hear the word "reform, reform, reform." This bill would

give the labor union bosses powerful tools against the open shop by imposing a host of requirements on employers who elect to combat union organizing efforts. It speeds up the election process by which workers determine if they want a union. As the Washington Star observed, these deadlines hardly give adequate time "for employers to argue their side and for employees to make considered judgments."

The bill provides another club to hold over the heads of employers, the small businessmen of this country, who could be subjected to threats of potentially severe financial penalties if they fail to knuckle under in bargaining for an initial contract, including their acquiescence to demands for a compulsory union shop.

I know that all sort of efforts are being made on this floor and will continue to be made to calm the apprehensions of small businessmen. We are going to hear on this floor—indeed, we already have—"Oh, we are going to take that out; you will not be hurt, and this bill that we will pass in the Senate will be all hunky-dory; so do not worry." It is sort of like the fox talking to the chickens in the henhouse: "Do not worry, I am not going to do anything but eat you."

You just wait, Mr. President, until this bill goes over to the House side; and you wait, Mr. President, and see what we get back from the House side. Under this bill, if the National Labor Relations Board should conclude that an employer refused to bargain "in good faith," he could be forced retroactively to increase wages and benefits by an amount equivalent to other major union settlements throughout the Nation.

Think of the implications of that. This could and certainly would bankrupt many small independent businesses.

To increase the odds that any NLRB finding would be tilted in the union's favor, that Board would be increased from five to seven members. Given the political campaign linkage, it is reasonable to assume that any Carter administration appointees to an expanded NLRB would be sympathetic to the union cause, because commitments have been made. Otherwise, this bill would have been pulled down long ago.

This proposal is reminiscent of the efforts to pack the U.S. Supreme Court during the 1930's. That effort boomeranged on the White House. There was a distinguished Senator from North Carolina, who was one of the leading fighters against packing the Supreme Court. His name was Josiah William Bailey. Senator Bailey's name will always be an honored one in North Carolina, in large measure because he had the courage to stand up on the Senate floor and fight that court-packing scheme. So maybe this effort by the White House and by the leadership will have the same result in terms of the boomerang.

The Senator from North Carolina does not know, but he certainly hopes that the American people, the housewives, the small business people of America, will not be pawns in this political game. That is why some of us, day after day, are on this floor protesting this legislation—not because we enjoy spending hours and hours preparing our arguments or staying on this floor, but because this legislation, simply said, is not good for the American people. It is not wise in terms of the future stability of our economy.

The key concept in labor legislation in the past has been and must continue to be a search for accord between employers and employees. The unrest generated by social conditions in the early part of the century gave rise to the labor laws which, for the most part, gave us the labor peace that was essential. We no longer are confronted with the once common scenes of labor uprisings that we recall from the newsreel films of those earlier days. For the most part, we can thank the labor laws for giving us the framework wherein both parties can meet to resolve their differences, thereby avoiding the conflicts of the past.

The law, Mr. President, is a constantly evolving, living idea.

From the relatively simple framework of statutes dealing with labor relations, the National Labor Relations Board and the courts, as well as employees, employers, and unions alike, have fleshed out the meaning and, in most cases, the intent of what has gone before.

As with the Constitution of the United States, broad statements contained in the statutes and interpreted by those institutions given the power to interpret are really the genius behind our whole system.

Our system allows for constant and evolutionary changes. These changes come about in the same way that attitudes develop. These changes in attitude develop over a period of time, a time of testing, retesting, and application.

So we get back to semantics and the abuse of the word "reform," in so many legislative schemes in recent years.

I realize that the Senator from North Carolina is in the unenviable position of being portrayed by some as being opposed to reform.

I guess it would be well to state specifically why reform in this instance does not, in my judgment, connote a change for the better.

Those who urge the passage of this bill cite many examples of why reform is, in their judgment, essential. Reform, they say, is needed because of abuses of existing law in the past.

No one can deny that employers and unions alike have violated the existing law. But examples of law violations are not necessarily reasons which support a call for reform in every instance.

Those who urge reform cite the excessive delays which are now such a destructive factor in the current labor relations area. They argue that delay is used as a tactic by employers, and I would add by unions, to put off inevitable consequences not to their liking, and this is a game that is played both ways.

In our present legal system, it simply takes a certain amount of time for issues to be fully and completely developed, investigated and argued. The circumstances, very often, are peculiar to one site, one locality. It simply takes time for those who are to hear the arguments under particular circumstances to be ready and in a position to hear all of the arguments that need to be heard.

Mr. President, it simply takes time for those who hear the arguments to consider fully the arguments which they have heard, and thereafter to make the right choices and the right decisions, based upon what has gone before. In a process of that sort, delay is inevitable.

But delay is not in all cases a negative concept. The passage of time insures that ideas expressed previously will continue to be acceptable. This insulates all of us touched by those decisions to avoid the peaks and the valleys caused by hasty and ill-considered decisions. As a result, instead of wild fluctuations in policy, our system blesses us with a gradual synthesis of ideas so that we have time to look back to see where we have been and to make intelligent guesses at where we are heading.

This diminishes the volatility in the system, and it is a virtue that does not exist in many governments around the world today where volatility is the order of the day, where systems are overthrown and mores are disregarded and traditions are trampled under foot.

The passage of time, therefore, is not inherently a negative concept and should not be regarded as such. And this is important in consideration of this measure and in the arguments in connection therewith.

Arguments to eliminate the passage of time, to eliminate full consideration are actually arguments to do harm to the system. A delay for the sake of delay is not acceptable, but it can be eliminated within the system and by established precedents.

Those who are urging the Senate to approve this bill cite what they call the necessity to realine the balance of power between business and unions. That depends, Mr. President, upon the perspective.

The Senator from North Carolina feels that perhaps there should be a realinement of that balance of power because, as it now stands, it is weighed far too heavily on the side of labor unions in terms of the participation by the Federal Government in the process.

The scale that weighs the balance of power is a very sensitive instrument, or should be. Individual examples of what some may call excessive power of business and employers can be cited, yet in the same breath excessive powers of unions and labor organizers can be cited also.

The apparatus which balances the power is the body of law which has developed and continues to develop over the years. This body of law, through statutory and case law, is intended to allow much finer adjustment of the apparatus than some people might want and indeed a finer adjustment than some people might think possible. The overall policy is to insure and maintain industrial peace. It is against that standard that the power of each side seeks its own level.

This Senator does not feel that it is

within the concern of the Senate to place a heavy thumb on one side or the other when we have an instrument that over a period of time insures that the powers can be in balance.

Those who urge this so-called reform say that the representation process must be accomplished more quickly. Yet, overall, the representation process in the vast majority of cases takes place with dispatch and is accepted by all parties concerned.

Mr. President, fingers have been pointed, but that does not help us make an informed decision which would affect the entire labor relations field. We must remember that what we do here affects all businesses and all unions and not just those individual entities at which the accusing fingers have been pointed.

Those who urge this so-called reform say that we must put teeth into the law and make the punishment fit the crime. That is rather high-flown rhetoric, considering the complete absence of focus on the real defects that became apparent during the coal strike a few months ago and considering the almost daily reports of corruption in labor unions.

Those who urge this so-called reform sometimes fall back and say that we have an old law and that it needs to be changed for that reason. That is certainly no reason for change.

The law may have been last changed in 1959, but since that time, and even before that time, the fine-tuning process of decisional law has maintained stability to a rather high degree throughout the entire system.

We need not fear laws that, simply by the passage of time, earn the distinction of being an old law. Old law is bad only when its underlying policy no longer applies to the present.

In terms of years, the National Labor Relations Act, as it has been amended, is, I suppose, older than some of the other reform laws more recently passed. But the underlying policy is still vital and it is still worthwhile. The reforms that have been urged would alter that original policy, and I firmly believe, Mr. President, that if this so-called Reform Act were to pass, in time the relative stability of labor relations in this country will degenerate to a point at which our successors will be forced to consider corrective legislation and undoubtedly drastic corrective legislation.

But the point is this, Mr. President: This bill will not improve the labor climate in America. It will, in fact, harm it so seriously that our economy and our small businesses may really never recover.

That is because, as I have said over and over again in these remarks today and in preceding remarks, this bill tips that balance so heavily in favor of the union bosses, and that is why they want this bill passed. That is why they are demanding that it be passed.

As an example, an employer who suddenly finds himself with a petition for a representation election under the proposed reform act would be compelled to do several things immediately. He would, first, have to find out what the union has already said to his employees; then, he must also plan what he wants to say to his employees in his own behalf, all of which takes time.

I do not mean delay. It just takes time to find out where one stands in a case like this. It takes time in which to reach the employees with the message of the employer, and it takes time in which the employees may compare the message of the employer versus that of the union organizer. It takes time in which the employees can make up their own minds based on what they have heard from both sides.

That is what this present debate is all about. The proposed change mandating quick elections within a specific time period simply would not effectuate the purposes of the act in insuring employees free choice in choosing their representative, if any.

With the passage of this proposal, employers nationwide would be put at an unfair and inequitable disadvantage. They would be handicapped at the starting gate in, perhaps, one of the most important races they will run in terms of the survival of their businesses.

This so-called reform act also contains provisions for the debarment of certain employers from holding Federal contracts. A charge can be brought that there has been a willful violation of a final order of the Board or a court, and from that a complaint can be issued.

Debarment occurs if a violation has occurred within 3 years of the order, and the willful violation is shown by a simple preponderance of the evidence. Then the Board certifies the name of the employer to the Secretary of Labor, who then certifies that name to the Comptroller General, who then circulates a list to all U.S. Government agencies, and, bingo, on this basis no Federal contract will be awarded to the alleged violator for up to 3 years, depending on the seriousness of the alleged violation.

This Senator finds it very difficult to understand why this measure is necessary under the current situation of our labor-management relations. Is not the extraordinary remedy of contempt a sufficient deterrent for willful labor law violators? Debarment is such an extreme remedy that an entire business can be wiped out because of a dispute in interpretation proven merely by a preponderance of the evidence. Not only would the business be wiped out but with the end of the business the jobs of its employees would be wiped out.

What similar provisions, Mr. President, are included in this so-called reform act to punish in an equally severe manner willful union violators of labor law? Where is the equity? Where is the equality? Where is the justice? The answer to that, Mr. President, is that it does not exist in the legislation before us.

Let us face the fact that some employees are not good employees and, therefore, must be dealt with or disciplined according to established business practices. With the debarment remedy either the employer will cease taking any and all actions against employees because of the extreme danger of debarment on the slightest allegations of illegal conduct or the employer will fight it all the way to the Supreme Court, as the saying goes. Neither of these choices is attractive. The first is not attractive because failure to take action against employees who deserve to be disciplined destroys morale, it lowers production, and it increases the cost of the product or service to the consumer. That is poor business.

Second, in fighting the case all the way to the Supreme Court, as the saying goes, an employer would expend huge sums in unnecessary litigation in order to save his own business; and this whole process establishes one more tier of litigation, one more division of authority within the NLRB, one more bureaucratic channel, and more disregard for the law in general.

There are other provisions of this piece of legislation which I have not touched upon, but I would hope that the arguments I made to this point might compel any reasonable person to reject these proposed reforms because the law as it now stands adequately protects employees in their rights of self-organization, and we need not tamper with that delicate balance at this time.

Throughout these debates, those of us who oppose this bill have touched upon the various costs and expenses and delays which we see coming as a result of the measures contained in H.R. 8410.

The General Counsel of the National Labor Relations Board prepared his own estimates on the effect of the Labor Reform Act. The General Counsel's staff alone would increase by 900 employees, and an additional $28 million of the taxpayers' money would be necessary to finance this increase in staff.

The General Counsel of the NLRB warned of what he called a surge of litigation and he estimated an additional $2 million just for the new Board members and their staffs, and he said that unions can be expected to intensify the organizational efforts in units in which they were previously unsuccessful.

All in all, he says—and I am referring to the General Counsel of the National Labor Relations Board—"There would be an increase in charges and petitions."

These would all be direct consequences of the passage of the Labor Reform Act of 1978. And, Mr. President, if the direct costs are not bad enough, the huge effects of the hidden costs of increased litigation upon the national economy are even worse. Employers would be forced to spend huge sums of money vindicating their principles, rather than putting that money into production and into the creation of additional jobs.

The President's expressed goal, and certainly the goal of the Senator from North Carolina, which is decreasing the size and cost of the Federal Government, is hopelessly lost if this purely special interest legislation is mistakenly approved by the Senate and by Congress.

(Mr. DECONCINI assumed the chair.)

ORDER OF PROCEDURE

(The following proceedings occurred earlier:)

Mr. HELMS. Mr. President, I am advised that the able Senator from Massachusetts (Mr. KENNEDY) is under a tight time frame and desires the floor. I ask unanimous consent that I be allowed to yield to the distinguished Senator from Massachusetts on the condition I not lose my right to the floor, that his remarks appear at the conclusion of my remarks and that the resumption of my speech not be considered a second speech.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I yield to the distinguished Senator from Massachusetts.

Mr. KENNEDY. I thank the Senator from North Carolina.

Mr. President, I ask unanimous consent that Mr. Urwitz and Mr. Feinberg be granted privileges of the floor during the consideration of this pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, as debate continues on H.R. 8410, one of the major arguments against the bill is that it does not address the issue of union violence and union corruption, but only the issue of employer misconduct. Implicit in this argument is that the bill is too one-sided and that organized labor is not concerned with these issues of violence and corruption.

I thought, as a member of the Criminal Laws Subcommittee of the Judiciary Committee, that it would be appropriate to comment on the relevant sections of existing law, and also the provisions present in the criminal recodification bill (S. 1437) that passed the Senate and is still awaiting House action.

Basically, Mr. President, the arguments are specious attempts to divert attention away from the merits of H.R. 8410. The issue of union violence and corruption is little more than a "red herring" in this debate. First, H.R. 8410 is not designed to deal with the issue of criminal wrongdoing by labor officials. Existing Federal and State criminal laws are available for that purpose and are part of current law. Second, the fact is that the great majority of union affiliates are free from the taint of corruption and violence: the fact that some unions and union members may be convicted of crime is no justification for indicting the entire labor movement, as some opponents of H.R. 8410 during the course of this debate are attempting to do.

To those who maintain that H.R. 8410 is deficient because it lacks Federal provisions directed at labor, let me outline briefly the major Federal laws currently part of the criminal law:

First. Section 302 of the Taft-Hartley Act (29 U.S.C.. 186) prevents unions or union officers from abusing their position by accepting bribes, or extorting money from empoyers. See *Arroyo* v. *United States*, 359 U.S. 419 (1958).

Section 302(b) makes it unlawful for a union or union official to "request, demand, receive, or accept or agree to accept, any payment, loan or delivery of any money, or other thing of value" from the employer. From this broad prohibition, Congress excepted only those transactions necessary or appropriate to the conduct of a union's legal business—for example, dues checkoffs and satisfaction of court or arbitration awards.

Second. Section 501 of the Landrum-Griffin Act prohibits abuses by union officers with respect to money and property belonging to the union. Section 501 places upon union officers broad fiduciary responsibilities as to all union property:

> Any person who embezzles, steals, or unlawfully and willfully abstracts or converts to his own use, or the use of another, any of the moneys, funds, securities, property or other assets of a labor organization of which he is an officer, or by which he is employed, directly or indirectly, shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

See *McNamara* v. *Johnson*, 552 F.2d 1157 (7th Cir. 1975); *United States* v. *Ottley*, 509 F.2d 667 (2d Cir. 1975); *United States* v. *Silberman*, 430 F.2d 106 (2d Cir. 1970).

Third. 18 U.S.C. 664 provides protection against misuse of the funds of an employee welfare benefit plan or employee pension benefit plan or any fund connected therewith. This section makes it a crime (punishable by up to 5 years in prison and up to a $10,000 fine) for "any person"—be he in management or in labor—to fradulently misuse such funds. The section prohibits all forms of misuses: embezzlement, theft, and conversion. It also protects all assets of pension and welfare plans: moneys, funds, securities, premiums, credits, property, or other assets.

Fourth. Section 530 of the Landrum-Griffin Act makes it a criminal offense for "any person"—in management or labor to "willfully" restrain, coerce, or intimidate any member of a labor organization by means of force or violence for the purpose of interfering with or preventing the exercise of any right granted under the act.

Fifth. The Hobbs Act, 18 U.S.C. 1951, the present Federal extortion provision, is a major weapon against illegal union conduct. It prohibits a union officer from coercing and extorting payoffs from an employer. Further, the provision prohibits a union from coercing an employer to provide "wages to be paid for imposed, unwanted, superfluous, and fictitious services to laborers." See *United States* v. *Green*, 350 U.S. 415, 417 (1956). This extortion provision deals directly with such matters as labor extortion. It prohibits physical intimidation or violence directed at unorganized employees or employers.

Sixth. Finally, unions and union officers are currently subject to the Federal criminal antiracketeering provisions (18 U.S.C. section 1962). The general antiracketeering provisions are yet another part of the fabric of present Federal criminal laws available to attack improper conduct by unions and union officers.

The laws are on the books: if vigorously enforced, the Federal criminal law is more than adequate—indeed it is an effective weapon—to deal with illegal labor conduct.

But an additional point should be made. To those who question organized labor's motives in failing to eliminate illegal union violence and corruption, I offer firsthand evidence of the contrary—the vigorous support of the AFL–CIO in strengthening the criminal provisions of S. 1437, the Criminal Code Reform Act of 1978. As the Senate knows, organized labor worked closely with members of the Senate Judiciary Committee in developing and vigorously supporting S. 1437.

For a period of over 1 month, the staff members of the Senate Judiciary Committee worked closely with Larry Gold and others of the AFL–CIO in an effort to draft sections of S. 1437, which would deal fairly but firmly with the problems of labor violence and corruption. Organized labor made it very clear during the debate over S. 1437 that illegal labor activity should not be condoned, and that union corruption is a blight on the entire labor movement.

Working closely with organized labor, the following major sections were strengthened in S. 1437:

First. Section 1722 (extortion) modifies the rule announced by the Supreme Court in *United States* v. *Enmons* (410 U.S. 396), thus permitting successful Federal prosecutions of extortionate acts by union leaders aimed at exacting money or other benefits from an employer in the course of a labor dispute. This provision was drafted in consultation with the Department of Justice and organized labor to assure that criminal wrongdoing by unions did not fall outside the scope of the Federal extortion statute.

Second. A new section, 1752 (labor bribery), creates a new offense of paying or receiving a bribe to influence a union or union official's actions regarding union membership or work placement. It also prohibits the payment or receipt of bribes to those who administer or exert influence over any type of employee benefit plans. And, by abandoning the restrictive definition of "employer," the section reaches bribes by public officials as well.

Third. Section 1731 (theft) makes it a crime to steal or embezzle assets of all trust funds established by employers, employee organizations or their families, not simply pension and welfare funds. This is an extension of current criminal provisions; S. 1437 extends the law to cover all funds, not only pension and welfare funds.

Fourth. Finally, in recognition of the need for legislation specifically aimed at organized criminal activity, S. 1437 includes a group of antiracketeering offenses (1801–1806). Most of the provisions bring forward current law as contained in the Organized Crime Control Act of 1970. However, current law lacks provisions aimed at offenses involving misuse of union pension and welfare funds (section 1752) within the definition of "racketeering activity." In contrast, the revised code does include such offenses within this definition, thereby

permitting more effective prosecution of these crimes.

The penalty for racketeering is 20 years. Only national security offenses and a very few other offenses have a more serious criminal penalty than these provisions dealing with racketeering activity. These were added and strengthened with the support of the labor organizations.

Mr. President, the strength and weaknesses of the entire Federal criminal law were debated at length for 10 days earlier this year. Many of the opponents of H.R. 8410 joined with me at that time in vigorously supporting S. 1437. Their support was, frankly, instrumental in the overwhelming bipartisan support for passage of S. 1437. I do not recall even the slightest suggestion that S. 1437 was deficient in its treatment of criminal wrongdoing by organized labor. I do not believe such a charge could fairly be made.

Consideration of S. 1437 not H.R. 8410 provided the Senate with the opportunity to address the issue of criminal sanctions against illegal labor activity. Organized labor supported S. 1437; it recognized the need both for a comprehensive Federal criminal code and vigorous enforcement of laws against illegal labor conduct. We should not now become embroiled in a debate which has no place in consideration of the pending measure.

It seems important to me, in listening to this debate and reviewing the RECORD, that the Members of the Senate clearly understand what the law is currently and the various strengthening provisions of S. 1437.

Certain provisions were strengthened with the very strong support of the AFL–CIO and others who are the representatives of the American worker. Why? Because they, too, want to root out the criminal element where it exists.

By mentioning these provisions, I do not want to suggest that we did not address the issues of white-collar crime as well in S. 1437. We did, and we strengthened those provisions; and in some important instances we had the support of many of the leading businesses of our country.

So, in both the area of white-collar crime and illegal labor conduct, we strengthened the provisions of current law in S. 1437. We did this with the support of enlightened groups that recognize the importance of doing so in order to protect legitimate business and union activity. It is important to place such arguments that have been raised during this discussion and debate in their proper perspective.

I thank the Senator from North Carolina for his willingness to yield.

I yield the floor.

(Conclusion of earlier proceedings.)

THE NEED FOR LABOR LAW REFORM

Mr. WILLIAMS. Mr. President, there is a disheartening sameness about these cases which I have been relating to the Senate each day of the debate on this labor law reform bill. These cases all involve individuals whose rights have been violated, and what emerges from these cases is that fact that whether it is the employer or the union which engages in unlawful conduct, it is the innocent victim who suffers while the long, arduous bureaucratic procedures of the National Labor Relations Board slowly grind away in an effort to secure justice.

The case of Letha Tyler Miller is but another example of how it is the innocent who suffer while the legal proceedings drag on—of how the innocent must often bear the burden, both economic and legal, in order to vindicate their rights.

WHY AMERICA'S WORKERS NEED LABOR LAW REFORM—CHAPTER FIFTEEN

Mr. President, this is the 15th of these cases presented during this debate. We have hundreds, but I hope we will finally have this measure decided and disposed of long before I have the opportunity to present all of these human, heart rending cases, to the Senate.

In May of 1965, the International Ladies' Garment Workers' Union commenced a drive to organize the workers of Marlene Industries at its various plants in Tennessee, Alabama, and South Carolina.

The employer set out on a comprehensive effort to counter the union's drive. This included surveillance of employees engaged in union activities, threats leveled against union organizers and union adherents and other coercion.

In one city, the employees were invited to a dinner, at which they were addressed by company officials and representatives of the local development commission. The development commission official told the workers that the contract between the company and the development commission permitted the company to close down if the company were unionized. He pointed out that if the plant were unionized, it might as well close down, and if that occurred, no employer in the area would hire the workers if they were known to be union members. The company never disavowed any of these threats.

When employees persisted in their union drive, the company fired 17 workers at the plant in this city, including Letha Tyler Miller.

These discharges, together with the other antiunion activity of the company, formed the basis of unfair labor practice charges which were filed with the Board.

On July 3, 1967, more than 2 years after this activity started, the Board found the antiunion activity to be violative of the act, and found the 17 discharges to be unlawful. The Board ordered the company to reinstate Letha Miller and her 16 coworkers, and to pay them backpay.

More than 18 months later, on January 29, 1969, the U.S. Court of Appeals for the Sixth Circuit agreed with the Board that this was "an aggravated case of deliberate and flagrant violations of the act" and affirmed the Board's findings.

After the circuit court issued its decision, the Board's administrative law judge held a backpay hearing. At the hearing, one of the issues was how hard Letha Tyler Miller looked for other employment. The company argued that Miller, who had no interim earnings during the backpay period, did not look hard enough for other work. The Board disagreed, noting that she appeared at the State Unemployment Office every week for 22 weeks; that she received the maximum State unemployment compensation; that she followed up on a job referral by the unemployment agency, only to be told that "they were not hiring"; that she tried to secure other employment; and that on two occasions she journeyed to distant cities in search of work, only to be denied employment because she was not a local resident.

In view of these facts, the Board stated that the company had not sustained its burden of proving that Letha Miller willfully incurred a loss of interim earnings. The Board ordered the company to pay Miller her backpay.

The company again sought review of the Board's order in the sixth circuit, and that court, on April 12, 1971, affirmed the Board and enforced its order.

Mr. President, it took 6 years for Letha Tyler Miller to secure her backpay order. Letha Miller was the innocent victim of discrimination, who searched week after week after week for work so that she could support herself. And the best our system could do for her was to make her wait 6 years while her case was litigated, while her fate bounced back and forth between the National Labor Relations Board in Washington and the circuit court in Cincinnati.

Letha Miller's' ordeal would have been considerably eased under the provisions of this bill.

Because her illegal discharge took place in the context of an organizational campaign, Letha Miller may have been eligible for temporary reinstatement by court order while the matter was being litigated. The measure of backpay would have been determined by a fair formula, and backpay would be mitigated by her actual interim earnings. Letha Miller would not have been put through the ordeal of having to prove that despite her weekly effort to secure other work, she did not deliberately fail to mitigate her employer's damages.

It is cases like Letha Tyler Miller's that labor law reform is all about.

Mr. TOWER. Mr. President, if the Senator from New Jersey will indulge me, it is my understanding that the Senator from New Jersey is agreeable to, at the hour of 12:45 p.m., going under controlled time, to be equally divided.

Mr. WILLIAMS. That is right.

Mr. TOWER. Mr. President, it is also my understanding that this has been cleared with Senator BYRD, of West Virginia, and that it is acceptable to him as it is to the Senator from Tennessee.

Mr. WILLIAMS. That is correct.

Mr. TOWER. Therefore, I wonder if we can propound a unanimous-consent agreement, that beginning at the hour of 12:45 p.m. the time remaining prior to the time for the vote on cloture be equally divided between the Senator from New Jersey and the Senator from Texas.

Mr. WILLIAMS. That is agreeable.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, during the past 17 days of debate, we who support reform of our Nation's labor laws have listened to the concerns of our fellow Senators. We have tried to respond to these concerns in a manner which will retain the objectives of the legislation before us, and the supporters of this bill have offered a number of amendments to the bill, designed to do just this.

But the opponents do not want to discuss these amendments. They do not want to let the Senate consider them.

Because, for all the rhetoric of 17 days of debate, the hardcore opponents of this bill do not want to see an effective labor law reform developed. While arguing day after day after day that this bill needs revision, they do not want to consider revision.

Before voting for cloture, the Senate should consider how far the supporters of labor law reform have journeyed in trying to accommodate the concerns of the opponents, and just how sincere the opponents really are when they voice these concerns.

Mr. President, the substitute amendment, No. 2445, offered by the distinguished majority leader and more than a score of our colleagues, has been drafted to respond to many of the criticisms of the committee bill which have been voiced in the Senate during the 15 days of debate on this bill.

Yet the substitute amendment has been deemed sleight of hand, which does not respond to the criticisms which have been voiced.

I am at a loss to understand how this charge can be leveled against the substitute amendment, and perhaps it would be worth the time of the Senate to go over the debate, to recapitulate some of the criticisms of the committee bill, and see how the substitute amendment addresses these concerns.

Let us start with a discussion of the "make-whole" remedy provided by the bill. The principal criticism of this provision was that the committee bill tied the measure of damages to the Bureau of Labor statistics major collective-bargaining index, an index of collective-bargaining agreements for units of 5,000 employees or more.

The criticism was that this provision did not reflect the wages and fringe benefits paid by small businesses and was thus unfair to these employers.

On May 23, 1978, the Senator from Texas (Mr. TOWER), referring to the make-whole remedy, said, at page 14960 of the RECORD:

> Those are small businesses. The principal thrust of this bill is going to be against small employers. Here the Senator is going to tie it to a 14.6 percent increase for plants or businesses with 5000 employees.

Two days later, the Senator from Oklahoma (Mr. BARTLETT) expressed the same concern at page 15513 of the RECORD:

> And the remedy as proposed is particularly unfair, for it requires payments by small businesses determined in big business units of 5000 or more employees.

The Senator from Oklahoma continued, at the same page, to argue that this would be particularly disadvantageous to small businesses:

> Compensation in such cases would be based on wage and benefit scales negotiated for establishments with 5000 or more employees. But, establishments of this size are the most highly unionized and paid the highest wages. Imposition of these maximum wage scales on small businesses is inappropriate and an unfair cost burden * * * this added economic disadvantage will make it increasingly difficult for small businesses to compete and survive.

Those were the words of our very esteemed colleague from Oklahoma. I read them today; we listened to those comments back in the early debate.

The Senator from Kansas made the same objection a few days later, at page 16184 of the RECORD. He said:

> While this make-whole remedy represents a fundamental shift in board policy concerning collective bargaining, it would also make an unwarranted penalty for small businesses.
>
> It is difficult to understand why the average wage and benefit settlements index is an appropriate standard. This index penalizes employers whose wage rates may be less than the index. An analysis of the companies comprising this index shows such industries as telephone, steel, automobile aluminum, and rubber industries. * * * Thus, by definition, these settlements will be significantly greater than the normal first contracts for a small employer.

Mr. President, the proponents of this legislation have been listening to these debates, and we have been trying to meet legitimate concerns. The index, based on major collective bargaining agreements, did in fact seem to be unfair to smaller employers, and we were most happy to learn that the Bureau of Labor Statistics had developed another index, reliable and reflective of all collective bargaining settlements, both large and small.

This index, the employment cost index, is weighted to reflect the proportion of settlements in small and large industries, and including it in the make-whole section of the substitute amendment demonstrates the good faith of the proponents of this bill and our desire to accommodate the legitimate concerns of the opponents.

I am, therefore, amazed when the Senator from Utah (Mr. HATCH) and others say that amendment No. 2445 does little to meet the objections to the make-whole remedy.

It should be clear from a reading of the substitute in this regard, from the explanations of what that substitute contains, that we have responded and done exactly what we were urged to do; that is, provide an index that is appropriate to small business. That is a substantial change, urged upon us and willingly accepted by those of us who are proponents of this bill.

We have made a major contribution to what was described as and, indeed, fairly seemed to be an unwise and unfortunate indexing under the bill originally. This provision in the substitute straightens that out, I suggest to my friends, completely.

Another provision of the committee bill which generated considerable opposition deals with the provisions for expedited elections. The committee bill provided that where the unit sought was clearly appropriate, and where the petition was supported by a majority of the employees in that unit, the election should be held within 21 to 30 days after the filing of the petition.

We heard, over and over again, that this was just too short—that these were "quickie" elections—that this period would not permit employees to receive adequate information before they went into the polling booth.

We heard that this provision would result in a lopsided tilt in labor's favor, since unions would have all the time they needed to make their case, but that the employer, particularly the small employer, would be caught by surprise, and would not have adequate time to make his case to the workers.

Again, let me burden the RECORD with some of these statements of concern. On May 16, 1978, the Senator from Utah said:

> I think it is important for us to realize that these quickie elections, for instance, do not give enough time to explain his side of the matter. In many cases, being a small businessman, he may not even know a labor lawyer to go to, and even if he can get an appointment he may not be able to get an appointment that will do him much good before the union election is held.

His statement can be found on page 13837 of the RECORD.

The Senator from Oklahoma (Mr. BARTLETT) voiced similar sentiments on May 25, 1978, when he said, on page 15600 of the RECORD:

> Employees will have no opportunity to be fully informed about the consequences of their vote. * * * H.R. 8410 requires that an election be held so quickly that an employer has no time to advise his employees of possible adverse consequences of unionism. This is particularly true of small businessmen who often know little about labor law or where to go for advice and counsel.

The Senator from Utah (Mr. HATCH) explained the situation with his usual drama, on May 23, 1978, at page 14973 of the RECORD:

> The fact is that in a typical organizing effort the union goes underground and conducts a covert operation during which time the employer is either completely in the dark or, at best, experiences equivocal and ambiguous vibrations. * * * When the union feels it has sufficient strength, it surfaces and files a petition. * * * The typical small business does not have a personnel director on board and has not had occasion to search for or retain outside labor counsel. * * * When confronted out of the blue by a union petition filed with the NLRB, much of his initial time is spent simply sorting out the dimensions of the situation, trying to find out what he is permitted to do and deciding what he should do. * * * The fact of the matter is that if a union petitions for a "quickie" election, there simply will not be enough time left, once the employer gets his bearings, to inform his employees about this union, its track record, the weak points of its propaganda or the misrepresentations it might have made.

That was a very appealing speech by the Senator from Utah on that day in May.

The senior Senator from Utah (Mr. GARN) echoed this concern on May 23, 1978, at page 14964 of the RECORD.

In order to "speed up" these elections, the bill would require that the board order the election within 21 to 30 days if a majority of the employees support it and within 45 days if less than a majority support the representation election. This is clearly discriminatory as it is obvious the unions have the advantage—"if the support necessary for an election victory already has been secured, then expedite the election before management has an opportunity to present its views to the voters and for the voting employees to hear everything they need to know; otherwise delay the election until additional support can be generated."

The Senator urged a search for common ground, a search for compromise:

I do not think there is any doubt that there are many cases where they should be speeded up. There is no doubt at all. But can we not reach a balance? Can we not reach a reasonable period of time when both management and labor have had an opportunity to present their cases rather than to try and have these hurry-up quickie elections and cram unions down people's throats before they had had an opportunity to hear both sides?

This can be found on the same page of the RECORD.

Later the same day, the Senator from Utah (Mr. GARN) repeated the request that some common ground be found on page 14968:

I do not know why we cannot work out some balance, some reasonable period of time, which gives both management and labor the opportunity to be heard fairly and honestly and their employees to hear fully both sides of the case. And then have an election, without business having the opportunity to string it on for years, as has happened in some cases, or labor to be able to railroad and have it so you can smell the railroad smoke as it goes through the hall.

That was one of the most reasonable, responsible, and, again, appealing statements that has been made in this long debate. I, with others here on this side, who are trying to fashion a bill that will make a constructive contribution to labor-management relations in this country, listened. We thought about what would be a fair time period for the holding of elections. We searched for a period which would permit employers enough time to adequately inform their employees of their views, while still preventing unnecessary delay. The opponents themselves had some solutions to offer.

On May 23, 1978, the Senator from North Carolina (Mr. MORGAN) had this to say:

At present—82 percent of all elections ordered by the Board take place between 12 and 43 days. Now that seems pretty effective to me. It is long enough for both sides to make their final arguments to the employees and not too long that any side loses its advantage.

The Senator from Utah (Mr. HATCH) had similar advice. On May 16, 1978, at page 13843 of the RECORD, the Senator said that the 45-day limitation was the "more reasonable" one.

And our intent is to be reasonable, if 12 to 43 days seemed "pretty effective" to the Senator from North Carolina, and 45 days seemed "reasonable" to the Senator from Utah, then between 35 and 50 days appears to be a good compromise. The amendment of the distinguished majority leader provides just this period. It assures that the employer will have adequate time to state his case by providing that the election cannot be held until the employer has 35 days after he first learns about the union organizing drive to tell his workers his side of the story. The amendment says that the election must be held within 50 days of the filing of the petition.

Imagine the surprise of the sponsors of the amendment when they learned that in the opinion of the Senator from Utah (Mr. HATCH), 35 to 50 days was even worse than 21 to 30 days. Instead of "quickie" elections, he said, we would now have "instant" elections.

When pressed for an explanation, the Senator from Utah noted that under the provisions of the committee bill, the countdown started when the union filed the petition, while under the amendment, the countdown could start with the serving of notice. The Senator argued that under these provisions, the union could serve notice, then lay back, and when it finally filed its petition, 34 days later, the Board could schedule an election on the very next day, or within a matter of 2 or 3 days.

But the Senator from Utah knows that this is impossible. He knows that it takes time to schedule an election. He knows that there are internal procedures built into the Board's processes which require that some time elapse between the filing of the petition and the holding of the election. The Senator from Utah knows this because he said so on May 23, 1978, on page 14970 of the RECORD:

75 percent of all representation elections are conducted within 60 days of the petition's filing date, and within that figure is a 10-day period which cannot be reduced because, under the board's excelsior rule, the union must have in its possession for 10 days a list of the names and addresses of eligible voters. . . .

What are we to conclude from the Senator from Utah's new criticisms of the substitute amendment? We must conclude that the efforts of the supporters of this bill to find common ground will be rejected, no matter how reasonable—no matter what lengths we go to to accommodate the expressed concerns for our opponents.

Perhaps the most severely criticized provision of the committee bill is the so-called equal access provision, a provision that was intended to insure that employees are given the opportunity to hear from both sides during an organizing campaign.

There were numerous objections to the provisions of the committee bill in this respect—centering mostly on the arguments that equal access would work a hardship on small businesses, that it was unfair to require employers to subsidize the union's drive by paying employees to listen to the union message, that the union's access would be disruptive of production, and finally, that there would be hoards of union organizers invading an employer's private property.

Let me again state for the record what has already been said before by the opponents of this bill. With respect to the potential for hoards of union organizers invading the employer's premises, on May 16, 1978, the Senator from Kansas (Mr. DOLE) had this to say, at page 13848 of the RECORD:

Fifth, there is an additional problem concerning the number of union officials who should be permitted on the company premises. Union campaigns usually entail the efforts of significant numbers of organizers who will surely want to spread their union information. Organizers canvassing company premises would seriously disrupt the workplace and should not be tolerated.

Three days later, on May 19, 1978, the Senator from Utah (Mr. HATCH) said at page 14564:

Fifth, there is an additional problem concerning the number of union officials who should be permitted on the company premises. Union campaigns usually entail the efforts of significant numbers of organizers who will surely want to spread their propaganda. However, the thought of a parade of organizers canvassing company premises should not be tolerated and, therefore, a maximum number of two officials should be set out in this provision.

Several Senators argued that the equal access provision was unfair to employers because it could result in serious disruptions of production. On May 22, 1978, at page 14738, the Senator from Wyoming (Mr. WALLOP) said:

For the life of me, I cannot understand how anybody could force that circumstance on an employer, where somebody is ordered by law to have access during the employer's productive time, on his premises.

Senators were also concerned that the access provision would result in serious disruptions of production. On May 18, 1978, at page 14281, the Senator from South Carolina (Mr. HOLLINGS) addressed the issue:

That is absolutely unfair coming in and stopping production. . . .

Later that day, at page 14279, the Senator from South Carolina drew an analogy we all could understand:

Suppose we had organizers running around the office meddling around with all the assistant secretaries. We could not operate the office.

On May 23, 1978, the Senator from New Mexico (Mr. SCHMITT) expressed the same concern, at page 14977 of the RECORD:

Under this bill, should management make any statement during working hours, union leaders would have the right to stop production and also to address employees during working hours.

Finally, the Senator from Virginia (Mr. BYRD) had this to say at page 16499:

I recognize that the employer is the "trigger" in the captive audience situation. But he is faced with a rather disheartening choice under the "equal access" proposals. If he chooses to initiate a discussion related to the election issue, which may be costly in terms of loss of production time, he faces the additional loss of company time when the union

exercises its "equal opportunity" to do the same.

The Senator from Utah picked up this same theme the next day at page 14291:

Why should he have to subsidize the unionization of his own business.

And later,

He is going to have to open up those premises at his own expense.

And still later,

I do not want that businessman to have to subsidize the unionization of his own business.

On May 17, 1978, the Senator from California (Mr. HAYAKAWA) said at page 14047, that he objected to:

Requiring employers to subsidize union organizing.

Finally, on May 26, 1978, at page 15656 of the RECORD, the Senator from North Carolina (Mr. MORGAN) asked:

Why should the company have to foot the bill for a union who is trying to take over partial control of their company?

On June 5, 1978, at page 16182, the Senator from Kansas (Mr. DOLE) expressed his concern that the equal access provision was both unfair to and not needed in connection with smaller businesses:

Each of these advantages is an even greater tool in a small business organization campaign—as drafted, this provision appears to apply to such situations as a small group meeting conducted by an employer in which the subject of unionization is discussed, despite the fact that it is only one of numerous subjects covered. When a small businessman has daily, repeated contacts with his employees, casual conversation concerning unions is much more likely to occur. The Senator from Kansas doubts whether the employees would be benefited from requiring an equal opportunity for unions in such a situation.

Mr. President, the substitute amendment of the Senator from West Virginia (Mr. BYRD) answers all of these concerns. It prohibits union access during working time or in working areas, so there is no possibility of disrupting production. It limits the number of nonemployee organizers who can be permitted on the employer's premises; indeed, it adopts the limitations suggested by the Senator from Utah (Mr. HATCH). And, it prohibits union access when the employer has fewer than 10 individuals on the payroll, so as not to work an undue hardship on small businesses.

Yet the opponents tell us that the substitute amendment does not answer their concerns.

Mr. President, we can do no more than listen to the concerns of the opponents and respond. This we have done in good faith. But it is obvious that the hardcore opponents only want to raise objections—they do not want to search for solutions.

But it is now time to search for solutions.

Mr. President, 17 days of debate in the Senate have served to crystalize the issues. Those who oppose this bill have told the Senate what they think is wrong with this bill—what they perceive as its weaknesses—elements that they have perceived as unfair.

We who support labor law reform have listened, and we have over and over demonstrated in word and in deed, our willingness to understand these complaints and to accommodate them.

But the arguments in opposition have also ranged far afield of the legislation before us. We have heard of the fiscal problems of New York City. We have heard of the economic development of various States. We have heard of the public disgust with high taxes and poor government services. We have heard of the inadequate enforcement of the criminal law.

We have also heard general dissatisfaction with labor unions. We have heard that labor unions are too powerful, but that is not within the ambit of the bill before us.

If labor unions are powerful forces in our society. It is only because they are Representatives of America's Workers—and workers are a powerful force in our society. In addition, it should not be forgotten that labor unions use their power for the benefit not only of their own members, but also for our society.

Labor unions have been the staunch supporters of legislation to assure adequate wages, eliminate discrimination, promote better health and welfare, and to improve our Nation's education programs. As the voice of our working men and women, our labor unions reflect that which is good in America—our compassion, our concern for the welfare of others, our fairness, and our sense of justice.

Mr. President, the next step is up to the Senate. And it is obvious that if we are to shape a bill which reflects the best judgment of the Senate as to how this promise will be fulfilled, we shall have to invoke cloture to do so.

We will have to invoke cloture because that is the way the opponents of this bill have framed the issue. Because the opponents will not let us consider these amendments until we do.

We must invoke cloture because irrespective of what we may think of the power of labor unions, the power of the American worker cannot be denied. We must invoke cloture because the power of American justice and fair play cannot be denied.

Mr. DOLE. Will the Senator yield for an observation?

Mr. WILLIAMS. Yes.

Mr. DOLE. Mr. President, I want to call attention to the fact that 17 years ago today at 1 o'clock, the distinguished senior Senator from Texas was sworn in as a new Member of this body. I did not want that to go by unnoticed.

Mr. WILLIAMS. How many years?

Mr. DOLE. Seventeen years ago today, on this date at 1 o'clock, the distinguished Senator from Texas (Mr. TOWER) was sworn in as a Member of this body and he has been working every day since.

Mr. WILLIAMS. Because that is such an indelible expression of his record, I am sure the Senator will want it to come out of the time of the Senator from Texas.

Mr. TOWER. I do not think it is worth it.

Mr. WILLIAMS. It does not seem like 17 years.

Mr. President, I am going to yield the floor at this time because we are under controlled time and I know others will want to speak.

Mr. TOWER. I yield the Senator from Kansas 10 minutes.

The PRESIDING OFFICER (Mr. INOUYE). The Senator from Kansas.

Mr. DOLE. Mr. President, the Senator from Kansas is pleased for a number of reasons to point out that debate on the Labor Law Reform Act has proceeded to the stage where substantial amendments are being seriously considered. The distinguished Senator from New Jersey just pointed out a number of areas where changes have been made in the legislation. The proponents of this legislation have evidenced a willingness to consider a substantive amendment. The distinguished majority leader has proposed a substitute which addresses some of the major problem areas in H.R. 8410. The nature of that amendment indicates the beneficial effects of the prior extensive debate on this bill. Some of the amendments are beneficial; however, the language of several of the changes must be questioned. Also, the amendment failed to come to grips with some significant portions of objections that have been raised.

EQUAL ACCESS

Mr. President, possibly the most intensely debated section in this bill has been the one relating to equal access. Under both the committee bill and the Byrd amendment, an employer would be required to allow union representatives onto his property. The Senator from Kansas spoke extensively at another point in this debate over the possible constitutional questions raised by this rule. The Byrd substitute does not change the underlying constitutional questions.

This substitute does contain several improvements and alterations which must be viewed carefully. The amendment clearly provides that any equal access would only come during nonwork-time in nonworking areas. The amendment also correctly limits the number of union representatives that may be allowed on the employer's property to only two individuals. An employer must also be given notice before a demand for equal access must be honored. The Byrd substitute also provides that the equal access rules shall not apply to businesses with fewer than 10 employees.

While these changes may be viewed as beneficial, they do raise several new problem areas. The committee report indicates that, under the original bill language, a requisite showing of interest must be made by employees before the equal access provisions would apply. It is unclear whether this required showing of interest would also apply in the rules issued under the Byrd substitute. If no showing is necessary, it is difficult to see how this section promotes employee rights.

The amendment also limits equal access to nonworking periods. A problem could arise due to application of the Fair Labor Standards Act. That legislation requires payment of overtime for most instances when an employee's attendance is compelled at the workplace. If an employer spoke to his employees and compelled their attendance at the meeting, presumably the comparable meeting with the union would also have compulsory attendance. The Byrd substitute does not indicate whether a union would be compelled to pay for any overtime that the employees may be due.

TIME LIMITS FOR ELECTIONS

The Byrd substitute also makes an effort to address the problems raised by quick elections which would be authorized by H.R. 8410. As introduced in the Senate, H.R. 8410 would have allowed an election in as few as 21 days after a petition has been filed. The Byrd amendment has changed that number to a minimum of 35 days. Unfortunately, the Byrd substitute also changes the time when that 35-day period begins.

Under the Byrd amendment, an employer could have less than 21 days to respond to a union challenge. The new 35-day time limit begins running when a written notice of organizational intent is filed by the union. The notice served by the union would be effective for 6 months. An example will illustrate the potential problems with this provision.

Assume that a union filed a notice on June 1. The 35-day time limit begins running at that point. No election could be held prior to July 5. However, the notice remains in effect for 6 months, until the end of November. If the union chose not to file its petition until the first of October, the election could occur in an extremely short period of time. The Byrd amendment itself specifically states that the NLRB must grant first priority to petitions supported by a majority of the employees. Therefore, an election could be ordered in as few as 10 days after a petition is filed, and that, in effect, is a step backward in the bill we have been talking about here for a number of days.

While an employer has been put on notice that the union is intending to organize his employees, he may be unable to judge the intensity of the union's efforts. An employer could also be faced with multiple notices. Under the Byrd substitute, if a union does not file a petition within 6 months of giving notice, they are barred from filing any petition for 2 months. The minor nature of this penalty would allow unions to file multiple notices and an employer would never be certain when the unions were making serious efforts to organize. He would be faced with the alternative of constantly campaigning against union organizing activity which may not be present or take the chance of being caught off guard by a union petition.

The Senator from Kansas feels that a 35-day minimum is much more reasonable than that contained in the original legislation. Nevertheless, that period should begin to run no sooner than when a petition is filed. A later date would be even more appropriate. The Senator from Kansas has submitted an amendment which would start the time period after the appropriate bargaining unit has been established. This would allow both the unions and the employer an opportunity to address specifically those employees who will be voting in the upcoming representation election.

The notice provision, which does not contain any substantial penalty provision, creates new problems of its own While it does give an employer knowledge that a union is interested in representing his employees, notice does not inform the employer how serious the organizing drive may be. If the employer begins a countercampaign by the only means he has available, speeches during working hours, the union will be able to take advantage of equal access. If the employer does not begin a countercampaign, his employees will only hear one side of the story, the union's side.

The amendment also takes away the right to a hearing if a unit conforms to a rule that will be established. In other words, if the NLRB issues a rule that office clerical workers are an appropriate bargaining unit, a dispute could still arise as to who qualifies for classification in that unit. The prohibition on hearings before an election is held would only mean that more elections would be challenged and have to be held again.

MAKE-WHOLE

The Byrd substitute makes one modification in the provision for a make-whole remedy. The bill as reported to the Senate contains a provision for providing employees with backpay that was lost due to an employer's failure to bargain. The Senator from Kansas supports a provision that would in fact put the employees in the same position as they would have been if good faith bargaining had been conducted. The original legislation failed to do this by imposing an automatic inflation into the backpay award. Each award would be increased by the average amount of settlements for units of 5,000 or more employees during that quarter. The Byrd amendment changes one Bureau of Labor Statistics index for a new index. The index used under the Byrd amendment would include all collective bargaining agreements.

While this amendment would insure that smaller employers do not have to pay excessively large packpay awards, it fails to tie the backpay award to the type and location of the business. Use of the overall average is guaranteed to be unfair to many employees and many employers. Those employees who would have received a larger settlement than the average would not be "made whole" by use of an average index. Those employers who, if they had bargained in good faith, would have arrived at a lower weight settlement would still be unfairly punished by this section. While the Byrd substitute is an improvement, it fails to fashion a remedy with any relationship to the particular party involved.

Another problem exists with use of the Bureau of Labor Statistics' data. The BLS index is scheduled to be changed in the spring of 1979. The index will be expanded to include fringe benefits in addition to wages. This change in the underlying concepts of the index will certainly increase the amount of back pay awards. Yet, the awards would bear no relation to fringe benefits actually negotiated by a given union and employer.

DEBARMENT

Mr. President, the Byrd substitute makes a significant change in the debarment area. The amendment would automatically end debarment if an affirmative action program is complied with by the employer. This change ties debarment more closely to violation of the NLRB order in question. The Senator from Kansas agrees with this provision in the Byrd substitute. It is very similar to an amendment that the Senator from Kansas has introduced for printing. The philosophy indicated by this amendment is sound. An employer should be compelled to obey a lawful order issued by the NLRB. Nevertheless, when the employer has complied and the employees are restored to their prior position, no need for further imposition of penalties exists. This provision in the Byrd substitute is a welcome improvement to the Labor Law Reform Act.

Mr. President, the sponsors of the Byrd substitute have shown their willingness to make changes in this legislation. The Byrd substitute is a major improvement in both the specifics and the philosophy of the Labor Law Reform Act. The substitute is proof that the Senate's time has been well spent debating this bill. Serious flaws have been identified and some of these flaws have been corrected. Nevertheless, many of the more important problems with this legislation have yet to be adequately addressed. We have made progress but more progress needs to be made. The Senate still has many hard decisions yet to be made.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I wonder whether the other side would like to have some time.

Mr. JAVITS. Mr. President, we are waiting to have a colloquy with Senator PERCY. If the Senator could proceed for a few minutes more, we would appreciate it.

Mr. TOWER. Mr. President, I yield 5 minutes to the Senator from Utah.

Mr. GARN. Mr. President, I have listened with interest as proponents of this bill have stressed that the time has come to end the debate. They tell us we must get on to more important business; that legislation is being held up; that it is imperative that those of us who are in opposition stop; that, in essence, whatever may be the merits of this bill, they have been debated long enough; that, by and large, the bill should be passed, thereby clearing the path for the Senate to consider more crucial legislation.

Mr. President, let me be among the first to say that I would be thrilled if we could get on with more crucial legislation. The labor reform bill, by anyone's wildest imagination, certainly is not crucial or needed. Let me go on record in supporting any efforts to withdraw

this bill so that we can do so. I would be happy to have it withdrawn so that we could get on with other legislation.

My constituents are not fooled by this rhetoric coming from the proponents, and neither are a majority of the American people. They did not want this bill in the first place; they cannot understand why it is before us now. There are millions and millions of people in this country who want no part of this labor bill. They know as well as you and I that this bill is simply an attempt to shore up faltering union membership. In fact, if anything the general public feels that we should be passing legislation to make organizing nonunion employees more difficult than at present, not passing a law which will give unions carte blanche so far as employees are concerned.

Further, I feel that it is incumbent upon me and others who, while in the minority, represent the majority of the popular will of this country to utilize such parliamentary devices as are available in order to prevent passage of legislation which certainly will be damaging.

Mr. President, the public is sick of the long arm of government. Their impatience is with a Congress that continues to pass legislation which expands the power of government, against their will. They tell us, through letters, telegrams, phone calls, personal visits, and, of course, through the public opinion polls, that this bill is not needed, nor is it wanted. Yet, we continue to try to force this piece of legislation on them.

When are we going to start listening to the American people, rather than special interest groups?

The public is concerned about inflation and taxes.

We have heard a great deal the last week about Proposition 13 in California. We have had a great deal of rhetoric from many people about how this should be sending us a message. The President has talked about this a great deal, about sending a message to him, and we should try to restrain ourselves. In fact, he said:

> The overriding concern that I have is about inflation. It is very bad, getting worse. And I don't think we have marshaled an adequate support in the Congress or around the nation to join in a concerted effort to control this threat to the economic structure and stability of our country.

Mr. President, I find this statement amazing. I read it again:

> I don't think we have marshaled an adequate support in the Congress or around the nation to join in a concerted effort to control this threat to the economic structure and stability of our country.

Where is the support from the administration? He complains about inflation on the one hand and then supports this labor bill on the other, which is completely inflationary. He cannot have it both ways.

If he truly meant what he said, that he is going to take measures to stop inflation in our society, then I suggest he start by recommending that this bill be pulled off the floor of the Senate.

Mr. President, let me elaborate further on the effect this bill will have on inflation, wages, and small business.

Pierre Renfret's economic study reveals some alarming statistics. He points out that each increase of 10 percent in unionization would bring with it a 3-percent hike in the rate of inflation. It is clear that the proposed legislation would tend to dramatically increase the general inflationary trend in the United States, which now appears to be about 7 percent.

The PRESIDING OFFICER. The time of the Senator is expired.

Mr. TOWER. Mr. President, I wonder whether the proponents are ready to use part of their time.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

I have heard with great interest what seem to be the stock arguments of the opponents of this measure and those who are engaging in the current filibuster, and I should like to deal with some of them because, notwithstanding the fact that this particular debate does not seem to be very popular, in the sense that there are not many attendees, it is still important that the country be enlightened on these points.

First, I just heard my very distinguished friend refer to the Pierre Renfret survey and say, "Each increase of 10 percent in unionization will result in a 3-percent increase in inflation."

However, Mr. President, the 10 percent Renfret is talking about is not 10 percent; it is 35 percent; because he is talking about a 10-point increase in unionization, which is inconceivable. It would mean 9 million more union workers.

He says there are some 25 percent of workers who are now unionized and that if 35 percent of the workers are unionized as a result of this bill there will be a 3-percent increase in prices. This conclusion is a feat of the imagination which vaults my credibility and I think should vault that of all the American people. Renfret is a fellow who has been hired to do this survey by the people opposed to this bill, so he is not giving us the benefit of any doubts.

The opponents of this bill are using the Renfret analysis to create the false impression that a 10-percent increase in unionization, which is really only a 2.5-percent increase, will cause a 3-percent inflationary increase. This simply is not so, and Pierre Renfret himself does not try to say so.

We have had surveys also, and they show that a 10-percent increase in those who are unionized, which is very different from what Renfret's figures are, would amount to a one-half of 1 percent increase in prices at the very most.

The argument here is that because nonunion workers are paid less than union workers for the same tasks, and that is admitted to the extent of a 10 to 20 percent differential, we should penalize them and hold them down. They should be discriminated against and have less of an opportunity to unionize than they should have just because we are going to use their backs, their bodies, their work, to curb inflation.

It seems to me that that is the height of anti-public policy, not the height of public policy.

Last, we hear so much about what the people want, meaning what the people want as interpreted by those who oppose this bill.

Mr. President, let us look over those Senators who voted for cloture on the bill and let us tote up the population that they represent, even halving the vote of California and the other eight States where one Senator went one way and one Senator went the other, and let us see the result.

The result is that the overwhelming population of the United States as represented by these Senators represent the overwhelming majority—140 million to 71 million—of the people of the United States. They have heard all the arguments. They have also been lobbied most intensively by small business and many other people who may feel strongly about this. In the final result, when you have to cast your vote here yea or nay, by which you live or die in the election—and it is just as true of me as it is of my friends from other States who think differently than I do—the overwhelming majority of the population of the United States, speaking through those Senators and those Congressmen, have said yes. We think this is fair.

Finally, on the question of whether it is fair or not, it seems to me the whole debate has been characterized by the effort by some to reargue the whole question of union organization as if this were a bill to repeal the original Wagner Act of 1935, the Taft-Hartley Act of 1947, and the Landrum-Griffin Act of 1959. That is one group.

Then the other group finds all kinds of imperfections with this, mainly directed at what we did not do that we should have done. I think they ought to be delighted we did not do it.

Senator WILLIAMS, I, and our committee have tried to confine this bill solely to a situation which arose in recent years by which it was factually demonstrated that people have found a way to trim the basic labor relations law. That is all that it is about. Nothing else. And we have fallen over backwards, as is shown by this Byrd substitute, to limit the bill to that objective. We have trimmed it down, trimmed it down, and trimmed it down until, in my judgment, this bill is nothing but an effort to straighten out a situation which we did not contemplate, which union labor did not contemplate, which small business did not contemplate, which has arisen through the laws' delays and the opportunity for employing them to frustrate people who can very ill afford it.

That is why Senator WILLIAMS has so eloquently pointed out all these horror stories. That is what it is all about, Mr. President.

It is time to come to a conclusion and today is another opportunity. I hope very much that we will avail ourselves of that opportunity, Mr. President, and that we will now finally vote cloture.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield 2 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, in response to my distinguished colleague from New York, I certainly understand the 10 percent as different from 25 percent and 35 percent. I did not mean to indicate otherwise, and the difference comes in a subjective judgment of whether this bill would allow that kind of increase in unionism. I think it certainly could and primarily in the small business sector.

The other point, about those of us who may want to cut down inflation on the backs of individuals, I cannot accept that because the major inflationary cost from unionization does not come from differentials in wages. It comes from work rules, slow-downs, and featherbedding. That is where the inflationary cost comes from. It is lack of productivity, where people are not allowed to produce as much as they could or are deliberately told not to.

I used to belong to a union that consistently told me that I worked too hard, please slow down so that I did not embarrass the other employees.

We saw that here at Washington National Airport. There was a tremendous increase in fuel costs of the various airlines because of controllers who wanted to fly overseas. They decided to slow down. In one flight to my home, 1 hour from Dayton, Ohio, there was 1 hour and 40 minutes of holding. That burns an awful lot of kerosene.

I submit the major inflationary impact of unionization comes from unions that do like to featherbed, like to slow down and cut down productivity, and increased wages without increased productivity certainly is inflationary.

Mr. JAVITS. Mr. President, I yield myself another minute.

Mr. President, again with love and respect for my friend, we are talking about Renfret's survey. I did not see anything in Renfret's survey that counted in slowdowns, featherbedding, and the dragging of feet and the fact that the union counseled the worker that he should not work so hard. Not at all. Renfret was calculating that survey strictly and only upon the differential in wages. I am one of the prime advocates of doing things in this country to repair the lack of progress in productivity in our country. I deeply believe that it is the morale of the worker which is involved here and in a very serious way, and in my judgment the frustrations and delays under the laws that exist today which we are trying to correct are a material part in the erosion of that morale.

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS. Mr. President, I yield to the Senator from New York.

Mr. MOYNIHAN. I thank the distinguished chairman of the committee.

Mr. President, I rise in the closing moments of this particular debate on this particular vote, not perhaps to address myself to my colleagues who cannot support this measure because I cannot suppose they will be much affected by what I say insofar as only three of them are in the Chamber. I rise rather to place in the record of the Senate the fact of a very large concern which I have. I hope it is one that is informed by what has not been a small effort of mine over the years of the study of labor history.

My concern is that we do not know what we may be starting in this Chamber by this refusal to allow a free vote on a measure which does not change labor law in America in any fundamental way. The most significant changes have been withdrawn by the leadership, by Senator JAVITS, and by Senator WILLIAMS. Why did they choose to do so? Because the issue here is not the innovation, not the change of our laws, but the reaffirmation of our laws.

After more than 40 years we are asked to reaffirm the basic commitments of the Wagner Act. After 20 years of unprecedented industrial peace in America, 20 years without a major strike, 20 years of extraordinary cooperation between labor and management, labor has come and, for the first time ever since the Wagner Act, asked for a few changes in the basic law that might be regarded as pro-labor. After the Taft-Hartley Act, after the Landrum-Griffin Act, for the first time we are seeking to make a few changes that might be regarded as friendly to the cause of labor and by those small changes to reaffirm the commitment of this Nation to the principles of the Wagner Act, which has brought us an era of industrial peace, and which is so different from anything we ever knew in the past, that clearly we have forgotten the past. As Santayana has said to us,

> Those who cannot remember the past are condemned to repeat it.

You kill this reaffirmation, this recommitment, and I ask you to consider on whose shoulders will be the burden of the prospect of a breakdown of community, and a rise of strikes.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. TOWER. Mr. President, I yield 3 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. Mr. President, I thank my distinguished colleague from Texas. It is apparent that the purpose of this legislation is to make it easier for union organizers to organize nonunion establishments.

As a matter of fact, a high official in the Labor Department, arguing for that principle, said, "The union ought to have a fair shot at every plant."

Mr. President, I rise to suggest that the union organizers or the union as such have no special right. It is the workers who have a right to organize and bargain collectively. They are the ones who have a right to initiate action, to get together and talk about it, and they can invite in organizers, they may want to invite in competitive organizers, but it is their right.

The union organizer, looking off at a plant that does not have a union, who would like to go in there and organize and get some members and collect some dues has no special right any more than a salesman, a life insurance salesman, or some other club that is selling memberships would have a right to go in there and make certain demands upon management so that he could tell his story in any place in the premises.

The right belongs to the workers. The workers have a right to organize and, of course, if they invited anyone in that would be an exercise of their right. But this is a proposal which is not particularly concerned about the rights of workers or of management, but the rights of functions to expand their domain, and there is no special right in law that they have.

We have heard a great deal that this bill has been changed. Actually, in the opinion of the Senator from Nebraska now speaking, those changes are not really significant. We have the same proposal we had when we started the debate. Changed a little bit, yes. In the original proposal if someone were discharged, and later it was found that he should not have been discharged, according to the bill we had before us he was entitled to be made not only whole but to have one-and-a-half times his wages; in other words, to get more than he would have had if he worked all the time.

That is still there. It is true they have changed it a little bit. In the original draft he did not have to deduct that which was earned in the interim. But it is still a proposal to do more than make him whole. It is still a role of Government not based on neutrality between labor and management but to do more than make an aggrieved party whole.

Some of the other changes are probably less significant than that. The fact remains that here we have a measure backed by a rich and powerful special interest that wants to expand its domain, collect more money, and it wants the rules changed to make it easier. It is quite evident that because of its strength, the only way this proposal can be stopped is to vote down cloture, and those who are truly opposed to the bill must vote against cloture to the end.

The PRESIDING OFFICER. Who yields time? If nobody yields time, time will be charged against both sides.

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

Mr. WILLIAMS. Mr. President, I wonder if the Senator will withhold that request. Reserving the right to object, what is the time situation?

The PRESIDING OFFICER. The Senator from Texas has 6 minutes, the Senator from New Jersey 1 minute.

Mr. WILLIAMS. It is hardly an equal situation, under those circumstances, to divide the time equally. On a proportionate basis to the ratio of our remaining time, I would have no objection.

Mr. TOWER. Mr. President, I will go ahead and take 3 minutes here, while the Senator from New Jersey gathers his thoughts. I did not mean to imply that that is all the time it would take.

Mr. President, much has been made of the fact that our opposition to the bill on inflationary grounds is an admis-

sion that union labor is paid more, and therefore nonunion labor is exploited and paid too little.

Let us look at the facts. In fact, in the heavily unionized areas of the country, the unionized workers are paid more. Their productivity is not as high. But at the same time, the unemployment rate in those areas is higher than it is the nonunionized industrial States. Therefore, job opportunities are better in the nonunionized States, or the States that are minimally unionized, and this is admitted by the trade unions' own figures.

Therefore, which climate can be said to be more friendly to the worker? And let us look at something else: In these areas where the unionized labor is paid more, the living costs are substantially higher, because they are paid more, because of the archaic work rules, the featherbedding, and all that sort of thing, so that in fact, in terms of real disposable income, the workers in the nonunion areas are better off.

I might add that their future appears to be more rosy, because the industries are moving from the heavily unionized areas into the nonunion areas of our country. And may I say that in the areas that are so heavily unionized, one of the factors that disciplines organized labor in terms of its wage demands is the fact that it must compete with nonunion labor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TOWER. Two more minutes. And the final beneficiary of this system is the consumer. The consumer who pays less. We seldom really stop to think of the consumer here. Oh, we think in terms of consumer protection acts and truth in lending, and truth in this and truth in that, that add costs to the goods and services the consumer buys. But when it comes to a sacred cow like big labor, it is "the consumer be damned." The public will subsidize his featherbedding, the public will subsidize his reduced productivity, and the public will subsidize the fact that the dollar diminishes in value every day because we cannot compete abroad, because the wages and benefits of workers in Western Europe and in Japan are tied to per man productivity, and ours are not. We are pricing ourselves out of the world marketplace.

The Senator from New York (Mr. MOYNIHAN) has correctly said that this bill is friendly to labor. Of course, the Senator from New York is an old colleague of mine from the London School of Economics, so perhaps he is given to a little British understatement. This bill is not just friendly to organized labor; it embraces organized labor with a burning passion. Indeed, a very ugly cat has been let out of the bag.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TOWER. Two more minutes.

The PRESIDING OFFICER. The Senator has 1 minute left.

Mr. TOWER. The Senator from New Jersey can take a minute.

Mr. WILLIAMS. Mr. President, I just want to say now, before this vote, that we are in a situation now where the opponents of the bill, if they are honest with this body, having offered a number of amendments to make a bill that would be acceptable, will have to acknowledge that the only way we are ever going to get to an opportunity, in this democratic institution, to consider those amendments and vote on them is to invoke cloture. All of the ideas that have been expressed here by the opposition were directed at things they think wrong with the bill. They have the amendments that would improve the bill. We are just talking here day after day. The only way we can get to consideration of those amendments is to have cloture, and it is as simple as that.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. TOWER. Mr. President, the proponents of the measure have now confessed its flaws in daily sessions here, but they have not given any indication that they would accept any amendments of real substance. The amendments they themselves have talked over and proposed are merely cosmetic; they will not, indeed, cure the serious flaws of this legislation. They will result in massing the power of big Government and big labor to oppress small business, the farmer, the working man, and the consumer in these United States.

I urge the Senate to once again reject the cloture motion.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. The hour of 1:45 p.m. having arrived, under the previous order, pursuant to rule XXII, the Chair lays before the Senate the motion to invoke cloture, which the clerk will state.

The second assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the substitute amendment, No. 2445, by the Senator from West Virginia (Mr. ROBERT C. BYRD) and others to H.R. 8410, An act to amend the National Labor Relations Act to strengthen the remedies and expedite the procedures under such act.

Robert C. Byrd, Patrick J. Leahy, Harrison A. Williams, Jr., John Melcher, George McGovern, Claiborne Pell, Dick Clark, Frank Church, Daniel Patrick Moynihan, Edward M. Kennedy, Jacob K. Javits, Abraham Ribicoff, Howard M. Metzenbaum, Birch Bayh, Henry M. Jackson, and William Proxmire.

VOTE

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived. The question is, Is it the sense of the Senate that debate shall be brought to a close? The yeas and nays are mandatory under the rule.

Under the previous order, there will be a 45 minute vote. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. STENNIS) is necessarily absent.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI) and the Senator from Nevada (Mr. LAXALT) are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico (Mr. DOMENICI) and the Senator from Nevada (Mr. LAXALT) would each vote "nay."

The result was announced—yeas 58, nays 39, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—58

Abourezk	Haskell	Metzenbaum
Anderson	Hatfield,	Moynihan
Bayh	Mark O.	Muskie
Biden	Hatfield,	Nelson
Brooke	Paul G.	Packwood
Burdick	Hathaway	Pearson
Byrd, Robert C.	Heinz	Pell
Case	Huddleston	Percy
Chafee	Humphrey	Proxmire
Church	Inouye	Randolph
Clark	Jackson	Ribicoff
Cranston	Javits	Riegle
Culver	Kennedy	Sarbanes
DeConcini	Leahy	Sasser
Durkin	Magnuson	Schweiker
Eagleton	Mathias	Stafford
Ford	Matsunaga	Stevens
Glenn	McGovern	Stevenson
Gravel	McIntyre	Weicker
Hart	Melcher	Williams

NAYS—39

Allen	Garn	Nunn
Baker	Goldwater	Roth
Bartlett	Griffin	Schmitt
Bellmon	Hansen	Scott
Bentsen	Hatch	Sparkman
Bumpers	Hayakawa	Stone
Byrd,	Helms	Talmadge
Harry F., Jr.	Hodges	Thurmond
Cannon	Hollings	Tower
Chiles	Johnston	Wallop
Curtis	Long	Young
Danforth	Lugar	Zorinsky
Dole	McClure	
Eastland	Morgan	

NOT VOTING—3

Domenici	Laxalt	Stennis

Mr. TOWER. Regular order, Mr. President.

The PRESIDING OFFICER. The Chair advises that regular order is being followed and the clerk should tally the vote.

On this vote, the yeas are 58, the nays are 39. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. ROBERT C. BYRD. Mr. President, several Senators are scheduled to go to Panama tomorrow. There are 15, I believe, 13 of whom support the bill. Senator HELMS is not going. [Laughter.]

Additionally, committees could use a day to meet.

I shall send a cloture motion to the desk, providing I can get unanimous consent that the vote occur on next Tuesday in which event the Senate would not be in tomorrow, to accommodate committees and those Senators who have been asked by the President to go to Panama.

So, first of all, I ask unanimous consent that I may be permitted to introduce the cloture motion today with the vote thereon to occur on next Tuesday at a time that day to be set perhaps on Monday.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object.

Mr. CURTIS. Mr. President, reserving the right to object.

Mr. BAKER. And I shall not object. I think it is a good idea. For my part I certainly do not object to that procedure.

I hope we could try to establish now some time to vote on Tuesday so a maximum number of our colleagues will know what those arrangements are. But it is a good procedure, and I do not object.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes. But first, may I say to the distinguished minority leader that it may be possible before this day is over to set that time.

Mr. CURTIS. Mr. President, I thank the distinguished leader.

In light of the fact that there are a number of important bills that should receive consideration, I wonder if the distinguished leader would consider pulling this bill down. It is very doubtful if it will ever be enacted into law, and if it could be postponed at least for 2 or 3 months we could get some of the other things out of the way and if we had any time remaining we could consider this bill then. Would that not be a good legislative program?

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from—he has me so speechless that I forget what State he represents.

[Laughter.]

Will the Senator allow me time to recover my composure?

Mr. CURTIS. I am sorry I disturbed the leader. I just wanted to advance some of the good legislation that is on the agenda. I am willing to stay as long as fall if necessary. It will be my last chance.

Mr. ROBERT C. BYRD. The Senator's last clear chance.

Mr. CURTIS. And there are bills that are gathering dust and paper is getting yellow, and so on. I think we should take them while we can read them.

Mr. BAKER. Mr. President, if I could reserve on the request of the majority leader, I am now advised there is another problem that has been brought to my attention by the Senator from Illinois.

Mr. PERCY. Mr. President, I have to object to any vote that will interfere with my planned trip. I am going with a congressional delegation to Illinois with the Secretary of the Air Force to Chanute Air Force Base on Tuesday. We are to arrive back at Andrews Air Force Base at 4:15 p.m. So, I could be here in the Senate certainly by 5 p.m.

Mr. ROBERT C. BYRD. Mr. President, as far as I am concerned we could work it out so there will be a lengthy rollcall to accommodate Senators as we have been doing. I am sure the distinguished minority leader will attempt on his side of the aisle to do that.

Mr. BAKER. Mr. President, if the Senator will yield, of course, I am glad to do that. I think we should confer now privately and see what we could arrange. I think the 4:15 p.m. time may cause a problem for some of us, but let us try and for the moment at least I think we should content ourselves with agreeing to the request of the majority leader that he be permitted now, as I understand his request, to file a cloture motion that would mature and be presented to the Senate for a vote sometime on Tuesday.

Mr. ROBERT C. BYRD. What time does the Senator return on Tuesday?

Mr. PERCY: 4:15 p.m. at Chanute Air Force Base.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. SCOTT. Mr. President, this being the fifth vote that we have had on cloture, I shall not be here next year either, but I am concerned about the precedents that we are setting and I wonder if the distinguished majority leader could advise us how many times he intends to file cloture motions. I do not know what a reasonable number is, and certainly the distinguished majority leader is within his rights to file as many as he sees fit, and yet the custom oftentimes has been three cloture motions. Now we have gone to five. We are proposing to go to six. Will that be the last one? I would think that if the majority leader's motion should be agreed to on the sixth time it might mean that we will have six cloture motions or more every time a controversial matter comes up. I wonder. I am not going to object. But I wonder if the distinguished majority leader might comment on that.

Mr. ROBERT C. BYRD. Mr. President, my only comment would be that once Robert Bruce, who was fleeing the English after several disastrous encounters, was resting one day in the loft of a barn, and he saw a spider attempt to swing its web from one rafter to the other.

Mr. TOWER. He was under a tree, I believe.

Mr. ROBERT C. BYRD. No. It was in a barn. [Laughter.]

The Senator from Texas is still reading Robin Hood. [Laughter.]

And the spider failed six times. Whereupon, Robert Bruce said, "I wonder if the spider would try again. If the spider tries again and succeeds I shall try again."

The spider tried the seventh time and succeeded.

Mr. SCOTT. Is that part of the precedent?

Mr. ROBERT C. BYRD. Robert Bruce—the story is not interrupted—Robert Bruce tried the seventh time and on that occasion he put his English foes to rout.

In all seriousness, I have not made any decision. The question is a good one. And many people are asking the question inside the Senate and out, and I just remember an old adage that says, if you fail to succeed try, try again.

So, Mr. President, I want us to try again next Tuesday.

Mr. SCOTT. Mr. President, reserving the right to object, and I shall not pursue it any further, I will not object. I think in all seriousness the distinguished majority leader should consider the precedents that he has been establishing.

Mr. ROBERT C. BYRD. Mr. President, new precedents are set from time to time. There will never come a time when we can close the book and say all precedents have been made until the crack of doom. So there will continue to be new precedents after the Senator from West Virginia has long, long been forgotten.

So, Mr. President, I renew my unanimous consent request.

Mr. PERCY. Mr. President, the Senator from Illinois wishes to correct a statement. At least, we have knowledge that someone listens to the squawk box upstairs now. My staff directed me that my recollection was wrong. We are scheduled to depart from Chanute Air Force Base at 4 o'clock, landing at Andrews Air Force Base at 6:30 p.m. The program has been laid out there for a thorough study of the potential closing of that base which is so vital to our community and State that I would very much hesitate to change that, although I know several of my colleagues who would just as soon that I be absent that day.

Mr. ROBERT C. BYRD. Could we have this understanding: That I introduce a cloture motion today, and if we cannot work out a time that is agreeable to all Senators for a vote on Tuesday, have that vote occur on Wednesday?

Mr. TOWER. Mr. President, maybe I could help. I would be delighted to give a pair to the Senator from Illinois.

[Laughter.]

Mr. PERCY. I might accept.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I be permitted to introduce the cloture motion today, that there be no session tomorrow, and if the time can be agreed upon for Tuesday which is mutually accommodating to all Senators, the cloture vote occur on Tuesday, with the announcement of the time as soon as possible either today or on Monday, but if that time cannot be worked out by Tuesday, then a cloture vote occur on Wednesday.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. I will work closely with the minority leader, who is on the other side of this question in this instance.

Mr. BAKER. Mr. President, I feel an obligation now to touch one or two other bases with respect to the Wednesday situation. I think it is worth doing though, and I wonder if the majority leader would indulge us for about 5 minutes while we look into that to see if it agreeable, and I would then at this time, prior to the Chair's announcing the result on the majority leader's request, suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business not to extend beyond 15 minutes, and Senators may be allowed to speak therein up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there any morning business?

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVAL

A message from the President of the United States reported that on June 14, 1978, he approved and signed the following joint resolution:

S.J. Res. 140. A joint resolution to authorize and request the President to proclaim June 11, 1978, as "American University Press Day" to commemorate the centennial of university press publishing in America.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 10:02 a.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 2380. An act to amend the Intervention on the High Seas Act to implement the protocol relating to intervention on the high seas in cases of marine pollution by substances other than oil, 1973.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. PAUL G. HATFIELD).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today he presented to the President of the United States the following enrolled bill:

S. 2380. An act to amend the Intervention on the High Seas Act to implement the protocol relating to intervention on the high seas in cases of marine pollution by substances other than oil, 1973.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents and papers, which were referred as indicated:

E-3807. A communication from the President of the United States, transmitting proposals reducing the requests for supplemental appropriations for the fiscal year 1979 in the amount of $3,727,000, amendments to the request for appropriations for the fiscal year 1979 in the amount of $3,373,200,000, and an advance appropriation for the fiscal year 1980 in the amount of $1,290,000,000; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, with amendments and with a preamble:

S. Con. Res. 72. A concurrent resolution countering terrorism (Rept. No. 95-936).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CANNON, from the Committee on Commerce, Science, and Transportation:

The following-named persons to be members of the U.S. Metric Board:

Paul Block, Jr., of Ohio;

Dennis R. Smith, of Massachusetts;

Andrew H. Kenopensky, of New Jersey; and

Bruce P. Johnson, of Nevada.

(The above nominations were reported with the recommendation that they be confirmed subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HASKELL:

S. 3203. A bill for the relief of Mr. and Mrs. Paul Markson; to the Committee on the Judiciary.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 3204. A bill to amend the Internal Revenue Code of 1954 to provide that the occupational tax on wagering shall not apply in any State in which wagering is permitted by law; to the Committee on Finance.

By Mr. CRANSTON (for himself and Mr. KENNEDY):

S. 3205. A bill to amend the Indochina Migration and Refugee Assistance Act of 1975, and for other purposes; to the Committee on Human Resources.

By Mr. WALLOP:

S. 3206. A bill to terminate production controls on peanuts, to terminate price support operations in effect for such commodity, and to remove customs duties and import quotas on such commodity; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCLURE:

S.J. Res. 141. A joint resolution to amend the Constitution of the United States to provide that appropriations made by the United States shall not exceed thirty three and one third percent of the average national income of the prior three calendar years, except as specified during war or national emergency; to the Committee on the Judiciary.

By Mr. MARK O. HATFIELD (for himself, Mr. BAKER, Mr. ROBERT C. BYRD, Mr. INOUYE, Mr. JACKSON, Mr. MATHIAS, Mr. RANDOLPH, and Mr. STEVENSON):

S.J. Res. 142. A joint resolution to authorize and direct the Franklin Delano Roosevelt Memorial Commission to proceed with the construction of the Franklin Delano Roosevelt Memorial, and for other purposes; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CANNON (for himself and Mr. LAXALT):

S. 3204. A bill to amend the Internal Revenue Code of 1954 to provide that the occupational tax on wagering shall not apply in any State in which wagering is permitted by law; to the Committee on Finance.

● Mr. CANNON. Mr. President, today I am introducing an amendment to the Internal Revenue Code of 1954, along with my colleague, Senator PAUL LAXALT, the intent of which is to provide that the 2-percent excise tax on wagers and the occupational tax on wagering shall not apply in any State in which wagering is permitted by law.

Several years ago, two key U.S. Supreme Court decisions had the effect of disallowing the prosecutorial function of the then 10-percent excise tax on wagers.

Subsequently, in the 1st session of the 94th Congress, I introduced an amendment to eliminate the excise tax for legal gaming operations. The Senate and House conferees, however, decided to reduce the tax to 2 percent and increase the occupational tax in section 4411 of the code from $50 to $500.

Thus, we have a situation of gaming establishments who make a good faith effort to comply with the code losing customers to illegal operations which simply ignore tax consequences. This is compounded by the $500 occupational tax, which can only be interpreted as a penalty on wage earners who are anxious to work, since most employers require employees to pay this tax. As an aside, the Treasury Department admits the revenues from the taxes are extremely minor.

The Commission on the Review of the National Policy Toward Gambling, in its final report to Congress in 1976, determined these two taxes interfere with the ability of a legal gambling industry to compete with its illegal counterpart, and that such taxes, if they are to exist at all, are more appropriately levied by State governments.

In Nevada, gaming is our largest industry. It is a highly regulated and licensed industry. Nevada is the only State affected by the current law. This measure would bring our situation in line with the current Federal gaming policy, which is to reserve the taxing authority and benefits for the States. Although at the same time, adequate jurisdiction for oversight responsibilities by the appropriate Government agencies, including the Federal Government, remains intact.

Mr. President, we ask that this bill be appropriately referred and we are hopeful the Senate will take rapid and favorable action on this attempt to make the code more equitable and at the same time eliminate another heavy occupational burden facing many working men and women.●

By Mr. CRANSTON (for himself and Mr. KENNEDY):

S. 3205. A bill to amend the Indochina Migration and Refugee Assistance Act of

1975, and for other purposes; to the Committee on Human Resources.

● Mr. CRANSTON. Mr. President, I am introducing legislation today to provide for an additional year of full Federal participation in the Indochina refugee assistance program.

The Indochina refugee assistance program currently provides 100 percent Federal reimbursement to States and localities for costs incurred in providing social, medical, and income assistance to Indochinese refugees. Under legislation enacted by Congress last year, the reimbursement level is scheduled to phase down to 75 percent in fiscal year 1979, 50 percent in fiscal year 1980, and 25 percent in fiscal year 1981, after which time the program is scheduled to terminate.

Congress took action last year on the assumption that the Indochinese refugee situation in the United States would stabilize. However, this has not been the case. The ever-changing social, political, and economic situation in Southeast Asia in the aftermath of a long and tragic conflict continue to cause the dislocation of hundreds of thousands of Vietnamese, Cambodians, and Laotians from their homelands. Thousands of these persons now live in unsanitary and overcrowded boats and camps in Southeast Asia.

Since October 1977, President Carter has authorized the admission of an additional 31,000 refugees to the United States. Recent remarks by Vice President MONDALE have raised the possibility that an additional 25,000 will be admitted each year for years to come.

While IRAP has helped many Indochinese families become self-sufficient and leave the welfare rolls, the substantial numbers of new refugees coming into the United States have meant an increase in the numbers of refugees receiving assistance. In San Diego, Calif., for example, the number of Indochinese receiving public assistance increased from 2,517 in December 1977 to 2,715 in February 1978 to 2,819 in April 1978. This represents a 12-percent increase. The desperate life circumstances of the new refugees indicate that large numbers will continue to be in need of public resources.

A phase-down in the level of Federal participation and the continuing increase in the numbers of Indochinese refugees mean only that the local property taxpayer must pick up the costs of supporting the refugees. Local property taxpayers are decrying loud and clear to all lawmakers that they can no longer be expected to carry the burden of heavy taxation for decisions in which they have had no voice. The Indochinese refugees come to this country under Federal authority. To ask taxpayers in certain localities to bear the costs of supporting them on behalf of all Americans is unfair.

An additional year of 100 percent Federal participation would not only insure that the Federal Government carries the responsibility for helping refugees enter productive lives, but would also give us time to evaluate and develop sensible, comprehensive programs to assist all refugees, regardless of country of origin, in resettling into new lives in America.●

● Mr. KENNEDY. Mr. President, I am pleased to join my distinguished colleague from California, Senator CRANSTON, in introducing legislation today to extend full funding for the Indochina refugee assistance program for 1 additional year.

As a member of the Judiciary Committee and as chairman of the former Subcommittee on Refugees, I have closely followed developments in the Indochina refugee program from the earliest days in 1975. Like countless other Americans, I have watched the remarkable progress of the refugees in becoming contributing and productive members of their adopted communities all across our land. The statistics over the past 3 years tell of an industrious and hard-working people, achieving an impressive record of assimilation into our society.

But the resettlement process is still in motion for many, and additional refugees are still arriving from Indochina. This requires continuing Federal support for the resettlement program, especially for the efforts of the voluntary and community agencies involved in helping the refugees to help themselves. A reduction in Federal support at this time would also work undue hardship on several States, as well as deny full assistance to the additional refugees who are coming to our shores over the coming year—many to join family and friends already here.

Furthermore, an extension of the program for 1 year, with a 4-year phase-down to follow, would add very little to the total cost of the program—a maximum of only $27 million in new outlays, but perhaps far less. Yet this extension will provide important continuity for the resettlement effort.

In addition, this legislation will also increase from $25 to $40 million the funds authorized for the "special projects" of the voluntary agencies, whose role has been crucial in the resettlement process.

A final feature of the bill is a provision to extend indefinately the period under which Indochinese refugees entering the United States may be eligible to apply to adjust their immigration status from "parolee" to that of permanent resident alien.

Mr. President, I know this legislation has broad support among the voluntary agencies, State and local communities, and others involved in the Indochina refugee resettlement program, and I urge its expeditious consideration by the Senate.●

By Mr. WALLOP:

S. 3206. A bill to terminate production controls on peanuts, to terminate price support operations in effect for such commodity, and to remove customs duties and import quotas on such commodity; to the Committee on Agriculture, Nutrition, and Forestry.

● Mr. WALLOP. Mr. President, today I am introducing a bill to remove any restraint on peanuts and remove peanuts from all price support programs provided by the Department of Agriculture. Import restraint could just as well be removed on television sets, shoes, CB radios, orange juice, or any other item that is justifiably protected from the vagaries of the world market. We place import restraint on these items to protect industries from predatory foreign competition and to insure the American consumer that our own producers can supply high-quality products at reasonable prices. Let me say that I have no ax to grind with American peanut farmers.

Introducing this bill is a symbolic act to demonstrate that President Carter could have picked the peanut or shoe or any industry instead of the cattle industry to lead the fight against inflation. If we are to remove the import restraint on foreign beef to dampen inflationary pressures, why should we stop with just one segment of agriculture or industry? If we are to sacrifice viable industries and the long-term interests of the consumer for temporary gains on the inflation front, why not throw open our doors to all cheap foreign products? If the President insists on a domestic economic policy that defies economic arguments, let us at least be consistent in our folly.

Removing the price supports and import restraints on peanuts would leave this sector of agriculture in the same situation as beef. The beef industry does not receive and does not want price supports, but it does expect some protection from shifts in foreign beef supplies. Protection from imports is especially important when the cattle industry is in a weak condition after 4 years of low prices. One can only assume that President Carter and his advisers feel cheap beef is a constitutional right of consumers regardless of the injuries done to producers, while other protein products can be afforded the protection from competition in tariffs and quotas.

To make matters worse, price trends in the cattle industry have been adversely affected by the President's decision to increase imports. In my State of Wyoming cash prices for feeder cattle declined rapidly in anticipation of the President's announcement. On May 18, prices for feeder cattle at the Torrington, Wyo., livestock market were at 63 cents per pound for steers and 58 cents per pound for herefords. On June 8, the day of the White House announcement, live cattle prices for steers dropped to 55 cents per pound and heifer prices dropped to 53 cents per pound. Mr. President, this indicates the volatility in the cattle markets and the lack of strength behind recent price increases. Continuation of these low prices will only cause more cattlemen to get out of the beef industry, leaving America with fewer cowcalf operators.

I wish to point out this action jeopardizes the well-being of both the cattle industry and the consumer. The President's decision to increase imports could be characterized as a bad idea whose time had not yet arrived. The President has chosen to increase imports while U.S. cattlemen are still liquidating the Nation's herd. There is a projected 3-

percent reduction in the cattle herd for 1978, and the prospect of increased imports will only continue the liquidation phase of the cattle cycle. In 1978 the cattle herd will drop another 3 million to 113 million head. The longer this liquidation phase continues, the smaller the national cattle herd and beef production will be in the future.

If consumers are pleased by the President's action to increase beef imports, even at the cost of continuing the liquidation phase of the cattle cycle, let them consider this. Every million head of cattle liquidated today will mean 450 million less pounds of meat production in 2 to 3 years. I would like to point out that the imported meat is of the lowest grade of hamburger, while the future meat we forfeit is 70 percent choice beef of the steak and roast variety. In my opinion the consumer is getting a bad deal. A move that shaves a penny or two off the price of beef in the short run pushes the price sharply upward in the future.

There is a mistake in policy if the President believes that he can continue to turn to the international beef market to augment the supplies of U.S. beef. The Secretary of Agriculture has already noted that there are only 250 million pounds of exportable beef available to the United States at this time, and the export situation among our major foreign suppliers can only deteriorate.

Cattle production is declining on a global scale. Australia and New Zealand supply over 70 percent of the U.S. beef imports. A look at developments in these two countries indicates the dim prospects of depending on imports for increased supplies of beef. Australia and New Zealand have been suffering from drought and low prices, creating a situation similar to the one faced by U.S. cattlemen. Large cattle slaughters have occurred, creating a 12-percent reduction in the Australian herd in the last 2 years and a 5-percent reduction in the New Zealand herd in 1977. What I am saying, Mr. President, is that Australia and New Zealand have been liquidating their herds at a pace and scale similar to the liquidation here in the United States. These countries will soon have to begin the rebuilding stage of the cattle cycle, which means that the supplies of beef for export will decline.

The President is boxing the consumer into a tight corner by extending the liquidation phase of the cattle cycle and creating the backdrop for a tight beef supply situation in the future. The escape hatch of using beef imports to increase domestic supplies will not be available on the magnitude required to dampen beef prices.

Little can be gained by portraying the cattleman and the consumer at odds with each other. The cattleman and the consumer share an interest in stabilizing the cattle cycle, and avoid wide swings in prices and supplies.

The consumer will benefit in the long run from building a strong beef industry, one that can be depended upon at all times. The same is true for other products such as peanuts that receive some protection or price supports and are able to develop as viable domestic and export industries. Inflation cannot be fought by flooding our markets with cheap foreign products on the short run, only to find international shortfalls and ruined domestic industries in the future. If the President wants to control inflation, he should cease groping for answers in symbolism and begin working on the problem of profligate spending here in Washington.

The bitter irony of pitting the cowman against his customers is that President Carter's move will likely increase the pressures of inflation. The 250 million pounds is all that remains on the world's market. It is the world's buffer against the pressure of inflated beef prices. Now, with this buffer gone, imported meat could well rise in price. The net result of the President's folly:

Damaged domestic beef industry;

Damaged relations between beef producers and customers;

Damaged consumer price protection; and

Damaged hope of meaningful inflation control.

Oh, what a pitiful symbol for the country to hang its inflation-fighting hopes on. Perhaps this symbolic gesture will get the attention of the President and his advisers. Perhaps it will get the attention of the deceived American consumers. Perhaps soon Americans can fight inflation together, and not by pitting one group against the other and not with arrogant deception of the hopes and long-term interests of Americans.●

By Mr. McCLURE:

S.J. Res. 141. A joint resolution to amend the Constitution of the United States to provide that appropriations made by the United States shall not exceed 33⅓ percent of the average national income of the prior 3 calendar years, except as specified during war or national emergency; to the Committee on the Judiciary.

● Mr. McCLURE. Mr. President, today I am introducing a constitutional spending limitation amendment to limit the amount of our tax money which the Federal Government may spend. This amendment will provide protection against oppressive taxation in the same way the Bill of Rights protects our civil liberties and political rights. Now is the time to halt the growth of Government and a constitutional limit on the spending power of Government is the best way to do it.

Unless we change the direction of this country, government at all levels will take 54 percent of every dollar we make by 1984. High taxes are choking the economy by penalizing productivity, thrift, and investment. Limiting the size of Government is essential if we are to to get the economy moving at full capacity again. But important at the economic effects of this amendment are, the most important benefit will be the preservation of this country as the land of the free where, as George Washington said, Government is the servant, not the master of the people. No one is free if he does not own the fruits of his labor. Limiting the power of Government to spend our money is the most important issue we face. It will be the dominant political issue of the next few years. Those of us who have long fought for tax and spending limits are heartened by the recent votes in California and Tennessee. The voters of these States have shown that big Government is not inevitable. It can be halted. We have a choice.

After 11 years of working in Congress and sponsoring 25 bills to reverse the tax-and-spend philosophy which dominates Washington, I now believe we have found a way to achieve our goal.

Long ago the irresponsible direction Government spending was taking became obvious and as a freshman Congressman I supported a measure in the 90th Congress to require a single appropriations bill so that we might more closely examine total Government spending and facilitate its control. Throughout my service in Congress, I have supported legislation to limit expenditures and prevent expenditures from exceeding revenues. I have cosponsored the Curtis constitutional amendment which requires a balanced budget. I have also supported zero-based budgeting and sunset legislation, because I felt they would help control the rapid increase in Government spending. In 1975, I introduced the Kemp-McClure Jobs Creation Act, a comprehensive tax cut proposal which created the broad consensus that now exists for permanent, across-the-board tax reduction. At that time I said:

> As a nation, we stand at a crossroads. One road, that traveled by Great Britain, has the immediate appeal associated with redistributing existing wealth; but it also holds in store the ultimate pain of sharing not the wealth but the resultant poverty. The other, less frequently traveled road, promises continued progress and gradual enrichment for all members of society. The price of a brighter future is a less profligate present.

Four years ago I joined in sponsoring the Budget Control Act of 1974, and I sought an assignment to the newly created Budget Committee. But by the time we reported our first congressional budget resolution it was clear that although we had created a new budget process, we were still unwilling to control spending. In minority views prepared for the first budget resolution I wrote:

> For literally the first time the Senate has the occasion to specifically address itself to the aggregate budget and national economic policy, especially as it involves the budget. The process itself is an important step toward rationally addressing economic and budget questions, which has for too long been limited to ad-hoc approaches. But it is not the exercise that is important—it is the result that matters.

The result, as I feared in 1974, has been continued runaway growth in the size and cost of Government.

These measures have failed to moderate the growth of big Government, because the beneficiaries of our tax dollars are well organized and skillful at manipulating Washington. The Federal Government, in turn, has an insatiable appetite for problems to solve and pressure groups to please. Until now, these forces have overwhelmed the ability of the average

American who pays for all this to influence the course of events. To correct this unbalance, I urge my colleagues in Congress and the State legislatures to amend the Constitution and limit the power of Government to spend our money.

This amendment limits Federal expenditures to one-third of the national income averaged over the past 3 years. National income is the total net income earned in production. It differs from gross national product mainly in that it excludes depreciation charges and other allowances for business and institutional consumption of durable capital goods and indirect business taxes. The Federal Government is now spending just under 35 percent of that figure. This amendment would result in an immediate reduction of between $10 and $12 billion and more importantly it prevents Federal tax bites from becoming any larger.

I believe that this amendment offers the best instrument for returning this country to the ideals on which it was founded.●

By Mr. MARK O. HATFIELD (for himself, Mr. BAKER, Mr. ROBERT C. BYRD, Mr. INOUYE, Mr. JACKSON, Mr. MATHIAS, Mr. RANDOLPH, and Mr. STEVENSON):

S.J. Res. 142. Joint resolution to authorize and direct the Franklin Delano Roosevelt Memorial Commission to proceed with the construction of the Franklin Delano Roosevelt Memorial, and for other purposes; to the Committee on Rules and Administration.

(The remarks of Mr. MARK O. HATFIELD when he introduced the joint resolution appear elsewhere in today's proceedings.)

ADDITIONAL COSPONSORS

S. 2843

At the request of Mr. HELMS, the Senator from California (Mr. HAYAKAWA) was added as a cosponsor of S. 2843, a bill to provide for the issuance of gold medallions, and for other purposes.

S. 2920

At the request of Mr. HOLLINGS, the Senator from Alabama (Mrs. ALLEN), the Senator from Tennessee (Mr. BAKER), the Senator from Georgia (Mr. NUNN) and the Senator from Georgia (Mr. TALMADGE) were added as cosponsors of S. 2920, a bill to amend the Trade Act of 1974.

S. 2968

At the request of Mr. CLARK, the Senator from Missouri (Mr. DANFORTH) was added as a cosponsor of S. 2968, the Agricultural Export Expansion Act of 1968.

S. 3134

At the request of Mr. HATCH, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 3134, a bill to provide that certain statutory subsistence received by State police officers will not retroactively be included in gross income.

S. 3147

At the request of Mr. DOLE, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 3147, a bill to prohibit issuance of regulations on taxation of fringe benefits.

SENATE JOINT RESOLUTION 130

At the request of Mr. GRIFFIN, his name was added as a cosponsor of Senate Joint Resolution 130, designating John Philip Sousa's "The Stars and Stripes Forever" as the national march of the United States.

SENATE RESOLUTION 477

At the request of Mr. CULVER, the Senator from Montana (Mr. PAUL G. HATFIELD) was added as a cosponsor of Senate Resolution 477, to disapprove the meat imports quota suspension.

AMENDMENTS SUBMITTED FOR PRINTING

LABOR LAW REFORM ACT OF 1978—H.R. 8410

AMENDMENT NO. 3007

(Ordered to be printed and to lie on the table.)

Mr. INOUYE (for himself and Mr. MATSUNAGA) submitted an amendment intended to be proposed by them, jointly, to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3008

(Ordered to be printed and to lie on the table.)

Mr. GRIFFIN submitted an amendment intended to be proposed by him to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3009 THROUGH 3013

(Ordered to be printed and to lie on the table.)

Mr. PACKWOOD submitted five amendments intended to be proposed by him to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3014 THROUGH 3030

(Ordered to be printed and to lie on the table.)

Mr. MORGAN submitted 17 amendments intended to be proposed by him to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

DEPARTMENT OF EDUCATION—S. 991

AMENDMENT NO. 3031

(Ordered to be printed and referred to the Committee on Governmental Affairs.)

Mr. HEINZ (for himself, Mr. JAVITS, Mr. PERCY, and Mr. GLENN) submitted an amendment intended to be proposed by them, jointly, to S. 991, a bill to establish a Department of Education, and for other purposes.

● Mr. HEINZ. Mr. President, I would like at this time to submit an amendment to S. 991, legislation I have cosponsored that would create a Cabinet level Department of Education. I remain fully committed to the idea of giving education the high status and visibility it rightly deserves in the Federal Government. I am pleased that President Carter has given his full support to the creation of the Department of Education. It is my strong hope that, in the spirit of cooperation and compromise, we can complete action on this legislation before the end of the 95th Congress. By the same token, every piece of legislation when first designed is not free of fault, defect, or disadvantageous features. One such defect has surfaced in this legislation, and I feel an intense commitment to correct it.

One of my duties as a member of the Governmental Affairs Committee was to chair the hearings held on this bill that dealt with the Head Start program. As a result of that hearing and continuous communication with many of my colleagues and constituents, I feel it would be a severe impairment to this fine program to have it included in the proposed Department of Education.

Without a doubt, the Head Start program has been a great success. The question of whether the program should be administered by a Department of Education or a Department of Health and Welfare is certainly a difficult one for the committee to consider. I listened carefully to the arguments on the issue, both pro and con.

I think all of the members of the committee, and the 56 other cosponsors of the Department of Education legislation, are committed to the preservation of the Head Start program and its unique charcter.

The hearings on this proposal provided a thorough examination of the past successes of the Head Start program and very serious consideration was given to its inclusion in the proposed piece of legislation. But we are, after all, striving to provide the very best for our Nation's children and this can only be done by allowing the Head Start program to remain outside of the confines of the proposed Department of Education.

Mr. President, I want to thank several of my colleagues on the committee for their guidance, assistance, and support of this amendment, in particular, my good and knowledgeable friend, Senator JAVITS, of New York, who has had a great interest in this subject, as have Senators GLENN and PERCY.

Mr. President, I believe that this amendment will be well received by the many concerned parents and educators that many Senators have heard from in recent months. Many of the points of which I have alluded to here today are specifically discussed in a letter of May 5, 1978, from me to Senator RIBICOFF, chairman of the Senate Governmental Affairs Committee. Therefore, I ask unanimous consent that the text of this letter be included in the RECORD, together with the text of our amendment.

There being no objection, the amendment and letter were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3031

On page 7, strike out lines 8 through 11.

On page 7, line 12, strike out "(3)" and insert in lieu thereof "(2)".

On page 7, line 16, strike out "(4)" and insert in lieu thereof "(3)".

On page 7, line 20, strike out "(5)" and insert in lieu thereof "(4)".

On page 8, line 5, strike out "(6)" and insert in lieu thereof "(5)".

On page 8, line 10, strike out "(7)" and insert in lieu thereof "(6)".

On page 8, line 14, strike out "(8)" and insert in lieu thereof "(7)".

On page 8, line 17, strike out "(9)" and insert in lieu thereof "(8)".

On page 8, line 20, strike out "(10)" and insert in lieu thereof "(9)".

On page 8, line 23, strike out "(11)" and insert in lieu thereof "(10)".

On page 9, line 1, strike out "(12)" and insert in lieu thereof "(11)".

U.S. SENATE,
Washington, D.C., May 5, 1978.

HON. ABRAHAM RIBICOFF,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: As you know, on April 27, 1978, I chaired a Governmental Affairs Committee hearing on S. 991, and related legislation, to establish a separate Department of Education. The purpose of that hearing was to receive testimony on that portion of the legislation that deals with the inclusion of the Headstart program as one of the component parts of the proposed Department of Education.

As you are probably aware, this is a highly controversial issue among educators as well as parents and community groups. From the impression I received, there are a number of points that you ought to be acutely cognizant of as Chairman of the Committee.

1. The Administration was wholly unprepared to answer the question of meaningful safeguards to protect the Headstart Program and to preserve its community-based orientation if it became a part of the proposed Department.

2. There was a notable lack of community or private citizen advocacy of or support for the inclusion of the Headstart Program as a component of the proposed Department.

3. The argument that Headstart would enjoy increased visibility in a Department of Education was not very persuasive without an administrative organizational chart that shows exactly where the Headstart Program would be located in the proposed Department. Furthermore, in my mind it is unclear exactly who would exert direct power over the Headstart Program.

4. The principal merit of such a reorganization, as I understand it, would be the highly desirable goal of achieving greater linkages and continuity as far as child development is concerned. The panelists, however, were unable to make the case that these linkages would be strengthened or achieved more effectively in a Department of Education.

In summary, the most serious problem with including the Headstart Program as part of the proposed Department of Education is the lack of effective safeguards to assure parents and communities that indeed they will be involved in spearheading and coordinating their children's development as under the present Headstart Program. Therefore, until the proponents of a United States Department of Education are able to prove that it will be capable of accommodating and welcoming parent involvement and community participation, as well as become more developmentally (as opposed to cognitively) oriented, I strongly resist the inclusion of the Headstart Program in the proposed Department of Education. I urge you to revise S. 991 to leave the Headstart Program within the existing structure of the Administration for Children, Youth and Families.

In closing, I was indeed privileged by the opportunity to chair the Headstart hearing and look forward to continuing work with you in enacting legislation to establish a Department of Education in the future.

Sincerely,

H. JOHN HEINZ, III, U.S.S.●

HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978—S. 3084

AMENDMENT NO. 3032

(Ordered to be printed and to lie on the table.)

Mr. BAKER (for Mr. DOMENICI) (for himself, Mr. WILLIAMS, Mr. BROOKE, Mr. PERCY, Mr. DOLE, Mr. CHILES, Mr. CHURCH, Mr. DECONCINI, and Mr. HEINZ) submitted an amendment intended to be proposed by them, jointly, to S. 3084, a bill to amend and extend certain Federal laws relating to housing, community, and neighborhood development and preservation, and related programs, and for other purposes.

Mr. BAKER. Mr. President, on behalf of the Senator from New Mexico (Mr. DOMENICI) I submit an amendment for printing to S. 3084.

I ask unanimous consent that a statement by Senator DOMENICI be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOMENICI

Recently I cosponsored a bill introduced by my colleagues, the distinguished Senators from New Jersey and Idaho, Mr. WILLIAMS and Mr. CHURCH, which provides social and nutritional services for Older Americans in Congregate Housing (Congregate Housing Services Act of 1978, S. 2691).

Congregate Housing is defined as a residential environment which combines shelter with supportive services so that functionally impaired, but not ill, persons can maintain generally independent life styles, and thus avoid unnecessary, premature, and costly institutionalization. Congregate Housing Services include nutritionally balanced meals, housekeeping assistance, personal care, and a variety of health and other supportive social services which must be considered as an integral and essential part of housing for the elderly.

Today I am offering an amendment to S. 3084, "The Housing and Community Development Amendments of 1978." S. 3084, which incorporates S. 2691, provides for congregate services in Public Housing. The funds would be distributed to local public housing authorities by the Department of Housing and Urban Development.

The amendment I am offering will extend eligibility for congregate services to section 202 elderly housing projects.

This amendment would authorize the Department of Housing and Urban Development to enter into 3- to 5-year contracts with any nonprofit corporation responsible for a project housing assisted under section 202 of the Housing Act of 1959, as amended, to provide funds for supportive social services, either directly or through arrangements with local service providers, for their frail elderly and nonelderly handicapped residents. Such funding would be provided only when the section 202 sponsor cannot obtain necessary services through other means.

Section 202 housing for the elderly or handicapped is designed to provide moderate cost shelter plus services which are appropriate to the needs of the elderly or handicapped who are capable of self-reliance and independent living.

Today, one out of every five persons over 65 will live part of his life in a nursing home. Many of them, perhaps between 14 and 25 percent, the GAO estimates, do not need institutional care, but find themselves institutionalized because of the lack of supportive services.

It is clear that there is a desperate need for congregate services in housing which serves the elderly and handicapped. A recent survey by the International Center for Social Gerontology found that over 3 million elderly persons are in need of "assisted living arrangements." Of this number, almost 2½ million could benefit from congregate housing with accompanying medical and social services. In spite of the fact that various programs have been developed for meeting the housing needs of the elderly, such as section 202 housing, only an extremely limited number of projects have incorporated congregate services due to the lack of governmental funding mechanisms. This lack of funding has severely hampered the effectiveness of housing programs in meeting the range of living needs of elderly Americans.

Another recent study conducted by the Department of Housing and Urban Development entitled "Evaluation of the Effectiveness of Congregate Housing for the Elderly," concluded that facilities with congregate services:

". . . Improve the quality of life (of elderly persons) by helping to counteract their social isolation, by providing improved housing for a low-income sector by staving off unnecessary and premature institutionalization, and by providing a humane environment in which to grow old."

HUD programs could be instrumental in meeting the spectrum of needs of the elderly if they were broadened to incorporate basic congregate services in housing serving the elderly. Presently the section 202 program, while intended to specifically serve the elderly and handicapped, falls far short of its potential. By incorporating the congregate services program as presently contained in the Housing and Community Development Amendments of 1978, into 202 projects, Congress would be attempting to make the 202 program truly responsive to the need of residents.

When the Congregate Services Act of 1978 was introduced, it was generally accepted that consideration would be given in future years to the integration of services as part of other programs administered by the Department of Housing and Urban Development for the elderly and handicapped. The American Association of Homes for the Aging, as well as other national organizations, testified on the need for integrating the section 202 program in the Congregate Services Act of 1978. Mr. President, I believe that a delay in integrating the service package into the existing section 202 program will create undue costs in future years. I share this belief with the House of Representatives, who included section 202 housing in a similar bill, H.R. 12433—companion bill to S. 3084—which passed the House Banking Committee and now awaits House floor action.

A number of organizations have endorsed this amendment including the American Association of Homes for the Aging, the National Council on Aging, the Urban Elderly Coalition, the American Association of Retired Persons, National Retired Teachers Association, and the National Council of Senior Citizens.

I am proposing an increase in the authorization level for the expanded program, an additional $5 million is authorized in fiscal year 1979 and fiscal year 1930, $10 million is added in fiscal year 1981 and fiscal year 1982, and $15 million is added in fiscal year 1983. This incremental approach phases in additional assistance to residents who will become eligible for services under this amendment.

We must consider the needs of elderly and handicapped persons residing in section 202 funded projects. In order for these individuals to remain in their homes and continue to live as independently as possible, it is

necessary that they be provided with supportive services consistent with their needs. For the program to be a truly effective governmental effort, it is important that congregate services be available within the context of the program.

NOTICES OF HEARINGS

CUSTOMS COURT ACT OF 1978

● Mr. DECONCINI. Mr. President, on May 15, 1978, I announce that public hearings would be held on June 23 and 27, 1978, in room 4232, Dirksen Senate Office Building, by the Subcommittee on Improvements in Judicial Machinery of the Committee on the Judiciary on S. 2857, a bill to clarify and revise various provisions of title 28 of the United States Code relating to the judiciary and judicial procedure regarding judicial review of international trade matters.

I wish to notice that the June 23 hearing will commence at 9 a.m. and the June 27 hearing will commence at 8 a.m.

Persons who wish to submit a statement for submission into the hearing record should communicate, as soon as possible, with the subcommittee, 6306 Dirksen Senate Office Building, Washington, D.C. 20510.●

SUBCOMMITTEE ON FEDERAL SPENDING PRACTICES AND OPEN GOVERNMENT

● Mr. CHILES. Mr. President, the Subcommittee on Federal Spending Practices is announcing 2 days of hearings to be held on the General Services Administration Contract Fraud Investigation next Thursday, June 22, at 10 a.m., and next Friday, June 23, at 10:30 a.m. Both days of hearings will be in room 3302 Dirksen Building.

For further information regarding the hearings, please contact Mr. Ronald A. Chiodo, subcommittee chief counsel and staff director (224–0211).●

SELECT COMMITTEE ON SMALL BUSINESS

● Mr. NELSON, Mr. President, I wish to announce that the Select Committee on Small Business has rescheduled a hearing on S. 836 (to amend title IV of the Small Business Investment Act of 1958) from Monday, June 12, to Monday, June 19, 1978, at 9 a.m. in room 424 of the Russell Senate Office Building. The Senator from Oklahoma (Mr. BARTLETT) will chair the hearing.

Further information can be obtained from the committee office at 224–5175.●

ADDITIONAL STATEMENTS

THE PANAMA CANAL TREATIES

● Mr. McCLURE. Mr. President, in going to Panama at the end of the week, President Carter will engage in an act which, in its defiance of the Senate's will, constitutes sheer arrogance on his part.

On April 17, the Senate adopted a reservation making March 31, 1979, the earliest possible date that the instruments of ratification of the Panama Canal treaties could be exchanged, barring passage of the implementing legislation at an earlier date. In doing so, the Senate made clear during the debate that this date related to the actual exchange of documents, not merely their entry into force. In spite of the legislative history, and in spite of the spirit of the reservation, the President now plans to proceed with the exchange of instruments of ratification. That a proviso will be included postponing the date of entry into force until March 31 does not mitigate the plain fact that the Senate's intent is being violated. And, as an added insult to this body, the White House is contending that the action is fully consistent with the legislative history.

Now, there can be no mistaking the intent of the Senate at the time the Brooke reservation was adopted.

In addition to the words of the sponsor himself, I alluded twice to this very point saying:

> I think the reservation which he has offered has the virtue of at least saying for a period of time we are not going to deliver the documents to the Government of Panama until Congress has had the opportunity to look at the implementing legislation and act on it.
>
> . . . it also has the anomaly of saying in the event it did get to the floor of Congress in either the House or the Senate and was specially rejected by either body, that the President would then be free, following that date, to deliver the instruments of ratification and of the treaty which I think, is the worst of all the world, and, perhaps, even worse than the anomaly of now ratifying and agreeing to one which we would not later implement.

Not one Senator rose to take issue with my statements at that time. On the contrary, the Senator from Maryland (Mr. SARBANES) who was managing the bill for the proponents at the time, said:

> . . . the provision he has now offered states that if the implementing legislation is enacted earlier than that, then we should proceed with the exchange of articles of ratification, and six months later, then, with the implementation of the treaty. However, it provides a safeguard against mischief with respect to the implementing legislation by saying that if we arrive at March 31, 1978, and have not been able to enact it, then the exchange of the article of ratification will take place and six months later the treaty will go into effect.

Mr. President, I ask you—what could be clearer than that? And yet, Mr. Carter has decided otherwise.

In carrying out the President's decision, the White House has also consistently avoided giving a direct response to legitimate objections by Members of this body to its actions. Shortly after the White House plans were announced, I began a correspondence with the executive branch on the subject, and the exchange of letters continues to this day. I would like to discuss this correspondence in some detail, as I believe that a description of the White House's refusal to own up to the significance of its actions will be as disturbing to my colleagues as it has been to me.

My first communication was a brief letter to the President on April 21, making note of his announced plans, and stating that "it would be a clear violation of the law to deliver these documents to the Republic of Panama except in accordance with the schedule contained in the Brooke reservation." The April 28 response signed by Douglas J. Bennet of the State Department emphasized that "the reservation does not address the matter of the date of physical delivery of instruments," and contended that the White House found nothing "in the legislative history indicating that the Senate intended a meaning other than that conveyed by the plain text of the Brooke reservation . . .".

That same day, April 28, I wrote a second letter. Stating that "any protocol which purports to be a delivery of the instrument of ratification would be illegal," I cited the floor exchange between Senator SARBANES and me which clearly indicated that under the Brooke reservation no exchange was to take place until March. Douglas Bennet's May 8 reply totally skirted my point. In fact, the only substantive sentence in the brief note reads:

> I believe that my earlier letter addressed the points which you have raised in your latest letter.

Needless to say, his earlier communication did no such thing. My letter in effect had asked the White House to explain its opinion that its proposed plans were consistent with the intent of the Senate. Instead of being sent an explanation, I was merely referred to another letter, and one which specifically failed to provide the explanation I sought. On June 9, I sent a third letter to the President incorporating this concern. I am now awaiting a reply.

Senator BROOKE, sponsor of the reservation, has fared no better in his own correspondence with the administration. On April 27 he expressed concern about the President's decision, which "could be interpreted as an attempt to circumvent the intent of the reservation." Douglas Bennet's May 11 response again circumvents the main issue by giving primary emphasis to the documents which "will clearly and unequivocally specify that the exchange of instruments will not be effective prior to March 31, 1979."

Mr. President, I am very concerned about the administration's actions on this issue. For the President to flount the will of Congress in this manner does not speak highly of his respect for the integrity of Congress and the legitimate role of the Senate in the ratification process. Furthermore, the administration's refusal to give a direct answer when confronted by the evidence in the legislative history only aggravates the situation.

There is another aspect of the problem that also worries me deeply. There are entirely too many aspects of the transfer to Panama as yet unsettled for us to enter into a firm commitment at this time. As Senator BROOKE observed in his April 27 letter, "It seems reasonable to me to assume that the Executive would like to maintain its flexibility regarding the date of exchange." As support for this, he cited the "intemperate

remarks by General Torrijos in the aftermath of the Senate vote," concerns about the human rights situation in Panama, and the need for sufficient time to draft proper implementing legislation.

The seriousness of this last problem cannot be underestimated. As Senator HELMS recently explained:

> The Panama Canal Treaty . . . requires legislation to eliminate the Panama Canal Company, create the Panama Canal Commission, establish accounting and ratemaking procedures, alter our defense arrangements and installations, change pension arrangements, transfer property, and so forth.

If the treaties went into effect in the absence of implementing legislation—

> . . . the United States would be confronted with a situation in which the treaties would go into effect so far as they could be effective without legislation. That is, all jurisdiction would return to Panama, all properties would revert to Panama, the United States would have no authority in Panama, and we would immediately owe Panama payments without any way to pay them; yet we would have no way to operate or protect the canal.

Unfortunately, there is every reason to believe, particularly now, that there will be no implementing legislation on the books when the treaties go into effect. When the 1955 treaty with Panama, a far less complex and controversial agreement, was approved 3 years passed before the necessary legislation was enacted. So the chances that the necessary congressional action will be completed by October 31, 1979, when the treaties will go into effect if the exchange becomes effective in March, are practically nil.

If the Brooke reservation had been followed by the administration, the United States would have retained some flexibility, for under this clause March 31 was the earliest possible date, rather than the deadline, for the exchange. But the President's actions have changed that. In committing us, as he will this week, to enter into the treaty in March come what may, the President has thrown away one of our last remaining means to preserve order and sanity in the transition process.

For yet another reason, making a firm commitment to Panama at this time could have disastrous results. On April 25, Panama released a communique analyzing the treaties as approved and modified by the Senate. And five reservations are given interpretations which are different, quite different in some cases, from those intended by the Senate. On June 5, in the speech already cited, Senator HELMS gave a superb, scholarly analysis of Panama's contentions, which I commend to all my colleagues, and which serves as the basis for my remarks on the subject.

The most important interpretation relates to the DeConcini amendment allowing us to maintain the canal open through unilateral action. Panama contends that the leadership amendment attached to the canal treaty, which does not contain the word "unilateral," replaces the DeConcini amendment rather than adding to it. I must conclude, therefore, that Panama's official position as it enters the ratification process is that the United States has no right to take unilateral action. This difference of opinion is crucial.

Other sections of the communique make it evident that Panama does not acknowledge the modifications made by the Senate in the financial arrangements. The Torrijos government also dismisses the Nunn reservation on negotiating for a future U.S. military presence in Panama as meaningless. At the same time, Panama interprets the Brooke reservation as making March 31, 1979, the deadline for the exchange of instruments of ratification (while the reservation clearly says that the exchange shall not be effective prior to March 31).

Mr. President, how can we enter into a binding agreement with Panama as long as such sharp differences exist in interpretation? I can think of nothing with a greater potential for conflict than to turn the canal over to Panama under a set of assumptions which are quite different from Panama's in several key respects. It is a grave mistake whose repercussions we may feel for decades.

In summary, Mr. President, I grow increasingly worried about the policy which the administration has pursued since the Senate ratification of the treaties. In the President's decision to exchange documents with Panama, he has trampled over the will of a constitutionally coequal branch of Government, and on a foreign policy level he has greatly increased the risk of a violent confrontation in the future.

Mr. President, I ask that the exchange of correspondence which I have had with the administration on this matter, as well as the letters Senator BROOKE has written, be printed in the RECORD.

The material follows:

THE MCCLURE LETTERS

U. S. SENATE,
Washington, D.C., April 21, 1978.

THE PRESIDENT OF THE UNITED STATES,
The White House, Washington, D.C.

MR. PRESIDENT: There are persistent rumors that you may decide to deliver the Treaty documents to the government of Panama when visiting there in early May. I want to call to your attention a reservation to the resolution of ratification of the Panama Canal Treaty attached by the Senate which forestalls any exchange of the instruments of ratification until 31 March 1979 unless the necessary implementing legislation has been enacted by Congress previous to this date.

This reservation, which was offered by Senator Brooke, passed the Senate with the support of eighty-four Senators. Only three opposed its adoption. It would be a clear violation of the law to deliver these documents to the Republic of Panama except in accordance with the schedule contained in the Brooke Reservation.

Sincerely,

JAMES A. MCCLURE.

DEPARTMENT OF STATE,
Washington, D.C., April 28, 1978.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLURE: This is in response to your letter to the President of April 21, 1978, concerning the timing of the exchange of instruments of ratification of the two Panama Canal Treaties in light of the reservation to the Panama Canal Treaty sponsored by Senator Brooke and adopted by the Senate.

The reservation in question states:

"Exchange of the instruments of ratification of the Panama Canal Treaty and of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal shall not be effective earlier than March 31, 1979, and such Treaties shall not enter into force prior to October 1, 1979, unless legislation necessary to implement the provisions of the Panama Canal Treaty shall have been enacted by the Congress of the United States of America before March 31, 1979."

In introducing the reservation, Senator Brooke stated that its intended effect was "to provide the Congress a maximum period of approximately 1½ years to enact the necessary legislation. This should be sufficient to do the proper job on a very complex piece of legislation."

The reservation accomplishes this purpose, in Senator Brooke's words, by establishing that "the exchange of the instruments of ratification shall not be effective earlier than March 31, 1979, (unless legislation were enacted prior to that date.)"

As Senator Brooke's statements, and the terms of the reservation itself, indicate the reservation does not address the matter of the date of physical delivery of instruments nor is that date relevant to the purposes of the reservation. Rather, it requires that exchange not be effective earlier than March 31, 1979, so that entry into force of the Treaty will not occur prior to October 1, 1979.

We have reviewed your remarks, as set forth in the CONGRESSIONAL RECORD for April 17, in support of your colloquy that followed. We recognize that you considered the time frame contemplated by the Brooke reservation to be undesirable and felt that there should be complete assurance that the commitments set forth in the Treaty could not become effective prior to the passage of implementing legislation. While we respect your views in this regard, (we do not find anything in the legislative history indicating that the Senate intended a meaning other than that conveyed by the plain text of the Brooke reservation) which, in any event must be considered governing. Moreover, we feel that the interests of the United States will be best served by a prompt delivery of instruments of ratification although these will take effect only later under the terms of the Brooke reservation.

I can assure you that any instruments delivered by the President, at any time, will clearly specify an effective date entirely consistent with the terms and the purposes of the reservation.

Sincerely,

DOUGLAS J. BENNET, Jr.

APRIL 28, 1978.

THE PRESIDENT,
The White House
Washington, D.C.

DEAR MR. PRESIDENT: I have read the White House statement regarding your upcoming visit to Panama which advises that the purpose of the visit is to "sign the protocol confirming the exchange of the documents ratifying the Panama Canal Treaties." In view of the legislative history surrounding the adoption of the Brooke reservation, any protocol which purports to be a delivery of the instrument of ratification would be illegal.

During the debate on the Brooke reservation, the following comments were made:

A. Mr. McClure. "I think the reservation which he has offered has the virtue of at

least saying for a period of time we are not going to deliver the documents to the Government of Panama until Congress has had the opportunity to look at the implementing legislation and act on it."

B. Mr. McClure . . . "it also has the anomaly of saying in the event it did get to the floor of Congress in either the House or the Senate and was specifically rejected by either body, that the President would then be free, following that date, to deliver the instruments of ratification and of the treaty which, I think, is the worst of all worlds, and, perhaps, even worse than the anomaly of now ratifying and agreeing to one which we would not later implement."

C. Mr. Sarbanes . . . "the provision he has now offered states that if the implementing legislation is enacted earlier than that, then we should proceed with the exchange of articles of ratification, and 6 months later, then, with the implementation of the treaty. However, it provides a safeguard against mischief with respect to the implementing legislation by saying that if we arrive at March 31, 1978, and have not been able to enact it, then the exchange of the articles of ratification will take place and 6 months later the treaty will go into effect."

Not once in the entire legislative history of this reservation does anyone refer to the possibility of the delivery of the instruments of ratification other than following adoption of the implementing legislation or after March 31, 1979.

I share Senator Brooke's similar concern as expressed in his letter to you dated April 27, 1978. Any attempt to deliver the instruments of ratification in contravention of the Brooke reservation is illegal.

Respectfully submitted,

JAMES A. MCCLURE,
U.S. Senator.

DEPARTMENT OF STATE,
Washington, D.C., May 8, 1978.

Hon. JAMES A. MCCLURE,
U.S. Senate.

DEAR SENATOR MCCLURE: This is in response to your letter to the President of April 28, concerning the timing of the exchange of instruments of ratification of the two Panama Canal Treaties.

On April 28, I sent you a letter regarding the same subject, on behalf of the President and in response to your letter to him dated April 21. I believe that my earlier letter addressed the points which you have raised in your latest letter.

Please let me know if I can be of any further assistance in this matter.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.

JUNE 9, 1978.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On May 8, I received a State Department response to my second letter to you regarding the forthcoming exchange of documents with Panama. This communication stated, "On April 28 I sent you a letter regarding the same subject . . . I believe that my earlier letter addressed the points which you have raised in your latest letter."

The reason I was compelled to follow up my first letter with another one a week later was that the White House arguments were not satisfactory in reconciling the proposed exchange of documents with Panama with the legislative history of the Brooke reservation. I was particularly concerned about the sentence, "we do not find anything in the legislative history indicating that the Senate intended a meaning other than that conveyed by the plain text of the reservation . . .," which statement is absolutely contrary to the cold facts of the case. Thus being referred once more to an explanation which I initially found unsatisfactory predictably does not provide me with a full response to my inquiry.

Douglas J. Bennett, Jr., Assistant Secretary of State for Congressional Relations, in his letter to me dated April 28, 1978, in reply to my letter to you of April 21, 1978, said:

We have reviewed your remarks, as set forth in the *Congressional Record* for April 17, in support of your proposed substitute to the Brooke reservation, and the colloquy that followed. We recognize that you considered the time frame contemplated by the Brooke reservation to be undesirable and felt that there should be complete assurance that the commitments set forth in the Treaty could not become effective prior to the passage of implementing legislation. While we respect your views in this regard, we do not find anything in the legislative history indicating that the Senate intended a meaning other than that conveyed by the plain text of the Brooke reservation, which, in any event, must be considered governing. Moreover, we feel that the interests of the United States will be best served by a prompt delivery of instruments of ratification although these will take effect only later under the terms of the Brooke reservation.

Since we referred to my remarks but did not refer to any other in saying, ". . . we do not find anything in the legislative history indicating that the Senate intended a meaning other than that conveyed by the plain text of the Brooke reservation," I felt that he must have missed reading the remarks of Senator Sarbanes. I therefore wrote you again on April 28, 1978, setting forth quotations from the debate by both myself and Senator Sarbanes indicating cleadly that the reservation is intended to bar the delivery of the instruments. Secretary Bennett's reply to me dated May 8 was totally unresponsive. The same lack of attention to the clear legislative history characterizes other exchanges with staff in offices of other Senators.

Senator Brooke has had similar responses which led to his introduction of a Senate Resolution.

Senator Brooke, in his capacity as sponsor of the resolution, has strenuously protested the exchange of documents, both in a letter to the White House and in public statements. Most recently, he has introduced a resolution, which I had cosponsored, clarifying the meaning of the reservation to eliminate false interpretations. In a letted to Members of the Senate he has written, "The intent of the reservation was and is clear, namely that the exchange of the instruments of ratification should not take place any earlier than March 31, 1979 . . . During my conversations and those of my staff with Administration officials regarding this reservation, there was never any indication given to them that I believed that an exchange of the instruments even if only ceremonial, could take place prior to the stipulated dates."

Moreover, as I indicated in my April 28 letter, statements made on the floor by Senator Sarbanes, a floor manager for the treaties, indicate that his interpretation of the reservation coincided with that of Senator Brooke.

Because of this seemingly clear proof, I am surprised and puzzled at the White House interpretation that the proposed exchange is compatible with the legislative history of the amendment. Consequently, I would greatly appreciate an explanation of how this opinion was reached.

At the same time, there is more about this issue that concerns me than just the announcement of the June exchange, unfortunate as I feel that is from a foreign policy perspective. I am equally concerned about the statement this makes about the attitude of the White House toward Congress. For the Executive and Legislative branches to work together compatibly the element of trust must be present. There must be a common feeling that agreements, once reached will be respected in letter and spirit. For the White House to take the action puts a severe strain on that trust.

Sincerely,

JAMES A. MCCLURE,
U.S. Senator.

THE BROOKE LETTERS

U.S. SENATE,
Washington, D.C., April 27, 1978.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is my understanding that a ceremonial exchange with Panama of the instruments of ratification related to the Panama Canal Treaties is being contemplated sometime in early May of this year. Naturally, I am concerned that such an action could be interpreted as an attempt to circumvent the intent of the reservation relating to the date of exchange and the date of entry into force of the Treaties.

I believe the reservation is clear in indicating that there is no set date when the exchange of the instruments of ratification is to take place. What is stipulated is that the exchange will not be effective earlier than March 31, 1979. It does not have to take effect at that time.

It seems reasonable to me to assume that the Executive would like to maintain its flexibility regarding the date of exchange. This should especially be the case in light of the intemperate remarks by General Torrijos in the aftermath of the Senate vote and in light of the significant degree of opposition to the Treaties within Panama itself. Moreover, in keeping with your emphasis on human rights, I would assume that you would want to time any binding exchange to coincide with a substantive rather than cosmetic commitment by the Panamanian government to respect for the rights of the individual.

It is also apparent to me that it is in the best interest of the United States to avoid any formal commitment to an exchange of the documents, in keeping with the intent of the reservation, until sufficient time has elapsed to permit Congressional action on the implementing legislation and to allow the Court to come to a determination regarding the property disposal controversy. While I do not believe the exchange should be held up indefinitely because of these issues, and the reservation reflects that view, I do believe that, at a minimum, no formal commitment should be made regarding the exchange any earlier than the March 31, 1979 date stated in the reservation.

It is my view, resulting from the points outlined above that the reservation requires that any communication with the Panamanian government regarding this matter, be it ceremonial or otherwise, makes clear that no binding exchange of the instruments of ratification can be made earlier than March 31, 1979 and such exchange may, indeed, be delayed if necessary beyond that date. Moreover, I believe it is possible, under international law, that an exchange of the instruments of ratification before March 31, 1979, even if made only in a symbolic way, as is apparently contemplated regarding the May 12th ceremony, may create a de jure situation that makes the symbolic exchange binding. This would clearly be in contradiction of the intent of the reservation. Therefore, I believe that any action regarding the relevant docu-

ments, taken by either government earlier than the March 31, 1979 date must clearly be recognized as, and stated to be, for informational purposes only and should not be given a formal binding status by either party if the intent of the reservation is to be satisfied. I assume that this is the position that will formally be stated in unequivocal terms should any ceremony take place prior to the March 31, 1979 date.

I hope that we are of like mind on this matter. I would deeply appreciate having the benefit of your thinking on it well in advance of your anticipated visit to Panama.

With warm personal regards, I am

Sincerely,

EDWARD W. BROOKE.

DEPARTMENT OF STATE,
Washington, D.C., May 11, 1978.

Hon. EDWARD W. BROOKE,
U.S. Senate.

DEAR SENATOR BROOKE: This is in response to your letter to the President of April 27 concerning the exchange of instruments of ratification of the Panama Canal Treaties.

As you know, the President intends to visit Panama June 16–17 and, in the course of his visit, will deliver the U.S. instruments, receive Panama's instruments, and sign the related Protocol of Exchange. I wish to assure you that such deliveries will be made in full compliance with both the terms and intent of the reservation to the Panama Canal Treaty which you sponsored. In accordance with the reservation, the documents will clearly and unequivocally specify that the exchange of instruments will not be effective prior to March 31, 1979, and that the Treaties will therefore not enter into force prior to October 1, 1979. (The effective date of the exchange could, of course, be advanced if legislation were enacted prior to March 31, 1979.)

With respect to the timing of the President's visit, various policy considerations led to the decision to proceed with the ceremony in June. First, the principal objective of entering into a new treaty relationship with Panama is to advance the protection of our national interests in the Panama Canal through active cooperation with Panama. In order to ensure an orderly transition to, and effective implementation of, that new relationship, we believe that both nations should begin planning well in advance in accordance with an agreed upon schedule. Thus, establishing a relatively fixed timeframe for entry into force of the Treaty will advance our interests in this area.

Second, an important result of the conclusion of the new Treaties with Panama has been to advance our interests throughout the hemisphere. We have demonstrated that the United States remains capable of dealing with the concerns of our neighbors with both firmness and fairness, and that mutually satisfactory arrangements can be negotiated to resolve our differences. The President's visit to Panama in June should remove any remaining doubts in the hemisphere concerning the willingness of the United States to move forward in this regard. It will further demonstrate that the Panama Canal is now behind us as an issue in Inter-American relations, and allow us to move forward promptly to address other important questions of mutual concern to the United States and our neighbors in the hemisphere.

I wish to express again our appreciation for your support of the new treaty relationship with Panama which will substantially advance the interests of the United States in the Panama Canal and throughout the hemisphere.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.●

S. 2920—AMENDMENT OF THE TRADE ACT

● Mr. HOLLINGS. Mr. President, I have asked today that the following Senators be added as cosponsors of S. 2920, a bill to amend the Trade Act of 1974: Mrs. ALLEN; Mr. BAKER; Mr. NUNN; and Mr. TALMADGE.

Mr. President, I ask that a letter written to me today by Senators TALMADGE and NUNN, expressing their cosponsorship of my bill, be printed in the RECORD. Their letter documents the record deficit in textile trade that the United States is suffering this year. Already in the first 4 months of 1978, the deficit is in excess of $1.3 billion. These figures make it abundantly clear that the last thing we ought to be contemplating now is a reduction of tariffs on textile products coming into the United States.

Mr. President, the concern expressed today by Senators ALLEN, BAKER, NUNN, and TALMADGE—and 21 earlier cosponsors of my bill—is eloquent testimony to the need for prompt action on S. 2920.

The letter follows:

COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, D.C., June 15, 1978.

Hon. ERNEST F. HOLLINGS,
U.S. Senate
Washington, D.C.

DEAR FRITZ: We have just studied textile and apparel import data for the month of April. The increases are astounding. In fact, the balance of trade in textile and apparel for the first four months of 1978 produced the highest four-month deficit in history—more than $1.3 billion.

The current annual rate of imports is in excess of 6 billion square yards, the highest amount of imports since the Multi Fiber Agreement has been in effect. The following statistics show the urgency of corrective action:

Year	Square yard total (millions)	Dollar value— Imports	Exports	Dollar deficit
1976	5,139	5,269	2,480	−2,789
1977	5,160	5,926	2,567	−3,359
1978 (estimate)	6,200	7,200	2,000	−5,200

It is even more astounding when one realizes that the bulk of these increases have come from Japan and the Peoples Republic of China. These two nations stand to benefit greatly from any tariff reduction and would aggravate the problem causing further loss of jobs and worsen the balance of trade deficit for the nation.

Therefore, we would most respectfully request that you add our names as cosponsors of S. 2920, your proposal to mandate removal of textiles and apparel from tariff negotiations in Geneva.

Sincerely,

SAM NUNN
HERMAN E. TALMADGE.●

FAIRFAX COUNTY PARK AUTHORITY ADOPTS ENERGY MANAGEMENT POLICY

● Mr. JACKSON. Mr. President, as we in Congress have been struggling with the interrelated issues of energy, economy, and environment for the past several years, we have often felt that the issues which concerned us were not being considered by any other public officials. Increasingly, however, State and local governments throughout the country have begun to address these issues and adopt policies and programs designed to conserve energy. In many cases, State and local efforts have been more imaginative and far-reaching than those of the Federal Government.

Recently, the Fairfax County, Va., Park Authority adopted an energy management policy for use in all planning, acquisition, development, maintenance, and operation activities in its park and recreation facilities. The park authority action was called to my attention by Mike Harvey, Chief Counsel of the Committee on Energy and Natural Resources, who was formerly chairman of the authority.

I ask that the policy statement together with the memorandum discussing background and need for such a policy in local park programs be printed in the RECORD for use by Senators and others interested in State and local government.

The statement follows:

ENERGY MANAGEMENT POLICY

STAFF RECOMMENDATION*

That an Energy Management Policy be adopted by the Fairfax County Park Authority and be incorporated in the Policy Manual as Objective/Policy 1300.

THE ENERGY ISSUE

The interrelated issues of Energy, Economics and Environment are as far reaching as world oil supplies and food production or strip mining in the Northern Great Plains—and as close to home as last year's natural gas shortage and last month's electricity bill. Conflicts between increasing energy demands and environmental protection needs, energy shortages, and economic disruptions intrude more and more on our daily lives. The resolution of these conflicts and the solutions reached through national and local policies and programs will have a significant effect on the amount, diversity, and quality of recreational services available to citizens in the near and long term future.

Although the mandate for environmental protection and the economics of providing leisure services are issues which the Park Authority has dealt with since its inception, we are only now beginning to fully realize the intrinsic relationship of energy use to the planning and operation of park facilities.

Energy related costs in the construction and operation of park facilities account for an increasingly large portion of our budget—both park bond funds for capital improvement and general obligation tax dollars for operation and maintenance costs. It stands to reason that as more and more of limited funds are expended for energy consumption, the less will be available for the remainder of the parks and recreation program. We're going to have to cut back on lots of things if we don't cut back on energy costs.

Beyond immediate budget concerns lies the question of whether or not 20 years from now we will be able to provide the level and type of recreation services we are committed to under present policies. Will we be able to adequately maintain the full complement of parks envisioned in a completed park system under current operating procedures? When energy costs are 20 times higher will we be able to operate visitor

* Although this report is forwarded to the Authority by the Conservation Division, it should be noted that this proposal represents the combined efforts of administrative and field staff in every FCPA division.

centers, major recreation centers and sports complexes, or lighted ballfields? Business as usual may indeed be suicide in the parks and recreation field.

Internal energy costs are only one of the limiting factors in the future of parks and recreation. The total range of energy use within the community must be a major consideration. For example:

1. The Park Authority's commitment to the concept of community parks implies a concommitant expenditure of energy in the form of equipment and manpower to service widely dispersed park sites. Theoretically that energy consumption is offset by reduced consumption by park users in traveling to parks. However if we build parking lots instead of trails, the benefit of that tradeoff is lost.

2. Future visitor access to district and county-wide parks presents an even more serious dilemma. At the least, gas rationing may result in empty parking lots and nonexistent revenues. More disturbing however is the fact that without mass transit and non vehicular alternatives to access by private vehicle, the unique recreational opportunities encompassed by these facilities may be denied to large segments of the population, particularly those in lower income brackets.

3. The availability of land to accommodate future recreation needs may be another limiting factor. If we have committed our resource base to facilities currently in vogue—some highly energy intensive—what options will be available to meet changing recreational patterns? The shift in demand from Little League ballfields to soccer fields is a current case in point; but what changes in recreation activities will be dictated by restricted energy supply? Will we have built in the capability of "recycling" facilities.

4. Will environmental degradation of land, air and water prohibit outdoor recreation in the year 2020? Or will the priorization of energy allocations be the deciding factor?

When ultimate energy priorities are set, citizens may not vote against parks, but they will vote for homes, schools, hospitals, and transportation.

STATEMENT OF NEED

Clearly, energy use underlies all our planning and operational considerations. In the years to come there are hard energy choices and tradeoffs to be made at every turn of the road. It should be the purpose and goal of the Park Authority to minimize the impact of energy shortages, environmental degradation and economic restrictions on park and recreation services in Fairfax County. Furthermore, as administrators of those places where people come seeking to improve the quality of their lives, we have a special obligation to make our parks models of environmentally sane and wise energy use. What is required to accomplish this goal is a holistic approach to energy management which will ensure the appropriate allocation and uses of energy resources in all areas of park development and operation.

The potential for effective energy management exists throughout the park system. The following areas represent broad categories where energy economies are possible. Included within each category are some examples of energy options:

Administration: Life cycle costing, land use alternatives, and cooperative transportation agreements.

Planning and design: Passive architectural design now; provision for addition of active solar technology when it becomes economically feasible; non vehicular access; and landscaping for energy conservation.

Operations and maintenance: Energy auditing of facilities, retrofitting, natural resource management; and work schedules and vehicle fleet composition.

Programming: Energy education of staff and public and low energy intensive recreational program activities.

In the decision making process certain tradeoffs may exist between the most energy efficient practices and other management objectives. The benefits of energy conservation measures will be weighed against such factors as environmental impact, recreational needs and desires of citizens, short and long term costs, and the availability of appropriate technology.

The proposed policy lays the framework for a broad based energy management plan and is intended to effect immediate energy conservation planning and practices. No attempt has been made to establish energy use ceilings or mandate specific energy guidelines. It is anticipated that such actions will evolve in the course of staff implementation of the policy.

BACKGROUND: ACTIONS TO DATE

Adoption of Energy Management Policy at this time is a desired and natural outgrowth of existing Park Authority policies and management philosophy. Cited policies afford specific areas amenable to an energy conservation focus. Additionally, effective management has always been a goal of the Park Authority; unquestionably energy conservation is good management which translates directly into cost savings, efficient operations, effective allocation of resources, innovative programming and good public relations.

Energy conservation has for some time been a conscious factor in staff decision making, operational procedures and programming. For example, the metal halide lighting system installed at Mason District Park is 100 per cent more energy efficient than traditional mercury vapor lights and over a seven year period will result in a savings of approximately $6,300 annually (at 1974 energy prices).

The architectural contract for the Lee District Recreation Center includes passive design revisions and a feasibility study for active solar technology.

Operationally, the establishment of a fourth maintenance district and consequent rescheduling of personnel and equipment will result in an estimated annual energy savings of $120,000. The Mason District Park Natural Resource Management Plan will save a minimum of $400 annually in mowing (5 acre area) costs as well as afford the opportunity to enjoy a much greater diversity of wildlife. Preliminary energy audits have already been conducted at most of the revenue parks and initial retrofitting procedures are planned where appropriate.

In June 1976 the Park Authority was selected as one of 23 park systems nationwide to participate in the NRPA "Parks Project on Energy Interpretation". In February 1978 the Park Authority cosponsored with Virginia Recreation and Park Society an Energy Management Workshop at Wakefield Park for park and recreational professionals in the metropolitan area. The following month a staff training workshop on energy management produced a set of priorities for energy conservation measures which park personnel will seek to implement in the coming six months.

The growing awareness of energy issues within the parks and recreation field is reflected in the NRPA Statement of Policy on Energy adopted at the 1977 National Congress and in the issuance of energy guidelines by the Department of Interior. The Park Authority actions to date have attracted considerable attention at these national levels. As park and recreation agencies look increasingly to the Fairfax County Park Authority for leadership at the local level, a firm policy commitment to energy management will give considerable credibility to our efforts.

FAIRFAX COUNTY PARK AUTHORITY POLICY MANUAL

OBJECTIVE 1300

To practice stewardship of energy resources in the planning, acquisition, development, maintenance and operation of park and recreational facilities.

POLICY 1300—ENERGY MANAGEMENT

In order to achieve the objectives of the Authority and meet the needs of present and future citizens, it shall be the policy of the Fairfax County Park Authority to ensure the appropriate allocation and utilization of all energy resources involved in the planning and management of park facilities.

It is recognized in the establishment of this policy that the interrelated issues of energy, economics and the environment have a profound effect on the delivery of park and recreation services and that responsible energy management must be an integral component of park planning and operations.

Consistent with established Authority Objectives and Policies (600—Master Plan Design/Development, 700—Operations (general statement), 800—Maintenance, 1000—Minimizing Tax Burden, 1100—Education and Participation, and 1200—Trails) the following shall be the policy regarding energy conservation/management.

1. Master Planning procedures shall include consideration of energy efficient design, landscaping, and the environmental and economic impact of energy usage pertaining to park development.

2. Planning emphasis on low energy intensive maintenance areas and recreational facilities shall be encouraged.

3. Cooperative agreements with local, state, and federal mass transit officials and non vehicular modes of travel to parks shall be promoted to ensure continuing access to parklands for all citizens.

4. Operational and maintenance procedures shall be periodically reviewed and revised as necessary to implement energy conservation measures and optimize the management of natural, human, and built enegry systems.

5. Educational opportunities regarding energy conservation/management shall be provided to park users and Authority staff.

In accordance with this policy, staff will continue to take such measures as necessary to ensure implementation of appropriate energy conservation planning and management practices.●

JIM ALLEN

● Mr. LUGAR. Mr. President, Victor Gold reflects on Jim Allen's contribution to the legislative process in a most beautiful tribute which appears in the June 23, 1978, issue of National Review. I ask that Mr. Gold's statement appear in the RECORD, to honor the memory of Jim Allen and to inspire all of us who carry on the tradition he cherished.

The statement follows:

JIM ALLEN RIP

They buried Jim Allen in Gadsden, Alabama on a Tuesday in early June, ten years to the day since he first won nomination to the United States Senate. It is a loss his friends, his state, his country suffer in the passing not only of the man but of the extraordinary gifts he brought to the Senate and the system; though, as I recall, winning nomination to high office wasn't always in his repertoire of political talents.

I remember another late spring—dear Lord, nearly a quarter of a century ago—one of those frenetic Alabama political seasons featuring populist divertissements for entertainment-hungry crowds gathered on courthouse lawns and at backwoods barbecues. In those days, everyone who wanted to be anyone in Southern politics was a Democrat; so there I was, a young public relations man not long out of law school, called in to counsel a candidate whose campaign was sagging.

There were, understand, three candidates named James running for governor. One, the eventual winner, called himself "Big Jim." He campaigned with a hillbilly band and held the courthouse lawn crowds spellbound with thundering downhomer rhetoric about soaking the "Big Mule" rich folks. A second James, cuddlingly called "Jimmy," attracted audiences by answering questions from a portable glass enclosure, the very latest in political gimmickry. Finally there was Allen. He was well over six feet tall, almost bearlike. But no one who knew him well ever thought of calling him "Big Jim," and certainly never "Jimmy."

Indeed, in a carnival-like campaign Jim Allen was a candidate with a shortage of requisite political talents, and there was nothing a public relations man, young or old, could do about it. For he was one of those rare oddities in modern politics, a fixed image: meaning, he was himself and none other. Publicly and privately, to the day he died, he remained a man of quiet dignity, reserved but straightforward, warm but not effusive: a servant of the system, given to the intricacies, not the flourish, of his calling.

So he lost that race 24 years ago, returned to the practice of law, and that was that; except that Jim Allen, as his adversaries in parliamentary debate invariably learned to their sorrow, was a man of inordinate patience and persistence. And, fortunately for the country, Alabamians operate on a different political frequency when they go to the polls to elect U.S. senators. In 1968, following a second term as lieutenant governor, Allen ran for the Senate. Again his campaign style was plodding, his stump speeches more informative than entertaining. But what he lacked in charisma, he more than made up in character.

We will miss him for that, as much as for his making the Senate work as it was intended to work, by giving renewed meaning to the phrase "legislative process." For he was a needed reminder of a time when the word, not the image, gave order to our system; when form, not style, was valued. A gentleman, as they say, of the old school. No orator, true; but in a pinch over my immortal soul I would take the gentleman from Alabama as my advocate over Daniel Webster any day. By the time Jim was half through challenging that stacked jury, the Devil would throw in the towel.—VICTOR GOLD.●

BEEF IMPORTS

● Mr. BAKER. Mr. President, on behalf of the Senator from New Mexico (Mr. DOMENICI), I ask that a statement by him on beef imports be printed in the RECORD.

The statement follows:

The Senate has considered the meat import question and passed a countercyclical beef import bill on May 5. This bill provided for automatic increases in beef imports during periods of domestic shortages, and decreases during periods of domestic overproduction. The measure will correct inequities harmful to consumers, to cattlemen and to importers.

The Meat Import Act of 1964 provides for beef imports to increase as domestic cattle production increases, and beef imports to decline as domestic production declines. This brought about an extremely unstable market with consumers periodically paying high beef prices.

It seems to me that the Senate-passed bill will provide for more stability in the cattle industry. It will provide lower prices to the consumer because of the greater stability it brings to the beef market. It will also provide reasonable markets for imports.

I believe the recent actions taken by the Administration to increase imports of meat will make apparent that provisions contained in H.R. 5052 are both needed and desirable to help ease sharp fluctuation in beef prices.●

THE SITUATION IN AFRICA

● Mr. CHURCH. Mr. President, David Wood's article in the June 7, 1978, Washington Star, "Today's African Radical: Soured on Marxism, Searching Anew," is quite helpful in keeping our perspective on the events in Africa. It deserves to be read carefully by the Members of the Senate, and I commend it to them.

I ask that it be published in the RECORD.

The article follows:

TODAY'S AFRICAN RADICAL: SOURED ON MARXISM, SEARCHING ANEW

(By David Wood)

NAIROBI, KENYA.—Profile of an African radical:

He is the son of a subsistence farmer, bright enough to attract the attention of local white missionaries. At missionary school he acquired deep hatred of white paternalism. He escaped to the Soviet Union at age 18, where he wore his first pair of shoes.

Attended Patrice Lumumba University five years, traveled extensively to party congresses in the Eastern Bloc. Came home in the mid-1960s to strengthen Communist ideology of his country's anti-colonial liberation movement. Opened his movement's office in Havana in the late '60s. Served there five years as Cuban military liaison with his movement.

Status: unemployed.

Future: uncertain.

He wears an unaccustomed tie and jacket to the interview. He speaks with a deep-throated and open-eyed directness. He is lithe and well-muscled, his jet-black face betraying nothing save a constant wariness and an occasional ironic laugh. One can easily imagine him as the guerrilla he once was, moving cautiously down a sun-baked path, AK-47 held at the ready, hand grenades dangling from his belt, eyes sweeping the ground for signs of land mines.

He is treading on more dangerous ground now: in his search for a "less imperfect society" for his homeland he has left communism behind, severed relations with the Cubans and the Soviet Union, and is once again looking for answers. Anonymity is essential now, as it was in his guerrilla days—he will not even permit a reporter to write the name of his country—for he faces enemies and suspicions on both sides.

What went sour in Havana and Moscow? He speaks vaguely of Marxism requiring a working-class consciousness, spreads his hands in a gesture of mocking hopelessness: We have no working class in Africa. He smiles. Marxism, he patiently explains in his peculiarly lilting African English, requires this and that, its structure is thus and so, and meanwhile we are a simple people and you can see that this just isn't going to work.

And then, suddenly, the real reasons: "Look what (Ethiopian head of state) Mengistu is doing in Ethiopia. Brutal repression, killings. Can I want that for my people? In Mozambique, a complete absence of personal liberty. Marxism says you set up a proletariat of the people, sacrifice personal liberty for the hope of a future paradise. But our people have been oppressed for such a long time, they don't want to sacrifice any longer. They want an end to oppression, a raise in their living standards."

Ah, the Russians, he says. "They tend to patronize you. They're standoffish. Their attitude is, if you don't know Lenin, if you don't attack Mao, then you're not a revolutionary."

More to the point, for Africa: the Cubans?

"Well, you don't get all that stuff with the Cubans. They are more nationalists. They don't give you a lot of this political education. They train fighters. Cubans are also easy to get along with. There is no racism there. Their attitude toward us is quite warm. They are not doctrinaire ideologies. They're ideologic pragmatics."

Pleased with that elegant turn of phrase, he sits back, accepts a cigarette, an sips at a bottle of warm beer. Mid-sip, he remembers: "Cubans give you all this bull about coming to Africa for international solidarity. International solidarity? Their aim is self-interest. Involve the U.S. in a lot of little Vietnams all over the world. Create dissension in the U.S., create problems for the American administration, weaken the economy, divert attention away from the Caribbean. They used to tell us, it seems even funnier now, that our real problem wasn't the colonial regime we were fighting, but the U.S., and that our real goal was to deny the U.S. the strategic resources of our country, contribute to the breakdown of the U.S. But that is just their view of things. They are good fighters, good military trainers, and they don't push their opinions around in front of the themselves."

Time out for another beer, and a military story: "Cubans," he says, "are very strict in instructing that leaders of the liberation movements they are training for guerrilla warfare participate in the fighting. They say good leaders are always out in front. You can imagine what kind of reception that advice gets in Africa."

Andy Young's name comes up. "I think he's got the right idea. Cubans a stabilizing influence? Maybe. If the West ignores them, comes out strongly against racism, the Cubans then don't really matter. They'll go home. But push them, demand that they go home and they'll dig in their heels. They don't like to be told what to do by the United States. Anyway, they're not salesmen. And even if they were, we're not buying ideology. We're in the business of fighting oppression. Communism isn't a threat to Africa. Racism is. You leave the Africans alone, and they will not choose Communism. I grew up here, and I was educated there, and I know what I say is true.

"One of the things the Russians have never understood about Africa is that there will never be a real working class here. Africans who have jobs, they work until they have enough money to buy what they want, then they retire and leave the city, go back to their village. How are you going to create a revolutionary proletariat out of that system?

"The Cubans understand this. They accept it. You can have all this rhetoric and flag-waving and singing about the working class, but at the end of the week everybody goes home and drinks beer," he says with a fond laugh.

"I am thinking now that a democracy—democratic socialism—is what we are going to need. That is why I want to study in the U.S."

He is unsure what he will find there. Practical advice on how to run a democracy? Perhaps. Philosophical inspiration? Perhaps. Further disenchantment? Pause. Maybe.

"What is it you say? Forget about the answers—I'm looking for the right questions.

"And now," he says with a weary self-mocking smile, "I am going home for the weekend."●

NATIONAL MARCH OF THE UNITED STATES

● Mr. GRIFFIN. Mr. President, if the Senate rules would permit it, I might ask one of the many fine bands from my State to march around this Chamber playing as loudly as possible to alert my colleagues to a little known, but noteworthy, resolution now pending before the Judiciary Committee. That resolution—Senate Joint Resolution 130—would designate John Philip Sousa's "The Stars and Stripes Forever" as the national march of the United States.

When Senate Joint Resolution 130 was introduced earlier this year, the distinguished senior Senator from Maryland (Mr. MATHIAS) stated:

Throughout history, music has been an integral part of human civilization. The major events of our personal lives—weddings, funerals, commencements, religious observances, athletic events, ceremonial occasions, and so forth—are distinguished by musical accompaniment. Music sets the mood, heightens the senses, deepens the feelings, and highlights the significance of special moments, just as it helps to make a leisurely afternoon or evening more pleasant and relaxing.

I am disappointed that Congress did not take steps long ago to establish a national march. In my view—and in the view of countless individuals and groups across the Nation—there is no better candidate for such a designation than Sousa's incomparable march, "The Stars and Stripes Forever."

This march clearly bespeaks our national spirit and is one with which the American people identify. Sousa's biographer, Paul E. Bierlesy, describes a typical performance of the march king's best known music in this way:

The audience rises. Our spines tingle and we see misty eyes all around us. We are proud to be Americans.

Music scholars have often referred to "The Stars and Stripes Forever" as a miniature masterpiece, which appeals both to a person's emotions and to his intellect. Sousa himself humbly thought it was inspired with help from a "higher power."

Furthermore, people in foreign countries greatly respect this music—in fact, many already believe that it is our national march. As musical director of the World Symphony Orchestra (representing 66 nations) when it was organized in 1971, Arthur Fiedler ended his concerts with "The Stars and Stripes Forever." He said:

. . . it was a grand concluding number, bringing standing ovations at every concert. The foreign members of the orchestra played it with much enthusiasm and actually seemed gratified to be playing it.

It should be emphasized, that a national march would in no way conflict with our national anthem. In fact, I am convinced that it would enhance the significance of "The Star Spangled Banner." An anthem is a hymn of praise or loyalty, permitting us to pause and to reflect, while a national march enables us to actively proclaim our patriotism in a variety of ways. Just as our colleges and universities have rousing fight songs to complement their alma maters, our Nation should have a national march.

As a cosponsor of Senate Joint Resolution 130, I urge my colleagues to consider and approve this resolution.●

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

● Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million, or in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that two such notifications were received on May 30, 1978.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, room S–116 in the Capitol.

The notifications follow:

WASHINGTON, D.C.,
May 30, 1978.

In reply refer to: I–987/78ct.

Mr. WILLIAM RICHARDSON and Dr. HANS BINNENDIJK,
Professional Staff Members, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR SIRS: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Northeast Asian country tentatively estimated to cost in excess of $25 million.

Sincerely,

ERNEST GRAVES,
Lieutenant General, USA, Director, Defense Security Assistance Agency.

WASHINGTON, D.C.,
May 30, 1978.

In reply refer to: I–1284/78ct.

Mr. WILLIAM RICHARDSON and Dr. HANS BINNENDIJK,
Professional Staff Members, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR SIRS: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to an East Asian country for major defense equipment tentatively estimated to cost $25 million.

Sincerely,

ERNEST GRAVES,
Lieutenant General, USA, Director, Defense Security Assistance Agency.●

S. 3200—CONGRESSIONAL BUDGET LIMITATION ACT OF 1978

● Mr. BAKER. Mr. President, on behalf of the Senator from New Mexico (Mr. DOMENICI), I ask that a statement by him, together with an attachment, be printed in the RECORD.

The material follows:

STATEMENT BY SENATOR DOMENICI

Yesterday I introduced S. 3200, the Congressional Budget Limitation Act of 1978. By an oversight the text of this bill was not printed immediately following my remarks.

At this time I ask that the text of S. 3200, the Congressional Budget Limitation Act of 1978, be printed in the RECORD.

S. 3200

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Congressional Budget and Impoundment Control Act Amendments of 1978"

SEC. 2. Add to the "Congressional Budget and Impoundment Control Act of 1974" the following new section:

"SEC. 1018. Notwithstanding any other provision of this Act, the level of total budget outlays in any Concurrent Resolution passed in accordance with this Act shall not in any calendar year exceed 20 percent of the gross national product of the United States of America, unless waived by a two-thirds vote in each House of Congress." ●

A TRIBUTE TO HUBERT HUMPHREY

● Mr. METZENBAUM. Mr. President, I would like to introduce into the RECORD an article dedicated to our former colleague, Senator Hubert Humphrey, who recently died of cancer. Many articles have been written about Senator Humphrey—about his personal courage in the face of a long and painful illness, about his eternal optimism and goodwill toward all people, about his continuing pursuit of programs to benefit the poor, the elderly, and the disadvantaged. But few articles capture the essence and spirit of the distinguished Senator from Minnesota as does this article by Vice President Mondale, his longtime associate and friend both in Minnesota and in the national political life.

It is only fitting that this article, and so many others that have appeared since

Senator Humphrey's death, avoids the mournful and despairing tones that so often accompany such remarks. No, Hubert Humphrey would not stand for that. The tone is upbeat, promising, and hopeful—the way any remarks about Senator Humphrey must be. For that optimism and hopefulness are the true legacy which Hubert has left to us.

Hubert Humphrey was a remarkable man, not only for his unwillingness to accept defeat, but for his vision about the greatness of the United States and its Government. He possessed a unique sense of the great potential that the Government has to help its citizens, which was combined with his keen knowledge of the pragmatic and the possible. His enthusiasm was infectious, his desire to accomplish was contagious. His eagerness to do political battle for a cause or an issue that he believed in was not diminished by his many years of public service, but actually increased over time. He was truly an inspirational leader.

Many voices are often lost in the general noise of the political arena, but his stood out as a clear call for decency, and fairness, and equality. He believed in the essential goodness of the American political system and in its ability to make things right. He understood, better than most, that setting things right will not just happen by itself. It takes a long, involved battle. He understood that there are many rewards for that battle. There are the rewards of the momentary victory that comes along every so often. But Senator Humphrey taught us that in politics the continuing battle—for justice, humaneness, and compassion—is its own lasting reward.

The article follows:

WHAT HUMPHREY MEANT TO AMERICA— AND TO ME

(By Walter F. Mondale, Vice President of the United States)

Hubert Humphrey would have celebrated his 67th birthday next Saturday. Like most of his birthdays, it would have been a joyous occasion, charged with his characteristic enthusiasm and excitement about what the future might hold for himself and his beloved country. He would have been surrounded by family and friends, all having a good time, and nobody having a better time than Hubert.

I've thought about Hubert many times since that sad night last January when I returned home from a trip to learn that he'd finally lost his battle with cancer.

I've though about how I first met him as a college student, how he inspired me to enter politics and public life, and how our friendship strengthened and deepened over the years as I followed his path to the U.S. Senate and the Vice Presidency.

But most of all, I've thought about why Hubert was able to touch the American people in a rare and wonderful way, filling them with hope and optimism, lifting ther spirits and calling forth their finest instincts.

I'm not sure we fully understand even now why Hubert had such a universal appeal—not just to Americans, but to people all over the world. But I know that he touched a common chord with people in all walks of life.

I was dramatically reminded of this reservoir of good will toward Hubert only a few days before his death when I was confronted by a group of angry farm strike leaders in Grand Junction, Colo. As I walked across the street to talk to the shouting, sign-waving demonstrators, I heard one of them yell, "Hey, this guy's all right—Hubert trained him!" and felt their hostility melt away.

Hubert was like that. Even people who disagreed with him or never voted for him had to admit that Hubert was "all right." In fact, a public opinion poll taken shortly after his death found that, although he never got to be President, he was better loved by most Americans and had a greater influence on his country than some recent Presidents.

I remember the first time I saw Hubert Humphrey. It was the fall of 1946, and I was a student at Macalester College in St. Paul, Minn. I'd heard about this exciting new mayor of Minneapolis and how he was trying to put together a new political party in Minnesota. A group of us went to a rally to hear him speak, and he was spectacular.

It was a dingy little hall and he was talking about the mechanics of political organization, but I can still remember the electricity in the air as he spoke—how the crowd cheered and our spirits soared. He had enormous exuberance and energy that was just unbelievable. I met him afterward, just to shake hands really, but I knew right away this man was a hero of heroes.

Even then, at the outset of his public life, Hubert had the ability to communicate something special to people—a sense of basic decency, an uninhibited delight in the give-and-take of politics and a conviction that the ultimate test of government is whether it helps people live better.

I sensed then what I was to be constantly reminded of while working for and with Humphrey over the next 31 years: that the essence of his leadership was his ability to infect politics and government with understanding and enthusiasm and personal feeling. With quickness of mind and force of personality, he could persuade and energize people like no one else.

HIS BASIC HUMANITY

He had an ability—better than anybody I even saw in public life—to make the leap from passively observing human problems to personally identifying with them, then convincing and exciting people about the need to solve them. His humanity lay at the heart of his leadership and was one of the reasons for the outpouring of love and affection that came to him toward the end of his life.

It didn't take me long to discover that Hubert's public expressions of compassion and concern for people were just as real in private. In 1948, when he was elected to the U.S. Senate for the first time, I ran his campaign in the Second Congressional District in southern Minnesota, a rural and conservative area where I grew up.

When my father—a Methodist minister who came out of the same agrarian populist tradition that Hubert did—heard the candidate was coming to our town, he was determined to meet him, even though Dad was very sick and knew he was dying. As usual, Hubert was running several hours behind. But when he heard my father was there, he walked several blocks to greet him and tell him what a great job I was doing and what he hoped to do when he got to Washington. For a moment, I saw my father grow young again, infused with Humphrey's enthusiasm and his own pride in a son who worked for such a man.

A SENATOR AND A SOLDIER

Hubert went to the Senate that year. I didn't see much of him because I went into the Army, completed law school and started my own political career. When I became Minnesota's attorney general, I think Hubert saw me as one of the young leaders in the state's Democratic-Farmer-Labor Party, but we weren't as close as we became in later years.

An incident at the 1964 Democratic National Convention in Atlantic City, N.J., showed me that Humphrey had lost none of his human qualities in the intervening years. I was with him in his hotel room as he waited to learn whether President Johnson was going to pick him as a running mate. Even though he had been warned by the White House to keep his telephone free for a call from the President, he placed a call to Minnesota to console the widow of a young Minneapolis alderman who had just died. I was very impressed that at this crucial moment in his political career, he took time to help a friend in need.

After he was elected Vice President and I was picked as his successor in the Senate, I learned how much he loved the legislature and how hard it was for him to leave it. I had the hardest time getting him to give me a date for his resignation, and when the time finally came, he was clearly dejected.

Despite his later unhappy experiences as a result of the Vietnam war, Humphrey's early days as Vice President were a satisfying, exciting time for him. He expounded, explained and extolled the Great Society and helped push dozens of major programs through the first session of the 89th Congress—Medicare, the Voting Rights Act of 1965, aid to education, the new Department of Housing and Urban Development. He was thrilled to be a part of all that.

Looking at his Vice Presidency from the vantage point of my own, I think he accomplished a lot more than most people remember, because the war obliterated much of his contribution. He was both a powerful influence on the Johnson Administration's domestic agenda and effective and knowledgeable in international affairs. Much of what he accomplished was due to the respect and friendship he enjoyed in the Congress.

When I was considering the Vice Presidential nomination, I went to Hubert and asked his advice. He said, "Do it. They were the happiest years of my life." He explained that the job forced him to understand government from the executive branch viewpoint and that he had learned more about the world and world leaders than he possibly could as a Senator. He said it produced a change in the quality of his life and predicted that it would for me, too. He was right.

Even though Hubert and I had been friends and political allies for many years, it was not until the last few years of his life that we became genuinely close. I remember particularly a heart-to-heart talk we had at the University of Minnesota Hospital after his final surgery last fall. He told me he'd had a good life and that he knew he wasn't going to live forever. When I got up to leave, he did something he'd never done before. He hugged me and said he expected me to carry on for him and all he stood for.

After that we talked often, usually by phone but occasionally in person. The qualities he displayed in our first meeting and throughout the years I knew him were still there, although diminished by his illness. There was no self-pity and no complaining. We kidded each other and laughed a lot, and he counseled me—and President Carter, who became very close to him in the last year of his life—about the future and about the kind of America he hoped our leadership would bring.

The last time I talked to Hubert was in early January, the week before he died. I was in the Senate when he called, and I could tell the end was near because he said he wasn't feeling too well. He'd never said that before. There were some other Senators there and after we talked for a few minutes I put them on. After hanging up, I realized he had called to say goodbye.

LOOKING BACK, SUMMING UP

In looking back over Hubert's life, it seems as though all the disappointments that were visited on him were suddenly settled in his favor in that last year, when everybody wanted him to know they appreciated what he had done for them and for America.

For reasons hard to explain, he symbolized something very important to Americans. We'd been through 10 to 15 years of traumas like Vietnam, Watergate and other abuses of power that caused us to lose faith in ourselves and our system of government.

Then suddenly people all over the nation seemed to say, "Hey, wait a minute. Here's this guy Hubert Humphrey who's kind of like America—with his faults and weaknesses but full of hope and optimism and decency. He never got tired of loving this country and trying to serve it, and we have to let him know of our love and affection while we still can."

Hubert would have had quite a 67th birthday party.●

RUSSIANS AND CUBANS IN AFRICA

● Mr. CHURCH. Mr. President, on May 2, 1978, the Wall Street Journal published an article by Arthur Schlesinger, Jr., entitled "Russians and Cubans in Africa."

In this article, Mr. Schlesinger examines, with an historian's perspective, the current role of the Russians and Cubans in Africa. He reminds us that—

If the Soviet Union wants to plunge into its own quagmire in Africa, I do not think this need be a major worry for us. Africans have not got rid of one set of white masters in order to replace them by another.

I fully subscribe to the Schlesinger analysis and strongly recommend it to my colleagues. Accordingly, I ask that the full text of the article be printed in the RECORD.

The article follows:

[From the Wall Street Journal, May 3, 1978]

RUSSIANS AND CUBANS IN AFRICA

(By Arthur Schlesinger, Jr.)

In recent weeks Washington has resurrected the doctrine of linkage. Linkage means that, if the Russians make trouble in one area—Africa, for example—we will seek to punish them by denying them something in another area—say, the SALT talks. Linkage began as a cherished theory of the Nixon administration. It had little effect when applied. The Carter administration started by disowning it. Now the White House, though not the State Department, appears to be sidling toward it, apparently because it cannot figure out any other way of reacting to the Soviet-Cuban assault on Africa.

The doctrine presents an evident difficulty. It implies in the case at hand that we are doing the Soviet Union a great favor by trying to reach a SALT agreement. But obviously the only reason we are engaged in SALT talks at all is because we believe the limitation of nuclear weapons to be in our own interest. If we did not believe that, we had no business in holding the talks. Arms control is a favor not just to the Soviet Union but to ourselves at well, and to all mankind. To say that we won't conclude an arms control agreement because we don't like what the Russians are doing in Africa deserves precisely that childish mataphors that spring to mind: cutting off our nose to spite our face, or threatening to go into the garden and eat dirt. If arms control is in our own interest, as it plainly is, we punish ourselves quite as much as we do the Russians in declining to reach an agreement.

Linkage raises another question: Exactly what kind of Communist threat is this in Africa that we are getting so excited about? A recurrent experience of the American people is to discover that some exotic locality of which they had not previously heard is vital to the national security of the United States. An unknown place that had never before disturbed our dreams suddenly becomes a dagger pointed at the heart of something or other, a capatone to a hitherto undiscerned arch, the key to some momentous global conflict.

YESTERYEAR'S PROPHECY

A few years ago the high priests of national security told us that the communization of Vietnam would be fatal to our world position. In consequence we endured the most disgraceful war in our history to "save" Vietnam. Well, we lost the war, and Indochina indeed went Communist. What happened to our world position? Today the Communist states are fighting savagely among themselves, as could have been predicted, and the threat to American security has not visibly increased.

Now that we are mercifully out of Southeast Asia, the high priesthood, which has a vested interest in crisis, tells us that Africa has become the key to our security. In 1976 we were given to understand that Angola was the crucial spot. In early 1978 everything suddenly turned on the Horn of Africa. The Horn of Africa! Who among us had ever heard of the Horn of Africa six months ago? Yet our national fate was deeply involved, highest authority instructed us, in the outcome of a local conflict between Somelia and Ethiopia.

And all this, we are assured, is only the beginning. The diabolical Russians and Cubans are engaged in a monster plot to take over all Africa. "We are witnessing the most determined campaign to expand foreign influence in this troubled region," Frank Carlucci, the deputy director of CIA, tells the Senate Armed Services Committee, "since it was carved up by the European powers in the late 19th century. . . . It is my view that Moscow and Havana intend to take advantage of every such opportunity to demonstrate that those who accept their political philosophy can also count on receiving their assistance."

Let us try to sort out some of these issues. No one can doubt that the Russians are using the Cubans in a massive effort to dominate Africa, nor that success in this effort would create problems for the West. But an intention does not by itself constitute a threat. The serious question is: What prospect do the Russians have for establishing a permanent presence in Africa?

Now Africa is a multitribal culture, possessed by its own traditions, absorbed in its own problems, indifferent to the outside world, consumed by indigenous emotions of nationalism and tribalism, immune to Western ideas and institutions. It is safe to say that communism is as irrelevant as parliamentary democracy to the historic patterns of African thought and behavior. Evelyn Waugh remains the best guide to the idiocy of the West trying to do anything in an awakened Africa. To invoke Waugh, I suppose, is to risk charges of frivolity or worse. Such a reaction misses Waugh's essential point. What he wrote about with deadly accuracy in "Scoop" and "Black Mischief" was the total irrelevance to African mores of Western values, as proved both by the Westerners who tried to impose them and the Africans who tried to adopt them. Communism and capitalism are in the African view equally Western, equally materialistic, equally rationalistic, equally remote from a system of ancient and irremediably tribal cultures.

When Mr. Carlucci says that the Russians are helping "those who accept their political philosophy," he is kidding the Armed Services Committee, and no doubt himself too. Like all nationalists, black African leaders fighting their private wars are delighted to con any outsider into helping them. But the meaningless rhetoric they offer Moscow in exchange does not mean for a minute that they "accept" the Communist "political philosophy." Nor do their wars have anything to do with the Cold War.

I remember an Anglo-American meeting about the Congo in the early Kennedy years. Some in the American government had got it into their heads that the civil war over Katanga would enable Moscow to gain a bridgehead in the center of Africa and that the West must act at once to prevent this dangerous development. I noticed that David Ormsby-Gore, the wise British ambassador to Washington, was silent during the frenetic discussion. I asked him later what he made of it all. He said, "I really don't think we need to get so agitated about tribal wars in Africa. After all, every country has the right to its own Wars of the Roses."

I do not suggest that we should regard the Soviet-Cuban intervention with complacency. Let us denounce it fervently in all the forums where men of international goodwill gather together. But don't let's take it all that seriously in our own councils. The Soviet Union does not have a hex on Africa. Most Africans who have been to Moscow cordially dislike the Russians as racists. The Russian record in Africa has been one of substantial failure—in Ghana, in Guinea, in Somalia, in Egypt. Neither Angola nor Ethiopia affords them any solider footing than Vietnam afforded us. If the Soviet Union wants to plunge into its own quagmire in Africa, I do not think this need be a major worry for us. One thing is quite certain: Africans have not got rid of one set of white masters in order to replace them by another.

AND BACK HOME IN CUBA

As for Cubans, Castro's imperial dreams are heading him for the gravest trouble at home. It is notable how little the government-controlled press and television tell the Cuban people about the Maximum Leader's African adventures. Troops leave for Africa in civilian clothes and the stealth of night. "The Cuban investment in Africa," Hugh Thomas, author of the best history of Cuba, reminds us, "is an enormous one for a country of nine million people. The burdens are being felt in Cuba itself"—a shortage of doctors; problems in the schools and in harvesting the sugar crop; rumors of desertion and even mutiny in the Cuban army. Thomas asks: "When will the discontent that many are feeling because of a seemingly endless African commitment including deaths, merge with irritation at the cost of the commitment? Is the recent crime wave to which Castro drew attention (in a speech on Sept. 23) a symptom of this?" If Castro continues to try to nail the African trophy on the wall, he is likely to end up as popular in Cuba as Lyndon Johnson was in the United States in 1968.

The odds are overwhelmingly against the establishment of any permanent Soviet or Cuban presence in Africa. In any case those who would be most directly threatened by it are the independent black states. Why not let them deal with it in the first instance? We should do nothing to push them toward the Russians—for example, by temporizing with regard to Rhodesia or South Africa—but we should not try to pretend that we know better than they do where their own interests lie. And let us above all ignore the interventionist harangues of those who told us only a little while back that our national security required an all-out effort in Vietnam. "If you believe the doctors," old Lord Salisbury sensibly said, "nothing is wholesome; if you believe the theologians nothing is innocent; if you believe the soldiers nothing is safe."

Let us recognize that our interests in Africa are limited, that our wisdom about Africa is even more limited and that our power to decide the future of Africa is very limited indeed. Let us be extremely cautious about trying to settle African problems that Africans will, and must, settle for themselves.●

S. 3199—URANIUM MINERS' COMPENSATION ACT OF 1978

● Mr. BAKER. Mr. President, on behalf of the Senator from New Mexico (Mr. DOMENICI), I ask that a statement by him, together with an attachment, be printed in the RECORD.

The material follows:

Mr. DOMENICI. Mr. President, yesterday I introduced S. 3199, the Uranium Miners' Compensation Act of 1978. By an oversight the text of this bill was not printed immediately following my remarks.

At this time I ask that the text of S. 3199, the Uranium Miners' Compensation Act of 1978, be printed in the RECORD.

S. 3199

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Uranium Miners' Compensation Act of 1978."

DECLARATION OF FINDINGS AND PURPOSE

SEC. 2. (a) Findings. The Congress finds that:

(1) Mortality rates of uranium miners from lung cancer have been at a high level for decades;

(2) That such mortality rates will continue for several decades despite the improvement of working conditions in the mines;

(3) Compensation for the widows and children of deceased miners has been subjected to repeated delays because of complex litigation over the issue of cancer causation.

(b) Purposes. In light of the above findings, it is the purpose of this Act to:

(1) Upgrade state programs that provide workmen's compensation for those engaged in uranium mining;

(2) Reduce delays caused by litigation in providing compensation to widows and children of deceased uranium miners.

(3) Initiate new research efforts into the causes of lung cancer in uranium miners and to study ways that the incidence of such cancer can be reduced.

PAYMENT OF BENEFITS

SEC. 3. (a) Any claim for benefits for death or total disability due to lung cancer as a result of employment in a uranium mine shall be filed pursuant to the applicable State Workmen's Compensation Law, except that during any period when workers or their surviving widows, widowers, children, parents, brothers, or sisters, as the case may be, are not covered by a State Workmen's Compensation law which provides adequate coverage for such lung disease they shall be entitled to claim benefits under this Act.

(b)(1) For the purposes of this section, a State Workmen's Compensation Law shall be deemed to provide adequate coverage for lung disease resulting from employment as a uranium miner during any period unless it is included in the list of State laws found by the Secretary of Labor, hereinafter referred to as the Secretary, not to provide adequate coverage during such period. The Secretary shall, no later than October 1, 1979, publish in the Federal Register a list of State Workmen's Compensation Laws which do not provide adequate coverage for such lung disease and shall revise and republish in the Federal Register such list as may be appropriate to reflect changes in such State laws due to legislation or judicial or administrative interpretation.

(2) The Secretary shall include a State Workmen's Compensation Law on such list during any period only if he finds that;

(A) benefits are not paid for total disability or death of a worker due to lung cancer resulting from employment as a uranium miner;

(B) the amount of such cash benefits is not substantially equivalent to the amount of cash benefits prescribed by section 412(a) of the Federal Coal Mine Health and Safety Act of 1969 for a person covered under such Act;

(C) the standards for determining death or total disability due to such lung disease are not substantially equivalent to section 2 (f) and by the regulations of the Secretary of Health, Education, and Welfare promulgated thereunder;

(D) no provision is made that any claims for benefits on account of total disability or death of a worker due to such lung cancer is deemed to be timely filed if such claim is filed within three years of the discovery of total disability due to such lung disease or the date of such death;

(E) there are not in effect provisions with respect to prior and successor operators which are substantially equivalent to the provisions contained in this Act; and

(F) there are not applicable such other provisions, regulations, or interpretations which are consistent with the provisions of this Act and with regulations promulgated hereunder as the Secretary determines to be necessary or appropriate to assure adequate compensation for total disability or death due to such lung cancer.

The action of the Secretary in including or failing to include any State Workmen's Compensation Law on such list shall be subject to judicial review exclusively in the United States Court of Appeals for the circuit in which the State is located or the United States Court of Appeals for the District of Columbia.

(c) Final regulations required for implementation of this Act shall be promulgated and published in the Federal Register at the earliest practicable date after the date of enactment and in no event later than the end of the twelfth month following the month in which this Act is enacted.

SEC. 4. No payment of benefits shall be required under this section except pursuant to a claim filed therefor in such manner, in such form, and containing such information as the Secretary shall by regulation prescribe.

SEC. 5. (a) Any claim for benefits under this Act shall be filed within 3 years of the discovery of total disability due to lung cancer resulting from employment as a uranium miner or, in the case of death due to such lung cancer, the date of such death.

(b) The amount of benefits payable under this Act shall be reduced, on a monthly or other appropriate basis, by the amount of any compensation received under or pursuant to any Federal or State Workmen's Compensation Law because of death or disability due to such lung cancer.

(c)(1) The Secretary shall by regulation establish standards, which may include appropriate presumptions, for determining whether such lung disease arose out of employment in a particular uranium mine. The Secretary may also by regulation establish standards for apportioning liability for the benefits under this subsection among more than one operator of a uranium mine, where such apportionment is appropriate.

(2) For the purpose of this subsection—

(A) if a uranium miner who is suffering or suffered from lung cancer as a result of his employment was employed for 10 years or more in one or more uranium mines there shall be a rebuttable presumption that such lung cancer arose out of such employment;

(B) if a deceased uranium miner was employed for 10 or more years in one or more uranium mines and died from a lung cancer there shall be a rebuttable presumption that his death was due to lung cancer resulting from such employment; and

(C) if a uranium miner who is suffering or suffered from lung cancer was employed for 10 years or more in one or more uranium mines and is disabled within the meaning of section 223(d) of the Social Security Act, there shall be a rebuttable presumption that such disability was due to such lung cancer.

(3) Regulations promulgated under this section may allow that in rebutting the presumption of subparagraph 2(A), 2(B), and 2(C) of this section evidence of violations of smoking regulations committed in uranium mines after enactment of this Act, will be permissible.

SEC. 6. (a) During any period in which a State Workmen's Compensation Law is included on the list published by the Secretary under this Act each operator of a uranium mine in such State shall secure the payment of benefits for which he is liable under this Act by—

(1) qualifying as a self-insurer in accordance with regulations prescribed by the Secretary, or

(2) insuring and keeping insured the payment of such benefits with any stock company or mutual company or association, or with any person or fund, including any State fund, of such company, association, person or fund is authorized under the laws of any State to insure workmen's compensation.

(b) In order to meet the requirements of clause (2) of subsection (a) of this section every policy or contract of insurance must contain—

(1) a provision to pay benefits required under this Act, notwithstanding the provisions of the State Workmen's Compensation Law which may provide for payments in a lesser amount;

(2) a provision that insolvency or bankruptcy of the operator or discharge therein, or both, shall not relieve the carried from liability for such payments; and

(3) such other provisions that the Secretary may by regulations require.

(c) No policy or contract of insurance issued by a carrier to comply with the requirements of clause (2) of subsection (a) of this subsection shall be canceled prior to the date specified in such policy or contract for its expiration until at least 30 days have elapsed after notice of cancellation has been sent by registered or certified mail to the Secretary and to the operator at his last known place of business.

SEC. 7. If a totally disabled worker or widow, child, parent, brother, or sister is entitled to benefits under this Act and (1) an operator liable for such benefits has not obtained a policy or contract of insurance or qualified as a self-insurer, as required by this Act, or such operator has not paid such benefits within a reasonable time, or (2) there is no operator who was required to secure the payment of such benefits, the Secretary shall pay such worker or such widow, child, parent, brother, or sister the benefits to which he or she is so entitled. In a case referred to in clause (1), the operator shall be liable to the United States in a civil action in the amount equal to the amount paid to such worker or his widow, child, parent, brother, or sister under this Act.

SEC. 8. With consenting cooperation of State agencies charged with administration of State Workmen's Compensation Laws, the Secretary may, for the purpose of carrying out his functions and duties under this Act, utilize the services of State and local agencies and their employees and, notwithstand-

ing any other provision of law, may advance funds to or reimburse such State and local agencies and their employees for services rendered for such purposes.

SEC. 9. (a) The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to issue such regulations as each deems appropriate to carry out the provisions of this title. Such regulations shall be issued in conformity with section 553 of title 5 of the United States Code, notwithstanding subsection (a) thereof.

(b) Within 120 days following the convening of each session of Congress the Secretary of Health, Education, and Welfare and the Secretary of Labor shall submit to the Congress an annual report on the subject matter of this Act which is under his jurisdiction.

(c) Nothing in this title shall relieve any operator of the duty to comply with any State Workmen's Compensation Law except insofar as such State is in conflict with the provisions of this Act and the Secretary by regulation, so prescribes. The provisions of any State Workmen's Compensation Law which provide greater benefits than the benefits payable under this title shall not thereby be construed or held to be in conflict with the provisions of this title.

RESEARCH EFFORTS

(a) The Secretary of Health, Education, and Welfare shall initiate research within the National Institute for Occupational Safety and Health and is authorized to make research grants to public and private agencies and organizations and individuals. Grants should be directed to those institutions having particular expertise in the problem of lung cancer in uranium mines. Special consideration should be given to institutions on the basis of location and past research efforts. Any grant made pursuant to this subsection shall be conditioned upon all information, uses, products, processes, patents, and other developments resulting from such research being available to the general public, except to the extent of such exceptions and limitations as the Secretary of Health, Education, and Welfare may deem necessary in the public interest.

SEC. 10. (b) The Secretary of Health, Education, and Welfare is authorized to enter into contracts with and make grants to public and private agencies and organizations and individuals for the construction, purchase, and operation of fixed site and mobile clinical facilities for the analysis, examination, and treatment of respiratory and pulmonary impairments in active and inactive uranium miners.

ANTIDISCRIMINATION

SEC. 11. (a) No operator shall discharge or in any other way discriminate against any worker employed by him by reasons of the fact that such miner is suffering from such lung disease. No person shall cause or attempt to cause an operator to violate this section. For the purposes of this subsection, the term "miner" shall not include any person who has been found to be totally disabled.

(b) Any miner who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section, or any representative of such miner may within 90 days after the violation occurs, apply to the Secretary for review of such alleged discharge or discrimination. A copy of the application shall be sent to such person who shall represent the respondent. Upon receipt of such application the Secretary shall cause such investigation to be made as he deems appropriate. Such investigation shall provide opportunity for a public hearing at the request of any party to enable the parties to present information relating to such violation. The party shall be given written notice of the time and place of the hearing at least 5 days prior to the hearing. Any such hearing shall be on the record and shall be subject to the provisions of section 554 of title 5 of the United States Code. Each hearing examiner presiding under this section and under the provisions of titles I, II, and III of this Act shall receive compensation at a rate not less than the rate prescribed for GS–16 under section 5332 of title 5 of the United States Code. Upon receiving the report of such investigation the Secretary shall make his findings of fact. If he finds that such violation did not occur he shall issue a decision, incorporating an order therein, requiring the person committing such violation to take such affirmative action as the Secretary deems appropriate, including but not limited to, the rehiring or reinstatement of the miner to his former position with back pay. If he finds that there is no such violation he shall issue an order denying the application. Such order shall incorporate the Secretary's findings therein.

(c) Whenever an order is issued under this subsection granting relief to a miner, at the request of such miner a sum equal to the aggregate amount of all costs and expenses (including attorney's fees), as determined by the Secretary to have been reasonably incurred by such matter for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing the violation.

DEFINITIONS

SEC. 12. For the purposes of this Act the term—(a) "dependent" means—

(1) a child as defined in subsection (g) without regard to paragraph (2)(B)(ii) thereof; or

(2) a wife who is a member of the same household as the worker or is receiving regular contributions from the worker for her support or whose husband is a worker who has been ordered by a court to contribute to her support or who meets the requirements of section 216 (b) (1) or (2) of the Social Security Act. The determination of an individual status as the "wife" of a miner shall be made in accordance with section 216(h)(1) of the Social Security Act as if such worker were the "insured individual" referred to therein. The term "wife" also includes a "divorced wife" as defined in section 216(b)(1) of the Social Security Act who is receiving at least one-half of her support as determined in accordance with regulations described by the Secretary, from the worker, or is receiving substantial contributions from the worker (pursuant to a written agreement), or there is in effect a court order for substantial contribution to her support from such worker;

(b) "worker" means an individual who is or was employed in a textile plant;

(c) "widow" includes the wife living with or dependent for support on the worker at the time of his death, or living apare for reasonable cause or because of his desertion, or who meets the requirements of section 216 (c) (1), (2), (3), (4), or (5) and section 216 (k) of the Social Security Act, who is not married. Such term also includes a "surviving divorced wife" as defined in section 216(d)(2) of the Social Security Act who for the month preceding the month in which the worker died, was receiving at least one-half of her support as determined in accordance with regulations prescribed by the Secretary, from the worker, or who was receiving substantial contributions from the worker (pursuant to a written agreement) or there was in effect a court order for substantial contributions to her support from the worker at the time of his death;

(e) "total disability" has the meaning given it by regulation of the Secretary of Health, Education, and Welfare, except that such regulations shall provide that a worker shall be considered totally disabled when lung cancer prevents him from engaging in gainful employment requiring the skills and abilities comparable to those of any employment in a uranium mine or plants in which he previously engaged with some regularity and over a substantial period of time. Such regulations shall not provide more restrictive criteria than those applicable under section 223(d) of the Social Security Act;

(f) "child" means a child or a step-child who is—

(1) unmarried; and

(2) (A) under 18 years of age, or

(B) under a disability as defined in section 223(d) of the Social Security Act, which began before the age specified in section 202 (d)(1)(B)(ii) of the Social Security Act, or, in the case of a student, before he ceased to be a student; or

(C) a student

The term "student" means a "full-time student" as defined in section 202(d)(7) of the Social Security Act, or a "student" as defined in section 8101(17) of title 5, United States Code. The determination of an individual as the "child" or a worker or widow as the case may be, shall be made in accordance with section 216(h) (2) or (3) of the Social Security Act as if such worker or widow were the "insured individual" referred to therein.

SEC. 12. For the purposes of this Act the term "lung disease" means any lung impairment resulting from exposure to ionizing radiation while working in a uranium mine.

SEC. 13. There is authorized to be appropriated for the fiscal years beginning September 30, 1978, and September 30, 1979 such sums as may be necessary to carry out the purposes of this Act.●

REMARKS OF PRESIDENT OF ZAMBIA AT NATIONAL PRESS CLUB LUNCHEON

● Mr. CLARK. Mr. President, I am happy to have this opportunity to share with my colleagues remarks by His Excellency Kenneth Kaunda, President of Zambia, at a National Press Club luncheon in his honor on May 18, 1978.

I ask that the text of Mr. Kaunda's address, focusing on the situation in southern Africa and the threat it poses to international peace and security, be printed in the RECORD.

The address follows:

SPEECH BY HIS EXCELLENCY THE PRESIDENT

Mr. Chairman, Ladies and Gentlemen: I want to thank you for the opportunity you have given me by this bountiful Luncheon to share with you some reflections on problems facing us in the world today.

I am sure you would want me to focus my attention on the dangerous crisis unfolding in Southern Africa. By drawing your attention to Southern Africa, I do not mean to underrate the gravity of other problems such as disarmament, the lack of satisfactory progress in the protracted strategic Arms Limitation Talks, the fuel crisis and the world economic recession with all their adverse consequences on mankind. We in Zambia share common concern for the security and well-being of our fellowmen the world over. It is our sincere hope that at such critical time, world leaders will make decisions which will save man from self-destruction.

I would, however, like to focus my attention on Southern Africa as today's grave threat to international peace and security. Zambia's geo-political location and our commitment to the enhancement of human dignity give us special responsibility in building peace in Southern Africa. The future of Zambia is inextricably bound up with that of the entire region of Central and Southern Africa. We can never turn our backs to that crisis.

Since the dawn of the liberation struggle, there have been two roads to the establishment of peace in Southern Africa. The one road led to violent conflict and the other to lasting peace and stability by negotiations.

OUR CHOICE

For us in Zambia, attainment of independence by peaceful means was our choice from the beginning of our struggle. Our commitment to this noble ideal is not any less today than it was when we launched our struggle decades ago. We have expressed our commitment to non-violence many times in word and in deed. We tried in the 1960s to end the unfolding armed conflict in Angola, Mozambique, Zimbabwe, Namibia and South Africa. In 1969, the Manifesto on Southern Africa adopted in Lusaka further confirmed Africa's fundamental belief in non-violence. In 1974 and part of 1975, we pursued the line of peaceful change to its logical conclusion. We engaged South Africa and the rebel regime in Salisbury in talks and tried to persuade them to give up power in Zimbabwe and Namibia, and to end apartheid in South Africa by non-violent means. Our intensified efforts left no stone unturned between October, 1974 and August, 1975. This non-violence approach as a first option in the struggle for liberation failed.

Our initiative was neither the first nor last. Successive British Governments tried in the 1960s and 1970s. They failed. The combined efforts of the United States and Britain in 1976 also floundered on the stubborn intransigency of Ian Smith.

OUR ALTERNATIVE CHOICE

The result of these failures is that today armed struggle has been forced upon the freedom loving people in Zimbabwe and Namibia. Resort to arms was thrust upon the millions of people in South Africa itself as the only option in a reaction against brutal force. These oppressed people want peace, individual liberty and prosperity based on equality. These are the same rights that the Americans want for themselves. This is what the people want in Southern Africa. There may be some in America who may dangerously compare the American declaration of independence more than 200 years ago to Smith's illegal declaration of independence. Any attempt to do so would be an abandonment of the democratic principles which America believes in and a clear vote for violence in Rhodesia. The United States cannot pursue a policy of liberation at home and reaction in Southern Africa. Human rights are indivisible. They deserve respect in Southern Africa as they do in America.

This is why we welcome the efforts of the Carter Administration which has for the first time completely identified itself with those struggling for freedom and independence. This is correct. Equivocation must be replaced by forthrightness in removing the root cause of conflict in Southern Africa.

I know that there are many illusions about the situation in Rhodesia. There are those who think that the so-called "Internal Settlement" is good and should be made to work. They are wrong. They are not reading Ian Smith's motive correctly, Americans should not be deceived by reading Smith's motives from his declarations designed to hoodwink them and the world.

Behind this cloak of verbiage there are sinister actions which are the reality we in the frontline and the liberation movements must deal with, namely, there is no change in the situation in Rhodesia.

Smith has not reduced his oppressive measures.

Massacres of innocent civilians are increasing, not decreasing. Only two days ago 94 people were massacred in cold blood.

Smith has not stopped recruiting mercenaries and expanding the army and procuring more sophisticated weapons in amounts with out precedent.

Smith has intensified his acts of aggression against neighbouring countries on whom whites will depend for stability in the post-independence era.

Smith's military budget is of the order of one million dollars a day.

From our intelligence, we know Smith's briefings to white audiences namely; Nothing has changed. The whites have sought more time. They are guaranteed a minimum of 10 years of the status quo in black/white power relationship. The recent sacking of one of the Ministers in the new-look illegal regime for voicing out the necessity for change in the master servant relationship shows that Smith is only using his black partners to the Agreement as instruments for his political programme to keep the majority population in their place.

This is most dangerous. Consequently we have no moral right to postpone this liberation war. We cannot allow Smith to extend it into the 1980s. If we do, victory will be by far more expensive than in the 1970s. More weapons and money will be needed to fight the liberation war to victory. More life will be lost and property destroyed. The danger of external involvement will multiply. The risk of a full-scale world-wide war too grave to be ignored. At that point the American people might find themselves fighting on the wrong side. America might well find herself fighting Africa.

The answer lies first and foremost in completely abandoning any idea that Smith's Salisbury cover-up Agreement is worth any more than the price of paper on which it was written. It is ill-advised. It is a disaster. I wish God in his infinite wisdom will inspire Bishop Muzorewa and Rev. Sithole with the courage to accept that the signing of the cover-up Agreement was unwise. It is a mark of good leadership to retreat when circumstances demand. No agreement can and will work in Zimbabwe without the agreement of the Patriotic Front engaged in the war with Smith. For our part we have never advocated the exclusion of Bishop Muzorewa and Rev. Sithole from the future Government of Zimbabwe. It is our firm view that every genuine nationalist leader has a role.

The choice is not between the Salisbury cover-up Agreement and the Anglo-American Proposals. The choice is simply between the Anglo-American Proposals and war.

Good progress was made in the recent round of talks in Dar-es-Salaam. All the talks attended by Secretary of State Vance, Foreign Secretary David Owen and the Patriotic Front have brought the two sides closer. We in Zambia will continue to support this initiative. The pressure should not be put on the Patriotic Front who are now the allies of the United States and Britain in the initiative. The Patriotic Front have not rejected the Anglo-American Proposals. Pressure should be put on the cover-up group in Salisbury that have rejected the proposals. I urge the powerful mass media of this country to help the United States and Britain bring pressure to bear on the signatories to the Salisbury Agreement. By this ill-fated agreement, Smith will buy the whole of 1978 and is already working out a strategy to buy 1979.

I must at this point dispel one illusion, namely, that Joshua Nkomo will return to Rhodesia to Smith's cover-up group in the rebel regime. Neither Joshua Nkomo nor Robert Nugabe will return until there is an internationally accepted agreement endorsed by the Patriotic Front spearheading the war of liberation. Efforts being made to get Mr. Nkomo back are intended to split the Patriotic Front and destroy the unity of the nationalist leaders even further. We in Zambia know it. We will not accept it.

I urge all those who desire peace and stability in Zimbabwe to work for the success of the Anglo-American initiative. Any other initiative at this time is an exercise in futility which will lead to an even greater internationalised conflict. President Carter is right to throw his whole weight behind the current initiative. Ian Smith is the stumbling block to the initiative. He must be removed. The supplies of oil by Western Oil Companies have sustained his disastrous war programme. These oil supplies must be stopped. Sanctions must be tightened to the last limit.

On Namibia, we have maintained our position: We support a negotiated settlement if possible and armed struggle if necessary. We welcomed the efforts of the Group of Five as a positive move. In our opinion their recent proposals went a very long way towards ending the conflict. But we had always suspected that Pretoria will continue to pursue its own programme of crating puppet regime in Windhock to guarantee South Africa's continued multi-purpose presence in an independent Namibia. The recent racist acts of aggression against Angola and the massacres of so many innocent SWAPO refugees and civilians was an act of sabotage. South Africa's intention was to stop the talks on Namibia in New York. We must be careful to read Pretoria's motives not from declarations but from actions. Nonetheless, we in Zambia accept the proposals of the Five in principle. We hope that the talks with SWAPO will be resumed in the near future. We, therefore, urge that pressure be brought against South Africa to end her acts of aggression against the people of Namibia as well as the people of Angola and Zambia. We welcome the international support SWAPO enjoys at the United Nations and in the world as a whole.

Apartheid South Africa is a time bomb. The final explosion cannot be too far off. The Soweto sparks were a mere prelude. The blacks in South Africa know it and accept the consequences. The whites know it too. The West knows it. Yet despite all our pleas, we cannot say there are any serious efforts to defuse the South African bomb. Time is not waiting. No one can turn the clock back. The mood of the masses in South Africa is becoming even more tense and intolerant. Non-white children increasingly see no future for themselves. A large number have fled the country as refugees in neighbouring Botswanna. Others are braving the brutal fascist force being exercised against them. There is only an armed peace in South Africa. Tension is rising and conflict is inevitable.

I have declared before and I repeat it now: No matter how much South Africa arms herself against external aggression, the enemy is not outside. The enemy is internal—right in the backyard and in the kitchen. The Bantustans will become liberated zones in the liberation struggle. The system of Apartheid is ill-conceived and ill-fated. When the explosion comes, all the investments, all the interests, all the hopes of men of goodwill, will go up in flames. Such is the future of the revolution now taking place in South Africa.

The dangerous situation is reaching critical point. American news media have a most decisive role to play. You have a moral obligation to awaken the conscience of America to this tragedy.

Finally, let me say that the Carter Administration has an excellent chance of improving the relations between Africa and America. The people of this country should not lose this great chance of sharing the joy of building the edifice of peace on the foundations of freedom and justice in Africa.

Thank you.●

POLICE POWER: AN OMINOUS GROWTH

● Mr. METZENBAUM. Mr. President, on June 5, I joined Senator BAYH in introducing S. 3164, the Citizens Privacy Protection Amendment of 1978. This leg-

islation was made necessary by the Supreme Court's decision in Zurcher against Stanford Daily. The decision held that, by obtaining a warrant, police could search a person's business or home for evidence of a crime, even if that person is in no way suspected of involvement in that crime.

This subject is vitally important to the American people and to the interpretation of our Constitution. I believe the Senate must move quickly to resolve this issue.

An excellent article appeared in the Washington Post on June 11, which describes the need for a legislative reversal of the Zurcher case. The author of the article, Samuel Dash, is a noted authority on constitutional law. I urge my colleagues to give this matter their closest attention.

Mr. President, I ask that this article be printed in the RECORD.

The article follows:

POLICE POWER: AN OMINOUS GROWTH—CONGRESSIONAL ACTION NEEDED TO VOID COURT RULINGS NARROWING INDIVIDUAL RIGHTS

(By Samuel Dash)

The Supreme Court's recent ruling endorsing surprise police searches of the innocent is part of a broad expansion of police powers in the United States and a corresponding erosion of liberties protected by the Fourth Amendment. It deserves to be struck down as soon as possible by both the Congress and state legislatures.

One bill on the issue already has been introduced in the Congress by Democratic Rep. Robert F. Drinan of Massachusetts, but it would nullify the High Court ruling only so far as it threatens the press with police raids on its files. Important as the press issue is, much more is at stake and much wider remedies are needed.

Indeed, the ruling means that police now suddenly can search through any innocent person's home or office or other property, that they can seize whatever they might think important to their investigations, that use of such property in court cannot be blocked, that all this can be done despite the Fourth Amendment's guarantee that "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated. . ."

The Supreme Court majority and the Justice Department, in its friend-of-the-court brief, have told us not to worry, that police will not abuse this new power. But the Fourth Amendment was written precisely because we as a nation worry about government abuse of power. We should indeed worry, and worry a great deal.

ANTIWAR DEMONSTRATION

The facts of the immediate case, *Zurcher v. Stanford Daily*—a case which easily could and should have been avoided entirely—are straightforward. An antiwar demonstration in 1971 at the Stanford University Hospital resulted in the injury of a number of police officers. The officers themselves were able to identify only two of their attackers. Two days after the demonstration, The Stanford Daily, a student newspaper, published stories and photographs on the protest, and police thought the photographer might have gotten pictures of other demonstrators assailing policemen.

Rather than ask the paper about any such photos, rather than ask a prosecutor to issue a subpoena specifically for the photos if they existed, rather than obtain a court order that no such evidence be destroyed, the police obtained a broader search warrant from a magistrate and suddenly descended on the newspaper's offices. After rummaging through files, desk drawers and wastebaskets, they came up emptyhanded, at least so far as the photos they had hope for were concerned.

From these basic facts, Justice Byron White, in his opinion for the five-member majority, sweepingly concludes that "warrants may be issued to search any property, whether or not occupied by a third party, at which there is probable cause to believe that . . . evidence of a crime will be found," that first subpoenaing the potential evidence "involve hazards to criminal investigations."

Remarkably, his opinion seems to regard the Fourth Amendment as intended to provide a police tool for searches. The Fourth Amendment, fundamental to our existence as a nation, is rooted in the outrage of American colonists over British intrusions into their homes, not in a concern for police investigations. The late Justice Felix Frankfurter perhaps put it best when he stated:

"It makes all the difference in the world whether one recognizes the central fact about the Fourth Amendment, namely, that it was a safeguard against recurrence of abuses so deeply felt by the colonies as to be one of the potent causes of the Revolution, or one thinks of it as merely a requirement for a piece of paper."

Justice White leans far toward viewing it as "merely a requirement for a piece of paper."

He concentrates narrowly on the Amendment's second clause—"and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the person or things to be seized"—and mechanically finds that a valid warrant was present in the *Stanford Daily* case. He declares that the critical element in a "reasonable" search is that there is reasonable cause to believe the "things" to be searched for might be on the property, not whether it is a reasonable instrusion into an innocent person's life and work.

He is far more worried about the expediency of law enforcement. He speculates that the "seemingly blameless third party . . . may not be innocent at all." He speculates that "the delay involved in employing the subpoena . . . offering as it does the opportunity to litigate its validity could easily result in the disappearance of the evidence. . ."

But the police did not tell the magistrate in the *Stanford Daily* case that they worried about such problems, although ironically, they could have. The little-reported fact is that The Stanford Daily had announced that it would destroy any photographs that might aid in the prosecution of the protesters. If the police had told the magistrate that a subpoena would have been impractical because of this policy, a search warrant certainly would have been reasonable under the Fourth Amendment. In short, a defiant student paper evidently prompted the police to overlook a procedural step that could have avoided a sweeping High Court ruling affecting all of us and further expanding police powers.

1886 SUPREME COURT RULING

Until 1967, a police search anywhere just for evidence of a crime was prohibited as an invasion of privacy and of property. This standard was based on a long English tradition and, in this country, chiefly on an 1886 Supreme Court ruling. The only things police legally could search for were stolen goods, contraband and weapons or other instruments of a crime, not "mere evidence."

But in 1967, flushed with victory after ruling that state court judges must suppress illegally seized evidence, liberals on the High Court believed they could bow to new demands by law enforcement groups that the "mere evidence" prohibition be abandoned. That year, in *Warden v. Hayden*, the court held that evidence of a crime in itself could be a proper target of a search.

Even then, however, the court clearly was not contemplating searches of innocent parties. *Warden v. Hayden* had involved police pursuit of a fleeing robber into a house, where the police found some of his discarded clothes in the basement. The court held that the clothes could be used by the prosecutor as evidence against the defendant for identification purposes. Nothing in the opinion suggests that the court even thought it might be paving the way for police to ignore the use of subpoenas in the case of innocent parties, to willy-nilly obtain warrants to search their homes and offices.

After searches for "mere evidence" were permitted, as Justice John Paul Stevens noted in his *Stanford Daily* dissent, searches of innocent parties did become a possibility. But in such cases the police could not automatically conclude that a request for cooperation or a subpoena might imperil the suspected evidence. Therefore, as Justice Stevens stated, determination of probable cause for such a search must include a finding that a subpoena would be impractical.

But, in its apparent effort to further expand police power, the majority held otherwise, unfortunately ignoring what the late Justice Tom C. Clark once wrote for the court: "We cannot forgive the requirements of the Fourth Amendment in the name of law enforcement."

The majority offers feeble assurances that police will not abuse the new search power they have given. According to the court, protection for innocent third party is to be found in police restraint, the requirements for probable cause and the magistrate's discretion to refuse to issue a warrant.

But the history of police and magistrate practices runs the other way. It was police abuse of Fourth Amendment rights, despite repeated warnings by the court, which led the court finally to require the suppression of illegally seized evidence in state cases. The court repeatedly has held that protection of constitutional rights cannot be left to the untrammeled discretion of the police. This statement is equally applicable to state magistrates and lower court judges.

Even if we could trust the police and the magistrates to adhere to the legal requirements of probable cause for search warrants, the protection provided by these requirements has become somewhat illusory because of recent Supreme Court decisions.

Most police searches on warrants are based on information received from informers. Earlier Supreme Court decisions sought to assure that the magistrate would independently determine probable cause rather than depend on police conclusions. The court had held that affidavits for a warrant must provide facts supporting the reliability of the informer, such as how many times he had given information that provide correct, as well as facts from the informer supporting his statements about the existence and location of the evidence sought.

But in later opinions written by Chief Justice Warren Burger and Justice William Rehnquist, the court held that a tip from a first-time informer could be the basis for a probable-cause determination.

This questionable source is made all the more perilous by the court's consistent holding that the police have a right to conceal the identity of informers. While he was on the court, Justice William Douglas referred to these sources as "faceless informers" and warned that we could never be sure they actually existed.

So, the protection of the probable-cause requirement amounts to this: A police officer tells a magistrate that an unnamed informer told him that while he was in some office or home he saw evidence incriminating someone else who is not connected with the office or home. A warrant is issued and, without warning, the innocent party's office or home is searched by police. How much is left of the Fourth Amendment?

Both the majority of the court and the Department of Justice, in its friend-of-the-court brief, tell us not to worry because police will rarely use the power given them. After all, we are told, police will take the easier route and seek voluntary cooperation or a subpoena. As a rule, maybe. But in times of conflict, in times of anger, how benevolently can we hope the police will exercise this discretion?

We should indeed worry, particularly since the court has now put innocent parties in a worse position than criminal suspects. If incriminating evidence is unlawfully taken from his home, a criminal suspect has a right to prevent the government from using that evidence against him by having the court suppress it. But the court has ruled in other cases that innocent third parties have no standing to suppress evidence illegally seized from them. This means police have less reason to worry about making illegal searches of the homes or offices of innocent persons than they do in the case of those suspected of a crime.

In 18th century England, William Pitt was able to say: "The poorest man may in his cottage bid defiance to all the force of the Crown. It may be frail; its roof may shake; the wind may blow through it; the storms may enter; the rain may enter—but the King of England cannot enter; all his forces dare not cross the threshold of the ruined tenement."

Because of the Supreme Court's ruling, we are unable to say the same of our homes or cars or offices or other property in America today.

Clearly, there is a need not only to worry but to press for legislative action.

MINIMUM STANDARDS SET

Although the miserly interpretation of the Fourth Amendment in the *Stanford Daily* case provides little protection from police for innocent parties, the court's interpretation of constitutional provisions—narrow or broad of constitutional provisions—narrow or broad—sets only minimum standards. Congress and state legislatures may not be able to authorize practices below these standards, but they certainly can provide greater protection than the Supreme Court found constitutionally necessary.

In this case, Congress in federal searches and state legislatures in state searches can quickly moot the Supreme Court ruling by requiring that when police apply for warrants to search homes or offices of innocent parties, magistrates must find as part of "probable cause" that a subpoena is impractical. Such a provision would protect everyone, ordinary citizen, doctor, lawyer, journalist or whatever.

Instances of such legislative remedying of High Court rulings abound. Recently, for one example, numerous state legislatures have passed newspaper shield laws after the Supreme Court held that the First Amendment did not provide a privilege to newspaper reporters who refuse to testify under subpoena about the identity of their news sources.

The House has pending now, in fact, a massive federal penal code revision bill already passed by the Senate; there appears to be sufficient outrage among the public over the Supreme Court ruling in *Stanford Daily* to make it easier to pass a provision changing that ruling than many other provisions of the penal reform bill. Alternatively, Congress could amend the federal rules of criminal procedure relating to searches and seizures, or it could enact special legislation dealing with the specific facts of the *Stanford Daily* case.

Whatever legislative method is adopted at the federal and state levels, there is a critical need to overrule the Supreme Court, to protect the innocent again from government abuse.●

WALTER MOFFETT NAMED TO FEDERAL COUNCIL ON THE AGING

● Mr. CHURCH. Mr. President, I was most pleased to learn recently that Walter L. Moffett, a member of the Nez Perce Tribe and the representative of Idaho's Indian elders on the National Indian Council on Aging, has been nominated by President Carter to serve on the Federal Council on the Aging.

Mr. Moffett, who currently serves as director of the Nez Perce Tribal Housing Authority, has a lengthy record of dedicated public service. I am sure that his tenure on the Federal Council will be equally distinguished, and will add the special perspective of older Indians to the formulation of executive aging policy. This emphasis is surely needed for, as the Special Committee on Aging stated in "Developments in Aging: 1977,"

Major and comprehensive actions are needed to improve the quality of life for minority senior citizens.

The Congress has recognized that elderly members of minority groups have been the victims of "multiple jeopardy." Amendments to the Older Americans Act which are currently under consideration—including the direct funding of Indian tribes—are important steps in the process of redressing this situation. Walter Moffett's addition to the Federal Council will help us in this task as his energy, enthusiasm, and public spiritedness are brought to bear on this unfinished agenda.

Mr. President, I ask that an article which appeared in the May 1978 issue of the National Indian Council on Aging News be printed in the RECORD. It will serve to acquaint my colleague with Walter Moffett's long history of action in the public interest and on behalf of older Indians.

The article follows:

NATIONAL INDIAN COUNCIL ON AGING NEWS,
May 1978.

WALTER MOFFETT APPOINTED TO FEDERAL COUNCIL ON THE AGING

The National Indian Council on Aging is proud to announce that Walter L. Moffett (Nez Perce) was appointed to serve on the Federal Council on the Aging by President Carter, with confirmation of the U.S. Senate.

The Federal Council on the Aging was created by Congress under provisions of the 1973 amendments to the Older Americans Act for the purpose of advising the President, the Secretary of the Department of Health, Education, and Welfare, the Commissioner on Aging, and the Congress on matters relating to the special needs of older Americans. The Council is composed of fifteen members, and the Secretary of DHEW serves as an ex-officio member. Members represent older Americans, national organizations with an interest in Aging, business, labor, and the general public.

Walter Moffett represents the Indian elders of the State of Idaho on the National Indian Council on Aging and serves as an alternate member of its Board of Directors. He is employed as Director of the Nez Perce Tribal Housing Authority at Lapwai, Idaho, and has an impressive list of present and past offices to his credit. Prominent among his current offices are those of Secretary to the Nez Perce Tribal Executive Committee, Treasurer of the Affiliated Tribes of Northwest Indians, and Member of the Idaho State Advisory Council to the U.S. Commission on Civil Rights.

Mr. Moffett's past experience and offices are too numerous to list in their entirety. Most notable among these are:

President and Executive Director, Affiliated Tribes of Northwest Indians;

Chairman, Nez Perce Tribal Executive Committee;

Vice-President (Portland Area) of the National Congress of American Indians;

Member of the Idaho Human Resource Development Council;

Member, Title III ESEA Idaho State Advisory Council;

Member, Spokane District Advisory Council to the Small Business Administration; and

Member, Board of Directors, Northwest Regional Educational Laboratory, Portland, Oregon.

Highlights of Walter Moffett's educational experience include graduation from commercial training at Lawrence, Kansas (now Haskell Junior College), from the College of Idaho at Caldwell, the San Francisco Theological Seminary, and U.S. Public Health Sanitarian School, as well as studies at the University of Dubuque, Iowa. From 1945–1947, he served as Head Clerk in the Personnel Section of the 32nd Infantry Regiment, U.S. Army.

In addition to early employment experience with the Department of the Interior and the U.S. Public Health Service, Mr. Moffett has served as Counselor for a number of Idaho School Districts and as Pastor of Presbyterian Churches in Washington and Idaho. His active participation in political activities in the State of Idaho culminated in his candidacy for State Senator in 1974.

Walter Moffett's experience in a number of fields will be invaluable as he makes his contributions to the deliberations of the Federal Council on the Aging. He succeeds the previous Indian member of the FCA, Frell Owl of the Eastern Cherokee Tribe of North Carolina, who retired after long and dedicated service. We wish Walter well as he represents the concerns of the Indian elderly at the national level and ask that the national Indian Community offer him its input and support.●

THE AMERICAN BAR ASSOCIATION AND THE NATIONAL CONFERENCE OF STATE LEGISLATURES ENDORSE THE VICTIMS OF CRIME ACT

● Mrs. HUMPHREY. Mr. President, I have recently received letters from the American Bar Association and the National Conference of State Legislatures endorsing S. 551, the Victims of Crime Act of 1977.

These two organizations realize that the plight of the innocent victim of crime is often ignored and that he or she is frequently left with nothing except bills and the disruption of his or her

household. Too often, the innocent victim not only is left brutalized and perhaps physically incapacitated, but also is forced to bear enormous medical costs and is unable to earn an income. We must correct this situation.

Government should look upon the innocent victim of crime not only as a potential witness in court, but also as a person who may be in need of assistance. As a practical matter, Government must let the people know that it is concerned with the victim and not just with the offender. Government should extend a helping hand to the long neglected, innocent victims of crime.

The American Bar Association and the National Conference of State Legislatures present a compelling justification for this legislation. The need for this legislation is great, and I hope that the Senate can act expeditiously and favorably on it.

Mr. President, I ask that the letters from the American Bar Association and the National Conference of State Legislatures endorsing S. 551 follows my remarks in the RECORD.

The material follows:

AMERICAN BAR ASSOCIATION,
Washington, D.C., May 25, 1978.

Re Senate bill 551.
Hon. MURIEL HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: The American Bar Association supports Senate Bill 551. For some years, the ABA has endorsed the Uniform Crime Victim's Reparations Act, a comprehensive model statute whereby the several states would compensate criminals' victims for personal injuries. Some twenty states have adopted compensation statutes, but it has become apparent that federal financial assistance is required to encourage other states to adopt them.

When the American Bar Association Section of Criminal Justice created the Committee on Victims over a year ago, it was intended that the Committee, which I chair, should give greater focus and specificity to the Bar's position on victim-oriented issues. With this in mind, I had the honor of testifying before the House Subcommittee on Criminal Justice last spring. As the House Bill (H.R. 7010) passed, we can conclude that the House was comfortable with our positions on the following issues:

1. That the prevalence of crime in modern society and government's attendant inability to protect citizens from it give rise to an obligation to compensate;

2. That the principal responsibilities in this area lie with the states, but that the Federal Government can and should economically assist them;

3. That victim compensation statutes can and should be used to increase citizen cooperation with law enforcement officers (as such cooperation can statutorily be required as a condition to an injury award); and

4. That intelligent development of claims standards and "collateral source" rules can keep the cost of programs modest.

Due to the efforts of your late husband and others, the Senate has, in recent years, approved crime victim compensation legislation on several occasions. For the first time, however, a Bill comes to the Senate which has, in concept, already passed the House. This is indeed a step forward.

That is the good news; the bad news is, however, that the House passed the Bill with a floor amendment financing only 25 percent of the cost of awards (not including administration). The House Bill had earlier provided for a 50 percent level.

The Committee on Victims in January unanimously expressed its distress with the lowered proportion and, at the Midwinter meeting of the American Bar Association in New Orleans in February, the Section of Criminal Justice Council went on record in support of the Committee's positions.

That position is extremely simple: Compensation of crime victims by the states is morally right and economically feasible and Federal subvention is essential for the encouragement of state efforts, but few states, if any, will be encouraged to adopt compensation systems by federal assistance below the 50 percent level. Put differently, the "carrot" effect of federal money in this area will be negligible if the 25 percent limit which passed the House is ultimately retained.

The ABA stands ready to assist you on this matter in any way.

ERIC E. YOUNGER,
Judge, Chairperson, American Bar Association.

NATIONAL CONFERENCE OF
STATE LEGISLATURES,
June 5, 1978.

Senator MURIEL HUMPHREY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HUMPHREY: After many years, the "Victims of Crime Compensation Act" is finally nearing enactment. On behalf of the National Conference of State Legislature, I would like to offer our help in seeking its adoption this year in the Senate.

This legislation had been one of the highest priorities of NCSL's Criminal Justice Committee for several years. This Committee is composed of legislators from all fifty states who serve on the Judiciary Committee or Criminal Justice Committee in their state legislatures. As Chairman of this Committee, I can assure you of the wide support for this bill throughout the states and of the importance of federal aid to continuing and expanding state programs.

As you are aware, more than twenty states have already passed some type of victims' compensation program. The experience in these states shows that the program is a successful and popular one, and can be easily administered within each state's own existing government structure. Moreover, states have shown they are able to control the costs at a reasonable level.

Legislators from these states report that the program has numerous beneficial results. They particularly refer to their constituents' concerns about the ineffectiveness of our criminal justice system in dealing with the crime problems, and the positive effects such programs have had in restoring public confidence.

Many other states are now in the process of establishing programs, but are unable to implement a program at this time only because budget restrictions have made it impossible for them to commit the total amount of the estimated costs. Legislators and staff have indicated that until federal assistance is available, their states will delay final passage, despite wide support for the program in the legislature.

S. 551 as originally drafted would provide an economical and efficient vehicle for complementing existing state victim compensation programs. Federal assistance at a level of 50 percent of all awards up to $50,000 would offer a meaningful financial assistance without creating an unmanageable financial or administrative burden to the federal government. I think it is important to stress that states would still assume the majority of the costs of the program, and almost all the administrative responsibilities. A number of states without programs have indicated to us that any federal assistance below 50 percent of the awards to victims is probably not adequate for them to adopt and fund their own programs.

NCSL also supports the flexibility in S. 551 that allows for states to create the type of program that best suits their own governmental structure, and their own needs. Even though twenty states currently have programs in operation, S. 551 as drafted would not require any of these programs to change in order to qualify for federal assistance.

We urge you therefore to seek passage of S. 551 to provide the states with the necessary levels of assistance. With minimal effort and low cost, the federal government will be able to magnify the assistance available to innocent victims of crime.

On behalf of the nation's state legislators, I would like to thank you for the strong interest you have shown by sponsoring this legislation, and will gladly offer my help in anyway possible.

Sincerely,

STANLEY ARONOFF,
State Senator/Ohio.●

THEN THERE'S CLEVELAND

● Mr. METZENBAUM. Mr. President, in the June 15, 1978, edition of the Washington Post, columnist George F. Will, in a fine column entitled "Then There's Cleveland," writes that he has a "guilty secret, cheerfully confessed." That "guilty secret" is that he admires Cleveland.

I share Mr. Will's admiration, but I make no secret about it. It has been my home for all of my life and I am proud to say it.

For too many years, my city has been the butt of jokes by so-called sophisticates, many of whom have never even been in the city. At the moment, Cleveland, like so many of our industrial cities, is beset with problems. And once again, the joksters are in their glory.

As Mr. Will so aptly puts it:

> Today's last-gasp laughter-getter for desperate comics is some reference to Cleveland, a city disdained by those who pluck their values from the prevailing wind.

The thrust of Mr. Will's article is to point to some of the things that have made Cleveland one of the Nation's great cities. He has done a fine job, but obviously the limitations of space were such that many of the assets of the greater Cleveland area have gone unmentioned. I welcome the opportunity to augment the list.

One of the highlights of Washington's cultural season is the appearance of the Cleveland Orchestra, unanimously acclaimed as one of the finest symphony orchestras in the world. Its home is at Severance Hall, in the center of what may be the most renowned cultural center in the Nation, including the Cleveland Museum of Art and the Museum of Natural History.

In education, Cleveland can hold its head high and boast of several nationally known institutions of higher learning, including Case-Western Reserve University, Cleveland State University, John Carroll University and Baldwin-Wallace College. Cleveland also leads the

Nation in the community college movement, with Cuyahoga Community College offering training in more than 40 fields to over 20,000 students.

The Blossom Music Center, the summer home of the Cleveland Orchestra, was the pacesetter in outdoor theaters, and the Great Lakes Shakespeare Festival has attracted theatergoers from all over the Nation.

In the business field, only New York and Chicago rank ahead of Cleveland as the home of corporate headquarters. Nearly 300,000 persons are employed in manufacturing in the greater Cleveland area, spread through most of the major types of industry in the country.

More than 6 million passengers pass through the gates of Cleveland Hopkins Airport each year, with many of them being whisked to downtown Cleveland in 15 minutes on one of the Nation's most modern rapid transit rail systems.

Cleveland's tree-lined streets and its "Emerald Necklace" of metropolitan parks have long made it a showplace and given it the name of "The Forest City."

In any season of the year, sports fans throng to the contests of the city's three major league teams, the Browns, the Indians, and the Cavaliers.

In summary, Mr. President, I am proud to be from Cleveland, and I am certain the same feeling of pride exists among my thousands of neighbors. It is truly, as a long-existing slogan has proclaimed, "The Best Location in the Nation."

Mr. President, I ask that Mr. Will's article be printed in its entirety in the RECORD.

The article follows:

THEN THERE'S CLEVELAND

(By George F. Will)

CLEVELAND.—Long ago, when mankind was young and wit was fresh, if someone in an audience called out "Say something funny," Mort Sahl, the comic would say, "John Foster Dulles." Today's last-gasp laugh-getter for desperate comics is some reference to Cleveland, a city disdained by those who pluck their values from the prevailing wind.

Cleveland has the problems of an old industrial city. It also has the most acrimonious government in Christendom and, yes, the Cuyahoga River did catch fire once. But such problems do not obscure the city's fascinating dimension. That dimension, which may be what Cleveland's despisers despise, is that Cleveland embodies the American middle: Midwest middle-class civilization.

Ohioans were, in a sense, the first Americans. Ohio's northern part was once "New Connecticut"; the southern part was the Virginia Military District. "Ohio," said a 19th-century writer, "is at once North and South, it is also—by grace of its longitude and its social temper—both East and West. It has boxed the American compass."

Ohio was the first defined wilderness area made into a state, and the names of its communities include London, Dublin, Berlin, Geneva, Moscow, Holland, Poland, Smyrna, Cadiz, Lisbon, Antwerp, New Paris and New Vienna. Walter Havighurst suggests why Ohio has produced eight presidents: To any other part of the nation, an Ohio candidate could not seem alien."

In 1784, George Washington examined a map of the wilderness and predicted that "where the Cuyahoga River flows into Lake Erie shall arise a community of vast commercial importance." A century later, a Clevlander explained his city to a squinting easterner: "Smoke means business, business means money, and money is the principal thing." Ohio's largest city is bound up with America's basic commodities.

Thomas Edison was born 60 miles west of Cleveland, which became the first city in the world with electric lighting in a public place, and the first to unite electricity and steel in transportation (in streetcars). One of Cleveland's thoroughfares, Superior Street, is a reminder of the link between Cleveland and the great lake, Superior, that is surrounded by iron ore deposits. Those deposits were shipped to Cleveland's mills and turned into rails and locomotives.

Oil was needed before transportation could move from steel wheels to rubber tires (tires are giant industry in the state bisected by the National Pike, U.S. 40). The world's first producing oil well was 100 miles east of Cleveland, and its potential was best understood by a product of Cleveland's Central High School (John Davison Rockefeller).

Cleveland is the only major American city where the original city center is still the city's hub. Public Square is the site of the Soldiers' and Sailors' Memorial, which a guidebook gently describes as an example of "the literalness of Victorian art." It is a stupendous pile, a granite and bronze clutter of guns and fierce warriers. It is not quite as exuberantly martial as some monuments in Indianapolis, but its adequately expresses late 19th-century patriotism.

One purpose of public architecture is to create a mood. For example, the Supreme Court building in Washington is designed to instill awe for the majesty of the law. But the court is a mere cabin compared with Cleveland's Federal Reserve building. This temple to currency has stirring symbolic statues, and a lobby worthy of a place of worship. Whatever an aura of strength can do for currency, this building does.

Today many banks resemble hotels, and many branch bank offices are built in a style that might be called Neo-Dairy Queen. No wonder the dollar is a ghost of its former self. Cleveland's downtown is planted thick with thick banks, and is a reminder of the way things were.

Euclid Avenue no longer has America's noblest collection of stately homes (my nominee is Audubon Place in New Orleans). But Cleveland, as much as any city, has been the home of spacious houses of the sort suited to the life of large families. Such houses were monuments, of sorts, to the energy and confidence of America, and especially of the Midwest, when the nation was gathering strength.

My guilty secret, cheerfully confessed, is that I admire Cleveland. But, then, I also admired John Foster Dulles.●

"THE IMPERIAL CONGRESS?"

● Mr. MOYNIHAN. Mr. President, I believe the Senate will be much interested in a recent article by Stephen Hess entitled "The Imperial Congress?" Mr. Hess is among our most observant and wise commentators on American government. I was pleased and encouraged to find that his observations on the matter of congressional staff are convergent with the thoughts which I expressed in the Lehman Lecture at Lehman College in New York City this past spring. That being the case, I take the liberty to introduce into the RECORD a version of that lecture which appears in this month's Commentary magazine under the title "Imperial Government."

The material follows:

[From the Providence Journal, May 19, 1978]

"THE IMPERIAL CONGRESS?"

(By Stephen Hess)

As a United States senator rushed into the Senate chamber, a 23-year-old aide whispered in his ear, "Vote yes." The senator later told me, "I was furious, especially since I then voted yea." This legislator is one of several who have privately said they are worried about their increasing reliance on staff assistants.

When the talk was of "The Imperial Presidency," during the period of Vietnam and Watergate, the "solution" often put forth was to build the staff capacity of Congress so that it might compete on more even footing with the resources of the President.

Since then Congress has become the growth industry of Washington, and the talk is now of "The Imperial Congress." Primarily this development has been criticized because of its cost—over $350-million in 1976 for House and Senate personnel—and because of the debilitating effects of an expanding bureaucracy. With more than 13,000 people on committee and personal staffs, internal management and communication have become new problems.

But there has been a qualitative—as well as a quantitative—change taking place on Capitol Hill. It is the type of person who now serves on congressional staffs, not just the number of persons, that may be having the most troubling impact on the behavior of Congress and its deteriorating relations with the President.

Mostly in the staff jobs that deal with the substance of legislation, rather than with constituent services, there appears to have emerged a group of congressional employees who I think of as the YAAs—Young Activist Advocates.

This trend was spotted by Harrison W. Fox, Jr., and Susan Webb Hammond, in a useful book called *Congressional Staffs* (The Free Press, 1977).

Basically, what they find is that congressional staff members are getting younger (69 percent of the House legislative assistants in 1971-72 were 30-years-old or less); the younger staff members have higher levels of education; and the average tenure of such aides is quite brief (nearly 50 percent of congressional committee aides were in their jobs for less than 4 years, and House legislative assistants had an average tenure of just 2.3 years).

The rise of the new style staffers has intertwined roots: the expansion of the congressional establishment made jobs available; the era of civil rights, Vietnam, and environmental protests produced a cadre of activists seeking public service careers; the crunch in university hiring meant that there was a surplus of young people with advanced degrees who had to find employment outside of teaching; and eight years of Republican administrations closed the Executive Branch to liberal activists, rerouting them to Capitol Hill. The result was a classic case of supply and demand meeting in the market place.

My impression is that the YAAs look on their congressional staff service as a stepping stone to more visible positions in public life. As such, the temptation is to make a "reputation" fast. Since they don't expect to hang around long, the introduction of legislative bills becomes an end in itself, or, in other cases, investigation and exposure becomes more important than corrective action.

The YAAs, I believe, have substantially contributed to producing a torrential storm of legislative proposals in recent years. Over 2,800 separate measures were referred to Senate committees in 1975. There is a point at which any system becomes overloaded, and the congressional system, I fear, is fast approaching this point.

In the opinion of one Senate aide, "The care and feeding of congressional staffers has

now become a major task of most Executive Branch managers." A Treasury Department official agrees. He estimates that congressional requests for information consume 75% of his unit's time.

To the degree that the system of comity between the Executive and Legislative Branches may be breaking down, the fault hardly lies exclusively with the YAAs. The Carter Administration bears responsibility for some ill-conceived and poorly drafted legislative proposals, as well as considerable fumbling in its dealing with Congress. Nor are all legislators mere putty in the hands of their employees. Indeed, some elected representatives have encouraged the hit-and-run activities of their staffs, which can generate much publicity.

Congress, of course, has the mandate to write laws and keep an eye on how well they are being executed. A question is when does congressional oversight become obstruction of the executive? When does legislative policy-making dictate executive operational procedures? Members of Congress might begin to seek answers by more carefully scrutinizing the activities of their own staffs.

IMPERIAL GOVERNMENT

(By Daniel P. Moynihan)

The question of size and of effectiveness in American government is beginning to take on aspects of constitutional as against merely political debate. For the better part of a century now, those who have objected to the size of government, especially the national government, have typically been objecting to the new functions the government was seeking to carry out. There was always, that is, a not especially well hidden agenda in the objection to government growth as such. Of late, however, we encounter the argument that government growth has not added to the effectiveness of government, but may even have impeded it. The question appears even where it is not directly posed. Thus, a year after the inauguration of President Jimmy Carter the nation was awash with wonder that so much was being attempted and seemingly so little achieved. At first, political explanations were put forward for this, principally that the President's difficulties were of his own making. But then, with increasing frequency, commentators began asking whether the more important explanation was perhaps to be found in the way our government at present works, or does not work. It is a matter that deserves inquiry.

Further, to the degree that we are dealing with a question of constitutional dimension, it deserves inquiry carried forward in the spirit of the framers of the Constitution, which was very much a scientific spirit.

The establishment of the American government in the latter part of the 18th century was a distinctive event in many ways, but in none more than the belief of those involved that they were acting upon scientific principles. These included principles of political science which was seen as a branch of an essentially unified science. Hamilton noted, in the ninth *Federalist* paper, that previous republics had had such stormy histories that republicanism had admittedly fallen somewhat into disrepute. This tendency, however, could be overcome thanks to progress in political science:

> The science of politics, however, like most other sciences, has received great improvement. The efficacy of various principles is now well understood, which were either not known at all, or imperfectly known to the ancients.

Hamilton went on to cite, as examples of "new discoveries," the various constitutional institutions with which we are now familiar: separation of powers, the system of checks and balances, popular representation in the legislature, the independent judiciary, and so on.

Whatever the impression, American government has maintained this early disposition. American political science has for the most part been a pragmatic discipline while American political scientists have not always been impractical men. The sixth president of the American Political Science Association became the twenty-eighth President of the United States. The profession continues in the service of government largely conceived.

It is in order, then, to expect that there should now be forthcoming a considerable effort to diagnose what so many consider to be the sickness of government in our time, a sickness associated with grossness, with the proposition that government is too big and doesn't work.

Within the federal government (and probably at other levels also) developments now several generations old have caused the executive branch to become greatly enlarged, and, apparently in consequence, to function with greater difficulty. These developments have more recently appeared in the legislative branch, which commences to have similar difficulties. And they are now beginning to appear within the judiciary as well, where, it may be forecast, the same difficulties will also shortly appear.

In the effort to understand this process, a good place to begin is with the familiar notion that by creating three branches and a system of checks and balances which enabled each to impede the functioning of the others, the framers of the Constitution built conflict into the American system. They thought it was inevitable, and on the whole desirable. If they had a disposition, it was for more, not less.

This was a bold idea then and it remains a bold idea today. Most governing systems assume an inherent and ever more manifest harmony of interests and compatibility of behavior. Marxists, for example, presumably still await the withering away of a conflict-free Soviet state. As we look at the experience of the two systems of government, those who devised the American one surely emerge as men who knew more about what the world is really like. Or, alternatively, who were more honest about it.

In that same spirit of realism, James Q. Wilson—the political scientist of our generation who has most usefully studied bureaucracy in its various adversarial modes—holds that organizations come to resemble the organizations they are in conflict with. If one football team begins using offensive and defensive squads, its opponents will soon be doing so too. The German sociologist Georg Simmel pointed out in the early years of the century that organizations in conflict may *wish* their opponents to resemble them, even, surprisingly, in the degree of their power. Elaborating on Simmel, Lewis Coser writes:

> "If . . . there exists a rough balance of power, as in pluralistic, multi-group societies, the more strongly organized adversary may actually prefer that the weaker not fight with "unconventional weapons" (corresponding to a different organizational structure), but use weapons similar to his own, making it possible to fight according to comparable rules."

This insight clarifies many otherwise inexplicable phenomena, as in labor relations where after a certain point big employers clearly preferred to deal with big unions; or, conversely, where early on Samuel Gompers, seeking to organize American workers, encouraged employers to organize as well.

The applicability of this theory—which might be called the Iron Law of Emulation—to American government is clear. We may put it thus: whenever any branch of the government acquires a new technique which enhances its power in relation to the other branches, that technique will soon be adopted by those other branches as well.

Consider the Bureau of the Budget (now called the Office of Management and Budget), which was established in 1921. The Bureau of the Budget gave the President an enormous advantage over the Congress. In this all-important function of government, the President had a unified, centralized command as against a dispersed and often internally divided congressional force. Congress sustained defeat after defeat as successive Presidents raised federal expenditures to ever new heights. Interestingly, it was only when the time came that Congress for once wished to spend more money than the President—which is to say during the impoundment controversy with President Nixon in 1973–74—that Congress created a Congressional Budget Office of its own, and a rough equivalence of competence with respect to the techniques of fiscal management and disputation was achieved.

It might have been supposed that the executive would have resisted this, but the evidence (confirming Simmel) is otherwise. The executive seems almost to have welcomed the appearance at the other end of Pennsylvania Avenue of an organization similar to its own with which to conduct the annual Battle of the Budget. We can assume that at OMB it is much more agreeable to be dealing with officials at the CBO who know what the GNP deflator for the last fiscal year is, and who care.

This migration of technique from the executive to the legislative has been going on from the beginning of the 20th century. Further thought would likely produce a more respectable taxonomy, but present purposes will be served by a list that begins with buildings and ends with attitudes.

In 1902 President Theodore Roosevelt built the West Wing of the White House, where the Oval Office is located. All of a sudden the President was an executive. He no longer worked in his living room, but had an office building in the manner of the business leaders of the age. (Here one observes the federal government as a whole adopting the techniques of the business world with which it was then increasingly in conflict.) The very next year the House of Representatives voted itself an office building, and the year after that the Senate did also.

As is well known, each branch continues to build more office buildings for itself, each of which fills up (such are the demands of the conflict with the other branches) until overcrowding requires yet another building.

The man who has traveled abroad has an advantage in certain kinds of arguments over the one who has not. President and Congress stayed home until 1905 when President Theodore Roosevelt went to Panama. Next, President Taft went there also. Then President Wilson went to Paris. A generation later, Presidents spent an important segment of their time traveling in other countries. In 1954, Congress began to provide easily accessible funds for its own travel abroad. By now, presidential and congressional groups crisscross each other in the farthest reaches of the planet. The practice seems to have begun of President's arranging to meet Congressmen abroad, possibly because of difficulty in getting their schedules together in Washington.

The Presidency acquired an investigative organization, the FBI (technically in 1908, but reaching its famous status in 1924, with the appointment of J. Edgar Hoover as director), which was a formidable if not always straightforward weapon. There is now discussion in the Senate of establishing an investigatory arm for such purposes as screening presidential appointees, a function now performed by the FBI.

Access to foreign intelligence is a key element in getting one's way in disputes over foriegn policy. In 1947, the Presidency obtained the Central Intelligence Agency, and for a period was uncontested master of the intelligence "secrets." Congress retaliated not by establishing an intelligence service of its own, but by creating, in 1976, the Senate

Select Committee on Intelligence with complete access to CIA information. The House, in 1977, established a similar committee.

In 1962, the Presidency acquired the Office of Science and Technology, having previously, in 1957, established the President's Science Advisory Committee. In 1974, Congress acquired the Office of Technology Assessment with an Advisory Council that serves essentially the same function that PSAC once did. (Like the Congressional Budget Office, the Advisory Council to the Office of Technology Assessment was first headed by a Democrat who had been displaced from an equivalent or comparable position in the executive branch when a Republican administration came to power.)

Economic knowledge is, of course, another characteristic technique of modern organization. In 1946, the Presidency obtained the Council of Economic Advisers, a powerful institution not really matched by the Joint Economic Committee established by the same legislation. Still, the staff of that committee does give Congress its own experts with which to dispute those of the President.

This pattern—of the executive branch acquiring a new technique, followed one, two, or three decades later by an equivalent action on the part of the Congress—is now well set; and it has come to involve the Congress in a great many executive functions. Thus in 1963, the Presidency acquired the Special Representative for Trade Negotiations. In 1973, the Senate Finance Committee established a Subcommittee on International Trade whose members are official advisers to the President's trade negotiators. In part, this mixing of functions may be seen as an attempt by one branch to prevail in conflict by coopting the other, which it invites into the decision-making process so that the final decision will be supported. But in even larger part it is an instance of the Iron Law of Emulation.

A more subtle process involves the emulation by one branch of another in order to eliminate any appearance of disparate levels of legitimacy. In 1941, the executive branch established the Committee on Fair Employment Practices. In 1975, members of the House established a Fair Employment Practices Committee (with an interesting mix of Representatives and staff members). A Senate bar on employment discrimination was adopted in 1977.

Similarly with ethical standards. For members of the executive, such standards, including financial disclosure, were promulgated by President Johnson in 1965. The House created a Committee on Official Conduct in 1967. In 1976, the Commission on the Operation of the Senate, chaired by former Senator Harold Hughes, advocated the adoption of explicit standards. The task was completed by a committee chaired by Senator Gaylord Nelson, and resulted in the Senate's adoption of such a code in April 1977.

The bureaucratized and differentiated structure of the executive and, increasingly, the legislative branches has not yet appeared in the judiciary. But there are signs that the judiciary is beginning to take on functions which are invariably associated with bureaucratization and differentiation. This is the rise of what Abram Chayes, in a May 1976 *Harvard Law Review* article, has called "public-law litigation." Traditionally, adjudication has been understood to be a process for resolving disputes among private parties which have not been privately settled. But Chayes holds that this traditional view cannot account for much of what is now actually happening in federal trial courts. Civil litigation increasingly involves determination of issues of public law, whether statutory or constitutional, and frequently terminates in an ongoing affirmative decree. The lawsuit does not merely clarify the meaning of the law, remitting the parties to private ordering of their affairs, but itself establishes a regime ordering the future interaction of the parties and of absentees as well, subjecting them to continuing judicial oversight.

Professor Chayes contends that such a role for the courts, pursued through decrees in class-action suits, is unprecedented and raises serious concerns of legitimacy. He allows that the experience so far has been mixed. Reapportionment decrees, as an example, have in his view worked well, but it remains to be seen how successful federal judges will be at running mental institutions. He is, however, optimistic:

"[D]espite its well-rehearsed inadequacies, the judiciary may have some important institutional advantages for the tasks it is assuming:

"First, and perhaps most important, is that the process is presided over by a judge. His professional tradition insulates him from narrow political pressures, but, given the operation of the federal appointive power and the demands of contemporary law practice, he is likely to have some experience of the political process and acquaintance with a fairly broad range of public-policy problems.

"Second, the public-law model permits ad hoc applications of broad national policy in situations of limited scope. The solution can be tailored to the needs of the particular situation and flexibly administered or modified as experience develops with the regime established in the particular case.

"Third, the procedure permits a relatively high degree of participation by representatives of those who will be directly affected by the decision. . . .

"Fourth, the court, although traditionally thought less competent than legislatures or administrative agencies in gathering and assessing information, may have unsuspected advantages in this regard. . . .

"Fifth, the judicial process is an effective mechanism for registering and responding to grievances generated by the operation of public programs in a regulatory state. . . .

"Sixth, the judiciary has the advantage of being non-bureaucratic. It is effective in tapping energies and resources outside itself and outside the government in the exploration of the situation and the assessment of remedies. It does not work through a rigid, multilayered hierarchy of numerous officials, but through a smallish, representative task force, assembled ad hoc, and easily dismantled when the problem is finally resolved. . . ."

But if the federal courts are going to make law (a legislative function) and enforce law (an executive function)—which is what Chayes's term "the public-law litigation model" implies—they are inevitably going to find themselves in conflict with the legislative and executive branches. In that conflict they will be just as inevitably led to adopt the techniques of the other two branches in order to prevail in the ensuing conflict; and, as Simmel would have it, they will be encouraged to do so. They will thus develop a "rigid multilayered hierarchy of numerous officials" of their own.

On this point I find Donald L. Horowitz, in his fine study, The Courts and Social Policy (1977),* rather more persuasive than Chayes. After examining four cases of "public-law litigation," Horowitz concludes:

"The four cases make plain the impotence of the courts to supervise the implementation of their decrees, their impatience with protracted litigation, and their limited ability to monitor the consequences of their action. Called upon increasingly to perform administrative functions because they are not burdened with administrative rigidities, the courts are also not blessed with administrative capabilities."

What experience suggests, however, is that if an organization in need of administrative capabilities does not have them, it will seek to acquire them.

Politics, as Maurice Cranston contended in his inaugural lecture at the London School of Economics (1971), is an argument about the future. Rarely, one would add, is any person or party entirely correct. Usually predictions are significantly wrong, and this is the problem the courts confront. Up until now, the primary task of the federal courts has been to rule on the meaning of existing laws, the Constitution foremost. The judges and justices can with some equanimity rule on just what the Founding Fathers intended, for it is extremely difficult to prove they are wrong, and, in any event, they never are wrong until they themselves so decree. (Thus the *Brown* [1954] decision declared *Plessy* v. *Ferguson* [1896] to have been wrong. At this moment a considerable number of scholars, notably Walter Berns in his recent The First Amendment and the Future of American Democracy [1977], hold that the Court's interpretation of the "establishment clause" of the First Amendment is simply wrong. But until the Court changes its mind, the interpretation stands.)

But what about predictions of the future, where most of us mostly are wrong and can be shown to be? What about predictions of the therapeutic consequences of one form of psychiatric aid as against another? A court without an elaborate bureaucracy to fuzz the results and conceal its mistakes will soon be judged no court at all, but merely a panel of well-intentioned amateurs exposed to all the world as bumblers. The Court will get a bureaucracy.

And more, if some "master plans" are implemented. In 1975, the Architect of the Capitol was authorized by Congress "to prepare studies and develop a Master Plan for future developments within the United States Capitol Grounds, for the future enlargement of such grounds. . . ." Phase II of the Architect's report appeared in August 1977. Note these passages concerning the Supreme Court:

"The Office of the Marshal and the Administrative Assistant to the Chief Justice have outlined the Court's current and future space needs based on trends in employment and the Court's load. Since 1970 there has been a steady increase in support positions. To maintain the high quality of judicial consideration of an increasing case load, additional law clerks, secretarial, and messenger positions were added to the staffs of the Justices' Chambers. This has also led to the creation of a Legal Office staffed by career professionals. Of similar importance has been the appearance of career professionals in various offices of the Court to meet the challenges that have been experienced throughout the federal and state Judiciaries."

In predictable response, the executive has been getting itself judges. In August 1972, the title Hearing Examiner within the executive branch was changed to Administrative Law Judge. Indeed, there are now, 1,071 administrative-law officers in the executive branch who are formally designated Administrative Law Judge, almost 600 more than the total of federal District and Appellate Judges. Twenty-nine agencies of the executive branch now have such judges; the Social Security Administration alone has 660. In the meantime, there are another 100 examiners, attorneys, and appeal-board members within the executive branch who seem to have appropriated the title of Administrative Judge, though this is not a "proper" civil-service category.

*See also his article, "Are the Courts Going Too Far?" COMMENTARY, January 1977.

Once again, a more elaborate taxonomy will perhaps be developed some day, but the general pattern seems distinct. We don't yet think of this as a generalized pattern, but we behave as if the pattern had become general. Thus in the 1930's the congressional party (as it were) directed its strongest attack against the growth of the executive under the New Deal. A generation or so later, the presidential party in the person of Gerald Ford attacked the "Billion Dollar Congress." In that same election year, the successful candidate, Jimmy Carter, attacked both, with special emphasis on the "bloated, horrible bureaucracy."

In recent Senate hearings Claiborne Pell of Rhode Island, an exceptionally careful and perceptive committee chairman, observed that the Senate budget for Fiscal Year 1978 was to be greater than the budget of seventy-four countries. The Washington Post Magazine of April 23, 1978 featured on its cover a story entitled, "The Senate: Snarled in Bureaucracy?" This story, well done, was nonetheless perfectly recognizable as the same story that began to be written about the executive a generation or so earlier. The judiciary's time is at hand, as evidenced by the appearance of scholarly works—like Nathan Glazer's "Towards an Imperial Judiciary" (Public Interest, Winter 1975)—which will in due course be followed by journalism.

The most consequential result of all this is overwork. It may come as a surprise to the public to learn that persons in positions of authority in government are overworked, but almost all are. (Whatever, if anything, scientific management may have to say on the subject, I offer the impression that overwork begins at some point between a sixty- and seventy-hour work-week made a year-round routine.) To be sure, persons who are overworked do not necessarily achieve a great deal. Overwork typically appears at a point where productivity begins to fall off. The whole of modern government is made up of men and women trying to jam ever greater resources into the ever tightening angle of an asymptotic production curve.

Overwork begins as a technique, a new way of achieving a goal, usually that of prevailing in conflict. But it soon becomes a condition in its own right, rather like bureaucracy itself. And as with most of the techniques we have discussed, overwork first appeared in the executive.

In general, the modern economy has brought about an inversion of effort as between managerial and production workers. What were known as "bankers' hours" certainly obtained in the government offices of the 19th century when there really wasn't that much for bankers or bureaucrats to do. Recall Trollope's portrait, in *The Three Clerks* (1874), of Mr. Fidus Neverbend, the premier workaholic in the civil service of his time:

"Mr. Fidus Neverbend was an absolute dragon of honesty. . . .

"A quarter of an hour spent over a newspaper was in his eyes a downright robbery. If he saw a man so employed, he would divide out the total of salary into hourly portions, and tell him to a fraction of how much he was defrauding the public. If he ate a biscuit in the middle of the day, he did so with his eyes firmly fixed on some document, and he had never been known to be absent from his office after ten or before four."

This compulsive wretch worked a full six-hour day!

Or consider the rather more inspiring figure of Henry L. Stimson as Secretary of State during the administration of President Hoover, a time of vast international crisis. Hoover responded by spending ever more time on the job; Stimson responded by horseback riding. In *On Active Service in Peace and War*, Mr. Stimson and McGeorge Bundy write:

"Mr. Hoover was a worker, capable of more intense and prolonged intellectual effort than any other man Stimson ever met; his cure for all his troubles as President was more and harder work. Stimson was not made that way; his strength depended on regular rest, substantial vacations, and constant physical exercise, nor did he accept as suitable exercise Mr. Hoover's game of medicine ball—it seemed to him as dull as weight lifting, and about as refreshing. More and more after the middle of 1930, Stimson found himself oppressed by the official atmosphere of Washington."

As with much else in the New Deal, then, overwork began with Hoover, and was soon institutionalized. Government became something of a trial of strength. Those in the Cabinet and the White House not capable of sixteen-hour days were driven from the field as inexorably as were the fainthearted and weaklimbed in the tournaments of medieval courts.

Inevitably, overwork in time appeared in Congress. President Roosevelt's Hundred Days are so designated because his first Congress met March 9, 1933, and went home June 15, not to return until the following January (for a long session that lasted until June 18). To the Jeffersonian mind, after all, a great attraction of Washington as the seat of government was that it turned malarial in April, so that a Congressman who stayed on until May might not be back in December! But with the 1930's, sessions began to lengthen. Then came war, and the first session of the 77th Congress (1941) met for 365 days. After the war, the duration of sessions dropped back, but in the 1960's it lengthened again. The first session of the 91st Congress (1969) ran 355 days. The Congress is now almost permanently in session.

The number of votes per session has increased considerably more than the number of days. In the first session of the 83rd Congress (1953), there were 80 votes in the Senate and 71 in the House. In the first session of the 95th Congress (1977), there were 636 and 706 respectively. A congressional study committee in 1977 found that for one-third of their day, Members of the House were supposed to be in at least two places at once, this being the result of multiple committee assignments.

Time, of course, is what is most in demand in an overworked institution. Energy is what is most lacking. "Energy in the executive," said Hamilton, "is a leading character in the definition of good government." Something not different is the case with the legislative. But energy is the first quality to disappear when the workload becomes too heavy. Energy and creativity.

Thus, in the sixteenth month of the Carter administration the *Wall Street Journal* reported "combat fatigue" had already set in: "A key White House aide talks of leaving. The general reason: loss of the exhilaration needed to endure seventy-hour work weeks." Good men and women, who should be just about, in an earlier image, getting their second wind, were already used up. An absurd waste, but part of the system they were caught up in. To relieve the burden, President Carter proposed just the wrong remedy. In February 1978, he asked Congress to authorize an additional 100 "supergrade" and "executive-level" employees for his immediate White House staff. This is surely startling in a chief executive who came to office not just formally pledged to cut the size of his office (as Presidents now routinely do) but seemingly determined to do so. Any new top executive will, of course, require that those already there work even harder to keep up with one another.

Overwork is typically followed by efforts to improve efficiency along lines of what is termed organizational rationalism. The first such effort in the executive, the Commission on Department Methods, headed by Assistant Secretary of the Treasury Charles Hallin Keep, was established in 1905. President Franklin D. Roosevelt established the more noted Committee on Administrative Management, headed by Louis Brownlow, in 1936. The first congressional committee of this sort was the Joint Committee on the Organization of Congress, established at the end of 1944 and chaired by Senator Robert LaFollette, Jr., of Wisconsin. Many of its recommendations became part of the landmark Legislative Reorganization Act of 1946. It was this law which established "professional" committee staff for the Congress, the congressional variant of the civil service, to be appointed "without regard to political affiliations and solely on the basis of fitness to perform the duties of the office."

The most recent, and notable, effort in the legislative branch was the Commission on the Operation of the Senate established in 1975. The report, *Toward a Modern Senate*, was notable for a refreshingly candid statement of the nature of a Senator's day—"long, fragmented, and unpredictable. On the average, Senators put in an eleven-hour day"—and a not less candid statement of the goal to help Congress organize to counter the expanding power of the Presidency and the executive branch, "an expansion that recently threatened to upset the constitutional separation of powers. . . ." Predictably, the commission proposed that the Senate adopt more of the techniques of the executive.

Already the legislative branch had acquired one of the more important powers of the executive, the Congressional Veto, which was created by the Reorganization Act of 1932, and serves very much as does the executive veto provided in the Constitution. In 1975 alone, congressional veto provisions were incorporated into fifty-eight laws.

As in the case of its acquisition of judges, the executive branch has responded in turn to competition from the legislative by emulating some of its techniques. We could, for example, interpret the establishment, and now proliferation, of independent regulatory commissions—standing committees, as it were—as a legislative technique planted in the executive. This began, of course, with the Interstate Commerce Commission in 1887, an era of relative congressional ascendancy over the Presidency.

Another, subtler, example—and one suggestive of the damage that the Iron Law of Emulation has done—may be found in the way Presidents now seem to negotiate with and mediate among their bureaucracies, much in the manner of House and Senate conferees working out their differences over a bill. Thus in the spring of 1978, after one full year of interdepartmental negotiation, President Carter announced his urban policy. It contained no new initiatives of any consequence. It was rather an immensely complex agreement as to what new resources would be allocated to dozens of different, and already established, programs. Indeed, it was not a policy at all, for nothing of that order could have been achieved by negotiation.

The ultimate result of these parallel developments may be simply stated: stalemate. As each branch acquires more of the techniques of the others, especially as executive-branch techniques migrate to the other two, each becomes more capable of thwarting the others' purposes, *and probably more disposed* to do so. For while there is surely a disposition to leave to others tasks for which one has no special capacity, this disposition disappears when everyone "knows" everything because everyone has his own information and experts—as is increasingly the case with each of the three branches of our government.

Is it not also likely that as the techniques of the three branches become more alike, the

branches will become more homogeneous? Or is that a tautology? No matter. The point is that the branches were intended to be distinctive and to attract distinctive personalities; and they have long done so. The judicial temperament is a real thing. Anyone who has been required to make choices for the judiciary comes to know it and respect it, even if he cannot too closely define it. The ability to manage is a distinctive gift which we associate with persons called executives, and is, we hope, to be found in the executive branch. The genius, the central, the all-informing, all-pervasive principle of the legislative branch is that of representativeness. As each district, each state, is different, so each Representative and Senator is different and should be. None is alike, and none is expected to be. If there is pressure on the individual, it is for him not to conform to his fellows. That is what is lost when bureaucratic routine and Weberian predictability take over from the principle of representatives.

If a large (and unsupported) forecast may be permitted, it is that the long-run effect of competitive emulation will be to create government by submerged horizontal bureaucracies that link the three branches of government. They will speak their own language and stay in place while their constitutional masters come and go. (For some time, political scientists have recognized vertical bureaucratic ties that link state, local, and national government: the highway profession, for example, or social welfare.) Thus President Carter began by ordering each of his cabinet officers to read all regulations before signing and promulgating them. But this soon became impossible. The bureaucracy writes them and signs them, and, as the Washington Star bravely strives to establish, heaven help any outsider who tries to read them. They are probably comprehensible to the committee staff of the Congress, who draft the legislation which the regulations typically carry out. But I know it to be true in my case, and I cannot suppose I am alone, that most legislative language is incomprehensible to me. I depend utterly on translators. One has the impression—little more—that judicial decrees are increasingly the work of professionals. The end result of all this is surely predictable, almost, again, tautological: a great falling away of democratic, elective government.

The question, then, is of a constitutional order. Americans, understandably, tend to think of constitutional change in terms of the amendment process. But this is not the only way change takes place, as John Marshall demonstrated when he established that the Supreme Court had the right of judicial review of acts of Congress. In this sense the American Constitution can evolve rather in the way the British constitution is said to evolve, and indeed does. And the British experience ought to serve as a particular lesson to us just now.

I do not pretend to any special competence here, but I believe it is fair to say that in the course of the 20th century the British have more or less abolished Parliament. I cannot imagine that at any point in the process the British electorate would have voted to do this; but successive incremental changes over three-quarters of a century have brought it about as an accomplished fact. Every five years or so, as things now are, the British elect a body of persons (still called Parliament in accord with the British willingness to change anything but the appearance of things) which in turn elects a chief executive called Prime Minister. This Prime Minister takes over the executive branch (called Whitehall) and governs with only the barest reference to Parliament for the next five years. Legislation takes the mode of the executive order under the American Presidency. The bureaucracy drafts it, the Prime Minister sends it to Parliament, and with the rarest exception, the bills are enacted by the Prime Minister's majority which exists by definition, else he would not be Prime Minister. On five occasions since 1945 a British Prime Minister lost his majority in an election. He was then replaced by another Prime Minister who ruled in precisely the same manner. Parliament as such has no power to differ with the Prime Minister on any issue save the ultimate one of who should be Prime Minister.

In the Sieff Memorial Lecture at the Royal Institution in 1977, Roy Jenkins allowed that in theory Parliament is sovereign, but in practice,

"What parliamentary sovereignty really means is party sovereignty: and a party that wins a bare majority of seats in the House of Commons enjoys the full fruits of sovereignty, even if it has won the votes of well under half the electorate. So long as its members obey the whip, such a party can force through whatever legislation it wishes, even on matters which in most other democracies would require an amendment to the constitution. Although the courts have begun to show more willingness to challenge the executive than they used to do, their ability to resist a determined government with a parliamentary majority at its back is severely limited."

Jenkins in fact suggests that the British at last get themselves some measure of judicial review to deal with the enormous and effectively unchallenged power of the civil service. In passing, he notes that the impotent Westminster Parliament "is notoriously overworked." Precisely so: for it has nothing to do.

That the British, who think of themselves as caring very much about such matters and as attending to them, have let their institutions decline so is not a good omen for us. But then we are in a far less etiolated condition. Our situation is not one of a single branch superseding the others. For some time we have had a pattern of one branch frustrating the efforts of the other, with moments of intensive cooperation coming at most every generation or so. We do not really have stalemate yet. But signs do appear.

Consider the question of the roving political elites, whose quest for power takes them first to one branch, then to another, bringing new techniques of conflict and *casus belli* with them. First, the White House staff, then the congressional committee, then the judicial chambers. The quest is essentially undemocratic, and their enthusiasms diminish as democracy catches up. They move on. But gigantism remains and stalemate grows. This pattern needs to be identified more frequently, and very much to be resisted.

How might we respond? Here I would be adventurous. I would dare to think that the American policy is as capable now as it was at the outset of adopting wise modes of government *because we think them wise*. What James Q. Wilson writes is probably true. What Simmel wrote is probably true. Yet it is also true that a people that sees its self-interest in *not* doing what comes naturally can do otherwise. That may be more a wish than a rule, but who will know unless we try?

If the Iron Law of Emulation is to be broken, it must first be recognized. We require some consciousness-raising. The tendency to introduce new conflict techniques can be restrained by the *knowledge* that they will almost certainly be matched. Hence we need first to become more aware of the pattern of one branch adopting the techniques of the other, and to sense the futility of it all. Just this much might have real consequences.●

HYPERLEXIS: OUR NATIONAL DISEASE

● Mr. CHURCH. Mr. President, in the January–February 1977 edition of the Northwestern University Law Review, an article has been contributed by Bayless Manning, entitled "Hyperlexis: Our National Disease."

Bayless Manning, who now practices law in New York City, has had an impressive career. He is the former dean of the Stanford Law School and the former president of the Council on Foreign Relations. He also owns a summer home at Sun Valley, an Idaho connection which enabled me to become acquainted with him and to enjoy the pleasure of his friendship.

In this remarkable article, Mr. Manning argues that hyperlexis has become America's national disease—"the pathological condition caused by an overactive lawmaking gland." He examines the powerful forces in our society which are generating a proliferation of laws on an unprecedented scale. "It is no wonder," he observes, "that the lawmaking engines of the United States grind out legal prescriptions like the fairytale salt mill at the bottom of the sea—unremittingly and in ever greater volume. Many powerful forces push in that direction, and no significant forces resist."

This article deserves close attention by the Congress, so long afflicted by an advanced case of hyperlexis. I ask that it be printed in the RECORD.

The article follows:

HYPERLEXIS: OUR NATIONAL DISEASE*

(By Bayless Manning**)

"Hyperlexis" sounds like some sort of serious disabling illness. It is. Hyperlexis is America's national disease—the pathological condition caused by an overactive law-making gland.

Measured by any and every index, our law is exploding. New statutes, regulations, and ordinances are increasing at geometric rates at all levels of government. The same is true of reported decisions by courts and administrative agencies. Whole new legal fields spring into being overnight, such as environmental law; older fields like real property are experiencing infinite fission. Statutory codes, such as those in the fields of commercial law and taxation, are becoming ever more particularistic, longer, more complex, and less comprehensible. We are drowning in law.

Our situation is aggravated by the wind of legal commentary set off by the firestorm of law. Law has always been one of the garrulous professions, and modern communications gadgetry makes it all too easy to record, reproduce, and distribute legal words. As in the wake of a great ship mewing seagulls follow, so legal commentators pursue the society's law-making machines, squabbling over the newly emitted material. Our law libraries are swamped, our citizenry is confounded by the legal blizzard, and our imperiled forest reserves are further depleted.

INCAPACITATIONS

Granted that we are awash with law, is it cause for any serious concern? Is hyperlexis

*This article is based in part on a speech delivered by the author before the Chicago Law Club on November 4, 1976.

**President, Council on Foreign Relations, Inc., New York, New York; former Dean, Stanford Law School.

a critically disabling disease or merely a nuisance? The answer is that it has already done a great deal of harm to the American body politic, and if it continues, it will incapacitate us in a number of different ways.

First, though not first in importance, is simple dollar cost. What does it cost to operate our elaborate institutional machinery of federal, state, and local courts, prosecutors, bailiffs, investigators, administrative agencies, police, examiners, lawyers, law schools, legal aid programs, law publishers, correctional facilities, etc.? We have no data on the amount of national resources that are devoted to operating our growing corpus of law. That, in itself, is a significant fact, reflecting the simple truth that we have never thought it important to ask the question. But the dollar figures are obviously measured in the tens of billions of dollars annually. Are we getting our money's worth as a matter of national priorities?

Second, on every hand we are presented with the visible fact that our legal system is clogging and choking into paralysis. Everyone knows that enforcement of the law has sunk to a new low for this country. Judicial and administrative backlogs make it impossible to dispose of disputes and charges expeditiously. The criminal process is in a state of epilepsy. This condition is caused in part by over-criminalization, by laws that declare behavior to be illegal but are either unenforcible or cannot be enforced with existing institutional means and resources. The flood of petitions to the Supreme Court is so great that numerous proposals are afoot to narrow the inflow of its work. The Chief Justice of the United States Supreme Court urges Congress once more to increase the number of federal judges to deal with the rising caseload. The same pressures are at work within the states. Insufficiency of resources produces the disgraceful, but necessary, practice of plea bargaining. The inability of traditional procedures to deal with the flood of automobile accident claims has led to experiments with no-fault administrative solutions. Probate procedure is a farce of delay and paper shuffling. Law suits are interminable, and it is no new discovery that justice delayed is often not justice at all. All legal circuits are overloaded and all warning lights are red.

Third, when the processes of the law coagulate, legislatures are deprived of the opportunity to make real public policy choices. It makes little actual difference what law is enacted if it will not, or cannot, be enforced.[1]

Fourth, public respect for the law, and attitudes toward voluntary compliance with the law, are clearly declining. Voluntary compliance sags and a scoff-law attitude is bred when the law is not enforced, or when its enforcement is diluted or erratic. Those who might have been deterred from criminal behavior by the prospect of punishment are not deterred when they observe that the law is seldom enforced in fact. In such an environment, those who are apprehended and punished feel themselves merely the victims of bad luck or discrimination, and not the objects of evenhanded justice. Proliferation of judges, police, examiners, auditors, inspectors, and other officials inevitably increases the risk—nay, the certainty—that some will be corrupt or corrupted and thereby still further degrade the law in the public's eyes. A legal system that is not respected by its people cannot be made to operate at all.

[1] A study is currently being conducted by the Bar Association of the City of New York and the Drug Abuse Council on the effects of the 1973 "get tough" revision of the New York drug laws. Though not yet complete, it has begun to appear that the project may offer a well-documented illustration of this point.

Fifth, when burgeoning law and scant resources make it impossible to enforce all laws against all offenders at once, then discretionary choices must be made by police, by prosecutors, and by bureaucratic officials. Increasingly in the United States, the choice as to what to enforce and against whom to enforce it is made by those persons. The exercise of that discretion is an explosive matter of the utmost delicacy. It will inevitably become a focal point for improper pressures and corruption. Improperly applied, it will lead to petty tyranny and intolerable discrimination against some citizens.

Sixth, the purpose of a large part of modern law is the elimination of unfair or unequal disparities among citizens. But hyperlexis works squarely against that objective. In a highly regulated environment of intricate restrictions, those best able to survive are those who are able to hire the new class of form-filling consultants—experts (mainly, but not exclusively, lawyers) who can invoke rules on behalf of their clients and pick their way among the bramble bushes. Such trained talent is rare and expensive; inevitably it will largely be commanded by those persons and organized groups that are best able to pay. Though everyone suffers from hyperlexis, the small are injured more than the great.

Seventh, a point of special interest to lawyers, hyperlexis has undermined the function of precedent and stare decisis on which the continuity of the common law was based. The lower courts today still try to follow the mandate of the highest court in their jurisdiction. But in many fields of the law the sheer proliferation of legal variants in thousands of published judicial decisions makes it impossible in all but the most gargantuan litigation for the lawyers or the judges to review the relevant earlier cases. As a result, the lawyers and the court can only pick and choose from the relevant precedential material—a radical departure from the intellectual premises of classical Anglo-American jurisprudence. Foreseeability is a critical element in public confidence in the law. Hyperlexis is helping to undermine that foreseeability and that confidence.

Eighth, the key to the unparallelled success of the economic system of the United States lies in its flexibility, its ability to respond quickly. Increasingly heavy regulation of economic activities is loading increasingly heavy cost burdens on businesses and on consumers. More serious than cost, the increased regulation and new requirements for prior clearances at all levels of government are hobbling the capacity of the economy to make necessary decisions rapidly. And it is not just private enterprise that finds itself regulated into slow motion. Governmental agencies also find themselves immobilized by their own regulations and stymied by those of other agencies.

Ninth, courts and legislatures have combined to produce a judicial process in which almost any proceeding will have some fatal technical defect, and almost any project undertaken can be blocked. Multiple appeals, collateral attack, procedural challenges, dilution of requirements of standing and the like are the hallmarks of our era. That every man should have his day in court is classical. But until now it has not been thought that every man should have 100 days in court, or that he should have a day in court on every social and political issue in the society. Proliferation of regulatory requirements and prerequisite clearances, dramatic increases in the circle of potential legal complainants and interminability of judicial proceedings are together making it increasingly difficult for the society to respond to the very social problems to which most of our regulation is addressed. The principle of "one person, one vote" threatens to become perverted to a principle of "one person, one veto." No society can operate on that basis.

* * *

Hyperlexis is not a nuisance. It is a heartworm that has a literally fatal potential for the body politic of this country.

DIAGNOSIS

If hyperlexis is such a pernicious thing, why do we not, in true-blue American style get about the job of fixing it? One reason is that we are just now at the first stage of identifying the disease and of realizing that we have it. But the second and more important reason lies in Pogo's immortal words—"We have met the enemy and he is us."

A fair amount of talk is to be heard these days in many and diverse circles about the need to get rid of "overregulation." Most of this talk assumes, or implies, that "overregulation" is a unitary thing, that it is the nefarious product of ambitious bureaucrats or crypto-socialists, and that it can be cured by a few bold surgical strokes of deregulation. The facts are quite otherwise. Regrettably, hyperlexis is a subtle illness; its forms are many and its causes are multiple. Behind the superficial term "overregulation" a number of different phenomena and forces are at work, most of them deeply rooted in American society and American attitudes.

The federal system

Part of the hyperlexis problem arises out of our layered federal system, the most complex governmental operation in the world. We maintain thousands of law-making instrumentalities, each of which merrily generates law on its own with little or no regard to the others. The tiers of government have become far more than the traditional triad of federal-state-local, as counties, districts and varieties of regional authorities and functional commissions have emerged as law generators in recent years. Moreover, the interface between federal programs and the administrative structures of state and local governments is a jumble of nonconnections and misconnections. Uncoordinated multilayered regulations, licensing, and supervision have the capacity to bog down the workings of the entire society.

Ideology: The Proper Subjects for Government Action

Classical American political thought conceived of a small discrete area as appropriate for governmental functions and a much larger area allocated exclusively to the private sector. In this century, the line between the two has become blurred and, in the minds of many of today's citizens, it has become altogether obliterated so that no limits on governmental regulatory activity are conceded to exist. This change in basic attitude is a major factor in the recent growth of regulation. Governmental regulation reaches out to more and more forms of citizen conduct because there is no longer a widely shared perception of a political-philosophic-legal barrier to inhibit or contain regulatory extension.

Ideology: Equality of Opportunity and Egalitarianism

As a part of the long historical thrust of the American dream, the Congress, the courts, and many local law-making bodies have made a major effort in recent years to tilt more of the benefits of life towards disadvantaged ethnic groups, lower income groups and women. The major instruments used for this purpose have been laws regulating the nonminority and laws granting enforcible rights to the minority. Implementation of these new laws in a great campaign to achieve equality of opportunity or, as some voices now advocate, equality itself, has called for great increases in regulatory mechanisms, in surveillance techniques, and in the decisional

burdens carried by the courts and other tribunals.

Ideology: Distributing the Risks of Life

A significant contributor to the flood of litigation, regulations and legislation is a rising feeling among many members of the public that the society as a whole should in some way compensate the individual for almost any loss he sustains. That is a political proposition, not an attribute of the legal system itself. How far we should go toward trying to create a riskless society, at what cost, and paid for by whom will be the major American political issues for the rest of this century. However those issues are balanced out, the outcomes will be expressed in statutes, regulations and opinions, which will add to the inflated corpus of our law, and which will add to the burdens of our legal institutional process.

Ideology: Proceduralism and Participationism

No society in history has been as deeply concerned with legal procedure as has the United States. Our traditional concern for the individual, for fairness and for due process has brought us to the point where almost any matter can be challenged and reviewed again and again, at the instance of large cohorts of complainants through extended formal adversary procedures and safeguards that were designed for (and once limited to) heinous crimes. To our concern for proceduralism has been added of late an increasing trend to engage the participation of larger numbers of citizens in all issues of public interest. Extension of voting rights has been one manifestation of the reach-out to extend participation; community action groups and self-styled "public interest" groups is another; and wider class actions and lower barriers to standing are others. Proceduralism and participationism together have increased geometrically the burdens of the courts.

Uses of the law and the judiciary

Critics of President Johnson's Great Society described its basic principle as follows: "Identify a problem, then throw money at it." But our true and peculiarly American governing principle, old enough and visible enough to have been noticed by De Tocqueville, is: "Identify a problem, then throw a law at it." Despite repeated disappointments, it continues to be almost universally accepted by Americans that legal resort is the most effective way to solve any problem.

Similarly, it has always been a peculiarity of Americans to turn to their courts for resolution of difficult problems. The special role of the Supreme Court as ultimate arbiter of constitutionality enhances that impulse, but the people's faith and reliance in its judges runs both wider and deeper than that. Whether in matters of civil rights, town planning, the economics of the market place, or labor-management relations, to name but four, the judiciary will play a key, and often determining, role in the United States. The inevitable result is that we are the most litigious people in the world. We go to great lengths to find ways to cast any and every problem into the familiar pattern of a two-party adversary trial and take it to court.

Interest group representation

Our political system for decision making is fundamentally built upon coalitions and trade-offs among elected representatives of interest groups. Though each of us may say that he wants less law and less regulation, the fact is that every economic, ethnic, religious, or ideological group in the society wants something supported, regulated, or banned by the law. Every interest group does its best to capture the legislative, administrative, and judicial system and harness it to its particular ideas of the good, the true and the profitable. Coalition voting patterns in our legislatures guarantee that those efforts will often succeed, and that every year there will be a bumper crop of new laws.

Elected officials and scorekeeping

For elected officials, the most obvious route to reelection, and perhaps even to immortality, lies in new legislation. Who would recall Senator Sherman or Congressman Mann were it not for their Acts? As batting averages are to baseball players, stars to restaurants, ribbons to generals, and stock prices to corporate executives—so new statutes are at the heart of the scorekeeping system by which legislators are measured and measure themselves. No legislator gains recognition as a great non-law giver or as the Great Repealer.

Particularization

The national commitment to deal with the individual as an individual, to treat each case on its special merits, combines with our political system of interest group representation to produce law that is often highly particularistic. Every group and subgroup seeks to obtain, and often obtains, special statutory provisions expressly aimed at its own particular circumstances. The result is an impenetrable legal jungle of special provisions. A significant part of the hyperlexis problem arises from the effort to deal with problems with too great particularity. Contrary to surface impression, detailed specificity in a legal provision does not reduce disputes; particularization merely changes the vocabulary of the dispute. The most detailed statutes, like the Internal Revenue Code, are the ones that proliferate most rapidly and generate both the greatest need for administration and the most disputes.

Technical and social change

The rate of change in the modern world has no precedent. That fact, too, is a contributor to the law explosion. Technological change often demands new public agencies and programs. The birth of the Atomic Energy Commission and its recent transmutations toward a Department of Energy are illustrative. Major technological change also inevitably brings social dislocations in its aftermath. Increasingly, it is coming to be recognized that the losses from such dislocations should not all have to be absorbed by those industries, workers, communities and institutions that happened to be hit by the change. The implication of that statement is, once more, an expanded function for the legal administrative process in order to distribute the loss. Analogously, major social change such as Black migration from the South, tends to lead to wider governmental activity, particularly at the federal level.

Bureaucracy

As spiders by their nature utter cobwebs and spawn more spiders, administrative agencies by their nature utter regulations and spawn more administrative agencies. Administrative agencies and programs are remarkably hardy, capable of surviving virtually any effort to uproot or cut them off. Growth in legal activity would not be so difficult to accommodate if old agencies died off as new ones appeared. Alas, the process does not work that way. Old laws and old agencies neither die nor fade away; being nonbiodegradable they only accumulate.

No brakes

Finally, a negative point is worth noting. As our legislative and administrative system operates, there are no internal forces at work that tend to counter the process of law generating, to act as inhibitors or governors. Externally the same is true since many interest groups work increasingly to add, amend or delete particular laws, but there is no major interest group that focuses attention on the health of our legal order as a whole.

It is no wonder that the lawmaking engines of the United States grind out legal prescriptions like the fairy-tale salt mill at the bottom of the sea—unremittingly and in ever greater volume. Many powerful forces push in that direction, and no significant forces resist.

THERAPIES AND MITIGANTS

Can we do anything to check the advance of the nation's hyperlexis? A glance at the roster of root causes just listed will make it clear that most of them are congenital to our society and government. They arise straight out of the essence of the American experiment itself. They cannot, and should not be made to go away. Our search therefore must be for helpful therapies and mitigants, not true remedies. In that direction, quite a lot can in fact be done if we will do it.

Public education

Highest on the list of therapies is public education, with the term "public" referring not only to the populace at large but also to legislators, administrative officials and judges at every level of government. That educational effort should stress five propositions that are true of any legal system—five truths that today we either do not recognize or willfully brush aside.

Proposition 1: To Declare a Law Is Very Cheap; To Administer or Enforce a Law Is Expensive.

As there is no such thing as a free lunch, so there is no such thing as a free law. To achieve even modest effects through law requires huge investments in institutional machinery. It is an ineluctable fact of life that every new chore we assign to our legal system must either be accompanied by a commensurate investment of additional resources into the legal institutional system, or the new legal initiative will merely dilute or displace institutional energies away from other tasks that have been assigned to the system.

We have finally begun to learn that the world's natural resources are finite and increasingly expensive. We will eventually have to learn that our legal system is also a limited resource. With a limited resource one must inevitably make choices and establish priorities among objectives.

Proposition 2: The secondary costs of a law are often greater than the direct costs

Apart from the obvious direct costs for enforcement machinery, legal regulation often entails other hidden costs that are very large. It is not my point here, though it is true, that the substantive objective of a legal program often demands costly trade-offs as where, for example, pollution abatement may reduce productivity and increase unemployment and price levels. The costs to which I refer here are hidden, private administrative costs that are almost never recognized or considered.

How many millions of citizen-hours per year are poured into the preparation of federal, state and local income taxes—hours that could have gone into productive activity or into leisure time pursuits even more enjoyable than tax computation? What is the total national economic expenditure currently required of all employers and employing agencies to complete and file reports on securities issues, retirement plans, health conditions, taxes, safety, pollution, affirmative action programs and the like?

If we stay on our present course, a caricature of tomorrow's American society will be a six-person model—a regulator (and his lawyer), one who is regulated (and his lawyer) and an adjudicator (and his administrative assistant) which resolves disputes between regulator and regulatee. Without counting review mechanisms, that makes five persons engaged somewhere in the process of regulating the sixth, with four of them on the public payroll. Not even the bureaucracy of imperial China reached that height of civilization.

Ancient Mediterranean societies found it necessary to develop a paid professional class

of temple votaries who assisted the citizenry in the complexities of their prayers and ritual sacrifices to keep on good terms with their deities. Modern America is generating a new class of form-filling specialists (many of them lawyers) to help the citizenry keep on good terms with their regulators. Every new statute or regulation adds to the number of the new class and increases the demand for their services. Members of the new class are intelligent and energetic, and their training represents a very large social investment. Are the costly skills of these professionals today being utilized to maximum constructive social advantage? What is the annual aggregate of their fees, and who really pays it?

The direct costs for legal administration and enforcement of our laws are only the tip of the iceberg of the true costs of a highly administered society.

Proposition 3: The Capacity of Law to Change Human Behavior is Limited

To be effective, any law must rely upon a base of supporting public opinion and voluntary compliance. Even when those supports are as assured as they are in the case of laws against violent crime, the actual effects of the law as written are always marginal. Where public opinion is indifferent and voluntary compliance spotty, the effects of law will be minimal, regardless of investment in enforcement. The lesson of the Volstead Act must not be forgotten. Law is not only costly, it brings only a limited return as a device for actually affecting human behavior.

Proposition 4: Even Where a Law May Effectively Achieve its Primary Purpose, the Side Effects May Be Too Great and Too Negative To Warrant Its Adoption

As in physics, Newton's third law of motion governs, so in a society every legal action produces its own reactions; those side effects are frequently both major and undesirable.

Tariffs and import prohibitions produce smugglers; harsh criminal laws generate plea bargaining; all-out enforcement campaigns threaten civil rights; extension of remedies and procedural nicety lead to judicial clog; protecting consumers by subjecting third-party financers to the seller's warranty constricts consumer credit and increases its cost; the most nobly inspired regulation breeds ignoble bureaucracy; minimum wage legislation contributes to unemployment; open-ended governmental medical assistance leads to inflation of medical costs and fraud; protective regulation for employees' retirement plans produces a decline in the number of such plans; high malpractice awards lead to soaring insurance rates, reductions in service, and increases in medical fees, etc., ad infinitum.

Law's benefits are not only limited; its by-products are often affirmatively damaging.

Proposition 5: Many Problems are Not Amenable to Legal Solution at All

Legal fiat cannot create resources; it cannot repeal economics; and it cannot supplant psychological causes of human behavior. Law is a useful tool, it is not an all-purpose tool.

We Americans act as though regulatory law were an all-purpose instrument, free of negative side effects, and a free good. We must come to understand that regulatory law is in fact of limited utility, accompanied by significant and frequently harmful side effects, and expensive. A great deal of public education will be required to bring about that change.

A public interest group on the state of the law

The nation's legislatures and administrative agencies (and perhaps the courts, too) desperately need some organized institutional voice that continuously reminds them and the public of the importance of maintaining the operability, integrity and efficacy of the functioning legal system as a whole. Each so-called "public interest" group today tends to work in a narrow corner of the law, and will be found to have a particular policy perspective of its own. A new public interest vehicle should be organized specifically with a broader concern for the state of the law as a system, drawing upon the organized bar, the national court and the state court centers, the administrative conference, and a combination of other components of the apparatus of the legal system, such as the prosecutors, the police and the public defenders.

Once established and funded, this new organization would take a leading role in the public education mission just described, would do continuing research on the true cost of implementing legal programs and would monitor the functioning of the legal system to detect the location and causes of the worst strains and bottlenecks.

The judiciary can often gauge better than others the true impact of programs upon the legal system. Currently, however, we have no way for the judiciary's voice to be heard by our legislatures, since it cannot effectively organize itse'f to speak as a lobby before the legislature. Chief Justice Burger deserves particular credit for his personal leadership in speaking up on such matters, but the job is immense and calls for the continuity of institutional help.

Cost research

The Congress, executive branch and judiciary—and state governments too—should set up ongoing machinery for ascertaining the true economic costs, direct and indirect, of administering our existing legal programs. Initial estimates will be very crude, but they will provide some benchmarks where today we have none.

Impact statements

Each new legislative or regulatory proposal should be required to be accompanied by an "actual cost" impact statement that brings before the legislature at least a gross estimate of the true costs and implementation burdens of the program, direct and indirect. It is tempting to argue for a rule that requires one old program to be repealed for every new one enacted. But in the absence of that quixotic principle, legislatures can at least establish procedures that will require them to weigh the true costs and burdens of a legal program when they consider whether to adopt it. And no legislative bill should be allowed to pass without appropriations to provide administrative, judicial and other legal agency resources required to give it effect.

How to apply a similar principle to sweeping pronouncements by courts and administrative agencies is a puzzle for which no solution is apparent. At a minimum, however, the consciousness of courts and agencies can be raised to the reality that some answers to some questions before them would add very large additional amounts to the direct or indirect social costs of the legal system.

Self-executing substitutes for regulation

Our law should not rely so heavily upon the administrative and judicial process for its effectiveness. The most cost-effective laws are those that are complied with in response to incentives and disincentives that are built into the law itself. We should make greater use of that self-executing principle to relieve the insupportable pressure now being imposed upon our administrative and judicial systems. Our scholars and our governmental staffs should undertake more diligently to search for and to invent more legal devices that employ this principle in place of monitoring by administrative agencies and litigation in the courts.[2]

Sunset laws

Laws that set up programs, or declare something illegal, or establish a regulatory body are virtually never repealed. Duration limits should be required to be included in every such statute or regulation so that it will after a time expire automatically if not repromulgated. Serious support for such so-called sunset laws has begun to appear in Congress. This approach is not a cure-all and it entails some fearsome difficulties in its implementation, but the idea is centrally sound and deserves full exploration.

Program evaluation

The practice of postevaluation of the actual results of governmental programs is in its infancy, but it has at long last been born. Many statutes on the books either have no real impact, or are counter-productive to their purpose, or produce only marginal impact at high cost, or generate unacceptably negative side effects. Legislative programs should be required to be periodically evaluated to see whether they are achieving the intended effects and at what costs and with what side effects. Provision for such evaluation should be made initially in all new program legislation, and evaluation should proceed on a continuing basis. Such evaluation should be an absolute prerequisite to repromulgation of a provision that has expired by its own sunset terms.

Decriminalization

Virtually all students of the subject, and many criminal enforcement officials, now recognize that action should be taken to reduce the mass of criminal law now on the books. As the situation now stands, decriminalization takes place anyway, but it is done through police nonenforcement rather than proper legislative act.

In a world of pure analytics and theory, the criminal law is recognized as overlapping with, but entirely separate from, moral prescriptions. There may be good reasons to make price fixing a criminal offense while the pupils never mention it; religious leaders may inveigh against worshipping idols while the criminal law is silent on the subject. Ideally, too, since enforcement of the criminal law should be strict, certain and swift, in order to maximize its deterrent effect, the criminal law system should not be asked to do more than can be effectively and swiftly enforced.

In real life, however, the situation is very different. Most Americans do not distinguish between moral prescriptions and legal mandates. It is a striking characteristic of American history and attitudes that we have persisted in the idea that, though church and state are separate, the engines of the state should be invoked to punish all behavior that we find morally objectionable. As a result, our criminal codes are full of mandates about personal behavior that are unenforced but unrepealable; no legislator can safely vote to make activities legal that profoundly offend the moral and social sense of his constituents. As a result, decriminalization is very difficult.

Can nothing, then, be done? One thought would be for legislatures to embark upon a serious program of public hearings and review of local criminal laws specifically focused on three questions: Which criminal laws are not being enforced and why? What

[2] This theme is elegantly developed in the recent Godkin Lectures delivered at Harvard University by Charles Schultze, now Chairman of the Council of Economic Advisors, and scheduled for publication in August 1977 under the title *Public Use of Private Incentive.*

resources would be required to enforce them all? What priorities should be followed by enforcement officials if they are forced to give up enforcing some laws in order to apply resources to the enforcement of others?

The results of such an undertaking would be very constructive. The public, and the legislature, would have to confront the problem squarely and honestly. Pressures for still more criminal laws might be headed off. A few criminal statutes might actually be repealed. The public would learn something of the costs of increasing criminalization, and the low return. And out of the process, some sense of legislative priorities might emerge formally or informally, and thereby provide a more legitimate basis for selective nonenforcement than now exists.

Countering particularism

Efforts must be made in every area to simplify the law and to produce what may be called generalizable, as opposed to particularistic, law. We must, for example, reorder the present maze of tax laws, and substitute a taxing scheme that is simple enough and general enough as applied to the individual to be understood by the average citizen. Of course it is true that the more general a legal provision is, the less the result is handtailored to the circumstances of the individual case. But the more the law undertakes to handcraft a tailored result for every individual—with a full panoply of traditional legal review procedures—the greater the obscurity to the general citizen and the greater the burden upon the system in money, manpower, time and effectiveness. The time has come when a balance between generality and handtailoring must be struck nearer to the former. We must learn to legislate by approximation. So far, we have not yet acknowledged that elemental truth.

Institutional change in the legal system

Hyperlexis compounds, and is compounded by, other difficulties that beset our system of justice and dispute resolution today. Those difficulties mainly arise from structural defects, from uninventiveness and inertia in the face of social change, from institutional anachronisms, from inattention to elementary principles of administration, and from the effort to misapply traditional processes to modern problems. We shall have to deal with those conditions as well as hyperlexis itself, and indications are that major changes are coming soon in our system of justice.

As the courts clog, mediation and arbitration are coming into their own as dispute-settling mechanisms. No-fault is nearly here in the automobile field. Simplified small claims court procedures available on a neighborhood basis are desperately needed and are coming. Paralegal personnel will become a useful resort to the average citizen. The docket of the Supreme Court will in some way be curtailed. Today's probate procedures will be superseded by simpler ones for most estates. The jury system will be made less expensive, in some circumstances through smaller juries, and we will eventually curtail its automatic availability. The extremes of proceduralism have been reached and the pendulum will swing toward limiting and eliminating appeals, speeding up the disposition of litigation by rigorous methods, narrowing the avenues for collateral attack, imposing order on class suits, and recognizing that issues of less moment do not demand the elaborate procedural safeguards that are appropriate for issues of greater moment.

More new ideas of this kind are needed to expedite the functioning of the system and increase its accessibility to the average citizen. Happily, most of the organized bar has come to see the desirability and inevitability of these developments and is today playing a responsible role in adapting traditional ways to new conditions.

The limits of the legal sanction

Our legislatures, courts and agencies must eventually recognize, and the public must come to see, that the legal system simply cannot operate if it tries to provide for every citizen and institution a law suit against every other citizen and institution to resolve every difference of view or interest, to redress every perceived invasion of privilege, and to recompense every risk of living. The ultimate results of that approach will be to halt the legal process and simultaneously frustrate the society's capacity to make policy decisions. However unpalatable and unpopular it may be to say it in today's climate, the American legal system must continue to concentrate upon the rights of the individual, but it must now also turn its attention to the collective need of the community for a governmental and legal system that functions with reasonable effectiveness. The alternative will be a massive socio-legal traffic jam. In a legal system that tries to offer everybody a remedy for everything, no one will have a remedy for anything.

The federal system

Most overwhelming is the question of the federal system and what can be done to make it work better in modern conditions. The answers must lie in the direction of a greater degree of coordination among the levels of government, and, almost certainly, a major recasting of the way the federal government laterally administers its own programs and fits into state and local structures. This is a subject of high politics, and it will probably take the rest of this century to develop new working principles within the framework of the Constitution that are compatible with, and responsive to, the realities of an increasingly administered society. It may be hoped that the new administration in Washington, and its future successors, will give this extraordinarily important and difficult subject the high priority it deserves.

Resource investment

Even if all these things are done, substantial additional dollar resources will have to be invested in the legal system if it is to be expected to handle its increasing assignments. The legislatures cannot, in hyperlectic abandon, simply keep loading more on to the same camel; eventually it will either lie down or its back will break.

CONCLUDING COMMENTS

The thesis of this article is easily susceptible to misunderstanding, not to say vulgarization. It should not be confused with standard conservative American political oratory decrying governmental programs and opposing social reform. The government will, and in my view must, often intervene in the social process through regulation and law. Many governmental programs in operation today are essential in a decent society, and more are imperative in the near future, particularly programs addressed to our cities and the problems impacted within them. The thesis argued here is a clinical one—a matter of cost/benefit analytics. As new programs are proposed, it must come to be recognized, as it is not today, that the cost of more regulation and law making are great and grow geometrically—and the payoffs decline correspondingly—as the nation's legal institutional circuitry becomes increasingly overloaded.

We all want our idea of the good to be done, and we all want everyone to receive justice. But law is not a free good. If we were willing to devote a large percentage of our GNP to an expanded system of dispute resolution, and another large percentage to enforcement of legal compliance, we probably could for a time make the present system work despite our overactive law-making gland. So far, however, we have not been willing to commit those resources. For the future, if we continue to generate new law at the rate we are going, no amount of resources will be sufficient to administer them effectively. Unless we change our ways along the lines indicated here, the inevitable result will be a gradual winding down of our legal system and a corresponding decline in the effectiveness of our law and of its standing in the public eye.

One should have no illusions that the democratic law-making process can be made, or should be made, a model of efficiency. Its democratic character is worth far more than cost/benefit elegance. It is inevitable that legislators and other public officials will sometimes use law making for moral posturing. If a bill is proposed to declare sin illegal, very few legislators can be expected to vote against it on the ground that it will not be effective, will be expensive to try to enforce, and will dilute the efficacy of the rest of the legal system—even though all that is true. Nonetheless, we can do quite a lot to build into the law-making machine a series of governors or brakes to inhibit our presently unrestrained law-generating process.

For the first time in the nation's history, today's public is politically receptive to understanding and responding to that need. We appear to have learned something from the inattention of Great Society programs to problems of implementation. Governmental effectiveness has, at last, begun to take hold as a political issue among the public at large.

Clearly audible in today's political sound backdrop is also a complaint by everybody—employer, worker, welfare recipient, real estate operator, government official, university administrator, policeman, doctor, lawyer—about the amount of legal paper work they are required to do and the legal entanglements that encircle them. After a generation in which the most rapidly growing sector of the economy has been state and local government, all of a sudden a large segment of public opinion has begun to press for smaller government, not larger. The 1976 presidential candidates heard and reflected the same ground swell.

These public reactions are a direct product of hyperlexis—public reaction to a degree of legal pollution that is greater than the atmosphere can carry. We have now the political opportunity to get to work on the problem. If we let that opportunity slide by, hyperlexis will slowly but steadily drag our whole legal system to the ground and we shall have dissipated one of our most priceless national treasures: the confidence of the people in, and their voluntary compliance with, the law.●

ALCOHOL FUELS COMMISSION INCORPORATED INTO DEPARTMENT OF ENERGY AUTHORIZATION

● Mr. BAYH. Mr. President, this week the Committee on Energy and Natural Resources incorporated S. 2400, my proposal to establish a National Alcohol Fuels Commission, into the DOE authorization bill. I am delighted with this show of support and indication that my colleagues on the committee agree with me that alcohol fuels have great potential for helping to meet our Nation's future energy needs.

Mr. President, the National Alcohol Fuels Commission Act, which I introduced in January, has 21 cosponsors, from both sides of the aisle, representing all sections of the country. Alcohol fuels —ethanol and methanol—can be produced in virtually every State of the Union; ethanol can be made from such diverse sources as corn, wheat, milo,

sugar beets, potatoes, algae, distressed crops and crop residues, and methanol from forestry products, wood, municipal wastes, and coal. They can help solve our energy problem and give a boost to local economies all over the Nation.

This legislation, Mr. President, now part of the DOE authorization bill, will establish a commission comprised of 12 Members of Congress and 7 public members appointed by the President. Commission members from Congress will be equally divided between the Senate and the House, and will be drawn from the respective committees on agriculture, appropriations, and energy.

This commission will report back to the Congress in 1 year, recommending a definite, near-term policy with respect to alcohol fuels. It will provide the Congress with the solid analysis and information we need to move quickly, but wisely, ahead to make good use of America's resources.

Mr. President, we are on the verge of a new era in this country, during which we must make the transition from dependence on previously cheap and plentiful fossil fuels—particularly oil and natural gas—to alternative energy sources derived from more abundant and renewable natural resources.

The DOE authorization bill for fiscal year 1979 will be reported to the full Senate within the next few days, Mr. President, and I am confident that the bill—including my proposal for the National Alcohol Fuels Commission—will meet with favorable action by my colleagues when it is considered on the Senate floor. I will be working hard in the days ahead, along with my colleagues on the Energy Committee, to make sure that S. 2400 is retained by the conference committee that will ultimately resolve differences between the House and Senate versions of the DOE authorization bill.●

DEPARTMENT OF DEFENSE ANNUAL REPORT ON INDEPENDENT RESEARCH AND DEVELOPMENT

● Mr. McINTYRE. Mr. President, section 203, paragraph (c) of Public Law 91–441 requires the Department of Defense to submit an annual report to the Congress on independent research and development (I.R. & D.), and bid and proposal (B. & P.) costs. The report for fiscal year 1977 has been received and I ask to have the report entered into the RECORD at the conclusion of my remarks.

I.R. & D. and bid and proposal costs are included as a percentage of the sales price of weapons and equipment procured by the Department of Defense. The bid and proposal funds enables the contractor to recover part of his cost for preparing bids and proposals for Department of Defense work. The I.R. & D. costs give the companies funds to perform research and development of their own choosing so as to keep the companies technologically competitive. This assures qualified bidders for the future high technology systems for the Department of Defense.

Mr. President, the total I.R. & D. costs for the Department of Defense for 1977 are estimated to be $588 million and the B. & P. costs were $434 million for a total of $1,022 million. However, $136 million results from sales to foreign governments and are not borne by the Department of Defense. Therefore, the net cost to the U.S. Government is $886 million. These I.R. & D. and B. & P. costs are based on sales to the Department of Defense of $25,649 million. To put it into some perspective, I cite the fact that the sales to the Department of Defense were up nearly 10 percent from 1976, but the I.R. & D. and B. & P. costs increased only 6 percent.

Mr. President, the investment in I.R. & D. is large, but over the years it has proven to be a good one in that it has helped to keep our private companies qualified to compete in the rapidly changing world of high technology.

The report follows:

REPORT TO THE CONGRESS ON INDEPENDENT RESEARCH AND DEVELOPMENT COSTS AND BID AND PROPOSAL COSTS

PART I

Companies with which negotiations were held pursuant to Section 203 prior to or during the preceding fiscal year of the Federal Government and the results of those negotiations.

In accordance with the above requirement the attached Schedule A provides data pertaining to the negotiations conducted in the Government's fiscal year 1977.

SCHEDULE A—I.R. & D./B. & P. REPORT Pt. 1

NEGOTIATIONS COMPLETED IN FISCAL YEAR 1977 AND RESULTS OF THOSE NEGOTIATIONS

[Dollars amounts in thousands]

Contractors' fiscal year	Companies	Total program dollars proposed by contractors			Total advance agreement ceiling dollars negotiated by DOD			Estimated DOD share of ceiling dollars negotiated		
		I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total	I.R. & D.	B. & P.	Total
1976	7	21,194	15,695	36,889	20,255	15,022	35,277	7,023	9,987	17,010
1977	67	1,550,614	703,140	2,253,754	1,164,022	592,818	1,756,840	531,559	404,063	935,622
1978	21	664,998	274,338	939,336	466,843	238,058	704,901	190,266	163,665	353,931
1979	6	254,205	34,802	289,007	198,650	29,690	228,340	30,142	21,890	52,032

PART II

Latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the Independent Research and Development (IR&D) or Bid and Proposal (B&P) payments made to major defense contractors, whether or not covered by Subsection (a)(1) of this Section [203, PL 91–441] during the preceding calendar years.

The statistics required are provided in the attached DCAA report. The report shows total IR&D and total B&P costs incurred by the contractors reviewed, the amount accepted or recognized by the Department of Defense and the DoD share. In addition, total sales of the contractors are shown along with the portion representing DoD sales.

The amount listed on Page 1 under the column heading "Amount Accepted by Government" represents the sum of the ceilings negotiated with individual contractors as well as the sum of amounts recognized for other contractors who had no advance agreements. These accepted amounts are not the costs reimbursed by the DoD but are the amounts that the DoD recognizes for allocation to all the contractors' business. The DoD portion is shown under the column headed "DoD share."

On pages 2 and 3 of the report the totals shown on page 1 are broken down to show, respectively, the portions applicable to contractors for which advance agreements were required, and the portion applicable to contractors for which advance agreements were not required. The foreword appearing in the DCAA report explains the basis for the cost data reported, but we would like to call particular attention to note A on page 1 regarding foreign military sales. These sales and IR&D/B&P costs should be subtracted from the amounts shown in the report to determine the amounts applicable to the Department of Defense. This adjustment is as follows (all figures are in millions):

	1976	1977
Sales to DOD per report	$26,833	$29,728
Less foreign military sales	3,418	4,079
Net sales to the DOD	23,415	25,649
DOD share of I.R.&D./B.&P. per report	951	1,022
Less amounts absorbed by sales to foreign Governments	115	136
Net costs charged to DOD	836	886

It will be noted that data for both 1976 and 1977 are furnished. It has been the practice to update data previously furnished because latest year figures include significant amounts of estimated information. The 1976 figures presented here have had most of the estimated data replaced with actual data. The report furnished next year will similarly update the 1977 data furnished herewith.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS IN THE YEARS 1976 AND 1977

FORWARD

This summary report presents the latest available Defense Contract Audit Agency (DCAA) statistics on the independent research and development (IR&D) and bid and proposal (B&P) payments to defense contractors. The statistical data are to be included in the Secretary of Defense's annual report to the Congress on or before March 15, 1978, in accordance with paragraph (c), Section 203, Public Law 91–441. The data in this summary report are similar to that previously furnished to the Office of the Assistant Secretary of Defense (Installations and Logistics) (OASD) (I&L)), for contractor fiscal years 1975 and 1976.

Page 1 shows the overall IR&D and B&P costs incurred by 91 defense contractors during their fiscal years 1976 and 1977, amounts accepted by the Government, and the Department of Defense (DoD) share of amounts accepted. The amounts accepted by the Government are allowable and allocable

to all contractor work performed—Government and commercial. The DoD share of the costs accepted each year is the contractors' allocation of such costs to DoD work. In addition, this summary shows related sales achieved by the 91 contractors, comprising 235 reporting divisions and/or operating groups.

The major defense contractors in this summary are those which had an annual volume of costs incurred of $30 million or required 5,000 or more man-hours of DCAA's direct audit work a year. This summary also includes other contractors which, although not meeting the above criteria, negotiated IR&D/B&P advance agreements so that the summary on page 2 will be compatible with the advance agreement reports prepared by Army, Navy, Air Force, and the Defense Logistics Agency. Contractors specifically excluded from this summary are construction companies, educational institutions, foreign contractors and overseas operations of U.S. contractors, insurance companies, marine transport contractors, and military medicare contractors. These contracting activities incurred nominal or no IR&D/B&P costs.

DCAA obtained the IR&D/B&P cost and sales data from contractors' records, but such data do not necessarily represent audited amounts. Included in the costs shown are amounts accepted by the Government in overhead negotiations and through advance agreements. Where actual cost and sales data were not available, as in the case of contractors which had not closed their books for 1977, DCAA auditors obtained reasonable estimates. Where costs not charged to IR&D were determined to be more properly classified as IR&D, these costs were reclassified by the auditors, and included in IR&D costs incurred. The amounts of such reclassifications are $.9 million and $1 million for 1976 and 1977, respectively. Reclassified costs are accepted to the extent that the adjusted IR&D costs accepted do not exced negotiated advance agreement ceilings.

Page 2 shows the extent of advance agreements in effect during 1976 and 1977. Page 3 shows costs not subject to advance agreements.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED AND SALES ACHIEVED BY MAJOR DEFENSE CONTRACTORS—FOR CONTRACTOR FISCAL YEARS 1976 AND 1977

[In millions]

	1976			1977		
	Costs incurred	Accepted by Government	DOD share	Costs incurred	Accepted by Government	DOD share
Independent research and development (I.R. & D.)	$1,388	$1,061	$544	$1,519	$1,157	$588
Bid and proposal (B. & P.)	678	577	407	742	616	434
Total I.R. & D. and B. & P. costs	2,066	1,638	[1] 951	2,261	1,773	[1] 1,022
	Total Government and commercial		Total DOD	Total Government and commercial		Total DOD
Sales	[1] $47,429		[1] $26,833	[1] $52,860		[1] $29,728

[1] Included in the data are the sales to foreign governments placed through DOD contracts and reimbursed to DOD by such foreign governments in the amounts of $3,418.3 million and $4,078.5 million for 1976 and 1977, respectively, as well as the applicable I.R. & D. and B. & P. costs allocable to these sales in the amounts of $114.8 million and $136.3 million for 1976 and 1977, respectively.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED BY MAJOR DEFENSE CONTRACTORS, FOR CONTRACTOR FISCAL YEARS 1976 AND 1977—WITHOUT ADVANCE AGREEMENTS

[Dollar amounts in millions]

	1976				1977			
	Costs incurred	Amount accepted by Government	DOD share	Number of contractor divisions	Costs incurred	Amount accepted by Government	DOD share	Number of contractor divisions
Independent research and development (I.R. & D.)	$77	$9	$7	30	$18	$14	$10	35
Bid and proposal (B. & P.)	14	13	10	30	19	18	12	35
Total I.R. & D. and B. & P. costs	91	22	17		37	32	22	

PART III

The matter of his compliance with the provisions of this section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' Independent Research and Development and Bid and Proposal Programs.

During the past year, we believe our implementation of Section 203, PL 91-441, has been in full compliance with that section. We have not revised any of our major policies for administration of contractors' Independent Research and Development and Bid and Proposal programs.●

WHITE HOUSE SALUTES BLACK ENTERPRISE MAGAZINE'S TOP 100 BLACK-OWNED BUSINESSES

● Mr. GLENN. Mr. President, yesterday afternoon I had planned to attend President Carter's reception for the Nation's top 100 black entrepreneurs, but due to an amendment regarding EEOC jurisdiction that I must present for consideration to the Government Affairs Committee scheduled at the same time, I regret I was not able to be at the White House to honor these outstanding business representatives. The June issue of Black Enterprise magazine is a special annual issue devoted to the economic status of black Americans. I ask that its listing of the top 100 black businesses be printed in the RECORD at the end of my statement along with a list of black owned banks and savings and loan associations. These men and women are to be commended and honored for their success. I take particular pride in Ohio's strong representation on these lists.

However, Mr. President, we should not allow these success stories to make us complacent. The overall picture for minority entrepreneurship is not a good one. Only about 382,000 or 3 percent of the roughly 13 million businesses in the United States are owned by minority. Of $2.54 trillion in gross business receipts for the Nation as determined by the 5-year economic census conducted in 1972, about $16.6 billion or 0.65 percent of that total was realized by minorities. These figures may have improved slightly over the past few years but certainly not appreciably.

Steps must be taken to increase the Federal minority business assistance effort. The organizational and delivery capabilities of SBA and OMBE must be strengthened and upgraded. Procurement opportunities must be increased by every agency of Government. Further, we must take significant steps to increase the entry of minorities into specialized fields such as trucking, telecommunications, and energy where growth opportunities exist. I have strongly encouraged the ICC, FCC, Commerce, and DOE to be more aggressive in this area.

One striking example of potential success in these specialized fields is KBLE of Columbus, Ohio, a black-owned cable television system that hopes to begin operations later this year.

I also submit the following article on minority ownership of cable for the RECORD.

The articles follow:

THE TOP 100

This is the sixth annual list of the Top 100 black-owned and/or controlled businesses in the United States. As in previous years, banks, savings and loan associations and life insurance companies are listed separately. Companies with a professional orientation—such as architectural firms and brokerages—are excluded. Companies engaged primarily in merchandising or services, such as caterers or security agencies, excluded last year are included on this year's list. Only firms in continuous operation since January 1, 1977 are listed. The criterion for inclusion in the BE 100 list is each company's gross sales in 1977. It does not take into account the cost of sales. All figures given are in millions of dollars:

This year	Last year	Company and location	Chief executive	Year started	Employees	Type of business	1977 sales[1]
1	1	Motown Industries, Los Angeles, Calif.	Berry Gordy	1959	300	Entertainment	61.400
2	2	Johnson Publishing Co., Inc., Chicago, Ill.	John H. Johnson	1942	395	Publishing	50.150
3	4	Fedco Foods Corp., Bronx, N.Y.	J. Bruce Llewellyn	1969	525	Supermarkets	45.000
4	3	Johnson Products Co., Inc., Chicago, Ill.	George E. Johnson	1954	437	Manufacturing hair care products and cosmetics.	38.047
5	.....	Afro International Corp., New York, N.Y.	Richard L. Trotman	1962	5	Exports	25.000
5	6	H. J. Russell Construction Co., Inc., Atlanta, Ga.	Herman J. Russell	1958	150	Construction and development	25.000
7	8	Wallace & Wallace Chemical & Oil Corp., St. Albans, N.Y.	Charles Wallace	1972	78	Fuel oil import and distribution	17.570
8	10	Drummond Distributing Co., Inc., Compton, Calif.	Lancelot E. Drummond	1969	50	Liquor wholesaling	14.500
9	11	Dick Gidron Cadillac, Inc., Bronx, N.Y.	Richard D. Gidron	1972	71	Auto sales and service	13.900
10	20	Terry-Brantley Greenbriar Lincoln-Mercury Sales, Inc., Atlanta, Ga.	Booker Terry Brantley	1975	75	do	13.000
11	12	Wallace & Wallace Fuel Oil Co., Inc., St. Albans, N.Y.	Charles Wallace	1968	52	Retail fuel oil sales	12.739
12	30	Porterfield Wilson Pontiac, Inc., Detroit, Mich.	Porterfield Wilson	1970	75	Auto sales and service	12.600
13	18	Cook-Farr Ford Inc., Oak Park, Mich.	Mel Farr	1975	80	do	12.400
14	13	Al Johnson Cadillac, Inc., Chicago, Ill.	Albert W. Johnson, Sr.	1971	84	do	12.000
15	.....	Patmon Oldsmobile, Inc., Grosse Pointe Park, Mich.	Wille J. Patmon	1976	52	do	11.300
16	15	Seidel Chevrolet, Inc., Landover, Md.	John C. Seidel	1974	61	do	11.127
17	16	Superior Ford Inc., Plymouth, Minn.	Raymond A. Sykes	1975	70	do	11.000
18	17	S.T.R. Corp., Cleveland, Ohio	Steve Rogers	1965	167	Supermarkets	10.720
19	.....	Commonwealth Holding Co., Inc., New York, N.Y.	James H. Dowdy	1967	505	Manufactuing retail/wholesale real estate.	10.684
20	23	Hopkins Chevrolet, Inc., Atlanta, Ga.	William L. Hopkins, Jr.	1975	96	Auto sales and service	10.632
21	14	Capitol City Liquors, Washington, D.C.	Chester A. Carter	1970	59	Wine and liquor wholesale and import.	10.000
21	26	Chioke International Corp., New York, N.Y.	Christopher E. Chioke	1970	10	Marketing crude oil cargo ships oil tankers.	10.000
21	25	Cocoline Chocolate Co., Brooklyn, N.Y.	Leonard S. Halpert	1974	80	Manufacturing chocolate and chocolate products.	10.000
21	.....	Gourmet Services, Inc., Atlanta, Ga.	Nathaniel R. Godlston, III	1975	1,000	Contract food services	10.000
25	19	Al Jones Oil Corp., Jamaica, N.Y.	Alfred A. Jones	1970	48	Wholesale/retail fuel oils	9.846
26	20	Century Chevrolet, Inc., Upper Darby, Pa.	Robert L. Myers, Jr.	1971	52	Auto sales and service	9.578
27	37	Skyland Pontiac, Inc., Inglewood, Calif.	Cecil B. Willis	1975	42	do	8.983
28	47	Ebony Oil Corp., Jamaica, N.Y.	Lawrence J. Cormier	1956	47	Retail fuels and heating equipment.	8.900
29	24	Conyers Ford, Inc., Detroit, Mich.	Nathan G. Conyers	1970	59	Auto sales and service	8.715
30	.....	Raleigh Guice Oldsmobile-Cadillac, Inc., Fairfield, Ohio.	Raleigh T. Guice, Sr.	1975	35	do	8.412
31	28	Essence Communications, Inc., New York, N.Y.	Edward Lewis	1969	55	Publishing	8.354
32	50	T.W.O./Hillman's, Inc., Chicago, Ill.	Lawrence W. Carroll	1970	87	Supermarkets	8.272
33	.....	Inner City Foods, Inc., Chicago, Ill.	Garland C. Guice	1976	638	Fast food restaurants	8.663
34	46	Jones & Artis Construction Co., Inc., Washington, D.C.	Carl D. Jones	1972	250	Concrete construction paving	7.600
35	29	R. L. Dukes Oldsmobile, Inc., Chicago, Ill.	Rufus L. Dukes	1971	40	Auto sales and service	7.588
36	38	Robinson Chevrolet-Cadillac, Inc., Kenosha, Wis.	R. V. Robinson	1974	31	do	7.380
37	31	Micon Construction & Development Corp., Lynbrook, N.Y.	Charles Peay	1972	15	General construction	7.328
38	36	Parker House Sausage Co., Chicago, Ill.	Daryl F. Grisham	1921	87	Sausage manufacturing	7.031
39	42	Bill Nelson Chevrolet Inc., Richmond, Calif.	William W. Nelson	1969	50	Auto Sales and service	7.000
39	32	Sengstacke Enterprises, Inc., Chicago, Ill.	John H. Sengstacke	1936	190	Publishing	7.000
39	.....	Thomas Distributors, Inc., Chicago, Ill.	Norman M. Thomas	1975	40	Beer distributing	7.000
42	.....	Longwood Lincoln-Mercury Inc., Longwood, Fla.	Elmer N. Lincoln	1975	35	Auto sales and service	6.853
43	41	Sam Johnson Metro Lincoln-Mercury, Inc., East St. Louis, Ill.	Sam Johnson	1973	30	do	6.800
44	51	Pro-Line Corp., Carson, Calif.	Comer J. Cottrell	1970	153	Cosmetics manufacturing and distribution.	6.792
45	40	Bob Smith Chevrolet, Inc., Louisville, Ky.	Robert W. Smith	1972	51	Auto sales and service	6.644
46	.....	Housing Innovations, Inc., Boston, Mass.	Denis A. Blackett	1966	60	Construction development and property management.	6.638
47	.....	Tynes Chevrolet-Cadillac, Inc., Delaware, Ohio	Richard H. Tynes	1976	40	Auto sales and service	6.605
48	49	Jim Bradley Pontiac-GMC, Inc., Ann Arbor, Mich.	James H. Bradley, Jr.	1973	41	do	6.587
49	52	Progress Investment Associates, Inc., Philadelphia, Pa.	Frederick E. Miller	1968	240	Electronics manufacturing	6.555
50	39	Golden Bird, Inc., Culver City, Calif.	Willie J. Stennis	1955	300	Fast food restaurants	6.500
51	.....	Urban Enterprises Corp., Chicago, Ill.	Leon Jackson	1974	180	Manufacturing looseleaf binders, office specialities.	6.375
52	66	William Huff Ford, Inc., Manchester, Ga.	William Huff III	1975	23	Auto sales and service	6.300
52	33	Thacker Construction Co., Alton, Ill.	Floyd Thacker	1970	240	Heavy construction, airport and highway.	6.300
54	53	Inner City Broadcasting Corp., New York, N.Y.	Pierre M. Sutton	1971	62	Broadcasting	6.033
55	.....	Oak Lane Ford Inc., Philadelphia, Pa.	Richard T. Coleman	1976	50	Auo sales and service	5.980
56	59	L. H. Smith Oil Corp., Indianapolis, Ind.	Lannie H. Smith, Jr.	1962	42	Petroleum products supplier	5.931
57	45	Delta Enterprises, Inc., Greenville, Miss.	Charles D. Bannerman	1969	250	Diversified manufacturing	5.800
58	35	Edmunds Buick Inc., Kansas City, Mo.	McKinley H. Edmunds	1974	45	Auto sales and service	5.683
59	34	Cedar-Lee Chrysler-Plymouth, Inc., Cleveland Heights, Ohio.	Burton D. Clemons	1974	42	do	5.619
60	.....	Village Chevrolet Co., Inc., Queens Village, N.Y.	Irvin L. Reeves	1976	26	do	5.595
61	72	Bob Neal Pontiac-Toyota, Inc., Chicago, Ill.	Robert P. Neal	1966	35	do	5.550
62	.....	D.P.S. Protective Systems, Inc., New York, N.Y.	Dale R. Michael	1974	800	Security service	5.500
62	44	Willie Davis Distributing Co., Los Angeles, Calif.	Willie D. Davis	1970	45	Beer distributing	5.500
62	60	Statum Chevrolet, Inc., Salem, Va.	Hayward S. Statum	1974	48	Auto sales and service	5.500
65	92	Pittsburg Ford, Inc., Pittsburg, Calif.	LaRoy S. Doss	1974	29	do	5.311
66	54	Gordon Buick, Inc., Philadelphia, Pennsylvania	Darrell R. Gordon	1972	28	do	5.200
67	70	Bob Ross Buick, Inc., Richmond, Ind.	Robert P. Ross	1974	48	do	5.096
68	56	B. & T. Metals Co., Columbus, Ohio	Lawrence J. Tolbert	1930	200	Metal fabrication	5.000
68	.....	Smith Pipe & Supply Co., Houston, Tex.	George Smith	1974	77	Oilfield pipe and fittings sales	5.000
70	71	White Buick, Inc., Manchester, N. H.	Luther J. White	1974	28	Auto sales and service	4.955
71	47	Chuck White Buick, Inc., Chicago, Ill.	Charles H. White	1971	30	do	4.840
72	62	Towne Volkswagen, Inc., Philadelphia, Pa.	Oscar Brown	1975	52	do	4.800
73	80	All-Stainless, Inc., Hingham, Mass.	Eugene V. Roundtree	1952	50	Stainless steel industrial distributing.	4.750
74	68	Syphax Enterprises, Arlington, Va.	William T. Syphax	1969	60	Construction and property management.	4.742
75	64	George White Oldsmobile, Inc., Cincinnati, Ohio	George W. White	1974	30	Auto sales and service	4.729
76	82	Foster Chemicals, Inc., Detroit, Mich.	George H. Hill	1971	42	Manufacturing industrial chemicals.	4.700
77	65	Mercer Cadillac, Inc., Alton, Ill.	Calvin Mercer	1973	18	Auto sales and service	4.600
78	43	All-Pro Enterprises, Inc., Pittsburgh, Pa.	Brady Keys, Jr.	1968	450	Fast food restaurants	4.500
78	82	American Development Corp., Charleston, S.C.	W. Melvin Brown, Jr.	1972	125	Diversified manufacturing	4.500
78	54	D. & H. Tire Service Co., Kansas City, Kans.	Luther D. White	1965	73	Tire sales and service	4.500
78	56	P.D.Q. International Inc., East St. Louis, Ill.	Dwight L. Quinn	1974	59	International and domestic construction.	4.500
78	76	State Lincoln-Mercury, Inc., Chicago, Ill.	Clarence Allen	1972	25	Auto sales and service	4.500
83	87	Bob Harrison Ford-Mercury, Inc., Fayetteville, Tenn.	Robert C. Harrison	1975	27	do	4.450
84	74	Vassal Motors Inc., Philadelphia, Pa.	Ivan Vassall	1969	36	do	4.446
85	75	Beauchamp Distributing Co., Los Angeles, Calif.	Patrick L. Beauchamp	1971	23	Beer distributing	4.320
86	.....	Royal Ridge Management Co., Cleveland, Ohio.	Narlie Roberts	1970	215	Fast food restaurants	4.242
87	77	C. H. James & Co., Charleston W. Va.	Charles H. James II	1883	29	Wholesale food products	4.202
88	93	Trans-Bay Engineers & Builders, Inc., Oakland, Calif.	Ray Dones	1968	23	General and engineering construction contracting	
89	79	Earl G. Graves Ltd., New York, N.Y.	Earl G. Graves	1970	70	Communications	4.190
90	.....	True Transport, Inc., Newark, N.J.	Leamon McCoy	1969	130	Trucking	4.180
91	67	Main Food Service of Buffalo Inc., Buffalo, N. Y.	Carl A. Mackin	1972	75	Supermarket	4.170
92	69	Horace Noble Lincoln-Mercury Inc., Chicago, Ill.	Horace Noble	1970	41	Auto sales and service	4.100
92	.....	John B. Cruz Construction Co., Inc., Boston, Mass.	John B. Cruz III	1945	35	General contracting and development.	4.100

[1] As of Dec. 31, 1977. In million dollars, to nearest thousand.

This year	Last year	Company and location	Chief executive	Year started	Employees	Type of business	1977 sales[1]
94	78	The Afro-American Co., Baltimore, Md.	John H. Murphy III	1892	200	Publishing	4.059
95	91	Madden, Inc., Dayton, Ohio	William A. Leigh	1968	15	General contracting	3.950
96	87	California Golden Oak Products, Inc., Los Angeles, Calif.	John D. Ketch	1968	97	Manufacturing furniture	3.900
97	-----	Tombs & Sons, Inc., Bonner Springs, Kan.	Leroy C. Tombs	1971	525	Food service	3.844
98	96	Wayne Russel Ford, Inc., Angleton, Tex.	August Wayne Russell	1975	20	Auto sales and service	3.822
99	-----	Lesly Motors, Inc., Chicago, Ill.	Lesly Bencdin	1967	25	do	3.666
100	95	H. F. Henderson Industries West Caldwell, N.J.	Henry F. Henderson, Jr.	1954	42	Manufacturing controls and instrumentation.	3.650

[1] As of Dec. 31, 1977. In million dollars, to nearest thousand.

BANKS

	Bank	Location	Chief executive	Year started	Employees	Assets[1]	Deposits[1]	Loans[1]
1	Independence Bank of Chicago	Chicago, Ill.	Alvin Boutte	1964	90	65.933	58.928	25.955
2	Seaway National Bank	do.	Richard K. Pearson	1964	104	61.629	57.590	28.566
3	Freedom National Bank of New York	New York, N.Y.	Sharnia Buford	1964	60	53.856	50.257	13.364
4	Industrial Bank of Washington	Washington, D.C.	B. Doyle Mitchell	1934	73	53.371	49.730	18.965
5	Mechanics & Farmers Bank	Durham, N.C.	John H. Wheeler	1907	69	42.468	38.177	
6	Citizens Trust Bank	Atlanta, Ga.	I. Owen Funderburg	1921	64	41.882	33.712	12.156
7	First Bank National Association	Cleveland, Ohio	John H. Bustamante	1974	77	35.576	32.199	15.109
8	First Independence National Bank of Detroit	Detroit, Michigan	William R. Bailey	1970	56	35.378	33.002	14.658
9	United National Bank of Washington	Washington, D.C.	Samuel L. Foggie	1964	65	34.169	31.465	16.496
10	Bank of Finance	Los Angeles, Calif.	Vernal Claiborne	1964	58	30.500	28.000	17.000
11	Consolidated Bank & Trust Co.	Richmond, Va.	Vernard W. Henley	1903	51	29.028	26.528	15.826
12	Highland Community Bank	Chicago, Ill.	George R. Brokemond	1970	43	28.899	26.485	14.368
13	First Enterprise Bank	Oakland, Calif.	Lloyd A. Edwards	1972	38	27.670	26.303	9.746
14	South Side Bank	Chicago, Ill.	Thomas P. Lewis	1972	45	26.082	17.636	9.401
15	Tri-State Bank of Memphis	Memphis, Tenn.	Jesse H. Turner, Sr.	1946	67	24.703	22.330	9.974
16	Liberty Bank & Trust Co.	New Orleans, La.	Alden J. McDonald, Jr.	1972	49	22.905	20.392	12.578
17	Midwest National Bank	Indianapolis, Ind.	John P. Kelly, Jr.	1972	42	22.604	21.291	12.240
18	Douglass State Bank	Kansas City, Kans.	Gerald W. Hall	1947	34	22.191	20.305	11.843
19	Gateway National Bank of Chicago	Chicago, Ill.	George Kobler	1972	36	21.725	18.888	2.978
20	New World National Bank	Pittsburgh, Pa.	William K. Foster	1975	15	21.661	20.878	2.183
21	Gateway National Bank	St. Louis, Mo.	David B. Harper	1965	33	18.869	17.177	6.062
22	Liberty Bank of Seattle	Seattle, Wash.	James C. Purnell	1968	20	17.482	16.587	4.615
23	First Plymouth National Bank	Minneapolis, Minn.	John M. Warder	1969	31	16.855	15.014	9.949
24	City National Bank of New Jersey	Newark, N.J.	Charles L. Whigham	1973	22	16.807	15.158	4.866
25	Riversside National Bank	Houston, Tex.	Carl M. Carroll, Jr.	1962	25	13.869	12.520	7.185
26	Unity Bank & Trust Co.	Roxbury, Mass.	Theodore S. Wilkins	1968	27	13.504	11.095	5.556
27	Carver State Bank	Savannah, Ga.	Robert Earl James	1927	21	13.234	11.804	7.689
28	North Milwaukee State Bank	Milwaukee, Wis.	Gerard S. Hankins	1971	12	12.650	12.336	2.491
29	Atlantic National Bank	Norfolk, Va.	Charles M. Reynolds, Jr.	1971	21	10.371	9.091	4.773
30	Guaranty Bank & Trust Co.	Chicago, Ill.	Oscar S. Williams	1972	21	10.068	9.570	3.923
31	American State Bank	Portland, Oreg.	Venerable F. Hooker	1969	14	9.943	9.296	1.970
32	Citizens Savings Bank & Trust Co.	Nashville, Tenn.	M. G. Ferguson	1904	15	9.813	8.973	3.594
33	First State Bank	Danville, Va.	L. Wilson York	1919	15	9.667	8.347	4.859
34	Medical Center State Bank	Oklahoma City, Okla.	Wilbert Johnson	1973	21	9.142	8.372	3.769
35	American State Bank	Tulsa, Okla.	Leroy Thomas, Sr.	1971	18	9.123	8.181	3.518
36	Unity State Bank	Dayton, Ohio	Milton H. Bledsoe, Jr.	1970	15	8.534	8.145	3.837
37	Century National Bank	Jacksonville, Fla.	Melvyn L. White	1976	15	7.952	7.365	2.091
38	Greensboro National Bank	Greensboro, N.C.	William J. Pickens, Sr.	1971	15	7.657	6.699	3.185
39	Peoples National Bank of Springfield	Springfield, Ill.	Richard H. Rush	1970	12	7.386	6.692	4.212
40	Continental National Bank of Kentucky	Louisville, Ky.	V. Joseph Shipman	1976	14	7.373	6.793	2.539
41	Commonwealth National Bank	Mobile, Ala.	C. Vernon Blackwell	1976	15	6.793	5.678	2.676
42	Victory Savings Bank	Columbia S.C.	Henry D. Monteith	1921	11	6.201	5.610	2.266
43	United National Bank	Fayetteville, N.C.	Milton A. Harvey	1976	11	5.369	4.764	1.848
44	King State Bank	Houston, Tex.	Ralph L. LaQuey	1975	20	5.256	4.398	1.801
45	Pacific Coast Bank	San Diego, Cal.	William F. Boyd	1973	13	4.779	2.627	2.660
46	Community Bank of Nebraska	Omaha, Neb.	Leon E. Evans, Jr.	1973	12	4.549	4.066	2.100
47	First Prudential Bank	West Palm Beach, Fla.	Donald L. Bowden	1974	8	3.757	2.986	1.557

[1] In million dollars, to nearest thousand. Ranked by total assets as of Dec. 31, 1977.

SAVINGS AND LOANS

	Association	Location	Managing officer	Year Started	Employees	Assets[1]	Savings capital[1]	Loans[1]
1	Carver Federal Savings & Loan Association	New York, N.Y.	Richard T. Greene	1948	55	76.306	67.050	65.783
2	Illinois/Service Federal Savings & Loan Association of Chicago.	Chicago, Ill.	Louise Quarles Lawson	1934	43	67.782	63.323	58.143
3	Family Savings & Loan Association	Los Angeles, Calif.	Robert E. Bowdoin	1948	66	63.914	43.331	52.614
4	Broadway Federal Savings & Loan Association	do.	Elbert T. Hudson	1946	48	53.031	42.578	44.569
5	Independence Federal Savings & Loan Association of Washington.	Washington D.C.	William B. Fitzgerald	1968	25	43.626	35.315	39.542
6	Founders Savings & Loan Association	Los Angeles, Calif.	Peter W. Dauterive	1974	35	32.688	23.717	23.409
7	Citizens Federal Savings & Loan Association	Birmingham, Ala.	H.J. Willis	1957	16	23.253	21.592	16.780
8	Mutual Federal Savings & Loan Association	Atlanta, Ga.	Fletcher Coombs	1925	14	23.171	20.260	18.716
9	Home Federal Savings & Loan Association	Detroit, Mich.	Wilburn R. Phillips	1947	18	21.663	20.310	18.699
10	Advance Federal Savings & Loan Association	Baltimore, Md.	W.O. Bryson, Jr.	1957	18	19.133	16.819	17.200
11	United Federal Savings & Loan Association	New Orleans, La.	Samuel O'Neal	1964	12	18.643	17.225	15.986
12	Community Federal Savings & Loan Association	Washington, D.C.	Orlando W. Darden	1974	14	17.220	13.839	15.500
13	Allied Federal Savings & Loan Association	Jamaica, N.Y.	Frank L. Thompson	1958	16	16.846	15.278	13.929
14	First Federal Savings & Loan Association of Scotlandville.	Baton Rouge, La.	L.L. Eames	1956	8	16.260	13.081	13.983
15	Mutual Savings & Loan Association	Durham, N.C.	Ferdinand V. Allison, Jr.	1921	8	15.417	13.177	12.834
16	Enterprise Savings & Loan Association	Compton, Calif.	Cornell R. Kirkland	1963	11	13.217	11.143	10.412
17	New Age Federal Savings & Loan Association	St. Louis, Mo.	Herbert O. Bentley	1915	9	11.983	10.985	8.355
18	American Federal Savings & Loan Association of Greensboro.	Greensboro, N. C.	Albert S. Webb	1959	7	11.233	9.804	9.655
19	Berean Savings & Loan Association	Philadelphia, Pa.	I. Maxmillian Martin	1888	12	10.879	9.047	9.862
20	Peoples Savings & Loan Association	Hampton, Va.	Johnnie H. Sykes	1889	10	10.074	8.832	8.894
21	Quincy Savings & Loan Co	Cleveland, Ohio	Ray C. Bobo	1953	7	9.871	8.653	7.827
22	Standard Savings Association	Houston, Tex.	S. B. Bradford	1958	13	9.681	8.453	6.774
23	Connecticut Savings & Loan Association	Hartford, Conn.	Edward J. Barlow, Jr.	1968	8	9.507	8.885	7.628
24	Tuskegee Federal Savings & Loan Association	Tuskegee, Ala.	Richard R. Harvey	1894	4	9.389	8.588	8.660
25	Major Federal Savings & Loan Association	Cincinnati, Ohio	Pauline Strayhorne	1921	6	8.947	7.530	7.303

[1] In million dollars, to nearest thousand. Ranked by total assets as of December 31, 1977.

SAVINGS AND LOANS

	Association	Location	Managing officer	Year Started	Employees	Assets [1]	Savings capital [1]	Loans [1]
26	Berkley Citizens Mutual Savings & Loan Association	Norfolk, Va	Elbert Stewart	1913	8	8.489	7.596	7.208
27	Community Federal Savings & Loan Association	Nashville, Tenn	Alfred C. Galloway	1962	5	7.350	6.417	5.551
28	State Mutual Federal Savings & Loan Association	Jackson, Miss	James E. Davis	1955	7	6.681	5.238	5.138
29	Columbia Savings & Loan Association	Milwaukee, Wis	Thalia B. Winfield	1924	8	6.629	5.553	5.921
30	Washington Shores Federal Savings & Loan Association	Orlando, Fla	Charles J. Hawkins	1963	7	6.233	5.474	4.615
31	Dwelling House Savings & Loan Association	Pittsburgh, Pa	Robert R. Lavelle	1890	5	6.031	5.292	5.329
32	Community Federal Savings & Loan Association	Tampa, Fla	James T. Hargrett, Jr	1967	6	5.534	4.760	4.685
33	Gulf Federal Savings & Loan Association	Mobile, Ala	H. Leroy Davis	1964	5	5.340	4.562	4.674
34	Union Mutual Savings & Loan Association	Richmond, Va	Garfield F. Childs	1961	8	5.218	4.940	4.301
35	Magnolia Federal Savings & Loan Association	Knoxville, Tenn	John W. Harshaw	1973	4	3.325	2.627	2.379
36	Equity Savings & Loan Association	Denver, Colo	Earl M. West	1954	6	2.969	2.036	2.504
37	Ideal Savings & Loan Association	Baltimore, Md	E. Gaines Lansey	1962	3	2.471	2.267	2.277
38	Imperial Savings & Loan Association	Martinsville, Va	W. B. Muse, Jr	1929	3	2.258	2.095	2.024
39	Morgan Park Savings & Loan Association	Chicago, Ill	Darnell Hawkins	1921	2	2.235	1.975	1.821
40	Community Savings & Loan Association	Newport News, Va	George N. Miller, Jr	1957	3	1.560	1.488	1.142

[1] In million dollars, to nearest thousand. Ranked by total assets as of Dec. 31, 1977.

MINORITY OWNERSHIP OF CABLE; OF INTEREST ONLY TO MINORITIES?

(By Arthur Hill)

In 1971 Floyd Johnson began seeking the franchise to operate a cable system in Dayton, Ohio. In 1977, after years of bureaucratic delay, alternately tantalizing and agonizing sessions with lenders, and expenditures of over $250,000, he sold his Dayton company to Viacom which is now operating the system he started.

Another prospective operator, Bill Johnson (no relation to Floyd) is currently in the process of establishing his system, KBLE, Ohio, Inc. in Columbus. He hopes to begin operations later this year after nearly five years of planning, lobbying, cajoling, and a period when he says lenders "didn't want to touch us."

The problems each man faced in his effort to sustain his enterprise are not unfamiliar to those who operate cable systems, particularly those who opened shop during the first half of this decade. But both share a problem few operators have to face—they are black. In spite of the many federal, state and local programs designed to help minority businesses, Floyd Johnson says he found that when action was required, "few were really committed."

Now the federal government, acting on a Carter administration pledge, has announced a new "telecommunications minority assistance policy," designed to 'increase minority ownership in electronic communications." In announcing the policy, the White House said that "full minority participation" in telecommunications is a "critical component" of the President's economic policy goals. But while spokesmen for the communications industry—and cable in particular—welcome the efforts of the Carter administration, many are doubtful that the announced goals can be achieved with the program it is offering.

UPHILL BATTLE

According to administration and industry spokesmen, minorities seeking broadcast and cable ownership face numerous difficulties including a shortage of properties available, barriers to employment and technical training, lack of equity financing and lender apathy. In cable, the lack of investor or lender knowledge about the comparatively young industry has only compounded the basic problems minorities face.

As a result, the percentage of minority owners in telecommunications is small. Out of about 980 commercial and public television stations, the number owned or controlled by minorities is 11—just over 4.5 percent. In radio, 48 out of more than 8,000 stations are minority owned—roughly two percent. And according to unofficial statistics reported by the Communications Resource Center, the percentage of minority ownership among 7,000 cable systems is .08 percent—six operating franchises.

Bill Johnson believes that what separates white cable operators from their black counterparts is the reluctance of lenders to commit funds to a minority enterprise. "It's not that great a problem for a white entrepreneur," says Johnson. "But for a black with the same argument, the lending attitude is different."

Johnson's impressions are shared by David Wicks, a member of the New York investment banking firm of Warburg Paribas Becker, which has had extensive experience in dealing with minority cable enterprises. Wicks says there is "an inherent feeling" among lenders of an "extra element of risk" in dealing with minority groups. Although many lending institutions have established special offices to deal with the particular needs of minorities, Wicks says little has been done to deal with the basic problem of providing minorities access to equity investors. He says, "There is no one to provide them with long-life money."

CORRECTIVE THERAPY

The administration program is designed to help correct some of the major obstacles facing minorities in the telecommunications market. Among its major provisions are:

A new minority ownership policy as suggested in a petition filed with the FCC by the administration on Jan. 31. The petition urges the FCC to give special consideration to minority ownership in areas with minority populations, to permit deferral of capital gains taxes to groups that sell broadcast or cable interests to minority groups, and to reduce the financial requirements for minority applicants to help them get licensed. The petition also calls on the FCC to allow minorities to operate facilities on a part-time basis, either through extensive brokerage or broadcast time or sharing of a frequency by two or more operators. This practice would give minority entrepreneurs an oppotunity to develop management experience.

Finally, the petition suggests that the FCC permit sales at reduced prices to minorities of properties designated for license renewal or revocation.

Liberalized loans and guarantees by the Small Business Administration and the Economic Development Administration. The new SBA policy offers loans of up to $350,000 and loan guarantees of up to $500,000. The EDA has extended its loan programs to cable and broadcast consistent with its policies regarding economic development in deprived areas.

A new Department of Labor program to assist native Americans in launching communication facilities. The program will combine training and loan programs.

Amendments to the Public Broadcasting Law making minority ownership of public broadcasting stations a primary consideration in awarding grants to such stations.

Increased government advertising on minority-controlled facilities. The federal government is now the nation's 10th largest advertiser in broadcasting.

The program will be coordinated by the National Telecommunications and Information Administration, a new agency in the Department of Commerce. This agency combines the old White House Office of Telecommunications Policy and the Office of Telecommunications in the Department of Commerce.

In a statement accompanying announcement of the program, Commerce Secretary Juanita M. Kreps said, "More people obtain their views and impressions from broadcasting than from any other media source. If minority ownership means that a more accurate presentation of minorities can be achieved, then members of minority groups will benefit as will all Americans." Minority ownership would promote "minority economic growth and employment opportunities," she said.

NEED EVIDENT

No one in cable questions the need to assist minorities in their efforts to develop new markets for the industry, particularly where there are large concentrations of minority groups. Some point to recent studies which indicate that blacks, for example, watch television an average of nine hours a week more than whites, and that as a rule, black subscribers are easier to attract than whites. Encouragement of minority ownership in minority areas, so the theory goes, would benefit those who depend a great deal on television for their entertainment and information.

Many of these same spokesmen, however, doubt that the economic aspects of the administration's programs will substantially improve opportunities for minorities to purchase broadcast or cable interests. "From what I've seen," says Floyd Johnson, "this sounds like a reaffirmation of old SBA policy. Any new policy still involves willing bankers." Johnson says that until the lending community understands cable better than it presently does, "it isn't going to be any easier for minorities."

The NCTA's Robert Johnson worked closely with the administration in helping shape the new policy. But while he "whole-heartedly" endorses the efforts of the government to help minorities, he echoes the reservations of those who think the economic aspects of the program fall short of the desired goal. "There's not enough money in the program," he says. "The single system start-up problem is not really addressed."

Al Hammond, special council for minority affairs at OTP and the "administration coordinator" for this program, counters this criticism by saying "the federal government is not trying to move into financing the industry. Ours is a first step. We hope that the industry follows suit."

HELP FROM NCTA

The NCTA has already set out on its own to help fill in the gaps in the Carter program. It has formed an advisory committee of financiers and cable brokers which gives free help to minority franchise holders and which is working to encourage more lender support for minority interests.

Last year the NCTA awarded a $10,000 grant to the Atlanta-based American Association of Cable Television Owners (AACTO) and its president, Clayton Sinclair. "I knew minorities were having difficulties and that their track record is poor," said Sinclair. "But since the industry is still in its infancy, it's a good opportunity for minorities to get in on the ground floor." Sinclair, who owns a nonoperating franchise in Atlanta, claims that there are as many as 20 minority franchise holders throughout the country.

The purpose of his organization is to help minority franchise holders gain access to lenders and present credible loan applications. "We cannot assist in getting the franchise," says Sinclair. "That's a local situation."

AACTO has yet to bring the lender and borrower together, and Sinclair was not willing to state whether the new federal program would assist him. But he has spent much of his time talking with prospective lenders, and from his discussions, he has received a "limited commitment" to assist minority groups. "That, plus a favorable disposition and the willingness to work with the borrower, is all we need at this juncture," he said.

So, in spite of its good intentions, no one is sure at this point whether the federal government's initiative will materially help minority cable enterprises. In fact, some wonder whether the government's program is beside the point in that it has not taken concrete steps to encourage equity investment, the major problem confronting prospective minority cable operators.

Although no one is predicting the policy will result in minority ownership of a major telecommunications corporation (which was the original Carter goal), virtually everyone welcomes the government's offer. Floyd Johnson thinks the new policy "should help minorities in today's market," and David Wicks believes it is "nice to have, a good first step."

Meanwhile, minority ownership or control of an MSO is still beyond the horizon. As Bill Johnson said, "When are we going to see a black group from one city go to another for a franchise?" ●

TAXATION WITH RESPONSIBILITY

Mr. PERCY. Mr. President, public discontent with taxes is not new. Milton Friedman and other economists have told us for some time about the discontent with the property tax as the sole local revenue tool and with the Federal income tax which recklessly taxes personal income at higher levels when inflation has actually eroded spending power.

In short, Mr. President, the message from the taxpayer—most recently from California—is not against taxes per se. Rather, voters have rightly rebelled against irresponsible tax policy. At a time when the California State government was running a surplus of over $3 billion, local governments in southern California were raising taxes. That may be taxation with representation, but it is also taxation without responsibility. Any homeowner or business in the country would smart under those conditions. Many elderly living on fixed incomes are devastated. It is a case of elected officials getting out of touch with economic realities.

As a former businessman, I have tried to bring elements of economic management and spending responsibility to the Federal Government. I was an author of the Budget Control Act of 1974, which has brought a rational process to the congressional consideration of the budget. This year, for example, the Senate Budget Committee—itself created by the Budget Control Act—slashed $36 billion off the requests of other Senate committees. The final congressional budget also cut the deficit by $10 billion and focused congressional attention on the role the deficit plays in abetting inflation.

In 1975 I first introduced the Regulatory Reform Act which provides for the review of all Federal regulations on a set schedule. Those which are unnecessary or counterproductive would be eliminated. This bill was reintroduced in this session with the joint sponsorship of the distinguished majority leader, Senator ROBERT C. BYRD, and the distinguished chairman of the Governmental Affairs Committee, Senator ABRAHAM RIBICOFF. Our bill comes in response to people in and out of government who are clamoring for responsible reform of Federal regulation. Liberals and conservatives, Republicans and Democrats, consumers, businessmen, and organized labor alike agree that the system needs a thorough overhaul to make it responsive to the felt needs of those it is intended to serve. By setting forth a comprehensive and systematic agenda for reform—as this bill does—we can help to assure that significant progress is achieved.

In 1976, I joined with Senator MUSKIE to introduce the Government Economy and Spending Reform Act, better known as the Sunset bill. The legislation would require Federal agencies to justify their budgets every 5 years and would give Congress the responsibility to review periodically Government programs that are intended to serve the public but often do not.

These "Sunset" efforts have sought to control the Government's spending and, by implication, the amount of taxes the Government must levy to pay for the programs. But I have recognized that there is another side to responsible Government—the Government's income side: Taxes. I have supported the Federal revenue-sharing program since its inception in 1972, because it is a means of returning tax money to our towns and cities, thereby helping to remove some of the burden of the property tax.

This March I joined with my colleagues Senators DANFORTH and JAVITS in introducing a major tax bill as an alternative to President Carter's. Our bill is tightly drawn to index individual income taxes to the inflation rate and keep American taxpayers even. It eliminates the tax penalty they now pay when they receive a cost-of-living increase, which makes them worse off than before from a spending power standpoint. The Federal Government actually makes a profit on inflation and I find this unconscionable. It smacks of the same irresponsibility that California officials have just painfully learned will not be tolerated. Our bill knocks this penalty out of the tax code so that the biggest cost in a family's budget—income taxes—is brought more under control.

The tax cut we propose also provides taxpayers with a credit equal to 10 percent of social security taxes paid. This credit will significantly limit the impact of recently enacted social security tax increases.

Finally, our bill would also give a boost to business, which is not making the productive investments necessary for a sound economy. It offers a reduction in the maximum corporate rated from 48 to 42 percent and a graduated corporate tax on the first $200,000 of corporate income, to assist small business. The cuts are drafted as a 5-year program so that business planners will know what their obligations to the Federal Government will be and what assests they will have for modernization and growth. I also am a sponsor in the Senate of the Steiger-Hansen bill introduced in the House to roll back the capital gains tax from 49.1 to 25 percent.

The additional increase in the Federal deficit that these cuts necessitate will be temporary because the new jobs and investment it creates will reduce Federal expenditure and generate new revenues.

Mr. President, it has been and is my hope that Congress will pass these important tax changes. I do not think I can impress enough upon my colleagues the need for these reforms. They are essential to the health of the economy and go to the heart of our own responsibilities as legislators. To reemphasize the points I have made in our previous tax cut bill, I have added my name as a cosponsor of the Roth-Kemp tax cut bill, S. 1860.

Senator ROTH's bill, the Tax Relief Act of 1977, makes substantial cuts in individual income taxes. I heartily endorse the principles and general direction of his bill which was first proposed last year and offers important incentives for economic growth. Economist Norman B. Ture estimates that the Roth-Kemp bill will expand GNP by $43 billion and create 1.2 million new jobs at the end of the first year of the cuts. It would accomplish this by removing the drag of which income taxes have come to have on economic growth. By the end of 1985, it has been estimated that these cuts would increase GNP by a staggering $240 billion and create nearly 5½ million new jobs.

The phasing in of the tax cut over a 3-year period would prevent any cutback in essential programs and services or any sudden jump in the Federal deficit. What is more, the tax rate reductions will expand the economy to such an extent that there will not be an equivalent revenue loss. Senator ROTH has pointed out previously that after each tax reduction since 1946, estimated revenue losses have not occurred and that revenues have in fact increased. The most notable of these was President Kennedy's tax cut which increased revenues by $54 billion, although the Treasury Department had

forecast a loss of $89 billion. The potential for expansion of the economy is out there. We need only give it a helping hand.

JAMES F. O'NEIL, FORMER NATIONAL COMMANDER OF THE AMERICAN LEGION AND PUBLISHER OF THE AMERICAN LEGION MAGAZINE FOR 27 YEARS, RETIRES

Mr. McINTYRE. Mr. President, my good friend and the editor of the American Legion magazine for over 27 years, Mr. James F. O'Neil, will be retiring on June 30 of this year.

James F. O'Neil of Manchester, N.H., was elected national commander of the American Legion for 1947–48 by acclamation by the 29th National Convention in New York City, August 31, 1947. His election to the highest post in the world's largest veterans' organization climaxed many years of outstanding service in the American Legion. He was for 3 years national chairman and for 5 years national vice chairman of the National Americanism Commission in which offices his greatest interest was focused on youth training activities notably junior baseball.

He holds the distinction of being the first former newspaperman to be elected national commander. He started his printer's ink career in 1922 as a cub reporter on the old Manchester Daily Mirror. After covering various beats he became in succession, sports editor, makeup editor, and assistant city editor.

In 1924 he joined the staff of the Manchester Union and Leader published by the late Frank Knox, as a feature writer. He was promoted to be feature editor, then State editor, and finally was named city editor. He served in that post for 6 years.

In 1934 he resigned as city editor to accept appointment as deputy chief of the Manchester Police Department. He was elevated to chief of police in 1937 upon the death of Chief Michael J. Healy.

Under his administration the Manchester Police Department acquired a widespread reputation for effective prevention of crime and enforcement of laws. During World War II Manchester was the only city in the United States which used no military police despite the fact that from 6,000 to 10,000 officers and men were in training at nearby Grenier Field from 1941 until 1946. Treated as "guests of the community" the troops felt genuinely welcome and conducted themselves accordingly. The savings to the Government in manpower and money were incalculable.

Commander O'Neil was born at Manchester, June 13, 1898, the son of Joseph Henry and Mary Elizabeth "Dalton" O'Neil. He was educated in the public schools of his native city and was graduated from Manchester High School in 1915. He enrolled in Dartmouth College in the fall of 1915. His college career was interrupted, however, when he volunteered in the late spring of 1916 for service with the 1st New Hampshire Infantry on the Mexican border. He returned from the border service, February 2, 1917, and immediately reenlisted in the National Guard. He did recruiting duty until his regiment was reactivated on July 25, 1917. Going overseas in the autumn of 1917, he served for 19 months in World War I as an infantryman in France. He rose through the ranks from private to sergeant major and in the summer of 1918 won a second lieutenant's commission on the field.

In World War II, after serving the War and Navy Departments on numerous secret intelligence missions, he became special assistant to John L. Sullivan, then Assistant Secretary of the Navy for Air, and saw active service in a civilian capacity in the Southwest Pacific theater. He was on several invasions, was with the 3d Fleet when it made its first strike at Japan and was among those present when Japan was occupied. For his services Jim O'Neil was decorated by both the War and Navy Departments, being one of few men to be so honored.

On December 23, 1946, Jim O'Neil was appointed by President Truman as a member of the Amnesty Board. He served on that board with Owen J. Roberts, former U.S. Supreme Court Justice and Willis Smith, former head of the American Bar Association, in considering approximately 16,000 cases of Selective Service Act violations.

Jim O'Neil along with the late Secretary of the Navy Frank Knox, helped to organize the New Hampshire American Legion. Knox served as the first State commander. O'Neil is a charter member of the Henry J. Sweeney Post 2 at Manchester. He has been a continuous member since 1919.

Through his early activity in American Legion junior baseball, Jim O'Neil attracted national attention and was appointed on the National Americanism Commission on which he served for 13 years. He is regarded as one of the founders and energetic leaders in the development of American Legion junior baseball which now enrolls more than 1,000,000 boys under 17 years of age annually in 25,000 teams for national competition. He has served also as a member of the American Legion's special liaison committee with the National Education Association whose joint efforts have raised teaching standards and bettered working conditions for teachers. On numerous occasions he has appeared before Congress on behalf of The American Legion on matters relating to immigration, naturalizations, the G.I. Bill of Rights, un-American activities and other programs under the direction of the National Americanism Commission.

After brilliant service as national commander of the American Legion, Jim was chosen to be publisher of the American Legion magazine, which today has a circulation of over 2,700,000. For over 27 years he has given great leadership to the American Legion magazine and under his direction the credibility of the American Legion magazine has been firmly established.

Jim O'Neil and his wife of 53 years, Edythe, will now retire, confident, I am sure, that they have done their best to help America's veterans. I am sure my colleagues share my hope that the O'Neils will find their retirement years equally rewarding and satisfying.

CONGRESSMAN HORTON SPEAKS ON THE CHALLENGE OF PAPERWORK MANAGEMENT

Mr. McINTYRE. Mr. President, for 2 years I was pleased to serve as Cochairman of the Commission on Federal Paperwork with Congressman FRANK HORTON. I am pleased to continue to work with him as we seek to implement the recommendations of the Commission to reduce the costly burden of Federal redtape.

On May 15, Congressman HORTON made a speech to the Federal Records Management Conference at Fredericksburg, Va. In his remarks he calls upon Federal records managers to rise to the challenge presented by the work of the Commission. It is critical that we act forcefully now to improve the way the Federal Government demands and assimilates information.

I agree with Congressman HORTON that it is clear that the American people will accept no less, and he has put the Federal Establishment on notice that he intends to aggressively pursue the issue.

Mr. President, I ask unanimous consent that Congressman HORTON's speech be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WILL THE BUREAUCRATIC MIND-SET CHANGE, OR WILL IT BE CHANGED?

Archivist Rhoads and ladies and gentlemen, I have been looking forward to speaking to you since the invitation to this conference arrived in my office last January. While the tasks of federal records and information managers may not be in the forefront of the American public's mind, you and I know that what you and your agencies do, or don't do, to change the way Uncle Sam approaches and handles information will have a tremendous impact on the way our government is perceived by the people, and an even greater impact on the size, cost and nature of the information burdens which government imposes on the people.

Let me say at the outset that my address this morning will be candid and direct, to say the least. My hope is that my remarks will set the tone for a lively and frank dialogue among you throughout this conference about the way in which the records management establishment of the executive branch will respond, or not respond to the recommendations of the Commission on Federal Paperwork.

I believe that the letter of invitation to this conference which all of you received from Bert Rhoads was designed to place the records management professionals within government in a defensive pose vis-a-vis the recommendations of the Commission. The second sentence of the letter states, and I quote:

"Its (the Commission's) findings constitute a rather sweeping indictment of Federal managers responsible for the design and operation of records and information systems. . . ."

I want to clearly and forcefully correct that misstatement and attitude. The Commission on Federal Paperwork was not cre-

ated to sit, nor did it sit, as a grand jury to indict the federal records management community. The Commission was created because the howls from the American public about the uncontrollable burdens of federal information requirements had reached the point where Congress and the President could no longer ignore the paperwork problem, and could no longer allow paperwork and information to be treated as some amorphous, incidental and unmanageable function of government. The Commission was created to sift available data and to try to suggest some ways to control and reduce the burdens of the federal information process.

Far from being an indictment of federal records managers, the Commission and its work must be viewed as the first major opportunity in many decades for records and information managers to get federal agency heads and policy makers to focus and act upon the improvements in information and records management for which some information professionals in government have been clamoring for years.

The Commission was a very high-level Commission. It brought into the sunlight many issues which had previously been viewed by the media and by federal policy makers, including Congress, as too tedious and trivial to bother with. The Commission served up to the President and the Congress and to federal agencies a platter full of opportunities to improve the way government interacts with the American people through information. If I were one of you, an information professional in government, I would view the work of the Commission as a golden opportunity to make creative and constructive and, yes, comprehensive changes in the way government looks at, handles and requires information from the public.

If anyone was indicted by the Commission, it was the Congress of the United States, including yours truly, for permitting legislation to be passed week after week, and year after year which forces federal agencies and federal executives to create the paperwork chaos the country now finds itself in. If Congress acts as though paperwork and information requirements are an amorphous, incidental and unmanageable part of government, how can we expect federal agencies to do any better?

We in the Congress should know better than anyone else, with the possible exception of the President, for he is the only executive branch official accountable directly to the people, that the American people will not tolerate a continuation of the process of strangulation by regulation. They will not tolerate a judgment that says the annual cost to the economy of federal paperwork is about $100 billion a year and likely to go higher. They will not tolerate a continuation of an attitude that says growing red tape and inefficiency is something we will just have to live with. Let me tell you that Congress is in the process of changing its attitude, oh so slowly, of benign neglect of the problems which bureaucracy and red tape are causing our constituents. The President has already made marked changes in the approach of the White House to paperwork and regulatory reforms. He, in fact, campaigned hard on a platform of doing something about unresponsive and paper-clogged government in Washington.

Now all of us know that in Washington, officials often act on the basis that it is easiest and best to protect one's bailiwick and one's share of the budget and of responsibility, resisting change whenever it threatnes one's own interest or one's own day-to-day existence. That is human nature, and it is especially the nature of government organizations.

* * * * *

Ask them about red tape. Ask them whether they think they are getting a good value for their tax dollar. Ask them whether they are confident in the way the government makes decisions that affect them, and about the way government conducts itself.

Ask any businessman about government paperwork. Such conversations with citizens from outside Washington are part of the daily lives of Congressmen and Senators. I think your eyes will be opened, if they have not already been opened, by the degree of uncertainty and distrust that the people feel about their goverment.

In short, the people are demanding changes and responsiveness from their governmental institutions. Congress, while it is moving far too slowly, is responding to this call for change. I am here to suggest that you seize the opportunity afforded you by the work of the Paperwork Commission, and place a top priority on dedicating yourselves and your agencies to seeking ways to reform and improve the way information is handled and approached by government. The recommendations of the Commission are not unchangeable prescriptions to be spoon-fed to federal officials. Many of our recommendations can be improved upon, and should be. Many of them, however, are basic, common sense recommendations which must be implemented, and the sooner the better. Among these are the change in approach from records management—which focuses on physical documents and their design, handling, processing and storage—to information resources management—which more broadly focuses on the contents of documents and information, and the value and treatment of information as a resource. The need for a government-wide data element directory and dictionary is also axiomatic if we are serious at all about coordinating information demands of federal agencies and about eliminating overlap and duplication wherever possible. While the words "overlap and duplication" are easy to say, and to ignore, we must remember that duplication in federal information-gathering costs the public hundreds of millions of dollars, and hundreds of millions of productive man-hours each year.

Thus, our recommendation for a Federal Information Locator System, and a Federal Information Locator Office must be among the top priorities. I and my Congressional colleagues who served on the Commission have already drafted legislation to implement this recommendation, and to strengthen and centralize the forms clearance process through changes in the Federal Reports Act.

Not long ago, a document came into my possession which sets forth draft comments of the Office of Records Management in NARS on some of these and other recommendations of the Commission on Federal Paperwork. I was, to say the least, stunned to read in that document that the Office of Records Management does not agree with the "Information Resources Management principle that information is 'something of fundamental value' or that it is a separate, identifiable resource . . ."

While some of the comments on the recommendations discussed were constructive, and a few were favorable, the document itself read like a textbook in bureaucratic dodging and weaving to avoid change, especially any meaningful change in the current way of doing business.

Commenting on Commission recommendations which concern implementation and adoption of the Information Resources Management concept, the draft comments of the Office of Records Management say, and I quote:

"Response: These recommendations are rejected because of our inability to implement the IRM concept and our disagreement with its core principle."

If you recall, that principle is that information is somthing of value.

The comments did not go on to suggest bold, or, in fact, any meaningful alternatives to the CFP proposals. The ORM draft rests part of its case on lack of complete jurisdiction or authority over the subject matter of the recommendations.

In short, it offered negatives, not alternatives, and it offered bureaucratic caution, not leadership.

Of course, as I have already said, I am familiar with the defensive reflex of government organizations when they are threatened with changes that are "not invented here," or with changes that may rock the boat a little. I do not know, as yet, whether the statements in this document I saw represent the official position of GSA, or whether this was merely a staff document, but I do know that I was saddened by the draft I read because I frankly expected a little more in the way of foresight, creativity and leadership from those charged with improving the way our government handles information. I still hope for that leadership, and hopes some of it will be generated at this conference.

I have reviewed some of the comments made by federal agencies outside of GSA in response to the questionnaire prepared by NARS that was circulated for the Administrative Services Reorganization Task Force on records management issues.

Many of the comments I read were polite, even positive on some of NARS records management efforts.

Some comments, however, were stinging criticisms of the assumptions underlying the design of the questionnaire itself that the current records management concepts of the federal government would continue, with only cosmetic modification.

A good example is a quote from the comments of one federal department on the Task Force questionnaire:

"The questionnaire assumes the continued existence of NARS substantially unchanged, thus avoiding one of the primary issues that should be addressed by this project—whether NARS should continue to exist at all, and if so with what substantially modified mission.

"The questionnaire assumes the continued existence of the current nomenclature and structure of what is designated by the archaic term "records" management, but which is meant to be much more, vis, the 1976 amendments. "Records" management has a specific meaning in our language (the management of records), and neither statute nor regulation can change that meaning by fiat. "Records" management simply cannot be defined effectively as something it is not.

"The questionnaire assumes the continued existence of the current obsolete NARS program approach to "records" management (archives plus creation/maintenance/disposition), rather than improvement of operations thru better paperwork/information systems management. It assumes that this program should continue to be operated by NARS principally for its own parochial purposes, rather than as a government-wide management improvement program.

"The questionnaire virtually ignores the import and impact of the monumental work of the Commission on Federal Paperwork, except for the acknowledgement of the 'information resources management' concept in questions apparently designed to elicit negative responses . . ."

These comments, and others like them, should be taken seriously in light of the draft comments on Paperwork Commission recommendations by the NARS Office of Records Management.

I applaud this federal department for having the courage to come forward to the Reorganization Task Force with candor, and which dedication to the task of undertaking meaningful reforms.

Again, ladies and gentlemen, I do not offer

these thoughts as indictments of NARS, of its top officials, or of the federal records management profession.

That would be like criticizing Congressmen for making speeches.

I say that because resistance to change is normal behavior for government organizations threatened with changes from outside the safety of their four walls, just as speechmaking is normal behavior for Congressmen.

These are not indictments, they are challenges to you to rise above the normal bureaucratic mindset, to exercise some creativity, some leadership, some concern for the cost and the burden that our present ways are imposing on Americans.

The Paperwork Commission did not find all the answers in two years. It did not recommend perfect solutions. But it was bold. It did reach out beyond physical documents to find the roots of the government information problem.

$10 million was spent by the Commission to do its work.

I assure you I will not stand by and see these resources squandered by timidly or bureaucratic defensiveness.

The paperwork reduction cause has earned some powerful friends in Washington. We have not allowed our interest to lessen because the Commission itself has ended.

We will, I assure you, be aggressive and tenacious in getting a creative and constructive effort at some basic reforms. We don't seek to rock your boats, but to improve them. And we plan to succeed. The people will allow us to do no less.

I ask you to rise to the opportunities we, the Commission and President Carter, have given your profession to lead the way in reforming the federal information process.

Some of you, in fact many, were extremely helpful to the Commission staff in suggesting approaches and solutions.

Some of you, I know, are eager for change and improvement, not because of opportunities to maintain or increase your own influence, but because of the chance to serve people better.

I challenge all of you to help with this task. I challenge you not to hide behind the 4 walls of your agencies. For you are on notice that Congress, the President and others are going to see improvements made in the information process.

Those who hide behind the status quo may find, when they are again bold enough to open their eyes, that the status quo has disappeared from around them.

What I am searching for is your help and support—not in blindly following the recommendations of the CFP, but in continuing and improving on the Commission's work.

In closing, I appeal to your skill as professionals and to your imagination and creativity. Government information has exploded into a $100 billion a year factor in the American economy. In light of this fact alone, any judgment that information is not a resource or that information does not have intrinsic value must be discarded as prehistoric. The paperwork and red tape burden on the American people and on federal civil servants will not be reduced if those charged with leadership in the records management field confine their thinking to the care and feeding of documents.

The problem cries out for comprehensive and coordinated management, planning and budgeting on a government-wide basis. For those who have sincere doubts about whether information resources management is achievable as a concept in a complex government, I urge you to come forward with alternative solutions that will truly address and solve the information management problem.

The next few years can and should be very exciting ones for federal records managers. Your work, and your progress in making improvements in the way government handles and demands information will be the focus of public attention like never before. Federal information professionals should be the heroes, not the victims of the basic information reforms our government will undertake. But, like any other medals for heroism, yours must be earned through hard work and dedication to serving the American people in the best and most efficient possible way.

My hope is that a year or more from now, we can look back with pride on this conference here is Fredericksburg as the starting point of an innovative and successful effort to tackle the federal information explosion.

Thank you.

LABOR LAW REFORM ACT OF 1978

Mr. MARK O. HATFIELD. Mr. President, I would just like to make one or two brief observations.

I supported five votes on cloture on the so-called labor reform bill, and I do not know what the leadership's intentions are at this time as far as how long and how many more cloture votes the leadership will lay down.

But I just want to say that there are many pieces of legislation before the Senate in which I am interested. I see many bills that we have to act upon before we reach a sine die adjournment. There are bills that are vital not only to my region but to the entire United States and to the world. I am not asking the leadership to give any indication of how many more cloture motions upon which we will be asked to vote, but, as one Senator, I must say that I think we are reaching a point of diminishing returns. I cannot continue to exercise what I consider to be my responsibility to my constituents by joining the leadership and holding up the business of this Senate ad infinitum.

So I only want to make that observation and, so to speak, serve notice that my continued vote in support of cloture cannot be taken for granted. I want to make sure that this session of Congress acts upon other important pieces of legislation, and I feel that we have reached or almost reached, a point where we have found the mood of the Senate. I think that sometimes when we continue to press for cloture it only pushes us toward that point of diminishing returns, as it has for me.

I want to just reiterate that I have supported every cloture vote, and probably will vote for the one on Wednesday. But I do not want the leadership to consider that I can be counted upon to continue to vote for cloture if they decide to vote 6, 7, 8, 9, or 10 times. I think there are other matters that must be acted upon by the Senate. I, therefore, have to make this particular observation at this time in all fairness to those who have depended and counted upon my vote thus far.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MARK O. HATFIELD. Yes; I would be happy to yield.

Mr. ROBERT C. BYRD. Mr. President, I appreciate the Senator's observation. I am grateful for his support of cloture thus far. I can understand his feelings in the matter.

I, too, feel there is a great deal of legislation being backed up, and certainly no Member of the Senate is more conscious than this Member of the need for getting on with the Senate's business. No Member of the Senate has a greater responsibility than this Senator to see that the Senate conducts the people's business and that the legislative process goes forward.

So I join with the distinguished Senator in expressing the hope that Senators will very carefully consider this matter and act as the Senator and I have acted now several times in the effort to bring the matter to a close, the Senate having debated at length—let me repeat, at length—the present measure, and that the managers of the bill on both sides of the aisle, having moved toward accommodation of those concerns, that have been legitimate ones, that have been expressed by Members opposing the bill.

I shall do my duty as I see my duty, and I join with the Senator in saying that the Senate has a backlog of work. I am fully cognizant of it, and I bear the responsibility as one Senator for seeing that the Senate completes its work before it adjourns sine die this year.

I again thank the Senator for his support, and I hope that his words will be weighed heavily and carefully by all Senators, as I hope my own words will equally be so weighed.

Mr. MARK O. HATFIELD. Mr. President, I thank the majority leader for his comments.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MARK O. HATFIELD. I yield.

Mr. JAVITS. I realize this is the morning hour, and the Senator will have ample time for his remarks.

First, I join the majority leader in testifying to the fidelity of the Senator's convictions respecting this bill, and my clear understanding of his saying what he did. It represents no diminution of the degree of his support. We all understand and we know him very well. He is not a Senator given to insincere positions.

I would like to say this, however: It is a fact that the support for cloture has grown. It is always said around here—and the Senator has been around here a long time, just as I have—that the majority eventually can always work its will. Well, 58 Senators is not a bad majority, especially when you are flying in the face of as great a lobbying campaign as I have seen around here in 30 years. Somehow or other, small business has been put into an undeserved panic, completely unwarranted by this bill even if it were exactly as we reported it out—and it has been considerably diluted—so I beg the Senator to consider that circumstance. But I completely agree with the points he is making, and I speak for the portion of the minority which supports the bill, and that is half the minority of the committee, which I assure the Senator will be conscious of his very proper injunction.

The PRESIDING OFFICER. The time has expired.

Mr. JAVITS. Mr. President, I ask to be recognized.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. I yield to the Senator from Oregon.

Mr. MARK O. HATFIELD. I thank the Senator from New York. I commend the Senator from New York as well as the Senator from New Jersey (Mr. WILLIAMS) for the diligent way in which they have pursued the handling of this bill. I would only say that I do not recall that the Senate, in any modern year, with the exception of the New Hampshire Senatorial contest, has laid down as many cloture motions on one issue as on this measure. I must also say that I am growing a little weary and concerned about pushing vital legislation into the closing days and hours of a session, when the pressure is on to get home and campaign, and to get on to other matters. I think having major legislation passed through the Senate in the wee hours of the morning under such pressures leads to some very bad legislation.

So I think, in fairness to all those unresolved issues that must be addressed in this session before we reach the sine die decision, we must begin concerning ourselves with them and look at them in the context of the time we have left.

Mr. JAVITS. I would only say to the Senator that I believe this is one of those issues, but I still take every injunction of the Senator from Oregon literally to heart.

Mr. MARK O. HATFIELD. Mr. President, in the few moments remaining to me——.

Mr. BAKER. Mr. President, before the Senator proceeds, I ask unanimous consent that the time allotted to me under the standing order today be transferred to the Senator from Oregon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MARK. O. HATFIELD. I thank the Senator from Tennessee for his kind allocation.

SENATE RESOLUTION 142—FRANKLIN DELANO ROOSEVELT COMMISSION

Mr. MARK O. HATFIELD. Mr. President, I rise today to introduce a resolution authorizing commencement of the construction of the Franklin Delano Roosevelt Commission. It may seem strange, Mr. President, for a Republican to propose this action. It may appear even more incongruous that I, who cut my political teeth as a part of a fourth-grade class seeking the reelection of President Hoover, should offer this resolution.

I also recall that in 1936 I engaged in my first venture in gambling by betting six milkshakes on Alf Landon. My first political party office was the chairmanship of the Young Republicans for Wendell Willkie in 1940, and I cast my first vote for President for Thomas Dewey in 1944.

In other words, it is very apparent that I never voted for Mr. Roosevelt, nor did I ever support him in any way, shape, or form.

But I also remember that this was a man who was elected President of the United States on four separate occasions—a historic first, and probably the only time that will happen in our Nation's history, due to the limitation on the terms of Presidents. And, Mr. President, even though my political persuasions were on the other side of the fence, it was indeed a great thrill, as a midshipman in the U.S. Navy during World War II, to find riding on the same train from New York City to Poughkeepsie the First Lady of the country, Mrs. Eleanor Roosevelt. I recall how gracious she was to let me sit down and carry on a conversation with her.

As Governor of the State of Oregon, I had the honor to welcome her to our State on more than one occasion—a very gracious and magnificent woman, as all who knew here will attest. I have come to know and to hold in respect each of the children of the former President, as well as his grandchildren. I think that all the Members of this body, along with the American public, recognize that, regardless of our political philosophy or persuasion, in leading the country through many crises from depression through war, Mr. Roosevelt occupied a very important place in our life. As a member of the Roosevelt Memorial Commission, which is probably the longest existing Commission we have ever had in the history of this Nation, I believe that a decision concerning an appropriate memorial to the late President has now been made.

The Commission has labored under the very diligent and perservering leadership of Hon. Eugene Keogh, the former Representative from New York, and has been comprised of several distinguished members of the Commission, including James Rowe, a long-time person friend and associate of the late President Roosevelt.

I would certainly not want to name those two individuals without it being understood that they are only representative of every member of the Commission who has labored long since its establishment in 1955 to achieve this milestone in its work.

When I first became a member of the Commission, it appeared that the Commission had resigned itself to a program and a project that, to me was rather less than imaginative. I do not say that as criticism, but only as an observation. As one who comes from Oregon, where the most magnificient roses are grown, I could not imagine that a rose garden with what I referred to as a decapitated head of Mr. Roosevelt in the center would be an appropriate memorial.

I suggested an approach with which we had had experience in Portland, Oreg., with the construction of the Portland Civic Center, created by Mr. Lawrence Halprin of San Francisco.

After screening many firms across the Nation, seven were selected to submit conceptual plans. In 1975, the firm of Lawrence Hilprin and Associates was chosen to design the memorial, the same firm that had created the marvelous center in the city of Portland.

I might say that this organization certainly has worked well with the Commission, and with the several departments and agencies of the Federal Government whose counsel and advice we have sought.

The National Park Service has provided invaluable assistance and advice or approval has been received at various different points from the Department of Transportation, the National Capitol Planning Commission, the Department of Health, Education, and Welfare, and the Fine Arts Commission.

I have provided this background of my personal and professional involvement with the Franklin Delano Roosevelt Memorial Commission for the benefit of my Republican colleagues' understanding the importance of this memorial. This is not a partisan matter, nor is it an attempt to vindicate all of the policies and actions of the late President. Instead, the construction of this memorial would recognize the place in American history held by Franklin Roosevelt. His imprint upon our Nation has been equal to that of our greatest leaders and is deserving of appreciation by all. I urge my colleagues to support the proposed memorial as a continuing part of our awareness of our American heritage. The majority leader and the minority leader as well as the other members of the Memorial Commission from the Senate, Senators INOUYE, STEVENSON, and MATHIAS, and Senators RANDOLPH and JACKSON who served in the Congress under President Roosevelt, have joined me in cosponsoring this resolution.

This memorial embodies many symbols of Franklin Roosevelt. Water played an important role in FDR's life while he was Secretary of the Navy, during the time of his illness with polio, and in the Warm Springs, Ga., experience with water therapy. Therefore, water is a central part of the design. Roosevelt's interest in conserving natural resources is symbolized by the many plantings throughout the memorial. It will contain, in sculpture and inscription, representations of his most important contributions as President. But above all, the design approved by the Memorial Commission is not a building from which the visitors will stand apart, but a memorial park which reaches out and involves the people: symbolic of the personality of Franklin Roosevelt, a man always involved and concerned with the people.

So I take great pleasure and honor, as a member of that Commission, in sending to the desk at this time a resolution calling for the establishment and the construction of the Franklin Delano Roosevelt Memorial.

The PRESIDING OFFICER. Is the Senator asking for its immediate consideration?

Mr. MARK O. HATFIELD. No, Mr. President. I would ask that it be referred to the appropriate committee.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, at the request of the Senator from Ohio (Mr. METZENBAUM), I ask unanimous consent that the Senate go into executive session for not to exceed 30 seconds to consider four nominations that have been unanimously cleared and reported today from the Committee on Commerce, Science, and Transportation, and cleared on both sides of the aisle.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, and I will not object, the nominations are cleared on our calendar, and we have no objection to proceeding to their immediate consideration.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished minority leader. I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. METRIC BOARD

The nominations considered and confirmed en bloc, reported earlier in the day by the Committee on Commerce, Science, and Transportation, are as follows:

Dennis R. Smith, of Massachusetts; Andrew H. Kenopensky, of New Jersey; Bruce P. Johnson, of Nevada; and Paul Block, Jr., of Ohio, to be members of the U.S. Metric Board.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order, en bloc, to move to reconsider the votes by which the nominations were confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the votes by which the nominations were confirmed.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. METZENBAUM). Without objection, it is so ordered.

The time for morning business has expired.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the time for routine morning business be extended for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCERNS OF YOUNG PEOPLE

Mr. HARRY F. BYRD, JR. Mr. President, the Norfolk Virginian-Pilot and Ledger-Star for its edition of Sunday, June 11, interviewed 13 valedictorians from the high schools of the Norfolk area.

The Norfolk newspaper reported that the valedictorians were optimistic, but they did express concerns over the threat of another world war, energy shortages, too much "bigness" in government, the loss of patriotism, and racial prejudice.

Each of these presents a just cause for concern on the part of our Nation's young people. It is especially interesting to note, however, that bigness in government and loss of patriotism figure prominently among the major concerns of the young people.

To me, this is highly significant.

If typical of the young people today—and I am inclined to think it is—it is a healthy sign for the future of our Nation.

In some quarters, patriotism is considered old fashioned—outmoded and outdated. It is good to know that many young people do not agree.

As for "bigness" in government, the Senator from Virginia is convinced that this should be a major concern of the American people. But I must say frankly that I had doubt that such a view was shared by the younger citizens of our Nation.

As a result of the interviewing done by the Norfolk newspaper, which serves four large cities in Tidewater Virginia, namely: Norfolk, Virginia Beach, Portsmouth, and Chesapeake, I am encouraged to believe that the young people of our Nation realize that bigness in government can lead to the loss of individual initiative and individual freedom.

As is my custom, I addressed three graduating classes this year in three different parts in the State of Virginia—two colleges and one high school.

Each time I came away from the ceremony more convinced than ever that the young men and women graduating from our high schools and colleges are mature and thoughtful. The survey of student attitudes by the Norfolk newspaper adds to that conviction.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that the morning hour be extended for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

LANAI HIGH SCHOOL STUDENTS ARE FINALISTS IN NATIONAL MARINE CORPS PHYSICAL FITNESS CONTEST

Mr. MATSUNAGA. Mr. President, we have today visiting in Washington, D.C., the Nation's Capital, a team of six superb athletes from the island of Lanai, Hawaii, from Lanai High School. They are the western regional finalists in the Marine Corps youth physical fitness program. The U.S. Marine Corps has been sponsoring this commendable national annual competition since 1958, involving hundreds of thousands of participants. This team from Lanai High School has represented Hawaii and the western region in previous years and insofar as the proud people of Hawaii are concerned they are the permanent champions of the Aloha State and the western region. I take this opportunity to congratulate the team, consisting of Mr. Frank Chaster as its inspiring coach, and the following athletes: Mr. Clive Cabiles, Mr. Jose Dinong, Mr. Jason Fabrao, Mr. Arthur Villamor, Mr. Steve Hanog, and Mr. Alex McLean. Although they placed 9th among 18 teams in the national finals, this year, I think these young men truly deserve the praise not only of the people of Hawaii but of the entire Nation, for they have set an example in physical fitness to the youth of this country. What is even more important is that they are successfully carrying the message to Americans everywhere that this great Nation of ours can remain strong and free only as long as its individual citizens remain strong and healthy.

Mr. President, I yield back the remainder of my time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The time for morning business has expired. Does the Senator ask for an extension?

Mr. HELMS. I thank the Chair. Mr. President, I do ask unanimous consent that I may proceed for no longer than 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PANAMANIAN "UNDERSTANDING" ADDED TO THE TREATIES

Mr. HELMS. Mr. President, when President Carter goes to Panama tomorrow to sign the protocol of ratification for the Panama Canal treaties, he will agree to a Panamanian understanding that has not yet been revealed to the American people. It is an understanding of

potentially great significance to the defense of the canal; yet the American people will not have any inkling of its language, much less its significance, until after the President has committed the United States to accepting it.

Moreover, there has been no debate or discussion of the matter in the U.S. Senate about the ramifications of this understanding, and no explanation to the Senate at large. It has been reported to me that the language has been held in the Foreign Relations Committee for a week, but no attempt was made to transmit the text to all Senators, nor even to those who were particularly active in the treaty debates.

Mr. President, what is the substance of this Panamanian understanding? The substance of it is basically that Panama understands the treaties' obligations to be subject to the United Nations Charter and to the principles of the Organization of American States, and that any actions taken by either party to the treaty to preserve the neutrality of the canal or to reopen the canal will be conducted accordingly.

What is the significance of this "understanding"? The significance is to confirm Panama's interpretation of the DeConcini reservation, revealed in the Panamanian communique of April 25, 1978. To put it more specifically, the understanding prevents us in the United States from using force to enforce our interpretation of our treaty rights, or from using force to maintain the neutrality of the canal when the threat to the neutrality of the canal comes from the internal affairs of Panama.

Thus the understanding, when seen in context, actually forbids the United States from doing what is apparently allowed on the surface.

Mr. President, this Senator from North Carolina has pointed out time and time again, the United Nations Charter and the Organization of American States Charter requires all member nations to refrain from force or the threat of force in the settlement of disputes.

It also requires all member nations to refrain from threatening the territorial integrity or the internal affairs of another nation. Therefore, if the threat to the neutrality of the canal comes from the internal affairs of Panama, the United States has no right to intervene, regardless of the intent of this Senate when it approved the DeConcini amendment.

This official "understanding" confirms that Panama interprets the essential points of the treaty in a manner diametrically opposed to the interpretation which induced the Senate—unwisely, in the judgment of the Senator from North Carolina—to agree to the treaties. It renders even more credible the dangers to U.S. interests presented by the communique of April 25, which the Senator from North Carolina presented to the Senate on June 5. In my judgment, the President has done a disservice to the American people by keeping this important condition imposed by Panama from the knowledge of the American people, all the time intending to accept that condition without any debate by the Nation.

THE PRESIDENT'S TRIP TO PANAMA

Mr. HELMS. Mr. President, tomorrow President Carter will go to Panama to exchange the instruments of ratification of the Panama Canal treaties and sign the protocol of ratification. To do so at this time is a rash step, which will inevitably lead to confrontation and crisis in the future: Confrontation and crisis both with the Congress and with Panama.

Ten days ago I demonstrated on the Senate floor that the Republic of Panama, in an official communique issued April 25, has interpreted the language of the Senate changes in the treaties in a meaning exactly opposite the intent of the Senate. To date, no one has taken issue with any specific point of my analysis. Last Thursday, at the daily State Department press briefing, the Department spokesman, Mr. Hodding Carter III, merely issued an unsubstantiated denial. He said, with reference to the April 25 communique,

> We do not believe that there exists a significant misunderstanding on the part of Panama as to the meaning of the Senate's actions.

But even more significantly, he said that the communique "was not legally binding."

The statement of Hodding Carter could only have been made by a refusal to look at the facts. Anticipating administration denials that any difference in interpretation exists, I took care to lay out in extensive detail the legislative history surrounding each of the six major changes which Panama has repudiated. Conceivably, reasonable opinions could differ on the exact weight which should be given to one or other of the Panamanian commentaries. But the existence of massive disagreement on the fundamental issues presented by the Senate changes cannot honestly be denied. No one has yet pointed out any errors of presentation in my analysis; yet even if some were to be found in some particular or other, they would hardly undermine the main thesis; namely, that Panama sharply disagrees with the intent of the U.S. Senate in attaching various reservations and understandings to the treaty.

Moreover, the disagreements are not over trivial matters; they are disagreements which go to the heart of the relationship with Panama, a relationship which all agree must be built upon mutual respect and trust. The disagreements are over the rights of the United States to intervene when the internal affairs of Panama threaten the neutrality of the canal, and over the compensation which Panama expects to receive. Frustrated expectations on either point will poison the relationship.

Indeed, we already have seen the atmosphere of distrust and turmoil already begin to develop. The combined leaders of the exiled political parties have already stated publicly that they will refuse to recognize the treaties when they ultimately come to power. We have seen the tumultuous arrival of President Arnulfo Arias, still the only legally elected President of Panama, only last Saturday. This morning, the news brings reports that three students were shot dead in a gun battle between rival pro and antitreaty factions.

I make no pretense to be a spokesman for Panamanian politics, but it seems to me that the bitterness is about a treaty that is ambiguous—a treaty that seems to promise one thing, but implies something else. The opponents of the Torrijos regime obviously reject the implications; but the administration of President Carter appears to be depending upon exercising the full implications of the treaties to protect legitimate U.S. interests. But no such treaty can protect legitimate U.S. interests without wholehearted acceptance by the Panamanian people.

LETTER FROM STATE DEPARTMENT

This morning I received a letter from Mr. Douglas J. Bennet, Jr., Assistant Secretary of State for Congressional Relations. This was in response to the letter which I wrote to President Carter on June 5. It is significant that the President himself did not put his signature on this letter. I did not write to Mr. Bennet, or even to the Secretary of State. For it is the President alone who is responsible for ratification of the treaties. With all due respect to the office of the President, it appears to the Senator from North Carolina that the President himself should have responded on a matter of such grave import that was courteously and conscientiously presented.

For the letter of Mr. Bennet actually agrees with me that disagreements exist, but says that we should go ahead and ratify the treaties anyway. In the key paragraph, Mr. Bennet says:

> Obviously, it will never be possibe to achieve a complete identity of interpretation with respect to every one of the complicated provisions embodied in the Panama Canal treaties, the ancillary agreements, the annexes and other notes, and the instruments of ratification. We cannot on that account fail to proceed conscientiously to carry out the decisions of the two countries, reached through their respective constitutional processes. As the Treaties come into effect, some difficulties will certainly arise. We are confident that, with the same good faith and persistent effort evidenced by both sides during the Treaty negotiations, they will be surmounted.

However, the Senator from North Carolina did not call for "complete identity of interpretation with respect to every one of the complicated provisions"; I called only for the withdrawal of six Panamanian interpretations that were manifestly contrary to six key amendments upon which the Senate based its approval of the treaties. Presumably, all the other provisions were negotiated to a point where there was a reasonable identity of interpretation. The work of the Senate, however, was not the fruit of negotiation, and the President has a moral obligation to see to it that Panama accepts the Senate's work according to the Senate's intention. Otherwise, the President will be breaking faith with the Senate and undermining its Constitutional role.

On other matters, Mr. Bennet's letter skillfully avoids the issue by rebutting arguments that I never made. For example:

> We do not regard the Panama communique as a repudiation or rejection of the Senate resolutions of ratification of the Treaties. The communique consists of a point-by-point description of the items contained in the resolutions, together with a commentary. It has no legal force.

The Senator from North Carolina does not regard the communique as a repudiation or rejection of the Senate resolution of ratification of the treaties. I said that Panama rejects the six Senate amendments in the sense understood by the Senate. Indeed, I said specifically that Panama intended to sign the protocol of ratification, including the instruments that included the Senate text. But I pointed out that the April 25 communique put us on notice that Panama accepts the text, but only according to the interpretation that Panama puts on the text. And Panama in the communique interprets the Senate changes in a way that makes them void of meaning.

Thus Mr. Bennet says that the communique "has no legal force." But Panama, in accepting the DeConcini amendment, for example, says that she accepts it only in a way that it has no legal force. Thus the stage is set for a confrontation between Panama and the United States. And who will win the confrontation?

Under international law, only Panama can win. Panama will be the sovereign over the canal. The treaties do not obligate Panama to accept compulsory arbitration of any dispute. If we disagree, our obligations under the UN Charter and the OAS Charter prohibit us from using force to impose our interpretation.

Thus the real question is not whether the April 25 communique "has no legal force," but whether or not the communique gives us a correct understanding of how Panama interprets the documents that will be signed tomorrow. Mr. Bennet writes:

> In the Protocol of Exchange which President Carter and General Torrijos will be signing on June 16, Panama will accept all of these amendments, conditions, resolutions and understandings. These are the documents by which the parties will be bound.

Panama will be bound by the documents, but there will be no impartial judge to stipulate according to what interpretation Panama will be bound. All of Mr. Bennet's letters, all of President Carter's statements, even the Protocol of Exchange itself will have no force when the chips are down.

Finally, Mr. Bennet says that the effective dates of the instruments to be exchanged tomorrow—that is April 1, 1979 and October 1, 1979—"have been fixed in conformity with the reservation to the Panama Canal Treaty introduced by Senator BROOKE of Massachusetts and incorporated in the Senate's resolution of ratification of the treaty." Mr. Bennet knows full well that the distinguished Senator from Massachusetts totally disagrees with this interpretation of his amendment. There was never any intent on the part of the Senate to make a distinction between the actual date of the exchange of ratifications and the "effective date" of the exchange of ratifications.

In making such a legalistic distinction, the President is directly challenging the Senate and the House of Representatives, by setting a deadline for the enactment of the implementing legislation. It is as though the President were seeking an unnecessary crisis. The House of Representatives has already been challenged by the by-passing of its Constiutional authority to act upon the disposition of U.S. property. As a result, the House has five times refused to provide funds or authority on issues relating to Panama in the past month. If the House should refuse to act upon implementing legislation, the President will be stalemated.

Mr. Bennet says that:

> To delay in delivering the instruments of ratification might have given rise to doubts about our good faith in pursuing our relations with Panama and with other American Republics in the spirit of the Treaties.

But nothing in the treaties or in the Brooke amendment requires an immediate exchange of ratifications. The Brooke amendment says only that the exchange shall not be effective until March 31, 1979. It is not a deadline; it is the earliest possible date.

But Panama itself has raised doubts about her own good faith in accepting the Senate's changes. The communique, whether it is "legally binding" in the State Department's words, or not, is sufficient to impeach Panama's good faith in signing the Protocol of Exchange. The President would be fully justified in exercising his legal right to delay the exchange of ratifications until such time as Panama, in writing, withdraws the communique. In fact, he is not keeping faith either with the American people or with the U.S. Senate, if he proceeds to sign the protocol tomorrow.

The signing of the protocol and the exchange of ratifications tomorrow is an action that is rash, unnecessary under law or treaty, and a challenge to the constitutional rights of the Senate and the House of Representatives. The President seems to be seeking a whirlwind about to be born.

Mr. President, I ask unanimous consent that the text of the letter from Mr. Bennet, and the text of the State Department daily briefing for last Thursday, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., June 14, 1978.

Hon. JESSE HELMS,
U.S. Senate.

DEAR SENATOR HELMS: The President has asked me to reply to your letter of June 5, which enclosed the statement you made in the Senate on that day concerning the communique issued on April 25 by the Panamanian Foreign Ministry, and its bearing on the Panama Canal Treaties.

We do not regard the Panama communique as a repudiation or rejection of the Senate resolutions of ratification of the Treaties. The communique consists of a point-by-point description of the items contained in the resolutions, together with a commentary It has no legal force.

Both the United States and the Panamanian instruments of ratification exchanged by the two countries contain the full texts of the amendments, conditions, reservations and understandings with which the Senate approved the Panama Canal Treaties. In the Protocol of Exchange which President Carter and General Torrijos will be signing on June 16, Panama will accept all of these amendments, conditions, resolutions and understandings. These are the documents by which the parties will be bound.

The Protocol will specify that the instruments delivered and exchanged by President Carter and General Torrijos shall become effective on April 1, 1979, unless the parties agree otherwise. If this date is not changed, the date of entry into force of the Treaties will be October 1, 1979. These dates have been fixed in conformity with the reservation to the Panama Canal Treaty introduced by Senator Brooke of Massachusetts and incorporated in the Senate's resolution of ratification of the Treaty.

As you will recall, that reservation provides that the exchange of ratifications "shall not be effective earlier than March 31, 1979, and the Treaties shall not enter into force prior to October 1, 1979, unless legislation necessary to implement the provisions of the Panama Canal Treaty shall have been enacted by the Congress of the United States of America before March 31, 1979."

Once the Senate had given its advice and consent to the Treaties, the United States had completed its political decision to accept them. To delay in delivering the instruments of ratification might have given rise to doubts about our good faith in pursuing our relations with Panama and with other American Republics in the spirit of the Treaties. Moreover, it seemed desirable, in this way, to initiate a period of orderly planning for the transition to the new relationship which will exist between the United States and Panama under the Treaties. With the ratification ceremonies completed, both countries can proceed with certainty to prepare for the entry into force of the Treaties, next year.

Obviously, it will never be possible to achieve a complete identity of interpretation with respect to every one of the complicated provisions embodied in the Panama Canal Treaties, the ancillary agreements, the annexes and other notes, and the instruments of ratification. We cannot on that account fail to proceed conscientiously to carry out the decisions of the two countries, reached through their repective constitutional processes. As the Treaties come into effect, some difficulties will certainly arise. We are confident that, with the same good faith and persistent effort evidenced by both sides during the Treaty negotiations, they will be surmounted.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary for Congressional Relations.

[Department of State, June 8, 1978]

TRANSCRIPT OF DAILY NEWS BRIEFING

(On the Record Unless Otherwise Noted)

Mr. CARTER. Good afternoon.

* * * * *

QUESTION. Hodding, does the State Department have any official Panamanian document which in any way modifies the Panamanian Foreign Ministry's April 25 Communique authorized for General Torrijos, which Communique repudiated the DeCon-

cini, Nunn, Hollings, Heinz, Bellmon Brooke and Cannon reservations?

ANSWER. That's not the interpretation we put on that Communique of April 25.

QUESTION. No. I realize your interpretation, but what I'd like to know is: Do you have anything that would in any way modify or qualify this Communique of the 25th? You don't have anything?

ANSWER. I'm telling you that we do not believe that there exists a significant misunderstanding on the part of Panama as to the meaning of the Senate's actions. We do not consider it a repudiation or a rejection of the Senate resolutions of ratification.

QUESTION: OK. If President Carter exchanges instruments of ratification with General Torrijos on the 16th without any Panamanian acceptance of these Senate reservations, won't the Treaties be in force with the Senate reservations discarded or not recognized by Panama?

ANSWER. The texts of the amendments, reservations, and so forth, are perfectly clear and Panama will explicitly accept these texts.

QUESTION. Oh. Have they in writing?

ANSWER. As legally binding at the time of exchange of instruments of ratification at the time of the President's trip to Panama.

Q. Right. Now, you have seen that in writing, that Panama——

A. I'm telling you the text is clear. The acceptance of the instruments is an explicit acceptance of the language, which is clear——

Q. Where?

A. —including all reservations.

Q. Where is that, Hodding?

A. It is in the instrument.

Q. Because we got this in writing, the statements on all of these, from the Panamanian Communique of April 25.

Now, do you have another document where Panama says we accept the DeConcini reservation? Do you have any such document or is there one going to be presented on June 16 or not?

A. My friend, what is going to be presented is a full body of what was done by the Senate of the United States, which is very clear. And in accepting it, that is explicitly accepting the language which is in it.

Q. Then why does the State Department believe that they repudiated these reservations?

A. We don't.

Q. You don't?

A. We do not look at the Communique as either a reputiation or a rejection.

Q. Hodding, on that point, if they say that the reservations don't change the Treaty and the Senators who introduced those reservations and who voted for them thought that they were significant, this was not just, you know, pro forma——

A. You understand we had differences all along as to the need for language to make explicit what we felt was explicit. It is not playing with words. It is a restatement of position. The language of the Treaty, we felt, as did Panama, was specific enough, but that if the amendments were felt necessary to make it more specific and clear for those proponents, then that is what the Senate did. And they are accepted by Panama; they have been. They will be accepted when the body of that Treaty and the accompanying body is accepted by Panama.

Q. In effect you are saying that you agree with Panama that these reservations made no significant changes in the Treaty?

A. We are saying that we always felt that the Treaty was specific. The reservations were voted upon, accepted. They are in there. We believe that the Treaty is clear with them. We believe that the main points of concern were clear. In any case, the Treaty is explicit now with the reservations and that is what will be accepted by Panama.

Q. Could I pin you down a little bit on that, Hodding? Are you saying that the DeConcini reservation, the Nunn reservation, made no significant, no meaningful change in the interpretation of the treaty?

A. I am saying that a position of this Administration was that we did not need them. The Senate felt otherwise; they added them. They are now part of that Treaty. They are clear. The Treaty with them is clear. That will be accepted by Panama, and in accepting it, they will be explicitly accepting the language and what is in the Treaty and the reservation.

Q. That is not what they say, Hodding, in this Communique.

A. I am going to tell you something. I am going to cut this off. I have said we do not regard it as a repudiation, and we do not regard it as a rejection. I am telling you when we give it, these instruments on June 16 and 17, they will be explicitly accepted and that is what I say. When it happens at the time, if you do not believe it, then you can come back and ask me.

Q. The Panamanians have stated and you have already told us that there is nothing in writing to the contrary. They have stated a theory of the fact that the DeConcini amendment means such and such, that it really doesn't alter it. That is their theory. The Senate apparently disagrees because there was an overwhelming support of the DeConcini amendment which was very controversial and which is denounced strongly by Panama in this Communique. There has been nothing since that Communique in writing from Panama to indicate that they have any——

A. Les, besides your speech, the answer to your question was no. Next question.

* * * * *

Q. Hodding, I understand the Treaty is painful to discuss, but—

A. Not for me. We won.

Q. Is it not your interpretation that Article V gave us the right to intervene to maintain the neutrality of the Canal?

A. Yes, of course.

Q. May I read from the language of the April 25 statement?

A. Sure.

Q. It said that, no, there cannot be the slightest shadow of a doubt, that no state, super power, or mini-state can claim the right to intervene in areas which are the exclusive competence of other states.

DeConcini and others have said that the United States has the right to intervene in Panama to preserve the neutrality and security of the Canal. This must be made very clear. The right to intervention does not exist. Everything is to the contrary, totalo contrario. Intervention has been proscribed in international legal life. There may be no intervention. These cannot be avoided just as crime cannot be avoided, but such interventions can only be regressively engendered by colonialist and neo-colonialist minds which still do not understand the destiny of man and his freedom.

Now, doesn't that indicate that the Panamanian Government doesn't think that we have the right to intervene?

A. The understanding that was undertaken was by President Torrijos and President Carter. That famous understanding explicitly gave, acknowledged, the right to intervene to maintain neutrality.

The text of a communique by a foreign office is not legally binding in any way, as you know as well as I.

Q. Would you issue a statement then to say that you do not regard this as legally binding?

A. The President is going to respond directly to the concerns of Senator Helms, who you were parroting, who has raised on this subject.

Q. I am quoting from their document. I didn't quote Helms at all.

A. I understand.

Those concerns are going to be answered directly by the President.

Q. When?

A. Look, friend, you can ask the President that.

Insofar as what is in the instruments of ratification, they are going to be published before. They will be public before the Panama trip. And beyond that I will stand on what I said. It is our understanding and it is a clear understanding, one which was undertaken by the head of the government of Panama.

Q. But you are standing on that, but their Foreign Ministry comes out on April 25 and says no such right exists.

A. We can go around and around on this.

Q. How can it be clearer than that?

A. I told you that it is not legally binding or in any way accepted as legally binding. I also told you that we have the undertaking and the understanding. I have also told you that that will be explicitly dealt with in the instruments that are exchanged.

Q. Hodding, if I could follow-up Reed's question, please.

Here is another statement: It is necessary—

A. I am not going to do it. I am not going to go through that whole Communique. I have already told you how we view the Communique.

Q. But, Hodding, you have already stated that there is nothing to the contrary, you see, from this Communique.

A. That's right.

Q. Are you suggesting this communique was illegally issued?

A. No. I am saying it has no legally binding effect.

Q. Wait a minute. It is from the Panamanian Foreign Ministry.

A. It doesn't matter. It does not have any legally binding effect.

Q. Has the Panamanian Government indicated to you that they agree with that?

A. Any more than a Spokesman's statement has any legally binding effect.

Q. Okay.

Then if it has no legally binding effect, Hodding, and it was authorized by General Torrijos, what would it have to have to have legally binding effect?

I mean, are you suggesting that the Panamanian Foreign Ministry was doing something that they shouldn't be doing when they issued this?

A. I am saying to you precisely what I have said.

Q. It has never been repudiated, has it, by General Torrijos or anybody else?

A. I am aware of nothing the kind.

Q. So, therefore it stands, doesn't it?

I mean, if it was not legally binding and it was illegal—

A. You know, you can beat this horse until it is down on its knees, and then it is crying for water, and the answer is going to be the same. I think that is it.

Q. Hodding, let me shift to another branch of this.

Two United States Senators who supported this Treaty have now been voted into retirement.

A. Yes.

Q. What is your reaction to that?

A. None.

I have noted a number of other Senators who have gone.

Q. Hodding, may I,—I know you have to rush, but we still have a little time.

A. That is all right.

Q. I would like to get for the sake of the record the fact that two Vietnamese officers of the Vietnamese Air Force, Lt. Col. Lai Dai Ngoc and Captain Dinh Cong Geing, flew a DC-3 aircraft to Singapore and asked for asylum in the United States on March 22 of this year. They were granted asylum, and

two days later were flown to the United States.

My question is this: Has any release been issued about this? Have we been given any information about what information these two officers of the Vietnamese military provided and the Vietnamese sources here believe that these two officers are being kept under wraps and have been asked not to speak to the press. Is this true?

A. I hear the questions. I don't know the answers.

Q. I trust you will take those questions.

A. Your questions are taken.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

LABOR LAW REFORM ACT OF 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I be permitted to introduce a cloture motion today, to be voted on on Tuesday next, with the understanding that if the request is agreed to the Senate will go over after today's business until Monday.

The PRESIDING OFFICER. Is there objection?

Mr. LUGAR. Mr. President, reserving the right to object, and I shall not object, I simply want to say that we appreciate the majority leader's consulting with the minority.

On behalf of the minority leader, I am authorized to say that Tuesday will be fine.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, if there is no objection, I send the cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the substitute amendment, No. 2445, by the Senator from West Virginia (Mr. Robert C. Byrd) and others to H.R. 8410. An act to amend the National Labor Relations Act to strengthen the remedies and expedite the procedures under such act.

1. Robert C. Byrd.
2. John Glenn.
3. Thomas F. Eagleton.
4. James Abourezk.
5. Howard M. Metzenbaum.
6. John Melcher.
7. Spark Matsunaga.
8. Edward M. Kennedy.
9. Birch Bayh.
10. Richard S. Schweiker.
11. William D. Hathaway.
12. Donald W. Riegle, Jr.
13. Paul G. Hatfield.
14. Jacob K. Javits.
15. Edmund S. Muskie.
16. Alan Cranston.

The PRESIDING OFFICER. Is there an understanding with respect to the time?

Mr. HELMS. Mr. President, it is the understanding of the Senator from North Carolina that that will be determined Monday.

Mr. LUGAR. That is correct.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that I be permitted to proceed for no longer than 3 minutes on a subject not related to the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MISS ANNIE LEE

Mr. HELMS. Mr. President, I wish to take note of the passing of one of the greatest ladies I have ever been privileged to know. She was my high school English teacher. Her name was Miss Annie Lee. The news of her passing a few days ago brought back a flood of memories about the dedication of this remarkable lady and what she meant to so many of us.

Mr. President, I was born and reared in the little town of Monroe, N.C., which at the time of my boyhood had a population of approximately 5,500.

Miss Annie, as we called her, regarded each of us as special. She emphasized the importance and beauty of the English language. I recall quite clearly her discontent when one of us split an infinitive.

As I say, she maintained a very special interest in all of us, and I thought last evening of some of my classmates who studied under her. One of them, for example, became the president of Rexall Drug Co. Another was the president of the Chicago Board of Trade. Still another served as skipper of the U.S.S. *Forrestal* and is now in the Pentagon, a rear admiral, performing important duties for this country. Another was nominated in 1972 as Governor of my State. Others are serving as lawyers, physicians, dentists, college professors, and successful business men and women.

This great lady, Miss Annie Lee, meant much to all of us. She followed the careers of each of us until the time of her death.

I recall a conference committee a year or so ago, involving the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), our late colleague, Hubert Humphrey, and others; after we finished consideration of the conference report, I found just one thing further that I suggested we change. It was a split infinitive. So it was changed, and I said at the time that I wanted it corrected because Miss Annie Lee would call my attention to it if she learned about it. Hubert Humphrey, bless him, said:

Let's change it for Miss Annie.

Thereafter, I telephoned Miss Annie and told her that Senator Humphrey agreed that we should abide by what she had taught us many years ago.

I hope I can abide by all that she taught me—not just the rule against split infinitives, but all of the high principles which guided her life. I suppose that it is interesting that so many of "Miss Annies" students of years gone by feel a bit uncomfortable any time we read or fear language containing a split infinitive. It goes back to the training of this great lady, who meant a great deal to so many of us, many years ago, in the little town of Monroe, N.C.

QUORUM CALL

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McGOVERN). Without objection, it so ordered.

Mr. RIEGLE. Mr. President, I ask unanimous consent that Miss Susan Lowery be accorded the privilege of the floor for today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a resumption of routine morning business with Senators allowed to speak up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UGANDA: THE NEED FOR THE GENOCIDE CONVENTION AS PART OF OUR FOREIGN POLICY

Mr. PROXMIRE. Mr. President, today the Foreign Economic Policy Subcommittee of the Senate Foreign Relations Committee began hearings on the current situation in Uganda.

This is a highly significant step, and it comes on the heels of Monday's House concurrent resolution urging President Carter to investigate violations of human rights in Uganda and to examine possible steps that the United States might take to exert economic pressure on that nation.

The vote on that resolution, I am proud to say, was 377 to 0. Doubtless it will prove more difficult to secure passage of legislation such as that of Ohio Congressman DON PEASE, which commits the United States to a trade embargo against Uganda.

Still, recent actions by various coffee buyers may have supported that legislation. As of last week, the Folger Coffee Co., General Foods Corp., and the American division of the Swiss Nestle conglomerate—three of our country's largest coffee companies—had stopped selling the beans that are Uganda's only significant export.

Mr. President, these events are welcome news for those of us who have watched Idi Amin's reign of terror with horror and a good deal of helplessness. By effectively cutting off over a third of Uganda's coffee exports—much of which the regime simply seizes from Ugandan growers—the American companies have gone a long way in weakening Amin's brutal government.

Of course, action like this is long overdue; as many as 300,000 people have fallen victim to Amin's depredations during the 7 years of his dictatorship.

But something else is also long overdue. I am speaking about the Genocide Convention. This, too, can serve as a way for Americans to express their outrage at Ugandan atrocities.

By making such crimes punishable under international law, the convention adds a crucial moral component to whatever material action this country, or any country, may choose to take against human rights offenders.

Failure to endorse this treaty can only weaken our moral influence throughout the world and encourage other nations to label us as hypocrites. On the other hand, few things could strengthen our diplomatic hand in Uganda and elsewhere as much as ratification of this convention.

Amazingly, the treaty's approval by over 80 nations and its consideration by this body for 30 years have still not prompted us to act. Mr. President, it is time we changed that. Let us move immediately to ratify this fundamental human rights document.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 865, 867, and 868.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERLOCKING DIRECTORATES AMONG MAJOR U.S. CORPORATIONS

The Senate proceeded to consider the resolution (S. Res. 452) authorizing the printing of the committee print entitled "Interlocking Directorates Among Major U.S. Corporations" as a Senate document, which had been reported from the Committee on Rules and Administration with an amendment on page 1, line 4, to strike "five" and insert "four", so as to make the resolution read:

Resolved, That the committee print of the Committee on Governmental Affairs entitled "Interlocking Directorates Among Major U.S. Corporations" be printed as a Senate document, and that there be printed four hundred additional copies of such document for the use of that committee.

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-933), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senate Resolution 452 as referred would provide (1) that the committee print of the Committee on Governmental Affairs entitled "Interlocking Directorates Among Major U.S. Corporations" be printed as a Senate document, and (2) that there be printed 500 additional copies of such document for the use of that committee.

The Committee on Rules and Administration has amended Senate Resolution 452 by reducing the number of additional copies from 500 to 400, the maximum obtainable under the statutory $1,200 limitation on simple resolutions.

DAVID L. CASTO AND MARY RUTH C. CASTO

The resolution (S. Res. 484) to pay a gratuity to David L. Casto and Mary Ruth C. Casto, was considered and agreed to, as follows:

S. RES. 484

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to David L. Casto and Mary Ruth C. Casto, parents of Neill L. Casto, an employee of the Senate at the time of his death, a sum to each equal to one month's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EWART G. SMITHWICK

The resolution (S. Res. 485) to pay a gratuity to Ewart G. Smithwick, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Ewart G. Smithwick, widower of Bernice M. Smithwick, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of her death, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

REGULATION OF FOREIGN FISH PROCESSING VESSELS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Calendar No. 869, a bill (S. 3050) to provide for the regulation of foreign fish processing vessels in the fishery conservation zone, and for other purposes, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A.M. MONDAY, JUNE 19, 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 a.m. on Monday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. This will allow a good full day of debate on Monday on the unfinished business.

ORDER FOR RESUMPTION OF CONSIDERATION OF UNFINISHED BUSINESS MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders have been recognized under the standing order on Monday there be a resumption of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I understand there is one order for the recognition of a Senator on Monday. I revise my request, Mr. President, accordingly, and I ask unanimous consent that the unfinished business be resumed following the

completion of the order for the recognition of the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. ON MONDAY

Mr. RIEGLE. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 10 a.m. on Monday morning next.

The motion was agreed to; and at 4:04 p.m. the Senate recessed until Monday, June 19, 1978, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 15, 1978:

DEPARTMENT OF STATE

Geri M. Joseph, of Minnesota, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of the Netherlands.

Thomas D. Boyatt, of Ohio, a Foreign Service Officer of Class two, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Upper Volta.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15, 1978:

UNITED STATES METRIC BOARD

The following-named persons to be Members of the U.S. Metric Board for the terms indicated:

Dennis R. Smith, of Massachusetts, for a term of 2 years.

Andrew H. Kenopensky, of New Jersey, for a term of 6 years.

Bruce P. Johnson, of Nevada, to be a Member of the U.S. Metric Board for a term of 2 years.

Paul Block, Jr., of Ohio, to be a Member of the U.S. Metric Board for a term of 4 years.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Thursday, June 15, 1978*

The House met at 10 o'clock a.m.

Rabbi Walter Jacob, Rodef Shalom Congregation, Pittsburgh, Pa., offered the following prayer:

Heavenly Father, we are grateful for Thy blessings upon this body of lawmakers and upon this land. Now at the height of our national power and development, we seek Thy guidance.

We have benefited from Thy blessings of a rich land and its varied gifted inhabitants. Grant that we use those blessings wisely. May the ancient spirit of Biblical prophet and sage be mingled with the vitality and idealism of our American ancestors of two centuries ago. Let that spirit enable this land to become a beacon of democracy and idealism, of intellectual and spiritual light for the entire world. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE HOUSE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate insists upon its amendments to the bill (H.R. 11877) entitled "An act to authorize appropriations for fiscal year 1978 for the Peace Corps and to make certain changes in the Peace Corps Act," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPARKMAN, Mr. CHURCH, Mr. CLARK, Mr. BIDEN, Mr. CASE, Mr. JAVITS, and Mr. PERCY to be the conferees on the part of the Senate.

The message also announced that Mr. BELLMON was appointed to replace Mr. HAYAKAWA as a conferee on H.R. 11504, a bill to improve Federal credit assistance programs for farmers, ranchers, and rural communities and businesses.

RABBI WALTER JACOB

(Mr. MOORHEAD of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I am very grateful for the opportunity of welcoming Rabbi Walter Jacob to this Chamber. Rabbi Jacob has been an outstanding religious figure in our city of Pittsburgh for many years. His congregation, Rodef Shalom, is the oldest Jewish congregation in Pittsburgh and Rabbi Jacob has served there with great distinction for more than 20 years.

His contributions, however, have not been limited to his own people. He has taken on the battle for human rights whenever he found an opportunity on behalf of Jews and Christians alike.

A man of unusual talent, Rabbi Jacob has also distinguished himself as a literary contributor, having published many, many articles, as well as several books.

We in Pittsburgh have been blessed to have Rabbi Jacob among us and I am proud to have the honor of welcoming him to this Chamber.

I hope that the House of Representatives will join me in thanking Rabbi Jacob for being with us today and wishing him success and happiness for the future.

SON'S RAYS CHOIR OF GRAND MARAIS, MINN.

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, this morning it was my pleasure and privilege to welcome to the House steps of the Capitol the Son's Rays Choir, a group consisting of girls in Grades 7 through 12 in the area of Grand Marais, Minn., on the north shore of Lake Superior. The choir, directed by the talented Dorothy Staskopf, began in the Bethlehem Lutheran Church, but now consists of girls from several churches in the Grand Marais area. The girls join the choir primarily to find a channel of expression for their faith in Jesus Christ. In doing so, the members also learn to care about themselves and to share with and to love those around them in a special way. That love literally poured forth in beautiful song on the Capitol steps just moments ago in their magnificent concert. It is a growing and changing group, and those involved hope and strive to keep Christ as the unifying center of all their activities. I am inspired with a great deal of confidence in the future of our country when I see young people like these join together in song and action for such a worthy purpose.

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS—JO ANN McDANIEL AND KATHERINE ZENZ

Mr. SAWYER. Mr. Speaker, I come here today in reference to the lifting of the arms embargo with respect to Turkey that we are going to have to vote on in the last week of this month. I talked with the President at breakfast this morning on this subject, since he and I are both concerned with human rights.

There is a very serious human rights situation involved in this Turkey issue aside from the other questions, and that is the two American young women that are being held in Turkish prisons who were originally sentenced to death for possession of hashish. They are JoAnn McDaniel from Oregon and Katherine Zenz from Wisconsin. Their sentence was subsequently commuted to a nonparolable 24 years, and they have languished in an abominable Turkish prison for 5 years now. Miss McDaniel's parents are getting old and they are retired and they cannot afford to go to Turkey. She is their only daughter and they fear they may never see her again and are becoming very depressed and disconsolate.

My ultimate goal is to have a treaty with Turkey, similar to that recently concluded with Mexico and Canada, providing for an exchange of prisoners. Turkey has one with most of the European nations. I was told by the State Department last year that we could have a prisoner exchange treaty executed with Turkey by March. Turkey, however, has done nothing. I intend to offer an amendment to the bill lifting the arms embargo to make it effective only upon Turkey's entering into such an exchange of prisoners treaty with us. I ask the support of

my colleagues on this crucial and urgent human rights issue.

CALL OF THE HOUSE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make the point of order that a quorum is not present, and I move a call of the House.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 460]

Allen	Flowers	Pritchard
Ambro	Ford, Mich.	Quie
Applegate	Frenzel	Rodino
Archer	Frey	Roncalio
Armstrong	Garcia	Rousselot
Ashley	Gibbons	Runnels
Badham	Hansen	Santini
Baldus	Harris	Satterfield
Baucus	Heckler	Scheuer
Beilenson	Holland	Shipley
Boggs	Hollenbeck	Simon
Bonker	Jacobs	Skubitz
Burton, John	Jenkins	Solarz
Burton, Phillip	Keys	Stark
Butler	Krueger	Stump
Caputo	Le Fante	Symms
Chisholm	McCloskey	Teague
Clay	McDade	Thornton
Cochran	McDonald	Traxler
Collins, Ill.	Marlenee	Tsongas
Conyers	Martin	Tucker
Cornwell	Mikva	Udall
Coughlin	Milford	Ullman
Cunningham	Mitchell, Md.	Vander Jagt
Daniel, Dan	Moakley	Volkmer
Davis	Moffett	Waxman
Dellums	Murphy, N.Y.	Whalen
Diggs	Nedzi	Wiggins
Dodd	Nichols	Young, Alaska
Drinan	Obey	Young, Tex.
Edwards, Calif.	Pepper	
Eilberg	Pike	

The SPEAKER. On this rollcall 340 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 12928, PUBLIC WORKS APPROPRIATIONS, FISCAL YEAR 1979

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1236 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1236

Resolved, That during the consideration of the bill (H.R. 12928) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, and for other purposes, all points of order against said bill for failure to comply with the provisions of clause 2, rule XXI, are hereby waived: *Provided*, That it shall not be in order during consideration of said bill to consider any amendment making the availability, obligation or expenditure of any appropriations carried therein contingent upon the enactment of authorizing legislation. At the conclusion of the consideration of title I of said bill for amendment, titles II and III shall be considered as read and open to amendment at any point. It shall be in order to consider en bloc the amendments to said bill printed in the CONGRESSIONAL RECORD of June 13 by Representative Bevill, and to consider as a substitute therefor without the intervention of any point of order the amendments to said bill printed in the CONGRESSIONAL RECORD of June 13 by Representative Miller of California.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself 5 minutes.

Mr. Speaker, this is a very important rule, and I think the Members might be interested in listening to it. I seldom suggest that, but it affects all of them. It is an unusual rule and it is a controversial rule. It is here only because of the enormous difficulty, at least in my opinion, that the Congress has had for the last 6 or 8 years in dealing with the energy problem. That is the fundamental reason.

The next reason is that the Budget Act makes certain requirements on the authorizing committees as to the dates that they report, and on the Appropriations Committee. The schedule for performance by the Appropriations Committee is so difficult that, from the beginning until today, we have had to aid the appropriation process by granting special rules.

In my opinion, this rule demonstrates the absolute necessity for our considering at an early time in the next session of Congress a modification of the Budget Act. I believe that we must provide for a more realistic timing.

I am not going to go into the details of all of that argument, because we should and will argue it at length in a different situation than this. But today we face a serious emergency in process. The Rules Committee has brought out two separate rules on this matter. This is the second one. The first one, without any of us really understanding its significance, protected the authorizing committee to have the final say with regard to a particular piece of legislation and its policy. But that ignored the fundamental difficulty of assuring the legality of the appropriation process. This rule does the exact reverse.

It makes it impossible for the authorizing committees to offer amendments which make uncertain the appropriation process or hold the appropriation process hostage pending enactment of the authorizations.

We really seem to have things backward, but that is the only way we can do it, because we have to see to it that the legality of expenditures under the appropriation is maintained and not up for grabs over an indefinite time.

If we have the authorizing bill in place, then I would be a strict constructionist on that. I would say the Appropriations Committee had to live up to that. We do not. We have some authorizing bills that are very controversial. They deal with energy. They have been sent to several committees and the controversies have not been settled. The policy has not been worked out. That is one aspect of this bill. It prevents the authorizing committees from coming in on top of the appropriation process and making the expenditures that have been made illegal.

Second, it deals with that monumental conflict that has gone on for a little while between the President and so many Members of Congress over water projects.

The second part of the rule is complicated. The situation is even more complicated; but it, in effect, gives everybody an opportunity to have their shot at the policy question of the old projects that have been stopped and the new projects that have been offered, everything across the board.

The rule seems simpler than it is, but it allows everybody to have a shot at their cause on the various water project questions.

The SPEAKER. The time of the gentleman from Missouri (Mr. BOLLING) has expired.

Mr. BOLLING. Mr. Speaker, I yield myself 2 additional minutes.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I just want to put a question to the gentleman from Missouri (Mr. BOLLING).

The gentleman has described in graphic terms the concrete realities of the politics as it pertains to the authorization process versus the appropriation process. However, in ruling out of order an amendment that would otherwise be in order, it seems to me that the Committee on Rules is arrogating unto itself, perhaps at the direction of the leadership, the right to decide a question which the full House should decide.

Mr. Speaker, we have two alternatives. One is to adopt the rule and not even permit the issue to come before us, and the other is to deal with it in the usual fashion, present the issue to the House, and have it defeated or passed.

Why should we want to set a precedent in which a rule specifically denies the House the right to act on a particular issue?

Mr. BOLLING. That is not my view, as the gentleman may well imagine.

I think that is exactly what we are doing now and exactly why I am being honest by the rule, because the House will see the choice it has in voting—I hope in favor—of this rule. However, this is the only way I know to get that choice before the House. The House has to make the choice, and this is the way we are presenting that choice.

Mr. BAUMAN. But the gentleman does not deny, does he, that in the regular order, an amendment making the appropriation available only upon the enactment of the authorization bill would be permitted?

Mr. BOLLING. I think the gentleman has slightly twisted the point. I think we are making it possible to do it in one way as opposed to the other.

Mr. Speaker, I reserve the balance of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Certainly, Mr. Speaker, the gentleman from Missouri (Mr. BOLLING) has given a very graphic description of some of the things that have gone on in the Com-

mittee on Rules and are now included in this rule.

I would like to go, however, into just a little bit more detail. First of all, this rule does waive clause 2, rule XXI, unauthorized appropriations, which would allow certain sections of this public works bill to be in order.

The second part of the rule, the part the gentleman from Maryland (Mr. BAUMAN) was just referring to, provides that it will not be in order, during the consideration of the bill, to entertain any amendment making the availability, obligation, or expenditure of its appropriations contingent upon the enactment of authorizing legislation.

Mr. Speaker, I agree with the gentleman from Maryland that it is unprecedented. We are saying, in effect, that amendments which would otherwise be germane are not in order.

That was discussed at length in the Committee on Rules.

We had gentlemen there from at least two authorizing committees objecting to this procedure, which presents a very difficult and cumbersome procedure to them by virtue of the fact that we do not have the Budget Act involved; we have the authorizing committees—in this instance, four of them—involved; and we have the appropriations committees involved. The Appropriations Committees are trying to go forward and do their job within the time that the Budget Act provides. Because of the time limits, they have moved in here now and are saying, "If you authorizing committees do not get your work done in the time you are supposed to, and if you have problems, that is tough. We are going forward with an appropriation bill."

Mr. Speaker, it is a very difficult situation; I acknowledge that, and agree with the gentleman from Missouri (Mr. BOLLING) that we should look at these rules and make some changes next year beacuse if we do not, we are going to have more and more problems like this one.

Mr. Speaker, this is the second time that the Committee on Rules has tried to come up with a rule. One was reported just last week. Obviously, it turned out to be such a disaster that the two Appropriations Subcommittees came into the Committee on Rules and asked that we take another look at it and see if we could come up with another rule.

It is a difficult situation. I admit that it is unusual and it is unprecedented.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, the gentleman said that the Committee on Appropriations possibly might be trying to take on additional turf. That is not the fact.

The Committee on Appropriations realistically has to face the schedule set up by the Budget Act. All of our bills must be enacted into law by a week after Labor Day.

If we wait until the authorizing committees—in this instance, the energy authorizing committees, which have not yet reconciled their differences—finish their work, the Appropriations Committee is not going to be able to meet that schedule. We had to make a choice: To wait for the authorizing committees and not meet the schedule of the Budget Act, or to meet that schedule and not wait until some of the authorizing legislation was finally enacted into law. The House will decide whether or not it wants to consider the appropriation bills at this time or to wait until the authorizing committees have finished their work, which will be some time in the indefinite future.

Mr. LOTT. I certainly understand what the gentleman is saying. I realize that the Appropriations Committee is trying to move forward in good faith. I am going to go along personally with the rule, but at the same time we have to realize the fact that, the authorizing committees have a job to do also. If we are just going to pass by the authorizing committee and say, "If you can't get your job done on time, you have to step aside," that is a very dangerous precedent. We might as well all be put on the Appropriations Committee and be done with it.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I just want to say "amen" to the gentleman from Illinois (Mr. YATES) for his statement, because how many times have we found ourselves in the last several years trying to legislate on appropriation bills with riders and limitations that simply do not get the job done. We place ourselves in the very unfortunate position of trying to legislate by offering amendments in the form of limitation on the use of funds. We have no real business doing that as it is not the proper way to legislate.

I want to say further that I agree with the gentleman from Missouri (Mr. BOLLING) that we have got to be giving serious consideration to amending the Budget Act. I said so during consideration of the first budget resolution and on several subsequent appropriation bills, and then again yesterday. I would hope that this might very well be one of the first orders of business in the next Congress if some of us are back here again, because I think that time schedule we have prescribed for ourselves is very unrealistic. Developments have proven that.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would just like to say to the gentleman that I appreciate the problems faced in this conflict between authorizing and appropriating committees. Certainly, the Appropriation Committee has done its job and no one can criticize them. But, the Rules Committee still is presenting us with a rule denying to the majority of the House the right to work its will on an issue that normal rules would otherwise permit.

If that is the kind of proposition the Budget Act produces, then the gentleman from Illinois and others are correct in saying that before we reconvene as a new Congress, we ought to amend the Budget Act.

One other solution might be noted; that is, to do away with all the proliferation of authorization and appropriations committees and go back to the historic single track legislative system in which a committee authorizes and appropriates at the same time. Thus, Congress could get rid of many of the 20,000 staffers who work on the Hill. We could assign each Member to only one committee and not to seven different committees. I realize that this modest suggestion for reform is probably far too logical ever to succeed in this body where legislative prerogatives are guarded so jealously.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Speaker, I thank the gentleman for yielding. I share many of the sentiments that have been expressed during this discussion. I should point out, in order to clear the record, that the subcommittee which I chair, the Subcommittee on Advanced Energy Technologies and Energy Conservation Research, Development, and Demonstration, and the entire Committee on Science and Technology, reported its portion of the authorizing legislation for the Department of Energy in plenty of time. Our bill would have been on the floor and passed several weeks ago, but it has been subject to jurisdictional claims, which I consider to be not justified by another authorizing committee.

With the present committee organizational structure there exists a fuzzy interface between authorizing committees, and it may take an entire year for the authorizing legislation to work its way through the Congress. I think this is unfortunate. and it is a problem which must be addressed.

We have established jurisdictional lines between these authorizing committees, but, subsequently, in the writing and interpretation of the rules, which have been relatively successful, attempts have been made to undermine and blur these lines. This is the cause of the delay in the authorizing legislation, and we cannot correct it here today.

I support this rule, not because I like the situation we face, but because we do not have any realistic alternative. However, we must address ourselves to the fact that many authorizing committees do their work on time, and still have our bills delayed by this harassing reassignment to other committees.

Mr. LOTT. I thank the gentleman. Let me conclude my statement of what is in this rule.

After title I has been through the amending process, titles II and III are to be treated as read and open to amendment at any point. It will be in order to consider en bloc amendments to H.R. 12928 printed in the CONGRESSIONAL RECORD of June 13 by the distinguished chairman of the committee, the gentleman from Alabama (Mr. BEVILL). Further, it will be in order to consider as a substitute for the Bevill amendments

an amendment printed in the CONGRESSIONAL RECORD of June 13 by the gentleman from California (Mr. MILLER), notwithstanding any point of order.

This additional change is in the rule and it is different from what we earlier considered, as the gentleman from Missouri said. It is supposed to make everyone in order to get their substitute or amendment on the floor for consideration, including one to be offered by the gentleman from Pennsylvania (Mr. EDGAR), and perhaps one to be offered by the gentleman from Indiana (Mr. JACOBS).

I am not sure that is what we have done with this rule. It is vague, and I am concerned about what is going to happen parliamentarily when we get into this amending process.

I am concerned about what is going to happen parliamentarily when we get into the amending process, but what this rule amounts to is to make everyone's amendment in order when we get into the consideration of this bill.

The front page of today's Washington Post points out that the President is threatening a possible public works bill veto, and so here we go. This rule is going to make possible everything that might lead to the possible veto.

The total amount of appropriations for for 1979 is $10,315,174,000, which is $53 million-plus below the budget request. I think this Appropriations Committee should be commended for having held it under the budget request.

As has been pointed out by others, this is not the best of all possible worlds. However, I do think it is the best we can get at this time. I will support the rule.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman from Mississippi for yielding.

I take this time only to add to the legislative history that we are now compiling on this resolution. I have somewhat ambivalent feelings about this rule, as I guess would be true of almost every member of the Committee on Rules.

I only want to take the opportunity to offer an answer to the point raised by the gentleman from Maryland (Mr. BAUMAN), that I for one do not believe that we are establishing a general precedent, a general unlimited precedent whereby the Committee on Rules in the future on other legislation is going to attempt to bar or would otherwise be limiting germane amendments that could be offered in the Committee of the Whole.

One of the real problems that we faced here was the fact that we were told by witnesses who appeared before us that there were no less than three bills authorizing appropriations for the new Department on Energy, and one of the committees involved, the Science and Technology Committee, has actually unfavorably reported a bill making or authorizing appropriations for that Department.

So in addition to what the distinguished gentleman from Missouri has said, and I concur in his remarks that it points up the need for early action to revise and, indeed, to reform the Budget Control and Anti-impoundment Act, I think it points up the need for some committee reorganization in this House.

I think this kind of fragmentation—and I see some smiles, as if that would be too much of a load to impose on the Committee on Rules, which of course has original jurisdiction in both of the matters I have referred to, but I think in addition to changes with respect to the manner in which appropriation bills and the authorizing bills may be scheduled, in addition to pointing up the need for revisions in the Budget Control and Anti-impoundment Act—indicates it is time this Congress begins to give thought to the question of proceeding with a more rational apportionment of jurisdiction over various activities of the Federal Government, and in this case I refer, of course, specifically to the new Department on Energy.

Mr. LOTT. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, very seldom do I oppose the passage of a rule to consider a bill but, then, it is also rare that some of my better friends in the House of Representatives, the distinguished gentleman from Missouri (Mr. BOLLING) and the gentleman from Mississippi (Mr. LOTT) come in and tell us that this is a rotten rule and then urge us to vote for it anyway. That is what we are up against. I think we ought to look very carefully at it on their recommendation.

I do most vigorously oppose the rule on H.R. 12928 now before the House. This rule contains a provision stating that it shall not be in order under consideration of the bill to consider any amendment by any Member making the availability, obligation, or expenditure of any appropriations carried in the bill contingent upon the enacting of authorizing legislation.

Now that is a little unusual.

This provision of the rule establishes, I think, a very dangerous precedent in two ways. First, it prohibits, specifically, the offering of an amendment that the parliamentarian has ruled would otherwise be in order and would otherwise be germane. Thus the Committee on Rules has foreclosed an issue which, under the rules of this body, is perfectly within the decision rights of the full House.

Second, this provision in the rule under debate takes away the rights of all Members, long standing rights, under the House rules, to condition appropriations on enactment of authorization bills. Because H.R. 12928 contains appropriations for the Department of Energy, the Federal Energy Regulatory Committee, the Nuclear Regulatory Committee, the Corps of Engineers and other agencies, the rule before us now would permit the Committee on Appropriations and not the appropriate individual authorizing committees to set funding levels for these agencies. Everyone who serves on an authorizing committee should be, to some degree, concerned about that because the entire authorizaion process in every authorizing committee is threatened by this rule.

The authorizing committees, such as the Commitee on Agriculture, the Committee on Armed Services, the Committee on Interior and Insular Affairs, the Committee on Public Works and Transportation, the Committee on the Judiciary, the Committee on Education and Labor, the Committee on Science and Technology and the Committee on Interstate and Foreign Commerce, of course, establish limitations and guidelines and dollar ceilings for new and existing programs. But this ridiculous rule before us this morning not only establishes the practice that the appropriation bills shall be enacted before the passage of the companion authorization legislation, but, also, this ridiculous rule has the effect of letting the Committee on Appropriations legislate in appropriation bills and determine policy and program funding levels. It makes the authorizing process moot and I do not think that ought to happen. This is a violation of the House rules and the intent of section 660 of the Department of Energy Organization Act of 1977, passed by this House, we all voted on it, which requires the DOE appropriations to be subject to annual authorization.

Just yesterday, in this chamber, during consideration of the State-Justice-Commerce-Judiciary appropriation bill, the House sustained points of order against language making appropriations for some 17 different departments, agencies, and offices, because these appropriations had not been authorized as required by law. This action was, of course, proper under the rules of the House.

But today we turn that position around 180 degrees. House Resolution 1236 seeks to undo the rules of the House and not permit similar points of order to be sustained against language making appropriations in H.R. 12928. Let me quote that language for you. It says:

Provided, That it shall not be in order during consideration of said bill to consider any amendment making the availability, obligation or expenditure of any appropriations carried therein contingent upon the enactment of authorizing legislation.

If the House does not defeat this rule, next year the Committee on Appropriations could run roughshod over all of the authorizing committees for all the departments and agencies and offices that were protected yesterday on the House floor by our usual rules.

Mr. Speaker, during the committee's consideration—that is, our Commerce Committee's consideration—of the DOE authorization bills, we fashioned and passed out of our committee by the budget deadline several amendments placing fund restrictions on the DOE and its programs. Among these are a provision establishing a regulatory reform task force, a prohibition on using funds to maintain a middle distillate and motor gasoline monitoring system, a requirement for DOE to review the competitive impacts of its crude oil regulations prior to the use of funds for such regulation, and, finally, limitations on the reprograming of funds. I strongly support these amendments and do not wish to see them undone by the appropriations process as established under this rule. Normally, of course, appropriations are subject to the constraints enacted in the companion authorization legislation. However, under our existing rules, should DOE authorization bills, for whatever

reason, fail to be enacted, the appropriations bills would be free standing and would not contain these restrictions enumerated above. Does that make any sense? I think not. Because this rule prohibits the amendment making appropriations contingent upon authorization legislation, it should be defeated.

The appropriations should be subject to authorization bills' restrictions and funding ceiling. Otherwise a bad precedent will be established, and all future appropriations could potentially circumvent the House rules.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LOTT. Mr. Speaker, I have no further requests for time.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I thank my good friend and colleague for yielding me this time to denounce one of the most outrageous rules that I have ever seen in my career in the House of Representatives. This is not just a gag rule. This rule goes further and says that Members of the House may not offer germane amendments to an appropriations bill.

It does two things. It waives all points of order against the designated provisions of the bill for failure to comply with the traditional provisions of clause 2, rule XXI, which deal with unauthorized appropriations. That has two effects. First of all, it sanctifies every single legislative action in this bill, and in some 23 pages there are only 4 pages where the Committee on Appropriations does not violate the rules of the House with regard to this matter.

Second of all, it says:

> That it shall not be in order during consideration of said bill to consider any amendment making the availability, obligation, or expenditure of any appropriations carried therein contingent upon the enactment of authorizing legislation.

What does this mean? It means that we are setting our good friends on the Committee on Appropriations up as a super authorizing committee. They can authorize programs never before authorized in law. They can fund them without regard to the scrutiny and legislative oversight of the legislative committees.

One might consider that this is a matter of personalities. It is not. It is simply a matter of fundamental principle, and that is whether we are going to have the day-to-day scrutiny of the legislative committees which have the responsibility for legislative oversight and for authorization of programs to look at legislation which is under their jurisdiction.

Why are we in this mess? We are in this mess for a number of reasons, the first of which is that the administration sent up on the Department of Energy a mission-oriented budget, not a line item budget. So the Committee on Interstate and Foreign Commerce in exercise of its responsibilities worked very hard and forced the administration to go to a line-item budget, and the Commerce Committee bill will reflect that fiscally responsible approach.

Mr. Speaker, we forced the Agency to construct a line-item budget, so that expenditures could be identified, so that oversight could be conducted by the House. This is a function of authorization and it is a function of the authorizing committees.

The Committee on Appropriations, however, gives you the same good mission-oriented budget. Why does the Department of Energy want a mission-oriented budget? Because it enables that Agency to have pools of money that it might spend at its whim and caprice without accounting, without auditing, without adequate supervision and without possibility of adequate legislative oversight. Perhaps the Committee on Appropriations will engage in that kind of oversight and supervision. I gravely doubt it. The record of that committee is against that kind of activity by the Appropriations Committee.

The Committee on Appropriations for years has a long history of using appropriation bills to legislate and from time to time the Members of the House are compelled to do as they did yesterday; to go through and strike out large items of legislation by that committee.

I am not critical of my friends on the Committee on Rules. They have done a highly expedient act. They have done it because they thought it was necessary. They are, however, in error. There is no reason why the legislative actions of this Congress should not be supreme with regard to the expenditures of money appropriated. There is no reason why the Committee on Appropriations, without hearings, without scrutiny of particular programs, should have the capacity to commit the Congress and the Government of the United States to long-range commitments with regard to legislative programs, without the proper supervision of the authorizing process; but that is exactly what they are doing here.

Now, if you are on a legislative committee, the issue is very clear. Do you wish to have the Committee on Appropriations take over the functions that your subcommittee or your committee has been exercising for years under the rules of the House? I think the answer to that question is a thunderous and irreversible "No."

The difficulty that we have here is that you are being forced to submit to a mission-oriented budget without proper scrutiny, without proper analysis. I just hope my colleagues will strongly oppose this.

The SPEAKER per tempore. The time of the gentleman from Michigan (Mr. DINGELL) has expired.

Mr. BOLLING. Mr. Speaker, I yield the gentleman an additional 2 minutes.

Mr. DINGELL. Mr. Speaker, I yield to my friend, the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, first, I want to put on the record that the Committee on Interstate and Foreign Commerce reported out its bill in this area, authorizing the Department of Energy in timely fashion; did it not?

Mr. DINGELL. The gentleman is fully correct. We met the time limit as prescribed by the rules.

Mr. BROWN of Ohio. It was a decision, apparently, by the House leadership that the appropriation bill should come up first; is that not correct?

Mr. DINGELL. I do not know who made the decision. I presume it was the leadership, because that is, I suppose, their function. I find it a curious precedent.

Mr. BROWN of Ohio. Mr. Speaker, if the gentleman will yield further, is it not also true it was the decision of the leadership to refer the authorization bill to about three different committees?

Mr. DINGELL. That is correct and, interestingly enough, the Committee on Science and Technology has brought forward what they say is a fight between committees which is, in fact, not so; but which is accompanied by an adverse recommendation by that committee of matters properly under the jursdiction of the Committee on Interstate and Foreign Commerce.

Mr. BROWN of Ohio. Does that not mean then that if it is the decision of the leadership that any time to bring up an appropriation bill first, that the authorizing bill will then take second place, and if this precedent obtains for future authorizing bills and appropriation bills, then the authorizing bills will be made moot in that particular area.

Mr. DINGELL. The gentleman is correct. It should be known that this rule is admitted by our two distinguished colleagues that handled it to be a bad rule. They say it is not a precedent; yet we have a second rule following immediately upon the heels of this, which is as like to the first rule as the second pea in a pod. That looks like a precedent to me—and a bad one, too.

Mr. BROWN of Ohio. Mr. Speaker, if the gentleman will yield further, just one final question.

I assume the leadership must have referred this to two or three authorizing committees, so that adequate oversight of that in the DOE bill, not in the public works bill, is so that those authorizing committees can do a thorough oversight job.

The SPEAKER pro tempore (Mr. MURTHA). The time of the gentleman from Michigan (Mr. DINGELL) has expired.

Mr. BOLLING. Mr. Speaker, I yield 1 additional minute to the gentleman from Michigan (Mr. DINGELL).

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield further?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I would assume the reason the leadership has taken on the habit frequently now of referring bills to more than one authorizing committee is so that those authorizing committees can do a thorough oversight job. Particularly, I think that is true in the case of DOE, because this is the first time that the new agency has had a full budget that the Committee on Interstate and Foreign Commerce, the Committee on Science and Technology, and other committees could look over.

Mr. DINGELL. Mr. Speaker, the gentleman is correct. It should also be known by my colleagues that the budget of the Department of Energy is in monstrous disorder and the agency itself is in monstrous disorder. It needs the ordering hand of Congress which this rule and the actions of the Committee on Appropriations would absolutely stay.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield again to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I will take this time only to say finally that I join with the gentleman from Michigan (Mr. DINGELL) in his firm conviction that if we do not defeat this rule, we will set a precedent for authorizing committees to be in effect made moot by the process, and I have no confidence that the Committee on Appropriations, no matter how adequately staffed and no matter how distinguished the membership of that committee—and they are distinguished Members—can do its job adequately and do the things that are necessary to be done.

Mr. DINGELL. Mr. Speaker, this is an outrageous precedent, and the rule should be rejected.

This rule is an affront to the House in that it seeks to gag all Members who are trying to insure that the appropriations process does not entangle itself with the authorization process.

The proposed rule waives points of order against clause 2, rule 21. While I generally object to such waivers, I do not do so in this particular instance. I understand full well the problems that the Appropriations Committee has had relative to trying to achieve enactment of the appropriations bill within the time frame established by the Congressional Budget Act of 1974. Therefore, I have indicated to the Rules Committee and to the Appropriations Committee that I would not oppose such a waiver.

However, the Rules Committee went much further than this, at the behest of the Appropriations Committee. Not only did it not make in order my amendment to condition the authorization by the authorization bill, but it also absolutely precludes any Member from offering such an amendment. This is a very bad precedent. It makes it impossible for the Members of the House to reconcile the authorization and appropriations bills. It has the effect of allowing the Appropriations Committee to include new programs in appropriations language. This responsibility has traditionally and properly been considered as an exclusive function of the authorization committees.

It is the proper function of each authorization committee and the Members of the House on the floor of the House to establish new programs and to set limitations, guidelines, and dollar ceilings for programs of the various departments and agencies in the executive branch. That is not the function of the Appropriations Committee. Yet, under this proposed rule, the Appropriations Committee can take over that function of the authorizing committees.

Mr. Speaker, I find this extremely offensive and in violation of the rules of the House. In my judgment, the rule should not be adopted, and I urge my colleagues to vote against it.

Mr. LOTT. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, this rule has been variously referred to now as "rotten" and "ruthless" and "outrageous."

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. If I may pursue my line of thought, after I have finished, I will be pleased to yield.

Mr. Speaker, I would point out, in answer to what the gentleman from Michigan (Mr. DINGELL) has just said, that he has accused the Committee on Appropriations of acting irresponsibly in appropriating money for the Department of Energy, based on a mission-oriented budget when he wanted a line-item budget, and he also said that the committee held no hearings.

At this hour of the morning, after the late evening session we had yesterday, I can barely lift the three heavy volumes that are on the desk before me. These are parts 5, 6, and 7 of the hearings, all of which relate to the Department of Energy. I do not know how many thousands of pages they encompass. There are three additional volumes here on the table to my left containing the statements of Members of Congress and individuals and organizations, many of which pertain to the various activities of the Department of Energy.

So, Mr. Speaker, I do not think it is quite fair for the gentleman from Michigan (Mr. DINGELL), who obviously has a first-class feud going on with the Secretary of Energy, Dr. Schlesinger, to take out his ire on the Committee on Rules and the Committee on Appropriations.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. ANDERSON) has expired.

Mr. LOTT. Mr. Speaker, I yield 1 additional minute to the gentleman from Illinois (Mr. ANDERSON).

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. First, Mr. Speaker, I will yield to the gentleman from Ohio (Mr. BROWN), and later I will yield to the gentleman from Michigan (Mr. DINGELL).

Mr. BROWN of Ohio. Mr. Speaker, I just wanted to correct the RECORD. The gentleman from Illinois (Mr. ANDERSON) left out my characterization of the rule, which was "ridiculous."

Mr. ANDERSON of Illinois. Let the RECORD be so amended.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, the gentleman still has not addressed the fact, from all the papers that lie before him, that the Committee on Rules sanctified a mission-oriented appropriation, as opposed to a line-item appropriation, which affords the Congress an opportunity to scrutinize its activities.

Mr. ANDERSON of Illinois. Mr. Speaker, I think the gentleman's statement has made it more abundantly clear than ever why the Committee on Rules was obliged to take the action that it did, and that is because we do have this jurisdictional squabble going on. We have the gentleman from Michigan (Mr. DINGELL), who has one idea of what kind of budget the Department of Energy ought to have, and we have the administration downtown which apparently has another idea.

What, under those circumstances, what were we to do?

Mr. DINGELL. The only reason I have taken this position is that I want the House to have a chance to work its will.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. ANDERSON) has again expired.

Mr. LOTT. Mr. Speaker, in summation, I yield 2 minutes to the gentleman from Indiana (Mr. JOHN T. MYERS).

Mr. JOHN T. MYERS. Mr. Speaker, I thank my colleague for yielding this time to me.

Possibly it would be wiser for me to stay out of this spat we have going on between the Committee on Rules and some of the authorizing committees, but it has been portrayed this morning that the Committee on Appropriations is the villain, and that we are desirous of usurping the authority of the authorizing committees, and that is just not true. The fact is that if we are to meet the time schedule provided by the Budget Act, we have to come forward by this date with this bill.

If we are going to have the departments and the agencies perform their functions properly, we have to have some understanding about how much money they are going to have this year. It seems to me that the argument should not be raised, as we in the Appropriations Committee are caught in the middle. It is a fight about whether we can live with the schedule, and we have no choice today but to come forth with this rule and to come forth with this bill. I do not see it as a monstrous bill, as a rotten bill, as it has also been described, but a bill of necessity, a rule of necessity, that we have no other choice.

So if we want the agencies to function this year, we are going to have to vote for this rule today, and then we can make the proper correction this fall when we reorganize this Congress. That is the proper time to make the arguments which are being made today.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

Since the question was asked, "What could the Rules Committee have done?" let me suggest they could have stuck with the very rule they seemed to think was a legitimate rule, before they abrogated it and wrote this one: When the Appropriations Committee acts and the authorizing committee later acts, the authorizing committee levels are to be the limit of what should be spent. If, after having looked at these programs, and having decided the moneys should not be appropriated, those funds would not be authorized or the limits of the authorizing committee would control the appropriation.

Mr. JOHN T. MYERS. We did that 2 years ago, and we all know what happened. We had to come back with a continuing resolution, because authorization was not made by the end of the fiscal year and we had to set that aside with

intervening legislation. It just does not work.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama (Mr. BEVILL), the chairman of the Subcommittee on Public Works.

Mr. BEVILL. Mr. Speaker, this is a good bill. Our subcommittee has worked for many weeks putting this bill together. During the many weeks of hearings, we had before our committee over 1,000 people. We have taken the testimony of every person who wanted to testify on water projects, and from experts in energy matters. This is a well-balanced bill.

Let me say this: We are discussing the rule. It is unfortunate that there are some complications in the authorizing process. Apparently, there are some people who see this as an effort of the Appropriations Committee to take authority from the authorizing committee. That is not true. We are not interested in taking any authority from authorizing committees. As a matter of fact, let me make this point: Every dollar in this bill, every dollar of the $10,300,000,000 in this bill, has been authorized by one or more of the authorizing committees.

As mentioned by the gentleman a moment ago, it is an unfortunate situation. It is nobody's fault. But we have a new Department of Energy. There are some overlapping areas in the authorizing committees. This has created an unfortunate situation. But it has nothing to do with this bill. One or more of the authorizing committees have approved every dollar in the bill. We are not trying to exceed that authority. We do not want to exceed that authority. As a matter of fact, this bill is $53 million under the President's budget. It is $850 million under the Budget Control Act.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding, and I just want to say to the gentleman that there is almost $4 billion, almost $5 billion that has not been authorized in the strategic oil reserve program.

Mr. BEVILL. That program is not in this bill. I can understand the gentleman's confusion. Part of the energy appropriation is in this bill and part of it is in the Interior and related agencies appropriation bill. The chairman of that subcommittee is the gentleman from Illinois (Mr. YATES). The program the gentleman referred to is in the Interior bill and is not being considered today.

Mr. BROWN of Ohio. If the gentleman will yield further, the issue is the rule; is that correct?

Mr. BEVILL. The gentleman is correct.

Mr. BROWN of Ohio. And the rule says that the authorizing committee's later action will in effect be moot, because it will not obtain within the limits set by this bill. That is the problem. The bill of the gentleman is not the issue under attack as it relates to public works. The issue under attack is the rule and the precedent that rule sets with reference to the authorizing committees. It is the same as the bill of the gentleman from Illinois.

Mr. BEVILL. I wish we could solve the jurisdictional problems by this rule, but that is not possible. The gentleman knows that. We cannot solve that problem today. We have a bill that is on schedule. The House and the Senate passed the Congressional Budget Act, and we have no choice but to meet the schedules. We should vote for this rule and move on in an orderly manner. If this rule is defeated, the House will have only a skeleton bill. When it goes to the Senate, the Senate will write the energy bill. It is just that simple.

The Senate will write the energy bill if the rule is not adopted.

Mr. BROWN of Ohio. If the gentleman will yield further, what about the situation which obtained yesterday when we were following the rules of the House and points of order were made against items in the bill that had not been authorized?

Mr. BEVILL. The Senate will write the bill. The gentleman can verify that with the gentleman from West Virginia (Mr. SLACK) whose bill was under consideration yesterday.

Mr. BROWN of Ohio. How can the gentleman say that? It seems to me that the logical procedure would have been to go through with the authorizing bills first and then the appropriation bills.

Mr. BEVILL. That would be very nice. Let us talk about the authorizing bills for a minute.

In 3 years—and this is nobody's fault—in the last 3 years we have not had a single authorization bill through Congress at the beginning of the fiscal year. The gentleman knows that. They have been 6 months late, 9 months late, and in one case over 1 year late.

This year, three authorizing committees have overlapping jurisdictions. I am in sympathy with the gentleman on this matter. I understand this problem. But let us not try to solve that problem on this rule.

Mr. BROWN of Ohio. I say to the gentleman that the bills to which the gentleman has referred to do not apply to the Commerce Committees. The Commerce Committee's bills have come out in timely fashion.

ERDA and the other energy areas to which the gentleman refers were from the Committee on Science and Technology; and there are others, I suppose, from other committees.

My question is as follows: I would ask the gentleman, when this happens, when the administration brings us the budgets later and later and the Committee on Appropriations acts earlier and earlier, when is the authorizing committee supposed to do its work?

The SPEAKER pro tempore (Mr. MURTHA). The time of the gentleman from Alabama (Mr. BEVILL) has expired.

Mr. BOLLING. Mr. Speaker, I yield 1 additional minute to the gentleman from Alabama.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Speaker, I thank the gentleman for yielding.

I want to say that I appreciate the position he is in. I support the rule and support the Committee on Appropriations.

As a chairman of one of the authorizing committees that has been dealing with this problem, I want to make it clear that I do not believe there is any other way to get this budget through the Congress this year. The Committee on Appropriations worked very, very closely with the authorizing committee. Line after line is nearly identical to the authorizing bill that was reported out of cur Committee on Science and Technology about a month ago. There is scarcely any difference at all. There are reductions in some 10 items or so out of about 100. There was a small reduction from the authorizing committee's legislation.

There could not be a better example of coordination than that which has occurred between the Committee on Appropriations and the authorizing committees. This rule is the only way they can complete this bill.

Mr. Speaker, although I do not like the situation we have with respect to the overlapping jurisdiction of authorizing committees, we should go forward with this rule on this bill.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. MAHON), the distinguished chairman of the Committee on Appropriations.

Mr. MAHON. Mr. Speaker, I concur in the speech that has just been made by the gentleman from Washington (Mr. McCORMACK).

The Committee on Appropriations has had a very splendid relationship with the Committee on Rules and with the authorizing committees of the Congress through the years.

The Committee on Appropriations is in the minority from the standpoint of numbers. Let no one think for one moment that the Committee on Appropriations wishes to take over the functions of the authorizing committees and render them impotent. That is certainly not possible under any circumstance because we do not have the ability nor the disposition to do so.

We have sought in every possible way to live within the authorizations. We need authorizations. We believe in authorization committees. We do not believe authorizations should be exceeded. And believe in working closely with the authorizing committees.

In some cases where appropriations have been recommended above authorizations, we have corrected them in committee. In other instances we have offered conforming amendments on the floor of the House. Sometimes, in considering the figures in conference, we have worked with the other body in an effort to see to it that we do not exceed authorizations.

However, we are now confronted with the problem of trying to pass in June 11 major annual appropriation bills, 11 of them.

We were not, under the rules of the House, permitted to bring the appropriation bills before the House prior to May

15, the time when the conference report on the budget resolution is required to be adopted. Now we are trying to get all of these appropriation bills considered because we cannot wait and still be in conformance with the Budget Act. We ought to get 11 of the appropriation bills out of the way in June. Defense and the District of Columbia bills will be the only ones remaining for July.

We will have a July recess, as we know, and we will have an August–Labor Day recess for about 3 weeks; and then by September 15 we will have to button up the whole budget process. We are just doing our best to live within the guidelines of the Budget Act. The Committee on Appropriations has been dedicated to the objectives of the Budget Act and to honoring the traditional authorization and appropriations process. The whole problem is one of timeliness.

I agree that there is some basis for discontent and unhappiness over the present situation. We are unhappy, the authorizing committees are unhappy, the Rules Committee is unhappy, we are all unhappy about the situation; but we do not want to let the Budget Act become inoperative and ineffectual. If we are going to do this job, we have to go along with the schedule for these appropriation bills.

Mr. Speaker, I just hope that the Members will vote for the rule and go along with the Committee on Rules, with the complete and total assurance that the Members may always depend upon the utmost cooperation of the Committee on Appropriations in trying to do the people's business.

Mr. Speaker, here is the situation that has led the Committee on Appropriations to seek the rule that is now before the House.

The whole problem really revolves around the Budget Act, although the Budget Act itself is not the problem.

The Budget Act requires that all spending measures be completed by 7 days after Labor Day. This year the date is September 11.

This provision is necessary in order that Congress can adopt the second concurrent budget resolution which sets the final ceilings on spending and the floor on taxation. It is this second budget resolution which is really the centerpiece or capstone of the whole Budget Act.

It is simply not possible to adopt this second budget resolution without having specific information as to what the appropriations bills contain.

And it is for this reason, Mr. Speaker, that it is necessary for the Committee on Appropriations to follow the schedule that it does.

The problem is that many of the authorizing committees have not acted in the necessary timely fashion to conform their actions to the timetable envisioned in the Budget Act.

So, as a result, we are confronted with the situation of having the appropriation bills often being scheduled in advance of enactment of the authorizing bills and in some cases even before the authorization bills have been scheduled for floor consideration. And obviously, Mr. Speaker, this creates considerable problems.

The long-range solution may possibly be to require authorization committees to report their bills 1 year in advance. This not only would solve the problems we are discussing today but would probably greatly add to the ability of the departments and agencies to plan and manage their programs more efficiently.

But, Mr. Speaker, that is the long-range solution and will not solve our problems today.

What needs to be done today is to approve a rule that would prohibit amendments on the Interior and public works bills such as Mr. DINGELL desires to offer.

Otherwise it will be very difficult for us to move ahead with our appropriation bills as we had originally scheduled.

The reason for this is that amendments such as the Dingell amendment offer the potential of significantly undoing the work of the Congress in the traditional appropriations process.

The point is this, Mr. Speaker:

Members of the House should be able to vote on appropriation bills knowing that when they vote to provide money for some purpose that that purpose subsequently will not be changed.

Amendments such as the Dingell amendment will prevent Members from having that security and in my opinion work against the efficient functioning of the House, and ultimately, because of the delay they will cause in the appropriation bills, will bring about the collapse of the Budget Act.

It is for this reason, Mr. Speaker, that I think it is very important that we approve this rule that will prohibit such amendments as Mr. DINGELL seeks to propose, until a long-range and permanent solution can be worked out to this problem.

Mr. LOTT. Mr. Speaker, I have no further requests for time.

Mr. BOLLING. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from Missouri (Mr. BOLLING) is recognized for 7 minutes.

Mr. BOLLING. Mr. Speaker, I have been on the Rules Committee quite a long time, and a great deal of that time has been spent in trying to figure out solutions to the kinds of problems we have been discussing today. Quite naturally in a political institution, there is always tension between authorizing committees and appropriating committees. There is nothing new about that. There are all kinds of proposals to change the process, but a number of years ago we adopted a Budget Act which set up schedules. The schedules are necessarily rather rigid because we have a finite piece of time to work with to get all of these things done.

What the House of Representatives passed is not in the Budget Act. We had a different approach to the timing. It would have been a better one, I am convinced, and I wish that we had been able to adopt it. This is not a bad rule. This is a very good rule. It is the only rule that will make it possible to effectively continue the Budget Act, get the work of the House done in the time required by law, and be fair to all the Members. It is the only rule that we could come up with.

Now, what it does—despite all the horror stories and straw men that we have had before us—what it does is enable the Appropriations Committee to do its work. If an authorization is not in place, it then enables that money that is appropriated by the Appropriations Committee to be spent legally. When the authorization becomes law, its language will prevail. It is not any deprivation of the right of the authorization committees to function. It is a question of timing. Therefore, it is neither a bad bill nor an attack on the authorizing committees. It is an attempt to get the work of the House done.

Perfectly frankly, I am not a partisan of one or the other, either the authorization committees or the Appropriation Committee. I have gotten in trouble fairly frequently, with both over the years that I have been on the Rules Committee but all I have ever been concerned with is the question of the House working its will and doing its work. This rule will advance that.

I do not know whether it is a precedent or not; I do not care. I believe that the important thing is for the House to do its work. The way to get that work done in a timely fashion is to adopt this rule, proceed to the controversy, and do our work.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DINGELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 317, nays 82, not voting 35, as follows:

[Roll No. 461]

YEAS—317

Abdnor	Bolling	Conable
Addabbo	Bowen	Conte
Akaka	Brademas	Corcoran
Ambro	Breaux	Corman
Ammerman	Breckinridge	Cornell
Anderson, Calif.	Brinkley	Cornwell
	Brooks	Cotter
Anderson, Ill.	Buchanan	Coughlin
Andrews, N.C.	Burgener	Cunningham
Andrews, N. Dak.	Burke, Calif.	D'Amours
	Burke, Fla.	Daniel, Dan
Annunzio	Burke, Mass.	Daniel, R. W.
Applegate	Burleson, Tex.	Danielson
Armstrong	Burlison, Mo.	Davis
Ashley	Burton, John	de la Garza
Aspin	Burton, Phillip	Delaney
AuCoin	Butler	Dellums
Bafalis	Byron	Dent
Baldus	Carney	Derrick
Barnard	Carter	Dickinson
Baucus	Cavanaugh	Dicks
Beard, R.I.	Cederberg	Dodd
Beard, Tenn.	Chappell	Dornan
Benjamin	Chisholm	Downey
Bennett	Clausen, Don H.	Duncan, Oreg.
Bevill		Duncan, Tenn.
Biaggi	Clawson, Del	Edwards, Ala.
Blanchard	Clay	Edwards, Calif.
Blouin	Cochran	Edwards, Okla.
Boggs	Cohen	Eilberg
Boland	Coleman	Emery

English	Ketchum	Price
Erlenborn	Keys	Pritchard
Ertel	LaFalce	Quillen
Evans, Colo.	Lagomarsino	Rahall
Evans, Del.	Latta	Railsback
Evans, Ga.	Leach	Rangel
Evans, Ind.	Lederer	Regula
Fary	Leggett	Rhodes
Fascell	Lehman	Rinaldo
Fenwick	Lent	Risenhoover
Findley	Livingston	Roberts
Fish	Lloyd, Calif.	Robinson
Fisher	Lloyd, Tenn.	Roe
Fithian	Long, La.	Roncalio
Flippo	Long, Md.	Rooney
Flood	Lott	Rose
Flynt	Lujan	Rostenkowski
Foley	Luken	Roybal
Ford, Mich.	Lundine	Rudd
Ford, Tenn.	McClory	Ruppe
Forsythe	McCloskey	Ryan
Fountain	McCormack	Sawyer
Fraser	McDade	Sebelius
Gammage	McEwen	Shuster
Garcia	McFall	Sikes
Gaydos	McHugh	Sisk
Gephardt	McKay	Skelton
Giaimo	Madigan	Skubitz
Gibbons	Mahon	Slack
Gilman	Mann	Smith, Iowa
Ginn	Marks	Smith, Nebr.
Glickman	Marlenee	Snyder
Goldwater	Marriott	Spellman
Gonzalez	Mathis	Spence
Goodling	Mattox	St Germain
Gradison	Mazzoli	Stangeland
Grassley	Metcalfe	Stanton
Gudger	Meyner	Steed
Guyer	Michel	Steers
Hagedorn	Mikva	Stokes
Hall	Milford	Stratton
Hamilton	Miller, Ohio	Symms
Hammer-schmidt	Mineta	Taylor
	Minish	Thompson
Hanley	Mitchell, Md.	Thone
Hannaford	Mitchell, N.Y.	Treen
Harrington	Moakley	Trible
Harris	Mollohan	Udall
Harsha	Montgomery	Van Deerlin
Hawkins	Moorhead, Pa.	Vander Jagt
Heckler	Mottl	Vanik
Hefner	Murphy, Ill.	Waggonner
Heftel	Murphy, N.Y.	Walgren
Hightower	Murphy, Pa.	Walsh
Hillis	Murtha	Wampler
Holt	Myers, Gary	Watkins
Horton	Myers, John	White
Howard	Natcher	Whitehurst
Hubbard	Neal	Whitley
Huckaby	Nichols	Whitten
Hughes	Nix	Wiggins
Hyde	Nolan	Wilson, Bob
Ichord	Nowak	Wilson, C. H.
Ireland	O'Brien	Wilson, Tex.
Jacobs	Oakar	Winn
Jenrette	Obey	Wolff
Johnson, Calif.	Patten	Wright
Johnson, Colo.	Patterson	Wydler
Jones, N.C.	Pattison	Yates
Jones, Okla.	Pepper	Yatron
Jones, Tenn.	Perkins	Young, Alaska
Jordan	Pettis	Young, Fla.
Kasten	Pickle	Young, Mo.
Kastenmeier	Poage	Young, Tex.
Kazen	Pressler	Zablocki
Kemp	Preyer	Zeferetti

NAYS—82

Archer	Fuqua	Oberstar
Ashbrook	Gore	Ottinger
Bauman	Green	Panetta
Bedell	Harkin	Pursell
Bingham	Holtzman	Quayle
Bonior	Jeffords	Reuss
Brodhead	Kelly	Richmond
Broomfield	Kildee	Rogers
Brown, Calif.	Kindness	Rosenthal
Brown, Mich.	Kostmayer	Rousselot
Brown, Ohio	Krebs	Russo
Broyhill	Levitas	Santini
Carr	McDonald	Sarasin
Cleveland	McKinney	Satterfield
Collins, Tex.	Maguire	Scheuer
Crane	Markey	Schroeder
Derwinski	Martin	Schulze
Devine	Meeds	Seiberling
Dingell	Mikulski	Sharp
Drinan	Miller, Calif.	Solarz
Early	Moffett	Staggers
Eckhardt	Moore	Stark
Edgar	Moorhead, Calif.	Steiger
Florio	Moss	Stockman
Fowler		Studds
Vento	Waxman	Wirth
Volkmer	Weaver	Wylie
Walker	Weiss	

NOT VOTING—35

Alexander	Hansen	Runnels
Allen	Holland	Shipley
Badham	Hollenbeck	Simon
Beilenson	Jenkins	Stump
Bonker	Krueger	Teague
Caputo	Le Fante	Thornton
Collins, Ill.	Myers, Michael	Traxler
Conyers	Nedzi	Tsongas
Diggs	Pease	Tucker
Flowers	Pike	Ullman
Frenzel	Quie	Whalen
Frey	Rodino	

The Clerk announced the following pairs:

Mr. Le Fante with Mr. Allen.
Mr. Shipley with Mr. Runnels.
Mr. Simon with Mr. Hansen.
Mr. Beilenson with Mr. Badham.
Mr. Teague with Mr. Hollenbeck.
Mr. Ullman with Mr. Quie.
Mr. Traxler with Mr. Caputo.
Mr. Conyers with Mr. Tucker.
Mr. Bonker with Mr. Stump.
Mr. Nedzi with Mr. Krueger.
Mr. Diggs with Mr. Frenzel.
Mr. Flowers with Mr. Frey.
Mr. Pike with Mr. Whalen.
Mr. Tsongas with Mr. Pease.
Mr. Alexander with Mrs. Collins of Illinois.
Mr. Jenkins with Mr. Holland.
Mr. Michael O. Myers with Mr. Thornton.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

TABLING OF RULES

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to lay on the table House Resolution No. 1224, Public Works for Water and Power Development and Energy Research Appropriations Act, 1979; House Resolution No. 1223, Legislative Branch Appropriations Act, 1979; and House Resolution No. 1227, State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1979.

These are rules that have been overrun by time and are of no use.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks on the consideration of the bill H.R. 12928, Public Works Appropriations for fiscal year 1979.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PUBLIC WORKS APPROPRIATIONS, FISCAL YEAR 1979

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12928) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Indiana (Mr. JOHN T. MYERS) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. BEVILL).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12928, with Mr. SHARP in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Alabama (Mr. BEVILL) will be recognized for 1 hour, and the gentleman from Indiana (Mr. JOHN T. MYERS) will be recognized for 1 hour.

The Chair now recognizes the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are pleased to bring to the House today for your consideration the public works for water and power and energy research appropriation bill for fiscal year 1979. The bill provides a total of $10,315,174,900 for the Department of Energy, Corps of Engineers, Bureau of Reclamation, Nuclear Regulatory Commission, the Tennessee Valley Authority, and other agencies. I hasten to point out that the appropriations recommended in the bill are $53,724,100 less than the budget requests.

Mr. Chairman, the members of the Public Works Subcommittee have worked very hard to bring this well-balanced, fine-tuned legislation to the floor today: The gentleman from Massachusetts (Mr. BOLAND), the gentleman from Mississippi (Mr. WHITTEN), the gentleman from West Virginia (Mr. SLACK), the gentlelady from Louisiana (Mrs. BOGGS), the gentleman from Washington (Mr. DICKS), the gentleman from Illinois (Mr. SHIPLEY), the gentleman from Florida (Mr. CHAPPELL), the gentleman from California (Mr. BURGENER), and the gentlelady from Nebraska (Mrs. SMITH). And, Mr. Chairman, I want to pay a special tribute to the distinguished ranking majority member of the subcommittee, the gentleman from Indiana (Mr. MYERS). He and I have worked together, in a totally nonpartisan manner, to try to get answers to some of the most perplexing problems facing our Nation today.

Mr. Chairman, this bill was ordered reported from the full Appropriations Committee on May 31 without a dissenting vote. I appreciate the cooperation of my colleagues on the full committee, and I want to pay a special tribute to the gentleman from Texas (Mr. MAHON) for his guidance and cooperation during my service on the committee and particularly since I became chairman of the

Public Works Subcommittee. Our chairman is retiring this year after 44 years in the House and over 14 years as chairman of the Appropriations Committee. The Congress and the Nation should be grateful that the people of Texas have had the wisdom to elect and reelect this truly remarkable man. For my part, I know that he is respected and loved by his colleagues, and we shall all miss his leadership and his wisdom. I wish him well in his retirement.

Mr. Chairman, we are nearing the end of the decade—a decade of tumultuous change in the world and in our own country. In 10 years we have seen the politics of plenty change dramatically to the politics of scarcity. The affluence and abundance of the late 1960's has turned around so that now we face critical resource constraints in major sectors of the American economy. And, Mr. Chairman, there are no two more important resource concerns facing us today than the scarcity of energy and the scarcity of water in many parts of our country. I believe the bill we bring to the floor today will meaningfully address, in a variety of ways, these important resource concerns.

There are some Americans who believe that our economy and our standard of living should assume a zero growth posture. In developing the bill before you today, we have rejected that concept. We know that a democratic society depends on a large measure of economic justice—a concept which depends on a growing economy responsive to the changing desires of the people. We welcome change, we welcome growth and we welcome the opportunity to insure a higher standard of living for all Americans. At the same time, growth and development must be sought with care and prudence. The bill before you today reflects a philosophy of sound, responsible stewardship of our resources.

ENERGY

Mr. Chairman, the bill would provide $6,183,066,000 in new budget authority for the new Department of Energy which was established as the 12th Cabinet department last year. This year was the first time the committee has been presented with an energy program formulated by one agency. Previously, the multitude of Federal programs and responsibilities in the energy field were administered by several Cabinet departments and independent agencies and commissions. Although we were hopeful that the new organization would bring a clearer focus and new strength to our national energy program, we have been somewhat disappointed. As is evident from an examination of the committee report, the committee is recommending some significant revisions in the proposed program.

For energy research and technology development, the committee is recommending $2,641,055,000. This recommendation reflects the basic resolve of the committee to provide a prudent level of funding for all energy technologies which can reasonably be expected to enhance our domestic energy supplies in the short and long term. In the short term, we have only two supply alternatives to higher oil imports: Coal and nuclear power. Mr. Chairman, it is not well known, but currently we are producing about 30 percent of our electricity with precious oil or natural gas. This practice is wasteful and could be significantly reduced. One way would be to increase the use of nuclear power. Now we all know that some significant issues have emerged in recent years about nuclear power; chiefly environmental and safety issues. The program recommended in the bill not only continues and expands research and development on nuclear technology but also commits the Department to a substantial environmental and safety program.

Mr. Chairman, the bill also includes $155,700,000 for geothermal energy, $52,600,000 for biomass and $101 million for energy electric systems and storage technology. The committee recommends increases in these areas because there is significant near-term potential for these energy technologies in certain applications.

In the long term, there appears to be many promising technologies capable of contributing significantly to the solution of our energy supply problems: principally solar, fusion energy, and fission breeders. The committee is recommending a total of $473,700,000 for solar energy R. & D., an increase of $128,500,000 over the budget request. This is also a substantial increase over the current program level. In the past few years, the Congress has provided for significant increases in the solar program, as can be seen from a table I shall place in the RECORD at this point:

Federal appropriations for solar energy

Fiscal year 1974	$15,000,000
Fiscal year 1975	43,000,000
Fiscal year 1976	115,000,000
Fiscal year 1977	294,000,000
Fiscal year 1978	390,000,000
Fiscal year 1979 recommendation	473,700,000

Another energy resource with significant long-term potential is the fusion process. The bill includes $357,700,000 for civilian fusion energy research and development, an increase of $23,700,000 over the budget.

Mr. Chairman, the committee is recommending $576,967,000 for the breeder reactor program, including $157,500,000 for the breeder reactor demonstration project. As was the case last year, the future of this part of the program is clouded. The President has proposed termination of the Clinch River breeder reactor demonstration project. This project was authorized by section 106 of Public Law 91-273, as amended. Funds were included in the Supplemental Appropriation Act, 1978, for the continuation of this project. Currently, consideration is being given to changing the legislative authority for the project. The authorizing committees are also considering alternative breeder reactor demonstration projects and concepts. As stated in the report, the committee has provided $157,500,000 to carry out the breeder reactor demonstration project approved by Congress in the authorizing legislation.

Funds are also provided for other advanced reactor concepts, space nuclear systems, basic energy and advanced technology development activitities. The total recommended for energy research and technology is $406,100,000 over the budget request.

The committee is recommending net new budget authority for uranium supply and enrichment activities of $144,800,000 consisting of $1,453 million in obligational authority less $1,309 million programed from the sale of enriched uranium to the private sector. The committee is recommending certain reductions in this area together with increased revenues required to cover certain enrichment costs not heretofore included in the pricing calculation. This recommendation is consistent with existing law and with recommendations made by the U.S. General Accounting Office.

The bill would provide a total of $441,300,000 for the general science and research function in the Department of Energy, an increase of $15 million over the request. These funds will be used for advanced energy research as well as for fundamental scientific inquiry—areas of research which are basic to man's understanding of the universe.

The committee recommendation includes $2,602,283,000 for atomic energy defense activities, a reduction of $250,300,000 from the budget. These funds will be used for research, development, test and production of nuclear weapons and special nuclear materials and development of fission technology for nuclear naval surface ships and submarines. Funds are also included for improving the security of our weapons and materials and technical activities relating to intelligence and arms control.

For policy management and support, the bill would provide $343,625,000. The committee has made reductions in this area because we believe the requests for several activities were excessive.

For the five power marketing administrations which have been transferred to the new Department, the committee is recommending a separate appropriation of $143,473,000. The Department of Energy Organization Act requires that these five regional agencies be organized and operated as separate entities within the Department. The committee's proposal is consistent and supportive of this provision.

The committee is also recommending a separate appropriation of $51,300,000 for the Federal Energy Regulatory Commission, an entity that Congress intended to function independently from the Department. The recommendation is $7,630,000 over the budget request and is provided to allow the Commission to substantially reduce the backlog of cases and license applications.

HYDROELECTRIC POWER DEVELOPMENT

Mr. Chairman, the recommended bill includes $15 million for hydroelectric power development activities in the Department of Energy, particularly the development of low-head hydroelectric power production. Apparently, there is a significant potential for low-head hydroelectric power—an estimated 200,000 megawatts. Twenty-five percent of this potential is at existing dam sites around the country. If we would just utilize the power available at existing sites, we could avoid using significant amounts of ex-

pensive, imported oil and natural gas for the generation of electricity. The bill would provide the resources necessary to identify and develop this significant energy resource.

WATER RESOURCE DEVELOPMENT

In addition to activities of the Department of Energy, there are a significant number of multipurpose water resource development projects currently underway which will significantly augment our ability to produce electricity from domestic resources. Currently we produce approximately 68,300 megawatts of electricity at existing public and private sites. Funds recommended in this bill for projects of the Army Corps of Engineers and Bureau of Reclamation will enhance this capacity by approximately 20 percent, a significant increase. I point this out, Mr. Chairman, because I think it is very important to recognize the major role our public works program has in our national energy program.

In addition to this important aspect, the water resources development program recommended in the bill for the Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority will provide for other significant and important benefits, as shown on page 7 of the committee report. These tables show the total benefits of completed projects as well as estimated benefits from projects included in the bill. I would like to insert those tables in the RECORD at this point:

Benefits of completed projects

Annual water supply benefits:
Gallons of water furnished, 2,672 billion.
Number of people served, 24.3 million.
Annual power benefits:
Installed generating capacity (kilowatts), 54.5 million.
Net generation (kilowatt-hours), 230.9 billion.
Gross revenues, $2.5 billion.
Flood control benefits to date:
Estimated value of flood damage prevented, $67.9 billion.
Expenditures for flood control facilities, $9.9 billion.
Annual navigation benefits: Annual traffic tonnage, 1.8 billion.
Reclamation benefits:
Acres irrigated, 9.5 million.
Annual value of crops produced, $4.3 billion.
Recreation benefits: Annual visitor days, 525.4 million.

Benefits of projects in bill

The value of the projects recommended in the bill for planning and construction under the programs of the Corps of Engineers, the Bureau of Reclamation and the Tennessee Valley Authority is evidenced by the following breakdown which shows the estimated annual benefits:

Flood control	$2,994,750,000
Water supply	313,704,000
Power	1,322,779,000
Recreation	292,396,000
Irrigation	742,807,000
Water quality	156,676,000
Navigation	1,350,170,000
Fish and wildlife	69,374,000
Erosion control	58,234,000
Area redevelopment	97,792,000
Total estimate	7,398,682,000

These tables outline the importance of the public works program to the Nation: Water supply, flood control, navigation, and recreation. As important as these benefits are, I am concerned that the greatest challenge to our Nation's ability to wisely manage its water resources lies in the future.

This year, the Public Works Subcommittee received very disturbing testimony from the Corps of Engineers about future water supplies for many of our major metropolitan areas. In addition, there are a host of other small communities around the Nation facing water supply problems. And, of course, last year we were concerned with drought in many areas of the Western United States. The situation has improved in many Western areas and our ability to properly manage the long-term water supply of the area depends on our ability to conserve and control the intermittent rainfall received in that part of our Nation. We have recently read and seen how floods have ravaged and devastated certain areas in California as well as other parts of the country. And with all of this, Mr. Chairman, the subcommittee was presented with a water resources development proposal that would not even maintain the status quo. In January, the President's budget proposed no new planning or construction starts for both the Army Corps of Engineers and the Bureau of Reclamation. Further, the budget proposal for the Corps of Engineers would delete 56 ongoing studies and delay 59 others; delete 8 ongoing planning items and delay 8 others; and delay the completion of 46 ongoing construction projects. This proposal was unacceptable to nearly all of my colleagues whose areas face critical water supply and water management problems. It was unacceptable to the subcommittee and it was unacceptable to the full committee. The bill before you today would provide for 25 new planning starts and 41 new construction starts for the corps and the Bureau. In addition, the committee has provided funds to continue nearly all current water resources development initiatives.

In fiscal years 1978 and 1979 a total of 69 construction projects are scheduled for completion by the corps and the Bureau of Reclamation. It is evident from these figures that the number of projects in the construction pipeline of both agencies is being gradually reduced. I should also note that there are many worthy projects in the authorized backlog for which the committee did not recommend funding.

Mr. Chairman, after the committee reported the bill, the President announced his proposed water policy and sent to the other body a budget amendment for $642,860,000 for water resource projects of the Corps of Engineers and the Bureau of Reclamation. This amendment has been sent to the Senate. Of course, this proposal comes too late in the budget process for the Appropriations Committee to fully consider it as we have other proposals made by the President. The statement issued by the President on his water policy is only a summary and we have been unable to do a detailed analysis of what this policy would mean. However, in looking at the details of the budget amendment on specific water projects, it turns out that the committee has heard testimony and received evidence of support on these projects from individual Members of Congress and other officials and citizens. Our recommendations include 25 of the 36 new water resource initiatives proposed by the President. I believe it should be noted that the criteria used by the committee in selecting its 41 new starts are generally in accord with the criteria recommended by the President in connection with his budget amendment. Since the President has submitted an additional request for budget authority, I will offer an amendment at the appropriate time adding to the bill the necessary funds for those projects proposed by the President which the committee did not include in the bill as reported. As I stated previously, I will be offering this amendment, because we have had hearings or received evidence of support for these projects.

Even with the additional amount, $26.5 million, which I propose to add to the bill for the new projects, the bill would be $27,265,000 below the administration's budget request to the House.

The committee bill recommends $2,654,300,000 in new budget authority for the civil works program of the Army Corps of Engineers, an increase of $205,500,000 over the budget request. For general investigations, the committee is recommending $139,844,000, an increase of $31,744,000 over the budget request. For the construction, general account, the bill includes $1,367,226,000, an increase of $92,826,000 over the budget.

The committee recommends $795,500,000 for the operation and maintenance, general account, an increase of $45 million over the budget. The committee believes that this increase is necessary if we are going to continue to use our natural and manmade water resource facilities efficiently and productively.

A total of $351,730,000 is recommended for flood control on the Mississippi River and tributaries, the revolving fund, general expenses, flood control, and coastal emergencies and special recreation use fees.

The committee recommends $624,266,900 for the water resources development functions in the Department of the Interior which are carried out principally by the Bureau of Reclamation. The recommendation is $2,568,100 less than the budget request.

For general investigations, the committee recommends $29,870,000, an increase of $7,670,000 over the budget request. For construction and rehabilitation, the bill includes $244,391,000, a reduction of $26,171,000 from the budget. The committee is also recommending $87,339,000 for the upper Colorado River storage project, $74,770,000 for the Colorado River basin project, $27,315,000 for Colorado River basin salinity control projects, $87,873,000 for operation and maintenance, $37,745,000 for the loan program, which includes eight new loans, and $25,250,000 for general administrative expenses.

The committee is also proposing to finance certain water resources planning

activities through the Office of the Secretary of the Interior. These activities were previously under the jurisdiction of the Water Resources Council.

Mr. Chairman, we cannot solve all of the Nation's water problems; mother nature can be expected to challenge man's best efforts and she will confound us on certain occasions. And when she does, you will read about it in the press and see the damage and destruction on the television. But you will not hear about the crisis prevented or the shortage averted. The funds recommended in the bill today will go to plan and build these needed water resources projects—projects that will supply cities and suburbs with adequate supplies of drinking water, water for agricultural irrigation and the containment and control of water when lives and property are threatened by flood.

Another important benefit to be derived from the water resources development program is the construction and maintenance of an extensive inland waterway transportation system. This system is an integral part of our mining, agricultural and industrial production and distribution system. As you know, water transportation is an inherently efficient form of transport and is more energy efficient than the other modes for most movements of bulk commodities. Funds are included in the bill for the operation, maintenance, and improvement of this important component of our transportation network.

ENVIRONMENT

In 1969, the Congress passed the National Environmental Policy Act. Since the enactment of this and other laws, the private and public sectors have been required to address the effects of their actions and programs on the environment. Certainly, there have been no three agencies more affected by environmental legislation than the Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority. Over the past several years, these agencies have demonstrated a strong capacity to insure the proper regard and care for the enhancement of the environment. Funds in this bill will be used for the design and construction of facilities with due regard for environmental protection and enhancement.

INDEPENDENT AGENCIES

The committee is recommending $853,542,000 in new budget authority for certain independent agencies. These recommendations are $41,615,000 over the budget requests.

For the Appalachian development program the committee recommends $376,220,000, an increase of $30,300,000 over the budget request. As has been true in past years, the committee supports the Appalachian Regional Commission in its efforts to stimulate development and opportunities in the Appalachian area.

We are recommending a total of $1,304,000 for planning and administrative expenses for the three river basin commissions under our jurisdiction: The Delaware River Basin Commission, the Interstate Commission on the Potomac River Basin, and the Susquehanna River Basin Commission.

The bill includes $321,487,000 for the Nuclear Regulatory Commission, a reduction of $9,183,000 from the budget request. The Commission has important safety responsibilities for the construction and operation of nuclear powerplants in the United States as well as certain other responsibilities. The recommendation is consistent with the growing importance of the Commission's duties and responsibilities as well as the committee's belief that the Commission must improve the current licensing process.

For the Tennessee Valley Authority, the committee recommends an appropriation of $154,531,000, an increase of $19,896,000 over the budget request. The committee is proposing increases for the Columbia unit of the Duck River project and the energy demonstration program.

COMMITTEE HEARINGS

Mr. Chairman, during the development of this bill, we heard from over 125 of our colleagues and their advice and counsel is reflected in the committee recommendations. In addition, we heard from over 575 other witnesses including the Governors of several States, officials from the executive branch, State, and local governmental officials and private citizens. The hearings are contained in 10 printed volumes totaling 10,952 pages.

Mr. Chairman, we believe this bill deserves the favorable consideration of the House.

Mr. DON H. CLAUSEN. Will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. I thank the gentleman for yielding, and I want to commend the gentleman for his extraordinary efforts in bringing this bill to the floor.

There have been all sorts of comments about the bill presented being "over the budget," and it is my understanding that the bill the gentleman is presenting is below the budget as presented by the administration; am I correct on that?

Mr. BEVILL. My colleague is correct. It is $53 million under the President's budget and $850 million under the first concurrent budget resolution.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman for yielding.

Mr. Chairman, first of all I want to compliment the gentleman from Alabama (Mr. BEVILL), who is one of the finest subcommittee chairmen we have on the Committee on Appropriations. The gentleman is very conscientious and is a hard worker.

Mr. BEVILL. I thank the gentleman for his remarks.

Mr. CONTE. Mr. Chairman, I appeared before the gentleman's subcommittee, as the gentleman recalls, opposing the Dickey-Lincoln project, and I requested that the money be taken out, which the chairman did. And for that, I am very, very appreciative. But there is a lot of hearsay and a lot of talk around the hall here, saying:

Well, the subcommittee took it out, but there is a deal made, the Senate will put it back in and it will remain in conference.

Mr. BEVILL. Mr. Chairman, I will say to the gentleman there is no such deal. There is always speculation. We have that on all water projects. That is something I cannot control. But to my knowledge, there is no deal of any kind. I do not know what people in the Senate are thinking about doing on this matter. I have no knowledge of their plans. That is all I can say to the gentleman at this time.

Mr. CONTE. But the chairman can give us some assurance that he is going to fight to keep it out of the bill?

Mr. BEVILL. Certainly, if the House approves this bill, I am certainly going to represent the view of the House on the conference committee.

Mr. CONTE. I thank the gentleman.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I want to congratulate the gentleman, the chairman of the subcommittee, on the work that he and the subcommittee have done.

I would like to state at this time that as the chairman of the authorizing subcommittee, the Subcommittee on Advanced Energy Technology, I am extremely pleased with the close cooperation that has existed between the gentleman and me, and between our committees and our committee staffs. I think this is reflected in the appropriation figures which appear in the bill that is before us today.

For instance, in the area of solar energy, the amounts appropriated are identical, to the penny, with the authorization amounts for all the various solar energy technologies.

For example, in solar heating and cooling, the administration request was $80 million. Both committees added $37 million.

In thermal electric, the administration request was $100 million. Both committees honored that request with a small adjustment.

On wind energy, the administration request was $41 million. Each committee added $20 million.

On photovoltaics, the administration request was $76 million. Each committee added $49 million.

In ocean thermal conversion, the administration request was $33 million. Each committee added $22 million.

Mr. Chairman, all across the solar energy budget the picture is identical. The administration request in the public works bill was $345 million for solar energy. Our committee added $134 million, for a total of $479 million, including bio-conversion, for an increase this year in solar energy of 40 percent above the administration request.

Similarly, in geothermal energy, the two committees agreed to a penny, for a total of $155.7 million.

In basic energy sciences the Appropriation Committee which the gentleman chairs came in very closely below our committee. The differences are about $7 million out of about $204 million.

For high-energy physics operating expenses, my committee authorized $199 million; and the gentleman's committee appropriated $197 million, only $2 million off out of $200 million.

Mr. Chairman, I think this is an outstanding example of very close cooperation in an effort to do a good job. Each committee has worked very carefully with the various agencies of Government and outside experts so as to understand the subprograms. We have coordinated our efforts to come up with these numbers.

Mr. Chairman, I think it is a tribute to this committee and to the members of my committee and to the staffs of our two committees that we have come so close to the same figures.

Again, I want to compliment the gentleman for his work and offer my enthusiastic support for this legislation.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I want to compliment the subcommittee on the work they have done this year. There are those in this House who do watch very closely what the Committee on Appropriations does in each case, because it is our taxpayers' money that we are spending and I believe the committee's action is reasonable. But let me turn to another point. I picked up the newspapers this week, as most of us did, and read that suddenly emanating from the White House or from OMB there was a hit list of water, flood control, and reclamation projects and a statement by somebody whom most of us probably do not know, named Cutler, who was making direct threats that the President was going to veto the bill.

At any time in the course of the hearings since January that the gentleman's subcommittee has been holding, has the President ever communicated to the gentleman any of these newly announced views? Has he sent any of his many officials to come and tell you of them, or was he not even aware that the gentleman's committee holds hearings annually on public works appropriations?

Mr. BEVILL. Let me say to my friend, the distinguished gentleman from Maryland, that we held hearings on this bill for 10 weeks. To my knowledge, nobody from the White House asked to testify before our subcommittee. We took testimony from anyone who wanted to be heard, time permitting. We were looking forward to hearing from the White House.

It is unfortunate that we are in this situation. Our subcommittee worked hard to put this bill together. The Appropriations Committee as a whole approved it on May 31. Last week the White House came out with a new policy proposal on water resource projects. That policy may be an improvement. I do not know. We have not had a chance to hold any hearings and examine the criteria.

It has been reported that the White House has said, in effect, that—

> If we don't get the projects we want, and if the projects we don't want aren't eliminated, the President will do this or do that.

All we can do in subcommittee, and we feel it is our duty to this House, is to put this bill together the best way we can, based on the testimony we heard. I do not know Mr. Cutler, or where his information came from. I do know where this subcommittee's information came from. It is the best available, put together by people who know these projects, who know what they are doing and what they are talking about. They are the people who are actually building the projects.

This new policy was dropped in our laps at the last minute. The subcommittee has always listened to the President. We will consider everything the White House proposes. We are going to do everything we can to work with the President.

We heard that there were some 11 items that the President wants, that we did not have in the appropriation bill. That will be my first amendment, because we are very familiar with the projects he wants. For example, Puerto Rico had four good project proposals, but we cannot build all the good projects even though they meet environmental tests, economic, criteria, and benefit/cost ratios. We cannot fund them all. So we funded two of them. The President wants another, a third one. We will propose an amendment to add the projects that the President wants. We know about them. We are going to offer an amendment to put them in the bill.

Mr. BAUMAN. It seems to me that the orderly legislative process would require a President of the United States, who has at his command thousands—nay, hundreds of thousands—of bureaucrats to come in at some point and present their views in a well-thought-out manner. That would allow the Congress, which is a constitutionally coequal branch, to consider these projects and act upon them properly. It is not necessary to wait until the very last moment and have this great publicity barrage directed, not at either Democrats or Republicans, but at the whole Congress in what appears to me to be an attempt to make Congress appear as the big spenders while the White House claims its virtue as economizers.

I have to raise the question of whether the White House is more interested in economizing and reducing the budget, or whether this is a cheap political shot to make some publicity for the White House at the expense of Congress.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the distinguished chairman of the Committee on Public Works and Transportation, the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Chairman, I thank the gentleman for yielding to me. I just want to take this time to say that the authorizing committee, the Committee on Public Works and Transportation, with regard to the water projects which ran under the Corps of Engineers, all those projects were duly authorized and are in the bill at the present time.

Mr. BEVILL. Yes, to the best of our knowledge, every one of them is authorized.

Mr. JOHNSON of California. I want to commend the gentleman. I know how hard he has worked on this bill. He has heard from all of the outside witnesses, and that is a job in itself. I know we had about 100 or 200 people come here from California who were taking their problems to the Public Works Appropriations Subcommittee. They were treated very well; they testified on a number of projects.

I want to say that I am thoroughly satisfied with the bill that was put together. The gentleman has about 359 projects in here, including some new starts, new planning starts in the Corps of Engineers field, and he has about 113 in the Department of the Interior, including some new starts and some new planning starts.

I think the gentleman has done a wonderful job, and as I understand it is within the President's budget on water matters, and within the House Budget Committee figures.

You did not exceed the Presidents' budget nor the House's budget?

Mr. BEVILL. No, sir. We are within the President's budget. We are under his request by $53 million. If the House agrees to adopt my amendment to add what the President wants, we will still be under his request.

Mr. JOHNSON of California. I want to thank the gentleman and also the full committee for accepting his work on the subcommittee's budget. They are doing a good job. I hope all of us from California will support them.

Mr. BEVILL. I thank the gentleman from California.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the distinguished gentleman from Washington (Mr. DICKS), a member of the Public Works Subcommittee.

Mr. DICKS. The gentleman from Maryland raised a question about these ramifications of the proposals from the White House. One thing that disturbed me greatly was that the White House did not read our conference report last year. They put out a statement saying we had agreed that the so-called eight projects on the hit list would not be considered this year. I would like to read this language to the gentleman and see if the gentleman recalls, as I do, the discussion in our conference group:

> The conferees are agreed that the Congress retains the right to select water resource projects for funding.
>
> All authorized water resource projects will be considered on their merits and each and every authorized project will be considered by the committees in the deliberations on the 1979 appropriation bill.
>
> The elimination of funding for certain ongoing projects and the issue of no new construction starts is a policy applied only to the 1978 appropriation.

Mr. Chairman, I just would like to have the gentleman's comments.

Mr. BEVILL. The gentleman is cor-

rect. Senator STENNIS chaired the Appropriations Subcommittee in the Senate, the companion committee to the one I chair in this House. The conference committee was clear on this matter. There was no agreement to the contrary. In fact, the first I heard of that claim was when I read it in the papers.

Mr. DICKS. The point here is that the White House is alleging a breach of faith or a breach of contract, and there was no breach. If there was any mistake, it is at the White House where their staff did not do a good job of reading our conference report last year. They made the mistake. They are trying to mislead the House about the events of last year.

I choose to believe that the President does not really know about the language in the conference report, but I think it is his staff and some of the same people who advised him last year. They have made a serious mistake.

This is a good bill and one that deserves the support of this House of Representatives.

Mr. BEVILL. I thank the gentleman. I believe the President obviously received some very poor advice on this issue.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I would like to raise two points. The first was raised by my good friend, the gentleman from Washington, which was related to page 37 of this last year's conference report.

There was, however, a phone conversation between the President of the United States and the Speaker of this House, which the President related to 30 Members of this House just last Monday. The President was quoting the Speaker's discussion of the possibility of vetoing last year's appropriation bill. It was agreed in that telephone conversation that if the President accepted half of the projects and have half of them deleted, the President would back away from his veto threat and sign the bill.

It seems to me we are in a bit of a quandary on that point, because of the confusion raised by the conference report versus the telephone conversation. But I think it is clear to me in my conversation with the President that he himself felt that he had the commitment of the Speaker on the deletion of the eight projects. It is clear to me that the administration opposes the other half of the projects which were funded last year as part of that compromise. In good faith, the President included funds for these projects. I suspect many Members would have been angry had the 1979 budget of the President deleted funds for those projects.

However that may be, the specific point I would like to draw to the attention of the gentleman is the point about this not being a budget buster. Would the chairman please respond to this point? While the budgetary amounts that are in this bill do not exceed President Carter's amended budget, they do however represent a sizable increase in program funding, because in the President's budget he did not include for full funding of the Clinch River breeder reactor, or for other energy programs.

The committee report on this bill indicates that the energy research title is $298.3 million under the President's budget. I expect that the extra $200 million for water projects will be justified as being offset by a $300 million savings on the energy research title.

I think we should examine title I more closely to see if there are really $300 million in cuts, or rather the savings are only on paper, only accounting differences between the President and the House. Information I have indicates that there are no true savings in that title. There are no program cuts. In fact, I understand that title I is more than $200 million over the budget, putting aside differences in accounting procedures.

For example, the Carter budget has full funding for certain construction projects in title I, while the committee chose not to include full funding. This would make the President's budget more than $100 million higher. The President's budget is another $100 million higher or so as a result of differences in accounting for uranium enrichment costs. And I understand that there are $59 million in receipts which are included as a line item in this title of the President's budget, but have been moved somewhere else in the committee budget. And further, there are almost $152 million in unobligated balances carried over from the 1978 fiscal year which have been included in the Carter budget, but not in the committee budget.

So even if the committee approved the Carter budget line by line, differences in accounting procedures would have made the committee budget look somewhere near a half billion dollars less than the Carter budget.

But title I is only $300 million less than the President's budget. This is because there have been program increases in the nuclear program, mostly for Clinch River which I oppose, for solar energy, which I support strongly, and increases in some other areas.

It seems to me, to be accurate, you are really saying you took the President's proposal and deleted some major sections of that proposal and then put into the proposal a lot of new items to keep it within the budget category. That is your purpose as the appropriating committee to analyze those things. But I think to make the record clear we have to indicate that there is a replacement for specific line items in the President's budget that may reach as high as $100 million that may represent the appropriation process, is that correct?

Mr. BEVILL. That is not correct. With respect to the Clinch River breeder reactor project, this subcommittee has taken every precaution to not invade the province of the authorizing committees. The Clinch River breeder reactor project, as we know, is controversial. We know that a majority of those in the House support it, including myself, and that a majority of those in the Senate support it. We know the President is opposed to it, there is no question about that.

In order for this subcommittee to stay within the confines of its appropriating role, we put money in for a breeder reactor demonstration project, as approved by Congress. We added nearly $150 million for that project. The President did not request sufficient funds for this project. We had to add them. Now, when the authorizing committees and the Congress, approve whatever project that evolves from the discussions now going on, the money will be there. If the authorizing committees decide that we should go ahead with the Clinch River breeder project, as it did last year, the money will be there. If the authorizing committees decide there ought to be a different project, as has been proposed by Dr. Schlesinger and by the White House, then money will be there for that purpose. So we have avoided a decision on the specific project details. It is up to the authorizing committees, then, and the administration as to how that breeder demonstration project is to be resolved.

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. Mr. Chairman, I realize that the chairman of the subcommittee the gentleman from Alabama (Mr. BEVILL), who is now in the well does not have the record in front of him. To set the record straight, the budget request for the Clinch River breeder project was $13,400,000, not $211 million to which the gentleman from Pennsylvania (Mr. EDGAR) referred.

Mr. BEVILL. I thank the gentleman.

Mr. JOHN T. MYERS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, first of all, I too want to thank our chairman for the very fine way he conducted the hearings this year and the way he has shown courtesy to all members of the committee, both the minority and majority sides. I also wish to join with the chairman in thanking our staff for all the hard work that they have done because this particular appropriation bill requires a lot of staff work, because there are so many figures involved, and there are so many witnesses that come in to testify, that it does require a lot of extra work on behalf of our staff and they have been most cooperative, and, once again, as they have always done, they have done an excellent job. So again I join our chairman in thanking the staff for the job they have done this year.

Mr. Chairman, the gentleman from Alabama (Mr. BEVILL) the chairman of the subcommittee, has done an excellent job in presenting the bill and to bring out and correct some misstatements that seem to be going around these days.

I am not going to try to point the finger at anyone particularly who tried to distort what is really the truth, but there are a lot of misstatements that are being circulated.

One which certainly alarms me is that we have not worked with the authorization committees. A Member, the chairman of one of the authorization commitees, has certainly enlightened this committee today that this committee has worked with the authorization committees. We have met as we were marking up the bill not daily but almost daily

with the authorization committees, working with them, seeing what and how much they were putting into each of the line items in the authorizations. We have done everything we could to work with the authorization committees and to seek out the help they can give us, because the authorization committees, along with the vast amount of testimony we have received, have enabled us to come forth with what I think is a very fine bill. I also thank the authorization committees for their contribution in helping us come up with what I think is the best bill we have come forth with since I have been on the committee.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from Washington.

Mr. McCORMACK. I thank the gentleman for yielding.

I concur with the gentleman's remarks, and express my appreciation to him, as well as to the chairman of the committee; to the minority side as well as the majority, for the wonderful cooperation we have experienced between the authorizing and the appropriating committees.

Mr. JOHN T. MYERS. I thank the gentleman for his remarks. It is the only way we can work and especially when we are in this dilemma as far as authorization is concerned.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

I want to express my commendation to the ranking minority member, Mr. MYERS, and to the chairman of the committee, Mr. BEVILL for the very thorough and considerate way in which the subcommittee handles the witnesses who come to Washington, D.C., from great distances, for example, my constituents from California. While all of them, of course, do not always get what they ask for—which is the nature of the legislative process—I do not know of anyone who was dissatisfied with the treatment that they received from the committee. They were all entitled to have their say, to explain their cases and to make their points; I think all too often congressional committees and other governmental bodies do not afford that kind of courtesy, and the result is sometimes there is not the kind of respect for our institutions that there should be. That certainly is not the case here.

I would like to ask the gentleman a question. When the chairman was making his presentation, in answer to a question from the gentleman from California (Mr. JOHNSON) he said that even if, or when, the projects as suggested by the President are added to the bill, as is the intention, I understand, the bill will still be below the budget as requested by the President; is that correct?

Mr. JOHN T. MYERS. More than $25 million under that budget. That is correct.

Mr. LAGOMARSINO. I thank the gentleman.

Mr. JOHN T. MYERS. I thank the gentleman for his comments on behalf of the committee and the staff.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from California, a member of the authorization committee.

Mr. DON H. CLAUSEN. I thank the gentleman for yielding.

I want to join my colleague, the gentleman from California (Mr. LAGOMARSINO) in extending to the gentleman my commendation and appreciation for the manner in which he has coordinated this total effort with the chairman, the gentleman from Alabama (Mr. BEVILL) and the rest of the committee, as well as our authorization committee. One thing we have always tried to adhere to is the economic, engineering, and environmental considerations. It is my understanding that all of the projects that have been considered by the gentleman's committee and are being offered here today do, in fact, meet the criteria as established by the Congress.

Mr. JOHN T. MYERS. Every project, of course, has been authorized. They have gone through the gentleman's committee. They have gone through the committees in the Senate. They have been authorized properly by law. They have been reviewed—many of them—by court action. They have been reviewed by local communities. Most of them have had to meet other local criteria other than what the Federal law has provided, so everyone of these has been reviewed many, many times. There is not one of these that has just come on as a Johnny-come-lately. They have all been reviewed many times by the Congress as well as local authority.

Mr. DON H. CLAUSEN. I wonder if the gentleman will elaborate on the question I asked of the chairman. We have heard all these rumors to the effect that the bill as presented is substantially over the President's budget, and yet it has also been brought to my attention, as I asked the chairman, that this particular bill, as presented, is actually $50 million under the President's budget.

Mr. JOHN T. MYERS. It is almost $54 million under.

Mr. DON H. CLAUSEN. Could the gentleman elaborate on this a little bit as to why this confusion and conflicting point of view exists?

Mr. JOHN T. MYERS. The items in the bill are contained in four different titles. Title I is the Department of Energy. This is $85 million under the present law appropriated this year for the Department of Energy. We are $85 million under this year, and it is $298 million less than requested.

On the estimates for 1979 in the budget for the Department of Defense—Civil—that is the one that is going to be controversial a little later—we are $79,392,000 under the existing appropriation this year. We are $205 million over what the President requested. This seems to be the thrust right here. As far as the priorities set, the people's Congress has decided how the money should be spent in this bill.

The next is the Department of the Interior. We are $67,355,100 under what was appropriated for this year, and we are $2,568,000 under the budget.

For the last, independent agencies, the many agencies we do appropriate for, we are $107,174,000 over last year's appropriations and $41,615,000 over the budget.

This totals out for the 1979 appropriation in this bill this year, $124,698,100 over this year and under the budget by $53,724,100.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I rise in support of the committee's action.

Mr. Chairman I would like to lend my strong support for the favorable consideration of the legislation before us, the public works appropriations bill for fiscal year 1979. Let me take this opportunity to commend the gentleman from Alabama (Mr. BEVILL) and the members of the subcommittee for their fine efforts in formulating this legislation.

It has been a personal pleasure to work with this subcommittee and especially Chairman BEVILL and the ranking minority member (Mr. JOHN T. MYERS), for they have demonstrated a genuine concern and interest in water resources and have spent literally hundreds of hours listening to testimony and carefully evaluating all aspects of the projects. It is my understanding that all of the projects included in this legislation have met the economic, engineering and environmental criteria required under our authorization and appropriation procedure.

Water resources and a program of water resource conservation, development, and management must be recognized as a top priority if we are to meet the needs of the people of the Nation as a whole. Within my State of California we have been forced to recognize the importance of adequate and effective water resource planning as a result of the experience of drought one year and flooding the next. In this regard, appreciation is in order to the members of the subcommittee for their consideration and approval of those projects designed to help in the effort to prepare and plan for either possibility.

It is with great pleasure that I note the full funding of the water projects in my district. These projects will provide water conservation, supply and critical flood control on our rivers and enhance the navigation potential for our fishermen and ocean going transportation units as we continue to improve and develop adequate facilities and a harbor system for our north coast counties.

The important goal of completion of construction of the Warm Springs Dam can be realized with the subcommittee's approval of the Corps of Engineers' full capability. Warm Springs has received the support of the Governor of California and those State agencies responsible for the areas of water resource development, dam safety and environmental protection. I look forward to the long awaited completion of this project.

The funding of the Eel River basin study allows for a unique and innovative approach to investigation of the water-related and land-related elements of the entire Eel River watershed. It will

provide us with new methods for dealing with the low-stream flow in summer, to enhance the fishery resource, and the bank erosion problems in the winter. This essential study, in conjunction with the Russian River basin comprehensive review, will also provide us with an integrated resource data base for the two river basins which will be used by Sonoma, Lake, Mendocino, and Humboldt Counties in carrying out their joint-powers agreement for an Eel-Russian watershed conservancy program.

This measure also provides for funding of the Humboldt Harbor and Bay baseline survey which is a baseline planning evaluation that will help the Harbor Commission in their location and delineation of the district boundaries which is essential to the overall comprehensive harbor development plan now underway.

Last October unusually heavy storms ripped the northern California coastline and $3 million in damages were sustained in Noyo Harbor alone. Funding of the Noyo Harbor breakwater is directed toward increased harbor protection and channel improvement to forestall a future damage.

The additional funding of a component of the Crescent City Harbor project will deepen the mooring areas and provide for a turning basin, thus increasing the capacity of the harbor and alleviating the effects of recent shoaling in the harbor. Completion of this project will be an added economic stimulus to the area.

Annual operation and maintenance funding has been approved for the Bodega Bay Harbor project, Humboldt Harbor and Bay project, and the Noyo River and Harbor project.

Additional funding of two essential surveys, the northern California streams and the coast of northern California studies will investigate potential water resources in northern California and evaluate the adequacy of our north coast harbor facilities and harbors of refuge.

We in the Redwood Empire can look forward to adequate and effective water resource planning through the funding of projects such as these.

I would like to make one important final comment. The bill as represented by the Appropriations Committee truly reflects our total commitment to the objective of developing viable energy alternatives. This is clearly demonstrated in the recommended increase of $128.5 million over the 1979 request for solar energy research and development. As a cosponsor of a measure to provide for an accelerated program of research, development, and demonstration of solar photovoltaic energy technologies, I am especially pleased to see increased funding for the photovoltaic program. In addition this bill positively addresses the energy potentials of wind power and fusion.

As the Representative from the congressional district where the largest commercial power generating plant driven by geothermal energy is located, I am pleased to note the approval of the increase of $155.7 million for the geothermal program. The largest increases within this program are for advanced technology applications through which the objective of proving the technical feasibility of potential geothermal systems can be realized. I am of the opinion that with advanced technology we can perpetuate and increase the productivity of the existing geothermal energy sources through regeneration of the natural processes and conditions that cause geothermal energy to be available in its natural state. This could serve as a tremendously valuable addition to our overall future energy supply, needs and requirements of our Nation.

One rather distressing bit of information has come to my attention and that relates to the emphasis and priority given to public works flood control, hydropower, irrigation, water supply and port development projects in foreign countries by the President and his administration through the International Development Association (IDA) and the Inter-American Development Bank, while simultaneously cutting back on badly needed domestic water projects.

It is truly ironic that the original fiscal year 1979 Carter budget called for an 11 percent decrease in domestic public works projects while the President is promoting a 54 percent increase in appropriations to IDA projects throughout the world and a 70 percent increase for the Inter-American Development Bank.

It is clearly our responsibility here in the Congress to protect and promote the economics and projects of the people right here at home.

It is for that reason I support this bill as presented by the Appropriations Committee.

Mr. JOHN T. MYERS. Mr. Chairman, the committee started its hearings on February 6 and concluded the public hearings on April 13 of this year. During this period, we heard and received testimony from more than 1,000 witnesses. We compiled almost 11,000 pages, found in 10 volumes of hearings that all of us have. We certainly have gone into depth in all of these.

It is unfortunate now that we do have some disagreement with the President over priorities. We are going to hear more about that. I am not going to take the time now, but I do want to emphasize that this committee has worked hard to come up with a good bill. We are under the estimates this year, as far as budgetary estimates are concerned.

We are considerably under what was appropriated last year for this year.

As far as what the gentleman from Pennsylvania is regarding as a breach of faith or agreement, I have no way of knowing of any agreements that were made, other than by Members within the conference with the Senate. There were no deals made either way, from the President or from us, about what might happen this year. Quite to the contrary, it was even brought up that what we did last year might be interpreted that we were letting the White House write the appropriation bill which, frankly, we did last year, which was a mistake that all of us realize now.

The concessions we made last year set a precedent that we are expected to repeat now. The President is replacing years of experience in the various hearings of this Congress on these projects for his judgment now, or lack of it; so I say to you today, the committee has not acted lightheartedly. We have not moved into matters destroying local areas. We have gone into depth to make sure they have met the criteria.

There is no other appropriation bill that pays back the return this bill will return, both in energy as well as in resources. We are preserving our water. I guess the big fight is going to be over water. We are not creating any more water, but if we could reduce what is available for our use. If we could show symbolically as representative that this was all the water on Earth in this glass I am holding in my hand here, if this was representative of all the water on Earth of all types, as I am illustrating in this glass; remove one teaspoonful of water from this glass and hold it in your hand, that is the amount of fresh water on Earth. The rest is salt water, et cetera, not useful for most of our needs. Remove two drops from the teaspoon which is available for our use to drink, for our use to run the industries of our country, to raise the crops that we eat, it would be just two drops from this teaspoonful. The rest is locked up in icebergs and otherwise unavailable for our use on Earth.

Just two drops in this glass is available for our use.

This is the delicate situation we are playing with today, and our President is now asking us to ignore local needs for water in the future. Today our country is facing a possible energy crisis. We hope there will not be an energy crisis, but we know we are facing energy shortages. Because we did not have the courage to do what was right a few years ago, because we went the easy way and did what seemed to be popular at the time, we are now facing an energy shortage. So now we are going to have to make some serious decisions. Maybe we will have to adopt some remedies we are not going to like very well because we did not take the proper action a few years ago to produce or provide enough energy.

We have a chance today to do something about this for future generations. If we want our children and our grandchildren to have the water that we take for granted and they not be rationed, then we had better listen to the wisdom of this subcommittee that spent many, many hours listening to witnesses from all over the country.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding.

The gentleman's example on available water is very dramatic. I really find it difficult to understand why we have this raging controversy over whether we should or should not control our own water resources here in our own country.

The United States is the largest contributor, as the gentleman is well aware, to the World Bank and other international organizations. On July 19 of this year the International Development As-

sociation of the World Bank—and that is the organization that lends our money to other countries at no interest for 50 years—will take up one of five loans pending for Vietnam. The very first one will be a $60 million soft loan to Vietnam to build dams and other water control facilities on the Saigon River in Vietnam. Yet we have this continuing hassle about whether we ought to do that at home at a time when we are financing it for Vietnam.

Mr. JOHN T. MYERS. Mr. Chairman, I am confident the White House would veto that bill, if it had those very inflationary items in it. I am sure that will be vetoed, and we will get a message on that, too. To be consistent, anyone who is President would have to veto that bill with all of those costly items.

In closing, Mr. Chairman, I share completely the concern that our colleague, the gentleman from Florida has so eloquently voiced today and on other days that we do more for other countries than we do for ourselves. If we would treat ourselves as well as we treat other people around the world, we would have a better place in which to live.

This is a very critical problem. This is a situation in which we are perhaps now giving away the water rights for future generations, and we should have learned from our energy experience that we cannot afford to do that.

Certainly there will have to be some sacrifices made. There are going to be arguments that this is not a good expenditure. But in the area of water resources for this country, the investment this committee has made in the past has returned about 7 to 1 for the investment we have made.

Is that inflationary? I think not. I like those kinds of odds—a 7 to 1 return for every dollar spent.

This is the best bill this committee has brought to the floor since I have been on the subcommittee.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, I want to associate myself with the remarks made by the distinguished ranking minority member of this subcommittee, the gentleman from Indiana (Mr. JOHN T. MYERS).

While I have this opportunity, I want to thank my colleague, the gentleman from Arkansas (Mr. ALEXANDER), who serves on the full Committee on Appropriations, for his fine assistance to me and to our constituents through his efforts on the Committee on Appropriations.

Mr. Chairman, I rise in support of the Appropriations Committee action on public works water resources projects. I have long felt a White House policy that is virtually the same as proposing line item vetoes to delete projects on the floor of the House of Representatives is not the appropriate way for the administration to propose action on appropriations.

We did not receive until Tuesday the administration's recommendations concerning these water projects. This, in spite of the fact that the House Appropriations Committee had been working for months to develop this legislation. To come in at the last moment advocating deletion of this project and that project when they had a full opportunity to work with the committee to develop this bill, and ignored it, is unconscionable.

Mr. Chairman, I am especially concerned over a move to delete the funding for Norfolk Lake highway bridges in my own State of Arkansas. Without the construction of these bridges the economic development of this region will seriously be hindered. The reason is that when the corps added hydroelectric power to the Norfolk flood control project, the U.S. 62 bridge was permanently inundated. However, an agreement was worked out to build new bridges, but it was never implemented. Thus, today the region is faced with increasing difficulty in crossing Lake Norfolk by ferry. This has seriously retarded development of the regional economy and especially the recreational potential of the lake. This is why in 1974 I successfully advanced an authorization to have the Corps of Engineers build these highway bridges to replace roads taken by the project.

Mr. Chairman, in 1974 the Congress agreed that we needed to replace these bridges in order to provide just and equitable compensation for the loss suffered by the people of Arkansas and I urge the Members to reconfirm that commitment today by rejecting any amendment deleting funding for this vital project.

For the record I would like to thank my colleague from Arkansas, the Honorable BILL ALEXANDER, for his assistance in providing funds for this project in the bill before us.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 5 minutes to my colleague, the gentleman from California (Mr. BURGENER), who serves on the committee and does an excellent job.

Mr. BURGENER. Mr. Chairman, I thank my colleague, the gentleman from Indiana (Mr. JOHN T. MYERS) for yielding this time to me.

Mr. Chairman, I want to express my appreciation to both the chairman of the subcommittee (Mr. BEVILL) and the gentleman from Indiana (Mr. JOHN T. MYERS), as well as every member of the committee. It has been a real privilege to sit on a committee that meets for 2 or 3 months in a row, 4 days a week, and listens to some 1,000 witnesses on some very controversial and very important matters and concludes by having a unanimous vote in the subcommittee and, I believe, in the full committee, if I am not mistaken. I want to commend the chairman of the subcommittee for his leadership.

Second, I would like to touch just for a moment or two on the subject of energy. Much of the debate, when we come to the amending process, will deal with water projects, which are critical and important. But, this bill also deals in large measure with energy, and I think we should not assume or have the public assume that because this Congress has not produced a so-called energy package or bill, or bills therefore, we do not have an energy program. We do. It is in this bill, and it is important.

We have changed a lot of priorities in this bill. I think we have changed them for the better. In terms of energy, in the next two decades, between now and the year 2000, it appears to be recognized by most authorities that as oil and gas become more scarce and far more expensive, the two most productive and practical alternatives are coal and nuclear fission, and indeed we are now using both in a large degree. Both of those are important, but both of them have severe problems.

In the nuclear area we have severe licensing problems, and we often virtually come to a stop in terms of new nuclear plants. So that is a problem in the eyes of many. In coal, the capital outlay requirements are immense.

The environmental problems with coal are immense. Deep coal mining is a dirty and dangerous business. We have killed in this century alone, unfortunately, by accident, in excess of 100,000 coal miners. That cannot be dismissed lightly. But even so, we will push forward on nuclear fission and on coal because we are going to need to do that.

I want to point out that this bill does not gamble or risk our energy and economic future on coal, gas, oil, or nuclear. We have considered an increased funding in this bill in each of the following areas: Solar; geothermal; biomass; fusion; electric storage, and hydroelectric.

So I want to point out that this bill indeed addresses the problems of energy in our Nation. It does not put all of our energy eggs in one basket. It has excellent balance in energy development. It deserves the favorable consideration of this committee and later in the House.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Chairman, I wish to thank the gentleman from Alabama (Mr. BEVILL), the chairman of the subcommittee, and the ranking minority member, the gentleman from Indiana (Mr. JOHN T. MYERS). I also want to thank the Committee on Rules for making this system work.

Mr. Chairman, I have never seen anybody work any harder in holding all of the hearings, being polite to all of the witnesses, hour after hour after hour, than this Appropriations Subcommittee did.

Mr. Chairman, it is my job as chairman of the Subcommittee on Water Resources to screen these projects before they get to Appropriations. I have never had any group, any committee or any subcommittee, work any more closely with our staff than their distinguished staff, led by Hunter L. Spillan. I appreciate it. I think everybody here ought to appreciate it.

Mr. Chairman, we have to conserve our water. Our committees are doing it. They have made capital investments in this country. I hope everyone will support this subcommittee.

Mr. BEVILL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Washington (Mr. DICKS), a member of the subcommittee.

Mr. DICKS. Mr. Chairman, I want to just say to the Committee today that I think our Subcommittee on Public Works has again done a good job in bringing to this Congress a bill that I think is totally defensible.

I said earlier that I am disturbed about this misunderstanding that occurs about whether we made some kind of an agreement last year with the administration that the projects that were on their so-called hit list would never in the future ever be considered by this House and by this subcommittee. There may have been a conversation with the Speaker. I certainly cannot comment on that. I do know that the Speaker never expressed to our committee or to the conference committee that we had to make an agreement in perpetuity. In my judgment, that would be something that the Speaker would never agree to. I cannot believe that he would agree to something that would bind future Congresses, let alone the second session of this Congress. So I think it was up to our committee to exercise some judgment this year and to bring to this House a bill where the projects have been authorized and the projects have been considered by the authorizing committee and they have been considered by the subcommittee.

I would also like to say this: Last year I stood on the floor and I mentioned the fact that the President had not sent up to us a water policy statement. I was told repeatedly by the administration officials that they would have their policy to us by February 15. Well, February 15 came, and nothing was presented to us. Then the administration said, "Well, we are going to confer with the Governors and the regional people, and we will have a policy to you by March 15 or at the latest April 1." March 15 came and went, and again no policy statement from the President and his administration. Now, just a couple days before this bill came to the House, we finally received from the administration a budget request for fiscal year 1979 and the list of some criteria that they would like used to judge water projects in the future.

We have not had time to hold hearings on those criteria. We have not had time for the authorizing committee to look at the President's program to determine whether this, in fact, is the kind of criteria that we ought to use in the future.

Mr. Chairman, there has been a process around Congress for a long period of time, and that is that the Senate can be used for an appeal on decisions that are reached by the House. I think the administration would have been much wiser, instead of trying to force a confrontation with the House, with this subcommittee, and with our Committee on Appropriations, to have taken their case to the Committee on Appropriations in the Senate where they would have had a chance to look at the ramifications of the President's new program.

We, in the West, have a stake here, and maybe some of us do not have projects that are directly affected today. However, what about the future when one of you has a flood-control project in his area or he has a hydroelectric project in his area that is going to be necessary to meet local energy requirements? If we give away unilaterally the power and authority and responsibility to the President to write this bill—and that is exactly what he wants us to do—then for all time in the future I think we have abdicated our responsibility, and I think it will come back to haunt each and every one of us.

I do not have a project on the hit list, thank goodness, but I do not know this, that in our State 90 percent of our electricity has been developed because we have hydroelectric power projects at the Snake and Columbia Rivers. Without those facilities, we would not have energy. We would not have flood control in our State.

We have developed the eastern half of our State into a massive farm-producing area, with great recreational potential.

Mr. Chairman, let us talk about one simple item: flood control. Every single year there comes before this House an emergency disaster relief bill to take care of flood control. For the past 20 years the Nation has averaged $900 million in flood damages. Between 1956 and 1975 flood losses have ranged from $65 million to—listen to this—$4.5 billion, including two other years when flood losses exceeded $1 billion.

In the high flood year of 1972, Army Corps of Engineers projects saved the Nation $2.3 billion.

Mr. Chairman, these flood-control projects save us money every single year. Therefore, I say to the Members, let us not be penny-wise and pound-foolish. Let us make and continue to make the kinds of investment in these projects that will save our country money. Let us develop our agricultural potential and lands, and let us develop our energy resources throughout the West and throughout this country.

I think our chairman and our committee and our ranking member have done an outstanding job. They have worked together, and I would hope that the House will support this bill.

If there are some changes to be made, let the administration go over to the Senate and not disrupt the process we have here in the House.

Mr. Chairman, a year ago, I stood here during the general debate on the fiscal year 1978 bill and asked if the administration intended to send us legislation allowing the Congress to work with the administration on water policy in time for the fiscal year 1979 appropriations cycle.

For over a year, by personal inquiry and questions asked during our subcommittee hearings, I raised the same issues: When are we getting a water policy, and what is in it?

Finally, in the nick of time, a bare 2 weeks before we were scheduled to take the public works appropriations bill to the House floor, we were hastily presented with criteria the administration used to select 17 new construction starts; and then a week before the Committee of the Whole was to deliberate on our own fiscal year 1979 water resource recommendations, we were presented with the names and locations of his personal choices.

Over the 4 months that we developed this bill, we learned most of what we knew about the administration's policy from hearsay. We learned bits and pieces of it from regional conferences, from a few State legislators, from Governors. We read accounts of the germinating policy in newspapers.

We gained the rudiments of a new Federal policy emphasizing water conservation and greater State participation in making regional water resource decisions; and that Federal fees to States and localities for Federal public works were matters of heated debate; and that the discount rate established in the 1974 act would be retained. A few of us had access to the Water Resource Council's task force report.

But, Mr. Chairman, very little, if any, of this policy formulation was done with the help of Congress. And as a result, we are confronted for the second year in a row by two policies: His and ours.

Instead of a carefully integrated congressional liaison since the administration began to work on a policy in May of 1977, we are presented with a chiding letter dated June 12, 1978, which badly misreads the policy we expressed in our fiscal year 1978 conference report.

The President writes, and I quote:

> I am particularly concerned about the restoration of eight unsound water projects the Congress agreed to halt last year.

We made no such agreement. The administration chose to ignore page 37 of our conference report which states that:

> The funding of certain ongoing projects and the issue of no new construction starts is a policy applied only to the 1978 appropriations.

I can only conclude that the administration never intended to share the development of this crucial policy with the Congress; that he really wishes to write his own bill, to organize support for it, and to force a confrontation.

For a second time now, I will emphasize that each project the committee recommends is authorized, that we have carefully considered each project on its merits and made decisions based on numerous reports and extensive hearings.

More important, it must be clearly understood that each project the Congress considers grows out of a public request to meet local, State, and regional water resource needs. As our able ranking minority member, JOHN MYERS, put it, this bill is a people's bill, and the administration had better take note of it.

In his June 12 letter to Members of Congress, the President closes by saying that:

> The appropriations process (should be) responsible and restrained. Sound projects and programs should be funded at reasonable rather than excessive levels. I cannot approve the proposed legislation in its present form.

To label our funding recommendations "excessive" is obvious hyperbole; and it puzzles me, Mr. Chairman, about how the administration computes a Federal investment.

I am well aware by now of the President's 10 criteria for project review, which happens to include many of our own; but I still ask: How is the Government to ultimately tally the Nation's economic balance sheet for water resource development?

Must we be content with debating front-end investment figures, and from this perspective decide whether or not we will cut back on the Nation's water resource programs; and if we decide to cut back, to risk the massive economic losses for the lack of this development?

Take flood control.

For the past 20 years the Nation has averaged $900 million annually in flood damage losses. Between 1956 and 1975 flood losses have ranged from $65 million to $4.5 billion, including 2 other years when flood losses exceeded a billion dollars.

In the high flood year of 1972, Army Corps of Engineers projects saved the Nation $2.3 billion; but in 1975, with new projects on line, $15.9 billion in flood losses were prevented; in fact, the $9.9 billion we have already invested in flood control has saved the Nation $67.9 billion. How can this kind of an investment be called inflationary? And yet the President supports an amendment which would delete 14 new construction starts designed to prevent flood losses.

The benefits from flood controls in my own State of Washington are immense. Last December, the Pacific Northwest drought was broken by a deluge in the western half of the State. An estimated $26 million in flood damage resulted; but the federally financed and constructed Howard Hanson Dam in the Green River Basin, the Federal Mud Mountain Dam in the Puyallup River Basin and Federal flood fighting in the Snohomish River Basin prevented $78.5 million in flood losses.

In areas of the State protected by Federal structure and nonstructural investments, actual flood damage was assessed as minimal.

There is much flood prevention work yet to be done in the Pacific Northwest. The average annual flood loss in my region, including the Columbia River and its tributaries, the Willamette River Basin and the Washington and Oregon coastal streams is about $82 million.

This bill addresses our problems in a number of Army Corps and Bureau of Reclamation projects, such as funding our badly needed Columbia River and tributaries comprehensive study.

Although studies are not being disputed here, this one regional comprehensive study will determine much of our policy in the future in the Pacific Northwest. It represents one of the best examples of a careful coordination of effort between the Congress, the Army Corps of Engineers, and the people who live at some risk along the Columbia's main stem.

This study goes much further, Mr. Chairman, for it will determine the feasibility of adding to the region's critically needed hydroelectric power supply.

Earlier this year, during our hearing for the power marketers under the Department of Energy, Mr. Sterling Munro, who administers the Bonneville Power Administration, told us that the Pacific Northwest can expect hydropower deficiencies nearly every year over the next 11 years, ranging from 400,000 to 2 million average megawatts.

These projected deficiencies fly in the face of our most recently calculated energy growth rate of 4.2 percent per year and an annual regional population growth rate approaching 15 percent.

The Pacific Northwest is still 90 percent dependent on its Federal hydropower supply which constitutes one of the most inflexible energy dependencies in the country.

Every time water is low in the Pacific Northwest, we have a minicrisis; and competition for Columbia River streamflow grows every year. The way we decide to develop our regional water resources directly impacts on whether or not our economy will collapse. Given the serious constraints on the development, transportation, and use of coal and the construction and operation of nuclear plants, water for Pacific Northwest power is an overwhelming economic factor.

We still have the greatest national water resource system in the world, Mr. Chairman, but demands on it are growing geometrically, and how much longer can we count on a national resource for purely national needs?

We will need more water, for example, to satisfy exploding irrigation demands as our food exports supply more and more of the world nutritional requirements; we will need more water to fulfill hundreds of new and spreading municipal and industrial processes; very soon now, we will have to devise an acceptable western water delivery policy to assure an equitable supply to all water users; and we will need a policy to slow the depletion of precious groundwater supply.

These are only a few items on the crowding agenda of water policy problems which will absolutely require the combined wisdom of the Congress and the administration over the next decade as water becomes as much a commodity of limitations as petroleum products.

This Nation cannot wait another year or two while Congress and the administration continue to circle each other like two cats in an alley, letting water policy become a matter of future crisis management.

I hope I never have to stand here again and redefine our position to an adversary branch of government. We are running out of time for confrontations.

Mr. BEVILL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Maryland (Mr. LONG), a member of the Committee on Appropriations.

Mr. LONG of Maryland. Mr. Chairman and my colleagues, many Members represent a district which has a vital public works project which the administration is urging Congress to eliminate.

As chairman of the Foreign Operations Subcommittee of the Committee on Appropriations, I thought the Members would be interested in a list of the foreign public works projects in 1977 which were funded through U.S. contributions to the multilateral banks. It is ironic that the original Carter budget for fiscal year 1979 called for an 11-percent decrease in U.S. public works at the same time that the President is urging a 54-percent increase in appropriations to the International Development Association (IDA) and a 70-percent increase for the Inter-American Development Bank. Both institutions fund public works projects all over the world. Most of these projects would benefit not the rural poor, but the urban well-to-do and rich landowners. I have served on the Foreign Aid Subcommittee for 14 years and have visited foreign aid projects in 52 countries, and I think I am in reasonably good position to say that.

The President, of course, has threatened to veto the domestic public works appropriation bill if it does not meet his criteria. He is, of course, entitled to do so. However, if the President is entitled to veto a congressional bill, surely the Congress is equally entitled to veto part of the administration's appropriation request for foreign public works where the increases are excessive relative to funding for our domestic programs.

I urge that the Members vote for my amendment next week to the foreign aid appropriations bill to cut $584 million from two banks, the International Development Association and the Inter-American Development Bank. Even with my recommended cuts, the appropriations increase for the two banks over fiscal year 1978 would be 13 percent and 17 percent, respectively. That would be substantially above the 11-percent decrease in the administration budget request for domestic public works programs.

I should like to insert at this point a list of public works projects funded in 1977 by the International Development Association (IDA) and the Inter-American Development Bank (IDB).

INTER-AMERICAN DEVELOPMENT BANK—1977 PUBLIC WORKS PROJECTS

Country; purpose; terms of loan; and amount

Brazil—hydropower; 8 percent; 20 years to repay; $69.8 million.

Colombia—hydropower; 8 percent; 20 years; $70.0 million.

Ecuador—irrigation; 1 percent in 10-year grace period; $11.8 million; 2 percent in 30-year repayment period.

El Salvador—hydropower; 1 percent in 10-year grace period; $45.4 million; 2 percent in 30-year repayment period; 8 percent; 25 years; $45.0 million.

Guyana—flood control and irrigation; 1 percent; 10-year grace period; $49.5 million; 2 percent; 30-year repayment period.

Jamaica—irrigation; 2 percent; 36 years; $12.5 million.

Mexico—irrigation; 8.4 percent; 20 years; $54.0 million.

Mexico—irrigation; 8 percent; 20 years; $41.5 million.

Panama—hydropower; 8 percent; 26 years; $98.0 million.

Total Inter-American Development Bank public works projects for 1977, $497.5 million.

Note: U.S. share of paid-in and callable capital equals 36 percent and U.S. share of Fund for Special Operations equals 55 percent.

Source: Inter-American Development Bank annual report, 1977.

INTERNATIONAL DEVELOPMENT ASSOCIATION—1977 PUBLIC WORKS PROJECTS

Country; purpose; terms of loan; and amount

Bangladesh—irrigation; 0.75 percent; 50 years; $21 million.

Bangladesh—irrigation; 0.75 percent; 50 years; $16 million.

Chad—irrigation; 0.75 percent; 50 years; $12 million.

Chad—irrigation; 0.75 percent; 50 years; $8 million.

India—irrigation; 0.75 percent; 50 years; $23 million.

Kenya—irrigation; 0.75 percent; 50 years; $6 million.

Nepal—irrigation; 0.75 percent; 50 years; $9 million.

Pakistan—flood control and irrigation; 0.75 percent; 50 years; $40 million.

Sri Lanka—irrigation; 0.75 percent; 50 years; $19 million.

Sri Lanka—irrigation; 0.75 percent; 50 years; $5 million.

Malawi—hydropower 0.75 percent; 50 years; $8 million.

Burma—port development; 0.75 percent; 50 years; $10 million.

Cameroon—port development; 0.75 percent; 50 years; $10 million.

Honduras—port development; 0.75 percent; 50 years; $5 million.

Total International Development Association public works projects for 1977, $192 million.

Note: U.S. share of IDA contribution equals 28 percent.

Source: World Bank annual report, 1977.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I want to join with the other Members who have paid tribute to the kind of work that has been done by this committee. I have tried to emphasize to Mr. BEVILL, Mr. JOHN T. MYERS, and Mrs. SMITH of Nebraska and the other Members who sat through all those long, tedious hours of testimony from 2,000 witnesses, how much I appreciated it. I think everybody else, as witnessed by the remarks that have been made, appreciates their dedication and their unfailing energy to continue on and do this work. They have earned the gratitude and indebtedness of all of us, whether or not we have agreed with their conclusions or not. I happen to agree with their conclusions, of course, and want to address myself to some of the problems that have occurred with the administration's water policy.

Last year a number of us said, when the administration came out with its hit list, that the President had declared war on the West. That, of course, was not true. What he did was bomb us without a declaration of war of any kind. He bombed us with ignorance of our problems, with indifference to congressional procedures and necessary projects, and bombed us with deception. Those are harsh words, I realize, but from my perspective and from the perspective of those of us in the West, that is an accurate statement.

There has been a selective hit list. There is a selective quality of them, kind of at random. We get some in Kentucky, some in California, some across the country. There does not seem to be any hard and fast set of standards by which one can decide whether or not he is going to be on the hit list.

For example, we have this program to develop water for the District of Columbia about 100 miles west of here for $150 million. It is a project the Corps of Engineers is undertaking to provide water for the District of Columbia. We never had any talk about it here in the Congress that I know of. Nobody has ever challenged the necessity of providing the additional water. The Corps of Engineers is building that big project on the Potomac River and filling up a reservoir with water which is so acidic that they cannot have fish in there, but it is necessary because people need it to drink the water. However, in other parts of the country where we need drinking water and flood control and irrigation water, they are seemingly making random commitments as if the decision is made today to make the cut, and then a search is made for a rationale or a justification for cutting out the project. It is not a deductive process; it is an inductive process that is going on.

I would like to present one example of one project in Colorado that has been on the hit list, out of the three there. The information that has been provided by the administration is misinformation. Our present two Senators have endorsed this project, the two Senators of the President's own party. The Governor of the State has endorsed this project, and he is a member of the President's own party. It was authorized when the chairman of the Interior Committee was a member of the President's own party, and it was in his district. He was my predecessor. It has been authorized and examined by members of this committee for a long time.

Last year, when the President made the statement that he was going to place the Narrows project on the hit list, it was because there were some unanswered questions.

So the study was made to answer those questions, and I am going to read a portion of a letter from Commissioner Higginson of the Bureau of Reclamation dated February 15 of this year:

> Knowing of your interest, enclosed for your information is a copy of our "Special Report, Investigation of Review Issues, Narrows Unit—Colorado, Pick-Sloan Missouri Basin Program, February 1978." The report is a summary of investigations of the issues which were identified during the review of the Narrows Unit in accordance with the President's directive. Five issues were identified for additional study recommending that funding for the Narrows Unit be deleted until the issues were resolved.
>
> Additional studies have been completed on each of the five issues and the findings which are included in the special report briefly are—

And I am going to go through those individually in just a moment, because they relate to what the gentleman from Pennsylvania, along with his colleagues who signed their "Dear Colleague" letter in support of the amendment that he intends to offer, has said. The gentleman in his "Dear Colleague" letter has listed a number of objections to the Narrows project. All of those objections have been answered by the administration's own study.

I hope that the gentleman does not interpret anything that I say as to indicate other than that I have the highest regard for his integrity and his personal honor, but what the administration did in February was to say that what he has said in his "Dear Colleague" letter is not correct, and so I will go through those items one by one and then read them to the Members, and the response to those criticisms that the gentleman is evidently getting from the administration, from the administration's own mouth.

In February the Secretary of the Interior came to Colorado and said they were in effect going to go ahead and build the project. One of the Senators said:

> The project is now in good shape. We have no problems with it. It is going to be built.

And then the day before yesterday, out comes the administration with its hit list again.

The gentleman from Pennsylvania in his letter says:

> Reservoir would dislocate 642 people and their community.

That is true. Not everybody in the community disagrees with the project. It is one of those projects where people in the community who are going to be dislocated are on both sides.

The gentleman says:

> Whooping crane (endangered species) and sand hill crane (threatened species) would be adversely affected . . .

By the building of the project. Well, the whooping crane and the sand hill crane nest some 200 or 300 miles downstream from the site. In paragraph 4 of the Bureau of Reclamation's letter of February 15, 1978, they say, after their study:

> The Narrows Unit would have no adverse effect on sand hill cranes. To the extent that whooping and sand hill cranes utilize the same habitat, the Narrows Unit should not have any effect on the endangered whooping crane or its habitat.

That is a directly contrary statement from what we have received from those gentlemen who are trying to knock out the eight projects on the President's hit list.

The next charge presented, and this is obviously coming from the administration, is that:

> Water quality problems in reservoir would preclude water contact sports, . . .

Commissioner Higginson in his letter says:

> The water quality in Narrows Reservoir would not preclude primary contact recreation.

A directly contrary statement, of course. If it did preclude primary contact recreation, which means swimming and water skiing, it would change the cost-benefit ratio of the project from 1.72-to-1 to 1.69-to-1. Hardly a justification for doing away with this project.

They say there is substantial local opposition to this and that is true, but there is even more support for it and there is even more political support for it, as I have indicated.

In the charge that the gentleman from Pennsylvania (Mr. EDGAR) and his colleagues have lodged against this project, they say there are over 40 historical and archeological sites that would be destroyed.

The Colorado Conservation Board has said that these historical or archeological sites or resources have been surveyed in accordance with the National Historic Preservation Act. Provision and

preservation of historic and cultural resources will be in compliance with Executive Order 11593 and 36 CFR 800.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 3 additional minutes to the gentleman from Colorado.

Mr. JOHNSON of Colorado. The statement is made that accommodating safety concerns may be costly. But, in his letter, Secretary Higginson has said—and this is a summary of the special report of the Commission's hearings and this is available for anybody to see. It should have been read by the administration officials, at least—he says:

A safe dam can be constructed at the Narrows site using state-of-the-art techniques. This conclusion was confirmed independently by three experts jointly selected by Reclamation and the State of Colorado. The Geological Survey's recent findings indicate that reservoir seepage rates would be well within earlier estimates by Reclamation.

The charge again is made that 15,000 acres will be inundated and 15 miles of free-flowing river will be lost, and the response is that 287,000 acres will receive supplemental irrigation and the Colorado River Conservation Board has said:

No significant stream fishery now exists in that portion of the river. However, a considerable reservoir fishery will be created by the water impounded in the reservoir.

The charge is made that flood control benefits are less than originally anticipated.

Commissioner Higginson said:

Flood control benefits have been re-evaluated and remain valid.

Finally, last year the President said that there may be preferable alternatives which might exist, and one preferable alternative was a ground water recharge possibility. Commissioner Higginson rejected that and said that the study showed that a ground water recharge alternative of the narrows unit is not economically feasible and would be a single purpose program.

The charge is made that the cost of the program exceeds the authorized cost ceiling is not a fact. According to the 1977 figures, I do not have any for 1978, the estimated total Federal obligations as of January 1977 are $159,645,000. The total construction ceiling for the narrows unit is $160,180,000. This means the estimated total Federal obligation for the narrows unit are $535,000 below the authorized ceiling.

Mr. Chairman, I have gone through this at great length for this purpose. I have had the feeling, as I did earlier, that this has not been a deductive process by the administration. They have, at random, picked out various sites they want to get rid of, and they did it pretty effectively, and then they came up with their rationale and justification, and their rationale and justifications are faulty, as you can see.

When they made a study, and I am using their own figures from the Bureau of Reclamation, when they made the study, they rejected certain arguments made against the narrows.

When they made the study, they refuted all of the claims that they were using to oppose the project. If they have been using the same kind of logic and the same kind of rationale in opposing these other projects as they have in the Narrows, they certainly should be rejected. I do not know that that is true. I have not made the study of the other projects as I have on the Narrows, but the committee has, and the committee has been doing this for several years now. On the basis of this evidence which I have given the Members today with respect to the Narrows, and on the basis of the committees' long involved studies, I think it can be easily seen that the administration's position is a faulty one, that the Edgar amendment should be rejected, and that we should stay with the fine work that the committee has done.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma (Mr. WATKINS).

Mr. WATKINS. First, I would like to express my thanks to our chairman, the gentleman from Alabama, TOM BEVILL and the ranking minority leader, the gentleman from Indiana (Mr. JOHN T. MYERS) for their tremendous work in developing a bill here that I think is as balanced as I have seen during my 2 years here as a freshman. I would also like to state that during the last 48 hours I have had the opportunity of working with the staff of this committee, and I would like to express my appreciation to them.

I will not center in on any particular projects at this time because this is in general debate. I would like to state this, though, to the minority as well as the majority side of the House. What is at stake here more than just the water projects or energy—what is at stake is the constitutional prerogatives of this Congress that enable the House to write their appropriation bills as we see fit. As our chairman has pointed out, the White House has not attended the hearings. They have not given testimony on the projects that have been brought before him during these last 48 hours or so, so I think this is a point that we need to point out as the Members of this body come in to vote, that the constitutional prerogatives of this Congress are at stake.

The second point I would like to make at this time is this. As the chairman has pointed out, this bill comes in $53 million less than what the President has recommended to this Congress, so it is not a budget buster. We have a bill that many people have spent hours upon hours drafting. It is one within the budget, and I think that we should give our complete support behind the committee on this particular program.

I thank the gentleman for yielding.

Mr. JOHN T. MYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Chairman, I rise in strong support of H.R. 12928. I particularly want to commend the Appropriations Subcommittee on Public Works and its chairman, as well as the full committee, for the fine bill they brought out of their committee.

I have always been vitally interested in water projects. My State has a number of important projects, and I want to thank this committee for the time they have always given me. As the Members know just about all projects, there has been some controversy. The subcommittee has always been very fair, giving time to all sides that want to be heard. I think the same thing could have been true for the administration had they wanted to be heard. I know that the Chairman and the committee would have given them all the time that they needed.

In my view, the administration is attempting to undercut the committee system and preempt the authority of the Congress with respect to water development. The timing and tone of their actions render transparent their intent, and we must not allow it to happen.

If there is merit in the administration's proposals, calm and complete consideration by the authorization and appropriations committees will reveal it. It is unfair to expect the Congress to act on such inadequate notice and without the benefit of a record, however. Where were the administration spokesmen when the committees were deliberating?

Again, we must not allow their clumsy attempts to politically finesse the Congress succeed. I urge my colleagues to support the committee bill.

With those general comments, I would also like to address several items of particular interest to South Dakotans.

First, the committee bill provides $150,000 to initiate the feasibility study of the Lower James-Fort Randall diversion proposal and $50,000 to begin the Oahe Riverside irrigation appraisal study.

These funds were not requested by the President but were provided by the committee in recognition of the responsibility of the Federal Government to assist South Dakotans with development of our water resources. Secretary Andrus has repeatedly paid lip service to the Department's willingness to help but has not acted in any way of which I am aware to back up his word.

The committee was limited in its ability to fund these studies by the capability limits of the Bureau of Reclamation. Personnel should be allocated to complete these investigations on an optimal basis.

Second, the committee has provided $375,000 to initiate streambank stabilization work at the Elk Point, N. Dak., and Cedar County Park, Nebr., erosion sites on the Missouri River. This level of funding represents the maximum capabilities of the Corps of Engineers for this work in fiscal year 1979.

Legislation is currently moving through Congress to designate the Missouri National Recreation River. This legislation has been designed expressly to facilitate completion of needed stabilization work at a number of sites and to overcome the delay the U.S. Fish and Wildlife Service indicated might otherwise occur. Upon passage of this measure the corps should gear up so that appropriations can be made available to accomplish this work as quickly as possible.

Third, $250,000 has been provided to complete the definite plan report and the draft environmental impact state-

ment for the Pollock-Herreid irrigation project. In my view an additional $250,000 should have been provided to undertake further construction planning work, but the Department indicated capabilities will not be available to use these funds. I certainly hope such lame excuses will not be employed again next year to further delay this excellent project.

Fourth, $600,000 has been provided for two Corps of Engineers water supply studies in my State. These funds were not requested by the President but were included at my urging. The corps studies should be coordinated with and complement a number of other studies of water supply problems and projects in South Dakota. Particular attention should be given to potential means of financing needed water supply developments, such as service charges on water for energy.

Finally, I want to reemphasize to my colleagues the legislative commitment to South Dakota, contained in the Flood Control Act of 1944, to assist with the development of our water resources.

We sacrificed over 500,000 acres for the four great reservoirs on the Missouri River. These reservoirs provide abundant flood control, navigation, and hydropower benefits enjoyed in other States. We were to receive nearly 600,000 acres of irrigation development to offset our economic losses, but from 1944 until today we have seen nothing of that commitment fulfilled.

I implore my colleagues to recognize the irrevocable moral commitment of the Federal Government to my State. The lipservice paid us by Secretary Andrus is simply not enough. We have every right to expect action, and we cannot and will not relinquish that right until our water resources are developed as promised.

Again, I urge my colleagues to support the committee bill and oppose the attempts of the administration to subvert the congressional process as well as to ignore the water development needs of my State.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina (Mr. DERRICK).

Mr. DERRICK. Mr. Chairman, the President requested full funding for all new major construction or procurement projects in his fiscal year 1979 budget. The Budget Committee task force on budget process, which I chair, received testimony favoring full funding as opposed to incrementally funding such projects, and the Budget Committee supported the President's recommendation. The Committee on Appropriations itself, years ago, initiated the practice of full funding in the area of defense procurement with very successful results. This year, however, the Appropriations Committee has not applied the full funding principle evenly across the budget.

I have taken the position that I would offer full funding amendments to appropriations bills, where necessary, to make them reflect total costs of major Federal construction and procurement projects at the outset. I offered the first such amendment last Friday to the Department of Transportation appropriations bill.

My amendments do not raise Federal spending. They do not add to the deficit. They do not represent support or opposition to any program. They simply apply across the board a proven financing mechanism that enhances congressional budget control and encourages tighter management by the executive to insure efficient expenditure of the public's money.

I had intended to offer an amendment to this bill which would have fully funded those major construction project starts recommended by the Appropriations Committee for fiscal year 1979. Would the distinguished chairman of this Public Works Appropriations Subcommittee, the gentleman from Alabama, be willing to discuss this matter with me?

Mr. BEVILL. I would be happy to discuss it with the gentleman.

Mr. DERRICK. Can you tell me how many major water resource construction starts your committee supports for fiscal year 1979?

Mr. BEVILL. The reported committee bill includes $65 million to fund 41 major water resource construction starts. I propose to offer an amendment for $24.5 million to initiate five major construction projects not included in the committee bill, but which were recommended by the President in a budget amendment only last week.

Mr. DERRICK. Do I understand correctly that it would take $1.3 billion to fully fund the 42 major construction starts in your committee bill and $172 million to fully fund the five projects in your amendments?

Mr. BEVILL. That is correct.

Mr. DERRICK. It is also my understanding an additional $90 to $95 million would be required to fully fund certain atomic energy defense projects included in this bill?

Mr. BEVILL. The gentleman's numbers are correct.

Mr. DERRICK. The gentleman knows from our earlier conversations that my fully funding amendments are neutral in terms of which major construction starts should be included for fiscal year 1979. Rather, they are based on my strong belief that "full funding" is an important financing procedure that both enhances real congressional control over spending and insures more efficient use of taxpayer dollars. The President endorses the concept, and the General Accounting Office endorses the concept. The Department of Defense, which has used the concept since the early 1950's, the Office of Management and Budget, and the Corps of Engineers all endorsed the concept in testimony before the Budget Committee task force on budget process.

Yet the bill before the House today reflects an incremental funding policy in some areas. Can the gentleman indicate the basis for this recommendation by the committee?

Mr. BEVILL. The committee bill traditionally has been incrementally funded, as the gentleman knows. The major reason for this approach is that the legislation authorizing this funding has placed limitations on annual appropriations actions which in effect has resulted in incremental funding. In fact, H.R. 12139, the River Basin Monetary Authorization Act of 1978, the bill authorizing new water resources construction starts for fiscal year 1979, which passed the House only a few months ago, also carries such a limitation. Furthermore, with regard to the full funding of the weapons systems in the Department of Energy also proposed by the President, the House also recently passed H.R. 11686, the DOE authorization bill for national security programs which limited appropriations action to incremental funding for certain atomic energy defense projects.

Mr. DERRICK. Would the gentleman support full funding for major construction projects in the appropriations bill if full funding were carried in the authorization legislation?

Mr. BEVILL. I can say this to the gentleman. I have not studied the matter to the extent that he obviously has. My position on the matter is not conclusive in any case. I am only one member of one committee. I do believe, however, that the way for us to proceed is for the authorizing committees and appropriations subcommittees involved with the matters in this bill to review carefully the testimony you have cited with a view toward developing our funding policy for the fiscal year 1980 budget. I personally have no predisposition toward incremental funding. I say this to the gentleman, he states a powerful case, and I assure him I will study the issue carefully giving the evidence he cites my full personal attention.

Mr. DERRICK. I thank the chairman. I appreciate his willingness to take a close look at the full funding approach and hope we can work together to implement it next year.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 8 minutes to the gentleman from Maine (Mr. EMERY).

Mr. EMERY. Mr. Chairman, today's appropriation legislation is of particular interest to me and many of my constituents in the State of Maine. I am referring particularly to the Department of Energy budget contained in H.R. 12928, and specifically to the low head hydroelectric and tidal power development sections.

The utilization of tidal power as a renewable resource is a subject which has periodically captivated the imagination of the energy community over the past few generations. Today, because of diminishing fossil ruel reserves and the presence of ever-escalating prices of electricity, interest is once again renewed on power production from the ebb and flow of the tides in a manner similar to conventional hydroelectric generation.

The State of Maine is indeed fortunate to experience the highest tide on the east coast of the United States, the same as Mont St. Michel in France and certain areas in the State of Alaska. Consequently, our geographical position has resulted in the development of interest in tidal power as a way to help solve some of our energy needs of the Northeast. This interest has, in turn, resulted in tidal power projects such as the

Passamaquoddy Bay and the Half-Moon Cove tidal power projects.

The first of these is an extremely ambitious project and one which has been in the minds of tidal power experts since the days of Franklin Roosevelt's administration. Roosevelt, himself, advanced the idea of harnessing those tides so that man might be able to produce energy. He was referring specifically to Passamaquoddy Bay in Maine.

The other project, much smaller, yet potentially equally important to our knowledge of employing tidal power to produce energy is the Half-Moon Cove project adjacent to the larger Passamaquoddy Bay project. One of its purposes is to explore the possibilities of increasing the larger project's megawatt capacity by including nearby sites into the total. Small, or intermediate, single pool tidal plants could be "paired" to produce a dependable power coordinating operation, so as one functions from basin-to-sea, the other functions from sea-to-basin. This mode of development could be applied to a series of suitably configurated basins along a coast, thereby producing an integrated energy system.

Mr. Chairman, at this point I would like to have the attention of the gentleman from Alabama (Mr. BEVILL), if I may.

The Army Corps of Engineers is carrying out a study addressing alternative tidal power concepts in the Passamaquoddy Bay region with DOE support and assistance in fiscal year 1978. H.R. 12928 appropriates $510,000 for the Passamaquoddy Bay tidal power project in Maine, for the corps in fiscal year 1979.

Is it the committee chairman's intention that money appropriated to the Department of Energy for low-head hydroelectric development, under which tidal power falls, continue to be used in fiscal year 1979 to support such projects as I just mentioned being undertaken in Half-Moon Cove?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, the gentleman is correct.

Mr. EMERY. I thank the chairman for his answer, and I repeat my support for the tidal project.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. EMERY. I yield to the gentleman from Massachusetts.

Mr. CONTE. I ask my good friend, the gentleman from Maine (Mr. EMERY), if he seriously believes that the request for $1,756,000 for advance engineering and design is justified since it is not needed for the completion of the final statement. I am speaking, of course, of Dickey-Lincoln.

Does the National Environmental Policy Act of 1970 not mandate the completion and an assessment of a fundamental environmental impact study before embarking on such a massive project?

Mr. EMERY. Mr. Chairman, I do not think the additional appropriation is necessary. The congressional delegation from the State of Maine, the gentleman from Maine (Mr. COHEN) and myself, has presented arguments to the Committee on Public Works and Transportation in opposition to Dickey-Lincoln. As the gentleman from Massachusetts knows, going back as much as 20 or 25 years in recent history, we find that there has been study upon study of Dickey-Lincoln with relation to its projected power output and its environmental impact, and all of them have pointed in the same direction—excessive cost, irreversible environmental damage, and little useful electricity.

I do not believe the additional money is justified, because I do not think there is anything we can learn that we do not already know.

Mr. CONTE. Mr. Chairman, I think the gentleman is absolutely correct. Certainly I am well aware of those studies, because in the 20 years I have been in Congress I have been battling this project. As the gentleman from Indiana (Mr. JOHN T. MYERS) said, he thought I went to school at Dickey-Lincoln.

Mr. Chairman, I would like to ask the gentleman a further question. Is this project not designed to provide only 2½ hours of peak power and to fill less than 1 percent of the region's energy demands when it is completed?

Mr. EMERY. Mr. Chairman, as we pointed out to the Public Works Committee and as the gentleman knows, the design of the Dickey-Lincoln project is such that it has been impossible, because of the amount of water in the St. John River and the Allagash River system, to develop any configuration, at least any that the Army Corps of Engineers or any other engineering firm has been able to come up with, to make an efficient design using available water. The best design to date cannot produce more than 2½ hours of peak power a day, at least during the summer and fall, because if it were operated longer, the river basin would run dry and the basin would become an 88,000 acre mudhole, producing nothing but mosquitoes.

Also, if we are looking for a project to generate electricity and also provide recreation and jobs, which is what these water projects should do ideally, then we should look elsewhere, to Passamaquoddy Bay or to some of the other projects around the country that will provide the necessary generation of electricity, which Dickey-Lincoln cannot do.

Mr. CONTE. In other words, what the gentleman is telling me is that there is too little a return for the billion dollars of taxpayers' hard-earned money that will be needed to construct this boondoggle?

Mr. EMERY. That is correct. Not only that, but I would point out that consistently, whenever the Army Corps of Engineers has estimated the cost of Dickey-Lincoln, the corps has underestimated the construction cost on every occasion I can think of. Consequently, if you take a look at the figures that have been presented and consider that it will take 12 years to construct the project if you start it today, with inflation, the increasing labor costs, the escalation of material costs, such as steel, we would probably be talking about a total cost in excess of $1.3 billion to generate electricity for 2 hours a day and produce less than 1 percent of our demand in New England. And, of course, that is optimistic. I think, for $1.3 billion, we could produce more energy and do less environmental damage and provide more jobs by developing many of the alternatives we have debated and delayed, whether it is the Passamaquoddy project or other water projects here debated or synthetic fuel, coal gasification, nuclear energy, solar, or shale oil, today. But not Dickey-Lincoln. It is a waste of money.

Mr. CONTE. If the gentleman will yield further, is it not true that if this dam is constructed over my strenuous objections, it will be the 11th largest in the world, with a 60-mile reservoir upstream, and will be constructed in the same way as that magnificent example of dam construction, the Teton River Dam? I am sure the gentleman will rest easier than the people who live in the flood plain below.

Mr. EMERY. Certainly there are many engineering questions which have not satisfactorily been answered. I would say the dam could be compared in size with the Aswan Dam in Egypt as well as with the engineering monstrosity that the gentleman just mentioned. It would be totally incompatible with that section of northern Maine.

The CHAIRMAN. The time of the gentleman from Maine (Mr. EMERY) has expired.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 3 additional minutes to the gentleman from Maine (Mr. EMERY).

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. EMERY. I yield to the gentleman from Maine.

Mr. COHEN. Mr. Chairman, as my distinguished colleague from Alabama (Mr. BEVILL) will recall, I appeared before his subcommittee earlier this year to testify in opposition to the administration request for additional funds for the proposed Dickey-Lincoln hydroelectric project. I am, of course, pleased that the subcommittee has denied the budget request for this project. I sincerely hope that this action signals that the Congress has now appropriated its last dollar for Dickey-Lincoln.

The case against proceeding with the construction of Dickey-Lincoln is overwhelming. An objective assessment of the draft environmental impact statements which have now been filed by the Corps of Engineers and the Department of Energy can only lead to one conclusion: the economic, environmental, and social costs of the project far outweigh its projected benefits. The time to terminate Dickey-Lincoln is at hand.

Earlier this month, the administration issued its long-awaited water policy reform message. I generally support the President's initiatives in this important policy area. The criteria that the President has announced for judging water projects should result in more fiscally responsible and environmentally sound projects. Unless it is selectively applied—and I hope this is not the case—this new policy will effectively disqualify projects such as Dickey-Lincoln, which clearly fail to meet the economic and environmental criteria which is at the heart of the administration's reform initiatives.

Mr. Chairman, I also want to associate

myself with the remarks made by my colleagues, the gentleman from Maine (Mr. EMERY) and the gentleman from Massachusetts (Mr. CONTE), in opposition to the Dickey-Lincoln project.

For several years I supported the appropriation to at least secure the funds for the environmental impact statement. I told the gentleman from Massachusetts (Mr. CONTE) at that time, when he was leading the opposition, that I did agree that we had to have all of the facts and data assembled before we could make a wise assessment as to whether we could ultimately support construction. After that environmental impact statement was completed, I came to the conclusion that the arguments in opposition to Dickey-Lincoln were overwhelming. For that reason, I have indicated my opposition to the funding of the project. I would hope that, in view of the subcommittee's action in deleting funds for continuation of this project, we would hold by this decision, and when the matter goes to the Senate, we would not concede on this issue.

Mr. Chairman, I think everyone should be aware that we are talking about, as the gentleman from Maine (Mr. EMERY) indicated, an investment of more than $1 billion to construct this dam to produce something in the neighborhood of 2 hours of electricity a day.

Mr. EMERY. That is absolutely correct.

Mr. COHEN. Mr. Chairman, I think we can make a wiser investment of our Federal dollars, particularly at a time when the administration is calling for cutbacks, and produce more usable energy as well.

Mr. CONTE. Mr. Chairman, if I may continue on, I want to compliment the gentleman from Maine (Mr. COHEN) for his courage, his leadership, and the work and the study that he has put into this particular project.

If the gentleman will yield further, I would like to continue with the questioning.

Can we not, by retrofitting only 450 average size sites of the over 5,200 in the region, achieve 92 percent of the electricity to be produced from Dickey-Lincoln at one-fifth the cost?

Mr. EMERY. Those figures are quite accurate. It is interesting to note that the President himself, in his energy message, and included in the energy legislation now before the conference committee, has supported the idea that we call small-site hydroelectricity. The advantages of small-site are many. No one firm or individual owns all of the sites. They are not tied to one river system. Flood plains and flooded areas are tiny as compared to large projects, such as Dickey-Lincoln. These small-site dams are entirely independent of each other, and are run separately or together, as needed.

The sites generating electricity can be of various sizes, and most of them are highly efficient. They can often be located close to where the electricity is to be used, rather than stringing 300 or 400 miles of electric lines, with heavy electrical losses.

The construction cost of small-site hydroelectricity can be as low as $600 or $700 per kilowatt-hour, and maintenance costs are extremely low.

The CHAIRMAN. The time of the gentleman from Maine (Mr. EMERY) has expired.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 4 additional minutes to the gentleman from Maine.

Mr. EMERY. Mr. Chairman, I thank the gentleman for yielding me this additional time.

With the development of small-site hydroelectricity, we will not be faced with many environmental problems, simply because the facilities are small and only a minuscule amount of area will be flooded.

In my State alone, probably 400 or 500 prime sites exist, some of which are included in an area that would be flooded by Dickey-Lincoln. They could produce a tremendous amount of electricity, ultimately provide more jobs, and produce about the same amount of electricity as Dickey-Lincoln for a fraction of the cost.

Mr. Chairman, in the gentleman's own State of Massachusetts there are an equal number of these sites, and perhaps more. As a matter of fact, they could produce much electricity to benefit industry and the consumers of Massachusetts, which would ultimately save money for his district, and produce jobs as well. This is true not just in New England. These sites exist, of course, all over the country, and need only to be recognized and developed.

Mr. CONTE. If the gentleman will yield further, Mr. Chairman, will not the yearly 40-foot fluctuations of the proposed reservoir leave a useless 30,000-acre bathtub ring in the summer? Is it not true that you will have to level nearby Mount. Debouille, no mere molehill, to provide the necessary landfill? Is this environmental disaster worth the tiny source of electricity?

Mr. EMERY. It is a very real question as to whether or not the mountain's rock and gravel is suitable for fill. That has not been determined.

I am not sure that either the Environmental Protection Agency or the Maine Department of Environmental Protection would approve of that anyway, and that might cause years of delay.

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. EMERY. I yield to the gentleman from Maine.

Mr. COHEN. Mr. Chairman, I believe the Supreme Court has recently ruled that there is some problem with the question of the TVA's continuing construction of a dam based upon the plight of the snail darter.

A somewhat similar objection has been raised as far as the operation of Dickey-Lincoln is concerned because it allegedly threatens the furbish lousewort, a kind of wild snapdragon.

I would like to say to the gentleman from Massachusetts (Mr. CONTE) that I believe I speak for the gentleman from Maine (Mr. EMERY) and others in the State of Maine, especially those who may be in opposition to this in our State, that the lousewort does not play any significant role in the Dickey-Lincoln questions, and that this is not a fact to be considered, notwithstanding any stories in the newspapers to the contrary.

Mr. EMERY. Mr. Chairman, that is an important point, too; in the last year or so, these flowers have been found not only in Maine, but also in Canada. They are not nearly as rare as was first thought.

I think any reasonable person may look at Maine and at the biological history of this plant and find that it is not an endangered species.

Mr. COHEN. If the gentleman will yield further, the principal obpections are the economic and the social consequences that would follow, as well as the amount of electricity that would be produced, and are not influenced by the lousewort question at all.

Mr. CONTE. If the gentleman will yield further, I ask him this question:

Is the irrevocable damage to be caused by this 335 foot high, 2 mile long monstrosity which will include the loss of some of the best white-water canoeing and brook trout fishing, and the destruction of critical winter habitation for deer and duck breeding grounds in the region, is all this permanent destruction worth a mere 2½ hours of peak power per day?

Mr. EMERY. There was a recent study by the E. C. Jordan Company that was designed primarily to examine exactly those questions—whether or not the damage would be permanent, whether or not there would be a lasting effect on deer or on other wildlife, and whether or not the forest industry would be permanently impacted. The result was that the damage was found to be very great, and irrevocable.

Mr. CONTE. Mr. Chairman, I thank the gentleman from Maine.

Mr. EMERY. Mr. Chairman, I yield to the gentleman from Vermont (Mr. JEFFORDS).

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to our distinguished colleague, the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Chairman, I take a few moments today to express my approval of this bill as it has come from the committee; and I wish to extend my congratulations and to commend the committee for its work.

I think one thing we should take into consideration at this time in looking at this bill is the fact that we need foresight in looking down the road, especially regarding our natural resource of water. I think the time will come when the water in this country will be at a premium I think the time will come when we will be glad that we looked ahead and did something constructive in maintaining water projects throughout our country.

Mr. Chairman, this bill is well thought out; and I think that they have done a fine job.

Two examples of foresight regarding the natural resource of water and its uses can be found in the Fourth Congressional District of Missouri.

I would like to mention them briefly. First is the Harry S. Truman Dam and Reservoir. The other, of course, is the Little Blue Channel and the accompanying lake project.

The Harry S. Truman Dam near Warsaw, Mo., is a multipurpose facility. It will deal with hydroelectric power, bringing us that much-needed energy in the years ahead. It will supply a well-planned flood control system, and a by-product of the Harry S. Truman Dam will be recreation for people, not only of western Missouri, but of eastern Kansas and throughout the Midwest.

The overall project is 73 percent complete at this time. It is scheduled for completion in September 1982, and some power will actually be available in March 1979. I support the full funding of the Harry S. Truman Dam and Reservior, and I think it should move ahead on schedule.

Regarding the Little Blue Channel and Lakes, let me tell the House of something I saw last September. We had a torrential rain in the western Missouri area, into eastern Jackson County and the Kansas City area. I flew home and in a light plane I flew over the eastern Jackson County area, Independence, and Kansas City. I saw acre after acre of farmland flooded, and much of Kansas City flooded. Many lives were lost.

I would like to point out, Mr. Chairman, that the Little Blue Lake project and Little Blue Channel, if this rain had come some 3 years down the road and this project had been on time, the flooding in the eastern Jackson County area would not have occurred and this flood control project would have saved some lives and a great deal of damage.

I think that we all see the need for the continuation of the Little Blue Channel and the Lake project. It is only 20 percent complete. It should be completed, and I support its full funding. I also support the full funding as set forth in this bill. I hope to lend my voice in support of foresight when it comes to this natural resource of water.

Mr. BEVILL. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma (Mr. ENGLISH) for a question.

Mr. ENGLISH. Mr. Chairman, I thank the gentleman very much.

It is my understanding that there is no money for construction with regard to the Arkansas River chloride control project in this bill; that the money is for planning only. Is that correct?

Mr. BEVILL. The gentleman is correct.

Mr. ENGLISH. With that in mind, Mr. Chairman, I would like wholeheartedly to support this measure with one serious reservation, of course, and that being with regard to any construction of the Arkansas River chloride control project. As long as there is no construction funding I can support the bill.

Mr. JOHN T. MYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, I would like to express my appreciation to the chairman, the gentleman from Alabama (Mr. BEVILL), and to our ranking minority member, the gentleman from Indiana (Mr. JOHN T. MYERS), for the assistance that they have given to the constituents I represent in the First Congressional District of Maryland in this legislation. The subcommittee members have been most helpful in meeting the requests of those in Maryland who have legitimate needs to be met under the public works programs of the Federal Government.

One of the most important inclusions in the pending bill is an amount of $300,000 to revise the Corps of Engineers study of beach erosion problems at Ocean City and Assateague Island, Md. Originally completed several years ago, the study must immediately be updated in order to provide a permanent solution to erosion of this important beach area. During the past winter repeated severe storms have greatly damaged large portions of the beach in Maryland's major resort and only temporary bulldozing efforts initiated by Mayor Harry Kelley and the Ocean City Council have provided some momentary relief. The study provided in the bill at my request will hopefully lead to preservation of this beautiful beach area.

Mr. Chairman, the committee was also good enough to respond to my request concerning the Cambridge, Md., harbor situation with a direction to the Corps of Engineers which appears on page 94 of the report. This existing Federal project has been in existence for nearly a century and is badly in need of deepening and expansion in order to provide economic opportunities to a large area of Maryland's Eastern Shore, especially Dorchester County. This project meets all of the criteria for Federal projects and yet the Office of Management and Budget has held it up for no apparent reason while the White House dragged its feet on a new water policy.

Seven months after the Cambridge project's approval by the corps with a remarkable 9:1 cost-benefit ratio, the OMB has finally released the project and sent it to Congress for the final approval of the Public Works Committees. Frankly, it is about time, and I only hope that it is not too late for the corp's inclusion of this work during the current calendar year. The committee's report indicates that they wish to have the corps fund and complete this project as soon as possible.

Mr. Chairman, the pending bill also contains $55,000 for the operation of the Interstate Commission on the Potomac River Basin, and agency of great importance to the many people who depend on this great river for their water supply and livelihood. The distinguished chairman of the Commission, Honorable Loretta Nimmerrichter of Charles County, Md., appeared before the committee on February 27, 1978, and outlined the importance of the Commission's work, pointing out that the states involved also provided the great bulk of the funds required for the Commission's operation. The States' share this year will be $179,800.

The bill also contains $602,000 for the Susquehanna River Basin Commission. Although the Commission's major work involves the States of New York and Pennsylvania, this river is the main fresh water source for the Chesapeake Bay. The up-river pollution must be solved and the Commission will do much to bring this about.

Also included in the bill is an additional $95,000 for the continuing corps study of erosion and preservation of Smith Island, one of the most picturesque and independent area of Maryland. Located off Crisfield in the middle of the Chesapeake Bay, Smith Island has suffered severe erosion and flooding and this study may offer an eventual solution to preserving the island and its peoples' way of life.

The $80,000 provided for the study of future construction of the Chesapeake City Bridge also offers an eventual solution to what has long been a traffic bottleneck on the upper Eastern Shore. Along with the Smith Island study, this study was initiated by me in previous public works appropriations bills.

Lastly, the committee has included $2,840,000 for the operation of the Chesapeake Bay Model and its studies being conducted at Matapeake in Queen Anne's County, Md. Once in full operation this corps model can provide much needed research which will go a long way toward offering solutions of the Chesapeake Bay's problems.

Again, the committee has my appreciation for their consideration of these matters and I know that I speak for the people I represent in saying that they join me in this expression.

Mr. JOHN T. MYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, the public work appropriations measure which we are considering today contains funds for a number of important projects throughout the Nation. I have been closely associated with the development of certain portions of the legislation, and can speak frankly of the difficult decisions which have been faced by the Appropriations Committee and individual Members.

This appropriations bill has centered the focus of attention on a number of issues. One issue, I believe is important and deserves our attention. From a number of Members I have heard the concern expressed that this legislation, or its legislative history, will have the effect of impinging upon the judicial branch by limiting inquiry or scope of review under the Administrative Procedure Act or other Federal statutes or regulations. I have heard the related concern that the bill or its legislative history will be used to repeal—either expressely or by implication—other substantive Federal law or regulations. Finally, I have heard the concern expressed that this legislation or its legislative history somehow terminates the Executive's decisionmaking responsibilities and cuts off review of substantive agency decisions by the Congress or the courts.

As a member of the committee, I can state that this is clearly not the intent of the legislation. Indeed, nothing could be further from the truth. The experience of the Congress along with the executive branch over the last year on water projects has demonstrated the importance of preserving the full scope of judicial review over such projects. Moreover, the appropriations legislation which we are considering today contains no implied or express limitation on judicial review and no implication of statutory repeal or authorization. As a

member of the Appropriation's Committee, I would be most concerned if this legislation were construed as authorizing, repealing, or modifying any existing law or the scope of judicial review under the Administrative Procedure Act or other Federal law. I have heard no such expression of intent from my colleagues on the Appropriations Committee, nor would I expect to hear such expression.

Federal agencies, including the decisions of the President's advisers on water resource projects, cannot escape review by the courts through the use of the appropriations process. The language contained in the committee report of a measure simply cannot overturn established law or limit the traditional scope of judicial review. A project cannot become "congressional" or "executive" merely through the development of a legislative history on an appropriations measure. The scope of review remains complete both as to the procedural and substantive aspects of the executive decisionmaking process.

This is an important constitutional principle which deserves amplification. Any other rule would attribute to the courts—unconstitutionally in my opinion—the power to engraft substantive "judicial" law onto substantive congressional enactments in the absence of specific congressional repeals, authorizations or limitations of review. This is a power which the Constitution does not give to the courts, and one which they should assiduously avoid accepting. It is the role of courts to review agency action and to avoid exercising the legislative power to circumscribe their authority to review such action unless Congress must specifically and unequivocally enacts such a limitation on review.

Similarly, the courts are not empowered, under the Constitution, to authorize or deauthorize projects which are in the legislative history of an appropriations measure or other similar actions not rising to the level of specific authorization is also dangerous constitutional ground for the courts to tread. Too often the congressional will can be misinterpreted by the ascription of unwarranted weight to the remarks of individuals who have a stake in the outcome of the controversy. The judiciary could do well to review agency action free of the rhetoric which sometimes surrounds a controversial or important bill. Failure to do so may result in the judicial authorization of projects or the judicial repeal of legislation which have not received appropriate consideration by the responsible congressional committees or by the Congress as a whole. This would amount to a dangerous invasion of the legislative province by the judiciary, and one which would not, in my opinion, be tolerated by Congress.

The fundamental principle can be stated simply: authorization of projects, repeal of substantive legislation and limitation on statutory judicial review are matters exclusively for the Congress. The courts should not engraft upon substantive Federal law repeals, modifications, or limitations without express and specific congressional action. In so doing, they may not only transgress their constitutional authority, but they also frequently enfeeble or empower themselves to a degree far different than that envisioned by Congress. Congress, of course, should be wary of creating expressions of legislative intent which are meaningless as guides to determining legislative intent.

Thank you, Mr. Chairman.

Mr. BEVILL. Mr. Chairman, I now yield 5 minutes to our distinguished colleague from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, a little later this afternoon I will be offering before the House an amendment to delete the eight water projects that were deleted a year ago by the conference committee in response to the President's original hit list of some 17 or 18 projects. These particular eight projects were put back into the Appropriations Committee bill, and it is my intention to offer an amendment to delete these specific eight projects.

I thought of calling this the Edgar amendment, but then, because I have offended some people in the House, I felt I would lose some 30 votes. And then I thought of calling it the administration amendment, but then on reflection I thought on that I would lose about 60 votes. So I would like to call this "proposition 8" where I am interested in trying to save the American taxpayer in 1979 $221 million and $563.9 million if we complete these eight projects.

Why is the administration opposed to these specific eight projects? Clifford Alexander, who is the Secretary of the Army, wrote to me in a letter dated June 13, 1978, in support of my amendment, that the economic, environmental, and safety aspects of each of these projects were analyzed in great detail as part of the Presidentially directed departmental review of ongoing water resource projects in the spring of 1977.

The Corps of Engineers subscribed to the criteria which were used in the evaluation. Subsequent to the completion of this review, Congress and the President agreed last year to not continue construction funding for these five projects. Included in the five projects are: The Yatesville Lake, Ky.; La Farge Lake, Wis.; Lukfata Lake, Okla.; Bayou Bodcau and tributaries, La.; and Meramec Park Lake, Mo.

They are all Corps of Engineer projects. He goes on to state:

> None of these projects, in the view of the Department, has economic benefits which outweigh its adverse impact on the Nation's environmental resources. Indeed, 3 of them—La Farge Lake, Lukfata Lake and Meramec Park Lake—would have specific adverse effects on the habitat of endangered plant or animal species.

He goes on.

Then in a letter from Cecil Andrus, Secretary of the Interior, delivered to me June 15, he says:

> It has come to my attention that there may be some confusion concerning the Department of the Interior's position on your amendment to the FY 1979 Public Works Appropriation bill.
>
> The Department strongly supports your amendment to delete funds for eight water resource development projects, particularly the Narrows Unit, Pick-Sloan Missouri Basin Program.
>
> As you know, funds for these projects were not included in last year's Public Works Appropriation bill at the President's request. This Department strongly supports the President's efforts not to fund these eight projects in FY 1979.

Later I will get into the eight specific projects that the amendment deals with, but I would like to point out for the attention of the Members that there are some resource materials available.

Earlier in the debate I misspoke, and I apologize for the misinformation I might have shared. I was concerned about some of the statements made about this bill being a budget buster or not being a budget buster. I have secured and have placed on the table and will share with my colleagues a report from the Office of Management and Budget in terms of their evaluation of the specific contents of this legislation. I apologize to the chairman if I misspoke on the Clinch River project, but this report comes to us with this comment:

> The apparent committee decreases of $211 million from the President's request when adjusted for the financial and accounting changes proposed by the committee reflects a programmatic increase of $302 million.

Also available to my colleagues is a chart that I have prepared which indicates the 11 criteria that the administration is using on these eight specific projects.

It lists out which of the projects have complied with such things as economic benefits, environmental assessment, and so forth.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEVILL. I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I thank the gentleman from Alabama (Mr. BEVILL) for yielding the additional time. I would hope that members of the committee would take a look at these specific charts. We have information that the President strongly feels that these eight projects which will cost the American public $569 million if completed and that it is simply inappropriate to have them placed back in this appropriation bill.

I urge my colleagues to support deletion of these projects.

Mr. KOSTMAYER. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Pennsylvania (Mr. EDGAR) who is an environmentalist and a fiscal conservative. I am disappointed that these projects are being returned to us in the Congress once again this year because I thought the problem had been resolved last year. But despite that the subcommittee has funded them again.

I am proud to associate myself with my colleague the gentleman from Pennsylvania (Mr. EDGAR).

● Mr. GIAIMO. Mr. Chairman, the purpose of my remarks is to provide a budget perspective for the House as it considers H.R. 12928, making appropriations

for the Department of Interior and related agencies.

This bill is within fiscal year 1979 first budget resolution spending targets for this subcommittee. No further major items assumed in the first budget resolution remain to be considered. It is therefore likely that this subcommittee's spending targets will not be exceeded as a result of subsequent action.

I would like to insert a copy of the House Budget Committee's early warning report on H.R. 12928, which provides greater detail requiring the specific amounts in the bill as related to the budget resolution.

H.R. 12928—PUBLIC WORKS APPROPRIATIONS BILL, FISCAL YEAR 1979 (H. REPT. 95-1247)

Committee: Appropriations.
Bill Manager: Mr. Bevill (Ala.).
Ranking Minority Member: Mr. Myers (Ind.).
Bill type: Appropriations.
Scheduled: Wednesday, June 14.

I. SPENDING ACTION COMPARED TO TARGET

The bill provides $10,315 million in budget authority and $5,081 million in outlays. Subcommittee action including this bill and all amounts previously enacted and those passed by the House is under the subcommittee target by $855 million in budget authority and $671 million in outlays.

[In millions of dollars]

	Budget authority	Outlays
Committee subdivision target (by subcommittee)	11,170	10,564
Less: Amount in reported bill	−10,315	−5,081
Previously enacted or passed House	----	−4,812
Spending action compared to target:		
Over target	----	----
Under target	855	671

Note.—New entitlement authority, none.

II. PROJECTION

No further items assumed in the First Budget Resolution remain to be considered.

[In millions of dollars]

	Budget authority	Outlays
Amount remaining within subcommittee target	855	671
Less: Amounts assumed in the resolution, but not yet considered	----	----
Assuming no changes from remaining budget resolution assumptions:		
Over subcommittee target	----	----
Under subcommittee target	*855	671

*See discussion which follows for implication of full funding.

NOTE.—New entitlement authority, none.

EXPLANATION OF PROJECTION

A. *Amounts under Subcommittee Targets*—The bill as reported is $855 million in budget authority and $671 million in outlays under the Appropriations Committee subdivision to the Public Works Subcommittee. The largest amounts under the subcommittee targets are in the national defense function ($250 million in budget authority), the energy function ($373 million in budget authority), and the natural resources and environment function ($246 million in budget authority).

Full Funding Implications—The President announced a full funding policy for all new Federal construction and procurement projects in the FY 1979 budget. The House Budget Committee report accompanying the First Budget Resolution endorsed the President's proposal and also urged the House to embrace the concept. The President's January Budget did not include new water project starts. The water resources policy statement, which does include proposed new starts, had not yet been submitted to Congress at the time the House agreed to the First Budget Resolution; budget authority was not included in the budget resolution for fully funding new water resources construction starts.

The Public Works bill as reported provides incremental funding for 41 new construction starts for the Corps of Engineers and the Bureau of Reclamation. If these new starts were fully funded, as urged in the budget resolution, the total budget authority of $1.3 billion would be included as opposed to the $65 million increment contained in the bill. Furthermore, the President's water message proposed 15 new starts not already included in the Committee bill.

B. *Amounts Assumed in Budget Resolution But Not Yet Considered*—No further items remain to be considered.

III. *Perspective on functional total*—The bill covers programs in five functional categories, however, over 90 percent of the funding is concentrated in three of these functions—national defense (function 050), energy (function 270), and natural resources and environment (function 300). At this early stage of House action on appropriations bills, it appears that this bill will not cause the functional targets assumed in the First Budget Resolution to be exceeded.

IV. *Comparison with the President's budget*—This bill as reported is $54 million in budget authority below the President's budget request of $10,369 million.

V. *Amendments*—Mr. Derrick may offer an amendment to increase the budget authority for new water projects construction starts to a level required to reflect full funding.●

● Mr. FRASER. Mr. Chairman, for the past 3 years, I have offered an amendment to delete funding for the Garrison Diversion Unit in North Dakota. This year, an amendment is not necessary since the Appropriations Committee did not include funding for the Bureau of Reclamation project except for $101,000 to continue feasibility studies of municipal and industrial water supply. This move by the committee is a significant step. However, the committee did adopt language in its report that seeks to free previous appropriations necessarily frozen by the administration so as to prevent contravention of the Boundary Waters Treaty of 1909 between the United States and Canada.

After years of mounting concern over the adverse impact of this project from North Dakota family farmers, numerous Federal agencies, the House Government Operations Committee, the Minnesota Pollution Control Agency, and the Canadian Government, the Appropriations Committee's action—providing no new funding for the project—is appropriate.

The committee language on the Garrison Diversion Unit, page 116 of House Report 95-1247, ignores the International Joint Commission's recommendations as well as the fact that the Department of Interior no longer wants to construct the original project. The Department is in the process of evaluating project alternatives.

The International Joint Commission's report was released in September 1977. The IJC determined that the project, as presently authorized, would cause injury to health and property in Canada.

The following points were made in the IJC report:

First. Water quality degradation resulting from polluted irrigation return flows would increase water treatment costs for Canadian municipalities by an amount ranging from $59,000 to $2 million annually.

Second. An unacceptable risk to Canada would be created because of the threat from biotic transfer—the transfer of harmful rough fish, fish parasites and diseases—from the Missouri River watershed in North Dakota to the Hudson Bay watershed in Canada where these harmful organisms do not presently exist.

Third. Due to the biotic transfer, the IJC predicted a devastating impact upon commercial fishing in Lakes Winnipeg and Manitoba, which constitute Canada's largest year-round commercial fishery. Commercial populations of walleye, sauger, and whitefish could be reduced by 50 percent, causing an annual loss of $6 million. Also, the Manitoba sport fishing industry could experience a related loss of 26,000 recreation days and $130,000 in associated revenue annually.

Fourth. In conclusion, the IJC recommended that, "overriding anything else, as it turns out, has been the necessity that such (biotic) introduction be prevented at all costs."

With the above points in mind, the International Joint Commission concluded its 2-year investigation by recommending that portions of the project affecting Canada not be constructed at this time.

Completion of the project's McClusky Canal crosses the divide separating the Missouri and Hudson Bay watersheds. No water is flowing through that canal at the present time. However, if water does enter the Lonetree Reservoir via the McClusky Canal, this starts the interbasin transfer of biota into the Hudson Bay watershed. Modifications to the Lonetree Reservoir that would be necessary to meet IJC standards are not part of the authorized project plan.

The Canadian Government has strongly objected to completion of the authorized Garrison Diversion Unit since 1973 when it became apparent certain project features might adversely impact Canadian waters. A formal U.S. Government position on the Interior Department's report and revised project plan is now holding up negotiations with Canada on the IJC's recommendations. The Canadain Government is anxious to sit down and negotiate. I urge the State Department to take the lead in developing a viable project alternative which takes into account Canadian concerns so dis-

cussions between the two governments can get underway.

The Minnesota Pollution Control Agency has also taken a stance against construction of the authorized project. In commenting on the Interior Department's revised project plan that was prepared as required under a U.S. District Court order, the MPCA also recognizes the problem with the possible interbasin transfer of biota. "The impact associated with interbasin biota transfers is significant and implementation of the International Joint Commission recommendations is appropriate." The comments are excerpted from a March 31, 1978, letter from Sandra Gardebring, Executive director of the MPCA, to Secretary Cecil Andrus. The full text of that letter follows:

MINNESOTA POLLUTION
CONTROL AGENCY,
March 31, 1978.

Mr. CECIL ANDRUS,
Secretary of the Interior,
Washington, D.C.

DEAR MR. ANDRUS: The Minnesota Pollution Control Agency (MPCA) has reviewed the following documents recently prepared by the U. S. Department of the Interior: 1) Garrison Diversion Unit Draft Supplementary Environmental Statement (January, 1978), 2) Fish and Wildlife Service Garrison Diversion Unit Report on Fish and Wildlife Resources (January 20, 1978), and 3) Draft Report on the Recommended Plan, Garrison Diversion Unit (February, 1978). This letter provides comments on each of these reports. Our review is limited to impacts on Minnesota.

I. GARRISON DIVERSION UNIT DRAFT SUPPLEMENTARY ENVIRONMENTAL STATEMENT (JANUARY, 1978)

The Draft Supplementary Environmental Statement (DSES) does not utilize the most current water quality data for predicting impacts. On June 23, 1977 the MPCA provided a 1976 flow investigation study prepared by Agency staff. As noted in my letter of June 23, 1977, this information was important for documenting low flows in the Red River. On November 16, 1977 I also conveyed my understanding that Red River data for 1974, 1975, and 1976 would be incorporated into the data base used for impact predictions in your DSES. In 1976 record low flows occurred in the Red River. These flows and accompanying water quality data are most important to predicting effects of the Garrison Diversion Unit under worst case conditions. Although this problem is identified in the DSES, it would be helpful if future model studies could be run utilizing the most current water quantity and quality data base, especially 1976 data for the Red River.

The DSES does not clearly identify the potential for violations of water quality standards and how these will be mitigated if they occur. As noted in my letter of June 23, 1977, federal rules for preparing environmental statements (40 CFR 1500.8(a)(2)) specifically require a detailed discussion of how the project may conform or conflict with state standards for the affected area. The DSES references Minnesota water quality standards (page V–34); however, it also notes that the table provided "cannot be used to interpret or predict violations of water quality standards." The frequency of violations of Minnesota water quality standards may be low for various alternatives, however, should be identified. The DSES (page V–10) identifies the potential for increases in pollution effects of the Garrison Diversion Unit if less than optimum agricultural management practices are used. Although the DSES provides a good discussion of general mitigating measures, it is unclear how Minnesota water quality standard violations will be identified and mitigated if they occur. It would be helpful if the MPCA could be involved in the water quality monitoring program anticipated. Consistent with applicable rules, Interior should also provide a specific discussion of the proposed project and alternatives which will conform or conflict with Minnesota water quality standards. This is especially warranted because of the violations suggested by water quality data presented (see DSES Table 53). A discussion of specific mitigating measures which can be used to prevent these violations should also be provided. The extent to which violations identified cannot be mitigated for the project and its alternatives should be an important factor in determining the acceptability of the project.

The DSES is the most candid and objective evaluation of impacts prepared to date by the Department of the Interior. The DSES, I feel, is highly consistent with the full disclosure intended by the National Environmental Policy Act. The establishment of an oversight management group has been successful in bringing together the diverse interests within Interior. I am sure no one on the Oversight Management Group will admit that the task they performed was easy or trouble free. The Oversight Management Group is to be commended for their efforts and especially their openness. My staff has found the Oversight Management team members to be candid in discussions of the project's benefits and problems. This has added to our confidence in the objectivity of the DSES.

While the DSES is a good environmental statement in our opinion, this should not cloud the fact that several of our objections to the Garrison Diversion project as originally planned have not faded. In many cases, however, our concerns have been at least identified in the DSES. This allows the DSES to serve its proper function as an aid to decision-making. Two examples of this are the DSES sections pertinent to the biotic transfer issue and the issue associated with the assumption that best agricultural management practices will always be used. In both cases, the DSES properly identifies the problem, discusses mitigating measures and does not attempt to suggest that these problems are fully resolved. While the MPCA has continuing concerns over each of these issues and others, we feel that they have been properly raised in the DSES. I commend Interior for their efforts to closely adhere to the intent of the National Environmental Policy Act.

II. FISH AND WILDLIFE SERVICE GARRISON DIVERSION UNIT REPORT ON FISH AND WILDLIFE RESOURCES (JANUARY 20, 1978)

It is our understanding that this document is intended to accompany the Draft Report on the Recommended Plan, Garrison Diversion Unit (February, 1978). The document identifies several concerns pertaining to the Red River: 1) eight species of fish will be available for introduction to the Red River from the Missouri River, primarily through wastewater discharges and 2) the Bureau of Reclamation has not generated any water quality data for the recommended plan (96,000 acres). I assume that violations of North Dakota water quality standards identified do not apply to Minnesota (see page 8), however, request clarification from you on this matter.

It appears that recommendation 2 provided on page 13 of the report is in part consistent with the International Joint Commission Garrison Diversion Study Board recommendations of October, 1976. I support development and implementation of the closed system concept recommended by the International Joint Commission which includes: 1) elimination of all wasteways (In their place retention ponds and facilities to pump water back into the irrigation distribution system be constructed), 2) filtration of all municipal and industrial water through a suitable sand filter, 3) elimination of the 400 cfs outlet through Lonetree Dam and 4) elimination of any fish or wildlife supplementary water supply which would place Garrison Diversion Unit water in the Red River or Hudson Bay watershed.

I also support Fish and Wildlife recommendation 15 on page 14 which calls for a greenbelt on the Sheyenne River upstream of Lake Ashtabula. As noted in the report, greenbelting can reduce impacts of increased siltation and nutrient loading. This measure would most certainly help protect water quality in Minnesota and reduce pollution effects of the Garrison Diversion Unit.

The Fish and Wildlife document recommends deletion of the Lonetree Reservoir and lists several advantages for this alternative. I support this recommendation, however, have an added concern mentioned later in this letter. I am concerned with the statement that no water quality data has been generated for the recommended plan.

III. DRAFT REPORT ON THE RECOMMENDED PLAN, GARRISON DIVERSION UNIT (FEBRUARY, 1978)

In light of the impacts and violations of Minnesota water quality standards identified in the DSES, the MPCA supports a reduced project that is more environmentally sound. The Department of Interior is to be commended for carefully evaluating the Garrison Diversion Project and utilizing information in the DSES to arrive at a sound decision consistent with a variety of interests; environmental, economic, financial, social and others. A problem, however, is that the criteria used to arrive at the recommended plan remain somewhat unclear. As reflected in my letter of November 16, 1977, it was the Agency's understanding that this information would be provided.

As mentioned earlier, it is possible that detailed water quality data has not been prepared for the specific recommended plan. This is understandable since the recommended plan is really a combination of the specific alternatives evaluated in the DSES. It would appear to the MPCA that detailed information will need to be developed for the Final Environmental Statement which evaluates impacts of the specific plan recommended. If as the report indicates "the degree of impacts is directly proportional to the extent of irrigation" (page 84), then water quality impacts predicted may be less than those presented in the report. Only a specific analysis of the recommended plan can yield the data now needed to fully evaluate the recommended plan. In general, however, water quality impacts in the Red River for the recommended plan should be substantially reduced from those associated with the original 250,000 acre plan.

Another problem is, of course, the biotic transfer issue. The report (page 99) identifies this potential. As mentioned earlier, I recommend that Interior follow the International Joint Commission Garrison Diversion Unit Study Board's recommendations of October, 1976. As noted in the report, interbasin biota transfers were weighed in development of the recommended plan. The impacts associated with interbasin biota transfers is significant and implementation of the International Joint Commission recommendations is appropriate.

As mentioned earlier, the MPCA supports the Fish and Wildlife Service recommendation that the project be authorized and developed without the Lonetree Reservoir. Aside from the justification presented in the Fish and Wildlife report (page 13), Interior must recognize that the Lonetree Reservoir was a project feature designed for a much larger project. If the recommended plan is authorized, it is doubtful if flows and the size of

irrigation acreages downstream justify this project feature. If the Lonetree Reservoir is constructed, it raises the potential for important secondary effects (i.e. future expanded irrigation in the areas planned for irrigation under the recommended plan and/or new irrigation in areas such as the Souris or Warwick-McVille which are absent from the recommended plan). If the Lonetree Reservoir remains within the recommended plan, the Final Environmental Statement should evaluate important secondary impacts of irrigation development. This approach is consistent with applicable Council on Environmental Quality rules and regulations for preparing federal environmental statements (see 40 CFR 1500.8(a)(3)(iii)). As noted in these rules and regulations, secondary impacts "may often be even more substantial than the primary effects of the original action itself."

I conclude by commending the Department of Interior for its efforts to fulfill the environmental review process established by the National Environmental Policy Act. It is my view that Interior's recent efforts have properly emphasized the environmental review process such that environmental sound proposals can be formulated. Again, I commend the Oversight Management Group for their efforts. Please include this letter in the official record for comments on the Draft Supplementary Environmental Statement.

Yours truly,

SANDRA S. GARDEBRING,
Executive Director.

Problems that led to the current construction moratorium on the Garrison Diversion Unit are still unresolved. I believe further construction on the authorized project should not proceed until these problems have been resolved.●

● Ms. OAKAR. Mr. Chairman, today we will consider the Public Works Appropriations bill, an important piece of legislation that affects the future development of many areas of our country. I speak today not only on behalf of my own constituency when I rise in support of the Port of Cleveland, a harbor that quite literally is the harbor, the place of security and comfort to those it serves in terms of jobs and impact on our overall marketplace. Cleveland Harbor fills the needs of northeastern Ohio and plays a key role in the entire Great Lakes trade and commerce potential. But even more importantly, Cleveland Harbor represents just one of many similar projects in this appropriations bill—projects which desperately need Federal funding to rebuild and restore existing facilities and to begin work on new projects so that many areas of our country can reach their trading capabilities. Until we in Congress accept our leadership role to provide this outlet today, we are not only jeopardizing Cleveland Harbor, but our whole Nation's potential to bring in line our current deficit trading picture and give us the strength in the marketplace we deserve and can provide.

I urge you, to stand behind our chairmen and our leaders who have helped to draft this bill to comply with House budget guidelines and to comply with our desire to do what is best for our country and our own individual constituencies by collectively addressing ourselves to these vital projects.

I proudly represent part of Greater Cleveland and the commercial and industrial heart of Ohio. If Cleveland can be said to be the heart of Ohio, then the port of Cleveland is surely its lifeblood. The economy of Cleveland—and, for that matter, the rest of the State of Ohio—is only as healthy as its harbor. Cleveland Harbor is one very big reason why Cleveland has been a national leader in the production of steel and the manufacture of machine tool equipment. The port of Cleveland handles ships from almost every country in the world, with annual cargo worth hundreds of millions of dollars. This flow of traffic to and from the port of Cleveland, this lifeblood of trade and commerce along one of the world's great shipping lanes, not only gives Cleveland immediate access to the outside world but also keeps the local and regional economy sound and promotes the employment of several hundred thousand workers.

Cleveland boasts of its steel industries which constitute such an important part of the community and which have contributed so much in helping to develop the potential and resources of northeastern Ohio. Republic Steel, Jones Laughlin Steel, and United States Steel use Cleveland Harbor for imports and exports and will very soon require the large ore boats in order to remain competitive. But these industries cannot now profit from the use of the large ships until certain modifications are made to Cleveland Harbor, and the first step toward such improvement is in this bill, which appropriates money for the shoring up of the breakwater within the harbor area, the necessary study, and resources for the Cuyahoga River Basin. This appropriation has the recommendation of the Corps of Engineers, as well as the support of the chairmen of the Appropriations and Public Works Committees. These funds are necessary to any long-range improvement of Cleveland port's facilities and are within the budget limits.

Let me illustrate how the loss of Federal funds for Cleveland Harbor would adversely affect a critical part of Ohio's industry and economy.

Republic Steel employs about 6,500 persons. These jobs depend directly on the raw materials and finished goods that ships carry in and out of the Port of Cleveland. The number of ships the port can handle depends on the condition of the harbor facilities. If Cleveland Harbor were to receive no money from Congress to restore existing structures, to rebuild dikes and docks, to deepen and widen the harbor entrance, these conditions would deteriorate to a point where shipping into Cleveland would decline, resulting in the loss of thousands of jobs in steel and steel-related industries. And this would be in addition to the hundreds of millions of dollars in lost revenue to the economy.

Let me carry this a step farther. I am a member of the National Commission on Unemployment Compensation and have been learning the serious problems associated with unemployment. Last year, almost $20 billion in unemployment compensation was paid out. The average weekly unemployment check was $110. Now, were Cleveland Harbor to lose any money for development, and were shipping and employment to decline because of that, forcing the steel and other related industries to lay off literally tens of thousands of employees, this action alone would bankrupt the unemployment system; 50,000 workers laid off as a result of a severe slowdown in the steel and other port related industries would easily add $6 billion in unemployment compensation. So the question is, do we appropriate money now to improve port conditions to protect the affected industries in order to keep these workers at their jobs and out of the unemployment lines? My mother used to say let us not be penny wise and pound foolish. That is exactly what will happen without port expansion.

This Congress with my support has assisted the farmer and the city dweller—New York. Now we in the Midwest need your assistance. I urge passage of this bill.●

Mr. SHARP. Mr. Chairman, last year the Carter administration initiated a major legislative battle with Congress when it attempted to eliminate or reduce funding for 18 Federal water projects which the administration considered either economically or environmentally unsound.

All of us here are familiar with the course of events which led to last year's compromise between the administration and Congress eliminating nine of those projects. I supported the compromise last year and believe that agreement should not be overturned this year. The elimination of these eight unnecessary projects, located primarily in the South and West, will save the American taxpayer $221 million in fiscal year 1979 alone and a total of nearly $600 million, the estimated total Federal cost of the projects.

Last week, the President announced the administration's new national water policy which will guide the executive branch's decisions on future water matters. While I am pleased to see the establishment of such standards for these types of irrigation, recreation, and water supply projects, I would urge the President to recognize that any comprehensive water policy must also address itself to a different type of water supply problem which must be faced in the very near future by smaller communities in the Midwest and Northeast.

Many of these communities, whose tax dollars in part support the projects we are considering today, must replace or substantially repair failing and outdated water systems built 40 or more years ago. Currently, Federal assistance for such local projects is minimal.

One example of such a community with real water needs is Pennville, a town of about 800 people in Jay County, Ind. About 40 percent of the residential water customers are households on fixed incomes. Borrowing for the local share of a State ordered sewer system last year has raised the average residential water and sewer bill to nearly $15 a month, a real hardship for these retired people.

Now Pennville is faced with another major expense for improvements in the 40-year-old water system. Their water is frequently very rusty, making it un-

drinkable and ruining clothes washed in it. The pressure is so low that local businesses are asked to close or to do clean-up tasks at 2 or 3 a.m., and the volunteer fire department fears that they would be unable to fight a major fire.

In the last 2 years the Department of Housing and Urban Development has turned down applications from Pennville for community development funds for the estimated $175,000 needed to improve the system. If the town is lucky, the Farmers Home Administration might grant up to 50 percent of the needed funds, but the debt service charges on a loan for the remaining 50 percent would require raising the water rates another $3 or so for the average household. This would be intolerable for some of the retired persons trying to make ends meet on a fixed income.

Other examples abound. The town of Geneva, an Adams County community with about 1,100 people, was recently granted a 160 percent water rate increase by the Indiana Public Service Commission to help pay for needed improvements. Even this increase would not be enough, however, to cover the repayment costs on a Farmers Home Administration loan, so the town may not be able to make the improvements.

Modoc and Losantville, small neighboring communities in Randolph County, Ind., received the maximum available HUD funding in 1975 for new water systems. This maximum grant, $330,000, covered less than half of the project's estimated costs, and the towns have not been able to come up with the necessary money to build it.

There are numerous other towns in my district and State with similar problems, and I am confident that most Congressmen could identify several in their own districts. I sincerely believe that Congress must also consider these needs as part of our overall national water policy.

● Mr. ALEXANDER. Mr. Chairman, Cache River basin, Arkansas, a flood control and fish and wildlife enhancement project which Congress has directed the Corps of Engineers to carry out and for which funding is recommended under this bill has been under study for more than 28 years. Even while the construction phase has been underway a study to insure that the best design possible has been achieved has continued. Approximately $1.9 million has been spent by the corps studying this project.

The design that has been approved and under which the corps is operating is one that balances the need for flood control with the need for environmental protection.

Work on this project has been delayed a number of times. First, in the 1950's because of the priorities related to the Korean conflict. Next because of the need to comply with the objectives of the National Environmental Policy Act. Federal court litigation relating to the environmental impact statement has delayed the project. The corps, itself, has voluntarily delayed the project in an effort to cooperate in resolving problems raised by opponents.

Failure to carry out the Cache River Basin project means everybody loses. Farmers lose because they are deprived of protection from crop-destroying, land-damaging floods. Local communities lose because they lack protection from flood-caused disruptions of business activity, reductions in the purchasing power of the farming community, and damage to public facilities. Sportsmen lose because the forest and wetlands which would be acquired for public use under the project design would not be made available. Persons whose concern is protecting the environment lose because the forest and wetland areas they are interested in will remain in the hands of private owners who have established a practice of turning these lands into cultivated fields.

The time has come to fish or cut bait on this project.

Since there appears to be continuing confusion about the facts relating to this project, I have prepared a brief discussion that I hope will help bring light to the discussion. The first part of this deals with statistical facts relating to the project. This statistical matter relates to the existing, authorized design. The second part is an historical perspective on the project.

INDISPUTABLE FACTS ABOUT THE CACHE PROJECT

The Cache River Basin project is a flood control and fish and wildlife enhancement project. It is designed to protect 694,300 acres of land in the basin. A 1973 study of the official land ownership records for the basin showed there exist 6,444 landownerships. Of these 6,192 or 96 percent, were in tracts of 640 acres or less.

Under the approved project design improvements include acquiring up to 70,000 acres of flood plain forest and other lands for use in protecting fish and wildlife habitat and the improvement, through straightening, enlarging, or clearing, 231 miles of Cache River and Bayou Deview channels.

Congress originally authorized the project in 1950, reaffirmed the authorization in 1965, and approved modification of the design in 1974. The 1974 modification provided authorization for acquiring mitigation lands in the project area.

BENEFIT-COST RATIO IS POSITIVE

A study of the benefit-cost ratio based on standards set by President Carter in 1977 found that the ratio of remaining direct benefits to remaining direct costs using the discount rate of 6⅜ percent is 2.1. At the discount rate applicable to appropriations for initial construction funding, 4⅝ percent, the ratio of total direct benefits to total direct costs is 2.8. At the 3¼ percent discount rate, the ratio of total direct benefits to total direct costs is 3.6.

(Source: "Public Works for Water and Power Development and Energy Research Appropriation Bill, 1978", Vol. 9, Hearings Before A Subcommittee of the Committee on Appropriations, U.S. House of Representatives, 95th Congress, 1st Session, p. 252.)

ENVIRONMENTAL ISSUE INFORMATION

In 1969 field observations indicated that an estimated 140,000 acres of flood plain forest existed at that time in the Cache River-Bayou Deview basin. Four years later field observations and expert analysis of aerial photographs indicated that 23,769 acres of this flood plain forest had been cleared in a land-clearing pattern that began in the 19th century. Clearing continued at a pace that resulted in an estimate of 100,000 to 110,000 acres of flood plain forest remaining in the basin in 1976.

The Cache River-Bayou Deview basin is part of the Mississippi Flyway for migrating waterfowl. The matter of the project's impact on the duck population was discussed in the "Review of Water Resource Projects" report sent to the President on April 8, 1977, by the Civil Works Directorate of the Corps of Engineers in response to the President's February 21, 1977, directive calling for a review of water resource projects.

The following are excerpts from that report:

. . . It is apparent that if the project were to result in the demise of the entire wintering mallard population in the Cache River Basin, it would decrease the flyway mallard population by less than 5% and the total flyway duck population by 1.6% . . . There is no evidence that there is any shortage of wintering habitat critical to the continued existence and well-being of, flyway ducks. Further, at the current rate of clearing by private landowners, coupled with siltation, any attempt to preserve the woodlands in their natural state by simply not completing the project would probably have more serious impacts on waterfowl habitat than would the project which includes positive measures to preserve and enhance the habitat. . . . (Source: Ibid., p. 255.)

Concern over the level of siltation in the basin have been raised on a number of occasions. In the aforementioned report the following information is offered:

. . . Exhaustive studies of this matter indicate that only 0.13 feet of additional sediment will be deposited in the lower 30 miles of the flood plain over the next 100 years, and that there will be no net sediment deposition in the White River over the long term. . . . should the project be carried out under the currently existing design (Source: Ibid., p. 254.)

PUBLIC ATTITUDES TOWARD THE PROJECT

On March 28, 1977, under the directive of President Carter, Corps of Engineers held a public hearing on the project.

Approximately 2,000 persons attended the hearing. Of the 1,450 persons who listed their position on the project 1,356, or 94 percent indicated project support.

During the hearing 267 persons testified, with 241 supporting continuing the project. Of those voicing opposition only three were known to have lands even marginally within the area affected by the projects. (Source: Ibid., pp. 254–260.)

LAND IN PUBLIC OWNERSHIP

The Arkansas Game and Fish Commission owns three tracts of land in the basin. These are Bayou Deview Wildlife Management Area, 4,253.62 acres, Black Swamp Wildlife Management Area, 3,888.04 acres, and Dagmar Wildlife Management Area, 7,958.57 acres. The A.G. & F.C. owned all of this land, with the exception of 86.7 acres, prior to 1973.

The total acreage is 16,100.072 acres. All of this land is included in the esti-

mated 100,000 to 110,000 acres of flood plain forest remaining in the basin.

It should be noted that the majority of the flood plain forest in the basin, approximately 85,000 acres, is privately owned. It is under increasing threat from long-standing, current land clearing practices. No Federal or State law prohibits such land clearing by private landowners.

ACQUIRING MITIGATION LANDS

In 1974 Public Law 93-251 was enacted. Section 99 provides the only vehicle currently in existence giving any assurance that even one acre of the privately held flood plain forest in the Cache River Basin will escape the ax, saw, and bulldozer.

The section authorizes the Corps of Engineers to acquire "... by fee or easements . . . not more than 70,000 acres of land for fish and wildlife management, recreation, and environmental purposes, of which not less than 30 thousand acres shall be available for public use...." The law goes on to say "... The total Federal expenditure for this acquisition shall not exceed $7,000,000 and local interests shall contribute 50 percent of any cost in excess of $6,000,000...."

Recognizing that some landowners in the Cache River Basin might be willing to participate in the efforts to protect the flood plain forest, fish and wildlife habitat, but be reluctant to open their property to the public, the Congress made provision for this through the "environmental easement" language in section 99.

Private owners are given a choice, under section 99, of selling an easement while retaining the right to prohibit use of the property by the public, of selling an easement which would include the right of public use, or of selling the land in fee title.

Another aspect of section 99 is the earmarking of certain money for mitigation purposes. The provision requires that at least 30 percent of the fund appropriated in any fiscal year be used for mitigation until the maximum allowed by law is appropriated. The $6.2 million which the corps has earmarked for mitigation land acquisition is more than three times the amount that would have been required under strict adherence to the law. In fact it is 70 percent of the amount appropriated since fiscal year 1975.

AN HISTORICAL PERSPECTIVE ON THE CACHE RIVER BASIN, ARKANSAS, CORPS OF ENGINEERS PROJECT

May, 1950—The Cache River Basin Project is authorized by the Flood Control Act of May 17, 1950.

Early 1950's—Cache River Basin project, along with other new projects, delayed as result of Korean War.

1955—U.S. Fish and Wildlife Service recommends a floodway with levees rather than channelization as the project design for Cache River.

September, 1959—U.S. Fish and Wildlife Service recommends mitigation measures for Cache River.

December, 1959—District Corps report to the Chief of Engineers reaffirms the need for the project without mitigation measures.

Fiscal Year 1963—Congress appropriates, as part of FY 1963 budget, $100,000 for special study of the continued need for the Cache River project.

1965—Congress reconfirms its support for the construction of the Cache River project.

Fiscal Years 1967 through 1971—Congress appropriates a cumulative total of $7,420,000 for use in designing, engineering, constructing and carrying out the mitigation phase of the Cache River project.

Winter 1970-1971—Corps of Engineers cancels letting of contracts for initial construction on Cache River Project because of need to reassess the project in light of the passage of the National Environmental Policy Act.

December, 1970—Corps of Engineers files draft Environmental Impact Statement (EIS) with Council on Environmental Quality. Draft EIS recommends acquisition of 30,000 acres of mitigation land.

March 24, 1971—Letter to the Memphis District, Corps of Engineers, from Arkansas Game and Fish Commission commenting on the draft EIS states: ". . . The Arkansas Game and Fish Commission meeting in regular session March 15th and 16th in Little Rock, Arkansas, reviewed a general outline of the mitigation plan as presented by the Commission Technical Staff and expressed support of the mitigation plan. The Commission's resolved position of opposition to the Cache River-Bayou DeView Drainage Project will be withdrawn upon implementation of this Fish and Wildlife Mitigation Plan. . . ." (Ibid., pp. 87-88.)

April 2, 1971—Letter from the Atlanta Region, Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, United States Department of the Interior to Memphis District, Corps of Engineers regarding the draft EIS states: ". . . The Bureau is of the opinion that an acceptable degree of mitigation can be achieved by your proposed fish and wildlife mitigation plan, and that it is fully justified in view of the project-induced losses of these resources. . . ." (Ibid., p. 139.)

September 21, 1971—The White House gives approval to the Corps of Engineers to proceed with the construction phase of the Cache River project.

October 4, 1971—The Memphis District of the Corps of Engineers announces plans to open bids on November 9, 1971, for the first construction item on the Cache River Project.

October 7, 1971—Opponents file civil suit in U.S. District Court challenging the EIS. The plaintiffs include the Environmental Defense Fund, Inc., American Duck Hunters Association, Arkansas Econogy Center, Arkansas Wildlife Federation.

October 26, 1971—Letter to Corps of Engineers from Arkansas Game and Fish Commission states the Commission has rescinded its support of the mitigation plan and joined the court suit. (Ibid., p. 158.)

December 15, 1971—Letter from Region VI, U.S. Environmental Agency, to Chief of Corps of Engineers regarding the draft EIS states: ". . . According to the Environmental Statement, objections to the project have now been largely satisfied by the mitigation plan, with the Arkansas Game and Fish Commission stating it would withdraw its official opposition once the project and the mitigation plan are funded. . . ." (Ibid., p 162-164.)

February 8, 1972—Letter from Region VI, EPA to Chief of Engineers requests deletion of statement quoted above from December 15, 1971, letter from EPA's comments on the draft EIS. (Ibid., p 165.)

May 2-5, 1972—Hearing held in U.S. District Court on suit challenging Cache River EIS.

May 5, 1972—Bench decision handed down in U.S. District Court upholding the validity of the EIS.

May 12, 1972—Final EIS approved by Chief of Engineers.

Spring and Summer, 1972—First 4 miles of channel improvement work constructed on Cache.

Fall, 1972—Congress passes the Flood Control Act of 1972, which contains provision authorizing mitigation phase of Cache River project.

October 27, 1972—President Nixon vetoes the Flood Control Act of 1972.

December, 1972—Eights Circuit Court of Appeals rules EIS inadequate and must be revised.

March, 1973—U.S. District Court orders construction in Cache River project stopped during preparation of revised EIS.

November, 1973—Revised draft EIS filed with Council on Environmental Quality by U.S. Corps of Engineers.

March 7, 1974—Water Resources Development Act of 1974 becomes law. Sec. 99 of the Act authorizes mitigation phase of Cache project, limiting mitigation land acquisition to 70,000 acres.

Spring, 1974—Corps begins work on mitigation land acquisition phase of the project.

November, 1974—Revised final EIS filed with Council on Environmental Quality.

November 17-20, 1975—Evidentiary hearing held in U.S. District Court on revised EIS.

March 22, 1976—U.S. District Court rules that EIS complies with National Environmental Policy Act, other laws and controlling guides and regulations.

March 29, 1976—U.S. District Court dismisses civil suit and dissolves March, 1973, injunction.

September, 1976—Corps completes preliminary draft real estate memorandum on mitigation land acquisition.

November 29, 1976—Corps awards construction contract on 3.1 miles of channel improvement work.

February, 1977—Corps enters negotiations with owners of land wanted for mitigation purposes.

February 21, 1978—President Carter puts Cache River on "hit list".

February 18, 1977—Opponents file request with Eight Circuit Court of Appeals asking that construction be enjoined.

March, 1977—Eighth Circuit Court of Appeals refuses to issue the injunction.

April 8, 1977—Report titled "Review of Water Resource Projects," issued by the Corps of Engineers as a result of President Carter's February directive ordering a review of water resource projects stated that Cache had passed the economic, environmental, safety, and institutional and equity tests the President ordered to be used. (See Public Works for Water and Energy Research Appropriation Bill, 1978, Part 9, Hearings before a Subcommittee of the Committee on Appropriations, U.S. House of Representatives, 95th Congress, 1st Session, p. 88-89.)

April 18, 1977—President Carter recommends deletion of funding for Cache River, deauthorization of the project, and adoption of a plan to protect bottomland habitat in the Cache River Basin.

Early 1977—Project opponents hire consultant to make alternative proposal for project design for the Cache. Memphis District Engineer, Corps, makes voluntary decision not to undertake any construction effort until report available.

Late summer—The consultant study known as the "Gagliano report" is released. Proposes a project design different from that being followed by the Corps of Engineers.

August 7, 1977—President Carter signs P.L. 95-96, which contains Fiscal Year 1978 construction and mitigation funding for the Cache project.

August 25, 1977—Officials of primary state and federal agencies, including Corps, EPA,

and the Department of Interior, participate in discussion meeting organized by Congressman Bill Alexander (D.-Ark.). Objective: attempt to resolve problems hampering the project.

October 4–5, 1977—Public and private groups with pertinent interest in the Cache project meet at Memphis District, Corps, offices in efforts to resolve project plan problems. EPA official proposes establishment of public-private task force specifically excluding Corps officials except as providers of technical data, to develop a project plan alternative proposal to Corps project design. District Engineer announces decision to delay further construction until report can be completed—target date, February, 1978.

January 23, 1978—President Carter proposes Fiscal Year 1979 federal budget, and includes request for both construction and mitigation funding for the Cache River project.

February, 1978—Taskforce organized October, 1977, chaired by EPA regional director, Region VI, released. Recommends alternative plan to the one the Corps is following. The alternative plan acquired nickname "Plan V."

March 25, 1978—Taskforce chairperson chairs public presentation in Little Rock, Arkansas, of summary information on "Plan V." Persons specifically invited to participate include public officials from local, state, federal level and representatives of private organizations.●

● Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 12928, the public works appropriations for fiscal year 1979.

I believe, Mr. Chairman, that the Committee on Appropriations, particularly the subcommittee chaired by my dear colleague, TOM BEVILL, has done an outstanding job in presenting us with a balanced and, I believe, a fiscally responsible bill and should be commended for their work and effort.

Mr. Chairman, I am pleased to note that the following items were approved for Puerto Rico: $8.3 million for continuation of the construction work on a flood control project in the Portugués and Bucaná Rivers in the southern part of the island; $100,000 for the Corps of Engineers to conduct a feasibility study to build an underwater pipeline between the eastern part of Puerto Rico and St. Thomas in the U.S. Virgin Islands; $100,000 to initiate work on the improvement of the Ponce Harbor; and $30,000 to begin an urban water resources study in the area of the Martin Peña Channel in San Juan.

I am also informed that the chairman of the subcommittee will be offering an amendment adding appropriations for several additional projects among which is included an appropriation for $170,000 to begin phase I memorandum for deepening the channels in San Juan Harbor.

I hope that my colleagues will support this amendment.

Mr. Chairman, I think all Members should consider that this bill is not just a bill for water resources construction, but a bill that is very important in regard to our future energy needs.

I hope, Mr. Chairman, that my colleagues will support this bill.●

● Mr. ARMSTRONG. Mr. Chairman, I wonder if the rest of the country is as bewildered by the actions of this administration as I am. Take any issue before us and you can find the administration going in any number of separate and sometimes opposing directions. Foreign policy, taxes, inflation, energy—in all these areas there is little clear direction and policy shifts seem related only to the shifts in public opinion polls.

The White House action on the public works appropriation bill, and the White House water policies in general, are all too illustrative of this problem. We started with last year's hit list of water projects—those water resource projects the administration decided on its own should be killed. After the Congress restored some and lost others, the administration moved on to its water policy review and further alarmed the West with a series of policy options that seemed to us to be a call for Federal control of western water rights.

After almost every elected official and water expert in the West took their turn at bat against this latest curve ball from the administration and the White House bounced off in another direction.

Last week on June 6 the White House released the administrations new water policy—which, according to the background paper, "devotes substantial attention to methods for improved Federal-State cooperation in meeting water-related needs." Perhaps fearing a charge of consistency from one week to the next, this week the administration announced its support of an attempt to kill all but one of the Colorado water projects added to the public works bill—projects which have the strong support of the congressional delegation, the Governor, the State legislature, and the citizens. The rest of the world may have trouble understanding White House policy, but, for those of us in the West it's clear—cooperation lasted about 1 week and now we are back to confrontation.

By endorsing and supporting the Edgar and Miller amendments to the public works bill, the White House has decided to ignore the interests of the States and pursue its own course. And, that present course is one which will deny to the West a capability to meet our present and future water needs and will diminish our ability to adequately prepare for the years ahead.●

● Mr. JOHNSON of California. Mr. Chairman, as we consider this important legislation today, I want to take just a minute to compliment the many fine people who have worked so hard on this bill. During this time when we need to observe the need for additional fiscal restraint, I believe the Public Works Appropriations Subcommittee has done a very fine job in putting together a bill which helps us to meet the development needs of our Nation while assuring the maximum benefit of all our citizens.

In particular, Mr. Chairman, I want to commend the distinguished chairman of the subcommittee, TOM BEVILL. Throughout the years, he has demonstrated very capable leadership in this field and he has once again provided our Nation with legislation to develop our water resources and provide for our energy needs. He, together with the ranking minority member, JOHN T. MYERS, and all the members of the subcommittee, has contributed greatly to the preparation of this fine bill.

In particular, I want to commend the subcommittee on its treatment of water resource projects in the State of California. As one of the largest States in the Nation, we have a wide expanse of territory which is highly dependent on water. We need it for agricultural expansion, industrial development, as well as for residential use. We have just recovered from a severe drought which once again demonstrated to all of us in California the wisdom of long-range planning for water resource development. To the subcommittee members and staff, I want to say thank you for your continued understanding of our needs and for your foresight in funding the various water resource projects in the Golden State.

I would also like to take this opportunity to commend the distinguished chairman of the Appropriations Committee, the dean of our House of Representatives, GEORGE MAHON, in this his final year in the Congress. He is once again bringing to the House, under our new Budget and Impoundment and Control Act, a long series of appropriation bills which will guide our Nation for the year to come. This is a major undertaking and it is only through his wise and determined leadership that we are able to accomplish this task with the great success that we have. To him, to Mr. CEDERBERG, the ranking minority member, and to all the Appropriations Committee members, we owe a debt of gratitude for their hard work in preparing these measures.●

● Mr. MIKVA. Mr. Chairman, I rise in opposition to the public works appropriations bill. For the last several weeks, the House has been considering appropriations bills, and we have been enthusiastic in cutting the fat off the education budget and the programs for the elderly and the health budget. Today, we have an opportunity to cut the fat off the most bloated program in the Federal Government. And, today we have the opportunity to show the American people that we are serious about reducing the cost of Government. The public works bill is the most bloated appropriations bill before the House. It is replete with projects which damage the environment and fail to meet even their intended purposes of flood control and irrigation. And, we are paying for our mistakes at a cost that is hidden from the Congress and the American people.

What is perhaps most unfortunate about the public works bill, however, is that the bad projects it contains end up tarring the good projects. More and more Americans are beginning to believe that every water project is pulled from the pork barrel, and that perception will inevitably reduce the chances for construction of sound and deserving projects.

I find this bill particularly disturbing because there are alternatives to some of the projects in this bill as well as to the method of financing the projects. The bill contains eight projects that Con-

gress agreed to drop last year ignoring an important compromise made with the President. But the inclusion of those eight projects does more than break compromises or old agreements. They were dropped last year for an excellent reason: they were expensive, unnecessary, unsound and impractical. What makes my colleagues think that these projects are any more valuable now? They are as bad this year as they were last year when all eight were denied funds. Their deletion is essential to making the bill effective and beneficial.

The bill also contains other projects that should be deleted. Many of these projects were not chosen on a systematic basis measuring costs and benefits. Often, the criteria for selection had more to do with the seniority of the member in whose district the project was to be located, or the effort a particular member put into lobbying his colleagues. I am a great believer in the collegial spirit and the value of hard work, but I do not think those ought to be the only standards in approving a water project.

Finally, Mr. Chairman, I think the bill is inadequate because it fails to require full funding. Full funding represents a commitment to the program as well as a demonstration of our confidence in the value of the selected projects. A fully funded program would be guaranteed the needed funds for completion once it had started. Because many projects extend over a period of many years this would force Congress to accept only those programs that truly merited support. It would keep "back-scratching" to a minimum.

The public works bill is not such a good vehicle for Fourth of July speeches about uncontrolled Federal spending or untapped Federal regulation. It is much easier to cut 2 percent off the Labor-HEW budget and proclaim our "tight-fistedness" while leaving the decisions about how and where to cut to the bureaucrats. It is a lot harder to say "no" to our colleagues and make the decisions ourselves about where to cut, but it is time we begin to make those decisions. The decision of the House can demonstrate that cutting spending is more than rhetoric; it is action. And, it allows us to demonstrate that we are more interested in running a more business-like Government than we are in business as usual.

I urge my colleagues to demonstrate that kind of fiscal responsibility and to support the amendments to reduce the costs and waste of the public works bill.●

Mr. BEVILL. Mr. Chairman, we have no further requests for time and I yield back the balance of my time.

Mr. JOHN T. MYERS. Mr. Chairman, I haven no further requests for time, and yield back the balance of my time.

The CHAIRMAN. All time having expired, pursuant to the rule, titles II and III shall be considered as having been read and open for amendment at the conclusion of title I, and it shall be in order to consider en bloc the amendments printed in the CONGRESSIONAL RECORD of June 13 by Representative BEVILL, and to consider as a substitute therefor without the intervention of any point of order the amendments printed in the CONGRESSIONAL RECORD of June 13 by Representative MILLER of California.

The Clerk will read.

The Clerk proceeded to read the bill.

Mr. BEVILL (during the reading). Mr. Chairman, I ask unanimous consent that titles I, II, and III be considered as read, printed in the RECORD, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

AMENDMENTS OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Chairman, I offer amendments and ask unanimous consent that they may be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. BEVILL: On page 6, line 7, strike out "$139,844,000" and insert "$140,014,000".

On page 6, line 16, strike out $1,367,226,000" and insert "$1,392,515,000".

On page 14, line 11, strike out "$37,745,-000" and insert "$38,745,000".

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama (Mr. BEVILL)?

There was no objection.

Mr. BEVILL. Mr. Chairman, as I indicated in my opening remarks, this first amendment will add items to the bill which were contained in the President's budget amendment sent to Congress earlier this week.

This amendment adds $170,000 to begin a phase I study of the San Juan Harbor in Puerto Rico.

The committee received testimony from the Resident Commissioner of Puerto Rico concerning the need for this study.

Mr. Chairman, the second amendment seeks to add a total of $25,289,000 for the initiation of planning of four projects and the initiation of construction of five projects. None of these nine projects are included in the pending bill, but funding has been requested in the President's recent budget amendment.

The four planning items and the recommended appropriation are:

Bassett Creek, Minn	$200,000
Chaska, Minn	200,000
Goleta and vicinity, Calif	200,000
Kahoma Stream, Hawaii	230,000

The five construction items and the recommended appropriation are:

Hartwell Fifth Unit, Ga	$1,500,000
Point Place, Ohio	300,000
Two Harbors, Minn	159,000
Big South Fork National River and Recreation Area, Kentucky and Tennessee	20,000,000
Metlakatla Harbor, Alaska	2,500,000

As I indicated earlier, for fiscal reasons it was not possible for the committee to funds all the projects which were requested. However, since the President has submitted a budget amendment funding these projects, the committee felt it should recommend inclusion of the items in the bill.

Testimony and evidence of support were given to the committee on all of the projects included in the pending proposal.

Mr. Chairman, this third amendment adds $1 million to initiate funding of a loan to the West Bench irrigation district in Montana.

This project was included in the President's recent budget amendment and is presently not funded in the committee bill.

The loan application has been approved by the Secretary of Interior and transmitted to Congress. Funding of the loan is supported by local representatives and I urge approval of my amendments.

Mr. MILLER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as most of the Members know, I had planned to offer a substitute for the amendment offered by the chairman, the gentleman from Alabama (Mr. BEVILL). One of the things that my amendment would have done would have been to delete some construction money for those projects which have yet to complete the full planning phase toward their initiation. I share a great deal of concern with the White House that a number of projects have been allocated construction moneys prior to the receipt of final EIS's, or even in some cases draft EIS's, and construction projects and moneys have been appropriated for projects where local interests have either become confused or split as to the support, or in some cases where local interest appears to be almost unanimously against the going ahead with these projects. But I do, however, believe that it is most important to the integrity of the congressional system and the compromise that was struck last year with the deletion of the eight projects are put forth in the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR), and after talking to numerous people on the floor and talking to supporters of my amendment it has become clear that the amendment which I was going to offer would become counterproductive to the achievement of the goals of the gentleman from Pennsylvania (Mr. EDGAR). As a result of that, I have asked that my substitute for the amendment offered by the chairman be withdrawn, and I would like to ask the chairman of the committee several questions, if I might.

As I have spent several days reviewing some of these projects, my concern is that the comments that have been made about the projects by OMB and about the projects by the Corps of Engineers and the Commissioner of Reclamation was, as they have said, that these projects are not recommended because they are not necessarily to be regarded as unsound projects, but rather it is their feeling that the appropriation of money at this time is premature, if you will. My concern and the concern of some of the environmentalists and others was that we were allocating money for construction prior to the completion of EIS's or the updating of planning money.

What I am trying to get clarified here is that the money that is appropriated in this bill, as I understand it, would not circumvent the ordinary course of planning events, if you will. In a number of the projects that were included in my amendment, draft EIS's are due in September of this year, the first part of next year, and as I understand from talking to the counsel for the committee and others, the money that is appropriated would

not be expended until after those reports are made available to the Congress and to both the proponents and the opponents of these local projects.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Alabama.

Mr. BEVILL. I thank the gentleman for yielding.

My distinguished colleague is correct.

Mr. MILLER of California. So I guess it really comes down to about $5 million in actual construction money, based upon a prorated idea of when those planning documents, EIS's, and others will be forwarded to either the Bureau or the Corps of Engineers.

Mr. BEVILL. That is correct.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman very much.

Let me just say in conclusion that the decision to withdraw my amendment is my decision after talking, as I have said, to a number of people on the floor who felt it was counterproductive to the efforts by the gentleman from Pennsylvania (Mr. EDGAR).

Mr. Chairman, I want in no way to suggest that the withdrawal of this amendment would have any impact on the statements that have been made by the President over the last week about his very deep, deep concern, for the manner and the means by which some of these projects have grown and, in fact, in some cases can no longer be justified.

I want to say as one who sits on an authorizing committee, certainly for the bureau, I can appreciate from time to time because of local pressures, a project that at one point had a great deal of merit and later may not and yet because we have committed some construction moneys, we do not want to turn off that flow of money back home to our districts and the project continues to grow.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

(By unanimous consent, Mr. MILLER of California was allowed to proceed for an additional 2 minutes.)

Mr. MILLER of California. Mr. Chairman, so I do not think it should be interpreted that the removal of this amendment and the simple passage of the Edgar amendment is going to remove all the concerns by the White House, because I think it is very clear that the entire process is in question.

I think that originally my amendment was an attempt to differentiate between the process as it has been run in the past, as evidenced by the eight projects in the Edgar amendment and the projects as the White House hopes to see them carried out in the future in terms of thorough investigations and support and local sharers in the future.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would like to commend the gentleman from California for the work the gentleman did and recognize the work the gentleman did relating to construction and water projects throughout the country. I think the gentleman in the well and I are very much for construction projects that make positive contributions to our national economy without irresponsible harm to our environment.

I think the gentleman by removing the amendment at this time clarifies the issue and helps us focus on the Edgar amendment. Had the gentleman offered his amendment, I would have been glad to support it and speak on its behalf; but now that the gentleman is withdrawing the amendment, I hope our colleagues will rally to defeat these eight objectionable projects that are still in the bill.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman and again I want to thank the Committee on Public Works and the staff for the work they have provided in investigating these projects over the last couple days.

Mr. JOHN T. MYERS. Mr. Chairman, I rise in support of the amendments offered by our chairman. These particular projects were reviewed and we held hearings on these projects that were left out of the appropriation bill, as originally marked up, without prejudice to the projects. As a matter of priorities that we had to establish within the limitations of dollars, we just could not add everything. As I review these projects, I see them not significantly better or worse than those we left in. It is a matter of choice between the White House selection of projects to proceed and what we have recommended and what the Members of Congress have in their respective districts.

I think they stand up as well, but really no better than those some will attempt to strike out, so we will accept them on this side.

AMENDMENTS OFFERED BY MR. JACOBS TO THE AMENDMENTS OFFERED BY MR. BEVILL

Mr. JACOBS. Mr. Chairman, I offer amendments to the amendments.

The Clerk read as follows:

Amendments offered by Mr. JACOBS to the amendments offered by Mr. BEVILL: Strike out the figure "$1,392,515,000" proposed to be inserted on page 6, line 16, and insert in lieu thereof "$1,343,515,000" and insert at the end of the amendment the following: On page 6, line 22, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following project: Richard B. Russell Dam and Lake."

On page 11, line 8, strike out the figure "$263,251,000" and insert the following: "$259,493,000."

On page 12, line 9, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following project: O'Neill Unit."

On page 12, lines 13 and 14, strike out the figure "87,399,000" and insert the figure, "54,358,000".

On page 12, line 14, strike out the figure $76,799,000" and insert the figure "$43,758,000".

On page 12, line 24, strike out the period and insert the following: ": *Provided further*, That funds appropriated or otherwise made available for the Central Utah Project, Bonneville Unit, shall be limited to work on the rehabilitation of the Strawberry Tunnel and Provo Reservoir Canal: *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following projects: Central Utah Project, Uintah Unit and Upalco Unit."

Mr. JOHN T. MYERS. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Indiana (Mr. JOHN T. MYERS) reserves a point of order on the amendments.

(By unanimous consent, Mr. JACOBS was allowed to proceed for an additional 5 minutes.)

The CHAIRMAN. The gentleman from Indiana (Mr. JACOBS) is recognized for 10 minutes in support of his amendments to the amendments.

Mr. JACOBS. Mr. Chairman, this is a vast appropriation bill, and the amendment here would strike from that bill immediately the amount of $90.8 million and ultimately the amount of a little over $1 billion.

This involved three projects. One, is in the State of Utah, one is in the State of Nebraska, and the other is in the State of Georgia. I shall try as succinctly as possible to discuss briefly each of the three projects.

The Central Utah project, the so-called Bonneville unit, has already had an appropriation of some $1 billion, and the argument that the cost already sunk in the project is justification for our going ahead is not valid, in my opinion, because most of the money already spent in the Central Utah project is for a project that is incrementally completed; that is to say dams have been built and they are now functioning.

I suppose in almost any of these projects there might be some environmental questions and some ecological questions. These are among the three that raise some of the most serious environmental and ecological questions, and that is true of Central Utah. I believe it is fair to say that 188 miles of the best fishing streams left in Utah would be wiped out by this Bonneville unit.

But the principal objection to the Utah project, also called the Salt Lake project for Salt Lake City, can be summed up in the assertion that the "Lord helps them that helps themselves."

Let me speak about conservation in that area. This is not just my opinion; it is the opinion of the county attorney in the area, Mr. Vandam, who has corresponded, I believe, with the Department of the Interior and communicated to them some of his objections to this project. First of all, Mr. Vandam estimates that 125,000 acre-feet of water are wasted from the present freshwater facilities supplying Salt Lake City now. This is partly because the aqueducts and the canals delivering water are not lined properly. Water has seeped. It has gone in and is lost forever in the Great Salt Lake.

Moreover, there are, I believe, some 28 water authorities in the immediate area, some of whom are hard pressed, others who are administering water in a leisurely way. There is no coordination among them.

In short, conservation of water that is already there could, according to that

county attorney, supply 125,000 acre-feet of water that is being wasted right now. Uncle Sam simply does not have to bear the expense of about $700 million more to build this project.

Again, the Lord helps those who help themselves.

I have had this experience in my hometown of Indianapolis. There was a proposed water project there, the North Island Dam, on Fall Creek. This House, and I believe the committee we are dealing with today, judged that, because of other less expensive water supplies in the Indianapolis area, the House would not approve that dam.

The city of Salt Lake City is highly comparable to that situation.

The situation in the budget is not comparable to anything that has happened in the history of human experience. In this latter day of proposition 13, it seems to me that this particular proposal does not even measure up to a proposition 6½.

The second project that this amendment would seek to delete is the so-called O'Neill unit in Nebraska. It proposes to irrigate an area called the O'Neill area in Nebraska. It would take out about 19 miles of one of the most beautiful rivers in the United States, the only river, I understand the only place on any river in Nebraska, that has so-called white water, the rapids, the only place that the paper birch can be found, I believe, west of the Mississippi at all. In any case, it is a quite unique ecological and environmental area.

That argument is not my principal argument against the project. The principal purpose, as I understand it, of the project is to stimulate the growth of corn in this area, in this so-called O'Neill area.

In that area at present, 50 percent of the land is now being irrigated, as I understand it, from ground water, that is, from wells. There is a substantial part of the same area where irrigation would not work very well, anyway, because it is very sandy and the water would simply sink down, possibly take nitrates into the area, and do damage to the water supply in the O'Neill area. As I understand it, the estimated subsidy would come to about $2,500 per acre in the O'Neill area.

I just want to ask the committee and ask for the record whether it is really intelligent for the U.S. Government to go out and borrow another $188 million to stimulate the growth of corn. It seems to me that with the left hand you might be doing that and with the right hand I suppose you would be supporting the price of additional corn. It seems to me that that would be a little like air-conditioning Alaska to stimulate the growth of ice.

So I think that unit is not justified.

Finally, there is the Russell Dam in Georgia. This one has some ecological problems.

Let me see if I have a picture here. I realize that this is not color television, but this is blue, this is red, and this is yellow. This is the proposed damsite right here, the Russell Dam.

The thing that is interesting about this is that there is already a dam here above it. There is already a dam here below it. There are two lakes already.

What does that tell us in terms of recreation in those areas? I think that on the face of it we are not going to get much additional recreational benefit when we have the facilities already available within a short distance.

No. 2, as I understand it, this distance of some 18 or 19 miles, I believe, between the two lakes is the one last chance of nature to put oxygen back into the water as it flows downstream in order that this lake might be a viable facility to fish in and so on. Moreover, the water that comes from this lake is extremely cold and needs a certain run in order to warm up to the point where certain kinds of fresh water fish can exist.

That is so much for the environmental angle on the Russell Dam.

What is the purpose of it? The principal purpose of it is to generate electricity. A Library of Congress study holds that there is not only an ample supply of electricity by present facilities or those under construction now, but there is an ample supply even to meet the worst peak occasion.

However, that is only the beginning of the problem with the Russell Dam. I believe one other Member probably more knowledgeable than I am may speak about this dam.

Mr. Chairman, it is said that it would create new jobs once it is put in place. I understand it would create 35 jobs, and the area of agriculture and forest lands that it would wipe out would also wipe out 400 jobs.

That may be pretty good for Government work, but I do not think it is very good for the U.S. House of Representatives to support that on that ground.

Let us see what they do about electricity. This one is very difficult to believe, but I do not think it will be disputed.

First of all, there will not be enough water coming over the dam to create the amount of electricity that they plan to sell. Nobody else but the Federal Government ever would have thought of this. What they plan to do is after the water goes over the dam, they are going to turn around and pump it back up on top of the dam and let it come over the dam again and develop some more electricity.

Rube Goldberg, look to your laurels.

When they pump it back up over the dam, the Members will remember that old expression of "water over the dam."

The CHAIRMAN. The time of the gentleman from Indiana (Mr. JACOBS) has expired.

(By unanimous consent Mr. JACOBS was allowed to proceed for 5 additional minutes.)

Mr. SISK. Reserving the right to object, Mr. Chairman, is the gentleman going to be willing to yield for some questions?

Mr. JACOBS. Absolutely.

Mr. SISK. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SISK. Mr. Chairman, will the gentleman yield on this matter about water going over and pumping it back up?

Mr. JACOBS. Yes, I yield to the gentleman from California.

Mr. SISK. Mr. Chairman, is the gentleman aware of the extent to which that is being practiced throughout the country, not just for Federal projects, but by privately owned projects? Has the gentleman any idea of the millions of kilowatt-hours of energy being produced in that very manner for peaking purposes? Does he understand what peaking power means?

Mr. JACOBS. The answer is "Yes." If the gentleman will let me proceed, he has not heard half of it yet.

Mr. SISK. If the gentleman will yield further, Mr. Chairman, let me say to my colleague that the gentleman has mentioned the foolishness of water going over the dam and then pumping it back up.

Let him be assured that that is exactly the method involved in peaking power production on many Western rivers.

Has the gentleman any explanation as to what has gone wrong with that in this particular area?

I simply want to say, as a matter of principle, that this is a very excellent way in which to produce power for peaking purposes, which is terribly important.

Mr. JACOBS. Mr. Chairman, I thank the gentleman for his contribution.

I have already said that there is a Library of Congress study that has established that present facilities can meet the peaking problems of the area, No. 1.

As far as bringing the water back again through the same turbines, they reverse the process.

The amount of money the Government plans to pay for the electricity to pump the water uphill is 9.6 mills per 1,000 kilowatts. The amount for which it will be sold, that is, the electricity generated, is 8.4 mills per 1,000 kilowatts.

Maybe the gentleman from California can instruct us as to how that is going to make money; but I just want to remind the gentleman about the fellow who bought hogs in the spring for $4 and sold them in the fall for $4 and said he made money on volume.

These people are not even planning to do as well as that. They are going to sell the electricity for less than they pay for it.

Mr. SISK. The gentleman evidently misunderstands the point.

Mr. JACOBS. Does the gentleman understand that I said a Library of Congress study has shown that they can presently take care of the peak power?

Mr. SISK. I am not sure what the gentleman read in the Library of Congress report, according to the remarks he is making. I would be glad to let him explain further, but he is totally missing the point.

Mr. JACOBS. I am perfectly able to comprehend what peak power means. I am also perfectly capable of comprehending that the Library of Congress study says that there is adequate facility already to do that; that they do not have to do a counterproductive thing like this.

I might point out that God Almighty never tried to make a river run backward. Perhaps he pared the waters.

Mr. BARNARD. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Georgia.

Mr. BARNARD. From whom will the power be purchased for the pump back process?

Mr. JACOBS. It is my understanding that most of the power will be purchased from private organizations.

Mr. BARNARD. That is wrong.

Mr. JACOBS. Wait a minute. I do not know who it is going to be purchased from. Does the gentleman agree, though, that it will be purchased at a price of 9.6 mills per kilowatt?

Mr. BARNARD. No, I do not agree. All the power produced by the Russell Dam is sold to the Southeastern Power Co., which is the marketing arm of the Federal Government, to sell this power throughout the 10 States of the area. The power coming from the pump back process is never marketed. It is power that dam would generate itself, so therefore there is no cost. Those figures are absolutely wrong.

Mr. JACOBS. If the gentleman is right about that, the gentleman has solved the energy problem. If he can create more power by water going over a dam than it costs to pump it back up, then I think the gentleman has found perpetual motion.

Mr. BARNARD. Of course, we understand what peak power is. We do not use the power coming over there 24 hours a day. We do not use the peak power except for a certain number of hours per day. As a result, the extra hours that we have available of peak power would be used to pump the water back.

Mr. JACOBS. Does the gentleman disagree with the Library of Congress study?

Mr. BARNARD. Yes, I do. I have not read the Library of Congress study, but I am certain about this one point, that they do not buy power to pump water back in this process. They do not buy the power. I am positive of that.

Mr. JACOBS. I am sorry that we have a disagreement. My information is that they do buy the power and that the power, I repeat, will cost 9.6 mills per thousand kilowatts, and the sale of that power generated by the dam is 8.4 mills. I do not think one can make money like that. Perhaps one can.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

(By unanimous consent Mr. JACOBS was allowed to proceed for 2 additional minutes.)

Mr. JACOBS. The only thing I would add, Mr. Chairman, is that even the cost estimate of this project in Georgia is apparently inaccurate. It is likely that the site on which this dam is proposed is on an earthquake fault. In 1886, there for a major earthquake in that area. The panel that was appointed by the Corps of Engineers to study the safety of this dam brought back a minority report. One member of the panel would not sign it, but the other six members of the seven-member panel said, not that it is safe in its present design, but that it could be made safe if the design were changed. The present estimate of the cost without the change in design is $362 million. Nobody knows how much the cost will be if it were redesigned.

Mr. Chairman, all I ask of the committee is, give the taxpayers a little consideration. All I ask is, where there is serious doubt, "Don't give a damn."

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Indiana (Mr. JOHN T. MYERS) insist upon his point of order?

Mr. JOHN T. MYERS. I do, Mr. Chairman.

Mr. Chairman, the amendment offered by the gentleman from Indiana (Mr. JACOBS) is a violation of clause 2, rule XXI. The first proviso which would be inserted on page 12, line 24, states:

"Provided further, That funds appropriated or otherwise made available for the Central Utah Project . . . shall be limited to work on . . . the Strawberry Tunnel and Provo Reservoir Canal.

It is not limited to funds in this bill, and would apply to funds appropriated in other acts, and is therefore legislation in a general appropriation bill, which is a violation of clause 2, rule XXI.

The CHAIRMAN. Does the gentleman from Indiana (Mr. JACOBS) wish to be heard?

Mr. JACOBS. No, Mr. Chairman, I do not wish to be heard on the point of order. I will abide by the ruling of the Chair.

Mr. EDGAR. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. EDGAR. Mr. Chairman, a point of order has been raised against the Jacobs amendment. I think most of our colleagues, by a gentleman's agreement, realize there are very few major policy issue amendments to this bill. I think in careful examination of the gentleman's amendment the words "in this bill" probably should be included in the context of the amendment. It was an oversight in the drafting, I would think, and so I would suggest if possible that the House might through unanimous consent allow the gentleman from Indiana (Mr. JACOBS) to include in his amendment the words "in this bill," and therefore we would have a clean vote on the issue that is before the House.

I think the gentleman and our colleagues would recognize that the will of the House on the merits of the legislation are such that we all understand what the gentleman from Indiana is attempting to do, and I would hope that our colleagues would be willing by unanimous consent to accept that.

The CHAIRMAN. Is there objection to the unanimous-consent request of the gentleman from Pennsylvania?

Mrs. SMITH of Nebraska. Mr. Chairman, I object to the unanimous-consent request.

The CHAIRMAN (Mr. SHARP). Objection is heard.

The Chair is now prepared to rule on the point of order.

The gentleman from Indiana (Mr. MYERS) makes a point of order that this is legislation on an appropriation bill. The Chair concurs, because in the next-to-the-last proviso with respect to the Central Utah project, the limitation applies beyond funds in the bill under consideration. Therefore the amendment violates clause 2, rule XXI. The Chair sustains the point of order.

AMENDMENT OFFERED BY MR. BEDELL TO THE AMENDMENTS OFFERED BY MR. BEVILL

Mr. BEDELL. Mr. Chairman, I offer an amendment to the amendments offered by the gentleman from Alabama (Mr. BEVILL).

(The portion of the bill to which the amendment refers reads as follows:)

CONSTRUCTION AND REHABILITATION

For construction and rehabilitation of authorized reclamation projects or parts thereof (including power transmission facilities for reclamation use) and for other related activities, as authorized by law, to remain available until expended, $244,391,000, of which $60,000,000 shall be derived from the reclamation fund: *Provided,* That no part of this appropriation shall be used to initiate the construction of transmission facilities within those areas covered by power wheeling service contracts which include provision for service to Federal establishments and preferred customers, except those transmission facilities for which construction funds have been heretofore appropriated, those facilities which are necessary to carry out the terms of such contracts or those facilities for which the Secretary of the Interior finds the wheeling agency is unable or unwilling to provide for the integration of Federal projects or for service to a Federal establishment or preferred customer: *Provided further,* That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters: *Provided further,* That of the amount herein appropriated not to exceed $1,189,000 for the Central Oregon Irrigation District shall be available for construction on a rehabilitation and betterment program under the Act of October 7, 1949 (63 Stat. 724), as amended, to be repaid in full under conditions satisfactory to the Secretary of the Interior.

The Clerk read as follows:

Amendment offered by Mr. BEDELL to the amendments offered by Mr. BEVILL: After line 2 of the Bevill amendment insert the following: Page 11, line 8, strike out "$244,391,000" and insert in lieu thereof "$240,633,000".

Page 12, line 9, strike out the period and insert in lieu thereof ": *Provided further,* That no part of this appropriation shall be used for the O'Neill Unit."

Mr. BEDELL. Mr. Chairman, the debate on this particular issue and on this particular project is more than simply a debate in my opinion on the O'Neill unit.

The question that we are asking ourselves today is: How are we going to spend the money of our taxpayers? I think the attitude of the people has been voiced quite clearly from across the country. I think they are tired of having the people of this body unwisely spend their money.

I have been asked why I picked this project. It is a good legitimate question. The fact is that last year as we started to look at these projects, through circumstance more than anything else, I

became acquainted with the Oahe water project in South Dakota, and as I tried to learn more and more about that project I became more and more shocked as to what I found. As I became exposed to these projects, I was shocked there to find that this particular project has many, many of the same exact problems that are found in that project.

It is not easy for one to come before the House and oppose a project in neighboring States supported by friends of one in the Congress. But I would hope above all else that we would start to decide that this Congress is not going to be run according to friendship and according to what we are going to do for one another. I would hope we would start to decide that we are here to represent the taxpayers of the country and we are here to try to do what would seem to be in the best interest of those taxpayers as we spend their money.

Let me tell the Members a little bit about this particular project. The cost estimates on this project have increased from $113 to $19? million.

The project would irrigate 77,000 acres of farmland, 50 percent of which is already irrigated by wells that are there. The concern is that those wells may deplete the ground water and, indeed, they may. But, Mr. Chairman, are we going to encourage the States to try to adopt policies where they can conserve their ground water and us it according to what is there or are we going to tell them to go ahead, do what you please, and then if you find you have used too much water the Federal Government will come and rescue you?

As I say, the project would provide water for 77,000 acres. The number of wells have risen from 200 in 1965 to 1,546 today.

The project has been justified on the basis of the depletion of that ground water. I say to you that we have a responsibility that demands that the States properly look to how they conserve the water supplies that are available.

Of the total cost of $192 million, $181 million will be spent for irrigation purposes. However, the irrigators will not pay for that amount, they will repay only $45 million while the power consumers in Iowa and other States will pay $135 million, even though this project provides no power whatsoever, in fact it actually uses power to pump the water in the project.

An additional cost is borne by the taxpayers in the form of interest payments on the $192 million. That interest subsidy is $450 million in this project.

I hope you will realize if you represent a city of 50,000 people that means that your people will pay $100,000 toward this project to irrigate land in an area to grow more corn where we are already having too great a production.

The project will invest $2,353 per acre in irrigation facilities. For a 640-acre farm, this means that the Federal Government is investing $1,505,920 in each farm. For a 320-acre farm, it would be $752,960.

There are roughly 250 farmers in the area. This figures out to an average subsidy of $760,000 for each farmer.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BEDELL was allowed to proceed for 5 additional minutes.)

Mr. BEDELL. The U.S. District Court of Nebraska has found that the Bureau of Reclamation's environmental statement was deficient with respect to four issues: Dam safety, impacts on ground water quality, anticipiated impact on wildlife, and alternatives. They have not yet determined the final settlement of this issue.

Let me give you a little more of the economics of this project.

According to the local Production Credit Association estimates, the project will increase the value of the presently unirrigated land by some $400 to $500 per acre, with no increase on the value of the portion that is already irrigated which is over 50 percent of the area. This means that the taxpayer will be investing $2,353 per acre to increase the land value to the farmer by $250 per acre. We will be investing about $10 of the taxpayers' money to increase the value to the farmer of his land by about $1. Would we not be a lot smarter if we just simply took all those farmers and gave every one of them the cash money, of double what this will benefit them? Surely we would be better off rather than to have to give them $10 if we would simply give them $2 for every $1 of benefit that they are going to get.

Farmers are expected to pay $18.70 per acre annually for the water they get. That is a total of $1,439,900 for the 77,000 acres affected by this act. If we deduct the operation and maintenance costs, which are estimated at $569,800 per year, we get a return to the Government of $870,100 per year on a $192 million investment. If we take the present cost of money to the Government at 6⅜ percent, the return from the farmers would represent less than one-tenth of the interest cost on the investment we are making for those 250 farmers.

The question to me is pretty clear. The question is, Does it really make sense to spend $192 million to benefit approximately 250 farmers, a total of about one-tenth that much or $19 million in increased land values, when the result will be increased corn production at a time when taxpayers are paying farmers to take land out of production because of our surplus corn production? So we pay this money to build this dam to irrigate this land so that we can then pay those farmers more money for taking it out of production. I just have to tell the Members it seems to me that we had better start to look at these things on an economic basis and only do those things which make some sense to the taxpayers of this country.

Mr. Chairman, I yield back the remainder of my time.

Mrs. SMITH of Nebraska. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, the gentleman from Iowa has proposed a very, very unfair amendment. It is unfair to the people of Nebraska and to the people of the five States in the Pick-Sloan program. As the gentleman well knows, the Pick-Sloan Missouri River Basin area, passed in the 1940's, provides benefits for the people of the States of North Dakota and South Dakota, Nebraska, Minnesota, and Iowa. Under this program the Fort Randall Dam and the Gavins Point Dam on the Missouri River were built by the Corps of Engineers. This work was paid for by tax money provided by the Federal Government for the citizens of these five States. The district of my colleague who has just spoken, borders on the Missouri River and now enjoys highly valuable flood control benefits from these two fine dams, not to mention the extremely valuable navigational benefits that he has received.

Last year we had the second highest water flow in the history of the Missouri River. Sioux City, Iowa, in my colleague's district would have been inundated if it had not been for these reservoirs to hold back the water. I have been in Sioux City after one of those floods. I have seen the weeds hanging from the tops of the telephone poles. I saw the water being pumped out of the main street of Sioux City. One million acres of farmland in North and South Dakota and Nebraska have been put under reservoirs in order to have the several dams that provide flood protection for my colleague's district.

By the way, the Members just heard our chairman (Mr. BEVILL) say that for every $1 we have invested in flood control, we get $7 back, and I am glad that my colleague's district has been saved from these floods and that it has had this tremendous benefit.

My constituents, on the other hand, who have helped to pay for these dams and for the channelization of the Missouri River through Sioux City, Iowa, have not as yet received the benefits that were promised to them. We are not near the river. However, like the constituents of the gentleman from Iowa, we do receive power benefits from the dam, and we pay for them at the same rates.

Now we come to the O'Neill project. As part of the Pick-Sloan program our area was to receive irrigation benefits which my colleague's amendment would deny to us. My constituents are not receiving any navigation and flood control. The constituents of my colleague's are receiving it, and he would take away and deny the benefits of the project that were to come to our part of the area and which we have helped to pay for.

Let me remind my friend, the gentleman from Iowa (Mr. BEDELL), too, that in this current bill before us there are two projects under the Army Corps of Engineers that will even further benefit the Sioux City area: $370,000 for a flood control study of the Sioux City area, and $1,600,000 for construction on the Big Sioux River for channelization and flood control. These projects are paid for by the Federal Government from general tax revenues. My constituents and the constituents of the 434 other congressional districts across this country do

not benefit directly from this work on the Missouri River.

We do not benefit from this large expenditure and if we were to use my colleague's philosophy, then we would have no programs of any kind across this great country in water programs.

As we can see, Mr. Chairman, under the Pick-Sloan program authorized many years ago, it was recognized that every area in the Missouri River Basin could not receive every benefit from this program. One area would receive flood control, for example. Another area would receive irrigation; but all areas would be required to pay for all benefits.

The effect of my colleague's amendment is to say that his area receives all the benefits originally sought, but should not have to pay for all of them.

The CHAIRMAN. The time of the gentlewoman from Nebraska (Mrs. SMITH) has expired.

(By unanimous consent, Mrs. SMITH of Nebraska was allowed to proceed for an additional 5 minutes.)

Mrs. SMITH of Nebraska. Mr. Chairman, what the gentleman proposes is that my area has to pay for all the benefits, but that we cannot receive all of them. I ask you, is this fair?

Now, sure, a large part of the payback for the O'Neill unit is through power revenues generated by the Fort Randall, Gavins Point Dams, and other dams on the Missouri River.

The gentleman from Iowa (Mr. BEDELL) objects to this method, which long ago was authorized by the Congress.

It is granted that power rates may go up to those companies who buy power from the dams on the Missouri River. But they will be gradual increases, and do not necessarily have to be passed on to the consumer. When these power companies started buying power from the Missouri River dams, they knew the rules of the Pick-Sloan program, passed far back in the 1940's, and that for the benefit of receiving power from these dams built at taxpayer expense, they were going to have to help pay for irrigation projects in other parts of the Missouri River Basin.

Now, certainly O'Neill is not the first or the last project to be built under the Pick-Sloan program. There have been 22 projects authorized and constructed and irrigation costs are being repaid in compliance with this law. It is an excellent program and it is a program that is working.

Mr. Chairman, I would like to say something else about the O'Neill project. It has one of the finest cost benefit ratios of any project in this country, a 2.7-to-1 ratio.

Our project has the support of the President of the United States, the Interior Department, the Bureau of Reclamation, the Congress, the Natural Resources Commission of Nebraska and the people of the O'Neill area.

This project has not been on any hit list. In fact, this morning I have been sent a letter from the Department of the Interior which says:

> The O'Neill unit was reviewed during the President's Water Project Review of last year and was recommended for continued funding.
>
> . . . It is our intention to expeditiously proceed to construct the project.
>
> The Bureau feels that the O'Neill unit is a viable project and . . . is deserving of continued funding.

Mr. Chairman, this project is good for our whole area. In the interest of fairness, we should not single out one project and, in so doing, fail to keep our commitment under the law.

Mr. Chairman, I urge rejection of the amendment.

Mr. SEBELIUS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on behalf of my neighbors to the north and all those water projects that are so important to the economy of the West, I urge support of my colleague's position in retaining funds for the O'Neill unit in Nebraska.

O'Neill is a project that deserves our support. At a time when the cost effectiveness of Federal programs is so important to those who are dedicated to cutting waste and inefficiency in Federal programs, we ought to realize that O'Neill is a project that has proven itself by having one of the highest cost ratios—2.7 to 1—of any ongoing project in the country.

I am really taken aback by some of this debate. My district borders the district represented by the gentlewoman from Nebraska (Mrs. SMITH) by some 250 miles, and I have units of the Pick-Sloan plan in my own district. I worked for over 15 years for the Almena project, a unit of the Pick-Sloan plan. It needed some help from the power benefits to go with the flood control, recreation, and reclamation benefits.

I am surprised that my good colleague from the Committee on Agriculture, the gentleman from Iowa (Mr. BEDELL), would single out a project like this and support only projects that directly benefit the people of Sioux City who have received so much benefit from the Pick-Sloan plan.

I think there is nothing more we should do with this amendment than to reject it out of hand. The Pick-Sloan plan is an overall program for several States, and it is designed to work great mutual benefits. To single out one project and say, "That is not mine" and say, "I want to worry about my folks' light bills" is approaching the issue in the wrong way.

Mr. Chairman, I certainly hope my colleagues will vote down the amendment and give good consideration to the merits of the O'Neill unit.

Just as important as the cost effectiveness of this project is the solid support this project has from the administration, the State legislature, the Nebraska Natural Resources Commission and, most importantly, the residents of the O'Neill area. Secretary Andrus has personally visited this project and expressed in a press conference the administration's continued support of the O'Neill project. I think this project deserves our support as well.

It is estimated this project which will provide irrigation, recreation, fish and wildlife management, and flood control will add $191 million per year in benefits to the State of Nebraska. The most obvious and important of the benefits this project will provide is in water resource management. It is expected this project will be a major step toward ending the serious decline of the area's ground water table; something many of our districts throughout the West are experiencing at an alarming rate. A less obvious benefit but one just as important is the jobs this project will mean for people of Nebraska and its spinoff benefits in an improved standard of living in the area.

Construction on this project is just beginning. To stop it now would be unfortunate for the Nation and in particular the people of this area who have worked long and hard to see this project become a reality. Thus, I strongly urge my colleagues to continue to support the O'Neill Unit of the Pick-Sloan Missouri Basin program by defeating the Bedell amendment.

Mr. JACOBS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Iowa.

Mr. BEDELL. First of all, Mr. Chairman, I want to express the sorrow I feel at the direction this debate is apparently taking. It seems to me that if we try to determine what we should do with the taxpayers' money, we should look at what is best for the taxpayers. It seems to me we should look at these projects according to the facts and according to what we are going to accomplish with what we spend.

It was not easy to bring up this amendment, because, as the gentleman from Kansas (Mr. SEBELIUS), has indicated, these are indeed friends of mine. But if what we are going to do here is to decide that it is wrong for Members to oppose something because they think it is wrong, but that the decision should be made because of what may have accrued to their districts in the past, or because of whose district it may be, I submit that the legislative process is not working the way I think we need to have the legislative process work.

I think we need to consider these various projects on the facts and on the basis of how the money will be spent, and then we should consider whether it is a good investment. And indeed, if there have been bad investments made in my district, then they should have been knocked out.

I hope the people realize that I am one Member who is trying the hardest to get some user charges on our waterways. Many people have talked about the waterways. Above all else, I hope—and I think this is the most important part of our whole debate—that we will come to the place in this House where our determinations are made not according to where we may be located, not according to who our friends may be, and not according to what may have happened in the past, but on the facts.

I hope that our decisions will be made based upon what would seem to be the logical thing to do.

Mr. Chairman, at this time I want to apologize, if there is any ill feeling among any of my friends, and assure them that the only reason I have taken this stand on this issue is because, as I have looked at it, and to me it appears to be a mistake.

Mr. ANDREWS of North Dakota. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think what has been totally overlooked by my colleague, the gentleman from Iowa (Mr. BEDELL), is the fact that this project in Nebraska is not a separate project. The Pick-Sloan plan was a concept of development in several Western States, a development that included flood control, that included power generation, and that included irrigation projects, and water supplementive projects to compensate those States that furnished the reservoir sites and moved their farmers off the land to serve the Iowans and the Minnesotans with the cheapest power that anybody in the country is getting today and with the flood protection they could not have gotten in any other way.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I will be glad to yield to the gentleman from Iowa.

Mr. BEDELL. Does the gentleman feel that putting this project in would keep farmers from being moved off of the land? Does the gentleman think that what has happened in the past has caused the farmers in this area to have to move off of the land?

Mr. ANDREWS of North Dakota. The gentleman feels exactly that way, because in my own State 542,000 acres were given up to provide power generation for the gentleman's State and flood protection for the gentleman's State. And part of the compensation in that package was the development of projects such as this one, to compensate the Dakotas and Nebraska for yielding their land to benefit the entire Upper Missouri River area.

What the gentleman is doing now, in attacking our part of the benefits from the overall project that began in the 1940's, is, in essence, saying, "We have got our flood control now, we have got our cheap electricity now, and the part of the bargain that gave you in your States, where you built the reservoirs, some benefit to compensate for the building of reservoirs is no longer important and ought to be cut out."

I do not see that that is fair play. That is not equity. That is reneging on a promise that was made by the Congress of the United States 30 years ago. It is going back on the promise to those States who gave so much so that the gentleman's area could be saved from the flooding and so that the gentleman's area could get the lowest cost electricity. Far more of the electricity generated in North Dakota, at a sacrifice of the best acres in our State, goes out-State, as opposed to being used in-State.

I resent the fact that people stand up now and say, "We have to save taxpayers' money," and that the part of the bargain which was struck to benefit our States is now no longer important, it is supposedly to be divorced from the overall plan. I do not think that is fair, and I do not think my colleague and friend, the gentleman from Iowa, would say that is fair.

Mr. BEDELL. If the gentleman will yield further, I take it that the gentleman feels we should give consideration to whether or not we move farmers off the land, as has happened up there, to provide benefits for other farmers; is that correct?

Mr. ANDREWS of North Dakota. That is correct. Once you take the farmers off the land to create a reservoir, you cannot compensate that farmer. But by shoring up the water supply in an arid Western State, you can give back your tax base, give back opportunities for other farmers in other areas of the State and in the small towns in those States replace the earning power that was given up by that State so that other States could have the benefits they now enjoy.

Mr. THONE. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Nebraska.

Mr. THONE. I thank the gentleman for yielding. The point he is making is well taken and I want to associate with his remarks regarding the interrelation of the Pick-Sloan project benefits.

Also, Mr. Chairman, a couple of months ago the Secretary of the Interior came to Nebraska to visit and inspect this project. I do not believe the Secretary has been nominated for anybody's list of "Dirty Dozen," or anything of the sort. After he inspected and reviewed this project, an article appeared in the Omaha World-Herald, on April 27, 1978, which I quote:

> The U.S. Interior Department plans to continue its support of the Norden Dam project, Interior Secretary Cecil Andrus said Wednesday. At a press conference wrapping up his 2-day trip to Nebraska, Andrus said he had seen nothing while touring the site of the project nor heard anything from opponents of the idea to change his support.

The CHAIRMAN. The time of the gentleman from North Dakota (Mr. ANDREWS) has expired.

(On request of Mr. BEDELL and by unanimous consent, Mr. ANDREWS of North Dakota was allowed to proceed for 2 additional minutes.)

Mr. BEDELL. Mr. Chairman, if the gentleman will yield further, the gentleman made a point that this was some long time ago when the decision was made. Would the gentleman feel that at this time, as we look at the project, as we see what the costs are, as we see the changes made, as we see we already have too much corn, whether it looks like a good project or a bad project now, that we should give a go-ahead to it, regardless of the fact that the agreement was made a long time ago?

Mr. ANDREWS of North Dakota. Not at all, as far as the total project is concerned.

Mr. BEDELL. No, no; that is not what I am getting at.

Mr. ANDREWS of North Dakota. The point of what I am talking about is that if one segregates out one part of an overall project and he says that it should, all of a sudden, be examined on its own, then where does the compensation come for the part of the project already built which is benefiting these other States?

The agreement for the compensation came about because of delicate negotiations between the Corps of Engineers and the Bureau of Reclamation in the 1940's, known as the Pick-Sloan plan; and the States which have the reservoir sites, the States that had to sacrifice so much, were promised these projects, the kind of compensation that dollars could not pay for, but this kind of compensation was to take care of the problem of adequate water, one of the most serious problems that they have faced since Statehood.

That compensation now, even though it comes along later in the game, is still a part of the overall project. It is the attempt to separate these parts now from the overall total project. That, I claim, is not fair.

Mr. BEDELL. If, then, an agreement was made, let us say, in the military that in order to be fair to the Navy, they would be permitted to build three aircraft carriers several years ago, and then the time came——

Mr. ANDREWS of North Dakota. If I may interrupt the gentleman, there is no connection at all there.

This is a total package of irrigation and flood control and water management and power generation and the compensation which our States have not realized yet.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. BEDELL) to the amendments offered by the gentleman from Alabama (Mr. BEVILL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BEDELL. Mr. Chairman, I demanded a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from Iowa (Mr. BEDELL) for a recorded vote.

A recorded vote was refused.

So the amendment to the amendments was rejected.

AMENDMENTS OFFERED BY MR. JACOBS TO THE AMENDMENTS OFFERED BY MR. BEVILL

Mr. JACOBS. Mr. Chairman, I offer amendments to the amendments.

The Clerk read as follows:

Amendments offered by Mr. JACOBS to the amendments offered by Mr. BEVILL: strike out the figure "$1,392,515,000" proposed to be inserted on page 6, line 16, and insert in lieu thereof "$1,343,515,000" and insert at the end of the amendment the following: On page 6, line 22, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following project: Richard B. Russell Dam and Lake."

On page 12, line 9, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following project: O'Neill Unit."

On page 12, lines 13 and 14, strike out the figure "87,399,000" and insert the figure, "54,358,000".

On page 12, line 14, strike out the figure "$76,799,000" and insert the figure "$43,758,000".

On page 12, line 24, strike out the period and insert the following: ": *Provided further*, That funds appropriated or otherwise made available in this bill for the Central Utah Project, Bonneville Unit, shall be limited to work on the rehabilitation of the Strawberry Tunnel and Provo Reservoir Canal: *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction for the following projects: Central Utah Project, Uintah Unit and Upalco Unit.

Mr. JACOBS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. DICKS. Mr. Chairman, reserving the right to object, can we hear what the amendments are about?

Mr. JACOBS. The amendments are identical to the ones I introduced before, with a technical correction with respect to the Utah project funds in this bill.

Mr. DICKS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendments.

Mr. JACOBS. Mr. Chairman, "If at first you do not succeed, try, try again." And so I have already made about all the comments I wish to make on this amendment except in the case of the Georgia project, the Russell Dam, I am reliably informed that the annual cost of the electricity to be purchased, as the gentleman from California (Mr. SISK) has kindly pointed out, through this miracle of making the river run backward, will be $4 million and the expected income from the sale of electricity from the project will be $6 million, to a net of $2 million.

Further than that, the operating cost of the facility is anticipated to be somewhere in the area of $1 million, leaving a net income of $900,000, but that does not quite tell the story, because against that there is an interest item of about $27 million a year that will have to be subtracted from the $900,000. That is how cost effective it is from the point of view of Uncle Sam.

I repeat, I am not in the position that some people have been in the debate I have heard just a few minutes ago. Back home again in Indiana and Indianapolis, a proposal was made for exactly the same kind of water block supply facility that is proposed in the Central Utah project. It was turned down by this committee and by this Congress for exactly the reason I am arguing against the Central Utah project now, and that is the water was already there and available at a much cheaper process. Whether that was right or wrong, that was the judgment of the Congress, so in summary, Mr. Chairman, I would say that in the case of the Central Utah project, do not pay millions of taxpayers' dollars to develop water that is already there and available.

In the case of the Nebraska project, do not pay millions of the taxpayers' dollars to stimulate the corn surplus in this country when we are already paying price supports to take care of the surplus we already have.

And in the case of the project in Georgia, for heaven's sake, this is one case at least where the taxpayers of this country should not be called upon to create the miracle of running a river backwards.

Mr. McKAY. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, it is evident that the gentleman from Indiana was not out West during the drought period we talked so much about last year. It is evident that he is not familiar with the work that has gone on in the West for years and years over water law. We have lost more people over water rights than we have in Indian wars. And over that period of time there has been a major body of agreements and contracts that have been entered into for the allocation and the development of water resources which are so vital to the very existence in that Western desert.

Now, first of all, the State of Utah for a long time was one of the first States to proceed with a State water plan dealing with conservation and the allocation of existing water. The arguments that are made by the gentleman that there is existing water just are not true. If you know anything about the water system and the aquifers and what goes on, and the allocation of those water sources, you know that if you begin to pump water from one well—and we have had several court cases over that, where someone says, "There is a pool of water down here and we will tap it," whereas the facts are that no one knows how far these aquifers go, and they have gone to court because they have drained the aquifer of somebody else who had a well under the law.

Also, this water source is not clean water, it is brackish water, it is not adequate. There is a study that shows this. As to the reasons that are given, from a Salt Lake attorney, and my good friend the gentleman from Utah (Mr. MARRIOTT) will cover that in more detail because he represents that area, there is a gentleman by the name of Gerald Kinghorn who put together the facts for this Mr. Van Dam. He has since become part of the water agency in the city of Salt Lake and on the 12th of June he indicated that he has since changed his mind and found out that there is no other way by which we can provide good clean water for the uses necessary for that growing area.

Let me give you a couple of points. First of all, the administration is opposed to this amendment. The administration has agreed that the central Utah project should go ahead. He made it in a speech in Louisiana and he said it in the White House, the administration opposes this amendment.

Second, Secretary Andrus testified before the committee that they were ready to go with the plan and design in 1979 and there was nothing to inhibit that to proceed and it ought to go ahead because there has been an agreement made, and a deferral agreement, through which the Ute Indian tribe has deferred since 1954, waiting for their part of this agreement, as was previously debated earlier about the past agreements. If you do not proceed with this project, you fault on the agreement that was made with the tribe where they have deferred rights, where we agreed to defer their share of the water. I think this is a false way to go.

The Secretary of the Interior has stated in the hearings that we should not default on the Indians' rights and that we should proceed in 1979 to honor that agreement and it should not be delayed longer.

If you look in the RECORD of June 13, I have outlined the details of why and where of some of the water problems which are incident to other things which do not appear evident in the arguments presented at this time because of time limitation.

We have already put in $175 million on the Bonneville unit. To drop that now just gets you in the middle of the stream and you drop out.

As to the wildlife and fish problem, you talk about impairing the streams and improving the streams, those of you who have not lived in that country do not know that come the middle of July and the first of August there is no water for fish unless you impound the water in the spring so that you can let it down at your leisure. We have improved the fishing in the Western Desert because of reservoirs. We have not diminished it. So this becomes a fallacious argument. The cost-benefit ratio of this project is 1.3 to 1. That meets the President's own criteria, so I do not see where that comes in.

The CHAIRMAN. The time of the gentleman has expired.

By unanimous consent, Mr. McKAY was allowed to proceed for 1 additional minute.

Mr. McKAY. The project has a valid EIS statement. It has been tested in the Federal District Court on several occasions and found to be valid, so that we have passed all those barriers over the last 10 or 15 or 20 years to bring this to a viable project for the benefit of the people, the Indian tribes, and the allocation of those waters which are so integrated that we upset that and start through the whole body of water law unless we meet these agreements. I do not think that the Congress wants to do that.

Mr. Chairman, I request that the body defeat this amendment.

Mr. MARRIOTT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, the purpose of the Central Utah project is to bring water from eastern Utah to the arid Bonneville Basin. It is simply a system of storage and delivery mechanisms. It does not benefit a privileged few but all the citizens of Utah, and it is in fact our lifeblood.

Utah has no other viable alternatives for water. We cannot squeeze it out of the rocks or ship it in by bottled containers from Indiana.

The Jordanelle Dam and the Jordan Aqueduct are vital in bringing water into the Salt Lake Valley. Sections 1 and 2 of the Jordan Aqueduct are complete at a cost of $20 million. Funds from this appropriation will be used to complete section 3, which will bring water from 59th South to 21st South.

There is no viable alternative for water. Ground water is inadequate, and if used at all, should only be used as it has in the past, to meet severe emergencies.

The population in Salt Lake County by the year 2000 will double from its present 550,000 figure to over 1.2 million people. The present systems are not adequate. Demand has exceeded available supply, and droughts have intensified the problem.

Planned investments in one part of the Salt Lake Valley alone will be nearly $1 billion over the next 10 years. That means new roads, buildings, sewerlines, homes, schools, churches, and stores. And all will be lost without water.

We have already constructed a $10 million Jordan Valley water purification plant in anticipation of water being available. A second $10 million plant is presently under construction in anticipation of water being available.

We have already invested in the Bonneville unit over $175 million of the $862 million projected; $739 million of that amount, or 86 percent, will be reimbursed to the Federal Government. The other 14 percent is for public use—flood control, fish, wildlife, recreation, and highways.

In addition, more than $3 billion in economic benefits will be derived from the investment.

My colleague, the gentleman from Indiana, indicated that Mr. Van Dam said that Salt Lake County is not conservative with their water; they are not practicing conservation; in fact, they are practicing waste. Mr. Van Dam is no authority by any stretch of the imagination. May I just respond to that briefly.

One. All of Salt Lake City and over 50 percent of Salt Lake County residents use Salt Lake City water. All of this is metered and thus each household or commercial establishment pays for exactly what water they use.

Two. There have been several cost increases amounting to a 10-percent increase in the cost of water this past year.

Three. An extensive conservation education program was established to encourage water conservation. This included brochures with their water bill, TV and radio spots with the Governor and mayor, school discussions, and so forth, all aimed at encouraging prudent use of this valuable natural resource.

Four. Salt Lake County has recently established the department of water quality and pollution control. This will further assure the continuance of sound water management in the Salt Lake Valley.

Five. This project has been studied, restudied, reevaluated, and scrutinized by a multitude of experts and found to be a great investment under any set of criteria.

Six. The cost-benefit ratio is 1.5 to 1. The returns on investment and economic benefits meet any test. The cost of the investment per acre for irrigation is $1,434, an excellent figure.

Seven. The CUP is the lifeblood of Utah. We need the water. Utah cannot grow and meet the needs of the people without this project.

The Governor, the city and county officials, all of the people of Utah unanimously support the Appropriations Committee in maintaining this important asset.

I plead with my colleagues not to turn off the spigot, not to cut our lifeline, and not to destroy our vital water supplies. I urge you to vote against the Jacobs amendment.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, I rise to oppose the Jacobs amendment, and to speak with respect to water projects for the Inter-Mountain West, and to comment on basic facts related to hydroelectric projects. Those of us who live in the West have seen the wonderful changes that water has brought. Most of these projects, starting with Grand Coulee Dam, have been subjected to the same procedure, being criticized as being too expensive and unnecessary. The fact is that water is, indeed, the life blood of the West. With irrigation systems and power systems and flood control systems that come from these hydroelectric projects, the desert has indeed been converted to a productive garden, which produces revenue many of times over the original cost to this country.

I want to speak specifically now to two points the gentleman made with respect to the Russell Dam project. The gentleman from Indiana frequently comes to the floor and jokes and makes fun here. We all enjoy that, but I trust the gentleman was doing so when he attempted to make fun of "running water uphill," because it is important for us all to understand, and for the record to show that pump storage of hydroelectricity is by far the most efficient and most economical energy conservation technology available to our civilization.

The principle is really very simple. Power on a grid which is not needed at some particular time, such as at night, is used to pump water back up from one reservoir to one above it, to pump the water uphill, to use it again to produce electricity when it is needed. If we could develop pump storage systems across the country for our electric grids, this would provide the cheapest way to produce additional electric power when we need it.

There is one other point. That is that, notwithstanding any citation from any study, there is no area of this country that will not need additional electric power generating capacity before we can get it on the line, no matter what technology we use. Whether it is hydroelectricity or electricity produced from burning coal or from nuclear fission, we must get it on the line as soon as possible.

We are getting into a more and more desperate situation with respect to the availability of reserve electric power. These projects should be pursued. Hydroelectricity is the cheapest energy we can get. It is the most environmentally attractive option we can use. For these reasons we should support these projects and not oppose them.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. JACOBS. Mr. Chairman, is the gentleman aware in the case of the Russell Dam that the electricity they are going to buy to make the river go backward or pump the water uphill is going to cost 9.6 mils, whereas they are planning to sell it at 8.4 mils?

Mr. McCORMACK. Mr. Chairman, I suggest to the gentleman there is no charge at all for the power used in a grid to pump electricity back uphill.

Mr. JACOBS. Mr. Chairman, I suggest to the gentleman that he mentioned me personally, and, therefore, I wonder if he would yield so I may make a comment?

Mr. McCORMACK. Yes, I yield to the gentleman from Indiana.

Mr. JACOBS. Mr. Chairman, as far as the "jokes" are concerned, believe me, the whole philosophy of "damn the budget, full speed ahead" is a very cruel joke on the American taxpayers.

Mr. Chairman, I thank the gentleman for yielding.

Mr. McCORMACK. Mr. Chairman, I agree with the gentleman that damning the public is a cruel joke, but I submit that building hydroelectric projects in

this country is one of the wisest investments of our money that we could make.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, just so I make sure I understand the gentleman's point, as I understand it, when we are using excess capacity at night or in off periods to pump water back to the upper reservoir, we are utilizing capacity that is not then being used, but we are also going to be consuming energy; is that not right?

Mr. McCORMACK. Yes; it depends on what type of energy is being used.

The CHAIRMAN. The time of the gentleman from Washington (Mr. McCORMACK) has expired.

(On request of Mr. SEIBERLING, and by unanimous consent, Mr. McCORMACK was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr Chairman, if the gentleman will yield further, my next question is this:

If that happens to be energy generated by nuclear or fossil fuels, we will actually be using more energy to pump the water back uphill; is that correct?

Mr. McCORMACK. According to the laws of physics, one must always use more energy than he gets back, but pump storage systems reduce the need to build new plants. That is the advantage of pump storage.

Mr. SEIBERLING. That is what I was trying to bring out. So what you are saving is not energy. you are only saving capital.

Mr. McCORMACK. Actually, one is generaly saving both.

Mr. SEIBERLING. Well, not necessarily. It depends on the source of the energy used to pump water into the upper reservoir. If the source is excess river flow or generators that would be spinning anyway, then you would have a net saving of energy. But if the source is a fossil or nuclear powered generator that would be shut down but for the pumped storage operation, then there would be a net energy loss.

Mr. BARNARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Richard B. Russell Dam project which is located in the eastern boundary of my congressional district, was authorized by the 89th Congress in the Flood Control Act of 1966 for the purposes of power, incidental flood control, recreation, and stream flow control. In 1976 it was modified by the Water Resources Development Act to include pumped storage.

Subsequently, funds totaling $42,150,000 have been approved in fiscal years 1971 through 1978 for planning, land acquisition and construction. To date, land acquisition and excavation are ahead of schedule, being over 40 percent complete. In other words, it is no longer on the drawing board but is approaching reality.

Since its inception, some 20 years ago, the Russell Dam has been subjected to rigid and precise scrutiny. The appropriate studies have shown the project to be environmentally sound, structurally safe, and economically attractive.

You may recall that the Russell Dam was one of 19 water projects which President Carter designated last year for reevaluation. The administration's own study cited only potential environmental dislocation and the project was ultimately restored.

Certain groups have sought to undermine the construction of the dam, because of environmental considerations.

In fact, estimates by the U.S. Fish and Wildlife Service and the Georgia and South Carolina wildlife agencies show the 26,000 acres to be flooded by the dam have a relatively low value in terms of wildlife. The deer and turkey to be found in that vicinity are a result of wildlife management.

As for trout fishing, the 20-mile reach of the river which is suitable for trout is just south of the Hartwell Dam and hence is subject to sporadic releases of water. According to the South Carolina Wildlife and Marine Resources Department the section has not been fully utilized and spawning is jeopardized by fluctuations in the water level. The Russell Dam project would convert to a lake type of warm water fishing which is much more productive.

The argument that this would destroy the last free-flowing stretch of the Savannah River is invalid, inasmuch as the Hartwell Dam today controls the water level. Consequently the river level varies from a few inches to 12 feet.

The present estimate of the Corps of Engineers including minimum provision for pumped storage is $291 million. The opponents figure of $468 million already includes four proposed pump turbines.

Moreover, the $500 million mark is in terms of 1982 purchasing power dollars. Whereas the corps' current estimate is based on October 1977 purchasing power dollars, so as to be comparable to project benefits.

Further it must be remembered that any inflation rate simply reflects loss in purchasing power of the dollar. This means that the above figure mentioned for 5 years in the future is equivalent in terms of purchasing power to current cost estimates.

Let me emphasize that the Richard Russell Dam has been included in the administration's own budget for fiscal year 1979 at $47 million.

They have seen fit not to endorse the Jacobs amendments and I urge you to do likewise, in order that the people of the Southeast may benefit from the power and additional benefits of this project.

Mr. DERRICK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me talk to the Members a little bit about the Richard B. Russell Dam. I am in a rather unique position, I think in that half of the project is in my district. I do not want it, nor does a majority of the constituents that I represent. Let me tell the Members why.

Number 1, it is going to be economically disastrous, in my opinion, to the area that it is proposed to serve.

I did a right extensive study, back about a year ago, and I took into consideration similar projects throughout the United States. But I did not have to go far. I really just had to go right down the road about 30 miles from where this dam is to be built, where they built a similar dam some 30 years ago.

Let me tell the Members what it has done. There was a great promise when this dam was built that there would be industrial development, there would be new jobs to come in, there would be general prosperity.

What has happened in that area? Well, I will tell the Members what has happened. There has been a continual decline in industrial development. There has been a continual decline in the tax base. There has been a continual decline in the jobs. And right now, the very county in South Carolina that this dam serves is threatened with extinction as a political unit. That is what it has done.

It is not that this part of South Carolina that I represent has not made its contribution in water projects. Two of the most tremendous hydroelectric facilities already exist in my district, and this proposed project goes right in the middle of the two that are already there. There is enough projected flat water recreation to carry the citizens of this area well through the next century.

What will this dam do? There is one 30-mile stretch of free-flowing water, the last free-flowing water in the upper reaches of the Great Savannah River that will be inundated.

What are we going to get? There will be some 50,000 acres of land that will be taken for this project. Some 26,000 acres of it will be inundated. For what? A decision that will deny future generations the use of the last reaches of the upper Savannah River for recreational and other purposes.

Is it going to create jobs? An investigation that I made or a study that I made indicated that seven or eight other projects throughout the United States, projects like this one, do not attract industry. They do not generate jobs, not projects with an economic base similar to this one.

Let us just take them as conditions are right now. The timber, the wood industry, in this area employs some 450 low-income people. What is going to happen to those jobs? We are going to lose all of them.

What are we going to get in return? We are going to get 35 members of the Corps of Engineers who will come in. Surely, there will be some additional jobs that will come into this area during the period of construction.

The CHAIRMAN. The time of the gentleman from South Carolina (Mr. DERRICK) has expired.

(By unanimous consent, Mr. DERRICK was allowed to proceed for 5 additional minutes.)

Mr. DERRICK. To continue, Mr. Chairman, there will be additional jobs that will come in during the construction period; but I am thinking about the long-term benefits of this project for generations to come.

What is probably going to happen to the Clarks Hill Reservoir down below this project, with some 360 miles of shoreline, one of the great bass fishing areas in the United States? They have the national bass tournaments there. Many who are competent in that field say that because of the lack of oxidation, it will kill the good bass fishing in this area which attracts people. The Corps of Engineers unsuccessfully, it is my understanding, up to this point have been trying to put oxygen into the water. Even if they are able to do it after a capital expenditure of many millions of dollars, it is going to cost at least a half million dollars a year to keep the oxygen in this water flowing down there to keep from ruining what has already been built.

Mr. Chairman, I think that this Congress is charged not only with cutting back on spending. I might add that the original cost of this project was estimated to be $87 million; the Corps of Engineers, by their own figures, are over $300 million at this time; and it is my frank opinion that the project will cost between $500 million and $750 million by the time it is completed.

Mr. Chairman, we are charged not only with cutting back on Federal spending and wasteful projects such as this one, in my opinion, but we are charged with using Federal funds in a more creative manner. Therefore, there must be some alternatives.

What are the alternatives? One of the alternatives is that if we used just $300 million of the money that is projected for this dam for the insulation of attics of the people in Georgia and South Carolina, it would save 30 times the amount of electricity on an annual basis that this dam will ever generate, not to mention the savings to the people who will not have to pay the high electrical bills.

Mr. Chairman, I could go on the rest of the afternoon. I know all of the Members are sitting there with bated breath waiting for me to do so, but I will conclude by just saying that this could probably be pointed to, in my opinion, as one of the greatest misappropriations of Federal funds that I have seen.

Let me explain that I think I have come to speak before the Members with, perhaps, a certain authority that others do not because it is my district; and I do not want it to ruin my district. Furthermore, I am not willing to spend over $500 million of the taxayers' money to do it.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would like to commend the gentleman in the well for his statement and for his courage in standing up and speaking on a project in his congressional district. I appreciate the honesty and forthrightness of his approach in looking at the pros and cons of the particular dam project and in evaluating it.

Later on, we will be looking at eight other projects which are equal to the one that the gentleman is speaking of; and I hope that the Members of Congress will look as carefully and as critically at them as the gentleman in the well has done at the one in his district.

Mr. DERRICK. Mr. Chairman, I thank the gentleman for his comments.

Mr. YOUNG of Alaska. Mr. Chairman, I move to strike the requisite number of words.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

I was very interested in listening to the speech which the gentleman from South Carolina (Mr. DERRICK) just made.

He has made a very thorough study of what is going on in his district. He says that he does not want this project. There are others of us who have made very thorough studies of what has gone on in our district, and the Congress has ignored us.

The gentleman from South Carolina spoke of 400 poor fellows cutting timber in his district. Mr. Chairman, I say to the gentleman that he did not worry very much about the 400 people cutting timber in my district when he voted for the Golden Trout Wilderness bill.

Mr. YOUNG of Alaska. Mr. Chairman, I compliment the gentleman in his statement in the well. I am sorry he did not stay in the well. After all, he does represent that district and it does impact his constituents.

I recommended hopefully to my friends on the floor at the time of the Alaska Lands Act that we should defer to the Members in their districts and the effect upon their constituents. Unfortunately, I have to report that the gentleman voted against my amendment to give the State of Alaska the right to select its lands under the Statehood Act. Also, the gentleman from Pennsylvania (Mr. EDGAR) voted against it. It is ironic that they now say that we ought to listen to the Representative from that area. It disturbs me that now we have the gentleman saying, "I am going to lose 400 jobs."

I am going to lose 2,500 jobs.

Mr. BARNARD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Georgia.

Mr. BARNARD. I thank the gentleman for yielding to me.

Mr. Chairman, let me say that this project is also in my district, and I have evaluated it just as much as my distinguished friend from South Carolina has. Let me say further that if the gentleman wants to take a poll of the representatives from our area, both of the Senators from South Carolina, as well as both of the Senators from Georgia, want this project. So, I am saying that if the gentleman wants to go out and poll our delegations, he can find out that there are more people who want it than do not want it.

Mr. YOUNG of Alaska. That is probably perfectly true. In my case, more people were for my amendment than are for the gentleman's amendment, but it did not carry. I think we had better start recognizing that when there is only one gentleman representing a district, such as Mr. KETCHUM, who says that his people do not want it, we should listen to them.

The gentleman has a division of authority, and I recognize that, but this idea that everybody knows best what is best in someone else's backyards is going to haunt us. This is a representative form of government. We do not know what is best for other constituents. The gentleman mentions that he has a division, and I recognize that. For his information, I am going to support his dam.

Mr. BARNARD. If the gentleman will yield further, I want to thank him for those comments. Let me say this: When we do have a division such as this, where is it? It is with our committee structure. It is with our Public Works Committee and Public Works Appropriation Committee.

These gentlemen, whom we all know as distinguished Members of Congress, have looked at this project, studied it hard, and they have found it a good and viable project. I endorse it to my colleagues.

Mrs. SMITH of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. I thank the gentleman for yielding to me.

Mr. Chairman, I would just like to remind the House that within the last half hour my colleagues have overwhelmingly rejected one-third of this proposal. That was the deletion of the O'Neill project in Nebraska.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I would just like to point out—I do not want to debate the Alaska lands issue all over again; it is not necessary—but the same claim about job loss was made to the House and to the Interior Committee. I think we satisfied both bodies that there was no basis for it.

I would like also to point out that, unlike this present case, the House Interior Committee position was upheld, and the gentleman opposed the committee, whereas at least some of the gentlemen in this case from the State involved are supporting the committee, so it is the opposite.

Mr. YOUNG of Alaska. I would say that the present committee on the floor is probably a little more understanding of the project before us.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Indiana (Mr. JACOBS) to the amendments offered by the gentleman from Alabama (Mr. BEVILL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. OTTINGER. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred thirteen Members are present, a quorum.

RECORDED VOTE

Mr. OTTINGER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 108, noes 284, not voting 42, as follows:

[Roll No. 462]

AYES—108

Anderson, Ill.	Green	Myers, Gary
Ashbrook	Gudger	Myers, Michael
Aspin	Hamilton	Nolan
Bedell	Harkin	O'Brien
Beilenson	Harrington	Obey
Bingham	Harris	Ottinger
Blanchard	Heckler	Pattison
Bolling	Hollenbeck	Pease
Bonior	Holtzman	Pursell
Burke, Mass.	Jacobs	Quayle
Burton, Phillip	Kasten	Reuss
Byron	Kastenmeier	Richmond
Carr	Keys	Rinaldo
Cavanaugh	Kildee	Rooney
Cleveland	Kostmayer	Ryan
Collins, Tex.	Latta	Sawyer
Conte	Lederer	Schroeder
Cornell	McCloskey	Schulze
Coughlin	McDonald	Seiberling
Dellums	Maguire	Sharp
Derrick	Mann	Solarz
Dingell	Markey	Stark
Dodd	Martin	Steers
Downey	Mattox	Steiger
Drinan	Mazzoli	Stockman
Early	Metcalfe	Studds
Eckhardt	Meyner	Vento
Edgar	Mikva	Walgren
Edwards, Calif.	Miller, Calif.	Walker
Emery	Miller, Ohio	Waxman
Fenwick	Minish	Weaver
Fish	Moakley	Weiss
Ford, Mich.	Moffett	Whalen
Garcia	Moorhead, Pa.	Wydler
Gephardt	Mottl	Yates
Gradison	Murphy, Pa.	Yatron

NOES—284

Abdnor	Cochran	Gonzalez
Addabbo	Coleman	Goodling
Akaka	Conable	Gore
Alexander	Corcoran	Grassley
Ambro	Corman	Guyer
Ammerman	Cornwell	Hagedorn
Anderson, Calif.	Cotter	Hall
Andrews, N.C.	Crane	Hammer-schmidt
Andrews, N. Dak.	Cunningham	Hanley
Annunzio	D'Amours	Hannaford
Applegate	Daniel, Dan	Harsha
Archer	Daniel, R. W.	Hawkins
Armstrong	Danielson	Hefner
Ashley	Davis	Heftel
AuCoin	de la Garza	Hightower
Bafalis	Delaney	Hillis
Baldus	Derwinski	Holt
Barnard	Devine	Horton
Baucus	Dickinson	Howard
Bauman	Diggs	Hubbard
Beard, R.I.	Dornan	Hughes
Beard, Tenn.	Duncan, Oreg.	Hyde
Benjamin	Duncan, Tenn.	Ichord
Bennett	Edwards, Ala.	Ireland
Bevill	Edwards, Okla.	Jeffords
Biaggi	Eilberg	Jenrette
Blouin	English	Johnson, Calif.
Boggs	Erlenborn	Johnson, Colo.
Boland	Ertel	Jones, N.C.
Bowen	Evans, Colo.	Jones, Okla.
Brademas	Evans, Del.	Jones, Tenn.
Breaux	Evans, Ga.	Jordan
Breckinridge	Evans, Ind.	Kazen
Brinkley	Fary	Kelly
Brooks	Fascell	Kemp
Broomfield	Findley	Ketchum
Brown, Mich.	Fisher	Krebs
Brown, Ohio	Fithian	LaFalce
Broyhill	Flippo	Lagomarsino
Buchanan	Flood	Leach
Burgener	Florio	Leggett
Burke, Calif.	Flynt	Lehman
Burke, Fla.	Foley	Lent
Burleson, Tex.	Ford, Tenn.	Levitas
Burlison, Mo.	Forsythe	Livingston
Burton, John	Fountain	Lloyd, Calif.
Butler	Fowler	Lloyd, Tenn.
Carney	Gammage	Long, La.
Carter	Gaydos	Long, Md.
Cederberg	Giaimo	Lujan
Chappell	Gibbons	Luken
Chisholm	Gilman	Lundine
Clausen, Don H.	Ginn	McClory
	Glickman	McCormack
	Goldwater	McDade
McEwen	Poage	Stangeland
McFall	Pressler	Stanton
McHugh	Preyer	Steed
McKay	Price	Stokes
McKinney	Pritchard	Stratton
Madigan	Quillen	Symms
Mahon	Rahall	Taylor
Marks	Railsback	Thompson
Marlenee	Rangel	Thone
Marriott	Regula	Traxler
Mathis	Rhodes	Treen
Meeds	Risenhoover	Trible
Michel	Roberts	Tucker
Mikulski	Robinson	Udall
Mineta	Roe	Van Deerlin
Mitchell, Md.	Rogers	Vander Jagt
Mitchell, N.Y.	Roncalio	Volkmer
Mollohan	Rosenthal	Waggonner
Montgomery	Rostenkowski	Walsh
Moore	Rousselot	Wampler
Moorhead, Calif.	Roybal	Watkins
	Rudd	White
Moss	Ruppe	Whitehurst
Murphy, Ill.	Russo	Whitley
Murphy, N.Y.	Santini	Whitten
Murtha	Satterfield	Wiggins
Myers, John	Scheuer	Wilson, Bob
Natcher	Sebelius	Wilson, Tex.
Neal	Shuster	Winn
Nichols	Sikes	Wirth
Nix	Sisk	Wolff
Nowak	Skelton	Wright
Oakar	Skubitz	Wylie
Oberstar	Slack	Young, Alaska
Panetta	Smith, Iowa	Young, Fla.
Patten	Smith, Nebr.	Young, Mo.
Patterson	Snyder	Young, Tex.
Pepper	Spellman	Zablocki
Perkins	Spence	Zeferetti
Pettis	St Germain	
Pickle	Staggers	

NOT VOTING—42

Allen	Frenzel	Quie
Badham	Frey	Rodino
Bonker	Fuqua	Rose
Brodhead	Hansen	Runnels
Brown, Calif.	Holland	Sarasin
Caputo	Huckaby	Shipley
Clawson, Del	Jenkins	Simon
Clay	Kindness	Stump
Cohen	Krueger	Teague
Collins, Ill.	Le Fante	Thornton
Conyers	Lott	Tsongas
Dent	Milford	Ullman
Flowers	Nedzi	Vanik
Fraser	Pike	Wilson, C. H.

Mr. MITCHELL of New York and Mr. BROWN of Ohio changed their vote from "aye" to "no."

Mr. FORD of Michigan changed his vote from "no" to "aye."

So the amendments to the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Alabama (Mr. BEVILL).

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. EDGAR: Page 6, line 22, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition, construction, or planning for the following projects: Bayou Bodcau and Tributaries; Yatesville Lake; Meramec Park Lake; Lukfata Lake; and LaFarge Lake and Channel Improvements."

Page 12, line 9, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for land acquisition or construction of the Narrows Unit."

Page 12, line 24, strike out the period and insert the following: ": *Provided further*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended for planning the following projects: Savery-Pot Hook and Fruitland Mesa."

Mr. EDGAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

(By unanimous consent, Mr. EDGAR was allowed to proceed for an additional 5 minutes.)

The CHAIRMAN. The gentleman from Pennsylvania (Mr. EDGAR) is recognized for 10 minutes in support of his amendments.

Mr. EDGAR. Mr. Chairman, we have reached the central point in consideration of this public works appropriation bill—the issue of eight construction projects that have been placed back into the appropriation bill after having been deleted a year ago.

I would like to have the Members think about the following religious illustration. Having been a minister and having studied some religious history, it occurs to me, that we might think for a moment about India where there are certain cows that are protected in the society even if those sacred cows happen to be diseased or infected or sick or dying.

The public works appropriation process in the House of Representatives is somewhat analogous to this illustration of the sacred cow because, as we all know, we consider projects within public works authorizing bills and public works appropriation bills to be sacred cows, worth protecting even if they are, figuratively speaking, diseased or infected.

It is with some trepidation that I stand before the House today, because I seek to remove eight sacred cows from the public works appropriation bill, and that simply is not done. We somehow believe that once we authorize a project, it is sacred.

I happen to be a member of the authorizing committee, the Committee on Public Works and Transportation, and I support water resource projects that make sense. They must be economically sensible, environmentally sensible, and they ought to be supported by people in the region affected.

I think that this House and the Senate have both, throughout the years, funded many valuable projects. But in some cases—and, specifically, the eight cases which I present before the House today—I believe the House and the Senate have made a mistake. I believe that the cost-benefit ratios, the environmental ratios, and the safety aspects of these projects are such as to not warrant our support.

The eight projects which I ask to be deleted seem to represent only $21 million of expenditure. But in fact, if we move to the construction phase of these projects we will create for the taxpayer a total bill of some $563.9 million in addition to what has already been allocated.

Which eight projects do I seek to delete? First, is the Bayou Bodcau project in Louisiana.

Let me share with the House what the Regional Administrator of the Environmental Protection Agency said, looking at some of the points in the environmental impact statement.

The 11 utility lines and 12 pipelines will have to be relocated. Municipal water distribution systems will become cross-contaminated from raw sewage He goes on to say that an increase in municipal, industrial, and agricultural waste will occur. In March 1977, the Army Corps of Engineers stated that the project did not meet the environmental, economic, and safety criteria established by the Interagency Committee.

This unwise project will cost $19.2 million. The second project I seek to delete is the LaFarge Lake project in Wisconsin. The Fish and Wildlife Service reported, in April 1977, that the project would eliminate about 2,000 acres of terrestrial habitat of importance to a variety of wildlife species, including grouse, deer, squirrels, rabbits, and songbirds. They went on to say that about 12 miles of a waterway popular with canoeists will be eliminated.

The EPA, in a report of April 1977, says that the lake will destroy possibly the most scenic stretch of the Kickapoo River. And then on November 22, 1974, the Army Corps of Engineers said that it expected pure water quality will significantly degrade recreational use and adversely affect the potential downstream fisheries. They go on to say that the existing water quality of the Kickapoo River will cause significant water quality problems because of the impoundment and planning by the LaFarge Lake.

In this bill there are $1 million to be expended for this project. The total project cost is somewhere in the neighborhood of $55.7 million; the local share is only $300,000.

The third project is the Yatesville Lake project, by the Corps of Engineers, in Kentucky.

The Yatesville project in Kentucky to be constructed by the Army Corps of Engineers is funded in this bill to a tune of $4 million. The total cost will be somewhere in the neighborhood of $62 million, and there is absolutely no local share.

The EPA forecasted a loss of quality wildlife habitat and the total loss of 6,000 acres through inundation. The project will destroy good forest land, 213 dwellings, 6 churches, and 4 commercial buildings. In addition, EPA's review of the draft and final environmental impact statement on the proposed project expressed concern over spills or overflows from oil storage tanks and the lack of a plan for remedial measures for water problems during construction.

Mr. Chairman, I could go on and list a number of other projects. However, let me list a fourth project, the Lukfata Lake in Oklahoma, which EPA says will inundate 1,680 acres of wildlife habitat. Construction would have adverse impact on soil erosion; air, and noise pollution would be made worse, and so forth. The Army Corps of Engineers which is being asked to construct this particular project, in June 1975, said the following:

> Possible restrictions on use of water from the lake as municipal water supply during periods of low flow could be a possibility because of the low quality of water.

They went on to say that there was insufficient delineation of the initial project and the ultimate project.

Finally, Mr. Chairman, I would like to share this quotation with my colleagues, from a study for the Corps of Engineers:

> Improvement of the Lukfata River will destroy a unique biological system, many acres of wildlife habitat, many acres of hardwood forest, and the last significant mountain stream in the Oklahoma-Arkansas mountains.

This project has only a planning cost in this bill of $150,000. The local share is some $13 million. The total cost is some $47 million.

I think most significant in this project is that most of the water supply benefits would go to one or two catfish farmers and several potential catfish farmers, and the remainder would go for future supply to a small town with questionable growth potential.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. EDGAR) has expired.

Mr. EDGAR. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. DICKS. Reserving the right to object, Mr. Chairman, will the gentleman yield to me at some point during the 5 minutes?

Mr. EDGAR. I will be glad to yield to the gentleman.

Mr. DICKS. Mr. Chairman, I thank the gentleman and withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EDGAR. To continue, Mr. Chairman, I have before me a list of negative aspects of the Meramac Park Lake in Missouri, the narrows unit to be created by the Bureau of Reclamation in Colorado; the Savery- Pot Hook in Colorado, and also the Fruitland Mesa project in Colorado.

Let me simply say that these eight projects were deleted in a compromise with the administration a year ago. The administration had 17 projects before this House that they desperately wanted deleted. The President threatened to veto last year's appropriation bill, but he stepped back from that veto through a telephone conversation that he had with the Speaker of the House. He simply asked the Speaker to delete some of the projects. He said he would accept half of the projects.

Mr. Chairman, I know the projects deleted by my amendment are important projects to eight individual Congressmen, and I know that there are a number of Members who feel very strongly that we ought to approve and support every public works project because some day one will be up from his particular area.

I would urge the Members of the House to look carefully at the merits and demerits of these eight particular projects and then join with me and the administration and a number of agencies and organizations which feel that these eight projects represent the most negative projects in this public works appropriation bill.

Mr. Chairman, I have for my colleagues copies of a letter dated June 13 by Secretary Clifford Alexander, which explains the negative points and their opposition to the five Army Corps of Engineers projects.

I also have a letter dated June 15, and copies will be made available, if anyone likes, by Cecil Andrus, who takes issue with the three projects in Colorado, specifically the narrows unit and the Pick-Sloan Missouri Basin program.

I also have for my colleagues an analysis of what the impact of the public works appropriation bill will have on the budget.

Finally, I have a chart which lists 11 criteria for looking at positive, healthy water projects from north, south, east, and west of our Nation. In each of these charts, look very carefully at the eight projects and how they impact. I think if Members look carefully at this chart, they will recognize that there are a number of noes.

To close, let me express my concern for the American taxpayer. I am not saying that this House should blindly endorse each budget request made by the President, but I do ask that we exert some effort to cut waste. The benefits of these eight projects do not warrant the costs. Here is a good oportunity to show some fiscal responsibility.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, the gentleman has made a very comprehensive statement, which was a statement made earlier by the administration, since he is representing them in a sense by offering this amendment. This point was made earlier, but many Members were not here. The point was that there had been some kind of agreement last year that these eight projects would not be considered. I would just like to read again the conference commitee report language and have the gentleman comment on it:

> The conferees are agreed that the Congress retains the right to select water resource projects for funding.
>
> All authorized water resource projects will be considered on their merits and each and every authorized project will be considered by the committees in the deliberations on the 1979 appropriation bill.
>
> The elimination of funding for certain ongoing projects and the issue of no new construction starts is a policy applied only to the 1978 appropriation.

I think that there has been a misunderstanding. I do not say that the administration deliberately tried to mislead people, but there was an agreement that the eight projects in question would only be eliminated from consideration last year, and that did not carry over to this year.

Would the gentleman comment on that?

Mr. EDGAR. I would like to respond to that. Frankly, I believe, after analyzing the situation, that there were two agreements made last year, two points made. On page 37 of the conference report the gentleman read the specific language that the conferees agreed to, but there was a telephone conversation between the President of the United States and the Speaker of the House, with a number of Members of Congress present, where an agreement or an understanding was reached on the President's intention to veto. The President felt that the House and Senate had agreed to delete those projects, not just for 1 year but forever.

I would like to read to the gentleman a statement that was made by the President of the United States in 1977:

If I should recommend that a project be terminated, and if I should not prevail this year, I then would pursue that effort next year.

So, the President in our conversation clearly felt that he had made an agreement with our Speaker and with the House.

Mr. DICKS. The gentleman knows the Speaker would not commit a future Congress, or even a second session of the Congress. That was never conveyed to our conference committee or to our chairman or anyone else involved in this discussion. I just cannot believe that the Speaker of the House would take away the responsibility of this committee. I think what the Speaker did in good faith was say, in terms of fiscal year 1978,

We will agree to this, but that does not apply to the future.

The gentleman suggested in his statement that we approved every project that was authorized. That is not true. There were literally hundreds and hundreds of projects which have been authorized, for which this committee has denied funding. I am sure there are hundreds and hundreds of projects which come to the Public Works Committee, so to say that the process is willy-nilly or ineffective, I think, is a serious misstatement.

Mr. EDGAR. The process is based to some degree on merit, to some degree on the pork barrel, and to some degree on the personalities of Members of Congress. I have been amazed at the number of Members of Congress who will stand up and refute environmental impact statements, the Army Corps of Engineers, the Bureau of Reclamation, or a number of agencies that have expert testimony. Members can stand here and say what they want, but the bottom line still is that we have authorized eight negative projects.

Mr. DICKS. We have appropriated for them.

Mr. EDGAR. We are appropriating $563.9 million for eight wasteful projects. I would urge our colleagues to support what I call "Proposition 8," that is, I ask that you give the taxpayers a break by voting to delete these eight pork barrel projects.

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know everyone is anxious to vote, and I am going to make this very brief. Members have heard this same old record before. These projects are all authorized. This House voted for these projects last year. This year the committee again heard testimony on these projects and we feel that these projects are good.

We marked up the bill on May 3. The Appropriations Committee of the House approved the bill unanimously on May 31. We never heard about a "hit list" until after this bill was approved by the Appropriations Committee. Secretary Alexander did not even appear before our committee. Secretary of the Interior Andrus testified before our committee, but did not mention these projects.

These are good projects. These are the same projects we talked about last year. This House supported these projects last year. The Senate knocked them out. We are talking about a total of eight projects, including four for study purposes only. They are needed.

We talk about flood control and key projects. I wish the Members could have heard the people tell us about the floods taking away their homes. There was a preacher in the district of the gentleman from Kentucky, Congressman PERKINS, who said his home had been washed away twice by floods. I wish Members would have heard these stories.

I urge Members to vote against the amendment.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I would like to ask the gentleman from Alabama a question. When did he first hear about the hit list?

Mr. BEVILL. I first heard about the hit list 2 weeks ago, after the bill was approved by the subcommittee and the full committee.

Mr. ALEXANDER. In what form did the gentleman receive the information? I saw it first in the newspaper. When was the first time the gentleman learned about the so-called hit list?

Mr. BEVILL. That is the way I learned about it.

Mr. ALEXANDER. I thank the gentleman from Alabama.

Mr. EVANS of Colorado. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there is little that I can add to what our chairman said. Obviously I am opposed to this amendment because it includes three projects in the State of Colorado. Four of these projects that will be stricken have a little construction money in them. Four of these projects have only study money.

Let me speak on two of the projects in Colorado. The Savery-Pot Hook and the Fruitland Mesa. They were approved on cost-benefit ratios that were weak, and they did not involve too many people. So we want to go back to the drawing board to find out if there is some way in which we can increase the benefits people will receive. For instance, initially there was no municipal or industrial water in these projects. We are hoping that communities near these intended projects will join in supporting them for the development of municipal and industrial use water. Several such communities now need or soon will need additional water, and the redesign of these projects to save them may well be sufficient to increase their cost-benefit ratios.

So this $75,000 for Fruitland Mesa and the $75,000 for Savery-Pot Hook are the only means we have of really getting a restudy done.

We have said to the President in effect: "We will not fight you any more. We will try to see if there is some way we can bring these projects back to you with improvements and then we can see if they can have better cost-benefit ratios and provide benefits for more people."

I urge my colleagues to vote down this amendment and support the committee.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I yield to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I will take only a moment and I will get subsequent time to talk. I will talk about the Narrows project, which was the third one in Colorado. Last year it was not on the hit list to be totally eliminated. It was on the hit list to be studied, and it was studied. There were five issues to be restudied, and this is contained in a letter from the Department of Interior, Bureau of Reclamation, in a letter I received from R. Keith Higginson, Commissioner, dated February 15, 1978, in which he said:

Five issues were identified for additional study recommending that funding for the Narrows Unit be deleted until the issues were resolved.

Additional studies have been completed on each of the five issues and the findings which are included in the special report briefly are:

1. A safe dam can be constructed at the Narrows site using state-of-the-art techniques. This conclusion was confirmed independently by three experts jointly selected by Reclamation and the State of Colorado. The Geological Survey's recent findings indicate that reservoir seepage rates would be well within earlier estimates by Reclamation.

2. Flood control benefits have been reevaluated and remain valid.

3. The water quality in Narrows Reservoir would not preclude primary contact recreation.

4. The Narrows Unit would have no adverse effect on sandhill cranes. To the extent that whooping and sandhill cranes utilize the same habitat, the Narrows Unit should not have any effect on the endangered whooping crane or its habitat.

5. A ground-water recharge alternative to the Narrows Unit is not economically feasible.

So in February they came along and said that those five objections had been studied last year and were answered and that the project was in the phase that it should go ahead and be built. Now in the last few days they said that the project is on the hit list and they have given us no additional reasons. We do have the letter the gentleman from Pennsylvania (Mr. EDGAR) has introduced which says specifically they do not want it included, but they have not given us anything besides the special report.

Mr. EDGAR. Mr. Chairman, if the gentleman would yield, I would like to indicate for the record that Secretary Cecil Andrus did respond to the specific question, Are you for or against the Narrows Unit project?, by sending a letter dated June 15, and I quote:

The Department strongly supports your amendment to delete funds for eight water resource development projects, particularly the Narrows Unit, Pick-Sloan Missouri Basin Program.

Then it goes on to say:

As you know, funds for these projects were not included in last year's Public Works Appropriation bill at the President's request. This Department strongly supports the President's efforts not to fund these eight projects in FY 1979.

And goes on to point out:

We strongly support your efforts.

I commend the gentleman for defending the three projects in his particular area. I happen to disagree with him on the merits.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. EVANS of Colorado was allowed to proceed for 2 additional minutes.)

Mr. EVANS of Colorado. Mr. Chairman, I have asked for the additional time in order to make one observation and that is that the Narrows project was stricken for further study by the administration in order to have a further study. They had five questions and each one of those questions was studied and the report back, after that study, was affirmative; in other words approved as a result of the study. So the original question that was in the mind of the President for striking the Narrows project, was answered by the restudy. Now there are no objections on those five points and yet the President asks to have it stricken. Why? I do not know.

Not only that, Mr. Chairman, I think the Members ought to be aware of this, too, after all the hearings, after the markup, after the hearings in the full committee and the reporting out of the bill, then, and only then, did the administration come along and say, We would like to have you add about 11 projects.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I will yield to the gentleman in just a moment.

Mr. Chairman, all I am trying to say is this: We can either let any President be the only one who designs water projects and just say, Yes, sir, and if he does not like one, say, No, sir, or we can do as we have in the past and assert our legislative authority which I think the gentleman from Alabama (Mr. BEVILL), the chairman of the subcommittee and the committee have done beautifully.

To say no to the Narrows project after the study has been done again and has shown the project to be good and feasible; with these five points satisfactorily answered, to then still say no is unreasonable. I think we have exercised good judgment and, operated in good faith. I hope we can defeat the amendment.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the Edgar amendment to prohibit the funding of eight water resource projects includes a program vital to the State of Missouri and the 10th Congressional District. That is, the Meramec Park Lake project. I have been a strong advocate of this program for the past several years for four specific reasons. First, there is a very real and recurring flood control problem in much of my district. Incidentally, I have more Mississippi River shoreline than any other congressional district. The Meramec Park Lake project and the Meramec Basin programs will contribute in alleviating flood damage. Second, there is getting to be a concern in suburban Jefferson County, Mo., located in my congressional district, about an inadequate water supply. As the population and industrialization accelerate, we are required to go deeper and deeper to acquire water. The projects of course would provide for a reservoir of water for water supply purposes. Meramec Park Lake will provide 207 million gallons per day of water to shortage areas. Regulation of the flow downstream from the dam would make the extension of a transmission water main feasible to Jefferson County and its public water supply districts. Third, the St. Louis area is in great need of more adequate water recreation facilities which the project would provide. Still yet another important factor is that of construction employment opportunities the project will supply.

In fiscal year 1978, the House public works appropriations bill contained $10 million for construction of the Meramec Lake project. The Senate bill contained no moneys and the House-Senate conference deleted the program. Further, the Appropriations Act provided for rescission of $5,600,000 of fiscal year 1977 funds. This action has resulted in steps to close the visitors' center and all other completed facilities at Meramec Park Lake. Expenditures during the balance of fiscal year 1978 will be limited to providing for management of project structures and land to insure health, security, and safety. Real estate acquisitions and relocation assistance payments will be limited to those cases in which the Corps of Engineers has a legal obligation, dating prior to July 31, 1977. Let me stress, however, that the House Public Works Appropriations Subcommittee has continued to recognize the vital importance and need for the Meramec Basin project. They showed this through the funding in the House bill last year; and even more by putting in this bill $12 million for construction. My colleagues on the subcommittee are certainly to be commended for their foresight in continuation of this project.

The project has passed all phases of the administration's review criteria except for the possible impact of the project on two endangered species: The Gray bat and the Higgins Eye pearly mussel. From all indications, the President's new water resources program would in no way affect the Meramec Park Lake project. The earlier review by the administration brought about the first knowledge that these two species were present. According to law, the Governor of the State is to be notified when the endangered species is located in his State, and apparently this has never been done in Missouri. On the same note, the U.S. Court of Appeals for the Eighth Circuit did rule in April 1976 that the corps had adequately measured the environmental impact of the project and ruled against a Sierra Club suit which contended that the project violated the Endangered Species Act by threatening the Indiana bat.

Meramec Park Lake has met all the administration's tests for safety, environmental balance, and economic soundness.

In an effort to resolve the continuous indecision on the fate of the Meramec Lake project, a regional referendum has been called for the primary election in Missouri to be held on August 8. This was the means agreed upon by both proponents and opponents of the program by which the final determination could be made. With the referendum vote only a little over 7 weeks away it is essential that we accept the committee's recommendation so that if the referendum is favorable for the project it can be moved forward expediously.

At present, the lake is approximately 18 percent complete and construction has been in progress for almost 3 years. approximately three-fourths of the needed land has been acquired and to date Congress has appropriated a total of $30.2 million for the project. The benefits of continuation of the Meramec Park Lake project far outweight any of the objections raised to halt the program. The benefit-cost ratio of remaining costs to remaining benefits to be realized is 1.6 to 1. I stand in strong support of this program and in opposition to amendments to prohibit funding.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. ICHORD, and by unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for 3 additional minutes.)

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I am delighted to yield to my colleague, the gentleman from Missouri, who has been in the forefront of the advocacy of this project for many, many years in Missouri. His expertise on this project is unequaled anywhere.

Mr. ICHORD. I appreciate the gentleman's yielding. I know that the Members are in a hurry to reach a vote on this amendment. I believe that all of the Members are very well acquainted with it, but I did want to make one point about the remarks of the gentleman from Pennsylvania. He referred to these projects as pork barrel projects. I want the members of the Committee to examine the material which he has passed around. By his own information, the Meramec project has one of the best cost-benefit ratios of any project ever considered by

this Congress. It has a cost-benefit ratio of 1.9 to 1 if one uses the present interest rate. It has a cost-benefit ratio of 1.5 to 1 even if one uses the interest rate proposed by the President.

As the gentleman in the well has stated 72 percent of the land has already been acquired. Eighteen percent of the project is completed, and it is environmentally and most certainly economically sound, as admitted by the gentleman from Pennsylvania.

The only possible basis for cancelling the Meramec project at this time, after spending better than $30 million of the taxpayers' money would be for the protection of the Higgins Eye Pearly Mussel and the Gray Bat, that has many, many other habitats in the United States. To follow the reasoning of the gentleman from Pennsylvania, I state with all respect to the gentleman is to take the word logical out of the word ecological.

Mr. BURLISON of Missouri. Mr. Chairman, I appreciate the remarks of the gentleman from Missouri (Mr. ICHORD).

Mr. YOUNG of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. Mr. Chairman, I yield to the gentleman from Missouri (Mr. YOUNG) who has been long a supporter of this project and who has done much to bring about the Missouri referendum and likely passage of that referendum in the August primary. His diligence and persistence is extraordinary.

Mr. YOUNG of Missouri. Mr. Chairman, I would like to associate my remarks with those of my distinguished colleagues from Missouri on the Meramec Park Lake project.

The fact is that most Missouri officials are awaiting the August 8 referendum in the eastern section of our State as a clear signal of the public's position on an issue that has been the subject of debate since 1938. In the meantime, absolutely no damage will be done if the $12 million for the Meramec project is included in this appropriation bill. The money is for fiscal 1979, and obviously will not be expended before the August referendum. If the voters endorse the project, the work can then proceed. If the voters reject it, Congress can move to deauthorize the appropriation.

In contrast, if the funding is cut out now and the voters back the project, construction will be delayed at least several months before a separate appropriation bill could be approved. One result would be an almost certain substantial increase in the cost of the project.

In the last year, for example, the estimated total cost of the project has increased because of inflation from $124 million to $167 million.

The referendum in Missouri clearly complicates plans for the Meramec project. It seems to me that a "holding action" is the proper strategy to use in dealing with the appropriation at this time.

Leaving aside the question of the unusual circumstances surrounding the project, we must deal with those who question the merits of the dam. I have studied the issue for years, first as a State senator, and since January 1977, as a Congressman, and I remain convinced that the benefits of the project outweigh any liabilities cited by critics.

The project would provide important flood control along the Meramec, and, to a lesser extent, Mississippi River. One estimate is that $5 million in yearly damage would be prevented in an area that has suffered from nearly 2 dozen floods over the past several decades.

The lake created by the dam would also provide eastern Missouri—including St. Louis County—with a readymade water supply of 200 million gallons a day. This source of water could prove especially important if our region is plagued with a drought similar to that in other areas west of the Mississippi River.

The Meramec project would be a boon to the economy of eastern Missouri. The Regional Commerce and Growth Association in St. Louis has projected that expenditures from tourism and homesite construction generated by Meramec Park Lake will total more than $90 million a year. That is many times the annual construction cost of the project. From another standpoint, it is estimated that more than 4,000 jobs would be created immediately by the project, with an additional 500 jobs likely to open up each year.

Despite these benefits and the extremely high benefit-to-cost ratio, the Carter administration pushed successfully last year for the elimination of funding for this project.

At the same time, the administration does not seem at all reluctant to provide funds directly and indirectly for water projects overseas that may or may not be analyzed carefully before they are constructed. Has anyone considered the benefit-to-cost ratio for these projects?

I suggest that inclusion of funds for the Meramec Park Lake project is warranted now while Missouri officials await the outcome of a regional referendum this summer.

The CHAIRMAN. The time of the gentleman from Missouri (Mr. BURLISON) has expired.

(At the request of Mr. EDGAR, and by unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for 2 additional minutes.)

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I appreciate the gentleman yielding, because my name was used by the other gentleman from Missouri about my evaluation of the project.

The gentleman is correct, that the cost benefit ratios on a number of issues in this project have looked and have the appearance of being very positive. I do, however, feel strongly that the Army Corps of Engineers is correct, and they are the ones who are, in fact, going to be asked to move toward the construction of the project. When they single out Meramec Park Lake and indicate that it is one of the three that would have specific adverse effects on the habitat of endangered plant and animal species, these three projects, along with the Yatesville Lake, would inundate thousands of acres. Much of this would inundate land of great natural value.

There are a number of considerations we must weigh; economic considerations, ecological considerations, water supply, and flood control.

It is my hope, and I appreciate the opinion of the gentleman from Missouri in this case, that the ecological damage and environmental damage far outweighs any benefits of the project to me.

Mr. BURLISON of Missouri. Mr. Chairman, let me say that the project is 18 percent complete at this time.

Let me also remind the gentleman that the Corps of Engineers for the many years that this project has been in formulation and in progress, has been a vigorous proponent of the Meramec Park Lake project.

Mr. EDGAR. Mr. Chairman, if the gentleman will yield further, the gentleman is correct that 18 percent of the project is complete. But it would also be correct to say that only 4 percent of the construction is complete.

Mr. BURKE of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment and also in support of H.R. 12928.

Frankly, I am dismayed at the present attitude and action of the President regarding this legislation, particularly in view of the fact that the Committee on Appropriations has worked so hard and so long; the fact they have heard witness after witness, the fact they are familiar with the projects and most of the projects either are in the mill, or which, after good testimony, they have concluded have merit but will require some further study.

Mr. Chairman, not only do I want to compliment the chairman of the subcommittee, the gentleman from Alabama (Mr. BEVILL), but I wish to compliment the chairman of the full committee also for bringing to this floor a good bill.

Let me tell the Members why I am amazed and why I think the President is very foolish. My congressional district is one of those that suffered last year because of the President's threat to veto the public works bill. As most of the Members know, Port Everglades is in the south Florida area, an area which has seen terrific growth over the last 10 to 20 years. The port there needs work since it has cruise ship after cruise ship coming in, and we have tankers coming in which face hazardous conditions. These tankers are very apt to get stuck out in the shallow port depth because no funds are appropriated to widen and deepen the harbor. The longer this and other projects are held up, the longer it is going to take, the more they are going to cost.

For this reason, I think the President is entirely in error. In order to complete a project, we must have the funds.

I am amazed also at the President's idea that we ought to take this in one package, that we either take it that way or we do not take it at all. I do not like that way of playing the ballgame. It is like saying, "I have the bat, I have the ball, and I have the umpire. If you don't want to play my way, you don't play at all. Get off the field."

That does not seem to me to be what our Democratic system should be, particularly since it is this body that makes the decisions with regard to these projects. We should not allow the President to veto these projects line item by line item the way he has done merely because he threatens to veto the entire package.

What amazes me even more is the fact that the President has decided he is going to tell us what to do with our projects in the United States, and that makes it ironic, particularly since the original Carter budget in 1979 called for an 11-percent decrease in our public works budget while at the same time he is urging a 54-percent increase in appropriations to the International Development Association (IDA) for public works projects all over the world, as well as a 70-percent increase for the Inter-American Development Bank. Most of these would benefit not the rural poor in those areas but, in my opinion, would help the well-to-do.

For instance, let us look at Jamaica. Here is a program, which the President states is essential for Jamaica. But what it does is give $12½ million to them at a 2-percent interest rate over 36 years.

How do we know we are ever going to be paid back? How do we know what the conditions are there in the event of default. We do know that we must cut money from all budgets, but these projects have been studied by the committees involved since last year.

Regrettably the President seems to think that loans to foreign countries such as the loan is to Panama over a 26-year period, it is a $98 million project. If the President can trust the Panamanians, why can he not trust the committees of this house who have jurisdiction to make decisions for the American people as to what is good for our country as a whole?

So, Mr. Chairman, as I said earlier, my congressional district is one of those that suffered because of the President's veto threats last year and as a result we lost the initial funding for the widening and deepening of Port Everglades Harbor in my district. Anyone who knows Florida is aware of the enormous population growth in south Florida and enormous increases in demands made on its port facilities. Despite the obvious need for the port harbor to be widened and deepened now because of larger ships have been running aground due to silting in the main channel; both cruise traffic and freight traffic have multiplied almost beyond belief; and as the need of people to be served has increased this project has remained in limbo.

Despite, the benefits to be derived from this much needed improvement of the harbor, there seems to be no end of the stumbling blocks tossed in the road to stop it. Just this week, I learned, to be exact—on June 12th—that the President is requesting new 1979 budget authority to finance, in one lump sum, all the projects he recommended for completion. This full-funding policy in my opinion is unwise, a sharp departure from past practice authorized by the Congress in the past.

Mr. Chairman, the Office of Management and Budget (OMB) estimates that the cost of the Port Everglades improvement is $28,600,000 in fiscal year 1979 dollars but the longer it is delayed the greater will be the cost. This project was originally authorized—only 4 years ago—when the estimated cost for the same work presently being contemplated was $8.9 million. Although neither the scope nor size of the project has changed the cost has more than tripled. I would like to see a situation where inflation is halted but it cannot be done with present administration policies, and it certainly should not be done at the expense of the jobs and trade to the people of south Florida.

Broward County is just recovering from the double-digit unemployment of the recent past. Post Everglades is one of the bright spots in the county's employment picture. A foreign trade zone was recently approved, and everybody agrees the port is thriving and making a tremendous contribution to the local community. However, it has reached its limits and without this Federal project to widen and deepen the main channel and turning basins, the port will not be able to meet the demands of the future.

My elation that the President's long awaited review of Federal water policies had been completed and my joy that Port Everglades was one of the 17 construction starts for the Corps of Engineers was short-lived when I discovered this new Catch-22—total funding commitment.

The Army Corps of Engineers only has the capability of doing $2 million worth of work at Port Everglades in fiscal year 1979. According to the Corps of Engiers, their capability in fiscal year 1980 will be $14,250,000, and in fiscal year 1981 will be $12,115,000. There are no guarantees that inflation will not gobble up half the project, particularly if it continues at the present national rate.

In addition, there may be unforeseen problems. It is a much wiser course to appropriate money to the extent the Corps of Engineers has the capability to do the work, rather than to try to fix the price before the work is started. I am sure every businessman knows the dangers of fixed price contracts and those dangers are just as real to the Port Everglades project as they are to any company.

The President, however, says that if Congress does not pass the public works bill exactly the way he wants it, he will veto it. This to me is unfair.

I for one object to this take it or leave it package deal.

In my opinion, the bill reported by the Public Works Committee is a good bill and, has in mind the best interests of the taxpayers of the United States. As elected representatives who must run every 2 years, we are just as aware, if not more so than the President, of the need to spend tax dollars wisely, and I hope my colleagues will agree and support the bill as reported by the Public Works Committee.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, the author of this amendment asks that we judge these projects on their merits and judge the amendment on its merits, and I would like to speak just from that point of view.

First, I would like to remind the Members that we are only concerned with the appropriations here because the authorizations still exist for all these projects.

There is a way for the President to stop a project if he finds a project that he does not want completed. He can use the device of deferral or rescission, with concurrence of the Congress. if he can make a case.

We are as shortsighted about water as we have been about energy. It is even more important in some respects to us than energy. I am concerned about and will speak only to one project, but I think the situation is similar with all the other projects. I will speak only to the Bayou Bodcau and tributaries.

I have two documents in my hands, both from the Corps of Engineers, one dated March 11, 1977, and the other dated May 25, 1978.

I want to tell the Members what these documents have to say. The gentleman from Pennsylvania (Mr. EDGAR) said they do not cost much, and he is right, because the total cost of this project, Federal and non-Federal, is $17,900,000, and it is already 30 percent funded and 30 percent complete. And he worries about the relocation of pipelines, and that sort of thing. The total cost of that relocation is a burden to the local units of government, because one of the local cooperation requirements was that the local people provide, without cost to the United States, all relocation of pipelines, utilities, roads, bridges, and other facilities necessary for construction of the project.

He is worried about the habitat for wildlife. And this document, dated March 11, 1977, says that the local and regional importance of the habitat as it will be affected by the propect is zilch, zero. There is no importance. It is insignificant.

So far as fisheries are concerned, they say that locally and nationally it is insignificant.

Let me tell you what their conclusion was then, while they were restudying the project before the President ordered the project be stopped.

The final item is this:

1. Reasonable alternatives where available.

The conclusion is:

No solutions exist which will adequately provide needed drainage improvements and flood protection that is within the capabilities of local interests.

They ask the question:

2. What use of project can be made in present scale or what changes are necessary to make it useful short of completion?

And their conclusion was:

Substantial benefits of the project cannot be obtained without completion of the Flat River channel enlargement and related levee works.

This document I refer to now is dated May 25, 1978.

There were four criteria, fundamentally which the corps used to reevaluate the project. They have gone back, at my request, and at the request of others, and reevaluated the project. Let me tell the Members what they say now about this particular project. They said that one of the questions was that there were only 60 families to be affected. What they were talking about is that there were 60 farms. And they have concluded now that it is highly likely that the number of farms is somewhat greater than 150. They admitted an error there. And then they talk about the elimination of the wildlife habitat, 1,560 acres.

Let me tell the Members what they have concluded now. They said:

Our information brochure indicated that 1,560 acres of bottom land hardwoods would be eliminated or substantially modified by construction of the project. Our brochure further indicated that 1,475 acres of bottom land hardwoods would be converted to crop land and pasture . . . The remaining 85 acres of bottom land hardwoods will be used for construction rights-of-way.

And with regard to the elimination of fishing streams, their conclusion was that the 11.6 miles of fishing streams that would be affected, or the 11.6 miles of Flat River that is to be enlarged as part of the subject project, has no significance. Their conclusion is the same. But they did not talk about flooding. They gave no significance to that.

I ask the Members to carefully listen to this new finding:

As a result of our restudies, it is currently estimated that perhaps 10,000 residents in Bossier City would be benefited as a result of reductions in nuisance flooding. Others say 55,000 would be adversely affected. It was judged to be feasible when they said none would be flooded.

Is that significant? They were wrong in three of their four initial evaluations, and they admit that they were wrong. Here is a project that is 30-percent completed. It only cost $17,900,000. We only asked for $2 million to continue it.

They say that there are no alternatives to finishing it. They say, "If we have to stop it, what we will do is that we will have to spend several million dollars to try to restore the area to what its original condition was."

How foolish can we be?

Mr. Chairman, I ask the Members to reject this amendment.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I am happy to yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, I want to commend the gentleman on his statement.

I know something about this project. Like all the others, it has been under careful evaluation by the authorizing committee and by the Committee on Appropriations for a long time.

I think it is important to note that every single one of these projects has a favorable benefits-cost ratio. Every one of them has met the environmental impact study requirements. Every one of them has been under careful evaluation.

Again, Mr. Chairman, I endorse what the gentleman from Louisiana (Mr. WAGGONNER) says.

Mr. BEVILL. Mr. Chairman, I ask unanimous consent that all debate on the Edgar amendments and all amendments thereto terminate in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. EDGAR. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BEVILL. Mr. Chairman, I move that all debate on the Edgar amendments and all amendments thereto terminate at 5 o'clock p.m.

The motion was agreed to.

The CHAIRMAN. Members standing at the time the motion to limit debate was made will be recognized for 30 seconds each.

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CONTE moves that the Committee do now rise, and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. CONTE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR). Mr. Chairman, I am honored to be a cosponsor of this financially responsible amendment; an amendment that seeks to restore responsibility to the massive proposal that is now before us. Mr. Chairman, we cannot continue to act in a reckless, "buddy-buddy" fashion and expect the taxpayers to unknowingly support us. The jig is up. The word is out. This proposal contains pure pork-barrel projects, the same boondoggles that we fought last year, which 193 of my colleagues opposed last year.

That vote signaled the death of the "you support my rip-off and I'll support yours" philosophy—and just in time. We have witnessed over the past few weeks, the signals of a major "taxpayer revolt." The voters will have an opportunity to put their anger into action this fall, when the Members of this body must stand before them and defend our voting record. I, for one, would not want to stand before my hard-pressed, overburdened taxpayers in Massachusetts and defend such proposals as the Lufata Dam proposal in Oklahoma, which is being constructed, to use the corps language, for the "fish culture industry." Do you know what this means, in plain English? It refers to the water supply needed for one catfish farm. I ask you, as will the taxpayers, is a $31.5 million investment justified for this boondoggle? I think not.

I could not defend the Meramec Park proposal, costing the Nations' taxpayers $167 million, most of which is going for the recreation benefit of the visitors to that area. This proposal would permanently destroy 75 miles of the beautiful Ozark streams, and inundate over 100 caves, as well as destroying 12,600 acres of bottom land hardwood forests and the associated fish and wildlife habitat. Can this reckless investment be justified? I think not.

I would not defend the Yatesville Dam in Kentucky. This $62 million boondoggle is designed for the primary benefit of flatwater recreation. Is this the will of the taxpayers? Is it necessary to create a lake that will be one-quarter the size of a recently completed corps reservoir that is located just two counties away? Finally, I ask, do the taxpayers mean to support a project that will be situated within an area containing seven producing oil and gas fields? This is especially glaring in the light of the statements that the Kentucky geological officials have commented that this proposal could interfere with the energy production in that area. Is this 2,300-acre recreation lake justified in light of these facts? Is the $62 million investment of Federal tax dollars justified? I think not.

I could not defend the Fruitland Mesa project in Colorado, which will cost the taxpayers $88.2 million expressly for the benefit of 69 landowners. This amounts to $1.2 million per landowner, or $4,615 per acre. The telling tale of this misguided ripoff of the taxpayer is that we can expect to receive, at the maximum 50 cents in return for every dollar of Federal investment. It is estimated that the irrigators, benefiting from this irresponsible proposal, will pay back only 208 of the 4,615 of Federal dollars poured into each acre. Is this justified in the eyes of your taxpayers? I think not.

I have saved one of the best for last. I commend my colleagues to examine the proposed Savery-Pot Hook project, again in Colorado, and determine for themselves whether they could defend it before the angry taxpayers in their district.

This massive ripoff will cost the taxpayers $74.5 million, which will be divided up among 106 existing farms. This comes out to just $700,000 per farm. What do we get for this sweet little investment? We will irrigate marginal medowlands and alfalfa growing areas, which are located at the elevation of 6,500 feet. Some hay. This means that these lands are under short growing seasons at best. This is where your constituent's dollars are going. Is it justified? Can you defend it? Again, I think not.

I submit that these proposed projects are offensive to our judgment of financial responsibility. I further believe that this issue will be rehashed by the electorate this summer and fall. We cannot escape the facts. They are clear what remains is for the Members of this body to muster

the courage to reject the pork-barrel politics of the past, and to support fiscally responsible approaches relating to our future water resource programs. This is what the gentleman from Pennsylvania is attempting to accomplish. I urge the adoption of this sensible amendment.

Thank you, Mr. Chairman.

Mr. JOHN T. MYERS. Mr. Chairman, I rise in opposition to the motion to strike the enacting clause.

If we should strike the enacting clause, we would not be able to vote on the motion pending. The suggestion has been made that this is a pork barrel. What is a pork barrel? I do not remember hearing very many complaints the other day from some of the proponents of the amendment offered by the gentleman from Pennsylvania for the assistance to New York City. I voted for that guarantee, and there is not a soul in my district who is going to benefit from that. But, I think it was the right thing to do. They needed the assistance, and if we can give assistance to people who need it, we should do so.

I suppose I could be selfish, and maybe I will be in the future and think only of myself, think only about how it affects people of the Seventh District of Indiana.

But a pork barrel? Tell that to the people that have their homes washed out, to the people who lose their children and their loved ones because of a flood, or who lose their jobs, or farmers who lose their crops, who see them washed down the field and have to go into bankruptcy. Tell them we have a pork barrel when we are trying to do something to help them. Tell the people who have been driven out by floodwaters that this is a pork barrel we are talking about today.

The suggestion was made that the cost-benefit ratios were not high enough on some of these projects. Let me remind the Members that of the eight projects—I guess there were nine which were approved by the committee at the suggestion of the President, one with a cost-benefit ratio of 1.09 to 1—poorer than the poorest of these. So, the President cannot really designate these because of the cost-benefit ratio. That cannot be the reason because one of his designated programs has a low cost-benefit ratio.

I will talk to some of my friends on this side of the aisle and on that side of the aisle who are concerned about holding the line. I will sit down and talk to them on this. If they have got "Proposition 13" syndrome today, I share with you this concern, but there is something different about this bill.

Every one of these water projects must return more than the cost to the taxpayers—and they have historically, at least 7 to 1. Regardless of what the cost-benefit shows here today, the benefits on the water and flood control have been 7 to 1.

So I say to my friends here, "Yes, you may have a chance to save $21 million out of a $10.4 billion bill. You have a chance to save $21 million. We can be extremely proud of that. But what will you have done to the future of the people who need water and who need flood control?"

Now I am talking to the Members on this side who want to suppert their President. We can all understand that. Some of us had the experience of trying to support the Presidents of our party, and those two Presidents also had some unpopular cycles. But, let me give the Members some advice, if they want to accept it.

The Members had better think about it. If the President wants them to rubberstamp, do not do so without thinking. Think about what their action will do to their people. Think about that before we act on this amendment. There will be plenty of opportunity for the Members to support their President. No one will fault a Member for supporting the President when the President is right.

But overwhelmingly this committee has found the President is wrong when he is asking us to cut projects from this bill. It is easy to vote to cut a project from somebody else's district.

But these projects all have good cost-benefit ratios and they all need to be built to keep America strong. Think what it will do to our children and grandchildren. Are they going to have this water that we take for granted? This is something we must decide today. Yes, Members have the opportunity to blindly rubberstamp what the President has sent to us. We had that same opportunity when we could have gone back into the committee and we could have done that when we rewrote this bill. But in view of all the testimony we received we believe the action we have taken is right.

Vote for not just one's own district but vote for the future of our country. It is very, very important.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Massachusetts (Mr. CONTE).

The preferential motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Chairman, naturally I am opposed to the amendment.

● Mr. GEPHARDT. Mr. Chairman, I am supporting the Edgar amendment to the public works appropriations bill, which will cut funds for eight water projects, because I think it is unwise at this time to appropriate money for the Meramec Park Lake project in Missouri.

This project has been the subject of considerable controversy in eastern Missouri for several years. In July 1976, I clearly stated my position on the Meramec Park Lake project. At that time, after weighing all of the benefits and detriments, I said I would oppose further funding for the project, but that if a public referendum were held on the subject, I would support the results of such a vote.

In an effort to resolve this dispute, the Missouri General Assembly has very wisely, in my view, authorized a referendum in the 10 counties in and around the dam site. The vote will take place August 8.

If the referendum reveals that a majority of the people in eastern Missouri want the Meramec Dam to be built, I will actively seek appropriations to carry out their will. I believe approval by the Congress would be warranted under such circumstances and would be in accordance with the criteria for water projects articulated in the President's policy statement issued last week. As he stated,

> There should be evidence of active public support including support by State and local officials.

Until such referendum is complete, however, I will vote against further funding for Meramec Park Lake to be consistent with my 1976 stand on this issue.●

(By unanimous consent, Mr. BURLISON of Missouri yielded his time to Mr. ICHORD.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. ICHORD).

Mr. ICHORD. Mr. Chairman, I rise again in opposition to the amendment of the gentleman from Pennsylvania and in complete support of Chairman BEVILL and the members of the Public Works Appropriations Committee.

Mr. Chairman, I have always supported the projects of the public works appropriations even though I have not had projects included in the bill. In fact, I do not consider appropriations for water projects as expenditures. I consider them as investments in the future of our country. They constitute improvements and developments of our natural resources which have returned billions of dollars to the country over and above the original investment.

I am not an expert on the projects approved by the Appropriations Committee after long investigation and study by the members of that committee. I feel certain that the gentleman from Pennsylvania is in the same position as I. He is not a member of the subcommittee. He has not had the benefit of the study of the members of the committee. I know that he had never seen the Meramec River last year when this matter came up for consideration and his familiarity with the other projects is probably no greater.

Mr. Chairman, the Meramec River has been a part of my life since my early childhood days. I have swam the Meramec, waded the Meramec, canoed the Meramec, floated the Meramec in johnboats, fly-fished the Meramec, plug-fished the Meramec, hiked along the shores of the Meramec from the headwaters in Dent County, Mo., in the Ozark Mountains to the confluence of the Meramec near St. Louis, Mo.

I have drunk from the Meramec as a young boy but today because of overuse, I would hesitate to swim in the lower Meramec from which I once drank. My point is this: No one can keep the Meramec as it is; no one can make the Meramec as it used to be. After studying the Meramec since being elected to Congress, I came to the conclusion years ago that the best use of the Meramec was to build

the 12,600-acre lake as proposed by the Corps of Army Engineers.

The question before the House is whether we follow the Members who are intimately acquainted with these projects; namely, the Members in whose districts these projects are located and the members of the Public Works Appropriations Subcommittee who have investigated and studied these projects for many hours, days, and months, or whether we follow Members who have never seen the rivers.

As I stated previously, the gentleman from Pennsylvania has never seen the Meramec and I can tell from what my good friend from Massachusetts (Mr. CONTE) has said, that he has never seen the Meramec.

I have previously mentioned the benefits of the Meramec project. It has one of the best cost-benefit ratios of any project ever considered by the Congress.

It is a fiction that Meramec project is environmentally unsound. The fact is that the project passed all phases of the Carter administration's 1977 review criteria except for the possible impact of the project on two alleged endangered species; to wit: the Grey bat and the Higgins Eye pearly mussel.

The Meramec project will provide annual benefits of $4,514,000 in excess of annual projects. Not only will it provide flood protection, fish and wildlife conservation, and recreation; it will also provide water supply benefits, the primary reason for my support. I agree with the gentleman from Indiana (Mr. MYERS). We are rapidly approaching a water crisis in this Nation. In a few years water in the Meramec Basin area, simply because of the increased consumption of water, will be as precious as it is in more arid Western States today. All these benefits will be provided while impounding only 33 miles of the 220-mile-long river. Water quality and waterflow will be improved while leaving intact almost 85 percent of the present stream. I urge the Members to overwhelmingly defeat the Edgar amendment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair now recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, in the limited time available to me, allow me only to observe that it is fortunate that the author of this amendment is a clergyman, because it would certainly take all of his theological skill to change the mind of the Members of the House and to gain divine intervention to do so.

I voted for a similar amendment last year and, consistent with that I will so vote this year.

I am reminded of nothing as much this afternoon as I am of the famous Rayburn aphorism—the way to get along is to go along. There are beguiling pleas to do just that. The committee system is an important and necessary institutional arrangement. The expertise of the subcommittee members is great—their dedication is unquestioned. There is no issue here as to the competence of the membership of the committee. It is obvious their labor has been prodigious to produce these huge volumes of hearings.

Also I am very much aware that it is much easier to reject a project located in someone else's district—even when that "someone else" is a valued friend. But the central thesis of my remarks is that we in this Chamber have a different duty than the committee. Despite their title they are not actually involved in the decisionmaking process in a way where the totality of the over-arching concern of fiscal policy is the key to their decision on a given appropriation measure. That is simply not their construct. They, I submit, are more involved in the reconciliation of the authorization under law with what the testimony before them reveals as to past, present, and future needs for a particular project or line item.

On the other hand those of us who comprise the Committee of the Whole must attempt to frame the policy issue in terms of what the totality of our fiscal policy should be.

I see the issue before us not simply in terms of physical structures like dams and levees but in terms of a projected 50-plus billion dollar budget deficit. I do not for a moment ignore the fact that a financial budget must also be judged in terms of human needs—that it must not be a sterile, cold-hearted document that ignores those human needs.

Perhaps the most overworked word in the Chamber is "priorities"—but we simply must make our budgetary decisions in the light of some standard which employs that process of prioritizing our needs.

Can we afford to wait or not?

Are there other needs that should be pulled out of their place in line and advanced more rapidly than was formerly believed necessary?

Next month at the Bonn Economic Summit, BECD nations will undoubtedly chide the United States for its failure to even halt inflation at last year's high level—let alone our ability to roll it back. This week the U.S. dollar slumped to the lowest level yet against the Japanese yen.

We are faced with some enormously different decisions to cutback in spending—and it represents something far more important than reacting to Jarvis-Gann for political benefit.

It may—indeed I believe it does—represent a test of our future intentions with respect to fiscal policy and its direction.

The CHAIRMAN. The Chair recognizes the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Chairman, what we are talking about here on these projects are the turkeys. That is all they are, fat, sick turkeys. There is no room in the pork barrel for sick turkeys. Let us examine one of those fat expensive turkeys, the Meramac River legislation. The only thing we will get from that turkey is about 4,000 additional acres of agricultural land at a cost of some $40,000 per acre. Frankly, I am dismayed that the committee has sought to restore construction and planning funds for those eight turkeys that were clearly rejected by both the administration and Congress. This is the kind of unnecessary and wasteful spending that we must bring under control if we are ever to get a handle on the Federal budget and restore credibility to the Federal water resource program.

We have heard much in recent days about the public's dissatisfaction with wasteful spending. As a result this body has cut substantial amounts of money from various appropriations measures, and we have rejected proposed increases. To turn around and pass a public works bill containing this kind of pork barrel spending—which is not only inconsistent with sound water policy considerations, but which is damaging to environmental considerations as well—is ludicrous.

From an economic standpoint these projects are indefensible. Many have been recommended by the corps for deauthorization. From an environmental point of view, these projects are disasterous—one would wipe out 75 miles of recreation-intensive streams—others would devastate extensive wildlife habitat.

Still others represent nothing more than subsidies for large corporate farms and other special interests.

We have been through the arguments on these projects time and time again—collectively they represent the kind of irresponsible approach to water policy that the administration has made an effort to reform, and that the House should firmly reject once and for all.

Let me briefly summarize them for you. These projects would account for $21 million in planning and construction funds for fiscal 1979, and over half a billion dollars in future years. Let us examine these eight projects, and see exactly what they would do and who they would benefit. The Yatesville Dam in Kentucky—its cost-benefit ratio is based on a totally unrealistic discount rate and omission by the Corps of Engineers of 14.4 million tons of recoverable coal reserves that would be inundated by the project. I question the primary justification for the project, which is recreation. Actually, the natural recreation potential benefit of the river will be lost. The flood control benefits would be minuscule.

The Meramec Park Dam in Missouri would wipe out over 75 miles of beautiful Ozark streams and inundate over 100 caves, including one of the most scenic and heavily visited caves in the country.

And how about the Narrows Dam Unit in Colorado. This $160 million dam would provide massively subsidized irrigation water for large farming corporations at the expense of three towns of 825 inhabitants, 15,000 acres of already irrigated land and 15 miles of wildlife habitat, including vital habitat for the endangered whooping crane. The project

will not bring new land into production, but only provide additional water for already existing farms.

Bayou Bodcau in Louisiana would drain and clear wetlands to induce flood plain development, and wipe out wetlands and habitat for large and small game and waterfowl. The corps has even supported deauthorization of this project.

The LaFarge Lake Dam in Wisconsin would generate considerable siltation in local reservoirs and violate State water quality standards. Both district and division corps engineers have recommended deauthorization.

The Lukfata Dam in Oklahoma would cost 10,000 acres of land and water, including privately owned commercial timberland. For what? To provide a water supply for a catfish farm and a small town with an adequate water supply, flood control for a few downstream landowners, and flat water recreation for a rural population that already has six corps lakes within 30 miles. The Fruitland Mesa, Colo., project—56 landowners will benefit from this $1 million project that would increase salinity in the Colorado River and destroy critical habitats for elk and other big game, trout, deer, and other wildlife.

The Savery-Pot Hook Dam would provide about 100 landowners with a subsidy amounting to about $1 million each, and like others destroy wildlife habitats, reduce crop production, and deplete streamflows. The benefit-cost ratio is 0.7 to 1 despite a favorable discount rate.

These projects are simply indefensible—the bottom of the barrel. As I noted previously, the administration has attempted to bring reform and credibility to water policy, and we should strongly support those efforts. I urge my colleagues to support this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. BALDUS).

Mr. BALDUS. Mr. Chairman, I rise in opposition to the amendment being offered by Congressman EDGAR, which would delete funding for eight water projects in the fiscal year 1979 public works appropriations bill, H.R. 12928. While I have tremendous respect for Mr. EDGAR and the conscientious work that he does, I believe the House would be committing a grave mistake to delete funding for the eight water projects en masse.

I do not take issue with the concept of reviewing Federal water projects, but it seems to me that the House should have the opportunity to review each project individually just as the administration and the House Appropriations Committee have done. After months of testimony, the House Appropriations Committee has reported a bill that reflects the strongest and most viable water projects and that is $53.7 million below the budget request. I believe it is incumbent upon the Members of the House to reject the assertion that the President's evaluation is the only acceptable appraisal.

It is unfair to lump eight projects together and decide that the funding should be eliminated without an understanding of each project's need. To do otherwise, will result in an approximate $100 million loss of taxpayer's money.

Because the La Farge project is one of the eight projects targeted in this amendment and is located in my district in western Wisconsin, I would like to focus attention on the need for flood control protection in that area. When the project was authorized in 1962, its primary purpose was to provide flood protection with some recreational benefits. That necessity remains today. In fact, support for the project among local residents has increased through the years.

Concern with the project surfaced, however, when it was found that construction of a dam with a standing reservoir of water would result in damage to the environment and that the water be highly eutrophic. Questions about the project's costs raised doubts in the minds of others whether La Farge ought to be completed.

Recognizing the problems with the project as authorized, I proposed and the House Committee on Appropriations agreed to provide $1 million to study the nonreservoir dam for the La Farge project. This alternative is in my view the most practical approach because no new authorization is required. All that would be necessary are minor changes in the structure that now exists. The water quality problems would be minimized as well as the impact on the plants and the cliffs above the dam. In addition, it is my understanding that the nonreservoir alternative would have a positive benefit/cost ratio. Currently, this approach is the more cost-effective one in terms of using the taxpayer's money wisely for a project 39 percent complete. I remind you we have spent $18 million to date on the project.

The Federal Government has made a commitment to the valley residents to provide flood control protection, and they sold their land with the expectation that they would achieve this protection. If Congress deletes funding for the project, we will be turning our backs on the local residents who have waited long and patiently for flood control. If Congress provides the funding recommended, we can build on the $18 million investment and provide permanent protection.

In conclusion, I urge the House to reaffirm the Appropriations Committee's reasonable recommendation and reject the Edgar amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. MOFFETT).

(By unanimous consent, Mr. MOFFETT yielded his time to Mr. EDGAR).

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. KOSTMAYER).

(By unanimous consent, Mr. KOSTMAYER yielded his time to Mr. EDGAR).

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. WEISS).

(By unanimous consent, Mr. WEISS yielded his time to Mr. EDGAR).

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

(By unanimous consent, Mr. CONTE yielded his time to Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, last year there were some of us who were persuaded by the President's arguments in support of his point of view on these water projects with the understanding that if he did not prevail in this House he was going to veto the bill. We failed last year to eliminate the projects, but there was no veto. Nevertheless, I am persuaded to do as I did last year and support the amendment.

Yesterday I saw the President during his press conference waiving the flag on Flag Day about how strongly he felt on this issue.

I would like to ask the gentleman from Pennsylvania (Mr. EDGAR) is the President prepared to veto this measure if the amendment is not agreed to? Last year some of us went out on the limb for him so to speak and were left dangling. Does he mean what he says or are we just going through the motions? I will submit to the gentleman that if he does not back up his threat this time with action we will not ever be able to believe what he says. We just may garner enough votes today to sustain a veto so there will be no excuse for his backing down on the issue. What does the gentleman think the President will do?

Mr. EDGAR. The answer is absolutely. The President is willing to back this up.

Mr. MICHEL. I am glad to hear that assurance. With that the gentleman has my vote.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. YOUNG).

(By unanimous consent, Mr. YOUNG of Florida yielded his time to Mr. JOHN T. MYERS.)

The CHAIRMAN. The Chair recognizes the gentleman from Colorado (Mr. EVANS).

(By unanimous consent, Mr. EVANS of Colorado yielded his time to Mr. BEVILL.)

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma (Mr. WATKINS).

(By unanimous consent, Messrs. BEVILL and DICKS yielded their time to Mr. WATKINS.)

Mr. WATKINS. Mr. Chairman, I rise in opposition to this amendment. I would like to state this: A lot of our people do not understand how we can appropriate millions upon millions of dollars to foreign countries to build similar water projects, when those countries are not required to have environmental studies, when they are not required to have cost-benefit studies, when they are not required to meet endangered species studies.

The individual authoring this amendment called it a sacred cow. However, to many of us, our word is sacred. Twenty years ago the Government gave their word and commitment to the people in my area of the country to build these water projects. This is the last dam

that has not been built, and I ask the Members of this House to recognize the fact that our word is sacred to our people. I ask the Members to defeat this amendment, and let us go on with the progress of building these dams.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. JOHN T. MYERS).

Mr. JOHN T. MYERS. Mr. Chairman, I want to close by saying that all of these projects that the President is recommending cutting are already under some stage of construction. Some of them are near completion. The one in Wisconsin, is about ready for closure to provide flood protection as well as water quality for people. There is an old saying that you can be penny-wise and pound-foolish and, true, there is an opportunity today to save a few million dollars this year, but it would not be a wise investment to cut these programs and projects out that are so badly needed and already well under way.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. I thank the Chairman and I thank the House for a very spirited and good debate today.

I just remind my colleagues that these were dam projects last year; they are dam projects this year, and they will be dam projects next year, no matter how you spell it. I would also like to remind my colleagues that all of the cost-benefits on all of these projects are greater than 1 but, on two major projects, they are significantly below 1 even using a discount rate of 3.25.

Also, I would like to indicate to my colleagues that we are dealing with the bottom of the barrel on projects. These are not the best, not the most appropriate, but the eight that have been selected as among the worst. It is not a Watergate experience or Koreagate experience. We might label it an irrigate experience. I hope that on the merits of the project—the merits of the project, not the administration's position, not the Edgar amendments, but on the merits of the project—that all of my colleagues will join me in voting to delete these eight negative projects.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Pennsylvania.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. EDGAR. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 234, answered "present" 1, not voting 57, as follows:

[Roll No. 463]

AYES—142

Ambro	Ashley	Blanchard
Ammerman	Aspin	Blouin
Anderson, Ill.	Bedell	Bolling
Applegate	Beilenson	Bonior
Archer	Bingham	Brademas
Broomfield	Gudger	Murphy, N.Y.
Brown, Calif.	Hamilton	Murphy, Pa.
Brown, Mich.	Harkin	Myers, Gary
Broyhill	Harris	Myers, Michael
Burton, Phillip	Heckler	Neal
Byron	Hollenbeck	Nolan
Carr	Holtzman	O'Brien
Cavanaugh	Hughes	Obey
Chisholm	Jacobs	Ottinger
Coleman	Jeffords	Pattison
Collins, Tex.	Jenrette	Pease
Conte	Kasten	Preyer
Corcoran	Kastenmeier	Pursell
Cornell	Keys	Quayle
Cornwell	Kildee	Reuss
Coughlin	Kostmayer	Richmond
D'Amours	Leach	Rinaldo
Dellums	Lederer	Rooney
Derrick	Lehman	Ryan
Derwinski	Lent	Schroeder
Dingell	Levitas	Schulze
Dodd	McClory	Seiberling
Downey	McCloskey	Sharp
Drinan	McDonald	Solarz
Early	McHugh	Spellman
Eckhardt	Maguire	Steers
Edgar	Mann	Steiger
Emery	Markey	Stockman
Evans, Ind.	Marks	Studds
Fenwick	Mattox	Vander Jagt
Fish	Mazzoli	Volkmer
Fisher	Metcalfe	Walgren
Florio	Meyner	Walker
Ford, Mich.	Michel	Waxman
Ford, Tenn.	Mikulski	Weaver
Forsythe	Mikva	Weiss
Fowler	Miller, Calif.	Whalen
Gephardt	Miller, Ohio	Wydler
Giaimo	Mitchell, Md.	Wylie
Glickman	Mitchell, N.Y.	Yates
Goodling	Moakley	Yatron
Gradison	Moffett	
Green	Mottl	

NOES—234

Abdnor	de la Garza	Johnson, Colo.
Addabbo	Delaney	Jones, N.C.
Akaka	Devine	Jones, Okla.
Alexander	Dickinson	Jones, Tenn.
Anderson, Calif.	Dicks	Jordan
	Diggs	Kazen
Andrews, N. Dak.	Dornan	Kelly
	Duncan, Oreg.	Kemp
Annunzio	Duncan, Tenn.	Ketchum
Armstrong	Edwards, Ala.	Kindness
Ashbrook	Edwards, Okla.	Krebs
AuCoin	Eilberg	LaFalce
Bafalis	English	Lagomarsino
Baldus	Erlenborn	Latta
Barnard	Ertel	Leggett
Baucus	Evans, Colo.	Livingston
Bauman	Evans, Del.	Lloyd, Calif.
Beard, R.I.	Evans, Ga.	Lloyd, Tenn.
Beard, Tenn.	Fary	Long, La.
Benjamin	Fascell	Long, Md.
Bennett	Findley	Lujan
Bevill	Fithian	Luken
Biaggi	Flippo	Lundine
Boggs	Flood	McCormack
Boland	Flynt	McDade
Bowen	Foley	McEwen
Breaux	Fountain	McFall
Breckinridge	Gammage	McKay
Brinkley	Gaydos	McKinney
Brooks	Gilman	Madigan
Brown, Ohio	Ginn	Mahon
Buchanan	Goldwater	Marlenee
Burgener	Gonzalez	Marriott
Burke, Calif.	Gore	Martin
Burke, Fla.	Grassley	Mathis
Burke, Mass.	Guyer	Meeds
Burleson, Tex.	Hagedorn	Mineta
Burlison, Mo.	Hall	Mollohan
Butler	Hammer-schmidt	Montgomery
Carney		Moore
Carter	Hanley	Moss
Cederberg	Hannaford	Murphy, Ill.
Chappell	Harsha	Murtha
Clausen, Don H.	Hawkins	Myers, John
	Hefner	Natcher
Clawson, Del	Heftel	Nix
Clay	Hightower	Nowak
Cochran	Hillis	Oakar
Corman	Holt	Oberstar
Cotter	Horton	Panetta
Crane	Howard	Patten
Cunningham	Hubbard	Pepper
Daniel, Dan	Hyde	Perkins
Daniel, R. W.	Ichord	Pettis
Danielson	Ireland	Pickle
Davis	Johnson, Calif.	Poage
Pressler	Sebelius	Waggonner
Price	Shuster	Walsh
Pritchard	Skelton	Wampler
Quillen	Skubitz	Watkins
Rahall	Slack	White
Railsback	Smith, Iowa	Whitehurst
Rangel	Smith, Nebr.	Whitley
Regula	Snyder	Whitten
Rhodes	Spence	Wiggins
Risenhoover	St Germain	Wilson, Bob
Robinson	Staggers	Wilson, C. H.
Roe	Stangeland	Wilson, Tex.
Rogers	Stanton	Winn
Roncalio	Stokes	Wirth
Rosenthal	Symms	Wolff
Rostenkowski	Taylor	Wright
Rousselot	Thompson	Young, Alaska
Roybal	Thone	Young, Fla.
Rudd	Traxler	Young, Mo.
Ruppe	Treen	Young, Tex.
Russo	Trible	Zablocki
Santini	Tucker	Zeferetti
Satterfield	Udall	
Scheuer	Van Deerlin	

ANSWERED "PRESENT"—1

Edwards, Calif.

NOT VOTING—57

Allen	Hansen	Rose
Andrews, N.C.	Harrington	Runnels
Badham	Holland	Sarasin
Bonker	Huckaby	Sawyer
Brodhead	Jenkins	Shipley
Burton, John	Krueger	Sikes
Caputo	Le Fante	Simon
Cleveland	Lott	Sisk
Cohen	Milford	Stark
Collins, Ill.	Minish	Steed
Conable	Moorhead, Calif.	Stratton
Conyers		Stump
Dent	Moorhead, Pa.	Teague
Flowers	Nedzi	Thornton
Fraser	Nichols	Tsongas
Frenzel	Patterson	Ullman
Frey	Pike	Vanik
Fuqua	Quie	Vento
Garcia	Roberts	
Gibbons	Rodino	

The Clerk announced the following pairs:

On this vote:

Mr. Edwards of California for, with Mr. Sisk against.

Mr. Garcia for, with Mr. Nichols against.

Mr. Stark for, with Mr. Sikes against.

Mr. Vento for, with Mr. Roberts against.

Mr. Harrington for, with Mr. Teague against

Mr. Fraser for, with Mr. Huckaby against.

Mr. Nedzi for, with Mr. Stratton against.

Mr. Conyers for, with Mr. Steed against.

Mr. John L. Burton for, with Mr. Minish against.

Mr. Conable for, with Mr. Hansen against.

Mr. Frenzel for, with Mr. Krueger against.

Mr. Sawyer for, with Mr. Le Fante against.

Mr. Milford for, with Mr. Frey against.

Mr. EDWARDS of California. Mr. Chairman, I have a live pair with the gentleman from California (Mr. SISK). If he were present he would have voted "no." I voted "aye." I withdraw my vote and vote "present."

Mr. McDADE changed his vote from "aye" to "no."

Mr. FORD of Michigan changed his vote from "no" to "aye."

Mr. EDWARDS of California changed his vote from "aye" to "present."

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to

river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, and when authorized by law, surveys and studies of projects prior to authorization for construction, $139,844,000, to remain available until expended.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: On page 6, line 7, strike the period and insert in lieu thereof the following: "; *Provided*, That none of the funds made available in this paragraph shall be obligated or expended for the study of Diversion of Lake Michigan Water at Chicago."

Mr. MICHEL. Mr. Chairman, the issue addressed by this amendment is not a new one. It has been a matter of debate before I came to Congress, more than 20 years ago. In this bill there is a $500,000 installment for a project that could run as high as $4.7 million over the next several years for the professed purpose of increasing the amount of water diverted from Lake Michigan into the Illinois Waterway at Chicago. And quite frankly, such action just does not make good sense or good public policy.

The authorization for this project was passed in the waning moments of the 94th Congress. It was inobtrusively placed in the massive Water Resources Development Act of 1976 and while purported to be just another study, the Corps of Engineers is in fact authorized to actually increase the current diversion level from 3,200 cubic feet per second to 10,000 cubic feet per second, more than three times the current flow.

I registered my strong opposition to this project when the 1976 act was debated on the House floor and pointed out that all the consequences had not been fully explored.

Increasing the diversion, even for the period of the demonstration project will have long-lasting effects on the Great Lakes system—the effects may not be fully realized for up to 15 years.

If the argument is made that the Corps does not intend to begin diversion this year, it is still important to note that this money will be spent on developing an operating plan and a monitoring program for the demonstration. No study is being carried out by these funds independent of actual diversion. (Testimony before the House Appropriations Committee, February 7, 1978.)

The study is duplicating what the International Joint Commission (composed of Americans and Canadians) is currently doing—that is a comprehensive study, which the Corps of Engineers is a participant, on Great Lakes diversions and consumptive uses. However, no actual increase in the diversion rate will take place. (Testimony before the House Appropriations Committee, February 7, 1978)

The Corps itself has placed this study on the list of 58 projects which have been slowed down due to a lack of national benefits at the moment. (Testimony before the House Appropriations Committee, February 6, 1978.)

The International Joint Commission completed one 9-year study in 1974 concerning the level of the Great Lakes and what could be done to help the problem. Many experts in many fields were involved in the study as well as the cooperative efforts of the governments of two countries, eight States, and two provinces. Their recommendations did not include the Lake Michigan water diversion being promoted by this project.

Increasing the diversion, even for the demonstration project, is a violation of the 1909 Boundary Waters Treaty between the United States and Canada. The Canadians have already vigorously protested the action through formal diplomatic channels.

SPECIFIC NEGATIVE IMPACT ON ILLINOIS

Interpolation of data in the February 1957 U.S. Army Corps of Engineers report to the Director of the Bureau of the Budget entitled "Effects of an Additional Diversion of Water From Lake Michigan at Chicago" indicates that the maximum lowering of Lake Michigan by increasing the diversion to 10,000 CFS (cubic feet per second) as included in the demonstration, would lower the lake levels by only a few inches over a multi-year period.

By contrast, the Peoria District Corps of Engineers discharge records indicate that during periods of extreme high water, 27.6 feet, it takes only 5,000 CFS addtional flow to raise the level river nearly 1 foot. At normal pool, only 2,000 CFS raises the river nearly 1 foot. An inch decrease on Lake Michigan means a foot or more increase at Peoria.

The corps testified in a special hearing before the House Public Works Committee in October 1974 that increased flooding from the diversion was a major disadvantage to the proposed increased diversion plan and that the situation could be further exacerbated by storms.

During the same hearing the corps pointed out that adverse effects on navigation through the Illinois Waterway may be brought about by the increased channel velocities.

In addition, downstream must contend with loaded barge tows churning the water even harder and higher against shores, homes, levees, and businesses.

Not only may the increased flow cause irreversible damage to many of the marsh and flood plain areas of the Illinois River (The Illinois is one of the most important flyways in the United States for migrating water fowl), it may cause millions of dollars in property damage and more repair work to established levees and shorelines along the waterway.

Also, local efforts to develop, beautify and provide increased public access and utilization of the riverway as a recreational resource are being placed in jeopardy by the threat of more water.

Flushing the river is simply moving the pollution problem from one place to another. Decomposition and assimilation processes will be extended farther downstream than currently. Thus, the flushing action of increased diversion may clean up the Chicago channels but will hasten the movement of pollutant materials downstream with the prospect of causing serious environmental consequences within the Illinois and Mississippi River basins.

The Tri-County Regional Planning Commission (Peoria, Tazewell and Woodford Counties, Illinois); the Central Illinois Industrial Association; the cities of Peoria, Pekin and East Peoria; the Fondulac, Peoria and Pekin Park Districts; the Springlake Drainage and Levee District; the Greater Peoria Sanitary District; the Illinois River Valley Residents Association and many, many individual citizens have registered their opposition.

The authorization was passed in the dying moments of the 94th Congress and it is doubtful that many Members realized this particular project was included in the massive public works bill which passed. The implications are so far-reaching and long-lasting, that Congress should specifically review this project before the Corps is allowed to actually begin increasing the diversion flow.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(At the request of Mr. YATES and by unanimous consent, Mr. MICHEL was allowed to proceed for 3 additional minutes.)

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to my colleague from Illinois.

Mr. YATES. Mr. Chairman, the gentleman from Chicago, all of us, the delegation, is in favor of the study. Let me say that first.

Mr. MICHEL. I can appreciate that.

Mr. YATES. The delegation from Chicago is very much aware of the historical fear of the Representatives from downstate. The fear that, as a result of the diversion torrents of water will be loosed upon the people at Beardstown and various places along the canals, along the Illinois Waterway, we are opposed to that kind of additional avalanche of water happening. We do not want those additional amounts of water to jeopardize lives or property of the gentleman's constituents. It was for that reason that we caused to be placed in the authorizing legislation the following provisions, and may I invite the gentleman's attention to them:

The increase in diversion rate will be accomplished incrementally, and will take into consideration the effects of such increase on the Illinois Waterway.

In other words, it will not take place if it increases the effect on the Illinois Waterway. But, the second provision in the law says this:

(c) When river stages approach or are predicted to approach bank-full conditions at the established flood warning stations on the Illinois Waterway or the Mississippi River, or when further increased diversion of water from Lake Michigan would adversely affect water levels necessary for navigational requirements of the Saint Lawrence Seaway in its entirety throughout the Saint Lawrence River and Great Lakes-Saint Lawrence Seaway, water shall not be diverted directly from Lake Michigan at the Wilmette, O'Brien, or Chicago River control structures other than as necessary for navigational requirements.

So, there is no possibility of that catastrophe which the gentleman fears happening.

Mr. MICHEL. I appreciate the compassion that has been expressed by the gentleman from Chicago and others who support his point of view. The only problem is, it takes 3 or 4 days for the water to get to Peoria after it goes through the locks at Chicago. If, in the intervening period of time, even though the predicted water level will be low, what happens when we have a cloudburst in between Chicago and Peoria? All that water then flows into the river, comes down at the same time that we get that diversion. That is the thing that concerns the folks who live along the Illinois River bank, the fact that this might happen.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. Mr. Chairman, I thank the gentleman for yielding.

I want to point out one of the reasons for the great concern expressed not just by the gentleman's constituents but also by mine in Fulton County is they have had a history of flooding. In other words, they have had very, very serious problems. They see this spector of Chicago increasing the water discharge rate and they are very concerned about flooding.

I commend the gentleman for his amendment.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MICHEL) has expired.

(On request of Mr. JEFFORDS, and by unanimous consent, Mr. MICHEL was allowed to proceed for 2 additional minutes.)

Mr. MICHEL. Mr. Chairman, if I might make the observation, it is my understanding with the leadership on both sides that there is not to be a vote on this particular amendment this evening and that we are to rise this evening at 5:30 as scheduled. It was not my intention to have a prolonged debate on this amendment this evening, so we could live up to our understanding with the leadership and the Members.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I would like to point out that what water does not come through Illinois is most likely to come out the other end of the lake system. All the Members in New York State and in the Northeast ought to be very much aware of this. What is not diverted down the Mississippi can be used for power, for power which the Northeast has a great need for and from which it may stand to benefit. It will raise the energy cost as this water is diverted and reduce the energy the Northeast has and be costly to them. Is that not correct?

Mr. MICHEL. That is true of course, and I am sure the gentleman will find other Members from the Northeastern States who will also be making that point in very strong terms.

Mr. CORCORAN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I might suggest to the gentleman that I know this subject is of great concern to him that he might want to reserve his time until tomorrow, but if he wants to be yielded to now, I will gladly yield to him.

Mr. CORCORAN of Illinois. I will reserve my time until tomorrow.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, is there a right to utilize or take advantage of this additional diversion for domestic water purposes? There are so many communities in my district and the adjoining congressional districts that can use the additional amounts of water.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MICHEL) has expired.

(On request of Mr. McCLORY, and by unanimous consent, Mr. MICHEL was allowed to proceed for 2 additional minutes.)

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield further to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, I would ask the gentleman, of this additional authorization for diversion would Gurnee, Ill., and Libertyville, Ill., and some of the other areas that really depend upon Lake Michigan waters for their domestic water supply, be involved in this increased authorization?

Mr. MICHEL. I shall have to respond to the gentleman by saying that none of the diversion can be used to supplement the existing water supply of communities but rather to assist in erosion control and improve the water quality. Let us face it, the bulk of the water is going downstream and is not going to be siphoned off at the extreme northern end of the river. If that were the case, I would not be expressing my concern, but that would not mean the people from the northeastern United States would not be expressing their concern for different reasons as expressed by the gentleman from Vermont (Mr. JEFFORDS).

Mr. McCLORY. But it does not mean it will take these additional cubic feet out and rush it down to Peoria. It is just to study it and then the authorization would be considered.

Mr. MICHEL. But the point is that the act in 1976 does provide for a threefold increase, from 3,600 cubic feet to 10,000 cubic feet, and that is what I have to be opposed to.

Mr. McCLORY. They would not want to do it if it would flood Peoria, I am sure.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I almost never disagree with my good friend, the gentleman from Illinois, but may I say before this water gets to him it will go through my district and through the district of the gentleman from Illinois (Mr. ERLENBORN), and we welcome it and want it and need it.

Permit me to associate myself with the remarks of the gentleman from Illinois (Mr. YATES). I have never heard the proposition better stated.

● Mr. VANIK. Mr. Chairman, I oppose the Michel amendment to delete appropiations for a test of the Chicago drainage canal diversion.

The Chicago drainage canal diversion test is essential to determine what permanent steps can be taken to reduce the tremendous damage which has occurred from erosion because of high water levels in Lake Erie and the Great Lakes during the last several years. Hundreds of millions of dollars of public and private property have been threatened by high water levels in the Great Lakes. It is imperative that constructive steps be taken to control lake levels and prevent this unnecessary damage.●

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BRADEMAS) having assumed the chair, Mr. SHARP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12928) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the Public Works Appropriation bill H.R. 12928, just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COST OF SOCIAL SECURITY AND OTHER TRUST FUND ACTIVITIES WILL BECOME UNBEARABLE IN COMING DECADES

(Mr. WAMPLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WAMPLER. Mr. Speaker, the cost of social security and other trust fund activities under the Social Security Act is mounting to a degree which will become unbearable in coming decades.

The 1977 amendments to the act are a stopgap remedy which will meet the needs of the program for slightly more than the next two decades. Thereafter, the insurance funds that pay for the programs will again become insufficient without additional taxation of one type or another.

Before the 1977 increases, 12 percent of the total U.S. payroll was taxable under the Social Security Act. When those who entered the world as a result of the post-World War II baby boom reach age 65 and over, that figure could go as high as 27 percent. At such time, according to current demographic projections, for every two persons paying

into the system, there will be one eligible elderly person drawing its benefits.

Clearly, this poses an unfair and unacceptable tax burden on those who must support the system with their earnings.

This was never meant to be the way the system operates. By definition and intent, it is a trust fund with an investment feature which, in theory, will permit it to regenerate itself as do commercial insurance trust funds.

Unfortunately, the fund has no capital available for investment. What it takes in, it owes and must pay out without interim investment and without income above tax contributions.

Unless the fund can escape this hand-to-mouth existence there is no relief from the prospect of mounting taxation as the retired segment of our population grows larger and our tax requirements increase in proportion.

The 1977 amendments to the Social Security Act directed that a nine-person commission be appointed to study, review, and investigate the social security system. Of these nine persons, the President is supposed to appoint five and the House and Senate two each. The Speaker has made the House appointments. The other seven persons have not yet been appointed.

Today, I am filing a concurrent resolution to urge the prompt appointment of the commission. Additionally, the resolution directs that the commission undertake a study to explore the feasibility of converting the insurance funds of the act into self-renewing investment funds which will, in whole or in part, fulfill the purposes of the Social Security Act with a substantial reduction in the taxes required for the support of the program.

The resolution requires that the findings and recommendations resulting from such study be reported to the Congress within 1 year after the date that the commission is appointed.

I am sure that my colleagues in the House will agree with me that it is timely that we act on this situation now if the results are to be timely to our needs a few years hence. I therefore urge your support and invite your cosponsorship of the resolution.

The text of the resolution follows:

Whereas Part F, Section 361 of Public Law 95–216 directs the establishment of a nine-person commission, five persons of which are to be appointed by the President, two by the Speaker of the House and two by the President pro tempore of the Senate; and

Whereas the duties and functions of such commission include, among other responsibilities, the conduct of a continuing study, investigation and review of the Federal Old-Age, Survivors and Disability Insurance Program established by Title I of the Social Security Act and the health insurance programs established by Title XVIII of such Act; and

Whereas responsibility for the formation of the commission has existed since the law was enacted on December 20, 1977; and

Whereas, the commission has not yet been fully appointed; and

Whereas public and congressional concern has been expressed over the rising costs of social security deriving from the assessment rates established by Public Law 95–216; and

Whereas demographic studies show that assessments under the current law will not be sufficient to meet outlays required by projected increases in the elderly population; and

Whereas the investment authority contained in the Social Security Act cannot be effectively implemented for lack of available investment capital in the insurance funds; and

Whereas, in the absence of investment, there can be on relief from the prospect of increased taxation under the current system; and

Whereas measures are needed to create a Federal Old-Age, Survivors and Disability Insurance Program that will meet the needs of its beneficiaries without the burdensome tax requirements of the present program: Now, therefore, be it

Resolved by the House of Representatives (The Senate Concurring), That the Congress:

1. Urge the prompt appointment and activation of the aforementioned commission.

2. Direct that said commission undertake a study exploring the feasibility of converting the present Old-Age, Survivors and Disability Insurance Programs into self-renewing investment funds which will, in whole or in part, fulfill the purpose of the present program with a substantial reduction in the taxes levied for the support of the program.

3. Report the findings and recommendations of such study to the Congress within one year of the date the commission is appointed.

PEACEFUL RALLY AND VIGIL IN SKOKIE TO COUNTER NAZI MARCH

(Mr. MIKVA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MIKVA. Mr. Speaker, my district includes Skokie, Ill., a village of 70,000 people. A small group of Nazis plan to use Skokie as a marching area to demonstrate their venom against the thousands of Jews and survivors of the holocaust who live in Skokie. The events surrounding the Nazis' proposed march have traumatized a substantial segment of the Skokie community. The survivors of the holocaust now living in Skokie—perhaps as many as 7,000—have been subjected to the prospect of an invasion by Nazi storm troopers in brown shirts and swastikas, a scene all too reminiscent of the indescribable terror unleashed on them and their families two generations ago.

The survivors of Nazi Germany who now live in Skokie are not the only ones who feel the terror or the deep sense of revulsion that the Nazis represent. In a real sense, we are all survivors of Nazism, and the Nazi symbols of hate and destruction recall a nightmare that millions of other Americans share.

On June 25, a week from this coming Sunday, the Nazis are planning to march and demonstrate in front of the Skokie Village Hall. A counter rally and vigil are being organized by civic and religious groups from throughout the Chicago area. A rally will be held Sunday morning, June 25, at the Niles East High School stadium in Skokie, followed by a vigil across from the Skokie Village Hall.

My friend and distinguished colleague from New York, HAMILTON FISH, has suggested that other Members of Congress may wish to participate with us in the peaceful rally and vigil in Skokie on June 25. Today, Mr. FISH and I are sending a Dear Colleague to all Members, explaining in further detail the events that are planned, the timetable and arrangements for traveling to Skokie, which is located in the northern Chicago metropolitan area.

Your attendance, together with thousands of other Americans of all nationalities, Jews and non-Jews alike, will not only symbolize what we as Americans oppose, but what we stand for. Our peaceful rally and vigil will not only remind anyone who has forgotten about the madness and evil of Nazism, but it will also reaffirm our commitment to the ideals for which we have struggled—and which we cherish and want to preserve for our children and grandchildren. These are ideals and values that we must not take for granted—and they are the best and only weapons for effectively combating the venom of the Nazis.

PERSONAL STATEMENT

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WEISS. Mr. Speaker, the following states how I would have voted, had I been present, on three recorded votes which I missed:

Rollcall No. 433, a vote on an amendment to H.R. 12929, appropriation for Labor-HEW, which sought to reduce funds for HEW programs by $1 billion. This amendment was agreed to by a vote of 290 to 87. I would have voted against this amendment.

Rollcall No. 434, a vote on House Joint Resolution 945, making an urgent supplemental appropriation for the black lung program of the Department of Labor for the fiscal year ending September 30, 1978. This resolution was passed by a vote of 237 to 72 with one Member voting "present." I was paired on this vote and would have voted for the resolution.

Rollcall No. 435, a vote on the rule permitting H.R. 12933, appropriations for the Department of Transportation and related agencies, to be considered by the House. This rule passed by a vote of 309 to 16. I was paired on this vote and would have voted in favor of the rule.

FREEDOM OF THE PRESS SERIOUSLY THREATENED BY SUPREME COURT DECISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 60 minutes.

Mr. DRINAN. Mr. Speaker, I have requested this special order so that Members of the House will have the opportunity to express their views on the recent decision of the Supreme Court in Zurcher against the Stanford Daily and on the bill I introduced to overturn that decision. At this time I am reintroducing that measure, the Press Protection Act of 1978 (H.R. 12952), with 36 cosponsors, who are listed at the end of this statement. I encourage each Member of this body to join with us on this bill so that legislation to overturn this

baneful decision will be enacted at the earliest possible time.

Since the Supreme Court handed down its opinion on May 31, a great outcry has arisen from across the Nation against its ominous holding. Members of the broadcast and print media have been the most vocal in their opposition to the decision. I have read a number of editorial comments and news analyses which uniformly criticize the Stanford Daily case. I should note that the criticism is not limited to the "liberal" columnists or newspapers. It cuts across a wide spectrum of political thought.

For example, James J. Kilpatrick, writing in the Washington Star of June 8, described the majority opinion of Justice White as combining "tartness and decisiveness with an astonishing ignorance of the real-world nature of the news-gathering process. He and his four colleagues had no conception of what they were doing." A day earlier in the same newspaper, Carl Rowan less kindly referred to the decision as "an atrociously un-American ruling." And Howard K. Smith of ABC News, on June 2, called the decision "the worst, most dangerous ruling the Court has made in memory" and expressed hope that an outraged public would demand a "reconsideration of this Nazi-like ruling." Finally, the Boston Globe characterized the decision as "a first step toward a police state." These are not the words of persons frequently given to hyperbole. Rather they are the product of a genuine fear that the decision in the Stanford Daily case will have the most disastrous consequences for the freedom of the press.

I do not think we can overstate the impact this decision may have on news gathering and dissemination. The mere possibility that law enforcement officials may appear at any time in newsrooms or even the private homes of news reporters necessarily will cause them to modify their practices to secure the integrity of their sources and stories. Such alterations in traditional news-gathering techniques may take many forms, including, as Carl Rowan noted, "committing notes and sources to memory, burying papers in tin cans and empty whisky bottles." Or reporters may resort to the simple expedient followed by James Kilpatrick who placed certain files "6 feet deep in a sanitary landfill in back of Clifton Clark's barn."

This is not idle talk. When news reporters are investigating serious allegations of official corruption, for example, especially when they may involve police officials, it is not unthinkable that such officials would seek a warrant for the incriminating evidence to disrupt the investigation. And the beauty of the warrant approach is that the offending officials can assert their interest in enforcing the law against all, and defend the search and seizure on law enforcement grounds. What better way is there to sidetrack a news media investigation than for public officials to seize the evidence from the news offices in the name of rooting out corruption.

To these apprehensions, Justice White responded that the "hazards of such warrants can be avoided by a neutral magistrate carrying out his responsibilities under the fourth amendment, for he has ample tools at his disposal to confine warrants to search within reasonable limits." That assurance prompted Jack Kilpatrick to observe:

> His Eminence (Justice White) perhaps was born yesterday.

It is well known, and studies have confirmed, that magistrates do not refuse many requests for warrants. According to the reports of the Administrative Office of the U.S. Courts, judges refuse to approve warrants for electronic surveillance in very few cases. Since the enactment of the wiretap statute in 1968, only a handful of requests have been denied. The tendency to approve such requests is even greater when the local magistrate is a political crony of the local officials. Indeed, the magistrate may be one of their appointees.

But even if the magistrate adheres strictly to the requirements of the fourth amendment in issuing the warrant, there is no assurance that the police will be so scrupulous in executing it. Once the police are on the premises, they "will be in a position to see notes and photographs not even mentioned in the warrant." *The Stanford Daily* v. *Zurcher*, 353 F. Supp. 124, 134 (N.D.Cal. 1972). Their eyes will inevitably focus upon materials other than those they are authorized to examine:

> The "indiscriminate nature" of such a search renders vulnerable all confidential materials, whether or not identified in the warrant, and the concommitant threat to the gathering of news—which frequently depends on confidential relationships—is staggering. Id. at 135.

Just as the warrant technique "renders vulnerable" to an indiscriminate search the premises of the news organization or the residence of the reporter, it also exposes to indiscriminate seizure any materials which the police may examine. What will prevent the police from accidentally or deliberately removing from the premises documents, notes, or other papers not covered by the warrant? Newsrooms are not noted for their pristine organization. In classic understatement, the district judge in Stanford Daily, after reading the plaintiffs' affidavits, observed that—

> Newspaper offices are much more disorganized than, say, the average law office. Id. 134.

In executing any warrant, the police will thus have access to more materials than are listed in the warrant. The potential for abuse and unlawful seizure is fantastic.

It is, therefore, incumbent upon State and Federal legislatures to enact statutes to provide the necessary protection now required by the Stanford Daily decision. Indeed, the Supreme Court appeared to invite a legislative response. At the end of the majority opinion, Justice White noted:

> Of course, the Fourth Amendment does not prevent or advise against legislative or executive efforts to establish nonconstitutional protections against possible abuses of the search warrant procedure . . .

The Press Protection Act of 1978 (H.R. 12952), which I introduced on June 2 and reintroduced today, is an attempt to fill the great void in the first amendmen created by the Stanford Daily case. The bill has four essential features: First, it would forbid all Govermnent officials, State or Federal, from using arrants to search newsrooms unless there is probable cause to believe that the news reporters themselves are engaged in criminal activity; second, it would allow police access to evidence of crime in the possession of news people only after an adversary, judicial proceeding; third, it would broadly protect all persons "engaged in the gathering or dissemination of news for the print or broadcast media;" and fourth, it would provide civil and criminal remedies for any violation of the act.

It has been suggested that the bill should also allow law enforcement officials to use warrants to obtain evidence when they have reason to believe it will be destroyed. First, I am advised that destruction of evidence is presently a crime in most, if not all, jurisdictions. I have asked the Library of Congress to prepare a detailed memorandum for me on that point. If such destruction is a crime, then my bill would authorize a warrant to obtain the evidence as the possessor would be engaging in criminal activity.

Second, whether it is a crime or not, I have no reason to believe that news persons have any greater disposition to destroy evidence than any other citizen. Surely the deterrent effect of the criminal law will be sufficient to prevent wholesale destruction of incriminating evidence. I am certain that, upon receiving a reasonable request from the police, news reporters will cooperate by furnishing whatever evidence of crime they have which is not inconsistent with their news reporting responsibilities. Deputy Attorney General Civiletti recently noted the success the Justice Department has had by taking this voluntary approach. If compulsion is needed, the ordinary civil process, such as a subpena, is quite adequate to protect the interests of law enforcement officers in obtaining evidence of crime.

It has also been suggested that any bill to remedy the decision in Stanford Daily should apply across the board to any person who has possession of incriminating evidence, whether or not such person is engaged in news reporting. Senator BAYH, Senator DOLE, and Representative QUAYLE have introduced bills like that. Of course, I would support any legislation to secure to a greater degree than the Supreme Court has, the rights protected by the 4th and 14th amendments.

I am very concerned, however, that a bill to protect interests beyond the first amendment would get bogged down in the legislative process. The freedom of the press is expressly guaranteed by that amendment and is of very great moment to the survival of a democratic society. A few years ago, the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice, of which I am a member, reported favor-

ably a bill (H.R. 214) which would provide protection to citizens from intrusion by Government officials into information about them held by third parties. The bill never came to a vote in the full committee, because of the fierce opposition from, among others, the Justice Department and other Federal law enforcement agencies.

While I appreciate and support the efforts to overturn Stanford Daily as it would apply to any third party who has possession of incriminating evidence, I fear that such broad legislation would face stiff opposition. I therefore urge the Congress to deal first with the discrete and limited problems involving the press which were raised by the Stanford Daily case. There will be time enough later to amend the statute to provide greater coverage.

In concluding, let me reemphasize the importance of enacting legislation to protect the gathering and dissemination of the news. Throughout our history, the press has played a vital role in maintaining the integrity of our democratic institutions. During those times of its greatest worth, the press has exposed corruption, disclosed improprieties by high ranking officials, and revealed the undue influence of special interests on the processes of government. In pursuing this noble role, the press needs a great deal of breathing space to investigate and ferret out unlawful or improper conduct.

The Supreme Court decision will jeopardize the precarious position of the press in achieving those ends. The sweep of the Court's opinion would allow the police to search the premises of a newspaper and seize whatever documents they thought within the scope of the warrant. In such cases, the warrant would provide little protection against such intrusions and seizures even though the newspaper could ultimately force the return of unlawfully seized materials. Because confidential sources and deadlines play such a critical role in a news operation, the seizure by the police of such documents could strike a fatal blow to the reporting and disclosure of a particularly devastating story.

The Court disregarded the practical differences between the use of a warrant and the use of other legal process after an adversary hearing to obtain privately held documents, papers, and other materials in the possession of newspeople. My bill recognizes those critical distinctions and seeks to enact them into law. I ask my colleagues to join with me in supporting this measure. A few days ago I received a strong letter of support from Women in Communications, Inc. I insert their statement into the RECORD at this point, together with a list of the cosponsors of my bill:

WICI SPEAKS FOR LEGISLATION TO VOID SUPREME COURT DECISION IN STANFORD DAILY CASE

AUSTIN, TEX.—Anne Hecker, president of Women in Communications, Inc., today put the 9,000-member organization squarely behind a bill by U.S. Rep. Robert Drinan to correct what she called a "confused and incredible mistake of the U.S. Supreme Court."

Drinan's bill, introduced June 2, would prohibit the use of warrants to search newspapers and other newsgathering offices for information or evidence against lawbreakers unless an officer or employee of the newspaper is suspected of a crime. The Supreme Court ruled Wednesday, May 31, against a student newspaper, the Stanford Daily, in a suit arising from a police search of its offices in 1971 for photographs of rioters who had allegedly attacked police officers.

"We have seen that a court can violate the Constitutional rights of citizens just like anyone else," Hecker said. "The recent decision, which directly affects the news media, in reality involves the right of any citizen to be free of unreasonable search and seizure.

"By some strange logic, a majority of the court has decided that a judge anywhere, at any level, can order the search of a newspaper and the confiscation of its property on the mere suspicion that it may have some kind of evidence against lawbreakers. WICI praises the strong dissent of Justice Potter Stewart, who sees the infinite and immediate dangers to our most basic freedom.

"Rep. Drinan's bill would make it clear that freedom of the press does not mean simply freedom of speech, but freedom to gather news without interference and confiscation."

Hecker said that the seizure of news, pictures and information can prevent their publication, not only by seizure but also by tying them up in criminal litigation.

"This means that the press is being hit from two sides," she charged. "Gag orders which prohibit the publication of news affecting trials are bad enough, but now the press can be deprived of the very power to collect and hold its own property. And if a search causes the source of information given in confidence to be revealed, or if the threat of search cuts off such sources, freedom of the press becomes an empty theory.

"Rep. Drinan is to be commended for his effort to plug a major leak in the reservoir of our remaining freedoms," Hecker said.

WICI, a national organization of professionals in communications, has offered support to the Stanford Daily in its 7-year court fight.

WICI is headquartered in Austin.

COSPONSORS OF THE PRESS PROTECTION ACT

1. Mr. Bonior.
2. Mr. Conyers.
3. Mr. Eilberg.
4. Mr. Fraser.
5. Mr. Glickman.
6. Mr. Hanley.
7. Mr. Hansen.
8. Mr. Harrington.
9. Mr. Kildee.
10. Mr. Lederer.
11. Mr. Lundine.
12. Mr. McHugh.
13. Mr. Madigan.
14. Mr. Markey.
15. Mr. Marlenee.
16. Mr. Metcalfe.
17. Ms. Meyner.
18. Mr. Mitchell.
19. Mr. Moffett.
20. Mr. Nowak.
21. Mr. Ottinger.
22. Mr. Pattison of New York.
23. Mr. Pressler.
24. Mr. Rangel.
25. Mr. Richmond.
26. Mr. Selberling.
27. Mr. Stark.
28. Mr. Studds.
29. Mr. Tsongas.
30. Mr. Van Deerlin.
31. Mr. Vento.
32. Mr. Waxman.
33. Mr. Weiss.
34. Mr. Won Pat.
35. Mr. Young of Missouri.
36. Mr. Mineta.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding.

Mr. Speaker, I would like at the outset to thank the gentleman from Massachusetts (Mr. DRINAN) for requesting today's special order. He has taken a most commendable initiative in bringing before this House one of the most troubling Supreme Court decisions in recent memory.

There have been many occasions on which I have disagreed with a Supreme Court ruling. And yet, in most of these cases I have at least understood the reasoning employed by a majority of Justices in reaching a decision which did not square with my own interpretation of our Constitution. Indeed, there are very few issues which come before the Supreme Court that are not shaded with ambiguity and which do not provide responsible and convincing argumentation from both sides.

The Court's recent decision in a case involving the Stanford University student newspaper seems to me to ignore a number of constitutional provisions explicitly intended to safeguard freedom of the press and individual privacy. I frankly do not see how the Court could have issued a ruling which is certain to undermine these protections and to jeopardize guarantees against arbitrary exercise of governmental authority.

The effect of the Court's ruling is to hand local, State, and Federal officials a carte blanche for searching not only newspaper offices, but other places of business and citizens' private homes. By a 5-to-3 margin, the Court has declared that a person who is not involved in a crime in any way cannot resist authorities attempting to search his or her premises ostensibly for evidence of someone else's crime.

This decision is alarming on its face and terrifying in its implications.

In the case of a newspaper, the police and other government agents can, according to the Supreme Court, indiscriminately search through the files, desks, and even wastebaskets and seize material which they claim is germane to their investigation. The only prerequisite for such a search and seizure is that the authorities obtain a warrant from a court.

For the police to obtain that warrant it is not necessary that they convince the court that officials or employees of the newspaper may be involved in some crime. Nor do the police need to inform the newspaper that they are seeking or have obtained a warrant. And should anyone on the newspaper's premises attempt to prevent or resist this sort of unannounced entry and search, he or she will be liable to arrest.

It is not difficult to imagine the ends to which this sweeping power can be put. The potential for political repression and for attempted suppression of a publication is limitless. What if this weapon had been available just a few years ago? Would we have been able to read the Pentagon papers? Would there have

been public knowledge of something called the Watergate scandal? Would voices of protest and dissent have been heard?

Perhaps. But then again, perhaps not.

Clearly, the freedom of the press and our individual rights are too precious and, it seems, too fragile to be entrusted to the good will and noble intentions of a local police chief, a particular judge or even an Attorney General of the United States. That is why we have a Constitution and it is also why ours is a government based on a system of checks and balances.

I submit, Mr. Speaker, that it is imperative for this Congress to assert its right to check the Supreme Court's decision and its many ominous implications.

Mr. DRINAN's bill (H.R. 12952), the Press Protection Act of 1978, will remedy the potential abuses of constitutional protections sanctioned under the Court's ruling. The gentleman's proposal stipulates that newspapers and other media outlets cannot be subjected to search and seizure unless any person "acting under color of the law" can demonstrate to a court that there is reason to believe an official or employee of that newspaper or media outlet has committed or is committing a Federal offense.

This is a rudimentary safeguard against blatant infringements on freedom of the press. The gentleman's legislation demonstrates a proper sensitivity to the special role the media plays in our Nation in informing citizens of controversial matters. I believe it essential that Congress act to restore equilibrium between the Government and the fourth estate by balancing reasonable efforts to apprehend criminals with the need for an unintimidated press providing an unimpeded flow of information.

Such a balance will be struck by passage of the gentleman's legislation.

I urge my colleagues to support this vital measure. Nothing less than the survival of a free press in this country is at stake.

Mr. DRINAN. I thank the gentleman for his perceptive remarks.

Mr. Speaker, I now yield to the gentleman from Michigan (Mr. KILDEE) for his contribution.

Mr. KILDEE. Mr. Speaker, I would like to join in the remarks of the gentleman from Massachusetts (Mr. DRINAN).

Mr. Speaker, the natural reaction of the law-abiding citizen is to assume that once the U.S. Supreme Court has ruled on a given issue there is no choice but to accept it.

But that is not correct. If it were, we still would be returning "Dred Scots" back into slavery.

There is one court of appeals still higher than a Supreme Court decision, and that is the people speaking through their elected representatives.

We now have before us an opportunity to correct a dangerous error by the Court. We can enact the Press Protection Act, which has been introduced by Representative ROBERT F. DRINAN of Massachusetts.

The recent Supreme Court ruling in the Stanford University newspaper case greatly disturbs me because I fear that it threatens the privacy of every home and office in the country and could establish the basis for a future police state assault against the freedom of the press. As columnist Charles B. Seib wrote:

> The decision is a chilling one, not only to the press, but also to others outside the government—doctors, lawyers, clergymen, citizens in general. It can be seen only as a victory for authority and those who wield it, and a blow to privacy and the right to be let alone.

The Press Protection Act would make it a crime to search a newspaper office, or a radio or television station, without either a prior court hearing or a warrant based on probable cause to believe that an occupant had committed the crime that is being investigated. Under the Court's present ruling, a search can be conducted without warning by police armed only with a warrant issued upon the possibility that evidence of a crime may be inside an office.

The press is singled out in the Constitution for unique protection, and that protection was carefully thought out by our Founding Fathers. I had thought that this constitutional protection was clear. But since the Court has diminished that protection, it is up to the Congress to use its power to assure that protection for the press is restored by statute. The Court's action makes it imperative that we act promptly in enacting this legislation.

For this reason, I have joined Representative DRINAN in emphasizing the importance of enacting the Press Protection Act to safeguard the gathering and dissemination of the news. Throughout our history, the press has played a vital role in maintaining the integrity of our democratic institutions. Time and time again the press has stepped forward to expose corruption, disclose improprieties by high-ranking officials, and reveal the undue influence of special interests on the processes of government. The Supreme Court decision jeopardizes the position of the press in this crucial role.

Justice Byron R. White attempted to reassure everyone on this situation with a statement that was surprising to me in its naivete. Justice White wrote:

> Properly administered, the preconditions of a warrant—probable cause, specificity with respect to the place to be searched and the things to be seized, and overall reasonableness—should afford sufficient protection against the harms that are assertedly threatened by warrants for searching newspaper offices.

The point missed by the Justice is that people with various attitudes toward freedom find their way into elected office, police agencies, prosecutor staffs, and even judicial robes. And it is a fact that such people including those who hold positions of public trust, bend or break laws when they feel it is to their advantage to do so.

The Flint, Mich., Journal observed in a recent editorial on the Stanford ruling that Justice White's statement is—

> A frightening assumption . . . that lower court magistrates throughout the Nation are going to "properly administer" the rules in the face of demands from police and prosecutors and that they will exercise "particular exactitude" to protect the first amendment.

The Flint Journal went on to say:

> Never has there been a successful overthrow of a democratic government by a repressive regime that did not early in the process include police suppression of the press, usually by raids carried out under warrants issued to "protect" the people against "criminal elements" that were opposed to the government.
>
> The Flint Journal does not believe that such actions are today's threat. . . . What concerns us, and should concern everybody, is whether the seeds for such a possibility have been planted unintentionally by a "law and order" oriented court.

Mr. Speaker, there seems to be an increasing mood in our judiciary and law enforcement agencies to have a casual regard for the constitutional rights of the people to privacy and protection against unreasonable searches. There always are reasons given for such incursions against these constitutional guarantees. More effective law enforcement or greater efficiency are the two reasons most frequently cited. But nothing can justify this continual erosion of the people's fourth amendment rights and, in this case, also their first amendment rights. I am hopeful that this legislation will restore to the first and fourth amendments the meaning its authors intended them to have.

I urge my colleagues to join those of us who are cosponsors of the Press Protection Act and the Citizen Protection Act before further damage is done to these basic constitutional rights.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. DRINAN. I am delighted to yield to the very distinguished gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I want to compliment the gentleman from Massachusetts (Mr. DRINAN) for being the first to introduce legislation to correct this shocking and potentially disastrous decision of the Supreme Court and also for holding this special order today.

One of the basic and centuries-old principles of the common law is the concept of the sanctity of the home. It goes way back before the Norman Conquest and has its roots in the Anglo-Saxon law.

The gentleman from Massachusetts may remember, since the gentleman is a distinguished professor of law, that one of the Anglo-Saxon torts was the tort of Hamsoc, which was an assault on a home. This was considered to be one of the most serious kinds of offenses a person could commit, because it violated the concept that a person's home should be his castle.

The Founding Fathers of our country, when they wrote the Bill of Rights were very careful to protect the sanctity of the home. The prohibition against unreasonable searches and seizures embodied in the Constitution reflects that concept.

Now, if the Supreme Court can rule that the prohibition against unreasona-

ble searches does not prohibit the police from searching for evidence, under an ex parte warrant, in a newspaper office, a newspaper that is protected under the first amendment guarantee against abridgement of freedom of the press, then certainly where there is not that particular first amendment protection, everybody in their homes and offices is in jeopardy of police invasion without warning and at any time.

I think that many of the editorials that have been written so far on this subject have focused only on the freedom of the press aspect of it, although I was gratified to see that the Akron Beacon Journal, my hometown newspaper, pointed out that this is really a threat to everybody.

Is there anyplace where the right of privacy should be more protected, than in a person's own home? If the police can enter a person's home, let alone his office, why, then, of course, his right of privacy is gone. Under the guise that they are looking for evidence in some particular matter, the police can come in and look over everything you have. If you happen to have personal letters or personal financial records that might be matters of your own private concern and could be embarrassing if disseminated to certain people or publicized, that would not matter. They could see them and possibly seize them and you would have the burden of trying to get them back.

So I think it is terribly important that Congress move on this and move promptly, because we are dealing with something that is very basic in our concept of personal freedom and what makes possible a civilized society.

Mr. Speaker, I again commend the gentleman from Massachusetts (Mr. DRINAN) for his initiative.

Mr. DRINAN. Mr. Speaker, I thank the distinguished gentleman from Ohio (Mr. SEIBERLING) for his contribution, and I applaud his comments.

Mr. Speaker, may I just indicate that there is a feeling of terror all across the country among journalists. Just today I received a letter which states this:

> The day after the Court's decision, my office began erasing all tapes and destroying or removing from the premises all confidential records of conversations with sources.

That letter came from the chief of bureau of the Lee Newspapers State Bureau in Helena, Mont., a man whose name is Shaun Higgins. Mr. Higgins was on the AP wire disclosing how terrified he and his associates are.

Mr. Speaker, I do not think we can overstate the impact that this decision may have on news gathering and dissemination. I am, therefore, very happy to submit for the RECORD a list of the 36 cosponsors of my bill.

● Ms. MEYNER. Mr. Speaker, I join my colleagues today in denouncing the shocking decision of the Supreme Court in Zurcher against Stanford Daily. I have joined in the cosponsorship of this legislation to insure that the implementation of this decision—a scene straight from the pages of "1984"—is never realized. I find this legislation, and the public outcry over the Zurcher decision, to be exactly what the Court asked for in the majority's decision:

> The fourth amendment does not prevent or advise against legislative or executive efforts to establish nonconstitutional protections against possible abuses of the search warrant procedures.

Unlike the Court, I view this corrective legislation as the proper interpretation of the fourth amendment prohibition against unreasonable searches and seizures.

The Zurcher decision rocks the very foundations of the fourth amendment. Its application extends beyond intrusions into newspaper offices. We should all fear for the future of our personal liberties; and for the future of our right to privacy—a right that has been embedded in the Bill of Rights for generations. This startling departure from precedent opens the sluice gates for the wholesale deprivation of the rights of all Americans.

Mr. Speaker, fourth amendment interpretations have, for many years, rested on the strong foundation of probable cause. Yet, the use of probable cause to conduct a search, or secure a warrant to search, has always been based on the knowledge that a crime has been committed, or that a crime is being committed, or that a crime is about to be committed. Our Nation has never stood for the proposition that the privacy of nonparties to a crime may be invaded merely because they may be in possession of evidentiary materials. The Zurcher holding decimates that basis of privacy.

In 1967, the Court broadened the scope of permissible searches to allow searches for evidentiary material. Prior to the decision in Warden against Hayden, searches were limited to those designed to secure contraband, or the fruits or instrumentalities of a crime. Relying heavily on this precedent, the Court in Zurcher applied the principle to the search of a newspaper office for evidence of a crime. Yet, the facts which prompted the 1967 holding in Warden against Hayden lead to the drawing of the narrow conclusion that searches for mere evidence are permissible only when conducted in connection with a party to the crime. Until Zurcher, law enforcement officials had to rely on subpenas for third-party searches for evidentiary material. The legislation that we have introduced would keep with precedent by allowing searches of a news organization based on probable cause that an employee of the news media has, is, or is about to commit a crime.

The previous use of subpenas for third party searches should be retained. Our judicial system, through the use of the adversary process, insures that opposing positions are considered. This legislation requires that access to the premises of news organizations must be obtained following an adversary hearing before a court. This is the orderly opposition which is the foundation of our judicial system. This is the essence of a system which guards our precious freedoms. And Mr. Speaker, the elimination of the critical adversary element is the crux of the shocking Zurcher decision.

Mr. Speaker, I urge my colleagues to act immediately to reverse the Zurcher holding. I fear not only for the news media—whose files, desks, and even wastepaper baskets will be open to warrants based merely on the probable existence of evidence. I fear also for the future of the first amendment, the fourth amendment, and the rights of all Americans.●

● Mr. VENTO. Mr. Speaker, I wish to speak today in support of H.R. 12952.

Throughout our Nation's history, freedom of the press has been a guardian for our society in revealing corruption, injustice, and abuses otherwise denied from the knowledge of the American people. But now the action of the Supreme Court in Zurcher against Stanford Daily jeopardizes the integrity of a free and responsible press.

The first amendment assures the constitutional right of freedom of speech to the American people and the press is a platform from which people can exercise that right. The press can be an effective vehicle for informing the public, spreading new ideas, defending positions, and overseeing the public's interests. However, to be effective, it must operate in an atmosphere free from intimidation and must be able to handle information in a confidential manner. The recent decision by the Supreme Court will discourage and endanger news coverage and investigatory reporting and, as a consequence, will restrict the public's right to know. Without the protection of the first amendment, the media's role in our society may be frustrated and we will all be harmed by that occurrence.

Confidential sources are the heartblood of such a media role, stories such as Watergate and the Pentagon papers would not have been revealed without the guarantee of confidentiality. Without such revelations, the base on which our Government now stands would be seriously affected and threatened.

It is the responsibility of Congress to maintain a free press for the people. The importance of the press cannot be overstated in this free society. Qualifying the spirit of free inquiry is a threat to the spirit of the American people and the foundation on which this country is based.

As George Mason stated in the Virginia Bill of Rights:

> The freedom of the press is one of the great bulwarks of liberty, and can never be restrained but by despotic government.

At this time, I would like to draw the attention of my colleagues to several articles that appeared in the St. Paul Dispatch. These articles eloquently state the need for a free press and the dilemma of the recent court decision.

THE COURT SAW NOTHING WRONG

(By John R. Finnegan)

I was shocked.

I could not believe the United States Supreme Court would reverse two lower courts and find that police could search a newspaper office for criminal evidence even though

none of the paper's employees was involved in the crime.

But it did. By a five to three vote.

I had intended this week to continue the column series on the Federal Bureau of Investigation and its relations with these newspapers over the years. That can wait another week.

Let's review the case which produced the appalling decision by the Burger court.

Seven years ago, Palo Alto police raided the offices of the Stanford Daily, a university newspaper, looking for unpublished photographs of a violent student demonstration. The demonstration resulted from a sit-in at Stanford University hospital held to protest the firing of a hospital employee. Thirty-seven persons were injured, including nine policemen.

Police thought that a student newspaper photographer had film of the assaults on police which could be used in the prosecution of some of the demonstrators.

A county judge issued a search warrant allowing police to go through the newspaper's offices looking for such material. There was no evidence that the newspaper was involved in any crime and no effort was made to get the material by subpoena. Getting a subpoena would have required a court hearing at which the newspaper could have presented arguments against submitting such material for examination by law enforcement officers.

The Palo Alto police found no pictures which could be used to prosecute demonstrators. The newspaper has a policy of destroying all unpublished photographs which might incriminate the subjects.

As a result of the current decision, I suspect that a large number of newspapers will make instant destruction of such photos mandatory.

While searching for the photos, the police also examined information in reporters' notebooks.

The newspaper and some of its staff brought legal action against the county officials and police arguing that use of the search warrant was a violation of both the First and Fourth Amendments. They said that since the newspaper was not suspected of any crime, the two amendments require that police first obtain a subpoena to get the evidence and only after they are able to convince a court that a subpoena is impractical should they be permitted to search offices of a newspaper under a search warrant.

The Trial Court in California agreed with the newspaper's position. So did the U.S. Ninth District Court of Appeals. But not Justices Byron White, Warren Burger, Harry Blackmun, Lewis Powell and William Rehnquist.

They held that police are under no legal obligation to first seek the desired evidence by subpoena. "Properly administered, the preconditions for a (search) warrant . . . should afford sufficient protection against harms that are assertedly threatened by warrants for searching newspaper offices," White wrote for the court.

"The critical element in a reasonable search is not that the owner of the property is suspected of a crime but that there is reasonable cause to believe that the specific 'things' to be searched for and seized are located on property to which entry is sought.

"Neither the Fourth Amendment (protection against unreasonable searches) nor the cases requiring consideration of First Amendment (free press) values in issuing search warrants call for imposing the regime ordered," the majority held.

Justices Potter Stewart, Thurgood Marshall and John Paul Stevens dissented, Stevens arguing that the search was "unreasonable" since no evidence was presented to show that the warrant was needed or that evidence would be destroyed before it could be subpoened.

The decision effectively dismantles shield laws, absolute or qualified, that exist in many states including Minnesota. A shield law provides that a newsperson can protect confidential sources from disclosure; it prohibits law enforcement agencies from access to reporters' notes, broadcasters' outtakes from tapes or film and a still photographer's unpublished photos.

In Minnesota, a court might allow access to such material but only after a court hearing and a determination that the individual seeking such information clearly has met three specific standards.

Courts and law enforcement agencies, as I read the Supreme Court decision, now can use the search warrant as a means to gain access to confidential sources despite such statutes.

Reporters, print or broadcast, can become investigative arms of government. This decision could chill investigative reporting and discourage news coverage of demonstrations or controversial gatherings where violence or some criminal act may occur.

The news media can take little solace from the majority's observation that "Properly administered, the preconditions for a warrant . . . should afford sufficient protection against harms that are assertedly threatened by warrants for searching newspaper offices."

There are communities where the preconditions will not be "properly administered" (whatever that means) by judges and police who may be incompetent, malicious or both.

The Burger Court has knocked another large chip off the First Amendment.

Hazard to Freedom

The U.S. Supreme Court, supreme arbiter of our laws, the interpreter of the Constitution, has ruled that an angered judge or police force in concert can raid a newspaper office in search of photos, notes and other matters having to do with supposed criminal acts—in short, go fishing.

We had waited for a few interpretations of this latest ruling, that newspaper offices could be searched, with warrant, for criminal evidence even though neither the newspaper, nor its employees, were suspect. Surely, we thought, there would be no objection to a search, say, for heroin stashed away in the air conditioning system of a newspaper by some desperate and dangerous criminal.

But it comes back to a simple case of searching to harass. It stems from a police raid on the Stanford Daily (fruitless) to confiscate pictures of demonstrators to be used in evidence.

We naturally hail Justice Stevens' dissent. He argued that the history of the Fourth Amendment indicates its drafting never expected warrants to be issued for private papers of persons not suspected of crime, or, for that matter, anyone.

It was just recently that Chief Justice Warren Burger blasted the American bar indiscriminately and with a passion as being incompetent. The compliment might be returned, in this case adding the word "dangerous."

This really is justice at its most blind. The Court should come out with a federal stamp declaring it to be hazardous to your health and, an added note, most dangerous to the state of a free republic.●

● Mr. VAN DEERLIN. Mr. Speaker, under the guise of strictly construing the fourth amendment, the Supreme Court on May 31 seriously eroded the protections offered by the first amendment.

The majority of the Court ruled that there is no reason to exempt the press from the search warrant procedure provided for in the fourth amendment. Upon meeting the requirements that a search be reasonable, specific and based upon a showing of probable cause, the police can—unannounced—scrutinize the files of a reporter or news organization.

The majority's decision was perhaps rational, but it was not wise. What newsroom worth its salt would not contain some evidence relevant to some criminal case? The practical effect of this decision—obvious to anyone who has not spent the last 10 years on Mars—will be to offer the executive branch of Government a method to chill the ardor of the press, whether print or broadcast, to uncover official misdeeds.

Who can doubt the tendency of officials beset by leaks to try to plug them? We have so recently seen it happen. Even good men and women, in the stormy atmosphere of crisis, consider ways to seal tightly the ship of state. Certainly a well-publicized series of newsroom raids would have the desired effect.

The first amendment is, as should be apparent from events of the recent past, the best protection the American people have against encroachment upon their freedoms by their government. It must be strengthened, not sapped.

I have joined with Representative DRINAN in support of his proposal to outlaw the use of search warrants against reporters or news organizations unless their direct involvement in the commission of a crime can be proved.

In normal circumstances, the subpena process—which keeps the police out of the newsroom—is sufficient protection for the public against criminal activities. It would be much more dangerous to the public interest in the long run to allow this ruling to stand as is. It is, as the Boston Globe said of the decision, "a first step toward a police state." ●

● Mr. QUAYLE. Mr. Speaker, a tremendous amount of publicity has surrounded the Supreme Court's Zurcher against Stanford decision allowing warrants to be issued to search the premises of persons who are not suspected of any crime.

This may be because the press "roars loudest when its own ox is gored" as Charles Seib of the Washington Post pointed out. But the press has been less noisy in relating the potential for abuse to personal privacy. By refusing to review the fourth amendment guarantee of privacy, the Court opened every business, home, and office to possible searches.

That is why I have introduced H.R. 13017, the Citizen Protection Act, which would mandate use of subpenas in cases where "the person in possession of the evidence has a reasonable expectation of privacy."

No one will argue that prosecutors and law enforcement officers should have the authority to gather evidence. But the guidelines established by the Court do not set a good example of how justice should be executed.

In its ruling, the Court invited the Congress to act to set the record straight in this important constitutional area. I suggest that the House take up this in-

vitation and act sensibly and swiftly to insure the fourth amendment rights of all Americans.

I ask to have included in the RECORD copies of a number of editorials relating to this case. Today I also sent copies of editorials regarding the Stanford case to my colleagues' offices. I hope that each Member will take a moment to review them and consider my bill.

[From the New York Times, June 8, 1978]

A DOUBLE BLOW BY THE COURT

The privacy rights of the law-abiding were shabbily treated by the Sureme Court the other day when it held that police may search for evidence of crime on the premises of persons who are not themselves suspected of any crime. The Fourth Amendment protects "the right of the people to be secure in their persons, houses, papers and effects against unreasonable searches," but the Court said this sort of search was reasonable. Judicial warrants may now be obtained for unannounced, wide-ranging searches through files, drawers—even waste baskets—without proof that such methods are needed to guard against destruction of the evidence. This decision strikes a double blow, at individual privacy and press freedom.

The premises in the case before the Court were those of the Stanford University student newspaper, which claimed that its rights had been violated by a police search of its offices after a 1971 campus riot. Police wanted to search the newspaper's offices because a published photograph of the riot led them to believe there might be more photographic evidence. Their request for a warrant contained no charge that the Daily's staff had anything to do with the violence and no hint that the authorities feared destruction of the evidence. Extensive as the search was, it turned up nothing useful to the police.

The newspaper argued that the search violated the Fourth Amendment rights of citizens generally. The police, it was argued, could have sought their evidence by way of subpoena, a procedure that would have permitted orderly opposition. The newspaper also argued that First Amendment rights were infringed because such a sweeping search inevitably compromised information the police had no right to see. The court said no to both arguments.

Justice Byron White's majority opinion treated the newspaper arguments as though they had come from outer space. He said the Stanford Daily was seeking "a major revision of the Fourth Amendment," by asking the Court to "hold for the first time" that the validity of a search depends on the culpability of the search's target. But, as Justice John Paul Stevens showed in a lucid dissent, the Court was not being asked to do anything so contrary to precedent. There was no precedent; the precise issue had never been before the Supreme Court. Until 1967, police could seek warrants only to look for such things as contraband, the fruits of a crime, or the instrumentality of a crime, like a gun. Then in 1967 the Court ruled—for the first time—that searches for "mere evidence" of crime were valid under the Fourth Amendment.

That decision was what shattered precedent. It then became more probable that searches would disrupt the lives of innocent parties who might readily come into possession of evidence of crime; it was open to the Court in the Stanford Daily case to require special procedures safeguarding their interests. Instead, the Court would now allow officials to treat the law abiding like criminals.

The Court's treatment of the First Amendment issue was just as cavalier. "We decline to reinterpret the Amendment to impose a general Consitutional barrier against warrants to search newspaper premises," said Justice White. But First Amendment considerations made even stronger the case for added safeguards against such a search. In this decade, it is hardly fanciful to worry that public officials bent on obstructing justice might invoke such authority malevolently. Even worse, wiretapping is merely one kind of a search; there seems to be no Constitutional barrier to court-approved wiretapping of reporters' telephones.

The Court itself acknowledged that legislatures are free to enact added protections for individual privacy and press freedom. Considering the way this Court now interprets the Fourth Amendment, Congress and the state legislatures would be well advised to do so promptly.

[From the Washington Post, June 9, 1978]

THE STANFORD DECISION: A THREAT TO THE PRESS—AND THE INDIVIDUAL

(By Charles B. Seib)

The constitutional protection the American press enjoys as the public's vigilant watchdog is contained in 11 words: Congress shall make no laws . . . abridging the freedom . . . of the press."

They appear in the first of the 10 amendments that make up the Constitution's Bill of Rights. In its less than 50 words, the same amendment also protects the freedoms of religion, speech and assembly and the right to petition the government for a redress of grievances.

Since constitutional underpinning of the free press is so slender, the attitude of the courts, particularly of the U.S. Supreme Court, is basic to its effectiveness. And that brings us to a couple of recent evidences that the present Supreme Court is not enthralled by the First Amendment's protection of the press.

As I noted in a column a few weeks ago, Chief Justice Warren Burger went to unusual lengths in late April to tell the press that it was just another corporate enterprise with no more First Amendment protection than any other corporation. A month later, a majority of the court's justices embraced Burger's view in a far-reaching decision.

Burger's pronouncement, which was in a concurring opinion in a decision involving political spending by corporations, got little attention in the news columns. That can't be said of the more recent decision, which has shaken the news business to its foundations.

Since we of the press roar loudest when our own ox is gored, it is hard to imagine a newspaper reader who is unaware of the so-called Stanford decision. But for those who have been far away, here it is in brief:

Police, armed with a search warrant, raided the office of the Stanford University newspaper. They were looking for evidence in a case involving injury to police officers by demonstrators.

The raid was without prior notice, as is permissible with search warrants as opposed to subpoenas. The search was thorough, even including waste baskets. Nothing was found.

Lower federal courts found the search to be a violation of both the First Amendment and the Fourth Amendment, which limits the government's right of search. But by a vote of 5 to 3 (one justice abstained), the Supreme Court reversed them.

In deciding the case, the high court said that search warrants could be used even though the persons whose premises are being searched are not involved in the crime being investigated. And it said that the First Amendment gives the press no special protection against unannounced searches.

The press reacted bitterly. Publication of the Pentagon Papers could have been blocked had the decision been in effect at the time, it was said. The exposure of Watergate could have been subverted with the help of a compliant judge and police officials. Confidential sources would dry up because their names might be in files that could come under the eye of searchers.

Some of the reactions were overblown. But the decision unquestionably will have a chilling effect on the business of gathering and printing news.

Speaking for the court majority, Justice Byron White showed minimal concern for possible abuse of search warrants in press cases. If the framers of the Fourth Amendment had wanted to give the press a special protection, they would have, he said. They didn't, he said, so nothing more is required in press searches than for the magistrate issuing the warrant to apply Fourth Amendment standards with "particular exactitude."

White expressed confidence that authorities would behave themselves. He dismissed predictions that searches would disrupt news publication, that the searchers would rummage through files on fishing expeditions and that fear of disclosure would discourage confidential sources. If abuse occurs, he said, "there will be time enough to deal with it."

He sounded one positive note, perhaps unintended, when he observed that "the press is not only an important, critical and valuable asset to society, but it is not easily intimidated—nor should it be." He seemed to be saying: Fight your own battles; you're good at that.

White insisted that the court was not breaking new ground, but simply adhering to the balance between public and private needs established in the Fourth Amendment.

Nevertheless, the decision is a chilling one, not only to the press, but also to others outside the government: doctors, lawyers, clergymen, citizens in general. It can be seen only as a victory for authority and those who wield it and a blow to privacy and the right to be let alone.

The press is tough, as White noted, and can be expected to fight back if search warrants are abused. Editors and reporters will devise ways to minimize the effect of the decision on news gathering. There already is talk of legislation to sharply limit search warrants directed at the press.

But in fighting its own battle, the press should not forget that the Stanford decision is bound to encourage the use of search warrants all across the board. So press and public have a common stake.

Again we are reminded that two basic freedoms—freedom of the individual and freedom of the press—are closely tied. A threat to one is a threat to the other, and one cannot survive without the other.

That is a truism that cannot be diminished by repetition. The Stanford decision should drive it home to all parties.

[From the Indianapolis Star, June 3, 1978]

TO SAVE FREEDOM

The United States Supreme Court has opened a threat to freedom in America that can be removed only by Congress.

Action to deal effectively with the peril should be taken at once.

The court action was the decision opening newspaper offices to surprise police search for and seizure of evidence that might be related to a crime in which neither the newspaper nor any of its employees is involved.

We cannot express too strongly our belief that this incomprehensible ruling tears a gaping hole in the constitutional guarantee of freedom of the press.

Further it establishes a precedent for similar rulings on searches of the offices of lawyers, doctors, hospitals—a possibly endless list of professionals and businesses that keep

records heretofore regarded as protected against enforced disclosure.

No hope can be held for correction of this gross blunder except by action of Congress. The court is unlikely to reverse itself and there is no higher judicial authority to which to appeal.

What is needed is a law specifically prohibiting the issuance of warrants for search of the offices of newspapers and other publishing houses, broadcasting stations and others hitherto believed to have constitutional protection, except on showing of probable cause to believe that the organization or an employee has engaged in criminal activity.

Newspaper editors and publishers throughout the land have immediately perceived the dangers opened up by this court ruling, and have reacted much as have we of The Star. It was naive, to say the best, of Justice Byron White to write in the court's decision that surprise searches would not "chill" the free press.

Benjamin C. Bradlee, executive editor of the Washington Post, pointed out that in the famous Pentagon Papers case several years ago the police, under the current court ruling, could simply have obtained warrants, gone into the offices of the Post and the New York Times and seized the documents, thus preventing publication.

He raised the question of what might have happened had such power of search and seizure been available to the White House staff in the Watergate period. These are realities of what the Supreme Court has done.

We hope most fervently that members of Congress will understand the situation, and will act swiftly to restore protection of freedom of the press, which is a bastion of all freedom.

[From the Washington Star, June 8, 1978]

TAKE THAT, JUSTICE WHITE!

(By James J. Kilpatrick)

SCRABBLE, VA.—The Supreme Court delivered its stunning opinion last Wednesday, authorizing search warrants for newspaper files, and on Thursday morning I made a symbolic little trip to the Scrabble dump. By this time, half of my Laetrile file is six feet deep in a sanitary landfill in back of Clifton Clark's barn, and nuts to you, Mr. Justice White.

To be sure, nobody in law enforcement gives a hoorah about my Laetrile file, but it provides an example of the kind of mischief this decision will produce. Some months ago, after I had been defending the principle of free choice in the Laetrile controversy, some people on the West Coast wrote me in lively detail about their smuggling operations. They sent a sample of Laetrile. Their letters were evidence of a criminal conspiracy and the sample was plainly "contraband," the fruits of crime.

Federal prosecutors are so sick of the Laetrile business that they have little inclination to look for evidence anywhere, but let me pursue the matter for purposes of illustration. If in the course of a smuggling investigation, customs agents and postal inspectors got wind of a Laetrile sample sent to me through the mails, they could now get a search warrant from some amiable federal judge. They could arrive at my office without warning, present the warrant and start rummaging through the files.

Mr. Justice White's opinion for the Court's 5–3 majority is one more manifestation of that regrettable hostility held by so many judges toward the press in general. Only Mr. Justice Stewart indicated any real understanding of what this case was all about. His dissenting opinion starkly delineated the dangerous situation his colleagues have created.

These were the facts: Back in 1971, students rioted at Stanford University. Several police officers were hurt. In the belief that a photographer for the Stanford Daily had taken some pictures from which the assailants might be identified, the infuriated cops obtained a search warrant, entered the newspaper offices, and searched everywhere for evidentiary photographs. They found nothing, and departed. The newspaper sued for violation of civil rights, and two lower courts held that the Fourth Amendment bars such thiry-party search warrants, especially of newspaper property, when there is no intimation that the third party may be accused of crime.

The Supreme Court reversed. Mr. Justice White's opinion curiously combined tartness and decisiveness with an astonishing ignorance of the real-world nature of the news-gathering process. He and his four colleagues had no conception of what they were doing.

Until the Stanford case came along, the virtually invariable rule among law enforcement officials had been to rely upon subpoenas in third-party matters. If police have reason to believe that the "fruits, instrumentalities, or evidence" of a crime is in possession of some third party not personally involved, there ordinarily is no problem. A bank president, for example, can be served with a subpoena directing him to produce certain canceled checks.

This is, of course, the procedure that should be employed if local police or federal agents believe a newspaper has material in its possession that bears directly upon criminal action. A subpoena can be complied with; or it can be resisted by a motion to quash. Through the orderly safeguards of a full court hearing, the necessity of the subpoena can be explored.

The Court's opinion in the Stanford case brushes all that aside. With astounding naivete, the majority expresses its confidence that neither police nor judges will abuse their newly found power to harass newspapers and to rummage through their files. Mr. Justice White innocently supposes that considerations of reasonableness and specificity will be observed. His Eminence perhaps was born yesterday.

[From the New York Times, June 2, 1978]

A LETTER TO THE WHIZZER

(By James Reston)

Mr. Justice BYRON R. WHITE,
The Supreme Court of the United States,
Washington, D.C.

DEAR MR. JUSTICE: One day, if you ever have time, I wish you'd come down to The Times and tell us how to deal with the practical problems of gathering the news in Washington under the latest majority opinion of the Supreme Court of the United States.

You say for the majority of your brethren that cops can come in here, provided they have a court warrant, and search our files and notes without prior warning—if they suspect we have evidence that somebody is breaking the law.

According to the Court's ruling, newspapers have no special right to privacy nor any opportunity to contest such a search in the courts before the cops come in. Admittedly, we are a nosey and sometimes reckless crowd, and I have no doubt that most people would agree that we deserve no privileges denied to businessmen or even gamblers, but I have a few non-legal questions.

For beginning, have you ever seen a good reporters' notes after hours of private conversation with some dubious or even criminal character or senator? They are a jumble of words, underlined phrases, squiggles, question marks, hiccups, and mystifying clarifications, decipherable only by the reporter.

If you gather them all up, it would serve you wrong. You would be more confused than you were before. And even if you could get at the truth, where would you place the blame? On the publisher and chief executive officer of the paper or on the editor who assigned the story to the reporter, or on the reporter who was merely carrying out his assignment?

In short short, Mr. Justice, who goes to jail under this Supreme Court judgment?

Let's suppose this new ruling of the Supreme Court had been in effect a few years ago. It would have been very easy for Richard Nixon to get a court order to raid The New York Times. He knew precisely where the Pentagon documents were. The New York Times staff was working with all the Pentagon papers in the New York Hilton Hotel, and under this Supreme Court ruling, he would have been able to seize them and block the publication of the Vietnam story.

The Watergate crisis is an even better illustration of the dangers of this Supreme Court decision. If your majority judgment, Justice White, had been in place as the law at the time of the Watergate break-in, Mr. Nixon would probably have been able to cover up the whole political and moral mess.

The cops would have been able to come into the Washington Post with the authority of Mr. Nixon and Attorney General Mitchell, armed with court orders, and have been in a position to intimidate everybody in command. They tried to do it anyway, but at the Washington Post, as at The New York Times, they were told to fight or get lost.

The troubling thing to us in the press is what may now happen as a result of this Supreme Court decision, Mr. Justice. It is not really that you have said that the press is the same as everybody else, but that you have said also that our efforts to get at the truth, in private conversations, are subject to Government inquiry on demand by Government officials.

This makes a fundamental difference. If the police can demand access to newspaper files, under court orders which the Government can easily demand, then anybody who differs with the Government will hesitate to tell the truth.

All the information that exposed the facts about the Vietnam tragedy and the Watergate conspiracy came into the press from insiders who were determined to tell the truth as they saw it. They took the language of the 14th Amendment quite seriously:

"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

You, Mr. Justice White, have undertaken to interpret this in a different way, and Mr. Justice Potter Stewart disagrees. He says:

"It seems to me self-evident that police searches of newspaper offices burden the freedom of the press. The most immediate and obvious First Amendment injury caused by such a visitation by the police is physical disruption of the operation of the newspaper."

So there is a fundamental difference, not only within the Supreme Court but also between the court and the press in its practical everyday work. If the press is told by the Supreme Court that it is subject under Government court orders to turn over its notes and files, it will have to do so; but the most important thing is that its sources of information, fearing exposure, will dry up, and this will change both the press and the courts beyond anything that Mr. Justice White expected.●

● Mr. LUNDINE. Mr. Speaker, I rise to join with my colleagues in voicing my concern over the Supreme Court's recent decision in the case of Zurcher against Stanford Daily. I have joined with my

colleague (Mr. DRINAN) in sponsorship of his legislation, the Press Protection Act, but I feel that there is still a greater need to call attention to the broader issues raised by this case.

No Amercan can ignore the right of law enforcement agencies to information which will assist in the resolution of a crime. While individuals may not voluntarily provide pertinent information in their files, our system of justice allows for many instruments of persuasion: The subpena, the search warrant, eventual arrest. More importantly, the system provides first for voluntary aid, and assumes that citizens will exercise that option before it becomes necessary to implement legal means of detection.

To authorize, as the Supreme Court has done, either officer or judge to preempt these due processes is to erode the foundations of the American judicial system: The assumption of innocence and the right of free speech and privacy. In my own 39th Congressional District of New York, far from the bitterly adversarial dealings between media and Government of the major metropolitan areas, news editors are no less outraged by this decision.

I would like to offer for the RECORD at this time, two editorials from opposite ends of my congressional district, in Jamestown and Elmira, N.Y., which cogently argue the case against the Supreme Court's holding in this case:

[From the Elmira (N.Y.) Star-Gazette, June 8, 1978]

WE DON'T WANT TO BE COPS' ARM

A newspaper protesting the Supreme Court decision permitting police with warrants to rummage through newspaper files might be accused of complaining because it own ox was being gored.

That is true—but only partially. The ruling threatens more than newsrooms. It threatens the offices and homes of lawyers, doctors, merchants—just about anyone who might have information the police would like to see.

All the police would have to do would be to convince a judge that there might be evidence of a crime in someone's private files. The judge would issue a warrant—and the secret files would be secret no longer.

The court ruling could greatly harm the newspaper's role of presenting information as fairly, accurately and completely as it can.

Further, the decision erodes a basic thrust of the First amendment, which is to keep the press and government separate. It could force a newspaper to become an unwilling partner with government—in effect, an arm of the prosecution of a criminal case.

The decision is bound to impair newspaper investigations. It probably will dry up sources of information, which could mean the difference between the exposure or coverup of a Watergate.

The court decision will permit police to obtain search warrants on the basis of "reasonable" belief that a person or organization has material that could be relevant in an investigation. Previously, a subpoena was required to obtain evidence in the possession of a newspaper.

The basic difference between a subpoena and a search warrant is in the timing. A subpoena can be put into effect only after the recipient has had the opportunity to challenge it at a court hearing. A warrant can be obtained on the spot from a judge with no advance warning given to the owner or occupants of the place to be searched.

We like and appreciate the police, but we believe each of us can function best by working independently.

[From the P–J Weekender (Jamestown, N.Y.], June 10, 1978]

FREEDOM OF THE PRESS IS WANING IN AMERICA

Surprise police raids on newspapers and searches of newsrooms are something we have associated with Nazi Germany and South American dictatorships but certainly never with the American scene.

That may not be so from this point on now that the U.S. Supreme Court has ruled that nothing in the Constitution bars police who have obtained a search warrant from making a surprise search of newspaper offices.

We are appalled by the high court's decision and believe it reflects the kind of thinking that gave us Watergate and all of the other outrageous abuses of government power uncovered during the Nixon years. It should be noted that in the 5–3 decision, the Nixon appointees were joined by Justice Byron White to deliver the majority opinion.

Even so, we question whether the Supreme Court's decision would have taken this approach had it not been for the Justice Department's intervention in the case. It was the Carter administration's Justice Department that told the U.S. Supreme Court that the First Amendment offers no special protection against surprise searches of news offices by law enforcement officers seeking confidential or other unpublished information in newsroom files.

The Justice Department filed a friend-of-the-court brief in the case which the Supreme Court had agreed to review, involving the constitutionality of a surprise newsroom search conducted by a California police department in 1971 in the newsroom of The Stanford Daily, an independent college newspaper.

In serving the search warrant, police did not give the newspaper any prior warning. They rifled through desks, filing cabinets, correspondance and notes in their search for unpublished photographs of a clash between police and demonstrators during a sit-in at Stanford University Hospital. The pictures never were found.

The newspaper filed an action in the U.S. District Court, which ruled that no-notice surprise searches on news offices were generally prohibited by the First Amendment except if the police could show a special emergency. Normally, the court stated, the government should serve a subpoena on the news organization, giving it an opportunity to oppose the request for information in the courts.

The U.S. Court of Appeals for the Ninth Circuit upheld the lower court decision on the search warrant question. But the attorney general of California appealed to the Supreme Court. The Justice Department entered the case at this point, which was unusual since the Justice Department normally would not become involved in litigation between a private newspaper and state law enforcement officials.

"We oppose the results of the courts below" establishing a special First Amendment protection "as applied to searches of the press," the Justice Department's brief stated. It added that each individual magistrate should be free to use his discretion in deciding whether a surprise search would violate the constitutional rights of the party to be searched—whether that party is a news organization or a private citizen.

Justice White, in writing the majority opinion said, "Properly administered, the preconditions for a warrant—probable cause, specifically with respect to the place to be searched and the things to be seized, and overall reasonableness—should afford sufficient protection against the harms that are assertedly threatened by warrants for searching newspaper offices."

The justice said if magistrates are cautious, there will be no "opportunity for officers to rummage at-large in newspaper files or to intrude into or to deter normal editorial and publication decisions."

He said there have been only a few newspaper searches since 1971. But the truth is that police raids in news offices have occurred 10 times in California, including simultaneous raids last December by police at four San Francisco area television stations. This trend is only one part of a growing intrusion on the freedom of the press in this country.

For nearly two centuries of our national history, government took the First Amendment guarantee pretty much at face value. There were periods of feuding and periods of uneasy coexistence, but no one in authority seriously tried to read the First Amendment as anything less than a total ban on governmental interference with news coverage. But, in more recent times, attacks on the press have come in a steady stream in the form of subpoenas, gag orders, prior restraint, government secrecy edicts and now this latest thrust by the United States Supreme Court allowing searches of news offices.

We may be edging closer to a "police state" in this country than anyone ever imagined could happen.●

● Mr. JEFFORDS. Mr. Speaker, I would like to commend the committee for having deleted funding for the Dickey-Lincoln School Lakes transmission project. I have long opposed this project from the point of view of the very marginal amount of power the Nation will get out of it at the price of serious adverse impacts on the environment.

In this regard, Mr. Chairman, I am referring not only to the impacts on the natural environment of Maine, but also of Vermont. The Vermont Public Service Board has reviewed the draft environmental impact statement for the Dickey-Lincoln project issued by the Department of Energy and has found it seriously wanting in several critical respects. First, the Department has apparently applied fundamentally different criteria from that which the State of Vermont would apply when determining the potential impact that transmission lines may have upon the environment of Vermont. Second, the Department seems to have based its determinations upon obsolete information.

In regard to land use impacts, the draft EIS has only taken into account existing land use patterns, but has given no weight to proposed land use patterns. In Vermont we give the future pattern a significant weight. The historical practice in Vermont has been to locate transmission lines in wooded areas so that the visual impact is reduced. The draft EIS assumes the impact on Vermont will be less than it is in that it assumes the transmission lines will not go through wooded areas. Furthermore, the type of structures to be used in the transmission system, that is, double circuit steel, is contrary to the Vermont practice of using more esthetically acceptable wood pole H-frame structure circuits.

Regarding the information upon which the Department based its load and systems requirements projections, the data relied upon was 1973 New England Power Pool information. Since that data was developed, growth projections

in regard to a typical 1985 weekly load curve has been substantially reduced. The 1978 New England Power Pool Load and Capacity Report forecasts the load curve as very significantly lower. In fact the new data forecasts only 65 percent of the megawattage projected in the earlier study. It is obvious that the Department needs to conduct more current and more accurate mid-1980's load conditions.

Thus, Mr. Chairman, the Vermont Public Service Board concludes that the draft EIS fails to meet Vermont criteria, and I would urge that the Department begin afresh to do a more acceptable EIS. I insert in the extension of remarks today for the information of my colleagues at this point the summary report of the Vermont Public Service Board on the Department's draft EIS.●

● Mr. YOUNG of Missouri. Mr. Speaker, I would like to add a few words in support of my colleague from Massachusetts and the legislation he has introduced.

During my 20 years in public life, I have developed a deep respect for the role of the press as an independent check on Government and on criminal activities.

Thomas Jefferson once said that if he had the choice of being without a government or without a free press, he would prefer the former.

Some might argue with that statement, but I believe all of us will agree that a free and independent press is essential to a democracy. Any attempt to weaken the independence of the press can be interpreted as an indirect attack on our system of government.

I have never worked for a news organization, but I have an idea of the possibly devastating effect the Supreme Court ruling could have on the press.

Confidential sources are a vital part of the news-gathering process. If those sources do not come forward to blow the whistle on corruption, then news organizations will suffer, the public will suffer, and the Government itself will suffer.

The ruling in the Stanford Daily case will threaten the confidentiality of news sources. The possibility of unannounced police searches through newsrooms will discourage many sources from coming forward with their stories, and will make the job of investigative reporters that much more difficult.

Let us take a theoretical case. Suppose a reporter is investigating corruption in the local police department, and he has a source within the department. In light of this new ruling, it will now be a relatively simple matter for police detectives to obtain a warrant to search the newsroom on the pretext of looking for criminal evidence. If detectives find the name of the source in the reporter's notes, there is a good possibility that the story will never be printed.

We have been assured by the U.S. Justice Department that such raids will not take place by Federal authorities. But we have no assurance that local authorities will not take advantage of this procedure. And I do not think that we are going to get such assurances.

It seems clear to me that Congress should take action this session to modify the Supreme Court ruling so that there is greater protection for news organizations. The Press Protection Act of 1978, introduced by the gentleman from Massachusetts, is a sensible approach to this problem. I am cosponsoring this legislation, and I call on my colleagues to do the same.

I would also like to bring to the attention of my colleagues two editorials on this issue that recently appeared in the major newspapers of St. Louis. The editorial departments of both the St. Louis Post Dispatch and the St. Louis Globe-Democrat agree that the Stanford Daily ruling weakens the freedom of the press, and that action should be taken to modify that ruling.

[From the St. Louis Post-Dispatch, June 1, 1978]

RAID ON THE PRESS

In a decision upholding the power of police to get a search warrant and ransack a newspaper's offices, even when no one there is suspected of a crime, the U.S. Supreme Court has virtually ignored the special protection that is supposed to be provided to the press by the First Amendment. In affirming the reasonableness of such searches, the court has also weakened the protection of the Fourth Amendment, which has been held to allow the issuance of warrants only when there is probable cause to believe a crime has been committed.

The case arose when police in Palo Alto, Calif., in 1971 got a warrant and combed through the files of the *Stanford Daily*, a student newspaper, in search of photographs of a student demonstration, hoping such photographs might help them identify demonstrators who might have been responsible for violence that had occurred. No photographs were found. Both a federal district court and the court of appeals upheld the paper's position that the search was illegal. The student paper, supported by much of the nation's media, argued that the search was a violation of the Constitution's free press guarantee and that a more acceptable procedure would have been to seek evidence by subpoena, which would have required a hearing and given the paper a chance to defend its rights in court.

Now a majority of the Supreme Court, with Justice White writing the opinion, has taken the incredible position that such unannounced searches will not interfere with "the press' ability to gather, analyze and disseminate news." But it should be obvious—as dissenting Justices Marshall, Stewart and Stevens recognized—that such searches pose a serious threat. How can the press gain the cooperation of confidential news sources if it cannot safeguard the sanctity of its files? In permitting the police to arm themselves with warrants and make surprise raids on newspaper offices, the Supreme Court has in effect made the press a vehicle for police investigations and has gravely jeopardized its intended role of being an independent watchdog of the police and other governmental agencies.

[From the St. Louis Globe-Democrat, June 12, 1978]

RESTRICT NEWSPAPER SEARCHES

Congress should act to nullify the Supreme Court ruling that gives police agencies a pass key to newspaper offices and files.

Legislation is needed to protect newspapers and their employees from unwarranted searches and seizures. In other words, to grant them the protection of the Constitution which Supreme Court justices would take away.

The high court majority ruled that newspaper offices and files could be searched even when there is no evidence that anyone connected with the newspaper had committed a crime. It further declared that police need only obtain a search warrant to make scattergun raids. Under the ruling they would not need a subpoena to gain access to confidential information and documents held by newspapers.

To deal with the court-created problem, Sen. Robert Dole, R-Kan., and Robert F. Drinan, D-Mass., have introduced bills to restrict the power of police searches.

Dole's measure would require an adversary hearing before a warrant could be issued to search the private papers of a person not involved in a crime. Drinan's bill would require that a news organization be allowed to contest a planned search unless police could show they had probable cause to believe that an agent of a news organization had committed a criminal offense.

Actually the protection proposed in both of these bills is needed, plus additional safeguards that would prevent a hostile police agency from abusing its powers to search for evidence to harass a newspaper that had criticized its performance or otherwise drawn its wrath.

The Supreme Court decision has made a mockery of the First Amendment protection of the free press as well as the Fourth Amendment guarantee against unreasonable searches and seizures.

The ruling poses a major threat to freedom of the press in that it raises the possibility that any police agency at any time can launch a fishing expedition into newspaper offices and files.

If this decision is allowed to stand, many sources which now provide vital information to newspapers could dry up. Ultimately it could seriously restrict the people's right to know what is going on in the nation and the world.●

● Mr. KILDEE. Mr. Speaker, the natural reaction of the law-abiding citizen is to assume that once the U.S. Supreme Court has ruled on a given issue there is no choice but to accept it.

But that is not correct. If it were we still would be returning "Dred Scots" back into slavery.

There is one court of appeals still higher than a Supreme Court decision, and that is the people speaking through their elected representatives.

We now have before us an opportunity to correct a dangerous error by the Court. We can enact the Press Protection Act, which has been introduced by Representative ROBERT F. DRINAN of Massachusetts.

The recent Supreme Court ruling in the Stanford University newspaper case greatly disturbs me because I fear that it threatens the privacy of every home and office in the country and could establish the basis for a future police-state assault against the freedom of the press. As columnist Charles B. Seib wrote:

The decision is a chilling one, not only to the press, but also to others outside the Government—doctors, lawyers, clergymen, citizens in general. It can be seen only as a victory for authority and those who wield it, and a blow to privacy and the right to be let alone.

The Press Protection Act would make it a crime to search a newspaper office,

or a radio or television station, without either a prior court hearing or a warrant based on probable cause to believe that an occupant had committed the crime that is being investigated. Under the Court's present ruling, a search can be conducted without warning by police armed only with a warrant issued upon the possibility that evidence of a crime may be inside an office.

The press is singled out in the Constitution for unique protection, and that protection was carefully thought out by our Founding Fathers. I had thought that this constitutional protection was clear. But since the Court has diminished that protection, it is up to the Congress to use its power to assure that protection for the press is restored by statute. The Court's action makes it imperative that we act promptly in enacting this legislation.

For this reason, I have joined Representative DRINAN in emphasizing the importance of enacting the Press Protection Act to safeguard the gathering and dissemination of the news. Throughout our history, the press has played a vital role in maintaining the integrity of our democratic institutions. Time and time again the press has stepped forward to expose corruption, disclose improprieties by high ranking officials, and reveal the undue influence of special interests of the processes of Government. The Supreme Court decision jeopardizes the position of the press in this crucial role.

Justice Byron R. White attempted to reassure everyone on this situation with a statement that was surprising to me in its naivete. Justice White wrote:

> Properly administered, the preconditions of a warrant—probable cause, specificity with respect to the place to be searched and the things to be seized, and overall reasonableness—should afford sufficient protection against the harms that are assertedly threatened by warrants for searching newspaper offices.

The point missed by the Justice is that people with various attitudes toward freedom find their way into elected office, police agencies, prosecutor staffs and even judicial robes. And it is a fact that such people including those who hold positions of public trust, bend or break laws when they feel it is to their advantage to do so.

The Flint (Mich.) Journal observed in a recent editorial on the Stanford ruling that Justice White's statement is "a frightening assumption * * * that lower court magistrates throughout the Nation are going to 'properly administer' the rules in the face of demands from police and prosecutors and that they will exercise 'particular exactitude' to protect the first amendment."

The Flint Journal went on to say:

> Never has there been a successful overthrow of a Democratic government by a repressive regime that did not early in the process include police suppression of the press, usually by raids carried out under warrants issued to "protect" the people against "criminal elements" that were opposed to the government.
>
> The Flint Journal does not believe that such actions are today's threat. . . . What concerns us, and should concern everybody, is whether the seeds for such a possibility have been planted unintentionally by a "law and order" oriented court.

Mr. Speaker, there seems to be an increasing mood in our judiciary and law enforcement agencies to have a casual regard for the constitutional rights of the people to privacy and protection against unreasonable searches. There always are reasons given for such incursions against these constitutional guarantees. More effective law enforcement or greater efficiency are the two reasons most frequently cited. But nothing can justify this continual erosion of the people's fourth amendment rights and, in this case, also their first amendment rights. I am hopeful that this legislation will restore to the first and fourth amendments the meaning its authors intended them to have.

I urge my colleagues to join those of us who are cosponsors of the Press Protection Act and the Citizen Protection Act before further damage is done to these basic constitutional rights.●

● Mr. WEISS. Mr. Speaker, I would like at the outset to thank the gentleman from Massachusetts (Mr. DRINAN) for requesting today's special order. He has taken a most commendable initiative in bringing before this House one of the most troubling Supreme Court decisions in recent memory.

There have been many occasions on which I have disagreed with a Supreme Court ruling. And yet, in most of these cases I have at least understood the reasoning employed by a majority of Justices in reaching a decision which did not square with my own interpretation of our Constitution. Indeed, there are very few issues which come before the Supreme Court that are not shaded with ambiguity and which do not provoke responsible and convincing argumentation from both sides.

The Court's recent decision in a case involving the Stanford University student newspaper seems to me to ignore a number of constitutional provisions explicitly intended to safeguard freedom of the press and individual privacy. I frankly do not see how the Court could have issued a ruling which is certain to undermine these protections and jeopardize guarantees against arbitrary exercise of governmental authority.

The effect of the Court's ruling is to hand local, State, and Federal officials a carte blanche for searching not only newspaper offices, but other places of business and citizens' private homes. By a 5-to-3 margin, the Court has declared that a person who is not involved in a crime in any way cannot resist authorities attempting to search his or her premises ostensibly for evidence of someone else's crime.

This decision is alarming on its face and terrifying in its implications.

In the case of a newspaper, the police and other Government agents can, according to the Supreme Court, indiscriminately search through the files, desks, and even wastebaskets and seize material which they claim is germane to their investigation. The only prerequisite for such a search and seizure is that the authorities obtain a warrant from a court.

For the police to obtain that warrant it is not necessary that they convince the court that officials or employees of the newspaper may be involved in some crime. Nor do the police need to inform the newspaper that they are seeking or have obtained a warrant. And should anyone on the newspaper's premises attempt to prevent or resist this sort of unannounced entry and search, he or she will be liable to arrest.

It is not difficult to imagine the ends to which this sweeping power can be put. The potential for political repression and for attempted supression of a publication is limitless. What if this weapon had been available just a few years ago? Would we have been able to read the Pentagon Papers? Would there have been public knowledge of something called the Watergate scandal? Would voices of protest and dissent have been heard?

Perhaps, but then again, perhaps not.

Clearly, the freedom of the press and our individual rights are too precious and, it seems, too fragile to be entrusted to the good and noble intensions of a local police chief, a particular judge or even an Attorney General of the United States. That is why we have a Constitution and it is also why ours is a government based on a system of checks and balances.

I submit, Mr. Speaker, that it is imperative for this Congress to assert its right to check the Supreme Court's decision and its many ominous implications.

Mr. DRINAN's bill (H.R. 12952), the Press Protection Act of 1978, will remedy the potential abuses of constitutional protections sanctioned under the Court's ruling. The gentleman's proposal stipulates that newspapers and other media outlets cannot be subjected to search and seizure unless any person "acting under color of the law" can demonstrate to a court that there is reason to believe an official or employee of that newspaper or media outlet has committed or is committing a Federal offense.

This is a rudimentary safeguard against blatant infringements on freedom of the press. The gentleman's legislation demonstrates a proper sensitivity to the special role the media plays in our Nation in informing citizens of controversial matters. I believe it essential that Congress act to restore equilibrium between the Government and the fourth estate by balancing reasonable efforts to apprehend criminals with the need for an unintimidated press providing an unimpeded flow of information.

Such a balance will be struck by passage of the gentleman's legislation.

I urge my colleagues to support this vital measure. Nothing less than the survival of a free press in this country is at stake.●

● Mr. WAXMAN. Mr. Speaker, when the right of the press to report the news is threatened, the ability of the American people to be informed is impaired. The Supreme Court's decision of May 31, in the case of Zurcher against Stanford

Daily, that newspaper offices may be searched without warning by virtue of a mere warrant does threaten the right of the press to practice its craft. Consequently, our access to information—to vigorous reporting—is in jeopardy as well.

This decision must be overturned. I am pleased to have cosponsored legislation authored by Representative DRINAN. This bill, H.R. 12952, would forbid searches of newspaper offices until after an opportunity to contest the search and determine the need of such an intrusion. This bill would restore the protection of the press that the Supreme Court has removed.

In its opinion, the Court held that first amendment considerations—the effect of a police search on the ability to print—were irrelevant to the question of the type of search that is permissible under the fourth amendment. But in so ignoring the effect of its policy on the operation of the press, the Court turned a blind eye to that sole amendment in the bill of rights which is not qualified in its language in any way ("Congress shall make no law * * * abridging the freedom * * * of the press.")

Therefore, not only has activity under the fourth amendment, regarding unreasonable search, been expanded, but the protection afforded under the first amendment has been diminished.

This decision was utterly unnecessary. Lawful authority can already seek to subpena any material in the possession of a newspaper which may be relevant to the prosecution of criminal activity. Once subpenaed, that material is protected and cannot be destroyed on pain of contempt of court. But what is provided by subpena is an opportunity to test its propriety in a hearing prior to the disclosure of the information.

The existence of this adversary proceeding insures that the privacy of all other papers and things in a newspaper's possession—other notes, sources of information—will remain undisturbed. Thus, the interests of legal authority and those of the press can, though at times uneasily, coexist.

But when this balance is shifted toward search by warrant alone, the implications are frightening. A warrant permits unannounced entry. Though warrants are supposed to be specific, it is inevitable that in looking for particular documents in a newspaper's possession the police will come across other, protected documents. Such a warrant gives the police, in other words, a key to every file cabinet in every press room.

The press is supposed to enjoy an adversary relationship with the Government. The press keeps politicians honest by reporting on them warts and all. It discloses abuse. Through publicity, it provides a check on the excessive exercise of power—or if it does not do it all the time, at least the opportunity to do so is there.

If sources no longer feel confident, by virtue of police access to reporters' notes, that they can speak candidly with reporters on the promise of anonymity—that they can no longer reveal potentially criminal activities by the Government or others—then the role of the press has been seriously undermined.

And our existence as free, informed citizens has been compromised.

The Court has succumbed to an alarming trend evident among the police in recent years: the attempt to obtain information on questionable and illegal activities generated by newspapers in order to prosecute violators of the law. It is a tempting shortcut. But it forces reporters into the role of doing the dirty work for the police—work which never would have been done if the reporters were police.

This fear is contained only to the extent that one believes the state truly wants to see the law enforced. But what if those in power are criminals themselves? What is to prevent them from seizing and suppressing unfavorable stories from the press before they are out? What is to prevent them from silencing the press altogether? We have seen such attacks before.

No possible benefit in the realm of effective law enforcement under this decision can possibly meet, much less outweigh, the dangers it presents to a free press. Representative DRINAN has introduced the proper remedial legislation, and I urge our prompt consideration of it.

I also wish my colleagues to note that the Wall Street Journal has also opposed the Court's decision, and I am pleased to attach its editorial for your reference:

[From the Wall Street Journal, June 13, 1978]

SEARCH AND SEIZURE

We have never been much moved by arguments that the press needs additional special protections beyond those court interpretations of the Bill of Rights have provided. Newspapers are on the firmest ground, we feel, when their rights are embodied in rights enjoyed by all the people.

We think we can hold to that principle and still disagree with the recent Supreme Court decision that upheld a 1971 police search of the offices of a Stanford University student newspaper. In our view, it does not require a special brief for newspapers to be able to argue that the court is on dangerous ground in its recent interpretations of the circumstances in which prosecutors and police may legitimately raid private property.

In the Stanford case, which had its origins in those hectic Vietnam war protests, the Palo Alto police invaded the Stanford Daily offices, armed with a search warrant, to seek incriminating photographs. A photographer for the paper had been seen photographing a campus demonstration in which a policeman had been assaulted.

The judge issuing the warrant, the prosecutor and the police obviously felt that their raid fell within the requirements of the Constitution. They knew what they were looking for, where it would most likely be found, and that it would serve as evidence in a criminal trial They thus had cause to believe that they were not violating the Bill of Rights proscription against "unreasonable search and seizure."

A district court and appeals court disagreed, holding that even if the searchers had satisfied the Fourth Amendment they had trampled on the freedom of the press protections of the First Amendment. But the Supreme Court held, 5 to 3, that no First Amendment question was involved and that the Fourth Amendment permits such a search.

It is tempting to agree with the majority. If the police have the right to search a factory or a home, why shouldn't they have the same right to search a newspaper office? Since photographs are easily destroyed, there might be some merit to the argument that an unannounced search was necessary to protect valuable evidence. And as a practical matter, it may well be that the circumstances of the case are so rare there is little danger of judges issuing warrants to search newspapers willy-nilly.

But we find that logic unsatisfying. We are uncomfortable with the image of police bursting into private premises of any kind under any but the most compelling circumstances. The fault, in our view, lies in the fairly recent assertion by the high court that "mere evidence" can reasonably be the object of such a search. This was the theme of the dissent by Justice Stevens.

Justice Stevens points out that it was only in 1967, in Warden v. Hayden, that the court sanctioned the issuance of warrants to search for "mere evidence." Previously, they had been limited to "contraband (such as illegal drugs), weapons and plunder," a very narrow category usually involving some guilt by the owner of the premises. With the inclusion of "evidence"—in other words, information—the category suddenly became very broad indeed. And since information is the business of the press any high court ruling that strengthens the 1967 position serves as an open invitation to skirmishes between the state and the press. As Justice Stevens observes, it was just that sort of contest, in which magistrates might set out to grab private notes or papers, that the authors of the Fourth Amendment sought to prevent.

If the Stanford case does lead to a rash of newspaper searches, we suspect the court will have to look at the Fourth Amendment again. It could strengthen the privacy rights of everyone against evidence-gathering raids without having to do newspapers a special favor. We doubt that justice would suffer, since subpoena power would remain intact. Unannounced raids could be allowed for contraband, while the owner of the premises in question could be given his day in court before having to deliver "mere evidence."

It is a significant irony that the Stanford search produced nothing. The Stanford Daily had no incriminating photographs other than the ones it had already published.●

● Mr. TSONGAS. Mr. Speaker, I appreciate the opportunity to join with my colleague from Massachusetts, Congressman ROBERT DRINAN, in his effort to reverse the effect of the recent Supreme Court decision which allows the police to obtain a warrant and search a newspaper's office and files absent from any showing of unlawful activity by the newspaper's employees. I have joined Representative DRINAN in cosponsoring the Press Protection Act of 1978 because I believe that the Supreme Court decision violates the fourth amendment of the Constitution and is a threat to the preservation of our precious right to a free press.

We cannot preserve our democratic form of Government if the police are given free rein to search the premises of a newspaper's office or files. This is an unwarranted intrusion by the police on a free society. The potential abuses it poses are frightening. As a recent Washington Post editorial stated:

Congress should seize the opportunity at once to protect us against possible abuses of the search warrant procedure. The dangers of the possible abuses are too great to permit delay.

I urge my colleagues to move swiftly to pass the Drinan bill which would insure protection of one our most basic freedoms as well as put the Congress on record against further Supreme Court erosions of our constitutional rights.●

● Mr. MARKEY. Mr. Speaker, I appreciate the opportunity to join today's important discussion during this special order dialogue concerning the Supreme Court's recent decision entitled Zurcher against the Stanford Daily. In this case the Court upheld the right of police to obtain a warrant and conduct a search of a newspaper's office absent any showing of unlawful activity by any employee of the newspaper. I believe there are grave constitutional issues at threat in this matter, issues involving the freedom of the press, which compel this House to take action.

The threat to basic freedom of the press, as protected in the first amendment to the Constitution, is implicit in the Court's ruling. Because newspapers traditionally have access to extremely private and privileged information, it is of utmost national importance that such information does not stand in jeopardy of leaving the hands of the editor or reporter, without there first being a hearing which requires a judgment that there is a clear and present need for such information in the prosecution of a crime.

Justice Potter Stewart, in his dissent to the Court's ruling, said that:

> Such a search threatens the disclosure of information received from confidential sources, impairing a journalist's access to information and thus diminishing the public's right to be informed.

I agree.

I fear that the Stanford decision threatens to encourage the use of search warrants, perhaps sometimes obtained with malice, all across the board. As Charles Seib, the ombudsman of the Washington Post, has observed, both members of the press and the public have a common stake in a remedy to this danger. Clearly, it will be more difficult for the important work of the Nation's fourth estate, particularly in investigative reporting, to go forward in the wake of the Stanford decision. This chilling effect upon the news media was described by Justice Stewart when he wrote:

> The end result will be a diminishing flow of potentially important information.

For these reasons I decided at once to join Congressman DRINAN in sponsoring his bill to secure and protect the freedom of the press from easily obtained intrusions by law enforcement officials. I urge every Member of this House to consider the constitutional implications of the Stanford decision, and to support Congressman DRINAN's bill as the best remedy to adopt.●

● Mr. SCHEUER. Mr. Speaker, I rise this evening to speak out against the outrageous Supreme Court decision in the case of Zurcher against Stanford Daily. That decision, rendered on May 31, 1978, poses serious threats to the very liberties upon which our democracy is based. Put simply, the majority opinion in the Zurcher case endorses surprise police searches of innocent citizen's offices and homes, if those individuals are thought to possess any evidence relating to a crime.

While the victim of the surprise search in the Zurcher case was a newspaper, the Stanford Daily, the implications of this decision go well beyond freedom of the press issues. Any number of people might be exposed to a search of this kind, under a wide range of circumstances. Thus, even an individual in a crowded street in which a crime was committed—could have his home or office searched. In such a search, the police could seize any property which they believe might be important to any criminal investigations they are conducting.

Procedures and laws exist for seizing evidence from the home or place of work of a criminal suspect. However, no such protection exists against search and seizure of evidence from third parties, such as those persons thought by police to even unknowingly possess evidence of another person's crime. Not only does the Zurcher decision threaten the sanctity of the home, but carried to its logical extreme, Zurcher affords far fewer rights and protections to innocent citizens than it does to suspected criminals.

I would like to take this opportunity to salute my distinguished colleagues, the Honorable ROBERT DRINAN of Massachusetts and the Honorable DAN QUAYLE of Indiana, for their excellent work and leadership on this issue. I am proud to be a cosponsor of legislation which we believe will remedy this perversion of our cherished due processes and of our legal rights.

I urge my colleagues to swiftly address this issue and restore our treasured freedoms of speech and of press, and the protection from unreasonable search and seizure.

I would like to call the attention of my colleagues to an excellent article on this issue by Prof. Samuel Dash, of the Georgetown University Law Center. It appeared in the June 11 issue of the Washington Post. The article discusses more fully the legal and moral ramifications of the Supreme Court ruling.

POLICE POWER: AN OMINOUS GROWTH

(By Samuel Dash)

The Supreme Court's recent ruling endorsing surprise police searches of the innocent is part of a broad expansion of police powers in the United States and a corresponding erosion of liberties protected by the Fourth Amendment. It deserves to be struck down as soon as possible by both the Congress and state legislatures.

One bill on the issue already has been introduced in the Congress by Democratic Rep. Robert F. Drinan of Massachusetts, but it would nullify the High Court ruling only so far as it threatens the press with police raids on its files. Important as the press issue is, much more is at stake and much wider remedies are needed.

Indeed, the ruling means that police now suddenly can search through any innocent person's home or office or other property, that they can seize whatever they might think important to their investigations, that use of such property in court cannot be blocked, that all this can be done despite the Fourth Amendment's guarantee that "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated. . ."

The Supreme Court majority and the Justice Department, in its friend-of-the-court brief, have told us not to worry, that police will not abuse this new power. But the Fourth Amendment was written precisely because we as a nation worry about government abuse of power. We should indeed worry, and worry a great deal.

ANTIWAR DEMONSTRATION

The facts of the immediate case, *Zurcher v. Stanford Daily*,—a case which easily could and should have been avoided entirely—are straightforward. An antiwar demonstration in 1971 at the Stanford University Hospital resulted in the injury of a number of police officers. The officers themselves were able to identify only two of their attackers. Two days after the demonstration, The Stanford Daily, a student newspaper, published stories and photographs on the protest, and police thought the photographer might have gotten pictures of other demonstrators assailing policemen.

Rather than ask the paper about any such photos, rather than ask a prosecutor to issue a subpoena specifically for the photos if they existed, rather than obtain a court order that no such evidence be destroyed, the police obtained a broader search warrant from a magistrate and suddenly descended on the newspaper's offices. After rummaging through files, desk drawers and wastebaskets, they came up emptyhanded, at least so far as the photos they had hoped for were concerned.

From these basic facts, Justice Byron White, in his opinion for the five-member majority, sweepingly concludes that "warrants may be issued to search any property, whether or not occupied by a third party, at which there is probable cause to believe that . . . evidence of a crime will be found," that first subpoenaing the potential evidence "involves hazards to criminal investigations . . ."

Remarkably, his opinion seems to regard the Fourth Amendment as intended to provide a police tool for searches. The Fourth Amendment, fundamental to our existence as a nation, is rooted in the outrage of American colonists over British intrusions into their homes, not in a concern for police investigations. The late Justice Felix Frankfurter perhaps put it best when he stated:

"It makes all the difference in the world whether one recognizes the central fact about the Fourth Amendment, namely, that it was a safeguard against recurrence of abuses so deeply felt by the colonies as to be one of the potent causes of the Revolution, or one thinks of it as merely a requirement for a piece of paper."

Justice White leans far toward viewing it as "merely a requirement for a piece of paper."

He concentrates narrowly on the Amendment's second clause—"and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the person or things to be seized"—and mechanically finds that a valid warrant was present in the *Stanford Daily* case. He declares that the critical element in a "reasonable" search is that there is reasonable cause to believe the "things" to be searched for might be on the property, not whether it is a reasonable intrusion into an innocent person's life and work.

He is far more worried about the expediency of law enforcement. He speculates that the "seemingly blameless third party . . . may not be innocent at all." He speculates that "the delay involved in employing the subpoena . . . offering as it does the opportunity to litigate its validity, could easily result in the disappearance of the evidence. . . ."

But the policie did not tell the magistrate in the *Stanford Daily* case that they worried about such problems, although ironically, they could have. The little-reported fact is that The Stanford Daily had announced that it would destroy any photographs that might aid in the prosecution of the protesters. If the police had told the magistrate that a subpoena would have been impractical because of this policy, a search warrant certainly would have been reasonable under the Fourth Amendment. In short, a defiant student paper evidently prompted the police to overlook a procedural step that could have avoided a sweeping High Court ruling affecting all of us and further expanding police powers.

1886 SUPREME COURT RULING

Until 1967, a police search anywhere just for evidence of a crime was prohibited as an invasion of privacy and of property. This standard was based on a long English tradition and, in this country, chiefly on an 1886 Supreme Court ruling. The only things police legally could search for were stolen goods, contraband and weapons or other instruments of a crime, not "mere evidence."

But in 1967, flushed with victory after ruling that state court judges must suppress illegally seized evidence, liberals on the High Court believed they could bow to new demands by law enforcement groups that the "mere evidence" prohibition be abandoned. That year, in *Warden* v. *Hayden*, the court held that evidence of a crime in itself could be a proper target of a search.

Even then, however, the court clearly was not contemplating searches of innocent parties. *Warden* v. *Hayden* had involved police pursuit of a fleeing robber into a house, where the police found some of his discarded clothes in the basement. The court held that the clothes could be used by the prosecutor as evidence against the defendant for identification purposes. Nothing in the opinion suggests that the court even thought it might be paving the way for police to ignore the use of subpoenas in the case of innocent parties, to willy-nilly obtain warrants to search their homes and offices.

After searches for "mere evidence" were permitted, as Justice John Paul Stevens noted in his Stanford Daily dissent, searches of innocent parties did become a possibility. But in such cases the police could not automatically conclude that a request for cooperation or a subpoena might imperil the suspected evidence. Therefore, as Justice Stevens stated, determination of probable cause for such a search must include a finding that a subpoena would be impractical.

But, in its apparent effort to further expand police power, the majority held otherwise, unfortunately ignoring what the late Justice Tom C. Clark once wrote for the court: "We cannot forgive the requirements of the Fourth Amendment in the name of law enforcement."

The majority offers feeble assurances that police will not abuse the new search power they have given. According to the court, protection for innocent third party is to be found in police restraint, the requirements for probable cause and the magistrate's discretion to refuse to issue a warrant.

But the history of police and magistrate practices runs the other way. It was police abuse of Fourth Amendment rights, despite repeated warnings by the court, which led the court finally to require the suppression at illegally seized evidence in state cases. The court repeatedly has held that protection of constitutional rights cannot be left to the untrammeled discretion of the police. This statement is equally applicable to state magistrates and lower court judges.

Even if we could trust the police and the magistrates to adhere to the legal requirements of probable cause for search warrants, the protection provided by these requirements has become somewhat illusory because of recent Supreme Court decisions.

Most police searches on warrants are based on information received from informers. Earlier Supreme Court decisions sought to assure that the magistrate would independently determine probable cause rather than depend on police conclusions. The court had held that affidavits for a warrant must provide facts supporting the reliability of the informer, such as how many times he had given information that proved correct, as well as facts from the informer supporting his statements about the existence and location of the evidence sought.

But in later opinions written by Chief Justice Warren Burger and Justice William Rehnquist, the court held that a tip from a first-time informer could be the basis for a probable-cause determination.

This questionable source is made all the more perilous by the court's consistent holding that the police have a right to conceal the identity of informers. While he was on the court, Justice William Douglas referred to these sources as "faceless informers" and warned that we could never be sure they actually existed.

So, the protection of the probable-cause requirement amounts to this: A police officer tells a magistrate that an unnamed informer told him that while he was in some office or home he saw evidence incriminating someone else who is not connected with the office or home. A warrant is issued and, without warning, the innocent party's office or home is searched by police. How much is left of the Fourth Amendment?

Both the majority of the court and the Department of Justice, in its friend-of-the-court brief, tell us not to worry because police will rarely use the power given them. After all, we are told, police will take the easier route and seek voluntary cooperation or a subpoena. As a rule, maybe. But in times of conflict, in times of anger, how benevolently can we hope the police will exercise this discretion?

We should indeed worry, particularly since the court has now put innocent parties in a worse position than criminal suspects. If incriminating evidence is unlawfully taken from his home, a criminal suspect has a right to prevent the government from using that evidence against him by having the court suppress it. But the court has ruled in other cases that innocent third parties have no standing to suppress evidence illegally seized from them. This means police have less reason to worry about making illegal searches of the homes or offices of innocent persons than they do in the case of those suspected of a crime.

In 18th century England, William Pitt was able to say: "The poorest man may in his cottage bid defiance to all the force of the Crown. It may be frail; its roof may shake; the mind may blow through it; the storms may enter; the rain may enter—but the King of England cannot enter; all his forces dare not cross the threshold of the ruined tenement!"

Because of the Supreme Court's ruling, we are unable to say the same of our homes or cars or offices or other property in America today.

Clearly, there is a need not only to worry but to press for legislative action.

MINIMUM STANDARDS SET

Although the miserly interpretation of the Fourth Amendment in the *Stanford Daily* case provides little protection from police for innocent parties, the court's interpretation of constitutional provisions—narrow or broad—sets only minimum standards. Congress and state legislatures may not be able to authorize practices below these standards, but they certainly can provide greater protection than the Supreme Court found constitutionally necessary.

In this case, Congress in federal searches and state legislatures in state searches can quickly moot the Supreme Court ruling by requiring that when police apply for warrants to search homes or offices of innocent parties, magistrates must find as part of "probable cause" that a subpoena is impractical. Such a provision would protect everyone, ordinary citizen, doctor, lawyer, journalist or whatever.

Instances of such legislative remedying of High Court rulings abound. Recently, for one example, numerous state legislatures have passed newspaper shield laws after the Supreme Court held that the First Amendment did not provide a privilege to newspaper reporters who refuse to testify under subpoena about the identity of their news sources.

The House has pending now, in fact, a massive federal penal code revision bill already passed by the Senate; there appears to be sufficient outrage among the public over the Supreme Court ruling in *Stanford Daily* to make it easier to pass a provision changing that ruling than many other provisions of the penal reform bill. Alternatively, Congress could amend the federal rules of criminal procedure relating to searches and seizures, or it could enact special legislation dealing with the specific facts of the *Stanford Daily* case.

Whatever legislative method is adopted at the federal and state levels, there is a critical need to overrule the Supreme Court, to protect the innocent again from government abuse.●

GENERAL LEAVE

Mr. DRINAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the subject of my special order today.

The SPEAKER pro tempore (Mr. MIKVA). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE ZURCHER DECISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. MCKINNEY) is recognized for 5 minutes.

● Mr. MCKINNEY. Mr. Speaker, first, I commend my colleagues, Representative QUALE and Representative DRINAN, for the timely introduction of a legislative response to the Supreme Court's invitation to define "nonconstitutional protections against possible abuses of the search warrant procedure." I have studied the Court's Zurcher against Stanford Daily decision and I am both frightened and appalled by the majority's callous disregard for the first amendment protections traditionally afforded private papers and documents. In failing to distinguish between the reasonableness of unannounced searches seeking contraband or the instrumentalities of crime and those seeking mere documentary evidence of a crime, the court made all records, including those kept by news agencies, the targets of the very fishing expeditions the fourth amendment was meant to forbid.

While the Court pays lipservice to the need for additional care in finding rea-

sonable cause to issue a warrant to search the offices of a newspaper, it blithly entrusts that task to the magistrate. However, as Mr. Justice Stevens points out in his articulate dissent,

> The suggestion that, instead of setting standards we should rely on the good judgment of the magistrate to prevent abuse represents an abdication of the responsibilities this Court previously accepted in carefully supervising the performance of the magistrates' warrant-issuing function.

Given the majority's refusal to enunciate such standards, it has fallen to Congress to establish by law those procedures which protect first amendment freedoms from the overbroad intrusion this Court finds reasonable under the fourth amendment. Such standards must strike the balance the Court would not, weighing the needs of law enforcement against the long and venerable tradition of personal privacy and press protection. As the dissent says—

> Perhaps as a matter of abstract policy a newspaper office should receive no more protection from unannounced police searches than, say, the office of a doctor or the office of a bank. But we are here to uphold a Constitution. And our Constitution does not explicitly protect the practice of medicine or the business of banking from all abridgment by government. It does explicitly protect the freedom of the press.

But further, I believe the private records of those not suspected of a crime share the same measure of first amendment protection as news files. Traditionally, these are seen as extensions of the individual citizen's personality and should be as free from uncontested seizure as the person him/herself. For this reason, I have cosponsored Representative QUAYLE's proposal as the most appropriate response to the Court's unwise, and hopefully temporary, decision.

That proposal would afford the subject of a warrant proceeding the opportunity to assert legitimate privacy considerations in an adversary setting so the magistrate might determine the true reasonableness of the unannounced search. Such a procedure assumes that a person not implicated in the crime, but merely in possession of some ancillary documentary evidence, would be willing to produce the evidence and would prefer to save the police the trouble of rummaging through his private records. The ex parte warrant proceeding endorsed by the court permits no such assumption. Suspects and citizens are treated the same, thus making criminals of us all.

Under this ruling, a warrant to seize contraband weapons is as reasonable as a warrant to search a newsroom for photographs. However, while it is reasonable to expect gunrunners to destroy the evidence and flee, I find it both cynical and unreasonable to conclude the same about private citizens and newspapermen not implicated in the commission of the crime.

I prefer the more standard doctrine of choosing the least intrusive government action which fulfills the State interest—in this case law enforcement—while preserving fundamental freedoms. Nothing is lost in the fight against crime if innocent parties are given the opportunity to do their duty as citizens and comply with a subpena to produce evidence. But contrary to the Court's unsubstantiated conclusions, much is lost when newspaper offices and private homes are subjected to a police search which could have been avoided. The Court is only concerned that a search might physically disrupt the production of the news. But who could be so blind as not to see the shallowness of that reasoning? Newspapers daily deal with confidential information and the prospect of an unannounced police search would inevitably lead to self-censorship and a stifling of the flow of news. For the individual, Justice Stevens argues that the loss of reputation and humiliation which must be associated with having one's home searched for evidence of a crime is clearly a privacy interest meant to be protected by the first and fourth amendments.

Mr. Speaker, I believe that in the end this Court's headlong rush toward authoritarianism through the diminution of constitutional doctrines of freedom will foster more frustration than respect for law. Law enforcement officials do not want or need to bend the Constitution to do their job. I have far too much respect for them to think that. The procedures set forth in Representative QUAYLE's bill clarify proper search warrant parameters and will aid the search for evidence of crime. I hope the House and Senate will make this legislation a top priority in the remaining days of the 95th Congress so that our laws will again contain a distinction between citizens and criminals.●

WHALEN REBUTS INSURANCE INDUSTRY OBJECTIONS TO SELF-INSURANCE FOR PRODUCT LIABILITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 15 minutes.

● Mr. WHALEN. Mr. Speaker, last week marked the first anniversary of the introduction of H.R. 7711, the Product Liability Insurance Tax Equity Act. That legislation is designed to facilitate self-insurance for all or part of one's risk for product or professional liability.

Today, there are many companies that either cannot afford the product liability policies being offered to them or who believe that they could obtain better coverage through self-insurance. In a study conducted in five congressional districts last year, we found that 21.6 percent of the companies that said they felt they needed product liability insurance were nonetheless operating without commercial coverage.

The Internal Revenue Code presents two major barriers to companies that seek to self-insure. First, there is no business deduction available for funds set aside into a reserve for product liability; but the cost of a commercial premium is fully deductible. Second, if a significant reserve funds is somehow built up with after-tax dollars, it remains vulnerable to treatment as undistributed dividends.

Many large corporations have dealt with this situation by establishing so-called captive insurance companies. These are, in essence, subsidiaries that sell insurance to the parent company. The big corporation can then take business deductions for the cost of the insurance premiums.

Most of these captives operate offshore. For instance, there are now over 700 insurance companies in Bermuda. The U.S. insurance brokerage firms are rushing to expand their operations there in order to serve their American clients who are moving their insurance money out of this country.

But what of the small or medium-sized manufacturing company which cannot afford to establish an offshore captive and which wishes to self-insure for all or part of its risk? Because of the tax law, its only other option is to operate bare, without any earmarked reserve.

I believe this is wrong. Our tax code should not put smaller companies at such a disadvantage. It should not encourage large companies to drain capital out of our country. And it should not distort marketplace decisions relating to insurance.

This is why I introduced the Product Liability Insurance Tax Equity Act—PLITE. Subsequently, similar proposals were put forward by Senator CULVER and Congressmen MIKVA, LAFALCE, ROSTENKOWSKI, and others. The Commerce Department's Interagency Task Force on Product Liability also supports a similar measure.

All of these proposals have three common elements. First, a tax-exempt reserve fund for product liability is created. Second, contributions to the fund are made tax deductible. Third, provision is made to prevent the reserve fund from being used as a device for tax avoidance. It is in that third element that the various legislative proposals differ most markedly, but the prime sponsors have repeatedly indicated their willingness to reach an agreement on the point.

For a long while, the insurance companies maintained an official silence on the subject of revising the tax code to facilitate self-insurance for product liability. Perhaps they just were not taking us seriously.

Now, however, over 100 Representatives and at least a dozen Senators have endorsed one or more of the product liability tax reform proposals. And the President is considering a Commerce Department options paper that recommends endorsement of this idea. Consequently, the insurance industry recently made public its opposition to product liability self-insurance.

Most of the resistance is coming from the American Insurance Association, which represents companies whose combined business amounts to over three-quarters of the dollar volume in product liability premiums. The main object of their opposition has been the Commerce

Department proposal; they are reported to be lobbying heavily within the halls of the executive branch.

The American Insurance Association—AIA—last month presented an excoriation of the product liability self-insurance concept, in the form of public comment on the Commerce Department options paper. The AIA offered a number of arguments in opposition to the tax change proposal, and I wish to take this opportunity to respond to their criticisms.

First, the AIA begins its statement with an attempt to convince the reader that there is no need for self-insurance. In the third paragraph of their paper, they state:

There is no crisis in product liability.

However, they do go on to concede that there are "some acknowledged difficulties in insurance rating, product manufacture and in the tort law system."

The main point made by the AIA is their contention that the market assistant programs—MAP's—established in the various States have eliminated the product liability crisis. As evidence, they note that practically anyone can now, with help from the MAP's, get a product liability insurance policy offered.

What the insurance industry spokesmen fail to note, though, is that a number of companies cannot afford the policies that are offered. And others think that they can now do as well or better by providing themselves with self-insurance. An increasingly common problem is that the policies being offered to some companies have deductible features that are so high (some in excess of half a million or a million dollars) that those firms are practically forced to self-insure whether we call it that or not.

This unilateral declaration of an end to product liability insurance problems comes as a revelation to me, as I am sure it does to the other Members of Congress who continue to hear from their constituents who are asking for our help in dealing with the high cost of product liability insurance. Surely, this news also must come as a surprise to the many businessmen who continue to complain about this problem.

Second, the AIA protests the prospect of what it terms "the intrusion of Federal activity" into the insurance marketplace. This overlooks one obvious fact.

The insurance companies already are enjoying a major Federal intrusion in the insurance market. By allowing businesses to deduct the cost of insurance premiums, the Federal Government gives a significant tax subsidy to the insurance companies' customers. All that I am suggesting is that self-insurors should be given equal treatment by the tax code.

I suspect that what the insurance companies are upset about is not the imagined presence of the Federal Government in the insurance marketplace—a prospect which is not contemplated by any of the authors of any of the relevant legislative proposals. Rather, they are afraid of losing the economic advantage they now enjoy over self-insurance.

Which brings me to the third point. The AIA and other representatives of the big insurance companies raise the specter of self-insurors being hopelessly unable to cope with claims handling, litigation, and so forth. By reading only the material produced by the AIA, one would never know that there exists an entire industry whose function it is to provide services to commercial insurance buyers.

Many companies already employ on their own staffs personnel who specialize in risk management. But, increasingly, insurance brokerage firms are offering a wide variety of consultative services. And there are other companies now that contract to handle specific insurance functions.

If the major commercial insurance companies feel that they can perform those services better or less expensively, that is fine. Let them go into a competitive marketplace and convince consumers of that fact. But I think a disservice is done when they act as if there are no viable alternatives to themselves. They may not relish competition, but it does exist.

Fourth, the AIA says:

The tax deduction offered under these bills, however, will be of little assistance even to a "large small business" or those businesses which cannot now afford insurance.

If this is so, I am at a loss to explain why every major trade association representing small businesses or industries with special product liability insurance problems has either endorsed our proposal or has expressed strong interest in it. Almost 50 different trade and professional associations have formally endorsed PLITE and many others have told the Ways and Means Committee that they will testify in favor of the measure.

What the insurance industry is trying to do is to perpetuate the myth that we are advocating that small businesses should self-insure for the full amount of their potential risk. I have never suggested this, and I am not aware of any other Member of Congress who has.

I believe that many companies would benefit greatly by taking a large deductible feature on a commercial insurance policy, and then using our self-insurance proposal as a way of covering that large deductible. My coauthors and I are proposing nothing more radical than providing a way for companies to reduce their premiums by retaining more of their primary level of risk.

Currently, many small businesses are not able to take advantage of the cost savings offered by large deductibles because they have no way of covering themselves for the deductible amount. H.R. 7711 and other proposals offer them a way to build up an adequate reserve.

Fifth, the insurance companies argue that facilitating self-insurance will draw the good risks out of the commercial insurance market and leave them with only the bad risks. Again, this is based on the incorrect premise that we are advocating that companies withdraw entirely from the commercial insurance market. We are not.

Moreover, it is difficult to believe that the Nation's largest insurance companies cannot devise rate structures that would distinguish between good risks and bad risks.

In contrast to the statements of the AIA, which professes concern over this contemplated exodus from the marketplace, many observers of the insurance industry suggest that encouraging self-insurance would actually help the market by freeing up capacity. They tell us that by making it easier for the commercial insurers to pull back further from first-dollar coverage, they will be able to offer higher maximum coverage on some policies.

Sixth, the AIA contends that the self-insurance concept would harm the interests of those who are likely to file claims against manufacturers. The insurance industry says it fears that the self-insured companies will not retain adequate reserves to meet claims made against them by injured parties.

Again, there is the fallacy of total self-insurance. Also, such a claim presumes that there is some requirement today that manufacturers must carry adequate insurance. In fact, there is no such requirement.

As I stated at the beginning of my remarks, there are many companies that currently are operating bare, with no insurance coverage at all. And I suspect that many firms are underinsured, perhaps because they cannot afford proper coverage for product liability. In either case, self-insurance reserves can do nothing but help.

It will do no one any good for an injured party to sue a company that has no insurance or which cannot pay off on the deductible portion of its commercial policy. This is one reason why consumer groups have been generally supportive of my proposal.

Finally, there is the question of tax fraud. The AIA is somewhat coy about this in their written comments, but we on the Hill are very much aware of their oral presentations on this point. If we are to believe them, any possible formulation of a tax change to facilitate self-insurance would have to be viewed as a massive hemorrhage in the Treasury.

To begin with, we should establish what numbers we are really talking about. I understand that the Joint Committee on Taxation has estimated the cost of the Commerce Department's legislation to be somewhere between $100 million and $150 million during the first year, declining thereafter. This is a generous estimate.

The joint committee's calculation does not take into consideration the fact that if a company does not have commercial insurance, or it is retaining a portion of its risk already, then it can deduct the full cost of litigation and/or settlement of product liability claims. All that our legislation would do is to allow companies to spread out those costs and to deduct them over a period of time, instead of all at once.

Incidentally, it also would be interesting, in my opinion, to contrast the cost estimate for self-insurance proposals with the amount of revenue currently being "lost" in the form of deductions granted for purchases of commercial insurance. Unfortunately, no specific figures are available, but the total, whatever it is, also would represent a "drain" on the Treasury.

Mr. Speaker, the case against the self-insurance option is weak. The arguments of self-insurance opponents are easily refuted.

Yet, we are still awaiting action on H.R. 7711 and similar proposals. In April the Miscellaneous Revenue Measures Subcommittee of the House Committee on Ways and Means announced that hearings on the legislation would be held. A deadline, May 12, was set for submission of requests to testify. Over 70 requests were received, and it is my understanding that the only persons who indicated they were going to speak against the concept were those who are associated with the major insurance companies.

But we are still waiting for a hearing date to be assigned. I know that the Ways and Means Committee is very busy and is involved with a number of important issues. However, I wish to reiterate my concern that there are many companies in the United States that are anxiously awaiting some small measure of relief from the Congress for their product liability insurance problems. For the product liability insurance crisis is not yet over.●

"FED," IN EXAMINING BANKS, IGNORES EVIDENCE OF REDLINING—REUSS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 5 minutes.

● Mr. REUSS. Mr. Speaker, an independent study of the Federal Reserve Board has concluded that the Fed does a poor job of enforcing civil rights and equal credit laws.

Among the findings of the study by Pottinger & Co., a Washington-based consulting firm, is that bank examiners often lack "confidence in their own knowledge" of civil rights compliance and "are given virtually no guidance about how to recognize discriminatory lending practices."

One reason for the slack attention paid to such practices as redlining, the report makes clear, is that examiners receive no sense from higher up that the Board attaches much importance to equal credit compliance.

An example of this has recently come to my attention—namely, the failure of the Fed to make use of information revealed under the Home Mortgage Disclosure Act of 1975 to help determine whether banks are redlining.

The act was passed to help consumers determine where banks are lending the money deposited with them. Banks must disclose to their communities, by census tract, where they are making loans to homebuyers. Obviously, that information would be one clear guide to bank examiners as to whether a bank is doing a conscientious job of complying with the Fair Housing Act (title VIII of the Civil Rights Act of 1968) which prohibts discrimination in mortgage lending on the basis of race or national origin, and the Fed's own anti-redlining regulation B, adopted pursuant to the Equal Credit Opportunity Act, stating that it is a violation to discriminate. The Community Reinvestment Act enacted last year strongly reaffirms the legal obligation of financial institutions to serve the communities from which they take their deposits.

Yet, in a document provided to civil rights groups during recent litigation (a brief submitted to the U.S. District Court for the District of Columbia in the case of the *National Urban League* v. *Board of Governors of the Federal Reserve System*), the Fed states that "the act (Home Mortgage Disclosure Act) is not an antiredlining measure * * * it is simply a disclosure act, relying upon public scrutiny for its effect." Therefore, according to the Fed, a bank examiner's task is only "to insure that the required information is compiled and furnished in the proper form." The brief says flatly that "the Board does not utilize data available under the Home Mortgage Disclosure Act * * * because that statute was not enacted for fair housing compliance and not tailored to that purpose."

Thus the Fed takes the remarkable position that it will ignore information which would be of clear help in determining whether redlining is taking place.

If that is the prevailing attitude at the upper levels of the Fed, is it any wonder that bank examiners get the message that enforcing fair mortgage lending is not a high priority and will not do much for their careers? As the consulting firm's report put it, examiners perceive that "devotion of their time and effort to civil rights matters would not materially advance their progress within the system, as it was not an area to which the board attached great importance.

In a letter to me dated June 30, 1976, Chairman Arthur Burns made assurances that the Fed "requires that examiners make use of available information when evaluating compliance by State member banks with applicable statutes and regulations. The information to be disclosed by member banks under the Home Mortgage Disclosure Act will be no exception. Information of this kind may provide indications as to possible discrimination."

I have today written to Chairman Miller asking him to see to it that the Fed makes good on Dr. Burns' commitment.●

SCIENCE, TECHNOLOGY, AND AMERICAN DIPLOMACY—II

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, the recent adoption by the House of H.R. 12598, the Foreign Relations Authorization Act for fiscal year 1979, marks a significant addition to our national policies on the application of science and technology to national problems. Title V, entitled "Science, Technology and American Diplomacy," enunciates this policy by giving the Secretary of State primary responsibility for coordination and oversight with respect to all international scientific and technological activities of the U.S. Government.

A recent article in the Washington Post, by Daniel S. Greenberg, pointed out the existing underutilized resources of the Department of State, namely science attaches, which, I hope, will be more fully employed in the future in carrying out these new responsibilities. While title V of H.R. 12598 speaks of State aiding other agencies of the U.S. Government, I believe there is much merit in the underlying theme of Mr. Greenberg's article that the science attaches should also provide information to the private and nongovernmental research sectors here in the United States. I commend the column to my colleagues' attention.

[From the Washington Post, April 11, 1978]

OUR INDOLENT PURSUIT OF FOREIGN TECHNOLOGY

(By Daniel S. Greenberg)

Listening in on the complaints that officials in industry, labor and government are making about foreign industrial competition, one gets the impression that some of them would rather curse the darkness than light a candle.

Consider, for example, one of the fastest-growing themes in the protectionist camp—namely, that foreign firms are scooping up the results of vast quantities of our taxpayer-financed research and using it to innovate products that outsell domestic goods.

Is that true? You can safely bet your Japanese-made television set that it's true. Which is why the president of the International Association of Machinists and Aerospace Workers charged last year that Japan has reaped $15 billion from the purchase of $1.5 billion of American technical know-how. It's why leaders of the American electronics industry have been pushing for curbs on the export of American scientific and technical knowledge. And it's why the White House has included the export of such knowledge in a recently ordered governmentwide study of what ails industrial innovation in this country.

But before the drumbeat for technological protectionism gets any louder, it would be useful to take note of certain facts concerning foreign mining of American science and technology. Our industrial competitors work hard and systematically at keeping in touch with the output of American laboratories. And we make it extremely easy for them to do so. But in the meantime, there is scarcely an organized American effort to keep abreast of foreign research, which, despite our ethnocentric notions of American scientific supremacy, actually accounts for well over half of the world's scientific and technological output. Furthermore, when it comes to research of industrial value, our seemingly huge funds go into military projects, whereas Japan, for instance, devotes no more than 10 percent to that purpose.

In evaluating the calls for protectionism, however, the relevant point isn't who's doing more or less research, since great quantities of it are going on here and abroad. Rather, it's our indolence in matching the organized, serious efforts that many nations

make to exploit—as the protectionists correctly contend—American-financed research.

For example, the semigovernmental Japan Trade Center has technically trained representatives posted in New York, Los Angeles, San Francisco, Houston and Chicago. Their duties, according to a spokesman, "are to watch everything in American industry and gather information." The same monitoring role is carried on by representatives of many Japanese firms.

France, which follows a determined policy of keeping in touch with research in the major industrialized nations, keeps six science attachés in Washington, plus one each in Boston, Houston and San Francisco. Principal among their duties is following American science and technology at the laboratory level. The object is to know what's going on long before the rest of the world finds out through the traditionally slow process of scientific publishing.

The embassies of almost all the other industrialized nations are staffed for that purpose, though the intensity of the efforts varies. A staff member of the State Department science office points out, "Most of these people work for their ministries of commerce and industry, not for the foreign ministry, and their job is to watch the industrial area."

It's all open and aboveboard and, in fact, is greatly assisted by the U.S. government National Technical Information Service (NTIS), which offers for sale about 75 percent of all scientific and technical papers produced in the United States. Foreign sales are such a booming business—with Japan the biggest customer—that NTIS has contracted for foreign dealers to handle its publications in Japan, Britain, France and the Netherlands. Foreigners take 10 percent of NTIS sales. It is a unique window on a national research enterprise—immensely valuable, of course, to American researchers, but equally so to foreign competitors. Except for a small organization in the Netherlands, no other country has anything resembling NTIS.

The United States does maintain science attachés at 23 of our embassies. But unlike most of their foreign counterparts here, they're not in the business of collecting scientific and technical data for shipment back home. Rather, they're concerned with "policy matters"—whatever that means.

The military services, led by a longstanding Navy operation based in London, try to keep in touch with leading scientific centers abroad, but their interests are narrowly defined and are not geared to industrial purposes.

The imbalance in scientific and technological voyeurism is something that American industry is aware of. But with the government indifferent to the problem and pooled monitoring efforts barred by antitrust regulations, few companies do anything about it.

One major exception is General Electric, perhaps the most shrewly and tightly managed of our big high-technology corporations. Monitoring of foreign science and technology is handled by two GE representatives in Zurich, two in London and one in Tokyo. According to Charles M. Huggins, GE's manager of international programs for corporate research and development, "We assume that 60 percent of all new science and technology is developed outside the United States."

American campaigners for technological protectionism should think about that.●

CHARLES H. WILSON CALLS FOR ROBERT F. KENNEDY STAMP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CHARLES H. WILSON) is recognized for 5 minutes.

● Mr. CHARLES H. WILSON of California. Mr. Speaker, earlier this week Postmaster General William F. Bolger appeared before the Post Office and Civil Service Committee, and at that time I urged that a Robert F. Kennedy commemorative stamp be issued by the Postal Service.

Postal policy provides for consideration of such a tribute at least 10 years after an individual's death. The 10th anniversary of Senator Kennedy's assassination was marked earlier this month.

As I noted at the hearing Robert Kennedy was, of course, a great American who gave so much to our country in his tragically short life. His spirit and determination to bring justice to all Americans is an inspiration to us all.

Today I am introducing a joint resolution calling for the issuance of a Robert F. Kennedy stamp, and I hope that Postmaster General Bolger will authorize such a tribute.

Attached is a copy of the text of my resolution.

H.J. RES. 1000

Joint resolution providing for the issuance of a commemorative postage stamp in honor of Robert F. Kennedy.

Whereas Robert F. Kennedy was a great American who gave so much to this country in his tragically short life and whose spirit and determination to bring justice to all is an inspiration to all Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General shall issue a special postage stamp in honor of Robert F. Kennedy. Such stamp shall be of such design and denomination, and shall be issued and sold for such period as the Postmaster General shall determine.●

PARKS PROGRAMS FOR URBAN AREAS SHOULD BE FUNDED THROUGH HUD, NOT INTERIOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

● Mr. LAFALCE. Mr. Speaker, today I introduced the Urban Park and Recreation Recovery Act of 1978, a bill designed to implement the President's proposed urban parks program through the Department of Housing and Urban Development. My bill authorizes a program of $150 million a year—the amount recommended by the President—under guidelines assuring priority for the most needy communities.

As you know, HUD is the Federal Government's primary liaison with the cities and other highly urbanized areas in the country. HUD has an extensive field network; HUD personnel have been working with local officials for years and are familiar with their needs and their goals. My bill would place this program within HUD.

Our colleagues on the Interior and Insular Affairs Committee have been working on a comparable bill, also authorizing $150 million a year, which would be placed in the Department of the Interior. With all due respect to my friends on that committee, I believe that the route they recommend should be reexamined. I have immense confidence in Secretary Cecil Andrus as an administrator, and I have no doubt that he would endeavor to implement an urban parks program effectively and sensitively, but I do suggest that his Department's overall focus and history do not lend themselves particularly well to administering an urban program.

Interior has traditionally been associated with "wide open spaces," not with the cities. In fact, it is only within the last decade that our national parks system has included parks in urbanized areas, and these are few and far between. When it comes to more traditional urban parks, I venture the opinion that Interior personnel are far less familiar with most cities' needs and goals than are the people who work with these cities on a daily basis at HUD.

The President placed great emphasis on the need for Federal assistance programs to be coordinated more effectively if our urban policy was to have the desired effects. I believe the President was serious when he said that, and I agree with him. In my bill we have an opportunity to turn those words into action. How better to coordinate urban park development than to do so through the same agency that has responsibility for Federal housing and community development programs, and others, with which coordination will be most essential?

The grants authorized in my bill can be used to rehabilitate, expand, and landscape parks and to improve facilities within them. Routine maintenance could not be funded, nor could facilities for commercial sports and spectator events.

HUD would have to develop criteria assuring priority for local communities based on the extent of poverty and the extent of housing overcrowding in the community or neighborhood for which assistance is sought, deterioration in the area, and the adequacy of existing parks facilities for the population to be served. Communities would have to coordinate the program with others, including those mentioned earlier, to assure maximum effectiveness. Finally, projects receiving State or other non-Federal assistance would receive priority over those seeking 100-percent Federal funding, assuring that the funds will be "leveraged" to the maximum extent possible.

Mr. Speaker, I think that the program embodied in this bill is more responsive to the real needs of urbanized America, and I am hopeful that it will receive the support it warrants.●

REMEMBERING LITHUANIAN INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 15 minutes.

● Mr. ADDABBO. Mr. Speaker, we hear much about human rights these days, and we in the United States have made one of the hallmarks of our foreign policy the defense of human rights throughout the world. Well, one of the basic human rights—I think everyone will agree—is the right to self-determination.

June 15 is a date which should remind everyone of the millions throughout the world who do not enjoy even their most fundamental freedoms. On that day in 1940, the Union of Soviet Socialist Republics invaded and annexed free Lithuania and began the dictatorial subordination of the Lithuanian people, economy, and culture under Soviet rule. Since that time, an indefinite number of Lithuanians have been forceably exiled to Siberia as politically unreliable. Today, even the very expression of nationalistic longing made by a Lithuanian is considered a severe crime under Soviet law and is punished by imprisonment in a labor camp.

With a population of over 3 million, Lithuania is made up of an ancient people and a beautiful, wooded landscape. The Lithuanian culture is among the oldest in Europe. Its songs, folk tales, legends, proverbs, and folk aphorisms have been handed down from generation to generation—in spite of a modern, systematic effort to homogenize the Lithuanian culture into the mold of socialist realism.

This is the era of détente. This is the era of Helsinki and Belgrade. Yet, it seems as though what the Soviets say and what they do have completely opposite implications. I cannot forget that the Soviets first violated the independence of Lithuania when the 1936 Soviet Constitution was the supposed supreme law of the U.S.S.R. The 1936 Constitution guaranteed the right of autonomy for Soviet nationals. Yet, Petras Plumpa was first arrested, at the age of 19, for raising the Lithuanian flag. The 1936 Constitution also protected the right of religious freedom. Yet, Viktoras Petkus was first arrested in 1947 for his participation in a Catholic Youth Organization.

Thousands of Lithuanians are imprisoned today for the crime of attempting to exercise their basic human rights—rights guaranteed to them under the Soviet Constitution and the Helsinki accords. So, let us today, June 15, 1978, remember the plight of these political prisoners and the basic denial of fundamental human freedom in Lithuania.

I include the following:

LITHUANIAN-AMERICAN COMMUNITY
OF THE U.S.A., INC.,
Philadelphia, Pa., June 13, 1978.

Hon. JOSEPH P. ADDABBO,
House Office Building,
Washington, D.C.

DEAR MR. ADDABBO: The Soviet Union's forcible invasion and occupation of Lithuania on June 15, 1940 and the subsequent deportation of tens of thousands of Lithuanians to Siberia marks the beginning of the deprivation of basic human rights in Lithuania by the Soviet Union.

For the last 38 years, freedom, self-determination and independence have been denied to the Lithuanian people. Soviet repression in Lithuania has reached alarming proportions. "Show trials" and harsh sentences are used to intimidate and to silence the widespread nationalistic and religious movement in this Baltic country.

Today, even after the Helsinki and Belgrade conferences, Lithuanians who attempt to exercise their basic human rights, still end up in Soviet prisons. These prisoners of conscience number in the thousands, but only a few of their names ever reach the West. Your active support for these individuals in particular, and Lithuania in general is urgently needed.

Please register your protest in the House, urge the State Department and the U.S. delegation at the United Nations to publicly deplore these violations of human rights in Lithuania and write directly to the Soviet officials, expressing your just concerns for the denial of human rights in Lithuania.

We would appreciate a copy of your congressional statement and correspondence.

Sincerely,

STANLEY A. GECYS,
President.

PRISONER OF CONSCIENCE

Name: Balys Gajauskas.
Born: 1927—Kaunas, Lithuania.

BACKGROUND

Gajauskas was first arrested in 1948 as a Lithuanian partisan and sentenced to twenty-five years in Soviet labor camps. Released in 1973 he was denied validation of his internal passport, constantly is harassed and interrogated. His aged and sick mother was fined several times for harboring an "illegal resident."

Gajauskas has distributed money to Lithuanian political prisoners and their families from the Solzhenitsyn fund. On December 23, 1974, the KGB searched his apartment and found religious literature, personal notes, 50 pages of a Lithuanian translation of Solzhenitsyn's "Gulag Archipelago", a list of 135 political prisoners and some money from the Solzhenitsyn fund. Following the search, Gajauskas was picked up, interrogated for three days and finally released.

On April 20, 1977, Gajauskas was picked up again by the KGB as a witness in a case involving the underground publication *"Chronicle of the Catholic Church in Lithuania"*. His apartment was again searched, and valuable documents confiscated. Among that documentation was historical data about the 1944–52 Lithuanian resistance movement, some documents of the United Democratic Resistance and the Lithuanian Freedom Movements.

Gajauskas was detained at the KGB Isolation Prison in Vilnius until his trial in April 1978.

On April 14, 1978 Gajauskas was sentenced to 10 years in Soviet special regime labor camp and 5 years of exile for alleged anti-Soviet agitation and propaganda (paragraph 68 part II of the Criminal Code of Soviet Lithuania).

PRISONER OF CONSCIENCE

Name: Viktoras Petkus.
Born: 1929 in Lithuania.

BACKGROUND

Petkus is a member of the Lithuanian Public Group to promote the implementation of the Helsinki Agreements, (a five member group formed in Vilnius on November 25th, 1976).

Petkus was first arrested in 1947 for his activities in the Catholic Youth Organization, and after serving six years, he was released in 1953. He completed high school and then attended the University of Vilnius where he studied literature.

Petkus was arrested again in 1957, this time for possession of anti-Soviet literature—a collection of poems by Jurgis Baltrusaitis. These poems were published five years before the revolution in 1912, and were included among the "Anti-Soviet literature". He was not released until 1965. Since that time, while working as a hospital attendant, and then as a church sextant, Petkus became an expert in Lithuanian literature and had collected a massive bibliography on Lithuanian poets. He attracted a wide circle of young Lithuanians, who were constantly shadowed by the KGB and questioned about Petkus. Several of these young people were forced to sign false statements concerning Petkus. These statements may be used in a pending trial against him.

Petkus was arrested on August 23rd, 1977 and his apartment was searched in connection with the case of Balys Gajauskas. Among the items seized in that search were Documents 3–12 of the Lithuanian Helsinki Group, three (3) copies of "Act of the Establishment of the Supreme Committee of the National Movement of Estonia-Latvia-Lithuania", issues 1–4 of the underground periodical *"Dievas ir Tevyne"* (God and Country), some other underground publications, and two portable typewriters.

Viktoras Petkus is still in prison, but has not been tried.

Last known address: Vilnius, Lithuania SSR, Gavelio G–VE 16, Apt. 4, Viktoras Petkus.

PRISONER OF CONSCIENCE

Name: Petras Plumpa.
Born: 1939 Rokiskis Raion, Lithuania.

BACKGROUND

Petras Plumpa grew up, and was educated under the Soviet system but he refused to accept the Russians as his masters.

At the age of 19, Petras was arrested. The Soviet authorities charged him with taking up and circulating petitions, and with having hoisted the Lithuanian national flag in Petrasiunai, a town in Lithuania. For this, he was sentenced to seven years under strict security.

On November 19, 1973, Petras Plumpa was arrested again and was held without trial until December 2, 1974. This time he was charged with having printed the *Chronicle of the Lithuanian Catholic Church* (Articles 68 and 70 of the Penal Code of the Lithuanian Soviet Socialist Republic). The trial was conduced behind closed doors, the charges were never proven and evidence was produced that the fingerprints on the *Chronicle* were not Plumpa's. Nevertheless, he was sentenced to eight years imprisonment, to be served in strict regime camps.

Plumpa accepts his imprisonment in a deeply Christian spirit, forgiving even those who persecuted and betrayed him. He asks only for prayers. His current address is: District of Permie 618263, Cusovoj Kraj, Kuchino, vs 389/36–2 U.S.S.R.

Plumpa will be able to receive food packages only after four years. He is allowed to write only two letters per month.

PRISONER OF CONSCIENCE

Name: Sarunas Zukauskas.
Born: 1950 Kaunas, Lithuania.

BACKGROUND

Sarunas Zukauskas had an exemplary academic racord, and by the time he was in his last semester at Kaunas Medical Institute, he was considered to be among the outstanding students of his graduating medical class.

However, after undergoing a program of intense Russification in the schools and youth organizations to which he belonged, as well as witnessing the repression of Lithuanian heritage and cultures by the Soviet communist regime, Sarunas Zukauskas sought to combat the injustices in Lithuania and joined the dissident movement.

Just prior to graduation, he was betrayed by one of his colleagues and placed under arrest. He was held under Article 70 (Anti-Soviet agitation and propaganda) and Article 72 (forming an anti-Soviet organization) of the criminal code of the Russian SFSR.

In March 1973, Sarunas Zukauskas was convicted and sentenced to six (6) years of strict regime labor camp. His mother, Birute, had lost her job upon his arrest, and by the time of Sarunas' trial she had been hospitalized for severe ill health. His brothers continue to be harrassed, taunted and discriminated against in school, at work and at home.

Sarunas has already served five years of his sentence, is in poor health—suffering from severe malnutrition—and in need of medical attention, which is consistently denied him.

He is denied his right to family visists and correspondence. Correspondence to him from relatives in the USA is returned without explanation.●

BEEF IMPORT QUOTAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

● Mr. BEDELL. Mr. Speaker, I am today introducing legislation which would require the President to consult with the Congress prior to any executive action relaxing meat import quotas and which would provide the Congress with an opportunity to disapprove such action prior to its implementation.

Last week, the Nation's cattle producers received the dubious honor of being the first sector of the economy to be singled out for what amounted to an anti-inflation "punitive strike." Citing what he termed overriding economic interests, the President opened the floodgates to an additional 200 million pounds of beef imports by renegotiating trade agreements with 13 exporting nations. This is a 15-percent increase over the earlier negotiated level of 1,292.3 million pounds, bringing the total amount to nearly 1½ billion pounds of meat that will be brought into this country this year.

There are those who have loudly applauded the President's decisions. I, for one, am convinced that a closer examination of the decision and its consequences clearly reveals its nearsightedness and shortcomings. In my view, it imposes an unfair penalty against producers and offers no practical measure of relief from inflation for consumers.

Anyone who is even vaguely familiar with the domestic cattle industry is aware that the independent cow/calf producer and feeder, have been forced to the brink of economic extinction due to the persistence of chronic low prices for the past 4 or 5 years. Our cattle producers are not losing money because they are inefficient, but rather because it is the inherent nature of the cattle business to pass through cycles of overproduction and depressed prices.

Traditionally, cattlemen have stoically tightened their belts during these depressed income periods, cut back on stocks, and waited for prices to improve to a point where they could recover their costs of production. In recent years, however, rapidly increasing amounts of beef imports into this country have served to prolong and exacerbate these low points of the cattle cycle, forcing more and more producers who might otherwise have weathered the bad times to fold up.

The problem of rising meat imports was first officially recognized by the Congress in 1964 when it passed the Meat Import Act of 1964, (Public Law 88–482), the basic objective of which was to impose maximum limits on meat imports. It was an attempt not only to preserve at least a semblance of a supply and demand balnce for U.S. cattle producers, but also to inject more stability into the supply—and thus the price—of beef, thus benefiting the consumer.

Unfortunately, Public Law 88–482 has, over the years, fallen short of its professed objectives. One of the primary causes of this shortcoming has been the ease with which the President has been able to suspend the import levels as prescribed by the act. Restraint levels that have allowed in more imports than called for under the quota formula in the act have been announced with increasing frequency, beginning in 1970. Last week's renegotiation of restraint levels would allow in nearly 200 million more pounds of foreign meat than is allowable under the act's quota allowance of 1,302.3 million pounds.

Mr. Speaker, the President's suspension of the meat import quotas bothers me for a number of reasons. First, I object to the President's action because it appears that he is singling out one of the few truly competitive industries we have left in this country—the cattle industry—and using it as a "whipping boy" to underscore his inflation-fighting resolve. I want to combat inflation every bit as much as the President does, but I also believe that the costs of that fight should be borne equally by all of us—including big business and government.

Second, I object to the President's action because I believe that, as an anti-inflation tactic, it will be ineffective in the short run and counterproductive in the long run. In fact, even by USDA's own admission, it would save each consumer only one to two dollars this year. And, in the long run, it may serve to accomplish the opposite of what it is intended to do, which is to put a lid on the price of meat. I think policymaker's all too often forget that a cattleman's decision to raise more beef does not translate itself into meat ready for sale in the supermarket until many months, even years, have passed. As a result of the last several years of low prices, cattle numbers in this country are at their lowest level in years. That is why meat prices are beginning to go up now, because supply is coming more into balance with demand.

The only thing that will encourage cattlemen to take the risks involved in increasing cattle numbers is a relatively secure assurance that prices will remain at a level that will allow them to at least recover their costs of production. However, the net effect of the President's action last week was to dispel the confidence cattlemen had in the strength of this necessary price recovery and will certainly discourage producers from reinvesting in new stock. This could interfere with the achievement of the sought-after supply/demand equilibrium, thus prolonging price instability. If there was ever a penny-wise, pound-foolish decision, last week's raising of allowable meat import levels was one. Its end result will be to jeopardize the future stability of and maintenance of competition in the cattle industry out of concern for present political expediency.

My third objection to the President's action is the insensitive way the decision to raise the import levels was arrived at. As far as I know, there was virtually no consultation with any Member of Congress or with any industry representatives before the final decision was announced. There was, consequently, very little input from anyone who truly knows how the cattle industry operates and how the decision would impact on it and, ultimately, the American consumer. I cannot think of any other industry in this country that would be expected to sit quietly on the sidelines while its economic viability was negotiated away by persons only superficially familiar with its mechanics. The lack of prior notification and consultation not only did damage to the cattle industry, it was also an affront to those of us in Congress who are truly concerned about the welfare of our constituents and the Nation, and whose responsibility it is to shape the decisions which will impact on that welfare. Consequently, I believe that Congress must do something to redress last week's action and to prevent its recurrence.

It is for this reason I am introducing legislation today that would direct the President to give the Congress 30 days prior notification before renegotiating any voluntary restraint levels affecting the importation of meat into this country or before suspending any proclamation concerning meat imports made under the authority of Public Law 88–482. My proposal calls for the submission of a detailed written report by the President to both Agriculture Committees of Congress describing the "circumstances and grounds" of his proposed action. The President's action could be overturned if, by the end of the 30-day "consultation period," both Houses of Congress adopted a concurrent resolution disapproving the proposed action. Finally, Mr. Speaker, my bill would be retro-

active to June 1, 1978, and would thus bring the latest Presidential lifting of meat imports under its control.

Mr. Speaker, I feel strongly that this sort of language is needed if we are to upgrade congressional participation to where it belongs in decisionmaking of this type. In the final analysis, it would impose no unbearable limitation upon the President except in those instances where the President's recommendation is clearly unsupportable, as determined by passage of a resolution of disapproval by both Houses of Congress.

Assuming that the raising of meat import levels is justified, a 30-day delay would make very little difference as far as protecting the consumer is concerned. In advising on the decision that was made by the President last week, Secretary Bergland, obviously the best equipped in terms of knowledge of the cattle industry of all those asked to make recommendations to the President, advocated waiting for 2 or 3 months before any action was taken. This should be a lesson for all those who might say that the legislation now on the books is sufficient to protect against any precipitous action; despite the fact that the Executive order of June 30, 1970—which dealt with the authority given to the President by section 204 of the Agricultural Act of 1956—prescribes that the concurrence of the Secretary of Agriculture should accompany every bilateral agreement affecting the importation of meat into the United States, action was taken with respect to these agreements which directly contradicted the Secretary's recommendation.

I am confident, Mr. Speaker, that once my colleagues have examined this bill they will agree with me that it is deserving of their support. Its enactment would enable the Congress to exercise a voice in the making of decisions that are not meant to be formulated by just a few officials. It is equitable, it is rational, and it is long overdue.●

ANNUAL REVIEW OF U.S. POLICY IN MIDDLE EAST

(Mr. HAMILTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues testimony by Assistant Secretary of State Harold Saunders on U.S. policy and thinking on the Middle East. Mr Saunders testified June 12, 1978, before the Subcommittee on Europe and the Middle East of the Committee on International Relations.

This excellent and comprehensive testimony provides an accurate assessment of our interests and policy needs in this cruical region and points out precisely why the peace process is so important for the United States.

Secretary Saunders' testimony follows:

ANNUAL REVIEW OF U.S. POLICY IN THE MIDDLE EAST

(By Assistant Secretary Harold H. Saunders)

INTRODUCTION

This Subcommittee's annual review of U.S. policy in the Middle East provides a significant forum for the Administration to analyze American interests and goals in the Middle East and to share with Members of Congress and the public our perception of the policies necessary to pursue them. I can think of few areas of the world where it is more important to understand what is at stake for our country and for our friends and how our interests relate to each other.

HOW PERCEPTIONS OF THE MIDDLE EAST HAVE EVOLVED

It may help focus our understanding of what is at stake today in the Middle East to examine how our perceptions of this area have evolved over the last three decades.

After the second World War, our thoughts ran along two lines.

First, on the strategic front, we spoke in terms of physical geography, characterizing the Middle East as "the strategic crossroads" and a "land bridge" joining Europe, Asia and Africa. This perception grew out of pre-war European political concepts and the experience of a generation that fought in the Middle East and North Africa and across the Mediterranean during the war. The later Soviet thrusts in Iran, Turkey and Greece to expand their postwar influence reinforced this view.

Then, in 1948 we committed ourselves to the existence and to the survival of Israel as a Jewish state, as a home for victims of the holocaust and others who wished to come, and as a functioning democracy.

By the early 1960's the advent of intercontinental missiles with nuclear warheads and the fact that the USSR had achieved an active position in the Middle East caused us to shift from seeing national interest primarily in terms of the Middle East's geographic position to a perception of the Middle East in global strategic terms. We wanted to enhance our influence in the area partly because the Mediterranean remained an important lifeline to our NATO allies and our allies to the east but also because of the importance of oil to western Europe and the political orientation of key states. We did not at that time see a direct threat to American interests coming from this area. Direct U.S. economic interests, apart from our interest in the reliable availability of oil to our allies at reasonable prices, largely centered in oil-related activities.

The U.S. also continued its firm commitment to Israel's strength and well-being and, at the same time, expressed humanitarian concern for peace in the Middle East which would permit all the people of the area, including the displaced Palestinians, to build better lives.

TODAY'S PERCEPTIONS OF OUR INTERESTS

In the 1970's yet a further evolution in our view of the Middle East has taken place. It reflects new developments there with which we and our friends must deal creatively.

Today there are few areas in the world where so many compelling American interests intersect as is the case in the Middle East. The basic catalogue of interests remains unchanged and familiar to us all, but there are important new points to be made about them. Let me discuss each of them in turn.

A. We have long recognized that it is imperative that the United States seek to prevent conflict in the Middle East from again becoming a flashpoint and that helping strengthen the independence of Middle Eastern countries will contribute to stability in the region and make war less likely.

Since the mid-1960's, the Arab-Israeli wars of 1967 and 1973 have demonstrated to us in the heat of crisis that the Middle East is an area where U.S. and Soviet forces could confront each other in the context of a local war. Now, with estimates of the Soviet Union's own changing energy needs, a new dimension has been added to the traditional Soviet interest in a strong position in that area. These facts provide an important part of the backdrop against which we pursue our interests in the area.

B. Our irrevocable commitment to the security, strength, and well-being of Israel has been reaffirmed by every American Administration since the modern State of Israel was born thirty years ago. It is a permanent feature of American foreign policy. I might add that this has been a deep personal commitment of mine. Many Americans share this commitment to a people who have suffered beyond our ability to comprehend and who have yet contributed so much to our heritage and to our world.

In this decade this commitment has been broadened and strengthened by the passage of time and the steady development of relations between our two countries.

Today, however, Israel and the U.S. must face together new and more difficult circumstances.

It is increasingly obvious that Israel's security can best be guaranteed over the long term by a policy of continued military strength coupled with a peaceful relationship with its neighbors. Close American cooperation with key Arab states is essential to achieving and guaranteeing that peace.

In the past year, the opportunity for peace has increased dramatically. Before 1967, when no Arab state would talk of recognizing Israel and making peace with it, the basis for a final, peaceful settlement of this conflict did not exist. Following President Sadat's historic trip to Jerusalem and Israel's warm reception, Israel for the first time since its founding as a modern state is dealing with an Arab state which is prepared to accept and recognize a Jewish state in the Middle East and to make peace and establish normal relations with it.

Opinion in the Arab world has shifted gradually since 1967, and the shift accelerated after the 1973 war. In going to Jerusalem, President Sadat dramatized that shift and broke out of the thirty-year cycle of war and truce to create a new psychological climate in which there can be progress toward peace between Israel and all its neighbors. The issue is no longer whether there can be peace, but whether there can be agreement on the terms of peace.

In that context, we have particularly come to recognize in new ways the importance of a just resolution of the problem of the Palestinian Arabs for a peace settlement. There is no longer seen as simply a refugee problem; it is a problem of fulfilling the legitimate rights of the Palestinian people in ways that enable them to participate in the determination of their own future and to live in peace

and security with Israel. The Palestinians for their part must demonstrate a willingness to live in peace with Israel.

Finally, Israel's development has reached a point where the advantages of peace for the further growth of the Israeli people are clearer than ever. Peace can release their extraordinary talents and energies to the benefit of Israel and of the world at large. In per capita terms, Israel possesses more scientists, engineers, physicians, and other profesionals and technicians trained in public service fields than most nations of the world. Already, despite thirty years of conflict and tension, Israel's contributions to human and material development in areas such as health, agriculture, the environment, alternative sources of energy and water conservation have been remarkable. Under conditions of peace which relieve Israel of the world's most crushing defense burden, its already disproportionate contribution to solutions to some of the most pressing global issues will be magnified.

C. We have long recognized the importance of the Arab world. The strength and moderation of the major Arab countries has been a bulwark against radical forces in the Middle East, and they have in turn looked increasingly to the United States for support in ensuring their security and independence. The oil which some of them produce has long been vital to our allies.

Today, there is a new degree of interdependence between the U.S. and the key Arab nations that are prepared to work with us constructively. The achievement of a peaceful settlement of the Arab-Israeli conflict is surely a central goal in this relationship. There are other benefits as well.

The rapid increase in investable surplus which the Arab Governments hold—now approximately $140 billion—has added a new dimension to our interests in this area. Some of their increased revenues come from the willingness of some oil-producing states to meet increasing demand in the rest of the world by producing more oil than their domestic revenue needs would require them to sell. How those revenues are used will affect the ups and downs of the world economy and of the dollar, and they can play a significant role in the development of poorer nations. At that same time, the U.S. economy is important to the Arab oil-producing nations in accommodating these enormous amounts of capital.

The oil which has long been vital to our allies has become increasingly so to us. Crude oil imports from the Middle East made up 22% of our total petroleum consumption and nearly half of our imports in 1977 (vs. 7% and 29% respectively in 1973).

Thus, the Middle East figures in our calculations on energy, as well as in our balance of payments position and efforts to maintain a stable dollar, in ways that would have been unthinkable ten years ago.

In the last thirty years, the U.S. has simply become much more involved in the affairs of the Middle East. Important nations in the area have looked increasingly to the U.S. for modern technology. Our relationship to their modernization programs and the increased economic involvement with them have sharply widened the range of contacts between Middle Easterners and Americans. No other country offers the broad range and depth of technology that exists in the U.S. and none is so adaptable to the specific educational requirements of foreign students. There are over 100,000 students from the Middle East in the U.S. now and almost 90,000 Americans are living in the Middle East.

Trade between the U.S. and the Middle East has increased rapidly since 1973. The import side of this trade has been given wide publicity as the U.S. demand for foreign and increasingly Middle Eastern oil has risen. However, U.S. sales to the area have also grown substantially. U.S. exports to the region were $3.5 billion in 1973 and accounted for 5% of our total exports. By 1977 American sales to the Middle East had jumped to a total of $12.3 billion. Our Middle East customers now purchase over 10% of our total exports. In addition, hundreds of millions of dollars of architectural, consulting, engineering and construction services which do not appear in the above trade figures, are being exported and reduce our trade deficit with the region. The link betwen this market and American employment levels and the importance of these exports to our balance of payments are obvious.

Finally, the key oil-producing nations of the Middle East are increasingly important to the world economy. The rise in oil prices in 1973 demonstrated clearly how oil pricing decisions and the related decisions on production levels can be a major cause of economic dislocation in most countries of the world, from the most industrialized to the least developed. They also play an increasingly positive role in development. By the end of 1977 cumulative OPEC bilateral aid commitments totaled about $26 billion. OPEC countries have also committed substantial amounts of capital—almost $11.5 billion by the end of 1976—to international organizations. Further, they have pledged almost half of the billion dollar capital of the International Fund for Agricultural Development, an organization that is in itself a result of their initiative. These emerging OPEC financial powers soon will enjoy greater voting strength as a result of increased quotas in the IMF.

D. America has long felt a moral and humane commitment to the people of the Middle East to help end a conflict that has caused a generation of suffering and to help remove other obstacles that have impaired social and economic progress.

In the past year in this Administration, we as a nation have redoubled our commitment to a fuller realization around the world of basic human rights. Leaders in the Middle East have repeated to us in many ways at many times that they want to achieve peace so that they can devote their energies and their resources to the well-being of their people. Many of them have a vision of an era of growth and development which could follow a peace agreement. Many of them have asked us to cooperate with them in making that vision a reality. We remain prepared and want very much to provide this cooperation.

PREMISES FOR U.S. POLICY

The preceding analysis of U.S. interests in the Middle East in the 1970's suggests four premises about U.S. policy toward that area in the late 1970's.

First: Because each of our interests in the Middle East is important, the only viable national policy is one which enables us to pursue all of those interests at the same time.

Defining our interests this broadly and recognizing how they are interrelated is the most effective way the U.S. can help strengthen all of its allies and friends. Reciprocally, all of our friends share a common interest in our strength, in our success, and in a strong American role in fostering peace, independence, and growth in the Middle East. This interdependence of all our interests deserves the most serious consideration.

For the United States, the pursuit of all of these interests reflects a coherence of policy in which our moral commitments and our human concerns on the one hand and our strategic and pragmatic national interests on the other are mutually reinforcing.

Second: The experience of the past four years has shown that we are best able to pursue all of those interests simultaneously in circumstances where there is progress toward a peaceful settlement of the Arab-Israeli conflict.

When there is no movement toward a settlement, tension between Israel and the Arab states rises and relations between the U.S. and Arab nations become strained. The assistance increases and there is a corresponding diminution in the U.S. ability to play a role in influencing events. Additionally, Israel becomes increasingly isolated and harmony between the U.S. and its allies is jeopardized. When the U.S. is actively engaged in the peace process and when progress is being made toward achieving agreements as has been the case in the past four years, Israel has enjoyed greater security. When as a consequence, the U.S. can strengthen its ties with all of the important Middle Eastern countries, the momentum toward peace grows and our vital interests become self-reinforcing.

Peace, therefore, is not only the best assurance of a secure and prosperous Israel, but also would strengthen moderate governments in the region and enhance U.S. global interests. It is crucial to the understanding of U.S. policy in the Middle East to recognize that our urgent national commitment to an Arab-Israeli settlement is based both on our enduring commitment to Israel's security and on the fact that peace is a necessity for the U.S. and its allies.

Before leaving this point, I want to address openly a question that deeply concerns many Americans today, as well as our friends in Israel. The question is often put obliquely this way: What kind of U.S. relationship with the Middle East can we see five or ten years from now? On many occasions the real underlying question is: Are we not reducing our support for Israel in favor of the Arab nations?

The answer to the latter question is unequivocally no.

So long as all of our friends in the Middle East share a common interest in peace, in a strong U.S. role in the Middle East and in checking the growth of radical influence, close relations with one party do not mean diminished relations with others. None of our friends, nor we, will gain from a diminished U.S. relationship with any of the key states there. To the contrary, a closer relationship with each party enhances our ability to pursue objections common to all.

It follows from this that, in pursuing all of our interests in the Middle East, including our historic and unchangeable commitment to a strong Israel, our diplomacy must work toward creating conditions and a framework of relationships that make pursuit of these interests complementary. To do otherwise would not be consistent with our moral, strategic or economic interests. We believe our friends have an interest in our success.

Third: There has been a significant shift toward the West in the relations between

principal Middle Eastern nations and the major powers outside the Middle East over the last several years.

Compared with the mid-1950's when the Soviet Union and its Eastern European allies appeared to be in the ascendant and the U.S. position was eroding to a point that most Arab countries broke diplomatic relations with us after the 1967 war, the present position of the U.S. is a significant change for the better. This is not to say that the Soviet Union does not have legitimate interests in the Middle East or that it will not have an important role to play in the future of that area. Our present position does, however, testify to recognition in many of these nations that their economic progress and national independence require a significant relationship with the West.

Entirely apart from political ideology, many Middle Eastern nations have recognized that the West offers the technology and the managerial skills needed to develop their countries, and that U.S. diplomacy can make an essential contribution to a peace which will lift the burden of heavy defense expenditures from their shoulders and let them get on with the constructive work of economic and social development.

While the economic relationship may persist, radical forces could again take advantage of conditions that would follow failure of the peace negotiations. Thus, one thing at stake in the Arab-Israeli negotiations and in cooperation with key Arab countries is the future orientation of the important nations of the Middle East, both in terms of their relationships with the great powers and in the nature of their own political systems. Moderate Arab leaders have turned to the U.S. for cooperation in achieving both peace and development. Their success will limit the role of radical forces. Their degree of success will in turn in large part determine whether Israel faces the future surrounded by radical and hostile states or by nations which are committed to peace and orderly progress.

The fourth premise is that without in any way detracting from our other commitments a definition of U.S. interests in the Middle East must take serious account of the new dimensions of U.S. economic relations with the area.

These economic factors explain why our strategy in the past four years has had two thrusts—not one. The more dramatic has been our high priority drive for an Arab-Israeli settlement. Less dramatic, but of great importance, has been the effort to encourage the broadest possible range of relationships between the economic and social sectors of the U.S. and of the Middle Eastern countries. We have recognized not only the nation's economic need for these relationships, but also the fact that the U.S. presence in the future of the Middle East will be a truly national presence—not just a governmental one.

THE PEACE PROCESS AT PRESENT

Let me turn to one final subject. I know that this Subcommittee has been following closely the progress of effort to promote an Arab-Israel peace settlement. Because of its importance, I want to conclude this statement with a status report.

A year ago we reported that our objective was a comprehensive peace settlement and that we were concentrating our efforts on reconvening the Geneva Conference for negotiation of such a settlement, a concept to which we are still committed. A comprehensive settlement, in fact, remains the objective of all the parties to the conflict. But President Sadat's visit to Israel opened a new approach and historic new opportunities for peace, and since November we have been working with Egypt and Israel to build on that initiative toward a comprehensive peace. We have done this in full recognition that there will be no peace for Israel or its neighbors until there is a peace that encompasses all of them, including the Palestinians.

President Sadat's initiative must be seen in two perspectives:

First: United Nations Security Council Resolution 242 of November, 1967, established the basic equation for peace which has guided negotiators and mediators since. That equation established the proposition that there would be Israeli withdrawal from territories occupied in the 1967 conflict in return for peace and security. Now Egypt has offered peace, acceptance, and negotiations on Israel's security needs. President Sadat's visit to Jerusalem made this offer concrete.

Second: A year ago when President Carter and Secretary Vance conducted their initial consultations with the leaders of Israel, Egypt, Jordan, Syria, Lebanon, and Saudi Arabia, they identified three issues that would need to be dealt with in peace negotiations: the nature of peace, Israeli withdrawal and the security measures that would accompany withdrawal, and the role of the Palestinians. President Sadat's visit to Jerusalem resolved on Egypt's behalf that the nature of peace is to include not only the end of war but the acceptance of Israel and normal relations with it.

The purposes of the negotiations now are to restore the momentum created by President Sadat's November initiative and Prime Minister Begin's responses to it and out of this to develop a framework within which the other Arab parties to the conflict can join the negotiating process and address the questions of peace and normal relations with Israel, Israel can address the issues of security and withdrawal, and the problem of the Palestinians can be resolved in a just, humane, and honorable way.

The focal point of our current consultations with Israel and Egypt is the question of the future of the West Bank and Gaza—those parts of the former Palestine Mandate lying outside Israel's 1967 boundaries—and the role of the Palestinians in resolving this question. This is the key to progress at the present stage of the negotiations. Without some understanding on these issues it will be impossible to achieve the Declaration of Principles which both Egypt and Israel want to govern larger negotiations for a comprehensive settlement between Israel and its neighbors. Our role is to help the parties find a middle ground. In practical terms, that means helping them find a formula whereby a practical solution for the future of the West Bank and Gaza can be negotiated on the basis of all the principles of United Nations Security Council Resolution 242 in a way that will give the Palestinians a voice in the determination of their own future.

Our role in this process is not simply as postman between the two sides. At decisive points in the negotiations, where we see it helpful to move things forward, we have in the past given our own ideas, and we will continue to do so in consultation with the parties. That was the way the agenda for the Political Committee meeting in Jerusalem was resolved last January—our proposal broke the impasse. The current discussion of the Declaration of Principles proceeds from an American working draft written at the request of the two parties. That might occur again, but it would occur with the purpose of helping the parties to define middle ground where they might negotiate agreement. That middle ground would be developed from the positions of the parties, not from an abstract American peace plan.

On the issues being discussed, we have important points of agreement with both sides and points on which we differ.

With Israel there is full agreement that the threats to Israel's security which could come from these areas must be dealt with satisfactorily—both the threat of invasion by conventional military forces and the threat of terrorist and guerrilla attack. We are also agreed that issues as complex as these will require time and careful negotiation, so we suggested a year ago that the first objective should be an interim arrangement, perhaps five years, for the West Bank and Gaza, to give time to work out solutions there. During this period, Israel, Egypt, Jordan and representatives of the Palestinians could work out practical security arrangements that would make it possible to separate the question of Israeli security from the question of sovereignty over the territory. During the same time, these parties would work out arrangements for the political future of the West Bank and Gaza, with provision for obtaining the consent of the people affected to the terms of a final peace treaty.

We have disagreed with Israel in one important area. The current Israeli Government, unlike its predecessors, has not agreed that Resolution 242 involves a prior obligation in principle to withdraw from any West Bank and Gaza territory. Israel has, however, agreed to negotiate with all of its neighbors on the basis of Resolution 242, and we have been discussing with it whether and how those negotiations would deal with the question of withdrawal as it relates to the West Bank and Gaza. Our position is that the issues of security and sovereignty can be separated—as Israel has already agreed to do in its proposal to Egypt on the Sinai. We are not saying that this agreement in principle to withdraw from West Bank and Gaza territory determines the timing and circumstances of actual withdrawal or the final borders, all of which must be negotiated. That would take place only in the context of a final peace treaty embodying commitments to normal peaceful relations and agreed security arrangements, including possible agreed border changes.

It is difficult to see how the negotiations for all these security and political arrangements can go forward until Israel has indicated that the principle of withdrawal in Resolution 242 can be dealt with in the negotiations as applying to this occupied territory. We have been discussing this matter with Israel and are awaiting their views. Until this is clear, neither Jordan nor other Arab representatives will join the negotiations. They, in turn, will have to make clear their willingness to live in peace alongside Israel if negotiations are to succeed.

We and the Arab governments who are key to the peace process agree that the common objective is a peace settlement based on Security Council Resolution 242 which, among other things, recognizes Israel's right to exist as a sovereign state. With Egypt, we have reached agreement that such a settlement should encompass the full range of

normal relations that are customary between states at peace with one another. We and those Arab governments also agree that a settlement must include a just solution of the Palestinian problem in all its aspects. And we agree that all the principles of Resolution 242, including the principle of withdrawal, apply to all fronts where territory was occupied in 1967, including the West Bank and Gaza.

On the other hand, we have made it clear over the past months that we do not agree with some key elements of the position of some Arab states. For instance, we do not agree with their call for a prior commitment of Israel to total withdrawal from every bit of occupied territory. That is not part of Resolution 242. We have also made clear that in our view the future of the West Bank and Gaza lies in close association with Jordan and that an independent Palestinian state harboring irredentist feeling in this truncated territory would not be a realistic or durable solution.

A CONCLUDING WORD

This is a period of dramatic new opportunities for the people of the Middle East and for the relationships between the United States and the Middle East. How we together handle these opportunities may well determine the character of the Middle East, the American role there, and many aspects of the economic health of the world for the remainder of the twentieth century. It is because the stakes are so high that I have taken so much of your time today to analyze them in detail and to present them for your study and discussion. We are also engaged in an intensive effort to discuss them with the American people because it is essential that we enter this period of opportunity with a national consensus on policy and a shared sense of direction.●

PERSONAL EXPLANATION

(Mr. GILMAN asked and was given permission to extend his remarks at this point in the RECORD.)

● Mr. GILMAN. Mr. Speaker, on Thursday, May 25, 1978, I was unavoidably absent for the vote on an amendment to H.R. 9400, a bill pertaining to the civil rights of institutionalized persons. Had I been present, I would have voted "yes" on rollcall No. 379, an amendment to H.R. 9400, reinstating certain coverage for persons in correctional facilities under the terms of the bill.

On May 31, 1978, I was absent part of the legislative day due to previous commitments in my congressional district. Had I been present, I would have voted as follows: H.R. 12598, Foreign Relations Authorization Act, fiscal year 1979, rollcall No. 390, "yes"; an amendment to H.R. 12598 prohibiting use of authorized funds directly or indirectly to effect implementation of the Panama Canal Treaties of 1978 without a specific act of Congress, rollcall No. 389, "yes"; an amendment to H.R. 12598, striking language authorizing establishment of an Institute for International Human Rights, rollcall No. 388, "no"; an amendment to H.R. 12598, striking language authorizing establishment of a Commission on Proposals for a Center for Conflict Resolution, rollcall No. 387, "yes."

On June 5, 1978, I missed part of the day's legislative session due to my attending, as an official member of the U.S. delegation to the United States-Mexican Interparliamentary Conference, conference activities at the White House. Had I been present, I would have voted in the following manner: H.R. 12481, authorizing appropriations for certain insular areas of the United States, rollcall No. 412, "yes"; House Resolution 1191, the rule under which H.R. 12481 was considered, rollcall No. 411, "yes."

On June 7, 1978, I missed a portion of the legislative session while attending, in my capacity as a member of the Board of Visitors of the U.S. Military Academy, commencement exercises at the U.S. Military Academy. Had I been present, I would have voted in the following manner: Rollcall No. 421, approving the Journal of the previous day, "yes;" House Concurrent Resolution 561, providing for the printing of additional copies of the booklet, "The U.S. Capitol," rollcall No. 422, "yes;" Senate Concurrent Resolution 89, providing for the printing of additional copies of Senate hearings transcripts on the Korean investigation, rollcall No. 423, "yes;" H.R. 12930, Treasury-Postal Service appropriations, fiscal year 1979, rollcall No. 426, "yes;" House Resolution 1218, the rule under which H.R. 12930 was considered, rollcall No. 424, "yes;" an amendment to H.R. 12930, restoring the Bureau of Alcohol, Tobacco, and Firearm's request for $4.2 million for implementing regulations for tracing firearms from dealer to ultimate consumer, rollcall No. 425, "no."

I missed the legislative session of Friday, June 9, 1978, while on official leave of absence to attend committee hearings in Florida conducted by the House Select Committee on Narcotics Abuse and Control, of which I am a member. Had I been present, I would have voted in the following manner: House Joint Resolution 945, urgent supplemental appropriations for the black lung program, rollcall No. 434, "yes;" House Resolution 1219, the rule to consider H.R. 12933, Transportation Department appropriations, fiscal year 1979, rollcall No. 435, "yes."●

PERSONAL EXPLANATION

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD.)

● Mr. OTTINGER. Mr. Speaker, yesterday I was unavoidably detained on official business for an hour and missed the vote on final passage of the State, Justice, Commerce, and Judiciary appropriation, H.R. 12934, rollcall No. 454, which passed 359 to 34. Had I been present, I would have voted "aye."●

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MIKVA. Mr. Speaker, I was unable to take part in several rollcall votes on Tuesday and Wednesday, June 13 and 14, 1978. Had I been present, I would have voted as follows:

Rollcall 446, an amendment to cut controllable programs of HEW, "no";

Rollcall 447, on an amendment by Mr. SYMMS to reduced OSHA appropriations, "no";

Rollcall 448, on H.R. 12929, "yea";

Rollcall 449, to resolve into a Committee of the Whole, "yea";

Rollcall 450, to resolve into a Committee of the Whole, "yea";

Rollcall 451, an amendment by Mr. BEARD regarding trade with Cuba, "no";

Rollcall 453, an amendment by Mr. MOORHEAD limiting certain activities of the Legal Services Corporation, "yea";

Roll call 454, on H.R. 12934, "yea";

Rollcall 455, on an amendment by Mr. CONTE to the appropriations bill for the legislative branch, "yea";

Rollcall 456, on an amendment by Mr. ANDERSON, "yea";

Roll 457, on an amendment by Mr. BENJAMIN, "no";

Rollcall 458, an amendment by Mr. ARMSTRONG, "yea";

Rollcall 459, on H.R. 12935, "yea."

EFFECT OF TWO MONEY AMENDMENTS

(Mr. FLOOD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FLOOD. Mr. Speaker, I am submitting today a table for the use of Members and their staffs on H.R. 12929, the fiscal year 1979 appropriation bill for the Departments of Labor, Health, Education, and Welfare and related agencies, which passed the House on Tuesday. Included on the table are the amounts recommended by the committee and approved by the House for each of the many activities funded in the bill. These are compared with the amounts recommended by the President and the amount provided in the previous year for these items. The effect of the two money amendments adopted by the House in debate on the bill are also reflected on the table. Together, they provide for a reduction of $1,397 million from the committee bill. We have not attempted to distribute this cut among the various programs since both amendments allow considerable discretion to the executive branch in achieving the required reduction.

The table follows:

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
SUMMARY					
Title I—Department of Labor:					
Federal funds	$2,142,653,000	$2,464,590,000	$2,466,906,000	+$324,253,000	+$2,316,000
Trust funds	1,530,872,000	1,685,737,000	1,695,737,000	+164,865,000	+10,000,000
Unauthorized, not considered:					
Federal funds	(3,722,162,000)	(11,127,002,000)	(1)		
Trust funds	(33,634,000)	(35,238,000)	(1)		
Title II—Department of Health, Education, and Welfare:					
Federal funds	49,439,582,000	54,379,170,000	54,020,219,000	+4,580,637,000	+358,951,000
Trust funds	2,855,338,000	3,105,466,000	3,050,281,000	+194,943,000	−55,185,000
Unauthorized, not considered:					
Federal funds	(3,949,995,000)	(5,647,455,000)	(1)		
Trust funds	(600,000)	(600,000)			
Title III—Related agencies:					
Federal funds	442,999,000	495,178,000	495,143,000	+52,144,000	−35,000
Trust funds	33,282,000	34,317,000	34,317,000	+1,035,000	
Unauthorized, not considered: Federal funds	(1,068,324,000)	(840,986,000)	(1)		
Sec. 411, 2 percent reduction estimate	0	0	−397,166,000	−397,166,000	−397,166,000
Grand total, all titles:					
Federal funds	52,025,234,000	57,338,938,000	56,585,102,000	+4,559,868,000	−753,836,000
Trust funds	(4,419,492,000)	(4,825,520,000)	(4,780,335,000)	(+360,843,000)	(−45,185,000)
Unauthorized, not considered:					
Federal funds	(8,740,481,000)	(17,615,443,000)	(1)		
Trust funds	(34,234,000)	(35,838,000)	(1)		
TITLE I—DEPARTMENT OF LABOR					
Employment and Training Administration					
Program administration:					
Planning, evaluation and research	5,715,000	5,639,000	(1)		
Comprehensive employment development	49,103,000	47,556,000	(1)		
Trust funds	(2,428,000)	(2,333,000)	(1)		
Apprenticeship services	13,856,000	14,067,000	(1)		
U.S. employment service	708,000	803,000	(1)		
Trust funds	(15,161,000)	(17,044,000)	(1)		
Unemployment insurance service	1,621,000	1,620,000	(1)		
Trust funds	(10,890,000)	(10,313,000)	(1)		
Investigation and compliance	870,000	1,042,000	(1)		
Trust funds	(1,131,000)	(1,368,000)	(1)		
Executive direction and management	18,959,000	19,711,000	(1)		
Trust funds	(4,024,000)	(4,180,000)	(1)		
Subtotal, program administration	124,466,000	125,676,000	(1)		
Federal funds	90,832,000	90,438,000	(1)		
Trust funds	(33,634,000)	(35,238,000)	(1)		
Employment and training assistance (CETA):					
General manpower training (title I)	1,880,000,000	2,026,700,000	(1)		
National projects (title III):					
Training	343,060,000	415,122,000	(1)		
Program support	44,870,000	43,910,000	(1)		
Subtotal	387,930,000	459,032,000	(1)		
Special youth programs (titles III and VIII)		930,896,000	(1)		
Summer youth employment program	756,000,000	740,200,000	(1)		
Job Corps (title IV)	417,000,000	296,000,000	(1)		
Private sector initiative		400,000,000	(1)		
Subtotal, employment and training assistance	3,440,930,000	4,852,828,000	(1)		
Temporary employment assistance (CETA II and VI)		5,955,286,000	(1)		
Community services employment for older Americans	190,400,000	228,450,000	(1)		
Federal unemployment benefits and allowances:					
Payments to former Federal personnel	560,000,000	660,000,000	660,000,000	+100,000,000	
Trade adjustment assistance	240,000,000	190,000,000	190,000,000	−50,000,000	
Unemployment assistance and payments under other Federal unemployment programs	400,000,000	100,000,000	100,000,000	−300,000,000	
Subtotal, FUBA	1,200,000,000	950,000,000	950,000,000	−250,000,000	
Grants to States for unemployment insurance and employment services:					
Unemployment insurance service	(771,100,000)	(804,655,000)	(813,055,000)	(+41,955,000)	(+8,400,000)
Employment services:					
Federal funds	53,600,000	21,600,000	21,600,000	−32,000,000	
Trust funds	(583,500,000)	(646,400,000)	(646,400,000)	(+62,900,000)	
Subtotal, employment services	637,100,000	668,000,000	668,000,000	+30,900,000	
Contingency fund	(174,400,000)	(232,545,000)	(234,145,000)	(+59,745,000)	(+1,600,000)
Subtotal, grants to States	1,582,600,000	1,705,200,000	1,715,200,000	+132,600,000	+10,000,000
Federal funds	53,600,000	21,600,000	21,600,000	−32,000,000	
Trust funds	(1,529,000,000)	(1,683,600,000)	(1,693,600,000)	(+164,600,000)	(+10,000,000)
Advances to unemployment trust fund and other funds		200,000,000	200,000,000	+200,000,000	
Subtotal, Employment and Training Administration	2,782,600,000	2,855,200,000	2,865,200,000	+82,600,000	+10,000,000
Federal funds	1,253,600,000	1,171,600,000	1,171,600,000	−82,000,000	
Trust funds	(1,529,000,000)	(1,683,600,000)	(1,693,600,000)	(+164,600,000)	(+10,000,000)
Unauthorized, not considered	(3,755,796,000)	(11,162,240,000)	(1)		
Federal funds	(3,722,162,000)	(11,127,002,000)	(1)		
Trust funds	(33,634,000)	(35,238,000)	(1)		
Labor-Management Services Administration					
Salaries and expenses:					
Labor-management relations policy and service	3,280,000	3,910,000	3,310,000	+30,000	−600,000
Labor-management standards enforcement	15,026,000	16,418,000	16,418,000	+1,392,000	
Veterans reemployment rights	2,772,000	2,417,000	2,417,000	−355,000	
Federal labor-management relations	5,897,000	6,017,000	6,017,000	+120,000	
Employee benefits security	25,309,000	26,873,000	26,873,000	+1,564,000	
Executive direction, management and support	5,064,000	4,319,000	4,319,000	−745,000	
Subtotal, LMSA	57,348,000	59,954,000	59,354,000	+2,006,000	−600,000

[1] Deferred.

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
TITLE I—DEPARTMENT OF LABOR—Continued					
Employment Standards Administration					
Salaries and expenses:					
Improving and protecting wages	$53,410,000	$62,367,000	$62,367,000	+$8,957,000	
Elimination of discrimination in employment	17,111,000	15,064,000	15,064,000	−2,047,000	
Workers' compensation	36,237,000	29,529,000	29,523,000	−6,708,000	
Trust funds	(265,000)	(320,000)	(320,000)	(+55,000)	
Program development and administration	13,209,000	13,484,000	13,484,000	+275,000	
Subtotal, salaries and expenses	120,232,000	120,764,000	120,764,000	+532,000	
Federal funds	119,967,000	120,444,000	120,444,000	+477,000	
Trust funds	(265,000)	(320,000)	(320,000)	(+55,000)	
Special benefits:					
Federal Employees Compensation Act benefits	292,325,000	228,137,000	228,137,000	−64,188,000	
Disabled coal miners benefits	24,300,000			−24,300,000	
Longshore and harbor workers' benefits	2,735,000	3,063,000	3,063,000	+328,000	
Subtotal, special benefits	319,360,000	231,200,000	231,200,000	−88,160,000	
Black Lung Disability Trust Fund:					
Benefit payments		389,400,000	389,400,000	+389,400,000	
Employment Standards Administration, salaries and expenses		24,555,000	24,555,000	+24,555,000	
Departmental management, salaries and expenses		8,310,000	8,310,000	+8,310,000	
Subtotal, Black Lung Disability Trust Fund		422,265,000	422,265,000	+422,265,000	
Subtotal, Employment Standards Administration	439,592,000	774,229,000	774,229,000	+334,637,000	
Federal funds	439,327,000	773,909,000	773,909,000	+334,582,000	
Trust funds	(265,000)	(320,000)	(320,000)	(+55,000)	
Occupational Safety and Health Administration					
Salaries and expenses:					
Safety and health standards	8,833,000	9,287,000	9,835,000	+1,002,000	+$548,000
Compliance:					
Federal inspections	62,651,000	66,742,000	70,089,000	+7,438,000	+3,347,000
State programs	34,105,000	42,500,000	42,500,000	+8,395,000	
Education, consultation, and information	22,047,000	30,710,000	31,404,000	+9,357,000	+694,000
Safety and health statistics	6,347,000	6,433,000	6,488,000	+141,000	+55,000
Executive direction and administration	5,087,000	7,058,000	7,158,000	+2,071,000	+100,000
Subtotal, OSHA	139,070,000	162,730,000	167,474,000	+28,404,000	+4,744,000
Mine Safety and Health Administration					
Salaries and expenses:					
Enforcement:					
(a) Coal	51,126,000	55,968,000	55,968,000	+4,842,000	
(b) Metal/nonmetal	19,207,000	27,492,000	27,492,000	+8,285,000	
(c) State grants	4,000,000	4,000,000	4,000,000		
(d) Standards development		3,193,000	3,193,000	3,193,000	
Assessments	3,534,000	6,207,000	6,207,000	+2,673,000	
Education and training	6,204,000	6,404,000	6,404,000	+200,000	
Technical support	16,252,000	17,531,000	17,531,000	+1,279,000	
Program administration	2,531,000	2,705,000	2,705,000	+174,000	
Subtotal, Mine Safety and Health Administration	102,854,000	123,500,000	123,500,000	+20,646,000	
Bureau of Labor Statistics					
Salaries and expenses:					
Labor force statistics	33,780,000	36,471,000	36,471,000	+2,691,000	
Prices and cost of living	20,839,000	30,717,000	30,717,000	+9,878,000	
Wages and industrial relations	12,759,000	13,826,000	13,628,000	+869,000	−198,000
Productivity and technology	3,087,000	3,185,000	3,185,000	+98,000	
Economic growth	766,000	780,000	780,000	+14,000	
Executive direction and staff services	10,799,000	9,971,000	9,971,000	−828,000	
Revision of the consumer price index	3,685,000			−3,685,000	
Subtotal, Bureau of Labor Statistics	85,715,000	91,950,000	91,752,000	+9,037,000	−198,000
Departmental Management					
Salaries and expenses:					
Executive direction	10,131,000	11,080,000	9,580,000	−551,000	−1,500,000
Legal services	23,266,000	27,606,000	27,606,000	+4,340,000	
Trust funds	(182,000)	(188,000)	(188,000)	(+6,000)	
International labor affairs	7,497,000	9,123,000	9,123,000	+1,626,000	
Administration and management	17,642,000	20,783,000	20,783,000	+3,141,000	
Trust funds	(1,097,000)	(1,211,000)	(1,211,000)	(+114,000)	
Adjudication	4,628,000	3,805,000	3,805,000	−823,000	
Trust funds	(328,000)	(418,000)	(418,000)	(+90,000)	
Promoting employment of the handicapped	1,505,000	1,616,000	1,616,000	+111,000	
Women's Bureau		2,525,000	2,525,000	+2,525,000	
Minimum Wage Study Commission		1,209,000	1,209,000	+1,209,000	
Subtotal, salaries and expenses	66,276,000	79,564,000	78,064,000	+11,788,000	−1,500,000
Federal funds	64,669,000	77,747,000	76,247,000	+11,578,000	−1,500,000
Trust funds	(1,607,000)	(1,817,000)	(1,817,000)	(+210,000)	
Special foreign currency program	70,000	200,000	70,000		−130,000
Subtotal, departmental management	66,346,000	79,764,000	78,134,000	+11,788,000	−1,630,000
Federal funds	64,739,000	77,947,000	76,317,000	+11,578,000	−1,630,000
Trust funds	(1,607,000)	(1,817,000)	(1,817,000)	(+210,000)	
Total, Labor Department	3,673,525,000	4,150,327,000	4,162,643,000	+489,118,000	+12,316,000
Federal funds	2,142,653,000	2,464,590,000	2,466,906,000	+324,253,000	+2,316,000
Trust funds	(1,530,872,000)	(1,685,737,000)	(1,695,737,000)	(+164,865,000)	(+10,000,000)
Total, unauthorized, not considered	(3,755,796,000)	(11,162,240,000)	(1)		
Federal funds	(3,722,162,000)	(11,127,002,000)	(1)		
Trust funds	(33,634,000)	(35,238,000)	(1)		

[1] Deferred.

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
Health Services Administration					
Community health services:					
Community health centers	$15,000,000	$15,000,000	$15,000,000	----------	----------
Unauthorized, not considered	247,000,000	286,000,000	(1)	----------	----------
Comprehensive health grants to States:					
Basic grants	90,000,000	90,000,000	(1)	----------	----------
Advance for 1980	----------	90,000,000	(1)	----------	----------
Hypertension	11,000,000	11,000,000	(1)	----------	----------
Advance for 1980	----------	11,000,000	(1)	----------	----------
Subtotal	101,000,000	202,000,000	(1)	----------	----------
Maternal and child health:					
Grants to States	332,500,000	345,500,000	345,500,000	+$13,000,000	----------
Advance for 1980	----------	345,500,000	(1)	----------	----------
Sudden infant death information dissemination	2,802,000	2,802,000	(1)	----------	----------
Research and training	29,354,000	29,354,000	30,354,000	+1,000,000	+$1,000,000
Subtotal, Maternal and child health	361,854,000	374,854,000	375,854,000	+14,000,000	+1,000,000
Unauthorized, not considered	(2,802,000)	(348,302,000)	(1)	----------	----------
Genetic information and counseling	4,000,000	4,000,000	(1)	----------	----------
Family planning	135,000,000	145,000,000	(1)	----------	----------
Migrant health	34,500,000	34,500,000	(1)	----------	----------
National Health Service Corps	42,565,000	57,000,000	57,000,000	+14,435,000	----------
Unauthorized, not considered	----------	5,947,000	(1)	----------	----------
NHSC, private practice grants	----------	----------	1,000,000	+1,000,000	+1,000,000
Hemophilia treatment centers	3,000,000	3,000,000	(1)	----------	----------
Home health services	6,000,000	6,000,000	(1)	----------	----------
Program support	26,134,000	29,263,000	29,863,000	+3,729,000	+600,000
Subtotal, community health	445,553,000	476,117,000	478,717,000	+33,164,000	+2,600,000
Unauthorized, not considered	(533,302,000)	(1,034,749,000)	(1)	----------	----------
Health care services and systems:					
Patient care and speical health services:					
Hospitals and clinics	176,602,000	152,450,000	152,504,000	−24,098,000	----------
Federal employee health	680,000	686,000	686,000	+6,000	----------
Construction and modernization	15,000,000	----------	----------	−15,000,000	----------
Payment to Hawaii	1,400,000	1,400,000	1,400,000	----------	----------
Subtotal	192,682,000	154,590,000	154,590,000	−39,092,000	----------
Emergency medical services	33,700,000	33,700,000	33,700,000	----------	----------
Unauthorized, not considered	8,925,000	8,925,000	(1)	----------	----------
Program support	6,264,000	6,759,000	7,059,000	+795,000	+300,000
Subtotal, health care services and systems	233,646,000	195,049,000	195,349,000	−38,297,000	+300,000
Unauthorized, not considered	(8,925,000)	(8,925,000)	(1)	----------	----------
Program management	6,424,000	7,026,000	7,026,000	+602,000	----------
Subtotal, health services	685,623,000	678,192,000	681,092,000	−4,531,000	+2,900,000
Unauthorized, not considered	(542,227,000)	(1,043,674,000)	(1)	----------	----------
Center for Disease Control					
Disease control:					
Project grants:					
Venereal disease	32,000,000	32,000,000	(1)	----------	----------
Immunization	23,000,000	35,000,000	(1)	----------	----------
Rat control	13,000,000	13,000,000	(1)	----------	----------
Lead-based paint poisoning prevention	10,250,000	10,250,000	(1)	----------	----------
Disease surveillance	56,042,000	59,711,000	60,211,000	+4,169,000	+500,000
Laboratory improvements	18,697,000	18,956,000	18,956,000	+259,000	----------
Health education	4,580,000	12,560,000	12,560,000	+7,980,000	----------
Occupational safety and health:					
Research:					
Grants	3,900,000	3,900,000	6,400,000	+2,500,000	+2,500,000
Intramural program	40,497,000	41,114,000	41,114,000	+617,000	----------
Training	8,355,000	8,399,000	10,799,000	+2,444,000	+2,400,000
Program support	3,513,000	3,681,000	3,681,000	+168,000	----------
Subtotal	56,265,000	57,094,000	61,994,000	+5,729,000	+4,900,000
Buildings and facilities	----------	1,912,000	1,912,000	+1,912,000	----------
Program management	3,366,000	3,427,000	3,427,000	+61,000	----------
Subtotal, preventive health	138,950,000	153,660,000	159,060,000	+20,110,000	+5,400,000
Unauthorized not considered	(78,250,000)	(90,250,000)	(1)	----------	----------
National Institutes of Health					
National Cancer Institute	852,384,000	858,392,000	889,192,000	+36,808,000	+30,800,000
Unauthorized, not considered (sec. 472)	19,886,000	20,410,000	(1)	----------	----------
National Heart, Lung and Blood Institute	425,221,000	432,184,000	485,584,000	+60,363,000	+53,400,000
Unauthorized, not considered (sec. 472)	22,705,000	22,152,000	(1)	----------	----------
National Institute of Dental Research	57,520,000	57,841,000	63,841,000	+6,321,000	+6,000,000
Unauthorized, not considered (sec. 472)	4,198,000	4,198,000	(1)	----------	----------
National Institute of Arthritis, Metabolism, and Digestive Diseases	243,469,000	249,369,000	287,869,000	+44,400,000	+38,500,000
Unauthorized, not considered (sec. 472)	16,777,000	17,877,000	(1)	----------	----------
National Institute of Neurological and Communicative Disorders and Stroke	171,092,000	173,610,000	188,910,000	+17,818,000	+15,300,000
Unauthorized, not considered (sec. 472)	7,322,000	7,322,000	(1)	----------	----------
National Institute of Allergy and Infectious Diseases	155,103,000	159,798,000	183,198,000	+28,095,000	+23,400,000
Unauthorized, not considered (sec. 472)	7,223,000	7,001,000	(1)	----------	----------
National Institute of General Medical Sciences	196,343,000	185,092,000	225,092,000	+28,749,000	+40,000,000
Unauthorized, not considered (sec. 472)	34,364,000	49,320,000	(1)	----------	----------
National Institute of Child Health and Human Development	91,249,000	108,855,000	119,005,000	+27,755,000	+10,150,000
Unauthorized, not considered (sec. 472, title X)	75,131,000	90,076,000	(1)	----------	----------
National Institute of Aging	34,896,000	35,926,000	54,526,000	+19,630,000	+18,600,000
Unauthorized, not considered (sec. 472)	2,390,000	1,984,000	(1)	----------	----------
National Eye Institute	80,749,000	82,449,000	100,549,000	+19,800,000	+18,100,000
Unauthorized, not considered (sec. 472)	4,643,000	3,979,000	(1)	----------	----------
National Institute of Environmental Health Sciences	58,715,000	63,927,000	73,227,000	+14,512,000	+9,300,000
Unauthorized, not considered (sec. 472)	5,485,000	5,320,000	(1)	----------	----------

[1] Deferred.

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
National Institutes of Health—Continued					
Research resources	$144,539,000	$148,499,000	$152,899,000	+$8,360,000	+$4,400,000
Unauthorized, not considered (sec. 472)	515,000	550,000	(1)		
John E. Fogarty International Center	8,465,000	8,489,000	8,789,000	+324,000	+300,000
Subtotal, biomedical research	2,519,745,000	2,564,431,000	2,832,681,000	+312,936,000	+268,250,000
Subtotal, unauthorized, not considered	(200,639,000)	(230,192,000)	(1)		
National Library of Medicine	29,546,000	31,787,000	31,887,000	+2,341,000	+100,000
Unauthorized, not considered	(7,987,000)	(7,987,000)	(1)		
Office of the Director	18,894,000	19,373,000	19,673,000	+779,000	+300,000
Buildings and facilities	65,650,000	30,950,000	67,950,000	+2,300,000	+37,000,000
Subtotal, National Institute of Health	2,633,835,000	2,646,541,000	2,952,191,000	+318,356,000	+305,650,000
Subtotal, unauthorized, not considered	(208,626,000)	(238,179,000)	(1)		
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION					
General mental health:					
Research	107,591,000	129,371,000	123,371,000	+15,780,000	−6,000,000
Unauthorized, not considered (Rape Center)	4,436,000	6,000,000	(1)		
Training	68,263,000	68,263,000	69,263,000	+1,000,000	+1,000,000
Unauthorized, not considered (sec. 472)	16,137,000	18,691,000	(1)		
Community programs:					
Community support	7,600,000	7,600,000	7,600,000		
Operations: first year	30,489,000		(1)		
Continuation:					
Grants initiated under new law	64,628,000	104,694,000	104,694,000	+40,066,000	
Converted staffing grants	62,105,000	104,450,000	104,450,000	+42,345,000	
Conversion	19,372,000	24,366,000	(1)		
Consultation and education	8,245,000	7,438,000	(1)		
Financial distress	5,488,000	2,220,000	(1)		
Continuations under old law:					
Staffing	58,115,000	23,596,000	23,596,000	−34,519,000	
Child mental health	20,599,000	17,319,000	17,319,000	−3,280,000	
Subtotal, community programs	213,047,000	257,659,000	257,659,000	+44,612,000	
Program support	29,817,000	31,173,000	31,173,000	+1,356,000	
Subtotal, mental health	418,718,000	486,466,000	481,466,000	+62,748,000	−5,000,000
Subtotal, unauthorized, not considered	(84,167,000)	(58,715,000)	(1)		
Drug abuse:					
Research	34,139,000	45,930,000	39,930,000	+5,791,000	−6,000,000
Training	9,379,000	9,379,000	9,379,000		
Unauthorized, not considered (sec. 472)	621,000	784,000	(1)		
Community programs:					
Project grants and contracts	161,000,000	161,000,000	(1)		
Grants to States	40,000,000	40,000,000	(1)		
Program support	16,960,000	18,178,000	18,178,000	+1,218,000	
Subtotal, drug abuse	60,478,000	73,487,000	67,487,000	+7,009,000	−6,000,000
Unauthorized, not considered	(201,621,000)	(201,784,000)	(1)		
Alcoholism:					
Research	16,199,000	21,197,000	22,197,000	+5,998,000	+1,000,000
Training	5,052,000	5,052,000	5,052,000		
Unauthorized, not considered (sec. 472)	2,148,000	2,350,000	(1)		
Community programs:					
Project grants and contracts	78,706,000	78,706,000	78,706,000		
Grants to States	56,800,000	56,800,000	56,800,000		
Program support	9,731,000	10,202,000	10,202,000	+471,000	
Subtotal, alcoholism	166,488,000	171,957,000	172,957,000	+6,469,000	+1,000,000
Unauthorized, not considered	(2,148,000)	(2,350,000)	(1)		
Buildings and facilities	350,000			−350,000	
Program management	7,730,000	8,112,000	8,112,000	+382,000	
Subtotal, alcohol, drug abuse and mental health	653,764,000	740,022,000	730,022,000	+76,258,000	−10,000,000
St. Elizabeths Hospital	74,171,000	75,824,000	75,824,000	+1,653,000	
Construction and renovation (SEH)	2,010,000			−2,010,000	
Subtotal, ADAMHA	729,945,000	815,846,000	805,846,000	+75,901,000	−10,000,000
Unauthorized, not considered	(287,936,000)	(262,849,000)	(1)		
Health Resources Administration					
Health planning and resources development:					
Health planning:					
Local agencies	107,000,000	115,400,000	(1)		
State agencies	29,500,000	30,000,000	(1)		
Planning methods/centers	6,500,000	6,900,000	(1)		
Subtotal, unauthorized, not considered	(143,000,000)	(152,300,000)	(1)		
Special medical facilities	2,750,000			−2,750,000	
Program support	11,474,000	11,882,000	11,882,000	+408,000	
Subtotal, planning and resources	14,224,000	11,882,000	11,882,000	−2,342,000	
Unauthorized, not considered	(143,000,000)	(152,300,000)	(1)		
Health professions education:					
Health professions institutional assistance:					
Capitation grants	144,000,000	87,300,000	147,100,000	+3,100,000	+59,800,000
(MOD)	(120,100,000)	(81,400,000)	(120,100,000)		(+38,700,000)
(VOPP)	(18,000,000)		(18,000,000)		(+18,000,000)
(Public Health)	(5,900,000)	(5,900,000)	(9,000,000)	(+3,100,000)	(+3,100,000)
Startup assistance	2,000,000	1,100,000	5,000,000	+3,000,000	+3,900,000
Financial distress	3,000,000	2,000,000	5,000,000	+2,000,000	+3,000,000
Subtotal, institutional	149,000,000	90,400,000	157,100,000	+8,100,000	+66,700,000

(1) Deferred.

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION—Continued					
Health professions education—Continued					
Health professions student assistance:					
Loans	$20,000,000		$10,000,000	−$10,000,000	+$10,000,000
Loan repayments	1,500,000	$1,500,000	1,500,000		
National health service scholarships	60,000,000	60,000,000	75,000,000	+15,000,000	+15,000,000
Exceptional need scholarships	5,000,000	5,000,000	9,000,000	+4,000,000	+4,000,000
Subtotal, student assistance	86,500,000	66,500,000	95,500,000	+9,000,000	+29,000,000
Health professions special educational assistance:					
Family medical residencies and training	45,000,000	45,000,000	45,000,000		
Primary care residencies and training	15,000,000	16,000,000	17,500,000	+2,500,000	+1,500,000
Interdisciplinary training	3,500,000	1,781,000	4,281,000	+781,000	+2,500,000
Physicians/dental extenders	9,100,000	9,100,000	9,100,000		
Area health education centers	17,000,000	18,000,000	18,000,000	+1,000,000	
Disadvantaged assistance	15,000,000	17,000,000	19,000,000	+4,000,000	+2,000,000
Foreign medical graduates	2,000,000	1,000,000	1,000,000	−1,000,000	
Emergency medical training	6,000,000		6,000,000		+6,000,000
National Advisory Committee on Graduate Medical Education	1,000,000	1,000,000	1,000,000		
Supply and distribution reports	1,000,000	5,400,000	5,400,000	+4,400,000	
Subtotal special programs	114,600,000	114,281,000	126,281,000	+11,681,000	+12,000,000
Health teaching facilities:					
Grants	8,500,000			−8,500,000	
Interest subsidies	2,000,000	3,000,000	3,000,000	+1,000,000	
Dental health education	6,000,000	4,000,000	4,000,000	−2,000,000	
Nursing institutional assistance:					
Capitation grants	30,000,000		(1)		
Advanced nurse training	12,000,000		(1)		
Nurse practitioner training	13,000,000	13,000,000	(1)		
Special projects	15,000,000	7,500,000	(1)		
Unauthorized, not considered	(70,000,000)	(20,500,000)	(1)		
Nursing student assistance:					
Loans	22,500,000		(1)		
Scholarships	9,000,000		(1)		
Traineeships	13,000,000		(1)		
Loan repayment	1,500,000		(1)		
Felowships	1,000,000		(1)		
Subtotal, unauthorized, not considered					
Nursing research	5,000,000		5,000,000		+5,000,000
Subtotal, nursing programs	5,000,000		5,000,000		+5,000,000
Unauthorized, not considered	(117,000,000)	(20,500,000)	(1)		
Allied health	19,500,000	7,900,000	13,000,000	−6,500,000	+5,100,000
Public health:					
Special projects and health administration	5,000,000	5,000,000	5,000,000		
Public health traineeships	7,000,000	1,100,000	5,100,000	−1,900,000	+4,000,000
Health administration graduate programs	3,000,000	1,500,000	3,000,000		+1,500,000
Health administration traineeships	1,500,000	1,000,000	1,000,000	−500,000	
Subtotal, public health	16,500,000	8,600,000	14,100,000	−2,400,000	+5,500,000
Program support	19,624,000	19,908,000	19,908,000	+284,000	
Subtotal, health manpower	427,224,000	314,589,000	437,889,000	+10,665,000	+123,300,000
Unauthorized, not considered	(117,000,000	(20,500,000)	(1)		
Program management	12,910,000	13,241,000	13,241,000	+331,000	
Subtotal, health resources	454,358,000	339,712,000	463,012,000	+8,654,000	+123,300,000
Unauthorized, not considered	(260,000,000)	(172,800,000)	(1)		
Payments of sales insufficiencies	2,592,000	2,412,000	2,412,000	−180,000	
Medical facilities guarantee and loan fund	41,000,000	42,000,000	42,000,000	+1,000,000	
Subtotal, Health Resources Administration	497,950,000	384,124,000	507,424,000	+9,474,000	+123,300,000
Unauthorized, not considered	(260,000,000)	(172,800,000)	(1)		
Assistant Secretary for Health					
Program operations:					
Health statistics:					
National health surveys and analysis	23,255,000	23,432,000	(1)		
Cooperative health statistics	11,923,000	16,759,000	(1)		
Program support	2,893,000	3,246,000	3,246,000	+353,000	
Subtotal	2,893,000	3,246,000	3,246,000	+353,000	
Subtotal, unauthorized, not considered	(35,178,000)	(40,191,000)	(1)		
Health services research:					
Research	26,169,000	23,812,000	(1)		
Program support	7,110,000	7,248,000	7,248,000	+138,000	
Subtotal	7,110,000	7,248,000	7,248,000	+138,000	
Health maintenance organizations:					
Grants and contracts	14,650,000	10,060,000	10,060,000	−4,590,000	
Unauthorized, not considered (feasibility)	6,450,000	15,850,000	(1)		
Program support	5,062,000	6,297,000	6,297,000	+1,235,000	
Subtotal	19,712,000	16,357,000	16,357,000	−3,355,000	
Unauthorized, not considered	(6,450,000)	(15,850,000)	(1)		
Special health programs:					
Health information and promotion	1,716,000	1,415,000	1,415,000	−301,000	
Physical fitness and sports	818,000	818,000	1,018,000	+200,000	+200,000

[1] Deferred.

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION—Continued					
Assistant Secretary for Health—Continued					
Program operations—Continued					
Health practices assessment	$786,000	$786,000	$786,000	----------	----------
Special initiatives	900,000	900,000	900,000	----------	----------
Subtotal	4,220,000	3,919,000	4,119,000	−$101,000	+$200,000
Subtotal, Public Health Service operations	33,935,000	30,770,000	30,970,000	−2,965,000	+200,000
Unauthorized, not considered	(67,797,000)	(79,853,000)	(1)	----------	----------
Public health service management:					
Regional management	5,222,000	5,313,000	5,313,000	+91,000	----------
Program direction and support services	15,916,000	16,235,000	16,235,000	+319,000	----------
Less trust fund transfer	−90,000	----------	----------	+90,000	----------
Subtotal, public health service management	21,048,000	21,548,000	21,548,000	+500,000	----------
Subtotal, Assistant Secretary for Health	54,983,000	52,318,000	52,518,000	−2,465,000	+200,000
Unauthorized, not considered	(67,797,000)	(79,853,000)	(1)	----------	----------
Retirement pay and medical benefits for commissioned officers	56,948,000	65,083,000	65,083,000	+8,135,000	----------
Scientific activities overseas	11,387,000	11,387,000	11,387,000	----------	----------
Total, health	4,809,621,000	4,807,151,000	5,234,601,000	+424,980,000	+427,450,000
Unauthorized, not considered	(1,444,836,000)	(1,887,605,000)	(1)	----------	----------
HEALTH CARE FINANCING ADMINISTRATION					
Grants to States for medicaid:					
Medical vendor payments	10,124,000,000	10,929,000,000	10,841,000,000	+717,000,000	−88,000,000
State and local administration	575,000,000	674,000,000	674,000,000	+99,000,000	----------
Subtotal	10,699,000,000	11,603,000,000	11,515,000,000	+816,000,000	−88,000,000
Payments to health care trust funds:					
Military service credit	143,000,000	141,000,000	141,000,000	−2,000,000	----------
Supplemental medical insurance	6,383,000,000	6,853,064,000	6,853,064,000	+470,064,000	----------
Hospital insurance for uninsured	687,941,000	733,849,000	733,849,000	+45,908,000	----------
Professional standards review organizations (PSRO activities for medicaid)	29,000,000	36,000,000	29,000,000	----------	−7,000,000
Subtotal	7,242,941,000	7,763,913,000	7,756,913,000	+513,972,000	−7,000,000
Quality care management, research and administration:					
Professional standards review organization	64,866,000	82,720,000	64,866,000	----------	−17,854,000
Less trust fund transfer	−34,934,000	−39,923,000	−34,934,000	----------	+4,989,000
Subtotal, PSRO, Federal funds	29,932,000	42,797,000	29,932,000	----------	−12,865,000
Research, demonstration and evaluation programs	27,120,000	31,833,000	27,500,000	+380,000	−4,333,000
Less trust fund transfer	−13,378,000	−18,091,000	−31,750,000	−372,000	+4,341,000
Subtotal, research, Federal funds	13,742,000	13,742,000	13,750,000	+8,000	+8,000
Administrative costs	705,578,000	813,345,000	812,145,000	+106,567,000	−1,200,000
Less trust fund transfer	−656,323,000	−754,815,000	−754,215,000	−97,892,000	+600,000
Subtotal, administrative costs, Federal funds	49,255,000	58,530,000	57,930,000	+8,675,000	−600,000
Subtotal, quality care management, research, and administration:					
Federal funds	92,929,000	115,069,000	101,612,000	+8,683,000	−13,457,000
Trust funds	(704,635,000)	(812,829,000)	(802,899,000)	(+98,264,000)	(−9,930,000)
Subtotal, Health Care Financing Administration: New budget (obligational) authority	18,034,870,000	19,481,982,000	19,373,525,000	+1,338,655,000	−108,457,000
Education Division—Office of Education					
Elementary and secondary education					
Grants for disadvantaged children (title I):					
Grants to local educational agencies	2,372,760,000	2,587,661,000	2,686,661,000	+313,901,000	+99,000,000
State agency programs	322,500,000	344,500,000	344,500,000	+22,000,000	----------
State administration	27,490,000	30,515,000	31,515,000	+4,025,000	+1,000,000
Evaluation and studies	12,250,000	16,144,000	16,144,000	+3,894,000	----------
Subtotal	2,735,000,000	2,978,820,000	3,078,820,000	+343,820,000	+100,000,000
Support and innovation grants:					
Basic grants	190,000,000	190,000,000	190,000,000	----------	----------
Hold harmless grants	7,400,000	7,400,000	7,400,000	----------	----------
Subtotal	197,400,000	197,400,000	197,400,000	----------	----------
Bilingual education:					
Grants to school districts	81,000,000	81,000,000	89,000,000	+8,000,000	+8,000,000
Training grants:					
Inservice training	12,975,000	12,975,000	13,350,000	+375,000	+375,000
Other	24,000,000	28,000,000	29,625,000	+5,625,000	+1,625,000
Subtotal	36,975,000	40,975,000	42,975,000	+6,000,000	+2,000,000
Materials	10,000,000	10,000,000	10,000,000	----------	----------
Grants to State agencies	4,375,000	4,375,000	4,875,000	+500,000	+500,000
Advisory council	150,000	150,000	150,000	----------	----------
Information clearinghouse	500,000	1,000,000	1,000,000	+500,000	----------
Model replication and studies	2,000,000	12,500,000	2,000,000	----------	−10,500,000
Subtotal, bilingual education	135,000,000	150,000,000	150,000,000	+15,000,000	----------
Right to Read	27,000,000	27,000,000	27,000,000	----------	----------
Follow Through	59,000,000	35,000,000	(1)	----------	----------
Drug abuse education	2,000,000	2,000,000	(1)	----------	----------
Environmental education	3,500,000	3,500,000	(1)	----------	----------

[1] Deferred.

H.R. 12929—LABOR HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
HEALTH CARE FINANCING ADMINISTRATION—Continued					
Education Division—Office of Education—Continued					
Elementary and secondary education—Continued					
Educational broadcasting facilities	$19,000,000	$1,000,000	(1)		
Ellender fellowships	750,000		$750,000		+$750,000
Ethnic heritage studies	2,300,000		2,300,000		+2,300,000
Subtotal, elementary and secondary education	3,097,450,000	3,353,220,000	3,456,270,000	+$358,820,000	+103,050,000
Unauthorized, not considered	(83,500,000)	(41,500,000)	(1)		
School assistance in federally affected areas					
Maintenance and operations:					
Payments for "A" children	300,000,000	337,000,000	337,000,000	+37,000,000	
Payments for "B" children	357,000,000	374,300,000	374,300,000	+17,300,000	
Special provisions	16,600,000	16,600,000	16,600,000		
Payments to other Federal agencies	57,700,000	63,500,000	63,500,000	+5,800,000	
Hold harmless	38,700,000	20,000,000	20,000,000	−18,700,000	
Subtotal	770,000,000	811,400,000	811,400,000	+41,400,000	
Construction	30,000,000	33,000,000	33,000,000	+3,000,000	
Disaster assistance		12,000,000	12,000,000	+12,000,000	
Subtotal	800,000,000	856,400,000	856,400,000	+56,400,000	
Emergency school aid					
National competition projects:					
Bilingual education projects	8,600,000	8,600,000	8,600,000		
Educational television	6,450,000	6,450,000	6,450,000		
Special programs and projects	51,250,000	65,000,000	62,000,000	+10,750,000	−3,000,000
Evaluation	2,150,000	2,900,000	2,900,000	+750,000	
Magnet schools	20,000,000	20,000,000	20,000,000		
State apportioned projects:					
Pilot programs	32,250,000	32,250,000	32,250,000		
Grants to nonprofit organizations	17,200,000	17,200,000	17,200,000		
General grants to school districts	137,600,000	137,600,000	137,600,000		
Subtotal, ESA projects	275,500,000	290,000,000	287,000,000	+11,500,000	−3,000,000
Civil rights training and advisory services	34,700,000	42,700,000	40,000,000	+5,300,000	−2,700,000
Subtotal, emergency school aid	310,200,000	332,700,000	327,000,000	+16,800,000	−5,700,000
Education for the handicapped					
State assistance:					
State grant program	465,000,000	804,000,000	804,000,000	+339,000,000	
Deaf-blind centers	16,000,000	16,000,000	16,000,000		
Preschool incentive grants	15,000,000	15,000,000	15,000,000		
Subtotal, State assistance	496,000,000	835,000,000	835,000,000	+339,000,000	
Special population programs:					
Severely handicapped projects	5,000,000	5,000,000	5,000,000		
Early childhood education	22,000,000	22,000,000	22,000,000		
Subtotal, special population programs	27,000,000	27,000,000	27,000,000		
Regional vocational, adult, and postsecondary programs	2,400,000	2,400,000	2,400,000		
Innovation and development	20,000,000	20,000,000	20,000,000		
Media and resource services:					
Media services and captioned films	19,000,000	19,000,000	19,000,000		
Regional resource centers	9,750,000	9,750,000	9,750,000		
Recruitment and information	1,000,000	1,000,000	1,000,000		
Subtotal, media and resource services	29,750,000	29,750,000	29,750,000		
Special education manpower development	45,375,000	55,375,000	55,375,000	+10,000,000	
Special studies	2,300,000	2,300,000	2,300,000		
Subtotal, Education for the handicapped	622,825,000	971,825,000	971,825,000	+349,000,000	
Occupational, vocational, and adult education					
Vocational education:					
Grants to States for vocational education:					
Basic grants	430,266,000	430,266,000	449,266,000	+19,000,000	+19,000,000
Program improvement supportive services	107,567,000	107,567,000	112,317,000	+4,750,000	+4,750,000
Programs for students with special needs	20,000,000	20,000,000	20,000,000		
Consumer and homemaking education	40,994,000	33,994,000	40,994,000		+7,000,000
State advisory councils	5,066,000	5,066,000	6,073,000	+1,007,000	+1,007,000
State planning			5,000,000	+5,000,000	+5,000,000
Subtotal, State grants	603,893,000	596,893,000	633,650,000	+29,757,000	+36,757,000
Programs of national significance	28,307,000	28,307,000	29,557,000	+1,250,000	+1,250,000
Bilingual vocational training	2,800,000	2,800,000	2,800,000		
Subtotal, vocational education 78–79	635,000,000	628,000,000	666,007,000	+31,007,000	+38,007,000
Adult education	90,750,000	90,750,000	100,000,000	+9,250,000	+9,250,000
Subtotal, occupational, vocational and adult education	725,750,000	718,750,000	766,007,000	+40,257,000	+47,257,000
Student assistance					
Basic educational opportunity grants:					
Grants	2,140,000,000	3,130,600,000	3,363,600,000	+1,223,600,000	+233,000,000
Administration	20,000,000	26,900,000	26,900,000	+6,900,000	
Institutional allowances		9,500,000	9,500,000	+9,500,000	
Subtotal	2,160,000,000	3,167,000,000	3,400,000,000	+1,240,000,000	+233,000,000
Supplemental educational opportunity grants	270,093,000	270,093,000	340,100,000	+70,007,000	+70,007,000
Work-study	435,000,000	600,000,000	520,000,000	+85,000,000	−80,000,000

[1] Deferred.

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
HEALTH CARE FINANCING ADMINISTRATION—Continued					
Student assistance—Continued					
Direct loans:					
Federal capital contributions	$310,500,000	$286,000,000	$310,500,000		+$24,500,000
Teacher cancellations	15,160,000	18,400,000	18,400,000	+$3,240,000	
Subtotal	325,660,000	304,400,000	328,900,000	+3,240,000	+24,500,000
Incentive grants for State scholarships	63,750,000	76,750,000	86,750,000	+23,000,000	+10,000,000
Subtotal, student assistance	3,254,503,000	4,418,243,000	4,675,750,000	+1,421,247,000	+257,507,000
Higher and continuing education					
Special programs for the disadvantaged (TRIO)	115,000,000	115,000,000	140,000,000	+25,000,000	+25,000,000
Education information centers	2,000,000		3,000,000	+1,000,000	+3,000,000
Institutional assistance:					
Strengthening developing institutions	120,000,000	120,000,000	120,000,000		
Language training and area studies	18,000,000	18,000,000	20,000,000	+2,000,000	+2,000,000
University community services	18,000,000		18,000,000		+18,000,000
State postsecondary education commissions	3,500,000		3,500,000		+3,500,000
Veterans cost of instruction	23,750,000	19,000,000	19,000,000	−4,750,000	
Cooperative education	15,000,000	4,000,000	10,000,000	−5,000,000	+6,000,000
Construction—annual interest grants	4,000,000	29,000,000	29,000,000	+25,000,000	
Construction grants		50,000,000			−50,000,000
Continuing education demonstration centers			500,000	+500,000	+500,000
Subtotal, institutional assistance	202,250,000	240,000,000	220,000,000	+17,750,000	−20,000,000
Personnel development:					
Graduate professional opportunities	3,250,000	8,000,000	8,000,0000	+4,750,000	
Legal training for disadvantaged (CLEO)	1,000,000	1,000,000	1,000,000		
Public service fellowships	4,000,000		4,000,000		+4,000,000
Mining fellowships	4,500,000		4,500,000		+4,500,000
Law school clinical experience	1,000,000		2,000,000	+1,000,000	+2,000,000
Subtotal, personnel development	13,750,000	9,000,000	19,500,000	+5,750,000	+10,500,000
Wayne Morse Chair on Law and Politics	500,000			−500,000	
Hubert Humphrey Institute and Dirksen Center		7,500,000	7,500,000	+7,500,000	
Subtotal, higher and continuing education	333,500,000	371,500,000	390,000,000	+56,500,000	+18,500,000
Library resources					
Public libraries	60,237,000	60,237,000	65,000,000	+4,763,000	+4,763,000
School libraries and instructional resources	167,600,000	167,600,000	175,000,000	+7,400,000	+7,400,000
College library resources	9,975,000		9,975,000		+9,975,000
Research libraries	5,000,000	5,000,000	5,000,000		
Training and demonstration	3,000,000		3,000,000		+3,000,000
Undergraduate instructional equipment	7,500,000			−7,500,000	
Subtotal, library resources	253,312,000	232,837,000	257,975,000	+4,663,000	+25,138,000
Special projects and training					
Special projects:					
Metric education projects	2,090,000	2,090,000	1,840,000	−250,000	−250,000
Gifted and talented children	2,560,000	2,560,000	2,560,000		
Community schools	3,553,000	5,791,000	5,000,000	+1,447,000	−791,000
Career education	10,135,000	10,135,000	35,000,000	+24,865,000	+24,865,000
Consumer education	4,068,000	3,135,000	3,135,000	−933,000	
Women's educational equity	8,085,000	9,000,000	9,000,000	+915,000	
Arts in education program	2,000,000	2,000,000	2,500,000	+500,000	+500,000
Dissemination	10,000,000	10,000,000	11,000,000	+1,000,000	+1,000,000
Educational TV programing	5,000,000	5,000,000	5,000,000		
Subtotal	47,491,000	49,711,000	75,035,000	+27,544,000	+25,324,000
Educational personnel training:					
Teacher Corps	37,500,000	37,500,000	37,500,000		
Teacher centers	8,250,000	10,250,000	15,000,000	+6,750,000	+4,750,000
Planning and evaluation	7,085,000	7,085,000	6,000,000	−1,085,000	−1,085,000
Information clearinghouse	333,000			−333,000	
Subtotal, special projects and training	100,659,000	104,546,000	133,535,000	+32,876,000	+28,989,000
Guaranteed student loan program:					
Interest subsidies	121,781,000	532,313,000	532,313,000	+410,532,000	
Unauthorized, not considered		(70,000,000)	(1)		
Student loan insurance fund	144,443,000	193,501,000	193,501,000	+49,058,000	
Authority to borrow (SLIF)	40,000,000	25,000,000	25,000,000	−15,000,000	
Subtotal, guaranteed student loan program	306,224,000	750,814,000	750,814,000	+444,590,000	
Unauthorized, not considered		(70,000,000)	(1)		
Health profession graduate student loan insurance fund:					
Student loan insurance		1,500,000	1,500,000	+1,500,000	
Authority to borrow		5,000,000	5,000,000	+5,000,000	
Total		6,500,000	6,500,000	+6,500,000	
Higher education facilities loan and insurance fund	1,847,000	2,204,000	2,204,000	+357,000	
Education activities overseas: Special foreign currency program	2,000,000	2,000,000	2,000,000		
Salaries and expenses:					
Advisory committees	2,321,000	2,321,000	2,321,000		
Program administration	115,637,000	124,845,000	124,509,000	+8,872,000	−336,000
Subtotal, salaries and expenses	117,958,000	127,166,000	126,830,000	+8,872,000	−336,000
Subtotal, Office of Education	9,926,228,000	12,248,705,000	12,723,110,000	+2,796,882,000	+474,405,000
Unauthorized, not considered	(83,500,000)	(111,500,000)	(1)		

[1] Deferred.

H.R 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
HEALTH CARE FINANCING ADMINISTRATION—Continued					
National Institute of Education					
Research and development	$76,600,000	$86,400,000	$83,900,000	+$7,300,000	−$2,500,000
Program administration	13,471,000	13,600,000	13,600,000	+129,000	
Subtotal, National Institute of Education	90,071,000	100,000,000	97,500,000	+7,429,000	−2,500,000
Assistant Secretary for Education					
Improvement of postsecondary education	12,000,000	14,500,000	13,000,000	+1,000,000	−1,500,000
Lifelong learning		5,000,000			−5,000,000
National Center for Educational Statistics	13,940,000	15,940,000	15,700,000	+1,760,000	−240,000
Salaries and expenses	10,373,000	10,817,000	10,663,000	+290,000	−154,000
Subtotal, Assistant Secretary for Education	36,313,000	46,257,000	39,363,000	+3,050,000	−6,894,000
Total, Education Division	10,052,612,000	12,394,962,000	12,859,973,000	+2,807,361,000	+465,011,000
Unauthorized, not considered	(83,500,000)	(111,500,000)	(1)		
SOCIAL SECURITY ADMINISTRATION					
Federal funds					
Payments to the social security trust funds	741,203,000	760,774,000	760,774,000	+19,571,000	
Special benefits for disabled coal miners	967,623,000	1,016,608,000	1,016,608,000	+48,985,000	
Supplemental security income programs:					
Benefit payments	4,491,223,000	4,821,618,000	4,821,618,000	+330,395,000	
Hold harmless	45,000,000	45,000,000	45,000,000		
Vocational rehabilitation services	82,978,000	86,148,000	86,148,000	+3,170,000	
Administration	538,999,000	568,968,000	568,968,000	+29,969,000	
Federal fiscal liability	91,800,000	36,120,000	36,120,000	−55,680,000	
Subtotal	5,250,000,000	5,557,854,000	5,557,854,000	+307,854,000	
Assistance payments programs:					
Maintenance assistance:					
AFDC benefit payments	5,628,150,000	6,064,000,000	5,908,000,000	+279,850,000	−156,000,000
Adult categories	4,000,000	4,000,000	4,000,000		
Emergency assistance	33,000,000	34,000,000	34,000,000	+1,000,000	
State and local administration and training	638,000,000	670,000,000	670,000,000	+32,000,000	
Repatriation	1,000,000	1,000,000	1,000,000		
Subtotal, maintenance assistance	6,304,150,000	6,773,000,000	6,617,000,000	+312,850,000	−156,000,000
Child support enforcement:					
Collections	−210,000,000	−237,000,000	−237,000,000	−27,000,000	
State and local administration	230,000,000	250,000,000	250,000,000	+20,000,000	
Subtotal, child support	20,000,000	13,000,000	13,000,000	−7,000,000	
Research and evaluation	3,003,000	5,000,000	3,000,000	−3,000	−2,000,000
Administrative expenses	27,471,000	32,056,000	30,000,000	+2,529,000	−2,056,000
Subtotal, assistance payments	6,354,624,000	6,823,056,000	6,663,000,000	+303,376,000	−160,056,000
Refugee assistance:					
Cuban refugees	71,950,000	52,000,000	52,000,000	−19,950,000	
Indochinese refugees	124,000,000	95,500,000	95,500,000	−28,500,000	
Subtotal	195,950,000	147,500,000	147,500,000	−48,450,000	
Limitation on salaries and expenses, trust funds	(2,117,661,000)	(2,279,842,000)	(2,234,587,000)	(+116,926,000)	(−45,255,000)
Subtotal, Social Security Administration:					
Federal funds	13,509,400,000	14,305,792,000	14,145,736,000	+636,336,000	−160,056,000
Trust fund limitation	(2,117,661,000)	(2,279,842,000)	(2,234,587,000)	(+116,926,000)	(−45,255,000)
SPECIAL INSTITUTIONS					
American Printing House for the Blind	3,498,000	3,906,000	3,906,000	+408,000	
National Technical Institute for the Deaf: Academic program	14,630,000	16,625,000	16,625,000	+1,995,000	
Gallaudet College:					
Academic program	17,510,000	20,208,000	20,208,000	+2,698,000	
Model Secondary School for the Deaf	8,343,000	9,217,000	9,217,000	+874,000	
Kendall Demonstration Elementary School	3,907,000	4,303,000	4,303,000	+396,000	
Construction	16,216,000	11,105,000	11,105,000	−5,111,000	
Subtotal, Gallaudet College	45,976,000	44,833,000	44,833,000	+1,143,000	
Howard University:					
Academic program	73,087,000	81,287,000	81,287,000	+8,200,000	
Howard University Hospital	22,106,000	22,106,000	22,106,000		
Construction	3,925,000	10,000,000	10,000,000	+6,075,000	
Subtotal, Howard University	99,118,000	113,393,000	113,393,000	+14,275,000	
Subtotal, special institutions	163,222,000	178,757,000	178,757,000	+15,535,000	
Assistant Secretary for Human Development Grants to States for Social and Child Welfare Services					
Grants to States for social services	2,188,620,000	2,450,000,000	2,450,000,000	+261,380,000	
Child day care services	200,000,000		(1)		
States and local training	63,530,000	71,552,000	71,552,000	+8,022,000	
Child welfare services	56,500,000	56,500,000	56,500,000		
Subtotal	2,308,650,000	2,578,052,000	2,578,052,000	+269,402,000	

[1] Deferred.

H.R. 12929—LABOR, HEW. AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
SPECIAL INSTITUTIONS—Continued					
Human Development Services					
Child development:					
Headstart	$625,000,000	$680,000,000	(1)		
Research, demonstration, and evaluation	15,700,000	19,000,000	(1)		
Child abuse	18,928,000	21,228,000	(1)		
Runaway youth	11,000,000	11,000,000	(1)		
Subtotal, child development	670,628,000	731,228,000	(1)		
Aging programs:					
Community services (title III):					
State agency activities	19,000,000	19,000,000	(1)		
Advance for 1980		19,000,000	(1)		
Area planning and social services	153,000,000	153,000,000	(1)		
Advance for 1980		153,000,000	(1)		
Model projects	15,000,000	15,000,000	(1)		
Subtotal, community services	187,000,000	359,000,000	(1)		
Nutrition (title VII)	250,000,000	287,000,000	(1)		
Advance for 1980		287,000,000	(1)		
Research, demonstration, and manpower (title IV):					
Research	8,500,000	8,500,000	(1)		
Training	17,000,000	17,000,000	(1)		
Multidisplinary centers on gerontology	3,800,000	3,800,000	(1)		
Subtotal, research demonstration, and manpower	29,300,000	29,300,000	(1)		
Federal Council on Aging	450,000	450,000	(1)		
Multipurpose Senior Center (title V)	40,000,000	40,000,000	(1)		
Advance for 1980		40,000,000	(1)		
National clearinghouse	2,000,000	2,000,000	(1)		
Subtotal, aging programs	508,750,000	1,044,750,000	(1)		
Advance for 1980		(499,000,000)	(1)		
Rehabilitation service and facilities:					
Basic State grants	760,472,000	785,457,000	(1)		
Advance for 1980		785,000,000	(1)		
Innovation and expansion	18,000,000	19,800,000	(1)		
Service projects:					
Deaf-blind Center	2,500,000	2,500,000	(1)		
Specia projects	17,328,000	17,430,000	(1)		
Training and acilities grants:					
Training services	5,000,000	5,000,000	(1)		
Facility improvements	2,400,000	2,400,000	(1)		
Evaluation	2,500,000	2,500,000	(1)		
Subtotal service projects	29,728,000	29,830,000	(1)		
Research	31,500,000	31,500,000	(1)		
Training	30,500,000	45,228,000	(1)		
Subtotal	870,200,000	1,696,815,000	(1)		
Advance for 1980		(785,000,000)	(1)		
Grants for the developmentally disabled:					
State grants	33,058,000	49,880,000	(1)		
Service grants	19,567,000	5,557,000	(1)		
University affiliated facilities	6,500,000	6,500,000	(1)		
Subtotal	59,125,000	61,937,000	(1)		
Public service:					
Research	2,955,000	2,975,000	(1)		
Child welfare training	8,150,000	9,000,000	(1)		
Subtotal public service	11,105,000	11,975,000	(1)		
Special programs for Native Americans	33,000,000	33,800,000	(1)		
White House Conference on Families	3,000,000		(1)		
Salaries and expenses	66,451,000	68,445,000	(1)		
Less: Trust fund transfer	−600,000	−600,000	(1)		
Subtotal, human development services, unauthorized, not considered	2,221,659,000	3,648,350,000	(1)		
Work incentives:					
Grants to States	351,995,000	351,995,000	$371,724,000	+$19,729,000	$+19,729,000
Program direction and evaluation	13,005,000	13,276,000	13,276,000	+271,000	
Subtotal	365,000,000	365,721,000	385,000,000	+19,729,000	+19,729,000
Research and training activities overseas		3,490,000	3,000,000	+3,000,000	−490,000
Subtotal, human development	2,673,650,000	2,946,813,000	2,966,052,000	+292,402,000	+19,239,000
Unauthorized, not considered	(2,421,659,000)	(3,648,350,000)	(1)		
Departmental management					
Office for Civil Rights	33,596,000	73,356,000	73,356,000	+39,760,000	
Less: Trust fund transfer	−514,000	−1,200,000	−1,200,000	−686,000	
Subtotal, Office of Civil Rights, Federal funds	33,082,000	72,156,000	72,156,000	+39,074,000	
General department management:					
Department direction	62,059,000	60,341,000	60,203,000	−1,856,000	−138,000
Department operations	72,270,000	75,500,000	75,500,000	+3,230,000	
Less: Trust fund transfer	−27,883,000	−6,890,000	−6,890,000	+20,993,000	
Subtotal, General departmental management	106,446,000	128,951,000	128,813,000	+22,367,000	−138,000

[1] Deferred.

H.R. 12929—LABOR, HEW, AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979—Continued

	Comparable appropriation fiscal year 1978	Budget estimate fiscal year 1979	House bill fiscal year 1979	House bill compared to— Fiscal year 1978	House bill compared to— 1979 estimates
SPECIAL INSTITUTIONS—Continued					
Departmental management—Continued					
Office of the Inspector General	$31,285,000	$40,311,000	$40,311,000	+$9,026,000	
Less: Trust fund transfer	−4,555,000	−4,705,000	−4,750,000	−150,000	
Subtotal, Inspector General, Federal funds	26,730,000	35,606,000	35,606,000	+8,876,000	
Policy research	29,949,000	27,000,000	25,000,000	−4,949,000	−$2,000,000
Subtotal, departmental management	196,207,000	263,713,000	261,575,000	+65,368,000	−2,138,000
Sec. 201, fraud, abuse, and waste reduction	0	0	(−1,000,000,000)	−1,000,000,000)	(−1,000,000,000)
Total, Health, Education, and Welfare:					
Federal funds	49,439,582,000	54,379,170,000	54,020,219,000	+4,580,637,000	−358,951,000
Trust funds	(2,855,338,000)	(3,105,466,000)	3,050,281,000)	(+194,943,000)	(−55,185,000)
Total, unauthorized, not considered	(3,950,595,000)	(5,648,055,000)	(1)		
Federal funds	(3,949,995,000)	(5,647,455,000)	(1)		
Trust funds	(600,000)	(600,000)	(1)		
TITLE III—RELATED AGENCIES					
ACTION (domestic programs):					
Volunteers in Service to America (VISTA)	25,350,000	36,941,000	(1)		
Service learning programs	5,500,000	605,000	(1)		
Older Americans volunteer programs:					
Foster grandparents program	34,900,000	35,400,000	(1)		
Senior companion program	7,000,000	7,140,000	(1)		
Retired senior volunteer program	20,100,000	15,400,000	(1)		
Subtotal, older volunteers	62,000,000	57,940,000	(1)		
Special volunteer programs	2,500,000	10,693,000	(1)		
Program support	22,921,000	24,807,000	(1)		
Subtotal, ACTION	118,271,000	130,986,000	(1)		
Community Services Administration:					
Community action operations:					
Local initiative	369,000,000	381,000,000	(1)		
Senior opportunities and service	10,000,000	10,500,000	(1)		
State economic opportunity offices	12,000,000	7,500,000	(1)		
Community food and nutrition	30,000,000	22,000,000	(1)		
Emergency energy conservation services	65,000,000	10,000,000	(1)		
Crisis intervention program (energy)	200,000,000		(1)		
National youth sports program	6,000,000	6,000,000	(1)		
Summer youth recreation and transportation	17,000,000	17,000,000	(1)		
Training and technical assistance	1,000,000	3,000,000	(1)		
Migrant program	1,000,000	1,000,000	(1)		
Subtotal, community action	711,000,000	458,000,000	(1)		
Demonstrations:					
Rural housing	6,000,000	6,000,000	(1)		
Other		12,400,000	(1)		
Community economic development	48,170,000	25,800,000	(1)		
Evaluation	1,000,000	3,100,000	(1)		
Program administration	31,883,000	32,700,000	(1)		
Subtotal, Community Services Administration	798,053,000	538,000,000	(1)		
Corporation for Public Broadcasting:					
Fiscal year 1978 (advanced in fiscal year 1977)			(1)		
Fiscal year 1980 (advanced in fiscal year 1978)	152,000,000		(1)		
Fiscal year 1981 (current request)		172,000,000	(1)		
Subtotal, Corporation for Public Broadcasting					
Unauthorized, not considered	(152,000,000)	(172,000,000)	(1)		
Federal Mediation and Conciliation Service	22,465,000	22,686,000	22,686,000	+221,000	
Federal Mine Safety and Health Review Commission		4,776,000	4,776,000	+4,776,000	
National Commission on Libraries and Information Science	607,000	683,000	648,000	+41,000	−35,000
National Labor Relations Board	92,508,000	100,467,000	100,467,000	+7,959,000	
National Mediation Board	3,913,000	3,969,000	3,969,000	+56,000	
Occupational Safety and Health Review Commission	7,150,000	7,658,000	7,658,000	+508,000	
Railroad Retirement Board:					
Payment to railroad retirement trust funds	250,000,000	313,000,000	313,000,000	+63,000,000	
Regional rail transportation protective account	50,000,000	25,000,000	25,000,000	−25,000,000	
Limitation on salaries and expenses	(33,282,000)	(34,317,000)	(34,317,000)	(+1,035,000)	
Soldier's and Airmen's Home (trust fund appropriation): Operation and maintenance	16,356,000	16,939,000	16,939,000	+583,000	
Subtotal, related agencies	476,281,000	529,495,000	529,460,000	+53,179,000	−35,000
Federal funds	442,999,000	495,178,000	495,143,000	+52,144,000	−35,000
Trust funds	(33,282,000)	(34,317,000)	(34,317,000)	(+1,035,000)	
Unauthorized, not considered, Federal funds	(1,068,324,000)	(840,986,000)	(1)		
Sec. 411, 2 percent reduction estimate	0	0	−297,166,000	−397,166,000	−397,166,000

[1] Deferred.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MILFORD (at the request of Mr. WRIGHT), for June 15 and 16, on account of illness.

To Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BEDELL (at the request of Mr. SEIBERLING) to revise and extend his remarks and include extraneous matter, for 5 minutes, today.

(The following Members (at the request of Mr. STEERS) to revise and extend their remarks and include extraneous material:)

Mr. MCKINNEY, for 5 minutes, today.

Mr. WHALEN, for 15 minutes, today.

(The following Members (at the request of Mr. OBERSTAR) to revise and ex-

tend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. REUSS, for 5 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. CHARLES H. WILSON of California, for 5 minutes, today.
Mr. KILDEE, for 5 minutes, today.
Mr. PHILLIP BURTON, for 5 minutes, today.
Mr. LAFALCE, for 5 minutes, today.
Mr. ADDABBO, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HAMILTON, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $985.50.

Mr. ROUSSELOT.

Mr. JEFFORDS, to revise and extend his remarks following the remarks of Mr. EMERY in the Committee of the Whole today.

Mr. GEPHARDT, and to revise and extend his remarks during debate on the Edgar amendment in the Committee of the Whole today.

(The following Members (at the request of Mr. OBERSTAR), and to include extraneous matter:)

Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Ms. OAKAR in two instances.
Mr. MURPHY of Pennsylvania.
Mr. HARKIN in two instances.
Mr. COTTER in two instances.
Mr. RODINO.
Mr. KILDEE.
Mr. MURTHA.
Mr. MOORHEAD of Pennsylvania in two instances.
Mrs. BURKE of California.
Mr. EILBERG.
Mr. BRECKINRIDGE.
Mr. RISENHOOVER.
Mr. OTTINGER.
Mr. MCCORMACK in two instances.
Mr. MCDONALD in five instances.
Mr. DRINAN.
Mr. LAFALCE.
Mr. BEDELL.
Mr. DELLUMS.
Mr. MINETA in two instances.

(The following Members (at the request of Mr. STEERS) to revise and extend their remarks and include extraneous matter:)

Mr. ANDERSON of Illinois.
Mr. MCKINNEY
Mr. DORNAN
Mr. MICHEL.
Mr. KETCHUM.
Mr. BOB WILSON in two instances.
Mr. WALSH.
Mr. DERWINSKI in two instances.
Mr. SAWYER.
Mr. PRESSLER in three instances.
Mr. STEIGER.
Mr. KEMP.
Mr. BROWN of Ohio.
Mr. JEFFORDS.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON from the Committee on House Administration, reported that that committee did on June 14, 1978, present to the President, for his approval, bills of the House of the following title:

H.R. 1436. For the relief of William H. Klusmeier, publisher of the Austin Citizen, of Austin, Tex.;

H.R. 5493. To extend until October 1, 1980, the appropriation authorizations for the Great Dismal Swamp and San Francisco Bay National Wildlife Refuge; and

H.R. 10884. To authorize appropriations to the Council on Environmental Quality for fiscal years 1979, 1980, and 1981.

ADJOURNMENT

Mr. SEIBERLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 47 minutes p.m.), the House adjourned until tomorrow, Friday, June 16, 1978, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4385. A letter from the Chairman, National Commission for Manpower Policy, transmitting the third annual report of the Commission, entitled "An Assessment of CETA," pursuant to section 505 of Public Law 93–203; to the Committee on Education and Labor.

4386. A letter from the Secretary of Agriculture, transmitting notice of a proposed new records system for the Agricultural Stabilization and Conservation Service, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

4387. A letter from the Administrator of General Services, transmitting a followup report on the recommendations contained in the December 1976 report of the President's Export Council entitled "Need for a Consistent, Future-Oriented Foreign Trade and Investment Policy," pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

4388. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of November 30, 1977, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

4389. A letter from the Chief Justice of the United States, transmitting the proceedings of the meeting of the Judicial Conference of the United States held in Washington, D.C., on March 9 and 10, 1978, pursuant to 28 U.S.C. 331 (H. Doc. No. 95–353); to the Committee on the Judiciary and ordered to be printed.

4390. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at 120 Church Street, New York, N.Y., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

4391. A letter from the Secretary of Labor, transmitting the 1978 annual report on implementation of the Age Discrimination in Employment Act of 1967, pursuant to section 13 of the act; jointly, to the Committees on Education and Labor, and Post Office and Civil Service.

4392. A letter from the Acting Comptroller General of the United States, transmitting a report on the regulation of savings and loan associations' service corporations (FOD–78–4, June 14, 1978); jointly, to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

4393. A letter from the Acting Comptroller General of the United States, transmitting a report on the growth in cost estimates for building the trans-Alaska oil pipeline (EMD–78–52, June 15, 1978); jointly, to the Committees on Government Operations, Interior and Insular Affairs, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. S. 785. An act to declare that all right, title, and interest of the United States in 2,700 acres, more or less, are hereby held in trust for the Paiute and Shoshone Tribes of the Fallon Indian Reservation and Colony, Fallon, Nev., to promote the economic self-sufficiency of the Paiute and Shoshone Tribes, and for other purposes; with amendment (Rept. No. 95–1298). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 6463. A bill providing for reinstatement and validation of U.S. oil and gas leases Nos. U12871, U–12872, U–12874, U–12875, U–12876, U–12877, U–12878, U–12881, and U–13666; with amendment (Rept. No. 95–1299). Referred to the Committee of the Whole House.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 12047. A bill for the relief of H. F. Mulholland and the estate of John Oakason (Rept. No. 95–1297). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLOUIN (for himself, Mr. EDGAR, Mr. FRASER, Ms. HOLTZMAN, Mr. LEACH, Mr. RICHMOND, Mr. STANGELAND):

H.R. 13144. A bill to provide that certain interstate pipelines may be constructed only if the route of such a pipeline complies with certain land use priorities, an environmental impact statement is prepared with respect to the pipeline, and the person constructing the pipeline agrees to pay certain attorneys fees incurred by landowners affected by the pipeline; jointly, to the Committees on Interior and Insular Affairs, Interstate and Foreign Commerce, and Public Works and Transportation.

By Mr. DRINAN (for himself, Mr. BONOIR, Mr. CONYERS, Mr. EILBERG, Mr. FRASER, Mr. GLICKMAN, Mr. HANLEY, Mr. HANSEN, Mr. HARRINGTON, Mr. KILDEE, Mr. LEDERER, Mr. LUNDINE, Mr. MCHUGH, Mr. MADIGAN, Mr. MARKEY, Mr. MARLENEE, Mr. METCALFE, Ms. MEYNER, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. NOWAK, Mr. OTTINGER, Mr. PATTISON of New York, Mr. PRESSLER, and Mr. RANGEL):

H.R. 13145. A bill to secure and protect the freedom of the press from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. RICHMOND, Mr. SEIBERLING, Mr. STARK, Mr. STUDDS, Mr. TSONGAS, Mr. VAN DEERLIN, Mr. VENTO, Mr. WAXMAN, Mr. WEISS, Mr. WON PAT, and Mr. YOUNG of Missouri):

H.R. 13146. A bill to secure and protect the freedom of the press from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

By Mr. EVANS of Delaware:

H.R. 13147. A bill to amend the Internal Revenue Code of 1954 to clarify the application of the investment tax credit to certain enclosures or structures used for the housing, raising, or feeding of poultry or their produce; to the Committee on Ways and Means.

By Mr. REUSS (by request) (for himself, Mr. MITCHELL of Maryland, Mr. ANNUNZIO, Mr. PATTERSON of California, Mr. LUNDINE, Mrs. SPELLMAN, Mr. PATTISON of New York, and Mr. VENTO):

H.R. 13148. A bill to increase the number of class C directors of Federal Reserve banks; to the Committee on Banking, Finance and Urban Affairs.

By Mr. RICHMOND (by request):

H.R. 13149. A bill to amend the pilot project workfare provisions of the Food Stamp Act of 1977; to the Committee on Agriculture.

By Mr. ROBERTS:

H.R. 13150. A bill to amend title 38, United States Code, to provide emergency medical services to veterans attending conventions of recognized veterans' organizations, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROBERTS (by request):

H.R. 13151. A bill to amend title 18, United States Code, with respect to the protection of certain officers or employees of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. ROBERTS:

H.R. 13152. A bill to provide for the establishment of a board which will establish and administer agricultural production and marketing programs, and for other purposes; jointly, to the Committees on Agriculture, International Relations, Interstate and Foreign Commerce, and Ways and Means.

By Mr. BEDELL:

H.R. 13153. A bill to provide for the participation of Congress in decisions made by the President affecting the importation of meat into the United States, its prior notification of changes in agreements affecting such importation, and for other purposes; to the Committee on Ways and Means.

By Mr. FINDLEY (for himself, Mr. GIBBONS, Mr. LAFALCE, Mr. MITCHELL of Maryland, Mr. PATTERSON of California, Mr. PRICE, Mrs. SCHROEDER, Mr. SISK, Mr. SKELTON, and Mr. WALGREN):

H.R. 13154. A bill to provide for uniform standards for trucks carrying freight in interstate commerce, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FLYNT (for himself, Mr. BARNARD, Mr. BRINKLEY, Mr. EVANS of Georgia, Mr. GINN, Mr. JENKINS, Mr. LEVITAS, Mr. MATHIS, Mr. MCDONALD):

H.R. 13155. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 13156. A bill to authorize the Secretary of Housing and Urban Development to establish an urban park and recreation recovery program, and for other purposes; jointly, to the Committee on Banking, Finance and Urban Affairs, and Interior and Insular Affairs.

By Mr. SATTERFIELD:

H.R. 13157. A bill to amend the Internal Revenue Code of 1954 to provide pre-1969 tax treatment for capital gains; to the Committee on Ways and Means.

By Mr. STEIGER (for himself, Mr. DON H. CLAUSEN, Mr MONTGOMERY, Mr. CHARLES WILSON of Texas, Mr. BROWN of Michigan, Mr. WIGGINS, Mr. JOHNSON of Colorado, Mrs. PETTIS, Mr. SEBELIUS, Mr. MCCLORY, Mr. IRELAND, Mr. HALL, Mr. MITCHELL of New York, Mr. SYMMS, Mr. MILFORD, Mr. ROBERT W. DANIEL, JR., Mr. DAN DANIEL, Mr. RINALDO, Mr. GREEN, Mr. MOLLOHAN, Mr. MCKINNEY, Mr. BEARD of Tennessee, Mr. ABDNOR, Mr. BROYHILL, and Mr. COUGHLIN):

H.R. 13158. A bill to amend the Internal Revenue Code of 1954 to provide pre-1969 tax treatment for capital gains; to the Committee on Ways and Means.

By Mr. WHITE:

H.R. 13159. A bill to amend and supplement the acreage limitation and residency provisions of the Federal reclamation laws, as amended and supplemented, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WOLFF (for himself, Mr. DOWNEY, and Mr ROSENTHAL):

H.R. 13160. A bill to authorize the establishment of the Long Island Sound Heritage in the States of Connecticut and New York; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Florida (for himself, Mr. GILMAN, Mr. MCDONALD, and Mr. ROBINSON):

H.R. 13161. A bill to require that an amendment be proposed by the United States to the Articles of Agreement for each of the international financial institutions in which the United States participates which would require the establishment of human rights standards to be considered in connection with each application for assistance; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ANDERSON of California (for himself, Mr. PATTISON of New York, and Mr. WATKINS):

H.J. Res. 997. Joint resolution to provide for the designation of a week as "National Lupus Week"; to the Committee on Post Office and Civil Service.

By Mr. DODD:

H.J. Res. 998. Joint resolution authorizing the President to proclaim the third week in June of each year as "National Veterans' Hospital Week"; to the Committee on Post Office and Civil Service.

By Mr. MURPHY of New York (for himself, Mr. BLANCHARD, Mr. BYRON, Mr. CARTER, Mr. CHAPPELL, Mr. CORCORAN of Illinois, Mr. CUNNINGHAM, Mr. DINGELL, Mr. DUNCAN of Tennessee, Mr. FORD of Tennessee, Mr. GIAIMO, Mr. HOLLENBECK, Mr. LENT, Mr. MATHIS, Mr. MILLER of California, Mr. QUIE, Mr. RUPPE, Mr. RUSSO, Mr. SANTINI, Mr. SISK, Mr. SPENCE, Mr. STRATTON, Mr. ULLMAN, Mr. WAXMAN, and Mr. YATRON):

H.J. Res. 999. Joint resolution authorizing and requesting the President of the United States to issue a proclamation designating the 7 calendar days beginning September 17, 1978, as "National Port Week"; to the Committee on Post Office and Civil Service.

By Mr. CHARLES H. WILSON of California:

H.J. Res. 1000. Joint resolution providing for the issuance of a commemorative postage stamp in honor of Robert F. Kennedy; to the Committee on Post Office and Civil Service.

By Mr. WYDLER:

H.J. Res. 1001. Joint resolution to designate May 21, 1979, as "Firefighters' Memorial Sunday"; to the Committee on Post Office and Civil Service.

By Mr. WAMPLER:

H. Con. Res. 643. Concurrent resolution to effect appointment of the commission to study, investigate, and review the Federal Old-Age, Survivors, and Disability Insurance programs, and for other purposes; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H. Con. Res. 644. Concurrent resolution expressing the sense of Congress that each Federal agency should periodically review and revise all its lists of persons to whom printed materials are mailed by such agency for the purpose of insuring that such lists contain only the names of persons who are still interested in receiving such materials; to the Committee on Government Operations.

By Mr. MOAKLEY (for himself, Mr. WINN, Mr. ERTEL, Mr. SCHEUER, Mr. LUKEN, Mr. RANGEL, Mr. SOLARZ, and Mr. ROE):

H. Res. 1238. Resolution to establish a Select Committee on Arson; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

432. By the SPEAKER: A memorial of the Legislature of the State of California, relative to Federal reclamation laws; to the Committee on Interior and Insular Affairs.

433. Also, a memorial of the Legislature of the State of California, relative to Cyprus; to the Committee on International Relations.

434. Also, a memorial of the House of Representatives of the State of Arizona, relative to consideration of the desires and needs of Alaskan citizens in enacting the Alaska National Interest Lands Act; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 12928

By Mr. DINGELL:

—Page 22, beginning in line 15, strike out "$321,487,000, to remain available until expended" and insert in lieu thereof "to remain available until expended, $323,007,000, of which $47,162,000 shall be available for nuclear reactor regulation.".

EXTENSIONS OF REMARKS

UNIQUE AND SUCCESSFUL SCHOOL PROGRAM IN PHILADELPHIA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. EILBERG. Mr. Speaker, just recently my colleagues and I from Philadelphia enjoyed a luncheon meeting with representatives of Research for Better Schools, Inc., a private, nonprofit organization dedicated to research and development in the field of education.

During the course of the luncheon, Gustave G. Amsterdam, a leading Philadelphia businessman and civic figure, and a board member of Research for Better Schools, shared with us the results of RBS's work, particularly as it relates to the involvement of the business community with secondary education.

I offer Mr. Amsterdam's comments for the RECORD, Mr. Speaker, because they demonstrate how the right combination of determination and innovation can result in a successful educational program:

UNIQUE AND SUCCESSFUL SCHOOL PROGRAM IN PHILADELPHIA

As many of you know, I reported to our congressional delegation four years ago about an RBS attempt to alter secondary education in Philadelphia so that about one-third of the high school student's time was spent in the world of work. This program, known as Experience-Based Career Education (EBCE), is the most successful career education program now operating in the city.

As I pointed out, one-third of the student's time, beginning in ninth grade, is spent in career exploration and/or career specialization activities within a whole host of business, commercial, and industrial enterprises. Students have an opportunity to take a look at both the many different kinds of jobs in a particular business and industry and to explore maybe one job that particularly appeals to them in detail. The program also calls for renewed emphasis on teaching basic skills.

The Philadelphia experience dramatically demonstrates that the kids themselves feel a new sense of motivation. Let me point out, too, that reading and math scores have gone up as a result.

This type of program has dictated a third change in the high school where it operates, and that change involves school guidance. The program includes, to a large extent, group guidance, focusing on enhancing skills in job application, seeking employment, surviving an interview, etc.

I can also report to you that the business community truly sings the praises of this program. They have found a renewed interest and responsibility toward education and, in fact, are contributing in new ways to the educational programs in our city schools. Since this program was first developed and tested six years ago, it has spread to 26 states and hundreds of high schools across the country.

Ever since the President signed the Youth Employment Demonstration Act, RBS has been involved with CETA prime sponsors in adapting this type of career education for underprivileged youngsters. I'm happy to report that there is a first class demonstration project now running in Camden County.

It has taken six years to move EBCE from conception to wholesale adoption. I only point this out because we need to remind ourselves that research and development demands sustained, programmatic, long-term efforts. It's then that, as in the case of EBCE, it pays off.●

LET US NOT FORGET THE ENERGY TAX CREDIT

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MURTHA. Mr. Speaker, as the vital debate on the National Energy Plan continues, most of our attention has been directed to the controversial parts of the plan. Certainly, however, we cannot afford to forget some of the items with wide appeal. One of those items the Nation needs is the energy tax credit.

Located in the district I represent is Season-all Industries which is the Nation's largest producer of private storm doors and windows. I want to insert into the CONGRESSIONAL RECORD a statement of facts prepared by the corporation's board chairman, Mr. Frank Gorell. The statement points out how vital this credit can be in saving energy and controlling inflation.

I believe it must be a part of the final energy plan, and I insert for your information the following figures:

STATEMENT BY MR. FRANK GORELL, CHAIRMAN OF THE BOARD, SEASON-ALL INDUSTRIES

The lack of an energy conservation tax credit as part of a comprehensive national energy program has cost Americans dearly, in both needlessly wasted energy resources and billions of lost dollars.

In fact, at current fuel prices we are now wasting nearly $7 billion a year. Since fuel prices started to rise (1973), we have already wasted more than $29 billion.

These figures do not include air conditioning. Also, they apply only to residential structures in the United States. If we include the approximately 1.5 million commercial and institutional buildings in the country, it would add even more to potential savings.

In 1975, the National Bureau of Standards used a test house to determine that the improvements allowed under the tax credit reduced energy consumption by 52 percent and would, on average, save 343 gallons of fuel per home per year. Had the tax credit been enacted when it was first proposed in 1975, those savings already could have been realized threefold.

What do those savings represent? According to the U.S. Department of Energy, roughly half—or 40 million—of all American homes require the various energy saving measures for which the tax credit would provide. Had those homes been properly insulated five years ago, fuel oil savings would have amounted to 68.5 billion gallons.

How much is that in dollars? At the average fuel oil price over the past five years of 43 cents per gallon, actual monetary savings would have been $29.5 billion. At current prices of 50 cents per gallon, those savings would be $6.8 billion per year.

Every month we continue to delay in enacting the tax credit, more and more of our energy resources and national wealth disappears. And we have more and more inflation because the increased cost of energy plays a big part in the increased cost of living. The meter is running in more ways than one.●

VIOLATIONS OF HUMAN RIGHTS

HON. ALVIN BALDUS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. BALDUS. Mr. Speaker, Sister Mary O'Keefe, who has often expressed her concern to me on issues relating to U.S. development policies, brought this article from the June 1, 1978, edition of the Tablet, a publication of the Roman Catholic diocese of Brooklyn, to my attention. She requested that I insert it in the CONGRESSIONAL RECORD and I am pleased to comply.

While the incidents cited in this article may be repugnant to our beliefs about an individual's freedom and rights, the article points to a broader, serious problem, about which a dialog needs to be encouraged. This problem is the frequent violation of human rights by governments in the third world. The dilemma is that the United States pursues development policies aimed at meeting the basic human needs of the poorest majority in developing countries. In the eyes of those in power in developing nations, the United States is calling into question the continuation of the privileged position of the elite and is inadvertently contributing to the suppression of the people who our policies are trying to help. The article follows:

[From the Tablet, June 1, 1978]

A CHURCH FORGED ON THE ANVIL OF PERSECUTION

(By Sister Betty Campbell, R.S.M.)

Ten years after Medellin, as Latin America prepares for the III Episcopal Conference in Puebla, Mexico, the whole Church harkens back to those Spirit-filled days of August-September 1968: Pope Paul's visit to Colombia . . . the Eucharistic Congress in Bogota . . . and the II Conference of Latin American Bishops at Medellin.

Many young Christian workers and students, lay movements, religious missionaries, priests had already begun to work and live with the poor. The 1968 Medellin Conference confirmed this work. The Church must become a poor Church among the poor. The conference issued a strong call for justice, for promotion of popular organizations, of workers and campesinos, a call for structural changes that would make development possible for these massive sectors of society.

Ten years later . . . military governments have taken over country after country to

Statements or insertions which are not spoken by the Member on the floor will be identified by the use of a "bullet" symbol, i.e., ●

crush the very people who sacrificed the most to respond to the call and to the "cry of the people," a theme of a succession of documents of the Latin American Churches in the 70s.

The following events show the impact of the dramatic crises in different sectors of the sister churches of the south.

The Little Brothers of the Gospel (of Charles de Faucauld) in Argentina lived among the poor, whether they earned their living by their labor as woodcutters in the north or as garbage collectors of the shantytowns of the Buenos Aires area. Pat Rice, superior of the Little Brothers, who worked in a poor parish, was taken by the police while going to work one day in November 1976. He was jailed, tortured and questioned for names of people in the parish. To make him talk he was forced to witness the torture of a woman catechist from the parish. Fr. Rice was released two months later, mainly because of international pressure of Human Rights groups, and expelled from Argentina.

A few days after Pat was jailed, another Little Brother disappeared. No one has seen or heard of Pablo since that time.

On Good Friday of Holy Week 1977, Carlos Bustos, a Capuchin priest and applicant for the Little Brothers, disappeared while on his way to celebrate a parish liturgy.

A few weeks later another Little Brother, Mauricio, a street sweeper, was kidnapped.

These, along with others previously forced to flee because of threats to themselves or those offering them shelter, leaves the Fraternity wiped out in Argentina. The history of the Fraternity dramatizes the issue facing the Latin American Church, for they are not a rare exception.

Patricia Erb is a young Menonite whose parents have been missionaries for many years in Argentina. When the military closed the sociology department of the University in Buenos Aires, Patricia with other students began to work with the Catholic Peace and Justice center, going into poor neighborhoods to help families develop their resources in the face of the economic and political violence imposed.

TERRORIST IN TRAINING

One night eight police entered Patrica's home, took her off to a concentration camp, blindfolded and hooded, chained by wrists and ankles to the floor of a horse stable with about 40 other prisoners. She was questioned and tortured. During the nights the woman prisoners one by one were taken by two soldiers to another room where they were tortured and raped. One night only one soldier came for Patricia. As she was being led out she said to him "Who are you?" "Where do you come from?"

He answered "I am from a poor family in the north. I was forced into the military and two months of our training is in this camp. If we don't do what we are told we will be shot."

Patricia continued to converse with him and said she was praying for him and the other soldiers. The soldier reacted immediately and took her back. After chaining her ankles he left her hands free and went to fetch her a cup of tea.

Patricia understood she was arrested because of her work with the poor. In the course of her stay in various prisons she saw women in their 50's and 60's, mothers of workers and peasants, who didn't know why they were there or what was happening. The tragic experience of detentions, accusations and torture cause them to break down.

Patricia was released from prison due to international pressure, especially from the Mennonite community in the U.S.

The director of the Catholic Justice and Peace center was also jailed and is still in prison.

Pedro Casadaliga from Spain was consecrated bishop of San Felix, Brazil, in 1970 after two years of work in an interior colony Almost immediately his troubles began as he took up the defense of the poor settlers against the big land-owners and corporations. The people's small cooperative projects, clinics were destroyed by a military invasion. His choice pastoral collaborators had to flee into the jungles and into exile or be jailed and worse.

The bishop took up the defense of his people falsely accused of subversive activity. He and Father Joao Bosco Burnier went to the jail to inquire about women being held there whose screams could be heard in the streets nearby. A policeman shot Father Joao in the head and he died on the way to the hospital. As the funeral of Joao ended the townspeople went to put a cross in front of the jail as a memorial. Led by women who had been jailed themselves, they dismantled the adobe building and set the police running.

THE WAGES OF SUCCESS

But each small people's success is crushed with greater repression. The spirit of resistance to this military fascism is being expressed in poems and songs, lengthy balads, celebrating the martyrdom of people like Joao.

Not all sectors of the Church in Latin America are ready for martyrdom or see the issue clearly enough or in such a light to take a stand with the persecuted. While conservative Cardinal Vincente Scherer of Porto Alegre, Brazil, switches to now defend fellow-bishops denounced by military authority as Communist subversives, Cardinal Landazzaru Rickets of Lima, Peru, weakens to let military remove from churches people on a hunger strike, to defuse the possibility of a repeat of the people's success in Bolivia.

A NEW PENTECOST

In 1969–70 the charismatic movement was introduced in Latin America, particularly in Peru and Bolivia. In the Santa Cruz area of Bolivia anti-Communist crusade preaching around the feast of the Assumption, Aug. 15, 1970 occasioned the rightist military coup of General Banzer. The charismatics were proclaiming a new Pentecost in Latin America while the army shot down university students in La Paz and apprehended and killed others in Santa Cruz.

Today in Bolivia the economy in the high sierra and mountains where the majority of the people—Quechua and Aymara—live, is a disaster area, while the Banzer-family-favored Santa Cruz area enjoys a boom. The charismatics interpret this as a blessing from and of their work and movement. The fact of foreign investment in that area conjoined with colonization by well-to-do foreigners including white racist Rhodesians does not figure in their analysis.

Bishop Proaño of Ecuador has pointed out over the years the coincidence between the Rockefeller visit to Latin America and the recommendations in his report with the U.S. promotion of fundamentalist and charismatic religious movements that confuse the pastoral work in Ecuador and all over Latin America.

Gabriela of Santiago in the early 70's with her hard earned journalist education worked with the labor sectors to help them gain the necessities of life. She has been in exile since the military took over. She could only carry on her work in Mexico. Maria of the upper class in Santiago, who could not eat in her privileged fashion during those same early 70's joined the march through the streets banging the pot that she hardly touched otherwise (her several maids did all the work) to protest the Allende government's economic policy.

The Christian Democrat DESAL development team heavily funded from Europe and the U.S., headed by Fr. Roder Veckemans, S.J., fled Chile in 1970 with the election of Allende, first to Caracas, then to Bogota, Colombia, where he began to marshall a campaign against liberation movements, theology and theologians. The auxiliary bishop of Bogota, Lopez Trujillo, executive secretary of CELAM (L.A. Episcopal Conference) since 1975 has teamed up with Veckemans to steer the preparations of CELAM III away from the effective option for the poor and to close the eyes of the Church to the martyrdom of the people and pastoral agents committed to the people.

The issue is being joined in all of Latin America. The very concept of Church as well as the reality of Church is being refurbished on the anvil of persecution. The pastoral reflection of the Salvadorian Church on the year-long persecution by a fraudulent government and its allies underlines that the Church is most truly Church when it is in solidarity with the oppressed, and is persecuted for that reason.●

REDUCING FTC'S BUDGET

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. RISENHOOVER. Mr. Speaker, during consideration of the appropriations bill for the Federal Trade Commission, a point of order was sustained and all money was removed because Congress had failed to complete proper authorizing legislation.

In my view, while the point of order was well taken, the amendment which I had offered to reduce the FTC budget by one-third was an equally important issue before the House. Since a point of order takes precedent over an amendment, we never had the chance to test the House's feeling about the FTC's growth.

In simple terms, my amendment left the FTC enough money to meet its statutory responsibilities but clipped its budget enough to discourage some of its power.

In a speech in the RECORD of May 26, I detailed several areas where the FTC had, in my judgment, extended itself into traditional jurisdiction of State Government and into issues the Constitution reserved for the legislative branch.

My amendment cut the budget from $67.3 million to $44.7 million. I fear that, with eventual passage of authorizing legislation, the Senate will restore the full amount and our only opportunity to test the House's support of the $21.8 million curtailment will be very difficult on the conference report. In my personal view, we should have voted upon this amendment on Wednesday. It was not too severe. If the FTC had continued the same level of antitrust and consumer protection of 1973—it would need only $42 million for 1979.

Our Joint Economic Committee reported last week that American business is spending $102.7 billion a year in its effort to comply with Government rules and regulations. Businessmen charge that dealing with the Federal bureaucracy is becoming a major expense and a growing cause of double-digit inflation.

The report said budgets of the 41 Federal regulatory agencies had grown from $2.2 billion in 1974 to $4.8 billion in 1979. The breakdown of annual costs to segments of the economy was: businesses, $25 to $32 billion; motorists, $10 billion; homeowners, $4 billion; consumers, $62.9 billion, and investors, $10 billion.

Mr. Speaker, I believe my amendment which was superceded by the point of order, was a responsible attempt to curb some of the regulatory growth of the Federal Government.

I hope House conferees and subcommittee members will insist on a major cut in appropriations so that, when this House finally gets a chance to vote on the conference report with the FTC money restored, that the budget will be at an acceptable—even lower than $66 million—level.●

NICHOLAS N. TRANI, A MAN WHOSE LIFE HAS BEEN DEVOTED TO HELPING BOYS DEVELOP

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. ANDERSON of California. Mr. Speaker, the men and women who devote their lives to the development of our Nation's youth certainly deserve a special sense of gratitude from all of us. Their patience and energy are vital to the future of our Nation, for the example they set for young people at an early age leaves a lasting impression on their lives.

The San Pedro Boys Club, under the direction of Nicholas N. Trani, has for many years been an important center of youth and family activities in the Los Angeles Harbor area. During the past 31 years, Nick, as executive director, has been a driving force behind the many successful activities at the club. His recent retirement was an event which was felt deeply by the countless individuals he has helped over the years.

Born in San Pedro on January 18, 1913, Nick Trani was an outstanding athlete from an early age. After graduating from San Pedro High School, he enrolled in Compton Junior College where he was an all-school tackle on the 1931–32 championship football team. After graduating, he attended Loyola University of Los Angeles, where he was a starter on the varsity football squad for 2 years. He also coached Loyola's freshman football team during his senior year.

During World War II, Nick served in the U.S. Army from 1943–45, winning first place in the Fort Ord essay contest. After leaving the service in 1945, he became the volunteer football coach of the San Pedro Athletic Club. During the 2 years Nick led the team, it compiled a record of 37 straight wins—a record that still stands today.

Nick became executive director of the San Pedro Boys Club in 1947. Under his able leadership, the club has become an important center of community activity in the harbor area, and a valuable resource in youth development.

For 2 years, 1950 to 1952, Nick also coached the varsity football squad for Mary Star of the Sea High School of San Pedro. In 1960, Nick returned as coach of the team—and led the way to a conference championship against overwhelming odds. Nick wrote the story of the team in his book, "Thin Ice on the Gridiron," which drew excellent reviews.

Besides his excellent work in athletics and at the boys' club, Nick Trani has been actively involved in Harbor community activities. He has served as a member of the Mayor's Community Advisory Committee for many years, and has been active on panels working closely with Los Angeles City Councilman John S. Gibson, Jr. In addition, he has long served as a member of the Los Angeles Police Department Oral Review Board, and is a member of the Lion's Club of San Pedro.

Nick is active on the San Pedro Community New High School Committee, the Los Angeles City Council 15th District Community Advisory Committee, and the Councilman's Community Planning Committee.

Nick's many outstanding contributions to community welfare have been recognized on numerous occasions. In 1948, Nick Trani was awarded the U.S. Junior Chamber of Commerce Distinguished Service Award for his work with youth in the Harbor Area, and was the subject of the television program, "It Could Be You." He has received many awards and citations from the Boys' Clubs of America, including the Bronze Keystone Award and the Golden Man and Boy Award. In addition, a resolution in his honor was adopted by the Los Angeles City Council.

Mr. Speaker, Nick Trani is a man of many talents who has turned his deep concern and interest in the welfare of our youth into his life-long avocation. Retirement will not end his involvement in youth work; Nick plans on continuing his activities in the Harbor Area's "Project Heavy Program," which he has made an outstanding success in its work with first-time juvenile offenders. Through his many years of selfless effort, Nick Trani enjoys the respect and gratitude of the entire Harbor Area Community, and the satisfaction of having touched so many young men's lives in a positive fashion over the years.

My wife, Lee, joins me in congratulating Nick Trani as he enjoys what we are sure will be a productive retirement. We would also like to extend our greetings to his lovely wife, Millie, and their sons, Thomas and Dennis.●

DICKEY-LINCOLN DEBACLE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. JEFFORDS. Mr. Speaker, in accordance with my remarks today I have set forth below the comments of Richard H. Saudek, chairman of the Vermont Public Service Board on the Dickey-Lincoln Debacle:

DICKEY-LINCOLN SCHOOL PROJECT

The Vermont Public Service Board (the "Board") has reviewed the Draft Environmental Impact Statement (Draft E.I.S.) for the Dickey-Lincoln School Lakes Transmission Project issued by the Department of Energy (the "Department"). Based upon this review, we offer the following comments regarding the potential impact of this project on Vermont, as well as on the methodology adopted and followed by the Department in preparing the Draft E.I.S.

SUMMARY

The Board perceives two basic problems that should be commented on at this time. First, the Department appears to have applied fundamentally different criteria from that which the State of Vermont would apply when determining the potential impact that transmission lines may have upon the environment of this state; and second, the Department appears to base its determinations and conclusions upon inadequate and obsolete information.

I. ENVIRONMENTAL CRITERIA

The Board, as the State agency responsible for passing judgment on proposed transmission facilities within the State of Vermont would normally review and evaluate proposed transmission lines and corridors using different environmental criteria than those apparently applied in the Draft E.I.S. (30 Vermont Statutes Annotated § 248).

For instance, in discussing the land use impacts, the Draft E.I.S. apparently has not taken into account proposed land use, but only existing land use. In Vermont, considerable weight is given to future land use.

The Draft E.I.S. assumes that the impact of power lines on timberland is more severe than their impact on residential and other open lands. This may create the impression that the project will have less impact upon Vermont than in other states. This would not be the case. It has been the historical practice in Vermont to locate transmission lines in wooded areas to reduce the visual impact, which is given high priority in Vermont. As a result, the Draft E.I.S. tends to be contrary to Vermont past practices in siting transmission lines.

Furthermore, we note that the Draft E.I.S. proposes the use of double circuit steel structures along the 20-mile corridor between the Dickey and Moore substations. Although the double circuit steel structures may reduce the corridor width, their size and aesthetic appearance have made them generally unacceptable in Vermont. Instead of these steel structures, we would normally use two parallel wood pole H-frame structure circuits.

By way of example, we have attached an analysis, in the "Vermont manner," of the significance of the Dickey-Lincoln transmission line from Guildhall to the Moore station. The analysis compares the findings in the Draft E.I.S. with the findings as they would be made according to our procedures. The comparative maps and tables are followed by a summary of the impact.

II. OBSOLETE INFORMATION

A review of the Draft E.I.S. indicates that the Department has based its load and system requirements projections on a 1974 New England Power Planning Committee study (1974 Study) containing data which apparently dates back to 1973. Since that time, forecasted growth rates have changed con-

siderably, resulting in a mid-1980's condition that would, at this time, be quite different from that upon which the Draft E.I.S. is based.

For example, a review of Appendix A of the Draft E.I.S., which includes certain charts of the 1974 Study, indicates that a "typical" December, 1985 week load curve would peak at 33,000 MW. A review of the January, 1978 New England Power Pool (NEPOOL) Load and Capacity report, however, forecasts the 1985–86 winter coincidental peak to be 21,484 MW. This is only 65% of the 33,000 MW projected in the transmission study. As seen another way, it would take until 1994–95 at the recently forecasted NEPOOL average compound growth rate of 4.68% per year to reach 33,000 MW from the 1977 December NEPOOL peak of 14,900 MW.

In addition, it is important to note that while the 1974 Study shows a future generation and transmission plan for New England in the mid-1980's which would support the then expected load of some 33,000 MW, these plans have been delayed or revised so that several differences now exist between the projections of the Vermont transmission grid made by the 1974 Study and those made by more current studies. The following differences are noted:

1. The second 345 KV line from Vermont Yankee south to Massachusetts would be deleted.

2. The second Vermont Yankee-Coolidge-West Rutland 345 KV circuit would be deleted.

3. The 1,150 MW Orwell nuclear plant would be deleted.

4. The double-circuit 345 KV line from West Rutland to Orwell and the single-circuit Orwell-Essex line would be replaced by a single-circuit West Rutland-Essex 345 KV line.

5. The Essex-Granite 345 KV line would be deleted.

In light of these changes, it is impossible to tell from the Draft E.I.S. whether the transmission lines would be capable of absorbing the output of the Dickey-Lincoln Project without adversely affecting the stability and reliability of the transmission system in Vermont.

We also note that the economic evaluation for transmission shown in Appendix A does not include the Granite to Essex line and the associated substation costs. We have been advised that this may be an additional cost of approximately $13 million in 1976 dollars, using the Department's own unit costs. (See Table A–5, Appendix A of Draft E.I.S.)

For these reasons, we believe that it is imperative that the Department conduct system studies based upon a mid-1980's condition as currently foreseen, and implement corrective design measures, if necessary, to assure that there will be no adverse effect upon the Vermont transmission system.

CONCLUSIONS AND RECOMMENDATIONS

We draw no conclusions regarding the merits of the Dickey-Lincoln Project at this time. However, we believe that the studies made in connection with the Draft E.I.S. are not specific and precise enough to satisfy the State that the interests of Vermont and its citizens are properly protected.

A review of the Draft E.I.S. demonstrates that it is imperative that the Department conduct current and more complete studies which will more accurately reflect a mid-1980's load condition. Furthermore, it appears that the criteria upon which the Department bases its environmental impact study inadequately evaluates the impact of transmission placement on the Vermont landscape.

The State of Vermont has a strong, consistent and abiding concern that its development, including the siting of its transmission and generation facilities, be planned in such a way that they will be necessary for the well-being of Vermonters and that they will be situated and constructed at minimum cost to our environmental, regional and local planning, historical, scenic and economic well-being. We have in place the authority, through the hearing process, for the Vermont Public Service Board to determine whether these criteria are adequately met. We hold our utilities strictly to these standards and insist that our utilities prove that these standards will be met by new construction.

As demonstrated above, the Draft E.I.S. clearly fails to meet our criteria. The planned system should undergo the rigorous analysis that we accord other transmission lines in the State.●

LOS ANGELES SCHOOL VOLUNTEER PROGRAM

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mrs. BURKE of California. Mr. Speaker, I wish to bring to the attention of my colleagues the accomplishments and successes of the Los Angeles Unified School District's school volunteer program.

Since its inception 15 years ago, the Los Angeles Unified School District's school volunteer program has grown both in stature and size to become the Nation's largest. Today, 25,000 volunteers, 6,000 tutors, and 3,000 DOVES (dedicated older volunteers in educational service) contribute their time, talents, and skills to assist the students and teachers in our schools.

Through their dedication, participants in the school volunteer program have given almost $4 million in free services to 600 schools in the Los Angeles Unified School District. They have demonstrated, through their love for children, an active and creative use of a vital and heretofore untapped human resource.

With its admirable goal of quality education, the school volunteer program has brought enrichment into the lives of our children, with an emphasis on individual attention for a child's special needs, teacher assistance, creative classroom time, and invaluable behind-the-scenes preparation and innovative ideas.

I am proud to have this opportunity to recognize the thousands of volunteers, tutors, and DOVES who together have worked tirelessly to make the Los Angeles Unified School District's school volunteer program a most invaluable aid to both our teachers and our children. We are grateful for their continued dedication and determination to provide the quality education and environment so essential to creating the necessary groundwork for a child's future happiness and achievement. They deserve our appreciation, our respect, and our overwhelming support in the future.●

THE INSURANCE INDUSTRY: "POORLY MANAGED? SELF-SERVING AND GREEDY?"

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. LaFALCE. Mr. Speaker, the Washington Post on June 14, 1978, published an article about a conference of insurance company representatives and those State officials responsible for monitoring and regulating this multibillion-dollar industry. The Federal Government plays almost no role whatsoever in regulating this industry, despite its major power in our national economy.

I found the article most illuminating, and I want to share it with our colleagues. For I think it cogently—if unintentionally—makes the major point I have been stressing for months now: That the State regulators, despite their excellent intentions, are not in a position to provide the kind of effective regulation required for this massive industry.

There is something wrong, I think, when a State regulator, the president of the National Association of State Insurance Commissioners says, as quoted in the article, that—

> Insurers . . . play follow the leader, shrinking market after market and raising the prices to the point of recklessness.

In fact, there are two things wrong here: First, that the companies would indulge in such practices but second, that the State regulatory mechanisms are not able to cope with practices of this kind and prevent them. What better testimony to the need for more effective regulation of an industry could we ask for than that of the president of the National Association of State Insurance Commissioners.

I commend the article to your attention, Mr. Speaker, and to that of our colleagues:

INSURANCE COMPANIES CHIDED FOR NOT CONTAINING HIGH COSTS

(By Nancy L. Ross)

State insurance commissioners chided property and casualty insurance firms yesterday for not using their economic clout to help contain soaring costs.

Harold B. McGuffey, president of the National Association of Insurance Commissioners and Kentucky's insurance commissioner, told an audience of regulators and industry representatives, "Too many members of the insurance industry view themselves only as funnels through which premiums are collected and losses paid, with no thought to controlling underlying costs. They think cost containment is somebody else's job—and they're wrong."

An industry that pays out $35 billion annually in claims has a responsibility to use its influence in getting better designed and safer cars, he said. And arson for profit has been a major problem because the industry is too reluctant to make a vigorous fight against false claims, McGuffey asserted.

The General Accounting Office concluded recently that FAIR plans—state-directed and federally monitored programs designed to

help inner cities—are actually encouraging arson by overinsuring buildings. FAIR plans were found to provide insurance to almost everyone who requests it, regardless of character, background or prior involvement with fires.

McGuffey also charged the industry has failed to make its rate-making practices believable to the public. "Our recent experience with the medical malpractice crisis and the products liability crisis showed us once again that insurers . . . play follow the leader, shrinking market after market and raising the prices to the point of recklessness. The public develops the attitude that the business is poorly managed or totally self-serving and greedy," he said.

He singled the driver classification system out for criticism. Insurance companies, the regulator declared, are too used to doing things the "easy" way—using age, sex and marital status of the driver as criteria. He urged insurers to use more accurate criteria such as mileage driven, number of years of driving experience, accident record and make and model of the car.

Not surprisingly, the state commissioners, who are meeting here throughout the week, oppose federal regulation of the insurance industry. Their opening session followed by one day a weekend meeting of the American Bar Association at which a Federal Trade Commission official called for changes in the McCarran-Ferguson Act, which exempts the insurance industry from federal regulations.

Amending that law would likely increase competition in the industry, said Robert Reich, director of the FTC's Office of Policy Planning and a member of its task force studying insurance.

Reich said the task force probably will urge less state regulation of insurance rates. Sixteen states now have open competition, meaning that prior approval is not required. Reich said studies, such as one done in Illinois, show that open competition benefits consumers.

However, Reich warned in his speech, "Some governmental intervention in the form of antitrust enforcement may be necessary to ensure that competition itself is healthy and robust." The FTC report will be incorporated into the recommendations of a panel appointed by President Carter to review federal antitrust laws.●

CARNEGIE HERO AWARD TO CLAYTON R. WALL

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MURPHY of Pennsylvania. Mr. Speaker, the Carnegie Hero Fund Commission recently awarded a bronze medal to Mr. Clayton R. Wall who resides within my congressional district for his unselfish and heroic conduct during a coal mine cave-in in February 1977.

Mr. Wall is to be commended for his efforts to free a fellow miner who was buried alongside a mining machine by shale and sandstone rock. Mr. Wall was one of five men who dug a tunnel by hand, cut through a fallen beam, and removed their fellow worker from under the rockfall via their hand hewn tunnel.

I congratulate Mr. Wall for his valiant actions and for receiving the bronze medal from the Carnegie Hero Fund Commission. His loyalty to his fellow miner is both a credit to himself and his profession. Furthermore, his courageous example is one which follows the humane principles on which our country was founded.●

DR. C. LESTER HOGAN

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MINETA. Mr. Speaker, California's Santa Clara Valley, which I am proud to represent here in Congress, has earned itself the nickname "Silicon Valley" because of the great contribution to the progress of the electronics and related industries made by companies located there.

Development of a great industry depends on the labors of many people working at varied tasks. The electronics industry is perhaps a little unusual in that many of the individuals who pioneered the scientific research and engineering which laid the groundwork for electronics products are the same individuals who went on to manage the mass production and marketing of those products.

One such individual is Dr. C. Lester Hogan.

It gives me great pleasure to announce that Dr. Hogan was awarded the Community Service Award, June 13, by the San Jose Chapter of the National Conference of Christians and Jews. It was not the first time Dr. Hogan has been honored for his many achievements in science, business, and community affairs, and I would like to bring some of these accomplishments to the attention of my colleagues in the House.

Dr. Hogan was graduated from Montana State University in 1942 with a B.S. in chemical engineering. After serving as a U.S. naval officer in World War II, he earned a masters and doctorate in physics from Lehigh University in Pennsylvania.

Dr. Hogan first came to world attention at Bell Laboratories, where he performed experiments demonstrating nonreciprocity at microwave frequencies and derived a theoretical analysis substantiating the experiments. This work, published in 1952, has become a classic reference and it led to Dr. Hogan's subsequent invention of such devices as the microwave gyrator, microwave isolator, and microwave circulator. These devices, in various forms, are now used in nearly every microwave system in the world today, be it telecommunications, including satellite communications, or advanced radar systems.

Dr. Hogan joined the faculty of Harvard University, where he was awarded the Gordon McKay Professorship of Applied Physics. He returned to private industry in 1958, serving for 10 years as general manager of the Motorola Semiconductor Products Division and rising to executive vice president of the company. In 1968, he became president and director of Fairchild Camera and Instrument Corp. In July, 1974, he was elected to his present position as vice chairman of the Board of Directors at Fairchild. In the past decade, he has managed the company's expansion, reorganized the management, and directed the development of many new innovations in telecommunications.

Among his many professional awards is the Federik Philips Gold Medal of the Institute of Electrical and Electronics Engineers and his election as an honorary fellow of the United Kingdom's Institution of Electrical Engineers for his contributions to the development of electronic technology and leadership in the semiconductor industry. He is the only living American to receive this honor. Dr. Hogan was also elected a fellow of the American Association for the Advancement of Science this year for his pioneering contributions in microwave electronics and his leadership in industrial research and engineering.

Dr. Hogan's contributions to education parallel his achievements in science and engineering. He holds honorary degrees from Harvard, Lehigh, Montana State, and Worcester Polytechnic Institute. He serves on the Board of Trustees of Lehigh University, the Board of Regents of the University of Santa Clara, the Advisory Board for the College of Engineering at the University of California at Berkeley, the Visiting Committee for the Department of Electrical Engineering and Computer Sciences at Massachusetts Institute of Technology, and the Advisory Council of the School of Engineering at Stanford University. He held a similar position at Princeton University from 1957 to 1968.

Mr. Speaker, Dr. Hogan has not overlooked Congress in his wide range of public service. He serves on the advisory panel to the Congressional Office of Technology Assessment and on the President's Export Council.

It is easy to take for granted many of today's technological achievements such as microwave telecommunications. Today, however, I ask my colleagues to recognize and congratulate Dr. C. Lester Hogan as one of those responsible for many of the aspects of the standard of living which we enjoy today.●

MR. NKOMO'S CUBANS

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. BOB WILSON. Mr. Speaker, I would like to share with my colleagues an editorial that appeared in the Washington Star today:

[From the Washington Star, June 15, 1978]

MR. NKOMO'S CUBANS

We suppose Joshua Nkomo's public acknowledgement makes it official. The Rhodesian guerrilla leader said, in an interview

with The Times of Zambia the other day, that Cuban advisers are training his 6,000-man army.

This was hardly news; the Cuban involvement already was known and had been reported. The military tutelage by Havana, as Moscow's instrument, harmonizes with the pattern of Russian-Cuban anti-Western mischief elsewhere in Africa. In Rhodesia the communists' immediate goal is to kill chances for the peaceful installation of black majority rule, now being attempted by a transitional government of the formerly dominant white minority and moderate black leaders.

The sponsors of this "internal" settlement particularly want to hold democratic, Western-style elections in December, with everyone enfranchised and a black majority assured. The guerrillas want to head this off and, unfortunately, may have the disruptive power to do so. It may be impossible to hold the elections if the government cannot assure the safety of the polling places.

Mr. Nkomo has had previous moments of frankness. He and his associate in the roughly organized Patriotic Front guerrilla movement, Robert Mugabe, have shunned the transition ostensibly because it is too soft on the old white autocracy and, more specifically, because it includes old foe Ian Smith, the white prime minister who held off black rule for years. The real fear of the guerrilla leaders is that in a free electoral process they would not fare as well as better-placed, moderate blacks like Bishop Abel Mozorewa. As Mr. Nkomo laid bare his democratic sensitivities recently, he insisted that any transition terms must "contain arrangements for our firepower." The Patriotic Front, he said, "cannot discuss a cease-fire until we have an interim arrangement that secures a movement forward, and no reversal of what we have gained by military force."

His brandishing of the Cubans and his Soviet arms, he indicated, is designed to "scare away" the Western powers. Mr. Nkomo was not frank on this point. He actually wants the West—namely the United States and Britain—to compete with the Russians and Cubans in pushing Mr. Nkomo to power in Rhodesia. He wants our diplomats to help carve a place for him, as much to his specifications as possible, in the transition process. Democratic niceties should not govern. Mr. Nkomo's Cuban-trained army, at least, would be positioned to exert a rather undemocratic form of pressure at the appropriate moment.

For reasons that do not bear scrutiny in terms of Rhodesia's democratic prospects or the desires of the country's peaceful majority, American and British diplomacy has been undercutting the transition government and promoting an "all-party conference" to reopen the constitution-making process to the guerrillas. The stated premise is that this is necessary to stop the fighting and avoid a larger black-on-black war for control of the future Zimbabwe. The geopolitical explanation is that this is the way to outmaneuver the Russians and Cubans, by playing for the hearts and minds of the Patriotic Front and the rest of black Africa. What moderate black Rhodesians might want is secondary.

We fear what Mr. Nkomo's votes-for-guns principle (should his guns outvote Mr. Mugabe's) would do to the prospect for fair and reasonable government honoring the aspirations for majority rule. His lack of political support inside Rhodesia shows little voluntary liking for his "firepower" among Rhodesian blacks. (Mr. Nkomo's minority tribal identification also limits his political appeal.) Perhaps Mr. Nkomo's public boasting of his Cuban connection will have the opposite of its intended effect, and make it harder for President Carter to continue endorsing such a masochistic role for the U.S. in Rhodesia.●

THE CASE FOR COMING TO NEW YORK'S RESCUE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, last week this House, by a vote of 247 to 155, voted to provide Federal guarantees for up to $2 billion of New York City's long-term borrowings over the next 4 years. After lengthy and thorough debate, we determined overwhelmingly that long-term credit assistance is the best means for insuring that our Nation's largest city regain financial self-sufficiency.

The subject is now being considered in the other body, and I am gratified that the chairman of the Senate Banking Committee has scheduled a date for markup of the legislation before it.

On the op-ed page of the Washington Post of June 13, Michael J. McManus presents a clear and reasoned argument for why the Federal Government should come to New York's assistance and why that assistance should be in the form of long-term credit assistance. The article follows:

THE CASE FOR COMING TO NEW YORK'S RESCUE

(By Michael J. McManus)

The confrontation could not have been more dramatic. The mayor of New York, only hours after a negotiating session at which he agreed to a $1.1-billion wage and benefits settlement with city employees, asked the Senate Banking Committee for a continuation of short-term seasonal loans given to no other city, plus $2 billion worth of federal guarantees of long-term city debt, also unprecedented.

Exactly four months earlier, the committee unanimously stated that "New York City should be able to meet its financing needs and avoid bankruptcy after June 30, 1978, (when present loans end) without further federal financial aid."

Sen. William Proxmire (D–Wis.), the committee chairman who was given "grudging admiration" by New York City Council President Carol Bellamy for keeping the pressure on New York—continued to do so. He reminded the mayor that, three years earlier, city officials said federal loans were to be a "one-time thing, never to be repeated." Yet now the city "is asking for even more than it got in 1975," both short-term loans and $2 billion of loan guarantees for 15 years. He said it was excessive borrowing that got the city in trouble in the first place; yet now it was willing to become a "guaranteed junkie, coming back and back."

Rep. Richard Kelly (R–Fla.), speaking before Mayor Ed Koch, praised the Senate committee's opposition to the fiscal package and said: "New York City has the resources to save itself. All that's needed is for employees who get the highest pay in the country to pass up a pay raise of $1 billion." He is right. The $1.045-billion deficit of the city would wipe out if there were no wage increase.

However, it should be noted that Mayor Koch held down the total payroll cost in the new agreement to only 5.3 over *two* years. As he rightly testified, federal employees are complaining about President Carter's desire to hold their compensation down to a 5.5 percent increase in *one* year.

Later in his questioning of Mayor Koch, Sen. Proxmire spelled out another scenario for New York to save itself without federal guarantees. If the municipal unions would continue to pledge 35 percent of their pension-fund investments, which they are now lending to the city without guarantees, and if the six major commerical banks were to continue lending 0.92 percent of their assets to the city as they did in 1975, these commitments would generate the $4.5 billion of long-term money the city says it needs.

Sen. Proxmire, also, is right. But when he asked Mayor Koch why the city did not get the banks and pension funds to maintain their investments in unsecured bonds, Koch said simply, "If we could have done so, we would have, but we couldn't."

New York Comptroller Arthur Levitt has flatly refused to invest state pension funds without a federal guarantee—thereby winning the praise of state employees fearful their retirement could go down the drain. By that measure, New York City pension funds are way overcommitted with 35 percent of assets in city bonds.

It is important to note that the banks and insurance companies will invest $1 billion without requiring guarantees of that money, so long as the pension funds and others are involved. Thus the federal guarantees are only for pension-fund investments, and they will spark additional private-sector commitments. The guarantees will also lower New York's interest cost and help it eliminate an annual deficit already cut from $3 billion in 1974 to $500 million.

London's Economist says that "if New York City were a foreign country—and many Americans feel that it almost is—it would have called in the International Monetary Fund a long time ago. The IMF's reaction to a country of 8 million people (nearly 1 million of whom are on welfare) whose government had run up $14 billion in debt and an annual deficit of $500 million, which had a faltering domestic economy and no credit, would be predictable enough. It would impose strict conditions of fiscal rectitude on that country's politicians in return for a standby credit to bail them out.

"That is exactly what America's federal government should now do with New York City's government.

The Fiscal Observer, an impartial bi-weekly newsletter on the fiscal crisis, stated in its June 1 issue: "The city could wipe out its 1980 operating deficit if the federal government took over the costs of either welfare or Medicaid, or assumed half the local costs of each."

But at this point the city is not even asking for that. It is merely asking for $2 billion of federal guarantees—$300 million of which have been given to homeowners, farmers, corporations and endless other entities—to a city in danger of bankruptcy. New York will even pay the federal government for the privilege, just as Washington got a $30-million payment interest rates from its seasonal loans over the past three years. The treasury made money on New York's plight.

If all of those arguments are not persuasive, consider what happened three years ago when New York almost did go under. According to the Northeast-Midwest Congressional Coalition, which represents 213 members of Congress from Maine to Minnesota, "market instability directly attributable to the New York City crisis cost other governments at least $2.1 billion, including $700 million in higher interest rates."

What if New York really went under? The impact is incalculable, which is why the Carter administration proposed the $2 billion loan guarantees.●

TELEVISION FOR THE DEAF

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. HARKIN. Mr. Speaker, for millions of people in the United States, television is a main source of entertainment and information about consumer goods and services. However, for over 13 million persons who have hearing impairments, the medium has yet to become the source it could be as a transmitter of information.

In December of 1976, the Federal Communications Commission voted to reserve line 21 on the television screen—the first nonvisual line above the television picture—for voluntary transmission of closed-captioned programs for the hearing impaired. Closed captions are written translations, converted to electronic codes by the broadcaster and carried in the regular TV signal in a way that is hidden in the picture. In order to see the captions, a special decoding device must be purchased and used.

Because the choice to use closed captioning is voluntary, all networks, except the Public Broadcasting System (PBS), have been dragging their feet in using this device for communicating with the deaf. Many do not want to invest in the necessary captioning staffs and equipment, even though costs are moderate. PBS estimates that with the use of a computer, it should cost networks less than $1,000 to make a complete set of captions for a 60-minute program. The captioning equipment itself runs between $25,000 and $50,000—but that is a one-time expense. In addition, PBS says that home decoders could be marketed within a year at a cost of less than $125.

Sponsors and networks do not seem to recognize the potential market that lies in the hearing impaired. I encourage them to study it. Perhaps they do not realize that most deaf people are working members of society who have the financial means to do their own purchasing of consumer products. My deaf brother, an employed member of the working community, relies on advertising to inform him of his choices in the marketplace, as most people do. But for him and other hearing impaired persons, television is not a medium through which he can learn of such choices since he cannot hear about advertised products.

With closed captioning, not only would deaf individuals benefit, but so would entire families—parents, brothers, and sisters, children of the deaf—who could finally enjoy TV with the hearing impaired. The result: An expanded audience for the sponsor's product.

Back in March, I wrote to eight major network sponsors, asking that they give strong support to closed captioning. I have received favorable responses from four of them: Texaco, Inc.; Gulf Oil Corp.; Exxon; and International Telephone & Telegraph Corp. This certainly encourages me.

I ask you, my colleagues, to encourage all networks and sponsors of television programing to greatly consider the benefits of closed captioning. Television's airways, ideally suited for carrying closed captions, could noticeably diminish the communication gap for our 13 million fellow Americans who are hearing impaired.●

FINANCING OF PUBLIC IMPROVEMENTS

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. PATTERSON of California. Mr. Speaker, the National Association of Home Builders, which represents the Nation's home construction industry, attributes the soaring cost of homebuilding throughout the Nation substantially to a lack of sufficient developable land served by publicly financed utilities and other facilities. The construction of water and sewer systems, parks, schools, and other facilities is often financed by municipalities through the issuance of revenue bonds. The cost of such financing serves as a constraint on local government's ability to provide these facilities and services. That, in turn, inflates land costs and bars more and more families from the homebuying market.

In my own area of California, the Federal Home Loan Bank Board reports that the average sales price of a new single family home for the first quarter of this year reached $81,700. This is compared with the nationwide figure of $59,000 which, in and of itself, is staggering. Roughly speaking, 22 percent of this price is attributable to the land, including utilities, and other public facilities.

The result of last Tuesday's ballot in my State on proposition 13 compounds the problems of government's ability to provide the infrastructure necessary to turn raw land into homes for California families. Because it is being interpreted as a symbol of a taxpayers' revolt, it serves to emphasize the need for a nationwide effort to seek reasonable means of reducing governmental costs.

It was toward that end that I cosponsored H.R. 10145 to authorize commercial banks to underwrite revenue bond issues of State and municipal governments. I view the bill as an opportunity to expand the market for such bonds and thereby reduce the costs of their issuance.

On May 15, NAHB endorsed the legislation by passing a resolution in full support of H.R. 7485. That bill, which was introduced by Banking Committee Chairman REUSS and Representative SPELLMAN, is identical to mine. I include NAHB's resolution at this point in the RECORD:

FINANCING OF PUBLIC IMPROVEMENTS

Whereas, the present high cost of constructing housing has priced many American families out of the housing market; and

Whereas, one of the principal contributors to this high cost has been the lack of sufficient developable land with utilities and other public facilities available to serve prospective residents; and

Whereas, the provision of such utilities as water and sewer and such facilities as schools and parks are dependent upon the ability of local governments to raise the capital funds needed to finance their construction; and

Whereas, the cost of revenue bond financing has been kept unnecessarily high by the exclusion of commercial banks from the underwriting market; and

Whereas, H.R. 7485 has been introduced in the House of Representatives and S. 2674 has been introduced in the Senate to permit commercial banks to underwrite and deal in revenue bonds; and

Whereas, the enactment of such legislation would provide a broader market for state and local revenue bonds and make it easier and less costly for local governments to finance the utilities and public facilities needed to meet the housing needs of the American people at the lowest possible cost,

Now, therefore, be it resolved that the National Association of Home Builders calls upon Congress to promptly consider and approve legislation permitting commercial banks to underwrite and deal in revenue bonds by state and local governments.

Approved by board of directors.

Mr. Speaker, the Home Builders have joined a growing list of supporters for this important legislation. It is supported strongly by those who should know best whether it will reduce the cost of revenue bond financing—State and local government officials themselves and the organizations that represent them. These include the National Governors Association, the National Association of Counties, the U.S. Conference of Mayors, and the National League of Cities. They also include the Municipal Finance Officers Association, the American Public Power Association, the National Association of State Auditors, Comptrollers and Treasurers, and the Airport Operators Council International.

The legislation is also supported by the Federal Reserve Board and the Federal Deposit Insurance Corporation. In fact, the staff of the Federal Reserve, in a memorandum to the Board before it made its recent decision to support, pointed out that several studies over the years, including one by the Federal Reserve, have concluded that substantial savings will accrue to State and local government issuers of revenue bonds from bank eligibility to compete for underwriting these bonds. The most recent of these studies estimates that the savings on revenue bonds issued in 1977 would have been well over $400 million.

This potential saving is too important to neglect for us as well as our constituents. That is why the NAHB resolution calls upon the Congress to promptly consider this legislation. We cannot afford to allow to pass the opportunity this year to strike a blow for better housing opportunities for our constituents, for a reduction in the cost of State and local government and for a lessening in the inflationary pressures that are besetting all of us.

I urge all of my colleagues to join me in supporting H.R. 7485 and calling for action on it this year.●

ERA RATIFICATION MORE URGENT THAN EVER

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. DRINAN. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent editorial in today's Boston Globe concerning the effort to extend the ratification period for the equal rights amendment.

With last week's ERA defeat in Illinois, it has become clear that the present deadline of March 22, 1979, may come and go before the necessary third additional States vote for ratification. Of the 15 States which have not yet ratified the ERA, several will not meet in legislative session at all until next year. This leaves a woefully inadequate period of time to evaluate and debate the ERA ratification.

The Boston Globe editorial sets forth excellent arguments for supporting the ERA extension. I urge my colleagues to review it carefully.

The editorial follows:

RIGHT COURSE FOR WOMEN'S RIGHTS

When Congress finally passed the ERA in 1972, 50 years after it was originally introduced, the legislation was sent out to the states for approval by three-fourths of their legislatures within a seven-year time period. At that time the March 22, 1979 deadline seemed reasonable enough. ERA supporters could not anticipate that the proposition requiring ratification by 38 states would pass in 35 before being blocked in 15. ERA supporters could not anticipate that a handful of legislators—five in Illinois, two in North Carolina, four in Florida, three in South Carolina—would stand between passage and defeat.

But ERA supporters have been politically naive. Convinced that the opposition's backroom wheeling and dealing would ultimately fail, ERA supporters have been too willing to believe that an amendment, guaranteeing that equality under the law cannot be abridged on the basis of sex, would succeed on the basis of its inherent merits.

They were wrong.

In the past six months it's become apparent that if the amendment is going to become law, its supporters are going to have to learn the kind of political realism the opposition has demonstrated for the past six and a half years.

There have been hopeful signs. Several anti-ERA legislators have been defeated in re-election attempts. The convention boycott of states which have not ratified the amendment appears to be gathering momentum—Chicago, for example, has lost an estimated $20 million worth of business from organizations which have refused to hold meetings there in protest. And, finally, the current deadline extension drive.

Last year The Globe suggested that extension would be a tactical mistake, that it would divert attention from the more immediate goal of ratification before the deadline originally established by Congress. But last week's ERA defeat in Illinois has made it clear that March 22d may come and go before an additional three states vote for passage.

Such a failure could only be perceived as an emotionally and politically draining blow. The ERA would be all but dead and the energy required to crank up and start the passage procedure all over again on March 23d would be overwhelming.

Most of the amendments to the US Constitution have been passed without deadline. The time limitation imposed on ERA ratification effected a political compromise decided on by Congress at the time the ERA was submitted to the states. But it also falls within congressional authority to extend the deadline and to those who say extension represents dirty politics, we say it's merely the next step in the political process.

Extension legislation is making its way through House channels and Speaker Thomas P. O'Neill, a realist if there ever was one, supports the legislation, predicting it will pass the House by a simple majority vote. Senate hearings on a similar bill are expected sometime this summer.

Some suggest that extension will only work to taint the amendment in its final form, that it will set a bad precedent for the future and provide maneuvering room for opponents who are pushing to rescind the amendment in states where it's already been ratified. We disagree. At this point the first two points are purely philosophical, while the third will have to be decided by the courts.

The Equal Rights Amendment is much too important to let it slide so easily from our near future. Right now the name of the game is politics and in politics the rules of the game are constantly changing. The rules have changed on this one, so let's get on with it.●

AMERICAN PRISONERS IN MEXICAN JAILS

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. PRESSLER. Mr. Speaker, the pending case involving two girls from my district in South Dakota who are currently being held in a Mexican prison is of great concern to me and of great importance to my colleagues, as many Americans each year are denied due process and held up for long periods of time for alleged infractions of Mexican law. Fortunately, the case involving these two girls is being resolved and the two will soon be set free, but many times justice is withheld or delayed for indefinite lengths of time.

I wish to share with my colleagues the following correspondence between Secretary of the Department of State, Cyrus R. Vance, and myself:

WASHINGTON, D.C., *May 9, 1978.*

Hon. CYRUS R. VANCE,
Secretary, Department of State,
Washington, D.C.

DEAR MR. SECRETARY: I am writing about a problem which exists in Mexico. Recently I have been in contact with the State Department regarding two young women who reside in South Dakota who have been detained by Mexican authorities. I thank you for the information you have provided, but this letter has a broader purpose.

Based on numerous conversations I have had with American citizens traveling to Mexico, and based on memories of my days of working in the Legal Office at the State Department, I am aware that American tourists in Mexico are routinely held up for long periods of time if they run afoul of the law. The television program "Sixty Minutes" has done a report on this subject. I am also aware that the payment of a "tip" of anywhere from $25 to $300 is commonplace to speed up Mexican justice. This does not apply to American citizens bearing diplomatic or consular passports who are immune from the local laws. I am not suggesting that American citizens should not be arrested or detained if they have done something wrong in Mexico, but we do have reciprocity in our treaties with Mexico. Our country is very careful to treat foreign nationals with due process. We certainly have problems within our own country, but problems of American tourists who have a traffic violation or some other type of infraction of the law in Mexico seem to have reached astronomical proportions.

American citizens traveling in Mexico have become the targets of local Mexican authorities who expect "tips" or just plain bribes to expedite paperwork. The honest, law-abiding citizen who runs afoul of the law either comes up with a cash "tip" or spends weeks waiting.

I would ask that you take this matter up with the Mexican government or at least register a protest with what seems to be a common practice.

I am placing this letter in the CONGRESSIONAL RECORD in the hope that other Members who have had similar complaints will also write to you at this time. I shall also place your response in the CONGRESSIONAL RECORD.

I fully understand that the United States does not have sovereignty in Mexico, but, as I understand it, when the Mexican government arrests an American citizen a report is made to the U.S. Consulate in the area and, in turn, to the U.S. Embassy. Thus, the United States Embassy is well aware of what is happening. If this type of treatment were vigorously protested, I think we would see some changes.

Sincerely,

LARRY PRESSLER,
Member of Congress.

DEPARTMENT OF STATE,
Washington, D.C., May 31, 1978.

Hon. LARRY PRESSLER,
House of Representatives,
Washington, D.C.

DEAR MR. PRESSLER: The Secretary has asked me to reply to your letter of May 9 regarding delays faced by American travellers in Mexico who have been detained or arrested, and who may offer "tips" or bribes to local Mexican authorities in order to expedite their cases.

As background to your inquiry, it may be useful to note that an estimated two and one-half to three million U.S. tourists visit Mexico each year. Considering the sizeable volume of Americans travelling to Mexico, it is not surprising that the number of them who are arrested or detained is relatively high. Reports submitted to the Department by our Embassy in Mexico City show that the rate of arrests consistently ranges at approximately 100 per month. Most of those involved are quickly released, oftentimes even before the Embassy has been notified of their arrest, due to the minor nature of the charges.

According to the Mexican Constitution, those charged with offenses bearing a penalty of imprisonment must be tried within four months if the appropriate maximum penalty does not exceed two years; and they must be tried within one year, if the maximum penalty is greater. It is this latter time period which pertains to the majority of U.S. offenders charged in Mexico, 80 to 90 percent of whom are arrested on drug charges carrying a minimum penalty of five years and six months. There are no indications that U.S. prisoners in Mexico are discriminated against in respect of promptness of trial as compared to Mexican prisoners or those of other nationalities arrested on similar charges. There have been a few instances where U.S. prisoners have not been brought to trial for an extended period of time; in such cases, our consular officials raise the matter with the appropriate Mexican authorities.

As for the issue of American tourists being delayed by local Mexican authorities for

traffic violations or minor infractions of the law, the Department is, of course, in no position to protest Mexican law enforcement measures. However, the Department does not condone, and strongly opposes, the solicitation of "tips" or bribes by Mexican authorities in connection with such violations. Complaints by American travellers of bribes or attempted bribes which are brought to the attention of our consular officials are made known to the Mexican authorities. One recent example involved an American couple held overnight by Mexican authorities for allegedly having stolen a gold chain, and who were released only upon payment of the value of the "missing" item. Upon learning of the incident, the Embassy raised the matter with the State Attorney General with the results that the offending official was dismissed, the couple's money was refunded, and an official apology was extended them. It may also be that some American travellers in Mexico run into problems with the local authorities and agree to demands for "tips" in order to extricate themselves, and that they do so without consulting our Embassy or Consulates beforehand or informing them afterwards. Such action obviously would prevent any effective intervention by our officials.

In the U.S.-Mexico Tourism Agreement signed by Secretary Vance and Foreign Secretary Roel on May 4, 1978 in Mexico City, both parties recognized the necessity of promoting the health and safety of tourists from the other country. According to Mexican Minister of Tourism Rossell de la Lama, his Government is planning to designate certain officials throughout Mexico who will receive tourists' complaints and requests for assistance. The Mexican state of Baja California has already enacted a law establishing a Public Defender for the Protection of Tourists; this attorney has been empowered to impose stiff fines on administrative officials, tourism operators, manufacturers and others who may violate the rights of tourists, and to report them to the Federal Government for the imposition of federal penalties.

In conclusion, the Department is concerned at the issues you have raised and will continue to make every effort to ensure that Americans travelling in Mexico, as in other countries, are accorded proper treatment in the event they are arrested or detained by the authorities.

Sincerely,

DOUGLAS J. BENNET, Jr.,
Assistant Secretary
for Congressional Relations.●

BETTY AND LOUIS BALAS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. WAXMAN. Mr. Speaker, I ask the Members to join with me in extending congratulations and good wishes to Betty and Louis Balas, who have more than earned the honor of a testimonial dinner by Etz Jacob Congregation on Sunday, June 25. Betty and Louis will receive the Man and Woman of the Year Award from their congregation on this happy occasion.

Louis, first vice president of B'nai B'rith Fidelity—Bogen Lodge No. 1215, and its Chaplain, is executive vice president and a board member of Btz Jacob Congregation. He was president of the Chicago VIP's for 3 years, a life member of the Zionist Organization of America, a member of the Masonic Order for more than 50 years, and was president of the Albany Park Hebrew Congregation of Chicago for 6 years. He is also an associate member of Hadassah.

Louis is recipient of the coveted Akiba Award, a member of the Prime Minister's Club of the State of Israel, and received the Ben Gurion 30th Anniversary Award of the State of Israel.

Betty, working with and supporting Louis in all of his activities for their synagogue, their community and for Israel, is a life member of the Elana Chapter of Hadassah.

Together, Betty and Louis Balas have provided goals for others to aspire to, but seldom reach. Their accomplishments have left an indelible mark for the better on everything they have undertaken. The joy of giving shines through their lives, and we have all been enriched.●

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS III

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. SAWYER. Mr. Speaker, for the third time I take the opportunity to express my deep feelings on violations of human rights in Turkey. As I have related to you in earlier messages, I am particularly concerned about the welfare of two American girls, JoAnn McDaniel of Oregon, 33, and Katherine Zenz, 32, of Wisconsin. They have served 5 years of a 24-year, nonparolable sentence in Turkish prisons for their alleged attempt to smuggle hashish into Turkey. The conditions under which they serve are deplorable and I would not hesitate to term their situation as desperate.

Presently, there are five American civilians serving sentences in Turkish prisons. I earnestly believe that action taken by the Congress to press for a prisoner exchange treaty with Turkey will be effective, especially if such action is in the form of an amendment to the bill on the repeal of the Turkish arms embargo, making the repeal effective upon the execution of a prisoner exchange treaty. At a time when the plea of human rights has become the cornerstone of our foreign policy, I believe it is imperative for the United States to be assured that a prisoner exchange treaty will be negotiated and acted upon before the actual lifting of the present arms embargo.

Until now, the Turkish Government has been insensitive to our demands. Many pleas, pleas have been made to them from concerned citizens throughout the country. For your information, I include one such passionate plea in the RECORD. It is the most recent from Mr. and Mrs. McDaniel, the elderly parents of JoAnn, now retired and living in Arizona. Their plea is even more painful when one knows that the framework for such a prisoner exchange treaty, in the form of implementing legislation, has already been signed into law and that both this country and Turkey have such treaties with other countries.

Letter follows:

SUN CITY, ARIZ., *May 17, 1978.*

HON. HAROLD S. SAWYER,
House of Representatives,
Washington, D.C.

DEAR HONORABLE CONGRESSMAN SAWYER:

We are enclosing two letters that we have written to Premier Bulent Ecevit and Minister of Foreign Affairs, Gunduz Okcun, regarding our daughter, JoAnn McDaniel and Katheryn Zenz and Robert Hubbard. We are still hopeful that you are interested in their behalf. Our hopes have been high this year as there seems to be more possibilities for their release than at anytime. We thought that a letter from us at this time would perhaps help in some way. We have noticed in JoAnn's letters recently that she is more desperate than at anytime. She has been very brave and strong during the past five years and has never given up hope. However, there is a limit to what an individual can take and we are most concerned about her. If no concrete results are forthcoming we will try somehow to get to Turkey. What we could do there is questionable but at least we would be with her. If you have any suggestions that we could do to help in this long ordeal we would be glad to comply if at all possible. Diplomatic procedures are so complicated and slow that sometimes the real issue is lost in the shuffle.

We thank you from our hearts for your interest and efforts in this situation. We are still hopeful that this year will bring about their release and that JoAnn can come home and enter the mainstream of life once again.

With gratitude,
Mr. and Mrs. HAROLD MCDANIEL.

MR. AND MRS. HAROLD MCDANIEL,
Sun City, Ariz., U.S.A., May 17, 1978.

Premier BULENT ECEVIT,
Basbakan,
Ankara, Turkey.

YOUR HONORABLE PREMIER: We are seeking your help in a very difficult and trying situation. We have tried for six long years to end our ordeal to no avail. In desperation we are turning to you for assistance.

Our daughter, JoAnn McDaniel, is in prison in Adana. She is being held with two other Americans, Kathy Zenz and Robert Hubbard, on a drug charge. They have made the best of a most difficult situation through the years and have been good prisoners. They are young and can be useful citizens in society if given the chance. We shudder to think of their wasted lives and the years spent behind bars and prison walls.

We love our daughter and beg of you to exercise your power to release them. We realize you have many great and pressing problems as premier of Turkey but we are praying and hoping that you will take the time and effort to help us in our time of need. Our hearts have been heavy throughout this tragic experience and we know not where else to turn. We desperately need your help.

Thanking you,
Mr. and Mrs. HAROLD MCDANIEL.

SUN CITY, ARIZ., U.S.A., *May 17, 1978.*

GUNDUZ OKCUN,
Minister of Foreign Affairs,
Deseleri Bakani, Ankara, Turkey.

YOUR HONOR: Our daughter, JoAnn McDaniel, has been a prisoner in Turkey for the past six years. We have tried in every conceivable way to gain her freedom but with half a world between us it is a situation that we have not been able to accomplish. She is being held in the prison at Adana along with Kathryn Zenz and Robert Hubbard on a drug charge. They have made the best of a very difficult situation throughout the years and have been good prisoners. We shudder to think of their wasted lives behind prison walls when they could contribute constructively to society. We will be

willing to comply with any demands that is within our power to further their release.

We are retired and getting along in years. Our hearts have been heavy throughout this tragic ordeal and we are desperately seeking your help. The State Department could be an instrument in negotiations if political channels are necessary.

We thank you.

Sincerely,

Mr. and Mrs. HAROLD MCDANIEL.●

AN OPPRESSED LITHUANIA

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. FARY. Mr. Speaker, I would like to bring to the attention of my fellow colleagues that today, June 15, marks the 38th anniversary of the loss of Lithuanian independence. On this day in 1940, the Soviet Union occupied and forcibly took control of the nation of Lithuania.

This was a terrible tragedy for a country whose history involves a long struggle for independence and freedom. Throughout the Middle Ages, Lithuania played an important role in many phases of European development. However, in 1795, its territory was annexed by the Russian Empire and Lithuania's interests became subordinate to Russia's. For over a century, the Lithuanian people were oppressed, although they made many attempts to overthrow their Russian conquerors.

World War I finally provided the opportunity for Lithuania to regain its independence. On February 16, 1918, an independent Lithuanian state based on democratic principles was proclaimed. During this period of freedom, improvements in agriculture, industry, education, and social legislation, just to name a few, were instituted.

All of this, however, was soon brought to an end when the Russians, once again, seized control of the country. On August 13, 1940, Lithuania was declared a constituent republic of the U.S.S.R. and, therefore, came under the dominance of the Communist Party of the Soviet Union. To this day, Lithuania is governed by the Lithuanian Communist Party which is merely a branch of and dependent on the Communist Party of the U.S.S.R. No other political entity is permitted to exist in the country.

Thus began a new era of Lithuania oppression at the hands of the Russians. Until 1959, when the city of Vilnius was opened, no Westerners were even allowed in Lithuania. The rest of the country is still closed to foreigners. Soviet policies have brought about a considerable change in the composition of the Lithuanian population. In 1944, about 80,000 Lithuanians fled to Western Germany. Over the next 5 years some 250,000 were deported to Siberia. Since Stalin's death, about one-third of these have been permitted to retrun home while the rest are believed to have perished.

Drastic changes in the Lithuanian economy have also occurred. According to the report of the Council of Europe:

With the introduction of the Soviet economic system the Lithuanian people have been disposed of all private property—land, securities, real estate, bank accounts, and business enterprises. The entire Lithuanian economy has been integrated into the Soviet system, making Lithuanian industry dependent on Soviet raw material sources and markets. Furthermore, 97 per cent of all farms have been collectivized, and a colonial system of near-slavery has reduced the standard of living to the Soviet level.

Also under Soviet rule, all religious private schools, kindergartens, orphanages, hospitals, and charity institutions were confiscated; all monasteries and convents closed; and all religious publications supressed.

The U.S. Government has not officially recognized Lithuanian incorporation into the Soviet Union. In 1967, then Secretary of State Dean Rusk reaffirmed U.S. policy toward Lithuania in a letter to Mr. Joseph Kajeckas, Chargé d'Affaires ad interim of the Lithuanian delegation in Washington. He wrote:

United States support of the Lithuanian people's just aspirations for freedom and independence is reflected clearly in our refusal to recognize the forcible incorporation of your country into the Soviet Union and in the warm sympathy manifested by the American people in the Lithuanian cause.

In continuing to look resolutely toward a free and independent existence, the Lithuanian people both here and abroad have established a firm foundation for the hope of free men everywhere that the goal of Lithuanian national self-determination will ultimately be realized.

Mr. Speaker, at this time, I would like to remind my distinguished colleagues that the same yoke of oppression and callous indifference which the Soviets display toward the Lithuanian people are also being directed toward John and Lorraine Jodwalis, ethnic Lithuanians, but born American citizens from Illinois who have been seeking to return to the United States since the conclusion of World War II. Despite appeals in their behalf by the State Department and their family here in America, the Jodwalis' are still being denied the emigration visas they have sought for the past 20 years—and still without any explanation by Soviet officials. Soviet law and the humn rights provisions of the Helsinki Agreement, to which the Soviets are signatories, provide for the reunification of families. Yet, 20 years have lapsed with no visible progress being made on resolving this grave injustice. If this is an example of Soviet compliance with international agreements, United States ratification of any SALT II treaty will be difficult, if not impossible.●

TRIBUTE TO DR. EDWARD SIMONSEN

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. KETCHUM. Mr. Speaker, at this time I would like my colleagues to join with me in paying tribute to Dr. Edward Simonsen, who is about to retire from the field of education following 40 years of dedicated service. In addition to being my constituent and good friend, Dr. Simonsen is a nationally recognized figure in the area of community college academics.

With the exception of a 5-year hiatus to serve his country as a Marine Corps pilot, Dr. Simonsen's contributions to education have been lifelong. He began as a high school music teacher in 1938. Californians continued to benefit from his excellent abilities and selfless contributions as he progressed through various positions at Bakersfield College, eventually achieving the presidency of that institution. In 1968, following establishment of the Kern Community College District, Dr. Simonsen assumed the position of superintendent and chancellor of that district. He has gained the total respect of all those who have been privileged to work with him at all levels; he has greatly enhanced the vitally needed field of community college education, and he has assisted countless numbers of young people on the road to fulfilling and rewarding lives. Edward Simonsen is an outstanding example of a community minded citizen and of a man truly dedicated to his chosen field.

I extend every best wish to Ed Simonsen and his wife, Marvene, as they prepare to enter a well-deserved period of retirement. I know that Dr. Simonsen's gifts to society will not cease with his active working career, and I trust that the years ahead will be as rewarding for him as he has made the previous years for others.●

HOUSE BROADCAST VOTE

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. ANDERSON of Illinois. Mr. Speaker, I am naturally disappointed that the House voted 235 to 150 last night to give itself complete control over the radio and television coverage of our debates. This is the first time any branch of the U.S. Government has established its own television network for the purpose of covering itself, and I fear that is just how the American people will view our action—as covering ourselves as if we have something to hide.

This is clearly a first amendment issue and we have breached that critical line between a free press and a free government to the detriment of both. It is my strong feeling that professional broadcasters, not legislators, should broadcast the legislature as is now done in 40 of the 44 State legislatures which permit the televising of their proceedings. Those who make the news should not manage the news coverage of themselves.

I take some consolation in having played a small part in bringing the House broadcast issue to the fore over the past

5 years and in helping to force a once reluctant House majority leadership to accept the advisability and inevitability of broadcasting our debates. The controversy over who should control that coverage has been a long and sometimes bitter struggle, but, for the most part, a very healthy, fair and necessary debate over a fundamental issue. A majority has now spoken and I accept its verdict.

I do hope, though, that we will now work closely with the representatives of the broadcast media to develop a system that will result in the greatest possible public access and exposure to our televised proceedings. Without this our costly new system will be meaningless. There is no longer any excuse for delaying public access to our televised coverage. The new broadcast system should be fully operational and public by the opening day of the 96th Congress, at the latest.●

WILMOT J. "BILL" NICHOLSON

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MINETA. Mr. Speaker, it gives me great pleasure to rise today to honor Wilmot J. Nicholson, who on June 13 received the Brotherhood Award from the San Jose chapter of the National Conference of Christians and Jews.

Mr. Nicholson is a native San Josean. He was graduated from Bellarmine College Preparatory in 1932 and from the University of Santa Clara in 1936 with a degree in civil engineering.

In addition to running his own engineering firm, Bill has found time to be actively involved with the Red Cross, Crippled Children, Institute of Medical Research, Camp Swig, and various religious organizations.

He served on the city council of the city of Santa Clara for 7 years, 1 as mayor. He has been the president of the Boy Scouts three times during his 30 years of service and is currently chairman of their memorial foundation. He has been a board member, president and currently serves on the executive board of the Goodwill Industries. He has been a board member of the Institute of Medical Research, and their president for the last 2 years.

Over the years he has served as chairman of the United Fund and as regent, regent emeritus, and on the board of fellows of the University of Santa Clara.

He is a longtime member of the Rotary Club. In addition he belongs to the St. Claire Club, Associated General Contractors, American Society of Civil Engineers, and American Association of Cost Engineers.

Mr. Speaker, I ask my colleagues to join in saying congratulations to Bill Nicholson on his many achievements over the years and best wishes for future successes.●

D.C. BUDGET OFFICE WINS NATIONAL AWARD

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. McKINNEY. Mr. Speaker, the financial managers of the District of Columbia have come in for some severe criticism in the last several years. This is extremely unfortunate as most of the problems for which they are criticized were not of their making but rather due to the Congress mismanagement of the District prior to home rule. Therefore, it must be particularly satisfying for the staff of the Office of Budget and Management Systems of the District of Columbia government to have received an award from the Municipal Finance Offices Association recently for this year's outstanding contribution to public financial management.

The reason for the award was the District's sophisticated, computerized method of expenditure forecasting, a system which is rapidly becoming a model for financial managers from other cities. This system, when combined with improvements currently being made in the rest of the District's financial management systems with the aid of the Temporary Commission on Financial Management for the District of Columbia, is rapidly pushing the District government into the forefront of the municipal management field. I would like to commend to my colleagues the following article by Washington Post Staff Writer Jack Eisen in the June 15, 1978, edition of the Post. My congratulations to District Budget Director Comer Coppie, Division Head Thomas Hoey, and particularly to Thomas J. O'Brien and Jean Sperling, who are chiefly responsible for the District's financial reports, for this outstanding achievement.

D.C. RECOGNIZED FOR BUDGET FORECASTING TECHNIQUES

(By Jack Eisen)

Whenever District of Columbia officials testify on Capitol Hill about such budgetary matters as the need for a larger federal payment to the city or the desire to levy a commuter tax, they cite a fearsome figure:

By 1983, they say, there will be a gap of $333 million between the city's anticipated revenue from existing taxes and other sources, and the projected level of municipal spending.

That's the bad news. The good news is that the District government has received international acclaim for the technique it uses to forecast such future financial trends.

Comer S. Coppie, D.C. director of budget and management systems, recently went to Houston to receive the annual Louisville Award, a plaque presented annually by the Municipal Finance Officers Association for outstanding contributions to public financial management.

The award is named for Louisville, Ky., which endowed the prize that has been given every year since 1939. American and Canadian governmental units are eligible. There were 25 nominees this year.

The award received by Coppie represents an area in which the District government, often criticized for slipshod financial practices, has become a model for other cities.

Officially, the process is called a "multi-year expenditure forecasting system." Where city officials once peered into a crystal ball and then jotted down an educated guess about the future, the new system involves a sophisticated, computerized projection of future trends.

In effect, according to Coppie and his aides, every one of the city's financial accounts, for each agency and program, is broken down into separate "building blocks."

Each block is subjected to separate analysis. For example, according to a summary of the program from the budget office, District salary and employee benefit trends differ greatly from costs for supplies, utility services and other payments, and are analyzed separately.

In arriving at a forecast, the building blocks are reassembled and matched against projections of what the city's tax programs will yield in revenue.

That is what produced the forecast of a budget gap of $333 million by 1983.

In the budget gap, the forecast showed that expected higher salaries for city workers is by far the biggest item. Between 1979 and 1983, without new municipal spending programs beyond those in the proposed city budget for next year, the city operating budget is expected to increase by nearly $500 million, to a total of $1.8 billion.

Pay increases would be responsible for $265 million of the $500 million increase.

Other major increases are caused by inflation, the cost of operating new public facilities (for example, the expanded Blue Plains treatment plant), the upward cost trend of special programs (such as public welfare and medical assistance) and the expense of paying off the city's debt to the U.S. Treasury (from borrowing for construction programs, including Metro).

Although the forecasting system was launched in 1969, it has existed in its present form since 1975. For the serious student of municipal finance, its most notable product is a gray-bound paperback document called the "Multi-Year Financial Plan—Fiscal Years 1979–1983," which catalogues the city's problems in text and graphs.

Two persons are chiefly responsible for the forecasts, Thomas J. O'Brien and Jean Sperling. They work under Thomas P. Hoey, director of the resource management improvement division of the budget office.

Coppie, in summarizing how the forecasting program is used, said local governments have passed the point where they can commit their taxpayers to costly, long-lasting programs.

To this end, he said, "Systematic expenditure forecasting has become an indispensable part of our effort to improve program and fiscal management."●

RUSSIAN OCCUPATION OF LITHUANIA

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. COTTER. Mr. Speaker, as we approach the anniversary of America's Independence Day, it is alarming to reflect upon the many parts of the world

where the basic freedoms and rights that we enjoy are heinously denied.

I am thinking, in particular, of Lithuania, where 38 years ago today the Soviet Union forcibly invaded and occupied this brave Baltic nation. The result of that invasion has been nearly four decades of serious human rights violations.

Tens of thousands of patriotic Lithuanians have been deported to Siberia while others have been subject to extensive trials and harsh sentences, intended to intimidate any nationalist or religious movements.

The names Viktora Petkus, Sarunas Zukauskas, Balys Gajauskas, and Petras Plumpa are familiar to many Lithuanian-Americans for their ongoing fight for justice and freedom. But there are many others whose struggles are unknown as they serve severe sentences in Soviet labor camps and prisons for having uttered a patriotic thought or religious belief.

On this sad anniversary of the Russian occupation of Lithuania, I ask my colleagues to join me in registering their protest against these abominable violations of liberty and decency.●

FREEDOM OF THE ELECTRONIC PRESS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Ms. OAKAR. Mr. Chairman, I sincerely regret having to vote "nay" on Mr. Benjamin's amendment that forbids funding of television coverage of the House proceedings unless the persons operating and controlling the equipment are employed by the House. The floor action took place on June 14, 1978.

This vote should not be interpreted as disrespect to the Speaker, in terms of his judgment or his desire to see the bill's passage, nor is it meant to be an affront to my other colleagues. The respect of the Speaker or my colleagues is not in question, but rather my respect for the basic principles embodied in our Constitution, and in this particular case, specifically freedom of the press.

The very essence of freedom is the absence of constraint. Freedom is our guarantee of an unrestricted right. For this reason, I cannot help but interpret a funding qualifier as a potentially lethal restraint to the right of freedom of the press by providing the option for selective editing of our freedom of speech on the House floor.

Admittedly the intent of the House to grant coverage is to give the American people access to all of the proceedings of their Congress, and the microphones and cameras are to be beamed at these proceedings at all times. The editing decisions are not meant to rest in the House, but rather with those men and women whose business it is to defend our free speech and the public's right to know. It is for Congress, then, to grant them the parameters to obtain the freedom of the press demanded and deserved by all people.

I dislike the very possibility of denying such options by any Member of the House demanding control of both the equipment and those who may operate it.

In my judgment, this amendment amounts to prejudice to the broadcast medium. Congress does not attempt to edit out pages of a print reporter's notebook. Congress then should not attempt to edit the broadcast medium or allow such loopholes in our law that would ever permit such editing.

Should the public catch a glimpse of our empty seat while we are at another committee meeting or should we appear weary after seemingly endless debate about a complex funding issue, so be it. We represent a people who also have demands on their time and are capable of greatness and of error. As the men and women who cast their respective votes to have us represent them in Congress, they are entitled to seeing their elected representatives in an unexpurgated account. It is not for us to choose what news to report or to be newsmakers. That decision is not ours, but that of the electronic media as much as the print media. Cameras are the notebooks of our broadcast reporters. We cannot and must not rob them of their tool or the control of that tool, or we are robbing them and our people of freedom of the press.●

GOVERNMENT COLLECTION SERVICE FOR GUARANTEED STUDENT LOANS

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MAGUIRE. Mr. Speaker, the Capital Availability for Higher Education Amendments of 1978, H.R. 12756, establishes a Government collection service for guaranteed student loans. This would relieve banks of a responsibility which, in too many cases, they are ill-equipped to undertake. The hassles of collection from transient former students with uncertain income partially accounts for both the high default rate of the program and the patchy and insufficient participation of lending institutions across the country, limiting the ability of many students to choose the college best suited to their needs.

The amendments would also increase the amount a student may borrow each year from $2,500 to $3,500, and cumulatively from $7,500 to $10,500, thus accounting for the effects of inflation on tuition and other educational costs.

The new service would collect guaranteed student loan's on a basis flexibly tied to the student borrower's ability-to-pay as measured by his or her adjusted gross income.

Since Congressman WILLIAM STEIGER and I introduced the amendments, six of our colleagues have indicated they wish to cosponsor the measure: Mr. CHARLES WHITLEY, Mr. EDWARD PATTEN, Mr. TOM DOWNEY, Mr. RICHARD NOLAN, and Mr. JOSHUA EILBERG. Many other Members have expressed interest. Additionally, the legislation has received the editorial support of several important newspapers, including the New York Daily News, the Bergen Record, and the Newark Star-Ledger.

As the Daily News asks:

Why not? The IRS seems to know where everybody is. And it certainly is the all-time champ when it comes to bill collecting.

Mr. Speaker, because this is a serious effort to improve the guaranteed student loan program, I urge my colleagues and their staffs to consider this bill. Therefore, I include the Capital Availability for Higher Education Amendments of 1978 at this point in the RECORD:

H.R. 12756

A bill to amend the Higher Education Act of 1965 to raise the limits on insured loans for undergraduate students, to allow lenders to use a government service administered by the Commissioner of Education and the Secretary of the Treasury for the collection of such loans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Capital Availability for Higher Education Amendments of 1978".

SEC. 2. That part B of title IV of the Higher Education Act of 1965 is amended—

(1) by striking out "$2,500" each place it appears in sections 425(a)(1), 428(b)(1)(A), 428(a)(1)(A), and 428(a)(2)(A), and inserting in lieu thereof "$3,500"; and

(2) by striking out "$7,500" each place it appears in sections 425(a)(2), 428(b)(1)(B), 428A(a)(1)(A), and 428A(a)(2)(A), and inserting in lieu thereof "$10,500".

SEC. 3. Part B of title IV of the Higher Education Act of 1965 is amended by adding after section 427 the following new section:

"COLLECTION OF LOANS BY THE FEDERAL GOVERNMENT

"SEC. 427A. (a)(1) An eligible lender may elect to have a loan made in accordance with this part collected by the Secretary of the Treasury (hereinafter in this section referred to as the "Secretary") and the Commissioner, as provided in this section. Any such election shall be made not later than twelve weeks after the date on which the borrower ceases to carry at an eligible institution at least one-half of the normal full-time academic workload as determined by the institution, in a manner prescribed by the Commissioner.

"(2) The Commissioner shall promptly notify a borrower with respect to whom an election has been made by an eligible lender under paragraph (1) of such election and the corresponding repayment status and obligations of the borrower specified under this section.

"(b)(1) The Commissioner shall make an agreement with any eligible lender which makes an election under subsection (a) with respect to a loan, which—

"(A) provides that the lender will transmit to the Commissioner all documents necessary for the collection of the loan for which such election is made; and

"(B) provides that the Commissioner will make an annual payment to such lender of an amount equal to the amount computed under subsection (d), to the extent that amounts are appropriated from the fund established by subsection (f).

"(2) The Commissioner shall not make an agreement under paragraph (1) with a lender unless he is assured that such lender does not discriminate by pattern or practice

against any particular class or category of students by requiring that, as a condition to the receipt of a loan, the student or his family maintains a business relationship with the lender.

"(c)(1) With respect to each loan for which an agreement is made under this section, the Commissioner shall—

"(A) transmit to the Secretary such information as may be required to enable the Secretary to carry out the duties established under paragraph (2);

"(B) make a payment not later than October 15 of each year to the lender of an amount equal to the amount computed under subsection (d), to the extent that amounts are appropriated from the fund established by subsection (f); and

"(C) take enforcement and collection measures in the case of a delinquent payment referred by the Secretary under paragraph (2)(C).

"(2) The Secretary shall—

"(A) make available, with any information and directions relating to the filing of a Federal income tax return, a table containing the amounts stated in subsection (e)(1) for which borrowers may be liable, and such other information as may be necessary for a borrower to compute the amount of his annual payment under such subsection;

"(B) keep records of the amounts repaid with respect to each loan for which an agreement is made under this section, and transmit to each borrower an annual statement of his loan balance; and

"(C) refer each case of a delinquent payment to the Commissioner for enforcement and collection.

"(d)(1) The amount of the annual payment made by the Commissioner to a lender under subsection (c)(1)(B) for a loan for which an agreement is made under this section shall be equal to the total amount which would have been repaid with respect to such loan by the borrower during the appropriate twelve-month period in the absence of an agreement under subsection (b)(1), except that such amount shall be—

"(A) increased by an amount equal to any excess of—

"(i) the amount of interest, computed at a yearly rate of 7 per centum, which would have been earned during the appropriate twelve-month period on amounts repaid if repaid by the borrower in the absence of an agreement under subsection (b)(1), over

"(ii) the amount of interest, computed at a yearly rate of 7 per centum, which will accrue on the amount of the annual payment under subsection (c)(1)(B) (without regard to the increase or decrease under this paragraph) between the time of such payment and the end of the appropriate twelve-month period; and

"(B) decreased by an amount equal to any excess of—

"(i) the amount determined under clause (ii) of subparagraph (A), over

"(ii) the amount determined under clause (i) of subparagraph (A).

"(2) For purposes of this section, the term 'appropriate twelve-month period' means, with respect to an annual payment under subsection (c)(1)(B), the twelve-month period in which such payment is made, which begins with the month in which the first periodic repayment would have been due from the borrower if no agreement had been made under this section.

"(e)(1) In any case in which an agreement is made with respect to a loan under subsection (b)(1), the student borrower shall be liable annually for an amount of principal, together with interest thereon, which is based upon the accessable income of such student, as follows:

"(A) if assessable income for a given taxable year is less than $8,500, such borrower shall be liable for no repayments as to principal, and shall be liable for not more than one-half of the interest accruing during such year;

"(B) if assessable income for a given taxable year is at least $8,500 but less than $13,500, the borrower shall be liable for payments for that year totaling 1 per centum of such income per each $2,000, or fraction thereof, of the total principal amount borrowed;

"(C) if assessable income for a given taxable year is at least $13,500 but less than $18,500, the borrower shall be liable for payments for that year totaling 1½ per centum of such income per each $2,000, or fraction thereof, of the total principal amount borrowed;

"(D) if assessable income for a given taxable year is at least $18,500 but less than $23,500, the borrower shall be liable for payments for that year totaling 2 per centum of such income per each $2,000, or fraction thereof, of the total principal amount borrowed;

"(E) if assessable income for a given taxable year is at least $23,500 but less than $28,500, the borrower shall be liable for payments for that year totaling 2½ per centum of such income per each $2,000, or fraction thereof, of the total principal amount borrowed; and

"(F) if assessable income for a given taxable year is at least $28,500, the borrower shall be liable for payments for that year totaling 3 per centum of such income per $2,000, or fraction thereof, of the total principal amount borrowed.

"(2)(A) Each borrower making repayment of a loan pursuant to the method provided in this section shall make an annual payment equal to any excess of—

"(i) the amount for which such borrower is liable for the taxable year under paragraph (1), over

"(ii) the amount withheld from such borrower's wages during the taxable year under paragraph (4).

"(B) Any payment due under subparagraph (A) shall be made, in a manner provided by the Secretary, not later than—

"(i) the date on or before which the borrower's Federal income tax return is required to be filed for the taxable year; or

"(ii) April 15 for the preceding calendar year, if such borrower is not required to file such a return.

"(3)(A) The Secretary shall refund to each borrower making repayment of a loan pursuant to the method provided in this section—

"(i) at such time and in such manner as the Secretary provides by regulation, an amount equal to any excess of the amount determined in clause (ii) of paragraph (2)(A) for a taxable year, over the amount determined in clause (i) of paragraph (2)(A) for such taxable year; and

"(ii) after a final payment is made by such borrower, an amount equal to any excess of the sum of payments over the total principal amount borrowed.

"(B) The Secretary shall notify a borrower, when a final payment is made by such borrower, that the borrower's obligations with respect to his loan have been fulfilled and that no further payments will be due.

"(C) For purposes of this paragraph—

"(i) the term 'final payment' means a payment under paragraph (2)(A) or an amount deducted and withheld under paragraph (4) which includes an amount of principal which, when added to all amounts of principal previously paid or deducted and withheld, equals or exceeds the total principal amount of the loan; and

"(ii) the term 'sum of payments' means the present value of the final payment and all amounts previously paid or deducted and withheld under this section, discounted by 7 per centum annually for the period of the loan, not counting any period for which an interest subsidy is paid for such loan under section 428.

"(4)(A) Each employer required by section 3402 of the Internal Revenue Code of 1954 to deduct and withhold amounts upon wages shall deduct and withhold upon the wages of borrowers making repayments under this section amounts determined on the basis of tables prescribed by the Secretary under subparagraph (C). Such deducting and withholding shall begin when the borrower first receives wages after the start of his repayment period. If an employer fails to deduct and withhold an amount in violation of this paragraph, and thereafter such amount is paid by the student borrower, such amount shall not be collected from such employer. Nothing in the preceding sentence shall relieve an employer from liability for any penalties for such failure to deduct and withhold.

"(B) The Secretary shall by regulation establish a method for a borrower required to make repayments under this section to report his repayment status and the date on which his repayment period begins to employers for purposes of the deduction and withholding requirement of subparagraph (A). Such a report shall be made—

"(i) immediately after the date on which the borrower ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution, if the borrower has been notified before such date of an election under subsection (a) and continues in employment held before such date;

"(ii) when the borrower is notified of such an election after such date if he is employed at such time; and

"(iii) whenever the borrower, after notification of such an election, accepts employment after such date.

Any borrower who willfully furnishes a false or fraudulent report required under this subparagraph or who willfully fails to furnish a report in the manner, at the time, and showing the information required by the Secretary under this subparagraph shall, for each such offense, upon conviction thereof, be subject to the same penalties as are applicable to the furnishing of fraudulent statements or the failure to make statements under section 7204 of the Internal Revenue Code of 1954.

"(C) The Secretary shall by regulation prescribe tables establishing amounts to be deducted and withheld under subparagraph (A). Such tables shall be designed so that the total of the amounts withheld from a borrower's wages during a taxable year will approximately equal the amount for which the borrower is liable for such taxable year under paragraph (1).

"(D) Each employer required to deduct and withhold amounts upon wages under subparagraph (A) shall make payment of such amounts to the Secretary, at such time and in such manner as the Secretary prescribes, and no such employer shall be liable to any other person for the amount of any such payment.

"(E) Amounts paid to the Secretary under subparagraph (D) shall be deposited in the fund established by subsection (f)(1).

"(F) Any employer who fails to deduct and withhold amounts upon wages in accordance with this paragraph shall be liable to the Secretary for a penalty of an amount equal to—

"(i) 5 per centum of any amounts which the employer negligently fails to deduct and withhold; and

"(ii) 50 per centum of any amounts which the employer willfully or fraudulently fails to deduct and withhold.

"(G) The Secretary shall promulgate such regulations as are necessary to administer this paragraph.

"(5) For purposes of this subsection—

"(A) the terms 'wages' means wages as defined by section 3401(a) of the Internal Revenue Code of 1954;

"(B) the term 'assessable income' means—

"(i) in the case of an unmarried individual, such individual's adjusted gross income;

"(ii) in the case of a married individual who does not file a joint return under section 6013 of the Internal Revenue Code of 1954—

"(I) if such individual's adjusted gross income equals or exceeds the adjusted gross income of such individual's spouse, the adjusted gross income of such individual; and

"(II) if such individual's adjusted gross income is less than the adjusted gross income of such individual's spouse, one-half the combined adjusted gross incomes of such individual and such individual's spouse;

"(iii) in the case of a married individual who files a joint return under section 6013 of the Internal Revenue Code of 1954, one-half the total adjusted gross income of the individual and his or her spouse; and

"(iv) in the case of an individual not required to file a Federal income tax return, an amount equivalent to amounts determined under clauses (i), (ii), and (iii), as established by the Secretary in regulations;

"(C) the term 'adjusted gross income' means adjusted gross income as defined by section 62 of the Internal Revenue Code of 1954;

"(D) marital status shall be determined in the same manner as marital status is determined under section 143 of the Internal Revenue Code of 1954;

"(E) the term 'taxable year' means—

"(i) a taxable year as defined by section 441(b) of the Internal Revenue Code of 1954, or a calendar year in the case of a borrower who is not required to file a Federal income tax return for a taxable year, which begins after the start of the repayment period; and

"(ii) that part of a taxable year as defined by such section 441(b), or a calendar year, as the case may be, which follows the start of the repayment period; and

"(F) the term 'repayment period' means the period referred to in section 427(a)(2)(B).

"(f)(1) There is created on the books of the Treasury of the United States a trust fund to be known as the Guaranteed Student Loan Fund (hereinafter in this section referred to as the 'fund') which shall be administered by the Commissioner.

"(2) The fund shall consist of amounts deposited in the fund from—

"(A) amounts withheld from wages, as provided in subsection (e)(4)(E);

"(B) payments made by student borrowers under subsection (e)(2)(A); and

"(C) appropriations made pursuant to subsection (g).

"(3) Moneys in the fund may be used only for the purpose of making the payments to eligible lenders provided for in agreements made under subsection (b)(1), and for the purpose of making refunds to borrowers under subsection (e)(3)(A). Moneys from the fund shall be available for such purposes only when appropriated therefor, and such appropriations shall be made without fiscal year limitation.

"(g) There are authorized to be appropriated to the fund such amounts as may be necessary from time to time to make the payments required to be made by the Commissioner under subsection (c)(1)(E).

"(h) All provisions of this part not inconsistent with this section shall apply to loans to which this section applies.".

SEC. 4. (a) Section 427(a)(2) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (H);

(2) by striking out the period at the end of subparagraph (I) and inserting in lieu thereof ", and"; and

(3) by adding at the end thereof the following new subparagraph:

"(J) provides that the lender may elect (not later than twelve weeks after the date on which the borrower ceases to carry at an eligible institution at least one-half of the normal full-time academic workload as determined by the institution) to have the loan collected by the Federal Government pursuant to an agreement with the Commissioner under section 427A(b)(1), and that the repayment by the borrower of a loan for which such an agreement is made shall be made in accordance with section 427A(e).".

(b) Section 428(b)(1) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (O);

(2) by striking out the period at the end of subparagraph (P) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(Q) provides that the lender may elect (not later than 12 weeks after the date on which the borrower ceases to carry at an eligible institution at least one-half of the normal full-time academic workload as determined by the institution) to have the loan collected by the Federal Government pursuant to an agreement with the Commissioner under section 427(b)(1), and that the repayment by the borrower of a loan for which such an agreement is made shall be made in accordance with section 427A(e).".

SEC. 5. (a) Section 427(c) of such Act is amended by striking out "The" and inserting in lieu thereof "Except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1), the".

(b) Section 428(b)(1)(L) of such Act is amended by inserting ", except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1)," after "provides that".

SEC. 6. (a) Section 427(a)(2)(B) of such Act is amended—

(1) by inserting "(except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1))" after "ten years"; and

(2) in clause (ii) by inserting "(except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1)" after "fifteen years".

(b) Section 428(b)(1) of such Act is amended—

(1) in subpargaraph (D)(ii), by inserting "and except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1)," after "paragraph,"; and

(2) in subparagraph (E), by inserting "(except in the case of a loan the repayment of which is made pursuant to an agreement made under section 427A(b)(1))" after "ten years".

SEC. 7. Section 438(b) of such Act is amended—

(1) in paragraph (1) by striking out "A" and inserting in lieu thereof "Except as may be otherwise provided in paragraph (5), a";

(2) in paragraph (2)(A), by striking out "paragraph (4)" and inserting in lieu thereof "paragraphs (4) and (5)";

(3) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7) respectively; and

(4) by inserting after paragraph (4) the following new paragraph:

"(5) The special allowance computed according to paragraph (2)(A) shall be reduced by one-half per centum with respect to all eligible loans held by a lender for which agreements have been made under section 427A(b)(1). The Commissioner may provide by regulation for the annual payment of special allowances with respect to such loans in lieu of the quarterly payments prescribed by paragraph (1).".

SEC. 8. Part B of title IV of such Act is amended by adding at the end thereof the following new section:

"ADVISORY PANEL

"SEC. 440A. (a) There is hereby established an advisory panel (hereinafter in this section referred to as the 'Panel') which shall be composed of the following eleven members:

"(1) two individuals who administer the National Direct Student Loal program at institutions of higher education;

"(2) two representatives of institutions of higher education, which participate in a loan program under this part;

"(3) one representative of an institution of higher education which does not participate in a loan program under this part;

"(4) two academics familiar with student assistance programs;

"(5) one representative each from the Department of Health, Education, and Welfare, and the Department of the Treasury;

"(6) one former student borrower of a loan made or insured under this part, or one representative of a student organization; and

"(7) one representative from the Student Loan Marketing Association.

"(b) The members of the Panel shall be appointed by the Speaker and the minority leader of the House of Representatives, and the majority and minority leaders of the Senate. Appointment of such a member shall be made anly with the approval of three of such appointing individuals.

"(c) The Panel shall—

"(1) review the adequacy of the special allowance under section 438 to draw sufficient capital into loan programs under this part, and consider an incremental special allowance which is graduated to provide additional incentives for higher loan volumes handled by an eligible institution;

"(2) review of feasibility of instituting a student loan bank of last resort, with attention to the problems of avoiding substitution for currently offered loans;

"(3) consider such other questions as it deems appropriate.

"(d) The Panel shall report to Congress not later than one year after the date of the enactment of this section on its findings with respect to the items reviewed and considered under subsection (c).".●

PORTS AND OUR NATION'S DEFENSE

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MURPHY of New York. Mr. Speaker, I am pleased to inform my colleagues that we now have 193 of the necessary 218 cosponsors for our resolution which authorizes the President to proclaim the week beginning September 17 as National Port Week. Beside the

vital force that our ports have served in contributing to our national economic development, my colleagues listed below have recognized the importance that our ports have played serving as the focal point of our Nation's defense and present prosperity. In time of war or other national emergency, the port entities, which represent a vital link in the national transportation system, would immediately put into effect a plan for Federal port control for efficient operation and utilization of port facilities, equipment and services. Our ports serve as an essential measure of defense protecting the people and essential facilities of our country.

In setting aside a week where attention can be focused on the ports, we will all be made aware of and be more able to appreciate the significance that our port system, the largest in the world, has in the area of our economy and national security. I thank my colleagues listed below and urge those remaining to join with us in recognizing the unique and vital contributions of our ports.

The following Members are cosponsors of this joint resolution: Mr. BLANCHARD, Mr. BYRON, Mr. CARTER, Mr. CHAPPELL, Mr. CORCORAN of Illinois, Mr. CUNNINGHAM, Mr. DINGELL, Mr. DUNCAN of Tennessee, Mr. FORD of Tennessee, Mr. GIAIMO, Mr. HOLLENBECK, Mr. LENT, Mr. MATHIS, Mr. MILLER of California, Mr. QUIE, Mr. RUPPE, Mr. RUSSO, Mr. SANTINI, Mr. SISK, Mr. SPENCE, Mr. STRATTON, Mr. ULLMAN, Mr. WAXMAN, and Mr. YATRON.

On behalf of our Nation's ports, I welcome the addition of these Members to our present list of cosponsors.

A list of all 193 Members, by State, who have cosponsored "National Port Week" resolutions follows:

ALABAMA
Tom Bevill
Jack Edwards

ALASKA
Don Young

ARKANSAS
Bill Alexander

CALIFORNIA
Glenn M. Anderson
Clair W. Burgener
John L. Burton
Phillip Burton
Don H. Clausen
Del Clawson
James C. Corman
Robert K. Dornan
Barry M. Goldwater, Jr.
Mark W. Hannaford
Augustus F. Hawkins
Harold T. Johnson
William M. Ketchum
Robert J. Lagomarsino
Robert L. Leggett
Jim Lloyd
John J. McFall
George Miller
John E. Moss
Jerry M. Patterson
Leo J. Ryan
B. F. Sisk
Fortney H. (Pete) Stark
Lionel Van Deerlin
Henry A. Waxman
Bob Wilson
Charles H. Wilson

CONNECTICUT
William R. Cotter
Robert N. Giaimo

DELAWARE
Thomas B. Evans, Jr.

FLORIDA
Henry J. Hyde
L. A. (Skip) Bafalis
J. Herbert Burke
Bill Chappell, Jr.
Louis Frey, Jr.
Andy Ireland
Claude Pepper
Paul G. Rogers
Robert L. F. Sikes

GEORGIA
John J. Flynt, Jr.
Bo Ginn
Dawson Mathis

HAWAII
Daniel K. Akaka
Cecil (Cec) Heftel

ILLINOIS
Frank Annunzio
Tom Corcoran
John G. Fary
Ralph H. Metcalfe
Morgan F. Murphy
Melvin Price
Dan Rostenkowski
Marty Russo
Paul Simon

INDIANA
Adam Benjamin, Jr.
David L. Cornwell
Floyd J. Fithian
John T. Myers

KENTUCKY
Tim Lee Carter
Gene Snyder

LOUISIANA
Lindy (Mrs. Hale) Boggs
John B. Breaux
Bob Livingston
Gillis W. Long
David C. Treen
Joe D. Waggonner, Jr.

MAINE
David F. Emery

MARYLAND
Goodloe E. Byron
Marjorie S. Holt
Clarence D. Long
Barbara A. Mikulski
Parren J. Mitchell

MASSACHUSETTS
James A. Burke
Silvio O. Conte
Joseph D. Early
Edward J. Markey
Joe Moakley

MICHIGAN
James J. Blanchard
David E. Bonior
John J. Dingell
Carl D. Pursell
Philip E. Ruppe
Guy Vander Jagt

MINNESOTA
James L. Oberstar
Albert H. Quie

MISSISSIPPI
David R. Bowen
Trent Lott

MISSOURI
William (Bill) Clay
Richard A. Gephardt
Robert A. Young

MONTANA
Max Baucus

NEVADA
Jim Santini

NEW HAMPSHIRE
Norman E. D'Amours

NEW JERSEY
Edwin B. Forsythe
James J. Florio
Harold C. Hollenbeck
James J. Howard
William J. Hughes
Joseph A. Le Fante
Joseph G. Minish
Edward J. Patten
Matthew J. Rinaldo
Peter W. Rodino, Jr.
Robert A. Roe
Frank Thompson, Jr.

NEW YORK
Joseph P. Addabbo
Mario Biaggi
Jonathan B. Bingham
Thomas J. Downey
Robert Garcia
Benjamin A. Gilman
S. William Green
James M. Hanley
Elizabeth Holtzman
Jack F. Kemp
John J. LaFalce
Norman F. Lent
John M. Murphy
Henry J. Nowak
Charles B. Rangel
Frederick W. Richmond
Benjamin S. Rosenthal
Stephen J. Solarz
Samuel S. Stratton
Ted Weiss
Lester L. Wolff
Leo C. Zeferetti

NORTH CAROLINA
Charles Rose

OHIO
Thomas L. Ashley
Charles J. Carney
William H. Harsha
Ronald M. Mottl
Mary Rose Oakar
J. William Stanton
Louis Stokes
Charles A. Vanik
Thomas L. Ashley

OKLAHOMA
James R. Jones
Ted Risenhoover

OREGON
Les AuCoin
Robert Duncan
Al Ullman
James Weaver

PENNSYLVANIA
John H. Dent
Joshua Eilberg
Allen E. Ertel
Daniel J. Flood
Peter H. Kostmayer
Raymond F. Lederer
Joseph M. McDade
Marc L. Marks
William S. Moorhead
Austin J. Murphy
Michael O. Myers
Robert N. C. Nix
Fred B. Rooney
Gus Yatron
Doug Walgren

RHODE ISLAND
Fernand J. St Germain

SOUTH CAROLINA
Mendel J. Davis
Butler Derrick
John W. Jenrette, Jr.
James R. Mann
Floyd Spence

TENNESSEE
Robin L. Beard
John J. Duncan
Harold E. Ford

TEXAS
Jack Brooks
Omar Burleson
E de la Garza
Bob Eckhardt
Bob Gammage
Abraham Kazen, Jr.
Ray Roberts

VIRGINIA
Robert W. Daniel, Jr.
J. Kenneth Robinson
Paul S. Tribel. Jr.
G. William Whitehurst

WASHINGTON
Don Bonker
John E. (Jack) Cunningham
Norman D. Dicks
Mike McCormack
Lloyd Meeds
Joel Pritchard

WEST VIRGINIA
Nick Joe Rahall II

WISCONSIN
Robert J. Cornell
David R. Obey
Henry S. Reuss

WYOMING
Teno Roncalio

PUERTO RICO
Baltasar Corrada

GUAM
Antonio Borja Won Pat

VIRGIN ISLANDS
Ron de Lugo ●

NEW YORK CITY FINANCIAL ASSISTANCE ACT OF 1978

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, during the course of the debate last week on H.R. 12426, the New York City Financial Assistance Act of 1978, the question arose whether the amendment I offered to conform the legislation to the Budget Act, and which was adopted by voice vote, would impair the ability of the Secretary of the Treasury to issue guarantees before October 1, 1978. I want to make the record very clear on this subject, Mr. Speaker, as I believe a mistaken impression may have been left with Members in the course of a colloquy with Congressman CAPUTO during debate on the rule on June 6.

As I mentioned during floor debate on my technical amendment, all my amendment would do is to provide that no funds appropriated under authorization provided in the bill would be available until October 1, 1978. I stated that the amendment would not make the legislation noneffective, and I quoted from letters from the Secretary of the Treasury and from Chairman GIAIMO of the Committee on the Budget, both of whom construe my amendment as in no way impairing the ability of the Secretary to issue guarantees before October 1, 1978. My floor statements are contained on page H5147 of the CONGRESSIONAL RECORD for June 8, 1978, and the letters quoted therein are in the files of the Subcommittee on Economic Stabilization.●

FEDERAL TRANSLATION

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, I am privileged to rise today to introduce a bill that would create a Federal Translation Coordinating Council as an independent organization within the executive branch of the Federal Government.

It has come to my attention that the translation community within the Federal Government suffers from a number of problems due to a lack of coordination between various Government departments and agencies involved in translation work. Among these problems is a lack of standard meanings for many foreign terms, discrepancies in grade assignments and contract funding among translators employed in the Federal Government, duplication of work and inadequate training of personnel. This lack of coordination has also resulted in a complete lack of comprehensive information on the number and location of translators employed in either the private or Government sector, or even a complete listing of all commercial firms engaged in translation work.

In addition, the number and quality of Federal translators has been steadily decreasing over the past years at a time when our growing relations with other countries requires an ever-increasing degree of communication with them. I feel that in a world where international communication is becoming more important the accurate translation of material is a national imperative.

The Federal Translation Coordinating Council will establish and coordinate all aspects of Federal translation. It will be authorized to conduct a complete census of the translation profession available for Government use, improve the quality and quantity of translations available, determine which offices in the Federal Government utilize translation services and establish principles, standards and procedures for Federal translation work. The Council's duties shall include determining which institutions of higher learning provide training in the skills required of a translator and an evaluation of translation systems in foreign countries. It will also have the authority to set such rules and regulations as it deems necessary to carry out the provisions of this act. Following the disbandment of the Council 1 year after appointment, the Secretary of State shall complete implementation of the Council's recommendations.

The Council will consist of 10 members, including a delegate of the Secretary of State and a delegate of the Secretary of Defense. The President shall appoint the remaining eight members, consisting of two supervisory Federal employees involved in intelligence activities for the Federal Government, two supervisory Federal Government employees involved in translation work—one of whom shall be from the National Science Foundation—and four experts in translation from the private sector. The chairman of the Council will be appointed by the President from among the members.

The Council shall have the authority to appoint such staff, as it deems necessary, to carry out its functions. The Council will also be able to "borrow" personnel from other departments and agencies on a reimbursable basis. The Federal Translation Coordinating Council will make a report to Congress, the President and the Secretary of State, which shall include recommendations of overall policy coordination including any suggestions for legislation with respect to the Federal programs it oversees and the standards that it has established.

In establishing the Council, I do not wish to imply that all Government translation work is bad; most of it is good and a great deal of it is excellent. But serious problems do exist in the translation community and they require our attention. This bill is not intended to be a final version, but is introduced with the hope that it will begin the process whereby we may begin to seek out solutions to the many problems that exist in this vital area.●

ANTI-COMMUNIST—AND THRIVING ON IT!

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. McDONALD. Mr. Speaker, amidst all the world's nations there are some small ones who are thriving on a national policy of anticommunism—the Republic of China, the Republic of Korea and Singapore. South Korea, it will be recalled, was given economic aid by the United States for many years and the press called it a bottomless pit. Now South Korea no longer needs economic aid and has a very healthy economy. Taiwan is now an economic miracle of sorts and is trying hard to spend her excess dollars as she has such a favorable balance of trade with the United States. Singapore was supposed to fall easily to communism when the British pulled out their military bases, but this did not happen. As Denis Warner recently told in the Daily Telegraph of London for June 5, 1978, while all of these nations could be conquered by superior military force, none is likely to fall to subversion. There is a lesson here and one can hope that present administration can dimly understand it, but this appears to be doubtful The article follows:

ANTI-COMMUNIST—AND THRIVING ON IT!

Twenty years ago, South Korea, Singapore and Formosa gave little cause for hope that if left to their own devices they would not

succumb to Communism, either by subversion or from external attack.

South Korea, stagnating on American handouts, had failed dismally to recover from the devastation of the war or from its own history. In comparison with the militant aggressive North it was lagging far behind. The widespread and fatalistic Confucian notion that what would be would be, provided little incentive for individual or collective initiative.

Singapore seemed likely to shed its British colonialism only to become an outpost of Peking. Lacking all natural resources the island had one of the highest birth rates and one of the most crushing unemployment rates in the world. Its Chinese schools were little Marxist academies.

Peking punctuated its claim to Formosa with heavy artillery which, in the summer of 1958, kicked up the dust in the dry fields of millet in the island of Quemoy and exploded in the newspapers and chancelleries around the globe.

Throughout the towns and villages of Formosa in those days, children played under huge blue and white signs appealing to the populace to "complete the national revolution—retake the mainland." To the native islanders this was just a bad Nationalist Chinese joke.

Yet today the great success stories of post-war Asia, Japan excluded, are Singapore, South Korea and Formosa. They have taken massive political and economic shocks in their stride and have not only lived with but prospered because of the Communist threat.

South Korea, which exported about $40 million worth of goods in 1961, passed its economic sound barrier in December when exports for the year reached the $10,000 million mark. It plans to multiply this figure by ten times by 1990 and to have generated so much wealth that its per capita income will be higher than most middle-level industrialised nations.

Growth in Formosa has been scarcely less spectacular but more firmly based. The inequalities of wealth that once existed, have become much less marked and islander-mainlander prejudices to a considerable extent eliminated by deliberate efforts initiated by Chiang Ching-Kuo, whose leadership at grass-roots level has won widespread support for a nation-building campaign.

As for Singapore, in per capita income it has already passed countries like Spain, Portugal and Turkey. It has almost dubled its gross national product in five years and more than doubled real earnings in 10 years. The birth rate is down to one per cent, and unemployment has been reduced to manageable levels.

No city in Asia, and perhaps in the world, is cleaner. Everything works. Dial a number and the phone rings. Post a letter and it is delivered. Some corruption may exist but it is not tolerated.

The promotional tourist advertisments call Singapore "Instant Asia." Since Singapore's 2.4 million people are multi-racial, if mostly Chinese and tightly packed, the description has some merit. For those in search of quiet temples with tinkling bells and picturesque peasants tilling the fields with medieval ploughs, however, this is not the place. Singapore is an authoritarian little Japan.

It is a paradox that at a time when the free enterprise system is being denigrated in much of the Western world and widespread prejudice against large and successful business corporations is coupled with an increasing resort to Welfare State solutions to problems of perceived social injustice, Singapore, Formosa and South Korea have red carpets ready to unroll for any passing multinational.

Singapore has thrived on reverses. Thrust unceremoniously out of Malaysia and back on its own apparently inadequate resources, the *coup de grace* seemed likely to come with Britain's decision early in the '70s to pull out of the military bases, thus depriving 50,000 Singaporeans of direct employment and the State of 20 per cent of its gross national product. Prime Minister Lee Kuan Yew flew urgently to London to try to persuade Whitehall to change its plans. Though he failed in London he succeeded in Singapore. Calling for a General Election, based on a platform of tighter belts and harder work, he swept back into office unopposed.

That he meant business quickly became apparent when he launched sweeping changes in labour laws. Instead of working two shifts a day, with an assurance of heavy overtime, stevedore gangs on the all-important waterfront began to work round the clock in three shifts. The wharfies got free quarters, free meals and free medical attention. Overtime was out. When they handled more than 14 tons of cargo an hour, the 13-man gangs became eligible for a bonus. Under the new incentive system, the tonnage handled per gang per hour rose from 11 to 15.

One gang decided to go slow. Lee fired it on the spot. Once the Communist-ridden unions would have been on the streets in riotous rampage. This time there was not a murmur.

Along with multi-storey apartment buildings offering accommodation for slum families and going up at the rate of one new unit every 45 minutes, Singapore built what it called flatted factories. Foreign investors, especially those interested in high-labour-intensive operations, not only had immediate access to labour but stepped into ready-built factories.

Texas Instruments was in production 53 days after selecting Singapore as the site for a factory. Holiday Inns, looking for a place to make hotel furniture, got their site in three minutes.

Economic development is not by itself protection against Communist penetration; "The only secure and enduring safeguard against Communist revolution is good government," says Dr. Goh Keng Swee, Singapore's Deputy Prime Minister and Minister of Defense, who was also one of the main architects of the island State's industrial complex. To this he adds an efficient special branch of the Secret Police and the power of arrest and detention without trial, the effective and proper handling of social discontent through adequately institutionalised channels and the absorption of the country's intellectuals in useful occupations. Political stability, the Singapore Government is convinced, is a necessary condition for economic growth.

With minor changes in emphasis, these are the precepts that have led Formosa and South Korea to the stage where they can no longer be regarded as targets for Communist revolution. They may be overrun: they are most unlikely to be subverted.

What no one has yet paid adequate attention to, is the impact these countries and others that follow their example may have on indulgent economies of the West in another decade.

The Daewodo Industrial Company in South Korea, which began operations in 1967 with a capital of about $10,000, last year produced more than $600,000,000 worth of goods, of which nearly half were exported. Mr. Kim Duk Chung, the managing director, told me he could not remember when he had a day off. He recruits top graduates from universities and puts them to work in the office at 6:30 each morning to study foreign languages before beginning the regular day's work at 8:30. Seven is the official finishing time, although as Mr. Kim says "It is often much later than that." The working week is six days.

It will be instructive to observe how welfare States compete.●

THE HILL IS GETTING THE MESSAGE

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. BROWN of Ohio. Mr. Speaker, for many years now my colleague from Ohio, CLARENCE MILLER, has introduced across-the-board spending cuts to most appropriations bills. For the most part the majority party in control of Congress has ignored this effort at fiscal responsibility.

However, with the passage of proposition 13 in California last week, things are changing here on the Hill. It appears Congress is finally beginning to realize the average taxpayer has had enough. All of a sudden Mr. MILLER'S amendments are passing as Members realize their constituents are demanding a cut in Government spending and taxes.

The following article from Wednesday's Washington Star explains the "fever" that has just hit the Hill. I commend my colleague from Ohio on his persistent work and am glad it is finally beginning to pay off. I hope the "fever" continues to spread. The article follows:

[From the Washington Star, June 14, 1978]

IS PROP 13 FEVER SPREADING TO CAPITOL HILL?

(By Lyle Denniston)

Rep. Clarence Miller's reputation as a budget-cutter is more than secure. But, all of a sudden, it is not such an isolated role.

Miller, an Ohio Republican, has tried regularly to withhold money from government agencies, only to find usually that a majority of his House colleagues are uninterested.

"Proposition 13" sentiment, however, has begun to make a difference.

Yesterday, he again offered his nearly routine proposal to cut an agency's proposed spending allotment.

It worked. By a vote of 220–181, after only limited debate, the House cut 2 percent out of the budgets of the Labor and Health, Education and Welfare departments. That may work out to as much as $800 million.

Together with a $1 billion cut that the House had made last week in HEW's budget, in its first imitation of Proposition 13 feeling, that made a cut of about 5 percent in the Labor-HEW appropriations bill—a huge cut by usual congressional standards.

Now Miller is considering whether he should try to put over a 5 percent cut—his favorate amount—for every appropriations bill as it comes up. He hasn't made up his mind yet, he said last night.

"Proposition 13 had its effect," he said of yesterday's vote.

He was referring to the overwhelming vote of Californians last week to reduce property taxes and roll back government spending.

Proudly, he noted that backers of the Labor-HEW bill had calculated in advance that his amendment could be beaten. Despite a challenge that the reduction was a "meat ax cut," the House went for it easily.

When the House finished work on the bill, passing it by a vote of 338–61, it was apparent that HEW had lost a lot.

Not only were there the cuts last week and this, there also was a rebuff of HEW on the so-called "Bakke issue."

That has to do with the question of whether government agencies are engaging in "reverse discrimination" against whites by giving blacks and other minorities, or women, preferential treatment in public programs.

That issue takes its name from the Alan Bakke case, now awaiting a decision by the Supreme Court, on the legality of "reverse discrimination" in college admissions policies.

For a week HEW lobbyists had been trying to head off House approval of an amendment by Reps. Robert S. Walker, R–Pa., and Elliott Levitas, D–Ga.

Their amendment would forbid the use of any funds in the Labor-HEW bill to carry out any plan including a "ratio, quota or other numerical requirement related to race, creed, color, national origin or sex."

Walker, in describing the amendment to the House yesterday, said it was being offered "so that reverse discrimination can be stopped; this amendment will take quotas out of 'affirmative action' programs."

The amendment apparently would have its greatest impact on HEW, and agents of its Civil Rights Office were working the lobbies around the House to get votes.●

H.R. 12874, THE SOLAR PHOTOVOLTAIC ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION ACT OF 1978

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MCCORMACK. Mr. Speaker, I would like to bring to the attention of my colleagues an action that was taken on June 6 by the Committee on Science and Technology. By a vote of 33 to 0, the committee approved H.R. 12874, the Solar Photovoltaic Energy Research, Development and Demonstration Act of 1978; and reported it to the House. This act establishes in the Department of Energy a 10-year research development and demonstration program for solar photovoltaic energy development. It will be on the House calendar on Tuesday, June 20.

H.R. 12874 is an amended version of H.R. 10830 which Chairman OLIN E. TEAGUE, Congressman BARRY M. GOLDWATER, Jr., and I first introduced on February 8 of this year. Now the bill has been co-sponsored by most of the Members of the Science and Technology Committee and approximately 100 Members of the House.

Solar photovoltaic systems convert sunlight directly into electric energy, as, for instance, on the solar panels of our space satellites. Until recently, photovoltaics has been considered to be an "exotic technology", possibly for the future, but too expensive to contribute to energy production during this century. Recent developments, however, indicate that photovoltaic systems offer the promise of an environmentally clean source of energy which may have certain applications in specific locations in this country late in the century.

The Committee on Science and Technology is convinced that the time has come for a focused, goal-oriented, solar photovoltaic research, development, and demonstration program that is based on cooperative efforts between the Federal Government and private industry; and that the time has come for a realistic determination of the practicality of solar photovoltaic energy technologies. H.R. 12874 would establish such a program, in conjunction with the long-term commitment necessary to bring solar photovoltaic energy systems to the point of being a viable energy option before the end of the century. The strategies set forth in H.R. 12874 are as follows:

It dedicates the Nation to a 10-year research, development, and demonstration program in solar photovoltaic technologies, to advance the state of the art and to reduce the cost per unit of energy produced;

The bill proposes to double the total U.S. pro-production of photovoltaic systems each year for 10 years, starting at once, so that by fiscal year 1988 U.S. production will be 1,000 times what it is today. Thus. the production in fiscal year 1988 will be 2,000 peak megawatts of photovoltaic capacity;

The bill states the Federal intention to facilitate adoption of photovoltaic systems by private industry. Federally financed demonstrations of practical uses of photovoltaic systems are planned for a variety of uses in each region of the country;

The bill provides necessary and initially aggressive Federal funding assistance for this national effort. This funding will amount to $1.5 billion over the next 10 years, and anticipates an investment of about $2.5 billion by private industry.

H.R. 12874 sets forth a reasonable but aggressive program that will permit this Nation to demonstrate the feasibility and advance the potential of solar photovoltaic technologies.

I urge the Members to join in supporting H.R. 12874.●

INFACT

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. HARKIN. Mr. Speaker, I am pleased to note that the National Conference of INFACT (the Infant Formula Action Coalition) is being held this weekend, June 16–18, at Iowa State University in Ames, Iowa. The purpose of this conference is to discuss problems relating to the promotion of infant formula use in the Third World. In recent weeks this topic has been the subject of increasing congressional interest, and for the benefit of my colleagues I would like to insert into the RECORD a letter which I received from Ms. Gail Harder of Ames, Iowa, which does an excellent job of outlining this problem:

Rep. TOM HARKIN,
234 Cannon Office Building,
Washington, D.C.

DEAR MR. HARKIN: The INFACT (Infant Formula Action Coalition) task force of Ames, Iowa is concerned about the problem of mothers turning from breast feeding to the use of infant formula in the Third World. The Ames group is part of a nation-wide effort of women's organizations, nutrition advocates, health care professionals, religious groups and concerned individuals. This group is mobilizing to halt the unethical promotion of infant formula by multinational corporations.

Each day in the Third World, thousands of babies die from malnutrition and dehydration. They are dying because their mothers have been convinced that artificial formula feeding, the "baby bottle", is more beneficial than breast feeding. They do not come from famine areas, nor are their mothers malnourished. Death and disease of the babies is due to the following conditions: (1) A clean water supply is necessary for safe use of infant formula, yet the water supply of most developing countries is contaminated. (2) Sterilization of bottle and nipple is required; this is often impossible without clean water, and the necessary fuel. (3) Formula must be mixed in proper proportions to be nutritionally sound; often the instruction for preparations are not in the language of the people to whom it is marketed or mothers may be illiterate. (4) Formula is relatively expensive. Many families do not have enough money to purchase the proper amount for their children. According to the United Nation Protein Advisory Group, the cost of feeding a six-month-old baby on bottled formula in Tanzania would take 32% of the family's income, in Nigeria, 47%, and 62% in Pakistan. Mothers are forced to dilute the formula in an attempt to "stretch" their supply, which leads to serious undernourishment.

Multinational companies use a wide variety of advertising and promotional techniques to lead mothers to believe that infant formula is best for their babies. The Cornell University Research Program directed by Ted Greiner (Nov. 4, 1977) states one important cause for decline in breast feeding is promotion of commercial infant foods. "Having learned how to create demands and generate tastes for their products at home, many large multinational corporations have turned their attention toward expanding markets abroad, including those in the developing world." (Ted Greiner Nov. 4, 1977, P. 3) The promotion campaign includes extensive mass media advertising, company sponsored "health and education programs" to promote their products, sales personnel dressed as "milk-nurses" or "mother craft workers", implied medical endorsement, and the widespread distribution of free samples in hospitals and clinics. Investigations in Latin American and Asia countries have shown that formula companies exert a powerful influence over doctors and hospital administrators. They offer substantial inducements (research grants, equipment, supplies, building additions, etc.) to hospitals in return for permission to promote their formulas. Understaffed and undersupplied health systems find it hard to resist such offers. After the mother leaves the hospital with her bottle-fed child and free samples, she will find that her breast milk has largely dried up. Once the sample runs out she must go to the local store where formulas are freely available, but no longer free.

The implications of these promotional practices are far-reaching and the results tragic. Womens ability and self-confidence to freely choose how they will use their own bodies is seriously undermined. Promotional materials and activities often imply that breast feeding may be inadequate, inappro-

priate or difficult. Doctors have long recognized that anxiety caused by doubts about breast feeding ability inhibits the "let-down reflex" which allows milk to flow when the baby sucks. Lactation failure, much less common in the Third World than in industrialized countries, is seldom of a purely biological nature. Dwyer (1975) states that "only one percent of mothers have serious breast feeding problems and two to three percent have temporary problems due to illness".

The promotion of infant formula also places a strain on already poor economies. The natural resource of mother's milk is replaced by expensive infant formula. The loss to underdeveloped countries that import infant formula is estimated at over $1 billion per year by Alan Berg, an economist with the Brookings Institute.

The largest multinational promoting infant formula in Third World countries is the Swiss based Nestle Company. In order to pressure the company to stop promotion of formula in these countries, INFACT has called for a national boycott on Nestle products. Although the United States subsidiary of the Nestle Company does not distribute formula, any economic impact of the boycott in the United States will also affect the parent company. The boycott was started on July 4, 1977 by the Third World Institute in Minneapolis. Since this time there has been communication between the INFACT group and the Nestle Company, but as of today, Nestles has not made any substantial policy changes, and the boycott is continuing. Nestle's policy changes are cosmetic at best and taken as a whole they will have virtually no impact in preventing infant formula malnutrition. Nestle's educational materials still promote formula use, contribute to lactation failure and do not eliminate the conditions that make safe formula use impossible. In conclusion, policy changes made to date by Nestle do not signifcantly contribute to the solution of the infant formula problem. They serve a public relations function for Nestles but do little else. Until promotion of infant formula is halted, superficial changes such as these will merely prolong the tragedy.

The boycott demands that Nestle immediately stop all promotion of infant formulas including, an end to direct advertising of formula to consumers, an end to free distribution of supplies to hospitals, clinics and homes of newborns, an end to the use of company "milk nurses", and an end to promotion to the health professions and through health care institutions. Other tactics have been used by INFACT to pressure American based corporations marketing infant formula to meet these objectives, including shareholder resolutions and lawsuits. In February of 1977 Borden agreed to withdraw all promotion of KLIM milk to infants. Borden management instructs their overseas operation to clear all KLIM advertising with the home office. The company has also agreed to consider suggestions for warnings on the label about improper use. A second company to change its marketing practices on March 1977 was Abbott. Abbott Laboratories agreed to numerous policy changes, as well as to make seven revisions in their code of marketing ethics. The changes include the elimination of nurses' uniforms being worn by company saleswomen, and an end to the term "mothercraft nurses". A recent legal battle was settled out of court with the Sisters of Precious Blood and Bristol-Myers Company. It puts the burden of proof of the Company to demonstrate that their formula marketing policies are followed. Bristol-Myers has agreed to publicize documentation of severe malnutrition and illness related to bottle feeding as part of their shareholders report.

Your assistance to bring about a proper investigation of the promotion of infant formula is vital to the efforts of organizations and individuals concerned about this problem. Hearings on the abuse of infant formula would serve to bring out the facts of the issue to the public. We are concerned that these promotional activities are not only harming Third World babies, but also babies of poor families in our own country. There is some evidence of bottle baby disease in the ghetto's, farmworker camps and Indian reservations of the United States.

We feel that United States food policies must promote breast feeding in both domestic and international food education programs. Thank you for your interest and support.

Sincerely,

GAIL HARDER.

AMES, IOWA.●

THE END OF THE DEMOCRATIC EXPERIMENT IN EGYPT AND THE NEW THREAT TO ISRAEL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. KEMP. Mr. Speaker, in the past several weeks, there has been a remarkable series of events that, in a current anti-Israel mood of some elements of the body politic and the fashionable media, has been curiously overlooked. These events have amounted to the termination of a democratic experiment in Egypt.

The suppression of political opposition and the closing of newspapers hostile to the perspective of the Egyptian Government has become an inconvenient fact of life for many in the United States, so the events have been ignored.

One diligent commentator, the New York Times Pulitzer Prize-winner, William Safire has taken the trouble to cumulate the evidence about the dramatic change in the character of the Egyptian regime. The result of the termination of the experimentation in Egypt has changed the tone of the Cairo regime from one seeking to achieve a negotiated settlement to one of raising anew, the specter of a new conflict in the region. The essay published in the June 13 edition of the Times by Mr. Safire demonstrates the thoughtless character of the administration's Middle East policy of providing Israel's adversary advanced weapons before there is any serious indication that they are seriously interested in reaching agreement with Israel to achieve permanent peace in the region.

I have included the text of Mr. Safire's column at the conclusion of my remarks:

SADAT: PEACEMAKER OR DICTATOR?

(By William Safire)

WASHINGTON.—Can you imagine the howls of protest from the Carter-Ribicoff set if Israeli Prime Minister Menachem Begin ordered a crackdown on dissidents, including the silencing and interrogation of his country's leading newspaper editor?

Can you hear the sputterings of outrage from a State Department spokesman if the Israeli leader issued an ultimatum that unless the other side changed its attitude, Israeli troops might soon "complete the battle for liberation?"

That crackdown on internal dissent, and that bellicose new tone, has indeed taken place. But not in Israel, where criticism of the top leaders abounds even as Mr. Begin tries to get face-to-face talks going. The assumption of dictatorial power and the new tone of stridency comes from Egypt's Anwar el-Sadat, basking in the sunshine of favorable United States opinion.

Mr. Sadat's 18-month flirtation with democracy has produced some local criticism from left and right, which objects not so much to his trip to Jerusalem but to a 25 percent inflation rate and charges widespread corruption in his regime. Some persnickety newsmen even dared to hint that his contractor son-in-law was getting favored treatment.

Greatly irritated, Mr. Sadat ordered his hardline No. 2 man, Mamdouh Salem, to march Egyptians to the polls to give him dictatorial powers to end the criticism which was besmirching the reputation of a great peacemaker.

Of course, he won 98 percent of the vote: newspapers that suggested anyone vote "no" were closed down. The tiny left and right parties disbanded. "If any person does not adhere to the values of his country, he must prepare for punishment," declared Dictator Sadat. "There will be no more compromise or tolerance."

The country's most respected former editor, Mohammed Heykal, was forbidden to travel abroad and is being investigated for "slander;" his crime is to espouse nonalignment with the Americans, just as he used to call for nonalignment with the Soviets.

Nor are foreign correspondents immune to the get-tough policy of the dictator-for-peace. "I am not happy with what I have read in your papers," he warned those few who dare report dissatisfaction with the crackdown. "Any foreign correspondent who will defame Egypt will be told by us to leave and write in his own country.

Somehow, this dark side of Mr. Sadat has gone uncovered by American television. Conservatives here see only his roughing-up of Communists, which they like, while liberals like Fritz Mondale—always ready to lecture South Africans on repression—just cannot apply that principle to countries backed by Arab oil.

Let's face it: Egypt today is in danger of becoming what Senator George McGovern (D-Cuba) used to call South Vietnam—a "corrupt dictatorship." Because the Carter-Ribicoff-McGovern coalition was able to "break the back of the Israeli lobby," United States policy is now lined up with that dictatorship against the only working democracy in the Middle East—Israel, which threw out a fine Prime Minister because its lively free press discovered his wife had broken the currency restrictions.

The fear of Arab displeasure is the cause of White House silence about the crushing of what little political freedom existed in the Egypt. Mr. Sadat was emboldened by the Carter Administration's silence and the Arab armsale victory in the United States to exhort his troops last week "to complete the battle of liberation" if Israel "continues its attitude."

In issuing this ultimatum, Dictator Sadat added that he might refuse to renew the accord disengaging troops in the Sinai, which expires in October. The State Department spokesman, who would have excoriated Israel for such obvious saber-rattling, said mildly: "We don't feel he has raised the war option."

By flying to Jerusalem last year, Dictator Sadat deluded many Americans into thinking he was opening negotiations; in fact, he was delivering a take-it-or-leave-it proposition and has budged not an inch on any of his demands.

His public-relations stunt, however, made him a media hero and enabled Mr. Carter to open the floodgates of Arab arms-sales. What was the result of that arms-sale victory in the Senate? Not the spirit of compromise; not Arab willingness to open face-to-face talks.

Just the opposite: Puffed up by Western adulation, supported anew by the Saudis for whom he obtained the latest United States weaponry, Dictator Sada crushed the beginnings of democracy in his own country and told the Israelis that if they do not soon accede to his full set of demands, they face a fifth "battle of liberation." ●

IS CASTRO A LIAR?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. MICHEL. Mr. Speaker, there is a current controversy between Cuban dictator Fidel Castro and the Carter administration. The Carter administration says that it knows Castro was responsible for the recent rebel incursion into Zaire. Castro claims that this is not true and that, indeed, he did all he could to stop the invasion. "We may be discreet", he to reporters "but we never have lied. We never make use of lies as an instrument of politics".

I do not wish to address the substance of the issue, but to present a problem that has long puzzled me. The problem is this:

If a man is a dedicated believer in communism, he must believe that the morality of the non-Communist world is false and serves the interest of the capitalist class. Again, as a believer in communism, he is dedicated to something called "revolutionary morality". That morality makes it clear that he himself is under no obligation to obey the "false" class-morality of the capitalist world. At the same time, revolutionary morality tells him that whatever is in the interest of the vanguard of the revolution, that is, the Communist Party, is moral and whatever is against that interest is, by definition, immoral.

So here is my question: If Fidel Castro feels it is in the best interest of the revolution to deceive the United States—which as a Communist he sees as the fortress of capitalism—he is not doing anything immoral by his own philosophy or ethical code. Why then would we expect him to tell the truth, as we understand it? What we call a "lie" he calls an ethical act performed to further the interest of the Communist movement. In his own mind he is, as a believer in revolutionary morality, absolutely free from any sense of guilt because his own ethical code teaches him it is praiseworthy to deceive what he calls the capitalist rulers and their false morality.

To a dedicated Communist—and I believe there can be no doubt Castro is a dedicated Communist—a real lie is something that works against the interest of the revolution. So when Castro tells journalists that he never lies to the West, he is, in his own mind, quite correct, because what we call "lies" he calls exercises in revolutionary morality.

All of this presents a problem that has never been answered. If we are dealing with Communists whose moral code is so totally different from our own, how can we talk to them about such essential terms as "truth" or lies or morality and reach any degree of understanding? In the West a stateman may lie, that is, deliberately state what he knows not to be the truth, but when he does so he knows he has done something against his own moral code. When that lie is uncovered he is quite correctly accused of having broken a moral standard. But to a Communist, a deliberate statement of something known to the speaker not to be true is ethical and praiseworthy if it helps the revolution. Indeed if a Communist is faced with the choice of telling the "truth" and hurting communism and telling a "lie" (as we understand it) and helping communism he is morally obliged, under revolutionary morality, to tell the lie. This is different from the situation in the west where, obviously, a man may lie to further his interests, but where that lie is understood to be immoral not only by others but by himself.

I have not meant for this to be polemical and I think I have been fair to Communist morality as it is understood by its adherents. Perhaps I am wrong. But I would very much like to learn more about this question and I hope some of my colleagues will think about this and comment on it.

When and if we sign a SALT treaty, two different standards of morality will be interpretating the treaty. One standard, our own, says that to deliberatly break the treaty is immoral because we have given our word. The other standard, that of the Soviet Union, holds that breaking a treaty, if it is in the interest of the Party, is moral. This question has nothing to do with the moral strength of the participants—after all, anyone may go against his moral convictions—but with different moral perspectives. If I am wrong about this, I would very much like one of my colleagues to state the case correctly.●

CHAOS LIKELY IF NO ALASKA LANDS BILL ENACTED THIS YEAR

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. SEIBERLING. Mr. Speaker, under the Alaska Native Claims Settlement Act of 1971, the Secretary of the Interior was authorized to withdraw Federal lands in Alaska from mineral entry and from State land selection in order to give Congress time to enact legislation permanently reserving such lands for conservation and recreation purposes. Under the act, the Secretary's withdrawals terminate on December 18 unless Congress has enacted protective legislation before then.

With the December deadline in mind, the House Interior Committee made a major effort to bring out a comprehensive bill completing this process, and the House ratified the results by approving the revised H.R. 39 on May 19 by a vote of 277 to 31. Because of threats of filibuster, some Senators have raised the question of whether full action could not be postponed until the next Congress, and suggestions have been made that perhaps the deadline could simply be extended for another 2 years. In response, it has been pointed out that any extender legislation could also be filibustered and that, even if it were not, the right of Congress to extend the deadline and thus continue to suspend the ability of the State of Alaska to select Federal lands, could be challenged in the courts.

That these fears are not without substance is confirmed by an editorial contained in the June 5 edition of the Fairbanks, Alaska, newspaper, the Daily News-Miner. This newspapers editorial policy on this issue typifies the attitude of the Alaska news media. The editorial notes that Alaska's two U.S. Senators have vowed to stop the bill this year and says, "They deserve a strong statement of support from all Alaskans right now." The editorial goes on to say:

If HR 39 does not pass this year, the 83 million acres of Federal land withdrawn from mineral claims, homesteading and state land selection five years ago will revert back to the status of all other open Federal land in Alaska. It won't mean the end of the Alaska lands fight because the Interior Department will probably take a new offensive against Alaska, such as putting all that land and more into wilderness study areas. That's when Alaska will have a clear-cut case against the many unfair Federal land dealings over the past two decades and we can settle the matter with a lawsuit.

Mr. Speaker, the sad thing about this is that it is in the basic interests of both the residents of Alaska and the country as a whole to have this legislation completed this year. The alternative—opening up the Federal lands having prime value for national park and national wilderness area designation, the so-called "crown jewels of Alaska," to mining claims and to State land selection—could deprive the American people forever of the opportunity to save significant parts of their heritage. And while this might seem to be some small advantage for the State, the resulting confusion and continued uncertainty will undoubtedly delay the growth of a balanced and stable economy in Alaska. Governor Hammond himself concedes that uncertainty over the final status of land in Alaska, along with delays in the conveyance of State and native land selections—delays which H.R. 39 would cure, are holding back Alaska's development more than any other factor.

Mr. Speaker, these lands belong to all the American people. It is in their interest and indeed, the interest of all but a few exploiters and profiteers that the Alaska lands legislation be completed this year. So that we may better understand the consequences of failure to complete it, I offer the full text of the Fairbanks Daily News-Miner editorial for in-

sertion in the RECORD following these remarks:

SUPPORT YOUR SENATORS

Alaska's two U.S. senators have vowed to stop the d-2 bill this year, and they deserve a strong statement of support from all Alaskans right now.

Sen. Ted Stevens says he and Democratic Sen. Mike Gravel can block anything except an "honorable compromise" d-2 bill from passing the Senate this year. Sen. Gravel cuts an even finer edge, saying the bill is as good as dead now and he won't even accept a compromise.

The difference is understandable since Sen. Stevens is part of the Republican leadership in the Senate and thus can't afford to be quite as unreasonable as Sen. Gravel, who is threatening all kinds of delaying tactics to make H.R. 39 more trouble than it's worth to other senators.

If H.R. 39 doesn't pass this year, the 83 million acres of federal land withdrawn from mineral claims, homesteading and state land selection five years ago will revert back to the status of all other open federal land in Alaska. It won't mean the end of the Alaska lands fight because the Interior Department will probably take a new offensive against Alaska, such as putting all that land and more into wilderness study areas. That's when Alaska will have a clear-cut case against the many unfair federal land dealings over the past two decades and we can settle the matter with a lawsuit.

Our senators are right. It's time to get tough on Alaska's land issues. In the House consideration of the d-2 bill Alaska's lone congressman, our state officials and our leading lobbyists tried to be reasonable and amend the bill to better suit its stated purpose and our own interests. We were brushed aside in every major confrontation and the White House has shown only contempt for Alaska's pleas.

The writers of the U.S. Constitution created the U.S. Senate so the states small in population and political muscle would be able to defend themselves. The traditions of the Senate have strengthened these protections, and it's only proper that Alaska's Senate delegation use them to the fullest extent now.

We need to show the Senate and the American public that we're behind Sen. Stevens and Sen. Gravel in this fight, because the opposition is already trying to convince them that we're really in favor of H.R. 39. The main targets for our messages of support should be Senate Majority Leader Robert Byrd, Senate Energy Committee Chairman Henry Jackson and the major newspapers in the U.S., so let's get those letters in the mail this week.●

ENERGY RESOURCES DEVELOPMENT INSTITUTE IN WESTCHESTER COUNTY, N.Y.

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. OTTINGER. Mr. Speaker, I would like to call to your attention a new organization in my district which was created to protect the intrest of the general public as well as businessmen and professionals in energy and energy related enterprises. The Energy Resources Development Institute, located in White Plains, N.Y., is committed to investigating and promoting present energy resources as well as developing viable energy alternatives. Its goals are to create public awareness of the alternatives while encouraging high standards of performance, reliability, and ethics in the industry.

The energy picture in Westchester County is especially burdensome. The climate is such that Westchester is exceedingly vulnerable to energy shortages and high prices. Since the county has virtually no native energy resources, it must import its fuels from elsewhere. Westchester residents and businesses are in the unenviable position of consuming maximum quantities of energy while at the same time paying maximum prices. The need for conservation is imperative.

The Energy Resources Development Institute has positively and effectively approached this problem. It has recently concluded a 3-day exposition at the Westchester County Center which was attended by over 5,000 concerned energy consumers and professionals.

The show combined a program of seminars relating to developing new approaches in producing and conserving energy with a trade show of the latest dramatic, new developments in energy and conservation related materials, equipment and technology for residential and commercial application.

The seminar program dealt with first: "The Need to Develop a Unified Governmental Energy Policy"; the second seminar was concerned with: "Effective Resource Utilization—What the Long-Term Outlook Is and How To Allocate Our Development Efforts"; the third topic was: "Conservation—What Can Be Done."

The trade show portion of the exposition was devoted to displaying the latest technological advances in the energy field; the newest solar collector techniques, both active and passive; nuclear power; hydropower; photovoltaic cells; an electric car that had traveled over 22,000 miles; refrigerators engineered to heat water while chilling food; double-pane windows that fill with styrofoam to prevent heat loss and then empty to allow heat penetration; and the more mundane but equally essential aspects of energy conservation; for example, adequate insulation in homes; quality construction to eliminate drafts; wood-burning stoves to generate room heat and the availability in banks of home improvement loans for energy-conserving improvements.

By informing the public of the severity of the energy problem and how Government, industry, and the individual citizen can work together to cope with it and help insure adequate power sources for the future, the Energy Resources Development Institute, has taken giant strides toward negating the effect of years of wasteful consumption and development stagnation. It is essential that this country reduce energy waste and do everything possible to encourage the development and use of scurces of energy as alternatives to oil and gas. For pursuing these goals, the Energy Resources Development Institute deserves our commendation.●

TRIBUTE TO MAURICE D. LEE, SYRACUSE POST-STANDARD REPORTER

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. WALSH. Mr. Speaker, each of us in public service has the privilege—and the obligation—to share our triumphs, and our failures, with those whose profession it is to record and report those events without prejudice or favor—the members of the working press.

Our relationships with journalists are like the weather—sometimes stormy, more often pleasant, but always there and something neither we nor they could or would do without.

Over the years, I have worked with more members of the fourth estate than I am able to count, but there is one—who concludes today a distinguished career spanning nearly 7 decades—to whom I am pleased to pay tribute before you.

He is Maurice D. Lee, who for the last 22 years of his 59 years with the Syracuse Post-Standard has covered the daily beat of municipal government in the Syracuse city hall.

When I came to city hall as mayor of Syracuse in 1962, I discovered quickly that no one person in the building matched Maurice Lee's knowledge of the most intricate details of city government. And I soon learned that few could match the personal and professional values of integrity, persistence, fairness, friendliness and youthful enthusiasm, all of which are one with Maurice Lee.

It is hard to believe he has chosen to retire, and it is almost impossible to imagine the Syracuse Post-Standard without his daily byline, a feature since 1919.

This morning, another old and close friend with the Syracuse Post-Standard, Executive Editor J. Leonard Gorman, published an editorial which points out well how the colleagues, the many friends and millions of readers feel about Maurice Lee—a professional and a gentleman:

The Post-Standard's City hall news won't quite the same after today.

Maurice D. Lee, 80, who has been with this newspaper since Jan. 9, 1919, will retire today after having been on the City Hall beat since 1956.

Born in Altamont, near Albany, on Sept. 19, 1897, Maury Lee began working for the Altamont Enterprise, a weekly paper, while he was in grammar school. He worked briefly for the Watertown Daily Times in 1916, then for the old Rochester Herald and finally came to The Post-Standard for two years in the city room in 1919 and 1920, later serving many years as full-time correspondent for the P-S in Malone, Saranac Lake, Oneida and Auburn.

In recognition of his half-century with the newspaper, the then Syracuse Mayor William F. Walsh inspired a testimonial luncheon at the Yates Hotel on Jan. 31, 1969, where he found more than 200 city employes and other friends waiting for him with surprise gifts.

Maurice Lee will be missed not only at City Hall, where he was known as a meticu-

lous reporter, but also around Syracuse and Central New York, where he was a sartorial Beau Brummel, attired always in the height of Esquire fashion and driving the latest model of a handsome car.

He has been a good friend, a loyal employe and a fastidious bachelor. We wish him many years in which to enjoy his pension and the leisure to travel, which has been his favorite kind of recreation in recent years.●

UGANDA: A TEST OF CONSCIENCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. DORNAN. Mr. Speaker, in the last decade there have been so few foreign policy issues about which all Americans have agreed, it would at least seem to me that we could reach a consensus about our humanitarian obligation to the over 11 million terror-ridden Ugandans living under the barbaric rule of its dictator Idi Amin.

What other issue can one think of that would prompt the Washington Post to editorialize:

> We would not normally endorse either internal revolt or external attack against an established government, but with Gen. Amin conventional restraints deserve to be taken off.

Yet, in the face of all Idi Amin's barbarism, mass carnage, and supression of basic human dignities there were two institutions which did not abhor the Amin regime, one, corporate America has since come around. The other, the administration, still flounders in half-baker foreign policy.

Many of us, Mr. Speaker, are used to the administration's floundering on foreign policy. The attitude of the corporations was a little more unusual and I would like to share with my colleagues my experiences in dealing with them.

During the past year I have personally attempted to convince major American coffee companies to agree voluntarily to halt their importation of Ugandian coffee beans. As many of my colleagues are now aware, U.S. Commerce Department statistics show that from January 1975 to August 1977, American coffee companies imported over $360 million dollars worth of Ugandan coffee—or one-third of Uganda's export earnings. I might add that these figures are increasing and represent a sizable chunk of Uganda's overall GNP.

Noted exiled Ugandans, with whom I have met both here and in Kenya, inform me that these American dollars are used by Amin to purchase, among other things, Soviet military equipment, hundreds of Mercedes and Fiats, executive aircraft and helicopters. These dollars are also used to purchase expensive clothing, rich foods, high priced wristwatches, jewelry, and other costly trinkets to pay off Amin's army officers and his personal bodyguards (officially called the State Research Bureau) whose vicious and widespread murders are the mainstay of Amin's power. Furthermore, these dollars are used to enrich Amin's own personal fortune estimated to be between $5 and $6 million. Almost none of this money ever reaches those Ugandan peasants responsible for growing the coffee itself. These oppressed peasants exist in spite of Idi Amin, relying upon small fruit and vegetable plots to grow just enough food for survival.

The year 1977 was especially revealing about the atrocities committed by Amin. It was also the year in which I learned just how much money American companies pour into Amin's government. So, on October 28, 1977, I called for a self-imposed ban on Ugandan exports. To these mighty, multimillion- and billion-dollar manufacturing titans, I believe the request was not a great one. However, the effect on the Amin government would be significant. Let me give you some examples of the responses I received: General Foods (Maxwell House, Maxim, Sanka, Yuban, Freeze-dried Sanka, Max-Pax, Brim): "(we) have always diligently avoided taking political positions," Procter & Gamble (Folger's Coffee): "one would be hard pressed to differentiate in such matters" involving nations to boycott, Nestlé Co. (Nescafe, Taster's Choice 100 percent, Taster's Choice Decaffeinated, Decaf): "our primary concern is to satisfy the needs of American consumers." So much for social conscience and corporate morality. This lack of resolve allowed Amin, who boasts of eating human flesh, to continue to fill his coffers. Therefore, in November 1977 I held a press conference with former Ugandan Attorney General G. L. Binaisa and denounced these firms for their dispassionate position. Again, the public response was encouraging.

To be sure, the public's outrage over trade with Uganda was beginning to make its mark. On November 29 the National Coffee Association of USA, Inc., a New York City based organization representing the domestic coffee trade, upset over the adverse publicity their member firms were receiving adopted a resolution requesting the branches of the U.S. Government to declare and implement a uniform national policy . . . concerning trade by private and commercial interests in the United States with entities in Uganda. In my view, this marked an important first step for the U.S. coffee industry in facing up to its responsibility for constructive participation. Yet, no sooner had the industry taken its head out of the sand, when it quickly stuck it back in. Let me explain.

I next requested permission to appear before the National Coffee Association's board of director's meeting in Boca Raton on January 30. My stated and intended purpose was to share what I learned from former high ranking Ugandan exiles during my trip to Nairobi early in January, and to suggest that the industry preemptively strike by putting pressure on the administration and the Congress to act quickly in setting policy. My simple request was refused: their agenda was firm and complete and cannot be altered, their position as expressed in their November 29 resolution remained unchanged, and their legal counsel advised that—

> Any further collective gathering of the members of the Association to discuss the Uganda issue would expose the Board . . . to antitrust risks they should not be asked to assume.

While in all their highly technical legalese they may be correct, I ask you, would President Carter risk such a headline as: "Human Rights President Directs Justice To Sue Companies for Stopping Trade With Idi Amin." It seems absurd to believe that this Government would be irresponsible enough to initiate antitrust action.

Mr. Speaker, with the industry stonewalling in favor of congressional or State Department action, emphasis necessarily switched from voluntary encouragement to enactment of boycott legislation. I consponsored Congressman DON PEASES' three-part Ugandan economic boycott legislation, H.R. 9252 and Congressman DON BONKERS' comprehensive resolution condemning Idi Amin. As I am sure you know, Senator LOWELL WEICKER has sponsored identical legislation (S. 2412) to that of Congressman PEASE. Legislation which the State Department opposes.

The public began to question the alleged needs the coffee companies purport to meet and instead demanded to know why they continue to trade with Idi Amin. Not all companies did so, for example, the president of Hills Brothers Coffee told me that they stopped trading with Uganda in 1976. Why then did other American companies continue to trade with Idi Amin? It certainly was not their concern over coffee prices. As we know, the U.S. Department of Agriculture reported that a trade boycott would have virtually no effect on American coffee prices. What I was afraid it was, Mr. Speaker, was that these companies were morally bankrupt. Up until now, they lacked the backbone, indeed the guts, to take a stand on this utterly devastating and pitfully sad crisis in Africa.

But then during the week of May 15 that Proctor & Gamble, Nestle Co. and General Foods made the morally courageous decision to stop their trade with Uganda. They bit the bullet and stood up for international decency and an entire nation's right to be free of torture and wholesale murder. The decision to do so, while long in coming, flies in the face of those who believe that profit is the only motive of American business. Although I pounded away at these companies for several months, along with many of my colleagues and other caring citizens, I have long had faith that once they realized the horror of Idi Amin's reign of terror they would act courageously . . . and they have.

Mr. Speaker, let this bold humanitarian iniative by American business be a message loud and clear to President Carter and those other human rights government officials who were content to stand on the sidelines while 400,000 innocent Ugandans were (and are) being brutally tortured and murdered by the Adolph Hitler of Africa.

What is taking President Carter and his administration officials so long to recognize what the American public, business, and Congress has come to recognize? The President has not hesitated to support sanctions against Rhodesia and South Africa. Yet he ignores the brutal, genocidal murder of 400,000 black Africans to the north.

Why does the State Department admit that "A boycott would certainly be consistent with the administration's worldwide human rights commitment" and yet stands in opposition to such boycott legislation. Perhaps the most disgraceful and shocking of all the administration's inaction is its conferring of diplomatic recognition of Uganda by allowing a charge d'Affaires office here in Washington even through in 1973 we closed our embassy and consulate offices in Uganda.

Mr. Speaker, it is clear to me that we, as a nation and as individuals, have an overriding moral obligation to withhold support from this diabolical, totalitarian regime. Let not the legacy of this generation of business and political leaders be as shameful as those who chose to close their eyes to Nazi tyranny until it threatened all our freedoms and exacted from the flesh of mankind the staggering total of over 40 million dead. There is an "Adolph Hitler" in Africa and it is time for the President and the administration to get behind the public by supporting the imposition of strict punitive economic and diplomatic action against the government of Idi Amin.●

SCHLESINGER AND JACKSON ATTACK HARASSMENT OF NUCLEAR ENERGY PROJECTS

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. McCORMACK. Mr. Speaker, Secretary of Energy James S. Schlesinger addressed a Northwest Regional Energy Conference in Seattle several days ago, and enunciated clearly the administration position of criticism of those individuals and groups who have resorted to professional harassment of nuclear energy projects in this country.

He was joined by Senator HENRY M. JACKSON of Washington, chairman of the Senate Committee on Energy and Natural Resources, who pointed out that the ratepayers are the ultimate victims of this harassment by antienergy and antigrowth groups.

The United Press International reported on this story, from which I have excerpted the following eloquent synopsis of the statements by Secretary Schlesinger and Senator JACKSON.

NUKE OPPONENTS SLAMMED

Energy Secretary James Schlesinger said in Seattle Wednesday "continuous guerrilla warfare" by opponents of nuclear power plants is adding about $120 million annually to the cost of nuclear plants.

"Congress in 1947 decided the Nation should develop nuclear power . . .," he said during an impromptu news conference following the Northwest Regional Energy Conference. "There is no way we can run the clock backwards."

Schlesinger charged nuclear power opponents with a "refusal to abide by procedures set by Congress."

"The effort is to say policy is not set by Congress, but by harassment and delay," said the energy chief. Both Schlesinger and Sen. Henry Jackson, D-Wash., preached electrical and fuel conservation to the conference audience, but said nuclear power and other energy is needed by the Nation.

Jackson advocated "a trillion dollar investment in energy."

"Conservation alone cannot meet the energy needs of the next generation," said Jackson, chairman of the Senate Energy and Natural Resources Committee. "While we save, we must also produce."

Jackson suggested that states adopt a one-stop licensing procedure for nuclear plants with only a single environmental challenge permitted on each application.

"We need due process, but it's not due process when you can have judicial filibustering—appeal, appeal, oppose, oppose," said Jackson.

"Ratepayers have to pay the price of delay."

Mr. Chairman, we should all recognize the significance of the damage done to our country by this professional antinuclear harassment. Not only is energy not produced on time, thus increasing our dependence on imports, but the cost of energy which the people must have is substantially and unnecessarily increased. Almost half of the cost of nuclear plants is interest on the construction costs. The people must pay this and large extra tribute to the professional antinuclear advocates and lawyers who make a living by increasing the cost of electricity to average citizens.

The time has come to eliminate such unnecessary costs, and we should start now by enacting a new nuclear licensing law, and by amending the National Environmental Policy Act so that both these laws will protect our physical environment and the public health and welfare of our citizens, but so that the new laws cannot be used as weapons to harass and delay necessary energy projects for our country and our people.●

THEN THERE'S CLEVELAND

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Ms. OAKAR. Mr. Speaker, those of us who were born and raised in Cleveland, and proudly represent its people in Cleveland, are very pleased with an article by George F. Will which appeared June 15, 1978 concerning our fine city of Cleveland. The following is Mr. Will's article:

THEN THERE'S CLEVELAND

(By George F. Will)

CLEVELAND—Long ago, when mankind was young and wit was fresh, if someone in an audience called out "Say something funny," Mort Sahl, the comic, would say, "John Foster Dulles." Today's last-gasp laugh-getter for desperate comics is some reference to Cleveland, a city disdained by those who pluck their values from the prevailing wind.

Cleveland has the problems of an old industrial city. It also has the most acrimonious government in Christendom and, yes, the Cuyahoga River did catch fire once. But such problems do not obscrue the city's fascinating dimension. That dimension, which may be what Cleveland's despisers despise, is that Cleveland embodies the American middle: Midwest middle-class civilization.

Ohioans were, in a sense, the first Americans. Ohio's northern part was once "New Connecticut"; the southern part was the Virginia Military District. "Ohio," said a 19th-century writer, "is at once North and South; it is also—by grace of its longitude and its social temper—both East and West. It has boxed the American compass."

Ohio was the first defined wilderness area made into a state, and the names of its communities include London, Dublin, Berlin, Geneva, Moscow, Holland, Poland, Smyrna, Cadiz, Lisbon, Antwerp, New Paris and New Vienna. Walter Havighurst suggests why Ohio has produced eight presidents: "To any other part of the nation, an Ohio candidate could not seem alien."

In 1784, George Washington examined a map of the wilderness and predicted that "where the Cuyahoga River flows into Lake Erie shall arise a community of vast commercial importance." A century later, a Clevelander explained his city to a squinting easterner: "Smoke means business, business means money, and money is the principal thing." Ohio's largest city is bound up with America's basic commodities.

Thomas Edison was born 60 miles west of Cleveland, which became the first city in the world with electric lighting in a public place, and the first to unit electricity and steel in transportation (in streetcars). One of Cleveland's thoroughfares, Superior Street, is a reminder of the link between Cleveland and the great lake, Superior, that is surrounded by iron ore deposits. Those deposits were shipped to Cleveland's mills and turned into rails and locomotives.

Oil was needed before transportation could move from steel wheels to rubber tires (tires are giant industry in the state bisected by the National Pike, U.S. 40). The world's first producing oil well was 100 miles east of Cleveland, and its potential was best understood by a product of Cleveland's Central High School (John Davison Rockefeller).

Cleveland is the only major American city where the original city center is still the city's hub. Public Square is the site of the Soldiers' and Sailors' Memorial, which a guidebook gently describes as an example of "the literalness of Victorian art." It is a stupendous pile, a granite and bronze clutter of guns and fierce warriors. It is not quite as exuberantly martial as some monuments in Indianapolis, but it adequately expresses late 19th-century patriotism.

One purpose of public architecture is to create a mood. For example, the Supreme Court building in Washington is designed to instill awe for the majesty of the law. But the court is a mere cabin compared with Cleveland's Federal Reserve building. This temple to currency has stirring symbolic statues, and a lobby worthy of a place of worship. Whatever an aura of strength can do for currency, this building does.

Today many banks resemble hotels, and many branch bank offices are built in a style that might be called Neo-Dairy Queen. No wonder the dollar is a ghost of its former self. Cleveland's downtown is planted thick with thick banks, and is a reminder of the way things were.

Euclid Avenue no longer has America's noblest collection of stately homes (my nominee is Audubon Place in New Orleans). But Cleveland, as much as any city, has been the home of spacious houses of the sort suited to the life of large families. Such

houses were monuments, of sort, to the energy and confidence of America, and especially of the Midwest, when the nation was gathering strength.

My guilty secret, cheerfully confessed, is that I admire Cleveland. But, then, I also admired John Foster Dulles.●

KEN MARSHALL, SOUTH DAKOTA VETERAN, EXPOSED TO RADIOACTIVE MATERIALS WHILE SERVING IN THE U.S. NAVY

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. PRESSLER. Mr. Speaker, a serious problem that is often overlooked in our society concerns the many veterans of World War II or shortly thereafter who were exposed to radiation from nuclear tests and have not been treated in the same way as the islanders who were also exposed to it. I feel that the Government should take the initiative in locating the various veterans who might have been exposed to radiation. By discussing their illness with them, medical knowledge of exposure to radiation would be advanced. Also, I am told that the U.S.S. *Rockingham*, the ship on which these men were stationed, was destroyed rather than simply retired. What was the reason for this? If the Government believed the ship had been exposed to radiation, why were not the people on board contacted to see if they had been uniformly injured?

There is a splendid article by Tena Andersen of the Associated Press that I wish to insert into the RECORD because it represents one of the few works in this area. Also, I would hope that other Members of Congress reading this who have been contacted by people who believe they are suffering from radiation effects, will contact my office.

At this point, I wish to insert Ms. Andersen's article into the CONGRESSIONAL RECORD:

[From the Rapid City Journal, May 17, 1978]

STURGIS MAN SUSPECTS ILLNESS, NUCLEAR TEST LINKED

(By Tena Anderson)

STURGIS (AP)—Ken Marshall stood at the rail of the USS Rockingham and watched a mushroom cloud billow skyward from an underwater nuclear test several miles away.

"When the waterspout appeared, and I saw the battleship go up the side of the spout, I thought the world had come to an end," he wrote later.

It was July, 1946 in the Marshall Islands near the Bikini Atoll.

No one knew there was danger in watching the blast—even unprotected and at close range.

The 19-year-old Marshall and his Navy buddies noticed later that their hair fell out in tufts and they vomited severely, but they didn't associate those symptoms with the blast.

Today a 51, Marshall is a chronically ill man, suffering ulcers, asthma and other illnesses.

The Sturgis telephone worker has joined other veterans asking the government to investigate their cases.

Marshall's job was to ferry men back and forth to the target fleet between blasts.

He recalls swimming in the lagoon after a test. "The water was tepid, overly warm, to the point of being uncomfortable," he recalled.

A month before, the men witnessed an above-water detonation from 6 to 10 miles away. They watched the second blast from a much closer vantage point.

And Marshall and some buddies shared a gallon of pure alcohol that survived the first blast on one of the target ships.

Besides losing hair and vomiting, Marshall had other reactions following the tests in 1946.

"The hair in my armpits turned blood-red, and when cut, the hair bled. It was slightly painful, but again, this cleared up and I never went to sick bay with my complaint," he said. "In those days no one complained."

When the men were given their physicals at discharge, a doctor told them they probably would be sterile.

Today Marshall has five children. But that doesn't ease his mind. He's heard stories of mutations showing up in later generations.

Only a little more than a year after the nuclear tests, Marshall began to suffer from ulcers, vomiting blood daily.

Since then he's had a list of problems.

. . . In 1949 his appendix was removed.

. . . In 1954, he discovered a large growth on the right side of his throat. A benign thyroid tumor was removed, similar to those found in Pacific natives exposed to nuclear radiation.

. . . In 1972, asthma appeared, a condition he blamed on radiation damage to mucus membranes.

Marshall is convinced that he and thousands of other service men have suffered radiation poisoning. In South Dakota, four men have complained to VA hospitals about what they consider to be radiation related illnesses.

A few years ago, Marshall began a letter-writing campaign, calling for tests on other men to see if they suffered similar illnesses.

And he applied for a service-connected disability from the Veterans Administration, but was turned down.

Marshall received no response until he contacted Rep. Larry Pressler, R-S.D., who persuaded the VA Board of Appeals to take another look at the case.

And the Defense Department in February started a search for military personnel who might have been involved in nuclear tests.

While the natives of the Marshall Islands have received millions of dollars in payments, U.S. servicemen have not been compensated.

Marshall was told by VA officials that his medical records from 1946 did not show he was sick at the time.

Scientists are not sure illnesses like Marshall's are caused by radiation. And the VA requires that any disability be reported during the time of service—not 30 years later.

Marshall said the VA has taken over his $100 a month drug bills.

But he won't be satisfied until he finds out what happened to him.

"I was all motherhood and apple pie, God and country at the time," he said. "But it's very disturbing to live a lifetime and find out you were let down."●

THE IRRESPONSIBLE STATEMENTS OF ANDREW YOUNG

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. ROUSSELOT. Mr. Speaker, the irresponsible statements and actions of Ambassador Young work against the American ideals of individual liberty and economic freedom. In Africa we can see the increasing power of the Soviet Union and its Cuban mercenaries—The views that Ambassador Young has promoted are not representative of the thinking of the American people.

It is a puzzle that President Carter condemns Soviet aggression as a threat to the security of our Nation, and then tolerates Andrew Young's statements making light of the imposing danger. In an interview in the June 12 edition of U.S. News & World Report, Mr. Young again contradicted the President, and many of his advisers, by asserting that Russia has not been expanding its involvement in Africa.

Mr. Speaker, I would like to submit, for the review of my colleagues and for the public record, two articles which appeared in the June 12 edition of U.S. News & World Report—an interview with and an editorial on Andrew Young. The views of Ambassador Young should be repudiated, both by the administration and the American public, and, if President Carter is not led by his judgment to recall Andrew Young and thus rebuke this misrepresentation of the feelings of the American people, then the Members of this House should take action to express their disapproval.

ANDREW YOUNG ON AFRICA: STILL THE VOICE OF DISSENT

(Interview With the U.S. Ambassador to the United Nations)

(Carter's most controversial adviser on foreign policy is out in front once again—this time challenging the President himself on the Soviet-Cuban role in Africa and what the United States should do about it.)

Q. Mr. Ambassador, how should the United States deal with the escalating Soviet and Cuban military involvement in Africa that seems to concern President Carter so much?

A. I know it sounds strange, but if you look at where the Russians were when Jimmy Carter was elected and where they are now, there probably has not been a significant expansion. The Russians were in Sudan, Ethiopia and Somalia. The Cubans were already in Angola. They are still in Angola, but their position there is no more stable than it was. In three years they have not been able to pacify Angola. It's still a land very much in turmoil, and with very many problems.

As for the Russians, they were run out of Sudan and Somalia. We now see stories of growing strain between the Russians and Cubans and the Ethiopians. By contrast, the United States now has much better relations with Somalia than we did 18 months ago, and we're about to send an ambassador back to Ethiopia.

I've said that we ought to have a rational, analytical response to the Russians and the Cubans in Africa, and not respond emotionally. I'm afraid that we have been responding emotionally, and I would hope that we would stop and think very carefully about it.

Q. The tone of this country's response has been set by President Carter. Don't you share the concern that he has been expressing forcefully in recent weeks?

A. I think we ought to have concern, but when concern is translated into panic by others, I don't think it serves the U.S. interest. And that's what I'm afraid of: panic.

I don't think people here in the U.S. know Africa. Even the best of our experts tend to think of Africa through a European mindset.

Take, for example, the Ogaden region in Ethiopia. Most of the U.S. press had not even heard of it six months ago. Then, all of a

sudden, it becomes of great strategic significance. The Ogaden is really nothing more than a thousand miles of sand.

Q. What about Eritrea? Doesn't Cuban and Russian involvement there pose a strategic threat?

A. Remember, three or four years ago we were the ones advising the Ethiopian Army against these very Eritrean rebels. We thought it was in our interests to have a united Ethiopia. There's no question that our concern in Ethiopia is for human rights, for the territorial integrity of Ethiopia, and basically for a peaceful settlement of disputes. I'm not sure that what happens in Eritrea makes a great deal of difference to the interests of the United States of America.

If one tends to see all this as a great Soviet design, and lapses back into the domino theory, then there may be some cause for concern. But we should have learned the weaknesses of the domino theory in Southeast Asia.

Q. Is there danger that the United States will be perceived as a helpless giant that is unable to cope with a Russia on the move if this country fails to act?

A. That's an image we've created for ourselves. It's not an image that I accept. I would say that, from my perspective here at the U.N., that's not the case. We have more influence in Africa right now than in the recent past—including in Angola.

The Angolans are presently cooperating with us. They see that it's in their interest to have a peaceful settlement in Namibia. They are protecting our economic interest in Angola with Cuban troops, and they are supplying the United States with almost 1 billion dollars' worth of oil a year. Now, they're not doing us any favor; they need the billion dollars to keep their country going.

Even the Cuban presence in Angola has not threatened any material United States interest at this point, nor has it minimized U.S. influence in Angola. It has created a kind of psychological impotence among some people in this country. If we're panicky about Cubans, and if we think that Cubans are 10 feet tall—that they are supermen and that they are going to sweep the African continent—we're in trouble. If we realize that Cubans bleed and die, and have the same kinds of racial tensions and problems with language and culture that everybody else has—including the Russians—then we can keep a perspective about what's going on.

Q. Do the charges of Cuban involvement in the invasion of Zaire from Angola change the picture? Doesn't this threaten U.S. interests?

A. Let me make this point: Angola is almost twice the size of Texas. It takes you two days to get from Houston to El Paso on superhighways. There are no superhighways in Angola, and there's not good telephone communications. What we're saying is that a group of people—the Cubans—who are predominantly in the capital of Luanda and who are doing most of their military operations in the south against UNITA, have got to be responsible for another 5,000 armed men from Shaba—which was known as Katanga in Zaire. Those men were originally armed by the Belgians, and later fought for the Portuguese. They later came in to fight with the MPLA—the Popular Movement for the Liberation of Angola. They have fought on every side. But they have always maintained their own interest in returning to Shaba in Zaire. They had Cuban weapons and Russian weapons. They also had Chinese weapons. Remember, the Chinese also were involved in Angola.

You can make a case for almost anything you want to make in Angola. But, in fact, I don't think anyone can be sure of everything that's going on there—not even the Cubans or the Angolans. I think that even the President's information has been greatly limited by the restrictions on intelligence gathering inside Angola, and the fact that it's difficult to gather adequate intelligence.

Q. You don't accept the allegation that the Cubans share responsibility for the invasion of Zaire—

A. I did seriously question the charges at first because of those difficulties, but additional intelligence that I've seen convinces me there is truth to the allegation.

Still, it is important to ask whose interest is served by the invasion into Zaire. We have heard massive reports of the invasion of Kolwezi. We have not heard about the attacks on Angola constantly from FNLA—the National Front for the Liberation of Angola—and UNITA—the National Union for the Total Independence of Angola. Those attacks are going on continuously.

I'm afraid that there will be so much chaos that we will not be able to have an intelligent, negotiated relationship to keep our mineral supplies coming and to establish markets. Our relationship with Africa is much more economic than it is strategic.

Q. President Carter has complained that, in dealing with the Russians and Cubans in Africa, the administration's hands are tied by legislative constraints. Are you in favor of lifting these legal restrictions to give the administration greater freedom of action?

A. We need maximum freedom in providing economic assistance, because I think that our most successful approaches around the world have been when we have given food aid and development assistance.

Almost anywhere we have worked militarily we have produced limited results. And almost everywhere we have moved covertly we have failed miserably—and have produced results that are often counterproductive to our interests. I think we ought to be finished with covert activities. I can't point to one place where we have succeeded with these.

Q. But some people in the Carter administration have been advocating a covert operation by the CIA to bleed the Cubans in Angola—

A. Well, you bleed the Cubans, and you destroy Gulf Oil in Angola.

Covert operations reflect the kind of cynical attitude that has threatened to destroy our relationships with an entire continent. Fortunately, I think we have learned that lesson. I don't know anyone who is advocating that course of action.

Q. Is there anything the administration can do to induce the Cubans to pull back from their African adventures?

A. I think that there is. We made clear to them that we would take it as a serious breach of principle and a violation of territorial integrity had they gone on into Somalia—and they stopped at the border. We have talked with them constantly about their role in Eritrea. And they insist that they will not be dragged into Eritrea militarily—that they advocate a political solution there.

I think that we can get them to work toward a peaceful solution with us in Namibia, because I think it's in their interest and in ours and in South Africa's interest. If we can achieve a peaceful settlement in Namibia, then I think we will have paved the way for a peaceful settlement in Rhodesia.

Now, where we are diplomatically aggressive and active, there is almost no Cuban presence. Had we not been aggressively active in Rhodesia through the Anglo-American plan, Cubans would be all around Rhodesia in every frontline country in large numbers. Had we been able to move diplomatically in the Horn, we could have prevented the Cuban presence there.

Q. What do you think of proposals that the United States should exert pressure on Castro to try to dissuade him from expanding his military adventures in Africa?

A. I don't think much of them. They might work. But you've got to realize that the Cubans have the capacity to make trouble for us, too—and I think mainly of Puerto Rico. They do it politically here at the United Nations. That really doesn't count; it doesn't hurt us when a few resolutions against us are approved.

You have to remember that Castro and Cuba were not in any sense a negative force in the Panama Canal negotiations. They not only restrained some of the militant sentiment within Panama and supported Gen. Omar Torrijos, but encouraged Torrijos to move toward a treaty. Again, you've got to analyze the Cuban presence in Africa. The Cubans did not come into Angola in any massive military way until the South Africans came in.

Now, my approach to dealing with everybody is to keep yourself strong so that you cannot be hurt militarily, but then be as aggressive diplomatically as you possibly can afford to be. I think that the world is too big and too complicated for anybody to dominate it militarily.

Q. Turning to the Russians: Do you agree with people who argue that the U.S. should signal its displeasure over Soviet actions in Africa by slowing down strategic-arms-limitations negotiations, or curtailing economic relations?

A. We should signal our displeasure in any way that does not hurt us. It hurts us to slow down SALT.

I don't know what to believe about Soviet President Leonid Brezhnev's health, but I certainly think that the climate in which a new Soviet administration will emerge is being established now. If that administration is established in a climate of détente, we have the possibility of building on it toward a more peaceful world. On the other hand, if that succession is established in a climate of missile rattling, we are pointing to the possible destruction of our planet.

I don't believe in playing games like that. I don't think it's in America's military interests. I know it's not in our political interests.

I always look at what the U.S. interests are, and make decisions on the basis of how I perceive U.S. interests. I think it's unwise to have a reactive policy. Foreign policy has to be based on a nation's self-interest, and we ought not automatically react until we determine what our interests are. A SALT treaty is very definitely in our interest. And I think we ought to be very careful about doing anything that jeopardizes something that's in our interest.

Q. Should the U.S. try to gain greater leverage with Russia by exploiting the Sino-Soviet conflict?

A. I would tend to lean in that direction, because I think one of the defenses we have in Europe is to keep the Soviet military force divided. If the Soviet Union did not have to look both ways, we would inevitably see a greater buildup on their western borders. It's just plain in our interests to keep them looking both ways.

Q. What about helping China build its armed forces by providing military equipment and weapons?

A. That's a decision for the President and the Defense Department.

Who Does Andy Young Speak For?

(By Marvin Stone)

Our Ambassador to the United Nations, Andrew Young, is becoming a perplexing burden to President Carter. Or is he? One or the other ought to clear the air.

We asked Young to comment on the latest Soviet-Cuban adventure in Africa in view of an apparent stiffening attitude at the White House. Our interview with Young produces

some unusual statements—unusual in that they run so dramatically counter to current pronouncements from the Carter administration.

National Security Adviser Brzezinski accuses Russia and Cuba of sharing responsibility for the invasion of Zaire that led to a massacre of whites. Secretary of State Vance, rejecting a denial by Soviet Foreign Minister Gromyko, insists that the evidence that the Cubans and Russians were implicated is conclusive.

President Carter himself has taken an uncharacteristically tough stand in condemning Cuban and Soviet involvement.

Ambassador Young virtually alone is still pursuing a soft line. He was the last to accept evidence of Cuban involvement in the invasion of Zaire. He questions the seriousness of the overall threat posed by the Cuban and Soviet roles in Africa, warning against emotionalism and a panicky reaction. On Rhodesia, Young has consistently maintained steady pressure for sinking Ian Smith's compromise plan for joint black-white rule in favor of an accommodation with Marxist guerrillas most Americans deem quite risky.

Who does Andy Young speak for? Does he speak for himself—or, even though he seems momentarily out of step, does he speak the true thoughts of the President?

If he speaks only for himself, should he not resign? It could be damaging for him to remain in the U.N. as spokesman for an administration whose policies on critical issues he no longer can support. For him to remain, if that were the case, would be a disservice to himself, to the Carter administration and to the nation.

There may be no strong evidence of support in this country for American military intervention in Africa. But there is evidence that people want the White House, with help from Congress, to find some way to stand up to the Soviet-Cuban adventure. People do not agree with Andy Young that the African problem, left in Moscow's hands, will solve itself—except perhaps to our great disadvantage.

But there is another question to be answered. Could it be that Young, far from being out of step, actually is the true voice of the Carter administration?

Given the President's record in the handling of foreign policy—the zigzags, the vacillation, the tough rhetoric followed by soft actions—the possibility is by no means as remote as it may appear. If anything typifies the Carter administration in foreign affairs, it is lack of decisiveness, central direction and coherence.

Currently, the rhetoric from the White House is tough indeed when it comes to the behavior of Cuba in Africa and the Soviet Union generally. But is that a true reflection of a change in course in administration foreign policy—a genuine hardening? Or is it once again merely a chance in rhetoric?

We have yet to see whether tough words are accompanied by tough action—whether the President actually had embraced the hard-line views of Brzezinski and rejected the softer line of Vance and, even more, the top-level State Department team that Carter had recruited.

So far as America's adversaries in Moscow and Havana are concerned, the jury is still out when it comes to identifying the real Carter. They—like America's allies—are watching more what the President does than what he says.

Carter's actions in the weeks ahead will determine whether Andy Young is a discordant one-man band and—if he is—whether the time has come for him to pack away his bugle.●

PRIZE-WINNING ESSAYS, MISS SOUTH DAKOTA TEENAGER PAGEANT

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1978

● Mr. PRESSLER. Mr. Speaker, I think we are all aware of the great institution of which are a part and of the people we represent. America is a great Nation because of its people and the values they uphold. It is these values and principles that are passed on to our young.

Accordingly, I would like to share with my colleagues the following articles on, "What's Right About America", written by the three top winners in the Miss South Dakota National Teenage Pageant.

In order, they are as follows: First place, Laurie Schenecker, Watertown; second place, Robin Gauger, Clear Lake; third place, Kay Hall, Fulton.

WHAT IS RIGHT ABOUT AMERICA

LAURIE SCHENECKER, 1316 N. MAPLE, WATERTOWN

What's right about America? The right of its people to say what's wrong about America. History traces our advance through criticism.

In 1775, Patrick Henry criticized the colonies for submitting to England's tyrannical rule. He motivated the colonies to fight for independence. The follow through is evident. We are the United States of America.

In 1863, Abraham Lincoln criticized slavery. He motivated our country through the emancipation proclamation. The battle was a bloody one, but the followthrough is evident. We are the United States of America.

We have criticized, motivated, and followed through to become the United States of Americans. It's like Lymann Abbott once said, "America was a great land when Columbus discovered it. Americans have made it a great nation."

ROBIN D. GAUGER, R.R. 1, CLEAR LAKE

People often tell the negative side of life in America. How often do we boast about its positive character? In contrast with the rest of the industrialized world, our economy seems to be positively thriving! In 1977, American church membership swelled while donations to charitable causes rose by 9.4 percent.

What other nation has welcomed immigrants from battered countries or given food and medicine unquestionably? American volunteers have educated those in need spiritually and physically. Where else do common men become president? Where else is there freedom to worship and express individual beliefs?

Because of its positive image America is viewed as a dream to be achieved.

After the Constitution was adopted the Bill of Rights was attached. These ten freedoms are guaranteed to us all. Without these civil rights America would not be the place it is today.

What would newspapermen do without who does not possess freedom of speech? freedom of the press, or an eloquent speaker What would happen if there was no freedom of religion? The other unmentioned privileges are just as important.

These civil liberties protect each of us every day of our lives. Without them our system of democracy would probably fail.

What is right with America? . . . The Bill of Rights.●

HOUSE OF REPRESENTATIVES—*Friday, June 16, 1978*

The House met at 10 a.m., and was called to order by the Speaker pro tempore (Mr. BRADEMAS).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
June 16, 1978.

I hereby designate the Honorable JOHN BRADEMAS to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, JR.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord will give strength unto His people. He will bless them with peace.—Psalms 29: 11.

In the spirit of the Psalmist we offer Thee our morning prayer opening our hearts to Thee unto whom all hearts are open, all desires known, and from whom no secrets are hid. Cleanse Thou the thoughts of our hearts by the inspiration of Thy Holy Spirit that we may love Thee more fully and serve Thee more faithfully. Strengthen us to carry heavy burdens, give us peace in the midst of persistent pressures, and amid the duties of every day give us the insight to think clearly and to act courageously for the welfare of our Nation.

Bless Thou our President, his Cabinet, Members of Congress, and all who labor with them. Grant that by their labors there may come new achievements for peace, justice, and good will in our world.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 10732. An act to authorize appropriations to carry out the Fishery Conservation

and Management Act of 1976 during fiscal years 1979, 1980, and 1981; and

H.R. 12637. An act to amend the North Pacific Fisheries Act of 1954.

COOPERATIVE FORESTRY ASSISTANCE ACT OF 1978

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11777) to authorize and direct the Secretary of Agriculture to provide cooperative forestry assistance to States and others, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert: That this Act may be cited as the "Cooperative Forestry Assistance Act of 1978".

POLICY AND PURPOSE

SEC. 2. (a) Congress finds and declares that—

(1) most of the Nation's productive forest land is in private, State, and local government ownership, and the Nation's capacity to produce renewable forest resources is significantly dependent on these non-Federal forest lands;

(2) adequate supplies of timber and other forest resources are essential to the Nation, and adequate supplies are dependent upon efficient methods for establishing, managing, and harvesting trees and processing, marketing, and using wood and wood products;

(3) managed forest lands provide habitats for fish and wildlife, as well as esthetics, outdoor recreation opportunities, and other forest resources;

(4) insects and diseases affecting trees occur and sometimes create emergency conditions on all land, whether Federal or non-Federal, and efforts to prevent and control such insects and diseases often require coordinated action by both Federal and non-Federal land managers;

(5) fires in rural areas threaten human lives, property, and forests and other resources, and Federal-State cooperation in forest fire protection has proven effective and valuable;

(6) trees and forests are of great environmental and economic value to urban areas; and

(7) managed forests contribute to improving the quality, quantity, and timing of water yields, which are of broad benefit to society.

(b) The purpose of this Act is to authorize the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary"), with respect to non-Federal forest lands, to assist in—

(1) the advancement of forest resources management;

(2) the encouragement of the production of timber;

(3) the prevention and control of insects and disease affecting trees and forests;

(4) the prevention and control of rural fires;

(5) the efficient utilization of wood and wood residues, including the recycling of wood fiber;

(6) the improvement and maintenance of fish and wildlife habitat; and

(7) the planning and conduct of urban forestry programs.

(c) It is in the national interest for the Secretary to work through and in cooperation with State foresters or equivalent State officials in implementing Federal programs affecting non-Federal forest lands.

(d) This Act shall be deemed to complement the policies and direction set forth in the Forest and Rangeland Renewable Resources Planning Act of 1974.

RURAL FORESTRY ASSISTANCE

SEC. 3. (a) Congress finds that—

(1) production of timber on non-Federal forest lands and the efficient processing and use of wood produced on these lands are important in meeting the Nation's demand for wood and wood products;

(2) the Federal Government can assist in increasing timber inventories, improving and maintaining fish and wildlife habitat, and providing other forest resources on non-Federal forest lands; and

(3) Federal assistance in forest resources management on non-Federal forest lands and the utilization of resources from these lands contribute to the economic strength and environmental quality of the Nation, providing many public benefits.

(b) The Secretary is authorized to provide financial, technical, and related assistance to State foresters or equivalent State officials to—

(1) develop genetically improved tree seeds;

(2) procure, produce, and distribute tree seeds and trees for the purpose of establishing forests, windbreaks, shelterbelts, woodlots, and other plantings;

(3) plant tree seeds and trees for the reforestation or afforestation of non-Federal forest lands suitable for the production of timber and other benefits associated with the growing of trees;

(4) plan, organize, and implement measures on non-Federal forest lands, including, but not limited to, thinning, prescribed burning, and other silvicultural practices designed to increase the quantity and improve the quality of trees and other vegetation, fish and wildlife habitat, and water yielded therefrom;

(5) protect or improve soil fertility on non-Federal forest lands and the quality, quantity, and timing of water yields; and

(6) provide technical information, advice, and related assistance to private forest landowners and managers, vendors, forest operators, wood processors, public agencies, and individuals regarding—

(A) the harvesting, processing, and marketing of timber and other forest resources and the marketing and utilization of wood and wood products;

(B) conversion of wood to energy for domestic, industrial, municipal, and other uses;

(C) management planning, and treatment of forest land, including, but not limited to, site preparation, reforestation, thinning, prescribed burning, and other silvicultural practices designed to increase the quantity and improve the quality of timber and other forest resources;

(D) protection and improvement of forest soil fertility and the quality, quantity, and timing of water yields; and

(E) the effects of forestry practices on fish and wildlife and their habitats.

(c) There are hereby authorized to be appropriated annually such sums as may be needed to implement this section.

FORESTRY INCENTIVES

SEC. 4. (a) The Secretary is authorized to develop and implement a forestry incentives program to encourage the development, management, and protection of nonindustrial private forest lands. The purposes of such program shall be to encourage landowners to apply practices that will provide for afforestation of suitable open lands, reforestation of cutover or other nonstocked or understocked forest lands, timber stand improvement practices, including thinning, prescribed burning, and other silvicultural treatments, and forest resources management and protection, so as to provide for the production of timber and other forest resources associated therewith.

(b) For the purposes of this section, the term "private forest land" means land capable of producing crops of industrial wood and owned by any private individual, group, Indian tribe or other native group, association, corporation, or other legal entity.

(c) Landowners shall be eligible for cost sharing under this program if they own one thousand acres or less of private forest land, except that the Secretary may approve cost sharing with landowners owning more than one thousand acres of such land if significant public benefits will accrue. In no case, however, may the Secretary approve cost sharing with landowners owning more than five thousand acres of private forest land.

(d) The Secretary shall administer this section in accordance with regulations the Secretary shall develop in consultation with the committee described in section 10(c) of this Act. Regulations issued under title X of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973, to the extent not inconsistent with the provisions of this section, shall remain in effect until revoked or amended by regulations issued under this subsection. The regulations issued under this subsection shall include guidelines for the administration of this section at the Federal and State levels, and shall identify the measures and activities eligible for cost sharing under this section.

(e) Individual forest management plans developed by the landowner in cooperation with and approved by the State forester or equivalent State official shall be the basis for agreements between the landowner and the Secretary under this section. The Secretary shall encourage participating States to use private agencies, consultants, organizations, and firms to the extent feasible for the preparation of individual forest management plans.

(f) In return for the agreement by the landowner, the Secretary shall agree to share the cost of implementing those forestry practices and measures set forth in the agreement for which the Secretary determines that cost sharing is appropriate. The portion of such cost (including labor) to be shared shall be that portion that the Secretary determines is necessary and appropriate to implement the forestry practices and measures under the agreement, but not more than 75 percent of the actual costs incurred by the landowner. The maximum amount any individual may receive annually under the program authorized by this section shall be determined by the Secretary in consultation with the committee described in section 10 (c) of this Act.

(g) The Secretary shall, for the purposes of this section, distribute funds available for cost sharing among the States only after assessing the public benefit incident thereto, and after giving appropriate consideration to (1) the acreage of private commercial forest land in each State, (2) the potential productivity of such land, (3) the number of ownerships eligible for cost sharing in each State, (4) the need for reforestation, timber stand improvement, or other forestry investments in such ownerships, and (5) the enhancement of other forest resources.

(h) The Secretary may, if the Secretary determines that doing so will contribute to the effective and equitable administration of the program authorized by this section, use an advertising and bid procedure in determining the lands in any area to be covered by agreements under this section.

(i) In implementing this section, the Secretary may use the authorities provided in sections 1001, 1002, 1003, 1004, and 1008 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973.

(j) There are hereby authorized to be appropriated annually such sums as may be needed to implement this section, including funds necessary for technical assistance and expenses associated therewith.

INSECT AND DISEASE CONTROL

SEC. 5. (a) The Secretary is authorized to protect from insects and diseases trees and forests and wood products, stored wood, and wood in use directly on the National Forest System and in cooperation with others on other lands in the United States, in order to—

(1) enhance the growth and maintenance of trees and forests;

(2) promote the stability of forest-related industries and employment associated therewith through protection of forest resources;

(3) aid in forest fire prevention and control;

(4) conserve forest cover on watersheds;

(5) protect outdoor recreation opportunities and other forest resources; and

(6) extend timber supplies by protecting wood products, stored wood, and wood in use.

(b) Subject to the provisions of subsections (c), (d), and (e) of this section and subject to whatever other conditions the Secretary may prescribe, the Secretary is authorized, directly on the National Forest System, and in cooperation with other Federal departments on other Federal lands, and in cooperation with State foresters or equivalent State officials, subdivisions of States, agencies, institutions, organizations, or individuals on non-Federal lands, to—

(1) conduct surveys to detect and appraise insect infestations and disease conditions affecting trees;

(2) determine the biological, chemical, and mechanical measures necessary to prevent, retard, control, or suppress incipient, potential, threatening, or emergency insect infestations and disease conditions affecting trees;

(3) plan, organize, direct, and perform measures the Secretary determines necessary to prevent, retard, control, or suppress incipient, potential, threatening, or emergency insect infestations and disease epidemics affecting trees;

(4) provide technical information, advice, and related assistance in managing and coordinating the use of pesticides and other toxic substances applied to trees and other vegetation, and to wood products, stored wood, and wood in use; and

(5) take any other actions the Secretary deems necessary to accomplish the objectives and purposes of this section.

(c) Operations planned to prevent, retard, control, or suppress insects or diseases affecting forests and trees on land not controlled or administered by the Secretary shall not be conducted without the consent, cooperation, and participation of the entity having ownership of or jurisdiction over the affected land.

(d) No money appropriated to implement this section shall be expended to prevent, retard, control, or suppress insects or diseases affecting trees on non-Federal land until the entity having owenrship of or jurisdiction over the affected land contributes, or agrees to contribute, to the work to be done in the amount and in the manner determined by the Secretary.

(e) The Secretary may, in the Secretary's discretion and out of any money appropriated to implement this section, make allocations to Federal agencies having jurisdiction over lands held or owned by the United States in the amounts the Secretary deems necessary to prevent, retard, control, or suppress insect infestations and disease epidemics affecting trees on those lands.

(f) Any money appropriated to implement this section shall be available for necessary expenses However, no money appropriated to implement this section shall be used to (1) pay the cost of felling and removing dead or dying trees unless the Secretary determines that such actions are necessary to prevent the spread of a major insect infestation or disease epidemic severely affecting trees, or (2) compensate for the value of any property injured, damaged, or destroyed by any cause. The Secretary may procure materials and equipment necessary to prevent, retard, control, or suppress insects and diseases affecting trees without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), under whatever procedures the Secretary may prescribe, whenever the Secretary deems such action necessary and in the public interest.

(g) There are hereby authorized to be appropriated annually such sums as may be needed to implement this section.

URBAN FORESTRY ASSISTANCE

SEC. 6. (a) Congress finds that—

(1) trees and forests in urban areas, including cities, their suburbs, and towns, improve esthetic quality, reduce noise, filter impurities from the air and add oxygen to it, save energy by moderating temperature extremes, control wind and water erosion, and provide habitat for wildlife;

(2) trees and forests in urban areas are weakened, damaged, or killed by highway and street widening, sidewalk construction, air pollution, modified drainage patterns, erosion, depletion of soil fertility, insects and diseases, mechanical and structural facilities, and other adverse influences that result from or are aggravated by the concentrated use of land; and

(3) planting, protecting, and maintaining trees and forests and utilizing wood from pruned limbs, damaged trees, and felled trees in urban areas make those areas more pleasant and healthful.

(b) The Secretary is authorized to provide financial, technical, and related assistance to State foresters or equivalent State officials for the purpose of encouraging States to provide information and technical assistance to units of local government and others that will encourage cooperative efforts to plan urban forestry programs and to plant, protect, and maintain, and utilize wood from, trees in open spaces, greenbelts, roadside screens, parks, woodlands, curb areas, and residential developments in urban areas. The Secretary is also authorized to cooperate directly with units of local government and others in implementing this section whenever the Secretary and the affected State forester or equivalent State official agree that direct cooperation would better achieve the purposes of this section.

(c) There are hereby authorized to be appropriated annually such sums as may be needed to implement this section.

RURAL FIRE PREVENTION AND CONTROL

SEC. 7. (a) Congress finds that—

(1) significant accomplishments have been made by the Secretary and cooperating States in the prevention and control of fires on forest lands and on nonforested watersheds for more than fifty years;

(2) progress is being made by the Secretary and cooperating States and rural communities in the protection of human lives, agricultural crops and livestock, property and other improvements, and natural resources from fires in rural areas;

(3) notwithstanding the accomplishments and progress that have been made, fire prevention and control on rural lands and in rural communities are of continuing high priority to protect human lives, agricultural crops and livestock, property and other improvements and natural resources;

(4) the effective cooperative relationships between the Secretary and the States regarding fire prevention and control on rural lands and in rural communities should be retained and improved;

(5) efforts in fire prevention and control in rural areas should be coordinated among Federal, State, and local agencies; and

(6) in addition to providing assistance to State and local rural fire prevention and control programs, the Secretary should provide prompt and adequate assistance whenever a rural fire emergency overwhelms, or threatens to overwhelm, the firefighting capability of the affected State or rural area.

(b) Notwithstanding the Federal Fire Prevention and Control Act of 1974, the Secretary is authorized, under whatever conditions the Secretary may prescribe, to—

(1) cooperate with State foresters or equivalent State officials in developing systems and methods for the prevention, control, suppression, and prescribed use of fires on rural lands and in rural communities that will protect human lives, agricultural crops and livestock, property and other improvements, and natural resources;

(2) provide financial, technical, and related assistance to State foresters or equivalent State officials, and through them to other agencies and individuals, for the prevention, control, suppression, and prescribed use of fires on non-Federal forest lands and other non-Federal lands; and

(3) provide financial, technical, and related assistance to State foresters or equivalent State officials in cooperative efforts to organize, train, and equip local firefighting forces, including those of Indian tribes or other native groups, to prevent, control, and suppress fires threatening human lives, crops, livestock, farmsteads or other improvements, pastures, orchards, wildlife, rangeland, woodland, and other resources in rural areas. As used herein, the term "rural areas" shall have the meaning set out in the first clause of section 306(a)(7) of the Consolidated Farm and Rural Development Act.

(c) The Secretary, with the cooperation and assistance of the Administrator of General Services, shall encourage the use of excess personal property (within the meaning of the Federal Property and Administrative Services Act of 1949) by State and local fire forces receiving assistance under this section.

(d) To promote maximum effectiveness and economy, the Secretary shall seek to coordinate the assistance the Secretary provides under this section with the assistance provided by the Secretary of Commerce under the Federal Fire Prevention and Control Act of 1974.

(e) There are hereby authorized to be appropriated annually such sums as may be needed to implement subsection (b) of this section.

(f) There shall be established in the Treasury a special rural fire disaster fund that shall be immediately available to and used by the Secretary to supplement any other money available to carry out this section with respect to rural fire emergencies, as determined by the Secretary. The Secretary shall determine that State and local resources are fully used or will be fully used before expending money in the disaster fund to assist a State in which one or more rural fire emergencies exist. There are hereby authorized to be appropriated such sums as may be needed to establish and replenish the disaster fund established by this subsection.

MANAGEMENT ASSISTANCE, PLANNING ASSISTANCE, AND TECHNOLOGY IMPLEMENTATION

SEC. 8. (a) To aid in achieving maximum effectiveness in the programs and activities conducted under this Act, the Secretary is authorized to provide financial, technical, and related assistance to State foresters or equivalent State officials for the development of stronger and more efficient State organizations that will enable them to fulfill better their responsibilities for the protection and management of non-Federal forest lands. Assistance under this subsection may include,

but will not be limited to, assistance in matters related to organization management, program planning and management, budget and fiscal accounting services, personnel training and management, information services, and record-keeping. Assistance under this subsection may be extended only upon request by State foresters or equivalent State officials.

(b) To insure that data regarding forest lands are available for and effectively presented in State and Federal natural resources planning, the Secretary is authorized to provide financial, technical, and related assistance to State foresters or equivalent State officials in the assembly, analysis, display, and reporting of State forest resources data, in the training of State forest resources planners, and in participating in natural resources planning at the State and Federal levels. The Secretary shall restrict assistance under this subsection to the implementation of the forestry aspects of State and Federal natural resources planning conducted under other laws. This subsection shall not be construed, in any way whatsoever, as extending, limiting, amending, repealing, or otherwise affecting any other law or authority.

(c) To ensure that new technology is introduced, new information is integrated into existing technology, and forest resources research findings are promptly made available to State forestry personnel, private forest landowners and managers, vendors, forest operators, wood processors, public agencies, and individuals, the Secretary is authorized to carry out a program of technology implementation.

(1) In implementing this subsection, the Secretary is authorized to work through State foresters or equivalent State officials, and, if the State forester or equivalent State official is unable to deliver these services, the Secretary is authorized to act through appropriate United States Department of Agriculture agencies, subdivisions of States, agencies, institutions, organizations, or individuals to—

(A) strengthen technical assistance and service programs of cooperators participating in programs under this Act by applying research results and conducting pilot projects and field tests of management and utilization practices, equipment, and technologies, related to programs and activities authorized under this Act;

(B) study the effects of tax laws, methods, and practices on forest management;

(C) develop and maintain technical information systems in support of programs and activities authorized under this Act;

(D) test, evaluate, and seek registration of chemicals for use in implementing the programs and activities authorized under this Act;

(E) conduct other activities, including training of State forestry personnel whom the Secretary deems necessary to ensure that the programs and activities authorized under this Act are responsive to special problems, unique situations, and changing conditions.

(2) The Secretary may make funds available to cooperators under this Act without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529), which prohibits advances of public money.

(3) The Secretary shall use forest resources planning committees at National and State levels in implementing this subsection.

(d) There are hereby authorized to be appropriated annually such sums as may be needed to implement this section.

CONSOLIDATED PAYMENTS

SEC. 9. (a) To provide flexibility in funding activities authorized under this Act, the Secretary may, upon the request of any State, consolidate the annual financial assistance payments to that State under this Act, in lieu of functional cost sharing mechanisms, formulas, or agreements. However, consolidated payments shall not include money appropriated under section 4 of this Act or money from any special Treasury fund established under this Act.

(b) Consolidation of payments made under this section shall be based upon State forest resources programs developed by State foresters or equivalent State officials, and reviewed by the Secretary.

(c) Consolidated payments to any State during any fiscal year shall not exceed the total amount of non-Federal funds expended within the State during that year to implement its State forest resources program. However, the Secretary may make payments that exceed the non-Federal amount expended for selected activities under the program, if the total Federal expenditure during any fiscal year does not exceed the total non-Federal expenditure during that year under the State forest resources program.

(d) The Secretary may make consolidated payments on the certificate of the State forester or equivalent State official that the conditions for Federal payment have been met.

(e) The Secretary shall administer this section to ensure that the use of consolidated payments does not adversely affect or eliminate any program authorized under this Act.

(f) Subject to applicable appropriation Acts, the total annual amount of financial assistance to any participating State after the enactment of this Act shall not be less than the base amount of financial assistance provided to that State under all the provisions of law specified in section 13 of this Act during the fiscal year in which this Act is enacted. However, financial assistance for special projects of two years or less duration shall not be included in determining the base amount for any participating State.

GENERAL PROVISIONS

SEC. 10. (a) In implementing this Act, the Secretary shall, to the maximum extent practicable—

(1) work through, cooperate with, and assist State foresters or equivalent State officials;

(2) encourage cooperation and coordination between State foresters or equivalent State officials and other State agencies that manage renewable natural resources;

(3) use and encourage cooperators under this Act to use, private agencies, consultants, organizations, firms, and individuals to furnish necessary materials and services; and

(4) promote effectiveness and economy by coordinating the direct actions and assistance authorized under this Act with related programs the Secretary administers, and with cooperative programs of other agencies.

(b) Money appropriated under this Act shall remain available until expended.

(c) Requirements for the development of State forest resources programs and State participation in management assistance, planning assistance, and technology, implementation, the apportionment of funds among States participating under this Act, the administrative expenses in connection with activities and programs under this Act, and the amounts to be expended by the Secretary to assist non-State cooperators under this Act, shall be determined by the Secretary in consultation with a committee of not less than five State foresters or equivalent State officials selected by a majority of the State foresters or equivalent State officials from States participating in programs under this Act. However, the Secretary need not consult with such committee regarding funds to be expended under emergency conditions that the Secretary may determine.

(d) For the purposes of this Act—

(1) The terms "United States" and "State" shall include each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the territories and possessions of the United States;

(2) The term "forest resources" shall include esthetics, fish and wildlife, forage, outdoor recreation opportunities, timber, and water; and

(3) The term "urban forestry" means the planning, establishment, protection, and management of trees and associated plants, individually, in small groups, or under forest conditions within cities, their suburbs, and towns.

(e) The Secretary may prescribe rules and regulations, as the Secretary deems appropriate, to implement the provisions of this Act.

(f) The Secretary is authorized to make grants, agreements, contracts, and other arrangements the Secretary deems necessary to implement this Act.

(g) This Act shall be construed as supplementing all other laws relating to the Department of Agriculture and shall not be construed as limiting or repealing any existing law or authority of the Secretary, except as specifically cited in section 13 of this Act.

STATEMENT OF LIMITATION

SEC. 11. This Act does not authorize the Federal Government to regulate the use of private land or to deprive owners of land of their rights to property or to income from the sale of property, and this Act does not diminish in any way the rights and responsibilities of the States and political subdivisions of States.

REPORTS

SEC. 12. To ensure that Congress has adequate information to implement its oversight responsibilities and to provide accountability for expenditures and activities under this Act, section 8(c) of the Forest and Rangeland Renewable Resources Planning Act of 1974 is amended by—

(1) inserting immediately before the period at the end of the last sentence "and in cooperative State and private Forest Service programs"; and

(2) adding a new sentence at the end thereof as follows: "With regard to the cooperative forestry assistance part of the Program, the report shall include, but not be limited to, a description of the status, accomplishments, needs, and work backlogs for the programs and activities conducted under the Cooperative Forestry Assistance Act of 1978.".

REPEAL OF OTHER LAWS; EXISTING CONTRACTS AND AGREEMENTS; APPROPRIATIONS

SEC. 13. (a) The following laws, and portions of laws, are hereby repealed:

(1) sections 1, 2, 3, and 4 of the Act of June 7, 1924, known as the Clarke-McNary Act (43 Stat. 653-654, as amended; 16 U.S.C. 564, 565, 566, 567);

(2) the Act of April 26, 1940, known as the White Pine Blister Rust Protection Act (54 Stat. 168; 16 U.S.C. 594a);

(3) the Forest Pest Control Act;

(4) the Cooperative Forest Management Act;

(5) section 401 of the Agricultural Act of 1956;

(6) title IV of the Rural Development Act of 1972; and

(7) section 1009 and the proviso to section 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973.

(b) Contacts and cooperative and other agreements under coperative forestry programs executed under authority of the Acts, or portions thereof, repealed under subsection (a) of this section shall remain in effect until revoked or amended by their own terms or under other provisions of law.

(c) Funds appropriated under the authority of the Acts, or portions thereof, repealed under subsection (a) of this section shall be available for expenditure for the programs authorized under this Act.

EFFECTIVE DATE

SEC. 14. The provisions of this Act shall become effective October 1, 1978.

Amend the title so as to read: "An Act to authorize the Secretary of Agriculture to provide coperative forestry assistance to States and others, and for other purposes.".

Mr. WEAVER (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WEAVER. Mr. Speaker, H.R. 11777, as amended by the Senate, is virtually identical with the House version. The amendments are only technical or a matter of style with one exception which is clarifying and does not change the intent of the legislation.

I have consulted with the ranking minority member of the Subcommittee on Forests, Mr. JOHNSON of Colorado, and I believe the Senate amendments to be acceptable to him and the other members of the subcommittee.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the gentleman's statement is correct, and we accept the amendments.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

FOREST AND RANGELAND RENEWABLE RESOURCES RESEARCH ACT OF 1978

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11778) to authorize and direct the Secretary of Agriculture to carry out forest and rangeland renewable resources research, to provide cooperative assistance for such research to States and others, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enactment clause and insert: That this Act may be cited as the "Forest and Rangeland Renewable Resources Research Act of 1978".

PURPOSE

SEC. 2. (a) Congress finds that scientific discoveries and technological advances must be made and applied to support the protection, management, and utilization of the Nation's renewable resources. It is the purpose of this Act to authorize the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") to implement a comprehensive program of forest and rangeland renewable resources research and dissemination of the findings of such research.

(b) This Act shall be deemed to complement the policies and direction set forth in the Forest and Rangeland Renewable Resources Planning Act of 1974.

RESEARCH AUTHORIZATION

SEC 3. (a) The Secretary is authorized to conduct, support, and cooperate in investigations, experiments, tests, and other activities the Secretary deems necessary to obtain, analyze, develop, demonstrate, and disseminate scientific information about protecting, managing, and utilizing forest and rangeland renewable resources in rural, suburban, and urban areas. The activities conducted, supported, or cooperated in by the Secretary under this Act shall include, but not be limited to, the five major areas of renewable resource research identified in paragraphs (1) through (5) of this subsection.

(1) Renewable resource management research shall include, as appropriate, research activities related to managing, reproducing, planting, and growing vegetation on forests and rangelands for timber, forage, water, fish and wildlife, esthetics, recreation, wilderness, and other purposes; determining the role of forest and rangeland management in the productive use of forests and rangelands, in diversified agriculture, and in mining, transportation, and other industries; and developing alternatives for the management of forests and rangelands that will make possible the most effective use of their multiple products and services.

(2) Renewable resource environmental research shall include, as appropriate, research activities related to understanding and managing surface and subsurface water flow, preventing and controlling erosion, and restoring damaged or disturbed soils on forest and rangeland watersheds; maintaining and improving wildlife and fish habitats; managing vegetation to reduce air and water pollution, provide amenities, and for other purposes; and understanding, predicting, and modifying weather, climatic, and other environmental conditions that affect the protection and manageemnt of forests and rangelands.

(3) Renewable resource protection research shall include, as appropriate, research activities related to protecting vegetation and other forest and rangeland resources, including threatened and endangered flora and fauna, as well as wood and wood products in storage or use, from fires, insects, diseases, noxious plants, animals, air pollutants, and other agents through biological, chemical, and mechanical control methods and systems; and protecting people, natural resources, and property from fires in rural areas.

(4) Renewable resource utilization research shall include, as appropriate, research activities related to harvesting, transporting, processing, marketing, distributing, and utilizing wood and other materials derived from forest and rangeland renewable resources, recycling and fully utilizing wood fiber; and testing forest products, including necessary fieldwork associated therewith.

(5) Renewable resource assessment research shall include, as appropriate, research activities related to developing and applying scientific knowledge and technology in support of the survey and analysis of forest and rangeland renewable resources described in subsection (b) of this section.

(b) To ensure the availability of adequate data and scientific information for development of the periodic Renewable Resource Assessment provided for in section 3 of the Forest and Rangeland Renewable Resources Planning Act of 1974, the Secretary of Agriculture shall make and keep current a comprehensive survey and analysis of the present and prospective conditions of and requirements for renewable resources of the forests and rangelands of the United States and of the supplies of such renewable resources, including a determination of the present and potential productivity of the land, and of such other facts as may be necessary and useful in the determination of ways and means needed to balance the demand for and supply of these renewable resources, benefits, and uses in meeting the needs of the people of the United States. The Secretary shall conduct the survey and analysis under such plans as the Secretary may determine to be fair and equitable, and cooperate with appropriate officials of each State and, either through them or directly, with private or other entities.

RESEARCH FACILITIES AND COOPERATION

SEC. 4. (a) In implementing this Act, the Secretary is authorized to establish and maintain a system of experiment stations, research laboratories, experimental areas, and other forest and rangeland research facilities. The Secretary is authorized, with donated or appropriated funds, to acquire by lease, donation, purchase, exchange, or otherwise, land or interests in land within the United States needed to implement this Act, to make necessary expenditures to examine, appraise, and survey such property, and to do all things incident to perfecting title thereto in the United States.

(b) In implementing this Act, the Secretary is authorized to accept, hold, and administer gifts, donations, and bequests of money, real property, or personal property from any source not otherwise prohibited by law and to use such gifts, donations, and bequests to (1) establish or operate any forest and rangeland research facility within the United States, or (2) perform any forest and rangeland renewable resource research activity authorized by this Act. Such gifts, donations, and bequests, or the proceeds thereof, and money appropriated for these purposes shall be deposited in the Treasury in a special fund. At the request of the Secretary, the Secretary of the Treasury may invest or reinvest any money in the fund that in the opinion of the Secretary is not needed for current operations. Such investments shall be in public debt securities with maturities suitable for the needs of the fund and bearing interest at prevailing market rates. There are hereby authorized to be expended from such fund such amounts as may be specified in annual appropriation Acts, which shall remain available until expended.

(c) In implementing this Act, the Secretary may cooperate with Federal, State, and other governmental agencies, with public or private agencies, institutions, universities, and organizations, and with businesses and individuals in the United States and in other countries. The Secretary may receive money and other contributions from cooperators under such conditions as the Secretary may prescribe. Any money contributions received under this subsection shall be credited to the applicable appropriation or fund to be used for the same purposes and shall remain available until expended as the Secretary may direct for use in conducting research activities authorized by this Act and in making refunds to contributors.

(d) The paragraph headed "Forest research:" under the center heading "FOREST SERVICE" and the center subheading "SALARIES AND EXPENSES" of title I of the Department of Agriculture Appropriation Act, 1952 (65 Stat. 233; 16 U.S.C. 581a–1), is amended by inserting a period immediately after the figure "$5,108,603" and by striking all that follows in that paragraph.

COMPETITIVE RESEARCH GRANTS

SEC. 5. In addition to any grants made under other laws, the Secretary is authorized to make competitive grants that will further research activities authorized by this Act to Federal, State, and other governmental

agencies, public or private agencies, institutions, universities, and organizations, and businesses and individuals in the United States. In making these grants, the Secretary shall emphasize basic and applied research activities that are important to achieving the purposes of this Act, and shall obtain, through review by qualified scientists and other methods, participation in research activities by scientists throughout the United States who have expertise in matters related to forest and rangeland renewable resources. Grants under this section shall be made at the discretion of the Secretary under whatever conditions the Secretary may prescribe, after publicly soliciting research proposals, allowing sufficient time for submission of the proposals, and considering qualitative, quantitative, financial, administrative, and other factors that the Secretary deems important in judging, comparing, and accepting the proposals. The Secretary may reject any or all proposals received under this section if the Secretary determines that it is in the public interest to do so.

GENERAL RESEARCH PROVISIONS

SEC. 6. (a) The Secretary may make funds available to cooperators and grantees under this Act without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529), which prohibits advances of public money.

(b) To avoid duplication, the Secretary shall coordinate cooperative aid and grants under this Act with cooperative aid and grants the Secretary makes under any other authority.

(c) The Secretary shall use the authorities and means available to the Secretary to disseminate the knowledge and technology developed from research activities conducted under or supported by this Act. In meeting this responsibility, the Secretary shall cooperate, as the Secretary deems appropriate, with the entities identified in subsection (d)(3) of this section and with others.

(d) In implementing this Act, the Secretary, as the Secretary deems appropriate and practical, shall—

(1) use, and encourage cooperators and grantees to use, the best available scientific skills from a variety of disciplines within and outside the fields of agriculture and forestry;

(2) seek, and encourage cooperators and grantees to seek, a proper mixture of short-term and long-term research and a proper mixture of basic and applied research;

(3) avoid unnecessary duplication and coordinate activities under this section among agencies of the Department of Agriculture and with other affected Federal departments and agencies, State agricultural experiment stations, State extension services, State foresters or equivalent State officials, forestry schools, and private research organizations; and

(4) encourage the development, employment, retention, and exchange of qualified scientists and other specialists through postgraduate, postdoctoral, and other training, national and international exchange of scientists, and other incentives and programs to improve the quality of forest and rangeland renewable resources research.

(e) This Act shall be construed as supplementing all other laws relating to the Department of Agriculture and shall not be construed as limiting or repealing any existing law or authority of the Secretary except as specifically cited in this Act.

(f) For the purposes of this Act, the terms "United States" and "State" shall include each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the territories and possessions of the United States.

RESEARCH APPROPRIATIONS AUTHORIZATION

SEC. 7. There are hereby authorized to be appropriated annually such sums as may be needed to implement this Act. Funds appropriated under this Act shall remain available until expended.

REPEAL OF M'SWEENEY-M'NARY ACT; REGULATIONS AND COORDINATION; APPROPRIATIONS

SEC. 8. (a) The Act of May 22, 1928, known as the McSweeney-McNary Act (45 Stat. 699–702, as amended; 16 U.S.C. 581, 581a, 581b–581i), is hereby repealed.

(b) Contracts and cooperative and other agreements under the McSweeney-McNary Act shall remain in effect until revoked or amended by their own terms or under other provisions of law.

(c) The Secretary is authorized to issue such rules and regulations as the Secretary deems necessary to implement the provisions of this Act and to coordinate this Act with title XIV of the Food and Agriculture Act of 1977.

(d) Funds appropriated under the authority of the McSweeney-McNary Act shall be available for expenditure for the programs authorized under this Act.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall become effective October 1, 1978.

Amend the title so as to read: "An Act to direct the Secretary of Agriculture to carry out forest and rangeland renewable resources research, and for other purposes.".

Mr. WEAVER (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WEAVER. Mr. Speaker, H.R. 11778, as amended by the Senate, is virtually identical with the House version. With two exceptions, the amendments are technical or a matter of style. The two other amendments are technical oversights and do not change the intent of the act.

They would simply allow contracts and agreements established under the McSweeney-McNary Act—which would be repealed and replaced by H.R. 11778—to remain in effect until revoked or amended, and also, permit funds appropriated under the authority of the McSweeney-McNary Act to be available for expenditure for programs authorized under H.R. 11778.

I have consulted with the ranking minority member of the Subcommittee on Forest, Mr. JOHNSON of Colorado, and I believe the Senate version of H.R. 11778 to be acceptable to him as well as the rest of the members of the subcommittee.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Speaker, the gentleman's statement is accurate, and we do accept the Senate amendments.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

RENEWABLE RESOURCES EXTENSION ACT OF 1978

Mr. WEAVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11779) to provide for an expanded and comprehensive extension program for forest and rangeland renewable resources, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Renewable Resources Extension Act of 1978".

FINDINGS

SEC. 2. Congress finds that—

(1) the extension program of the Department of Agriculture and the extension activities of each State provide useful and productive educational programs for private forest and range landowners and processors and consumptive and nonconsumptive users of forest and rangeland renewable resources, and these educational programs complement research and assistance programs conducted by the Department of Agriculture;

(2) to meet national goals, it is essential that all forest and rangeland renewable resources (hereinafter in this Act referred to as "renewable resources"), including fish and wildlife, forage, outdoor recreation opportunities, timber, and water, be fully considered in designing educational programs for landowners, processors, and users;

(3) more efficient utilization and marketing of renewable resources extend available supplies of such resources, provide products to consumers at prices less than they would otherwise be, and promote reasonable returns on the investments of landowners, processors, and users;

(4) trees and forests in urban areas improve the esthetic quality, reduce noise, filter impurities from the air and add oxygen to it, save energy by moderating temperature extremes, control wind and water erosion, and provide habitat for wildlife; and

(5) trees and shrubs used as shelterbelts protect farm lands from wind and water erosion, promote moisture accumulation in the soil, and provide habitat for wildlife.

TYPES OF PROGRAMS; ELIGIBLE COLLEGES AND UNIVERSITIES

SEC. 3. (a) The Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary"), under conditions the Secretary may prescribe and in cooperation with the State directors of cooperative extension service programs and eligible colleges and universities, shall—

(1) provide educational programs that enable individuals to recognize, analyze, and resolve problems dealing with renewable resources, including forest- and range-based outdoor recreation opportunities, trees and forests in urban areas, and trees and shrubs in shelterbelts;

(2) use educational programs to disseminate the results of research on renewable resources;

(3) conduct educational programs that transfer the best available technology to those involved in the management and protection of forests and rangelands and the processing and use of their associated renewable resources;

(4) develop and implement educational programs that give special attention to the educational needs of small, private nonindustrial forest landowners;

(5) develop and implement educational programs in range and fish and wildlife management;

(6) assist in providing continuing education programs for professionally trained individuals in fish and wildlife, forest range, and watershed management and related fields;

(7) help forest and range landowners in securing technical and financial assistance to bring appropriate expertise to bear on their problems; and

(8) help identify areas of needed research regarding renewable resources.

(b) As used in this Act, the term "eligible colleges and universities" means colleges and universities eligible to be supported and maintained, in whole or in part,, with funds made available under the provisions of the Act of July 2, 1862 (12 Stat. 503–505, as amended; 7 U.S.C. 301–305, 307, 308), and the Act of August 30, 1890 (26 Stat. 417–419, as amended; 7 U.S.C. 321–326, 328), including Tuskegee Institute, and colleges and universities eligible for assistance under the Act of October 10, 1962 (76 Stat. 806–807, as amended; 16 U.S.C. 582a, 582a–1—582a–7).

(c) In implementing this section, all appropriate educational methods may be used, including, but not limited to, meetings, short courses, workshops, tours, demonstrations, publications, news releases, and radio and television programs.

STATE RENEWABLE RESOURCES EXTENSION PROGRAMS

SEC. 4. (a) The State director of cooperative extension programs (hereinafter in this Act referred to as the "State director") and the administrative heads of extension for eligible colleges and universities in each State shall jointly develop, by mutual agreement, a single comprehensive and coordinated renewable resources extension program in which the role of each eligible college and university is well-defined. In meeting this responsibility, the State director and the administrative heads of extension for eligible colleges and universities shall consult and seek agreement with the administrative technical representatives and the forestry representatives provided for by the Secretary in implementation of the Act of October 10, 1962 (76 Stat. 806–807, as amended; 16 U.S.C. 582a, 582a–1—582a–7), in the State. Each State's renewable resources extension program shall be submitted to the Secretary annually. The National Agricultural Research and Extension Users Advisory Board established under section 1408 of the Food and Agriculture Act of 1977 shall review and make recommendations to the Secretary pertaining to programs conducted under this Act.

(b) The State director and the administrative heads of extension for eligible colleges and universities in each State shall encourage close cooperation between extension staffs at the county and State levels, and State and Federal research organizations dealing with renewable resources, State and Federal agencies that manage forests and rangelands and their associated renewable resources, State and Federal agencies that have responsibilities associated with the processing or use of renewable resources, and other agencies or organizations the State director and administrative heads of extension deem appropriate.

(c) Each State renewable resources extension program shall be administered and coordinated by the State director, except that, in States having colleges eligible to receive funds under the Act of August 30, 1890 (26 Stat. 417–419, as amended; 7 U.S.C. 321–326, 328), including Tuskegee Institute, the State renewable resources extension program shall be administered by the State director and the administrative head or heads of extension for the college or colleges eligible to receive such funds.

(d) In meeting the provisions of this section, each State director and administrative heads of extension for eligible colleges and universities shall appoint and use one or more advisory committees comprised of forest and range landowners, professionally trained individuals in fish and wildlife, forest, range, and watershed management, and related fields, as appropriate, and other suitable persons.

(e) For the purposes of this Act, the term "State" means any one of the fifty States, the Commonwealth of Puerto Rico, Guam, the District of Columbia, and the Virgin Islands of the United States.

NATIONAL RENEWABLE RESOURCES EXTENSION PROGRAM

SEC. 5. (a) The Secretary shall prepare a five-year plan for implementing this Act, which is to be called the "Renewable Resources Extension Program" and shall submit such plan to Congress no later than the last day of the first half of the fiscal year ending September 30, 1980, and the last day of the first half of each fifth fiscal year thereafter. The Renewable Resources Extension Program shall provide national emphasis and direction as well as guidance to State directors and administrative heads of extension for eligible colleges and universities in the development of their respective State renewable resources extension programs, which are to be appropriate in terms of the conditions, needs, and opportunities in each State. The Renewable Resources Extension Program shall contain, but not be limited to, brief outlines of general extension programs for fish and wildlife management (for both game and nongame species), range management, timber management (including brief outlines of general extension programs for timber utilization, timber harvesting, timber marketing, wood utilization, and wood products marketing), and watershed management (giving special attention to water quality protection), as well as brief outlines of general extension programs for recognition and enhancement of forest- and range-based outdoor recreation opportunities, for planting and management of trees and forests in urban areas, and for planting and management of trees and shrubs in shelterbelts.

(b) In preparing the Renewable Resources Extension Program, the Secretary shall take into account the respective capabilities of private forests and rangelands for yielding renewable resources and the relative needs for such resources identified in the periodic Renewable Resource Assessment provided for in section 3 of the Forest and Rangeland Renewable Resources Planning Act of 1974 and the periodic appraisal of land and water resources provided for in section 5 of the Soil and Water Resources Conservation Act of 1977.

(c) To provide information that will aid Congress in its oversight responsibilities and to provide accountability in implementing this Act, the Secretary shall prepare an annual report, which shall be furnished to Congress at the time of submission of each annual fiscal budget, beginning with the annual fiscal budget for the fiscal year ending September 30, 1981. The annual report shall set forth accomplishments of the Renewable Resources Extension Program, its strengths and weaknesses, recommendations for improvement, and costs of program administration, each with respect to the preceding fiscal year.

APPROPRIATIONS AUTHORIZATION

SEC. 6. There are hereby authorized to be appropriated to implement this Act $15,000,000 for the fiscal year ending September 30, 1979, and $15,000,000 for each of the next nine fiscal years. Generally, States shall be eligible for funds appropriated under this Act according to the respective capabilities of their private forests and rangelands for yielding renewable resources and relative needs for such resources identified in the periodic Renewable Resource Assessment provided for in section 3 of the Forest and Rangeland Renewable Resources Planning Act of 1974 and the periodic appraisal of land and water resources provided for in section 5 of the Soil and Water Resources Conservation Act of 1977.

REGULATIONS AND COORDINATION

SEC. 7. The Secretary is authorized to issue such rules and regulations as the Secretary deems necessary to implement the provisions of this Act and to coordinate this Act with title XIV of the Food and Agriculture Act of 1977.

EFFECTIVE DATES

SEC. 8. The provisions of this Act shall be effective for the period beginning October 1, 1978, and ending September 30, 1988.

Mr. WEAVER (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WEAVER. Mr. Speaker, H.R. 11779 as amended by the Senate is virtually identical with the House version of the bill. The changes are only technical or a matter of style.

I have consulted with the ranking minority member of the Subcommittee on Forests, Mr. JOHNSON of Colorado, and I believe the Senate version of H.R. 11779 to be acceptable to him as well as to the other members of the subcommittee.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Speaker, I thank the gentleman for yielding.

His statement is correct, and we do accept the Senate amendment.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered, H.R. 11777, H.R. 11778, and H.R. 11779.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

LEGISLATION TO COUNTER SUPREME COURT DECISION IN ZURCHER, ET AL AGAINST STANFORD DAILY, ET AL.

(Mr. FISH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FISH. Mr. Speaker, today I am introducing two bills relating to the recent Supreme Court opinion of Zurcher, et al. against Stanford Daily, et al., decided May 31, 1978, which held

that an unannounced search of the offices of a newspaper pursuant to a warrant was permissible under the fourth amendment, despite the fact that there was no showing that the newspaper or any members of its staff, were suspected of engaging in any criminal activity related to the search.

My first bill is directed specifically at the situation giving rise to this decision. It would require that, in any such case, where no criminal conduct is suspected, a newspaper office would not be subject to a search, but rather a subpena would be required for the newspaper to produce the documents in question. This would provide an opportunity for the paper to move to quash the subpena if it felt that production of the requested documents would be improper.

My second bill would extend this procedure to all cases where the party whose premises is being searched is not suspected of criminal activity. Such a concept requires thoughtful consideration by legal scholars in light of the Stanford Daily case and prior cases construing the rights of the government to engage in searches of premises belonging to those other than criminal suspects.

While I hope my bill dealing with the search of press offices will receive prompt attention, I invite the consideration of the legal community to the broader and underlying problem, and the proper solutions thereto.

PUBLIC WORKS APPROPRIATIONS, FISCAL YEAR 1979

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12928) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. BEVILL).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 300, nays 4, not voting 130, as follows:

[Roll No. 464]

YEAS—300

Abdnor	Bafalis	Boland
Akaka	Baldus	Bonior
Alexander	Barnard	Bowen
Ammerman	Baucus	Brademas
Anderson, Calif.	Bauman	Breckinridge
Anderson, Ill.	Beard, Tenn.	Brinkley
Andrews, N. Dak.	Bedell	Brodhead
Annunzio	Benjamin	Brooks
Applegate	Bennett	Broomfield
Ashbrook	Bevill	Brown, Calif.
AuCoin	Bingham	Brown, Mich.
	Blanchard	Brown, Ohio
	Boggs	Broyhill
Burgener	Harkin	Nolan
Burke, Calif.	Hawkins	Nowak
Burke, Fla.	Hefner	Oberstar
Burke, Mass.	Heftel	Obey
Burleson, Tex.	Hightower	Ottinger
Burlison, Mo.	Hillis	Panetta
Burton, Phillip	Hollenbeck	Patten
Butler	Holtzman	Pease
Byron	Howard	Perkins
Carney	Hubbard	Poage
Carr	Hughes	Preyer
Carter	Hyde	Price
Cavanaugh	Ichord	Pritchard
Cederberg	Ireland	Pursell
Clausen, Don H.	Jeffords	Quillen
Clawson, Del	Jenrette	Rahall
Cochran	Johnson, Calif.	Railsback
Coleman	Johnson, Colo.	Rangel
Collins, Tex.	Jones, N.C.	Regula
Conable	Jones, Tenn.	Reuss
Conte	Jordan	Rhodes
Corcoran	Kastenmeier	Rinaldo
Corman	Kazen	Risenhoover
Cornell	Kelly	Robinson
Cornwell	Kemp	Roe
Coughlin	Kildee	Roncalio
Cunningham	Kindness	Rooney
D'Amours	Kostmayer	Rose
Daniel, Dan	Krebs	Rosenthal
Daniel, R. W.	LaFalce	Rudd
Danielson	Lagomarsino	Ruppe
Davis	Latta	Ryan
de la Garza	Leach	Scheuer
Delaney	Lederer	Schroeder
Derrick	Leggett	Schulze
Derwinski	Lehman	Sebelius
Devine	Lent	Seiberling
Dickinson	Levitas	Sharp
Dicks	Livingston	Shuster
Dodd	Lloyd, Tenn.	Simon
Downey	Long, La.	Skelton
Drinan	Long, Md.	Skubitz
Duncan, Oreg.	Lujan	Slack
Duncan, Tenn.	Luken	Smith, Iowa
Early	Lundine	Smith, Nebr.
Edgar	McClory	Snyder
Edwards, Ala.	McCormack	Spellman
Edwards, Calif.	McDade	Spence
Eilberg	McEwen	Staggers
Emery	McFall	Stangeland
English	McHugh	Stanton
Erlenborn	McKay	Steers
Ertel	McKinney	Steiger
Evans, Colo.	Madigan	Stokes
Evans, Del.	Maguire	Stratton
Evans, Ga.	Mahon	Studds
Evans, Ind.	Markey	Symms
Fascell	Marks	Thompson
Fenwick	Marriott	Thone
Findley	Martin	Traxler
Fish	Mathis	Treen
Fisher	Mattox	Trible
Flippo	Mazzoli	Van Deerlin
Flood	Meeds	Vander Jagt
Florio	Meyner	Volkmer
Flynt	Michel	Waggonner
Forsythe	Mikulski	Walgren
Fountain	Mikva	Walker
Fowler	Miller, Calif.	Wampler
Fuqua	Miller, Ohio	Watkins
Gammage	Mineta	Waxman
Gephardt	Minish	Weaver
Gilman	Mitchell, N.Y.	Weiss
Ginn	Moakley	Whalen
Goldwater	Moffett	White
Gonzalez	Mollohan	Whitley
Goodling	Montgomery	Whitten
Gore	Moore	Wilson, C. H.
Gradison	Moss	Winn
Grassley	Murphy, N.Y.	Wirth
Green	Murphy, Pa.	Wolff
Gudger	Murtha	Wylie
Guyer	Myers, Gary	Yates
Hall	Myers, John	Yatron
Hamilton	Myers, Michael	Young, Fla.
Hanley	Natcher	Young, Mo.
Hannaford	Neal	Young, Tex.
	Nix	Zablocki
Clay	Holt	Roberts
Cleveland	Horton	Rodino
Cohen	Huckaby	Rogers
Collins, Ill.	Jacobs	Rostenkowski
Conyers	Jenkins	Rousselot
Cotter	Jones, Okla.	Roybal
Crane	Kasten	Runnels
Dellums	Ketchum	Russo
Dent	Keys	Santini
Diggs	Krueger	Sarasin
Dingell	Le Fante	Satterfield
Dornan	Lott	Sawyer
Eckhardt	McCloskey	Shipley
Edwards, Okla.	McDonald	Sikes
Fary	Mann	Sisk
Fithian	Marlenee	Solarz
Flowers	Metcalfe	St Germain
Foley	Milford	Stark
Ford, Mich.	Moorhead, Calif.	Steed
Ford, Tenn.	Moorhead, Pa.	Stump
Fraser	Mottl	Taylor
Frenzel	Murphy, Ill.	Teague
Frey	Nedzi	Thornton
Garcia	Nichols	Tsongas
Gaydos	O'Brien	Tucker
Giaimo	Oakar	Udall
Gibbons	Patterson	Ullman
Glickman	Pattison	Vanik
Hagedorn	Pepper	Vento
Hammer-schmidt	Pettis	Walsh
Hansen	Pickle	Whitehurst
Harrington	Pike	Wiggins
Harris	Pressler	Wilson, Tex.
Harsha	Quayle	Wright
Heckler	Quie	Wydler
Holland	Richmond	Young, Alaska
		Zeferetti

NAYS—4

Lloyd, Calif.	Stockman	Wilson, Bob
Mitchell, Md.		

NOT VOTING—130

Addabbo	Aspin	Bonker
Allen	Badham	Breaux
Ambro	Beard, R.I.	Buchanan
Andrews, N.C.	Bellenson	Burton, John
Archer	Biaggi	Caputo
Armstrong	Blouin	Chappell
Ashley	Bolling	Chisholm

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 12928, with Mr. SHARP in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, June 15, 1978, all time for general debate had expired. Titles I, II, and III had been considered as having been read and open for amendment at any point and pending was an amendment offered by the gentleman from Illinois (Mr. MICHEL).

Mr. TRAXLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, during the course of debate on this bill I got some kind of an education as to water problems across the United States, and most particularly in the West.

I was thanking myself that in the area I represent we do not have those kinds of problems. I represent a substantial portion of shoreline on Lake Huron and the Saginaw Bay. Indeed, I live on the Saginaw Bay. The problem we are blessed or cursed with is that the Great Lakes are not at a constant level and from time to time the Great Lakes levels rise and on the other hand, they fall. Those are the two certainties we know of. Either we have too much water or the Great Lakes level drops.

The problem we have here, frankly, and I am not going to give you a long history, because you have not got that many weeks; this is a history that has been going on for years. For years there was litigation involving the Great Lakes States versus Chicago. We have no objection to this diversion when there are substantial amounts of water in the Great Lakes. We welcome this demonstration project.

The problem is when we have low lake levels, we do not want them to divert any water.

What we would like to do is to continue the demonstration project that is provided for in the authorization legislation and is funded by this money; not that that in any way is an endorsement of the flowage of 10,000 cubic feet per second at all times. Only when there is high lake levels. I think that the experiment will be an interesting one to try to protect both the downriver Illinois people and the Great Lakes levels themselves. If there is a period of low water, as I understand the authorizing legislation, the demonstration is to cease; but we want to be fair and just to our friends in Chicago. We want them to respect our problems on the Great Lakes in terms of erosion and of low water. For that reason I support the demonstration; but I would not want anyone to think it is a solution to the problem. It is not a solution. We have too many problems converging on the Great Lakes with too many demands. When we have enough water, they can take our water; but when we do not have enough, we do not want them taking our water.

Mr. CORCORAN of Illinois. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, first of all, I want to associate myself with the remarks of the author of the amendment, the gentleman from Illinois (Mr. MICHEL).

Second, I want to indicate that this is an issue which as the gentleman from Michigan (Mr. TRAXLER) who was previously in the well indicated, is something that has been discussed and at issue for quite some time. The Members may recall that 2 years ago the Congress passed legislation which would authorize this demonstration diversion project on behalf of the Corps of Engineers.

One of the concerns that has developed since the passage of that legislation is the concern in my area along the Illinois River Valley that many of those people who live along the river have that because of the scheduling delays in connection with the Metropolitan Sanitary District of Greater Chicago's project to develop a so-called Deep Tunnel Reservoir in order to handle the excess sewage that develops as an overflow in the event of heavy rainstorms. We believe it would be possible for the funds appropriated in connection with this legislation for the Corps of Engineers in conjunction with the metropolitan sanitary district to operate in a way so as to allow some additional water to go into the Illinois River system. That would assist in the flushing of the excessive pollution that would develop in connection with heavy rainstorms at a time when there is excess sanitation in the Chicago Sanitary District and the Deep Tunnel project not completed and in place to handle that overflow.

Mr. Chairman, I would also say to the Members that since this amendment was offered there have been discussions with the gentleman from Illinois (Mr. YATES) and others in connection with the pending amendment. These discussions relate to the concern that the gentleman from Illinois (Mr. RAILSBACK) and the gentleman from Illinois (Mr. FINDLEY) and I also have with respect to flooding, which is also a problem for those communities along the Illinois River that we represent. I would say that the gentleman from Illinois (Mr. YATES) has indicated a willingness to work on a flooding amendment and combine his efforts with a sanitation amendment I was planning to offer in conjunction with the Michel amendment which is pending.

So I would hope that with the adoption of our agreed amendment to be offered by the gentleman from Illinois (Mr. YATES) and the adoption of the amendment that is pending, the exposure of the people along the Illinois River system that I represent, with respect to the sanitation problem, would be alleviated.

Mr. Chairman, I support the Michel amendment to provide that no funds in this bill will go to continuing the increased Lake Michigan diversion at the Chicago demonstration and study program. This 5-year program was authorized in the Water Resources Development Act of 1976 as commencing upon enactment (October 22, 1976). The program was not, however, funded in fiscal year 1977 and, therefore, was not initiated until 1978 at an expenditure of $500,000. There is $500,000 in the bill for continuation of this project during 1979.

As a cosponsor of the amendment and a Member from a district very much concerned about this project in its present form, I thank the author for offering it. First of all, I would like to commend the Army Corps of Engineers for initiating 10 workshops in 5 States, in areas affected by the increased diversion of water from Lake Michigan down the Illinois River. They were able to comment on several points about the controversial nature of this project and give the people in these localities—Chicago, Milwaukee, Detroit, Cleveland, Joliet, Beardstown, Grafton, Peoria, LaSalle-Peru, and Rochester, N.Y.—an opportunity to become involved in the discussions surrounding the projects. I was especially pleased that the corps, at my request, held a hearing in LaSalle-Peru, Ill., which is in my district. More than 200 people attended this hearing and were very concerned about the environmental as well as economic ramifications of the possible diversion. Mr. Chairman, the Illinois River runs through the middle of my congressional district. All or parts of five counties border on the river. The people who attended the LaSalle-Peru hearing were disturbed and downright angry about the possible effects of this diversion. There were several concerns expressed at the hearing, and I believe at similar hearings across Illinois.

My constituents thought that the greatest danger in the project would be the question of increased flooding. The people owning land adjacent to the river have been ravaged by floods time and time again, because of excessive rainfall and the resulting flood stage of the Illinois River. The question of how drastically the proposed project will increase the danger of flooding in the Illinois River Valley has yet to be answered. Even when we consider the corps' safeguards and assurances that the diversion will be decreased if the Illinois River approaches flood stage, who can predict a sudden torrential rain or a warm spell which speeds up a spring thaw? How long will it take the "diverted water" to pass through our area and make room for increased runoff?

Second, my constituents asked about the quality of the water shipped downstream. It is a known fact that the Chicago sanitary district is 3 years behind schedule in completing their new and expanded facilities. Although the corps claims that water quality will be improved by the diversion, flushing the river is simply moving the pollution problems from one place to another. Decomposition and assimilation processes set up at a given point and proceeding at a given rate may be extended farther downstream than formerly, and those which were usually completed at the mouth of the river may now be only half finished at that point. The flushing action of increased diversion may clean up Chicago area rivers and streams, but it will hasten the movement of pollutants downstream with the prospect of causing serious environmental consequences within the Illinois and Mississippi River Basins.

Third, the corps was not able to answer the question: How will the increased water levels affect the feeding and nesting areas of local wildlife? The extra water would prevent hunters from seeding their hunting grounds. Finally, and perhaps, most important, what effect will this action, if it is taken in 1980 or 1981, have on the thousands of prime agricultural acres of good, tillable bottomland in the Illinois River Valley? Many of the farmers will be seriously delayed in planting and harvesting their crops if there is severe flooding and acres of good farmland may become devalued, because of the increase in the water table. In Marshall and Putnam Counties in my district, there are 6,200 acres of good tillable bottomland. The 6,200 acres of Marshall-Putnam County farms at a yield of 100 bushel per acre per year, could result in a loss of 620,000 bushel of corn at $2.20 per bushel equaling $1,364,000 per year. The land value of 6,200 acres times average market value of $2,000 per acre equals $12,400,000. With more flooding as a result increasing the 3,200 cubic feet per second diversion, devaluation of the average market value to $350 per acre would create a loss of total value of $10,230,000 to Marshall-Putnam County farmers. This is incredible considering that the need for the diversion may be lessening since the water level of Lake Michigan is already decreasing.

Mr. Chairman, without the protection in the law that the pending Michel and proposed Yates amendments would provide, this is a dangerous project for the people of my district. I ask my colleagues to use their good judgments and vote for the Michel amendment and clarifying the amendment on flooding and sanita-

tion that will be offered by my colleague, Mr. YATES.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. CORCORAN of Illinois. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I strongly support the gentleman's amendment.

The value of the annual congressional appropriations procedure is well illustrated by the fact that this year we have an opportunity to review the ill-conceived project to increase the diversion of water from Lake Michigan into the Illinois River. The project, which is projected to cost over $3 million, wastes money, decreases vital hydroelectric energy production, and poses a flood threat to communities along the Illinois River.

Any economic benefits from the project are at best marginal and accrue primarily to the rich. Responsible Illinois State officials verify that increased water diversion would have no appreciable effect on lowering the water level of Lake Michigan. The political pressure for the diversion project comes from the affluent "Gold Coast" along the lake north of Chicago.

Col. Richard D. Slife of the Detroit office of the Army Corps of Engineers wrote to me on June 7, just 1 week ago, that the level of Lake Michigan has been dropping steadily since 1974, to the point where it is now only 4 inches above the long term average. If it falls below that average, increased water diversion is prohibited by law. Colonel Slife told me that although the corps may be able to initial diversion early next year, by March 1979 the level of Lake Michigan will have fallen below the long term average if the present trend continues. Any increased diversion "thereafter is very problematic" according to Colonel Slife. Thus, Congress is being asked to recommend money to prepare for a demonstration project likely never to take place. Such a ridiculous wasting of Federal tax dollars is unconscionable.

Finally and most importantly, is the danger of increased flooding. This danger demonstrates most dramatically the folly of increased diversion of water from Lake Michigan. Inevitably, the extra inches of Lake Michigan water added to the annual spring flood crest on the Illinois River could well make the difference between success and failure for the sandbag crews working to reinforce levees, and the pumps struggling to keep ahead of levee leakage.

In authorizing the Lake Michigan water diversion project Congress buckled to political pressure and created a reverse Robin Hood monster that robs from the poor and gives to the rich. Hard-working residents of downriver communities will suffer for a slight and probably never to be realized benefit to the wealthy on Lake Michigan's shore. Congress should correct the mistake by adopting this amendment.

Mr. CORCORAN of Illinois. Mr. Chairman, I thank the gentleman for his comments.

I would simply say that we recognize the problem of soil erosion around the Great Lakes, and we want to be cooperative in solving that problem. At the same time, however, we do not want to be the solution for the problem of unexpected delays in the scheduled completion of the deep tunnel project for the Metropolitan Sanitary District of Greater Chicago.

In conclusion, let me say Mr. Chairman, that until the aforesaid concerned are removed, I am opposed to this Lake Michigan diversion project.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. CORCORAN of Illinois. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I thank the gentleman for yielding, especially since I do not completely concur with the gentleman's position.

Mr. Chairman, I rise in opposition to the amendment which would delete the demonstration program by which there would be a temporary increase in the amount of water diverted from Lake Michigan to Chicago.

The House has debated this issue before. We should acknowledge the fact that this study can well demonstrate the long-needed remedy to the problem of property damage caused by high lake levels.

As a Representative of a district in the Chicago metropolitan area and knowing from firsthand experience the property damage suffered by my constituents who own lakeshore property, I urge the House to reject the amendment and proceed to authorize this practical and timely study.

I think that our downstate Illinois Members tend to have an instinctive aversion to anything stemming from Chicago.

The Chicago Metropolitan Sanitary District is highly regarded across the country by technicians in the field of waste disposal as being an outstanding unit of government serving the people in the metropolitan area. I think the fears that have been expressed are exaggerated. I think the compromise worked out by the gentleman from Illinois (Mr. YATES) will satisfy all of us.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I recognize the concerns of our colleagues, the gentlemen from Illinois, who are responding, and I think very properly, to the fears of their constituency, attempting to be responsive to what they perceive to be an evil visited upon them. But I think we ought to take just a moment and look at the precise language of the law.

I say that because I had a hand in shaping the language that is in the law now, and offered the amendment in the markup of the Committee on Public Works and Transportation, in 1976. Later this language was adopted by the House and became law.

There are many caveats, many restraints, upon the application of this section, which is very carefully drawn to protect the downstream riparian property owners. It is very carefully drafted so that it will not affect the upper or lower lakes in times of low-lake level, because we do not want to take water out of the Great Lakes during low-water level periods.

I am quoting from section 166, of Public Law 94-587:

> In order to alleviate water damage on the shoreline of Lake Michigan and others of the Great Lakes * * *

We have some poor folks up in northern Minnesota, I would remind my colleague, the gentleman from Illinois (Mr. FINDLEY). We have some poor folks up in Minnesota and in Wisconsin whose property is being eaten up by high-water levels with Lake Superior, which is being used as a reservoir during periods of high water.

> * * * during periods of abnormally high water levels in the Great Lakes, and to improve the water quality of the Illinois Waterway * * *

This is a 5-year demonstration program to temporarily increase—note: temporarily— the diversion of water from Lake Michigan at Chicago, for the purpose of testing the practicability of increases—and we put a lower limit, which is the Supreme Court decision of 3,200, and an upper limit of 10,000 cubic feet per second—the flow is to a maximum of 10,000 cubic feet per second.

The program is to be accomplished incrementally and will take into consideration the effects of such increase on the Illinois Waterway. It is to be carried out by the State of Illinois, in cooperation with the metropolitan sanitary district of Chicago. It is going to be a State program, monitored by the Corps of Engineers.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from New York.

Mr. CONABLE. I thank the gentleman for yielding.

I would like to associate myself with the gentleman's remarks.

It seems to me that this project has been very carefully crafted to protect the interests involved.

I have only a distant connection with it, because many of my constituents live on the shores of Lake Ontario. It would be a very modest diversion in terms of the level of that lake. But it seems to me we ought to have this string to our bow as an alternative available in the event of high water, with confidence it can be used in ways that will not be damaging to riparian owners in the Illinois area. And it certainly is a reasonable proposal, one carefully set about by safeguards and constraints.

Mr. Chairman, let me say, also, that I do not see any serious problems for the power authority of the State of New York which is objecting to this.

Mr. OBERSTAR. There is absolutely none.

Mr. CONABLE. We have had sufficiently high water in recent years so that they have more water than they can use. The diversion that will be involved in the Chicago River diversion will be very modest in relation to the Great Lakes system.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Ohio.

Mr. STANTON. I appreciate the gentleman's yielding.

Mr. Chairman, like the gentleman from New York, I would like to associate myself with the gentleman's remarks. As the gentleman from New York just said, this idea has been around for a considerable length of time. It has been endorsed by the Great Lakes Council of Congressmen. In my particular case, I would like to state that I have 60 miles of shoreline on Lake Erie.

It is extremely important when high-water levels are experienced to have this particular mechanism work. In the case of a recent emergency a few years ago it was responsible for bringing down the water level 3 inches.

It is highly endorsed by all of us, and I am proud to associate myself with the gentleman's remarks.

Mr. OBERSTAR. I thank the gentleman for his contribution, Mr. Chairman.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I just want to say that the gentleman's comments are all well and good for Chicago, but what about the good people of downstate Illinois?

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. OBERSTAR) has expired.

(On request of Mr. MICHEL and by unanimous consent, Mr. OBERSTAR was allowed to proceed for 3 additional minutes.)

Mr. MICHEL. Mr. Chairman, will the gentleman yield further?

Mr. OBERSTAR. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, the problem along the Illinois Waterway for the gentlemen from Illinois (Mr. CORCORAN and Mr. FINDLEY), myself, and others, is that we do not have the assurance, for example, that in the 3 or 4 days it takes the water to get from Chicago down to the Peoria area there might very well be a thunderstorm of gigantic proportions causing flooding while the water is already on its way. As I pointed out yesterday when I offered the amendment this would exacerbate the situation.

We want to have the kind of protection guarantees for the folks downstream that they are not going to get flooded out just because the Chicago sanitary district wants to use it as a vehicle for flushing sewage down into our area.

My understanding is that the gentleman from Chicago (Mr. YATES) wants to modify the language in an effort to correct this situation.

Mr. OBERSTAR. Mr. Chairman, the gentleman makes a very valid point.

The Committee on Public Works and Transportation envisioned that problem in drafting the language in the 1976 act. Section 166 of the law provides that protective measures will be taken when storms approach.

Mr. MICHEL. Yes, but they cannot predict within 24 hours when a gigantic rainstorm might hit. They cannot do it.

Mr. OBERSTAR. This is not an action program. This is a demonstration program. This is for the Corps of Engineers to design a program. Congress did not say it would be completed and put into effect permanently; we said they could design it, get the review of Congress, and the corps will then come back to the Committee on Public Works and Transportation with it. Then we will have an opportunity to review the plan, comment on it, change it, if necessary.

There will be input from the State of Illinois, from the gentleman's constituency, and from others on all of this legislation, a complete, open, public review.

Mr. Chairman, we recognize those concerns and want to respond to them in this demonstration program.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, my interpretation of the legislation that the gentleman helped draft—and be made a very good contribution, might I add—is the same as the gentleman's; but in order to allay the fears of the gentlemen from Illinois (Messrs. MICHEL, CORCORAN, RAILSBACK, and FINDLEY), and of others from downstate, I propose to offer an amendment which would take care of their objection to the bill, by making it even more specific, saying that none of the funds shall be expended if such study shall provoke or threaten to provoke flood waters throughout the Illinois Waterway, which I think should take care of it.

My amendment also contains this language:

> That none of the funds made available in this paragraph shall be obligated or expended to discharge sewage overflow from the Metropolitan Sanitary District of Greater Chicago into the Illinois Waterway.

Mr. OBERSTAR. Mr. Chairman, I think the gentleman from Illinois (Mr. YATES) makes a very good point; but I would suggest that I think that could more properly be done in the Water Resources Development Act which will be coming out of the Committee on Public Works and Transportation in the very near future.

I will be very glad to take the gentleman's language and put it where it properly belongs: in the authorizing bill.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. OBERSTAR) has expired.

(By unanimous consent, Mr. OBERSTAR was allowed to proceed for 3 additional minutes.)

Mr. OBERSTAR. Mr. Chairman, I would be glad to see it put in the authorization bill, which is surely going to pass the Congress during this session. We can expand on it and provide whatever additional protection is needed for the area about which the gentlemen from Illinois (Mr. MICHEL) and others are concerned. We will get that all into the authorization bill, with accompanying report language that expands upon and clarifies their technical details and then we will be legislating in a proper fashion.

Mr. YATES. If the gentleman will yield further, Mr. Chairman, that is a good idea. However, for purposes of moving this appropriation and obtaining the funds for this experiment, I suggest to the gentleman that it would serve a useful purpose to permit this language to be added.

Mr. OBERSTAR. Can the gentleman assure me that the funding will go ahead for the Corps to initiate this review process and study?

Mr. YATES. Yes. I do not see any objections to that.

May I say to the gentleman that I do not see any obstacles to the funding of this experiment as a result of the language I propose.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I would agree with the gentleman that it would be much better if we would amend the authorizing legislation rather than put a rider on an appropriation or money bill.

However, I have noticed that a bill is scheduled for next week entitled the Water Resources Planning Act. Is this the bill to which the gentleman refers? It is scheduled to come up under suspension of the rules, in which case we would not have an opportunity to amend it. If that is the same bill about which we are talking, we would not have an opportunity to amend it.

Mr. OBERSTAR. The gentleman is referring to a different bill. We have not even had the hearings yet on the bill to which I refer.

Mr. MICHEL. I would much prefer to do it with at least the same protections which are provided in the language of the amendment which the gentleman from Illinois (Mr. YATES) has suggested.

With that kind of assurance, we could then support it.

Mr. YATES. If the gentleman will yield further, Mr. Chairman, this language will then go over to the Senate.

If it raises any obstacles, refinements that might be needed could be worked out in the Senate. I am sure we can work it out.

The introduction of this language will eliminate the opposition of the Members from downstate Illinois, and I think it should be adequate to help put the test on the road.

Mr. OBERSTAR. If it will help us get past this momentary hurdle, I will be glad to concur in the gentleman's language, and then proceed later on to include in the authorizing legislation language to amend the existing law.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

(At the request of Mr. SEIBERLING and by unanimous consent, Mr. OBERSTAR was allowed to proceed for 2 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I think the gentleman from Illinois (Mr. YATES) has made a very good point, but

I would also like to have the record show that the proposal is not just to benefit a few wealthy landowners along the northern shore above Chicago. It affects Lake Erie, over 200 miles of the shoreline.

I do not happen to have any constituents on the shores of Lake Erie. Congressmen VANIK and PEASE do, along with many other Members. Local communities and the Federal Government are spending millions of dollars every year to try to combat shore erosion. Houses are being undermined and washed into the lake. Then, they come and get disaster relief, and the taxpayers pay.

So, it does affect a great many people, and affects Federal taxpayers all over the country. We do need to do something to solve this problem.

Mr. OBERSTAR. The problem is very severe because during times of high waters as we have had in the past 2 years, when water levels of Lake Erie are as much as a foot or 2 feet above normal level, wind action on the lake pushes the water toward the eastern end of the lake and piles it up to as much as 8 feet above normal levels in what is called "seiche" action. So, the property owners are affected for several hundred feet inland from the shores. It is a very serious problem in Lake Erie.

I want to point out further that this demonstration program is not a total solution to the problem of abnormally high water levels in the Great Lakes. It is important, however, as one of several tools we need to deal with the problem, and attempt to mitigate the costly effects of shoreline erosion and property damage resulting from protracted periods of high water levels on the Great Lakes.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Michigan.

Mr. TRAXLER. The gentleman is familiar with the enabling legislation. I think it is important to make clear that this experiment is intended to relieve, among other things, to combat high water levels in the Great Lakes, or to reduce them.

Would the gentleman comment on what he sees the demonstration doing during low levels?

Mr. OBERSTAR. There will be no demonstration. We do not want water taken out of the Great Lakes when the waters are at or below normal levels.

Mr. TRAXLER. I thank the gentleman.

AMENDMENT OFFERED BY MR. YATES TO THE AMENDMENT OFFERED BY MR. MICHEL

Mr. YATES. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES to the amendment offered by Mr. MICHEL: Strike out the period and add the following: "If such study shall provoke or threaten to provoke flood waters throughout the Illinois Waterway:" *Provided further*, That none of the funds made available in this paragraph shall be obligated or expended to discharge sewage overflow from the Metropolitan Sanitary District of Greater Chicago into the Illinois Waterway.

Mr. YATES. Mr. Chairman, as was pointed out so well by my distinguished colleague from Minnesota, the study as originally drafted would not pour torrents of water or sewage into downstate Illinois. It would not drain the St. Lawrence Seaway, or hurt its power projects as has been expressed in a letter from a number of our colleagues from upstate New York. But fears still exist among some Members in spite of such protection. The purpose of this amendment is to make sure that areas in downstate Illinois would not be subjected to flooding, nor to sewage overflow, during the course of the study.

I understand it has the approval of my colleagues from Illinois, and I would urge adoption of the amendment.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, we accept the amendment proposed by the gentleman from Illinois. It is acceptable to our side.

Mr. YATES. I thank the gentleman.

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. Mr. Chairman, I thank the gentleman for yielding to me.

The only question I have about this language is, what would be the interpretation of, "* * * threaten to provoke flood waters * * *."

I can appreciate the problem Mr. MICHEL has in western and downstate Illinois.

But I also know what is happening to the Great Lakes shores as a result of flooding. What does the gentleman mean "threaten to provoke flood waters"?

Mr. YATES. My interpretation would be to try to take care of possible lack of protection that the gentleman from Illinois (Mr. MICHEL) has raised. The gentleman from Illinois (Mr. MICHEL) believes that the language in the authorizing act should be refined to a slightly greater degree, that every possible precaution should be taken to make sure that if and when water is diverted into the Illinois waterway during the trial period, every possible precaution should be taken so that there should be no flood waters sent down the Illinois waterway.

Mr. JOHN T. MYERS. Every time the weather people in Chicago predict rain, do they have to divert waters?

Mr. YATES. The language requires a reasonable interpretation. That reasonable interpretation will be made by the engineeers. They will have to look at each situation as it arises.

Mr. JOHN T. MYERS. And you see no liability to the Corps of Engineers?

Mr. YATES. I see no liability to the corps as a result of this language. We would expect the Corps of Engineers to undertake a reasonable review of all the conditions, and if there is a possibility of a flood I would assume that they would then stop the diversion.

Mr. JOHN T. MYERS. That is the gentleman's intent. With that discussion and that understanding, we will accept the amendment on this side.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Chairman, I would like to point out, since my district is in Cook County, that obviously we have a different viewpoint from the people downstream. I think the gentleman's amendment is most practical and could end this Illinois "civil war" that has developed.

Mr. STANTON. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. STANTON. Mr. Chairman, I can see the problems around Chicago, but I wanted to ask the author of the amendment a couple of questions. First of all, he allows this demonstration grant to go forward?

Mr. YATES. I would say "Yes," in accordance with the conditions outlined in the authorizing legislation.

Mr. STANTON. But he does allow this to go forward with these new restrictions he has put on there. Has he checked with the Corps of Engineers to see whether or not these new restrictions are practical for them?

Mr. YATES. I have not yet checked with the corps, and as I pointed out to the gentleman from Illinois (Mr. MICHEL) earlier and to the gentleman, the opportunity will be afforded after this legislation passes the House and goes over to the Senate to review the language and to make such refinements as may be necessary to permit the test to go forward.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, I thank the gentleman for yielding.

As a Representative from Illinois with a long shoreline on Lake Michigan, I am especially interested in this subject. I think it is well for me to point out that, while there is no contemplated diversion until after 1979, both an environmental assessment and an environmental impact statement will be required before any increased diversion takes place.

I am hopeful, indeed, I am very encouraged by the fact that this compromise has been worked out and I hope the amendment can be adopted.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. CORCORAN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Illinois.

Mr. CORCORAN of Illinois. Mr. Chairman, I thank the gentleman for yielding to me.

Let me say that it is precisely because of what happened in the so-called environmental impact statement that we felt it was necessary to add this protective language.

As a matter of fact, after the Corps of Engineers held a public hearing in March of this year in my district, I received a report from the Corps of Engi-

neers on the hearing and on their findings, and let me quote one of the sentences from that letter of March 15, 1978:

> Prior to any actual increased diversion, we will inventory existing conditions, develop monitoring and operating plans and prepare an environmental assessment of the probable impacts of diversion.

I think there is a clear distinction between an environmental assessment and an environmental impact statement under the rules of the Environmental Protection Act. That is why we have been concerned about flooding and concerned about sanitation and I commend the gentleman from Illinois (Mr. YATES) for offering this clarifying amendment.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman from Illinois (Mr. YATES) for the contribution he has made. I think the amendment will get us over this hurdle temporarily so that we can clear it up.

I will say to the gentleman from Ohio (Mr. STANTON) that, if there is any vagueness in the language, we can clear it up in the authorizing legislation later this month.

The important thing is to keep this in the proper perspective. The demonstration programs will be put into effect only when there are abnormally high water levels in the Great Lakes, so that there will be no impact on the rivers below or when they are having floods because the waters can be retained in the huge reservoirs of Lake Superior and Lake Michigan. During those short periods of time when river flooding occurs, no additional water will be diverted. But when the flooding is over and the rivers return to their normal stage, it is then that we on the lake shores experience the shore line damage and the property damage and it is then that we need some flexibility in the existing lake level control procedure, which is now regulated by the Supreme Court. It takes 10 States to go to the Supreme Court and change the existing court order, issued in the 1930's.

Mr. YATES. Mr. Chairman, I want to commend the gentleman from Minnesota (Mr. OBERSTAR) for the outstanding contribution the gentleman has made in preparing and helping enact the legislation for this experimental period. I am glad we are able now to move forward.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 1 additional minute.)

Mr. CONABLE. Mr. Chairman, if the gentleman will yield, I would like to commend the gentleman from Illinois (Mr. YATES) in presenting his compromise amendment, and I believe the procedure is justified, and I think it is very important that the matter should be explored in depth and to the satisfaction of all parties concerned, and certainly we should not be permitted to lose the balance that was originally intended when this was put into the law.

Mr. OBERSTAR. If the gentleman will yield, the gentleman makes a very valid point because right now it takes, I believe 10 States to petition the Supreme Court for a change in the court order governing the Chicago diversion.

Mr. MICHEL. Mr. Chairman, if the gentleman will yield, I want to thank the gentleman for his concern for the problems we have downstate. This Member has not been opposed to a study frankly in the 22 to 24 years when we began arguing this case.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 1 additional minute.)

Mr. MICHEL. Mr. Chairman, I just think we ought to have all the information we can and that we should refrain from referring to studies made in 1900 and in 1910, I think that is ludicrous, and, of course, while I support this kind of a study I want to make sure that the constituents do have flood protection.

Mr. YATES. I agree with the gentleman, and I think that we have worked out a good compromise.

Mr. JOHN T. MYERS. Mr. Chairman, if the gentleman will yield, I am sorry to say this but, just going down the list of people that voted against giving flood protection to eight other projects yesterday, and seeing the number of Members concerned about flooding in this area, I note that they voted against flood control for eight other Members' districts.

Mr. YATES. Mr. Chairman, I ask for a vote on the amendment.

Mr. McEWEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, those of us who were also on the floor when the debate on the Michel amendment began yesterday must have felt that this was wholly an Illinois issue because, as we heard the upstate Illinoisans and the downstate Illinoisans express the interests and concerns of their constituents, I only recall one gentleman who was not an Illinoisan who got into this act and engaged in the colloquy, and that was our colleague, the gentleman from Vermont (Mr. JEFFORDS) and while the gentleman said he was aware of the fact that power from the great hydroelectric dams on the St. Lawrence River goes down to the State of Vermont, I must point out that water that goes down the Illinois waterway is not going to go down through those hydroelectric dams on the Niagara River and on the St. Lawrence River.

So, it is clear, now, as this debate has progressed, that there is more interest in this than just in the Illinois area.

I appreciate my colleague, the gentleman from Minnesota (Mr. OBERSTAR) pointing out that there are people on the upper lakes such as Superior, who have a problem with high water, and also my colleague, the gentleman from New York (Mr. CONABLE). And, may I say, since reference has been made to that gold-plated, gold coast on Lake Michigan, that I believe that possibly there might be a question of a conflict of interest in this area in relation to others of us, because I, too, am a riparian owner.

My home is on the St. Lawrence, so if we may clearly define it, it is the Great Lakes-St. Lawrence system. Reference having been made to those wealthy riparian owners, let me say, like all of the Members, I have filed my financial disclosure, and I will let the Members make their own judgment on whether I am a riparian owner of great wealth.

This is a problem that concerns me. I envy the Members in this Chamber who are downstate Illinoisans or upstate Illinoisans, or clearly just on Lake Ontario or Lake Superior. I am in a somewhat unique position. I have at the eastern end of Lake Ontario property owners who are gravely affected by the high waters of the Great Lakes, so I have complete understanding and sympathy when friends like my colleague, the gentleman from Minnesota (Mr. OBERSTAR) or my colleague, the gentleman from New York (Mr. CONABLE) speak to that problem. I also have all of the U.S. facilities of the St. Lawrence Seaway Development Corporation where we are concerned with maintaining adequate water levels for navigation.

I also have in my district the great hydroproject on the St. Lawrence, and they, of course, are concerned about a diversion that will affect the integrity of navigation, even though it be unintentional, and affect the generation of the hydroelectric energy in the St. Lawrence. So I think possibly, Mr. Chairman, I am in somewhat of a unique position.

I have within my constituency very strong feelings both ways on this and, therefore, I am sure none of the Members would enjoy the position I am in in that regard. So how do I come down on this?

First, I want to say to my colleague, the gentleman from Illinois, I think his amendment is a distinct improvement to the amendment, and I compliment him. I also want to say to the distinguished chairman of this subcommittee I appreciate the difficulty of the decision he has groped with, and I understand the reasons behind it.

Now let me say where I come down. I question very seriously in my mind, from all the engineering opinion I have heard, that the diversion of 10,000 additional cubic feet per second down the Illinois waterway will really appreciably relieve critical high-water conditions on the Great Lakes, including the retaining of water in Lake Superior to try to help the lower lakes. I question that. I share a concern of some engineers that this diversion may occur at a time a low-water cycle is actually starting and that we may be exacerbating a problem that is already setting in and we are not aware of it, because all of us who have lived on the Great Lakes, on the St. Lawrence, know we have cyclical water levels that go up and go down. Recently we have been suffering from high water. Also, it is clear that there will be a loss of hydroelectric energy. That has prompted some of our colleagues here, including my friend, the gentleman from Vermont (Mr. JEFFORDS) to express concern about this, because 10,000 cubic feet per second, to go down the Illinois waterway, otherwise would go down the Great Lakes-St. Lawrence system.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

May I respectfully disagree with my friend, the gentleman from New York, on that point.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. YATES, and by unanimous consent, Mr. McEWEN was allowed to proceed for 3 additional minutes.)

Mr. YATES. If the gentleman will yield further, as was pointed out by our distinguished colleague, the gentleman from Minnesota, this experiment will not take place when the lake levels are very low and the levels are checked each month. I read from the authorizing legislation:

> During the demonstration program a controllable diversion rate will be established for each month calculated, to establish an annual average diversion from 3,200 cubic feet per second to not more than 10,000 cubic feet per second.

This next sentence is the important one:

> When the level of Lake Michigan is below its average level on a monthly check, the total diversion for the succeeding accounting year per one year after that time"

per one year after the time the amount is diverted—

> shall not exceed 3,200 cubic feet per second.

So the 10,000 cubic feet per second of water to which the gentleman refers will not be diverted except under controlled conditions.

Mr. McEWEN. I thank the gentleman for pointing that out. He is quite correct. The point I am trying to make is that we do anticipate under this proposal in the committee bill that there will be additional diversion of water, and to the extent that one cubic foot of water is diverted out of the Great Lakes-St. Lawrence system, it does not go through the turbines at Niagara and on the St. Lawrence.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. I thank the gentleman for yielding.

The gentleman has been a great advocate of the Great Lakes-St. Lawrence system and a staunch defender of his constituency and an able Representative of them. But I must, in fairness, say that the high-water levels that have been maintained on the Great Lakes are a net benefit to the Power Authority of the State of New York, a net benefit to navigation, and keeping them above normal levels has been a plus, a windfall in water utilization and power availability for the State of New York.

So in times of low flow, we are saying that there will not be any additional water taken out. We do not need the water taken out in the Great Lakes at that time; but when it is abnormally high—that is the key word—when it is abnormally high, then as part of a total package of relief from high-water levels, we need to implement this Illinois diversion.

The Power Authority of New York need have no complaint whatever, because they have been benefiting substantially at the expense of property owners, to be sure, on the upper lakes.

Mr. McEWEN. Just one point on that; the gentleman is quite correct on the generation of power by the Power Authority of New York and our neighbors to the north in Ontario and Quebec.

The CHAIRMAN. The time of the gentleman from New York (Mr. McEWEN) has expired.

(At the request of Mr. McCLORY, and by unanimous consent, Mr. McEWEN was allowed to proceed for 2 additional minutes.)

Mr. McEWEN. Mr. Chairman, accomplishing that additional high water was something natural. It was not man created. We did take advantage of it, but it did reach a point where we actually had to spill water through the control dam in New York.

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Chairman, it seems to me that what we are talking about here today is just a part of a much larger problem. In lieu of a proposed diversion of water at Chicago, we have proposed many times that there should be control works at Detroit which would control the lake levels of Lakes Huron and Michigan in the same manner as the diversion project proposes to do. That has been thought about and talked about but not implemented.

The common problem of lake levels and of controlling the lake levels, as they do on Lake Superior, is a problem common to all of us who border on the Great Lakes.

I appreciate the leadership the gentleman from Minnesota (Mr. OBERSTAR) has given.

Mr. McEWEN. Mr. Chairman, may I associate myself with the remarks of the gentleman from Illinois (Mr. McCLORY). I think the gentleman is totally right, that this is just one part of a much larger problem that we must address.

May I say, our friends in Canada are aware of this, and some of the improvements that are needed and necessary must be done by them.

Mr. Chairman, I agree with and commend the gentleman from Minnesota.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, does the gentleman agree it would be well to have this experiment, to have this test to see the results?

Mr. McEWEN. I would hope that the joint study going on now with the United States and Canada would be approved and accepted.

Mr. YATES. This study could help the joint commission.

Mr. McEWEN. I would hope that in Vicksburg or wherever this is implemented, they would do that.

The CHAIRMAN. The time of the gentleman from New York (Mr. McEWEN) has again expired.

(By unanimous consent, Mr. McEWEN was allowed to proceed for 1 additional minute.)

Mr. McEWEN. Mr. Chairman, believe me, I can truly sympathize with both sides of this question. I have it in my own district. I hope the Members will have some sympathy for the gentleman in the well. I know there are many constituents that believe this will relieve the high water on Lake Ontario. I question whether it will. I am concerned about the effect in the long run.

Finally, I want to say one word, not about my constituency, but our great neighbor to the north, the Government of Canada. Some of us experienced the effects of the ill-advised fishing ban on Canadian vessels entering the U.S. waters of the Great Lakes. I say, thank heavens for the good judgment of the Canadian Minister of Fisheries when they did not reciprocate against us and we saw our bureaucracy in a week correct the mistake they had made.

Let me say that in view of the Canadian attitude, in view of their concern about this as a violation of the Boundary Waters Treaty of 1909, I have to say that I will support the amendment of the gentleman from Illinois.

The CHAIRMAN. The time of the gentleman from New York (Mr. McEWEN) has expired.

(On request of Mr. CONABLE, and by unanimous consent, Mr. McEWEN was allowed to proceed for 1 additional minute.)

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, obviously there are a great many sensitivities in this whole area and a great many countering interests which need to be sorted out and which require study.

Mr. Chairman, the discussion we have had on this diversion project has been illuminating as to the wide range of interests concerned about Great Lakes levels. In closing, I would like to point out that the interests most damaged by conditions in the Great Lakes basin in recent years have not been the shipping and power interests mentioned by the gentleman from Minnesota (Mr. OBERSTAR), but the interests of riparian owners in places as far away from Chicago as Lake Ontario. For this reason, and while I am aware that the diversion would at best have modest impact on lake levels, we should go ahead with the diversion option rather than permitting the possibility of abuse to paralyze us. I am confident that we can protect adequately in the law local Illinois interests, and that the benefits to them are likely to far exceed any possible detriment.

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Maine.

Mr. EMERY. Mr. Chairman, I heard the gentleman's remarks relative to the fishing ban, and I think I ought to make a relevant comment.

We did not initiate that action. Our reaction was in response to a very ill-

advised Canadian effort to ban fishing in the eastern and western oceans, the Atlantic and the Pacific, while there were delicate negotiations going on with respect to fishing quotas and government boundary disputes.

The gentleman's comments about the Great Lakes point up the fact that there is a hysteria at the moment that is causing difficulties, but we did not really initiate the problem.

Mr. McEWEN. Mr. Chairman, let me say to the gentleman that I understand the problem with respect to fishing in the oceans, and that fishing ban was not initiated by us.

● Mr. McCLORY. Mr. Chairman, I rise to express my opposition to the amendment offered by the gentleman from Illinois (Mr. MICHEL) and my support for the substitute offered by our colleague from Illinois (Mr. YATES). It seems that one very important aspect of the pilot demonstration program has been overlooked in the arguments against the diversion of water from Lake Michigan.

It is true that the immediate purposes of the program as authorized by the 1976 omnibus water resources bill were to reduce shoreline erosion rates (not just for the Gold Coast as has been alleged but throughout the hydraulic system) and to improve environmental water quality downstream in the Des Plaines, Illinois, and Mississippi Rivers. However, the aspect of the program which was considered most valuable by the original cosponsors—myself included—was that through study, demonstration and precedent under the program it could be established that increased diversions from the lake may not be detrimental.

Upon such a finding, the water supply to northern Illinois could be increased to supply critically needed water for domestic needs. Presently many communities in northern Illinois are pumping water from a large underlying sandstone aquifer more rapidly than it is being replenished by natural processes. Should the demonstration program ascertain that increased water diversion from Lake Michigan would not be harmful, any impending water crisis in northern Illinois could be averted.

Mr. Chairman, the most valuable benefit of this program is that it will help us to assess exactly what impact water diversion will have on the lake. We really are not in a position to know at the present time. Computer studies and hydraulical computations indicate that even diversions of up to 10,000 cubic feet per second may not harm the lake nor flood downstream areas. However, it will require the continuation of the demonstration program for us to gain this valuable knowledge. I am pleased that an agreed-upon amendment as proposed by the gentleman from Illinois (Mr. YATES) is being accepted by the committee.●

● Mr. ROSTENKOWSKI. Mr. Chairman, I rise in strong opposition to the amendment of the gentleman from Illinois which deletes funding for the study and demonstration project of increased water diversion from Lake Michigan.

I can appreciate the concern of the gentleman from Illinois; however, the legislation includes several detailed safeguards.

No increased diversion of water at Chicago can occur before October 1979 at the earliest. According to the November 1977 report issued by the Army Corps of Engineers entitled "A Plan of Study for Lake Diversion at Chicago," an environmental assessment is scheduled to be issued in January 1979 followed by an environmental impact statement in September 1979. Of course, the environmental impact statement provides all interested parties an opportunity to voice their views concerning increased lake diversion.

The program of increased diversion is to be developed by the Army Corps of Engineers in cooperation with the Metropolitan Sanitary District of Greater Chicago and, importantly, the State of Illinois. I now cite the committee report accompanying H.R. 15636, the authorizing legislation.

It is expected that the State of Illinois will ensure that the views of appropriate Downstate interests are obtained and conveyed to the Metropolitan Sanitary District and the Corps of Engineers in the preparation of the Demonstration Program.

Just last week, on June 8, 1978, in accordance with the authorizing legislation, representatives of the Division of Water Resources of the Department of Transportation, State of Illinois, met in Peoria with representatives of the Metropolitan Sanitary District and the Army Corps. In addition, I have been advised by the Metropolitan Sanitary District that meetings with these three parties are to be held on a continuing basis every other month.

Concern has been expressed by those at the eastern end of the Great Lakes that increased diversion from Lake Michigan will hurt hydroelectric power interests. In terms of this concern, the legislation is most equitable. As a benchmark, the legislation uses the average level of Lake Michigan over the period 1900–75. If in any month the level of Lake Michigan is below its 75-year average, all increased diversion must cease. I think the fairness of the provision is self-evident.

Finally, I want to stress that the uncovering of hidden facts surrounding increased lake diversion will provide vital information for the entire Great Lakes region. It is only through a demonstration project such as this, which includes various protections for all parties, that the information about increased lake diversion can be brought forward. I urge defeat of the amendment of the gentleman from Illinois.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. YATES) to the amendment offered by the gentleman from Illinois (Mr. MICHEL).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MICHEL), as amended.

The amendment, as amended, was agreed to.

Mr. WHITTEN. Mr. Chairman, I am the ranking Democrat on the Committee on Appropriations which means I have had years of service on the committee. To me, it is unbelievable that so many of our people do not seem to realize that our present high standard of living and well-being results from the fact that present and past generations have developed and improved our environment and molded it to better serve the needs of the people of our Nation.

So many do not seem to realize that public works are public because they are for the overall benefit of the Nation; that it is a case of the people making investments, generally through the instrument of government contributing toward harnessing our streams from floods, toward maintaining the fertility of our soil, replacing our trees, providing small reservoirs and protecting our watersheds and harnessing our streams for electricity, in deepening our harbors for navigation, in reclaiming the lands that otherwise would be barren deserts.

Truly, Mr. Chairman, too many of this generation seem to accept the St. Lawrence Seaway of the Northeast as though it were natural, the power generation of the Bonneville Power which comes from the harnessing of the streams of the Northwest, the irrigation of the arid lands of the Southwest, all of which are man made—and our cities need water now and for the future, which we need to provide.

This attitude that we have invented everything that needs to be invented, that we can rest on our laurels, leave the environment as it is subject to the encroachment that nature itself will make is completely unsound. If we were to follow such view, we would be like the ancient countries of China and India, with wornout land and little on which to build. Mr. Chairman, these expenditures are an investment. I consider myself a real conservationist, though certainly not an extremist as many seem to be. The committee on which I serve has recommended and gotten through the Congress measures to improve our environment by restoration of our natural resources which have been wasted in years past, thousands upon thousands of reservoirs have been built, over 8 billion trees have been set out, millions of acres have been protected from floods and the electricity generated has kept us warm and cool and our plants operating. To save these programs we have overridden Presidential recommendations 21 times out of 21.

We read of endangered species which I will touch on later, but more than that, the decision such as the Supreme Court of yesterday which went far afield of any reasonable interpretation of the statute endangers our standard of living and our well-being.

1959 OVERRIDE

Mr. Chairman, back in 1959, President Eisenhower vetoed the public works appropriations bill because we had, I believe, 63 new projects. His statement was that with all of our problems at home and abroad, with our outstanding indebtedness, with the demands from foreign aid and all the rest, we could not afford to initiate these new starts on

public works, one of which was the harbor at Pascagoula, Miss., where atomic submarines could not get out to sea. When his veto message came back to the Congress, we failed to override. At that time, Mr. Chairman, as throughout history, the bill went back to the Appropriations Committee and on all other occasions vetoed bills had come back to the Congress with the objected to items taken out. On this one occasion, with the backing of the Honorable MIKE KIRWAN of Ohio, my good friend BILL NATCHER, and TOM STEED who remain on the Appropriations Committee, I offered the motion in the Committee that we cut back the projects of 2½ percent but send the bill back to the President with the 63 new starts intact, establishing once and for all the right of the people's branch to initiate projects deemed essential by the people's branch to the preservation, protection and development of our country.

Mr. Chairman, on a rollcall vote, my motion prevailed by a vote of 19 yeas to 17 nays, with 1 voting present. Thus, the bill came back to the Congress with these new starts intact and the right of the people's branch to preserve our country was saved by a vote of 280 to 121 in the House of Representatives and 72 to 23 in the Senate. A number of newspapers throughout the country were gracious enough to express their thanks for the successful resolution in the following words:

This action resolved the retention of the right of the Congress to initiate public works projects, a right which has proven so necessary in the preservation of our national strength and freedom.

TELLICO DAM DECISION

Mr. Chairman, the Supreme Court decision on the snail darter-Tellico Dam is unbelievable. We have all seen the Court encroach more and more upon the powers of the executive and the legislative branches of our Government, in my judgment far beyond that authorized by the Constitution. Truly, this and other decisions make one wonder if we should not have an overall investigation of this encroachment by the judiciary upon the powers given to the Congress and to the President under our Constitution.

Now, insofar as the Endangered Species Act is concerned, it is clear to me and I think it would be to any reasonable man that the intent was never to stop the development of our country but that endangered species be protected by removal as otherwise. The act, itself, provides that—

Before declaring a species be endangered or threatened, the Secretary of the Interior should make a reasonable effort to be sure a newly discovered species does not exist in other places in addition to the place where the specimen has first been found.

Not only that, which has not been done, but the act provides that endangered species may be removed and otherwise protected.

Mr. Chairman, in the instant case, where a dam deemed beneficial by many Congresses, by many people, by many departments and agencies has been stopped at the last minute in contravention of the terms of the Endangered Species Act and the Court decision, in its efforts to make the Congress look silly, in its efforts to—the Supreme Court decision makes the Court ridiculous, for it is so clearly out of line that whatever action it takes on our part to stop such decisions should be taken. First, we need to amend the statute, then we need not only in this case but for other reasons which I shall discuss later, we need to investigate the overall imposition of the personal viewpoints of the members of the Supreme Court on the Nation even though in the process they step over bounds on their limited authority which the Constitution gives them. It could be that the Congress needs to establish new limits on jurisdiction not only in this field, but with regard to law enforcement or failure to, and in other areas.

Mr. Chairman, as evidence of what is involved here, I quote from last year's hearings on page 202, volume 1, Appropriations Subcommittee of which I am a member. I quote:

Mr. WHITTEN. Tell us what we need to do on this committee in the way of providing a habitat equally as good, where we won't have to get rid of the endangered species, but can proceed with the highway. (The same applied to the snail darter.)

Mr. GREENWALT (Director, U.S. Fish and Wildlife Service). I would be pleased to provide that. I would like, if I might, to philosophize just a bit because I happen to agree with you about using the Endangered Species Act, and more importantly an individual species, to stop something that cannot be stopped in some other way. All of us who administer this act are professional biologists, with a great respect for evolution and biological processes, and we find it difficult to accept the idea that living creatures with which we share the Earth are being used as hostage in many of these conflicts you just described.

We are able, in my judgment, to resolve the conflicts that develop, to be brutally frank, if people will just let us do so.

As you know, people who find the need to stop projects they cannot stop in some other way will use the act and the species involved to achieve that end, which is a prostitution of the act, and it denies the value of the creature involved, in my judgment.

Mr. Chairman, our Committee on Appropriations needs the backing of the Congress in our fight here. May I say further, the people of the Nation in this case need us to win.

The right of initiating projects for the improvement of our environment, to better serve our needs while protecting our environment, we must return to the people and their representatives, the Congress. Otherwise, our standard of living will drop to the low level of other people around the world who are dependent upon us today for much of their livelihood, for much of their food.

It is to be noted that the executive branch recommends increases in funds for various foreign aid programs, which I have opposed, for public works in foreign lands.

AMENDMENT OFFERED BY MR. PRICE

Mr. PRICE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PRICE: Page 5, after line 25, insert the following new section:

GENERAL PROVISION

SEC. 101. None of the funds appropriated by this title shall be available for any purpose related to the obtaining or issuing of a license to operate the waste isolation pilot plant, Delaware Basin, southeast New Mexico (Project 77-13-f), or for any purpose related to the storage at such plant of radioactive waste not resulting from the national defense activities of the Department of Energy.

Mr. PRICE. Mr. Chairman, this amendment is very simple. I have discussed it with the gentleman from Alabama (Mr. BEVILL), the distinguished chairman of the Subcommittee on Public Works, and I hope that it is acceptable.

This amendment deals with the waste isolation pilot plant which is located near Carlsbad, N. Mex., which has been justified to the Congress as a research and development facility to demonstrate whether radioactive wastes from the defense activities of the Department of Energy can be successfully stored underground. If the project is built and storage methods are found to be acceptable, the pilot plant will be converted to a full-scale radioactive waste repository that will have the capacity to store all low-level and intermediate-level waste generated by the Department of Energy through the end of the century.

The purpose of this amendment is to insure that the Department of Energy will go ahead with the project as it was authorized by the House on May 17 of this year when H.R. 11686 was passed.

There has been some talk by persons within the Department of Energy that this project will be converted into a dual-purpose facility where up to 1,000 spent fuel elements from commercial powerplants will be stored. The Armed Services Committee has also been told that the Department of Energy may attempt to have this project licensed by the Nuclear Regulatory Commission. Both of these actions would be contrary with the purpose for which appropriations are authorized for the project; that is, the storage of waste generated by the national defense activities of the Department of Energy.

I am advised that there is more than $150 million in this appropriation bill for the civilian waste management program which includes the storage of spent fuel assemblies from powerplants. That is a civilian program under the authorizing jurisdiction of the Science and Technology Committee, and I support it.

With regard to licensing of the national defense waste management program, of which the waste isolation pilot plant is a part, I can say that section 202 of the Energy Reorganization Act of 1974 specifically exempts the project from the licensing and regulatory authority of the Nuclear Regulatory Commission.

Testimony before the Armed Services Committee indicated that 2 years would be wasted on an expensive licensing process for this project, to obtain a license which is not even required by law. This is a wasteful use of the taxpayers' money. The Department would be faced

with a "chicken and egg" situation in any event since the data from the operation of the pilot plant would be necessary in arriving at a licensing decision and no operating experience could be obtained from the project until a license is issued.

It is the purpose of this amendment to prevent such a situation from happening and to tell the Department of Energy to get on with the job and to finish this project as it was originally conceived. I urge the adoption of the amendment.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the chairman of the subcommittee.

Mr. BEVILL. Mr. Chairman, I would like to state that we are familiar with this amendment, and we accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. PRICE).

The amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman. one matter which I have not earlier pursued with the committee is the development of water conveyance facilities in block 26 of the Columbia basin project in eastern Washington. The construction of water conveyance facilities in block 26 will exhaust the water supply capabilities of the existing Bacon Siphon and Tunnel. The Bureau of Reclamation is requiring negotiation of a new service contract before the construction of facilities commences in block 26. This requirement of a new contract for a block of lands designed for service from existing facilities is counter to both expressed and implied Bureau policies over the years.

Two points, Mr. Chairman, are compelling to the argument that block 26 should be serviced under the terms of the existing Bacon Siphon and Tunnel No. 1 contract:

First, the fact that the master delivery system from siphon and tunnel No. 1 are in place up to the boundaries of block 26 and all that remains to be done in construction of the distribution system within the block; and second, beginning in 1966, the Bureau undertook a program of U.S. land "exchange" and "in-lieu-of-drainage" sales in block 26, and, in all cases of either exchange or sales, it was represented by the Bureau of Reclamation that the U.S.-owned lands were in areas that would be developed in the near future without change in construction obligation or other contractual obligations.

I have called this matter to the attention of the Honorable WARREN MAGNUSON, chairman of the Appropriations Committee in the other body, and I am confident that the other body will act favorably on language acceptable to the farmers of block 26 who now wait for an early resolution of this dilemma. I ask the chairman of the subcommittee, Mr. BEVILL, to consider my remarks and, having done so, I urge him to accept the appropriate language when this matter homes before the conference committee.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the chairman of the subcommittee.

Mr. BEVILL. I appreciate the gentleman's calling the attention of the House to this very serious matter and, we certainly will be sympathetic to action by the other body with respect to this matter.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding, and I want to commend the gentleman from Washington for bringing this to the attention of the House.

Mr. Chairman, this is a serious problem. The gentleman has been diligent in pursuing this before our subcommittee, and I want to assure him that I support his actions.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman for his continuing support.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. ANDERSON of California. Mr. Chairman, I thank the gentleman for yielding to me. I was one of the 125 Members who testified before the distinguished subcommittee chairman, Mr. BEVILL. My testimony was in support of full funding for the Los Angeles/Long Beach navigation project.

I want to thank the chairman and his subcommittee for adding $5 million for fiscal year 1979 to initiate construction, and $155,000 to continue the study of water and surface transportation needs resulting from expansion and further development of the two San Pedro Bay ports.

The committee did this before the President announced his support for full funding of these projects. I also testified before Senator STENNIS' subcommittee.

These navigation improvements consist primarily of dredging the Los Angeles Harbor main channel from a depth of 35 feet to a depth of 45 feet and disposing of the dredged material as provided for in the Water Resources Act of 1976. The project's estimated cost is $16,580,000 and it is expected to take 2 years for completion. An appropriation of $7 million was the U.S. Army Corps of Engineers' expressed capability for the fiscal year 1979, to keep the project on schedule.

The $155,000 to be appropriated will continue the study of water and surface transportation needs resulting from expansion and further development of the two San Pedro Bay ports. This study was authorized by section 163 of the Water Resources Development Act of 1976. The Corps of Engineers expressed a capability of $200,000 to continue this study in fiscal year 1979.

The twin San Pedro ports of Los Angeles and Long Beach comprise the largest harbor complex, in terms of tonnage handled, on the west coast and the third largest in the Nation. These ports serve a market area generally to the west of the Rocky Mountains—about one-quarter of the continental United States.

The economic study of the Ports of Los Angeles and Long Beach reveals that in 1974 the flow of waterborne commerce through the ports generated, both directly and indirectly, over 218,000 jobs; in excess of $2.5 billion in payrolls; nearly $10 billion in gross business revenue; and $3.9 billion in local business purchases in the southern California area of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. The waterborne, commerce-related employment of 218,000 jobs represents 5.3 percent of the total employment in the five-county area and 7.6 percent of the total wages and salaries paid in the area.

In addition to being an economic center of activity for the Southwest, these ports benefit the entire Nation through sizable customs receipts. According to the U.S. Customs Service, customs collected for cargo moving through the Los Angeles Customs District totaled nearly $744 million for fiscal 1977; 48 percent of that total, or $357 million, is attributable solely to the Port of Los Angeles.

While San Pedro Bay ports are thriving, they are not being utilized to their full capacity. The water depth of the main channel of the Los Angeles Harbor is 35 feet at present and will accommodate only 51 percent of the world's container fleet, and that represents only 34 percent of the container fleet carrying capacity. Increasing the channel depth to 45 feet will accommodate all of the world's container fleet. With a benefit-to-cost ratio of 7.6 to 1 indicating the economic feasibility and importance of this project, it should not be delayed.

In testifying before the House Public Works Subcommittee on Water Resources in 1976, Colonel Rathburn, Assistant Director of Civic Works, Pacific, of the Corps of Engineers, stated:

> Optimum development of both Ports (Los Angeles and Long Beach) is necessary if the anticipated growth of the Southwestern United States is to be supported. In world commerce, the trend is toward larger, deeper draft vessels. The existing project depths are inadequate for these newer generation ships.

I would like to point out that the corps' project benefit-to-cost ratio of 7.6 to 1 was premised on a normal growth rate in the trade to be carried by vessels requiring deeper harbor depths. However, new developments are rapidly taking place in the maritime trade, and it is now evident that a significant movement of Far East cargoes is being diverted from the all-water Panama Canal route to west ports for rail transport to the Eastern United States, eastern ports and for continued shipment to Europe—commonly referred to as minibridge, microbridge, maxibridge, or as land-bridges, depending on the cargo's ultimate destination.

The development of these land-water "bridges" represents a trend approaching the magnitude of the container revolution of the 1950's and is likely to result in an additional 3.3 million tons of cargo annually for the Port of Los Angeles. It is projected that this development will result in projected savings in freight costs of $39 million per year which should be added to benefit/cost ratio calculations.

In addition, 47 percent of the Japanese specialized auto carriers require harbor depths over 35 feet and up to 45 feet.

National defense needs for deep draft U.S. Merchant Marine vessels being constructed and operated under the Maritime Administration's differential subsidy program in accordance with Department of Defense requirements, also require greater channel depths.

In light of these facts—the excellent return on the Federal investment, the urgent need for the channel deepening, and the economic well-being of the Southwest—the quickest possible completion of the dredging project is justified. This would only be possible with the appropriation of $5 million for fiscal 1979.

As the Ports of Los Angeles and Long Beach continue to grow to meet the needs of the United States in the international trade market, we are faced with severe transportation problems locally. Access to the ports, both in terms of transporting goods for export and transporting imported materials inland, is rather poor. For instance, there is a gap of about 1½ miles between the Terminal Island Freeway, originating at the ports, and the San Diego Freeway. Thus, trucks traveling from the ports to the San Diego Freeway must travel on surface streets, impacting adversely upon many residential areas. In order to consider means of alleviating this burden upon this residential area caused by the growth of these international ports, Congress in 1976 authorized the Corps of Engineers to study water and surface transportation needs resulting from the expansion and further development of the San Pedro Bay ports. The purpose of this section is to determine the effect that Federal funding for these ports will have upon the overall water and surface transportation needs of the area. Long-term planning for major transportation arteries to serve the Ports of Los Angeles and Long Beach, as well as the U.S. Naval facilities, is essential for the proper economic development and utilization of the area. As such, I ask support for the $155,000 so that the corps may continue this study.

Thank you.

Mr. McCORMACK. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MR. WEISS

Mr. WEISS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WEISS: Page 5, after line 17, insert the following new section:

PRODUCTION OF ENHANCED RADIATION WEAPONS

SEC. 101. None of the funds provided under this title shall be available for the production of enhanced radiation weapons.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from California (Mr. CHARLES H. WILSON) reserves a point of order.

Mr. WEISS. Mr. Chairman, is that reservation timely?

The CHAIRMAN. The gentleman had not begun his remarks and, therefore, the reservation was timely.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I withdraw my reservation of a point of order.

Mr. WEISS. Mr. Chairman, I appreciate the gentleman's withdrawing his reservation of the point of order.

Mr. Chairman, in discussing this amendment, in discussing the whole issue of the enhanced radiation weapon, the so-called neutron bomb, I think we ought to keep in perspective that we are not just talking about another weapon or another weapons system. We are talking about a nuclear weapon, the utilization of which, in the estimation of just about anyone who has had anything to say about it, would unleash an escalation which ultimately would result in all-out nuclear war and the destruction of civilization as we know it.

I think it may be worth placing into perspective what we are talking about, as far as damage is concerned. A Senate study has concluded that prompt fatalities and fallout fatalities from a nuclear attack on American soil, would be between 90 and 100 million; that there would be another 35 million Americans who would require medical attention. That means that close to one-half of our population would be killed and another 35 million would require medical attention.

Damage and fatalities to the same degree would occur if a retaliatory attack were unleashed against the population of the Soviet Union.

So we are not just talking about a battlefield weapon, an antitank weapon, no matter how it is disguised. We are talking about a weapon whose utilization would unleash the kind of military holocaust that the world has never known before. Nor should it be assumed that this prediction of escalation is just scaremongering by those who are opposed to the use of the neutron bomb.

On July 12 of last year, President Carter stated:

My guess is that the first use of atomic weapons might very well quickly lead to a rapid and uncontrolled escalation and the use of even more powerful weapons, with possibly a worldwide holocaust resulting.

The last time when there was—prior to this past year—any kind of great public debate about the use of tactical nuclear weapons the issue found its way into the 1964 Presidential campaign. The Republican candidate for President suggested then that small tactical nuclear weapons should be considered conventional weapons and that authority to use them should be given to local commanders.

President Johnson, in emphatically rejecting that proposal, said as follows:

Make no mistake, there is no such thing as a conventional nuclear weapon. For 19 terror-filled years no nation has loosed the atom against the other. To do so now is a political decision of the highest order. It would lead us down a path of blows and counterblows whose outcome none may know.

Mr. Chairman, we have survived this age of nuclear terror for another 14 years. The world has been lucky. There is no guarantee that that which has always occurred, that is, war between major nations, will not occur again. We have an obligation to try to reduce the prospect that nuclear weapons would be used in that kind of war.

Interestingly and persuasively, although the Members of this body seem very reluctant to confront the issues as it exists, the American people themselves have focused on the issue, have confronted it, and have come down in opposition to the production of the neutron bomb.

The CHAIRMAN. The time of the gentleman from New York (Mr. WEISS) has expired.

(By unanimous consent, Mr. WEISS was allowed to proceed for 3 additional minutes.)

Mr. WEISS. Mr. Chairman, in a Harris poll issued on May 25 of this year, Harris begins a release entitled "Public Now Opposes Building of Neutron Bomb," with this paragraph:

A major shift in public attitudes toward the neutron bomb has taken place in the United States. Last July, a 44 to 38 percent plurality favored producing the bomb. Now a 47 to 35 percent majority opposes it.

Mr. Chairman, lest there be any question as to what the public was responding to, here is the question that was posed to those surveyed:

This country has developed a new nuclear weapon that is called a neutron bomb. Now President Carter has postponed a final decision on allowing the neutron bomb to be produced. This new bomb is different from any other because it does not destroy tanks, installations, or fortifications by blast. Instead, it kills enemy soldiers, tank operators, and other military personnel by radiation within a confined area.

All in all, do you favor or oppose the United States producing a neutron bomb?

By a vote of 47 to 35 percent, those surveyed said that they opposed it.

It seems to me, Mr. Chairman, that it is time for this Congress to catch up with the realities which the American people are facing.

Yesterday's New York Times carried a story on the Southern Baptist convention in Atlanta. That convention adopted a resolution urging that the U.S. Government adopt a policy "that this Nation will never be the first to use nuclear weapons."

The production and then the utilization of neutron bombs would fly in the face of that basic premise. The American people understand that that neutron bomb, promoted as an antitank weapon, is by its very nature intended to be used first.

Mr. Chairman, by failing to halt production of the neutron bomb, we may be hastening the end of civilization as we know it. I do not believe that this Congress would want that on its conscience.

Mr. BEVILL. Mr. Chairman, I rise in opposition to this amendment. There is not one dollar in this bill to build the neutron bomb. As a matter of fact, on May 17 this House voted, by a vote of 306 to 90, against substantially this same question. The House voted against tying the Commander in Chief's hands in making a production decision.

The bill on May 17, H.R. 11686, was handled by the chairman of the Armed Services Committee. It provides that no production funds could be made available unless the President of the United States certifies to the Congress that it

is in the best interests of this country. So, every precaution has been taken.

Now, let us not tie the Commander in Chief's hands on this very sensitive matter by an amendment on this bill. I urge the Members to vote against this amendment.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I appreciate the gentleman yielding to me.

Is the gentleman saying (a) that there are no moneys in this appropriation measure for the production of neutron bombs; and (b) yet, moneys from it could in fact still be used, and that is why the amendment should not be adopted?

Mr. BEVILL. The first statement is correct. There is no money in this bill for production. In the second place, they could not use it if there were because the President would first have to certify to the Congress that production is in the best interests of the country.

Mr. WEISS. Where would the money come from if the President so certified?

Mr. BEVILL. If the President so certifies and the Congress agrees with him, then this committee will certainly help to provide the funds for production.

Mr. WEISS. If the gentleman will yield further, does the gentleman recall the colloquy that I had at the time we were discussing the authorization measure with the distinguished chairman of the Armed Services Committee, in which it was suggested that even though there were no specific funds in that authorization measure or in this appropriation measure, that there could be moneys shifted from other sources, such as research and development funds, for example, or other funds, for the purpose of producing neutron bombs?

Mr. BEVILL. There could be no funds shifted without the approval of the cognizant committees of this Congress.

Mr. WEISS. What harm would ensue if there were no funds in here to begin with, in adopting this amendment which says that no funds can be used?

Mr. BEVILL. The harm is that it will tie the President's hands on a very sensitive issue being discussed at this very moment.

Mr. WEISS. If the gentleman will yield finally, then the gentleman does not consider the prospect of the kind of nuclear holocaust we are speaking about worth the Congress taking a position on?

Mr. BEVILL. I did not hear the question. Would the gentleman repeat the question?

Mr. WEISS. The gentleman does not feel that it is worthwhile for this Congress to take a position in opposition to the production of the kind of weapon which we describe as setting off a worldwide nuclear holocaust?

Mr. BEVILL. In my opinion, the question of production is a matter that should be left in the hands of the President at this time.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I do not think the Congress has ducked this issue. There have been two or three occasions on which the Congress has taken a position in opposition to the position of the gentleman from New York. The Congress has voted on this, and is prepared to vote again right now.

Mr. JOHN T. MYERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I reemphasize and repeat what the chairman has said, that there are no funds in this appropriation bill. I urge a no vote on this amendment.

As the chairman has said, the decision has been made repeatedly by this Congress on this type of amendment. But, there are no funds in here, and there would be no funds unless the President makes a determination and comes back to Congress. Therefore, I urge a no vote.

Mr. EDWARDS of California. Mr. Chairman, I rise in support of the amendment.

It seems to me that it is impossible to debate this issue too often. When I came to this House of Representatives more than 15 years ago, I think an issue that led me to run for Congress more than any other was the fact that we were living in the age of nuclear weapons. For a number of years here we have debated nuclear development very earnestly and diligently, and yet we shall have a serious problem. More nations have the atom bomb and nuclear weapons than 15 years ago. Every year it gets worse. Nuclear holocaust comes closer every year.

I wish the galleries were full, I wish that the House were full of people every time that this issue is debated, because I think it is that important. I think we owe a debt of gratitude to the gentleman from New York (Mr. WEISS) for continuing to bring this to the House of Representatives.

For a number of years we debated day after day here, and in the Senate there was also debate, on whether or not there should be underground testing and testing in the atmosphere. Finally we agreed, and it was agreed internationally, there would not be testing in the international atmosphere. They were great steps forward.

But the only way we can make progress here is to repeatedly debate it and vote on it.

I know of no European nation that has said they want us to develop the neutron bomb. I read the newspapers very carefully. I even take an English newspaper. Not a single nation has said that the United States should develop the neutron bomb.

We know the great distress that the Soviets have indicated when word comes that Congress is in favor of developing the neutron bomb. As a matter of fact it will not take more than a few months, or a few years at the very most, for them to develop their own neutron bomb if we move ahead with it.

I cannot see where it adds to our security. It can only lower the nuclear threshold.

So I would hope we would have a vote on this and that more Members of the House would vote in favor of the amendment than did the last time, and I hope in a few more weeks we would have to debate and vote on it again.

This issue is more important than energy or inflation and it is more important than many other issues. It has to do with the continued survival of this Earth.

So I urge a vote in favor of the amendment.

Mr. SIMON. Mr. Chairman, I have not spoken on the floor on this issue—I take that back: I did on one occasion. But increasingly—and I recognize what is going to happen on the vote and the amendment is going to be defeated, but I think the words of our colleague, the gentleman from California, are important: That we face up to some things here.

I think that what is involved is security. We have to recognize: First, that if we go ahead the Soviets will also; I think, second, what is extremely important—and yes, incidentally until the decision was reversed by Defense Secretary Schlesinger, the military opposed the development of the neutron bomb—is that we cannot have the controls on the neutron bomb weapon, which is a small H-bomb, that we do in every other type of nuclear weapon we have. We are talking about an antitank weapon that has to be put on the front lines to be effective, and it has to be scattered along the front lines to be effective.

And who makes the decision? Well, there are a lot of people who have to make that decision. Then what happens? Whether on the Soviet side or our side, retaliation would probably come in nuclear terms.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr SIMON. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. I thank the gentleman for yielding.

Mr. Chairman, I think my friend, for whom I have the greatest respect, is mistaken about how nuclear weapons can be used by any U.S. Forces or NATO forces if they are weapons which we control.

None of them can be used unless the President gives the approval of using them, I do not care where they are deployed or what the situation is in NATO or anyplace else, the President has to give the approval before that thing can be launched.

Mr. SIMON. That is the present situation and the point I make is precisely the point that the gentleman from California has just made. You are talking about a one-kiloton bomb, enhanced radiation weapons that have to be scattered along the whole front in order to be effective, because it is an antitank weapon, that is what it is and it has to be deployed that way in order to be effective. We lose the centralized control we now have.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the chairman of the subcommittee, the gentleman from Alabama (Mr. BEVILL).

Mr BEVILL. Mr. Chairman, I would like, if I may just take one moment here

to read section 209 of H.R. 11686, that was passed by the House on May 17 after this issue was debated extensively here in the House:

"SEC. 209. No funds authorized to be appropriated by this Act may be used for the production of enhanced radiation weapons unless the President certifies to the Congress that the production of such weapons is in the national interest and submits a report to the Congress stating his reasons for such production."

Mr. SIMON. Mr. Chairman, let me say to the distinguished gentleman from Alabama (Mr. BEVILL) that I am pleased that language is there. Also that I applaud the President for the decision he had made. I am concerned with simply the authorization and the possibility that some future President is going to make the wrong decision, and I think we have to be careful on that point.

So, Mr. Chairman, I will be supporting the amendment offered by my colleague from New York (Mr. WEISS) knowing full well it is going down but, nonetheless, I believe that the gentleman has performed a great public service by calling our attention to something that, until I started reading about it, I did not have the knowledge to know what we were doing.

Mr. JOHN T. MYERS. Mr. Chairman, if the gentleman will yield, the gentleman from Illinois (Mr. SIMON) just commented that he was satisfied with the language, but the gentleman did not refer to some future appropriation. Since this is the appropriation for 1979, does the gentleman believe we are planning to change Presidents in 1 year?

Mr. SIMON. Of course we are not. But I simply say that I believe we have to be careful to set a pattern that we leave it up to the President to make a decision that is so vital that the Congress itself ought to be involved in that decision-making.

Mr. WEISS. Mr. Chairman, if the gentleman will yield, the point that the gentleman makes is a very profound one and that is the question as to who really gives the authorization to use nuclear weapons and under what circumstances.

It is so disturbing and so profound a question that in December of 1975, the Subcommittee on International Security and Scientific Affairs of the Committee on International Relations issued a report.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. WEISS, and by unanimous consent, Mr. SIMON was allowed to proceed for 2 additional minutes.)

Mr. WEISS. Mr. Chairman, if the gentleman will yield further, that report was entitled "Authority To Order The Use of Nuclear Weapons (United States, United Kingdom, France, Soviet Union, People's Republic of China)," and the thrust of the report as far as the United States is concerned, and I urge all of our colleagues to read it, is that there is a gray, hazy area, and that the overwhelming likelihood is that the President did have the power to delegate that authority, and that there is no guarantee that the authorization would come from the President under wartime conditions. So we have to concern ourselves with who gives the go-ahead.

Mr. SIMON. There is no question that with the neutron bomb you diminish the control the President has on these weapons, and that is a fundamental point we should know.

We all remember that Woodrow Wilson called the First World War "the war to end all wars" but if we have another war that is going to be precisely what Wilson described.

Mr. WEISS. Mr. Chairman, if the gentleman will yield still further, there is a study which I would commend to my colleagues appearing in Arms Control Today issue of June 1978.

The study entitled, "A Military Perspective of the Enhanced Radiation Warhead" is by a retired general named Arthur S. Collins, Jr. General Collins was the Deputy Commander in Chief of the U.S. Army in Europe. He says,

Ask any U.S. commander what he would do if his units were hit by a few small nuclear weapons. The response would be a request for all the nuclear firepower he could get.

So the gentleman is quite right. Once we start down the road of using any size nuclear weapon, we are going all the way.

Mr. SIMON. I think that is absolutely correct. I commend my colleague.

Mr. RISENHOOVER. Mr. Chairman, I move to strike the requisite number of words. I do not intend to take the full 5 minutes, but I just wanted to comment on the remark of my friend, the gentleman from Illinois. When Woodrow Wilson said that that war would be the war to end all wars, he had no idea, I suppose, that a fellow named Chamberlain was going to be the Prime Minister of England.

I cannot believe this. I am really dismayed that there are still people in this body who think that the Russians or Communists are motivated not to do things because we fail to take action. I just do not think that that is going to hold. I think the Russians are just buying time to develop weapons superior to ours, while we hold back on the development of these things that might keep us superior to them. The only way we are ever going to maintain peace in the world, is be strong enough so that the Communists will not attack us or any other part of the world.

I understand how my friend, the gentleman, feels, but I just think we really are drifting further and further and faster and faster in the wrong direction if we really want to maintain the kind of free country that we have grown up in and have been able to enjoy.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. WEISS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WEISS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 67, noes 259, not voting 108, as follows:

[Roll No. 465]

AYES—67

AuCoin	Hannaford	Panetta
Baldus	Harkin	Pease
Bedell	Hawkins	Pressler
Beilenson	Holtzman	Pursell
Bingham	Kastenmeier	Rahall
Bonior	Kildee	Rangel
Brodhead	Kostmayer	Rosenthal
Brown, Calif.	Lehman	Schroeder
Burke, Calif.	Lundine	Seiberling
Burton, Phillip	McHugh	Sharp
Cavanaugh	Maguire	Simon
Chisholm	Markey	Steers
Clay	Mazzoli	Stokes
Cornell	Meyner	Studds
Dellums	Mikulski	Thompson
Diggs	Mikva	Vanik
Drinan	Miller, Calif.	Walgren
Early	Mitchell, Md.	Weaver
Edgar	Moakley	Weiss
Edwards, Calif.	Moffett	Wirth
Eilberg	Nolan	Yates
Fenwick	Oberstar	
Forsythe	Ottinger	

NOES—259

Abdnor	Dodd	Leach
Akaka	Downey	Lederer
Alexander	Duncan, Oreg.	Leggett
Ammerman	Duncan, Tenn.	Lent
Anderson, Calif.	Edwards, Ala.	Levitas
	Edwards, Okla.	Livingston
Anderson, Ill.	Emery	Lloyd, Calif.
Andrews, N.C.	English	Lloyd, Tenn.
Andrews, N. Dak.	Ertel	Long, La.
	Evans, Colo.	Long, Md.
Annunzio	Evans, Del.	Lujan
Applegate	Evans, Ga.	Luken
Ashbrook	Evans, Ind.	McClory
Bafalis	Fascell	McCloskey
Barnard	Findley	McCormack
Baucus	Fish	McDade
Bauman	Fisher	McDonald
Beard, Tenn.	Flippo	McEwen
Benjamin	Flood	McFall
Bennett	Florio	McKay
Bevill	Flynt	McKinney
Blanchard	Fountain	Madigan
Boggs	Fowler	Mahon
Boland	Fuqua	Marks
Bowen	Gammage	Marriott
Brademas	Gaydos	Martin
Breckinridge	Gephardt	Mathis
Brinkley	Gilman	Mattox
Brooks	Ginn	Meeds
Broomfield	Goldwater	Miller, Ohio
Brown, Mich.	Gonzalez	Mineta
Brown, Ohio	Gore	Minish
Broyhill	Gradison	Mitchell, N.Y.
Burgener	Grassley	Mollohan
Burke, Fla.	Green	Montgomery
Burke, Mass.	Gudger	Moore
Burleson, Tex.	Guyer	Moss
Burlison, Mo.	Hall	Murphy, N.Y.
Butler	Hamilton	Murphy, Pa.
Byron	Hanley	Murtha
Carney	Harris	Myers, Gary
Carr	Harsha	Myers, John
Carter	Heckler	Myers, Michael
Cederberg	Hefner	Natcher
Chappell	Heftel	Neal
Clausen, Don H.	Hightower	Nix
	Hillis	Nowak
Clawson, Del	Hollenbeck	Obey
Cochran	Holt	Patten
Coleman	Howard	Pepper
Collins, Tex.	Hubbard	Perkins
Conable	Hughes	Pettis
Conte	Hyde	Poage
Corcoran	Ichord	Preyer
Corman	Ireland	Price
Cornwell	Jeffords	Pritchard
Coughlin	Jenrette	Quillen
Cunningham	Johnson, Calif.	Railsback
D'Amours	Johnson, Colo.	Regula
Daniel, Dan	Jones, N.C.	Reuss
Daniel, R. W.	Jones, Okla.	Rhodes
Danielson	Jones, Tenn.	Rinaldo
Davis	Jordan	Risenhoover
de la Garza	Kazen	Robinson
Delaney	Kelly	Roe
Derrick	Kemp	Roncalio
Derwinski	Kindness	Rooney
Devine	Krebs	Rose
Dickinson	LaFalce	Rudd
Dicks	Lagomarsino	Ruppe
Dingell	Latta	Ryan

Santini	Stratton	Whitley
Scheuer	Symms	Whitten
Schulze	Thone	Wiggins
Sebelius	Traxler	Wilson, Bob
Shuster	Treen	Wilson, C. H.
Skelton	Trible	Wilson, Tex.
Skubitz	Tucker	Winn
Slack	Van Deerlin	Wolff
Smith, Iowa	Vander Jagt	Wylie
Smith, Nebr.	Volkmer	Yatron
Snyder	Waggonner	Young, Alaska
Spence	Walker	Young, Fla.
Staggers	Wampler	Young, Mo.
Stangeland	Watkins	Young, Tex.
Stanton	Waxman	Zablocki
Steiger	Whalen	
Stockman	White	

NOT VOTING—108

Addabbo	Giaimo	Pike
Allen	Gibbons	Quayle
Ambro	Glickman	Quie
Archer	Goodling	Richmond
Armstrong	Hagedorn	Roberts
Ashley	Hammer-schmidt	Rodino
Aspin		Rogers
Badham	Hansen	Rostenkowski
Beard, R.I.	Harrington	Rousselot
Biaggi	Holland	Roybal
Blouin	Horton	Runnels
Bolling	Huckaby	Russo
Bonker	Jacobs	Sarasin
Breaux	Jenkins	Satterfield
Buchanan	Kasten	Sawyer
Burton, John	Ketchum	Shipley
Caputo	Keys	Sikes
Cleveland	Krueger	Sisk
Cohen	Le Fante	Solarz
Collins, Ill.	Lott	Spellman
Conyers	Mann	St Germain
Cotter	Marlenee	Stark
Crane	Metcalfe	Steed
Dent	Michel	Stump
Dornan	Milford	Taylor
Eckhardt	Moorhead, Calif.	Teague
Erlenborn		Thornton
Fary	Moorhead, Pa.	Tsongas
Fithian	Mottl	Udall
Flowers	Murphy, Ill.	Ullman
Foley	Nedzi	Vento
Ford, Mich.	Nichols	Walsh
Ford, Tenn.	O'Brien	Whitehurst
Fraser	Oakar	Wright
Frenzel	Patterson	Wydler
Frey	Pattison	Zeferetti
Garcia	Pickle	

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Nichols against.
Mr. Richmond for, with Mr. Sikes against.
Mr. Zeferetti for, with Mr. Roberts against.
Mr. Harrington for, with Mr. Pickle against.
Mr. Conyers for, with Mr. Ashley against.
Mr. John L. Burton for, with Mr. Murphy of Illinois against.
Mr. Garcia for, with Mr. Rogers against.
Mr. Beard of Rhode Island for, with Mr. Huckaby against.
Mr. St Germain for, with Mr. Satterfield against.
Mr. Glickman for, with Mr. Breaux against.
Mrs. Collins of Illinois for, with Mr. Steed against.
Mr. Vento for, with Mr. Ambro against.
Mr. Stark for, with Mr. Shipley against.
Mr. Metcalfe for, with Mr. Jenkins against.
Mr. Mottl for, with Mr. Milford against.
Mr. Biaggi for, with Mr. Solarz against.

Mrs. HECKLER changed her vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to titles I, II, or III.

If not, the Clerk will read.

The Clerk read as follows:

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), $545,000.

Mr. MIKVA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the committee report states that the committee "is cognizant of and concurs in and (sic) 300-foot wide Tennessee-Tombigbee waterway connecting the Demopolis and Pickwick Pools as currently being constructed and endorses the construction as being a worthwhile endeavor of national significance providing the congressionally intended basic transportation system while meeting acceptable environmental, economic, and social goals."

Mr. Chairman, the inclusion of this language in the committee report presents an interesting situation. As the Committee is well aware, there currently is pending a lawsuit in the U.S. District Court for the Northern District of Mississippi which challenges the existence of adequate congressional authority for the 300-foot Tennessee-Tombigbee Waterway. The issue has not been resolved. The committee report appears to be a possible attempt to influence or prejudge several of the issues which are properly before the court for resolution. In the absence of specific repealing or authorizing language, that is not the proper function of Congress or the committee. The function of the appropriations bill is to make funds available for the stated purposes and projects, and not to authorize or ratify projects or to amend or repeal existing legislation or to immunize projects from judicial review.

The Rules of the House of Representatives confirm that neither this bill nor the committee report can have the effect of authorizing particular projects or ratifying unauthorized projects or portions of projects. Such an attempt would be subject to a point of order under the rules of this House. (Rule XXI(2)).

Therefore, the language in the committee report is likely to be without legal effect. However, if it is intended to convey or confirm authorization of a 300-foot waterway for the project, it must be reiterated that the committee does not accomplish this by the enactment of this appropriation bill.

If the Corps of Engineers desires to expand the scope of their Tennessee-Tombigbee project, they must go to the Public Works Committee and to the full Congress for approval. To my knowledge, they have not yet done so, and the present language of the committee report cannot accomplish that purpose.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; official entertainment expenses (not to exceed $15,000); reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft; $321,487,000, to remain available until expended: *Provided*, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That moneys received by the Commission for the cooperative nuclear safety research programs may be retained and used for salaries and expenses associated with those programs, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and shall remain available until expended.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: Page 22, beginning in line 15, strike out "$321,487,000, to remain available until expended" and insert in lieu thereof "to remain available until expended, $323,007,000, of which $47,162,000 shall be available for nuclear reactor regulation.

Mr. JOHN T. MYERS. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Indiana (Mr. JOHN T. MYERS) reserves a point of order on the amendment.

Mr. DINGELL. Mr. Chairman, this amendment would provide an additional $1,152,000 to the NRC's Office of Nuclear Reactor Regulation. This Office is responsible for licensing the construction and operation of new nuclear powerplants. Presently, there is a large backlog of applications for construction permits, operating licenses, and amendments to operating licenses.

During the last fiscal year, the NRC was able to reduce the number of applications for license amendments by only 200, and 400 remain. There are 67 operating reactors, and 90 under construction, with 45 more awaiting a construction permit. The number of standards which must be complied with to license a plant has increased from a few thousand to over 20,000. Most importantly, the NRC has identified over 200 unresolved generic safety issues which must be addressed promptly. Yet, because of the limitations of the regulatory staff, which is presently authorized at the same level as fiscal year 1977, the Commission can address these generic safety issues only on a sporadic basis, when the staff is not committed to other projects.

The Commission's inability to address these unresolved generic safety issues expeditiously not only hinders the efficiency of the licensing process by delaying the licensing of new plants, but undermines the public's confidence in this source of energy. If the Commission is to be able to reduce the time needed to license new nuclear plants and develop public confidence in its procedures, it is essential that the Commission be given the funds to hire a staff capable of enabling the Commission to properly execute its responsibilities. The existence of this sizable backlog of license amendments and the number of unresolved generic safety issues demonstrates that the Commission is not presently capable of doing this.

The funds appropriated under this section would enable the Office of Nuclear Reactor Regulation to hire an additional 35 full-time personnel, which is 65 less than this Office requested. This Office has not been able to increase its staff in the last 2 years, and this limitation has

greatly inhibited its ability to function efficiently and expeditiously. The completion of planned nuclear plants when scheduled is essential if our electric energy demands are to be fully met. This increase would help alleviate the existing backlog and improve the efficiency of this process.

I therefore urge adoption of this amendment.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I thank my friend for yielding. I would like to support the amendment and point out that we get tremendous numbers of complaints about the tremendous delays in the regulatory process of licensing nuclear plants.

I sat in with the gentleman when we had hearings on the bill in the Energy Power Subcommittee, and this is one of the prime areas, the inadequate ability of the NRC to be able to process license applications. This would go a long way toward solving the problems which many, many Members have expressed.

Mr. DINGELL. I thank the gentleman. That is the point brought out in our hearings, the delay in authorizing these plants, although not attributable in its entirety to the NRC, is in large part related to the fact that the NRC does not have personnel to carry out its responsibilities.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(At the request of Mr. VOLKMER and by unanimous consent, Mr. DINGELL was allowed to proceed for 2 additional minutes.)

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would like to ask one other question. I had some information some time ago that applications for nuclear plants were considerably less in 1977 than they had been in prior years. Is that correct?

Mr. DINGELL. The answer to that question is "Yes."

Mr. VOLKMER. And that there are very few, if any, so far this year.

Mr. DINGELL. There has been a decrease in the number of applications for new plants. There are a number of reasons, such as reduced demand for electric power, and also bad capital and financing problems which have afflicted the industry. There are a large number of companies that want to go into the business.

Mr. VOLKMER. Some of it is also due to delays in the licensing structure?

Mr. DINGELL. A delay in the licensing structure actually is about the fourth most important, but that is the one which falls under the ability of the Congress to control by seeing to it that they have the staff and money to attack the problems.

Mr. VOLKMER. I thank the gentleman.

Mr. JOHN T. MYERS. Mr. Chairman, I withdraw my point of order.

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment. I do not like to be opposing my colleague, the gentleman from Michigan (Mr. DINGELL). I understand that the gentleman chairs a subcommittee which is looking at the Nuclear Regulatory Commission.

Mr. Chairman, the budget request for nuclear reactor regulation was for 616 personnel positions, an increase of 6 positions. The subcommittee approved the requested increase. We did not increase it further because there has been a significant decline in the principal workload of this office. Last year, there were 66 reactor units in some phase of the review process leading to the issuance of a construction permit or limited work authorization. Currently, there are only 38 such units in the review process. But Mr. Chairman, the real problem with the licensing process is not that there is a shortage of personnel or resources at the Commission. The real problem, in my opinion, is the management of existing resources. We had a GAO report on the licensing process. The report involved applications filed by the Tennessee Valley Authority. There are some administrative problems we could go into. Every Member of Congress should read that report. It is a shocking example of poor administration.

I hope the newest member of the Commission can help to straighten out many of their problems. The number of personnel is not the problem. We have approved the Commission's request.

Mr. OTTINGER. Mr. Chairman, if the gentleman will yield, it is my understanding the additional people we are talking about are inspectors, but the people the administration requested were requested for administration and not for license purposes, and my understanding is that they were not approved by the Appropriations Committee, and the inspection people are holding things up. They are the ones who have to make decisions on safety. If we want to speed up the process, these licensing people are indeed necessary and I hope they will be approved.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I would say to the gentleman from Alabama, I think his position is correct. As the ranking minority member of the Subcommittee on Energy and the Environment of the Committee on the Interior, I can say we heard extensive testimony from the NRC earlier this year. Right now our subcommittee is holding a series of hearings and considering a complete revamping of the nuclear regulatory process. These hearings may not be completed for some time, and we may recommend to change completely the manner of operation of this Commission. So while I sympathize with the desire of the gentleman from Michigan to speed up the process, the Congress is now in the process of rewriting the NRC licensing process, so it would be premature to approve these additional personnel now.

Mr. DINGELL. Mr. Chairman, if the gentleman will yield, I do not like to differ with my friend, the gentleman from Alabama, but we went back to find out what the levels were that were requested by the NRC here. I recognize what they told the Committee on Appropriations when they were before them, because they were told what to tell the committee by the Office of Management and Budget. They requested over 100 more people. The OMB said, no, they could have only 6 more. Their justification to OMB was that this additional number of people would add substantially to the efficiency of the licensing process and would enable them to cut down this backlog.

The committee did give exactly what OMB told them that they could have.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. DINGELL and by unanimous consent, Mr. BEVILL was allowed to proceed for 2 additional minutes.)

Mr. DINGELL. Mr. Chairman, if the gentleman will continue to yield, and I do thank the gentleman for doing so, the point I make is that we are trying to get nearer the level that was requested by the Nuclear Regulatory Commission in terms of the number of people they would actually need within the regulatory process to help dispose of the backlog. I agree with my good friend the gentleman from Alabama (Mr. BEVILL) and what he has said about the fact that there has been a deficiency in the number of commissioners down there, and they could not meet, and there were a number of things they could not do, and as I say that is true. The gentleman has dealt honestly with the House. But the fact of the matter is that this additional personnel is needed in the view of the Nuclear Regulatory Commission—not in the view of OMB. Again I want to commend the gentleman from Alabama (Mr. BEVILL). He has tried to be fair and he has tried to carry out the President's budget, but if we are going to abate this licensing backlog then we have got to give them some more people.

Mr. BEVILL. It is true that the NRC did request, according to the testimony before our subcommittee, more people. They said, "Yes we would like more people." Nearly every agency in the Government would like to have more than OMB allows them to ask for.

Also, the administration has submitted a new licensing bill. I think it would be wise for us to wait until it has considered this proposal rather than having people walking over each other down at the Commission.

Mr. DINGELL. Mr. Chairman, if the gentleman will yield still further, neither the gentleman from Alabama (Mr. BEVILL) nor anybody else in this Chamber can tell when that new licensing bill is going to be available. It may be something in excess of a year. And if we are going to attack this backlog, we have got to give them some people now. Because I do not think that licensing procedure, because of statutory and other changes, is going to be in place and functioning for at least the period of this appropriation bill.

Mr. JOHN T. MYERS. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment offered

by the gentleman from Michigan (Mr. DINGELL).

Mr. Chairman, of course every agency that comes before our appropriation subcommittees, as well as the authorizing committees, ask for more people.

Have you heard an agency say, "We don't need that many people?"

The GAO report that the gentleman from Michigan (Mr. DINGELL) cites does criticize the Nuclear Regulatory Commission, but it does not say that there is a shortage of people. It points to an in-house mismanagement of the people they have now.

They presently are authorized 2,662 positions in the NRC. It was not too many years ago that that same agency had only 1,200. Now they have 2,662 and in the supplemental we are recommending 61 additional positions. In this bill we add another 41 positions. If it is finally approved as reported, they will have more than 2,750 people in the NRC. This is $1,520,000 that would be wasted.

Yesterday, many of the Members voted to hold the line on some programs—and I am not going to criticize anyone at this point for their judgment. But I believe if they have the same enthusiasm and the same conviction for saving the taxpayers money, they will have to vote "no" on this amendment. Because, in the wisdom of this committee, after hearing all the witnesses and examining all of the evidence we had before us, which was the same as the gentleman from Michigan had, we have decided that this would be a waste, at least at this time. This agency is moving at a snail's pace now. We had 66 reactors on line last year in this country. They have only brought two more on line in the last year. I do not think this agency needs any additional people.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. JOHN T. MYERS. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I thank the gentleman for yielding. I just want to say this: I think that the gentleman has been fair in this matter. But I want to make it very clear that the number of questions that have to be ruled on in connection with the licensing has risen from several thousand to over 20,000 for each one of these because of safety questions that have come up, because of court cases, and because of the increasing complexity of these particular machines. They are not going to be able to move toward standardizing equipment and licensing for something on the order of 10 years, which means that during that period of time there is very little prospect of this country improving its licensing mechanism without more people to process the applications. I know my friend wants to be fair, and I understand he has a problem with holding down the lid on the budget, but this is pennywise and pound foolish.

Mr. JOHN T. MYERS. There are almost half as many pending applications as there were last year. Yet they have more people.

Mr. DINGELL. I agree, but we still have this monstrous backlog, and next year if we do not do something like this, we are going to find that the period for licensing is not going to be 12 years, but 13, and the following years 14, 15, and 16.

Mr. JOHN T. MYERS. We asked specifically if the problem was personnel, and they said no; it is a problem with administrative procedure. The decision has to be made about what the Chairman is talking about. The decision is going to have to be made not by these personnel but by the administration. In order to be able to go forward, we are going to have to reform the process. As long as we have the cumbersome system we have today, as long as we are not willing to accept facts we have learned through previous experience of licensing and operation of these reactors, we are not going to come down on the right side. Additional personnel is, in my judgment, only going to conflict and add to the problem.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TENNESSEE VALLEY AUTHORITY

PAYMENT TO TENNESSEE VALLEY AUTHORITY FUND

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C., ch. 12A), including purchase, hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, $154,531,000, to remain available until expended.

AMENDMENT OFFERED BY MR. DUNCAN OF TENNESSEE

Mr. DUNCAN of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DUNCAN of Tennessee: On page 23, line 19, strike the period and insert: ", of which $1,846,000 shall be for the completion of the Tellico Dam and Reservoir.".

Mr. DINGELL. Mr. Chairman, I reserve a point of order on this amendment.

Mr. DUNCAN of Tennessee. Mr. Chairman, I wish to rise to offer this amendment to the bill now before us. The purpose of my amendment is to establish in law the Congress desire to see that the Tellico Dam and Reservoir is completed and used as designed. I agree completely with the statement on page 132 of the report. My amendment would provide in legislation what we in the Congress intend as far as the status of this project is concerned. The project is already some 99 percent complete. My amendment would make it clear that the Congress intends for this project to be 100 percent complete, and used as designed.

The CHAIRMAN. Does the gentleman from Michigan (Mr. DINGELL) wish to press his point of order?

Mr. DINGELL. Mr. Chairman, no, I do not at this time.

Mr. BEVILL. Mr. Chairman, we accept the amendment.

Mr. JOHN T. MYERS. Mr. Chairman, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee (Mr. DUNCAN).

The amendment was agreed to.

Mr. DINGELL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Prior to the quorum call, a voice vote had been taken on the amendment offered by the gentleman from Tennessee (Mr. DUNCAN), and the Chair had indicated that the ayes had it, and the amendment was agreed to.

The Clerk will read.

The Clerk read as follows:

TITLE V—GENERAL PROVISION

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

This Act may be cited as the "Public Works for Water and Power Development and Energy Research Appropriation Act, 1979".

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONTE: On page 23, after line 23, insert the following paragraph:

Of the total budget authority provided in this Act, for payments not required by law, five per centum shall be withheld from obligation and expenditure: *Provided*, That of the amount provided in this Act for each appropriation account activity, and project, for payments not required by law, the amount withheld shall not exceed ten per centum.

Mr. CONTE. Mr. Chairman, I offer this amendment to provide for a 5-percent across-the-board cut in this public works appropriations bill, because I think we all should have another opportunity to show how fiscally responsible we are and how responsive we are to the much-ballyhooed proposition 13.

I would like to remind my colleagues again that earlier this week, when we acted on the Labor-HEW appropriations bill, we adopted two amendments that were described as having the effect of imposing a 5-percent across-the-board cut.

Yes, in order to tell the people back home that we were attentive to the public voice expressed through proposition 13, we voted to slash funds for education, health care, aid to the elderly, help for the poor. For some, that was not too hard.

Two nights ago, I gave this body a chance to again respond to proposition 13, when I offered, successfully, my amendment to provide a 5-percent across-the-board cut in the legislative

appropriations bill. We passed that amendment by a 52-vote margin.

Evidently, a substantial majority of this body agreed with my contention that there was enough fat right here in our own House—so much that we could put away the scalpel and take a meat ax to it.

Well, ladies and gentlemen, if we really want to find some fat, here it is. You do not have to be an oldtime farm boy to know that the best place to look for fat is the pork barrel.

Wednesday night I cited examples of free wall calendars, yearbooks, plants. I talked about expanding staffs and salaries, and I talked about Capitol policemen falling over one another. But I was talking about just a few million dollars.

But look what we have here. The target is so large that we cannot miss—even if we are not very adept with the meat ax.

We are asked to fund the Narrows Unit in Colorado, to the tune of $1.5 million this year, which will inundate three small towns, dislocate 825 people, eliminate 15,000 acres of irrigated land, and destroy 15 miles of prime riverbottom wildlife.

We are asked to fund, in this proposal, the Lufata Dam in Oklahoma, which will eventually cost the taxpayers $31.5 million, and 70 percent of its water will go to one "struggling entrepreneur"—a catfish farm.

We are asked, in this pork barrel proposition, to allocate $12 million to the Meramec Park Dam in Missouri. For what? Almost half of this little investment will, according to the Corps of Engineers, go to the important, high-priority national interest of "sightseeing"—that is, people coming not to boat, fish, or picnic but simply to gaze at what the corps has built.

We are asked to throw away $49 million to the Richard B. Russell Dam to be situated in the beloved State of our President. This investment will be to the benefit of the local residents, who are seeking relief in their electric bills. The proposed boondoggle will save those electrical consumers $1.15 million per year, or $1.25 per person per year. To further shock the members, this proposal will not even allow for the accompanying recreational benefits, since nobody at the State level wants to allocate the recreational funds.

We are asked to approve $75,000 for planning for the Fruitland Mesa project in Colorado. This little project will eventually cost the taxpavers $88.2 million and benefit only 56 landowners, each receiving $1.2 million in Federal giveaways.

Another project we are asked to fund, in the planning stage, is the Savery Pothook project, again in Colorado. This project will eventually cost the taxpayers $74.5 million, which will be divided up among 106 existing farms, which comes out to $700,000 per farm. What do you expect we get for this tidy little investment? We get hay. That is right. This project will go to the irrigation of marginal meadowlands and alfalfa growing areas, at the 6,500-foot elevation level, where there is bound to be a short growing season. Seems like a lot of money, $700,000 per farm or $4,000 per acre—for a little hay.

Again, let me remind my colleagues. We found a place to cut—not a very good place—in our Labor, Health, Education, and Welfare program. Wednesday night we found a better place to cut—the frills and porks in our own House. And now, we have an even better place to cut—the fat in the pork barrel set aside for selected districts.

What a wonderful opportunity to show our people again how willing we are to sacrifice—and how wonderfully consistent we are in making our sacrifice.

AMENDMENT OFFERED BY MR. MILLER OF OHIO TO THE AMENDMENT OFFERED BY MR. CONTE

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio to the amendment offered by Mr. CONTE: In line 2, strike "five" and insert in lieu thereof "two".

In line 5, strike "ten" and insert in lieu thereof "five".

Mr. MILLER of Ohio. Mr. Chairman and members of the committee, this is the usual amendment that has been offered. It is for 2 percent, with no line item being reduced more than 5 percent. The amount that would be reduced, on the basis of the best information that we have at the present time, is $206 million. We have about $10.3 billion in the bill in total.

Mr. Chairman, we have a number of people who seem to be interested at the present time in joining the church, so to speak. We have people who are offering the amendment that has been offered over the years. Apparently there has been a change of mind and heart because in 1976 I offered the identical amendment to that offered by the gentleman from Massachusetts (Mr. CONTE), who preceded me.

However, in 1976 the record reflects this statement, and I quote:

It clearly flies in the face of responsible legislation. I urge my colleagues to oppose this ill-advised amendment, which flies in the face of responsible legislation. I feel it is irresponsible to make cuts across the board with such indifference to the importance of each program.

Also, if we decide to reduce funding in this manner, we perform a disservice to those who entrusted us to legislate responsibly in their behalf.

Mr. Chairman, that is in the CONGRESSIONAL RECORD of June 28, 1976; and the statement was made by the gentleman from Massachusetts (Mr. CONTE), who preceded me in the well. Mr. Chairman, I would urge that we do accept the 2 percent amendment. I feel that we can make it stick in conference where, I feel, the present 5 percent amendment would be wiped out.

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. Mr. Chairman, we accept this amendment on this side.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, we on this side of the aisle accept the distinguished gentleman's amendment cutting 2 percent.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to commend the gentleman from Ohio (Mr. MILLER) for not using the meat-ax approach of the gentleman from Massachusetts (Mr. CONTE), and I commend the gentleman from Ohio for using a fine scalpel instead.

Mr. MILLER of Ohio. Mr. Chairman, I thank the gentleman.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, when I started my career I was the first graduate of a machine shop, a vocational school at Pittsfield High, and I went after school to work for the General Electric Co., where I was a machinist. The first thing I did was join a union. I got into the union movement at General Electric Co., and I got to know a little bit about contracts.

They would discuss in the union hall something about sweetheart contracts; sweetheart contracts between some unions and certain employers.

Here is a sweetheart contract between the gentleman who just offered this amendment and the committee, all rigged up. Sure, is it not wonderful, so that you can go back home and say, "I cut this 2 percent"?

If you really want to get into the loins of the fat of this bill, you will vote down the 2-percent sweetheart contract and vote for the 5 percent, which will mean a cut of $518,444,950. That is a real cut. But, if you want to be part of a sweetheart deal, vote for the amendment.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding to me.

Mr. Chairman, I hope the gentleman knows that I take second place to no one in my admiration and esteem for the distinguished gentleman from Massachusetts.

Mr. CONTE. Stop right there.

Mr. HYDE. No, no. I was particularly edified, in reading the gentleman's comments in the media following the 5 percent cut on HEW, where he said that he did not interpret Proposition 13 as a bugle call for meat ax cuts.

I would ask the gentleman, is he now marching to a different drummer?

Mr. CONTE. If the gentleman from Illinois had had his ears open, he would have heard that I mentioned it again. That if this House can accept a meat ax cut on HEW appropriation, they should favor this type of cut on their own pork barrel legislation. I did not agree on the cut across the board for higher education, the sick, research for a cure for heart, cancer, lung, and arthritis. I did not agree with it, and the gentleman quoted me correctly.

If we are going to do it that way for that bill, which affects a lot of people in this country, then let us do it in our own legislative appropriation bill which we have loaded with goodies for everybody

in here and let us cut this pork barrel proposition.

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. The gentleman will have to admit that the bill on HEW was how much more than last year's?

Mr. CONTE. It was over the budget.

Mr. JOHN T. MYERS. This bill is less than last year's appropriation. We have already made the cut, and the gentleman did not make it in that bill. That is one reason we made a bigger cut in HEW. The gentleman can call it meat ax or whatever, but I guess the percentage has little to do with it.

Mr. CONTE. We had already cut in the HEW bill, before we got the so-called Miller of Ohio amendment, by $1 billion. I voted for that. That was sufficient, but the gentleman wanted to go over and above that.

There has not been a cut here. They have tried on the other side to cut eight projects, three projects, and they all were voted down. These are nice little goodies—do not touch the goodies, do not touch the candy. Here is a chance to go home and tell your taxpayers you have done something, a half-billion-dollar cut.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER) to the amendment offered by the gentleman from Massachusetts (Mr. CONTE).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. CONTE), as amended.

The amendment, as amended, was agreed to.

● Mr. KEMP. Mr. Chairman, I support the final passage of the bill on which we are about to vote.

I support the decisions made by the Committee on Appropriations and its Subcommittee on Public Works. I respect and agree with the judgment of that committee, on which I serve and that subcommittee. Both are led by capable men, whose careers have been distinguished by careful attention to legislation and the reasonable deliberation thereof. I refer, of course, to the chairmen, GEORGE MAHON of Texas and TOM BEVILL of Alabama, and the ranking minority members, EL CEDERBERG of Michigan and JOHN MYERS of Indiana. This House is privileged to have had the benefit of their individual and collective good judgments.

If the administration had not yielded on its adamant opposition to vitally important flood control and water resources projects, it would have been a mistake. It remains unfortunate that the administration had, nonetheless, sought to go that way initially. I hope the President and his men now have as a new top priority the protection of life and property from floods, the harnessing of water resources for cities and farms and power generation, and the construction of projects which leave a permanent infrastructural development in our land and create tens of thousands of jobs for those who need them the most.

It does not make sense for the administration to have wanted to spend billions on make-work or no-work public service jobs or outright welfare, for which the Nation receives no permanent benefit or improvement, instead of spending the same amount to leave permanent works of improvement as well as productive jobs. If it had already made the decision to spend billions, then why not spend them on permanent projects and truly productive jobs? Apparently, the administration has now seen that this ought to be the route pursued.

Many Members last year supported the President's position in regard to water projects and their correlation to the need for a national policy which would set forth criteria for worthy projects. In so doing, they sought ample time for the administration to develop criteria so that each project would be justified on its own merit. Today, they continue to support that concept, but a large number voted exactly the opposite of last year yesterday on the Edgar amendment, because they believed the interest of the Nation would be better served under the committee recommendations.

But there is another reason why I opposed the attempt by the administration to delete these projects. It had to do with the detrimental impact on New York State of their deletion.

There are three projects in particular which would have been deleted by the administration, projects which it singled out last Friday. They would have been the Ellicott Creek flood control project, the Walkill River flood control project, and the Dunkirk small boat harbor safety refuge on Lake Erie. I would like to take this time to address myself to the Ellicott Creek project and to illustrate why the administration made the right decision.

The Ellicott Creek flood control project represents the culmination of many years of hard work by State, local, and Federal officials, along with the people of the Niagara frontier, to create a better environment, better living conditions for homeowners in flood-prone lands, and an improved waterway system all around the Buffalo area for increased commercial and recreational use.

The area that this flood control project will benefit is enormous, encompassing three villages; parts of 2 cities, and 10 towns.

The construction plans have met the requirements of the community. It is supported by the environmental groups, the business community, and the citizens' associations. The environmental impact study was favorable.

Every day this project is delayed means severe economic deprivation and the denial of protection against a proven danger in my district.

Ellicott Creek has caused major flooding in upstate New York four times already this century—in 1916, 1929, 1936, and 1960. In addition, the lack of flood control project has caused other high water damage to the area in 1937, 1940, 1954, 1956, 1959, 1963, 1976, and 1977. The Corps of Engineers estimates that if the 1936 flood were to reoccur today—and a flood the size of that one can be expected every 60 years—the damages that would result would reach amounts of at least $9,460,000. The corps has cautioned me, however, that a much greater flood in this creek could occur today because of land use changes—one that could cause major economic destruction of $64 million, as well as a significant amount of danger to the safety of approximately 115,000 residents of Amherst and Tonawana alone.

The project construction plans have been diligently pursued since 1970, and as of today all the preconstruction environmental impact statements, economic studies, and engineering plans have been completed, and the project is ready to go. Funding for the project has been critically appraised by both the Subcommittee on Public Works and the full Appropriations Committee. Both have approved $1 million in funding.

Support for this flood control project is strong on the Senate side of the Capitol also, and Senators MOYNIHAN and JAVITS have been kept fully apprised of developments.

Has any Member of this House not heard of the great blizzard of 1977, the one which buried western New York, which blanketed the 110-square-mile watershed of Ellicott Creek? Or the blizzard of 1978, which was nearly as bad? The spring melt creates high water at best, floods at worst.

Because of that blizzard of 1977 along with the inordinately heavy snowfalls in this past winter of 1978, western New York is faced with an urgent necessity of preventing potentially disastrous flooding throughout the Niagara frontier. The flooding potential is caused by the melting snow and ice left over from the record snowfalls. Last year the Buffalo area underwent an unusually slow spring, which resulted in a comparable slow but steady snowmelt. Spring of 1977 also saw a lot of high, dry winds that evaporated much of the snow.

This year the snow level was almost as deep. In a February 11, 1978, article in the Buffalo Evening News Reporter Paul McClennan states:

> While the snow today is not as deep, the concern is almost as great. In the upland areas with streams leading into Lake Erie, the corps estimates there is the equivalent of 4 inches of water in the snow pack compared with a long-term average for this time of year of 1.67 inches. That's a lot of water if the snow suddenly melts and flows into otherwise small creek beds. . . . Combined water content of snow in the Lake Erie and Genesee River tributaries spells potential trouble for residents throughout Erie County from Cattaraugus Creek through the Buffalo-Cazenovia-Cayuga creeks region to the Ellicott and Tonawanda Creek watershed.

This potential threat to the homes and citizens of my district underlines the unpredictability of nature, especially in a northern area such as Buffalo, N.Y., where the slightest variance from the norm can spell disaster for countless numbers of people.

We, in the Federal Government, have a responsibility to do all that we can to prevent such devastations as this poten-

tial flooding to the best of our ability, particularly when literally thousands of dollars have already been spent on preparatory studies and various planning stages. To literally halt construction of vital flood control projects is indefensible when such action is taken arbitrarily, without good reason.

SHORELINE EROSION

There is one more item I would like to mention at this time. Only a few minutes ago my colleagues in the House passed an amendment over my objections to strike all funding for the Chicago diversion channel study and demonstration program which was authorized in the Water Resources Development Act of 1976 with my assistance.

Apparently, these members had no conception of the devastating shoreline erosion that high water levels in the Great Lakes have caused to homeowners in recent years.

This demonstration program is not even finished, and it is highly irresponsible for the Congress to have eliminated the primary research program intended to find solutions to the shoreline erosion problem at this time.

I sincerely hope that this arbitrary program cut is examined from the people's point of view and deleted in conference before the final version of this bill is brought up for a vote in the near future.●

● Mrs. LLOYD of Tennessee. Mr. Chairman, I supported the gentleman from Tennessee's amendment to specify that $1,846,000 be used for the completion of the Tellico Dam and Reservoir. Although I have not given up hope that TVA and the Interior Department may still be able to negotiate a settlement, the result of the Supreme Court's decision upholding the Sixth Circuit Court of Appeals' injunction is to require this congressional action to permit the Tellico Dam to go forward.

I have always maintained that we must seek a balance between environmental considerations and economic development. This project will provide renewable hydroelectric power to some 20,000 homes as well as serving as a means of flood control, navigational improvement, and industrial development in an economically depressed area.

I believe that the people of my area strongly favor completion of the dam as do the people and elected officials of the entire region. Local governments have made significant improvements in highways, water supply, and sewerage systems in the region. In addition, funds have been provided for the transplantation of the snail darter to other habitats as well as for the preservation of historical and archeology values of the river valley region. I do not believe that delay or modification of the project is justified.●

● Mr. HARKIN. Mr. Chairman, the public works appropriations measure which we will pass today contains funds for a number of important projects throughout the Nation. I have been closely associated with the development of certain portions of the legislation, and can speak frankly of the difficult decisions which have been faced by the Appropriations Committee and individual Senators. I am hopeful that the period of confrontation with the administration on several of the projects for which funds are being appropriated is over.

This appropriations bill has centered the focus of attention on a number of issues which cannot be addressed fully in this debate. However, one issue is of importance and deserves attention. From a number of quarters I have heard the concern expressed that this legislation, or its legislative history, will have the effect of impinging upon the judicial branch by limiting inquiry of scope of review under the Administrative Procedure Act or other Federal statutes or regulations. I have heard the related concern that the bill or its legislative history will be used to repeal—either expressly or by implication—other substantive Federal law or regulations. Finally, I have heard the concern expressed that this legislation or its legislative history somehow terminates the executive's decisionmaking responsibilities and cuts off review of substantive agency decisions by the Congress or the courts.

This is clearly not the intent of the legislation. Indeed, little could be further from the facts. The experience of the Congress with the executive branch over the last year on water projects has demonstrated the importance of preserving the full scope of judicial review over such projects. Moreover, the appropriations legislation which we are considering today contains no implied or express limitation on judicial review and no implication of statutory repeal or authorization. As a member of the Agriculture Committee, I would be most concerned if this legislation were construed as authorizing, repealing, or modifying any existing law or the scope of judicial review under the Administrative Procedure Act or other Federal law. I have heard no such expression of intent from the Appropriations Committee, nor would I expect to hear such expression.

Federal agencies, including the decisions of the President's advisers on water resource projects, cannot escape review by the Courts through the use of the appropriations process. A few well-chosen and well-placed words in the legislative history of a measure simply cannot overturn established law or limit the traditional scope of judicial review. A project cannot become "congressional" or "executive" merely through the development of a legislative history on an appropriations measure. The scope of review remains complete both as to the procedural and substantive aspects of the executive decisionmaking process.

This is an important constitutional principle which deserves amplification. Any other rule would attribute to the courts—unconstitutionality in my opinion—the power to engraft substantive judicial law onto substantive congressional enactments in the absence of specific congressional repeals, authorizations or limitations or review. This is a power which the Constitution does not give to the courts, and one which they should assiduously avoid accepting. It is the role of courts to review agency action and to avoid exercising the legislative power to circumscribe their authority to review such action unless Congress must specifically and unequivocally enact such a limitation on review.

Similarly, the courts are not empowered under the Constitution to authorize or deauthorize projects which are in the legislative domain. Expansive interpretation of the legislative history of an appropriations measure or other similar actions not rising to the level of specific authorization is also dangerous constitutional ground for the courts to tread. Too often the congressional will can be misinterpreted by ascription of unwarranted weight to the remarks of individuals who have a stake in the outcome of the controversy. The judiciary would do well to review agency action free of the rhetoric which sometimes surrounds a controversial or important bill.

Failure to do so could result in the judicial authorization of projects or the judicial repeal of legislation which have not received appropriate consideration by the responsible congressional committees or by the Congress as a whole. This would amount to a dangerous invasion of the legislative province by the judiciary, and one which would not long be tolerated by Congress.

The fundamental principle can be stated simply: authorization of projects, repeal of substantive legislation and limitation on statutory judicial review are matters exclusively for the Congress. The Courts should not engraft upon substantive Federal law repeals, modifications or limitations without express and specific congressional action. In so doing, they not only transgress their constitutional authority, but they also frequently enfeeble or empower themselves to a degree far different than that envisioned by Congress. Congress, of course, should be wary of creating expressions of legislative intent which are meaningless as guides to determining legislative intent and which may, themselves, walk the edge of constitutional legislative authority.●

● Mr. GILMAN. Mr. Chairman, I rise to express my support for the diligence and efforts of the gentleman from the State of Alabama (Mr. BEVILL) and his Subcommittee on Public Works in preparing this legislation. I am especially pleased to note in this legislation the inclusion of an extremely important and worthy project, the upper Wallkill River "black dirt" flood control project.

The rich "black dirt" farm area of Orange County, N.Y., has been inundated by flood time and time again over the course of the last 40 years. During the past decade, the floods have become more and more frequent. Hurricane Agnes, in 1972, inflicted nearly $13 million in damages to the vegetable crops and farmland. And the flooding continues, almost annually.

For years, along with the Army Corps of Engineers, I have been urging the initiation of a flood control project to dredge the Wallkill riverbed and to instigate channel rectification. The corps is requesting a meager $140,000 for study funds for this noncontroversial project which has the wholehearted support of the residents of my 26th Congressional District of New York.

Two years ago, when the project was authorized by the Congress as a part of the 1976 Omnibus Public Works Act, it was not included as part of the White House budget. Last year, the House of Representatives approved an appropriation for this project, but it was dropped from the final bill by the House-Senate conference committee, in an effort to bring the bill into line with the White House restrictive water policy.

I recognize that much of the controversy which has arisen regarding this appropriation bill is not aimed at new planning starts but at new construction starts. I hope my colleagues are aware that in the past the White House did not make this distinction. Both last year and the year before, the White House specifically classified this upper Wallkill River flood control project as a "new start" and thus effectively prevented funding for the project.

This project is neither a "new start" nor a "pork barrel" project. Protecting the people whose livelihood depends on the land from forces of the elements which are no fault of their own could and should be a function of the Government. In fact, the flood problems in this area are to a large extent the fault of the Government. A channel rectification program was begun in the 1930's by the old Civilian Conservation Corps and was never finished. Initial studies of the worsening flood conditions in the late 1960's and early 1970's point to the unfinished work of the CCC as a major cause of the ever-increasing flood conditions. Thus, if anything, the Government worsened the conditions which the growers must endure, and it is our responsibility to rectify these problems.

It is important to note that the recent White House policy is apparently directed at western water issues and ignores most of the Northeast and specifically gives short shrift to the small water projects needed by the State of New York.

In the correspondence which we all received from the President earlier this week, the President pointed out that he is opposed to "the ill-advised practice of incremental funding" and seeks "to fully fund new project starts." If that policy is adopted by Congress, I believe it will increase, not decrease, the incidence of Government waste.

The Upper Wallkill River flood control project is vitally needed to prevent the growing rash of heartbreaking bankruptcies which have been taking some of our best farmland out of agricultural use. The Wallkill "Black Dirt" region provides 45 percent of all onions consumed east of the Mississippi and great quantities of celery, lettuce, and other truck vegetables. And yet this highly productive farmland is being eroded and ruined by the continual flooding which has been driving our farmers out of business, threatening the very lifeblood of this region.

Accordingly, Mr. Chairman, I support, and I request my colleagues to support, the diligent work done by our distinguished colleagues on the House Appropriations Committee in submitting this measure which is responsive to the needs of our citizens for consideration by our body.●

● Mr. RICHMOND. Mr. Chairman, I rise in support of the amendment to prohibit the use of any funds to produce enhanced radiation armaments—neutron weapons.

I have long and consistently opposed the development of these devastating weapons, and I again urge my colleagues to join in approving this amendment to slow our headlong rush toward a nuclear holocaust.

The supporters of these appalling weapons claim that these weapons have advantages over existing arms which justify their production and deployment. Chief among these supposed advantages are that neutron weapons will limit "collateral destruction"—the destruction of unintended targets—and that they will allow, more readily than current weaponry, for a genuinely limited, "managed" nuclear war. These are delusions.

While less property may be destroyed by enhanced radiation weapons than by conventional or other nuclear weapons, the collateral destruction of life in all forms threatened by neutron weapons is much greater than that for any tactical weapons already in place. Recently published figures show that lethal doses of radiation from a 1 kiloton neutron warhead will spread over four times the area of a fission weapon of equivalent yield.

It is incongruous to engage in cold, theoretical calculations of what we can and cannot destroy by the limited use of any neutron or tactical nuclear weapons or to talk casually about blast diameters, kill ratios, and so on. Such discussions divert attention from the horrible consequences of the use of such weapons in an actual battle.

Supporters of neutron weapons contend that the precision and defensive nature of these weapons will limit any nuclear exchange, and that by the "surgical" use of neutron weapons NATO could knock out an invading force without precipitating an overwhelming Soviet nuclear response. Yet I believe that the whole idea of a "managed nuclear exchange" is a dangerous fiction held with more hope than conviction by Western nuclear strategists.

Reliance on the balance of terror and some vague hope for mutual restraint after a nuclear exchange has begun is a dangerously slender reed on which to hang our hopes for a limited war.

It might be well to ask whether the Soviet Union has the capability to wage a limited nuclear war, since over half of their tactical warheads in Europe are more powerful than the device that destroyed Hiroshima. Any use at all of nuclear weapons would bring us to the brink of nuclear holocaust. And it is the peculiar danger of neutron weapons that because they seem relatively innocuous they will be used more readily, bringing the mushroom cloud ever closer to home.

I am opposed to the development, production, deployment, and use of any nuclear weapons including these terrifying neutron weapons. If a nuclear war breaks out, no one would win. Let us now get off this new and horrible path to mutually assured destruction by approving this amendment.●

● Mr. ANNUNZIO. Mr. Chairman, I rise in support of the amendment offered by my colleague, Congressman YATES, to the amendment offered by Congressman MICHEL to eliminate funding from H.R. 12928 for the water diversion project at Chicago designed to lower the water levels of the Great Lakes and avert further flooding and shoreline erosion damage.

I congratulate all of my colleagues from Illinois for agreeing on what I consider to be a very reasonable and sensible compromise. Under this compromise, the demonstration program temporarily increasing the amount of water diverted from the Great Lakes at Chicago will continue and the Metropolitan Sanitary District of Greater Chicago will refrain from discharging sewage overflow into the Illinois Waterway.

This amendment's language will also insure that no flooding occurs downstream on the Illinois Waterway when water is diverted. Chicagoans and other residents of areas of Great Lakes shorelines have no desire to flood their neighbors to the south, and I emphasize that this is only a temporary demonstration project, carefully monitored and controlled by the U.S. Army Corps of Engineers, to prevent the continuation of heavy erosion and flood damage throughout the Great Lakes basin.

Only last month, Lakes Michigan and Huron were 5 inches over their long-term average, Lake St. Clair was 14 inches above the average, Lake Erie 18 inches, and Lake Ontario 14 inches over the long-term average, and these levels are intolerable when the well-being of the residents of this vast area is considered.

This flexible diversion demonstration project was designed and approved by Congress in 1976 to meet the needs of floodwater diversion and erosion abatement in addition to avoiding difficulties for residents downstream on the Illinois Waterway, the Mississippi River and other rivers.

Under the amendment by Mr. YATES, water can only be diverted when water in the downstream rivers and waterways are below flood stage and when Lake Michigan water levels are above their long-term flood stage. In other words, the Yates amendment adds more stringent precautions to already existing law to make sure that downstream flooding will not occur when water is diverted, and to insure that none of the funds appropriated will be used to discharge sewage overflow into the Illinois Waterway.

Mr. Speaker, the flood and erosion problem for the Great Lakes region, which forms our Nation's industrial and agricultural heartland, affects in the long run many States and millions of people, and since this period of abnormally high water is persisting, I strongly urge my colleagues to support the Yates amendment which continues, with additional safeguards, this vital temporary project so desperately needed for the well-being of our people.●

● Mr. OTTINGER. Mr. Chairman, the amendment offered by the gentleman

from Tennessee (Mr. DUNCAN) provides funding for completion of the Tellico Dam and reservoir.

My good friend and colleague, Mr. DINGELL, and I were extremely concerned with the thrust of the amendment, since it appears to promote completion of a dam which is not needed, and is extremely ill-advised, on the merits.

Unfortunately, the controversy has appeared to turn on the issue of protecting the snail darter, an endangered specie whose only remaining habitat is the Little Tennessee River—the river whose free flow would be disrupted by filling the reservoir behind the Tellico Dam.

In fact, since the mid-1960's, when I first took to the floor to oppose the construction of Tellico Dam—on the merits and well before enactment of the Endangered Species Act or discovery of the snail darter—the Tellico Dam has been an unwarranted proposal. We do not need it. Its true benefit-cost ratio has always been less than one-to-one; any claims for recreational benefit are absurd in light of existing water-based recreation widely available in the immediate vicinity; it would inundate tens of thousands of acres of the best agricultural lands in eastern Tennessee.

In any event, Mr. DINGELL and I withdrew our objections to the amendment and refrained from pressing for its defeat upon learning that it in no way amends, or attempts to amend, the Endangered Species Act. Any such effort would, of course, involve legislating in an appropriations act, and would be contrary to the House rules.

We are pleased that the gentleman from Tennessee did not seek to amend the Endangered Species Act, nor to effectively reverse the determination yesterday of the Supreme Court. When, as and if any amendments to the Endangered Species Act are to be considered by the Congress they should, of course, go through the normal legislative process, and the Congress would then have the opportunity to address the question at a different, and proper, time.●

The CHAIRMAN. The Clerk will read.

The Clerk completed the reading of the bill.

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BRADEMAS) having assumed the chair, Mr. SHARP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12928) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. CONTE. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONTE, of Massachusetts moves to recommit H.R. 12928 to the Committee on Appropriations, with instructions to that Committee to report the bill back to the House forthwith, with he following amendment: On page 23, after line 23, insert the following paragraph:

"Notwithstanding any other provision of this Act, of the total budget authority provided in this Act, for payments not required by law, three per centum shall be withheld from obligation and expenditures: *Provided*, That of the amount provided in this Act for each appropriation account, activity, and project, for payments not required by law, the amount withheld shall not exceed six per centum."

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. CONTE) is recognized.

Mr. CONTE. Mr. Speaker, I am not going to take the time of the House. We have just debated this issue. It is a straight 3-percent cut. This is not on top of the 2-percent cut already accepted. I hope the House will accept it on a voice vote.

The SPEAKER pro tempore. The gentleman from Alabama is recognized.

Mr. BEVILL. Mr. Speaker, we have debated this issue previously. The House has already voted a 2-percent cut on the bill. I am opposed to any further reduction.

As I understand it, this motion would have the effect of giving the administration discretion on application of the reduction to such vital energy programs as developing solar and nuclear energy, and other programs that are critical to the future of this Nation.

I urge a "no" vote on the motion to recommit.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BEVILL. I am delighted to yield to the distinguished gentleman from Washington (Mr. MCCORMACK).

Mr. McCORMACK. Mr. Speaker, I thank the gentleman for yielding. I also oppose this motion because it would cut about $25 million from the solar energy program and comparable amounts from other advanced energy research, development, and demonstration programs. I think this is too big a cut for advanced energy research. I urge that the motion be defeated.

Mr. JOHN T. MYERS. Mr. Speaker, will the gentleman yield?

Mr. BEVILL. I am happy to yield to the distinguished ranking minority Member, the gentleman from Indiana (Mr. JOHN T. MYERS).

Mr. JOHN T. MYERS. Mr. Speaker, I join with the gentleman from Alabama (Mr. BEVILL) and the gentleman from Washington (Mr. MCCORMACK) in the hope that the Members will not see fit to vote for this extra cut.

I realize, Mr. Speaker, that each time a committee brings a bill before this House for consideration, they say that they have already made all the possible cuts. But in this instance the proof is in the record because this bill is under the budget. With the 2 percent already agreed to, which the committee accepted, if this additional cut is adopted then we are going to damage the various programs. As I stated, when this bill was brought before the floor, the committee had already pared it down during the markup. We were willing to adopt the 2-percent cut in the spirit of proposition 13 in California, and thus we are bringing the bill significantly under what it was last year in the budget and even below the appropriation for the current year.

Again, Mr. Speaker, this bill is a bill that provides for the improvement of America and making it a better place to live in. Every one of the public works projects has to have a favorable return to the taxpayers, and they have been. In the public works projects they have always been far greater than the conservative estimates have thought they would be, even to the extent that in some of the flood control projects the ratio is 7 to 1.

There is a lot of difference between just cutting money out of some of these other agencies and this because here we are investing in the future of our country.

So, Mr. Speaker, I would urge a no vote on the motion to recommit.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. BEVILL. I am happy to yield to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I believe that all of the Members here should realize that we have already accepted a 2-percent cut. This motion seems to add another 3 percent for a total of 5 percent.

Mr. CONTE. Mr. Speaker, if the gentleman will yield, this is a 3-percent cut.

Mr. DICKS. Is it a 3-percent cut plus the 2 percent we have already accepted?

Mr. CONTE. No, it is a 3-percent cut, period.

Mr. DICKS. Nevertheless, we are still against it.

Mr. BEVILL. It is a 3-percent cut, not to exceed 6 percent on any one program.

Mr. CONTE. It is a 3-percent cut.

Mr. DICKS. I appreciate the gentleman's correction. I did not mean to mislead the House. I thought that the gentleman was adding an additional 3-percent cut.

Mr. CONTE. No.

Mr. JOHN T. MYERS. It will be very near 5 percent, it is 3 percent on the remainder.

Mr. CONTE. No, the total cut on the bill is 3 percent.

Mr. BEVILL. Mr. Speaker, I urge a no vote against the motion to recommit.

Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 93, nays 228, not voting 113, as follows:

[Roll No. 466]

YEAS—93

Anderson, Ill.	Fisher	Moffett
Ashbrook	Forsythe	Moore
Bedell	Fountain	Murphy, Pa.
Bingham	Gephardt	Myers, Gary
Blanchard	Gradison	Neal
Bonior	Green	Rinaldo
Brodhead	Gudger	Santini
Broomfield	Hamilton	Schroeder
Brown, Calif.	Hanley	Sharp
Brown, Ohio	Hannaford	Simon
Broyhill	Harkin	Spellman
Burlison, Mo.	Heckler	Steers
Carr	Hollenbeck	Steiger
Clawson, Del	Jeffords	Stockman
Coleman	Kildee	Stratton
Collins, Tex.	Kostmayer	Thone
Conte	Latta	Tucker
Coughlin	Lent	Vander Jagt
D'Amours	Luken	Vanik
Dellums	McDade	Walgren
Derrick	McDonald	Walker
Derwinski	Maguire	Wampler
Devine	Markey	Weaver
Dickinson	Marks	Weiss
Drinan	Martin	Whalen
Early	Mattox	Whitley
Edgar	Mazzoli	Wiggins
Emery	Mikva	Wilson, Bob
Evans, Ind.	Miller, Ohio	Wolff
Fenwick	Minish	Wylie
Findley	Mitchell, N.Y.	Yatron

NAYS—228

Abdnor	Butler	Evans, Colo.
Akaka	Byron	Evans, Ga.
Alexander	Carney	Fascell
Ambro	Carter	Fish
Ammerman	Cavanaugh	Flippo
Anderson, Calif.	Cederberg	Flood
	Chappell	Florio
Andrews, N.C.	Chisholm	Flynt
Andrews, N. Dak.	Clausen, Don H.	Ford, Mich.
		Fowler
Annunzio	Clay	Fuqua
Applegate	Cochran	Gammage
AuCoin	Conable	Gaydos
Bafalis	Corcoran	Ginn
Baldus	Corman	Goldwater
Barnard	Cornell	Gonzalez
Baucus	Cornwell	Gore
Bauman	Cunningham	Grassley
Beard, Tenn.	Daniel, Dan	Guyer
Benjamin	Daniel, R. W.	Hall
Bennett	Danielson	Harris
Bevill	de la Garza	Harsha
Boggs	Delaney	Hawkins
Boland	Dicks	Hefner
Bolling	Diggs	Heftel
Bowen	Dingell	Hightower
Brademas	Dodd	Hillis
Breckinridge	Downey	Holt
Brinkley	Duncan, Oreg.	Holtzman
Brooks	Duncan, Tenn.	Howard
Burgener	Edwards, Ala.	Hubbard
Burke, Calif.	Edwards, Calif.	Hughes
Burke, Fla.	Edwards, Okla.	Hyde
Burke, Mass.	Eilberg	Ichord
Burleson, Tex.	English	Ireland
Burton, Phillip	Ertel	Jenrette
Johnson, Calif.	Mineta	Rudd
Johnson, Colo.	Mitchell, Md.	Ryan
Jones, N.C.	Moakley	Scheuer
Jones, Okla.	Mollohan	Schulze
Jones, Tenn.	Montgomery	Sebelius
Jordan	Moss	Seiberling
Kastenmeier	Murphy, N.Y.	Shuster
Kazen	Murtha	Skelton
Kelly	Myers, John	Skubitz
Kemp	Myers, Michael	Slack
Kindness	Natcher	Smith, Iowa
Krebs	Nix	Smith, Nebr.
LaFalce	Nolan	Snyder
Lagomarsino	Nowak	Spence
Leach	Oberstar	Staggers
Lederer	Obey	Stangeland
Lehman	Ottinger	Stanton
Levitas	Panetta	Stokes
Livingston	Patten	Studds
Lloyd, Calif.	Pease	Symms
Lloyd, Tenn.	Pepper	Thompson
Long, La.	Perkins	Traxler
Long, Md.	Pettis	Treen
Lujan	Poage	Trible
Lundine	Pressler	Van Deerlin
McClory	Preyer	Volkmer
McCloskey	Price	Waggonner
McCormack	Pritchard	Watkins
McEwen	Pursell	Waxman
McFall	Quillen	White
McHugh	Rahall	Whitten
McKay	Rangel	Winn
McKinney	Regula	Wirth
Madigan	Reuss	Yates
Mahon	Rhodes	Young, Alaska
Marriott	Risenhoover	Young, Fla.
Mathis	Robinson	Young, Mo.
Meeds	Roe	Young, Tex.
Meyner	Roncalio	Zablocki
Michel	Rooney	
Mikulski	Rose	
Miller, Calif.	Rosenthal	

NOT VOTING—113

Addabbo	Gibbons	Quie
Allen	Gilman	Railsback
Archer	Glickman	Richmond
Armstrong	Goodling	Roberts
Ashley	Hagedorn	Rodino
Aspin	Hammer-schmidt	Rogers
Badham		Rostenkowski
Beard, R.I.	Hansen	Rousselot
Beilenson	Harrington	Roybal
Biaggi	Holland	Runnels
Blouin	Horton	Ruppe
Bonker	Huckaby	Russo
Breaux	Jacobs	Sarasin
Brown, Mich.	Jenkins	Satterfield
Buchanan	Kasten	Sawyer
Burton, John	Ketchum	Shipley
Caputo	Keys	Sikes
Cleveland	Krueger	Sisk
Cohen	Le Fante	Solarz
Collins, Ill.	Leggett	St Germain
Conyers	Lott	Stark
Cotter	Mann	Steed
Crane	Marlenee	Stump
Davis	Metcalfe	Taylor
Dent	Milford	Teague
Dornan	Moorhead, Calif.	Thornton
Eckhardt		Tsongas
Erlenborn	Moorhead, Pa.	Udall
Evans, Del.	Mottl	Ullman
Fary	Murphy, Ill.	Vento
Fithian	Nedzi	Walsh
Flowers	Nichols	Whitehurst
Foley	O'Brien	Wilson, C. H.
Ford, Tenn.	Oakar	Wilson, Tex.
Fraser	Patterson	Wright
Frenzel	Pattison	Wydler
Frey	Pickle	Zeferetti
Garcia	Pike	
Giaimo	Quayle	

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Allen.
Mr. Richmond with Mr. Le Fante.
Mr. Zeferetti with Mr. Archer.
Mr. Harrington with Mr. Fraser.
Mr. Nichols with Mr. Aspin.
Mr. Sikes with Mr. Giaimo.
Mr. Roberts with Mr. Buchanan.
Mr. Pickle with Mr. Armstrong.
Mr. Conyers with Mr. Gibbons.
Mr. Ashley with Mr. Caputo.
Ms. Oakar with Mr. Dent.
Mr. Garcia with Mr. John L. Burton.
Mr. Murphy of Illinois with Mr. Holland.
Mr. Beard of Rhode Island with Mr. Dornan.
Mr. Huckaby with Mr. Thornton.
Mr. St Germain with Mr. Cleveland.
Mr. Satterfield with Mr. Krueger.
Mr. Glickman with Mr. Beilenson.
Mr. Breaux with Mr. Badham.
Mrs. Collins of Illinois with Mr. Patterson of California.
Mr. Steed with Mr. Cohen.
Mr. Vento with Mr. Sisk.
Mr. Stark with Mr. Erlenborn.
Mr. Shipley with Mr. Pike.
Mr. Metcalfe with Mr. Bonker.
Mr. Jenkins with Mr. Eckhardt.
Mr. Mottl with Mr. Russo.
Mr. Milford with Mr. Evans of Delaware.
Mr. Biaggi with Mr. Stump.
Mr. Solarz with Mr. Fithian.
Mr. Blouin with Mr. Davis.
Mr. Cotter with Mr. Teague.
Mr. Fary with Mr. Crane.
Mr. Foley with Mr. Brown of Michigan.
Mr. Ford of Tennessee with Mr. Tsongas.
Mr. Nedzi with Mr. Flowers.
Ms. Keys with Mr. Frenzel.
Mr. Jacobs with Mr. Goodling.
Mr. Hagedorn with Mr. Horton.
Mr. Marlenee with Mr. Hammerschmidt.
Mr. Kasten with Mr. Frey.
Mr. Hansen with Mr. Leggett.
Mr. Moorhead of Pennsylvania with Mr. Lott.
Mr. O'Brien with Mr. Mann.
Mr. Pattison of New York with Mr. Moorhead of California.
Mr. Quie with Mr. Quayle.
Mr. Rogers with Mr. Railsback.
Mr. Rostenkowski with Mr. Roybal.
Mr. Whitehurst with Mr. Rousselot.
Mr. Taylor with Mr. Sarasin.
Mr. Ullman with Mr. Sawyer.
Mr. Udall with Mr. Walsh.
Mr. Charles H. Wilson of California with Mr. Wydler.
Mr. Wright with Mr. Runnels.
Mr. Gilman with Mr. Charles Wilson of Texas.

Mr. HANNAFORD changed his vote from "nay" to "yea."

Mr. SYMMS changed his vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WEISS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device and there were—yeas 263, nays 59, not voting 112, as follows:

[Roll No. 467]

YEAS—263

Abdnor	Bingham	Cavanaugh
Akaka	Blanchard	Cederberg
Alexander	Boggs	Chappell
Ambro	Boland	Chisholm
Ammerman	Bolling	Clausen, Don H.
Anderson, Calif.	Bowen	
	Brademas	Clawson, Del
Andrews, N.C.	Breckinridge	Clay
Andrews, N. Dak.	Brinkley	Cochran
	Brooks	Coleman
Annunzio	Brown, Calif.	Corcoran
Applegate	Brown, Ohio	Corman
Ashbrook	Burgener	Cornell
AuCoin	Burke, Calif.	Cornwell
Bafalis	Burke, Fla.	Coughlin
Baldus	Burke, Mass.	Cunningham
Barnard	Burleson, Tex.	D'Amours
Baucus	Burlison, Mo.	Daniel, Dan
Bauman	Burton, Phillip	Daniel, R. W.
Beard, Tenn.	Butler	Danielson
Benjamin	Byron	de la Garza
Bennett	Carney	Delaney
Bevill	Carter	Dickinson

Dicks	Kemp	Reuss
Diggs	Kindness	Rhodes
Dodd	Krebs	Rinaldo
Downey	LaFalce	Risenhoover
Drinan	Lagomarsino	Robinson
Duncan, Oreg.	Leach	Roe
Duncan, Tenn.	Lederer	Roncalio
Edwards, Ala.	Lehman	Rooney
Edwards, Okla.	Livingston	Rose
Eilberg	Lloyd, Calif.	Rosenthal
Emery	Lloyd, Tenn.	Rudd
English	Long, La.	Ruppe
Ertel	Long, Md.	Ryan
Evans, Colo.	Lujan	Santini
Evans, Ga.	Lundine	Scheuer
Fascell	McClory	Schulze
Findley	McCloskey	Sebelius
Fish	McCormack	Seiberling
Flippo	McDade	Shuster
Flood	McEwen	Simon
Florio	McFall	Skelton
Flynt	McHugh	Skubitz
Ford, Mich.	McKay	Slack
Fountain	McKinney	Smith, Iowa
Fowler	Madigan	Smith, Nebr.
Fuqua	Mahon	Snyder
Gammage	Marriott	Spellman
Gaydos	Mathis	Spence
Gilman	Meeds	Staggers
Ginn	Meyner	Stangeland
Goldwater	Michel	Stanton
Gonzalez	Mikulski	Steers
Gore	Mineta	Stokes
Grassley	Minish	Stratton
Guyer	Mitchell, Md.	Symms
Hall	Mitchell, N.Y.	Thompson
Hamilton	Moakley	Thone
Hanley	Mollohan	Traxler
Hannaford	Montgomery	Treen
Harris	Moore	Trible
Harsha	Moss	Tucker
Hawkins	Murphy, N.Y.	Van Deerlin
Heckler	Murphy, Pa.	Vander Jagt
Hefner	Murtha	Volkmer
Heftel	Myers, Gary	Waggonner
Hightower	Myers, John	Waigren
Hillis	Myers, Michael	Wampler
Hollenbeck	Natcher	Watkins
Holt	Nix	Waxman
Howard	Nowak	White
Hubbard	Oberstar	Whitley
Hughes	Panetta	Whitten
Hyde	Patten	Wiggins
Ichord	Pease	Wilson, Bob
Ireland	Pepper	Winn
Jeffords	Perkins	Wirth
Jenrette	Pettis	Wolff
Johnson, Colo.	Poage	Wylie
Johnson, Calif.	Pressler	Yates
Jones, N.C.	Preyer	Yatron
Jones, Okla.	Price	Young, Alaska
Jones, Tenn.	Pritchard	Young, Fla.
Jordan	Quillen	Young, Mo.
Kastenmeier	Rahall	Young, Tex.
Kazen	Rangel	Zablocki
Kelly	Regula	

NAYS—59

Anderson, Ill.	Fisher	Mazzoli
Bedell	Forsythe	Mikva
Bonior	Gephardt	Miller, Calif.
Brodhead	Gradison	Miller, Ohio
Broomfield	Green	Moffett
Broyhill	Gudger	Neal
Carr	Harkin	Nolan
Collins, Tex.	Holtzman	Obey
Conable	Kildee	Pursell
Conte	Kostmayer	Schroeder
Dellums	Latta	Sharp
Derrick	Lent	Steiger
Derwinski	Levitas	Stockman
Devine	Luken	Studds
Dingell	McDonald	Vanik
Early	Maguire	Walker
Edgar	Markey	Weaver
Edwards, Calif.	Marks	Weiss
Evans, Ind.	Martin	Whalen
Fenwick	Mattox	

NOT VOTING—112

Addabbo	Bonker	Crane
Allen	Breaux	Davis
Archer	Brown, Mich.	Dent
Armstrong	Buchanan	Dornan
Ashley	Burton, John	Eckhardt
Aspin	Caputo	Erlenborn
Badham	Cleveland	Evans, Del.
Beard, R.I.	Cohen	Fary
Bellenson	Collins, Ill.	Fithian
Biaggi	Conyers	Flowers
Blouin	Cotter	Foley
Ford, Tenn.	Marlenee	Runnels
Fraser	Metcalfe	Russo
Frenzel	Milford	Sarasin
Frey	Moorhead, Calif.	Satterfield
Garcia	Moorhead, Pa.	Sawyer
Giaimo	Mottl	Shipley
Gibbons	Murphy, Ill.	Sikes
Glickman	Nedzi	Sisk
Goodling	Nichols	Solarz
Hagedorn	O'Brien	St Germain
Hammerschmidt	Oakar	Stark
Hansen	Ottinger	Steed
Harrington	Patterson	Stump
Holland	Pattison	Taylor
Horton	Pickle	Teague
Huckaby	Pike	Thornton
Jacobs	Quayle	Tsongas
Jenkins	Quie	Udall
Kasten	Railsback	Ullman
Ketchum	Richmond	Vento
Keys	Roberts	Walsh
Krueger	Rodino	Whitehurst
Le Fante	Rogers	Wilson, C. H.
Leggett	Rostenkowski	Wilson, Tex.
Lott	Rousselot	Wright
Mann	Roybal	Wydler
		Zeferetti

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Allen.
Mr. Richmond with Mr. Le Fante.
Mr. Zeferetti with Mr. Archer.
Mr. Harrington with Mr. Fraser.
Mr. Nichols with Mr. Aspin.
Mr. Sikes with Mr. Giaimo.
Mr. Roberts with Mr. Buchanan.
Mr. Pickle with Mr. Armstrong.
Mr. Conyers with Mr. Gibbons.
Mr. Ashley with Mr. Caputo.
Ms. Oakar with Mr. Dent.
Mr. Garcia with Mr. John L. Burton.
Mr. Murphy of Illinois with Mr. Holland.
Mr. Beard of Rhode Island with Mr. Dornan.
Mr. Huckaby with Mr. Thornton.
Mr. St Germain with Mr. Cleveland.
Mr. Satterfield with Mr. Krueger.
Mr. Glickman with Mr. Bellenson.
Mr. Breaux with Mr. Badham.
Mrs. Collins of Illinois with Mr. Patterson of California.
Mr. Steed with Mr. Cohen.
Mr. Vento with Mr. Sisk.
Mr. Stark with Mr. Erlenborn.
Mr. Shipley with Mr. Pike.
Mr. Metcalfe with Mr. Bonker.
Mr. Jenkins with Mr. Eckhardt.
Mr. Mottl with Mr. Russo.
Mr. Milford with Mr. Evans of Delaware.
Mr. Biaggi with Mr. Stump.
Mr. Solarz with Mr. Fithian.
Mr. Blouin with Mr. Davis.
Mr. Cotter with Mr. Teague.
Mr. Fary with Mr. Crane.
Mr. Foley with Mr. Brown of Michigan.
Mr. Ford of Tennessee with Mr. Tsongas.
Mr. Nedzi with Mr. Flowers.
Ms. Keys with Mr. Frenzel.
Mr. Jacobs with Mr. Goodling.
Mr. Hagedorn with Mr. Horton.
Mr. Marlenee with Mr. Hammerschmidt.
Mr. Kasten with Mr. Frey.
Mr. Hansen with Mr. Leggett.
Mr. Moorhead of Pennsylvania with Mr. Lott.
Mr. O'Brien with Mr. Mann.
Mr. Pattison of New York with Mr. Moorhead of California.
Mr. Quie with Mr. Quayle.
Mr. Rogers with Mr. Railsback.
Mr. Rostenkowski with Mr. Roybal.
Mr. Whitehurst with Mr. Rousselot.
Mr. Taylor with Mr. Sarasin.
Mr. Ullman with Mr. Sawyer.
Mr. Udall with Mr. Walsh.
Mr. Charles H. Wilson of California with Mr. Wydler.
Mr. Wright with Mr. Ottinger.
Mr. Runnels with Mr. Charles Wilson of Texas.

Mr. CONTE changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE CERTAIN TECHNICAL CORRECTIONS IN ENGROSSMENT OF H.R. 12928

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill H.R. 12928, the Clerk shall be authorized to make certain technical corrections in section numbers and punctuation reflecting the action of the House in adopting amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 12928) just passed, and that I be permitted to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, on rollcall 466 I was detained in my office and inadvertently missed the rollcall. Had I been present I would have voted "yea" on the motion to recommit on H.R. 12928.

URGENT GRAIN INSPECTION SUPPLEMENTAL APPROPRIATIONS

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on Wednesday, May 31, I call up the joint resolution (H.J. Res. 944) making urgent grain inspection supplemental appropriations for the Department of Agriculture, Federal Grain Inspection Service, for the fiscal year ending September 30, 1978.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution, as follows:

H.J. RES. 944

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1978, namely:

DEPARTMENT OF AGRICULTURE

FEDERAL GRAIN INSPECTION SERVICE

For necessary expenses to provide Federal administration and supervision related to official inspection or weighing under the United States Grain Standards Act, as amended, $6,488,000.

Mr. MAHON. Mr. Speaker, I move to strike the last word.

The SPEAKER pro tempore. The

gentleman from Texas is recognized for 5 minutes.

Mr. MAHON. Mr. Speaker, it is our hope that we will be able to conclude today with this grain inspection supplemental joint resolution, and the military construction appropriation bill.

Mr. Speaker, this resolution provides for $6.4 million that is urgently required for the continuation of the grain inspection program.

Members are aware of the disasters which have taken place in grain elevators in various parts of our country where there has been considerable loss in lives. The program has to be implemented and these funds are urgently nedeed as of next week.

I do not think there is any controversy about the legislation. It was reported out unanimously by the subcommittee headed by the gentleman from Mississippi (Mr. WHITTEN) on the majority side and on the minority side headed by the gentleman from North Dakota (Mr. ANDREWS).

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the joint resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, further with reference to this joint resolution, the gentleman from Colorado (Mr. EVANS) will speak for the subcommittee which conducted the hearings and actually presented the bill to the Committee on Appropriations.

Mr. EVANS of Colorado. Mr. Speaker, will the distinguished gentleman from Texas (Mr. MAHON) yield?

Mr. MAHON. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Speaker, this joint resolution contains a single appropriation of $6,488,000 in new budget authority for fiscal year 1978 to meet the urgent funding requirements for the Federal Grain Inspection Service.

A supplemental budget request for this purpose was received from the President in House Document 95–281.

Mr. Speaker, the U.S. Grain Standards Act of 1976, as amended, established the Federal Grain Inspection Service to administer a revised and expanded national grain inspection system. Part of that system was a fee supported program of supervision of Federal and non-Federal inspection and weighing personnel. The Food and Agricultural Act of 1977 requires that the supervision of official inspection and weighing be paid from appropriated funds instead of user fees.

The $6,488,000 recommended in the joint resolution is $2,038,000 less than the budget request. The Agency testimony indicated the request was overstated by about $2 million.

The Agency estimates that without this urgent supplemental, funds will run out on June 19, 1978. I would call the attention of the Members to the fact that it is necessary to have this legislation passed by this coming Monday. In other words, if this legislation is not passed, the Federal Grain Inspection Service will run out of money on Monday.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Mr. Speaker, I am happy to yield to the distinguished ranking member of the Subcommittee of the Committee on Agriculture, the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Speaker, I appreciate the gentleman from Texas (Mr. MAHON) yielding to me.

Mr. Speaker, I would like to point out to the Members of the House that this is a most necessary piece of legislation, No. 1, because the funds are almost exhausted and, No. 2, because the greatest dollar earnings in overseas sales are from agricultural commodities. Over the past several years we have found that these commodities have not been getting through in the condition they should be, such as the quality of the grain that is shipped. Sometimes the weights have been short and the dockage charges have been excessive.

Congress moved to correct this situation and set up more stringent grain inspection when we established the Federal Grain Inspection Service.

This of course, Mr. Speaker, costs money, but the money is really an investment in helping resolve our balance-of-payments problems that are affecting so adversely our Nation. It is a good investment because it helps broaden our export sales which, of course, are not only good for American agriculture, but good for the consumers here at home as well.

Therefore, Mr. Speaker, I rise in support of the joint resolution and I urge my colleagues to vote for it.

The SPEAKER. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 3 additional minutes.)

Mr. ANDREWS of North Dakota. Mr. Speaker, I wonder if the gentleman from Texas would be willing to yield to our colleague, the gentleman from Louisiana (Mr. MOORE)?

Mr. MAHON. Mr. Speaker, I am happy to yield to the gentleman from Louisiana (Mr. MOORE).

Mr. MOORE. I appreciate the chairman's yielding. I do not oppose this bill and will in fact support it, because the gentleman's comments are correct. It is in fact necessary. However, I want to have one thing made clear in the Record today on this bill. In 1976 when we passed the U.S. Grain Standards Act, I opposed that bill at that time. At that time we had private grain companies doing the inspections. At that time it cost the taxpayers nothing. In 1976 we were told we were going to go to public grain inspectors working for the Federal Government and it still was going to cost the taxpayers hardly anything because the users of the grain exporters were going to pay for it as had been with the private grain inspectors. In 1977 on the farm bill we changed that to make it entirely paid for by the taxpayers. Now we come back in 1978, through no fault of the chairman of the Committee on Appropriations or the gentleman from North Dakota, but here we are just 2 years later with the taxpayers of this country paying 100 percent of the grain inspection services that used to be paid for 100 percent by private enterprise.

An additional interesting fact is that those grain inspectors you could not trust back in 1976 were hired individually, almost to the man, to go to work for the Federal Government. These same people are doing the grain inspections now. Further, the private companies that did that inspecting who are no longer in business did the inspecting after the 1976 bill under contract for USDA for about a year and a half while USDA was getting geared up to run the program. So I think the taxpayers ought to know they got no break in the reduction of the price of grain by eliminating the user charge and now they are paying a second time by paying 100 percent of the cost of this inspection service that they did not use to have to pay for.

As we approve this bill today, I think we ought to realize that taxpayers are now paying for something they were told in 1976 they would not have to pay for and did not used to pay for. We really should never have passed that bill in 1976, but it is now said and done, but I told you so.

Mr. MAHON. The gentleman has made a very valid point with respect to this problem.

In view of the fact that there is no opposition to this measure and in view of the further program which we expect to carry out, I am hoping that we can pass this measure without a rollcall.

● Mrs. BOGGS. Mr. Speaker, I commend the gentleman from Louisiana (Mr. MOORE) for bringing to the attention of the Members the added costs to the American taxpayers made necessary by the legislation which made mandatory public grain inspectors working for the Federal Government at export points throughout the Nation.

Mr. MOORE and I objected to the removal of the grain inspectors from the employ of private, nonprofit groups who paid the salaries and also entered into negotiated contracts with the inspectors for retirement and health benefits, vacation time, and so on. Now, the inspectors enjoy fewer well earned benefits and the taxpayers pay their salaries.●

Mr. MAHON. Mr. Speaker, I move the previous question on the joint resolution to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CREATING A SOLAR ENERGY AND ENERGY CONSERVATION LOAN PROGRAM WITHIN THE SBA

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent to take from the

Speaker's desk the bill (H.R. 11713) to create a solar energy and energy conservation loan program within the Small Business Administration, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: That this Act may be cited as the "Small Business Energy Loan Act".

SEC. 2. Section 7 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(l)(1) The Administration also is empowered to make loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator may determine to be necessary or appropriate to assist any small business concern in financing plant construction, conversion, expansion (including acquisition of land for such a plant), or startup, and the acquisition of equipment, facilities, machinery, supplies, or materials to enable such concern to architecturally design or engineer, manufacture, distribute, market, install, or service any of the following energy measures:

"(A) Solar thermal energy equipment which is either of the active type based upon mechanically forced energy transfer or of the passive type based on convective, conductive, or radiant energy transfer or some combination of these types.

"(B) Photovoltaic cells and related equipment.

"(C) A product or service the primary purpose of which is conservation of energy through devices or techniques which increase the energy efficiency of existing equipment, methods of operation, or systems which use fossil fuels, and which is on the Energy Conservation Measures List of the Secretary of Energy or which the Administrator determines to be consistent with the intent of this subsection.

"(D) Equipment the primary purpose of which is production of energy from wood, biological waste, grain, or other biomass source of energy.

"(E) Equipment the primary purpose of which is industrial cogeneration of energy, district heating, or production of energy from industrial waste.

"(F) Hydroelectric power equipment.

"(G) Wind energy conversion equipment.

"(H) Engineering, architectural, consulting, or other professional services which are necessary or appropriate to aid citizens in using any of the measures described in subparagraphs (A) through (G).

No money shall be provided under this subsection for research and development.

"(2) No loan shall be made under this subsection if the total amount outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund established by this Act would exceed $500,000. No loan made or effected under this subsection directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate basis shall exceed $350,000.

"(3) No financial assistance shall be extended pursuant to this subsection unless the financial assistance applied for is not otherwise available on reasonable terms from nonFederal sources.

"(4) No immediate participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available.

"(5) In agreements to participate in loans on a deferred basis under this subsection, the Administration's participation shall not be in excess of 90 per centum of the balance of the loan outstanding at the time of disbursement.

"(6) The Administration's share of any loan made under this subsection shall bear interest at the same rate as loans made under subsection (a) of this section. The maximum term of any such loan, including extensions and renewals, may not exceed fifteen years.

"(7) All loans made under this subsection shall be of such sound value as reasonably to assure repayment, recognizing that greater risk may be associated with loans made to business concerns in this field: *Provided*, That factors in determining 'sound value' shall include, but not be limited to, quality of the product or service; technical qualifications of the applicant or his employees; sales projections; and the financial status of the business concern.

"(8)(A) The Administration, after consultation with the Department of Energy and other Federal departments and agencies as the Administrator deems apppropriate, shall publish in the Federal Register for public comment not later than sixty days after the date of enactment of this subsection proposed regulations to carry out the provisions of this subsection. The Administration shall make all reasonable efforts to solicit comments from small businesses and shall take into consideration comments submitted regarding such proposed regulations.

"(B) The Administration shall publish final regulations under this subsection not later than one hundred and eighty days after the date of enactment of this subsection.".

SEC. 3. Section 7(d) of the Small Business Act is amended by inserting "(1)" after "(d)" and by adding at the end of such subsection the following paragraph:

"(2) The Administration is authorized to hold seminars throughout the Nation to make potential applicants aware of the opportunities available under this subsection and related Government energy programs, and to make grants to qualified organizations to provide training seminars for small business concerns regarding practical and easily implemented methods for design, manufacture, installation, and servicing of equipment and for providing services listed in paragraph (1) of this subsection, except that recipients of loans made pursuant to this subsection shall not subsequently be eligible for such grants.".

SEC. 4. Section 4(c) of the Small Business Act is amended—

(1) in subparagraph (B) of paragraph (1), by inserting "7(l)," and "7(l),"; and

(2) in subparagraph (B) of paragraph (2), by inserting "7(l)," after "7(l),".

SEC. 5. (a) Section 20(e) of the Small Business Act (15 U.S.C. 649(e)) is amended by adding at the end thereof a new paragraph as follows:

"(10) For the programs authorized by section 7(l) of this Act, the Administration is authorized to make $30,000,000 in direct and immediate participation loans and $45,000,000 in guaranteed loans in fiscal years 1979 through 1982.".

(b) Section 20 of the Small Business Act (15 U.S.C. 649) is amended by redesignating subsection "(g)" as subsection "h" and inserting the following new subsection "(g)":

"(g) There are authorized to be appropriated to the Administration for fiscal year 1979 $36,750,000 to carry out the programs referred to in subsection (c), paragraph (10).".

SEC. 6. (a) REPORT TO CONGRESS.—The Administration shall annually report to Congress the number and amount of loans, the number of applications, the total amount applied for, and the number and amount of defaults for each type of equipment or service for which loans are authorized by this subsection, and on the projected and actual energy savings and numbers of jobs created by firms through loans made under section 7(l) of the Small Business Act. The Departmen of Energy shall assist the Administration in obtaining information and compiling this report.

(b) PAPERWORK; MINIMIZING PAPERWORK AND REGULATORY BURDEN.—It is the intent of Congress that the paperwork burden and regulatory impact on applicants under section 7(l) of the Small Business Act shall be minimized, and that to the maximum extent practicable, the Administrator may rely upon consultation with the Department of Energy and other agencies, upon paid consultants, and upon voluntary public submissions of information to obtain market data, industry sales projections, energy savings and other economic information needed to carry out the provisions of section 7(l)(1) (D) and (E). Nothing in this subsection shall be construed as precluding the Administrator from using any of his lawful powers to obtain information from applicants.

Mr. SMITH of Iowa (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER pro tempore. The clerk will report the House amendments to the Senate amendments.

The clerk read as follows:

Page 2, line 2, strike "architecturally design" and insert "design architecturally".

Page 3, strike lines 6 and 7 and insert "Proceeds of loans under this subsection shall not be used primarily for research and development."

Page 3, strike lines 6 and 7 and insert "concern: *Provided further*, That such status need not be as sound as that required for loans under subsection (a) of this section.".

Page 5, strike line 3 and insert the following: "days after the date of enactment of this subsection.

"(9) It is the intent of Congress that the paperwork burden and regulatory impact on applicants under this subsection shall be minimized, and that to the maximum extent practicable, the Administrator may rely upon consultation with the Department of Energy and other agencies, upon paid consultants, and upon voluntary public submissions of information to obtain market data, industry sales projections, energy savings, and other economic information needed to carry out the provisions of section 7(l)(1) (D) and (E). Nothing in this subsection shall be construed as precluding the Administrator from using any of his lawful powers to obtain information from applicants.".

Page 5, line 24, strike "(a)".

Page 6, strike lines 6 through 15 and insert "$45,000,000 in guaranteed loans.".

Page 6, strike lines 16 and 17 and insert the following.

"SEC. 6. Section 10(b) of the Small Business Act (15 U.S.C. 639(b)) is amended by adding the following: "'Such report shall contain the number and amount' ".

Page 6, strike line 25, insert quotation marks at the end thereof.

Page 7, strike lines 1 through 14 and insert the following:

"SEC. 7. Section 20(f) of the Small Business Act (15 U.S.C. 649(f)) is amended by striking the first sentence and inserting in lieu thereof: 'There are authorized to be appropriated to the Administration for fiscal year 1979 $1,601,750,000 to carry out the programs

referred to in subsection (e), paragraphs (1) through (10).' ".

Mr. SMITH of Iowa (during the reading): I ask unanimous consent to dispense with further reading of the House amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa to dispense with further reading of the House amendments?

Mr. BAUMAN. Reserving the right to object, could the gentleman explain what the other body did to this legislation?

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. The Senate removed some provisions that the House bill had in it, and since they did so, we have subsequently convinced them that they were necessary. We have made sort of an agreement between us that if we will put those provisions back in, they will accept the bill with our additional amendments and this will bring us back more nearly to what the original House bill was.

Mr. BAUMAN. The gentleman is asking for concurrence in the Senate amendment with amendments?

Mr. SMITH of Iowa. That is right. The amendments are to bring it back more nearly to what the House bill was. They removed a couple of provisions from the House bill that we have since convinced them were necessary.

Mr. BAUMAN. What were the provisions?

Mr. SMITH of Iowa. One of the provisions related to the test of the ability to repay. In other words, small businessmen who are developing or installing solar equipment could not meet the regular test because many of them are opening new businesses and do not have a "track record" and SBA does not know what the marketability of this product would be. So we had varied the ability-to-repay test a little bit to take care of that. The Senate had removed it, not realizing that their action, in effect, would largely nullify the legislation, and we put our provisions back in the bill.

Mr. BAUMAN. Mr. Speaker, although I did not vote for the legislation, I see no point in holding it up, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa (Mr. SMITH) to dispense with further reading of the House amendments?

There was no objection.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from Iowa?

There was no objection.

A motion to reconsider was laid on the table.

ARMS CONTROL AND DISARMAMENT ACT

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 11832, to authorize appropriations for fiscal year 1979 under the Arms Control and Disarmament Act, with the Senate amendments thereto, and concur in the Senate amendments numbered 2, 3, 4, 5, and 6, concur in the Senate amendment to the title of the bill, and concur in Senate amendment numbered 1 with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, after line 2, insert:

That section 36 of the Arms Control and Disarmament Act is amended—

(1) by striking out in subsection (a)(3) "weapons systems or technology" and inserting in lieu thereof "technology with potential military application or weapons systems"; and

(2) by amending subsection (b)(2) to read as follows:

"(2) No request to the Congress for authorizations or appropriations for—

"(A) any program described in subsection (A)(1) or (2), or

"(B) any program described in subsection (a)(3) and found by the National Security Council, on the basis of the advice and recommendations received from the Director, to have a significant impact on arms control and disarmament policy or negotiations, shall be transmitted without a complete statement analyzing the impact of such program, either as an individual program or as an aggregation of related programs, on arms control and disarmament policy and negotiations. It shall not be in order in the Senate to consider any bill or joint resolution or any amendment thereto, or any report of a committee of conference, which contains any such request unless such statement has been transmitted not less than seven calendar days prior thereto. The provisions of the preceding sentence are enacted—

"(1) as an exercise of the rulemaking power of the Senate and as such are deemed a part of the rules of the Senate and supersede other rules of the Senate only to the extent such provisions are inconsistent therewith; and

"(ii) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

Any such statement transmitted in classified form shall be accompanied by an unclassified version thereof.".

Page 1, line 3, strike out "That section" and insert "SEC. 2. Section".

Page 2, line 7, strike out "sum" and insert "sums".

Page 2, after line 9, insert:

SEC. 3. Section 49 of the Arms Control and Disarmament Act, as amended by section 2 of this Act, is further amended by adding at the end thereof the following:

"(d) Beginning with its request to the Congress for an authorization of appropriations for the fiscal year 1980, and with such request for each fiscal year thereafter, the Agency shall accompany such request with a detailed budget for each bureau and functional category within each bureau, which budget shall set forth and justify obligations and outlays for the fiscal year for which such request is made and for the fiscal year preceding and next following such year.".

Page 2, line 10, strike out "2." and insert "4."

Page 2, lines 10 and 11, strike out "the first section of this Act" and insert "section 2".

Amend the title so as to read: "An Act to authorize appropriations under the Arms Control and Disarmament Act for the fiscal year 1979, and for other purposes.".

Mr. ZABLOCKI (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. MIKVA). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendment to the Senate amendment numbered 1.

The Clerk read as follows: On page 2, line 9, of the Senate engrossed amendments, strikes out "It shall not be" and all that follows through "Senate." On page 3, line 2.

Mr. ZABLOCKI. Mr. Speaker, acceptance of my unanimous consent request will result in passage of H.R. 11832, the fiscal year 1979 authorizing legislation for the Arms Control and Disarmament Agency, as amended by the Senate, with a further amendment thereto.

As my colleagues know, H.R. 11832 was originally passed by the House on April 26, 1978, and forwarded to the Senate. The Senate agreed to H.R. 11832 last week and added a few additional provisions.

In so amending H.R. 11832, the Senate has basically confirmed actions already taken by the House. Like the House, the Senate authorized $18,395,000 for fiscal year 1979. Both Houses of Congress also mandated a study of arms control centers at academic institutions to examine what role the Federal Government might play in arms control education and training.

The Senate amendments to the section of the Arms Control and Disarmament Act dealing with arms control impact statements we propose to accept would:

First. Require the executive branch to submit impact statements on nonweapons technology with potential military applications;

Second. Permit reports on aggregated weapons systems in order to reduce the overall workload on executive branch agencies; and

Third. Require simultaneous submission of unclassified impact statements with classified statements.

It should be noted that these amendments are entirely consistent with the reports filed by the Committee on International Relations with the House in both 1977 and 1978.

The only issue addressed in the Senate version, not considered by the House in its reports, is an amendment authored by Senator GLENN requiring that ACDA submit its budget to the Congress broken down by bureau and by function within each bureau. I agree with Senator GLENN, who said that this detailed budget breakdown will afford the Congress more information improving our oversight capability.

The amendment we are proposing to the Senate amendments would strike a provision which would amend the Senate rules by prohibiting consideration in the Senate of any bill, amendment, or conference report providing authorization or appropriation for any weapons system or weapons-related technology unless certain reports have been sub-

mitted to the Congress. This provision would not allow the Senate to even consider a House-passed bill containing Defense Department authorizations or appropriations under the circumstances specified. Such a unilateral restriction constitutes an invasion of the constitutional prerogatives of the House, and would set a very unfortunate precedent.

We appreciate the concerns which led to the inclusion of this provision in the Senate amendments; but we do not believe the unilateral restriction proposed by the Senate is an appropriate enforcement mechanism.

In view of the basic similarities between the House and Senate versions of H.R. 11832, I urge my colleagues to accept the Senate amendments, as amended, by deleting the provision in Senate amendment numbered 1 amending the Senate rules.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from Wisconsin (Mr. ZABLOCKI)?

There was no objection.

A motion to reconsider was laid on the table.

GRAZING FEE MORATORIUM OF 1978

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9757) entitled "An Act entitled 'Grazing Fee Moratorium of 1978'", with a Senate amendment to the text of the bill and strike sections 2 and 5 of the Senate amendment in their entirety and concur in the Senate amendment to the title of the bill.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert: That, to allow the Congress sufficient time to analyze the report and recommendations of the Secretaries of the Interior and Agriculture submitted pursuant to section 401(a) of the Federal Land Policy and Management Act (90 Stat. 2743, 2772) and take such action as may be appropriate, the fee for the 1978 grazing year shall not be raised by the Secretary of the Interior for the grazing of livestock on public lands as defined in section 103(e) of that Act (90 Stat. 2746) and by the Secretary of Agriculture for the grazing of livestock on lands under the jurisdiction of the Forest Service.

SEC. 2. Section 7 of the Act of March 1, 1972 (86 Stat. 44, as amended; 16 U.S.C. 460m–14) is amended by striking "$30,071,500" and inserting in lieu thereof "$39,947,250 from the Land and Water Conservation Fund".

SEC. 3. Section 13 of the Act of August 22, 1972 (86 Stat. 612; 16 U.S.C. 460aa–12) is amended by striking "$19,802,000" and inserting in lieu therof "$47,802,000".

Amend the title so as to read: "An Act to impose a moratorium on any increase in the public lands grazing fee for the 1978 grazing year, and for other purposes.".

Mr. RONCALIO (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

Mr. YATES. Mr. Speaker, reserving the right to object, may I ask what this bill does?

Mr. RONCALIO. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Speaker, I rise in support of H.R. 9757, the grazing fee moratorium of 1978. H.R. 9757 first passed this body on February 24 by a vote of 257 to 47, and would prevent any increase in the 1978 grazing year of grazing fees on the public lands managed by the Forest Service and the Bureau of Land Management. H.R. 9757 is necessary to give Congress time to act on pending legislation (H.R. 10587) which would enact a statutory grazing fee formula.

The Senate has passed H.R. 9757, but amended it to increase land acquisition moneys for inholdings in the Sawtooth National Recreation Area in Idaho, and the Buffalo National River in Arkansas. These increases are identical to those contained in Mr. BURTON's omnibus parks bill (H.R. 12536) which will be on the House floor shortly, and I will move to strike the two nongermane Senate amendments and send H.R. 9757 back to the Senate with its original intent—to enact a grazing fee moratorium.

The Sawtooth and Buffalo River amendments are not germane to the grazing fee issue, and should be more properly considered in Mr. BURTON's parks bill.

Mr. YATES. Mr. Speaker, I have no objection to the inclusion of the two ranges; but the question I would like to ask is, What is the state of the grazing fees?

Mr. RONCALIO. The state of the grazing fees now is such that the administration has not increased or decreased grazing fees and we have coming before the House quite soon a very comprehensive act on range improvement, increasing the term of leases upon the public domain, adopting a fair value consideration of grazing fees, raising them in times of prosperity and diminishing them in times of adverse market conditions.

Mr. YATES. Mr. Speaker, will the same unfair conditions of grazing fees that now prevail still prevail until the gentleman brings out the bill?

Mr. RONCALIO. I do not think the present conditions are unfair. I think the present conditions reflect the state of the livestock market and livestock problems. The Department has not opted to proceed with this 25-percent increase, but they did last year. The moratorium bill has served its purpose.

Mr. YATES. Was the moratorium put into effect?

Mr. RONCALIO. No; it was withdrawn and we are moving along with the application of certain fees.

Mr. YATES. So if the Department wanted to increase the fees, it could do so?

Mr. RONCALIO. I am not sure that is the fact.

Mr. YATES. So if there is no moratorium, the Department could do so?

Mr. RONCALIO. Well, as a practical matter, it comes down to that.

Mr. PHILLIP BURTON. Mr. Speaker, further reserving the right to object, I would like to commend the gentleman from Wyoming (Mr. RONCALIO) for this solution.

Mr. Speaker, as the gentleman is aware, the Committee on Interior and Insular Affairs has reported out legislation affecting a great number of highly desirable and important park, wilderness, wild and scenic rivers, additions and acquisitions, including the Sawtooth and the project in Arkansas. I had advised the senior Senator from Idaho that though our committee per se does not quarrel with the Sawtooth amount—as a matter of fact, I think we have an identical amount in our legislation—I thought in the interest of having a complete understanding of the range of all the environmental considerations, we would be well advised to take a look at the overall picture to see that the total costs in our omnibus bill are manageable.

So I commend the gentleman from Wyoming (Mr. RONCALIO) for dropping these two extraneous amendments from the gentleman's bill on grazing.

Mr. Speaker, I withdraw my reservation of objection.

Mr. YATES. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming (Mr. RONCALIO).

Mr. DICKS. Mr. Speaker, reserving the right to object, would the gentleman explain to me the parliamentary situation? I was not on the floor when the gentleman started making his request, and this is a bill that could affect me directly.

Mr. RONCALIO. Mr. Speaker, I would be delighted to do so, if the gentleman will yield.

Mr. DICKS. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Speaker, this moratorium was introduced last fall when the Department of Agriculture announced it would raise by 25 percent all grazing fees in the public domain.

Mr. DICKS. Right.

Mr. RONCALIO. It was the feeling of the sponsor of the bill, including the gentleman from Wyoming, that this was an arbitrary, unfair increase in grazing fees at a time when the livestock industry was least able to justify paying it. One of the elements of the fair market value of leasing ought to be the ability of the lessee to pay.

Mr. DICKS. Mr. Speaker, I appreciate that. I just wanted to find out what the parliamentary situation is.

Is this the Senate bill we are striking out? We are striking out two amendments and asking for a conference with the Senate?

Mr. RONCALIO. No.

Mr. DICKS. Or are we sending this bill back to the Senate?

Mr. RONCALIO. That is right. We are sending the bill back to the Senate, and this strikes from the bill the two amendments we felt were not germane; we are sending it back to the Senate.

Mr. DICKS. Mr. Speaker, I would hope, along with the gentleman from California (Mr. PHILLIP BURTON), that

we would have an assurance on his other bill that these two provisions will be given full and complete consideration.

Mr. PHILLIP BURTON. Mr. Speaker, if the gentleman will yield, the gentleman has my assurance that they will receive full and complete consideration.

Mr. DICKS. Mr. Speaker, will the gentleman tell me whether that is going to be this year?

Mr. PHILLIP BURTON. Yes, absolutely.

Mr. DICKS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming that the Senate amendments be considered as read and printed in the RECORD?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the House amendment to the Senate amendments.

The Clerk read the House amendment to the Senate amendments, as follows:

Strike sections 2 and 3 of the Senate amendments in their entirety.

The SPEAKER pro tempore. Is there objection to the first request of the gentleman from Wyoming (Mr. RONCALIO)?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks, and that all Members may have 5 legislative days in which to revise and extend their remarks, on the legislation just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3350, DEEP SEABED HARD MINERALS ACT

Mr. DODD, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1303) on the resolution (H. Res. 1240) providing for the consideration of the bill (H.R. 3350) to promote the orderly development of hard mineral resources in the deep seabed, pending adoption of an international regime relating thereto, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST H.R. 12931, FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS ACT, 1979

Mr. DODD, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1302) on the resolution (H. Res. 1239) waiving certain points of order against the bill (H.R. 12931) making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1979, and for other purposes, which was referred to the House Calendar and ordered to be printed.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1979

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1229 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1229

Resolved, That during the consideration of the bill (H.R. 12927) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI are hereby waived: beginning on page 2, line 13 through page 6, line 16.

The SPEAKER pro tempore. The gentleman from Connecticut (Mr. DODD) is recognized for 1 hour.

Mr. DODD. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), for the purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1229 provides, during the consideration of H.R. 12927, a bill making appropriations for military construction for the Department of Defense for fiscal year 1979, waivers of all points of order against certain provisions of the bill for failure to comply with the provisions of clause 2 of rule XXI. As in the case of other appropriations bills that we have considered in the last 2 weeks, this waiver is necessary because legislation authorizing funds for military construction for fiscal year 1979 has not yet been enacted.

Mr. Speaker, H.R. 12927, the Military Construction Appropriations Act for fiscal year 1979, provides $3.8 billion in new budget authority for military construction projects and military family housing.

The Military Construction Appropriation Subcommittee, under the able leadership of Chairman MCKAY, has submitted a fine bill to the House—a bill which insures that our defense installations and the men and women who staff them, along with their dependents, are provided with adequate facilities to effectively perform their assigned missions.

The major components and funding levels contained in this bill include $186 million for the planning and design of future facilities, $1.7 billion in construction for the Army, Navy, and Air Force, $183 million for the defense agencies, $79 million for National Guard construction, and $52 million worth of construction for our Reserve Forces. Also included in the bill is $1.5 billion for family housing.

The committee's recommendation is more than $850 million above the fiscal year 1978 appropriation level, but I feel that the committee has exercised great fiscal restraint as the recommended $3.8 billion appropriation is actually $408 million below the administration's request.

In its report, the committee made special reference to the condition of the Federal budget and the need to minimize the size of the deficit this year. I feel that the committee has done a fine job in funding those projects which are the most essential. The committee also made reference to the fact that the United States is not now engaged in armed conflict anywhere in the world. Therefore, now is an appropriate time to fund those projects which are most necessary to the long-term needs of our Armed Forces. However, I would be neglecting my duties if I did not mention my concern over one aspect of the bill. The committee has deleted approximately $35 million for shore-based intermediate maintenance activities, (SIMA's), at four naval bases. I am concerned because shore-based intermediate maintenance activities perform a vital function by insuring that our surface combatants and our submarines are at their highest state of combat readiness. .

I feel that it is essential for our naval bases to have the capability to maintain and repair the ships in their home ports. Without this capability, vessels will be forced to spend valuable time transmitting to shipyards, which often have substantial work backlogs, between every mission.

Of course, I am not saying that these four naval bases do not have the capability to perform intermediate maintenance, but I am concerned that the deletion of these funds will force these bases to continue to rely on outdated and inadequate repair shops which were designed for the repair and maintenance of World War II and prior vintage vessels. Not only would our combat readiness be impaired by the continued reliance on substandard facilities, but the men and women who work in these shops will continue to face personal danger as health and safety regulations often cannot be met in the existing buildings.

My concern over this one aspect of the bill is, of course, far outweighed by the thoughtfulness and competence embodied in this appropriation. I urge my colleagues to give their full support to this vital component of our national defense.

Mr. Speaker, I request that we adopt House Resolution 1229, so that we may proceed to the consideration of the bill.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the able gentleman from Connecticut (Mr. DODD) has thoroughly explained the rule.

Mr. Speaker, I know of no objection to the rule, and I want to stress to the Members of the House how important it is to get military construction appropriations taken care of. We all know how vital appropriations for military construction and housing are to the security of this Nation.

Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. DODD. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. McKAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12927) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from New York (Mr. McEWEN) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12927, with Mr. GEPHARDT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Utah (Mr. McKAY) will be recognized for 1 hour, and the gentleman from New York (Mr. McEWEN) will be recognized for 1 hour.

The Chair recognizes the gentleman from Utah.

Mr. McKAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from Virginia.

Mr. FISHER. Mr. Chairman, the purpose of my remarks is to provide a budget perspective for the House as it considers H.R. 12927, the military construction appropriations bill for fiscal year 1979.

The bill is within the fiscal year 1979 first budget resolution spending targets for this subcommittee.

The bill, as reported, provides $3,845 million in budget authority and $1,078 million in outlays. This is under the subcommittee target by $208 million in budget authority and $18 million in outlays. There are no further budget items assumed in the subcommittee target.

I would like to insert a copy of the House Budget Committee's early warning report on H.R. 12927, which provides greater detail regarding the specific amounts in the bill.

H.R. 12927—MILITARY CONSTRUCTION APPROPRIATION (H. REPT. 95–1246)

Committee: Appropriations.

Bill Manager: Mr. McKay (Utah).

Ranking Minority Member: Mr. McEwen (N.Y.).

Bill Type: Appropriation.

Scheduled: Friday, June 16, 1978.

I. SPENDING ACTION COMPARED TO TARGET

This bill covers the Department of Defense military construction program for FY 1979. The bill, as reported, provides $3,845 million in budget authority and $1,078 million in outlays. This is under the subcommittee target by $208 million in budget authority and $23 million in outlays.

[In millions of dollars]

	Budget authority	Outlays
Committee subdivision target (by subcommittee)	4,053	3,411
Less: Amount in reported bill	−3,845	−1,078
Previously enacted or passed House	----	−2,310
Spending action compared to target:		
Over target	----	----
Under target	208	23

NOTE.—No new entitlement authority.

II. PROJECTION

Since there are no further items assumed in this subdivision in the First Budget Resolution, it is likely the Subcommittee target will not be exceeded.

[In millions of dollars]

	Budget authority	Outlays
Amount remaining within subcommittee target	208	23
Less: Amounts assumed in the resolution, but not yet considered	----	----
Assuming no changes from remaining budget resolution assumptions:		
Over subcommittee target	----	----
Under subcommittee target	208	23

NOTE.—No new entitlement authority.

EXPLANATION OF PROJECTION

A. Amounts under Subcommittee Targets.—Most of the recommended reductions are in projects which are NATO-related. There was also an across-the-board reduction of about 1% in all appropriation accounts covered by the Bill based on a history of recent overestimating and better-than-expected bids received.

B. Amounts Assumed in Budget Resolution But Not Yet Considered.—No further items remain to be considered.

III. Perspective on functional totals.—This bill represents approximately 3% of the total in function 050 National Defense. The major DOD bill representing about 95 percent of the functions is still in mark-up in the Defense Subcommittee on Appropriations. Floor action on the latter bill will most likely occur after the July 4th District Work period.

IV. Comparison with the President's budget.—This bill is $408 million in budget authority and $23 million in outlays less than the President's request of $4,253 million in budget authority and $3,411 million in outlays.

V. Amendments: An amendment may be offered to preclude any military construction in the Panama Canal Zone. If passed, this would have minimal budget impact.

An amendment may be offered to restore $56 million for storage facilities in Europe.

Mr. McKAY. Mr. Chairman, I would like to first highlight the contents of the bill, after which I will yield to other Members to discuss various aspects of the bill. Before I do that, I want to recognize the diligent work of the members of the subcommittee and particularly the cooperation we have had from the minority due to the efforts of the gentleman from New York (Mr. McEWEN). Our mutual cooperation has enabled us to recommend a bill that is prudent and reasonable.

The subcommittee is recommending appropriations totaling $3,845,000,000 for the highest priority military construction projects, energy conservation, and pollution abatement efforts of the Defense Department and for military family housing.

This recommendation is $408,000,000 lower than the President's request of $4,253,000,000, and is $867,000,000 above last year's appropriation.

The committee conducted a thorough and comprehensive review of the request this year—compiling nearly 3,000 pages of hearings that focused primarily on specific issues in addition to the normal review of individual projects.

The areas we focused on involved the most significant issues facing the committee today—NATO, the Pacific, medical care, energy conservation, pollution abatement, security of nuclear and chemical weapons, safety. The committee carefully reviewed family housing, the role of the reserve components in the total force, the space shuttle (in conjunction with the Defense and HUD-Independent Agencies Appropriations Subcommittees), and shipyard modernization. I will highlight a number of the major recommendations that are explained in more detail in the committee report.

PLANNING AND DESIGN

The committee bill establishes a new appropriations account for planning and design and appropriates $186,450,000 for that purpose in fiscal 1979. This is $12,000 less than was requested. The committee's recommended new title separates the funding for planning and design from military construction because the two functions are distinct activities which warrant separate identification. Funds for planning are available for 2 fiscal years, whereas construction funds are available for 5 years; and the magnitude of the design funding requirement is such that individual attention is appropriate. Also, the decision to commit funds for design of a facility is the first step in the process of construction, and it is a step that the Congress should be aware of and involved in. The establishment of a separate planning and design appropriation, further, highlights the program and is intended to increase its management visibility with a concurrent improvement in it. A committee surveys and investigations staff study found many instances of waste in the design program which could possibly be avoided

or reduced with better management attention and improved guidance from the Secretary of Defense.

The committee also recommended in the report that $5,000,000 of each Service's planning and design funds be set aside for a trial architect and engineering selection process involving the use of price as an element in the choice of the A. & E. firm for several major projects. The committee believes that a trial of competition involving price is desirable and that it is consistent with existing statutes requiring that a "fair and reasonable price" be attained in contracting for A. & E. services. Some form of competition is a method of assuring that a fair and reasonable price is received.

MILITARY CONSTRUCTION, ARMY

The committee is recommending appropriations totaling $628,644,000 for military construction, Army. This is $185,856,000 less than the amount requested and $167,275,000 above the fiscal year 1978 appropriation. The recommendation excludes planning and design funds which are placed in a new appropriation account.

The committee transferred $70,000,000 requested for the NATO infrastructure program to the Defense agencies appropriation account. This was done because it was felt the program, which is triservice in nature, created unfair competition for the Army construction appropriation.

The committee is recommending reductions totaling $97,956,000 in the Army military construction program from overseas construction and domestic projects. The major reduction is in the proposed NATO program, where the committee felt that greater reliance on the NATO infrastructure program was preferable to increased U.S. funding. The committee also deferred several projects in the United States which were not ready to be constructed or for which alternatives were available.

Also included is a recommended general reduction $17,900,000 in the Army because the committee found that in prior years there has been an overstatement of estimated costs and the resulting overfunding has provided unobligated balances of more than $100 million in the last 2 years. Because of this, the committee reduced overall funding without prejudice to any specific project in an effort to tighten up the financial management of the program.

MILITARY CONSTRUCTION, NAVY

The total recommended for Navy military construction is $683,695,000. This amount is $87,905,000 less than the amount requested, but is an increase of $293,139,000 above the fiscal year 1978 appropriation. These figures do not include planning and design funds which are placed in a new appropriation account.

The recommendation includes $100 million to improve Navy shipyards throughout the country. Additionally, nearly $100 million has been included to improve deteriorated and outdated bachelor quarters. Funds have also been recommended to complete requirements for the new Trident submarine base in Bangor, Wash., and for the new submarine support facility at Kings Bay, Ga. Finally, the fiscal year 1979 recommended appropriation includes a major $73 million pier and waterfront program and $55 million for new or improved training facilities.

The major deletion from the Navy program has been $35 million for facilities for the shore intermediate maintenance program. This program should be deferred until the Navy has demonstrated that the size and operation of the facilities will effectively improve maintenance and training requirements.

The committee also recommends a general reduction of $18,200,000 to tighten up the financial management of the program.

MILITARY CONSTRUCTION, AIR FORCE

The recommendation of $461,703,000 for the Air Force fiscal year 1979 military construction program is $122,397,000 below the requested amount and $113,117,000 above the fiscal year 1978 appropriated amount. Again, planning and design funds are excluded and placed in a new appropriation account.

The principal reductions in the Air Force request concern the space shuttle and NATO-related projects in Europe. The committee deferred $32,100,000 for the extension of the runway at Vandenberg Air Force Base for recovery of the space shuttle orbiter because construction is not required in fiscal year 1979. However, the committee endorses the need for a western launch facility for the space shuttle and rejects the GAO recommendation that all shuttle launches be made from the Kennedy Space Center in Florida. Reductions of roughly $90 million were made in the Air Force NATO program because the committee feels that the NATO infrastructure program should pay a larger share of these costs. The committee also deleted funding for several projects which were not adequately justified or were not designed.

A general reduction of $16,400,000 is also recommended to tighten up the financial management of the program.

MILITARY CONSTRUCTION, DEFENSE AGENCIES

The total recommended for defense agencies is $183,280,000, excluding planning and design funds placed in a new appropriation account. This amount is $18,380,000 above the requested amount and $130,271,000 above the fiscal year 1978 appropriation. The increase above the budget estimate is a result of funding the NATO infrastructure program in the defense agencies account rather than in the Army account.

The major reduction is $48 million for a headquarters USEUCOM classified activity which failed authorization. As it did with each of the services, the committee recommends a general reduction, $3,800,000, to tighten up the financial management of the program.

MILITARY CONSTRUCTION, RESERVE COMPONENTS

The recommendation for all reserve component construction in fiscal 1979 is $131,700,000, which is $12,600,000 below the amount requested and $30,090,000 below the amount provided in fiscal year 1978. Planning and design funds, placed this year in a new appropriation account, are not included in these figures.

The committee recommends a general reduction totaling $12,600,000 for the reserve components to tighten up the financial management of the program.

The committee is also requiring that the reserve components construct what is justified in the President's budget to the Congress and that any changes to the budget originally presented to the Congress must be done through the customary reprograming procedures. This is to assure that interested Members of Congress have the opportunity to have an input on proposed changes in reserve component construction that may affect their districts and that only the highest priority projects are constructed. The committee handles reprogramings in an expeditious manner, and this procedure will not reduce the flexibility of the reserve construction program.

FAMILY HOUSING

The total recommended for family housing is $1,688,615,000. This amount is $715,000 less than the requested amount but is an increase of $231,477,000 over the fiscal year 1978 appropriation. Planning and design funds are not included in these amounts; instead, they have been placed in a new appropriation account.

The recommended family housing budget includes $1.3 million for operations and maintenance. This amount includes an increase above the President's budget of $15 million for real property maintenance. The recommended appropriations also include $71 million for improvements to existing family housing units and $64 million for the construction of 1,400 family housing units in the United States. The recommendation also includes $100 million for domestic and foreign family housing leasing.

The committee recommends several small reductions in the family housing budget for Defense attaché housing, mobile home facilities, and furniture. Funds were added to the request for real property maintenance and improvements to family housing units.

The committee recommends that the $5 million requested under the homeowners assistance fund be deleted until it is determined what funds will be required as a result of the recent base realinement studies proposed by the Secretary of Defense.

NATO CONSTRUCTION PROGRAM

The committee recommendation includes $383,072,000 for NATO-related construction and the NATO infrastructure program. This is $182,773,000 below the amount requested and is roughly $25 million less than was appropriated in fiscal year 1978.

The committee has deleted several items from the NATO request because of the policy view that the NATO allies should be carrying more of the responsibility for funding facilities that are operational in nature or are jointly used. This "fair share" philosophy has been applied by the committee in previous years, and we reemphasize it this year

by reducing the direct U.S. funding for NATO projects and increasing our contribution to the NATO infrastructure program, which jointly funds construction.

Several factors were considered in the committee's review of this request. First among these was the belief that the United States and the NATO allies must operate on a "fair share" basis which does not impose an undue or unfair burden on any individual member. Second, the current status of the U.S. budget, with its substantial deficit, and the value of the dollar and strength of our economy must be measured against the relative value of NATO currencies and their economies. Third, the ability of each ally to contribute to common defense must be considered in the context of per capita income and per capita defense expenditures. In such a comparison, the United States ranks highest on both counts. Finally, the committee heard testimony and considered the apparent growth in Warsaw Pact capabilities as a factor in deliberating on the requested appropriations. However, the committee also considered that the NATO alliance represents a formidable opponent with tremendous assets and versatility which cannot be underestimated in any comparison.

PACIFIC

The committee is concerned that the Department of Defense is not sufficiently addressing the U.S. position in the Pacific and that the emphasis on NATO may contribute to a diminished U.S. involvement and awareness of the need to maintain adequate force levels, bases, and expenditures in the Pacific. The Pacific has been and will always be important to the security of the United States, and the Department must properly maintain facilities and be certain to observe the United States' traditional alliances in the Pacific.

The committee supports the President's plans to relocate the 2d Infantry Division from Korea to the United States and the requirement to maintain facilities in the Pacific should not be interpreted to be contrary to support for the President's withdrawal policy.

PANAMA CANAL

The committee is requiring in report language that the Department of Defense submit any military construction projects or requirements related to the Panama Canal Treaty to the Congress through the normal budget process. Accordingly, the committee recommends that emergency construction funds not be used for construction at the Panama Canal and that the requirements related to the Panama Canal be forwarded in a timely manner to the Congress.

MEDICAL PROGRAMS

The committee recommends a Defense Department medical construction program of $210 million. The committee is placing increased emphasis on the review of medical facilities and feels that the Defense Department is making improvements in the planning and sizing of its medical building program. The funds recommended will replace two substandard hospitals and provide modernization and additions to two inadequate facilities. Additionally, the committee recommends that 12 new dental clinics be constructed to replace outmoded facilities.

ENERGY CONSERVATION AND POLLUTION ABATEMENT PROGRAMS

The committee recommends a total of $278 million for energy conservation and air and water pollution abatement programs. The committee feels strongly that the Government should be the front runner for both energy conservation and pollution abatement programs in order to encourage the private sector to move in an equally expeditious manner. The funds included in the fiscal year 1979 appropriations will lead to long-term energy savings and move forward efforts to correct and prevent pollution violations.

REAL PROPERTY MAINTENANCE

The committee continues to be concerned that the Department of Defense is not devoting sufficient resources to maintain its real property. Although there have been some increases in real property maintenance in the past years, the funds are not nearly adequate to address the more than $1 billion backlog. The ultimate result of not providing adequate real property maintenance is that even larger amounts must eventually be provided for new facilities because existing ones have been allowed to deteriorate.

The committee notes that although real property maintenance is not included in the military construction appropriations bill, it is directly related to the need for new facilities and, therefore, must be considered as an integral part of the Department's real property management program. The committee took the view this year that funding for new facilities should compete with funding for facility maintenance. With this in mind, a reduction of $10.9 million in new facilities funding was made because of the tremendous backlog of real property maintenance.

RELOCATION FROM THE NATIONAL CAPITAL REGION

For years the committee has been concerned with the overconcentration of defense activities in the Washington area. Understandably everyone wants to be as close to the throne as possible, so there is a strong trend to move commands and people into or near the Capital. The merchants like this. It gives them business. The news media enjoy additional advertising. Consequently, our efforts to decentralize do not arouse enthusiasm.

However, it does not make sense to continue to add to the congestion which is becoming so very pronounced around the Nation's Capital. In these days of instant communication, there is no requirement for various military activities to be side by side with the parent command. It should not be overlooked that this concentration of military activities in the Nation's Capital adds to its vulnerability as a target in the event of war.

Mr. McEWEN. Mr. Chairman, may I say at the outset that the minority agrees with the majority on this bill. I want to express our thanks to the chairman for his consideration, and to our staff for the excellent support they have given us on this bill.

In the interests of time, Mr. Chairman, there is only one thing I would like to say; that is, to emphasize what the chairman has already said about the reduction in this bill under the budget. May I say that if anyone is thinking in terms of the 2 or 3 percent cuts that we have been getting lately on bills, I would like them to know that this bill is 10 percent under the budget. Mr. Chairman, when one considers the fact that the committee is chaired by Mr. GUNN MCKAY, and that the ranking minority member is ROBERT CAMERON MCEWEN, I think we are a rather thrifty committee.

I think we have made substantial cuts and justifiable reductions in the budget, so I would say, Mr. Chairman, to our colleagues here that if they consider whether this is a bill that should be treated with a general across-the-board cut, we have done that 2 percent reduction; we have done the additional cuts where we saw deficiencies, to make a total reduction of 10 percent.

I want to say that this is an effort in which both the majority and the minority worked and concurred. I recommend this bill in its present form for passage by this House.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Washington.

Mr. CUNNINGHAM. Mr. Chairman, I thank the gentleman for yielding to me. I wonder if Chairman MCKAY would respond to a question?

Mr. MCKAY. I would be more than happy to.

Mr. CUNNINGHAM. In reviewing the report—and it appears that the committee has tried to examine everything as fairly as it could—I see that it has addressed the situation where DOD is failing to comply with the legislative intent and the national purpose of using domestic steel where possible. I am wondering if the gentleman can share with me what definitive steps the committee is going to be able to take in mandating the DOD "Buy American" position whenever possible.

Mr. MCKAY. Well, of course in this appropriations bill we could not legislate because that would be subject to a point of order. But we went as far as we felt we could. We did, however, direct in the report that the military comply with the law and the intent of Congress, not only in this country but in NATO where we have substantial steel purchases and a good deal of construction, so that our people would have a fair share and opportunity to compete in that market. So, while I think generally that the military has been willing to comply with the report language instructions of this committee, we will be certain to pay careful attention to how well the Department and services abide by this direction and congressional intent to see if we need to go further next year.

Mr. CUNNINGHAM. I thank the gentleman very much for that answer. I trust DOD has received the message that the committee questions were at least raised. I wish all of us well. I thank the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the chairman of the subcommittee a question also. In the committee report, on page 35, the report speaks about the Vandenberg Air Force Base Space Shuttle program. I am glad the committee has seen fit to include most of the funds recommended by the Air Force and by NASA for this program. I am glad the committee did not go along with the recommendations of the General Accounting Office, which apparently the committee felt, as they put it in their report, imprudent.

I would like to ask about the reduction of $32.1 million for the landing facilities for the Space Shuttle program. Am I correct in my understanding that although that particular project was eliminated from the budget as presented by the subcommittee, that the committee intends to add those funds for the 1980 fiscal year?

Mr. McKAY. Mr. Chairman, if the gentleman will yield, the gentleman is correct. As we reviewed the request and dealt with the question of whether we needed two space shuttle launch facilities, we concluded we did and that we had to have Kennedy as well as Vandenberg for many reasons.

However, as we reviewed the schedule, we found there was sufficient time in the construction program which gave us another year in which to deal with funding for construction of the runway extension, so we would still be within 6 months to a year of the time when the runway was necessary. Therefore, it was not necessary to fund it in fiscal 1979. Rather than borrow the money at 8 or 9 or 10 percent to have that money in the Federal budget, we felt we could wait and still not delay the launch schedule of the program.

Mr. LAGOMARSINO. So barring unforeseen circumstances, it would be the intention of the subcommittee to include that funding next year?

Mr. McKAY. The gentleman is correct.

Mr. LAGOMARSINO. I thank the gentleman from Utah.

I thank the gentleman from Ohio for yielding.

Mr. REGULA. Mr. Chairman, I yield myself as such time as I may consume.

Mr. Chairman, the chairman of our subcommittee, the gentleman from Utah (Mr. McKAY) is to be commended for his excellent job of leadership on the subcommittee. The members worked very well together under his leadership, well enough in fact to provide the House with something very rare in these days of huge deficits and increased spending: A bill $408 million below the budget request and approximately 10 percent less than the budget requested by the President.

I might add that the chairman and I had the occasion to be in Europe in January of this year and to inspect a portion of the NATO facilities. I am pleased that in this budget, even though we stayed under the Presidential request, we have been able to provide for maintenance facilities. One of the things we observed was a growing need to have high quality maintenance and there is nothing glamorous about it, but it is essential if we are to have a vital military force and be able to utilize equipment carefully and to the fullest extent possible. I think the provisions in this bill for the expansion of our maintenance facilities are vital to troop morale and vital to an efficient use of our equipment.

The second thing we observed was the need to improve housing in Europe. Our troops over there have suffered from the devaluation of the dollar and from the impact of inadequate housing, and we hope this bill will provide some improvement in that respect.

Under our jurisdiction, there is one area of great concern to me that is highlighted in the report. I feel compelled to bring it to the attention of my colleagues and the public.

It is the situation that the United States faces regarding the U.S. practice of prefinancing construction projects in the NATO infrastructure. I realize this item may appear rather lackluster and unglamorous to the general public compared to more well known aspects of our defense system.

Yet it is one which quietly dips deep into the pockets of our constituents at an alarming rate; one which should surface, because of the lack of sound management characterizing it. Perhaps the most far-reaching consequence of this practice is that it discourages our NATO allies from contributing their fair share of cost to our NATO defense.

Briefly, the NATO infrastructure refers to facilities constructed in a host country, the costs of which are borne by all contributing nations. In the case of prefinancing, a nation decides to initially bear the entire cost of construction in situations where it is determined an urgency exists. The country then initiates a recoupment of these expenditures from other NATO members.

The fact is the United States has locked itself into extensive prefinancing and is recouping very little of its expenditures. It is time that our NATO allies bear a greater share of this cost.

I am concerned that, by annually increasing the United States expenditure in such magnitude, we are not encouraging them to do so. In addition, the United States must revamp its criteria for refinancing projects.

As the committee report states, the Department of Defense has prefinanced $622 million worth of NATO projects since 1956. Of this total, 28 percent, or $173 million is not even recoupable, and we will never recover it. Forty-nine percent of the total, or $307 million, represents a backlog of eligible prefinanced projects for which infrastructure funds have not been made available. This means that, out of $622 million of expenditures, the United States has recouped only $141.9 million, or about 23 percent.

Prefinancing of projects by the United States equals as much as all other allies combined. This trend is certainly no indication to our allies that they increase their commitment to NATO defense.

My concern is augmented by two factors: First, the fiscal year 1979 NATO budget request was $600 million, the largest in its history and, of course, this represents in part the President's commitment to expand our NATO defenses and his request to our NATO allies to expand their contributions. Second, the Department of Defense is in the process of planning considerable new prefinancing projects for the next 5 years.

We must reverse this trend. Prefinancing by the United States has been used to construct military facilities for the benefit of all Europe, not just the United States. These facilities are located in the NATO countries. They were designed and constructed primarily by European contractors employing European personnel. The European NATO countries have, consequently, benefited greatly from this availability of U.S. funds. This amounts to an interest-free loan to the NATO allies. I witnessed this vividly when I traveled throughout the NATO facilities this past January as a member of the subcommittee.

Yet, it is very likely that we will receive little return on the prefinancing program; and we are planning to extend our commitment even further.

I urge that we seriously reevaluate the NATO infrastructure program. We should implement a stricter management policy for determining which construction projects should even be proposed for prefinancing. Approval should be contingent on eligibility for recoupment of costs. In addition, we are in dire need of a redefinition of the word "urgent" as this is the primary criteria used to determine which projects will be prefinanced.

By all means, the United States should maintain its strong commitment to participation in the NATO alliance. We have received great benefits in securing peace. But it is apparent to me that the prosperity and the ability of many NATO allies make it incumbent upon them to share a greater proportion of the burden for their defense. While we have experienced significant devaluation of the dollar in recent years in relation to European currencies, the economies of our NATO allies have flourished. Obviously one of the reasons is the prefinancing, which adds to our problem of our balance of payments and enhances the value of the dollar to the NATO nations.

I am very pleased that the subcommittee has taken a keen interest in our practice of prefinancing the NATO infrastructure. It is my hope that this interest will cause the Department of Defense to constructively reexamine our role in NATO and produce a more effective alternative to the present practices as they relate to prefinancing.

Mr. McKAY. Mr. Chairman, I want to commend the gentleman from Ohio for his excellent statement. He went to Europe with me in January to review the

very thing he has described, and we totally concur in what he has said. He has been of invaluable assistance in reviewing this program and especially this particular item in the budget.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Chairman, I thank the gentleman for yielding.

I just briefly want to commend the chairman and the subcommittee for the work that they have done on this military construction bill. This was a difficult task. The problem we face nowadays with respect to the budget in this area is the competition between hardware and the basic support systems that we have to provide for the military. Morale is dependent not only on good equipment; it is dependent also on human support systems, which means decent housing, decent medical care, dental clinics, and so on.

I refer specifically to my district, which is the home of the 7th Infantry Division. The presence of this installation means a great deal for our local economy, but at the same time we have some serious housing problems for the people who are there. We have 3,000 families that are waiting for suitable housing in that area because of the local housing shortage.

I am pleased that the committee has agreed to provide some 560 additional housing units for that area, along with mobile home units. I think this is very, very important if we are to preserve good morale in our defense system.

Mr. Chairman, I yield back the remainder of my time.

Mr. McKAY. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I would like to take this brief time to commend the chairman, the gentleman from Utah (Mr. McKAY), and the ranking minority member who have, as usual, functioned in a very effective way.

I happen to represent a district that has five major defense bases. The committee has given us a fair analysis. They did not give us everything we wanted, but we got most of what we wanted. The committee has been very, very helpful, and I just want to thank the committee and the staff—particularly the staff—for the outstanding job they have done, led by Mr. Don Smith.

Mr. Chairman, I rise in support of the appropriations for military construction. Although not a member of the Subcommittee on Military Construction, as a member of the full committee I have followed the progress of the bill with great interest. There are seven military installations in my district, including the Navy's Trident Submarine Base, the largest installation in the United States. There is also the Puget Sound Naval Shipyard, the McChord Air Force Base, Fort Lewis, Madigan Army Hospital, the Naval Regional Medical Center, the Puget Sound Naval Supply Center and Keyport Naval Torpedo Station.

These military installations are the major industries in my district. They comprise most of the industrial land and provide one of three jobs in Tacoma and one of two jobs in Kitsap County. My district is a Federal enclave.

The people I represent work hard for the Federal Government. Generations of the same family take pride in their service to the Navy, the Army, and the Air Force. These civilian and military personnel who work for the armed services deserve a safe working environment, free of noise, air and water pollution. The country needs an efficient, modern, and cost-effective industrial plant, one that conserves energy as well as meets our defense needs. We cannot afford the loss in work hours or dollars that results from an outdated industrial plant or the loss in quality of life, or even life itself, that is the byproduct of an unpleasant, unsafe work environment.

Of particular importance to my district is the community impact assistance requested by the Navy. These funds build the roads and schools for the military and civilian families that are coming to Kitsap County, because of the Trident base. These new residents and the old ones, too, should not suffer a reduction in their quality of life, because their home is needed for national defense purposes. They have already endured two previous defense-induced population booms, and almost refused to endure a third, when informed that the Navy had selected Kitsap County as the site of the Trident base.

I share the concerns of my constituents, for Kitsap County is my home, too, where I grew up, went to school, and live. But the people I represent are unselfish, and agreed to endure a third population surge, if the Navy would provide the front-end financing for the community facilities and services that are needed by these thousands of new residents. Eventually, these new residents will pay their own way through increased taxes; but until then, this community impact assistance is desperately needed.

Congress has a responsibility to uphold the contract between the people of the United States and the people of Kitsap County. The Appropriations Committee has honored this contract and I respectfully request that the House concur.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. McKAY. I yield such time as he may consume to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I ask permission to revise and extend my remarks. Mr. Chairman, I would like to point out to the House that, in my judgment, we are currently spending a great deal of unnecessary money on military construction—indeed on all Government construction—and that there are some specific steps that can and should be taken to alleviate this problem.

For some time now, I have been working on a project involving construction of Army Reserve armories which I believe graphically illustrates the potential for improvement in current Government construction practices. I would like to take a moment to describe this project to my colleagues in the House.

In my district in northwest Iowa, we had both a National Guard Armory and an Army Reserve Armory constructed at about the same time. The two buildings were approximately the same size and perform roughly the same function. Yet, the Army Reserve Center's cost per square foot was about twice that of the National Guard Armory.

I found, from talking with the contractor of both buildings, that in the Federal project supervised by the Army Corps of Engineers, there was substantial overspecification which led to high costs, while the Iowa National Guard project provided architects with greater flexibility resulting in reduced costs. For example, the architects for the Army Reserve Center did not have the discretion to take advantage of the most cost-effective materials they might be able to procure in their area. Instead, I found that the Corps of Engineers required them to use unnecessarily high quality materials in a number of instances.

On the basis of this and similar findings by the House Appropriations Committee, I was able to convince the Department of Defense that they should implement a pilot project wherein they would allow an architect the same sort of discretion in choosing how to design a building that an architect working for the Iowa National Guard would have. This project is now underway in Curtis Bay, Md. It is my hope that by monitoring the progress of this project and by auditing the accounts when it is completed, we will be able to pinpoint exactly where the Government could save money in future construction projects.

The Curtis Bay project has already yielded some interesting results. On the very first step of the project, selecting the architect to design the building, I was shocked to discover that the Government uses an outlandishly wasteful method compared to what is used in private industry. In the private sector, when you select an architect, it is normal procedure to talk to several candidates and ask them, among other things, how much they will charge for their services. I called all over the country and found that whether it was a church, a hospital, or a school, this procedure was standard. The architects' fees that were quoted to me ranged from 5 to 8½ percent of the total cost of the project.

However, because of Public Law 92–582, which went into effect in 1972, the Federal Government is specifically prohibited from implementing such a procedure of competitive selection of architects. Instead, the Government is required to interview architects solely on the basis of whether they are competent to do the job. After this search, the top three firms are ranked based on their competence only. Then, the Government goes to the first firm on the list and ne-

gotiates a price with it for its services. In theory, if the Government feels that the fee is too high, it has the option of going to the next firm on the list, but in practice this does not happen very often.

The potential for waste inherent in this selection procedure is huge. If a firm knows that it has been selected for a job, it has little incentive to charge a low fee. This is exactly what happened when the architect for the Curtis Bay project submitted his fee proposal. He wanted a total of about 16 percent for his services compared to the normal fee I found in the private sector of about 5 percent.

The Curtis Bay project reveals a second problem with architect selection in many Federal construction projects. The contract with the architect for this project was negotiated in two parts. Title I is for concept design. For this, the architect charged about 7.7 percent, and the Army entered into a contract with him at that rate for the project's plans.

But, after the contract was signed, the architect submitted a proposal for title II. surveillance of construction, for an additional 8.9 percent. In the private sector, surveillance of construction is included in the 5-percent fee that the architect charges for the total job. It is not an extra fee.

Technically, the Government has the option of turning down the title II bid, but I think that reality dictates that once the architect has already been hired for title I, it is highly inconvenient to get rid of him for title II—and he knows it.

Mr. Chairman, I think this whole process is like going to the operating table for a set fee, and then having the surgeon wake you up during the operation and tell you that the second part of the operation is going to cost you more money. Like it or not, you are probably going to pay it.

Mr. Chairman, there is absolutely no doubt in my mind that Public Law 92–582, which permits this sort of abuse, should be changed to allow competitive selection of architects. I was thus pleased to read in the committee report accompanying H.R. 12927, the fiscal year 1979 military construction appropriations bill, that the House Appropriations Committee's Subcommittee on Military Construction has been examining the idea of competitive selection of architects for Federal construction projects, and I encourage the subcommittee to persist in its efforts to introduce greater competition into this system.

I believe that if we are really serious about cutting back on wasteful Government spending, this is a good place to start. There is no justification for the Federal Government not to select architects in the same manner as private industry—competitively. When I explain the Federal Government's procedure to the people in the private sector, they too, are incredulous. The GAO has written a report which concludes that the procedure is wrong. Let us change it.

Mr. McKAY. Mr. Chairman, I have no further requests for time, and I yield back the remainder of my time.

Mr. REGULA. Mr. Chairman, I have no further requests for time, and yield back the remainder of my time.

Mr. McKAY. Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objeciton.

The CHAIRMAN. Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio: On page 10, after line 4, insert the following paragraph:

Of the total budget authority provided in this Act, for payments not required by law, two per centum shall be withheld from obligation and expenditure; *Provided*, That of the amount provided in this Act for each appropriation account activity, and project, for payments not required by law, the amount withheld shall not exceed five per centum.

Mr. MILLER of Ohio. Mr. Chairman, this is the standard 2 percent amendment that has been offered on the other appropriation bills. I want to compliment the committee on holding down the expenses, since the bill is 10 percent under the budget. The bill is over last year's, and this particular 2 percent amendment would reduce the bill $76,797,000.

We have had a lot of people who have been converting to voting for our reduction in the appropriation bills. We are glad to have the converts aboard, and I would hope that, since we have reduced so many bills, we would continue to have success. I would ask the members of the committee to support the 2 percent reduction.

Mr. Chairman, I yield back the remainder of my time.

Mr. McKAY. Mr. Chairman, I rise in opposition to the amendment.

I sympathize with the gentleman's amendment, and I have been in support of those kinds of things. This committee has been of the same frugal nature as the gentleman and has been scrutinizing and watching and scrubbing every project in this package, so that we have already taken out a general cut of 2 percent. We have added to the general cut individual reductions in other areas, for a total of a 10-percent reduction from the Presidential request. The net effect of this has gotten us down to a very bare-bones budget which will maintain the integrity of readiness of our forces. At this point if we cut another 2 percent or $76,000,000, it would eat into very necessary projects. In fact it may cut into them to a point where it costs more in the final analysis to do the projects at a later date. Therefore, Mr. Chairman, I ask that we reject the amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I think it should be pointed out to my colleagues that we cut this budget 9.6 percent already; that an additional 2 percent would be $76 million; but most importantly, these cuts would come right out of housing for our troops. They would come out of facilities to house equipment.

In a few weeks or less we are going to have on this floor a budget of $120 billion to operate the military facilities of this Nation. That $120 billion will be for equipment, for payrolls, for all the operating expenses other than military construction.

Obviously, it is a totally irresponsible act to slash the facilities that are vital to the maintenance of this equipment, that are vital to its continued use, to slash the housing that is absolutely essential to the morale of our people serving in the Armed Forces. It would mean that those who are in many other parts of the world, other than just the United States, would not have the necessary repairs made on facilities they use.

Mr. Chairman, we have dedicated ourselves to maintaining a volunteer military force. One of the essential parts of that is to provide decent housing, to provide decent facilities in which to work and in which to house equipment. This 2-percent proposed slash, after the committee has already reduced the budget by 9.6 percent, I think would cut right to the heart of that problem. It would be inefficient. It would be a waste to appropriate $120 billion for troops and facilities and not recognize the essential requirement of providing adequate facilities and housing as a prerequisite of that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MILLER of Ohio. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments?

Mr. McKAY. Mr Chairman, I have no further amendments.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am pleased to note that the military construction appropriations bill contains a provision appropriating nearly $2.4 million for acquiring defense attaché housing overseas.

For over the past 18 months, the Subcommittee on Legislation and National Security, which I chair, has been reviewing current policy for providing housing for U.S. Government employees overseas. What we have found is that the Government is spending more money than it should to house our employees, because it has been the general policy of the Government over the years to utilize short-term leased quarters. To give you an example of what we have found, rents in Brazil have been increasing by 40 percent a year for the past several years.

The program to purchase attaché housing represents an important step in saving the taxpayers millions of dollars.

I would inquire of the gentleman from Utah if my understanding is correct that it is the intent of the committee to fully support the program to purchase attaché housing and that nothing in the report is intended to curtail this program?

Mr. McKAY. The gentleman is absolutely correct.

Mr. BROOKS. Mr. Chairman, I will say to the gentleman from Utah (Mr. McKAY) that I fully support the decision of the Appropriations Committee to require the Defense Department to fully document the need for the residential housing they are requesting. I have found that the U.S. Government, when it has purchased housing, has tended to buy something a little bigger, a little nicer, or a little more prestigious than is necessary. The Subcommittee on Legislation and National Security will continue to review overseas housing for Government employees to make sure we are spending our money in the most cost-effective manner. And, I know the gentleman from Utah will do the same.

Mr. Chairman, I want to thank the gentleman very much for his attention to these details.

Mr. McKAY. Mr. Chairman, I thank the gentleman, and the gentleman is correct. We have been confronted for some time with some of these problems on leasing, and sometimes we wind up paying three or four times more than would be required if we were simply to buy or build facilities. Sometimes we have not obtained adequate housing and in other cases they have been too pretentious. We have tried to make an attempt to work along with the gentleman's committee and see that these details come in line as they should.

Mr. Chairman, I thank the gentleman for his concern.

Mr. Chairman, there being no further amendments, I move that the Committee do now rise and report the bill back to the House, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BRADEMAS) having assumed the chair, Mr. GEPHARDT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12927) making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes, had directed him to report the bill back to the House, with the recommendation that the bill do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. HARKIN. Mr. Speaker, I demand a separate vote on the so-called Miller of Ohio amendment.

Mr. BAUMAN. Regular order, Mr. Speaker. The gentleman's request comes too late.

The SPEAKER pro tempore. The gentleman from Iowa (Mr. HARKIN) is advised the amendment was rejected in the Committee of the Whole. Therefore, a separate vote on the amendment is not in order.

The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HARKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 278, nays 13, not voting 143, as follows:

[Roll No. 468]

YEAS—278

Abdnor	Coughlin	Hubbard
Akaka	Cunningham	Hughes
Alexander	D'Amours	Hyde
Ammerman	Daniel, Dan	Ichord
Anderson, Calif.	Daniel, R.W.	Ireland
	Danielson	Jeffords
Anderson, Ill.	de la Garza	Jenrette
Andrews, N.C.	Delaney	Johnson, Calif.
Andrews, N. Dak.	Derrick	Johnson, Colo.
	Devine	Jones, N.C.
Annunzio	Dickinson	Jones, Okla.
Applegate	Dicks	Jones, Tenn.
Bafalis	Dingell	Jordan
Baldus	Dodd	Kazen
Barnard	Downey	Kelly
Baucus	Drinan	Kemp
Bauman	Duncan, Oreg.	Ketchum
Beard, Tenn.	Duncan, Tenn.	Kildee
Bedell	Early	Kindness
Beilenson	Edgar	Kostmayer
Benjamin	Edwards, Ala.	Krebs
Bennett	Edwards, Okla.	LaFalce
Bevill	Eilberg	Lagomarsino
Bingham	Emery	Leach
Blanchard	English	Lederer
Boggs	Ertel	Lehman
Boland	Evans, Colo	Lent
Bonior	Evans, Ga.	Levitas
Bowen	Evans, Ind.	Livingston
Brademas	Fascell	Lloyd, Calif.
Breckinridge	Findley	Lloyd, Tenn.
Brinkley	Fisher	Long, La.
Brodhead	Flippo	Long, Md.
Brooks	Flood	Lujan
Broomfield	Florio	Luken
Brown, Calif.	Flynt	Lundine
Brown, Ohio	Ford, Mich.	McClory
Broyhill	Fountain	McCloskey
Buchanan	Fowler	McCormack
Burgener	Gammage	McDade
Burke, Calif.	Gaydos	McDonald
Burke, Fla.	Gephardt	McFall
Burke, Mass.	Gilman	McHugh
Burleson, Tex.	Ginn	McKay
Burlison, Mo.	Goldwater	Madigan
Burton, Phillip	Gonzalez	Mahon
Butler	Gore	Markey
Byron	Gradison	Marks
Carney	Grassley	Marriott
Carr	Green	Martin
Carter	Gudger	Mattox
Cavanaugh	Hall	Mazzoli
Cederberg	Hamilton	Michel
Chappell	Hanley	Mikulski
Chisholm	Hannaford	Mikva
Clawson, Del	Harris	Miller, Calif.
Coleman	Harsha	Mineta
Collins, Tex.	Heckler	Minish
Conable	Hefner	Mitchell, Md.
Conte	Heftel	Mitchell, N.Y.
Corcoran	Hightower	Mollohan
Corman	Hollenbeck	Moore
Cornell	Holt	Moss
Cornwell	Howard	Murphy, N.Y.
Murtha	Roncalio	Thone
Myers, Gary	Rooney	Treen
Myers, John	Rose	Trible
Myers, Michael	Rosenthal	Tucker
Natcher	Rudd	Van Deerlin
Neal	Ruppe	Vanik
Nowak	Ryan	Waggonner
Oberstar	Santini	Walgren
Panetta	Scheuer	Walker
Patten	Schroeder	Watkins
Pease	Schulze	Waxman
Pepper	Seiberling	Weaver
Perkins	Sharp	Weiss
Pettis	Skelton	Whalen
Poage	Skubitz	White
Pressler	Slack	Whitley
Preyer	Smith, Iowa	Wiggins
Price	Snyder	Wilson, Bob
Pritchard	Spellman	Wilson, C. H.
Pursell	Spence	Winn
Quillen	Staggers	Wirth
Rahall	Stanton	Wolff
Rangel	Steers	Wylie
Regula	Steiger	Yates
Reuss	Stockman	Yatron
Rhodes	Stokes	Young, Alaska
Rinaldo	Stratton	Young, Fla.
Risenhoover	Studds	Zablocki
Robinson	Symms	
Roe	Thompson	

NAYS—13

AuCoin	Harkin	Murphy, Pa.
Dellums	Holtzman	Obey
Edwards, Calif.	Kastenmeier	Volkmer
Fenwick	Maguire	
Forsythe	Miller, Ohio	

NOT VOTING—143

Addabbo	Glickman	Pike
Allen	Goodling	Quayle
Ambro	Guyer	Quie
Archer	Hagedorn	Railsback
Armstrong	Hammer-schmidt	Richmond
Ashbrook		Roberts
Ashley	Hansen	Rodino
Aspin	Harrington	Rogers
Badham	Hawkins	Rostenkowski
Beard, R.I.	Hillis	Rousselot
Biaggi	Holland	Roybal
Blouin	Horton	Runnels
Bolling	Huckaby	Russo
Bonker	Jacobs	Sarasin
Breaux	Jenkins	Satterfield
Brown, Mich.	Kasten	Sawyer
Burton, John	Keys	Sebelius
Caputo	Krueger	Shipley
Clausen, Don H.	Latta	Shuster
	Le Fante	Sikes
Clay	Leggett	Simon
Cleveland	Lott	Sisk
Cochran	McEwen	Smith, Nebr.
Cohen	McKinney	Solarz
Collins, Ill.	Mann	St Germain
Conyers	Marlenee	Stangeland
Cotter	Mathis	Stark
Crane	Meeds	Steed
Davis	Metcalfe	Stump
Dent	Meyner	Taylor
Derwinski	Milford	Teague
Diggs	Moakley	Thornton
Dornan	Moffett	Traxler
Eckhardt	Montgomery	Tsongas
Erlenborn	Moorhead, Calif.	Udall
Evans, Del.		Ullman
Fary	Moorhead, Pa.	Vander Jagt
Fish	Mottl	Vento
Fithian	Murphy, Ill.	Walsh
Flowers	Nedzi	Wampler
Foley	Nichols	Whitehurst
Ford, Tenn.	Nix	Whitten
Fraser	Nolan	Wilson, Tex.
Frenzel	O'Brien	Wright
Frey	Oakar	Wydler
Fuqua	Ottinger	Young, Mo.
Garcia	Patterson	Young, Tex.
Giaimo	Pattison	Zeferetti
Gibbons	Pickle	

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Allen.
Mr. Richmond with Mr. Archer.
Mr. Zeferetti with Mr. Marlenee.
Ms. Keys with Mr. Latta.
Mr. Jacobs with Mr. Caputo.
Mr. Harrington with Mr. Kasten.
Mr. Conyers with Mr. Erlenborn.
Mr. John L. Burton with Mr. Horton.
Mr. Garcia with Mr. Cochran of Mississippi.
Mr. Beard of Rhode Island with Mr. Goodling.

Mr. St Germain with Mr. Lott.
Mr. Glickman with Mr. Armstrong.
Mr. Vento with Mr. Evans of Delaware.
Mrs. Collins of Illinois with Mr. McKinney.
Mr. Stark with Mr. Guyer.
Mr. Metcalfe with Mr. Ashbrook.
Mr. Mottl with Mr. McEwen.
Mr. Biaggi with Mr. Cohen.
Mr. Nichols with Mr. Badham.
Mr. Sikes with Hagedorn.
Mr. Roberts with Mr. Fish.
Mr. Pickle with Mr. Moorhead of California.
Mr. Ashley with Mr. Brown of Michigan.
Mr. Murphy of Illinois with Mr. Frey.
Mr. Rogers with Mr. Crane.
Mr. Huckaby with Mr. Hammerschmidt.
Mr. Satterfield with Mr. Don H. Clausen.
Mr. Shipley with Mr. Frenzel.
Mr. Steed with Mr. O'Brien.
Mr. Milford with Mr. Derwinski.
Mr. Solarz with Mr. Cleveland.
Mr. Moorhead of Pennsylvania with Mr. Hansen.
Mr. Teague with Mr. Quie.
Mr. Blouin with Mr. Dornan.
Mr. Cotter with Mr. Hillis.
Mr. Fary with Mr. Railsback.
Mr. Ambro with Mr. Rousselot.
Mr. Breaux with Mr. Walsh.
Mr. Clay with Mr. Vander Jagt.
Mr. Mathis with Mr. Sarasin.
Mr. Aspin with Mr. Sebelius.
Mr. Davis with Mr. Wampler.
Mr. Mann with Mrs. Smith of Nebraska.
Mr. Bonker with Mr. Stangeland.
Mr. Nolan with Mr. Sawyer.
Mr. Montgomery with Mr. Whitehurst.
Mr. Meeds with Mr. Shuster.
Mr. Moakley with Mr. Wydler.
Mrs. Meyner with Mr. Taylor.
Mr. Nix with Mr. Ottinger.
Mr. Moffett with Mr. Pattison of New York.
Mr. Nedzi with Mr. Pike.
Ms. Oakar with Mr. Roybal.
Mr. Patterson of California with Mr. Runnels.
Mr. Rostenkowski with Mr. Holland.
Mr. Russo with Mr. Krueger.
Mr Hawkins with Mr. Leggett.
Mr. Jenkins with Mr. Sisk.
Mr. LeFante with Mr. Simon.
Mr. Traxler with Mr. Stump.
Mr. Udall with Mr. Thornton.
Mr. Ullman with Mr. Whitten.
Mr. Tsongas with Mr. Charles Wilson of Texas.
Mr. Wright with Mr. Young of Missouri.
Mr. Archer with Mr. Dent.
Mr. Diggs with Mr. Fraser.
Mr. Ford of Tennessee with Mr. Flowers.
Mr. Foley with Mr. Fuqua.
Mr. Gibbons with Mr. Quayle.
Mr. Fithian with Mr. Eckhardt.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. McKAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. BRADEMAS). Is there objection to the request of the gentleman from Utah?

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK OF JUNE 19, 1978

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I take this time for the purpose of inquiring of the acting majority leader the program for next week.

Mr. LLOYD of California. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from California.

Mr. LLOYD of California. Mr. Speaker, the program for the House of Representatives for the week of June 19, 1978, is as follows:

On Monday the House will meet at noon. The Consent Calendar will be called, and we will take up:

H.R. 12936, the HUD-independent agencies appropriations, fiscal year 1979.

Also we will have five bills on suspension. The votes on all suspensions will be postponed until the end of all suspensions. The bills are:

H.R. 11886, Veterans Disability and Survivor Benefits Act;

H.R. 11888, increase compensation for disabled veterans;

H.R. 10173, Veterans and Survivor Pensions Improvement Act;

H.R. 12841, prohibit regulations on fringe benefits taxes; and

H.R. 12589, International Investment Survey Act amendments.

Also we will have:

H.R. 12505, Solar Power Research and Development Act, under an open rule, with 1 hour of debate.

On Tuesday the House will meet at noon, when we will have the Private Calendar and 4 suspensions. The votes on those suspensions will be postponed until the end of all suspensions. The bills are:

H.R. 11153, reclamation dams authorizations;

H.R. 11226, water research and development;

H.R. 11655, Water Resources Planning Act; and

H.R. 12874, Solar Photovoltaic Energy Research, Development and Demonstration Act of 1978.

Also we will have H.R. 12932, Interior appropriations, fiscal year 1979; and

H.R. 11493, Amtrak Improvement Act of 1979, under an open rule with 1 hour of debate.

On Wednesday the House will meet at 10 a.m., when we will consider:

H.R. 12931, foreign assistance appropriations, fiscal year 1979.

On Thursday the House will meet at 10 a.m. and we will consider:

H.R. 12931, foreign assistance appropriations, fiscal year 1979, on which we will complete consideration; and

H.R. 13125, Agriculture appropriations, fiscal year 1979.

On Friday the House again will meet at 10 a.m. and we will consider:

H.R. 12433, Housing and Community Development Act amendments, under an open rule with 2 hours of general debate.

The House will adjourn at 3 p.m. on Fridays and by 5:30 on all other days except Wednesdays.

Conference reports may be brought up at any time.

Any further program will be announced later.

Also, we will have a supplemental list of bills on the Whip Notice.

Mr. MICHEL. Mr. Speaker, might I inquire if that supplemental Whip Notice is the same as we had this last week?

Mr. LLOYD of California. There will be one or two additions, I would advise the gentleman from Illinois.

Mr. MICHEL. Why do we not just ask unanimous consent now to have those printed in the RECORD at this point.

The SPEAKER. Without objection, the unanimous-consent request is granted.

There was no objection.

WHIP NOTICE SUPPLEMENT—WEEK OF JUNE 19, 1978

During the legislative days reserved for Appropriations bills, other legislation may be scheduled on days when early completion of the Appropriation bill makes time available.

Among bills subject to being so called up, not necessarily in this order, are:

H.R. 15, ESEA Amendments of 1978 (open rule, two hours).

H.R. 12005, Justice Department Authorizations (open rule, one hour).

H.R. 9400, Civil Rights for Institutionalized Persons (complete consideration).

H.R. 11983, FEC Authorizations (open rule, one hour).

H.R. 10285, Commodity Exchange Act Extension (open rule, one hour).

H.R. 3350, Deep Seabed Hard Minerals (modified open rule, two hours).

H.R. 12157, Export-Import Bank (complete consideration).

H.R. 8099, Water Rights for the Ak-Chin Indians (open rule, one hour).

H.R. 12432, Civil Rights Commission Act of 1978 (open rule, one hour).

H.R. 11274, Middle Income Student Assistance Act (subject to a rule being granted).

H.R. 12452, CETA Amendments of 1978 (subject to a rule being granted).

H.R. 7577, Employment Opportunity and Community Services Amendments of 1978 (open rule, one hour).

H.R. 12163, DOE Authorizations, FY'79 (subject to a rule being granted).

H.R. 11392, DOE Authorizations, FY'79 (subject to a rule being granted).

H.R. 10587, Improving Range Conditions of Grazing Lands (open rule, one hour).

Mr. MICHEL. Mr. Speaker, might I inquire, on Monday's schedule when the HUD-independent agencies appropriations bill is up, while I would hope we could expeditiously dispose of that, if that goes to 5:30, what would happen with the suspensions and that solar power research and development bill? Would they be put off until Tuesday?

Mr. LLOYD of California. They would be delayed. We would hold off the suspensions until another suspension day.

Mr. MICHEL. And how about the solar power research? Would that also be postponed?

Mr. LLOYD of California. That would go over until another appropriate time which will be announced.

Mr. MICHEL. And I would make the additional observation that on Tuesday is the annual congressional ball game between the Republicans and the Democrats.

I am quite sure that the leadership is aware of that game so that we may adjourn at an appropriate time that day in order to make ready preparation for it.

Mr. LLOYD of California. The gentleman is correct, we are aware of the game

and the leadership will take that into consideration.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Speaker, I thank the gentleman for yielding, and I would ask the gentleman from California (Mr. LLOYD) with reference to the Consent Calendar for Monday, if there are items on that calendar that are not considered on Monday, may they then be considered on Tuesday or Wednesday?

Mr. LLOYD of California. Is the gentleman referring to the bills under suspension?

Mr. McCORMACK. No, I am referring to the Consent Calendar which is the first item of business on Monday. I am asking that if there is an item on the Consent Calendar that is not considered on Monday can it be handled on Tuesday or Wednesday?

Mr. LLOYD of California. Not without receiving unanimous consent.

Mr. McCORMACK. But it could be done through unanimous consent?

Mr. LLOYD of California. The gentleman is correct.

Mr. McCORMACK. I thank the gentleman for yielding.

Mr. MICHEL. Mr. Speaker, those are all of the questions that I have and I thank the gentleman from California.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. LLOYD of California. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday Rule may be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ADJOURNMENT TO MONDAY, JUNE 19, 1978

Mr. LLOYD of California. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ROMAN CATHOLIC HIGH SCHOOL CHAMPIONS

(Mr. LEDERER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

● Mr. LEDERER. Mr. Speaker, I would like to call the attention of my colleagues in the House to the Roman Catholic High School's recent victory which made them citywide champions in Philadelphia.

Mr. Speaker, first, may I congratulate and compliment Head Coach Bob Koch and Assistant Coach Harold Myer for their outstanding job. Being a good coach requires many diverse qualities and abilities. Among them are a sound tactical knowledge of the game; the ability to convey that knowledge to the young men on the team; and leadership. In all these, both men have shown their competence.

Mr. Speaker, also, may I offer my sincere congratulations to the individual members of the team. They include: Ray Bidus, Lenny Bisignaro, James Braunsberg, Kevin Devlin, Patrick Dolan, Larry Elliott, Arthur Gallagher, Martin Gaccon, Craig Houck, Bert Leahy, Christopher Lawlor, Craig McClary, Patrick McCoy, Victor Pablos, Mark Sokolski, Vincent Stankiewicz, John Stoffere, Richard Zaborowski, Matthew Zakrzewski, and Paul Zehren. All these young men displayed not only excellence of play but also sound sportsmanship which is the real spirit of athletic competition.

Mr. Speaker, as a graduate of the Roman Catholic High School, I take special pride in this accomplishment. This team has lived up to the highest traditions of the school both in excellence and drive. These sound traditions have long epitomized Roman Catholic's long history.

Mr. Speaker, the Roman Catholic High School citywide championship team of 1978 is the highest manifestation of the old Philadelphia spirit. Once again, I am so very proud of this team and all its individual members. Good job.

This achievement was Roman Catholic's first city baseball championship in its 88-year history.

Coach John Hughes and his George Washington High Public League champions are to be commended for their sportsmanship and fine play.

ROMAN 10, WASHINGTON 3

	AB	R	H	BI
WASHINGTON				
Nabit cf	3	0	0	0
Young 3b	1	0	0	0
Price c	4	0	1	2
Rappoport lf	3	0	1	0
Cohen 1b	3	1	0	0
Levick rf	1	0	0	0
Clydesdale pr	0	0	0	0
Cardella ph	1	0	0	0
Orenstein ss	3	0	1	0
Skrocki 2b	2	1	0	1
Gobeler p	0	0	0	0
Ross p	1	1	0	0
Total	22	3	3	3
ROMAN				
Zehren 2b	4	2	3	3
Stoffere lf	3	0	0	0
Houck p, rf	4	2	3	1
Leahy c	4	1	3	3
Braunsberg ss	3	0	0	1
Bisignaro 3b	3	1	0	0
Stankiewicz rf	2	1	1	0
Devlin p	1	1	1	0
Zabrowski p	0	0	0	0
Sokolski lf	2	2	1	1
Gallagher 1b	3	0	0	0
Total	28	10	11	9

Washington	0	0	2	1	0	0	0	—	3
Roman	0	5	1	0	0	4	x	—	10

E—Orenstien (2). LOB—Roman 4, Washington 9. 2B—Zehren Leahy. 3B—Rappoport, Zehren, Houck. HR—Leahy. SB—Stoffere. DP—Roman 1, Washington 1, SF—None.

	IP	H	R	ER	BB	SO
Gobeler (L)	1.1	3	4	4	3	0
Ross	4.2	8	6	6	0	4
Houck (W)	4.0	2	3	3	7	1
Devlin	2.1	1	0	0	4	3
Zabrowski	.2	0	0	0	0	1

PB—Leahy. HBP—By Houck (Skrocki), By Ross (Sokolski). Time—2:15. Attendance—3,197. ●

GENERAL LEAVE

Mr. SYMMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today, the President's trip to Panama.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

JIMMY CARTER REVERSES POLICY OF THEODORE ROOSEVELT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. SYMMS) is recognized for 30 minutes.

Mr. SYMMS. Mr. Speaker, I think that one of the most significant facts surrounding President Carter's visit to Panama later today to officially sign the treaties giving up control of the canal is that he is reversing the commonsense policy of President Theodore Roosevelt of "walk softly but carry a big stick."

President Carter seems to be following a policy of "speak with inconsistencies and disarm." Mr. Speaker, it disturbs me that Mr. Carter would take the initiative of going to Panama and finalizing these treaties without the House of Representatives voting on the question of the disposal of the American property there. The arguments made in favor of the treaties by the Carter administration and their foreign policy mentors are all the wrong arguments. For example, to say that we cannot defend the canal seems to be an admission of U.S. military weakness. After all, if we cannot defend the Panama Canal, then what can we defend? Second, to say that we must surrender control of the canal—"the last vestige of colonialism," as guilt lobby calls it—in order for us to gain the respect of the rest of Latin America is both false and stupid. Most of the other Latin American nations that are members of the Inter-American Defense Board were actually opposed to the treaties because they feared that Panama could not manage the canal well, that they would raise the tolls, and that the Cubans, or the Russians, might move in. And for the United States to give in to the demands of the Panamanian dictator in the manner in which we did is in itself a signal to the rest of Latin America and the rest of the world that we are not likely to stand our ground in other confrontations—especially with the Soviet Union.

Mr. RUDD. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Arizona.

Mr. RUDD. I thank the gentleman for yielding. I want to commend the gentleman from Idaho for the tireless effort that he has made in this regard to bring to the attention of the people of America the situation which now exists with respect to the treaties.

Mr. Speaker, I believe that the President is doing our people and our Nation a most grievous disservice by traveling to Panama this weekend to exchange instruments of ratification for the new Panama Canal Treaties.

The Panama Government's lengthy communique rejecting the intent of the U.S. Senate in its passage of the DeConcini reservation has again opened up controversy over U.S. rights to defend the canal.

I believe, and I am sure that most Americans believe, that the President had a moral obligation to obtain a firm withdrawal by Panama of its objections to Senate reservations before he went to exchange these instruments of ratification.

There is no reason for that exchange to take place this weekend, we are in no hurry or should not be.

It was the intent of the U.S. Senate, through the Brooke reservation, that the instruments of ratification cannot become effective until March of 1979, and the new treaties cannot be implemented until the following October.

The Panama Government has also rejected this U.S. condition for ratification of the treaties.

By going to Panama this weekend, before this controversy over U.S. Senate conditions for ratification of the treaties has been settled, the President has pulled the rug right out from under a firm U.S. position to insist on our treaty conditions.

The President should have insisted on Panama's public acceptance of these conditions before he went to Panama.

The Panama Government stated in its communique that the United States has absolutely no right, under any circumstances, to intervene militarily or in any other way affecting Panama's internal or foreign affairs in the defense of the canal's security, neutrality, or continued operation.

What if Fidel Castro starts the same kind of military adventurism and aggression in our hemisphere, threatening the Panama Canal, that he is currently engaged in over in Africa?

According to the Panama Government's view, in its rejection of the intent of the Senate reservation, the United States could legally do nothing to stop Castro if he tried to use the canal for military or hostile purposes.

The President saw fit to ignore my request, and requests from other Members of the House and the Senate, that he postpone his Panama trip until this matter of Panama's differing view of U.S. rights under the new treaties had been settled.

There is no reason whatsoever for this action, except his decision not to let anything, even circumstances that are entirely contradictory to Senate conditions on its approval of the treaties, get in the way of his turning the canal over to Panama.

The President has therefore set the stage for Communist-inspired international incidents involving the canal for years to come, and the possibility of war in our own hemisphere if the canal ever needs U.S. protection.

Those of us who opposed these treaties from the beginning have firmly stated the need for all U.S. conditions and stipulations on the new treaties to be part of the actual treaty texts not just reservations that Panama insists it can accept or reject at will.

Now before the President has even officially exchanged the instruments of ratification, we know the truth of that position.

Why does President Carter refuse to correct this problem before he formally proceeds to implement treaties that we now know are defective—that we now know are not in the best interests of the United States?

This is a disgraceful state of affairs, and again demonstrates the shocking character of this administration's foreign policy.

REQUEST OF DEPARTMENT OF AGRICULTURE FOR REPORT CONCERNING FOREIGN PURCHASE OF FARMLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. GRASSLEY) is recognized for 30 minutes.

Mr. GRASSLEY. Mr. Speaker, on Wednesday, June 14, two of my colleagues on the Agriculture Committee and I—the gentleman from Minnesota (Mr. NOLAN), chairman of the Family Farms, Rural Development and Special Studies Subcommittee on which I serve as ranking minority member, and the gentleman from California, (Mr. KREBS)—introduced legislation to require reporting of foreign ownership, acquisition, or transfer of U.S. agricultural land. These two bills, H.R. 13128 and H.R. 13132, would make it necessary for foreign individuals, partnerships, corporations, trusts, or other groups who own, acquire or transfer U.S. farmland or an interest in such farmland, to report their holdings and transactions to the Secretary of Agriculture.

The Secretary would, in turn, analyze this information to determine the effects of such holdings, acquisitions, and transfers, especially on family farms and rural communities, and report his findings to the President and the Congress.

We hope that this kind of reporting requirement will give us the information we presently lack on the extent of current foreign ownership of farmland and the rate at which our farms are going into the hands of foreign buyers.

Foreign ownership of U.S. farmland has long been a matter of some concern to farmers and others in this country. Several States—including my own, Iowa—have imposed restrictions and reporting requirements in some form or other on foreign ownership and purchase of farmland. These State controls vary in effectiveness, however, and we have no reliable information available at all on what is happening across the country as a whole.

This lack of information is a serious handicap. Press and media accounts indicate that foreign purchases of farms in this country may be increasing substantially. There have been reports of estimates that as much as 40 to 50 percent of the sales of agricultural land in certain areas of the United States are being made to foreign buyers, and that the figure may be as high as 20 percent nationally. These are educated guesses by people in the business.

On the other hand, a report just released by the General Accounting Office found that only three-tenths of 1 percent of cropland in 25 counties in 5 States—California, Kansas, Georgia, Missouri, and Oklahoma—was owned by nonresident aliens. They did find, however, that as much as 6.3 percent of the farmland in Johnson County, Ga., was in foreign ownership. This report was helpful, but largely inconclusive, and simply underscores the need for more reliable information.

The GAO report concluded that, generally, county public records are not a useful source of information on foreign investment in county farmland. The approach recommended in the report as the "most feasible and simplest" to obtain solid information on foreign ownership and purchases would be to set up a nationwide registration system to place a reporting requirement on the foreign landowners and purchasers. This is the approach we have taken in our legislation.

Our need for information is in two basic areas. We need to know how much land is foreign owned as well as the amount of acreage currently going to foreign buyers, but beyond that, we also need to know just what the impact of foreign ownership really is. How does it affect agriculture, family farms, rural communities, and our national economy? What are the dangers of increased foreign ownership of farmland. Do foreign buyers drive up the price of farmland and, consequently, the costs of production to domestic producers? On this point the GAO study indicates that foreign purchasers are, in fact, paying more. What does this do to local property taxes and to local farmers who need to expand, or to new farmers trying to establish themselves?

What are the factors that stimulate interest in U.S. farmland? Has the decline of the dollar abroad had a significant effect? As our dollar becomes cheaper in relation to foreign currencies the relative price of our farmland becomes less for potential foreign buyers. At the same time, unrest abroad and instability of foreign governments causes investors to look around for safe, stable, long-term investment opportunities. Our farmland fits these requirements very well. Many foreign investors are apparently not looking for a high rate of return as much as they are a safe place to put their capital. What does this mean to U.S. producers? Will they be put in a position of increasing competition from farming operations where profit is of little concern?

In an effort to try to answer some of these important questions and obtain as wide a range of analysis and opinion on the issue as possible, the Family Farms, Rural Development, and Special Studies Subcommittee has scheduled a hearing on foreign investment in U.S. farmland for next Tuesday, June 20. We hope to hear from a variety of witnesses on all aspects of this issue, and develop a hearing record that will be useful in determining what our current situation is and how we should respond to it nationally.

Mr. Speaker, the introduction of H.R. 13128 and H.R. 13132 is an effort to help bring the issue of foreign investment in U.S. farmland into better focus. We need to know what is happening before we can deal intelligently with it. The bill has been drafted in a way to obtain the most complete information possible —that is, to go beyond the holding companies and other legal entities designed to hide or obscure foreign ownership, so that we can get accurate and reliable figures on the true extent of foreign holdings of farmland. This is not an attempt to restrict foreign ownership, but to identify it.

● Mr. NOLAN. Mr. Speaker, I am pleased to join with my colleagues on the Agriculture Committee, my good friend from California, Mr. KREBS, and Mr. GRASSLEY of Iowa, ranking minority member of the Subcommittee on Family Farms and Rural Development, which I am privileged to chair, in cosponsoring the Agriculture Foreign Investment Disclosure Act. This legislation deals with a critical issue, the ownership of American farmland, a subject of long-standing concern to the subcommittee.

Thomas Jefferson once cautioned our new republic that, "the small landowners—are the most precious part of the State." In truth, the American family farm system has been the backbone of American society. It has been both a social and economic system where the vast natural resources of our Nation were equitably distributed to the maximum possible number of our citizens. Small towns and rural America thrived and were well served by this institution.

It is my personal opinion, however, and perhaps the opinion of a growing number of others as well, that we have virtually ignored the plight of the small family farmer in the last few decades. By failing to support his economic position in the marketplace, we have forced his costs beyond his earnings and driven him from the land.

For the farmers who remain, the only way to reduce relative costs per acre and remain solvent is to buy more land. The advent of large-scale capital intensive technology and generous tax incentives have heightened the competitive advantages of the larger farming enterprises and have accelerated this trend. Without continuing to expand in size, the large farm of yesterday is the small farm of today and is soon overtaken by rising per acre production costs.

This increased competition for land has propelled the market price for land by 300 percent in the last 5 years. Assuming no major reforms in our Nation's basic price support system, we can expect the continued low market, cost-price squeeze to force farmers to expand and keep land competition and farmland prices very high for years to come. Farmland, as a scarce raw material, has therefore become a very good investment at this time.

American corporations, wealthy nonfarm professionals, and other outside investors have recently entered the farm real estate market at an ever-growing rate. It is estimated that nearly 12 percent of all current farm sales nationally go to nonfarm investors.

In the last few months, we have seen the advent of a new class of nonfarm investor, the nonresident alien. Foreign investment, principally from Western European nations, has by varying estimates accounted for 20 to 50 percent of land sales in certain parts of this country.

The concern that has arisen throughout the rural sector to this development has brought national attention. Recent hearings on this issue by the subcommittee I chair was widely covered in the national news media and especially in the agricultural press. The lack of substantial and reliable statistics on the extent and source of foreign investment clearly emerged from those hearings as the single most critical impediment to a reasoned and rational government response. The Agricultural Foreign Investment Disclosure Act will address this issue in a manner I believe is thorough, efficient, and timely.

In the final analysis, no one knows what the impact of rising foreign investment will be on the American family farm. Prime Minnesota-Iowa farmland now sells for less than half of the price of similar land in Western Europe, and therefore as an international commodity is underpriced and most likely to rise dramatically. American investors may also recognize this trend and are likely to sizeably increase their investment activity in years to come.

Without a similar increase in farm prices and farmer income, very few farmers will find they are able to acquire additional farmland, and still fewer new farmers will be able to get started in agriculture. Consolidation of farmland holdings and an emerging new class of tenant farmer may forever change the face of agriculture and the viability of the family farm.

In the process, small rural communities will suffer greatly. It has been shown that as farmland investment increases in a local community, a greater portion of the wealth from the land is passed on to absentee landowners and bypasses the local community economy. With fewer farm families, less wealth per family, fewer nonfarm employment opportunities, and less local capital for investment, the future of many small towns will be in great jeopardy.

The Congress needs to take a very, very close look at the impact of these emerging trends in farmland ownership. Foreign investment is a critical feature of this trend, and the need for accurate and timely data is unquestioned. I urge my colleagues to support and urge early adoption of the Agriculture Foreign Investment Disclosure Act of 1978.

Thank you.●

Following is a text of H.R. 13128 and H.R. 13132:

H.R. 13128 AND H.R. 13132

A bill to require foreign persons who acquire, transfer, or hold interests in agricultural land to report such transactions and holdings to the Secretary of Agriculture and to direct the Secretary to analyze information contained in such reports and determine the effects such transactions and holdings have, particularly on family farms and rural communities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Agricultural Foreign Investment Disclosure Act of 1978".

REPORTING REQUIREMENTS

SEC. 2. (a) Any foreign person who acquires or transfers any interest, other than a security interest, in agricultural land shall submit a report to the Secretary of Agriculture not later than 90 days after the date of such acquisition or transfer. Such report shall be submitted in such form and in accordance with such procedures as the Secretary may require and shall contain—

(1) the legal name and the address of such foreign person;

(2) in any case in which such foreign person is an individual, the citizenship of such foreign person;

(3) in any case in which such foreign person is not an individual or a government, the country in which such foreign person is created or organized and the principal place of business of such foreign person;

(4) the type of interest in agricultural land which such foreign person acquired or transferred;

(5) a legal description of such agricultural land;

(6) the purchase price paid for, or any other consideration given for, such interest;

(7) in any case in which such foreign person transfers such interest, the legal name and the address of the person to whom such interest is transferred and—

(A) in any case in which such transferee is an individual, the citizenship of such transferee; and

(B) in any case in which such transferee is not an individual or a government, the country in which such transferee is created or organized and the principal place of business of such transferee; and

(8) such other information as the Secretary may require by regulation.

(b) Any foreign person who holds any interest, other than a security interest, in agricultural land on the day before the date of the enactment of this Act shall submit a report to the Secretary not later than 180 days after the date of the enactment of this Act. Such report shall be submitted in such form and in accordance with such procedures as the Secretary may require and shall contain—

(1) the legal name and the address of such foreign person;

(2) in any case in which such foreign person is an individual, the citizenship of such foreign person;

(3) in any case in which such foreign person is not an individual or a government, the country in which such foreign person is created or organized and the principal place of business of such foreign person;

(4) the type of interest in agricultural land which is held by such foreign person;

(5) a legal description of such agricultural land;

(6) the purchase price paid for, or any other consideration given for, such interest; and

(7) such other information as the Secretary may require by regulation.

(c)(1) With respect to any foreign person, other than an individual or a government, who is required to submit a report by subsection (a) or (b), the Secretary may, in addition, require such foreign person to submit a report to the Secretary containing—

(A) the legal name and the address of each person who holds any interest in such foreign person;

(B) in any case in which the holder of such interest is an individual, the citizenship of such holder; and

(C) in any case in which the holder of such interest is not an individual or a government, the country in which such holder is created or organized and the principal place of business of such holder.

(2) With respect to any person whose legal name is contained in any report submitted under paragraph (1), the Secretary may take such actions as the Secretary considers necessary to determine—

(A) the legal name and the address of any person who holds any interest in any person whose legal name is contained in such report;

(B) in any case in which the holder of such interest is an individual, the citizenship of such holder; and

(C) in any case in which the holder of such interest is not an individual or a government, the country in which such holder is created or organized and the principal place of business of such holder.

(3)(A) The Secretary shall not require any foreign person to submit any information in any report under paragraph (1) if the submission of such information is prohibited by the laws of the country involved.

(B) the Secretary shall not take any action under paragraph (2) if such action is prohibited by the laws of the country involved.

CIVIL PENALTY

SEC. 3. (a) Whoever violates any provision of section 2(a), 2(b), 2(c)(1) of this Act shall be subject to a civil penalty imposed by the Secretary. The amount of any such civil penalty shall be determined in accordance with the provisions of subsection (b) of this section. Any such civil penalty shall be recoverable in a civil action brought by the Attorney General of the United States in an appropriate district court of the United States.

(b) With respect to any person who violates any provision of section 2(a), 2(b), or 2(c)(1), any civil penalty imposed by the Secretary shall not exceed 25 percent of the fair market value, on the date of the assessment of such penalty, of the interest in agricultural land with respect to which such violation occurred.

REPORTS

SEC. 4. (a) In accordance with the schedule set forth in subsection (b), the Secretary shall—

(1) with respect to each period set forth in such subsection, analyze information obtained by the Secretary under section 2 and determine the effects of foreign persons' acquiring, transferring, and holding agricultural land, particularly the effects of such acquisitions, transfers, and holdings on family farms and rural communities; and

(2) transmit to the President and each House of the Congress a report on the Secretary's findings and conclusions regarding each analysis and determination made under paragraph (1).

(b) An analysis and determination shall be made, and a report on the Secretary's findings and conclusions regarding such analysis and determination transmitted, pursuant to subsection (a)—

(1) with respect to information obtained by the Secretary under section 2 during the 6-month period following the date of the enactment of this Act, within 9 months after such date of enactment;

(2) with respect to information obtained by the Secretary under section 2 during the 12-month period following the date of the enactment of this Act, within 15 months after such date of enactment; and

(3) with respect to each calendar year following the 12-month period referred to in paragraph (2), within 90 days after the end of such calendar year.

DEFINITIONS

SEC. 5. For purposes of this Act—

(1) the term "agricultural land" means any land used for agricultural purposes as determined by the Secretary under regulations to be prescribed, by the Secretary;

(2) the term "foreign country" means any country other than the United States;

(3) the term "foreign person" means—

(A) any individual who is not a citizen of the United States or who has not been lawfully admitted for permanent residence under the Immigration and Nationality Act;

(B) any person, other than an individual or a government, which is created or organized under the laws of a foreign country or which has its principal place of business in a foreign country;

(C) any person, other than an individual or a government, which is created or organized under the laws of a State of the United States, the District of Columbia, or a territory, possession, or commonwealth of the United States and which, as determined by the Secretary under regulations to be prescribed by the Secretary, is substantially controlled by any foreign person; and

(D) any government of a foreign country;

(4) the term "person" includes any individual, corporation, company, association, firm, partnership, society, joint stock company, trust, estate, or any other similar organization;

(5) the term "Secretary" means the Secretary of Agriculture; and

(6) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico. the Commonwealth of the Northern Marianas, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

GENERAL LEAVE

Mr. GRASSLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

DAYTON, OHIO, SELECTED AS ALL-AMERICAN CITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

● Mr. WHALEN. Mr. Speaker, I rise on this occasion to congratulate Dayton, Ohio, the principal city in my district, upon its selection as an All-American City by the National Municipal League. This choice was based on the community's high degree of citizen participation in governmental affairs.

From the aftermath of the 1913 flood to the citizen councils of the 1950's. Dayton has maintained a tradition of citizen participation in city policy decisions.

In 1965 the Community Action program was organized to stimulate input from lower income neighborhoods. Two years later Dayton was chosen to be a model city. As an outgrowth of the progress made by these programs, in 1970 six neighborhood priority boards were formed. Organized to represent six "natural communities," the priority boards have made possible even wider citizen input. They have been particularly active in the revitalization of the downtown area, providing guidance in the obtaining of subsidies for home and commercial improvements, upgrading public facilities, and implementing zoning changes. In 1975 the city commission declared the priority boards to be the official citizen participation vehicle for Dayton.

Since their inception, the neighborhood priority boards have been instrumental in forming a new relationship between Daytonians and their city government; a relationship dependent on the give and take of information between citizens and city policymakers.

In the area of crime prevention the neighborhood assistance officers serve as a volunteer organization to work with police to provide services which otherwise might not receive prompt attention. There also exists nearly 100 neighborhood watch groups. Through the combined efforts of these groups Dayton has seen a substantial drop in the crime rate.

I know I speak for the entire Miami Valley in paying tribute to the city of Dayton on the receipt of this honor. Certainly the record of our recent past shows that through active citizen participation in governmental policymaking, a more responsive city government will result.●

LIFT THE EMBARGO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

● Mr. FINDLEY. Mr. Speaker, The U.S. arms embargo against Turkey hurts U.S. security. The embargo is weakening the NATO alliance, the defense of both Greece and Turkey, and the U.S. ability to protect our interests in the Eastern Mediterranean and in the Middle East.

Among those who have expressed their deep concern about the U.S. arms embargo against Turkey are the Disabled American Veterans. These are individuals who have given much of their country's security and who have a great interest in seeing that security preserved.

I would like to call to the attention of my colleageus the following letter which I received from Oliver E. Meadows, the national commander of the Disabled American Veterans, and a resolution passed by his organization in favor of lifting the embargo:

DISABLED AMERICAN VETERANS,
Washington, D.C., June 1, 1978.

Hon. PAUL FINDLEY,
International Relations Committee, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN FINDLEY: This letter is in reference to H.R. 12514, the International Security Assistance Act of 1978 which is presently pending in the House International Relations Committee. More specifically, it concerns that portion of the bill

which proposes to remove the United States arms embargo that currently applies to the nation of Turkey.

As you are of course aware, due to Turkish military action in Cyprus in 1974, the United States Congress approved legislation prohibiting the sale of military weaponry to Turkey. This sanction was imposed in the hopes that it would lead to a Turkish military withdrawal from Cyprus, which in turn would result in a normalization of relations between the countries of Greece and Turkey. Congenial relations between these two countries, both members of the North Atlantic Treaty Organization, was (and is) considered a prerequisite to ensuring that the national interests of the United States in the Eastern Mediterranean remain unimpaired.

Unfortunately, the four-year arms embargo has not had its desired effects for there still exists a Turkish military presence on the island of Cypress. Consequently, Turkish/Greek relations have not returned to their pre-1974 level, resulting in a continued weakening in the NATO alliance and the U. S. posture in the Eastern Mediterranean.

As you may be aware, the national membership of the Disabled American Veterans is composed of those men and women who have suffered a wound, injury or disease as a result of military service in our Armed Forces. Quite obviously, those who have actively defended this Nation in time of war remain keenly interested in matters which affect America's national security.

In view of this interest, and in conjunction with the subject matter of this letter, I wish to inform you that the National Executive Committee of the Disabled American Veterans has approved a resolution which calls for the removal of the U. S. arms embargo presently imposed upon Turkey (copy enclosed).

This position reflects our belief that the goal sought by the 1974 embargo—promotion of our country's national interests in the Eastern Mediterranean—cannot be achieved through continuance of the present policy. In fact, it is highly likely that removal of the embargo might very well create a climate that is more conducive to a normalization of Greek/Turkish relations.

I therefore respectfully request that you support removal of the U. S. Turkish arms embargo during the Committee's deliberations on this very important issue.

Thanking you very much for your kind attention to this letter, I remain.

Sincerely yours,

OLIVER E. MEADOWS,
National Commander.

NEC RESOLUTION IN SUPPORT OF LIFTING THE U.S. ARMS EMBARGO TO TURKEY

Whereas, as a result of Turkish military action in Cyprus in 1974, the U.S. Congress imposed an arms embargo on Turkey, and

Whereas, this embargo was imposed in the hopes that it would induce Turkey to withdraw from Cyprus and thereby normalize relations between Greece and Turkey—this being necessary for the continued strength of the North Atlantic Treaty Organization (NATO) of which both countries are members, and

Whereas, the arms embargo has not had this effect, NATO remains impaired and the national interests of the United States in the Mediterranean area remain weakened, and

Whereas, the President of the United States has requested the Congress to lift the arms embargo and has discussed this matter personally with representatives of the Disabled American Veterans, and

Whereas, our organization will support policies that are in the best interests of our Nation's national security, notwithstanding other differences we may have with the present Administration; Now therefore, be it

Resolved, That the Disabled American Veterans do take a position in favor of lifting the U.S. arms embargo to Turkey and that this position be communicated to the appropriate members of the United States Congress.●

"THE SAD, CONTINUING SAGA OF BIKINI ATOLL"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PHILLIP BURTON) is recognized for 5 minutes.

● Mr. PHILLIP BURTON. Mr. Speaker, in 1975 the Interior Committee approved legislation, which was ultimately enacted into law, providing for an ex gratia payment to the people of Bikini, Marshall Islands, Trust Territory of the Pacific Islands, who were displaced from their atoll by the U.S. Government for the purpose of conducting a series of nuclear bomb tests.

At that time, when the bill was under consideration, we attempted to determine whether or not there was anything else that might be done for these people who had been moved from place to place, but we were informed by the executive branch that nothing else was needed except this ex gratia payment to compensate them for being uprooted from their islands for 25 years.

Three years later, in 1978, we are told that those Bikini people who did return a few years ago to their atoll, having been assured by the U.S. Government that it was safe for human habitation, have now been found to have absorbed radioactive substances at rates exceeding the Government's maximum radiation standards. Thus, their health has been threatened, their dream of returning to Bikini has been dashed, and they must be moved as quickly as possible to some other island in the Marshalls. Another 30 to 50 years, it is said, must elapse before anyone may safely live on Bikini again.

I would like to bring to the attention of my colleagues an excellent Pacific Daily News editorial on the terrible plight of these Bikini people. In it, Joe Murphy, the highly respected editor of the newspaper, has poignantly depicted the sad story of these islanders. The editorial follows:

[From the Pacific Daily News, June 5, 1978]

THE SAD, CONTINUING SAGA OF BIKINI ATOLL

One of the saddest stories in the world concerns those first nuclear-age nomads, the atoll-less people of Bikini.

It's easy to look at this botched, mismanaged story of Bikini in hindsight, and say the United States was all wrong. And perhaps the sacrifice of 170 islanders from Bikini helped prevent many wars in the past 30 years.

But the United States must immediately aid the people of Bikini, no matter what it costs in money and manpower. Our hearts go out to the long-suffering islanders.

For many centuries the Bikinians lived on the same coral atoll. They had plenty of coconut and pandanus, and fish were easy to catch in the sparkling lagoon. The islanders kept much to themselves, far away from the other island people in the Marshalls. It was their home—until that fateful day in 1946.

Soon after World War II, the United States decided that the atomic bomb and other atomic weapons had to be tested. Somebody—supposedly nobody knows who—decided on Bikini as the perfect place for such tests. It was so remote and, presumably in the minds of the people who had bombs to test, so inconsequential. What difference did 170 uneducated islanders make? And, after all, we would take them off to another island to live.

So, one black day, military boats came in and loaded up all the islanders from their ancestral home. They were taken to the island of Rongerik. It was much too small and in two years the people were nearly starving. The United States got into the act again, and moved the islanders to Kwajalein, a major military installation. Eventually they were resettled on the island of Kili, about 500 miles southeast of Bikini.

Kili wasn't much better. There was not enough land for cultivation and no lagoon for fishing. From 1952 on, these once independent and self-sufficient islanders were reduced to depending more and more on food shipped in by the United States.

But the Bikinians had hope that one day they would return to their home island. Finally, in 1968, the United States announced plans to rehabilitate the atoll. It hadn't been used for nuclear testing for 10 years. Plans were established to plant food trees and build concrete-block houses. U.S. officials said the atoll apparently was free of radiation contamination.

More than 100 people returned to Bikini in the early 1970s, while others still on Kili planned to follow as soon as adequate food supplies and housing could be assured.

Devastating events followed this much publicized decision to return. In 1975, when the people wanted to begin harvesting the maturing coconut palms, a new survey showed unacceptably high levels of radioactive substances in the well water and the plants.

All the food plants had been destroyed during the bomb blasts. But scientists didn't know that radioactive isotopes from the fallout had worked their way into the soil, and from there into the new plants and then into the people who ate the fruit of those plants.

The Department of Interior warned the people to drink only water collected in cisterns from rain, and to resist any temptations to eat the food growing all around them. They were allowed to eat only food shipped in.

Disaster continued to plague the Bikinians. New surveys last year showed even sharper increases in radiation in vegetation, and earlier this year the Interior Department announced plans to move the people off Bikini once again.

Bikini is lost, perhaps forever, for the people. John de Young, the Interior Department's senior staff assistant for Pacific affairs, said that radiation studies conducted in 1975 indicated the main Bikini island would not be suitable for long-term habitation for 35 to 50 more years.

That means Bikinians living today will probably never permanently go home.

And those who returned for the short time may be in trouble. This error made by our inexperienced scientists is tragic.

In April government doctors gave most of the 139 islanders their annual medical examination. The results were terrifying. In a year's time, there had been a 75 percent increase in cesium in people's bodies. In many cases the concentration of cesium, a radioactive isotope, far exceeded government's maximum radiation standards. The islanders, therefore, run a strong risk of accumulating strontium-90, which invades the bones and can cause cancer. The Interior Department reported these findings to Congress, and said Bikini would have to be reevaluated within 90 days.

It will be up to Adrian P. Winkel, high commissioner of the Trust Territory, to explain to the people of Bikini within the

next couple of weeks why they must leave their homeland again, and to find out where they would prefer to live. What a ghastly chore—telling people once moved from their homes so their island could be bombed, that they must be moved again. And someone has to tell them of the cancer risk they face.

The United States hopes to eventually reunite all the Bikinians, but on another island. A likely site for the resettlement, de Young said, is the atoll's second largest island, Enue, where radiation damage during the nuclear tests was less severe. But first the Energy Department, which is responsible for the safety of people living in former nuclear test areas, wants to conduct an aerial survey of the region. It plans to use the most advanced systems for detecting radioactivity: airborne gamma-ray detectors such as those used in locating radioactive debris from the Soviet satellite that fell over northern Canada in January.

The Navy will make the final arrangements for the survey, probably in three or four months, but certainly before the end of the year. Navy helicopters would fly the instruments low over the atoll of about a dozen islands. These airborne sensors weren't available when the first study was made in 1964. If it had been, perhaps no one would have made the horrible mistake of bringing the people back.

A large amount of effort and money was put into rehabilitating Bikini. The island was plowed up and the top soil removed. Thousands of coconut trees were planted. Forty homes were built. Total cost was about $3 million. Now everything must be abandoned, and a new start must be made somewhere else.

The Interior Department has asked Congress for $6 million to begin a new resettlement program expected to cost $15 million. This means the United States will have spent the equivalent of $100,000 for each Bikinian.

Scientists and government officials aren't happy about the situation. One official, Joseph Deal, said, "At the time, nobody had any thought but that those islands were for testing. No one thought of them as the home of people. Then a lot of well-meaning people make a judgment to let the people return home. The conclusion of 20–20 hindsight is that we probably did the wrong thing."

Meanwhile, rehabilitation efforts are proceeding on Enewetak, another former nuclear test site in the Marshalls. We can only hope the Enewetak project does not run into the same sort of foulups.

Ws it all worth it? Did our knowledge of nuclear bombs help stave off world wars? Does America's conscience twinge just a bit as the terrible saga of those poor, naive Bikinians unfolds? After all, the islanders never harmed anyone. JCM.●

INTRODUCTION OF "ENVIRONMENTAL TECHNICAL ASSISTANCE ACT OF 1978"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. STAGGERS) is recognized for 5 minutes.

● Mr. STAGGERS. Mr. Speaker, I have long been concerned about the problems which small business and small communities face in dealing with the Federal Government generally. As a result of recent controversies regarding the effect of pollution control standards and warranties on small auto parts dealers and independent service stations, I have become particularly concerned about how environmental standards are affecting small business. Moreover, recent drinking water standards proposals of the Environmental Protection Agency give me cause for concern about how small communities will be able to pay to meet these standards.

Because of these concerns—and my judgment that EPA needs to become more aware of and responsive to the concerns of small business and small communities—I am today introducing the "Environmental Technical Assistance Act of 1978."

This bill has five main purposes: First, to require EPA to establish an office of concerns; second, to require the office to serve as an advocate for small communities and small business in EPA rulemaking actions and to serve as adviser to the Administrator on concerns of small communities and small business; third, to require the office to provide technical assistance to small communities and small business to help find the least expensive ways to comply with environmental requirements; fourth, to require the office to help small communities and small business find Federal funds to pay for compliance with environmental requirements; and, fifth, to require the office to conduct studies on, and recommend solutions for, problems of small communities and small business in meeting environmental requirements.

Much of what is contained in this legislation could be done administratively by EPA under its existing authority. I hope the Administrator will take note of this and undertake action to implement these proposals promptly. If EPA fails or refuses to do so, however, I believe Congress should mandate the Agency to respond.●

MONTHLY LIST OF GAO REPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BROOKS) is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The April 1978 list includes:

APRIL 1978 LIST

NATIONAL DEFENSE

The Navy's Trident Fleet—Some Success But Several Major Problems. PSAD–78–31, April 7.

Status Of The Air Force's F–16 Aircraft Program. PSAD–78–36, April 24.

Cash And Investment Management Of Department Of Defense Nonappropriated Funds Need To Be Improved. FPCD–78–15, January 19.

Opportunities For Improving Army Oversight Of Pension Plans At Government-Owned, Contractor-Operated Ammunition Plants. PSAD–78–85, April 18.

Military Construction Standards Should Be Updated To Better Meet User Needs And Save Money. LCD–77–351, April 3.

Eliminate Administrative Discharges In Lieu Of Court-Martial: Guidance For Plea Agreements In Military Courts Is Needed. FPCD–77–47, April 28.

Review Of The Navy's Site Selection And Appropriation Request For Funds To Construct Support Facilities At Kings Bay, Georgia. LCD–78–327, April 27.

Better Program Management Through Eliminating Exchange Rate Gains And Losses From DOD Budget Process. ID–78–33, April 7.

Letter reports

The Army needs to improve its procedures for the planned test of one station unit training and two station training. FPCD–78–37, April 3.

Information on the award of a subcontract by the Chrysler Corporation to the Android Corporation and the Mitsubishi International Corporation for a tank turret machining system. PSAD–78–91, April 5.

The Navy should solicit competitive bids for repairing Navy tactical data system equipment abroad ships. PSAD–78–87, April 7.

Navy's sole-source acquisition of a communications system for submarines was justified. PSAD–78–84, April 7.

Defense Department should reemphasize the use of commercial documentation procedures—instead of Government Bills of Lading—for small shipments on common carriers. LCD–77–232, April 10.

GAO assessment of military services' efforts to improve their race relations training programs. FPCD–76–91, April 18.

The Navy should devote more staff to detecting errors in travel and leave accounts of ship and foreign station disbursing officers. FGMSD–78–29, April 13.

The Navy should institute stronger controls for issuing leather aviator flight jackets. LCD–78–411, March 7.

Factors affecting the ratio of enlisted-to-officers in the military services. FPCD–78–32, March 8.

Effect of changes in Defense Department criteria for justifying military commissaries. FPCD–76–44, March 8, 1976.

Air Force's decision to contract-out activities performed by its Still Photographic Laboratory Justified. FPCD–76–63, May 20, 1976.

Making—rather than buying—small caliber ammunition at the Frankford Arsenal is uneconomical. B–146977, March 5, 1973.

INTERNATIONAL AFFAIRS

Arms Sales Ceiling Based On Inconsistent And Erroneous Data. FGMSD–78–30, April 12.

Military Sales—An Increasing U.S. Role In Africa. ID–77–61, April 4.

The Department Of Defense's Continued Failure To Charge For Using Government-Owned Plant And Equipment For Foreign Military Sales Costs Millions. FGMSD–77–20, April 11.

Management Of Security Assistance Programs Overseas Needs To Be Improved. ID–78–27, April 21.

Reducing Population Growth Through Social And Economic Change In Developing Countries—A New Direction For U.S. Assistance. ID–78–6, April 5.

GENERAL SCIENCE, SPACE, AND TECHNOLOGY

Landsat Policy Issues Still Unresolved. PSAD–78–58, April 17.

Crop Forecasting By Satellite: Progress And Problems. PSAD–78–52, April 7.

Status Of The Navstar Global Positioning System. PSAD–78–37, April 25.

ENERGY

Solar Demonstrations On Federal Residences—Better Planning And Management Control Needed. EMD–78–53, April 13.

Nuclear Power Licensing: Need For Additional Improvements. EMD–78–29, April 27.

Potential For Deepwater Port Development in the United States. EMD–78–9, April 5.

Fair Value Enrichment Pricing: Is It Fair? EMD–78–66, April 19.

Opportunities To Fully Integrate Environmental Research And Development Into Developing Energy Technologies. EMD–78–43, April 6.

Letter reports

Legislation establishing a research and development program for a solar power satel-

lite is premature; many issues need to be resolved before an objective comparison of long-range energy systems can be made. EMD–78–61, April 13.

Use of job shippers—independent onsite technical service personnel—by the Westinghouse Hanford Company for the Fast Flux Test Facility. EMD–78–56, April 7.

Selection and use of a contractor for developing a management information system for the Atomic Energy Commission. B–164105, June 8, 1973.

NATURAL RESOURCES AND ENVIRONMENT

Environmental Protection Agency's Construction Grant Program—Stronger Financial Controls Needed. CED–78–24, April 3.

Letter reports

State of Wisconsin's plans for building prisons in the Bong Recreation Area violate Federal restrictions on use of the land. LCD–78–321, March 9.

Suggestions for improving the joint EPA-State Department program for notifying other countries when the U.S. suspends or cancels registration of a pesticide. CED–78–103, April 20.

The Environmental Protection Agency needs to improve procedures for determining which industries and which types of industrial waste discharges should be subject to cost recovery for construction of waste-water treatment plants. CED–78–102, April 11.

Poor management of loans to the Rend Lake Conservancy District in Illinois by the Department of Housing and Urban Development and the Economic Development Administration. CED–78–89, April 6.

How Government wastepaper can be used to achieve economically, environmentally, and socially desirable goals. LCD–78–112, April 6.

Costs to build roads into timber sales areas in Montana national forests. CED–77–83, June 10, 1977.

AGRICULTURE

The Statistical Reporting Service's Crop Reports Could Be Of More Use To Farmers. GGD–78–29, April 13.

Redesigning Shipping Containers To Reduce Food Costs. CED–78–81, April 28.

The Summer Feeding Program For Children: Reforms Begun—Many Urgently Needed. CED–78–90, March 31.

Food Stamp Work Requirements—Ineffective Paperwork Or Effective Tool? CED–78–60, April 24.

Problems Persist In The Puerto Rico Food Stamp Program, The Nation's Largest. CED–78–84, April 27.

Audit Of Commodity Credit Corporation For Fiscal Year 1977. CED–78–91, April 14.

COMMERCE AND HOUSING CREDIT

The Small Business Investment Company Program: Who Does It Benefit? Is Continued Federal Participation Warranted? CED–78–45, March 3.

An Analysis Of How Eligibility Criteria Are Applied For Participation In The 8(A) Program. CED–78–92, March 31.

TRANSPORTATION

Information On Questions About Conrail's Service In The Scranton, Pennsylvania, Area. CED–78–82, April 4.

Conrail's Profitability: Framework For Analysis. PAD–78–52, April 10.

Should Amtrak Develop High-Speed Corridor Service Outside The Northeast? CED–78–67, April 5.

Rail Crossing Safety—At What Price? CED–78–83, April 25.

COMMUNITY AND REGIONAL DEVELOPMENT

Substandard Indian Housing Increases Despite Federal Efforts—A Change Is Needed. CED–78–63, March 31.

Department Of Housing And Urban Development Reorganization Plan: Some Accomplishments But More Needed. FPCD–78–83, April 10.

Internal Audit Of Financial Operations In The Department Of Housing And Urban Development. FGMSD–78–25, April 12.

Section 236 Rental Housing: An Assessment of HUD's Comments On GAO's Evaluations. PAD–78–62, April 20.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

Expanding Budget Requests For Civil Legal Needs Of The Poor—Is More Control For Effective Services Required? HRD–78–100, April 26.

Should Emergency Assistance For Needy Families Be Continued? If So, Program Improvements Are Needed. HRD–78–65, April 5.

Third Party Funding Agreements: No Longer Appropriate For Serving The Handicapped Through The Vocational Rehabilitation Program. HRD–78–7, April 4.

Questionable Need For Some Department Of Labor Training Programs. HRD–78–4, April 10.

Inconsistencies In Retirement Age: Issues And Implications. PAD–78–24, April 17.

HEALTH

Need To Improve Administrative Management At The National Center For Toxicological Research. HRD–78–63, March 9.

Sporadic Workplace Inspections For Lethal And Other Serious Health Hazards. HRD–77–143, April 5.

Improvements Needed In Administering The Flammable Fabrics Act. HRD–78–88, April 10.

National Mine Health And Safety Academy—Progress And Problems. FPCD–78–35, April 25.

Letter reports

The Food and Drug Administration cannot monitor adequately pesticide residues in food because the Environmental Protection Agency has not provided reference standards—precisely defined samples of pesticides. CED–78–109, April 26.

Medical necessity of Medicaid-funded therapeutic sterilizations. HRD–78–103, April 14.

Information about the Foundation Community Health Plan, Sacramento, California. HRD–78–62, March 6.

Assessment of Group Health Incorporated's operations in carrying out Part B of the Medicare program in Queens County, New York. HRD–78–104, April 11.

How the Veterans Administration can increase the use of outpatient surgery and preadmission testing programs. HRD–78–85, April 4.

Review of allegations about use of Federal funds at the National Medical Audiovisual Center, Atlanta, Georgia. HRD–78–95, March 28.

INCOME SECURITY

Unemployment Insurance—Need To Reduce Unequal Treatment Of Claimants And Improvement Benefit Payment Controls And Tax Collections. HRD–78–1, April 5.

Effect Of the Employee Retirement Income Security Act On The Termination Of Single Employer Defined Benefit Pension Plans. HRD–78–90, April 27.

Letter reports

Improvements needed in reliability of statistics used to determine revenue sharing allotments to small communities. GGD–78–55, March 30.

ADMINISTRATION OF JUSTICE

Timeliness And Completeness Of FBI Responses To Requests Under The Freedom Of Information And Privacy Acts Have Improved. GGD–78–51, April 10.

Observations On Correctional Programs And Policies In Selected European Countries. GGD–78–52, April 10.

The Immigration And Naturalization Service's Affirmative Action Program Should Be Improved. FPCD–78–18, March 28.

The Drug Enforcement Administration's Affirmative Action Program Should Be Improved. FPCD–78–31, March 30.

Letter reports

Indiana's progress in removing status offenders—juveniles who are charged with or who have committed offenses that would not be criminal if committed by a adult—from detention and correctional facilities. GGD–78–44, March 14.

Federal agency authority and coordination for dealing with "arson-for-profit." GGD–78–47, April 5.

Suggestions for improving the affirmative action program at the U.S. Marshal Service. FPCD–78–24, March 6.

GENERAL GOVERNMENT

Challenges Of Protecting Personal Information In An Expanding Federal Computer Network Environment. LCD–76–102, April 28.

The Federal Information Processing Standards Program: Many Potential Benefits, Little Progress, And Many Problems. FGMSD–78–23, April 19.

Shifting The Government's Automatic Data Processing Requirements To The Private Sector: Further Study and Better Guidance Needed. FGMSD–78–22, April 11.

Continuity Of The Federal Government In A Critical National Emergency—A Neglected Necessary. LCD–78–409, April 27.

Office of Telecommunications Policy's Contract For A Publication On Intercepting Electronic Communications. LCD–78–110, April 10.

Achieving Needed Organizational Change: A Customs Service Dilemma. FPCD–78–29, March 30.

Use of Commercial Facilities For The Maintenance Of Postal Vehicles. GGD–76–30, December 23, 1975.

Letter reports

Establishing "entitlement" programs—requiring the payment of benefits to any person, State, or local government meeting legal requirements—preempts the Congress' ability to control the Federal budget. CED–78–98, April 13.

Department of Commerce has not adopted GAO recommendations to improve its financial disclosure system. FPCD–78–42, April 13.

Is the Treasury Department's administration of the Antidumping Act effective in countering unfair foreign competition involving the sale of imported merchandise in the United States at less than fair value? GGD–78–60, April 14.

Delays in depositing county office loan collections by the Farmers Home Administration costs the Government $642,000 daily in increased interest. FGMSD–78–32, April 18.

Cost-benefit study of U.S. Customs Service Automated Merchandise Processing System shows automation of these functions would be beneficial. GGD–78–57, April 20.

Improvements needed in the Social Security Administration's program of determining eligibility of disabled recipients of Supplemental Security Income payments. HRD–78–97, April 18.

Review of NASA's request for proposal to lease office space near the Johnson Space Center in Houston for an Agriculture Department agency. LCD–78–325, April 25.

How the Civil Service Commission can improve position management-interrelated management actions in organizing work to accomplish an agency's mission. FPCD–78–41, April 26.●

REMARKS AT PRESENTATION OF "CIRCULAR LETTERS OF CONGRESSMEN TO THEIR CONSTITUENTS, 1789–1829" AT CAPITOL CEREMONY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. FOUNTAIN) is recognized for 5 minutes.

● Mr. FOUNTAIN. Mr. Speaker, I would like to call three unique books to the attention of my colleagues, the publication of which is, I believe, a most important contribution to the historical literature on the Congress of the United States.

Copies of these significant books—a three-volume edition, "Circular Letters of Congressmen to Their Constituents, 1789–1829," published by the University of North Carolina Press—were presented to the House of Representatives and to the Senate on June 8, 1978, at a ceremony in room EF–100, the Capitol.

The books were received for their respective houses by the Honorable THOMAS P. O'NEILL, JR., Speaker of the House; the Honorable ROBERT C. BYRD, Senate majority leader; the Honorable CARL T. CURTIS, chairman of the Senate Republican conference; and the Honorable JOHN B. ANDERSON, chairman of the House Republican conference.

Among the other distinguished participants in the presentation ceremony—which I had the honor to host—were Mr. Matthew Hodgson, director, University of North Carolina Press, Chapel Hill, N.C.; Prof. Noble E. Cunningham, University of Missouri, Columbia, Mo., editor of the books; and Mr. Thomas W. Lambeth of Winston-Salem, N.C., chairman, board of trustees, University of North Carolina at Chapel Hill.

The transcript of the ceremony, followed by a list of those present, is as follows:

PRESENTATION OF HISTORICAL DOCUMENTS TO THE HOUSE OF REPRESENTATIVES

(Hosted by the Honorable L. H. Fountain, Representative in the Congress of the United States from the Second District of the State of North Carolina, Washington, D.C., June 8, 1978)

Mr. FOUNTAIN. Mr. Speaker, Senator Byrd, my esteemed colleagues and distinguished guests: This is a happy and historic occasion for me and I am sure it is for a number of you who have honored us with your presence, especially you who have participated in bringing to fruition the project which has prompted this brief but historic ceremony.

On behalf of the North Carolina delegation, I would like to welcome all of you to this gathering on the occasion of the publication of what I believe to be one of the most important contributions to the historical literature on the Congress of the United States.

Until 1825 no detailed official record was kept of the transactions of the Legislative Branch of our government. What took place in Congress during the early years of the new nation was largely communicated to the public through private correspondence, newspapers and circular letters of Congressmen to their constituents.

In an 1813 letter to Thomas Jefferson, John Adams stressed the importance of the historical evidence provided by these circular letters with these words:

"I would give all that I am worth," he wrote, "for a complete collection of all those circular letters."

The documents that Adams so highly valued were reports of Congressional proceedings which were prepared by individual Members of Congress, printed in letter form and mailed by members to their constituents. These letters have never before been collected and have rarely been used by scholars; even the extent of their survival remained unknown for many years. And although many of the circular letters are no longer in existence, Professor Noble Cunningham, who is here with us today, through diligent research has discovered, edited and annotated over 260 letters from some 120 members of the Congress between the years 1789 to 1829.

The preparation and publication of these circular letters in three handsome volumes by the University of North Carolina Press represent a very useful and happy collaboration between private and public sponsors. And to support his editorial researches, Professor Cunningham received financial assistance both from his university and from the National Historical Publications and Records Commission. A small grant from the National Endowment for the Humanities made possible completion of the substantive editing of these letters by the Institute of Early American History and Culture of Williamsburg, Virginia, a distinguished historical research center, maintained by the Commonwealth of Virginia, the College of William and Mary and Colonial Williamsburg.

Since 1950, manuscripts edited by the Institute have been published by the University of North Carolina Press, certainly one of the most productive relationships in the history of American scholarly publishing. The University of North Carolina Press occupies a very special place in the cultural life of its state—since it has never confined exclusively its publishing interest and activities to purely scholarly works, but has published many books that have given instruction and pleasure to all North Carolinians and others throughout America of every age and educational level.

The director of the University of North Carolina Press, Mr. Matthew Hodgson, is with us today. While a native of Senator Baker's home state, he is a graduate of North Carolina's Chapel Hill and we claim him as our own, and I claim him as a very personal friend. I am pleased to present him to you at this time, Mr. Hodgson.

(Applause.)

Mr. HODGSON. Ladies and gentlemen, I want first to express thanks on behalf of the University of North Carolina Press, its university and the people of North Carolina who sustain us, for the distinction that your presence has given to this occasion. All of us in the Second Congressional District of North Carolina are equally obliged to Representative Fountain and his associates for their unfailing attentiveness to our needs and aspirations, of which this reception is but one example.

I should add that Mr. Fountain's interest in serious historical and scholarly publishing has not been confined to the activities of the press at Chapel Hill. He has in the past and continues now to support actively the role of all university presses in America's cultural life.

I am grateful also to Senators Jesse Helms and Robert B. Morgan of my state and to the other members of the North Carolina Congressional delegation for their constructive support of our university and its press.

Today we mark the publication of perhaps the most valuable single source of information about the activities and attitudes of Congressmen and their constituents during the formative years of the United States. These circular letters are now in book form because there are individuals in the Congress, the national government and the private sector who have joined to make possible the collection, editing and publication of these and other materials central to the early history of our Republic.

The National Historical Publications and Records Commission, an activity of the National Archives Department of which Senator Cailborne Pell and Representative John Brademas are members, assumed a part of the cost of research and publication of these volumes.

It is a pleasure also to acknowledge the presence of Dr. James O'Neill, Deputy Archivist of the United States, representing the National Archivist, Dr. James P. Rhoads, and that of Mr. Roger A. Bruns, Director, Publications Program of the National Historical Publications and Records Commission.

Recently, the leadership of the National Endowment for the Humanities in consideration of a suggestion from the Office of Senator Robert Byrd, elected to give modest support for the publication of similar manuscripts that promise to contribute much to the cultural and intellectual life of our century.

Mr. Joseph Duffey, the chairman of NEH, who is here this afternoon, merits the appreciation of all who value those things that inspire the mind and elevate the spirit of the American people, as does his counterpart at the Arts Endowment, Mr. Livingston Biddle. Regrettably, Mr. Biddle could not be with us on this occasion, but I am delighted to be able to greet the deputy chairman of the Arts Endowment, Dr. L. James Edgy, Jr.

Lest it be assumed that somehow, someway, university presses and historical research centers have become the wards of the federal government, let me quickly state that our basic funding comes from other sources. For instance, the Institute of Early American History and Culture—easily the most distinguished historical research and editing center in America—is maintained by grants from the Commonwealth of Virginia, the Colonial Williamsburg Foundation, and the College of William and Mary, while the publishing activities of the University of North Carolina Press are sustained in part by its sponsoring institution and in part by benefactions from many private foundations and individual patrons.

Indeed, the publication of the circular letters and numerous other volumes under our imprint would not have been possible except for gifts from an attorney in Greensboro and a private foundation in Winston-Salem, North Carolina.

I now ask Professor Noble E. Cunningham, Jr., of the history faculty of the University of Missouri, the learned editor of "Circular Letters of Congressman to Their Constituents," and Mr. Thomas W. Lambeth, the chairman of the Board of Trustees of the University of North Carolina at Chapel Hill, to join me in the presentation of this notable work to the leadership of the Congress.

Mr. FOUNTAIN. Thank you Mr. Hodgson for that appropriate remark.

We are very fortunate and happy to have with us today the Speaker of the House, the Honorable Thomas P. O'Neill, Jr., and also the Majority Leader of the Senate, the Honorable Robert C. Byrd. Senator Howard H. Baker, Jr., the Minority Leader of the Senate was here a little earlier, but had to leave, and the Honorable Carl T. Curtis, Chairman of the Senate Republican Conference, is here to represent him in this ceremony and presentation. Also present to participate is the Honorable John B. Anderson, Chairman of the House Republican Conference. We are honored by the presence of these distinguished leaders of the Congress.

So at this time, Professor Cunningham, with the assistance of Mr. Thomas Lambeth, will you please make these presentations to these gentlemen?

Professor CUNNINGHAM (presenting books to the Speaker). It certainly is a pleasure, Mr. Speaker, to present these volumes to the House of Representatives.

Speaker O'NEILL. I am very delighted. Let me respond very formally.

I am deeply honored to receive on behalf of the House of Representatives the three-volume compilation of the "Circular Letters of Congressmen to Their Constituents". I want to congratulate Matthew Hodgson and the University of North Carolina Press for their undertaking of this worthwhile historic project.

We all know that a number of publications exist on the private papers of our early Presidents but little has ever been attempted on compiling the private papers of our early Members of Congress.

During the 40-year period covering this compilation by Professor Cunningham, there was no daily record, no daily chronicle of Congressional activities. As a Member of Congress, I appreciate and I recognize how significant these papers will be for the American scholars who analyze the Federalist Period and to the aspiring young scholars who will use this primary resource material for their undergraduate thesis and later on for their doctoral thesis.

Most significantly, we are standing here in a very interesting room about which history has been written. Just a few years ago quite an argument occurred between the House and the Senate as to whether they would meet on the Senate side or whether they would meet on the House side. I believe it was Representative Cannon who was Chairman of the Committee of Appropriations at that time and I believe Senator Hayden, it was, and they couldn't agree on which side of the Capitol they would meet, whether the honor would go to the House or the Senate. And so we built EF–100 in the middle of the Capitol and we now meet here.

These are all matters that are recorded for the historians of the future. So, more significantly as a student of history myself, I am especially pleased, as the Speaker, when these letters are presented to Congress because those of us who presently serve in the House can learn much from the experiences of our predecessors.

We can learn so much from those who were responsible for the formulation of our constitutional democracy, the determination of the relationship between the Federal Government and the states and the real meaning of the supremacy clause of the Constitution and ideals embodied in the Bill of Rights we all cherish so much today, and all too often take for granted.

And so on behalf of the Congress of the United States, I gratefully accept Professor Cunningham's three volumes of the "Circular Letters of Congressmen to Their Constituents," and I say thank you. Indeed, we are very, very grateful for the job that has been done.

(Applause.)

Mr. LAMBETH. In Chapel Hill, Senator Byrd, we are proud that we not only have the finest basketball coach in America but the finest university press, and I am delighted to present these to you.

Senator BYRD. Thank you.

Ladies and gentlemen, on behalf of my colleagues in the Senate, I want to thank Mr. Hodgson, Mr. Lambeth, Professor Cunningham, University of North Carolina Press, and all of those responsible for the publication of these volumes and for their generosity in presenting such a valuable work to the United States Senate.

I also want to thank Congressman Fountain for inviting me to be present today. In this regard, I also want to thank Senator Morgan for his part in inviting me to be present. The great Spanish author Cervantes once said, "History in a manner is a sacred thing." The ancient Greeks, who were among the first to discover the value of history thought history so important that they placed it under the auspices of the Muse, Clio.

I think it is significant to recall that even today, Clio continues to preside over the collection of great Americans in the National Statuary Hall, the Old House Chamber, here in the Capitol.

In recent years the American people have begun to appreciate more fully the value of history in our own lives as individuals as well as a nation. This is perhaps a testimony to an increasing self-understanding and maturing as a civilization. The scholarly work that is being presented here today of increased self-understanding and growth. The collection of these historical primary resources will aid not only various academic scholars, but also all who cherish and recognize the value of our historical heritage.

"Circular Letters of Congressmen to Their Constituents" will help everyone to understand better the early evolution of our Republic and its historic institutions. I congratulate Professor Cunningham as a member of the Senate and also as a native of the State of North Carolina on the meticulous, I am talking about myself now, being a native of the State of North Carolina, on the meticulous quality of his scholarship in collecting and editing these historic documents and I thank the University of North Carolina Press and the sponsors who supported the publication of these volumes for the great service that they have rendered to the nation.

On behalf of my two North Carolina colleagues, Mr. Helms and Mr. Morgan, and my other colleagues, I want to thank you personally for this gift which on behalf of the Senate I may say that we deeply appreciate.

Professor CUNNINGHAM. Thank you.

(Applause.)

Mr. FOUNTAIN. Senator Curtis.

Senator CURTIS. Thank you very much.

I wish to congratulate the distinguished scholars and publishers for this outstanding work. I also feel that I must commend you upon your fiscal integrity and your sound financial planning.

Had you chosen to publish the Congressional letters gotten out the last 40 years of the Congress instead of the first 40 years, I am afraid your fine institution would have gone into the red. To say nothing about the necessity of building warehouses to contain them. You have made a very great contribution to the history of our country.

I shall eagerly await the opportunity to peruse these letters. I am sure that they will be a source for not only those involved in Government, but also scholars, writers and students throughout the land for all the years to come who will find these a very great source of information.

So on behalf of the Senate, particularly the Minority Leader, who could not be here, I want to thank you. We appreciate this gift. Most of all, we appreciate your contribution to the literature and the history of our dear country and we congratulate you on this outstanding achievement.

I thank you.

(Applause.)

Mr. FOUNTAIN. Now, while I go to the House floor to vote, as others have already done, I present to you Congressman JOHN ANDERSON, Chairman of the House Republican Conference, who will respond on behalf of the House Minority Leader, the Honorable JOHN RHODES.

Mr. ANDERSON. Thank you very much, L. H.

A moment ago I requested of my distinguished colleague from the other body, Senator CURTIS, that he filibuster just a little bit in order to give me time to make a vote on the floor before my district honor of acknowledging the gift of these splendid volumes.

Let me in a spirit of complete candor begin by saying that I cannot duplicate the remarks that were made that were quoted earlier by John Adams, that I would give all that I am worth for a complete set of these volumes. I say that because with financial disclosure forms that now make the net worth of Members of Congress available for public inspection, it would all too soon become apparent that it would demean and depreciate the worth and the value of the gift if I were to make such a pledge.

In all seriousness, this is a tribute to Professor Cunningham—I note that the first name of the distinguished editor of these three volumes is "noble." I think he was very fittingly named because this is a noble contribution to the history of our country.

It is also, I think, a tribute to the University of North Carolina and more particularly the University of North Carolina Press. It is an educational, not-for-profit institution. I don't suppose that, again in a spirit of candor, anyone would make the claim that these volumes will turn up on the Best Seller list that is published every week in the New York Times. Yet that certainly does not detract at all from the fact that with a compilation of these letters, you have made an enormous contribution to a better understanding of those very, very important and early, formative years of our country.

I learned, although I obviously have not yet had time to look into these books, because the seal is as yet unbroken, but I understand that in these letters, Congressmen of another era complained about some of the very same problems that confront us today.

They complained about the rising level of federal spending, about too much spending in the defense area. One of them, I suppose, even said that one of his chief complaints was that much is laid before us and very little is finished.

So these volumes have a timeless feature that makes them well suited to those of us who have the opportunity to read them in 1978.

Again then my sincere thanks in behalf of our distinguished Minority Leader, John Rhodes, who regrets very much that he could not be here today.

And now you all know that I obviously have been talking long enough to permit the return of my distinguished colleague, L. H. Fountain, and I will conclude by congratulating the publisher, the editor, and thanking you again for the gift of these wonderful volumes.

(Applause.)

Mr. FOUNTAIN. Thank you very much, John.

I wish it were possible for us to individually recognize all of the distinguished guests we have here today. We do hope to put their names in the Congressional Record as a part of this ceremony.

I guess you have noticed that some of us have been running to the House Floor and voting during this ceremony. In fact, I just voted to save a billion dollars, and I hope it will be saved.

I note Senator Claiborne Pell in our audience. We welcome you, Senator Pell. Senator Pell is Chairman of the Education, Arts and the Humanities Subcommittee, in the Senate.

Senator Pell, would you care to make a statement?

Senator PELL. Thank you very much, sir.

I shouldn't be here but I think North Carolina's Ambassador to the Congress, Bill Cochrane, should also be here.

I am delighted to receive these books. Having had, I believe, five forebears in the Congress, I am going to peruse them, as I also do any book, look carefully in the index. The definition of a good book, in subjective minds, is if your own name is there.

Thank you very much indeed.

Mr. FOUNTAIN. Thank all of you for coming.

That concludes our ceremony.

(List of honored guests follows.)

(Whereupon, the ceremony was adjourned at 5:30 p.m.)

GUEST LIST

Rep. John B. Anderson, 1101 Longworth House Office Bldg., Washington, D.C. 20515.

Senator Howard H. Baker, Jr., Minority Leader, 4123 Dirksen Senate Office Bldg., Washington, D.C. 20510.

Mr. Richard A. Baker, Senate Historian, S413, The Capitol, Washington, D.C. 20510.

Rep. James T. Broyhill, 2227 Rayburn House Office Bldg., Washington, D.C. 20515.

Mr. Roger A. Bruns, Publications Director, National Historical Publications Records Commission, 711 14th Street, Washington, D.C. 20408.

Senator Robert C. Byrd, Senate Majority Leader, 133 Russell Senate Office Building, Washington, D.C. 20510.

Mr. William M. Cochrane, Staff Director, Senate Committee on Rules and Administration, Washington, D.C. 20510.

Professor Noble E. Cunningham, Jr., University of Missouri, Columbia, Missouri.

Hon. Joseph Duffey, Chairman, National Endowment for the Humanities, 806 15th Street, Washington, D.C. 20506.

Dr. L. James Edgy, Jr., Deputy Chairman, National Endowment for the Arts, 2401 E Street, Washington, D.C. 20506.

Mr. Ted L. Daniel, Executive Assistant Office of Rep. L. H. Fountain, 2188 Rayburn House Office Building, Washington, D.C. 20515.

Mrs. L. H. Fountain, Tarboro, North Carolina 27886.

Mr. Thomas G. Fulghum, Office of Rep. L. H. Fountain, 2188 Rayburn House Office Building, Washington, D.C. 20515.

Mr. Clint Fuller, Executive Assistant, Office of Sen. Jesse Helms, 411 Russell Senate Office Building, Washington, D.C. 20510.

Rep. W. G. Hefner, 328 Cannon House Office Bldg., Washington, D.C. 20515.

Senator Jesse Helms, 411 Russell Senate Office Bldg., Washington, D.C. 20510.

Mr. Matthew Hodgson, Director, University of North Carolina Press, University of North Carolina, Chapel Hill, N.C. 27514.

Dean Edward G. Holley, School of Library Science, University of North Carolina, Chapel Hill, N.C. 27514.

Mr. Hans Indorf, Legislative Director, Office of Sen. Robert Morgan, 2109 Dirksen Senate Office Building, Washington, D.C. 20510.

Mr. Robert S. Jackson, Communications Director, Office of Sen. Robert Morgan, 2109 Dirksen Senate Office Building, Wahington, D.C. 20510.

Mr. Thomas W. Lambeth, Chairman, Board of Trustees, University of North Carolina at Chapel Hill, Winston-Salem, North Carolina.

Dr. James O'Neill, Deputy Archivist of the United States, Seventh and Pennsylvania Avenue, Washington, D.C. 20408.

Rep. Thomas P. O'Neill, Jr., Speaker of the House, H–205, The Capitol, Washington, D.C. 20515.

Senator Claiborne Pell, 325 Russell Senate Office Bldg., Washington, D.C. 20510.

Mr. Alfred M. Pollard, Legislative Aide, Office of Sen. Robert Morgan, 2109 Dirksen Senate Office Building, Washington, D.C. 20510.

Mr. Dana J. Pratt, Director of Publishing, The Library of Congress, Washington, D.C. 20540.

Rep. Richardson Preyer, 2344 Rayburn House Office Bldg., Washington, D.C. 20515.

Hon. Fred Schwengel, President, U.S. Capitol Historical Society, 200 Maryland Avenue, NE, Washington, D.C. 20515.

Mr. Walter J. Stewart, Assistant Secretary of the Majority Room S–308, The Capitol, Washington, D.C. 20510.

Mr. Thad W. Tate, Director, Institute of Early American History and Culture (College of William and Mary and Colonial Williamsburg Foundation) Post Office Box 220, Williamsburg, Va. 23185.

Mr. Gordon M. Thomas, Legislative Assistant, Office of Rep. L. H. Fountain, 2188 Rayburn House Office Building, Washington, D.C. 20515.

HOST

Rep. L. H. Fountain, 2188 Rayburn House Office Bldg., Washington, D.C. 20515.●

THE 143D BIRTHDAY OF THE STATE OF ARKANSAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

● Mr. ALEXANDER. Mr. Speaker, yesterday marked the 143d birthday of my home State, Arkansas. It was on that date in 1836 when President Andrew Jackson signed the bill that made Arkansas the 25th State to be admitted to the Union.

In 1836 Arkansas had a population of a little more than 50,000, but the panic of 1837 caused thousands of farmers from east of the Mississippi to move into Arkansas, almost doubling the population.

In those early days centers of commerce were few and far between. Arkansas Post, Little Rock, Helena, Fort Smith, Mulberry, Dardanelle, and Poke Bayou or Batesville were on the map.

Arkansas' first Governor was James S. Conway. He served from 1836–1840 (Governors were elected for 4-year terms until 1874). He was inaugurated on September 13, 1836.

The State's first U.S. Senators were Ambrose H. Sevier and William S. Fulton. Its first Congressman was Archibald Yell.

In the early days of statehood, 9 out of 10 Arkansans were farmers, raising mostly cotton and corn. Most citizens also hunted and fished to provide food, clothing, and recreation. House-raisings, husking bees, quilting parties, syrup makings, political rallies, camp meetings, and revivals provided social contact in the fledgling State.

Mr. Speaker, I urge my colleagues to join me and the rest of the Arkansas delegation in paying tribute to the great State of Arkansas for its first 143 years of growth and prosperity. It is truly the land of opportunity.

THE PUBLIC WORKS PORK BARREL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York, (Mr. PATTISON) is recognized for 5 minutes.

● Mr. PATTISON of New York. Mr. Speaker, while I am paired to vote against the public works-energy appropriations bill, I deeply regret that I am unable to be on the floor to personally vote against this legislation. I regret this because the water projects provision of this bill represents the most disturbing examples of pork barrel politics that I have seen in a long time.

The total Corps of Engineers appropriations is over $200 million greater than that requested by the administration. Included in this sum are projects which would not stand up under careful scrutiny. Rather, their inclusion results from the ancient congressional tradition of calling for less government spending while grabbing every dollar that can be squeezed out of the Federal Treasury for the folks back home. Of course, Members of Congress never seem to show any embarrassment when these dollars go toward projects which can only be described as boondoggles. Otherwise, there would be an abundance of red faces on the floor today.

For example, the Louisiana project benefits only 60 landowners, at a Federal expense of $240,000 each. The Wisconsin project eliminates 200 acres of upland habitat, destroys 12 miles of free-flowing stream, and possibly violates the State's water standards. The Oklahoma project inundates 1,680 acres of wildlife habitat to benefit a catfish farm. I need not continue. To list all these projects would be a litany of waste and mediocrity.

Yesterday we had the opportunity to pass the Edgar amendment, which would have eliminated eight water projects and would have saved $650 million over the course of the next few years. I voted for this amendment. Unfortunately, a majority of the House, including many of our most prominent "fiscal conservatives," quequed up to vote in favor of these projects, demonstrating the extent of their devotion to trimming waste in Government.

It has become obvious in the past few weeks that the Nation and the Congress feel we are going to hell in a handbasket because of Government spending. This feeling is understandable, but dangerous. It is understandable because people should demand fiscal responsibility from their legislators; dangerous because many Members of Congress do not seem to know what fiscal responsibility means.

It does not mean budget cutting with a meat ax. It does not mean taking great fiscal swipes at social welfare programs, while blithely ignoring more bombers and more pork barrel projects. It means cutting spending on all levels of Government.

We will never balance the budget unless those who proclaim themselves "fiscal conservatives" toe the line when considering aircraft carriers and water projects as zealously as they do when considering legal aid and school lunch programs.

I voted a $1 billion cut in the HEW budget. I voted a pay freeze for Members of the House and against many of the free services available to congressional offices. I have tried for well over a year to get Congress to review and revise its own salary-setting process. These were "fiscally conservative" measures.

I voted to cut $2.4 billion from the defense budget. I opposed every single amendment to increase the budget resolution, and issued a statement at the time explaining why I had offended nearly every indentifiable constituent group in my district by voting against more money for their programs. These were "fiscally conservative" measures.

Why is it, then, that votes against fat in the HEW budget are popularly considered to be "conservative" votes, while votes against private jets for Marine Corps officers are "liberal"? Somewhere along the line we have lost our perspective.

We must regain it if we truly wish to reduce Government spending. Congress cannot indulge itself in public works projects that appear to work to the marginal benefits of one region, but in reality work to both the ecological and economic detriment of the Nation as a whole.

The taxpayer's revolt may be a good thing. It shows that people care about their money, themselves, and the future.

It may be the best thing to happen to the public spirit in this country in some time. But we must be judicious and consistent. Only then are we truly "responsible." ●

THE ROLE OF THE WORLD BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

● Mr. LAFALCE. Mr. Speaker, the House will soon consider H.R. 12931 which is the foreign assistance and related agencies appropriations bill for fiscal year 1979. One of the major provisions of that bill provides for U.S. participation in the multilateral international development banks, of which the largest is the World Bank.

There has been considerable confusion and misinformation concerning these institutions' activities, particularly in regard to their effectiveness, and concerning the proper U.S. role in those banks. Since the World Bank is by far the most important multilateral bank, most of the controversy has focused on its field of operations and lending practices.

In order to help shed some light on the many worthwhile accomplishments of the World Bank, I would like to commend to my colleagues an insightful article by Frank Vogl, which appeared in the highly respected London Times on June 7, 1978, and which provides an interesting European perspective on the World Bank.

The article follows:

WORLD BANK PLAYING A MORE EFFECTIVE ROLE

(By Frank Vogl)

Mr. Robert McNamara, the President of the World Bank, talks confidently about the continuing strong growth of what is clearly the largest and most powerful international development assistance agency. Despite high inflation and the recessionary difficulties of recent years, the bank has managed to continue increasing its lending in real terms and it has ambitious plans.

Mr. McNamara notes that the bank has not yet released any new targets concerning the next few years, but that the programme he outlined to the last annual meeting of bank governors is still valid. This calls for total net financing by the World Bank group of between $30,000m and $35,000m in the five years to the end of the 1983 fiscal year.

In terms of its organization and methods of operation the World Bank is a cross between the typical official multilateral type of agency and a private corporation.

Like a private company it has shareholders, whose voting power is proportionate to share holdings and the bank also aims to make a profit. Like an official agency the control of the bank is in the hands of governments and their representatives.

The creators of the bank saw this institution obtaining the bulk of its funds from the capital markets rather than from government grants and it saw reconstruction work and development assistance as the bank's prime sectors of operations. The Marshall Plan largely overshadowed the bank's reconstruction activities in the immediate postwar era and by the late 1940s the bank was almost wholly devoted to the development aid work, although it continues to make reconstruction loans at times of emergency—such as a loan in recent years to Guatemala after an earthquake there.

Over the years the bank has become increasingly complex in the manner in which it uses its scarce resources. Its staff has learned more about the needs of the developing countries and it has become, as a result, increasingly effective in generating new economic opportunities for the 2,000 million poor people of this world.

In the past the main project emphasis was on public service projects in transportation, electric power and communications. These continue to play an important role, but today the emphasis is much more on rural and urban development, with agricultural projects now accounting for the largest single sector of the bank's project work.

Increasingly the bank has paid attention to meeting the basic human needs of the poorest peoples and to orienting its projects in such a way as to ensure that development programmes do not by-pass the poorest in poor countries. Population and nutrition and urbanization programmes and non-farming rural schemes are playing an important role today in the bank's work.

By and large the great majority of the bank's projects produce substantial results. There have been numerous failures but the bank is now increasing its efforts to monitor projects and put into effect improved project evaluation procedures.

It is significant, however, that because of the government backing to each bank loan the bank itself has never suffered a loan loss in its 32 years of existence.

While the record of achievement is formidable, the amount of development work still to be undertaken is massive. Inevitably the bank must increase its financial lending volume and inevitably it must widen the scope of its activities. On both these fronts the bank is now approaching a critical stage

The architects of this institution in 1944 were deeply concerned about the dangers of imprudent financial management within the bank and they decided that the bank could lend only the equivalent of its capital, as well as reserves. This now totals roughly $33,000m and the bank's actual lending volume is rapidly approaching this total. The bank, therefore, needs a capital increase.

Selective increases in bank capital have regularly been made, but to secure the sharp expansion of bank lending over the next decade a general capital increase is necessary. Most governments accept this point and many expert observers believe the increase should total about $30,000m to $40,000m. Mr. McNamara states that it will probably be necessary for formal agreement to be reached on the details of the capital increase by the summer of next year.

Member countries in the bank only contribute a tenth of their capital contributions, with the remaining nine tenths being subject to call in the event of a financial emergency in the bank. Thus the actual amount of capital contributions to be paid in at the bank to enable a $40,000m capital increase is only $4,000m. Mr. McNamara states that the present United States Administration has been extremely supportive of efforts to boost the bank's financial resources and this is certainly a good omen for the capital increasing negotiations that lie ahead in the next few months.

However, the United States Congress is taking a more skeptical view of the bank and it remains an open question whether the Congress will accept a big increase in the American contribution to this institution. The bank's chief problems on capital will be with the Congress and substantial delays in actually obtaining Congressional appropriations could well be seen.

So great could these delays be that the bank has no alternative in the early 1980s other than to reduce its lending programmes and this would be a big blow to the development process as a whole.

An alternative to such a course would be for the bank to reduce its liquidity level, which stands at roughly 40 per cent of the banks total indebtedness. Mr. McNamara emphatically declares that this is not an option.

Bank officials argue that the large liquidity pool, which totalled $9,441m at the end of the calendar year 1977, is essential to win the confidence of private and government investors.

The bank borrows more than 90 per cent of its funds and it enjoys prime credit ratings. To do this it must demonstrate that it is a prudent financial manager and its liquidity is the best means of achieving this.

To no small extent governments ought to be questioning whether the bank has the ability to manage a much larger lending programme and this matter will undoubtedly be raised in the capital increase negotiations. The bank is confident in this regard, but some staff members are now starting to worry because of recent moves by the United States Government to slash bank salaries and benefits.

World Bank salaries and benefits are no greater than those existing in most international agencies (and are considerably lower than European Common Market Commission levels) and they are possibly low, so far as top financial and engineering experts are concerned, relative to levels prevailing in the private sector.

But the remuneration at the bank is higher than that paid in the United States Civil Service and this is what troubles Americans. On this matter the Americans have been acting as if they own the bank, rather than owning just 24 per cent of its stock and this has deeply angered staff employees and some foreign governments.

Morale among bank employees has suffered as a result of the American onslaught on pay and if the Americans win on this front then it may become harder for the bank to continue hiring more and more highly qualified experts. This could directly reduce the bank's efficiency and hinder its expansion.

It is also vital for the bank, if it wishes to become more effective and expand, that it maintains its excellent relations with borrowing countries. Cooperation with the governments of these countries is essential and bonds of trust between it and them can ensure putting projects into effect.

It can also ensure that the bank can influence developing countries directly in planning their economies and their general development programmes. The bank has established these ties over the years because it has demonstrated that it does not have a political axe to grind.

In some cases it has dominated bank lending decisions, for example in recent years with regard to Chile. But by and large the bank's lending decisions have been based alone on economic considerations. This could all be changed now by the American determination to push American human rights views upon the bank.

The Americans have a legitimate right as holders of one seat on the bank's executive board to put forward whatever views they like. But they do not have the right to state in legislation that their funds can only be used by the bank to aid some countries and not others.

The United States Congress may well seek to earmark its bank contributions in the future, and it almost succeeded in this endeavour last autumn. Should this happen then the bank could find itself in a position where it has to refuse American contributions, and this would cripple the bank financially. It could also find that it increasingly becomes just another forum for political rhetoric. Such an event would smash the good relations the bank now has with many countries.

The bank, therefore, has a multitude of political hurdles to cross to ensure its further sharp expansion. When it overcomes these,

then it seems clear which directions it will take.

In time it is likely that the bank will start reducing its lending to the most advanced developing countries and pressures are already building up on this front. At present it does not appear that the bank is yet willing to question as much as it should whether countries like Brazil, Mexico and South Korea still deserve major loans from the bank, given their relatively advanced state and their capital market access.

Mr. McNamara emphasizes that the bank has achieved some success in strengthening productivity of the rural poor, but that it has not yet done as much for the urban poor. It is likely that the bank will increase its efforts on this vital front in coming years. By 1980 nearly a fifth of the people living in developing countries—about 550 million—will be city dwellers.

The most important and most recent change in bank project policy has been on the energy front. In principle it has decided now that it must do more to stimulate energy development in the developing countries—oil activities, as well as hydroelectric and other energy ventures, the bank's president notes.

However, Mr. McNamara emphasizes that it will take time for the bank to expand in this area. Some projects have now been launched, but there is a shortage of technical ability and bank lending growth will expand only at a gradual rate.

The World Bank is a highly efficient institution. It deserves more credit from the American Congress than it gets, and it is to be hoped that foreign governments will become more willing to speak publicly in defence of the bank and in opposition to the destructive ideas held by some American politicians.●

THE PUBLIC ACCOUNTING REGULATORY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Moss) is recognized for 5 minutes.

● Mr. MOSS. Mr. Speaker, I rise on behalf of myself and Mr. WAXMAN, Mr. WALGREN, Mr. GORE, and Mr. MOFFETT, for the purpose of submitting a bill entitled the "Public Accounting Regulatory Act." The act would establish a National Organization of Securities and Exchange Commission Accountancy with which independent public accounting firms would be required to register in order to furnish audit reports with respect to financial statements filed with the Securities and Exchange Commission (SEC). This new organization would, under SEC oversight, review the audit work performed by independent public accounting firms, investigate audit inadequacies and complaints by the investor public and take disciplinary actions where necessary. The act would also clarify and strengthen the authority of the SEC to develop and issue accounting principles and auditing standards.

A concerted effort to add more cosponsors to the bill was not made because this bill is being submitted for study purposes only.

We feel that the bill reasonably addresses the areas of concern disclosed in extensive studies and hearings of both this subcommittee and a companion Senate subcommittee. These studies and hearings were carried out in response to growing concern as to whether independent public accounting firms were adequately performing their functions of independent review and detection in protecting the investor public in light of the growing number of failures and improprieties of publicly-owned corporations. Our hearings showed that attempts at self reform by the independent public accounting profession are not adequate and hold no real hope of becoming truly effective. The bill as drafted maintains a careful balance between establishing strong mechanisms for protection of the investing public with a minimum of Federal Government involvement.

Further hearings and studies with this initiative as their focus will be held in this Congress and the 96th Congress. You can be assured that I and the other Members on this bill will keep you and the House apprised of further developments involving this most important policy issue.●

PERSONAL EXPLANATION

(Mr. GILMAN asked and was given permission to extend his remarks at this point in the RECORD.)

● Mr. GILMAN. Mr. Speaker, due to prior commitments in my congressional district, I was unavoidably absent for a portion of the legislative session of Wednesday, June 14, 1978. Had I been present, I would have voted in the following manner: H.R. 12934, State, Justice, Commerce, judiciary appropriations, fiscal year 1979, rollcall No. 454, "yes"; H.R. 12935, legislative branch appropriations, fiscal year 1979, rollcall No. 459, "yes"; an amendment to H.R. 12935, reducing appropriations not required by law by 5 percent, rollcall No. 455, "yes"; an amendment to H.R. 12935, prohibiting use of funds to implement a system for televising House proceedings under which cameras purchased by the House are controlled by persons not employed by the House, rollcall No. 457, "no"; an amendment to H.R. 12935, prohibiting use of funds to provide House wall calendars, U.S. Historical Society calendars, USDA yearbooks, plants from the Botanic Garden, and shipping trunks, to Members of the House unless reimbursement for such items is made from Members' official expense allowances, rollcall No. 458, "yes"; an amendment to H.R. 12935, seeking to prohibit use of funds to purchase new color television cameras and related equipment for broadcasting House proceedings except by prior approval of the House, rollcall No. 456, "yes." ●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. VENTO (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

Mr. MILFORD (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. ADDABBO (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STEERS) to revise and extend their remarks and include extraneous material:)

Mr. SYMMS, for 30 minutes, today.
Mr. WHALEN, for 5 minutes, today.
Mr. FINDLEY, for 5 minutes, today.

(The following Members (at the request of Mr. LLOYD of California), to revise and extend their remarks, and to include extraneous matter to:)

Mr. PHILLIP BURTON, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. STAGGERS, for 5 minutes, today.
Mr. BROOKS, for 5 minutes, today.
Mr. FOUNTAIN, for 5 minutes, today.
Mr. ALEXANDER, for 5 minutes, today.
Mr. PATTISON of New York, for 5 minutes, today.
Mr. LAFALCE, for 5 minutes, today.
Mr. MOSS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. OTTINGER, immediately preceding the vote on the Duncan of Tennessee amendment.

Mr. MCCLORY to revise and extend his remarks in connection with Michel-Yates amendment.

(The following Members (at the request of Mr. STEERS) and to include extraneous matter:)

Mr. GILMAN.
Mr. SAWYER.
Mr. RHODES.
Mr. SYMMS in two instances.
Mr. MCCLORY in two instances.
Mr. DERWINSKI in three instances.
Mr. KETCHUM.
Mr. DICKINSON.

(The following Members (at the request of Mr. LLOYD of California) and to include extraneous matter:)

Mr. BEARD of Rhode Island.
Mr. FARY.
Mr. OTTINGER.
Mr. WIRTH.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. SISK.
Mr. MCFALL.
Mr. LEDERER.
Mr. WAXMAN.
Mr. CHARLES WILSON of Texas.
Mr. MOAKLEY in three instances.
Mr. BINGHAM.
Mr. CORMAN.
Mr. KILDEE in two instances.
Mr. BAUCUS.
Mr. LAFALCE.
Mr. NOWAK.
Mr. MITCHELL of Maryland in two instances.
Mr. ROSTENKOWSKI.
Mr. PATTISON of New York.
Mr. CORNWELL.
Mr. PEPPER.

Mr. MOSS.
Mr. HARRIS.
Mr. VANIK.
Mr. DRINAN.

ADJOURNMENT

Mr. LLOYD of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until Monday, June 19, 1978, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4394. A letter from the Assistant Secretary of the Navy (Manpower, Reserve Affairs and Logistics), transmitting the annual report for fiscal year 1977 on the Navy's recycling of materials, pursuant to section 612 of Public Law 93–552; to the Committee on Armed Services.

4395. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the 64th annual report of the Board, covering calendar year 1977, pursuant to section 10 of the Federal Reserve Act, as amended; to the Committee on Banking, Finance and Urban Affairs.

4396. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of October 23, 1972 (86 Stat. 1066), to establish the Cumberland Island National Seashore in the State of Georgia, and for other purposes; to the Committee on Interior and Insular Affairs.

4397. A letter from the Secretary of the Army, transmitting a Corps of Engineers report on Cambridge Harbor, Md., in response to resolutions of the House Committee on Public Works adopted September 3, 1964, December 2, 1970, and December 14, 1972 (H. Doc. No. 95–355); to the Committee on Public Works and Transportation and ordered to be printed.

4398. A letter from the Secretary of the Treasury, transmitting a report on U.S. participation in the international financial institutions; jointly, to the Committees on Banking, Finance and Urban Affairs, and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JOHNSON of California: Committee on Public Works and Transportation. Report of the Committee on Public Works and Transportation, pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 95–1300). Referred to the Committee of the Whole House on the State of the Union.

Mr. EILBERG: Committee on the Judiciary. H.R. 12508. A bill to amend the Immigration and Nationality Act to facilitate the admission into the United States of more than two adopted children, and to provide for the expeditious naturalization of adopted children. (Rept. No. 95–1301). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 1239. Resolution waiving certain points of order against H.R. 12931. A bill making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1979, and for other purposes (Rept. No. 95–1302). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 1240. Resolution providing for the consideration of H.R. 3350. A bill to promote the orderly development of hard mineral resources in the deep seabed, pending adoption of an international regime relating thereto (Rept. No. 95–1303). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR (by request):

H.R. 13162. A bill to provide for the establishment of a board which will establish and administer agricultural production and marketing programs, and for other purposes; jointly, to the Committees on Agriculture, International Relations, Interstate and Foreign Commerce, and Ways and Means.

By Mr. BAUMAN:

H.R. 13163. A bill to require the General Accounting Office to conduct an annual audit of certain records to assist the Secretary of Agriculture in determining the amount of grain stored by any person under any program carried out by the Commodity Credit Corporation; to the Committee on Agriculture.

By Mr. BENNETT (for himself and Mr. PRICE):

H.R. 13164. A bill to amend titles 10, 14, and 32, United States Code, to align the Reserve Forces of the Armed Forces with active duty forces so as to provide for the national security on a more effective, efficient, cost-effective, and representative basis, and for other purposes; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

By Mr. BROOKS:

H.R. 13165. A bill to modify the Galveston Channel 40-foot project for navigation in Galveston Bay, Tex.; to the Committee on Public Works and Transportation.

By Mr. DERRICK (for himself, Mr. BONKER, Mr. CORNWELL, Mr. JACOBS, and Mr. LUKEN):

H.R. 13166. A bill to improve congressional oversight of Federal programs and activities by requiring greater specificity in setting program objectives, by requiring continuing information on the extent to which programs are achieving their stated objectives, by requiring periodic review of new authorizations of budget authority and tax expenditures, and for other purposes; to the Committee on Rules.

By Mr. DUNCAN of Tennessee:

H.R. 13167. A bill to amend the Internal Revenue Code of 1954 to insure that the deduction for contributions to a black lung benefit trust be allowed for any such contributions which are made for the purpose of satisfying unfunded future liability, and for other purposes; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 13168. A bill to amend title 18, United States Code, to make unlawful the search of places and the seizure of things in the possession or control of a person who is not suspected of committing a criminal act; to the Committee on the Judiciary.

H.R. 13169. A bill to secure and protect the freedom of the press from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

By Mr. GEPHARDT:

H.R. 13170. A bill to amend the Internal Revenue Code of 1954 to extend until 1984 the election to amortize expenditures to rehabilitate low-income rental housing based on a period of 60 months; to the Committee on Ways and Means.

By Mr. HUGHES:

H.R. 13171. A bill to amend the Export Administration Act of 1969 to prohibit the export of any domestically produced petroleum or petroleum product; to the Committee on International Relations.

By Mr. LUJAN:

H.R. 13172. A bill to authorize, for public safety in the 17 contiguous Western States and in the State of Hawaii, Federal cost sharing in the elimination of hazards of open canals and drains by converting them to closed conduits or by installing safety fencing; to the Committee on Interior and Insular Affairs.

H.R. 13173. A bill to authorize, for public safety within the Bureau of Reclamation's Middle Rio Grande Project, N. Mex., Federal cost sharing in the elimination of hazards of open canals and drains by converting them to closed conduits or by installing safety fencing; to the Committee on the Interior and Insular Affairs.

By Mr. McEWEN (for himself, Mr. Hanley, Mr. HANNAFORD, Mr. LAFALCE, Mr. DOWNEY, Mr. LENT, Mr. WALSH, Mr. GREEN, Mr. RICHMOND, Mr. EDWARDS of California, Mr. NOWAK, Mr. KEMP, Mr. LUNDINE, Mr. ADDABBO, Ms. HOLTZMAN, Mr. DORNAN, Mr. BOB WILSON, Mr. MURPHY of Pennsylvania, Mr. GOLDWATER, Mr. WINN, Mr. WHITEHURST, Mr. CARTER, Mr. STRATTON, Mr. ZEFERETTI, and Mr. CONABLE):

H.R. 13174. A bill to provide for the striking of national medals to commemorate the XIII Olympic Winter Games to be held in Lake Placid, N.Y., in 1980; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MOSS (for himself, Mr. WAXMAN, Mr. WALGREN, Mr. GORE, and Mr. MOFFETT):

H.R. 13175. A bill to establish a National Organization of Securities and Exchange Commission Accountancy, to require that independent public accounting firms be registered with such Organization in order to furnish audit reports with respect to financial statements filed with the Securities and Exchange Commission, to authorize disciplinary action against such accounting firms and principles in such firms, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of New York:

H.R. 13176. A bill to provide for an updating of the report of the Atlantic-Pacific Interoceanic Canal Study Commission and for the establishment of a Joint United States-Panama Sea-Level Canal Study Commission, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. NATCHER:

H.R. 13177. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to small businesses by establishing a graduated income tax rate for corporations; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 13178. A bill to amend the Clean Air Act to provide for the establishment by the Environmental Protection Agency of an Office of Small Community and Small Business concerns to provide certain technical assistance to small communities and small business, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TREEN (for himself, Mr. IRELAND, and Mr. LIVINGSTON):

H.R. 13179. A bill to implement the International Sugar Agreement between the United States and foreign countries; to protect the welfare of consumers of sugar and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; and for other

purposes; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. YATRON (for himself, Mr. STANTON, Mr. BEVILL, Mr. MURPHY of Pennsylvania, Mr. DUNCAN of Tennessee, Mr. WALSH, Mr. MOAKLEY, Mr. GUYER, Mrs. LLOYD of Tennessee, Mr. OTTINGER, Mr. BUTLER, Mr. ROE, Mr. HYDE, Mr. FLORIO, Mr. NOLAN, Mr. PRICE, Mr. ERTEL, Mr. SPENCE, and Mr. DOWNEY):

H.R. 13180. A bill to amend the Railroad Retirement Act of 1974 to eliminate the reduction of railroad retirement annuities by amounts payable as social security benefits in cases of persons who had current connections with the railroad industry, had at least 5 years of service, and had attained the age of 65 as of the effective date of such act; to the Committee on Interstate and Foreign Commerce.

By Mr. BURKE of Massachusetts:

H.J. Res. 1002. Joint resolution designating John Adams as the "Father of the U.S. Marine Corps"; to the Committee on Post Office and Civil Service.

By Mr. DODD:

H.J. Res. 1003. Joint resolution authorizing the President to proclaim the third week in June of 1979 as "National Veterans' Hospital Week"; to the Committee on Post Office and Civil Service.

By Mr. FOUNTAIN:

H.J. Res. 1004. Joint resolution to designate October 7, 1978, as "National Guard Day"; to the Committee on Post Office and Civil Service.

By Mrs. HOLT (for herself, Mr. SYMMS, Mr. COLLINS of Texas, Mr. GUYER, Mr. DORNAN, Mr. DUNCAN of Tennessee, Mr. MADIGAN, Mr. MOORE, Mr. WHITEHURST, Mr. KETCHUM, Mrs. LLOYD of Tennessee, Mr. CORCORAN of Illinois, Mr. DAVIS, Mr. HAGEDORN, Mr. ABDNOR, Mr. BURGENER, Mr. SPENCE, Mr. WINN, Mr. CHARLES WILSON of Texas, and Mr. LAGOMARSINO):

H.J. Res. 1005. Joint resolution proposing an amendment to the Constitution of the United States for the purpose of limiting the power of Congress to tax; to the Committee on the Judiciary.

By Mr. TEAGUE (for himself, Mr. JOHN L. BURTON, Mr. LAGOMARSINO, Mr. DEL CLAWSON, Mr. JOHNSON of California, Mr. MURTHA, Mr. ROUSSELOT, Mr. MURPHY of Illinois, Mr. PHILLIP BURTON, Mr. SCHEUER, Mr. LOTT, Mrs. PETTIS, Mr. DELLUMS, Mr. BEILENSON, Mr. LAFALCE, Mr. FISH, Mr. STARK, Mr. MCHUGH, Mr. IRELAND, Mr. GARCIA, Mr. SOLARZ, Mr. FUQUA, Mr. FLIPPO, and Mr. HAMMERSCHMIDT):

H.J. Res. 1006. Joint resolution to designate May 21, 1978, as "Firefighters' Memorial Sunday"; to the Committee on Post Office and Civil Service.

By Mrs. MEYNER:

H. Con. Res. 645. Concurrent resolution denouncing the planned American Nazi Party march in Skokie, Ill.; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII.

435. Mr. HOLLENBECK presented a memorial of the Senate of the State of New Jersey, relative to Cyprus; to the Committee on International Relations.

PETITIONS, ETC.

Under clause 1 of rule XXII.

479. The SPEAKER presented a petition of Sterling Lyon, Premier of Manitoba, Canada, relative to funding of the Garrison Diversion project, which was referred to the Committee on Appropriations.

AMENDMENTS

H.R. 12433

By Mr. PEPPER:

—Page 24, after line 16, insert the following:

PUBLIC HOUSING SECURITY

SEC. 204. (a) This section may be cited as the "Public Housing Security Act of 1978".

(b)(1) The Congress finds that—

(A) low-income and elderly public housing residents of the Nation, who are already subject to difficult living conditions and have suffered substantially from rising crime and violence, are being threatened as a result of inadequate security arrangements for the prevention of physical violence, theft, burglary, and other crimes;

(B) older persons generally regard the fear of crime as the most serious problem in their lives, to the extent that one-fourth of all Americans over 65 voluntarily restrict their mobility because of it;

(C) low-income and elderly public housing residents, living in an insecure housing environment, have restricted their movements because of the fear of crime and are abandoning public housing projects at a time when there is an increasing demand for public housing units;

(D) higher vacancy rates and heavy financial losses of management in some cases have led to complete abandonment of public housing projects;

(E) an integral part of successfully providing decent, safe, and sanitary dwellings for low-income persons is to insure that the housing is secure;

(F) local public housing authorities have inadequate security arrangements for the prevention of crime and vandalism and lack specific operating funds to provide security measures; and

(G) action is needed to provide for the security of public housing residents and to preserve the Nation's investment in its public housing stock.

(2) It is, therefore, declared to be the policy of the United States to provide for more effective means of mitigating crime and vandalism in public housing projects and for the development of a comprehensive program for reducing crime and vandalism in all the Nation's public housing projects, with a particular emphasis on reduction of crime and the fear of crime among elderly residents.

(c)(1) The Secretary of Housing and Urban Development shall promptly initiate and carry out, to the extent approved in appropriation Acts, a program for the development, demonstration, and evaluation of improved, innovative community anticrime and security methods, concepts, and techniques which will mitigate the level of crime in public housing projects and their surrounding neighborhoods.

(2) In selecting public housing projects to receive assistance under this section, the Secretary shall consider the extent of crime and vandalism currently existing, the nature and quality of community anticrime efforts in the projects and surrounding areas, the nature and quality of police and other protective services to the projects and their tenants, the vacancy rate and demand for public housing in the locality, and the extent of abandonment of public housing units. Priority shall be given to comprehensive community anticrime and security plans submitted by public housing authorities which provide for the restoration of abandoned dwelling units, coordination between public housing management and local law enforcement officials in providing increased security to the projects and tenants, coordination between public housing management and local government in providing social services for the tenants, maximum opportunity for tenant involvement and employment in the community anticrime and security programs, the fear of it among elderly public housing residents.

(3) In carrying out the provisions of this section, the Secretary shall coordinate and jointly target resources with other agencies, particularly the Law Enforcement Assistance Administration, the Department of Health, Education, and Welfare, the Department of Labor, the Community Services Administration, and ACTION.

(d) The community anticrime and security methods, concepts, and techniques utilized in this demonstration and evaluation may include improved physical security equipment for dwelling units in these projects, new concepts for social and environmental design, tenant awareness and volunteer programs, tenant participation and employment in providing security services, and such other measures as deemed necessary or appropriate by the Secretary.

(e) The Secretary shall initiate and carry out a survey of current levels of crime in the Nation's public housing projects, and transmit a report on such survey to the Congress not later than eighteen months after the date of enactment of this Act. This report shall include the level of crime and the extent of vandalism in public housing projects; findings from the demonstration and evaluation of various methods of reducing the level of crime; and recommendations, if appropriate, for a comprehensive public housing program to provide increased community anticrime and security concepts and techniques to all public housing projects, and the estimated costs of such program.

(f) Of the additional authority approved in appropriation Acts with respect to entering into annual contributions contracts under section 5(c) of the United States Housing Act of 1937 for the fiscal year beginning on October 1, 1978, not to exceed $18,000,000 shall be available to carry out this section.

H.R. 12932

By Mr. BEARD of Tennessee:

On page 10, line 5, strike the period and insert in lieu thereof: *Provided further*, That no part of this appropriation shall be available for financial assistance to any State, under 16 U.S.C. 1535(d), to assist in the development of a program for the conservation of the ----------

—Pink fairy armadillo.
—African wild ass.
—Avahis.
—Aye-aye.
—Barred bandicoot.
—Desert bandicoot.
—Rabbit bandicoot.
—Lesser rabbit bandicoot.
—Pig-footed badicoot.
—Banteng.
—Hawaiian hoary bat.
—Indiana bat.
—Grizzy bear.
—Mexican grizzy bear.
—Wood bison.
—Tiger cat.
—Cheetah.
—Red colobus.
—Zanzibar red colobus.
—Eastern cougar.
—Slender-horned gazelle.
—Rio de Oro dama gazelle.
—Moroccan gazelle.
—Mhorr gazelle.
—Cuviers gazelle.
—Clark's gazelle.
—San Joaquin kit fox.
—Northern kit fox.
—Mountain tapir.
—Brinded nail-tail wallaby.
—Thylacine.
—Tiger.
—Uakari.
—Vieuna.
—Banded hare wallaby.
—Brazilian three-toed sloth.
—Lepoard snow.
—Cuban solendon.

—Hatian solenodon.
—Delmarva Peninsula fox squirrel.
—Barbary stag.
—Kashmir stag.
—Tamaraw.
—Golden-rumped tamarin.
—Brazillian tapir.
—Central American tapir.
—Gila trout.
—Snail darter.
—Arizona (Apache) trout.
—Gila topminnow.
—Western tragopan pheasant.
—White-eared pheasant.
—Azores wood pigeon.
—Chatham Island pigeon.
—Puerto Rican plain pigeon.
—Wattlebird piopio.
—Attwater's greater prairie chicken.
—New Zealand shore plover.
—Ulo po'o.
—Aukland Island rail.
—California clapper rail.
—Light-footed clapper rail.
—Yuma clapper rail.
—Darwin's rhea.
—Long-tailed ground roller.
—Columbian whitetailed deer.
—Cedros Island mule deer.
—Brow-antiered eld's deer.
—Santa Barbara sparrow.
—Ponape mountain starling.
—Rothschild's (Myna) starling.
—Hawaiian stilt.
—White oriental stork.
—California least tern.
—White-breasted thrasher.
—Large kaual thrush.
—Molokai (oiomau) thrush.
—Small kauai (puaiohl) thrush.
—Tragopans.
—Martinique brown trembler.
—Plain wanderer.
—Bachman's warbler (wood).
—Barbados yellow warbler (wood).
—Kirtland's warbler (wood).
—Reed warbler.
—Rodrigues warbler.
—Gorilla.
—Pileated gibbon.
—Kloss gibbon.
—Swamp deer.
—Persian fallow deer.
—McNeill's deer.
—Marsh deer.
—Key deer.
—Southern, planigale.
—Thin-spinned, porcupine.
—Mountain pygmy possum.
—Scaly-tailed possum.
—Menian prairie dog.
—Peninsular pronghorn.
—Sonoran pronghorn.
—Quokka.
—Volcano rabbit.
—Morro Bay kangaroo rat.
—Stick-nest rat.
—False water rat.
—Brushtailed rat-kangaroo.
—Gaimard's rat-kangaroo.
—Utah prairie dog.
—Tecopa pupfish.
—Owens River pupfish.
—Devil's Holo pupfish.
—Comanche Spring pupfish.
—Blue pike.
—Nekogigi.
—Noisy scrub-bird.
—Cebu black (thrush) shama.
—Newell's manx shearwater.
—Cape sable sparrow.
—Dusky seaside sparrow.
—Chinese giant salamander.
—Japanese giant salamander.
—Houston toad.
—Texas blind salamander.
—Santa Cruz long-tailed salamander.
—Desert slender salamander.
—Stephen island frog.
—Israel painted frog.
—Indian python.
—Desert monitor.
—Bengal monitor.
—Yellow monitor.
—Komodo island monitor.
—Peacock soft-shell turtle.
—Black soft-shell turtle.
—Cuatro Cienegas soft-shell turtle.
—Indian flap-shell tortoise.
—Angulated tortoise.
—Geometric turtle.
—Burmese peacock turtle.
—Indian sawback turtle.
—Three-keeled Asian turtle.
—Spotted pond turtle.
—Philippine crocodile.
—Ceylon mugger crocodile.
—Mugger crocodile.
—Siamese crocodile.
—African slender-snouted crocodile.
—Congo dwarf crocodile.
—African dwarf crocodile.
—Tomistoma.
—Dibatag.
—Anoa.
—Bawean deer.
—Shon.
—Barbary serval.
—Seleding.
—Mediterranean monk seal.
—White-nosed saki.
—Sifikas.
—Sumatran rhinoceros.
—Northern white rhinoceros.
—Javan rhinoceros.
—Great Indian rhinoceros.
—Rhim.
—Queensland rat-kangaroo.
—Plain rat-kangaroo.
—Hesucur's rat-kangaroo.
—Dibbler.
—Asiatic wild dog.
—Dugong.
—Black-footed ferret.
—Tasmanian forester.
—Ivory-billed woodpecker.
—Imperial woodpecker.
—Seychelles white-eye.
—Ponape great white-eye.
—Puerto Rican whip-poo-will.
—Western (thrush) whipbird.
—Seychelles warbler.
—Semper's warbler.
—Pahranagat bonytail.
—Cameroon toad.
—Monteverde toad.
—African viviparous toads.
—Panamanian golden frog.
—Red hills salamander.
—Fine barrens treefrog.
—Golden coqui.
—St. Croix ground lizard.
—Giant Anole.
—Ala Balik.
—Ayumodoki.
—Mexican blindcat.
—Warm Springs Pupfish.
—Colorado River squafish.
—Unarmored threespine stickleback.
—Sborinose sturgeon.
—Catfish.
—Giant catfish.
—Humpback Chub.
—Mohave Chub.
—Cleek.
—Longjaw Cisco.
—Cui-ui.
—Kendall Warm Springs Dace.
—Moapa Dace.
—Bayou Darter.
—Fountain Darter.
—Maryland Darter.
—Okaloosa Darter.
—Watercress Darter.
—Big Bend Gambusia.
—Clear Creek Gambusia.
—Pecos Gambusia.
—Scioto madtom.
—Asian bonytongue.
—Stick-nest rat.
—False water rat.
—Brush-tailed kangaroo rat.
—Gaimard's rat-kangaroo.
—Lesuer's rat-kangaroo.
—Plain rat-kangaroo.
—Queensland rat-kangaroo.
—Great Indian-rhinoceros.
—Vinaceous breasted parrot.
—Red-spectacled parrot.
—Bahaman or Cuban parrot.
—Mindoro zone-tailed pigeon.
—Khar turuut tsakhiai.
—Nordmann's greensbank.
—Lord Howe wood rail.
—White-naped crane.
—Black-necked crane.
—Cuba sandhill crane.
—Montezuma quail.
—Elliot's pheasant.
—Mitu.
—Black-fronted piping-guan.
—Peregrine falcon.
—Greenland white-tailed eagle.
—Harpy eagle.
—Pink-headed duck.
—Campbell Island flightless teal.
—Frigate Bird.
—Abbott's booby.
—Solitary tinamou.
—Laysan (Laysan duck) Teal.
—Masked Bobwhite Quail.
—White-eared Pheasant.
—Swinhoe Pheasant.
—Palawan peacock Pheasant.
—Mikado Pheasant.
—Humes (Bar-tailed) Pheasant.
—Edward's Pheasant.
—Brown-eared Pheasant.
—Nene (Hawaiian) Goose.
—Hawaiian (Koloa) Duck.
—St. Lucia wren.
—New Zealand bush wren.
—Guadeloupe house wren.
—Tristram's woodpecker.
—Red-cockaded woodpecker.
—Swayne's hartebeast.
—Pyginy hog.
—Barbary hyaena.
—Brown hyaena.
—Pyreanean ibex.
—Walia ibex.
—Black-faced impala.
—Indris.
—Juguar.
—Eastern gray kangaroo.
—Red kangaroo.
—Western gray kangaroo.
—Leopard.
—Ring-tailed lemur.
—Jaguar.
—Right whale.
—Black lemur.
—Mexican wolf.
—Gray bat.
—Queensland hairy-nosed wombat.
—Wild yak.
—Barnard's wombat.
—Red wolf.
—Northern Rocky Mountain wolf.
—Maned wolf.
—Eastern timber wolf.
—Sperm whale.
—Sci whale.
—Humpback whale.
—Gray whale.
—Finback whale.
—Bowhead whale.
—Blue whale.
—Yellow footed rock wallaby.
—Western hare wallaby.
—Parma wallaby.
—Crescent nila-tail wallaby.
—Wouldfin.
—Greenback cutthroat trout.
—Lahontan cutthroat trout.
—Paiute cutthroat trout.
—Manus Island tree snail.
—Lemur.
—Do.
—Langur.
—Howler monkey.
—Golden langur.

—Javan rhinoceros.
—Northern white rhinoceros.
—Sumatran rhinoceros.
—White-nosed saki.
—Mediterranean monk seal.
—Hawaiian monk seal.
—Seledang (guar).
—Sumatran serow.
—Barbary serval.
—Shapo.
—Shou.
—Siamang.
—Sifakas.
—Brazilian three-toed sloth.
—Cuban solenondon.
—Haitan solenondon.
—Delmarva peninsula fox squirrel.
—Barbary stag.
—Kashmir stag.
—Tamaraw.
—Golden-rumped tamarin (golden-headed tamarin; golden-lion marmoset).
—Pied tamarin.
—Birdwing pearly mussel.
—Dromedary pearly mussel.
—Yellow-blossom pearly mussel.
—Curtis' pearly mussel.
—Sampson's pearly mussel.
—White cat's paw pearly mussel.
—Green-blossom pearly mussel.
—Tuberculed-blossom pearly mussel.
—Turgid-blossom pearly mussel.
—Fine-rayed pigtoe pearly mussel.
—Nile crocodile.
—Morelet's crocodile.
—Cuban crocodile.
—American crocodile.
—Jamaican boa.
—Puerto-Rican boa.
—American alligator.
—Mariannas mallard.
—Swinhoe's pheasant.
—Palawan peacock pheasant.
—Mikado pheasant.
—Bar-tailed pheasant.
—Edward's pheasant.
—Brown-eared pheasant.
—Yellow-shouldered blackbird.
—Red siskin.
—White-breasted silvereye.
—Western rufous bristlebird.
—Koch's pitta.
—White-winged cotinga.
—Banded cotinga.
—Helmeted hornbill.
—Giant scops owl.
—Resplendent quetzel.
—Hook-billed hermit.
—Golden parakeet.
—Red-capped parrot.
—Little blue macaw.
—Indigo macaw.
—Glaucous macaw.
—Kouprey.
—Doue langur.
—Pagi Island langur.
—Black lechwe.
—Lemurs.
—Leopard.
—Formosan clouded leopard.
—Snow leopard.
—Asiatic lion.
—Spanish lynx.
—Lion-tailed maeaque.
—Amazonian manatee.
—West Indian manatee.
—Tana River mangabey.
—Margay.
—Proboscis monkey.
—Clouded leopard.
—Bobcat.
—Andean cat.
—Marbled cat.
—Jaguarundi.
—Leopard cat.
—Temminchk's cat.
—Costa Rican puma.
—Black-footed cat.
—Flt-headed cat.
—Southern river otter.
—Marine otter.
—Long-tailed otter.
—Brown bear.
—Spotted sinsang.
—Chinchilla.
—Australian native mouse.
—Beaver.
—Hispid hare.
—Scaly anteater.
—Giant armadillo.
—Siamang.
—Gibbons.
—Goeldi's marmoset.
—Golden marmoset.
—Eastern Jerboa marsupial.
—Large desert marsupial-mouse.
—Atlantic ridley turtle.
—Aquatic box turtle.
—Tuatara.
—Short-necked or swamp tortoise.
—Madagascar radiated tortoise.
—Galapagos tortoise.
—River (Tuntong) terrapin.
—San Francisco garter snake.
—Blunt-nosed leopard lizard.
—Anegada ground iguana.
—Barrington land iguana.
—Round Island day gecko.
—Day gecko.
—Gharial gavial.
—Orinoco crocodile.
—White-footed tamarin.
—Asian tapir.
—Brazilian tapir.
—Central American tapir.
—Mountain tapir.
—Philippine tarsier.
—Tiger.
—Tasmanian tiger.
—Southern sea otter.
—Jaguar.
—Black lemur.
—Ring-tailed lemur.
—Leopard.
—Tiger.
—Shiny pigtoe pearly mussel.
—Higgin's eye pearly mussel.
—Pink mucket pearly mussel.
—Alabama lamb pearly mussel.
—White warty-back pearly mussel.
—Miyako Tango.
—Japanese crested ibis.
—Helmeted honeyeater.
—Crested (Akohekohe) honeycreeper.
—Hawaiian (Io) hawk.
—Galapagos hawk.
—Anjouan Island sparrow hawk.
—Audouin's gull.
—Horned guan.
—Atitlan Grebe.
—Eyrean (flycatcher) grass-wren.
—Slender-billed grackle.
—Christmas Island goshawk.
—Hawaiian (Nene) goose.
—Alcutian Canada goose.
—Hawaiian gallinule.
—Seychelles (weaver-finch) fody.
—Whitenecked rock-fowl flycatcher.
—Tahiti flycatcher.
—Seychelles black flycatcher.
—Scarletbreasted robin flycatcher.
—Palau fantail flycatcher.
—Greynecked rock-fowl flycatcher.
—Pabrump killifish.
—Ikan temolek.
—Hawaii akepa.
—Maui akepa.
—Kauai akialoa.
—El Segundo blue butterfly.
—Lotus blue butterfly.
—Smith's blue butterfly.
—Mission blue butterfly.
—San Bruno elfin butterfly.
—Lange's metalmark butterfly.
—Euler's (tyrant) flycatcher.
—Chatham Island robin flycatcher.
—Laysan and Nihoa (honeycreepers) finches.
—Arctic peregrine falcon.
—American peregrine falcon.
—Chinese egret.
—Spanish imperial eagle.
—Southern bald eagle.
—Monkeyeating eagle.
—Broad-snouted caiman.
—Apaporis River caiman.
—Black caiman.
—Chinese alligator.
—(Caiman) yacare.
—South American turtle.
—South American turtle.
—Leatherback turtle.
—Hawksbill turtle.
—Kauai and Maui nukupuus.
—Formosan yellow-throated marten.
—Monk-seal.
—Spider monkey.
—Spider monkey.
—Red-backed squirrel monkey.
—Woolly spider monkey.
—Field's mouse.
—Gould's mouse.
—New Holland mouse.
—Salt marsh harvest mouse.
—Shark Bay mouse.
—Shortridge's mouse.
—Smoky mouse.
—Eastern mouse.
—Western mouse.
—Eastern native-cat.
—Numbat.
—Ocelot.
—Orangutan.
—Arabian oryx.
—Cameroon clawless otter.
—Giant otter.
—La Plata otter.
—Florida panther.
—Little planigale.
—Orange-footed pimpleback pearly mussel.
—Rough pigtoe pearly mussel.
—Fat pocketbook pearly mussel.
—Cumberland monkeyface pearly mussel.
—Appalachian monkeyface pearly mussel.
—Pale lilliput pearly mussel.
—Nicklin's pearly mussel.
—Tampico pearly mussel.
—Cumberland bean pearly mussel.
—Bahama swallowtail butterfly.
—Schaus swallowtail butterfly.
—Maleo magapode.
—Nihoa (warbler) millerbad.
—Tinian (tyrant flycatcher) monarch.
—Akjapolaau (honeycreeper).
—Shortailed albatross.
—Masked bobwhite (quail).
—Western bristlebird (flycatcher).
—Mauritius olivaceous bulbul.
—Sao Miguel bullfinch (finch).
—Great Indian bustard.
—Cahow (Bermuda petrel).
—Andean condor.
—Californian condor.
—Hawaiian coot.
—Hooded crane.
—Japanese crane.
—Mississippi sandhill crane.
—Siberian white crane.
—Whooping crane.
—Hawaii creeper.
—Molokai Creeper (Kakawahfe) (Honeycreeper).
—Oahu creeper (Alauwahlo) (Honeycreeper).
—Hawaiian crow (alala).
—Mauritius cuckoo-shrike.
—Reunion cuckoo-shrike.
—Red-billed curassow.
—Trinidad white-headed curassow.
—Eskimo curlew.
—Cloven-feathered dove.
—Grenada dove.
—Palau ground dove.
—Hawaiian duck (koloa).
—Laysan duck.
—Mexican duck.
—White-winged wood duck.
—Swinhoe's pheasant.
—Sclater's monal pheasant.
—Palawan peacock pheasant.
—Mikado pheasant.
—Imperial pheasant.
—Edward's pheasant.
—Chinese monal pheasant.
—Cabot's tragopan pheasant.
—Brown-eared pheasant.

—Blyth's tragopan pheasant.
—Bar-tailed pheasant.
—Hawaiian dark-rumped petrel.
—Galopagos penguin.
—Brown pelican.
—Maui (honeycreeper) parrotbill.
—Long-tailed marsupial.
—Kauai Oo.
—Arabian ostrich.
—West African ostrich.
—Ou.
—Anjouan scops owl.
—Palau owl.
—Seychelles owl.
—Mrs. Morden's owlet.
—Palila.
—Forbes' parakeet.
—Golden-shouldered parakeet.
—Mauritius ringnecked parakeet.
—La Perouse's megapode.
—Redfaced malkoha.
—Seychelles (thrush) magpie-robin.
—Kokako (wattlebird).
—Florida Everglade (snail kite) kite.
—Grenada hookbilled kite.
—Cuba hookbilled kite.
—Seychelles kestrel.
—Mauritius kestrel.
—Kakapo (owl parrot).
—Kagu (rail).
—Hog deer.
—Musk deer.
—Bactrian camel.
—Babiroussa.
—Asian tapir.
—Mountain zebra.
—Przewalski's horse.
—Ochre-marked parakeet.
—Orange-bellied parakeet.
—Paradise parakeet.
—Scarlet-chested parakeet.
—Turquoise parakeet.
—Bahamas parrot.
—Ground parrot.
—Imperial parrot.
—Night parrot.
—Puerto Rican parrot.
—Red-browed parrot.
—St. Lucia parrot.
—St. Vincent parrot.
—Thick-billed parrot.
—Philippine deer.
—Asian Elephant.
—Chimpanzee.
—Pigmy Chimpanzee.
—Tonkin-snub-nosed monkey.
—Purple-faced langur.
—Long-tailed langur.
—Toque macaque.
—Japanese macaque.
—Formosan rock macaque.
—Gelada.
—Stumptail macaque.
—Black howler monkey.
—White-footed tamarin.
—Philippine tarsier.
—Lesser slow lovis.
—Francois' leaf monkey.
—Drill.
—Mandrill.
—Black colobus.
—White-collared mangabey.
—L'hoest's monkey.
—Red-bellied monkey.
—Red-earned-nose-spotted monkey.
—Diana monkey.
—Yellow-tailed woolly monkey.
—Pied tamarin.
—Cotton-top marmoset.
—Shapo.
—Argali.
—Urial.
—Chiltan markhor.
—Kabal markhor.
—Straight-horned markhor.
—Chamois.
—Sumatran serow.
—Goral.
—Saiga antelope.
—Dorcas gazelle.
—Giant sable antelope.
—Lechwe.
—Mountain anoa.
—Pudu.
—Pampas deer.
—North Andean huemal.
—South Andean huemal.

H.R. 12936

By Mr. HILLIS:
—On page 21, line 22, strike "$7,045,000", and insert in lieu thereof "$9,500,000".

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House Rule X. Previous listing appeared in the CONGRESSIONAL RECORD of May 18, 1978 (page 14484).

H.R. 11467. March 13, 1978. Government Operations. Sets forth policies, methods, and criteria for the acquisition of property and services by any agency of the United States Government. Describes procedures for the contracts, contract payments, and contract settlements.

H.R. 11468. March 13, 1978. Agriculture. Amends the Packers and Stockyards Act, 1921, to repeal the authority of the Secretary of Agriculture to determine rates and charges for stockyard services. Requires the authorized State department, agency, or association which is registered as a market agency to determine brand inspection fees.

H.R. 11469. March 13, 1978. Government Operations. Abolishes the Environmental Protection Agency. Requires the Director of the Office of Management and Budget to take such actions as are necessary to conclude the outstanding affairs of such Agency.

H.R. 11470. March 13, 1978. Ways and Means. Amends the Internal Revenue Code to allow a credit against an individual's income tax in an amount equal to 50 percent of the sum of the amounts paid by him to educational institutions as tuition (though no more than $500 for any single individual) for the attendance of the taxpayer, the taxpayer's spouse, or any of his dependents with respect to whom is entitled to a personal exemption.

H.R. 11471. March 13, 1978. International Relations. Amends the Agricultural Trade Development and Assistance Act of 1954 to permit the President to waive prohibitions against commodity assistance relating to (1) status as a "friendly country," (2) North Vietnam, (3) diplomatic relations with the United States, (4) seizure of property owned by any United States person, and (5) emigration restrictions, in order to directly benefit needy people.

Amends the Food for Peace Act to permit the Commodity Credit Corporation to extend agricultural export credit if the President waives prohibitions against such credit relating to (1) emigration restrictions, and (2) North Vietnam, in order to directly benefit needy people.

H.R. 11472. March 13, 1978. Education and Labor. Amends the Rehabilitation Act of 1973 to rescind the authority of the Secretary of Health, Education, and Welfare to designate a type of disability as qualifying as a "severe handicap" for purposes of such Act.

H.R. 11473. March 13, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to provide that any individual who is entitled to a monthly benefit under such title for the month preceding the month in which such eligible individual dies shall be entitled for the month in which he dies to a prorated benefit based upon a specified formula.

H.R. 11474. March 13, 1978. Ways and Means. Amends the Internal Revenue Code to allow active participants in a retirement plan an income tax deduction for contributions to an individual retirement account in taxable years prior to the individual's rights under the retirement plan.

H.R. 11475. March 13, 1978. Judiciary. Directs the President to promulgate and publish regulations for merit selection of nominees for United States attorney.

Stipulates that the President may waive such procedures and that no nomination may be invalidated for failure to comply with such procedures.

H.R. 11476. March 13, 1978. Post Office and Civil Service. Declares the United States Postal Service liable for any actual damages resulting from the negligence of its agents with respect to damaged, lost, or delayed mail. Sets monetary limits on such liability.

Creates a presumption that damage, delay, or loss of mail resulted from the negligence of the Postal Service. Stipulates that such presumption may be rebutted only by a clear preponderance of the evidence.

H.R. 11477. March 13, 1978. Post Office and Civil Service. Directs the Postmaster General to issue a commemorative stamp honoring General Casimir Pulaski.

H.R. 11478. March 13, 1978. Merchant Marine and Fisheries. Amends the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to extend authorization for appropriations for fiscal years 1979 and 1980.

H.R. 11479. March 13, 1978. Merchant Marine and Fisheries. Amends the Marine Protection, Research, and Sanctuaries Act of 1972, as amended, to extend authorization for appropriations for fiscal years 1979 and 1980.

H.R. 11480. March 13, 1978. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to authorize appropriations for fiscal years 1979 and 1980.

H.R. 11481. March 13, 1978. Merchant Marine and Fisheries. Amends the Endangered Species Act of 1973 to extend the authorization for appropriations for fiscal years 1979 and 1980.

H.R. 11482. March 13, 1978. Merchant Marine and Fisheries. Amends the Marine Mammal Protection Act of 1972 to authorize appropriations for fiscal years 1979 and 1980.

H.R. 11483. March 13, 1978. Interstate and Foreign Commerce. Amends the Federal Alcohol Administration Act to require that bottles containing a beverage having more than a certain percentage of alcohol by volume a warning as to the possibly harmful effects of consumption of such beverage, and to require such warning in the advertising of such beverages.

H.R. 11484. March 13, 1978. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to prohibit cost-of-living salary adjustments for Members of Congress based on any adjustment of the General Schedule which takes effect before October 1, 1978.

H.R. 11485. March 13, 1978. Public Works and Transportation. Modifies the navigation project for Santa Cruz Harbor, California, to allocate to the United States the total costs of the studies and research with respect to the sand bypassing facility. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to undertake certain dredging in such harbor and to study additional solutions to shoaling and alternative methods for better maintenance of the channels and turning basins in such harbor.

H.R. 11486. March 13, 1978. Armed Services. Directs the Secretary of the Army to pay to each person who served as a Philippine Scout between December 6, 1941, and December 31, 1946, or the survivors of such an individual the difference between the basic pay received by such an individual and the pay received by other members of the Army of corresponding grades and length of service. Requires that the retired pay of such individuals be computed using the rates of basic pay applicable to other members of

the Army of corresponding grades and length of service.

H.R. 11487. March 13, 1978. Armed Services. Authorizes the Administrator of General Services to dispose of a certain amount of mica, muscovite film presently held in the national and supplemental stockpiles.

H.R. 11488. March 13, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act to require the Secretary of Health, Education, and Welfare to review annually the health systems plans and annual implementation plans of health systems agencies and State health plans. Requires the Secretary to give priority to those health systems agency applications recommended by a Governor for approval. Makes funds under a grant for obligation at the end of the fiscal year in which the grant has been made available for obligation in the succeeding fiscal year.

Authorizes appropriations to carry out various health planning and health resources programs.

Sets forth guidelines concerning the governing body of health systems agencies.

H.R. 11489. March 13, 1978. Interior and Insular Affairs. Authorizes the States and the Indian tribes to enter into mutual agreements on matters relating to the application of civil, criminal, and regulatory laws and allocation or determination of governmental responsibility over specified subject matters or specified geographical areas.

H.R. 11490. March 13, 1978. Interior and Insular Affairs. Amends the Federal Coal Leasing Amendments Act of 1975 to allow the Secretary of the Interior to prescribe the terms and conditions applying to lands added to approved coal lands leases.

H.R. 11491. March 13, 1978. Interstate and Foreign Commerce. Establishes an Office of Railroad Safety Systems and Performance within the Federal Railroad Administration.

Requires that each railroad have a performance and safety system plan to be certificated by the Secretary of Transportation.

Authorizes the Secretary to develop a program of annual Federal recognition awards for good railroad safety performance. Authorizes Federal financial assistance to States and to railroads for railroad safety programs.

H.R. 11492. March 13, 1978. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 to authorize additional appropriations to the United States Railway Association in order to purchase securities of the Consolidated Rail Corporation.

H.R. 11493. March 13, 1978. Interstate and Foreign Commerce. Amends the Rail Passenger Service Act to authorize appropriations for the National Rail Passenger Corporation for fiscal year 1979. Directs the Secretary of Transportation to formulate and implement an optional intercity route system for the Corporation.

Amends the Railroad Revitalization and Regulatory Reform Act of 1976 to establish maximum travel times between points in the Northeast Corridor. Directs the National Railroad Passenger Corporation to establish rolling stock and related equipment which will be compatible with the Northeast Corridor.

Directs the Postal Service to utilize the services of the Corporation in the surface transportation of mail.

H.R. 11494. March 13, 1978. Merchant Marine and Fisheries. Directs the Secretary of the Interior to make additional refuge revenue sharing payments, on a fiscal year basis, to each local government unit in which entitlement lands are located. Sets forth the method for computing such payments based on the acreage of the National Wildlife Refuge System within such unit.

Directs the Secretary to make additional payments to counties wherein certain lands acquired by the United States for the National Wildlife Refuge System, which were subject to local real property taxes, are located. Requires such counties to distribute such payments to local government units which have incurred losses of such taxes due to the acquisition.

H.R. 11495. March 13, 1978. Science and Technology. Authorizes appropriations in specified amounts out of the Airport and Airway Trust Fund for specified aviation research, development, and demonstration projects for fiscal year 1979.

Directs the Federal Aviation Administration to furnish the House Committee on Science and Technology with specified information regarding the Microwave Landing System (MLS) development program.

Amends the Airport and Airway Development Act of 1970 to increase the authorization for appropriations for fiscal year 1978 for aviation safety research and development projects and to repeal such authorizations for fiscal years 1979 and 1980.

H.R. 11496. March 13, 1978. Agriculture. Amends the Packers and Stockyards Act of 1921 to restrict the authority of the Secretary of Agriculture to determine the justness or reasonableness of any stockyard service rate or charge, to only those rates or charges for services at stockyards which have a certain minimum annual sales volume.

H.R. 11497. March 13, 1978. Interior and Insular Affairs. Amends the National Trails System Act to establish the North Country National Scenic Trail within Federal lands extending from eastern New York State to North Dakota.

Directs the Secretary of the Interior to study the feasibility and desirability of establishing a connecting trail between the North Country National Scenic Trail and the Appalachian National Scenic Trail.

H.R. 11498. March 13, 1978. Ways and Means. Amends the Internal Revenue Code to direct the Secretary of the Treasury to issue regulations corresponding to the principles set forth in a certain private letter ruling relating to the exclusion from gross income of amounts deferred by participants in public deferred compensation plans.

H.R. 11499. March 13, 1978. Interior and Insular Affairs. Makes all units of local government in Alaska other than the borough which acts as the collecting and distributing agency for real property taxes eligible to receive payments from the Secretary of the Interior based upon the amount of public lands within the boundaries of such locality.

H.R. 11500. March 13, 1978. Banking, Finance and Urban Affairs Authorizes the Secretary of Housing and Urban Development to make urban rehabilitation grants to severely distressed cities and urban counties for the following purposes: (1) to finance the acquisition of real property by private nonprofit entities for residential rehabilitation; (2) to finance residential rehabilitation through grants, revolving loan funds, mortgage insurance, and low interest loans; (3) to make grants to neighborhood groups to carry out residential rehabilitation; and (4) to finance the rehabilitation of publicly-owned buildings when the recipient of the grant participates in such rehabilitation.

H.R. 11501. March 13, 1978. Small Business. Authorizes the Small Business Administration to make grants to support the development and operation of small business development centers in order to provide small business with management development, technical information, product planning and development and international market development. Establishes a Small Business Management and Technical Assistance Division within the Small Business Administration to administer the Small Business Development Center program.

H.R. 11502. March 13, 1978. Ways and Means. Amends the Internal Revenue Code to qualify trusts established for the payment of product liability claims as tax exempt organizations. Allows taxpayers a business income tax deduction for contributions to such trusts only to the extent they exceed the reasonable costs of product liability insurance for the deducting taxpayer.

H.R. 11503. March 13, 1978. Banking, Finance and Urban Affairs. Authorizes the President, through fiscal year 1981, to issue such orders and regulations as deemed appropriate to stabilize prices, rents, wages, and salaries at levels not less than those prevailing on March 1, 1978, and to stabilize interest rates and corporate dividends and similar transfers at levels consistent with orderly economic growth.

Sets forth criminal penalties for, and provides for injunctive relief from, violations of any such orders.

H.R. 11504. March 13, 1978. Agriculture. Amends the Consolidated Farm and Rural Development Act to establish a low-income farm ownership loan program for owners or operators of small or family farms.

Authorizes the Secretary of Agriculture to insure or guarantee loans for refinancing equipment and operating loans, giving preference to small or family farmers.

Extends the authority of the Emergency Livestock Credit Act through fiscal year 1979.

Renames the Farmers Home Administration the Farm and Rural Development Administration.

H.R. 11505. March 13, 1978. Agriculture. Amends the Consolidated Farm and Rural Development Act to establish a low-income farm ownership loan program for owners or operators of small or family farms.

Authorizes the Secretary of Agriculture to insure or guarantee loans for refinancing equipment and operating loans, giving preference to small or family farmers.

Extends the authority of the Emergency Livestock Credit Act through fiscal year 1979.

Renames the Farmers Home Administration the Farm and Rural Development Administration.

H.R. 11506. March 13, 1978. Banking, Finance and Urban Affairs. Amends the Bretton Woods Agreements Act to terminate all authority granted under such Act after September 30, 1981, unless reauthorized by Act of Congress.

H.R. 11507. March 13, 1978. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to invalidate agreements preventing the broadcast of a professional sports game, by means of television, at the same time and in the same area in which the game is to be played if all tickets to such game have been sold 72 hours before gametime.

H.R. 11508. March 13, 1978. Judiciary. Provides that refugees who were paroled by the Attorney General for temporary entry into the United States under the Immigration and Naturalization Act and later admitted for permanent residence into the United States shall be treated for naturalization purposes as having established permanent resident status as of the date of such temporary entry.

H.R. 11509. March 13, 1978. Ways and Means. Amends the Internal Revenue Code to exclude from the gross income of an employee amounts paid or expenses incurred by the employer for educational assistance to the employee.

H.R. 11510. March 13, 1978. Banking, Finance and Urban Affairs. Creates a Solar Energy Development Bank to make long-term, low-interest loans to encourage the use of solar energy in commercial and residential dwellings. Establishes a Solar Energy Fund in the Treasury of the United States to finance the activities of the Bank.

H.R. 11511. March 13, 1978. International Relations. Requires the Secretary of State to demonstrate solar energy and other renewable energy technologies by using such energy sources in Foreign Service buildings located abroad.

Directs the Secretary to consult with the Secretary of Energy concerning the most viable techniques adaptable to the local resources and environmental conditions of the host country.

Requires the Secretary of State to insure that projects under this Act are demonstrated to, and are available for inspection by, officials and other citizens of the host country.

Directs the Secretary to give priority to projects in less developed countries.

H.R. 11512. March 13, 1978. Small Business. Amends the Small Business Act to provide assistance to individuals and small business concerns for the acquisition, development, and maintenance of solar energy equipment.

H.R. 11513. March 13, 1978. Interstate and Foreign Commerce. Directs the Secretary of Commerce, in consultation with the Secretary of Energy, to conduct a global market survey to determine which foreign countries might serve as markets for solar energy equipment manufactured in the United States.

H.R. 11514. March 13, 1978. Judiciary. Authorizes the issuance of a visa to a certain individual and admittance to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 11515. March 13, 1978. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States.

Entitles such individual's wife to health care services in a nursing home and, when necessary, in a military hospital.

H.R. 11516. March 13, 1978. Judiciary. Authorizes the issuance of a visa to a certain individual and admittance to the United States for permanent residence under the Immigration and Nationality Act.

H.R. 11517. March 13, 1978. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 11518. March 14, 1978. Ways and Means. Extends the existing temporary debt limit until July 31, 1978.

H.R. 11519. March 14, 1978. Education and Labor. Amends the Education of the Handicapped Act to (1) change the formula for determining maximum State entitlement for the education of handicapped children under such Act; and (2) provide an alternative procedure for meeting the eligibility requirements for such entitlement in a State whose laws prohibit the general supervision required under such Act.

H.R. 11520. March 14, 1978. Education and Labor. Amends the Education of the Handicapped Act to (1) change the formula for determining maximum State entitlement for the education of handicapped children under such Act; and (2) provide an alternative procedure for meeting the eligibility requirements for such entitlement in a State whose laws prohibit the general supervision required under such Act.

H.R. 11521. March 14, 1978. Public Works and Transportation; Science and Technology. Establishes a national contest for the invention and development of an efficient and cost-effective electric energy storage facility. Designates a National Award for Electric Energy Storage. States that the contest shall be conducted by the Tennessee Valley Authority and provides a cash prize from the United States Treasury.

H.R. 11522. March 14, 1978. Interior and Insular Affairs. Amends the Reservoir Salvage Act of 1960, as amended, to authorize appropriations to the Secretary of the Interior for fiscal years 1979–1983 for administration, investigation, and salvage operations of the progam providing for recovery, protection, and preservation of significant scientific, prehistorical, or archeological data which may be lost through federally regulated, permitted, or licensed construction projects.

H.R. 11523. March 14, 1978. Education and Labor. Amends the Fair Labor Standards Act of 1938 to prohibit the employment of blind persons, or persons with impaired sight, at less than the applicable minimum wage under such Act.

H.R. 11524. March 14, 1978. Judiciary. Authorizes the Attorney General to make grants to States to cover up to 75 percent of the cost of projects to: (1) acquire, construct, or improve State and local correctional facilities or (2) improve programs and practices within such facilities.

H.R. 11525. March 14, 1978. Judiciary. Provides that State and local governments shall have full power to tax property and transactions within civil airports owned by the United States.

H.R. 11526. March 14, 1978. Public Works and Transportation. Changes the name of the Dulles International Airport, Virginia, to the Washington International Airport, Dulles Terminal.

H.R. 11527. March 14, 1978. Education and Labor. Amends the Older Americans Act of 1965: (1) to redefine the requirements by which a unit of local government is designated as a planning and service agency in terms of age and population; and (2) to require an area agency on aging to transfer funds, on a proportionate basis, directly to any unit of general purpose local government which contains 20 percent or more of the population aged 60 or over of the planning and service area.

H.R. 11528. March 14, 1978. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to construct improvements on Redbank and Fancher Creeks, California.

H.R. 11529. March 14, 1978. Merchant Marine and Fisheries. Amends the Dingell-Johnson Sport Fish Restoration Act to deny benefits under that Act to any State which does not extend reciprocal fishing privileges to non-resident individuals who are aged 62 or over and hold valid fishing licenses issued by the State of their residency.

H.R. 11530. March 14, 1978. Veterans' Affairs. Increases the rate of wartime disability compensation payable to war veterans who have suffered the anatomical loss or loss of use of three extremities as the result of a service-connected disability.

H.R. 11531. March 14, 1978. Veterans' Affairs. Increases the rates of dependency and indemnity compensation for the parents of veterans who died in active military service or from a service-connected disability.

Increase the monthly rate of wartime death compensation payable to a widow or dependent parent if the payee is a patient in a nursing home or helpless or blind.

H.R. 11532. March 14, 1978. Ways and Means. Amends Titles II (Old-Age, Survivors, and Disability Insurance) and XVIII (Medicare) of the Social Security Act and the Internal Revenue Code to finance the payment of benefits and hospital insurance benefits through general tax revenues, rather than through employment and self-employment tax revenues.

Reduces employment and self-employment tax rates below the rates established by the Social Security Financing Amendments of 1977.

H.R. 11533. March 14, 1978. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to authorize grant programs for the education of gifted and talented children at the preschool, elementary, and secondary levels, and for related activities.

H.R. 11534. March 14, 1978. Banking, Finance and Urban Affairs. Amends the Bank Holding Company Act of 1956 to give shareholders the right to use cumulative voting in the election of directors of bank holding companies.

H.R. 11535. March 14, 1978. Agriculture. Amends the Agricultural Act of 1949: (1) to provide for the 1978 crops of wheat, feed grains, and upland cotton a sliding scale of established prices keyed to voluntary increments above the required level of acreage set-aside; (2) to prohibit the Secretary of Agriculture from providing for the redemption of stored wheat and feed grains loans unless the market price for such commodities is not less than parity; and (3) to prohibit the Commodity Credit Corporation from selling its stocks of wheat and feed grains for less than the parity price.

H.R. 11536. March 14, 1978. Education and Labor. Amends the General Education Provisions Act to direct the Director of the National Institute of Education to develop elementary and secondary curricula concerning the destruction of the European Jewish community by Nazi Germany prior to and during World War II.

Stipulates that such curricula should also include similar attempts to destroy other ethnic, religious, or cultural minority groups.

H.R. 11537. March 14, 1978. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to permit payment for eye care, eyeglasses, hearing aids (and related examinations), dental care and dentures under the supplementary medical insurance program.

H.R. 11538. March 14, 1978. Small Business. Amends the Small Business Act to establish an Associate Administrator for Women's Business Enterprise within the Small Business Administration.

H.R. 11539. March 14, 1978. Ways and Means. Amends the Internal Revenue Code and Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to include within the coverage of such program all Members of Congress.

H.R. 11540. March 14, 1978. Education and Labor; Ways and Means. Directs the Secretary of Labor to enter into contracts with national community-based organizations for the provision of employment services, career education, and job opportunities to unemployed persons, particularly youths.

Directs the head of each agency exercising authority under specified programs to give preference to community-based organizations in providing employment services.

Amends the Comprehensive Employment and Training Act to provide year-round work experience to urban and rural youths.

Amends the Internal Revenue Code to allow a tax credit for part of the wages paid to previously unemployed persons during the first 12 months of employment.

H.R. 11541. March 14, 1978. Education and Labor. Amends the National Foundation on the Arts and Humanities Act of 1965 to establish, within the National Endowment for the Arts, an Art Bank to be headed by a Director.

Authorizes the Director to purchase visual works of arts for the Art Bank, to make such works available on loan to certain private and governmental entities for public display, to sponsor exhibitions, and to assist State and local governments and nonprofit institutions in establishing Art Banks.

H.R. 11542. March 14, 1978. Ways and Means. Permits a taxpayer to continue to treat, at the taxpayer's option, a payment of compensation under a nonqualified compensation reduction plan as payable to the taxpayer in a later tax year, despite a proposed Treasury Department rule which would require such payment to be treated as payable to the taxpayer in the year it would have been payable but for the taxpayer's exercise of his option.

H.R. 11543. March 14, 1978. Veterans' Affairs. Provides that war veterans who attain the age of 65 and have a service-connected disability rated 30 percent or more but less than total shall have their wartime disability compensation increased by ten percent.

H.R. 11544. March 14, 1978. Veterans' Affairs. Increases the rates of educational assistance for eligible veterans and their survivors and dependents for: (1) vocational rehabilitation; (2) flight training; (3) special supplementary assistance for educationally disadvantaged veterans; (4) correspondence courses; (5) apprenticeship or other on-the-job training; and (6) education loans.

H.R. 11545. March 14, 1978. Ways and Means. Subjects specified kinds of preserved beef and veal products to the policy of Congress related to the restriction of beef imports. Revises the formula for the determination of beef and veal import quotas. Repeals the authority of the President to suspend a proclamation limiting beef imports. Directs the President to limit beef imports at any one port of entry in order to insure the geographical distribution of such imports. Declares it the policy of Congress that a quota should be imposed upon the importation of cattle. Directs the President to impose such limitation and to limit such imports at any one port of entry.

H.R. 11546. March 14, 1978. Judiciary. Prohibits any personnel or agency of the Executive Branch from engaging in activities to influence State legislatures with regard to the ratification of constitutional amendments.

H.R. 11547. March 14, 1978. Agriculture; Ways and Means. Establishes a National Board of Agricultural Governors, independent of the Department of Agriculture, to set the annual cost of production prices of specified commodities.

Directs the Secretary of Agriculture to provide for guaranteed or direct nonrecourse loans for nonperishable specified commodities. Requires the establishment of a National Commodity Reserve and the determination of mandatory production adjustments.

Requires the export and import of specified agricultural commodities at not less than the cost of production price.

H.R. 11548. March 14, 1978. International Relations. Establishes (1) a national policy for the application of science and technology to United States foreign policy; (2) a Science, Technology, and Diplomacy Policy Board to advise the President on the implementation of such policy; and (3) an Office of Planning and Analysis in the Department of State to conduct diplomatic planning and analysis, emphasizing technology.

Directs the Secretary of State to develop a training program for Federal employees who have responsibilities in scientific and technological matters.

H.R. 11549. March 14, 1978. Banking, Finance and Urban Affairs. Creates a Solar Energy Development Bank to make long-term, low-interest loans to encourage the use of solar energy in commercial and residential dwellings. Establishes a Solar Energy Fund in the Treasury of the United States to finance the activties of the Bank.

H.R. 11550. March 14, 1978. International Relations. Requires the Secretary of State to demonstrate solar energy and other renewable energy technologies by using such energy sources in Foreign Service buildings located abroad.

Directs the Secretary to consult with the Secretary of Energy concerning the most viable techniques adaptable to the local resources and environmental conditions of the host country.

Requires the Secretary of State to insure that projects under this Act are demonstrated to, and are available for inspection by, officials and other citizens of the host country.

Directs the Secretary to give priority to projects in less developed countries.

H.R. 11551. March 14, 1978. Small Business. Amends the Small Business Act to provide assistance to individuals and small business concerns for the acquisition, development and maintenance of solar energy equipment.

H.R. 11552. March 14, 1978. Interstate and Foreign Commerce. Directs the Secretary of Commerce, in consultation with the Secretary of Energy, to conduct a global market survey to determine which foreign countries might serve as markets for solar energy equipment manufactured in the United States.

H.R. 11553. March 14, 1978. Judiciary. Authorizes classification of two individuals as immediate relatives for purposes of the Immigration and Nationality Act.

H.R. 11554. March 14, 1978. District of Columbia. Transfers all interest and title of the United States to a specified property in the District of Columbia to the Little Sisters of the Poor.

H.R. 11555. March 14, 1978. Judiciary. Directs the Secretary of the Treasury to pay an unspecified sum to a certain individual in full settlement of such individual's claim against the United States.

H.R. 11556. March 15, 1978. Judiciary. Grants a Federal charter to the Gold Star Wives of America.

H.R. 11557. March 15, 1978. Judiciary. Amends the Administrative Procedure Act to require Federal agencies to prepare and publish in the Federal Register an economic impact analysis of all proposed and final rules subject to the provisions of the Act.

H.R. 11558. March 15, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals alternative, limited income tax credits or deductions for the tuition paid for the primary, secondary or higher education of the taxpayer, spouse, and defendants.

H.R. 11559. March 15, 1978. Veterans' Affairs. Directs the Secretary of Defense to place a memorial plaque in the Trophy Hall of the Memorial Amphitheater at Arlington National Cemetery to pay tribute to those members of the armed forces who served in Southeast Asia during the Vietnam era. Directs the Secretary, to honor those members who lost their lives in Southeast Asia, to display near such plaque the medals, ribbons, and decorations associated with service in Southeast Asia during the Vetnam era.

H.R. 11560. March 15, 1978. Education and Labor. Amends the Employment Act of 1946 to declare full employment as a national goal and inflation as a national problem.

Requires that the President's annual Economic Report contain numerical goals for employment, production, real income, and productivity.

Directs the President to initiate policies and programs, including those with respect to inflation, youth employment, regional development, and standby public service employment, in furtherance of the policies of this Act and the goals contained in the Economic Report.

Specifies procedures for Congressional review of the Economic Reports' goals and the President's program and policy recommendations.

H.R. 11561. March 15, 1978. Government Operations. Requires all Federal regulatory agencies to prepare with respect to each rule promulgated by such agencies: (1) a statement comparing the private costs of such rule with the benefit such rule would have on the environment; and (2) an environmental impact statement. Establishes standing task forces in each comunity affected by proposed agency rules to assess the economic and employment impact of each such rule.

Requires Congressional approval of any such rule which will cause an increase in unemployment.

H.R. 11562. March 15, 1978. Ways and Means. Amends the Antidumping Act, 1921, to revise procedures with respect to the investigation by the Secretary of the Treasury and the International Trade Commission of allegations of import "dumping." Imposes liquidation deadlines upon imported merchandise upon which a special "dumping" duty has been imposed. Requires the establishment of a task force for each investigation of "dumping" allegations to serve as an intermediary between the Secretary and the industrial and labor groups interested in the investigation.

H.R. 11563. March 15, 1978. Ways and Means. Amends the Internal Revenue Code with respect to corporate tax rates and dividend deductions, employer investment and employment credits, business expense deductions and investment credits, and individual stock dividend exclusions. Provides for cost-of-living adjustments to depreciation allowances, property bases and United States obligations.

H.R. 11564. March 15, 1978. Agriculture. Amends the Consolidated Farm and Rural Development Act to permit insured loans of up to $1,000,000 to farm owners and operators for refinancing existing indebtedness incurred between January 1, 1973, and December 31, 1977.

H.R. 11565. March 15, 1978. Agriculture. Amends the Agricultural Act of 1949, with respect to 1978 crops only, to direct the Secretary of Agriculture, through the Commodity Credit Corporation, to make payments to cotton, feed grains, soybeans and wheat producers for setting aside acreage in addition to required set-asides.

Amends the Commodity Credit Corporation Charter Act to increase the Corporation's borrowing authority.

Amends the Consolidated Farm and Rural Development Act to make private domestic corporations and partnerships controlled by farmers and ranchers eligible for real estate and operating loans. Increases the maximum allowable total principal indebtedness for such loans.

H.R. 11566. March 15, 1978. Ways and Means. Amends title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to require States having agreements for coverage of their employees under the system of insurance established by such title to make payments and reports on a calendar-quarter basis.

H.R. 11567. March 15, 1978. Interstate and Foreign Commerce. Amends the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal years 1979, 1980, and 1981.

Postpones, until November 1, 1979, the effective date of the prohibition against a national securities exchange member's trading, on its own account or that of an associate, for those members who were members on May 1, 1975.

H.R. 11568. March 15, 1978. Government Operations. Requires all Federal regulatory agencies to prepare with respect to each rule promulgated by such agencies: (1) a statement comparing the private costs of such rule with the benefit such rule would have on the environment; and (2) an environmental impact statement. Establishes standing task forces in each community affected by proposed agency rules to assess the economic and employment impact of each such rule.

Requires congressional approval of any such rule which will cause an increase in unemployment.

H.R. 11569. March 15, 1978. Ways and Means. Amends the Antidumping Act, 1921, to revise procedures with respect to the investigation by the Secretary of the Treasury and the International Trade Commission of allegations of import "dumping." Imposes liquidation deadlines upon imported merchandise upon which a special "dumping" duty has been imposed. Requires the establishment of a task force for each investigation of "dumping" allegations to serve as an intermediary between the Secretary and the industrial and labor groups interested in the investigation.

H.R. 11570. March 15, 1978. Ways and Means. Amends the Internal Revenue Code with respect to corporate tax rates and dividend deductions, employer investment, and

employment credits, business expense deductions and investment credits, and individual stock dividend exclusions. Provides for cost-of-living adjustments to depreciation allowances, property bases and United States obligations.

H.R. 11571. March 15, 1978. Agriculture; Education and Labor; Interstate and Foreign Commerce; Judiciary; Ways and Means. Establishes a program of long-term comprehensive services for the elderly financed by the Federal Government and the State.

Establishes within the Department of the Treasury a Federal Long-Term Care Trust Fund for such program.

Requires a State to establish a State Long-Term Care Agency in order to receive funds under this Act.

Requires such State agency to create within the State a system of Community Long-Term Centers.

H.R. 11572—March 15, 1978. Agriculture; Education and Labor; Interstate and Foreign Commerce; Judiciary; Ways and Means. Establishes a program of long-term comprehensive services for the elderly financed by the Federal Government and the State.

Establishes within the Department of the Treasury a Federal Long-Term Care Trust Fund for such program.

Requires a State to establish a State Long-Term Care Agency in order to receive funds under this Act.

Requires such State agency to create within the State a system of Community Long-Term Care Centers.

H.R. 11573. March 15, 1978. Education and Labor. Amends the Rehabilitation Act of 1973 to rescind the authority of the Secretary of Health, Education, and Welfare to designate a type of disability as qualifying as a "severe handicap" for purposes of such Act.

H.R. 11574. March 15, 1978. Ways and Means. Amends the Internal Revenue Code to limit, at the taxpayer's election, the recapture of estate taxes not paid on specially valuated farm real property in cases of involuntary conversions to so much of the amount realized on the conversion as is not reinvested in replacement property. Provides for an upward adjustment to the carried-over basis of such property to the extent that additional estate taxes are assessed.

H.R. 11575. March 15, 1978. Judiciary. Directs that orders of a State court or of a court of the District of Columbia relative to the custody of children of divorced or separated parents be given enforced by every other State and the District of Columbia until such issuing court no longer has or declines to exercise, jurisdiction over modifications of such orders.

Permits a court to refuse to recognize a custody order obtained by a parent or other peson who removed the child from a State in order to conceal the child from the other parent or from a person acting as parent.

H.R. 11576. March 15, 1978. Education and Labor. Directs the Secretary of Labor to (1) enter into a contract with Opportunities Industrialization Centers, Incorporated, for the creation of jobs and the provision of skills training for hard-core unemployed welfare recipients in depressed areas, and unemployed persons in depressed areas whose unemployment insurance has expired, and (2) enter into contracts with other national community-based organizations for the provision of comprehensive employment services to such persons.

Directs each agency administering authority under any of specified Acts or programs to assure that consideration will be given to national community-based oganizations for the provision of comprehensive employment services and job opportunities to welfare recipients.

H.R. 11577. March 15, 1978. Judiciary. Sets forth grounds and procedures for the removal of Federal judges and justices. Establishes a Council on Judicial Tenure to receive and investigate complaints concerning a Federal justice or judge. Makes it the duty of the Judicial Conference of the United States to sit as a court to hear any case relating to the removal, censure, or involuntary retirement of Federal judges or justices.

H.R. 11578. March 15, 1978. Agriculture; Ways and Means. Establishes a National Agricultural Producers Board to make annual National Market Determinations of the optimum production levels for each agricultural commodity in order to achieve a National Market Equilibrium. Prohibits the sale, trade, or other disposition of any agricultural commodity at less than 100 percent of parity.

H.R. 11579. March 15, 1978. Veterans' Affairs. Designates the Veterans' Administration hospital located at 1901 South First Street, Temple, Texas as the "Olin E. Teague Veterans' Hospital."

H.R. 11580. March 15, 1978. Judiciary. Permits the transportation or mailing of tickets or materials of a lottery authorized under the laws of a foreign country to such country.

H.R. 11581. March 15, 1978. Judiciary. Amends the Immigration and Nationality Act to authorize the seizure and forfeiture of vessels, vehicles, and aircraft used to illegally transport aliens into the United States.

Sets forth exceptions to such authority, including a vessel, vehicle, or aircraft used as a common carrier unless the owner or other person in charge was at the time of the alleged illegal act a consenting party or privy thereto.

Provides for such seizure without a warrant if incident to an arrest, or if the Attorney General has probable cause to believe such illegal transport occurred.

H.R. 11582. March 15, 1978. Judiciary; Post Office and Civil Service. Permits importation, mailing of, and interstate commerce in tickets or equipment concerning lotteries authorized by laws of a foreign country.

H.R. 11583. March 15, 1978. Veterans' Affairs. Sets increased flat rates for veterans non-service-connected disability pension, aid-and-attendance allowance, and survivors' benefits. Revises the list of specified categories of payments excluded from the determination of annual income for benefit payment purposes. Requires pension applicants to report the income of each spouse and child on account of whom added pension is applied for or received.

H.R. 11584. March 15, 1978. Veterans' Affairs. Provides for the payment by the Veterans' Administration of special assessments levied by a local government against the home of any veterans, or the surviving spouse of any veterans, with a permanent and total service-connected disability.

Stipulates that such payment shall create a lien against such home for the amount of such Federal payment.

Establishes in the Treasury of the United States the Veterans' Administration local Special Assessment Payment Pending Fund for payments under this Act.

H.R. 11585. March 15, 1978. Judiciary. Provides for holding the United States District Court for the Southern District of New York at White Plains as well as at New York City.

H.R. 11586. March 15, 1978. Interstate and Foreign Commerce; Ways and Means. Amends the Natural Gas Pipeline Safety Act of 1968 to provide standards for the safe operation of natural gas and liquefied natural gas facilities.

H.R. 11587. March 15, 1978. Banking, Finance and Urban Affairs. Amends the Federal Reserve Act to repeal specified provisions which prohibit banks which are members of the Federal Reserve System and federally-insured savings and loan associations from participating in lotteries.

H.R. 11588. March 15, 1978. Armed Services. Makes it unlawful for any individual or entity to solicit to enroll or enroll any member of the armed forces in any labor organization or for any member of the armed forces to join, or encourage others to join any labor organization. Sets forth penalties for violations of this Act.

H.R. 11589. March 15, 1978. Public Works and Transportation. Amends the Public Building Act of 1959 to require that a certain percentage of any funds appropriated for the construction of certain public buildings be used for the creation and acquisition of artwork for such buildings.

H.R. 11590. March 15, 1978. Ways and Means. Amends the Internal Revenue Code to provide that the zero bracket amount shall be subtracted from an individual's taxable income when using income averaging in order to tax the averaged income in the same manner, and to the same extent, it was taxed when the standard deduction was used in tax computations.

H.R. 11591. March 15, 1978. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 11592. March 16, 1978. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay a monthly pension of $150 to each veteran of World War I who meets specified service requirements, or to the surviving spouse (who meets specified requirements), or when there is no surviving spouse, to the child or children who meet specified requirements.

H.R. 11593. March 16, 1978. Ways and Means. Amends the Internal Revenue Code to direct the Secretary of the Treasury to issue regulations corresponding to the principles set forth in a certain private letter ruling relating to the exclusion from gross income of amounts deferred by participants in public deferred compensation plans.

H.R. 11594. March 16, 1978. Education and Labor. Amends the Older Americans Act of 1965 to authorize the Commissioner on Aging to make grants to the State agencies which administer plans providing services to the aged for the development and operation of statewide advocate programs for residents of long-term care facilities.

H.R. 11595. March 16, 1978. Small Business. Simplifies Government contracting procedures with respect to small businesses.

Establishes Government contract arbitration panels within the Small Business Administration.

Directs Federal agencies to take the apparent low responsive bidder's small business concern subcontracting plan into account in determining the responsibility of such bidder for the award of such contract.

Assigns an employee of the Small Business Administration to each Federal agency.

Establishes the Small Business Procurement Advisory Committee.

H.R. 11596. March 16, 1978. Ways and Means. Amends the Internal Revenue Code to apply the same tax rates to married persons filing separate returns as are presently applicable to unmarried individuals.

H.R. 11597. March 16, 1978. Agriculture; Ways and Means. Establishes a National Board of Agricultural Governors, independent of the Department of Agriculture, to set the annual cost of production prices of specified commodities.

Directs the Secretary of Agriculture to provide for guaranteed or direct nonrecourse loans for nonperishable specified commodities. Requires the establishment of a National Commodity Reserve and the determination of mandatory production adjustments.

Requires the export and import of specified agricultural commodities at not less than the cost of production price.

H.R. 11598. March 16, 1978. Armed Services. Authorizes the Secretary of the Navy to convey to the State of Hawaii specified

real property known as the Navy Drum Storage Area.

H.R. 11599. March 16, 1978. Interior and Insular Affairs. Designates specified public lands and waters in the State of Alaska for inclusion in the National Park, National Wildlife Refuge, Wild and Scenic Rivers and National Wilderness Preservation Systems. Makes provisions for the management of subsistence uses of fish and wildlife on national lands.

H.R. 11600. March 16, 1978. Judiciary. Sets forth procedures for Federal constitutional conventions with respect to: (1) applications, (2) calling, (3) delegates, (4) convening, (5) operation, (6) Congressional approval, and (7) ratification.

H.R. 11601. March 16, 1978. Public Works and Transportation. Amends the Urban Mass Transportation Act of 1964 to require recipients of Federal financial mass transportation assistance to provide mass transportation services free of charge of any individual who is prohibited from holding a valid driver's license or permit solely by reason of any physical or mental handicap.

H.R. 11602. March 16, 1978. Agriculture. Amends the Food Stamp Act of 1977 to deny eligibility for food stamps to any household including a person participating in a strike or labor dispute which the President determines is causing or substantially contributing to: (1) a critical shortage of any essential resource or strategic material; or (2) unemployment in an industry not directly involved in such strike or labor dispute.

H.R. 11603. March 16, 1978. Banking, Finance and Urban Affairs. Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to insure shortages for rehabilitated or newly constructed buildings used by commercial establishments.

H.R. 11604. March 16, 1978. Government Operations; Rules. Requires each Federal agency to reduce the paperwork burden such agency places upon the private sector and State and local governments by a specified amount each year until fiscal year 1982.

Amends the Legislative Reorganization Act of 1970 to require all public legislation reported by any congressional committee to be accompanied by a Paperwork Impact Statement detailing the paperwork burden which would be imposed upon the public sector and State and local governments by such legislation.

H.R. 11605. March 16, 1978. Education and Labor. Amends the Older Americans Act of 1965 to authorize the Commissioner of the Administration on Aging to make grants to assist older persons adversely affected by a major disaster or emergency declared by the President in accordance with the Disaster Relief Act of 1974.

H.R. 11606. March 16, 1978. Interstate and Foreign Commerce. Imposes daylight saving time upon States the President finds to be suffering from severe energy shortages.

H.R. 11607. March 16, 1978. Armed Services. Amends the Department of Defense Appropriation Authorization Act, 1976, to direct the Secretary of Defense to enter into standardization agreements with appropriate authorities of NATO countries and NATO subsidiary bodies for operational cooperation and cross-servicing among NATO forces deployed in Europe and its adjacent waters through the interchange of equipment and supplies (excluding aircraft, missiles, naval vessels, tracked combat vehicles, other weapons, or naval torpedoes) and services.

H.R. 11608. March 16, 1978. Banking, Finance and Urban Affairs. Amends the Home Owners' Loan Act of 1933 to authorize Federal savings and loan associations to make and invest in graduated payment mortgages and reverse annuity mortgages.

H.R. 11609. March 16, 1978. Judiciary. Prohibits commerce in contraband cigarettes and defines contraband cigarettes.

Subjects dealers in cigarettes to such reporting requirements as the Secretary of the Treasury may prescribe.

H.R. 11610. March 16, 1978. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated to carry out such Act to $10,000,000.

H.R. 11611. March 16, 1978. Interstate and Foreign Commerce. Requires the issuance by the Department of Health, Education, and Welfare of a descriptive monograph for every new drug entity or drug product manufactured, imported into, exported from, or distributed in the United States. Provides procedures for the issuance, amendment, suspension, and revocation of such monographs.

Prescribes the content of informational and promotional drug product labeling.

Prohibits drug product licensees from distributing free samples of prescription drugs. Forbids the disclosure by pharmacists to licensees of information contained in prescriptions.

Amends the Public Health Service Act to establish the National Center for Clinical Pharmacology to conduct and support research in clinical pharmacology and drug use in the United States.

H.R. 11612. March 16, 1978. Public Works and Transportation. Terminates the authorization for the Trexler Dam and Lake project, Pennsylvania, as a part of the Delaware River Basin project.

H.R. 11613. March 16, 1978. Ways and Means. Amends title XX (Grants to States for Services) of the Social Security Act to repeal Federal child day care requirements, and to require adherence of child day care plans to published State standards of such care.

H.R. 11614. March 16, 1978. Interstate and Foreign Commerce. Directs the Consumer Product Safety Commission to (1) carry out a study of the different types of surfacing materials used in playgrounds and determine the relationships between such materials and the occurrence of accidents and injuries at such facilities; and (2) promulgate advisory safety standards for playground equipment.

Requires playground equipment in federally assisted playgrounds to comply with such standards.

H.R. 11615. March 16, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals an income tax credit for a portion of the tuition paid for each of their dependents at an elementary, secondary or vocational school.

H.R. 11616. March 16, 1978. Education and Labor. Amends the Older Americans Act of 1965 to create within the United States Environmental Protection Agency the Senior Environmental Employment Corps to develop useful employment opportunities in environmental activities for unemployed and underemployed persons who are 55 years of age or older.

H.R. 11617. March 16, 1978. Education and Labor; Interstate and Foreign Commerce; Judiciary. Authorizes the Secretary of Health, Education, and Welfare, acting through the Director of the National Institute of Mental Health, to: (1) establish a grant program to support projects which develop methods for the identification, prevention, and treatment of domestic violence; and (2) review existing State laws, practices and policies relating to domestic violence.

H.R. 11618. March 16, 1978. Ways and Means. Amends the Internal Revenue Code to provide that all amounts, compensation, goods and services received as National Research Service Awards under the Public Health Service Act since July 12, 1974 are excludible from gross income to the same extent as scholarships and fellowship grants.

H.R. 11619. March 16, 1978. Interstate and Foreign Commerce. Amends Title VIII (Nurse Training) of the Public Health Service Act to extend for the two fiscal years, through fiscal year 1980, the program of financial assistance for nurse training.

H.R. 11620. March 16, 1978. Judiciary; Education and Labor. Prohibits affirmative action programs regarding discrimination in federally assisted programs, employment discrimination, Federal grantees or contractors, or Federal employment, from requiring quotas. Prohibits a finding of discrimination to be based solely upon the composition of the work force or membership in question. Prohibits relief in certain civil rights actions unless an act of discrimination has been committed. Prohibits any remedy in a civil rights action which establishes quotas. Prohibits requiring employers or contractors to collect data applicable to discrimination except pursuant to discovery procedures.

H.R. 11621. March 16, 1978. Rules Requires that legislation considered by Congress be accompanied by statements assessing the economic and social costs and the expected accomplishments of programs established or authorized by such legislation. Requires that duplicative programs be identified. Requires Federal agencies to annually report to Congress on the extent to which such programs meet their objectives. Prohibits the funding of any program for more than five years. Requires Congress to consider the extent to which any program has met its objectives in the past before considering refunding of such program.

H.R. 11622. March 16, 1978. Interstate and Foreign Commerce. Amends the Natural Gas Pipeline Safety Act of 1968 to provide standards for the safe operation of natural gas and liquefied natural gas facilities.

H.R. 11623. March 16, 1978. Interstate and Foreign Commerce. Renders void any agreement which prohibits the local television broadcasting of any regular season professional football, baseball, basketball, or hockey game for which 95 percent of the tickets of admission for seats have been sold 48 hours prior to game time. Prohibits any such agreement regarding a post season game whether or not the required number of tickets have been sold within the required time period.

H.R. 11624. March 16, 1978. Ways and Means. Amends Title XX (Grants to States for Services) of the Social Security Act to increase the ceiling imposed upon payments for services under such Title for the fiscal years 1979, 1980, 1981, and maintains the 1981 level for succeeding years.

H.R. 11625. March 16, 1978. Ways and Means. Amends Title XX (Grants to States for Services) of the Social Security Act to increase the ceiling imposed upon payments for services under such Title for the fiscal years 1979, 1980, 1981, and maintains the 1981 level for succeeding years.

H.R. 11626. March 16, 1978. Agriculture. Prohibits the Secretary of Agriculture, for a two-year period, from issuing any order or regulation: (1) restricting the use of nitrites or nitrates as preservatives in meat products beyond a specified degree or (2) requiring labeling on meat products concerning nitrites or nitrates in addition to the requirements already in effect.

H.R. 11627. March 16, 1978. Ways and Means. Amends the Internal Revenue Code to allow Members of State legislatures the same income tax business deduction for living expenses as is allowed Members of Congress.

H.R. 11628. March 16, 1978. Science and Technology. Directs each Federal agency to use and encourage the use of solar energy technologies. Requires each agency to review the programs, projects, and policies it is administering, and assess the feasibility of alternative approaches utilizing solar energy technologies.

Establishes the National Solar Energy Advisory Council to advise the Secretary of Energy in the performance of his duties under this Act.

H.R. 11629. March 16, 1978. Science and Technology. Directs each Federal agency to use and encourage the use of solar energy technologies. Requires each agency to review the programs, projects, and policies it is administering, and assess the feasibility of alternative approaches utilizing solar energy technologies.

Establishes the National Solar Energy Advistory Council to advise the Secretary of Energy in the performance of his duties under this Act.

H.R. 11630. March 16, 1978. Interior and Insular Affairs. Establishes an administrative procedure and guidelines to be followed by a newly created office of the Department of Interior in determining whether or not Indian tribes shall be granted Federal recognition.

H.R. 11631. March 16, 1978. Interior and Insular Affairs. Directs that payment be made to any Indian tribe in satisfaction of any judgment of the Indian Claims Commission or Court of Claims only after payment of attorney fees and litigation expenses.

Exempts from Federal and State income tax and from inclusion in an individual's income and resources in determining eligibility for assistance under the Social Security Act any per capita distribution of funds received by a member of the Apache Tribe of the Mescalero Reservation, New Mexico, in satisfaction of a judgment by such Commission or Court.

H.R. 11632. March 16, 1978. Ways and Means. Amends the Internal Revenue Code to direct the Secretary of the Treasury to issue regulations corresponding to the principles set forth in a certain private letter ruling relating to the exclusion from gross income of amounts deferred by participants in public deferred compensation plans.

H.R. 11633 March 16, 1978. Education and Labor. Amends the Employment Act of 1946 to declare full employment as a national goal and inflation as a national problem.

Requires that the President's annual Economic Report contain numerical goals for employment, production, real income, and productivity.

Directs the President to initiate policies and programs, including those with respect to inflation, youth employment, regional development, and standby public service employment, in furtherance of the policies of this Act and the goals contained in the Economic Report.

Specifies procedures for Congressional review of the Economic Reports' goals and the President's program and policy recommendations.

H.R. 11634. March 16, 1978. Merchant Marine and Fisheries; International Relations; Judiciary; Post Office and Civil Service. Authorizes the transfer of United States property to Panama under the Panama Canal Treaty of 1977. Implements such transfer with respect to property, employees, courts, and postal service.

Establishes the Panama Canal Commission to operate the Canal.

H.R. 11635. March 16, 1978. Banking, Finance and Urban Affairs; Ways and Means. Establishes the Intergovernmental Emergency Assistance Board to guarantee the payment of obligations of States and their political subdivisions under specified conditions. Creates the Emergency Municipal Debt Guarantee Fund in the Treasury to be administered by the Board.

Amends the Internal Revenue Code of 1954 to make interest income received on any obligation guaranteed under this Act taxable.

H.R. 11636. March 20, 1978. Agriculture. Amends the Consolidated Farm and Rural Development Act to establish a low-income farm ownership loan program for owners or operators of small or family farms.

Authorizes the Secretary of Agriculture to insure or guarantee loans for refinancing equipment and operating loans, giving preference to small or family farmers.

Extends the authority of the Emergency Livestock Credit Act through fiscal year 1979.

Renames the Farmers Home Administration the Farm and Rural Development Administration.

H.R. 11637. March 20, 1978. Ways and Means. Amends the Internal Revenue Code to allow farmers an income tax deduction for the wholesale market value of crops which are not economically feasible for harvesting and are harvested and donated to charitable organizations for use in the organizations' charitable work.

H.R. 11638. March 20, 1978. Interior and Insular Affairs. Replaces the existing acreage limitation of 160 acres of reclaimed land per individual with a maximum farm size of 1,280 acres owned or leased in any combination by 25 or fewer persons.

Abolishes the residency requirement for qualified recipients.

H.R. 11639. March 20, 1978. Ways and Means. Amends the Internal Revenue Code to provide cost-of-living adjustments for the individual income tax rates and withholding tables.

H.R. 11640. March 20, 1978. Ways and Means. Amends the Internal Revenue Code to repeal the carryover basis provisions enacted by the Tax Reform Act which provide that beneficiaries receiving property from a decedent's estate will retain the decedent's basis in the property. Restores prior law which "stepped up" or "stepped down" the property's basis to its market value at the time of death without imposing tax consequences on the appreciation or depreciation the property underwent while held by the decedent.

H.R. 11641. March 20, 1978. Ways and Means. Amends the Internal Revenue Code to limit the deductions attributable to the trade or business of farming to a maximum amount consisting of the sum of the taxpayer's gross income, plus $15,000 reduced by the amount by which the nonfarm adjusted gross income of such taxpayer exceeds $15,000. States that such limitation shall not apply if the taxpayer's nonfarm adjusted gross income does not exceed $15,000, or if the taxpayer elects to compute his taxable income on the annual accrual method of accounting.

H.R. 11642. March 20, 1978. Ways and Means. Amends Titles II (Old-Age, Survivors, and Disability Insurance) and XVIII (Medicare) of the Social Security Act and Internal Revenue Code to finance the payment of benefits and hospital insurance benefits through general tax revenues, rather than through employment and self-employment tax revenues.

Reduces employment and self-employment tax rates below the rates established by the Social Security Financing Amendments of 1977.

H.R. 11643. March 20, 1978. Ways and Means. Amends the Internal Revenue Code to provide graduated income tax rates for corporations with a maximum rate of 45 percent on income in excess of $150,000 and a minimum rate of 18 percent on income not in excess of $25,000.

H.R. 11644. March 20, 1978. Government Operations. Establishes the Department of Education within the Executive branch of the Federal Government to take over specified functions of the Department of Health, Education, and Welfare and all of the functions of the Education Division of the Department of Health, Education, and Welfare.

Establishes the Federal Interagency Committee on Education to coordinate all Federal programs affecting education.

H.R. 11645. March 20, 1978. Education and Labor.

Amends the Bilingual Education Act to (1) extend specified grant programs to State and local educational agencies for bilingual educational assistance; (2) revise application guidelines; (3) provide special provisions concerning such assistance for Puerto Rico; (4) revise specified responsibilities of the Secretary of the Interior regarding bilingual programs for Indian childen; (5) revise and extend bilingual education training; (6) establish the Bureau of Bilingual Education; (7) revise the composition of the National Advisory Council on Bilingual Education; and (8) extend bilingual educational research and demonstration projects. Amends the Emergency School Aid Act regarding specified appropriations allocation requirements.

H.R. 11646. March 20, 1978. Ways and Means.

Amends the Internal Revenue Code to allow manufacturers placing property eligible for the investment tax credit in designated "labor surplus" areas to take double investment tax credits and depreciation deduction for the property. Doubles the allowable deduction for real property taxes on realty used in connection with this property.

H.R. 11647. March 20, 1978. Ways and Means.

Reverses Revenue Ruling 77–85 in order to restore the tax treatment formerly extended policy holders receiving dividends and interest on custodial amount annuity contracts and the insurance companies maintaining the assets.

H.R. 11648. March 20, 1978. Interstate and Foreign Commerce; Ways and Means. Authorizes the Secretary of Health, Education, and Welfare to provide, through demonstration projects, payments, to individuals who are receiving, or are eligible to receive, benefits with respect to post-hospital extended care services under the Medicare program or intermediate care facility services or skilled nursing facility services under the Medicaid program who do not require 24-hour nursing care or supervision, and who desire to establish a noninstitutional living arrangement which will meet their medical and other needs.

H.R. 11649. March 20, 1978. Agriculture. Amends the Agricultural Act of 1949 to increase the loan levels and established prices of the 1978 crops of cotton, feed grains, soybeans, and wheat. Directs the Secretary of Agriculture, through the Commodity Credit Corporation, to make payments to producers of such crops in 1978 for setting aside acreage in addition to required set-asides.

Amends the Commodity Credit Corporation Charter Act to increase the Corporation's borrowing authority.

H.R. 11650. March 20, 1978. Agriculture; Banking, Finance and Urban Affairs. Establishes a rural community development grant program for units of local government which have a population of 20,000 or less and are located in nonmetropolitan areas.

H.R. 11651. March 20, 1978. Agriculture; Banking, Finance and Urban Affairs. Establishes a rural community development grant program for units of local government which have a population of 20,000 or less and are located in nonmetropolitan areas.

H.R. 11652. March 20, 1978. International Relations. Amends the Agricultural Trade Development and Asssitance Act of 1954 to permit the President to waive prohibitions against commodity assistance relating to (1) status as a "friendly country," (2) North Vietnam, (3) diplomatic relations with the United States, (4) seizure of property owned by any United States person, and (5) emigration restrictions; in order to directly benefit needy people.

Amends the Food for Peace Act to permit the Community Credit Corporation to extend agricultural export credit if the President waives prohibitions against such credit relating to (1) emigration restrictions, and (2) North Vietnam, in order to directly benefit needy people.

H.R. 11653. March 20, 1978. Ways and Means. Permits a taxpayer to continue to treat, at the taxpayer's option, a payment of compensation under a nonqualified com-

pensation reduction plan as payable to the taxpayer in a later tax year, despite a proposed Treasury Department rule which would require such payment to be treated as payable to the taxpayer in the year it would have been payable but for the taxpayer's exercise of his option.

H.R. 11654. March 20, 1978. Agriculture; International Relations. Amends the Agricultural Act of 1954: (1) to establish United States Agricultural Trade Offices abroad, for the purpose of developing, maintaining and expanding international markets for United States agricultural commodities; and (2) to rename Agricultural Attaches Agricultural Counselors, and to require annual reports from them on specified subjects.

Amends the Commodity Credit Corporation Charter Act to require the Corporation to finance export sales of agricultural commodities on credit terms of from three to ten years.

Establishes an Assistant Secretary of Agriculture for Commodity Programs and an Under Secretary of Agriculture for International Affaris.

H.R. 11655. March 20, 1978. Interior and Insular Affairs. Amends the Water Resources Planning Act of 1965 to authorize appropriations for fiscal year 1979 to carry out the comprehensive river basin planning program of the U.S. Water Resources Council, to finance work on national water assessment, and for grants to States to assist them in developing water and related land resources plans.

H.R. 11656. March 20, 1978. Armed Services. Amends the Federal Civil Defense Act of 1950 to authorize appropriations for fiscal years 1979 through 1985 to carry out the provisions of such Act.

H.R. 11657. March 20, 1978. Merchant Marine and Fisheries. Amends the Central, Western, and South Pacific Fisheries Development Act to authorize appropriations to carry out the Act until the close of fiscal year 1983.

H.R. 11658. March 20, 1978. Merchant Marine and Fisheries. Amends the Merchant Marine Act, 1936, to permit Federal guarantees on ship mortgages for Great Lakes vessels in an amount not exceeding 87½ percent of the actual or depreciated actual cost of such a vessel.

H.R. 11659. March 20, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to require States having agreements for coverage of their employees under the system of insurance established by such Title to make payments and reports on a calendar-quarter basis.

H.R. 11660. March 20, 1978. Interstate and Foreign Commerce. Amends the Drug Abuse Office and Treatment Act of 1972: (1) to extend the authorization of appropriations through fiscal year 1979; and (2) to require the Secretary of Health, Education, and Welfare to annually report to the President and Congress on the extent of drug abuse in the United States, the effectiveness of the drug abuse prevention functions carried out through any entity of the Department of Health, Education, and Welfare, and proposals for changes in the drug abuse prevention functions carried out through the Department.

H.R. 11661. March 20, 1978. Merchant Marine and Fisheries. Amends the Great Lakes Pilotage Act of 1960 to remove the requirement that a United States registered pilot hold an unlimited master's license.

H.R. 11662. March 20, 1978. Interior and Insular Affairs. Establishes the Lowell National Historical Park, in Lowell, Massachusetts, to commemorate the birth of the Industrial Revolution in the United States.

H.R. 11663. March 20, 1978. Interior and Insular Affairs. Designates specified lands within the George Washington National Forest in the State of Virginia as wilderness.

H.R. 11664. March 20, 1978. Small Business. Authorizes the Small Business Administration to make grants to support the development and operation of small business development centers in order to provide small business with management development, technical information, product planning, and development and international market development. Establishes a Small Business Management and Technical Assistance Division within the Small Business Administration to administer the Small Business Development Center program.

H.R. 11665. March 20, 1978. Small Business. Authorizes the Small Business Administration to make grants to support the development and operation of small business development centers in order to provide small business with management development, technical information, product planning, and development and international market development. Establishes a Small Business Management and Technical Assistance Division within the Small Business Administration to administer the Small Business Development Center program.

H.R. 11666. March 20, 1978. Agriculture. Amends the Consolidated Farm and Rural Development Act to establish a low-income farm ownership loan program for owners or operators of small or family farms.

Authorizes the Secretary of Agriculture to insure or guarantee loans for refinancing equipment and operating loans, giving preference to small or family farmers.

Extends the authority of the Emergency Livestock Credit Act through fiscal year 1979.

H.R. 11667. March 20, 1978. Government Operations. Amends the Buy American Act to permit the purchase of a foreign-made product only if the price of such product is the lowest bidded after such price is multiplied by a factor determined by the Secretary of the Treasury which shall reflect the loss to the economy of the United States of such foreign purchase, including lost Federal, State, and local tax revenues and increased unemployment which may result. Prohibits the awarding of any contract to any foreign country which involves a national security item or a transfer or delay of technological advancement in the United States.

H.R. 11668. March 20, 1978. Banking, Finance and Urban Affairs. Amends the Home Owners' Loan Act of 1933 to authorize Federal savings and loan associations to invest in cooperative housing. Removes the limitation on the percentage of its assets which a savings and loan association may invest in the following: (1) commercial real estate loans; (2) loans for home improvement and mobile homes; and (3) State and local government bonds to raise revenue for the rehabilitation, financing, or construction of residential real estate.

H.R. 11669. March 20, 1978. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to direct the Commissioner of Education to carry out a program of grants to the States for the purpose of assisting programs that identify and provide special educational opportunities for gifted and talented children.

Provides for the participation of children in private schools in the grant program.

H.R. 11670. March 20, 1978. Agriculture; Ways and Means. Directs the President to establish and announce a comprehensive cost of production price for tomatoes prior to the beginning of each marketing year.

Directs the President to establish tomato import quotas and prohibits their importation at any price less than the domestic costs of production. Requires labeling of imported tomatoes or tomato products showing the country of origin.

H.R. 11671. March 20, 1978. Public Works and Transportation. Designates a certain Federal building in Big Stone Gap, Virginia, as the "C. Bascom Slemp Building."

H.R. 11672. March 20, 1978. Judiciary. Declares two individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 11673. March 21, 1978. Ways and Means. Amends Title II (Old-Aage Survivors, and Disability Insurance) of the Social Security Act and the Internal Revenue Code to reduce tax rates on employment and self-employment income below the level established by the Social Security Financing Amendments of 1977, to increase Federal participation in the funding of benefits under such Title and under the Medicare program, and to raise to $100,000 in 1979 the ceiling on the amount of income that is subject to the tax.

H.R. 11674. March 21, 1978. Ways and Means. Amends the Internal Revenue Code to direct the Secretary of the Treasury to issue regulations corresponding to the principles set forth in a certain private letter ruling relating to the exclusion from gross income of amounts deferred by participants in public deferred compensation plans.

H.R. 11675. March 21, 1978. Ways and Means. Amends the Internal Revenue Code to replace the corporate income tax rates with a graduated, five-tier rate schedule, imposing the uppermost (48 percent) marginal rate upon income in excess of $100,000.

H.R. 11676. March 21, 1978. Ways and Means. Amends the Internal Revenue Code to provide that State and local government retirement systems shall be tax exempt organizations. Exempts those systems from the reporting requirements pertaining to deferred compensation. Treats all such systems as qualified pension plans under the Code.

H.R. 11677. March 21, 1978. Interstate and Foreign Commerce. Amends the Federal Food, Drug, and Cosmetic Act to apply the adulteration and misbranding provisions of such Act to hair dyes.

H.R. 11678. March 21, 1978. Interstate and Foreign Commerce. Amends the Energy Policy and Conservation Act to establish the Institute for Long-Range Energy Analysis. Directs that such Institute be a nonprofit private entity. Makes provisions for the naming of incorporators and members of the board of directors.

Directs the Institute to make an ongoing review and analysis of the present and long-range energy needs of the nation. Provides for public disclosure of the results of the Institute's research except under specified circumstances.

Directs the Institute to annually report to the President and Congress concerning the Institute's operations, accomplishments, recommendations, and other specified topics.

H.R. 11679. March 21, 1978. International Relations. Amends the Peace Corps Act to authorize appropriations for fiscal years 1978 and 1979 to carry out such Act, and such sums as may be necessary for employee benefits authorized by law for fiscal years 1978 and 1979.

Amends the Peace Corps Act with respect to (1) the readjustment allowance received by certain volunteers who are parents; (2) malpractice protection; (3) the instruction of volunteers regarding Communism; (4) medical treatment for Foreign Service local employees under certain conditions; (5) the economic integration of women in developing countries; (6) claims against the Corps; and (7) encouragement of international voluntary services.

H.R. 11680. March 21, 1978. Public Works and Transportation. Authorizes the Secretary of Transportation to furnish Federal financial assistance for construction projects to separate rail-highway crossings where the rail facilities have incurred a substantial increase in use as a result of coal transportation activities with the result of substantial delays in highway travel.

H.R. 11681. March 21, 1978. Ways and Means. Amends the Internal Revenue Code to prohibit the treatment of employer related private foundation scholarships as taxable expenditures solely because of the percentage

of applications accepted if the percentage is less than 50.

H.R. 11682. March 21, 1978. Interior and Insular Affairs. Authorizes the extension of the service area for the Sacramento Valley Irrigation Canals, Central Valley, California, to include the Yalo-Zamora Water District.

H.R. 11683. March 21, 1978. Interstate and Foreign Commerce. Directs the Administrator of the Environmental Protection Agency to pay $300 to an owner of a motor vehicle manufactured before model year 1968 who has such vehicle scrapped.

H.R. 11684. March 21, 1978. Judiciary. Directs the Secretary of the Treasury to compensate certain persons who hold land patents which were erroneously issued by the Secretary of the Interior and who were required to vacate any lands for which such patents were issued.

H.R. 11685. March 21, 1978. Interstate and Foreign Commerce. Prohibits the expenditure of funds for a new program on smoking and health, announced by the Secretary of Health, Education, and Welfare on January 11, 1978. Requires that such funds be used for research on harmful properties of tobacco.

H.R. 11686. March 21, 1978. Armed Services. Authorizes the appropriation of funds for specified general and national security programs within the Department of Energy.

H.R. 11687. March 21, 1978. Armed Services. Establishes a Dental Corps within the Department of the Army to be headed by the Assistant Surgeon General. Establishes a Dental Service within the Air Force.

H.R. 11688. March 21, 1978. Ways and Means. Amends the Tariff Schedules of the United States to repeal the customs duties on the importation of cats and dogs for any purpose.

H.R. 11689. March 21, 1978. Public Works and Transportation. Authorizes the Secretary of Transportation to approve Federal participation in State projects to repair or replace highway bridges not located on any of the Federal-aid systems. Amends the Highway Revenue Act of 1954 to extend the transfers of specified taxes collected in the general treasury to the Highway Trust Fund. Amends the Land and Water Conservation Fund Act of 1965 to extend the transfers of specified taxes from such fund to the Treasury.

Postpones specified excise tax reductions under the Internal Revenue Code of 1954.

H.R. 11690. March 21, 1978. Agriculture. Amends the Agricultural Act of 1949 to increase the loan levels and establish prices of the 1978 crops of cotton, feed grains, soybeans, and wheat. Directs the Secretary of Agriculture, through the Commodity Credit Corporation, to make payments to producers or such crops in 1978 for setting aside acreage in addition to required set-asides.

Amends the Commodity Credit Corporation Charter Act to increase the Corporation's borrowing authority.

H.R. 11691. March 21, 1978. Interior and Insular Affairs. Amends the Water Resources Planning Act to require: (1) that procedures established by the Water Resources Council for preparation of regional or river basin plans and for the formulation of Federal water and related land resources projects which affect or will be affected by existing Federal or State law or interstate or international compact shall be submitted to Congress and effectuated only if enacted into law by Congress; and (2) that in the formulation of any recommendation for a national policy revision under the Act the Council shall hold public hearings.

H.R. 11692. March 21, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act and the Internal Revenue Code to reduce tax rates on employment and self-employment income below the level established by the Social Security Financing Amendments of 1977, to increase Federal participation in the funding of benefits under such Title and under the Medicare program, and to raise to $100,000 in 1979 the ceiling on the amount of income that is subject to the tax.

H.R. 11693. March 21, 1978. Education and Labor. Authorizes the Commissioner of Education to provide financial assistance to assist in the development of the Hubert H. Humphrey Institute of Public Affairs at the University of Minnesota—Twin Cities.

H.R. 11694. March 21, 1978. Education and Labor. Amends the Higher Education Act of 1965 regarding basic educational opportunity grants to: (1) limit the assessment rate used to determine expected family contribution; (2) provide guidelines regarding independent students; (3) increase partial entitlements; and (4) lower certain required fund levels before supplemental funds can be used for basic grants.

Revises certain provisions regarding: (1) State payments for Federal incentive program grants; (2) federally-insured loan requirements and Federal payments to reduce student loan interest rates; and (3) determinations of quarterly payments to participating lenders. Prevents veterans ineligibility for postsecondary education programs for the disadvantaged under such Act because of Age. Extends payments for veterans' cost-of-instruction costs.

H.R. 11695. March 21, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals a limited income tax credit for tuition expenses incurred for themselves, their spouses and dependents.

Provides for expedited considerations of constitutional challenges to this Act by the United States Courts of Appeals and the Supreme Court.

H.R. 11696. March 21, 1978. Judiciary. Amends the Immigration and Nationality Act to exclude from admission into, and provide for the deportation from, the United States of any alien who engaged or assisted in, or incited or directed others to engage in, the persecution of others on the basis of religion, race, or national origin under the direction of the Nazi government of Germany between March 23, 1933, and May 8, 1945.

H.R. 11697. March 21, 1978. Post Office and Civil Service. Directs the Postal Service to issue a commemorative postage stamp in observance of the thirtieth anniversary of the founding of the modern State of Israel.

H.R. 11698. March 21, 1978. Interstate and Foreign Commerce; Interior and Insular Affairs. Authorizes the Secretary of Energy to make grants to the States of Arizona, Colorado, Idaho, New Mexico, Oregon, Texas, Utah, and Wyoming, for the restoration of abandoned uranium mill sites.

H.R. 11699. March 21, 1978. Education and Labor. Repeals the National School Lunch Act and the Child Nutrition Act of 1966 and combines their respective lunch and breakfast programs into a single schools-meals program under a centralized administration. Extends the authority for the Special Supplemental Food Program for Women, Infants, and Children (WIC) through fiscal year 1980 and for the Child Care Food Program through 1983.

H.R. 11700. March 21, 1978. Veterans' Affairs. Designates the proposed new Veterans' Administration hospital in Columbia, South Carolina, as the "Wm. Jennings Bryan Dorn Veterans' Hospital."

H.R. 11701. March 21, 1978. Public Works and Transportation. Amends the authorizations for appropriations for grants for State and local public works under the Local Public Works Capital Development and Investment Act of 1976 to authorize up to $10,000,000,000 to carry out such Act without fiscal year limitations.

H.R. 11702. March 21, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act relating to health maintenance organizations (HMO's) to, among other things, (1) provide that health services offered by HMO's shall be provided by physicians instead of "health professionals"; (2) increase limits of grants, loans and loan guarantees for specified purposes; (3) require specified employers to make payroll deduction for HMO members with the consent of the employers; (4) establish a training program for HMO Administrator and managerial personnel; and (5) require HMO's to annually file with the Secretary of Health, Education, and Welfare a financial disclosure statement.

H.R. 11703. March 21, 1978. Post Office and Civil Service. Changes the observance of Memorial Day from the last Monday in May to May 30.

H.R. 11704. March 21, 1978. Interior and Insular Affairs. Amends the Atomic Energy Act of 1954 to establish procedures for the advance planning of nuclear power generating plants and for increased participation by the general public in such planning.

H.R. 11705. March 21, 1978. Judiciary. Declares two individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 11706. March 31, 1978. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claim against the United States.

H.R. 11707. March 21, 1978. Judiciary. Directs the Secretary of the Treasury to pay a specified sum in such amounts and to such persons as certified by the Secretary of the Interior.

States that acceptance of such payment shall constitute a complete release of any land claim any such person has against the United States.

H.R. 11708. March 21, 1978. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual.

H.R. 11709. March 22, 1978. Agriculture. Requires the Secretary of Agriculture to study and report to Congress on the effect on the price of agricultural land, the production of agricultural commodities, and on farming operations carried on by United States citizens, of the purchase of agricultural land by persons who are not citizens or permanent residents of the United States.

Requires any person not a United States citizen or permanent resident who purchases agricultural land to report his name and address, a legal description of such land, and any other necessary information to the Secretary.

H.R. 11710. March 22, 1978. Education and Labor. Amends the Volunteer Service Act of 1973 to authorize advance payment of certain end-of-service stipends and support payments for certain part-time volunteers.

Considers certain ACTION volunteers to be Federal employees for specified purposes. States that Retired Senior Volunteer Program (RSVP) volunteers shall not be considered Federal employees.

Exempts ACTION health care volunteers from personal medical malpractice liability. Makes the policies and remedies of specified antidiscrimination acts applicable to ACTION volunteers an applicants.

Changes the rights of certain State and local agencies from the right to supervise or carry out Foster Grandparent and Older American Community Service programs to the right to review and make recommendations on such programs.

H.R. 11711. March 22, 1978. Ways and Means. Amends the Trade Act of 1974 to direct the Secretary of Labor to reconsider for eligibility for trade adjustment assistance certain groups of workers and individuals previously denied benefits.

Authorizes the Secretary to file petitions for certification for eligibility for assistance on behalf of a group of workers.

Revises eligibility requirements for both firm and worker adjustment assistance in-

cluding making eligible certain firms and workers in terms whose customers firms are trade-impacted.

Revises and increases (1) worker job search and relocation allowances and (2) firm technical and financial assistance.

Establishes the Commerce-Labor Adjustments Action Committee.

H.R. 11712. March 22, 1978. Banking, Finance and Urban Affairs. Amends the Housing Act of 1949 to extend and increase specified rural housing assistance programs.

Directs the Secretary of Agriculture to withhold assistance for specified programs from any otherwise eligible borrower who fails to incorporate energy conservation features into such structure.

H.R. 11713. March 22, 1978. Small Business. Amends the Small Business Act to provide assistance to individuals and small business concerns for the acquisition, development, and maintenance of solar energy equipment or other renewable energy source equipment.

H.R. 11714. March 22, 1978. Interior and Insular Affairs. Directs the Secretary of the Interior to accept a donation from the National Council for the Encouragement of Patriotism of the property known as the Highway of Flags Servicemen's Memorial in Lake County, Indiana. Directs the Secretary to designate such property as the Highway of Flags National Servicemen's Memorial and to administer it as a national monument.

H.R. 11715. March 22, 1978. Banking, Finance and Urban Affairs. Authorizes the Secretary of Housing and Urban Development to make urban rehabilitation grants to severely distressed cities and urban counties for the following purposes: (1) to finance the acquisition of real property by private nonprofit entities for residential rehabilitation; (2) to finance residential rehabilitation through grants, revolving loan funds, mortgage insurance, and low interest loans; (3) to make grants to neighborhood groups to carry out residential rehabilitation; and (4) to finance the rehabilitation of publicly-owned buildings when the recipient of the grant participates in such rehabilitation.

H.R. 11716. March 22, 1978. Banking, Finance and Urban Affairs. Amends the Housing Act of 1964 to authorize appropriations for fiscal year 1979 and to set aside specified amounts for multifamily rehabilitation loans and for urban homesteading including, under certain circumstances, local programs for the homesteading of locally held or acquired tax foreclosed land or vacant single family and multifamily properties.

Lists conditions to be placed on the authorization of rehabilitation loans.

H.R. 11717. March 22, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to make grants and contracts to public and private entities to acquire the automated equipment, supplies, and personnel required to conduct multiple screening of blood specimens routinely collected from newborn infants for metabolic disorders.

H.R. 11718. March 22, 1978. Ways and Means. Amends the Immigration and Nationality Act, the Comprehensive Employment and Training Act of 1973, the Internal Revenue Code of 1954, and the Social Security Act: (1) to restrict the illegal entry and prohibit the employment of aliens in the United States; (2) to facilitate the admission of aliens for temporary employment; and (3) to regulate the issuance and use of social security account cards.

H.R. 11719. March 22, 1978. Interstate and Foreign Commerce. Amends the Clean Air Act to provide that a revision of an implementation plan concerning standards of air quality control in an air quality control region will have met the requirements of the Act where ambient air monitoring for four consecutive quarters (prior to publication of the proposed rulemaking) of operation at emission levels contemplated by the revision has recorded no violation of primary or secondary ambient air quality standards for the pollutants affected by the revision within the area significantly affected by the revision, unless demonstrated that such monitoring was substantially inadequate to measure compliance with such standards.

H.R. 11720. March 22, 1978. House Administration. Directs the Secretary of the Treasury to maintain in the Presidential Election Campaign Fund, the House of Representatives Election Campaign Account. Sets forth a procedure for the payment of matching funds from the Account to candidates for election to the House of Representatives who meet certain eligibility requirements. Limits expenditures from personal funds which may be made by such eligible candidates.

H.R. 11721. March 22, 1978. Education and Labor. Amends the Bilingual Education Act to (1) extend specified grant programs to State and local educational agencies for bilingual educational assistance: (2) revise application guidelines; (3) provide special provisions concerning such assistance for Puerto Rico, (4) revise specified responsibilities of the Secretary of the Interior regarding bilingual programs for Indian children; (5) revise and extend bilingual education training; (6) establish the Bureau of Bilingual Education; (7) revise the composition of the National Advisory Council on Bilingual Education; and (8) extend bilingual educational research and demonstration projects.

Amends the Emergency School Aid Act regarding specified appropriations allocation requirements.

H.R. 11722. March 22, 1978. Judiciary. Grants Federal courts exclusive jurisdiction of actions between a United States citizen and foreign citizen involving the enforcement of a foreign decree awarding custody of a person who is under 16 years of age and is in the United States.

H.R. 11723. March 33, 1978. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1974 to stipulate that whenever a retired employee who is receiving a larger annuity under such Act than would be payable to the spouse of such employee, the amount payable to the surviving spouse of such an individual shall be the same amount which would have been payable to the retired employee but for his or her death.

H.R. 11724. March 22, 1978. Education and Labor. Amends the Education Amendments of 1972 with regard to the prohibition of sex discrimination under any educational program receiving Federal financial assistance to include service fraternities and service sororities among organizations whose membership practices are exempt from such prohibition.

H.R. 11725. March 22, 1978. Science and Technology. Directs the Secretary of Energy and the Administrator of the National Aeronautics and Space Administration to initiate a Solar Power Satellite Research, Development, and Demonstration Program to study technical problems regarding the viability of the solar power satellite concept.

Requires the Secretary to cooperate with the Administrator in the submission to Congress, by September 30, 1978, of a comprehensive plan to implement the Program.

H.R. 11726. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to allow a deduction for donations of blood to charitable organizations in an amount equal to $25 for each pint donated.

H.R. 11727. March 22, 1978. Interstate and Foreign Commerce. Amends the Controlled Substances Act to make phencyclidine (PCP) a Schedule I (most dangerous substances) rather than a Schedule III drug.

Sets forth minimum mandatory prison terms for phencyclidine traffic.

Revises provisions specifying penalties for sale of controlled substances to persons under 21 to (1) repeal the requirement that the seller be at least 18 years old and (2) set forth separate mandatory prison terms for the sale of phencyclidine.

H.R. 11728. March 22, 1978. Ways and Means. Includes as creditable service for civil service retirement purposes, periods of service as contract technicians by individuals hired by a private authority to perform work under Federal supervision pursuant to a contract between such private authority and the Federal Government, provided the person's position is transferred to the civil service and such person is appointed to that position or a similar position in the civil service. Reduces the pension to which such person is entitled by the amount of retirement benefits such person is receiving any other sources, other than certain social security benefits, which are attributable to such periods of service.

H.R. 11729. March 22, 1978. Agriculture. Directs the Secretary of Agriculture to compensate any farmer or rancher who owns any dairy cow which, under any Federal law, is destroyed in order to control or eradicate brucellosis.

Directs the Secretary to make grants to States for conducting a brucellosis vaccination program.

Amends the Consolidated Farm and Rural Development Act to require the Secretary to make principal and interest payments on any operating or emergency loan relating to the dairy operation of any farmer or rancher who owns dairy cattle subject to a brucellosis quarantine.

H.R. 11730. March 22, 1978. Ways and Means. Requires all gasoline stations, within three years of the passage of this Act, to sell a mixture of gasoline and alcohol in the same manner as they sell gasoline. Imposes a civil penalty for violations of such requirement. Amends the Internal Revenue Code to allow rapid amortization of facilities producing alcohol for use as a fuel in motor vehicles. Amends the Cleans Air Act with respect to the authority of the Environmental Protection Agency to regulate the use of alcohol as a fuel additive.

H.R. 11731. March 22, 1978. Agriculture. Amends the Agricultural Act of 1949: (1) to provide for the 1978 crops of wheat, feed grains, and upland cotton a sliding-scale of established prices keyed to voluntary increments above the required level of acreage set-aside; (2) to prohibit the Secretary of Agriculture from providing for the redemption of stored wheat and feed grain loans unless the market price for such commodities is not less than parity; and (3) to prohibit the Commodity Credit Corporation from selling its stocks of wheat and feed grains for less than the parity price.

H.R. 11732. March 22, 1978. Armed Services. Amends the Federal Civil Defense Act of 1950 to athorize the use of Federal civil defense funds by local civil defense agencies for natural disaster or civil disturbance relief. Increases the Federal contribution for travel expenses and per diem allowances for students in civil defense training programs and increases the Federal financial contribution to States for civil defense personnel and administrative expenses. Increases the authorization for appropriations under such Act for travel expenses, personal equipment for State and local workers, and personnel and administrative expenses.

H.R. 11733. March 22, 1978. Public Works and Transportation. Authorizes appropriations for Federal-aid highway programs, highway safety projects, and mass transportation projects. Authorizes the Secretary of Transportation to make Federal financial assistance available for State projects for highway bridge replacement, interstate highway resurfacing, traffic control signalization and urban bikeways. Authorizes the Secre-

tary to carry out specified transportation demonstration projects.

Amends the Urban Mass Transportation Act to revise Federal financial assistance programs under such Act.

H.R. 11734. March 22, 1978. Public Works and Transportation.

Authorizes appropriations for Federal-aid highway programs, highway safety projects, and mass transportation projects. Authorizes the Secretary of Transportation to make Federal financial assistance available for State projects for highway bridge replacement, interstate highway resurfacing, traffic control signalization and urban bikeways. Authorizes the Secretary to carry out specified transportation demonstration projects.

Amends the Urban Mass Transportation Act to revise Federal financial assistance programs under such Act.

H.R. 11735. March 22, 1978. Interstate and Foreign Commerce.

Amends the Communications Act of 1934 by defining pay television as programing for which a charge per person or per channel is made, and which is distributed by a cable television system or any means utilizing public frequency.

Directs the Federal Communications Commission to regulate pay television in such a manner that program originations will be innovative and supplemental to the programs of free broadcast stations.

H.R. 11736. March 22, 1978. International Relations. Requires the Secretary of State to demonstrate solar energy and other renewable energy technologies by using such energy sources in Foreign Service buildings located abroad.

Directs the Secretary to consult with the Secretary of Energy concerning the most viable techniques adaptable to the local resources and environmental conditions of the host country.

Requires the Secretary of State to insure that projects under this Act are demonstrated to, and are available for inspection by, officials and other citizens of the host country.

Directs the Secretary to give priority to projects in less developed countries.

H.R. 11737. March 22, 1978. Interstate and Foreign Commerce. Directs the Secretary of Commerce, in consultation with the Secretary of Energy, to conduct a global market survey to determine which foreign countries might serve as markets for solar energy equipment manufactured in the United States.

H.R. 11738. March 22, 1978. Agriculture. Declares that it is the policy of the Congress in the interest of public health to phase out Federal assistance which promotes the production of tobacco and the manufacturing and marketing of tobacco products for human consumption.

Directs the Secretary of Agriculture to study and report to the President and to the appropriate congressional committees his findings and recommendations regarding the probable economic effects (particularly on family farmers) of the phasing out of specified Federal tobacco assistance programs.

H.R. 11739. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to allow manufacturers placing property eligible for the investment tax credit in designated "labor surplus" areas to take double investment tax credits and depreciation deduction for the property. Doubles the allowable deduction for real property taxes on realty used in connection with this property.

H.R. 11740. March 22, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act and the Internal Revenue Code to include all Members of Congress under the Federal Old-Age, Survivors, and Disability Insurance system, offsetting against any benefits based on such coverage the amount of any annuities received by such Members or their survivors from the Civil Service Retirement and Disability Fund.

H.R. 11741. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to allow public utilities to exclude from gross income, as contributions to capital, all amounts received in aid of construction of electric energy, steam, or gas facilities.

H.R. 11742. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals an income tax credit for a portion of the expenses incurred for the residential installation of insulation, solar and other renewable energy equipment, heating improvements and energy-conserving components between April 20, 1977, and January 1, 1986.

H.R. 11743. March 22, 1978. Interior and Insular Affairs. Designates a specified segment of the Delaware River, in New York and Pennsylvania, as a component of the National Wild and Scenic Rivers System.

H.R. 11744. March 22, 1978. Agriculture. Amends the Agricultural Act of 1949 to direct the Secretary of Agriculture to permit the production of hay on set-aside wheat or feed grains acreage in any area where a drought, flood, or other natural disaster, or other condition beyond the control of the producers, has depleted hay stocks.

H.R. 11745. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals to amortize otherwise nondeductible rehabilitation expenditures for certified historic structures.

H.R. 11746. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals a limited income tax credit for a portion of the higher education expenses incurred for their dependents.

H.R. 11747. March 22, 1978. International Relations. Amends the Foreign Assistance Act of 1961 to require that appropriations for the United States contribution to the United Nations for the preceding year and the proportion which the aggregate budget of the Committee on the Exercise of the Inalienable Rights of the Palestinian People and the Special Unit on Palestinian Rights for such fiscal year bears to the budget of the United Nations for such fiscal year.

H.R. 11748. March 22, 1978. International Relations. Amends the Foreign Assistance Act of 1961 to require that appropriations for the United Nations for any fiscal year be reduced by an amount equal to the product of the United States contribution to the United Nations for the preceding year and the proportion which the aggregate budget of the Committee on the Exercise of the Inalienable Rights of the Palestinian People and the Special Unit on Palestinian Rights for such fiscal year bears to the budget of the United Nations for such fiscal year.

H.R. 11749. March 22, 1978. Interstate and Foreign Commerce. Requires franchisors to give franchisees 90-day notice, with limited exceptions, of intent to cancel, or failure to renew, a franchise agreement. Allows such cancellation or failure to renew only for certain specified reasons. Requires a franchisor to compensate a franchisee for the value of the franchisee's business when the franchisor, for a legitimate business reason, fails to renew the franchise. Sets forth the judicial remedies available to a franchisee for a violation of this Act by the franchisor.

H.R. 11750. March 22, 1978. Ways and Means. Amends Titles II (Old-Age, Survivors, and Disability Insurance) and XVIII (Medicare) of the Social Security Act and the Internal Revenue Code to finance the payment of benefits and hospital insurance benefits through general tax revenues, rather than through employment and self-employment tax revenues.

Reduces employment and self-employment tax rates below the rates established by the Social Security Financing Amendments of 1977.

H.R. 11751. March 22, 1978. Banking, Finance and Urban Affairs. Amends the Home Owners' Loan Act of 1933 to authorize Federal savings and loan associations to make and invest in reverse annuity mortgages.

H.R. 11752. March 22, 1978. Agriculture; International Relations; Ways and Means. Amends the Agricultural Act of 1954 to establish United States Agricultural Trade Offices abroad.

Amends the Consolidated Farm and Rural Development Act with respect to agricultural loans.

Amends the Agricultural Act of 1949 to provide a sliding-scale of established prices for wheat, corn, and cotton.

Sets import restrictions for cattle and specified meat products.

Establishes the National Farmer and Rancher Board.

Amends the Food and Agriculture Act of 1977 to permit Congressional veto of any embargo of commercial export sales or specified commodities.

Amends the Internal Revenue Code with regard to certain agricultural operations.

H.R. 11753. March 22, 1978. Banking, Finance and Urban Affairs; Ways and Means. Authorizes the Secretary of the Treasury to guarantee obligations of the city of New York. Makes interest income received or any obligation so guaranteed taxable under the Internal Revenue Code.

H.R. 11754. March 22, 1978. Veterans' Affairs. Designates the Veterans' Administration hospital located at 50 Irving Street, Washington, D.C., as the "Olin E. Teague Veterans' Hospital."

H.R. 11755. March 22, 1978. Banking, Finance and Urban Affairs. Amends the United States Housing Act of 1937 to permit a State, county, or municipal public housing agency to assist owners or prospective owners of rental property in the construction or substantial rehabilitation housing for lower-income families pursuant to its annual contribution contract with the Secretary of Housing and Urban Development.

Expands the role of local public housing agencies in the administration and management of dwelling units for which assistance payments are to be made.

H.R. 11756. March 22, 1978. International Relations. Amends the Export Administration Act of 1969 to prohibit exportation to Uganda of articles subject to control under such Act.

H.R. 11757. March 22, 1978. Post Office and Civil Service; Education and Labor. Authorizes the immediate supervisor of any Federal employee who has applied for continuation pay during a period of disability caused by a work injury to require such employee to submit to an examination by a physician designated by the supervisor for the purposes of obtaining a second opinion concerning the employee's claim. Prohibits the payment of continuation pay for the first three days of disability unless the period of disability exceeds 14 days.

H.R. 11758. March 22, 1978. Ways and Means. Prohibits the importation of any article which is the growth, produce, or manufacture of Uganda.

H.R. 11759. March 22, 1978. Ways and Means. Amends the Tariff Schedules of the United States to prohibit the importation of Ugandan coffee.

H.R. 11760. March 22, 1978. Education and Labor. Amends the National School Lunch Act to define "child" as a person: (1) under 21 years of age in a qualified school; or (2) 21 or older who is mentally or physically handicapped and participating in a school program established for the mentally or physically handicapped.

H.R. 11761. March 22, 1978. Agriculture. Establishes within the Department of Agriculture a National Nutrition Education Council to plan and coordinate the activities of Federal agencies concerning nutrition education and nutrition education research.

Directs the Secretary of Agriculture to conduct demonstration projects pertaining to the dissemination of nutrition information.

H.R. 11762. March 22, 1978. Education and Labor; Interstate and Foreign Commerce; Judiciary. Authorizes the Secretary of Health, Education, and Welfare, acting through the Director of the National Institute of Mental Health, to: (1) establish a grant program to support projects which develop methods for the identification, prevention, and treatment of domestic violence; and (2) review existing State laws, practices, and policies relating to domestic violence.

H.R. 11763. March 22, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act to require a study of the cost of diseases which are environmentally related.

Extends authorization of appropriations through fiscal year 1981 under such Act for health service research activities and health statistical activities.

Amends the Clean Air Act Amendments of 1977 to require a study to identify indoor and outdoor environmental activities which cause cancer, heart, or lung diseases.

H.R. 11764. March 22, 1978. Interstate and Foreign Commerce. Amends the Developmental Disabilities Services and Construction Act to rename such Act the Developmental Disabilities Act.

Replaces the National Advisory Council on Services and Faculties for Developmentally Disabled with the National Advisory Council on Services, Faculties, and Rights of the Developmentally Disabled.

Extends grant authorizations to fiscal year 1981 for: (1) State allotments; (2) special projects; and (3) university affiliated programs.

H.R. 11765. March 22, 1978. Interstate and Foreign Commerce. Prohibits the false advertising or misbranding of articles made of gold and silver.

H.R. 11766. March 22, 1978. Banking, Finance and Urban Affairs, authorizes the Secretary of Housing and Urban Development to enter into contracts with public housing agencies for the establishment of congregate housing projects which are supplemented by supportive services for frail and physically impaired residents. Amends the United States Housing Act of 1937 to permit the provision of congregate services in existing public housing.

H.R. 11767. March 22, 1978. Banking, Finance and Urban Affairs, amends the Home Owners' Loan Act of 1933 to authorize Federal savings and loan associations to invest in cooperative housing. Removes the limitation on the percentage of its assets which a savings and loan association may invest in the following: (1) commercial real estate loans; (2) loans for home improvement and mobile homes; and (3) State and local government bonds to raise revenue for the rehabilitation, financing, or construction of residential real estate.

H.R. 11768. March 22, 1978. Public Works and Transportation. Directs the Secretary of Transportation to select a route for a highway between Kansas City, Missouri, and Houston, Texas, to be known as the Sam Houston Memorial Highway. Requires the Secretary, in selecting such a route, to utilize existing Federal-aid highways to the maximum possible extent. Stipulates that the Federal share of the construction costs of any portion of such highway shall be 80 percent of its cost.

H.R. 11769. March 22, 1978. Post Office and Civil Service. Requires that Federal employees be given compensatory time off to conform to religious requirements of abstention from work during certain periods of time.

H.R. 11770. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to exclude income tax deductible retirement savings payable as an annuity to a individual and his spouse from the gross estate of the individual. Exempts such savings from treatment as taxable transfers for purposes of the gift tax.

H.R. 11771. March 22, 1978. Ways and Means. Allows a tax credit, under the Internal Revenue Code, for a percentage of the expenses incurred by the taxpayer for employment training expenses or employees enrolled in apprenticeship programs or cooperative education programs or job-related programs of education.

H.R. 11772. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to expand the class of individuals taxed as "heads of households" to include persons maintaining separate households for their dependent children.

H.R. 11773. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to restore the pre-1969 tax treatment of capital gains and losses.

H.R. 11774. March 22, 1978. Post Office and Civil Service. Directs the President, when making comparability pay adjustments for Government officials and employees, to make additional adjustments for the purpose of maintaining pay distinctions between grades, steps with grades, schedules, and other levels of pay which would exist but for the operation of the statutory requirement limiting the rates of pay of certain positions to the rate of pay for level V of the Executive Schedule.

H.R. 11775. March 22, 1978. Interior and Insular Affairs. Increases the maximum amount which the Pennsylvania Avenue Development Corporation may borrow from the Treasury, and extends its authority to issue obligations.

Increases and extends the appropriation authorization for the Corporation's administrative expenses. Replaces the set dollar authorization for implementation of the development plan with an authorization for such sums as may be necessary.

Specifies certain powers of the Corporation with respect to property transfers.

Revises the composition of the Corporation's Board of Directors.

H.R. 11776. March 22, 1978. Ways and Means. Amends the Internal Revenue Code to allow a temporary income tax credit for a portion of the tuition paid for the education of the taxpayer and his dependents and spouse.

Forbids any construction of this Act as granting additional authority to examine the books or activities of church schools except to the extent necessary to determine if they are elementary, post-secondary or secondary educational institutions.

Provides for the immediate certification of any judicial action brought in a United States district court concerning the constitutionality of this Act to the appropriate circuit court of appeals. Authorizes direct appeal to the Supreme Court of any decision by a circuit court. Directs the expedited consideration of such a case at both judicial levels.

H.R. 11777. March 22, 1978. Agriculture. Authorizes the Secretary of Agriculture to provide financial, technical, and other assistance to State foresters or equivalent State officials for: (1) the rural forestry assistance program; (2) the forestry incentive program; (3) insect and disease control; (4) urban and community forestry assistance programs; (5) fire prevention and control in rural communities and areas; (6) fire prevention and control on non-Federal forest and rural lands; (7) forest resources management and planning assistance programs; and (8) cooperative technology implementation programs.

H.R. 11778. March 22, 1978. Agriculture. Establishes a program of investigations, experiments, tests, and other activities necessary to obtain, analyze, demonstrate, and disseminate scientific information about protecting, managing, and utilizing forest and rangeland renewable resources in rural, suburban, and urban areas. Repeals the McSweeney-McNary Act of 1928.

H.R. 11779. March 22, 1978. Agriculture. Requires the Secretary of Agriculture to establish a nationally coordinated Renewable Resources Extension Program to insure the most efficient use of forest and rangeland renewable resources.

H.R. 11780. March 22, 1978. Armed Services; Banking, Finance and Urban Affairs; Education and Labor; Government Operations; Ways and Means. Establishes a Defense Economic Adjustment Council and local Alternative Use Committees to prepare for and facilitate economic adjustment of workers, industries, and communities which may be or have been substantially affected by reductions in defense expenditures.

Provides benefits for eligible workers who are affected by defense cutbacks, including income maintenance payments, pension credit, retraining, and maintenance of health, disability, and life insurance coverage.

H.R. 11781. March 22, 1978. Judiciary. Revises the list of places where the United States District Court for the Eastern District of New York shall be held. Specifies provisions relative to the relocation period caused by changes of sites.

H.R. 11782. March 22, 1978. Agriculture. Requires the Secretary of Agriculture to transmit to Congress an assessment of the status and condition of privately owned forest land, productivity of such land, and methods of increasing such productivity.

H.R. 11783. March 22, 1978. Interstate and Foreign Commerce. Directs that all utility rate schedules which provide for the sale of electric power shall do so at price levels which have been subject to and ordered into effect after prior public notice and full hearing. Prohibits the sale of electric energy except in accordance with rate schedules fixed, approved or allowed to go into effect by a regulatory authority. Prohibits such regulatory authority from instituting a rate schedule without prior public notice and full hearing.

Sets procedures for the adjudication of alleged violations of this act.

H.R. 11784. March 22, 1978. Education and Labor. Amends the Fair Labor Standards Act of 1938 to increase the minimum rate of overtime pay to twice the rate of regular pay and to reduce in two stages the maximum hours an employee must work in order to qualify for overtime pay.

Prohibits an employer, except where regulations are promulgated to the contrary by the Secretary of Labor in hardship cases, from permitting an employee to work overtime without the employee's consent.

H.R. 11785. March 22, 1978. Ways and Means. Amends the Tariff Schedules of the United States to exempt certain wearing apparel and footwear assembled with components made in the United States from the reduced customs duties normally granted products made abroad from components made in the United States.

H.R. 11786. March 22, 1978. House Administration. Amends the Federal Election Campaign Act of 1971 to revise specified reporting and disclosure requirements by political committees in Federal elections.

H.R. 11787. March 22, 1978. Education and Labor. Exempts Federal fruit or vegetable graders from minimum wage and maximum hour provisions of the Fair Labor Standards Act of 1938.

H.R. 11788. March 22, 1978. Ways and Means. Establishes the Federal Insurance Commission to regulate the insurance industry and to establish Federal product liability tort litigation standards. Creates the

Standards for Product Liability Trust Law Review Panel to review State product liability legislation. Amends the Internal Revenue Code to allow an income tax deduction for amounts contributed to a product liability trust, up to the fair market value of product liability insurance for the taxpayer. Sets forth the requirements such a trust must meet to be tax exempt.

H.R. 11789. March 22, 1978. Banking, Finance and Urban Affairs. Establishes the National Neighborhood Reinvestment Corporation to continue and expand upon the work of the urban reinvestment task force.

H.R. 11790. March 22, 1978. Banking, Finance and Urban Affairs. Amends the Bretton Woods Agreements Act to terminate all authority granted under such Act after September 30, 1981, unless reauthorized by Act of Congress.

H.R. 11791. March 22, 1978. Post Office and Civil Service. Amends the Legislative Reorganization Act of 1946 to prohibit cost-of-living salary adjustments for Members of Congress based on any adjustment of the General Schedule which takes effect before October 1, 1978.

H.R. 11792. March 22, 1978. Ways and Means. Amends Title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to provide that an individual who applies for supplemental security income benefits on the basis of disability shall be considered presumptively disabled if he has received disability insurance benefits under Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act or supplemental security income benefits as a disabled individual within five years of his most recent application for supplementary security income benefits.

H.R. 11793. March 22, 1978. Ways and Means. Amends Title XVI (Supplemental Security Income for the Aged, Blind, and Disabled) of the Social Security Act to provide that an individual who applies for supplemental security income benefits on the basis of disability shall be considered presumptively disabled if he has received disability insurance benefits under Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act or supplemental security income benefits as a disabled individual within five years of his most recent application for supplementary security income benefits.

H.R. 11794. March 22, 1978. Agriculture; Education and Labor; Interstate and Foreign Commerce; Judiciary; Ways and Means. Establishes a program for long-term comprehensive services for the elderly financed by the Federal Government and the States.

Establishes within the Department of the Treasury a Federal Long-Term Care Trust Fund for such program.

Requires a State to establish a State Long-Term Care Agency in order to receive funds under this Act.

Requires such State agency to create within the State a system of Community Long-Term Care Centers.

H.R. 11795. April 3, 1978. Ways and Means. Amends the Internal Revenue Code to exempt services by officers of closed corporations wholly owned by themselves or their families from the unemployment tax.

H.R. 11796. April 3, 1978. Small Business. Amends the Small Business Act to provide assistance to individuals and small business concerns for the acquisition, development and maintenance of solar energy equipment.

H.R. 11797. April 3, 1978. Armed Services. Grants annuities under the Survivor Benefit Plan of the armed forces to survivors of individuals who would have been eligible for retired pay for non-Regular service but who died before reaching the age of 60. Entitles such survivors to specified medical and dental benefits.

H.R. 11798. April 3, 1978. Banking, Finance and Urban Affairs. Authorizes the Secretary of Housing and Urban Development to make urban rehabilitation grants to severely distressed cities and urban counties for the following purposes: (1) to finance the acquisition of real property by private nonprofit entities for residential rehabilitation; (2) to finance residential rehabilitation through grants, revolving loan funds, mortgage insurance, and low interest loans; (3) to make grants to neighborhood groups to carry out residential rehabilitation; and (4) to finance the rehabilitation of publicly-owned buildings when the recipient of the grant participates in such rehabilitation.

H.R. 11799. April 3, 1978. Banking, Finance and Urban Affairs. Amends the Bank Holding Company Act of 1956 to prohibit bank holding companies and their subsidiaries from selling property and casualty insurance as principals, agents, or brokers.

H.R. 11800. April 3, 1978. Judiciary. Amends the Administrative Procedure Act to require Federal agencies to prepare and publish in the Federal Register an economic impact analysis of all proposed and final rules subject to the provisions of the Act.

H.R. 11801. April 3, 1978. Banking, Finance and Urban Affairs; Interstate and Foreign Commerce. Directs the Secretary of Housing and Urban Development to make grants for the purpose of financing the construction of facilities for congregate services in existing, newly constructed, and rehabilitated federally assisted housing projects for elderly and handicapped individuals and families.

H.R. 11802. April 3, 1978. Banking, Finance and Urban Affairs; Interstate and Foreign Commerce. Requires every public housing project to which the Secretary of Housing and Urban Development provides financial assistance, and a substantial portion of the tenants of which are elderly or handicapped individuals to include: (1) congregate services and facilities for the establishment of community day health services and nutrition centers for those qualified individuals who reside in the project and those homebound elderly and handicapped who reside in the immediate community of the project.

H.R. 11803. April 3, 1978. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the standard deduction, personal exemption, and depreciation deduction, and the rate of interest payable on certain obligations of the United States.

H.R. 11804. April 3, 1978. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to authorize payment for specified services performed by chiropractors, and physical examination, and related routine laboratory tests.

H.R. 11805. April 3, 1978. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to provide payment for certain clinical psychologists' services under the supplemental medical insurance program.

H.R. 11806. April 3, 1978. Interstate and Foreign Commerce. Directs the Secretary of Defense to establish a program of free public education through secondary school for dependents of military and civilian personnel overseas and on certain military bases.

Transfers certain authority of the Commissioner of Education regarding schools on domestic military installations to the Secretary of Defense.

Establishes within the Department of Defense the Office of Dependents' Education an Advisory Council on Dependents' Education.

Makes such overseas schools eligible for assistance under the National School Lunch Act and th Child Nutrition Act of 1966.

H.R. 11807. April 3, 1978. Agriculture; International Relations; Interstate and Foreign Commerce; Ways and Means. Establishes a National Board of Agricultural Producers to: (1) set parity prices for agricultural commodities; (2) establish a national production goal and allocate acreage allotments or marketing quotas; (3) establish a program to acquire reserve stocks of agricultural commodities; (4) establish import quotas; (5) conduct producer referendums on proposed regulations; and (6) establish and administer all agricultural production and marketing programs of the Federal Government.

H.R. 11808. April 3, 1978. Education and Labor. Directs the Secretary of Defense to establish a program of free public education through secondary school for dependents of military and civilian personnel overseas and on certain military bases.

Transfers certain authority of the Commissioner of Education regarding schools on domestic military installations to the Secretary of Defense.

Establishes within the Department of Defense the Office of Dependents' Education and an Advisory Council on Dependents' Education.

Makes such overseas schools eligible for assistance under the National School Lunch Act and the Child Nutrition Act of 1966.

H.R. 11809. April 3, 1978. Education and Labor. Establishes a system of payments to or on behalf of workers who are totally disabled by or whose death was attributed to employment-related byssinosis (Brown Lung Disease).

H.R. 11810. April 3, 1978. Banking, Finance and Urban Affairs; Ways and Means. Directs the Secretary of the Treasury to compensate depository institutions which maintain treasury tax and loan accounts for services performed by such institutions for the Department of the Treasury.

H.R. 11811. April 3, 1978. Judiciary. Modifies the patent laws concerning energy conserving technology. Waives patent protection where such patent is not held by the inventor, and the rights thereto have not been exercised at any time during the five-year period beginning with the first transfer for valuable consideration of the patent to one who is not the inventor.

H.R. 11812. April 3, 1978. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to authorize the Federal Communications Commission to regulate the use of protective components in consumer electronic equipment which are capable of reducing interference from radio frequency energy.

H.R. 11813. April 3, 1978. Ways and Means. Amends the Internal Revenue Code to provide cost-of-living adjustments for the individual income tax rates and withholding tables.

H.R. 11814. April 3, 1978. Ways and Means. Amends the Internal Revenue Code to provide cost-of-living adjustments for the individual income tax rates and withholding tables.

H.R. 11815. April 3, 1978. Agriculture. Designates the building known as the Ozark National Forest Headquarters Building in Russelville, Arkansas, as the "Henry R. Koen Forest Service Building."

H.R. 11816. April 3, 1978. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to provide payment for outpatient communicative services (speech pathology and audiology services) under the supplementary medical insurance program.

H.R. 11817. April 3, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals to amortize otherwise nondeductible rehabilitation expenditures for certified historic structures.

H.R. 11818. April 3, 1978. Ways and Means. Amends Title XX (Grants to States for Services) of the Social Security Act to authorize payments to States for the cost of emergency shelter or services provided to an individual in danger of physical or mental injury, neglect, maltreatment, or exploitation.

H.R. 11819. April 3, 1978. Veterans' Affairs. Provides pension rate increases for (1) disabled veterans; (2) survivors of disabled veterans; and (3) permanently housebound surviving spouses.

Provides for retroactive dependency and indemnification payments to children whose entitlement is established after such compensation has already been awarded to a veteran's other children.

Reduces supplemental dependency and indemnity compensation for certain 18-year-old children considered below such age for purposes of additional dependency and indemnity compensation to a surviving spouse.

H.R. 11820. April 3, 1978. Post Office and Civil Service. Directs the Postmaster General to issue a commemorative stamp honoring General Casimir Pulaski.

H.R. 11821. April 3, 1978. Ways and Means. Amends the Internal Revenue Code to expand the participation requirements of employee stock ownership plans by disallowing the 11 percent investment credit for funding the plans where they exclude any employees, including employees otherwise covered by collective bargaining arrangements, from participation.

H.R. 11822. April 3, 1978. Banking, Finance and Urban Affairs. Creates the Solar Energy Development Bank to make long-term, low-interest loans to encourage the use of solar energy in commercial and residential structures.

H.R. 11823. April 3, 1978. Armed Services. Entitles previously ineligible members of the armed forces reserves to retirement pay.

H.R. 11824. April 3, 1978. Interstate and Foreign Commerce. Amends the Railroad Retirement Act of 1974 to increase survivors' annuities under such Act to that amount which would have been payable to the deceased railroad employee.

H.R. 11825. April 3, 1978. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated to carry out such act to $10,000,000.

H.R. 11826. April 3, 1978. Interstate Foreign Commerce. Amends Title XIX (Medicaid) of the Social Security Act to assure the individuals otherwise eligible for benefits under such Title do not lose such eligibility, or have the amount of such benefits reduced, because of increases in the amount of benefits under Title II (Old-Age, Survivors, and Disability Insurance) of such Act.

H.R. 11827. April 3, 1978. Interior and Insular Affairs. Amends the Surface Mining Control and Reclamation Act of 1977 to increase from $10,000,000 to $19,068,000 the 1979 fiscal year authorization concerning: initial regulatory procedures over surface coal mining operations; the program for mining and reclamation projects on Federal lands; and the study of regulation of surface mining on Indian lands.

Authorizes additional amounts as necessary for increases in salary employee benefits, and other nondiscretionary costs. Authorizes such sums as may be required for the 1980 fiscal year.

H.R. 11828. April 3, 1978. Interior and Insular Affairs. Establishes the Office of Water Resources to administer a coordinated Federal-State program for comprehensive water resource management and development.

H.R. 11829. April 3, 1978. Judiciary. Adds Lancaster to the list of places where the United States District Court for the Eastern District of Pennsylvania shall be held.

H.R. 11830. April 3, 1978. Ways and Means. Amends the Internal Revenue Code of 1954 and Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to authorize individuals who are enrolled in a private retirement plan to voluntarily exempt themselves from the Old-Age, Survivors, and Disability Insurance program.

H.R. 11831. April 3, 1978. Ways and Means. Amends the Internal Revenue Code to allow a deduction for donations of blood equal to $25 for each pint donated.

H.R. 11832. April 3, 1978. International Relations. Amends the Arms Control and Disarmament Act to authorize appropriations for fiscal year 1979 for the Arms Control and Disarmament Agency and the International Atomic Energy Agency.

H.R. 11833. April 3, 1978. Judiciary. Authorizes classification of three individuals as children for purposes of the Immigration and Nationality Act.

H.R. 11834. April 3, 1978. Judiciary. Authorizes a certain individual to be considered the natural-born alien daughter of a certain United States citizen, under the Immigration and Nationality Act.

H.R. 11835. April 3, 1978. Judiciary. Authorizes a certain individual to be considered the natural-born alien son of a certain United States citizen, under the Immigration and Nationality Act.

H.R. 11836. April 4, 1978. Veterans' Affairs. Requires the Administrator of Veterans' Affairs to pay a monthly pension of $150 to each veteran of World War I who meets specified service requirements, or to the surviving spouse (who meets specified requirements), or when there is no surviving spouse, to the child or children (who meet specified requirements).

H.R. 11837. April 4, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act and the Internal Revenue Code to require the financing of disability insurance benefits from general revenues, to reduce social security tax rates on employment and self-employment income, to reduce disability benefits to reflect a recipient's need based on family income, and to require the publication and dissemination to disability examiners of standard regulations defining physical and mental impairment for purposes of making disability determinations. Requires the establishment of a training program for State and Federal officials who make determinations of disability.

H.R. 11838. April 4, 1978. Agriculture. Amends the Agricultural Act of 1970 to require exporters of agricultural commodities to report to the Secretary of Agriculture contracts involving exportation into the United States by foreign subsidiaries and affiliates of such exporters.

H.R. 11839. April 4, 1978. Agriculture. Amends the Agricultural Act of 1970 to require certain exporters of agricultural commodities to report to the Secretary of Agriculture contracts involving exportation of a substantial quantity of specified commodities from the United States by foreign subsidiaries and affiliates of such exporters.

H.R. 11840. April 4, 1978. Education and Labor. Establishes within the National Endowment for the Arts, an Art Bank to be headed by a Director.

Authorizes the Director to purchase visual works of art for the Art Bank, to make such works available on loan to certain private and governmental entities for public display, to sponsor exhibitions, and to assist State and local governments and nonprofit institutions in establishing Art Banks.

H.R. 11841. April 4, 1978. Agriculture. Directs the Secretary of Agriculture, through the Statistical Reporting Service, to take an enumeration of horses in the United States, by the "sampling" method if preferred.

H.R. 11842. April 4, 1978. Agriculture; International Relations. Amends the Agricultural Act of 1954: (1) to establish United States Agricultural Trade Offices abroad, for the purpose of developing, maintaining, and expanding international markets for United States agricultural commodities; and (2) to rename Agricultural Attaches Agricultural Counselors, and to require annual reports from them on specified subjects.

Amends the Commodity Credit Corporation Charter Act to require the Corporation to finance export sales of agricultural commodities on credit terms of from three to ten years.

Establishes an Assistant Secretary of Agriculture for Commodity Programs and an Under Secretary of Agriculture for International Affairs.

H.R. 11843. April 4, 1978. Veterans' Affairs. Directs the Secretary of Defense to place a memorial plaque in the Trophy Hall of the Memorial Amphitheater at Arlington National Cemetery to pay tribute to those members of the armed forces who served in Southeast Asia during the Vietnam era. Directs the Secretary to honor those members who lost their lives in Southeast Asia, to display near such plaque the medals, ribbons, and decorations associated with service in Southeast Asia during the Vietnam era.

H.R. 11844. April 4, 1978 Veterans' Affairs. Increases from $250 to $350 the burial and funeral expense allowance which may be paid by the Veterans' Administration on behalf of certain deceased veterans.

H.R. 11845. April 4, 1978. Ways and Means. Amends the Internal Revenue Code to allow a credit against an individual's income tax in an amount equal to 50 percent of the sum of the amounts paid by him to educational institutions as tuition (though no more than $500 for any single individual) for the attendance of the taxpayer, the taxpayer's spouse, or any of his dependents with respect to whom he is entitled to a personal exemption.

H.R. 11846. April 4, 1978. Ways and Means. Amends the Internal Revenue Code to allow an additional income tax exemption for a taxpayer or his spouse who is deaf.

H.R. 11847. April 4, 1978. Ways and Means. Amends the Internal Revenue Code to revise the social security tax rates established by the Social Security Amendemnts of 1977.

Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to increase allocations of employment income and decrease allocations of self-employment income from the Treasury to the Federal Disability Insurance Trust Fund. Repeals increases in the contribution and benefit base.

Permits the making of loans between the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund.

H.R. 11848. April 4, 1978. Government Operations. Directs the Environmental Protection Agency and all other Federal regulatory agencies to issue an economic cost and environmental impact analysis prior to the enactment of any new regulation.

H.R. 11849. April 4, 1978. Ways and Means. Amends the Antidumping Act, 1921, to revise procedures with respect to the investigation by the Secretary of the Treasury and the International Trade Commission of allegations of import "dumping." Imposes liquidation deadlines upon imported merchandise upon which a special "dumping" duty has been imposed. Requires the establishment of a task force for each investigation of "dumping" allegations to serve as an intermediary between the Secretary and the industrial and labor groups interested in the investigation.

H.R. 11850. April 4, 1978. Ways and Means. Amends the Internal Revenue Code with respect to corporate tax rates and dividend deductions, employer investment and employment credits, business expense deductions and investment credits, and individual stock dividend exclusions. Provides for cost-of-living adjustments to depreciation allowances, property bases and United States obligations.

H.R. 11851. April 4, 1978. Ways and Means. Amends the Internal Revenue Code to provide that an individual's allowable charitable

contributions shall be deducted when determining the individual's adjusted gross income; thereby providing the deduction to individuals who do not itemize.

H.R. 11852. April 4, 1978. Education and Labor. Permits compensation for certain work injuries sustained by Federal employees prior to September 7, 1974, the date on which an Act authorizing such compensation was approved, provided a timely claim was made with respect to such injury within the 15-year period ending on such date.

H.R. 11853. April 4, 1978. Post Office and Civil Service. Entitles Federal employees retiring with accrued sick leave to elect to receive a lump-sum payment for such leave equal to one-third of the amount such employees would have received had they remained in the service until expiration of the period of sick leave. Limits the amount of sick leave such employees are entitled to have included in years of service for computing their retirement annuities to one-third of the days of any such employee's unused sick leave.

H.R. 11854. April 4, 1978. International Relations. Amends the Agricultural Trade Development and Assistance Act of 1954 to permit the President to waive prohibitions against commodity assistance relating to (1) status as a "friendly country," (2) North Vietnam, (3) diplomatic relations with the United States, (4) seizure of property owned by any United States person, and (5) emigration restrictions in order to directly benefit needy people.

Amends the Food for Peace Act to permit the Commodity Credit Corporation to extend agricultural export credit if the President waives prohibitions against such credit relating to (1) emigration restrictions, and (2) North Vietnam, in order to directly benefit needy people.

H.R. 11855. April 4, 1978. Ways and Means. Amends Titles II (Old-Age, Survivors, and Disability Insurance) and XVIII (Medicare) of the Social Security Act, and the Internal Revenue Code to finance the payment of disability benefits and hospital insurance benefits through general tax revenues, rather than through employment and self-employment tax revenues.

Reduces employment and self-employment tax rates below the rates established by the Social Security Financing Amendments of 1977.

H.R. 11856. April 4, 1978. Education and Labor. Amends the Rehabilitation Act of 1973 to authorize the Secretary of Health, Education, and Welfare, through the Commissioner of the Rehabilitation Services Administration, to establish up to 12 programs for training interpreters for the deaf. Designates six institutions which may serve as base centers and requires that the six additional authorized centers have ongoing operating programs for training interpreters.

Permits centers to operate satellite interpreter training programs.

Directs the Secretary to institute a program for the establishment of information and referral centers and of interpreter referral centers for the deaf in each State.

H.R. 11857. April 4, 1978. Interstate and Foreign Commerce. Prohibits franchisors from prematurely cancelling or failing to renew motor fuel franchises unless written notification is provided and the franchise has failed to comply with reasonable terms of the agreement.

H.R. 11858. April 4, 1978. Banking, Finance and Urban Affairs. Amends the Housing and Community Development Act to redefine the term "city" for purposes of Title I of such Act.

H.R. 11859. April 4, 1978. Post Office and Civil Service. Prohibits the mailing of any business solicitation which resembles a bill or statement of account.

H.R. 11860. April 4, 1978. Merchant Marine and Fisheries. Amends the Intercoastal Shipping Act, 1933, to authorize the Interstate Commerce Commission to require annual, periodic, or special financial reports from common carriers by water in interstate commerce.

Requires that such reports be preserved as public records.

H.R. 11861. April 4, 1978. Merchant Marine and Fisheries. Establishes a Navy-Maritime Advisory Board to advise the Secretary of Commerce with respect to the Secretary's responsibility in cooperating with the Navy Department as to national defense needs pursuant to the Merchant Marine Act, 1936.

H.R. 11862. April 4, 1978. Merchant Marine and Fisheries. Amends the Shipping Act, 1916, to authorize United States flag carriers to enter into reciprocal ocean transportation agreements with foreign flag carriers of the nation to which the United States carrier's cargo is bound in order to establish cargo pools, to provide for equal access to government controlled cargoes, rationalization of sailings and for the apportionment of earnings, losses, or traffic. Exempts such agreements from the antitrust laws under specified circumstances.

H.R. 11863. April 4, 1978. Banking, Finance and Urban Affairs. Amends the National Housing Act to authorize the Secretary of Housing and Urban Development to terminate the requirement for mortgage insurance premiums with respect to property under the jurisdiction of the Department of Defense.

H.R. 11864. April 4, 1978. House Administration. Transfers the responsibility for distributing copies of materials published by the Government to foreign governments from the Smithsonian Institution to the Government Printing Office.

H.R. 11865. April 4, 1978. Post Office and Civil Service. Directs the Postmaster General to issue a special postage stamp in honor of Martin Luther King.

H.R. 11866. April 4, 1978. Education and Labor. Establishes the Thomas A. Edison Centennial Commission to initiate and encourage the development of publications, projects, and programs, and to coordinate activities relating to the life and achievements of Thomas A. Edison.

Authorizes the State University of New Jersey to apply to the Commission for grants to assist specified State and Federal agencies in the compilation and publication of "The Papers of Thomas A. Edison."

H.R. 11867. April 4, 1978. Ways and Means. Amends the Internal Revenue Code to increase the employer's income tax credit for new employees where the new employees are graduates of Opportunities Industrialization Centers.

H.R. 11868. April 4, 1978. International Relations. Amends the Board for International Broadcasting Act of 1973 to prohibit assistance to Radio Free Europe or Radio Liberty if any Communist country is permitted to use such broadcast facilities.

H.R. 11869. April 4, 1978. Interstate and Foreign Commerce. Authorizes appropriations for specified programs to promote the tourist trade within the United States.

H.R. 11870. April 4, 1978. Interstate and Foreign Commerce. Authorizes appropriations for specified programs to promote the tourist trade within the United States.

Amends the International Travel Act to authorize appropriations to carry out the provisions of such Act.

H.R. 11871. April 4, 1978. Interstate and Foreign Commerce; Public Works and Transportation. Amends the Hazardous Materials Transportation Act to authorize appropriations to carry out the provisions of such Act for fiscal year 1979.

H.R. 11872. April 4, 1978. Interstate and Foreign Commerce; Public Works and Transportation. Amends the Hazardous Materials Transportation Act to authorize appropriations in such amounts as may be necessary to carry out the provisions of such Act for fiscal years 1979 and 1980.

H.R. 11873. April 4, 1978. Ways and Means. Amends the Internal Revenue Code to allow certain small businesses to compute taxable income under the cash method and without regard to inventories. Increases the corporate surtax exemption and reduces the corporate tax rates. Provides for limited recognition of the gain from the sale or exchange of a sole proprietorship prior to the age of 55, and nonrecognition after age 55. Allows the rapid amortization of expenses of a business for property acquired to put the business in compliance with Federal law and which does not have any economic usefulness to the business.

H.R. 11874. April 4, 1978. Banking, Finance and Urban Affairs. Authorizes the Secretary of the Treasury to offer gold for sale to the public in the form of gold medallions. Provides for the issuance of such medallions.

H.R. 11875. April 4, 1978. Agriculture. Establishes a National Board of Agricultural Governors, independent of the Department of Agriculture, to set the annual cost of production prices of specified commodities.

Directs the Secretary of Agriculture to provide for guaranteed or direct nonrecourse loans for nonperishable specified commodities. Requires the establishment of a National Commodity Reserve and the determination of mandatory production adjustments.

Requires the export and import of specific agricultural accommodities at not less than the cost of production price.

H.R. 11876. April 4, 1978. International Relations. Amends the Foreign Assistance Act of 1961 to authorize appropriations for fiscal year 1979 for the emergency contingency fund, international narcotics control, military assistance, security supporting assistance, and international military education and training.

Amends the Arms Export Control Act to authorize appropriations for fiscal year 1979 to carry out such Act. Revises the ceiling of credits and loans for foreign military sales. Exempts contracts for certain foreign military sales from the Renegotiation Act of 1951.

H.R. 11877. April 5, 1978. International Relations. Amends the Peace Corps Act to authorize appropriations for fiscal years 1978 and 1979 to carry out such Act, and such sums as may be necessary for employee benefits authorized by law for fiscal years 1978 and 1979.

Amends the Peace Corps Act with respect to (1) malpractice protection; (2) medical treatment for Foreign Service local employees under certain conditions; (3) the economic integration of women in developing countries; (4) claims against the Corps; and (5) encouragement of international voluntary services.

H.R. 11878. Arpil 5, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act and the Internal Revenue Code to reduce tax rates on employment and self-employment income below the level established by the Social Security Financing Amendments of 1977, to increase Federal participation in the funding of benefits under such Title and under the Medicare program, and to raise to $100,000 in 1979 the ceiling on the amount of income that is subject to the tax.

H.R. 11879. April 1978. Armed Services; Banking, Finance and Urban Affairs; District of Columbia; Education and Labor; Interstate and Foreign Commerce; Judiciary; Post Office and Civil Service; Veterans' Affairs; Ways and Means.

Creates a United States Health Service to provide without charge to all residents comprehensive health care services delivered by salaried health workers.

H.R. 11880. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to exclude certain services by private foundations as trustees of trusts in which they have beneficial interests from the excise tax on self-dealing.

H.R. 11881. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to allow a credit against an individual's income tax in an amount equal to 50 percent of the sum of the amounts paid by the taxpayer to educational institutions as tuition (through no more than $500 for any single individual) for the attendance of the taxpayer, the taxpayer's spouse, or dependents with respect to whom such taxpayer is entitled to a personal exemption.

H.R. 11882. April 5, 1978. Agriculture. Prohibits the Secretary of Agriculture, for a two-year period, from issuing any order or regulation: (1) restricting the use of nitrites or nitrates as preservatives in meat products beyond a specified degree or (2) requiring labeling on meat products concerning nitrites or nitrates in addition to the requirements already in effect.

H.R. 11883. April 5, 1978. Education and Labor. Directs the Secretary of Commerce to make grants to local educational agencies for the construction of school facilities to assist such agencies in educating immigrant children.

Defines immigrant child for purposes of this Act as a child both of whose parents have emigrated from Mexico and are not citizens of the United States and who is provided free public education.

H.R. 11884. April 5, 1978. House Administration. Directs the Secretary of the Treasury to maintain in the Presidential Election Campaign Fund, the House of Representatives Election Campaign Account. Sets forth a procedure for the payment of matching funds from the Account to candidates for election to the House of Representatives who meet certain eligibility requirements. Limits expenditures from personal funds which may be made by such eligible candidates.

H.R. 11885. April 5, 1978. Interstate and Foreign Commerce. Amends the Consumer Product Safety Act to provide an interim mandatory safety standard for flame resistance and corrosiveness for cellulose insulation.

Requires the Consumer Product Safety Commission to enforce such safety rule until a final cellulose home insulation product safety rule is in effect. Establishes procedures for amendments to the interim rule as promulgated by the General Services Administration.

Directs the Commission to study: (1) the need for safety standards for other forms of home insulation; (2) the methods of testing such insulation; and (3) the methods of enforcing home insulation standards.

H.R. 11886. April 5, 1978 Veterans' Affairs. Provides pension rate increases for (1) disabled veterans; (2) survivors of disabled veterans; and (3) permanently housebound surviving spouses.

Provides for retroactive dependency and indemnification payments, and war veterans' pensions to children whose entitlement is established after compensation has been awarded to a veteran's other children.

Reduces supplemental dependency and indemnity compensation for certain 18-year-old children considered below such age for purposes of additional dependency and indemnity compensation to a surviving spouse.

Provides for retroactive tax exemption of retirement compensation paid to specific veterans who are eligible for veterans' pensions upon filing of a waiver of such retirement compensation.

H.R. 11887. April 5, 1978. Veteran's Affairs. Increases the rates of dependency and idemnity compensation for the parents of veterans who died in active military service or from a service-connected disability.

Increases the monthly rate of wartime death compensation payable to a widow or dependent parent if the payee is a patient in a nursing home or helpless or blind.

H.R. 11888. April 5, 1978. Veterans' Affairs. Reduces from 50 percent to 40 percent the minimum disability rating necessary for a veteran entitled to wartime disability compensation to receive additional compensation for dependents.

H.R. 11889. April 5, 1978. Veterans' Affairs. Incerases the rate of special pension payable to Congressional Medal of Honor Holders.

H.R. 11890. April 5, 1978. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay dependency and indemnity compensation to the survivors of any veteran who was rated totally and permanently service-connected disabled for at least ten years, as though the cause of death were service-connected.

H.R. 11891. April 5, 1978. Veterans' Affairs. Amends the veterans' aid and attendance compensation payment system to provide a second-step allowance at an increased rate of $900 per month for veterans in need of constant medical aid and attendance.

H.R. 11892. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to allow handicapped individuals who are incapable of operating highway vehicles an income tax deuction for their commuting expenses.

H.R. 11893. April 5, 1978. Interstate and Foreign Commerce. Imposes daylight saving time upon States the President finds to be suffering from severe energy shortages.

H.R. 11894. April 5, 1978. Interior and Insular Affairs. Amends specified laws relating to the Osage Tribe of Oklahoma concerning: (1) mineral rights; (2) tribal elections; (3) the trusteeship of specified property; (4) certificates of competency; (5) the use of specified funds; (6) oil and gas leases; and (7) inheritance laws.

H.R. 11895. April 5, 1978. Public Works and Transportation. Amends the Local Public Works Capital Development and Investment Act of 1976 to increase the amount authorized to be appropriated to carry out such Act to $10,000,000.

H.R. 11896. April 5, 1978. Banking, Finance and Urban Affairs. Amends the Federal Reserve Act and the Federal Deposit Insurance Act to eliminate the prohibition on the payment of interest on demand deposits.

Amends the Home Owners' Loan Act and the Federal Credit Union Act to allow federally chartered savings and loan associations and credit unions to offer demand deposits.

H.R. 11897. April 5, 1978. Interstate and Foreign Commerce; Ways and Means. Establishes a program of health care services for children which includes diagnosis, treatment, and health maintenance services. Establishes such a program for women which provides health care to women during pregnancy through a period of 12 weeks after termination of pregnancy.

Amends the Internal Revenue Code to establish a tax credit for medical costs above the amount covered by medical insurance. Repeals the medical expenses deduction.

Amends Title XVIII (Medicare) of the Social Security Act to include the provision of specified services under such program.

H.R. 11898. April 5, 1978. Armed Services. Amends the Federal Civil Defense Act of 1950 to atuhorize the use of Federal civil defense funds by local civil defense agencies for natural disaster or civil disturbance relief. Increases the Federal contribution for travel expenses and per diem allowances for students in civil defense training programs and increases the Federal financial contribution to States for civil defense personnel and administrative expenses. Increases the authorization for appropriations under such Act for travel expenses, personal equipment for State and local workers, and personnel and administrative expenses.

H.R. 11899. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to allow each individual taxpayer a refundable $100 income tax credit for each dependent child who is enrolled in a school, from the preschool, day-care level through graduate studies, whether or not any expenses are incurred for the child's education. Provides for the immediate certification of any judicial action brought in a United States district court concerning the constitutionality of this Act to the appropriate circuit court of appeals, with direct, expedited appeal to the Supreme Court. Limits any judicial decision invalidating any part or application of this credit from invalidating another part or application to other persons in other circumstances.

H.R. 11900. April 5, 1978. Interstate and Foreign Commerce. Amends the Consumer Product Safety Act to include electrical wiring systems as consumer products for purposes of such Act.

H.R. 11901. April 5, 1978. Post Office and Civil Service. States that the preconversion salary level of a Federal employee whose position is converted to a General Schedule position shall include the night differential which was received on a regular basis during the one-year period immediately preceeding such conversion even if such employee was not regularly receiving such differential at the time of such conversion (thus the basic pay of such position under the General Schedule will reflect the preconversion base pay plus the differential which was received by an employee in such position prior to such conversion).

H.R. 11902. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to allow certain individuals to compute the amount of the deduction for retirement savings on the basis of the earned income of their spouses.

H.R. 11903. April 5, 1978. Education and Labor. Establishes a second career program, administered by the Secretary of Labor, to redress the pattern of discrimination against workers over 40 and assist such workers in finding careers. Establishes an Institute on Age and Employment to develop a formal plan on how to utilize workers over 40 most effectively.

H.R. 11904. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to provide that property used in, or related to, the taxpayer's trade or business, and which the taxpayer acquired without cost, shall not qualify as a capital asset.

H.R. 11905. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals an income tax deduction of up to $2,500 annually and $10,000 in a lifetime for contributions to an individual housing account. Makes such accounts tax exempt and allows distributions from such an account to be tax free if such distributions are used exclusively or the purchase of a principal residence or the distributee.

H.R. 11906. April 5, 1978. Judiciary. Amends the Immigration and Nationality Act to revise the conditions under which aliens will be allowed immigrant visas for entry into the United States to practice medicine, attend graduate medical school, or perform other medically-related activity.

H.R. 11907. April 5, 1978. Judiciary. States that it shall not be deemed an act in restraint of trade for a nonprofit blood bank, nonprofit reservoir of human organs or any hospital or physician to refuse, or to join with others in refusing, to obtain blood or blood plasma, tissue, or organs from other blood banks, or reservoirs, nor shall the interstate shipment of such things be considered to be trade or commerce in commodities.

H.R 11908. April 5, 1978. Banking, Finance and Urban Affairs. Requires the President to direct the United States Governor of the

International Monetary Fund, the United States Governor of the International Bank for Reconstruction and Development, the United States Governor of the International Finance Corporation, the United States Governor of the Inter-American Development Bank, the United States Governor of the International Development Association, the United States Governor of the Asian Development Bank, and the United States Governor of the African Development Fund, to propose requirements that their respective institutions establish human rights standards to be considered in connection with each application for assistance.

H.R. 11909. April 5, 1978. Government Operations. Directs the Administrator of General Services to convey surplus real property consisting of 15½ miles of railroad rails, crossties, and associated hardware located at the United States Naval Magazine Lualualei, Oahu, Hawaii, to the State of Hawaii.

H.R. 11910. April 5, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals a limited income tax credit for educational expenses incurred for themselves, their spouses, and their dependents.

H.R. 11911. April 5, 1978. Government Operations; House Administration. Direct the installation of telecommunications devices which permit two-way communication of textual messages in alphanumeric form by telephone lines in specified Federal agencies to facilitate communication with such agencies by the deaf and provides assistance in such installations in State and local governmental offices. Permits the installation of such a device in the office of any Member of Congress who requests one. Provides for the installation of such devices throughout the United States for the use of deaf persons wishing to communicate with such government agencies or Members of Congress.

H.R. 11912. April 5, 1978. Banking, Finance and Urban Affairs. Authorizes the Secretary of the Treasury to mint and issue gold coins to be known as Jeffersons, Hamiltons, Madisons, and Franklins.

H.R. 11913. April 5, 1978. Ways and Means. Increases the rate of tax on wages and self-employment income under the Internal Revenue Code.

Amends title II (old-age, survivors, and disability insurance) of the Social Security Act to permit the making of loans among the trust funds under such title.

Amends such title to: (1) establish a working spouse's benefit; (2) eliminate gender-based distinctions in awarding benefits; and (3) increase the amount which an individual may earn without a reduction in benefits.

H.R. 11914. April 5, 1978. Ways and Means. Amends title II (old-age, survivors, and disability insurance) of the Social Security Act to require States having agreements for coverage of their employees under the system of insurance established by such title to make payments and reports on a calendar-quarter basis.

H.R. 11915. April 5, 1978. Banking, Finance and Urban Affairs. Authorizes the Secretary of Housing and Urban Development to enter into annual contributions contracts pursuant to the United States Housing Act of 1937 for the purpose of providing housing for low-income and elderly individuals in a specified area of Odessa, Tex.

H.R. 11916. April 5, 1978. Judiciary. Authorizes the issuance of a visa for permanent admittance to the United States, under the Immigration and Nationality Act.

H.R. 11917. April 5, 1978. Judiciary. Authorizes classification of certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 11918. April 5, 1978. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 11919. April 5, 1978. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 11920. April 5, 1978. Judiciary. Authorizes the issuance to a specified individual of a child for purposes of the Immigration and Nationality Act.

H.R. 11921. April 5, 1978. Judiciary. Authorizes the issuance to a specified individuals of a visa for permanent admittance to the United States, under the Immigration and Nationality Act.

H.R. 11922. April 6, 1978. Education and Labor. Amends the Domestic Volunteer Service Act of 1973 to increase the maximum stipend which may be paid to any VISTA volunteer, and authorizes the payment of an end-of-service stipend to specified persons as shall be determined by the Director of ACTION.

Declares that no volunteer shall forfeit government assistance to which he would otherwise be entitled because of the failure to seek or refusal to accept employment or training during the period of volunteer service.

Declares ACTION volunteers to be Federal employees for specified purposes.

H.R. 11923. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, personal exemptions, depreciation deductions, corporate surtax exemption, and property bases.

H.R. 11924. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to provide graduated income tax rates for corporations ranging from a 14 percent rate on the first $25,000 of income to a 48 percent rate on income in excess of $100,000,000.

H.R. 11925. April 6, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants and enter into contracts for establishing, maintaining, and expanding family planning projects with particular emphasis on adolescents.

H.R. 11926. April 6, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Secretary of Health, Education, and Welfare to make grants and enter into contracts for establishing, maintaining, and expanding family planning projects with particular emphasis on adolescents.

H.R. 11927. April 6, 1978. Government Operations. Amends the Buy American Act to require the heads of departments or independent establishments, before determining whether the bid or offered price of a foreign product is reasonable, to adjust such price in accordance with the instructions set forth in this Act.

H.R. 11928. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to expand and create tax benefits for United States citizens and resident aliens pertaining to the exclusion of foreign earned income, the computation of taxable income, the deduction of foreign living, travel, moving and education expenses, nonrecognition and gain on residential sales, and the exclusion of employer-supplied food and lodging.

H.R. 11929. April 6, 1978. Education and Labor. Increases the dollar amount of contracts to which the Davis-Bacon Act applies and provides for future increases tied to cost-of-living increases. Makes such Act applicable only to unskilled laborers. Details the method for computing the "prevailing wage" under the Act. Establishes a Federal Construction Appeals Board to hear appeals regarding wage rate determinations under the Act.

H.R. 11930. April 6, 1978. Public Works and Transportation. Authorizes the Secretary of Transportation to grant releases from restrictions on the use of certain property conveyed to the town of Galveston, Indiana, for airport purposes.

H.R. 11931. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to allow taxpayers to deduct all current expenditures for plants and facilities which are otherwise chargeable to capital account and which are certified as required by Federal law and as not significantly increasing the plant's or facility's value or productivity.

H.R. 11932. April 6, 1978. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) of the Social Security Act to permit payment for eye care, eyeglasses, hearing aids (and related examinations), dental care and dentures under the supplementary medical insurance program.

H.R. 11933. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to allow a deduction of up to $1,500 for household expenses to any taxpayer who maintains a household in which a dependent aged 65 or over resides.

H.R. 11934. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to allow an individual who has attained the age of 62 before the close of the taxable year to exclude up to $3,000 of interest which would otherwise be includible in gross income.

H.R. 11935. April 6, 1978. Banking, Finance and Urban Affairs. Amends the Export-Import Bank Act of 1945 to create a position for an officer whose sole duty shall be to promote the export of goods and services related to solar power and other nonnuclear renewable energy resources.

H.R. 11936. April 6, 1978. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to provide that each State shall have at least one very high frequency commercial television station located within the State.

H.R. 11937. April 6, 1978. Banking, Finance and Urban Affairs. Amends the Interstate Land Sales Full Disclosure Act to revise certain disclosure requirements, to extend the power of the Secretary of Housing and Urban Development to enforce this Act, to increase penalties for violations of this Act, to create the right of the attorney generals to sue as parens patriae, and to insure the provision of basic services promised by a developer of a subdivision.

Directs the Secretary to appoint an Administrator of Interstate Land Sales.

H.R. 11938. April 6, 1978. Armed Services. Amends the Federal Civil Defense Act of 1950 to authorize appropriations for fiscal years 1979 through 1985 to carry out the provisions of such Act.

H.R. 11939. April 6, 1978. Education and Labor. Amends the formula for allocating funds among the States for basic vocational rehabilitation services under the Rehabilitation Act of 1973.

H.R. 11940. April 6, 1978. Judiciary. Removes the exclusion from the antitrust laws which now applies to any joint agreement among persons engaged in organized professional baseball which permits the telecasting of any professional baseball game on any Friday after six o'clock postmeridian during the period beginning on the second Friday in September and ending on the second Saturday in December if such telecasting interferes with specified intercollegiate or interscholastic football contests.

H.R. 11941. April 6, 1978. Ethics. Requires each Member of Congress, officer of either House of Congress, principal assistant to a Member or officer, employee of a Member, officer, or committee who is compensated at a rate equal to or in excess of the basic pay rate for grade GS–16, and any individual who becomes a candidate in any election for the office of Member to file an annual financial report.

H.R. 11942. April 6, 1978. Judiciary. Amends the Clayton Act to permit suits by any indirect purchaser or seller in the chain

of manufacture, production, or distribution of goods or services who proves financial injury which was not passed on to another purchaser or seller in the chain.

Permits proof of fact of injury and amount of damages on a class-wide basis in class action and actions brought by State attorneys general.

Prohibits any foreign government from bringing a suit for treble damages under the Clayton Act.

H.R. 11943. April 6, 1978. Public Works and Transportation. Authorizes the Secretary of the Army, acting through the Chief of Engineers, to carry out a dredging project at Sheepshead Bay, New York.

H.R. 11944. April 6, 1978. Interior and Insular Affairs. Removes residency requirements and acreage limitations applicable to lands subject to reclamation laws.

H.R. 11945. April 6, 1978. Armed Services. Authorizes the Secretary of the Army to transfer to the Secretary of the Navy 10 specified paintings for return to the Navy of the Federal Republic of Germany.

H.R. 11946. April 6, 1978. Judiciary. Prohibits, after 3 years following the enactment of this Act, (1) any licensee or permittee from manufacturing, importing, or otherwise placing or receiving in commerce any explosive, or (2) any person from placing or receiving in commerce any explosive sold as military surplus, unless such substance contains a material which permits identification of the manufacturer and date of manufacture after detonation identification and a material which permits detection of the substance prior to detonation.

H.R. 11947. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals a limited income tax credit for the rent paid for their principal residence.

H.R. 11948. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to make new greenhouses eligible for the investment tax credit.

H.R. 11949. April 6, 1978. Ways and Means. Amends the Internal Revenue Code to allow manufacturers placing property eligible for the investment tax credit in designated "labor surplus" areas to take double investment tax credits and depreciation deduction for the property. Doubles the allowable deduction for real property taxes on realty used in connection with this property.

H.R. 11950. April 6, 1978. Interior and Insular Affairs; Interstate and Foreign Commerce; Science and Technology. Amends the Energy Reorganization Act of 1974 to expand the licensing and related regulatory authority of the Nuclear Regulatory Commission concerning long and short-term storage and disposal of nuclear material.

Amends the Atomic Energy Act of 1954 to permit State-issued licenses for the long-term disposal of nuclear material to remain in effect for 3 years from the enactment of this Act.

H.R. 11951. April 6, 1978. Interstate and Foreign Commerce. Amends the communications Act of 1934 to revise procedures for: (1) the renewal of broadcast station licenses; and (2) public participation in regulatory proceedings of the Federal Communications Commission.

Requires the Commission to conduct a study to determine how to reduce the scarcity of broadcast frequencies and to further the goals of maximum feasible access of local communities to diverse sources of information and to economic competition among communications media.

H.R. 11952. April 6, 1978. Banking, Finance and Urban Affairs. Authorizes a certain nonprofit corporation to have medals struck in commemoration of the XIII Olympic Winter Games to be held in Lake Placid, New York in 1980.

H.R. 11953. April 6, 1978. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 11954. April 6, 1978. Judiciary. Directs the Administrator of the Agency for International Development to pay a sum to a certain individual.

H.R. 11955. April 10, 1978. Agriculture; Ways and Means. Amends the Agricultural Act of 1949 to establish price supports for corn, upland cotton, milk, soybeans, wheat, wool and mohair.

Amends the Internal Revenue Code to limit deductions attributable to the trade or business of farming for any taxpayer whose nonfarm adjusted gross income exceeds a specified amount, and who does not elect to compute his income on the accrual method of accounting.

Establishes grant, loan, marketing, research, education, training, and demonstration programs to help preserve and encourage small- and moderate-sized family farming enterprises.

Establishes a Food Price Review Board to monitor food price increases.

H.R. 11956. April 10, 1978. Judiciary. Amends the charter of the Boy Scouts of America to stipulate that the annual report of the Boy Scouts shall be printed each year as a separate House document.

H.R. 11957. April 10, 1978. Agriculture. Amends the Rural Electrification Act of 1936 to redefine "telephone service" as any telecommunication service for the transmission of voice, data, sounds, signals, pictures, writing, or signs of any kind by wire, radio, light, or other electromagnetic systems, including (1) all lines, facilities, or systems used in the rendition of such service and (2) community antenna and cable television facilities, Excludes from "telephone service" message telegram service and radio broadcasting services or facilities.

H.R. 11958. April 10, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to make grants and contracts to public and private entities to acquire the automated equipment, supplies, and personnel required to conduct multiple screening of blood specimens routinely collected from newborn infants for metabolic disorders.

H.R. 11959. April 10, 1978. Merchant marine and Fisheries. Provides for the reimbursement of State costs for developing and revising conservation plans, and for implementing nongame fish and wildlife projects.

Amends the Internal Revenue Code to impose an excise tax on the sale by the manufacturer, producer, or importer of specified camping equipment and wild bird supplies.

H.R. 11960. April 10, 1978. Interior and Insular Affairs; Interstate and Foreign Commerce; Rules. Directs the Secretary of Energy to conduct a study of the storage of spent nuclear fuel at temporary fuel storage facilities, and the permanent storage of radioactive waste.

Requires the President to issue a plan with respect to the temporary and permanent storage of such waste.

Permits Congress to reject such plan by the adoption of a concurrent resolution.

H.R. 11961. April 10, 1978. Public Works and Transportation; Education and Labor. Amends part II of the Interstate Commerce Act (Motor Carriers) to exempt from the provisions of such part vehicles carrying up to 15 persons in a single day roundtrip for the purpose of commuting to and from work.

Amends the Fair Labor Standards Act to exempt from the minimum wage and maximum hours provisions of such Act individuals participating in a voluntary ride-sharing arrangement for the transportation of up to 15 persons in a single day round trip for the purpose of commuting to and from work.

H.R. 11962. April 10, 1978. Government Operations. Directs the Environmental Protection Agency and all other Federal regulatory agencies to issue an economic cost and environmental impact analysis prior to the enactment of any new regulation.

H.R. 11963. April 10, 1978. Ways and Means. Amends the Antidumping Act, 1921, to revise procedures with respect to the investigation by the Secretary of the Treasury and the International Trade Commission of allegations of import "dumping." Imposes liquidation deadlines upon imported merchandise upon which a special "dumping" duty has been imposed. Requires the establishment of a task force for each investigation of "dumping" allegations to serve as an intermediary between the Secretary and the industrial and labor groups interested in the investigation.

H.R. 11964. April 10, 1978. Ways and Means. Amends the Internal Revenue Code with respect to corporate tax rates and dividend deductions, employer investment, and employment credits, business expense deductions and investment credits, and individual stock dividend exclusions. Provides for cost-of-living adjustments to depreciation allowances, property bases and United States obligations.

H.R. 11965. April 10, 1978. Armed Services. Prohibits the transfer or disposal of any military installation located in the Panama Canal Zone unless specifically authorized by Act of Congress.

H.R. 11966. April 10, 1978. Public Works and Transportation. Requires the Administrator of General Services to submit prospect uses approval before acquiring any building required in connection with the relocation of personnel because of the establishment of the Department of Energy.

H.R. 11967. April 10, 1978. Interstate and Foreign Commerce. Amends the Public Health Service Act to authorize the Administrator of the Environmental Protection Agency to make grants to any State, municipality, or interstate or intermunicipal agency for the purchase, construction, or modification of drinking water treatment facilities which are part of an eligible water system. Defines an eligible water system to mean any water system which is publicly owned and which serves 60,000 or fewer individuals.

Amends grants for up to 75 percent of the total cost of purchase, construction, or modification of any facility.

H.R. 11968. April 10, 1978. Banking, Finance and Urban Affairs. Amends the National Housing Act to require that at least one-third of the voting members of every board of directors or other advisory board of State plans to assure fair access to insurance shall not be employed by, or otherwise affiliated with, insurers, agents, or other entities of the insurance industry.

H.R. 11969. April 10, 1978. Banking, Finance and Urban Affairs. Amends the National Housing Act to redefine the term "essential property insurance" to include homeowners insurance for purposes of the National Insurance Development Program.

H.R. 11970. April 10, 1978. Banking, Finance and Urban Affairs. Amends the Housing Act of 1959 to extend through fiscal year 1981, the borrowing authority of the Secretary of Housing and Urban Development for purposes of making loans for housing and related facilities for elderly and handicapped families.

Makes provisions for the financing of congregate services for elderly and handicapped families.

H.R. 11971. April 10, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to provide that an individual with 20

years of work covered by such title may qualify for disability insurance benefits without regard to when the work was performed.

H.R. 11972. April 10, 1978. Interior and Insular Affairs. Authorizes appropriations to the Alaska Power Administration, the Western Area Power Administration, the Southeastern Power Administration, and the Southwestern Power Administration.

H.R. 11973. April 10, 1978. Post Office and Civil Service. Requires the United States Postal Service to withhold State disability insurance contributions from the pay of postal service employees employed in such State and to forward such contributions to the State.

H.R. 11974. April 10, 1978. Banking, Finance and Urban Affairs. Amends the Export-Import Bank Act of 1945 (1) to increase the dollar limitation on the issuance of guarantees and insurance against political and credit risks of loss, (2) to increase the dollar limitation on the aggregate outstanding loans, guarantees, and insurance of the Export-Import Bank, (3) to alter the period for submission to Congress of statements regarding specified types of proposed loans, and (4) to set spending limitations. Extends the authority of the Bank through fiscal year 1983.

H.R. 11975. April 10, 1978. Armed Services. Eliminates the requirement that annual reports regarding the armed forces reserves be submitted to the Committees on Armed Services of the Senate and House of Representatives.

H.R. 11976. April 10, 1978. Ways and Means. Amends Title II (Old-Age, Survivors, and Disability Insurance) of the Social Security Act to require States having agreements for coverage of their employees under the system of insurance established by such Title to make payments and reports on a calendar-quarter basis.

H.R. 11977. April 10, 1978. Ways and Means. Amends the Internal Revenue Code to expand and create tax benefits for United States citizens and resident aliens pertaining to the exclusion of foreign earned income, the computation of taxable income, the deduction of foreign living, travel, moving and education expenses, nonrecognition and gain on residential sales, and the exclusion of employer-supplied food and lodging.

H.R. 11978. April 10, 1978. Post Office and Civil Service. Requires that Federal employees be given compensatory time off to conform to religious requirements of abstention from work during certain periods of time.

H.R. 11979. April 10, 1978. Interstate and Foreign Commerce. Amends the Department of Transportation Act with respect to the amount, conditions of eligibility, cost sharing formula, and the State entitlement computation of Federal local rail freight assistance programs.

H.R. 11980. April 10, 1978. Interstate and Foreign Commerce. Amends the Federal Railroad Safety Act of 1970 to authorize appropriations in specified amounts to carry out the provisions of such Act for fiscal years 1979 and 1980.

Places restrictions on a State's authority to commence an action to enforce railroad safety rules or regulations.

Removes the authority of the National Transportation Safety Board to investigate rail accidents.

Amends the Hours of Service Act to restrict its application to common carriers by railroad engaging in interstate or foreign commerce.

Vests the authority to assess civil penalties for improperly equipped railroad cars and locomotives with the Secretary of Transportation.

H.R. 11981. April 10, 1978. Interstate and Foreign Commerce. Amends the Railroad Revitalization and Regulatory Reform Act of 1976 to revise the financing of rail rehabilitation and improvement projects.

H.R. 11982. April 10, 1978. Interstate and Foreign Commerce. Amends the Rail Passenger Service Act to authorize appropriations for fiscal years 1979 and 1980 for use by the National Railroad Passenger Corporation to carry out the provisions of such Act.

H.R. 11983. April 10, 1978. House Administration. Amends the Federal Election Campaign Act of 1971 to extend the authorization of appropriations to carry out the purposes of the Act for fiscal year 1979.

H.R. 11984. April 10, 1978. Ways and Means; Interstate and Foreign Commerce. Amends Title XVIII (Medicare) and Title XIX (Medicaid) of the Social Security Act to provide payment for services performed by professional clinical social workers. Includes outpatient services, community mental health centers, and neighborhood health centers among "qualified providers" under Titles XVIII and XIX. Removes specified limitations which are imposed on coverage of psychiatric and mental health services under such Titles.

H.R. 11985. April 10, 1978. Agriculture. Amends the Commodity Credit Corporation Charter Act to make the Commodity Credit Corporation the seller or marketing agent for all export sales of the following commodities in raw form: wheat, corn, grain sorghum, barley, oats, rye, and soybeans.

H.R. 11986. April 11, 1978. Ways and Means. Amends the Internal Revenue Code to provide financing for the replacement and remodeling of jet aircraft which fail to meet Federal noise standards by refunding a portion of the excise taxes collected on passenger and property traffic.

H.R. 11987. April 11, 1978. Ways and Means. Amends the Internal Revenue Code to allow New York State and City employee pension plans to purchase New York City debt up to specified portions of their total assets without losing their status as tax exempt organizations or qualified pension plans.

Directs the trustees of each plan to file copies of their New York State Insurance Department annual reports with the Congress and the Secretary of the Treasury until less than ten percent of their plan's assets consists of such debt.

H.R. 11988. April 11, 1978. Education and Labor. Redefines the term employer for purposes of the Age Discrimination in Employment Act of 1967 to mean any person engaged in an industry affecting commerce regardless of the number of individuals employed by such person.

H.R. 11989. April 11, 1978. Post Office and Civil Service. States that for purposes of Federal disability retirement, persons ovel 55 years of age shall not have their disability annuity discontinued by reason of such restoration of such person's earning capacity if such disability is permanent in nature and has continued for at least three years. Grants a Federal hiring priority to persons whose Federal disability annuity has been terminated by reason of the restoration of such person's earning capacity.

H.R. 11990. April 11, 1978. Public Works and Transportation. Grants to temporary, part-time, intermittent, and construction employees of the Tennessee Valley Authority who are separated from employment for any reason not related to performance or conduct priority in placement in specified positions in such Authority.

H.R. 11991. April 11, 1978. Ways and Means. Amends the Internal Revenue Code to provide that an individual's allowable charitable contributions shall be deducted when determining the individual's adjusted gross income; thereby providing the deduction to individuals who do not itemize.

H.R. 11992. April 11, 1978. Ways and Means. Amends the Internal Revenue Code to allow individuals an income tax deduction of up to $2,500 annually and $10,000 in a lifetime for contributions to an individual housing account. Makes such accounts tax exempt and allows distributions from such an account to be tax free if such distributions are used exclusively for the purchase of a principal residence for the distributee.

H.R. 11993. April 11, 1978. Agriculture. Directs the Secretary of Agriculture to compensate any farmer or rancher who owns any dairy cow which, under any Federal law, is destroyed in order to control or eradicate brucellosis.

Directs the Secretary to make grants to States for conducting a brucellosis vaccination program.

Amends the Consolidated Farm and Rural Development Act to require the Secretary to make principal and interest payments on any operating or emergency loan relating to the dairy operation of any farmer or rancher who owns dairy cattle subject to a brucellosis quarantine.

H.R. 11994. April 11, 1978. Ways and Means. Amends the Internal Revenue Code to create the World Peace Tax Fund and a Board of Trustees to administer the Fund and to make grants for research and other projects aimed at achieving world peace.

Permits persons conscientiously opposed to participation in war to designate income, gift, or estate taxes to be paid into the Fund.

H.R. 11995. April 11, 1978. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to provide grants to States (1) to make a study of the costs involved in removing architectural, communications, and attitudinal barriers against handicapped persons in federally assisted programs; and (2) to pay the costs involved in assisting in such removal.

H.R. 11996. April 11, 1978. Judiciary. Extends death benefit coverage under the Public Safety Officers' Benefits Act to officers who die as a result of a medical condition arising out of or exacerbated by official duties.

H.R. 11997. April 11, 1978. Ways and Means. Amends the Internal Revenue Code to allow public utilities to exclude from gross income, as contributions to capital, all amounts received in aid of construction of electric energy, steam, or gas facilities.

H.R. 11998. April 11 1978. Interstate and Foreign Commerce. Amends the Consumer Product Safety Act to provide an interim mandatory safety standard for flame resistance and corrosiveness for cellulose insulation.

Requires the Consumer Product Safety Commission to enforce such rule in the same manner as any other consumer product safety rule.

Requires the Commission to promulgate a final rule if the Commission determines that the interim rule does not adequately protect the public.

H.R. 11999. April 11, 1978. Education and Labor. Directs the Secretary of Labor to establish a program to: (1) fund training and employment programs for youths in jobs on public service and private employment projects; and (2) provide special employment assistance to unemployed youths, the goal of such program to be the elimination of youth unemployment. Establishes within the Department of Labor a National Youth Full Employment Board and a Youth Job Guarantee Office to assist in the administration of the program.

Amends the Comprehensive Employment and Training Act of 1973 to require prime sponsor planning councils to select, plan, and evaluate projects assisted under this Act.

H.R. 12000. April 11, 1978. Interstate and Foreign Commerce. Imposes daylight saving time upon States the President finds to be suffering from severe energy shortages.

H.R. 12001. April 11, 1978. Interior and Insular Affairs. Directs the Secretary of the Interior to establish the New River Gorge Na-

tional River, in West Virginia, to be composed of a designated segment of the New River.

H.R. 12002. April 11, 1978. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to give financial assistance to centers which train dogs to assist individuals with hearing disabilities. Directs that grants will be made to one center in each of the ten standard Federal Regions as defined by the Office of Management and Budget.

H.R. 12003. April 11, 1978. Judiciary. Establishes, through the Director of the Administrative Office of the United States Courts, programs to (1) compile and make available lists of qualified interpreters for non-English speakers and hearing or speech impaired persons and (2) provide the services of such interpreters free in criminal actions and civil actions initiated by the United States.

Permits, and sets guidelines for, the use of Spanish in the United States District Court for the District of Puerto Rico and prohibits the disqualification of potential jurors in such court solely on the ground that they cannot speak English.

Revises the Director's administrative duties and powers.

H.J. Res. 798. March 16, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of September 17, 1978, as "National Port Week."

H.J. Res. 799. March 16, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of September 17, 1978, as "National Port Week."

H.J. Res. 800. March 16, 1978. Science and Technology. Directs the Office of Technology Assessment to study energy strategies and to transmit a final report to Congress of such study within 18 months of the passage of this resolution.

H.J. Res. 801. March 16, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 802. March 20, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 803. March 20, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 804. March 20, 1978. Post Office and Civil Service. Designates the John Philip Sousa composition known as "The Stars and Stripes Forever" as the National march of the United States.

H.J. Res. 805. March 20, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 806. March 21, 1978. Post Office and Civil Service. Authorizes and requests the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 807. March 21, 1978. Judiciary. Constitutional amendment—States that the terms of Representaives shall be four years.

H.J. Res. 808. March 21, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the first Friday of March of each year as "Teacher Day, U.S.A."

H.J. Res. 809. March 22, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 810. March 22, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 811. March 22, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 812. March 22, 1978. Post Office and Civil Service. Authorizes and requests the President to designate March 6, 1979, as "Private Enterprise Day."

H.J. Res. 813. March 22, 1978. Judiciary. Extends to 14 years the deadline for ratification of the equal rights amendment.

H.J. Res. 814. March 22, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of June 4, 1978 as "National Neighborhood Week."

H.J. Res. 815. April 3, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 816. April 3, 1978. Banking, Finance and Urban Affairs. Amends the Federal Reserve Act to extend the authority of Federal Reserve banks to purchase and sell obligations fully guaranteed by the United States until May 1, 1979.

H.J. Res. 817. April 3, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 818. April 3, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A.".

H.J. Res. 819. April 4, 1978. Education and Labor; Post Office and Civil Service. Directs the Department of Commerce, in consultation with the Department of Labor, to develop methods for better collection and publication of labor force characteristics relating to women in professional, technical, and managerial occupations (including a breakdown in the statistical tables of the Bureau of the Census).

H.J. Res. 820. April 4, 1978. Post Office and Civil Service. Authorizes and requests the President to designate May 18, 1978, as "Museum Day".

H.J. Res. 821. April 4, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A.".

H.J. Res. 822. April 4, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A.".

H.J. Res. 823. April 4, 1978. Judiciary. Constitutional Amendment—Declares the term "person," with respect to due process and equal protection, applicable to human beings irrespective of age, health, function or condition of dependency, including the unborn. Prohibits the deprivation of life of an unborn person, except under laws permitting medical procedures required to prevent the death of the mother.

H.J. Res. 824. April 4, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A.".

H.J. Res. 825. April 5, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A.".

H.J. Res. 826. April 6, 1978. Post Office and Civil Service. Authorizes and requests the President to designate Sunday, September 24, 1978, as "National Good Neighbor Day."

H.J. Res. 827. April 6, 1978. Post Office and Civil Service. Expresses the Congress' recognition of Doctor Mahlon Loomis for his contribution to wireless communication.

H.J. Res. 828. April 10, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 829. April 10, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 830. April 10, 1978. Post Office and Civil Service. Designates the square dance as the national folk dance of the United States.

H.J. Res. 831. April 10, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 832. April 10, 1978. Judiciary. Constitutional Amendment—Gives citizens of the United States, who are 18 years of age or older, the right to vote in the primary election immediately preceding any general election.

H.J. Res. 833. April 10, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 834. April 11, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 835. April 11, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 836. April 11, 1978. Post Office and Civil Service. Designates the week of September 10, through September 17 of 1978 as "National Rehabilitation Week."

H.J. Res. 837. April 11, 1978. Post Office and Civil Service. Designates the week of September 10, through September 17 of 1978 as "National Rehabilitation Week."

H.J. Res. 838. April 11, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of September 17, 1978, as "National Port Week."

H.J. Res. 839. April 11, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of September 17, 1978, as "National Port Week."

H.J. Res. 840. April 11, 1978. House Administration. Authorizes appropriations for the acquisition of a monument to Doctor Ralph J. Bunche and its erection in United Nations Plaza Park in New York City.

H.J. Res. 841. April 11, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 842. April 11, 1978. Judiciary. Extends to 14 years the deadline for ratification of the equal rights amendment.

H.J. Res. 843. April 11, 1978. International Relations. Directs the President to seek an international agreement to prevent pollution of the oceans by establishing tanker safety criteria.

H.J. Res. 844. April 12, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 845. April 12, 1978. Interior and Insular Affairs. Postpones for six months the implementation of the enforcement provisions of the Surface Mine Control and Reclamation Act of 1977.

H.J. Res. 846. April 12, 1978. Post Office and Civil Service. Authorizes and directs the President to designate April 18, 1978, as "Education Day, U.S.A."

H.J. Res. 847. April 12, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of June 4, 1978, as "National Neighborhood Week."

H.J. Res. 848. April 12, 1978. Ways and Means; Judiciary. Declares (1) that the Department of the Treasury does not possess authority to implement certain proposed firearms transaction reporting regulations, (2) that such proposed additional recordkeeping requirements serve no useful purpose and are wasteful and (3) that the Department must seek explicit congressional authorization before proposing any rules or regulations for centralizing records required under existing firearms law.

H.J. Res. 849. April 12, 1978. International Relations. Directs the President to seek an international agreement to prevent pollution of the oceans by establishing tanker safety criteria.

H.J. Res. 850. April 13, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week beginning on November 19, 1978, as "National Family Week."

H.J. Res. 851. April 13, 1978. Post Office and Civil Service. Authorizes and requests the

President to designate the week beginning on November 19, 1978, as "National Family Week."

H.J. Res. 852. April 13, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week beginning on November 19, 1978, as "National Family Week."

H.J. Res. 853. April 13, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week beginning on November 19, 1978, as "National Family Week."

H.J. Res. 854. April 13, 1978. International Relations. Expresses United States determination (1) to prevent the aggressive activities of the Soviet Union and Cuba in the Western Hemisphere, (2) to prevent the creation of externally supported Cuban military capability, and (3) to work with the Organization of American States for hemisphere security.

H.J. Res. 855. April 18, 1978. Judiciary. Extends to 14 years the deadline for ratification of the equal rights amendment.

H.J. Res. 856. April 18, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of June 4, 1978, as "National Neighborhood Week."

H.J. Res. 857. April 18, 1978. Post Office and Civil Service. Authorizes and requests the President to designate May 7 of each year as the "National Day of Prayer."

H.J. Res. 858. April 18, 1978. Post Office and Civil Service. Designates the week starting with the third Monday in February of each year as "National Patriotism Week."

H.J. Res. 859. April 19, 1978. Appropriations. Makes supplemental appropriations to the United States Railway Association for administrative expenses for fiscal year 1979.

H.J. Res. 860. April 19, 1978. Post Office and Civil Service. Designates the pine tree as the national arboreal emblem of the United States.

H.J. Res. 861. April 19, 1978. Post Office and Civil Service. Authorizes and requests the President to designate the week of September 17, 1978, as "National Port Week."

H. Con. Res. 548. April 3, 1978. Ways and Means. Declares it the sense of Congress that the President should not impose an import fee on oil as a means of reducing crude oil imports.

H. Con. Res. 549. April 5, 1978. International Relations. Commends the United States delegation to the Belgrade Conference for obtaining a review of compliance with the human rights provisions of the Helsinki Accords (the Final Act of the Conference on Security and Cooperation in Europe). Urges the President and other executive branch officials to continue to express United States opposition to repressive actions and violations of human rights which are contrary to the Helsinki Accords.

H. Con. Res. 550. April 5, 1978. International Relations. Urges the Government of Canada to reassess its present policy of permitting the killing of newborn harp seals in Canadian waters.

H. Con. Res. 551. April 5, 1978. Ways and Means. Disapproves the action of the President denying import relief under the Trade Act of 1974 to the high-carbon ferrochromium industry, transmitted to Congress on January 27, 1978.

H. Con. Res. 552. April 5, 1978. Post Office and Civil Service. Designates the month of April as "Fair Housing Month".

H. Con. Res. 553. April 6, 1978. Interstate and Foreign Commerce. Requires the Department of Energy to report on the energy conservation impact of all legislation, rules, and orders that will substantially increase fuel consumption in the United States before such actions take effect.

H. Con. Res. 554. April 10, 1978. Merchant Marine and Fisheries. Expresses the sense of the Congress that any right to, title to, or interest in property of the United States Government agencies in the Panama Canal Zone or any real property and improvements thereon located in the Zone should not be conveyed, relinquished, or otherwise disposed of to any foreign government without specific authorization of such conveyance, relinquishment, or other disposition by an Act of Congress.

H. Con. Res. 555. April 10, 1978. Ways and Means. Expresses Congressional approval of nondiscriminatory tariff treatment of products imported from Hungary, proposed by the President on April 7, 1978.

H. Con. Res. 556. April 11, 1978. House Administration. Directs the printing of a "Summary of Veterans' Legislation Reported, Ninety-fifth Congress," for the House Committee on Veterans' Affairs, and a similar publication, but with emphasis upon veterans' affairs considered by the Senate for use of the Senate Committee on Veterans' Affairs.

H. Con. Res. 557. April 12, 1978. Merchant Marine and Fisheries. Expresses the sense of the Congress that any right to, title to, or interest in property of the United States Government agencies in the Panama Canal Zone or any real property and improvements thereon located in the Zone should not be conveyed, relinquished, or otherwise disposed of to any foreign government without specific authorization of such conveyance, relinquishment, or other disposition by an Act of Congress.

H. Con. Res. 558. April 13, 1978. Ways and Means; Judiciary. Declares that certain proposed regulations of the Department of the Treasury regarding centralized firearms sales recordkeeping and other firearms control measures exceed the Department's authority, and directs that the regulations be withdrawn.

H. Con. Res. 559. April 14, 1978. Sets forth the congressional budget for the United States Government for fiscal year 1979.

H. Con. Res. 560. April 18, 1978. Ways and means; Judiciary. Declares that certain proposed regulations of the Department of the Treasury regarding centralized firearms sales recordkeeping and other firearms control measures exceed the Department's authority, and directs that the regulations be withdrawn.

H. Con. Res. 561. April 18, 1978. House Administration. Directs the revision and reprinting as a House Document of "The United States Capitol."

H. Con. Res. 562. April 18, 1978. International Relations. Urges the Government of Canada to reassess its present policy of permitting the killing of newborn harp seals in Canadian waters.

H. Con. Res. 563. April 18, 1978. Post Office and Civil Service. Designates the month of April as "Fair Housing Month."

H. Con. Res. 564. April 18, 1978. Post Office and Civil Service. Designates the month of April as "Fair Housing Month."

H. Con. Res. 565. April 20, 1978. International Relations. Urges the Government of Japan to reassess its policy of permitting and subsidizing the killing of dolphins in Japanese waters.

H. Con. Res. 566. April 20, 1978. International Relations. Urges the Government of Japan to reassess its policy of permitting and subsidizing the killing of dolphins in Japanese waters.

H. Con. Res. 567. April 20, 1978. Judiciary; Ways and Means. Declares that certain proposed regulations of the Department of the Treasury regarding centralized firearms sales recordkeeping and other firearms control measures exceed the Department's authority, and directs that the regulations be withdrawn.

H. Con. Res. 568. April 20, 1978. International Relations. Declares it the sense of Congress that the United States should encourage the United Nations to hold a World Alternate Energy Conference to consider alternate ways to meet the world's energy needs and to establish an International Alternate Energy Commission to encourage worldwide use of alternate energy sources.

H. Con. Res. 569. April 20, 1978. Judiciary; Ways and Means. Declares that certain proposed regulations of the Department of the Treasury regarding centralized firearms sales recordkeeping and other firearms control measures exceed the Department's authority, and directs that the regulations be withdrawn.

H. Con. Res. 570. April 20, 1978. Judiciary; Ways and Means. Declares that certain proposed regulations of the Department of the Treasury regarding centralized firearms sales recordkeeping and other firearms control measures exceed the Department's authority, and directs that the regulations be withdrawn.

H. Con. Res. 571. April 24, 1978. Judiciary; Ways and Means. Declares that certain proposed regulations of the Department of the Treasury regarding centralized firearms sales recordkeeping and other firearms control measures exceed the Department's authority, and directs that the regulations be withdrawn.

H. Res. 1064. March 8, 1978. Rules. Amends rule XI of the Rules of the House of Representatives to require that all committee reports accompanying public bills or joint resolutions which authorize or appropriate specific sums for any fiscal year, contain a computation of the annual tax impact of such legislation on the individual taxpayer.

H. Res. 1065. March 8, 1978. International Relations. Expresses the concern of the House of Representatives regarding the slaughter of dolphins by Japanese fishermen in the Sea of Japan on February 23 and 24, 1978.

Encourages the Government of Japan to join in certain discussions and information exchanges in an effort to eliminate such slaughter.

H. Res. 1066. March 8, 1978. Judiciary. Urges the House of Representatives Committee on the Judiciary to disapprove S. 1437 (criminal code revision) and to conduct full hearings regarding revision of the Federal criminal code.

H. Res. 1067. March 9, 1978. Sets forth the rule for the consideration of H.R. 3161 (Executive agency firefighting personnel workweek).

H. Res. 1068. March 9, 1978. Ways and Means. States that the Commissioner of the Internal Revenue Service should not implement the proposed reorganization of certain Internal Revenue Service district offices until the appropriate committees of Congress have had an opportunity to hold hearings on the proposal.

H. Res. 1069. March 10, 1978. Interstate and Foreign Commerce. Expresses the sense of the House of Representatives that the Federal Communications Commission should maximize local primary radio broadcast service in any proceeding respecting the provision of class I–A and I–B radio service, and should prohibit the operation of a standard broadcast station with power in excess of 50,000 watts.

H. Res. 1070. March 13, 1978. House Administration. Amends House Resolution 879 (95th Congress) to extend funding for certain standing and select committees of the House to April 30, 1978.

H. Res. 1071. March 13, 1978. International Relations. Expresses the sense of the House of Representatives with respect to the killing of porpoise by Japanese fishermen in February 1978, and calls for a halt of such practice.

H. Res. 1072. March 13, 1978. Education and Labor. Objects to the Commissioner of Education's proposed consolidation of certain advisory councils.

H. Res. 1073. March 13, 1978. Judiciary. Refers H.R. 11450 to the Chief Commissioner of the U.S. Court of Claims.

H. Res. 1074. March 14, 1978. Sets forth the rule for the consideration of H.R. 9518 (Shipping Act amendments).

H. Res. 1075. March 14, 1978. Armed Services; Intelligence. Directs the Secretary of Defense to furnish to the House of Represent-

atives all documents and pertinent information relating to the extent of Cuban or other foreign military or paramilitary presence in the Republic of Panama or in the Panama Canal Zone on specified dates.

H. Res. 1076. March 14, 1978. Rules. Directs the House Armed Services Committee and the House Small Business Committee to investigate tire sales by military exchanges.

H. Res. 1077. March 14, 1978. Judiciary. Refers H.R. 11555 to the Chief Commissioner of the U.S. Court of Claims.

H. Res. 1078. March 15, 1978. Sets forth the rule for the consideration of H.R. 7700 (Postal rate and service reform).

H. Res. 1079. March 15, 1978. Rules. Amends rule XI of the Rules of the House of Representatives to require that all committee reports accompanying public bills or joint resolutions which authorize or appropriate specific sums for any fiscal year, contain a computation of the annual tax impact of such legislation on the individual taxpayer.

H. Res. 1080. March 16, 1978. Rules. Amends the Rules of the House of Representatives to transfer the responsibility of investigating Communist and subversive organizations affecting the internal security of the United States to a standing committee on Internal Security established by this Resolution. Confers upon such Committee the responsibility for investigating all organizations within the United States aimed at overthrowing the Government of the United States by force, insurrection or other unlawful means or inciting or employing violence to obstruct the authority of the Federal Government with respect to matters of internal security of the United States.

H. Res. 1081. March 16, 1978. Banking, Finance and Urban Affairs. Expresses the sense of the House that the national motto, "In God We Trust," shall continue to be engraved and printed on the currency of the United States.

H. Res. 1082. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1083. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1084. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1085. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1086. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1087. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1088. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1089. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideraion of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1090. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1091. March 16, 1978. International Relations. Expresses the condemnation of the House of Representatives of the kidnapping of Aldo Moro.

Declares it the sense of the House of Representatives that (1) Italy deserves the support of the United States, and (2) the President should instruct the Permanent Representative to the United Nations to press for consideration of solutions to the problem of terrorism in all appropriate forums.

H. Res. 1092. March 20, 1978. Sets forth the rule for the consideration of H.R. 11518 (Extension of temporary debt limit).

H. Res. 1093. March 20, 1978. Sets forth the rule for the consideration of H.R. 11315 (Federal Election Campaign Act amendments).

H. Res. 1094. March 20, 1978. Rules. Amends the Rules of the House of Representatives to transfer the responsibility of investigating Communist and subversive organizations affecting the internal security of the United States to a standby committee on Internal Security established by this Resolution. Confers upon such Committee the responsibility for investigating all organizations within the United States aimed at overthrowing the Government of the United States by force, insurrection or other unlawful means or inciting or employing violence to obstruct the authority of the Federal Government with respect to matters of internal security of the United States.

H. Res. 1095. March 20, 1978. Rules. Amends the Rules of the House of Representatives to transfer the responsibility of investigating Communist and subversive organizations affecting the internal security of the United States to a standing committee on Internal Security established by this Resolution. Confers upon such Committee the responsibility for investigating all organizations within the United States aimed at overthrowing the Government of the United States by force, insurrection or other unlawful means or inciting or employing violence to obstruct the authority of the Federal Government with respect to matters of internal security of the United States.

H. Res. 1096. March 20, 1978. International Relations. Declares it the sense of the House of Representatives that the International Investment Survey should be completed during 1978.

H. Res. 1097. March 21, 1978. Rules. Amends rule XXI of the Rules of the House of Representatives to prohibit the inclusion in any appropiration bill or amendment thereto of a provision which changes existing law or imposes any limitation not contained in existing law.

H. Res. 1098. March 21, 1978. Rules. Amends rule XXI of the Rules of the House of Representatives to prohibit the inclusion in any general appropriation bill or amendment thereto, of any provision which imposes any limitation not contained in existing law.

Prohibits the consideration by the House of any joint resolution providing continuing appropriations for Federal departments and agencies.

Restricts the consideration of supplemental appropriation bills.

H. Res. 1099. March 22, 1978. Sets forth the rule for the consideration of H.R. 11400 (National Science Foundation's major program authorizations).

H. Res. 1100. March 22, 1978. Sets forth the rule for the consideration of H.R. 11495 (Aviation research and development).

H. Res. 1101. March 22, 1978. International Relations. Expresses the concern of the House of Representatives regarding the slaughter of dolphins by Japanese fishermen in the Sea of Japan on February 23 and 24, 1978.

Encourages the Government of Japan to join in certain discussions and information exchanges in an effort to eliminate such slaughter.

H. Res. 1102. March 22, 1978. International Relations. Expresses the concern of the House of Representatives regarding the slaughter of dolphins by Japanese fishermen in the Sea of Japan on February 23 and 24, 1978.

Encourages the Government of Japan to join in certain discusions and information exchanges in an effort to eliminate such slaughter.

H. Res. 1103. March 22, 1978. Post Office and Civil Service. Recognizes the contribution of Bernardo de Galvez to the independence of the United States and the role of the Order of Granderos de Galvez in commemorating that contribution.

H. Res. 1104. March 22, 1978. International Relations. Condemns the recent poisoning of Israeli oranges. Declares it the sense of the House of Representatives that the President direct the United States delegations to the Conference of the Committee on Disarmament and the United Nations Special Session on Disarmament to urge that the poisoning incident be placed high on the agendas of these organizations. Declares it the sense of the House of Representatives that the President direct the United States delegation to the Conference of the Committee on Disarmament to recommit itself to efforts to negotiate an effective prohibition of chemical weapons.

H. Res. 1105. March 22, 1978. House Administration. Directs the printing of the Congressional Resource Guide to the Federal Effort on Narcotics Abuse and Control.

H. Res. 1106. April 3, 1978. Rules. Amends rule XIII of the Rules of the House of Representatives to require reports accompanying

public bills and resolutions, reported by a committee, to contain estimates of the costs, to both public and nonpublic sectors, of carrying out the measures reported.

H. Res. 1107. April 3, 1978. Banking, Finance and Urban Affairs. Expresses the sense of the House of Representatives that the Secretary of the Department of Housing and Urban Development should not implement the proposed reorganization of the field and insuring offices of the Department of Housing and Urban Development prior to the time when the appropriate committees of the Congress have had an opportunity to hold hearings on such reorganization.

H. Res. 1108. April 3, 1978. Ways and Means. States that the Commissioner of the Internal Revenue Service should not implement the proposed reorganization of certain Internal Revenue Service district offices until the appropriate committees of Congress have had an opportunity to hold hearings on the proposal.

H. Res. 1109. April 4, 1978. International Relations. Expresses the concern of the House of Representatives regarding the slaughter of dolphins by Japanese fishermen in the Sea of Japan on February 23 and 24, 1978.

Encourages the Government of Japan to join in certain discussions and information exchanges in an effort to eliminate such slaughter.

H. Res. 1110 April 4, 1978. International Relations. Urges the President to initiate negotiations to ban the use of nuclear materials in space vehicles.

H. Res. 1111. April 4, 1978. Ways and Means. States that the Commissioner of the Internal Revenue Service should not implement the proposed reorganization of certain Internal Revenue Service district offices until the appropriate committees of Congress have had an opportunity to hold hearings on the proposal.

H. Res. 1112. April 5, 1978. Sets forth the rule for the consideration of H.R. 11302 (Environmental research and development authorization).

H. Res. 1113. April 5, 1978. Sets forth the rule for the consideration of H.R. 11662 (Lowell National Historical Park).

H. Res. 1114. April 5, 1978. Sets forth the rule for the consideration of H.R. 10899 (Regulation of foreign banks in domestic markets).

H. Res. 1115. April 5, 1978. International Relations. Declares it the sense of the House of Representatives that the President should suspend the ban on importation of Rhodesian chrome and ferrochrome and that the length of such suspension should depend upon effective execution of the agreement for transition to majority rule and one man, one vote elections.

H. Res. 1116. April 5, 1978. International Relations. Declares it the sense of the House of Representatives that the International Investment Survey should be completed during 1978.

H. Res. 1117. April 6, 1978. Rules. Directs the House Committee on International Relations to conduct hearings to determine the nature and extent of any United States involvement in the hostilities in Northern Ireland.

H. Res. 1118. April 10, 1978. Sets forth the rule for the consideration of H.R. 11291 (Federal Fire Prevention and Control Act authorizations).

H. Res. 1119. April 10, 1978. Rules. Amends rule XI of the Rules of the House of Representatives to require that all committee reports accompanying public bills or joint resolutions which authorize or appropriate specific sums for any fiscal year, contain a computation of the annual tax impact of such legislation on the individual taxpayer.

H. Res. 1120. April 10, 1978. Rules. Establishes in the House of Representatives a Select Committee on Inflation to conduct a complete investigation of the major causes of inflation, and approaches which have been and can be effective in controlling inflation.

H. Res. 1121. April 11, 1978. Waives points of order against the conference report on H.R. 6782 (Marketing orders for raisins).

H. Res. 1122. April 11, 1978. Interstate and Foreign Commerce. States that this Congress should expeditiously determine the future telecommunications policy of this Nation.

Calls for a moratorium on further steps by the Federal Communications Commission to implement new decisions which change basic structural concepts of the national telecommunications system until the 95th Congress has completed its study on the matter and determined what the national policy should be.

H. Res. 1123. April 11, 1978. Rules. Amends the Rules of the House of Representatives to add rule XLIX to prohibit Members of the House of Representatives from mailing any mass mailing containing any official congressional stationery for any purpose other than official business.

H. Res. 1124. April 11, 1978. Education and Labor. Expresses it to be the sense of the House of Representatives that the Secretary of Labor should not apply the Farm Labor Contractor Registration Act of 1963 to individuals who are temporarily employed in the detassling of hybrid seed corn in areas which are in close proximity to their residences.

H. Res. 1125. April 11, 1978. Judiciary. Urges the House Committee on the Judiciary to disapprove S. 1437 (Criminal code revisions), and to conduct hearings regarding revision of the Federal criminal code.

H. Res. 1126. April 12, 1978. Sets forth the rule for the consideration of H.R. 3787 (Zuni Indian Tribe lands).

H. Res. 1127. April 12, 1978. Sets forth the rule for the consideration of H.R. 11003 (Employment of White House personnel).

H. Res. 1128. April 12, 1978. Sets forth the rule for the consideration of H.R. 1 (Financial statements by candidates for Federal office, Members of Congress and officers and employees of the United States).

H. Res. 1129. April 12, 1978. International Relations. Expresses the concern of the House of Representatives regarding the slaughter of dolphins by Japanese fishermen in the Sea of Japan on February 23 and 24, 1978.

Encourages the Government of Japan to join in certain discussions and information exchanges in an effort to eliminate such slaughter.

H. Res. 1130. April 12, 1978. International Relations. Declares it the sense of the House of Representatives that the International Investment Survey should be completed during 1978.

H. Res. 1131. April 13, 1978. Rules. States that the conference committee meetings on H.R. 5289 (Natural gas regulation) shall be closed to the public.

H. Res. 1132. April 17, 1978. Rules. Amends the Rules of the House of Representatives to add rule XLVIII to require any Member, committee, officer, agency, or organization of the House of Representatives which receives (1) any publication provided at Government expense and made available for distribution to constituents in excess of a specified amount; (2) any shipping trunks provided by the Clerk; (3) any plants provided by the Botanic Gardens; or (4) any picture frames provided by the Architect of the Capitol, to provide reimbursement for the value of such items.

H. Res. 1133. April 17, 1978. House Administration. Authorizes each Member of the House of Representatives, including the Resident Commissioner from Puerto Rico and the Delegates from Guam, the Virgin Islands and the District of Columbia, to hire for two weeks of each year two senior citizen interns to serve within the District of Columbia.

H. Res. 1134. April 17, 1978. Armed Services. Declares it to be the sense of the House of Representatives that the Secretary of Defense should direct the Secretaries of the military departments to change the payment of the housing allowance to military personnel on duty outside of the United States to an actual average expenses basis by grade.

H. Res. 1135. April 18, 1978. Rules Sets forth the rule for the consideration of H.R. 2777 (Support for nonprofit cooperatives).

H. Res. 1136. April 18, 1978. House Administration. Directs the printing as a House document of a booklet entitled "Duties of the Speaker."

H. Res. 1137. April 18, 1978. Banking, Finance and Urban Affairs. Reaffirms the continued use of the national motto "In God We Trust" on coins and currency.

H. Res. 1138. April 18, 1978. Post Office and Civil Service. Reaffirms the use of the phrase "Under God" as part of the Pledge of Allegiance.

H. Res. 1139. April 18, 1978. Sets forth the rule for the consideration of H.R. 8494 (Regulation of lobbying).

EXTENSIONS OF REMARKS

TRADITIONAL U.S. LOYALTY REQUIRES SUPPORT OF REPUBLIC OF CHINA

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. McCLORY. Mr. Speaker, the distinguished Nobel Prize winner Alexandr Solzhenitsyn has sounded a solemn warning to our Nation which strikes at the very fabric of our beloved Republic. Mr. Solzhenitsyn charges that we need a spiritual upsurge in this Nation and a restoration of the element of courage which has enabled us to rise from a supine colony to a Nation of world leadership.

On the same day that the speech of Mr. Solzhenitsyn was reported, the Washington Post carried an article by Washington columnist Smith Hempstone describing the manner in which our Nation and some others are letting down the great and valiant Republic of China on Taiwan.

Mr. Speaker, if we plan to preserve our Nation as a base from which a spiritual upsurge may occur, it would be well for us to honor our commitments and to maintain our loyalty to the valiant and

courageous people of Taiwan. For us to abandon this sturdy and faithful friend in order to embrace a closer relationship with Communist China would only serve to make cynics of our friends and invite ridicule from the communist-oriented and nonalined nations of the world.

Mr. Speaker, I invite the President and National Security Advisor Brzezinski and others in this administration charged with formulating and implementing foreign policy to take careful note of Mr. Hempstone's article which follows:

TAIWAN: TOUCHES OF SADNESS AS A PARTNERSHIP WANES

(By Smith Hempstone)

TAIPEI.—The Republic of China is slowly becoming a non-nation.

Of the world's 150-odd nations—and some are very odd, indeed—only 23 recognize Nationalist China (more than 100 did a few years ago). And of those, only 12—including the Vatican—maintain embassies here.

Perhaps more important, only two nations that matter much, the United States and Saudi Arabia, have ambassadors here (the remainder, with the exception of South Korea, are small African or Latin American states). And Leonard Unger, the U.S. ambassador, has about him the preoccupied air of a man attending his own wake.

Two of the four American libraries are being closed, and there are fewer than 1,000 U.S. military personnel here, down from 9,000 in 1971. "Normalization" on Peking's terms—which means withdrawal of all U.S. military personnel from Taiwan, closure of the American embassy here and abrogation of the 1954 Sino-American mutual-security treaty—now seems inevitable and, in view of Zbigniew Brzezinski's recent visit to Peking, perhaps sooner rather than later.

Relations between American and Chinese Nationalist officials here remain correct and self-consciously friendly. But those relations are marred by a palpable sense of sadness, a hint of a trust about to be betrayed, a feeling of the approaching end of a partnership.

Yet the American presence here, even after the embassy closes, will remain profound. More than 200 major U.S. corporations have more than $500 million invested here, and 2,000 American businessmen and their dependents, an equal number of missionaries and 1,500 other Americans are resident in this tight little island the size of Holland.

Perhaps the surprising thing is that the atmosphere here is no more depressing than it is, that Nationalist China's isolation is not so complete as it seems.

The Chinese are masters of making the best of a bad situation and, while only one out of eight nations recognizes the existence of Taiwan, Nationalist China has what Board of Trade Director General H. K. Shao describes as "significant relations" with "more than 140 nations."

"Significant relations"—which are defined as embracing consular, trade, commercial and cultural contacts—are conducted through a number of ingenious subterfuges.

Japan, for instance, which transferred its embassy to Peking in 1972, has about a dozen diplomats (including a former ambassador to Manila) attached to a non-profit organization called the Interchange Association. The association issues visas and performs other functions normally done by an embassy. Indeed, since it "broke" relations with Taipei in 1972, Japan's trade with Taiwan has increased significantly to $3.8 billion, and the trickle of Japanese tourists has become a flood.

American officials here do their best to assure the Nationalists that a formula for "normalization" can be found that will not be prejudicial to the security of this island's 17 million people, that something similar to "the Japanese solution" can be worked out.

But the Nationalists are not buying that, for the simple reason that the United States is not Japan. They maintain the blow of withdrawal of American recognition would be profound, that it inevitably would lead to a flight of capital and people from Taiwan, encourage Red China to step up infiltration and cause a crisis of confidence in East Asia.

The Nationalists maintain—and American officials here seem to believe them—they will never play "the Soviet Card" seek an informal defensive understanding with Moscow to replace the 1954 security treaty with Washington. Yet should it become a question of survival, no one can say what Taipei might be driven to do.

The alternative for Taipei is to seek more sophisticated weapons with which to defend itself, and to mount a global propaganda offensive designed to delay for as long as possible the moment when the United States withdraws recognition. And that in fact is what the Nationalists are doing.

Meanwhile, it's business as usual for a little country that has made itself the world's 22nd largest trading nation and the 12th largest trading partner of the United States. Five of 10 major development projects—including a mammoth shipyard, a large steel mill and a nuclear power plant—have been completed. A trade mission will leave here next week to purchase $731 million in American goods.

For a nation that in the eyes of most of the world does not exist, Nationalist China is likely to be alive and kicking for some time to come.●

COMMENCEMENT ADDRESS BY THE HONORABLE MORRIS K. UDALL

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. MOAKLEY. Mr. Speaker, on last Monday evening the Capitol Page School held its impressive and dignified commencement exercises in the Caucus Room of the Cannon House Office Building. In his commencement address our colleague, the Honorable MORRIS K. UDALL of Arizona, provided a unique commentary on the page experience in terms of the great issues facing the Congress during the tenure of the graduates. In marking the end of their service to the Congress, Congressman UDALL called the members of the class of 1978 to continued and intensified service to the Nation. We all share Mr. UDALL's confidence that in the years ahead, the fine young men and women who served us with dedication and distinction as pages will continue in the same high tradition of service to the Nation.

Earlier in the week I was pleased to list the many honors earned by the graduates. Today I am pleased to include in the RECORD the commencement address to the Capitol Page School Class of 1978 by Congressman UDALL:

COMMENCEMENT ADDRESS BY THE HONORABLE MORRIS K. UDALL OF ARIZONA TO THE CAPITOL PAGE SCHOOL CLASS OF 1978

Members of this great class of 1978 . . . parents and friends . . . distinguished guests . . . members of the faculty . . . and, perhaps, critics of the faculty, who might be scattered amongst the graduates . . .

I'm reminded today of the story of Arafat visiting the fortune teller . . . she looked at his hands, and studied the lines . . . "I see many things," she said. "Tell me one, he said. "You will die on a Jewish holiday," came the reply. "Very interesting," said Arafat. "But there are many Jewish holidays. Which one?" The fortune teller paused. "It does not matter," she said. "Any day you die will be a Jewish holiday."

Well, it's a holiday for me when this class . . . with 535 members of Congress to choose from, asked me to be their speaker . . . I'll try not to disappoint you.

Commencement oratory is a declining art in this country . . . one of my favorites of recent years was an Art Buchwald commencement speech which began, "look, graduates, we gave you a perfect world . . . now don't louse it up."

I can't really make that kind of report on behalf of my generation. Nor can I, in good faith, give you the beginning of another commencement speech I heard in the turmoil of the 1960s, when the distinguished guest said, "my strong recommendation is that you don't go into the off-campus world. Stop! Go back to your rooms, unpack and settle in. There are no good choices out there in the world. There are all kinds of troubles." Well, I'm not going to tell you that, either . . .

What I will say is, that no one can tell you quite what the future holds. . . And my crystal ball is murky. I would only suggest that we are entering a new and different phase in the history of this exciting country of ours . . . A new chapter, if you will . . . just as the lives of individuals have chapters that begin and end, just as with you tonight . . . .

And I would suggest that the lives of Nations have chapters, too. The trauma of our time is that in judgement, we are ending not just one great chapter in our National history, but several chapters . . . and the ending is rushing at us all at once.

The great energy binge in which 80 percent of all the oil and gas that was ever put on this planet. Will be burned up in the lifetimes of those Americans born in the 1930s . . .

We witnessed the trauma of a President facing impeachment and saw him become the only American President ever to resign . . .

We saw the end of the imperial Presidency that had been the dominant feature of our political system for two generations . . .

We watched the resurgence in recent years of Congress, as this body insists it is an equal branch of government that will be heard and reckoned with on the great policy decisions of our time . . .

No . . . I can't see the next 25 years very clearly in my crystal ball . . . but I can tell you that the world your sons and daughters will view when some of them are pages . . . at *their* graduation ceremony 25 years from now, will be vastly different.

And I know it will not be easy . . . Franklin Roosevelt once said of the burdens of his generation: "To some generations much is given . . . of others, much is required." I think your generation will fall in the latter category.

Well, I didn't want this speech to be very long, and maybe I can try to set an intramural record for brevity tonight . . . commencement speakers are supposed to give advice, so let me get on to that and be done . . . my advice comes in four doses . . . it's also free . . . and therefore, probably worthless . . .

First, be willing to challenge old ideas and change things that don't work . . . keep the things that function well, and dump those that time and conditions pass by . . .

I believe that no country, no institution, no family . . . can survive in the long haul without two things:

First, change, and the ability of each generation to adjust things to their own needs . . .

And second, stability . . . the willingness and good sense to carry forward a lot of things that don't change . . . values that are

just as good now as they were 200 years ago . . .

And when we change, we ought not be afraid of dissent and discussion and vision . . . and yes, may even some bitterness . . . because working out our conflicts is America's special genius.

There are two great impulses in American life. One is conservative, the other is liberal. Both are honorable and both are necessary.

Theodore Roosevelt once said that the great leaders are those who combine the best of these two impulses to match the needs of their time. And James Reston once wrote that there are dogmas and creeds that are ideally suited to one age, which can be disastrous to another . . .

And I suspect that some of the old ideas are going to have to be changed . . . we're going to be seeing new kinds of energy sources, new patterns of recycling and more thrift use of our natural resources. And I think we may even see some changes in our lifestyle in which we gain more satisfaction from just getting to know one another better. A recent Harris poll bears that out. It noted that Americans would rather cooperate than compete, that they want their creativity challenged, and they want to experience life directly . . .

Second, I urge you to care about your country and her people. It is the uncaring among us . . . the ones who won't vote or participate, who can drag this country under. Yes . . . *care* about all our people and care about our land and our water and our beaches and all of our living things . . . the almighty gave us a very choice piece of real estate and people like the two Roosevelts have moved with our natural resources. . . .

The idea of a system of national parks is an American idea . . . we set aside nature's great treasures for all generations . . . not be exploited by a few for their time alone. That isn't the case in Europe, where land patterns are set. No one makes wilderness areas or national parks on that continent. But here, we can do it . . . and do it right . . . if we are wise enough and firm enough. . . .

A great man, John Gardner, a man who refused to believe that ordinary people cannot make a difference, put it bluntly this way. . . .

"A nation is never finished," he said. "You can't build it and then leave it standing like the pharoahs who built the pyramids. It has to be built and re-built . . . it has to be re-created in each generation by believing, caring men and women. . . . It is *our* turn—if we don't believe or don't care, nothing can save the nation. If we believe and care, nothing can stop us. . . ."

Third, I hope your generation will learn to be good to each other. We do need a caring society and we need to get back the human dimension. Maybe your generation will find the kind of life in which we don't move a fifth of all the American families each year, in which we get to know our families and our neighbors and friends a little better. . . . I believe we are already beginning to get back our sense of community, that there is a chance to slow down and not be so concerned with material things. . . .

Yes, we need good homes and food and all the rest . . . things that make life more comfortable . . . but we also need that human dimension that we have lost in all the business and turmoil of recent years. . . .

In terms of things that really count in our lives . . . bigger is not always better . . . and slower may sometimes be faster . . . and less may well mean more . . .

My final advice is don't take yourselves too seriously . . . we ought to take our country seriously and its problems seriously, but not ourselves. A little bit of humor now and then gives us balance and objectivity about ourselves and our problems . . .

One of my heroes, Will Rogers, really helped the American people get through the trauma of the great depression with humor . . . not vicious or personal pokes . . . but kind, affectionate swipes at the stuffiness around us. . . . He put things in balance . . . like the time he visited the White House and President Calvin Coolidge declared, "Tell me the latest joke, Will." Replied Rogers: "I don't have to, Mr. President. You've appointed them all."

And there could be good advice in a Will Rogers line, too. "We are here for just a spell and then pass on," he once said. "So get a few laughs and do the best you can. Live your life so that whenever you lose, you're ahead."

Well, I've rambled on here tonight . . . Maybe I won't win that award for brevity . . . but I do want to leave you wtih a personal word. . . .

You members of the graduating class have had a unique and privileged adventure in your time with the Congress. Few of your generation will have anything like it. . . . I predict that it will influence you and mark your life and that you will never forget it. . . .

All of us gather here tonight . . . your friends and family . . . to celebrate what you have done . . . and to watch you leave to begin yet another new chapter in your lives . . . your communities and your country will be hearing from you . . . on behalf of all of them, I wish you the very best . . .●

TRIBUTE TO MEMORY OF BILL LEAR

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. CORMAN. Mr. Speaker, the Van Nuys, Calif., Valley News recently ran an article on the late William P. Lear, which I am inserting for the attention of my colleagues. It is a perceptive article and captures the essence of Bill Lear's dynamic personality. The article which follows is the best tribute to the memory of Bill Lear that I have seen to date.

OBITS SHORTED WILLIAM P. LEAR

(By Bill Mauldin)

When inventor William P. Lear died recently, our two leading news magazines made perfunctory note of it, muddling the facts about him, showing no interest and only a modicum of respect.

Maybe he was too non-trendy for them. Lear was a sort of benign Daddy Warbucks who never made a nickel out of hurting anybody, but had fun making bundle after bundle practicing the sort of enterprise the U.S. was once supposed to be all about.

Taking the profits from his first success in developing car radios, he got involved in improving and miniaturizing communications and navigation equipment for small aircraft. Not a big-sounding deal for people who don't fly, but stick around.

Post-World War II automatic radio direction finders used to weigh upward of a hundred pounds each, cost the airlines and military tens of thousands of dollars apiece—and weren't reliable.

Lear's version weighed about ten pounds, cost under a grand and was superior to the big jobs. He did the same thing for other types of airborne radio. Soon, little planes flown by amateurs no longer got lost and the sky became safer for big iron which started using the new stuff, too.

Having created a world market for his "avionics," Lear sent a son to Switzerland to open a branch. The son, no slouch as an entrepreneur himself, got wind of a Swiss jet fighter plane design which was being abandoned because of systems problems.

Lear and son became convinced that the solution was to put different engines outside the little plane and a handful of passengers inside. In middle age the old boy liquidated his avionics business with its immense profits and limitless future and bought the Swiss design.

Using only his own capital, Lear built a factory in Kansas and produced the world's first successful executive jet. It outclimbed most fighters and outflew most airliners.

In time, he got restless and sold that, too. He died among several new projects. One had been a resurrection of the automotive steam engine, long considered by many the best answer to the fuel shortage.

Lear was the nearest thing we've had to Thomas Edison in half a century. He was colorful, yet not very strong on press agentry. Maybe that's why the news magazines blew it.

REFORM OF CIVIL SERVICE SYSTEM

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. DERWINSKI. Mr. Speaker, next week, the House Post Office and Civil Service Committee will start markup of H.R. 11280, which proposes to reform the civil service system.

Naturally, the proposal is meeting with knee-jerk opposition by many individuals and/or organizations which claim to represent Federal civil service employees. Therefore, I would like to commend the Members' attention to a very timely speech by Chairman Alan K. Campbell of the U.S. Civil Service Commission. The speech follows:

ACCOUNTABILITY: THE BOTTOM LINE OF REFORM

I have been asked to talk on the concept of accountability in public administration, a term which we use a lot but sometimes have difficulty in defining with much precision. I emphasize *public* administration, because I think accountability is made even more complex by the public character of government management. Difficult to define though it is, this issue is a key to our efforts to change the Federal personnel management system.

Underpinning our total reform effort is a belief that there is a managerial capacity in the Federal Government which, for a variety of reasons, is not being realized. We believe we can tap that capacity through reform by providing to managers more of the tools of management. We believe that if we do that it will improve the efficiency and productivity of the Federal Government.

I would say, in passing, that we who are concerned about bringing greater quality to the system should not be afraid of the word "efficiency," should not assume it is some sort of code word for dropping programs, cutting staff, and decreasing services. As the President has said, inefficiency and bad management never result in a better school lunch, a better education, or any other better public service. Especially now, as resources are clearly limited, those of us who have a commitment to public service necessarily have a commitment to improve the efficiency and effectiveness with which we do our jobs.

Providing managers greater flexibility, it seems to me, automatically engenders the need for gerater accountability. The two are inseparable, and unless we can develop techniques for measuring accountability, the new kinds of freedom being provided will not serve the purposes we have in mind.

Accountability runs both ways; from the employee to the manager and vice versa, and we think we have included facets of both sides of that accountability in the equation.

In the Senior Executive Service, managerial pay (within a limited range) would be based on performance. There would be no automatic pay increases. Rather, substantial bonuses would be available for executives who demonstrate outstanding performance. And for those who do not measure up, there would be the potential of being removed from that Service back to where they were before in the system.

Similarly, incentive pay has also been proposed for managers in grades GS–13 through 15.

There are those who argue that it is too difficult to implement incentive pay systems, that we shouldn't try to do it, that we should continue what is essentially an automatic system. I recognize the difficulties involved, but I do not believe it is impossible.

The Maxwell School at Syracuse University, where I served as dean, used an incentive pay system. I was provided a lump sum of money for faculty salaries, and I distributed that in proportion to the various departments. The departments then would make recommendations to me as to how that should be distributed among the faculty members.

The way it worked is illustrated by the kind of responses I got. The economics department would eventually come in with very hard-headed decisions from zero increases to 30 percent increases. In contrast, the sociologists and anthropologists would give everybody the same, therefore requiring me to make the decisions.

I would point out that, in my judgment, the kind of decisions made by the economics department made a major contribution to what I believe was the strongest department in the school. Because they were willing to make some hard-headed decisions in relation to what people were contributing, they had the best awareness of where their strengths and weaknesses were and the best control over the program's direction.

I don't think we have developed a system of accountability in the Federal Government. We have too much that is based on simply automatic decision processes, whether for selection, promotion, or increased pay. The reason for this is that obviously if the decision is automatic, no one has to make a judgment and then no one can be accused of abusing the system. And there is no question that we are, in the proposals we are making, risking charges of abuse, because people will be forced to make judgments. And when they are, we will need some way of measuring the quality of their judgments.

It is important, I think, to look at the recent study put out by the National Center for Productivity and Quality of Working Life, which showed that 75 percent of the people in the Federal Government felt that their managers were inadequate, compared to about 50 percent in the private sector.

A good manager in the Federal Government finds it tough to manage because he really does not have the tools to do the job. The question is, if he is given the tools, can he in fact manage? We're not sure the answer is "yes" right now, but we believe that there are ways of ensuring it will be.

But before turning to that, I would like to comment on a recent article in the Washington Post by Michael Maccoby on the contrary points of view in relation to the use of incentives. The part of our proposals which he most opposes are those for incentive pay.

He feels that the Federal Government does not have the means to operate such a system, that such a system would not provide the desired results, and that there is no need for this system anyway.

We obviously have reached different conclusions, although that doesn't mean there aren't some thing he says with which I agree.

He argues that the proposed rewards and punishments depend on a merit-evaluation system, and the Federal Government's performance evaluation system is not adequate to the task. That certainly is the truth. It is a system in which 99 percent of Federal employees receive satisfactory grades.

However, one of the reform proposals is to eliminate the current appraisal system and require agencies to develop their own systems, suited to their particular needs and their particular missions. The proposal would require that performance appraisals be used as a basis for developing, rewarding, assigning, demoting, promoting, and retaining or separating employees. By basing all these actions on performance appraisals, I think we will ensure that the system, because of its significance, will take on a greater accuracy and attention than it now has.

I would be the first to agree that there is no magic formula for performance appraisals. A recent article in the Wall Street Journal based on a Conference Board Report, points to the problems of performance appraisals in the private sector, but then asks, "If you don't use it, what do you use?" Do we then turn to other objective measures? Seniority? The problem with these other measures is that they are not related to performance.

My own judgment is that we can simply not give up trying to develop evaluation systems where people will feel they are in fact rewarded for good performance. However, this is not Mr. Maccoby's opinion. He feels that rewarding with pay can actually work against the good performance produced by the intrinsic satisfaction of a job well done. The nasty comment would be—that's hard to eat.

But be that as it may, I would agree that pay is not the only motivator for good performance, that intangible motivators are often more important. However, I would point out that pay is not just a monetary reward, but a very important symbolic reward as well. The nature of pay, representing approval and recognition, provides as much motivation as the monetary aspect. As much as we would like to think otherwise, few of us are sure enough of ourselves to know that we have done a good job. Even if we are sure, we would like to have it recognized and appreciated.

Finally, he questions the need for an incentive pay system at all. He points out a seeming contradiction in the message to Congress from the President on civil service reform. The President said first that "most Civil Service employees perform with spirit and integrity," (a view I know the President genuinely holds), but then went on to say that civil servants "lack the incentives for first-rate performance." Mr. Maccoby states that civil servants feel well paid but unappreciated, and need leadership that stimulates them to participate in making work more effective and satisfying. That is his solution to bringing about greater government productivity.

I agree with the conclusion, but not with the reasoning that led to it. We do need the type of leadership that will stimulate increased participation, and I believe an incentive pay program will help to give us that. Most Federal workers do perform with spirit and integrity, but they become naturally discouraged by seeing nonproductive workers in their midst. There is no complaint I have heard more frequently from Federal workers across the country than the one about the nonproductive worker who sits alongside them, gets paid at the same rate, and in no way is distinguished from the worker who feels and is in fact productive. An incentive pay system, I feel, would make a contribution to dealing with that problem, and for that reason alone is a needed change.

That does not deal, however, with the frustrations many managers feel today, and I can cite literally dozens of case studies of individual managers with whom I've talked and with whom I've gone through the problems that they faced. Let me simply give you a specific example rather than giving you a hypothetical one, since this is now a matter of public record. It has to do with Harry Cain, who resigned from his $42,000 a year post as head of HEW's Bureau of Health Planning and Resources Development, complaining "I can't take it any more."

He decided he couldn't fight the bureaucratic rules any longer—he couldn't hire those people he wanted and couldn't fire those he didn't want. When he was saying this at a press conference and speaking to HEW employees, he was unable to continue, overtaken by the emotion of the situation, but his boss, Henry Foley, stepped to the podium, and reading from Cain's prepared statement, went on:

"I have totally lost my tolerance for the bureaucratic swamp through which a bureau like this must wade.

"The widest and deepest channel in the swamp, of course, is affectionately known as the personnel system.

"Lesser channels include procurement, reports clearance, regulations development, et cetera, in each of which good waders have been known to drown."

I don't think Harry Cain's departure will necessarily mark the departure of a number of other managers from the system, but I would agree that he cites the views of large numbers of managers with whom I have talked.

One editorial commented relatively well on the problem as it related to Cain. It said:

"Cain was confronted with a problem of changing priorities and the task of taking a group of Government workers whose mission in a sense had been accomplished, and utilizing them in a completely different role. . . . A new agency, formed from personnel in the old agency, was created. . . . It didn't work.

"Cain did not accuse the 200 people who worked for him with incompetence. Most of them were good people, but they were in the wrong jobs. As Federal civil servants they were guaranteed jobs at the same rank and pay, whether or not they were qualified, when their old jobs were abolished. . . .

"Unfortunately, (Government) talent has not manifested itself in providing remedies for the major social problems of the day. Bureaucracy not only seems to stifle the best efforts of those who work in it, but more importantly, it interferes with, and occasionally wrecks, the execution of policies intended by Congress and the President. At that point, Government by the people loses all meaning in the abyss of a faceless bureaucracy. It isn't intentional, as the Cain episode showed, but it happens because the bureaucracy has secured for itself the right of permanence, at the price of the flexibility needed to serve an ever fluid society. . . ."

It isn't difficult in my judgment, to make the case for greater accountability, but the question then becomes accountability to whom? For what?

To begin with, there will be greater accountability between employees and their immediate supervisors as we see the new system. But if employees are to be held more accountable, then they must have their goals clearly defined and communicated to them. Supervisors cannot merely say to their employees, "Do a good job." Together, they must discuss the objectives of the organization and

mutually develop a set of reasonable expectations. These expectations should require the optimal use of available resources. But they should also recognize that there may be more work to do than the resources can in fact accomplish. Thus, expectations must include the setting of priorities.

Beyond this, each Federal employee should have a further accountability. We are all employed for the basic purpose of serving the public, and we should be accountable to the public for the service we provide. I hope many of you saw the recent article by Haynes Johnson in the Washington Post where he was informed by a friend of the difficulty in getting a response from the Immigration Service. Hour after hour, he called and the phone simply rang and rang. Haynes Johnson, wanting to be sure, checked it out and called himself, and found that the phone was never answered. He then went down to the office and found it was impossible to determine the procedures to be followed. He went through one line and they said, "Well, you're in the wrong line," and so he had to start over again. Haynes Johnson is a friend of the bureaucracy and has been for a long time, so when he reports on that kind of service, you know it is an honest representation of the actual situation. I would suggest to you that any fair system of accountability in that agency would have long ago revealed the nature of those problems.

The point is that each employee in such an office may well be performing as well as the supervisor has requested and may be fulfilling each assigned task. However, the ultimate aim of serving the public is *not* being satisfactorily met. It is that kind of problem that raises the issue of the quality of management in the system.

As I said earlier, accountability is a two-way street. If we are to change the rules and make managers more responsible, then it is our responsibility to ensure that they are prepared for greater accountability.

We have a serious fault in the Federal system, in my judgment, in that we do not do an adequate job of selecting, developing, and then using our managers. Too often, decisions are based upon technical competence and technical experts are promoted into managerial roles on the assumption that outstanding technical competence is easily transferable to managerial skills. It is not. That does not mean that the technician should not be promoted to manager. It means that we should provide executive development for that person, and that there should be a time in which that person could in fact be tested. We do provide in the new legislation for a one year probationary period for anyone promoted to their first managerial job. If it doesn't work out from either the employee's point of view or from management's point of view, there would be a no-fault return to the former position.

Further recommendations are being made to develop a much better executive development program. A task force has been at work on this, and has prepared a report being circulated to assistant secretaries for administration. It will be examined by Executive Resources Boards across the Federal Government, and we anticipate that we will have ready to put in place, when the legislation passes, an executive development program to provide adequate education, training and opportunities for people en route to the Senior Executive Service.

We think we have a combination of changes, (some brought about by legislation, some by internal decisions, and much of it by the departments and agencies themselves) that can lead to giving more precision to the concept of accountability. And until we give it more precision, we will continue to talk about accountability in the abstract way that is not at all useful.

I know that these and other proposals contained in the President's total package are controversial, but I do ask you to take a look at them in terms of their real content, as opposed to what some are saying is their content. We believe we have met what have been long standing principles of public administration, and that we have been completely consistent with the goals of ASPA. We are encouraged, obviously, by the wholehearted endorsements by the National Academy of Public Administration, the National Civil Service League, and the Committee for Economic Development, to name only a few of the organizations whose judgment I believe we all trust.

I think it might be fitting to close a speech on accountability with a reference to the man who might be called the government's "chief accountant"—Elmer Staats, the Comptroller General of the United States. He has had a long and successful career in the Government, culminating in the position which he has now held for 12 years. He has been an active and influential member in virtually every association at all concerned with government management. His judgment in these matters is virtually universally respected. Therefore, in regard to the Senior Executive Service, I think it is highly significant that Elmer Staats, who opposed (and effectively opposed) the Federal Executive Service proposal of the previous administration, is an all-out supporter of the Senior Executive Service recommended in President Carter's legislation.

Thank you very much.●

THE FIRST PLATFORM OF THE REPUBLICAN PARTY

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. RHODES. Mr. Speaker, the Republican Party has been playing an active role in the political life of the Nation for over a century now, and I think it appropriate at this time to recall the convening of the Grand Old Party's first national convention, on June 17, and the adoption of its first platform, on June 18, 1856—122 years ago this weekend.

The first Republican Party national convention was held in Philadelphia at a time of growing tension over the issues of slavery and States' rights. The admission of Kansas to the United States threatened to upset the delicate balance of free and slave States which was becoming more and more precarious with the passage of time. In the face of violence and chaos in Kansas and the unwillingness of the Democrats to confront the issue, the Republicans took a firm stand for the admission of Kansas as a free State and for the preservation of the Union and the rights of the individual States. The party came out strongly in favor of the abolition of slavery, a policy which it recognized as being the only one in harmony with the principles of the Founding Fathers and the basic tenets of the Bill of Rights. Indeed, the central theme of the platform was the need to defend the constitutional rights and liberty of conscience of all citizens, and their adoption of the name "Republican" for their new party is explained by this desire; for they believed that they were only advocating what their Republican fathers had advocated, and defending the Republican institutions which they had founded.

But the party also looked to the future, and along with these concerns about the defense of the Constitution and the constitutional order proclaimed its support, in the platform, of the construction of a coast-to-coast railroad and the "improvement of rivers and harbors of a national character, for the accommodation and security of our existing commerce."

The Republican Party has, of course, changed a great deal since its first convention and the adoption of its commitment to the preservation of our constitutional rights and liberties and its concern for our posterity are still very much alive today, and we Republicans can certainly be proud of that.●

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS—IV

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. SAWYER. Mr. Speaker, I have received a number of requests from my colleagues asking for more information on the case of JoAnn McDaniel and Katherine Zenz. The girls are presently serving 24-year nonparolable sentences in the Adana Prison in Turkey.

I have been in contact with the parents of the two girls, the Turkish Government, many concerned citizens and organizations as well as the State Department on this matter. I was assured early this year that a prisoner exchange treaty with Turkey was pending and that it would most likely be in force by March of 1978. This assurance seemed valid since both Turkey and the United States have similar treaties with other nations; and just last year, implementing legislation on this subject in the form of Public Law 95–144 was signed. I am appalled at the lack of concern I have encountered on this matter.

I intend to press for a treaty with Turkey similar to those that have recently been established with Mexico and Canada providing for an exchange of prisoners. I will offer an amendment to the bill lifting the arms embargo to make it effective only upon Turkey's entering into such an exchange of prisoners treaty with us. I ask the support of my colleagues on this critical and urgent matter.

For your information, I include in the RECORD an article from the Oregon Journal detailing the case of Ms. McDaniel and Ms. Zenz:

OREGON WOMAN'S LONG HAUL IN TURK JAIL BLAMED ON UNITED STATES

(By Helen L. Mershon)

Oregon-based efforts to free JoAnn McDaniel of Coos Bay from a Turkish prison are mired in U.S. State Department red tape, charges Jim McDonald, Salem.

A coordinator of the JoAnn McDaniel Committee, McDonald says that despite a green light from Congress to explore a treaty with Turkey for the exchange of prisoners, the State Department is "dragging its heels."

McDonald is not the only one disenchanted with official efforts to free Miss McDaniel, 33, who has been a prisoner since

she was arrested on Dec. 10, 1972, and charged with drug smuggling.

Gov. Bob Straub, chairman of the 26-member committee, most recently wrote a letter to Secretary of State Cyrus Vance Nov. 22, 1977, asking him to carry out the treaty proposal.

Straub's letter never has been acknowledged.

"Lethargic or dilatory" charges were leveled recently against the State Department by Rep. Harold S. Sawyer, D-Mich., member of the House Judiciary Committee.

Sawyer has taken a personal interest in the plight of Miss McDaniel and Kathryn Ann Zenz, 32, of Lancaster, Wis., who was arrested and imprisoned on the same charges.

Sawyer, who keeps in close touch with the Oregon committee on March 16 wrote a letter to the House Committee on International Relations expressing concern that the State Department was not working quickly enough to conclude a successful ratification of the treaty with the Turkish government.

The Michigan congressman suggested that Clement J. Zablocki, chairman of the International Relations Committee, could intercede in the McDaniel-Zenz case because of the committee's involvement in the "Turkish aid package" now being negotiated, McDonald learned.

The State Department's apparent lack of action comes at a time when the Turkish government is especially sympathetic, said McDonald and Jim Redden, Jr., who have served as coordinators of the Oregon committee since it was incorporated in July, 1975.

Hopeful news about a possible treaty involving the exchange of prisoners (similar to the U.S. and Mexican agreement last year) was sent to Sawyer in a Feb. 6 letter from U.S. Ambassador Ronald I. Spiers in Ankara, Turkey.

Spiers expressed hope that "tangible results can be achieved before summer." But, he also wrote, "I am concerned though, about how long, once negotiated, such a treaty will take to go into force."

McDonald noted that in general those concerned with the case are "hopeful that the new Ecevit government (being organized by Premier Bulent Ecevit) will be more receptive to the treaty negotiation."

It was the former Ecevit government (1974) that was responsible for the general amnesty resulting in a reduction of the women's sentences to 24 years. Miss McDaniel, Miss Zenz and E. Hubbard, 28, San Antonio, Texas, originally were given the death penalty for allegedly smuggling three hashish-laden vehicles into Turkey from Syria.

The death sentence later was commuted to life imprisonment, at that time a minimum of 36 years. The 1974 amnesty lowered "life imprisonment" to 24 years.

Major concern of the JoAnn McDaniel Committee is that the treaty be "negotiated quickly and that the prisoners be returned quickly. The women have served long enough."

Anger and impatience mix with waning hope for the committee, the women in their letters and Miss McDaniel's parents, Mr. and Mrs. Harold McDaniel, now retired and living in Sun City, Ariz.

Billie and Harold McDaniel, who last saw their daughter when she returned from Europe to spend six weeks with them in Coos Bay in 1972, never expected that JoAnn would be convicted and never have wavered in their faith that she would be released. (She was imprisoned for one year before being sentenced.)

The women have tried to keep a sense of humor despite the seeming hopelessness of the situation. At one time they were sending clothing and bazaar items, which they called "Creations Under Lock and Key" to their families and friends to be sold for expense money.

Housed in a dormitory-type womens area in the Adana prison, the women are heavily dependent on packages from the U.S. and the efforts of State Department and U.S. military personnel stationed in Turkey.

In one recent letter, Miss McDaniel wrote, "Our population has shot sky high in the last month—nearly 50 women, plus 10 kids. It was so nice while we only had 281 (Children frequently accompany their mothers to prison.)

"Robert and the other seven Americans (all males) were moved to single cells on their request. They now share four cells in a special section of the men's area, two to a room. Each room has a sink, toilet, cooking and bathing facilities. Such luxuries just dont exist for women!" she wrote.

The prison director once presented the American women with a bouquet of flowers on a Turkish holiday—"an extraordinary gesture—it made us feel good. We knew we were being looked after."

But last year at Thanksgiving time when the bright, cold southern Turkey winter penetrated the Adana prison walls, JoAnn McDaniel, who was an honor student at Marshfield High School and who almost graduated from the University of Oregon, hit a low.

"We have struggled and consciously tried to keep our spirits up for the past five years in hopes this soon would end," she wrote.●

IN MEMORY OF ARTHUR G. MURPHY, SR.

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. MITCHELL of Maryland. Mr. Speaker, on Tuesday night, June 13, 1978, at Wayland Baptist Church in Baltimore, Md., over 1,500 people attended funeral services for the Honorable Arthur Murphy, Sr., who was a member of the Maryland General Assembly, and chairman of that body's legislative Black Caucus.

Delegate Arthur Murphy's death leaves a void in the Maryland General Assembly as a whole, and in the Maryland Legislative Black Caucus in particular.

Delegate Murphy served with distinction in the Maryland House of Delegates as a member of the Judiciary Committee, the Joint Legislative Committee on the Port of Maryland and the Task Force on Crime.

His years of public service included in addition to his outstanding service in the Maryland General Assembly, service as Assistant U.S. Attorney, Deputy U.S. Attorney, Assistant to the Governor of Maryland for Community Relations and the Administration of Justice, chairman of the Governor's Commission on Law Enforcement and the Administration of Justice, and member of the Maryland State Insurance Fund.

Delegate Murphy is survived by his widow, Mrs. Margaret Murphy; a son, Arthur Murphy, Jr.; two daughters, Terri Denise and Lynn Yvette Murphy and his mother, Mrs. Gracie Falkner Murphy.

Although Arthur Murphy, Sr., was only 48 years old when he died, his life, his example, and above all, his commitment to those who were powerless to change their environment, will remain as a benchmark for those of us who are continuing on this pilgrimage on behalf of the millions of Americans that are still waiting to participate fully in the American dream.

The Honorable Arthur G. Murphy, Sr., has left footprints that will be a challenge to walk in.●

TOO MUCH BUREAUCRACY

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. COLLINS of Texas. Mr. Speaker, there is too much Government bureaucracy. America has more Government than it wants, more Government than it needs, and more taxes than are justified. I have introduced bills which would reduce bureaucracy. The first bill would be by 1982 to cut in half the Washington bureaucracy. The second bill would be to have a 10-year moratorium on building or leasing any additional Federal space for any area within 50 miles of the of the Nation's Capitol. The third bill would cut future legislation through a 50-percent reduction in the size of the congressional committee staffs. Because the committee staffs are too large, they create work for themselves. And the way they create work is to introduce more legislation with more hearings. My fourth bill limits the time Congress can stay in session. It would force Congressmen to go back to their districts and see the problems caused by their laws. There is an old saying down home, "No one's life or property is safe in Texas when the legislature is in session." This is also true for Washington.

Purchasing magazine stated their estimate of the cost of Government regulation to business and industry totals $134.8 billion in 1979. Just since 1974 the cost of regulatory governmental bureaucracy has more than doubled by 115 percent. The Carter administration had pledged to cut bureaucracy but has had increases for 41 Government regulatory agencies totaling $4.82 billion.

The cost for business includes the compliance regulations plus the administration paperwork associated with the regulations. Also add losses in productivity because of required inefficient work standards.

Congress showed good judgment this week in refusing to pass on suspension of the toxic substance appropriations. This agency in 2 years scheduled bureaucracy increase from 112 to 613. Their appropriation had already been approved at $16 million for 1979, but before they even used this appropriation they asked to increase this $16 to $50 million. I spoke so strongly against the toxic agency appropriation because there is no apparent reason for this agency to exist. Toxic substance is a duplication of functions already allocated to clean air, clean water, OSHA, EDA, FERC, and the big EPA. By voting down this bill, Congress proved we can set aside unneeded legislation.

Everyone knows that you cannot give an alcoholic another bottle of whisky

because he will drink all you give him. You cannot spend yourself rich anymore than you can drink yourself sober.

Out in California they have found the best way to keep legislators from spending is to put a ceiling on taxes. Here in Congress we lack fiscal restraints as Congress can print money and issue bonds to take care of all the overdrafts.

I hope you will join me in my four-bill plan to cut Washington bureaucracy in half, cut committee staffs in half, stop all Federal building within 50 miles of Washington and only let Congress meet half the time. Spend half the time making new laws, and America will be twice as great. ●

A SALUTE TO DIRECTOR REX DAVIS ON HIS RETIREMENT

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. McCLORY. Mr. Speaker, I take this opportunity to commend Rex Davis, Director of the Bureau of Alcohol, Tobacco, and Firearms, who will be leaving that post on July 1.

Rex Davis has been instrumental in initiating programs aimed at curbing crime in the United States. In connection with the Bureau's highly successful CUE (concentrated urban enforcement) program, he worked closely with local and State authorities to "sting" thousands of criminals who sold stolen goods and guns to undercover law enforcement officials.

In addition, he:

Created the BATF's National Firearms Tracing Center, which traces crime guns for all law enforcement agencies in the United States.

Spurred development of a system which can for the first time enable investigators to follow the trail of explosives used in criminal bombings.

Developed programs to chart the flow of illegal firearms and initiate new techniques to fight such crime.

Mr. Speaker, I have enjoyed a close working relationship with Director Davis through our common goal of eliminating the criminal misuse of firearms. His leadership in this area will truly be missed.

Rex Davis' words and work have been misinterpreted—and misrepresented on many occasions. He has been unjustly criticized and made the subject of unwarranted attacks—as he has steadfastly undertaken to perform his important duties of investigating and enforcing our Federal laws relating to alcohol, tobacco, and firearms. Rex Davis has been denied adequate funds and personnel to fulfill the demands made upon him. With limited resources coupled with a full measure of dedication, Rex Davis has performed above and beyond the call of duty. He has brought honor and prestige to his office and to the Bureau—and he has gained the respect of all who have truly became acquainted with his great service.

Mr. Speaker, I salute Rex Davis as he leaves his post as Director of the Bureau of Alcohol, Tobacco, and Firearms—and I wish him well wherever his future career leads him. He leaves behind many grateful coworkers—and many Members of the Congress who honor and respect him as a man and as a devoted public official.

Mr. Speaker, I address these remarks on my own behalf and on behalf of many of my colleagues in the House of Representatives who will want to join me in extending our thanks to Rex Davis upon his retirement from the Bureau of Alcohol, Tobacco, and Firearms and extending our best wishes for his success in such future career that he undertakes. ●

RHODES' STATEMENTS ON CUBA NOT REPORTED

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. SYMMS. Mr. Speaker, as we all know, the American news media's ability to influence public opinion has made it one of the most powerful forces in the country. In addition, modern technology and other factors have resulted in a tremendous centralization of news gathering and dissemination. Most small newspapers, television stations, and radio stations depend on highly centralized wire services to supply their basic news copy for national and international affairs. As a result of this centralization, a bias in the national media is immediately reflected and transmitted throughout the country.

Recently an article on the problem of national media bias appeared in one of our small Idaho newspapers. I think that it is significant that the information about important foreign policy statements made by our distinguished colleague JOHN RHODES, and by men of the stature of Senator ROBERT C. BYRD and Senator HERMAN TALMADGE were almost invisible in the centralized news services. The statements had to be reported by Mr. Reed Irvine, a private citizen living in Washington, in order for the information to be easily available to a local Idaho newspaper:

AIM REPORT—ANTI-CUBA DEMANDS IGNORED

(By Reed Irvine)

WASHINGTON.—If you have wondered why the United States doesn't do something about Cuban meddling in Africa besides issue meaningless verbal protests, you are not alone. Some of the senior members of Congress are wondering the same thing, and some have recently spoken publicly on the subject, suggesting some concrete things that we could and should do.

The chances are you have not heard about this, because there seems to be a strange reluctance on the part of many in the news media to publicize such demands.

For example, the House minority leader, Rep. John Rhodes of Arizona, made a statement in mid-May, suggesting that the time had come to stop wringing our hands and take action. I could find no mention of this in the press. At the State Department daily press briefing, I asked if the State Department had any reaction to Congressman Rhodes' remarks. The reply was evasive and meaningless, but none of the correspondents representing Big Media showed the least interest in trying to find out if the Carter Administration had given any thought to at least cutting of the growing flow of tourist dollars to Cuba. Those dollars, plus remittances to Cuba that have recently been authorized, are helping to finance Castro's African adventures.

On May 22, a very senior Democrat, Senator Herman Talmadge of Georgia, delivered on the Senate floor a powerful speech denouncing Cuba's troublemaking in Africa and on this side of the Atlantic as well.

Senator Talmadge said that the Cubans now have an estimated 50,000 troops in Africa and troops and advisors in no less than 14 African countries. "Their pattern of aggression and subversion now encompasses two continents of the world and areas of Central America," he said. He noted that despite the futile protests uttered by our government, the situation is growing worse. It was not only Africa that bothered him. He noted that Cuba is supporting Puerto Rican terrorists who have been responsible for many bombings in our own country.

Apart from feeble protests, our response to all this, Senator Talmadge said, has been to exchange diplomats with Cuba, to permit them to open a mission in Washington, to sign fishing and maritime agreements with them, to lift the ban on travel to Cuba and to permit sending dollars to Cuba, to permit journalists, businessmen and athletes to visit Cuba and to send members of Congress to be wined and dined by Castro. "We seem to be bent upon treating our enemies as friends and our friends as enemies," Senator Talmadge said. He called for a change, saying we should close the Cuban mission in Washington, ban travel to Cuba, prohibit sending dollars to Cuba, and ask the Organization of American States to reinstate its ban on diplomatic and economic relations with Cuba.

The senator wanted action, not just more words. But his call was hardly heard beyond the walls of the Senate chamber. It was ignored by the influential eastern media, even though the wire services reported it. Again I sought a State Department reaction, but could get no support from the Big Media correspondents in the effort to elicit a meaningful reaction.

On May 30, an even more influential senator, majority leader Robert Byrd of West Virginia, echoed Senator Talmadge in a speech. He said that the administration should consider closing down the Cuban mission in Washington and cutting back sales of advanced technology to the Soviet Union to bring pressure on them to curb their African adventures. Senator Byrd warned that what was happening in Africa demonstrated that "the Soviet Union has not swerved from its commitment to foment chaos wherever it believes it can benefit.

Senator Byrd's speech was reported in 175 words on page 14 of the New York Times. It was hard to find, but at least it was mentioned by that paper. The Washington Post also mentioned the speech giving it three short paragraphs on page 10. But the Post said nothing about the suggestion that we take retaliatory measures against both Cuba and the Soviet Union. This is how news is managed in Washington. ●

FIELD HEARINGS IN THE STATE OF WASHINGTON

HON. EDWARD P. BEARD

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. BEARD of Rhode Island. Mr. Speaker, due to official business of the

House Select Committee on Aging, Subcommittee on Long-Term Care, I am joining my committee colleagues in conducting field hearings in the State of Washington. I will return for Monday's session on June 19.

H.R. 12934 AND U.S. SPACE POLICY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. BROWN of California. Mr. Speaker, as I read the list of departments and agencies that we appropriated funds for this week in H.R. 12934, I see a number of them linked by issues of common interest, issues that demand a multidisciplinary approach. Paramount in importance among these issues is the tangled knot of international communications policy and peaceful uses of outer space. This is an area that receives little public attention but is being elevated in importance by a series of international meetings and conferences. Unless these issues receive a corresponding level of attention in the executive branch, the United States may find itself the victim of its own lack of policy.

There is at present a United Nations Special Session on Disarmament, called by the nonalined nations to discuss the global implications of the arms race. In October of this year the UNESCO General Conference will resume its discussions of international communications and the free flow of information. Time is running out for the United States to make good on its promise made in 1976 to help establish a Third World communications capability. In 1979 the World Administrative Radio Conference will convene to divide the broadcast spectrum among the interested nations. The nonalined nations view this spectrum as a resource to be shared equally and the developed countries can expect another round of confrontation unless conciliatory moves are made now. Finally, in late 1979 the U.N. Conference on Science and Technology will occur with the developing countries looking to the developed world for indications of meaningful technology transfer.

I am not certain how the departments and agencies that we funded yesterday will deal with the opportunities presented by these meetings. I am not certain if these meetings have been linked as having a common thread or if, once acknowledged, this thread can find its way across the bureaucratic barriers of these various agencies. I am certain that the emerging issues of international communication and peaceful uses of outer space present this country with an opportunity to avoid confrontation with the Third World and usher in an era of cooperation that can produce the global security that we have sought for so long.

The French have recognized this opportunity in their global satellite monitoring proposal offered at the Special Session on Disarmament. Our vast governmental and commercial resources can aid in this endeavor and expand it into a cooperative information network that will allay Third World fears of a U.S.-dominated technology and place this country in a better negotiating position for the upcoming international meetings. The credibility of our word is in doubt by the nonalined world. It is time for decisive action on our part.

There has been some tentative discussion in the administration of establishing an information-sharing cooperative to begin this process of meaningful action to fulfill our 1976 UNESCO commitment. I encourage this action, seeing it as a first step into a new era of global relations well worth any costs associated. Flowing from such a network could be a clearly defined policy that touches on all of the international meetings mentioned earlier and gives the United States a positive image going into the conferences.

Following this with a global satellite monitoring system such as the French propose, or as Howard and Harriet Kurtz have proposed for years, would also greatly enhance the U.S. position among nonalined nations. Replacement of the mutually assured destruction concept with a mutually assured detection concept could provide the first meaningful disarmament progress in years.

I urge the Departments of State and Commerce and the related agencies funded under H.R. 12934 to look at this area and begin to work together and anticipate the potential for enhancing the image of this country in the eyes of the nonalined nations. We are at the threshold of one of those periods of great change in international order. This change poses a threat to the unprepared and an opportunity to those who anticipate. I hope that we all see the value in the latter policy alternative.●

WASTE IN THE LEGISLATIVE BRANCH

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. KILDEE. Mr. Speaker, I feel the time has come to review certain practices of providing Members of Congress with books and publications which have no value at all to Members in their capacity as a Congressman. For example, yesterday a multivolume set of the CONGRESSIONAL RECORD from the 1st session of the 94th Congress was delivered to my office. These books were beautifully bound and undoubtedly quite costly. They also represent the third printing of the same material, all of it having been published before in the daily issues and again in paperback. Yet these books were of no value to me. I was not a Member of Congress during that time, and in the unlikely event that I would want to refer to an issue of the CONGRESSIONAL RECORD from that time period, I would obtain it through the Library of Congress. I do not have the space to store these books and I can find no library that is interested in receiving them. When a member of my staff inquired as to how these books could be returned, she was at first advised to simply throw them away. I am advised that some of my colleagues have taken this advice literally, and placed their books in the hallway labeled "trash."

Mr. Speaker, on June 14, 1978, my colleagues and I voted for a 5-percent across-the-board cut in the legislative appropriations for fiscal year 1979 because we felt that there was waste in this budget which could be trimmed. It was the day after this vote that the bound volumes of the 3-year-old CONGRESSIONAL RECORDS arrived in my office. I think these books are an excellent example of some of the unnecessary and frivolous expenditures that could be done away with.●

THE COMING AGE OF CABLE TV

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. WAXMAN. Mr. Speaker, cable television is finally beginning to come into its own—as a medium distinct from commercial television, and as a service which provides material unavailable anywhere else. Increasingly, cable is discovering that its attraction for viewers lies not merely in being an echo chamber for popular independent television stations from far away cities, but by becoming involved in local communities, and covering local government, sports, arts, and public affairs. In so doing, cable is becoming a service people rely on for information and entertainment—and again that type of material which commercial television, which needs mass audiences, cannot afford to provide.

Lee Margulies of the Los Angeles Times has reviewed this aspect of cable's growth, and I am pleased to share it with my colleagues:

[From the Los Angeles Times, June 14, 1978]

COMING OF AGE OF CABLE TV

(By Lee Margulies)

You wouldn't know it to look at most cable television outfits in the Los Angeles area, but there are signs that the cable industry is making strides toward becoming the true alternative to traditional TV that has long been its potential. Cable can be—and in many parts of the country already is—something more than uncensored, uninterrupted movies and printouts of the news and stocks.

What made this astonishingly clear was seeing the finalists in the annual programing competition sponsored by the National Cable Television Assn. I served as a judge for the awards selection Monday along with Charles R. Allen, head of programing at KCET Channel 28, and Ethel Greenfield Booth, coordinator of community film programs for Filmex and a former cable consultant. Preliminary screening was done by a committee from the cable association.

The impression that emerged most strongly from the viewing experience was

that cable television, when it tries, is not so much an alternative to regular television right now as it is a supplement. The movies we get on the local cable systems are one portion of this supplementary service but systems elsewhere are doing much more.

Commercial television, because it is dependent on the financial support of advertisers, is consigned to programming for mass tastes—trying to reach as many people at any given moment as possible. That's why theatrical features are trimmed of explicit sex and bawdy language when they go on the tube, so people who might be offended by such matter won't tune out.

This mass-appeal approach naturally doesn't satisfy everyone all the time, because each individual has his or her own personal likes and interests that represent a minority viewpoint. Public television fills some of these gaps—in such areas as opera and ballet, for instance—but only some of them, and probably not to the extent that devotees of those arts would like.

Enter cable. Unlike conventional broadcasters, who can transmit only one program at a time and thus live or die on how many people choose to watch it, the cable operator offers 20 channels and more, and it makes no difference how his viewers divide themselves among the many choices he offers. Thus it is to his benefit to appeal to as many special interests as possible, people who collectively don't constitute a big rating number but who are motivated enough to pay for the cable service.

The company that seemed to be doing this best in 1977 was Suburban Cablevision of East Orange, N.J., which won an excellence award for overall service. What it offered to its approximately 40,000 subscribers was strong local coverage: high school sports (everything from baseball and football to lacrosse and girls' softball), gospel singing in the park, a health information series, interviews with visiting celebrities, parades, beauty contests, symphonies, even a quiz show for high school students patterned after General Electric's old "College Bowl" series. These were programs that East Orange viewers couldn't get anywhere else, presented with vitality and enthusiasm and without pretensions of grandeur.

Although none of the other finalists in this category measured up to Suburban Cablevision, there were many other examples of interesting programs being done by cable companies across the country—from El Cajon, Calif., where college students produce a weekly news show for the San Diego community, to Portland, Me., where city council meetings are televised in full.

This was even more evident in the category for outstanding individual program. Viacom Cablevision of San Francisco produced a documentary on crib death. Continental Cablevision of Ohio/CTV-Three covered the 10th annual world championships of radio-controlled aerobatics (remote-controlled model airplanes) in Springfield, Ohio. Viacom Telerama of Warrensville Heights, Ohio, offered excerpts from an original musical play that students at a local high school wrote and produced. Cable 2-Mission Cable TV of El Cajon televised the national racquetball championships. Coachella Valley Television of Palm Desert made a program for the Christmas season showing in grim, painstaking detail what happens to someone who is arrested for drunk driving, from the time he is stopped until he appears in court.

The winners in this category, however, were Gulf Coast Television of Naples, Fla., for its daily half-hour news program devoted to the city; Manhattan Cable TV of New York City for its live coverage of the city's marathon race last October; and Marin 11/Viacom Cablevision of San Rafael for "The Mother Lode Troupe," an imaginative, entertaining musical show set in a Northern California music hall during the 1850s and featuring local performers.

A final category covered programming for pay-cable systems—that is, shows specifically created for the pay-TV market, such as the "In Session" series seen on some pay channels here. Unfortunately, the best of this lot—the programming produced by Home Box Office and Showtime Entertainment—are not carried by any of the local cable systems.

The awards for excellence went to Home Box Office's coverage of George Carlin in concert at USC and to Showtime's presentation of "Spice on Ice" from the Hacienda Hotel in Las Vegas. Both shows were uncensored, so that viewers at home encountered the same profanity and nudity as if they were attending the events in person—which, of course, is what made the telecasts so different from what you are used to seeing and hearing on the tube.

Actually, though, once you accepted the nudity and language, the differences between any of these cable shows—for pay-TV or not—were minimal. They looked like typical TV shows; only the subjects were different. That's why they seemed to be more a supplement than an alternative to what's available now—alternative in the sense of being a radical departure from the norm, of using the medium in new ways.

The lone exception was Warner Cable's Qube system in Columbus, Ohio, where viewers are able to "talk back" to their set via a two-way cable that not only carries programs into the home but also takes the viewer's push-button response to a multiple-choice question back to the studio's central computer. This adds a dynamic new element to TV watching but it remains to be seen whether it will be put to substantive uses or remain merely a divertisement.

The point is simply that cable has a long way to go to fulfill its potential. It is encouraging to see that progress is being made, however. The supplementary role that many systems are playing is a valuable one. Television might not seem so lousy if there were more shows to pick from—particularly shows that were geared to special interests and not the broadest possible audience.

Now someone has to prod the Los Angeles cable companies into becoming more active on the local scene.●

WEST HIGH SCHOOL, BAKERSFIELD, CALIF., WINS NATIONAL CHAMPIONSHIP

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. KETCHUM. Mr. Speaker, I am most proud to announce that the physical fitness team representing West High School, Bakersfield, Calif., has taken first place in the Marine Corps Youth Physical Fitness National Championships. The six young men who made up West High's team accumulated 2,379 out of a possible 2,500 points, and demonstrated their outstanding physical abilities most ably Their success has secured a $500 award for West High, to be used to acquire physical fitness equipment, as well as a $1,000 scholarship for Kevin Dutt, highest scoring member of the team, and third-highest senior scorer in the Nation.

More important than the monetary gain involved in this award is the teamwork and dedication demonstrated by these fine young Americans. Each of them has worked to the very best of his ability, and beyond, throughout all the meets in which the team has participated. I would like to extend my most sincere congratulations to Kevin Dutt, Brad Dickens, Joel Dooley, Greg Powell, Bob Tucker, and David Norris for their excellent accomplishments, as well as to Dr. Richard Tucker, the team coach. The team, the school, the parents, and all friends and supporters deserve appropriate recognition and commendation. I am sure that my colleagues join with me in offering that tribute today.●

CONGRESSMAN DRINAN: DEDICATED ADVOCATE FOR THE ELDERLY

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. PEPPER. Mr. Speaker, as Chairman of the House Select Committee on Aging, it has been my privilege to serve with a Member of this body who continually demonstrates his commitment to improving the lives of the elderly. Our distinguished colleague, Father DRINAN, has been responsible for a number of major legislative changes that are of great importance to older persons. Just this week, Father DRINAN appeared before the House Rules Committee spearheading a bill seated for floor action soon to add age to the jurisdiction of the U.S. Civil Rights Commission.

Much of our committee's activity this past year was devoted toward ending mandatory retirement. Congressman DRINAN's assistance and counsel was simply invaluable in this struggle. Typically, with the enactment of Public Law 95–256 which raised the mandatory retirement age to 70, Father renewed his efforts to reach the ultimate goal of ending all age discrimination. He joined with me in introducing a comprehensive package of bills to accomplish this and wrote major employers all over the country to urge them to ban mandatory retirement.

Congressman DRINAN's actions in this and many other areas will do much to improve conditions for the elderly people of his own district and all across the country. For this, all of us owe him a debt of gratitude.

For the benefit of my colleagues, I am inserting in the RECORD following my remarks a statement he made concerning his work on the Aging Committee. I believe this fine record of achievement will demonstrate to everyone his magnificent work as an advocate for the elderly:

DEDICATED ADVOCATE FOR THE ELDERLY

The late Will Greer, better known to us as Grandpa Walton, was one of the best advocates for a change in the way America treats her older citizens. I well remember the day in May of 1977 when he appeared before our Committee on Aging and declared "it criminal, absolutely criminal, that old people

should be put on a shelf and told they can no longer work when they want to work, and they can work."

That same month Congressman Claude Pepper, the Chairman of the Committee on Aging, joined me in Massachusetts to hear from older citizens of Brookline and Waltham concerning the effect of forced retirement on their lives. We heard how difficult it was to cope with the rising cost-of-living when forced out of a job merely because of age, how the stress of forced retirement added to or caused health problems, how mandatory retirement robbed older workers of their dignity and deprived the work force of its most productive and experienced employees.

Those hearings furthered our resolve to secure passage of legislation to change the retirement age law. In April of 1978 the President signed into law our bill which increased the mandatory retirement age from 65 to 70 for those in private employment and removed the cap completely for most federal employees. The Boston Globe noted that the new law might well bear the label "Made in Massachusetts", given the impetus our Waltham and Brookline hearings had provided.

Because of concerns over the possible effects of changing the retirement age we were not successful in fully vindicating the right of all older workers to choose when they will retire. However, I have no doubt that this legislation will be heralded as the most important event in this 95th Congress and perhaps this decade. History will record that in 1978 America started to change its perception and treatment of old age.

The day after the President signed the new law changing the retirement age to 70, Congressman Pepper joined me in introducing a package of bills designed to eliminate all age-based discrimination. The bills do away with mandatory retirement completely for all categories of workers, strengthen prohibitions already on the books against age discrimination in federally funded programs and add age as a protected category in all of the Civil Rights laws which presently outlaw discrimination based on race, sex or religion. Older Americans are today engaged in a struggle for their civil rights and whatever justifications were accepted in the past for the gross generalizations inherent in mandatory retirement and other forms of age discrimination can no longer be supported morally, scientifically or economically.

ACTIVITIES ON THE SELECT COMMITTEE ON AGING

The Committee on Aging assists the Congress in the development of legislation designed to improve the quality of life for older Americans. I am privileged to be the first Representative from Massachusetts to serve on this committee. One of the first actions of the Committee last year was to meet with President Carter to discuss a wide range of issues affecting older citizens. This was the first time any congressional committee met with a President to discuss the concerns of older Americans.

One of the most important topics discussed at that meeting and a continued interest of mine and the Subcommittee on Health and Long-Term Care on which I serve, is the need to reverse the costly, unproductive institutional bias which the federal government has adopted toward the nation's older citizens who need health care. In 1977 only four-tenths of one percent of the over $5 billion Medicaid spent for persons over 65 was for home health care, contrasted with 78 percent for care in nursing homes. There will always be some need for full-time nursing home care but many older citizens sent to nursing homes today could be cared for in their homes if support services were available. A report of the General Accounting Office showed that home health care is far less expensive than institutionalization and more importantly many older persons would prefer to remain in their homes. In the natural order of things institutionalization should be an alternative to home care, not the reverse.

I have sponsored legislation with other subcommittee members which would make home health care more available under Medicare by removing the requirement for prior hospitalization and the limit on home health visits. The legislation also provides coverage of the necessary support services such as homemaker and choice services.

Among the other accomplishments and activities in which the Committee has been involved are the following:

A bill to permit airlines to offer reduced fares on a standby basis for the elderly and handicapped. Congressman Pepper and I wrote to every major airline in the nation urging them to provide meaningful fare reduction for older travellers as quickly as possible.

An amendment to the Medicare-Medicaid Anti-Fraud and Abuse Act which makes it a crime to require a contribution as a condition of admission or continued stay in a hospital or nursing home.

The establishment of an office within the Department of Justice to collect and analyze data on elderly crime victims. In hearings on elderly crime it become clear that a major stumbling block to the development of effective programs to reduce crime against the elderly was the lack of available and uniform data.

Release of $22 million from the Department of Transportation for vehicles and equipment to be acquired by non-profit organizations for the purpose of providing special transportation services for the elderly and handicapped.

Restoration of $4.7 million for RSVP (Retired Senior Volunteer Program). Officials of ACTION were called before us to discuss the 23 percent cut in this program. RSVP volunteers throughout the 4th Congressional District are providing valuable services as tutors in schools, assisting other older citizens with government benefit forms, operating nutrition programs and Friendly Visitor Programs. I closely questioned ACTION officials about this cut when they appeared before us and I was greatly pleased to receive a call from ACTION Director Sam Brown advising me that the funds had been restored.

$80 million has been made available over the next three years for the development of congregate facilities in public and Section 202 housing for the elderly. I have cosponsored legislation to encourage congregate housing and was pleased to see this provision included in the Housing and Community Development Act Amendments.

MEDICARE COVERAGE

Another important concern in the area of health care is the lack of coverage under Medicare for prescription drugs. This expense represents the single most burdensome out-of-pocket cost for older citizens who are more prone to chronic illnesses, which require medication, than are their younger counterparts. Other equally glaring deficiencies in the Medicare program are the lack of coverage for dental care, podiatry services, annual check-ups and needed medical devices such as eyeglasses, hearing aids and dentures. Many older persons put off seeing a physician once a year or having annual dental and eye check-ups because of the cost. It would make better sense to encourage and support preventive health care services so that good health could be sustained and costs contained. I am a cosponsor of the National Health Security Act which recognizes the value of preventive medicine and I have cosponsored legislation to fill in these gaps in the Medicare program.

OLDER AMERICANS ACT

I have also been actively involved in the re-authorization of the Older Americans Act, which is the single most important source of federal support for programs aimed at service to older citizens. Based on hearings before our Committee and recommendations we made a number of changes have been proposed for this law. The Commissioner of Aging should hold a position within HEW which is directly responsible to the Secretary of HEW, so that the Administration on Aging will have more clout in matters affecting their constituency. There should also be a separate home-delivered meals program to service those older persons unable to participate in the congregate hot meal program. These recommendations have been accepted, as have proposals for expanded legal services, more job slots under the Older American Community Service Employment Program and availability of funds for the staffing of senior centers.

I was particularly pleased that the House also accepted provisions to the Age Discrimination Act of 1975 which make it unlawful to discriminate based on age in programs receiving federal support such as general revenue sharing funds. These provisions were drawn from legislation I had introduced.

SOCIAL SECURITY

Early last year I again introduced legislation to eliminate the earnings restriction of the social security law. This restriction is unfair and unwise in that it penalizes people for keeping their jobs whereas older citizens who have outside income from investments suffer no reduction in Social Security benefits based on such income. When the House was debating the Social Security Financing Amendments a compromise was reached which provides for an increase in the earnings restriction to $4,000 this year with a gradual rise to $6,000 in 1982 and automatic cost-of-living increases thereafter. The new law also provides that in 1982 the age of exemption from this restriction will be lowered from 72 to 70.

In the same legislation provisions were accepted based on legislation I introduced. The length of time a woman has to have been married in order to be eligible for a wife's benefit was reduced from 20 to 10 years and the penalty of prior law for remarriage was eliminated with the result that a widow or widower who remarries will suffer no reduction in benefits.●

ATLANTIC SALMON RETURN TO THE CONNECTICUT RIVER

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

Mr. MOAKLEY. Mr. Speaker, in his quest for industrial growth, man has done much to destroy the very environment which supports him and all other living creatures. The beauty of his land, air, and water was often sacrificed in the name of modernization.

Many of our rivers have suffered from pollution or physical alteration. Some are destroyed but still others, through the same efforts of man, have been brought back to vitality.

One such river is the Connecticut River, which runs through Massachusetts as well as Connecticut, Vermont, and New Hampshire. In what is being called one of the most successful fish restoration efforts ever, Atlantic salmon have returned to the river for the first time in over 100 years.

The river system, once barren of the species due to dams which acted as

physical barriers, is being used again by the salmon, reared at Federal and State hatcheries. The cooperative restoration was begun in 1967 by the U.S. Fish and Wildlife Service, the Commerce Department's National Marine Fisheries Service and the four States in which the river flows.

As a result of the work of these and other agencies, pollution of the river system continues to subside, and fish passage facilities have been or will be constructed to pass the salmon over major obstructions.

In the last month, more than 50 adult Atlantic salmon have been captured in the river—a tenfold increase over 1977 and this reintroduction of salmon in the Connecticut River has proven to be a positive result of the constructive policy of Federal and State cooperation.

LIFT THE TURKISH ARMS EMBARGO

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. SYMMS. Mr. Speaker, I am very concerned about a vote which will take place in the next couple of weeks involving the Turkish arms embargo.

I believe that it is absolutely necessary that the United States lift the embargo on Turkey and once again start supplying that strategic ally with the weapons it needs to modernize its forces and restore strength to the southeastern flank of NATO.

I wish to submit an editorial from the Wall Street Journal of June 14, written by Albert Wohlstetter which covers some of the key factors involved in the embargo, particularly the significance of Turkey. Wohlstetter says:

The value of Turkey for the United States and its NATO allies extends far beyond the few installations on which operations have been suspended since the arms embargo.

Wohlstetter continues to explain the significance of Turkey in any future crisis in the Middle East, where it will be important which side has access to Turkish air space and bases.

The Wohlstetter column reads as follows:

LIFT THE TURKISH ARMS EMBARGO

(By Albert Wohlstetter)

The United States, Turkey and Greece have very strong mutual interests affecting their security—interests that have been harmed by the behavior of all three nations. The self-destructive pattern can be broken by support for President Carter's initiative to lift the arms embargo against Turkey.

All NATO countries—not only the United States, Turkey and Greece—have an interest in restoring health to the southeastern flank of NATO. That is also of great consequence for the credibility of any American guarantee in the Middle East and for countries such as Japan that depend on oil from the Persian Gulf.

What makes the problem urgent is the worsening of our position on the southern flank of NATO and especially in the eastern Mediterranean, the increase in Soviet ability to project power at a distance, Greece's continued absence from the NATO military command, the increased precariousness of our own and allied reliance on oil from the Gulf area, the deterioration of the Turkish armed forces that remain part of the NATO military structure, and the steady decline in our relations with Turkey.

There are of course endless claims and counterclaims about the rights and wrongs of Greek, Turkish or even American and British behavior on Cyprus. I do not think a fair and accurate picture can be drawn in simple black and white. Nor do I think the legal questions as to the use or misuse of U.S. arms aid present a simple issue, with an obvious answer justifying punitive action in the form of a continuing embargo.

THE GAO LETTER

The Greeks as well as Turks are armed predominantly by the United States and both, it is plain, have used these arms to protect what they regard as their legitimate rights and obligations. The usual authority cited on Turkish violations is the General Accounting Office letter to Sen. Eagleton. A careful reading shows that it does not unambiguously claim a Turkish violation. Moreover, I think the GAO would have qualified its judgment on Turkey even further if it had been asked about violations on the other side, which were much less ambiguous.

I am afraid many Americans made moralistic statements about the crisis that strain moral credibility. There is no doubt that the events started with a coup engineered by the military dictatorship then existing in Greece. And there is no doubt in my mind that the Treaty of Guarantee signed by Greece, Turkey and Great Britain was a justifiable basis for Turkish intervention in July. In the subsequent August landing the Turks expanded their very precarious foothold in the face of Greek delays and refusal to agree to a security zone around Turkish forces.

One always hears that 40 percent of the land is occupied by the Turks, who make up only 18 percent of the population. I would point out first of all that the 40 percent seems to be inaccurate; it is more like 36 percent or 37 percent, and the Turks question the 18 percent as well. More important, the Turkish "18 percent" or more of the population, being mainly farmers, always had more than the corresponding 18 percent or so of the land—about 40 percent at the time of the 1960 census, and perhaps 30 percent at the time of the coup. The recent Turkish proposals for voluntary population and land transfers consider the military and economic viability of the transfers, and seem to me as they do to Secretary General Waldheim a substantial advance in the negotiation.

On such complicated disputes between two important allies, the United States had best avoid the pretense that the moral or legal issues are simple black and white ones which we can sit in judgment. Such pretense does mischief to our reputation for any balanced concern about the rule of law. I would be as deeply opposed to an embargo on arms to Greece as I am to continuance of the embargo against Turkey. We should not be asked to choose; both are of key importance to our own security and to that of our allies.

The security considerations, meanwhile, are essential to the strategic significance of Turkey. While there have been recent claims that new weapons technologies make the Turkish armed forces, facilities and geographical position obsolete, it simply romanticizes technology to suggest that ICBMs or any other sophisticated technology can replace forces that operate from close-in range. Similarly, the Turkish intelligence facilities closed since the embargo were of great value, and substitutes have been only partial, creating deficiencies that become harder and harder to overcome. These facilities provided us with information about the development of Soviet long-range systems, and also, as in the fall of 1973, about movements and concentrations of Soviet forces.

The value of Turkey for the United States and its NATO allies extends far beyond the few installations on which operations have been suspended since the embargo. That value proceeds in the first place from control of the exit from the Black Sea through the Straits of the Bosporus and of the entry to the Aegean through the Dardanelles. Second, from the large number of strategically placed base facilities for combat, communications, navigation and other support functions, including facilities besides those withdrawn from current operation. Third, from the control of the air space above Turkey. And fourth, from the Turkish ground forces themselves, which are the largest in NATO aside from those of the United States, and have a well-deserved reputation of fighting ability.

It is usual to talk of the value of Turkey for our allied security in rather general terms. That makes it easy to dismiss its value with some vague reference to technology or the like. I would like to illustrate Turkey's importance in some concrete detail.

First, on the importance of Turkey to Greece, which proponents of the embargo tend to think of, if at all, only in passing. Turkey's participation in NATO sharply increases Soviet force requirements for Bulgarian or combined Bulgarian-Soviet attacks on Greece. Turkish control of the Dardanelles blocks the Soviets' sea lines.

NATO planes based in Turkey could interdict Soviet sea and air movements to Bulgaria. The only invasion-supply route into Greece which is not within easy artillery range of Turkish forces is a single-track railroad with a parallel road. With Turkey and Greece cooperating in NATO, this attack would be a much riskier adventure and therefore one much less likely to be attempted or persuasively threatened. And most important, Soviet force would be less likely to cast a political shadow.

On the importance of Turkey for the whole of NATO's southern flank, and consequently for the NATO center, Secretary of Defense Brown has been quite clear. If the flanks are neutralized by political or military action, an adversary can concentrate more massively against the center. The defense of the center cannot be separated from the defense of either flank.

In the defense of the Persian Gulf area, however, the potential role of Turkey deserves concrete illustration. If the Soviets can overfly Turkey at will, they can cut in half the time needed to deploy forces by air over Yugoslavia to an objective near the Gulf. (Roughly the same is true for deployments to Lebanon and Israel.) The availability of Turkish airspace drastically affects what the Soviets can do compared with what the United States can do in the Gulf area. Without substantial overflight over Turkey, the Soviets, for example, might be able to bring into the area a force roughly equivalent in firepower to a U.S. mechanized division and do it in about the same time as it would take the U.S., that is, in about two weeks. With overflights unconstrained the Soviets could get there a week earlier.

For conflict in the Persian Gulf area the Turkish Straits also are plainly important. If the Soviets cannot use the Straits to resupply by sea as well as by air their forces fighting in the Gulf, they might have to rely exclusively on a massive initial airlift until they could, for example, resupply by sea from Vladivostok—a much more distant supply route. Other conceivable routes might be even longer, more complicated or more vulnerable.

In short, when one looks at the grubby details of how the contestants might fare in a struggle in such key parts of the world as the Persian Gulf or Greece, it is apparent that with the technologies available to each side the role of Turkey is likely to be of maior importance. No airy, references to sophisticated weapon systems should erase that importance from our minds.

TURKEY'S SIGNIFICANCE

Finally, a few words on the significance of Turkey for the Middle East. It would be possible to illustrate in some detail the effects of the availability to one side or the other of Turkish air space, the Straits, bases and materiel in Turkey, or the Turkish forces. The potential effect on conflict between the confrontation states and Israel is large. The stability of settlements now being proposed for the Middle East depends not only on the ability of the parties to defend themselves with only logistic support from outside, but also on external guarantees of possible intervention.

But no guarantee is likely to be accepted if it cannot be backed up, that is, if the risks of backing it up are so large that fulfillment of the guarantee is not believable. And even if a very risky guarantee were accepted, the settlement guaranteed would very likely be unstable. There has been a long history of the importance of Turkey for military operations in the area. Turkey was a key to our successful intervention in Lebanon in 1958. Our intervention at that time exploited the strategic position of Turkey and was greatly aided by it.

To restore the role of Turkey in the alliance we should end the embargo. The embargo in any case blocks compromise on Cyprus. The Turks will not bend to a public humiliation by a major ally. And those Greeks who see Turkey only as a rival and a danger and want it weakened will delay compromise to perpetuate the embargo. For the sake of Cyprus, and for the mutual security of our allies, including Greece and Turkey, we should at long last bring the embargo to an end.●

KUDOS FOR KOREA

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. DERWINSKI. Mr. Speaker, it is the fashion these days in certain circles to automatically criticize the Republic of Korea. Therefore, I naturally found the article by America's most distinguished columnist, Roscoe Drummond, to be especially interesting and intriguing.

His column, appearing in the Christian Science Monitor of Wednesday, June 14, was written in a rather complimentary and positive fashion on the subject of Korea. The article follows:

KUDOS FOR KOREA

(By Roscoe Drummond)

WASHINGTON.—On the day that the British morning newspapers had blazoned the news that the United States had gone to the rescue of South Korea under the banner of the United Nations, an Englishman stopped me as I was walking along Fleet Street in London.

"You're an American, aren't you?" he asked, and continued, "I just want to say that you must be very proud of your country today for what it is doing to protect a small, distant nation from aggression."

He strode on and I pondered his remark because I had not thought of pride in President Truman's action in leading the UN into its first and momentous peace-keeping action and committing the U.S. to a grave undertaking which in the end would be both costly and successful.

It was a brave and worthy decision and history will so record it.

There is pride enough for both countries—for the South Koreans who had the will to resist, whatever the odds, to the end; for the United States which never backed away until the invading forces were driven from South Korean soil and for the 15 other United Nations forces which contributed to the common defense.

I recall this history because it bears on the present. At a time when the atmosphere surrounding our two countries is clouded by a bribery scandal which reflects discredit on some Korean officials and some members of Congress, it is well to recognize that there is a special relationship between the U.S. and South Korea which rests on common national interest and worthy loyalties. They are durable interests and durable loyalties; they should not allow even grave mistakes in our relations to obscure them.

The new South Korean Ambassador to the United States, Yong Shik Kim, is doing his part to keep things in perspective. He is speaking to diverse American audiences expounding the common bond between Washington and Seoul.

That common bond becomes more apparent when geography and politics are taken into account. Ambassador Kim puts it this way:

"The Korean peninsula may be geographically an appendage of Asia and Korea a country of East Asia, but politically and in many of its economic, social and educational ties the Republic of Korea is an outpost of the West. It therefore merits recognition as a key part of the free world. That recognition has been made abundantly clear by the presence of United States forces in the republic."

There is ample evidence that the Korean people are a courageous and resilient people. They survived nearly 40 years of Japanese domination. Their nation was artifically divided after liberation against the evident wishes of the majority of the people. They suffered massive casualties in dead, wounded and orphaned.

They are imbued with an unquenchable work ethic. They are building an increasingly healthy new nation through an export economy. In 1950 the total value of their exports was only $39 million. Last year it was $10 billion. Today South Korea is a valuable trading partner with the U.S. In 1977 our two-way trade was $7 billion.

"We are a hard-working people." Ambassador Kim tells his American audiences, "rising from the throes of the unhappy past, assiduously seeking to excel in the task of building a better nation."

It will be a still better nation as it strengthens and widens its democratic processes.

Today it still has to keep a half million of its armed forces guarding the 155-mile demilitarized zone betwen the two Koreas because China, Russia, and North Korea have rejected a Western proposal to agree to a durable peace.●

SENATORS PROTEST CUBAN MEDDLING

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. PEPPER. Mr. Speaker, the international consequences stemming from Fidel Castro's growing menace in Africa and other parts of the globe demand that the American people be as amply and accurately informed as possible about this situation. I came across an important column in the Jefferson City, Mo., Post Tribune which I feel reflects this crucial problem of public information. Therefore, Mr. Speaker, I take pleasure in inserting this article in the RECORD:

SENATORS PROTEST CUBAN MEDDLING

(By Reed Irvine)

WASHINGTON.—If you have wondered why the United States doesn't do something about Cuban meddling in Africa besides issue meaningless verbal protests, you are not alone. Some of the senior members of Congress are wondering the same thing, and some have recently spoken publicly on the subject, suggesting some concrete things that we could and should do.

The chances are you have not heard about this, because there seems to be a strange reluctance on the part of many in the news media to publicize such demands.

For example, the House minority leader, Rep. John Rhodes of Arizona, made a statement in mid-May, suggesting that the time had come to stop wringing our hands and take action. I could find no mention of this in the press. At the State Department daily press briefing, I asked if the State Department had any reaction to Congressman Rhodes' remarks. The reply was evasive and meaningless, but none of the correspondents representing Big Media showed the least interest in trying to find out if the Carter Administration had given any thought to at least cutting off the growing flow of tourist dollars to Cuba. Those dollars, plus remittances to Cuba that recently have been authorized, are helping to finance Castro's African adventures.

On May 22, a very senior Democrat, Sen. Herman Talmadge of Georgia, delivered on the Senate floor a powerful speech denouncing Cuba's troublemaking in Africa and on this side of the Atlantic as well.

Sen. Talmadge said that the Cubans now have an estimated 50,000 troops in Africa and troops and advisors in no less than 14 African countries. "Their pattern of aggression and subversion now encompasses two continents of the world and areas of Central America," he said. He noted that despite the futile protests uttered by our government, the situation is growing worse. It was not only Africa that bothered him. He noted that Cuba is supporting Puerto Rican terrorists who have been responsible for many bombings in our own country.

Apart from feeble protests, our response to all this, Sen. Talmadge said, has been to exchange diplomats with Cuba, to permit them to open a mission in Washington, to sign fishing and maritime agreements with them, to lift the ban on travel to Cuba and to permit sending dollars to Cuba, to permit journalists, businessmen and athletes to visit Cuba and to send members of Congress to be wined and dined by Castro. "We seem to be bent upon treating our enemies as friends and our friends as enemies," Sen. Talmadge said. He called for a change, saying we should close the Cuban mission in Washington, ban travel to Cuba, prohibit sending dollars to Cuba.

The senator wanted action, not just more words. But his call was hardly heard beyond the walls of the Senate chamber. It was ignored by the influential eastern media, even though the wire services reported it. Again I sought a State Department reaction, but could get no support from the Big Media correspondents in the effort to elicit a meaningful reaction.

On May 30, an even more influential senator, majority leader Robert Byrd of West Virginia, echoed Sen. Talmadge in a speech. He said the administration should consider closing down the Cuban mission to Washington and cutting back sales of advanced technology to the Soviet Union to bring pressure on them to curb their African adventures. Sen. Byrd warned that what was happening in

Africa demonstrated that "the Soviet Union has not swerved from its commitment to foment chaos wherever it believes it can benefit."

Sen. Byrd's speech was reported in 175 words on page 14 of The New York Times. It was hard to find, but at least it was mentioned by that paper. The Washington Post also mentioned the speech, giving it three short paragraphs on page 10. But The Post said nothing about the suggestion that we take retaliatory measures against both Cuba and the Soviet Union. This is how news is managed in Washington.●

MEG MAGUIRE ON URBAN RECREATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. BINGHAM. Mr. Speaker, Meg Maguire, Deputy Director for Planning of the Heritage Conservation and Recreation Service in the Interior Department, is well known to all of us who are concerned with providing decent recreation facilities for residents of urban areas. In New York City's Department of Parks, in the New York State Park Commission, and now here in Washington, she has been a persistent and persuasive advocate of the importance of parks and recreation in the quality of urban life. Since coming to Washington with the Carter administration, Meg has successfully coordinated the now completed urban recreation study and has worked with Chris Delaporte, Director of the Heritage agency, in seeing that urban recreation would be a priority item in the Carter administration's "urban package."

On June 7, the Parks Council of New York honored Ms. Maguire with its "citation for community service." Meg accepted the award with a statement on urban recreation that covers many of the key points on the urban recreationalist's agenda. I commend Meg Maguire's remarks to my colleagues and other readers of the RECORD:

REMARKS BY MEG MAGUIRE

I am deeply honored to receive this award from the Parks Council. The Council is of tremendous, and often insufficiently recognized, importance to the quality of life in this unique city. Without your aggressive and effective advocacy of sound public park and recreation policies, this aspect of the City's life would be in far worse shape than it is, and many fewer achievements could be counted.

For me, today is quite special, for it is an opportunity to celebrate with you the business we're all in. Much of what I know I learned from many of you—that cities are exciting and creative places to live; that open space is important to the way people feel about their neighborhoods; that recreation services enhance people's perceptions of their own physical skills; and that the planning process is an excellent tool for mobilizing people. I shall always be enormously proud that I learned these things in New York City. There is no better school.

It is also special to have another occasion to bring my new colleagues from the Interior Department—Chris Delaporte, Director of HCRS; Wallace Green, Special Assistant to the Under Secretary; and Bob McIntosh, Staff Director of the Nationwide Outdoor Recreation Plan—together with you, for you all have much to give and take from each other besides money. Working for Chris during the past year has been a reward unto itself. He, too, has been soaking up New York's many lessons on previous trips and then applying his insights to national policy in Washington.

So, while this fine mix of spirits is here together, away temporarily from the crises we tend every day, let us do what we do too rarely; let's think about the future. For if we fail to give conscious direction to that future then the everyday crises will consume us.

Where are we today in urban parks and recreation? Where do we go from here?

First, let us look briefly at where we are today.

The most comprehensive study of urban parks and recreation ever undertaken, the National Urban Recreation Study, has been completed recently and submitted to Congress. The study was conducted in 17 major metropolitan areas of the country and outlines the massive problems and opportunities which confront park and recreation systems in this country. Some of the findings are surprising only because they are so consistent in communities all over the country. For example:

The most pressing needs in virtually every community are for funds to maintain and rehabilitate park systems.

The Federal Government is now providing about $1.2 billion annually to localities to support parks and recreation. Half of this sum is from CETA.

In many large cities, including New York, Cleveland, Kansas City, and Gary, over 50% of the park and recreation personnel is paid by CETA. Over half the cities in our sample said they would be in desperate trouble if CETA were cut back or eliminated.

Use of schools for recreation is an important factor in satisfaction with recreation opportunities. Of the neighborhoods we studied which were satisfied with their recreation, 75% had schools which were open after hours for community use; in the dissatisfied neighborhoods, only 20% had community schools.

Private voluntary agencies are major recreation providers, particularly in low income areas.

Yet these recreation services are being reduced in four of the six largest central cities in the U.S. because of rising costs and loss of membership.

Costs of acquiring open space in and near urban areas is often astronomical, yet many opportunities remain.

The state of planning for park and recreation services is in very sad shape. Few cities survey citizens to determine needs, and few could produce plans that were currently serving as a guide for their programs and policies.

Yet in the research for the Nationwide Outdoor Recreation Plan, we find that public demand for recreation services and products is experiencing phenomenal growth.

The Department of Commerce estimates that one of every $8 of personal consumption expenditures are spent for recreation. In 1977 that totaled $160 billion.

This demand for recreation goods and services will continue to increase. From 1967 to 1977 it increased 125%; in the next 10 years this trend will continue.

The U.S. Travel Data Center estimates that the "leisure" industry employed 6 million people in 1976. This represents approximately 7% of total employment in the country. That is, one out of every 14 jobs in the country is dependent upon the pursuit of recreation.

Recreation will become increasingly important as we continue to move from a manufacturing economy to a service economy. Other trends that will increase future demands for recreation services include a long list which we will discuss in detail in the Nationwide Plan. Suffice it to say that recreation is big business in America.

In the public sector, one of the most alarming current trends is the taxpayer revolt which may have severe national consequences. Portland, Oregon, a city of enormous civic pride, just voted down a significant recreation facility tax levy even after a major public relations campaign was mounted by the Chamber of Commerce. California is facing a $7 billion cut in local funds as a result of the Jarvis-Gans Amendment. Coming as it does from the West, which places a high premium on public open space and recreation, this news is particularly deflating.

At the same time, there are some positive breakthroughs in public recognition and acceptance of parks and recreation as a vital and severely threatened service. Authorization for the Land and Water Conservation Fund has tripled, in part because of pressures from urban areas. At last, some very powerful members of Congress are beginning to show a new understanding of urban recreation issues. And the President, in his Urban Policy, included a $150 million Urban Park and Recreation Recovery Program in recognition of the need to rehabilitate existing indoor and outdoor facilities, particularly in hard-pressed cities. This specific categorical legislation addresses some of your problems, though by no means all of them. We anticipate that it may pass both houses of Congress this session.

The Urban Park and Recreation Recovery Program is a challenge grant for cities which show evidence that they are confronting the future by marshalling their public and private resources in new ways. The legislation calls for a 50% Federal share with an incentive for States to participate: The Federal Government will match every dollar the State puts up with another Federal dollar. Thus, in a State which places a high priority on rehabilitating urban parks, it will be possible for the locality to pay nothing. Land and Water Conservation Funds will not be an allowable State match since the intent here is to increase total funds for recreation in urban areas.

In administering this Program, we will be less concerned with the specific sites where you choose to spend this rehabilitation money than we will be with tangible evidence that your City—the mayor, the park director, and the private institutions—are planning seriously for the future of parks and recreation. We want to see your action agenda and evidence that you are moving on it with determination.

What should be on that agenda? What visions of the future are appropriate today which can give direction to our efforts just as the vision of grand landscapes did for our predecessors?

No one can answer these questions and too few are asking them. But as I travel around and see the innovative things people are doing from Seattle to Kansas City to New York, I am convinced that we may not be very far away from an urban parks and recreation renaissance. We want to use the Urban Park and Recreation Recovery Program, modest though it is compared to the need, to accelerate this momentum. It will not be our visions of your future that we reward, but yours. Your plan will tell us where you want to go in all aspects of your park system. We will not be unrealistic about your difficulties but we will insist that you not be bound and defeated by them.

We will not look for massive planning documents, but for a succinct and thoughtful statement of what you intend to accomplish. We will place a high priority on the extent to which the City has consulted with citizen groups in preparing its agenda. Our intent is to insure that Federal funds are being used to assist you in building your long-term

capacity and not serving merely as another band aid.

The details of the planning requirements must still be worked out, but they will include at minimum the following:

Operations and Maintenance—How do you plan to adopt new modes of operation including private contractual services; roving crews, etc.? How will you use volunteers in adopting and caring for parks? How will you make more flexible use of professional personnel?

Manpower Training—How will you retrain and unify a dwindling work force? Make your CETA program into a meaningful training opportunity for the unskilled? And make far more effective use of the private non-profit sector to teach and train? The Parks Council has already shown its capabilities in this regard, but now ways must be sought to institutionalize these approaches even further.

Recreation Services—How do you plan to coordinate the many resources in the public and private sectors? The Urban Study points out that very few cities have effective coordinating groups to exchange information, frame issues and chart a course of action. In fact, the presence of our study team often served to introduce members of the recreation community who should be talking frequently.

Land Use Planning—How will you use the tools of zoning and set aside ordinances in even more creative ways to gain public benefits? New York has excelled in this and we will be referring your counterparts around the country to you for help. Yet, New York has many challenges in land use planning in the South Bronx, Staten Island and other areas in the region where precious open space opportunities are still available and must be seized now, in spite of the burden they place on present maintenance capabilities.

Waterfront Redevelopment—What plans, big and small, do you have for redevelopment of your waterfront to integrate economic development, housing and open space? Will low cost citizen-initiated projects such as the one the Parks Council has undertaken at Grand Street in Brooklyn be the exception, or will the City find ways of duplicating this effort as a matter of policy?

Transportation to Recreation—Are the City's transportation planners working in some formal arrangement with the parks agency to get people to parks and cultural activities? Are the metropolitan transportation planners talking to the regional park planners?

And, of course, there are other areas of concern: Environmental education and school camping; arts and recreation; etc.

At the end of the Urban Park and Recreation Recovery Program in five years, we want to report to the President and the Secretary that their decision to include this program in the Urban Policy not only enabled several thousand facilities to be rehabilitated, but also stimulated people to think about the future and cemented new partnerships between State, local and Federal governments and the private sector.

I believe we must look to a day when park and recreation services will be taken just as seriously as health, economic development, and education for park and recreation investments contribute substantially to those goals. We are in everyone else's business and it's time we sold ourselves on that basis, not just as something pleasant and attractive. Programmed and cared for properly, our parks and recreation centers have the potential for greatly enhancing real estate values, improving individual fitness and mental health, providing creative outlets for adolescent energies, and bringing together people of all ages and backgrounds to discover their own talents and abilities.

Convincing decision makers of these facts will not be easy. We don't have all the facts which prove these benefits. But we have more facts and information than we use. And surely, we can interest serious academic institutions concerned with preventive medicine, mental health, economic development, neighborhood revitalization and crime prevention to devote more research efforts to measuring the benefits of parks and recreation services to people and communities.

But it really isn't the facts we need so much as it is a rather profound adjustment in our attitudes towards being political. The environmental movement may serve as a lesson. Instead of bogging down in debates about the necessary qualifications to be an environmentalist, they went after the very best minds they could find—lawyers, scientists, community organizers, and journalists. They went to court. They went to City Hall. They proliferated and became a major force in Washington. They have been responsible in large measure for some of the most significant domestic legislation passed in the last ten years from the National Environmental Policy Act to H.R. 39, a stunningly bold and visionary Act which will preserve much of Alaska.

By contrast, the interests for urban parks and recreation have often been neither so sophisticated nor so vocal. Many organizations shy away from political action when, in my opinion, what they need to do is embrace it. We have often been too genteel in our approach and valued aesthetics over cruising the corridors in Albany. We have thought too small and demanded too little.

I believe that we are in a splendid business. Our challenge is to make others believe that too. We must develop a bold agenda for the future and then carve it up into manageable pieces. If there are lots of moving parts we can be responsive to changing circumstances and at the same time, involve many people in the process. It won't be neat and it shouldn't be. But it will excite people to become part of a sum which is much greater than their own part.

Among all the wonderful things about New York is something I grew to appreciate—an abundance of fanatics. Sometimes they can be a real pain, particularly when you've heard their spiel for the 20th time. But these single-minded individuals have made a major contribution to parks and recreation in this City.

I hope the Parks Council will continue its work with a good dose of fanaticism, political sophistication, and even stronger citizen backing and financing from some of your thriving recreation industries. The City, the State and the Feds need you to dream big dreams for this City. Your award to me renews my energies and determination to be a partner in making those dreams become realities.●

NUCLEAR WEAPONS TESTING IS VITAL TO U.S. NATIONAL SECURITY

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

Mr. DICKINSON. Mr. Speaker, the House Armed Services Committee Panel on Strategic Arms Limitation Treaty and Comprehensive Test Ban Treaty negotiations on which I am ranking minority member, recently spent 5 days in Geneva, Brussels, and Ramstein Air Base, Germany for on-the-spot discussions with involved government officials, both civilian and military. Congressman CHARLES H. WILSON, chairman of the panel, stated on our return that:

We are committed to arms control as an element of our national policy, but we are concerned that the proposed agreements in their present form do not adequately protect our national security interests.

I am concerned that a CTB agreement based on the present U.S. position could lead to a serious weakening of the credibility of the U.S. nuclear deterrent. I question President Carter's effort to expedite the negotiations considering that a presidentially directed study on proposed U.S. CTB safeguards is not yet complete.

In hearings that the Subcommittee on Intelligence and Military Application of Nuclear Energy of the HASC held in March of this year, most witnesses agreed that the current U.S. position to negotiate a zero yield test agreement would not allow the United States to confidently maintain the reliability of its nuclear weapons stockpile, would not be adequately verifiable, and thus could permit serious military asymmetries to develop.

After the 2 days of hearings in March and our conversations with knowledgeable Americans on the scene in Europe, I am more convinced than ever that the cessation of nuclear testing most likely would rapidly destroy the credibility of the U.S. nuclear forces. I was certainly pleased to read in the Washington Post of Monday, June 12, 1978, that Jim Schlesinger personally informed the President about the harm a comprehensive test ban would do to U.S. national security interests. I recommend that my colleagues read the Evans and Novak article which details Secretary Schlesinger's concerns about his legal responsibility, as the head of the Department of Energy, for our nuclear weapons deterrent.

The Evans and Novak article follows:

[From the Washington Post, June 12, 1978]

RETURN OF THE HAWK

(By Rowland Evans and Robert Novak)

During the first week of June, Secretary of Energy James Schlesinger hand-carried a top-secret letter to President Carter's office that for the first time injected him squarely into the turmoil over arms control and national security within the administration.

Schlesinger's letter to the president aligned him with the Joint Chiefs of Staff (JCS) against the proposed five-year "zero yield" nuclear test ban treaty—a ban on all underground explosions, including the 150-kiloton tests now permitted. As head of the department assigned the duty of certifying the nation's nuclear arsenal, Schlesinger warned Carter that nuclear testing is essential to maintain warhead reliability. If asked or directed to testify before Congress, he would say just that.

That gave the military a badly needed Cabinet-level civilian to help slow the rush to a total test ban. In a broader sense, it reintroduced a seasoned bureaucratic disputant into the debate over how many national security risks can be taken for the sake of arms control.

Schlesinger's courageous though indiscreet advocacy of higher arms spending in 1975 ended with President Ford firing him as secretary of defense. Schlesinger is the only Republican in the Carter Cabinet, and dis-

cretion has been his watchword. He says nothing publicly about national security, and nobody has ever heard him utter one critical word, on or off the record, about Jimmy Carter (in contrast to his sometimes pungent off-duty remarks about Richard Nixon and Gerald Ford when he was a Cabinet member for them).

But in fact Schlesinger has been distressed by national security policy, particularly by Chief Disarmament Negotiator Paul Warnke's operations. Schlesinger is perceived by some defense-oriented Democrats in Congress as Carter's ultimate salvation, whom he eventually will call upon to pick up the pieces. But to do that, Schlesinger must establish a record of having warned the president that present policies lead to disaster.

How can that be done unless Schlesinger throws discretion to the winds and trespasses directly into national security? The answer is that the legal jurisdiction of his new Department of Energy includes the nuclear-testing laboratories formerly under the old Atomic Energy Commission; Schlesinger has the duty of certifying the reliability of the national stockpile.

Schlesinger's experts at the Energy Department began early to obstruct Warnke's push for quick negotiation of a zero-yield test-ban treaty. With atmospheric tests barred by the 1963 treaty and underground tests limited to 150 kilotons by the 1974 treaty, the national laboratories say it is already difficult to certify reliability of the stockpile; with no testing it will be impossible. As for the Soviets, only continual on-site inspection could verify compliance with a zero-yield ban, and Moscow flatly rejects it.

Such misgivings by both Department of Energy and JCS experts led to their exclusion from hush-hush Anglo-American talks here in mid-April. Nor were they consulted before Carter signed presidential decision memorandum 38 on May 20, calling for a five-year "comprehensive" (presumably zero-yield) treaty with the Russians.

Schlesinger concluded that certain high officials—Warnke and to a lesser degree Secretary of State Cyrus Vance—had forced that process too quickly. He felt it was time a high civilian official gave the Joint Chiefs some help. (While privately voicing reservations about a five-year zero-yield pact, Secretary of Defense Harold Brown has made no pitch against it.)

Thus, Schlesinger decided to hand-carry his letter to the president. Its distribution was limited, with copies outside the Energy Department going only to Brown and National Security Adviser Zbigniew Brzezinski. However, Schlesinger wanted publicly to disclose his views; he was prepared to do so a few days later on "Meet the Press," but the question was not asked.

With the president repeatedly on record for banning all nuclear tests (that is, zero-yield) and having signed PDM-38 nearly a month ago, the debate would seem to be over. But few decisions are ever final in the Carter administration, particularly when the persuasive Schlesinger makes a serious move.

With both the Joint Chiefs and Schlesinger now on record against a zero-yield test ban, a potent threat has been raised to the grand strategy of the arms-control lobby: to push a test-ban treaty ahead of SALT II on grounds it would be harder to oppose and would improve the climate for the broader treaty.

Jim Schlesinger's re-entry into national security affairs transcends the test-ban treaty. For 16 months some national security policymakers have been congratulating themselves that Schlesinger's intellect and combativeness were safely harnessed to the daily drudgery of natural-gas pricing. Now that he has stepped out of that harness, congratulations of a different sort may be in order.

A COMPROMISE IN THE STRUGGLE OVER COMPETITION IN TELECOMMUNICATIONS

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. WIRTH. Mr. Speaker, John Eger is an extremely well respected expert in the field of telecommunications. He was Acting Director of the White House Office of Telecommunications Policy, and since leaving that post has consistently spoken out on crucial communications issues. I would like to give my colleagues the opportunity to read a speech he made in Cleveland on May 18 concerning one of the most thorny problems in this field; competition in domestic common carrier services.

Speech follows:

A COMPROMISE IN THE STRUGGLE OVER COMPETITION IN TELECOMMUNICATIONS

(By John M. Eger)

The mounting pressure on the United States as a world economic power is hardly news here. As we read and hear about the dollar's weakness, the balance of payments problem, profit squeezes and inflation, we all are painfully aware that this is a period of dangerous economic transition both here and abroad.

We are told repeatedly by our business and political leaders that the comfortable ways of the past no longer can sustain us. We are exhorted to refine, streamline and overhaul our business and industry. The alternative, we are warned, is to see the United States slip from the pinnacle of world power. And to lose a measure of control over our own destiny.

The challenge, of course, is very real. Times indeed have changed. The world order has changed. The old solutions too often simply do not work anymore. Or, if they work still, quite often they don't work well enough for today's needs.

As we seek solutions for the future, it would be as wrong to discard all that has gone before as it would be to refuse to change. There is solid bedrock under American financial and business institutions. As we seek ever more sophisticated game plans for the future, it would be folly to forget the basics, such as competition, that brought us to the forefront economically.

I don't pretend to have the solution to all the world's problems, even if I do work and live in Washington. I don't even pretend to know all the answers for telecommunications—the industry I specialize in. But I believe the options and demands in the field of communications are closely tied to the economic fate of America as a whole.

My career in Washington has ranged from lawyer to acting head of the White House Office of Telecommunications Policy. I have watched with fascination the breakaway spurts in technology that have carried our telecommunications system from the days of the Model T to the space age and beyond. I have listened to and discussed with policy makers, legislators and prophets of the future the best course to plot for the industry.

The future of that industry, like so many things in the world these days, still is not clear. Powerful forces clamoring for change make their persuasive cases. Powerful forces which want to turn back the clock to an earlier, simpler time also claim the right to chart the course through the end of the century and beyond.

The results of this debate will impact here in Cleveland as well as Washington and the rest of the world. The costs you pay for your communications equipment and services directly depend on the outcome of a battle that in effect pits the adherents of monopoly and free enterprise against each other. Because communications directly or indirectly accounts for 45 percent of our gross national product, the results will be felt when the gold price is fixed in Zurich just as it will be noted at the ends of economic indicators squiggling their way across economists' charts and graphs.

I think history is clear on two economic points: All things being equal, the company and the nation with the edge in technology and the skill to control costs will emerge the winner in open competition.

Here in America we have a clear lead in computer technology and an edge in marrying this technology to that of communications. We are exporting both the hardware and technology that results from this marriage, to the relief of those who watch the mixture of red and black ink on our balance of payments books. Because we are the clear leaders in the field, we have been able to best adapt the merged technologies to help out costs in both business and industry. The largest cost savings have been effected in this country, again giving us a needed plus in world competition.

Even small companies with limited communications budgets now can afford telephone systems with a host of features available in recent years, thanks almost entirely to federal decisions that opened up this market to competition. These new small systems have brought automatic dialing, call forwarding, instant conference calls, and other features to companies with as few as a dozen telephone extensions. Computerized switchboards are not uncommon in firms with only a few dozen trunk lines.

The business and industrial giants now can count on some truly impressive services that are offsprings of the computer and space age communications systems. Corporate headquarters can and do set up low cost communications links—often at night—between their computers in several cities, thanks to microwave and satellite communication systems. The computers can chat among themselves at the rate of eight million bits of information each second and then provide printouts with solutions, options, extrapolations and the like, ready for the start of the following business day. A single company can demand and get as many computations in a single night as the entire graduating class at M.I.T. might have performed in a working life time only a few decades ago.

Again, the force that brought this versatility to business managers was competition. New communications links with far higher quality circuits than had been offered by the old line telephone companies made it possible to handle such vast amounts of information without error.

Indeed, the leap in communications technology has come largely as the result of a dramatic reversal of policy by the Federal Communications Commission only a decade ago. The commission, which is charged with representing the public interest in what had been a monopoly field, decided in a little-noted case involving a Texas firm called Carterfone that the public had rights as to the kind of communications and services it could buy. Specifically, the commission ruled that the public had the right to attach to the national network any telecommunications device, from simple telephones and answering service devices to computer terminals, as long as it did not harm the network.

The decision at the time was hailed by many as the death knell for monopoly in telecommunications. The argument, then as now, was that the monopoly which evolved by 1934 was designed to protect consumers, not—as it turned out—to guarantee large profits to a few, chosen firms. With the dawn of the space age and the truly phenomenal strides in communications technology, the FCC determined that the companies charged with meeting the country's needs in communications were being slow to innovate and slow to pass on cost savings to consumers. The pattern, the FCC and others determined, was one often found in monopoly operations. Old equipment, equipment rendered technologically obsolete, and services that fell short of modern needs often were the only ones offered by most telephone companies. After all, monopolies operate best for their managers and stockholders when old products are kept at work as long as possible. New products and new services are seen as unnecessarily traumatic for profits.

Richard Wiley, the former chairman of the FCC and a principal architect of returning competition to the telecommunications marketplace, testified before Congress that competition was and is a necessary ingredient. He said the original program was ordered to bring quicker innovation and lower consumer prices. He said both goals had been met and that Congress should kill efforts by the telephone companies to eliminate competition and the benefit it has brought the public.

While head of the White House Office of Telecommunications Policy, I, too, opposed any return to monopoly. I still do. Monopoly traditionally has meant that the consumer must pay more for less. But the issues are bigger now than the monthly bill we receive for our office and home telephone services. The issue now is a matter of national importance. Who can really argue that we should hobble our economic establishment with outdated equipment and services that in the end will drive costs up? This would only make U.S. goods cost more at home and undermine their strength in the international marketplace.

The main argument against competition offered by the nation's telephone companies—believe it or not—is that it will hurt profits. Congress has been told that if competition, which the telephone companies described as dangerous, continues, the telephone companies will have no choice, but to increase rates to maintain historically high profits. The claim that profits have been damaged by competition appears somewhat weakened by the performance of the industry giant, American Telephone and Telegraph. It currently is earning $4.7 billion a year, a record for any private business anywhere. Despite what the Bell System denounces as dangerous and costly competition, AT&T's profits have claimed 44 percent in the last four years alone. The FCC had dismissed as unsubstantiated the argument that competition will harm telephone company profits. Indeed, some FCC experts and documents have reported publicly that competition has led to an increase in sales, profits and employment for the Bell System.

In truth, solutions to the problem of competition in telecommunications are not easy to come by. The original monopolies were born out of a national concern with the chaos that was part of the early telephone industry. Sometimes several competing companies that did not interconnect with each other served the same city. It was necessary to subscribe to more than one telephone service to talk to everyone in town. Bell denied competitors access to its long distance lines, threatening to make American telecommunications a one-company business. The 1934 Communications Act and the consent decree Bell signed in 1956 to end Justice Department prosecution in an antitrust case sought to bring order and fairness to the telecommunications industry. That they failed is due in part to the dramatic evolution of this industry, sending it into areas and to meet problems unforeseen or unimagined a few decades ago. In part the failure was due to its artificial nature, the effecting of a solution that did not accomplish even the limited goals the Congress, the regulators and the judges set for themselves.

That of course is just one story in the rather sad history of our antimonopoly efforts in this nation. It has been noted by a former U.S. assistant attorney general that in 1932 the Justice Department had antitrust suits pending against AT&T and IBM and had just signed consent decrees with General Electric and Westinghouse. He then noted that in 1952, Justice had antitrust suits pending against AT&T and IBM and had just signed consent decrees with GE and Westinghouse. In 1978, Justice had antitrust suits pending against AT&T and IBM and wants to modify its consent decrees against GE and Westinghouse.

Let me say here that no one wants to tamper with the basic telephone switched network. I know of no serious proposals to permit the renewed proliferation of competing telephone companies offering identical basic services. That aspect of the industry constitutes a public utility.

But the public interest demands competition in other areas. We let electric power and natural gas utilities furnish the energy to power our homes and offices but we do not permit them to decree that only they can furnish light bulbs, refrigerators, stoves and the like. Nor do we let them determine when and whether new appliances can be marketed.

If such an analogy sounds faintly ridiculous to you, then you should be aware that the telephone companies are asking for just this sort of powers over the consumer now and in the future.

Fortunately, the actions of the FCC and the courts, including the U.S. Supreme Court, and the mood in Congress indicate we are headed for wider competition and consumer options in equipment and services.

There is no lack of proposed solutions to the telecommunications problem or of master plans for the future. But about the only thing everyone agrees to is that the industry stands at a watershed, that decisions made now will affect for decades the industry, the American consumer at home and at work and the American standing in the world economic arena.

The FCC, which is most concerned with an efficient, low-cost telecommunications network that will meet consumer needs as well as corporate profit goals, sees the future somewhat differently. It wants Bell to be forced to compete with those offering competing telephone equipment systems and specialized transmission services. But so far, the FCC has not found a formula that would force Bell to compete fairly and to halt consumer overcharges that finance predatory pricing. Part of the problem here is the division of responsibility between the FCC and state regulatory commissions.

I believe it is safe to say that the public wants reliable, cheap and innovative telecommunications whether it is provided by Bell, the so-called independent telephone companies or the competitors among the specialized common carriers, computer concerns and those in the terminal equipment industry.

The telephone companies have offered several solutions to the competitive problem. One now before Congress would effectively remove the FCC as the public's watchdog, virtually end the Justice Department's antitrust authority in the field and let Bell and its allies legally take profits from the monopoly services they still enjoy and pour them into a predatory pricing campaign aimed at destroying competition. I am pleased to say that the Bell Bill, as that proposed legislation is known in Washington, generally is considered dead.

Now Bell and its allies are on a new tack. They seek congressionally mandated market allocation and the end of competition through a rewrite of the 1934 Communications Act.

Through all of this runs a determined political offensive aimed at emasculating the FCC and ending its role as the public's representative in the 40-billion dollar telecommunications market.

As the Justice Department antitrust suit points up, the Bell System's pricing tactics need tight controls. The FCC has reported to Congress that the Bell System alone may be underpricing its competitive telephone systems by as much as $2.25 billion a year. This underpricing, which in reality is predatory pricing, is subsidized by profits from the monopoly sector of Bell's business. The FCC says this includes basic service customers—the residential and small business rate payers. Here in Ohio, for instance, the Bell overcharges may total $100 million annually, based on an allocation of the FCC estimates which work out to $17.78 for every telephone in the nation.

The Justice Department, which is prosecuting history's largest antitrust suit against the Bell System, believes Bell must be broken up.

The proposed Justice Department surgery would amputate Bell's manufacturing arm, Western Electric, and perhaps the Bell Labs. The theory is that such a drastically whittled down Bell would not be able to overwhelm its smaller rivals in classic monopoly fashion. After all, Bell's net worth is $94 billion, more than the gross national product of all but a handful of the largest industrial nations.

The competitors have their view of the future as well. For many it combines elements of proposals by the majority of the interested parties including the Bell System and other common carriers. I put this forth as a compromise, because in the end we will have to compromise on this issue. No one would get everything he wants. All would be able to grow and prosper, although perhaps not as much as individuals on any side of the issue might dream at night.

The program competitors want is a continuation of the FCC program of limited competition.

To insure this goal requires a major change in the structure of the Bell System.

Estimates of the cost of pursuing the Justice Department antitrust suit to break up Bell range from $1 billion to $1.5 billion. The time involved could be a decade or more.

A clearcut decision for either side is unlikely. And the taxpayers and rate payers would pick up the bill without any assurance that their best interests had been well served.

Bell in presentations before Congress and elsewhere talks of the need for fair and vigorous competition with those in the specialized common carrier and terminal equipment industries.

I think that if Bell is sincere, the answer must involve some partial restructuring of its corporation. Bell is competing artificially now because of its own decision and certain legal restraints as part of the 1956 consent decree that settled one of those Justice Department antitrust suits I mentioned earlier.

Specifically Bell should voluntarily restructure its operation in competitive areas in ways that would meet antitrust requirements but without breaking up the Bell System.

In return Bell should be able to openly compete for its fair share of the new and emerging markets created by the convergence of computers and communications.

To restructure Bell without safeguards for

both the public and the competition would be a bit like turning a hungry, 800-pound gorilla loose in a kindergarten cafeteria.

What is most needed is the establishment by Bell of separate entities for research, manufacture and marketing of competitive equipment and competitive services. What this would do is put Bell's competitive offerings outside the monopoly umbrella and force Bell to compete fairly. In this regard, the legislative package would have to include iron clad regulatory guarantees that Bell and the other carriers can no longer continue to subsidize predatory pricing in their competitive operations with higher basic service rates for residential and small business users.

I think this program should be so appealing to AT&T that it would voluntarily restructure itself.

There is still risk for competition in such a program. Bell Labs and Western Electric have enormous internal capacity for multi product cross subsidization. Even in a restructured Bell, Western Electric and Bell Labs, with their internal strength, could continue to pursue predatory practices in the marketplace.

It might seem that the great telecommunications debate could be written off as an intra-industry squabble with a fairly low claim on public attention. Higher or lower telecommunications costs will not in themselves solve our balance of payments problem or balance the family budget. The consumer's best interests have been ignored in the past, and the American economic system has staved off collapse.

But as Congress, the courts and the regulatory agencies continue to wrestle with this problem, don't lose sight of this major issue.

The Bell Bill fight, the telephone companies' attempts to turn back the clock and to drive out competition, are being carefully watched in Washington and elsewhere. Should the common carriers be successful in convincing Congress to slam the door on this limited, consumer-oriented competitive program, there will be a stampede to Capitol Hill by individuals and associations seeking relief from economic reality.

If the telephone industry is granted an exemption from the free enterprise system, then why should not other industries expect and demand the same. The mood in some parts of Washington on this count is little short of dangerous to the national interest. Special interest groups are clamoring for an economic Fortress America. The same arguments offered by the telephone companies are being heard—that foreign companies are too tough to battle, that American jobs will be lost unless this industry or that special interest group receives special protection both from foreign and domestic competitors.

I ask you to consider the potential results of all of this from the vantage points of businessmen, consumers and citizens. Like monopoly, protectionism simply does not work for long. Should the face we turn toward the world be lined with worry and fear? Or should we find better ways to build and make and market, ways that will send other industries to other governments begging for relief from a dynamic American economy? Protectionists and monopolists are saying, in effect, that we cannot master the economic realities of the '70s and '80s as we have in decades past.

I disagree. The vitality of the free enterprise system will sustain us. It holds the answers for combatting inflationary pressures, bolstering our weakened dollar, reversing our international trade balance deficits and meeting the domestic requirements of our nation.

Mr. John de Butts, chairman of AT&T, describes competition in his industry as dangerous. I think it is that sort of argument, rather than competition, that is the clear danger today.●

INSURANCE REDLINING: INADEQUATE STATE CONTROL

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. LaFALCE. Mr. Speaker, I have pointed out on numerous occasions that the insurance industry in the United States has been engaging in a number of questionable practices, including reliance on dubious claims in advertising, using unreliable or nonexistent data to justify premium increases, and indulging in the practice of "redlining" with regard to property insurance.

On June 13 of this year the Buffalo Courier-Express published an article summarizing a study by the New York Public Interest Research Group (NYPIRG) which demonstrates that redlining by the insurance industry is at least as bad as it was a decade ago, when the Kerner Commission's Advisory Panel on Insurance described communities without insurance as "communities without hope." Throughout New York State, the NYPIRG report asserts, are examples of deliberate efforts by insurance companies to reduce or eliminate coverage in specified geographic areas.

Perhaps the most important paragraph in the Courier's story, however, is the one that says the State insurance department is aware of the problem but is doing little about it, according to NYPIRG. If this is so in New York State, which has one of the largest and most professional insurance regulatory operations of any State in the Nation, think what must be the case in smaller States where the regulators are literally dwarfed by the huge insurance companies.

It is for this reason that I believe Congress must readdress the insurance question and become much more involved in making sure that this multibillion-dollar industry is responsive to the American people.

The Courier article follows:

INSURANCE REDLINING PERSISTS, SAYS STUDY

"Communities without insurance are communities without hope," declared the President's National Advisory Panel on Insurance after racial riots tore apart many inner city neighborhoods in 1968.

A decade later, a statewide consumer group has charged insurance companies with the racially discriminating practice of "redlining" certain urban areas across the state, including Buffalo's East side.

The New York Public Interest Research Group (NYPIRG), in a study released Monday claims redlining—the practice of denying policies to all applicants in alleged high-risk areas—has worsened a "crisis" in the availability of fire insurance in minority neighborhoods that began in the 1960s.

BANKS REDLINE, TOO

Sections that have suffered the most from insurance redlining are the same areas in which mortgage and home improvements loans are difficult to obtain because of bank redlining, according to the study.

Most banks will refuse a mortgage to prospective homeowners who cannot obtain fire insurance, the NYPIRG study notes.

In Buffalo, the study alleges redlining in the East side area bounded loosely by downtown on the west and south. Bailey Avenue, on the east and Genesee Street on the north. It also cites the Central Park, Jewett-Main Street area and the 1st Ward area of Lackawanna near the Bethlehem Steel plant as victims of the discriminatory practice.

Insurance companies often refuse to sell policies or cancel existing ones in targeted areas, the study found. Thus, brokers and agents, who act as go-betweens for the companies and homeowners, are found in fewer numbers in relined areas, NYPIRG asserts.

VICIOUS CIRCLE CREATED

Insurance companies then cite low business volume—which they in fact created—for pulling out of a redlined area entirely, the study shows. Researchers found that brokers were reluctant to talk openly about redlining for fear of being terminated by the companies.

After being assured their identities would be kept secret, many agents freely acknowledged that certain urban areas were redlined.

NYPIRG was also highly critical of New York State's Fair Access to Insurance Requirements (FAIR) program, designed in 1968 to insure consumers who could not obtain policies in the open market.

Because the program is "self-rated"—meaning premiums are determined only by the loss volume on policies underwritten by the program—premiums are three to five times higher than conventional insurance NYPIRG found.

NO HOMEOWNER POLICIES

The FAIR program also does not offer basic homeowner's insurance, which is the least expensive and most comprehensive type of plan, the study claimed.

"The only people who can afford the FAIR plan are those who are planning to have a fire," the study quotes a Buffalo broker.

NYPIRG contends that state insurance department officials are aware of the redlining problem and have done little to correct it

NYPIRG, a consumer advocacy group funded by college students across the state, recommended that the state Legislature outlaw the practice of denying coverage strictly on the location of property. This was among other controls and restraints on insurance companies the study advocated.

In another study released today, NYPIRG, surveying 143 University of Buffalo students on their energy use patterns, found that insulation was more likely to be installed in homes where landlords pay heating bills.

Conservation methods controlled by the tennant such as plastic sheeting, were found with 45 percent greater frequency when the tenant paid heating bills, the study showed.●

HOME HEALTH CARE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. PEPPER. Mr. Speaker, I was pleased to note in the June 1978, edition of the National Center Reporter a cover story on home health care as an alternative to institutionalization. This magazine is published by the National Center for Community Action.

The article, which was written by Eric Green, speaks to the health and emotional needs which are addressed through a program of home health care in rural West Virginia.

In light of the timeliness of this article and its relevance to upcoming deliberations by the Ways and Means Health

Subcommittee on proposed changes in the medicare home health benefit, I ask unanimous consent that a portion of this article, entitled, "Home Health Care in West Virginia," be included at this point in the RECORD.

The material follows:

HOME HEALTH CARE IN WEST VIRGINIA

(By Eric Green)

Sadie Bragg is 76 years old and lives in a 102-year old restored log cabin atop Freezeland Mountain in Raleigh County, West Virginia with her 82-year old husband Bill and their pet dog.

The Bragg family lives on chuck-holed, scarred Pluto Road about two miles from the nearest paved highway. Their home is located in the back woods and overlooks the second oldest major stream in the world, the New River. They live about 10 miles from the coal mining town of Beckley which is enjoying a renewed boom because of the country's renewed interest in using coal as a source of energy.

Asked if he has lived in this house all his life, Bill Bragg, a retired worker replies slyly, "not yet, I ain't dead yet."

Because she acts so vibrant and friendly, a stranger would never suspect that Sadie Bragg is in her mid-70's and has overcome medical problems ranging from congestive heart failure and cancer of the rectum to kidney failure and a hysterectomy. She remains saddled now with phlebitis, a condition that forces her to spend hours each day with her legs propped on a couch.

Sadie is a person who can't stand to sit still. She loves to work outside, take walks or cook, using her old wood burning stove. But she usually heeds her doctor's warnings to rest because a blood clot almost killed her several years ago.

But even with her array of medical problems, Sadie still enjoys the pleasure of staying home in warm familiar surroundings instead of at a cold, sterile, impersonal nursing home or hospital. Sadie avoids getting treatment from a team of unfamiliar physicians who will probably hand her a medical bill that has mounted well into the thousands of dollars. Instead, Sadie pays a small monthly fee for personalized home treatment by a home health nurse from the Mountaineer Family Health Plan, Inc. (MFHP), an agency started 11 years ago by the Raleigh County Community Action Agency.

SADIE'S HOME CARE

The home life of the Bragg's seems an anachronism. Bill Bragg still works morning to dusk splitting logs or shoveling manure. The pet dog runs after Bill at dinnertime barking messages from Sadie that it's time to eat. The young family living next door helps with the grocery shopping.

Sadie, despite her phlebitis, maintains a spotless house, although she admonishes herself that the place remains a mess. "Why can't I keep this house clean?" she asks a visitor.

Sadie writes in her diary every day, as she has for the last 27 years. In that time she has filled five books. A stranger might think she is a religious woman, with the dog-eared Bible and the *Most Important Steps to Better Health and Miracles* displayed prominently on the living room table.

Carol White, Sadie's home health nurse, says that Sadie would be forced into a hospital without home health visits. Mrs. White, who is a licensed practical nurse, checks Sadie's blood pressure and gives her aspirin which acts as a blood thinner to guard against blood clots. And she sometimes scolds Sadie if she does not rest her feet.

"It's hard to keep Sadie still," Mrs. White laughs. "She loves to move around."

Equally as important in maintaining good health, Sadie enjoys the companionship of Mrs. White who provides warm, personalized, caring treatment. Sadie seems to relish the company. She tells visitors that they can't leave. "Wasn't there something else, Carol, I forgot to tell you? You shouldn't go yet."

But Carol White must leave after visiting Sadie for about an hour because she still needs to call on four or five other homebound rural patients. Overall, Mrs. White treats about 70 patients.

Mrs. White telephones Sadie when road conditions make it impossible to drive to her remote home. Several years ago Sadie became very sick and needed to be rushed to the hospital. Carol White considered using a helicopter to rescue Sadie. But finally, an emergency team managed to fight through the snow and speed her for treatment.

THE ADVANTAGES OF HOME HEALTH SERVICE

It may seem expensive for an agency to provide home health services for the Sadie Bragg's of the world, but a recent report by the General Accounting Office concludes that the cost of institutionalized nursing care almost always exceeds the cost of providing home care.

The General Accounting Office says that one out of every five persons over 65 will live part of their life in a nursing home, with between 14% and 25% of them not needing institutional care. Many people are institutionalized because the community cannot provide home nursing care and other non-institutional care.

"It is a tragedy of our times that we as a nation should find ourselves thinking of home care for the elderly as an alternative to institutionalization," commented Congressman Claude Pepper, who chairs the House Select Committee on Aging. "In the natural order of things, it should be just the reverse." Pepper says that federal funds should focus more on home care rather than on institutionalization.

Although there is a growing awareness of the financial advantages of home medical care, the government still spends about 70 percent of its federal medicaid money for persons over 65 in nursing homes and only one percent for home care. Only about 10 percent of medicare Part A insurance and one percent of medicare Part B goes for home health care.

The Department of Health, Education, and Welfare says that home health care allows patients to stay in normal environments (e.g. their own homes) while recovering from illnesses. Home health care helps provide early discharges for patients following a period of institutionalization.

FINANCING HOME HEALTH

The government's medicare program provides up to 200 home health visits to a beneficiary who has been certified by a physician as requiring part-time skilled nursing care.

Medicaid regulations require states to include a minimum range of home health services in their State Medical Assistance Plans.

The medicare statute defines home health services as "part-time or intermittent nursing care provided by or under the supervision of a registered professional nurse; physical, occupational, or speech therapy, and medical social services."

The medicaid statute requires states to provide home health services to "categorically needy recipients under 21 years of age." To qualify for home health services, the law says the beneficiary must be confined at the home and under the care of a physician. Several Members of Congress have recently introduced legislation to remove the "homebound" restriction as a requirement for receiving home health services. The law also says the patient must need intermittent skilled nursing care in order to receive home care.●

CONGRESSMAN MIKVA COMMENTS ON THE NAZI MARCH IN SKOKIE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. DRINAN. Mr. Speaker, I would like to bring to the attention of the House an outstanding article by Representative ABNER J. MIKVA in the June 1978 edition of Moment magazine.

In the article, entitled "Skokie Is Different," Representative MIKVA cogently and clearly presents the very difficult questions and issues confronting all Americans as a result of the planned march by the American Nazi Party in the predominantly Jewish community of Skokie, Ill.

Representative MIKVA outlines the classic first amendment argument for freedom of expression. He quotes Justices Holmes and Brandeis, who said:

> The ultimate good desired is better reached by free trade in ideas—that the best test of truth is the power of the thought to get itself accepted in the competition of the market.

At the same time, Representative MIKVA notes the very delicate process of balancing which is required in a unique situation such as this. He points out that while an audience has a responsibility to behave in a restrained manner, a speaker, too, must avoid excessive provocation. Certain forms of expression are, to quote Justice Jackson—

> A provocation to the immediate breach of the peace . . . (which) therefore, cannot claim constitutional immunity from punishment.

Representative MIKVA states that he sees the first amendment right to freedom of expression as a means "to enhance the possibilities of life itself" through meaningful debate, and not as an end in itself.

The article also brings to the reader's attention the staggering logistical problems that Skokie will suffer as a result of a mass influx of people during the march. This, too, is a consideration that must be weighed carefully.

The Supreme Court has cleared the way for the American Nazi Party to march in Skokie on June 25, 1978.

As we approach that date, we are all indebted to Representative MIKVA for his careful and illuminating analysis of the many different issues and choices at stake in Skokie.

The article follows:

SKOKIE IS DIFFERENT

(By Abner Mikva)

Why Skokie?

The answer to that question is inextricably tied to the legal, moral and public policy questions that have put Skokie on the national map in bold letters ever since a small band of Nazis announced last year that they wanted to hold a demonstration there.

If you lived in Evanston, Illinois, where I live, just to the north of Chicago, you would be a ten-minute ride away from the town that the Nazis are making famous. It's up Sheridan Road, then west on Dempster, with Evanston landmarks such as the Lake Michi-

gan shore line and the Northwestern University campus disappearing into the background.

A few moments before you see Sam and Hy's delicatessen or Big Herm's kosher hot-dog palace up ahead, a brown, wooden sign with white letters proudly announces that you are entering Skokie, "The World's Largest Village."

The topography of the suburban Village of Skokie may be a little different from the *shtetlach*, but there are roots that are common to both. More than 40,000 Jews live in Skokie, and they make up about 60 percent of the total population. Perhaps as many as 7,000 Skokie Jews are survivors of the Holocaust and Hitler's concentration camps. It has been said that there are more concentration camp survivors living in Skokie than in any other single community in the United States.

So, Skokie is more than a village which happens to be part of suburban America. Its uniqueness lies not so much in its claim to be the world's largest village, but in the fact that it is a sanctuary for thousands of Jewish Americans who still bear the scars of Hitler's Germany. For many of these people, the sense of community that they have been able to share, not unlike the bond of the *shtetl*, has provided a critical measure of emotional security.

Not at all surprisingly, therefore, the recent events involving efforts by a group of Nazis to march in Skokie have traumatized a substantial segment of that community. The survivors of the Holocaust have been subjected to the prospect of an invasion by Nazi stormtroopers in brown shirts, jackboots and swastikas, a scene all too reminiscent of the indescribable terror unleashed on them and their families two generations ago.

I do not want the Nazis to march in Skokie. I continue to hope that the courts will eventually rule that the Constitution does not require that the Nazis be issued a permit to march in Skokie. The courts will make their determination based on three Skokie ordinances currently under review. But the issues raised in the present situation go beyond the narrower legal questions of whether one or more of the Skokie ordinances is constitutional. And it is on some of those larger issue that public debate ought to be focused.

The First Amendment gives broad protection to speech, to the expression of opinions and ideas. As the Supreme Court has said on many occasions (freedom of speech must include not only the right to express popular ideas but unpopular ones, too: not only ideas which seem informed and respectable, but ideas that may seem silly or even ideas that may be loathsome. Unfortunately, the First Amendment does not contain some lever that can be pressed to give an automatic definition of what kinds of conduct fall under its protection. And there is the rub.

Sixty years ago, in one of their eloquent statements of the rationale for this broad protection of speech, Justice Holmes and Brandeis said that ". . . when men have realized that time has upset many fighting faiths, they may come to believe even more than they believe the very foundations of their own conduct that the ultimate good desired is better reached by free trade in ideas—that the best test of truth is the power of the thought to get itself accepted in the competition of the market. . . . That at any rate is the theory of our Constitution. It is an experiment, as all life is an experiment."

From the beginning, 200 years ago, we have been experimenting, not only with democratic government generally but with the meaning and scope of the First Amendment in particular. For example, just seven years after the First Amendment was ratified, Congress adopted the Sedition Law of 1798, intended to silence what the majority saw as the subversive political talk of its opponents. One First Amendment scholar has observed, "Not until 1964 did the U.S. Supreme Court authoritatively declare that this law had been unconstitutional."

So the meaning and scope of the First Amendment is not so self-evident as is sometimes thought. For the better part of two centuries, we have been trying to find answers to the often difficult issues raised by the exercise of speech. While Holmes and Brandeis, as well as other proponents of the value of free speech, have argued for broad protection, they have also recognized the vagaries of the conduct to be measured. Courts have ruled many times that the First Amendment does not grant the right to say whatever one pleases, wherever one pleases, whenever one pleases. There must often be a difficult and delicate balancing of rights and hence, difficult choices. That has been true from the beginning 200 years ago, and it is true today in the case of Skokie.

For example, if the Nazis are allowed to march in Skokie, there will undoubtedly be an enormous number of other people who will also come to Skokie to express their opposition—maybe 25,000, maybe 35,000, maybe even 50,000. The Village of Skokie has no facility that I know to accommodate a crowd of that size.

Moreover, while it is hoped that all who come will be peaceable, it is not beyond the stretch of imagination that some will come with other intentions. Within this context—on a hot June day, with a crowd of 50,000 people and a band of Nazis in full regalia nearby—what are the prospects that the Skokie police department will be able to maintain order, to avert bloodshed, to avert the loss of human life?

The Skokie police force is a good one. They do a good job of serving the village. But they have virtually no experience in crowd control, even with crowds of friendly people. In October 1976, during the final weeks of the national elections, candidate Jimmy Carter came to Skokie at my behest and appeared at a synagogue. Perhaps 3,000 people came, all friendly, all eager to see Jimmy Carter. The chaos and crush of humanity, the traffic jam and resulting confusion nearly turned a happy event into a debacle. Tempers began to flare amid the frustration, and it was largely luck that prevented something worse than a few angry words from being exchanged.

"Skokie Cherishes Every Human Life" is a message on signs dotting the village as part of an auto safety campaign. How does a community like Skokie provide for the First Amendment rights of the Nazis and provide for the safety of thousands of lives? Is there a point at which the resources of a community are stretched beyond some reasonable limit so that a community can no longer be expected to cope adequately with competing rights. And, if so, which rights ought to be compromised? A large city can require paraders to use a certain route so as not to inconvenience motorists. How does a small town protect its citizenry?

These are not easy questions to answer for one who is sensitive to the broad protection of the First Amendment. But perhaps some light can be shed on this dilemma by posing another question: What is the obvious purpose of the Nazis' demonstration in Skokie with their brown shirts and swastikas? In other words. why Skokie? There can be no doubt that the purpose is to inflame and incite, to rub raw the fears of thousands of people, to create public furor. Perhaps in no other community in the country, including other communities adjacent to Skokie such as Evanston, would the invasion of Nazi storm troopers have the same impact and meaning that it does for thousands of Holocaust survivors.

This is not to suggest that I condone or approve of what some have called "the heckler's veto"—that is, when an audience makes or promises to make a disturbance because they dislike what a speaker has to say, thereby forcing the police to move in and preventing the speaker from saying his piece. To pursue such a course as a matter of public policy generally would set the level of freedom at the whim of the violence-prone. It would be a green light for groups to silence unpopular ideas by threatening or causing a public disturbance.

But if there is a responsibility on the part of an audience or on-lookers to behave within the bounds of some restraint, what responsibility is there on the part of the speaker and those who demonstrate with him? Some years ago in Chicago, this issue arose when, as reported by one First Amendment scholar "Father Terminello, a Catholic priest under suspension by his bishop, had come from Birmingham, Alabama, to spew forth his message of racial and religious hatred to some 800 sympathizers inside (an auditorium). Outside, over 1,000 demonstrators had gathered to protest and ultimately to hurl bricks, bottles and stink bombs." After he finished his speech, Terminello was arrested and convicted of inciting a breach of the peace.

The Terminello case went to the Supreme Court and although a five-man majority overturned his conviction based on the trial judge's instructions to the jury, it was Justice Jackson's passionate dissent that had a strong influence on later Court decisions. Jackson termed the speech "a provocation to the immediate breach of the peace . . . (which) therefore cannot claim constitutional immunity from punishment. . . ." To absolve Terminello of responsibility, Jackson suggested, implies that liberty and order are "enemies of each other and . . . that we must forgo order to achieve liberty. (But this view) fixes its eyes on a conception of freedom of speech so rigid as to tolerate no concession to society's need for public order." It was not the first time that a dissenting opinion of the Supreme Court articulated the delicate balancing of rights that is the Bill of Rights.

It is also the balancing and meshing of those two values—of liberty and order—that is involved in the concept of "fighting words." In a landmark case, the Supreme Court said that some narrowly limited classes of speech fall beyond the protection of the First Amendment, "the prevention and punishment of which have never been thought to raise any constitutional problem. These include the lewd and obscene, the profane, the libelous, the insulting or 'fighting' words—those which by their very utterance inflict injury or tend to incite an immediate breach of the peace." These kinds of words, the Court noted, "are of such slight social value as a step to truth that any benefit that may be derived from them is clearly outweighed by the social interest in order and morality. . . ."

In short, a civil libertarian must be concerned with life. The First Amendment and the right to express one's views are not necessarily ends in themselves. They are also means by which we can examine, debate and discuss ideas, so that we can make more enlightened judgments, so that we may move closer to the truth. They are means to enhance the possibilities of life.

If the Nazis march into Skokie wearing their brown shirts and swastikas, symbols of the genocide that the Skokie survivors narrowly escaped, symbols which are closely akin to fighting words, there is a real chance for human tragedy. Perhaps it would come from a thrown rock that knocks out an eye. Per-

haps it would be a blow to the head from a club. Perhaps it would be worse.

In Chicago, in September, 1966, George Lincoln Rockwell, then head of the American Nazi Party, wanted to demonstrate in Chicago during the Jewish holy days. A Federal District judge enjoined Rockwell and his followrs from demonstrating within one-half mile of any Jewish house of worship on any Jewish holy day, if clothed in Nazi garb or displaying Nazi symbols. One of the Skokie ordinances prohibits a parade in such garb.

I hope that the Nazis do not march into Skokie. Their obvious purpose is to provoke the fears and anger of the concentration camp survivors and others. Their invasion of Skokie invites the kind of retaliation and chaos with which the Skokie police are not equipped to cope.

Someone once said that although it may not be possible to distinguish precisely between when the night ends and the new day begins, we must sometimes try to draw that line. And so it is with the values of freedom of speech and public order; with preserving the right of people and groups to express their ideas, even when we think those ideas are odious and despicable, but ensuring, too, that public safety and order are maintained.

In supporting the constitutionality of Skokie's position vis-a-vis the Nazis, one of the country's most respected constitutional scholars, University of Chicago Law School professor Philip B. Kurland observed that "no one denies the value of protecting the right to speak. But this does not mean that all speech is protected speech or that the context of the speech is irrelevant to the protection required to be afforded by the State." Difficult cases such as Skokie make the First Amendment operative but not rigid. So, if the Nazis must come to Skokie, let them come in suits and ties and do their persuading in civilian garb. And let the rest of us take that occasion to reaffirm not only what we Americans oppose, but what we stand for—to recall to anyone who has forgotten not only the evil and madness of Nazism, but also the positive ideals and values we want to preserve for our children and grandchildren.●

THE NUKES: WE ARE ALWAYS TOLD THEY ARE SAFE, BUT—

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. OTTINGER. Mr. Speaker, I am inserting in the RECORD an excellent article by Peter J. Ognibene that appeared in the Saturday Review which describes the saga of the Rocky Flats nuclear weapons plant and how our Government and industry lied to the people of Denver, Colo., about the nature and safety of their work and various incidents which took place there—and also how they played fast and loose with the safety of the people who live in the area. The moral: The nuclear business will never be safe—there are too many unknowns and too many risks—and we certainly can not regard the nuclear advocate in industry or government to safeguard the people against these risks. I commend this article to the attention of my colleagues.

LIVING WITH THE BOMB—HOW "SAFE" IS NUCLEAR POLLUTION?

(By Peter J. Ognibene)

The Government builds an industrial plant adjacent to your city and lies about its purpose. Only several years later do you learn that the plant manufactures nuclear weapons. The government tells you not to worry: The plant is perfectly safe.

Then industrial fires at the plant contaminate the atmosphere with radioactive plutonium, an extremely deadly carcinogen. The government claims that the amounts released are too minute to cause harm.

Another radioactive element begins trickling into one of your city's suburban reservoirs. Although the government denies its plant is in any way responsible, the state health department finally traces the leakage back to the plant.

Scientists doing research under government auspices report that workers in plants such as the one outside your city suffer higher rates of cancer than other industrial workers. Government support for the scientists' research is suddenly withdrawn.

What you have just read is an abbreviated history of Rocky Flats, a nuclear weapons factory outside Denver, and the government agency that created it, the Atomic Energy Commission (AEC).

When work began on the plant, in 1951, Denver residents were not told its true purpose. Four years later, they learned that their neighbor was in the business of manufacturing atom bombs. Thus began the fateful pattern of excluding American citizens from information and decisions that greatly affect their health and safety.

Located 16 miles northwest of Denver, Rocky Flats, with its gray and shabby buildings, looks at first glance like an old military base. But there are also newer structures, shiny and barnlike, resembling those one might find at any industrial facility. Although the government built and owns Rocky Flats, a civilian contractor has always run it. This odd arrangement grew out of the government's determination to give private enterprise as many opportunities as possible to integrate nuclear energy into the domestic economy. Dow Chemical was the first contractor, but Rockwell International took over the operation in July 1975.

Although details about the plant are naturally secret, Rocky Flats is, in the words of Dr. Robert E. Yoder, the plant's health and safety officer, "a metalworking factory where the metal just happens to be plutonium." Every thermonuclear or fusion weapon requires a fission device to trigger the fusion reaction. Using plutonium, Rocky Flats manufactures these nuclear triggers.

One of the most toxic substances created by man, plutonium must be carefully controlled. It will ignite spontaneously in air; so it must always be contained in an inert atmosphere. Lead and concrete protect workers from its deadly radiation; air filters keep them from inhaling the tiny particles of plutonium that can cause lung cancer. Because of these precautions, officials claim the plant is safe. "I don't perceive a health risk in the operation of the plant," said Robert O. Williams, the Rockwell executive in charge of Rocky Flats. "I see it as having a minimal health risk in the urban comunity."

That urban community is Denver and its suburbs; together they contain a million and a half people. Many of them—perhaps most—have only the vaguest understanding of Rocky Flats, but some Coloradans are deeply concerned that it poses risks to their communities that are considerably more than "minimal." A series of mishaps and incidents at the plant has made many Coloradans skeptical of official optimism.

Major plutonium fires in 1957 and 1969 spewed radioactivity into the environment, but when Dr. Edward A. Martell, a radiochemist at the National Center for Atmosperic Research, in nearby Boulder, wanted to test the soil at the plant for plutonium contamination, he was denied permission. So he surveyed the soil just downwind of the plant and found plutonium contamination hundreds of times higher than normal. (Atmospheric nuclear tests have scattered plutonium fallout worldwide, establishing what are called background, or normal, levels of radiation.)

Plutonium has a half-life of 24,000 years, meaning its radioactivity will diminish by half over that period. So the bits and pieces left after the weapons have been built must be carefully stored in containers and at sites that will permanently keep them from contaminating the environment. In 1958, Dow Chemical took the plutonium-contaminated oil used in the fabrication process and began storing it in steel drums in an open field. Leaks were discovered the following year. Although rust retardant was added to the drums, apparently no other safeguards were taken. Winds picked up the plutonium-contaminated soil near the leaky drums and carried it south and east of the plant, toward Denver, Broomfield, and Golden. For 10 years, these leaks continued without the public's being informed.

In 1973, some scrap plutonium was sent to Rocky Flats to be reprocessed. What made this otherwise ordinary event unusual was the presence of tritium, a radioactive element that is an isotope of hydrogen. Dow did not detect the tritium, and it subsequently percolated into the earth and traveled down Walnut Creek into the Great Western Reservoir, which is the source of water for Broomfield, a suburban town of 14,000 located halfway between Denver and Boulder.

The tritium contamination was discovered not by Dow or the AEC but by the Colorado Department of Health, James L. Montgomery, the section chief for radiological health, said, "We take samples from Walnut Creek every other day, and we saw a high level of radioactivity. The level was so high—tens of thousands of times higher [than normal]— that we at first suspected our own technique. After we ruled out human and testing errors, we literally traced the source of the tritium all the way back to the plant."

Dow denied that Rocky Flats was the source of the tritium. "They dared us to go in and find it," said Montgomery, "and we did."

Each time something went wrong at Rocky Flats, the instinctive reaction of Dow and the AEC was to cover up, to assert that nothing was wrong or—if something wrong had been revealed by an outside agency—that everything was under control. That sort of arrogance fueled local opposition to the plant.

The opposition has formed on three fronts. The American Friends Service Committee and like-minded peace or environmental groups have carried on a public campaign against Rocky Flats. Their weapons include broadsides, denouncing the plant testimony at public hearings, and demonstrations at the plant's gates.

At the end of April 4,000 demonstrators staged a peaceful protest at Rocky Flats. Early in May, 28 protesters, including Daniel Ellsberg, of Pentagon Papers fame, were arrested for blocking the railroad tracks leading into the plant. A spokesman for the demonstrators said they were concerned about the dangers that could come from the transportation of nuclear material.

The second front is the federal district court, where a local landowner has brought suit (*Church* v. *U.S.* against the government, alleging that Rocky Flats has contaminated his land and thereby diminished its value.

The third battle against Rocky Flats is being waged in the seemingly genteel pages of various scientific journals. The nuclear establishment argues that Rocky Flats poses no serious threat to the health and safety of the public while critics suggest that the plant may be raising the risks of cancer and genetic defects for local residents.

At Rocky Flats, the plutonium and the machinery used to shape it are contained in stainless steel enclosures called glove boxes.

Lead oxide in their rubber gloves, lead glass windows, and lead shielding reduce the amount of radiation reaching workers. The plutonium is melted and poured through a tantalum funnel into graphite molds. The resulting ingots are then machined into their proper shape.

This process leaves behind a considerable amount of residue. Minute portions of plutonium pass through the air filters and directly into the atmosphere. Although a system is being developed to contain all liquid wastes on the site, they have to date been percolating into the water table and flowing into nearby aquifers, streams, and lakes. Plant officials claim that these pollutants present no danger to the public.

A number of scientists and public health officers disagree. One of them is Dr. Carl J. Johnson, the soft-spoken director of the Jefferson County Health Department. In 1974, Johnson began to study the amount of plutonium in the soil. He took samples from several locations a few miles from Rocky Flats and found them running as high as 3,390 times the background radiation.

Johnson's findings are controversial. Because plutonium presents its greatest peril when inhaled, Johnson took his samples from the dust near the surface, going no deeper than half a centimeter. Scientists from Rocky Flats prefer to go some two inches deep. All that accomplishes as far as Johnson is concerned is to dilute the respirable plutonium particles with dirt.

Martell is highly critical of the Department of Energy (DOE) and its predecessors, the AEC and the Energy Research and Development Administration (ERDA). "They have been completely unscientific about alpha radiation cancer," he said.

Alpha particles pack about 10 times the energy of X rays or gamma rays, but they lack the penetrating power of the latter. Although alpha particles are easily stopped by clothing and skin, if they are inhaled or swallowed, they can do a terrible amount of damage to the surrounding tissue. Martell believes that "many cancers in man may be due to insoluble alpha-emitting particles" that have lodged inside the body.

Dr. John Cobb, a professor of preventive medicine at the University of Colorado Medical Center, is concerned about possible genetic damage caused by plutonium contaminants from Rocky Flats. "Plutonium goes to the testes and ovaries and probably damages germ cells, but we don't know," he said.

At Rocky Flats, Yoder takes a different view. "Plutonium does go to the lungs," he said. "If it gets dissolved, it goes to the bone, liver, and pancreas. . . . You can probably find it everywhere in the body, but the studies to date show that the plutonium that is deposited internally is remote from the site of germinal cell production. Therefore, you can conclude from a genetic standpoint that there is no effect."

Federal regulations establish a limit on the amount of plutonium a worker may have in his body; it is called the maximum permissible body burden, or MPBB. In careful, scientific language, health researchers at the University of Denver concluded that workers at Rocky Flats who had low levels of internal plutonium exhibited certain effects. "We were somewhat surprised," the researchers reported, "at the elevated prevalence of chromosome aberrations in the one to 10 percent BB [body burden] individuals." They also found "a marked increase in the prevalence of total structure aberrations in the [greater than] 50 percent MPBB group of men."

Will these "chromosome aberrations" ultimately have somatic or genetic consequences? At present, no one knows. This gap in our knowledge can be attributed in large part to the way the federal government responded to the nuclear era following World II.

The AEC, formed in 1946, was given complete control over all things nuclear; the development of weapons, nuclear power, the licensing of industrial facilities, and the study of somatic and genetic effects.

By 1946, studies done on workers who had painted radium dials on clocks and watches had alerted medical science to the hazards of radiaiton. Yet unaccountably, federal agencies have been reluctant to follow the health records of those coming into regular contact with plutonium.

Last year, Rockwell reported that 56 former workers at Rocky Flats had died of cancer since 1952. The records indicated that 48 of those deaths had occurred since 1970. It would seem statistically improbable that only eight workers would have died of cancer during the plant's first 18 years of operation. According to Felix Owen, Rockwell's director of information at Rocky Flats, the death records left by the former contractor, Dow Chemical, were nothing more than "notes on pieces of paper. There was no real program to record the cause of death."

Perhaps the greatest oversight of all is the absence of studies on the offspring of nuclear workers. No one interviewed knew of any studies to determine the genetic consequences to children whose parents were occupationaly exposed to radiation.

"We'd know all we need to know about plutonium," said Yoder, "if someone had asked the right questions in 1945."

Why were no federal studies undertaken? "Let's look at the times," he said. "Everyone was really concerned about nuclear war, and the United States was determined to be number one. That philosophy was a prime mover in this country. There were only so many dollars to go around. Maybe some studies were thought of, but there wasn't enough money to go around."

Others take a less chritable view. They suggest that the AEC consciously decided to avoid such studies for fear that adverse findings might slow the growth of an embryonic nuclear industry. They cite the Mancuso case as a current example.

Dr. Thomas F. Mancuso, an epidemiologist at the University of Pittsburgh, began an ambitious study in 1964 of cancer among workers exposed to radiation. The government terminated his contract when he found that plutonium workers at Washington State's Hanford Nuclear Works suffered higher than normal rates of cancer.

The nuclear establishment discounts Mancuso's findings. At Rocky Flats, Yoder called it "the most ill-conceived study ever put together on health effects." Both he and the DOE prefer to rely on a study of 25 Los Alamos workers who were exposed to high levels of radiation in the 1940s; none of them have died of cancer.

If Mancuso is right, however, the implications for Rocky Flats are tremendous. Entirely new industrial facilities would have to be designed and built; glove boxes would have to be replaced by remote control devices that would greatly slow the fabrication process and increase costs; the government might find itself legally liable for damages if workers contracted cancer.

The AEC and its successors have had three decades in which they could have undertaken detailed studies of the somatic and genetic effects of radiation, but they did not. They have had an equally dismal record in matters of public accountability.

A similar sort of indifference toward the public marked Dow's tenure at Rocky Flats. Although supporters and critics of the plant seem to agree that the present contractor, Rockwell International, is doing a better job, the old attitude has not completely disappeared. Rocky Flats has been made more accessible to state officials, citizens' groups, and the press, but incidents continue to occur.

Within a month after Rockwell took over, in 1975, the gloves in two of the glove boxes collapsed on successive days. Two workers suffered some plutonium contamination as a result.

The following year, a plastic disk containing plutonium fell from an office cabinet where it was illegally stored. When it shattered, a number of people were exposed to radiation.

In March of last year, the state health department was surprised to learn that curium, a new radioactive element, was being used at Rocky Flats. Although plant director Williams claims that he personally pointed out the curium laboratory to state officials, no written or formal notice was given. State health officers, who had received a jolt four years before when curium leaked into the water table, were upset that a new radioactive element had been introduced at Rocky Flats without their being aware of it.

Then in April 1977, the manager of the Jefferson County Airport, which is located a few miles east of Rocky Flats, complained to federal officials about plutonium shipments in and out of the airport. Congressman Timothy Wirth, the Colorado Democrat whose district includes the plant as well as the airport, asked for and received a report from the ERDA describing the purpose of the flights, which had taken place since January 1976.

The law at the time permitted shipments of plutonium by air if national security was at stake. Yet ERDA officials interpreted the law so loosely that when a truck could not get to Rocky Flats because of snow, they decided that considerations of "national security" would allow them to fly the plutonium to its destination rather than wait a day or so for the truck. The ERDA did not have containers that could have withstood an aircraft accident, and the "shipper had a bad accident record," according to Wirth. Flying the plutonium out of a small county airport simply because it was convenient indicated the same sort of public-be-damned attitude present at the AEC's inception.

Wirth authored an amendment that closed the national security loophole. "They are precluded by law from shipping by air," he said, "unless they use the improved [crashworthy] containers." Because such containers have yet to be certified for flight, Wirth's amendment has apparently put a stop to shipments of plutonium by air.

Williams and DOE officials at Rocky Flats have made some improvements. In February of this year, there was a small fire involving beryllium, a highly toxic but nonradioactive substance, and a DOE official at the plant informed the Colorado Department of Health within the hour. Officials from Rocky Flats and from the state meet each month to exchange information, and the public is welcome. A citiizens' monitoring committee is permitted regular access to the plant to perform a watchdog role. Such changes must certainly be entered on the positive side of the ledger.

Yet the history of the atomic age suggests that the American people have not been well served by those who were entrusted with the development of nuclear weapons. After World War II, the AEC had carte blanche in the nuclear field and the funds to pursue whatever avenue it wished. That nuclear radiation was dangerous to man was well known; what was not known was the extent of that danger to nuclear workers. Studies to determine those hazards should have been started then.

Radiation destroys slowly. The nuclear worker in the prime of his life feels no ill effects and tends to dismiss critics of his industry as alarmists. Lead and concrete stand between him and the source; individual dosimeters record the amount of radiation his body receives; plant officials conscientiously monitor his exposure to make certain

it falls well below the level specified by current standards. Yet a large amount of scientific evidence suggests that no amount of radioactive exposure is safe. Indeed, the exposure standards have been lowered by a factor of 100 over the past 30 years and may be lowered again. So the worker who receives a "safe dose" today may ultimately have to pay for it in the sterile anonymity of a cancer ward.

Large questions that might have been answered years ago continue to face us. What are the consequences to health and safety of plants such as Rocky Flats? Is there a "safe level" of exposure to radiation? If no level is safe, what are the risks? And most important of all, who will decide which individuals will take those risks?

These are not simply scientific questions; these are public issues. To make an informed choice, we need unbiased information. But three decades of experience with the AEC suggest that its current descendant, the DOE, cannot be trusted to look into the somatic and genetic effects of the very industry it is promoting.

The only remedy in a democracy is for the people to reassert their authority by choosing new representatives in Congress to guard the public's health and safety.●

FEAR OF CRIME: "FALSE IMPRISONMENT" FOR AMERICA'S ELDERLY

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. PEPPER. Mr. Speaker, the subject of crime against the elderly has long been a concern of the House Select Committee on Aging, which I am privileged to chair.

We have held a number of hearings on various aspects of the problems, both in our subcommittees and in the full committee. We approved last year a comprehensive report on the subject by our Subcommittee on Housing and Consumer Interests, entitled "In Search of Security: A National Perspective on Elderly Crime Victimization."

That report highlights what is perhaps the most dramatic effect of crime among older Americans: Regardless of the actual rates of crime against the elderly, older people themselves fear being victimized so much that they avoid leaving their homes at all except for emergencies.

This inordinate fear of crime was rated by senior citizens themselves in a major survey as the single most serious problem they faced—more serious than health, or income, or housing, or loneliness.

I believe that my colleagues and other readers of the RECORD would profit from reading major excerpts from the chapter in the Aging Committee's report on the subject of "Fear and Its Consequences." I include the excerpts at this point:

FEAR AND ITS CONSEQUENCES

Fear of crime in the older population has been the most pervasive and consistent finding of the subcommittee and other major research studies. In 1974 Louis Harris and Associates conducted a comprehensive national survey on the problems of the elderly. One aspect of this study sponsored by the National Council on the Aging (NCOA), was to measure the elderly's perception of various social problems. The elderly ranked fear of crime as the most serious problem they experience. When shown a list of possible problems and asked how serious each was for them personally, 23 percent of those people over 65 said "fear of crime" is a very serious problem. What is particularly significant about this fact is that fear of crime was considered a greater social problem than health, money, and loneliness. In 1971, the Los Angeles Times conducted a poll which showed fear of crime was second only to economics in causing stress.

In 1972 the NRTA/AARP, in conjunction with the University of Michigan, conducted a national survey of 4,500 elderly people to determine their needs and concerns. The results of that survey indicated that fear of crime was ranked second; the only need of greater magnitude was inadequate food and shelter.

In 1973 NRTA/AARP and the University of Southern California undertook a second national survey with a sample of 77,000. Again crime was ranked as the second item of greatest concern, following food and shelter.

A recent study of the urban aged in Wilmington, Del., determined that 65 percent of the population had a strong fear for their personal safety.

Data from a recent survey by the Chicago Planning Council on Aging revealed that 41 percent of the city's 518,000 residents over 60 felt that crime was their most serious concern.

Another study, using a much smaller number of respondents (516), was also conducted in Chicago by B. Bild and R. Havighurst. The purpose of their study was to determine the major problems of Chicago's elderly and compare them to the national sample (reported below by Louis Harris). Fear of crime was ranked as the most serious problem.

TABLE XIV.—PROBLEMS: COMPARISON OF CHICAGO SURVEY GROUPS WITH NATIONAL SAMPLE (HARRIS POLL)

[In percent]

	65 years and over	
	Total of Chicago survey (groups N–516)	National
Fear of crime	41	23
Poor health	37	21
Not having enough money to live on	22	15
Loneliness	10	12
Not enough medical care	10	10
Not enough education	4	8
Not feeling needed	4	7
Not enough to do to keep busy	4	6
Not enough friends	4	6
Not enough job opportunities	3	5
Poor housing	7	4
Not enough clothing	3	3
Not seeing children or grandchildren or other relatives enough	8	.....
Not being able to get places—good transportation not available	9	.....

* * * * *

Fear of crime in the elderly population has been well substantiated. Even if this fear is out of proportion to the statistical probability of victimization, or without foundation due to the local environment, the effects are just as debilitating as if the fears are justified. The rate of elderly women being raped may be only 0.3 per thousand population, but if a majority of women are afraid, fear of crime has become a major social problem.

VARIABLES THAT AFFECT FEAR

One aspect of the problem that needed to be determined was how fear is distributed in the elderly population. Are there groups that experience more fear than others? Can the conditions that cause this fear be determined? If it is possible to refine this problem into its component parts, policies and programs can be directed to the areas where the greatest need exists.

Economics

People at lower income levels express more fear of crime than people in higher economic strata. The Louis Harris poll reports that of those people with incomes under $3,000 per year, 31 percent felt that fear of crime was a major social problem as compared to 17 percent of those with incomes of $15,000 per year or more. This relationship between economics and fear may be justified in light of the fact that poorer people generally live in the inner cities and experience higher victimization rates than their wealthier, suburban cohorts.

An article written by Frank Clemente and Michael B. Kleiman also shows a relationship between fear of crime and income. Of the elderly population with incomes of $7,000 per year or less, 51 percent indicated a fear of crime. On the other hand, 43 percent of older Americans with incomes above $7,000 per year expressed significant fear.

Race

Virtually all studies indicated a higher fear of crime in the elderly black population than in the elderly white population. The 1974 Louis Harris survey showed that of those people over 65, 21 percent of the white population as compared to 41 percent of the black population reported crime as a "serious problem for them personally." A further refinement of these statistics made a correlation between race and income. Of those 65 years and over with incomes under $3,000 per year, 28 percent of the white and 44 percent of the blacks listed fear of crime as a very serious social problem. These rates declined to 18 percent for the white population and 33 percent for the black population when incomes were over $3,000.

The Clemente and Kleiman study indicated that while approximately 47 percent of the elderly white population was afraid to walk alone in their neighborhoods at night, this figure increased to 69 percent in the elderly black population.

Community

Community size is positively related to a person's fear of crime. The greater the size of the community, the higher the level of fear, according to the Harris polls of 1964, 1966, 1967, 1969, and 1970, and the Gallup polls of 1967, 1968, and 1972. This fact holds true for all age levels in the population, but is most acute among the elderly.

The Clemente and Kleiman study shows that fear in the elderly "decreases in a clear step pattern as one moves from large cities to rural areas." The study produced the following data showing the percent of the elderly who expressed fear in cities of various sizes:

Elderly expressing fear

City size	Percent
Larger cities (250,000+)	76
Medium cities (50,000–250,000)	68
Suburbs of large cities	48
Small towns (2,500–50,000)	43
Rural locations (under 2,500)	24

* * * * *

These data clearly indicate that fear of crime is highest in the elderly urban resident. Even when holding the income variable constant, the Clemente and Kleiman study shows urban residents are more afraid than those living in rural areas.

Richard A. Sundeen and James Mathieu compared the fear of crime of the elderly in a central city environment, an urban middle class municipality, and a suburban retirement community. Their findings also supported the view that central city residents have a significantly higher fear of criminal victimization in their immediate neighborhood than the other two groups.

An interesting fact brought out in their study was that the residents of the guarded security-walled retirement community expressed similar high fears of victimization in areas that were beyond their compound.

* * * * *

Thus the research data indicate that there is a strong fear of crime among the elderly. It is, therefore, important to examine the effect of that fear upon the quality of life of the elderly. Are older Americans in any way altering their behavior or reflecting emotional stress due to the fear of victimization? The following studies address this issue.

RESULTS OF FEAR OF CRIME AND/OR VICTIMIZATION

A current study is being undertaken by Dr. Marlene A. Young Rifai in Multnomah County, Oregon. A central aspect of the research is behavioral changes in the elderly caused by fear of crime. Dr. Rifai stated that, "The general perception of crime by older persons seemed to reflect a great deal of concern." Some of her findings are:

1. Eighty-four percent would not walk [outside] after dark, with 62 percent attributing this directly to the fear of crime.

2. Almost 25 percent of all those interviewed avoided certain areas in their own neighborhoods due to fear.

3. Sixty-six and two-thirds percent felt their homes would be burglarized.

4. Fifty-four percent avoided certain areas of the city because they felt them to be unsafe, and their perception of the city as a whole was fraught with anxiety.

Dr. M. Powell Lawton, et al. studied the elderly and the psychological aspects of crime. They explained that the normal aging process is punctuated by a series of losses. The elderly are generally faced with a reduction of income and with the consequent limited ability to purchase goods and services. While 12-15 percent are partially or totally disabled, 85 percent have one or more chronic illnesses. A significant number of the elderly live in inadequate housing; many have constraints in their access to transportation or difficulty with mobility. Many suffer from poor nutrition. There is a constant reduction in the social network—often loss of spouse, loss of meaningful peer relationships, and loss of role. Any one or combination of these losses is associated with a devaluation of one's self-image and a heightened susceptibility to stress.

The report explained how these conditions are related to the threat of a crime. A threat is perceived whether in terms of doubt in one's ability to deal with a problem or the magnitude of the problem. Maintaining a state of appraised threat is always experienced as a "cost" to the person in terms of strain and anxiety, and in extreme situations, this can even result in psychological and physical symptoms.

Living in a high crime-ridden neighborhood poses a chronic threat, requiring constant viggilance to maintain safe, appropriate behavior. This adds enormous stress to an already vulnerable group of people. Any time a threat is perceived, behavior is modified to cope with the threat. The coping mechanism, however, can be adaptive or maladaptive. Many people respond to the fear of crime by minimizing their exposure. Many curtail participation in activities and limit their visiting of friends. Many refuse to go out after dark, and others limit their trips away from home to bare necessities. Although in one sense this reduces the elderly's opportunity for victimization, there are attendant social and psychological losses. By limiting their opportunities for social relationships and essential trips (i.e., doctors, shopping, etc.), many important areas of life satisfaction are blocked, and self-esteem is diminished.

The Harris poll attested to this condition of restricted activity when it discoised that approximately 25 percent of older people significantly limited their own mobility.

Carl L. Cunningham, in the Kansas City study, analyzed fear of crime through interviews with victims. Some of his major observations were:

1. The most common response of elderly burglary victims was a reluctance to leave home with a heightened fear of remaining alone in it. Some suffered acute anxiety.

2. Elderly victims of burglary, almost without exception, displayed a long-lasting fear that obviously emanated from a sense of anonymous invasion and latent threat.

3. Criminal invasion of the home, regardless of outcome or loss, usually assumed larger dimensions in the victim's mind than a crime or accident that occurred elsewhere.

4. The majority of burglary victims reported anxiety and a high incidence of voluntary restriction of activity motivated by a generalized fear of crime.

5. Nearly 40 percent of the total burglary and robbery victims did not go places nor engage in certain activities due to a fear of crime.

6. Slightly over 12 percent moved from their homes or sold businesses, citing the burglary and general threat of crime in the neighborhood as the reasons.

7. The most common response to robbery was a general fear and nervousness.

8. About 10 percent of robbery victims changed their work schedules and some abandoned employment as a result of the robbery.

9. The most drastic event was that several reported abandonment of their homes following a robbery or burglary.

MORALE AND ENVIRONMENT

It is only recently that studies have been conducted on the relationship between morale and environment in the elderly population. In 1970 a national study of approximately 4,000 people 65 years of age and older demonstrated the importance of environmental factors to morale. The findings suggest that environmental characteristics are more central to maintaining morale than social relationships. A 1973 study showed "security in one's residence" to be one of the three most significant correlates to quality of life. A study of inner city elderly in Philadelphia revealed deprivations in both income and health. Physical security, however, was evaluated by these residents as their most important need. Lawton and Kleban claim that "* * * their spontaneous comments reveal how urgently they fear threats to their physical safety and how deeply this insecurity underlies their difficulty in gaining satisfaction in other areas."

The subcommittee is convinced that fear of crime is a pervasive and onerous problem for older Americans. Women, blacks, and inner-city residents are the groups most profoundly and adversely affected by this fear.

It is also clear that the quality of life for senior citizens is diminished by fear. Many older people limit their participation in social and recreational activities because they are afraid to be on the streets. Some limit their outside activities to only essential trips for food or medical attention. The subsequent losses in life satisfaction and self-esteem are pernicious.●

SUN DAY ESSAY AND POSTER FINALISTS—MASSACHUSETTS NINTH DISTRICT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. MOAKLEY. Mr. Speaker, on May 3, 1978, Sun Day was celebrated throughout the United States as the beginning of our solar age—an age that promises a clean inexhaustible energy source. To educate and promote solar energy and Sun Day in my own congressional district, I sponsored an essay and poster contest in several of the elementary, junior, and senior high schools. This endeavor proved very successful as many students showed imagination and insight into the benefits of solar technologies and the problems associated with an almost total reliance on conventional energy sources. I am honored at this time to be able to announce the schools which participated in this program and to give special recognition to the three students from each school who demonstrated a particular distinction worthy of recognition:

SUN DAY CONTEST

POSTER

St. Joseph's Community School, 18 Hulbert Street, Roxbury, Ma. Finalists: Rhonda Bishop, Aisha Reed, and Siddig Turner.

Blessed Sacrament School, 808 East Street, Walpole, Ma. Finalists: Carri Gable, Peggy Keteltas, and Judith Riley.

John Philbrick School, 40 Philbrick Street, Roslindale, Ma. Finalists: Bruce Campbell, Robert Piscitelli, and Paul Rooney.

Mitchell School, Brookline Avenue, Needham, Ma. Finalists: Scott Kane, Mindy Stewart, and John TerVeen.

ESSAY

Martin Luther King School, 77 Lawrence Avenue, Dorchester, Ma. Finalists: Edward Champagne, Richard Eng, and Paul Tranfaglia.

Blessed Sacrament School, 808 East Street, Walpole, Ma. Finalists: Joanna Capparella, Cathleen Rooney, and Mary Ryan.

East Junior High School, Washington Street, Walpole, Ma. Finalists: Thomas LaCorti, Beth Anne Walsh, and Pamela Walsh.

Curley School, 493 Centre Street, Jamaica Plain, Ma. Finalists: Mark Giordano, Helen Kalogerakis, and Robert Kelly.

Washington Irving Middle School, 114 Cummins Highway, Roslindale, Ma. Finalists: Nina Bell, Barbara English, and Andrew Nemec.

Dover-Sherborn High School, 9 Junction Street, Dover, Ma. Finalists: Cece Boylan, Cathy Gilliland, and Carol Yoon.

I would also like to share with you a sampling of the essays which I have received from these schools, which represent both the quality and the foresight expressed by the students of my district:

THE GLORIOUS SUN AND OUR FUTURE IN SOLAR ENERGY

(By Joanna Capparella, grade 8, age 14, Blessed Sacrament School, 808 East Street, Walpole, Mass.)

THE GLORIOUS SUN

When man was but a child,
He'd just begun his days,
He looked up at the heavens,
And blessed you for your rays.

He prayed to you in temples,
To you, the Glorious Sun,
For him you were his god,
His powerful, Mighty One.

You rise each morning to greet us,
At noon you hover high,
At night you set before us,
And paint the crimson sky.

We await your rays of sunlight,
Even though you've gone,
For your promise of tomorrow,
With each new break of dawn.

You look upon God's creation,
Upon fragant flowers, towering trees,
Flowing rivers, sparkling seas.

Hungry crops,
Budding fields,
Upon all the magnificence
That your sunlight yields.

Now man looks up,
At your azure dome,
And seeks your warmth,
To heat his home.

To run his cities,
To power his tools,
To run his cars,
To power his schools.

He looks up to you,
In his quest for life,
To better his world,
To better his life.

Man is still a child,
Still beginning his days,
Looking up at the heavens,
To bless your golden rays.

OUR FUTURE IN SOLAR ENERGY

Since the beginning of time immemorial, the sun has shone in the sky. Its brilliant rays have always given light and life to the earth. It has been said that our nearest star produces enough energy in twenty minutes to power the energy supply in the United States for one year.

If someone decided to build an energy system which utilizes the sun's rays, he would need a device to collect the rays, a device to distribute the energy, and a device to store the energy for cloudy days and at night.

Here are three ways of producing solar energy:

(a) Photosynthesis.
(b) Using collecting mirrors.
(c) Converting radiation into electricity.

Photosynthesis

Photosynthesis is a chemical process carried on by plants that occurs in the chlorophyll cells of plants. Sugar, starch, and oxygen are produced from the water and carbon dioxide when sunlight shines on the chlorophyll. This form of solar energy is not only vital to plants but to all living things.

Collecting mirrors

In using this method, heliostats (solar mirrors) focus the sun's rays on a parabolic mirror. The parabolic mirror reflects the heat on a black receiving surface such as a tube or tank, containing either water or air. The water is eventually turned into steam. Then the steam or heated air is used to power turbines, engines, or generators. I would also like to add that the heliostats are mounted on pivots so that they can follow the sun's path throughout the day.

To heat a home, solar collectors are mounted on the roof. They are placed on the side of the roof which receives the longest amount of sunlight. The sun heats the water or air circulating in the collectors. The heated water is stored in insulated tanks. It is then pumped to the house through pipes and radiators.

If a collector uses air, it is stored in a container of crushed rocks. The rocks are heated by the hot air. When the house needs heat, the hot air is blown into the house by ducts.

Solar cells, photovoltaic cells, solar batteries

These devices use sunlight and convert it into electricity. Electricity is produced when light falls on the sensitive chemicals it has been built with. Silicon strips or wafers are commonly used. However, this method proves to be very expensive and thus is not used for large-scale purposes.

Employing solar energy by these methods enables man to do many things such as heat and air condition his home, cook food, purify water, irrigate land, produce power for huge solar furnaces, transistor radios, and even satellites.

The advantage of solar energy is that after the equipment has been installed money is no longer spent on fuel bills. The system works producing no form of pollution and saves the trouble of repair and maintenance.

However, the major problem in the use of solar energy is the storage of heat. How is heat obtained on cloudy days, at night, and in areas where sunlight is not as plentiful throughout the year? Scientists are hard at work attempting to find answers.

Ultimately all energy we use comes from the sun. Coal and petroleum were once plants or animals that thrived on sun's light and heat. The heat from the sun helps produce precipitation which falls as snow or rain on mountain tops. The water feeds rushing rivers thus producing hydroelectricity. Even the wind is the result of unevenly heated earth surface and atmosphere. The sun is truly our major source of energy.

Man is hard at work trying to develop ways to use energy directly from the sun. The supply of fossil fuels, our major source of energy is dwindling. Our environment is being destroyed by pollution. We look for different ways to improve our lives. Many people believe we can find our answers to the energy problem by using the energy from the sun. We are rapidly realizing the great potential of solar energy. In years to come solar energy could be our major power source.

SOLAR ENERGY—OUR LAST RESOURCE

(By Kathleen Rooney, Grade 8, age 13, Blessed Sacrament School, Walpole, Mass.)

Solar Energy, one of our newest hopes for power is also one of our oldest forms. The sun has provided a steady source of heat and light for thousands of years and will continue to do so for many more. Unfortunately, our knowledge of converting the sun's energy into power has not increased at the same rate as our needs.

Unlike oil, coal, and other such fuels, there is no limit to the enormous supply of energy given off by the sun and unlike nuclear energy it is relatively safe, environmentally clean and gives off no harmful wastes. Collecting and storing equipment need only be installed and maintained and a free, boundless supply of energy is produced. If all this is true then why is solar energy just being researched and developed? There are many reasons for this. Until recently oil and gas were cheap and plentiful, solar energy, on the other hand, was unresearched and an expensive investment. Only since 1973, when the oil embargo aroused us to the fuel shortage, has the public turned its eye to other forms of fuel.

The Government has also helped to improve public awareness. Government sponsored projects such as Sun-Day have brought about a new high in awareness and understanding. President Carter has designated more tax money toward research and development. Solar energy is not only limited to domestic usage. Many machines have been designed to use the sun's rays to power them. Some day we may even drive sun-propelled cars. Long distance solar power is now being explored. The possibilities of coast-to-coast solar heating is being studied. Some hope to place photovoltaic satellites in space for energy collecting and electricity. Some hopefuls foresee the possibility of solar heat taking over in just five years and solar electricity in a decade. This may seem a bit exaggerated, but as oil and gas prices increase so does the demand for solar equipment and as soon as prices on solar utilities lower, the public will buy. In order to encourage lower income families to try solar heat, many companies are promoting low-budget, do-it-yourself type systems for homeowners to make.

To sum it up, I see solar energy as our main hope for future power. The sooner we realize all of its prospects and problems, we can improve on it and make it efficient and economical. If we all support and help it, we will be greatly forwarding its success.

If we do succeed there may never be another energy crisis.

SOLAR ENERGY

(By Mary Ryan, Grade 7, Blessed Sacrament School, Walpole, Mass.)

Solar energy—a product of the future—Right? Wrong! Even today, experiments have been made using solar wrist watches, cooking apparatus, and even houses and power stations. Though right now, solar energy isn't being used on a large scale, estimates have found that by the year 2020, solar energy will account for about 15% of the energy being produced. Though getting massive amounts of electric power from solar energy is not yet possible, low-power needs are being met today.

Many questions about solar energy have been asked. For instance, how soon will it be until we will live in a totally solar-run society? Will we ever have to depend totally on solar energy? How essential is it in our society today? Though not all of these questions can be answered as of yet, scientists are working to find the answers.

Solar energy has attracted many people to its cause, because it doesn't pollute or otherwise harm the environment; it doesn't create dangerous waste products; it won't run out for a few billion years; and it can't be embargoed. It would be virtually inflation-proof once set-up costs are met. The technology which is involved, while not yet perfected, is much less complex than nuclear technology.

But man-made barriers have slowed down its introduction and use. For instance, oil companies are more interested in oil, natural gas, uranium, and geothermal steam, because these are their big money-making resources in the trade market. The housing industry is slow in changing because so much money would be needed to build a solar-run house.

Solar energy is now looking better because fossil fuels are no longer cheap and because of drawbacks in nuclear fission—its hazards, huge capital costs, and low gains in net energy terms. Back in the 1930's and 1940's, thousands of rooftops in Florida were installed with solar water heaters—this process stopped because natural gas could be attained at a low cost.

Today large solar furnaces have been constructed, such as the latest one in Sendai, Japan. Another solar project being undertaken is in Sonora, Mexico, where they are desalting sea water with solar energy. Every 15 minutes, enough sunlight shines on the earth to meet its needs for an entire year.

Every square meter of the earth's surface is bathed in about 1,000 watts of solar radiation on a clear day.

If, by 1986, cheap new solar cells are making electricity directly from sunlight at a cost of 50 cents per watt of peak capacity, then the era of solar energy will be on its way.

There is one problem—bad weather. Scientists have come to the decision that in bad weather, the nation would switch to electricity or gas systems. But utility services disagree. They say that since their products would only be used during bad weather, they will have problems because they will only be used during this time.

So the question is—will we ever have a totally solar-run society?

I don't think so during my life. I feel that since we have easy access to such a much-needed and generally inexpensive source of energy, why not make the best of it? It would be a welcome addition to a world of pollution, inflation, poverty, lack of resources, and soaring prices.

WHY WE SHOULD USE SOLAR ENERGY

(By Richard Eng 306)

Solar energy may be compared to an enormous, slowly spinning disk, with the sun as its center. The sun's light is essential to all forms of life on earth. The moon and the planets would disappear from view, for they can be seen only because of the sunlight they reflect. Most of the gases in the atmosphere we breathe would condense and turn into solids, the mass of the sun accounts for more than 99 percent of all the material in the solar energy. Imagine a scale model of the solar energy in which one yard equals one million miles. At such times these particles may be seen speeding, white-hot, through the earth's dense atmosphere, burning up because of friction with the atmosphere. Heat is produced when the sun's rays are absorbed by a blackened surface and that the temperature thus produced could be greatly increased by using reflection or refraction to concentrate a large area of sunshine onto a small target. You can save money on furnaces and fuel. When heat is needed rather than mechanical power or electricity, solar devices are already technologically available, but fuel-burning equipment is still less expensive in most parts of the world.

WHY WE SHOULD USE SOLAR ENERGY

(By Edward Champagne)

We should use solar energy because we will run out of oil someday. Then what would we do? We will not be able to heat our homes. We would not have electricity because we need oil to run the generators that make electricity. To use solar energy would mean that we would not have to buy oil from the Arabs. It would be a lot cheaper to use solar energy. People would not have high heating bills. The United States economy would be a lot cheaper because we would not have to buy oil from the Arabs. If we used solar energy the oil in the United States alone would be enough. The United States would become even richer, and living would be much easier.

The sun is just sitting up there; we should be using it!

WHY WE SHOULD USE SOLAR ENERGY

(By Paul Tranfaglia)

Solar Energy is as old as man himself, but man is just learning the potential value of it. Any home can be properly adjusted for heat and other functions by Solar Energy when properly applied.

Our dependence on foreign nations for fuel will be greatly reduced, if not extinguished, if we adopt Solar Energy in our country. The cost of Solar Energy is minimum compared to the price now paid for research and development of oil and other fuels at home and abroad.

Unlike the present fuels used now, Solar Energy is clean and non-pollutive. There is great prospect for the future in more industries, more employment, and other gains when man converts to Solar Energy. In short the capabilities of Solar Energy are as endless as man's needs for it. Accepting Solar Energy in the world today would be a great asset to mankind.●

IN MEMORY OF DR. MARTIN DAVID JENKINS, PRESIDENT EMERITUS, MORGAN STATE UNIVERSITY, BALTIMORE, MD.

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. MITCHELL of Maryland. Mr. Speaker, on June 9, 1978, a dynamic and innovative educator who inspired thousands of young black minds to dream the impossible dream died at the age of 73 in Washington, D.C.

Dr. Martin Jenkins was a firm believer that no young person's horizon should be narrowed by the color of their skin, and because of his unswerving commitment to that belief, Dr. Jenkins accepted the helm of Morgan State College in 1948, and guided the institution on an upward course for 22 years.

In 1970 when Dr. Jenkins retired as president of Morgan State, the institution had been transformed from the small college it was in 1948 to a nationally known institution of higher learning that was rated as a case study institution by the Middle States Accrediting Association of Colleges and Secondary Schools. Morgan State University today continues to reflect the dreams and skills of Martin Jenkins and if the administration, faculty, and students can maintain this course, Morgan will reach the designation set by Dr. Jenkins: an urban oriented integrated university.

Although Dr. Jenkins has been applauded for developing Morgan State into a nationally known and respected institution, his greatest legacy lives in the thousands of students who matriculated at Morgan State during his presidency. That legacy can be seen today in the U.S. Congress, throughout the Federal Government, in the Maryland General Assembly, throughout the Baltimore City government, and in all areas of the private sector.

Dr. Jenkins' commitment to improving the quality of life of everyone around him, prompted him to accept off-campus public service jobs such as president of the Baltimore Urban Coalition, membership on the Maryland Constitutional Convention Commission, the Mayor's Task Force for Equal Rights, Marvland Bicentennial Commission and the Metropolitan Study Commission of Baltimore. His board memberships include the Maryland Academy of Sciences, Blue Cross Blue Shield, Baltimore Museum of Art, and the National Urban League.

The death of Martin Jenkins is a personal loss to me, because Martin was my dear friend; he was president of Morgan State when I was a student there, and he was president of Morgan State when I was a member of the faculty.

Truly, Martin David Jenkins was a giant of our times, a man who was born great, a man who had greatness thrust upon him, and above all, a man who earned his call to greatness.

Dr. Martin David Jenkins gave over three decades of committed service in the arena of higher education, sighting the endless summits to be climbed on higher education and civil rights issues, blazing trails for others to follow, encouraging those of lesser vision and endurance to join him on his climbs. When he retired as president of Morgan State, he was named president emeritus, and a major classroom building on the campus was given his name, as a mark of the affection for the man and respect for his achievements.●

CHAIRMAN NELSON POYNTER

HON. DAVID L. CORNWELL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. CORNWELL. Mr. Speaker, yesterday, a native Indiana Hoosier, famous for his work in public affairs and journalism, passed away in his adopted home of St. Petersburg, Fla. Although Nelson Poynter belonged to Florida these many years, both the capital and his native Indiana will sorely miss his leadership and foresight as chairman of the Board of Congressional Quarterly and as the benefactor of Indiana University's "Poynter Project," a continuing program which examines the role of media and public confidence in our Government.

I would like to insert into the RECORD today's article by Martin Weil of the Washington Post. I know my colleagues will benefit by knowing more about this great man:

CONGRESSIONAL QUARTERLY CHAIRMAN NELSON POYNTER DIES IN FLORIDA AT 74

(By Martin Weil)

Nelson Poynter, 74, a major House figure in American journalism who was chairman of the board of Congressional Quarterly and of the St. Petersburg (Fla.) Times and Independent, died last night in St. Petersburg.

Mr. Poynter, known nationally for his editorial independence and his innovative journalism, collapsed in his office in St. Petersburg about 2 p.m. and was taken to a hospital, where he died about eight hours later. Death was attributed to a cerebral hemorrhage.

A man of great personal warmth and charm, Mr. Poynter was an energetic, demanding publisher and a tireless crusader who fit the mold of the fighting editor.

Committed to both editorial excellence and the American free enterprise system, he believed firmly that a good newspaper could make a profit, and that higher quality and greater commercial success went hand in hand.

It was also his philosophy that every community deserved good government and that it was the responsibility of a newspaper to expose bad government wherever and whenever possible.

Under his leadership, the Times, which had a circulation of 17,581 when he became editor in 1939, recently reached a Sunday figure of 250,000. The influence of the newspaper grew as well.

One of the highlights of his career came in 1964 when the Times won the Pulitzer Gold Medal for public service for an expose of the Florida Turnpike Authority.

Described as a tough boss who was sparing with compliments but still fun to work for, he took the occasion of the Pulitzer award to demonstrate his belief that every member of his newspaper's staff contributed to its success and had a replica of the gold medal distributed to every employee.

A foe of the Ku Klux Klan in his days as editor of the campus newspaper at the University of Indiana, Mr. Poynter used the pages of the Times to express his opposition to racial discrimination long before the 1954 Supreme Court decision striking down school segregation.

In addition to winning renown as one of the first newspapers in the South to express strong opposition to segregation, the Times over the years was known for exposing questionable conduct by Florida state and county officials, and for advocating needed public works projects and progressive legislation.

Fascinated by politics, he and his second wife, Henrietta, maintained an apartment for many years in Washington, where Congressional Quarterly, often known as CQ, was launched in the mid-1940's.

A widely respected source of news and information on Congress and government, the publication for many years lost money and was subsidized by the Times. It continued to receive Mr. Poynter's close attention, however, and began eventually to return what are described as handsome profits.

Mr. Poynter was born in Sullivan, Ind., Dec. 15, 1903, the son of Alice Wilkey Poynter and Paul Poynter, who was publisher of the Sullivan Times.

"There was never any question of what my career would be," Mr. Poynter said. "Journalism was in my blood from childhood."

The elder Poynter bought the St. Petersburg Times in 1912, and before he was a teen-ager, Mr. Poynter went to work as both carrier and cub reporter.

In 1938, after holding posts as a news or business executive on five other papers, he became an executive of the Times, whose stock he had begun buying from his father. He became president of the paper in 1953 on his father's death, and chairman in 1969.

His paper became known as one of the first to introduce the cold type printing process. He also introduced an employee profit sharing plan, which a former Times editor credited with minimizing labor troubles.

He believed that all employees should have what he called "go to hell" money, so that if they did not believe in the paper and wanted to quit they could tell the boss to go to hell.

Mr. Poynter was known as a liberal owner who was committed to his conservative area.

"Florida has lost a great man," Gov. Reubin Askew said last night.

Survivors include Mr. Poynter's mother, his third wife and two daughters.●

PANAMA

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

Mr. CHARLES WILSON of Texas. Mr. Speaker, in view of recent developments on Panama's human rights situation, I would like to share a recent Charles Bartlett article in the Washington Star, June 8, 1978, regarding the impending visits to Panama by President Carter and Panama's previous president, Arnulfo Arias.

TWO FATEFUL VISITS TO PANAMA

(By Charles Bartlett)

Two major figures are heading for Panama shortly, and the one with the most to gain is not Jimmy Carter.

Arnulfo Arias, president of Panama until Omar Torrijos and the national guard seized his office in 1968, will fly to Panama City one week ahead of Carter. His well-timed emergence from exile in Miami is going to be a serious test of the ambiguities of Panama's new political climate.

This is a gallant mission for the 76-year-old Arias, who is shugging off the physical risks that are implicit in his plans to tour the country and preach the case for restoring democracy.

It is hard to say how Torrijos will react in his present state of insecurity. The economy is bad, disillusionment with the treaties is widespread, the Panamanians will not gain tangible benefits from the canal tolls for another nine months.

The greatest potential of Arias' return is that he may manage to force a revival of Panama's political parties. None is tolerated now except the Communists, who function as a Greek chorus for the Torrijos regime. Torrijos has been explicit in stating that his "political opening" does not contemplate a return to party politics.

But anti-Communist sentiment has bubbled to a boil at which it could be transformed by Arias into a substantial movement.

It is also likely that manifestations of the anti-treaty feelings will be stirred by Arias' return. But he means to ignore the treaties, focusing instead on the economic and political issues.

While these complexities give Arias an opening, they limit the potential gains of Carter's visit. He will be cheered because there are 100,000 government workers whom Torrijos can turn out. But his visit is going to be dourly perceived in many quarters as an endorsement that the dictator badly needs.

The inevitable charge will be that Carter is repaying Torrijos for his participation in a rigged event that produced a one-sided treaty.

Arias' arrival will stir Panama's democratic juices, but Carter's visit will agitate the frustrations of a nation that is hanging uncertainly between its democratic aspirations and the repressions of a corrupt regime. Arias will be edging Panama toward a new era, but Carter will inevitably seem to be putting his stamp on the status quo.

The dictator says he has not decided whether he will be president, chief of state, or commander of the national guard in the government that will emerge from the Aug. 6 election. Voters will elect delegates to an Assembly of District Representatives, a Torrijos-oriented body that is heavily gerrymandered against the interests of Panama City.

The election is an illusive concession to the democratic pressures because the reg'me has concocted a script in which it cannot lose.

It is difficult to see why it is wise for Carter to intrude on this shadowy scene, particularly when he is enjoined from any finalization of the treaties until next April by the Senate's Brooke Amendment. The drama is not over in Washington because the House has been enacting, by heavy margins, amendments which warn the White House it cannot even be confident of securing the appropriations necessary to pay the costs of the treaties.

Only one thing is certain: Panama has not ceased to be an awkward problem, a likely source of embarrassment and trouble to the United States.

There will be little in the relationship to celebrate until the diminutive nation achieves a more stable state of political maturity.●

A TRIBUTE TO DAD

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. FARY. Mr. Speaker, Sunday, June 18, millions of American fathers will enjoy a special day devoted especially to them. Father's Day, 1978, marks the 68th anniversary of the founding of the American tradition.

The idea of setting aside a special day for fathers originated independently in different parts of the country at different times. The credit for establishing the first Father's Day belongs to Mrs. John Bruce Dodd of Spokane, Wash. She wanted to pay tribute to her father, William Smart, who had raised six motherless children while working a thousand-acre farm. In 1910, Mrs. Dodd wrote the Spokane Ministerial Association at the suggestion of her minister. The association liked the idea and gained the support of the Spokane Young Men's Christian Association. Mrs. Dodd had wanted the day to be set for June 5, her father's birthday, but there was not enough time for the ministers to prepare their sermons. Therefore, the third Sunday in June was settled on for the delivering of sermons saluting the fathers of the city. Mrs. Dodd observed the day by driving her surrey through the city distributing small gifts to fathers "down on their luck."

The role of a father has changed and grown since that first Father's Day in Spokane. In many ways a father has even more responsibilities toward his children today. Many fathers are taking a more active role in family life while attempting to provide financially for his children's future. Even Mrs. Dodd recognized this change when she wrote in 1961 concerning the fathers of the present:

Today his responsibilities are as varied and confusing as the instrument panel of a manned missile. He has to be breadwinner, father confessor, babysitter, playmate, social director, community planner, answer man, short order cook, savings and loan company and romantic husband all rolled into one.

I don't think he has changed much inside, though. And that's where it counts.

Mr. Speaker, I agree with Mrs. Dodd that inside is where it really counts. I would like to bring my distinguished colleagues attention to the following poem by my friend the late James Metcalfe, poet laureate from Texas, which pays appropriate tribute to the men who have one of the toughest jobs there is—being a father:

PRAYER FOR DADDY

Dear God, be good to Daddy dear . . . On this his special day . . . And grant that everything he wants . . . Will always come his

way . . . For he has done so much for us . . . And tried so hard to be . . . A kind provider of the best . . . For all the family . . . He strives to make our life at home . . . As happy as a song . . . And never voices one complaint . . . When anything goes wrong . . . We know that when he is alone . . . He worries quite a bit . . . But when he sees us he just smiles . . . And he never mentions it . . . He is so good to all of us . . . So loyal and sincere . . . Please listen to our prayer, O God . . . And bless our Daddy dear.●

CONGRESS REACTS TO SEARCH RULING

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. NOWAK. Mr. Speaker, Representative ROBERT F. DRINAN'S Press Protection Act (H.R. 12952) should be heralded as an effective first step toward remedying the abuses of fourth amendment guarantees against "unreasonable searches and seizures" that would be permitted under the Supreme Court's recent ruling in Zurcher against Stanford Daily. Under this decision, police may secure warrants to search homes and offices and seize evidence of criminal activities regardless of whose activities are being investigated.

Along with many of my colleagues and a vast majority of news media organizations across the Nation, I believe that gross infringements of this new-found power could occur under this ruling, even in spite of Justice Department assurances that the police and other government officials will not seek such broad and unlimited warrants. In absence of guarantees against such abuses, either by the Supreme Court or the Justice Department, Congress must take the initiative and live up to the responsibility of specifying what constitutes an unreasonable search and seizure. This piece of legislation offers protection to the most immediate area of concern under the Stanford decision—the integrity of our Nation's newsrooms, where freedom of the press would be seriously jeopardized. It is imperative that the Drinan bill be passed if the press and the American public are to continue to enjoy the freedoms that they have come to expect. I would like to submit this editorial which appeared June 14, 1978 in the Buffalo Courier-Express:

CONGRESS REACTS TO SEARCH RULING

We are pleased to see the quick reaction in Congress for a remedy to the Supreme Court's controversial "Stanford Daily case," in effect opening the door to surprise searches of newspaper offices. Reps. Henry J. Nowak, D-Buffalo, and Stanley N. Lundine, D-Jamestown, have joined in sponsoring a bill by Rep. Robert F. Drinan, D-Mass., that would prevent police from conducting searches without a prior court hearing on the necessity for a warrant, giving the news organization an opportunity to contest the search and possible seizure.

Much has been said and written about the assault on freedom of the press manifest in this shattering and unwarranted court ruling, which contains the potential for inviting much mischief. However, the threat to third-party rights to individual privacy involved are equally troubling.

Since the Supreme Court itself acknowledged the obvious point that legislators have the prerogative to enact added protections if they think them necessary for individual privacy and press freedom, Congress should certainly do so. The Drinan bill seems to be the best answer offered to date.●

INFLATION

HON. MAX BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. BAUCUS. Mr. Speaker, inflation is among the most serious problems this Nation faces. The President has announced action he intends to take to counter price increases. But his efforts will not help unless Congress makes a strong commitment to reduce inflation.

Recent statistics show prices increasing at an annual rate of over 10 percent. Since late 1975, we have had a steady inflation rate of about 6 percent.

This inflation erodes the standard of living for those who live on fixed incomes. It constantly creates imbalances and tensions in the society as some groups benefit and some lose from inflation. It inhibits business investment and growth by making it almost impossible for businessmen to predict future costs and prices.

I believe that the President can use his moral authority to discourage inflationary price and wage increases. I would encourage him to use the prestige of his office to discourage inflationary increases whenever possible.

We in Congress can take the lead in fighting inflation by voting for responsible spending and revenue measures, encouraging the growth of industrial productivity, and paying attention to the Government regulatory process that provides inflationary pressure.

Deficit spending invariably leads to inflation. Our national economy still suffers from the 1975 recession and some deficit spending may be necessary to maintain business and employment recovery.

But the $60 billion deficit proposed by the President this year is simply too large. Our House Budget Committee has approved a budget reducing the President's deficit. I intend to support a smaller deficit and will oppose efforts to increase outlays. As we vote on spending measures this year, we must consider the impact each will have on the budget deficit and resultant inflation.

Once inflation begins, it tends to sustain itself through the wage-price spiral. The budget deficits that we had in the late 1960's, in spite of low unemployment, led to the unacceptable inflation we have now.

In future years, as the employment situation improves, the budget should be in surplus. As unemployment recedes, incomes, profits, and tax revenues rise while unemployment-related expenditures fall. These natural tendencies should lead to a balanced budget, but historically they have not. Instead, Federal spending has increased dramatically in prosperous times.

I added a successful amendment to the Full Employment Act to require the President to submit a surplus budget when unemployment is low. Additionally, I will soon introduce the Full Employment Budget Surplus Act to provide further assurances that this Nation attacks its deficit spending and national debt problems.

It is important that we consider the inflationary impacts of Government regulations; these can be staggering. For example, housing has been affected by inflation such that many families can no longer afford to own their own homes. Shockingly, a congressional panel found that Federal regulations added $5,000 to the average cost of homes in an Oregon community.

Similarly, the increasing flood of Federal redtape has been an enormous burden for businessmen that has increased costs and forced the closing of many enterprises in Montana and elsewhere.

Most of these regulations come from executive agencies and departments that operate virtually unconstrained by congressional or judicial oversight.

I cosponsored the Administrative Rulemaking Reform Act to provide additional opportunities for public participation in agency rulemaking and to create opportunities for congressional and judicial review. I would urge this House to seriously consider that proposal.

Additionally, we must consider the inflationary impacts of all bills we pass. Government agencies must now prepare an inflationary-impact analysis of each new rule. Certainly we in Congress should require an inflationary-impact estimate for each major proposal we consider.

I am generally opposed to wage and price controls because I feel they attack symptoms rather than causes of inflation. Our experience in America is that wage and price controls simply do not work. They cause economic imbalances such as shortages and surpluses and, in some cases, they make inflation worse.

Mr. Speaker and fellow colleagues, recent polls show that Americans regard inflation as the Nation's primary economic problem. I recognize that there are no easy answers. But I believe that we must meet inflationary problems head on by reducing the Federal deficit, encouraging industrial growth, and paying attention to the inflationary impacts of Government actions.●

IT IS TIME TO THROW THE SPENDERS OUT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. DERWINSKI. Mr. Speaker, Members have been analyzing proposition 13, attempting to translate it into justifica-

tion for their votes on the appropriation bills.

Generally, people fall into two classes, that of savers or spenders. A column by Chicago Tribune's distinguished columnist, Bob Wiedrich, addresses the subject of spenders. His column, which many Members might find of special interest, appeared in the June 14 Tribune, and I wish to insert it at this time:

IT'S TIME TO THROW THE SPENDERS OUT

(By Bob Wiedrich)

The consumers of this most prosperous of all nations mostly spend their bucks wisely. They'll pay top dollar for top quality.

But even in an age when Americans still bust a gut to buy a Cadillac, they no longer are buying government because they don't think they are getting their money's worth.

And that—not necessarily overly simplified—explains what happened last week in California, when the voters of America's most populous state overwhelmingly sent a mandate to their public officials to cut property taxes up to 57 per cent.

The consumers of California—the taxpayers who buy government services by paying for them with tax dollars—decided they were getting gypped.

They refused to continue paying the exorbitant prices charged for a product they didn't like. They reacted with what market researchers call buyer resistance. And for my money, the reaction was long overdue.

Ironically, the event occurred about the same time New York City officials were returning to Washington in search of another round of handouts to save them from the bankruptcy of bureaucratic mismanagement.

So in that sense, the voters of the Golden State did us all a favor by strong-arming their elected representatives into practicing fiscal restraint and responsibility.

Because for more than 30 years—ever since the end of World War II—government in America has been going bananas on spending.

It has been indulging itself in a junk food orgy at a time when the rest of the country has been trying to adopt a healthier diet.

Instead of jogging to shave off the tons of budgetary fat that cost taxpayers billions of dollars annually in wasteful spending, government has been sitting on its duff, gorging itself on every tax dollar within reach.

Worse, instead of exercising with the rest of us in an attempt to streamline our fiscal form, government has become even more voracious, constantly seeking new ways to raise more tax dollars to satiate itself.

Fiscal responsibility has not become just a governmental way of life. It has become a national disgrace.

From coast to coast, taxpayers have been paying the price of costly school systems that turn out graduates who can neither read nor write and have been intellectually crippled for life.

They have been footing the bill for a law enforcement apparatus that can't successfully fight crime, a judiciary that doesn't jail enough criminals, and jailers who can't wait to free their charges in an appalling revolving door policy that devours even more tax money.

The quality of most government in America stinks—and at all levels.

Our cities have become armed camps. Our mass transit systems are going broke. Streets and highways are pockmarked by pot holes. Private institutions are being strangled by governmental over-regulation and plainly stupid intrusion.

From the marble halls of Washington to the city halls and state capitals of America, greedy, incompetent politicians and bureaucrats are royally raping the American taxpayers.

And when something like what happened in California threatens to catch fire across the country, officials immediately resort to scare tactics, vowing to sharply curtail services and fire public workers.

Frankly, they are trying to intimidate us. They are trying to frighten the taxpayers into believing that they don't know their own minds. And that tells me the time finally has come to throw those rascals out.

For they obviously have forgotten who is the boss and who pays the bills, including their salaries.

Instead of acting like spoiled brats suddenly deprived of a plaything, public officials faced by the California vote should adopt a positive approach conforming to the public mandate.

They should keep in mind that the powers of government flow from the people in the United States. That elected officials have a sworn duty to be responsive to the people and their wishes.

And if that means cutting back on waste and sharpening up their administrative techniques, then that is what must be done. Bellyaching won't solve the problem nor will it meet the demands of the taxpayers who have just spoken.

What forced the vote in California is clear. The politicians became public money junkies. They got drunk on the people's power. They abused it. They refused to keep government lean.

So finally, the public lost patience with the politicians and forced them to do what they had been elected to do all along.

Despite the dynamite message sent to Washington from California, Congress probably will continue sucking on its solid gold thumb and declare that such voter lunacy can never happen there. Well, they're wrong.

This fall, all of the U.S. House of Representatives and a third of the Senate stand for election in that biennial never-never-land, when Congress comes home to tell us all what wonderful things it has done for us.

And the candidates secretly pray that our memories are sufficiently short to have forgotten the multi-billion dollar debts these same people have heaped upon us in the name of enlightened government spending.

This time, make them give you an honest count. Insist that they clearly state their positions on fiscal restraint. And then throw the bums out if they resort to doubletalk.●

MAYOR ENOCH CHRISTOFFERSEN

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. SISK. Mr. Speaker, I rise today to pay tribute to one of the outstanding members of my constituency, Enoch Christoffersen, who has just retired as mayor of Turlock, Calif.

It has truly been a pleasure and privilege to have had the opportunity to know Enoch and work with him on matters of mutual interest here at the Federal level. His untiring efforts on behalf of the citizens of Turlock will never be forgotten. He first became a member of the city council in 1950 and after 6 years of being appointed as mayor he was elected to his first term in 1962 and was reelected every 4 years through 1974. During his 28 years on the city council and 22 years as mayor he has seen Turlock grow and prosper while taxes have been kept to a minimum.

His dedication to his city and its residents goes far beyond his service in the public sector. His active participation in the chamber of commerce has also left its mark and resulted in his being selected as "Man of the Year" by the chamber in 1975. He can also take much credit for the establishment of the Emanual Medical Center and the location of California State College, Stanislaus in Turlock.

Throughout his active public life Enoch has remained a most faithful and loyal member of Bethel Temple. His deep religious convictions have always been a major force in both his business endeavors and his public life.

Mr. Speaker, the citizens of Turlock, Calif., have been truly privileged to have had the benefit of the leadership and service of such a remarkable individual for so many years. The results of his untiring and dedicated efforts have left a mark for which every citizen can be thankful. Reta joins me in extending to Enoch, and his devoted wife and strongest supporter, Marie, our best wishes for much health and happiness in their retirement. It is a well-deserved retirement and I know as Enoch reflects on his many years of service he has much to be proud of. He has my heartiest congratulations, thoughts and prayers as he begins his new life.●

H.R. 12451, TAX TREATMENT OF INDEPENDENT CONTRACTORS—CONGRESS MUST ACT NOW TO HALT IRS AUDITS OF SMALL BUSINESSES

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. HARRIS. Mr. Speaker, due to a parliamentary action on the House floor last week, the House was unable to consider an amendment to H.R. 12930, the Treasury-Postal Service appropriations bill for fiscal 1979, which would have prohibited the use of IRS funds for the purpose of determining whether an individual is an employee for certain Federal income taxes required by the Internal Revenue Code of 1954. This amendment was designed to bring immediate relief to millions of individuals—such as realtors, barbers, beauticians, and door-to-door salespersons—who are currently being reclassified by the IRS as employees and audited for back taxes for the years they were allowed to file as independent contractors.

Because the House was precluded from considering the amendment to prevent IRS reclassifications of small businesses, I feel that it is essential for Congress to take prompt action on my bill, H.R. 12451. This bill would prohibit the IRS from reclassifying independent contractors as employees for 2 years, and bring urgently needed financial relief to the thousands of businesses who have been crippled by IRS audits in recent years.

IRS ACTIONS ARBITRARY, UNFAIR

Over the past 3 years, the IRS has arbitrarily changed the tax status of millions of independent contractors to employees and assessed them retroactively for additional payroll, withholding, unemployment, and social security taxes. As a result of these actions, many independent contractors are being asked to pay the same taxes twice on the same income—once as an employer and once as an employee. Aside from imposing unfair and staggering double-tax burdens on individuals, this type of IRS audit is threatening the collapse of small businesses across the Nation and forcing countless others to spend valuable time and resources in court. Congress should not—and need not—let this continue.

CONGRESS—NOT THE IRS—SHOULD DETERMINE CRITICAL TAX CHANGES

The IRS reclassifications reflect a drastic reversal of more than 20 years of established Treasury guidelines and judicial decisions on the tax treatment of independent contractors, not to mention a dubious interpretation of the Internal Revenue Code. A change in tax status as important as this should be decided by Congress through clarification of the Internal Revenue Code, not by the IRS through regulation and audit practices.

Two years ago, House and Senate conferees on the Tax Reform Act of 1976 directed the IRS to stop reclassifying independent contractors and recommended that the Joint Committee on Taxation study long-range legislative solutions to this problem. Nevertheless, the IRS has continued the practice and small businesses everywhere are now in critical need of interim relief from outrageous tax assessments.

CONGRESS MUST PROVIDE IMMEDIATE RELIEF TO SMALL BUSINESSES

H.R. 12451 will bring a halt to IRS reclassifications by waiving any IRS rulings on the classification of independent contractors that conflict with the general audit practices in effect as of December 31, 1975, and would prohibit the IRS from making further determinations of tax status for another 2 years. In addition to giving Congress time to complete its study of this important policy matter, H.R. 12451 will bring millions of individuals the relief they need now in order to stay in business.

I urge my colleagues to lend their support to H.R. 12451, and I hope the House will schedule prompt action on this legislation.●

PRISONER OF CONSCIENCE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Mr. PEPPER. Mr. Speaker, up until June 15, 1940 the Baltic country of Lithuania was a prospering, independent country. On that date the Red army of Soviet Russia invaded Lithuania and commenced its unwanted occupation which has continued to this day.

For the past 38 years the Lithuanian people have been denied freedom and independence, with a repression, which has reached alarming proportion, and has come to the point where justice is at the whim of the Soviet secret police, while "show trials" are the prevalent form of "justice" the people receive.

Attempts to throw light upon this repression have been made at the Helsinki and Belgrade conferences, which included some discussion of human rights, but even today Lithuanians who attempt to exercise their basic human rights still end up in Soviet prisons. Harsh penalties exist for those who try to promote the widespread movement of national and religious freedom.

While thousands of these political and religious prisoners exist, only a few of their names have reached the West. The president of the Lithuanian-American Community of the U.S.A. has made us aware of the following specific names and situations, whose fate will speak better than any other words:

PRISONERS OF CONSCIENCE

Name, Petras Plumpa. Born, 1939 Rokiskis Raion, Lithuania. Background, Petras Plumpa grew up, and was educated under the Soviet system but he refused to accept the Russians as his masters.

At the age of 19, Petras was arrested. The Soviet authorities charged him with taking up and circulating petitions, and with having hoisted the Lithuanian national flag in Petrasiunai, a town in Lithuania. For this, he was sentenced to seven years under strict security.

On November 19, 1973, Petras Plumpa was arrested again and was held without trial until December 2, 1974. This time he was charged with having printed the Chronicle of the Lithuanian Catholic Church (Articles 68 and 70 of the Penal Code of the Lithuanian Soviet Socialist Republic). The trial was conducted behind closed doors, the charges were never proven and evidence was produced that the fingerpirnts on the Chronicle were not Plumpa's. Nevertheless, he was sentenced to eight years imprisonment, to be served in strict regime camps.

Plumpa accepts his imprisonment in a deeply Christian spirit, forgiving even those who persecuted and betrayed him. He asks only for prayers. His current address is, District of Permie 618263, Cusovoj Kraj, Kuchino, vs 389/36-2 U.S.S.R.

Plumpa will be able to receive food packages only after four years. He is allowed to write only two letters per month.

Name, Balys Gajauskas. Born, 1927 Kaunas, Lithuania. Background, Gajauskas was first arrested in 1948 as a Lithuanian partisan and sentenced to twenty-five years in Soviet labor camps. Released in 1973 he was denied validation of his internal passport, constantly is harassed and interrogated. His aged and sick mother was fined several times for harboring an "illegal resident".

Gajauskas has distributed money to Lithuanian political prisoners and their families from the Solzhenitsyn fund. On December 23, 1974, the KGB searched his apartment and found religious literature, personal notes, 50 pages of a Lithuanian translation of Solzhenitsyn's "Gulag Archipelago", a list of 135 political prisoners and some money from the Solzhenitsyn fund. Following the search, Gajauskas was picked up, interrogated for three days and finally released.

On April 20, 1977, Gajauskas was picked up again by the KGB as a witness in a case involving the underground publication "Chronicle of the Catholic Church in Lithuania". His apartment was again searched, and valuable documents confiscated. Among that documentation was historical data about the 1944–52 Lithuanian resistance movement, some documents of the United Democratic Resistance and the Lithuanian Freedom Movements.

Gajauskas was detained at the KGB Isolation Prison in Vilnius until his trial in April 1978.

On April 14, 1978 Gajauskas was sentenced to 10 years in Soviet special regime labor camp and 5 years of exile for alleged anti-Soviet agitation and propaganda (paragraph 68 part II of the Criminal Code of Soviet Lithuania).

Name, Sarunas Zukauskas. Born, 1950, Kaunas, Lithuania. Background, Sarunas Zukauskas had an exemplary academic record, and by the time he was in his last semester at Kaunas Medical Institute, he was considered to be among the outstanding students of his graduating medical class.

However, after undergoing a program of intense Russification in the schools and youth organizations to which he belonged, as well as witnessing the repression of Lithuanian heritage and cultures by the Soviet communist regime, Sarunas Zukauskas sought to combat the injustices in Lithuania and joined the dissident movement.

Just prior to graduation, he was betrayed by one of his colleagues and placed under arrest. He was held under Article 70 (Anti-Soviet agitation and propaganda) and Article 72 (forming an anti-Soviet organization) of the criminal code of the Russian SFSR.

In March 1973, Sarunas Zukauskas was convicted and sentenced to six (6) years of strict regime labor camp. His mother, Birute, had lost her job upon his arrest, and by the time of Sarunas' trial she had been hospitalized for severe ill health. His brothers continue to be harassed, taunted and discriminated against in school, at work and at home.

Sarunas has already served five years of his sentence, is in poor health—suffering from severe malnutrition—and in need of medical attention, which is consistently denied him.

He is denied his right to family visits and correspondence. Correspondence to him from relatives in the U.S.A. is returned without explanation.

Name, Viktoras Petkus. Born, 1929 in Lithuania. Background, Petkus is a member of the Lithuanian Public Group to promote the implementation of the Helsinki Agreements, (a five member group formed in Vilnius on November 25th, 1976).

Petkus was first arrested in 1947 for his activities in the Catholic Youth Organization, and after serving six years, he was released in 1953. He completed high school and then attended the University of Vilnius where he studied literature.

Petkus was arrested again in 1957, this time for possession of anti-Soviet literature—a collection of poems by Jurgis Baltrusaitis. These poems were published five years before the revolution in 1912, and were included among the "Anti-Soviet literature". He was not released until 1965. Since that time, while working as a hospital attendant, and then as a church sextant, Petkus became an expert in Lithuanian literature and had collected a massive bibliography on Lithuanian poets. He attracted a wide circle of young Lithuanians, who were constantly shadowed by the KGB and questioned about Petkus. Several of these young people were forced to sign false statements concerning Petkus. These statements may be used in a pending trial against him.

Petkus was arrested on August 23rd, 1977 and his apartment was searched in connection with the case of Balys Gajauskas. Among the items seized in that search were Documents 3–12 of the Lithuanian Helsinki

Group, three (3) copies of "Act of the Establishment of the Supreme Committee of the National Movement of Estonia-Latvia-Lithuania", issues 1–4 of the underground periodical *"Dievas ir Tevyne"* (God and Country), some other underground publications, and two portable typewriters.

Viktoras Petkus is still in prison, but has not been tried.

Last known address, Vilnius, Lithuania SSR, Gavelio G–VE 16, Apt. 4, Viktoras Petkus.●

FOOD SOURCES IN DANGER

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 16, 1978

● Ms. HOLTZMAN. Mr. Speaker, in a recent article in the New York Times, Clyde Farnsworth discussed a new study of the Earth's dwindling food and energy resources. Published by Worldwatch Institute, a resource monitoring organization, the paper stresses that in much of the world, shortages caused by increasing human demands had already contributed to inflation, unemployment, and reduced growth. It also cautions that increasing shortages will require far-reaching social and economic changes in our society.

I commend this article to your attention. The text follows:

[From the New York Times, May 15, 1978]

REPORT SEES DANGER TO SOURCES OF FOOD

POPULATION GROWTH SAID TO IMPERIL SUCH "RENEWABLE" RESOURCES AS CROPLANDS AND FISHERIES

(By Clyde H. Farnsworth)

WASHINGTON.—Fisheries, forests, grasslands, and croplands, the system that supports life on the planet, have come under mounting and unsustainable pressures and have become a source of increasing economic stress, a new study has found.

A paper published by Worldwatch Institute, a resource monitoring body here, says that in large areas of the world human demands on these resources are already contributing to inflation, unemployment and reduced growth.

"As human needs outstrip the carrying capacity of biological systems and as oil reserves shrink, the emphasis in economic thinking must shift from growth to sustainability," said the paper's author, Lester Brown, an agricultural economist and specialist in resource management.

DANGERS OF OVERPOPULATION

His paper, "The Global Economic Prospect: New Sources of Economic Stress" develops a theme taken up earlier in this decade by the Club of Rome, an international group of industrialists, scientists, economists and sociologists that has sponsored studies warning of the dangers of overpopulation.

One Club of Rome work, "The Limits of Growth," jarred thinking a half-dozen years ago with the message that the planet's capacity to support human life and unrestricted industrial growth was rapidly being reached.

Mr. Brown adds to the passimism by concluding that the so-called renewable resources—fisheries, forests, grasslands and croplands—are in danger of not being renewed and argues that declining yields from them are adding to economic stress. He cites the following evidence to support his contention:

Between 1950 and 1970 fish supplied an increasing part of the human diet as the technological capacity to exploit oceanic fisheries expanded. But in 1970 the trend was abruptly and unexpectedly interrupted, and the productivity of scores of oceanic fisheries is still falling as the catch exceeds the regenerative capacity. World population growth has led to an 11 percent decline in the per capita catch and to rising seafood prices everywhere.

Forests provide not only lumber, but to humanity this is the main source of energy. With the average villager requiring a ton or more of firewood each year, expanding village populations are raising firewood demands so fast that the regenerative capacities of many forests are being surpassed.

Population growth and rising affluence are increasing demands on the world's grasslands at a time when overgrazing is already commonplace. As these pressures build, many countries find it difficult to expand livestock herds.

Cities and deserts are encroaching on cropland. In some countries, such as the United States, the cropland being lost exceeds the new land being brought into cultivation. Each year, according to one specialist, more than 2 million acres of arable cropland are lost to highways, urbanization and other special uses.

RISING COSTS OF COMMODITIES

The 18th-century English economist, David Ricardo, first suggested that the investment of ever-increasing amounts of capital or labor in any activity would eventually result in diminishing returns. Mr. Brown says the same principle applies to fertilizer utilization and crop yields in recent years.

During the 1950's, each additional million tons of fertilizer used annually was associated with a 10-million ton increase in the grain harvest. During the early 1960's the increase per extra million tons of fertilizer declined to 8.2 million tons of grain. During the late 1960's, it fell further to 7.2 million tons, and by the early 1970s, each additional million tons of fertilizer yielded only an extra 5.8 million tons of grain.

Efforts to expand the world fish catch represent another case of diminishing returns, according to Mr. Brown. He cites figures from the Organization for Economic Cooperation and Development showing that the total gross tonnage of the world's fishing fleets grew by more than 50 percent in the six years ending in mid-1975. In the same period the world catch did not increase at all, so the catch per dollar invested fell sharply.

Closely related to diminishing returns are the rising real costs of many commodities, a factor that adds to inflationary pressures. The world price of soybeans, a principal source of high quality protein, doubled between 1972 and 1973. During the five years since then, prices have remained at high levels.

The world price of newsprint, which was remarkably stable from 1950 to 1973, doubled within a four-year span. In 1978 prices moved above $300 a ton for the first time in history.

Although rising oil prices have commanded attention in the industrial world, rising firewood prices have fueled inflation in many third-world countries.

INSPIRATION CALLED THE ANSWER

Conventional economic assumptions cannot provide the real answers to today's economic problems, Mr. Brown contends. He approvingly quotes Prime Minister Pierre Elliott Trudeau of Canada to the effect that the solution to the problem of inflation will not be provided by an economist but will instead come from "a political, philosophical or moral leader inspiring people to do without the excess consumption so prominent in the developed countries."

There will have to be simpler life styles among the affluent, says Mr. Brown, and new population policies that stress stability rather than growth.

The study concludes: "The changes involved in accommodating ourselves to the earth's natural spacities and resources suggest that a far reaching economic transformation is in the offing. The origins of the change are ecological, but the change itself will be social and economic." ●

SENATE—*Monday, June 19, 1978*

(Legislative day of Wednesday, May 17, 1978)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. KANEASTER HODGES, JR., a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Hear the words of the Apostle Paul in Colossians 3: 12–14.

"You are the people of God; He loved you and chose you for His own. Therefore, you must put on compassion, humility, gentleness and patience. Be helpful to one another, and forgive one another, whenever any of you has a complaint against someone else. You must forgive each other in the same way that the Lord has forgiven you. And to all these add love, which binds all things together in perfect unity".—Today's English version.

May the truths of this exhortation be expressed in our lives today and always.

In the Redeemer's name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 19, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KANEASTER HODGES, JR., a Senator from the State of Arkansas, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. HODGES thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader, the Senator from West, Virginia, is recognized.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, there are two nominations on the Executive Calendar under the Department of Justice which have been cleared. I ask unanimous consent that the Senate go into executive session for not to exceed 1 minute to consider the two nominations, and that the Senate then return to legislative session.

Mr. STEVENS. Mr. President, reserving the right to object, I am informed that those items have been cleared on our side. We do not object.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The first nomination will be stated.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Peter F. Vaira, Jr., of Illinois, to be U.S. attorney for the Eastern District of Pennsylvania.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The second nomination will be stated.

The second assistant legislative clerk read the nomination of Russell T. Baker, Jr., of Maryland, to be U.S. attorney for the district of Maryland.

Mr. SARBANES. Mr. President, I am pleased to support the Judiciary Committee's recommendation that the Senate confirm Russell T. Baker, Jr., of Columbia, Md., for the position of U.S. attorney for the District of Maryland. Mr. Baker's outstanding legal qualifications reflect the high standards established for service in the Department of Justice. His academic and professional careers have encompassed an extraordinary range of legal experience and achievements, and he is eminently qualified for this very important position.

Since February 1, Mr. Baker has been serving as interim U.S. attorney for Maryland. Prior to then, he was serving as Deputy Assistant Attorney General for the Criminal Division of the U.S. Department of Justice. He previously served from 1971 to 1974 as an assistant U.S. attorney for Maryland and as law clerk to Chief Justice Warren E. Burger.

I have great confidence in Mr. Baker's abilities and his proven record as an outstanding legal professional. He is dedicated to the fair and impartial administration of the law and to the highest principles of American jurisprudence. He is a person of great integrity who has always faced difficult decisions squarely, shown good judgment, and has as a consequence been given increasingly responsible and challenging tasks at every stage of his legal career.

Mr. Baker merits the approval of this distinguished body, and I urge his confirmation as U.S. attorney for the District of Maryland.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominees.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. Without objection, the Senate returns to legislative session.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The acting minority leader is recognized.

Mr. STEVENS. Mr. President, I ask unanimous consent that Mike Bergt, of my office, be granted the privilege of the floor during my special order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I yield back the remainder of the minority leader's time.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Alaska (Mr. STEVENS) is recognized for not to exceed 15 minutes.

Mr. STEVENS. Mr. President, may I rescind the prior yielding back of the time of the minority leader and ask that it be available to me in case I need it?

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ALASKAN LANDS

Mr. STEVENS. Mr. President, this is another in a series of statements I wish to make to the Senate concerning the so-called d–2 issue, the Alaska lands issue.

This morning I would like to talk primarily about the relationship of this issue to the oceans.

Alaska has the longest coastline of any State. As a matter of fact, it has half the coastline of all the United States, and 70 percent of the Outer Continental Shelf is off Alaska. Alaska is a State whose future is totally entwined with that of the oceans, and Alaskans have always been dedicated to the protection of the oceans.

I think the signal bill in the history of Alaska's statehood has been the 200-mile-limit bill, a bill that I first introduced in the Senate and which is now law. This legislation extended the jurisdiction of the United States out to 200 nautical miles for the purpose of fisheries conservation. We have a regional council in Alaska. Ours is the only State in the Union which has one regional council dealing with one State. We are very proud of the action of this regional council in dealing with the preservation of the marine resources off our shores.

When we look at this d–2 legislation, it is apparent that it is basically a land bill. As a matter of fact, it was intended to be a land bill. It is a bill that is designed to review up to 80 million acres of land that could be selected by the State or the Natives of Alaska under the Statehood Act or the Alaskan Native Land Claims Settlement Act.

There are some people who have asked what d–2 means. I think Alaskans will always remember the remark of the distinguished junior Senator from California when, upon arriving in Anchorage, someone asked him what he thought about the d–2 issue. Senator HAYAKAWA said, "What is that? It sounds like a new bug spray."

We have heard a great deal recently about the complexities of the d–2 issue, and it is nice to have someone add a touch of humor to this very difficult area of concern.

Basically, the bill that comes from the House to the Senate would withdraw 70 million acres of onshore land for wilderness purposes. That is five times as much as has been established in the whole of the United States—all of 50 States—in 14 years.

But the major problem in terms of ocean policy is that this bill that came from the House, H.R. 39, includes a provision which would extend some of the reserves out 6 miles from shore. To my knowledge, this is a unique situation. It never has been proposed anywhere else. As a Nation, we still recognize the 3-mile limit for national jurisdiction. We never have extended the jurisdiction of the United States 6 miles in a total base area, as H.R. 39 proposes to do. We have extended conservation jurisdiction for the purpose of the marine resources in the

water column, but no action ever has been taken by the U.S. Government to interfere with ocean traffic or the use of the oceans beyond 3 miles.

The problem that now arises is that this 6-mile limit will have a marked effect upon the administration of the 200-mile conservation zone by the regional council established under the 200-Mile Limit Act.

There also are provisions in the House bill that affect Coast Guard management. There are provisions in the House bill that will affect the development of the Outer Continental Shelf because of the lack of onshore availability of sites from which to work. There will be ocean-related problems in terms of wilderness and refuge management because of their impact upon aquaculture and anadromous fish management, as the lands would be proposed for exclusive single-use management onshore.

These provisions of H.R. 39 set precedents which I hope Senators from other States will take into account. For example, I understand now that there are some extreme environmental groups that are thinking about extending seaward boundaries off Hawaii 6 miles. To take the position that the oceans out to 6 miles should be managed for the benefit of land use, particularly for a single-use concept involving millions of acres of land, is very shortsighted.

We want to manage the shores along the oceans for the purpose of perfecting the oceans. H.R. 39 turns this concept around and says we should manage the oceans in order to prevent any impact onshore. That is a very shortsighted point of view, as I said, and here are some reasons why.

Basically, those of us who worked on the Coastal Zone Management Act, the 200-mile Limit Act, the Outer Continental Shelf Act, the Marine Mammal Protection Act, and the Ocean Pollution Act—all these acts of Congress included increasing the protection of the oceans—are appalled by the action of the other body in placing the wilderness and wildlife preservation onshore ahead of the acts that have been passed by Congress to protect the use of the oceans and, as a matter of fact, to mandate the use of the coastal zone so that it would be available to enhance the production of marine resources and to reduce the impact of pollution offshore.

The unprecedented 6-nautical-mile zone seaward of high tide off refuges has a tremendous impact upon Alaska. As I pointed out, we have half the coastline of the United States, and this 6-mile zone means literally millions and millions of acres will be added to the designation of wilderness and wildlife refuges. What it really means is that the uses that we currently make of our oceans will be limited by their impact offshore.

I think the House left unanswered a great many questions. For example, what happens to the fishermen who, under Alaska law, have the right to place set nets on the shore and to fish from fixed sites for anadromous fish? What happens to our whole concept of conservation of anadromous fish, whereby we maintain that the stream of origin must be identified and that there must be sufficient escapement of salmon, for example, upstream, in order to assure reproduction of that run of salmon before any fish are taken for commercial purposes?

The activities we carry on within 6 miles of shore, in the interests of conservation and increased reproduction of our anadramous fish resources, would be in conflict with the provisions of the d–2 legislation as it passed the House as H.R. 39. Not the least of the difficulties is that the House bill splits the management of this region offshore between the Regional Fisheries Council and the State of Alaska. At the present time, the Regional Council and the State of Alaska are in accord with the regulations as to the management of this area.

H.R. 39 makes four entities responsible for the management of the 6-mile zone—the Regional Council for the 3 miles beyond, the State of Alaska for the first 3 miles. Aquaculture projects on shore are under the jurisdiction of the Department of Agriculture, and the Interior Department has jurisdiction over their lands. So that what we would have would be four entities involved in the management of the oceans offshore, in terms of trying to manage those oceans, not for the benefit of the oceans and the marine resources, but for the arbitrary designation of wilderness or wildlife refuge.

The impact of H.R. 39 on aquaculture is tremendous. The bill would prohibit the use of aquaculture and aquaculture products in national park areas or wilderness areas in Alaska. That is some 40 million acres. Aquaculture in the remaining 35 million acres of wilderness would be allowed only at the discretion of the Secretary of the Interior or the Secretary of Agriculture, depending upon who was the manager of the land.

This may not seem substantial to non-Alaskans, but we are in the process of trying to rebuild and restore the anadromous fish runs in our State. We still have the last anadromous fish runs in the United States, if not in the world; but we could restore a great deal more of the potential, particularly of the salmon, if we could use our incubators and build hatcheries where appropriate.

There are substantial restrictions in H.R. 39 as to where hatcheries and these other aquaculture projects can be built.

I point out, also, that H.R. 39 threatens the management of fur seals, sea lions, whales, and porpoises that currently takes place under the Marine Mammal Protection Act and under treaties endorsed by our Government within this 6-mile zone.

The Interior Department would take over the management of these species within the 6-mile zone, notwithstanding the fact that the National Marine Fisheries Service currently has jurisdiction over them, under the existing acts of Congress and treaties to which we are a party.

Of particular interest is the impact of H.R. 39 with respect to the jurisdiction over the Pribilof Islands. The Pribilof Islands are managed in order to assure that the taking of the Alaska fur seal, under the North Pacific Fur Seal Treaty, is carried out in accordance with the terms of that treaty. Many people apparently question this treaty today, and they are misguided, extreme environmentalists. That treaty was entered into by Canada, Russia, and the United States in order to prevent pelagic sealing; that is, the taking of seals on the high seas. That is the way they used to be taken; and, just as in the case of salmon, there was no way to tell what herd they were from, no way to tell what their age was or their sex. They were taken as they were swimming. The number of fur seals were going down and down.

We entered into the North Pacific Fur Seal Treaty as a result of this decline. We managed the Pribilofs and scientifically harvested the fur seals which are distributed to Canada and to Russia and now the fur seals are being restored to their original vitality in terms of their reproduction capability.

Under H.R. 39 the Pribilofs would revert to a refuge system. It would mean that the Interior Department would have jurisdiction and not the Commerce Department. This would, in effect, in my opinion be a breach of the fur seal treaty and we could expect Russia and Canada to resume pelagic sealing.

It is extremely short-sighted from the point of view of conservation and environmental concern to see the House of Representatives take the position that the Pribilof Islands should become a refuge and placed under the management of another department, a department which has no cognizance really of the entity, such as the National Marine Fishery Service, that has jurisdiction of the U.S. obligation under the North Pacific Fur Seal Treaty.

Let me comment upon the ocean impact as far as H.R. 39 is concerned on the Coast Guard's activity. The Coast Guard's ability to maintain our aids to navigation are extremely important to our State. We still use our river systems for freighting and the Coast Guard's activity in placing navigation aids not only in the coastal area but in the inland rivers is very important to us. Annually the Coast Guard has problems in moving expeditiously to replace the aids to navigation that have been taken out by the ice as it comes down these river systems.

Under H.R. 39 the Coast Guard could not locate any of their aids to navigation in these areas created by H.R. 39 without the approval of the Secretary of the Interior. Just the paperwork involved in that in getting approval of the Secretary of the Interior could well delay the replacement of these aids to navigation as they are needed in the springtime when the freighters start coming back up the rivers.

I think of extreme importance is the fact that the Coast Guard's ability to modernize or improve the vessel traffic control system for the Valdez terminus of the Trans-Alaska pipeline system could be limited or curtailed by H.R. 39.

There are special investigation problems in the Wrangell Narrows, and I point out that the lands offshore of that terminus on both sides would be turned into a wilderness area by the House bill.

We do not understand why the House of Representatives sees fit to change the designation of areas that are so important to the health and safety of those who are transporting Alaska oil to the south 48.

We see no reason why the Coast Guard's ability to maintain their aids to navigation in Alaska waters should be hindered or curtailed in any manner, in order to review the lands we promised to review in connection with section 17d–2 of the Alaska Native Lands Claims Settlement Act.

Mr. President, many villages in western Alaska are dependent on these river barges for supplies. If the Coast Guard is unable to maintain the navigational aids for these inland waters, if they are hindered in any way, it will delay the ability of the private barge system that is still in action on our rivers, the river boats, from taking supplies to these small Native villages in western Alaska.

I wish to mention also NOAA's marine sanctuaries program. That is a program of which we are extremely proud up in Alaska because it is moving forward with the planning to develop sanctuaries as are required to protect the marine resources.

Now along comes H.R. 39, and it says that the lands offshore under the oceans are to be managed for the benefit of the onshore activity that is deemed to be of the highest and best use by the House of Representatives, and in most instances that is wilderness. It has nothing to do with the sanctuary program that envisions taking whatever action is necessary to protect the marine resources that require sanctuaries.

Thirty-five million acres of the withdrawals proposed by H.R. 39 are in coastal areas. They impact, as I said, the coastal zone management program which is under NOAA, the marine sanctuaries program which is under NOAA, and I see no reason for the inconsistency between the action proposed by H.R. 39 and the previous acts of Congress which are now law and are now working with regard to our coastal zone area.

Of particular importance is the need for onshore areas to monitor the development of the offshore areas.

We passed the Coastal Zone Management Act and in so doing made available special funding to take care of the impacts on shore of offshore oil and gas development. This bill, H.R. 39, as I understand, turns that around. It says that the offshore areas cannot be used because the onshore areas will be designated as wilderness or as wildlife refuges. The net result of that will be that the offshore development that will come anyway beyond 6 miles in terms of oil and gas development will have nowhere to go onshore in order to have the access for pipelines, terminuses, docks, or warehouses, the activities that must be available in the shortest distance possible in order to provide the supplies for the oil and gas development offshore.

What these people want to do is prevent the access to the shore at all, and that means that in some of the most treacherous waters that the U.S. marine and oil and gas activities take place on they have to go miles and miles farther up the coastline in order to establish these service areas. The net result of that is to increase the distance these service vessels have to travel. It increases the risk of Outer Continental Shelf development, which automatically increases the risk to the marine resources upon which my State is so dependent.

Another important item is NOAA's jurisdiction over the atmosphere. NOAA is mandated to monitor the Nation's weather in order to predict what will happen in the rest of the country. the NOAA people and the pilots that I associate with call the Gulf of Alaska and the area around the Aleutian chain a weather factory because it is from there that most of the enormous storms that come down across Canada and across our country originate.

However, in this bill, H.R. 39, the weather monitoring in withdrawn areas and in the 6 miles off those withdrawn areas is subject not to the NOAA activity and the Secretary of Commerce that has jurisdiction over them, but it is subject to the discretion of the Secretary of the Interior. NOAA's ability to monitor weather could be substantially hindered in Alaska if it must go to the Department of Interior for permission to install weathering devices every time they want to modernize the weather-gathering activity of the United States off Alaska.

Mr. President, the least I can say for H.R. 39 in terms of the oceans off the shores of my State is that it is an unprecedented catastrophe. It would mean the reversal of policies established by Congress not only in the first 10 years of our statehood but certainly the reversal of almost every act of Congress that deals with the oceans off the shores of Alaska that has been passed by this Congress since I have been a Member of the Senate, and that is for the last 9½ years.

I can think of no reason for the Senate of the United States to even consider the proposition that the 6-mile zone of withdrawals on shore should be reserved, not for the purpose of protection of the oceans, but for the protection of the withdrawals on shore.

I might say I have discussed this matter with the distinguished Senator from Washington, our neighbors, Senator JACKSON, of the Energy Committee, and I am pleased to state that as I understand his comments, he generally agrees with me that that 6-mile zone has no business in this bill that is primarily aimed at dealing with the problems of land management and management of the public lands in Alaska.

Mr. President, I yield the floor.

COMMITTEE MEETING

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the Public Lands and Resources Subcommittee of the Energy and Natural Resources Committee be authorized to meet during the session of the Senate today to hold a hearing on S. 707 and S. 3046, the Coal Slurry Pipeline Act of 1978.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, reserving the right to object—I have no objection, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

LABOR LAW REFORM ACT OF 1978

The ACTING PRESIDING pro temport. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 8410, which the clerk will state by title.

The second assistant legislative clerk read as follows:

A bill (H.R. 8410) to amend the National Labor Relations Act to strengthen the remedies and expedite the procedures under such act.

The Senate resumed the consideration of the bill.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

Mr. WILLIAMS. Mr. President, will the Senator withhold that for a moment?

Mr. STEVENS. I withhold.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey.

Mr. WILLIAMS. Mr. President, when an employer discharges an employee in the course of a union organization drive, not only does that employee suffer, but all employees suffer. This is because the delay involved in securing the reinstatement of the illegally discharged employee will often be accompanied by a delay in the negotiation of a contract with the union.

We all know what these discharges for union activity are all about. They are most often, really, means of intimidating the workers with the election coming up. But notwithstanding the fact that there have been discharges, for union activity, and the election does precede and the union is elected and the agent for bargaining is thereby established, and the contract bargaining under the law should begin, that unfair labor practice, of course, will be the center of attention, and it will delay the negotiation of the contract with the union.

These discharges during organizational drives are particularly destructive of worker rights, and are worthy of the special attention which the remedies in this bill give to them.

The case of Columbus Caldwell, and his fellow workers at Schill Steel Products in Houston, Tex., demonstrates this sad fact of industrial life.

WHY AMERICA'S WORKERS NEED LABOR LAW REFORM CHAPTER 16

On May 21, 1962, the United Steelworkers Union filed a petition for an election to represent the workers of the Houston, Tex., warehouses of the Schill Steel Products Co. On June 13, 1962, the company fired Columbus Caldwell and

Wilbur Brown because of their activities in support of the union.

The Board's regional director ordered an election to be held. The union won the election, and was certified as the collective bargaining agent on August 21, 1962. However, the company still refused to bargain with the union.

Unfair labor practice charges based on Caldwell's and Brown's discharge and the company's refusal to bargain were filed and proceeded through trial stage. On August 20, 1963, the National Labor Relations Board issued a decision, finding that Caldwell's and Brown's discharges were unlawful and that the company had refused to bargain with the union. The Board ordered Caldwell and Brown reinstated with back pay, and ordered the company to bargain in good faith with the union.

The company appealed to the U.S. Court of Appeals for the Fifth Circuit, which, on January 11, 1965, enforced the Board's orders.

After the circuit court issued its decision, 2½ years after the illegal discharges, and the illegal refusal to bargain, the company offered Caldwell and Brown their old jobs back. The company also sent a letter to the union, indicating that it was prepared to bargain in good faith. Brown declined to return to work, but Caldwell took his old job back. The two shared $5,876.78 in back pay. The union and the company representatives then sat down to negotiate a contract.

Almost a year after the court of appeals' decision and order, the union and the company thought that they had finally agreed to the terms of a contract. The union signed the contract on behalf of the workers, and presented it to the company officials. They refused to sign it.

This led to another unfair labor practice charge, and on November 16, 1966, the Board issued another decision finding the company had refused to bargain.

By this time, more than 4 years had passed since the union had won the election. The Board had ordered the company to bargain in good faith twice, the court had ordered it to bargain once, and still, the workers were no closer to a contract than they were at the beginning of the proceedings.

On January 19, 1968, the Board petitioned the circuit court for an order finding the company in civil contempt of the previous court order to bargain in good faith.

The court assigned the matter to a special master who held a hearing in October of 1970. Finally, on April 19, 1973, almost 11 years after the union had won the election, the court held the company to be in contempt of its bargaining order, which had been issued 8 years earlier.

The contempt adjudication was finally closed in 1974, and thereafter, the company commenced bargaining in good faith.

Mr. President, it took 12 years after the union won the election before the company bargained in good faith. This unconscionable conduct would have been most unlikely under the provisions of H.R. 8410.

Under H.R. 8410, Columbus Caldwell and Wilbur Brown probably would have been reinstated by court order shortly after their illegal discharges, and, the make-whole remedy would certainly have discouraged the employer from dragging his feet for 12 years before bargaining with the union.

Mr. President, it is cases like Columbus Caldwell's that the labor law reform bill that is before us is all about.

Mr. President, this is the 16th of these personalized cases that highlight the importance of this legislation before us. This is the 16th case I have described here. They all start out with a recital of unfair activity long ago, and some who do not read any further might wonder what this is all about. This is 1978, why are we talking about these cases back in the 1960's? But every one of them—and they are typical of the abuses that underlie the need for this legislation before us—has dragged out through the years until they are almost contemporary, and many of them I have cited are still before the courts.

It is a strange, strange world that we live in in this area of labor-management relations, a strange world, indeed. We have an underlying law that we all have applauded in this debate, the Wagner Act, the National Labor Relations Act, a 40-year-old law. But notwithstanding total agreement here that our basic National Labor Relations Act is sound and is one of the prime reasons why our Nation enjoys the stability it does in this area, unlike so many other industrial countries; notwithstanding all of that, we are in this filibuster on a bill that does not change that basic law that we all agree is sound.

What the bill before us does is to address that small percentage of employers or unions that do not voluntarily share this general acceptance of the law and that want to do whatever is possible to make it ineffective. What the bill does is direct effective remedies to that percentage of people, and that is all we are doing. Notwithstanding that, we are in the second month of debate on a remedy bill to make effective a law we all agree is sound.

That is why I say we are in a never-never land. You could expect this in the land of Kafka, but here in our reasoned, ordered, logical, thoughtful, intelligent society to go through this charade of a filibuster on a bill that has two basic elements: When the law says there will be an election, we say through this bill there will, in fact, be an election; when the law says a union duly elected will be bargained with, we say the law should mean what it says, and if there is not bargaining, there will be an effective remedy. That is all we are doing here. Yet we are in the second month of this strange debate created by, a hard core of people who oppose the National Labor Relations Act, who are basically opposed to the recognition and effectiveness of labor unions.

Out of that core came this contagion, a virus of emotion, that took over some who, in their daily lives live in opposition to those they have joined. Companies that have a union, that recognize it, work with it, bargain with it; even those companies, that this bill would not affect, have been caught with a virus, the virus of emotion, based on lack of understanding of the bill which is, in turn, the result of so many misrepresentations of this bill and what it does.

Of course, it is getting redundant to the point where I would think that proposition 13 ought to apply to us. When they pay the bills for the redundancy of this debate—every page of the CONGRESSIONAL RECORD costs about $325—and we do not hear much new around here; and so this is all taxpayers' money down the drain—I would think the taxpayers would be well advised to suggest to us, "Look, you are in a democratic society. We make our decisions by voting in a democratic society. Why don't you people in the Senate stop wasting money with talk?"

It is not only the CONGRESSIONAL RECORD expense, the entire operation of the Senate is tied up as a result of a filibuster. This is shameful in a democratic society where decisions should be made by people coming to a vote.

I strongly think it is obviously time that we got to a vote, whatever the result will be on the votes that come. We have a lot of votes ready for us. Up there at the desk, I understand there are amendments—amendments offered in good faith—that will take a great deal of time. I would think, in this day of the citizens' demand for frugality in Government, that we ought to be able, right now in the second month of this filibuster after the issues have been so clearly drawn, to take heed and get to voting. That is what the bottom line of a democracy is: The vote.

I shall yield for now, and hope I may have some encouragement from the Senator from Utah, who is, as I mentioned earlier, promising to be a good filibusterer—filibusterer? Filibusterer.

I hope that in the second month, we can look to him, now, for leadership, democratic (with a small d) leadership, to enable us to come to decisions in this body, and get back to all of the other work that is ours to do in our part of the Congress.

For now, I yield the floor.

Mr. HATCH. Mr. President, I have enjoyed listening to our distinguished colleague, the chairman of the very prestigious Human Resources Committee and my dear friend, the Senator from New Jersey (Mr. WILLIAMS).

All I can say is that, having been raised a Democrat and having been a Democrat with a big D most of my life, and having been raised in the union movement, and with a great deal of respect for the union movement, maybe I am in a position to talk about democracy a little bit, and why the filibuster is a very important procedural rule.

As Senators know, this is the only deliberative body in the world, at least to my knowledge, where the minority can

stand up and put the majority to a test and say, on a piece of legislation as controversial as this one has been and will prove to be in the future, regardless of what happens here tomorrow, that they are going to have to get 60 votes to back them up.

The fact of the matter is, this is controversial legislation. It is legislation that really does no good for anybody concerned except those who are big labor union leaders here in Washington, who really have too much power already.

Also, when you think about a filibuster, the filibuster is the only way that the minority can stand up to a tyrannical majority. It is the only way that the minority, when, as in this case, representing the vast majority of all the people, who do not want to lodge any more power in the hands of the big Washington labor union leaders, can stand up to a tyrannical majority and say, "Look, we have had enough; we are not going to put up with it any more."

The fact of the matter is that if this was a secret ballot on the floor of the U.S. Senate, up or down, I believe that the minority in this case would very rapidly become the majority. If Senators could really vote their consciences and it was not a matter of special interest group pressure, I do not think there is any question that this awful bill would be shot down.

I respect the Senator from New Jersey and the very strong way he has led the proponents of this legislation, the pending bill and the Byrd substitute therefor. He has been a gentleman; he has been a man who has stood up for his particular point of view forcefully and with articulateness and with honesty in many ways. I believe that he is one of the great Senators here, not only because he is so well liked, but because he does work hard, and he has been here almost all the time on the floor of the Senate. I respect that, and I respect him, and he knows it. He knows that as we work together on the Human Resources Committee, I try to cooperate with him and the other members of the committee as much as I can.

But in this case, the minority's opposition to this bill happens to represent the vast majority of the people of this country, who have said:

> Enough is enough, we have had it, we are not going to lodge any more power in the hands of this special interest group in Washington, D.C., which has had a great deal to do with building the bureaucracy which is threatening all of us, hurting all of us, and engulfing all of us to the point where Proposition 13 did come through from a State standpoint, and now they are talking about Proposition 13s all over this country, including in the Federal Government.

I think that is good. To be honest, somebody has to put the skids under Government intervention into our lives. I congratulate the people of California for having done so, and I hope my colleagues in the Senate, as we vote against cloture, will support our efforts against this particular bill, because they deserve support.

I wish to say that I think it is important to note that in all of the history of the Senate, there have only been, to my knowledge, four votes, or I should say four issues, which have gone through five or more cloture votes.

Of those four, this is one of them. So, really, only three other issues.

The Wyman-Durkin debate went to six cloture votes. That was a political issue and also a procedural issue. It was not really a substantive issue. There was a rule XXII change which went to five votes. That was also a procedural issue, not a substantive issue.

The only other vote that went to five cloture votes in the history of the Senate, to my knowledge and that of the Congressional Research Service, was on the Consumer Protection Agency, as I recall, which also went to five votes.

So this particular bill has matched the highest number of cloture votes on a substantive issue in the history of the U.S. Senate.

I wonder when we will reach a point when we say, "Enough is enough" and the majority of people in this country can be recognized, again, through the only means available to them, and that is through the role of extended debate which says, "Look America, look at what is going on on the floor of the Senate, analyze it, let us know what you think."

I can say, overwhelmingly, they have let us know, and that is that they do not want this bill—and they should not, because this bill is not going to be helpful to America and certainly not to the taxpayers of America.

Mr. WALLOP. Will the Senator yield?

Mr. HATCH. I am delighted to yield without losing my right to the floor or having it considered a second speech under the rule.

Mr. WALLOP. I suggest that what the Senator is saying is exactly right. It is a plea, unfortunately, that few others have made. It does not seem to find its way into the press and the reporting of this issue. A plea to be heard, that all the polls, all relevant polls, show that this is not an issue which the country at large wants passed in this form. The plea, the whole point of having a debate of this length, is plainly just to try to get this plea to the public. Yet a good deal of the reporting on it, until perhaps the weekend, has been as though there was some kind of an obstruction going on.

I have to compliment the Senator from Utah for standing up to some rather unpleasant criticism on the part of those who do not understand what he is about.

It is a funny thing to be in a minority and representing the majority opinion of this great country and to have to take this long to prove the point. I suggest to the Senator that he will probably succeed in that, and I would be happy in it.

Mr. HATCH. I hope the distinguished Senator from Wyoming is correct that we will succeed.

But whether we do or do not, I think it is very important to note there have been a lot of Senators on the floor of the Senate, and elsewhere, working to defeat this bill, because I think it is a pretty close issue in the Senate when we consider the ideological mix in the Senate. I think this has been a nonideological bent. I think it has been a nonpartisan bent, a nongeographic or geopolitical bent. I think it has been on the facts, on the substantive issue involved.

I compliment the distinguished Senator from Wyoming, who played a principal role in leading the opposition to this bill, and rightly so, as he has played a principal role on many other bills on the floor of the Senate. I think he continually stands up for those things he believes in, in good conscience.

We will be setting a new precedent as we vote tomorrow on the sixth cloture vote on this particular bill. I have not complained about it. I think the majority leader ought to have as many cloture votes as he wants. As long as we can hang in there, I want to hang in there, because I think we are fighting for higher principles than just to have a victory on a bill or not to have a bill. I think we are fighting for the survival of our country on some of this legislation.

I talked, for instance, to Dr. Rinfret over the weekend and I asked about his conclusions.

He told me that, if anything, his conclusions, that with every 10 percent increase in unionization there would be a 5-percent increase in the consumer price index, which would translate to a 3-percent added increase in inflation. In other words, it would lead us to double-digit inflation, just this one bill. Consider the thousands of upward forces in our society. Imagine one bill leading to that. He said that, if anything, that is a conservative estimate, that he can show it might have more dramatic consequences than that.

I think that is something to be very frightened over. It is something for us to consider. But even if that is untrue—and everybody admits it will be inflationary—the question is how much range from the Robert Nathan nonanalytical study, but more or less just pro-labor study, that said there would be at least a half percent increase in inflation up to the Rinfret, who is moderate, 3 percent up beyond that.

Others say it would be more than that, which would be an immediate consequence of the enactment of this legislation, if we are unfortunate enough to lose tomorrow, or whenever the final cloture vote is held, with regard to our opposition of this bill.

But let nobody be deceived. I think it is important to note when we vote tomorrow on the sixth cloture vote that we will be establishing a new precedent here, and that is, this issue will literally have undergone more cloture motions and more cloture votes than any other issue in the history of the Senate on a substantive basis.

That is pretty important and that is pretty interesting.

What is more is that a lot of people have come up to me over the weekend,

some of whom have thought maybe this bill was all right, who have said:

You know, we didn't realize the power of this special interest group in Washington to cause on the floor of the United States Senate six cloture votes on something that, apparently, is unacceptable.

So what it comes down to is the scramble to try to change a few votes. I submit that anybody who would change his vote for this bill will have a very difficult time from that time forward into the future. I think the only way to change is against the bill and vote against cloture. I think that would be the only safe thing to do, because the people all over this country are sick of it. They have had all they can stand. They know that this is a bad bill.

I do not think Panama reaches the significance of this issue. I never did think it did because this is the most important domestic issue in this country for over 30 years.

I think that is important for all of us to consider. That is why we have gone this long. That is why I am prepared to go as long as they want to. Of course, we have no choice in the matter.

But I think there is a time when the distinguished majority leader, for whom I have deep respect and certainly admiration, has to say:

Well, you know, we've given it all we can, and we have to get about our other business here on the floor of the Senate.

On the other hand, if cloture is invoked, which I hope it will not be, I suspect there will be a number of other weeks here on the floor of the Senate which we will have to spend because we are fighting for a high cause. We are fighting for our country's economic stability. We are fighting for fairness. We are fighting for justice and the free enterprise small business sector of this country.

I think that is pretty darn important. Therefore, we have to go all the way, because I do not know of any other issue that really is as important as this one, except perhaps the SALT II treaties and agreements. I just do not know of anything that would rank with this one as a matter of importance.

I happen to believe the proponents feel pretty much the same way, that this is an important issue from their perspective. I certainly accept that, and that in their minds that is true. In my mind, it is untrue. But that is what makes for battles like these and is, of course, what makes the U.S. Senate a great place to monitor and follow.

Mr. WILLIAMS. If the Senator is finished, I would ask the Senator if he would yield, or when he is about through.

Mr. HATCH. I am happy to, without losing my right to the floor or having it considered as a second speech.

Mr. WILLIAMS. There are a few things which I think he would appreciate my raising at this time, rather than later.

Mr. HATCH. I am happy to have the distinguished Senator from New Jersey do so.

Mr. WILLIAMS. The Senator from Utah moments ago made this observation, that if the Members of the U.S. Senate could vote in secret ballot they would have come to a decision on this matter along the lines that the Senator from Utah would have them.

He said that if it were a secret ballot and the Members could vote their conscience and not the wishes of special interests, we would have a result and we would have it his way.

Mr. HATCH. I did not say all Senators would vote that way.

Mr. WILLIAMS. All I can say is I would suggest to the Senator from Utah that he have read back the words he said and ask himself whether he would revise that statement.

If there is one thing that I would think those of us who have the honor to serve here should feel is part of the grain of being a Senator—it is that it is our calling to express our conscience and vote our conscience. The public vote, the open vote, is one of the greatest things we can have. We have taken that democratic procedure of the open vote, right into our committees.

Before the Senator from Utah arrived, we used to meet in executive sessions and write up the bills, and there was no rule to require the publishing of those votes.

That has all been changed. We felt that it was in the greatest interest of this country that this institution operate itself in a way that the people will know us and will know what we do. We have decided not to have the difficulties and the lack of faith that comes with secrecy.

The Senator from Utah is on a different tack here. What he is suggesting is secrecy promotes conscience.

Mr. HATCH. I do not think that is quite correct.

Mr. WILLIAMS. I would say an open society is what promotes good conscience.

Mr. HATCH. I am glad to have the comments of the distinguished Senator and I agree wholeheartedly with them. I would not have the Senate run in any other way. He may very well be right that if it was a secret ballot, the substantive outcome would not change. I think it would.

I agree with the distinguished Senator from New Jersey that this is the way to run the Senate, openly and without secret. I certainly agree with that. I also think he would have to agree with me that there are many special interest groups working in Washington, not the least of which is the big labor movement which has tremendous power here in Washington. That is what I am getting down to. I think that power is translated into a sixth cloture vote. I think it has become a test of power here. That is the point I am trying to make.

So I agree with the distinguished Senator from New Jersey on the points he has made, and certainly commend him for his point of view and his perspective here today.

Mr. WILLIAMS. If the Senator will yield——

Mr. HATCH. I am delighted to without losing my right to the floor and without having it considered a second speech under the rule.

Mr. WILLIAMS. And I would not object to that.

I mentioned there were two points that I wanted to refer to now in connection with the Senator's speech. I would like to add one other, and I will make this very brief.

The repetition of this charge and argument that somehow those of us who are working towards remedies in the labor law reform bill are responding to a special interest, and it is slurred in a way to suggest that this is an unwholesome situation. We have people like the two workers I mentioned today, people who are struggling to get an opportunity to have a vote for an election. I do not know how many millions more like those two are out there. But I submit, those are the special interests which should concern us. There are a lot of them. They have an interest in having the opportunity to have the labor law that we have now work.

The special interest that the Senator from Utah talks about is big labor. Certainly, the AFL–CIO are in a position where they are elected to represent the working people of this country.

Mr. HATCH. Twenty percent of the working people of this country. Eighty percent are not represented by them.

(Mr. ZORINSKY assumed the chair.)

Mr. WILLIAMS. They are interested also, all working people who want an opportunity in life to improve their life situations. The unions are not elected now to represent so many of these, but they work for them nonetheless.

Let me tell you, Mr. President, how they work for people who have no chance, no hope, no thought of representing. They feel a responsibility for working people, whoever they are, even if they cannot become organized under the AFL–CIO.

I know farm workers. I have worked for 20 years to bring a measure of equal opportunity to farm workers. They cannot organize under the National Labor Relations Act. Yet one of my strongest allies over these 20 years was the unions who could not represent them under the National Labor Relations Act.

On the other side of this special interest; it is really, I would say, an immature charge. Certainly, people with interest in legislation reach us with their opinions, the Right-To-Work Committee, the National Chamber of Commerce, the National Association of Manufacturers, the Business Round Table. All of these people are gathered in groups and they have a particular interest. Call it a special interest. I do not call that insidious. They have reached those who are opposed to this bill and with their message. It is against the bill.

I will say some of the activities generated by the Right To Work Committee, that special interest, have been done in a way that I wish we could get described to all the people who have received the communications. I ask unanimous consent to include in the RECORD at this point, if the Senator will agree,

a communication that reached a citizen of New Jersey, a questionnaire. It is a right-to-work questionnaire. It went to Garry Hilliard, 64 East Park Street, East Orange.

From the first question, and I will not read it all:

Should common situs picketing be legalized?

Are you in favor of compelling State, county, and municipal employees to pay union dues?

Should big labor officials be allowed to continue pouring millions of dollars of compulsory union dues into political campaigns?

Do you believe Congress should force hundreds of thousands of unwilling workers into unions through a so-called labor law "reform" bill that would pressure employees into signing compulsory union contracts?

Have you sent your postcards to your Senators?

To help defeat that bill, the labor law reform, they are asked to send contributions to the National Right To Work Committee, $1,000, $500, $100, $50, $25, name the amount.

And they are to send it to one of our own Members.

This questionnaire was put out under the request of the Senator from Nebraska (Mr. CURTIS).

There being no objection, the document was ordered to be printed in the RECORD, as follows:

QUESTIONNAIRE ON UNION MONOPOLY POWER

Please return to: Senator Carl T. Curtis, National Right To Work Committee, 8316 Arlington Boulevard, Fairfax, Virginia.

Special questionnaire for: Mr. Gary E. Hilliard, 64 E. Park St., East Orange, New Jersey.

Please answer the questions below and return this form at once in the enclosed envelope. Your name will not be used without your written permission.

1. Should common situs picketing be legalized, giving construction union officials the power to shut down an entire building site because of a dispute with a single subcontractor?

2. Are you in favor of compelling state, county, and municipal employees to pay union dues to keep their government jobs?

3. Should Big Labor officials be allowed to continue pouring millions of dollars of compulsory union dues into the political campaigns of their handpicked candidates?

4. Do you believe Congress should force hundreds of thousands of unwilling workers into unions through a so-called labor law "reform" bill that would pressure employers into signing compulsory unionism contracts?

5. Have you sent your postcards to your Senators?

To help defeat S. 1883, compile and publicize this survey, and inrcease its coverage all over America, I enclose my contribution to the National Right to Work Committee of: $1,000 —, $500 —, $100 —, $50 —, $25 —, other amount $ ————.

Senator Curtis: You may ——— may n- ——— use my name when contacting my Congressman and Senators with the results of this survey.

Signed ————————————.

Mr. WILLIAMS. Gary Hilliard, of 64 East Park Street, East Orange, was one of how many who received that? If he received that on East Park Street in East Orange, I will make the guess that this went to thousands if not tens of thousands, maybe hundreds of thousands.

He happened to know that this was a misrepresentation. Question No. 4, Mr. President, is the only question which remotely deals with this bill, and it grossly misrepresents the effect of this bill. And it came right after three questions that have nothing, nothing at all to do with this bill—situs picketing, a distant memory, public employees, not covered.

I do not believe the Senator from Utah was here.

Mr. HATCH. I was here.

Mr. WILLIAMS. The Senator was here to vote on situs picketing?

Mr. HATCH. Not to vote on it but I was here the last time it came up.

Mr. WILLIAMS. That is why I say a distant memory to those of us here. The Senator did not have that. It is a distant memory.

The organization of State, county, and municipal employees have nothing to do with this bill. There was one other, compulsory union dues into political campaigns, which is against the law.

This is a typical association of issues with this bill; in this matter for the purpose of raising money for the right to work committee.

With respect to special interests—and this is the first I have mentioned it, but I am getting just a little weary of having that slur come our way—certainly, people with interests will reach us with their opinions and their ideas. Call them special, call them particular, call them what you will. People have ideas, and they reach us here. We agree with them; we do not agree with them; we modify it.

I do not object to that. I object to what a "special interest" might do, as I feel that the Nation is not served with this kind of questionnaire going out to hundreds of thousands of people, raising money in a way that is misrepresenting what is going on in the U.S. Senate.

I appreciate the willingness of the Senator from Utah to have this out right now, in this way. He did not have to do this. He did not have to yield to me in this way, and it is a gracious thing to do.

Mr. HATCH. I am delighted to listen to the Senator from New Jersey.

Mr. WILLIAMS. There would have been time for me later to do this, but I feel that we would not have had the previous question.

There is one other thing. The Senator says that if Senators go the other way on this measure, there will be trouble ahead. It sounded to me as though that was a suggestion of political trouble ahead. I suppose that is fair debate, but it had the flavor of almost a threatening suggestion of a political clout.

I think it is for the people out there to decide, those who finally go to the polls, as to what will be the effect any votes are going to have.

I would not suggest to any Member that "if you go this way, you are going to have trouble." I do not feel that that flavor of threat should be part of this debate. That is a matter for the individual. Perhaps his political future should be reflected by what he does here. But I am not going to say, "Senator HATCH, watch out. If you keep going that way, down that road, you're going to have trouble."

Mr. HATCH. Others have said that, principally the AFL–CIO.

Mr. WILLIAMS. My appreciation to the Senator for permiting me at this time to have this discussion.

Mr. HATCH. I am delighted to yield to the distinguished Senator from New Jersey at any time. I enjoy my colloquies with him. I think he makes a very interesting point. He has been the principal spokesman for the AFL–CIO in the U.S. Senate during the last approximately 20 years, so he does have a great interest in exposing his point of view on this subject.

With respect to misrepresentations, I saw the special report from the AFL–CIO: Mom and pop are not involved. Of U.S. business, 78 percent are exempted from this bill.

They did not tell us that 72 percent of them were sole proprietors, where the only employee is the proprietor, and that the other 6 percent are businesses of probably less than three employees. In other words, they are so small that nobody would try to organize them, anyway.

Last week, I received a report which was humorous in nature, because they said this, as I recall:

The following describes all that the Senators from Utah, Senator GARN and Senator HATCH, have done for the employees of America:

Then there was 3 inches of blank space.

The distinguished Senator from New Jersey knows that I have worked on the Human Resources Committee. I have done a great deal for the employees of this country. I have voted for the CETA bills, for youth unemployment bills, for pregnancy disability benefits, and for a number of other issues that have done a great deal for employees. Nevertheless, that is the way it is characterized to every employee of the 20-percent controlled by the AFL–CIO.

So when we talk about special interests, we can spend all day just talking about the misrepresentations by the labor movement in this particular issue.

If we really want to talk about misrepresentations, let us go to the bill, because that is where they all are. The bill is filled with misrepresentations and problems.

I understand why the distinguished Senator from New Jersey feels as strongly as he does. He has been a principal spokesman in this matter for a number of years, and in his eyes, justly so. I respect him for his leadership on our committee.

Mr. President, I understand that the distinguished Senator from Wyoming (Mr. WALLOP) wishes to make a statement. I ask unanimous consent that my remarks not be considered a second speech under the rules.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. I yield the floor to the Senator.

The PRESIDING OFFICER. The Senator fom Wyoming is recognized.

Mr. WALLOP. I thank the Senator from Utah.

Mr. President, I thank the Senator from New Jersey as well, because I think he puts in some perspective what we are trying to do here.

I do not honestly feel that there has been any attempt on the floor to threaten people—on eiher side. Naturally, in an issue that goes as far as this one does, there are pressures from without this Chamber that exceed any that are inadvertently achieved within the confines of this Chamber.

I have spent some time analyzing the effects of the amendment of the distinguished majority leader on the small businesses and the employees of my State. I suspect that, while the intent to modify this bill is genuine, the effect of the modifications—as it will relate in my State, and probably to others—is really no modification at all.

Over the course of the past 2 months, the small businesses of this country have combined their efforts and worked together to help defeat passage of this so-called Labor Reform Act. Since the emphasis of the past few weeks has been on the topic of small businesses and the impact this legislation will have on the employers and employees of these businesses, let me point out some figures with respect to the employment force in the State of Wyoming which will prove how devastatingly powerful this legislation would be in my State, if enacted.

I preface this by saying that Wyoming is a right-to-work State. We have a large and viable union membership, and we have a large and viable work force that is nonunion. To characterize one side or the other as being antiemployee is an unjust characterization of those who believe in their union and their membership in the union and take pride in it. It is truly an unjust characterization of those who choose not to belong to unions and who, with the sweat of their brow and the callouses on their hands, are still contributing members to the economy of that State.

In my State, as of February 1977, there were 11,933 total business firms. Of this total number of 11,933, 228 employ more than 100 workers. Let us break it down even further. Of the 11,933 total firms, 11,611 employ less than 50 workers.

The total work force in Wyoming numbers 115,979. Out of these 115,979 employees, small businesses have on their payrolls almost three-fourths of the work force in the State of Wyoming. These figures include all businesses, from the smallest retail store to the largest mining company.

Small businesses, those under 100 employees, are the backbone of Wyoming, and have been. It is only recently that major corporations with energy interests brought in large numbers of employees and large work forces to that State. Until that time, perhaps the Union Pacific was the major employer in the State of Wyoming. The small businesses, with less than 100 employees, in the State of Wyoming, have the largest percentage of workers within the State; and one has to draw the conclusion that they have every right to voice their concern in opposition to this legislation, and they have done so. They represent most of the people who work and are employed in the State of Wyoming. They fear, as I do, that if H.R. 8410 is enacted, their business will suddenly be an easy target for professional unionizers who wish to begin organizing in an area which up until this time has not been very fertile territory.

On Friday, May 26, Senator ROBERT C. BYRD proposed an amendment which would codify existing jurisdictional limits set by the National Labor Relations Board. It has been the point of our argument the past few days that this amendment would do nothing to protect those small businesses already covered under the Board's jurisdictional tests from the pro-union provisions of H.R. 8410. This amendment cannot be used as a compromise, because in essence it does nothing to change what already exists. Small businesses are the ones who will bear the burden should 8410 become law.

Should it become law and should any significant number of those businesses fail, what, one may ask, is the advantage to the employees of a company that no longer exists? One can scarcely call that labor reform.

The correspondence I have received, both for and against the labor reform bill, has numbered about 7,000 pieces. That is trivia compared to the mail load of those from larger States. Nevertheless, from a State with the population of Wyoming, it is a significant comment by the population on a piece of legislation before the U.S. Senate.

A breakdown of the totals show that the mail has run far more than 2 to 1 against the passage of H.R. 8410.

A number of letters from small businessmen spell out their concerns about this legislation. At this time, I should like to read some of the more meaningful letters which were sent to me by informed and interested small businessmen and workers from the State of Wyoming.

It should, I hope, make us aware how these employers and employees are feeling and why they fear the results should H.R. 8410 become law and why they fear the results even with the well-intentioned but basically ineffective compromise amendment that is on the floor before the Senate at the moment.

I have a letter from a Mr. L. Steltenpohl from Casper, Wyo., who writes:

DEAR SENATOR WALLOP: Well, it looks like the unions are trying to change the rules again so that they can have it all their way. I am referring to S. 1883—

Which through the power of metamorphosis has come to be H.R. 8410 again, and we have been through that, the Labor Reform Act of 1977. Suffice it to say the gentleman refers to the legislation essentially that is in front of us.

I want to say that this bill is not reform; it is union power grabbing.

As a retailer, I have from time to time had experience with unions trying to organize my workers. They have not had much luck so far, but under this new bill they could walk away with the election. As my Senator, I am relying on you to make sure that this does not happen. I want you to oppose this legislation.

As things stand now, the unions have every right to try to organize my workers, and they do try. Fortunately, even though the present law is not completely fair to me, I do have a chance of beating the unions, and so far I have. That will not be true if this new idea becomes law.

Probably the most troublesome provision in this proposal is the part on equal access to my employees during working hours for the union. As you know, Senator, a retail store is a public place. The public is encouraged to visit my store. I would like to know how I would prevent union organizers from turning my store into an organizing campaign ground. In addition, why does the union need even more access to my employees than they already have. Union representatives can visit my employees at home, in any public place, even my store when they are not working. At the same time, my access to my employees is pretty much confined to meeting them during the time they are working for me. This provision is clearly designed to ease even more the problem unions have in meeting with my employees. I think it is unfair.

The manner in which a retailer must conduct himself in attempting to give his side of the story to employees about union organization is now very difficult. The average retailer is not versed in the legal complexities involved. The strict time limits S. 1883 would impose, would make it impossible for the retailer to mount a campaign which would tell the employees the other side of the story and thereby give them the opportunity to make a fair choice. This proposal speaks of a delay that normally does not exist, and on the other hand clearly tilts the balance in favor of the professional union organizer. In doing so, it deprives the employer of the right of rebuttal and more importantly, denies the employee the right to make a choice based on two viewpoints.

Section 8 of the Labor Reform Act of 1977, which amends the Labor Management Relations Act invites a condition that puts the NLRB on the union's side of the bargaining table. This proposal puts the retailer at the mercy of a union. In retailing, generally the retailer is not a trained labor expert, and the cost of hiring outside help is prohibitive. For such an employer, when confronted with professional union negotiators, the advantage clearly lies with the union. With relative ease, a skilled union negotiator could solve a major first-contract issue by provoking the inexperienced employer into making mistakes that would subject him with an order from the NLRB setting employment costs. This is certainly a departure from freedom of enterprise.

As my Senator, I want you to oppose this union power grab. Vote against S. 1883.

Sincerely,

L. STELTENPOHL.

I have another one from a man who runs a Best Western Motel in Powell, Wyoming, the Kings Inn. Mr. E. J. Cregger writes:

DEAR SENATOR: I am writing in regard to S. 1883 the "National Labor Reform Act," which you will be voting on shortly. I believe it is critical that you vote NO on this legislation to avoid the damaging effect it would have on my business in upsetting the present balance between business and unions to

give either an unfair advantage in organization efforts. Some of the very objectionable features of the proposed measure include:

1. The requirement that employers give union organizers the opportunity to communicate with employees on plant premises during working hours;

2. NLRB ordered wage and benefit increases when and if the Board and the Board alone determines that an employer has not properly negotiated with a unit; and

3. Elections that would be held on a quick schedule, making it impossible to properly educate the employees on the advantages and disadvantages of union membership.

My business, employing less than 15 persons, would be particularly damaged by any law of this type. I would be unable to counteract a well-financed union drive.

I urge you to vote NO on this or any similar revision of the current labor acts which would further encourage unionization of our business activities.

Sincerely,

E. J. CREGGER,
Kings Motel Inc.

The interesting thing, Mr. President, about these particular letters is that many of these people have already undergone an attempt at unionization despite the fact that they are said not to be under the coverage of the practice of the NLRB as it exists today.

Another interesting thing is that their concern is consistent in their inability to summon up the economic resources to challenge at one time both the U.S. Government and any given union through the National Labor Relations Board.

I have another letter from the Wyoming Health Care Association signed by Mr. Dan J. Lex, who is executive director of it. And it reads as follows:

DEAR SENATOR WALLOP: I am writing in behalf of the nursing homes of Wyoming to express our concerns regarding the upcoming NLRA "Reform" bill (S. 1883).

As small businesses, we are very concerned with the impact such legislation may have if passed. Areas of this bill that concern us most are:

1. "Quickie" elections within 15 days of a union's demand that an election be held will hamstring employers and give the unions an overwhelming advantage in unionizing employees—whether or not employees really want it.

2. Requiring employers to subsidize the costs of a union's election campaign is unconscionable. Why should business be expected to subsidize organizing efforts?

3. Giving the NLRB such massive powers to intimidate business will cause companies to capitulate rather than risk penalties that can be imposed for standing up to the unions.

4. "Packing" the Board is a scheme reminiscent of efforts to "pack" the Supreme Court.

5. Requiring the Board to seek Court injunctions for a wide variety of "interference" allegations—rather than the current limited list of allegations with discretionary powers in all others—will burden the Courts with a flood of injunction requests, further delaying resolution of cases.

6. Authorizing the Board to enforce its own orders by taking specific action against a party "willfully" violating the Act will make the Board its own prosecutor, judge and jury.

7. Imposing a very strict standard of review on any Court that may have to rule on a Board certification decision takes away an employer's right of appeal to the Courts.

As we understand, Senators Tower and Hatch will lead a filibuster against the bill. We would ask that you support them and vote against cloture as often as is necessary.

Thank you.

Sincerely,

DAN J. LEX,
Executive Director.

I point out that the sixth concern that the gentleman, Mr. Lex of the Wyoming Health Care Association, brings out authorizing the Board to enforce its own orders by taking specific actions, thereby making the Board its own prosecutor, judge, and jury, has become one of the most discredited and, in fact, difficult things to deal with in the so-called Occupational Safety and Health Act. The fact that it goes outside of the traditional system of justice in this country which has got to give us all pause to sit back and consider whether or not it is really in the best interests of anyone—employers and employees of America—that we bypass our judicial system, especially as it relates to those in the world of small business who cannot afford permanently engaged lawyers, who cannot afford to appeal to court after court after court up through a system once they have been belted by a decision of the National Labor Relations Board or, indeed, an OSHA inspector.

Mr. President, I have a mailgram from the Wyoming Retail Merchants Association, from a Mr. Guy Gjorklund, president, and Mr. Gary N. Zook, the executive vice president.

DEAR SENATOR WALLOP: WRMA urges you to oppose the passage of S1883, the so-called NLRA Reform Bill. We feel this is a huge union power grab, an effort to shore up declining union membership at the expense of business, and the target is unmistakably small business.

Several provisions of S1883 are unsatisfactory and violate the very foundations of our democratic form of government and our free enterprise economic system.

"Quickie" elections within 15 days of a union's demand that an election be held will hamstring employers and give the unions an overwhelming advantage in unionizing employees—whether employees really want it.

Requiring employers to subsidize the cost of a union's election campaign is unconscionable, why should business be expected to subsidize organizing efforts?

Giving the NLRB such massive powers to intimidate business will cause companies to capitulate rather than risk penalties that can be imposed for standing up to the unions.

"Packing" the board is a scheme reminiscent of efforts to "pack" the Supreme Court.

Requiring the board to seek court injunctions for a wide variety of "interference" allegations—rather than the current limited list of allegations with discretionary powers in all others—will burden the courts with a flood of injunction requests, further delaying resolution of cases.

Authorizing the board to enforce its own orders by taking specific action against a party "willfully" violating the act will make the board its own prosecutor, judge and jury.

Imposing a very strict standard of review on any court that may have to rule on a board certification decision takes away an employer's right of appeal to the court.

If Congress really wants to reform the current system, it should:

Guarantee secret ballot election absolutely.

Guarantee employees the right to vote on whether to strike or continue a strike.

Insure union members have a say in how their dues are spent and non-union employees in a "union" or "agency" shop are protected from having to support the political activities of the unions.

Make union violence an enjoinable activity and provide injured employees the right to seek damages from the wrongdoers.

Thank you for considering our position, we sincerely hope you will agree and aggressively oppose S1883.

GUY GJORKLUND,
President.
GARY N. ZOOK,
Executive Vice President, Wyoming Retail Merchants.

All of these letters have a consistency to them that expresses a genuine fear of, try as one will, to go through the amendment that is before us, one cannot find any area in which it will ease their very genuine fears. I would again say that I can scarcely find it in my heart to quarrel with people who worry about their jobs or their business when they write in opposition to this.

It is possible now to organize, and I would suggest that the country knows that it is possible to organize. I would also suggest that the country knows full well that when people do organize generally they have been sold, and their organization, the union into which they have been organized, works hard at representing them.

Remove the requirement to compete for their affections, and you put on the working men and women of this country a system of tyranny that is not, I suggest, in their interest. Unions should have to compete for their affection. A union should represent them well. A union should have to continue to represent them well in order to continue to attract their membership.

To take it away, to take away that competitive edge that is necessary to attract their loyalty, I think it would be a grave error and a grave disservice to the working men and women and their employers in this country.

Mr. President, I have two other letters which I ask unanimous consent at this time to include in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CHEYENNE, WYO.,
January 16, 1978.

Hon. Sen. MALCOLM WALLOP,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WALLOP: I am writing in reference to the new Labor Reform Bills presently being considered by Congress. The bill in the House of Representatives is H.R. 8419 and in the Senate is S. 1883.

The first I heard of this new bill was from an article titled, "New Labor Laws Would Force Workers to Join Unions", published in the Clarior-Ledger Jackson Daily News, Jackson, Mississippi on December 25, 1977, copy attached. I feel this is a great injustice to be handed the American workers. I believe the bill will place a yoke around every

worker's neck. Stop and consider the effect it can have on unemployment, economy of the country, and the companies that do not want Union shops? My feelings are companies will close, the economy will decline, and unemployment will rise. Making a worker join a Union, if he is against it, means he cannot work at his profession. If he does join a Union, then his take home pay is decreased, his buying power has decreased, and he is at the whims of the Union.

May I call your attention to Article XIII, Section 1 of the Constitution of the United States, which says:

"Neither slavery nor involuntary servitude, except as punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction."

Forcing a person to join a Union against his will is placing him in involuntary servitude, because he must do as told by the Union. Why do I say this? Because if the Union decides to go on strike, then he must follow that ruling. He cannot work for if he does, he will be harassed. Here is a good example of what I mean. The Soft Coal Union is on strike, and the newspapers and news reports are how non-union coal companies are being harassed by the Unions. They, the Unions, are doing everything they can to close them down. Is this right?

The President has made speeches about the "Rights of Humans." I see where the passage of this type of law is not for the workers human rights to work, but taking it away from him. Taking away the "Human Rights" of the American people is starting the downfall of the American Way of Life. How can we speak of "Human Rights" to the world when it is being denied here?

I agree, we do need new Labor Reform Laws. We need it to protect the non-union workers as well as the union workers. Look at the violence and destruction of property that has been caused by the present soft coal strike. Where are the laws that prevent violence and destruction during a Union Strike? When violence and destruction are caused during a strike, every person in America is hurt. Companies are closed and worker's pay is lost because these companies do not want to have thousands of dollars worth of damages done to the plants or mines. Where is their protection?

I see where passage and signing into law either bill H.R. 8410 or S. 1883 is the first step to becoming a Union controlled country. Our Legislature, Executive and Judicial branches of the country will become, not by the people for the people, but by the Unions for the Unions. Again, our Rights as Humans have been lost. Look what the Union forces have done to the economy of Great Britain. Is this the same thing the American people want? I say "NO!"

I strongly feel that the Bills for Labor Reform now in Congress are not in the best interest of the American Labor Force. Our Constitution gives the American people the right to life, liberty and the pursuit of happiness. Our life is threatened by strike violence. Our liberty is taken away because we will be forced to join Unions to work and do their bidding.

As a worker who will fall in the category of being forced to join a union to work, I feel either Bill H.R. 8410 or S. 1883, if passed, is unconstitutional.

Sincerely,

ALLAN D. WALCKER.

NEW LABOR LAWS WOULD FORCE WORKERS TO JOIN UNIONS

(By Reed Larson)

Organized Labor, increasingly rejected by America's working people, is looking to Congress to give it a bill with which it can force hundreds of thousands of additional workers into unwanted unions.

This latest grab for government-given power comes at a time when there is conclusive evidence that the American wage-earner is less willing than at any time in the last 40 years to join a union.

In 1976, only 24.5 percent of all non-agricultural employees in the nation were union members—the lowest percentage since 1937, according to the U.S. Department of Labor.

Union members now comprise only 20.1 percent of our total labor force—a 20 percent drop since 1955, organized labor's highwater mark. Most of these workers joined a union because they had to—to hold their jobs.

Private-sector unions sustained a new net loss of 866,000 dues-paying members between 1974 and 1976—the first decline in union membership in 14 years.

In 1976, union organizers won only 48 percent of 8.638 NLRB-supervised secret-ballot union representation elections—down from 61 percent in 1965. And unions call for elections only when they think conditions are most favorable for a union victory.

The number of elections to withdraw from union representation increased from 200 in 1967 to 600 in 1976.

Confronted by these alarming statistics, union organizers are now waging a multimillion dollar campaign to influence Congress to pass what they erroneously call a labor law "reform" measure.

Identical "reform" bills have been largely prepared by and introduced at the bidding of the AFL–CIO. Union lobbyists and Secretary of Labor Marshall persuaded President Carter to endorse the "reform"—H.R. 8410 in the House of Representatives and S. 1883 in the Senate. H.R. 8410 passed the House on October 6, 1977. Hearings have been completed on S. 1883 but final Committee action and floor vote is not expected in the Senate until early 1978.

Unquestionably, the fundamental rights of working men and women will be severely jeopardized if either bill becomes law in its present form. Despite denials by the bill supporters, the effect plainly will be to coerce more and more employees into union membership in non-Right to Work states—and into irrevocable (and automatically renewable) dues check-off arrangements in Right to Work states.

This coercion will be accomplished by establishing devastating new financial penalties which the National Labor Relations Board—at the demand of Big Labor—can impose on any business resisting union demands.

An employer who balks at compelling employees to support an unwanted union, for example, would risk an NLRB ruling that he has not "bargained in good faith." The new government reprisals that would follow such a ruling could cripple large businesses and destroy smaller ones.

As a result the typical employer would be strongly influenced to sign a union agreement without delay, no matter what union negotiators demanded. And almost invariably, union spokesmen insist that all employees be required to pay union dues or fees as a condition of continued employment.

If S. 1883 (H.R. 8410 in the House) is passed into law, employees will become helpless pawns caught in a bitter struggle between Big Labor, desperate for new members, and large and small businesses, afraid of government reprisals for resisting union demands.

Clearly, S. 1883 is designed to blackmail employers into becoming the instruments of union oppression. This was accurately summed up recently by noted New York Times columnist A. H. Raskin, when he noted that union organizers have come to rely on "union-shop contracts and other kinds of 'pushbutton unionism' in which the employer delivers over workers." This is, the proposed law is heavily loaded with provisions which make it profitable for an employer to compromise his employees' freedom of choice while, at the same time, making it extremely costly for him to defend employee freedom.

Ironically, this latest grab for power by union bosses comes at a time when Organized Labor enjoys virtual exemption from most federal laws protecting human rights. As the 1974 winner of the Nobel prize in economic science, F. A. Hayek, wrote:

"They (unions) have become uniquely privileged institutions to which the general rules of law do not apply. They have become the only important instance in which governments signally fail in their prime function—the prevention of coercion and violence."

The inevitable results of our one-sided national labor policy are what anyone would expect: union irresponsibility, corruption, and violence. Here a few typical examples of what has happened to workers who freely decided for themselves they did not want a union:

Sammy Kirkland was viciously beaten in Florida for trying to operate a backhoe without a union card. In the Denver area, the chief organizer of the Northern Colorado Building and Trades Council had more than 40 apartment and townhouse developments put to the torch as part of his scheme to drive non-union construction workers off the project and out of work.

In Missouri the NLRB had to order the president of the Laborers Union Local to stop shooting at his own members! And in Louisiana, Joe Hooper, father of two small children, was shot to death by an AFL–CIO union mob. Hooper was even a union member . . . but he had joined the "wrong" union!

To prevent further "stacking the deck" against the individual employee, the National Right to Work Committee has proposed three short amendments to S. 1883. The amendments would prohibit application of the bill's penalty provisions in any situation in which compulsory unionism is an issue in union contract negotiations.

Backers of the labor law "reform" proposals say their purpose is simply to reinforce the right of employees to join unions and accept collective bargaining. If advocates of H.R. 8410 and S. 1883 were sincere, they would not object to the Committee's anti-compulsion amendments. Yet, congressmen acting in Big Labor's behalf made certain the amendments were not even considered in the House debate on H.R. 8410. And there are no signs to indicate that the pro-union Senate Human Resources Committee has given the amendments consideration.

The real intent of H.R. 8410 and S. 1883 has now become clear.

Rep. Frank Thompson (D-N.J.) admitted publicly in July that his proposal is aimed at "doing away with open shop havens." In his view, an "open shop haven" is created by a state Right to Work law.

Once employed by the United Auto Workers as a union organizer, Rep. Thompson is principally known for introducing "sweetheart" legislation sought by the union hierarchy—including the 1975 and 1977 "common situs" picketing bills and the 1965 measure designed to repeal Section 14(b) of the Taft-Hartley Act.

AFL–CIO president George Meany confirmed organized labor's real goal on September 7, 1977, when he appeared before the House subcommittee chaired by Thompson. Meany clearly signaled that passage of H.R. 8410 would bring an all-out Big Labor attack on Right to Work when he said:

"This is the year to revamp the first aspect of the (National Labor Relations) Act . . .

Then let's get on to the second portion of the NLRA—the collective bargaining process, the strike, the picket line, the boycott, union security and Section 14(b)..."

Further and conclusive corroboration was provided when Vic Kamber, the director of the AFL–CIO's "Task Force on Labor Law 'Reform'", trumpeted an October 31 poll, commissioned by the AFL–CIO, purporting to disprove widespread support for Right to Work laws.

However, the findings by the so-called "Public Interest Opinion Research" firm of Alexandria, Va., are contradicted by such reputable and widely-known research firms as George Gallup, The Roper Organization and Opinion Research Corporation of Princeton, N.J.

According to a Gallup poll last spring, 63 percent of the American public oppose compelling people who work for a unionized employer to join a union once they have been hired, while only 31 percent support the idea.

The National Right to Work Committee has no objection to—indeed it welcomes—real, meaningful labor law reform. But the bill which the House passed and which is scheduled to go before the Senate in early 1978 is not it—at least in its present form.

One thing this country does not need is another weapon which organized labor can use to force American men and women into joining a union or paying dues to keep their job. That's compulsion—that's un-American—and that's wrong.

RIVERTON, WYO.,
January 2, 1978.

Senator MALCOLM WALLOP,
Casper, Wyo.

DEAR SENATOR WALLOP: I am a retail store operator in your state. My reason for writing is to let you know that I am completely opposed to S. 1883, the so-called Labor Reform Act of 1977. I want you to vote against this measure when it is considered by the Senate.

As I see it, this law is not reform; it is a power grab by big labor. They want the Congress to give them a free ticket to organize workers. I don't agree to the idea of giving labor unions a crutch. There is a lot of dissatisfaction with labor unions. They say they are for the worker; but it doesn't turn out that way.

I have included some of my reasons for being opposed to S. 1883.

(1) What does this bill mean in terms of equal access? If for example, an employer incidentally talked to one or two employees during working hours about the union, would the organizer have the same right? If so, a retailer's selling floor would become the organizational campaign ground. That kind of activity could seriously disrupt the ongoing conduct of business.

(2) The new proposal would also give all the advantage to the union in an organizing campaign. The union could work months getting signature cards from my employees; once they had 51% of them signed up they could ask for an election. As a store manager, I have all kinds of things to do. I do not spend all of my time trying to prevent union activity. More likely than not, the first word I would have about the union election is when I am notified that it will take place in 15 days. Now how am I supposed to be able to answer all the union's charges and tell my side of the story? Fifteen days is just not long enough; particularly when the union has had months to work on my employees. This is not labor reform, this is union power grabbing.

(3) A third part of S. 1883 that really bothers me is that if a union wins the right to represent my employees, the government could step in and tell me how much I have to pay the employes if I don't dance to the union's jig while bargaining. That's nothing more than putting the government on the union's side. That's unfair.

There are plenty of other problems with this bill, Senator. As my representative I ask you to vote against this measure. It is a wrong move and it is a move against the rights of both employees and their employers and for a big special interest group. Vote No, on S. 1883.

Sincerely,

LARRY NABER.

Mr. WALLOP. These letters are from people who are not employers but employees.

I would suggest that both sides have a genuine interest in their opposition to this bill; that it is not something that is opposed by the giants of industry in this country; it is not something that is opposed by antiworker human beings, cruel, unreasonable capitalists, but people who are genuinely the backbone of the economy of this country, and who genuinely work to seek to represent the best interests of the working men and women of this country.

Mr. President, I see the distinguished Senator from Oklahoma (Mr. BARTLETT) has arrived on the floor. I yield to him at this time.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BARTLETT. I thank the Senator from Wyoming.

Mr. President, last week I directed my remarks on the subject of the Labor Law Reform Act to the substitute bill introduced by our distinguished majority leader, Senator BYRD. I was not able to read my statement in its entirety because of the fourth cloture vote that was schedule to take place then. Today I would like to begin my remarks at the point where I was cut off.

As I stated in my previous address on the subject of the Byrd substitute, I believe that it does cover some of the concerns with H.R. 8410, as expressed by those of us here who feel that passage of this legislation is not in the best interests of the small businessman or the employee. But I hastened to add then, just as I do today, that the fundamental thrust of the amended provisions remains the same, and thus the substitute fails to reflect genuine compromise.

3. MAKE-WHOLE REMEDY—SECTION 9

Under the current law, there is no provision for a "make-whole" remedy. But under section 9 of H.R. 8410, which amends section 10(c) of the National Labor Relations Act, the Board may award, in cases where there has been an unlawful refusal to bargain before entering into the first contract, compensation to unit employees for the delay by the unfair labor practice.

The amount is to be measured by the difference between, first, the wages and other benefits actually received by such employees during the period of delay, and second, the wages and fringe benefits the employees were receiving at the time of the unfair labor practice multiplied by the percentage change in wages and other benefits stated in the Bureau of Labor Statistics average wage and benefit settlements, quarterly report of major collective bargaining settlements, for the quarter in which the delay began.

The Byrd substitute deletes this standard and inserts in its place the Bureau of Labor Statistics' "employment cost index" for occupations covered by collective-bargaining agreements. According to Senator BYRD, this standard "should assure that the experience of small employers will be fairly reflected in the Board's remedy." Senator BYRD indicated in his statement in support of the substitute that an employer will not incur make-whole liability prior to the time that it is put on notice by the NLRB's general counsel that an illegal refusal to bargain is taking place. This "safeguard," however, is nowhere reflected in the language of the substitute as printed in the June 8, 1978, CONGRESSIONAL RECORD.

Mr. President, the substitute thus exchanges one complex governmental standard for another—it does nothing to alleviate the difficulties associated with the use of any governmental standard. For example, by computing a particular employer's make-whole liability, a union can use this figure to its tactical advantage both in efforts to organize employees, and in the negotiation of an initial contract. During organizing drives, union organizers could guarantee minimum wage rate hikes in the initial contract simply by indicating that in the event the employer refuses to bargain in good faith the Government will provide employees with a specified increase in hourly wages as a remedy for the unlawful conduct.

In addition, an employer's make-whole liability will inevitably serve as an artificial floor below which a total economic package may not realistically fall. No union will be willing to accept an economic package less than what can reasonably be anticipated through make-whole relief. Finally, the substitute measure does nothing to preclude application of the make-whole remedy to employers who are doing nothing more than satisfying the statutorily required prerequisites for court review of Board determinations in representation proceedings.

Assuming that Congress approves this remedy, although it is my hope that they do not, qualifying language should be added so that this provision would not apply in situations where an employer legitimately challenges a refusal to bargain finding and/or where there is a genuine issue of fact or law concerning determinations arising from an election; for example, unit issues, objections to the conduct of an election.

Due to the many problems with respect to computing the amount of compensation to be awarded an employee based on the Bureau of Labor Statistics settlement index, or the "employment cost index," I believe that a new and objective formula should be formulated. For example, the following language might be adopted in the appropriate places of section 3(a) of H.R. 8410:

In a case in which the Board determines that an employer's unlawful refusal to bargain prior to the entry into the first collec-

tive bargaining agreement with a representative selected or designated by a majority of employees in the bargaining unit was for the sole purpose of delay and no genuine issue of law or fact was present to warrant a refusal to bargain, the Board may award to the employees in that unit compensation on a lump-sum basis for the delay in bargaining caused by the unfair labor practice. In determining the amount of compensation to be received as a result of the delay in bargaining caused by the unfair labor practice, the Board shall consider (1) wage increases received by employees in the same geographical area performing similar work for the period of time in question; (ii) wage increases received by bargaining unit employees prior to refusal to bargain; (iii) wage increases received by employees in other facilities of employer in the same geographical area performing similar work over period of time in question; and (iv) such other factors as the Board determines relevant. Upon consideration of these factors, the Board shall ascertain what the percentage change in wages would have been for the period of time in question and shall multiply that change by the difference between the wages received by such employees during the period of delay, and the wages such employees were receiving at the time of the unfair labor practice.

Mr. President, the "make-whole" remedy under H.R. 8410 represents a fundamental shift in Board policy concerning collective bargaining. Succinctly stated, that policy which dates back to the days of the Wagner Act of 1935 has been for the parties to reach their own agreement without Government interference with respect to the terms of the settlement. It is also yet another example of a punitive remedy being assessed against the employer. The make-whole remedy will result in the Government writing contracts for the employer and, therefore, the entire process of free collective bargaining, which is the cornerstone of labor-management relations in this country will be overturned.

Because the Board will, in effect, become a third party in all negotiations, this governmental intrusion into rights is unprecedented.

A key factor which the committee failed to consider is that the United States, in comparison to developed countries with free trade union movement, ranks among the lowest in terms of percentage of available workdays lost to labor disputes. It is clear, therefore, that prior to overhauling the process of free collective bargaining, which has worked exceptionally well over a period of 40 years, that the need and the proposed benefits of the change be clearly demonstrated.

This factor must be coupled with the findings in a recent study on the economic impact of the make-whole remedy conducted by Rinfret Associates, that—

[T]he "make-whole" provisions . . . appear to use an extreme settlement solution and appear to be inequitable, unfair and to violate the spirit of fair play which is the essence of American legislation. These Amendments, as proposed, could result in an unfair economic advantage for large trade unions and for large business.

Thus, not only is this provision an inflationary one, but it might accelerate the exportation of jobs in those industries that are already besieged by foreign competition.

Moreover, it is difficult to understand why the average wage and benefit settlements index or the employment cost index is an appropriate standard to penalize employers whose wage rates may be less than the index. An analysis of the companies comprising the Bureau of Labor Statistics index, which includes representatives from the telephone, steel, automobile, aluminum, and rubber industries, reveals three common characteristics: they are oligopolies; they are capital intensive, as opposed to labor intensive; and, they are industries in which unions have historically had a stronghold indicating a total disparity in leverage. Thus, by definition, these settlements will be significantly greater than the normal first contracts with a small employer.

A case in point is the recently negotiated coal contract which has been costed out over a 3-year period to a 41 percent increase in salary. Since the contract is front loaded, which entails a greater salary increase during the first 2 years than in the final year, the first-year salary increase may be as high as 15 or 16 percent.

A further problem in this area concerns the committee's insistence that benefits be considered as well as wages. According to a highly complicated formula set out in the Senate report (page 17, n. 5), one must attempt to place a cost figure on benefit plans—

[I]n situations where the only compensation to the bargaining unit employees is in the form of wages.

The simple answer to this proposition is that costing out benefits is a terribly complex process which entails placing dollar figures on such intangibles as holidays, vacations, pensions, health and welfare plans, and the like. It is perfectly obvious that unless another more feasible approach is taken, decisions on this subject will be arbitrary at best.

Mr. President, the make-whole remedy is particularly inappropriate because a refusal-to-bargain charge by the National Labor Relations Board which arises out of delays occurring before the signing of a first contract is often a minor, technical violation of the act. Moreover, any unilateral change by an employer with respect to mandatory subjects of bargaining, may violate section 8(a)(5) of the act.

Thus, if a company decides to require its employees to wear respirators based on preliminary findings by the Occupational Safety and Health Commission that a certain product has potential toxic effects, this unilateral action may result in a section 8(a)(5) violation irrespective of management's good intentions.

Similarly, an employer may violate the act if he refuses during negotiations to allow a union representative to examine his books and records with particular reference to the unit costs and profit margins. See, e.g., *NLRB* v. *Truitt Manufacturing Co.*, 351 U.S. 149 (1956).

The case law on this subject shows that employers acting in complete good faith are oftentimes found in violation of section 8(a)(5). The imposition of such a drastic remedy in this context is totally unfair and is disproportionate to the violation that it is designed to cure.

The make-whole remedy will also eliminate the employer's only effective method under existing law of appealing adverse decisions in cases where bargaining units are determined. Under current practice, an employer must refuse to bargain with a union if he wishes to seek appellate court review of what he considers an erroneous bargaining unit determination or an objection to the election. If the court rules against the employer, the Board may then issue a bargaining order as a remedy. Thus, the well-settled practice of challenging bargaining unit determinations would be effectively eliminated because the employer will be deterred from seeking court review because he risks a more severe sanction.

The make-whole remedy directly contradicts precedent thwarting efforts of the Labor Board to interfere in the bargaining process. There are several Supreme Court rulings prohibiting the Board from compelling settlement of disputes over the terms of a contract.

The Court has repeatedly held that the right to bargain does not entail the right to insist on a position free from economic disadvantage. It is not surprising, therefore, that this remedy was rejected by the former Secretaries of Labor and Board Chairman Fanning in their testimony before the House Subcommittee on Education and Labor on H.R. 8410.

4. CONTRACT DEBARMENT—SECTION 9

Under the current National Labor Relations Act there is no provision for debarment. But under section 9 of H.R. 8410, which amends section 10(c) of the act, companies or labor organizations found to be in willful violation of a Board or court order may be debarred.

This debarment procedure is initiated by the Board which makes a recommendation to the Secretary of Labor. The Secretary then has the discretionary authority to reduce or rescind a debarment order whenever the Board determines that the unfair labor practices upon which the order is predicated have been remedied.

The Byrd substitute measure incorporates an essentially meaningless change into the contract debarment provision. It would turn the Secretary of Labor's discretionary authority into a mandatory authority so that debarment orders would be lifted automatically upon a Board determination that the unfair labor practices have been remedied.

The substitute measure fails to address any of the inherent deficiencies in the contract debarment procedure. For example, it does nothing to alleviate the unfairness to employees who lose their jobs as a result of debarments. Nor does it provide any remedy against flagrant violators of the NLRA who do not contract with the Federal Government.

In addition, the failure to provide for appellate review of either Board's determination that a willful violation has occurred or the Secretary of Labor's determination that debarment will not ad-

versely affect the national interest perpetuates the due process infirmities in the current provision. Finally, the substitute maintains the incentive for parties to litigate rather than settle cases which have been filed so as to minimize the possibility of loss of future Government contracts.

Mr. President, assuming that Congress really believes that debarment is a necessary sanction, and I want to make it clear that I do not, enforcement should be left in the Federal district courts as characteristic of Board procedure with respect to contempt matters. Because the Board has been successful in enforcing contempt charges before the Federal district courts, there is no reason to assume that it will not be equally successful in bringing debarment charges in that forum.

The Federal district courts insure that there is no institutional bias or other personal or political considerations taken into account.

There can be no question that debarment is fundamentally punitive. Chief among the problems resulting from this new remedy is the fact that debarment would be profoundly counterproductive to the goal of H.R. 8410 to protect workers' rights because of the simple fact that debarment would, in many cases, mean the loss of jobs for those employees who would be working on the contract. It obviously makes little sense to punish the worker for the employer's acts, even in cases where unfair labor practices by recalcitrant employers are willful and repeated.

The experience of the Office of Federal Contract Compliance Programs (OFCCP) illustrates why debarment should not be implemented, or at the very least, why debarment should not be implemented at this time. The difficulties within the OFCCP became so severe that a special task force was assembled to develop constructive suggestions leading to a more workable program.

That task force has just recently issued a report in September, 1977, on its findings entitled "Preliminary Report on the Revitalization of the Federal Contract Compliance Program." The report is less than complimentary. In referring to the lack of standards or guidelines within the OFCCP, the report acknowledges that:

> Until such time as OFCCP codifies and demonstrates its ability to require rigid adherence by contract officers to *reasonably definitive and objective standards for compliance decisions the fear of contractors will remain somewhat justified.* (Emphasis added.)

(Mr. DECONCINI assumed the chair.)

Mr. BARTLETT. The debarment provision is also without any qualifying language as to its application. As presently constructed, an entire corporation may be barred from receiving Government contracts even though only one of its affiliates or divisions is found guilty of a willful violation. Such a result is an overkill and is directly contrary to Board precedent which has developed several tests in analyzing whether two or more companies can be considered a "single employer." These tests include an analysis as to whether there is interdependence of operations, common ownership and control, and common direction of labor relations policies. These tests could serve as a useful guide rather than following the current "shotgun" approach.

Mr. President, it also appears that the sponsors of debarment contemplate that the Board will cease having contempt power. Under the current law, the Board may seek a contempt order in the Federal district court compelling the respondent to comply with a former Board ruling.

Under this section, however, the Board is imbued with the authority to seek debarment after determining that the respondent has willfully violated a final order. The difficulty with this scheme is the lengthy 6-month period of time it usually takes for an administrative law judge to reach a decision together with the additional 6-month period of time it usually takes the Board to reach a decision on appeal.

The end result may, perhaps, be stated more graphically by the suggestion that, by providing relief according to the administrative law judge route as a substitute for contempt power, you might increase delays on the order of a 1,000 percent. Moreover, Federal district courts are much speedier than administrative law judge proceedings and are empowered to give much greater relief in terms of possible sentences, fines, and the like, than an administrative law judge.

Supporters of debarment also fail to consider the Board's success in bringing contempt charges against violators of the Act. Throughout its history, the Board's record of bringing contempt charges against repeated or willful violators of a Board order is impeccable. By the same token, there are a number of extraordinary remedies available to the Board in dealing with the very small percentage of persistent offenders.

In sum, debarment represents a complete and unwarranted change in the philosophy of the act. Since there is a very real possibility that it will result in idling workers, it profoundly contradicts the avowed goal of H.R. 8410 to protect workers' rights. Not surprisingly, labor spokesmen have expressed much concern on this problem (oversight hearings on the National Labor Relations Board, 94th Cong., 2d Sess. 460 (1976)). Statement of Louis P. Poulton, associate general counsel of IAM and the American Conference of the United States recommended that this sanction be deleted (oversight hearings on the National Labor Relations Board, 94th Cong., 1st Sess. 523 n. 23 (1975)).

5. NLRB REGIONAL OMBUDSMAN

The Byrd substitute incorporates an earlier amendment to H.R. 8410 which would direct the Board to establish ombudsmen in each of its regional offices. These individuals, in the words of Senator BYRD:

> Would respond to inquiries about the operation of the law, Board procedures, complaint processing, and so on. Adoption of this proposal will provide meaningful assistance to the smaller businesses covered by the Act for whom the cost of outside counsel is burdensome.

Under current law, the Board conducts representation elections and prosecutes and adjudicates alleged unfair labor practices. The Byrd proposal would effectively place the Board in the position of dispensing substantive legal advice as well.

The Board's regional offices currently provide the public with a wide range of information regarding Board jurisdiction and Board procedures. For example, Board personnel routinely respond to inquiries regarding probable Board jurisdiction, whether certain conduct constitutes an unfair labor practice, procedures for filing charges, and many other questions pertaining to the administration of the act.

Regional personnel do not provide substantive legal counsel because to do so would put the regional offices in an administratively impossible dilemma. For example, notices to respondents that unfair labor practice charges have been filed could well be met with a response that the conduct engaged in was a direct result of advice supplied by the ombudsman. In addition, the proposal would give rise to legitimate complaints that taxpayer dollars were being utilized to subsidize the legal services of small businesses.

6. FREEZING NLRB JURISDICTION

Finally, the substitute incorporates a provision which would preclude the Board in the future from asserting jurisdiction over enterprises that do not satisfy the discretionary jurisdictional standards in effect on May 1, 1978. When this provision was originally introduced, the distinguished majority leader indicated that he believed it answered the charge that upon passage of the labor reform legislation "the NLRB will proceed to extend its jurisdiction to cover hundreds of thousands of small employers."

Relaxation of the Board's jurisdictional standards, however, is not a major concern of the small business community. Indeed, many small businesses would welcome the protection afforded by the NLRB in its current, well-balanced form. Rather than being opposed to the NLRB per se, small business is opposed to the decidedly prounion amendments to the NLRB which are contained in H.R. 8410.

In addition, the provision effectively guarantees the very result it purports to avoid. Because the Board's discretionary jurisdictional standards are expressed in terms of specific dollar volumes of business, inflation steadily erodes the jurisdictional thresholds thus expanding jurisdiction over small businesses. With the Board's monetary jurisdictional standards frozen at 1978 levels, the inevitable effect over time will be to systematically bring increasingly large numbers of small businesses under the Board's jurisdictional umbrella.

But under section 14(c)(1) of the Landrum-Griffin Act, the Board is already precluded from making its jurisdictional standards more stringent than those prevailing on August 1, 1959. The standards prevailing at that time (and

still effective today) were announced in Siemans Mailing Service, 122 NLRB 81. These standards were expressed in terms of specific dollar volumes depending upon the type of business in question. However, inflation has steadily eroded their jurisdictional thresholds, thus expanding jurisdiction over small businesses.

The Byrd amendment would continue this expansion by codifying standards written 20 years ago without taking into account the effect of inflation since that time. For example, the Board will assert jurisdiction over a nonretail enterprise if the gross annual outflow or inflow of goods sold or purchased are only $50,000. Because of inflation, far more small businesses would have been exempted under the $50,000 standard in 1958 than would be true today.

As is readily apparent, organized labor would benefit greatly from adoption of the Byrd amendment. By removing the Board's discretion in determining the scope of its jurisdiction, the amendment insures a gradual expansion in the coverage of the NLRB.

The Byrd amendment would still leave under the jurisdiction of the Board 847,497 business establishments, a rather substantial number even if one were to subtract all of the Fortune 500 companies. These businesses employ over 44 million workers, 75 percent of the covered work force. Statistics provided by the National Labor Relations Board further indicate that the companies which do not come under the Board's jurisdiction employ, on the average, less than five employees. Thus, while "Mom and Pop" stores may not be involved here, just about every business is.

Ignored by the proponents of H.R. 8410 is the practical effect of strengthening the power of unions against small employers. Union arguments in support of current labor law amendments include claims that employers engage in dilatory tactics before the courts and the NLRB. The only examples cited are very large corporations that have retained expert, and quite expensive, legal counsel. One might question whether a business employing only five workers has the financial resources to use the delaying tactics described by the unions if its propaganda is true.

Also, one might question whether a union is actually going to provide individual service to bargaining units of only five employees. If employees in these small units want union representation, it is available to them under present law. However, it would seem that such persons should not be forced into union membership solely because their employer would be forced into capitulating to union demands under the provisions of H.R. 8410.

As the NLRB stated in *South Hoover Hospital,*

> A small employer's first violation of the Act may be attributable to its gross ignorance of the labor laws rather than to its calculated design to subvert them.

That comment notwithstanding, H.R. 8410 would effectively establish harsh new penalties to be applied against any business, large or small, found to have violated the act either intentionally or inadvertently.

One other important fact not apparent from a cursory review of the Board's own jurisdictional standards is that the NLRB normally goes to great lengths to exercise jurisdiction over an employer even if its own criteria are not met. For example, the dollar volume of a motel in Sands Motor Hotel fell below the jurisdictional threshold. Nevertheless, the Board came up with the necessary dollar amount by lumping the motel's dollar volume in with the volume of a restaurant doing business near the motel, even though the restaurant was a wholly separate corporation.

A similar result occurred in James Johnston Property Management. There, the Board was confronted with an employer who provided management services to several small apartment buildings, but whose gross revenues fell below the $500,000 minimum. It overcame that problem by combining the dollar rental volume of all the buildings that the agent managed for the individual owners. As member Penello pointed out in his dissent, such a device was inappropriate as Johnston, together with all the other building owners, did not constitute a single employer. Each apartment was managed on a joint basis by Johnston and the owner of that particular building. There was no relationship of any sort between each of the building owners.

The Labor Act is grounded on the commerce clause, and one might think that the Board would allocate its limited resources carefully by considering only those cases having a substantial effect on commerce. However, when Grand Resorts, Inc., came before the Board, it chose to extend jurisdiction to a group of jai alai players on strike against a gambling corporation. Interestingly enough, while the Board was processing the case, the Immigration and Naturalization Service ruled that as long as the players, who had entered the country on occupational visas, were not working, they were subject to deportation. All 34 of the players, citizens of either Spain or Mexico, were sent home.

Finally, this provision would preclude the Board from reevaluating prior discretionary refusals to assert jurisdiction in light of current economic conditions. In the past few years, the Board has reversed precedent and asserted jurisdiction over private nonprofit colleges and universities, charitable nonprofit institutions, and law firms on the basis that changed conditions made assertion of jurisdiction appropriate. Such reexaminations would not be possible under the Byrd substitute.

Mr. President, many of us, indeed I think just about every one of us who oppose H.R. 8410, oppose it primarily because of the dangers it poses to small businessmen all across this great land of ours. Since our distinguished majority leader introduced his substitute measure there has been an attempt by the Senators engaging in this extended debate to illustrate and to explain their reasons for objecting to the substitute.

But we have not succeeded in convincing the proponents of this reform measure that our continued concerns are genuine. So at this time I think it would be instructive to let small business speak for itself.

Mr. President, I ask unanimous consent to have printed in the RECORD material issued by the NFIB, a rebuttal to George Meany and other advocates of labor law reform legislation, and a statement by the Small Business Legislative Council of the National Small Business Association.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Within the past few weeks, small business has been pictured in big labor, union-sponsored national advertising as a smokescreen for big business and as a victim of a shell game in the current debate over labor law "reform". The National Federation of Independent Business (NFIB), the nation's largest small business organization, with more than one-half million members, wishes to refute this myth.

Small business has every reason to be wary of big labor's designs. Small business is labor intensive. It depends more upon its workers and less upon expensive equipment for success and growth. So when big labor leads the fight for an unnecessarily steep increase in the minimum wage, small business gets hurt.

When big labor refuses to support an expansion in the youth apprenticeship wage program, small business feels it as much as the young and unemployed. NFIB supported an apprenticeship wage proposal that could have provided thousands of young people with jobs. Big labor and its political allies shot it down.

And when big labor tells the President to take a walk with his voluntary wage restraint program, small business will certainly end up paying the price of higher inflation.

Small business was told not to fear OSHA, not to wory about ERISA. Now small business is being told not to fear the "labor law reform" bill, S2467. It is only a procedural matter; it is not aimed at promoting organized labor—so we are told. But let's look at the facts.

This proposed labor law legislation has been pushed by the bureaucrats and power brokers of organized labor. This is not surprising. It seems that the union leaders have noticed a phenomenon very disturbing to them: more workers want less union involvement than ever before. Today only one out of five workers belong to unions, compared to more than one out of four 20 years ago. And last year unions won fewer than half of the certification contests supervised by the NLRB.

TWISTED LOGIC

Small business recognizes the motivation of union bosses. It is as obvious as it is audacious: unions have not been successful under our present system of labor laws, so they want to change the rules to improve their organizational record. This logic completely overlooks the obvious question. If unions are so good for their members, why don't more members join unions?

Wherever the fault lies, it is not with the federal labor law. In the 40 years since passage of the original National Labor Relations Act, workers in this nation have enjoyed tremendous gains in wages, fringe benefits and job security. And the resulting economic and political impact of unions is awesome and obvious. The present federal labor law generally has worked as it was intended and is not in need of wholesale reform.

But the bill's proponents disagree and claim several current examples of organizing efforts frustrated because the federal law is not tough enough. Whatever the facts may be in those cases, it is certain that large national companies will continue to have legions of lawyers and labor consultants available to advise them on how to stay in the bounds of the law and still give the unions a good fight. Small businesses, however, will be severely affected by this bill.

SMALL BUSINESS ALREADY AN EASY TARGET

Big labor may well complain that it cannot win against big business. The NLRB 1976 annual report lists labor as winning only 22 percent of the 111 organizing elections of units with 500 or more workers. But big labor has been going after small business with a vengeance and has been very successful at it. For the same period the NLRB supervised 3,865 elections in units with fewer than 20 employees and unions won 57 percent, nearly three out of every five organizing drives for small units. Small businesses with small groups of employees are clearly easy targets for the big labor leaders.

These statistics document a situation distressing but familiar to many small businesses. Not only do they usually lack regular counsel on labor affairs and laws, but they often lack the time and resources to effectively fight any organizing drive. Small business owners do not sit in board rooms giving orders. They are often their own foreman, inspectors, accountants, and janitors. They cannot take the time to print placards or organize employee rallies to discuss their views on unions. They are sharply restricted by law and NLRB decisions as to the type and content of contracts with their employees on the union issue. And they are often unaware of any movement toward unionization of their firms until they are presented with the certification petition by the NLRB. By then the union has done all its advance work and the business owner faces a stacked deck. Such circumstances sometimes lead employers to feel pressured and react precipitously, especially if they are unfamiliar with the nuances of the federal labor law, as most small business owners are.

This bill, in the name of streamlining "procedures", will further handcuff the small business owner who is faced with an organizing campaign from a sophisticated, expertly advised national union. The elections would be even quicker and the penalties would be even harsher.

This viewpoint of labor law reform—based on the realities of the small business owner's environment, is substantiated in a recent analysis by the Small Business Administration (SBA):

. . . The Labor Reform Bill will give unions an unfair advantage over small businesses who have neither the time or expertise (including resources to acquire the expertise) to walk the very thin compliance line proposed by the bills. Since the penalties for noncompliance are so severe, most small businesses confronted with a union organization drive will likely give up in advance rather than risk any action which might be construed later to have been illegal. This will result in unnecessarily increased costs which small businesses are least able to pass on to consumers. Projected further, this means many more small businesses going out of business.

Congress is responsible for legislating in the public interest. Trade unions now are large, powerful bureaucracies. What is good for big unions and their leaders is not necessarily good for the nation. Federal labor laws must strike a balance for workers, among unions and businesses, large and small. Each has different needs and problems. The Senate should realize that S. 2467 will badly tip that balance against small business.

THE LABOR REFORM ACT AND SMALL BUSINESS; THE DANGERS OF AN "EXEMPTION" TO THE NATIONAL LABOR RELATIONS ACT

On Friday, May 26, 1978, Senate Majority Leader Robert C. Byrd (D-W. Va.) proposed an amendment to the Labor "Reform" Act which would codify existing jurisdictional limits set by the National Labor Relations Board. It was argued that this amendment would satisfy the objections of those who opposed the "Reform" bill because of its impact on small business, on the grounds that under this amendment such businesses would now be "exempt" from the National Labor Relations Act as amended by the bill assuming it is passed. This is a phony premise! In fact, implicit in this amendment is the admission that the Labor "Reform" Act is anti-small business. Nevertheless, this amendment does nothing to protect those small businesses already covered under the Board's jurisdictional tests from the blatantly pro-union provisions of the "Reform" bill. Moreover, the amendment goes even further and strips away the protection afforded by the basic labor law to those small businesses and their employees who may not now be covered but who may become involved in labor disputes over which the Board would have exerted jurisdiction but, under the Byrd amendment, would be prohibited from doing so.

Thus, the Byrd amendment helps no one and hurts those small businesses who would be disenfranchised from the National Labor Relations Act.

SCOPE OF THE NLRB'S JURISDICTION

As further evidence that the Byrd amendment is simply a ploy to mislead those who recognize the adverse consequences this bill will have on small business, consider the following. According to the NLRB's own statistics about 847,497 businesses are presently covered under the Board's discretionary jurisdictional limits. These businesses employ some 44 million employees, or about 75 per cent of the country's covered workers. Approximately 647,000 of these businesses are non-union. These are the targets for union organizing and the proposed amendment does nothing to protect these small businesses from the pro-union inflationary provisions of the so-called Labor "Reform" Act. These companies lack the financial resources and the sophistication to counter professionally-managed union organizing drives and, in effect, will be forced to capitulate to union demands under the provisions of S. 2467. The Byrd amendment offers no help to these small businesses whose opposition to the bill remains adamant.

The Byrd amendment completely misses the mark in attempting to meet the objections of small business to S. 2467. No group has objected to the provisions of basic labor law, the National Labor Relations Act. In fact, small business has consistently maintained that the present law is balanced, and has served the purpose of promoting industrial stability. Yet the amendment would permanently exclude "smaller" businesses from coverage under the Act, while at the same time subject small businesses to the harsh provisions of the "Reform" bill, which would permanently tip the balance in favor of unions. The "protection" afforded by the amendment is illusory and would have the perverse effect of limiting the protection of the Act while at the same time giving union organizers everything they ever wanted to force unions on small businesses already covered.

Mr. BARTLETT. Mr. President, the above discussion demonstrates that there are substantial problems posed by many of the major provisions of H.R. 8410. An intelligent discussion of the bill requires that these problems be raised so that the Members of the Senate understand that many of the provisions designed to expedite Board case-handling procedures will not serve their intended goals. There can be little question that H.R. 8410 does not constitute even a partial effort at true "labor law reform." By focusing solely on the alleged abuses of management, the bill does not address several areas which are in serious need of correction.

At the same time, there are provisions in the bill which, while objectionable in part, have less of an impact on responsible employers. Such provisions include section 11—mandatory injunctions, section 4—rulemaking, and section 13—stranger picketing. Although these provisions are less objectionable than the others mentioned above, they still reinforce the argument that this attempt at reform will merely lengthen the process and fail to provide true reform to individual workers.

7. PRELIMINARY INJUNCTIONS

Under the current National Labor Relations Act, the Board has discretionary authority to seek injunctive relief to reinstate a discriminatorily discharged employee.

Section 11 of H.R. 8410, which amends section 10(1) of the act, requires the Board to petition for a temporary injunction to reinstate a discriminatorily discharged employee. Only cases occurring in a representational campaign before the first contract is signed or during a campaign to deauthorize or decertify a union would trigger this mandatory action.

Mr. President, the necessity of amending section 10(1) of the act with respect to cases arising under sections 8(a)(3) and 8(b)(2) of the act is highly doubtful because other sanctions are more than an adequate deterrent to recalcitrant employers.

Injunctive relief is time consuming and duplicative because it requires the aggrieved party to appear before an administrative law judge and a Federal district court judge. Furthermore, in light of the prediction by the General Counsel of the Board of a "dramatic increase in the number of 10(1) petitions," it is perfectly apparent that it is not feasible to implement this provision.

A final factor weighing strongly against this provision is that nearly all discharge cases depend on credibility resolutions which, in turn, necessitate a full hearing so that the demeanor of the witness can be properly evaluated. Because Board attorneys under this provision will be entitled to proceed directly in the Federal district court on the basis of a "reasonable cause" determination that the charge is true, Federal district judges will be forced to render decisions without the beenfit of the in-court testimony of the appropriate witnesses. In sum, this provision is unnecessary and will further clog the Board and the courts at a substantial expense.

8. RULEMAKING POWER

The Board currently has rulemaking authority but has chosen not to use this

authority due to the complexities involved in this area.

Section 4 of H.R. 8410, which amends section 6 of the National Labor Relations Act, authorizes the Board to promulgate rules concerning equal access, resolution of disputes concerning eligibility of voters, and holding of elections in cases in which an appeal to the Board has not been decided prior to the date of the election. The Board is also charged with promulgating rules to determine whether certain units are appropriate for the purposes of collective bargaining.

Establishing bargaining units through rulemaking is an untried concept in the private sector. The Labor Board has traditionally evidenced a hostility toward the use of rulemaking. See, for example, F. McCulloch, "Procedures Employed by the NLRB for Determining Policy," 1964 proceedings, ABA Section of Administrative Law; Bernstein, "The NLRB's Adjudication Rule Making Dilemma Under the Administrative Procedure Act," 79 Yale L.J. 571 (1970). Indeed, former Chairman McCulloch considered rulemaking to be a "cumbersome process * * * that necessarily impedes the law's ability to respond quickly and accurately to changing industrial practices."

While the drafters of H.R. 8410 believe that rulemaking should be used in representational cases, the Labor Board has previously rejected such an approach. In 1971, the American Association of University Professors filed a petition requesting that the Board issue rules "to guide the determination of issues in representation cases involving faculty members in colleges and universities." Denying the petition for rulemaking, the Board stated:

> The Board considers that the Petition properly points out that the Board's unit determinations in this area should take into account certain practices and organizational structures which do not parallel the traditional practices and organizational structures in private industry. The Board's information to date, however, suggests that there is also a great variety in this regard within the academic community, and also that the practices and structures in universities and colleges are undergoing a period of change and experimentation. The Board believes that to adopt inflexible rules for units of teaching employees at this time might well introduce too great an element of rigidity and prevent the Board from adapting its approach to a highly pluralistic and fluid set of conditions. Accordingly, the Board shall deny the petition.

The reasons advanced for rejecting rulemaking in the academic community in 1971 are equally relevant today. Moreover, a review of rulemaking in the public sector illustrates limited utility for its use in private sector representational cases.

Rulemaking in Massachusetts and Florida resulted from the fact that the parties and agencies involved agreed that the establishment of bargaining units at the outset of a new legislative scheme would best be achieved in one proceeding rather than case-by-case adjudication. The procedures employed in those States can best be analogized to a consolidated representational case. Indeed, in Florida, for example, the pending representation cases involving State employees were essentially folded into the rulemaking proceeding.

From a logistical point of view, it is a very difficult and time-consuming task to establish bargaining units through rulemaking. While general criteria can and have already been developed, the application of that criteria will vary depending on the facts of a particular case. For example, the Board has long exercised its rulemaking authority concerning voting eligibility of employees on layoff or leave of absence with a reasonable expectation of return to work. Despite the rules, however, litigation has not been avoided, and it is likely that codification of bargaining units will have the same result.

The value of rulemaking is in establishing a framework which can be applied on a uniform basis. Bargaining unit determinations, however, have never been susceptible to such a standard. According to an extensive study conducted on behalf of the industrial research unit of the Wharton School of Finance and Commerce, it was concluded that:

> [T]he vacillating trends and inconsistent results in many of the unit cases provide substantial evidence of the severity of this problem. An analysis of these same cases will reveal that much of the confusion in the area of unit determinations is attributable to the Board itself.

Another example of the highly tenuous basis for proponents of this section is revealed in a statement contained in the Senate Report (page 20) that "[E]xamples of such plainly appropriate units approved as a matter of course by the Board are single plant units. * * *" However, a careful review of the case law on this subject reveals extensive litigation concerning the single plant vis-a-vis the multiplant unit, particularly where there is a high degree of functional integration of the employer's operations. As an indication of the disparity of thinking by Board members as to the proper unit configuration with respect to the single plant versus multiplant unit, member Leedom, in a dissenting opinion in *S. D. Warren Co.*, 144 N.L.R.B. 204 (1963), Aff'd. on other grounds, 353 F. 2d 494 (1st Cir. 1965), asserted that his colleagues' decision represented "an arbitrary grouping with no rational foundation."

The problem with H.R. 8410 is that it assumes that the Labor Board is capable of establishing hard and fast unit structures by rulemaking. We must, as the Labor Board did in rejecting the AAUP rulemaking petition, seriously question such a capability. The adoption of bargaining unit rulemaking could well have a negative impact on existing collective-bargaining arrangements, in cases where long-standing collective-bargaining units would not coincide with newly created Board unit rules. The negative impact on labor relations stability of such a scenario would be very significant.

E. ILLEGAL WORK STOPPAGES

Under the current law, injunctive relief may be obtained under certain circumstances against wildcat strikes, but not against stranger picketing.

Section 13 of H.R. 8410 provides that an employer may seek injunctive relief against stranger picketing where the picket line is not maintained by a labor organization in connection with a labor dispute. As a result, injunctions would not be available if the picket line is maintained by a labor organization in connection with a labor dispute.

An employer can also secure injunctive relief if the refusal to work is not authorized, initiated, or ratified by a labor organization. If the union does authorize, initiate, or ratify the illegal activity, no restraining order can issue under this section.

An analysis of this provision must necessarily begin with a review of the Supreme Court's decision in *Boys Markets, Inc.* v. *Retail Clerks' Union, Local 770*, 398 U.S. 234 (1970), and *Buffalo Forge Co.* v. *United Steelworkers of America*, 428 U.S. 397 (1976). These decisions both involve the availability and utilization of injunctive relief under section 301 of the Labor Management Relations Act. In Boys Markets, the Court held that an injunction may issue when a strike takes place over a grievance which the parties are bound under the terms of the collective bargaining agreement. In Buffalo Forge, in a divided 5-to-4 decision, the Court, in considering the propriety of injunctive relief in sympathy strike situations, held that injunctive relief was not appropriate.

Boys Markets and Buffalo Forge are cases illustrating the divisive nature of Federal court intervention in labor disputes and a balancing of the policies contained in the Norris-LaGuardia Act and section 301 of the Taft-Hartley Act. See F. Frankfurter, and N. Greene, *The Labor Injunction* (1930); *Milk Wagon Drivers' Union, Local 753* v. *Lake Valley Farm Products, Inc.*, 311 U.S. 91, 100–03 (1940). From a policy standpoint I believe that Boys Markets, wherein the Court held that arbitration is the primary vehicle of promoting industrial peace, was decided correctly and should not be overruled. Conversely, Buffalo Forge, wherein a majority of the Justices provided a literal interpretation of the Norris-LaGuardia Act, should probably be overruled. Interestingly, the House considered a fairly expansive amendment on this issue but decided to adopt a much more limited version.

As noted by Justice Stevens in his dissent in Buffalo Forge, it is self-evident that the question of whether employees can honor a picket line is a subject for arbitral determination. However, requiring an employer to go first to arbitration and allow the work stoppage to continue frustrates not only the arbitral process but makes virtually meaningless the union's agreement not to strike. Granting injunctive relief, therefore, promotes the very policies which led the Supreme Court in Boys Markets to accommodate section 301 of the Taft-Hartley Act with section 4 of the Norris-LaGuardia Act.

As observed by Justice Stevens, the concerns which prompted passage of the Norris-LaGuardia Act were not applicable to a situation where a court was

dealing with the enforceability of an agreement:

Like the decision in Boys Markets, this opinion reflects, on the one hand, my confidence that experience during the decades since the Norris-LaGuardia Act was passed has dissipated any legitimate concern about the impartiality of federal judges in disputes between labor and management, and on the other, my continued recognition of the fact that judges have less familiarity and expertise than arbitrators and administrators who regularly work in this specialized area. The decision in Boys Markets requires an accommodation between the Norris-LaGuardia Act and the Labor Management Relations Act. I would hold only that the terms of that accommodation do not entirely deprive the federal courts of all power to grant any relief to an employer, threatened with irreparable injury from a sympathy strike clearly in violation of a collective bargaining agreement, regardless of the equities of his claim for injuctive relief pending arbitration.

Because another critical aspect of national labor policy is the concept of free collective bargaining, it is difficult to argue that the utilization of injunctive relief to enforce a bargain freely struck runs contrary to these policies. Injunctions designed to enforce what has been agreed to are far different than the types of injunctions which gave rise to the Norris-LaGuardia Act. As recognized by the Supreme Court in Boys Markets, there has been a shift from the "protection of the nascent labor movement: to evolving a policy designed to encourage free collective bargaining and peaceful settlement of disputes."

It is perfectly apparent that the issuance of injunctive relief to enforce an agreement to arbitrate and not to strike hardly brings about an abuse that the Norris-LaGuardia Act was intended to prevent. The policies enumerated in section 2 of the Norris-LaGuardia Act cover a vastly different situation than exists today.

It should, of course, be noted that in nearly all collective bargaining agreements the only promise a union makes in the entire contract is not to strike. The remainder of the obligations are placed squarely upon management's shoulders. This provision, however, undercuts the enforceability of the union's only obligation.

Against this background, it is clear that section 13 is not an adequate remedy for employers faced with strikes in violation of a no-strike clause in a collective bargaining agreement. Indeed, the Senate report emphasizes that the rule of Buffalo Forge be preserved and that the present balance between employers and unions be maintained. The recent debilitating effects of the coal mine strikes, however, are a prime illustration that an equitable balance does not exist.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield the floor to the Senator from Wyoming (Mr. HANSEN).

Mr. HANSEN. Mr. President, I thank my distinguished colleague from Oklahoma.

Mr. President, I ask unanimous consent that I may continue without this being counted as a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

LABOR UNION POWER AND COMPETITIVE MARKET ECONOMY

Mr. HANSEN. In 1944, Henry C. Simons stated in his book, "Some Reflections on Syndicalism":

Somehow, sometime, the conflict between the special interests of labor monopolies and the common interest must be reconciled. Beyond some point their exactions become insufferable and unsupportable; and their power must be broken to protect the general welfare.

Never has this sentiment been more manifest than today, on the eve of one of the most potentially dangerous pro-labor bills ever offered to Congress. To allow such a bill to pass will do nothing but strengthen the monopoly of a special interest; the largest special interest in America today, organized labor. As Mr. Simons points out, to go too far will serve no one but this special interest and will cause great suffering to all people in our country.

What is the function which a labor union ideally should accomplish in a free economy? It is difficult to accept the broad argument advanced by some economists that a labor union is by its very nature antithetical to a competitive system, that it is a fundamentally anti-competitive foreign body in the market mechanism which must ultimately either destroy this mechanism or itself be destroyed. Unions do have legitimate economic functions. Market wages are not necessarily "competitive wages." The marked immobility of a large fraction of the work force and the ignorance of many workers concerning better alternative employments provide employers with opportunities for wage exploitation which is in the interest of a healthy economy to prevent.

Insofar as unions cause subcompetitive wages to be raised to competitive levels, they help to increase output, improve the allocation of labor resources, and increase employment. Similarly, unorganized labor may confront monopsonistic or oligopolistic employers able to depress wages below the value of labor's marginal product. Again unions will be serving a valuable economic function if they succeed in redressing the imbalance and lifting wages to the competitive level. Pure monopsony, however, is probably very rare; and under present conditions the monopoly power of unions typically overreaches employer monopsony. Modern unions, that is to say, are far more likely to be making monopoly gains of their own at the expense either of employers or the public than they are simply to be holding wages at the competitive level.

Quite apart, however, from any purely economic function it may have, the labor union provides, or should provide a locus of fraternal allegiance and of self-identification in a business society whose members are bound together primarily by the cash nexus. It is the Meta-economic values which the labor union can conceivably offer to its members which make it a useful and perhaps even indispensable institution in a capitalist economy of the American type. In a society which emphasizes democratic values and personal responsibility, there is clearly a certain advantage, phychological and moral, in giving working men and women the opportunity of having an effective voice in the bargain reached with employers concerning wages, hours, and working conditions. In the absence of the union, the ingredients that enter into what an employee would consider a fair bargain are also likely to be absent. The suspicion would remain that terms of employment, whether or not just by economic standards, had been "imposed" by the employer. Moreover, many non-wage aspects of employment, grievance procedures, seniority provisions, vacation assignments, and so forth, which have important implications for worker morale are doubtlessly dealt with less arbitrarily in unionized than in nonunionized firms. In these and many other ways, a union may help to provide a valuable offset to the anonymity, the diminishment of self-worth, and the psychic insecurity which seem inevitably to arise in an attempt to preserve a stable structure in the highly unstable and intensely fluid processes of a mass-production and mass-consumption society. In the great moral tragedy of the industrial system, Frank Tannanbaum has written a philosophy of labor. He states:

It destroyed the symbolic and meaningful world that had endowed the life of the individual with an ethical character. The individual worker now had no recognizable place that he could call his own, no society to which he "naturally" belonged, and no values by which he was expected to live. The ordinary meanings that make life acceptable had evaporated. His economic insecurity was but part of a larger perplexity * * * it is against this background that the role of the trade union must be examined. In terms of the individual, the union returns to the worker his "society." It gives him a fellowship, a part in a drama that he can understand, and life takes on meaning once again because he shares a value system common to others * * *

Certainly, the pursuance by unions of fraternal and social goals of this type must serve to promote the health of an industrial society. At the same time, there is room for doubt concerning the extent to which unions themselves have understood and accepted these objectives. The primary goals have been and are economic and unions have typically aimed at "more and more" in Samuel Gomper's famous phrase. The economic goal has become the all-pervasive one and the cash nexus, far from being overcome, dominates union theory and union policy. As unions have grown big in the pursuit of "more," the individual member has dwindled in importance. Perversely, unions often elect to support programs and objectives which deny the feeling of self-worth and extinguish individuality. The anonymity of the work place is reinforced by the anonymity of the union card. The structure of wage rates, for instance, should idealy be a highly differentiated one to correspond to the very different talents, personalities, and preferences of the individuals who compose the labor force. Society gains from such an arrangement both in

the improved allocation of its principal economic resource and psychically in the recognition of individuals' differences. But it is precisely the elimination of such wage differentials which many unions, especially those of the "industrial" type, will seek on the grounds that they are "undemocratic" or "inequitable," or that the complexities of wage administration thus introduced make it more difficult for the union to get everybody's wages lifted, or simply that the results of union activity under such a system will be less dramatically evident to the membership. The end effect of wage uniformization anyhow is—apart from the economic distortions it produces—to aggravate the general process by which the individual is smothered in the mass.

It is highly questionable whether there is in fact any profound attachment to the values mentioned on the part of those who lead labor organizations today. As Professor Tannenbaum himself concedes:

> . . . the individual worker is being immersed in an expanding association, over which he can have only decreasing control . . . the powerful national union is replacing the individual, and we are faced with the prospect that there will soon be little personal bargaining left, and, by implication, small freedom of occupational choice.

In a sense, the almost total submersion of the fraternal, noneconomic, and service goals of labor unions in the drive for "more" is but the result and the reflection of the growth in labor union power. Organizational power has its own special logic: it exists for itself and if not restrained increases in virtue of a kind of built-in multiplier mechanism. Before an organization bent on power, all that is small, local, unique, and individual must wither. From a position of relative weakness at the close of the 19th century, labor unions have risen in the second half of the 20th century to positions of strategic power unrivalled in American society. Significantly, unions entered upon the most precipitate phase of their growth in the 1930's upon receiving under the Norris-Laguardia and Wagner Acts almost total immunity from the antitrust laws. Union membership in 1913 was 3 million; today, it is over seven times this amount. Union dues run billions of dollars annually, unions' assets are estimated to be earning billions, and union trust funds run to many billions more. But these numbers convey no adequate picture of the power of unions over the economy. In a sense, membership rolls and cash assets are irrelevant to the issue of union power, for this power is strategic rather than quantitative, though even quantitatively union strength in the United States is impressive.

A vast offset to the nonunionized sectors of the economy is the concentration of membership in key industries: steel, coal, automobiles, construction, public utilities, communications, and transportation. Some unions in the mass-production industries, such as the United Automobile Workers (UAW) and the United Steelworkers (USW), number well over 1 million members each. And the power of such unions to disrupt the orderly processes of the economy and to damage the general welfare in the pursuit of their objectives is as awesome as these numbers suggest. The economic power of even the largest business organizations, subject as they are to a variety of legal and economic restraints, is as nothing compared to the power of the great international unions.

Unionism's power derives from the fact that the economy of the United States is a highly differentiated, complex, and interdependent system in which the cessation of only one activity or the breaking of only one link in the chain of production and distribution—if the interrupted function be a crucial one—can put a substantial part of the economy out of commission, if not paralyze it completely. Significantly, unions have succeeded in establishing control over just such crucial points in the economy. Moreover, the union rule that picket lines are not to be crossed, regardless of the merits of a particular strike, places strategic power in the hands of even the smallest union.

It is needful to point out at the same time that the strike itself, justified or unjustified, by no means represents the major harm that unions can inflict on society. It is the settlement which follows the strike which may impose the hardest burden on society at large. Strikes end, their descriptions, which can be immense such as the recent coal strike, are temporary even if severe, but the settlements which follow them may cause permanent distortions in factories and produce markets yielding chronic unemployment, diminished rates of private investment and thus of growth, lessened international competitiveness and balance-of-payments problems. The occurrence of any one of these developments, and a fortiori where several are taking place simultaneously, diminishes the social dividend and contracts the economic alternatives open to producers and consumers. In sum, the community suffers a reduction both in its material welfare and in freedom.

Some observers have noticed with optimism the relative decline in industrial violence in the United States over the past 25 years. But this "peace" should not deceive. For it may merely represent the increasing unwillingness of many employers, especially those of small size and limited assets, to even enter a contest with the labor union behemoths of today, knowing in advance that they can only lose. The diminishment of such employer resistance means merely that it is now the public which must pay ransom to the unions in the form of higher prices, less output, and reduced employment opportunities.

Will unionism's power naturally diminish with the slower growth of unionization as many allege? In recent years, it is true, the proportion of organized labor to the total labor force has shown some tendency to diminish, even though membership has continued to increase in absolute terms. The reason for this development is to be found in the declining percentage of production ("blue-collar") workers in the labor force and in the corresponding increasing percentage of white-collar workers, clerical workers, and the service occupations in general—all of which groups have traditionally resisted union organization. nevertheless, it would be a serious mistake to infer from this development that the power of unionism over the American economy will recede in the near future. On the contrary, the very slowdown in the rate of unionization suggests that unions have already saturated those sectors of the economy which are organizable, or which it pays to organize. Moreover, the fact that unions' energies and funds no longer have to be devoted to the same extent as formerly to recruitment and organization means that these resources can be directed to the more effective consolidation of existing union power.

Union energies not spent in organizational work may, in the future, be expected to spend themselves all the more in achieving the ultimate objectives for which organization was undertaken in the first place.

Examples of this transference of effort are the numerous mergers and alliances of formerly independent unions which have been proposed or accomplished in recent years. Working coalitions of unions with related interests have emerged in many different fields. Consolidations are planned or have been carried through for the aircraft-missile industry, the airline industry, and the oil and chemcial industries, and many more, all of them aimed at giving the unions even greater "bargaining" power than they now possess in dealing with employers.

Most ambitious, and in terms of the resulting power potential, most ominous of the consolidation efforts has been that sponsored by the International Brotherhood of Teamsters. The enormous power for destruction of such a labor colossus, should it ever materialize, is appalling, but not much more so than the existing quantitative and strategic power the Teamsters already possess. With its millions of members, the Teamsters is by far the largest single union in the United States. In the words of the late Robert Kennedy, when he was counsel for the Senate select (McClellan) committee, it is "a union so powerful, that it is certainly the mightiest single organization in the United States next to the Federal Government itself * * *."

In 243 days of hearings, shocking disclosures before the McClellan committee called the Nation's attention to the unsavory Teamster record of extortion, graft, racketeering, violence, and intimidation. The misrule and the misdeeds of the corrupt satrapy of the giant union were analyzed and exposed in the testimony of over a thousand witnesses. The public outcry was great and there were numerous demands that something be done to eliminate hooliganism from the labor movement. To be sure, the Teamsters were expelled from the AFL–CIO and a number of legislative changes were made with the intent of restraining unions' "unfair practices." But neither

revelations nor public outcry slowed the Teamsters; indeed, in a disturbing reversal of logic, the union subsequently experienced one of its most rapid periods of growth. The reason is that none of the actions which were contemplated or enforced against the Teamsters were calculated to deal with the real cause of Teamster bad practices: the vast, unrestrained, irresponsible, and corrupting power of the union itself, the fundamental difficulty was singled out by Senator CURTIS of Nebraska during the course of these McClellan hearings:

> Congress cannot expect a cleanup in labor-management relations until we do something that we haven't done to date at all, and that is to deal with [the] power and immunities and compulsion in the field of unionism that invite the wrong kind of people to go into union leadership.

It is surprising that the aforementioned hearings took place in the early sixties and in 1978, the Teamsters is still no better off.

Labor union power, that is to say, has not only an ethical dimension; it is not only the commission by union functionaries of crimes of all sorts which is disturbing. Far more important is labor's unchallenged economic power, a power which it can and does exercise within the law as presently constituted.

"Collective bargaining," as the term is customarily used in economic textbooks, is purportedly a mechanism for correcting the imbalance of power between the "defenseless" single employee in dealings with the "all-powerful" employer. The transmutation which the term has undergone in the quarter century which has elapsed since passage of the Wagner Act (1935) finds pungent illustration in Jimmy Hoffa's description of how "collective bargaining" is conducted by the Teamsters:

> First we close down this guy's outfit where the trouble is. However, if he doesn't settle we close him down [i.e., prevent him from doing business] in the surrounding States. Then if he still won't settle, we close him down across the whole ——— country.

(Mr. LONG assumed the chair.)

Mr. HANSEN. Mr. President, it will be objected that the Teamsters are not typical of the American union movement as a whole and that it is unfair to draw conclusions respecting labor unions in general from the Teamsters' record. It is admitted that the "bad practices" and the cruder forms of Teamster behavior are in many ways peculiar to that organization (though other unions, the New York waterfront unions for example, have even more noisome histories). But the Teamsters can unquestionably be regarded as representative of a new and critical turn in American industrial relations: the accumulation in the hands of great labor unions of economic power so enormous that it threatens the very foundations of democratic order, one of the prerequisites of which is that the State shall hold the monopoly of coercive power. The teamsters are but the advance column of a general movement in which powerful unions are emerging as States-within-the-State, occasionally supported even by paramilitary formations using the devices of mass picketing and the threat of violence to exact tribute from the people.

Unions achieved their early gains helped by the general belief that they are institutions indispensable to a democratic society, but they have now reached the point where, in Henry Simon's image, they roam the country like great bandit armies, collecting ransom from the sovereign and waging economic warfare on the people.

The malfeasance of labor union bosses of the modern stripe, bad practices such as featherbedding, jurisdictional strikes, interunion raiding, stranger picketing, secondary boycotts, and the crimes of unions generally are in the this light merely incidental to their economic domination of society—inevitable blemishes on the vast escutcheon of almost total power. It is a fact David McCord Wright states in his book, "Regulating Unions," that—

> Even if there were no racketeering, no violence, no goon squads, no sit-down strikes—even if every pension fund were honestly and intelligently administered—even if every union leader were a personally honest and highminded man—there still could be need for restraints upon union activities [because] honest men can force the economy into inflation or unemployment—by mistakenly asking too high a level of money wages. Honest men can high-mindedly prefer security in work routine to technical change and thus hold back the standard of living of the poor . . . honest men can in the name of equality, destroy incentive, opportunity, and saving.

Historically, a pronounced cultural lag has characterized most discussion of the labor issue in the United States: A fund of sympathy has been reserved for an underdog who has in the interim become topdog. Fortunately, the aggressive, unrestrained, and monolithic phenomenon which labor has become is coming under closer scrutiny by many people. As the awareness of this transformation spreads, however, there is a danger of over-compensating for it. The group anarchy and injustice which labor union monopoly—in collusion with other private agglomerations of power—has imposed on much of the economy may find its remedy in an authoritarian system of one kind or another. Menacing steps in this direction have already been taken.

As an alternative to Government takeover of the economy, it is asserted that both labor unions and management groups must become more "socially responsible." But does anyone seriously imagine that the swaggering power of unionism today will be contained by appeals to its altruism and magnanimity? The law gives unionism practically carte banche in the pursuit of "self-interest," and in any event there is no reason to suppose that unions should or could abandon the pursuit of self-interest in favor of some higher goal. Unions themselves have, on occasion, vigorously asserted that any public interference with the pursuit of self-interest objectives by unions would be contrary to the principles of a free enterprise economy. If the fundamental axioms of the market system is valid, there is as little reason for labor unions to give up self-interest as there is for the enterprise monopolist to abandon the maximization of profits to the end that he may more effectively assume his "social responsibility." It is not the union or the businessman which is evil; evil is the context of power within which self-interest is pursued. Both business organizations and unions necessarily meet their social responsibilities when they stick to their knitting within a context of vigorous competition. The pious hope, so frequently expressed, that all the power forces in our economy will one day learn to accept their responsibilities is to be commended. It is nonetheless futile. "Guidelines" may be laid down and adjurations made to unions and entrepreneurs to observe them, but this kind of "economics by admonition" is nothing but an amiable substitute for price control which tends to lead to the same irrationalities and restrictions of freedom as does price control of the more formal type.

The evil of excessive power in economic life can be corrected not by treating its symptoms but only by dissolving the power structure itself, that is to say, by the restoration of competition. It is merely silly, as Simons observes:

> To complain because groups exercise power selfishly. The mistake lies simply in permitting them to have it. Monopoly power must be abused. It has no use save abuse.

The phenomenon of overweening labor union power is ultimately a constitutional and political problem: Its solution must be found within the context of the basic political philosophy which the Nation accepts.

At the same time, this power has an economic dimension and it is at the bottom of the economic damage which it inflicts on the country. Moreover, labor unions have grown to their great estate ostensibly as economic and not as political entities; they have established themselves with economic arguments and they continue to demand special privileges and immunities accorded to no other groups in society on the basis of alleged economic benefits provided to society. The labor interest has traditionally been identified by the unions with the public interest. The diagnosis of labor union power, therefore, properly begins with an inquiry into its consequences for general economic welfare. The question, moreover, which must be asked today is whether unions, as presently constituted, fit into the American economy at all. How much abuse from labor monopoly can the market mechanism absorb before it breaks down completely?

The modern industrial economy owes its immense productivity primarily to the division of labor and to the extremes—as an automation, for example—to which it has proved possible to push the division of labor. The greater the division of labor, however, the more interdependent is the economic system, the more sensitive to every slight disturbance, and the more prone therefore to crisis and upset. Such a system can function effectively only if the central task of coordinating its millions upon millions of moving parts is successfully and continuously

accomplished. There are only two ways of effective organizing such an economy: By means of the market—vulgarly called capitalism—or by means of a centrally administered plan—planned or socialist economy. In the one case, the fundamental decisions as to what shall be produced and how much of it, and how resources are to be used, are made by the people in the marketplace; in the other case, these decisions are reserved to the central authorities who establish targets for production, consumption, and investment and allocate resources, including labor, in conformity therewith.

The market, functioning much like a giant computer, solves the problem of coordinating the incalculably large number of private economic activities to which the division of labor gives rise spontaneously and anonymously and yet, mysteriously, in such a way as to maximize the return to society from its available economic means. Millions of men, each pursuing his own interest, thousands of firms, each maximizing its own profits without a concern for what goes on elsewhere, discover that their selfish activities advance the interests of the total society, where competition is present, more than if this goal had been deliberately striven for. Scarce resources are conserved, all resources are moved to their most productive employments, urgent demands are given preference, and individual satisfactions are maximized—within the limits of income—in a manner which no system directed from the top has ever been able to duplicate. Essentially, as Professor Hayek has noted, the price system and the market in which prices are formed constitute an immensely complex and at the same time extraordinarily efficient communications system.

The centrally administered economy of the type exemplified in the Soviet Union can accomplish some of the functions described above—the proofs of it are only too obvious—though only with gross inefficiency. Some consumers, firms, and industries are woefully undersupplied, others are extravagantly or wastefully oversupplied. Inefficiencies of this kind are inherent in the planned system; they are the price that must be paid for its inadequate economic communications system. The system would not work at all, however, if private persons were able to go their own way, economically speaking and, in effect, countermand the objectives of the plan. Coercion is literally the order of the day in a planned system and that is why economic planning and personal freedom are irreconcilable. Needless to say, a collectivist system of the Soviet type cannot tolerate unions of the American type. There is no place in such a system for collective bargaining, or strikes, or picketing, not only because such activities would inevitably jeopardize the "plan," but because they would require a sharing of the State's monopoly of coercive power and violence, unthinkable in a totalitarian State as it is problematical in a democratic one. Not only labor services, but the laborer is a commodity in such a system; it is the power of the central authorities to shift labor and other resources to different employments at will that makes possible the striking sectoral accomplishments of the type exemplified in Soviet heavy industry, missiles, and rocketry.

All of this is commonplace enough and would not require emphasis were it not for a widespread confusion concerning the nature of the market mechanism reflected in the use of the term "mixed economy" to describe the American system and the acceptance of such mixture as an ideal. Would an ideally "mixed system" be one directed 50 percent by the Government and 50 percent by the market? Such a system, it is clear, would yield nothing but chaos; Government plans for production, consumption, and distribution would be unworkable for they would be in conflict at every point with private plans expressed in the market place. The market mechanism, in turn, would be continually fouled by Government interventions affecting half of the decisions to be made. It is for this reason that a fully planned economy will be more efficient, in an economic sense, than a half planned one. Eloquent testimony to this truth is provided in the dismal economic performances of democratic socialism in the years following World War II. The discovery that mixtures of freedom and planning will not work has forced Western socialism into the strangest of byways, for the masses, among whom socialism presumably finds its principal support, have discovered the productive and stabilizing power of the market economy and no longer want to give it up. Western Socialists, paradoxically, no longer advocate "socialization" and "planned economy." Lately, their criticisms of the incumbent conservative governments often amount to charges that the latter are not pursuing market economy vigorously enough!

But if a society determines to solve the central economic problem of coordinating the disparate activities of a specialized industrial economy by means of the market rather than by means of a consciously elaborated central plan, it is essential that the systematic character of the market method be understood and respected. For the market economy is necessarily a unitary process, a scheme of order no part of which may be interfered with without affecting the performance of other parts of the system and therefore of the whole. Failure to take sufficient account of this characteristic has led in the past to gross errors in economic policy. People imagine that it is possible to isolate a given segment of the economy, or a particular economic phenomenon—wages, farm prices, investment, inflation, foreign trade—and deal with it on its own terms without regard to the possible reverberations on the rest of the economy. The inevitable result of such ad hoc interventions is to create a new disorder for every old one temporarily patched up.

On the other hand, there is a very wide range of Government interventions of a certain type which are essential to the functioning of the market economy, without which it would immediately collapse. For this reason, it is useful to distinguished between those interventions which conform to the market, (that is, those such as the pure food and drug laws, taxes, tariffs, and so forth, which do not interfere directly with the formation of prices) and "non-conformable" interventions, (that is, those such as the setting of maximum or minimum prices or wages, import quotas, exchange control, and so forth, which vitiate the supply-demand mechanism). It is on the framework of the market economy that the conformable activities of Government are most desirably located. These framework functions of Government, as they pertain to the economy, include the establishment and maintenance of an appropriate and stable monetary and fiscal system and the establishment of rules and regulations designed to maintain competition. Of course, many other things the Government does on the framework impinge on the economic system; no market economy could function for a day without the implementation of the whole body of laws established to protect basic rights and to advance the interests of a just and a free society. Moreover, the State itself is only one of a host of institutions—cultural, moral, religious—which surround and support the market, softening the outcome of the competitive struggle and taking care for the things that lie beyond supply and demand. To call such a system a "mixed economy" is to grossly abuse the term. The framework functions of Government in a free society are not to be confused with nonconformable interventions in the market nor yet with the planned economy.

It is above all competition with which the market economy stands or falls. For it is competition which prevents private persons or groups from acquiring coercive power over others. Monopoly power exercised by business or labor groups vitiates the law of supply and demand as surely and as effectively as do nonconformable government interventions. In effect, the market system suffers from a serious inherent disharmony between producers and consumers, sellers, and buyers. Producers and sellers are naturally desirous—in pursuance of the goal of profit maximization—to dispose of their goods and services on the most advantageous terms. If withholding or restricting supply will improve these terms—as it generally does—and if the power to practice such restriction is persent, monopoly gains will accrue to some segments of the population at the cost of diminished benefits for others. Consumers, on the contrary, are desirous of having supplies of goods and services as cheap and abundant as possible. But because consumers are not organized (nor apparently organizable), the organized producers and sellers are constantly tempted, one might almost say required in the nature of the case, to exploit them. Such exploitation will be normal in a laissez-faire system.

The rationale of a laissez-faire system is that a market economy will accomplish its essential coordinating and planning functions if only left to itself. This idea was joined in the classical economics, most notably by Adam Smith, with the important discovery that free

competition is an uncompromising market policeman constantly at work to prevent the producers from lording it over the consumers.

(Mrs. HUMPHREY assumed the chair.)

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. HANSEN. I am happy to yield.

Mr. LONG. Madam President, I say to the distinguished Senator that I, for one, gained the impression from reading Adam Smith that it was an error to assume that he was merely suggesting that nothing be done about the economic system. It was my impression—perhaps at odds with others who have read some of Adam Smith's writing—that his thought was that you should pass laws which would encourage competition and pass laws that would let competition, on a reasonable basis, exist throughout the whole economy; that, having done that, with laws that favor no one but give everyone a chance to compete, with laws shaped to encourage competition and to encourage everybody to make his best effort, then you should let the situation proceed on its own, without the Government running it or trying to interfere.

It was always my impression—and I ask the Senator if it is his view—that what Adam Smith was speaking for was actually a system in which we would pass laws to encourage competition, to strike at monopoly, and to prevent accommodations in restraint of trade; that having done that, we should amend the laws from time to time in order to keep achieving the same purposes; that the idea was not just to turn the whole thing loose but to pass laws that would encourage competition.

Mr. HANSEN. Mr. President, I appreciate very much the observation of my distinguished and admired colleague from Louisiana. I know of few people in this body for whom I have greater respect than I do for him. It has been my very pleasant and instructive privilege to serve with him on the Finance Committee. I must say that even if I were to be around here for many, many years, I would expect never to achieve his grasp of the forces at work in America.

I am not prepared to argue with the conclusion he might reach in reading from Adam Smith. I think what we are talking about, though, comes down to striking a reasonable balance and then trying to see, as we do from time to time, how these laws are drafted, and then move toward that balance.

I suspect that on that point possibly he and I might differ with respect to a particular law. I do not disagree that the function of this body and of Government generally is to examine society, to examine the warp and woof of the fabric that holds life together and makes possible cooperation and contemplates the various activities we engage in and which must be looked at.

I suppose what I am trying to say, Madam President, is that I detect certain evidences that the pendulum has swung more one way than it has the other; that it has not quite struck equilibrium. I would be the first to admit that it never will be right where everyone in the country says it should be.

I am not certain that I have responded to the observation of my greatly respected and esteemed friend, but that is the best I can do.

Mr. LONG. Mr. President, it was my impression that many people, from reading Adam Smith—and perhaps some who did not read his works at all but just heard someone talk about them and reached their own conclusion—gained the impression that he was just in favor of leaving everything alone, just do not touch anything. That could be a literal translation of the words "laissez faire."

However, Adam Smith, writing in his day, was advocating the destruction of the status quo. He was advocating that we strike down and destroy mercantilism, which basically was a system built on monopolies.

His argument was that you should destroy all those monopolies and get rid of favoritism and let the system compete; that having done that, it would work. He said that laissez faire does not mean just to leave it alone; it means let it work. Having put together a system which we hope to have a competitive capitalism, let the whole thing work, because be contended that it would work.

Some think of those who speak of Adam Smith's teaching as people advocating the status quo. If the Senator is advocating Adam Smith's philosophy today, and I take it the Senator is, he would not be advocating just to leaving everything alone; he would be saying get rid of a bunch of monopolies, strike down the restraints of trade, and let people compete.

Mr. HANSEN. I did not necessarily mean to have interpreted from my remarks, Madam President, that I was embracing any specific interpretation of Adam Smith's writings. I did call attention to what he has said because I think there is a real lesson to be learned when we speak about monopolies. I am certain I know that he and every other Member in this Chamber who is fairminded, and as far as I know everyone is, recognizes that we may have monopoly power surface in many forms. It can be on the part of employers, it can be on the part of industrialists, it can be on the part of giant corporations, and it certainly can be on the part of such organizations as organized labor.

I am not certain that my friend from Louisiana was in the Chamber when I quoted Senator KENNEDY, but the fact was that he, too, recognized the monopolistic power of the Teamsters. If we find that monopoly exists on one side, let us see what effect it is having. Does it simply correct an imbalance and bring things into greater or more nearly equilibrium than what they were before? Or has it indeed made itself subject to the charge of excessive power? If that is the case then let us swing it back the other way.

Will my friend from Louisiana agree generally that it is our duty here to ask those questions?

Mr. LONG. Yes. I do not take issue with the Senator's argument. I think he is making a very fine argument.

I simply wanted to see if we can agree that the philosophy of Adam Smith is not as reactionary as some people think.

I always regarded Adam Smith's philosophy as being inspirational, even today, because what he is advocating was competition, and I think competition is good for everything.

Mr. HANSEN. I certainly do agree with my friend from Louisiana, as I generally do, and I take special note of saying that I agree with him on this specific point.

Madam President, the point is that this system is not perfect. I suspect, if we were to remain in continuous session in the next 5 years and do nothing but try to legislate in the area of labor reform, at the end of that time there would be plenty of people in the country who would say we really had not improved things at all.

But I do say this:

I am persuaded and rather completely convinced that when we talk about freedom, and that seems to be one of the great goals, one of our cherished objectives in America, I believe that it can be expressed in many ways. Certainly freedom of the marketplace is a way it can be expressed. People from countries behind the Iron Curtain who have visited America never cease to marvel at the opportunities that we have as Americans to go into the marketplace and pick, choose, and decide what we want to buy. We do not have to buy shoes that the Soviet hierarchy has decided will be offered to the typical Russian consumer. Sometimes I think maybe we have gone a little overboard. But we can buy American shoes, and they are in decreasing supply now because there has been a great infusion of shoes from Italy, Spain, and other countries around the world. We have an opportunity to be very selective and what, in effect, that does is to challenge the American manufacturer to challenge the rest of the world to try to see who can best produce, what will sell when people are given the opportunity to make the kinds of choices that the American market today provides. I do not want to change that, and I know that my good friend from Louisiana does not want to change that.

I think that we are also probably at a point in Goverment in America today where there are many people seriously questioning the wisdom of Government to determine what is best for the people.

I think that the so-called tax revolt today underscores a widespread and pervasive conviction on the part of the majority of Americans that, after all, each of us who makes his income or who earns his wages should be given a greater opportunity to spend it in the ways that he wants to spend it. Maybe he will be a little more charitable, if government were to relinquish some of the power it has assumed in recent decades to attempt to be all things to all people.

I have listened a number of times to my very admired chairman of the Finance Committee, Senator LONG, when he has talked about what would result

if people had a little greater opportunity to spend their disposable income in ways that satisfied them and how it would relate to greater employment in this country. He has convinced me that indeed in some respects we have gone too far in taking choices away from people, and it is time to swing things back and to let the average person have a little greater say in disposing of his disposable income.

I thank my good friend and admired chairman for the contribution he has brought to this discussion and express also my appreciation to him for his very keen leadership as chairman of the Finance Committee. I wish only to observe, Madam President, that I think this country would be well-advised to read some of the speeches and hear some of the observations that Senator Long has made. If we were to take those to heart, I suspect we would find a marked decrease in unemployment in this country, we would find a sharp rise in investment in American industry, we would find an expansion of job opportunities, and we would put a lot of people to work who now are unable to find positions simply because for too long we have pursued the illusionary goal that Government can do all things for all people, that Government is smarter than the average American, that Government should supplant the individual choices which we have been able to make over these years for it's own choices.

I thank my friend from Louisiana.

Mr. LONG. I thank the Senator.

Mr. HANSEN. As I was saying earlier, the expectation in the early phases of capitalism that a completely unregulated economy would insure the promotion of the general welfare was not fulfilled. Great as was the discovery of the regulating principle of competition by the classical economists, it was coupled in their minds with the fatal error that competition was self-maintaining, that in fact it is best attained and maintained by a policy of laissez-faire. In fact, freedom was used in the "free" economy to form trusts, cartels, monopolies, that is, to destroy market freedom.

On monopolistic or almost monopolistic (oligopolistic) markets, prices are unable, or only very inadequately able, to fulfill their functions of allocating resources and distributing output optimally (that is, with reference to the needs of consumers, at least cost). As economic systems are deformed by ever more numerous concentrations of power, price systems become increasingly unstable and susceptible to crisis. Group anarchy replaces the sovereignty of the consumers. Valuable lessons in these respects may be learned from the decay of the market economy in Europe in the inter-war period (1919–39). Cartels, monopolies, Government interventions of every description, selfish demands by powerful pressure groups, and the confused directives of "democratic socialism" all but paralyzed the economies of the European countries; these truly "mixed systems" created conditions of misery and uncertainty that were eventually exploited by various "men-on-horseback." Thus did the "free" economy as then understood pave the way for economies of the centrally-administered type. In retrospect, it may be said that it was not the market mechanism as such (a neutral device) but the particular institutional, legal, and cultural matrix in which this mechanism was embedded, with its mistaken conception of the roles of the market and of the government, which was responsible for demise of old-style European capitalism.

It was the historic good fortune of the United States that enough persons recognized at a relatively early date the fundamental deficiencies of a laissez-faire system to make possible the enactment of legislation (Sherman Act, 1890) which in effect abolished this system as far as the business community was concerned.

I think I have just spelled out in my prepared remarks the thought that prompted the Senator from Louisiana to raise the questions that he so incisively propounded to me. I think it was this course that he was talking about, that simply to leave everything alone was not good enough, and it would not serve Government well and, of course, that is the point that I have just addressed here in discussing the antitrust laws.

The antitrust laws established the state as the guarantor and enforcer of competition in the product markets; unquestionably, they helped preserve the United States from the fate which overtook European old-style capitalism, though they were far from providing a complete solution to the problem of enterprise monopoly.

The antitrust laws were aimed primarily at enterprise monopoly for at the time unions were widely regarded as underdogs in an economy dominated by powerful trusts. Due in part to this sympathetic emotional aura in which the role of the early unions was viewed, but primarily to confusion on the part of economists and the courts respecting the meaning of "monopoly," the unions were specifically exempted by the Clayton Act (1914), sections (6) and (20), from the significant provisions of the antitrust laws. These exemptions have rendered the position of the law and the courts toward competition ambivalent: On the one hand, competition is actively, and in recent years even vigorously promoted in the product markets; on the other hand, it is for all practical purposes enjoined in the markets for labor, the most important single resource of the economy. By declaring the labor of a human being to be "not a commodity or article of commerce" (Clayton Act, section (6)), the Congress in effect laid down the premises needed to take labor and wages "out of competition."

It is clear that both legally and emotionally, labor unions enjoy a special position in the American system: they have been taken out of the competitive frame. Putting them back in that frame will assuredly prove a most difficult but hopefully not impossible task. For the difficulties are largely conceptual and semantic. If verbal misunderstandings can be cleared up, a great deal will have been accomplished in the direction of fundamental reform. Basically, the problem is one of determining to what extent unions are or ought to be competitive and to what extent they are and ought to be monopolists.

In our present situation, unions exist with this monopoly power, free from antitrust regulations. Moreover, the trend in recent years has been to augment this power rather than to restrict it or use it for more beneficial economic causes. The Labor Reform Act is one more piece of legislation which aims to strengthen the grip of unions over workers and employers in the United States. To allow this to occur is to ask for more disruption and more centralized planning in America's economy. At some point, power groups have got to be stopped. Defeat of this proposed legislation is only the first step to limiting economic effects of large organizations and restoring to common people more control in the destiny of the United States.

Madam President, I know my distinguished and cherished friend from New Jersey would like to propound some questions and, without losing my right to the floor, I would be happy to try to respond.

Mr. WILLIAMS. Mr. President, I wonder if the Senator will yield for just a few minutes while I refer to a record that has been developed here that is responsive to his earlier remarks that included references to the studies and investigations of the McClellan committee when our colleague, the late Senator Robert Kennedy, was the staff director of that committee.

Mr. HANSEN. I would be happy to yield.

Mr. WILLIAMS. I thank the Senator.

I wanted to point out that, perhaps the Senator was not here, but on Thursday our colleague, Senator KENNEDY, of Massachusetts, fully described the Judiciary Committee's action and then the Senate's action on the criminal code revision—S. 1437.

In this speech the Senator from Massachusetts made three basic points:

First, the fact that some unions and union members may commit crimes is no justification for indicting the entire labor movement or for opposing this bill.

Second, in answer to those who maintain that the bill before us now is deficient because it does not address the issue of union criminal activity, the Senator from Massachusetts discussed six provisions of law which are presently on the books, which specifically address the problem of union corruption. Plainly, Federal criminal law is more than adequate to deal with illegal labor conduct. Finally, Senator KENNEDY answered the charge that the labor movement has shown little interest in cleaning up its own house by pointing out that the AFL–CIO vigorously supported the work of the Senate Judiciary Committee in drafting the criminal code revision which we had before us here on the floor for 10 days and which, of course, was ultimately passed.

The provisions of the U.S. Criminal Code which addressed the problems of

labor corruption and violence were substantially strengthened by that bill.

First, section 1722, deals with extortion. Under this provision of the bill there is a significant tightening of present law.

Section 1752 concerns labor bribery, a new offense, for paying or receiving a bribe to influence a union or union official's actions regarding union membership or work placement; also prohibits the payment or receipt of bribes to those who administer or exert influence over any type of employee benefit plans.

A third section, section 1731, makes it a crime to steal or embezzle assets of all trust funds established by employers, employee organizations, or their families, and not simply pension and welfare funds.

The fourth provision Senator Kennedy discussed—and this, I think, is particularly responsive to the concerns of the Senator from Wyoming: In recognition of the need for legislation specifically aimed at organized criminal activity, the bill includes a group of anti-racketeering provisions. These are in sections 1801 thru 1806, most of these provisions carry forward the current law as contained in the Organized Crime Control Act of 1970, which of course does carry out the prior work of the McClellan committee.

However, in Kennedy's words:

Current law lacks provisions aimed at offenses involving misuse of union pension and welfare funds (section 1752) within the definition of "racketeering activity."

In contrast, he says, this provision we all voted on does include such offenses within this definition, thereby—and this is most significant—

permitting more effective prosecution of these crimes.

Here is the point:

The penalty for racketeering is 20 years. Only national security offenses and a very few other offenses have a more serious criminal penalty than these provisions dealing with racketeering activity. These were added and strengthened with the support of the labor organizations.

Our colleague went on to point out that all parties worked together in developing this measure. It was a bipartisan effort, and had not only the strong support of the AFL–CIO, but had its active contribution.

While all this was said on Thursday last, I think it is appropriate to return to it because of the concern expressed by the Senator from Wyoming. We can be encouraged that when such abuses are found, there is adequate law now, and there is going to be even strengthened law to deal with them in the near future.

I thank the Senator from Wyoming very much for yielding.

Mr. HANSEN. I thank my good friend from New Jersey for the comments he has made. I was involved in a conference, as I remember, last Thursday, and I did not get to hear our mutual friend the Senator from Massachusetts when he raised these points.

I know that my good friend from New Jersey would agree with me that there is certainly plenty of work to be done in the area of legislation necessary to clean up some abuses, some rather considerable wrongdoing, in which certain factions of organized labor have been participants. I do not mean to single them out at all, but simply to say that wherever and whenever we find abuses of power and wrongdoing, I know that he will join with me and others in trying to bring about the necessary changes in the law, if indeed they are indicated, to accomplish those purposes.

We are making progress. I have the feeling that in many respects this particular piece of legislation still has shortcomings. I will not try to enumerate them. I know that the Senator from New Jersey has been on the floor long hours and long days, has heard a great many of the arguments that have been made, and has engaged in debate in the very intelligent and informed manner, which characterizes his utterances, in trying to point out what has been done and what the abuses of the past have been, and the changes that are being sought for in this field.

I know also that, as he has said many times, we cannot make everything perfect in one bill. I agree with him, and I know we are not going to get it done this time. I happen to think we can do a better job than seems to be offered us at the present moment. I do thank him for his contribution, and I appreciate very much the contribution he has made.

Mr. WILLIAMS. I thank the Senator from Wyoming for yielding for that purpose.

Mr. HANSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SASSER). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, over the weekend I——

The PRESIDING OFFICER. A quorum call is in progress.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, over the past weekend I had occasion to chat with Dr. Pierre Rinfret concerning this matter, and discuss some of these points with him. He recently wrote me a letter—in fact, as recently as today—and I would like to put the letter into the RECORD. It reads:

DEAR SENATOR HATCH:

You have asked me to bring up-to-date our Economic Impact study on Proposed Amendments to the National Labor Relations Act. You have also asked me to take into consideration, for comment by me, of reactions to the Rinfret Associates' Economic Impact study.

Before I respond to your request, I believe that it is important to bring out certain details about this Economic Impact study which appear to have been overlooked.

This study was accepted by your organization under very strict conditions. We only agreed to accept this assignment under the condition that the sponsors would remain totally removed from our effort. The sponsors agreed that they would have no input to the study, would have no right to edit the study and would have no say whatsoever in regard to the conclusions.

This is important because Secretary of Labor Marshall was quoted in the New York Times as having said, "they arrived at the conclusions they were paid to arrive at." This statement is totally without foundation, totally untrue and a total misrepresentation of our effort. Our report "The Economic Impact of H.R. 8410 and S. 2467" is an independent and objective analysis. It represents our own work and neither its analysis or its conclusions have been influenced or dictated by any other organization or organizations.

There is a second point which needs to be brought to the attention of those who have labled our effort as a report sponsored by big business. This is an inaccurate and misrepresentative appelation. Certainly large businesses and large institutions have contributed towards defraying our cost. In actual fact the great majority of contributors are neither large nor well known organizations. It is a fair statement that the costs of the report have been defrayed by a cross-section of American industry and organizations.

This includes, obviously, both large and small business and both large and small organizations.

One of the points which we have made in our report is that in 1976 the cost of wages and salaries for union members was 16 percent higher than for nonunion wages (see paragraph two of Page 5).

Certain distinguished members of the Senate have taken this point to mean that either (1) union members are 16 percent better off than nonunion members or that (2) nonunion members are underpaid by 16 percent. These perceptions totally miss the point.

If the proposed amendments to the National Labor Relations Act were to apply to only one individual or an extremely small percentage of the total labor force, then these comments would have merit. The key question which the Senate now has to examine is whether the society as a whole can afford to increase labor costs by 16 percent at the very moment when the Wholesale Price Index has been rising at double digit rates and the Consumer Price Index has been rising at close to double digit rates.

Wage rates in industry in 1978 to date have been rising around 9–11 percent per year. If we allow for the most optimistic assumption on productivity of 3 percent per year then union labor cost this year will rise 6 to 8 percent which will certainly contribute to inflation.

It is impossible in this society at this time to increase labor costs 16 percent without contributing to inflation. Anything which adds to inflation is contrary to the national interest of the United States as indicated by the Administration itself and by the Congress. It is our judgment that H.R 8410 and S. 2467 will add to the inflationary trends to the United States and this bill represents inflation by legislation.

Another point which needs clarification is the trend of union membership. One of the arguments set forth by supporters of the proposed amendments to the National Labor Relations Act is that the trend of union membership has been down in the past decade (see paragraph three of Page 4) and that, therefore, union membership cannot be a contributor to inflation. It is obvious to even the most casual observor that union membership alone would not contribute to inflation if wage costs and productivity were identical with both union and nonunion members.

The point is that wage costs of union members are higher than wage costs of nonunion members. In 1972, union membership was 25.5 percent of total employment. In 1976, union membership was 24.0 percent of total employment (see paragraph three of Page 4).

In 1972, wage rate increases for all union workers was 5.8 percent. For nonunion workers it was 5.3 percent. In 1976, wage rate in-

creases for all union workers was 8.5 percent. For nonunion workers it was 6.9 percent (see paragraph three of Page 18). The point is that wage rate increases of union workers exceeded those of nonunion workers even though union workers represented a smaller part of the total employment. It is obvious that the unions have been able to increase wage costs at a faster rate than nonunion members even though union members have declined relative to total employment.

In our report, you should note, we continuously stress the interrelationship between union membership and costs and nonunion membership and costs. It is our judgment, and it is only a judgment, that if union membership had been increasing relative to total employment in the period 1972–1976 then union wage costs would have increased faster than they did and would have been a greater factor in inflation.

A great deal of confusion appears to exist regarding the table on Page 10 and the table on Page 11 of our report. It would appear that everyone without exception has either overlooked or ignored the conditions specified in that table. Both of the tables referred to were constructed on the basis of 1976 wage costs and prices.

The debate which appears to have raged around these tables does not seem to take into account that the data was for 1976.

I do not need to tell you that since 1976 consumer prices have risen, the economy has expanded, salary costs have increased and average hourly earnings have risen. In 1976, the Consumer Price Index averaged 170.5 (1967=100). In the first quarter, 1978, the Consumer Price Index averaged 189.9 (1967=100). In other words, the Consumer Price Index in the first quarter of 1978 was already 11.4 percent higher than the data upon which the tables on Pages 10 and 11 were based.

You asked me to update these tables and to address myself to an interpretation of the impact of an increase in unionization on consumer prices.

We have updated both of these tables. The table on Page 10 of our report and the table on Page 11 of our report have been reconstructed on the basis of first quarter 1978 data. At this point you may ask, as others may ask, why we did not put the latest data in our full report. The answer is that we were not able to time the issuance of the report nor did we realize that the conclusions based on 1976 data would be misunderstood, misinterpreted or ignored. The interesting thing is that our update justifies our analysis.

It is a fair statement that for each 10 percent increase in unionization in this society at this time (meaning, among other things, low productivity, high wage increases and high unit cost of production) there will be an increase of about 3 percent in the Consumer Price Index. Let me point out to you that 3 percent in the Consumer Price Index now works out to an increase of about 6 percentage points.

A 10 percent increase in unionization is defined to mean 10 percent more in percent of the percent of total employment who are union members.

With best regards and with the conviction based upon my professional experience H.R. 8410 and S. 2467 are inflation by legislation.

Most sincerely yours,

PIERRE A. RINFRET.

Mr. President, that is a pretty dramatic letter because he is confirming that subsequent data to 1976 proves his point that he made when he used the 1976 data, that it makes it even more dramatic than he has been able to make it in the past that this bill is extremely inflationary and will lead to double-digit inflation, and is inflationary legislation, or, should I say, inflation by legislation, to borrow the terms of Dr. Rinfret.

If we put it all together, that alone should be reason enough for this bill's defeat. But if we add to that the difficulties that the small businessmen of our society will have to undergo as a result of this bill, then there is absolutely no justification whatsoever for foisting this pushbutton unionism bill off on the people of this country.

Small business people all over this country are up in arms, as they should be, because their very livelihoods are being jeopardized, their businesses are being jeopardized, as a result of this desire on the part of this particular special interest group to have its way to the exclusion and detriment of everybody else in society.

I think the Rinfret letter, which is dated June 19, 1978, makes a very good point.

I commend his economic impact analysis, which is the only economic impact analysis really fairly undertaken in this manner, be reviewed by everybody concerned, because if it is and if we really are trying to do something in this administration to stop inflation and the inflationary spiral, then that report lends a great deal of credibility that this bill should be defeated and that my colleagues, all of whom I deeply respect, should consider ending this filibuster by an overwhelming defeat of the cloture motion.

I suspect that that will be a very difficult thing to do except for the fact that I believe that we have enough Senators who are willing to stand up and be counted in this matter and who are willing to fight this type of legislation, inflationary legislation, or inflation by legislation—to borrow Dr. Rinfret's terms—which are presently being faced with here.

Mr. President, I believe that it is important for all of us to stand up and tell it the way it is with regard to this bill. Literally, if I were to list, in order of priority, the provisions of this bill which are the worst down to those which are still bad but less than the worst, I would start with the "make-whole" remedy. There is absolutely no question that the "make-whole" section of the bill, and of the substitute to the bill, is the most detrimental aspect of this bill. That would be No. 1.

No. 2, in my opinion, would be the quickie election, which is changed by the Byrd substitute to be an instantaneous election. That is certainly bad. That is just slightly less reprehensible than the "make-whole" section.

No. 3 would be the equal access provision or the remaining punitive remedies which this bill is calling for, which are totally unjustified under the law and facts. Then we can take every other provision of the bill and show how detrimental the bill really is to the vast majority of people throughout our country.

It is particularly disturbing to the Senator from Utah, and to many of my colleagues who have expressed such strong reservations about this bill, that the "make-whole" remedy is being advanced as a worthwhile remedy. What is wrong with the "make-whole" remedy is that it takes away a right on the part of the business person to literally have judicial determination of some of the important issues bothering him. Up until now, under present labor law, and I would have to presume after this bill is enacted, assuming it is—which is an assumption I do not think anybody should make—the only way to get a determination by the courts is literally to technically refuse to bargain. It is a time-honored procedure accepted by the board and accepted by the courts. In essence, that provision would do away with that and, in addition, provide for an indexing of wages to the extent that we might have problems even worse than we have today with regard to inflation. This backs up the Rinfret report, and the letter which I have just read into the RECORD.

I would be happy, at this time, without losing my right to the floor and without having my remarks considered as a second speech under the rule, to yield for a question to the distinguished Senator from Montana (Mr. MELCHER), who I understand would like to make some comments or ask some questions.

Mr. MELCHER. Will the Senator mind yielding the floor to me?

Mr. HATCH. Mr. President, I ask unanimous consent that my remarks of this day not be considered a second speech under the rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. I yield the floor.

Mr. MELCHER. I thank the Senator from Utah, my friend (Mr. HATCH). I have a few remarks to make and following that I would like to engage in a colloquy with my friend from Utah on some of the points which affect small businessmen in particular.

Some businessmen say to me and to others in Congress, "Don't lay any more law on me. We have enough."

I know what they are talking about. My experience as a practicing veterinarian for 20 years in Forsyth, when we dealt with changing Federal regulations involving products that we sold to our clients for animal health and nutrition, brought me into confrontation with the results of Federal law that Federal agencies carry out through their regulations.

So when the small business community says "Don't lay any more law on us," I know where they are coming from.

They have not asked for this bill. They have made it clear that they are fearful of the bill.

Small business today is where the owners scramble to keep up with the bookwork, get some orders or sell some merchandise, make the deposits at the bank so they can write some checks to pay their bills. Sometimes they think they are on a treadmill, hardly ever caught up, apprehensive about rising costs and, on top of that, afflicted not

only with the sluggish economy but also, like the rest of us, must endure inflation. Their families are as hard pressed as other families.

They have read with alarm—those of them whose employees are not unionized—that this bill is a master plan of national labor leaders to organize and unionize their employees.

They have been told that by the National Chamber of Commerce. They have been told in most instances by their State chamber of commerce. They have been told that, in some instances, by their local chamber of commerce. They have been told that, in many instances, by various trade associations. They have read or heard in the news media a constant reference to this bill as a broadening of the National Labor Relations Board and an effort by unions to expand their membership.

It follows as naturally as night follows day that if that is the case those small businesses, which are nonunion now, have a great stake in what the effect of this bill would be on themselves and their employees.

Many of them have never thought or considered that a union would be interested in organizing their employees nor have they thought or considered that their employees would be interested in a union. There are at least two reasons for that; there has not been any union activity nor any indication by a union of interest in a great number of small businesses in my State that employ anywhere from 4 to 15 people. The employees have not considered a union and, if they did, their first question would be "How much does it cost me?" And, if they thought that far when told that the dues might be $10 or $12 a month, I believe they would ask, "What do I get back for that?"

So all of the talk and news media coverage has led small business to believe that Congress, through this bill, is jamming something down their throats. They remember OSHA where in my State some of the inspections in the first year or two of inspection of very small establishments seemed to be a vendetta of nitpicking their shops and stores. I well recall the specialty of one of the inspectors, a retired military officer hired by OSHA to make inspections. That specialty of his was citations when three-pronged electrical plugs were not used on electrical appliances in the store or shop. Now, I am sure he was on solid ground as far as the regulations were concerned, and doubtless there are many instances where three-pronged plugs are significant. But is a three-pronged plug really significant for an electric coffeepot? If so, God help us when OSHA inspects Senate offices.

It does sound ridiculous but small business learned during those years that the nitpicking of OSHA citations were for real and if they were not subjected to it personally they knew others who were. They are gun shy of the regulations of a Federal agency and they are gun shy for good reasons.

Earlier during this filibuster I engaged in a colloquy with the junior Senator from Utah to bring out some of the points in this bill that are of concern to small business. During that colloquy on May 23, my friend from Utah said:

I do not know how many of these cases the Senator from Montana has tried, but I am familiar with a great number of them, thousands of them.

Of course, I have never tried a case and I do not want to. But my experience in my town of Forsyth and my experience here in Congress has left me with a deep-seated conviction that is close to my heart—that I want to eliminate some of the confusions caused by Federal regulations that affect and afflict hard-working and hard-pressed small businesses.

To that end, the colloquy on May 23 between my friend from Utah and myself dealt principally with three areas of this bill, comparing it to the present law.

Briefly, those areas under existing law are:

First. Who is covered by the National Labor Relations Board? Retail stores, restaurants, hotels, motels, repair shops, movie theaters, and many other small businesses that gross annually over a half million dollars are subject to the NLRB's jurisdiction.

Second. While the NLRB has the power to set an election when the employees would vote on whether or not they wanted a union my friend from Utah stated that in 82 percent of the cases, the Board set that election date between 12 and 42 days after a petition was filed with the Board.

Third. Access to employer's property by the union organizer varied because of different conditions as had been determined by court cases and Board rulings.

It must be clearly understood that a great portion of that colloquy on May 23 dealt with existing law, and the three points I have just mentioned are the existing law. I sought during that colloquy with my friend from Utah, the distinguished junior Senator (Mr. HATCH), to bring out the changes that would occur if the Senate bill were passed.

I have received thousands of letters from small businesspeople in Montana and these are their major questions. The question, then, is, would enactment of the bill remove any of the confusion, remove any of the redtape, and alleviate any of the necessity for small business to hire attorneys to advise them what rights or restraints would be the case where an attempt would be made to unionize their employees? Although my friend from Utah stated that, based on his experience with thousands of cases as a practicing lawyer, he did not find favor with any of these points covered in the bill as compared to present law, I stated on May 23 that there were some points in the bill that struck down some of the existing redtape and eliminate some of the need for a labor lawyer to interpret the case law as it affected an employer's right to deny access to his property for a union organizer.

My purpose today, if the Senator from Utah (Mr. HATCH) is willing, is to review these same points in the Senate substitute bill, introduced on June 8 and cosponsored by 24 of us, both Democrats and Republicans, to determine if the substitute does not respond to the legitimate concerns of small business connected with these issues when an attempt is made by a union to organize their employees.

The test of whether or not this bill clarifies and simplifies the present law will, in the final analysis, rest on whether small business will be able clearly to know and understand their prerogatives without the costly expense of hiring an attorney to advise them. It is clear that the existing law on some of these points not only is confusing but also requires interpretation of case law and Board rulings that can and do change from time to time. The test of this Senate substitute bill as regards small business will be:

First, the substitute prohibits broadening the jurisdiction of the NLRB to businesses such as retail stores, hotels, motels, restaurants, repair shops, and movie theaters that do less than $500,000 gross business a year. Present law would permit the Board to extend its jurisdiction; the Senate substitute prohibits that.

Second. The time of an election for the employees to vote in those cases where a union is attempting to organize would be no less than 35 days after written notice is given to the employer and no more than 50 days. That was one of the points so widely discussed and termed "quickie elections" by chambers of commerce, trade associations and many others as being harmful to the small employer.

Mr. HATCH. Will the Senator yield?

Mr. MELCHER. I shall be glad to yield in just a moment.

Mr. HATCH. Does the Senator want to ask these individually and have me try to respond?

Mr. MELCHER. Yes, I do, but I just want to complete this statement if the Senator will oblige me.

Mr. HATCH. Certainly.

Mr. MELCHER. I thank the Senator. Under existing law, the Board, at its discretion, has been setting the election dates between 12 and 42 days. If the election date set by the Board at a time less than 30 days—25, 20, 15, or 12—creates a danger of quickie elections, it is certainly appropriate for Congress to establish by law that no election can be set that quickly and that the employer as well as the employees have time to consider the proposal before the election is held. Therefore, the Senate substitute would remove that question and, by law of Congress, remove the discretion of the Board and state clearly that no election would be held in less than 35 days after written notice by the union is given to the employer.

Third. Access, the third point, is established in the Senate substitute as a matter of law, taking away the doubts and confusion of case law and Board rulings which can vary from time to time and is a haven and the beckoning Val-

halla for astute attorneys who engage in the practice of this type of law. The Senate substitute permits by law the employers to reject any intrusion on their property by a union organizer. It requires that, even if an employer engages in a systematic campaign among his employees against the union, the access for the union organizer would only be allowed in nonwork places and nonwork times. It is not hard to understand. It is clear, and the rights of the employers regarding their property are upheld by Congress if the Senate substitute becomes law.

On these points, if my friend from Utah (Mr. HATCH) will engage with me in colloquy, we can provide more detailed information for the small employer.

First, on the question that the jurisdiction of the Board by provisions in the Senate substitute could not be extended to other small businesses, I ask unanimous consent that a table from the Department of Labor listing those establishments under the present standards of gross business be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ESTIMATED NUMBER OF EMPLOYEES AND ESTABLISHMENTS COVERED UNDER THE PROVISIONS OF THE NATIONAL LABOR RELATIONS ACT, 1975

Industry	All establishments	All employees [1]	Gross volume of business in excess of: [2]	Covered	
				Employees	Establishments
Total	3,843,100	58,496,150	.....	44,112,560	847,497
Mining	23,400	647,040	$150,000	627,540	12,082
Construction	368,780	3,756,830	150,000	3,088,300	162,881
Manufacturing	291,500	18,347,590	150,000	16,030,140	89,401
Transportation	153,970	4,384,170	.....	3,953,680	24,525
Local transit systems	2,845	94,560	250,000	63,470	276
Taxicabs	5,205	102,240	500,000	79,660	71
Other transportation	101,525	1,937,790	150,000	1,686,010	13,307
Radio and television broadcasting stations	5,615	143,250	100,000	127,490	1,829
Telephone and telegraph systems	14,095	995,270	100,000	960,900	3,184
Newspaper and magazine enterprises	10,100	432,310	200,000	405,700	1,454
Other communication systems and services	2,325	35,980	100,000	30,130	54
Public utilities	12,260	642,730	250,000	600,320	3,861
Wholesale trade	354,300	4,026,120	150,000	1,857,220	274,603
Retail trade	1,187,500	11,504,530	500,000	5,983,960	145,224
Finance, insurance, and real estate	369,000	4,345,710	500,000	2,975,110	33,138
Services	1,094,650	11,484,160	.....	7,596,610	105,638
Auto repair	83,000	384,610	500,000	77,200	2,766
Miscellaneous repair	44,010	201,720	500,000	55,790	1,231
Motion picture	15,050	177,080	500,000	54,500	1,215
Amusement and recreation	42,600	421,620	500,000	179,770	2,412
Business and personal service	287,800	2,675,960	500,000	1,180,040	13,123
Hotels, motels, and other lodging places	46,000	709,210	500,000	469,240	3,830
Hospitals	5,500	2,127,550	250,000	2,124,140	5,240
Nursing homes	12,100	651,430	100,000	633,290	8,479
Other health care facilities	288,500	1,012,070	250,000	419,410	8,260
Universities and colleges and symphony orchestra	2,650	556,970	1,000,000	423,890	379
Other educational services	25,100	422,060	150,000	406,630	14,538
Legal services	79,140	263,000	250,000	129,530	9,136
Other services, n.e.c.	222,800	1,880,850	150,000	1,443,180	35,019

[1] Excludes agricultural employees; Federal, State, and local government employees; self-employed and managerial employees.

[2] Estimates have been determined by the Boards, jurisdictional standards, where possible, generally based on gross business-receipt-size. Nonretail businesses follow the $50,000 inflow/outflow test, translated into gross volume of business as shown above.

[3] 3

Mr. MELCHER. On the question of jurisdiction of the board, comparing the Senate substitute either to the previous Senate bill or to existing law, it would seem clear to me that the freezing of the standard would make it very clear where small business is whether it is under the jurisdiction or outside the jurisdiction.

I wonder if I could solicit the comment of the distinguished Senator from Utah on that point.

Mr. HATCH. I appreciate the questions of the distinguished Senator from Montana. I think he is raising legitimate questions, and I hope we can answer some of them.

With regard to the jurisdictional limits, there really will be no change, because those limitations were set by rule of the National Labor Relations Board in 1958. Since that time, we have had in excess of a hundred percent increase in inflation; yet, the rule still applies, and many more businesses have come into effect.

So what we are doing here, in essence, is making legislation out of rules which would exist, anyway.

Admittedly, Mr. Fanning has indicated that he wants to expand even the present jurisdictional limitations. So what the Byrd substitute would do would be to treat these limitations, even though they were 1958 limitations intended to protect small business, which literally have become basically out of date—and I will give some statistics for that—by legislating them, rather than having them in accordance with Board rule, which could change at any time.

As a practical matter, 72 percent of all businesses in our society are sole proprietorships. That means they are businesses in which the only employee is the owner of the business. Those businesses cannot be unionized, regardless of jurisdictional limitations.

Those limitations, in essence, really do not do anything for small business that is not basically done. So 72 percent are businesses which are not covered by the rule, the act, or anything else, because the employer owns the business and is the only employee of the business. He is excluded under the act, and therefore his business is excluded, regardless of the amount of money, inflow or outflow, that business has.

With regard to the remaining businesses, which would not be affected by legislating this rule into law, or by this bill, they are few in comparison. Those are busineses which we maintain have less than three employees, as a general rule, and would not ordinarily be organized, anyway, because it would be economically unsound for the union to try to unionize those businesses. They are not going to do it, anyway.

The significant statistic is that as a result of the 1958 guidelines, which are still the law and which would be legislated into law by this particular substitute, approximately 80 percent of all employees in our society, except for the sole proprietorship employees and other small businesses from an employee's standpoint, would be covered by this bill.

So, with regard to that point, that piece of legislation would not do anything except exclude—which is not the case now, except by rule—but legislatively exclude, certain businesses from having any protection under the act which they have under the present law. In other words, it takes away protection. They may or may not care about that. Nevertheless, that still is another bad aspect of legislating the rule into law.

If we were going to do what is right for small business, we would take into consideration the inflationary factors that have existed since 1958, the date of those procedural and jurisdictional rules, and we would expand those rules up to present reality. That still probably should not be legislated; because if you exempt businesses up to that point, some would argue that that, in and of itself, would exclude businesses which may need the protection of the act. I am not sure that I would make that argument, but some have.

One other thing: It would appear that if the proponents of this legislation are sincere—and I have no reason to doubt that they are—but if they really want to benefit small business, they should exclude from this act any business with less than 100 employees. If you really want to exclude all small business, it would be those with 250 or 400 employees, depending upon the gross inflow and outflow of that business. If they did that, it would be another matter. But I do not believe the proponents would do that.

Mr. MELCHER. I thank the Senator. However, I should like to recall what my friend said on May 23.

Mr. HATCH. That will be fine.

Mr. MELCHER. He said:

Let us understand this, that any business is covered by the complete law. In other words, the National Labor Relations Act could be applied to any business even if it only makes $1.

Mr. HATCH. That is true.

Mr. MELCHER. The Senator continued:

All the Board has to do is change its jurisdictional amounts. If the Board says that a movie theater is not covered unless it does $500,000 worth of business a year before this bill is enacted, immediately thereafter it can say, "Well, we are going to cover it if it has $1 worth of business a year."

Mr. HATCH. That is true, but it has to be engaged in interstate commerce.

Mr. MELCHER. The Senator continued:

That is the significant factor.

The Senator stated that on May 23.

In a later part of the colloquy, the Senator from Utah said:

Let me just add this: The present Chairman of the National Labor Relations Board has been on the Board for in excess of 20 years. He is on record as being for expanded jurisdiction. In other words, he wants to expand the Board's jurisdiction by narrowing these guidelines. I believe we are going to find that, regardless of what happens here, the guidelines will be narrowed.

As a result of that confusion on the Senate floor as to what was going to happen with this bill, or without this bill, small business wants to know where they are. If they are covered by NLRB jurisdiction, they can find it out. If they are not covered by NLRB jurisdiction, they are entitled to know. So the substitute is very straightforward and says that is the way it is. You can know.

None of these bills changes what my friend from Utah was referring to about a sole proprietor who ran his business and was the only employee, or perhaps had one other employee, which perhaps could properly be termed "mom and pop" businesses, about which we hear a great deal when we review some of the literature connected with this bill.

That kind of dialog on the Senate floor, in the chambers of commerce, or in the trade association literature seems to indicate that Congress was reaching out to grab them, bring them in, ram something down their throats.

Mr. HATCH. This bill does exactly that.

Mr. MELCHER. I do not believe it does.

Mr. HATCH. It surely does. I have just shown the Senator from Montana how it does.

Mr. MELCHER. The Senator from Utah has just said that there would not be any jurisdiction of the NLRB over these businesses of that size if the Senate bill is enacted.

Mr. HATCH. That is not what I have said. I have said——

Mr. MELCHER. Will the Senator from Utah clarify this by telling me that he believes that the substitute would take those types of businesses under the jurisdiction of the NLRB? It is so patently clear that they do not that I am willing to listen to anything to clarify the Senator's viewpoint.

Mr. HATCH. The fact is that if the substitute is enacted, the present law would not change, because it would be the same as the rule laid down by the Board.

Let us start from the beginning. The National Labor Relations Act applies to all businesses which do business in interstate commerce regardless of jurisdictional amount. By Board decision, through rules, they have excluded businesses as a practical matter from the onus of the act.

What the substitute will do will freeze those rules which were decided back in 1958.

If that were really fairness and a desire to protect small business, we would not only be concerned about excluding sole proprietorships, which are excluded anyway by practicality, because you cannot unionize the one-owner business, who is the sole employee of the business. They would expand those rules, taking into consideration inflation right up to 1978 with the continual expansion thereafter.

Now, they are not going to do that. The fact of the matter is that this statutory regulation of the rules basically will not change the present law and in a very real sense will forbid the Board from ever changing the jurisdictional rules up or down anyway. Some small businessmen would argue, if you will, that they do not have any dispute with any jurisdictional amount. They would just as soon come under the act. That is not their argument. Others would argue that they do not want to come under the act and do not want the Board supervising their activities.

So, what I am saying is the provision effectively guarantees the very result it purports to avoid. Since the Board's discretionary jurisdictional standards are expressed in terms of specific dollar volumes of business, inflation steadily erodes the jurisdictional thresholds, thus expanding jurisdiction over all business, and there is no other way around it, so this is not a fair provision.

Mr. MELCHER. The Senator should have introduced a bill to amend the Landrum-Griffin Act enacted in 1959, with the provision requiring that the Board could not revise the standards upward. That is already fixed in the law. The Senator has not come to the floor with any amendment that would revise that part of the Landrum-Griffin Act of which I am aware.

Mr. HATCH. I think that is where the Senator is wrong. I think there is an amendment at the desk. However, we all know that any amendments which would take place here are not guaranteed in conference. We all know that. So let us just be honest about it. This bill is so bad that there is really no real way of guaranteeing that we can correct this bill, and there certainly was not any way in committee where the vote was 13-to-2 against Senator HAYAKAWA and myself, no way at all.

Mr. MELCHER. The current law would permit that.

Mr. HATCH. Nor any way, I might add, in the House committee where the vote is just as bad. These two committees have basically always come down in recent years on the side of organized labor. Whether that is right or wrong depends upon your perspective, but that is a fact. Everyone knows that is a fact. Everyone knows that it is very unlikely. It has always been very unlikely to have a bill that really takes into consideration the small businessmen of this country when you consider all of the other reprehensible features in this bill. Admittedly, I admit that the majority leader has recognized it in his own way to try to meet an objection, but I do not believe that he has met the objection, and I do not believe that he can meet the objection through the provision that he has here, and I do not think any labor lawyer would think that he can either.

Mr. MELCHER. There is no question why there is confusion rampant among small business people about where they are and what this bill would do.

Mr. HATCH. That is right. But they know this bill hurts them, and it does.

Mr. MELCHER. To end that confusion about that point, the point of whether or not they are under NLRB jurisdiction or whether NLRB might at some later time, using their own authority, which is in the current law, to bring them under their discretion, even though they would not meet the standards at this time, the Senate substitute freezing the current discretionary jurisdiction would make that clear to all. The current law would permit lowering of the standards to broaden the Board's jurisdiction. The Senate substitute will not permit that.

The quote is on page 21, section 15, "and shall not assert jurisdiction." Nothing could be clearer than that.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MELCHER. So the Senate substitute will not permit that. It clears up that very point that the junior Senator from Utah so eloquently dramatized on May 23 when it meets the concerns that the Senator expressed and imposes that very discretionary loophole that my friend pointed out and warned the Senate needed to be eliminated.

Now I am glad to yield to the Senator.

Mr. HATCH. The fact is that would be a very empirical victory for small business because as a practical matter, although Mr. Fanning would like to expand the jurisdiction, he just cannot do it, and he probably would not be able to do it.

But be that as it may, this very substitute may actually be more repressive to small business than the present rule making power of the board, and that is where small business is not deceived. And you can stand there and say you are benefiting small business as a result of legislating rules into legislation, but in fact it does not benefit small business; it is a detriment to small business no matter which way you look at it. If you really meant to do so, let us legislate based upon the 1958 figures as expanded by the inflation which has occurred in our society up to 1978 figures with a right to expand it beyond that, and maybe that would satisfy a number of small business people in this society.

I take issue with the distinguished Senator from Montana who seems to presume that small business people are mixed up on this bill. I do not think any of them are. I think they know what it is. It is a piece of legislation that is going to hurt them, and we should go through every section, if you desire to do so, and show how it will hurt them. But this is just one area where it will hurt them, but it is basically an insignificant area

compared to "make whole," compared to the "quickie elections," where, if you will, under the substitute there is even a worse provision "instantaneous elections" compared to the "punitive remedies" under this bill, the packing of the National Labor Relations Board, the giving the Board an obligation to rulemake, and you can go on and on. There is hardly a redeeming feature in the whole bill that does anything for small business.

Mr. MELCHER. I think that is true, that the confusion that exists among small business whether or not they are covered under the NLRB is not a major point because they can quickly find out.

Mr. HATCH. I do not think it is a major issue here, but it is an issue.

Mr. MELCHER. But I do believe it is an issue pointed out rather dramatically by the junior Senator from Utah on May 23.

Mr. HATCH. Yes.

Mr. MELCHER. That the Board tomorrow, next month, or next year could expand their jurisdiction and all of a sudden the small business operation that thought they were not under the jurisdiction of the Board would find themselves under the jurisdiction of the Board by means of the Board extending their jurisdiction to a lesser level.

Mr. HATCH. That is true from that standpoint.

Mr. MELCHER. Just to conclude the point about jurisdiction, the present law permits the National Labor Relations Board to expand its jurisdiction. The substitute exempts those businesses such as retail stores, repair shops, and restaurants and hotels and motels and movie theaters pursuant to the table I have already inserted in the RECORD, under $500,000 gross business, and exempts by law.

That, in my judgment, is a reassurance to business doing less than $500,000 by volume.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MELCHER. I would be delighted.

Mr. HATCH. There is a whole set of jurisdictional rules originating with $50,000 and in the neighborhood of $500,000 and they would have to be awfully small to have an outflow and an inflow of $50,000 a year, so there are many guidelines in the table the distinguished Senator has put in the RECORD. I would not want the RECORD to indicate that $500,000 is correct.

The more acceptable figure would be $50,000 as far as the vast majority of businesses, at least that is my understanding.

Mr. MELCHER. I am afraid I must add, so as not to confuse any small business, that they can refer to the table which was printed on May 23, at page 14997. I again ask unanimous consent to have it printed today in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ESTIMATED NUMEBR OF EMPLOYEES AND ESTABLISHMENTS COVERED UNDER THE PROVISIONS OF THE NATIONAL LABOR RELATIONS ACT, 1975

Industry	All establishments	All employees [1]	Gross volume of business in excess of: [2]	Covered	
				Employees	Establishments
Total	3,843,100	58,496,150	.....	44,112,560	847,497
Mining	23,400	647,040	$150,000	627,540	12,082
Construction	368,780	3,756,830	150,000	3,088,300	162,881
Manufacturing	291,500	18,347,590	150,000	16,030,140	89,406
Transportation	153,970	4,384,170	.....	3,953,680	24,525
Local transit systems	2,845	94,560	250,000	63,470	276
Taxicabs	5,205	102,240	500,000	79,660	71
Other transportation	101,525	1,937,790	150,000	1,686,010	13,307
Radio and television broadcasting stations	5,615	143,290	100,000	127,490	1,829
Telepnone and telegraph systems	14,095	995,270	100,000	960,900	3,184
Newspaper and magazine enterprises	10,100	432,310	200,000	405,700	1,454
Other communication systems and services	2,325	35,980	100,000	30,130	541
Public utilities	12,260	642,730	250,000	600,320	3,863
Wholesale trade	354,300	4,026,120	150,000	1,857,220	274,604
Retail trade	1,187,500	11,504,530	500 000	5,983,960	145,223
Finance, insurance, and real estate	369,000	4,345,710	500,000	2,975,110	33,138
Services	1,094,650	11,484,160	.....	7,596,610	105,638
Auto repair	83,000	384,610	500,000	77,200	2,766
Miscellaneous repair	44,010	201,720	500,000	55,790	1,231
Motion picture	15,050	177,080	500,000	54,500	1,215
Amusement and recreation	42,600	421,620	500,000	179,770	2,412
Business and personal service	287,800	2,675,960	500,000	1,180,040	13,173
Hotels, motels, and other lodging places	46,000	709,210	500,000	469,240	3,830
Hospitals	5,500	2,127,550	250,000	2,124,140	5,240
Nursing homes	12,100	651,430	100,000	633,290	8,479
Other health care facilities	288,900	1,012,070	250,000	419,410	8,260
Universities and colleges and symphony orchestra	2,650	556,970	1,000,000	423,890	379
Other educational services	25,100	422,060	150,000	406,630	14,538
Legal services	79,140	263,000	250,000	129,530	9,136
Other services, n.e.c	222,800	1,880,880	150,000	1,443,180	35,019

[1] Excludes agricultural employees; Federal, State and local government employees; self-employed and managerial employees.

[2] Estimates have been determined by the Boards, jurisdictional standards, where possible generally based on gross business-receipt-size. Nonretail businesses follow the $50,000 inflow/outflow test, translated into gross volume of business as shown above.

Mr. MELCHER. It is clear that when you look at the type of small business that is in my State, filling stations, motels, hardware stores, grocery stores, restaurants of any descriptions, fast or slow, dressed up or casual, that it is $500,000 gross business, and that is the standard and that is what the Senate bill does exactly, to reassure those people just where they are at.

Now, the timeframe for election has been referred to very often as the so-called quickie election in the bill.

Mr. HATCH. That is correct.

Mr. MELCHER. When we engaged in our colloquy on May 23, we talked about the practice of the Board, their discretion, in seeing the elections in over 80 percent of the cases of between 12 and 42 days from the date the petition was filed for an election.

I think the criticism of the House bill as it passed the House, the criticism of the Senate bill, by some small business people was that it was too short a time, that is, assuming it might be 21 days for an election, was too short a time——

Mr. HATCH. Mr. President, will the Senator yield on that point?

Mr. MELCHER (continuing). Even though that was more than some cases that the Board at their own discretion set. But I think it can be argued that 21 days in some instances is too short a time, and I well recall the discussion I had with a businessman in my State, who lives in Billings, and who operates a very fine business there, retail business, and he pointed out to me that in their department store if an election were set quickly during the time between Thanksgiving and Christmas they might not really have time, management might not really have time, to get their position together, to have some contact, probably with letters, with their employees to say, "Well, now, here is our side of it."

They are very fine business people who have the respect of the community and are not trying in any way, although they are not unionized, to trample on the rights of their employees, but just saying, "Well, if that is what is going to come our way that the 21 days, if it were 21 days, could well be too short."

So I think the Senate substitute heeded that sort of advice and said it could be no quicker, no shorter period of time, than 35 days from the time the union filed a written notice with the employer. So that in no instance would they find themselves plunged into a campaign on whether their employees were going to unionize or not without having 35 days.

I think this answers one of the real problems that small business views in the House-passed bill and the Senate bill as it was presented to the Senate.

But in addition I think it should be clear that small business finds a problem with the Board having discretion to set these elections in a shorter time, a time such as 12 days or 16 days or 18 days or 21 days or 25 days from the time they receive the petition when it is filed. So I think here is clearly an indication of a response in the substitute not only to what was in the previous bill but what is in the existing law.

I am delighted to yield.

Mr. HATCH. No. 1, the Board never sets an election within 21 days. The only way it is shorter than 21 days under present law is by voluntary agreement.

No. 2, the objection is perhaps a minor objection to the number of days in the matter, but the major objection is setting mandatory days at all, in other words, having what is known as a vote-and-impound procedure; in other words, not having the major determinations decided before the election is held as to who has a right to vote, and letting the union in essence set the unit instead of the Board setting the unit.

What small business says, in fact what all businesses say, and rightly so, is that when you set arbitrary mandatory quickie election timelimits, they are not justified under present law, the present statistics or otherwise. It is like we have said that about 82 percent of all cases are actually determined within a 43-day timelimit or timeframe, that is, under present law. Of the remaining they are almost all decided within 75 days, and in only a very few cases, probably 0.04 of 1 percent, are the cases so complex that they involve contempt proceedings or other problems. So there is absolutely no justification to mandatory union provisions here.

With regard to the substitute, not only is H.R. 8410, as amended by S. 2467, bad because it sets mandatory time limits, which are detrimental to the business people, but I think it needs to be pointed out to the distinguished Senator from Montana that the union does not start unionizing when it gives a notification. It has maybe done that for months before without notice to the employer. So it may have had 6 months, a year, 5 years working on getting that unit in a position where they can all of a sudden set an election.

Now, under present law, the employer can say:

Well, let's decide what the truth is; let's decide who has a right to vote; let's decide all of these pre-election decisions without having a mandated time frame until they are decided.

Under this bill, they go ahead with the election whether or not they have all these decisions made under what is known as a "vote and impound" procedure—in other words, leaving all the problems to be decided after the vote, which is unfair, which gives the union an unfair advantage, which allows, because of the specified time limits, the union to spring the election on the employer, which of course is very detrimental to any small businessman who does not have, as a part of his normal staff, a labor lawyer who can guide him every step of the way, which of course most small business do not have.

Mr. MELCHER. That is correct. That is correct, and I would like to remind my friend from Utah that under this bill it is not necessary to have a labor lawyer. If an employer has as many as 15 employees, at some point, be subjected to a unionization effort, in order to understand this point, the point on access and the point on whether or not the NLRB has jurisdiction over them to begin with, he does not have to hire an attorney.

The reason they have to hire attorneys is simply because of all of the present regulations that are confusing on these very points, on access, on the date of the election, and on how you do it.

Mr. HATCH. Regulations just like these.

Mr. MELCHER. Yes. But the advantage, I remind the Senator, is that these regulations under the current law are changed whenever the Board wants to, or changed when some court or some body having jurisdiction at some appellate level decides, "Oh, no, no, you misinterpreted the act."

Mr. HATCH. That will not change under this law.

Mr. MELCHER. And provides direct support to draw up some new regulations, which require hiring an astute attorney, familiar with the actions of the Board, familiar with the case law, and the whole hodge-podge—to hire that attorney to figure out, "What are my rights as an employer in this instance?"

Mr. HATCH. Yes; that is the point.

Mr. MELCHER. While this union is coming around and saying to my employees: "Why don't you unionize,"

I do not think the average small businessman who employs a dozen people has access to enough money out of his business to be continually hiring lawyers, so I think when we get a chance here, on the Senate floor, to strike out some red-tape, to remove some discrimination, which admittedly, just as the Senator has described so often on this floor, has led to wonderment: "Well, where are we, and which regulation is changed?" The Senator from Utah has cited numerous court cases, some of them going back 30 years, and then traced the development up. For instance, on access, they really confuse people in business, and they can only answer it by hiring an attorney who is very familiar with the law, an expert in it.

Mr. President, to continue on this point about making something clear in the law rather than it being discretionary with the Board, the changing regulations, that can be changed at the discretion——

Mr. HATCH. Mr. President, may I interupt the Senator before he moves on to that point, to answer his last question and at least solve that problem with respect to the bill, and then let us move on to the regulations, so that it will flow more freely in the RECORD itself?

Mr. MELCHER. Certainly; if the Senator has more to add——

Mr. HATCH. Oh, I sure do.

Mr. MELCHER (continuing). To what he has been saying about a quicker day "quickie elections," vote and impound, and so on, I will be glad to have him add it.

Mr. HATCH. Let me just add this: I am sure the distinguished Senator from Montana and I disagree widely on this bill. But this point needs to be answered, that the Senator feels this bill makes it easier for a businessman to know where he stands.

It is simplistic to think that because you mandate a time limitation that alleviates the necessity of having a labor lawyer advise the small businessman with regard to this bill, you make his life easier. Actually, this bill makes a small businessman's life a lot more complex. I just want to cite that difference in opinion that we have. But let me go on.

We have called this a "quickie election." So also has the Office of Small Business Advocacy, as reflected in their situational analysis. They have called it a "quickie election," because that is the best thing to call it.

But under the new substitute it is not even a "quickie election," it is an instantaneous election. Under the guidelines of the Byrd substitute, which are designed to favor even more than before the organizational activities of the union, while putting the employer at a decided disadvantage during the election process, what we now have before us could easily be labeled "instantaneous elections" instead of just "quickie elections."

Under the system provided in the Byrd substitute, it is not only possible but even likely that representation elections will be held within days or even hours of the filing of the petition for an election, which would put small businessmen, or any businessmen, for that matter, at a decided disadvantage. The differentiation between notification in writing that employees are seeking union representation and a petition is crystal clear.

But the deletion of the majority support for petition by the substitute also is crystal clear.

Under this system, unions could notify any time and file a petition at their convenience or an advantageous point beyond the 35-day period and the National Labor Relations Board is statutorily required to hold an election regardless of support for the petition, regardless of notice periods and unit eligibility. This is regardless of any thing other than vacation days, on the earliest administratively possible date. That is what the substitute says.

Mr. MELCHER. I will have to interrupt the distinguished Senator here, because it is clear, first of all, that under existing law the Board will take into consideration a show of interest on the part of the employees. It is very clear under the statute that the Board must also continue to take consideration of a show of interest. But to further augment that, to further clarify it again so it is not just a question of regulations, the amendment described at the desk, well known to everyone in the Senate, of the distinguished Senator from New Jersey (Mr. WILLIAMS), says by law the Board must have a show of interest from at least 10 percent, at least 3 or 10 percent of the employees in that particular business.

But existing law, contrary to what my friend has indicated, does permit the Board, under its own authority, to set the election when they want to.

The fact that they have not does not take away the point that during that period of the 12 to 42 days they have set those elections, that if they chose, if there were not any agreement for any particular date, they could set the election at 15 days if they wanted to. The law is clear that it is their discretion.

Now, that is what we are taking away from them and saying, "You can't do

it any more, if you think you can, you've lost that authority."

Mr. HATCH. The least I can say is that the Senator from Montana and I respectfully disagree, or at least I do with him.

I think the bill is completely contrary to what is is saying. But I think we could——

Mr. MELCHER. Would the Senator mind responding then on that point?

What part of the law that is on the books today that prohibits the Board from setting the election, or a date, say, 21 days——

Mr. HATCH. Is the Senator saying this bill prohibits it from setting the election?

The fact of the matter is that the National Labor Relations Board is probably the most efficient arm of Government today. We do not find a lot of fault with the Board, as far as holding elections, and neither does the small business community, or anybody else.

That is not the problem. The problem is the injustice that occurs from mandatory guidelines and deadlines.

Mr. MELCHER. Could I ask my friend not to confuse the RECORD by stating that the bill does not set a timeframe based on 35 days, no less than 35 days from the time the union organizer has served written notice on the employer?

Mr. HATCH. What is supposed to happen in 35 days?

Mr. MELCHER. That the election can be set no sooner than and no less than 35 days after the written notice has been served on the employer.

Mr. HATCH. What is the understanding of the distinguished Senator from Montana as to when the election may be held after the 35-day period. Is it a fact it may be held within an hour, within a day, or a week?

Mr. MELCHER. I would have to disagree with that.

Mr. HATCH. The Senator would?

Mr. MELCHER, Yes, I would.

Mr. HATCH. Well, the fact is that that is what can be done under this substitute and, from that standpoint, it makes it an instantaneous election and very detrimental.

Mr. MELCHER. I am sure the Senator does not want to confuse anyone.

Mr. HATCH. No, I do not.

Mr. MELCHER. Is he saying that after the written notice was served on the employer, the Board could set the election date in fewer than 35 days?

Mr. HATCH. No. That is not what I said.

Mr. MELCHER. All right. Then the Senator will agree with me on that point?

Mr. HATCH. Yes.

Mr. MELCHER. All right.

Mr. HATCH. Will the Senator agree with me on the point it could be set an hour after the end of——

Mr. MELCHER. An hour after 35 days? I do not believe I could.

Mr. HATCH. The Senator does not think it could.

But it could, under that legislation, under the substitute, it could be set within an hour, a day, a week. It could be set 6 months later at the option of the union. In other words, the union gets to set the time, not the employer.

Mr. MELCHER. Let us stipulate this——

Mr. HATCH. Let us not confuse the people. Why does the Senator not answer the question. I have been answering his.

Mr. MELCHER. I am delighted to answer.

If the case were that at the time the notice was served on the employer and a petition were filed with the Board, let us use a month, or 30 days, file or give to the employer the written notice, given on June 1. The election could not be held any quicker than July 5, assuming that the union, during that time, filed a petition with the Board and had given the Board enough time to do these things. The Board has to get the ballots printed. The Board has to post notices advising the workers when an election is to be held and where. The Board agent has to be selected and designated and sent wherever this election will be held to run the election.

So, given that time frame, I cannot say that the election could not be held on the 35th day.

That is the purpose of it, to prevent it from being held any quicker than 35 days from the time the employer is notified.

Now, I believe I have responded to the Senator from Utah's question.

The election could be held if written notice were given on June 1, a 30-day month, on July 5.

Mr. HATCH. Let us say the notice, the petition, was filed on July 5. Is it not true the election could be held July 6 under this provision?

Mr. MELCHER. Well, now——

Mr. HATCH. Is that true or not? Let us not confuse it.

Mr. MELCHER. No, it is not true, because the ballots must be printed.

Mr. HATCH. What if they have them ready?

Mr. MELCHER. The notices posted advising when the election will be held and where, and the Board agent to be scheduled to run the election.

Mr. HATCH. Has the distinguished Senator from Montana read the language of the substitute?

Mr. MELCHER. Yes. I have read the language of the substitute and I have considered it with other laws that is not being changed, with other regulations not being changed.

Mr. HATCH. I respectfully disagree, is all I can say.

What I say is that it does not help much to haggle over these mandatory over-regulation provisions that this bill or its substitute want to give to us.

All I can say is that we disagree. I think the Senator will find there is not a small businessman alive who will not disagree with him. Most of them know this is not fair. They know this gives an untoward advantage to unions. They know it is going to create unionization all over America and will be sweeping in its creation of it.

They know that in the past they have not had to be threatened with that, but they will be in the future. They are going to have to undergo the expense of labor lawyers, the unionization attempt, and everything else. Naturally, they are a little upset about it. That is what is wrong with this bill. The substitute to it does not help the bill, and it is even worse in some instances.

Mr. MELCHER. Not in this case, I must remind the Senator.

Mr. HATCH. Especially in this case. It is instantaneous rather than a quickie. Either way it is bad.

Mr. MELCHER. I must remind the Senator from Utah in the use of his critique, by his own admission, it is instantaneous after 35 days, June 1 to July 5, from the time the employer receives the written notice about the union election.

Mr. HATCH. But the instantaneous surprise is when the union can spring the election. Quickie is bad enough but this is worse than quickie. It means that a small businessman is at a disadvantage and you are turning and tilting the election affair toward the unions. I do not see how anyone can disagree with it, but apparently the Senator does. I can accept that disagreement, but I respectfully disagree.

Mr. MELCHER. My friend, the Senator from Utah, on May 23, this year, said, on page S. 8068 of the RECORD:

> Seventy-five percent of all representation elections are conducted within 60 days of the petition filing date, and within that figure is a 10-day period which cannot be reduced because under the Board's excelsior rule the union must have in its possession for 10 days a list of the names and addresses of eligible voters.

Mr. HATCH. That is under present law. But that is not under this bill. This bill would change that. That is the problem with it. It has not even taken into consideration the present law.

Mr. MELCHER. How would it change it?

Mr. HATCH. Because it says they can hold an election, by filing a petition, any time after the 35th day. That means it can be instantaneous. It shows how conflicting this is.

If you want to confuse people, enact this bill. If you want to cause small business trouble all over the country, enact this bill. If you want your constituents all over you, enact this bill. To be frank with you, they know it is reprehensible. I believe the vast majority of all people who look at it know that.

I frankly cannot see how anybody can disagree that this is disadvantageous to small business. but apparently the Senator from Montana does. I have deep respect for him and deep regard for him. He has that right. Who am I to argue with that right except to say that I respectfully disagree with the Senator from Montana and I feel the vast majority of the people in this country do likewise, and I would suspect that a lot of business interests would disagree.

Mr. MELCHER. I would echo the mutual respect for my friend from Utah.

Mr. HATCH. I appreciate that.

Mr. MELCHER. I would remind him that on this particular point, his term "instantaneous election," which would be at the first possible moment after the 35-day period——

Mr. HATCH. No, it does not have to be. I am saying it can be. It can be sprung on them at times which are inopportune to the businessman. That is what is wrong with it.

Mr. MELCHER. But the bill would only permit, on line 1, page 8, the election on the earliest administratively feasible date, but not less than 35 days.

Mr. HATCH. That is right. In other words, one thing is sure: The holding of elections would likely be only a matter of a few days at the very most, and that is an instantaneous, quickie election in anybody's viewpoint.

Mr. MELCHER. I have to review what the small business people are exposed to under existing law. The existing law allows the Board, having received the petition, to set the date at their own discretion. Over 80 percent of the cases, which has been provided by statements from several, including the Senator from Utah, have been within 12 to 42 days after the Board received the petition.

There is a legitimate complaint by business that sometimes that might be too soon. It might be confusing. They might find that they could not reach an agreement on what date it should be and would have to accept a date set at the discretion of the Board. The substitute would not interfere with that encouragement, the get-together between the union and the employer to set a mutually satisfactory date. After all, that is commonsense. But in respect to how soon it can be set, we do two things: We take the discretion away from the Board. We tell the Board they no longer have the authority to set the date sooner than 35 days from the time written notice was given to the employer by the union.

Mr. HATCH. Perhaps it would help——

Mr. MELCHER. Then, second, we encourage, through the language in a provision in the bill, if they want a quicker date, a mutually more satisfactory date, they still have that option. But to take away this possibility of "quickie election" from the time the employer is notified there will be an effort by the union to get an election, we say no less than 35 days.

As to the question of when do you need an attorney and when do you not need an attorney, I think this is a fairly significant point that can be clearly understood and it is well stated in the bill. It should not lead to doubt. I think that is some assurance to the small business people. Also, the Senate substitute provides for an ombudsman to help employers who ask, "What is this all about? What are my rights?" It provides one who is familiar with the law, who is familiar with the procedures, and who knows them inside and out. That ombudsman would be available to the employer wherever there was a regional office of the NLRB.

Mr. HATCH. There is one available now. The problem is that he cannot give legal opinions. All he can do is help them with regulatory action and cursory matters. That is a good thing, but it still does not negate the desirability or the desire on the part of a businessman to have his own attorney to tell him what is right and what is wrong. He will have to do it. It is just that simple.

Mr. MELCHER. I would hope not. I would hope this would lessen the need of so many attorney fees for small business people in this area.

Mr. HATCH. It will not.

Mr. MELCHER. It is a small area but it is an important one. It has grown in dimension in the minds of small business people as they read the distorting information which is available to them through various sources which seem to conflict. The Senator from Utah has agreed with me that the Board at present has the discretion to set the date. The Senator from Utah has agreed——

Mr. HATCH. That is after it has examined the record and made the necessary determinations after it has determined who should and should not vote, and done all the things that make it a fair election.

Under this provision, the Board will not be permitted to do that. It is just going to have to hold an election.

Mr. MELCHER. I will get to that point. The Senator from Utah has very kindly agreed to join me in this colloquy and he has agreed that under the discretion of the Board, under current law, they have the authority to set the date and have been doing that in 80 percent of the cases between 12 and 42 days.

As to the question of who would be available to assist the small business person or, for that matter, an employee, under the ombudsman provision of the Senate statute it is clear in this language that that person would know what he was talking about and could advise him.

The general counsel shall designate one or more officers or employees in the Board's national office and in each regional office to act as ombudsmen for the purpose of answering inquiries and disseminating information, particularly with regard to the rights, obligations, and responsibilities of those employers and employees in the small business community.

Mr. HATCH. Can he give legal opinions?

Mr. MELCHER. The ombudsmen shall provide general information and explanation regarding the provisions of this act, regulations of the Board, procedures involved in the processing of cases and the current state of the law with regard to particular areas of concern. Any such ombudsmen shall not be authorized to render advisory opinions or make any factual or legal determinations under this act.

Mr. HATCH. If the Senator will yield at that point, that is precisely my point. It is one thing to say you can have somebody in the NLRB assist you in knowing the facts and so forth. That is one man and there might be 100 elections being held in that particular area. It is another thing to have legal advice as to what your rights may or may not be and he is not entitled to give that advice. So they are going to have to go to an attorney, especially since a lot of the matters that normally are decided before votes are taken or before elections are held will not be decided under this provision.

The problem with this provision is that if a union commencing its organizing serves notice upon the employer, then 35 days later, or at any time during the next 6 months that best suits the union's interest, if a majority support its petition and support it under the Board rule, the Board must give that petition priority, may not hold any hearing, and must schedule the election at the earliest feasible date—that is, when it has a Board agent available to run the election. I add that, to comply with these requirements, the Board sends the petition to the employer with an order that the election shall be held blank days or hours later—in other words, the earliest feasible date.

The election is held even though no one knows who is eligible to vote; the union wins the election, as it must, because it had majority support when it filed the petition. It alone determined the lentgh of the campaign, it alone basically set the election day by the timing of its petition. The law requires an immediate election, thus foreclosing any employer campaign, and that same law eliminates any time for thoughtful consideration by employees before they voted.

That just is not fair and that just plain puts the small businessman at a decided disadvantage. And that is just one of the hundreds of things that are wrong with this bill. It does not——

Mr. MELCHER. It is much more fair than the existing law, I point out.

Mr. HATCH. Oh, no, it is not, where matters have to be determined——

Mr. MELCHER. The existing law permits exactly what the Senator has described to happen anyway. The union would not have to wait 6 months, they could wait a year before filing their petition. They could wait forever. They do not have tc file their petition. No law, no regulation says when they have to file their petition.

What this bill does is say that they cannot possibly have an election any quicker than 35 days after they have given written notice to the employer that they were seeking an election. That is the change in law.

Mr. HATCH. What if they did that every 6 days, just like they do today?

Mr. MELCHER. Will the Senator permit me?

Mr. HATCH. Surely.

Mr. MELCHER. Small business is asking for this. I read those letters I get. I read their concern about quickie elections. I read their real frank and candid discussions on what it would mean to them in a union business if the union attempted to organize them, that they do need some time.

Mr. HATCH. This does not give it to them.

Mr. MELCHER. I have been reading some interesting things here that seem to me to be very pertinent on this point for my friend from Utah. On April 2——

Mr. HATCH. Is this with regard to the present bill as amended by S. 2467? It certainly cannot be with regard to the substitute, I guess.

Mr. MELCHER. No, it is not with regard to the substitute.

Mr. HATCH. All right.

Mr. MELCHER. It is a newspaper item and I hope that the Senator was quoted correctly, because I think he made some valid points:

> Employers don't have enough time to present their viewpoints and employees don't have time to become acquainted with the issues.

The Senator was referring to the fact that 80 percent of all union elections occur within 12- to 44-day timeframes, "Which is not enough time, the Senator pointed out, to resolve difficulties."

Mr. HATCH. That is not what I said.

Mr. MELCHER. Well, perhaps not.

Mr. HATCH. It may or may not be, depending upon whether a lot of these matters are determined. But at least, under present law, the Board allows enough time for the employer to explain his side and the employee to understand the employer and the union side so they can make an intelligent, informed decision. This bill does not. It is just that simple.

Mr. MELCHER. I think the point is that the Senator was echoing what a lot of my small business people in Montana have been writing to me, that anything around 21 days may be too short; that, if anything, we ought to make it longer. So the substitute makes it 35 days.

Mr. HATCH. If the Senator will yield on that precise point.

Mr. MELCHER. The Senator, on April 2, when he was quoted in the Ogden Standard-Examiner, was making an extremely valid point:

> Employers don't have enough time to present their viewpoints and employees don't have time to become acquainted with the issues.

So the substitute says that in no case—it took away the discretion of the Board. It said in no case could it be less than 35 days from the time of filing that written notice with the employer. That is certainly an improvement over any possibility, say, of the Board at its discretion setting an election at 25 days.

Mr. HATCH. If the Senator will yield, it certainly is not an improvement. The reason it is not is that, true—I think one has to understand what they have done here. It is a very intricately written part of the substitute amendment.

What that substitute says is that, once they give notice that they intend to unionize, which can be given every 6 months—in other words, all they have to do is send a letter saying, "We intend to unionize you"—there is nothing that says the election has to be held in 35 days, but there is nothing that says they even have to have an election.

Mr. MELCHER. I remind the Senator that those options are available to unions under existing laws. Nothing has to be done to give them that option.

Mr. HATCH. Exactly; let me make the same point.

Mr. MELCHER. The Senator would agree that those options are available under existing law, would he not?

Mr. HATCH. What options?

Mr. MELCHER. The options he just described. The union organizer can, if he wants to, send a letter to an employer, saying he has an interest.

Mr. HATCH. Yes.

Mr. MELCHER. He can do that now.

Mr. HATCH. There is nothing requiring it now, but he can and does.

Mr. MELCHER. And he can attempt to unionize for 6 months, 12 months, 18 months, whatever he wants to under existing law, without ever filing a petition.

Mr. HATCH. Right, but what he does not have under existing law is the right, any time under that 6-month period, to file a petition and have, at the earliest administratively feasible time frame, which can be 1 hour later under certain circumstances, the right to have an election, which means he can do it at very, very difficult times for the employer. In other words, he has a right, which he does not have now, to stick it to the employer. The small business people understand that. What bothers me is that, apparently, some Senators on the floor of the U.S. Senate do not. But that is where the injustice is.

Mr. MELCHER. The Senator, of course, is a distinguished lawyer who informs us that he is familiar with thousands of these cases, and he knows well that there is nothing in the existing law except what the Senator mentioned on May 23, the Excelsior case, in which the Board, under existing law, can take that petition and set the date.

Mr. HATCH. But they cannot, because they know they would not get away with it, because they have to determine the units. They have to make a number of determinations before the vote can be held. Under this law, that goes by the boards and there is vote and impound on all the decisions. The small businessman knows that. He knows that they can spring this instantaneous election on him at any time within that 6-month period, and that it is just a matter, at the very best, of days; because it has to be held at the earliest administratively feasible time, and that, under present law, is not a problem. It is a big problem under the substitute.

Although the substitute alleges to amend the old bill, with old ideas that do not work, the substitute is worse than the original bill, which is bad enough for small business. Either way, it is unfair.

Mr. MELCHER. The Senator, at least, has agreed with me that, under existing law, the union could come in and start to organize for a month, a year, or 2 years, without filing a petition.

Mr. HATCH. And will not get a quickie election or an instantaneous election if it does.

Mr. MELCHER. The point we have made in the substitute to improve on existing law, in recognition of complaints from small business people, which have been echoed by the Senator from Utah, is that there should not be quickie elections. I would not be offended in any way if the Senator chose to say that not only should it be 35 days from the notice given to the employer—because he has agreed with me that that at least is an improvement in his mind——

Mr. HATCH. If it were not for the second part.

Mr. MELCHER. Written notice must be given. It would not offend me if the Senator chose to offer—and I would be glad to cosponsor with him—an amendment providing that not only must they give written notice, but also, they must file the petition, and then the time runs, 35 days.

Mr. HATCH. Will the Senator yield on that point?

Mr. MELCHER. No, I will not yield at this point. because I am going to get into the very point the Senator from Utah has made concerning this.

The practice of the union organizer, once he has given the written notice that will be required now, and which was not required before, is to file the petition with the Board. Then the Senator from Utah tells me that we have taken away another right, another proper right, in this substitute. He keeps mentioning that. He says the election will result in vote and impound.

I think the term "impound," without any explanation of what the Senator from Utah means, sounds quite ominous. It is repeated often, and it creates the fear that here is something else they are going to foist on us, some new procedure that will be foisted on us; and if they do not get us one way, they will get us another. That is what these small businessmen are thinking.

I come here, of course, with an experience in small business and with some concern for their attempts to run their business without having to be confused by regulations from a Federal agency or a Federal board that are so confusing that they cannot really get on top of it without hiring an attorney.

I want to explain what "impound" means and how the Senator from Utah is using it in reference to this election.

After the 35 days, the bill requires that the election be held and that the vote be taken. If there is a problem on what the unit is—and I dare say that if you asked a hundred small business people in Montana what "unit" meant in this instance, we would be lucky if six or seven would know what "unit" means here. It is very simple. It means the people who are going to vote.

If it is a garage that has car sales in the front and a garage in the back to repair the automobiles, the unit would be determined by whether the union was trying to organize the mechanics in the back part or had some interest in some clerks in the front part.

In this instance, if the employer objected to the union organizer saying, "Im only trying to organize your 17 mechanics and their helpers in the back part. I'm not trying to organize your bookkeeper and your stenographers and your salesmen. I'm only interested in your 17 mechanics and their helpers," possibly the employer would say, "If you really want to do that, I think you ought to take everybody in the whole outfit into the union. I think you ought to have them all." If he argues for that point, the Board would hold the election of everybody, if that is what he wanted, but impound those who were not in the logical unit. That is all that means.

It is not much different from the usual procedure, not much different from what the Board does right now.

I do not want to make it any more complicated for my constituents who are small business people in Montana to understand what is in this bill.

That is all the Senator from Utah is referring to when he says what is a bargaining unit. In some instances—I do not think he said in every case, and I hope he has not, because it would be highly inaccurate, grossly inaccurate—but in some instances there may be a disagreement between the union and the employer as to what is a bargaining unit.

For example, I gave a graphic example and a rational example, but it is not something that does not occur now, too. The Board is not always able to solve these arguments before these elections are held. That is what people have to exist with today—whether they know it or not, that is the way it is.

What we are trying to do is to find whether there is any rational reason to tell small business people that this bill is not as bad as what they are existing under now.

In the case of standards, I think we have established—we at least have made it clear—who is covered under the National Labor Relations Board, depending upon what business they are in and what gross they have.

In the case of the election timeframe, it cannot be argued that it is not advantageous to the employer and sometimes to the employee to make sure that there are at least 35 days between the time of the start of that triggering period by filing a written statement with the employer.

The Senator from Utah says, "Why not have it that the union also has to file with the Board their petition at the same time, and then trigger it from that time?" I have no problem with that, and I do not think anybody else in the Senate has any problem with that, because that is the usual procedure.

When a union organizer gets to a point where he thinks he is getting somewhere, he does want to file.

What we have done in the substitute is this: We said, "We don't like this practice of not playing on the up and up with the employer. You are coming in there to try to organize. You are writing to his employees or you are trying to see some of them that you know, and you are trying to start an idea of unionizing that shop. All right. You have to write to him and give him that written notice, and only then will you be considered for an election."

I think that is fair, and that is a great improvement under existing law. The employer then has at least 35 days before the election can be held.

I think the employees in many instances might feel they have a little better chance, also. I think that it begs a point to say, yes, but the Board might have a reason to have to decide who is the right unit to vote, meaning how many employees of that business are going to vote in this election.

Ordinarily, before that time is out they are going to say, "It looks to us like it is this way," but if you want to argue about it, if the employer wants to argue about it and says, "Oh, no," then they are going to hold the election, segregate the ballots, and impound them if the challenges are sufficient in number to affect the outcome of the election.

It is not any different than the existing law.

I think the point of the additional time does help in the bill. But there have been serious charges raised against the bill concerning access. So in the substitute there is change. The charge was made, and with some validity, also, when access was allowed for a union organizer on the premises of the employer, when he really did not want him there, and they were taking advantage of the employer. Looking at the existing case law and the existing rules that have been followed with this case law I found some favor in putting it into statutory form as to exactly where access would be allowed. But yet that was in the bill as it was reported out by the committee. But the substitute takes away some of the sore spots, where that bill was criticized even for that by saying, "Well, when access is triggered the union organizer would come onto the place, and in effect the employer would be subsidizing his speech, subsidizing the union's chance or the union's effort to sell the employees on their position to join the union."

So the Senate substitute made it very clear. First of all, the employer can refuse access merely by not conducting a campaign on his premises. He then has the right to say:

> No, you are not coming onto my property to sell your side of this issue to my employee. I refuse. It is my property.

Then the question on whether or not the employer would ever have to agree to allow access to the union organizer was left to a triggering mechanism. The triggering mechanism is a systematic campaign by the employer against the union. That is not an easily understood term, either. But what it means is that the employer decides that he is going to contact all his employees at work and tell them he does not want the union and why. That should be his right. It remains his right.

But in my experience with the small business people that I know, they seldom jeopardize the relationship and mutual respect the employer has for the employee and the employee has for the employer, by the employer dogmatically saying, "This is my site." It is more of a give and take. He might write it out. That would not be disturbed. He might have informal discussions where he answers questions in a casual conversation with the employees about what the union organization effort was and why he was opposed.

(Mr. GRAVEL assumed the Chair.)

Mr. MELCHER. But, further, the Senate substitute says that if ever access is triggered by the employer because of his systematic campaign, the union organizer cannot come onto the property during worktime or in work areas. That cannot be permitted.

The Senate substitute says further that in no case would any business with fewer than 10 on the payroll even have to consider access by a union organizer because it would not be permitted under the provision of the Senate substitute. That is clear. It is easily understood.

But let me tell you some of the things under existing law that is not easily understood. Let me refer to a case very briefly that was mentioned by my distinguished friend, the Senator from Utah, on May 19. It appears on S7816 of the RECORD of that date. I shall read:

> . . . the second circuit held that nonemployee organizers should be permitted access to employees on the employer's premises where "no effective alternatives are available to the Union in its organizational efforts." On the other hand, there is another line of cases indicating that where there may be no circumstantial disparity and opportunity, but the employer's conduct in intimidating employees from exercising existing communication opportunities, the Board is required not only to clear up those avenues, but also to provide the union with others.

Have Senators followed me closely? Do they know what this is all about?

One has to really read and re-read it and think it through and then ask someone who is expert in the law concerning it: Just what are my rights? What are my prerogatives? When does that come into effect, those provisions just mentioned there in one of the leading suits so aptly described by the Senator from Utah on May 23.

But even more significant I think is this sentence taken from the leading case in this field, National Labor Relations Board against Babcock and Wilcox. It was put in the RECORD by the distinguished junior Senator from Utah, Senator HATCH, on May 22, and this sentence reads, quoting a part of that case, the judgment of that case:

> But when the inaccessibility of employees makes ineffective the reasonable attempts by nonemployees to communicate with them through the usual channels, the right to exclude from property has been required to yield to the extent needed to permit communication of information on the right to organize.

No wonder small business operators wonder where they are? No wonder they are confused at what might happen to

them in the effort to unionize their employees.

These are confusing court cases. As far as they are concerned, it does not spell out clearly at all what their rights are on access and in many instances it returns the responsibility to the Board to draw up some new regulations to carry out the provisions of their findings.

The judge gives a ruling and says, "This is the way it ought to be" or "this is the way it should be," and then returns it to the Board and says, "Draw up the appropriate rules."

The whole question begs of some correction, and the substitute is an effort in this area to have some correction.

Would the distinguished Senator from Utah, who has been so kind in responding to this colloquy this afternoon, care to give his view of the provision in the substitute as compared with existing law or with the previous bill?

Mr. HATCH. On the equal access provision? I would be delighted. I have enjoyed the colloquy. However, I think my distinguished friend from Montana and I disagree so widely on this issue that I am afraid we cannot get together.

Let me just say this: These new amendments provide that following a union's written notification to the employer that it is organizing his employees, the union's nonemployee organizer shall have the right to come on the employer's premises and address his employees whenever an employer or his agent has exercised his right of free speech and has addressed his own employees "at the work site" or during working time on union issues.

Certain limitations are added, I might add, to the union's right. No more than two organizers can go in any particular area, but they can go two-by-two into various areas, as I understand it. Four are allowed in any parking lot, and they have to give 1 day's prior notice that they intend to exercise their "rights" under equal access, their rights to come on the employer's private property, because he has exercised his right of free speech, a time-honored constitutional privilege that he has.

They may not campaign during working time, but they are limited to times of shift changes, breaks, meal times, et cetera, and they may not campaign during working hours but are limited to parking lots, cafeterias, and other break time areas where employees congregate, which may be a great number in fairly substantial businesses.

Finally, equal access rights do not apply against any employer "who compensates fewer than 10 employees." Again a very slickly written provision which says that if you have 10 supervisors these access provisions apply. So it does not protect small business at all.

I might say these limitations may be a small beginning to the balancing of the campaigning rights of employers and unions, but they still maintain the imbalance of S. 2467 against employers and impinge upon the employer's property rights.

Thus, for example, when unions campaign on paid break times, the employer is still paying his employees and, accordingly, is subsidizing the union's campaign.

Further, the new provisions do not require that the union establish any success in organizing employees before it attains the right to equal access, whereas the Senate committee report required that the union obtain signatures from at least 10 percent of the employees who sought to organize before the equal access rights were triggered.

Further, the amendments may not be as helpful to all employers as their sponsors claim. For example, by specifically granting outside union organizers the right to campaign in cafeterias, the Senate may be overruling recent court decisions holding that no union organizing may be conducted in the cafeterias of hospitals because of the potential adverse impact of such campaigning on patients.

Further, although an exemption from the access requirements for small business has been described as including businesses with less than 10 "employees" this bill does not say that. The bill allows the exemption only if the employer compensates fewer than 10 "individuals" which means that manager, including the company's president, and supervisors, are included in the count.

Finally, the Byrd amendments may be interpreted to vastly expand the right of unions to use on employers' premises paid time for campaigning. Thus the amendment sets no limit on the number of days that outside organizers can campaign on company property. Thus it is possible that the NLRB may rule that once the employer presents a captive-audience speech, the union's organizers may enter his property every day thereafter until the election or at least as often as is necessary for them to personally contact every employee who attended the employer's speech. And, of course, the union's campaigning during break periods, and so forth, is apt to be more personal or more "one-on-one" and thus more effective than an employer's speech to assembled employees.

In short, the balance in favor of union campaigns created by S. 2467 may be further aggravated by the Byrd amendments and a provision, which even Senator BYRD thought went too far, may have been even worse.

The substitute measure thus does not make substantial concessions since employers are still required to open private premises to union organizers whenever they speak to their own employees about union representation. The substitute measure continues to impose a premium on the exercise of the constitutionally and statutorily protected privilege of free speech. Moreover, as the use of equal access privilege is not dependent upon the unavailability of alternative means of communications with employees, the substitute measure remains vulnerable to constitutional attack under the Supreme Court decision in *NLBR* v. *Babcock and Wilcox Company*, 351 U.S. 101, a 1956 case.

Further, the substitute measure perpetuates the illusion that unions are at a comparative disadvantage in communicating their election messages to employees.

This is simply not true, and the substitute measure makes even more pronounced the advantage which unions now enjoy.

Finally, since the employer's president, vice president and other officers are presumably "individuals" compensated by the employer, the proviso limiting the applicability of equal access to employers who compensate fewer than 10 individuals creates more the appearance than the substance of a small business exemption. It certainly does not create a small business exemption.

Mr. MELCHER. Mr. President, would the Senator advise me if he thinks the case law on this is clear?

Mr. HATCH. I think it depends on which case you read. But I think it is clear as far as I am concerned.

Mr. MELCHER. The Senator has no problem with the case law and clearly understands, could easily advise an employer at what point access by an organizer might be permitted?

Mr. HATCH. The Senator has plenty of difficulty with those decisions. However, the decisions—and I might add access is only allowed under the present law under very stringent circumstances, it is not allowed indiscriminately as this law would allow it, and I think justly so, because the poor employer, in exercising his right of free speech, would be put at a decided disadvantage pursuant to either of the bill's provisions, the original substitute or the Byrd substitute, and I might add that what is really at the bottom of this is that those who fully understand labor law know that what this does, if you enact this provision, it just intimidates the employer so he will not say anything because he does not want these people on his premises at his expense. He does not want to subsidize the unionization of his own business.

So, as a consequence, the employer's right of free speech, a constitutionally protected right of free speech, if you will, is violated by this overdesire on the part of those who are proponents of the bill or the substitute or both to try to tilt this in favor of the unions.

I might mention that right now under present law, under justifiable situations which are extreme examples, the Board has ordered equal access. I do not like it, but that is the way it is under present law, so why change the law?

No. 2, the employer is severely circumscribed as to what he can say. He cannot make promises; he cannot promise them any benefits. He cannot say they would be better off. He cannot make anything that would be considered to be a threat or a coercive statement. He is really circumscribed. But the union, the oragnizers, can make all kinds of promises whether or not they know that

they can keep them. They can make promises they know they cannot keep, and get away with it. The poor employer cannot, and within 10 days, under the rule which the distinguished Senator from Montana has recognized in the past, the excelsior rule, within 10 days of the election the employer has to give all the names and addresses of all his employees to the union organizers so that they can call upon the employees in their homes, something that the employer is not permitted to do under law.

So already, under present law, without having this onerous, burdensome, and officious provision, the unions have advantages which the employer does not have in the unionizing campaign. And I might add that this law, if it is enacted, would tilt the scales almost completely in favor of the unions, to the detriment especially, again, of small businessmen.

And they do understand this, and that is why they are fighting it all over America. I submit that even the small businessmen in Montana are fighting this, and will fight it, and have joined in the overall fight throughout this country in trying to protect our small business sector, which we are waging here in the floor of the Senate.

Mr. MELCHER. I assure my friend from Utah that the small business owners and operators in Montana are indeed concerned about access.

Mr. HATCH. That is right.

Mr. MELCHER. And those who have taken the time—and time is always at a premium when you are running a small business—to look into what the existing situation on access is, are quite dumbfounded to find out that a court does order access even when the owner does not want it and resists it.

Mr. HATCH. It is dumbfounding, and I have to admit that a lot of employers have not understood that.

Mr. MELCHER. Under existing law.

Mr. HATCH. And that is true in a lot of cases today. I have to admit that. But they are extreme cases.

The problem is not that the unions cannot communicate with the employees. The problem is that the unions have not been able to persuade them of the desirability of unionizing. That is what is at the bottom of this thing. Since they have been unable or unwilling to persuade the employees, they now come to Congress and ask us to add this so-called pushbutton unionizing bill to deliver the employees over to them.

The small businessmen have decided they cannot allow this to happen, and that is why we are fighting so hard here, or one of the reasons.

Mr. MELCHER. What the small businessmen want to know is, under this bill, can they refuse access? I have to admit that I find, as the Senator from Utah says he has found, that the courts at times say access is allowed, period.

I have briefly read some of the points raised in some of the cases, where the judges made their findings. Just to give an example of the difficulty of understanding what they are saying, they do imply, and they mean just that, that conditions can vary from place to place, and the Board had better set proper rules and regulations so that access can be allowed in those instances.

I did not ask the Senator from Utah whether he agreed with the access provisions of the Stevens agreement. I did not ask him that. I wonder if he would think that that is some sort of mild approach by the courts on access.

Mr. HATCH. Well, to answer that, I do not think that forcing the private owner of property to allow people with whom he violently disagrees on his premises is ever a mild remedy. I might add equal access is allowed under the present law only where the only property on which they are able to talk is owned by the business, or in cases where there has been willful violation.

But I might ask the Senator from Montana, does he believe it is reasonable to require every employer, if he talks to his emloyees within the circumscriptions which bind him, which are very stringent, about unionization, to his own employees, that he should then be forced under the law, by congressional enactment, if you will, to open up his premises and allow those with whom he violently disagrees to come on them at will?

Mr. MELCHER. I would answer the Senator from Utah very succinctly, the answer is no.

Mr. HATCH. I am certainly glad to hear that.

Mr. MELCHER. The question is, are provisions stringent?

Mr. HATCH. The answer is they are.

Mr. MELCHER. I am not asking the Senator a question. That is a rhetorical question.

Mr. HATCH. I see.

Mr. MELCHER. I am going to make a point here.

Mr. HATCH. I see.

Mr. MELCHER. Are these stringent requirements? What is more onerous, the case law set by these judges as we go from one to the other—and we are not even referring to the Stevens agreement, which has nothing to do with the situation, as the Senator seemed to imply, of a captive group surrounded by the business and community, and by the Stevens outfit—it has nothing to do with that.

Mr. HATCH. Will the Senator yield?

Mr. MELCHER. After I have made these points, I will be delighted to yield.

Mr. HATCH. Fine.

Mr. MELCHER. Those people do not live that way. The question set down by the agreement between the Court and the Stevens people, which was not sought at all by the Stevens people, which was really objectional to them, was access.

Mr. HATCH. I agree.

Mr. MELCHER. And pretty strong access. But in view of what was in the Senate bill when we discussed it earlier, last month, I am referring to what the distinguished Senator from Utah said then in response to the Senator from Michigan (Mr. RIEGLE).

He said that access penalizes the employer, because he has to stop work on his premises and on his time allow the union organizer to come and speak to his employees.

He asked, "Why not make the union, if you want to be fair, pay for that, pay for the loss of work?"

On the same day, the distinguished Senator said: "The employer is going to have to open up his premises at his expense to allow the union organizer to come on."

Those were pretty heavy charges against the bill. They needed correction. The substitute does that.

It says that the union organizer, if access is granted, cannot come on and interfere with the work, cannot be in a working area, and it cannot be during worktime.

Now, admittedly, that answers the points that were raised on May 18 by the distinguished Senator from Utah. But the greater point is, is there a right to say "no" to the union organizers?

Mr. President, there is. Contrary to what has often been said, and contrary to what might be interpreted from the remarks made just a few minutes ago by my friend from Utah, the employer need not grant access on the basis of losing his free speech. Free speech does entail talking to employees. Free speech does entail going into a discussion with them to answer their questions that relate the viewpoint of the employer to that of the employee. That is not disturbed. It is not meant to be disturbed, nor would it be disturbed, nor is it even confusing.

As far as the owner going to the home of the employee, of course he can go to the home of the employee if he is invited. What else would the owner want to go to the home of the employee for? Who wants to knock on his employee's door and say, "Let me in"?

What kind of country is that? What kind of relationship is that between employer and employee?

Of course the employer can come to the home of the employee anytime he is invited and the employer does not solicit that invitation.

I find no reason to bring it up in the debate at this stage. It is a confusing item on what is the present situation on access which, admittedly, is confusing to almost everybody else that has read that except, possibly, the Senator from Utah when he reads the case law. But he has granted in our colloquy today that that case law does permit access contrary to the will of the employer in some instances, and we have named a couple of them.

I think the substitute goes a long way in solving this particular problem because it will supplant the changing case law of appellate courts and the rules that are drawn on the basis of those decisions.

I think that is a broad improvement and one that will be welcomed by small business people.

I think it is clear that the employer and small business that does have less than 10 on the payroll will not be subjected to it, under any circumstances—

just taken out, period. That is an improvement because case law, no matter where it is drawn in the rules that follow, even if it is drawn for the conglomerate like Stevens, if we legislate it around, can eventually work its way down to the lower level of business in terms of amount of business done, in terms of employees.

So I think a clarification by law is needed here to supplant what is case law and the rules that have been drawn by the Board from those cases.

The Senator from Utah says that we can look at that exemption of fewer than 10 on the payroll and say, "What if they are all supervisors?"

That is not a relevant point. What union is organizing supervisors? What has that got to do with anything? That is not a concern of any small businessman I have ever heard of. That is not his concern, that he has all of the people he has got on that payroll as supervisors.

But if they were, if that is the way he chose, he need not fear anything. What union is it that is organizing supervisors?

The question of whether or not the employees are on there, some that are on the payroll, some of them are this, or that, or what have you, is clearly an indication that an exemption is wise in this instance.

It is wise because, if we have to bog down the board in all these silly little quibbling deals on who is part of this bargaining unit, it does not make any sense and it would trigger access. So, on this point, the bill has a great advantage.

I think the main concerns in the case of are we covered or are we not, that small business people ask, does the bill affect us, is the National Labor Relations Board going to take us in, we are not under now, or are we? Sometimes they ask that—are we? And, if they are not, will they be taken in?

We have clarified that and said they will not, made it statutory, and take away the discretion of the Board in that regard.

The second point on setting the election date, clearly, this goes to the very grave concern of small business people who have been reading the information about this bill and reading that term "quickie elections" which they are told the unions want, the union organizer wants, because he thinks he can win it with a quickie election.

If they look at that timeframe and read, perhaps, even the RECORD, even get down to reading the RECORD made here in the Senate, and see, as enunciated by the distinguished Senator from Utah, that 80 percent of the elections are held within 12 and 42 days, they wonder, is that the quickie election they are talking about, and not realize that is the current law, that is the current operation of the Board.

They think they must be reading it wrong; that does seem pretty quick. They have a great concern.

They write to everybody in the Senate and letters to the editors. They really have a concern that somehow it is going to be jammed down their throat, that there will be a big effort to unionize them. It has never been done before, but a big effort will spring from this bill and there will be quickie elections held on the basis of this bill and they will not have any time to even think about it, or time with their families on what should they do, talk to a lawyer, or what have you. They are in a quandry.

Their concern is so loud and real and legitimate on that point that the Senate substitute went right to the heart of the matter and said that in no case, even though this bill really does not do anything to cause unions to go out and organize small business, even though there is not any substance to that charge, the response in the bill and the substitute goes right to the point of concern.

Perhaps we are benefited by this concern, those of us who have strong ties with small business, because now we know what the current law and current practice is, and what the discretion is of the Board to hold the elections when they choose.

We have taken that away in the substitute and said:

You cannot do it in less than 35 days, and have to wait until 35 days for that election before it can be held.

And we tell the board—

You don't have any discretion any longer. It is 35 days from the time that union organizer gave written notice to the employer that he wanted an election, or some of the employees wanted an election to be held for the purpose of determining whether or not there would be a union.

As to the third question on access, I well know and well respect the portion of common law that is part of our heritage that says a man's property—I want to say a person's property, it is men and women—a person's property gives with that right of ownership other rights that follow.

Access is found in case law, and the rules the Board had to promulgate as a result of that case law do not in all cases guarantee that.

But in all instances, for every one of the small business people I know that have ever paid any attention to what case law is, or access, they really throw their hands up in the air and say, "What is that all about?"

So the Senate substitute goes directly to the point and establishes not just what access is, but establishes a clear right of the employer not to grant access.

Well, the usual procedure in small business, dealing with a small business employer and dealing with the employees of that business, is truly one of mutual respect for each other.

Small business people have become alarmed because they think for some reason, those that are not unionized, that unionization will be foisted upon them quickly now. Although I think that is not only irrelevant and highly unlikely, but I do not see any possibility of that happening from anything that is in this bill.

Since a concern is raised about access, again it is probably appropriate to take action and to put it clearly in the law in the rights of the employer, and more so than the rights of the employees it is addressed in the substitute provision concerning access.

There are instances where employees want to know what it is that the union organizer is trying to tell them, and there are instances where it is difficult for them to find out. It is not often very difficult with the small employers we have been discussing this afternoon, such as in my State of Montana. The number of employees might be anywhere from 4 to 12 to 18, in some cases 35, in some instances 100. If we get beyond that, it is pretty rare. The bulk of them are in the lower numbers. The employees in those instances are very interested in what the union organizer might be attempting to convey to them and would have no problem at all in finding out.

In the case of the employer who does not want to have the union organizer on the premises, he does not have to. It would be very rare for a small business operator to wage a campaign against the union on his premises. I doubt whether it would happen in very many instances. But if that were the case, and the employer knew by doing that he also invited the other side, the union organizers, to give their side of it, the union side of it, then I think the provisions in the Senate substitute that say, "All right, only in nonwork areas and at nonwork times, eminently answer the objections raised by the Senator from Utah (Mr. HATCH) on May 18.

Because of those points, I believe there is strong evidence that the clarifications and the weeding out of redtape on these three points would make it advantageous for small business people over and above the existing law, the existing rules of the Board, and, in the case of access, the existing case law. I think if we want to be for a reduction in redtape and a restriction on the rulemaking authority of a Federal agency in a critical area, here is one instance where this bill, the Senate substitute, in these three areas meets the challenge and meets it critically. There are these good points that affect small business in clarification and cleaning out of the redtape.

On the question of debarment, it is hardly an issue with small business. That is why I have not discussed it nor have I asked the Senator from Utah, who has been so generous in his time this afternoon in our colloquy, to go into it. I cannot envision a small business operator willfully and knowingly violating the law to bring debarment upon himself. The Senate substitute, in the case of debarment, if it is invoked on someone, has a clear remedy and it is instantaneous when the agreement by the employer to follow the law is stated to the Board. That removes debarment immediately and effectively.

I want to express my thanks to the junior Senator from Utah (Mr. HATCH), my good friend, for his generosity in be-

ing with us this afternoon and partaking in this colloquy. I very much appreciate it and I am very much indebted to him.

I yield the floor.

Mr. THURMOND. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. MELCHER. Mr. President, I now yield to the Senator from New York.

Mr. MOYNIHAN. I thank my distinguished colleague——

The PRESIDING OFFICER. The Chair has recognized the Senator from South Carolina.

Mr. THURMOND. I will be glad to yield to the Senator from New York for an insertion in the RECORD.

Mr. MOYNIHAN. The Senator from New York was going to yield to the Senator from South Carolina but the Chair has already recognized him.

Mr. THURMOND. I would be glad to yield for a few minutes.

Mr. MOYNIHAN. The Senator is very generous I have a longer statement I would like to make after the Senator concludes.

Mr. THURMOND. I will complete my remarks in 10 minutes, if that is satisfactory.

Mr. MOYNIHAN. The Senator is very kind.

Mr. THURMOND. Mr. President, during my last opportunity to speak against the so-called Labor Reform Act of 1978, I covered abuses by big unions.

The proponents of this proposed legislation do not like to hear that story. They respond that it is a subject for the criminal laws to address. They further respond that opponents of the bill are addressing themselves to issues not within the jurisdiction of the Human Resources Committee. The proponents reason that we are being obstructionists in not talking about the subject matter of the bill.

Mr. President, we are talking about what should be in the bill, but is not to be found there. We have a bill before us, which will increase the power of big unions. Nonunionized employees and many unionized employees are not lobbying for this bill. Employers are not lobbying for this bill. The public is not lobbying for it.

When we speak of big union abuses of employees and property employers, we are speaking of big union power and how they use it. As we consider a bill to give the big unions more power what could be more appropriate than to look and see what they are doing with the power they have now. My point in addressing union abuses can be stated very simply. I am seeking to persuade the Senate that more union power will not be good for the Nation. I am seeking to persuade the Senate that the bill before us is not reform, because reform is a two-way street. A reform bill would address big union abuses of employees and employers as well as perceived employer abuses of the unions.

It is the height of bureaucratic thinking to answer, "But that is not within our jurisdiction." It certainly is an issue which the U.S. Senate can and should consider and one I will continue to address. What could be more important than to learn whether big unions abuse workers by wasting and embezzling their dues? What could be more important than to examine the workers' pension funds maintained by big unions to see if they are managed properly? What could be more important than looking to see if the workers or the bosses run the big unions? If we wish to consider reform of the labor laws, these issues are important. On the other hand, if the proponents are only interested in pumping out another bill for big labor, then I can understand why they are not interested in hearing about big labor abuses.

Mr. President, PROD, a group of Teamster members, have issued a report on abuses within that union. As I mentioned during my last occasion to speak on the bill, it is my understanding that PROD supports this legislation. Their stand certainly lends credibility to their report.

CHAPTER 8—TOP TEAMSTER OFFICIALS: A STUDY OF MULTIPLE OFFICES AND MULTIPLE SALARIES

Mr. President, the international general president's salary is set by the union convention. In light of the tremendous powers the president has to influence convention delegates, it is no surprise that Teamster General President Frank Fitzsimmons draws an annual salary of $125,000, plus allowances and expenses [138]—far and away more than other unions pay their top officials.[139]

In addition to the large cash disbursements Fitzsimmons receives annually, the Teamsters provide him with a host of other benefits whose value is difficult to calculate. For example, Fitzsimmons and other Teamster officials and employees enjoy "haute cuisine" prepared for them by the two French chefs employed at the IBT headquarters in Washington, D.C., known to most members as the union's Marble Palace.[140] The union furnishes Fitzsimmons with a home in a nice residential suburb of Washington, D.C., for which it paid $98,051 in 1971.[141] To aid him in commuting to and from the Teamster headquarters, the union makes available a new Lincoln or Cadillac each year. When traveling out of town, Fitzsimmons has use of the union's fleet of airplanes.[142] In fact, the union even picks up the tab whenever Fitzsimmons wants to take a vacation in this country or abroad, not only for him, but for his wife, secretaries, and any others who can provide "services which he deems necessary while so engaged." The international's "Travel Provision" is very similar to the unlimited expense accounts finagled by William Presser and Babe Triscaro.[143]

The International Teamsters Union does almost as well by its general secretary-treasurer. His salary is set at $100,000 and he, too, enjoys the use of luxurious automobiles and aircraft owned by the union as well as being able to qualify under the same travel provision as the general president for all-expense-paid vacations wherever and whenever he pleases. In his first couple of years in the office, Murray W. "Dusty" Miller managed to supplement these handsome rewards as a result of a series of highly questionable financial transactions, a subject to which we will return at the end of this chapter. First, let us proceed to discuss our principal subject—accumulating large union salaries as a result of multiple office holding by other high Teamster officials.

Fitzsimmons and Miller and not the only two Teamster officials who manage to collect kingly ransoms from union treasuries. During 1974, at least 17 Teamster officials topped the $100,000 mark, and that number would have been greater had not at least 5 other officials slid temporarily below it.[144] In fact, if we were to focus upon a more reasonable salary level say $40,000 for example, we find that a total of at least 147 Teamster officials topped that figure in 1974.[145] There are two basic reasons why Teamster salaries are so high. First, the rank and file have no control above the local level. Second, the IBT constitution, written and modified by local union officials, specifically provides for those officials to hold multiple offices, and receive multiple salaries, in the union's extensive organizational hierarchy above the local level.

A strong case can certainly be made for allowing certain union officials to serve on committees or district councils that may meet from time to time to develop union policies or negotiate contracts. However, most other major unions like the Auto Workers, Steelworkers, and Mine Workers shun the notion that these officials should be paid an entirely separate salary for performing such functions. Obviously, there are limits to what a human being can accomplish in a workday or week and Teamster officials are no exception. In fact, some Teamster officials really make no pretense about working full time on just one job, yet they continue to hold other positions for which they are paid full salaries.[146] Others manage to hold multiple offices which are all designed for the purpose of accomplishing the one job they actually perform.[147] However, the more usual situation is that high union officials will also hold down a local union office plus some position (elected or appointed) on either or both a joint council and conference (or trade division). Finally, in their capacity as the principal official of any one or more of these various organizational entities, some Teamster leaders, like the Pressers, also appoint themselves as salaried trustees or administrators of various Teamster funds, or create deferred compensation or severance plans and make themselves the beneficiaries. The subject of special trust funds is understandably complex and will be dealt with in chapter 10. So, let us focus further on multiple salaries for union, as opposed to "fund," offices.

Eleven of the fifteen international vice-presidents also hold office in both a local and joint council and enjoy the benefits accompanying each office. General executive board meetings and international union matters alone have come to

Footnotes at end of article.

require a substantial percent of their time and attention. How these men can also devote sufficient time to running their locals and joint councils to justify collecting full salaries from those organizations is difficult to imagine. As we shall see when studying the financial profiles of the vice presidents in part IV, some do make half-hearted attempts to apportion their salaries to reflect the time they spend at their many different jobs. However, most do not.

Kansas City Teamster boss Roy Williams is a case in point. His international duties include serving as a vice-president, director of the central conference, head of the freight (trucking) division, general organizers and trustee of the central States pension fund. In addition, Williams also heads local 41, joint council 56, the Missouri-Kansas Conference, the Missouri-Kansas Drivers' Council, and the Central States Drivers' Council. Despite the fact Williams, himself, cannot obviously fill all of these positions, they enabled him to gross $111,155 in 1973.[148] Another case in point is Robert Holmes, the vice president from the State of Michigan, who presumably has some responsibilities to the international for troubleshooting and coordinating Teamster activities in that State to justify the $40,000 plus which he was paid as a general organizer in 1974. At the same time, Holmes headed up the 15,000-member local 337 which paid him nearly $1,000 each week in salary and allowances. Holmes also received several thousand dollars more for heading up Michigan Joint Council 43 and for serving as a union trustee of the central States pension fund.

One of the biggest financial boondoggles in the union is the office of international general organizer. Nowhere are the duties of general organizers laid out. Judging from those who have held this largely honorary appointment from Fitzsimmons in recent years, general organizers in fact do little or nothing to justify their $30,000 salaries which are further increased by whatever allowances and expenses Fitzsimmons may choose to allow.[149] Of the 52 individuals who held that post in 1974, only a dozen or so were in a position to devote substantial time to the position without shirking other important and demanding union responsibilities. For example, 29 general organizers held a local elective office, and 21 of these individuals held at least one additional office in the Teamster organizational hierarchy. Other general organizers held various appointed union jobs which consumed their full time.[150]

In fact, the IBT's expenditures for organizing might raise quite a few eyebrows for several reasons in addition to the fact a substantial part of its annual allowance has gone to pay the salaries, allowances and expenses of high-ranking officials who did absolutely no organizing. In the first place, an alarming number of the men who hold the rank of general organizer are hardly up-and-up trade-unionists inasmuch as they have previously been involved in various criminal activities, including the taking of illegal payoffs from their members' employers.[151] Moreover, a large percent of the huge sums of money the international has spent recently on organizing are largely unaccounted for. From 1971, the year of the last Teamster convention, the amount of money expended from the international treasury increased from $2.9 million to $8.6 million in 1974.[152] Owing to the fact the union did not break down how or where it spent all this money, the rank and file have absolutely no way of knowing whether it was spent on legitimate organizing or whether it was wasted or illegally converted to the private use of certain individuals.[153]

Now let us return to examine the various transactions and multiple salaries which enriched former General Secretary-Treasurer Dusty Miller during the first 2 years he held that office. Prior to his appointment as secretary-treasurer by Fitzsimmons in 1972, Dusty Miller had run the southern conference for two decades. Like the current head of the southern conference Joe Morgan, Miller had occupied both positions of international director and policy committee chairman of the southern conference and had collected two full salaries for what was, and is, essentially one job. His gross salary from those two sources grew steady to the point he broke through the six-figure barrier in 1971 when he received $48,738 directly from the IBT-controlled conference, and $61,887 from the international for serving as Fitzsimmons' emissary and directing conference affairs.[154]

Miller was sworn in as general secretary-treasurer on March 31, 1972. At the time, he still had 17 months to go in his term as chairman of the Southern Conference Policy Committee. While he resigned as the international director of the conference when he became secretary-treasurer of the international, he retained his post on the policy committee and the $54,801 salary that went with it. Moreover, although Miller was not sworn in as the general secretary-treasurer until the beginning of the second quarter of the year 1972, Miller also collected the full $100,000 annual salary that went with his new position in spite of the fact the International also paid Miller's predecessor, Thomas Flynn, his prorated portion of the $100,000 salary or $26,802 for his services during the first 3 months. Thus, during the year 1972, the International Teamsters Union under its new general secretary-treasurer expended a total of $126,802 for a position for which the union's constitution only authorized $100,000.[155] As a result, Miller was able to gross $169,029 in salary, allowances and expenses from the international and the southern conference in 1972.

The year 1973 also proved to be a rewarding year for Dusty Miller. In spite of the fact Joe Morgan took the reins from Miller as chairman of the Southern Conference Policy Committee in August of that year, Miller again received his full, annual salary for the job. Thus, in 1973 Dusty Miller once again grossed more than $160,000.[156]

In 1974, Miller was yet again the beneficiary of southern conference largesse. During that year, the conference gave him a condominium apartment in the Canongate development located in North Miami, Fla., which was built by Calvin Kovens who was convicted in 1964 along with Jimmy Hoffa of defrauding the Central States Pension Fund.[157] The conference had purchased the apartment in 1972 for $48,452 and Miller was the regular tenant until he became the technical owner on April 26, 1974. Interestingly, however, the Southern Conference Policy Committee actually adopted the resolution to make the gift to Miller at the meeting the preceding August when Miller stepped down and Joe Morgan was sworn in as chairman.[158]

While Frank Fitzsimmons undoubtedly knew exactly how well his appointee Dusty Miller was doing financially during these years, neither he nor the union's trustees, whose job it was to monitor the international's books and stop such practices, even bothered to mention, much less question them.[159] Because the conferences are not independent legal entities, and are technically and financially nothing more than extensions of the international union, it may be argued that Dusty Miller, as secretary-treasurer of the international, lined his own pockets during the first couple of years he held office. Not only did the Teamster rank and file never authorize or ratify the excessive payments Miller received, their "delegates" never even elected him to the office of general secretary-treasurer.

FOOTNOTES

[138] In addition to providing for his salary and allowances, the IBT Constitution appears to give the General President an open ended expense account, namely: "All expenses of the General President and General Secretary-Treasurer shall be paid by the International Union." Art. V, Sec. 1(a). This provision would appear to authorize the General President to charge his groceries on a Union credit card. We have no knowledge that he does so and wish only to stress that the presidential expense provision could be so abused.

[139] The Presidents of the next three largest unions received the following amounts during 1974: I. W. Abel (United Steel Workers), $75,621; Leonard Woodcock (United Auto Workers), $62,939; Floyd Smith (Machinists), $46,205. These sums compare to the total cash disbursements the IBT reported giving to Fitzsimmons that year—$133,309. Union records show that a number of other Teamster officials actually managed to earn more than Fitzsimmons in 1974. These included Murray Miller, Donald Peters, Bernard Adelstein, William Joyce, Jackie Presser and Harold Friedman. Such salary levels have been described as "country club unionism" by Ed Sadlowski, United Steelworker District President who has been a frequent critic of I. W. Abel.

[140] In 1974, the principal chef was paid $27,000, and his assistant was paid $12,000. By comparison, the Union's salary expenditures during the same year for its Safety Department were $30,000 for the director and $11,000 for his lone assistant.

[141] Fitzsimmons is obliged to pay income tax on the rental value of the property. In

1975, the IBT claimed that the rental value was $9,375. In fact, real estate experts agree that a conservative estimate of the annual rental value of residential property is 8 percent of its fair market value. Real estate values in the Washington, D.C. area have been appreciating at an annual rate of 15 percent during recent years. Thus, the value of Fitzsimmons' home in 1975 would have been approximately $160,000, and the rental value on which Fitzsimmons should have paid taxes was $12,200, or roughly $3,000 more than Fitzsimmons presumably declared. In fact, the IBT, itself, estimated the value of the house, alone, for insurance purposes to have been worth $128,000. Fitzsimmons may accordingly be liable for understating his income and may owe back taxes.

In addition to the purchase price of the home, the Union's 1971 LM–2 report shows on the very next line an expenditure of $143,919 for "furniture and fixtures". It is unclear whether this form of benefit, namely providing Fitzsimmons with a rent-free possibly furnished house, is lawful under the Union Constitution. Art. V, Sec. 2 (g) permits the Union only to provide accommodations to house officers and employees while on official union business, and require the use thereof." Such provisions generally authorize only out-of-town expenses.

[142] See Chapter 9 for a discussion of the multi-million dollar "Teamster Air Force".

[143] The full text of this Travel Provision which appears in Art. V, Sec. 2 of the IBT Constitution follows:

The General President, for the purpose of promoting the interests and welfare of the International Union and the making of diplomatic contacts with other organizations and institutions, *and for the purpose of conserving his health, may at his discretion travel in this country or,* with the approval of the General Executive Board, *abroad, and may take periodic rests.* The General Executive Board *shall provide for all expenses and allowances* of the General President when performing the services mentioned herein or *when taking periodic rests;* the said expenses and allowances shall include travel in this country and abroad, *the full and complete maintenance of his wife* so that she can accompany the General President, *and all secretarial help and services* which he deems necessary while so engaged. *The expenses and allowances provided for herein are in addition to all other constitutional compensation and allowances.*

All the provisions of this Section shall be applicable to the General Secretary-Treasurer. (Emphasis Added.)

[144] Marked fluctuations of income are by no means rare among Teamster officials. For example, look to the individual financial portraits in Part IV of Roy Williams, Salvatore Provenzano, Rudy Tham, Jesse Carr, Lester Connell and R. C. Cook. While multiple salaries from different Union entities generally account for the high salaries, several Teamster officials have managed to collect more than $100,000 from their Locals alone. For example, in 1974, Chicago Local 710 paid William Joyce (Sec.-Treas.) $134,579 and John Kelahan (Pres.) $112,533; Chicago Local 781 paid Joseph Bernstein (Pres.) $107,731; and, as we have seen, Cleveland Local 507 paid both Jackie Presser and Harold Friedman each more than $125,000 in 1972.

[145] In addition to the 17 officials making more than $100,000, PROD found that 13 made more than $75,000 and less than $100,000, another 45 received incomes between $50,000 and $75,000, and at least 72 earned petween $40,000 and $50,000. Since PROD did not examine the LM–2 reports for every single Teamster organization or the D–2 reports for every Teamster fund, the total number of Teamster officials in each category may well be significantly understated. Moreover, since Canada does not require Teamster officials in that country to file such financial reports, we have no way of knowing what those officials earn. For a list of individuals and their salary levels, see Part IV.

[146] For example. International Vice-President Weldon Mathis lives and works full-time in Washington, D.C., as Fitzsimmons' Executive Assistant. Nonetheless, Mathis received $20,000 from Atlanta Local 728 during 1974 for supposedly running that Local as its President. Mathis is also supposedly a full-time, salaried International General Organizer despite the fact he only leaves his desk to attend meetings with other officials.

Similarly, during 1972 Frank Murtha was the Administrator of the Union's giant Central States Pension Fund located in Chicago, a full-time job if ever there was one. Nonetheless, he too collected a full salary from the International for "organizing". He received $66,000 from the Fund, and $35,000 from the Union.

[147] A classic example of this form of duplicative payments is Joe Morgan who serves as both the International Director of the Southern Conference as Chairman of the Conference's Policy Committee. In 1974, Morgan received $66,563 from the International and $54,939 from the Conference.

Another example is Sam Ancona who was paid salaries by various Teamster organizations all for the same basic job, organizing IBT Vice-President Roy Williams. His 1974 gross salary came to $75,872, $39,677 from the International, $35,195 from Williams' Joint Council 56, and $1,000 from the Missouri-Kansas Conference which Williams also heads. One point to bear in mind is that no Teamster member has ever elected Ancona to these positions.

[148] Williams was appointed Director of the Central States Conference in January of 1976 and the salary which goes with that job will augment his annual earnings still further. Williams 1973 salary total was made up in the following manner. The IBT paid him $40,195, Local 41 paid him $35,900, Joint Council 56 gave him $17,249, and the Central Conference gave him $17,631, reportedly for "expenses". This latter sum of money is peculiar in light of the fact no other officer of the Conference received more than $700 in expenses and the disbursement to Williams was not shown in the Conference's original LM–2, but rather in a subsequent amendment to that report.

Williams gross salary in 1974 dropped to $91,000 because the Conference paid him only $1,479 that year and his Local salary was cut back to $5,200. These two pay cuts were, however, largely offset by a $26,000 raise he received that year from his Joint Council. Interestingly, this raise from the Joint Council came during the same year his Local loaned the Joint Council $45,000 and the Central Conference gave the Joint Council a $54,000 organizing grant. The Local indicated no arrangements for repayment of the loan on its LM–2 form.

Williams has been linked to organized crime in various newspaper accounts. For example, in a series of articles on the Central States Pension Fund which appeared in the Oakland Tribune in 1969, Williams was said to have met with known mobsters and to have helped them in his capacity as a Fund Trustee, to secure loans for which he allegedly received a kickback. According to the newspaper accounts Williams' highly paid protege, Sam Ancona, arranged the meetings and functioned as Williams' link with the mafia. Oakland Tribune, September 26, 1969.

[149] Art V, Sec. 1(d), IBT Const. sets a $30,000 ceiling only for "salary". This limit was apparently disregarded by Fitzsimmons in 1975. See footnote No. 56 in Part 1, above.

[150] Sam Ancona is one such individual. See footnote No. 147, above. Another is Vincent Trerotola, IBT Vice-President Joe Trerotola's son. In 1974, Vince worked for his father in several capacities (administrative assistant to the Eastern Conference, assistant office manager to Joint Council 16, and employee of the Joint Council's pension fund) and grossed $31,364 in addition to the $26,359 he received from the International for "organizing." W. Fleming Campbell, another Gen. eral Organizer ($39,120 in 1974), likewise worked for the Eastern Conference as an administrative assistant ($12,811).

[151] For example, T.R. Cozza (Pittsburgh), William Presser (Cleveland), Rolland McMasters (Detroit), Don Gillette (Miami), and Jack Jorgensen (Minneapolis) have all been convicted of taking illegal payoffs yet all continue to serve as Fitzsimmons' General Organizers. Special Organized Crime Strike Forces of the U.S. Department of Justice have secured indictments against General Organizer Elvin Hughes (Southern Illinois), Rudy Tham (San Francisco), and F. J. Roberto (New Haven). Hughes was accused of arranging kickbacks from the Illinois Conference Welfare Fund. Tham faced charges of extortion and interstate transportation to promote bribery. Roberto and several of his colleagues on Joint Council 64 were accused of embezzlement.

Other General Organizers have also had run-ins with the law. Rocco dePerno figured prominently in the case which led to Tony Provenzano's recent indictment. DePerno allegedly demanded a kick-back on the loan he started to arrange for Tony Pro from the New York State Conference Pension Fund. IBT Vice-President and General Organizer Roy Williams was indicted in February of 1974 for filing false information in the Union's financial reports. Should he be convicted he will be barred from holding any Union office. See 29 U.S.C. 504(a). In spite of this, Fitzsimmons recently appointed Williams as International Director of the Central Conference in addition to General Organizer.

[152] On its 1971 LM–2 form, the Union reported spending $2,912,513 on organizing; in 1972 that sum rose to $3,931,907; in 1973 to $7,434,550; and in 1974 to $8,558,357. In fact, the Union has consistently underreported its "organizing" expenditure in its annual report to the members which it publishes in the *International Teamster* magazine sent to every member. Thus, the Union told its members it spent only $7.5 million in 1974, and $6.4 million in 1973.

[153] For example, it is possible that Roy Williams' 1974 salary increase was skimmed off the International's organizing allowance. Remember, the $26,000 salary increase he received that year from his Joint Council coincided with the 54,000 organizing grant the Joint Council received from the Central Conference which, as we have seen, is an arm of the International.

Due to the possibly suspect nature of the International's huge allocations for "organizing" in recent years, it would seem that members should be entitled to force the IBT to open its books, pursuant to the Landrum-Griffin Act, to justify every expense charged off to organizing 29 U.S.C. 431(c). If any misappropriations should be discovered, members can maintain suits against those officials responsible for wasting or converting their dues-monies to recover the funds. 29 U.S.C. 501. Attorney fees will be awarded against the wrong-doing officials, not the Union, where the plaintiff-members are successful in their suits.

[154] In fact, Miller evidently gained influence rather rapidly under Fitzsimmons. In 1970,

his salary from the Conference was only $32,074. The following year it jumped 50 percent. During the 1960s, Miller held the Conference Policy Committee meetings aboard the Yellow Rose of Texas II, a yacht owned by the Conference. Between 1964 and 1968, the Conference reported expenditures of $27,861 on "Boat and Entertainment Expenses".

[155] In fact, even more was spent if one includes the additional $14,228 the Union paid Miller in allowances and expenses in 1972. The most Miller should have been paid by the International in 1972 was roughly $89,000. For serving as General Secretary-Treasure for 9 months, the Union should have paid him $75,000. For serving as International Director of the Southern Conference for 3 months he might have been expected to earn $14,000 (¼ of the $55,000 Conference Directors are normally paid). The fact that he paid himself considerably more might well constitute a breach of his fiduciary duty. See 29 U.S.C. 501.

[156] He received $57,298 from the Southern Conference and $107,541 from the International.

[157] Canongate was once the popular Teamster resort that LaCosta has now become. Miller's apartment number was 718. According to news accounts, Allen Dorfman stayed close by in apartment 716. Cleveland financier and Bally Corporation treasurer Sam W. Klein stayed next door to Miller in apartment 719. Frank Fitzsimmons and William Presser stayed in apartments 602 and 302 respectively.

[158] Miller probably paid no income tax on the value of this "gift".

[159] The three IBT Trustees were Frank Matula (Los Angeles), Maurice Schurr (Philadelphia), and Louis Peick (Chicago). Fitzsimmons recently elevated Peick to Vice-President. Interestingly, while Matula and Schurr each received less than $1,000 in allowances in 1970, their allowances shot up during 1971 and 1972. Matula received $17,095, just in allowances, in 1971, and $15,182 in 1972. Schurr received $13,015 in 1971, and $12,860 in 1972, again just in allowance, excluding salary and expenses. Incidentally, Matula was convicted of perjury in 1959.

CHAPTER 9—OTHER TEAMSTER BENEFITS: EXPENSE ACCOUNTS, SEVERANCE PLANS, AUTOMOBILES AND AIRPLANES

Mr. President, depending upon a Teamster official's rank and his proximity to power (most frequently in joint councils and other organizations where he is not directly accountable to the rank and file) the official may well be able to maintain a standard of living which bears no resemblance to the salary he is being paid. Salaries must be attributed directly to the recipient on the Department of Labor LM–2 reports each and every Teamster organization must file annually. On the other hand, many of the other benefits officers receive at union expense are simply not calculable since they are lumped together under various vague designations and are not attributed directly to the officers.[160] Thus, while we will have no way of knowing exactly how well off many Teamster officers really are, let us examine some of the various forms of benefits they receive. Remember, the rank and file must ultimately pick up the tab for each and every allocation of union funds.

Footnotes at end of article.

ALLOWANCES

The creative use of union allowances can often insure that an officer takes home considerably more cash each month than the rank and file think they are providing him. If an official thinks he deserves a raise or simply wants more money than he is receiving the rank and file would disapprove of a raise, the increase can often be arranged in the form of some allowance or another.

The model bylaws which the international circulates to local unions urge the adoption of a provision whereby the local executive board may vote themselves "additional compensation and allowances" from time to time as needed. In many locals, the executive board's powers are exercised in fact by just one official. At the international level, while we have seen that the Constitution imposes a $30,000 ceiling on general organizers' salaries, the international automatically pays these individuals at least an additional $5,137.50 in allowances each year. To begin with, organizers receive a $7.50 per diem "incidental allowance" and a $200 per month automobile allowance.[161] In addition, when they travel out of town, general organizers are automatically paid another $40 allowance each and every day they are away in spite of the fact their credit cards can be used to cover almost all of their expenses. This form of pay is frequently a pure windfall for organizers.[162]

We make no effort here to present a complete account of the allowances paid to the many hundreds of Teamster joint council and conference officials. Much of this information can be found in part IV in their individual profiles. We do wish to note, however, that IBT Vice President Arnie Weinmeister's Joint Council 28 was scrupulous to indicate on its 1974 LM–2 report that the $7,610 allowance it paid Weinmeister,[163] and the various allowances it paid its other officers were "considered to be additional compensation to the recipients for income tax purposes and are so reported by the joint council." This language on Teamster LM–2 reports appears very rarely and while most allowances paid to Teamster officials are, indeed, taxable income under the Internal Revenue Code, the omission of this acknowledgment by most officials suggests the possibility that they may not be reporting all of their lawful income. In fact, as an "employer," each union entity is obliged to withhold tax on all income they pay Teamster officers and employees. It is possible that those organizations may not have included allowances as well as salaries in the income category in which case they would not have withheld the proper tax. As a consequence, the local or joint council, and so forth, may be directly liable to pay stiff penalties. In such a case, the Teamster rank and file would, once again, have to pick up the financial burden created by their officers.

EXPENSE ACCOUNTS

Many Teamster officials have virtually unlimited use of union credit cards. The sums charged to these union accounts are never attributed to the individual officials and are lumped into various other union expense categories on their LM–2 reports. There simply is no way of calculating the value of this benefit to any given official without asking the union to open its books to a member so he can inspect who signed for what.[164] The only time the union is required to report an expense figure for particular officials is when it has reimbursed those officials for sums they reportedly spent out of their own pockets on union business.[165]

In spite of this very narrow reporting requirement, PROD found that various Teamster organizations have reimbursed certain officials for rather sizable expenses they reportedly incurred.[166] For example, in 1974 Andy Anderson, the international director of the western conference was reported to have been paid $17,318 in expenses alone. Two other western conference officials received even more. John J. Sheridan, chairman of a unspecified trade division of the conference was reported receiving $19,690 in expenses on top of his $33,635 salary. Ralph Cotner, a western conference representative actually received more in expenses than he did in salary ($23,531 against $23,269). And, as we have already seen, Roy Williams received $17,631 in expenses from the central conference during the same year in which no other central conference official received more than $428 in expenses.[167]

TRAVEL ACCOUNTS

Travel accounts are just one form of expense account which a number of Teamster officials have the privilege of enjoying in varying degrees. Nonetheless, they warrant special mention. Fitzsimmons, Miller, and now Schoessling, Presser, Triscaro, and now Busacca, as well as Jesse Carr [168] may all travel whenever they please to posh, warm weather resorts and may bring along wives and/or secretaries or in some cases any number of business associates. The Teamsters membership must pick up the entire tab for their frequent and luxurious vacations. Other Teamster officials enjoy less expansive travel provisions. For example, St. Louis local 618 permits its president, Ed Dorsey, unlimited travel for the purpose of establishing and maintaining contacts that will benefit the local. With a little imagination, such a travel provision could arguably cover trips to join Teamster officials who might be golfing at La Costa.

AUTOMOBILES

The one benefit most frequently enjoyed by high Teamster officials is personal use of union-owned automobiles. And, judging from the make and model of car purchased by most officials, the common attitude is nothing but the best.[169] For example, not only does Frank Fitzsimmons drive a late model Lincoln or Cadillac, so do his two assistants, Walter Shea and Weldon Mathis, who both traded their 1973 Cadillacs for $12,000 Lincolns in 1974. Chicago Joint Council 25, presided over by Louis Peick, outdid the international when it spent $13,957 for a single automobile in 1974.[170]

In addition to providing officials with union-owned automobiles to drive, a number of Teamster organizations have made outright gifts of these cars to their officials. In the early 1970's, nine Teamster officials from the Cleveland area purchased late model cars from the union for the total sum between them of $13. During the ensuing trial for misusing union funds, William Presser's attorneys pointed out that it was a common practice to give automobiles to retiring officials. Retiring local 407 president, John Kalnicki, was one official who purchased his Cadillac for $3, yet he immediately came out of retirement to become an organizer for the central conference. Other retiring Teamster officials who received gifts of automobiles include the union's general secretary-treasurer, Ray Schoessling, who received a vehicle valued at $7,450 when he stepped down from the presidency of Joint Council 25 now headed by Peick.[171] The southern conference gave a $4,915 automobile to Norman Goldstein when he retired from the position of organizer in 1974 to become administrative assistant to the Conference's Policy Committee Chairman Joe Morgan. Various other officials, including IBT Vice-President George Mock, and general organizers W. W. Teague and C. Howard Jones,[172] have received automobile gifts for no apparent reason.[173]

THE TEAMSTER AIR FORCE

Expensive automobiles are not the only form of transportation that Teamsters are providing their officers. In 1969, the union began assembling a fleet of airplanes which has grown to the point where today it includes five luxurious jets and two turboprops worth over $13 million at 1974 values.[174] In the private sector, the Teamster's private air force is exceeded in numbers only by the Nation's largest corporation, General Motors, which owns six jets and six turboprops.

The union acquired its first airplane in 1969 when it leased a jet from Allen Dorfman's Union Insurance Agency for the annual sum of $1.2 million.[175] During the same year, the southern conference, then headed by Dusty Miller, sold its $44,000 yacht and purchased its first plane for $227,850. The following year, the conference began trading up in the executive jet category by trading in this jet for one that cost $663, 850. The difference between the cost of the new plane and the trade-in on its old plane—roughly $450,000—was financed by a grant from the international. In 1972, the southern conference again moved up to another jet which cost the conference $932,850.

During the same year—Fitzsimmons' first year as the elected president—the international purchased a plane costing $3,390,443. Two years later in 1974, Fitzsimmons purchased a second jet for the international at a cost of $1,470,625. In the meantime, he had assisted the Central States Conference to purchase a first plane in 1970 for $552,477 by giving it a grant of $500,000 from the international treasury. The Central States Conference sold this plane in 1972 in order to help finance its purchase of a Hawker Siddeley jet for $717,299. Interestingly, although their old plane had a book value of $497,000, they sold it for only $390,000 to an unidentified buyer. And finally, not to be outdone, the western conference purchased a plane in 1974 for $831,340.[176]

The initial cost of these planes of course represents only a part of the total cost to the rank and file. There are also salaries for pilots and mechanics, as well as insurance premiums, storage costs and landing fees which must be paid, not to mention the cost of fuel and parts. Pilots' and mechanics' salaries alone during 1974 came to nearly a quarter of a million dollars. The Central States Conference is the only Teamster organization which clearly reports the full operating expenses of its aircraft.[177] During 2 recent years, the conference reported spending nearly half a million dollars to keep their one jet aloft. The total annual cost of operating the entire Teamster air force is estimated to be at least $2 million.

The tremendous cost of acquiring and operating these aircraft must inevitably be pondered by the rank and file who wonder whether the planes, particularly such luxurious planes, are really necessary to assist their leaders to represent them. Indeed, they may wonder whether the jets are being used solely for union business or perhaps as a shuttle service for officials traveling between resorts and their several homes.[178] While Fitzsimmons has been generous with the rank and file's moneys to provide himself and his colleagues with a fleet of swift, jet aircraft, he did not, by comparison, spend one cent to insure job health and safety for his 2.3 million members until late 1973 when he hired the union's first safety director at an annual salary of $30,000—a few pennies compared to the huge sums expended on the union's air force.

LOANS

As we saw in the "Cleveland Connection," Teamster officials occasionally manage to obtain sizable loans from different union treasuries. Sometimes it is impossible to determine the terms of the loan, whether, for example, they are more advantageous than the terms available for money in the open market. Indeed, it is sometimes impossible to determine even if the loans were ever repaid.

A close look at the international's LM–2 reports from 1959 to 1974 reveals that nine top union officials have been repaying real estate loans ranging from $5,000 to $40,000 which were made out of the union's general treasury.[179] The Landrum-Griffin Act of 1959 made it illegal for unions to loan, either directly or indirectly, more than $2,000 to any officer or employee. This provision would appear to forbid the union from making loans to its officials out of its various pension and health insurance funds as well as the union treasuries, themselves.

GIFTS AND BONUSES

In addition to the other forms of compensation Teamster officials receive, certain officers have also received handsome gifts from time to time from various segments of the union. We have already seen examples of automobiles being given (sometimes for a nominal price) to officials as retirement presents or in appreciation of their services. Let us now take a look at a few examples of other gifts PROD detected in certain union financial reports. Once again, no systematic effort was made to uncover every gift which may have been lumped into the LM–2 form's "Other Disbursements" category by every Teamster organization during recent years. The following gifts simply caught our attention and were easily verified during our research.

In 1974, Chicago Local 781 gave away $72,000 to just three individuals who all had the same last name—Bernstein. Joseph Bernstein, the local's president, was awarded a $36,000 "other disbursement" on top of the $63,505 salary he already received from the local. His son, Joseph L. Bernstein, the local's secretary-treasurer, and local business agent Robert Bernstein each received $18,000 gifts.[180]

The Teamster conferences have, under Fitzsimmons' overall supervision, been particularly generous over the years. In 1974, the western conference gave its retiring director Einar Mohn $11,872 in addition to the cash bonus of $862 it gave to each of 25 employees that year.[181] That same year, the eastern conference gave its long-time official Richard Bell an $11,000 retirement gift.

The southern conference appears, however, to have been the most generous. We have already seen that it gave Dusty Miller a furnished, luxury condominium apartment in Florida and that it gave automobiles to his son-in-law C. Howard Jones and to W. W. Teague,[182] During his first year as acting general president in control of the conference, Frank Fitzsimmons was the recipient of a $8,119 gift from the southern conference, then under the direction of Dusty Miller.[183] After Miller moved up from conference director to general secretary-treasurer of the International, the conference gave $16,000 to M. Ralph Dixon who retired as secretary-treasurer of its policy committee to be replaced by Miller's son-in-law, Howard Jones. This all occurred at the same time Miller finally relinquished his job as the chairman of the policy committee.[184]

Over the years, various other gifts of cash were awarded to loyal Teamster officials by the southern conference. Veterans International General Organizer W. C. Smith received $1,000 cash bonuses in 1971, 1972, and 1973. In 1974, the conference gave $5,000 gifts to R. C. Cook, and Odell Smith. Cook retired the previous year after a long career as an Atlanta Teamster leader. Smith had been ousted by a reform slate from Little Rock Local 878, the local he had created and dominated for many years. Smith had also served as a union trustee of the Central States Pension Fund.

Footnotes at end of article.

The Texas conference is one more Teamster organization which is in the practice of making gifts to officials although it seems to specialize in giving money to higher officials who might be in a position to do it some favors. For example, from 1962 to 1971 the Texas conference made the annual $720 payments for an insurance policy for Dusty Miller, then director of the southern conference. In addition, it gave Miller $1,500 in 1967, $2,500 in 1969, and $1,500 in 1970 outright. Moreover, when Joe Morgan replaced Miller in 1973, the Texas conference immediately came up with a $3,795 welcome gift for the new southern conference director.

RETIREMENT BENEFITS AND SEVERANCE FUNDS

Although most Teamster officials are eligible to receive comfortable pensions upon retirement, quite a few in addition to William Presser will be able to retire in splendid luxury. Once again, because the Department of Labor requires little information on the subject and does not require unions who fail to provide even this paucity of financial data to comply with the reporting requirements, we frequently cannot determine exactly what any given official will receive and can only put together a rough picture.

To begin with, the IBT constitution (Art. IX, Sec. 10) expressly authorizes the international executive board to adopt any pension or health and welfare plan it deems to be in the best interest of the officers and employees of the international union or subordinate bodies. In fact, the IBT has created two such plans—the Teamster affiliates pension plan, and the retirement and family security plan. Both are funded exclusively out of the IBT general treasury. The affiliates' plan covers every officer and employee in every local, joint council, and conference in the country. The family protection plan covers only international officials and employees. Under this latter plan, IBT personnel are eligible to receive pensions, lump severance benefits, or death benefits (to survivors) after just 5 years of service.[185] The death or severance benefits to which participants are eligible are equal to the reserve calculated on the basis of 75 percent of the accrued pension.[186] (Form D–1, May 1973). The formula used for computing the annual pension benefit is: 3⅓ percent times average annual union salary[187] for all years prior to 1970 times number of years employed plus 2½ percent times average annual union salary during and after 1970 times number of years employed equals annual pension. Thus, if an international official were to retire after 25 years of service in the union, 15 of which was at the IBT level, and if his average annual salary were $50,000, he would be eligible to retire on an annual pension of $48,750.

Since the constitution grants the internal general executive board authority to adopt, mantain, or amend any pension or health and welfare trust agreement or plan which it deems to be in the interest of the officers * * * these 17 individuals are empowered to sit around a table and decide just exactly how much they would like to receive when they retire. There is no requirement that they submit the plan to the union's rank and file for approval much less that they even inform the rank and file of its existence. Moreover, due to the incredible flexibility vested in the executive board to modify their pension plans, or even tailor make them to the needs of specific individuals, it would appear that the board could easily induce the departure of a member it might want to ease out or that members could scratch one another's backs as they plan for their own retirements.[188] The IBT constitution, as it is currently worded, simply makes all this possible.

The second IBT pension plan, the affiliates plan, covers every officer or employee of every affiliated local, joint council, and conference who has completed 3 years of employment. Since the most frequent elections held in the union are held no more frequently than every third year, every official who is ever elected to any Teamster office and who serves his entire term is covered by this plan. This includes most of the international officers inasmuch as most of them simultaneously hold some position in a subordinate, affiliated Teamster organization as well. Accordingly, they are eligible to collect benefits under both plans.

Bear in mind that since the contributions into these plans are made out of the IBT treasury, every local union official automatically has a stake in seeing that the per capita dues their organizations must pay to the IBT are sufficient to make the required payments into their affiliates plan. Remember also that the IBT dues structure is part of the IBT constitution (art. X, sec. 3) which is subject to modification at conventions. Who are the delegates to the conventions? Yes, of course, the local union officials. How large is their stake in the IBT dues structure? In 1975, 33 cents of every dollar the locals contributed to the IBT were plowed back into this special plan for the benefit of their officers. While the Teamster rank and file may in some instances have a little authority to approve the salaries they pay their officers out of the local treasuries, they are virtually powerless to affect these pension, death, and severence benefits their officials will receive. They are entirely frozen out of the decisional process by the rules of the IBT convention which enable their officials to line their own retirement pockets. Nonetheless, it is the rank and file who must pick up the tab.

Just how nice are the benefits which may flow from the affiliates plan to all Teamster officials? According to the plan description (form D–1) filed in June of 1973, all union officials and employees are eligible to retire at age 50 if they have worked for the union for 15 years. If they retire at 57 and have 15 years of service, they will receive an annual pension computed according to the formula: 2½ percent times average annual salary up to $40,000[189] times number of years employed equal pension. Thus, if an official were to retire after 20 years with an average annual salary of $30,000, he would be eligible to receive a pension from the affiliates plan of $15,000 per year. But, that is just the beginning of the benefits to which he is eligible under the plan.

Other benefits for which all Teamster officials are eligible under the affiliates plan include disability insurance, lump-sum severance pay, and lump-sum death benefit (to survivor or beneficiary). To qualify for the disability insurance, an officer need only have had 9 years of service to receive an annual payment computed according to the same formula used for figuring the level of pension payments. To be eligible for the death and severance benefits, the officer need only have had 3 years of service. The death payment is 7½ percent of all earnings after 1961. The severance payment is 5 percent of all earnings during the first 10 years of service plus 7½ percent of all earnings after 10 years. Thus, the death benefit to the survivor of the official who worked 20 years in the above example would total $45,000. In addition, when that official left the union voluntarily, or when he was severed by his members in an election, he would have received $37,500 as his lump-sum severance benefit.

In addition to the two international pension plans, various other organizational units in the Teamsters Union also have received $37,500 as his lump-sum officials who may simultaneously be beneficiaries of one of the International's plans. The essential point to understand is that there is no limit on the number of pension plans a Teamster official might line up to tide him through his retirement years.[190] For example, all of the officers of Chicago Local 710 appear to be covered by the plan that covers the local's over-the-road drivers, the local's own special plan for officers, and the joint council 25 plan, in spite of the fact they are not all officials of the joint council.

Another method used by a number of Teamster officials to soften the financial impact of their individual separation from the union is the severance fund earmarked for their benefit. For example, we have already seen this device used successfully by various Cleveland Teamster officials in chapter 7. While these officers may have been innovators of the severance plan, they by no means have a patent on it.[191] In Baltimore, Leo Dalesio had his local 311 set up a special trust fund in 1966 to provide him with benefits in the event he should be voted out of office.[192] As of 1974, the trust had accumulated $130,489 in assets. St. Louis Local 618 has created a similar severance fund for its president, Ed Dorsey which, as of 1974, was worth $85,313 which the union has labeled as an accumlation of unpaid compensation from 1944 through 1962.[193] The officers of local 295 in Jamaica, N.Y., voted themselves a special lump-sum severance pay award plan several years back which paid Harry Davidoff $52,000 when he retired from that local in 1972 in order to devote his energies to Teamster Local 851 which he had recently chartered. In 1974. Michigan Joint Council 43 set up

Footnotes at end of article.

a special severance account for its officials, and local officers in the State and funded it in that year alone with $176,000.

Other local Teamster officials have made similar arrangements for themselves. Newark Local 863—the bailiwick of reputed mafioso Joseph Pecora—reported a reserve for retirement benefits in 1974 which was worth $377,142. Typically, the union did not report for whom these benefits were intended. St. Louis Local 688 maintains a special trust fund for the benefit of its former secretary-treasurer, Harold Gibbons. In 1974, the principal in this trust fund was listed as $159,966. A 4,000-member New York City Local 816 gave its president, Lester Connell, a 125 percent salary increase in 1974 (from $24,268 to $54,226) which the union's bookkeeper indicated included a severance pay settlement.[104]

New Jersey Teamster leader Tony (Pro) Provenzano was one of the originators of the deferred compensation scheme. In late 1962, 2 percent of local 560's members approved a salary increase from $19,500 to $44,500, and several months later they reportedly approved yet another raise bringing his annual salary (just from his local) to $94,500. After Tony Pro went to prison in 1966 for extortion, he began receiving $25,000 annual from his local which had reportedly built up a $250,000 deferred compensation fund from his unpaid salary during the few years immediately preceding his imprisonment. After his release, Tony Pro was forbidden by law from holding any union office for a period of 5 years.[105] Nonetheless, Local 560 continued to pay him $25,000 annually and while his deferred compensation fund was still worth $98,785 at the end of 1974, Tony Pro went back on the local's payroll the next year when his statutory period of union exile ended.

In addition to making provision for his own direct remuneration, Tony Pro evidently created a "Local 560 Officers and Business Agents Deferred Service Payment Fund." [106] The existence of that fund first became known in 1963 when local 560 filed its LM–2 report for the preceding year. That report showed that the fund was then on deposit at the Hudson City National Bank and was worth $93,818. Througout the 1960's, local 560 poured large sums of money into what it vaguely described under the heading "Bank and Welfare." [107] In 1971, the local transferred this fund to the Garden State National Bank under an account it described as the "officers and employees severance pay plan." [108] The purpose and value of this fund, and those for whose benefit it is intended, remain a mystery.

FOOTNOTES

[160] This information clearly should be broken down further so the rank and file could get a more accurate picture as to what their officers are receiving.

[161] As we shall see later in this Chapter, the Union frequently owns the automobiles its officials use and provides them with gasoline credit cards. Therefore, this $2,400 annual automobile allowance to General Organizers may be a pure windfall.

[162] See Art. V, Sec. 1(e), IBT Constitution which authorizes these various allowances not only for International Organizers, but also for International Vice-Presidents, Trustees and "executive officers". It is not known whether the Union interprets this latter designation to include high-ranking, staff employees.

[163] Weinmeister also received $5,737 in allowances from the International in 1974 bringing his total for allowances that year to $12,947. Other high ranking Teamster officials who happened to break the $10,000 allowance barrier in 1974 included IBT Vice-Presidents George Mock, Robert Holmes, William Presser and Andy Anderson. Another eleven Eastern Conference "representatives" and nearly two dozen General Organizers and International Auditors also topped this mark in 1974. Many other officials may also have run up equally high allowances.

[164] Should the Union balk, members may force the Union to open its books "for just cause" to verify the LM-2 figures. 29 U.S.C. 431(c).

[165] The Department of Labor instructions for completing the LM–2 reports state that unions should *not* include "expenses for hotel room or for transportation of the officer on official business by public carrier for which payment was made by your organization either directly or through its credit arrangements" in the "expense" column next to the officer's salary. The government goes on to make it clear that the sum which must appear in this column is only that amount which the officer paid out of his own pocket for "expenses necessary for conducting union business."

Those expenses which are charged directly to Union credit cards or which are paid directly by the secretary-treasurer are listed instead under a heading, "Office and Administrative Expenses," which include such items as rent, bonding premiums, utility bills, etc. No further breakdown is required. As a result, the category can function as a catch-all, concealing certain questionable expenditures. The sums appearing in the category can vary radically from one year to the next without explanation. The Central Conference, for example, reported spending the following amounts in this category during the years indicated:

1971	$790,842
1972	1,072,614
1973	379,775

Why these enormous variations?

[166] For a detailed summary of "expenses" reported by various Teamster organizations for a large number of Teamster officials, see the profiles in Part IV.

[167] Another example of a wasteful expense account which Roy Williams may tap at his pleasure without the money being attributed directly to him as an "expense" is the Missouri-Kansas Conference bylaw (Sec. 8.01) which authorizes Williams (President), Ed Dorsey (Vice-President) and Karl Rogers (Sec.-Treasurer) to spend Union funds to "provide entertainment for themselves and their friends during non-working hours on out-of-town trips." Remember, the General President is empowered to reject any Teamster organizational bylaws.

[168] Carr is the President of Alaska Local 959 who was recently appointed an International Trustee by Fitzsimmons.

[169] Some locals do exercise restraint when spending their members' dues money on automobiles. For example, Winston-Salem Local 391 and Seattle Local 741 both require their officers and business agents to use their own cars for Union business and simply provide them with a fixed monthly allowance for this transportation expense.

However, typical language appearing in Union bylaws seeks to justify the personal use of union-owned automobiles:

It is recognized that such officers or employees are required to be on call at all times, may be required to garage such automobiles and are responsible for their safeguarding. Accordingly, for the convenience of the union and as partial compensation for such additional responsibilities, such officers shall be permitted private use when the automobiles are not required on Union business.

This language can hardly excuse the officials from reporting the value of the personal benefit they derived and from paying income tax on it.

[170] Peick's Joint Council also reported giving $15,281 in 1974 to Peick's Local 705 as "reimbursements for auto expenses". Other examples of such extravagance are provided by Newark Local 641 and Cleveland Local 436. Local 641 purchased seven $9,000 autos while Local 436 supplied each of its seven officers with brand new Cadillacs.

[171] When Schoessling gave up his job as Joint Council 25 President in 1973, he stepped immediately into another Joint Council position—Trustee—yet continued to draw the exact same salary ($28,500) that he had received as President. The other Joint Council trustees received only $15,500.

[172] Jones received this car in 1969 from the Southern Conference which his father-in-law, Dusty Miller, then ran. When Miller became the International's Secretary-Treasurer, Jones was elevated to Secretary-Treasurer of the Southern Conference Policy Committee. Inasmuch as Jones was also on Fitzsimmons payroll as a General Organizer, he was able to gross $69,491 in 1974 ($43,052 from the International and $26,439 from the Conference).

[173] For a listing of 31 similar automobile transactions, see Appendix "C".

[174] Scripps Howard reporter Dale McFeatters has identified the aircraft to be: 1 Grumman Gulfstream II, 2 French-built Dassault Falcon 10, 1 Learjet 35, and 2 Swaringen Merlin II turboprops. McFeatters' investigation also uncovered a Hawker Siddeley 125 jet technically owned by the Teamsters Central States Pension Fund.

[175] This arrangement apparently generated such bad publicity that the International canceled the lease. After the 1970 LM–2, there is no more mention of the agreement. A 1972 Chicago Sun-Times investigation revealed that the Union Insurance Agency bought singer Frank Sinatra's 12-passenger Grumman Gulfstream jet for $3-million and then turned around and leased it to the Central States Pension Fund. Sinatra's jet reportedly replaced two planes used by the fund which were found to be too small. Chicago Sun-Times, June 18, 1972.

[176] Other Teamster organizations have also tried to get into the aircraft business. Even the tiny Georgia-Florida Conference which operate on only $150,000 annually was involved in an attempt to purchase its own plane. In December 1971 they bought a Beechcraft for $55,000 plus $19,250 in interest. Shortly thereafter however, they sold the plane for a small profit. Alaska Local 959 reported purchasing a plane in 1972 for $115,000. The corporation which owns Local 959's buildings also reported spending $365,488 for airplanes in 1974 and the Local reported paying the salaries of two pilots that same year.

[177] For example, the Southern Conference lumps the operating expenses of their jet into a category entitled, "Airplane, Travel, Entertainment & Dinner."

[178] Several top Teamster officials have had second homes in warmer areas of the country. Frank Fitzsimmons, Dusty Miller, William Presser and the late Thomas E. Flynn all had condomoniums in luxurious Canongate development in North Miami. While in office Dusty Miller reportedly had a home in Palm Springs, California as well as Great Falls, Virginia while Fitzsimmons now has a house in La Costa in addition to his Union-owned residence in Bethesda, Maryland. Milwaukee Teamster official Frank Ranney reportedly maintains a residence on Coral Springs, Florida.

[179] The officials who received the loans, and the amount of the loan are: James Casey, former administrative assistant to Dusty Miller, $17,000; Thomas E. Flynn, the late General Secretary-Treasurer, $29,000; T. L. Hughes, $6,000; D. Kaplan, $23,000; Joseph W. Morgan, $26,000; W. T. Mullenholz, former comptroller of the IBT, $13,000; Frank J. Murtha, $40,000; and F. A. Tobin, $24,000. The International did not clearly report this information until 1962. It is assumed, however, that all the loans were made prior to the effective date of the Landrum-Griffin Act, September 14, 1959. For a more complete listing of IBT loans, see Appendix "D".

[180] Joseph Sr. also received $8,226 in expenses from the Local, $15,500 from Joint Council 25, and $10,417 from the Central Conference. Including the gift from his Local, he grossed $133,648 in 1974. His son grossed $87,478 and Robert Bernstein grossed $76,743.

[181] During the same year that Fitzsimmons was able to suddenly "promote" Andy Anderson to take Mohn's place, the International also gave Mohn a $10,000 "other disbursement."

[182] During the same year in which it gave away these cars, it also gave the same two individuals $1,000 bonuses. 1969 must have been a good year, indeed! Jones received another $1,000 bonus in 1971 even though he was not listed as a Conference employee that year.

[183] Whether this was a "gift" or "income" for which Fitzsimmons was liable for taxes is debatable in light of the fact the Conferences are under the President's sole direction and control. Similarly, one might also question the validity of numerous other "gifts" in one form or another which Teamster officials have received from organizations they control.

[184] The Southern Conference under Miller also made a sizable real estate loan ($110,000) which it reported in 1969. The loan was described by the Conference as a "1st Mtge Sale of Trust Prop. 20 yrs transferred from aff." and was made to two individuals identified only as N. Trent and D. Trent. As of 1974, only $13,446 of the principal of this mysterious loan had been repaid.

After Joe Morgan became Director of the Conference, it reported spending in 1974 $85,873 in contributions to civic and charitable causes. This sum was more than twice the amount the Conference had ever before spent for such causes. Because the expenditure was not itemized, there is no way to determine who, or what organizations were benefitted. Teamster members would, however, be entitled to examine the Conference's books and receipts to verify these expenditures. See 29 U.S.C. 431(c).

[185] Since elections for International officers occur only once every five years, every officer will qualify even if he should only serve one term in office.

[186] The Union's Plan description does not specify how the "reserve" or "accrued pension" value is computed for purposes of determining lump severance or death benefits.

[187] Evidently an official's "salary" is not limited to just his IBT salary but may be the total accumulation of salaries for holding office in multiple organizational entities.

[188] In the International's 1975 LM–2 report, there appears the following mysterious entry under the heading "contingent liabilities";

"On October 24, 1975 the International Brotherhood of Teamsters entered into an agreement with the Retirement and Family Protection Plan for Officers and Employees of the International whereby the International Union agreed to set aside $698,064 in a deposit account for a contingent liability which will be determined by December 31, 1977."

[189] The salary ceiling listed in the Union's 1973 D–1 report was $20,000. Although the Union had not filed an amended D–1 report when this Report was published, PROD learned from a reliable source inside the Union that the ceiling had been raised to $40,000 and that the period of time for 100% vesting had been shortened from 15 to 10 years.

[190] The "model" Teamster bylaws contain an open-ended provision conferring unlimited discretion upon subordinate Union officials to create special trust funds for their own personal benefit. The following is a typical provision:

Benefits. The Executive Board may from time to time provide fringe benefits for officers, employees and representatives of this organization, including but not limited to such fringe benefits as vacations with pay and expenses thereof, holidays, sick leave, time off for personal leave, and in connection therewith, any disability or sickness, health and welfare and retirement benefits and activities and facilities relating thereto, and may from time to time provide changes therein as well as additional compensations and allowances. Art. VII, Sec. 4, Local 728 Bylaws. (Local 728 is the Atlanta Local headed by IBT Vice-President Weldon Mathias.)

[191] For example, a business agent or officer in Cleveland Local 407 may be covered by the Local's own Severance Fund, the Joint Council 41 Business Agent's Pension Plan, and the IBT Affiliates Plan. The officers in Pontiac, Michigan Local 614 appear to be covered by their Local's severance fund as well as the Michigan Joint Council 43 fund and the IBT Affiliates Plan. Salvatore Provenzano and his fellow Local 560 officers and agents have the protection of the generously funded Local severance plan in addition to the benefits of the Joint Council 73 and IBT plans.

[192] "This and all other severance funds which have become quite popular among Teamster officials, appear to be intended as a financial backstop to cushion the officials from the effects of union democracy. With such financial security, one may question the extent to which the officials will continue to be motivated to represent the will of their electorate.

[193] This fund was not even created until 1962. Whether this sum of money was actually earned, but deferred, or whether it was simply created and then spread back over a number of years in order to make it appear to have been more modest is a question which should be asked by the Union's members. The answers may well determine whether the law has been violated. See 29 U.S.C. 501. They may also establish whether, when, and how much income tax the beneficiary should have, or did pay.

[194] This phenomenon might also account for the fact that Atlanta Teamster official, R. C. Cook, received a salary increase from $32,203 to $50,541 the year immediately prior to his retirement.

[195] See 29 U.S.C. 504.

[196] Once again, the Local has never divulged either to its members or to the government in a financial report exactly for whose benefit this fund was intended, what amounts have been paid from it, and of course to whom.

[197] For example, in 1962 the Local reported expenditures under this general heading of $79,802; in 1963, $79,907; and 1964, $54,323; and in 1965, $48,851. Because the heading, "Bank and Welfare", is so vague, PROD had no way of knowing whether it referred to just the Hudson Bank Deferred Service Fund or to that fund as well as some other welfare fund. Between 1966 and 1970, Local 560 reported making prior payments only into an unspecified "welfare fund". It was during these years that Tony Pro was incarcerated.

It is reasonable to conclude that the Local 560 rank and file have no knowledge whatsoever of the existince of these funds much less how much principal there is in the fund or funds and who draws, or is eligible to draw that money. The U.S. Department of Labor has failed to require Local 560 to fully report this information. It is possible that two business agents may, for example, have received sizable "severance payments" while in jail in recognition for their former services and loyalty. Salvatore Briguglio went to prison for counterfeiting, a charge that was originally filed against Salvatore Provenzano. Some say that Briguglio took the "fall" for Provenzano, currently an IBT Vice-President whom Fitzsimmons brought in to replace Tony Pro when he went to prison. Another business agent is Steven Andretta, an individual who has figured prominently in the investigation of Hoffa's disappearance.

[198] The amounts the Union reported contributing into this account are: 1971—$11,942, 1972—$77,164, 1973—$51,619, and 1974—$55,043.

Mr. President, I ask unanimous consent that a Washington Star article reporting the conviction for murder of "Tony Pro" Provenzano be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROVENZANO, AIDE GUILTY IN MURDER OF TEAMSTER RIVAL

KINGSTON, N.Y.—Anthony Provenzano, an organized-crime figure who had been linked to the disappearance of James R. Hoffa, and Harold Konigsberg, an extortionist and alleged enforcer for organized crime, have been convicted of murdering Provenzano's union rival.

The rival, Anthony Castellito, disappeared June 6, 1961, and his body has never been found.

The jurors, all of whom looked away from the defendants as they walked in, deliberated and heard testimony re-read for almost nine hours before reaching their verdict yesterday.

Provenzano, who has been free on $25,000 bail since July 1976, was turned over to the Ulster County sheriff. Konigsberg is already serving a prison term for extortion.

Castellito was the secretary-treasurer of the 13,000-member Teamsters Local 560, in Union City, N.J., one of the country's richest locals, in 1961 when Provenzano was president.

The prosecution charged that Provenzano paid Konigsberg $15,000 to kill his union rival, Castellito, also known as "Three Fingers Brown," at Castellito's summer home in Kerhonkson, near here.

Konigsberg was allegedly aided by Salvatore Sinno, a star prosecution witness; Edward Skowron, now dead; and Salvatore Briguglio, who was scheduled to be tried here until he was shot and killed by two men in Manhattan's Little Italy on March 21.

Briguglio was a key suspect, along with Provenzano, in the 1975 disappearance of Hoffa, the former Teamsters president who is presumed dead.

Another prosecution witness, Ralph M. Picardo—now free on bail while appealing earlier convictions for murder and extortion—testified that Provenzano told him in a Newark bar, the Chateau Renaissance, that he had ordered the murder of Anthony Castellito.

Sinno had spent 15 years in hiding under two aliases. He was married and had two children. Sinno fled four months after the murder because he was sure Provenzano planned to have him killed, he testified.

CHAPTER 10—PENSION AND WELFARE FUNDS: FURTHER SOURCES FOR ENRICHMENT

Mr. THURMOND. Mr. President, the AFL–CIO Code of Ethics explicitly forbids salaried officials of its member unions from accepting any additional compensation for managing union funds since "such service should be regarded as one of the functions expected to be performed by them in the normal course of their duties * * *" Teamster officials are restrained by no such code of ethics, and a substantial number of them appear to regard pension and welfare funds as an attractive opportunity for enrichment. In this chapter, we will present a number of cases where Teamster officers are profiting from such funds by drawing additional salaries or paying themselves lavish fees. We make no effort here to address, however, the subject of misuse of funds—a topic which deserves separate treatment.[199]

The model bylaws adopted by most Teamster organizations contain a provision authorizing officials to create trust funds "to provide benefits for members or their beneficiaries." Given this authority, a number of officers have set up pension and/or health and welfare trust funds, and in most instances they have appointed themselves to remunerative positions in the funds. As entirely separate legal entities—apart from the union—the Teamster membership has no direct control over these trust funds, the way they are managed and their funds invested, or the salaries or fees they pay. Indeed, the rank and file frequently are not even aware that their officers are also trustees, administrators, or employees of such funds, much less that they are deriving additional income from the funds. The reason, once again, is because this information is not required by the Department of Labor to be reported by their officers in one place. Instead, this type of information has been reported by the funds, themselves, directly to the Department of Labor on D–2 forms, and it does not show up on the local unions' LM–2 reports which members can examine at their union halls.[200]

Who are some Teamster officials who are drawing additional salaries or fees from pension or health and welfare trust funds? In chapter 7 (Cleveland Connection) for example, we saw that John Rusnak augmented the $26,148 salary he received for serving as a local trustee of Jackie Presser's Local 507 with another $24,000 for serving as "administrator" of the local's health and welfare fund. John Trunzo supplemented his union salaries with an additional $24,700 salary for serving as "administrator" of Presser's Local 507 pension fund. The three top officers in another Cleveland Local (407), Thomas Lee, John Tanski, and Cecil Kinney also sit as trustees of the "Local 407 Insurance Fund." During 1973, they each paid themselves a $5,416 trustees' fee which they increased the following year to $11,250.

A number of New York State Teamster officials also do very well by their local trust funds. Utica Teamster boss Rocco dePerno drew nearly $20,000 in allowances and expenses from the various funds affiliated with his 3,000-member local 182 on top of the $46,216 salary he received directly from the local and the $30,897 he received from Fitzsimmons for serving as a general organizer. Down in New York City, local 805 president Abe Gordon supplemented his $26,000 salary in 1974 from that 3,000-member local with an additional $32,000 which he drew from the local's health and pension funds for serving as the "administrator."

Across town, the Crapanzano family dominates another small Teamster Local 27 and profits handsomely from its two pension funds. The senior Crapanzano, Patsy, serves as the secretary-treasurer of the local; his son Robert is the president; his wife Marie is the recording secretary; and another son Patrick is a business agent. Patsy, Robert, Marie, and Patrick are all trustees of the principal pension fund which Patsy "administers." Robert administers the second fund. All together, the Crapanzano family received $160,000 in 1974 for their various union related activities. Of this sum, nearly $40,000 came from the two pension funds.[201]

Bernard Adelstein is another New York Teamster official who, we have already seen, runs more than one local with Fitzsimmons' express permission; he also runs their various trust funds. His union positions include: secretary-treasurer of local 813 (2,000 members), president of Local 1034 (3,000 members), and trustee of Joint Council 16. In addition, he is both a trustee and the administrator of Local 813's pension fund, insurance trust fund, and the severance and retirement trust fund which also covers Local 1034. Bernard's two sons, Alan and Martin, serve as trustees of the three funds to protect the funds' beneficiaries and assure that their father's conduct meets the highest fiduciary standards. In 1974, the three Adelsteins netted a total of $233,000 for their various union related activities on behalf of their 5,000 members. Of this sum, $46,200 came from the three trust funds.

The giant Central States Pension Fund, which covers a majority of the teamsters who work in the Nation's freight trucking industry, has been a particularly lucrative watering trough for a number of teamster officials over the years. As we saw in chapter 7, William Presser received $28,800 from this fund in 1974 for serving as a union trustee. He has since been forced to "retire" as a trustee due to his conviction for accepting illegal payments from employers in exchange for selling his members short, a crime which the lawmakers decided proved that a labor official was not worthy of the high fiduciary trust expected of a pension fund trustee.

Frank Ranney and Donald Peters are two other Central States Fund trustees who have received substantial sums from the fund for their services. Ranney barely qualifies as a teamster official since the only position to which he is elected by the rank and file is trustee of Milwaukee Local 200, a secure, albeit obscure, position which entails only a few days work each year and which carries with it very little responsibility or authority. Nonetheless, Ranney obviously has the confidence of high ranking international teamsters inasmuch as he has been given positions as a general organizer, and member of the Central States Drivers Council, in addition to his position as a fund trustee. In 1972, Ranney received a $15,300 allowance from the fund. The following year that figure leaped to $65,100. In 1974, Ranney collected a $59,840 allowance, plus another $16,519 in expenses from the fund which, combined with his other union salaries, brought his total "take" that year to over $125,000.

As president of Teamster Local 743, the largest in the country with roughly 32,000 members, Don Peters is a very busy official. Nonetheless, he apparently devotes considerable time as a trustee of the Central State Fund which paid him $15,000 in 1972, $41,480 in 1973, and $33,143 in 1974.[202] In this latter year, Peters also drew his full $80,000 salary from local 743, which together with his compensation from the pension fund and the $31,000 he received from Fitzsimmons for holding the title of general organizer pushed Peters over the $140,000 mark in total union disbursements in 1973.

Not only do many Teamster officials find their services to various Teamster trust funds to be rewarding, so also do a number of other individuals who serve as consultants, lawyers, and administrators.[203] For example, the Pressers' Ohio Drivers' Welfare Fund paid their administrator, Dayton, Ohio attorney Robert Knee, Jr., $878,915 in fees during 1974. This sum amounted to approximately 5½ percent of the total assets in the fund. During 1973, this fund also gave $191,857 in special "fees" to each of two companies owned by Allen Dorfman, Amalgamated Insurance Service Agency and Health Plan Consultants. Although Allen Dorfman was convicted of taking a $55,000 kickback for a loan made by the Central States Pension Fund, his companies have thrived as a result of all the "consulting" business they have provided various Teamster funds. For example, Amalgamated provides various services for Teamster welfare plans including the IBT employees' Health and Welfare Fund,[204] Don Peters' local 743 plan, Jackie Presser's local 507 plan, and William Presser's joint council 41 plan, not to mention the Central States Health and Welfare Fund which, alone, paid Amalgamated $3,278,206 in "service fees" during 1974. In addition, the Central States Health and Welfare Fund paid the following amounts to other Dorfman companies that year: Conference Insurance Consultants, $373,206; Health Plan Consultants, $413,942; and Dental Health, Inc., $47,121.

Cleveland Locals' 407 and 545 welfare funds paid Bernard S. Goldfarb, Inc., a total of $222,202 in 1974 for "office salary, rent, utilities, and maintenance of funds". It so happens that Bernard Goldfarb is a management labor lawyer who represents a substantial number of trucking firms in the Cleveland area. Surprisingly, the trustees of these funds have elected to headquarter their trust funds in his law offices.[205] By itself, this fact might not be so remarkable since the trusts are jointly administered by management, as well as union trus-

Footnotes at end of article.

tees.[205] However, as a practical matter, those who administer health funds are in daily contact with union members with various claims as well as their local union officials who may be assisting them to collect on their claims. It might seem a little odd that these members and the local officials should have to "consult" on such a regular basis with the law firm which represents management and is generally considered to be an adversary.

In addition to serving as a trustee and providing legal and managerial services to these Cleveland local trust funds, Bernard Goldfarb is also one of the management or employer trustees of the central States pension fund.[207] Serving with Goldfarb as employer trustees are Thomas J. Duffey, Herman Lueking, William Kennedy, John Spickerman, Jack Sheetz, Albert Matheson, and John Murphy. Each of these men is actively involved in the day-to-day operations of truck companies which are covered by Teamster collective bargaining agreements.[208] The principal concern of these trucking executives is not the investment policy of the central States pension fund under which their employees might some day qualify for a pension, but rather with their current costs of doing business, a substantial part of which result from Teamster collective-bargaining contracts. Assuming that their union counterparts may also desire something which they have the capacity to provide, trustee meetings afford their members a golden opportunity to arrange various mutually advantageous deals. More on this in a moment.

At first glance it would appear that except for trustee allowances or fees, the union trustees obstensibly have nothing to gain by their positions as trustees. Presumably, the only reason they serve as trustees is because it is an honor to hold such a high fiduciary responsibility and because, as dedicated trade unionists, they welcome the opportunity to serve the teamster rank and file in yet another capacity. In fact, there may be other reasons why teamster officials have been eager to serve as fund trustees.

The central States pension fund, along with numerous other teamster trust funds, is unusual in that the trustees have, themselves, assumed the responsibility for making all investment decisions (for example, select loan applicants, banks, et cetera) rather than assigning this sophisticated and demanding task to professional investment experts.[209] As a result, the trustees are in a position to make huge sums of money available to their friends or business associates even though those individuals may be involved in exceptionally high risk ventures and may put up very little collateral and in spite of the fact other more secure and deserving loan applications must be rejected. The opportunity for arranging kickbacks from such individuals or businesses is always present for the trustee who pushed the loan through or for his family members, whether in the form of cash or stock, present or future. The temptations are inevitable and great in such situations.

Now, let us take a look at the trustees' balance sheet. On the surface, the union trustees stand to gain absolutely nothing of economic value by serving as trustees except in some cases a fee or allowance. Below the surface, however, there may be opportunities to arrange kickbacks or special favors which they may seek. Theoretically, the employer trustees also have this same opportunity. However, since in the real world they are all competitors, they are much less likely to work together closely and to vote as a block than the union trustees who are all colleagues and work together day in and day out. Therefore, the employer trustees are not really in a position to be able to arrange loans for friends. The employer trustees do, however, have their own more immediate economic concerns which stem from their labor contracts. Since the cost of labor is the single greatest cost of doing business in the trucking industry, if these men can persuade the union trustees to "relax" some of their commitments under those contracts, the employer trustees can save their companies millions of dollars. Therefore, the quid pro quo is: "you give me a sweetheart contract or at least guarantee that I will not have to live up to the letter of my contract, and I will approve loans to your buddies and ask no further questions." Each has something the other wants.[210] When this form of collaboration occurs, the teamster rank and file are, of course, double loser's. On the one hand, those who work for the employer trustees' companies do not get what they are entitled to, and every teamsters' pension equity is endangered when their funds are not wisely invested.

To be more specific, let us focus once again upon the central States pension fund as an example. Who are the union's trustees and what are their relationships with the employer trustees whom we have already identified. Due to the lack of current data, we will concentrate upon the trustees during calendar year 1974 before William Presser was ousted by the U.S. Department of Justice. In addition to Presser, the other union trustees were Frank Fitzsimmons, Roy Williams, Joe Morgan and his lieutenant W. W. Teague, Frank Ranney, Don Peters and Robert Holmes. Morgan and Teague are out of the Southern Conference whose jurisdiction embraces Terminal Transport whose chief executive officer, Spickerman, sits with them as an employer trustee. Spickerman's executive in charge of labor relations, Rudy Pulliam, sits on the opposite side of the bargaining table from both Morgan and Teague during the negotiations for the National Master Freight Agreement which are supposed to be conducted "at arm's length". Consider the fact that during the term of the 1973–76 contract, Terminal Transport was allowed by the Southern Conference to layoff large numbers of regular employees and use "casuals" instead, a means of cutting many labor costs to the company.

The only union trustees on the Central States Fund who do not also participate in the negotiation of the National Freight Agreement are Ranney and Peters. However, Ranney does sit on the Central States Drivers Council along with Roy Williams, Fitzsimmons, and William Presser and it is in the Central States area that the opportunities for collusion are the greatest. Because these union officials effectively control the grievance machinery in the Central States, they can easily arrange the necessary "protection" for the companies—not members—either owned or represented by trustees Goldfarb, Murphy, Lueking, Kennedy, and Duffey.

Regardless how much "hanky panky" may actually go on between union and employer trustees of the many teamster trust funds, the fact is that their many, nonadversarial meetings to consider investment decisions and conduct other fund business are conducive at the very least to the development of close cooperative friendships. Whatever else may be said, the principal role of a union official is to understand and represent the interests of the rank and file to whom he owes his total loyalty. The "understandings" or friendships which are nurtured over the years in the cooperative atmosphere of trustees meetings give rise to the most fundamental conflict of interests possible for a professional trade unionist.

Oddly, many high ranking teamster officials make no effort to hide, and even flaunt their camaraderie with management officials. For example, at the much publicized Frank E. Fitzsimmons Invitational Golf Tournament at La Costa in 1975, Fitzsimmons asked Central States Fund trustee John Murphy to join the lead party which also included Dusty Miller and Joe Trerotola. At the time, Murphy also headed Gateway Transportation, a company which has received loans from the central States fund, and was treasurer of the American Trucking Associations. Finally, Murphy happens to be one of the nine individuals representing management who negotiate the Master Freight Agreement covering 450,000 Teamsters.[211]

Of course, if the Teamsters Union were a truly democratic institution, its constituents would quickly oust any official displaying such camaraderie with other employers. The fact that many Teamsters officers have been so brazen, in their display of friendship toward their members' adversaries is further proof of the fact they know they cannot be held accountable to the teamster rank and file. They are insulated by the union constitution and bylaws. Moreover, while the membership might be inclined to mutiny under other circumstances, they are afraid for their persons and their jobs due to the form of "representation" their officials may afford them.

FOOTNOTES

[205] These funds are set up in trusts which are legal entities in and of themselves, totally apart from the Union which is the subject of this Report. Misuse of trust funds, kickbacks, unsecured loans to corrupt businessmen at extraordinarily low interest rates, etc., have been widely attributed to various Teamster officials and joint Teamster-employer funds such as the Central States Pension Fund *See e.g. Wall Street Journal*, July 22–24, 1975. This is an entire and separate subject which we do not attempt to present herein.

[209] Similarly, since Joint Councils and Conferences and other Teamster organizations

file totally separate LM-2 reports with the Department of Labor, and since these reports are not available at the Local Union hall even though the Local official may also be an officer in other organizations, the rank and file who periodically "elect" these officials simply are not customarily aware how much money they are paying them in one fashion or another.

[201] See Chapter 14, *Profiles*, for a more detailed breakdown. Those portraits will also disclose other officials who receive fees from trust funds. See e.g. Frank deBrouse from Washington, D.C. Local 639 who received $10,800 in 1974 for serving as a trustee of his Local's two trust funds.

[202] The $33,144 figure breaks down as follows: $27,980 in allowances, and $5,164 in expenses. Since the Fund was paying a $400 per diem allowance, Peters must have devoted 69 days in 1974 to Fund business or a total of at least 27% of all working days that year.

[203] The former administrator of the Central States Pension Fund, Frank J. Murtha, was paid a $66,000 salary in 1972, the last full year during which he held the post. During that year, Murtha also received $35,145 for serving as a Fitzsimmons' General Organizer. It is interesting to note that Murtha owed the IBT $10,000 on a note it had given him to purchase real estate at the time Fitzsimmons put him on the IBT payroll, a convenient means of facilitating repayment. Moreover, while Daniel Shannon replaced Murtha in 1973 as administrator of the Central States Pension Fund, it nonetheless continued to pay Murtha $35,000 in 1973 and $22,000 in 1974 for services as "retired administrator".

[204] This IBT fund also paid longtime Dorfman business associate, Sol C. Schwartz, $11,216 in direct fees in 1974. Schwartz has reportedly been associated with Abe Chapman, a "consultant" whose real name is Abraham "Triger Abe" Chapalowitz, a one-time hit man for Murder, Inc.

[205] The firm of Goldfarb & Reznick is located at 1825 The Illuminating Bldg., 55 Public Square, Cleveland, Ohio.

[206] In 1974, Goldfarb received trustee's fees of $6,250 from the Local 293 Welfare Fund, and $5,000 from the Local 545 Health and Welfare Fund.

[207] In addition to his other trustee fees, Goldfarb received a $13,420 "allowance" and $4,053 in expenses from this Fund in 1974.

[208] Goldfarb represents the Cleveland Drayman Association and the Northern Ohio Motor Trucking Ass'n. Duffey is associated with the Motor Carriers Labor Advisory Council of Milwaukee. Lueking operates Lueking Transfer out of St. Louis. Kennedy runs Supreme Express and Transfer, also out of St. Louis. Spickerman was until late 1975 the Chief executive officer of Terminal Transport based in Atlanta. Murphy is head of Gateway Transportation out of La Crosse, Wisconsin. Sheetz is with the Southern Operators Ass'n. Matheson is secretary of the Michigan Motor Carriers Ass'n.

[209] In stark contrast is the Teamsters Western Conference Pension Fund which was an "insured plan" administered entirely by the Prudential Life Insurance Company. It is totally independent of the Central States Fund. Following an interview with Einar Mohn, former Director of the Western Conference, the Oakland Tribune quoted him as saying:

"If we had a funded plan (similar to the one in Chicago) I would want it to be an irrevocable condition of the trust that the decisions on investments be made by a bank or some other financial institution, perhaps even a blue ribbon committee of financial experts. . . . I don't think a layman has any business trying to sweat out the market. Our pension fund trustees aren't qualified to make those kinds of investment decisions, and I think they'd agree with me." *Oakland Tribune*, Sept. 28, 1969.

[210] No doubt, the Union and employers will quickly point out that the Taft Hartley Act requires that employee trust funds be jointly administered by employer and Union trustees. However, the Act does not require the trustees to manage the funds and make the underlying investment decisions. Nor does the Act require the Union and employer trustees to be the very same individuals who are responsible for negotiating and administering contracts. These are the circumstances which pave the way for collaboration which is unique to Teamster funds. Most unions appoint outside legal counsel or other "representatives" to serve as their trustees who rarely participate in the actual process of investing the funds.

[211] Investigative reporter Jim Drinkhall has identified some of the more congenial groupings among the 1974 tournament participants. Drinkhall reported that Fitzsimmons and Murphy teed off together with Moe Dalitz, Allen Dorfman, and Las Vegas gambling figure Ross Miller. Other Central States employer trustees (in addition to Murphy) who were present were Jack Sheetz and John Spickerman. The president of Spector Freight, Wilfrind Stanhaus, played as did Bill Wolff, the official with Youngstown Cartage who made the illegal payoffs to Fitzsimmons' Special Organizer, Roland McMaster. Alex Maislin (Maislin Transport, a big company in the East) teamed up with New Jersey Teamster bosses, Salvatore and Tony Provenzano. Rudy Pulliam (Terminal Transport) joined the party which included IBT lawyer David Uelman (Goldberg, Previant & Uelman, the Milwaukee firm which has masterminded the affairs of the IBT under Hoffa and Fitzsimmons). *Overdrive Magazine*, April 1975.

PART III—THE CLEANUP—WHERE AND HOW TO BEGIN

CHAPTER 11—A SHOPPING LIST OF WEAKNESSES AND GUIDE TO REFORM

Mr. President, in this part of the report, we will not make a comprehensive effort to propose solutions to each and every problem touched upon in the foregoing parts. We will, however, attempt to recapitulate and identify certain of the more fundamental political and financial weaknesses in the Teamsters Union and offer some very general suggestions which may be considered as possible approaches to reform by those interested in undertaking the task. We stress the fact that we intend our proposals to be considered merely as suggestions—food for thought.

The principal responsibility for reforming the International Brotherhood of Teamsters must lie with the union's rank and file. They possess four basic tools for achieving reform. In the first place, they can become more organized and active at the local level. Corrupt or unresponsive officials who may also hold higher offices can be ousted at the local level. The second tool available to the rank and file is their power to amend their local bylaws. In this same category is their indirect power to amend the IBT Constitution. Currently, this can be achieved only by their local elected officials. The third basic tool available to the rank and file is the internal union disciplinary procedure. Charges may be preferred against officials for their actions which are not in the best interests of the membership. The final basic tool the rank and file have available for remedying political and financial abuse by the Teamster leadership is the right to utilize the Federal judicial system, with the aid of their own lawyers, to gain access to union receipts and other financial data, and to prosecute offending officials who have abused the trust placed in them by the rank and file or who have violated the union's constitution or bylaws.

A major share of the responsibility for the state of affairs in the Teamsters Union today must also, however, be borne by the executive branch of the Federal Government and the U.S. Congress. As a purely practical matter, the teamster rank and file simply do not possess adequate information, on a regular basis, to alert them to the many problems and abuses taking place within their union. Obtaining this information under the current laws as they are administered by the Department of Labor is arduous, if not impossible for the rank and file. Accordingly, before truly meaningful reform can get underway in the Teamsters Union, "outsiders" in the Federal Government will have to undertake a thorough review of the realistic problems which the teamster rank and file will confront and either provide them with direct or indirect assistance. Direct assistance could take the form of more aggressive investigative and law enforcement activities. Indirect assistance could take the form of insuring that the rank and file would have adequate information and legal tools to go about the task of reforming the union themselves.

Let us proceed now to consider a shopping list of some of the more flagrant problems in the Teamsters Union which cry out for solutions. In constructing our list of problems and possible approaches to remedying them, we will group them in the same two categories, namely, political and financial, in which they were presented in the foregoing parts of this report. Our treatment will be necessarily abbreviated. The problems are frequently very complex and interrelated. Constructing solutions to these problems which will not create their own problems or seriously weaken the union is a demanding chore which will require both vision and technical expertise.[212]

POLITICAL WEAKNESSES AND SUGGESTED REMEDIES

Since, as we discovered in part I of this report, the International Brotherhood of Teamsters and its leadership may accurately be described as "the tail which wags the dog," let us begin our list, and concentrate upon the political structure of the IBT.

First. The general executive board functions as a rubber stamp to approve the actions of the general president and secretary-treasurer. The vice-presidents owe their primary allegiance to the general president. The vice-presidents are not inclined to exercise independent judgment. The general executive board does not, therefore, function as the principal governing body of the IBT.

An underlying reason for this phenomenon is the fact that the vice-presidents are elected "at large" by every delegate to the International Convention. Because the union is composed of such a large number of members working in diverse

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industries, convention delegates have no way of judging the qualifications of candidates for vice-president. The vice-presidents are accountable to no specific constituency of members within the union. This problem could easily be corrected if the vice-presidents were in fact elected by the rank and file within specific segments of the union, divided either along geographic, or particular industry or craft lines. The vice-presidents would accordingly be accountable to the membership in their particular constituencies. By the same token, they would not be dependent on the general president for their office, and would accordingly be able to exercise independent judgment. Votes on particular kinds of subjects or issues during executive board meetings should be recorded and published so that the vice-presidents' constituents could appraise their representatives' actions on the governing board of the international union.

Second. The delegates to international conventions do not necessarily represent the interests or will of the union's rank and file.

In the first place, a number of delegates who vote on such sensitive and key matters as amendments to the constitution are representatives from joint councils, conferences, and the international (organizers and auditors). These individuals are inclined to vote their own individual, or union institutional interests, rather than the interests of the union membership. They should not be entitled to attend the convention as delegates.

The bulk of the delegates are local union officials. These individuals were elected by the rank and file up to several years before the convention, not on a platform which addressed the fundamental constitutional issues involving the international union, but rather on a platform addressing either their prior performance, or their promised approach to the process of negotiating and administering collective bargaining covering the local membership. Local union officials should not be entitled automatically to attend international conventions as delegates. Rather, special elections should be held a short time before the convention so that the rank and file may select the delegates they wish to represent them during the international convention. Some might argue that delegates who have not served as union officials will not know enough about the business of running a union to pass judgment on fundamental questions which affect the running of the international union. This argument has no merit for many reasons. The most simple answer is, however, that if a local union official could win one election, he should presumably be able to win another. To the extent that the union's rank and file should send a number of delegates who are not serving in local union office, the convention will become a considerably more independent, supreme governing body. Nonofficer delegates would not confront the prospect of internal union reprisals from a disgruntled IBT leadership. They would arrive at the convention without any of the conflicts of interest which can compromise local officials. They would not have been on the receiving end of a steady stream of benefits, favors, or privileges from the union's principal leadership over the years.

Third. Convention delegates are unable to ascertain the sentiments of the union's rank and file on issues they will be required to vote upon during the convention. Neither candidates, nor matters of convention business, are announced prior to the commencement of convention proceedings.

This should be changed, particularly if there should be special elections for delegates prior to conventions. Individuals seeking to represent the union's rank and file at conventions should be able to develop platforms addressing the basic issues which will arise during the convention proceedings and declare their position on those issues. In the first place, if the vice-presidents have already been elected by their geographic or trade divisions, the only officers who would be elected during the international convention would be the general president and secretary-treasurer, and the three International trustees. New eligibility rules should be established for determining who may run for these offices. For example, any vice-president might be eligible to run without facing the prospect of losing his vice-presidency in the event he should not succeed. Other individuals accumulating a certain number of signatures on a petition might also be eligible to run. As in national and State politics, all candidates would have to declare their candidacies in advance of the convention. So too would all proposed amendments to the constitution have to be announced in advance. Candidates should thereafter be guaranteed a certain amount of space in the International Teamsters magazine to describe their qualifications and declare their positions on issues affecting the international union. Proposed amendments should also be published in the magazine. Thereafter, during elections for the many delegates to the international convention, the sentiments of the union's rank and file with respect to these candidates and proposed amendments could be expressed. In this fashion, the rank and file could effect its will upon, and once again gain some degree of meaningful control over, the international union and its chief executive officers.

Fourth. The rank and file have no way of knowing how their delegates voted on issues and candidates during the IBT conventions.

If the International Brotherhood of Teamsters and its principal officials are to be made accountable to the union membership in any way whatsoever, then the intermediaries, namely the delegates to the IBT conventions, must first be made to be accountable to the union's rank and file. Accountability could be achieved in two ways. One, only those delegates who reflect the will of the majority of the union's members would be sent to the convention were there elections for delegates prior to the convention. Second, where the votes which the delegates cast during the convention are a matter of public record, the rank and file can assure themselves that indeed their delegates did vote as they would have themselves. While it may be too late after a convention to change a delegate's vote, at the very least the union's rank and file can express their displeasure by evicting him from office during the next local election in the event that the delegate was an officeholder.

Fifth. Teamster Locals do not have proportionate representation on joint councils and conferences which accordingly are not representative union organizations.

Each local is entitled to send the same number of representatives to joint council and conference conventions as every other local within the jurisdiction of these supervisory organizational units in the union's hierarchy despite the fact some locals may only represent a few hundred members and others may represent many thousands. Nonetheless, these Teamster organizations have the power to tax the locals on a per capita basis. Such taxation should occur only where there is equal representation. Locals should be entitled to send a number of delegates to joint councils and conferences which is proportionate to the size of the local.

Sixth. Internal union discipline is a one way street. The disciplinary procedures permit officers to squelch dissent among the rank and file. The membership lacks a meaningful procedure for disciplining corrupt officials. The power of the general president to mete out discipline is excessive.

There can be no doubt that disciplinary procedures are an important ingredient in a successful labor organization. Principal officers need to be able to discipline either members of subordinate union officials who jeopardize the union's legal commitments or expose it to lawsuits which might result in substantial damage awards. Both officials and members need to be able to discipline those officers who abuse the fiduciary trust vested in them by the rank and file.

In the Teamsters Union, disciplinary procedures can only be used successfully by officers to punish members, not by members seeking to hold an official in line. Indeed, judging from the list of punishable offenses, the procedures appear almost to have been designed to intimidate the rank and file and any political adversaries of the Teamster leadership. Under no circumstances should disciplinary procedures operate to squelch dissent or political opposition. Teamster disciplinary procedures need to be overhauled so they cannot function as a political weapon. While such procedures may need to be strong and effective, they must also be fair and impartial. Examples of some needed changes follow.

The grounds upon which the general president can throw a local or joint council into trusteeship need to be spelled out in detail. Trusteeships should automatically lift within 6 months during which time new elections should be run. Union charters should not be revoked except following hearings and the issuance of a

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written statement of reasons pursuant to procedures similar to those used when imposing trusteeships. The negotiation of sweetheart contracts should be grounds for discipline of an officer and/or imposition of trusteeship permitting the union to abrogate the invalid contract. Any substandard contract must be approved in writing by the general president and all contracts must be submitted to the membership covered by those contracts.[213]

Seventh. Eligibility requirements for holding union office are in most instances so strict that only a very small percent of the union membership is entitled to run for office. These requirements frequently preclude the more talented members from opposing unresponsive incumbents.

Teamster bylaws generally require a member to have been a member of the particular organization in which he is running for office for a period of years and to have attended 50 percent of the membership meetings of the organization. Such requirements do not appear to have been designed to insure that only competent members would qualify to run for office. On the contrary, they generally operate to disqualify most potential opponents of incumbent teamster officials. These overly strict requirements should be substantially modified and generally overhauled.

FINANCIAL WEAKNESSES AND SUGGESTED REMEDIES

The financial disclosure requirements of the U.S. Department of Labor are woefully inadequate. Without information, the rank and file have no way of knowing whether or not a problem even exists. Not only do they need to be able to identify problems or areas of financial abuse by their officials, the rank and file need to know exactly what the dimensions of the problem are so that they will be able to tailor an appropriate solution. The lack of adequate reporting requirements is the threshold problem.

Eighth. On the subject of salaries, it appears that many teamsters officials believe that the sky is the limit. Exceedingly large incomes are amassed through a process of holding multiple union jobs and collecting multiple salaries from different organizational entities in the union's hierarchy and also from various union trust funds.

Government Assistance. Mandatory financial disclosure by all individual union officials of their gross receipts from all union sources, together with a breakdown of those receipts, would not by itself eliminate the problem. It would, however, give the union's rank and file sufficient information to address the problem where it exists. Currently, officials do not themselves report their earnings. Rather, the various organizational entities which contribute to their income must report how much they are compensating their employees and officials each year. However, because of the fact teamster officials frequently hold office in many different teamster organizations, the membership has no way of determining how much the individual may be grossing from all union sources without making a systematic survey of many hundreds of union LM–2 and D–2 reports. The Department of Labor should revise their reporting requirements to require that each elected official of any union entity prepare and attach a certified statement of his full earnings from all union (including trust fund) sources during the given calendar year as an addendum to the LM–2 reports filed by every organization in which he is an officer. Such a reporting requirement would, at the very least, permit the rank and file to learn readily how much they are actually paying their officials.

This relief would not directly remedy the problem of excessive, multiple salaries. It would simply enable the rank and file to measure and perhaps remedy the problem on its own.

An internal union solution. One possible remedy to the problem of multiple salaries would be for the rank and file and their delegates to amend the IBT constitution to impose ceilings upon salaries from all union sources, including trust funds. Ceilings would eliminate the incentive to "collect" titles and salaries. In addition to conserving union funds, this remedy would also discourage officers from taking on jobs they have inadequate time to faithfully perform. As a result, the officials might simply concentrate upon performing a superior job in just one or two capacities. A sliding salary scale could be made a part of the constitution. For example, the general president's salary might be set at $100,000; the secretary-treasurer's salary could be limited to $75,000. The ceiling upon a vice president's salary might be set at $60,000, joint council presidents might be limited to $50,000 from all union sources, and so forth.

Ninth. One device frequently used by Teamster officials to jack up their income is the "allowance."

This category of remuneration should simply be abolished from the Teamster vocabulary. Without question, Teamster officials should be paid fair salaries and the union as a whole can easily afford to pay all of its officers adequate salaries. Beyond these salaries, there is absolutely no need for further remuneration under the disguise of an "allowance."

To the extent officials may incur expenses which are both reasonable and necessary to promote legitimate union objectives, then they should be fully reimbursed for such "expenses." Salary and expenses are the only necessary words in the Teamster financial vocabulary. While the union has sought to describe allowances as a form of reimbursement for expenses theoretically incurred by officers who must travel a great deal, much of this money is never spent and it simply ends up in their officials' pockets. The rank and file should be willing to cover all reasonable expenses—not including luxury apartments, first class air fare, and lavish entertainment expenses—for which receipts are presented. That is all that is necessary, and that is all that should be paid. Unlimited travel accounts to cover personal, as well as union trips result in totally unjustifiable waste of union resources.

Tenth. Another form of unjust enrichment some Teamster officials enjoy is the occasional "gift" of a car, luxury apartment, cash, and so forth.

Like the allowance, the term "gift" should be abolished from the Teamster vocabulary. Gifts to union officials out of union treasuries should be prohibited by the IBT constitution and all union bylaws. If fellow officers and members should think enough of a retiring official, then let them pass the hat. At the very most, the treasury should not be taxed for any gift which is more than a token of respect and appreciation—that is, an engraved watch.

Eleventh. The term "organizer" is frequently just an honorary title which permits its holders to collect a sizable salary in addition to whatever remuneration he is already receiving for performing other full-time, elected union jobs.

Organizer jobs are not elective; rather, they are appointive. Teamster organizers should therefore be considered to be full-time employees of the elected union officials who appointed or hired them. Organizers should be professionals who render valuable services to the union. In addition to organizing unrepresented workers, organizers might also function as advisors or counselors either directly to the officials who hired them, or to subordinate union officials and members. There is no need for there to be an overlap between elected officials and organizers. Organizers should not hold any elective positions which might detract from their ability to serve as full-time organizers. To the extent that elected officials are supposed to serve the rank and file who elected them and should owe their only loyalty to their union member-constituents, a serious conflict of interest arises when they accept an appointive organizer job and must "report" to the official who hired them instead.

Twelfth. Severance and deferred compensation funds operate to immunize teamster officials from their members.

It is one thing for the many, various Teamster organizations to provide their employees and elected officials with pension plans and disability insurance in addition to their salaries and expenses. It is an entirely different matter to award them with sizable, and in some cases huge, lump-sum payments when they leave their union positions—even as a result of their being voted out of office. Severance and deferred compensation plans should be banned by the union's constitution and all bylaws. All existing plans should be abolished and their funds should revert to the treasuries of the organizations which theoretically created the plans and which have funded them over the years.

Severance funds operate to erode union democracy. Where the financial impact of being voted out of office is softened to the point it may make very little difference to an official whether he should survive any particular election, his incentive to represent his member-

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constituents is undermined. Yet, representation is what trade unionism is all about. A union which is structured so that its elected officers can forget what its members need is a union which has ceased to perform the role for which it was created.

At the very most, Teamster organizations might wish to provide defeated officials with a month's salary to tide them over while they locate other employment. Any additional remuneration is excessive and totally unwarranted.

Thirteenth. Union officials who both negotiate and administer collective bargaining contracts on behalf of their members and who also sit as trustees on teamster pension or health and welfare funds may be confronted with tempting opportunities for wheeling and dealing with employers and for arranging kickbacks for themselves.

Since these opportunities arise primarily where the trustees actually make investment decisions, one obvious solution would be to amend the IBT constitution and all organizational bylaws to prohibit any union official from serving as a trustee on any trust fund where these circumstances pertain. The ideal solution would be for the union to select "outside" trustees to represent their member-beneficiaries' interests on the joint union-employer boards of trustees. However, in lieu of bringing in outsiders with impeccable credentials, the union trustees should at the very least be required to relinquish all responsibility for making investment decisions to skill professionals. Their roles should be limited to the normal role of a trustee who only participates in making the very general decisions in his capacity as an overall supervisor of the fund management.

FOOTNOTES

[212] The PROD staff will be available to anyone who wishes to discuss such matters generally, or to obtain technical assistance in drafting desired amendments to the Constitution or any bylaws.

[213] Art. XII, Sec. 1, and Art. XVI, Sec. 4 of the IBT Constitution do purport to require rank and file approval of all contracts by a majority vote. As a matter of fact, however, most sweetheart contracts somehow escape these ratification requirements. Union officials eager to execute such agreements frequently claim that they are simply contract amendments or riders which do not require submission for rank and file approval.

Moreover, while the Constitution appears to require majority approval of contracts, Union officials can claim approval where only one-third vote their approval by claiming that the contract constitutes the employer's "final offer" and by tying the vote to reject the offer with a vote to strike. Strikes require a two-thirds authorization. In the absence of a successful strike vote, Union officials proceed to execute the contract.

The single largest collective bargaining agreement negotiated by the Teamsters Union—the National Freight Agreement—is not in fact a single contract, but rather a collection of some 32 significantly different agreements under a single "umbrella" agreement containing generally inconsequential provisions. Rather than offering each of the 32 separate agreements to just those members covered by them, the IBT provides every member employed in the freight-trucking industry in the entire country with the same ballot asking them whether they approve or disapprove of the National "umbrella" Agreement and their Supplemental Agreements. Under this method of voting, members are not voting upon just their own contract; instead, they are voting upon everyone's contracts even though they have no idea whatsoever what are contained in those contracts. While members covered by certain contracts may vote overwhelmingly to reject their agreements, the Union will execute the contracts and force the members to live under what they consider to be totally unacceptable and offensive contracts if an absolute majority of all voting members vote to approve their contracts.

These procedures which permit the Union Leadership to execute substandard and highly unpopular collective bargaining contracts should be reformed. It is not only in the best interests of the members, but also the Union and the public. Otherwise, there will be, sooner or later, some reaction by the members to their state of involuntary, contractual servitude.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from Newsweek Magazine of June 28, 1976, entitled, "I Say To Them, Go To Hell."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"I SAY TO THEM, GO TO HELL"

Even by Teamster standards, last week's convention in Las Vegas was a show-stopper. Beefy guards strutted through the hall, ejecting dissidents and confining reporters to an overhead press box. The local police obediently cleared away protesters outside the hall. President Ford's Secretary of Labor turned up to claim membership in the Teamsters club and proclaim his belief in it, even as his own department was investigating the union's alleged abuses. There was a perfunctory tribute to the memory of vanished chieftain Jimmy Hoffa, but Hoffa's successor, president Frank E. Fitzsimmons, set the defiant tone. "For those who would say it's time to reform this organization, that it is time that the officers quit selling out the membership of their union." Fitz bellowed to the delegates, "I say to them, go to hell."

There were plenty of candidates for the journey. Fitzsimmons himself disclosed at the convention that he and other officials had been subpoenaed last month by a Labor Department task force investigating the financial dealings of the Teamsters' $1.3 billion central-states pension fund. Just last week, a Federal grand jury in San Francisco charged a former union official with embezzling $2.4 million from California trust funds. A Senate subcommittee is girding for a beefed-up probe into Teamster activities later this year. And within the 2.3 million-member union itself, a dissident group continued to assail the leadership for preying on the rank and file.

The union's power amounts to "a national scandal," according to a 177-page report released last month by the Professional Drivers Council (PROD), a group of 2,000 disaffected Teamsters. Among other things, the PROD leaders charged that Teamster officials are vastly overpaid (one regional satrap drew $126,448 in 1974), that there have been repeated thefts and kickbacks from the union's vast pension funds and that rank-and-file members are kept in line by fear of bodily harm and even death. Both the Labor and Justice departments are investigating the alleged pension-fund scandals, and Hoffa's disappearance and presumed murder last year triggered speculation he may have been about to expose further Teamster misdoings in a bid to regain the union's leadership.

Fat and Sassy: But the mounting attacks—and the accumulating evidence of widespread corruption—had no visible effect on the festivities at the convention. The 2,300 delegates overwhelmingly voted to increase dues to help finance a 25 per cent pay raise for their leaders, bringing Fitzsimmons' annual salary up to $156,250, highest in organized labor. Fitz also bulled through authorization for an unlimited number of patronage jobs, with duties and salaries to be set by himself. At night, the delegates cruised the Las Vegas strip as if they owned it—and with an estimated $130 million in pension-fund loans to the city's casino and hotel oprators, they had a fair lien. Mayor William Briare described the Teamsters as "very special people to us."

But it was Labor Secretary W. J. Usery who provided the most unctuous outsider's tribute. "Even though I don't have a Teamsters card, I belong to this club because I believe in it," he told the cheering delegates. Later, he explained that he didn't mean to prejudge his department's investigation. But old-time Labor Department officials were shaken and outraged. "He's pulled the rug right out from under the investigation," said one. And Usery's performance prompted the Senate Labor Committee to announce hearings on the Labor Department's handling of the probe.

Fitzsimmons didn't seem worried. He denounced what he called harassment by the union's enemies, challenged any other union to match the Teamster record and demanded: "What the hell is the matter with the Teamsters?" That brought a standing ovation and unanimous approval for a resolution denouncing "witch hunts" against the union. For the moment, at least, Fitzsimmons was sitting firmly in the driver's seat that Jimmy Hoffa had held so long—and if that dubious parallel bothered him, he wasn't letting it show.

Mr. THURMOND. Mr. President, in closing, I say that it is certainly true that you will not find union abuses of employees addressed in this bill. Equally true is that the high sounding use of the word "reform" as used in this bill is a completely false description of the bill. The Big Labor Relief Act of 1978 or The Union Organizing Act of 1978, are titles which aptly describe this bill. It is a one-sided bill to benefit the big unions. It is no more or no less.

Mr. President, I yield the floor.

Mr. MOYNIHAN. Mr. President, I thank the Senator from South Carolina for his courtesy in allowing me to proceed as we had planned this afternoon.

Mr. President, we have heard a great deal in the course of this now extended debate about what authorities of one kind or another think about this legislation. Prominent names and organizations have been invoked, both in favor of and in opposition to these measures. And we have had our share, as is the case with most political debates these days, even in representative bodies, of public opinion polls invoked in support of or in opposition to the measures before us. I have felt, in all events, the absence of the voice of American workingmen speaking of the meaning of trade unions and trade unionism to them in their own lives as workers, speaking to the proposals before us as workers and as citizens.

Some time ago, I took it upon myself to send a letter to a representative sample of trade union members. In many cases, they were officers, because in that way, I got the addresses across the State of New York—a quite large State. It has the largest union membership of any

State. I suggested to them that, in the course of this debate, we would need to hear from workers about their own experience. I asked if they would write me describing their own personal encounters with collective bargaining and what, in their judgment, had been the benefits to them and to the fellow workers they represent and what they hoped would come of the changes, the small and moderate, sensible changes we have proposed.

Mr. President, I have received quite an extraordinary number of no less extraordinary replies and I ask unanimous consent that a sample of these letters, which I have with me today, be printed in the CONGRESSIONAL RECORD as part of this day's debate. I have these letters here.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MOYNIHAN. I should like to take the occasion, having seen that the full text will be part of the RECORD, to read some of the excerpts from working men and women in New York, telling what it has meant to them. Here is a letter from James F. Ryan, who is president of the IBEW Local 43—that is the International Brotherhood of Electrical Workers—in Liverpool, N.Y., which is a community adjacent to Syracuse, a heavily industrial part of our State.

He described how his father passed away in 1936 when he was 2 years old and made it necessary for his mother to go to work in a not particularly promising period of, the American economy, making enough money to raise three children through long, hard years of work. College was out of the question for himself, said Mr. Ryan, both for financial reasons and because of the family obligations. So, after high school, he set to work at one menial job after another.

Then, in 1956, obviously, the best thing that has ever happened to him took place. He was accepted into the 5-year apprenticeship program of the International Brotherhood of Electrical Workers Local 43, and he said:

. . . for 21 years, I have practiced the trade taught me by this organization. I am a viable, contributing member of my community. My position has enabled me to provide comfortably for my family, look optimistically to the future, and experience the pride of being a skilled craftsman.

Over the years, I have derived peace of mind and stability as a result of the collective bargaining system. Should I become ill or disabled, this system has made it possible for my family to survive independent of government handouts. If I were to die tomorrow, my wife and two children are adequately protected by the benefits won through the collective bargaining process.

"How has collective bargaining affected me?" asked Mr. Ryan. "It has in essence made it possible for me to live with pride."

Pride in his family, in his community, in his union, in what they have built for themselves.

One of the things I find so surprising and at times even disappointing in this debate, which has gone on for very long now, is that persons in this Chamber for whom I have a special regard, in that they have expressed their concern at the evergrowing dependence of ordinary Americans on Government for a livelihood, for security, for welfare—these very persons seem even more alarmed at the existence of a trade union movement which, from its beginning, has had as its most fundamental objective the prospect that workers should not be dependent either on their employers or much less on government; that independent and self-respecting and self-financing arrangements can be made in cooperation with management as part of a labor contract.

It is well known that the oldest of the trade unions in the United States are the printing unions. If I am not mistaken, the CONGRESSIONAL RECORD, in which my remarks will appear tomorrow, is printed by printers who belong to the Columbia local of the typographers union, which—I could be somewhat wrong in this, but not very wrong—dates back to 1825. There are not many institutions in the world, other than the American Government—very few in this country or the world—that can point to a continuous existence of 1½ centuries.

The trade unions that organized in the late 19th century are, in the main, the ones which began the large movement into industries. First, there were the railroads and then the mines. The object of the railroad unions, from the first—one of their primary concerns—was to provide protection for men mangled and maimed and killed in the railroad industry, an extraordinarily hazardous occupation then and less so now. It is less so now because of the work of a century of American trade unionism.

It was once said that it took about 20 years for the Westinghouse airbrake, which George Westinghouse developed, finally to be adopted by the American railroads generally. It took some legislation to do that. The comment was made that as long as brakemen were cheaper than airbrakes, the American railroads were never going to provide these safety features.

Well, the trade unions commenced to do that for themselves. They have always done things for themselves, for their class of workingmen.

It is very much to the question of independence and pride that the American workers from whom I have solicited communications speak.

Here is a letter from Mr. Morris Chayut, who lives in Brooklyn, N.Y., who talks about his experience with collective bargaining. It goes back to 1929, when, as a young man of 16, he went to work.

For the first several years he was without any help at all, he says, from any union or other labor organization. He says:

We were completely at the mercy of the employers. Any attempt to organize for better conditions or other benefits was met with instant dismissal as soon as the employer became aware of the actions. Working conditions were dismal, and requests to improve them were met with, "If you don't like it, leave."

That was in New York, in 1929 and 1930. I fear there are parts of the United States where it is still true, where any attempt to organize for better conditions or other benefits is met with instant dismissal.

That, Mr. President, is what this legislation is about.

Mr. Chayut says:

The Wagner Act came like another Declaration of Independence. It gave both the employer and the members of my union better labor relations, with less strikes, better working conditions and more and better production on the job.

One of the constant themes of these letters is the stability and efficiency that trade unionism has brought to the industries involved, because men whose pride has been crushed—pride in their own selves and in their own organizations—cannot take much pride in their work. This is a constant theme.

Here is a letter from a newer member of the labor movement, Michael Murphy, who is the recording secretary and chairman of the political action committee of Local 448 of the United Brotherhood of Carpenters and Joiners, who are a local of the South Bronx. Mr. Murphy writes:

After service with the United States Marine Corps in half the swamps and deserts in the United States and in Asia, I decided I wanted a job which would give me a skill and adequate financial remuneration. Having worked under non-union conditions as a stockboy and other jobs as a youth, I knew the value of a union.

I was admitted to the carpenter's union in 1971 through a program of referral by the New York State Department of Labor, established for returning veterans.

In spite of or perhaps because of the insight into the problems of the labor movement, I have developed a deeper respect for and understanding of American labor now and past sacrifices. Perhaps this is what has led me to be so outspoken in regard to labor law reform. My concern for my union has sharpened my concern for the larger community, for on many of these jobs I have picketed and have been in the forefront of a carpenter seeking a better union. I have found an increasingly vocal and community-minded minority membership.

Our Government is the one form of rule that offers a viable alternative to the Godless creed of communism. As our Pilgrim forefathers saw us, as the light under the barrel and as the example of God's rule on earth, so we must strive to realize that dream.

As United States Senators, I can only urge you to remember your responsibility, as the senior body of lawmakers, as representatives of entire States, to vote for labor law reform as a means to justice and equity for the American worker, who has nothing but the sweat of his brow to exchange in the marketplace for means of sustenance and adequate life.

Mr. President, here is a letter from an older trade union member, Mr. James Kurtz, a member of Local 123 of the Communications Workers of America, located in East Syracuse, N.Y. He says:

A number of random thoughts come to mind.

Belonging to the union I do and working for the company I do has enabled me to reach this point of life with a satisfactory degree of financial dignity—for instance, in being able to help a son through Cornell and a daughter through nursing school.

Aside from the financial advantages, I feel the grievance procedure is probably the best reason I can think of for belonging to a union.

The fact that I can go to my supervisor with a complaint, and not receiving a satisfactory answer, I can then institute the grievance procedure without fear of retalia-

tion is, to my way of thinking, a real plus for unionism.

Mr. President, one of the things that persons who have studied industrial and labor relations have frequently pointed out is the degree to which trade unions have brought a sense of fairness to the plant floor. No longer are grievances a matter of the person who complains the most because he most likes to complain. No longer is it random. No longer is it insensitive, nor is it essentially disruptive of the kind of orderly work that is required in any serious workplace.

The point about a trade union is that it will tell management when there is a real grievance, tell management things it needs to know and about which it has to do something. A plant with a trade union is not one in which just anyone can complain and have his complaint be the object of no one's judgment but his and the employer's. To the contrary, the sense of the community of the work force comes into play at moments such as this. If a complaint is not thought to be just, the trade union itself polices the procedure for the employer and brings forward things that are seen not just by the individual but by his workmates as a legitimate source of complaint and concern. Ask the great automobile manufacturers, the steel companies, the chemical and electrical companies how they would organize their plants and their production without the cooperation of democratic, forward-looking, progressive trade unions. They would not know how. Those industries have come into being almost simultaneously with the trade unions which have provided organization, structure, and continuity to the work force which is as essential to management as any single element in production could be.

Some of our unions, of course, are very old. I have mentioned the typographers who print our CONGRESSIONAL RECORD with a continuous existence as a chapel. They use that wonderful word "chapel" to this day, as they have since the time of President Monroe. The lithographers union is a more recent one. These locals were about one century old when lithography came into development in the second half of the 19th century.

The New York Lithographers and Photoengravers Union No. 1 is one of the oldest of its kind in the world.

I have a letter here from Stanley Aslanian, who writes:

> Working persons and their families are most sensitive to the impact, or lack of impact of government regulations on their jobs and working conditions. For next to the family, the job is of most importance. And to the millions who have experienced good unionism, that job and unionism cannot be divorced.
>
> Fair wages, a real interest in the working and safety conditions of the people employed and mutual respect, all these we can enjoy, thanks to the fact that we have the right of collective bargaining, this right denied so many others throughout the world.
>
> The alienation felt by so many can be softened when they see that their government is sensitive to their protection at their place of employment.

Mr. Aslanian, in what is a characteristic reference for American trade unionism, speaks of the denial of the rights of collective bargaining not only in other parts of the world, but also right here in the United States. There are huge regions of our country where it may simply be stated that the Federal writ does not run, where the national law adopted on labor relations under President Roosevelt has never made its way. That is precisely the purpose of this moderate, sane, sensible legislation before us which is, I fear, being so insensibly opposed.

Here is a letter from a trade unionist in Troy from a union with which I have not had any close relations in the past, although I have known of its existence, the Brush Workers Union Local 20,468. I am not sure whether there are altogether 20,468 locals of the Brush Workers Union, but it is an old union, a respected one, and Mr. Richard Field writes with the feeling that comes from his experience on several negotiations committees. He says:

> The members received protection so that the company has to treat them with respect and dignity.

Respect and dignity—is there anything more important to a man? Is there anythink more deserving of the support and encouragement of this Congress? Is there any piece of legislation in which that concern for the respect and dignity of American workingmen was more embodied than in the Wagner Act, a monument to the capacity of the American Government to adapt to a changing economic situation, to expand democracy, to take democracy, not just take it, but move it beyond the realms of government to the workplace? Is there any other legislation which better embodies the sense that ours was not simply a political arrangement that in no way suggested larger values of our lives, but rather that the values of our lives dictated our political arrangements no less than the economic?

Mr. President, I am sorry to see that those opposed to our legislation who have been delaying it for so many weeks now appear to have abandoned the floor altogether. I view with rising hopes and emergent expectations the thought that they have finally realized that the time has come to stop filibustering this legislation and vote on it, to vote on its substance. There is not one Member of the Senate opposed to this legislation on the floor and yet they will not let us go forward to the substantive consideration of these measures.

Mr. President, this is alarming. Well, I suppose the day had to come when my good friend from Utah did return, and I appreciate this opportunity to continue to instruct him in the impact of trade unionism on the lives of American workingmen and not just blue collar workingmen.

Here I have a letter from Mr. James L. Peek, who is a member of a trade union at the Prudential Company.

Mr. President, I am once again forced to draw to the attention of the Chair the lamentable fact that until just this moment there was no member of the opposition to this legislation on the floor.

But my good friend, and formidable advocate, the Senator from North Carolina, has now made his appearance here, and he will find he can put this occasion to good use by learning that trade unionism has characteristically responded to changes in the structure of the American economy.

(Mr. CULVER assumed the chair.)

Mr. MOYNIHAN. As I said several times this afternoon, I do think—I do not absolutely know—but I believe the oldest continuous trade union local is the Columbia local of the printers union which prints the CONGRESSIONAL RECORD and which has done so from the time of President Monroe.

From the early craft unions, labor organization led into the great railroads and communications, which were an early locus of trade union activity, and then the great mines and steel mills, the great mass-production industries. Beginning in the 1930's, we began to see the number of white collar workers grow and find themselves in circumstances in which some negotiated arrangements with their employers were appropriate. We then found white collar workers were organizing as well.

Here is a letter from Mr. James L. Peek from Batavia, N.Y. Batavia—some people may know this—the land office in Batavia, which was opened in 1805, is the place from which we obtained the figure of speech "a land office business." Actually much of the land in that part of New York was owned in Holland, and after the Napoleonic invasions, the House of Orange fled, the Republic of Batavia was founded. Batavia thus came to be a reference for the republican form of government in its antifeudal and antimonarchical context, as represented by the ancient Batavians.

Mr. Peek writes:

> For the first 20 years of my life I had no union protection at all. I was completely at the mercy of the employer and had no real job security. While such never happened to me, I observed several of my coworkers being fired for no real reason other than the whim of the employer over petty things that under good representation would hardly have been given a second thought.
>
> In my present job I have been represented by the union for the past 13 years. The protection and security provided by it has been most gratifying, and I feel had I a valid complaint I would have a definite recourse.

This again is so characteristic of the American trade union movement. I referred earlier to the degree to which trade unions bring a sense of fairness and community to the matter of labor relations. Mr. Peek says:

> Had I had a valid complaint I would have had a definite recourse.

Why would it have to be valid? Because it would have to be so judged by his fellow workers, not just by the employer with which he is necessarily in such matters in an adversary relationship.

White collar workers were followed by an increasing organization of the growing, soon nationwide, food chains and stores that provide the general range of

shopping that we associate with department stores in America, with shopping malls, and with the great merchant and merchandising organizations that began to come into being in the 20th century.

Here is a letter from Mr. John F. Frank of South Farmingdale, N.Y., a community on Long Island, who is a member, has been for over 30 years, of local 342 of the Amalgamated Meat Cutters Retail Food Store Employees Union. The Meat Cutters is as old a craft as we would know in the West, and yet a union that responded to the great industrialization of the meatpacking industry that began in Chicago in the late 19th century.

Mr. Frank serves on the negotiating team for the local 342, and he says:

I must say it is a great feeling to know that you belong to a good responsible union, and that you, as a committee member, can voice your opinion loud and clear in regard to your union's proposals in forthcoming contracts. We have always come to an agreement that was suitable between our rank and file and management in the past because we have been able to iron out our differences across the bargaining table.

Mr. President, again we see the migration of trade unionism across new forms of activities as they emerge in the economy, which is always a measure of the liveliness and the functional quality of so much that has been done. We see trade unions making their way into the heavens, indeed, through the airline pilots; we see them crossing the seas with the maritime unions. One of the great struggles of the 19th century was to organize seamen, traditionally among the most savagely exploited of workingmen. And we see unions down in the subways, those old subways that were dug as the first rapid transits for our cities, not the easiest life, and certainty not the least important for the cities that depend on them.

I have here a letter from Mr. Jerry Fancher, who is a member of local 1056 of Amalgamated Transit Union of New York City—he lives in Queens Village—and he says:

You asked for a letter describing my own experience with collective bargaining. I do not know what kind of answer you are looking for, and I have only one contract under my belt, but I will try.

He is new to this. He says:

My local union represents the bus operators in Queens.

They have expanded now to that area.

Our local has only 1,200 members. When we bargain with the City of New York we bargain at the same time as the Transport Workers Local No. 100 since Local 100 has 33,000 members, and they carry in the imagery of our city the most clout.

I am not happy with the bargaining as it is now, however. I would like to say that my members do not benefit as much as they should.

Now, this is characteristic of trade union leaders and trade union rank and file to be very open when they think things are not going well, and to say so openly.

It is the whole point of trade unionism that it may give an opportunity for the redress of grievances and for communication between workers and their employers.

Mr. President, for the third time this afternoon I am forced to call to the attention of the Chair the fact that there is no Member of the U.S. Senate opposed to this legislation, none of those who have embarked upon this filibuster, even listening to the reasoned arguments we have set forth for getting on with the work of the Congress in voting on this measure.

I see, Mr. President, that the distinguished Senator from Arizona (Mr. GOLDWATER) has entered the Chamber, and I, of course, welcome him, as I do my very good friend to whom we are all so much indebted these days, the junior Senator from Indiana (Mr. LUGAR).

Mr. President, I was commenting that this last letter observed that the negotiations with the transport workers were with the city of New York, and, of course, the emergence of trade unionism among municipal and State employees is a recent one, reflecting the growth of Government employment in recent years. But there is one union of Government employees which goes as far back as the American labor movement. That is—I do not know why I should say this; I certainly do not mean to make any invidious comparisons—but I do not know of a trade union which has more friends in this country nor in Congress than the National Association of Letter Carriers.

I have a letter here from Mr. John Yaworski, who is secretary of branch 5503 of the ALCA, up at Tupper Lake, N.Y.

Mr. President, I had the great privilege to serve in the administration of President John F. Kennedy; and in 1961, as a young Assistant Secretary of Labor, it fell to me to carry forward a promise which President Kennedy had made, or rather which had been made for him on his behalf by the man who, apart from Robert Kennedy, was, I think, closest to him of any person in the Government, the man who was his appointment secretary, who was at his side in so many knotholes right up until the very last one, Kenneth P. O'Donnell.

A letter had been written to the National Association of Letter Carriers, saying that he, the President, believed some form of collective bargaining should be made available, made possible for Government employees. A committee was set up by President Kennedy in keeping with this promise, and I was asked to be executive secretary to the committee. It was the President's Committee on Employee Management in the Federal Government.

I remember that when we began to consider how we would proceed, I had to reassure a nervous management right in the Federal Government, a management in the Pentagon and in the other large bureaucracies, that wondered what trade unionism would mean to the Federal Government if it ever happened.

I found myself making the point that it already had happened, that far from being a disruptive and demeaning and threatening, nay, an incendiary force, that some Federal employees—the largest number at the time—the letter carriers, had organized themselves as a trade union in the late 19th century, and that at this point, almost one century had gone by in which the letter carriers had basically waited to be recognized by their Government. Almost a century had gone by.

Now, they had made some friends in Congress in the interval who had done some things for the letter carriers themselves; but they had kept the faith with the dignity and the probity of this Government in such an extraordinary way. Can you imagine, in this era of instant gratification, people willing to organize and wait a century to be recognized?

Well, we finally produced Executive Order No. 10968, which took place in 1962. We have had 16 years' experience with Executive Order 10968. It has been updated and improved a little bit, but it is successful—a successful relationship and an honorable one. And, Mr. President, I would like to make the point that all we are doing here today is seeking to insure that through government, through legislation, when American workers in communities where the major powers oppose the rights of unionism, those rights are protected as the rights of American citizens, for that is what is involved here: rights of citizenship established through careful and patient creation of voluntary organizations that go back a century and a half in our society.

Something of value exists when a voluntary organization can sustain itself for a century and a half. Something is being said about the contributions of such institutions to the society, and it will be a curious thing if the U.S. Senate, having boldly recognized the value of trade unionism to this Nation almost a half-century ago, should now be so fearful and supine in the face of unreasoning opposition as to be unwilling to reaffirm that value and recommit this Nation to the extension of one of the great successes of the democratic dogma in our society.

The Greeks thought up political democracy. Industrial democracy grew up in the United States, and it is no less an achievement. Being ours, one would suppose we might value it even more.

Mr. President, I have had the opportunity to stand in this Chamber today to read to the Senate some letters from trade unionists in New York, telling about their experience. I regret that on three separate occasions I have found that none of those opposed to this measure was present to hear what I had to say; but the RECORD will now contain these letters, and I hope they will be taken as a genuine testament by working men and women who responded to a request to tell it like it is, and say what it means to them.

I would like to close my remarks by calling the attention of those who might have occasion to look at the RECORD to two things. One is how the words "dignity and pride," honest pride of workmanship, constantly appear in these letters and, thus, come into this legislation. Second, I would like to take this indirect way of acknowledging to the

members of the Columbia local of the printers union that there are those of us in the U.S. Senate who note that they have been continuously organized since the time of President Monroe himself: 150 years of trade unionism involved in the CONGRESSIONAL RECORD. It is still a miracle the way it is produced by the professional staff here in the Senate itself, and then by those typographers who print it up overnight, proofread it, run it, bind it, and have it on our desks in the morning.

That, too, is what trade unionism is about, Mr. President.

EXHIBIT 1

JUNE 10, 1978.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate, Washington, D.C.

DEAR SENATOR MOYNIHAN: This is in reply to your letter of 5/19/78 concerning the labor law reform bill and the benefits of collective bargaining.

First, let me thank you for the attention and concern you have given this matter—your actions and example are watched and applauded by millions of us in the American labor force.

On a personal level, the collective bargaining process has literally shaped my life. My father passed away when I was 2 years old, in 1936, making it necessary for my mother to work many long, hard years to raise her three children alone. College was out of the question for me, both for financial reasons and because of family obligations. So, after completing high school, I spent two years working one menial job after another.

In 1956 I applied to, and was accepted into, IBEW, Local 43 (Construction Electricians) here in Syracuse, New York. I completed the five year apprenticeship program, and for 21 years I have practiced the trade taught me by this organization. I am a viable, contributing member of my community. My position has enabled me to provide comfortably for my family, look optimistically to the future, and experience the pride of being a skilled craftsman.

Over the years, I have derived peace of mind and stability as a result of the collective bargaining system. Should I become ill or disabled, this system has made it possible for my family to survive independent of government "handouts". If I were to die tomorrow, my wife and two children are adequately protected by the benefits won through the collective bargaining process.

How has collective bargaining affected me? It has, in essence, made it possible for me to live with pride.

The collective bargaining process came into existence simply because it was vitally necessary that it exist. The millions of men and women in America's labor force must have a voice in America's industrial system. Collective bargaining provides benefits for both management and labor in that both are given the opportunity to bargain in good faith for the betterment of each. If the collective bargaining process were to disappear tomorrow, it would signal the eventual disappearance of the American middle class, and finally the destruction of our entire economy. The greatness of America's industry is directly related to the progress of the collective bargaining process. Who would voluntarily return to the American labor situation of 100 years ago?

Thank you, Senator, for your time and attention, and for this opportunity to air my views.

Sincerely,

JAMES F. RYAN,
President, IBEW, Local 43.

MAY 27, 1978.

Hon. Senator DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: My experience with Collective Bargaining and the Wagner Act goes back to 1929 when as a young man of sixteen I went to work. For the first several years it was without the help of any Union or other labor organization and completely at the mercy of the employers. Any attempt to organize for better conditions or other benefits was met with instant dismissal as soon as the employer became aware of the actions. Working conditions were dismal and requests to improve them were met with, "If you don't like it leave."

The passage of the Wagner Act came like another Declaration of Independence and for the first time gave me the feeling of being something more than a piece of machinery. But, more important it gave both the employer and the members of my union better labor relations, with less strikes, better working conditions and more and better production on the job.

As a result of the Wagner Act my job and the Industry has had comparative freedom from any kind of Labor-Employer troubles, and those we have had have been quickly and satisfactorily settled to the point where everyone involved was content with the result.

Thank you for the opportunity to express myself on the matter.

Sincerely yours,

MORRIS CHAYUT.

MAY 30, 1978.

Senator DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

DAN: With respect for your achievements and social accomplishment let me address you as a friend because you have demonstrated your integrity and concern for the workers of America. I am an officer of the South Bronx Carpenters Local 488, but I'm a part-time officer. I worked with my hands and mind for a living as I have ever since I was seventeen.

After service with the United States Marine Corps in half the swamps and deserts in the United States and in Asia, I decided I wanted a job which would give me a skill and adequate financial renumeration. Having worked under non-union conditions as a stock-boy and other jobs as a youth, I knew the value of a union. I was admitted to the Carpenters Union in June 1971, through a program of referral by the New York State Department of Labor established for returning Veterans. For the next four years, I learned the skills required of a construction carpenter through a combination of work and attendance at the New York City District Council of Carpenters Joint Apprenticeship Committee (a Committee of representatives of both Labor and Management) Labor Technical College. Since becoming a Journeyman, I have continued my trade education at the Carpenters school through the on going program of Journeymen's courses. This program is one of the finest in the country and is something that our union members can point to with pride.

Having fought quite a battle to improve my union's responsiveness to the needs of its membership, I know full well the abuses that individual labor leaders are sometimes capable of. But it was the very National Labor Relations Board (so thoroughly denounced as highly Pro-Labor by opponents of Labor Law Reform) to which I turned for redress of my grievances. Though unable to completely satisfy my demands due to the slowness of remedial action etc., the Board was able to greatly mollify my problems.

In spite of or perhaps because of the insight into the problems of the labor movement I have developed a deeper respect for and understanding of American Labor now and its past sacrifices. Perhaps, this is what has led me to be so outspoken in regard to Labor Law Reform.

In the past three years, I have picketed one to two dozen jobs, sometimes alone and sometimes with my brother carpenters, to protect our hard won wage and benefit victories. My concern for my union has sharpened my concern for the larger community. For on many of these jobs, I have picketed and in the forefront of carpenters seeking a better union, I have found an increasingly vocal and community-minded minority membership. Coming from the streets, many of our members have worked for non-union contractors before becoming members. Even on jobs where Davis-Bacon and OSHA conditions were required, these carpenters did not have those conditions, because the contractor found it profitable to ignore such regulations. To organize such jobs, our Business Representative and the members with him have faced attempted intimidation, physical assault, outright falsehood, and prevarication, legal legerdemain and a complete assortment of tricks. In one instance I went to work for a corporation named Jacsal Realty, which has rental and other agreements with the Social Security Administration. This firm was represented by one Aaron Marks, who agreed to a collective bargaining agreement, verbally. After two weeks of procrastination during which time my benefits were at issue, I was forced to turn to the National Labor Relations Board for assistance. With a wife and seven children, my welfare and other benefits are almost as important as my wages. The Board, after investigation, found my claim was previous commitment and my benefits were restored.

In another instance, our Business Representative was able to organize a Rehabilitation Job, by invoking the Davis-Bacon Act, but in other cases we have told the employer that we were going to go to the National Labor Relations Board and were told that it would be months before we received tangible results. Our government is the one form of rule that offers a viable alternative to the godless Creed of Communism. As our Pilgrim forefathers saw us as the "light under the Bushel" and as the example of God's Rule on Earth, so must we strive to realize that dream. As United States Senators, I can only urge you to remember your responsibility as the senior body of law-makers as representatives of entire states to vote for Labor Law Reform as a means to Justice and Equity for the American worker who has nothing but the sweat of his brow to exchange in the marketplace for the means of sustenance and a good life.

Fraternally,

MIKE MURPHY,
Recording Secretary, Chairman, Political Action Committee.

EAST SYRACUSE, N.Y.,
June 13, 1978.

Sen. DANIEL P. MOYNIHAN,
U.S. Senate, Washington, D.C.

DEAR SENATOR MOYNIHAN: Regarding your letter dated May 19, 1978, a number of random thoughts come to mind.

Belonging to the union I do, and working for the company I do, has enabled me to reach this point in life with a satisfactory degree of financial dignity. For instance, in being able to help a son through Cornell and a daughter through nursing school.

Aside from the financial advantages enjoyed through membership in the union, I feel the grievance procedure is probably the best reason I can think of for belonging

to a union. The fact that I can go to my supervisor with a complaint, and not receiving a satisfactory answer, I can then institute the grievance procedure without fear of retaliation, is, to my way of thinking, a real plus for unionism.

Another reason I'm in favor of unions, with the transition period that the industry (especially New York Telephone) is experiencing with C.P.E. (Customer Provided Equipment) the company is looking to cut back on its labor force. I sleep better at night knowing there is a seniority clause in the contract, and the company won't be able to arbitrarily pick my name out of a hat, and say we no longer need your services.

I trust the above will be of assistance to you.

Sincerely,

JAMES C. KURTZ,
Member of 1123 Local CWA.

JUNE 12, 1978.

Re your letter of May 19, 1978.
Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: Rather than inflation or unemployment many of us feel that the alienation from their government, felt by many citizens, is the greatest problem facing our Country. This feeling is the cause of the poor voter turn-out that we experience as well as the other incidents of citizen apathy. A distrust by the people in their own government must in the long run be more destructive than any of the other great problems we face.

The working person and their families are most sensitive to the impact, or lack of impact, of government regulations on their jobs and working conditions. For next to the family, the job is of most importance. And to the millions who have experienced good Unionism, that job and unionism cannot be divorced.

There is no need to recount the many benefits that unions have brought to their members. What is so often forgotten is, that all people have had their living standards elevated as a result of our fight to better conditions. We who have been privileged to work in the printing industry have seen the results that fair and good faith collective bargaining bring to an industry. Stability, the most important result of true collective bargaining has been the blessing bestowed on our industry. Fair wages, a real interest in the working and safety conditions of the people employed and mutual respect, all these we can enjoy, thanks to the fact that we have the right of collective bargaining, this right denied so many others throughout the world.

And this is why we feel that labor law reform is so essential. That a minority of unfair employers must not be allowed to frustrate through delay tactics, to the point of justice being denied.

The alienation felt by so many can be softened when they see that their government is sensitive to their protection at their place of employment.

Sincerely,

STANLEY A. ASLANIAN,
President, Local 1-P.

BRUSH WORKERS UNION,
LOCAL NO. 20468,
June 7, 1978.

DANIEL PATRICK MOYNIHAN,
Senate Office Building,
Washington, D.C.

Hon. DANIEL P. MOYNIHAN: Upon receipt of your letter and remarks from the Congressional Record and after reading and digesting the contents thereof, it behooves me to try to help you in your total dedication for the passage of Labor Reform Legislation S2467.

I am a member of a D.A.L.U. Brush Worker's Union, Local No. 20468, A.F.L.-C.I.O. and have been since January of 1955. Since that time I have acted in many capacities beginning with being a Regular Member, then a Union Committeeman, Steward and presently Recording Secretary and Chief Steward.

Tek-Hughes a division of International Playtex Inc. is located in Watervliet, New York. Tek-Hughes is a small factory, total population approximately 325, of which 243 belong to the bargaining Union. Being a small division of a large Corp. located in a state where the tax structure is not conducive to living or running a business but where if there were no Union, our employees would be approaching the poverty level.

While serving on several negotiating committees, I realized the value of a good Union and what it has done for me and the members of the local. Without the local some of the Benefits we would receive would be a complete abortion. The Members receive protection so that the company has to treat them with respect and dignity.

We offer our complete support to the Capitol Labor Law Reform Act of 1978 and we can see with its passage a more uniform system in these United States for Labor and Management to work toward these goals. We appreciate your efforts in sending this information so that we may be totally aware of the ramifications if this Labor Legislation is beaten.

I cannot condone Mr. Hatch's interpretation of this Bill nor can I condone the way J. P. Steven's have treated their employees over the years in total disregard of their God given Rights. Passage of this Bill would be a big step toward a better America.

God Bless You.

I remain Respectfully yours,

RICHARD FIELD.

JUNE 7, 1978.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: Thank you for your letter of May 19, 1978 and the material you enclosed.

I must admit that I am no expert in labor matters and many of the points noted are completely "greek" to me. However, I do have some very definite ideas on the value of labor organization. Perhaps some of what follows will be of help to you.

For the first 20 years of my working life, I had no union protection at all. I was completely at the mercy of the employer and had no real job security. While such never happened to me, I observed several of my coworkers being fired for no real reason other than the whim of the employer over petty things that under good representation would have hardly been given a second thought.

In my present job, I have been represented by the union for the past 13 years. The protection and security provided by it has been most gratifying and I feel that had I a valid complaint, I would have definite recourse.

During the the time I have been represented by this union, several contracts have been negotiated and each one has improved the lot of the worker, both financially and with job security.

I would not consider the union I belong to one of the more militant unions. However, I do feel that it is a very valuable asset to my working life and anything I can do to strengthen it in the future, shall be done.

To sum it all up, I definitely want to see strong union representation continue and will support you in your efforts to see that this continues and improves in the coming years.

Very truly yours,

JAMES L. PEEK,
CLU, Agent.

JUNE 3, 1978.

DEAR SENATOR MOYNIHAN: I received your letter concerning labor law reform and I appreciate very much the fact that you have requested a letter from me in regard to my own experience in collective bargaining.

I have been a member of Local 342, The Amalgamated Meatcutters Retail Food Store Employees Union for over thirty years.

In that time I have had the opportunity and have been elected by the rank and file to serve on contract negotiations many times. I must say that it is a great feeling to know that you belong to a good responsible union and that you as a committee member can voice your opinion loud and clear in regard to your union's proposals in forthcoming contracts.

We have always come to an agreement that was suitable between our rank and file and management in the past because we have been able to iron out our differences across the bargaining table. This is the reason why we have been able to enjoy a decent standard of living.

Each member on our negotiating team prepares and presents his or her own arguments with the council members and between the leaders of our union and the members of the negotiating committee, it is up to us to negotiate a responsible and suitable agreement that will suit our rank and file as well as the council members.

I dare say that in this great nation of ours today, I think that every worker should have an opportunity to be represented by a union if he or she wishes so that they may enjoy a decent living wage and benefits. The reason many workers in this country are working for substandard wages in my opinion is because they are being suppressed and exploited. If they mention union in their shops they are fired for any reason management can think of.

If a union has enough workers to vote for representation, it is usually drawn out so long that the will to be represented dissipates itself and management has succeeded in suppressing the workers. I think that it is high time that the Labor Reform Bill be passed so that all Americans in the country can make their own decision whether they want to be represented by a union or not and that the vote to be represented or not be consummated in a given time set down by the Department of Labor.

As a member of Local 342, the Amalgamated Meat Cutters Retail Food Store Employees Union, I can honestly say that the system works and works well.

I am indeed proud of my Local Union and the achievements that we have gained in the past. Labor and Management can get along very well in the country and all can enjoy the fruits of their labors.

Responsible people in labor and management can both benefit by collective bargaining. To stall an election for union representation is nothing more than suppression on the part of management.

I urge you and all of the house members to vote for labor law reform because not voting for it would be doing nothing more than suppressing the American worker yourself.

Sincerely yours,

Mr. JOHN F. FRANK.

JUNE 6, 1978.

HON. DANIEL P. MOYNIHAN: This is an answer to your letter of May 19, 1978. I am answering your letter by hand because you asked for a personal expression. Please excuse the bad spelling and the poor grammar.

You asked for a letter describing my own experience with collective bargaining. I do not know what kind of answer you are looking for, and I have only one contract under my belt but I will try.

My local union represents the N.Y.C.T.A. bus operator in Queens, N.Y.C. Our local has only 12 hundred members.

When we bargain with the city of New York, we bargain at the same time as the Transport Workers Local No. 100. Since Local No. 100 has 33 thousand members they carry the most clout. I am not happy with the bargaining as it is now, however, I would be a fool to say my members do not benefit.

In the 14 years that I have been with the N.Y.C.T.A. we have accomplished many goals.

(1) Improved pension system;
(2) Greater medical coverage;
(3) Dental coverage;
(4) Drug prescription plans;
(5) Additional vacation;
(6) Additional holidays;
(7) Time off for a death in the family;
(8) Many improved working conditions.

Tuesday, June 20, 1978 through Thursday, June 22, 1978, I will be attending a joint A.T.U.–T.W.U. Legislative–COPE Conference in Washington. I know Labor Law Reform will be discussed.

I wish you the best and hope that the Labor Law Reform bill becomes law. Please ask Mr. Hatch, rather tell him, I am very sorry he "has not seen too many astute American people."

Cordially,

JERRY FANCHER.

TUPPER LAKE, N.Y.,
June 10, 1987.

Hon. D. P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I am delighted to hear that a man of your experience in the labor movement is managing S. 2467 on the Senate floor.

Our experience with the Collective Bargaining System, was that we were excluded from it until the Postal Reorganization Act of 1970, which in my opinion was the result of the courageous strike by the Letter Carriers of Branch 36 of Manhattan.

Until that time we were negotiating directly with the U.S. Government through the Congress.

We would start negotiating with a busy Congress in January and with a lot of luck would finally come to some sort of an agreement in the late autumn with whatever the Congress and the President decided was right for our members.

It was a very poor system, this mixing of labor negotiations with national issues, and we are glad to be rid of it.

Since being included in the collective bargaining system we have made substantial monetary and fringe benefit gains, and truly have made letter carrying a good job.

We of Branch 5503 surely hope that S. 2467 will pass the U.S. Senate intact.

I would like to thank you for your past support of Postal Legislation on our behalf. We appreciate it very much.

Sincerely,

JOHN YAWORSKI,
Secretary.

BINGHAMTON, N.Y.,
June 6, 1978.

Sen. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: To answer your letter dated May 19, 1978. My personal opinion of our Labor Union is as follows:

An employee as a Union member can express himself without fear of retaliation from unreasonable management. When you can sit at a table and negotiate a decent contract for yourself and your family. You feel you can properly do a good day's work with no fear of poverty, and feel when you reach retirement age, you can retire with a decent income. We feel that a well adjusted and happy worker is a worker who could produce, putting our company in a good competitive position and we could enjoy full employment.

Sincerely yours,

DANIEL ORBAND.

JUNE 6, 1978.

DEAR SIR: Having just returned from vacation I regret not being able to answer your inquiries on the Labor Law Reform Act. However, am writing to you in hopes it may not be too late to have it entered.

I myself, being a native of New York City didn't fully realize the importance of unionism and collective bargaining until I moved from the city to the Port Jervis area where unions are in their infancy.

Having always been a union member (the last 10 years with Local 3 of the I.B.E.W. in N.Y.) I took things for granted.

It wasn't 'til I heard, for the first time, "You'll go down the road, if you continue your efforts to unionize this place" that I became aware of the lack of protection I had without a union and bargaining agent. No argument there! I had to back off in order to feed my family.

Now, being employed at Picatinny arsenal at Dover, N.J., I can go to sleep at night, knowing at least that we who belong to the A.F.G.E. Local 225 are represented by people who care. And we do have a voice and certain rights.

I hope, sir, that the few words I've managed to put together will in some small way make your task easier. I am in favor of the Labor Law Reform Act and wish you great success.

Respectfully yours,

LEONARD J. WHARTON.

Hon. DANIEL P. MOYNIHAN,
U.S. Senator,
Washington, D.C.

DEAR SIR: I read your speech in regard to the Labor Law Reform Act of 1978, with great interest. I have been a member of the I.L.G.W.U. Local 155 for many years. I have been a member of the negotiating committee of the knitgoods workers, and have the employers and the attorneys got up and leave the table without advising us why they did so. At a later time they returned and after much discussion and argument, we finally settled a new contract. The Labor movement is good for the workers, because I have seen it happening in my industry as of today, being the Knitgoods workers are in bad shape. I have seen in my shop where I am the shop chairman and have the employer approach me to allow him to furlough the slower worker and keep the better worker, which I did not allow. If the worker didn't have the support of the Union, the employer would no doubt fire the workers who do not satisfy the employer.

After reading your Senate speech which I think really expresses my thinking about amending the "Wagner Act," which you so vividly described, has me wondering why your fellow Senator Hatch, took so much pain, to try to take Msgr. Higgins to task for justifying the changes in the Labor Law. Being that the law was amended twice before, to penalize the Labor movement and being, that the amendments that are proposed would give the Unions equal rights, as the employers try to succeed in bringing the workers into the Union even on company time to hear both sides of the plan, to have the workers join or not join the union. Why would the Washington Star, and I am sure many more newspaper editorials no doubt across the country are so against the bill. The J. P. Stevens Co. violation which took so many years and millions of dollars and thousand of hours of hard work has finally been ended with J. P. Stevens agreeing to accept the Union.

Good luck and much success and continue your good work in the Senate.

Sincerely yours,

MAX SCHINDLER.

INDUSTRIAL CHEMICALS DIVISION,
Niagara Falls, N.Y., June 6, 1978.

DEAR SENATOR MOYNIHAN: In response to your letter of May 19, I would personally like to tell you that if it were not for collective bargaining I would be out of work. I worked at NL Industries for 16 years and then a new young man was hired as office manager and he apparently couldn't relate to older women in the office. He went out of his way to try to force me to quit my job. I took my problems to the union representative and they in turn took it to management. The situation was finally resolved but he would have fired me if it were not for the union making management hear my side of the situation. I needed my job and in no way could have ever been hired for a job comparable. I am very grateful to this day.

My son at present has been terminated by Carborundum Company in Niagara Falls after 9 years of service. He was salaried and had many personal problems at a time he had a new young woman as his boss. There was a conflict of personalities and he is now trying to go thru the Labor Board for a hearing to get his job back. He had an excellent record up until the time, which was only 9 months, that she took over as his boss. If he had collective bargaining I am sure he would still be working there.

I personally appreciate all that you are doing for us and feel that New York State is fortunate to have you representing us in the Senate. Please keep up the good work and thank you.

MARGARET SHEPARD.

ELMHURST, N.Y.

Hon. Senator MOYNIHAN: In regards to your letter as how the Unions have helped me in collective bargaining.

I've been a Union man 30 years this past March 1978. In all these years I've never missed a days work due to strikes. I drive over the road between Brooklyn, N.Y. and Akron, Ohio. Three trips a week and the pay is very good. The company I work for is well satisfied as they get top road men from the Union when they need them and are top experienced union men.

As of November 1, 1978 I will retire from the Teamsters with a pension of $550 a month for life, and I am only 60 years old.

I hope this information is what you need to help you along in your fight for right.

Thank you for your troubles.

Respectfully yours,

HENRY PETRUSKIMAN.

BRIDGEPORT, N.Y.,
June 11, 1978.

DEAR HONORABLE MR. MOYNIHAN: In response to your letter to me on May 19, 1978, I am stating that I am a member in good standing with Plumbers Local #54 of Syracuse New York. My card number is 924343. I have been a plumber and welder for 13 years and I am very proud to be part of the United Association and my union. Without my union and its laws I would be working for low unfair wages. I would not have any job conditions such as safety and overtime pay. I know about scabs and how they operate with just a shoestring business. Their way of doing things in this free world of today is very wrong and I believe that it weakens the country's morale as well as a stepping stone for Communism. I ask you please to do all you can for the passage of this Labor Law Reform Bill. I am sure that if it passes the

union people all over will benefit greatly from it. Thank you.

Very truly yours,

ALLAN VAN AUCKEN.

BUFFALO, N.Y.,
June 9, 1978.

Mr. MOYNIHAN: Honorable Sir, collective bargaining means to me that I could go onto the job and know what I was getting and not have to dicker my rate individually, and so doing, I'm sure, that I would be receiving a more livable and reasonable share of labors profits. I could expect a livable wage and commit myself to buying the necessities of life and some of the luxuries so other people could make these items. Thus ensuring a more stable economy.

Also I could see my way to earn my living within the confines of the trade and so strive to make myself a better mechanic.

I should think that it would be hard to argue to the contrary. Thank you Sir, for efforts to achieve the objects of the Wagner Act.

Yours truly,

CLIFFORD J. MONTGOMERY.

JUNE 12, 1978.

You requested a personal account of my experiences with collective bargaining and the union shop. In its stead I already mailed you an article from the N.Y. Daily News of Nov. 6, 1977 regarding the quality of life at the Big Six Union Towers in Queens, N.Y.

Enclosed is a more personal report from a sister union member, Myra Weiss, who has been working in open shops with union consent in an attempt to organize them.

Since she still engages in this she hesitated to use her name and signed only her initials.

Respectfully yours,

SALVATORE PINO,
New York Typographical Union No. 6, Representing Benj. Tyrrel.

JUNE 9, 1978.

As a volunteer organizer for the International Typographical Union during part of 1977, I worked in two non-union shops. As a result of this experience, I came to the conclusion that the central problem for unorganized workers is job security. The contrast between a union shop and an "open" shop would be quite astounding to a sociologist. In the former there is a free and open exchange of opinion among the people on the job. There is little concern that perhaps an expression of a dissident point of view might offend the employer or one of his representatives. There is confidence in the knowledge that one cannot be laid off discriminatorily. The seniority rights established by almost all union contracts permits a far greater degree of democratic practice on the job. And those of us who believe in democracy consider that of vital importance.

As one moves into a shop without a union contract, one senses immediately a pall on conversation. Almost before anything is said, people look around to see who will hear. And then they speak with caution. It's almost as if everyone were hostile. No easy-going friendly banter that one is accustomed to in a union shop. People seem afraid to look up from their work for a simple greeting.

In fact, in one of the shops, I heard the rumor that the employer was adamantly opposed to unions. That I believed easily. But I was really shocked to hear that he wore a gun to work, and that he had Mafia connections. So when a foreman spoke about dinner in Little Italy, knowing glances were passed around. Here there was real fear.

Wage differences are important. And some of the open shops attempt to hold their employees by paying close to the union scale the most skilled workers. But that results in an even greater discrepancy between the low paid and the better paid. The differential among employees therefore gets to be all out of any reasonable relationship. The skilled man or woman will make three or four times as much as the less skilled. This fact is a source of great discontent on the part of the majority and a source of servility and quiescence on the part of the few.

When misery gets too much to bear, instead of banding together and organizing, the tendency is to just quit and move on. So there is a huge turnover in those shops that I observed. These workers are mostly young with a large percentage of women. And their lives are very unstable. Almost every one of the people I got to know well had worked in one or more open shop and was looking around for still another change.

The fear of unemployment and employer reprisal makes organizing very difficult. The turnover of employees makes it necessary to work too fast in organizing work and matters frequently come to a head before confidence and strength are achieved. The absolute dictatorial power of the employer, unrestricted by a union contract, even in this period of acceptance of need for unions, makes organizing extremely difficult. Legislative help seems absolutely necessary if equity and democracy are to be won.

Sincerely yours,

M. W.

ROCHESTER, N.Y.,
June 12, 1978.

DEAR SENATOR: The power and strength a union organization gains through sensible and fair bargaining is my experience with collective bargaining, Senator.

Following are a list of benefits to me and the industry I work in. (1) Adequate pension plan. (2) Health and welfare. (3) Industry advancement fund. (4) Job security. (5) Basic hourly rate. I want to assure that it will never be cheaper for an employer to violate the labor laws of this country than it would be for him to honor the law.

We need more cooperation between labor and industry to force government reorganization in regulatory capacities.

Senator Moynihan, I hope I have given you the desired information you requested.

Sincerely yours,

ROBERT L. ABEL.

JUNE 1, 1978.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: In response to your request for my personal views relative to the collective bargaining process and its benefits to our industry and the members employed therein, I submit the following:

(a) Establishes an orderly mechanism with which to resolve grievances of all types.

(b) Provides for uniform hours of work, wages, safety, pension, health and welfare and most important, a sense of security for the individual employee.

(c) Eliminates a double standard whereby one employee is given preferential treatment over another.

(d) Elevates the living standard of the working man to one of dignity.

(e) While machinery, buildings and equipment are static, employees are dynamic; one without the other is useless.

(f) When you reflect on the European Labor-Management scene, you wonder why a sophisticated country like the United States of America is even questioning the need for Labor Law Reform.

Having worked in the field of Labor-Management Relations for more than 35 years, I can testify to the importance of the need for a strong Trade-Union movement in the United States. Collective bargaining has taken democracy from theory to the job site on a daily basis.

The key word in successful Labor-Management Relations is empathy. If this one word is analyzed and applied by our legislators, they will have no reservations about voting affirmatively for passage of Senate Bill 2467. When an employer deliberately delays the representation election, he is denying his employees their right to determine their economic destiny.

I appreciate your giving me the opportunity to provide you with my views relating to my personal experience in the area of collective bargaining.

Sincerely,

J. J. BARRY,
International Vice President.

SCOTTSVILLE, N.Y.,
June 5, 1978.

DEAR SENATOR MOYNIHAN: I would be most happy to share my thoughts on the collective bargaining process with you.

I have been a member and associated with labor unions for a period of thirty years. During this time I have had first-hand knowledge and experience as a member, officer, and on occasion negotiator for these organizations.

These negotiations have encompassed areas of wages, benefits, apprentice and journeyman training, examinations, and other industry problems.

It has been my experience that a very special recognition of industry problems exists within these unions.

Contrary to popular opinion as perceive it, union members are well aware of not only their own problems but also the problems of their employers. These members are unusually receptive to suggestions and charges which can be shown to be of benefit to their particular industry if a fair need is demonstrated to exist. I see this awareness being developed by the education of members through the bargaining process.

This collective bargaining process is one of the few areas where people can have a direct influence on what affects their lives. This is extremely important to our memebrs and they view it as a responsibility as well as a privilege.

They handle it with maturity and good judgment and guard it with zeal. I would suggest this is the most important benefit of collective bargaining—That right to have a voice in your own future.

Wages, benefits, and working conditions are obviously an important factor in the equation but not the most important as I see it reflected by our members.

The negotiations for safety in our industry is also a very important consideration of our membership. I feel certain we help set the standards that exist to promote worker safety in all industries regardless of their union or non-union status.

The training of a competent work force is well demonstrated by the apprenticeship system trade unions and their employers have developed through a joint effort. This has been accomplished through negotiations and we are rightfully proud of our success.

I have listed a few of the accomplishments achieved through the bargaining process. I would however be remiss if I did not mention our shortcomings. We are all aware of our shortcomings but I would submit for your consideration that ours are the shortcomings of people making judgement mistakes in their pursuit of a better way.

I would further petition your support for passage of the Labor Reform Bill not because it is good for unions or bad for employers but *Because It Is Fair.*

Sincerely yours,

WALTER R. JOHNSON, Jr.

UNITED BROTHERHOOD OF
CARPENTERS AND JOINERS OF AMERICA,
Johnson City, N.Y., May 30, 1978.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR FRIEND: The experience I had with collective bargaining started in May 1951. Scale of wages $2.25 per hour on hours worked only with no fringe benefits. Worked in rain, snow, all kinds of bad weather. But this was a miracle compared to conditions and wages I had when I was all alone with no representation.

The benefits to me with collective bargaining are many. I have been able to build my own home, bring up three children and educate them properly, feed them with proper meals, drive a modern automobile and have time to help participate in youth activity. Also, have time to be on the Town Zoning Board for eight years, have health care for my family and myself, have a pension program for when I am ready for retirement at age 62. I have working conditions that every American workman should have, being free and able to have a voice in my way of earning a living. The collective bargaining in our industry is just as good for the industry as it is for me.

Almost all of the carpenters of our Local Union work for small business. The opportunities for training, through the apprentice program, and supervisory schooling make our industry highly skilled in all types of construction and the owner always gets a quality constructed building. The members I represent are the "Boss". They always give me the direction to go in achieving wages, work conditions and fringe benefits. They benefit through their own experience and continually strive to improve and correct the lives of many.

Free collective bargaining is good for the worker, good for the industry and good for our Country. It should be our way of life, free to voice my opinion and always abide by the will of the majority.

Sincerely,

RUDY COLTON,
Business Representative.

MAY 30, 1978.

DEAR SENATOR MOYNIHAN: I received your letter of May 19, 1978 on Sat. May 28 asking for my experience with collective bargaining. I had just been to a union meeting the night before Fri. May 27 at which time we voted to accept a new 3 yr. contract.

I am a member of the Iron Workers union Local 60 Syracuse N.Y. Building trades. I have been a member for 25 yrs. and an elected member of the executive board for the last 12 yrs.

As you may know our union members erect steel, and do heavy rigging it is the most hazardous part of the building trades. Just this past Jan. we had 2 members killed and 6 injured badly at a Nuclear plant site in Oswego, N.Y.

The contractor on this job is a big one Stone & Websteer Eng. Co. They are also union and are more than fair to the employees. They are safety minded and if we see an unsafe condition we report it and it is taken care of. On some jobs with the smaller contractors we have to fight like hell for safety and if it wasn't for the Business Agent of the Union backing us up we would be run down the road.

Getting back to the contract we just accepted. Around the middle of May the contractors called us to arrange a meeting. We appointed a bargaining committee to sit down with the contractors. They bring back to the body whatever is offered and the body (we have around 450 members) accepts or rejects the offer.

At the first meeting they offered us 50 cents per hour for each of the 3 years (around 5 per cent) but they wanted us to give up our travel pay and show up time.

Our Local covers 8 counties. We get a maximum of 8 dollars over 55 miles from city hall in Syracuse. We get 2 hours pay if for any reason we cannot work once we arrive on the job, because of snow, heavy rain, or wind which is hazardous in steel erection. The Nuclear plant job in Oswego is the worst snow belt in the country. I have to leave home in Syracuse at six in the morning to be there at 8 in the morning in the winter. Travel pay to Oswego is 6 dollars. Which, by the way, the government is trying to tax. So we didn't want to give up our travel or show up time.

The bargaining committee told the Contractors that the membership would probably vote the offer down and when they could come up with something better to call us. Our contract expired May 31, tomorrow. We heard no more from them until last Wed., May 24. At that meeting they offered us 85 cents the first year, 75 cents the 2nd, and 70 cents the third year and keep the travel pay which we have had for 10 years with no increase. We voted on it Fri. night, May 27. It sounds like a large increase but from our hourly pay *we* pay our pension plan $1.10 per hour plus our own hospitalization (Blue Cross). So from our 85-75-75 cent per hour raise we will this year put 14 cents in our pension plan on top of the $1.10. Next year our Blue Cross insurance expires and as you know being from New York, that will mean another big bite from our raise just to stay even. We get no paid holidays, no vacation pay, or no sick pay. We are also lucky to get 40 hours per week in the winter but it is still 100 per cent more than we would get from a nonunion contractor.

I am sure you being in favor of labor have met our president, Mr. John Lyons, from Washington. D.C. He can tell you what a fine apprentice program we have. We train our own people. The Contractor calls the business agent at the Union hall when he needs men. He expects well trained men when he calls, and he gets them.

We have cleaned up our act since the old days. The business agent tells the Contractor when he calls that if the men don't produce run them off and he will send them some that will.

I hope this information will help you. We need the unions not only for a decent wage but for safety in our end of the building trades. Safety is our prime concern and without our Union representatives to back us up it is either work unsafe or go down the road. OSHA is a laugh. We were better off when we had N.Y. State safety inspectors.

If I can ever be of any help to you let me know. It is good to know we have some one like you on our side. Thanks.

Mr. CHARLES SANDERS,
Nedrow, N.Y.

LOCAL UNION NO. 31,
INTERNATIONAL BROTHERHOOD OF
PAINTERS & ALLIED TRADES,
Syracuse, N.Y., June 1, 1978.

Senator DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I would like to convey to you what the Collective Bargaining System has meant to me and some of the benefits I have derived from it.

I was never a member of organized labor until the age of 28. Up until that time, I was a highly underpaid skilled tradesman. I was making about one-third of the wage of a skilled workman of my trade. Myself and many others were given what our employer chose to pay us. I watched my employer grow rich and live lavishly while I could not even support my family or pay my debts.

At the age of 28, I joined the Painters Union. Since that time, I have been making a decent living without the burden of not being able to support my family and pay my bills.

I honestly have to say that the Collective Bargaining System changed the course of my life completely. I would have to say that two-thirds of my membership has had pretty much the same experience.

Without the Collective Bargaining System many more people would be on the welfare rolls. There are already too many people in that situation because of their lack of knowledge of the Collective Bargaining System and because of the employers refusal to their employees to implement a Collective Bargaining System.

I am in hopes that some of the contents of my letter might possibly be conveyed to the Senate floor for the people who are undecided as to the rights and wrongs of the labor reform bill.

I would also like to take this opportunity to thank you on behalf of myself and my membership for your many efforts in support of the labor reform bill.

Best regards,

IVAN ELLSWORTH,
Business Representative.

NEW YORK GLASS WORKERS
PROTECTIVE LEAGUE,
Horseheads, N.Y., June 2, 1978.

Senator DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: Have read, and am impressed by your statements and testimony in the "Congressional Record," regarding Labor Law Reform. Therefore I am writing to you today describing some experiences with collective bargaining in regards to the industry in which employs me, benefits to fellow workers and to my family and me.

I am a journeyman mold maker, having served a four year apprenticeship in a trade for which I have been employed for the past twenty four years without a single day of being laid off from work. The company responsible for this outstanding record of employment for me and my fellow workers is Thatcher Glass Company, a leading manufacturer of glass containers in this country. Throughout all these years I have been a member of "The American Flint Glass Workers Union." This is but one of three unions we have at our local plant, located in Elmira New York. By working together with management, we have created safer working conditions for all of us, our jobs have become more productive and easier for us to perform, we have been able to work out our mutual problems which we encounter from time to time in our daily work.

Over the years through collective bargaining, my family and I have been fortunate enough to enjoy a middle class standard of living. Our three children plan to attend college after graduating from high school. Because of the fine contracts which have been negotiated in our glass industry for the past one hundred years, we now have an Insurance program for active and retired members which is second to none among blue collar workers today, also included is a fine dental insurance for the members and their families. Eye examinations and glasses if needed, are furnished by the company at no charge to the employees. Our members receive up to five weeks of paid vacations each year, depending on the years of service. We enjoy eleven paid holidays off work each year. Upon completion of thirty years of service with the company, our members who are fifty five years of age or older may retire and live comfortably on a fine pension program which has been worked out over the years to meet current and future plans of all. Because of the continued steady growth of this fine company, the shop in which I work has more than doubled in size since I started in 1954. Our union membership has almost tripled.

as newer and more sophisticated machines are necessary to keep pace with modern day production and completion. From the production of the glass milk bottle which was this companys chief product in the 1930s and 40s to manufacturing of approximately one hundred various containers in all sizes and shapes which we use in our homes each and every day. It is this kind of team work which is necessary between Industry and Labor today to continue the success which both must have if this country is to maintain its Industrial leadership and remain the "Greatest" country of all.

Very truly yours,

WILLIAM A. JAMELSKI.

JUNE 3, 1978.

Hon. SENATOR MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I am pleased to write you regarding my experience as I recall with collective bargaining.

More than thirty years ago myself and ten other colleagues petitioned the National Labor Relation Board for permission to join the Machinists Union, the vote was taken and we had our union.

There were grievances with the Company (unnamed) such as long hours and overtime pay on a reduction scale, the more hours of overtime, the less hourly wages we received.

After some hectic and bitter negotiation at first, we both, the company and the committee which I was part of, settled to a long and fruitful association.

Today I am retired for the past two years, I am now 67 years and enjoying a modest pension along with my social security earnings, my wife and myself are able to enjoy our twilight years with some serenity and less concern of financial embarrassment.

Trusting this letter will help you in your fight for your Labor Reform bill.

I am,

Yours Truly,

FRANK MARTIN.

MAY 28, 1978.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: I would like to write and tell you about my own experiences in collective bargaining and the labor movement.

Thirty years ago I started working as a Journeyman Electrician in a non-union shop. I worked eight hours a day for five days and then I came in for four hours on Saturdays to clean up the shop or to finish any other work to be done without pay.

For the next ten years I worked in other non-union shops for Bosses who did not pay on the right days and who gave checks that bounced. In one shop, half of the men belonged to the union and were getting all the benefits whereas I, who did not belong to the union, received less.

About twenty years ago, I and four other men asked our non-union boss to join the union. He refused. We went to the union, which is the I.B.E.W. Local No. 3 and told them our problems. They contacted our boss and tried to persuade him to join. When he said no, the union took us all in and gave us working cards. Since then I have been a member of Local Union No. 3 I.B.E.W. enjoying a pension plan, paid vacations, an annuity plan, paid holidays, a hospital and surgery benefit plan and other benefits. But most of all, belonging to the union has given me dignity and now I feel I have someone to talk for me and look out for me.

Also, it should be mentioned that the boss benefits by having union men, happy workers who feel they are not being abused or being taken advantage of, content workers produce more than discontent workers. Moreover, the union provides an apprenticeship, training and continuous additional schooling for the benefit of the men and the industry.

I believe that every worker should have the right to chose whether they want to belong to a union or not. However, many non-union workers are afraid of losing their jobs, because they are alone and have no one to speak for them and to look out for them.

I hope I have been a help to you and I wish you success.

Sincerely yours,

SAMUEL B. GAREY.

WILLIAMSON, N.Y.

DEAR SIRS: On the question of collective bargaining, I have nothing but the greatest of respect for such a fair and equal way for both employee and employer.

Being a member of a union most of my life, I have seen labor and management sit down at the table and come away with benefits for both sides.

Ten years ago in Rochester, N.Y. a company was formed by the name of Heuer Utility. I was the first laborer there. I have seen this company grow from myself to forty laborers, besides numerous other union trades.

As our contract has run out yearly, we have had nothing but benefits to both sides through collective bargaining.

I know that collective bargaining would help many others as it has helped me.

So, in closing sirs, I ask you to please pass the labor law reform bill.

Sincerely,

JACK WOODWORTH.

MAY 29, 1978.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SIR: Read with great interest in the May 17, 1978 issue of the Congressional Record, your debate with the Hon. Senator Hatch concerning the Labor Reform Act. As far as I can judge, you cut to the heart of the matter by pointing out that the Labor Reform Act will bring peace to the labor-management negotiation and related fields, but, most important, strengthen the Wagner Labor Act which has been, during previous decades, weakened by the machinations of unscrupulous individuals who through false propaganda have deluded countless otherwise well meaning citizens.

Complying to your request concerning my background as related to collective bargaining, I submit the following:

My people were Swedish-Finns and emigrated to the United States at the turn of this century. My late father and uncles worked in New York City as union carpenters and helped build the Grand Central Station, Singer Building and the Woolworth Building. Unfortunately, my father was killed, in a fall, while working on the Flushing Power House during Christmas, 1916. Through the Workmen's Compensation Act, then recently passed, largely through the vigorous efforts of the then Assemblyman Alfred E. Smith, my widowed mother received a modest recompense to help the survival of our family. Working part time at the age of ten, I was forced to quit school when I was sixteen, found full time work at factories. In an effort to receive higher pay, I found work as a laborer in the construction field during the Great Depression. Working in open shops, I quickly learned how helpless a single individual was when confronted with the loss of his job as a reply to his justified grievances.

In 1935 the Wagner Act was enacted into law and while working as a machinist at International Projector Corp., I witnessed the organization campaign of the C.I.O. Electrical and Radio Workers of America and the counter measures that Mr. Hines, president of the International Projector Corp. used to thwart the union campaign, Mr. Hines speaking in every department in the shop, pointed out how we would suffer and probably lose our jobs if we voted for union representation. We voted for the C.I.O. Electrical and Radio Workers of America to represent us in 1937. Charlie Fay was chosen shop chairman and he did an excellent job for those times, our overdue increases, eight hour day, holiday pay and best of all our first paid vacations.

When World War II broke out, IPC quickly secured sub-contracts relating to the Norden Bomb Sight, Bendix Scintilla Magneto for fighter planes, Echo-Sound Sonic Sound for submarine Detection and our Simplex Projector for our armed forces instruction and entertainment. In 1942 we were working under the wartime Price and Wage Law and we worked ten hours, six days a week. I was elected shop steward and learned how to handle grievances. One day I was approached by our shop chairman, Charlie Fay, who requested me to temporarily forego my duties as a shop steward and machinist to assist Miss Julia D'Inzillo, also a machinist, on a similar leave to work creating Scrap Campaign posters to hang in every department in the shop. We also worked on a War Bond sign to show how the weekly War Bond purchases were destroying the Axis foe. This collaboration between the union and management was an excellent illustration of how we worked harmoniously together when we faced the destruction of our freedom and democratic ideals by our totalitarian enemies.

After the war, when the International Projector Corp. moved to Bloomfield, N.J., I decided to remain in New York City and I soon found a job with R. Hoe & Co., Inc., Printing Manufacturers, after thirty days, joined the International Association of Machinists, then an independent union. Through the efforts of Lodges 434 and 797, I received good pay and working conditions. After working twenty three years at R. Hoe & Co. Inc. and five years at Armer Elevator Co. Inc. I retired March 1975 with a monthly pension from the Machinist Pension Fund District 15.

In closing, I have enclosed a photo-copy that appeared in the Local 475 News, published during those war years. I hope that this contribution will make it possible for the workers of tomorrow to be rewarded fairly for their honest labor.

Respectfully yours,

RICHARD R. SODERMAN.

MAY 30, 1978.

DEAR SENATOR MOYNIHAN: In answer to your letter of May 19th in which you requested my help describing my own experiences with collective bargaining and what to my judgement have been the benefits to me.

Considering that I'll be 75 years of age on my next birthday I remember quite clearly the events that took place so long ago in reference to the Wagner Act and the right to collective bargaining and to be represented by a union. During this hectic period in labor relations the CIO was very active in seeking to unionize unskilled workers. I was a mine lad at the time and I believe I was instrumental in a modest way when I contacted the CIO and was instructed to rent a meeting hall, get all the employees together and an organizer of the union would speak to us.

In brief we found it necessary to strike as full-fledged union men and after five weeks or so we returned to work with a considerable increase in wages and many other concessions. The membership of the local elected me president unanimously and for seven years we had a rough time attaining our rightful desserts. The right to collective bargaining was a boon to us all. We received periodic wage increases, fringe benefits, bet-

ter shop conditions and, last but not least respect from management and recognition as a union.

At the present I've been retired from the AFL Baking & Confectionary Union of America Local # 50. I put in seventeen years at Drake's Cake located in Bklyn near the Bklyn Navy Yard.

I trust that this letter will help to make with my personal expressions a more complete argument for labor law reform.

My very best wishes,

ANTHONY F. DIONISIO.

THE NEWSPAPER GUILD,
Washington, D.C., June 2, 1978.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: You have asked us to tell you the benefits that collective bargaining has brought to employees of the newspaper industry so that that record can be incorporated into the ongoing debate on labor-law reform. Were we to answer that request with the full roll call of achievement, we would find ourselves, I am afraid, unwilling collaborators in the continuing Senate filibuster being promoted by the opponents of S. 2467.

But there is no problem in giving you the story in capsule form. For collective bargaining has brought a living wage, dignity and justice on the job to the tens of thousands of newspaper employees we represent.

Newspaper reporters, in particular, found that glamor constituted the better part of their reimbursement in the days before collective bargaining became a way of life in the newspaper industry. Oliver Pilat, the distinguished author and ex-political writer, tells how one reporter from the old Brooklyn Eagle, assigned to expose a local sweatshop, "slaved at a sewing machine in a pants factory" for two weeks. "The play she received on her stories gave her a warm feeling," Pilat recounted, "until she realized that at the Eagle her pay came to less than her wages in the sweatshop."

And that was the way it was. One of every five reporters earned less than $20 a week before the The Newspaper Guild was founded in 1933, according to a government report, and it took the average reporter 20 years to reach $38. Most employees in the advertising, circulation and business offices earned even less.

Security in the job was nonexistent. Dismissals were frequent and arbitrary, without notice or regard for length of service, and without dismissal pay. Classic—but not exceptional—is the story of Lucius Tarquinius Russell, publisher of the Newark Ledger, who announced one day: "I am serving notice that I am firing 25 percent of the staff now, and when I return from my vacation in Hot Springs I am going to fire 25 percent more."

Needless to say, Russell was not likely to have met any of the staff in Hot Springs. One of every eight newspaper employees received no vacation at all. Paid holidays were even rarer. Hours were long and irregular. The five-day week was unheard of, a seven-day week nothing out of the ordinary. Two of every three employees received neither extra pay nor compensating time for overtime work. Grievances were persistent and unremedied, working conditions poor.

Today, thanks to collective bargaining, nearly half of the employees represented by the Guild work under contracts guaranteeing salaries of $400 or more a week for key editorial, advertising, circulation or business-office jobs, and more than two-thirds work under contracts guaranteeing $375 or more. Minimum weekly salaries run as high as $530 for reporters, photographers and ad salespersons, $353 for classified-ad solicitors, $287 for stenographers and $256 for clerks.

Most employees enjoy the benefits of severance pay, in which the Guild pioneered—two or more weeks' pay for each year of employment, paid on dismissal or death and often on retirement or resignation.

Job security is standard. Employees cannot be discharged except for just and sufficient cause, with an arbitrator the final judge. No one can be fired because of automation.

Hours are shorter and regular. More than 70 percent of all Guild members enjoy work weeks of less than 40 hours. The five-day week is standard, with time and a half in cash for overtime.

Paid holidays are the rule, more than a dozen in many cases. Employees also enjoy paid vacations of up to six weeks, extra pay for night work. When they are ill, they receive sick pay and are covered by health-insurance plans, wholly or partially paid for by their employers.

They can plan for retirement; 94 percent of those working under the contracts we bargain are covered by pension plans. No longer does the end of work mean the end of income.

These are the benefits that collective bargaining has won for 40,000 employees now covered by our contracts. But tens of thousands more fail to enjoy some or all of those benefits because the shortcomings of the National Labor Relations Act have enabled their employers to effectively deny them the chance to organize. I have outlined some of The Newspaper Guild's experience with those shortcomings in testimony to the Senate Human Resources Committee during its consideration of S. 2467.

I am enclosing an impartial journalist's view of what collective bargaining has meant to newspaper employees in the form of an article, "Gentlemen and Scholars of the Press," by Judith Crist, the noted film critic. You may want to enter it, too, into the record.

Sincerely,

CHARLES A. PERLIK, Jr.,
President.

MAY 28, 1978.

Hon. Senator MOYNIHAN: You requested me to describe my experience with collective bargaining.

I am a retired member of local No. 28 Sheet Metal Workers of America. I know what it is to work in non-union shops, the pay was lower, the hours longer and safety was a word only found in the dictionary.

When men got old their production started to slip, they were thrown out of work onto the human scrap heap to shift for themselves.

With collective bargaining men and women were able to obtain decent wages, shorter hours, safety measures and medical attention as well; something unheard of in non-union shops.

Their children were able to get an education and advance themselves politically and economically that spoke well for America.

At the present time in my local, unemployed members get supplementary unemployment checks paid for by the employed members.

I personally don't know of any non-union shop doing it.

There are a number of politicians who hold positions of trust within our government.

Their positions were made possible by members of their families who were union men and women, by being able to earn decent wages; sent them to schools to get an education.

In our troubled times unions with all their faults are still the bulwark of our democracy.

Wishing you success.

Yours truly,

NATHAN SKULOFF.

DEAR SENATOR: Today on May 30, 1978, I received your letter asking me for help. I have been president of Local No. 489 for over 20 years under the leadership of Mr. ——— ——— whom you know very well, and my experience with my judgment in collective bargaining. I find it very satisfactory, 2 years ago we received the best package ever, I find our relation with the Company I work for very good or I should say excellent. I have worked for this Company 45 years and will work here till I retire, I find it a good place to work along with my membership, I believe in unions, they do a lot for the rank and file, the unions protect the workers. Union shops are not slave shops, give the Company a days work and there is no argument. I wish you luck and success in the passage in the Labor Law reform, I voted for you and backed you on your election. Keep up the good work.

Your friend,

ANTHONY MURDICO.

P.S. Use this letter as you see fit.

Senator DANIEL MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: I would like to relate to you my experiences with collective bargaining.

First let me explain that I have been a member of Local 139 I.B.E.W. for 14 years. During these 14 years neither local 139 or any electrical contractor with which we have a collective bargaining agreement, have been involved in a work stoppage. In fact I have been told that it has been 32 yrs. since 139 has been involved in a strike. This in itself is an example of the process of collective bargaining.

As a union member I realize that the union and the contractor have a mutual interest in the construction industry. It is through the collective bargaining system that we can best serve our mutual interest.

I believe that collective bargaining is the only medium by which both the employer and employee can serve each other on an equal and amicable way.

Sincerely,

THOMAS C. BLEEKER.

SYRACUSE, N.Y.,
June 2, 1978.

Senator DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SIR: I thank you for your letter of May 19 in regard to the labor reform bill.

As a member of the I.B. of E.W., International Brotherhood of Electrical Workers, for twenty-five years, I hope I can help you. We have a no strike clause in our agreement with the electrical contractors. If we reach an impasse in negotiation we submit to binding arbitration. In this way there is no work time lost and both parties must abide by the decision of the impartial board.

In conclusion, we know that if our contractors don't make a profit, we won't hold a job.

Wishing you the best. I hope this is a help to you.

Sincerely,

ANDREW J. MOYNIHAN.

CLAY, N.Y.

Hon. DANIEL P. MOYNIHAN,
Senator for the State of New York, U.S. Senate, Washington, D.C.

DEAR SENATOR MOYNIHAN: I am writing to you in response to your letter of May 19, 1978, and in support of your endeavors for the Labor Law Reform Act of 1978.

My first job after leaving high school was for the Delaware and Hudson Rail Road out of Albany, New York and I was proud to

belong to the International Association of Machinists.

A couple of years later I left the Albany area and moved to Syracuse, New York, where I become employed by the Elman Corporation where I was a member of the Amalgamated Clothing Workers Union of America.

In 1953 I became employed by Crouse-Hinds Company of Syracuse, New York. Shortly after I started working there, I became convinced of the need of Union Representation there. People who have worked in a plant with union representation know the value of seniority protection, a forum for expressing grievances and having a voice in your own destiny.

In 1960 through the efforts of many with views like mine, we were successful in having an NLRB election and Local 2084 of the International Brotherhood of Electrical Workers was chartered.

Since the Union came on the premises, Crouse-Hinds growth has been phenomenal. The owners, the stockholders and the workers have all shared in that growth. When originally chartered in 1960 there were less than 1,200 in the Bargaining Unit. Presently there are 1,900. This is despite the fact that many new machines to increase productivity have been introduced. I am aware that success due to proper collective bargaining is the rule rather than the exception.

I find it disturbing that knowledgeable persons in the business world work so hard to deny the majority their right to organize when they have expressed that right. I find it even more disturbing when a few in high elective office support this minority at the expense of the majority.

Fortunately I live and work in a great state that recognizes the dignity of those that labor. All the states of this nation should recognize that dignity. To deny this of those that labor is to deny fundamental constitutional rights. This country was founded on the principle of selecting ones own destiny. Labor, organized if sought, seek this through collective bargaining. May it always be so.

Sincerely,

ROBERT J. GARDNER.

VALLEY COTTAGE, N.Y.,
June 5, 1978.

Senator DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

MR. MOYNIHAN: I read with great interest the text of the Congressional Record concerning the Labor Reform Bill and I am glad that labor has your very able support on this bill. I am also hopeful that labor does not have too many more "friends" like Senator Hatch.

My own experience in organized labor has not been long, but it has been eventful. I am an Electronics Engineer and work as a field service engineer on nuclear instrumentation. Until a few years ago, industries such as this had virtually no union representation. This was by no accident, as I was to learn, when we first sought union representation. The multi-national corporations, which control the medical, x-ray, and computer industries in this country and in fact the world, were capable of financing the most diabolical anti-union campaigns imaginable. In almost every union election, the companies would spend thousand of dollars to thwart the desires of their employees to obtain representation. If that failed and the employees won the NLRB election, the effort to negotiate a contract usually resulted in long strikes to obtain a first contract. In one instance the Burroughs Corporation spent an estimated $15,000,000 on a 65 week strike in an effort to deny their 170 New York employees a fair contract.

In light of my own experience with representation elections, I find the opposition to the Labor Reform Bill by the extreme right and left very closely related to the actions of the most flagrant labor law violators.

Thank you again for your support on this vital bill.

Yours truly,

JOHN HORAN.

MAY 31, 1978.

DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: Thank you for your communication of May 19, 1978.

In answer to this, I wish to advise you we are a household of two retired Union Members.

I have been a member of the United Brotherhood of Carpenters and Joiners of America, Local No. 1019 for over 35 years. My working life was just as hard as a non-union person, but without my membership, I would have worked for a poor wage level and no fringe benefits, such as life insurance, medical and health insurance, plus a fine retirement system which is a must today if we, as retirees, are to be a self-supporting productive segment of society.

When bids are let, nonunion bids come in just as high as the union bids, and with no benefits to the employee as listed above. This makes it very important that the Wagner bill be passed. Several years ago, we seemed to be making progress, however here in Cortland County it is now reported to be at least 95 percent nonunion. This makes it more important than ever that the construction industry especially needs binding laws for decent pay and fringe benefits.

Nonunion built houses sell for as much or more than union built housing with the employees receiving a much lower wage level and very rarely receiving any of the necessary fringe benefit.

My wife too was privileged to have the opportunity to join the IBEW Union in her place of employment during her working career. This helped her to receive more equal pay with the male employees plus all of the above mentioned benefits. In her instance, nonmembership would have meant she would not have been in line for progressive pay level increases.

Kind regards,

MARTIN H. GIBSON.

POUGHKEEPSEE, N.Y.,
June 1, 1978.

DEAR SENATOR MOYNIHAN: Thank you so much for your letter of May 19th.

I have been a member of Local 215 IBEW for the past 27 years. I feel that without collective bargaining it would have been impossible for me to make a living wage. It has made the electrical industry what it is today. As a tradesman you have only your talent to sell. Quality workmanship in this day and age it seems although, along with everything else, no one seems to care as long as it gets done. Through collective bargaining achievements can be made to everyone's satisfaction. I wish you success on your endeavor with this labor bill, and urge your support.

Best regards,

JOSEPH CREGER.

MASSAPEQUA PK., N.Y.
June 4, 1978.

Hon. DANIEL P. MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This letter contains the material you requested. I hope.

I have been a member of the 128 year old International Typographical Union for over 30 years. I belong to Local No. 6. I work in the book and job branch.

I raised three children and sent two through college. Our life style is modest but we have always had enough of the basics. I own the house I live in free and clear of any mortgage.

Our union contract provides myself and my family with medical, hospital and limited dental care. I get one pair of glasses a year with funds provided by the union. (Naturally our dues provide these funds.)

Unions enable a man or woman to perform their daily tasks with skill and dignity. In all the years I belonged to the union we had one five day strike in the book and job field. We have had labor peace ever since.

One thing was instilled in us at the New York School for Printers Apprentices—"A days work for a days pay". That is just as true today as it was when I attended school. The men I worked with in the shop all felt the same way (at least 99% of them).

A century ago, printers suffered physical-cultural-spiritual impoverishment (worked 16 hours a day, averaging $6.00 a week). Misery begets desperation which demands action. Twenty eight courageous printers assembled at Stonewall's Hotel (131 Fulton St.) on Saturday night Jan. 12, 1850, to organize a union for their mutual welfare. During the following century, this union—sired by misery and born of despair—experienced the inevitable ups-and-downs incidental to the industrial expansion of a growing young nation.

A new industrial revolution is taking place in our industry today. The computer has made it possible to set type using electronics in place of hot metal and hand typesetting. The combination of electronics and photography have created a whole new field called Photo Typography.

The new process requires fewer men to turn out the work that was done by the old method.

This new process enables many more people to enter the typesetting field. The equipment is cheaper to buy than the old systems and there is greater variety. Most of the shops that are going into business are non-union. We need this new legislation in order to stay alive as a union.

To stay alive and well our union has to organize. The labor legislation now in the U.S. Senate will enable us to have a fighting chance. That'll all we ask for.

The computer is a product of our space age technology bought and paid for with billions of dollars—tax dollars. Are we paying to put ourselves out of business? Think about that for a few minutes.

Years ago we were told that the space age technology would enable us all to live a more productive life. We were to have more leisure time—time to develop our creative and God given talents. I still believe this can come true with the proper leadership at the head of our government. We need honest men to lead—men of courage.

Our form of government is only possible when individual men can govern their lives on moral principles, and where duty and justice are more important than expediency. The sense of duty is present in each detail of life. The obligatory, *must*, which binds the will to a course which right principle has marked out for it, produces a fibre like the fibre of the oak.

This is the special characteristic which distinguishes human beings from the rest of animated beings: every other creature exists for itself, and cares only for its own preservation. Nothing larger or better is expected from it or possible to it, but to man, it is said, you do not live for yourself. If you live for yourself you will come to nothing.

If the unions are destroyed the rest of the country will follow (back to the sweat shop). We will then have the same situation they have in Italy today—who wants to live like that?

If we continue to allow the National Association of Manufacturers to bring unlimited

numbers of illegal aliens in to raise our taxes and at the same time steal the bread from the lawabiding citizens—we deserve what we get.

The unions built the billion dollar newspaper and publishing industry—why should we give up our right to what belongs to us or have it stolen from us.

Sincerely,

GEORGE T. HODGES.

BINGHAMTON, N.Y.,
June 5, 1978.

DEAR SENATOR MOYNIHAN: I am a retired Member of the Bakery and Conf. International Union of America—

I retired from Spauldings Bakers, Inc., on the 29th of February 1960. I am drawing a Union pension and my S.S. check giving me a modest income for my wife and I to live on—quite naturally I am interested in the Labor Bill S. 2467. It does not advocate to change the Wagner Act of 1935—(as amended twice during the intervening yrs.)—but rather to guarantee prompt union elections under the law—and hopefully to provide remedies for the victims of those employers who willfully break the law prompt union elections is the medicine. Would and is the answer to this seemingly simple problem: lets have a vote "Yes or no"—let democracy work—"stop hiding behind false pretentions. Thanks Senator for your honest and good work.

My very best regards,

EDWARD T. MCAVOY.

Mr. MOYNIHAN. Mr. President, I see that the distinguished chairman of the Committee on Human Resources is here. Is it my understanding he would wish to take the floor at this point?

Mr. WILLIAMS. Well, I am prepared to sit here and listen to the Senator from New York for as long as the Senator could illuminate the situation, and that would be a long time. He made such an important contribution to this debate. We needed it.

I see behind me our majority leader, who might also want to make a statement at this time.

Mr. MOYNIHAN. Right.

Mr. ROBERT C. BYRD. Mr. President, I have nothing to say at his particular moment. I expect to shortly, perhaps.

But I, too, would like to sit at the foot of the table and listen to the continued flow of wisdom from the lips of the distinguished Senator from New York (Mr. MOYNIHAN).

Wherever he sits, that is the head of the table. Where MOYNIHAN sits, that is the head of the table when it comes to our listening pleasure.

Mr. MOYNIHAN. I thank the distinguished majority leader.

I know he might share some of my disappointment that so few Members, our friends opposing this legislation, were able to be present this afternoon. Indeed, that on more than one occasion. I fear on three occasions, none of them were present, such that they will have to do a lot of reading to catch up with what they have missed.

I am happy to yield to the Senator.

Mr. ROBERT C. BYRD. May I say to the distinguished Senator from New York (Mr. MOYNIHAN) that if none of the opponents were present at a given point, he demonstrated great fairness and courtesy toward them because all he would have had to have done would have been to have sat down, the Chair would have had to put the question, and the vote would have occurred on the Byrd amendment. But the Senator from New York did not want to take advantage of the absence.

Mr. MOYNIHAN. I thank the Senator.

ORDER OF PROCEDURE ON TUESDAY, WEDNESDAY, AND THURSDAY

Mr. ROBERT C. BYRD. Mr. President, since I am standing here with my distinguished friend and the acting Republican leader, both of whom are one, I am ready to propound some unanimous-consent requests.

Mr. President, several of our colleagues will be absent tomorrow and Wednesday, at some points during the days. There will be a funeral on tomorrow for a Member of the other body who has departed this life, the Member being from the State of Tennessee, and this of course, will necessitate the absence of Senator SASSER, I am sure. On Wednesday it will be impossible to accommodate all Senators on both sides of the aisle who wish to be recorded on the cloture vote by designating a particular hour, as we have been able to do thus far.

Therefore, in order to accommodate all Senators, it being the desire of Senators to be present when cloture votes are being conducted, I ask unanimous consent that the cloture vote on the pending motion occur on Thursday next at 3 o'clock p.m. with no quorum call to occur prior thereto.

Mr. TOWER addressed the Chair.

Mr. ROBERT C. BYRD. The Senator will have time to reserve and to object.

I say this, Mr. President, because it would be impossible tomorrow to schedule a vote that would accommodate two of my Republican friends and colleagues whom I know about, and there may be others, in addition to the problem created by the funeral.

On Wednesday, the situation is as difficult with Senators on both sides of the aisle who wish to be recorded being absent or returning at a point in the day when other Senators who will have been here will already have departed from the city, and there is no way to arrange a vote tomorrow or Wednesday that will accommodate all Senators unless such a vote were to extend for a period of, say, 3 hours, and I do not think we want to go down that road.

So I have asked unanimous consent that the vote on the motion to invoke cloture be held on Thursday at the hour of 3 o'clock p.m. with no quorum call in order just prior thereto.

Mr. STEVENS. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. The distinguished minority leader is absent and he has informed me that he would object to such a motion since it assumes the Senate would be in session on Tuesday and Wednesday, and he would object to that unanimous-consent request.

The Senator from Texas is also objecting.

The PRESIDING OFFICER. Does the Senator from Texas object?

Mr. TOWER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. May I ask the distinquished Senator from Texas his reasons for objecting?

Mr. TOWER. Well, I think that most people are on notice that the vote will be tomorrow. There was a consent request to that effect, and I think most Members of this body are relying on that and made their plans, accordingly, to be here tomorrow.

Mr. ROBERT C. BYRD. I appreciate what the Senator says. Of course, nobody foresee the exigencies of a funeral which would necessitate the absence of at least one Senator tomorrow, and perhaps two.

I would hope the Senator would consider that fact.

Secondly, this would allow the Senate to continue to debate tomorrow and Wednesday and would accommodate all Senators, as I say, on both sides of the aisle, who wish to be present, some of whom are staring me in the face right now, who want to be present, who want to be recorded, but who, because of previous arrangements cannot be.

Now, the Senator was very kind to me just the other day when he relented from his objection and allowed us to proceed by setting a time. He has objected in this instance. May I give him a second opportunity, an opportunity to rethink?

Mr. TOWER. I will concede that the funeral could not be foreseen.

I might, No. 1, ask what time is the funeral, and could we perhaps accommodate the vote to occur before or after, or something like that? Or, absent that, there was a discussion on the floor Thursday about holding the vote on Wednesday, and why then cannot the vote be held on Wednesday?

Mr. ROBERT C. BYRD. Well, for the reason I have already expressed. I hope to accommodate Senators on my side of the aisle, Senators on the side of the aisle which is so ably represented by the distinguished Senator from Texas (Mr. TOWER), who will want to be present. Some want to vote against cloture, some want to vote for it.

But it is just an effort to accommodate them, and Wednesday, as I said a moment ago, is even more difficult than tomorrow from the standpoint of accomplishing this accommodation.

Mr. HELMS. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. HELMS. Mr. President, the distinguished majority leader is certainly helpful as to Senators who want to attend the funeral, and I thoroughly agree with that. I certainly hope our distinguished colleague from Texas will withdraw his objection as to Tuesday. But, really, I do not see any excuse for including Wednesday.

Mr. TOWER. If I may respond, I would certainly not object to the vote going over until Wednesday.

Mr. STEVENS. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. STEVENS. It is my understanding that the distinguished majority leader, in our discussions, indicated that he could move to recess the Senate until

Thursday and accomplish the same objective as the unanimous-consent request; that the request is for the convenience of Senators who are returning to the city; that the majority leader seeks to have the vote occur at 3 o'clock on Thursday; that that could be accomplished by the leadership motion to recess until that time, and that the unanimous-consent request is in lieu of that motion under the circumstances that exist here today. Is that correct?

Mr. ROBERT C. BYRD. Yes. I thank the distinguished Senator from Alaska for his statement. I had hoped to get unanimous consent to go over until Thursday for the vote rather than have the vote occur tomorrow, but, in the meantime, to meet tomorrow and Wednesday so that the debate could continue.

Mr. STEVENS. Will the Senator consider putting the unanimous-consent request that we stand in recess until Thursday, until the time it is necessary to come in and have the vote, in lieu of the motion which I am sure the majority leader could make, which would have the effect of having us not come into session tomorrow and Wednesday? It would accomplish the same objective.

I understand the objections of my good friend, the Senator from Texas. The original motion the majority leader made would have had us in session on Tuesday and Wednesday, as I understand it, and debating until Thursday, until whatever time the vote on the cloture petition would take place. I suggest that maybe if we were clear by the fact that we would not be in session on Tuesday and not be in session on Wednesday, and as I understand it the majority leader is prepared to not come in until noon on Thursday, perhaps it might be viewed in a different light. I am not certain, but I feel it might.

Mr. ROBERT C. BYRD. I thank the acting minority leader. I know he is trying and has tried to work out a solution which would accommodate Senators, as I have indicated. I am very grateful for his efforts, which have continued to this moment. I had hoped to get consent to put the vote over until Thursday so that the Senate would be in tomorrow and would be in Wednesday and would continue to debate the issue. That request has been objected to. I can move to recess the Senate until Thursday at 1:30 p.m., which will accomplish the objective of having the vote at circa 3 p.m. on Thursday. I prefer not to do that. I would still prefer that the Senate be in so that the issue could continue to be discussed. Am I to understand that the opponents of the bill do not want to debate during these next 2 days?

Mr. TOWER. If the Senator will yield, the opponents of the bill did not file the cloture petition. It was my understanding that the reason the distinguished majority leader and others of his colleagues filed the petition is that they wanted to vote on it Tuesday, to try to bring the debate to a close.

Mr. ROBERT C. BYRD. We would have liked to have voted it last week.

Mr. TOWER. The question is, Why was the cloture petition filed if the Senator did not want to vote on it Tuesday?

Mr. ROBERT C. BYRD. I can answer that question by asking a question, Why have not the opponents allowed us to vote just on the Byrd amendment? Why not on the Ford amendment as amended by the Byrd amendment? When we get to talking about who does not want whom to vote and why have we not voted and why do not we vote, I would simply remind the opponents that the proponents have been ready to vote at any time, and are ready right now to vote on the Byrd amendment, to vote on the Ford amendment right now, and to vote on the substitute right now.

Mr. HATCH. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. HATCH. And we are prepared to vote on cloture tomorrow. We are prepared to meet the Senator's petition for cloture tomorrow or Wednesday. Since tomorrow is inconvenient because of the funeral, and all of us have great sympathy for that, certainly, then why not Wednesday? Why not get this petition over with?

Mr. ROBERT C. BYRD. I am not saying it would be over if we voted Wednesday. I have not indicated that.

Mr. HATCH. I do not think it would be. We have had five cloture votes.

Mr. ROBERT C. BYRD. That does not make any difference to me.

Mr. HATCH. That has expressed the will of the Senate.

Mr. ROBERT C. BYRD. It has not, so far as I am concerned. I do not care whether it is 5, 6, or 7. I am simply saying we can have a vote Wednesday, Thursday, and tomorrow. We can have three. I am simply trying to accommodate Senators, and I am not one of them. The Senator is not one of them. I am trying to accommodate Senators on both sides of the aisle who want to vote. They can all be accommodated, as I have looked over the attendance sheets from both sides of the aisle, by a vote on Thursday. It was my hope that we could continue to debate the bill tomorrow and Wednesday, possibly voting on the Byrd amendment tomorrow. It is a good amendment for small business. Possibly we could vote on that one and then vote on the Ford amendment. That is a good amendment. And then be ready for the substitute by the time we get to cloture. But I gather that Senators are not going to agree to a unanimous-consent request to that effect.

Mr. TOWER. That appears to be the case.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. HELMS. Does the Senator suppose that if the Senator from North Carolina and the Senator from Texas had business out of town on Thursday, and I shall have none, the majority leader be willing to accommodate us and not have a cloture vote on Thursday? How far are we going in this business of accommodating Senators?

Mr. ROBERT C. BYRD. The way the present rule XXII is written, and I had something to do with that, it does not make any difference whether the opposition is here to deliver one vote. The opponents have that advantage. If only one opponent is here to prevent the Chair from putting the question and getting a vote, with the opposition not here, as Mr. MOYNIHAN very thoughtfully protected the minority on this question, it will not make any difference. We have to deliver 60 votes. So if the Senator from Texas wants to be absent and the Senator from North Carolina wants to be absent, it will not make any difference as to the outcome.

Mr. HELMS. I do not want to be absent.

Mr. ROBERT C. BYRD. It does not make any difference as far as the outcome.

Mr. President, aside from that, recognizing that I can move to go over until Thursday at 1:30 p.m., which will accomplish the same purpose, to wit, that the Senate will vote on the pending cloture motion at around 3 p.m., but I would like for it to be precisely 3 so that all Senators will know——

Mr. TOWER. Reserving the right——

Mr. ROBERT C. BYRD. And with recognition of the fact that in order to accommodate Senators on both sides of the aisle who are for cloture, and they are on both sides of the aisle, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12 o'clock noon on Thursday, provided that the vote on the cloture motion occur at 3 o'clock p.m., with no quorum call in order just prior thereto. This would mean that the Senate would go over, the Senate would not be in tomorrow and the Senate would not be in Wednesday, and the vote on the cloture motion would occur on Thursday.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Reserving the right to object, there are some of us who feel very strongly about proceeding in an orderly fashion with a vote on Tuesday and, indeed, one on Wednesday and one on Thursday, if the leadership would like to vote that often. We can accomplish three cloture votes in the timeframe suggested for one.

Mr. ROBERT C. BYRD. We can do more than that. We can accomplish four or five in the same number of days. All we have to do is file the cloture petitions. We can file three cloture petitions today and then we can vote. If what the Senator wants is to vote, we can accommodate him all he wishes. But that is not my purpose.

Mr. TOWER. I understand. The Senator from West Virginia can accomplish his purpose by a motion and that does not put some of us who feel strongly about this in the position of not having objected to a consent agreement to this end. I have no doubt but what the Senator from West Virginia would carry the vote if he puts it in the form of a motion. I, for one, would not want to suggest a rollcall vote on it. But I would urge the Senator from West Virginia to reconsider his formal motion.

Mr. PERCY. Will the majority leader yield?

Mr. ROBERT C. BYRD. Yes.

Mr. PERCY. Just to clear the record, I should like to indicate that the Senator

from Illinois has been able to tighten his schedule for the trip with the Secretary of the Air Force to Chanute Air Force Base. Instead of touching down at Andrews at 6:30, which would have been a most inconvenient time, we are now touching down at 5:15. So I should certainly be in the Chamber no later than 6 o'clock and, if the vote could start at 5:30 and it would be of 45 minutes' duration, I could make it. I think the Senator from Illinois now has been able to arrange the schedule so that a Tuesday vote, from this Senator's standpoint, at least, would be all right.

Mr. ROBERT C. BYRD. The problem there—and I thank the distinguished Senator for trying to rearrange the situation, and for rearranging it, but it still does not meet two problems: One, the necessary absence of one Senator because of a funeral tomorrow. The second is that there are two Senators—one on this side of the aisle and one on that side of the aisle—who have to leave the Senate at 4:30 p.m. tomorrow, no later than that. This would mean that we would have to start the vote at 4:30 and carry it on until 6 o'clock.

Mr. President, I take it that I cannot now get consent—and the Senator has explained why, and I respect his reasons.

Mr. TOWER. I would be reluctant to give it under the circumstances.

Mr. ROBERT C. BYRD. All right.

The PRESIDING OFFIICER. Does the Senator withdraw his unanimous-consent request?

Mr. ROBERT C. BYRD. I withdraw the unanimous-consent request.

Shortly, I shall move that when the Senate completes its business today, it stand in recess until the hour of 1:30 p.m. on Thursday. Before I do that, I want to ask unanimous consent—I do not believe there has been any morning business, has there?

The PRESIDING OFFICER. There has not been.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with no automatic call of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Routine morning business transacted and additional statements submitted will be printed later in today's RECORD.)

SPECIAL ORDERS FOR THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, after the prayer, Mr. STEVENS be recognized for not to exceed 15 minutes and that that 15 minutes come out of the hour under the cloture rule.

The PRESIDING OFFICER. The Chair did not hear the request.

Mr. ROBERT C. BYRD. I ask unanimous consent that on Thursday, after the prayer—are there any other orders for the recognition of Senators on Thursday?

The PRESIDING OFFICER. No.

Mr. ROBERT C. BYRD. I ask unanimous consent that after the prayer on Thursday, Mr. STEVENS be recognized for not to exceed 15 minutes, and that that 15 minutes be charged against the 1 hour under the cloture rule.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. If the Senator will yield on that, I may want 15 minutes on Thursday, but I shall take it at the beginning and guarantee to use it, so I shall not interfere with the vote. In other words, the time will be the same.

Mr. ROBERT C. BYRD. Very well.

Mr. President, I ask unanimous consent that Mr. STEVENS, Mr. JAVITS, and Mr. DURKIN be recognized for 15 minutes each on Thursday.

May I say, this is all coming out of the hour, which is all right with me. Otherwise, we would have to come in earlier. Under the rule, the call for the quorum occurs 1 hour after the Senate comes in. So, if it is agreeable that the 15 minutes—that is the only way we can do it.

Mr. JAVITS. Why do we not cut it to 10? We can take half an hour then.

Mr. ROBERT C. BYRD. Very well.

I ask unanimous consent, Mr. President, that on Thursday, Mr. STEVENS, Mr. JAVITS, and Mr. DURKIN each be recognized for 10 minutes, with the understanding, of course, that the 10 minutes will come out of the hour. That is automatic under the rule.

Mr. HATCH. Reserving the right to object, what happens to the other half-hour?

Mr. ROBERT C. BYRD. On the other half-hour, if there is nothing that has been done with it, I can ask unanimous consent, also, that that half-hour be equally divided.

Mr. HATCH. We have three proponents of the bill——

Mr. STEVENS. Reserving the right to object, I do not intend to talk on the bill. I wonder if the majority leader might just ask unanimous consent that the quorum call be dispensed with and take it out of that. Under the rule, 1 hour would be equally divided. We could use the half-hour that normally would be taken in quorum calls for our special orders if no one objected.

Mr. ROBERT C. BYRD. The problem here arises in the possibility that if we say no quorum, coming in at 1:30, saying no quorum is possible, that vote would occur at 2:30.

Mr. STEVENS. What I am saying, if the majority leader will yield, is that these three 10-minute special orders take a half-hour and then that the 1-hour period start running thereafter, equally divided in accordance with the rule, with the vote to take place at 3 o'clock.

Mr. ROBERT C. BYRD. That would be better.

Mr. STEVENS. The majority leader could make that request and make his motion based on that consent.

Mr. TOWER. In other words, let the 1 hour run after the special orders.

Mr. ROBERT C. BYRD. And not have a quorum? How is that?

Mr. HATCH. How long would the vote be?

Mr. ROBERT C. BYRD. Well, let us make it a 30-minute vote.

Mr. HATCH. Let us make it a 20-minute vote.

Mr. ROBERT C. BYRD. Make it a 30-minute vote.

Mr. HATCH. Let us make it a 20-minute vote.

Mr. JAVITS. I will tell the Senators the problem, if they will yield. The problem is not mine. We are having controller trouble. I have had the scare coming down from New York, so we had better give ourselves a little latitude.

Mr. HATCH. Very well.

Mr. ROBERT C. BYRD. Mr. President, let me sum it up like this, with the understanding that I shall shortly move, after the Senators have been accommodated in morning business, to recess the Senate over until Thursday; with the understanding that when I move, it will be that we go over until——

Mr. STEVENS. If my good friend will yield, I suggest that it be 1:10. If the two leaders desire their normal amount of time and we start at 1:30——

Mr. ROBERT C. BYRD. I think we should eliminate the leaders' time. I would like to eliminate the quorum.

Mr. STEVENS. I thought we had done that.

Mr. TOWER. I do not think there will be any objections.

Mr. ROBERT C. BYRD. That means we shall have a half-hour to be divided among three Senators, 1 hour under the rule, then the vote.

Mr. JAVITS. Mr. President, if the Sentor will yield for another problem, New York City is up against the gun here. We have June 30 coming up with no legislation. We have a report due from the committee. As I recall it, though I have just looked at the calendar and I do not know whether this is just a promise of the leader or an agreed upon consent, we are supposed to have a treaty up right after this labor bill.

May I ask the Chair, is there unanimous consent that the treaty follows this?

Mr. ROBERT C. BYRD. There is.

Mr. JAVITS. It is not on here.

Mr. ROBERT C. BYRD. The order was entered that, upon the disposition of the labor reform bill, one way or another, the Senate would proceed to the consideration of the treaty in executive session.

Mr. JAVITS. The question I would like to ask the leader, because I do not know the President's views or any other considerations, I am really asking a question in connection with trying to lay out our situation: Should we now dispel that order in order to leave us free, at least, even if we do not agree, to take up the New York bill because of the shortness of time which will remain after Thursday? After all, we are just going over for 2 days.

Mr. TOWER. If the Senator will yield, in behalf of the committee, or at least the minority side of the committee, I would not be prepared at this point to agree to take up New York City. That is not to say we ultimately will not agree

to it, but I am not prepared to agree to it now.

Mr. JAVITS. So the Senator would not want to do this?

Mr. TOWER. No.

Mr. JAVITS. OK. I just raised the question to give him notice, and the leader and everybody else, that we are up against the gun.

Mr. TOWER. Perhaps it can be agreed, but I am not prepared to do so now.

Mr. PERCY. Mr. President, reserving the right to object—and I do not intend to do so—just as a point of clarification, we have been waiting to have a colloquy with the two floor managers of the labor reform bill. I wanted to be certain that the present order being asked for would not preclude our having that colloquy before the beginning of the morning hour.

Mr. ROBERT C. BYRD. No, it will not.

Mr. PERCY. Then we could go into that immediately.

Mr. ROBERT C. BYRD. Yes.

The order that was entered with respect to the UK Treaty was as I stated: We are to go to it after the Senate dispenses with the current unfinished business. But there was also the proviso that if emergency legislation needed to come up, the leader could call it up ahead of the UK Treaty.

Mr. JAVITS. The leader is very farsighted.

Mr. ROBERT C. BYRD. I had forgotten that. So we can take care of the New York City legislation.

Mr. JAVITS. I thank the Senator.

Mr. ROBERT C. BYRD. Now, Mr President, with the understanding tha I will move to go over until Thursday, at the close of business today, by way of recess, until 1:30 p.m. on Thursday, I ask unanimous consent that on Thursday, after the prayer, the following three Senators be recognized, each for not to exceed 10 minutes: Mr. STEVENS, Mr. JAVITS, and Mr. DURKIN; that the 1 hour under the cloture rule then immediately begin running; that upon the completion of that hour, the vote occur on the cloture motion, with no quorum call in order prior thereto.

Mr. STEVENS. And the time to be equally divided.

Mr. ROBERT C. BYRD. And that the time under the hour be equally divided between Mr. HATCH and Mr. WILLIAMS, and that the rollcall vote extend for 30 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Mr. President, reserving the right to object——

Mr. GOLDWATER. Mr. President, reserving he right to object——

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, I think we have yielded about all this side has to yield, and I object to a 30-minute vote. We are giving them 2½ days.

I canceled plans in the West over the whole weekend because I was assured the vote would be tomorrow, and I see no need for this side to yield an extra 10 minutes, and I will object to a 30-minute vote.

Mr. ROBERT C. BYRD. I say to my friend from Arizona, whom I respect greatly and whom I admire exceedingly, that we have no way of knowing what the air controllers' situation is going to be or what problems may arise in flight because of weather. This is one of those votes that Senators do not want to miss, and I hope the Senator would let us have 30 minutes.

Mr. TOWER. I recommend that they catch early flights.

Mr. GOLDWATER. Mr. President, reserving the right to object, I have already approached my airline friends—I am a members of the controllers' organization—and I have told them that if they did not want to lose a friend, they had better stop fiddling around.

Mr. ROBERT C. BYRD. Do not use the word "fiddling" carelessly.

Mr. GOLDWATER. I have to go to Arizona; it is 2,000 miles away. I was supposed to be in Wyoming right now for a good friend. I have to arrange my schedule to get back.

If they are going to fool around in the tower, and I do not think they will, I do not like that to be used as an excuse. I still object to 30 minutes. I have been waiting around here since last week.

Mr. ROBERT C. BYRD. I wish the Senator could have prevailed on the other opponents to let us vote. We could have had some votes since last week and prior to that time.

Mr. President, I repeat the unanimous-consent request, with the one modification which the Senator from Arizona has objected to, that being a 30-minute rollcall vote. How about 20 minutes?

Mr. GOLDWATER. That is fine.

Mr. ROBERT C. BYRD. Twenty minutes on the rollcall vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank the opponents. They have responded in their usual good humor and with good cooperation.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I understand that the Senator from Illinois and the Senator from New Jersey will have a colloquy. Could we have some understanding as to how long that will be? There are people interested in a morning hour.

Mr. PERCY. I should take no more than 5 or 6 minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the completion of the colloquy between Mr. PERCY and Mr. WILLIAMS there be a period for the transaction of routine morning business, with no call of the calendar being automatic.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Mr. President, reserving the right to object, it is my understanding that at the close of the morning hour, the Senator intends to make his motion, subject to the unanimous-consent request just made.

Mr. ROBERT C. BYRD. Yes.

I ask unanimous consent that Senators be permitted to speak during the period for morning business for not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized.

LABOR LAW REFORM ACT OF 1978

The Senate continued with the consideration of H.R. 8410.

Mr. PERCY. Mr. President, while I believe the Byrd substitute for the Labor Reform Act is an improvement, there are still remaining a number of disturbing provisions. I also believe that there are several provisions which could expedite the work of the NLRB, but which have been misinterpreted and may therefore be feared by the business community. One, in particular, is the requirement in the original bill and also in the substitute proposed by the distinguished majority leader, that the National Labor Relations Board promulgates rules to determine whether certain units of employees are appropriate for the purposes of collective bargaining.

A number of Illinois business leaders, among them representatives of the retail industry, have come to me and expressed the concern that this provision will result in locked-in, inflexible requirements that do not respond to the unique variations among types of businesses and that, therefore, they will be forced by law to conform to a mold that does not fit. It has raised questions in my own mind as well.

Can the floor manager clarify the intention of the committee with respect to this provision? Will labor relations suffer, because the Board will decrease the number of questions it handles on a case-by-case basis?

Mr. WILLIAMS. Mr. President, I am happy to respond to the question of the Senator from Illinois, and I appreciate his raising this particular question for clarification of what can be expected from this bill in this regard.

I think this is another provision of the Labor Reform Act which has been misinterpreted, and I suggest that it has been distorted beyond recognition. I refer the Senator from Illinois to the committee report on the bill, where four simple principles which go to the heart of the provision are stated.

First, the National Labor Relations Board, for 42 years, has had experience in the case law. We have had cases for all this time, and it makes only good sense that those findings of the Board with respect to what constitutes an appropriate bargaining unit, for which the law is well settled, should be codified through rulemaking. This is consistent with good administrative procedure and should both expedite the work of the Board and avoid confusion for the benefit of both business and labor.

The second point: The committee intends that the rules with respect to bargaining units apply only where it is apparent that the unit applied for is plainly appropriate under the rule.

The third point: The committee realizes that in many industries, such as the retail industry, which the Senator from Illinois just singled out, the Board law respecting unit determination is presently not well settled. The Board is not expected to establish appropriate units by rule in such cases initially. The Board would continue its present procedure, determining the unit in a preelection hearing on a case-by-case basis, until such time as a settled formula in that industry is established.

Point four: Although the Board is not expected to codify the law as to a particular unit until a settled formula is reached for that industry, it is the Board's obligation to find such formulas and then issue bargaining unit rules.

These are the provisions we have developed and which are contained in the report that is important history in this regard.

Mr. PERCY. I thank my distinguished colleague for that explanation.

On each of these points, the Senator from Illinois would welcome the minority floor leader's opinion; though I assume that unless the Senator from Illinois hears to the contrary, the Senator from New York, the minority floor manager of the pending measure, concurs with the remarks of the majority floor leader.

Mr. JAVITS. Yes.

If the Senator will yield, it is my view to concur with that of the floor leader for the majority and also that the text of the law which is contained in both substitute as well as in the original bill. In the substitute it is found at page 6, lines 8 to 11 and reads:

> The Board shall to the fullest extent practicable exercise its authority under section (a) of this section to promulgate rules declaring certain units to be appropriate for the purposes of collective bargaining.

And the words which have been interpreted in these floor provisions are the words "to the fullest extent practicable."

I, therefore, concur in Senator WILLIAMS' definition of these terms.

Mr. PERCY. I thank Senator JAVITS.

In further reference to this provision, what would be the procedure for an employer, once a union has filed a petition for an election for a certain bargaining unit based on a Board rule promulgated, because of the Labor Reform Act, if he does not agree that the unit applied for is covered by a unit rule?

Mr. WILLIAMS. To reply to that, the employer, if he chose to do so, could ask for a meeting with the National Labor Relations Board regional director and be able to make an informal presentation to the regional director about why an existing Board rule is not applicable in that particular situation. Of course, the regional director does not have to agree with that presentation, and he need not hold a formal preelection hearing. But if he does agree with the employer, he could then order a formal hearing to be held.

Mr. PERCY. No one, then, would be forced to submit to the determination of a bargaining unit without first having the opportunity to tell the regional director why he or she thinks the Board's rule does not apply to that particular situation?

Mr. WILLIAMS. Mr. President, that is correct. The point of this provision is not to immediately set in concrete an answer to every possible question that may arise in the future about what constitutes an appropriate bargaining unit. The point is to codify the unit decisions of the Board that are well settled.

Mr. PERCY. On the assumption that the regional director would disagree with the employer's presentation on a certain unit of employees, what is the employer's recourse?

This is a matter of considerable concern to a great many business people with whom the Senator from Illinois has discussed this problem.

If the employer does not agree that the unit is properly covered by a promulgated rule, can he appeal this matter to the full Board? If the employer loses that appeal, may he then, as under current law, and assuming the election has been held, won by the union and the union has been then certified as the bargaining agent, refuse to bargain in order to bring this question into Federal court?

Mr. WILLIAMS. This is the procedure under the law. It is a technical unfair labor practice. That procedure would still be available for the later appeal.

Mr. PERCY. So the employer is not locked in. He would have several avenues of appeal, as we have just specifically discussed?

Mr. WILLIAMS. The Senator is correct.

Mr. PERCY. I very much appreciate the Senator's willingness to clarify these questions. Of course, this strikes at the heart of the "make-whole" provision which the Senator from Illinois has discussed at great length and for which he has introduced a substitute, which would protect to some extent the technical refusal to bargain. But I shall not get into that point at this particular time. It is, however, a relevant point in the minds of a great many business people.

The Senator from Illinois has wondered, along with others, if rulemaking is so advantageous in expediting the work of the Board, why has it not been used to any great extent in the last 42 years?

Mr. WILLIAMS. This is the way it appears to this Senator. When the Board first began its work, it began work in unchartered territory. There were no precedents. The Board had to make them. Once they became accustomed to working on a case-by-case basis, quite frankly it appears to me they just saw no reason to change.

Mr. PERCY. I can fully understand that argument. The Governmental Affairs Committee, on which I serve and have served for a number of years with my distinguished colleague from New York, the minority floor manager of the present legislation, has been tackling the process of regulatory reform. We have found it very difficult to get an agency to change its ways.

Mr. WILLIAMS. I wish to make reference to that, and I mention that it is the Senator's committee which has issued a series of reports on regulatory reform. One of them is quoted in our committee's report on this bill. I wish to read it:

> Because of its speed and utility, agencies should make every effort to resolve as many issues as possible through informal rulemaking procedures.

Mr. PERCY. We agree on that principle wholeheartedly. It is going to be very difficult to get the agencies to change, and for those from the private sector who are used to working with an agency under one set of circumstances to get used to working with it again on another, but it has to be done. We have legislation before us to reform the Labor Board in this way. Let us start now with this agency and do it.

In fact, in 1970, the President's Advisory Council on Executive Reorganization, chaired by Roy Ash, and composed entirely of business leaders, recommended that Government agencies engage in rulemaking as a course of action preferable to adjudication. So we have had on record all these years an indication from business leaders that rulemaking is the way to go. I shall just read the names of the members of the Council, because they are outstanding recognized leaders of industry.

Roy L. Ash was Chairman. He was at that time president of Litton Industries. The members were: George P. Baker, former dean, Harvard University Graduate School of Business Administration; John B. Connally, former Governor of Texas; Frederick R. Kappel, former chairman, American Telephone & Telegraph Co.; Richard M. Paget, president, Cresap, McCormick & Paget, Inc.; Walter N. Thayer, president of Whitney Communications Corp.

Many of them were outstanding constituents of our distinguished colleague, the senior Senator from New York, and I think he would testify to the fact that a group of that competence, with the prestige they enjoy in the business community, must indeed carry a great deal of weight. And their recommendation was made 8 years ago.

Mr. WILLIAMS. We agree with them. We agree with the Senator from Illinois, and I am sure the Senator from New York will want to express that agreement, also, and that is why we have written this approach into this bill.

Mr. JAVITS. Mr. President, let me sum up my views, if the Senator will yield, as follows:

Mr. President, in the first place, in answer to Senator PERCY's proper queries, we must revert to the law itself. No rulemaking can be contrary to the law and, therefore, the issue is "that the authority to make rules shall be to the fullest extent practicable." That should be read in connection with the next subsection 3, which is also in the substitute on page 6, line 12, to line 5 on page 7, which provides for a limited judicial review of the rulemaking, so that businessmen as those who have come to the Senator from Illinois and have come to me and asked exactly the same question will have that opportunity in accordance with the procedure

as outlined by Senator WILLIAMS. So I do think there are very strong safeguards in this bill respecting the exercise of that rulemaking authority to make it fair and not vexatious.

Mr. PERCY. I thank my distinguished colleague very much indeed. I thank the floor managers, and I appreciate the time they have taken on this matter. I think it is important to spell out what the bill will do and what it will not do.

I feel assured by the remarks of both my distinguished colleagues and will do what I can to make this provision more widely understood. I think it makes a great deal of sense to proceed in this fashion, to simplify matters while preserving everyone's right to make a substantive and legitimate appeal.

Mr. HANSEN. Mr. President, there has been some commentary recently that a final vote on the labor law bill could occur quickly if cloture were invoked, notwithstanding the hundreds of amenments that remain to be acted on. Some of these accounts refer to the parliamentary tactics used during the natural gas filibuster last October and allege that new precedents were adopted to break that filibuster. As I was intimately involved in that situation, I would like to review those actions taken in the natural gas debate and correct these misimpressions.

Briefly, nothing was done that would prevent the taking of rollcall votes on each properly drafted amendment at the desk when cloture is invoked, nor was anything done that would prevent quorum call at any time a quorum was not present. The natural gas filibuster was not broken. It was called off when the administration signaled its opposition by the rulings of the Vice President. The rulings themselves did nothing more than slightly diminish the number of amendments pending by expediting the disposal of a number of poorly drafted, nongermane, or otherwise out-of-order amendments.

Two significant new precedents were set by ruling of the Chair and vote of the Senate. The first was that under cloture, the Chair has the duty to take the initiative in ruling out of order any amendment that is dilatory or out of order on its face (S. 16144–47). The second was that the refusal of the Senate to transact business, such as a refusal to order a yea-and-nay vote, or the offering of a motion or amendment ruled out of order, was not business for the purpose of allowing another quorum call (S. 16153–54).

In addition, the Chair held and an appeal was tabled by voice vote that the Chair could rule a request for a quorum dilatory when a quorum had been established by a previous rollcall and was obviously still present (S. 16154).

Two other actions occurred, which some may have mistakenly thought precedents, but are emphatically not so. The majority leader asked the Chair to rule that an amendment to a bill was dilatory at a time when a substitute was the pending business, and when cloture had been invoked with regard only to the substitute. After some discussion, wherein it was forcefully argued that Senators were entitled to modify the bill in an effort to make it a more attractive alternative to the substitute, the point of order was abandoned and was never ruled on or voted on (S. 16146).

The second action involved the majority leader calling up a series of amendments, each of which was ruled out of order by the Chair, either as attacking the bill in two places or as being nongermane. During this series of amendments, the Chair did not recognize anyone other than the majority leader, thus foreclosing the opportunity of other Senators who sought recognition to appeal the Chair's rulings.

It should be noted, however, that after considerable discussion, no Senator took up an offer that there be votes on appeals from each or any of the rulings. Also, a request for a prospective ruling that the majority leader should not be recognized so as to cut off the right to appeal was withdrawn after the majority leader assured the Senate that he would call up no further amendments beyond those just disposed of (S. 16154–58).

In short, even if cloture is invoked, Senators will have every right, under the rules and the precedents, to call up and have considered all properly drafted amendments at the desk when cloture is invoked.

Mr. WILLIAMS subsequently said:

Mr. President, earlier today, in colloquy with the Senator from Utah (Mr. HATCH), I discussed the special interest groups concerned with this legislation now before us.

I discussed how some of the groups that oppose this legislation are preying on, indeed are encouraging and fomenting, public misunderstanding of this bill and its provisions.

This morning, I read and introduced into the RECORD, a questionnaire which was covered by a letter from the Senator from Nebraska (Mr. CURTIS). The questionnaire asked first, whether the respondent favored legislation permitting common situs picketing, which this bill does not deal with; then, whether the respondent favored legislation requiring public employees to join unions, which this bill clearly does not; then whether the respondent favored legislation authorizing the use of union dues for partisan political purposes, which this bill does not, and which is currently prohibited by law. Then, after this string of misleading questions, the final question asks, Have you sent your Senators the enclosed postcards expressing your opposition to the labor law reform bill?

And you have seen these post cards, Mr. President. All Senators have seen them. Thousands upon thousands of preprinted, preaddressed post cards, sent in by people who receive junk-mail such as this questionnaire, and do not stand even the remotest chance of understanding this bill before us.

Thousands of post cards, inaccurate on their face, sent in by thousands of people who have been deliberately misled—that is the so-called expression of the will of the people which the opponents would have us heed in the U.S. Senate.

This barage of mail to our citizens is deliberately intended to encourage an aura of hysteria on the part of the general public—hysteria which these special interest groups hope will extend to the Senate.

Mr. President, the Senate should know how this hysteria is generated—how the pot is kept at a high boil.

Here is another communication of the so-called right-to-work committee. For some reason, and I cannot explain how it happened, the communication is sent to me.

It is something called a "right-to-work actiongram" done up to look like a telegram. It is dated May 5, 1978. It starts out by saying: "The union bosses are making their move on the so-called labor law 'reform' bill! It is urgent (urgent, it says—just to heighten the sense of hysteria) urgent that you send the enclosed postcards to your Senators today."

The "actiongram" then notes that the bill, which is called "the phony labor law 'reform' bill will be taken up soon. The bill is styled as a "pushbutton unionism bill."

To keep up the sense of urgency, the sense of hysteria, this "actiongram" repetitively urges immediate action by the recipient, hopefully before he or she (in this case, me) hears the true facts about the bill.

The recipient is told that if the bill "doesn't pass in May, it will never pass." Later: "It is crucial that you act at once." Later: "The battle could be won or lost in the next few weeks."

Still later: "Only by acting together right now can we beat big labor's pushbutton unionism scheme."

Finally, in a postscript: "The next 2 weeks will be key."

Not only does the "actiongram" use this sense of urgency to promote a hysterical reaction on the part of the reader, but the text itself is filled with adjectival references to the bill which are highly colored. The bill is called "phony," twice it is referred to as "vicious legislation." Twice as a "pushbutton unionism bill." All in a document which is a page and a half long.

This "actiongram" is of course an appeal for funds, and it is quite clear from the document itself that the only purpose for which these funds are to be used is to "support the filibuster." That is the only objective mentioned in the letter—support the filibuster.

Not a word—not a single word is mentioned about using the legislative process to achieve amendment and to formulate a fair and workable bill.

Then, just in case the message in the "actiongram" is too subtle, there are enclosed four post cards, two for me to send to my Senators, two for me to give to a friend. These post cards say:

I'm opposed to any legislation that gives union officials more power to impose compulsory unionism on unwilling workers.

Please cast every vote against S. 1883 or any similar bill that promotes compulsory—pushbutton—unionism.

P.S. Please write and let me know if you agree with me. I will be watching with great interest to see how you vote.

Then there is the so-called emergency reply form—it says:

Yes, I understand that my action is urgently needed to defeat the union bosses push button unionism bill * * * enclosed is my contribution.

Mr. President, I ask unanimous consent that this entire mailing—the so-called actiongram, the canned post cards to Senators, the so-called emergency reply form—be printed in the RECORD at the conclusion of my remarks. I think it is important for Senators to see these communications. Because I think it is important for Senators to understand the misinformation which in turn generates the avalanche of mail which buries us all.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EMERGENCY REPLY FORM

DEAR MR. LARSON: Yes, I understand that my action is urgently needed to defeat the union bosses' pushbutton unionism bill.

I have:

---- Sent the postcards to my Senators.
---- Asked my friends and family to send the extra postcards to their Senators.
---- Enclosed is my contribution to help pay part of the cost of the Committee's fight against this vicious union power grab.

$500— $100— $50— $25— $— Other

(Mr.) (Mrs.) (Miss) _____

Address _____

National Right to Work Committee
8316 Arlington Blvd.,
Fairfax, Virginia 22038

Senator _____,
United States Senate,
Senate Office Building,
Washington, D.C. 20510

Dear Senator _____:

I'm opposed to any legislation that gives union officials more power to impose compulsory unionism on unwilling workers.

Please cast every vote against S. 1883 or any similar bill that promotes compulsory-pushbutton-unionism.

Sincerely,

_____

P.S. Please write and let me know if you agree with me. I will be watching with great interest to see how you vote.

[ACTIONGRAM]

NATIONAL RIGHT TO WORK COMMITTEE,
Fairfax, Va., May 5, 1978.

DEAR COMMITTEE MEMBER: The union bosses are making their move on the so-called labor law "reform" bill!

And it's urgent that you send the enclosed postcards to your Senators today.

I just got word that Senate Majority Leader Robert Byrd plans to bring up S. 1883/S. 2467, the phony labor law "reform" bill, for Senate action in the next two weeks.

The union lobbyists are stepping up their campaign to push this pushbutton unionism bill into law. They're putting all the pressure they can on Senators to get them to help break the filibuster against S. 2467.

Privately, many of Big Labor's allies are saying that if S. 2467 doesn't pass in May, it will never pass.

That's why they're making a last-ditch effort to push this vicious legislation through the Senate now.

Throughout this spring, your actions and those of other Right to Work supporters have kept the pushbutton unionism bill stalled in the Senate. And by delaying the bill for so long, you've made the union bosses' job harder.

But now as they make their major attempt to push S. 2467 through the Senate, it's crucial that you act at once.

If you and other concerned citizens make your voices heard on Capitol Hill now, I'm sure that we can persuade the Senators we need to support the filibuster and keep S. 1883/S. 2467 from coming to a vote.

Please, can I count on you to:

1) Send the enclosed postcards, personal letters, or telegrams to your Senators. Urge them to actively support the filibuster against S. 2467.

2) Pass the extra cards on to your family and friends. Ask them to contact their Senators, too.

3) Send the largest contribution you can to help the Committee defeat this blatant union power grab.

We've dug deep into our resources in the past few months to fight this vicious legislation. And because of your participation, we've succeeded—so far.

But the battle could be won or lost in the next few weeks.

Only by acting together right now can we beat Big Labor's pushbutton unionism scheme, and keep them from forcing hundreds of thousands more working men and women into unions against their will.

Your help is urgently needed.

Sincerely,

REED LARSON.

P.S. The next two weeks will be key. We must persuade those Senators who are uncommitted to support the filibuster against S. 1883/S. 2467. Please contact your Senators today.

SUPPLEMENTAL APPROPRIATIONS, FEDERAL GRAIN INSPECTION SERVICE

(The following proceedings occurred earlier:)

Mr. ROBERT C. BYRD. Mr. President, while the Senator from North Dakota (Mr. YOUNG) is on the floor, on behalf of the Senator from Missouri (Mr. EAGLETON), I ask unanimous consent to proceed out of order for not to exceed 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. On behalf of Senator EAGLETON, I ask unanimous consent that the Chair lay before the Senate House Joint Resolution 944.

The PRESIDING OFFICER. The joint resolution will be stated.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 944) making urgent grain inspection supplemental appropriations for the Department of Agriculture, Federal Grain Inspection Service, for the fiscal year ending September 30, 1978.

Mr. ROBERT C. BYRD. I ask unanimous consent that the joint resolution be considered as having been read the second time, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the joint resolution.

Mr. EAGLETON. Mr. President, on June 16, the House passed H.J. Res. 944, Urgent Grain Inspection Supplemental. This legislation appropriates $6,488,000 to meet the urgent needs of the Federal Grain Inspection Service resulting from legislation passed late last year.

The Food and Agriculture Act of 1977 amended the U.S. Grain Standards Act of 1976 to require that the costs of supervision of official inspection and weighing be paid from federally appropriated funds instead of by user fees. When the 1978 budget was considered, it was assumed that user fees would continue to be collected, so now the Federal Grain Inspection Service is likely to run out of money at approximately 3 p.m. today.

I think it is important that the Senate provide speedy approval of this resolution without amendment in order to avoid disruption in orderly grain inspection activities. The Appropriations Subcommittee on Agriculture, Rural Development and Related Agencies carefully considered this request and recommended that it be approved. Last Thursday, the full Appropriations Committee decided to defer action on the request in hopes that the House would send over a resolution speedily—which they did on Friday when the Senate was not in session.

Mr. President, this legislation has been approved on both sides. I urge its immediate passage.

Mr. YOUNG. Mr. President, this is an urgent matter involving the continuing operation of our new grain inspection program. We have had a problem with the grain inspection for many years, and the Senate Agriculture Committee held hearings to try to resolve this problem. One of the things we did was authorize the establishment of the Federal Grain Inspection Service. Last year, we amended this legislation to pay for supervision of licensed grain inspection and weighing with appropriated funds.

As a result of that, the appropriations for this agency are insufficient, and they are running out of money as of today. That is why the joint resolution was held at the desk and not referred to the Senate Committee on Appropriations. However, the full committee did discuss this problem last week, and agreed that this was the way to handle it, and there has not been a single objection to this procedure that I know of.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator from North Dakota (Mr. YOUNG) for his explanation of the measure, and also for his reference to the actions by the Appropriations Committee thereon.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The joint resolution (H.J. Res. 944) was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

(Conclusion of earlier proceedings.)

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. PROXMIRE). Under the previous order the Senate will now have a period for the transaction of routine morning business with speeches confined to 10 minutes.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

REORGANIZATION PLAN NO. 3—MESSAGE FROM THE PRESIDENT—PM 183

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers, which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Today I am transmitting Reorganization Plan No. 3 of 1978. The Plan improves Federal emergency management and assistance. By consolidating emergency preparedness, mitigation and response activities, it cuts duplicative administrative costs and strengthens our ability to deal effectively with emergencies.

The Plan, together with changes I will make through executive action, would merge five agencies from the Departments of Defense, Commerce, HUD, and GSA into one new agency.

For the first time, key emergency management and assistance functions would be unified and made directly accountable to the President and Congress. This will reduce pressures for increased costs to serve similar goals.

The present situation has severely hampered Federal support of State and local emergency organizations and resources, which bear the primary responsibility for preserving life and property in times of calamity. This reorganization has been developed in close cooperation with State and local governments.

If approved by the Congress, the Plan will establish the Federal Emergency Management Agency, whose Director shall report directly to the President. The National Fire Prevention and Control Administration (in the Department of Commerce), the Federal Insurance Administration (in the Department of Housing and Urban Development, and oversight responsibility for the Federal emergency broadcast system (now assigned in the Executive Office of the President), would be transferred to the Agency. The Agency's Director, its Deputy Director, and its five principal program managers would be appointed by the President with the advice and consent of the Senate.

If the Plan takes effect, I will assign to the Federal Emergency Management Agency all authorities and functions vested by law in the President and presently delegated to the Defense Civil Preparedness Agency (in the Department of Defense). This will include certain engineering and communications support functions for civil defense now assigned to the U.S. Army.

I will also transfer to the new Agency all authorities and functions under the Disaster Relief Acts of 1970 and 1974 now delegated to the Federal Disaster Assistance Administration in the Department of Housing and Urban Development.

I will also transfer all Presidential authorities and functions now delegated to the Federal Preparedness Agency in the General Services Administration, including the establishment of policy for the National Stockpile. The stockpile disposal function, which is statutorily assigned to the General Services Administration, would remain there. Once these steps have been taken by Executive Order, these three agencies would be abolished.

Several additional transfers of emergency preparedness and mitigation functions would complete the consolidation. These include:

- Oversight of the Earthquake Hazards Reduction Program, under Public Law 95–124, now carried out by the Office of Science and Technology Policy in the Executive Office of the President.
- —Coordination of Federal activities to promote dam safety, carried by the same Office.
- —Responsibility for assistance to communities in the development of readiness plans for severe weather-related emergencies, including floods, hurricanes, and tornadoes.
- —Coordination of natural and nuclear disaster warning systems.
- —Coordination of preparedness and planning to reduce the consequences of major terrorist incidents. This would not alter the present responsibility of the Executive Branch for reacting to the incidents themselves.

This reorganization rests on several fundamental principles. *First, Federal authorities to anticipate, prepare for, and respond to major civil emergencies should be supervised by one official responsible to the President and given attention by other officials at the highest levels.*

The new Agency would be in this position. To increase White House oversight and involvement still further, I shall establish by Executive Order an Emergency Management Committee, to be chaired by the Federal Emergency Management Agency Director. Its membership shall be comprised of the Assistants to the President for National Security, Domestic Affairs and Policy and Intergovernmental Relations, and the Director, Office of Management and Budget. It will advise the President on ways to meet national civil emergencies. It will also oversee and provide guidance on the management of all Federal emergency authorities, advising the President on alternative approaches to improve performance and avoid excessive costs.

Second, an effective civil defense system requires the most efficient use of all available emergency resources. At the same time, civil defense systems, organization, and resources must be prepared to cope with any disasters which threaten our people. The Congress has clearly recognized this principle in recent changes in the civil defense legislation.

The communications, warning, evacuation, and public education processes involved in preparedness for a possible nuclear attack should be developed, tested, and used for major natural and accidental disasters as well. Consolidation of civil defense functions in the new Agency will assure that attack readiness programs are effectively integrated into the preparedness organizations and programs of State and local government, private industry, and volunteer organizations.

While serving an important "all-hazards" readiness and response role, civil defense must continue to be fully compatible with and be ready to play an important role in our Nation's overall strategic policy. Accordingly, to maintain a link between our strategic nuclear planning and our nuclear attack preparedness planning, I will make the Secretary of Defense and the National Security Council responsible for oversight of civil defense related programs and policies of the new Agency. This will also include appropriate Department of Defense support in areas like program development, technical support, research, communications, intelligence, and emergency operations.

Third, whenever possible, emergency responsibilities should be extensions of the regular missions of Federal agencies. The primary task of the Federal Emergency Management Agency will be to coordinate and plan for the emergency deployment of resources that have other routine uses. There is no need to develop a separate set of Federal skills and capabilities for those rare occasions when catastrophe occurs.

Fourth, Federal hazard mitigation activities should be closely linked with emergency preparedness and response functions. This reorganization would permit more rational decisions on the relative costs and benefits of alternative approaches to disasters by making the Federal Emergency Management Agency the focal point of all Federal hazard mitigation activities and by combining these with the key Federal preparedness and response functions.

The affected hazard mitigation activities include the Federal Insurance Administration which seeks to reduce flood losses by assisting states and local governments in developing appropriate land uses and building standards and several agencies that presently seek to reduce fire and earthquake losses through research and education.

Most State and local governments have consolidated emergency planning, preparedness and response functions on an "all hazard" basis to take advantage of the similarities in preparing for and responding to the full range of potential emergencies. The Federal Government can and should follow this lead.

Each of the changes set forth in the plan is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. The Plan does not call for abolishing any functions now authorized by law. The provisions in the Plan for the appointment and pay of any head or officer of the new agency have been found by me to be necessary.

I do not expect these actions to result in any significant changes in program expenditures for those authorities to be

transferred. However, cost savings of between $10–$15 million annually can be achieved by consolidating headquarters and regional facilities and staffs. The elimination (through attrition) of about 300 jobs is also anticipated.

The emergency planning and response authorities involved in this Plan are vitally important to the security and well-being of our Nation. I urge the Congress to approve it.

JIMMY CARTER.

THE WHITE HOUSE, *June 19, 1978.*

MESSAGES FROM THE HOUSE

At 10:04 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendment of the Senate to H.R. 7581, an Act to amend the Internal Revenue Code of 1954 to provide that certain income from a nonmember telephone company is not taken into account in determining whether any mutual or cooperative telephone company is exempt from income tax, with amendments, in which it requests the concurrence of the Senate; and that the House agrees to the amendment of the Senate to the title of the bill.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 5176. An act to lower the duty on levulose until the close of June 30, 1980;

H.R. 10823. An act to amend the National Advisory Committee on Oceans and Atmosphere Act of 1977, to authorize appropriations to carry out the provisions of such act for fiscal year 1979, and for other purposes; and

H.R. 11465. An act to authorize appropriations for the U.S. Coast Guard for fiscal year 1979, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. HODGES).

At 2:25 p.m. a message from the House of Representatives delivered by Mr. Berry, announced that the House agrees to the amendment of the Senate to H.R. 11779, an act to provide for an expanded and comprehensive extension program for forest and rangeland renewable resources.

The message also announced that the House agrees to the amendments of the Senate to H.R. 11777, an act to authorize and direct the Secretary of Agriculture to provide cooperative and forestry assistance to States and others, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate to H.R. 11778, an act to authorize and direct the Secretary of Agriculture to carry out forest and rangeland renewable resources research, to provide cooperative assistance for such research to States and others, and for other purposes.

The message also announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 12927. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes;

H.R. 12928. An act making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, and for other purposes;

H.R. 12934. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1979, and for other purposes;

H.R. 12935. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1979 and for other purposes; and

H.J. Res. 944. A joint resolution making urgent grain inspection supplemental appropriations for the Department of Agriculture, Federal Grain Inspection Service, for the fiscal year ending September 30, 1978.

The message further announced that the House disagrees to the amendments of the Senate to H.R. 8149, an act to provide customs procedural reform, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. ULLMAN, Mr. VANIK, Mr. GIBBONS, Mr. ROSTENKOWSKI, Mr. JONES of Oklahoma, Mr. STEIGER, and Mr. FRENZEL were appointed managers of the conference on the part of the House.

The message also announced that the House agrees to the amendment of the Senate to H.R. 11713, an act to create a solar energy and energy conservation loan program within the Small Business Administration, and for other purposes, with amendments, in which it requests the concurrence of the Senate.

The message further announced that the House agrees to the amendment of the Senate to H.R. 9757, an act entitled "Grazing Fee Moratorium of 1978," with an amendment in which it requests the concurrence of the Senate, and that the House agrees to the amendment of the Senate to the title of the bill.

The message also announced that the House agrees to the amendments of the Senate numbered 2, 3, 4, 5, and 6 to H.R. 11832, an act to authorize appropriations for fiscal year 1979 under the Arms Control and Disarmament Act; that the House agrees to the amendment of the Senate numbered 1, with an amendment in which it requests the concurrence of the Senate; and that the House agrees to the amendment of the Senate to the title of the bill.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 12927. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

H.R. 12928. An act making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

H.R. 12934. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

H.R. 12935. An acting making appropriations for the legislative branch for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Appropriations, with an amendment and an amendment to the title:

H.J. Res. 945. A joint resolution making an urgent supplemental appropriation for the black lung program of the Department of Labor for the fiscal year ending September 30, 1978 (Rept. No. 95–937).

By Mr. BAYH, from the Committee on Appropriations, with amendments:

H.R. 12933. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979, and for other purposes (Rept. No. 95–938).

By Mr. CHILES, from the Committee on Appropriations, with amendments:

H.R. 12930. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1979, and for other purposes (Rept. No. 95–939).

By Mr. ROBERT C. BYRD (for Mr. MUSKIE), from the Committee on the Budget, without amendment:

S. Res. 467. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 3151 (Rept. No. 95–940).

S. Res. 470. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2937, a bill to amend the Speedy Trial Act of 1974 to provide further authorization for appropriations for pretrial services agencies (Rept. No. 95–941).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Human Resources:

Anita M. Miller, of California, to be a member of the Board of Trustees of the Harry S Truman Scholarship Foundation.

(The nomination from the Committee on Human Resources was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

ORDER FOR STAR PRINT OF S. 2920

Mr. HOLLINGS. Mr. President, on April 17, I introduced my bill, S. 2920, amending the Trade Act of 1974 so that textile and apparel products would be included among those items not subject to tariff cuts during the current MTN talks in Geneva. Since my earlier statements on the matter, the situation for textiles has worsened dramatically.

Sad to report, the textile and apparel trade deficit for the first 4 months of this year has set an all-time record—exceeding $1.3 billion. For the first quarter

of this year, the deficit is running 87 percent above that of last year's first quarter—and last year was a record-setter, too.

Yet earlier this year, as my colleagues know, the administration tabled significant tariff cuts for textiles at the Geneva negotiations. Our textile workers already work at tremendous disadvantages. They are competing against low-wage countries. They are competing with industries backed and subsidized and encouraged by foreign governments. They are competing without a domestic American trade policy to back them up by creating a fair trade environment. And that is all that our textile workers and leaders are asking—an equitable environment in which to compete. Our firms are modern, they are competitive. They are fully capable of holding their own if the cards are not stacked against them. But how they can be expected to survive—let alone compete—when the competition is unfair and when our own Government is intent upon pulling the rug out from under them, is beyond my power of comprehension.

Mr. President, on April 17 of this year, I introduced legislation to exempt textiles from the tariffcutting talks, just as shoes and television sets and stainless steel and other products are exempted. When we talk about textiles, we talk about an industry fundamental to the health of our economy. Textiles and apparel constitute the largest employer of manufacturing labor in the United States—one of every eight manufacturing jobs. It is a $70 billion-a-year business with 2.3 million paychecks going out each pay period. These paychecks go to some very critical segments of our economy. They go at double the national average to women and minority groups, who comprise such a disproportionate share of our unemployment problem. And they go to rural area and inner city, where job dislocation has inflicted such a heavy toll.

The response to my bill has already been very encouraging. Twenty-five Senators are sponsoring this measure, including the Democratic and Republican leaders.

Mr. President, my bill is limited to textile and apparel products. Someone indicated to me recently that the way the language was drawn in my bill, conceivably it could be construed that other commodities were also being included for exemption. This was not the intention of my measure, nor should it be the effect. Therefore, I ask unanimous consent for a star print of my bill, S. 2920, with the change noted herein.

Mr. President, I also ask unanimous consent that the bill, together with the cosponsors, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I urge upon my colleagues the necessity for action on this measure. Our textile and apparel industry is suffering grievous blows, and its very survivability is at stake.

LIST OF COSPONSORS

By Mr. Hollings (for himself, Mr. Allen, Mrs. Allen, Mr. Anderson, Mr. Baker, Mr. Bumpers, Mr. Robert C. Byrd, Mr. DeConcini, Mr. Durkin, Mr. Eagleton, Mr. Eastland, Mr. Ford, Mr. Hansen, Mr. Hatch, Mr. Hathaway, Mr. Helms, Mr. McIntyre, Mr. Morgan, Mr. Moynihan, Mr. Nunn, Mr. Pell, Mr. Randolph, Mr. Sasser, Mr. Sparkman, Mr. Stennis, Mr. Talmadge, and Mr. Thurmond).

S. 2920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 127(b) of the Trade Act of 1974 (19 U.S.C. 2137) is amended by inserting immediately following "section 203 of this Act": ", section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854), insofar as such section relates to textiles and textile products."

EXTENSION OF TIME FOR COMMITTEE CONSIDERATION OF S. 2939

Mr. HARRY F. BYRD, JR. Mr. President, S. 2939, a bill to authorize appropriations for the intelligence activities of the U.S. Government, was reported by the Select Committee on Intelligence on April 19. Pursuant to section 3(b) of Senate Resolution 400, the bill was sequentially referred on May 1 to the Armed Services Committee for consideration of issues involving the Defense Department.

The Armed Services Committee has nearly completed its review of the bill and is now attempting to discuss certain differences between its recommendations and those of the Intelligence Committee with members of that committee.

I am about to propound a unanimous-consent request, but before doing so I say that I have discussed this unanimous-consent request with Senator BAYH, the chairman of the Select Committee on Intelligence, and I can report that he has no objection to it.

So I ask unanimous consent that the sequential referral of S. 2939 to the Armed Services Committee under section 3(b) of Senate Resolution 400 be extended through June 30.

Before putting that request, I might say that I have not had the opportunity to discuss this request with the ranking Republican Member, who is Senator GOLDWATER, but Senator GOLDWATER is a member of the subcommittee of which I am the chairman, and I feel certain he would have no objection, but if he does then I would ask unanimous consent in the future to withdraw this unanimous consent if Senator GOLDWATER. should have any objection to it, but I feel confident that he does not. But I state for the RECORD that I have not had an opportunity to discuss it with him.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. Mr. President, reserving the right to object, we have no objection to this, with the express understanding that if Senator GOLDWATER disagrees, the distinguished Senator from Virginia can immediately withdraw it, and that will be part of the unanimous-consent request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXTENSION OF TIME FOR COMMITTEE CONSIDERATION OF S. 3077

Mr. CULVER. Mr. President, I ask unanimous consent that S. 3077, the Export-Import Bank Act Amendments of 1978, be referred to the Committee on Environment and Public Works through July 24, 1978, rather than through July 6, 1978, as previously agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HEINZ (for himself and Mr. SCHWEIKER):

S. 3207. A bill to authorize the Secretary of the Interior to enter into a cooperative agreement with the Franklin Institute to aid in the continued preservation of the Benjamin Franklin National Memorial; to the Committee on Energy and Natural Resources.

By Mr. HEINZ:

S. 3208. A bill for the relief of Mr. and Mrs. Edward Cohen and their adopted daughter, Leah Mi Cohen; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 3209. A bill to promote the vitality of communities by encouraging comprehensive State Strategies of increased and better-coordinated State assistance and State-initiated governmental reforms, which focus primarily upon those communities experiencing distress or decline, and by facilitating the coordination of Federal actions and activities to complement and enhance such Strategies, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs and the Committee on Governmental Affairs, jointly, by unanimous consent.

S. 3210. A bill to provide Federal assistance to encourage community and neighborhood artistic and cultural activities, to promote sound urban design, and to contribute to neighborhood conservation and revitalization, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs, and when and if reported, to the Committee on Human Resources for not to exceed 45 days.

S. 3211. A bill to provide assistance for specific neighborhood conservation and revitalization projects, to improve the capabilities of neighborhood organizations in planning and carrying out such projects, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PROXMIRE (by request):

S. 3212. A bill to increase the number of class C directors of Federal Reserve Banks; to the Committee on Banking, Housing, and Urban Affairs.

S. 3213. A bill to expand the class of collateral eligible for use as security for Federal Reserve notes; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEINZ (for himself and Mr. SCHWEIKER):

S. 3207. A bill to authorize the Secretary of the Interior to enter into a co-

operative agreement with the Franklin Institute to aid in the continued preservation of the Benjamin Franklin National Memorial; to the Committee on Energy and Natural Resources.

BENJAMIN FRANKLIN NATIONAL MEMORIAL ASSISTANCE ACT

● Mr. HEINZ. Mr. President, today it is my pleasure to introduce the Benjamin Franklin National Memorial Assistance Act. On behalf of my distinguished colleague from Pennsylvania, Senator SCHWEIKER, and myself, I take this opportunity to urge the passage of this legislation which will allow the Franklin Memorial to continue to function as this country's only national memorial to Benjamin Franklin.

The Benjamin Franklin National Memorial serves as a living tribute to one of our Nation's Founding Fathers. Since the famous 21-foot statue of Franklin was installed in the rotunda of the Franklin Institute in 1938, approximately 20 million people have visited the great hall. Over the past 40 years the Franklin Institute has performed in an exemplary fashion in memorializing Benjamin Franklin. Recent developments at the time of the Bicentennial include installation of a major audiovisual program designed to enable visitors to understand Franklin's life and achievements in the context of the Bicentennial. The program met with great success. However, it must now be replaced with a program suited to the post-Bicentennial period. In addition, it is important to develop and nationally distribute a range of educational materials on Franklin.

The Franklin Institute has functioned in a superlative manner with a limited budget. In recent years, deficit operations have made it impossible for the Benjamin Franklin National Memorial to continue to operate and be maintained in a manner befitting a man who many feel was America's foremost citizen.

The Franklin National Memorial is our only national memorial to Franklin and it is important that we restore it and provide funds to preserve it. The Benjamin Franklin Memorial Assistance Act will accomplish this goal by authorizing the Secretary of the Interior to enter into a cooperative agreement with the Franklin Institute to assist in the programs and maintenance of the memorial. The estimated cost for the first fiscal year authorized will be $475,000. This sum is needed for restoration and cleaning of the rotunda area and other nonrecurring costs. The amounts requested in future years are substantially smaller than the first year's authorization.

Benjamin Franklin was an urbanite in a rural society. He was a scientist, technologist, dissident, businessman, statesman, practical philosopher, printer, idealist, and exponent of religious freedom. Franklin personified in his own nature the ideals on which this country was built. With the enactment of this bill we can be assured that a living memorial will continue to pay tribute to this great American.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized and directed to enter into a cooperative agreement with the Franklin Institute of Philadelphia, Pennsylvania, to assist in the preservation of the Benjamin Franklin Nation Memorial (hereinafter referred to as the "Memorial") and the programs conducted by the Memorial so that the Memorial may continue to honor the memory and accomplishments of Benjamin Franklin.

SEC. 2. The cooperative agreement authorized by section 1 shall contain, but not be limited to, provisions which—

(1) permit the Secretary, through the National Park Service, the right to access to the Memorial at all reasonable times;

(2) require that no changes or alterations substantially changing the character or appearance of the Memorial shall be undertaken except by mutual agreement between the Secretary and the Franklin Institute; and

(3) detail the extent of the participation by the Secretary in the restoration, preservation, maintenance, interpretation and utilization of the Memorial.

SEC. 3. There are authorized to be appropriated $500,000 for fiscal year 1979, $200,000 for fiscal year 1980, and such sums as may be necessary for the succeeding fiscal years to carry out the provisions of this Act.●

● Mr. SCHWEIKER. Mr. President, I am pleased to join Senator HEINZ in the introduction of legislation which will insure that the Franklin Memorial will continue to stand as this Nation's monument to one of its greatest Founding Fathers, Benjamin Franklin. All of our lives have been touched by the great achievements of Benjamin Franklin; perhaps most remarkably, so many different aspects of our lives have been affected by the actions of one of the world's true renaissance men. Benjamin Franklin was one of our first patriots—his contributions in domestic and foreign affairs were invaluable to the development of a secure republic. His influence on the statesmen of his day and in the following generations has been profound.

In Philadelphia we have a monument to Benjamin Franklin which has been a source of inspiration to the many visitors who come to the Franklin Institute each year. Approximately 20 million have visited the great hall in which a 21-foot statue of Franklin sits, since it was placed there in 1938. Over the years, the Franklin Institute has borne the financial burden of maintaining the hall, and the displays which highlight Franklin's life and achievements in the fields of government, publishing, printing, science, philosophy, and many other areas. As the cost of maintenance has increased over the years, the institute has found that it can no longer take care of the memorial in the way it should be maintained. It is now time for the Federal Government to assist the Franklin Institute in preserving this monument to one of our greatest citizens.

The Benjamin Franklin Memorial Assistance Act will provide this much needed help by authorizing the Secretary of the Interior to work out a cooperative agreement with the Franklin Institute to assist in the maintenance of the building and in the development of the programs offered in the hall. The first year expense of this arrangement would be approximately $475,000, with the majority of this appropriation going to provide some initial, one-time restoration. The expense to the Federal Government in ensuing years would be substantially less than the first year, at approximately $200,000.

Mr. President, I urge my colleagues to consider this legislation as soon as possible.●

By Mr. PROXMIRE:

S. 3209. A bill to promote the vitality of communities by encouraging comprehensive State strategies of increased and better-coordinated State assistance and State-initiated governmental reforms, which focus primarily upon those communities experiencing distress or decline, and by facilitating the coordination of Federal actions and activities to complement and enhance such strategies, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs and the Committee on Governmental Affairs, jointly, by unanimous consent.

S. 3210. A bill to provide Federal assistance to encourage community and neighborhood artistic and cultural activities, to promote sound urban design, and to contribute to neighborhood conservation and revitalization, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs, and when and if reported, to the Committee on Human Resources for not to exceed 45 days.

S. 3211. A bill to provide assistance for specific neighborhood conservation and revitalization projects, to improve the capabilities of neighborhood organizations in planning and carrying out such projects, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

PRESIDENT'S URBAN INITIATIVE LEGISLATION

Mr. PROXMIRE. I am introducing today, at the request of the administration, three bills which are designed to carry out the President's recently announced urban initiatives.

I ask that the first of these bills, the State Community Conservation and Development Act of 1978, be referred jointly to the Committee on Banking, Housing, and Urban Affairs and the Committee on Governmental Affairs.

I ask that the second bill, the Livable Cities Act of 1978, be referred to the Committee on Banking, Housing and Urban Affairs and, if and when reported, to the Committee on Human Resources for not to exceed 45 days.

The third bill is titled the Neighborhood Self-Help Development Act of 1978 which I introduced for appropriate referral.

Mr. President, I have some concerns about the additional requirements these bills will place on our already overburdened Federal budget. Nevertheless, I believe that recommendations of the administration should be considered promptly, and I intend to bring these proposals before the Committee on Banking, Housing and Urban Affairs as soon as the Committee calendar permits.

The first of the bills, the State Community Conservation and Development Act of 1978, would authorize the Secretary of HUD to make grants to States to assist them in implementing State community conservation and development strategies. The legislation would authorize $200 million in appropriations for this purpose in fiscal year 1979, and an additional $200 million in fiscal year 1980. In order to receive grants, States would be required to prepare an analysis of the problems and needs of the State and its communities, to describe State strategies for improving coordination of Federal and State development programs and for carrying out needed governmental and fiscal reforms to promote the vitality of communities, particularly those with existing or incipient conditions of economic distress. Grants would be made to States to encourage the efficient use of public resources in promoting the redevelopment of declining communities, and the expansion of private sector investment.

The second bill, the Livable Cities Act of 1978, would authorize HUD to make grants to States, local governments, nonprofit and neighborhood organizations for cultural and artistic activities which promote neighborhood conservation and renewal, and promote economic opportunities, particularly for low- and moderate-income residents. The legislation would authorize expenditure of up to $20 million in each of the fiscal years 1979 and 1980. Under the bill, HUD and the National Endowment for the Arts would be required to establish criteria and approve projects in close collaboration.

The legislation would identify among criteria for selecting projects, cultural and artistic quality, availability of other public and private resources, and the involvement of local citizens and officials.

The livable cities program would build on local cultural, artistic and historic resources to restore and maintain the vitality of neighborhoods and the urban environment.

The third administration proposal, the Neighborhood Self-Help Development Act of 1978, would authorize HUD to provide up to $15 million in grants and other forms of assistance during each of the next 2 years. This assistance would be used to help neighborhood organizations plan and carry out programs to rehabilitate and reuse existing housing, to renew and expand retail businesses, to make better use of underutilized land and existing structures, to improve energy conservation, and to revitalize low- and moderate-income neighborhoods in partnership with local governments and the private sector.

Under the proposed legislation grants would be made available to neighborhood groups only if the unit of local government certifies that the assistance is consistent and supportive of the locality's programs to renew the city's housing and public facilities, and promote the expansion of its economic base. The proposed Neighborhood Self-Help Development Act would encourage voluntary nonprofit organizations of residents, in conjunction with other local groups, including business and financial institutions, to carry out specific projects to enhance distressed neighborhoods.

Mr. President, I ask unanimous consent that the letters from Secretary of HUD, Mrs. Harris, transmitting these proposals be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., May 22, 1978.

Subject: Proposed "Livable Cities Act of 1978"

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am enclosing proposed legislation to establish within this Department a program to provide Federal assistance to encourage community and neighborhood artistic and cultural activities, including sound urban design, which will contribute to neighborhood conservation and revitalization. Also enclosed for your convenience is an explanation and justification of the proposed legislation.

The proposal represents the "Livable Cities" component of the President's recently announced urban policy initiatives. It contains a funding authorization of $20 million for each of the fiscal years 1979 and 1980 for carrying out a program of grants to selected States, localities, public agencies, non-profit organizations and neighborhood groups. These grants would be made for initiating or supporting programs or activities which will use or develop artistic, cultural or historic resources to revitalize urban communities and neighborhoods and provide a more suitable living environment and expanded cultural opportunities for the residents of such communities or neighborhoods. It also would authorize the Secretary, in appropriate cases, as determined by the Secretary, to enter into contracts with profit-making organizations in connection with such projects. Particular emphasis would be placed upon projects or activities which would encourage or support initiatives related to other Federally assisted housing or community development activities, or undertaken in communities with a high proportion of low-income residents.

The proposal would provide for close collaboration between this Department and the National Endowment for the Arts in approving projects and in establishing criteria for project selection. In addition, the proposal would require the Secretary and the Chairman to issue jointly regulations and procedures for review and recommendations regarding applications for funding by public officials and private citizens with expertise in the fields of art, community development, and neighborhood revitalization. The use of an outside review mechanism is predicated upon the highly successful mechanism utilized by the Endowment for reviewing applications under the Endowment's programs.

The proposed legislation represents the cooperative efforts of this Department and the National Endowment for the Arts. It has its basis in the recognition of the significant contribution that the development or preservation of artistic, cultural and historic resources can make as a catalyst for generating a sense of community identity, spirit and pride, for improving decaying or deteriorated urban communities, and for restoring and maintaining the vitality of the urban environment.

We believe that the program which would be authorized by this legislation would provide an innovative and important vehicle for neighborhood revitalization.

The Office of Management and Budget has advised that there is no objection to the presentation of this legislative proposal and that its enactment would be in accord with the program of the President.

Sincerely yours,

PATRICIA ROBERTS HARRIS.

SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., May 25, 1978.

Subject: Proposed "State Community Conservation and Development Act of 1978"

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am enclosing proposed legislation which would authorize the Secretary of Housing and Urban Development to make grants to States to assist in the implementation and execution of State Community Conservation and Development Strategies. This proposal is an important element of the President's recently announced National Urban Policy.

State Strategies would be required to set forth an analysis of the problems and needs of the State and its communities, and describe State actions to bring about programs of coordinated State investment and development and of governmental, structural and fiscal reform, which focus primarily upon distressed or declining communities, as determined by the State. The Strategies would have as their purpose promoting the vitality of communities by addressing existing and incipient conditions of distress or decline and inefficient or disorderly development patterns; providing greater housing and employment opportunities; concentrating Federal and State resources and assistance upon communities and residents of communities most in need; reducing fiscal disparities among communities; and increasing the fiscal capacity of communities, particularly those experiencing distress or decline. There would be authorized to be appropriated $200 million for each of fiscal years 1979 and 1980 for grants under the Act.

The measure would also set forth a mechanism for facilitating the coordination of Federal and federally-assisted programs and activities within the State to complement and enhance approved Strategies.

State governments play a fundamental role in determining the viability and health of their local general purpose governments and the welfare of their residents. State law shapes and defines local government—establishing its boundaries, powers and revenues, as well as providing assistance and mandating responsibilities which affect all of its budgeted services. Many reforms, such as redressing fiscal disparities, permitting tax base broadening, assuming the cost of public services, permitting the formation of metropolitan service districts, and targeting State and State-controlled Federal funds, can only be effected by State governments. The States also have the geographic scope required to deal with areawide and regional problems that increasingly are beyond the reach of municipalities and, in many cases, even counties.

Too often in the past, Federal programs have not sufficiently recognized the dependence of local government on States for all fundamental governmental, structural, and fiscal changes in local-State responsibilities and capacities. Nor have Federal programs always brought about much-needed coordination of major public investment and development activities. Indeed, Federal and State programs and actions have sometimes contributed to, or exacerbated conditions of, distress, decline and disorderly or inefficient development patterns currently facing many of the Nation's communities.

This proposed legislation recognizes the critical position States occupy with respect to their communities, and offers Federal incentives to encourage States to carry out

a comprehensive program of increased and better coordinated State assistance and State-initiated governmental reforms, focusing primarily upon their distressed or declining communities. The bill also recognizes the necessity of coordinating Federal and federally-assisted programs and activities directly concerned with the purposes of the Act in States with approved Strategies, and is designed to help assure that such programs and activities complement and enhance these Strategies.

Also enclosed for your convenience is an explanation and justification of the proposal. I ask that this proposed legislation be referred to the appropriate committee and urge its early enactment.

The Office of Management and Budget has advised that there is no objection to the presentation of this legislative proposal and that its enactment would be in accord with the program of the President.

Sincerely yours,

PATRICIA ROBERTS HARRIS.

SECRETARY OF HOUSING AND URBAN DEVELOPMENT,
Washington, D.C., May 17, 1978.

Subject: Proposed "Neighborhood Self-Help Development Act of 1978."

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am enclosing proposed legislation which would authorize appropriations of up to $15 million for each of the next two fiscal years for grants and other forms of assistance to neighborhood organizations. The assistance is designed to provide additional resources needed to assist neighborhood organizations in their efforts to develop and implement neighborhood conservation and revitalization projects in partnership with local government and the private sector. This proposal is one of the elements of the President's recently announced National Urban Policy.

The proposed legislation would focus assistance on low and moderate income or otherwise distressed neighborhoods. It would require a certification from the unit of general local government within which the neighborhood is located that any assistance given would be consistent with, and supportive of, the community development and other objectives of that unit of government.

Also enclosed for your convenience is a section-by-section summary and an explanation and justification of the proposal. I ask that this draft legislation be referred to the appropriate committee and urge its early enactment.

The Office of Management and Budget has advised that there is no objection to the presentation of this legislative proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely yours,

PATRICIA ROBERTS HARRIS.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the first bill introduced by Mr. PROXMIRE (S. 3209) be referred jointly to the Committees on Banking and Governmental Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. PROXMIRE (by request):

S. 3212. A bill to increase the number of class C directors of Federal Reserve Banks; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL RESERVE BANK PUBLIC DIRECTORS ACT

Mr. PROXMIRE. Mr. President, the Board of Governors of the Federal Reserve System has asked me to introduce legislation that would amend the Federal Reserve and thereby allow the Board to designate three additional Class C directors for each of the 12 Federal Reserve Banks.

In his letter to me requesting that I introduce this legislation, Chairman Miller indicated that by increasing the number of Class C directors from three to six, the Board would be able to more expeditiously implement that portion of the Federal Reserve Reform Act of 1977 that calls upon the Federal Reserve System to increase the representation of consumers, labor and service interests on the boards of directors of the Reserve Banks.

Under current law each Federal Reserve Bank has a board of directors composed of nine members. Class A directors consist of three members chosen by and representing the member banks holding stock in the Federal Reserve Banks. Class directors consist of three members who represent the public with due but not exclusive consideration to the interests of agriculture, commerce, industry, services, labor, and consumers. The Class B directors are also selected by the member banks holding stock in the Federal Reserve Banks. Class C directors consist of three members designated by the Board of Governors of the Federal Reserve System, again with due but not exclusive consideration to the interests of agriculture, commerce, industry, services, labor, and consumers.

One of the problems that the Federal Reserve faces in implementing the provisions of the Federal Reserve Reform Act of 1977 to broaden the representation of Reserve Bank directors is that the Board only designates three of the nine directors. The member banks select the other six directors. Of the three selected by the Board of Governors one director must meet the requirements to serve as Chairman and another as Deputy Chairman of the Board. By providing for 3 more Class C directors the Board would designate 6 out of 12 directors and the 3 new directors could be chosen in a manner to satisfy the Federal Reserve Reform Act of 1977 immediately. This bill would also correct what many consider to be an imbalance in the selection of directors of the Reserve Banks by having the Board designate one-half rather than one-third of the directors.

Mr. President, I ask unanimous consent that Chairman Miller's letter and the text of the legislation I am introducing by request of the Federal Reserve Board be printed at this point in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Reserve Bank Public Directors Act."

SEC. 2. Boards of Directors of Federal Reserve Banks.

(a) The ninth paragraph of section 4 of the Federal Reserve Act (12 U.S.C. § 302) is amended by striking out "nine" and inserting in lieu thereof "twelve."

(b) The twelfth paragraph of section 4 of the Federal Reserve Act (12 U.S.C. § 302) is amended as follows:

(1) by striking out "three" in the first sentence and inserting in lieu thereof "six."

(2) by adding at the end thereof the following:

"Of the three new Class C members appointed by the Board of Governors of the Federal Reserve System after the date of enactment of the Federal Reserve Bank Public Directors Act, initially one shall be designated to serve for a term ending December 31, 1979, one for a term ending December 31, 1980, and one for a term ending December 31, 1981, and thereafter each member so appointed shall serve for a term of three years as provided in paragraph 9 of section 4 of this Act (12 U.S.C. § 302)."

(c) The last sentence of the twentieth paragraph of section 4 of the Federal Reserve Act (12 U.S.C. § 305) is amended by striking out "third class C director" and inserting in lieu thereof "class C director designated by the chairman".

FEDERAL RESERVE SYSTEM,
Washington, D.C., June 9, 1978.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN PROXMIRE: For several years, the Board has been endeavoring to broaden the representative aspect of the directors of Federal Reserve Banks. These efforts have been accelerated with the passage of the Federal Reserve Reform Act of 1977, which urges the System to increase the representation of consumers, labor and service interests on the boards of directors. The law also calls upon directors to be appointed "without discrimination on the basis of race, creed, color, sex or national origin."

The Board, however, has encountered difficulties in fulfilling the Congressional mandate since under present law it is only able to appoint directly the three class C directors of Reserve Banks, two of whom must also meet the qualifications to serve as Chairman and Deputy Chairman of the board. The number of class C vacancies that occur in any year is further limited since directors are appointed for three-year terms.

The Board in considering this problem has concluded that, in order to implement the Federal Reserve Reform Act of 1977 as expeditiously as possible, additional legislation is desirable to increase the number of class C directors at each Reserve Bank from three to six. Enactment of this legislative recommendation would permit the Board to appoint immediately three new class C directors at each Reserve Bank. The terms of office for these new directors would be three years, but initially would be staggered with one director being appointed to a one-year term, one director to a two-year term, and the third director to a three-year term.

Enclosed is a draft bill setting forth the Board's recommendations. The Board would be grateful for your introduction and prompt consideration of this proposal.

Sincerely,

WILLIAM MILLER.

By Mr. PROXMIRE (by request):

S. 3213. A bill to expand the class of collateral eligible for use as security for Federal Reserve notes; to the Committee on Banking, Housing, and Urban Affairs.

SECURITY FOR FEDERAL RESERVE NOTES

Mr. PROXMIRE. Mr. President, I am introducing legislation by request of the Federal Reserve Board that would broaden the class of collateral that is eligible for use as security for Federal Reserve notes to include obligations of the U.S. Government agencies.

The need for this legislation is explained in a letter from Chairman G. William Miller. The letter also indicates that the Federal Reserve currently holds $8 billion of agency securities that are not currently eligible as backing for Federal Reserve notes, and that if there was an increased need for such collateral the System could be forced to sell all or part of its holdings.

Mr. President, I ask unanimous consent that Chairman Miller's letter and the text of the legislation be printed at this point in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the third sentence of the second paragraph of section 16 of the Federal Reserve Act (12 U.S.C. 412) is amended by striking the words "direct obligations of the United States" and inserting in lieu thereof the words "any obligations which are direct obligations of, or are fully guaranteed as to principal and interest by, the United States or any agency thereof."

FEDERAL RESERVE SYSTEM,
Washington, D.C., May 2, 1978.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN PROXMIRE: I am submitting for Congressional consideration proposed legislation that would broaden the class of collateral eligible for use as security for Federal Reserve notes to include obligations of United States government agencies. The Board believes that this legislation is of vital importance to the Federal Reserve System and strongly recommends its adoption.

The need for legislation arises from the fact that Section 16 of the Federal Reserve Act requires that Federal Reserve notes issued to the Reserve Banks be backed dollar for dollar by collateral pledged by the Banks. The collateral must consist of the following legally specified assets, in any combination: (1) gold and special drawing right certificates, (2) direct obligations of the United States, (3) acceptances, and (4) certain other paper, chiefly loans outstanding to member banks.

United States government agency obligations were made eligible for the purchase by the Reserve Banks through an amendment to Section 14 of the Act in 1966 (P.L. 89–597) for the primary purpose of increasing the potential flexibility of open market operations and to place agency obligations on the same footing as direct United States obligations. By apparent oversight, however, no corresponding change was made to Section 16 to make these obligations eligible as collateral for Federal Reserve notes. This situation has created the following two anomalies. First, notes evidencing loans to member banks secured by United States government agencies may be pledged as collateral for Federal Reserve notes whereas the same agencies purchased by the Reserve Banks may not be pledged to secure Federal Reserve notes. Secondly, during periods of increased need for collateral for Federal Reserve notes, the System could be forced to sell all or part of its $8 billion current holdings of agency securities or greatly curtail its purchase of such securities, with possible adverse consequences for that market.

In view of the System's current agency holdings, its present excess collateral to secure Federal Reserve notes is substantially diminished. In the event of any further substantial tightening in collateral, the System would either have to sell the agencies, greatly curtail its purchase of such issues, cease to issue additional Federal Reserve notes, or possibly retire notes held by the Reserve Banks, since continued issuance of the notes without adequate collateral is unlawful. The Federal Reserve's inability to provide additional Federal Reserve notes would make it impossible for the System to satisfy the needs of an expanding economy.

We believe that this legislation deserves immediate attention by the Congress. I and other members of the Board would be pleased to discuss this matter more fully with you and other members of your Committee.

Sincerely,

BILL.

ADDITIONAL COSPONSORS

S. 1967

At the request of Mr. ROBERT C. BYRD, the Senator from California (Mr. HAYAKAWA) was added as a cosponsor of S. 1967, a bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis.

S. 2627

At the request of Mr. GRAVEL, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 2627, a bill to amend the Internal Revenue Code of 1954 to defer from income certain amounts deferred pursuant to State or local public employee deferred compensation plans.

S. 2856

At the request of Mr. MORGAN, the Senator from Texas (Mr. TOWER), the Senator from New Mexico (Mr. SCHMITT), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Utah (Mr. GARN) and the Senator from Indiana (Mr. BAYH) were added as cosponsors of S. 2856, the Uniformed Services Survivor Benefit Plan Amendments Act of 1978.

S. 3007

At the request of Mr. DOLE, the Senator from Alaska (Mr. GRAVEL), the Senator from Missouri (Mr. EAGLETON), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 3007, a bill to disregard certain changes since 1975 with treatment to individuals as employees.

S. 3058

At the request of Mr. HEINZ, the Senator from Pennslyvania (Mr. SCHWEIKER) was added as a cosponsor of S. 3058, to promote steel trade negotiations under the Trade Act of 1974.

S. 3147

At the request of Mr. DOLE, the Senator from Utah (Mr. GARN), the Senator from North Carolina (Mr. HELMS), and the Senator from Wyoming (Mr. WALLOP) were added as cosponsors of S. 3147, a bill with regard to the taxation of fringe benefits.

SENATE RESOLUTION 477

At the request of Mr. CULVER, the Senator from Minnesota (Mr. ANDERSON), the Senator from Colorado (Mr. HART), the Senator from Florida (Mr. CHILES), the Senator from Hawaii (Mr. MATSUNAGA), and the Senator from Kentucky (Mr. HUDDLESTON) were added as cosponsors of S. Res. 477, to disapprove the meat imports quota suspension.

AMENDMENTS SUBMITTED FOR PRINTING

LABOR LAW REFORM ACT OF 1978—H.R. 8410

AMENDMENTS NOS. 3033 THROUGH 3035

(Ordered to be printed and to lie on the table.)

Mr. TOWER submitted three amendments intended to be proposed by him to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS—H.R. 12933

AMENDMENT NO. 3036

(Ordered to be printed and to lie on the table.)

Mr. MELCHER submitted an amendment intended to be proposed by him to the bill (H.R. 12933) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979, and for other purposes.

Mr. MELCHER. Mr. President, I submit an amendment to H.R. 12933 and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3036

On page 8, line 6, strike the period and add the following: no part of the foregoing appropriation shall be available to reduce hours of service at Flight Service Stations.

NOTICES OF HEARINGS

CONTRACT DISPUTES ACT OF 1978

● Mr. CHILES. Mr. President, the Subcommittee on Federal Spending Practices and Open Government and the Subcommittee on Citizens and Shareholders Rights and Remedies will continue joint hearing on the Contract Disputes Act of 1978 (S. 2292, S. 2787, S. 3178) on Tuesday, June 20, at 9 a.m., in room 235, Russell Building.

For further information regarding the hearings, please contact Mr. Ronald A. Chiodo, Federal Spending Practices Subcommittee chief counsel and staff director (224–0211).●

COMMITTEE ON GOVERNMENTAL AFFAIRS

● Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Maine (Mr. MUSKIE), I advise the Senate that the Committee on Governmental Affairs is announcing 2 days of hearings to be held on Tuesday, June 20, at 11:15 a.m., and Wednesday, June 21 at 10 a.m. Both days of hearings will be held in room 6202 Dirksen Building. These hearings will be on reorganization plan No. 3, the disaster/preparedness reorganization Plan.

Any person or organization that wishes to submit a statement for the record on this reorganization plan may do so by sending statements to room 508, Carroll Arms Building.●

ADDITIONAL STATEMENTS

IRISH LEADERS VISIT THE UNITED STATES AND SPEAK ON NORTHERN IRELAND

● Mr. KENNEDY. Mr. President, in the past month the United States has been honored with visits by the Prime Minister of Ireland, Mr. John M. Lynch, as well as by Dr. Garret FitzGerald, who is the leader of the opposition in the Irish Parliament and of the Fine Gael Party, and by Mr. Frank Clusky, who is the leader of the Irish Labour Party.

In the course of their visits, these Irish leaders addressed themselves in particular to the situation in Northern Ireland. They expressed their strong appreciation for the efforts of those in the United States who have endorsed the path of peace, and their equally strong opposition to the few in this country who have been associated with the cause of violence.

Mr. President, the remarks by Prime Minister Lynch, Dr. FitzGerald, and Mr. Clusky on this point deserve careful attention and study by all of us. Their statements reflect, as Dr. FitzGerald stated in his address in New York City, a united position supported by the entire spectrum of political opinion in the Republic, and the leadership of the SDLP in Northern Ireland, the party that represents the vast majority of Catholics in Northern Ireland.

Mr. President, I ask that the important statements of these Irish leaders may be printed in the RECORD.

The statement follows:

TEXT OF SPEECH BY THE TAOISEACH (PRIME MINISTER OF IRELAND) JOHN M. LYNCH, AT A RECEPTION ON WEDNESDAY, MAY 24, 1978, AT THE ST. REGIS HOTEL, NEW YORK CITY

You, the Irish in America, are among our best and most warmly regarded friends. That is why I am glad to be here this evening and bring you warm wishes from Ireland. I hope that you will continue to visit us frequently and renew and consolidate the old ties of blood and friendship, which symbolise for the world our common heritage, our common history and the human values that we share. You have always done us great credit in the United States and we take pride in your achievements.

I needn't tell you that all the news from Ireland is not always good. But perhaps you don't hear or read of some of our good news.

Despite continuing severe difficulties in the world, the Irish economy is currently growing at a faster rate than that of any other country in the European Community. Inflation is falling and employment is rising. We still have a lot of leeway to make up, but I am confident that we can maintain the momentum of growth that is building up, and provide a secure and lasting prosperity for our people.

A key element in my Government's programme is the creating of conditions which will enable all our people to find jobs in Ireland. We have set ambitious targets for new job creation—a hundred thousand new jobs by 1980: involving more than two billion dollars additional investment. We shall be looking to you in the United States to help us to achieve these goals. Indeed, the United States is already the largest single foreign source of investment in Ireland, and we are gratified that this country, which has become the home of so many Irish people, should now be playing such a key role in our development.

Fortunately for all of us, prosperity cannot be contained. The benefits of Irish development help the country of your adoption, though because of our size, this assistance cannot be as large in proportion to the United States economy as we would like. It is, however, well worth bearing in mind that over the past five years what we in Ireland have bought from the United States has more than doubled in value. Our economic advance to which America has contributed so much makes us better customers and enables us, in turn, to contribute, in our own small way, to the prosperity and well-being of our friends in America.

Like any country, we have our problems too. The last ten years have shown us all that a violent victory of one side over the other in Northern Ireland, be it a Nationalist or a Unionist victory, would only breed further violence for generations to come and that the mere withdrawal of Britain would not of itself unite Irish men and women who are divided by a legacy of bitterness and mutual fear and distrust. No substitute for agreement between the Irish people will work. No substitute for consent will last. No substitute for the political process will produce a just and viable solution. We are committed to the unity of the Irish people, which we are now, more than ever, convinced can be secured only by agreement between the two main traditions in Ireland, which would respect the rights and safeguard the interest of all concerned. The benefits in terms of peace and stability—which Northern Ireland has never truly enjoyed—and in economic terms, not only for the island of Ireland but for the United Kingdom, would be immense. The cost of the present troubles to both Ireland and Britain is measured in hundreds of millions of pounds. Their cost in human life and suffering is immeasurable. That is what makes the attainment of stability such an imperative. That is what makes a solution based on a just and lasting peace so much in the interest of the people of the two countries.

Since returning to Government, I have met twice with my British counterpart, Prime Minister Callaghan, and I have told him clearly that my Government and our people see British support for Irish unity as being in the interest of the British as well as the Irish peoples. The British Government have not so far supported this policy. But I can report a number of concrete achievements from our talks.

Firstly, because of a proposal to increase Northern Ireland representation in the Westminster Parliament, there was some apprehension of a move towards integration of Northern Ireland with Britain; I have the assurance of Mr. Callaghan that there is not a scintilla of movement towards integration. Such a move would of course produce the consequences which nobody could foretell.

Secondly, both the Irish and the British Governments have agreed that in the short-term they will encourage the political parties within Northern Ireland to come together in a system of devolved government based on the principle of power-sharing, partnership or participation—however described—which both sections of the community can support and sustain.

Next, both Governments have, at our suggestion, taken practical steps to develop economic cooperation, particularly within the context of the European Community. Within the Community, the interests of Northern Ireland are often closer to those of the rest of the island than they are to those of Britain. This is true of agriculture, of the industrial and competition policies of the Community and, particularly of regional policy and regional development. The problems of Northern Ireland—like our own—are acute. We are particularly anxious to work in friendship and peace with its people in a common effort to eradicate the unemployment and low growth which have plagued both parts of our island and to which the present divisions contribute in no small way. We have achieved a fair measure of success in our policies in the Republic. In 1965, the gross domestic product per head was three-quarters of that of Northern Ireland. It is now about the same level—or possibly even a little more. Our progress within the European Community has contributed to this development. We want to see this progress shared and we believe that this can best be done within the framework which geography and economics dictate. It is towards this unity of approach that logic points: and above all, it is that way that history is moving.

President Carter in his policy statement last year on Northern Ireland undertook to provide American help in the event of a political solution. We welcomed this and so did most of the political leaders in Ireland. The prospect of practical assistance of this kind is what is necessary and what will tell in the end.

Your President, as you know, revealed in the course of a tribute to Speaker O'Neill two weeks ago, that his policy statement on Northern Ireland was formulated in consultation with the Speaker. I would like to take this opportunity to express the sincere gratitude and appreciation of my Government and people to Speaker O'Neill, Senators Kennedy and Moynihan and Governor Carey for their support for moderate and workable policies in Ireland and for their rejection of violence. With us they share the hope that our people will be united by agreement. With us they are concerned that the British Government should be more active in promoting political progress. These activities and statements are welcomed by all sides in Ireland because all sides know that these men are motivated by genuine concern.

I said earlier that a victory in Northern Ireland of one side over the other would be no victory but a disaster. It would not unite the people there: rather it would divide them even more deeply. Now, I want to say this to all our friends in America, public officials and private citizens alike. Any lobby or organisation which has or has had associations with the violence of the fanatics on one side or the other cannot help the Irish on the road to unity. It can only put obstacles on that road and divide both the Irish in Ireland and the Irish in America. Any person in this country who aligns himself with such a group for whatever reason is not helping us, because in Ireland his role will be seen as exploiting the differences between our people and not reconciling them. I make no apology for saying this here. The divided people of Northern Ireland have suffered more than enough.

Your leaders have indeed shown compassion, courage and responsibility in dealing with Ireland. Thousands of private citizens in this country have in their own way tried to help. I have already instanced the very real way that Irish-Americans can help Ireland by supporting our tourism, our exports, our investment programme. Americans can and do help also by supporting worthwhile and legitimate funds such as the Ireland Fund, Ireland's Children and Inter-Church Emergency Fund. Only two weeks ago an

Irish-American, Mr. William O'Donnell, whose parents had been evicted many decades ago from their farm in Ireland, pledged 100,000 dollars to a new trust, the O'Neill Trust, set up under the Ireland Fund to promote jobs and not destruction in Ireland. To him, to countless others in the great Irish-American community and to you, the friends of Ireland gathered here this evening, let me on behalf of the Irish Government and people say, "Nar laga Dia bhur lamha, May God Keep up Your Strength".

STATEMENT BY DR. GARRET FITZGERALD, T.D. LEADER OF THE OPPOSITION IN THE DAIL (IRISH PARLIAMENT) AND LEADER OF THE FINE GAEL PARTY, WASHINGTON, D.C., JUNE 14, 1978

Dr. FitzGerald expressed his satisfaction at the strong lead that has been given by Speaker O'Neill and Senator Kennedy, and other prominent political leaders, to Irish-American opinion in relation to Northern Ireland. He said that the statement issued jointly by the Speaker and the Senator, in conjunction with Senator Moynihan and Governor Carey fifteen months ago, at the time when Dr. FitzGerald last visited Washington as Minister for Foreign Affairs, had a beneficial effect in reducing support in the United States for violence in Ireland and in promoting support for political action in favour of power-sharing in Northern Ireland. Dr. FitzGerald also expressed his concern at the lack of political progress in Northern Ireland arising in large measure from the political deadlock at Westminster, which could endanger the whole political process in the North.

Dr. FitzGerald supported strongly the stand on violence in Northern Ireland taken by the Taoiseach (Prime Minister), Mr. Jack Lynch, during his recent visit to the United States and condemnation of the Irish National Caucus and of the public identification of Congressman Mario Biaggi with supporters of violence in Ireland.

Congressional hearings under the auspices of Congressman Biaggi could be very damaging indeed to the cause of peace in Northern Ireland and to the promotion of human rights. Human rights could not be advanced by being associated through such a hearing with those most hostile to the basic human right to live and to be free from viz the IRA and its supporters in the United States and Ireland. Nor could the cause of peace in Ireland be served by a hearing which is clearly being pressed by people linked to the promotion of violence.

During the course of his visit to Washington, Dr. FitzGerald also visited the State Department and had discussions on Northern Ireland with Counselor Nimitz and other officials.

Dr. and Mrs. FitzGerald left later to-day for Atlanta where he will to-morrow address the Southern Centre for International Studies on Direct Elections to the European Parliament. On Thursday, with other members of the Irish delegation to the Trilateral Commission, including Senator and Mrs. Myles Staunton, Dr. and Mrs. FitzGerald will attend a dinner given by the IDA in New York, and on Friday he will address the Foreign Policy Association in New York on "Brussels and Washington—New Perspectives on the Northern Ireland Issue."

STATEMENT BY MR. FRANK CLUSKEY, T.D., LEADER OF THE IRISH LABOUR PARTY, WASHINGTON, D.C., JUNE 14, 1978

Mr. Cluskey issued the following statement today:

"On the occasion of my visit to the United States I would like to associate myself with the statements on the question of violence in Northern Ireland made by the Taoiseach (Irish Prime Minister) Jack Lynch T.D. when he recently visited the United States. I share Mr. Lynch's view that the use of violence in Northern Ireland is not alone morally reprehensible but is a major obstacle to the unity of the Irish people and to political progress in Northern Ireland. As leader of the Irish Labour Party I join with the Irish Prime Minister Mr. Lynch, and indeed with the leader of the other Opposition Party Fine Gael, Dr. Garret FitzGerald, in condemning the activities of the Irish Northern Aid Committee and the Irish National Caucus. These Organizations thus stand condemned by the entire spectrum of Irish political leadership. Together with the leaders of the other two Parties, I would wish to express my deep concern about the activities and associations of Congressman Mario Biaggi and in particular his public identification when in Ireland with supporters of violence.

The cause of human rights is a basic goal of my Political Party. That cause will not be helped if it is abused by those who have or who have had a public identification with the cause of violence. It is for this reason that I am concerned to learn of efforts being made to arrange Congressional hearings under the auspices of persons in the United States who have had an association with violence. Hearings under such auspices would not alone provide a platform for those who are destroying Irish lives but would create an impression, which would be tragic, that the cause of violence enjoys considerable political influence in the Capital of this great country".

Mr. Cluskey said that when in meeting American leaders he had expressed the gratitude of his Party particularly to Speaker O'Neill and Senator Kennedy for their activities in support of a peaceful solution. He also indicated that his Party warmly welcomed President Carter's policy statement on Northern Ireland of August 30, 1977, as a significant encouragement to those who are seeking a political solution in Northern Ireland by agreement which would involve participation by the elected leaders of the two sections of the community.

Mr. Cluskey told American leaders with whom he spoke that he saw the need for British active support for a power-sharing solution as imperative. Mr. Cluskey said that all the energies of these political leaders who wished to help bring about a solution in Northern Ireland should be concentrated specifically on the promotion of power-sharing, and the apparent lack of political will by the British Government in pursuing their own declared policy with regard to power-sharing was potentially extremely dangerous and could in fact undermine the position of these people in Northern Ireland particularly from the minority group who have been endeavouring, under very difficult and dangerout circumstances, to engage in rational politics over the years. The preoccupation of the British Government with their own internal political difficulties is obviously a major factor in the lack of progress on the political front in Northern Ireland and one which persons concerned with the preservation of human life in Northern Ireland must find deeply disturbing.

BRUSSELS AND WASHINGTON—NEW PERSPECTIVES ON THE NORTHERN IRELAND ISSUE

(Speech to Foreign Policy Association, New York City, by Dr. Garret FitzGerald, June 16, 1978)

The Northern Island problem will be resolved in Northern Irsland, and by the people of Northern Ireland, just as the wider problem of the political future of the island of Ireland will be settled by the people of that island, in eventual agreement with each other. No outside force can impose a solution that will work or will last.

At the same time, no solution can be conceived which does not involve constructive British participation; Britain as the existing sovereign power in Northern Ireland has indeed a particular and onerous responsibility to discharge. Its present ability to discharge this responsibility is weakened by the fact that it is governed by a minority administration, which is at times dependent for support on the votes of members of parliament from Northern Ireland.

It is against this background that my party last February took the decision, which was speedily followed by the governing Fianna Fail Party under the Premier, Jack Lynch—to undertake a study of the economic and political implications of eventual Irish political unity and of the form this might take—most probable federal or confederal. In recent years, all the political parties in the Republic have been inhibited from clarifying their policies with respect to the eventual shape of Irish political unity by concern lest public in-depth discussion of this issue, might undermine the prospects for a favourable outcome to discussions between the political parties in Northern Ireland, which during most of this recent period have either been under way, or in prospect. The fact that no such discussions can now take place in a serious way until after the British General Election has eliminated this obstacle to the clarification by parties in the Republic of the concept of political unity, and my party's decision to initiate this process was widely welcomed, by the unionist press in Northern Ireland as well as by other sectors of opinion.

Given the persistence of political stalemate in Northern Ireland for so many years, at the cost of almost 2,000 lives, the vast majority of them Irish, through the IRA campaign of violence and the reactions it has created on the other side, the question is sometimes asked whether countries outside the two States directly concerned can help in some way to a further solution. The significance of EEC membership has also been raised in this connection.

Hitherto the EEC has made relatively little psychological impact in the Northern Ireland community, which has understandably been almost totally preoccupied with its own internal convulsions. The contrast with the Irish State, which is a full member of the nine member Community, and has benefited notably from this membership, is very marked. South of the border, the EEC looms very large indeed—possibly absorbing a greater share of public interest than in any other member State.

Yet the EEC is subtly beginning to work a change in the relationship between Northern Ireland on the one hand and the rest of Ireland and Great Britain on the other. Amongst political sophisticates, at least, and, outside the political arena, amongst the farming community in Northern Ireland, a realization is growing that the area's interests within the Community are not being adequately served, indeed cannot be adequately served, through its representation in Brussels by a British Government. Any British Government must necessarily be concerned above all with the interests of the 97¼ % of the people of the United Kingdom who live in Great Britain—and whenever a conflict arises between British and Northern Ireland interests in the Community context, there can be no doubt as to which will prevail.

Such conflicts of interest in fact arise frequently. Thus in relation to the Common

Agricultural Policy, Britain's 'cheap food' orientation is clearly antithetical to the interests of Northern Ireland, where agriculture still looms large in the economy. By contrast, when the Government of the Irish State is fighting its corner in Brussels, to defend the Common Agricultural Policy against British onslaughts, it is Irish not British Ministers who are working in the interest of Northern Ireland and its farmers. Even the most Loyalist of Northern Ireland farmers is aware of this fact, and recognizes as do Unionist politicians privately, the importance to him of the Republic's actions in EEC farm negotiations.

The same is true in respect of regional policy, where the Irish Government's plea for a greater measure of financial recognition for the most depressed areas of the Community—Southern Italy, and Ireland, North as well as South—was blocked four years ago by British insistence that equal weight be given to the needs of all areas whose income per head fell below an arbitrarily constructed level. The result was that Britain, followed inevitably by France, secured almost half the Regional Fund, so that Germany (understandably perhaps in the circumstances), decided to cut the Fund in half, as it had no wish to find itself subsidizing its two main commercial rivals in the Community, France and Britain, rather than Southern Italy and Ireland.

The Irish Government again had to defend the interests of Northern Ireland in the debate on the composition of the new directly-elected European Parliament which is to come into existence next June. It was on the insistence of the Irish Government that the Parliament was enlarged to give Northern Ireland three rather than two seats, as Britain had proposed.

These examples of how the common interest of Ireland, North and South—which was a feature of the Irish situation up till the period of industrialization in Northern Ireland in the first half of the last century—has reemerged under the conditions of EEC membership. For the moment, this common interest is not clearly visible to the two sections of the people in Northern Ireland, who are preoccupied with the—to them—more vital questions of their senses of identity as different kinds of Irish people. But, in the long run, the common economic interests of the two parts of Ireland, and the notable divergence of these interests from those of Britain, will undoubtedly prove a significant factor in the evolution of the political situation between North and South.

In recent times, the United States has come to be seen as having a potentially important role to play also. Quite a part from the great contribution to Irish peace made by the Irish-American political leaders, Speaker Tip O'Neill, Senator Edward Kennedy, Senator Pat Moynihan and Governor Hugh Carey, in giving a lead to the Irish-American opinion in support of the democratic will of the whole Irish people in favour of a peaceful solution, and against the provision of money and arms to the small group of IRA-men who still seek to hold the whole island of Ireland to ransom, there has been President Carter's initiative. His offer of major financial assistance for the recovery of the shattered economy of Northern Ireland after its politicians have found a way of working together in Government, has yet to yield fruit, but its existence is a potentially important factor in the struggle to secure peace and a just solution to the Irish problem.

To appreciate the significance of these initiatives by Irish-American leaders and by President Carter, one has to understand the true nature of the Northern Ireland problem today. Whatever may have been the case in the past, this problem does not now derive from a British desire to retain a strategic foothold in this corner of the island—indeed there are many indications that Britons would prefer to disengage from this commitment if they could do so without risking a breakdown of order in Northern Ireland. The heart of the problem today lies rather in the relationship between the two sections of the community in the North, and most particularly in the intransigence of the majority Unionist protestant community deriving from their fears of extremist Irish nationalists within Northern Ireland, in the Republic and around the world.

Among the encouraging developments of recent years have been the constant support for moderate policies and the constant rejection of violence by the overwhelming majority of the Nationalist catholic population in Northern Ireland. This has done much to undermine the Unionist myth that their Nationalist fellow citizens in Northern Ireland pose a threat to their security and civil rights.

At the same time, all three political parties in the Republic have unambiguously rejected violence and are united in their support for the principle of unification by consent. Successive Irish Governments, alternating in power during this decade, have taken effective action against that tiny minority of extremists, mainly from Northern Ireland, who have sought to use the Republic as a base from which to foment violence in the North. All this has gone a long way towards removing the suspicion of Northern Unionists that the people or the leaders and the Governments of the Republic wish to undermine their survival as a community.

One further step remained if the fears of the Northern Unionists, which lie behind their intransigence, were to be stilled, thus opening the way towards a solution of the problem of governing Northern Ireland. It was essential to establish also that neither the Government of the United States nor the leaders of the Irish-American community planned or even wished to force the Unionists of Northern Ireland to join with their fellow Irishmen in the Republic against their will. The repeated calls for an end to violence and an end to American support for violence by these eminent Americans of Irish descent, Speaker O'Neill, Senators Kennedy and Moynihan and the Governor of this State, have helped to achieve this further reassurance, laying to rest a great deal of Unionist paranoia about the Irish in America and establishing the credibility of those very Irish-American leaders to help solve the problem of Northern Ireland. The actions of these leaders are now clearly seen to be responsible, constructive, generous and even-handed rather than narrow, one-sided, selfish or potentially destructive.

We in Ireland, North and South, catholics and protestants, know that these leaders do not gain any votes or even any ephemeral support by taking the stand they have taken, but we can assure them that by their words and their actions they have helped to save lives and to improve the atmosphere in Northern Ireland for political negotiations.

We recently heard President Carter himself tell us that his policy statement on Northern Ireland last summer was in fact formulated in consultation with Speaker O'Neill. It is precisely because the Speaker and indeed the President have, with the Speaker's other Irish-American colleagues, effectively tried to address both tradition in Ireland, without giving one side or the other the advantage of claiming American influence, that they have earned the right to play a role in the solution of this problem. They have also earned this right because they have recognized the delicacy of the situation and the dangers inherent in any thoughtless actions by American leaders. In doing this, they are in marked contrast to Congressman Mario Biaggi who visited Ireland at the request of the Irish National Caucus, an organization that has repeatedly supported the cause of violence; who, while in Ireland, identified publicly with extremists on the nationalist side; and who has argued that leading supporters of the cause of violence in Ireland should, despite in some cases a proven record of involvement with violence, be permitted and indeed encouraged to visit the United States.

In speaking of the role the United States might play in helping solve the problem of Northern Ireland, I could not let this opportunity pass without strongly associating myself as leader of the opposition of the Republic of Ireland with the recent warning by the Irish Prime Minister, Mr. Jack Lynch, to Americans in relation to groups such as Noraid and the Irish National Caucus and activities such as those of Congressman Biaggi. The Irish Labour Party, the other party in our Parliament, also associates itself with our Prime Minister in this matter. The same warnings have been made to Irish-Americans by the leadership of the party that represents the vast majority of the Nationalists in Northern Ireland, the SDLP.

We, therefore, have a position where the entire spectrum of political opinion in the Republic, and the leadership of the SDLP in Northern Ireland, are united in asking Irish-Americans who would like to help those of us in Ireland who support Irish unity by agreement, to reject Noraid and the Irish National Caucus and to be aware that the activities of Mr. Biaggi are profoundly unhelpful so far as we are concerned.

President Carter on August 30 of last year joined those responsible Irish-American leaders I have mentioned calling for an end to violence and an end to support for violence in the United States. The President also joined the British and Irish Governments in calling for a just solution that would involve both sections of the community in Northern Ireland and protect human rights, and which the people of Northern Ireland as well as the British and Irish Governments could support. While I should say that the President in a telegram to me of October, 1976 had already before his election set out his support for such a policy, it is important to note that his statement of August 30 last was the first by an American President in office to outline the form of solution of the Northern Ireland problem that his Administration would like to see. I would add that this form of solution has the support of the British and Irish Governments and, as recent polls have demonstrated, of the vast majority of people in Northern Ireland.

The President in this statement also committed the United States Government to provide job-creating aid to Northern Ireland in the event that a peaceful settlement could be achieved. This commitment was welcomed by the Irish and British Governments and the leaders of all moderate parties in the island of Ireland because it clearly provides an inducement to politicians in Northern Ireland to work for a solution. All politicians like to play a role in bringing new jobs into their areas and there are very few politicians of even the most extreme views in Northern Ireland who would wish to be seen to reject the opportunity of helping to find jobs for their very many unemployed constituents.

Against this EEC and North American background, it seems to me that we should, together with the British Government and those other Governments with which we have intimate and important connections, notably our partners in the European Community and the United States, (towards which all the Irish people, North and South, look with almost unique affection) examine ways in which we could together ensure the long-term stability and development of our island.

I have said that it is my firm belief that it is now increasingly in the objective interest of all the people of Northern Ireland that in some key areas they should work jointly with us rather than with Britain. I would hope that their understanding of this as a sensible and materially worthwhile approach would grow as violence dies out and reconciliation promotes trust and confidence between the two traditions in Irish life. A major obstacle to securing understanding and support for such a development is the sense of economic dependence on the British Government that has grown up particularly in recent years on the part of the people of Northern Ireland. A principal source of this attitude has been the British subsidy to maintain the public services of Northern Ireland at the level of the rest of the United Kingdom—a subsidy which, partly because of special costs imposed by violence in the North, now amounts to one and one-half billion dollars over and above revenues collected in Northern Ireland.

In short, a very difficult problem in developing a new Irish understanding would be the replacement of this subsidy, were it to be withdrawn even gradually. Now, while the Carter policy statement in no way envisages at this point that the United States Government itself is committed to support for Irish unity, there is in this initiative a definite implication that the United States Government would like to help if it could in implementing any solution of the Irish problem that had the support of the people in Northern Ireland.

My position, and the position of public opinion in the Republic of Ireland, is that Irish unity should come only by consent of the people of Northern Ireland. It is my view that if we can secure the consent of the majority of the people of Northern Ireland to seeing a form of Irish unity as the long-term solution to their problems, it would be important, that not alone the British Government but the United States Government and the Governments of our partners in the European Community should be willing to help to implement the will of the people of Northern Ireland in that regard.

Perhaps the most important aspect at this moment of President Carter's statement is that it shows concern and provides encouragement to those who are trying to find a solution. Like the position taken by the four Irish-American leaders, President Carter's statement is a compassionate, generous and encouraging policy that has helped to clear the way for a political solution to the immediate problem of the achievement of developed self-government within Northern Ireland on a basis of shared responsibility between the two sections of the community there, and that may also have pointed a way forward toward an eventual agreed solution of the problem of Irish unity.●

THE SUPREME COURT DECISION ON RIGHTS OF THE PRESS

● Mr. MARK O. HATFIELD. Mr. President, on Wednesday, May 31, 1978 the United States Supreme Court, in the case of Zurcher v. the Stanford Daily, announced that the first amendment does not protect newspaper offices from being searched by police, with a warrant, for information on evidence they expect to find.

In reaching the decision, the Supreme Court rejected the argument of the Nation's press that subpenas, and not search warrants, were a more appropriate means for obtaining information from the newspaper files, as long as no member of the staff was suspected of criminal involvement.

The case evolved from a 1971 search of the offices of the Stanford Daily at Stanford University. The search occurred after police and demonstrators clashed at the Stanford University Hospital resulting in the injury of nine policemen. A warrant was obtained by the police to search the files, photo laboratory, desks and wastebaskets of the Stanford Daily in a fruitless search for the identity of the demonstrators responsible for the injuries to the policemen.

Mr. President, I am concerned about the implications of the Supreme Court decision on the 4th and 14th amendment rights of the Nation's press to be free from unreasonable searches. Legislation has been proposed to insure that these rights will be protected and I will be considering this bill very closely. Because of the far reaching potential impact of this decision, I ask that the decision be printed in the RECORD.

The decision follows:

[NOS. 76–1484 AND 76–1600]

SYLLABUS

James Zurcher, Etc., et al., Petitioners, 76–1484 *v.* The Stanford Daily et al.

Louis P. Bergna, District Attorney, and Craig Brown, Petitioners, 76–1600 *v.* The Stanford Daily et al.

On Writs of Certiorai to the United States Court of Appeals for the Ninth Circuit.

(May 31, 1978)

Respondents, a student newspaper that had published articles and photographs of a clash between demonstrators and police at a hospital, and staff members, brought this action under 42 U.S.C. § 1983 against, *inter alia*, petitioners, law enforcement and district attorney personnel, claiming that a search pursuant to a warrant issued on a judge's finding of probable cause that the newspaper (which was not involved in the unlawful acts) possessed photographs and negatives revealing the identities of demonstrators who had assaulted police officers at the hospital and deprived respondents of their constitutional rights. The District Court granted declaratory relief, holding that the Fourth Amendment as made applicable to the States by the Fourteenth forbade the issuance of a warrant to search for materials in possession of one not suspected of crime unless there is probable cause, based on facts presented in a sworn affidavit, to believe that a subpoena *duces tecum* would be impracticable. Failure to honor the subpoena would not alone justify issuance of a warrant; it would also have to appear that the possessor of the objects sought would disregard a court order not to remove or destroy them. The court also held that where the innocent object of the search is a newspaper First Amendment interests make the search constitutionally permissible "only in the rare circumstances where there is a *clear showing* that (1) important materials will be destroyed or removed from the jurisdiction; *and* (2) a restraining order would be futile." The Court of Appeals affirmed. *Held:*

1. A State is not prevented by the Fourth and Fourteenth Amendments from issuing a warrant to search for evidence simply because the owner or possessor of the place to be searched is not reasonably suspected of criminal involvement. The critical element in a reasonable search is not that the property owner is suspected of crime but that there is reasonable cause to believe that the "things" to be searched for and seized are located on the property to which entry is sought.

2. The District Court's new rule denying search warrants against third parties and insisting on subpoenas would undermine law enforcement efforts since search warrants are often used early in an investigation before all the perpetrators of a crime have been identified; and the seemingly blameless third party may be implicated. The delay in employing a subpoena *duces tecum* could easily result in disappearance of the evidence. Nor would the cause of privacy be served since search warrants are more difficult to obtain than subpoenas.

3. Properly administered, the preconditions for a search warrant (probable cause, specificity with respect to the place to be searched and the things to be seized, and overall reasonableness), which must be applied with particular exactitude when First Amendment interests would be endangered by the search, are adequate safeguards against the interference with the press' ability to gather, analyze, and disseminate news that respondents claim would ensue from use of warrants for third-party searches of newspaper offices.

550 F. 2d 464, reversed.

WHITE, J., delivered the opinion of the Court, in which BURGER C. J., and BLACKMUN, POWELL, and REHNQUIST, JJ., joined. POWELL, J., filed a concurring opinion. STEWART, J., filed dissenting opinion, in which MARSHALL, J., joined. STEVENS, J., filed a dissenting opinion. BRENNAN, J., took no part in the consideration or decision of the cases.

Mr. Justice White delivered the opinion of the Court.

The terms of the Fourth Amendment, applicable to the State by virtue of the Fourteenth Amendment, are familiar:

"The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

As heretofore understood, the Amendment has not been a barrier to warrants to search property on which there is probable cause to believe that fruits, instrumentalities, or evidence of crime is located, whether or not the owner or possessor of the premises to be searched is himself reasonably suspected of complicity in the crime being investigated. We are now asked to reconstrue the Fourth Amendment and to hold for the first time that when the place to be searched is occupied by a person not then a suspect, a warrant to search for criminal objects and evidence reasonably believed to be located there should not issue except in the most unusual circumstances, and that except in such circumstances, a subpoena *duces tecum* must be relied upon to recover the objects or evidence sought.

I

Late in the day on Friday, April 9, 1971, officers of the Palo Alto Police Department and of the Santa Clara County Sheriff's Department responded to a call from the director of

the Stanford University Hospital requesting the removal of a large group of demonstrators who had seized the hospital's administrative offices and occupied them since the previous afternoon. After several futile efforts to persuade the demonstrators to leave peacefully, more drastic measures were employed. The demonstrators had barricaded the doors at both ends of a hall adjacent to the administrative offices. The police chose to force their way in at the west end of the corridor. As they did so, a group of demonstrators emerged through the doors at the east end and, armed with sticks and clubs, attacked the group of nine police officers stationed there. One officer was knocked to the floor and struck repeatedly on the head; another suffered a broken shoulder. All nine were injured.[1] There were no police photographers at the east doors, and most bystanders and reporters were on the west side. The officers themselves were able to identify only two of their assailants, but one of them did see at least one person photographing the assault at the east doors.

On Sunday, April 11, a special edition of the Stanford Daily (Daily), a student newspaper published at Stanford University, carried articles and photographs devoted to the hospital protest and the violent clash between demonstrators and police. The photographs carried the byline of a Daily staff member and indicated that he had been at the east end of the hospital hallway where he could have photographed the assault on the nine officers. The next day, the Santa Clara County District Attorney's Office secured a warrant from the municipal court for an immediate search of the Daily's offices for negatives, film and pictures showing the events and occurrences at the hospital on the evening of April 9. The warrant issued on a finding of "just, probable and reasonable cause for believing that: Negatives and photographs and films, evidence material and relevant to the identification of the perpetrators of felonies, to wit, Battery on a Peace Officer, and Assault with a Deadly Weapon, will be located [on the premises of the Daily]." App. 31–32. The warrant affidavit contained no allegation or indication that members of the Daily staff were in any way involved in unlawful acts at the hospital.

The search pursuant to the warrant was conducted later that day by four police officers and took place in the presence of some members of the Daily staff. The Daily's photographic laboratories, filing cabinets, desks, and waste paper baskets were searched. Locked drawers and rooms were not opened. The officers apparently had opportunity to read notes and correspondence during the search; but contrary to claims of the staff, the officers denied that they had exceeded the limits of the warrant.[2] They had not been advised by the staff that the areas they were searching contained confidential materials. The search revealed only the photographs that had already been published on April 11, and no materials were removed from the Daily's office.

A month later the Daily and various members of its staff, respondents here, brought a civil action in the United States District Court for the Northern District of California seeking declaratory and injunctive relief under 42 U.S.C. § 1983 against the police officers who conducted the search, the chief of police, the district attorney and one of his deputies, and the judge who had issued the warrant. The complaint alleged that the search of the Daily's office had deprived respondents under color of state law of rights secured to them by the First, Fourth, and Fourteenth Amendments of the United States Constitution.

Footnotes at end of article.

The District Court denied the request for an injunction but on respondents' motion for summary judgment, granted declaratory relief. *Stanford Daily* v. *Zurcher*, 353 F. Supp. 124 (ND Cal. 1972). The court did not question the existence of probable cause to believe that a crime had been committed and to believe that relevant evidence would be found on the Daily's premises. It held, however, that the Fourth and Fourteenth Amendments forbade the issuance of a warrant to search for materials in possession of one not suspected of crime unless there is probable cause to believe, based on facts presented in a sworn affidavit, that a subpoena *duces tecum* would be impracticable. Moreover, the failure to honor a subpoena would not alone justify a a warrant; it must also appear that the possessor of the objects sought would disregard a court order not to remove or destroy them. The District Court further held that where the innocent object of the search is a newspaper, First Amendment interests are also involved and that such a search is constitutionally permissible "only in the rare circumstances where there is a *clear showing* that (1) important materials will be destroyed or removed from the jurisdiction; *and* (2) a restraining order would be futile." *Id.*, at 135. Since these preconditions to a valid warrant had not been satisfied here, the search of the Daily's offices was declared to have been illegal. The Court of Appeals affirmed *per curiam*, adopting the opinion of the District Court. 550 F. 2d 464 (CA9 1977).[3] We issued the writs of certiorari requested by petitioners. —— U.S. —— (1977).[4] We reverse.

II

The issue here is how the Fourth Amendment is to be construed and applied to the "third party" search, the recurring situation where state authorities have probable cause to believe that fruits, instrumentalities, or other evidence of crime is located on identified property but do not then have probable cause to believe that the owner or possessor of the property is himself implicated in the crime that has occurred or is occurring. Because under the District Court's rule impracticability can be shown only by furnishing facts demonstrating that the third party will not only disobey the subpoena but will also ignore a restraining order not to move or destroy the property, it is apparent that only in unusual situations could the State satisfy such a severe burden and that for all practical purposes the effect of the rule is that fruits, instrumentalities, and evidence of crime may be recovered from third parties only by subpoena, not by search warrant. At least, we assume that the District Court did not intend its rule to be toothless and anticipated that only subpoenas would be available in many cases where without the rule a search warrant would issue.

It is an understatement to say that there is no direct authority in this or any other federal court for the District Court's sweeping revision of the Fourth Amendment.[5] Under existing law, valid warrants may be issued to search *any* property, whether or not occupied by a third party, at which there is probable cause to believe that fruits, instrumentalities, or evidence of a crime will be found. Nothing on the face of the Amendment suggests that a third-party search warrant should not normally issue. The warrant clause speaks of search warrants issued on "probable cause" and "particularly describing the place to be searched and the persons or things to be seized." In situations where the State does not seek to seize "persons" but only those " things" which there is probable cause to believe are located on the place to be searched, there is no apparent basis in the language of the Amendment for also imposing the requirements for a valid arrest—probable cause to believe that the third party is implicated in the crime.

As the Fourth Amendment has been construed and applied by this Court, "when the State's reason to believe incriminating evidence will be found becomes sufficiently great, the invasion of privacy becomes justified and a warrant to search and seize will issue." *Fisher* v. *United States*, 425 U.S. 391, 400 (1976). In *Camara* v. *Municipal Court*, 387 U.S. 523, 534–535 (1967), we indicated that in applying the "probable cause" standard "by which a particular decision to search is tested against the constitutional standard of reasonableness," it is necessary "to focus upon the governmental interest which allegedly justifies the official intrusion" and that in criminal investigations, a warrant to search for recoverable items is reasonable "only when there is 'probable cause' to believe they will be uncovered in a particular dwelling." Search warrants are not directed at persons; they authorize the search of "places" and the seizure of "things," and as a constitutional matter they need not even name the person from whom the things will be seized, *United States* v. *Kahn*, 415 U.S. 143, 155 n. 15 (1974).

Because the State's interest in enforcing the criminal law and recovering evidence is the same whether the third party is culpable or not, the premise of the District Court's holding appears to be that State entitlement to a search warrant depends on the culpability of the owner or possessor of the place to be searched and on the State's right to arrest him. The cases are to the contrary. Prior to *Camara* v. *Municipal Court*, *supra*, and *See* v. *City of Seattle*, 387 U.S. 541 (1967), the central purpose of the Fourth Amendment was seen to be the protection of individual against official searches for evidence to convict him of a crime. Entries upon property for civil purposes, where the occupant was suspected of no criminal conduct whatsoever, involved a more peripheral concern and the loss intense "right to be secure from intrusion into personal privacy." *Frank* v. *Maryland*, 359 U.S. 360, 365 (1959); *Camara* v. *Municipal Court*, *supra*, at 530. Such searches could proceed without warrant, as long as the State's interest was sufficiently substantial. Under this view, the Fourth Amendment was more protective where the place to be searched was occupied by one suspected of crime and the search was for evidence to use against him. *Camara* and *See*, disagreeing with *Frank* to this extent, held that a warrant is required where entry is sought for civil purposes, as well as when criminal law enforcement is involved. Neither case, however, suggested that to secure a search warrant the owner or occupant of the place to be inspected or searched must be suspected of criminal involvement. Indeed, both cases held that a less stringent standard of probable cause is acceptable where the entry is not to secure evidence of crime against the possessor.

We have suggested nothing to the contrary since *Camara* and *See*. Indeed, *Colonnade Catering Corp.* v. *United States*, 397 U.S. 72 (1970), and *United States* v. *Biswell*, 406 U.S. 311 (1972), dispensed with the warrant requirement in cases involving limited types of inspections and searches.

The critical element in a reasonable search is not that the owner of the property is suspected of crime but that there is reasonable cause to believe that the specific "things" to be searched for and seized are located on the property to which entry is sought.[6] In *Carroll* v. *U.S.* 267 U. S. 132 (1925), it was claimed that the seizure of liquor was unconstitutional because the occupant of a car stopped with probable cause to believe that it was carrying illegal liquor was not subject to arrest. The Court, however, said:

"If their theory were sound, their conclusion would be. The validity of the seizure then would turn wholly on the validity of the arrest without a seizure. But the theory is unsound. The right to search and the validity of the seizure are not dependent on the right to arrest. They are dependent on the reasonable cause the seizing officer has for belief that the contents of the automobile offered against the law." *Id.* at 158–159.

The Court's ultimate conclusion was that "the officers here had justification for the search and seizure," that is, a reasonable "belief that intoxicating liquor was being transported in the automobile which they stopped and searched." 267 U.S., at 162. See also *Husty* v. *United States*, 282 U.S. 694, 700–701 (1931).

Rule 41 of the Federal Rules of Criminal Procedure, which reflects "[t]he Fourth Amendment's policy against unreasonable search and seizures." *United States* v. *Ventresca*, 380 U.S. 102, 105 n. 1 (1965), authorizes warrants to search for contraband, fruits or instrumentalities of crime or "any . . . property that constitutes evidence of the commission of a criminal offense. . . ." Upon proper showing, the warrant is to issue "identifying the property and naming or describing the person or place to be searched." Probable cause for the warrant must be presented, but there is nothing in the Rule indicating that the officers must be entitled to arrest the owner of the "place" to be searched before a search warrant may issue and the "property" may be searched for and seized. The Rule deals with warrants to search, and is unrelated to arrests. Nor is there anything in the Fourth Amendment indicating that absent probable cause to arrest a third party, resort must be had to a subpoena.[7]

The Court of Appeals for the Sixth Circuit expressed the correct view of Rule 41 and of the Fourth Amendment when, disagreeing with the decisions of the Court of Appeals and the District Court in the present case, it ruled that "[o]nce it is established that probable cause exists to believe a federal crime has been committed a warrant may issue for the search of any property which the magistrate has probable cause to believe may be the place of concealment of evidence of the crime." *United States* v. *Manufacturers Nat. Bank of Detroit*, 536 F. 2d 699, 703 (1976), cert. denied *sub nom. Wingate* v. *United States*, 429 U.S. 1039 (1977). Accord, *State* v. *Tunnel Citgo Services*, 149 N. J. Super. 427, 433, 374 A. 2d 32, 35 (1977).

The net of the matter is that "[s]earches and seizures in a technical sense, are independent of, rather than ancillary to, arrest and arraignment." American Law Institute. A Model Code of Pre-Arraignment Procedure, Commentary 491 (1975). The Model Code provides that the warrant application "shall describe with particularity the individuals or places to be searched and the individuals or things to be seized, and shall be supported by one or more affidavits particularly setting forth the facts and circumstances tending to show that such individuals or things are or will be in the places, or the things are or will be in possession of the individuals to be searched." § SS 220.1 (3). There is no suggestion that the occupant of the place to be searched must himself be implicated in misconduct.

Against this background, it is untenable to conclude that property may not be searched unless its occupant is reasonably suspected of crime and is subject to arrest. And if those considered free of criminal involvement may nevertheless be searched or inspected under civil statutes, it is difficult to understand why the Fourth Amendment would prevent entry onto their property to recover evidence of a crime not committed by them but by others. As we understand the structure and language of the Fourth Amendment and our cases expounding it, valid warrants to search property may be issued when it is satisfactorily demonstrated to the magistrate that fruits, instrumentalities, or evidence of crime is located on the premises. The Fourth Amendment has itself struck the balance between privacy and public need, and there is no occasion or justification for a court to revise the Amendment and strike a new balance by denying the search warrant in the circumstances present here and by insisting that the investigation proceed by subpoena *duces tecum*, whether on the theory that the latter is a less intrusive alternative, or otherwise.

This is not to question that "reasonableness" is the overriding test of compliance with the Fourth Amendment or to assert that searches, however or whenever executed, may never be unreasonable if supported by a warrant issued on probable cause and properly identifying the place to be searched and the property to be seized. We do hold, however, that the courts may not, in the name of Fourth Amendment reasonableness, forbid the States from issuing warrants to search for evidence simply because the owner or possessor of the place to be searched is not then reasonably suspected of criminal involvement.

III

In any event, the reasons presented by the District Court and adopted by the Court of Appeals for arriving at its remarkable conclusion do not withstand analysis. First, as we have said, it is apparent that whether the third-party occupant is suspect or not, the State's interest in enforcing the criminal law and recovering the evidence remains the same; and it is the seeming innocence of the property owner that the District Court relied on to foreclose the warrant to search. But as respondents themselves now concede, if the third party knows that contraband or other illegal materials are on his property, he is sufficiently culpable to justify the issuance of a search warrant. Similarly, if his ethical stance is the determining factor, it seems to us that whether or not he knows that the sought-after articles are secreted on his property and whether or not he knows that the articles are in fact the fruits, instrumentalities, or evidence of crime, he will be so informed when the search warrant is served, and it is doubtful that he should then be permitted to object to the search, to withhold, if it is there, the evidence of crime reasonably believed to be possessed by him or secreted on his property, and to forbid the search and insist that the officers serve him with a subpoena *duces tecum*.

Second, we are unpersuaded that the District Court's new rule denying search warrants against third parties and insisting on subpoenas would substantially further privacy interests without seriously undermining law enforcement efforts. Because of the fundamental public interest in implementing the criminal law, the search warrant, a heretofore effective and constitutionally acceptable enforcement tool, should not be suppressed on the basis of surmise and without solid evidence supporting the change. As the District Court understands it, denying third-party search warrants would not have substantial adverse effects on criminal investigations because the nonsuspect third party, once served with a subpoena, will preserve the evidence and ultimately lawfully respond. The difficulty with this assumption is that search warrants are often employed early in an investigation, perhaps before the identity of any likely criminal and certainly before all the perpetrators are or could be known. The seemingly blameless third party in possession of the fruits or evidence may not be innocent at all; and if he is, he may nevertheless be so related to or so sympathetic with the culpable that he cannot be relied upon to: retain and preserve the articles that may implicate his friends, or at least not to notify those who would be damaged by the evidence that the authorities are aware of its location. In any event, it is likely that the real culprits will have access to the property, and the delay involved in employing the subpoena *duces tecum*, offering as it does the opportunity to litigate its validity, could easily result in the disappearance of the evidence, whatever the good faith of the third party.

Forbidding the warrant and insisting on the subpoena instead when the custodian of the object of the search is not then suspected of crime, involves hazards to criminal investigation much more serious than the District Court believed; and the record is barren of anything but the District Court's assumptions to support its conclusions.[8] At the very least, the burden of justifying a major revision of the Fourth Amendment has not been carried.

We are also not convinced that the net gain to privacy interests by the District Court's new rule would be worth the candle.[9] In the normal course of events, search warrants are more difficult to obtain than subpoenas, since the latter do not involve the judiciary and do not require proof of probable cause. Where, in the real world, subpoenas would suffice, it can be expected that they will be employed by the rational prosecutor. On the other hand, when choice is available under local law and the prosecutor chooses to use the search warrant, it is unlikely that he has needlessly selected the more difficult course. His choice is more likely to be based on the solid belief, arrived at through experience but difficult, if not impossible, to sustain in a specific case, that the warranted search is necessary to secure and to avoid the destruction of evidence.[10]

IV

The District Court held, and respondents assert here, that whatever may be true of third-party searches generally, where the third party is a newspaper, there are additional factors derived from the first Amendment that justify a nearly *per se* rule forbidding the search warrant and permitting only the subpoena *duces tecum*. The general submission is that searches of newspaper offices for evidence of crime reasonably believed to be on the premises will seriously threaten the ability of the press to gather, analyze, and disseminate news. This is said to be true for several reasons: first, searches will be physically disruptive to such an extent that timely publication will be impeded. Second, confidential sources of information will dry up, and the press will also lose opportunities to cover various events because of fears of the participants that press files will be readily available to the authorities. Third, reporters will be deterred from recording and preserving their recollections for future use if such information is subject to seizure. Fourth, the processing of news and its dissemination will be chilled by the prospects that searches will disclose internal editorial deliberations. Fifth, the press will resort to self-censorship to conceal its possession of information of potential interest to the police.

It is true that the struggle from which the Fourth Amendment emerged "is largely a

Footnotes at end of article.

history of conflict between the Crown and the press," *Stanford* v. *Texas*, 379 U.S. 476, 482 (1965), and that in issuing warrants and determining the reasonableness of a search, state and federal magistrates should be aware that "unrestricted power of search and seizure could also be an instrument for stifling liberty of expression." *Marcus* v. *Search Warrant*, 367 U.S. 717, 729 (1961). Where the materials sought to be seized may be protected by the First Amendment, the requirements of the Fourth Amendment must be applied with "scrupulous exactitude." *Stanford* v. *Texas*, *supra*, at 485. "A seizure reasonable as to one type of material in one setting may be unreasonable in a different setting or with respect to another kind of material." *Roaden* v. *Kentucky*, 413 U.S. 496, 501 (1973). Hence, in *Stanford* v. *Texas*, the Court invalidated a warrant authorizing the search of a private home for all books, records, and other materials relating to the Communist Party, on the ground that whether or not the warrant would have been sufficient in other contexts, it authorized the searchers to rummage among and make judgments about books and papers and was the functional equivalent of a general warrant, one of the principal targets of the Fourth Amendment. Where presumptively protected materials are sought to be seized, the warrant requirement should be administered to leave as little as possible to the discretion or whim of the officer in the field.

Similarly, where seizure is sought of allegedly obscene materials, the judgment of the arresting officer alone is insufficient to justify issuance of a search warrant or a seizure without a warrant incident to arrest. The procedure for determining probable cause must afford an opportunity for the judicial officer to "focus searchingly on the question of obscenity." *Marcus* v. *Search Warrant*, *supra*, at 732; *A Quantity of Books* v. *Kansas*, 378 U.S. 205, 210 (1964); *Lee Art Theatre, Inc.* v. *Virginia*, 392 U.S. 636, 637 (1968); *Roaden* v. *Kentucky*, *supra*, at 502; *Heller* v. *New York*, 413 U.S. 483, 489 (1973).

Neither the Fourth Amendment nor the cases requiring consideration of First Amendment values in issuing search warrants, however, call for imposing the regime ordered by the District Court. Aware of the long struggle between Crown and press and desiring to curb unjustified official intrusions, the Framers took the enormously important step of subjecting searches to the test of reasonableness and to the general rule requiring search warrants issued by neutral magistrates. They nevertheless did not forbid warrants where the press was involved, did not require special showings that subpoenas would be impractical, and did not insist that the owner of the place to be searched, if connected with the press, must be shown to be implicated in the offense being investigated. Further, the prior cases do no more than insist that the courts apply the warrant requirements with particular exactitude when First Amendment interests would be endangered by the search. As we see it, no more than this is required where the warrant requested is for the seizure of criminal evidence reasonably believed to be on the premises occupied by a newspaper. Properly administered, the preconditions for a warrant—probable cause, specificity with respect to the place to be searched and the things to be seized, and overall reasonableness—should afford sufficient protection against the harms that are assertedly threatened by warrants for searching newspaper offices.

There is no reason to believe, for example, that magistrates cannot guard against searches of the type, scope, and intrusiveness that would actually interfere with the timely publication of a newspaper. Nor, if the requirements of specificity and reasonableness are properly applied, policed, and observed, will there be any occasion or opportunity for officers to rummage at large in newspaper files or to intrude into or to deter normal editorial and publication decisions. The warran issued in this case authorized nothing of this sort. Nor are we convinced, anymore than we were in *Branzburg* v. *Hayes*, 408 U.S. 665 (1972), that confidential sources will disappear and that the press will suppress news because of fears of warranted searches. Whatever incremental effect there may be in this regard if search warrants, as well as subpoenas, are permissible in proper circumstances, it does not make a constitutional difference in our judgment.

The fact is that respondents and *amici* have pointed to only a very few instances in the entire United States since 1971 involving the issuance of warrants for searching newspaper premises. This reality hardly suggests abuse; and if abuse occurs, there will be time enough to deal with it. Furthermore, the press is not only an important, critical, and valuable asset to society, but it is not easily intimidated—nor should it be.

Respondents also insist that the press should be afforded opportunity to litigate the State's entitlement to the material it seeks before it is turned over or seized and that whereas the search warrant procedure is defective in this respect, resort to the subpoena would solve the problem. The Court has held that a restraining order imposing a prior restraint upon free expression is invalid for want of notice and opportunity for a hearing, *Carroll* v. *Princess Anne*, 393 U.S. 175 (1968), and that seizures not merely for use as evidence but entirely removing arguably protected materials from circulation may be effected only after an adversary hearing and a judicial finding of obscenity. *A Quantity of Books* v. *Kansas*, 378 U.S. 205 (1964). But presumptively protected materials are not necessarily immune from seizure under warrant for use at a criminal trial. Not every such seizure, and not even most, will impose a prior restraint. *Heller* v. *New York*, *supra*. And surely a warrant to search newspaper premises for criminal evidence such as the one issued here for news photographs taken in a public place carries no realistic threat of prior restraint or of any direct restraint whatsoever on the publication of the Daily or on its communication of ideas. The hazards of such warrants can be avoided by a neutral magistrate carrying out his responsibilities under the Fourth Amendment, for he has ample tools at his disposal to confine warrants to search within reasonable limits.

We note finally that if the evidence sought by warrant is sufficiently connected with the crime to satisfy the probable cause requirement, it will very likely be sufficiently relevant to justify a subpoena and to withstand a motion to quash. Further, Fifth Amendment and state shield law objections that might be asserted in opposition to compliance with a subpoena are largely irrelevant to determining the legality of a search warrant under the Fourth Amendment. Of course, the Fourth Amendment does not prevent or advise against legislative or executive efforts to establish nonconstitutional protections against possible abuses of the search warrant procedure, but we decline to reinterpret the Amendment to impose a general constitutional barrier against warrants to search newspaper premises, to require resort to subpoenas as a general rule, or to demand prior notice and hearing in connection with the issuance of search warrants.

V

We accordingly reject the reasons given by the District Court and adopted by the Court of Appeals for holding the search for photographs at the *Stanford Daily* to have been unreasonable within the meaning of the Fourth Amendment and in violation of the First Amendment. Nor has anything else presented here persuaded us that the Amendments forbade this search. It follows that the judgment of the Court of Appeals is reversed.

So ordered.

MR. JUSTICE BRENNAN took no part in the consideration or decision of this case.

FOOTNOTES

[1] There was extensive damage to the administrative offices resulting from the occupation and the removal of the demonstrators.

[2] The District Court did not find it necessary to resolve this dispute.

[3] The Court of Appeals also approved the award of attorney's fees to respondents pursuant to the Civil Rights Attorneys' Fees Award Act of 1976, 42 U.S.C. § 1988. We do not consider the propriety of this award in light of our disposition on the merits reversing the judgment upon which the award was predicated.

[4] Petitioners in No. 76–1484 are the chief of police and the officers under his command who conducted the search. Petitioners in No. 76–1600 are the district attorney and a deputy district attorney who participated in the obtaining of the search warrant. The action against the judge who issued the warrant was subsequently dismissed upon the motion of respondents.

[5] Respondents rely on four state cases to support the holding that a warrant may not issue unless it is shown that a subpoena is impracticable: *Owens* v. *Way*, 141 Ga. 796, 82 S. E. 132 (1914); *Newberry* v. *Carpenter*, 107 Mich. 567, 65 N. W. 530 (1895); *People* v. *Carver*, 172 Misc. 820, 16 N. Y. S. 2d 268 (County Ct. 1939), and *Commodity Mfg. Co.* v. *Moore*, 198 N. Y. S. 45 (Sup. Ct. 1923). None of these cases, however, stands for the proposition arrived at by the District Court and urged by respondents. The District Court also drew upon *Bacon* v. *United States*, 449 F.2d 933 (CA9 1971), but that case dealt with arrest of a material witness and is unpersuasive with respect to the search for criminal evidence.

[6] The same view has been expressed by those who have given close attention to the Fourth Amendment. "It does not follow, however, that probable cause for arrest would justify the issuance of a search warrant, or, on the other hand, that probable cause for a search warrant would necessarily justify an arrest. Each requires probabilities as to somewhat different facts and circumstances—a point which is seldom made explicit in the appellate cases . . .

This means, for one thing, that while probable cause for arrest requires information justifying a reasonable belief that a crime has been committed and that a particular person committed, a search warrant may be issued on a complaint which does not identify any particular person as the likely offender. Because the complaint for a search warrant is not 'filed as the basis of a criminal prosecution,' [citation omitted] it need not identify the person in charge of the premises or name the person in possession or any other person as the offender." LaFave, Search and Seizure: "The Course of True Law . . . Has Not . . . Run Smooth," Law Forum, Summer 1966, 255, 260–261. "Furthermore, a warrant may issue to search the premises of anyone, without any showing that the occupant is guilty of any offense whatever." T. Taylor, Two Studies in Constituntional Interpretation 48–49 (1969). "Search warrants may be issued only by a neutral and detached judicial officer, upon a showing of probable cause—that is, reasonable grounds to believe—that criminally related objects

are in the place which the warrant authorizes to be searched, at the time when the search is authorized to be conducted." [Citations omitted.] Amsterdam, Perspectives on the Fourth Amendment, 58 Minn. L. Rev. 349, 358 (1974).

"Two conclusions necessary to the issuance of the warrant must be supported by substantial evidence: that the items sought are in fact seizable by virtue of being connected with criminal activity, and that the items will be found in the place to be searched. By comparison, the right of arrest arises only when a crime is committed or attempted in the presence of the arresting officer or when the officer has 'reasonable grounds to believe'—sometimes stated 'probable cause to believe'—that a felony has been committed by the person to be arrested. Although it would appear that the conclusions which justify either arrest or the issuance of a search warrant must be supported by evidence of the same degree of probity, it is clear that the conclusions themselves are not identical.

"In the case of arrest, the conclusion concerns the guilt of the arrestee, whereas in the case of search warrants, the conclusions go to the connection of the items sought with crime and to their present location." Comment, 28 U. Chi. L. Rev. 664, 687 (1961).

[7] Petitioners assert that third-party searches have long been authorized under California Penal Code § 1524, which provides that fruits, instrumentalities and evidence of crime "may be taken on the warrant from any place, or from any person in whose possession [they] may be." The District Court did not avert to this provision.

[8] It is also far from clear, even apart from the dangers of destruction and removal, whether the use of the subpoena *duces tecum* under circumstances where there is probable cause to believe that a crime has been committed and that the materials sought constitute evidence of its commission will result in the production of evidence with sufficient regularity to satisfy the public interest in law enforcement. Unlike the individual whose privacy is invaded by a search, the recipient of a subpoena may assert the Fifth Amendment privilege against self-incrimination in response to a summons to produce evidence or give testimony. See *Maness* v. *Myers*, 419 U.S. 449 (1975). This privilege is not restricted to suspects. We have construed it broadly as covering any individual who might be incriminated by the evidence in connection with which the privilege is asserted. *Hoffman* v. *United States*, 341 U.S. 479 (1951). The burden of overcoming an assertion of the Fifth Amendment privilege, even if prompted by a desire not to cooperate rather than any real fear of self-incrimination, is one which prosecutors would rarely be able to meet in the early stages of an investigation despite the fact they did not regard the witness as a suspect. Even time spent litigating such matters could seriously impede criminal investigations.

[9] We reject totally the reasoning of the District Court that additional protections are required to assure that the Fourth Amendment rights of third parties are not violated because of the unavailability of the exclusionary rule as a deterrent to improper searches of premises in the control of nonsuspects. 353 F. Supp., at 131–132. In *Alderman* v. *United States*, 394 U.S. 165 (1969), we expressly ruled that suppression of the fruits of a Fourth Amendment violation may be urged only by those whose rights were infringed by the search itself and not by those aggrieved solely by the introduction of incriminating evidence. The predicate for this holding was that the additional deterrent effect of permitting defendants whose Fourth Amendment rights had not been violated to challenge infringements of the privacy interests of others did not "justify further encroachment upon the public interest in prosecuting those accused of crime and having them acquitted or convicted on the basis of all the evidence which exposes the truth." *Id.*, at 175. For similar reasons, we conclude that the interest in deterring illegal third-party searches does not justify a rule such as that adopted by the District Court. It is probably seldom that police during the investigatory stage when most searches occur will be so convinced that no potential defendant will have standing to exclude evidence on Fourth Amendment grounds that they will feel free to ignore constitutional restraints. In any event, it would be placing the cart before the horse to prohibit searches otherwise conforming to the Fourth Amendment because of a perception that the deterrence provided by the existing rules of standing is insufficient to discourage illegal searches. Cf. *Warden* v. *Hayden*, 387 U.S. 294, 309 (1967). Finally, the District Court overlooked the fact that the California Supreme Court has ruled as a matter of state law that the legality of a search and seizure may be challenged by anyone against whom evidence thus obtained is used. *Kaplan* v. *Superior Court*, 6 Cal. 3d 150, 491 P. 2d 1 (1971).

[10] Petitioners assert that the District Court ignored the realities of California law and practice that are said to preclude or make very difficult the use of subpoenas as investigatory techniques. If true, the choice of procedures may not always be open to the diligent prosecutor in the State of California.

MR. JUSTICE POWELL, concurring.

I join the opinion of the Court, and I write simply to emphasize what I take to be the fundamental error of MR. JUSTICE STEWART's dissenting opinion. As I understand that opinion, it would read into the Fourth Amendment, as a new and *per se* exception, the rule that any search of an entity protected by the Press Clause of the First Amendment is unreasonable so long as a subpoena could be used as a substitute procedure. Even aside from the difficulties involved in deciding on a case-by-case basis whether a subpoena can serve as an adequate substitute,[1] I agree with the Court that there is no constitutional basis for such a reading.

If the Framers had believed that the press was entitled to a special procedure, not available to others, when government authorities required evidence in its possession, one would have expected the terms of the Fourth Amendment to reflect that belief. As the opinion of the Court points out, the struggle from which the Fourth Amendment emerged was that between Crown and press. *Ante*, at 15. The Framers were painfully aware of that history, and their response to it was the Fourth Amendment. *Ante*, at 17. Hence, there is every reason to believe that the usual procedures contemplated by the Fourth Amendment do indeed apply to the press, as to every other person.

This is not to say that a warrant which would be sufficient to support the search of an apartment or an automobile necessarily would be reasonable in supporting the search of a newspaper office. At the Court's opinion makes clear, *ante*, at 16, 17, the magistrate must judge the reasonableness of every warrant in light of the circumstances of the particular case, carefully considering the description of the evidence sought, the situation of the premises, and the position and interests of the owner or occupant. While there is no justification for the establishment of a separate Fourth Amendment procedure for the press, a magistrate asked to issue a warrant for the search of press offices can and should take cognizance of the independent values protected by the First Amendment—such as those highlighted by MR. JUSTICE STEWART—when he weighs such factors. If the reasonableness and particularly requirements are thus applied, the dangers are likely to be minimal.[2] *Ibid.*

In any event, considerations such as these are the province of the Fourth Amendment. There is no authority either in history or in the Constitution itself for exempting certain classes of persons or entities from its reach.[3]

FOOTNOTES

[1] For example, respondent had announced a policy of destroying any photographs that might aid prosecution of protestors. App. 118, 152–153. While this policy probably reflected the deep feelings of the Vietnam era, and one may assume that under normal circumstances few, if any, press entities would adopt a policy so hostile to law enforcement, respondent's policy at least illustrates the possibility of such hostility. Use of a subpoena, as proposed by the dissent would be of no utility in face of a policy of destroying evidence. And unless the policy were publicly announced, it probably would be difficult to show the impracticality of a subpoena as opposed to a search warrant.

At oral argument, counsel for respondent stated that the announced policy of the Stanford Daily conceivably could have extended to the destruction of evidence of *any* crime:

"Question: Let us assume you had a picture of the commission of a crime. For example, in banks they take pictures regularly of, not only of robbery but of murder committed in a bank and there have been pictures taken of the actual pulling of the trigger or the pointing of the gun and pulling of the trigger. There is a very famous one related to the assassination of President Kennedy.

"What would the policy of the *Stanford Daily* be with respect to that? Would it feel free to destroy it at any time before a subpoena had been served?

"Mr. Falk: The—literally read, the policy of the Daily requires me to give an affrmative answer. I find it hard to believe that in an example such as that, that the policy would have been carried out. It was not addressed to a picture of that kind or in that context.

"Question: Well, I am sure you were right. I was getting to the scope of your theory.

"Mr. Falk: Our—

"Question. What is the difference between the pictures Justice Powell just described and the pictures they were thought to have?

"Mr. Falk: Well, it simply is a distinction that—

"Question: Attacking policy officers instead of the President. That is only difference."

While the existence of this policy was not before the magistrate at the time of the warrant's issuance, 353 F. Supp. 124, 135 n. 16 (ND Cal. 1972), it illustrates the possible dangers of creating separate standards for the press alone.

[2] Similarly, the magnitude of a proposed search directed by *any* third party, together with the nature and significance of the material sought, are factors properly considered as bearing on the reasonableness and particularly requirements. Moreover, there is no reason why police officers executing a warrant should not seek the cooperation of the subject party, in order to prevent needless disruption.

[3] The concurring opinion in *Branzburg* v. *Hayes*, 408 U.S. 665, 709–710 (1972) (POWELL, J., concurring), does not support the view

that the Fourth Amendment contains an implied exception for the press, through the operation of the First Amendment. That opinion noted only that in considering a motion to quash a subpoena directed to a newsman, the court should balance the competing values of a free press and the social interest in detecting and prosecuting crime. The concurrence expressed no doubt as to the applicability of the subpoena procedure to members of the press. Rather than advocating the creation of a special procedural exception for the press, it approved recognition of First Amendment concerns within the applicable procedure. The concurring opinion may, however, properly be read as supporting the view expressed in the text above, and in the Court's opinion, that under the warrant requirement of the Fourth Amendment, the magistrate should consider the values of a free press as well as the societal interest in enforcing the criminal laws.

MR. JUSTICE STEWART, with whom MR. JUSTICE MARSHALL joins, dissenting.

Believing that the search by the police of the offices of The Stanford Daily infringed the First and Fourteenth Amendments' guarantee of a free press, I respectfully dissent.[1]

I

It seems to me self-evident that police searches of newspaper offices burden the freedom of the press. The most immediate and obvious First Amendment injury caused by such a visitation by the police is physical disruption of the operation of the newspaper. Policemen occupying a newsroom and searching it thoroughly for what may be an extended period of time[2] will inevitably interrupt its normal operations, and thus impair or even temporarily prevent the processes of newsgathering, writing, editing, and publishing. By contrast, a subpoena would afford the newsppaer itself an opportunity to locate whatever material might be requested and produce it.

But there is another and more serious burden on a free press imposed by an unannounced police search of a newspaper office: the possibility of disclosure of information received from confidential sources, or of the identity of the sources themselves. Protection of those sources is necessary to ensure that the press can fulfill its constitutionally designated function of informing the public,[3] because important information can often be obtained only by an assurance that the source will not be revealed. *Branzburg* v. *Hayes*, 408 U.S. 665, 725–736 (dissenting opinion),[4] And the Court has recognized that "without some protection for seeking out the news, freedom of the press could be eviscerated." *Pell* v. *Procunier*, 417 U.S. 817, 833.

Today the Court does not question the existence of this constitutional protection, but says only that it is not "convinced . . . that confidential sources will disappear and that the press will suppress news because of fears of warranted searches." *Ante*, at 17. This facile conclusion seems to me to ignore common experience. It requires no blind leap of faith to understand that a person who gives information to a journalist only on condition that his identity will not be revealed will be less likely to give that information if he knows that, despite the journalist's assurance, his identity may in fact be disclosed. And it cannot be denied that confidential information may be exposed to the eyes of police officers who execute a search warrant by rummaging through the files, cabinets, desks and wastebaskets of a newsroom.[5] Since the indisputable effect of such searches will thus be to prevent a newsman from being able to promise confidentiality to his potential sources, it seems obvious to me that a journalist's access to information, and thus the public's will thereby be impaired.[6]

A search warrant allows police officers to ransack the files of a newspaper, reading each and every document until they have found the one named in the warrant,[7] while a subpoena would permit the newspaper itself to produce only the specific documents requested. A search, unlike a subpoena, will therefore lead to the needless exposure of confidential information completely unrelated to the purpose of the investigation. The knowledge that police officers can make an unannounced raid on a newsroom is thus bound to have a deterrent effect on the availability of confidential news sources. The end result, wholly inimical to the First Amendment, will be a diminishing flow of potentially important information to the public.

One need not rely on mere intuition to reach this conclusion. The record in this case includes affidavits not only from members of the staff of The Stanford Daily but from many professional journalists and editors, attesting to precisely such personal experience.[8] Despite the Court's rejection of this uncontroverted evidence, I believe it clearly establishes that unannounced police searches of newspaper offices will significantly burden the constitutionally protected function of the press to gather news and report it to the public.

II

In *Branzburg* v. *Hayes*, *supra*, the more limited disclosure of a journalist's sources caused by compelling him to testify was held to be justified by the necessity of "pursuing and prosecuting those crimes reported to the press by informants and in thus deterring the commission of such crimes in the future." 408 U.S., at 695. The Court found that these important societal interests would be frustrated if a reporter were able to claim an absolute privilege for his confidential sources. In the present case, however, the respondents do not claim that any of the evidence sought was privileged from disclosure; they claim only that a subpoena would have served equally well to produce that evidence. Thus, we are not concerned with the principle, central to *Branzburg*, that " 'the public . . . has a right to every man's evidence.' " *id.*, at 688, but only with whether any significant societal interest would be impaired if the police were generally required to obtain evidence from the press by means of a subpoena rather than a search.

It is well to recall the actual circumstances of this case. The application of a warrant showed only that there was reason to believe that photographic evidence of assaults on the police would be found in the offices of The Stanford Daily. There was no emergency need to protect life or property by an immediate search. The evidence sought was not contraband, but material obtained by the Daily in the normal exercise of its journalistic function. Neither the Daily nor any member of its staff was suspected of criminal activity. And there was no showing the Daily would not respond to a subpoena commanding production of the photographs, or that for any other reason a subpoena could not be obtained. Surely, then, a subpoena *duces tecum* would have been just as effective as a police raid in obtaining the production of the material sought by the Santa Clara County District Attorney.

The District Court and the Court of Appeals clearly recognized that *if* the affidavits submitted with a search warrant application should demonstrate probable cause to believe that a subpoena would be impractical, the magistrate must have the authority to issue a warrant. In such a case, by definition, a subpoena would not be adequate to protect the relevant societal interest. But they held, and I agree, that a warrant should issue only after the magistrate has performed the careful "balanc[ing] of these vital constitutional and societal interests." *Branzburg* v. *Hayes*, *supra*, at 710 (concurring opinion of MR. JUSTICE POWELL).[9]

The decisions of this Court establish that a prior adversary judicial hearing is generally required to assess in advance any threatened invasion of First Amendment liberty.[10] A search by police officers affords no timely opportunity for such a hearing, since a search warrant is ordinarily issued *ex parte* upon the affidavit of a policeman or prosecutor. There is no opportunity to challenge the necessity for the search until after it has occurred and the constitutional protection of the newspaper has been irretrievably invaded.

On the other hand, a subpoena would allow a newspaper, through a motion to quash, an opportunity for an adversary hearing with respect to the production of any material which a prosecutor might think is in its possession. This very principle was emphasized in the *Branzburg* case:

"[I]f the newsman is called upon to give information bearing only a remote and tenuous relationship to the subject of the investigation, or if he has some other reason to believe that his testimony implicates confidential source relationships without a legitimate need of law enforcement, he will have access to the court on a motion to quash and an appropriate protective order may be entered." 408 U.S., at 710 (concurring opinion of MR. JUSTICE POWELL); see also *id.*, at 707–708.

If, in the present case, The Stanford Daily had been served with a subpoena, it would have had an opportunity to demonstrate to the court what the police ultimately found to be true—that the evidence sought did not exist. The legitimate needs of government thus would have been served without infringing the freedom of the press.

III

Perhaps as a matter of abstract policy a newspaper office should receive no more protection from unannounced police searches than, say, the office of a doctor or the office of a bank. But we are here to uphold a Constitution. And our Constitution does not explicitly protect the practice of medicine or the business of banking from all abridgment by government. It does explicitly protect the freedom of the press.

For these reasons I would affirm the judgment of the Court of Appeals.

FOOTNOTES

[1] I agree with the Court that the *Fourth* Amendment does not forbid the issuance of search warrants "simply because the owner or possessor of the place to be searched is not then reasonably suspected of criminal involvement." *Ante*, at 11. Thus, contrary to the understanding expressed in the concurring opinion, I do not "read" anything "into the Fourth Amendment." *Ante*, at 1. Instead, I would simply enforce the provisions of the *First* Amendment.

[2] One search of a radio station in Los Angeles lasted over eight hours. Note, Search and Seizure of the Media: A Statutory, Fourth Amendment and First Amendment Analysis, 28 Stan. L. Rev. 957, 957–959 (1976).

[3] See *Mills* v. *Alabama*, 384 U.S. 214, 219; *New York Times Co.* v. *Sullivan*, 376 U.S. 254, 269; *Grosjean* v. *American Press Co.*, 297 U.S. 233, 250.

[4] Recognizing the importance of this confidential relationship, at least 26 States have enacted so-called "shield laws" protecting reporters. Note, The Newsman's Privilege After *Branzburg:* The Case for a Federal Shield law, 24 U.C.L.A. L. Rev. 160, 167 n. 41 (1976).

[5] In this case, the policemen executing the search warrant were concededly in a position to read confidential material unrelated to the object of their search; whether they in fact did so is disputed.

[6] This prospect of losing access to confidential sources may cause reporters to engage in "self-censorship," in order to avoid

publicizing the fact that they may have confidential information. See *New York Times Co.* v. *Sullivan, supra.* at 179: *Smith* v. *California,* 361 U.S. 147, 154. Or journalists may destroy notes and photographs rather than save them for reference and use in future stories. Either of these indirect effects of police searches would further lessen the flow of news to the public.

[7] The Court says that "if the requirements of specificity and reasonableness are properly applied, policed, and observed" there will be no opportunity for the police to "rummage at large in newspaper files." *Ante,* at 17. But in order to find a particular document, no matter how specifically it is identified in the warrant, the police will have to search every place where it might be—including, presumably, every file in the office—and to examine each document they find to see if it is the correct one. I thus fail to see how the Fourth Amendment would provide an effective limit to these searches.

[8] According to these uncontradicted affidavits, when it becomes known that a newsman cannot guarantee confidentiality, potential sources of information often become unavailable. Moreover, efforts are sometimes made, occasionally by force, to prevent reporters and photographers from covering newsworthy events, because of fear that the police will seize the newsman's notes or photographs as evidence. The affidavits of the members of the staff of The Stanford Daily give examples of how this very search produced such an impact on the Daily's own journalistic functions.

[9] The petitioners have argued here that in fact there was reason to believe that the Daily would not honor a subpoena. Regardless of the probative value of this information, it is irrelevant, since it was not before the magistrate when he issued the warrant. *Whitely* v. *Warden,* 401 U.S. 560, 565 n. 8: *Spinelli* v. *United States,* 393 U.S. 410, 413 n. 3: *Aguilar* v. *Texas,* 378 U.S. 108, 109 n. 1; see *Johnson* v. *United States,* 333 U.S. 10, 13–14.

[10] E. g., *United States* v. *Thirty-Seven Photographs,* 402 U.S. 363; *Carroll* v. *Princess Anne,* 393 U.S. 175; *Freedman* v. *Maryland,* 380 U.S. 51; cf. *Roaden* v. *Kentucky,* 413 U.S. 496; *A Quantity of Books* v. *Kansas,* 378 U.S. 205; *Marcus* v. *Search Warrant,* 367 U.S. 717.

Mr. JUSTICE STEVENS, dissenting.

The novel problem presented by this case is an outgrowth of the profound change in Fourth Amendment law that occurred in 1967, when *Warden* v. *Hayden,* 387 U.S. 294, was decided. The question is what kind of "probable cause" must be established in order to obtain a warrant to conduct an unannounced search for documentary evidence in the private files of a person not suspected of involvement in any criminal activity. The Court holds that a reasonable belief that the files contain relevant evidence is a sufficient justification. This holding rests on a misconstruction of history and of the Fourth Amendment's purposedly broad language.

The Amendment contains two clauses, one protecting "persons, houses, papers, and effects, against unreasonable searches and seizures," the other regulating the issuance of warrants: "no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized." When these words were written, the procedures of the Warrant Clause were not the primary protection against oppressive searches. It is unlikely that the authors expected private papers ever to be among the "things" that could be seized with a warrant, for only a few years earlier, in 1765, Lord Camden had delivered his famous opinion denying that any magistrate had power to authorize the seizure of private papers.[1] Because all such seizures were considered unreasonable, the Warrant Clause was not framed to protect against them.

Nonetheless, the authors of the Clause used words that were adequate for situations not expressly contemplated at the time. As Mr. Justice Black noted, the Amendment does not "attempt to describe with precision what was meant by its words 'probable cause' "; the words of the Amendment are deliberately "imprecise and flexible."[2] And Mr. JUSTICE STEWART, when confronted with the problem of applying the probable cause standard in an unprecedented situation, observed that "[t]he standard of reasonableness embodied in the Fourth Amendment demands that the showing of justification match the degree of intrusion."[3] Today, for the first time, the Court has an opportunity to consider the kind of showing that is necessary to justify the vastly expanded "degree of intrusion" upon privacy that is authorized by the opinion in *Warden* v. *Hayden,* 387 U.S. 294.

In the pre-*Hayden* era warrants were used to search for contraband,[4] weapons and plunder, but not for "mere evidence."[5] The practical effect of the rule prohibiting the issuance of warrants to search for mere evidence was to narrowly limit not only the category of objects, but also the category of persons and the character of the privacy interests that might be affected by an unannounced police search.

Just as the witnesses who participate in an investigation or a trial far outnumber the defendants, the persons who possess evidence that may help to identify an offender, or explain an aspect of a criminal transaction, far outnumber those who have custody of weapons or plunder. Countless law abiding citizens—doctors, lawyers, merchants, customers, bystanders—may have documents in their possession that relate to an ongoing criminal investigation. The consequence of subjecting this large category of persons to unannounced police searches are extremely serious. The *ex parte* warrant procedure enables the prosecutor to obtain access to privileged documents that could not be examined if advance notice gave the custodian an opportunity to object.[6] The search for the documents described in a warrant may involve the inspection of files containing other private matter.[7] The dramatic character of a sudden search may cause an entirely unjustified injury to the reputation of the persons searched.[8]

Of greatest importance, however, is the question whether the offensive intrusion on the privacy of the ordinary citizen is justified by the law enforcement interest it is intended to vindicate. Possession of contraband or the proceeds or tools of crime gives rise to two inferences: that the custodian is involved in the criminal activity, and that, if given notice of an intended search, he will conceal or destroy what is being sought. The probability of criminal culpability justifies the invasion of his privacy; the need to accomplish the law enforcement purpose of the search justifies acting without advance notice and by force, if necessary. By satisfying the probable cause standard appropriate for weapons or plunder, the police effectively demonstrate that no less intrusive method of investigation will succeed.

Mere possession of documentary evidence, however, is much less likely to demonstrate that the custodian is guilty of any wrongdoing or that he will not honor a subpoena or informal request to produce it. In the pre-*Hayden* era, evidence of that kind was routinely obtained by procedures that presumed that the custodian would respect his obligation to obey subpoenas and to cooperate in the investigation of crime. These procedures had a constitutional dimension. For the innocent citizens' interest in the privacy of his papers and possessions is an aspect of liberty protected by the Due Process Clause of the Fourteenth Amendment. Notice and an opportunity to object to the deprivation of the citizen's liberty are, therefore, the constitutionally mandated general rule.[9] An exception to that rule can only be justified by strict compliance with the Fourth Amendment. That Amendment flatly prohibits the issuance of any warrant unless justified by probable cause.

A showing of probable cause that was adequate to justify the issuance of a warrant to search for stolen goods in the 18th century does not automatically satisfy the new dimensions of the Fourth Amendment in the post-*Hayden* era.[10] In *Hayden* itself, the Court recognized that the meaning of probable cause should be reconsidered in the light of the new authority it conferred on the police.[11] The only conceivable justification for an unannounced search of an innocent citizen is the fear that, if notice were given, he would conceal or destroy the object of the search. Probable cause to believe that the custodian is a criminal, or that he holds a criminal's weapons, spoils, or the like, justifies that fear,[12] and therefore such a showing complies with the Clause. But if nothing said under oath in the warrant application demonstrates the need for an unannounced search by force, the probable cause requirement is not satisfied. In the absence of some other showing of reasonableness,[13] the ensuing search violates the Fourth Amendment.

In this case, the warrant application set forth no facts suggesting that respondent was involved in any wrongdoing or would destroy the desired evidence if given notice of what the police desired. I would therefore hold that the warrant did not comply with the Warrant Clause and that the search was unreasonable within the meaning of the First Clause of the Fourth Amendment.

I respectfully dissent.

FOOTNOTES

[1] "Papers are the owner's goods and chattels; they are his dearest property; and are so far enduring a seizure, that they will hardly bear an inspection; and though the eye cannot by the laws of England be guilty of a trespass, yet where private papers are removed and carried away the secret nature of those goods will be an aggravation of the trespass, and demand more considerable damages in that respect. Where is the written law that gives any magistrate such a power? I can safely answer, there is none; and therefore it is too much for us, without such authority, to pronounce a practice legal, which would be subversive of all the comforts of society." *Entick* v. *Carrington,* 19 How. St. Tr. 1029, 1066 (1765).

[2] "Obviously, those who wrote this Fourth Amendment knew from experience that searches and seizures were too valuable to law enforcement to prohibit them entirely, but also knew at the same time that while searches or seizures must not be stopped, they should be slowed down, and warrants should be issued only after studied caution. This accounts for use of the imprecise and flexible term, 'unreasonable,' the key word permeating this whole Amendment. Also it is noticeable that this Amendment contains no appropriate language, as does the Fifth, to forbid the use and introduction of search and seizure evidence even though secured 'unreasonably.' Nor does this Fourth Amendment attempt to describe with precision what was meant by its words, 'probable cause'; nor by whom the 'Oath or affirmation' should be taken; nor what it need contain." *Berger* v. *New York,* 388 U.S. 41, 75 (Black, J., dissenting).

[3] *Id.,* at 69 (STEWART, J., concurring).

[4] It was stated in 1967 that about 95% of the search warrants obtained by the office of the District Attorney for New York County were for the purpose of seizing narcotics and arresting the possessors. See T. Taylor, Two Studies in Constitutional Interpretation 48, and n. 85 (1969).

[5] Until 1967, when *Warden* v. *Hayden* was decided, our cases interpreting the Fourth

Amendment had drawn a "distinction between merely evidentiary materials, on the one hand, which may not be seized either under the authority of a search warrant or during the course of a search incident to arrest, and on the other hand, those objects which may validly be seized including the instrumentalities and means by which a crime is committed, the fruits of crime such as stolen property, weapons by which escape of the person arrested might be effected, and property the possession of which is a crime." See *Warden* v. *Hayden*, 387 U.S., at 295–296, quoting from *Harris* v. *United States*, 331 U.S. 145, 154.

[6] The suggestion that, instead of setting standards, we should rely on the good judgment of the magistrate to prevent abuse represents an abdication of the responsibilities this Court previously accepted in carefully supervising the performance of the magistrate's warrant-issuing function. See *Aguilar* v. *Texas*, 378 U.S. 108, 111.

[7] "There are three considerations which support the conclusion that private papers are central to the concerns of the fourth amendment and which suggest that, in accord with the amendment's privacy rationale, private papers should occupy a type of preferred position. The first consideration is the very personal, private nature of such papers. This rationale has been cogently articulated on a number of occasions. Private papers have been said to be 'little more than an extension of [the owner's] person,' their seizure 'a particularly abrasive infringement of privacy,' and their protection 'impelled by the moral and symbolic need to recognize and defend the private aspect of personality.' In this sense, every governmental procurement of private papers, regardless of how it is accomplished, is uniquely intrusive. In addition to the nature of the papers themselves, a second reason for according them strict protection concerns the nature of the search for private papers. The fundamental evil at which the fourth amendment was directed was the sweeping, exploratory search conducted pursuant to a general warrant. A search involving private papers, it has been noted, invariably partakes of a similar generality, for 'even a search for a specific, identified paper may involve the same rude intrusion [of an exploratory search] if the quest for it leads to an examination of all of a man's private papers.' Thus, both their contents and the inherently intrusive nature of a search for them militates toward the position that private papers are deserving of the fullest possible fourth amendment protection. Finally, not only is a search involving private papers highly intrusive in fourth amendment terms, but the nature of the papers themselves may implicate the policies of other constitutional protections. In addition to the 'intimate' relation with fifth amendment values, the obtaining of private papers by the government touches upon the first amendment and the generalized right of privacy." McKenna, The Constitutional Protection of Private Papers: The Role of a Hierarchical Fourth Amendment, 53 Ind. L. J. 55, 68–69 (footnotes omitted).

[8] "Whether the search be for rubbish or narcotics, both innocent and guilty will suffer the loss of the proprietary right of privacy. The search for evidence of crime, however, threatens the innocent with an injury not recognized in the cases. That is the damage to reputation resulting from an overt manifestation of official suspicion of crime. Connected with loss of reputation, standing, or credit may be humiliation and other mental suffering. The interests here at stake are the same which are recognized in the common law actions for defamation and malicious prosecution. Indeed, the loss of reputation and the humiliation resulting from the search of one's home for evidence of a heinous crime may greatly exceed the injury caused by an ill-grounded prosecution for a minor offense." Comment, Search and Seizure in the Supreme Court; Shadows on the Fourth Amendment, 28 U. Chi. L. Rev. 664, 701 (footnotes omitted).

[9] Only with great reluctance has this Court approved even the seizure of refrigerators or washing machines without notice and a prior adversary hearing; in doing so, the Court has relied on the distinction between loss of property, which can often be easily compensated, and loss of less tangible but more precious rights; "[w]here only property rights are involved, mere postponement of the judicial enquiry is not a denial of due process." *Mitchell* v. *W. T. Grant Co.*, 416 U. S. 600, 611, quoting from *Phillips* v. *Commissioner*, 283 U.S. 589, 596–597. See also *Michigan* v. *Tyler*, — *U.S.* —, — (STEVENS, J., concurring).

[10] Even before *Hayden* had repudiated the mere evidence rule, scholars had recognized that such a change in the scope of the prosecutor's search authority would require a fresh examination of the probable cause requirement. It was noted that the personal character of some evidentiary documents would "justify stringent limitation, if not total prohibition, of their seizure by exercise of official authority." T. Taylor, Two Studies in Constitutional Interpretation 66 (1969).

It is ironic that the Court today should adopt a rigid interpretation of the Warrant Clause to uphold this search when the Court was prepared only a few years ago to rely on the flexibility of the Clause to create an entirely new warrant in order to preserve the government's power to conduct unannounced inspections of citizens' homes and businesses. See *Camara* v. *Municipal Court*, 387 U.S. 523, 534–535 and 538.

[11] "There must, of course, be a nexus—automatically provided in the case of fruits, instrumentalities or contraband—between the item to be seized and criminal behavior. Thus in the case of 'mere evidence,' probable cause must be examined in terms of cause to believe that the evidence sought will aid in a particular apprehension or conviction. In so doing, consideration of police purposes will be required." *Warden* v. *Hayden*, 387 U.S., at 307.

[12] "The danger is all too obvious that a criminal will destroy or hide evidence or fruits of his crime if given any prior notice." *Fuentes* v. *Shevin*, 407 U.S. 67, 93–94, n 30.

[13] Cf. *Marshall* v. *Barlow's Inc.*, — U.S. —. — (STEVENS, J., dissenting).

LOCAL NOISE CONTROL PROGRAMS

● Mr. CULVER. Mr. President, the Senate Subcommittee on Resource Protection this year conducted oversight hearings in Des Moines, Iowa, and Washington, D.C., on the implementation of the Noise Control Act of 1972. These hearings were the first comprehensive congressional review of this law since it was enacted 6 years ago.

Until recently, our national noise abatement strategy has been based primarily on regulating and setting standards for major sources of noise. One of the most significant points discussed by the witnesses, however, is the growing importance of State and local noise control initiatives. As an interesting article, entitled "Noise: A Challenge to Cities," in a recent issue of Nation's Cities explains, an increasing number of our communities have begun many innovative local programs to reduce unwanted sounds.

Reflecting this local interest, the Environmental Protection Agency (EPA) has now established the each community helps others (ECHO) program to assist cities in sharing their experiences in noise control with other towns. Des Moines was the first city in the Nation to apply to participate in this program, and this article documents the strong enthusiasm which local officials have for this and similar programs.

The Committee on Environment and Public Works recently approved S. 3083, the Quiet Communities Act of 1978. This bill gives a new focus to the Federal noise program and directs EPA to undertake a comprehensive program of research, technical assistance, and discretionary grants to support State and local government efforts. In addition, it provides a new procedure for assuring participation by State and local governments in EPA's regulation of noise emissions of new products.

I believe my colleagues will find the article from Nation's Cities useful, Mr. President, and I ask that it be printed in the RECORD.

The article follows:

NOISE: A CHALLENGE TO CITIES

Like all pollution, noise is an unwanted by-product of our industrialized society. Unlike air and water pollution, noise pollution is tasteless, odorless, and invisible. Yet its effects on the cities and towns of America are no less pervasive than the effects of impure water or dirty air. Noise interferes with our health, our communication, our work, our rest and recreation, and our sleep.

Most of us have been disturbed by noise—a barking dog, a siren in the night, a garbage truck in the morning. Noise is all around us. And many people are subjected to almost constant levels of excessive noise in their homes or at work. Each of us contributes to the noise problem which is more acute where there are more of us—in our urban areas.

Nearly half the population is regularly exposed to levels of noise that interfere with normal activities, such as speaking, hearing, and sleeping. Noise is no longer just an urban problem. The suburbs near our urban centers are beginning to experience the same levels of traffic and industrial noise once confined to our cities and some higher levels as well: the noise of blaring stereos, clattering lawn mowers, low-flying aircraft. Even deep in the country's parks and forests where people go to escape the noise of the cities, quiet is often shattered by motorcycles, airplanes, snowmobiles, and chain saws.

AN AGE-OLD PROBLEM

Noise is not a new problem. In the first century B.C., Julius Caesar passed the first noise ordinance by banning chariots from the streets of Rome at night. In early America, wagons and horses clattering on cobblestone streets produced enough noise to annoy the citizens and move them to action. But it wasn't until the beginning of the Industrial Revolution in this country that serious noise problems began to develop.

Since then, noise levels have been accelerating, and in the more than thirty years since World War II, the number of high-intensity noise sources has increased dramatically: more cars, trucks, motorcycles, and other vehicles on our highways than ever before; more office buildings and houses equipped with air conditioners; more industrial plants. Obviously, the noise problem is woven into the fabric of modern life. Although we enjoy a high standard of living, we pay for it in part with the noise our remarkable technological society creates.

WHAT CAN WE DO ABOUT NOISE?

Most Americans do not adequately understand the noise problem. We are annoyed by

noise, but we don't realize two important things about it. First, it has serious health consequences. Second, there are many things we can do to reduce noise. Some actions can give immediate relief; others will not produce tangible effects for years to come. Noise is a problem which most of us have seen as too big, too complex, and too remote from our daily lives to do very much about. It would seem that noise, like the weather, is something that everybody complains about but very few do anything about.

This special report will describe some of the ways in which people all across the country are seeking to find lasting solutions. Failure to begin now and continue vigorously to reduce noise is to consign future generations to a world even noisier than the one we inhabit now.

NOISE AFFECTS THE QUALITY OF OUR LIVES

The sounds we hear; whether or not they are considered noise, are measured in units called decibels. The human ear perceives a very wide range of sounds measured in decibels (see chart). Decibels are computed logarithmically; each step up the decibel scale represents a dramatic change in sound intensity or loudness. For instance, the amount of noise a dishwasher makes (70 decibels) sounds twice as loud as conversational speech (60 decibels), and four times as loud as the noise inside an average house (50 decibels). Decibels will be used to characterize the sound levels of various products throughout this supplement. By referring to the chart (on page 22) you can compare the decibel levels with the sound levels of familiar everyday sounds.

HEARING LOSS

Noise loud enough to cause hearing loss is virtually everywhere today. Our jobs, our entertainment and recreation, and our neighborhoods and homes are filed with potentially harmful levels of noise. It is no wonder that 20 million or more Americans are estimated to be exposed daily to noise that is permanently damaging to their hearing.

Hearing loss usually occurs gradually. The first awareness of the damage usually begins with the loss of occasional words in general conversation and with difficulty understanding speech heard on the telephone. Unfortunately, this recognition comes too late to recover what is lost. By then, our ability to hear the high frequency sounds of, for example, a flute or piccolo or even the soft rustling of leaves will have been permanently diminished. As hearing damage continues, it can become a handicap for which there is no cure. Hearing aids do not restore noise-damaged hearing although they can be of limited help to some people. The idea that hearing loss is solely the result of industrial noise is dangerously erroneous. Noise levels in many places and in some of the vehicles we use are well above the levels believed to cause hearing damage over prolonged periods.

NOISE INTERFERES WITH CONVERSATION

Losing the ability to speak at a normal level and be heard may be far more damaging than we realize. People who live in noisy places tend to adopt a lifestyle devoid of communication and social interaction. They stop talking, they change the content of the conversation, they talk only when absolutely necessary, and they frequently repeat themselves. These reactions are probably familiar to all of us.

Outdoors, a combination of continuous daytime noise (traffic, construction equipment, aircraft) interrupts speech and discourages conversation as well.

INTRUSION AT WORK AND AT HOME

Where excessive noise is present, the accuracy of work suffers. Errors in people's observations tend to increase, perception of time may be distorted, and greater effort is required to remain alert. Even when noise does not interfere with the work at hand, the quality of that work may suffer after the noise stops. Studies and reports from individuals also suggest that people who work in the midst of high noise levels during the day are more susceptible to frustration and aggravation after work.

Relaxing at home after a noisy workday may not be an easy thing to do. When the home itself is noisy, the tired, irritated worker may never be able to work out the days accumulated stress during the course of the evening.

Industrial noise may have the most pronounced effects on human performance and health. A coal industry study indicated that the intermittent noise of mining causes distraction which leads to poor work. Other studies have confirmed additional effects of exposure to noise including exhaustion, absent-mindedness, mental strain and absenteeism. In the words of Leonard Woodcock, former president of the United Auto Workers, "They (auto workers) find themselves unusually fatigued at the end of the day compared to their fellow workers who are not exposed to as much noise. They complain of headaches and inability to sleep and they suffer from anxiety. . . . Our members tell us that the continuous exposure to high levels of noise makes them tense, irritable, and upset."

SLEEP

Noise can interrupt and prevent sleep. The effects of interrupted sleep may be no more serious than the feeling of fatigue the next morning. But repeated interruption of sleep over long periods of time, such as experienced by many persons living near highways and airports, may have more serious effects. Some experts believe that noise which is not loud enough to fully wake a sleeping person can have serious effects by interfering with dreaming. It has been established that long term interruption of a person's dreaming can cause serious mental and physical problems such as aches, pains, depressions, and even psychotic states.

THE BODY'S OTHER REACTIONS

Growing evidence strongly suggests a link between noise and heart problems. The explanation? Noise causes stress and the body reacts with increased adrenaline, changes in heart rate, and elevated blood pressure. Noise, however, is only one of several environmental causes of stress. For this reason, researchers cannot say with confidence that noise alone caused the heart and circulatory problems they have observed. What they can point to is a statistical relationship apparent in several field and laboratory studies.

The best studies come from industrial settings. Steelworkers and machine shop operators, laboring under stress of high noise levels, had a higher incidence of circulatory problems than did workers in quiet industries. A German study documented a higher rate of heart disease in noisy industries. In Sweden, several researchers noted more cases of high blood pressure among workers exposed to high levels of noise than among other workers.

Some laboratory tests produced observable physical changes. In one, rabbits exposed for ten minutes to the noise levels common to very noisy industries temporarily developed a much higher level of blood cholesterol than did unexposed rabbits on the same diet. Similarly, a monkey subjected to a day-long tape recording of the normal street noises outside a hospital developed higher blood pressure and increased heart rate.

Among recent findings is the preliminary conclusion that grade school children exposed to aircraft noise in school and at home had higher blood pressure than children in quieter areas. Because the danger of stress from noise is greater for those already suffering from heart disease, physicians frequently take measures to reduce the noise their patients are exposed to. For instance, a town in New Jersey moved a fire house siren away from the home of a boy with congenital heart disease when his doctor warned that the sound of the siren could cause the boy to have a fatal spasm. Another doctor ordered a silencing device for the phone of a recuperating heart patient. While the precise role of noise in causing or aggravating heart disease remains unclear, the illness is such a problem in our society that even a small increase in the percentage of heart problems caused by noise could prove debilitating to many thousands of Americans. "Although it has not proven definitely that prolonged exposure to loud noise shortens the life span," says Jeffrey Goldstein, an Environmental Protection Agency (EPA) bioacoustical scientist, "it figures that if stress shortens the life span, and noise causes stress, noise can shorten the life span."

To get ready for danger our bodies make automatic and unconscious responses to sudden or loud sounds. Of course, most noise in our modern society does not mean danger but our bodies don't know that. They still react as if these sounds were a threat or a warning. In effect the body shifts gears. Blood pressure rises, heart rate and breathing speed, muscles tense, hormones are released into the bloodstream, and perspiration appears. These changes occur even during sleep.

The idea that people get used to noise is a myth. In studies dating back to the 1930s, researchers noted that workers chronically exposed to noise develop marked digestive changes which were thought to lead to ulcers. Cases of ulcers in certain noisy industries have been found to be up to five times as numerous as what normally would be expected. A five-year study of two manufacturing firms in the United States found that workers in noisy plant areas showed greater numbers of diagnosed medical problems, including respiratory ailments, than did workers in quiet areas of the plants.

Newspaper files and police records report incidents that point to noise as a trigger of extreme behavior. A man shot one of two boys who refused to stop a disturbance outside his apartment. Sanitation workers have been assaulted, construction foremen threatened, and motorboat operators shot at—all because of the noise they were making. A study of two groups of people playing a game found that the subjects playing under noisier conditions perceived their fellow players as more disagreeable, disorganized, and threatening.

Several industrial studies indicate that noise can heighten social conflicts both at work and at home. And reports from individuals suggest that noise increases tensions between workers and their supervisors, resulting in additional grievances against the employer.

Although no one would say that noise by itself brings on mental illness, there is evidence that noise-related stress can aggravate existing emotional disorders. Research in the United States and England points to higher rates of admission to psychiatric hospitals among people living close to airports. And studies of several industries show that prolonged noise exposure may lead to a larger number of psychological problems among workers.

NOISE AND THE UNBORN

Even the womb offers no refuge from noise. While still in its mother's womb, the developing child is responsive to sounds in the mother's environment. Particularly loud noises have been shown to stimulate the fetus directly, causing changes in the heart rate of the fetus.

For mothers who work in factories or other noisy places, it is possible that noise has a direct and negative effect on the fetus. High levels of noise may pose a threat to the hearing and other capacities of the unborn child. A Japanese study of more than 1,000 births produced evidence of a high proportion of low weight babies in noisy areas. These birth weights were under 5½ pounds, the World Health Organization's definition of prematurity. Low birth rates and noise also were associated with lower levels of certain hormones thought to affect fetal growth and to be a good indicator of protein production. The difference between the hormone levels of pregnant mothers in noise versus quiet areas increased as birth approached.

Studies show that stress causes constriction of the uterine blood vessel that supply nutrients and oxygen to the developing baby. Additional links between noise and birth defects have been noted in a recent preliminary study of people living near a major airport. The abnormalities suggested included harelips, cleft palates, and defects in the spine.

EFFECTS ON CHILDREN

Adults long have worried about the effects of noise on children. In the early 1900s, "quiet zones" were established around many of the nation's schools to increase educational efficiency by reducing noises believed to interfere with children's learning and even to hamper their thinking.

Today, researchers looking into the consequences of bringing up children in this less than quiet world have discovered that learning difficulties are likely byproducts of the noisy schools, play areas, and homes in which our children grow up. Because they are just learning, children have more difficulty understanding language in the presence of noise than adults do. As a result, if children learn to speak and listen in a noisy environment, they may have great difficulty in developing such essential skills as distinguishing the sounds of speech. For example, against a background of noise, a child may confuse a sound of "v" in "very" with a "b" in "berry" and may not learn to tell them apart. Another symptom of this problem is the tendency to distort speech by dropping parts of words, especially their endings.

Reading ability also may be seriously impaired by noise. A study of reading scores of fifty-four youngsters in grades two through five indicated that noise levels in their four adjacent apartment buildings were detrimental to the children's reading ability. The influence of noise in the home was found to be more important than even the parents' educational background, the number of children in the family, and the grades the youngsters were in. The longer the children had lived in a noisy environment, the more pronounced the reading impairment.

Assuming a child arrives at school with language skills underdeveloped because of a noisy home, will he or she fare any better at school? In a school located next to an elevated railway, students whose classrooms faced the tracks did significantly worse on reading tests than did similar students whose classrooms were farther away. In Inglewood, Calif., the effects of aircraft noise on learning were so severe that several new schools had to be built. As a school official explained, the disruption of learning went beyond the time wasted waiting for noisy aircraft to pass over. Considerable time had to be spent after each flyover refocusing students' attention on what was being done before the interruption.

NOISE IS ALL AROUND US

Noise in modern offices often results in similar losses of concentration and is often at levels that can cause hearing impairment. The noise of typewriters, Xerox machines, telephones, and computers reaches nearly intolerable levels.

Even in the House, there are a large number of noisy applicances—dishwashers, vacuum cleaners and garbage disposals. The combined din from household appliances may be literally deafening. The full extent of the noise problem is difficult to gauge. Only a relatively small percentage of people who studies show are bothered by noise actually register complaints about noise or otherwise act to control all the noise around them.

The noise problem in America is very real. And it is growing steadily worse. The EPA's Urban Noise Survey, conducted in 1977, disclosed that about half the U.S. population regularly is exposed to levels of noise that bother and annoy as well as interrupt normal activities. It is estimated that 15 million U.S. workers are exposed to noise potentially hazardous to their hearing. At least 100 million Americans are exposed to noise levels that may be detrimental to their health and welfare. Most serious, about one person in twenty—or more than 20 million people—have some degree of irreversible hearing loss. Something can and should be done about noise. The remainder of the report will present some ideas as to how cities and their citizens can seek solutions to the problems of noise.

CITIES ARE MEETING THE NOISE CHALLENGE

Boulder, Colo.

Boulder, Colo. has a noise ordinance because one man was disturbed by the increasing number of loud motor vehicles going up and down the street in front of his house. "Donald Billings is the kind of guy who likes to putter around in his yard and flower beds, and the noise really bothered him," says Jim Adams, environmental protection officer for Boulder. Billings decided to do something about the problem, formed a committee of citizens, and started working on an ordinance. His committee, composed of an acoustician, some professional engineers, and a few high school students, published a questionnaire in the local newspaper asking people which noise sources annoyed them most. The responses, in order, were motorcycles, traffic, barking dogs, and aircraft. The committee collected evidence for about a year and a half, including a survey on the health effects of noise. That survey revealed that noises over 70 decibels could result in up to a 20 percent loss of effectiveness in jobs that required concentration. "We have about 20,000 students at the University of Colorado, and they can't afford to lose 20 percent of their learning power," Adams says.

Billings contacted the city manager and city attorney and presented the committee's findings. An ordinance was drafted and the city council passed it in January, 1970.

The ordinance includes noise level standards for both vehicular and non-vehicular noise. The maximum acceptable level for vehicles under 10,000 pounds in 80 decibels at 25 feet distance and for vehicles over 10,000 pounds is 88 decibels at 25 feet.

When a violation occurs, the police department summons the offender either to appear in court or have his car repaired and inspected. If the car then tests in compliance with the ordinance, the environmental protection officer can recommend dismissal to the court. The city is experiencing better than 85 percent dismissals and is writing an average of 800 summonses a year (almost 4,000 since 1972). Owners of vehicles not brought into compliance face up to $300 in fines, depending on the level of violation. The louder the noise, the higher the fine. "We don't issue warnings, because we want the offending vehicle repaired," Adams says. But the objective of our ordinance is to achieve quiet, not to collect fines. We call this the 'soft fuzz' approach," he says.

The Boulder ordinance provides that citizen complaints about noise be registered and a letter of warning be sent to the alleged violator. Anonymous complaints are not accepted. Non-vehicular noise is restricted according to zones. For instance, allowable levels between 7:00 A.M. and 11:00 P.M. are 55 decibels for residential areas, 65 decibels commercial and 80 decibels for industrial. Between the hours of 11:00 P.M. and 7:00 A.M. the levels are 50 decibels for residential, 60 decibels for commercial and 75 decibels for industrial. We have answered more than 4,000 complaints of environmental noise, and have only had to issue six summonses because the problem was corrected," Adams says.

Noise enforcement is handled by Adams and two policemen. They monitor vehicular noise about twenty hours a week from a chase care equipped like a police car, except that it is green and white and is marked "Noise Control." The car has special noise monitoring equipment. The salaries of all three enforcement officers and the cost of their equipment come out of a $36,000 budget.

Adams and his staff worked very closely with the EPA regional office in Denver, especially to amend and improve the original noise ordinance in Boulder. We drew a lot from the EPA model ordinance," Adams said.

After the ordinance was passed, Boulder launched a public education campaign. Adams and his staff taught classes from first grade all the way up to physics and environmental design courses at the University of Colorado. "We also have good relations with the local press and radio stations," Adams says. "We capitalized on that and developed several radio public service announcements which are still being broadcast," he says. They also developed a brochure which explained what the ordinance entailed, what noise levels were permitted, and what the fines were. "The local civic organizations have also been a big help," Adams says. "Every time we have the opportunity we speak to these groups."

Boulder's basic noise philosophy is to address noise problems as they arise. Adams is also involved in developmental reviews so he has an effect on land use and construction decisions. "We have good relations with our commercial neighbors," Adams says. "Several industries have cooperated voluntarily in noise control."

"The Boulder story illustrates the possibilities of citizen and community action to initiate noise control and enforce it," says Charles Elkins, director of noise programs for the EPA. "One person was able to make a difference."

New York City

"We're one of the cities that pioneered in noise abatement," according to Ethan C. Eldon, New York City commissioner of air resources. "The New York City noise control code was the first in the state, and our standards are stricter than those in many other areas of the country. Although we've experienced serious cutbacks in manpower and fundings, we have a viable program and one we feel is successfully lowering noise levels," Eldon says.

The strategy of the city's forty-four-person Bureau of Noise Abatement is to identify sources of noises that affect the most people and then find technological solutions. One noise which affects about 4.5 million people every day comes from the subway. "We have many areas in the subway system where noise equals that of jet planes at takeoff," Eldon says. With the aid of the federal Urban Mass Transportation Administration, the New York Transit Authority has begun a ten-year program to lessen subway noise. "We are already beginning to see some progress," Eldon adds.

New York City tried an experiment a few years ago to see how serious the noise problem really was. The Department of Air Resources sent a van around the city and tested the hearing of more than 2,000 people. The results showed a significant hearing loss in most people tested. Tests also were

conducted on people before and after they rode the subway for half an hour and findings showed a temporary hearing loss.

The city regulates all kinds of construction equipment, including pavement breakers and air compressors. It specifies the types of equipment that can be used, and requires mufflers for most machines. "We work with the manufacturers and the operators of the equipment to determine technologically feasible solutions. We also build noise level standards into the law so that industry knows that in so many years its equipment has to be so many decibels quieter. This way you get everyone involved with the equipment into compliance," Eldon says.

An ambient noise zone law is being reviewed by the city council. The proposed law would establish one allowable day sound level for industrial areas and a much tougher allowable level in residential areas. A mixed-use zone would be somewhere between these two. Night levels would be even lower, a help in controlling noise from private garbage collectors.

Since early 1974, New York City has had a truck noise enforcement program, which Eldon believes is exceptionally effective. The state followed this example and passed a truck noise law last year, as did New Jersey, ensuring regional control over truck noise. "The citizens in our city don't have to be reminded that noise is a big problem, that it affects the quality of their lives. And, we're experiencing good cooperation because of that public awareness," Eldon says.

EA noise program Director Elkins says, "Solutions to noise problems are technologically feasible and currently available. Even small communities can benefit from New York's experience. These methods work in communities of all sizes."

San Francisco

San Francisco has a noise task force comprised of the Police, the Public Works, and the Public Health departments. Public Works handles all construction noise during the day, Public Health handles fixed source noises, and the Police Department handles everything else including complaints about bars, discotheques, sporting events, garbage trucks, and motorcycles, says Joe Bodisco, San Francisco police officer and the community noise officer.

"I would say we handle 175 to 200 community noise complaints a month," Bodisco says. The Public Works and Public Health departments handle between forty and fifty complaints per month. Barking dogs used to account for an extra 350 complaints. That responsibility has been transferred to the animal control unit, which is run by the Police Department.

Each complaint results in both written and verbal warnings to the violator. The second complaint usually results in a $25 fine, a third complaint $50, and so on. A fifth complaint usually leads to misdemeanor charges. If the violator is a dog, the Society for Prevention of Cruelty to Animals might take the dog away.

Bodisco says, "The city people are wise to the effectiveness of our program, and keep the noise down. The majority of the people that have been cited for noise violations since 1976 are commuters." More than 90,000 vehicles cross the two bridges into San Francisco each day. Bodisco and his task force find most of the noise in areas adjoining the bridges.

EPA director of noise programs Elkins says, "A good noise program draws on the talents of many departments. The police, health, animal control, transportation and planning departments all have important roles to play."

Florida

"Our program is geared to local governments," says Jesse O. Borthwick, administrator for noise control for Florida. "Over the past five years we've helped more than 100 cities and counties to develop some types of noise program," he says.

The noise control section in the Department of Environmental Regulations is staffed by two people, Borthwick and an assistant, and is limited by a very small budget. Yet in five years the office has trained more than 500 officials from more than 100 state and local agencies in various aspects of environmental noise or motor vehicle noise enforcement.

"If a city is interested in noise control we provide counseling and technical assistance. First we do an area-wide survey of the city to see what kinds of noise levels they have and where the problem areas are. On the basis of this survey we develop an ordinance or noise level standards to recommend to the city. We also provide training for police officers or other enforcement personnel. We train and certify these people and try to provide the necessary noise-monitoring equipment. After that we act as a consultant to the community until the program is well underway," Borthwick says. All of these services are provided to the community free of charge. "Noise is often a low priority," he says. "You almost have to pay people to get them involved. But once a community has been introduced to a noise program, the citizens usually become extremely interested, and become advocates for the program."

The department also has written a comprehensive plan to control motor vehicle noise. "Our first priority is to try to reduce noise at the source. Then we try to do something at the receiver end of the noise through land use planning. As a last resort we encourage building noise barriers along highways," he says. But Borthwick believes source control is the most effective method of controlling motor vehicle noise.

"We also have a law that went into effect in 1974 that sets standards for all new motor vehicles sold in the state. Every vehicle must meet specific standards." Borthwick's group provides the state Department of Motor Vehicles with a list of certified vehicles. "Before you can register a new vehicle, you've got to be on that list," Borthwick says.

Florida also has a muffler certification program. All muffler and exhaust systems for motor vehicles sold in the state must be certified to meet certain noise standards.

"Regulations are the first step in handling the noise problem," Borthwick says. "The second step is having a strong enforcement program." The Florida Highway Patrol has provided a seven-man motor vehicle noise enforcement team. The enforcement team also provides instruction to other law enforcement officers in the state. "Our philosophy is that the problem is really a local one that can best be solved at the local level. So we've geared our whole program towards training and certifying local law enforcement officers," Borthwick says. There are currently more than 300 persons throughout Florida that have been trained and certified in a one-week school on motor vehicle noise enforcement. Each agency is required to provide monthly statistics on their enforcement actions.

Sixty-four percent of the respondents considered noise harmful to their health or well-being; 72 percent said they were aware of noise and sometimes bothered by it. Another 12 percent said they were easily bothered by noise. Eighty-eight percent of the respondents believed that noise sources should be controlled by rules or laws. Of those, 65 percent felt local governments should handle the noise problem, 30 percent said state governments, and 21 percent said it should be the job of the federal government.

Borthwick's office is doing research to determine average noise levels throughout the state. More than 30,000 vehicles have been monitored by his office with help from several Florida universities which serve as consultants. Truck noise also is being monitored. "Since 1974, when our regulation went into effect, we have experienced a three-decibel reduction in noise from trucks. We also have experienced a reduction in the number of violations of the truck noise standards. About 20 percent of the trucks monitored at the start of our program were in violation of the law. That number is now less than 5 percent," Borthwick says.

Florida is just beginning to plan to prevent future noise problems." A lot of the problems we have are a result of poor planning," Borthwick says. "When you develop a residential area under a flight pattern, or when you build a hospital next to an eight-lane interstate, you are creating noise problems." The Florida Noise Office has just provided host positions for two "older American" workers made available under Title IX of the Older Americans Act which is administered by the U.S. Department of Labor. The program provides employment for retired or unemployed persons over fifty-five years old. The noise office plans to utilize these people to help make decisions on where to put new industry and other heavy noise makers.

"People just don't think of noise as a problem," Borthwick says. "We've lived with it for a long time and have grown to accept noise as something that goes along with modern technology. But we don't have to live with it; we can control noise and improve the quality of our lives."

"States can play a very helpful role in assisting local communities to get a noise control program started," says EPA noise programs Director Charles Elkins. "The local interest is there. Often all it takes is an experienced state noise official to tell community leaders what similar communities have been able to do."

Colorado Springs, Colo.

The biggest noise problem in Colorado Springs is caused by motor vehicles—cars, motorcycles, and trucks. "It's a difficult challenge. Our town is growing every day and so are noise levels," said Joe Zunich, administrator of the city's noise abatement program.

But Zunich believes he's making some headway. "We have three enforcement officers who issue summonses to violators and test the vehicles for compliance," Zunich said. "We issued 645 summonses last year," he said. To help reduce motorcycle noise, Zunich thinks he has a solution. "We are going to put an officer on a dirt bike (off-road motorcycle) clearly marked, with the officer in uniform, and we're going to send him into drainage ditches, railroad right-of-ways, and big lots. These are areas where we get a lot of complaints about motorcycles and minibikes," Zunich says.

The public seems to be appreciating Zunich's efforts. "People have a place to go now when they have a noise problem," Zunich says. "Even the city councilmen are calling us now and asking us to help solve problems. I believe we've become a permanent fixture in the city's government."

"The most successful noise programs today are those that identify the noise problems that really 'bug' the citizens and get those problems solved first," says Elkins, EPA noise programs director. "Once they show they can produce results, community leaders are willing to back programs when they take on more difficult noise problems."

El Segundo, Calif.

El Segundo, Calif. has tried a different approach—purchasing only quiet equipment whenever possible. According to City Councilman Dick Nagel, "When quiet equipment is available, we specify noise levels, and if the horsepower and side of the engine are sufficient, we buy the quietest product available." (Standards for most vehicles average

under 75 decides, 25 feet from the vehicle, 5 feet above ground). "When we're shopping for a product, we ask the vendors who are bidding to indicate the noise level of their product. For instance, we recently contracted for quiet garbage trucks by adding noise qualifications to the bid specs and prohibiting trash pick up before 7:00 A.M. in residential areas," Nagel says. All seven bidders said they could meet the qualifications, so El Segundo chose the lowest bidder.

EPA noise programs Director Elkins say, "The best noise control is that which is designed into a product, not just added on as an afterthought. Communities can use their purchasing power to induce manufacturers to produce quieter products for all."

EPA IS HELPING

The U.S. Environmental Protection Agency is helping cities and states cope with noise problems. Through the Noise Control Act of 1972, Congress directed EPA "to promote an environment for all Americans free from noise that jeopardizes their health and welfare." It specified that EPA regulate new products in commerce that are "major sources of noise" and also work with state and local governments to create a quieter environment.

Although much of their recent activity has been directed toward regulation of new products, the EPA noise office has begun emphasizing state and local programs. Activity in noise control at the local level is increasing, with the number of local programs more than doubling in the last several years.

While the primary responsibility for noise control rests with local governments, EPA offers technical assistance to cities and communities and has started two antinoise programs: the Quiet Communities Program (QCP) and Each Community Helps Others (ECHO).

Quiet communities

The Quiet Communities Program is a pilot project intended to show how to apply the best available techniques to control noise at the local level. The emphasis is on action by the local government aided by technical assistance and support from EPA in an all-out effort to control noise.

Allentown, Penn. was chosen to be the first Quiet Community. The city has a wide variety of noise problems that are considered to be manageable; its citizens expressed a strong concern for reducing noise and the city government actively sought participation in the program. According to Allentown's QCP coordinator, Jeffrey Everett, "Allentown runs the gamut as far as noise problems are concerned: highway, industrial, and airport. Our primary problems are traffic-related or from domestic sources. That's where we get the most complaints." In the twelve-month period July 1, 1976 to June 30, 1977, there were 1,600 domestic complaints registered—everything from loud parties to barking dogs.

In the next two years several other communities will join the QCP, each of which will be supported by EPA for two years. With technical assistance provided by EPA, each Quiet Community will develop and implement noise control strategies through local ordinances, legislation, public information and education. Emphasis will be on involving citizens, neighborhood groups, and social and civic organizations in reducing their noise problems.

Each community helps others

Another program designed to assist communities in solving their noise problems is EPA's Each Community Helps Others (ECHO) program. Communities will share their experiences in noise control with other cities and towns. Community noise advisors, who have been selected by EPA, will assist certain communities in solving particular noise problems.

A noise advisor might help community residents locate the sources of noise, determine which noises are most annoying or harmful, and assist in reducing noise by helping draft legislation and ordinances. The program will not provide the community with a solution to every noise problem, but will help with individual problem solving.

Several cities and towns that have employed noise control experts endorse this concept as an important asset to communities trying to initiate or improve noise programs. "A well-trained noise advisor can be a tremendous help and can benefit several communities through a sharing process," says Sally Parsons, president of the Littleton Col. City Council.

EPA has accepted applications from several communities with serious but manageable noise problems and has assigned a community noise advisor to each. Some of these communities are: Council Bluffs, Iowa; Norfolk; Charleston; Des Moines; Sioux Falls; Tempe, Ariz.; and Anchorage. By the end of June, 1978, at least twenty more communities will have been matched with qualified noise advisors.

Standards and regulations

Congress also assigned the EPA the task of setting noise standards and regulations for new products sold in commerce. This part of the noise control effort attacks the major cause of noise problems—the basic noisiness of many products and types of equipment. This effort is a necessary complement to state and local efforts to manage the noise problem.

Federal action ensures uniformity of standards and provides local officials the means to solve their noise problems. The EPA encourages public participation in the rule making process and is also considering the costs to manufacturers.

Sources and resources: Use what you have

Noise control programs at all levels of government are notoriously underfunded and understaffed.

How can city governments with limited budgets locate the people and money to conduct a noise control program? The simplest and best way to bypass that problem is to use what you have.

Because noise-monitoring equipment is easy to operate, using it could become a function of the local police department. City officials can be responsible for administering and supervising the program.

A successful noise control program in a city with major noise problems was carried out in El Segundo, for less than $25,000. The city tapped local resources and avoided hiring new staff by using appointed city officials to administer the program. In Florida, the legislature directed the state's Department of Environmental Regulations to establish standards for environmental noise. "But the legislature didn't give the department enough resources to enforce statewide standards," according to Jesse Borthwick, Florida administrator of noise control. So the department contracted with five universities in the state to assist in the areas of research and development. "Our goal was to help cities and towns develop their own local noise programs," he says. The universities provided technical assistance, expertise, labor (by graduate students), and a lot of equipment.

A noise control program should emphasize public education and support. An effective liaison to the public is the local intermediary group—civic, religious, business, and professional. The program should also provide outlets for interested citizens and groups to control noise.

Several resource programs are available from federal agencies, and cities can take advantage of these programs. The EPA provides technical assistance for any city or community that is working to develop a noise control program. Tools are available such as model building codes, mechanical equipment codes, model enforcement procedures, equipment loans, model state noise legislation, and public education materials. Assistance often involves a federal official working directly with communities to train local officials or help them solve specific problems.

Workers are available from such programs as Comprehensive Employment and Training Act Programs (CETA) and programs for the aging. CETA programs are managed by Department of Labor approved prime sponsors to provide job training and employment opportunities for economically disadvantaged, unemployed, and under-employed people. Programs for the aging are administered by the Department of Labor and the Department of Health, Education and Welfare's Administration on Aging. These programs are designed to mobilize the millions of older Americans and retired people who have the time and talent to contribute to community and state noise programs. For example, additional people were hired for the ten EPA regional noise offices through the Senior Enviromenntal Employment (SEE) program, one of several programs which are part of an interagency agreement between the EPA and the Administration on Aging. EPA has published a booklet describing these programs and indicating how local officials can obtain these resources for their noise control programs.

Although grant money is not available, EPA can guide communities through the necessary steps in developing a noise control program.

QUIETING THE NOISE MAKERS

Noise is a constant source of complaints for government officials in large cities and small. But even where state, local, and regional noise programs are active, controlling noise has proven a difficult task to accomplish. It is safe to say that state and local efforts alone, though imperative, are not sufficient to solve the problem. Although noise is at heart a community problem, its ubiquitous nature makes it a significant national problem, meriting federal attention.

This report illustrates some of the ways state and local government officials have dealt with noise issues in their communities. Their strategy generally has been to govern by law the actual operation of a variety of noisy products, including construction equipment, motorcycles, automobiles, and trucks. Other everyday noise sources, as well as people and animals, also are the subject of such "in-use" noise laws in many communities in this country. But, as necessary as these operational controls are, they do not solve the basic cause of noise problems: the inherent noisiness of many products and types of equipment. Community noise abatement strategies generally attack the problem after it has been created.

The Noise Control Act of 1972 directed the EPA to identify and regulate major noise sources most detrimental to the public's health and welfare. The EPA has authority to regulate only newly-manufactured products, but using it will ensure national uniformity of treatment and can be the most cost-effective way of reducing noise at the point of its manufacture. States and local governments retain responsibility for controlling the operation of noisy products.

Since 1972, the agency has identified nine products as major noise sources. They are: portable air compressors, medium and heavy trucks, wheel and crawler tractors (used in construction), truck refrigeration units, garbage trucks, motorcycles, buses, power lawn mowers, pavement breakers (or jack hammers), and rock drills. Initial standards for air compressors and trucks become effective January 1, 1978. In late 1977, proposed regulations were issued for wheel and crawler tractors, garbage trucks, and buses. The

public comment periods have ended and the EPA is reviewing the public docket in preparation for issuing final rules within the year. Regulation for motorcycles and their replacement mufflers were proposed March 15, 1978 and a final rule is expected in mid-1979, although motorcycle manufacturers would not be required to meet initial standards until 1980.

Several other products are being investigated by the EPA to see if their noise levels warrant regulation. They include automobiles and light trucks, tires, mufflers, snowmobiles, chain saws, air conditioners, guided mass transit motorboats, and earth moving equipment. The agency also has undertaken several programs to examine the feasibility of noise labeling requirements for a variety of products, including air conditioners, vacuum cleaners, chain saws, mufflers, and snowmobiles.

Under a separate category of the Noise Control Act, EPA has set in-use standards for interstate railroads and motor carriers. These standards preempt state and local in-use as well as federal standards which must be met before products are sold. Congress chose to impose this preemption because of the interstate nature of these two classes of noise sources. Other sections of the act assign EPA limited regulatory responsibilities, such as recommended aviation noise standards to the Federal Aviation Administration (FAA). In general, the FAA has chosen not to implement EPA's proposals.

Aircraft and airport noise

Noise is an integral part of aviation and the busy airports that serve countless communities across the country. But every day, many people living near airports suffer excessive levels of noise which are not only annoying, but also may be harmful to their health and welfare.

As airports and air traffic continue to grow, the aviation noise problem is becoming more severe. No ideal solutions are known, particularly where airports are already surrounded by hundreds of thousands of people, but many communities are discovering they can work together with the airport proprietor and reduce noise.

The FAA has primary responsibility for aircraft noise and has established noise level standards for all newly-manufactured aircraft. But often the problem stems from such sources as the pattern of surrounding land uses. City officials and interested citizens can help by effecting noise abatement programs and land use programs. If the community and the airport join together to present a plan to the FAA, they can promote comprehensive noise abatement planning and control.

Citizens have had success in gaining a voice in the planning process for operation procedures at airports. For instance, in Minneapolis, the Metropolitan Aircraft Sound Abatement Council, a group composed of citizens, airport operators, and industry representatives, has dramatically reduced aviation noise around the Minneapolis-St. Paul airport. The EPA worked with airport authorities during the development of EPA's airport noise evaluation process (ANEP), a method for determining how much noise aircraft add to an area.

The ANEP involves determining the general noise in the area of the airport and estimating aviation noise in the same area. By comparing aviation noise to total noise, an effective airport noise abatement and land-use plan can be developed.

In El Segundo, citizens lobbied for quieter planes, and worked directly with the airport to bring about changes in operations, take-off, and landing. "We've had a fair amount of success with the problem," according to city Councilmember Dick Nagel. "We're putting pressure on industry and other groups to get quieter planes and we've had pretty good success. Most newly-purchased planes are meeting quieter standards," Nagel said.

By changing flight patterns, a city ordinance in Tempe, Ariz. has significantly reduced noise that was disturbing the community. The Phoenix-Sky Harbor Airport is monitored continually by a noise abatement committee that includes several citizen representatives.

There are limits to aircraft noise abatement. Noise is a part of aviation. Airplanes are subject to physical laws which restrict the manner in which they fly. Safety is and must be the primary concern. But excessive noise caused by airplanes and airports can be reduced. Cooperative effort by the community and the airport to explore the possibilities for noise abatement is an important first step in conquering the problem.

Motorcycle noise

Motorcycles are one of the greatest sources of citizen noise complaints in this country. For example, in a recent EPA urban noise survey, respondents cited automotive noise sources; particularly motorcycles, as the most annoying of all noise sources. A 1977 statewide survey conducted in Florida disclosed that noise from motorcycles and minibikes annoyed more people (41 percent) than any other noise source. (Next behind motorcycles were airplanes and helicopters chosen by 9 percent of the respondents.) In San Francisco, a 1967 newspaper survey found motorcycle noise to be the number one source of citizen annoyance.

Motorcycle noise affects almost everyone. People living in urban and suburban areas complain about the annoyance. Excessive noise from motorcycles is even polluting wilderness areas where appropriate use restrictions are not enforced. A large part of the problem comes flrom motorcycles that have been modified by their owners to make even more noise than they did when they came from the factory. Many bike owners are under the mistaken impression that they can achieve better performance by tampering with their mufflers. What is usually achieved is merely more noise—not just for the rider but for everyone else. Some motorcyclists even desire noisier bikes than can be bought new from retail stores. As a result, a large market has grown up over the years dealing in the manufacture and sale of noisier replacement mufflers considerably less effective than the originals.

Whose responsibility is it to solve the problem of motorcycle noise? The federal government's? The states'? The cities'? The answer is that the problem will be solved only through the combined efforts of both local and federal governments. Each level of government can achieve different results. State and local governments are ideally suited to enforcing in-use noise laws, many of which already have been adopted. The federal government is ideally suited to requiring manufacturers to reduce the noise of new motorcycles and replacement mufflers before they are sold. All fifty states asked the federal government for motorcycle noise regulations.

The EPA proposed a regulation for motorcycles and replacement mufflers on March 15, 1978. The proposed rule addresses the problem of owner modification as well as the noise levels of several types of new motorcycles. The proposed standards will require street motorcycles and off-road motorcycles to be quieted from current levels by some 2–9 decibels over a six-year period. (See chart.) The standards also will apply to replacement muffler systems.

Mufflers intended for use on motorcycles built after 1980 would have to meet the new standards. However muffler manufacturers can continue to build noisy systems for older bikes that are not subject to the regulation and it is likely that some of these noisy systems will appear on 1980 and later models. To counter this, the proposed regulation would require mufflers intended for older, non-federally regulated bikes to be labeled as not meeting EPA standards. This label would enable police or other enforcement personnel to detect mufflers which are used on the wrong motorcycles.

Requiring quieter motorcycles and mufflers will not, by itself, solve the problem, of course, State and local governments will have to complement these proposals with active enforcement if they want to realize significant noise reduction. Tampering with quieted products is a violation of federal statute, but there is no federal police force to punish tamperers.

The EPA proposal contains several tools that are intended to make the state and local enforcement job a lot easier. Several labels are required to be placed on motorcycles and mufflers. One is a compliance label indicating that a motorcycle is in conformance with EPA standards. It also tells whether a motorcycle is a street, off-road, or competition bike. A label on the muffler states which individual models it can be used on or that it is intended for older motorcycles and should not be used on motorcycles manufactured after 1980. Finally the motorcycle will carry a label indicating that model's sound level on a simple stationary test (not the acceleration test that defines the standard). An enforcement officer can run this same test in a field with a sound level meter. If the sound level significantly exceeds the level on the label, he has objective evidence that tampering or severe deterioration has taken place.

The proposed regulation will result in a significant reduction in motorcycle noise. In combination with state and local enforcement efforts, the regulation is expected to result in a 55-75 percent decrease in street motorcycle noise. Off-road motorcycle noise should be reduced by 25-33 percent. The health and welfare benefits to the community are obvious. Millions of Americans are exposed each day to motorcycle noise levels that can cause stress, tension, and other physiological and psychological reactions. Much of this excessive noise will be reduced by the proposed regulations and its enforcement.

The proposed regulation is still open for public comment. The EPA is especially anxious to have responses from public officials. Is motorcycle noise a problem in your community? Does the proposed EPA regulations complement your own local enforcement program? Do you need additional assistance from the EPA? Use the enclosed card to comment on the motorcycle noise regulation and to request noise information. Letters are welcome and should be sent to:

Motorcycle Noise, EPA, Washington. D.C. 20460.

This is an opportunity to be involved in the decision process and be part of the official record.

The agency is strongly committed to involving local officials and the American public in its rule making process. Now is the time to help the EPA design a viable federal program to answer your needs. To be successful, a motorcycle noise control program must be supported by interested state and local agencies. Whether you are for or against the regulation the EPA wants to know what you think.

EPA REGIONAL NOISE REPRESENTATIVES

Region I: Mr. Al Hicks, JFK Building, Rm 2113, Boston, Ma 02203, (617) 223–5708.

Region II: Mr. Tom O'Hare, 26 Federal Plaza, Rm 907G, New York, NY 10007, (212) 264–2109.

Region III: Mr. Patrick Anderson, Curtis Building, 6th and Walnut Streets, Philadelphia, Pa, 19106 (215) 597–9118.

Region IV: Dr. Kent Williams, 345 Court-

land Street, N.E., Atlanta, Georgia 30308, (404) 881-4861.

Region V: Mr. Horst Witschonke, 230 Dearborn Street, Chicago, Il 60604, (312) 353-2205.

Region VI: Mr. Mike Mendias, First International Building, 1201 Elm Street, Dallas, Texas 75270, (214) 729-2712.

Region VII: Mr. Vincent Smith, 1735 Baltimore Street, Kansas City, Mo 64108, (816) 374-3307.

Region VIII: Mr. Robert Simmons, Lincoln Tower, Suite 900, 1860 Lincoln Street, Denver, Co 02203, (303) 837-2221.

Region IX: Dr. Richard Procunier, 215 Fremont Street, San Francisco, Ca 94105, (415) 556-4606.

Region X: Mrs. Deborah Yamamoto, 1200 Sixth Avenue, Seattle, Washington 98101, (206) 442-1253.

DO WE FEEL TOO GUILTY TO DEFEND OURSELVES?

● Mr. HATCH. Mr. President, Alexander Solzhenitsyn's speech to the Harvard graduating class which appeared in its entirety in the June 11 issue of the Washington Post, is not one to be read and forgotten. Instead, its points should be seriously considered by all Americans.

We cannot hope to judge always accurately our own society. We are too culture-bound to recognize many of the faults Mr. Solzhenitsyn warned about in his speech. None of us have ever lived in a concentration camp or struggled in secrecy to write a book. We have never lived in constant fear that we would be taken away from our families at any moment. Who could value freedom or have more courage than Alexander Solzhenitsyn?

If Mr. Solzhenitsyn says that "the West has lost its courage," then we should listen and consider his words rather than attack them and in so doing illustrate the very faults we are denying.

Mr. Solzhenitsyn bases his conclusions on conditions of our existence that we find embarrassing and, therefore we do not want to accept his ideas. The West is over-legalized and its laws do not always advance the cause of freedom. The people of the West are overly concerned with material things. We have denounced ourselves excessively and let down allies. Much of our press and many of our leaders are mostly concerned with their own welfare, and they operate accordingly. The spiritual atmosphere of this country, in which our freedom was created, has declined.

We must not shun Solzhenitsyn's criticism of the West when it is that very criticism wherein lies the way for us to understand our predicament. The Washington Post's editorial concerning Solzhenitsyn's speech proves many of his points even as it attempts to discredit them. It accuses Mr. Solzhenitsyn of "a gross misunderstanding of western society," a misunderstanding it attributes to Mr. Solzhenitsyn being an outsider—a Russian. Does the Post's editorial writer claim to understand both Americans and Russions better than Solzhenitsyn does?

In his speech Mr. Solzhenitsyn recognizes the press as "the greatest power within Western countries," and he points out the fact that the press is unified in a pattern of fashionable judgment. One of these fashionable judgments is that the real enemy is the cold war produced by anti-Communists. The editorial proves Solzhenitsyn's point perfectly by attempting to discredit him for insisting that we recognize our Soviet enemy and for leading a crusade to insure a boundless cold war. Is it really true that our main weaknesses are that we are not liberal enough and do not trust the Soviets enough?

I hope that everyone will consider Mr. Solzhenitsyn's speech very carefully, and I ask that his speech be printed in the RECORD.

The speech follows:

SOLZHENITSYN'S INDICTMENT: "THE WEST HAS LOST ITS COURAGE"

(By Alexander Solzhenitsyn)

A loss of courage may be the most striking feature which an outside observer notices in the West in our days. The western world has lost its civil courage, both as a whole and separately, in each country, each government, each political party and of course in the United Nations.

Such a decline in courage is particularly noticeable among the ruling groups and the intellectual elite, causing an impression of loss of courage by the entire society. Of course there are many courageous individuals but they have no determining influence on public life. Political and intellectual bureaucrats show depression, passivity and preplexity in their actions and in their statements and even more so in theoretical reflections to explain how realistic, reasonable as well as intellectually and even morally warranted it is to base policies on weakness and cowardice.

And decline in courage is ironically emphasized by occasional explosions of anger and inflexibility on the part of the same bureaucrats when dealing with weak governments and weak countries, not supported by anyone, or with currents which cannot offer any resistance. But they get tongue-tied and paralyzed when they deal with powerful governments and threatening forces, with aggressors and international terrorists.

Should one point out that from ancient times decline in courage has been considered the beginning of the end?

When the modern western states were created, the following principle was proclaimed: governments are meant to serve man, and man lives to be free and to pursue happiness. (See, for example, the American Declaration of Independence).

Now at last during past decades technical and social progress has permitted the realization of such aspirations: the welfare state. Every citizen has been granted the desired freedom and material goods in such quantity and of such quality as to guarantee in theory the achievement of happiness, in the morally inferior sense which has come into being during those same decades.

In the process, however, one psychological detail has been overlooked: The constant desire to have still more things and a still better life and the struggle to obtain them imprints many western faces with worry and even depression, though it is customary to conceal such feelings. Active and tense competition permeates all human thoughts without opening a way to free spiritual development.

The individual's independence from many types of state pressure has been guaranteed; the majority of people have been granted well-being to an extent their fathers and grandfathers could not even dream about; it has become possible to raise young people according to these ideals, leading them to physical splendor, happiness, possession of material goods, money and leisure, to an almost unlimited freedom of enjoyment. So who should now renounce all this, why and for what should one risk one's precious life in defense of common values, and particularly in such nebuous cases when the security of one's nation must be defended in a distant country?

Even biology knows that habitual extreme safety and well-being are not advantageous for a living organism. Today, well-being in the life of western society has begun to reveal its pernicious mask.

Western society has given itself the organization best suited to its purposes, based, I would say, on the letter of the law. The limits of human rights and righteousness are determined by a system of laws; such limits are very broad.

People in the West have acquired considerable skill in using, interpreting and manipulating law, even though laws tend to be too complicated for an average person to understand without the help of an expert. Any conflict is solved according to the letter of the law and this is considered to be the supreme solution. If one is right from a legal point of view, nothing more is required, nobody may mention that one could still not be entirely right, and urge self-restraint, a willingness to renounce such legal rights, sacrifice and selfless risk; it would sound simply absurd.

One almost never sees voluntary self-restraint. Everybody operates at the extreme limit of those legal frames. An oil company is legally blameless when it purchases an invention of a new type of energy in order to prevent its use. A food product manufacturer is legally blameless when he poisons his produce to make it last longer: after all, people are free not to buy it.

I have spent all my life under a communist regime and I will tell you that a society without any objective legal scale is a terrible one indeed. But a society with no other scale but the legal one is not quite worthy of man either. A society which is based on the letter of the law and never reaches any higher is taking very scarce advantage of the high level of human possibilities. The letter of the law is too cold and formal to have a beneficial influence on society. Whenever the tissue of life is woven of legalistic relations, there is an atmosphere of moral mediocrity, paralyzing man's noblest impulses.

And it will be simply impossible to stand through the trials of this threatening century with only the support of a legalistic structure.

In today's western society, the inequality has been revealed of freedom for good deeds and freedom for evil deeds. A stateman who wants to achieve something important and highly constructive for his country has to move cautiously and even timidly; there are thousands of hasty and irresponsible critics around him, parliament and the press keep rebuffing him. As he moves ahead, he has to prove that each single step of his is well-founded and absolutely flawless. Actually an outstanding and particularly gifted person who has unusual and unexpected initiatives in mind hardly gets a chance to assert himself; from the very beginning, dozens of traps will be set out for him. Thus mediocrity triumphs with the excuse of restrictions imposed by democracy.

It is feasible and easy everywhere to undermine administrative power and, in fact, it has been drastically weakened in all western countries. The defense of individual rights has reached such extremes as to make society as a whole defenseless against certain individuals. It is time, in the West, to defend not so much human rights as human obligations.

Destructive and irresponsible freedom has been granted boundless space. Society appears to have little defense against the abyss of human decadence, such as, for example, misuse of liberty for moral violence against young people, motion pictures full of pornography, crime and horror. It is considered to be part of freedom and theoretically

counter-balanced by the young people's right not to look or not to accept. Life organized legalistically has thus shown its inability to defend itself against the corrosion of evil.

And what shall we say about the dark realm of criminality as such? Legal frames (especially in the United States) are broad enough to encourage not only individual freedom but also certain individual crimes. The culprit can go unpunished or obtain undeserved leniency with the support of thousands of public defenders. When a government starts an earnest fight against terrorism, public opinion immediately accuses it of violating the terrorists' civil rights. There are many such cases.

Such a tilt of freedom in the direction of evil has come about gradually but it was evidently born primarily out of a humanistic and benevolent concept according to which there is no evil inherent to human nature; the world belongs to mankind and all the defects of life are caused by wrong social systems which must be corrected. Strangely enough, though the best social conditions have been achieved in the West, there still is criminality and there even is considerably more of it than in the pauper and lawless Soviet society. (There is a huge number of prisoners in our camps who are termed criminals, but most of them never committed any crime; they merely tried to defend themselves against a lawless state resorting to means outside of a legal framework.)

The press too, of course, enjoys the widest freedom. I shall be using the word press to include all media. But what sort of use does it make of this freedom?

Here again, the main concern is not to infringe the letter of the law. There is no moral responsibility for deformation or disproportion.

What sort of responsibility does a journalist have to his readers, or to history?

If they have misled public opinion or the government by inaccurate information or wrong conclusions, do we know of any cases of public recognition and rectification of such mistakes by the same journalist or the same newspaper?

No. it does not happen, because it would damage sales. A nation may be the victim of such a mistake, but the journalist always gets away with it. One may safely assume that he will start writing the opposite with renewed self-assurance.

Because instant and credible information has to be given, it becomes necessary to resort to guesswork, rumors and suppositions to fill in the voids, and none of them will ever be rectified, they will stay on in the readers' memory.

How many hasty, immature, superficial and misleading judgments are expressed every day, confusing readers, without any verification? The press can both stimulate public opinion and miseducate it.

Thus we may see terrorists heroized, or secret matters, pertaining to one's nation's defense, publicly revealed, or we may witness shameless intrusion on the privacy of well-known people under the slogan: "Everyone is entitled to know everything."

But this is a false slogan, characteristic of a false era: people also have the right not to know, and it is a much more valuable one. The right not to have their divine souls stuffed with gossip, nonsense, vain talk. A person who works and leads a meaningful life does not need this excessive, burdening flow of information.

Hastiness and superficiality are the psychic disease of the 20th century and more than anywhere else this disease is reflected in the press. In-depth analysis of a problem is anathema to the press. It stops at sensational formulas.

Such as it is, however, the press has become the greatest power within the western countries, more powerful than the legislature, the executive and the judiciary. One would then like to ask: By what law has it been elected and to whom is it responsible?

In the communist East, a journalist is frankly appointed as a state official. But who has granted western journalists their power, for how long a time and with what prerogatives?

There is yet another surprise for someone coming from the East where the press is rigorously unified: one gradually discovers a common trend of preferences within the western press as a whole. It is a fashion; there are generally accepted patterns of judgment and there may be common corporate interests, the sum effect being not competition but unification.

Enormous freedom exists for the press, but not for the readership, because newspapers mostly give enough stress and emphasis to those opinions which do not too openly contradict their own and the general trend.

Without any censorship, in the West fashionable trends of thought and ideas are carefully separated from those which are not fashionable; nothing is forbidden, but what is not fashionable will hardly ever find its way into periodicals or books or be heard in colleges.

Legally your researchers are free, but they are conditioned by the fashion of the day. There is no open violence such as in the East; however, a selection dictated by fashion and the need to match mass standards frequently prevent independent-minded people from giving their contribution to public life. There is a dangerous tendency to form a herd, shutting off successful development.

This gives birth to strong mass prejudices, to blindness, which is most dangerous in our dynamic era. There is, for instance, a self-deluding interpretation of the contemporary world situation. It works as a sort of a petrified armor around people's minds.

Human voices from 17 countries of Eastern Europe and Eastern Asia cannot pierce it. It will only be broken by the pitiless crowbar of events.

It is almost universally recognized that the West shows all the world a way to successful economic development, even though in the past years it has been strongly disturbed by chaotic inflation.

However, many people living in the West are dissatisfied with their own society. They despise it or accuse it of not being up to the level of maturity attained by mankind. A number of such critics turn to socialism, which is a false and dangerous current.

I hope that no one present will suspect me of offering my personal criticism of the western system to present socialism as an alternative. Having experienced applied socialism in a country where the alternative has been realized, I certainly will not speak for it.

But should someone ask me whether I would indicate the West such as it is today as a model to my country, frankly I would have to answer negatively. No, I could not recommend your society in its present state as an ideal for the transformation of ours.

Through intense suffering our country has now achieved a spiritual development of such intensity that the western system in its present state of spiritual exhaustion does not look attractive. Even those characteristics of your life which I have just mentioned are extremely saddening.

A fact which cannot be disputed is the weakening of human beings in the West while in the East they are becoming firmer and stronger. Six decades for our people and three decades for the people of Eastern Europe; during that time we have been through a spiritual training far in advance of western experience. Life's complexity and mortal weight have produced stronger, deeper and more interesting characters than those generated by standardized western well-being.

Therefore, if our society were to be transformed into yours, it would mean an improvement in certain aspects, but also a change for the worse on some particularly significant scores.

It is true, no doubt, that a society cannot remain in an abyss of lawlessness, as is the case in our country. But it is also demeaning for it to elect such mechanical legalistic smoothness as you have.

After the suffering of decades of violence and oppression, the human soul longs for things higher, warmer and purer than those offered by today's mass living habits, introduced by the revolting invasion of publicity, by TV stupor and by intolerable music.

All this is visible to observers from all the worlds of our planet. The western way of life is less and less likely to become the leading model.

There are meaningful warnings which history gives a threatened or perishing society. Such are, for instance, the decadence of art, or a lack of great statesmen.

There are open and evident warnings, too. The center of your democracy and of your culture is left without electric power for a few hours only, and all of a sudden crowds of American citizens start looting and creating havoc.

The smooth surface film must be very thin, then, the social system quite unstable and unhealthy.

But the fight for our planet, physical and spiritual, a fight of cosmic proportions, is not a vague matter of the future; it has already started.

The forces of evil have begun their decisive offensive, you can feel their pressure, and yet your screens and publications are full of prescribed smiles and raised glasses. What is the joy about?

Very well-known representatives of your society, such as George Kennan, say: We cannot apply moral criteria to politics. Thus we mix good and evil, right and wrong and make space for the absolute triumph of absolute evil in the world.

On the contrary, only moral criteria can help the West against communism's well-planned world strategy. There are no other criteria. Practical or occasional considerations of any kind will inevitably be swept away by strategy. After a certain level of the problem has been reached, legalistic thinking induces paralysis, it prevents one from seeing the size and meaning of events.

In spite of the abundance of information, or maybe because of it, the West has difficulties in understanding reality such as it is. There have been naive predictions by some American experts who believed that Angola would become the Soviet Union's Vietnam or that Cuban expeditions in Africa would best be stopped by special U.S. courtesy to Cuba.

Kennan's advice to his own country—to begin unilateral disarmament—belongs to the same category. If you only knew how the youngest of the Moscow Old Square officials laugh at your political wizards!

As to Fidel Castro, he frankly scorns the United States, sending his troops to distant adventures from his country right next to yours.

However, the most cruel mistake occurred with the failure to understand the Vietnam War. Some people sincerely wanted all wars to stop just as soon as possible; others believed that there should be room for national, or communist, self-determination in Vietnam, or in Cambodia, as we see today with particular clarity.

But members of the U.S. antiwar movement wound up being involved in the betrayal of Far Eastern nations, in a genocide and in the suffering today imposed on 30 million people there. Do those convinced pacifists hear the moans coming from there? Do they understand their responsibility today? Or do they prefer not to hear?

That American intelligentsia lost its nerve, and as a consequence thereof danger has come much closer to the United States. But there is no awareness of this.

Your shortsighted politicians who signed the hasty Vietnam capitulation seemingly gave America a carefree breathing pause; however, a hundredfold Vietnam now looms over you.

That small Vietnam had been a warning and an occasion to mobilize the nation's courage. But if a full-fledged America suffered a real defeat from a small communist half-country, how can the West hope to stand firm in the future?

I have had occasion already to say that in the 20th century western democracy has not won any major war without help and protection from a powerful continental ally whose philosophy and ideology it did not question.

In World War II against Hitler, instead of winning that war with its own forces, which would certainly have been sufficient, Western democracy grew and cultivated another enemy who would prove worse and more powerful yet, as Hitler never had so many resources and so many people, nor did he offer any attractive ideas, or have such a large number of supporters in the West—a potential fifth column—as the Soviet Union.

At present, some western voices already have spoken of obtaining protection from a third power against aggression in the next world conflict, if there is one; in this case the shield would be China. But I would not wish such an outcome to any country in the world.

First of all, it is again a doomed alliance with evil; also it would grant the United States a respite, but when at a later date China with its billion people would turn around armed with American weapons, America itself would fall prey to a genocide similar to the one perpetrated in Cambodia in our days.

And yet—no weapons, no matter how powerful, can help the West until it overcomes its loss of willpower. In a state of psychological weakness, weapons become a burden for the capitulating side. To defend oneself, one must also be ready to die; there is little such readiness in a society raised in the cult of material well-being.

Nothing is left, then, but concessions, attempts to gain time and betrayal. Thus at the shameful Belgrade Conference free western diplomats in their weakness surrendered the line where enslaved members of Helsinki watchgroups are sacrificing their lives.

Western thinking has become conservative; the world situation should stay as it is at any cost, there should be no changes. This debilitating dream of a status quo is the symptom of a society which has come to the end of its development.

But one must be blind in order not to see that oceans no longer belong to the West, while land under its domination keeps shrinking. The two so-called world wars—they were by far not on a world scale, not yet—have meant internal self-destruction of the small progressive West which has thus prepared its own end. The next war—which does not have to be an atomic one and I do not believe it will—may well bury western civilization forever.

Facing such a danger, with such historical values in your past, at such a high level of realization of freedom and apparently of devotion to freedom, how is it possible to lose to such an extent the will to defend oneself?

How has this unfavorable relation of forces come about? How did the West decline from its triumphal march to its present sickness? Have there been fatal turns and losses of direction in its development?

It does not seem so. The West kept advancing socially in accordance with its proclaimed intentions, with the help of brilliant technological progress. And all of a sudden it found itself in its present state of weakness. This means that the mistake must be at the root, at the very basis of human thinking in the past centuries.

I refer to the prevailing western view of the world which was first born during the Renaissance and found its political expression from the period of the Enlightenment. It became the basis for government and social science and could be defined as rationalistic humanism or humanistic autonomy: the proclaimed and enforced autonomy of man from any higher force above him. It could also be called anthropocentricity, with man seen as the center of everything that exists.

The turn introduced by the Renaissance evidently was inevitable historically. The Middle Ages had come to a natural end by exhaustion, becoming an intolerable despotic repression of man's physical nature in favor of the spiritual one.

Then, however, we turned our backs upon the Spirit and embraced all that is material with excessive and unwarranted zeal. This new way of thinking, which had imposed on us its guidance, did not admit the existence of intrinsic evil in man nor did it see any higher task than the attainment of happiness on earth.

It based modern western civilization on the dangerous trend to worship man and his material needs. Everything beyond physical well-being and accumulation of material goods, all other human requirements and characteristics or a subtler and higher nature, were left outside the area of attention of state and social systems, as if human life did not have any superior sense.

That provided access for evil, of which in our days there is a free and constant flow. Merely freedom does not in the least solve all the problems of human life and it even adds a number of new ones.

However, in early democracies, as in American democracy at the time of its birth, all individual human rights were granted because man is God's creature. That is, freedom was given to the individual conditionally, in the assumption of his constant religious responsibility.

Such was the heritage of the preceding thousand years. Two hundred or even 50 years ago, it would have seemed quite impossible, in America, that an individual could be granted boundless freedom simply for the satisfaction of his instincts or whims.

Subsequently, however, all such limitations were discarded everywhere in the West; a total liberation occurred from the moral heritage of Christian centuries with their great reserves of mercy and sacrifice.

As humanism in its development became more and more materialistic, it made itself increasingly accessible to speculation and manipulation at first by socialism and then by communism. So that Karl Marx was able to say in 1844 that "communism is naturalized humanism."

This statement turned out to be not entirely senseless. One does see the same stones in the foundations of a despiritualized humanism and of any type of socialism; endless materialism; freedom from religion and religious responsibility, which under communist regimes reach the stage of anti-religious dictatorship; concentration on social structures, with a seemingly scientific approach.

This is typical of the Englightenment in the 18th century and of Marxism. Not by coincidence all of communism's meaningless pledges and oaths are about Man, with a capital M, and his earthly happiness.

At first glance it seems an ugly parallel: common traits in the thinking and way of life of today's West and today's East? But such is the logic of materialistic development.

We are now experiencing the consequences of mistakes which had not been noticed at the beginning of the journey. We have placed too much hope in political and social reforms, only to find out that we were being deprived of our most precious possession: our spiritual life.

In the East, it is destroyed by the dealings and machinations of the ruling party. In the West, commercial interests tend to suffocate it. This is the real crisis. The split in the world is less terrible than the similarity of the disease plaguing its main sections.●

TRIBUTE TO SENATOR JOSEPH A. MONTOYA

● Mr. WILLIAMS. Mr. President, all the Members of the Senate were deeply saddened to learn of the passing of our friend and former colleague Joseph A. Montoya.

Truly a devoted public servant, he held his first elected office, that of Representative in the New Mexico Legislature, at the age of 21, while still attending college.

From there Montoya went on to build a notable reputation as champion of the laborer, and the farmer, spending virtually his entire adult life working for the people of his State. The elderly, handicapped, and disadvantaged, too, were his prime concerns.

During more than 40 years in public office, in positions ranging from Lieutenant Governor to U.S. Senator, he never forgot his humble beginnings or heritage and was ever sympathetic to the plight of minorities, earning the title of spokesman for Hispanic-Americans not only in New Mexico, but across the country. He rightly stressed the importance of education as the key to success and became a leader in the fight to insure every citizen access to a quality education.

This unending commitment earned him respect and admiration here in Washington, and at home in New Mexico, and though he will be sorely missed, his reputation and legislative contributions will not soon be forgotten. Senator Montoya was a loyal and dedicated statesman, and one whom we can all be proud to have known.●

EAT PEANUTS AND BRING A FLASK

● Mr. GARN. Mr. President, the President has called for tax reform; the papers want tax reform; the California vote on proposition 13 indicates that the voters want tax reform. But the kind of tax reform we get is rarely in line with what the voters want and need.

I have obtained, by a circuitous route, an example of the kind of tax reform we are much more likely to get. It illustrates perfectly why Government looms ever larger and more oppressive in our lives.

I ask that "Eat Peanuts and Bring a Flask," by R. A. Mulshine, be printed in the RECORD.

The article follows:

EAT PEANUTS AND BRING A FLASK!

(By R. A. Mulshine)

During my morning euphoria on Conrail I read with some interest about President Carter's proposal to allow as a tax deduction only

one-half of the cost of business meals. Frankly, my reaction was why one-half, why not three-sixteenths or seventy-eight four hundredths, and in my fantasy, I hope, the following income tax regulation appeared before me, reflecting the absurdity which may involve itself in the legislative process. Considering the extent of federal influence in our lives I assume for example, regulations in the future may even include lists of appropriate foods and on what days they may be eaten in order to ensure deductibility.

REGULATION $162.62-ALLOWANCE OF BUSINESS MEAL DEDUCTIONS

(a) In general. Business expenses deductible from gross income include the ordinary and necessary expenditures directly connected with taxpayer's trade or business.

(b) Business meals. Except for subsection (b)(1) thru (4) only one-half of a business meal is ordinary and necessary, the other is not. The nondeductible half shall be capitalized and written off pursuant to Section 167 depreciation rules over the useful business life of the consumer of such nondeductible food. Accelerated depreciation will be allowed on food acquired and consumed at fast food restaurants located within four hundred and eighty-two kilometers of taxpayer's place of business.

(1) Notwithstanding (b) all vegetables ordered, and delivered must be consumed in toto in order to qualify for any deduction whatsoever. This subsection is meant to include all beets, lima beans and brussels sprouts. Compliance with this subsection must be certified by attaching to the taxpayer's tax return Form 10000000 the Vegetable Consumption Verification Certificate which must be attested to by the applicable waiter or waitress.

(2) Notwithstanding (b), the cost of acquiring any peanuts or peanut derivatives is deductible in full without regard to whether it is consumed during a business meal, and a peanut credit of 10% is allowed against the taxpayers tax liability for the cost of all peanuts acquired and consumed in connection with business meetings or outings.

(3) Notwithstanding (b), except as follows the cost of all alcohol consumed at business lunches is nondeductible unless consumed pursuant to medical prescription. The cost of alcoholic beverages ordered and consumed in the District of Columbia and Plains, Georgia is deductible. The Plains exception relates only to beer.

(4) Subject to (b), but without regard to Subtitle F or Section 334(b)(2), no deduction shall be allowed for any food ordered, delivered and not consumed. All food shall be weighed when served, unfinished food shall be weighed at the end of the repast and the taxpayer's deduction shall be limited to one-half of the total cost of the meal times a fraction, the numerator of which is the weight of the finished food over the aggregate weight of the meal.

Example—A taxpayer eats lunch neither in the District of Columbia nor Plains with a client at a business club the cost of which is $27.80. Assuming $3.50 was spent on alcoholic beverage, all vegetables were eaten, the cost of peanuts consumed was $.30 and the weight of the food served was 2.8 lbs. and unfinished was .7 lbs., what is the taxpayers' tax deduction?

Total cost of meal	$27.80
Less:	
Cost of alcoholic beverage	3.50
Peanut acquisition cost	.30
Total	24.00
Times: Ratio of consumed to unconsumed food 2.1 to 2.8 lbs—75%	×.75
Base cost	18.00
Deductible—one-half of base cost	9.00
Plus peanut cost	.30
Total deduction	9.30

The taxpayer is entitled to a peanut credit of $.03 which is eligible for a three year carryback and ten year carryover. It should be noted, that if either the taxpayer *or* his client failed to eat all of his vegetables the only deduction available would be the cost of the peanuts.●

JUDGE MOULTRIE

● Mr. HOLLINGS. Mr. President, as many of my colleagues are no doubt aware, the Honorable H. Carl Moultrie I was recently selected Chief Judge of the District of Columbia Superior Court, an appointment the Washington Post described as "excellent" in an editorial comment on June 9.

Fewer of my colleagues, however, are probably aware that Judge Moultrie is a native son of South Carolina, having been born and raised in Charleston and gaining his education at Avery Institute there in the early 1930's.

I like to think that Judge Moultrie's childhood spent in our lovely hometown was the single greatest influence in the tremendous personal and professional success he has enjoyed over the years. That is stretching credibility, to be sure, but it is not indulging in hyperbole to say that Judge Moultrie's career has been first rank from the start.

From his early involvement in newspapering and civic work in Wilmington, N.C., through his academic achievements in the law to a long and distinguished record as an attorney and member of the bench in Washington, D.C., Judge Moultrie has displayed a concern for his fellow man, compassion in the administration of justice, and a thorough intellectual grasp of the legal issues at hand.

Listing his achievements and honors would fill this RECORD. Suffice it to say that Judge Moultrie's selection by the District of Columbia Judicial Nomination Commission is the best possible choice that body could have made. The Washington Post editorial makes that point most clearly, and I ask that it be printed in the RECORD with congratulations of the Senate to Judge Moultrie.

The editorial follows:

JUDGE MOULTRIE: A SUPERIOR CHOICE

After weeks of difficult deliberation and public speculation, H. Carl Moultrie I has been selected to succeed Harold H. Greene as chief judge of the D.C. Superior Court—and the decision is an excellent one. Though Judge Greene is a tough act to follow—for it was he who guided that court to an unprecedented level of respectability—Carl Moultrie has been an outstanding member of the bench. Indeed, the difficulty in choosing the new chief judge was not due to any dearth of judicial talent in Superior Court; on the contrary, the selection commission found the court blessed with a number of highly qualified and respected candidates.

Judge Moultrie certainly brings to his new position a special sensitivity to this community—for he has served it long and well and always with distinction. Before his judgeship, he was an active and effective president of the NAACP's Washington chapter and a leader in a remarkable number and range of civic groups. While that sort of participation doesn't automatically produce a good judge, Mr. Moultrie has drawn on his extensive experience with the judicial system before becoming a judge to improve the court's image in the community.

Now, as Judge Greene moves to the federal bench, Judge Moultrie takes over the administration of a court that in the last few years has been transformed from an old, disorganized Court of General Sessions into a Superior Court of state-court rank—which was estimated last year to have touched the lives of more than 300,000 people in this community. Judge Moultrie says he intends to present a plan to his colleagues for "participatory management" of the 44-judge court, which, given his record on and off the bench, is not expected to be merely a frivolous or obstructionist exercise in citizen "involvement." We'll see. But he is aware of many troubles that still plague the court's operations, not to mention just about any other court of its rank in the nation: backlogs in civil and small-claims divisions, some sharp differences in the way his colleagues dispense justice, and tight budgets. At least as he begins to address those challenges, Judge Moultrie should enjoy strong popular support.●

JEFFERSON DAVIS

● Mr. MARK O. HATFIELD. Mr. President, I wish to call the attention of my colleagues to the latest edition of "Jefferson Davis," a biography by Herman S. Frey. Most biographies of Davis, particularly those of a generation ago, are hopelessly romanticized or forbiddingly long. Mr. Frey's book is much more accessible, providing the reader with a thorough and accurate summary of Davis' life, and I commend it to any and all who would like to know more about this remarkable man.

Last year, Mr. President, I introduced Senate Joint Resolution 16, to posthumously restore the citizenship rights of Jefferson Davis. The resolution passed the Senate on April 27, 1977, and has been pending since that time in the House Judiciary Subcommittee on Immigration, Citizenship, and International Law, of which Mr. EILBERG is chairman. It is my sincere hope that the bill will move through committee and be approved by the full House before the end of the year.

Mr. President, I ask that the foreword from Mr. Frey's biography of Davis be printed in the RECORD.

The material follows:

FOREWORD

In his *History of the American People*, Woodrow Wilson wrote of the "masterful characteristics of Mr. Jefferson Davis:"

He had the pride, the spirit of initiative, the capacity in business, which qualify men for leadership, and lacked nothing of the indomitable will and impervious purpose to make his leadership effective. He moved, direct, undaunted by any peril, and heartened a whole people to hold steadfast to the end.

The calibre of this man has for too long been hidden by the clouds of propaganda and myth surrounding his leadership of a

benighted cause. Herman Frey has pierced these clouds to illuminate the life of a distinguished Mississippian and a great American. Other biographies of Davis sacrifice scholarly research for romanticized narrative, and are usually forbidding in length. Mr. Frey has not only given us an accurate story of an extraordinary life, he has done so with commendable brevity.

Jefferson Davis said that the purpose of writing his memoirs was to "keep the memory of our heroes green. Yet they belong not to us alone; they belong to the whole country; they belong to America." So it is with Davis himself, and in these days when expedience is more ardently practiced than conviction defended, it is even more important that we keep green the memory of a man so devoted to principle.

I hope that Herman Frey's *Jefferson Davis* will lead many more Americans to an understanding of a remarkable man.●

ALLOCATION OF BUDGET AUTHORITY

● Mr. TALMADGE. Mr. President, in compliance with section 302(b) of the Congressional Budget and Impoundment Control Act of 1974 the Senate Committee on Agriculture, Nutrition, and Forestry is herewith submitting to the Senate its allocation of budget authority to programs under its jurisdiction as included in the first concurrent resolution on the budget for fiscal year 1979 (S. Con. Res. 80). I ask that it be printed in the RECORD.

The material follows:

SENATE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY—ALLOCATION OF BUDGET AUTHORITY AND OUTLAYS PURSUANT TO SEC. 302(b) OF THE CONGRESSIONAL BUDGET ACT

[In millions of dollars]

Function—Program: Subcommittee	Direct spending		Entitlements	
	Budget authority	Outlays	Budget authority	Outlays
300—Forest service and soil conservation: Environment, Soil Conservation and Forestry	108	82		
350—Commodity programs: Agricultural Production, Marketing, and Stabilization of Prices	34	6,620		
Dairy and beekeeping indemnity: Agricultural Production, Marketing, and Stabilization of Prices			4	-4
Research and services: Agricultural Research and General Legislation	58	57		
Function total	[1] 92	[1] 6,678	4	4
450—Farmers Home Administration Rural Development Insurance Fund: Rural Development	260	73		
600—Food stamps: Nutrition			5,779	5,950
Women, infants and children (WIC): Nutrition			555	526
Child nutrition programs: Nutrition			2,624	2,663
Function total			8,958	[1] 9,138
850—Forest service permanent appropriations: Environment, Soil Conservation and Forestry	242	242		
Committee total	[1] 701	[1] 7,073	[1] 8,962	[1] 9,143

[1] Columns may not equal total due to rounding. ●

DOE NOW SUPPORTS ALCOHOL FUELS

● Mr. JAVITS. Mr. President, I am firmly committed to the development of renewable resources as a major source of energy. Alcohol derived from urban waste, agricultural residues, timber, coal, and even algae presents immediate opportunities for liquid fuel.

Assistant Secretary Alvin L. Alm spoke before the National Gasohol Commission Conference in Washington, D.C. this week. His speech signifies a major turning point for the Department of Energy on the alcohol fuel issue. Mr. Alm reasserts DOE's commitment to resolve economic, supply and other issues that affect the potential of alcohol fuels. I would like to place his speech in its entirety in the RECORD.

The speech follows:

REMARKS OF ALVIN L. ALMS, ASSISTANT SECRETARY FOR POLICY AND EVALUATION, DEPARTMENT OF ENERGY, BEFORE NATIONAL GASOHOL COMMISSION CONFERENCE JUNE 13, 1978

I am pleased to be here today to address the first Washington meeting of the National Gasohol Commission. This Commission is playing a key role in promoting on a national basis, an agriculturally derived, domestically produced alternative source of fuel. The Department of Energy congratulates this Commission and its member states on their efforts in this important area.

Before talking about the progress we have made in the Department regarding alcohol fuels, and the particular activities that are taking place in support of gasohol, I would like to take a moment to discuss the severity of the energy crisis.

As you know, our nation is in a period of transition. Each new estimate of future world oil production capacity underscores our need to reduce dependence on foreign sources of petroleum, and to take efforts to become more energy self-sufficient.

Our current estimate of the World Oil picture indicates that by the middle of the next decade, world demand will exceed production capacity. The world oil production level is currently about 60 million barrels a day and is not likely to increase much beyond 70 million barrels a day. In the course of the next decade, we shall reach a limit on the world's production capacity for petroleum products, its principal source of energy, and sometime in the 1990's conventional production of oil will peak, and begin a steady decline. Even with successful energy programs by major importing countries other than the United States, there is likely to be a gap between worldwide demand and worldwide supply of some 3 to 8 million barrels of oil a day by 1985.

The slight and transitory excess of productive capacity—caused in large part by increased production from the Alaskan North Slope, the North Sea and Mexico, and by lower rates of economic growth, particularly in Western Europe—will quickly be overtaken by continued increases in world demand. To meet such increases in world demand would require a new Alaskan North Slope every six months or a new North Sea every year and a half. It is highly unlikely that finds of that magnitude will occur—and virtually impossible, anyway, for such finds to be translated into production by the mid-1980's.

Last year alone, our nation consumed over 30% of the world's entire crude oil production and our 1977 oil imports rose 20% over the previous year. These imports cost this nation $45 billion and are a major contributor to our national trade deficit.

The National Energy Plan has laid out a series of objectives for developing a viable short and long term national energy policy. The objectives of the plan include:

In the near term, reducing dependence on foreign oil to protect national security and minimize adverse balance of payments.

In the mid-term, keeping imports sufficiently low to weather the period in the mid-1980's when world oil production will approach a capacity limit, and in the long term, developing renewable and essentially inexhaustible sources of energy.

In order to meet those objectives, a variety of measures, including the promotion of alternative sources of energy, to permit the timely and orderly transition from fossil fuels to renewable resources, will be necessary. In this regard, the Department of Energy is deeply interested in the potential of alcohol fuels to: reduce dependence on foreign oil, extend our limited supplies of liquid fuel, and spur development of renewable sources of energy.

The Department has made considerable progress in evaluating the potential of alcohol fuels. Last December, in response to Congressional concern, a special Department-wide Task Force was created by Secretary Schlesinger to address the potential of alcohol fuels. This task force represented for the first time an integrated approach to the technical and policy issues surrounding alcohol fuels. In April of this year, that Task Force concluded its work, and released its findings in a report, entitled the Alcohol Fuels Program Plan.

The major findings of the task force are that:

The high cost of alcohols relative to conventional sources of petroleum appears to be the major obstacle to widespread commercialization.

Alcohol fuels are suitable fuels for the internal combustion engine, as well as gas turbine peaking units, utility boilers, industrial heating, and fuel cells. The technological problems that do remain can be overcome in a reasonable time-frame, and certainly within the next five years.

Alcohol fuels technology has progressed to the point where a broader assessment of its commercialization potential is warranted.

On a technical basis, ethanol is considered to have advantages over methanol because of its higher energy content, and better phase stability and volatility in gasoline blends.

The findings of the Alcohol Fuels Task Force represent a preliminary assessment on the part of the Department to assess the potential of alcohol fuels. While this assessment identified several obstacles, such as economics, supply potential, and energy efficiency, it in no way represents a final verdict by the Department on the feasibility

of alcohol fuels. Instead, we are moving ahead aggressively to reassess the uncertainties that exist and to evaluate what role the Federal Government should play in the development of such fuels.

In this regard, the Department is currently conducting an intensive near-term comprehensive review of alcohol fuels. Specific attention will be given to the addressing economic, technological, supply, and institutional barriers that exist to prevent or deter commercialization We are taking a fresh approach to this issue by ensuring that our evaluation includes such key developments as state experience, and the potential of new experimental technologies to reduce ethanol production costs and increase energy efficiency. We will also assess the impact on the economy of reduced agricultural price supports and set aside programs, utilization of surplus and distressed crops, reductions in oil imports, and greater domestic energy self-sufficiency. In short, we will expand our vision and comprehensively explore some of the broader economic impacts of alcohol fuels.

This intensive near-term review will be undertaken by a new Department-wide Alcohol Fuels Policy Review Group. This Group will have the mission of directing a series of key policy studies affecting alcohol fuels decisions. Because the results of these studies will be a primary input into the ongoing work of the Department's National Energy Supply Strategy, which is the Department's key mechanism for evaluating various alternative fuel options, we see this as a major step forward in our efforts. While we cannot guarantee that a decision will definitely be made to commercialize alcohol fuels on a national basis, we are as hopeful as you are, that the efforts of our work will lead to alcohol fuels playing and important role in meeting the Nation's energy needs.

REGULATORY ACTIVITIES

In addition to the initiatives we are taking in our policy and research activities, the Department is firmly committed to removing regulatory barriers that obstruct commercialization of alcohol fuels. Earlier this year, the Economic Regulatory Administration granted temporary stays of the mandatory petroleum allocation and price regulations to allow gasoline retailers in Illinois to market gasoline-alcohol blends at costs that include the alcohol component of the fuel.

Within the last month, a more permanent and comprehensive approach to alcohol fuels pricing has been taken. The regulatory actions taken were designed to remove regulatory obstacles to commercialization and provide incentives for marketing of gasohol through state and private programs. These measures include:

Inclusion of synthetic fuels made from biomass and solid waste, including alcohol made from crops residues, in the entitlement program which effectively gives it a subsidy of $2 per barrel.

Issuance of a permanent price rule permitting retailers of gasohol to include in the selling price the higher costs associated with the ethanol portion of the blend.

Both of these regulations take effect July 1, 1978.

STATE ROLE

The role of the States in this important effort is crucial. Despite some of the uncertainties regarding alcohol fuels, States have moved ahead to produce and market gasohol. States serve as laboratories for the nation in a way that the Federal Government is not equipped to do. Certainly one of the most important initiatives is the formation of this National Gasohol Commission.

State activities such as road testing programs, research on alcohol production technology, and legislation to encourage gasohol usage and marketing provide a variety of "real life" experience data that is an invaluable tool for policy makers in Washington.

The use of gasohol in the state programs appears to support The Department's initial assessment that the technological problems associate with the use of 10% ethanol blends in motor vehicle applications can be overcome. The state programs also show the octane boost given gasohol by the ethanol component enables it to compete with higher octane grades of unleaded fuel.

CONCLUSION

The Department of Energy is firmly committed to pursuing the potential of alcohol fuels. We will be putting a great deal of effort into resolving economic, supply, and other issues that affect potential commercialization of alcohol fuels. While I cannot assure you of the results of our efforts, I can assure you that we are hopeful that gasohol and alcohol fuels can play an important role in stretching our energy supplies, because these fuels are environmentally sound and renewable sources of energy. I pledge that DOE will work closely with you in the development of both analysis and policy on alcohol fuels.●

THE PANAMA CANAL TREATY-SIGNING CEREMONY

● Mr. SPARKMAN. Mr. President, on Friday, June 16, I had the distinct honor and pleasure of accompanying President and Mrs. Carter to the Panama Canal treaty-signing ceremony in Panama City.

The signing ceremony was, indeed, a historic occasion and served to bring down the final curtain on the Panama Canal treaty ratification process. The documents that were signed and exchanged at that time now belong to the history books. Therefore, I ask that these documents, including the protocol of exchange and related instruments of ratification, be printed in the RECORD.

The documents follow:

[Documents Involved in the Ratification Ceremony, Friday, June 16, 1978]

PROTOCOL OF EXCHANGE OF INSTRUMENTS OF RATIFICATION REGARDING THE TREATY CONCERNING THE PERMANENT NEUTRALITY AND OPERATION OF THE PANAMA CANAL AND THE PANAMA CANAL TREATY

The undersigned, Jimmy Carter, President of the United States of America, and Omar Torrijos Herrera, Head of Government of the Republic of Panama, in the exercise of their respective constitutional authorities, have met for the purpose of delivering to each other the instruments of ratification of their respective governments of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and of the Panama Canal Treaty (the "Treaties").

The respective instruments of ratification of the Treaties have been carefully compared and found to be in due form. Delivery of the respective instruments took place this day, it being understood and agreed by the United States of America and the Republic of Panama that, unless the Parties otherwise agree through an exchange of Notes in conformity with the resolution of the Senate of the United States of America of April 18, 1978, the exchange of the instruments of ratification shall be effective on April 1, 1979, and the date of the exchange of the instruments of ratification for the purposes of Article VIII of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and Article II of the Panama Canal Treaty shall therefore be April 1, 1979.

The ratifications by the Government of the United States of America of the Treaties recite in their entirety the amendments, conditions, reservations and understandings contained in the resolution of March 16, 1978, of the Senate of the United States of America advising and consenting to ratification of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, and the reservations and understandings contained in the resolution of April 18, 1978, of the Senate of the United States of America advising and consenting to ratification of the Panama Canal Treaty.

Said amendments, conditions, reservations and understandings have been communicated by the Government of the United States of America to the Government of the Republic of Panama. Both governments agree that the Treaties, upon entry into force in accordance with their provisions, will be applied in accordance with the above-mentioned amendments, conditions, reservations and understandings.

Pursuant to the resolution of the Senate of the United States of America of March 16, 1978, the following text contained in the instrument of ratification of the United States of America of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and agreed upon by both agreements is repeated herewith:

"Nothing in the Treaty shall preclude the Republic of Panama and the United States of America from making, in accordance with their respective constitutional processes, any agreement or arrangement between the two countries to facilitate performance at any time after December 31, 1999, of their responsibilities to maintain the regime of neutrality established in the Treaty, including agreements or arrangements for the stationing of any United States military forces or the maintenance of defense sites after that date in the Republic of Panama that the Republic of Panama and the United States of America may deem necessary or appropriate.".

The Republic of Panama agrees to the exchange of the instruments of ratification of the Panama Canal Treaty and of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal on the understanding that there are positive rules of public international law contained in multilateral treaties to which both the Republic of Panama and the United States of America are Parties and which consequently both States are bound to implement in good faith, such as Article 1, paragraph 2 and Article 2, paragraph 4 of the Charter of the United Nations, and Articles 18 and 20 of the Charter of the Organization of American States.

It is also the understanding of the Republic of Panama that the actions which either Party may take in the exercise of its rights and the fulfillment of its duties in accordance with the aforesaid Panama Canal Treaty and the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, including measures to reopen the Canal or to restore its normal operation, if it should be interrupted or obstructed, will be effected in a manner consistent with the principles of mutual respect and cooperation on which the new relationship established by those Treaties is based.

In witness thereof, the respective Plenipotentiaries have signed this Protocol of Exchange at Panama, in duplicate, in the English and Spanish languages on this sixteenth day of June, 1978, both texts being equally authentic.

For the United States of America:

_____ _____.

For the Republic of Panama:

_____ _____.

U.S. INSTRUMENT—PANAMA CANAL TREATY

Jimmy Carter, President of the United States of America—

To all to whom these presents shall come, greeting:

Considering that:

The Panama Canal Treaty was signed at Washington on September 7, 1977; and

The Senate of the United States of America by its resolution of April 18, 1978, two-thirds of the Senators present concurring therein, gave its advice and consent to ratification of the Treaty, subject to the following:

(a) Reservations:

(1) Pursuant to its adherence to the principle of nonintervention, any action taken by the United States of America in the exercise of its rights to assure that the Panama Canal shall remain open, neutral, secure, and accessible, pursuant to the provisions of the Panama Canal Treaty, the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, and the resolutions of ratification thereto, shall be only for the purpose of assuring that the Canal shall remain open, neutral, secure, and accessible, and shall not have as its purpose or be interpreted as a right of intervention in the internal affairs of the Republic of Panama or interference with its political independence or sovereign integrity.

(2) The instruments of ratification of the Panama Canal Treaty to be exchanged by the United States of America and the Republic of Panama shall each include provisions whereby each Party agrees to waive its rights and release the other Party from its obligations under paragraph 2 of Article XII of the Treaty.

(3) Notwithstanding any provision of the Treaty, no funds may be drawn from the Treasury of the United States of America for payments under paragraph 4 of Article XIII without statutory authorization.

(4) Any accumulated unpaid balance under paragraph 4(c) of Article XIII of the Treaty at the date of termination of the Treaty shall be payable only to the extent of any operating surplus in the last year of the duration of the Treaty, and nothing in such paragraph may be construed as obligating the United States of America to pay, after the date of the termination of the Treaty, any such unpaid balance which shall have accrued before such date.

(5) Exchange of the instruments of ratification of the Panama Canal Treaty and of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal shall not be effective earlier than March 31, 1979, and such Treaties shall not enter into force prior to October 1, 1979, unless legislation necessary to implement the provisions of the Panama Canal Treaty shall have been enacted by the Congress of the United States of America before March 31, 1979.

(6) After the date of entry into force of the Treaty, the Panama Canal Commission shall, unless otherwise provided by legislation enacted by the Congress of the United States of America, be obligated to reimburse the Treasury of the United States of America, as nearly as possible, for the interest cost of the funds or other assets directly invested in the Commission by the Government of the United States of America and for the interest cost of the funds or other assets directly invested in the predecessor Panama Canal Company by the Government of the United States of America and not reimbursed before the date of entry into force of the Treaty. Such reimbursement for such interest costs shall be made at a rate determined by the Secretary of the Treasury of the United States of America and at annual intervals to the extent earned, and if not earned, shall be made from subsequent earnings. For purposes of this reservation, the phrase "funds or other assets directly invested" shall have the same meaning as the phrase "net direct investment" has under section 62 of title 2 of the Canal Zone Code.

(b) Understandings:

(1) Before the first day of the three-day period beginning on the date of entry into force of the Treaty and before each three-year period following thereafter, the two Parties shall agree upon the specific levels and quality of services, as are referred to in paragraph 5 of Article III of the Treaty, to be provided during the following three-year period and, except for the first three-year period, on the reimbursement to be made for the costs of such services, such services to be limited to such as are essential to the effective functioning of the Canal operating areas and the housing areas referred to in paragraph 5 of Article III. If payments made under paragraph 5 of Article III for the preceding three-year period, including the initial three-year period, exceed or are less than the actual costs to the Republic of Panama for supplying, during such period, the specific levels and quality of services agreed upon, then the Panama Canal Commission shall deduct from or add to the payment required to be made to the Republic of Panama for each of the following three years one-third of such excess or deficit, as the case may be. There shall be an independent and binding audit, conducted by an auditor mutually selected by both Parties, of any costs of services disputed by the two Parties pursuant to the reexamination of such costs provided for in this understanding.

(2) Nothing in paragraph 3, 4, or 5 of Article IV of the Treaty may be construed to limit either the provisions of the first paragraph of Article IV providing that each Party shall act, in accordance with its constitutional processes, to meet danger threatening the security of the Panama Canal, or the provisions of paragraph 2 of Article IV providing that the United States of America shall have primary responsibility to protect and defend the Canal for the duration of the Treaty.

(3) Nothing in paragraph 4(c) of Article XIII of the Treaty shall be construed to limit the authority of the United States of America, through the United States Government agency called the Panama Canal Commission, to make such financial decisions and incur such expenses as are reasonable and necessary for the management, operation, and maintenance of the Panama Canal. In addition, toll rates established pursuant to paragraph 2(d) of Article III need not be set at levels designed to produce revenues to cover the payment to the Republic of Panama described in paragraph 4(c) of Article XIII.

(4) Any agreement concluded pursuant to paragraph 11 of Article IX of the Treaty with respect to the transfer of prisoners shall be concluded in accordance with the constitutional processes of both Parties.

(5) Nothing in the Treaty, in the Annex or Agreed Minute relating to the Treaty, or in any other agreement relating to the Treaty obligates the United States of America to provide any economic assistance, military grant assistance, security supporting assistance, foreign military sales credits, or international military education and training to the Republic of Panama.

(6) The President shall include all reservations and understandings incorporated by the Senate in this resolution of ratification in the instrument of ratification to be exchanged with the Government of the Republic of Panama.

Now, therefore, I, Jimmy Carter, President of the United States of America, ratify and confirm the Panama Canal Treaty, subject to the aforementioned reservations and understandings, and on behalf of the United States of America undertake to fulfill it faithfully. I further hereby waive, in the name of the United States of America, the rights of the United States of America under paragraph 2 of Article XII of the Panama Canal Treaty and release the Republic of Panama from its obligations under paragraph 2 of Article XII of the Panama Canal Treaty.

In testimony whereof, I have signed this instrument of ratification and caused the Seal of the United States of America to be affixed.

Done at the city of Washington, this —th day of June in the year of our Lord one thousand nine hundred seventy-eight and of the independence of the United States of America the two hundred second.

By the President:

_____ _____.

Secretary of State:

_____ _____.

PANAMANIAN INSTRUMENT—PANAMA CANAL TREATY

Whereas the Panama Canal Treaty was signed in Washington on September 7, 1977, by the authorized representatives of the Government of the Republic of Panama and of the Government of the United States of America;

Whereas the Republic of Panama, by means of the plebiscite stipulated by Article 274 of its Political Constitution, ratified the aforementioned Panama Canal Treaty;

Whereas the Senate of the United States of America gave its advice and consent to the ratification of the Panama Canal Treaty with the following understandings and reservations:

(a) Reservations:

(1) Pursuant to its adherence to the principle of non-intervention, any action taken by the United States of America in the exercise of its rights to assure that the Panama Canal shall remain open, neutral, secure, and accessible, pursuant to the provisions of the Panama Canal Treaty, the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, and the resolutions of ratification thereto, shall be only for the purpose of assuring that the Canal shall remain open, neutral, secure, and accessible, and shall not have as its purpose or be interpreted as a right of intervention in the internal affairs of the Republic of Panama or interference with its political independence or sovereign integrity.

(2) The instruments of ratification of the Panama Canal Treaty to be exchanged by the United States of America and the Republic of Panama shall each include provisions whereby each Party agrees to waive its rights and release the other Party from its obligations under paragraph 2 of Article XII of the Treaty.

(3) Notwithstanding any provision of the Treaty, no funds may be drawn from the Treasury of the United States of America for payments under paragraph 4 of Article XIII without statutory authorization.

(4) Any accumulated unpaid balance under paragraph 4(c) of Article XIII of the Treaty at the date of termination of the Treaty shall be payable only to the extent of any operating surplus in the last year of the duration of the Treaty, and nothing in such paragraph may be construed as obligating the United States of America to pay, after date of the termination of the Treaty, any such unpaid balance which shall have accrued before such date.

(5) Exchange of the instruments of ratification of the Panama Canal Treaty and of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal shall not be effective earlier than March 31, 1979, and such Treaties shall not enter into force prior to October 1, 1979, unless legislation necessary to implement the provisions of the Panama Canal Treaty shall have been enacted by the Congress of the United States of America before March 31, 1979.

(6) After the date of entry into force of the Treaty, the Panama Canal Commission shall, unless otherwise provided by legislation enacted by the Congress of the United States of America, be obligated to reimburse the Treasury of the United States of America, as nearly as possible, for the interest cost of the funds or other assets directly invested in the Commission by the Government of the United States of America and for the interest cost of the funds or other assets directly invested in the predecessor Panama

Canal Company by the Government of the United States of America and not reimbursed before the date of entry into force of the Treaty. Such reimbursement for such interest costs shall be made at a rate determined by the Secretary of the Treasury of the United States of America and at annual intervals to the extent earned, and if not earned, shall be made from subsequent earnings. For purposes of this reservation, the phrase "funds or other assets directly invested" shall have the same meaning as the phrase "net direct investment" has under section 62 of title 2 of the Canal Zone Code.

(b) Understandings:

(1) Before the first day of the three-year period beginning on the date of entry into force of the Treaty and before each three-year period following thereafter, the two Parties shall agree upon the specific levels and quality of services, as are referred to in paragraph 5 of Article III of the Treaty, to be provided during the following three-year period and, except for the first three-year period, on the reimbursement to be made for the costs of such services, such services to be limited to such as are essential to the effective functioning of the Canal operating areas and the housing areas referred to in paragraph 5 of Article III. If payments made under paragraph 5 of Article III for the preceding three-year period, including the initial three-year period, exceed or are less than the actual costs to the Republic of Panama for supplying, during such period, the specific levels and quality of services agreed upon, then the Panama Canal Commission shall deduct from or add to the payment required to be made to the Republic of Panama for each of the following three years one-third of such excess or deficit, as the case may be. There shall be an independent and binding audit, conducted by an auditor mutually selected by both parties, of any costs of services disputed by the two Parties pursuant to the reexamination of such costs provided for in this understanding.

(2) Nothing in paragraph 3, 4, or 5 of Article IV of the Treaty may be construed to limit either the provisions of the first paragraph of Article IV providing that each Party shall act, in accordance with its constitutional processes, to meet danger threatening the security of the Panama Canal, or the provisions of paragraph 2 of Article IV providing that the United States of America shall have primary responsibility to protect and defend the Canal for the duration of the Treaty.

(3) Nothing in paragraph 4(e) of Article XIII of the Treaty shall be construed to limit the authority of the United States of America, through the United States Government agency called the Panama Canal Commission, to make such financial decisions and incur such expenses as are reasonable and necessary for the management, operation, and maintenance of the Panama Canal. In addition, toll rates established pursuant to paragarph 2(d) of Article III need not be set at levels designed to produce revenues to cover the payment to the Republic of Panama described in paragraph 5(c) of Article XIII.

(4) Any agreement concluded pursuant to paragraph 11 of Article IX of the Treaty with respect to the transfer of prisoners shall be concluded in accordance with the constitutional processes of both Parties.

(5) Nothing in the Treaty, in the Annex or Agreed Minute relating to the Treaty, or in any other agreement relating to the Treaty obligates the United States of America to provide any economic assistance, military grant assistance, security supporting assistance, foreign military sales credits, or international military education and training to the Republic of Panama.

(6) The President shall include all reservations and understandings incorporated by the Senate in this resolution of ratification in the instrument of ratification to be exchanged with the Government of the Republic of Panama.

The Republic of Panama agrees to the exchange of the instruments of ratification of the Panama Canal Treaty on the understanding that there are positive rules of public international law contained in multilateral treaties to which both the Republic of Panama and the United States of America are Parties and which consequently both States are bound to implement in good faith, such as Article 1, paragraph 2 and Article 2, paragraph 4 of the Charter of the United Nations and Articles 18 and 20 of the Charter of the Organization of American States.

It is also the understanding of the Republic of Panama that the actions which either Party may take in the exercise of its rights and the fulfillment of its duties in accordance with the aforesaid Panama Canal Treaty, including measures to reopen the Canal or to restore its normal operation, if it should be interrupted or obstructed, will be effected in a manner consistent with the principles of mutual respect and cooperation on which the new relationship established by that Treaty is based.

The Republic of Panama declares that its political independence, territorial integrity, and self-determination are guaranteed by the unshakeable will of the Panamanian people. Therefore, the Republic of Panama will reject, in unity and with decisiveness and firmness, any attempt by any country to intervene in its internal or external affairs.

The Head of Government of the Republic of Panama, availing himself of the powers granted by Article 277 of the Constitution, after having considered the aforementioned Panama Canal Treaty, hereby ratifies it and, in the name of the Republic of Panama, undertakes to comply with it faithfully. The Head of Government further hereby waives, in the name of the Republic of Panama, the rights of the Republic of Panama under paragraph 2 of Article XII of the Panama Canal Treaty and releases the United States of America from its obligations under paragraph 2 of Article XII of the Panama Canal Treaty.

In witness thereof, this instrument of ratification is signed by the Head of Government of the Republic of Panama.

Done at Panama City, Republic of Panama, this sixteenth day of June 1978.

OMAR TORRIJOS HERRERA.

U.S. INSTRUMENT—NEUTRALITY TREATY

Jimmy Carter, President of the United States of America

To all to whom these presents shall come, greeting:

Considering that:

The Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal (Neutrality Treaty) was signed at Washington on September 7, 1977; and

The Senate of the United States of America by its resolution of March 16, 1978, two-thirds of the Senators present concurring therein, gave its advice and consent to ratification of the Neutrality Treaty, subject to the following:

(a) amendments:

(1) At the end of Article IV, insert the following:

"A correct and authoritative statement of certain rights and duties of the Parties under the foregoing is contained in the Statement of Understanding issued by the Government of the United States of America on October 14, 1977, and by the Government of the Republic of Panama on October 18, 1977, which is hereby incorporated as an integral part of this Treaty, as follows:

" 'Under the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal (the Neutrality Treaty), Panama and the United States have the responsibility to assure that the Panama Canal will remain open and secure to ships of all nations. The correct interpretation of this principle is that each of the two countries shall, in accordance with their respective constitutional processes, defend the Canal against any threat to the regime of neutrality, and consequently shall have the right to act against any aggression or threat directed against the Canal or against the peaceful transit of vessels through the Canal.

" 'This does not mean, nor shall it be interpreted as, a right of intervention of the United States in the internal affairs of Panama. Any United States action will be directed at insuring that the Canal will remain open, secure, and accessible, and it shall never be directed against the territorial integrity or political independence of Panama.'."

(2) At the end of the first paragraph of Article VI, insert the following:

"In accordance with the statement of Understanding mentioned in Article IV above: 'The Neutrality Trea*y provides that the vessels of war and auxiliary vessels of the United States and Panama will be entitled to transmit the Canal expeditiously. This is intended, and it shall so be interpreted, to assure the transit of such vessels through the Canal as quickly as possible, without any impediment, with expedited treatment, and in case of need or emergency, to go to the head of the line of vessels in order to transit the Canal rapidly' ".

(b) Conditions:

(1) Notwithstanding the provisions of Article V or any other provision of the Treaty, if the Canal is closed, or its operations are interfered with, the United States of America and the Republic of Panama shall each independently have the right to take such steps as each deems necessary, in accordance with its constitutional processes, including the use of military force in the Republic of Panama, to reopen the Canal or restore the operations of the Canal, as the case may be.

(2) The instruments of ratification of the Treaty shall be exchanged only upon the conclusion of a Protocol of Exchange, to be signed by authorized representatives of both Governments, which shall constitute an integral part of the Treaty documents and which shall include the following:

"Nothing in the Treaty shall preclude the Republic of Panama and the United States of America from making, in accordance with their respective constitutional processes, any agreement or arrangement between the two countries to facilitate performance at any time after December 31, 1999, of their responsibilities to maintain the regime of neutrality established in the Treaty, including agreements or arrangements for the stationing of any United States military forces or the maintenance of defense sites after that date in the Republic of Panama that the Republic of Panama and the United States of America may deem necessary or appropriate.".

(c) Reservations:

(1) Before the date of entry into force of the Treaty, the two Parties shall begin to negotiate for an agreement under which the American Battle Monuments Commission would, upon the date of entry into force of such agreement and thereafter, administer, free of all taxes and other charges and without compensation to the Republic of Panama and in accordance with the practices, privileges, and immunities associated with the administration of cemeteries outside the United States of America by the American Battle Monuments Commission, including the display of the flag of the United States of America, such part of Corozal Cemetery in the formal Canal Zone as encompasses the remains of citizens of the United States of America.

(2) The flag of the United States of America may be displayed, pursuant to the provisions of paragraph 3 of Article VII of the Panama Canal Treaty, at such part of Corozal Cemetery in the former Canal Zone as encompasses the remains of citizens of the United States of America.

(3) The President—

(A) shall have announced, before the date of entry into force of the Treaty, his intention to transfer, consistent with an agreement with the Republic of Panama, and before the date of termination of the Panama Canal Treaty, to the American Battle Monuments Commission the administration of such part of Corozal Cemetery as encompasses the remains of citizens of the United States of America; and

(B) shall have announced, immediately after the date of exchange of instruments of ratification, plans, to be carried out at the expense of the Government of the United States of America, for—

(i) removing, before the date of entry into force of the Treaty, the remains of citizens of the United States of America from Mount Hope Cemetery to such part of Corozal Cemetery as encompasses such remains, except that the remains of any citizen whose next of kin objects in writing to the Secretary of the Army not later than three months after the date of exchange of the instruments of ratification of the Treaty shall not be removed; and

(ii) transporting to the United States of America for reinterment, if the next of kin so requests, not later than thirty months after the date of entry into force of the Treaty, any such remains encompassed by Corozal Cemetery and, before the date of entry into force of the Treaty, any remains removed from Mount Hope Cemetery pursuant to subclause (i); and

(C) shall have fully advised, before the date of entry into force of the Treaty, the next of kin objecting under clause (B) (i) of all available options and their implications.

(4) To carry out the purposes of Article III of the Treaty of assuring the security, efficiency, and proper maintenance of the Panama Canal, the United States of America and the Republic of Panama, during their respective periods of responsibility for Canal operation and maintenance, shall, unless the amount of the operating revenues of the Canal exceeds the amount needed to carry out the purposes of such Article, use such revenues of the Canal only for purposes consistent with the purposes of Article III.

(d) Understandings:

(1) Paragraph 1(c) of Article III of the Treaty shall be construed as requiring, before any adjustment in tolls for use of the Canal, that the effects of any such toll adjustment on the trade patterns of the two Parties shall be given full consideration, including consideration of the following factors in a manner consistent with the regime of neutrality:

(A) the costs of operating and maintaining the Panama Canal;

(B) the competitive position of the use of the Canal in relation to other means of transportation;

(C) the interests of both Parties in maintaining their domestic fleets;

(D) the impact of such an adjustment on the various geographical areas of each of the two Parties; and

(E) the interests of both Parties in maximizing their international commerce.

The United States of America and the Republic of Panama shall cooperate in exchanging information necessary for the consideration of such factors.

(2) The agreement "to maintain the regime of neutrality established in this Treaty" in Article IV of the Treaty means that either of the two Parties to the Treaty may, in accordance with its constitutional processes, take unilateral action to defend the Panama Canal against any threat, as determined by the Party taking such action.

(3) The determination of "need or emergency" for the purpose of any vessel of war or auxiliary vessel of the United States of America or the Republic of Panama going to the head of the line of vessels in order to transit the Panama Canal rapidly shall be made by the nation operating such vessel.

(4) Nothing in the Treaty, in Annex A or B thereto, in the Protocol relating to the Treaty, or in any other agreement relating to the Treaty, obligates the United States of America to provide any economic assistance, military grant assistance, security supporting assistance, foreign military sales credits, or international military education and training to the Republic of Panama.

(5) The President shall include all amendments, conditions, reservations, and understandings incorporated by the Senate in this resolution of ratification in the instrument of ratification to be exchanged with the Government of the Republic of Panama.

Now, therefore, I, Jimmy Carter, President of the United States of America, ratify and confirm the Neutrality Treaty, subject to the aforementioned amendments, conditions, reservations and understandings, and on behalf of the United States of America undertake to fulfill it faithfully.

In testimony whereof, I have signed this instrument of ratification and caused the Seal of the United States of America to be affixed.

Done at the city of Washington, this th day of June in the year of our Lord one thousand nine hundred seventy-eight and of the independence of the United States of America the two hundred second.

By the President:

_____ _____.

Secretary of State:

_____ _____.

PANAMANIAN INSTRUMENT NEUTRALITY TREATY

Whereas the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal was signed in Washington on September 7, 1977, by the authorized representatives of the Government of the Republic of Panama and of the Government of the United States of America;

Whereas the Republic of Panama, by means of the plebiscite stipulated by Article 274 of its Political Constitution, ratified the aforementioned Neutrality Treaty;

Whereas the Senate of the United States of America gave its advice and consent to the ratification of the aforementioned Neutrality Treaty with the following understandings, reservations, conditions, and amendments:

(a) Amendments:

(1) At the end of Article IV, insert the following:

"A correct and authoritative statement of certain rights and duties of the Parties under the foregoing is contained in the Statement of Understanding issued by the Government of the United States of America on October 14, 1977, and by the Government of the Republic of Panama on October 18, 1977, which is hereby incorporated as an integral part of this Treaty, as follows:

"'Under the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal (the Neutrality Treaty), Panama and the United States have the responsibility to assure that the Panama Canal will remain open and secure to ships of all nations. The correct interpretation of this principle is that each of the two countries shall, in accordance with their respective constitutional processes, defend the Canal against any threat to the regime of neutrality, and consequently shall have the right to act against any aggression or threat directed against the Canal or against the peaceful transit of vessels through the Canal.

"'This does not mean, nor shall it be interpreted as, a right of intervention of the United States in the internal affairs of Panama. Any United States action will be directed at insuring that the Canal will remain open, secure, and accessible, and it shall never be directed against the territorial integrity or political independence of Panama.'"

(2) At the end of the first paragraph of Article VI, insert the following:

"In accordance with the Statement of Understanding mentioned in Article IV above: 'The Neutrality Treaty provides that the vessels of war and auxiliary vessels of the United States and Panama will be entitled to transit the Canal expeditiously. This is intended, and it shall be so interpreted, to assure the transit of such vessels through the Canal as quickly as possible, without any impediment, with expedited treatment, and in case of need or emergency, to go to the head of the line of vessels in order to transit the Canal rapidly.'."

(b) Conditions:

(1) Notwithstanding the provisions of Article V or any other provision of the Treaty, if the Canal is closed, or its operations are interfered with, the United States of America and the Republic of Panama shall each independently have the right to take such steps as each deems necessary, in accordance with its constitutional processes, including the use of military force in the Republic of Panama, to reopen the Canal or restore the operations of the Canal, as the case may be.

(2) The instruments of ratification of the Treaty shall be exchanged only upon the conclusion of a Protocol of Exchange, to be signed by authorized representatives of both Governments, which shall constitute an integral part of the Treaty documents and which shall include the following:

"Nothing in the Treaty shall preclude the Republic of Panama and the United States of America from making, in accordance with their respective constitutional processes, any agreement or arrangement between the two countries to facilitate performance at any time after December 31, 1999, of their responsibilities to maintain the regime of neutrality established in the Treaty, including agreements or arrangements for the stationing of any United States military forces or the maintenance of defense sites after that date in the Republic of Panama that the Republic of Panama and the United States of America may deem necessary or appropriate."

(c) Reservations:

(1) Before the date of entry into force of the Treaty, the two Parties shall begin to negotiate for an agreement under which the American Battle Monuments Commission would, upon the date of entry into force of such agreement and thereafter, administer, free of all taxes and other charges and without compensation to the Republic of Panama and in accordance with the practices, privileges, and immunities associated with the administration of cemeteries outside the United States of America by the American Battle Monuments Commission, including the display of the flag of the United States of America, such part of Corozal Cemetery in the former Canal Zone as encompasses the remains of citizens of the United States of America.

(2) The flag of the United States of America may be displayed, pursuant to the provisions of paragraph 3 of Article VII of the Panama Canal Treaty, at such part of Corozal Cemetery in the former Canal Zone as encompasses the remains of citizens of the United States of America.

(3) The President—

(A) shall have announced, before the date of entry into force of the Treaty, his intention to transfer, consistent with an agreement with the Republic of Panama, and before the date of termination of the Panama

Canal Treaty, to the American Battle Monuments Commission the administration of such part of Corozal Cemetery as encompasses the remains of citizens of the United States of America; and

(B) shall have announced, immediately after the date of exchange of instruments of ratification, plans, to be carried out at the expense of the Government of the United States of America, for—

(i) removing, before the date of entry into force of the Treaty, the remains of citizens of the United States of America from Mount Hope Cemetery to such part of Corozal Cemetery as encompasses such remains, except that the remains of any citizen whose next of kin objects in writing to the Secretary of the Army not later than three months after the date of exchange of the instruments of ratification of the Treaty shall not be removed; and

(ii) transporting to the United States of America for reinterment, if the next of kin so requests, not later than thirty months after the date of entry into force of the Treaty, any such remains encompassed by Corozal Cemetery and, before the date of entry into force of the Treaty, any remains removed from Mount Hope Cemetery pursuant to subclause (i); and

(C) shall have fully advised, before the date of entry into force of the Treaty, the next of kin objecting under clause (B) (i) of all available options and their implications.

(4) To carry out the purposes of Article III of the Treaty of assuring the security, efficiency, and proper maintenance of the Panama Canal, the United States of America and the Republic of Panama, during their respective periods of responsibility for Canal operation and maintenance, shall, unless the amount of the operating revenues of the Canal exceeds the amount needed to carry out the purposes of such Article, use such revenues of the Canal only for purposes consistent with the purposes of Article III.

(d) Understandings:

(1) Paragraph 1(c) of Articles III of the Treaty shall be construed as requiring, before any adjustment in tolls for use of the Canal, that the effects of any such toll adjustment on the trade patterns of the two Parties shall be given full consideration, including consideration of the following factors in a manner consistent with the regime of neutrality:

(A) the costs of operating and maintaining the Panama Canal;

(B) the competitive position of the use of the Canal in relation to other means of transportation;

(C) the interests of both Parties in maintaining their domestic fleets;

(D) the impact of such an adjustment on the various geographical areas of each of the two Parties; and

(E) the interests of both Parties in maximizing their international commerce.

The United States of America and the Republic of Panama shall cooperate in exchanging information necessary for the consideration of such factors.

(2) The agreement "to maintain the regime of neutrality established in this Treaty' in Article IV of the Treaty means that either of the two Parties to the Treaty may, in accordance with its constitutional processes, take unilateral action to defend the Panama Canal against any threat, as determined by the Party taking such action.

(3) The determination of "need or emergency" for the purpose of any vessel of war or auxiliary vessel of the United States of America or the Republic of Panama going to the head of the line of vessels in order to transit the Panama Canal rapidly shall be made by the nation operating such vessel.

(4) Nothing in the Treaty, in Annex A or B thereto, in the Protocol relating to the Treaty, or in any other agreement relating to the Treaty, obligates the United States of America to provide any economic assistance, military grant assistance, security supporting assistance, foreign military sales credits, or international military education and training to the Republic of Panama.

(5) The President shall include all amendments, conditions, reservations, and understandings incorporated by the Senate in this resolution of ratification in the instrument of ratification to be exchanged with the Government of the Republic of Panama.

The Republic of Panama agrees to the exchange of the instruments of ratification of the aforementioned Neutrality Treaty on the understanding that there are positive rules of public international law contained in multilateral treaties to which both the Republic of Panama and the United States of America are Parties and which consequently both States are bound to implement in good faith, such as Article 1, paragraph 2 and Article 2, paragraph 4 of the Charter of the United Nations, and Articles 18 and 20 of the Charter of the Organization of American States.

It is also the understanding of the Republic of Panama that the actions which either Party may take in the exercise of its rights and the fulfillment of its duties in accordance with the aforesaid Neutrality Treaty, including measures to reopen the Canal or to restore its normal operation, if it should be interrupted or obstructed, will be effected in a manner consistent with the principles of mutual respect and cooperation on which the new relationship established by that Treaty is based.

The Republic of Panama declares that its political independence, territorial integrity, and self-determination are guaranteed by the unshakeable will of the Panamanian people. Therefore, the Republic of Panama will reject, in unity and with decisiveness and firmness, any attempt by any country to intervene in its internal or external affairs.

The Head of Government of the Republic of Panama, availing himself of the powers granted by Article 277 of the Constitution, after having considered the aforementioned Neutrality Treaty, hereby ratifies it and, in the name of the Republic of Panama, undertakes to comply with it faithfully.

In witness whereof, this instrument of ratification is signed by the Head of Government of the Republic of Panama.

Done at Panama City Republic of Panama, this sixteenth day of June 1978.

OMAR TORRIJOS HERRERA.●

THE TAX REVOLT

● Mr. GOLDWATER. Mr. President, it is perfectly clear, as a result of the overwhelming adoption of Proposition 13 in California and developments elsewhere in the Nation, that the American taxpayers are in full revolt. At long last, it seems that the people who pay the freight have decided they have had enough of wasteful spending and Government extravagance in all areas of public and private life. The only surprise in that what is currently taking place has taken so long to happen.

Mr. President, I have seen this revolt coming for many years. In my travels across this country, I have heard a small rumble grow into a loud protest and finally an angry growl as governments piled more and more tax burdens on the hard working people of this Nation. In fact, as far back as my campaign for President in 1964, I began warning that the time would come that the American people, exercising their constitutional rights, would some day rebel against the liberal concepts of tax and tax; spend and spend. More and more Americans even then were beginning to question why they should work their hearts out all their lives only to find their hard earned savings disappearing down the rathole of excessive and unfair taxation. More and more Americans were beginning to question why they should stand for such treatment by a Government which had always promised rewards for the industrious and the thrifty. It is not that I believe the American citizen objects to paying taxes so long as he feels those taxes are going for worthwhile causes. No, I feel the average American is responsible and conscientious and wants to meet his fair obligation to help to defray the legitimate costs of Government. But he has a natural tendency, and every right, to question and object to the legitimacy of many of the things which he sees Government squandering his money on.

Mr. President, what do you think the American taxpayer thinks when he hears news broadcasts to the effect that the Department of Health, Education, and Welfare has admitted to a $7 billion blunder? What must the American taxpayer think when he hears and reads about the waste and extravagance and corruption in the General Services Administration; when he sees waste exposed on every hand in the expenditures of the Department of Agriculture; when he sees a bureaucracy so bloated that no one, including the President, can do anything about the wasteful Civil Service system? The question all American officials should start asking themselves is how long will our hard-pressed taxpayers stand for letting over 40 percent of their income go to support a wasteful and heedless Government?

Mr. President, it has taken a long time, but the taxpayers are finally beginning to understand that they are not being taxed merely to defray the costs of national defense and to care for people who cannot through no fault of their own take care of themselves. The objections arise when the taxpayers see people who can afford to buy food using Government-supplied foodstamps; when they see people who could get jobs loafing on unemployment compensation; when they see students of well-to-do people ripping off the Government for scholarships; when they see rackets of all kinds being devised to chisel Government out of the taxpayers' money. I repeat, it surprises me that the revolt has taken this long to form and develop.

Mr. President, the voters of California took the bit in their teeth on June 6. In effect, they told the Government to shape up and do it quickly. They ignored all the threats raised by frightened bureaucrats and politicians. They said with their ballots that they would run the risk of having less services jammed down their throats. And Mr. President, they said something more. They told the Government to find the right ways to cut the costs. They instructed their elected officials to do something about the waste and the inefficiency and the duplication which is the hallmark of

Government spending in this era. The events taking place now in California were entirely predictable. The bleeding hearts and the "big spend" liberals are running around closing or threatening to close schools and issuing dire warnings to the effect that police and fire protection will be curtailed. I see little determination being expressed by the California officials that efforts will be made to cut bureaucratic excess and cheating and waste. There is plenty of it there—more than enough to make up for the loss in property taxes which the adoption of proposition 13 brought about.

But, regardless of how California handles the problem, it is my hope and prayer that my colleagues in the Congress will get the message loud and clear and will take to heart what the American taxpayers are saying. It is long past the time when the governments of our country, local, State, and Federal, should be told that the taxpayers are willing to spend just so much and no more; that Government frills and political handouts must cease. Government is being told that it must cut its spending because the people who provided that spending are going to cut it off.

Mr. President, over the years in arguing for limited Government and fiscal responsibility, I have constantly warned that someday the chickens would come home to roost. That prophecy is being fulfilled today and irresponsible Government is finding the henhouse of waste and inefficiency being filled with the chickens of revolt. I say this is a healthy development.

The adjustments may be difficult but the voters at long last have gotten the attention of the big spenders. I suspect they plan to hold that attention until some kind of sense emerges from the bureaucratic nightmare which has engulfed so many American taxpayers.●

FOREIGN CURRENCY REPORTS

● Mr. ROBERT C. BYRD. Mr. President, in accordance with the provisions of the Mutual Security Act of 1954, as amended (22 U.S.C. 1754(b)), the Secretary of the Senate submits, for the RECORD, the following additional report, concerning the foreign currencies and U.S. dollars utilized during the calendar year 1977 in connection with foreign travel.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL, U.S. SENATE COMMITTEE ON APPROPRIATIONS (AMENDED REPORT), EXPENDED BETWEEN JAN. 1 AND DEC. 31, 1977

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency[1]	Foreign currency	U.S. dollar equivalent or U.S. currency[1]	Foreign currency	U.S. dollar equivalent or U.S. currency[1]	Foreign currency	U.S. dollar equivalent or U.S. currency[1]
Amount brought forward			5,513.70		5,949.02				11,162.72
Burkett Van Kirk:									
United Kingdon	Pounds	151.10	278.04					151.10	278.04
Kenya	KSHS	2,432.75	303.87					2,432.75	303.87
Zambia	Kwacha	42.00	52.75					42.00	52.75
South Africa	Dollars		150.00						150.00
Total			6,298.36		5,949.02				11,947.38

[1] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RECAPITULATION

	Amount
Foreign currency (U.S. dollar equivalent)	$11,872.38
Appropriated funds	75.00
Total	11,947.38

Warren G. Magnuson,
Chairman, Committee on Appropriations.

June 12, 1978. ●

A VOTE FOR ERISA'S PRUDENT MAN

● Mr. JAVITS. Mr. President, I ask unanimous consent to include in the RECORD the substance of an article by Bruce W. Marcus, entitled "A Vote for ERISA's Prudent Man" which appeared in the May 14 New York Times. Mr. Marcus is a financial consultant and author of "The Prudent Man—Making Decisions Under ERISA."

I think this article is a valuable addition to the public discussion of ERISA's prudent man rule. Senator WILLIAMS and I recently introduced the ERISA amendments Act of 1978, which does not amend ERISA's prudent man rule, because we consider the rule sound as is. Mr. Marcus has some interesting observations in this regard.

However, my inclusion of this article in the RECORD should not be viewed as an endorsement of any statement or position taken by the author:

[From the New York Times, May 14, 1978]

A VOTE FOR ERISA'S "PRUDENT MAN"

(By Bruce W. Marcus)

The proposed legislation attacks the regulatory mechanics of ERISA—mechanics such as multiple-agency reporting requirements and burdensome and expensive paperwork that contributed to the termination of many plans. But of prudence, the more complex problem, it says nothing, and for good reason. A closer look at the law as it now stands indicates that the Senators are on exactly the right track. There is no basis for amending it at this time.

Problems ERISA did cause. There was polarization of the two-tier market as fund managers, seeking safety in conservatism, moved an overwhelming portion of the $400 billion in pension funds into blue chips and fixed income securities. Index funds, patterned after stock-market indexes in an attempt to eliminate stock-market risk by matching the performance of the overall market, were practically nonexistent in 1974. They grew to $4 billion by late 1977. The law was dubbed the Lawyers and Consultants Retirement Security Act, as confused pension professionals turned to advisers in droves. Many plans were terminated, as much because of the fear of liability under the prudent-man rule as because of the increased costs imposed by ERISA's administrative burden.

Why should the prudent-man idea, a time-honored staple of trust law, have caused such problems?

In 1830, the Massachusetts Supreme Court admonished trustees of other people's money to conduct themselves as "men of prudence, discretion and intelligence manage their affairs." Simple enough, perhaps, in 1830. And subsequently, under most state law governing trusts, it was further simplified with approved lists of investments. Barring flagrant fraud or outright mismangement, the traditional trustee has faced little problem with the prudent-man rule. He has but to preserve the body of capital in the basic trust, and perhaps appreciate it reasonably through "prudent" investment.

ERISA also demands prudence—but with several slight, albeit significant, differences. For example, ERISA is the first Federal trust law, and supercedes all state trust law in its management of pension funds. For example, the pension-fund fiduciary must not only preserve the body of the fund, but if he doesn't increase it sufficiently through investments to be able to pay benefits when they are due, his corporation must make up the difference from earnings, or else face a suit for being imprudent. This is made even more difficult in the face of inflation. Moreover, there is liability for not only the manager of the fund, but for all of the trustees. Add to this the fact that the disclosure rules of ERISA expose all of a fund's management, including investment advisers, to both the Government and employees. Everybody is watching.

Most pension professionals are not trained as trustees, and many of them were struck by their new and unaccustomed responsibility. Nor was there great depth of understanding of sophisticated investment principles. The reflexive move was toward defensiveness in investment practice. Another and more significant move has been to change the law to "clarify" liability under the prudent-man rule.

Beyond that, strong attempts to alter the law have been made by special-interest groups. Venture-capital managers, troubled by the shift of pension-fund money into larger companies, have lobbied to change the law to mandate a portion of pension-fund investment into smaller companies for economic development. Public-service groups believe the law should be changed to mandate a portion of investment to serve public

needs, such as housing. Regional development advocates want the law changed to mandate investment into minority companies, or companies that will generate jobs for a particular reason.

The fact is that ERISA, properly understood, can, under appropriate circumstances, answer all of these needs. These appropriate circumstances evolve from the needs of the fund to serve its beneficiaries. The law, remember, was devised to protect the employee, and not the capital markets. This fact seems too often lost as people view the vast pool of capital created by pension funds.

In devising ERISA, Congress sought not to change pension fund or investment practice, but to raise standards to those of the best-run funds. They sought to emphasize the fact that pension-fund money—even that money contributed by the corporation—belonged to the beneficiaries. The corporation is merely the trustee, an unfamiliar role for corporations. It is also clear that all judgments of prudence will be made in light of whether the interests of the beneficiaries, and not the corporation or the fund's trustees, are served.

But in a burst of wisdom, Congress recognized that to apply traditional trust standards to pension-fund management would be inadequate. Each fund, they recognized, is different. So, therefore, must be the investment policies for each fund, and to impose or prescribe specific invesment practices could very well defeat the aim of the law—the well-being of the beneficiaries. Thus, the prudent-man rule.

In both its statement and intent, the law says that the investment policy for each fund must be devised to meet the clearly stated (and, as the fund manager knows, written and documented) objectives of the fund. Each fund has a different configuration of needs, based upon such factors as size and age of work force, nature of industry, degree to which liabilities are currently funded, and so forth. This means that the return on investment for each fund, and the risk necessary to attain that return, will also be different for each fund.

To further protect the beneficiary, Congress also mandated diversification—but diversification to minimize risk, and not for diversification's sake. It is the portfolio, then that will be judged, and not the individual investment. This is perfectly consistent, of course, with standard investment practice, and is part of the reason for including the mandate to diversify in ERISA. It became clear, very early on, that the failure of any single investment, assuming that it had a rationale within the total portfolio, does not constitute a liability. This point has been made official in the proposed Federal regulation on prudence issued by the department on April 21.

What it really means, of course, is that any investment that can be justified in the rationale of the total portfolio is prudent, if the rationale for the entire portfolio is based upon the specific needs and objectives of the individual fund.

It requires that the objectives of the fund be clearly delineated and documented, that investment policies to meet those objectives also be clearly delineated. Conservative postures that are inconsistent with the needs of the funds, such as arbitrarily limiting investment to an index fund, could well be imprudent, particularly if they are taken primarily for the protection of trustees and fiduciaries.

It means, as well, that if the fund's portfolio can sustain the risk, or if the investment is consistent with the total portfolio, a fund may invest in venture capital, in public works, in regional economic development projects, in new or thinly capitalized companies—even in speculative ventures that are not downright foolhardy.

For Congress to mandate investment of private pension funds in any specific area might well be imprudent of Congress, simply because such investment might very well not be in the interest of the beneficiaries of a particular fund. This, clearly, is why Congress is not likely to alter the prudent-man rule in ERISA, nor should it.

ERISA's multiple-agency structure as well as several other of its aspects, obviously warranted change and correction, and this is what the new Javits-Williams bill sets out to do. For those who understand what ERISA's prudent-man rule really means, it is abundantly clear that it is sound in its present form, and needs no legislative amendment.●

MORTIMER M. CAPLIN'S COMMENCEMENT ADDRESS

● Mr. KENNEDY. Mr. President, at the graduation ceremonies last month of the National Law Center of George Washington University, an excellent address was delivered to the graduating students by Mr. Mortimer M. Caplin, the former Commissioner of Internal Revenue.

In his address, Mr. Caplin emphasized the mushrooming opportunities for young lawyers in our complex society and the innovative areas in which lawyers are now participating. He also spoke perceptively of the widely felt frustrations of average citizens with the growing legalism involved in so many aspects of their lives, especially the delays and ethical ambiguities, or worse, that raise questions in the people's minds about the role of lawyers in our society.

Mr. Caplin also urged the graduates to remember that, as lawyers, they always wear two hats—as representatives of their clients, and as responsible citizens in society, with a mission to contribute to the public good.

Mr. President, I believe that Mr. Caplin's remarks will be of interest to all of us, and I ask that they may be printed in the RECORD.

The remarks follow:

ADDRESS OF MORTIMER CAPLIN, GEORGE WASHINGTON UNIVERSITY (NATIONAL LAW CENTER) COMMENCEMENT

THE STATE OF THE LEGAL PROFESSION—1978

It is a privilege for me to join with you in these graduation ceremonies, and I want to express my thanks for your kind invitation.

Let me first respond to the reference to my service as Commissioner of Internal Revenue. My years there were the most challenging, stimulating—I was going to say "taxing"—of my life. It was an intense, sometimes explosive, post-graduate course on Washington and the democratic process—a form of tutelage and learning that somehow could not be gotten from the books and even from my professors. I am forever grateful for the opportunity I had to serve.

Frequently, I am asked how it was that President John F. Kennedy appointed me Commissioner. One of the White House staff members had a cryptic answer: "Oh, that's simple. It was Caplin's 'good judgment'—his good judgment in having Bob and Ted Kennedy as students, and his good judgment in giving them passing grades." I must confess that, as the years go by—and my memory grows dimmer—their grades become brighter and brighter. This is particularly true about my former student and friend, Senator Ted Kennedy, soon to be Chairman of the Senate Judiciary Committee.

I remember well my own graduation from the University of Virginia in 1940. The Nazis were overrunning Europe and most of the members of my class were registered for military service. Just as Italy was pouring troops into beleaguered France, President Franklin Delano Roosevelt came to Charlottesville for our Law School graduation and delivered his unforgettable "dagger-in-the-back" speech. With diploma in hand, I then drove off to my first job as law clerk to U.S. Circuit Judge Armistead M. Dobie, and I literally shouted with joy at the thought of having finally completed my formal schooling.

But it was not long before I realized that I was only at the beginning; and that, in addition to mastering a mind-boggling range of technical rules of law and procedure, I would now have to absorb an entirely different set of disciplines—exemplified by such words as experience, maturity, ethics and propriety, compassion, and judgment. And only later did I begin to appreciate the whole process of the law illuminated by Mr. Justice Holmes in his book, "The Common Law": "The life of the law has not been logic: it has been experience. The felt necessities of the time, the prevalent moral and political theories, intuitions of public policy, avowed or unconscious, even the prejudices which judges share with their fellow-men, have had a good deal more to do than the syllogism in determining the rules by which men should be governed." Holmes isn't saying that "reason" and "logic" do not have a significant role in legal operations. Rather, he wants us to do more than merely increase our technical capacity; he wants us to be more than technocrats; he calls on us for understanding.

You graduate at an exciting time, a time of extraordinary expansion and change in our profession—advertising by lawyers is now possible and new competitive pressures are developing. The emergence of large, prepaid group legal services plans—sort of a "legal" Blue Cross or Blue Shield—is creating uncertainty and concern among some elements of the bar. Then there is the enormous growth factor—the mass entry of law firms into Washington, and the mushrooming of firms of 200 lawyers or more on a nationwide and even worldwide basis. Demand for competent lawyers is at a high point and is likely to increase even further.

More and more statutes, enlarged government regulation, added complexity in conducting business, novel legal remedies, and a more litigious public attitude—all are parts of the current scene. New areas of specialization are developing rapidly, and old specialties are being subdivided and refined:

Energy, environment, housing, consumerism, public interest law.

New names, too, such as ERISA, OSHA and FOIA—Employee Retirement Income Security Act, Occupational Safety and Health Act, Freedom of Information Act.

With the uncovering of Watergate slush-funds, and foreign and domestic bribes and kickbacks, cases in "white collar crime" are becoming an important part of the practice; and many law offices which eschewed any contact with criminal law now find it necessary and profitable to enter this sensitive field.

Litigation abounds all over the country, and the demand for able trial and appellate lawyers seems never-ending, although Chief Justice Warren E. Burger continues to question the courtroom competency of many practitioners.

This is the age of the young lawyer—men and women who are prepared to seize the nettle and to devote themselves to new specialities which entrenched practitioners are often slow to learn.

Despite this bullish report on the "State of the Legal Profession", lawyers today also attract great criticism. This is not news, for they have always had their detractors.

Shakespeare, you'll recall, had a simple solution in Henry VI, Part II: "The first thing we do, let's kill all the lawyers". Or ambiguously as Carl Sandburg put it, "Why does a hearse horse snicker hauling a lawyer away?" I think that Daniel Webster, a lawyer himself, may have been more on target: "Most good lawyers live well, work hard and die poor."

President Carter, in his recent Law Day address before the Los Angeles Bar, placed himself among the detractors. His views were sharply critical of the legal profession:

"Ninety percent of our lawyers serve ten percent of our people. We are over-lawyered, and under-represented."

"Excessive litigation and legal featherbedding are encouraged."

"Too often the amount of justice that a person gets depends on the amount of money he or she can pay."

"In my own region of the country . . . lawyers of great influence and prestige led the fight against civil rights and economic justice."

"One of the greatest failings of the organized bar in the past century since the American Bar Association was founded is that it has fought innovation."

What I think about most . . . is the enormous potential for good within an aroused legal profession, and how often that potential has not been and is not used."

This was President Carter's evaluation—harsh and, in the minds of some, not fairly balanced. Despite distortions, however, it does reflect certain troubling perceptions and does call upon lawyers to examine themselves candidly and by their conduct to reaffirm the highest ideals of their profession.

Clearly, the public is frustrated with the entangling web of laws and regulations and the need to call upon expensive lawyers to help them comply.

Then there is the intermittent questioning of the ethics and honesty of some lawyers. The heavy lobbying of trial lawyers against no-fault automobile insurance, for example, has raised many eyebrows. Also we are witnessing a growing number of lawsuits alleging malpractice or lawyers' liability on one ground or another.

Finally, there is the slowness of the legal process and the delay in resolving disputes. Art Buchwald captured the public mood when he said: "It isn't the bad lawyers who are screwing up the justice system in the country, it's the good lawyers. . . . If you have two competent lawyers on opposite sides, a trial that should take three days could easily last six months."

This was brought home to me poignantly the other day as I read the recent Tax Court opinion of Brimm against Commissioner—which, believe it or not, quoted from Dickens' "Bleak House", the same passage used by President Carter in his Law Day speech:

"Jarndyce and Jarndyce drones on. This scarecrow of a suit has in the course of time, become so complicated that no man alive knows what it means * * * Innumerable children have been born into the cause * * * innumerable old people have died out of it. Scores of persons have deliriously found themselves made parties in Jarndyce and Jarndyce without knowing how or why; whole families have inherited legendary hatreds with the suit * * * There are not three Jarndyces left upon the earth, * * * but Jarndyce and Jarndyce still drags its dreary length before the court."

Even our society has yet to find a way to produce instant justice!

As members of the profession, what can we do to reverse these perceptions about lawyers? For one thing, a lesson can be learned from a survey of the Missouri Bar made some years ago by Prentice-Hall. The survey, which was recently revalidated, showed that clients selected lawyers for three reasons and in the following order—concern and attention, integrity . . . and winning.

1. Concern and attention. This is the primary want of a legal client. He wants a champion, someone who will worry about his problem and relieve him of this responsibility. He wants someone who will give the matter his primary attention, protect client confidences, devote himself fully to the cause and freely communicate with his client—keep him informed of all significant developments.

2. Integrity. This is a demand for honesty and fair dealing in the fullest sense, and a sensitivity to any possible conflict of interest. Both the actuality and appearance of conflict must be avoided if the confidence of a client is expected.

3. Winning. Oddly enough, this ranks only third in the tripartite profile of a client's demands—although I am sure we can all think of clients who place winning uppermost at any cost. Here we are talking about competence, professionalism and continued development of skills—legal imagination and a passion for accuracy.

To these, let me next add the important role that you will play in daily decisions on the fiduciary principle—the principle of undivided loyalty owed by all persons in positions of trust—not only lawyers in relation to clients, but partners and joint venturers among themselves, trustees and beneficiaries, bankers and depositors, corporate officers, boards of directors and their shareholders—the whole area of corporate governance which today attracts the special attention of the SEC and its chairman, Harold Williams.

Justice Cardozo gave us the touchstone in Meinhard against Salmon:

"A trustee is held to something stricter than the morals of the market place. Not honesty alone, but the punctilio of an honor the most sensitive, is then the standard of behavior."

The Bar inevitably sets the tone for integrity, ethics and morals. And, as Justice Stone admonished us, "whatever standards of conduct in the performance of its function the Bar consciously adopts must at once be reflected in the character of the world of business and finance."

Also, I would like to point to a road that leads to expanded satisfaction in life in the law—that permits a lawyer to "live greatly in the law," as Holmes put it. Here, I refer to the importance of a lawyer giving of his time to the public good—whether it be pro bono publico representation, activities with Bar groups, teaching or service to his community and his nation. The educated citizen, President Kennedy urged, may give his talents at the courthouse, the state house or the White House, as a precinct worker or President, civil servant or Senator, candidate or campaign worker, winner or loser. But, above all else, he must be a participant, not a spectator in our national life. He must "enter the lists."

I want to congratulate all of you on having completed your formal education. It is, and should be, a proud and happy day. I wish you well on your entry into the profession; and I know that you will want to live up to its highest ethical standards and finest traditions. At the same time, I hope that you will always remember that you wear two hats: not only that of a legal representative of your client, but also that of a responsible citizen in our democratic society—one who will make his voice heard as an individual and who will lend his skills to the strengthening of our government and the sound administration of its laws. As lawyers, you are particularly equipped to contribute to the public life and thought of your times.

And, please, let me not end on too serious note. For, needless to say, there are as many moments of pleasurable satisfaction in the law as there are of intense work and heavy responsibility. After all, a good lawyer is simply a good human being—with specialized training and experience, particularly in human behavior.

I like what an eminent lawyer (Harrison Tweed) once said of his peers:

"I have a high opinion of lawyers. They are better to work with or play with or fight with or drink with than most other varieties of mankind."

And that's a pretty fair note on which to close.●

UNITED STATES-ROMANIAN ECONOMIC RELATIONS

● Mr. MARK O. HATFIELD. Mr. President, 2 months ago this week, Romanian President Nicolae Ceausescu made his fourth state visit to Washington since he came to power 13 years ago. During his discussions with President Carter, several issues of importance to both the United States and Romania were discussed, including the pending request for an extension of most-favored-nation (MFN) tariff status for Romania. The state visit underlined the growing importance of the devolping relationship between our two countries, particularly in the economic sphere.

The effort to solidify and expand our economic relationship with Romania is especially timely as in 1977, the United States had her worst trade deficit in history. It reached $27 billion, a fourfold increase from 1976. Among the reasons for this record trade deficit was the lack of an "export consciousness" in the American business community.

Presently, exports account for less than 7 percent of our gross national product. That is the lowest percentage GNP of any industrialized nation. Japan, for example, has a comparable figure of 12 percent, and Great Britain has one of over 20 percent. According to Department of Commerce statistics, of some 300,000 manufacturing firms in the United States, only about 25,000 export at all. This situation must change if we are to restore the United States' economy to one of renewed vitality and strength.

Of course, in pursuit of such improvements in the U.S. trade position, new markets must be developed in countries where trade has either been nonexistent or minimal due to a variety of factors. The major avenues available to the United States at this time are those opportunities in expanded East-West trade. With a third of the world's population, the Communist nations represent an enormous potential market for U.S. products and commodities. Reflective of this are Department of Commerce figures which show that in the last 3 years, the United States exported almost $10 billion worth of goods to Communist countries, achieving a $6.3 billion surplus in the process.

One of the most promising developments in the expansion of East-West trade during the past decade has taken place between the United States and Romania. Trade between our two countries has increased ten-fold over this period, in large measure due to the granting of MFN tariff status to Romania in 1975. As evidence of the progress which has been made, particularly following the granting of MFN, U.S. trade with Romania reached $448 million in 1976. That was an increase of about 40 percent over the 1975 two-way figure. Moreover, the Commerce Department estimates that

United States-Romania trade topped the half-billion dollar level for the first time in 1977, and that barring unforeseen circumstances, it could reach $1 billion by 1980.

Mr. President, as many of my colleagues may be aware, the United States-Romanian Trade Agreement signed in 1975 is due to expire in August. However, unless either party chooses to withdraw from the agreement, it will be automatically renewed. MFN, on the other hand, must be reviewed annually in accordance with the Jackson–Vanik amendment to the 1974 Trade Act which ties most-favored-nation tariff treatment for Communist countries to their respective emigration policies. In accordance with the act, President Carter sent to Congress on June 2 a recommendation that the waiver for Romania under the Jackson-Vanik amendment relating to MFN be extended for another year. Most-favored-nation tariff status for Romania would have expired on July 2 had President Carter not recommended the extension.

I have risen on other occasions in support of a continuation of MFN for Romania, and I do so again. It is my belief that an expansion of our commercial relations with Romania can play a significant role in encouraging her economic and political independence. In fact, a central reason for urging a continuation of MFN treatment for Romania is the unique role she occupies among COMECON countries. The independence shown by President Nicolae Ceausescu in his political and economic relations with the Soviet Union and fellow Warsaw Pact and COMECON allies is well recognized and should be strongly encouraged. I do not pretend that fundamental differences are nonexistent between our two countries, but she is a country with whom we can minimize our differences as we broaden our ties.

I might add that while MFN for Romania has made a major difference in both the level of U.S. exports to Romania and Romania's economic development, the present policy of annual extensions has not been conducive to either long-term development planning in Romania or sustained and rapid growth in U.S. exports to that country. The Commerce Department has gone on record as stating that while the United States could and should pursue expanded East-West trade, its inability to offer official export credits and nondiscriminatory tariff treatment in all dealings with Communist countries puts the United States at a disadvantage in many situations compared with competitors of other Western nations. Moreover, in announcing last year's MFN extension for Romania, the National Association of Manufacturers stated in the January 1978 issue of International Economic Issues, that "the year-to-year renewal provision remains * * * an impediment to longer term corporate planning." Because of the independence shown by Romania and because of the expressed interest by many parties in this country to seek a longer extension of MFN for Romania, I believe that it would be timely for discussions to take place between the appropriate congressional committees and the State Department regarding such a proposal.

This is not to suggest that I am abandoning my long-term concern for and support of human rights throughout the world. As the author of a human rights amendment to last year's Omnibus Multilateral Institutions Act of 1977 (which was defeated on the Senate floor, because some thought it too strict), I am naturally interested in questions surrounding Romania's emigration policies. However, from the information that I have received, it appears that Romania is making positive efforts to liberalize its emigration policies. Certainly when compared with the situation before MFN, there have been marked improvements. While I firmly believe that the emigration issue should continue to be monitored closely to insure that emigration remains an option for those wanting to leave the country, I am convinced that it is only within the framework of a firm relationship between our two countries, of which MFN forms a part, that such positive results as we have seen in the past few years can be encouraged and expanded.

Mr. President, the successful visit of Romanian President Nicolae Ceausescu in April brings us closer toward greater understanding and cooperation between our two countries. I was particularly pleased to note in the joint declaration signed by the two leaders that both the United States and Romania together determined among other things "to seek ways to put existing nondiscriminatory trade relations on a more stable and long-term basis * * *." It is my hope that this goal will be actively pursued by the Carter administration to the benefit of the people of Romania and the United States at every possible opportunity.●

AFGHANISTAN

● Mr. GOLDWATER. Mr. President, one of the greatest concerns of Iran, particularly of their Shah, has always been that Afghanistan would come under the control of the Soviet Union. This I am afraid has already happened and, in my opinion, it will not be long until the great fear of Iran and what should have been a fear of ours, will be accomplished when the Soviets merely use Afghanistan as a launch pad to go across the western end of Pakistan, which is virtually unsettled and as barren a desert as I have ever seen or flown over. This will give the Russians a seaport or more if they want them, on the Indian Ocean, and this coupled with the occupancy of the Horn of Africa by Cuban and Soviet forces, plus our unconscionable treatment of South Africa will virtually deny the Indian Ocean to our forces, and deny transport across those waters for the oil so badly needed on our east coast and on the shores of our Pacific allies. I don't know what it takes to force this country of ours to recognize what is going on around the world. This step by the Soviets could be the most meaningful step they have taken in modern times because it will give them what they have always sought, access to waters which would control the economies of the world. I ask that an article written by Mr. John K. Cooley of the Christian Science Monitor on this subject be printed in the RECORD.

The article follows:

[From the Christian Science Monitor, June 9, 1978]

IRAN WATCHES AFGHANISTAN FOR SIGN OF SOVIET MOVE

(By John K. Cooley)

TEHRAN, IRAN.—Iran is keeping a watchful eye on signs of possible new Soviet expansion southward at Iran's expense.

Its foreign policy experts have noted the upheaval which produced a pro-Communist government in neighboring Afghanistan. They also are aware of the threatened unrest in neighboring Pakistan if Gen. Zia ul-Hag's military regime there executes former Prime Minister Zulfikar Ali Bhutto.

When India's External Affairs Minister Atal Bihari Vajpayee conferred here with Shah Muhammed Reza Pahlevi and his advisers recently, both sides were careful to avoid any public comment that might irritate the Soviet Union, the new Aghani rulers, or General Zia's Pakistani army officers.

On Afghanistan, Mr. Vajpayee said events there are "strictly an internal matter of that country. We as neighbors are affected and our only aim should be to ensure that these events do not turn back the healthy trend toward stability."

Iranian Deputy Foreign Minister Manucdehr Belli, in an interview with this reporter, was equally bland and careful in his comment that "we are continuing our relationship with the new government in Kabul."

But there are reports that the Pushtu (or Pathan) national movement in Afghanistan, which claims a large chunk of Pakistani for a tribal homeland, and Balcushi nationalists based in Afghanistan are again discussing a "Greater Baluchistan."

Questioned about this, Mr. Zelli warned: "Baluchistan is a matter between Iran and Pakistan. No other country in our opinion could have any interest. This is clear-cut, an area inhabited by Baluchis, part in Iran, part in Pakistan. No other country has the right to talk about this."

For years the Iranian Foreign Ministry has been in possession of a map, captioned in Persian, showing a corridor called "Greater Baluchistan," running in a swath southward to the Indian Ocean. Pro-Soviet or Soviet sources printed and distributed the map about eight years ago as a token of Soviet support for the idea.

Since then, both the Pakistani and Iranian armies have had to deploy considerable force against periodic outbreaks of Baluchi tribal violence.

The Baluchistan-Afghan-Pakistan situation is far too sensitive here for real public discussion, but the government takes it so seriously that one adviser of Prime Minister Jamshid Amouzegar said:

"This is like a knife at our jugular vein. The shortest cut for the Soviets to the oil of the Persian Gulf and the Indian Ocean sea lanes is through Iran and Pakistan, but we don't plan to allow anyone to start the carving process."

Since Pakistan's loss of Bangladesh in the Indo-Pakistani war of 1971, the Shah himself has frequently repeated that Iran would intervene with military force to prevent any new breakup of Pakistani territory.

This is why there is a careful watch here for results of the Shah's private messages to Pakistan urging mercy for Mr. Bhutto, who has appealed his capital sentence for complicity in a murder. Similar private ap-

peals have been sent by King Khalid or Saudi Arabia and other world leaders.

Iranian analysts believe that there could be considerable disruption of Mr. Bhutto's native Sind region of Pakistan and possibly elsewhere if his life is not spared. Such unrest also could signal or trigger Baluchi or other insurgency, especially if the Soviets are in a mood to help it along.

Pakistani's spokesmen in Islamabad denied a June 4 report in the Tehran newspaper Keyhan International that General Zia would spare Mr. Bhutto's life and allow him to go into exile if the Shah and King Khalid would guarantee Mr. Bhutto's future abstention from Pakistani politics.

But informed persons here believe that such an arrangement, if it could be worked out, may be the only way to defuse the Bhutto issue as a threat to this region's peace.●

MEAT IMPORTS

● Mr. CULVER. Mr. President, on June 9, I introduced a resolution expressing the Senate's disapproval of the President's intention to suspend meat import quotas and allow an additional 200 million pounds of meat to be imported this year. At this time my resolution has been cosponsored by 19 other Senators from both cattle producing and cattle consuming States.

I believe this broad support reflects a general understanding around the country that beef producers and beef consumers should be allies and not adversaries. The vast majority of consumers understand that beef producers must make a fair return in order to continue producing ample supplies of beef. Producers in turn know that it is in their best interest to meet the consumer demand for beef with a high-quality, reasonably priced product.

Last week two Iowa newspapers published editorials which perceptively characterized the implications of the President's recent proposal to suspend meat import quotas. I ask that these editorials from the Cedar Rapids Gazette and the Waterloo Courier be printed in the RECORD.

The editorials follow:

[From the Cedar Rapids Gazette, June 12, 1978]

BEEF-IMPORT BLUNDER

If President Carter's grain-support errors suggested limited perception of farm issues, his decision to raise the beef import quota confirms suspicions.

Before the recent announcement, American livestock raisers worked happily to increase herds. They knew that vastly higher beef prices would make the investment rewarding—for a couple of years anyway. But having read that 200 million more pounds of beef will enter the country each year—bringing imports to 1.5 billion pounds—farmers must review the signals:

No sooner does beef production become profitable for recently harried cattlemen than the president invites importation of additional animals. Since Carter may be in office 6½ more years, the beef price outlook may not be so rosy after all.

Might livestock raisers now reduce their herd expansion goals?

That would be a reasonable bet. And if domestic marketing of beef fails to produce supplies sufficient to drop prices, will the president feel forced to allow still more beef imports?

That also seems likely, though the spectacle of a drastic rise in beef imports would be politically damaging—especially if accompanied by dropouts among American cattlemen.

It is true, as chief inflation fighter Strauss asserts, that grocery shoppers would appreciate the predicted five-cent drop per pound in the retail price of hamburger. (The reduction would come in hamburger because animals from Australia and New Zealand generally are used for hamburger. Many of the mother cows ordinarily turned into ground beef now are used for expansion of U.S. herds.)

But Agriculture Department analysts doubt that the import increase will knock a nickel from the price of hamburger. A two- to three-cent drop is a more probable result, they say.

To give consumers a nearly invisible saving, then, the president is clouding the future of cattle raisers. Surely farmers and grocery shoppers would fare better if the government let increased U.S. production answer the consumers' problems.

[From the Waterloo Courier, June 14, 1978]

BEEF IMPORT QUOTA HIKE ONLY SYMBOLIC BODES FUTURE ILLS

President Carter's symbolic gesture against inflation—and it appears to be only symbolic—in raising U.S. beef import quotas could boomerang against him and the nation in so many ways that one wonders why he took that action last week.

While some experts have said that the 15 percent increase in beef imports might lower consumer prices for beef by 5 or 6 cents a pound by next fall, many others expect a price drop of only a cent or two. The president's move may be a cruel hoax on consumers.

Even assuming Agriculture Secretary Bob Bergland is right in accepting the 5 cents per pound estimate, that would figure out to only about 12 cents in savings per person a week—since Americans consume an average of about 2½ pounds of beef each a week.

Now, there may be nothing wrong with symbolic gestures if they wreak no harm. But President Carter's action on beef imports threatens serious damage to the U.S. cattle industry and perhaps even to the nation's economy.

Cattlemen have repeatedly documented that only recently has their industry begun emerging from a long period—dating back to 1973—of relative economic hardship.

Whether the 15 percent boost in beef import quotas will significantly depress U.S. cattle prices in the short term is debatable. The Iowa Cattlemen's Association at Ames doubts it, especially, if cattlemen avoid a "stampede" to market their cattle but instead maintain "orderly" selling.

But the long-term impact of the president's action could be damaging indeed if U.S. cattlemen see it not only as symbolic against inflation but also symbolic against their business.

In other words, cattlemen might believe that they will be a continued target of the Carter administration's anti-inflation battle. They then might decide to cut back on future beef production.

Lower meat production could lead to even higher retail prices for consumers in the future.

Further, to use imports as a tool against inflation seems like twisted logic since this only worsens the U.S. balance of payments trade deficit—and that already is viewed as a major source of inflation.

If it is bad to rely so heavily on foreign oil, is it better to rely on foreign meat?

And if President Carter's action is a symbolic gesture against inflation, it is also a symbolic political slap in the face to a major Iowa industry and to Iowa and the nation's family farms—many of which raise cattle.

This seems particularly ironic since President Carter received his first major boost in his run for the White House via victories in Iowa's political caucuses.

So all in all, the president's decision to boost beef import quotas is almost incomprehensible—to say the least.●

HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978—S. 3084

AMENDMENT NO. 3032

● Mr. HEINZ. Mr. President, I am pleased to join the distinguished Senator from New Mexico, Mr. DOMENICI, in submitting an amendment to S. 3084, the Housing and Community Development Amendments of 1978.

The Committee on Banking, Housing, and Urban Affairs, on which I serve, recently reported out S. 3084, a major portion of which is focused on measures to house, protect, and provide social services for the elderly population residing in public housing in this country. Perhaps the most significant undertaking to assist the elderly is the $165 million, 5-year authorization to furnish congregate housing services for handicapped elderly and nonelderly, temporarily disabled, and frail elderly individuals.

The amendment which we introduce today broadens the eligibility for congregate housing services to include section 202 elderly housing projects. The amendment would authorize the Department of Housing and Urban Development to enter into 3-year renewable contracts with sponsors of section 202 housing projects to provide social services for temporarily disabled or frail elderly and nonelderly handicapped residents. A modest additional appropriation of $40 million over 5 years is authorized.

As far back as the 1937 Housing Act, Congress recognized the need for congregate housing, and authorized congregate housing in public housing developments. At that time, congregate public housing was defined as low-income housing in which some or all units lack kitchens, and in which central dining facilities exist for the preparation of meals. The Congress moved again in the 1970 Housing Act to require the Secretary of the Department of Housing and Urban Development to develop low-income congregate housing for nonelderly handicapped and frail elderly persons. Our colleague from New Jersey, Mr. WILLIAMS, upon introduction of the Congregate Housing Services Act of 1978, described the success of this effort after 8 years thusly—

. . . the number of congregate public housing projects in the country today can be counted on two hands.

Today we understand and accept the fact that the definition of congregate housing must be broader if we are to provide an opportunity for frail elderly and nonelderly handicapped persons to live with a maximum degree of independence for as long as they are able. Therefore a definition of congregate housing must include not only common dining facilities, but also homemaker services, assistance with personal care and grooming, nutritionally balanced meal services, and other nonmedical services provided in a residential setting. This approach of combining comprehensive

social services with residential shelter is, I believe, a far better alternative to institutionalization, which is a costly, often unnecessary, demoralizing, and frightening situation for those who are frail, but not ill.

The Banking, Housing and Urban Affairs Committee has unanimously endorsed this approach for the 293,000 elderly living in public housing. I believe it is appropriate and fair that we extend the promise of independence with dignity to those senior citizens residing in section 202 elderly housing projects as well.

Mr. President, in the Commonwealth of Pennsylvania, there are 3,643 units of section 202 elderly housing, only 11.53 percent of which are congregate housing. Few developments have incorporated such services because of the construction and renovation costs and the concomitant lack of a program to fund such costs. In Montgomery County, Pennsylvania, for example, consideration is being given to using scarce community development resources to renovate elderly public housing in order to add communal dining facilities. However, officials acknowledge that although the need is not limited to public housing, unless section 202 elderly housing is eligible for congregate housing services, the county will be unable to provide them.

Whether we consider the relative merits of congregate housing through examination of the measurable cost—$5,500 per patient per year in a nursing home as compared with $1,000 per person at home with congregate housing services—or the immeasurable human cost of displacement of frail elderly from their homes unnecessarily, I believe the benefits justify our extending the eligibility to section 202 elderly housing project residents because it is the right thing to do. If congregate housing services are a way of allowing elderly people to remain in the community enjoying the independence, autonomy, privacy and relationships that constitute the very essence of meaningful life, we should move quickly to support this amendment and enact this measure into law.

Mr. President, I respectfully ask my colleagues in the Senate to give favorable consideration to this amendment.●

HUBBS–SEA WORLD RESEARCH INSTITUTE

● Mr. HAYAKAWA. Mr. President, last year, in connection with the extension of the Marine Mammal Protection Act of 1972, there have been extensive hearings by the House as well as by the Senate. While there was wide disagreement among the witnesses as to the best methods for the protection of dolphins, it was generally agreed that a successful solution of the underlying problems required improved international cooperation. The need for such cooperation was recently highlighted by the killing of more than 1,000 dolphins in the Sea of Japan by Japanese fishermen.

The House of Representatives has been duly upset about this incident and a House resolution was introduced to express its concern. Dr. William E. Evans, the director of the Hubbs-Sea World Research, Institute has testified recently in favor of H. Res. 1065. I believe Dr. Evans' incisive comments deserve the attention of my colleagues, and I therefore ask that his statement before the House Subcommittee on Asian and Pacific Affairs be printed in the RECORD.

The statement follows:

Thank you, Mr. Chairman, for the opportunity to present testimony on H. Res. 1065, a resolution expressing the concern of the House of Representatives regarding the killing of some one thousand dolphins in the Sea of Japan by Japanese fishermen on February 23 and 24, 1978.

My name is William E. Evans and I am Director of the Hubbs–Sea World Research Institute. The Institute is a non-profit research institute with headquarters in San Diego, California. For the Subcommittee's additional information, I am a member of the United Nations Advisory Committee on Marine Resources Research, Small Cetacean and Siernian Working Group and also presently a member of the Program and Steering Committee, marine mammal project, Group V, functioning under the auspices of the United States/U.S.S.R. Environmental Protection Agreement. I have also participated as a member of the U.S. advisory group for the joint United States-Japan Conference on the Utilization of Marine Resources. I have lectured in Japan at several universities and conducted cooperative research projects with many Japanese scientists. In conjunction with this program, the Japanese Government is sponsoring a one month work/study program for a young Japanese scientist from the Fisheries Faculty of the University of Nagasaki to work at our Institute on the potential uses of underwater sound to reduce the predation impact of marine mammals on the catch of commercial fishermen. This impact is, by the way, an international problem, having resulted in a significant loss in income by commercial fisheries throughout the world, including the United States.

As the Subcommittee knows, the taking of marine mammals for human consumption in Japan is not a new practice. It is, in fact, centuries old. However, it does appear that the events of February 23 and 24 of this year did constitute a departure from traditional Japanese Oikimi, or "drive fishery" operations. It is obvious that this departure from custom was provoked by the unknown, carried out with frustration and the fear that the livelihood of the fishermen might be at stake. The potential for this type of response was recognized by Japanese Fisheries scientists as early as 1970. This problem was discussed in detail in a scientific paper published in 1972 as a Bulletin of the Far Seas Fisheries Research Laboratory, Shimizu, Japan. At that time, the loss to Japanese fishermen was estimated at several billion yen per year and it was recommended that "small cetaceans should be studied not only for their protection from the exploitation, but also to determine their position in the food chain of the ocean ecosystem."

Encouraging the Government of Japan to join in discussions to be held by the International Whaling Commission's Small Cetacean Subcommittee in June 1978, as is recommended by H. Res. 1065, is indeed a good idea. It was, in fact, the practice of killing small cetaceans that provided the initial impetus for the creation of the Subcommittee following the 24th Annual Meeting of the International Whaling Commission in 1972. At that time, the Scientific Committee of the IWC recommended that members from countries engaged in killing small cetaceans provide information on their control of these operations, and also information relative to the catch and incidental kill of its small cetaceans. The Scientific Committee further recommended that the Subcommittee improve data collection of the world catches of these animals, and to review species, stock identification and other problems. Unfortunately, appropriate funds for research which could ultimately solve this international problem have not been readily available.

Since the highly-publicized events in February, our Institute has been in frequent contact with Japanese scientists long concerned with the growing conflict between marine mammals and local fishing interests. While they are genuinely sympathetic with the plight of the fishermen at Iki Island and elsewhere, they are equally concerned that without a major commitment on the part of the Japanese Government to promote intensified research efforts, the problem will go unsolved . . . to the detriment of the local economy, to the detriment of science and to the detriment of sound conservation and management practices.

Hopefully the passage of H. Res. 1065 will prompt the Japanese Government to reorder its marine science priorities in a way that will accommodate the very real concerns of the diverse community of marine mammal interests. If not, perhaps the Congress ought to consider its own funding legislation to assist our scientists in working cooperatively with the Japanese toward a better understanding of a problem plaguing the peoples of both countries.

Thank you.●

ECONOMIC DEVELOPMENT: THE SHORT SURE ROAD TO DESEGREGATION

● Mr. GOLDWATER. Mr. President, at different times this year I have spoken on the foolishness, economic waste, and inappropriateness of inflicting embargos on other countries, particularly South Africa, to attempt to force that country to achieve desegregation, and I have tried to point out that instead of encouraging the Government to do this by making it easier for blacks to be employed, it is making it more difficult, because jobs disappear. An article recently published on this subject entitled "Economic Development: The Short Sure Road to Desegregation," is one that the Members of this body and the House should read, particularly those who are burdened down with the idea that the way to get someone to do something is to try and force them to do it. Therefore, I ask that this article be printed in the RECORD.

The article follows:

ECONOMIC DEVELOPMENT: THE SHORT SURE ROAD TO DESEGREGATION

(By C. W. Borklund)

Daniel ArapMoi, vice president of Kenya, complained recently of a "brain drain" of Africans emigrating to the U.S., seeking better working and living conditions than they can find in their own native lands. Noted Mal Whitfield—for more than 25 years a U.S. Information Agency representative in Africa (and, because his primary function has been organizing athletic programs, one of the most highly regarded Americans on that continent)—

"The more traditionally African the person, the less race means to him. Africans are interested in economic development and politics."

In the late 1950's and early '60's, U.S. blacks moved in massive numbers to the big, industrially energetic cities of the North not, as is now commonly reported, for the "big welfare checks" in most cases. (Those

showed only later under President Lyndon Johnson's "Great Society" program.) They came because they'd heard of the job opportunities—and are now flowing back to the South for the same reason.

Exporting Welfare—Blacks and other nonwhites have, over the past 30 years or so, congregated around the white-built cities of Johannesburg, Cape Town, Durban, et al, with the same goal, greater growth than all of them can ever hope to achieve in their native villages. Telling them their life styles, education, opportunities are greater in such places as Soweto than in other, black-African states makes little impression. They already know that.

What angers, and serves as a rich soil for radicals fomenting revolution, is what they consider the frustrating slowness they've suffered, reaching for those economic goals. Even in the U.S., the Emancipation Proclamation in 1863, and 100 years later the start of the Civil Rights Movement, have helped create a nucleus of well-to-do upper and middle-class blacks.

But, blocked ironically by a variety of States welfare and other regulations, a large number of race-minority citizens are still stymied in a no-growth existence. And, irony on top of irony, a number of black African nations, under the umbrella of U.S. foreign aid programs, also are becoming "welfare" States.

Lacking people trained to operate a modern, industrial society, and run in many cases by dictators, "these hypocritical African States see the U.S. as a giant 'social security' benefactor who will give just to fight the socialist attempts to rule. And the reason the OAU (Organization for African Unity) won't take a stand against Russia's 'colonizing' of Ethiopia is simple. They've put too many skeletons in their own countries' closets. They're afraid of being publicly accused by *them* and losing *our* 'welfare' payments," claims one American veteran observer of Africa.

In short, insists another, "Black African ordinary people feel about as much kinship to the black American civil rights movement—and to black Americans, for that matter—as an apple does to a pineapple. The sooner our State Department, especially (U.S. Ambassador to the United Nations) Andrew Young, and our President smarten up about that, the sooner we can start pushing polices that protect U.S. interests over there."

One such profitable-seeming policy, according to many U.S. industrial experts, would be to end that former CIA Director George Bush has called "an isolationist policy," e.g. supporting arms embargoes and urging economic ones, and, in fact, doing the reverse: urging, at least in southern Africa, U.S. industrial investment.

It is the one major area in all of Africa which (a) is vital to U.S. security interests; (b) has the people, raw materials, and nucleus of an education base to move, in relatively short order, from an underdeveloped or "intermediate" (as the World Bank labels South Africa) set of countries to developing and developed ones.

Woods Deliberate Error—A clue to just how valuable such an economic investment policy could be to U.S. diplomatic/political interests showed up recently in an exchange (via long-distance newspaper interviews) between escaped, white South African anti-government agitator Donald Woods and black leaders in South Africa. Claiming that only about 1.2 percent of South African blacks are affected by multi-national company operations and that the high return on investment there is possible "in part because of low wages paid blacks," Woods told a House International Relationss ubcommittee:

"All of the new generation of black leaders favor disinvestment."

Snapped back probably one of the ablest of these black leaders, Chief Gatsha Buthelezi, political leader of five million Zulus, "In other words, people like myself who have not advocated (sanctions) are not the authentic or real leaders . . . I am wary of adopting futile stances so that I can be popular in certain circles at the expenses of my people."

Retorted Lucy Mvubelo, general secretary of South Africa's largest black labor union (and last year elected first black vice president of the South African Trade Union Council), "I have opposed disinvestment in season and out. It can only serve to bring the greatest misery to my people."

Said Lucas Mangope, prime minister of the newly independent Bophuthatswana, "When . . . churches go all out to put pressure on big firms to disengage from South Africa, they know perfectly well all they achieve is to bring unemployment, hunger and despair into thousands of Black homes. They demonstrate a total lack of concern, of care, for any of us."

Similar angry sentiments were fired off by Chief Minister of the Ciskei, Lennox Sebe; Shangaan's leader, Professor Hudson Ntsanwisi; South African Indian Council Executive Committee Chairman, J. N. Reddy and Dr. William Bergins, a leader of the Coloured (mixed racially) people in South Africa. Even Percy Qoboza (who, in contrast to Woods, had achieved some journalistic fame inside South Africa *before* his arrest for, said the Government, allegedly "inflammatory" writing) said, in *Time* magazine, "To impose economic sanctions on South Africa would be to acknowledge total abandonment of a peaceful and negotiated settlement."

In spite of all that weight of evidence (uninformed possibly the kindest adjective for them) leaders of one group or another in the U.S. continue to pressure for what amounts to a declaration of economic war. Among the still festering: The National Council of Churches—long a financial backer of radical movements in southern Africa—has urged its 20 constituent churches to withdraw their funds from financial institutions that deal with South Africa and the businesses there.

The United Auto Workers has said it is pulling its funds out of such banks, and a handful of U.S. banks plus at least one major investment house have knuckled under to the pressure. City councils in several States have debated not using equipment, such as IBM computers, if the firms have divisions in South Africa.

Iowa Democratic Senator Dick Clark claims—in spite of massive evidence to the contrary—that investment in South Africa is "undermining the fundamental goals and objectives of U.S. foreign policy" in southern Africa. The House Banking Committee voted recently that South Africa be discriminated against in loan decisions of the Export-Import Bank because of its "racial segregation policies."

Topsy Syndrome—U.S. Embassy officials in South Africa "regularly host" lunches and other meetings with revolutionary elements there, according to South African intelligence sources, receiving as a result biased encouragement that caters to that embargo fever. And State Department issued a regulation last February—without permitting the usually allowed public comment—implementing the United Nations-passed arms embargo.

But the language is so wildly worded it could apply to shoelaces and toothpaste, indeed anything South African military and police forces buy, either for themselves or for someone else. Depending on how Commerce Department implements the rule, it could amount to the type of economic sanction the U.S. has never tried on anyone else in recent years, including Cuba right after the missile crisis.

Though such knee-jerk reactions get considerable publicity in the U.S., the decisions of more carefully reasoning persons are starting to catch up. Among them:

The United Auto Workers may choose to ignore their dues-paying members in South Africa but Henry Ford, for one, has not. There for 55 years, Ford Motor Company "intends to stay," he said, because "we do more for the people of South Africa by staying here."

Bill Norris, head of Control Data, has answered pressures to pull out with the succinct answer that "withdrawal cannot be considered because we have a commitment to our 150 employees there which neither they nor we take lightly. We believe U.S. corporations must use their influence to be a positive force for social change."

"The withdrawal of U.S. companies, imposition of economic sanctions, or other means of slowing economic activity in South Africa," he said to a House Subcommittee on International Trade, "would deepen the poverty of the underprivileged and if carried far enough, eventually force an uprising and many millions of people needlessly killed."

More than 50 U.S. firms with plants in South Africa have endorsed a set of employment principles first drawn up by Dr. Leon Sullivan of Philadelphia's Zion Baptist Church. The six principles: nonsegregation of races in all eating, comfort and work facilities; equal and fair employment practices; equal pay for comparable work; training programs to prepare Blacks and other non-whites for supervisory, administrative, clerical and technical jobs in substantial numbers; more Blacks and other non-whites in management and supervisory positions; and improvements in employees' lives outside the work environment.

Dr. Connie Mulder, South Africa's Minister of Plural Relations and Development—who has done a great deal already, since last Fall's election of the White Government, to brighten race relations in his country—has praised the list; also encouraged the other 270 U.S. firms with plants in South Africa to adopt the same code.

South African industrialists and businessmen, themselves, have adopted a South African Code of Employment similar to the U.S. one—seeking to eliminate discrimination in hiring practices as well.

A London Fleet Street writer, Andrew Alexander, wrote in the Johannesburg *Star* an article originally published in the London *Daily Mail*. It's thesis: the way to wipe out apartheid is to "flood South Africa with capital, thus diminishing the white monopoly and opening up improved prospects for blacks, Indians, coloured people."

"Sanctions certainly would not kill your country," British shipping magnate, Sir Nichalos Cayzer, told a reporter in Cape Town recently. "The British people will be the ones to suffer. Sanctions, in fact, would be madness."

In contrast to that "madness," South Africa looks like one of the best spots in the world for investment. In addition to the opportunities to "do something" about apartheid, the abundant labor force (an estimated 3 million or so unemployed), the strong education and training base (more than 22% of the black population in school, highest in all Africa, and companies receiving tax credits for running on-the-job training programs), adequate energy sources and lots of undeveloped real estate (especially in the Homelands), South Africa is "one of the great growth countries of the world," thinks John van Eck, President of International Investors.

"It should achieve a growth of about 6% a year, which is high by comparison to the world's average." Backing that up, South Africa Standard Bank Chairman, Dr. Frans Cronje pointed out recently in *To The Point* magazine that "dividend and earnings yields in South Africa are now twice as high as

those in the U.S. and well above those in Britain."

Capital Works—As one example of what investment can produce, Allegheny Ludlum President Richard Simmons has pointed out they went to South Africa in 1974 when a world shortage of chromium developed. (The only other two sources are Russia and Rhodesia.) Chrome is irreplaceable in the manufacture of stainless steel—and a recent University of California study concluded:

"The United States is strategically more vulnerable to a long-term chromium embargo than to an embargo of any other natural resource, including petroleum."

In concert with a South African firm, Allegheny Ludlum built a facility for making ferro chromium from chromium ore—received government assistance both in loans from South Africa's Industrial Development Bank and in government setting up a transportation and utility infrastructure.

Today, says Simmons, of some 450 employees, 330 are blacks and 70 of them high school graduates. "It's indicative of the kinds of jobs that we are making available." Added he, "I've been going there (to South Africa) for many years and I've seen dramatic changes; the black man's lot continues to improve there and when the possibilities of a better education and other opportunities come along, he too will assimilate and be productive in that society."

Among the more encouraging statistics: non-white purchasing power has increased from $919 million in 1970 to $6.7 billion in 1977. Disposable income of blacks is forcast to exceed $9.3 billion by 1980. Black per capita income is forecast to rise 29.5% between 1975 and 1980 as against 7.3% for whites.

A 1973 authorization to increase the factory-level black liaison committees helped produce a drop from 246 strikes in which black workers took part in 1973 to 105 strikes in 1976. Twenty of 25 categories of statutory job reservation were scrapped by the Government in 1977 and strong pressure is being exerted by them on unions and management to drop the other five.

The "pass book" system, designed initially in major part to hold down influx of black job seekers in already over-crowded factory areas, is being abolished. In both black "Homelands" and non-white urban communities, development levels have reached the stage where the government is giving urban blacks, among others, wide-ranging powers to manage their own local community affairs.

Government has taken the first steps toward compulsory education for blacks, indicating that, at least, the availability of trained teachers, schools, and teaching materials is beginning to catch up to non-white population explosions—or at least that the white government and taxpayer can find the money to pay for it.

With only 5% of the African continent's population and 4% of its land area, South Africa produces 22% of Africa's total output of goods and services, 90% of Africa's steel production and ranks fourth in the world in mineral production. And to the extent it is economically viable, its neighbors are helped, too. More than two million migrant workers from outside its borders find temporary employment in South Africa—which represents 25% of the GNP (Gross National Product) of those countries.

Since the inception of the Homelands policy, designed to reverse Black migration to the White man's already economically overtaxed cities, the per capita income is rising with the help of both white expertise and white funding; making these areas increasingly viable—and a source of considerable consternation to dictator-run central African states which, with the same amounts of people and natural resources, are nearly all on the verge of bankruptcy.

Summed up more than one white South African during a recent Government Executive visit, "If you'd asked me five years ago, I'd have said this 'Homelands' policy won't work. Now, I think if anything short of war has a chance, this does."

One clue that it is effective: in 1960, 62.4% of the nine different Black national peoples lived in White-owned areas, 37.6% in traditional tribal homelands. In 1976, 51.3% still lived in White areas, 48.7% in traditional homelands.

THE INSIDE STORY FROM NIGERIA

Since Government Executive began its series on South Africa last December, it has attracted a considerable amount of international interest. One such reader involvement is the following letter, sent shortly after President Carter's visit to Nigeria by a man who lives and works there. Obviously, from his letter, he cannot be identified by name.

"America's increasingly comic President, Carter, during his recent visit to Nigeria and discussions with the country's chief of state, Lt. Gen. Obasanjo, displayed his usual ignorance of facts by praising Nigeria as a great democracy. His short, carefully-controlled tour precluded his observing facts of life as they actually exist here, among which the following are common occurrences:

"1—Democracy, per se, does not exist, and has never existed; the country is run by a Military Junta, headed by Lt. General Obasanjo. It has about as much democratic content as Soviet Russia or Hitler's Germany—without the competence of either.

"2—Nothing can be accomplished, either by a black Nigerian or an expat white, without the payment of Dash, either in the governmental or private sector.

"3—Do you want to send a cable or post a letter? Lots of luck! Quite often, you will pay your money to the clerk at P&T, and happily assume your cable is on its way. Not necessarily so: in many instances, the clerk will pocket your money and throw your cable draft in the waste basket. If you post a letter, especially at a hotel, chances are 50–50 that one of the hotel clerks will steam off the stamps for resale. End of letter.

"4—Law and order? Virtually nonexistent! During recent months, a friend was stopped by two armed policemen not far from the entrance on the Airport Hotel at Ikeja about 11:00 P.M. while driving home in his Volks. At gun-point he was ordered to give them 20 Naira (about $30 U.S.); luckily, he had that much with him or he would have been arrested on some trumped-up charge. And, at night, expats live in constant fear in their residential neighborhoods, as armed gangs—often in collusion with district police officials—roam, break into, and loot houses, terrorizing residents. In the harbor area, foreign ships are in constant fear of boarding by pirates—just a few months ago, a Danish ship was boarded, its Captain murdered and his daughter molested. Yet, the initial Government comment was to the effect that the Danish crew had mutinied against the ship's master!

"5—Many expats, having completed their business, feel they are safely on the way home when going through immigration and customs formalities at Murtalla Mohammed Airport, Ikeja (Lagos). Perhaps. Perhaps not. If they don't pay the proper Dash to officials, they may wind up in jail on a bogus charge rather than being allowed to board the departing aircraft.

"Wake up, Mr. Carter. Before you call a country a "Democracy," get the facts from unbiased, trained observers who have been there!"●

TOBACCO RESEARCH BENEFITS MANY CROPS

Mr. HELMS. Mr. President, there is a success story in Bladen County, N.C., that should be of interest to all of us who appreciate the good work being done by the Agricultural Extension Service of USDA.

Over the past several years extension agents working through the School of Agriculture and Life Sciences at North Carolina State University have been making tremendous strides in biological control of pests that plague our tobacco, peanut, and soybean crops. In an effort to avoid too much dependence upon costly and sometimes toxic chemicals used to prevent damage to crops, scientists and farmers have been working together to develop a practical use of stilt bugs to prey upon damaging horn worms and bud worms.

The success of this research in North Carolina gives promise of even greater strides in the future, and demonstrates the tremendous importance of applied research conducted by our land grant universities.

Additionally this research has been made possible by the existence of the Oxford Tobacco Production Research Station. And while the benefits to tobacco farmers will be enormous, it is especially interesting to note that peanuts and soybeans—both very important sources of highly nutritional food—are two other commodities that will benefit directly as well.

These research activities have received recent attention in the press in North Carolina, and I ask unanimous consent that there be printed in the RECORD an article from the Wilmington, N.C., Morning Star of June 7, 1978, entitled "Bugs War on Bugs To Advance Cause of Farms, Environment."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUGS WAR ON BUGS TO ADVANCE CAUSE OF FARMS, ENVIRONMENT

(By Leslie Gruber and Dewey Bruce)

ELIZABETHTOWN.—The battle of "the good guys" versus "the bad guys" has come to some tobacco fields in Bladen County this year.

The good guys are stilt bugs, the bad guys are bud worms and horn worms, long time serious pests of tobacco.

In a pest management control program, stilt bugs were spread over test fields. They are native, natural predators of the worm eggs.

The combination of environmental problems and increased resistance of insects to pesticides is turning research emphasis back toward improvement of natural controls. This directly to the stilt bug experiment in Bladen tobacco fields.

Here, in Bladen County, a pest management control program has been in progress for several years, first on tobacco, then on tobacco and soybeans. Soon peanuts will probably be added to the program, according to Extension Chairman Ralph Sasser.

Field scouts have been used during the summer to check fields of cooperating farmers for pest infestations. On basis of the counts farmers were able to determine when to treat their fields or if treatment was needed. The amount of insecticide and the number of field treatments among cooperating farmers decreased sharply.

The stilt bug program is a cooperative effort of the U.S. Department of Agriculture research divisions and the state and county extension service. Al Baumhover is coordinator of the program.

The stilt bugs have been raised in quantity at the Oxford Research Station.

Baumhover said the insect is a native of the eastern United States. Its numbers were low in the Border Belt area because of seasonal incompatability with tobacco and heavy in secticide applications. The area's tobacco crop is simply too early for the natural spring increase of the stilt bug population and the fields are cleaned out too early in the fall for a good carry over.

However, he said the initial application of stilt bugs at a rate of 2,000 per acre is showing good liveability.

A Bladen County farmer who is participating in the program, Edwin Peterson, said he had long thought too much insecticide was being used and he hopes the new approach will help the situation.

In past years Border Belt farmers in particular, because of decreasing numbers of beneficial insects and parasites have applied chemicals to tobacco in increasing quantities. In 1975 farmers felt one adverse effect of the chemical infestation when West German companies refused to buy tobacco on the belt because of residues.

Efforts have been made to improve pest control, partly through stressing inspection to determine exactly what is needed and when, partly through banning of the use of some chemicals by the U.S. Government and through a beginning resurgence of study of natural predators, diseases and parasites of these pests.

The new stilt bug program is just a week old in Bladen County—too young for definitive results, Billy Dunham, pest management control extension agent, said.

However, Baumhover's first preliminary report appeared encouraging.

Baumhover explained the format of the Bladen stilt bug testing program. In one group of farm fields stilt bugs were released at a rate of 2,000 per acre. In another group of 10 fields a bacillus was used to control the worms. In the third group of 10 fields handled in the conventional manner, farmers were to apply whatever chemical they chose.

The first week's report showed only three out of the 15 fields with stilt bug control needed chemical treatment. Half of the fields on which the bacillus had been applied needed treatment and eight out of the 10 conventionally managed fields needed prescribed treatment.

One week's result does not provide sufficient evidence to make a permanent conclusion, Sasser said. One year's result isn't enough, either. The program should be continued for at least three years, he explained this week to the Bladen County Board of Commissioners.

Concerning value of the experiment, if successful, Braxton Edge of Ammon, a tobacco grower and county commissioner, commented, "if we can cut down on use of insecticides we can sell our tobacco better overseas."

Almost half of the flue-cured tobacco grown in the United States is exported, either as raw tobacco or in the form of cigarettes.

Cost of stilt bug application is $6 per 1,000 bugs, and at present "we have 200,000 surplus bugs at Oxford," Baumhover said.

Theoretically, he noted, one application of the bugs should carry through at least one season. He noted the stilt bug population seemed to be maintaining itself in the test fields.

Sasser noted "we used to spray once a week whether our tobacco needed it or not. The scouting program has caused many farmers to rethink their spraying programs."

One application of pesticide now costs close to $12, Sasser observed, so from an economic standpoint in the field it could pay growers to look into the possibilities of the new program for the future.

Baumhover said there is a new emphasis on research into natural controls of plant pests in face of rising criticism of excessive use of chemicals and rising costs of chemicals. Long-term effects of some of the chemicals that have been used are appearing harmful. Insects that once fell before the chemical onslaught are showing more resistance to the materials.

He explained the hiatus on research in this area from the early 1940s until recent years as brought about by invention of powerful pesticides in the 1940s. "Everyone thought they were the ultimate pest control and results were spectacular."

He said much work is being done in a number of lines including breaking up the procreation pattern through male sterility or spreading of specific female hormones to confuse would-be mating insects, development of specific parasites and study of means of increasing predators.

There have been some notable examples of successful suppression or eradication of insect pests, such as the Mediterranean fruit fly in this country, a pest of citrus fruits, and the screw worm, a pest of cattle.

Efforts are now being made to suppress or destroy the cotton boll weevil primarily through a cotton tillage and management program. The program includes use of chemicals, but in the long run may decrease need for pesticides and thus may lower cost of cotton production.

Baumhover said the Bladen program will be checked carefully through the season with the Bladen field scouts carefully taking counts in test fields.

If tests such as the one on tobacco in Bladen prove successful, the possibility of a balance being achieved between natural and chemical pest management offers much toward lessening environmental problems and possibly lessening costs of production.

"We see no way in which chemical pesticides can be eliminated, but their use can be brought into line with need," Dr. Baumhover added.

THE REMARKABLE FAMILY OF JOHN W. THOMAS, JR.—FIVE SONS, FIVE EAGLE SCOUTS

Mr. HELMS. Mr. President, yesterday was Father's Day, and it is safe to say that most fathers across the country were counting their blessings in having children and grandchildren whom they love, and of whom they are immensely proud.

In fact, I could brag a little bit myself—in the context of Dizzy Dean's declaration that "braggin' ain't braggin' if you can prove it." But that is not the purpose of these remarks.

My purpose, Mr. President, is to pay my respects to a fine family in North Carolina, the family of John W. Thomas, Jr., of High Point.

John is my friend, and he is a splendid citizen—as is his lovely wife, Tommie. They are folks of character, and it shows clearly in the kind of sons they have reared.

It is always risky, Mr. President, to declare flatly that someone has set a record. But I wonder how many other families can claim to have five sons who have achieved the rank of Eagle Scout?

John and Tommie Thomas have worked hard to instill in their sons a love of God and country. Obviously they have succeeded. The fact that all five of their sons have earned the rank of Eagle Scout speaks volumes in that regard.

The first to achieve the rank of Eagle Scout was John W. Thomas III. That was on August 9, 1965. Next came Michael Andrew Thomas—he is known as "Mat" Thomas. Mat made it on April 28, 1968. The third and fourth sons—Bruce R. Thomas and Christopher P. Thomas—became Eagle Scouts on the same day, May 18, 1971. The fifth son, Stuart C. Thomas, achieved the rank of Eagle Scout on February 12, 1978.

Where are these young men now?

The oldest son, John, was graduated from Washington and Lee University in 1970. After serving in the Army, he earned his M.A. degree in business administration, and is now associated with his father's business in High Point.

Mat Thomas is a graduate of the University of North Carolina with a degree in international studies. I am very proud of the fact that Mat is now working in a U.S. Senate campaign in my State this year. Having Mat with us means a very great deal to me.

Bruce Thomas was graduated last year from Washington and Lee University, and has been working to become a certified flight instructor. At last report, he had completed much of the work, and was soon to finish the required flying time.

Chris Thomas has finished Appalachian State University this year, with a degree in accounting. He intends to become a certified public accountant. During his years at Appalachian State University, he was active in the student government at that fine institution.

Stuart Thomas has just completed his sophomore year at Woodberry Forest School in Virginia, and he can be counted upon to follow his older brothers into a successful career.

My friend, John Thomas—the father of these fine young men—credits his wife, Tommie, for the success of the sons. He said proudly:

> Tommie served as den mother for all five of our sons, starting in 1961.

Both John and Tommie are deeply grateful for the Scouting program, and the impact it had upon their son's lives. John Thomas say:

> It has meant a great deal to us as a family, drawing us together as a close-knit group.

Even though the young men grew up in rather turbulent times, he adds:

> They managed to keep their lives free of so many of the bad influences . . . We firmly believe that Scouting played a major part in this blessing.

Mr. President, I have only one son, and I shall never forget the Sunday morning at our church when he became an Eagle Scout. John and Tommie Thomas experienced this five times. As I said at the outset, having five Eagle Scouts in one's family may not be a record, but it surely does not happen often.

And it could not happen to a nicer family. I am confident that yesterday was a splendid Father's Day for my friend, John W. Thomas, Jr.

THE DEMOCRATIC NATIONAL COMMITTEE FARM CAUCUS OPPOSES THE UNITED KINGDOM TAX TREATY

Mr. CHURCH. Mr. President, the Democratic National Committee (DNC) Farm Caucus has passed a resolution urging the Senate to reserve article 9(4) from the pending United Kingdom Tax Treaty. It opposes article 9(4) as a precedent-setting limitation on the States' abilities to tax United Kingdom-controlled corporations and an inappropriate way to resolve a Federal-State tax dispute. The treaty will cause significant losses to the treasuries of various States, and benefits only the multinational corporations.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE DEMOCRATIC NATIONAL COMMITTEE FARM CAUCUS

Whereas, Article 9(4) of the Tax Convention with the United Kingdom of Great Britain and Northern Ireland is a precedent-setting provision limiting the states' abilities to tax U.K.-controlled corporations, including those engaged in agricultural activities;

Whereas, using a tax treaty to resolve a federal-state dispute over the methods states use to tax corporations circumvents the normal legislative process and constitutes an abuse of the treaty process;

Whereas, the United Kingdom Tax Treaty results in significant losses to the treasury of the United States and to the treasury of various states of the Union while providing benefits only to multinational corporations;

Be it resolved that the Democratic National Committee Farm Caucus urges the Senate of the United States to reserve Article 9(4) and to deny its advice and consent to the United Kingdom Tax Treaty.

TOM BRADBURY OF THE CHARLOTTE NEWS ON SOLZHENITSYN

Mr. HELMS. Mr. President, Alexandr Solzhenitsyn's recent speech at Harvard has brought forth a stream of bitter criticism from much of the news media by writers who either could not or would not understand what the Russian writer was saying. It seemed to many that Solzhenitsyn was rejecting the very basis of American civilization. Indeed, his critics spoke in the harsh terms used by rejected suitors.

But what critics did not understand was that Solzhenitsyn was not rejecting America as a whole, but only a narrow slice of America over which his critics reign triumphant—the America of the establishment elite, which dominates so much of our Government, our giant corporations, our universities, and, of course, the press. The problem is not that Solzhenitsyn is alien to America, but that the establishment itself has alienated itself from the vast bulk of the American people, their thinking, and their values.

Not all the media, however, found Solzhenitsyn's ideas so remote. Tom Bradbury, who is fast becoming recognized as one of North Carolina's most perceptive writers, is associate editor of the Charlotte News. In a recent editorial on the Solzhenitsyn speech, Mr. Bradbury noted that the picture of America seen by Solzhenitsyn is a picture distorted by the national leadership:

In truth, we'd say that life in the West is finer and stronger than Solzhenitsyn suggests. In particular, it is finer and stronger in this country at the level of ordinary folk, whose courage and faith are deeper than might be suspected by one who sees only their reflection in the national media and the national leadership.

But there is much to recognize in his sketch of the West. There is a chilling ring of truth in his assessment of the world balance. If he is wrong about how many things mostly are in this country, he is right about how some of them are tending to be. Despite affluence, despite undeniable economic and social progress, America does continue to wrestle with crime, legalism, decadence, and purposelessness.

Mr. President, the fact is that Solzhenitsyn is not speaking from an alien point of view. He represents a train of thought in the West that reaches back to Aristotle, Cicero, Augustine, Hooker, Pascal, Thomas More, Burke. In our own country, he is closer to Patrick Henry, John Randolph, John Calhoun, and Henry Adams, than to Jefferson and Franklin. It is a tradition of thought far more ancient than that of the so-called enlightment. It is a tradition that built up the intellectual capital of our civilization, a capital that has been squandered in the past 200 years.

Mr. Bradbury understands that Solzhenitsyn is pointing to a spiritual crisis in the West, a crisis that both the American people and the American leadership have to face:

But the same moral sight that has pierced to the heart of the Soviet soul has understood this about the West: That the malaise is not economic nor social nor political, but profoundly spiritual. The fundamental questions have to do not with energy or inflation, but with the meaning of life and society. . . .

The most telling thing is not that so many of the respondents disputed his answers, but that they could not hear his questions.

Mr. President, I ask unanimous consent that the editorial by Tom Bradbury, "A Russian Exile Sees to the Heart of the West's Spiritual Crisis," from the Charlotte News, of June 13, 1978, be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A RUSSIAN EXILE SEES TO THE HEART OF THE WEST'S SPIRITUAL CRISIS

(By Tom Bradbury)

Alexander Solzhenitsyn is a man as uncompromising as the icy winters he loves in his native Russia and his adopted Vermont. Years of pounding, imprisonment and harassment by the Soviet terror appartus served not to weaken him, but to forge in him a soul of steel. He is a man from whom the impurities and distractions of life have been driven, a mind finely honed and directed to the single purpose of his work.

That work is to remember and tell the truth. It is perilous work. In the Soviet Union it brought him imprisonment and, eventually, exile. In the West, it has brought him wealth from his writings, but only so long as they limited themselves to exposing the true nature of the Soviet system. When he undertakes to speak the truth about the western society in which he is an exile, as he did in delivering the commencement address at Harvard last week, he can find himself once again a prophet without honor in the country of his residence.

It was a speech as uncompromising as the man. He found western society without courage, cut loose from its spiritual moorings, hell-bent on the worship of man and materialism, heedless of the relentless march of evil in the world. It was a criticism not only of the surface of things ("TV stupor, . . . intolerable music") but the core of things, the turning away from God. It was nothing less than a call to repentance.

If sinners' were of a mind to repent, prophets would not be needed. The response from some of Solzhenitsyn's targets might best be described as patronizing. Editor Norman Cousins explained that Solzhenitsyn has not "yet discovered enough about the West to be either a pitiless critic or an enthusiastic advocate." Solzhenitsyn scored western accommodations with communism; former Secretary of State Dean Rusk said "we have to think about how everybody lives on this speck of dust in the universe at the same time." Solzhenitsyn asked if antiwar activists hear the moans from Communist Indochina; the Rev. William Sloane Coffin explained that the terror in Cambodia is essentially the fault of the United States, which gave the Communists the will to fight when it struck at North Vietnamese bases in Cambodia. And so on.

That is only natural. It was a wintry blast from the prophet at Harvard. Few would volunteer to accept the full force of such a storm. Like the others buffeted by his words, those of us in the news media are prepared to argue that the landscape is not so bleak as he suggests.

In truth, we'd say that life in the West is finer and stronger than Solzhenitsyn suggests. In particular, it is finer and stronger in this country at the level of ordinary folk, whose courage and faith are deeper than might be suspected by one who sees only their reflection in the national media and the national leadership.

But there is much to recognize in his sketch of the West. There is a chilling ring of truth in his assessment of the world balance. If he is wrong about how things mostly are in this country, he is right about how some of them are tending to be. Despite affluence, despite undeniable economic and social progress, America does continue to wrestle with crime, legalism, decadence and purposelessness.

Solzhenitsyn is Russian to the core; his vision for society is fundamentally alien; we wouldn't want him to write the new American Constitution. But the same moral sight that has pierced to the heart of the Soviet soul has understood this about the West: That its malaise is not economic nor social nor political, but profoundly spiritual. The fundamental questions have to do not with energy or inflation, but with the meaning of life and society:

"Is it true that man is above every thing? Is there no Superior Spirit above him? Is it right that man's life and society's activities have to be determined by material expansion in the first place? Is it permissible to promote such expansion to the detriment of our spiritual integrity?"

The most telling thing is not that so many of the respondents disputed his answers, but that they could not hear his questions.

EXAMINING THE NATURAL GAS COMPROMISE

Mr. HANSEN. Mr. President, staff members in the joint House-Senate Conference on Energy are now drafting legislative language to embody the "compromise" adopted by a narrow margin by the House and Senate conferees. As it is possible that this body as a whole will be called upon some time this fall to vote

on that language, when drafted, I would like to bring to the Senate's attention some of the many problems connected with that compromise.

Starting today and over the next few days, I and others will present a selection of the problems that exist in the compromise. Today, I would like to discuss an anlysis request made by the Energy Information Administration, at the request of Senator JACKSON. They analyzed the effects of the compromise proposal, as well as of the House and Senate bills that were submitted to the conference.

I do not state that the material in this analysis is perfect. In fact, I believe that the amount of extra production available through deregulation under the Senate bill is probably understated. The EIA figures are certainly well below independent estimates made by non-Government sources and are even below the recent claims made by the administration and some of the Senators who favor regulation, who have newly discovered the effectiveness of price incentives. Nevertheless, this EIA analysis is a serious-minded effort to analyze the actual effects of these proposals.

Let's look at some of the conclusions that they reached:

One. Wellhead prices in the Southwest, where nearly 90 percent of our gas is produced, would be considerably higher under the compromise proposal than under the Senate bill. In the median estimate, the price would be 23 cents higher in 1985, largely because the free market pricing under the Senate bill would allow the market to clear at a lower level than under the compromise.

Second. The analysis shows the compromise bill providing only 0.2 Tcf more natural gas in 1985 than the House bill would provide. Since almost every analysis has concluded that the House bill would have been a complete disaster for production, and for the American energy picture, this does not speak well for the compromise. It is also interesting that this conclusion supports Senator BUMPERS' assertion in conference committee that the compromise would produce no new gas, rather than the optimistic estimates of Secretary Schlesinger and Senator JACKSON that 1.5–2 Tcf additional would be produced.

Third. Perhaps more interesting, in light of the "consumerist" rhetoric used in supporting the compromise, the EIA analysis finds that the compromise results in the smallest increase in price to industrial users. On the other hand, residential prices increase under the compromise while the Senate bill would cause them to decrease. After the reams of copy alleging that the compromise would help homeowners and place all of the costs on evil business users, this is a most interesting finding.

Fourth. The report indicates that the compromise would reduce oil imports by barely 3 percent of current demand, and would create less of a reduction of imports than does the Senate bill.

The EIA study is very complex, and undoubtedly provides some information that can be of comfort to all sides, but it basically shows that there is little correlation between the claims being made for the compromise proposal and the actual effect that proposal will have. This is not really surprising, since the claims made for the compromise have been extremely contradictory. In addition, the compromise has been touted as the greatest thing since snake oil, curing all diseases from baldness to gout. Unfortunately, as we shall show in this series of statements analyzing the compromise, these claims have no more substance that the usual run of claims made for snake oil.

PETER F. VAIRA'S NOMINATION AS U.S. ATTORNEY FOR PHILADELPHIA

Mr. PERCY. Mr. President, Peter F. Vaira, chief of the Justice Department's organized crime strike force in Chicago, was nominated by the White House to replace David Marston as U.S. Attorney for Philadelphia. Although the circumstances of the dismissal of Mr. Marston are a cause for concern, I applaud and endorse this nomination most heartily.

With nearly 10 years of experience in organized crime matters, Mr. Vaira is one of the Justice Department's most knowledgeable and diligent prosecutors. In his previous posts he has displayed dedication and commitment in the battle against crime and corruption. He also possesses a deep respect for the law and the rights of individuals which will serve him well as U.S. attorney.

Born and educated in the Pittsburgh area, Mr. Vaira served for 4 years as an attorney in the Navy's Judge Advocate General Corps before joining the Justice Department in 1968. He worked with the Chicago strike force, obtaining numerous convictions in difficult corruption cases. In 1972, he became strike force chief in Philadelphia when he won the conviction of Maurice Osser, a local political figure involved in kickback schemes. He then became Chicago strike force chief, a position he has held since 1973.

Under Mr. Vaira's leadership, the Chicago strike force has compiled an impressive record, exploring new approaches in criminal investigation and prosecution. For example, Mr. Vaira's office was the first to file and win a civil suits under the racketeer influenced and corrupt organizations statute (RICO). He also pioneered the so-called "sting operation" for apprehending thieves and burglars dealing in stolen goods. In that operation, investigators set up phony fence enterprises through which they are able to directly observe and record criminal activities. Responding to these early successes in Chicago, strike forces in other major cities have adopted similar methods with excellent results.

In one of Mr. Vaira's most important cases, he recently won the conviction of a steward in Teamster Local 714 in Chicago, who defrauded exhibitors at McCormack Place Exhibition Hall, collecting large sums of money for work never performed. Convicted under provisions of the Taft-Hartley Act and the RICO statute, that steward was also permanently bared—through an injunction under the RICO statute—from any future union activity.

In addition, under Mr. Vaira's leadership, the Chicago strike force has launched a successful initiative against organized crime and corruption in northern Indiana. Already that initiative has brought about the conviction of an East Chicago sanitary district commissioner in a case involving a $2 million bribe.

Last month, Mr. Vaira—along with eight other strike force leaders from around the country—testified before the Permanent Subcommittee on Investigations concerning the upsurge in crime syndicated influence over labor unions. Mr. Vaira gave a frank and startling account of labor-management racketeering involving Chicago unions. His valuable testimony highlighted a problem to which the subcommittee will continue to pay close attention.

In his 1976 election campaign, President Carter promised that partisan politics would not determine who would be the Nation's prosecutors and judges. Unfortunately, the removal of David Marston revealed that this administration is as likely as previous ones to play politics with public office.

In the words of Samuel K. Skinner—former U.S. attorney in Chicago—Mr. Vaira's nomination is "a silver lining in what otherwise has been a very black cloud that has hung over the Justice Department." The nomination of Mr. Vaira reveal a praiseworthy effort by the administration to fill the Government's top law-enforcement posts with dedicated, distinguished individuals.

In sum, Mr. Vaira combines outstanding leadership qualities and a proven record of prosecutorial expertise. It is, therefore, my hope, Mr. President, that the Senate will speedily confirm Mr. Vaira as U.S. attorney in Philadelphia, a post for which he is eminently qualified.

CONGRESS MUST ACT SWIFTLY TO PROTECT FREEDOM OF THE PRESS AND RIGHT TO PRIVACY

Mr. PERCY. Mr. President, last week I was pleased to join my distinguished colleagues, Senators BAYH and METZENBAUM, in cosponsoring S. 3164, the Citizens Privacy Protection Amendment of 1978.

This legislation is urgently needed as a result of the recent 5 to 3 Supreme Court decision, Zurcher against Stanford Daily. This decision permitted police, armed with a warrant, to conduct surprise searches of newsrooms for evidence of a crime, even though no newsperson is suspected of any complicity in that crime.

The idea of policemen rummaging around a newsroom—opening drawers, rifling files, searching through wastebaskets—is totally contrary to our fundamental belief in a free press. It is an image drawn from a police state.

A reporter's stock-in-trade is the ability to gather information, often from confidential sources. If we permit these police searches, such sources will soon dry up, and with them, the public's access to information independent of government.

The Zurcher decision is not only a blow to freedom of the press, but it is also a serious infringement of our right to privacy. Clearly, reporters are not the only ones threatened by this decision. As Jus-

tice John Paul Stevens perceptively pointed out in his dissent—

Just as the witnesses who participate in an investigation or a trial far outnumber the defendants, the persons who possess evidence that may help to identify an offender, or explain an aspect of a criminal transaction, far outnumber those who have custody of weapons or plunder. Countless law abiding citizens—doctors, lawyers, merchants, customers, bystanders—may have documents in their possession that relate to an ongoing criminal investigation. The consequences of subjecting this large category of persons to unannounced police searches are extremely serious. The *ex parte* warrant procedure enables the prosecutor to obtain access to privileged documents that could not be examined if advanced notice gave the custodian an opportunity to object. The search for the documents described in a warrant may involve the inspection of files containing other private matter. The dramatic character of a sudden search may cause an entirely unjustified injury to the reputation of the person searched.

This ruling unlocks the doors of innocent citizens' homes and offices for surprise police searches for evidence. It renders almost meaningless the confidentiality promised by clergymen, doctors, psychiatrists, and lawyers.

For many years, observers have complained of Supreme Court decisions that expanded the rights of the accused. The Zurcher decision could be even more momentous because it drastically reduces the rights of the innocent. Noninvolvement in a crime grants no privileges; the person who is not suspected is equally subject to the same police powers as is the criminal suspect.

This is precisely what the fourth amendment was meant to protect against. As the late Justice Felix Frankfurter said:

It makes all the difference in the world whether one recognizes the central fact about the Fourth Amendment, namely, that it was a safeguard against recurrence of abuses so deeply felt by the colonies as to be one of the potent causes of the Revolution, or one thinks of it as merely a requirement for a piece of paper.

This broadening of police powers and the corresponding loosening of fourth amendment protections touches the very core of the constitutional rights of every American.

It may be that at some future date the Supreme Court will reconsider its decision. Harvard Law School Prof. Paul Freund, an influential scholar and student of our Constitution, has said:

The Supreme Court of the United States owes much of its prestige to its readiness to reconsider its own decisions, yielding, as Justice Brandeis put it, to the lessons of experience and the force of better reasoning.

I do not believe, however, that we can afford to wait for that eventuality. This type of search is potentially subject to tremendous abuse and must be curbed. The time to act is now.

Justice Byron White, in his majority opinion, wrote that nothing in the Constitution prevents the Congress from providing more protection than the Court finds embodied in the first and fourth amendments. Congress ought to accept this "invitation" immediately, and properly close the doors to our homes, offices, and newsrooms that this decision has left wide open.

S. 3164 requires Federal, State, and local law enforcement officials to forego a search warrant and, instead, obtain a subpena for the evidence of a crime, when that evidence is in the possession of someone not suspected of involvement in the crime. Unlike a search warrant, a subpena will provide prior notice to the person affected, eliminate the need for a search by permitting the person to produce the evidence requested, and allow the opportunity for a prior court challenge before compliance.

The measure would still allow police to obtain a search warrant if there is probable cause to believe that the evidence would be destroyed, hidden or removed. To insure compliance, the bill provides that violations would result in civil damages, including up to $10,000 in punitive damages.

I know that many of my colleagues are distressed by the Zurcher decision. Hearings should be held in the very near future. Swift action is necessary to insure full protection to our right of privacy and the freedom of the press.

This past Sunday, June 11, 1978, an excellent analysis of this decision by former counsel to the Senate Watergate Committee, Samuel Dash, appeared in the Washington Post. I ask unanimous consent that "Police Power: An Ominous Growth" be printed in the RECORD along with the text of the Citizen's Privacy Protection Amendment of 1978 at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 11, 1978]

POLICE POWER: AN OMINOUS GROWTH—CONGRESSIONAL ACTION NEEDED TO VOID COURT RULINGS NARROWING INDIVIDUAL RIGHTS

(By Samuel Dash)

The Supreme Court's recent ruling endorsing surprise police searches of the innocent is part of a broad expansion of police powers in the United States and a corresponding erosion of liberties protected by the Fourth Amendment. It deserves to be struck down as soon as possible by both the Congress and state legislatures.

One bill on the issue already has been introduced in the Congress by Democratic Rep. Robert F. Drinan of Massachusetts, but it would nullify the High Court ruling only so far as it threatens the press with police raids on its files. Important as the press issue is, much more is at stake and much wider remedies are needed.

Indeed, the ruling means that police now suddenly can search through any innocent person's home or office or other property, that they can seize whatever they might think important to their investigations, that use of such property in court cannot be blocked, that all this can be done despite the Fourth Amendment's guarantee that "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated. . ."

The Supreme Court majority and the Justice Department, in its friend-of-the-court brief, have told us not to worry, that police will not abuse this new power. But the Fourth Amendment was written precisely because we as a nation worry about government abuse of power. We should indeed worry, and worry a great deal.

ANTIWAR DEMONSTRATION

The facts of the immediate case, *Zurcher v. Stanford Daily*,—a case which easily could and should have been avoided entirely—are straightforward. An antiwar demonstration in 1971 at the Stanford University Hospital resulted in the injury of a number of police officers. The officers themselves were able to identify only two of their attackers. Two days after the demonstration, The Stanford Daily, a student newspaper, published stories and photographs on the protest, and police thought the photographer might have gotten pictures of other demonstrators assailing policemen.

Rather than ask the paper about any such photos, rather than ask a prosecutor to issue a subpoena specifically for the photos if they existed, rather than obtain a court order that no such evidence be destroyed, the police obtained a broader search warrant from a magistrate and suddenly descended on the newspaper's office. After rummaging through files, desk drawers and wastebackets, they came up emptyhanded, at least so far as the photos they had hoped for were concerned.

From these basic facts, Justice Byron White, in his opinion for the five-member majority, sweepingly concludes that "warrants may be issued to search any property, whether or not occupied by a third party, at which there is probable cause to believe that * * * evidence of a crime will be found." that first subpoenaing the potential evidence "involves hazards to criminal investigations * * *

Remarkably, his opinion seems to regard the Fourth Amendment as intended to provide a police tool for searches. The Fourth Amendment, fundamental to our existence as a nation, is rooted in the outrage of American colonists over British intrusions into their homes, not in a concern for police investigations. The late Justice Felix Frankfurter perhaps put it best when he stated:

"It makes all the difference in the world whether one recognizes the central fact about the Fourth Amendment, namely, that it was a safeguard against recurrence of abuses so deeply felt by the colonies as to be one of the potent causes of the Revolution, or one thinks of it as merely a requirement for a piece of paper."

Justice White leans far toward viewing it as "merely a requirement for a piece of paper."

He concentrates narrowly on the Amendment's second clause—"and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the person or things to be seized"—and mechanically finds that a valid warrant was present in the Stanford Daily case. He declares that the critical element in a "reasonable" search is that there is reasonable cause to believe the "things" to be searched for might be on the property, not whether it is a reasonable intrusion into an innocent person's life and work.

He is far more worried about the expediency of law enforcement. He speculates that the "seemingly blameless third party * * * may not be innocent at all." He speculates that "the delay involved in employing the subpoena * * * offering as it does the opportunity to litigate its validity, could easily result in the disappearance of the evidence.* * *"

But the police did not tell the magistrate in the Stanford Daily case that they worried about such problems, although ironically, they could have. The little-reported fact is that The Stanford Daily had announced that it would destroy any photographs that might aid in the prosecution of the protesters. If the police had told the magistrate that a subpoena would have been impractical because of this policy, a search warrant certainly would have been reasonable under the Fourth Amendment. In short, a defiant student paper evidently prompted the police to overlook a procedural step that could have avoided a sweeping High Court ruling affect-

ing all of us and further expanding police powers.

1886 SUPREME COURT RULING

Until 1967, a police search anywhere just for evidence of a crime was prohibited as an invasion of privacy and of property. This standard was based on a long English tradition and, in this country, chiefly on an 1886 Supreme Court ruling. The only things police legally could search for were stolen goods, contraband and weapons or other instruments of a crime, not "mere evidence."

But in 1967, flushed with victory after ruling that state court judges must suppress illegally seized evidence, liberals on the High Court beleived they could bow to new demands by law enforcement groups that the "mere evidence" prohibition be abandoned. That year, in *Warden v. Hayden,* the court held that evidence of a crime in itself could be a proper target of a search.

Even then, however, the court clearly was not contemplating searches of innocent parties. *Warden v. Hayden* had involved police pursuit of a fleeing robber into a house, where the police found some of his discarded clothes in the basement. The court held that the clothes could be used by the prosecutor as evidence against the defendant for identification puposes. Nothing in the opinion suggests that the court even thought it might be paving the way for police to ignore the use of subpoenas in the case of innocent parties, to willy-nilly obtain warrants to search their homes and offices.

After searches for "mere evidence" were permitted, as Justice John Paul Stevens noted in his Stanford Daily dissent, searches of innocent parties did become a possibility. But in such cases the police could not automatically conclude that a request for cooperation or a subpoena might imperil the suspected evidence. Therefore, as Justice Stevens stated, determination of probable cause for such a search must include a finding that a subpoena would be impractical.

But, in its apparent effort to further expand police power, the majority held otherwise, unfortunately ignoring what the late Justice Tom C. Clark once wrote for the court: "We cannot forgive the requirements of the Fourth Amendment in the name of law enforcement."

The majority offers feeble assurances that police will not abuse the new search power they have been given. According to the court, protection for innocent third party is to be found in police restraint, the requirements for probable cause and the magistrate's discretion to refuse to issue a warrant.

But the history of police and magistrate practices runs the other way. It was police abuse of Fourth Amendment rights, despite repeated warnings by the court, which led the court finally to require the suppression of illegally seized evidence in state cases. The court repeatedly has held that protection of constitutional rights cannot be left to the untrammeled discretion of the police. This statement is equally applicable to state magistrates and lower court judges.

Even if we could trust the police and the magistrates to adhere to the legal requirements of probable cause for search warrants, the protection provided by these requirements has become somewhat illusory because of recent Supreme Court decisions.

Most police searches on warrants are based on information received from informers. Earlier Supreme Court decisions sought to assure that the magistrate would independently determine probable cause rather than depend on police conclusions. The court had held that affidavits for a warrant must provide facts supporting the reliability of the informer, such as how many times he had given information that proved correct, as well as facts from the informer supporting his statements about the existence and location of the evidence sought.

But in later opinions written by Chief Justice Warren Burger and Justice William Rehnquist, the court held that a tip from a first-time informer could be the basis for a probable-cause determination.

This questionable source is made all the more perilous by the court's consistent holding that the police have a right to conceal the identity of informers. While he was on the court, Justice William Douglas referred to these sources as "faceless informers" and warned that we could never be sure they actually existed.

So, the protection of the probable-cause requirement amounts to this: A police officer tells a magistrate that an unnamed informer told him that while he was in some office or home he saw evidence incriminating someone else who is not connected with the office or home. A warrant is issued and, without warning, the innocent party's office or home is searched by police. How much is left of the Fourth Amendment?

Both the majority of the court and the Department of Justice, in its friend-of-the-court brief, tell us not to worry because police will rarely use the power given them. After all, we are told, police will take the easier route and seek voluntary cooperation, or a subpoena. As a rule, maybe. But in times of conflict, in times of anger, how benevolently can we hope the police will exercise this discretion?

We should indeed worry, particularly since the court has now put innocent parties in a worse position than criminal suspects. If incriminating evidence is unlawfully taken from his home, a criminal suspect has a right to prevent the government from using that evidence against him by having the court suppress it. But the court has ruled in other cases that innocent third parties have no standing to suppress evidence illegally seized from them. This means police have less reason to worry about making illegal searches of the homes or offices of innocent persons than they do in the case of those suspected of a crime.

In 18th century England, William Pitt was able to say: "The poorest man may in his cottage bid definance to all the force of the Crown. It may be frail; its roof may shake; the wind may blow through it; the storms may enter; the rain may enter—but the King of England cannot enter; all his forces dare not cross the threshold of the ruined tenement!"

Because of the Supreme Court's ruling, we are unable to say the same of our homes or cars or offices or other property in America today.

Clearly, there is a need not only to worry but to press for legislative action.

MINIMUM STANDARDS SET

Although the miserly interpretation of the Fourth Amendment in the *Stanford Daily* case provides little protection from police for innocent parties, the court's interpretation of constitutional provisions—narrow or broad—sets only minimum standards. Congress and state legislatures may not be able to authorize practices below these standards, but they certainly can provide greater protection than the Supreme Court found constitutionally necessary.

In this case, Congress in federal searches and state legislatures in state searches can quickly moot the Supreme Court ruling by requiring that when police apply for warrants to search homes or offices of innocent parties, magistrates must find as part of "probable cause" that a subpoena is impractical. Such a provision would protect everyone, ordinary citizen, doctor, lawyer, journalist or whatever.

Instances of such legislative remedying of High Court rulings abound. Recently, for one example, numerous state legislatures have passed newspaper shield laws after the Supreme Court held that the First Amendment did not provide a privilege to newspaper reporters who refuse to testify under subpoena about the identity of their news sources.

The House has pending now, in fact, a massive federal penal code revision bill already passed by the Senate; there appears to be sufficient outrage among the public over the Supreme Court ruling in *Stanford Daily* to make it easier to pass a provision changing that ruling than many other provisions of the penal reform bill. Alternatively, Congress could amend the federal rules of criminal procedure, relating to searches and seizures, or it could enact special legislation dealing with the specific facts of the *Standford Daily* case.

Whatever legislative method is adopted at the federal and state levels, there is a critical need to overrule the Supreme Court, to protect the innocent again from government abuse.

EXPLOITATION AND FRAUD IN MAGAZINE SALES

Mr. PERCY. Mr. President, on June 11 and 12 the Chicago Tribune printed the results of its probe into the magazine door-to-door sales industry. Led by investigative reporter James Coates, the Tribune found that the $50-million-a-year industry often exploits its young salesmen and defrauds customers.

The articles describe the following scenario:

One. An operator contracts with a publisher to sell subscriptions to the publisher's magazines.

Two. Other operators, working under the first operator, sell the subscriptions by recruiting young men and women as salesmen. Some operators allegedly use deception to lure the youths.

Three. The youths are transported often hundreds of miles away, where they become dependent on "crew chiefs."

Four. The crew chiefs set demanding quotas, and to meet them, the youths use false sales pitches about earning prizes for selling subscriptions.

Too often, when one of the young salesmen refuses to continue to be part of a con game, or when his crew chief decides it is no longer profitable to pay him, the salesman is simply left stranded—hundreds of miles from home with little or no money to get back.

And customers who have fallen for sales pitches about earning points for scholarships and prizes, or who have simply agreed to buy the magazines to get rid of the pushy salesmen, may or may not actually receive the magazines they order.

These are serious violations of Federal, State, and local laws. I urge law enforcement authorities to prosecute vigorously the fat-cat operators who profit from the sham. While many door-to-door sales operations are bona fide, those described by the Tribune clearly are not.

Mr. President, I ask unanimous consent that the Tribune articles be printed in full in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD as follows:

MAGAZINE SALES CREWS FAN OUT ON $50-MILLION-A-YEAR HUSTLE

(By James Coates)

One morning last month, J. J. Malone brought 18 unemployed young men and

women from Cleveland's inner city to Chicago. He checked them into a south suburban motel and picked up the tab. J. J. Malone is no benefactor or social worker helping deprived black youths. Malone is a businessman—of sorts. He hustles magazines, door to door.

Soon his "crew" would be pounding on the doors of homes in predominantly white Downers Grove. Nervous residents would peer through their blinds at the strange faces and promptly call the police. They would complain about brash sales approaches, and loud and abusive language.

But other residents would buy magazine subscriptions from Malone's aggressive sales people. That's what keeps Malone in fancy cars and expensive suits.

The closest many of these youths will come to sharing Malone's wealth is to ride in his powder blue Lincoln Continental to the Loop Greyhound Bus depot as he casts them adrift, penniless and scared, after they have failed his demands to sell, sell, sell.

That morning, however, thoughts of failure were far away. Malone had gathered his salesmen in a meeting room of the Dixie-Governor Motel, 175th Street and Dixie Highway, Hazel Crest.

The "kids," recruited through a newspaper want ad, were getting a pep talk. "Sell them books!," urged Malone, "push hard." Don't leave the front room without a sale, "Sell them books!" In trade jargon, "books" are magazines.

After two hours of this, Malone's well-scrubbed, neatly dressed crew stormed out of the motel. Somebody had a radio blaring rock music. They piled into two of Malone's four station wagons. They clapped their hands and chanted, "Sell them books . . . Sell them books . . . Yeah."

A few hours later the switchboards at police stations in Lombard and Downers Grove lit up as residents began a deluge of complaints about the crew's sales techniques.

"These kids are loud and obnoxious," said Lt. R. J. Obert of the Downers Grove police. "They pound on the door. They won't leave once they get inside. They scare our people."

Malone's team was one of hundreds—black and white alike—who will work the nation's neighborhoods this year. They are the leading edge of a vicious and highly-competitive business that has reached millions of households in the last three decades.

Magazine industry sources estimate that traveling magazine sales crews gross more than $50 million annually in a time-tested and sophisticated scheme that produces the following:

Thousands of teen-agers are exploited after signing up as salesmen, only to wind up virtual slaves to glib and often ruthless "crew chiefs" who force them to use dishonest sales tactics, who terrorize poor performers, and who ultimately abandon most recruits with little or no money.

Homeowners are so harassed that thousands each year pay obnoxious sellers—usually between $10 and $20—just to get them out of the house.

Local police are plagued by mini-crime waves as crews hit town. Complaints range from "prowling" and over enthusiastic sales approaches to rape and assault.

A small group of men at the top become millionaires by keeping the crews supplied with contracts from reputable publishers, furnishing order blanks, and acting as a buffer against the thousands of consumer complaints the strong-arm selling tactics generate.

It is a money making scheme that extends from the publishers' ornate board rooms along Park and Madison Avenues in New York to the inner-city ghettos.

Many former salesmen told The Tribune in interviews that they were herded from city to city by crew chiefs who doled out $5 a day to each one, paid the motel bills, and pressured them to use fraudulent sales pitches.

Better Business Bureaus, Chambers of Commerce, police, and various government consumer agencies report thousands of complaints about sales tactics and failure to receive merchandise.

The entire operation is as ritualized as a ballet or a football game, regardless of the players.

It begins with a newspaper ad. "Attention Guys and Gals over 18,' began the ad J. J. Malone used in Cleveland. "Guys and gals to travel U.S. major cities [Chicago, Miami, Detroit, New York, and Boston] and return . . . no experience necessary. We train you. Transportation furnished. Immediate drawing account for expenses. . . . Parents welcomed at interview."

It ends for many at the local bus depot with a plea to the Travelers Aid People, "I just need money to get home."

Most of the complaints from both consumers and sales crews concern a loosely-knit group of companies with ties to Michigan City, Ind., Terre Haute, Ind., Ft. Worth, Atlanta, and Orlando, Fla.

Walter H. Lake Jr. of Michigan City during an interview said he serves as the contact between the company in New Jersey which Malone represents, and the magazine publishers. Lake explained that during his 30 years, in the door-to-door magazine sales business he has established contacts with publishers from coast to coast.

Lake formerly did not use middlemen such as Malone, he explained, and his company, Publishers Continental Sales Corp., 2601 N. Michigan Blvd., Michigan City, operated its own crews.

But in 1971 the Federal Trade Commission launched a sweeping investigation of Lake, several of his suburban Indiana colleagues, and other operators around the country.

The FTC found that Lake had engaged in widespread "receptive" business practices and exploited the young people hired for his crews. The agency charged that the youths were required to deliver phony sales talks about working for "points" to earn scholarships, cash prizes, or trips abroad.

Under threat of stiff fines and extensive litigation, Lake signed a "consent decree" with the FTC in which he agreed to refrain from certain practices—such as allowing his employees to mention contests in their sales pitches.

So publishers Continental abandoned its practice of directly hiring crews from the ranks of the young unemployed. Lake said his firm now acts as an intermediary and "clears" the business of the crews with his publisher contacts.

Lake denied that he sanctions sales crews' use of the practices condemned by the FTC, but he said that operators such as Malone are not specifically barred by the FTC from doing so.

"I cannot control what each of these agencies do," Lake said. "I can assure you that the moment I find they are stepping over the line I cut them off.

James Baumhardt of the Chicago Better Business Bureau; Kenan Heise, editor of The Tribune's Action Line column; and Natalie Allen of WAIT Radio's Call for Action heard when somebody "steps over the line."

Every year, according to these consumer-affairs experts, hundreds of Chicago area residents complain about not receiving magazines.

The Council of Better Business Bureau (BBB) in Washington estimated it received 5,000 complaints last year about door-to-door magazine salesmen. Ken Orr, a council official, said that for each complaint received as many as 10 other persons fail to receive magazines.

Sixty-one per cent of the complaints reaching BBB nationally say the magazines never arrived. Another 10 per cent cite the salesmen's behavior, Orr said.

Actually, The Tribune learned, the complaints are an integral part of the magazine sellers' scheme. Salesmen are trained to become such a nuisance that the customer often writes a check or hands over a small amount of cash just to get them out of the living room.

Nearly all the sales contracts used by crews such as Malone's involve a two-payment plan, in which the consumer pays half the price at the door and agrees to mail the remainder to the company.

Sources close to an FTC investigation said records kept by one Texas door-to-door sales firm, Mecca Enterprises, Inc., indicate that more than 40 per cent of those who sign contracts never bother to mail in the second payment.

Joe Edge, Mecca's president, denied the 40 per cent figure in a telephone interview. "It's not over 10 or 15 percent," he said.

Lake first told a reporter that 25 per cent of his door-to-door business is not followed up by a second payment. Later he estimated the figure at 10 per cent.

In the Mecca case, it was learned, the Internal Revenue Service has received allegations that company crews collected roughly $1.5 million from subscribers who never received a single magazine because they never sent the second payment.

Another source of complaints, according to Lake and several inside sources, is thievery by teen-age sellers who pocket money and never pass the order on to the crew chief.

"I'll tell you how bad [thievery] can get," said Lake. "We get kids out there who just go into business for themselves. They counterfeit my own [sales] forms and then go door to door and just steal all the money they are paid."

Frequently, sources said, the youth steals because he wants more than the $5 or so the crew chief hands him each day for food, candy, and cigarettes.

The out-of-pocket allowance is small, insiders explained, to keep the salesmen dependent on the crew chief and the job.

The use of young people to sell magazines door to door "evolved" after World War II, said Bernard Gallagher, a New York magazine sales millionaire now in his 70s.

Gallagher said that shortly after the war, magazines boomed because there was no television and publishers found that returning veterans—especially disabled men—were very effective salesmen.

"WHO'S WHO" OF MAGAZINE SALES GAME

(By James Coates)

Here are some of the major figures behind the door-to-door magazine sales game that has plagued American households since the end of World War II:

Walter Lake Jr. of Michigan City, Ind., yachtsman and contact man between many publishers and the street operators who actually knock on doors.

Joe W. Edge, a Texan in the same business, who drives a rare Stutz Bearcat while his wife, Joy, favors her Rolls Royce.

John Suhler, youthful president of CBS Publications, Inc., magazine arm of the TV network, who works out of a richly-appointed suite of offices high above the New York theater district. Lake and Edge and several others sell Suhler's magazines.

Here's how the sales system works:

Lake operates Publishers Continental Sales Corp., 2601 Michigan Blvd., Michigan City. He contracts with Suhler and other publishers to obtain subscriptions for them.

The actual subscriptions are sold by other operators. Lake in an interview, acknowledged fronting for seven companies—com-

panies that place people in the field to recruit young men and women as salesmen, and then transport them around the country on selling forays.

Lake has two close business associates, Edward and Donald Scott, brothers who operate out of Lake's office in Michigan City and nearby New Buffalo, Mich.

The Scotts sell magazines, encyclopedias, Bibles, even tapes and records with door-to-door crews. Almost all their sales personnel are young blacks from northern ghettos and the rural South.

Edward Scott, president of Opportunities Service Co., also of 2501 Michigan Blvd., defended the practice, saying, "We hire kids nobody else wants and give them a chance to earn a living."

The Federal Trade Commission, in a series of rulings in the late 1960s and early 1970s, found Lake, Scott, and four other companies guilty of "deceptive" business practices in luring young people into their traveling sales operations.

The FTC charged that they sold magazines through fraudulent sales pitches about earning points towards scholarships, trips, or other prizes. The FTC obtained signed "consent" agreements from Lake, the Scotts, and others to refrain from such practices. Nobody admitted the charges, they merely promised not to engage in them in the future.

In Ft. Worth Joe and Joy Edge run Mecca Enterprises, Inc. Sources told The Tribune that an Internal Revenue Service informant supplied records showing Mecca sales totaled more than $3 million last year.

Reports from Vineland, N.J., and several other cities indicate Mecca crews display cards that claim the sellers are earning trips or cash prizes. Unlike Lake or Scott, the Edges never have been placed under an FTC "consent" order.

Another large operation is run by Robert and W. Michael Nace, father and son, in Orlando, Fla., and other cities. They work loosely under the corporate name of Publishers Certified Service. Michael Nace was cited along with Lake and the others by the FTC in the early 1970s. Recently he has been enjoined by state officials from doing business in Ohio and Texas.

Finally, in Atlanta, Charles Reinhardt operates Union Circulation Co., another business cited by the FTC. Reinhardt is apparently the smallest of the big operators.

Mecca and Lake are the largest. Last year Mecca operated about 30 crews, according to government sources. Lake "cleared" businesses for at least seven companies with names such as Capri Circulation and Metro Press International.

Suhler, defended CBS Publications' use of traveling crews. "They are only a fraction of our business, less than one half of all the outside agencies we hire," he said, adding that CBS relies on the Magazine Publishers Association [MPA], a trade group, to regulate field sellers.

Robert Farley, MPA spokesman, said the group operates a "field selling registration" service to help publishers keep track of companies running crews. Only a fraction of the companies are registered on the list however. Lake is not mentioned at all, nor are the Scotts.

Until 1971, Farley said, the MPA attempted to police the magazine sellers with a "central registry" program, which fielded consumer complaints and could fine or even blacklist a seller. After the FTC began filing its complaints, however, MPA disbanded the registry and let the government regulate the industry, Farley said.

Since 1975 the FTC has not moved against a single door-to-door magazine operation. The Tribune has learned, however, that the agency is now involved in at least a minor investigation of the industry.

Richard Kelly, FTC executive in charge of allocating funds for investigations, said "priorities" make it difficult for the FTC to monitor the sales operators.

In that vacuum, Suhler and other publishers say, companies have no choice but to allow door-to-door operators to handle their magazines.

MAGAZINE HUSTLES A NUMBERS GAME TRAP

(By James Coates)

John Ellison's disastrous career as a door-to-door magazine salesman ended one night this spring when his "chief" abandoned him on a lonely Louisiana road.

Ellison, 21, was left in the cold and rain, as he put it, "to ponder why I wasn't selling good, why I wasn't trying hard enough."

Nearly everybody in America with a front door has met youths like Ellison, who appear unexpectedly with a spiel about selling magazines to earn "points" in a contest for a trip, a scholarship, or cash prizes.

For more than 30 years, despite efforts of the federal government and state and local authorities, these young recruits have continued to deliver their sales pitches in what has become a $50-million-a-year business.

It is a rough business that has made millionaires of a few people at the expense of thousands of former salesmen, such as Ellison, and millions of their customers.

"We figured it all out," Ellison said of himself and four friends who decided to quit together. "The people who buy the magazines aren't the biggest suckers. The people who are tricked into selling them are the real dopes."

Recalling how he was recruited, Ellison said, "I was working for my daddy as a spray painter in Bryan, Tex., and saw this ad about traveling to far-away cities with all expenses paid. We went to this motel and met the guy, and he said we would meet lots of girls and stay in nice places and our expenses would be paid.

"Daddy didn't like it, but I wanted to get out of Bryan so I signed up."

The next morning Ellison was walking the streets of a town 300 miles away. During eight hours of knocking on doors trying to sell magazines, he sold only two subscriptions. That night there was a sales meeting that began at 9 and lasted until midnight.

At the meeting unsuccessful salesmen, such as Ellison, were mocked by the boss and their fellow sellers.

But it was more than the ridicule that forced Ellison to make a nuisance of himself to sell magazines. Every dime he got to buy his meals and other personal needs was handed to him, one at a time, by the "crew chief."

A former operator in the door-to-door magazine sales business explained how the system works: "The crew chief becomes mother, father, minister, guidance counselor, and boss, all wrapped up in a $400 suit and a pinky ring. The crew chief makes his kids into absolute slaves . . . and he keeps them hundreds of miles away from home so they have to keep working."

As this insider and several other experts explained, running a magazine crew has been refined over the decades into a rigorous formula.

The source, who is cooperating with a Federal Trade Commission investigation, said that a typical crew has about 20 persons, although some have 40 or more, and each is expected to sell four subscriptions a day. The average sale amounts to about $25 worth of magazines. Usually only slightly more than half is collected at the time.

Ellison's crew, for instance, should have been taking in more than $1,000 a day. From this, a typical crew chief will hand each crew member $5 a day and pay for the motel rooms, usually shared by four. Usually, crew chiefs keep all the money collected by the salesmen, except a $3 or $4 "processing and handling" fee sent to company headquarters.

The young salesmen face obvious handicaps—the magazines are not the big names such as Readers Digest or Time; and consumers, wary of ripoffs and assaults, are apt to slam the door or call the police.

Into this climate the young salesman enters clutching his black book of order forms and a "rate card" listing the magazines [such titles as Camping Journal, American Girl, Humpty Dumpty, and Parents].

A Tribune Investigation discovered that about 100 crews are roaming around the nation. Interviews with former salesmen, former and current industry executives, consumer protection officials, and a look at training documents still in use, all disclose that the operators resort to time-proven techniques.

One manual, for example, lists 27 ways to remain inside a prospective customer's living room when he tries to get rid of the salesman.

When a customer is grieving over a death in the family and not interested in magazine subscriptions, salesmen are told to reply: "We've had a death in our family, too, so I know how you feel."

If the customer says he can't afford it, the response is: "This isn't the national debt, Mrs. Jones; it won't make you miss any meals or put you in the poorhouse, so what are your favorites?"

If the customer asks the salesman to leave because he has company, the seller is instructed to reply, "You have company? Good, I'll get them to vote for me, too."

Another pitch sheet advises the young salesmen to say "gee" and "swell" a lot, and to keep talking. That's the trick, keep talking.

The goal is to keep hounding the customer until he or she signs a contract, often just to get rid of an obnoxious salesman.

Naturally, the turnover in salesmen is extremely high, often 100 percent a month, an industry insider acknowledged. But before they muster the nerve to quit, most young sellers go through a period where they are desperate to bring back some sales to the crew chief.

As Ellison recalled "at the end of the day, after we had been on the streets eight or nine hours, they would come pick us up and take us back to the motel for another sales meeting. Kids who weren't selling would be forced to stand up and deliver the pitch while we criticized them.

"The sales meetings went until midnight, and then they let us spend an hour with the girls in their room. They told us we would meet lots of girls, only we were always so darn tired it wasn't fun."

Ellison took another disillusioned seller home with him, a youth named John Ronick. "John had $900 coming to him, only they just gave him $200 and said they would mail the rest to him later. He stayed at my place for three months and never got a cent," Ellison said. Ronick had worked for nine months to earn the money.

For years Regina Lowe has worked behind the Travelers Aid counter at the Loop Greyhound Bus depot helping young people left alone in Chicago.

Mrs. Lowe said she has watched a stream of tearful young magazine salesmen, penniless, frightened, and stranded here by their fast-talking crew chiefs.

Lately, she said, young blacks from Cleveland have been "dumped" at the depot.

The teen-agers all tell the same story, Mrs. Lowe said. They show her the newspaper ad that recruited them and promised transportation home.

Instead, their crew chief loaded them into his powder blue Lincoln Continental and dropped them at the depot leaving the Travelers Aid and the Cook County public aid department to pay their expenses home.

Mrs. Lowe said that the naive Cleveland

youths got off easy, far better than the teenage salesmen who stayed in a suburban Niles motel a few years ago.

"These girls told us they [the sales chiefs] were pressuring them to be prostitutes as well as saleswomen," Mrs. Lowe said. "And the boys said they were asked to sell drugs."

Travelers Aid files report that their crew chief, an employe of a now-defunct company, forced "pep pills" on the youthful salesmen to help them meet the pressures of their difficult job.

Last year allegations of prostitution and drug dealing involving traveling sales crews prompted an investigation by the Florida Department of Law Enforcement.

Last January, a Ft. Worth woman told police that a magazine salesman who claimed he was working to earn points for a trip to Bermuda, raped her at knife point. In February, another magazine salesman was charged by Arlington, Tex., police with stabbing a homeowner in a dispute over a subscription.

But the young salesmen and women sometimes are victims of crimes, too. At least two young women recruited for the traveling sales crews have been raped by prospective customers so far this year—one, a young Baltimore woman, was raped in a Detroit housing project by three men after she knocked on their door.

Early last month a 20-year-old Atlanta woman knocked on a door in a Maryland suburb of Washington. The man who answered smashed his fist into her face and then dragged her into the house and assaulted her, according to Prince Georges County police.

In February in Los Angeles a crew chief named Herbert Thompson was beaten to death by two of his young salesmen, according to Los Angeles police.

In Chicago, Mrs. Lowe recalled, a group of terrified young magazine salespeople came to Travelers Aid for help last year. "They told of being chased after people turned their dogs on them, and one young fellow said he was shot at," she said.

But, she added, the most common complaint is that the sellers didn't receive any money when they finally broke with the crew. Sellers usually are told that they get 25 cents of every dollar they collect at the front door.

Interviews with numerous former salesmen indicate that by the time the crew chief deducts his version of food, travel, and lodging costs "advanced" to the sellers, few receive anything.

But many youths do get something they never had before—a police record. Ellison said he was arrested once and that several of his fellow sellers told of being photographed, finger-printed, and booked on numerous occasions.

The source now giving inside information to the FTC under subpoena said a typical crew manager budgets as much as $500 a week for fines and making bond.

"That's a built-in cost of running a 'hot crew,'" the source said. "Hot crews" operate in deliberate defiance of local peddling ordinances, and are told by their bosses to hide in backyards and behind hedges if police cars pass by.

"Whatever a crew chief can take in is his to keep and every nickel he keeps away from a kid who quits is another nickel in his pocket," said the source.

Making a profit is a tight proposition even for the hustlers who run the crews. Motel rooms cost more than 10 years ago, and a fleet of station wagons to carry salespeople also is expensive.

"It's a dying business," said Walter Lake, a Michigan City, Ind., businessman who acts as liaison between many of the crew chiefs and the magazine publishing houses.

"Costs are killing those guys," Lake said. Magazine industry experts estimate today that door-to-door sales are only 40 percent of their peak volume, reached in the late 1960s and early 1970s.

Robert Nace, another top operator nearing the end of his magazine business career, agreed with Lake and added, "In four years there won't be any magazine crews. It is impossible to sell magazines strictly following the FTC's rules."

Nace predicted that operators skilled in assembling crews will begin selling other products such as "soap, records, tapes—you name it."

But dying business or not, door-to-door magazine sales continue to be a pressure cooker for the unsuspecting young people who join crews and a headache for consumers and law agencies.

RESOLUTION OF ALASKA BOARDS OF FISHERIES AND GAME

Mr. STEVENS. Mr. President, recently I have been notified of the Joint Alaska Boards of Fisheries and Game Resolution No. 78–2–JB relating to the Alaska D–2 land legislation. The Alaska Boards of Fisheries and Game find those provisions of H.R. 39 specifically addressing access to public lands, subsistence, and land designations unacceptable to the State of Alaska.

As you are well aware, I too believe the provisions of H.R. 39 as presently drafted would have adverse effects on Alaska. I have been asked to place this resolution in the record, and I ask unanimous consent to print in the RECORD the Alaska Boards of Fisheries and Game Resolution No. 78–2–JB.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

ALASKA BOARDS OF FISHERIES AND GAME RESOLUTION NO. 78–2–JB RELATING TO 17(d)(2) LEGISLATION

Whereas 17(d)(2) legislation (HR 39) has passed the House Interior and Insular Affairs Committee; and

Whereas the House Merchant Marine and Fisheries Committee is considering this bill; and

Whereas Senator Gravel has drafted proposed legislation with major titles similar to those in HR 39; and

Whereas the Senate Energy and Natural Resources Committee will be preparing for mark-up sessions on (d)(2); and

Whereas 17(d)(2) legislation involves critical provisions relative to the State of Alaska and states' abilities to manage state fish and wildlife resources.

Now therefore, the Alaska Boards of Fisheries and Game hereby resolve that the following provisions of HR 39 as now drafted are unacceptable to the State of Alaska:

1. Access to public lands and waters, including easements;

2. Fish and wildlife management provisions including those on subsistence which essentially supplant an integrated statewide management system with a fragmented system under federal government direction;

3. Excessive land designations that are closed or restrict hunting, fishing, trapping, and other recreational pursuits in much of the critical acreage of the State.

Be it further resolved, That the Boards of Fisheries and Game hereby direct the Department of Fish and Game to provide copies of this resolution with supporting information to all Fish and Game Advisory Committees in Alaska requesting their immediate consideration and action in the form of resolutions to be directed to Alaska's Governor and Congressional representatives.

Be it further resolved, That the Boards of Fisheries and Game request Governor Hammond, Senator Stevens, Senator Gravel, and Congressman Young to accept no compromise which in any way infringes upon the authority of the State of Alaska to manage the fish and wildlife within its boundaries.

GORDON JENSEN, *Chairman,*
Alaska Boards of Fisheries and Game.
Date: April 7, 1978, Anchorage, Alaska.

THE NEED FOR IMPROVED DECISION PROCESS IN ENERGY R. & D.

Mr. STEVENS. Mr. President, it has been more than 3½ years since the Federal Government embarked upon an intensive program of research, development, and demonstration of nonnuclear energy technologies. But still, today, one of the most important elements of a sound R. & D. program is missing—a rational system for setting our national R. & D. priorities. Without such a system, we cannot be assured that the specific projects undertaken are the best we can do. We may be spending too much on energy R. & D. overall; or we may be spending too little. We may be spending too much on coal technologies relative to solar energy; or vice versa. Or we may be emphasizing the wrong technologies within a program—we may be spending our money on a particular set of coal technologies when there are others which have a greater probability of providing a greater national benefit. But we don't know.

These questions are illustrated by the upcoming decision which the Department of Energy—and the Congress in the appropriations process—must make regarding high Btu coal gasification demonstration plants. The Department of Energy currently has conceptual and process design underway for two different high Btu gasification concepts, with a third potential concept under consideration. Decisions must soon be made on whether or not to continue with detailed plant engineering and economic assessment for each of these concepts and whether or not to proceed to construction of the demonstration.

DOE has decided to curtail its activities in these areas and to place greater emphasis on more advanced technologies. Congress will have to decide whether or not the appropriations will match the administration's intent.

There is considerable difference of opinion as to whether or not DOE has taken the correct approach. Those who agree with DOE's plan to reduce spending on these particular technologies say that proceeding with three similar concepts will cost us a great deal and will not teach us much more than we could learn from just one of those concepts. But those who favor going ahead with all three argue that this route will significantly increase our odds of developing a technology that will be commercially successful.

There are three items which I wish to bring to the attention of the Senate today which deal with this issue. The first is an editorial in Chemical Week in support of DOE's proposed cutbacks. The second is a letter in reply to the editorial which supports full funding for each of

the concepts. And the third item is a report on recent experimental successes in research on the COGAS process, one of those concepts currently funded by DOE.

We lack the rationalized system we need to make these decisions. We need to be able to rank each energy R. & D. proposal in a way which reflects the potential energy benefits to the Nation, the probability of success, and the cost of the project. I urge my colleagues to join me in seeking the implementation of such a system of priorities.

Mr. President, I ask unanimous consent that the three items mentioned previously be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THINKING SMALL ON COAL IS SMART THINKING

(By Donald P. Burke)

President Carter's energy program has drawn criticism from all sides. But we think that in the area of research and development at least, the Administration is setting off in the right direction. In the budget sent to Congress just two weeks ago (*CW, Feb. 1, p. 16*), the President signaled his intention to: (1) put more emphasis on federal funding of basic research and (2) cut down on the funds provided for large-scale demonstration programs.

The rationale for (1) is straightforward enough. Few would question the need for a vigorous U.S. effort in fundamental research. But schools and nonprofit institutes are strapped for funds to do much on their own. The Administration cites the lack of near-term marketable products or processes as the reason private concerns are not spending enough.

The decision to cut back on demonstration plants, particularly in energy projects, might be more controversial. But we think it makes a lot of sense. The Dept. of Energy, for example, proposes to phase out solar heating demonstration activities for homes and commercial buildings. It sees a rapidly growing market for such systems, wants to encourage it by "incentives such as tax credits."

We also give the Administration planners high marks for the decision to "avoid overinvesting in multiple demonstrations of somewhat similar technologies or technologies that promise only marginal improvements, as in the case of coal gasification."

It has long been the feeling here that the government has a preoccupation with the concept of outsized pilot plants and demonstration units. The Office of Saline Water, which has since been dissolved, spent $275 million during its lifetime. Five demonstration plants were built—three using distillation; one, freezing; one, electrodialysis. All have been abandoned. Present overseers of the program (in the Office of Water Research and Technology, Dept. of the Interior) feel the demonstration plants "advanced the technology." But we think the price extravagant, particularly in view of present emphasis on reverse osmosis.

As it is DOE is working with anything but a Spartan budget for big coal conversion projects. It is committed to a hefty portion of the funding for two liquefaction pilot plants totaling over $400 million. If the proposed solvent refined coal demonstration unit is built—as now seems likely—that figure could nudge to $1 billion. And DOE wants to continue its share of funding for three gasification projects calling for $400 million.

All the projects under consideration represent significant technological achievements. And admittedly there are some arguments for building big plants. It is necessary, for example, to make a product to find out how it performs under service conditions. There are psychological and political motivations, too, that cannot be ignored. But the approximately billion and a half dollars now being contemplated would seem more than ample to answer all arguments.

Far better, we feel, is to concentrate on newer-generation technologies. In liquefaction, considerable knowledge is being gained on methods such as flash hydropyrolysis, molten salt liquefaction and the manufacture of gasoline from methanol or synthesis gas. The same is true for projects like catalytic gasification. These programs are not cheap, but they are in the bargain-basement category when stacked up against the costs of building big plants. None may ever be commercial. But they indicate the kind of work that could result in big payoffs.

We agree with the President and DOE Secretary James Schlesinger of the U.S. energy plight. *What's really needed is to buy time.* And the means for that are available, through *conservation, strategic storage, more incentives for domestic exploration,* encouragement and development of methods that make coal a more satisfactory fuel (such as fluidized-bed combustion).

In the meantime, we should by all means, push ahead with new concepts for coal conversion and other new energy ideas. But let's keep in mind the great Leo Backeland's dictum: Make your blunders on the small scale and make your profits on the big scale.

LETTERS—CHOICE OF THREE

Donald P. Burke's Viewpoint, "Thinking small on coal is smart thinking" (*CW, Feb. 8, p. 5*), presents controversial thoughts. Backeland's dictum, "Make your blunders on the small scale and make your profits on the big scale," is the very reason that we must provide demonstration of second-generation coal gasification processes. Responsible industry will not and cannot risk stockholder money in commercial-scale second-generation gasification plants that represent scale-up of as much as 80 times from even the most successful pilot operation.

Think of demonstration plants as semi-commercial plants, which are a common practice to the chemical industry and which absorb much of the scale-up risk enroute to commercialization. This is the rationale of the Dept. of Energy, which has awarded a contract to the Illinois Coal Gasification Group for design, construction and operation of a second-generation demonstration coal gasification plant based on the COGAS process licensed by COGAS Development Co.

Government participation in multiple demonstration plans minimizes the economic risk to industry when the technical risk is greatest, so as to minimize the technical risk in further scale-up to commercial-scale plant when the economic risk *undertaken by industry* is the greatest. DOE sharing in the funding of three gasification projects could reach more than the $400 million you describe—but even this large sum spread over 10 years is less than DOE's FY 78 budget for fusion and fission nuclear energy processes for generating electricity.

In research and development it is always tempting to abandon a good, solidly based program because "more promising technology is just around the corner." But the reality is that each gleaming new laboratory-proved technology often loses much of its glamor as it matures.

We have today three competing second-generation technologies—government support for demonstration plants for each will permit sound investment decisions to be made. The demonstration plants can be considered against each other in terms of coal feed (coal is heterogenous), cost, scheduling and performance; competition among technologies may improve performance of each; three demonstrated technologies give both industry and the investment community choices with which to proceed.

CARROLL A. HOCHWALT, JR.,
General Manager,
COGAS Development Co., Princeton, N.J.

COGAS COMPLETES KEY COAL GASIFICATION TESTS

PRINCETON, N.J.—A test run of more than 200 hours to show the feasibility of a coal gasification process developed by COGAS Development Company has been completed successfully.

The long-run test is the latest of 22 tests conducted at the COGAS-designed pilot plant in Leatherhead, England, which show that substantial quantities of domestic, high-BTU synthetic natural gas and oil can be produced successfully using the COGAS process.

Key in the latest test, COGAS General Manager Carroll A. Hochwalt, Jr., explained, was demonstration of the process flexibility and process control.

"Successful gasification of three different types of char made from coal mined in Illinois, The United Kingdom and West Virginia was carried out. The test with the first two chars confirmed earlier data that will be used to design a proposed demonstration plant in southern Illinois and eventually other large-scale gasification facilities," Hochwalt said, adding that "a large demonstration plan could be operating by 1983."

The continuous-run test marked more than 1,400 hours of coal char gasification that is substantiating data for technology that will provide an efficient, economical and environmentally-sound source of synthetic natural gas and oil.

"Coal gasification presents a better way to use coal to its maximum," he said.

"In effect, the process gives us an additional gas supply. Gas is more efficient and cleaner than coal and is easily distributed through existing pipeline systems," Hochwalt added.

Recent tests were conducted under contract with the Illinois Coal Gasification Group and the U.S. Department of Energy, which calls for design, construction and operation of a proposed demonstration plant. Should a decision be made to proceed with construction, the plant would be built and operated through joint funding by the Illinois group and the U.S. Department of Energy. Total project cost is about $334 million.

The proposed southern Illinois plant would process 2,200 tons of high-sulfur coal a day, producing 18 million cubic feet of synthetic natural gas which is enough to heat 28,000 average homes, and also yielding 2,200 barrels of oil a day.

Successful operation of the demonstration plant is expected to lead to construction of commercial facilities.

The COGAS process is one of the most recent advances in extracting clean fuels from coal. Gas was first made from coal in commercial quantities in 1807, when it was used to light a portion of Pall Mall, a London street.

The COGAS Process was developed in the mid-1970s with private funding by COGAS partners, Consolidated Gas Supply Corporation, FMC Corporation, Panhandle Eastern Pipe Line Company and Tennessee Gas Pipeline Company, a division of Tenneco Inc.

COGAS, licensor of the COGAS Process, provides technical support and process design recommendations for the demonstraiton plant project.

Illinois Coal Gasification Group is a partnership of subsidiaries of Northern Illinois Gas Company, The Peoples Gas Light and Coke Company, Central Illinois Light Company, Inc., Central Illinois Public Service Company and North Shore Gas Company.

U.S. POSTAL SERVICE

Mr. STEVENS. Mr. President, in this country where new forms of communication technology are continuously being tested, the U.S. Postal Service remains a primary channel for distribution of information and goods. Within its own sphere of influence, the mail has not only united our country, but is now linking us with all the people of the world. The Postal Service has become an essential and integral part of our daily lives. Despite the recent mail rate increase, the Service still offers its customers the most efficient and economical mailing system in the world.

The rising costs, however, do invite reevaluation of how efficiently we actually use our postal system. We must also look closely at the Postal Service to insure that it continues to be managed in the most efficient and economic manner. In the June issue of Kiwanis, Neesa Sweet contributes an excellent article entitled "Making the Mail Work for You." Mr. President, I ask unanimous consent that this article be inserted in the RECORD at the end of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Kiwanis magazine, June-July 1978]

MAKING THE MAIL WORK FOR YOU

(By Neesa Sweet)

An executive at a large company in New Orleans signs a letter and places it in his "out" box. A clerk picks it up, takes it to the mail room, and from there it is delivered to the post office.

In Cleveland an insurance agent finishes his monthly billing. On the way home he drops the envelopes in a mail box where they are picked up in a matter of minutes, or as late as the next morning, and sent on their way.

No matter what the size of your business, you use the mail. In today's fast-paced world, speedy and efficient communication is more important than ever—and the mail plays a central role in getting messages, packages, and documents from one place to another.

But mail service is increasingly expensive, making postal efficiency more important than ever. Fortunately, you aren't at the total mercy of the US Postal Service. Good mailing practices begin at home—with you and your employees.

Expert handling of the mail on your end can save both money and delivery time, so don't entrust the job to someone who doesn't know the ropes. Larry Jandura, mail room manager for Blue Cross/Blue Shield in Chicago, describes the ideal mail manager as innovative and creative, able to grasp the latest technology and apply it to the mail problems of his company.

Traditionally, the mail room has been the place for transitional employees and beginners—a stepping stone to other job assignments. But mail services have become so complex that smart mail users are frowning on this concept. As Rudy Saleniek, mail room manager for the Chicago law firm of Kirkland and Ellis, points out, in a law firm there is no room for mistakes. That should be true of your business as well.

A well-trained mail clerk can save a large company up to $1,500 per month through correct postal knowledge. In a small firm, just ten thirteen-cent overstampings per day can add up to a loss of $325 per year—and much more when stamping errors are compounded by mistakes in classification. A smooth and cost-efficient mailing operation requires trained people who consult regularly with the post office's customer service representatives. And policies need to be set and incorporated in a booklet or memo to determine, for example, when the mail will be used instead of long-distance phone calls and to coordinate pickups and deliveries with post office dispatch times

At the giant Exxon office in Houston, Texas, where Bryant Burch manages the mail room, each clerk makes hundreds of time and money decisions each day. They know the company manual and postal regulations by heart. Several pickups and deliveries are made to the post office each day, the addresses of all outgoing mail are turned to face the same way in the trays, and the accuracy of classifications, zip coding, weight, and postage is checked.

One of the best ways to save money, Burch has discovered, is to bulk all the mail for individual Exxon field offices into large envelopes. This is good advice for any company with branch offices or numerous, frequent mailings to one address and can save as much as two thirds of the cost of individual letters.

Large firms such as Exxon aren't the only ones that need mail rooms. Tom Randolph runs a small company in Houston near Exxon. Several years ago it became apparent that he needed a mail room when secretary after secretary did not have enough knowledge of standard mailing procedures. Randolph worked out a booklet of mailing information and set aside an employee and a space for mail handling.

A mail room can be anywhere. All that is needed is space, a scale, and a few other pieces of equipment. The important thing is people who know how to prepare the mail.

The number-one postal problem, for example, is packages or bundles that fall apart. Be sure to put the address inside the wrapping as well as outside. Use number 10 envelopes instead of nine by twelve envelopes whenever possible. Stocking the right envelopes for your needs can mean dollars saved—a quarter of an inch off the envelope on large mailings, for example, can make quite a difference in total postage. Large envelopes may delay your mail if they do not fit automatic equipment.

A major question for all mail rooms is what kind of equipment to use. Even the smallest mailer needs a scale, and accuracy and applicability to your needs are vital. Scales are of four basic types: spring, beam, pendulum, and electric. Spring scales are the simplest and cheapest, but they have a tendency to weaken and weigh heavy. Beam scales, the balancing type, are more accurate but are slower. Pendulum scales are the most accurate, the fastest, and the most expensive. Electric scales use the pendulum principle with the added cost of automation.

As Rudy Saleniek points out, scales are important, and you can pay a fortune unnecessarily for the wrong one. So be sure to choose one that is accurate, right for your needs, and works well. Dirty scales waste postage, so clean and check your scales regularly. Also, scales that are not level do not weigh accurately.

There are advantages to even the smallest business in having a postage meter. Your mail will be marked and dated when it arrives at the post office, thus saving time. A free advertising message can be incorporated in your postage imprint. It won't be necessary to keep stamps of different denominations, and you'll never have to overpay. The postage meter's register will provide an automatic accounting of postage used each day. And the drudgery of stamp licking will be eliminated. Postage meters range from simple, manual machines to electronic models. Some seal as well as print, some have automatic feed, automatic tape dispenser, and other options. The best guide is your volume of mail.

Of course, your postage meter is only as good as its operator, and it is important to set the postage correctly for each piece of mail. The post office reports that the volume of overpaid mail far exceeds underpaid mail—money lost to you.

Underpaid mail, on the other hand, is poor public relations when your customers have to pay the postage due. Remember that you never waste money with a postage meter—unused postage can be redeemed at your post office.

Mailing machines can do many things for incoming, outgoing, and inter-office mail. They can fold, open, staple, insert, apply the address, print an ad, and sort. Check with your post office's customer service rep and salesmen for the various mailing machine companies to determine what you can really use. Your volume, whether you are shipping letters or packages, and whether you are mixing packages for private delivery services with US Postal Service packages are all relevant variables.

Mailing machines can help with incoming mail as well as outgoing mail. Larry Jandura, who handles more than 3,000 pieces of mail per hour for Blue Cross/Blue Shield, uses a machine that opens envelopes and deposits mail on a conveyor belt. Larry finds a 47 percent savings over doing incoming mail by hand.

Once you have your mail room and equipment set up, your next concern is to be sure you are using the correct mailing services for your needs. At a recent postal conference in Chicago many attendees could not answer simple questions about what mail classification to use and when, and these were people who had been managing mail rooms for years! A thorough knowledge of the rates, advantages, and disadvantages of the four basic classes of US mail is essential for every mail room employee.

The U.S. Postal Service also offers several special services that are important to most mail users from time to time. Certified mail, for example, is the service you want when you need to know when—or if—a letter or package was received, because it provides the sender with a receipt of delivery. If the material you are sending is valuable you will want to send it registered which provides the same receipt of delivery but also permits you to insure the item. Registered mail is not handled with regular mail and is the only type of mail that is truly "traceable," because each person who handles it must sign for it.

Roger Peterson, who manages the mail room of a mortgage company in Oklahoma City, says that in most cases the advantage is with certified mail. It travels with the first-class mail and doesn't go through the extra handling that registered items do, which can mean faster delivery.

Special delivery mail is delivered directly to the addressee by special carrier as soon as it arrives at the destination post office. This service is desirable under certain circumstances, but it can actually delay delivery if the addressee is not present when the delivery is made. A notice of attempted delivery is left instead, and your important communication is returned to the post office for eventual pickup by the addressee.

If your mail must be received the next day, express mail is for you. Frequently competing successfully with private delivery services, express mail guarantees next-day delivery or your money is refunded. Express mail service is available between specified major cities and can be used in several ways, with options that can be tailored to your particular needs.

If your volume is small, the best bet is to take express items to your post office for delivery to addresses. For larger volumes, arrangements can be made to have express mail picked up at your office, or you can take it directly to an airport. On the receiving

end, express mail can be delivered to addressees or to the airport for pickup. Many large companies have arranged for door to door, door to airport, airport to airport, or airport to addressee options on a major scale.

Rudy Saleniek reports that his company is an extensive user of express mail between New York, Washington, and other major cities. "Proof of delivery can be obtained on express mail, and we can declare value up to $50. Last year we sent more than six hundred pieces all over the country, and only three were not received the next day—and one of those was not the post office's fault."

The various mail classifications and rates can work for you and your company, but only if you are familiar with the requirements. Contact your post office's customer service representative to learn about mailing options and how your company can take best advantage of them. The CSR can tell you the best times to mail each day and otherwise help tailor a program to meet your needs.

Promotional mailings are one of the best ways to get your message to customers and clients—a message from you in their mail boxes is often much more effective than untargeted newspaper or television ads.

The postal service's bulk mail and permit imprint programs are ideally suited to help you carry out this task. Permit imprints, preprinted on your envelopes, eliminate both stamping and cancelling procedures, thus speeding mail both in your mail room and at the post office. You must pay in advance for the permit and for the specific number of pieces you are mailing. Your CSR can provide several examples of acceptable indicia that will work with your company's envelope design.

Prepaid indicia are used on first-class mailings, third-class mailings, and third-class bulk mailings. The third-class bulk rate, often used f r promotional purposes, is a special, nonpreferential rate that lets you do much of the sorting by zip code in exchange for a piece rate about half that of regular first class.

In addition to the bulk rate, a first class discount is available to large mailers who regularly sort their mail by zip codes in exchange for a one cent per piece reduction in postage. There is a five-hundred piece minimum on such mailings, which must be sorted to the five-digit code. Many mailers take advantage of this rate, especially if their mailing lists are computerized according to zip codes so that the computer can perform most of the work.

If you aren't computerized in this way, the discount isn't always profitable. Larry Stromm of CNA insurance points out that his firm's computer program sorts the mailing list according to other criteria, and zip code sorting would require two passes through the computer. "This would cost us more than the one-cent reduction per piece," he says. A small bank in New Jersey sorts mail by hand. "By the time we've paid someone $3 an hour to sort the mail, it's just not worth it, the bank's mail room manager says.

You and your CSR can gauge the profit margin for your company. The post office can also help you work out zip code sorting sequences that will best facilitate your mail's delivery and can even break down your list into carrier routes so your mail can bypass several sorting steps. No matter what mailing method you are using, your goal should be the least possible handling by the post office. This not only means faster service but mail in better condition when it arrives.

It's a good idea to keep your mailing list updated—customers who have moved don't buy if they don't know what you are selling. On mailings with an 883-piece return, the business reply envelope preprinted with your indicia becomes more economical than enclosing a stamped return envelope. The business reply services will cost you $30 per year for the permit and twenty-five cents per returned piece.

If an addressee is not likely to reply but you want to know his new address, you can request an address correction from the post office. The postal service will return mail to you when an addressee has moved, with a notation of the new address, for twenty-five cents per correction. Large mailing lists should be corrected at least once or twice per year.

Most new postal regulations are required because of the increasing use of automation in the postal service. Since April 15, for example, there has been a surcharge for odd-sized envelopes that don't fit postal machinery.

Automation can be used in many ways. Optical scanning units (OCRs) can now actually "read" the printed address on your mail. These machines greatly increase handling speed, so it's to your advantage to produce mail that can be handled by OCRs. To ensure that the machine can read your mail, don't use vertical lines on your envelope design and be sure that the last two lines of the address are used only for the address itself and the city, state, and zip code. Account numbers and attention lines should be printed at the top of the label. When typing addresses, use a clean typewriter and change ribbons regularly.

One other factor that the alert business mailers keeps in mind is the potential for theft in his mail room. Many cases are known in which a clerk regularly cashes in postage meter strips for lunch or cigarette money or adds sums to postal receipts a little at a time. A recent scheme in Texas involved a company clerk and a postal employee working together, setting the postage meter at only half the sum paid and splitting the difference.

A little money per day is seldom missed, but over a year the total can add up considerably. Your first security precaution should be to keep accurate records.

The post office, it seems, is like the weather—everyone complains about the service but no one does anything about it. But a variety of service options are available, and you can make the system work for you instead of against you. Mail early, we've all heard—but mail correctly too.

PRIVATE FIRMS MUST COME THROUGH TO PROVIDE JOBS FOR THE YOUNG AND THE MINORITIES

Mr. PROXMIRE. Mr. President, one of the most consistently thoughtful economic writers is Thomas Mullaney of the New York Times. The Mullaney Sunday economic analysis combines good sense, a welcome understanding of the complexities of economic forces, and an openness to new ideas, all of which is welcome indeed in this period when our economic dilemma of stagflation seems so difficult to solve.

Mr. Mullaney's column in yesterday's New York Times was a case in point. He zeroed in on the difficulty we are having in providing jobs for teenagers and especially black teenagers in spite of a year of record job expansion in this country.

Although in the past year we have added 4 million jobs—the greatest job expansion in the history of the country—black unemployment remains at a depression-high 12.3 percent, with little improvement over the year, and black teenage unemployment is at an appalling 38.4 percent.

All this is true in spite of a Government program specifically designed to overcome unemployment among the young and particularly the minority young—that is the Comprehensive Unemployment Training Act program, known as CETA. Has the program been big enough?

Consider: Some 725,000 persons have been hired in jobs, and about a million and a half have been given training.

If this program—even with the billions it is costing—is not working, what is working? And what can we do about it?

Mr. Mullaney suggests that American corporations can and must do more. At the present time the business world is less involved in job training and creation for the hardcore unemployed than it was in the late 1960's.

Frank Schiff, the chief economist for the CED, points out one Government policy reason why this is so:

Less than 10 percent of this year's $11.4 billion budget for federally assisted employment and training programs is directly devoted to programs involving private business and only 7 percent of the 2.3 million persons who participate in local CETA programs are enrolled in on-the-job training, an activity primarily involving private employers.

Mr. President, on-the-job training is by far the best and most useful training. It is much more likely to lead to a permanent job.

If we are to make progress in meeting both our unemployment and inflation, that is to reduce unemployment while holding down inflation, business involvement—deep, consistent business involvement—is essential.

Mr. President, I ask unanimous consent that the article by Mr. Mullaney be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STRUCTURAL UNEMPLOYMENT

(By Thomas E. Mullaney)

PHILADELPHIA.—On the same day last week that one of the nation's most prominent economic-forecasting services here issued a fairly optimistic report on the American economy, a leading business-research organization convened a two-day meeting to discuss another crucial economic problem—how to find more jobs for vast numbers of minorities and other hard-to-employ individuals.

While Government officials and economic analysts have been concentrating on inflation as the No. 1 threat to economic stability, structural unemployment among youths, blacks, other minorities and the disadvantaged remains a critical problem, those attending the session were warned. And it's one that could worsen if inflation increases, a recession ensues and no meaningful programs are pursued to deal with these issues.

The latest economic data seem to confirm the general assessment that the United States is concluding a quarter that will rank among its best in the last decade from the standpoint of growth, production, employment and income, even though some darkening clouds loom over the scene.

Among the favorable developments reported last week were: the healthy six-tenths of 1 percent gain in industrial production for May, following an upward-revised advance of 1.4 percent in April; the $1.6 billion drop in business inventories during April, suggesting that no pattern of stagnation is in progress, the 2.2 percent increase in domestic

auto sales during the first 10 days of June and the nine-tenths of 1 percent rise in personal income in May.

Somewhat gloomier reports that offset those figures: indications that inflationary pressures were still rising, with meat and food prices up; the increase in the prime bank lending rate to 8¾ percent, growing fears of a recession and a credit squeeze forced by tighter money conditions, and resumption of weakness in the stock market.

The quarterly forecast of the University of Pennsylvania's Wharton School's econometric model predicts an economic slowdown in the second half of this year, continuing through 1980; a gradual reduction in unemployment, and a sustained rate of inflation near 7 percent. No recession was envisioned, but some other forecasters say that negative real growth may appear within the next year unless inflation is more effectively handled and new economic policy initiatives are undertaken in Washington.

Against this mixed background of rising concern over the economic future, some 200 local businessmen, civic officials, educators and labor leaders gathered at midweek at the University of Pennsylvania for a two-day conference, sponsored by the Committee for Economic Development, to determine what can be done to improve job opportunities for youth, minorities, the disadvantaged and the unskilled. It was the first of six such meetings to be held in major cities around the country this year.

The program is a follow-up to the comprehensive policy report issued earlier this year by the business-economic research group of 200 top corporate executives and academic leaders that urged a stronger private sector involvement in training and job creation for the hard core unemployed. The report detailed studies of some 60 "success stories" around the country where job-creation programs are working well.

The Federal Government has poured more than $11 billion this year into a large variety of job-creation programs under the Comprehensive Employment Training Act of 1973 now administered by state and local governments. Congress has been asked to extend the program, adding a new $400 million plan for job-training in the private sector.

No doubt considerable progress has thus been made in putting more minorities and disadvantaged persons to work—mostly in public-service jobs—but the C.E.T.A. program has also charged with mismanagement, fraud and unmet objectives.

Even though some 725,000 persons have been hired and double that number has been enrolled in training programs under C.E.T.A., youth and minority unemployment in the country remains large, despite the expansion of the economy, an historic peak in the number of persons at work, and a dramatic decline in the unemployment rate in the last three years.

More than 94 million Americans now hold jobs. The unemployment rate has been trimmed from 7.9 percent three years ago to 6.1 percent now. And about 3.5 million new jobs were added during the last year. But those figures don't tell the whole story. Total black unemployment remains at 12.3 percent, while teenage joblessness has risen to 16.5 percent, a figure boosted by the 38.4 percent unemployment rate among black youths aged 16 to 19.

If the nation has not been able to make enough progress on minority hiring while the economy was growing so substantially, asked the Rev. Leon H. Sullivan, the black pastor who has been a leader in job-training efforts for minorities, how can it expect to go forward in that obligation if the economy now begins to decline?

Mr. Sullivan, a director of the General Motors Corporation and the founder of Opportunities Industrialization Centers of America, called for a new commitment from business and Government to attack the jobs problem, not with Government make-work projects but in private industry. It was a theme that was stressed repeatedly by a host of business, civic and academic participants in this week's conference.

Ruben F. Mettler, chairman of TRW Inc., and head of the National Alliance of Businessmen, said there were "compelling reasons" for businessmen to join more actively in this effort, which is expected to win more Federal funding soon for private job-training activities. Unemployment among minorities, youth and the elderly, he said, "is a drag on the economy, and is inflationary." Such a response from the business community would give "added credibility," he said, to the movement to convince Government to control inflation and take other economic measures that businessmen advocate.

At the present time, the business world is less involved in job-training and creation for the hard-core unemployed than it was in the late 1960s, following the urban riots that destroyed corridors of Washington, D.C., Detroit and Watts. Red tape, lack of understanding, inadequate training facilities and Government confusion were cited as some of the reasons for the diminution of business participation in such programs during the last decade.

In a recent statement, Frank W. Schiff, chief economist for the C.E.D., spelled out the low level of total private sector involvement in special training and employment programs for seriously disadvantaged groups:

"Less than 10 percent of this year's $11.4 billion budget for Federally-assisted employment and training programs is directly devoted to programs involving private business, and only 7 percent of the 2.3 million persons who participate in local C.E.T.A. programs are enrolled in on-the-job training, an activity primarily involving private employers."

He and others believe the time is now "ripe" for significantly increased business involvement in such programs. Among the recommendations made by the C.E.D. was wider dissemination of information about existing and coming private-sector programs that work, more concerted interest in them by top corporate executives of small, as well as large, businesses, and better administration of the programs.

Mr. Sullivan asked the business world "for your money, your know-how and your commitment from the board of directors down" to solve the problem of finding jobs for the hard-core unemployed.

INTERNATIONAL BANKING ACT OF 1978 AMENDMENTS

Mr. PROXMIRE. Mr. President, I am today introducing at the request of the Federal Reserve, amendments to H.R. 10899—the International Banking Act of 1978 passed by the House on April 6, 1978. This legislation is pending in the Senate Banking Committee. A hearing has been scheduled for June 21 and markup on the legislation is set for July 26 and 27. This schedule reflects an understanding reached in this Congress between Senator McINTYRE, chairman of the Financial Institutions Subcommittee of the Senate Banking Committee, and myself, and Chairman REUSS of the House Banking Committee, and Chairman ST GERMAIN of the House Financial Institutions Subcommittee, that the Senate Banking Committee would give prompt consideration to international banking legislation passed by the House in this Congress.

Legislation to control foreign bank operations in the United States is long overdue. Foreign banks operating in the United States have a significant impact on our economy. At the beginning of 1978 assets in foreign bank branches here had grown to $93 billion, up from $18 billion in 1972. Foreign banks operate in our domestic economy free from the branching restrictions which apply to our own banks, free from monetary policy controls of our central bank and without Federal deposit insurance. Foreign bank operations in the United States have become of such importance as to demand a national Federal policy to control their operations.

H.R. 10899 as modified by the Federal Reserve's amendments will do the job that needs to be done. Among the amendments that the Federal Reserve proposes is a restriction on foreign branching across State lines as applies to domestic banks. I strongly support this provision. Foreign banks should not be given a competitive advantage over domestic banks in their branching activities. Domestic banks operate loan production offices across State lines. If foreign banks are enabled to operate agencies across State lines—and the Federal Reserve has stated that it would have no objection to such agencies—competitive equality will be achieved between foreign and domestic banks. This is the prinicpal which I will strive to uphold as this legislation progresses.

Mr. President, I request unanimous consent that the full text of the Federal Reserve's amendments be printed in the RECORD following my remarks along with letters from Chairman Miller dated June 1, 1978, and Vice Chairman Gardner dated June 15, 1978, explaining the Federal Reserve's amendments.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
June 1, 1978.

HON. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: It is a pleasure to respond to your request for the Board's views on H.R. 10899, the International Banking Act of 1978 ("IBA") that was passed by the House of Representatives on April 6, 1978.

For several years the Board has supported legislation that would establish a system of Federal supervision and regulation over the growing United States banking operations of foreign banks. The principle that has guided these efforts has been one of national treatment, or, nondiscrimination towards foreign banks operating in this country. The Board is gratified that the House of Representatives again has seriously addressed this issue and passed legislation that would subject foreign banks to a degree of Federal supervision and regulation.

In several important areas, however, the IBA might be further improved in order to implement a system of national treatment with respect to foreign bank operations in the United States. For example, under section 5 of the IBA, foreign banks could continue to operate and expand their interstate banking operations while domestic banks would remain subject to the interstate strictures of the McFadden Act and various State statutes. The Board believes that the policy of restricting interstate banking (and particularly the McFadden Act) deserves review by the Congress and the Board is prepared to assist in that endeavor. In the meantime, however,

to allow foreign banks to establish branches and agencies in several States is inconsistent with the goal of national treatment and affords a distinct competititve advantage to foreign banks. To eliminate this imbalance, the Board believes that foreign banks should be subject to interstate banking restrictions comparable to those applicable to our domestic institutions.

As to supervision, in its present form, the IBA does not provide for Federal examination of U.S. offices of foreign banks. However, the assets and condition of a bank with operations in several States cannot be successfully analyzed by the banking authority of one particular State. In order to provide for adequate supervision, a central examining authority is essential. The Federal Reserve's experience as a bank regulator and its particular expertise in the area of international banking and finance make it uniquely suited to this task.

Although the treatment of the interstate banking and examination issues in the IBA are important deficiencies, the Board recognizes that the IBA contains many worthwhile provisions. For the first time, the United States operations of major foreign banks would be subject to Federal monetary controls; non-United States citizens would be permitted to acquire a majority of the shares of Edge Corporations and to serve on their boards of directors; foreign banks operating in the United States would be subject to the provisions of the Bank Holding Company Act and, in particular, the Act's nonbanking prohibitions. These objectives have been consistently supported by the Board.

While it supports these provisions, the Board believes that the IBA should be improved in several respects. The Board urges that the Committee consider the following issues in its deliberations on the IBA:

FEDERAL BRANCHES AND AGENCIES (§ 4)

Federal branches and agencies would only be permitted in a State in which the foreign bank does not operate a State branch or agency and which does not by law prohibit the establishment of branches and agencies of foreign banks. In effect, this provision permits States to veto the establishment of federally-sanctioned banking offices. This result is a clear departure from the dual banking system. The Board recommends that States be afforded a consultative role on the establishment of Federal branches and agencies but that the States not be placed in a position of vetoing such offices.

INTERSTATE BANKING (§ 5)

The IBA would perpetuate the present system which permits foreign banks to have banking facilities in several States, a privilege not currently afforded domestic institutions. This incongruous situation is pointed up by the recently announced proposals by large foreign banks to acquire controlling interests in two large domestic banks. In each instance, the foreign bank already has banking operations in States other than the State in which the domestic bank to be acquired is located. Furthermore, even after the acquisition, the new parent foreign bank would be at liberty to establish additional banking offices in various States. In effect, by simply changing ownership, a major domestic banking institution would become part of a banking organization with multi-State facilities.

As previously mentioned, the Board believes that, until such time as the McFadden Act is reviewed by the Congress, foreign banks should be subject to the same general restrictions on their interstate banking operations as apply to domestic institutions. The Board, therefore, recommends that section 5 be amended to make Federal branches and agencies subject to the branching restrictions of the McFadden Act and to make State branches subject to the same restrictions that State laws impose on domestic State banks. Any future changes in the McFadden Act would then apply automatically to foreign banks with Federal branches or agencies as well as to domestic banks. In the interim, foreign banks would be able to take advantage of any reciprocal branching statutes enacted by the States.

The Board believes that a reasonable compromise would be to exempt newly-established agencies from interstate restrictions so long as the agencies limit their operations to internationally-related activities as are permissible for Edge Corporations in the United States. Currently, an Edge Corporation may be established outside of the home State of its parent bank. Permitting agencies of foreign banks to operate on an interstate basis while limiting their activities to those permissible for Edge Corporations would enable foreign banks that do not choose to establish their own Edge Corporations (see § 3 of the IBA) to compete directly on an equal footing with U.S. institutions engaged in international banking and finance.

FEDERAL DEPOSIT INSURANCE (§ 6)

Section 6 would require Federal deposit insurance for a branch of a foreign bank where the law of the State in which the branch is located requires such insurance for State-chartered banks. While the great majority of States require deposit insurance for State-chartered banks, § 6 would leave the question of whether to require insurance up to the individual States. The Board believes that Federal deposit insurance should, as a matter of Federal law, be mandatory for branches of foreign banks in the United States. The Board also believes that deposits at such branches whether or not held by U.S. citizens and residents should be covered consistent with current practice and with the principle of nondiscrimination.

FEDERAL RESERVE AUTHORITY (§ 7)

(a) Although the IBA would subject branches, agencies and commercial lending companies of large foreign banks to monetary controls, it would not subject their State-chartered subsidiary banks to the same controls. The appropriate test for imposition of monetary controls is the capability of the parent institution to compete and participate in major money and credit markets and not the organizational form of operation. Since U.S. banks owned by large foreign banks generally do participate in major money and credit markets, they should be subject to monetary controls. Furthermore, subjecting branches and agencies, but not subsidiary banks, to monetary controls creates the situation whereby a major bank could shift its activities to an existing or newly-established subsidiary bank to avoid domestic Federal Reserve reserve requirements. The Board, therefore, recommends that § 7 be amended to permit imposition of Federal Reserve monetary controls on all U.S. operations of large foreign banks.

(b) Section 7 provides that the Board may request from State banking authorities copies of their examination reports of U.S. offices of foreign banks. The Board, however, is given no independent authority to examine the accounts, books and affairs of such offices. It is important that the Board be given examination authority with respect to the U.S. offices of foreign banks. Without search authority the Board would be ill-equipped to discover and deal with unsafe or unsound banking practices as it is charged to do by § 11 of the IBA. It would also be hampered in dealing with foreign bank offices that are granted access to System credit by § 7 of the IBA. More importantly, however, vesting the Board with examination authority would provide the only means of coordinated supervision of foreign banks' interstate banking operations currently subject to the jurisdiction of several banking authorities.

GUIDELINES (§ 9)

The Board does not believe that detailed guidelines are necessary to assist State or Federal supervisory authorities in acting on applications by foreign banks. The provisions of § 9 calling for consultation among bank regulatory authorities, the Secretaries of State and Treasury appear to be adequate to ensure that important foreign policy issues are considered.

In conclusion, the Board's view that the regulation of foreign bank operations in the United States is an appropriate matter of Federal concern has been strengthened by developments of recent years. The IBA and the Board's proposed amendments would address that concern by subjecting the United States offices of foreign banks to Federal statutory and regulatory requirements. Legislative language accomplishing the above recommendations and some more technical amendments to the IBA are being prepared by the Board's staff and will be furnished shortly. The Board earnestly hopes that the Committee will act favorably and expeditiously on the Board's recommendations and on the IBA.

Sincerely,

WASHINGTON, D.C.,
June 15, 1978.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed for your consideration are proposed amendments to H.R. 10899—the International Banking Act of 1978 ("IBA"). Chairman Miller's letter to you of June 1, 1978, pointed out several important areas in which the IBA may be improved. The enclosed staff memorandum would implement the Board's recommendations with respect to Federal branches and agencies (amendment 5); interstate banking (amendments 14 and 15); Federal deposit insurance (amendments 16, 17 and 37–48); Federal Reserve authority (amendments 31 and 32); Federal guidelines for foreign bank entry to the U.S. (amendments 60–66). The staff memorandum also proposes several conforming and technical amendments that would improve the IBA.

I would like to call your attention to section 5 of the IBA dealing with interstate banking prohibitions. The Board has proposed that foreign banks with offices in the U.S. be subject to interstate banking prohibitions in the same manner as domestic banking organizations with the exception that foreign banks be permitted to operate agencies in more than one State so long as the agencies restrict their activities to international banking or finance such as is permissible for Edge Corporations in the U.S. The Board's proposal is designed to enable foreign and domestic institutions to compete on an equal footing. It has been argued, however, that foreign banks with offices in several States do not have a competitive advantage over U.S. banking organizations in that U.S. banking organizations are permitted to engage in domestic business through loan production offices and nonbanking subsidiaries outside of their home States. While not persuaded by this argument, the Board would not object if agencies and commercial lending company subsidiaries of foreign banks were permitted by the IBA to operate in more than one State without necessarily restricting their activities to international banking or finance.

I would like to again express the hope that the Committee will favorably consider these amendments and act expeditiously on the IBA. The Federal Reserve is, of course, ready to provide any further assistance on this proposal that may be necessary.

Sincerely,

STEPHEN S. GARDNER.

PROPOSED AMENDMENTS TO H.R. 10899, THE INTERNATIONAL BANKING ACT OF 1978

1. Page 4, line 18, insert the following new section "(b)":

"(b) The first sentence of the sixth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 615(a)) is amended by striking "in no event" and inserting "except with the approval of the Board of Governors of the Federal Reserve System not"; and the second proviso of the first sentence of the twelfth paragraph of section 25(a) of the Federal Reserve Act (12 U.S.C. 618) is amended by inserting ", except with the approval of the Board of Governors of the Federal Reserve System" after "That".

Explanation: Edge Corporations are prohibited by paragraphs 6 and 12 of section 25(a) of the Federal Reserve Act from issuing debentures, bonds, and promissory notes in an aggregate amount exceeding ten times their capital stock and surplus. This amendment would afford Edge Corporations an added degree of flexibility in their operations by permitting this limit to be exceeded with the approval of the Board of Governors of the Federal Reserve System.

2. Page 4, line 18, insert the following new section "(c)":

"(c) The last sentence of the sixth paragraph of section 25(a) of the Federal Reserve Act is amended by inserting a period after "prescribe" and striking 'but in no event less than ten per centum of its deposits' ".

3. Page 4, line 19, strike "b" and insert "d".

Explanation: The Edge Act currently requires that Edge Corporations maintain reserves on deposits received in the United States in such amounts as the Board may prescribe, but in no event less than 10 per centum of their deposits. The Board requires Edge Corporations to maintain the same reserves as member banks, subject to this statutory minimum. Pursuant to section 7 of the IBA, branches and agencies of large foreign banks would be subject to reserve requirements. To assure competitive equality between branches and agencies of foreign banks on the one hand and Edge Corporations and member banks on the other, it is recommended that the minimum statutory reserve requirement for Edge Corporations be eliminated so that all of these organizations may be subject to similar requirements.

4. Page 5, strike lines 19 through 24, and insert in lieu thereof the following:

"section. For the purposes of the preceding sentence of this paragraph, the terms 'controls' and 'controlling interest' shall be construed consistently with the definition of 'control' in section 2 of the Bank Holding Company Act of 1956, and the term 'foreign bank' shall have the meaning assigned to it in section 1(a)(7) of the International Banking Act of 1978."

Explanation: This amendment corrects certain typographical errors.

5. Page 6, line 6, strike "(1)" and line 7, insert a period after "law" and strike the remainder of that line and lines 8 and 9.

Explanation: Under the present section 4(a)(2) of the IBA, a foreign bank cannot establish a Federal branch or agency in any State where a foreign bank is "prohibited by State law" from establishing a branch or agency. The Board has recommended that the States not be given a right to veto foreign bank entry through a Federal branch or agency. Such veto power by the States would not be consistent with the treatment of other federally sanctioned banking organizations i.e., national banks and Edge Corporations. Vesting such authority in the States would, therefor, be a substantial departure from the dual banking system.

6. Page 7, line 6, strike the words "parent" and insert in lieu thereof the words foreign".

7. Page 7, line 7, strike accounts of" and insert in lieu thereof business transacted by".

Explanation: Substituting "foreign" for "parent" bank conforms to other sections of the Act. The phrase "business transacted by" more accurately reflects the limitations based on capital and surplus than does "accounts."

8. Page 8, line 15, strike "or".

9. Page 8, line 16, strike "agency".

10. Page 9, line 1, strike "or agency".

11. Page 9, line 8, strike "or agency".

12. Page 9, line 12, strike "or agency".

13. Page 9, line 23, strike or agency".

Explanation: Amendments 8–13 would remove the requirement of a capital equivalency deposit for Federal agencies. Foreign bank agencies are generally not required to maintain capital equivalency deposits under State laws because of their inability to accept deposits from the general public. Imposition of such a requirement on Federal agencies could put them at a competitive disadvantage.

14. Page 14, strike lines 2 through 15 and insert in lieu thereof the following:

SEC. 5. (a) Except as provided by subsection (b), (1) no foreign bank may directly or indirectly operate a Federal branch or agency outside its home State unless the State is one in which it could operate a branch or agency if it were a national bank located in its home State; (2) no foreign bank may directly or indirectly operate a State branch outside its home State unless (A) the statute laws of the State in which such branch is to be located specifically authorize a State bank organized under the laws of such foreign bank's home State to establish or operate such branch, by language to that effect and not merely by implication, and (B) the State branch is approved by the bank regulatory authority of the State in which such branch is to be located; (3) no foreign bank may operate a State agency outside its home State unless (A) the State agency is approved by the bank regulatory authority of the State in which such agency is to be located, and (B) the State agency limits its activities to those permissible for a corporation organized under section 25(a) of the Federal Reserve Act; (4) no foreign bank or company of which it is a subsidiary may directly or indirectly acquire any voting shares of, interest in or substantially all of the assets of a commercial lending company located outside of its home State unless (A) the acquisition is approved by the bank regulatory authority of the State in which such commercial lending company is to be located, and (B) the commercial lending company limits its activities to those permissible for a corporation organized under section 25(a) of the Federal Reserve Act; and (5) no foreign bank may directly or indirectly acquire any voting shares of, interest in or substantially all of the assets of a bank located outside of its home State unless such acquisition would be permissible under section 3 of the Bank Holding Company Act of 1956 if the foreign bank were a bank holding company the operations of whose banking subsidiaries were principally conducted in the foreign bank's home State."

(b) Unless its authority to do so is lawfully revoked otherwise than pursuant to this section, a foreign bank may continue to operate, outside its home State, any branch, agency, or commercial lending company subsidiary, or bank subsidiary whose operation was lawfully commenced, or whose establishment had been approved by the appropriate State authority, prior to May 23, 1977."

Explanation: This amendment would impose interstate restrictions on the establishment of offices of foreign banks in the U.S. The standards of the McFadden Act would be applied to Federal branches and agencies while the permissibility of State branches of foreign banks outside of the foreign bank's home State would be left to State law. This will enable foreign banks to take advantage of any reciprocal State branching statutes that may be enacted. State agencies and commercial lending companies outside of the foreign bank's home State would be permitted so long as they limit their activities to international or foreign banking such as is permissible for Edge Corporations in the U.S. Offices established before May 23, 1977, the date of introduction of this legislation in the House of Representatives, would be grandfathered.

The Board believes that imposing interstate banking restrictions on foreign banks is consistent with the principle of national treatment. Nevertheless, the Board is cognizant of the argument that U.S. banking organizations operate on a multistate basis through loan production offices and nonbanking subsidiaries and that foreign banks do not have a competitive advantage as a result of their ability to establish offices in more than one State. While not persuaded by that argument, the Board would not object if State agencies and commercial lending company subsidiaries of foreign banks were exempted from the interstate banking prohibitions without being required to limit their activities to international banking or finance.

15. Page 14, strike lines 16 through 23 and page 15, strike lines 1 through 7 and insert in lieu thereof the following:

"(c) For the purposes of this section, the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in more than one State, is whichever of such States is so determined by election of the foreign bank, or, in default of such election, by the Board."

Explanation: Because agencies and commercial lending companies perform many of the same banking functions as branches and subsidiary banks, they are of comparable signifiance in determining a foreign bank's home State. The fairest and the simplest method for determining a foreign bank's home state would be to allow the foreign bank to choose from among the States in which it has an office on the date of enactment, regardless of the form of organization.

16. Page 16, line 11, strike "in which the deposits of a bank organized and existing."

17. Page 16, strike line 12.

Explanation: These amendments would require that all branches of foreign banks be federally insured regardless of whether such insurance is required as a matter of State law for State chartered banks.

18. Page 16, strike line 25.

19. Page 17, strike lines 1 through 24.

20. Page 18, strike lines 1 and 2, renumber remaining section 6(c) accordingly.

Explanation: The stricken language would limit insured deposits to deposits payable in the U.S. to (1) a citizen or resident of the U.S. (2) firms created under U.S. or State law having their principal place of business in the U.S. or (3) individuals or firms which the Board of Directors of the FDIC determines to have such business or financial relationships in the U.S. to make the insurance of their deposits consistent with the purposes of the Federal Deposit Insurance Act. The Board of Directors of the FDIC would also be authorized to prescribe any additional criteria for insurance coverage.

Federal deposit insurance is not customarily limited to U.S. citizens or residents. It is the Board's judgment that deposits in insured branches of foreign banks should be covered in the same manner and to the same extent as deposits at domestic institutions. Should the Board of Directors deem it necessary to establish separate classifications of deposits at such branches, it appears that section 3(m) of the Federal Deposit Insurance Act affords adequate legal authority to do so.

21. Page 18, line 8, insert "or agency" after "branch".

22. Page 18, strike lines 13 through 16 and insert in lieu thereof the following:

"'(B) in the case of a State branch, agency or commercial lending company controlled by one or more foreign banks or by one or more foreign companies that control a foreign bank, and'".

23. Page 18, line 19, strike "or a foreign bank having an insured," and insert a period after "bank".

24. Page 18, strike line 20.

Explanation: The proposed amendment would establish the Federal Reserve rather than the FDIC as the "appropriate Federal banking agency" for foreign banks and their State branches, agencies and commercial lending company subsidiaries. Since section 7 provides that reserves shall be maintained on deposit liabilities of these facilities as if they were member banks, it is logical that the Federal Reserve assume general supervisory responsibilities. Moreover, this change is consistent with section 11 of the IBA and would minimize the undesirable situation where more than one Federal agency would be designated as the appropriate Federal banking agency for an institution.

25. Page 22, strike lines 15 through 24.

26. Page 23, strike lines 1 through 10, renumber remaining section 6(c) accordingly.

Explanation: These amendments would delete the requirements that foreign banks with insured branches submit reports of condition to the FDIC. Section 7(c)(2) of the IBA requires branches, agencies and commercial lending companies of foreign banks to submit reports of condition to the Board to the same extent and in the same manner as if the branches, agencies, or commercial lending companies were State member banks. Requiring foreign banks with insured branches to submit reports of condition to the FDIC would be duplicative. Moreover, pursuant to section 7(a)(2) of the Federal Deposit Insurance Act, the FDIC would have access to reports of condition submitted to the Board or the Comptroller.

27. Page 24, line 3, strike "of Directors" and insert "of Governors of the Federal Reserve System".

28. Page 24, lines 8 and 9, strike "in effect at the time such bank makes its application under section 5(b) of this Act,".

29. Page 24, lines 10 and 11, strike ", but the Board of Directors." Insert a period after "country" and insert "The Board of Directors in acting on applications by foreign banks under section 5(b) of this Act".

Explanation: These amendments conform to proposed amendments designating the Board as the appropriate banking agency for foreign banks and their branches, agencies and commercial lending company subsidiaries.

30. Page 25, add the following new subsection after section 6(c)(14) and renumber section 6(c) accordingly:

"(15) The second and third sentences of section 8(a) are amended by inserting 'or Federal branch of a foreign bank' after 'or a district bank,'; by inserting 'or State branch of a foreign bank' after 'State bank,'; and by inserting 'or insured foreign bank,' after 'State member bank,'" in each sentence.

Explanation: This amendment conforms the procedures for termination of deposit insurance to the fact that insured branches may be subject to various bank supervisory agencies.

31. Page 27, strike lines 19 through 25, and insert in lieu thereof:

"(16) The second sentence of section 10(b) is amended by inserting 'or insured branch of a foreign bank' after 'State member bank'".

32. Page 28, strike lines 1 through 6.

Explanation: One of the Board's major proposed amendments is that the Federal Reserve should have examination authority with respect to U.S. offices of foreign banks. These amendments and amendments to section 7(c)(2) of the IBA would authorize the Board to examine branches, agencies and commercial lending companies of foreign banks. The FDIC would be authorized to conduct special examinations of insured foreign bank branches for insurance purposes and, pursuant to section 7(a)(2) of the Federal Deposit Insurance Act, would have access to the reports of examination made by the Federal Reserve. Because examination would be required as a matter of Federal law, the Board does not believe that a commitment by the foreign bank to permit examination is necessary as a condition to insurance.

33. Page 29, added the following new subsection after section 6(c)(25) and renumber section 6(c) accordingly:

"(26) Section 18(c) is amended by adding "or an insured branch of a foreign bank" after "(except a district bank)" in section 18(c)(2)(B).

Explanation: This amendment would designate the Board as the "responsible agency" in the event of a merger, acquisition of assets or assumption of liability to pay deposits of an insured bank by an insured branch of a foreign bank.

34. Page 30, strike lines 3 through 5 and renumber section 6(c) accordingly.

Explanation: This amendment conforms to section 7(a)(1)(B) of the IBA which authorizes the Board to make provisions of section 19 of the Federal Reserve Act (including provisions regarding interest on deposits) applicable to branches, agencies and commercial lending companies of foreign banks.

35. Page 30, line 10, insert a period after "thereof" and strike the remainder of the line.

36. Page 30, strike lines 11 through 18.

Explanation: Foreign banks with insured branches (but not foreign banks with U.S. agencies) would apparently be subject to section 23A of the Federal Reserve Act by virtue of section 18(j) of the Federal Deposit Insurance Act. The proposed amendment would exempt foreign banks with insured branches from section 23A of the Federal Reserve Act.

Section 23A of the Federal Reserve Act sets restrictions as to amount and required collateral for loans to affiliates of member banks. The objective of the statute is to prevent misuse of a bank's resources stemming from large-scale "non-arm's-length" transactions. The complexities of interpreting section 23A, however, have created problems for the Board in enforcing the statute's provisions. These problems were described in a memorandum attached to the Board's letter of March 7, 1978, addressed to Chairman Proxmire. One problem in particular involves the question of the treatment to be afforded transactions among bank subsidiaries of the same holding company parent i.e. should sister banks be treated as the equivalent of a branching system or as separate corporate entities? The problems associated with enforcing section 23A with respect to domestic institutions would be even more complicated if applied to the interstate network of branches, agencies, and subsidiary banks operated by foreign banks.

Section 7(d) of the International Banking Act directs the Board to report to the Congress within two years its recommendations as to requirements "such as loans to affiliates" which should be imposed on foreign banks. It would be unwise to subject only one part of foreign bank operations in the United States to section 23A requirements. The better course would be for the Board to analyze the issue and, based on that analysis, submit recommendations as directed in section 7(d) of the IBA.

37. Page 32, line 3, insert the word "bank or" after "any".

38. Page 32, line 19, insert "bank or" after "A".

39. Page 33, line 13, insert "bank or" after "any".

40. Page 33, line 15, insert "bank," after "agency.".

41. Page 33, line 19, insert "bank," after "agency,".

42. Page 33, line 22, insert "bank," after "agency,".

43. Page 33, line 23, insert "bank," after "agency,".

44. Page 34, line 2, strike the word "and" and insert ", and 'bank'" after "'commercial lending company'".

Explanation: These amendments would authorize the Board to make reserve and interest rate requirements applicable to U.S. subsidiary banks of foreign banks. Other provisions of section 7 of the IBA are also made applicable to subsidiary banks. As the Board has stated previously, Federal monetary controls should apply to all operations of a foreign bank in the U.S. without regard to the organizational form or forms that the foreign bank chooses for its operations.

45. Page 34, strike lines 5 through 14.

46. Page 34 line 15, strike "(2)" and insert "(c)" before "Each".

47. Page 34, line 19, strike "paragraph 20 and the provisions requiring the" and insert in lieu thereof the following:

"(1) paragraphs 7, 8, and 20 and the reporting requirements of paragraphs 6 of section 9 of the Federal Reserve Act (12 U.S.C. 325, 326, 335 and 324); (2) subparagraph (a) of section 11 of the Federal Reserve Act (12 U.S.C. 248(a)); and (3) paragraph 5 of section 21 of the Federal Reserve Act (12 U.S.C. 483), to the"

48. Page 34, strike lines 20 and 21.

Explanation: An essential element of a Federal system of regulation and supervision of the U.S. operations of foreign banks is central examination authority. Such authority is necessary in order to carry out the various provisions of the IBA and to ensure the safety and soundness of the United States banking operations of foreign banks. Furthermore, examination authority is needed if the Federal Reserve is to adequately inform itself in the process of making the discount window available to U.S. offices of foreign banks.

49. Page 35, lines 4, insert the following new subsection:

"(d) Unless the Board determines that adequate provision exists under the laws of the State in which each agency or branch of a foreign bank is established or operating pursuant to State law, each foreign bank shall hold in each State in which it has a State branch or agency the same amount and types of assets that would be required of a Federal branch or agency in that State pursuant to section 4(g)(4) of the International Banking Act of 1978."

50. Page 35, line 5, strike "(d)" and insert "(e)".

Explanation: It is recommended in new section 7(d) that the domestic asset requirements for Federal branches and agencies (section 4(g)(4)) also be applied equally to all State branches and agencies. If State law contains an adequate provision to protect domestic depositors and creditors there would be no additional requirement.

51. Page 35, line 14, strike "banks covered by", strike lines 15 and 16, and insert in lieu thereof "foreign banks in order to carry out the purposes of this Act."

Explanation: The proposed amendment makes clear that the matters on which the Board is required to report in two years may involve issues of a general supervisory nature and issues of competitive equality in addition to issues involving the safety and soundness of banking operations.

52. Page 36, line 7, strike "After" and insert in lieu thereof "Until".

53. Page 36, line 7, strike the word "no" and insert in lieu thereof "a".

54. Page 36, line 14, insert a period after "date" and strike "unless author-".

55. Page 36, strike lines 15 to 17.

Explanation: Because subsection (b) is an exception to a prohibition, it should be phrased in the affirmative.

56. Page 36, line 18, strike "notwithstanding the pro-".

57. Page 36, line 19, strike "hibitions of subsection (b) of this section,".

Explanation: The prohibitions arise as a result of § 4(a) of the Bank Holding Company Act being made applicable to foreign banks by subsection (a).

58. Page 37, line 3, insert a semicolon after "acquisition)" and strike "and may retain".

Page 37, strike lines 4 through 11.

Page 37, line 12, strike "Company Act of 1956;".

Explanation: Section 8(c) of the IBA permanently grandfathers foreign banks' nonbanking interests commenced prior to May 23, 1977. According to section 8(c), a foreign bank or other company subject to the IBA on the date of enactment (a) may continue to engage in nonbanking activities in the U.S. in which directly or through an affiliate it was lawfully engaged on the grandfather date and (b) may retain direct or indirect ownership or control of any voting shares of any nonbanking company that it owned, controlled or held with power to vote on the grandfather date so long as the company whose shares are held does not engage in any activities other than those permissible under the grandfather clause or other exception to section 4 of the Bank Holding Company Act. For purposes of the grandfathering subsection, "affiliate" means any company more than five per cent of whose voting shares are held by a foreign bank or company.

Section 4(c)(6) of the Bank Holding Company Act permits the acquisition by a bank holding company of up to five per cent of the voting shares of any company. As described in "(a)" above, interests of five per cent or more of the voting shares of nonbanking companies i.e. affiliates, held prior to May 23, 1977, would be grandfathered. It appears, therefore, that the grandfather clause described in "(b)" above with respect to retention of voting shares is redundant and may be struck. In order to retain its grandfathered activities, whether engaged in directly or through an affiliate, the foreign bank or company would have to restrict its activities in the U.S. to those engaged in prior to the grandfather date.

59. Page 40, strike lines 8 throuh 14.

Explanation: The principal purpose of the definitional subsection was to prevent large U.S. banking organizations with significant foreign banking operations from being able to use the exemption of § 2(h) of the Bank Holding Company Act. In its present form, however, the subsection would have the unintended result of denying eligibility for § 2(h) exemption to a foreign bank that operates through branches outside the U.S. but operates in the U.S. through a subsidiary bank. In that case, even though the banking business conducted by the foreign bank's branches may be greater than that of its U.S. subsidiary, the U.S. subsidiary bank would technically be its "principal banking subsidiary" and the foreign bank would not be considered to be principally engaged in the banking business otuside the U.S. The Board believes that its authority under § 5(b) of the Bank Holding Company Act to issue regulations and orders to carry out the purposes of the Act and to prevent evasions thereof, is sufficient to prevent any U.S. banking organization from availing itself of the § 2(h) exemption. It is not expected that the question of what is a domestic office for purposes of § 2(h) will present a problem in administering that section.

60. Page 40, strike line 15 and insert in lieu thereof "STATEMENT OF POLICY AND INTERAGENCY CONSULTATION CONCERNING FOREIGN BANK OPERATIONS".

61. Page 40, lines 16 and 17, strike, "The Secretary of the Treasury in issuing guidelines under this section, and the" and insert in lieu thereof "The".

62. Page 41, line 2, strike ", but" and insert a period after "institutions".

63. Page 41, strike lines 3–18.

64. Page 41, line 19, strike "(c)" and insert "(b)".

65. Page 42, line 4, strike "(d)" and insert "(c)", line 13, strike "(e)" and insert "(d)".

66. Page 43, line 3, strike "(f)" and insert "(e)".

Explanation: These amendments would eliminate the requirement for detailed Federal guidelines for foreign bank entry into the U.S. The statement of national policy contained in section 9 and the requirement for interagency consultation, including consultation with the Departments of State and Treasury, will ensure that important national issues are considered.

67. Page 42, line 2, strike "He" and insert "Except in the case of an emergency or to prevent the probable failure of a bank, he".

68. Page 42, line 11, insert ", except in the case of an emergency or to prevent the probable failure of a bank," after the word "and".

69. Page 42, line 24, insert ", except in the case of an emergency or to prevent the probable failure of a bank," after the second word "and".

Explanation: These amendments would eliminate the necessity of a 30-day waiting period in case of emergency or failing bank takeovers.

JUNE 16—A DAY TO REMEMBER THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, this past Friday was June 16, not a date most of us remember. Friday was not a national holiday, an international day of mourning, or the date of an important battle.

It was on June 16, 1949 that Harry S. Truman transmitted a copy of the Genocide Convention to the Senate for its advice and consent. President Truman supported ratification of the treaty because he believed it would establish the moral leadership of this country in an area of international concern.

Twenty-nine years have passed since then. Not only have we failed to provide leadership in declaring genocide an international crime, but we have still failed to ratify this treaty. In fact, 82 nations have approved the treaty while we have not.

President Truman would be shocked if he were alive today, to hear that this treaty is still pending before this chamber. For Truman, and the six Presidents who followed him, the treaty clearly represented a contribution to world peace, a statement for human rights, and a condemnation of mass murder.

Today it means more. Our refusal to support the treaty signifies moral hypocrisy on the part of this Nation. Prolonged debate over this document illustrates indecision and the inability to define our responsibilities at home and abroad. It has been a constant source of embarrassment.

Over the last 29 years, the world has witnessed countless atrocities. Millions have been victims of genocide—the Kurdish people in Iraq, the Bengalis in East Pakistan, the Hutus in Burundi, the Ibos in Nigeria, and many peoples of the world today.

It is impossible to estimate how many lives might have been spared had we ratified the treaty in 1949. We will never know how much suffering we would have been able to relieve had we stood firmly behind the Genocide Convention 29 years ago. But, for every year that we wait, the list of genocidal crimes only grows longer.

Mr. President, I ask unanimous consent that a copy of President Truman's statement to the Senate 29 years ago today be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INTERNATIONAL CONVENTION ON THE PREVENTION AND PUNISHMENT OF THE CRIME OF GENOCIDE

Message from the President of the United States transmitting a certified copy of the convention on the prevention and punishment of the crime of genocide, adopted unanimously by the General Assembly of of the United Nations in Paris on December 9, 1948, and signed on behalf of the United States on December 11, 1948

June 16, 1949—Convention was read the first time and the injunction of secrecy was removed therefrom. The convention, the President's message of transmittal, and the report by the Acting Secretary of State were referred to the Committee on Foreign Relations and ordered to be printed for the use of the Senate

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THE WHITE HOUSE, *June 16, 1949.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the convention on the prevention and punishment of the crime of genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948, and signed on behalf of the United States on December 11, 1948.

The character of the convention is explained in the enclosed report of the Acting Secretary of State. I endorse the recommendations of the Acting Secretary of State in his report and urge that the Senate advise and consent to my ratification of this convention.

In my letter of February 5, 1947, transmitting to the Congress my first annual report on the activities of the United Nations and the participation of the United States therein, I pointed out that one of the important achievements of the General Assembly's first session was the agreement of the members of the United Nations that genocide constitutes a crime under international law. I also emphasized that America has long been a symbol of freedom and democratic progress to peoples less favored than we have been and that we must maintain their belief in us by our policies and our acts.

By the leading part the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to my ratification of this convention, which I urge, the Senate of the United States will demonstrate that the United States is prepared

to take effective action on its part to contribute to the establishment of principles of law and justice.

HARRY S. TRUMAN.

Mr. JAVITS. Mr. President, will the Senator yield to me at this point? I am so full of admiration for the Senator from Wisconsin. I said in a speech in New York the other day that the Senator from Wisconsin is so deeply convinced of the morality, let alone the propriety in international affairs, of the Genocide Treaty that he does not address it every week or every month but every day.

I must again, now that I am in the Chamber, express my admiration for the Senator.

Mr. PROXMIRE. Mr. President, I want to thank my good friend from New York, who is not only a staunch supporter of the Genocide Treaty but he has worked so hard for so many years as a member of the Foreign Relations Committee, sitting in the critical position to move it ahead, and I think if we ever get this adopted, and I hope and pray we will, that he will deserve a great deal of the credit for doing so.

GAO REPORT ON LOCKHEED STEEL PURCHASE

Mr. PROXMIRE. Mr. President, last year the Chairman of the Renegotiation Board alleged that a large amount of steel purchased by the Lockheed Corp., was unaccounted for although it had been billed to the Government as part of the costs of constructing a number of Navy vessels. The allegation by the Renegotiation Board was denied by the Lockheed Corp.

I asked the General Accounting Office to investigate the charge and resolve the dispute. GAO has concluded its inquiry and finds that the allegation by the Renegotiation Board was unfounded. GAO believes the Board's miscalculation was based on an erroneous assumption that increased costs of the Navy ship program was due to increased steel usage.

GAO also found that Lockheed could not account for all of the steel purchased and charged to the Navy shipbuilding accounts. GAO points out that the Navy did not require Lockheed to keep such accounts. However, the failure to keep accurate detailed accounts of steel purchases on Navy ship contracts seems to me a questionable practice.

I request unanimous consent that the GAO June 8, 1978, letter response to my request for an inquiry into this matter be inserted in the RECORD at the close of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C. June 8, 1978.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate.

DEAR MR. CHAIRMAN: In response to your August 8, 1977, request, we reviewed the Renegotiation Board's allegation that 117 million pounds of steel was unaccounted for and had been billed or was claimed to have been used for seven amphibious transport docks (LPDs) constructed by Lockheed Shipbuilding and Construction Company, Seattle, Washington. Lockheed, on the other hand, states that all steel is accounted for and that there is, therefore, no basis for the Board's claim. Our review included examinations of appropriate records and discussions with officials at Lockheed Shipbuilding and Construction Company, the Lockheed Corporation, the Department of the Navy, the Renegotiation Board, the Defense Contract Audit Agency, Arthur Young and Company, and the Shipbuilders Council of America.

We conclude that the allegation by the Chairman of the Renegotiation Board is unfounded. The Board estimated that Lockheed had charged $18.1 million for 208 million pounds of steel for the LPD program. Our review, a Lockheed internal audit, and an independent accounting firm study, indicate that Lockheed spent about $10.8 million for about 134 million pounds of steel. We have concluded that the primary reasons for the Board's miscalculation was an erroneous assumption that increased costs of the LPD program were due to increased steel usage.

Although Lockheed could not account for all of the steel purchased to the LPD cost accounts, this was not a contractual requirement. Since the contracts were competitive, firm fixed priced, the Navy did not require, and Lockheed did not keep, records showing how the steel was used. In addition, the amount of steel actually used did not affect the cost to the Government since the contract was firm fixed priced.

Our findings have been discussed with Navy, Lockheed, and Renegotiation Board officials. Renegotiation Board officials stated that their concern in raising this issue was whether renegotiable business data was improperly reported to the Board since profits would be reduced by overstated costs charged to the LPD contract. Navy and Lockheed officials concurred in our findings.

We regret that obtaining access to the work of the Federal Bureau of Investigation at Lockheed delayed our response to you. We trust the information provided is responsive to your needs.

We will contact your office at a later date to arrange for the release of the report.

Sincerely yours,

R. F. KELLER,
Acting Comptroller General of the United States.

HOW CARTER CAN STOP INFLATION

Mr. PROXMIRE. Mr. President, Leonard Silk of the New York Times is as practical an economic observer and as astute an analyst as this country possesses.

Yesterday an article by Silk appeared in the New York Times Magazine section entitled "How Carter Can Stop Inflation."

Because I hope as many of my colleagues as possible will read it, I am calling it to the attention of Congress today.

Mr. Silk spells out how serious and dangerous the inflation problem has become. He discusses the various proposals to meet the problem and the immensely difficult problems each of them imposes, and then he concludes with a solution.

His solution is for the country to try the tax-based incomes policies that have been suggested by Gov. Henry Wallich of the Federal Reserve and Dr. Arthur Okun of Brookings.

Silk's support for TIP is probably the most significant the proposals have had.

TIP would work by providing a tax incentive for holding down wages and prices. We have just recently had hearings before our Senate Banking Committee on inflation and on TIP. The proposal has the serious weakness of all systems that would do anything about inflation, that is, it is vigorously opposed by management and labor, and it is called a gimmick that does not go to the heart of the problem by many others including some members of our committee.

On the other hand, it has the advantage of being the only—literally the only—show in town. There just is not any other proposal that has a prayer of being enacted and has any chance of doing anything significant to retard inflation.

TIP has the virtue of aiming at the heart of inflation, that is, wage increases that exceed productivity increases—in a word, wage costs. It provides not rhetoric, not Government-mandated price or wage fixing, but a fixed, easily determined, tax benefit that can tell a labor union or business executives engaged in making a pricing decision, precisely how much they have to gain if they hold down wages and hold down prices.

How about the cost to the Federal Government of providing this kind of tax cut? Okun gave the committee a very practical answer: The Congress and the President are intent on cutting taxes anyway this year—probably by $20 billion; why not use some of that tax cut, maybe even most of it, for the most useful present economic purpose? And that, of course, would be to retard inflation. And this is what TIP would do.

Mr. President, I have asked the authors of TIP to draft their proposal into legislative form, so it can be introduced, so we can have hearings on it, and determine whether or not to act on it.

The Senate and House may say no to this, and they may say no rather emphatically. Right now I think that is just what they would do. On the other hand, this is a practical, available way to fight inflation, without provoking a recession. It could work. So why not consider it?

I ask unanimous consent that the Leonard Silk article from the New York Times be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine, June 18, 1978]

HOW CARTER CAN STOP INFLATION

(By Leonard Silk)

Inflation begins as a social good, not as an evil. Take what happened during the French Revolution. It started out as a simple, Spartan reaction to the extravagant, lascivious, pleasure-loving habits of the aristocrats. But, because it frightened businessmen and drove capital out of the country, commerce and trade stagnated. To cure the stagnation, the Revolutionary Government printed paper money, the so-called *assignats*, issued against the security of the vast public lands confiscated from the church and the emigrant noblemen. At first the *assignats* got the country humming again and revived employment. But the initial success created demands for more. As more and more *assignats* rolled off the printing presses, prices soared and a new disease infected the

French character. Speculation and gambling became epidemic; some gamblers rushed to the stock market, others to the roulette wheel. Workers loafed; productivity lagged. Businessmen, looking for the big kill, stopped going after small gains by investing in plant and equipment or making step-by-step technical improvements. Corruption spread to government; the public grew cynical about politicians who enriched themselves while mouthing the rhetoric of popular reform.

Is the American character feeling the effects of the same deceptive potion, suffering from the same runaway disease? Inflation, brought on in large measure by well-intentioned governmental action designed to promote the public good, is now rampant: 30-cent candy bars, 50-cent shoe shines, $4 movie tickets, electric bills outrunning the cost of the old mortgage payments, three-bedroom houses going for $100,000; the price of beef jumping 6.6 percent in one month. Wall Street trading 50 million shares in a day; gambling casinos spreading from Las Vegas to Atlantic City, and, to complete a circle, gambling-company stocks booming on Wall Street. Money is flowing out of the country to pay oil bills, and flowing back in to bid up farm land in Iowa, California, South Carolina—and buy banks in New York, Atlanta, Washington. The national debt is growing, the value of the dollar eroding, and the nation is running faster and faster to stay in the same place.

So now the Carter Administration boldly proclaims that something must be done. It appoints a new inflation fighter, Robert S. Strauss, who says: "Obviously, we can't live with 6.6 percent increases every month." It declares inflation the nation's No. 1 problem, and it sets forth a "deceleration strategy" to clear up the trouble by enlisting the "voluntary cooperation" of business and labor.

That something must be done is correct. The question is whether what is being tried, or is likely to be tried, will work, or whether we must, inevitably, prepare ourselves for the emergence of some kind of 20th-century American Napoleon, or, at least, for the shock of another Great Depression Or, indeed, whether anything reasonably, acceptable to the many conflicting interests in this country has any chance of working.

To begin with, the very term "No. 1 problem" is a political cliché, implying, as an older cliché had it, that a solution is just around the corner. More accurately, one has to say that the country is in a broad, complicated economic mess. The name of the problem is not inflation; rather, it is inflation and unemployment—in an increasingly interconnected and complicated framework of world trade, limited world resources, endangered environment and important shifts in global power. To treat it in a vacuum is to guarantee failure.

In his early days in the White House, Jimmy Carter didn't greatly pretend to treat it in any serious way at all. He proclaimed national unemployment as the chief problem, but in actuality neither inflation nor unemployment seemed to be his true concern. This President's resistance to involvement in grand national economic policy (macroeconomics) has gone even below the grand national average of past Presidents. Rather, Mr. Carter's concern was energy, the moral equivalent of war. Or perhaps the reorganization of the Government. Or foreign policy and morality. Or politics. In any event, it was certainly not macroeconomics.

With the help of Congress, Jimmy Carter has, in fact, needlessly exacerbated inflation. The momentum of rising prices has been accelerated during his Administration by a whole series of Governmental actions: the removing of larger portions of farm acreage from production, to increase farm income; the forming of "orderly marketing agreements"—for instance, cutting the shipment of price-competitive Japanese goods to the United States; providing "trigger" prices to protect American steel and taking other protectionist measures to reduce competition from abroad and help raise prices here; benignly neglecting the dollar (or, as the Europeans charge, the "malign," deliberate efforts to talk the dollar down), pushing up both import costs and the prices of competing American goods; increasing, the minimum wage, which not only pushed up labor costs and hence prices but which also helped to shut those at the bottom—such as blacks and inner-city youth—out of jobs, thereby worsening both inflation and unemployment. While unemployment has been brought down from 8 to 6 percent—still high by postwar standards—the jobless rate remains at 12 percent for all blacks, 17 percent for teen-agers in the labor force and almost 40 percent for minority youth in the central cities.

On both the jobs and inflation fronts, there have been other self-inflicted wounds, as Arthur Okun, President Johnson's economic adviser, calls them: Higher payroll taxes for social insurance, which feeds directly into inflation and reduces employment; a federally promoted inflationary settlement to end the coal strike. And there were sins of omission—particularly Mr. Carter's abandonment right after the election of his campaign support of some sort of "incomes policy," including prenotification by business and labor of major wage and price actions.

The rate of rise in consumer prices accelerated from 4.8 percent in 1976 to 6.8 percent in 1977.

So countervailing pressure mounted on the President to put together a firmer and clearer anti-inflation policy, and, in his Economic Report in January, a vague guideline was set forth for business and labor: "Every effort should be made to reduce the rate of wage and price increase in 1978 to below the average rate of the past two years." This rate of deceleration was not expected by the Administration to be uniform; different industries were in different situations with respect to location, structure, profits, costs, etc. Yet industry and labor would be asked to cooperate with the Administration because, "if a program for deceleration of inflation is to succeed, it will require strong efforts and cooperation at the level of individual industries. Thus, early discussion between Government and individual industry and labor groups with respect to specific inflation problems would be an important part of the deceleration effort."

This seemingly urgent pronunciamento was then permitted to slip into apparent nothingness. Worse, it was replaced by three of the Administration's more important inflationary measures: the set-aside acreage program for farmers, the trigger-price system for steel and the inflationary settlement for the coal miners. There were strong political pressures on the President, admittedly, for all of these actions. But anti-inflation forces are not without political weight, and these gathered strength in the first quarter of 1978 as consumer prices, which had been assumed to have reached an inflationary plateau of about 6 percent, roared up at a 9.3 percent annual rate. Consumers moaned, and the President fell lower in the polls.

On April 11, after more than a year lost in dithering about inflation, Jimmy Carter began to take concrete action. He announced that he would take the dramatic step of putting a 5.5 percent "cap' on the pay raise of Federal white-collar employees, due next October. That would be about 1 percentage point less than assumed in his January budget. And he would freeze the salaries of executive-level Federal employees. Thus Government would set an example for private industry.

But that was only the beginning. The President would reduce regulations that imposed "unnecessary costs" on private business; he would look for ways to let more timber be cut on Federal lands; he would urge Congress to hold down hospital costs and deregulate the airlines. Most important, he made the Robert Strauss appointment. Mr. Strauss, you'll remember, was the fellow who, as the President's special trade negotiator, had provided the steel industry with the inflationary self-protection and who also settled the coal strike at a wage cost of about 40 percent over three years. Making him the No. 1 inflation fighter was a move that discomforted the Administration's No. 1 economic spokesman, Secretary of the Treasury Michael Blumenthal, but Strauss began immediately to apply his talents of friendly persuasion, learned in Texas politics in association with former Gov. John B. Connally.

Corporate executives, the leaders of General Motors, Ford, A.T. & T. and others, recently indicated that they would hold executive pay increases to about 5 percent. But not all companies thought they could do so, and George Meany, president of the A.F.L.–C.I.O., and other labor leaders were even less obliging; in fact, they were downright resistant to cutting their wage demands to fit the President's guidelines of smaller increases than in the past two years. "The thing to remember," said Albert Zack, a labor spokesman, "is that Jimmy Carter isn't labor's President, and we aren't his labor movement."

Mr. Carter has begun, also, to turn his budget policy around from stimulus to restraint. He trimmed his proposed $25 billion tax cut to $20 billion, and delayed it until the start of 1979; this would shave the budget deficit originally planned for fiscal 1979 of $60 billion by about $10 billion. And the President is promising severe spending cutbacks for fiscal 1980 no matter what the resistance of pressure groups: "I'm perfectly willing," he said combatively, "to meet any special interest group, no matter how benevolent, and hold my own in spite of the political consequences. And that includes business. It includes labor. It includes education. It includes transportation. It includes farmers. It includes all those groups who are very sincere and very good Americans but who have to recognize that this year at least, and perhaps next year as well, we have got to constrain inflation, and I'm willing to take the political heat to do it."

Will the President do what he says? Will the squeaky wheels stop getting the grease? On the record of the first year, skepticism persists. The President has simply not shown himself to be a determined and resourceful fighter against persistent opponents to his economic policy, whatever tentative policy that has been with regard to inflation.

This was particularly true in the always tricky area of monetary matters, where the Federal Reserve Board has a measure of independence "within the Government but not from the Government," as the late Allan Sproul, president of the New York Federal Reserve Bank, used to say, but where the President of the United States usually can get the monetary policy he wants, if he knows what he wants. But chairman Arthur F. Burns of the Fed did just as he pleased with monetary policy, unscathed, and was openly contemptuous of the Carter Administration's economic policy. As James Tobin of Yale, a member of the Council of Economic Advisers under President Kennedy said of Dr. Burns: "His monetary policy was inconsistent with the Administration's overall strategy and objectives; and he sniped at nearly every other aspect of Administration policy. Administration spokesmen not only refrained from the slightest challenge to the Fed on monetary policy, they also suffered Burns's extracurricular attacks in silence. The President pretended, even when finally replacing

Burns at the Fed, that there was never any policy conflict at all. Every informed observer knew he was either disingenuous or confused or both."

Whether Dr. Burns's successor, G. William Miller, former chairman of Textron, Inc., will have as easy a run during the remainder of the Carter Administration as Dr. Burns had in the first year remains to be seen. Mr. Miller did score a quick victory in getting President Carter to trim his tax-cut proposal. The switch at the White House came so suddenly that a Cabinet officer, Secretary of Commerce Juanita Kreps, was not even informed. On the very day she was telling a group of North Carolina bankers that "this is no time to waffle on a major tax cut," the White House was announcing that the President was doing just that.

But even if Mr. Carter becomes a more consistent, stronger and smarter maker of economic policy, could he do the job where so many Presidents have failed?

A review of the record since the Kennedy Administration suggests that Presidents are bound to err on one side or the other—by focusing too much on inflation, or too much on unemployment; by being too stimulative enough; being too willing to resort to controls or too noninterventionist. If Jimmy Carter wobbled, Gerald Ford was steadily hands off, and Richard Nixon leaped from one extreme to another. Lyndon Johnson, in his first major venture as President, swiftly pushed a tax cut through in early 1964. Congress had resisted because the Federal budget was deep in deficit. Mr. Johnson and his Keynesian economists persuaded Congress that the tax cut would not widen but would close the budget gap, by lifting the economy—and tax revenues—higher.

Congress, cajoled and massaged into line by L.B.J., went along in some bafflement, but the miracle worked: National output surged; unemployment declined and the budget gap narrowed, almost closed. In fiscal 1965, the Federal deficit got down to $1.6 billion (this year it is close to $60 billion).

By the end of 1965, the jobless rate was down to 4 percent—the rate that Walter Heller, President Kennedy's economic adviser, had first called the "full employment target." But, whatever you called it, at that point, as the economy kept expanding, prices began to climb. The President's economic advisers, worrying about the buildup in Vietnam, began to call for a tax increase to restrain demand and check inflation. Now L.B.J. would not yield, and he silenced them. He wanted to avoid a raucous debate in Congress over Vietnam, and he did not want to give Congress an excuse for cutting his Great Society social programs. But his "guns and butter" approach failed. By 1968, the Administration was battling to prevent the complete collapse of its economic policy, as well as its Vietnam policy. President Johnson had coerced his economists, made them swallow his guns-and-butter, when they knew the economy needed "symmetrical" Keynesian fiscal restraint.

At every stage, the economists can say that we might have done better if it were not for the politicians. But politics dominates economics in America's mixed economy and democratic political system. Where John Maynard Keynes said that politicians are slaves of some defunct economist, it is closer to the truth to say that most economists are slaves of some politician, soon to be defunct. Like Mr. Johnson, President Nixon also coerced his economists, made them accept rapid growth of the money supply and price-and-wage controls while swallowing the Milton Friedmanian steady-growth-of-the-money-supply doctrine and libertarian noncontrols philosophy. They knew that the President was simply hellbent for a landslide electoral victory. President Ford, in a sense, was the exception, and he probably sacrificed his Presidency to the steady-as-you-go-slow policy in which he and his closest economic advisor, Alan Greenspan, so ardently believed. President Carter has been political in his economics to a fare-thee-well, and, ironically, his farewell to the White House could happen sooner rather than later for just that reason. Gerald Ford was damned for not being political, in this sense, and Jimmy Carter may be damned for being too political.

Not only the last decade and a half but the last century and a half give cold response to the question of whether any President can end inflation and unemployment—that is, deal with stagflation, as it's become known—against an increasingly complex global background and within a system that is still essentially capitalist and free. Waves of boom and inflation have historically been followed by waves of depression and unemployment. Price stability and full employment have scarcely ever coexisted, except for brief periods. The so-called Phillips curve, laid out by A. W. Phillips, a British economist, tracing the trade-offs between unemployment and inflation, is thought of as a recent discovery, but the phenomenon it describes has been familiar through capitalist history. Selig Perlman, a great historian of the American labor movement, spelled out the social reality behind the Phillips curve half a century ago:

"When prices rose and margins of employers' profits were on the increase, the demand for labor increased and accordingly also labor's strength as a bargainer; at the same time, labor was compelled to organize to meet a rising cost of living. At such times trade unionism monopolized the arena, won strikes, increased membership, and forced 'cure-alls' and politics into the background. When, however, prices fell and margins of profit contracted, labor's bargaining strength waned, strikes were lost, trade unions faced the danger of extinction, and 'cure-alls' and politics received their day in court. Labor would turn to government and politics only as a last resort, when it had lost confidence in its ability to hold its own in industry. This phenomenon, noticeable also in other countries, came out with particular clearness in America."

George Meany and the American labor movement have ample confidence today in their ability to hold their own in the economic arena, and they care little about the politics of Jimmy Carter or any other politician. Paradoxically, in ending the threat of a massive depression that would break the confidence of labor—or other pressure groups—and restrain their money demands, modern governments, willing to use Keynesian policy to spur the economy to high levels of employment, have undermined their own political power over the pressure groups.

It is therefore the Keyenesian revolution that has created the problem of chronic inflation, since no downturn is likely to be deep enough, long enough, or catastrophic enough (as depressions were in the past) to turn inflations into deflations and thereby keep long-term price trends relatively stable.

It would be madness to bemoan the passage of the good old days of Depression, with their freight of human suffering and their common resolution in wars. Yet the new age of chronic inflation brings painful problems in its wake, including the need to keep the economy under a measure of fiscal and monetary pressure, lest the inflation get out of hand. The number of possible cures is not infinite. Otto Eckstein, president of Data Resources Inc., a leading economic research firm, has laid out some of the alternatives:

Three to four years of rigid price and wage controls: This system might end inflationary expectations—if it remained intact and no new disasters like a renewed world oil crisis, occurred. But long-lasting price-and-wage controls are probably unworkable over time except under wartime circumstances; political forces, including business, labor and agriculture, are powerfully against them.

Five-to-seven years of unemployment: Date Resources calculates that it would take that long with unemployment at 8 percent to bring the inflation rate below 3 percent. A deliberately induced long depression of that sort is also politically out of the question; even Gerald Ford's much milder version was rejected at the ballot box.

Nibbling policies: chew fractions of decimal point off the price index by a long list of measures to reduce Government subsidies and regulations; make private markets more competitive; free up labor markets; raise productivity; dip into stockpiles; reduce the minimum wage, etc. Some of this can be done; some of it will be done. But it's all politically difficult. And it barely keeps the dust down as new political demands for government help or regulation develop.

Spurs to investment: Tax breaks and investment tax credits may cause business to invest more in more efficient equipment, raise productivity, and thereby check inflation as well as stimulate output. Some of this, too, will be tried, but in the short run more investment may add to inflationary pressure—and it may make the system less stable, as rates of inflation swing up and down.

Spurs to employment: Public jobs programs, manpower training programs, incentives to encourage private hiring are means of targeting Government outlays on the groups hardest to employ; this helps to reduce the unemployment component of stagflation. Whether it reduces the inflation component is dubious; it may exacerbate it. But the job programs are desirable in their own right, as long as stagflation persists.

Incomes policies: A fundamental change in the tax system to provide incentives and disincentives to business, labor and other groups to hold their prices and wages down. Proponents believe that such tax-based anti-inflation policies can be incorporated into the system and still leave decision makers free to make their choices. Opponents believe that the policies will be horrendously complicated, difficult to administer and only constitute a new form of controls.

For the moment, those appear to be the only real choices. And the President still struggles to make up his mind about which one or which combination to try.

My own view is that the first requirement of a long-term program is an effective incomes policy. This has to involve more than jawboning, arm twisting and appeals to patriotism, whether overstated or understated. Most of all, it will require a legislated reform of the tax system to induce noninflationary behavior by both business and labor.

Such a tax-based incomes policy should focus on the largest 2,000 companies, which account for about 85 percent of total business output in the United States. These large companies are the pattern setters for the rest of the country. By sharpening the focus of an incomes policy, we can avoid an administrative jungle. But the sort of policy proposed by such economists as Henry Wallich of the Federal Reserve Board, Prof. Sidney Weintraub of the University of Pennsylvania and Arthur Okun, now of the Brookings Institution, should not be regarded as price-and-wage control. Because we do need a system that will permit prices and wages to play their proper role in allocating resources to their best and most efficient uses. No incomes policy can be expected to work flawlessly and untouched by human hands. However, even an imperfect

system can be better than no restraints at all, or than a clumsy and rigid system of controls.

A tax-based incomes policy holds out the hope of minimizing government interference, much as investment tax credits encourage business to spend money on new plant and equipment without requiring government planners to control just how much money corporations should spend and on what. Nor need the policy be unfair to either labor or business. From the standpoint of labor, and the nation as a whole, gains in living standards can be achieved only from increases in productivity. Inflation is both damaging to economic performance and an unfair way of shifting real income from the powerless to the powerful groups of society.

Therefore, a noninflationary incomes policy will require that wage gains be held to the rate of growth of national productivity. Admittedly, given the momentum of existing inflation, getting back to a productivity guideline will take time. In the year or two ahead, a wage guideline might begin at 5 percent, and then come down by 1 percentage point a year until the guideline reaches 3 percent per annum. That would insure a reasonable price stability. To get there, the largest business corporations be provided with a tax incentive leading them to make wage settlements at the guideline level, or with disincentives not to settle above that level. The deterrence should increase as the rate of wage settlements above the guidelines rises.

There are different ways of providing tax incentives or disincentives—for instance, by disallowing corporate income-tax deductions for any excess wage increases or by raising the corporation income tax. Or, as Arthur Okun has proposed, businesses and labor could be offered tax deductions for avoiding excess wage and price increases.

Keeping down the rate of nominal wage gains should not result in real sacrifices for labor, but should only arrest the rate of rise in prices. Wages and other compensation of labor constitute about 75 percent of gross national product and are the main factor in prices. A tax-based incomes policy that held wage gains roughly to productivity guidelines would end the wage-price spiral. It would not result in an explosion of profits, but it would prevent profits from being further eroded, thereby suppressing investment, national economic growth and the creation of more jobs, as has happened during the years of inflation.

Obviously, a tax-based incomes policy cannot work if it is accompanied by an overly stimulative fiscal and monetary policy. At the same time, however, an effective incomes policy would obviate the need for lurches aimed at stopping inflation, which have their main impact on the job market and worsen unemployment. Both fiscal and monetary policy should be designed, like the incomes policy, to be consistent with the long-term growth of national productivity. To deal with concentrated unemployment among minorities, young people, women or people in particularly depressed regions or central cities, the Government needs to target its job programs. It would be better if this targeting were done more toward the private sector, with Government and civic groups working in close collaboration with private business organizations at both the national and local levels.

This spring, the consumer-price rise hit the double-digit level—in effect, shouting out the pressing national need for sound economic policy. Shouting out just as loudly were taxpayers in revolt in California and elsewhere, slashing local-government property taxes, school assessments and bond issues, and the White House is feeling the pressure now from the voters directly. If it is going to adopt a sound economic policy, one that will be effective and enduring, the Government must be consistent and even-handed in its approach to all groups in the society. It loses all credibility when it makes politically expedient exceptions for powerful groups. This will apply not only on the wage-and-price front but also in appropriations in the national budget and tax cuts or "tax expenditures"—that is, special breaks to interest groups that cost other taxpayers more money or drive the Federal budget into deeper deficit.

Fiscal discipline will be essential not only to prevent unneeded and counterproductive budget deficits but also to make room both in the budget and in the national economy for the use of scarce resources to deal with the most urgent national problems, such as energy, urban rebuilding, education and health. When observed from day to day, inflation looks like a series of accidents—an unexpected jump in food prices, a steel strike or a coal strike, a drop in the dollar. But such episodic "accidents" reflect the underlying erosion of national will and purpose that threatens the dissolution of society into a game of threat and bluff among pressure groups. These continuously raise the ante of group against group. But the game is ruinous for the powerless, the poor, the unemployed, the ill, the aged and, in the end, for the whole society. This inflationary squeeze must now be ended. Presidential leadership, Congressional discipline and a change of the rules of the economic game will all be needed if the American system is to be moved away from the course on which it has been stuck through a dozen years of economic mismanagement.

OPENING OF A NEW COMMUTER RAIL STOP AT HARMON COVE, N.J.

Mr. WILLIAMS. Mr. President, this morning Hartz Mountain Industries, Inc., held a ribbon-cutting ceremony to mark the opening of a new commuter rail stop at Harmon Cove, N.J. Harmon Cove is part of a major development in the New Jersey meadowlands consisting of commercial and residential properties.

These meadowlands are familiar to all of those who travel through northern New Jersey, but for centuries the land had been unusable. Now, through the vision, industry and initiative of Hartz Mountain, these meadowlands are being developed for the benefit of our entire State.

I certainly commend Hartz Mountain Industries, particularly Leonard Stern, chairman of the board; Eugene Heller, president; and James Van Blarcom, vice president for residential development, for their foresight and leadership in making this entire project a reality. Too often, we have seen unplanned development which has left people totally at the mercy of cars and highways. Hartz Mountain, Mr. Stern, Mr. Heller, and Mr. Van Blarcom and their associates wisely saw that this magnificent project could best be served by mass transit.

Today's opening was only the second rail stop opening in New Jersey in over three decades. Thus this most innovative effort by a private company is fully deserving of our total praise and appreciation.

My only regret is that my duties here prevented me from being present at the opening this morning. However, I would like all of my colleagues to know of this event which is of great significance not only for New Jersey, but also for everyone who recognizes the importance of mass transit.

Therefore, Mr. President, I ask unanimous consent that the remarks I planned to make at Harmon Cove be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HARRISON A. WILLIAMS, JR.

Good morning.

It's a pleasure to be here with so many good friends to celebrate the opening of a new commuter rail stop.

I am sure all of you share with me the hope that this historic event is a harbinger of many more new initiatives in public transit.

We have all heard by now that this is only the second rail stop opening in New Jersey in over three decades.

During the same period, over 100 stops were closed.

This unfortunate trend paralleled a nationwide decline in public transit services and ridership.

The combination of cheap and plentiful fuel, massive expenditures for highways, and the American love affair with the automobile dealt a near-fatal blow to our nation's mass transit system.

It also had insidious effects on our cities, our environment and our lifestyles.

Fortunately, we realized the folly of allowing our transit network to fall into ruins before it was too late.

In 1964, the Federal government began for the first time to invest in the future of public transportation.

Through the joint efforts of federal, state and local governments, mass transit is making a comeback.

Recent surveys show that the public strongly supports these efforts and favors further upgrading of transit services.

Now Hartz Mountain has demonstrated that private industry can also play an important role in meeting public transportation needs.

The new rail stop shelter with free shuttle bus access and convenient parking will serve the residents and workers already located in Harmon Cove, and will help attract new commercial and residential occupants.

But more than that, with the help of the Hackensack Meadowlands Development Commission, the New Jersey Department of Transportation and ConRail, Hartz has contributed to an environmentally-sound, energy-efficient transportation system for the entire region.

What we see today is a fine example of corporate responsibility, of comprehensive planning and of close cooperation between the public and private sectors.

It is an example for the Nation to follow.

I am delighted to report that the Congress is currently taking action to further assist commuters here at Harmon Cove, throughout New Jersey and the Nation.

The Senate Banking Committee has recently approved legislation which I initiated to give a greater share of federal transit dollars to New Jersey and other urbanized, transit-dependent areas.

Substantially increased funding for New Jersey, both for operating subsidies and capital projects, could mean more trains for this line and better rail access into New York.

The bill will also help to streamline the administrative process and provide better coordination with other surface transportation programs.

I have also sponsored legislation specifically designed to assure the continuation

and allow the expansion of New Jersey's commuter rail services.

This bill, which I hope to incorporate in upcoming amendments to the ConRail legislation, would guarantee that future ConRail contracts for former Erie Lackawanna lines are in the best interests of the commuting public.

In addition, it would require ConRail to provide additional or modified commuter service at the request of the State.

This legislation will help the New Jersey Department of Transportation to meet the demand for more and improved rail service, as more people are attracted by the many benefits this region has to offer.

It will take an the support and cooperation of all levels of Government, private industry and the public to bring our transit system to its full potential.

Today's ceremony marks an important step in that direction.

QUORUM CALL

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SARBANES). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PRINTING REVISED BROCHURE AS A SENATE DOCUMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a brochure, 16 pages in length, entitled "The Term of a Senator, When Does it Begin and End?", as revised, be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOLAR ENERGY AND ENERGY CONSERVATION LOAN PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 11713.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 11713) entitled "An Act to create a solar energy and energy conservation loan program within the Small Business Administration, and for other purposes", with the following amendments:

Page 2, line 2, of the Senate engrossed amendment, strike out "architecturally design" and insert "design architecturally".

Page 3, strike out lines 6 and 7 of the Senate engrossed amendment and insert "Proceeds of loans under this subsection shall not be used primarily for research and development.".

Page 4, line 15, of the Senate engrossed amendment, strike out "concern" and insert "concern: *Provided further*, That such status need not be as sound as that required for loans under subsection (a) of this section.".

Page 5, strike out line 3 of the Senate engrossed amendment and insert "'days after the date of enactment of this subsection.".

"(9) It is the intent of Congress that the paperwork burden and regulatory impact on applicants under this subsection shall be minimized, and that to the maximum extent practicable, the Administrator may rely upon consultation with the Department of Energy and other agencies, upon paid consultants, and upon voluntary public submissions of information to obtain market data, industry sales projections, energy savings, and other economic information needed to carry out the provisions of section 7(1)(1)(D) and (E). Nothing in this subsection shall be construed as precluding the Administrator from using any of his lawful powers to obtain information from applicants."

Page 5, line 24, of the Senate engrossed amendment, strike out "(a)".

Page 6, strike out lines 6 through 15 of the Senate engrossed amendment and insert "$45,000,000 in guaranteed loans.".".

Page 6, strike out lines 16 and 17 of the Senate engrossed amendment and insert:

SEC. 6. Section 10(b) of the Small Business Act (15 U.S.C. 639(b)) is amended by adding the following: "Such report shall contain the number and amount

Page 6, line 25, of the Senate engrossed amendment, strike out "report." and insert "report.".".

Page 7, strike out lines 1 through 14 of the Senate engrossed amendment and insert:

SEC. 7. Section 20(f) of the Small Business Act (15 U.S.C. 649(f)) is amended by striking the first sentence and inserting in lieu thereof: "There are authorized to be appropriated to the Administration for fiscal year 1979 $1,601,750,000 to carry out the programs referred to in subsection (e), paragraphs (1) through (10)."

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by the Senator from New Hampshire (Mr. MCINTYRE) explaining one of the House amendments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. MCINTYRE

The purpose of this statement is to clarify those limited circumstances in which firms may use some of the proceeds of loans under this program to complete research and development or continue research and development on products that are going to market or being marketed. It is my understanding that the House, in making its amendment on this subject, concurs generally with the principles stated below.

LIMITATION ON RESEARCH AND DEVELOPMENT

The purpose of this loan program is to provide small firms with the capital to manufacture and market new energy conservation and renewable energy products and services. It is the intent of the Senate, therefore, that a firm will have completed most, if not all, research and development before obtaining a loan, and that the proceeds of such loans not be used to support extensive research and development efforts. When a small renewable energy or energy conservation firm needs funds primarily to support research and development, it is appropriate that the firm turn to the U.S. Department of Energy, which has substantial grant programs to aid small and large firms in developing these products and services. The SBA should prepare its loan officers to coordinate with the U.S. Department of Energy to assist small businesses in those cases in which research and development are the primary purpose for which funding is needed.

This limitation on the use of loan proceeds for research and development is further reinforced by the fact that Section 18 of the Small Business Act prohibits SBA from duplicating the work or activity of any other department or agency (except services to those engaged in agricultural industries). As a purely practical matter, however, in some instances a firm may need a small amount of funds to complete development of a product or service in order to move ahead successfully with manufacturing or marketing under a business plan. In other instances, good business judgment may indicate that additional development or improvement is warranted for a product which is already on the market. The Committee finds that it makes better policy sense to allow some portion of the proceeds of a loan to be used for research in such instances than to put the firm through two concurrent application processes.

Congress cannot, in advance, specify precisely an appropriate limit or limits on the use of loan proceeds for research and development within individual loan applications. The paramount issues in these cases are (1) whether the amount requested for research and development is large enough that public policy would be better served by having the client apply for a research grant at the Department of Energy, and (2) whether a firm's research/development plan and timetable are integral parts of a business plan that provides reasonable assurance of repayment under the terms of Section 7(1)(7) of the bill.

It is evident to the Committee that this issue will require threshold judgments by the SBA. Rather than leave such judgments to individual loan officers, the SBA may wish to solicit public comment and issue a regulation or a guideline concerning the use of loan proceeds for research and development under this bill. As the SBA gains experience under the program, such regulations or guidelines could be amended as necessary to meet the purposes of the bill.

Mr. ROBERT C. BYRD. In behalf of Senator MCINTYRE, I move that the Senate concur in the House amendments.

The motion was agreed to.

BUDGET ACT WAIVERS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 467. This is the budget waiver for S. 3151, the Department of Justice and related agencies authorization bill.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The resolution (S. Res. 467) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 3151, was considered and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of that Act are waived with respect to the consideration of S. 3151, a bill to authorize appropriations for the Department of Justice and related agencies for fiscal year 1979 and for other purposes.

Such waiver is necessary to permit consideration of S. 3151, the bill authorizing appropriations to be made for the Department of Justice for fiscal year 1979. Enactment of that bill is required by section 204 of Public Law 94–503 which required specific authorizing legislation for the Department of Justice commencing with fiscal year 1979.

Even though committee hearings were commenced on March 22, 1978, final action by the Committee on the Judiciary on

S. 3151 was inadvertently delayed by the press of business both within the committee and within the Senate.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 470, the Budget Act waiver to S. 2937, to amend the Speedy Trial Act of 1974 to provide further authorizations for pretrial services agencies.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The resolution (S. Res. 470) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2937, a bill to amend the Speedy Trial Act of 1974 to provide further authorization for appropriations for pretrial services agencies, was considered and agreed to, as follows:

Resolved, That, pursuant to section 402 (c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 2937, a bill to authorize appropriations for fiscal year 1979 in the amount of $5,000,000 for pretrial services agencies.

Such waiver is necessary in order to insure that the pretrial services agencies will be able to carry out its statutory duties during the fiscal year 1979, on the last day of which its final report is due. The authorization involved is sufficiently small that its consideration will not significantly affect the congressional budget. Further, the authorization was of a kind under consideration and contemplated in the congressional budget for fiscal year 1979. Because the Committee on the Judiciary (1) was engaged in substantial efforts to report out a nomination and (2) was conducting the initial Department of Justice authorization of appropriations hearings which were inadvertently delayed by the press of business both within the committee and within the Senate, the committee was prevented from giving timely attention to the authorization of appropriations for the pretrial services agencies.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONSIDERATION OF CERTAIN MEASURES OF THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order Nos. 835, 836, 853, and 870.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ANNUITY RIGHTS

The Senate proceeded to consider the bill (H.R. 3447) to amend chapter 83 of title 5, United States Code, to grant an annuitant the right to elect within 1 year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant, which had been reported from the Committee on Governmental Affairs with an amendment on page 3, line 14, to strike "1977" and insert "1978".

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-904), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 3447 is twofold:

First, it would amend section 8339(J) of title 5, U.S.C., in order to allow an annuitant, whose spouse has predeceased him, upon remarriage to have 1 year in which to make an election to take a reduced annuity in order to provide for his second spouse.

Second, it will correct an unintended inequity in the Civil Service Retirement system established by Public Law 93-474, by extending to the single Federal civil service annuitant the same benefit that a married annuitant now has, with regard to having his or her full annuity restored to them upon the death of an individual whom the single retiree has provided a survivor annuity for.

BACKGROUND

Survivor annuity election upon remarriage

Under the provisions of title 5, United States Code, relating to civil service retirement, the annuity of a married employee retiring under those provisions automatically is reduced by 2½ percent of the first $3,600 of such annuity and by 10 percent of any amount in excess of $3,600, unless the employee notifies the Civil Service Commission at the time of retirement that he does not wish to provide an annuity for any spouse surviving him. Unless the employee designates a smaller portion of his annuity as the basis for computing the survivor annuity, the survivor annuity is 55 percent of the employee's annuity. Thus, an employee who retires on an annuity of $10,000 may provide for his surviving spouse to receive an annuity of $5,500, and the reduction in his annuity to pay for the spouse's annuity will amount to $708 a year.

If the spouse who was designated to receive a survivor annuity predeceases the retired employee, or if the marriage otherwise terminates, the retired employee's annuity is automatically restored to the full amount which he would have received had he not accepted a reduced annuity in order to provide a survivor annuity. If the retired employee marries again, his annuity is once again reduced, automatically, and his subsequent spouse is automatically entitled to a survivor annuity.

The difficulty with the existing law is that although the retiring employee has the right to elect a survivor annuity at the time of his retirement (or at the time his annuity commences if he is entitled to a deferred annuity), he does not have that right of election if he remarries after the death of the spouse to whom he was married at the time of retirement. Regardless of the economic circumstances which may exist at the time of his subsequent marriage, the opportunity to elect to receive a full annuity, or to accept a reduced annuity with survivorship benefits, is precluded under existing law.

The first section of H.R. 3447 would amend the provisions of title 5, United States Code, relating to survivor annuities, to eliminate the automatic restoration of the annuity reduction and allow the annuitant to decide upon each subsequent remarriage whether to provide a surviving spouse benefit. If the annuitant determines that he does not wish to provide a survivor annuity, he would continue to receive the full amount of his annuity. In order to designate that a subsequent spouse be entitled to a survivor annuity, the annuitant must notify the Civil Service Commission in writing within 1 year after the date of his remarriage.

REINSTATEMENT OF CIVIL SERVICE RETIREMENT SURVIVOR ANNUITIES

The Senate proceeded to consider the bill (H.R. 3755) to provide for the reinstatement of civil service retirement survivor annuities for certain widows and widowers whose remarriages occurred before July 18, 1966, and for other purposes, which had been reported from the Committee on Governmental Affairs with an amendment on page 3, line 13, to strike "1977" and insert "1978".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-905), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The primary purpose of H.R. 3755 is to provide for the restoration of civil service survivor annuities to certain surviving spouses whose annuities were terminated because of remarriage prior to July 18, 1966.

BACKGROUND

Prior to the enactment of Public Law 89-504, approved July 18, 1966, the annuity of a surviving spouse automatically terminated upon remarriage of the surviving spouse regardless of the spouse's age at the time of the remarriage. Public Law 89-504, as amended by Public Law 91-93 (October 20, 1969), modified the survivor annuity provisions to permit continued payment of annuities to survivors who remarried after attaining age 60. This law also provided that in the event of a remarriage by a surviving spouse prior to reaching age 60, the annuity

would terminate but would be restored upon subsequent dissolution of the remarriage. These changes in the survivor annuity provisions were applicable only to surviving spouses who remarried on or after July 18, 1966. Those who remarried before that date continued to be ineligible for survivor annuity benefits.

In addition, the survivor annuity provisions of Public Law 89-504, as amended by Public Law 91-93, applied only to the surviving spouses of employees. Public Law 91-658, approved January 8, 1971, extended similar treatment to the surviving spouses of Members of Congress who died on or after January 8, 1971.

In approving the July 18, 1966, amendments to the survivor annuity provisions (Public Law 89-504) the Congress recognized certain generalities with respect to the economic status of survivor annuitants. Generally, an individual who is 60 years of age or older will find it extremely difficult to obtain gainful employment to offset the loss of income as a result of termination of an annuity because of remarriage. In addition, the new spouse of the survivor annuitant normally will be similarly advanced in years, in many cases retired or approaching retirement with reduced income, and equally unable to provide for a new dependent. Thus, the Congress concluded that continuation of annuity benefits in the case of a survivor who remarried after attaining age 60 was fully warranted.

In the case of a surviving spouse who remarries prior to age 60, the Congress recognized merit in the proposition that the termination of such remarriage should revive the original annuity benefit, subject to an election of benefits in the event the survivor is entitled to a survivor benefit under the civil service retirement system or another retirement system for Government employees by reason of the remarriage. The loss of support again comes into play in such cases and should be relieved.

Obviously, these considerations which served to justify the action of the Congress in 1966 with respect to surviving spouses who have remarried are equally applicable to all surviving spouse regardless of the dates of their marriages. However, since the general policy of the committee has been to refrain from approving liberalizations in retirement benefits that would have retroactive application, the committee and the Congress limited application of the surviving spouse amendments to those who remarried on or after the effective date of those amendments.

On the basis of the testimony received during the hearings on this legislation, the committee now believes that it was wrong to deny similar relief to those surviving spouses who lost their annuities because they remarried prior to the effective date of the 1966 amendments. Clearly, the needs of these individuals are no less than those of surviving spouses who remarried after such effective date.

H.R. 3755 will finally eliminate the inequity created by Public Law 89-504 by providing for the restoration of annuities to surviving spouses of employees who remarried prior to July 18, 1966, and to surviving spouses of Members who died prior to January 8, 1971. Annuities of surviving spouses who remarried after reaching age 60 will be restored on the effective date of the bill. Annuities of spouses who remarried prior to age 60 will be restored on the effective date of the bill or on the first day of the month following the date the remarriage is dissolved, whichever date is later.

The committee urges quick approval of this legislation in view of the fact that the beneficiaries of this legislation—approximately 3,200—are continuously diminishing in number.

PRETRIAL SERVICES AGENCIES

The bill (S. 2937) to amend the Speedy Trial Act of 1974 to provide further authorization for appropriation for pretrial services agencies, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203 of the Speedy Trial Act of 1974 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "; and for the fiscal year ending September 30, 1979, to remain available until expended, the sum of $5,000,000.".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-917), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

S. 2937 would amend the Speedy Trial Act of 1974 to provide continued short-term authorization for appropriations for pretrial services agencies through their 4-year demonstration program, September 30, 1979. In addition, it would provide the necessary funding for completion of the final report to Congress of the Administration Office of the United States Courts on the operation of the pretrial services agencies and recommendations concerning the future of the program, as mandated by Congress, in the Speedy Trial Act of 1974, and due by September 30, 1979.

BACKGROUND

Title II of the Speedy Trial Act of 1974, Public Law 93-619, authorized the Director of the Administrative Office of the U.S. Courts to establish, on a 4-year demonstration basis, 10 pretrial services agencies in representative judicial districts. These districts, central California, northern Georgia, northern Illinois, Maryland, eastern Michigan, western Missouri, eastern New York, southern New York, eastern Pennsylvania, and northern Texas were selected in accordance with the criteria set forth in the statute.

The second title of the Speedy Trial Act is designed to improve the efficiency and deterrent of the criminal justice system. More specifically it is designed to reduce the likelihood that defendants released prior to trial will commit a subsequent crime before trial commences. When Congress passed the Speedy Trial Act it was of the view that more careful selection of pretrial release options for defendants would reduce pretrial crime. Congress further attempted to alleviate the fugitive problem by providing 10 Federal districts on a demonstration basis with sufficient resources to both conduct bail interviews and supervise conditions of release. This approach was applauded by nearly everyone who testified or commented on it during hearings held by the Senate Constitutional Rights Subcommittee prior to enactment of the Speedy Trial Act.

Pretrial service agencies perform two basic functions: First, the compilation and verification of background information on persons charged with the violation of Federal criminal law for the use of the district judge or a U.S. magistrate in setting bail and, second, the supervision of persons released from pretrial custody including the provision of counseling and other pretrial services. The stated objectives of the Act are to reduce pretrial detention and pretrial recidivism.

The funds provided by the Congress in the amount of $10 million for the operation of pretrial services agencies were made available in fiscal year 1975 to remain available until expended. The legislative history of the act indicated that as much as $1 million each year could be spent for the operation of each of the 10 pretrial services agencies and that Congress intended to monitor the operation of these agencies to determine whether additional authorizations for appropriations would be required. Through careful management the initial appropriation of $10 million will provide for the operation of the program through December of 1978. However, the final report of the Administrative Office of the U.S. Courts on the operation of the pretrial services agencies and recommendations concerning the future of the program is not due until September 1979. Sufficient funding is needed to insure the continuation of this program until the Congress has had ample time to consider the final report and determine the future of the program.

The 10 pretrial services agencies have been in operation for 27 months. In fulfillment of their responsibilities these agencies have interviewed more than 20,000 accused persons and provided information to judicial officers to assist them in their release decisions, have supervised more than 11,000 persons released to their supervision, and have provided services to persons released pretrial including counseling and assistance in securing employment, medical, legal, or social services. In certain situations specialized agencies such as drug treatment programs, provided the necessary pretrial services.

The Speedy Trial Act requires extensive data collection designed to satisfy the requirements for annual reports and a final, comprehensive report concerning the administration and operation of the pretrial services agencies by the director of the Administrative Office of the U.S. Courts, including the views and recommendations of the administrative office at the end of the 4-year demonstration program. Preliminary results of the administrative office noted that over 12,000 of the 20,000 persons interviewed have reached final disposition and the data from these cases is now available for analysis.

It is projected that more than 30,000 Federal offenders will have gone through the pretrial services program by the conclusion of the demonstration phase of the program in September 1979. It is anticipated that this data will provide, along with other information, a substantial basis for the evaluation of the program and its impact on the criminal justice system.

COST OF LEGISLATION

Pursuant to section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510), the committee estimates the cost that would be incurred in carrying out this legislation is as follows:

For fiscal year 1979: $5 million, to remain available until expended.

COUNTERING INTERNATIONAL TERRORISM

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 72) countering terrorism, which had been reported from the Committee on Foreign Relations with amendments as follows:

On page 3, line 1, strike "(5)" and insert "(6)";

On page 3, line 15, strike "in committing acts of terrorism";

The amendments were agreed to.

The concurrent resolution was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

Whereas a series of unprovoked terrorist attacks have been conducted against citizens of Israel, Egypt, and Jordan since President Sadat's trip to Jerusalem last November;

Whereas the attacks have resulted in the loss of life and the wounding of civilians, including several Jordanian citizens living on the West Bank, the editor of the Egyptian newspaper Al Ahram on February 18, 1978, and men, women, and children who were trapped in a burning bus or deliberately shot during the attack in Israel March 11, 1978;

Whereas the Palestine Liberation Organization has publicly accepted responsibility for the March 11 attack: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) such acts of terrorism are strongly condemned and are obstacles to peace in the Middle East and thus are against the national interest of the United States;

(2) the Congress extends its condolences and deep sympathy to those wounded and the families of those killed in the terrorist attacks;

(3) the President should direct the executive branch to intensify its efforts to counter international terrorism including use of diplomatic, economic, and security measures taken unilaterally or in cooperation with other nations to terminate assistance received by (a) organizations, groups, or individuals which commit or attempt to commit acts of terrorism and (b) governments which provide any assistance to organizations, groups, and individuals which conspire to commit or actually commit terrorism;

(4) the President should report to Congress within thirty days after the adoption of this resolution with respect to action the executive branch has taken to implement existing laws regarding terrorism, including section 3(8) of the Export Administration Act of 1969, as amended and section 18 of the International Security Assistance Act of 1977 in regard to countries cited under (6) which provide assistance to the Palestine Liberation Organization and other groups involved in terrorist activities;

(5) the President should report to Congress within thirty days on the nature and extent of the activities of the Palestine Liberation Organization office in New York; and

(6) the President should report to the Senate Foreign Relations Committee and the House of Representatives International Relations Committee within thirty days the names of nations which provide to the Palestine Liberation Organization and its constituent groups financial assistance, training, weapons, sanctuary, bases, escape routes, transportation assistance and documents, and other forms of assistance.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-936), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of Senate Concurrent Resolution 72 is to express the sense of the Congress that acts of international terrorism are to be condemned as obstacles to peace in the Middle East and against the national interest of the United States. Senate Concurrent Resolution 72 recommends that the President should direct the executive branch to intensify efforts to counter international terrorism, including use of diplomatic, economic, and security measures taken unilaterally or in cooperation with other nations to terminate assistance received by (a) organizations, groups, or individuals which commit or attempt to commit acts of terrorism; and (b) governments which provide any assistance to organizations, groups, and individuals which conspire to commit or actually commit terrorism. The resolution also requests reports from the President on the implementation of existing statutes designed to combat international terrorism.

BACKGROUND

International terrorism continues to be an increasingly difficult problem for the world—not only because of the harm caused to individual victims but because of the impact on nations and relations between them. The terrorism problem is a continuing one, despite such efforts as tightening airport security and increased cooperation between some nations in the intelligence and security areas. Figures compiled by the Central Intelligence Agency indicated that between 1968 and 1976, there were more than 1,150 acts of international terrorism, claiming about 800 lives. A later set of figures covering the period between 1970 and November 1, 1977, listed 1,775 incidents with the loss of 996 lives.

In major incidents since then, Youssed el Sebai, the editor of Al Ahram and a close associate of President Sadat, was assassinated in Nicosia, Cyprus, on February 18, 1978. The Palestinian terrorists also took hostages, and in a rescue attempt the next day, 15 Egyptian commandoes were killed in Nicosia Airport.

On March 11, a group of eight terrorists landed by rubber boat on the Israeli coast north of Tel Aviv, killed an American woman near the landing spot, commandeered a bus, and, in the ensuing chase, blew up the bus. Thirty-four civilians, including women and children, were killed in the attack, the highest death toll of a terrorist attack inside Israel. According to reports from investigators after the attack, the terrorists intended to seize a hotel and foreign tourists. The terrorists were extremely well armed with Soviet-type weapons, grenades, RPG-7's, and machineguns. Al Fatah, the military arm of the PLO, publicly said it had conducted the operation. Harold Saunders, the Assistant Secretary of State for Near Eastern and South Asian Affairs, told the committee on March 17 that the operational preparations for the attack must have been "very detailed and very precise and long planned."

These incidents were only two of a series in the pattern of stepped-up terrorist attacks following President Sadat's trip to Jerusalem last November and indicate an effort to use terrorism to undermine the peace process.

In the wake of President Sadat's visit to Jerusalem and the attempt to foster peace talks, threats and attacks were made against some West Bank Arabs with a reputation as moderates. Telephone threats originating in the United States were made against some leading West Bank political personalities, according to reliable sources. Several of them were killed. In addition, bomb explosions took place on buses and in the market area of the old city of Jerusalem.

In Egypt, according to that country's media, officials also discovered an attempt to launch a terrorist attack against the peace talks between Egyptian and Israeli officials at the Mena House Hotel on the outskirts of Cairo.

The campaign also extended to Western Europe. A bomb was found at the Egyptian Embassy, in Bonn, fortunately before it exploded. However, there was an explosion in London attributed to the Middle East situation and, in another London incident, a prominent Palestinian with a reputation as a relative moderate was murdered.

Terrorist groups have obtained considerable amounts of money, weapons, and expertise. Some resources have been obtained through their own activities, such as through thefts of weapons and the collection of millions of dollars in ransom and payoffs from kidnapings and aircraft hijackings. However, the problem is enhanced because of the assistance and cooperation received from various national governments. Libya, Iraq, and South Yemen have been named by the State Department as contributing countries. Intelligence officials have said, however, that other countries, to a lesser extent, have supplied assistance of various types.

As originally introduced, section 6 of Senate Concurrent Resolution 72 provided that the President should report to Congress the names of nations "which provide to the Palestine Liberation Organization and its constituent groups financial assistance, training, weapons, sanctuary, bases, escape routes, transportation assistance and documents, and other forms of assistance in committing acts of terrorism." Because of the difficulties in ascertaining the end use of the specific assistance given by a national government, Senator Case, one of the original cosponsors of Senate Concurrent Resolution 72, moved to modify the resolution in committee to delete the final five words. The amendment was adopted. Thus, the reporting provision does not require the State Department to attempt to determine whether assistance was actually used "in committing acts of terrorism."

Also in its discussions, committee members raised with executive branch witnesses, the matter of whether existing laws are being fully utilized. A classified list of some of the actions taken by the executive branch was furnished to the committee. The resolution calls for the President to report to Congress action taken under existing laws, including section 3(8) of the Export Administration Act of 1969, as amended, and section 18 of the International Security Assistance Act of 1977 in regard to countries cited under section 6 of Senate Concurrent Resolution 72 as providing assistance to the PLO and other groups involved in terrorist activities.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, at this point in the RECORD, may I say that a vote will occur on Thursday at about 3 o'clock on the motion to invoke cloture on the pending so-called labor reform bill.

I know that Senators will want to arrange their schedule to be present to vote on that cloture motion. It will be a 20-minute rollcall vote. As I say, it will begin at around 3 o'clock p.m.

There is no way of indicating precisely to the minute as to when the vote will occur. But under the order that has previously been entered, three Senators will be recognized, each for not to exceed 10 minutes, immediately after the prayer. They are Messrs, STEVENS, JAVITS, and DURKIN.

Whereupon, the 1 hour under the cloture rule will immediately begin running. It would be equally divided between the proponents and the opponents, and at the conclusion of that 1 hour the vote would occur on the motion to invoke with no quorum call being in order prior thereto.

So, as I see it, the vote would occur at around 3 o'clock p.m.

Now, in order that Senators may count on that vote occurring at around 3 o'clock p.m., I would object to the yielding back of any of the time under any one of the three orders.

I can do that, can I not, Mr. President?

The PRESIDING OFFICER. The Senator has the right to do so at that time.

Mr. ROBERT C. BYRD. I thank the Chair.

So this would assure Senators then that the vote would occur at around 3 o'clock p.m. on Thursday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL THURSDAY, JUNE 22, 1978, AT 1:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 1:30 p.m. on Thursday, next.

The motion was agreed to; and at 6:55 p.m., the Senate recessed until Thursday, June 22, 1978, at 1:30 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 19, 1978:

DEPARTMENT OF JUSTICE

Peter F. Vaira, Jr., of Illinois, to be United States Attorney for the Eastern District of Pennsylvania for the term of four years.

Russell T. Baker, Jr., of Maryland, to be United States Attorney for the District of Maryland for the term of four years.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Monday, June 19, 1978*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Wait on the Lord, be of good courage: and he shall strengthen thine heart: wait, I say, on the Lord.—Psalms 27:14.

Eternal God, our Father, we invoke Thy blessing upon us and upon our country as we begin the work of this week. Enlighten these leaders of our people with wisdom, sustain them with power and give them strength to do their work with good will for the highest good of our Republic: May peace and love dwell in the hearts of our people and may our faith in Thee exalt our Nation in righteousness and truth.

We thank Thee for the life and spirit of our beloved Member, CLIFFORD R. ALLEN, who has gone home to live with Thee. We are grateful for his service to our country and may we remember him as one who would do justly, love mercy, and work humbly with Thee. Bless his wife and children with the comfort of Thy presence and the strength of Thy Spirit.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

DECLARING THAT THE UNITED STATES HOLDS IN TRUST FOR THE PUEBLO OF SANTA ANA CERTAIN PUBLIC DOMAIN LANDS

The Clerk called the bill (H.R. 3924) to declare that the United States holds in trust for the Pueblo of Santa Ana certain public domain lands.

The SPEAKER. Is there objection to the present consideration of the bill?

Ms. MIKULSKI. Mr. Speaker, I ask unanimous consent that the bill, H.R. 3924, be stricken from the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

DECLARING THAT THE UNITED STATES HOLDS IN TRUST FOR THE PUEBLO OF ZIA CERTAIN PUBLIC DOMAIN LANDS

The Clerk called the bill (H.R. 10240) to declare that the United States holds in trust for the Pueblo of Zia certain public domain lands.

The SPEAKER. Is there objection to the present consideration of the bill?

Ms. MIKULSKI. Mr. Speaker, I ask unanimous consent that the bill, H.R. 10240, be stricken from the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

AUTHORIZING THE VA TO FURNISH MEMORIAL MARKERS TO COMMEMORATE CERTAIN DECEASED VETERANS

The Clerk called the bill (H.R. 12257) to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to furnish cemetery memorial headstones or markers to commemorate veterans who die after being honorably discharged and whose remains are not recovered or identified.

There being no objection, the Clerk read the bill, as follows:

H.R. 12257

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 906(b) of title 38, United States Code, is amended to read as follows:

"(b) The Administrator shall furnish, when requested, an appropriate memorial headstone or marker to commemorate any veteran whose remains have not been recovered or identified or were buried at sea, for placement by the applicant in a national cemetery area reserved for such purposes under the provisions of section 1003 of this title or in any private or local cemetery.".

SEC. 2. The amendment made by the first section of this Act shall take effect October 1, 1978.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO PAY TRIBUTE TO MEMBERS OF THE U.S. ARMED FORCES WHO SERVED HONORABLY IN SOUTHEAST ASIA DURING THE VIETNAM CONFLICT

The Clerk called the bill (H.R. 12261) to pay tribute to those members of the U.S. Armed Forces who served honorably in Southeast Asia during the Vietnam conflict.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHULZE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania.

There was no objection.

NAMING OF THE PROPOSED NEW VETERANS' ADMINISTRATION HOSPITAL AT LITTLE ROCK, ARK., FOR JOHN L. McCLELLAN

The Clerk called the bill (H.R. 10287) to designate the proposed new Veterans' Administration hospital in Little Rock, Ark., as the "John L. McClellan Memorial Veterans' Hospital," and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, I do not plan to object, but I want to call attention of all the Members of the House to this bill.

Mr. Speaker, I am highly privileged to have this opportunity to speak in strong support of the legislation I have cosponsored to designate the new replacement hospital at Little Rock, Ark., as the "John L. McClellan Memorial Veterans' Hospital."

This measure has been cosponsored by the entire Arkansas delegation in this body. It was reported unanimously by the Committee on Veterans' Affairs. A similar but less comprehensive measure has already passed the other body.

No individual is more deserving of the honor of having this hospital named for him than is the late Senator McClellan, for it was his efforts, as chairman of the Committee on Appropriations in the Senate that played a major role in insuring adequate funds for its construction.

During his entire public service career, Senator McClellan maintained a deep and effective interest in perfecting a sound structure of veterans' benefits. It is entirely appropriate that the new facility be named in his honor.

Mr. Speaker, Senator McClellan's public service career was a multifaceted one. This distinguished lawyer, soldier, statesman, and legislator will be remembered forever for his many accomplishments in other fields. The McClellan-Kerr Arkansas River navigation system is a monumented example of his leadership in opening the gates of unlimited opportunity and progress in Arkansas and the Southwest.

Numerous multipurpose dams, lakes, drainage, bank stabilization, and flood control projects, wildlife habitats, forest preserves, and recreational facilities bear his stamp of endeavor and achievement.

From 1972 until his untimely death on November 28, 1977, he was chairman of the Senate Committee on Appropriations. For 22 years, the Senator was chairman of the Committee on Government Operations. He was the ranking majority member of the Governmental Affairs Committee and the Judiciary Committee. He served as chairman of the Senate Permanent Subcommittee on Investigations for 18 years, from January 1955 to January 1973.

Senator McClellan was admitted to the Arkansas Bar in 1913 at the age of 17 to become the youngest lawyer in the United States.

He practiced with his father in Sheridan until August 17, 1917, when he joined the U.S. Army. He served as a first lieutenant in the aviation section of the Signal Corps. Upon his discharge in February 1919, he opened a law office in Malvern, Ark.

He began his long political career in 1920 when he was chosen city attorney of Malvern, a post he held until 1926 when he was elected prosecuting attorney for the three-county Seventh Judicial District of Arkansas, serving for 4 years. This was followed by two terms—1935–38—in the U.S. House of Representatives from the Sixth Congressional District of Arkansas, and almost six terms in the U.S. Senate.

Mr. Speaker, this remarkable public servant is deserving of the honor this bill will bestow upon him. I urge that it be passed.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 10287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proposed new Veterans' Administration hospital in Little Rock, Arkansas, shall hereafter be known and designated as the "John L. McClellan Memorial Veterans' Hospital". Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the John L. McClellan Memorial Hospital.

SEC. 2. The Administrator of Veterans' Affairs is authorized to provide such memorial at the above-named hospital as he may deem suitable to preserve the remembrance of the late John L. McClellan.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 2351) to name the new Veterans' Administration hospital in Little Rock, Ark., the John L. McClellan Hospital.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the Senate bill, as follows:

S. 2351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Veterans' Administration replacement hospital to be constructed adjacent to the University of Arkansas Medical Center in Little Rock, Arkansas, for which funds have heretofore been appropriated by the Congress, is hereby designated as the "John L. McClellan Hospital". Any reference in any law, regulation, document, record, map, or other paper of the United States to such building shall be considered to be a reference to the John L. McClellan Hospital.

MOTION OFFERED BY MR. ROBERTS

Mr. ROBERTS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ROBERTS moves to strike out all after the enacting clause of the Senate bill, S. 2351, and to insert in lieu thereof the provisions of the bill, H.R. 10287, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to designate the proposed new Veterans' Administration hospital in Little Rock, Arkansas, as the 'John L. McClellan Memorial Veterans' Hospital', and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 10287) was laid on the table.

PROVIDING FOR CONVEYANCE OF CERTAIN LANDS IN WENATCHEE NATIONAL FOREST, WASH.

The Clerk called the Senate bill (S. 2033) to provide for conveyance of certain lands in the Wenatchee National Forest, Wash., by the Secretary of Agriculture.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

Mr. McKAY. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 2033) be stricken from the Consent Calendar, and that it shall be in order for the bill to be considered on the next House business day.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The SPEAKER. This concludes the call of the eligible bills on the Consent Calendar.

APPOINTMENT OF CONFEREES ON H.R. 8149, CUSTOMS PROCEDURAL REFORM ACT OF 1977

Mr. ULLMAN. Mr Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8149) to provide customs procedural reform, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Oregon? The Chair hears none, and appoints the following conferees: Messrs. ULLMAN, VANIK, GIBBONS, ROSTENKOWSKI, JONES of Oklahoma, STEIGER, and FRENZEL.

EARTHQUAKES AND REACTORS

(Mr. PRICE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE. Mr. Speaker, we have all read much of the terrible devastation caused by the June 12 earthquake in Japan. This was the largest earthquake experienced in Japan since the 1968 earthquake which also caused so much devastation. The 1968 earthquake registered 7.9 on the Richter scale of earthquake intensity and the June 12 registered 7.5.

In addition to the human misery which resulted from the quake, news reports also accented the concern over the damage caused by the rupture of petroleum storage tanks. The reports described tank failures which occurred from the shock waves, although the tanks were supposedly designed to resist earthquake forces greater than those to which they were exposed. There is a general concern about this failure

since a large number of such tanks have been constructed throughout Japan to store petroleum supplies. Many of these tanks are apparently located near streams and high concentrations of population.

Having some firsthand knowledge of nuclear power installations in Japan, I had an interest in how they performed during this seismic disturbance. I was particularly interested in finding out how the reactors at the Fukishima nuclear power station performed since they are located within 100 miles of the offshore epicenter of the June 12 quake. I once had the opportunity of visiting this station which is one of the most modern large nuclear power stations located on an ocean site. This station is designed to resist the high earthquake loadings and tsunami waves expected in Japan.

Today I obtained preliminary information on the performance of the reactors. I was told that the four reactors which have been placed in commercial operation at the site continued normal operation during the quake. Furthermore, according to the report I have received, none of the reactors at the station sustained damage.

I am sure these results are a source of great comfort to the citizens of Japan. This experience should also be a source of great pride and satisfaction to the engineers of Japan and the United States, who contributed directly to the design of the station.●

THE LATE HONORABLE CLIFFORD ALLEN OF TENNESSEE

(Mr. JONES of Tennessee asked and was given permission to address the House for 1 minute).

Mr. JONES of Tennessee. Mr. Speaker, I rise today to express my sorrow at the passing of our colleague CLIFFORD ALLEN of Tennessee's Fifth Congressional District. Mr. ALLEN had served in this body for only 3 years, but he had made his mark as a Member who brought energy, enthusiasm, and a special expertise to every issue he became involved in, and the number of those issues were many.

Mr. ALLEN passed away Sunday, June 18, after being hospitalized for 3 weeks after suffering a heart attack. We, in the Tennessee delegation, were all praying for his recovery and his quick return to the deliberations of this body. Unfortunately, complications surrounding the initial heart attack took his life.

I personally knew CLIFFORD for many years, dating back to his service in the Tennessee Senate during the late 1940's. He has been known throughout his public service career as a formidable opponent and a valuable supporter. CLIFFORD ALLEN devoted his life to public service. In addition to three terms in the Tennessee Senate, he also served as the tax assessor for the metropolitan government of Nashville and Davidson County for 15 years prior to being elected to this body to fill the vacancy left when our former colleague Dick Fulton was elected mayor of Nashville.

I want to take this opportunity to express my deepest sympathy to the members of the Allen family. I know they shall miss him greatly. The Members of this body shall miss the presence of Mr. ALLEN in this Chamber. His total dedication to serving his constituents and this Nation was unswerving, and it shall certainly be missed. His involvement in debate on major issues we have discussed during the past 3 years will also be missed.

CLIFFORD ALLEN was an achiever and a man who welcomed the heavy burdens of public office. I know he shall be remembered among his colleagues and among all Tennesseans as a man of great stature and accomplishment.

His funeral will be Tuesday, June 20, 1978, at 2:30 (CDST), at Belle Meade United Methodist Church in Nashville, Tenn.

Mr. PERKINS. Mr. Speaker, will the distinguished gentleman from Tennessee yield?

Mr. JONES of Tennessee. I yield to my good friend, the gentleman from Kentucky.

Mr. PERKINS. I thank the gentleman for yielding.

Mr. Speaker, CLIFFORD ALLEN had not been a Member of this House for a long period of time—indeed, he was with us for less than 3 years.

But I cannot remember any Member who has been here for so short a period who has won so many friends or has impressed so many Members by his integrity, his decency, and his diligence.

Tennessee has produced many distinguished sons and daughters who have served honorably and well in this Chamber. CLIFFORD ALLEN fit naturally into that tradition.

He was a quiet man, an agreeable man, and a peacemaker by inclination. But CLIFFORD ALLEN was also a scrapper. When he saw something that offended his sense of fairness and honesty, his opposition was immediate and it was tenacious. No target was too big or too politically powerful for him to take on if he thought it was in the wrong.

We shall miss CLIFFORD, the courteous, attentive Tennessean, usually on the front bench of the House. He was a good friend and a good legislator.

Tennessee and the Congress are the richer for his being here, but the sadder and poorer at his passing.

Mr. JONES of Tennessee. Mr. Speaker, I thank the distinguished gentleman from Kentucky (Mr. PERKINS) for his remarks.

Mr. QUILLEN. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the distinguished gentleman (Mr. QUILLEN), the dean of the Tennessee delegation.

Mr. QUILLEN. I thank the gentleman for yielding.

Mr. Speaker, I, too, would like to pay tribute to the memory of our good friend and colleague, the Honorable CLIFFORD ALLEN.

We who knew him in the House of Representatives and the State of Tennessee know we have lost a fine man, and a fine public servant.

I first came to know CLIFFORD ALLEN in the Tennessee Legislature, where he served three terms in the State senate, showing then the concern for his constituents for which we remember him here so well.

CLIFFORD ALLEN served ably and well in his positions on the Veterans' Affairs Committee and the Committee on Banking, Finance and Urban Affairs. At all times, he could be depended upon to aid not only his own constituents, but to assist those of us representing other districts as well, should the need arise.

His interest in the needs of his constituents for economical utility service showed foresight and concern for a problem that is universal in this country today.

CLIFFORD ALLEN served in all levels of government—locally in Nashville and Davidson County—in the State capitol—and finally, here in Washington.

No finer tribute can be paid to him than to say that he gave his very best at each step along the way.

I extend my deepest sympathy to the Allen family, and to the people of Tennessee's fifth district whom he served so well.

Mr. JONES of Tennessee. Mr. Speaker, I thank my good friend, the gentleman from Tennessee (Mr. QUILLEN), for his remarks.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Speaker. I, too, would like to say a word about the passing of our colleague whom we all mourn so much. CLIFFORD ALLEN and I worked together on the Committee on Banking, Finance and Urban Affairs and he was certainly one of the most dependable and most thoughtful members. But it was not just his work on that committee for which we all remember him. We remember especially his kindness, his understanding of human problems, beyond the capacity of most of us to match. One could always count on Mr. ALLEN for that response that came from the heart and reached out to others less fortunate. That is what we remember him for, I think—that wonderful gift, and the courtesy he extended to all of us, the kindness and the goodwill and the deep understanding of human problems.

Mr. Speaker, I think his family must receive the comfort of knowing that we all mourn him here, as they do in Tennessee.

Mr. JONES of Tennessee. Mr. Speaker, I thank my good friend, the gentlewoman from New Jersey, for her kind remarks.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the distinguished gentleman from Tennessee.

Mr. GORE. I thank my colleague for yielding.

Mr. Speaker, Tennessee and the Nation have suffered a great loss at the death of Congressman CLIFFORD ALLEN. This House has lost a very valuable man.

Mr. Speaker, Congressman ALLEN was always a courageous and vigorous champion of the interests of the people throughout his political career. As a local public official in Nashville and as a Member of this House he never shunned controversy; he never ducked an issue. He always stood firm for what he thought was right.

I should add, Mr. Speaker, if I may, that I have suffered a deep personal loss, as well, in his passing. I knew and respected CLIFFORD ALLEN as a friend, as a close friend, long before either one of us served in this House.

I came to respect him even more during his service here. I will miss his advice, his counsel, and his friendship more than words can express.

Mr. Speaker, I want to express my sympathy to all the members of his family and all others who were close to CLIFFORD. He was truly an extraordinary man.

Again, Mr. Speaker, I thank my colleague for yielding.

Mr. JONES of Tennessee. Mr. Speaker, I thank my good friend, the gentleman from Tennessee (Mr. GORE).

Mrs. LLOYD of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the gentlewoman from Tennessee, a member of our delegation.

Mrs. LLOYD of Tennessee. Mr. Speaker, I thank my colleague for yielding.

The Honorable CLIFFORD ALLEN has gone from us, but I know that we will miss his presence, his counsel, his wisdom, his stature and his friendship. Yet, we feel that his spirit will remain with us as a very brave, a very courageous man who always worked steadfastly for the principles in which he believed.

CLIFFORD ALLEN was elected to the House of Representatives after having served the State of Tennessee capably and faithfully. The people of the Fifth District of Tennessee then decided to send him to Washington to represent their interests in the Congress and that decision proved to be well founded based on his performance here. CLIFFORD ALLEN'S finest hours were the times he spent here in the House of Representatives sitting in the front row and listening to the debates while regularly contributing to the business on the House floor. During the short time he served in this body, he stood out as one of the most conscientious and forthright Members the House of Representatives has seen. His joy at being a Member of Congress was always evident, and I know that we will always be deeply grateful for his having served with us during the time that he did.

Mr. JONES of Tennessee. Mr. Speaker, I thank the gentlewoman from Tennessee very much.

● Mr. NATCHER. Mr. Speaker, the tremendous personal grief of Members of Congress over the death of one of its most distinguished Members is only equaled by their realization of the tremendous loss felt by those who recognized CLIFFORD R. ALLEN as the dedicated and competent Representative he was. He was my friend and had established himself as one of the outstanding Members of the House.

As a member of the Committee on Banking, Finance and Urban Affairs, he wielded tremendous influence. His grasp of his job and his wise conduct of the affairs of his committee were qualities to provoke the admiration and respect of everyone. His name will be known in all time to come at home and throughout this country for his monumental works in behalf of the small businessman and the people he represented in his district in Tennessee. Throughout all of his mature years, regardless of all of his other achievements, and they were many, he preferred to be identified simply as a Tennessean and a citizen of the United States of America. He believed in this country and was quick to answer any criticism which he did not consider valid.

CLIFFORD ALLEN'S concept of public trust was without parallel and never did he hesitate to speak out against any proposal which he felt was not sound and not to the best interest of our people. Words are inadequate to fully appraise his tremendous capacity for loyalty and love of his country. In every position he held, either private or public, he achieved distinction. His service in all of his assignments was marked by a high sense of conscience and duty.

I have lost a true friend and this country has lost a great statesman. To his lovely wife and family, I extend my deepest sympathy in their bereavement.●

● Mr. WHITTEN. Mr. Speaker, I join with my colleagues in expressing my sorrow at the untimely passing of the Honorable CLIFFORD ALLEN of Tennessee.

We have lost a valuable Member and I have lost a personal friend. CLIFF ALLEN'S service in the Congress was not a lengthy one, but it certainly was an active one. From the time of his election, he was an active Member. His wealth of knowledge gained in his home State made his views of interest and benefit to his district, the Congress, and the country.

In his relatively short service here he leaves a record of candor, of energy, and of accomplishment. We all shall miss him and his contribution to us all.

To his loved ones, we extend our deepest sympathy.●

● Mr. ROBERTS. Mr. Speaker, it was with profound regret and a deep sense of personal loss that I learned of the death of Representative CLIFFORD R. ALLEN of Tennessee. He served with distinction on the House Veterans' Affairs Committee and, as its chairman, I will miss his support and counsel.

Searching through my memories of this fine man for words that best delineate his qualities, I find "gentleman" and "patriot" recurring most frequently. Those he represented should be aware that wherever CLIFFORD ALLEN walked along the Capitol corridors he was greeted with respect and affection. The influential and powerful were one to him with the young page or elevator operator. He was a true gentleman whose qualities shone through the trappings of his position.

His accomplishments were too many for me to rehearse here, Mr. Speaker. He was a successful attorney with a thriving practice, but he did not let that stand in the way of public service. Mr. ALLEN devoted himself to city, county, and State offices before the people of Tennessee's Fifth District sent him here to represent them in Congress.

He was a member of the Banking, Finance and Urban Affairs Committee as well as the Committee on Veterans' Affairs. He worked diligently up to the time of his heart attack late last month.

I called him a patriot. Mr. Speaker, the scene I will hold in my mind of my friend and colleague CLIFFORD ALLEN occurred late in the evening of May 3, 1978. Congress was still in session trying to complete work on a budget measure that would affect the veterans of America.

Mr. ALLEN had remained for the debate, although we know now he should have had more concern for the state of his own health. At a crucial point he stood up on the floor of the House and in a ringing voice said:

> I appreciate how many Members of this body are concerned about deficit spending * * * but I do not want to see our budget balanced at the expense of the widows and orphans of our young men and women who laid down their lives on the battlefield in defense of their country.

We all know the House voted overwhelmingly in favor of the issue Mr. ALLEN was supporting.

With the passing of CLIFFORD ALLEN, Mr. Speaker, we have lost a friend, the veterans of this Nation and their survivors have lost a champion, and the citizens of his Tennessee district have lost a Representative who was a credit to them and to the U.S. House of Representatives.●

● Mr. ANDERSON of California. Mr. Speaker, all Members of the House, and the Nation, suffered a deep loss yesterday. The Nation lost a treasured resource; a true stateman. For this alone, our mourning is great. But all who knew CLIFFORD ALLEN personally suffer an even deeper loss.

Of course, his friends were many. Because like a Nashvillian before him, Andrew Jackson, he considered the people, those who some would call "the common people," among his friends. It showed in his record of public service. A tax assessor is not usually a popular official. But CLIFF was the exception. He used his position to fight for the people, and against powerful special interests. The people appreciated him for that, and elected him to Congress; then reelected him with over 90 percent of the vote. That is a lot of friends.

And it is a tribute to Mr. ALLEN that all of us here in this Chamber can also be included among his friends. He was here less than 3 years, but the mark he leaves will be with us forever. That is because he was a real friend, and a true man of conscience. When confronted with a difficult vote, CLIFF was always there. His voting record may not always have been popular with some of the conservative voters in Nashville, but it was an indication of the man that his popularity transcended individual issues. It was a popularity based on deep respect. Tennesseans viewed CLIFF as a leader, and recognized that a leader will not always echo the voices of others, but must sometimes tread new or unpopular ground. So if he voted, for example, in favor of common situs picketing, the people back home understood. They understood his integrity, and they knew the meaning of his dedication. And they

know they have lost a leader—and a friend.

We know that, too.

My wife Lee joins me in offering our most sincere condolences to Mr. ALLEN'S family; his wife Nancy, and their children Suzanne, Nancy, Robert, and Patricia.●

● Mr. TEAGUE. Mr. Speaker, this is a sad occasion. The flags now fly at half-staff around our public buildings in observance of the passing of Representative CLIFFORD ALLEN of Tennessee. He loved the flag and the Nation it stands for. There is a touching symbolism in the fact that the Stars and Stripes themselves seem to mourn his death.

Working with him on the House Veterans' Affairs Committee, I learned to respect his staunch dedication to those who had served their Nation in uniform. He believed that since they had stood up for all of us when they were asked to do so, then Congress should stand up for them. He was diligent in watching out for the taxpayer's dollar—no one ever called him a profligate spender—but he did not believe in economy at the expense of the veteran, his widow and orphan, was economy at all. He believed it was a violation of a sacred trust.

Although he was a man of unshakable beliefs and strong character, CLIFFORD ALLEN was a gentle and considerate person. When he disagreed, he did so on the issue. His cordiality made him welcome in any company and his contributions to the legislative process in committee and here on the floor of the House, although forceful, were invariably reasoned and fair minded.

The people of the Fifth District of Tennessee will miss him as a strong representative of their interests in Congress. America will miss him as an outspoken and unashamed patriot. We here in Congress, Mr. Speaker, will miss CLIFFORD ALLEN as a man who reflected honor upon all of us who serve here because of his fine character and splendid achievements.●

● Mr. BEARD of Rhode Island. Mr. Speaker, I was very shocked to learn of the death of our dear friend and colleague, CLIFFORD ALLEN, of Tennessee.

During my years in the House, I came to know him as a wise, articulate, and prudent spokesman for the people of his district. He was friendly, courteous and gentlemanly in the conduct of his congressional affairs.

Mr. Speaker, many times I enjoyed his company en route to the House floor from our offices in the Cannon Building. From the time that I knew him, I learned from his anecdotes and comments on the quality of our national affairs. I know that all Members share in my grief at his departure and appreciate the benefit of his services here in the Congress.●

GENERAL LEAVE

Mr. JONES of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late Honorable CLIFFORD ALLEN.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

BUDGET PERSPECTIVE STATEMENT OF HONORABLE PAUL SIMON ON H.R. 10173, THE VETERANS' AND SURVIVORS' PENSION IMPROVEMENT ACT OF 1978; H.R. 11886, THE VETERANS' DISABILITY COMPENSATION AND SURVIVOR ACT OF 1978; AND H.R. 11888, INCREASED COMPENSATION FOR VETERANS RATED 40 PERCENT DISABLED

(Mr. SIMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIMON. Mr. Speaker, I wish to inform my colleagues as to how the three veterans bills on suspension today compare to assumptions in the first budget resolution for fiscal year 1979. These bills are the following:

H.R. 10173, the Veterans' and Survivors' Pension Improvement Act of 1978;

H.R. 11886, the Veterans' Disability Compensation and Survivor Act of 1978; and.

H.R. 11888, increased compensation for veterans rated 40 percent disabled.

These three bills are entitlements for which appropriations are mandatory.

The Veterans' Affairs Committee was allocated $1.417 billion in new entitlement authority. These three bills consume $1.226 billion of the total, leaving $190 million for subsequent bills. These three bills are, therefore, within the targets assumed in the first budget resolution.

I would like to insert a copy of the House Budget Committee's early warning reports which provide greater detail regarding congressional budget scorekeeping for these bills.

Because there is some controversy surrounding H.R. 10173, the veterans' pension bill, I want to make a few comments on this bill. This bill will require outlays of $853 million in fiscal year 1979. Efforts are being made to defeat this bill in order to seek a rule under which the bill could be amended to add provisions for World War I veterans. I do not wish to speak to the merits of special provisions for World War I veterans. However, I am compelled to point out the budget implications of striking the provisions in the bill relating to veterans over age 80 and inserting the provisions of H.R. 9000.

H.R. 10173 provides a bonus of about $800 annually for veterans pensioners over age 80. H.R. 9000 provides a payment of $150 monthly to those World War I veterans and eligible survivors with total incomes below $15,000 a year.

If the committee bill were amended to strike the $800 bonus and insert the provisions of H.R. 9000, costs would jump to $2.3 billion in fiscal year 1979, which is more than $900 million above amounts in the resolution for all veterans entitlement bills, including bills to improve benefits for service-disabled veterans and Vietnam-era veterans. Members should know that such a course would have very serious implications for the budget and could substantially increase the deficit projected for fiscal year 1979—by as much as $1.5 billion if other veterans bills contemplated by the Veterans' Affairs Committee are also adopted.

THE "SECRET PLAN" TO CIRCUMVENT HOUSE DISCLOSURE RULES

(Mr. PREYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PREYER. Mr. Speaker, within the past 2 weeks some congressional employees have received a letter from two Washington, D.C., stockbrokers, suggesting that they had a "secret plan" to circumvent the new House disclosure rules. Since that time a number of Members and employees of the House have contacted me and the Select Committee on Etnics to complain about the intent of the letter; and to inquire about its validity.

Let me assure everyone concerned that, after inquiring into this matter, it turns out that the proposed plan to circumvent disclosure would do nothing of the sort. In fact, the letter is nothing more than a misrepresentation of facts and a blatant attempt to exploit Hill employees. My guess is that most congressional staff recognized it as such.

House rule XLIV requires that holdings valued at more than $1,000 in a trade or business or for investment purposes or the production of income should be disclosed. The plan that the stockbrokers had in mind was to have individuals finance certain projects undertaken by insurance companies, but to characterize their holdings as other than investments. While House rules do not require disclosure of cash value of life insurance policies, or equity in a civil service retirement system, it is clear that the plan proposed by the stockbrokers would be considered an investment, and therefore, subject to dsclosure.

The stockbrokers have been informed that their letter misrepresents the requirements of House rule XLIV and is incorrect regarding their ability to circumvent its intent. Consequently, we have been assured that any potential clients will be informed of the "misunderstanding," and that, additionally, no further solicitation of this sort will be made.

HUD-INDEPENDENT AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1979

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1226 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1226

Resolved, That during the consideration of the bill (H.R. 12936) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clauses 2 and 6, rule XXI are hereby waived: beginning on page 2, lines

5 through 25; beginning on page 3, line 14 through page 4, line 23; beginning on page 7, line 6 through page 8, line 7; beginning on page 8, line 22 through page 9, line 6; beginning on page 11, lines 10 through 20; beginning on page 12, lines 9 through 20; beginning on page 14, lines 13 through 22; beginning on page 15, line 20 through page 18, line 2; beginning on page 18, line 9 through page 21, line 14; and beginning on page 25, line 14 through page 26, line 16.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, the resolution (H. Res. 1226) waives certain points of order during the consideration of the bill (H.R. 12936) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979, and for other purposes.

The rule waives points of order against designated provisions for failure to comply with clauses 2 and 6 of rule XXI. Clause 2 prohibits any appropriation which had not been authorized. All authorizing legislation, at least, has been reported. The subcommittee chaired by the gentleman from Massachusetts (Mr. BOLAND) has worked scrupulously with the authorizing committees and I understand that there are no serious areas of disagreement.

Clause 6 prohibits provisions reappropriating unexpended balances of prior appropriations. This provision of the rules was adopted in the Legislative Reorganization Act of 1946 to deal with a budgetary control problem adequately addressed since by the Congressional Budget Act of 1974. And it is simply impossible for the Committee on Appropriations to deal with revolving funds except by violating the rule. As a result, although not routine, the waiver is not regarded as controversial.

Mr. Speaker, I anticipate that a number of issues will be addressed by amendment, but I am aware of no opposition to the rule. It simply provides for the fair, orderly, and timely consideration of this vital funding bill and I urge the adoption of the resolution.

Mr. Speaker, for the RECORD I would insert the request by the Committee on Appropriations for a rule. The letter provides a complete accounting of the status of all authorizing legislation which serves as the basis of the waivers:

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., June 5, 1978.

HON. JAMES J. DELANEY,
Chairman, Committee on Rules, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Committee on Appropriations has reported the Department of Housing and Urban Development-Independent Agencies appropriation bill for fiscal year 1979 (H.R. 12936). It is scheduled to be considered by the House the week of June 12.

The bill includes appropriations for a number of programs for which authorizing legislation has not yet been enacted. In view of the requirements of the Congressional Budget Act and in the interest of orderly legislative procedure, we request a hearing on a rule waiving all points of order under Clause 2 of Rule XXI in the following areas:

(1) Department of Housing and Urban Development: The appropriating paragraphs entitled "Annual contributions for assisted housing", "Payments for operation of low-income housing projects", "Troubled projects operating subsidy", "Comprehensive planning grants", "Rehabilitation loan fund", "Urban homesteading", "Flood insurance", and "Research and technology" lack sufficient authorizing legislation. The necessary authorization for these appropriating paragraphs is contained in H.R. 12433 which was reported from the Committee on Banking, Finance and Urban Affairs on May 15.

Also, the Committee respectfully requests that the paragraph entitled "Housing for the elderly or handicapped fund" be included in the rule. A provision in the paragraph requires that the receipts and disbursements of this program continue to be included in the Budget of the United States Government. That provision was carried in last year's Act but is not authorized.

(2) Consumer Product Safety Commission: The necessary authorization for the appropriating paragraph entitled "Salaries and expenses" is contained in H.R. 12442 which was reported from the Committee on Interstate and Foreign Commerce on May 15.

(3) Environmental Protection Agency: The appropriating paragraphs entitled "Agency and regional management", "Research and development", "Abatement and control", and "Enforcement" require additional authorizing legislation. The authorizations for these paragraphs are contained in H.R. 10661, H.R. 11302, H.R. 12140, H.R. 12441, H.R. 12647 and S. 1678. H.R. 10661 was reported from the Committees on Science and Technology and Merchant Marine and Fisheries on May 12 and May 15, respectively. H.R. 11302 has passed both Houses. H.R. 12140 is scheduled for consideration in the House today. H.R. 12441 and H.R. 12647 were reported from the Committee on Interstate and Foreign Commerce on May 15. S. 1678 is in conference.

(4) Council on Environmental Quality and Office of Environmental Quality: The necessary additional authorization for the appropriating paragraph entitled "Council on Environmental Quality and Office of Environmental Quality" is contained in H.R. 10884 which has passed both Houses.

(5) National Aeronautics and Space Administration: The necessary authorization for the three appropriating paragraphs under this agency is contained in H.R. 11401 which has passed both Houses and is pending conference.

(6) National Institute of Building Sciences: The necessary authorization for the appropriating paragraph entitled "Salaries and expenses" is contained in H.R. 12433 which was reported from the Committee on Banking, Finance and Urban Affairs on May 15.

(7) National Science Foundation: The necessary authorization for the three appropriating paragraphs under this agency is contained in H.R. 11400 which passed the House on April 18.

In addition we respectfully request the rule to include a waiver of all points of order under Clause 6 of Rule XXI for the following appropriating paragraphs: "Annual contributions for assisted housing", "Housing for the elderly or handicapped fund", "Rehabilitation loan fund", and "Construction, major projects". This waiver is necessary to continue the availability of funds provided in prior appropriations and to negate special limitations carried in previous appropriation acts.

We greatly appreciate your continued cooperation.

Sincerely,

GEORGE MAHON,
Chairman.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the able gentleman from Massachusetts (Mr. MOAKLEY) has described the provisions of the rule.

Mr. Speaker, I urge the adoption of the rule so that we can get down to the business of passing the Department of Housing and Urban Development and independent agencies appropriation bill for 1979.

Mr. Speaker, I have no requests for time, and I urge passage of the resolution.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BOLAND. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12936) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979, and for other purposes; and pending that motion I ask unanimous consent that general debate be limited to not to exceed 1½ hours, the time to be equally divided and controlled by the gentleman from Pennsylvania (Mr. COUGHLIN) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CRANE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 347, nays 4, not voting 82, as follows:

[Roll No. 469]

YEAS—347

Abdnor	Bingham	Cavanaugh
Akaka	Blanchard	Cederberg
Alexander	Boggs	Chappell
Ambro	Boland	Clausen,
Ammerman	Bolling	Don H.
Anderson,	Bonior	Clawson, Del
Calif.	Brademas	Clay
Anderson, Ill.	Breaux	Cleveland
Andrews,	Breckinridge	Cochran
N. Dak.	Brinkley	Cohen
Annunzio	Brodhead	Coleman
Applegate	Brooks	Collins, Ill.
Archer	Broomfie'd	Collins, Tex.
Armstrong	Brown, Calif.	Conable
Ashbrook	Brown, Mich.	Conte
Ashley	Brown, Ohio	Corcoran
Aspin	Broyhill	Cornwell
AuCoin	Buchanan	Coughlin
Badham	Burgener	Crane
Bafalis	Burke, Calif.	D'Amours
Baldus	Burke, Fla.	Daniel, Dan
Barnard	Burke, Mass.	Daniel, R. W.
Baucus	Burleson, Tex.	Davis
Bauman	Burlison, Mo.	de la Garza
Beard, R.I.	Burton, Phillip	Delaney
Bedell	Butler	Dellums
Bellenson	Byron	Derwinski
Benjamin	Carney	Devine
Bennett	Carr	Dickinson
Bevill	Carter	Dicks

Dodd	Keys	Regula
Dornan	Mikulski	Reuss
Downey	Kildee	Rinaldo
Drinan	Kindness	Risenhoover
Duncan, Oreg.	Kostmayer	Roberts
Duncan, Tenn.	Krebs	Robinson
Edgar	Krueger	Roe
Edwards, Ala.	LaFalce	Rogers
Edwards, Calif.	Lagomarsino	Roncalio
Edwards, Okla.	Latta	Rooney
Eilberg	Le Fante	Rostenkowski
Emery	Leach	Rousselot
English	Lederer	Roybal
Erlenborn	Lehman	Rudd
Ertel	Lent	Russo
Evans, Colo.	Levitas	Ryan
Evans, Del.	Lloyd, Tenn.	Satterfield
Evans, Ga.	Long, La.	Schroeder
Evans, Ind.	Long, Md.	Schulze
Fascell	Lott	Sebelius
Fenwick	Lujan	Seiberling
Findley	Luken	Sharp
Fish	Lundine	Shuster
Fisher	McClory	Sikes
Fithian	McDade	Simon
Flippo	McDonald	Sisk
Flood	McEwen	Skelton
Florio	McFall	Skubitz
Foley	McHugh	Slack
Ford, Mich.	McKay	Smith, Iowa
Forsythe	Madigan	Smith, Nebr.
Fountain	Maguire	Snyder
Fowler	Mahon	Spellman
Fraser	Markey	Spence
Frenzel	Marks	St Germain
Fuqua	Marlenee	Stangeland
Gaydos	Marriott	Stanton
Gephardt	Martin	Stark
Gibbons	Mattox	Steed
Gilman	Mazzoli	Steers
Ginn	Meeds	Steiger
Glickman	Metcalfe	Stockman
Goldwater	Meyner	Stokes
Goodling	Michel	Stratton
Gore	Mikva	Studds
Grassley	Miller, Calif.	Stump
Green	Miller, Ohio	Symms
Guyer	Mineta	Taylor
Hagedorn	Minish	Thompson
Hall	Mitchell, N.Y.	Thone
Hamilton	Moakley	Thornton
Hammer-schmidt	Mollohan	Traxler
	Montgomery	Treen
Hanley	Moore	Trible
Hannaford	Moorhead, Calif.	Udall
Harkin		Ullman
Harrington	Moorhead, Pa.	Vanik
Harsha	Mottl	Vento
Hawkins	Murphy, Ill.	Volkmer
Heckler	Murphy, N.Y.	Waggonner
Hefner	Murphy, Pa.	Walgren
Heftel	Murtha	Walker
Hightower	Myers, Gary	Walsh
Hillis	Myers, John	Waxman
Holland	Myers, Michael	Weaver
Hollenbeck	Natcher	Weiss
Holt	Neal	Whalen
Holtzman	Nedzi	White
Horton	Nichols	Whitehurst
Howard	Nolan	Whitley
Hubbard	O'Brien	Whitten
Hughes	Oberstar	Wiggins
Hyde	Obey	Wilson, C. H.
Ichord	Panetta	Winn
Ireland	Patterson	Wirth
Jacobs	Pattison	Wolff
Jeffords	Pease	Wright
Jenrette	Pepper	Wydler
Johnson, Calif.	Perkins	Wylie
Johnson, Colo.	Pettis	Yates
Jones, N.C.	Pickle	Yatron
Jones, Tenn.	Preyer	Young, Alaska
Jordan	Price	Young, Fla.
Kasten	Pritchard	Young, Mo.
Kastenmeier	Pursell	Young, Tex.
Kazen	Quillen	Zablocki
Kelly	Railsback	
Ketchum	Rangel	

NAYS—4

Lloyd, Calif.	Quayle	Wilson, Bob
Mitchell, Md.		

NOT VOTING—82

Addabbo	Burton, John	Cunningham
Andrews, N.C.	Caputo	Danielson
Beard, Tenn.	Chisholm	Dent
Biaggi	Conyers	Derrick
Blouin	Corman	Diggs
Bonker	Cornell	Dingell
Bowen	Cotter	Early
Eckhardt	McCormack	Rosenthal
Fary	McKinney	Runnels
Flowers	Mann	Ruppe
Flynt	Mathis	Santini
Ford, Tenn.	Milford	Sarasin
Frey	Moffett	Sawyer
Gammage	Moss	Scheuer
Garcia	Nix	Shipley
Giaimo	Nowak	Solarz
Gonzalez	Oakar	Staggers
Gradison	Ottinger	Teague
Gudger	Patten	Tsongas
Hansen	Pike	Tucker
Harris	Poage	Van Deerlin
Huckaby	Pressler	Vander Jagt
Jenkins	Quie	Wampler
Jones, Okla.	Rahall	Watkins
Kemp	Rhodes	Wilson, Tex.
Leggett	Richmond	Zeferetti
Livingston	Rodino	
McCloskey	Rose	

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12936, with Mr. LEVITAS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Massachusetts (Mr. BOLAND) will be recognized for 45 minutes, and the gentleman from Pennsylvania (Mr. COUGHLIN) will be recognized for 45 minutes.

The Chair now recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I yield myself 13 minutes.

Mr. Chairman, I know the Members of the Committee want to be able to complete this bill, H.R. 12936, as expeditiously as possible and we are going to assist the membership in realizing that goal.

First of all, I want to report that we bring this bill to the floor with perhaps as little controversy as I have ever experienced in the years I have chaired this particular subcommittee. There is no controversy. Everybody is in favor of the report as we bring it to the floor and practically all members of the committee understand it, in conversations with them, and have no objection to the dollar figures we have and for the very many activities we have included in this bill; so it is conceivable, Mr. Chairman, that we can complete the general debate on this bill within the time frame of 1½ hours, or perhaps less than that, and we can get to the amendment stage and complete the amendments within a relatively short period of time.

Mr. Chairman, we want to be able to complete this bill today and to help facilitate as expeditious consideration as possible, I would appreciate it if the Members would permit me and the ranking Republican, the gentleman from Pennsylvania, to complete our opening statements before we move to questions that may develop as a result of the bill itself.

Mr. Chairman, we bring to the floor of the committee today the HUD-independent agencies appropriation bill for 1979. The bill provides funding for 17 independent agencies and the Department of Housing and Urban Development.

The recommendations contained in the bill were reached only after a long period of hearings and serious deliberations. We have not provided everything that everyone would like. To do that would be to forsake the trust placed in us by the taxpayers of this country. It is instructive and interesting to note that witnesses appearing before the subcommittee representing a broad spectrum of interest groups, appealed for more than $3.5 billion of appropriations above the budget request for the programs contained in this bill.

That dramatically illustrates the budget priority dilemma that both this subcommittee and the Congress face.

In summary, the committee recommends a total of $68.2 billion in new budget authority for the Department of Housing and Urban Development and 17 independent agencies. That represents a decrease of $1.3 billion below the budget estimate. But I should point out that one billion of the $1.3 billion is directly attributable to a paper reduction made under the Government National Mortgage Association. So, on the basis of direct appropriations, we have reduced the bill about $308 million.

Let me turn now and discuss the individual programs in the bill—beginning with the Department of Housing and Urban Development.

For HUD we have made very few changes from the proposed budget requests. This year the Secretary urged the committee to drop all "set-asides" that we have previously carried in the bill. For example, in recent years we have earmarked a specific amount of contract authority for public housing construction. The Secretary contended that this curtailed the Department's flexibility and that the set-asides caused management problems in connection with the section 8 program.

So we have not included any set-asides. We have provided the budget estimate of $1,334,950,000 in annual contract authority and $24,650,950,000 of budget authority to support approximately 400,000 additional rental units for low income households in 1979.

However, in going along with the Secretary and not providing additional funds for public housing construction, the committee again has raised the question of section 8 program costs. We asked the Library of Congress to prepare a cost comparison analysis of section 8 new construction with conventional public housing. The analysis indicates the conventional public housing is about 8 percent less costly than a privately developed section 8 unit. Now I know that that figure is disputed by the Department and, in fact, some of those differences appear in the additional views accompanying the subcommittee's report.

But the point is that both programs are costly and other factors must be weighed in determining where to put limited housing dollars.

We need to consider what the long-range outlook for the quality and durability of construction is—we need to consider who will own the property and what the value of the asset will be when the debt is paid off—and we need to de-

termine who benefits from the subsidized housing programs. This last point is very important. Why? Because the bulk of section 8 construction approved since the program started has been reserved for the elderly. Only one-third of new section 8 units have been designed for families. That means that to date the section 8 program has not been an important factor in meeting the housing needs of low- and moderate-income families.

When these considerations are taken together, it suggests that the conventional public housing program is workable and a potentially less expensive alternative to section 8 private construction. Last year, the committee recognized this fact by shifting 25,000 units from section 8 new construction to public housing construction. We did not do that this year because we wanted to comply with the Secretary's desire to do away with all set-asides. But if the cost differences between section 8 and public housing continue to widen and public housing appears to be the only way we can provide safe, sanitary, and decent housing for low-income large families—then I believe the committee should take a look at this question in 1980.

In other HUD program areas we have provided $800 million for the section 202 elderly and handicapped program. This will support about 25,000 additional housing units in 1979.

We have provided the $74 million requested for troubled projects operating subsidies. This is a new program, that in the simplest terms is designed to keep subsidized housing projects afloat. Operating costs have been increasing at a faster rate than rental income. Of course, one could make the argument—why provide this operating subsidy if HUD has picked up the mortgage and already owns the property?

The point is that we are trying to provide some support for these very low income housing projects. If we do not, they will only contribute to neighborhood decline. Also, providing a small amount at this time can save hundreds of millions of dollars in mortgage foreclosure payments that the Federal Government must stand behind.

Having said that I recognize that this could open the door to a new and potentially increasing subsidy each year. That is a danger—but it is one that I want to assure you we will closely monitor.

Under the community development block grant program, we have provided the full budget estimate of $3,750 million—but we have also limited expenditures under the program for "administrative costs" to 20 percent of the recipients annual grant. Basically, this action was taken in response to a recommendation made in the committee's investigative report on nonprogram block grant activities. We found, for example, that in Washington, D.C. 34 percent of all community development funds were being used for nonprogram costs—in other words for planning and administration. The investigative staff found similarly high figures in Detroit, Milwaukee, Buffalo, Los Angeles, and Houston.

The subcommittee does not believe it was the intent of Congress to have 25 to 30 percent of a city's annual community development grant expended for nonprogram costs. That is the reason for the 20-percent limitation and it is one that is both constructive and necessary.

Under the rehabilitation loan fund, we are recommending $245 million in 1979. That includes a $150 million budget amendment requested as part of the President's new urban policy program. This amount, when added to an estimated $30 million in loan repayments, will provide a $275 million program level in the coming fiscal year. This is more than a threefold increase above the 1978 program level of $80 million and will assist approximately 22,000 units.

Turning to the Veterans' Administration, the committee recommends a total of $18,460,515,000 in new budget authority for veterans programs in fiscal year 1979. I should point out, however, that this includes no funds for anticipated increases and cost-of-living payments under the compensation and pensions account. When those are finally enacted, we expect the amount for veterans benefits will be at least $800 million to $1 billion higher than is recommended at this time.

The funds in this bill will provide benefits and services to 29,800,000 veterans, to 62,100,000 members of their families, and to 3,800,000 survivors of deceased veterans. More than 95,700,000 people comprising about 44 percent of the total population of the United States are potential recipients of benefits provided through the Veterans' Administration by the Federal Government.

In addition, the bill includes more than $5,362 million to continue the operation of the largest health care system in the country. The VA operates 172 hospitals, 16 domiciliaries, 92 nursing homes and numerous other facilities. The committee is recommending an increase above the budget of $82,919,000 for medical care. We have recommended an increase of nearly $15 million for medical and prosthetic research. We have recommended an increase of $53 million and 10 construction projects above the budget. In total, we are providing an additional $170 million for Veterans health care treatment in 1979.

With respect to some of the other agencies in this bill, for the National Aeronautics and Space Administration we are recommending a total of $4,333 million to carry out the Nation's space program. This is $37,700,000 below the budget request and about $316 million above the amount appropriated in the current fiscal year.

The subcommittee has recommended various increases and decreases in the bill. They are outlined in the report on pages 34, 35 and 36. In short, we have added an additional $4 million for long lead hardware to support an optional—and I want to stress the word optional—fifth Shuttle Orbiter. We have also added funding for a stereosat camera to provide high resolution coverage of the Earth for mineral, petroluem and natural gas exploration. We have increased advanced programs by $7 million—including $2 million for development of a 25 kilowatt power module to support longer duration Shuttle flights. And we have added $3 million for continued work on a solar satellite power generating system and $7 million for aeronautical research.

The National Science Foundation asked for $934 million in 1979. We have reduced that by $40,100,000 to $893,900,000. The largest part of that reduction ($18,900,000) is targeted to the applied science area. This is an activity that we felt was weak under the old RANN program (Research Applied to National Needs) and, although it has been reorganized, we still believe that a number of these programs, such as earthquake research, cannot justify the funding levels requested. The amount provided for basic research is about 5.2 percent above fiscal year 1978—representing an increase of $23,200,000. That is sufficient to maintain a constant dollar level and a very active grant program in 1979.

For the programs of the Environmental Protection Agency, the budget request was $1,175,360,000. The subcommittee recommended essentially that funding level for 1979—but with a number of "puts and takes"—particularly in the research and abatement and control accounts.

In addition, $4.5 billion was requested for the consruction grants program. The committee reduced that by $300 million and made some specific recommendations and directions that are discussed at length in the report. In short, however, we believe that the EPA needs to take a close, hard look at any construction grant project proposing advanced waste water treatment. Information has been received by the committee, both through private consultant reports and other sources—which suggest that advance treatment is often totally unnecessary or ineffectual. The potential for wasting literally billions of dollars in this area is real. We believe that the action of the subcommittee and the committee was essential—and we hope that EPA will get the message.

Finally, the bill also includes $6.8 billion for the entitlement requirements of the general revenue sharing program; $40 million for the Consumer Product Safety Commission; $7 million for the Selective Service System, $2 million for the National Commission on Air Quality; $3 million for the Council on Environmental Quality; and $2.5 million for the Office of Science and Technology Policy.

Mr. Chairman, there will be a number of amendments which will be offered by Members when we begin reading the bill, and we will discuss certain programs in greater detail when considering those amendments.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman from Massachusetts for yielding.

Mr. Chairman, I have a great deal of respect for the gentleman from Massachusetts (Mr. BOLAND) and for his subcommittee. The only reason I ask this question is that I heard about all of this being way under the budget—and I am sure that it is—but I just want to know what the track record of the gentleman's subcommittee is. I know a lot of subcommittees come in here with budgets that

are under the request of the President, but they come back for supplementals.

Mr. Chairman, I do not want to embarrass the gentleman from Massachusetts. I ask this of all of the chairmen of subcommittees as they come up. Does the gentleman remember what has been the record of his subcommittee on supplementals?

Mr. BOLAND. I think the record of this subcommittee in reference to supplements has been very good. The only problem we have, as the gentleman from Florida so well knows, is with entitlement programs, particularly, compensation and pensions and readjustment benefits programs in the Veterans' Administration.

Mr. GIBBONS. Yes, sir, I am aware of that.

Mr. BOLAND. As a matter of fact, two or three of the bills scheduled under suspension will address themselves to those particular programs. Those bills would add hundreds of millions of dollars to the entitlement programs of the Veterans' Administration. If those bills are enacted, we will have to make available additional funds for those entitlement programs.

Mr. GIBBONS. I thank the gentleman for his very fine and very thorough answer.

Mr. Chairman, I only ask this question because I realize we have a budget on our hands. And when the gentleman points out that the entitlement programs begin to eat up the projections right now, we have to be particularly aware of what those entitlement programs do.

I appreciate the gentleman's answer, but I intend to bear down on this subject.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California.

Mr. BROWN of California. I thank the gentleman for yielding.

Mr. Chairman, I want to just pay my own compliments to the distinguished chairman of the subcommittee for his work in putting together this multibillion dollar bill involving 70 or so billion dollars. He did indicate that there would be certain amendments, and I have a couple of those amendments. But I wanted to point out that, in comparison with the scope of the bill and the painstaking detail with which it has been crafted, my amendments and many others that I know of are really quite minor, in contemplating the entire structure of the bill. As a matter of fact, I think the amendments which I will propose should have a net effect of probably less than $10 million, and in no case go above the President's budget. I wanted to cite this example of how well the gentleman has done his job.

Mr. BOLAND. I thank the gentleman from California for his remarks.

Mr. Chairman, this Member, and I am sure members of the subcommittee, recognizes the amount of time that the gentleman's own subcommittee of the Committee on Science and Technology devotes to oversight on research and development.

He chairs the important Subcommittee on Environment and the Atmosphere, and I know he is careful in how he authorizes funds under that particular function.

Mr. Chairman, we will be very interested in listening to his arguments when we get to the amendment stage.

Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Oregon (Mr. AuCoin).

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman's yielding. I support the bill, and I rise in support of the amendment that is to be offered by the gentleman from California (Mr. Brown).

When we talk about the R. & D. function of the EPA, we are not talking about some ivory tower research that has little practical relevance. This is live research providing data and information that is fundamental to our ability to evaluate our environmental quality, implement sound policy, and predict and prepare for future environmental trends. We hear a lot about half-baked Federal regulations today, Mr. Chairman, and I have found the criticisms often well founded. And it is no coincidence that usually where I have found such regulatory problems exist the technical data base is thin.

I know the House Appropriations Committee added $3.9 million for environmental R. & D. above the Agency's request. But what concerns me is that this increase is achieved by the addition of $17.9 million for various items not contained in the budget request, and the deletion of items totaling $14 million that had been originally included in the budget.

Mr. Chairman, I am concerned that these cuts will fall exactly on those parts of the EPA research program where we need more information, not less. Anticipatory research is proposed to be reduced by $8 million, affecting specific research programs concerned with acid rain, cancer, research centers and innovative research. I believe this sort of investment in forward-looking research should be one of our highest priorities.

Monitoring and technical support is to be reduced by $4 million. Yet, monitoring is no less important than future research. It is data provided from this research area that tells us how effective our actions have been, whether we have been too ambitious, or too lax with the standards we propose.

Two million dollars are to be taken from extramural research activities, $1 million of which is specified to be taken from the air-ecology research program. The data provided by the air-ecology program is vitally important to Federal and State governments in setting air-quality standards and for their periodic revision as called for by the Clean Air Act. In this light, it is interesting, Mr. Chairman, that during consideration of amendments to the Clean Air Act in 1976, Congress was relying, for the most part, on data that did not extend beyond 1973.

Mr. Chairman, at a time when various EPA regulations and standards are being questioned for their cost effectiveness and inflationary impact—and rightly so, as with any agency—it is essential that we have the best available data on which to base its revisions. The nature of R. & D. is that the few millions that we might save by cutting it now, could cost billions of dollars of costs in the future.

In urging Members to support these two amendments offered by the gentleman from California (Mr. Brown), I would emphasize that the restoration of the $14 million for these three programs and the addition of $6 million for research into the reuse of wastewater, would not require exceeding the total amount of money included in the Appropriations Committee recommendation. Taken together, these two amendments have the effect of transferring a modest cut of $20 million from the construction grants program, which would still have $4.18 billion, to research and development. I believe such a transfer makes good sense and would urge Members support for these amendments.

Mr. COUGHLIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, after months of very diligent work by the members and the staff of the subcommittee, I think that we should bring to the Members something exciting, complete with fireworks; but, in fact, we are not. We are just bringing the Members a good bill.

The chairman, as always, has been extraordinarily fair and very diligent in working with this bill. It is basically a very good bill. It does provide some $68 billion in new budget authority, but is $6 billion below the equivalent amounts appropriated last year.

Mr. Chairman, the minority views contained in the committee report indicate a difference in emphasis rather than a difference in substance.

In connection with housing, the minority has two major concerns. One is that somehow, sometime, we have to get a handle on what kind of housing target we have for our Nation. HUD estimates that 14.8 million households within the low- and moderate-income population need housing assistance. Excessive rent is defined as taking more than 25 percent of one's income for rental. There are 9.7 million households in this category. Four million people live in substandard housing, and for this group alone it would take 10 years, building at a rate of 400,000 per year, to provide adequate shelter.

Therefore, Mr. Chairman, we really have not done the proper job of determining the target, the goal, the limits which we should have on housing programs.

Second, we have been critical of the Department of Housing and Urban Development for playing a numbers game with us at times. Paper reservations, as such, do not necessarily mean housing starts. We have, too often, seen paper reservations instead of housing starts.

Mr. Chairman, in the section 202 program, for example, there were 55,000 reservations, but only 6,600 actual starts last year.

We would also, in the area of housing, call attention to the troubled projects program. This is a new operating subsidy which could have great growth potential. It could match the recent growth of public housing subsidies.

Mr. Chairman, what we need is better management, not more subsidies.

In the area of community development, the minority is concerned that the urban development action grant program has been emphasizing large commercial developments rather than housing and community development itself.

In terms of personnel, the subcommittee cut 115 community development positions. This action can only eliminate more paperwork and more redtape.

With respect to the Consumer Products Safety Commission, the minority has expressed the concern that the standards which have been promulgated have been few, and the ones that have been promulgated have been struck down by the courts.

Mr. Chairman, this Agency comes up for reauthorization, soon. We have held appropriations at basically the fiscal year 1978 level until Congress may decide, on the authorization, what to do with this Agency.

In connection with the Environmental Protection Agency, the minority has expressed its concern that too often the Agency, in setting standards, is flying by the seat of its pants and not providing adequate research and development before promulgating standards. It is a case of standards first and research afterward, instead of the other way around.

In particular, we saw during the course of the committee hearings that the advanced wastewater treatment program underwater pollution control is a total disaster; the committee report indicates that perhaps we should hold off on all tertiary treatment until we have complied with our secondary requirements throughout the Nation.

In the NASA budget, we have provided $4 million for leadtime hardware for an optional fifth orbiter. This is not a commitment to ultimtely support funding, but is intended to keep the project going for another year.

We have also provided $4 million for Stereosat to provide high resolution stereoscopic coverage of the Earth for mineral, petroleum, and natural gas exploration.

For the National Science Foundation, the subcommittee has reduced the amounts for the social science and the so-called old RANN program, because it is difficult to evaluate the real benefit that some of these programs have to the Nation.

In the veterans portion of the bill, the Camden, N.J., Veterans' Hospital has been included. Funding has also been provided for a new hospital at Portland, Oreg., in an amount sufficient to build it at the Emanuel Hospital site, although the Veterans' Administration will make the final decision on site selection.

Mr. Chairman, in my judgment this is a good bill we are bringing before the comimttee. I will have one minor amendment at a later time, but I think that basically the bill is an adequate one. I compliment the chairman, the majority and minority members, and the staffs, on their work.

Mr. Chairman, I reserve the balance of my time.

Mr. BOLAND. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, basically I just want to engage in a colloquy with the chairman of the subcommittee, and also to commend him on the very fine work he has done on this bill.

My question is about the $8 million in the bill that we are talking about for this water reuse research. Did the committee intend to make this money also available for potable reuse programs? I want to be sure potable projects would be funded under this program.

Mr. BOLAND. Will the gentlewoman yield?

Mrs. SCHROEDER. I will be delighted to yield.

Mr. BOLAND. Let me say that in marking up this bill, the committee recommended an additional $8 million above the budget for agricultural water reuse research. The subcommittee considered including potable water research as an eligible activity within the $8 million, but limited the funds only to research involving agricultural water reuse. We took this action because we have received testimony from EPA indicating that it is not able to develop standards for potability. That problem has now been solved. In the past week, I received correspondence from the Acting Administrator of EPA suggesting that the Agency was ready to proceed with an expanded potable research program.

In view of that, I want to make it clear that I believe the $8 million add-on should be available for both potable and agricultural water reuse research. EPA is now ready to proceed, and adding potable as an eligible activity is also in agreement with the $25 million authorized for this particular fiscal year.

Mrs. SCHROEDER. I thank the gentleman from Massachusetts, and I appreciate his saying, then, that it was not meant to be exclusive; that potable and agricultural reuse should be considered equally.

Mr. BROWN of California. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I would like to point out to the gentlewoman that in the legislation authorizing the EPA research and development for fiscal year 1978, under which this program is moving forward, an amendment was added on the floor to provide $25 million for this program. It was basically for potable reuse originally. In this year's fiscal year 1979 EPA research and development authorization bill which has passed the House, we have changed the language slightly to include both potable water and agricultural reuse, so that as the chairman has pointed out, particularly as soon as the new authorization act is signed into law, it will clearly include both the agricultural reuse and the potable use.

I might add also that in the amendment I propose to offer a little bit later on, I will propose to add an additional $6 million to the $8 million which the committee has authorized in order to expand this program.

What I was fearful of is that the amount of money, the $8 million would allow for very few projects, and there are many worthy projects that need to be considered as demonstrations in this particular type of activity.

Mrs. SCHROEDER. I thank the gentleman from California.

Mr. COUGHLIN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of the bill and to pay a really strong compliment to the chairman of the subcommittee, the gentleman from Massachusetts (Mr. BOLAND), who has done a tremendous job, along with the members of his staff, and the ranking minority member, the gentleman from Pennsylvania, Mr. LARRY COUGHLIN, and the members of his staff. There has been a really exceptional effort on the part of all the members of the subcommittee.

As Chairman BOLAND has said, it is a good bill. There may be something here and there that one may not be particularly impressed with, but all in all it is a good piece of legislation.

Now I would like to step out of character a little bit and say that I will offer an amendment later that will actually increase the amount of spending. I propose to offer an amendment to increase the section 202 housing program, that is the program that provides housing for senior Americans, by $100 million. The reason I do this is the bill would provide today $800 million for that purpose, but $50 million is set aside for handicapped persons. Of course I support that. I am all for it, but when we take the $50 million out of the $800 million, it leaves only $750 million, which is the same as last year. There is not even an increase in here for inflation.

Last year's amount did not come close to getting job done. This is a program, out of all the programs that we support and fund and pay for in this Congress, here is one of the few programs where there is definitely an established and identified need. The White House Conference on Aging determined we need 120,000 units of 202 housing for senior citizens per year.

Even with this $100 million increase, we will not get that job done. This $100 million will accelerate that program. I suggest if we look at every program we appropriate money for in this Congress, we will find this is one where we do not have any allegations of fraud, where we do not have any allegations of mismanagement, and where we do not have speculators making large windfall profits.

This is a good program. It provides a service that is really needed and it provides it for those people who are due some recognition from their Government, the senior citizens who have done so much in the building of America, the America that we enjoy today.

When we get into the amendment process I will provide a few more specific details, but I wanted to let the Members be aware that I do support the bill and I think it will be an even better bill with this $100 million I would add to it. I would close by saying that, as Chairman BOLAND said, this bill is below the budget, and with this amendment successfully offered to the bill and

hopefully adopted this bill will still be below the budget.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I thank the gentleman from Massachusetts for yielding.

Mr. Chairman, I want to commend the committee on its efforts to provide funds for EPA's hazardous and solid waste programs. I am disappointed that the appropriation levels provided in the bill before us today fall short of the levels authorized, especially in light of the critical need in many of our congressional districts for local funds to implement sound solid waste management programs. But I understand the need to show fiscal constraint in the budget process.

I would like to pose several questions to the chairman in order to clarify the intent of the committee in providing $15 million for grants for facility planning and feasibility studies for solid waste management and resource recovery facilities.

Am I correct that this $15 million was proposed by the President as part of the administration's urban initiatives program?

Mr. BOLAND. The gentleman is correct.

Mr. EDGAR. And is it the committee's intent that these funds not be strictly limited to urban areas but that they may be made available to less-populated suburban communities, like Delaware County, in Pennsylvania, if these communities can demonstrate sufficient need and capability to utilize resource as a means of dealing with a solid waste problem?

Mr. BOLAND. Again, the gentleman is correct. I refer him to the report language on page 28 to that effect.

Mr. EDGAR. Finally, although the House report mentions only that this $15 million be used for "facility planning and feasibility studies for solid waste management and resource recovery," am I correct in assuming that the committee intends that this money can also be used for the other purposes related to resource recovery planning as described in section 4008(a)(2)(A) of the Resource Conservation and Recovery Act (Public Law 94–580)?

Mr. BOLAND. Once again, the gentleman is quite correct.

Mr. EDGAR. I thank the gentleman for that clarification.

I am pleased with the President's action in requesting $15 million in his urban initiative program for grants to 15 to 30 cities and urban counties for preliminary studies for resource recovery facilities. Including resource recovery in his urban program gives national attention to the fact that resource recovery is one approach to the Nation's solid waste disposal problem whose time has come. As my colleagues know, resource recovery systems are able to process trash by recovering materials such as metal and glass and then converting much of the remaining portion into some form of usable energy. Resource recovery systems have tremendous potential to assist us in meeting a portion of our energy needs while reducing our dependence on landfills. Of course, these systems are not without their risks and problems, but these problems are to be expected from a relatively new technology. Many of the problems will be resolved as more facilities come on line. It is important, therefore, that the push toward resource recovery begin now so that these problems can be worked out before our national waste disposal problem becomes any more critical.

I hope that inclusion of funds in the urban plan for resource recovery facility planning will not divert attention from the fact that smaller communities and rural communities, which often may not view resource recovery as a satisfactory solution to their solid waste problems, are also facing tremendous financial problems in trying to develop and implement more acceptable waste disposal programs. In many cases, smaller communities have a more pressing need for planning and implementation funds than do larger communities.

Despite the fact that the Environmental Protection Agency and State governments are making every effort to comply with the intent of the 1976 Resource Conservation and Recovery Act, the principal piece of legislation regulating hazardous and solid waste disposal, progress in implementing the act has been slow, largely due to a failure to commit sufficient Federal funds to the program. I readily admit to the fact that there are many other important environmental programs besides hazardous and solid waste management that need funds. However, the Resource Conservation and Recovery Act represented the Congress intent to give long-needed attention to a neglected stepchild of environmental protection: land pollution. Air and water pollution control efforts have cost our Nation much money mainly because we came to the problem late in the game. By tackling the solid waste problem relatively early on, it was our aim to be ahead of the problem and to save dollars in correcting or avoiding pollution by hazardous waste and solid waste. However, by falling short in providing funds, we have defeated our aim of trying to keep somewhat ahead of the problem. What started out as an ambitious, innovative environmental program may turn out to be simply a regulatory nightmare if we do not continue to push for more funds in this area.

The House Appropriations Committee has recommended that $25 million over and above the President's budget request be provided to the Environmental Protection Agency to be allocated by EPA on a priority basis for transportation and air quality maintenance planning under section 175 of the Clean Air Act Amendments and for State solid waste planning under section 4008(a)(1) of the Resource Conservation and Recovery Act. Although it is likely that there will be considerable pressure on EPA to devote a large share of these funds to clean air programs, I hope that a substantial portion will be earmarked for State solid waste planning grants, provided, of course, that this provision remains intact through conference action. This money will enable States to continue in their efforts to develop and improve their State solid waste management plans so that they are consistent with the guidelines of the Resource Conservation and Recovery Act. The States are not asking for large Federal handouts—they only want an indication that the Federal Government still views the waste management program with the same seriousness that was expressed at the time the act was enacted. Most States are already spending far larger amounts of money for solid waste planning than they can ever expect to receive from the Federal Government. Thank you, Mr. Chairman.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. AMBRO).

Mr. AMBRO. Mr. Chairman, I thank the gentleman very much for yielding me this time. I too would like to add my voice to the other Members in commending the chairman, the gentleman from Massachusetts, Mr. BOLAND, and the members of the subcommittee for the great work that subcommittee has done on this legislation in general and more specifically to express my appreciation for recognizing the necessity for a separate national ground water research program by including $1.4 million in the EPA research and development budget strictly for this purpose.

If I am correct, Mr. Chairman, $1.1 million of the $1.4 million is devoted specifically for the Garber-Wellington aquifer in Oklahoma research and development. That is a worthy purpose. The report indicates that $300,000 will be utilized or earmarked for other groundwater research, the effect of which is very important and one of these areas is in a municipality in my district which lost 57 percent of its drinking water supply due to well closings through industrial organic contamination. It just occurred to me, Mr. Chairman, that research and development in this very vital area is something that each of us must be concerned about. I wanted to ask the chairman a question. Of the $300,000 that was set aside for groundwater research for other projects, could this be utilized for a city such as Glen Cove, which has this severe problem and is a microcosm of many areas in the United States that may well have difficulty with these kinds of problems?

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. AMBRO. I am happy to yield to the distinguished gentleman.

Mr. BOLAND. The gentleman is correct. The report accompanying the authorization specifically targets these funds to be channeled through the EPA laboratory in Ada, Okla. The $300,000, in addition to the add-on of $1,100,000, should provide EPA an opportunity to do some constructive and useful water research in Glen Cove and similar communities. I want to compliment the gentleman from New York, Mr. AMBRO, for calling this to our attention. As he indicated, Glen Cove was one of the first communities in the country which ex-

perienced a severe loss of water supply because toxic solvents were discovered in the water reservoir. The gentleman brought this to the attention of the legislative committee and to our committee and the $300,000 earmarked in this bill will help to solve some of the problems communities like Glen Cove are experiencing. I congratulate the gentleman from New York for his activity in this area.

Mr. COUGHLIN. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, later this afternoon, I plan to offer an amendment to the Selective Service System portion of this measure. My amendment will increase the funding for the fiscal year 1979 from the committee's $7,045,000 to $9,500,000 which is the amount recommended in the President's budget.

When the amendment is offered, I plan to go into detail on just exactly what the additional money will do. I will limit my statement at this time to my reasoning for offering this amendment and give some of the background surrounding the need to increase the funding for the Selective Service System.

In December 1976, the Selective Service System was substantially geared down and placed in what is known as "Deep Standby." In deep standby, the Selective Service does not register anyone until after mobilization day (or M-Day, as it is known). All operational functions have ceased and the organization is now comprised only of a minimum staff which maintains detailed plans on how to perform registration and how to reassemble State headquarters plus local and appeal board structures in time of mobilization. Of course, not until these functions have been accomplished can actual registration and selection begin.

In 1976, the manpower requirements for the Selective Service was to deliver the first inductees at M+110 days with delivery of 100,000 inductees at M+150 days. That continues to be the maximum capability of the System. However, in 1977, DOD reviewed these standards and determined that they were inadequate to meet our needs in case of a sudden conventional conflict of any major scale. Therefore, DOD through Assistant Secretary of Defense White informed the Selective Service of new manpower mobilization requirements. These new requirements are to have first deliveries of registrants for induction at M+40 days, to have 100,000 inductions by M+60 days, and to have 650,000 by M+180 days. These requirements are significantly higher and have therefore made it impossible for the Selective Service System to meet its objective without some increase in funding.

I realize that many of my colleagues may wonder why DOD feels it necessary to have these higher manpower requirements. When the System was placed in deep standby, it was thought that the Reserve, National Guard, and the IRR (Individual Ready Reserve) units could augment our active military personnel until such time that the Selective Service could be reactivated. However, recent figures show that serious shortages in these units exist. Furthermore, their efficiency and combat readiness at any particular moment are highly questionable. The reasons behind these shortages while important, need not be discussed at this point. Suffice it to say that in case of a major war in which we need to supply and resupply our military troops with substantial numbers of personnel, we would simply be unable to do so at the present time.

Of course, one of the major arguments against spending any money for the Selective Service System is that no war involving thousands of American troops would last very long before going nuclear. However, I find that argument extremely dangerous. If we continue to base our decisions on that assumption, it may well become self-fulfilling. Unless the U.S. military is capable of fighting a conventional war adequately, we will be left with only two choices: either we lose, or we go nuclear. Neither of these alternatives are very appealing. It is, therefore, vital that we maintain at least a minimum capability to fight a prolonged conventional war. In order to do that, we must have a Selective Service System capable of meeting its manpower mobilization requirements.

I am not alone in suggesting an increase in the Selective Service funding level. In its report on H.R. 10929, the DOD authorization bill, the House Armed Services Committee stated—

> On reviewing the state of our reserve forces and the manpower mobilization potential, it became obvious that the Selective Service System cannot meet manpower mobilization requirements in an acceptable time frame. To overcome that deficiency, Selective Service must be extracted from its present deep standby status with a return to registration and classification.

The Armed Services Committee plans to continue studying this matter and has in fact requested the Office of the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics to conduct a study of the state of military mobilization plans in order to identify deficiencies and to report the results of the study to the Congress by January 30, 1979.

The Senate Armed Services Committee also commented on the Selective Service in its fiscal year 1979 authorization report when it stated—

> Given the strain necessary to attract the current numbers of recruits, and the large incremental cost of increasing force levels, it should be clear that the All-Volunteer Force is a peacetime concept that is not now providing sufficient numbers of reserve personnel and would be hard pressed to provide additional numbers of active recruits should the national security require an expansion of current active force levels. The current inactive Selective Service System could not begin to provide draftees in limited numbers for initial assignment until 7 months after mobilization—a period so long as to raise serious questions about our capabilities for an intense war with limited warning.

On May 18 of this year, Senator SAM NUNN, chairman of the Senate's Subcommittee on Manpower and Personnel of the Armed Services Committee wrote to Senator WILLIAM PROXMIRE, chairman of the Subcommittee on HUD-Independent Agencies, Committee on Appropriations, and stated, in part:

> The Selective Service would now be unable to meet the stated Department of Defense requirements for manpower in a timely way in case of mobilization. Witnesses before our Subcommittee strongly supported the increase requested in the budget from $6.3 million in fiscal year 1978 to $9.5 million in fiscal year 1979 for the Selective Service. According to Defense witnesses, this budget increase will make a significant difference in the ability of the Selective Service to meet mobilization requirements.

Assistant Secretary of Defense White perhaps capsulized it best in a memorandum to the Acting Director of the Selective Service System when he stated that:

> It is obvious that a system that does not deliver the first 100,000 inductees until M+150 days is not acceptable.

The current shortage of Reserve, National Guard, and IRR personnel is a major concern of DOD at the present time. Efforts are being made now to improve upon that situation. However, it is obvious to anyone who takes the time to fully review the facts that unless we have a Selective Service capable of meeting the new manpower requirements established by DOD last year (which I outlined earlier), our options in case of a sudden major war will be severely limited.

When I offer my amendment, I hope that this body will agree that we cannot afford to do without the additional flexibility a better equipped Selective Service will provide. I, therefore, urge my colleagues to join with me in supporting the President's recommended level of $9.5 million.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, one of the agencies that we are funding today in the fiscal year 1979 HUD-independent agencies appropriations bill is the Office of Revenue Sharing. I thus think it is important that the House be made aware of the fact that some of us do not believe this Office is doing the best job it could to distribute revenue-sharing moneys accurately and equitably.

During the past year, a number of us who represent rural areas have received many complaints from local officials pointing out that their general revenue-sharing funds are being computed incorrectly, resulting in reduced payments for their communities. My research into such complaints has revealed some disturbing facts. In the majority of cases, I discovered that the per capita income of these communities, which is one of the key factors used in determining their revenue sharing entitlement, had been overestimated by the Federal Government. This computation error, made by the Federal Government, was directly responsible for the reduction in payments to local governments.

Congressman GRASSLEY, myself, and other Members have been trying to resolve this problem so that local governments are treated fairly. Unfortunately,

the Office of Revenue Sharing response to our efforts has been uncooperative and obstructive.

The GAO has looked into this matter and their study stated that—

The reliability of the estimate (of per capita income) for small local governments is questionable because of possible errors in the base data and limitation on the information used to update the base data.

In other words, the GAO concluded that the whole idea of using per capita income as a factor in determining the allocation for small units of government is not reliable.

What most people do not realize is that this unreliable data is being used to compute the allocations for most units of Government. The Office of Revenue Sharing informed me that 90 percent of the 39,000 units of State and local general purpose government are small units—that is, with populations of less than 2,500. Thirty-four percent have populations of under 500 persons.

Even the Bureau of the Census, which supplies data to the Office of Revenue Sharing, admits that there is a problem in the computation process, and it has recommended some changes. For example, the Census Bureau is altering the procedure whereby a small town can challenge the Federal Government's estimate of per capita income. I also understand that the Census Bureau is planning some changes in the methodology for computing entitlements.

These appear to be positive changes. However, alone they are not sufficient to restore equity for small communities. Mr. Roger Herriot, the Census Bureau official responsible for the per capita income methodology, has expressed this view. And the GAO has stated that even with more accurate data the error rate in computing entitlements could run as high as 79 percent in communities under 500.

Under existing law, the Office of Revenue Sharing has the option of abandoning the current system of basing allocations on per capita income and utilizing population figures alone. Congress wrote this option into law in recognition of the fact that there might be problems with the per capita income procedure when determining entitlements for small towns. The law states that for communities with populations of 500 or less, which comprise one-third of all governmental units in the United States, the Office of Revenue Sharing can use population as the basic factor for computing allocations.

Even with this option at its disposal, the Office of Revenue Sharing, speaking through the Department of the Treasury, has elected to do nothing about the problem of inequitable allotments to small communities. In a letter to Representative GRASSLEY, they state that,

After a thorough analysis of the comments and conclusions contained in the GAO report which you provided, we have elected to adopt no changes in our present policy of using the per capita income for places of less than 500 population.

In my view, this attitude is unacceptable.

Mr. Chairman, I believe that the Office of Revenue Sharing's position on this issue is untenable. It is contrary to the intent of Congress and a disservice to the residents of small communities all across our country. The facts clearly show that the present system of computing entitlements for small towns does not work well. I believe that it is the responsibility of the Office of Revenue Sharing to look for more equitable ways of computing allocations for smaller units of Government. They are evidently unwilling to do so. I thus believe that it is time for the Congress to take steps to correct this situation. I hope that the appropriate congressional committees will take prompt action to resolve this problem, and I will certainly work with them to accomplish this end.

Mr. COUGHLIN. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. GRASSLEY).

Mr. GRASSLEY. Mr. Chairman, I rise for the purpose of asking questions of the subcommittee, but also to point out to the entire membership the fact that this budget allows a 1,200 increase in the number of employees at HUD. I ask from this standpoint: from page 7 of the budget in brief booklet that we get at the first of each calendar year, I see that HUD requested 1,400 additional employees. That is a larger percentage increase than any other Department listed on this page of the budget booklet. The subcommittee recommended that 1,200 of the 1,400 employees requested be funded. How does this ratio of slots actually funded to requests compare to committee action for other departments? Regardless, I think it is significant that this budget request is a higher percentage than that asked for or received by any other agency of Government.

Now, within this request there were 883 field positions requested for housing programs in HUD and 413 positions requested by the community planning and development part of the HUD program.

Now, I think we need to know how many of these 1,200 employees that were finally funded are going to go for each one of these programs and how HUD justifies such substantial increases.

Then on one other point in regard to employment increases, some of the 413 positions in the community planning and development part of HUD were the result of what HUD refers to as "management initiatives."

Mr. Chairman, it seems to me that if we have so-called management initiatives, there would be some streamlining of operation and hopefully some reduction in personnel.

Then, in another area, I would specifically ask whether or not there are 42 new employees justified in carrying out the workload of the fair housing and equal opportunity program. In regard to this program, I ask the question specifically because I have had some bad experience in relation to how that program is carried out by HUD.

The bottom line of the time that I have taken here is just to ask why so many new positions are needed all at once.

Can they be worked into the program in an efficient manner if in fact they are justified? And then I would ask, is it not possible, with such a large increase, that we may have people simply sitting around with nothing to do, especially if the positions aren't filled gradually?

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. GRASSLEY. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, page 16 of the report indicates that the subcommittee substantially reduced the request of HUD for increased positions. If one would check with contractors, bankers, and others in the building and housing industry, one would find out that they very definitely support increased personnel in the processing of applications. There has been a great backup in this area and it is very difficult to get processed applications through. So, there is much support for increased positions in that area.

However, very importantly, I think, the subcommittee substantially reduced the number of personnel for the community planning and development programs. Those programs, in our judgment, are supposed to be flexible and must not become a categorical grant program. The local community is supposed to decide what it wants, and this should not take a lot of paperwork to process. We very definitely felt a reduction was in order in the requested personnel who would participate in the monitoring of those programs. Monitoring means more paperwork, no matter how you go about it.

So we said that is an area which deserves attention, and we cut them back by 115 positions in their request.

Mr. GRASSLEY. Mr. Chairman, can the gentleman speak to the point were 42 new positions authorized for the fair housing and equal opportunity program?

Mr. COUGHLIN. That is correct.

Mr. GRASSLEY. They were authorized and they will be funded?

Mr. COUGHLIN. There are 42 additional positions funded in that program.

Mr. GRASSLEY. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. BOLAND. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. Mr. Chairman, I will not take a great deal of the Members' time. I, too, commend the committee for the work it has done on this legislation.

It is not the work of the committee that concerns me here, but it is the fact, Mr. Chairman, that we have in this bill a program that deals with appropriations which are not authorized. That concerns me a great deal.

Later on this afternoon I plan to offer an amendment as to that program, and that is as to the Federal Insecticide, Fungicide and Rodenticide Act.

As a freshman Member of Congress and one who serves on the authorizing

committee, I was greatly concerned last year when one of the first things I found in that committee was that the appropriations for this program expired in March of 1977. Thereafter legislation was introduced to extend it for the balance of that current year, and then that legislation was amended to include overall corrections needed in the program. This was all done last year, and it is still in conference.

It greatly concerns me that perhaps the same thing will occur again, and that we will appropriate even though the appropriations are not authorized.

The last authorization provides that the appropriations would expire on March 31, 1977. No authorizations for appropriations have been provided since that time.

This concerns me for two reasons: First, that we are not authorizing and yet appropriating and continuing to permit the program to function without any authorization, and, second, I feel that the necessary changes should be made in the program, and that it should be done this year and not in the following year.

For that reason I plan to offer the amendment that will prohibit the use of these funds for this program unless appropriations are authorized by law.

Mr. COUGHLIN. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. GREEN).

Mr. GREEN. Mr. Chairman, I would like to address certain of the housing elements in this appropriation bill. Basically, the bill follows the President's program as enunciated, first, in his budget message, and, most recently, in his March 27 urban message. That is, the bill provides for a very substantial increase in the funding in the section 312 rehabilitation loan program, but it holds the line on the section 8 program. Indeed, as the committee itself notes in its report, the actual result is a reduction in the number of section 8 units that will be produced as a result of the inflation factor. The section 312 program is one which has worked very well for single family and small homes, and I have no quarrel with the action of the committee in following the recommendation of the President in that respect, even though the section 312 program has not been effective in rehabilitating multifamily housing.

I agree with the President's urban message that economic development is the No. 1 priority in terms of addressing the problems of our cities. Nonetheless, I am disturbed that the President's urban message and, as a result, this bill, contain nothing new in the way of housing initiatives for those communities where there is a substantial stock of multifamily housing. I do not think we can have an effective urban program with such a modest housing element as the President's March 27 message contained. I am hopeful that the Congress, as it reviews the President's urban program in the months that lie ahead, will address the housing issue, as the distinguished ranking minority Member suggested in his remarks. It is an area that needs attention. It was sloughed over much too lightly by the President. I think it is up to us to look at it more closely. It is time that the Nation had a housing policy once again.

Mr. BOLAND. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas (Mr. ALEXANDER), who is a member of the committee.

● Mr. ALEXANDER. Mr. Chairman, I want to take this opportunity today to again express my concern about a trend with many executive branch policymakers which I believe runs counter to the best interests of our people and our Nation. I refer to their overriding preoccupation with solving problems of troubled cities with populations of more than 50,000, particularly those in the north-central and northeastern part of the country. This is an attitude that seems to blind them or make them callous toward the needs of distressed areas with populations of less than 50,000.

This is a preoccupation that is promoting increasing regional divisiveness and resentment. It is a trend that persists despite numerous expressions of congressional intent that Federal aid should be available to distressed areas wherever they may be or whatever their size. It is an attitude that I believe will bear a bitter social, political and economic harvest in the not too distant future.

My record as a member of this body bears clear evidence of my concern for and willingness to support programs to benefit our Nation's largest cities. It is, at the same time, a record that repeatedly states my belief that places under 50,000 have a right to expect and demand fair and equitable treatment of their problems.

The human settlement trends in our Nation during the past 8 years make clear the preference of our people for living in smaller cities and communities. The share of the population in places with populations of less than 50,000 has risen so that the U.S. Bureau of the Census now estimates 6.6 out of every 10 persons make their homes in these kinds of cities and communities. That is an increase from 5.5 since 1970.

There is clear evidence that many smaller cities and communities of our Nation need the same range of assistance from our Federal Government that our largest cities do.

Despite the evidence before us too many departments and agencies of the executive branch discriminate against the smaller cities and communities when preparing budget requests, writing program regulations, and proposing legislation. Some go even further and make proposals that not only penalize the smaller cities and communities for their size but penalize most all cities and communities for being located in the wrong geographic region or for being younger than other cities and communities.

There are batches of regulations and policies aimed at repopulating declining major cities. The outmoded and fallacious theory that "bigger is better" seems still to cloud the minds of too many of our policymakers.

I do not mean to say that we ought to encourage population outflow from our biggest cities. I do mean to say that when executive branch policymakers say they are developing policy that will give a healthy choice of living place to our people they have a moral, social, political, and economic responsibility to do just that; not to develop policies that restrict the choice to which of the biggest cities to choose.

I have long been convinced that the Department of Housing and Urban Development is one of the worst offenders in promoting policies restricting human settlement choices. I was deeply disappointed that this trend appears to be gaining a foothold in other departments and agencies this year, under pressure of the administration's new "urban policy."

But, our subcommittee hearings on HUD's budget proposals did nothing to shake my belief that the policymakers down there remain wedded to their belief that the "urban" in their department's name refers only to the biggest of the big cities.

Close questioning of HUD officials' interpretation of their responsibilities and objectives under the Housing and Community Development Act of 1977 confirmed this. Intense probing of their understanding of their duties and goals under the "urban policy" underscored this. Discovery of the manner in which they had allocated some of the funds Congress appropriated for their use in this current fiscal year gave new evidence of this.

During our hearings this winter and spring, a number of the members of the subcommittee attempted to help HUD gain a better understanding of its responsibilities to places with populations of less than 50,000.

In our report on the appropriations bill before us today our committee has tried to achieve the same objective by telling the Department it expects HUD to "give ample consideration to cities of all sizes in administering the urban development action grants program." We have also demonstrated our concern for this in allocating 20 percent of the comprehensive planning grant money we have recommended to the use of nonmetropolitan areawide planning organizations.

It is to be hoped that the executive branch, and particularly HUD, reads our message correctly and acts promptly to carry it out.●

● Mr. FRENZEL. Mr. Chairman, H.R. 12936 is apparently under the budget, and a reduction from last year's spending, but appearances are deceiving. It is not possible to evaluate completely the unspent carryover from last year, or to predict supplement appropriations later in the year. Nevertheless, the bill looks too expensive.

Overall, this bill suffers from the same disease that afflicted the budget, and the various other appropriations bills. It simply represents spending as usual. Most component programs are sharply

increased from last year. Counting carryovers, and unauthorized items pending, it looks like about a 10-percent increase.

The people of this country have indicated they do not want spending as usual. They expect the Congress to begin cutting back. There is no cutting back in this bill.

The failure of the Brown amendment was a good case in point. He sought to reduce a program which had been increased 30 percent last year, and is to be given another 30-percent increase this year. It is an BPA enforcement program in which there is no focus and in which no priorities have been set. With continuing 30-percent increases, you can bet that there never will be any priorities.

But the House rejected this sensible attempt to keep the increase this year year to 7 percent, twice the growth in GNP. That is spending as usual, and so is H.R. 12936. I shall vote against it.●

● Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of H.R. 12936, Department of Housing and Urban Development and Independent Agencies Appropriations for fiscal year 1979, but not without certain reservations concerning unwarranted cutbacks in low-income housing.

"Housing," to quote Secretary Patricia Harris, is a fundamental, essential, and basic human right, equivalent to food and clothing on the national scale of human needs; it is the foundation of the family, and the family is the basic unit of society. It is from this perspective, and as chairwoman of the Government Operations Subcommittee on Manpower and Housing, that I evaluate this legislation to fund the Department of Housing and Urban Development and other related agencies for the forthcoming fiscal year.

HUD was established by Congress in 1965 as a response to the phenomenon of rapid urbanization, as a recognition of our society's obligation to provide decent housing for all Americans and to enhance the capability of local governments to rejuvenate their communities.

One of the key programs administered by HUD is the section 8 rental assistance programs, a rent subsidy for lower income families to help them afford decent housing in the private sector. Under section 8, HUD makes up the difference between what a lower income household can afford and the fair market rent for an adequate housing unit. Housing thus subsidized by HUD must meet certain standards of safety and sanitation, and rents for these units must fall within the range of fair market rents as determined by HUD.

During hearings before the Appropriations Subcommittee, HUD testified that approximately 14.8 million households are in need of such housing assistance. Given the need for this program in an increasingly tight rental market, and given the fact that the Appropriations Committee has itself recommended a staff increase of 1,200 positions for the purpose of monitoring housing program implementation, particularly section 8, I do not see how one can justify at this time the committee's $6.8 billion reduction in contract authority for this program.

For section 8 new construction the legislation before us reserves only 110,000 units as compared with 105,010 in fiscal year 1978 and for existing units reserves only 164,000 as compared with 152,810 in fiscal year 1978. Only the category of substantial rehabilitation will benefit from a significant upward adjustment, from 56,050 units in fiscal year 1978 to 70,000 for fiscal year 1979. Where is our commitment to meeting the housing needs of low- and moderate-income families?

Likewise I strongly oppose the amendment offered by Representative MILLER of Ohio that would cut the HUD fiscal year 1979 appropriation by 2 percent.

On the other hand, I am pleased to see that certain programs that have long suffered from neglect on the part of the Federal Government are finally beginning to receive the recognition and support that they deserve. I am referring particularly to housing counseling for which the committee has recommended an appropriation of $10 million for fiscal year 1979 as compared with $5 million for fiscal year 1978. Proper counseling is one of the most important services that can be provided to the prospective homeowner who is about to make the most important financial investment of a lifetime. The committee's recommendation will enable HUD to increase the number of HUD-approved agencies providing counseling to an estimated 26,300 clients.

I am also favorably impressed by the committee's decision to recommend $20 million in appropriations for a separate Urban Homesteading program under which vacant HUD-held properties are transferred first to local governments and eventually to individuals or families for a nominal fee. The homesteader is then required to make repairs in order to bring the property up to minimum health and safety standards, to be determined by HUD, and then to occupy the property for 3 years, after which the occupant receives full title to the property. This approach, which has so far been demonstrated successfully in 40 cities, including Chicago, may someday provide, with HUD's support, a vital tool in the revitalization of urban neighborhoods.

It is because of forward-looking programs such as these and many others that deserve mention—including community and urban development action grants, housing for the elderly and for the handicapped, to name but a few—that I urge my colleagues to join me in support of H.R. 12936.●

● Mr. DRINAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana.

Ever since June 30, 1973, when the authority of the Selective Service to induct young Americans into the armed services terminated, we have been working to keep the budget of the Selective Service within the range justified by its sharply limited functions. The chairman of the subcommittee, my distinguished colleague from Massachusetts, has taken the lead in preventing a very familiar Washington phenomenon: a bureaucracy holding on to its traditional funding level long after its reduced role has made that level excessive.

My colleague from Wisconsin (Mr. STEIGER), joined with me in the initial effort to pare down the budget of the Selective Service System to reflect its limited duties. This bipartisan effort ultimately prevailed in 1976, with the reduction of the Service's budget to $6.8 million, which placed the Selective Service in the "deep standby" status appropriate in light of the removal of the draft and registration.

The $7 million allocated by the subcommittee to the Selective Service in the coming fiscal year continues the realistic approach to the funding of this agency.

What, then, is the justification for the amendment, which adds $2.5 million to the budget of this agency. It is suggested that the October 1977 revision of the Department of Defense estimate of manpower requirements justifies this increase. This simply is not so. The Pentagon revised its requirements to include first delivery of inductees in 30, rather than 110 days. Given the normal training time required for new soldiers, this estimate seems open to serious question. It cannot be taken at face value. And, as pointed out by the committee in its report, it is very doubtful that the 30-day target figure could be achieved by the Selective Service without some form of registration, a fundamental change not envisioned now or in the future.

So what would an additional $2.5 million accomplish? Nothing, in terms of the Department of Defense manpower requirements, as this incremental addition to the budget would not, in the absence of much more expensive registration apparatus, permit the delivery of inductees in 30 days. It is estimated that at least $18 million would be needed to approach that goal.

An increase in the budget of the Selective Service is especially inappropriate at the present time, when the President's reorganization project is in the process of conducting a major analysis of the Selective Service System. Surely we should not depart from the standard which has served us well since 1976 prior to the release of that study and congressional consideration of its findings. These results are not expected until autumn, 1978.

In conclusion, Mr. Chairman, I would like to commend once again the chairman and the members of the subcommittee for their careful analysis of the actual budgetary requirements of the Selective Service System and their recommendation that this Congress not waste the taxpayers' dollars to pay for functions which no longer exist.●

● Mrs. BOGGS. Mr. Chairman, as a member of the HUD-Independent Agencies Subcommittee, I would like to commend our able chairman, the Honorable EDWARD BOLAND, and our ranking Republican member, Mr. COUGHLIN, for exceptionally fine management of the fiscal year 1979 appropriations bill. All of the members of the subcommittee and all of the members of the staffs should also be commended for their diligence and interest and effective leadership.

Without question, the challenge of our

times is fiscal responsibility, and despite the broad scope of jurisdiction—covering the Department of Housing and Urban Development and 17 independent agencies—the subcommittee has deftly chiseled and molded the 1979 budget to a figure $6 billion below the 1978 bill and $1.3 billion under budget estimates for 1979 while maintaining sound and responsible policy. We have continued to meet our obligations—our veterans, our housing needs, our environmental concerns, and many others. In addition, we are continuing to support the type of advanced technology and science that will lead to an increase in productivity. I particularly commend the subcommittee for its foresight in providing an additional $4 million for long-lead items which will hold open our option for the development of a potentially critical fifth Shuttle orbiter.

Where cuts were feasible—they were made. Where increases were called for—they were provided. The result is balanced, fair, and an exercise in fiscal leadership by the chairman, the staff, and the members.●

● Mr. GILMAN. Mr. Chairman, I would like to take this opportunity to express my support for an amendment offered by the gentleman from Florida (Mr. YOUNG), appropriating an additional $100 million for increased senior citizen housing under section 202 of the housing and urban development program.

We are aware of the crucial need for expanded opportunities for our senior citizens in all facets of present-day American life. Our Nation is becoming more responsive to the needs of our older Americans, and to provide them with new opportunities for sorely needed housing is essential—our older citizens are deserving of such basic opportunities. This housing appropriations proposal increase will help satisfy some of life's basic necessities for our older Americans.

One hundred million dollars in senior citizen housing represents a renewed commitment to our older Americans. Home care for our elderly has received considerable recent attention as a worthy goal. By providing assistance for independent living arrangements for the elderly, we can arrive at this goal more readily.

I encourage my colleagues to support this amendment to allocate to our older Americans additional funds for housing—a basic right for all Americans.●

● Mr. HARKIN. Mr. Chairman, I would like to commend the Committee on Appropriations for bringing this bill to the floor. I support the bill; in most respects I believe it makes effective use of Federal funds. There is one regard in which I believe, however, that the Appropriations Committee has been overzealous in cutting the President's budget. Too much has been cut from the support of research, particularly in the National Science Foundation's budget.

The research support of today leads to the material well-being of tomorrow. This Nation can no more afford to reduce its research investment than a profit-making company can afford to reduce capital investment. This is why I feel so strongly that the National Science Foundation budget should not have been cut so far. The cut amounted to $40 million.

President Carter has the same view of research as I do. Last Friday he sent a letter to key members of the Appropriations Committees in the House and in the Senate. I would like to quote from the President's letter:

> I believe . . . support for basic research by the Federal government is essential for the discoveries and technological innovations fundamental to our economic well-being and to our national security.
>
> As the Congress considers final funding levels for R&D programs, I want to emphasize that even relatively small reductions in key agencies—such as the National Science Foundation— . . . would defeat our objective.

That is what the President had to say.

Mr. Chairman, I was unhappy in reading the report on this bill to see that the Committee on Appropriations made some of its cuts into the NSF budget for reasons that I believe do not hold water. In particular the report cites instances of purported overlap of work supported by NSF with work supported by other Federal agencies, both in earthquake research and economics. The Subcommittee on Science, Research and Technology, of which I am a member, is legislatively responsible for both NSF and the Earthquake Hazards Reduction Act. The subcommittee held several days of hearings before reporting the Earthquake Hazards Reduction Act.

Those hearings showed that there was no duplication of effort between NSF and any other Federal agency. In the area of economics the subcommittee checked with the Council of Economic Advisers. The adviser whom the subcommittee contacted was previously aware of the appropriations report's contention that there was duplication between NSF and other agencies and was, in his words "flabbergasted and disturbed" by the allegation. He said he believed the Appropriations Committee had been only partially informed. The Foundation has provided the subcommittee with a rebuttal of the allegation of overlap in the field of economics, and I will submit it for the RECORD.

In summary, Mr. Chairman, I support this bill, but I am greatly disappointed by the large cuts in research, particularly research supported by the National Science Foundation.

The rebuttal follows:

REBUTTAL TO THE ALLEGATION THAT THE NSF ECONOMICS PROGRAM DUPLICATES THE WORK OF OTHER AGENCIES

The House Appropriations Committee Report on NSF's FY 1979 budget request argued that NSF's support of basic research in economics was similar to efforts of the Bureau of Labor Statistics in the Department of Labor and the Bureau of Economic Analysis in the Department of Commerce. We disagree with this assertion.

In its report on the NSF justification of the fiscal year 1979 budget, the House committee expressed concern that some research support has encroached on the responsibilities of other agencies. In the field of economics, it noted that ". . . NSF-sponsored studies of national income, price level, and employment are similar to efforts at the Bureaus of Labor Statistics. Studies of the effects of market structure on the stability of the economy and the distribution of its proceeds," the report continues, "bear a close similarity to the studies at the Bureau of Economic Analysis of the Department of Commerce." It concludes, ". . . it is difficult to believe that these NSF projects are basic research efforts whose primary value is in advancing the discipline of economics."

The most important problems facing both economics as a scientific discipline and government agencies as actors on the economic scene are indeed similar. But the particular concerns voiced by the committee arise from a misunderstanding of the relation of the macroeconomic research supported by NSF and mission agency work on these same problems. While the two endeavors share a common focus on such pressing issues as inflation and unemployment, the studies funded by NSF proceed at fundamental level which emphasize the development and testing of new concepts and the resolution of contending theories. The in-house investigations and small external research programs conducted by other government departments are in general applied, have specific goals, shorter time horizons, and are oriented toward arriving at prescriptions for immediate action.

It is important to be alert to possible duplications of research efforts, particularly in view of the limited funding available for basic research. Close liaison is maintained with government economists to minimize redundancy and to assist in locating the most appropriate source of support for primary research opportunities. The field of economics is characterized by reciprocal relations and interaction between academic researchers and mission agencies in which the NSF programs play a unique facilitating and non-duplicative role. Such agencies as the Departments of Labor and Commerce, the Council of Economic Advisors, and the Congressional Budget Office essentially are consumers of the output of NSF Economics Program research grants. The constant process of improving the government's forecasting and policy models is dependent on fundamental studies which are conducted, for the most part, at universities. In turn, academic researchers depend to a considerable degree on the data sets and regular economic statistical series generated by government agencies.

The work of Joel Popkin of the National Bureau of Economic Research, recently written up in Business Week, illustrates the progression from NSF-supported basic research to application. Popkin's basic studies on modelling wages and prices were supported by the Division of Social Sciences from 1974 to 1977. His related applied work, derived from the models and data developed from the basic research, more recently was supported by NSF's RANN (ASRA) Directorate (1977–78); his further work on applications is supported currently by the Council of Wage and Price Stability because of its direct relevance to the mission concerns of that Council. The basic research phase supported first by the Economics Program contributed to the development of economic theory and method and also made possible current utilization of some of these ideas. This follows a major tradition in economics: GNP was developed by economists at the National Bureau of Economic Research in the twenties (with non-federal funds) and, when its utility became obvious, was adopted by the government as a continuing series.

The macroeconomic models currently used in the Department of Commerce provide a further illustration. These models are direct descendants of the SSRC-Brooking model whose experimental development and testing was done under the sponsorship of the basic research program at NSF beginning in the early 1960's. Related basic work on econometric methodology continues to the present day with accompanying valuable spill-overs to the so-called "live" econometric models

that are in active use in various government units. A series of seminars on Econometrics and Mathematical Economics, begun in 1970 with NSF support, have played an important role both in the development of theory and in the dissemination of results to economic analysts. Of special interest is the continuing seminar on "Comparison of Econometric Models," in which government and academic model-builders take part. Early work of the seminar concentrated on comparison of model accuracy. More recently, the focus is on optimal control solutions and simulations as a basis for contrasting macroeconomic models. Among the regular participants in this seminar series are Albert Hirsch and Bruce Grimm of the Bureau of Economic Analysis of the Department of Commerce, R. Jeffrev Green of the Council of Economic Advisors, and Carl Palash of the Federal Reserve.

There is thus a close interdependence between the two types of activity, and government and university economists interact frequently, but their efforts are by no means the same.

Approximately one-half of the $5.4 million increase requested for the Social Sciences budget for FY 1979 is targeted at research in economics. It is our belief that this basic work should be augmented, not cut back. Both the advancement of basic knowledge and the development of more effective economic policies are at stake.●

● Mr. AMBRO. Mr. Chairman, I rise to commend the committee and in particular the subcommittee chairman, my colleague from Massachusetts (Mr. BOLAND) for these most prudent and compassionate appropriations.

When this Congress turns its attention and energies to controlling Federal expenditures, it must exercise caution in its zeal to reduce outlays so that our Government keeps faith with prior commitments made to our veterans. When our armed services drafted or accepted, whichever the case may have been, men and women into the military, we made certain promises and entered into certain stated and implied agreements.

One of those agreements was to provide eligible veterans with medical care at facilities operated by the Veterans' Administration. The effect of the original fiscal 1979 budget proposed for the Veterans' Administration would have violated that agreement for more than 400,000 former servicemen living on Long Island, N.Y.

By cutting the medical research program at the Northport's Long Island Veterans Hospital, which is in my congressional district and which is the only VA hospital serving Long Island's almost 3 million people, that hospital's affiliation with a local medical school would have ended and the resulting loss of professional staff would have forced the termination of most medical care for Long Island veterans. In restoring the VA research program to anticipated funding for fiscal 1979, the committee has shown great concern and respect for prior agreements between our Government and our veterans.

On behalf of the Northport Hospital and Long Island's 400,000 veterans, I once again thank the committee and Chairman BOLAND for this decision.●

● Mr. MICHEL. Mr. Chairman, we have heard a lot of rhetoric during the past couple of weeks over how concerned the public is, and rightly so, over the excessive size and cost of Government. Perhaps the two appropriations bills which most embody the expanding and uncontrollable nature of Government at the Federal level are the Labor-HEW bill, which we made some important improvements in a few days ago, and the HUD-independent agencies bill, which we are currently considering.

On the surface, this HUD bill appears to be under last year's level, but that is somewhat misleading because of carryover funding and the fluctuating contract authority programs. Ccnsequently, perhaps the best way to compare this year with last year is to look at the number of positions funded.

You will not find a table showing these figures in the committee report—the report conveniently avoids presenting the overall picture. The facts are, however, that this bill would increase Federal employment by a substantial 6,000 positions over last year.

Obviously this represents no effort whatsoever to hold the line, but instead reflects a continuing commitment to an ever-expending bureaucracy and a much more expensive Government apparatus.

We recently saw President Carter try to scramble on board the bandwagon in an effort to associate himself with the public concern over excessive Government, but that posture was obviously as phony as a wooden nickel. The fact is that the President himself proposed an increase of 2,500 positions, and of course, his colleagues in Congress must go him one better and double the increase.

Something also needs to be said about the direction the Department of Housing and Urban Development is taking. When President Carter campaigned for office, he promised a more responsive and less oppressive bureaucracy. Once elected, however, he threw this promise to the winds and has fostered a Department of Housing and Urban Development that is now rivaling HEW for its dictatorial nature.

The community development program was established as a block grant program, with decisionmaking left in the hands of local communities, but the Department has now undertaken through regulation and administrative action to turn the program into a categorical endeavor with the specifics dictated by the Federal bureaucracy.

Perhaps the most graphic example of this is right over here in Fairfax County, where HUD is trying to tell the county not only that it must have public housing, but even where such housing is to be located. Such a dictatorial attitude represents oppressive government at its worst.

The administration requested 413 new positions for the community development program so that the Department could increase its monitoring of the program. That, of course, represents a cover for increased dictation, and I am glad to see that the committee did reduce the request by 115. That, however, still leaves too many additional people available to engage in mischief.

I note that the committee in its report was critical of the Department for not providing clear definitions of what constitutes nonprogram costs under this program, and also for instituting regulations imposing "extensive and costly additional citizen participation requirements on recipient cities." I hope the committee will hold the Department's feet to the fire in seeking correction of these shortcomings.

The housing programs contained in the bill also merit some discussion. I wonder how many of you are aware that a family of four earning $18,000 a year in the Washington, D.C. area is eligible for subsidized housing. It is simply ridiculous that we should have regulations establishing income limits that generous. This is one of the reasons why the cost of Government is skyrocketing out of sight, and why the people are rebelling.

We simply cannot afford to subsidize the housing of half of our population, just as we cannot afford to provide the massive increase in welfare benefits President Carter has proposed or the major increase in health care subsidies he is contemplating. We have to draw the line someplace and say "no," and right now the line in the housing arena is way too high.

There is another program being funded for the first time in this bill, entitled "Troubled Projects Operating Subsidy," in which the subsidized are being further subsidized. One subsidy will apparently be piled on top of another. Even the committee expresses concern over the dangers of launching this new program when it states in the report:

The Committee is concerned that the Department may be embarking on a new operating subsidy program with a growth potential for HUD-insured or HUD-held subsidized mortgages that could match or exceed the recent growth in public housing operating subsidies.

And yet, despite this concern, the bill contains the full amount requested for this dubious new venture and it does not make good sense.●

● Mr. CEDERBERG. Mr. Chairman, the bill H.R. 12936, the Department of Housing and Urban Development-independent agencies appropriation bill for fiscal year 1979, would provide $68.2 billion in new budget obligational authority. This is a reduction of $1.3 billion below President Carter's budget request, and $6.1 billion below what has been appropriated for the current fiscal year. I must point out however that the President's budget and the bill anticipate an expected carryover into fiscal year 1979 of $6.4 billion in budget authority for the subsidized housing programs. The committee has also deferred consideration of the budget request of $1 billion for antirecession financial assistance for a later supplemental. For these reasons, the table in the committee report which shows this bill to be below the current fiscal year and the President's budget request is misleading.

It is important to note the effect that new budget authority in this bill will have on the impact on the Federal deficit in future fiscal years. The outlay figures over the next 5 years as estimated by CBO are: $29.3 billion for fiscal year

1979; $7.8 billion for fiscal year 1980, $3.5 billion for fiscal year 1981, $2.3 billion for fiscal year 1982, $1.7 billion for fiscal year 1983 and $23.6 billion for future years largely as a result of HUD's housing programs.

The bill provides the President's request for $1.3 billion in new contract authority along with $24.7 in new budget authority for subsidized housing. These funds, together with the expected $6.4 billion budget authority carryover mentioned earlier are intended to support an additional 400,000 subsidized housing units. I would like to call to my colleagues' attention the additional views concerning subsidized housing which were attached to the committee report on H.R. 12936 and were signed by myself and all of the minority members on the HUD subcommittee. We feel that the time has come for HUD to play its part as a spokesman for housing by attacking the real enemies like inflation and deficit spending rather than continuing to just request an additional 400,000 units year after year.

I also wish to call my colleagues' attention to the recent Appropriations Committee surveys and investigations staff report on the HUD section 8 allocation and reservation procedures. This study is discussed in the committee report. There is clearly a need to improve at HUD the reservation system and to streamline the processing procedures required in progressing from a project proposal to execution of a section 8 assistance contract.

The bill provides $3.75 billion for community development grants. This program was created by title I of the Housing and Community Development Act of 1974 and provides assistance to units of general local government and States for funding of local community development activities.

The bill provides the budget request for $400 million for urban development action grants. This program is designed to assist severely distressed cities and countries that pledge to revitalize and conserve viable residential neighborhoods or stimulate commercial and industrial development. I am pleased that the committee has again included in its report, language which recognizes that smaller communities suffer from many of the same urban problems as larger cities and therefore the committee expects HUD to give ample consideration to cities of all sizes in administering this program.

The bill also approves the full budget request for $6.9 billion for general revenue sharing. At present, more than 36,000 units of general purpose government are eligible to receive revenue sharing funds.

The bill provides $5.4 billion for the Environmental Protection Agency. I am pleased that the committee has recommended that EPA do a complete study of its research and development effort to determine how it can be made more responsive and effective in the development of realistic standards. This it seems to me is all the more critical in light of the recognized need for EPA to seek an appropriate balance among other national goals such as employment and energy efficiency as it performs its task of regulating and preventing environmental pollution.

I am pleased that the bill provides $2 million for the National Commission on Air Quality. Congress specifically established this Commission to study alternative methods of carrying out the purposes of the Clean Air Act; and the economic, technological, and environmental consequences of achieving or not achieving them. I wrote the President on March 17 urging him to appoint the public members to this important Commission. Not long after the seven members were named. In light of the critical nature of the work to be done by this Commission, I hope that an official announcement of the appointment of the last two public members will be made soon.

The bill provides $18.5 billion for the Veterans' Administration. This represents an increase of $125 million over the President's budget request. The major areas of increase are: First, medical care $83 million; second, medical and prosthetic research $15 million; third, major construction projects $53 million; and fourth, grants for construction of State extended care facilities $10 million. The committee has kept open 60 percent of the hospital beds proposed to be closed by the administration. Information supplied by the VA indicated that 40 percent of the proposed 3,132 bed reduction would be lost notwithstanding any increase in funding. This loss results from patient privacy and fire and safety requirements, ward renovations for such things as intensive care units, and over capacity.

Finally, the bill provides for over 6,000 additional permanent positions at VA, HUD, and EPA. My colleagues are well aware that the ever increasing number of authorized permanent positions in the executive branch is a matter which concerns me a great deal. I find it incredible that this administration which campaigned against the bureaucratic mess in Washington is currently moving toward more Federal bureaucratic control over programs with quantum jumps in personnel such as these.●

● Mr. ROYBAL. Mr. Chairman, today we are considering H.R. 12936, a bill which contains appropriations for the Department of Housing and Urban Development (HUD) for fiscal year 1979.

As chairman of the Subcommittee on Housing and Consumer Interests of the Select Committee on Aging, I have been extensively involved in identifying the needs and seeking solutions to the many problems encountered by senior citizens in locating decent, safe, and affordable housing. Therefore, I would like to take this opportunity to bring to the attention of my colleagues a potential problem, impacting on the elderly, that may develop because the House is considering an appropriations bill for HUD before it approves H.R. 12433, the Housing and Community Development Amendments of 1978. Title V of the latter is entitled the "Congregate Housing Services Act of 1978."

This provision authorizes $80 million over the next 3 years for the Secretary of HUD to provide contract authority for the provision of congregate services in public and section 202 housing for the elderly. Unfortunately, H.R. 12936 contains no appropriation for this program. This issue was the topic of a conversation between subcommittee staff and staff of the HUD-Independent Agencies Appropriations Subcommittee. Assurance was given that the lack of authorization is the only reason why there are no funds in this appropriations bill for congregate services for elderly housing.

Thus, I wish to caution my colleagues that the absence of an appropriation for title V of the Housing and Community Development Amendments of 1978 should not prejudice them against the merits of this worthwhile program which, I believe, could have a substantial impact on the quality of life of many elderly persons.

My subcommittee has devoted considerable energy to examining the housing needs of the elderly and to exploring alternatives designed to modify and embellish the conventional solution to this country's housing problems—bricks and mortar. For those elderly persons who cannot maintain their complete independence, a nursing home may be the only alternative.

There is no doubt in my mind that this approach has proved inadequate to meet the housing requirements of older persons. Instead, we must adopt a different perspective that acknowledges the special problems accompanying advancing age. From our study, we have learned that the ideal environment for a large segment of our elderly population is apt to be one that permits them a substantial degree of independence, while at the same time facilitating access to nutritional, health, housekeeping, transportation, social, and other supportive services.

I strongly supported the inclusions of title V in the Housing and Community Development Act Amendments of 1978. This program promises to redirect the current focus of our national policy away from institutionalization of the frail elderly toward a viable alternative—congregate housing. As I see it, there are two compelling reasons for enacting into law such legislation: First, promoting the happiness and well-being of those elderly persons now confined to institutions for lack of financing for congregate services in elderly housing; and second, the cost effectiveness of using Federal funds for providing such services instead of supporting the more expensive alternative of institutionalization.

At present, there are few housing choices for elderly persons aside from independent living arrangements or institutionalization. The availability of congregate housing would solve the dilemma faced by many senior citizens by providing an attractive, relatively inexpensive alternative urgently needed to fill in the current void in the spectrum of elderly housing. Therefore, I am hopeful that Congress will acknowledge the importance of implementing such a program as expeditiously as possible by appropriating funds for title V of the Housing and Community Development Amendments of 1978 for this coming fiscal year.●

Mr. FISHER. Mr. Chairman, I am making these remarks on behalf of Chairman GIAIMO of the Budget Committee, as well as myself.

Mr. Chairman, the purpose of my remarks is to provide a budget perspective for the House as it considers H.R. 12936, making appropriations for the Department of Housing and Urban Development and certain independent agencies, including the Veterans' Administration.

Before I go further, Mr. Chairman, I would like to take a moment to commend the chairman of the HUD subcommittee, the gentleman from Massachusetts, Mr. BOLAND, for the hard work which he and members of his committee have done on this bill. The bill is 7 percent below the fiscal year 1979 first budget resolution spending targets for this subcommittee. Moreover, this subcommittee would be more than a billion dollars below its target after all the remaining appropriations are enacted that were anticipated by the first budget resolution. This is a real cut, representing—among other things—careful analysis and selective reductions in the natural resources and veterans' functional area. As a member of the Budget Committee, I can well appreciate the effort that was required to reach this level.

Additional appropirations which are provided for in the budget resolultion but not yet authorized, as well as anticipated increases in certain entitlement programs for veterans, may be required later in the year. However, the amounts of budget authority and outlays remaining within the committee subdivision after enactment of this bill will be sufficient to cover these anticipated requirements.

I would like to insert a copy of the House Budget Committee's early warning report on H.R. 12936, which provides greater detail regarding the specific amounts in the bill.

H.R. 12936—HUD-INDEPENDENT AGENCIES APPROPRIATION, 1979 (H. REPT. 95–1255)

Committee: Appropriations.

Bill Manager: Mr. Boland (Mass.).

Ranking Minority Member: Mr. Coughlin (Penn.).

Bill Type: Appropriation.

Scheduled: Thursday, June 15, 1978.

I. SPENDING ACTION COMPARED TO TARGET

This bill provides $68,209 million in budget authority and $29,326 million in outlays. These amounts plus amounts previously enacted or those passed by the House are under the subcommittee by $4,936 million in budget authority and $3,051 million in outlays.

[In millions of dollars]

	Budget authority	Outlays
Committee subdivision target (by subcommittee)	73,145	48,836
Less: Amount in reported bill	−68,209	−29,326
Previously enacted or passed House	----	−16,459
Spending action compared to target:		
Over target	----	----
Under target	4,936	3,051

II. PROJECTION

The committee subdivision would not be exceeded upon enactment of additional amounts assumed in the first budget resolution but not yet considered.

[In millions of dollars]

	Budget authority	Outlays
Amount remaining within subcommittee target	4,936	3,051
Less: Amounts assumed in the resolution, but not yet considered	−3,879	−3,035
Assuming no changes from remaining budget resolution assumptions:		
Over subcommittee target	----	----
Under subcommittee target	1,057	16

Explanation of projection

Additional budget authority, not yet considered by the Appropriations Committee, is assumed in the budget resolution in the following functions:

	In millions
270: Energy	500
370: Commerce and housing credit	60
450: Community and regional development	10
700: Veterans' benefits and services	2,269
850: General purpose fiscal assistance	1,040

This bill would be under the Committee target if all the above items were enacted.

III. PERSPECTIVE ON FUNCTION TOTALS

This bill affects fourteen functions. Comparisons between the Appropriations Committee subdivisions and the reported bill are shown in the following table as provided by budget authority.

[In millions of dollars]

	Committee subdivision	Amount in bill
050: National defense	10	7
250: General science, space, and technology	4,784	4,699
270: Energy	825	115
300: Natural resources and environment	5,564	5,261
370: Commerce and housing credit	1,724	1,665
400: Transportation	529	529
405: Community and regional development	5,244	5,001
500: Education, training, employment, and social services	12	12
550: Health	41	40
600: Income security	25,529	25,521
700: Veterans' benefits and services	20,750	18,472
750: Administration of justice	18	18
800: General government	6	5
850: General purpose fiscal assistance	8,109	6,863
Total	73,145	68,209

No function total would be exceeded as a result of enactment of this bill.

IV. COMPARISON WITH THE PRESIDENT'S BUDGET

The reported bill is $1,309 million below the budget request of $69,518 million.

V. AMENDMENTS

An amendment may be offered to increase research and development funding for the Environmental Protection Agency by $20 million.

● Mr. ROBERTS. Mr. Chairman, I wish to congratulate the chairman of the Subcommittee on HUD-Independent Agencies of the Appropriations Committee, the Honorable EDWARD BOLAND of Massachusetts, for his outstanding leadership in bringing this bill to the floor. The entire subcommittee has performed a great job, but it is through EDDIE BOLAND's leadership that the complexities of appropriating funds to 1 department and 17 independent agencies and offices are resolved promptly and equitably for all concerned. The entire House is indebted to him for his tireless efforts in bringing this bill before us today.

I am especially pleased with the increased funding levels for our veterans' medical facilities and health care programs. The Appropriations Committee is recommending increases of $82,919,000 for medical care; $14,940,000 for medical and prosthetic research; $53,035,000 for major construction projects; and $10,000,000 for grants for construction of State extended-care facilities.

In discussions with the distinguished chairman of the Subcommittee on HUD-Independent Agencies of the Appropriations Committee, it was clearly established that the $4,375,000 for staffing new medical facilities would be used for the sole purpose of fully activating the Jerry L. Pettis Memorial VA Hospital in Loma Linda, Calif.

Also, for the record, I have received a letter from the Administrator of Veterans' Affairs confirming that the VA will activate all of the 500 beds constructed in this hospital, including the 60 nursing home care beds and 440 general medical, surgical, and psychiatric beds in fiscal year 1979.

Mr. Chairman, I again wish to thank the gentleman from Massachusetts and express my appreciation to him for his great work.●

Mr. COUGHLIN. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. BOLAND. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

TITLE I. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in annual appropriations acts, is increased by $1,334,950,000 of which not more than $37,500,000 shall be for the modernization of existing low-income housing projects: *Provided*, That budget authority obligated under such contracts shall be increased above amounts heretofore provided in annual appropriations acts by $24,650,950,000: *Provided further*, That any balances of authorities remaining at the end of fiscal year 1978 shall be added to and merged with the authority provided herein and made subject only to terms and conditions of law applicable to authorizations becoming available in fiscal year 1979 except that unutilized balances of set-asides contained in previous appropria-

tions acts to assist in financing the development or acquisition of low-income housing projects to be owned by public housing agencies other than under section 8 of the above Act shall remain in effect during fiscal year 1979.

AMENDMENT OFFERED BY MR. COUGHLIN

Mr. COUGHLIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COUGHLIN: On page 2 strike from "except" in line 20 through "1979" in line 25.

Mr. COUGHLIN. Mr. Chairman, this amendment is very simple. It would eliminate the set-asides in the fiscal year 1978 carryover funding for all housing. The set-asides currently exist between public housing and section 8 housing.

Mr. Chairman, time and time again we have tried, in the course of our hearings and in the course of our debate here, to emphasize to the Department of Housing and Urban Development that we are not trying to force housing on a community in a way that is unsatisfactory to that community. And yet time and time again HUD attempts to do exactly that.

An illustration of this came to my attention recently, and that is the reason for this amendment. The section 8 allocations of housing have, essentially, expired from this year's funding. There are, however, still funds available for public housing.

Therefore, the Department of Housing and Urban Development is going to some communities which have housing assistance plans which designate that family housing be under section 8, and they are saying, "No, instead of section 8 housing on your housing assistance plan, you will have to take public housing."

Mr. Chairman, that is not for what the plan calls. Communities would just as soon wait until next year; but HUD says, "No. We have the money. You have to take it. You have to have this housing because we have the money to provide housing, but only under public housing."

Mr. Chairman, I do not think that was the intent of the Congress. The intent of the Congress was to give the community the flexibility, under the programs that we have, to decide the kind of program they want to use so long as it complies with the housing assistance plans when these housing assistance plans are approved.

Therefore, Mr. Chairman, all this amendment is doing is eliminating from the carryover funds the set-aside between public housing and section 8 housing so that communities can implement their plans in ways they see fit.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Massachusetts.

Mr. BOLAND. First of all, Mr. Chairman, I want to commend the gentleman from Pennsylvania (Mr. COUGHLIN) for the great amount of time he has spent in the subcommittee. I know of no other Member of the Congress on the minority side who has spent so much time in this subcommittee or in any subcommittee as has the gentleman from Pennsylvania. He participates each day in all of the activities involving this huge bill.

Mr. Chairman, I want to understand the import of this particular amendment. As the gentleman from Pennsylvania well knows, I am an advocate of public housing and have been an advocate ever since I came to Congress. In any event, I can understand the reasoning which the gentleman offers for this particular amendment. As I understand it, what he seeks to do is override the effect of the set-asides in the 1978 act.

In the 1979 bill we do away with the set-asides. There are no set-asides for public housing because the Department of Housing and Urban Development, and particularly the Secretary for the Department, indicated that set-asides presented a very difficult administrative problem. Therefore, it was her desire that the committee not restrict the Department with reference to the administration of the housing programs by establishing set-asides for fiscal year 1979. We agreed to that suggestion and indicated that we would go along with the fiscal year 1979 numbers.

I must say, Mr. Chairman, that I did it rather reluctantly because I have a feeling that public housing is perhaps the best housing for those who are in the very low-income groups. I have had that feeling for many years. I think perhaps the history of the housing programs over the past years has justified my position.

In any event, since the 1979 bill does not continue the set-asides, I reluctantly accept the gentleman's amendment.

Mr. COUGHLIN. I thank the Chairman.

Mr. BOLAND. If I may continue, Mr. Chairman, let me say to my good friend, the gentleman from Pennsylvania, that this may not be my position on the fiscal year 1980 budget. I am not sure that I would agree with it then. However, because of the circumstances, and because I think it presents some problems in the gentleman's area which may also develop in some other areas, I am willing to reluctantly accept this amendment today.

Mr. COUGHLIN. I thank the distinguished Chairman for accepting this amendment. I understand his position, and I am sure that he understands that this amendment merely applies to the carryover of funds from fiscal year 1978 into fiscal year 1979.

Mr. BOLAND. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. COUGHLIN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

The limitation on the aggregate loans that may be made under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q), from the fund authorized by subsection (a)(4) of such section, is increased by $800,000,000, together with any portion of loan limitation established for fiscal years beginning after June 30, 1975, which was not administratively committed or which becomes uncommitted, in accordance with paragraph (C) of such subsection, which funds shall be available only to qualified nonprofit sponsors for the purpose of providing 100 per centum loans for the development of housing for the elderly or handicapped, with any cash equity or other financial commitments imposed as a condition of loan approval to be returned to the sponsor if sustaining occupancy is achieved in a reasonable period of time: *Provided*, That the full amount shall be available for permanent financing (including construction financing) for housing projects for the elderly or handicapped: *Provided further*, That the Secretary may borrow from the Secretary of the Treasury in such amounts as are necessary to provide the loans authorized herein: *Provided further*, That, notwithstanding any other provision of law, the receipts and disbursements of the aforesaid fund shall be included in the totals of the Budget of the United States Government.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Florida: On page 3, line 18:

Strike "$800,000,000" and insert in lieu thereof "$900,000,000".

Mr. YOUNG of Florida. Mr. Chairman, this is the amendment I spoke to earlier during the period of general debate. I have an idea that the chairman of our subcommittee will not accept this amendment. I want the Members to understand that he is a very strong supporter of this section 202 housing program, and merely because he does not support this amendment should not make anyone think otherwise He is a strong supporter of housing for the elderly. The difference we are going to have today is on whether or not this $100 million should be added.

I told the Members earlier specifically why I wanted to add this extra $100 million. Briefly, under the way HUD is operating the housing programs, the non-202 housing programs are aimed at family housing as opposed to senior housing. Section 202 becomes the basic vehicle for senior citizen housing. I want to tell the Members something about the program. I mentioned earlier that there is no fraud in this program. Once the program gets out of HUD and into the field there is no inefficiency, no mismanagement, no waste, and there are no speculators making large windfall profits.

Let me tell the Members something else this program does. It provides housing for elderly people. For those Members who represent constituencies of large numbers of elderly people, they know that there are many problems associated with growing old. One is that often you grow old all by yourself. You are all alone. Your kids are gone or you do not have any kids, or your husband is gone, or your wife is gone, and you are all by yourself. Older people know what it means to be alone. Members of Congress have a difficult time finding any time to be alone, but can they imagine what it is like to be elderly and not know for sure if your social security check is going to last until the end of the month? Do you know what it means to sit there in a home and wonder if that noise outside is somebody trying to break in? You have no friends, no relatives to call. That is what growing old is for those

people who have no one to call on for aid.

Section 202 housing speaks to the problems of those people. It allows older Americans to come together, to live in dignity, to live in nice housing, to live in an area where they can meet other friends because they are together in a 202 housing complex. If they are ill or become sick, they can contact someone nearby for help. If they are concerned about security, these projects are secure. They are good programs.

I just suggest to the Members that the need that has already been established of 120,000 units per year is not going to be really addressed by this bill even with this amendment, but it is certainly going to be addressed far more than it is without my amendment.

I just hope we can remember those elderly people who need senior citizens housing programs. In most parts of the country there are long lines on waiting lists seeking housing in a 202 unit. If there is anything an elderly person does not have a lot of, it is time to wait to get on the list to get into the senior citizens housing program. Remember that these older people are the very ones who ushered this Nation of ours into our great industrial revolution; the ones who built the schools and the highways and the hospitals and the industry which you and I enjoy.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank my colleague for yielding to me. I would like to associate myself most warmly with his remarks. I do not know if I am going to be able to vote for this bill if it is way over the budget, but what the gentleman is saying is what needs to be said, and I compliment him for it.

Mr. YOUNG of Florida. I thank the gentlewoman for her remarks and will respond that even with this amendment, this bill will be below the budget.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, I too rise in support of this amendment. I associate myself with the remarks of the gentleman from Florida. That is exactly the point I wanted to make, that even with the addition of this amendment, the bill will be below the budget, which is commendable.

Mr. Chairman, I would like to say that I once served as part of a group administering a similar program, and during that time we built an elderly high rise project. I remember it was one of the finest accomplishments in the entire community and the people were standing in line for it. The only problem we had was that we did not have enough units.

We do not have enough housing for the elderly, and those are the elderly people who prepared for their retirement in the forties and fifties and sixties and their incomes did not keep pace with inflation for the seventies. That is one of the reasons why we need this type of housing.

Mr. YOUNG of Florida. I would agree with the remarks of the gentleman from Indiana. This is one Federal program which really works.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, one Member of the Congress that I do not like to oppose is the distinguished gentleman from Florida (Mr. YOUNG). He serves as the ranking minority member of the Foreign Operations Subcommittee of the Committee on Appropriations, and serves with great diligence and great ability. He serves also as a member of this subcommittee and he effectively participates in the work of the subcommittee. I have always welcomed the advice and services he has given this committee. I would also say the manner in which he greets the witnesses before our committee should be an example to all of us. He is very conscientious in performing his duties not only on the Foreign Operations Subcommittee as the ranking minority member, but also the responsibilities and duties he has on this subcommittee. That is why it puts me in a difficult position to oppose him.

But I can understand the gentleman's concern. He probably has more elderly people in his district than any other Member of the Congress. He represents St. Petersburg, Fla. A number of my former constituents now live there. I know the gentleman from Florida (BILL YOUNG) is constantly visiting housing projects for the elderly in his area and talking to the people. He recognizes what their problems are. I can understand his concern.

But I am troubled with the amendment. He has stated, and he has stated correctly, that the committee has been perhaps as generous in its treatment of housing for the elderly as any committee in Congress outside of the authorizing committee itself—that is the Committee on Banking, Finance and Urban Affairs.

When the section 202 program came into being some years ago this committee funded it. It has been one of the best programs providing housing for the elderly that the Federal Government has ever developed. Under the old section 202 program, a substantial number of units for elderly persons throughout the United States were constructed. That program has been changed, and now the subsidy to nonprofit sponsors represents the difference between the Treasury rate and the market rate.

This committee recommends $800 million for housing for the elderly and handicapped in fiscal year 1979, and $50 million of that is targeted for the nonelderly handicapped. That amount will build 25,000 units throughout the United States.

My problem is that in all section 202 projects, every single unit is piggybacked with a section 8 subsidy. All of the nonprofit sponsors that file applications under this program receive an allocation of section 8 units if their application is approved.

Of all section 8 new construction and major rehabilitation, over 61 percent—61 percent—of those allocations of section 8 units have been devoted to the elderly.

So, in my judgment, we are short-changing—and I repeat—we are short-changing family units under the section 8 program. I do not think that is fair. This is not the only program under which housing for the elderly is built. There are other programs involved in housing for the elderly. But this program appeals to most of them because every single unit in this section 202 program is allocated a section 8 subsidy.

That takes away from units available for families, families with two, three, four or five individuals. This impacts on the family units.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BOLAND was allowed to proceed for 1 additional minute.)

Mr. BOLAND. Mr. Chairman, as I indicated before, this is not the only program where housing for the elderly and for the handicapped is engaged in. So, Mr. Chairman, on the basis of fairness and equality to others needing safe and sanitary housing, I think this amendment should be rejected.

Mr. COUGHLIN. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, it is with great reluctance, indeed, that I rise in opposition to this amendment. It is particularly difficult for me to oppose the amendment offered by my very good friend and colleague the gentleman from Florida (Mr. YOUNG) who is a member of the subcommittee. It is also very difficult for me, and of course for all of us, to oppose any amendment that relates to housing for the elderly.

The distinguished chairman of the subcommittee, the gentleman from Massachusetts (Mr. BOLAND) has made most of the arguments for opposing this amendment so I will be very brief.

This bill already does contain $800 million in loans to nonprofit sponsors for the construction of rental housing under section 202 housing for the elderly. This should result in approximately 25,000 additional housing units.

Let me point out, as I pointed out in my remarks during the general debate, that it is very doubtful, even if this amendment is approved, that the increased funding can even be spent. We showed during general debate that of the 55,000 reservations last year under section 202, only 6,600 are under construction. So what this amendment really becomes is a dillusion to the older people, deluding them into thinking there will be additional units. However, there probably will not be additional units because we now have the paperwork problem in that program as it is.

Let me also point out that the section 202 program is not the only program that assists the elderly. HUD indicates that as of May 1978 about 42 percent of the housing assistance under the section

8 program goes to elderly people. Forty-one percent—the State and local governments have supplied that figure—of those eligible for the section 8 program are elderly. So it is not only section 202 program funds which go to assist the elderly but it is section 8, and since section 8 piggy-backs the section 202, the additional $100 million would require 3,125 less section 8 units to be built and of this, about half would go for the elderly. In one very real sense it would be a reduction in housing for the elderly and at the same time it would be providing for some additional housing that could not be built and would probably result in paper reservations which would limit the amount of the allocations. It would seem to me that to allocate 75 percent of public housing to the elderly would be a better way to do it. However, this increase is not the way to provide additional housing for the elderly in my judgment and I oppose the amendment.

Mr. PEPPER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment and commend the distinguished gentleman from Florida (Mr. YOUNG) my eminent colleague to whom we will always be indebted for being the original author of the resolution creating the Committee on Aging, of which I have been privileged to be a member and now the chairman. I think the gentleman from Florida is offering this House an opportunity to meet a compelling need for the elderly people of this country. We all know that this amendment relates not to the people who live in public housing, not to the 16 percent of the elderly who live below the poverty level, nor to the affluent who can get ordinary housing financing under FHA. These are people who are in the low-income bracket above the poverty level and below the level of affluence. These are the people who need help.

I know it is said that this bill makes provision for 23,000 units, but I have before me the figure that in Los Angeles alone there is a need of 99,000 low-income elderly people for this kind of housing.

The White House Conference on the Aging in 1971 recommended that there be 120,000 units of this character provided every year for the elderly people of the country who are in these brackets.

Mr. Chairman, this is not an inflation proposal. This is not throwing money into the wind. This is putting people to work, building something that would be an asset to millions of American people. It puts money into the channels of private trade, builders, workers of all kinds, insurance, all of the other ingredients that go into a housing program. All we are asking and all this amendment proposes is 100 million additional dollars to be appropriated in this bill. The bill would still be $1.2 billion below the President's budget estimate. We are not proposing to transcend the limits of reasonableness or rationality, but we are proposing to help the economy of this country grow in a sound and substantial and constructive way and at the same time afford the blessing of a home to so many thousands of needy elderly people.

Mr. Chairman, I am pleased to express my support for the amendment offered by the able gentleman from Florida (Mr. YOUNG), to increase the funding for section 202 housing by $100 million in the coming fiscal year.

Section 202, as the Members of the House well know, provides loans to private, nonprofit sponsors, for the construction or rehabilitation of housing units for the elderly and handicapped who have incomes slightly above the limits for normal public housing, but well below that needed to assure them decent shelter.

As chairman of the Select Committee on Aging, I have been in a position to observe fairly closely the growing need for assisted housing for older persons. Just in the period since I first assumed the chairmanship in January 1977, the number of Americans eligible for this housing program has grown by almost three-quarters of a million people. Yet the administration's request, which is reflected in the bill before us, would actually reduce the number of units that could be contracted for in 1979.

At a hearing before the Aging Committee in March, we addressed the adequacy of the administration's budget for older persons in the area of housing, among others. Let me share with my colleagues one illustration of the inadequacy of the allocation for section 202 housing.

The authority in the bill would fund 23,600 units for low-income elderly, spread across the Nation. In Los Angeles, Calif., alone, there are 99,000 low-income elderly people in need of housing. The Los Angeles office of HUD stopped accepting applications from potential tenants in May 1977—at that point there were five applicants for every available unit.

That is one illustration of why the 1971 White House Conference on Aging recommended that 120,000 units of assisted housing be produced each year for the elderly.

I do not pretend, Mr. Chairman, that the 3,000 or so extra units to be funded under the pending amendment would be adequate to meet this staggering need. But it would mark the commitment of the House of Representatives to address this rapidly growing need in a responsible way.

Mr. Chairman, I urge the passage of the amendment.

Mr. BURKE of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I live in an area where there are a great many senior citizens, and certainly I am interested in their problems. I therefore rise in support of the amendment offered by my colleague, the gentleman from Florida, Mr. YOUNG. I also join in the remarks made by my colleague, the gentleman also from Florida, Mr. PEPPER. However, I would join in their remarks and vote for the Young amendment whether I had a different area with few senior citizens or not.

It seems incredible to me when we talk about what we are going to do for the senior citizens, when we overlook the inflationary problems that they face even when we set up the few housing units that the committee has set up. The recommendation of the committee for 1978 really reduces the amount of commitment of last year for the units to be built under section 202. I think that as the gentleman from Florida, Mr. PEPPER, this is not only a matter of senior citizens; it is a matter to assist our own economy by assisting not only the senior citizens but by giving the country a viable approach to some of the unemployment problems we have in our country. The building of additional units will create additional work and help the unemployment problem. So it is for this reason I am glad not only to associate myself with the remarks made by the gentleman from Florida, Mr. PEPPER, but also the remarks made by my distinguished colleague, the gentleman from Florida, Mr. YOUNG, when he introduced his amendment. I am pleased to have the opportunity of supporting the Young amendment, and I hope the other Members on the House floor will see the wisdom of joining in passing this amendment.

I urge its passage.

The CHAIRMAN The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and on a division (demanded by Mr. YOUNG of Florida) there were—ayes 13, noes 25.

Mr. YOUNG of Florida. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee of the Whole appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from Florida (Mr. YOUNG) for a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the bill.

Mr. BOLAND (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order against title I?

Mr. McCORMACK. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to offer a point of criticism with respect to one portion of this bill.

On page 25 of the bill, under "Construction, Major Projects," for the Veterans' Administration there is provided $348,890,000 for 1979. Included, as set forth on page 49 of the report, is a provision that $130,241,000 be appropriated to build a new hospital adjacent to the Emanuel Hospital in Portland, Oreg.

Mr. Chairman, I want to pay my sincere respects to the committee, to the gentleman from Massachusetts (Mr. BOLAND), the committee chairman, and to the excellent staff for the considerable effort they have put forth in attempting to resolve the problem of locating sites for Veterans' Administration hospital facilities in the Portland-Vancouver area. I particularly commend them for their recognition of the fact that a facility to be built in the Portland area would best be built at the Emanuel site.

However, the bill and the report clearly contemplate abandoning the excellent Veterans' Administration hospital now in operation in Vancouver, Wash. This is the Barnes Hospital, which has been in service since the 1940's and which is known throughout the Pacific Northwest as one of the outstanding facilties for veterans, not only because of its friendly, open, spacious atmosphere, but because of the consideration and support it receives from the community and the many volunteer groups in Clark County. As I understand it, there is no Veterans' Administration hospital in the country which receives more community support, more hours of volunteer work, or has a higher esprit de corps than Barnes Hospital. Veterans from throughout the region come to Barnes because they like to be there if they have to go to a hospital, and because they feel emotionally secure there.

Mr. Chairman, this bill and this report contemplate closing Barnes. The bill does not say so, but by its silence with respect to Barnes and by calling for 738 beds for the Emanuel site and for 120 beds for the adjacent nursing facilities, it clearly indicates the subcommittee position is that the Barnes facility should be closed.

Mr. Chairman, I shall make no attempt today to amend this bill. The gentleman from Oregon (Mr. DUNCAN) and I have worked many months in attempting to work out a program whereby two facilities might be funded, one in Oregon and one in Washington, believing that they would be more efficient, more attractive, less expensive, and would provide better service for the veterans.

Unfortunately, Mr. Chairman, the subcommittee and the staff have concluded otherwise.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. Mr. Chairman, I would like to say personally, as the gentleman knows, we are agreed as to the siting and services that ought to be offered at the institutions in the Portland, Oreg., area, which includes Vancouver.

I do particularly want to join with the gentleman from Washington (Mr. McCORMACK) in the sentiments he expressed with respect to the committee's work. I want to add to them, if I may, that I know personally, as the gentleman does, how very, very difficult this political issue is locally. I know that it has only been slightly less difficult here in the Nation's Capital.

Mr. Chairman, even though the committee did not go the way the gentleman from Washington (Mr. McCORMACK) and I thought they ought to go, I want to add my words of praise to the gentleman's for the committee chairman, for the committee members, and for the staff for doing well, if not perfectly, with a very difficult situation.

Mr. McCORMACK. Mr. Chairman, I want to thank the gentleman from Oregon (Mr. DUNCAN).

I should observe that the political difficulties do not apply to whether or not Barnes should continue in operation. We should, I believe, have a facility at Emanuel, and one at Barnes. As far as I know, there has been no difference of opinion as to whether or not the facility at Barnes should be continued among those persons debating a site location in Oregon.

Once again, Mr. Chairman, I have great respect for the committee and the staff. They are certainly sincere, and have worked diligently.

Mr. Chairman, I believe that any policy to abandon the facility at Barnes will mean that the veterans in the region are the losers. It is they who will be hurt.

I should be less than candid if I did not observe that we have also been working on this matter among key Members of the other body. I hope their version of the bill will provide protection for the facility at Barnes, and I hope that the House subcommittee, when it goes to conference, will recognize the validity of the arguments I have made in support of continuing the operation of the Barnes VA hospital in Vancouver. Thank you.

Mr. ADDABBO. Mr. Chairman, I move to strike the requisite number of words.

I take this time to ask the chairman of the subcommittee a question relative to a part of the committee report with regard to the $4 million for long-lead-time to support an optional fifth orbiter.

Does the chairman of the subcommittee agree with me that the fifth orbiter would cost about $700 to $800 million?

Mr. BOLAND. Yes, that is correct. That is what the total cost of the fifth orbiter might be.

Mr. ADDABBO. Now, if this $4 million is approved, will this expenditure in fiscal year 1979 be used in fiscal year 1980 to justify continuation of the program to build a fifth orbiter on the basis that we have already spent $4 million, or will that orbiter be stopped if there is found to be no need for a fifth orbiter?

Mr. BOLAND. In response to the gentleman's question, I would say that the funding would be stopped if there was no need for the fifth orbiter. As the gentleman has indicated, I direct his attention to page 34 of the report, wherein it states:

> An increase of $4 million for long-lead hardware to support an optional fifth orbiter.

That is long-lead hardware, so that if we do not go ahead with the fifth orbiter that hardware could be used as spare parts for other orbiters currently authorized for production.

I further direct the gentleman's attention to these words:

> Those funds do not represent a commitment on the part of the Committee to ultimately support funding for such a vehicle.

So, I think the response to the gentleman's question is that the $4 million which we provide in this bill for long-lead hardware does not guarantee, nor will it guarantee, the production of such an orbiter.

Mr. ADDABBO. I thank the gentleman for his reaffirmation, and look forward to future joint hearings.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read.

The Clerk read as follows:

RESEARCH AND DEVELOPMENT

For research and development activities, $328,028,000, to remain available until September 30, 1980.

AMENDMENTS OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BROWN of California: On page 12, line 14, strike "$328,028,000" and insert in place thereof "$348,028,000"

Mr. BROWN of California. Mr. Chairman, I ask unanimous consent that a second amendment on page 13 be reported by the Clerk, and that the two amendments be considered en bloc.

The CHAIRMAN. The Clerk will report the second amendment.

The Clerk read as follows:

> Amendment offered by Mr. BROWN of California: On page 13, line 4, strike $4,200,000,000" and insert in place thereof "$4,180,000,000"

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BROWN of California. Mr. Chairman, let me explain in the simplest possible terms what I am seeking to do with this amendment, which I very briefly referred to during the general debate.

It was the wisdom of the subcommittee and of the full Committee on Appropriations in their consideration of the Environmental Protection Agency research and development budget that they would cut a number of items below the amount requested in the President's budget. They made to some degree offsetting increases, in other areas, which I commend them for, but the net result

was an extremely modest 2 percent increase in the research and development budget of the agency.

When I brought the authorization legislation to the floor some weeks ago, I pointed out the fact that for the Environmental Protection Agency as a whole the President had requested a 12-percent increase in budget for fiscal year 1979, but for the research and development portion an almost miniscule 1 percent increase over the budget for fiscal year 1978.

It was the feeling of the authorizing committee that in light of the many problems which face our environmental regulatory program and our environmental construction program, that this did not represent a proper level for the research and development program. The House agreed with the committee's recommendation by a substantial vote and increased the amounts in the authorization bill above what the administration had requested. So I do not want to nitpick with what I consider to be an exceptionally good bill by the Appropriations Committee.

Let me explain why I submit this amendment to add $20 million to restore some of these cuts below the budget. I have a copy of a letter directed to the gentleman from Massachusetts, Chairman BOLAND, from President Carter, expressing his strong concern over the health of basic research in this year's budget. Further, the President repeats his request that these initiatives in basic research contained in his budget not be cut, even in areas which are relatively small. As the President indicates in his letter, even small cuts would have the effect of impacting new research initiatives which could have much greater consequences in the long run.

So in accordance with the President's communication to the gentleman from Massachusetts, Chairman BOLAND—the President sent similar letters to other members of the Appropriations Committees in both the House and the Senate—and in accordance with a followup letter from the agency to the gentleman from Wisconsin, Senator PROXMIRE, requesting specifically the restoration of these items which had been cut by the House Appropriations Committee, I am offering this $20 million amendment. These funds would restore $14 million in cuts and add $6 million to a waste water reuse program which the House had authorized at a level of $25 million and which the Appropriations Committee recommended at only $8 million.

We feel that these increases are absolutely essential to continue the momentum in these programs, and I am taking the liberty of offering these amendments, because they are so essential.

What I have done with my second amendment, which I will ask to be considered en bloc, with the first is to cut $20 million from the construction grants program, so that in effect this is a no-net-cost amendment.

Therefore, the two amendments taken together do not increase the recommendation of the Committee on Appropriations and it does bring certain items up to the President's budget.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, I have tried to be as conservative as possible in doing this, because I recognize it is not the mood of the House of Representatives to go beyond the President's budget or to go beyond the recommendations of the Committee on Appropriations and this amendment does not do that. It balances out a cut with an increase and it brings certain items up to the level of the President's budget.

May I say that the best arguments for the need for this amendment and for the basic research it would fund are contained in the report of the Appropriations Committee where they point out repeatedly in discussing the $4.5 billion grant program that "we do not yet have the basic data to determine if we are wisely spending this four and a half billion dollar program," which the Appropriations Committee, in its wisdom, did cut to $4.2 billion. My amendment would cut this billion dollar program by another miniscule cut to $4.18 billion. In this respect I could cite language on page 30 of the Appropriations Committee report which says that serious questions have been raised concerning the effectiveness of the wastewater treatment program. They refer to the study made by the U.S. Geological Survey of the Willamette River Basin in which it is pointed out that the data collected before the U.S. Geological Survey study were not suitable to provide the information necessary to evaluate the potential requirement for advanced wastewater treatment facilities. Then the Appropriations Committee report refers to the studies of the GAO and the Vertex report which also point out weaknesses in the wastewater treatment program. And these, of course, are the findings of my own subcommittee which deals with EPA research and development, that says we do not have the data base to undergird many of the regulatory programs and we feel that this is not a wise time to be cutting below the very minimum program that the President recommended.

With that, Mr. Chairman, I ask for a favorable vote on the amendments.

Mr. BOLAND. Mr. Chairman, I rise in opposition to th amendments offered by the gentleman from California (Mr. BROWN).

Mr. Chairman, I rise to oppose these amendments reluctantly because, as indicated in the general debate, the distinguished gentleman from California (Mr. BROWN) is the chairman of the Subcommittee on Environment and the Atmosphere of the Committee on Science and Technology and has spent considerable time on this particular area.

What the amendments would do is increase the account for research and development on page 12 of the bill by $20 million and offset that by a $20 million reduction in the construction grants program on page 13 of the bill.

The construction grants program had a budget request for fiscal year 1979 of $4,500 million. We held extensive hearings on that particular program and decided that it should be cut by $300 million, with the reduction targeted to advanced wastewater treatment. We cite chapter and verse from a General Accounting Office report, a U.S. Geological Survey report and a report contracted by the EPA to examine advanced wastewater treatment.

I do not have to tell the Members of the House that the construction grants program is the largest public works program in the history of our Nation and perhaps in the history of the world. The first significant funding was $18 billion in Public Law 92–500. Not including the amount is this bill as additional $6 billion has been provided. The Clean Water Act of 1977 authorized funds for the construction grant program for another 5 years. The ultimate Federal cost may be between $60 to $90 billion for the construction grant program. It deserves to be very closely examined and that is exactly what we are doing.

I object to the manner in which the gentleman from California (Mr. BROWN) submits the amendments, because the construction grants program is not a smorgasbord from which you can pick items you want to add to other EPA programs. That is exactly what the gentleman is doing. He proposes taking an additional $20 million from the construction grants program and adding it to research and development.

It sounds great. Look at the construction grants program. There are problems with it, so it is easy to say, if the committee can cut it $300 million, what is another $20 million? What is another $40 million? What is another $100 million? Mr. Chairman, if the gentleman's method is approved, it will undoubtedly encourage similar actions.

I can understand the gentleman's concern, but I also want to point out with reference to the amendment itself we do provide $328,028,000 for research and development for fiscal year 1979. I would like to tell the members of the committee that in addition to the $328 million which we are recommending for fiscal year 1979, we have provided $316 million in 1978. That is a lot of money for research in this area. The regular 1978 appropriation bill contained $272,547,000 for EPA's research and development activities. In the first supplemental bill we tacked another $44,200,000 on top of that. The 1979 request built that $44,200,000 into the base, so that means that the jump from 1978 to 1979 was not 1 percent, as the gentleman from California indicates; it is roughly 20 percent.

I think, Mr. Chairman, that this subcommittee has supplied sufficient funds for research in 1979. No one quarrels with the research and development effort of the EPA, and no one quarrels with the arguments advanced by the gentleman from California. The only question concerns the proper level of funding.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. BROWN of California, and by unanimous consent, Mr. BOLAND was allowed to proceed for 2 additional minutes.)

Mr. BOLAND. So it is the judgment of this subcommittee, backed up by the Members who heard the evidence from the EPA or read the testimony, that the $328,028,000 provided for fiscal year 1979 is sufficient to carry on research and development by EPA in fiscal year 1979.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I am delighted to yield to the gentleman from California.

Mr. BROWN of California. I thank the gentleman for yielding.

Just to clarify the point that the gentleman from Massachusetts made, because I want the House to make its best judgment on this, the subcommittee recommends $328 million for fiscal year 1979.

Mr. BOLAND. That is true.

Mr. BROWN of California. And the total figure, including the supplemental for 1978, was $321 million; is that correct?

Mr. BOLAND. That is approximately correct, including pending supplementals.

Mr. BROWN of California. In other words, the subcommittee is recommending a $7 million or 2-percent increase in 1979 over 1978?

Mr. BOLAND. That is true, but it bears repeating that in 1978 the appropriation bill was $272 million, and we added $44 million in the supplemental.

Mr. BROWN of California. Will the gentleman clarify that that supplemental, the authorizing legislation, passed by the House was necessitated?

Mr. BOLAND. That is true.

Mr. BROWN of California. I just wanted to clarify those points.

Mr. JOHNSON of Colorado. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in favor of the amendments.

Mr. Chairman, it is with trepidation that any of us will offer amendments to this particular appropriations subcommittee's bill because the gentleman from Massachusetts (Mr. BOLAND) is renowned for his subcommittee's diligence. I see the members sitting here. When the gentleman from Florida (Mr. YOUNG) offered the amendment to increase the bill $100 million, a very popular amendment, the full committee stood by the committee of the gentleman from Massachusetts (Mr. BOLAND) and his position. I agreed with him then.

The only reason I am taking on this particular burden at this time is because the gentleman from California has offered an amendment which I think is reflective of the will of the House which has been expressed over the last couple of years, and the subcommittee has tried to reflect the will of the House as it has been reflected over the last couple of years.

I want to talk specifically about the $6 million program to be included in the proposal of the gentleman from California to shift funds out of construction into R. & D. that relates to municipal waste water programs. Not too long ago a water expert in Denver gave a bad news, good news story. He said:

The bad news is we are going to be drinking the municipal waste water before much longer. The good news is that there is isn't much of it.

That is the kind of situation we are in out in the Western dry regions of this country. It is true not only in Colorado, but it is true in California and on the east coast.

I appreciate the efforts of the committee in their work on the agricultural recycling and municipal waste water programs; but I do not think they have gone as far as they might have.

Let me just remind the committee that last year the full House took a position saying that the EPA should spend up to $25 million in the area of waste water studies and EPA has refused, despite the clear directives from the committee and the legislative history that we established on the floor in debate that tried to emphasize the clear will of the Congress.

Recently, and the gentleman referred to this in his remarks in full debate, I got a letter where they announced a 5-year, $4 million municipal waste water recycling program. That is just a bare beginning. The excuses for not going into it further were that they did not have any evidence, they did not have anything to go on. Of course, that is the function of a research program; to figure out how to actually go ahead and do something that would be appropriate.

So their refusal in the past, I think, has not been on the basis of the reasoning that they gave us. I think there was a fight, I know there was a fight down at EPA; some wanted this program and some did not and they have not been able to resolve it internally.

Now they are evidently taking the first step, but it is a small step. On page 26 of the committee report they have recognized the need to begin a program for recycling agricultural water supplies. That is a worthwhile program. I commend the committee for it and I thank them for it.

I realize that now I am asking the other Members of the House to support a program in the face of the committee rejection of the program, but I believe that it is justified. I believe that the committee report emphasizes the need both for the agricultural recycling project and for the potable demonstration projects and if we do not get the additional $6 million over into this fund, neither one of them will be funded adequately and we are only talking about $14 million total.

Mr. WIRTH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, I think the gentleman correctly points out the need for looking at a great variety of innovative approaches. In fact, it is my understanding that even the relevant appropriations subcommittee found that there was clearly not enough innovation going on, particularly in the area of waste water, and the $6 million the gentleman is speaking about, plus another $1 million for other innovative technological approaches are included in the recommendation of the gentleman from California (Mr. BROWN). I think they are very consistent with the arguments made by the Subcommittee on Appropriations itself, in looking at how the Government was dealing with this very, very large grant program.

So I want to associate myself with the gentleman from Colorado (Mr. JOHNSON) and also suggest the gentleman's comments are reflected by the report of the appropriations subcommittee.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I would like to associate myself with the gentleman's remarks. They are most important.

The CHAIRMAN. The time of the gentleman from Colorado (Mr. JOHNSON) has expired.

(At the request of Mr. HOLLENBECK, and by unanimous consent, Mr. JOHNSON of Colorado was allowed to proceed for an additional 2 minutes.)

Mr. HOLLENBECK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from New Jersey.

Mr. HOLLENBECK. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Colorado and commend the gentleman for the gentleman's constant work on this matter, as well as the gentleman from California (Mr. BROWN), who I think has offered an excellent suggestion to bring the appropriations in line here with the priorities already perceived and overwhelmingly approved by the House of Representatives.

Mr. Chairman, I rise in strong support of the Brown amendments to H.R. 12936. These amendments will bring the appropriations for the Environmental Protection Agency into line with the priorities already approved overwhelmingly by the House without increasing the overall level of spending recommended by the Appropriations Committee. Both Mr. BROWN and the gentleman from Colorado (Mr. JOHNSON) are to be commended for their efforts in this area and their sensitivity to priorities.

The first amendment restores $14 million cut from the President's budget request for research and development while adding $6 million in grants demonstrating the reuse of waste water. One of the major budget cuts approved by the committee is a $4 million reduction in funds for environmental monitoring. The nationwide impact of this cut would be particularly severe, leading to delays in improving our ability to measure drinking water contaminants as well as our ability to measure water quality in rivers and lakes. These new techniques could provide us with vital information concerning the effect of point treatment on the improvement of water quality.

The committee also cut $8 million from the anticipatory research program. One of the major projects affected will be studies of acid rain. Studies of the relationship between environmental contaminants and cancer and of the basic chemistry and physics of pollution control would be severely affected by this cut.

The second Brown amendment would compensate for increased appropriations in research by striking 20 million from the construction grants program. This represents a cut of only one-half of 1 percent in the construction programs, reducing the appropriations for this function from $4.2 to $4.18 billion. A $20 million cut in a $4.2 billion program is insignificant when compared to the impact which that amount of money can have in research and development. It makes little sense to build more and more advanced treatment plants while leaving as much as half of our water pollution untreated.

The Brown amendments will not increase the overall level of expenditures approved by the Appropriations Committee. However, they will bring the budget priorities into line with what has already been approved by the House in the authorization bill by shifting funds to the necessary research and development programs of the Environmental Protection Agency. I commend the gentleman from California for his leadership in this area, and urge the passage of these amendments.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Chairman, it is with a great deal of trepidation that I oppose the will of the subcommittee; indeed I wish to compliment the chairman and the members of the subcommittee for the superb job they have done generally with respect to matters in their jurisdiction.

I am concerned, however, about some of the cuts in EPA research items.

The gentleman mentioned some agricultural research matters that would be affected. There are matters in this amendment that are important to New York, for example, acid rain in the Adirondack lakes that has destroyed the fish and impaired the usefulness of many of the lakes is a problem. There are other important items of research included in the amendment. It will restore funding for EPA's monitoring program, which measures such things as water contamination, and increase funds for the agency's anticipatory research program that includes a study of the incidence of cancer in various locations, a study of the chemistry and physics of pollution control and a program to develop innovative pollution control technology.

Mr. Chairman, there is a great deal we must know about the impact of chemicals in the environment on human beings. This is a sound amendment, and I hope it is supported.

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentlewoman from New York.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, I am certainly totally sympathetic with the research and development area of the Environmental Protection Agency. I am reluctant to oppose the amendments offered by the gentleman from California (Mr. BROWN), with whom I normally work closely. However, I think the thing which is important here is that we indeed realize and understand the direction in which the R. & D. program is going. The committee has instructed the EPA to conduct a thorough study as to which way its research and development is going.

There are $328 million in this bill for EPA R. & D. This is $3.9 million above the budget. Now, do any of us ever wonder where all that money goes? Do we wonder where this $328 million is going?

We have asked EPA to try to restructure its R. & D. so that it does accurately pinpoint and zero in on the real needs. We have asked them to pinpoint and zero in on how their regulations are developed.

It seems to me that just adding more money is not a solution to EPA's R. & D. problems. The Agency has serious management problems in its R. & D. program. We should look at those management problems and attempt to solve the R. & D. problems in some other way, not by just pouring more money into it.

Mr. Chairman, I hope the Members will join me in opposing the amendments.

Mr. AMBRO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be very brief. I must confess at the outset that I intended to be here to oppose the gentleman's linkage of these two amendments by considering them en bloc, but other business kept me from doing that.

At the outset I must say that I will ask for a division on each of these questions separately.

Beyond that, I would like to say that with respect to the amendment increasing the environment R. & D. budget by $20 million, I think we all as the gentleman from Pennsylvania suggests wonder where the huge amounts of money in environmental R. & D. does indeed go. I think some of us, though, must be concerned about a couple of things with respect to the specific impact of this amendment.

For example, as the Environmental Protection Agency continues to look at a variety of pollutants in both water and air, in the absence of officially setting standards for compliance by local governments; there is an ever-widening gap between the promulgation of certain kinds of standards and the ability of local municipalities to find the money to comply. The kinds of standards that are now being promulgated by EPA, with one's eye on our concerns with the management of that Agency, means that we are getting ever-intensifying standards without getting the kinds of research and development on the part of the Federal Government that should be provided to local municipalities to comply.

And the fiscal bag, since we are all concerned about local property taxes, is dropping on these local municipalities to come up with moneys to pay for compliance, utilizing that local, regressive type of taxation.

One of the ingredients in the first amendment of the gentleman from California is to increase funding for research and improvement of monitoring techniques, which might be something rather esoteric in the minds of many of the Members, but it is something of vital importance in terms of the dynamics and the pragmatics of how things work between the Federal level of Government and the local level of government.

The other two ingredients, anticipatory research and research and development for air, are two vital concerns of the subcommittee of which the gentleman from California (Mr. BROWN) is the chairman and on which I serve.

I think the increase of $20 million has been reviewed in depth by our subcommittee and is, indeed, a prudent increase, but it is not prudent if we talk about the reduction of $20 million from the construction grant program, which assists in financing the planning, design, and construction of municipal waste water treatment facilities. That is, of course, a program which is under way and because of inflation, because of impoundments, has increased considerably.

I am sure the committee did a diligent and responsible job in determining the level of funding, even though they cut it back by $300 million, of the construction program. And I would say that any reduction in that program would be less than prudent.

So having said that, I will, at the appropriate time, try to break apart the two amendments by virtue of a request to separate the votes on both of them.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. AMBRO. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I want to thank the distinguished member of the subcommittee for supporting half of my amendment, at least. And I wanted to make one point. I think the distinguished chairman of the Appropriations Subcommittee made the point that they have found much to criticize in the management of the EPA research and development program.

I would ask the gentleman from New York if he would not confirm that our subcommittee has likewise found considerable fault and has devoted considerable effort in seeking to improve the management of the EPA research and development program. I note that the gentleman is nodding his head affirmatively. Does the gentleman say "yes?"

Mr. AMBRO. If the gentleman is asking me. I thought the gentleman was asking the chairman of the subcommittee.

Mr. BROWN of California. No; I was referring to my distinguished colleague, the gentleman from New York (Mr. AMBRO).

Mr. AMBRO. There is no question that, both in hearings and in terms of our own review of the programs of EPA, we have found serious problems with respect to their management of them. I will give a simple example, again in rather esoteric terms.

The CHAIRMAN. The time of the gentleman from New York (Mr. AMBRO) has expired.

(On request of Mr. BROWN of California and by unanimous consent, Mr. AMBRO was allowed to proceed for 2 additional minutes.)

Mr. AMBRO. If EPA decides to develop standards for industrial organics, tetrachloroethylene, trichloroethylene, chlorinated hydrocarbons, and a variety of other pollutants (while those words do not really impact on Members directly if they are not affected in their municipalities by that which EPA brings about) one finds that they promulgate standards based on these very technical kinds of finds, based on carcinogenic effects, and they close well water plants and delivery systems. This affects directly those communities, because they no longer have water available to them, on the one hand, and they do not have the money to provide remedial actions to comply with those kinds of standards.

If that is a management problem, so be it. It is a problem that we have to face as well.

One of the things the gentleman's amendment is trying to do is to provide greater capability on the part of EPA to better address these various problems.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair will inquire of the gentleman from New York (Mr. AMBRO) whether he is requesting that the question be divided.

Mr. AMBRO. I am, indeed, Mr. Chairman.

The CHAIRMAN. The gentleman has that right, and the question will be divided.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had planned to offer an amendment to title II of the bill to insure that the $8 million in the bill for wastewater reuse research and demonstration could be used for both potable and agricultural water reuse research projects. However, due to a colloquy which I had with Chairman BOLAND earlier today, this amendment is no longer necessary.

Chairman BOLAND stated that the actions of the committee recommending $8 million for agricultural water reuse research only was based on testimony he had received from EPA indicating that it had not been able to define precisely what "potable" water was, but that the problem has now been solved. In the past week, Mr. BOLAND received correspondence from the Acting Administrator of EPA suggesting that the Agency was ready to proceed with an expanded potable research program that should help determine what health risks are involved in the reuse of waste waters. That being the case, Mr. BOLAND said that he wanted to make it clear that he believed the $8 million in the bill should be available for both potable and agricultural water reuse research. Adding potable as an eligible activity is also in line with the intent of the $25 million authorized for this function.

In addition, Mr. BROWN of California plans to offer an amendment to add $6 million to the wastewater reuse program. Mr. BROWN participated in the colloquy and made it clear that the money which he will try to add can be used for either potable or agricultural reuse research and demonstration projects.

The fiscal year 1979 authorizing language for the reuse of waste waters stipulates that grants shall be offered to public sector agencies "assisting in the development and demonstration (including construction) of any project which will investigate and demonstrate health and conservation implications involved in the reclamation, recycling, and reuse of wastewaters for drinking and agricultural use or the processes and methods for the preparation of safe and acceptable drinking water" (H.R. 11302, amending Public Law 95–155). The words "agricultural use or" were added this year and were intended to "provide slightly more flexibility in demonstrating achievement of the goals of increased water availability" (House Report 95–985).

As an aside, I question whether agricultural reuse should even qualify as a research and demonstration effort—such projects are based on an exchange of water rights and indirect reuse that has been practiced in the West for years. Once the water rights issues involved with such projects have been resolved, they are eligible for funding under existing sewage treatment plant construction grants and public works programs. I am not saying such projects are not worthwhile, but I am saying they are routine and, for all practical purposes, do not involve any research. However, I recognize the efforts of those in favor of agricultural reuse, and I do not want to dash their hopes. In other words, I do not object to agricultural reuse being included in the bill, as long as the approach is even-handed and allows potable reuse research and demonstration projects to compete for the money that is appropriated.

Potable reuse—the restoring of wastewater to a drinkable state—is truly innovative and would involve extensive research and demonstration. At this point, it is an unconventional source of water supply and has never been attempted in this country. Using the latest state-of-the-art technology, however, potable reuse is now seen as a reality in the not-too-distant future. Potable reuse could be an integral part of the solution to the water problems of the arid West, as well as to water shortage problems elsewhere in the country and the world.

Some Members have questioned the need for a specific appropriation for potable reuse research, feeling that there are ample funds in EPA's general R. & D. accounts to fund potable reuse demonstration projects. The events in the last year, however, indicated to me that a specific appropriation would be necessary if potable reuse was to become a reality within the next 10 to 15 years.

Last year, the House Appropriations Committee explicitly directed EPA to establish an appropriate level of funding from EPA's general R. & D. accounts for the wastewater demonstration grant program mandated by Public Law 95–155. EPA turned a deaf ear to this directive, however, claiming they could not find any money for the program. As a result, Chairman BOLAND sent a letter to EPA chief Douglas Costle a few weeks ago chastising EPA for not following through with the intent of Congress and the directives of his committee. In a June 14 response, Deputy Administrator Barbara Blum, Acting Administrator in Mr. Costle's absence, said that EPA would provide $4 million over the next 5 years for potable reuse demonstration projects, beginning with a $1 million expenditure in fiscal year 1979.

This $4 million is just a drop in the bucket compared to what is needed. Moreover, the letter was especially troubling to me, as EPA plans to fund two or three small projects with this money by altering existing facilities—a hodge-podge approach would give us inconclusive results 5 years from now when the money runs out. I had hoped that EPA would be able to provide the Denver Water Department with a little over $8 million to get a 1-million-gallon-per-day demonstration project off the ground, but Ms. Blum's letter says that although the Denver project is well-conceived and technically sound, it costs more than EPA can afford without a specific appropriation. In other words, without a specific appropriation, EPA would have to dribble the money for potable reuse research out a drop at a time. try to modify a few existing—and probably obsolete—structures, and end up with nothing even approaching a comprehensive analysis of the potable alternative—all of which means that, in the long run, we would end up spending twice as much as necessary to get the job done.

The Denver project which I have been seeking funding for would use the latest state-of-the-art technology and would remain in operation for approximately 10 years to demonstrate absolute feasibility and safety. The project would cost $20.5 million, and the Denver Water Department would contribute $6 million of this amount.

Both EPA region VIII Administrator Alan Merson and EPA chief Douglas Costle enthusiastically support the Denver project. In the West, it would be a welcome alternative to transmountain diversion and building dam after dam, both of which are becoming increasingly controversial.

In sum, allowing the $8 million in the bill to be available for both potable and agricultural reuse research and, presuming that even half of that amount will be used for potable reuse research, that half will be four times as much

money as EPA could spare from its general R. & D. funds for potable reuse research in fiscal year 1979 and equal to the amount they could spare over the next 5 years.

Mr. WIRTH. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Colorado.

Mr. WIRTH. Mr. Chairman, in terms of the gentlewoman's discussion about getting the EPA to focus on alternatives, I am sure the chairmen of both subcommittees would agree that we want to encourage the efforts that EPA has been making so far, through Dr. Costle, to request local communities to examine alternatives, such as, say, sewage treatment programs.

Mrs. SCHROEDER. I think what the gentleman will find is that they have been encouraging them, but they have not done very much in funding. One reason lies in the fact that they are talking about perhaps $1 million a year nationwide. That really is not going to do very much.

I think what we are concerned about is really trying to work for reuse programs that will be meaningful, that will have good, accurate, hard health data, as well as data on efficiency and on the economic aspects, so that we can know whether or not it is worthwhile to continue down that road.

That is the focus in which I wish EPA would be a little stronger.

Mr. WIRTH. Mr. Chairman, if the gentlewoman will yield further, we might address a question to the distinguished chairman of the Subcommittee on HUD-Independent Agencies, the gentleman from Massachusetts (Mr. BOLAND).

It is my understanding that what we have been trying to do or what EPA has been trying to do through regional council government is to get the regional council governments to require local communities to look at alternatives to traditional approaches, to use some very significant grant money and have it going through the system, and to look at other than the normal way of doing business.

I know that the subcommittee has been highly critical of the lack of innovation in that area, and I was wondering if it was the intent of the subcommittee to further encourage EPA to look at the innovative approaches, say, to waste-water treatment.

Mr. BOLAND. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I would agree with the distinguished gentleman from Colorado (Mr. WIRTH). As a matter of fact, I think we are encouraging EPA to do precisely what the gentleman is suggesting.

In the fiscal year 1978 supplemental, $9.5 million was provided to conduct innovative research of land treatment techniques in Texas. Therefore, my judgment is that the EPA is looking in this direction and, hopefully, the situation will be improved by the action taken in the bill. In any event, I believe this subcommittee is encouraging these efforts and so, too, is the EPA.

Mr. WIRTH. Mr. Chairman, I thank the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I am delighted that the subcommittee has been studying this matter so carefully and working so hard.

I am trying to get the EPA to be a little more aggressive in this area. I commend the EPA for doing that. I just hope we can encourage them in this area and encourage them with a little sweetener, that is, money.

Mr. WATKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to express my thanks to the gentleman from California (Mr. BROWN) for his many hours of trying to search through a solution to the problem of attempting to finance research and development. Also, I would like to express my thanks to the chairman of the subcommittee for putting together a well-balanced bill, and trying always to keep an open mind toward some of the problems we are expanding on with regard to research and development.

Mr. Chairman, I would like to address the committee briefly on a problem which exists, which I think is a very practical one and one which we have discussed in committee. This agency has been actually granted the authority to carry out research concerning water, and air, and basically any research dealing with the environment. They have been actually granted this responsibility and have received the obligation to do this research, but have not received adequate funding.

They have also been given the responsibility to come up with solutions, but I have spent hours upon hours talking to many of the scientists, and they tell me that the particular funds they have to operate with are insufficient to try to reach all the areas of responsibility that have been given to them. I would like to elaborate on one of these areas—underground water.

Twenty of the largest 100 cities completely rely on underground water, and their supportive water comes from ground water. Yet, we find a lot of the ground water is becoming contaminated, and they are losing the use of this water. Ninety-five percent of the small cities and towns in this country are completely dependent on ground water. They find that many communities must shut down these wells, because of contamination which is a serious problem. A tragedy will strike someday the water supply for these communities and these cities if we do not find solutions to this particular problem.

I would like to elaborate on another problem. Many of our farmers are confronted with the fact that they have got to suspend or change a particular chemical that they use to spray on their crops. It is the same way with business and industry. Sometimes, this agency says that they cannot use a particular chemical that they have been using for many years. They find that they do not have a substitute to utilize and the regulations are based on inadequate research. Research must be done before rules and regulations are granted to remove many of these necessary chemicals.

So, I think this agency has to come up with the research to meet these responsibilities, not only of saying that they can no longer use a particular chemical, but to provide a workable, desirable substitute. Let me say this on behalf of farmers: I do not know of a farmer who is going to use a chemical that he feels will be harmful to his fellow man. They would change it. They want to cooperate, but when research has not proven that this particular chemical is harmful, and also where there is no substitute, they feel, and rightly so, that they should be able to protect their crops and earn a livelihood. So, I would like to commend the gentleman from California for trying to find some additional research and development money so that regulation will not be issued on inadequate research which does an injustice to the farmer, businessman and also to the consumer.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. WATKINS. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I want to thank the gentleman for his statement, and point out that he himself has devoted a vast number of hours to the problems of environmental research and development, particularly those affecting his State and his district, the problems of ground water supply, as he indicated. I see him as rapidly becoming the outstanding expert on ground water research and development in the House. I want to thank him for all the effort he has put into it.

Mr. WATKINS. I thank the gentleman.

Mr. TRAXLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman. I want first of all to commend the author of the amendments, the gentleman from California (Mr. BROWN), for his well-known expertise and leadership in the area of environmental affairs. It is only with great reluctance and some concern for my own knowledge that I rise in opposition, granted the fact that he is such an expert in this area. We have enjoyed a great working relationship between his subcommittee and our subcommittee, and I find it greatly embarrassing to be on opposite sides on this amendment.

The President's recommendation was $324 million for research and development. The committee's recommendation was $328 million.

We spent many weeks in hearing the agency personnel and the outside witnesses and in discussing this among members of our staff, and indeed even the maker of these amendments came before our subcommittee and made an eloquent case that certain moneys be spent. This was one of them.

I would like to say that in just one area that is raised here, Anticipatory Research, we did cut $8 million of a $13,860,000 request. This research attempts

to look ahead to the potentially serious environmental problems, which is an admirable purpose. None of us has any arguments with that, but the reason we did that is because we did believe an increase from $4,729,000 in 1978 to $13,860,000 in 1979 was just too much. It was our feeling: Let us see how they do at a level of $5 million to $6 million. And we did give them a substantial increase over last year in this area, but we did not triple it. I say: Let them prove their track record; let them come back next year, and let them tell us what they have begun—what they have begun—what they have begun, because they cannot finish anything in a year.

All my friends in Colorado know what they propose to do out there with the amount of money in this bill is to put some blueprints on paper and we will see them back here next year and the year after and the year after. So we are starting some research programs at substantial levels, and the question is how much is enough? And I leave that to the judgment of the Members.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I thank the gentleman for the courtesy he extended when he chaired the subcommittee to the people from Colorado who came to talk over this problem. The committee has done an excellent job on this. I support the bill.

A number of us are concerned with this, and not just those from Colorado because this is a serious problem and we have had support on this from people on the east coast and on the west coast, because any place we can see a water problem developing we recognize the need to have more money spent on water recycling projects.

The gentleman has stated the problem adequately and accurately. There are those of us who feel the potable recycling program should receive adequate funding as well as the agricultural reuse program should receive adequate funding. We feel this little amount is worthy of consideration by the full committee.

I thank the gentleman for yielding.

Mr. TRAXLER. I thank the gentleman from Colorado for his comments.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I appreciate very much what the gentleman has said and I cannot disagree with the thrust of what the gentleman said.

He is saying his subcommittee looked at this and they gave it an increase and that increase should be sufficient. But may I point out that in this specific area of anticipatory research, this is an initiative which the Congress itself has asked the agency to undertake—that is to do a better job of looking into the future.

We think the Agency should not focus so much attention on short-run firefighting but should look down the road and to try to prevent problems which will cost us millions of dollars.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. BROWN of California and by unanimous consent, Mr. TRAXLER was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. Surely.

Mr. BROWN of California. The gentleman is quite right that reasonable people can disagree over whether or not the response of the agencies to the congressional pressure is enough or too much. The Agency has written to the chairman of the Senate Finance Committee on this specific point; that is, the $8 million cut in anticipatory research. Administrator Costle said that this research includes subjects such as acid rain, cancer, development of research centers, and research on innovative control techniques. He also points out that the cut would result in, for example, forcing us to abandon a specific cancer epidemiological program just as the importance of such a program has been recognized.

We, that is the subcommittee I chair, in our authorization process looked closely at these kinds of programs which will not be carried out if the $8 million cut is allowed to stand, and it was our judgment that the House would not want to cut these to the extent that the Appropriations Committee has below the President's request. We are asking the House to decide again if they would want to make these kinds of cuts, recognizing that the House endorsed the President's request in passing the authorization bill by 367 to 34 on April 27.

I thank the gentleman very much for yielding to me on this point.

Mr. TRAXLER. In this connection let me say that the increase in the area we are discussing in this year's budget over last year's is 23 percent on anticipatory research.

The CHAIRMAN. The question is on the first amendment offered by the gentleman from California (Mr. BROWN) appearing on page 12 of the bill entitled Research and Development.

The question was taken; and on a division (demanded by Mr. BROWN of California) there were—ayes 12, noes 17.

Mr. BROWN of California. Mr. Chairman, very reluctantly I demand a recorded vote, and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from California (Mr. BROWN) for a recorded vote on the first amendment.

A recorded vote was refused.

So the first amendment offered by the gentleman from California (Mr. BROWN) was rejected.

The CHAIRMAN. The question is on the second amendment offered by the gentleman from California (Mr. BROWN).

The second amendment offered by the gentleman from California (Mr. BROWN) was rejected.

Mr. DINGELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage in a colloquy with my good friend, the gentleman from Michigan (Mr. TRAXLER), regarding the provisions with regard to EPA's preproduction certification of automobile emissions. Mr. Chairman, I will yield to the gentleman after I ask him a question.

Is it true that the gentleman from Michigan (Mr. TRAXLER) had the opportunity to question the Associate Administrator of EPA, Mr. Hawkins, about the certification process of new model vehicles? And I understood he assured the gentleman from Michigan that EPA would be able to manage future certification requirements without any potential for interference with production schedules or any potential for layoffs due to EPA staff reorganizations or other problems in the certification process. Am I correct?

Mr. TRAXLER. If the gentleman will yield, I thank my colleague for making this inquiry. I think it is very important that the record be accurate.

To answer the gentleman's question, that is correct. I discussed this matter with Mr. Hawkins when he testified before our subcommittee, and our discussions are recorded on pages 122 through 128 and pages 161 through 163 of the hearings. He assured me at that time that EPA was very sensitive to the disastrous economic consequences of any delay in the new car certification process. He further assured me that any personnel reductions or reorganizations that they were considering would in no way interfere with or cause delays in the certification process.

In fact, when I questioned him on this issue, because of the very tight production schedules that the automobile manufacturers work under, EPA was intending to cut 11 people out of this certification area. He assured me personally that, even with the 11-person reduction, there would be no delays in the certification process.

As the gentleman knows, this bill restores 8 of those 11 positions because of the committee's strong concern for meeting the production timetables of auto manufacturers.

Mr. DINGELL. If the gentleman will permit, I am advised that Mr. Hawkins fired the administrator who headed up the vehicle certification work from the beginning, and I note that a number of other key technical personnel have left both the Ann Arbor lab and the Washington end of the operation.

Mr. TRAXLER. The gentleman is correct. And we do have, however, Mr. Hawkins' assurances that he will manage the certification process so that there will be no possibility of production delays or layoffs due to problems with certification of future year model cars. And I am sure that he means to do this, despite internal personnel problems. It seems to me that EPA will have to accommodate the certification process to the resources they actually have available.

Mr. DINGELL. I thank the gentleman. I agree with him very strongly, and I am sure that there are many of our colleagues here who do agree on this matter.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ABATEMENT AND CONTROL

For abatement and control activities, $664,115,000, to remain available until September 30, 1980.

AMENDMENTS OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they may be considered en bloc. They cover the paragraph just read and the next ensuing paragraph. They are the same, for all intents and purposes, and I would see no reason for the division.

The Clerk read as follows:

Amendments offered by Mr. BROWN of Michigan: On page 12, line 17, strike out "$664,115,000" and insert in lieu thereof $549,500,000".

On page 12, line 20, strike out "$94,555,000" and insert in lieu thereof $75,700,000".

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROWN of Michigan. Mr. Chairman. I am proposing an amendment to the HUD-independent agencies bill aimed at dealing with the Nation's No. 1 public enemy—inflation. My amendment aims to cut inflation by reducing the inflationary impact of Government regulations. Nobody questions the big impact which regulations are having on inflation. Regulations not only drive up prices but also slow economic growth—which costs jobs. The Council on Wage and Price Stability has estimated that Federal governmental regulatory activity is increasing by 15 percent per year and is adding between one and two points annually to the Consumer Price Index. The Brookings Institution recently estimated that environmental, health, and safety regulations slowed our GNP growth rate by one-half of 1 percent in 1975 and—unless checked—will slow the economy's rate of growth by a full 1 percent in 1980. Also recently, the Joint Economic Committee has heard a number of expert witnesses explaining how Government regulations are costing us jobs by drastically squeezing corporate cash flows and profits. The committee commissioned a study on this issue which shows—through sophisticated economic estimating techniques—that each Federal dollar spent through this budget on regulatory activities costs the private sector $20 in order to comply.

In addition to this private sector impact, there is mounting evidence that the regulations imposed and enforced by the Federal bureaucracy are causing significant financial problems for State and local governments who often must bear the brunt of Federal regulations. I wonder if any of my colleagues have not heard pleas from local and State governments for relief from Federal regulations.

My amendment aims to slow the rate of regulatory growth—it will check inflation and increase jobs. It will also give Congress a chance to review our regulatory course. The public clearly is apprehensive about where government is going; President Carter says that he wants to revamp our regulatory efforts and I think we should help him. This amendment does these things by holding regulatory spending in the Environmental Protection Agency to 1978 appropriation levels plus 7 percent. Nothing gets cut. Over all of government, for the last 6 years we have added 15 percent annually to regulatory budgets and the bureaucracy has cranked out an average 15 percent more new regulations in each of those years, hardly a coincidence to be sure. My amendment gives us a pause from that frenetic pace and time to review where we are going.

Specifically, my amendment is focused on the two regulatory program areas in the EPA—abatement and control and enforcement activities. The amendment would hold the budget in these two areas to their 1978 levels, plus 7 percent. Both the bill and the President's request call for inflationary increases of more than 29 percent for abatement and control activities and more than a 33-percent increase in enforcement activities over-1978. I want to reemphasize that this would not be a cut; my amendment simply holds these EPA regulatory functions to 1978 levels plus 7 percent—levels which are, respectively, 33 percent and 24 percent over 1977 levels. Aggregated this amounts to 2-year increases of more than 62 to 57 percent in these two functions respectively; while comparison with an indication shows the incredible nature of the increase. The GNP has gone up a maximum of 10 percent and the CPI a maximum of 11 percent. My 7-percent limit would permit expenditures double the probable growth in GNP and equal to the CPI. In fact even if my amendments are adopted, the average yearly increase in appropriations for these two functions will be in excess of 25 percent for the past 3 years. Can anyone argue that we are being penurious? I am proposing no changes in any other EPA programs such as construction grants and research and development—those will continue as proposed. In short, no local government will be cut back by my amendment.

Make no mistake, this is a very small step. According to the most recent issue of the respected journal on government and society, Regulation, published by the American Enterprise Institute, the administrative costs of Federal regulatory agencies are more than $4.5 billion for 1978 and would go to $4.8 billion in 1979 under the proposed budget, an increase of 115 percent between 1974 and 1979. I stress that these rather startling figures are only the tip of the iceberg—they only include the Federal administrative costs; they exclude still more costs imposed on taxpayers in the form of higher State and local taxes and higher prices. My amendment provides a limited increase in the fiscal year 1979 budget; it cuts only the irresponsible proposed regulatory spending contemplated by the bill.

Mr. ECKHARDT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the distinguished gentleman from Michigan (Mr. BROWN), whose ability I have come to respect highly during my time in Congress, and particularly since I have served with him on the conference committee on energy, is usually much more astute in understanding why additional funds are needed. It seems strange to me that he seems to have forgotten his letter of November 17, 1977, to Chairman HARLEY STAGGERS. He joined at that time with the other members from the Michigan delegation in pointing out the great dangers and costs of PBB's, an anti-inflammable fluid which got mixed with cattle feed and destroyed somewhere around 100 million dollars' worth of cattle in Michigan alone. I mention that, not to say anything about the PCB's, which virtually poisoned the Great Lakes, at a cost of somewhere around $95 million per year in loss of edible fish.

Mr. Chairman, the gentleman does not recall, apparently, that this bill includes the new Toxic Substances Act funding, which must be in the neighborhood of around $50 million if it is to be effective, because even the FIFRA authorization is $50 million. The latter act deals with perhaps a few dozen chemicals, whereas the Toxic Substances Act deals with around 1,000 new ones coming onto the market, every year among which may be potential PCB's or potential PBB's. The cost to the public of failing to block those substances from coming to the market will be about the amount of the cuts as can be seen by the cost to Michigan and the Great Lakes region of letting poisons enter the market needlessly.

Now, does it make sense for us to first poison the cattle because we are unwilling to put up enough money to examine the potential dangers of chemicals in advance, and then come to the Federal Government, as he does, and says, "Come in and bail us out"? He is writing HARLEY STAGGERS—and I do not disagree with his plea as a matter of fact, I think Michigan has had a tough time and ought to be helped—but he is asking for

support of S. 1531, Federal legislation to absorb up to 75 percent of the cost to any State that sets up indemnification programs to compensate farmers for crops or livestock condemned due to chemical contamination. Well, should we not prevent the contamination in the first place? Should we not identify chemicals which are dangerous before they go on the market instead of first letting them poison the cattle of Michigan and the fish of the Great Lakes, and then coming in and asking the Federal Government to pick up the tab for that loss which was occasioned by negligent use and distribution of chemicals by large chemical companies?

I say that if I ever saw an amendment which is penny wise and pound foolish, it is the Garry Brown amendment. I would think the distinguished Member from Michigan would not like to have his name attached to that amendment at the same time he is asking Congress to withdraw major funding from the major program designed to prevent such poisons as PCB's and PBB's from entering the environment in the future.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield, since he is using my name?

Mr. ECKHARDT. I use the gentleman's name, and I am glad to yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I think the gentleman might like to reconsider his remarks if he is using as a basis for his opposition to this amendment that letter. I know it is in the report that in total spending on PCB and PBB area, we are going to spend $275,000. How generous; and, how unnecessary is the additional millions in this bill, if the PCB and PBB problem is in part their justification.

The CHAIRMAN pro tempore (Mr. KILDEE). The time of the gentleman from Texas has expired.

(At the request of Mr. BROWN of California and by unanimous consent, Mr. ECKHARDT was allowed to proceed for 3 additional minutes.)

Mr. BROWN of Michigan. Some $150 million the gentleman supports in increases in order to pay $275,000 for PCB. The gentleman knows this affects only abatement and control and enforcement. Furthermore, he knows the amount that is contemplated for PCB and PBB does not begin to justify the increase in appropriations that are given to that agency by this bill in these two functional areas.

Mr. ECKHARDT. It is true that this House in its wisdom, and at the instance of the Michigan delegation—and I compliment them for it—made a specific provision in the Toxic Substances Act to deal with PCB's. That is not what I am talking about. I am talking about the capability of the agency to prevent these things from happening in the future all over the country. I am talking about a Toxic Substances Act that was supported, not only by environmentalists, but by the Manufacturing Chemists because they themselves recognize that if we do not responsibly review the chemicals that go into the market, that we will in effect libel the whole industry.

This Member comes from the capital of the chemical industry in the United States. I have more chemical plants in my district than any other Member of this House, and they have come to me and told me they need a Toxic Substances Act, they supported the bill and they got it through. It is a bill that does not cost any more money than FIFRA. That is the program that deals with insecticides and rodenticides and pesticides, and yet it can save the kinds of costs that are now being borne by the people of Michigan because of the poisoning of their fish and cattle.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Chairman, I thank the gentleman from Texas for yielding.

I want to compliment the gentleman on a very excellent and well-reasoned statement. I associate myself with his statement and arguments very much.

Mr. ECKHARDT. I thank the gentleman from California.

The CHAIRMAN. The time of the gentleman from Texas (Mr. ECKHARDT) has expired.

(On request of Mr. WAXMAN, and by unanimous consent, Mr. ECKHARDT was allowed to proceed for 2 additional minutes.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I also want to associate myself with the remarks of the gentleman from Texas and point out to the Members that the Environmental Protection Agency has within the last 2 years been given at least two major new programs to implement, the Toxic Substances Control Act and the Resources Recovery Control Act. In addition, there have been major amendments to the Clean Air Act.

The Health and Environment Subcommittee of the Interstate and Foreign Commerce Committee held hearings on health-related matters, particularly the causes of cancer. It has been estimated that between 60 percent to 90 percent of cancer is caused by factors in our environment. I think this growing recognition that major illnesses are caused by environmental factors make it incumbent upon us to keep within the EPA the full ability of that agency to handle regulatory matters over chemicals in the environment, so they can continue to protect us and monitor and control these hazards.

So I support the effort of our committee and reject the effort of the gentleman from Michigan to reduce these funds.

Mr. ECKHARDT. I compliment the gentleman from California (Mr. WAXMAN). He has brought out the fact that the health dangers to the people are even more important than the commercial dangers which I pointed out here.

Mr. HARSHA. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, I do not think I have to take a back seat to the budget-cutters or to those conservatives who are trying to save money, or those who are concerned with inflation. I voted, as far as my memory serves me, for every amendment that has been offered in the last several months to cut back on appropriations, with the exception of last Friday. I think that was a different issue last Friday. It was not whether or not we were going to save money. It was a question of whether or not this Congress was going to determine what they would fund and determine what was good for the country, as opposed to what the administration or the OMB thought. As a matter of fact, some of the programs the administration and the OMB had presented here were adding money. So there was not a question of cutting money last Friday.

I do not think I have to take a back seat to those who want to save money or those who are concerned with inflation, because none of them has any greater concern than I do for those matters.

But I think this amendment would cut out the very heart from the Federal Water Pollution Control Act. The centerpiece of that program to insure that we are going to be successful in implementing this ambitious undertaking to clean up our waters is being able to enforce the requirements of that law. One of the problems to date in achieving the goals of the act is that the EPA has not had adequate resources to do the job mandated by Congress. It takes a lot of personnel. I cannot speak about the Clean Air Act, because I am not conversant with that legislation.

But I do believe that I can speak with some authority about the Federal Water Pollution Control Act because I have cosponsored that legislation and have managed its passage on the floor of this House.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman from Texas.

Mr. ECKHARDT. I thank the gentleman for yielding. I wanted to take this opportunity to thank the other side of the aisle, particularly the gentleman from North Carolina (Mr. JAMES BROYHILL), for doing yeoman's work on the Toxic Substances Act. It was not a partisan proposition because, from the very beginning, it has been a bipartisan proposition.

Mr. HARSHA. I thank the gentleman for his contribution.

I might add, Mr. Chairman, that one of the problems of toxics, insofar as it relates to the Water Pollution Control Act is that we have not had sufficient research to provide the information we need to know what substances are really toxic. Since the passage of the landmark 1972 Federal Water Pollution Control Act amendments only six chemicals have been listed as toxic under the Water Act. The 1977 Clean Water Act amendments

made toxics the No. 1 priority for the Agency. This body by a vote of 346 to 2 endorsed that action. Now, EPA must implement this mandate. Mr. Chairman, in order to do this it takes information, it takes personnel to get the information, it takes supervisors to guide the personnel and it takes appropriations to make it happen. And a great part of making it happen means we must have effective enforcement of the Water Pollution Act.

Also, Mr. Chairman, in concentrating on the problems to enforce this act, we are trying to delegate as much authority as we can concerning water pollution to the States. But even with that delegation it takes a lot of responsibility on the part of the Environmental Protection Agency to see to it that the States carry out that delegation responsibly, to see to it that they meet the Federal standards, to see to it that they use the necessary criteria in issuing discharge permits to industry and our public bodies, and to see at the same time that the necessary noncompliance orders are issued to those industries and municipalities that may not be in compliance.

Congress has authorized over $42,500,000,000 to accomplish the goals of the Water Act alone. This does not include what the private sector will invest in pollution abatement, which is easily as much as the Federal Government. This year's increase for the abatement and enforcement accounts is a modest increase in relation to the need and the scope of the program.

Mr. BROWN of Michigan. Mr. Chairman, if the gentleman will yield, what does the gentleman from Ohio, (Mr. HARSHA), consider to be a modest increase? The gentleman said that this is a modest increase. I ask the gentleman what is a modest increase, or what kind of a percentage increase would that be?

Mr. HARSHA. I do not believe that that is within my prerogative. The Committee on Appropriations has had day after day of hearings concerning the particulars and the circumstances. Based on the record of those hearings, I think most of the members of the committee are in a better position to judge that figure than I am or the gentleman from Michigan who does not serve on the committee.

Mr. BROWN of Michigan. Is the gentleman willing to increase other figures 24.5 percent, 33.5 percent, on top of 33 percent and 24 percent increases received the last year?

Mr. HARSHA. I would say this to the gentleman from Michigan (Mr. BROWN), that undoubtedly there are other areas in the Environmental Protection Agency program that could be cut, but if you cut the funding for the enforcement provisions then you cut the heart out of the whole act. Enforcement determines the effectiveness of this law and slashing the appropriations may well decide whether or not we are going to have clean water over the coming years.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. ECKHARDT, and by unanimous consent, Mr. HARSHA was allowed to proceed for 2 additional minutes.)

Mr. HARSHA. I thank the gentleman for the additional time.

Mr. BROWN of Michigan. Mr. Chairman, if the gentleman will yield still further, then the gentleman is saying that the violations of the bill actually do not make sense because obviously there is no enforcement of PBB's or PCB's at the present time so that that argument has no relevance to the amendment I am offering.

Mr. HARSHA. That is the gentleman's own conclusion, it is certainly not mine. I cannot agree with that.

Mr. ECKHARDT. Mr. Chairman, if the gentleman will yield, on that very point we get ourselves focusing on those things which have hurt us in the past but what we are attempting to do is to ferret out things like PCB's and PBB's which will hurt us in the future all over this country. This enforcement money is going, in part, for examining 1,000 new chemicals.

Mr. HARSHA. That is right.

Mr. ECKHARDT. Each with the potential of the dangers of the dangerous ones that are already on the market and are going on the market each year.

Also, in the first sentence, the agency is going to have to examine 70,000 chemicals presently on the market. I think it would be very foolish to limit them in their enforcement funds when this tremendous burden has been placed upon them, and a burden which can save the State of Michigan and the rest of the country from the kind of hazards that they have had in the past.

Mr. HARSHA. I think the gentleman is eminently correct. I think one of the problems right now is that they have had a lack of resources to do the things we would like them to do. Certainly they do not have the resources to do what the gentleman has referred to, and it is far better to do those in advance and determine in advance whether they are toxic substances before they get into the water and we then have a severe problem with them.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. HARSHA was allowed to proceed for 2 additional minutes.)

Mr. HARSHA. For example, there must have been in the last year five discharges in the Ohio River alone of toxic substances. Each time EPA responded to the crises, they attempted to identify the discharger, they tried to resolve the problem, but because of inadequate personnel, and because of inadequate enforcement ability, they could not effectively deal with the problem. Therefore in another 3 months we had another discharge, and again it was toxics. When these toxic substances enter into the water and the news releases get out, the people who have to drink that water get in a near panic condition, and rightfully so, it is very detrimental to society to have that kind of condition exist. It is far better to do what the gentleman suggests, which is to examine these matters ahead of time as to whether or not we are going to allow them to discharge so we know in advance whether or not they are toxic, whether or not they are detrimental to society and the people who have to drink this water. That has been one of the problems with EPA in this particular area. They have not had the resources to adequately do the job.

If we want to stay blind to the whole problem, if we do not want to stop it, then the way to do it is to cut back their enforcement ability. They have the directive and the mandate from the Congress of the United States to set standards, to issue abatement orders, to issue noncompliance notices. These standards are developed to hold various in a manner allowing for public comment from all over the United States with those people who are polluting the waterways, whether they be industry or whether they be public bodies. Opportunities are made available to try to resolve the differences to see what can be done to correct the situation. But when these standards are violated then EPA has the responsibility to go to court seeking either criminal or civil penalties to try to correct the problem. This all takes personnel; it all takes money; it all takes time. Last year we told the American public that we had made a commitment to do what was needed to clean up toxics when they passed the Clean Water Act. But now we have to provide the money, otherwise we have made a hollow promise.

So I implore the Members, if they want to continue to have clean water and want to get on with this program of cleaning up the waters of the United States, then do not cut back on the funding for EPA's abatement or enforcement programs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite numbers of words, and I rise in opposition to the amendment.

Mr. Chairman, I think the arguments against the amendment have been dealt with rather emphatically by the gentleman from Ohio (Mr. HARSHA) who said that this amendment would gut the EPA program. There is no question about that. I think the arguments advanced by the distinguished gentleman from California (Mr. BROWN), the gentleman from Texas (Mr. ECKHARDT), and the gentleman from California (Mr. WAXMAN), have centered on the real problem that this particular amendment presents. They all alluded to the fact that these responsibilities which have been legislated on the EPA during the past few years cannot be adequately met if this amendment is accepted. Cutting back abatement and control and enforcement by some $133 million would have a very serious impact on these programs. As the gentleman from California (Mr. WAXMAN) said, the Resources Conservation and Recovery Act, the Toxic Substances Control Act, the Clean Air Act Amendments of 1977, the Safe Drinking Water Act Amendments of 1977, and the Clean Water Act of 1977 all require the kind of

supervision, enforcement, and resources that the amendment would prohibit.

It is easy to look at the percentage increases in these particular areas of the 1978 bill over 1977, and the 1979 bill over 1978. Those increases are dramatic, but so, too, are the responsibilities. The responsibilities are heavy, and they are more dramatic, incidentally, than the percentage increases that the gentleman from Michigan points to.

I can understand the desire on the part of Members to cut these particular programs, particularly when it may appear the increases are uncalled for, when they are so great. The fact of the matter is that the laws that I have mentioned, and the requirements mentioned by other Members in opposition to the amendment, are real. They are on the books. We are either going to enforce them or we are not going to have the kind of environmental controls necessary to make this Nation healthy and safe. So I join with the other Members in opposition to this amendment. It would gut the EPA abatement and control and enforcement programs. I hope that the committee will join with me and the other Members in opposing it.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, does the gentleman know what the drawdown of expenditures to date are in the 1978 appropriations?

Mr. BOLAND. I know the gentleman make much of the percentage increase in 1979 appropriations over the 1978 appropriations, about 30 percent for abatement and control and some 24 percent for enforcement, but the responsibilities and duties recently imposed upon EPA have also been considerable. We certainly should not give the EPA these added duties and responsibilities unless we are willing to give them some resources to accomplish the legislated objectives.

Mr. Chairman, I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, there are only a handful of toxicologists in EPA at the present time, when poisons are going into the environment and are one of the greatest threats we have. That is what we have to clean up.

I went to speak at the University of Texas Medical School about the question of training more toxicologists. This is going to cost us some money, but it will save us 10 times as many dollars per year as we expend in this same time on "preventive medicine."

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Chairman, the Clean Water Act we passed last year involves about $26 billion in new money spread out over a period of 6 years. It is going to have to be policed. In addition to that, and I am sure the gentleman from Michigan would agree, we are farming out a lot of their responsibilities.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has expired.

(At the request of Mr. ROBERTS, and by unanimous consent, Mr. BOLAND was allowed to proceed for 3 additional minutes.)

Mr. ROBERTS. Mr. Chairman, if the gentleman will yield further, in addition to that, I am one of those who believes in not spending money we do not have to, but we are farming out a great deal of the duties of the Agency to the States. It will be handled locally. We have to get them started. It will provide a lot of dividends in the future and I hope we will vote down the amendment and if the Members will look into it fully, they will agree with us.

Mr. ROUSSELOT. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, I do not believe we have really had an adequate answer to the question of why this committee, though I realize we have had some points by the gentleman from Texas (Mr. ECKHARDT) why the gentleman thinks it should be so substantially increased. Abatement and control was increased in the 1978 appropriation by 33 percent. That is a fantastic increase and then this committee turns around and increases it in 1979 by 29 percent. That is an unwarranted increase.

I do not understand and cannot grasp as I have listened to this discussion why we need, 724 more people, for these two areas of EPA—enforcement and abatement and control. All the gentleman from Michigan is asking is that we have a more modest increase in these two areas, that is, 7 percent. We say to the American people in many programs such as social security benefits, or whatever else that a 7-percent increase is adequate. Why do we have to pour money into this Agency? I know they say they are going to save the environment. This Agency does not need such a big increase.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. HARSHA. Mr. Chairman, one of the reasons we need additional personnel for the program——

Mr. ROUSSELOT. Seven hundred twenty-four for the whole agency.

Mr. HARSHA. Seven hundred twenty-four—for the first time the EPA is making a concerted effort to clean up toxic discharges into the water.

Mr. ROUSSELOT. They need 724 additional people to do that?

Mr. HARSHA. That is right, because absolutely nothing has been done in this area because they lacked the personnel and lacked the material to do it.

Secondly, we have just extended the July 1, 1977, deadline for industries and municipalities to meet certain water criteria standards because the Federal Government did not put out the money in time to enable the resources to process the applications, and the applications backed up. We had to extend the compliance deadline for various reasons for several years. The gentleman from Texas (Mr. ECKHARDT) knows that.

Mr. ROUSSELOT. Mr. Chairman, I want to interject at this point and say: One of the reasons for this problem is that in many areas they do not know what they are doing. To say that this is suddenly going to solve all those problems, because we are adding 724 people, is, I think, just not correct.

Mr. HARSHA. Mr. Chairman, we are not offering this as a panacea.

Mr. ROUSSELOT. I did not say that the gentleman was, and I did not say that the gentleman from Massachusetts (Mr. BOLAND) was.

Mr. HARSHA. The gentleman said we were offering this as an effort to solve all those problems. We are not offering this as a panacea.

We are offering this to give the EPA a chance to properly enforce the program and to properly see that the water criteria standards, including the interstate water quality standards, are met. Some States do not get the job done; some do.

We are trying to do the best we can with EPA and give it as much responsibility as we possibly can, but we still have to police it in order to see that the States that up to now have not been able to cope with the problem are willing to do the tasks that are confronting them.

Mr. ROUSSELOT. Mr. Chairman, I think many of the States have been able to cope. In California they are coping with the problem.

Mr. HARSHA. Mr. Chairman, if the gentleman will yield further, I will agree that California is one of the leading States in meeting these criteria.

Mr. ROUSSELOT. All right.

Mr. HARSHA. But there are many, many other States that are not.

Mr. ROUSSELOT. I do not believe that because some States have not done the job—and I know that California has—that this should be the excuse to increase this abatement and control account by 29 percent and, second, the enforcement by 33 percent.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, I thank the gentleman for yielding.

It is very easy to demagog an amendment such as this by saying we are gutting the program.

I think I am just as interested as any other Member on this floor in making the Environmental Protection Act work and making sure that its directives are being carried out. But let us look at this and see some of the things we have heard in speaking on this issue. We have heard about PCB's and PBB's and how this appropriation level is essential for work on those problems.

Mr. HARSHA. Mr. Chairman, if the gentleman will yield, in regard to the gentleman's remarks, I rise to a point of personal privilege.

The gentleman said I was demagoging the issue, and I have no intention of demagoging the issue.

Mr. BROWN of Michigan. Mr. Chairman, I did not say that. I said it is very easy to demagog the issue.

The CHAIRMAN. The Chair will advise the gentleman from Ohio (Mr. HARSHA) that a point of personal privilege cannot be made in the Committee of the Whole.

Mr. BROWN of Michigan. Mr. Chairman, if the gentleman will yield further, at the outset, in view of the remarks made by the gentleman from Ohio (Mr. HARSHA), I will point out that I did not refer to any Member; I did not refer to any person. I said an amendment of this nature can be demagoged.

If I may continue, let me point out that we have only $275,000 in this bill for dealing with the PCB, PBB issue and the gentleman from Texas (Mr. ECKHARDT) talked about this. We have the toxic substances legislation that would provide this function in EPA, which has not even been passed yet. It barely got a majority vote on suspension.

The CHAIRMAN. The time of the gentleman from California (Mr. ROUSSELOT) has expired.

By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 3 additional minutes.)

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Chairman, the chances are that that bill will come back and we may authorize somewhere between the $22 million that has been juggled around in EPA and the $41 million in the bill. It will come back somewhere in that area. That makes a total, taking the largest figure, of $41,275,000 very close to my 7 percent increase. But, what is in this bill in the way of increases in these two areas? There is a $175 million increase. My amount of increase provides almost a $50 million increase, and that will more than cover all these amounts that are authorized in the toxic susbtances area, plus the amount of $275,000 that is going to be there still for the PCB's and PBB's.

Mr. Chairman, all I ask the Members is this: When we have added increases of the size that have been added in 1978 over 1977, why should we come up with an increase that will in 2 years make these two categories of Government have an increase of about 63 percent in 2 years in one category and 57 percent in the other category?

I do not think the burden of proof for this kind of an increase has been borne, and I do not think it is fair to say that this will gut the program. I do not think it will, nor do I think holding the line on increases in all the other regulatory activities of Government, which I will continue to advocate, will gut those programs.

Mr Chairman, I think EPA should try to do the most cost-effective regulatory job it can do. If it develops the agency needs more money, I will be the first to support them, but I do not think the justification for this kind of increase has been made by those who support the increase.

Mr. ROUSSELOT. Mr. Chairman, I would like to state again that I support these amendments. They do not gut the bill, as has been stated.

By allowing an increase of 7 percent over last year, I believe this is more than adequate. I believe there are too many employees being added throughout EPA. I do not think they need 724 new employees in this great agency to supposedly save the country.

Mr. Chairman, I hope that my colleagues will support the amendments.

Mr. COUGHLIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendments.

Mr. Chairman, just let me say that we have had seven volumes of hearings on the subject. We sat through weeks and weeks and months and months of testimony on this. I do not want them to have any more employees than the other members do. However, we keep passing more laws, and if we pass more laws, it will take more people to administer them. After seven volumes of hearings, this is the conclusion to which the subcommittee came.

Mr. Chairman, I urge the defeat of the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan (Mr. BROWN).

The question was taken; and on a division (demanded by Mr. BROWN of Michigan) there were—ayes 9, noes 29.

Mr. BROWN of Michigan. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 470]

Akaka	Frey	Pritchard
Andrews, N.C.	Fuqua	Quie
Archer	Gammage	Rodino
Beard, Tenn.	Garcia	Roncalio
Bowen	Giaimo	Rose
Brademas	Gibbons	Rosenthal
Burton, John	Gudger	Runnels
Burton, Phillip	Hansen	Ruppe
Caputo	Harrington	Santini
Chisholm	Heckler	Sarasin
Clay	Jenkins	Scheuer
Cochran	Jones, Okla.	Shipley
Conyers	Leggett	Smith, Iowa
Corman	Livingston	St Germain
Danielson	McDonald	Teague
Davis	McKinney	Tsongas
Dent	Mathis	Tucker
Derwinski	Milford	Ullman
Diggs	Mollohan	Van Deerlin
Drinan	Nichols	Vander Jagt
Evans, Colo.	Nix	Weiss
Flowers	Patten	Wilson, C. H.
Flynt	Pike	Wilson, Tex.
Fraser	Pressler	Wright

Accordingly the Committee rose; and the Speaker having resumed the chair,

Mr. LEVITAS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 12936, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 361 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Michigan (Mr. BROWN) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 173, noes 211, not voting 49, as follows:

[Roll No. 471]

AYES—173

Abdnor	Frenzel	Neal
Anderson, Ill.	Fuqua	Nichols
Andrews, N. Dak.	Gephardt	O'Brien
Applegate	Glickman	Panetta
Archer	Goldwater	Patterson
Armstrong	Goodling	Pettis
Ashbrook	Grassley	Poage
Badham	Guyer	Pursell
Bafalis	Hagedorn	Quayle
Barnard	Hall	Quillen
Bauman	Hammer-schmidt	Railsback
Benjamin	Hanley	Rhodes
Bennett	Hannaford	Risenhoover
Bevill	Heftel	Robinson
Breaux	Hillis	Rousselot
Broomfield	Holland	Rudd
Brown, Mich.	Holt	Russo
Brown, Ohio	Horton	Satterfield
Buchanan	Hubbard	Sawyer
Burgener	Huckaby	Schulze
Burke, Fla.	Hyde	Sebelius
Burleson, Tex.	Ichord	Sikes
Butler	Ireland	Sisk
Byron	Jacobs	Skelton
Carney	Jenrette	Skubitz
Cederberg	Johnson, Colo.	Smith, Nebr.
Chappell	Jones, Tenn.	Spence
Clawson, Del	Kazen	Stangeland
Cleveland	Kelly	Stanton
Cochran	Kemp	Steed
Coleman	Ketchum	Stockman
Collins, Tex.	Keys	Stump
Conable	Kindness	Symms
Corcoran	Krebs	Taylor
Crane	Lagomarsino	Thone
Cunningham	Latta	Thornton
D'Amours	Leach	Treen
Daniel, Dan	Lent	Trible
Daniel, R. W.	Lloyd, Tenn.	Udall
Davis	Lott	Volkmer
Derrick	Lujan	Waggonner
Derwinski	McCormack	Walker
Devine	McDonald	Walsh
Dickinson	McEwen	Wampler
Dornan	Madigan	Watkins
Duncan, Tenn.	Mann	White
Edwards, Ala.	Marlenee	Whitehurst
Edwards, Okla.	Marriott	Whitley
English	Martin	Whitten
Erlenborn	Michel	Wiggins
Evans, Del.	Miller, Ohio	Wilson, Bob
Evans, Ga.	Mitchell, N.Y.	Winn
Evans, Ind.	Montgomery	Wydler
Findley	Moore	Yatron
Fithian	Moorhead, Calif.	Young, Alaska
Flippo	Murtha	Young, Fla.
Foley	Myers, John	Young, Mo.
Fountain		Young, Tex.

NOES—211

Addabbo	Burke, Calif.	Edgar
Akaka	Burke, Mass.	Edwards, Calif.
Alexander	Burlison, Mo.	Eilberg
Ambro	Burton, John	Emery
Ammerman	Burton, Phillip	Ertel
Anderson, Calif.	Carr	Evans, Colo.
Annunzio	Carter	Fary
Ashley	Cavanaugh	Fascell
Aspin	Chisholm	Fenwick
AuCoin	Clausen, Don H.	Fish
Baldus	Clay	Fisher
Baucus	Cohen	Flood
Beard, R.I.	Collins, Ill.	Florio
Bedell	Conte	Ford, Mich.
Bellenson	Cornell	Ford, Tenn.
Biaggi	Cornwell	Forsythe
Bingham	Cotter	Fowler
Blanchard	Coughlin	Garcia
Blouin	de la Garza	Gaydos
Boggs	Delaney	Gilman
Boland	Dellums	Ginn
Bolling	Dicks	Gonzalez
Bonior	Diggs	Gore
Bonker	Dingell	Gradison
Brademas	Dodd	Hamilton
Breckinridge	Downey	Harkin
Brinkley	Drinan	Harris
Brodhead	Duncan, Oreg.	Harsha
Brown, Calif.	Early	Hawkins
Broyhill	Eckhardt	Heckler
		Hefner

Hightower	Mikva	Rooney
Hollenbeck	Miller, Calif.	Rosenthal
Holtzman	Mineta	Rostenkowski
Howard	Mitchell, Md.	Roybal
Hughes	Moakley	Ryan
Jeffords	Moffett	Schroeder
Johnson, Calif.	Mollohan	Seiberling
Jones, N.C.	Moorhead, Pa.	Sharp
Jordan	Moss	Shuster
Kasten	Mottl	Simon
Kastenmeier	Murphy, Ill.	Slack
Kildee	Murphy, N.Y.	Smith, Iowa
Kostmayer	Murphy, Pa.	Snyder
Krueger	Myers, Gary	Solarz
LaFalce	Myers, Michael	Spellman
Le Fante	Natcher	St Germain
Lederer	Nedzi	Staggers
Lehman	Nolan	Stark
Levitas	Nowak	Steers
Lloyd, Calif.	Oakar	Steiger
Long, La.	Oberstar	Stokes
Long, Md.	Obey	Stratton
Luken	Ottinger	Studds
Lundine	Pattison	Thompson
McClory	Pease	Traxler
McCloskey	Pepper	Ullman
McDade	Perkins	Vanik
McFall	Pickle	Vento
McHugh	Preyer	Walgren
McKay	Price	Waxman
Maguire	Rahall	Weaver
Mahon	Rangel	Weiss
Markey	Regula	Whalen
Marks	Reuss	Wirth
Mattox	Richmond	Wolff
Mazzoli	Rinaldo	Wright
Meeds	Roberts	Wylie
Metcalfe	Roe	Yates
Meyner	Rogers	Zablocki
Mikulski	Roncalio	Zeferetti

NOT VOTING—49

Andrews, N.C.	Gudger	Rodino
Beard, Tenn.	Hansen	Rose
Bowen	Harrington	Runnels
Brooks	Jenkins	Ruppe
Caputo	Jones, Okla.	Santini
Conyers	Leggett	Sarasin
Corman	Livingston	Scheuer
Danielson	McKinney	Shipley
Dent	Mathis	Teague
Flowers	Milford	Tsongas
Flynt	Minish	Tucker
Fraser	Nix	Van Deerlin
Frey	Patten	Vander Jagt
Gammage	Pike	Wilson, C. H.
Giaimo	Pressler	Wilson, Tex.
Gibbons	Pritchard	
Green	Quie	

The Clerk announced the following pairs:

On this vote:

Mr. Gammage for, with Mr. Patten against.
Mr. Runnels for, with Mr. Conyers against.
Mr. Dent for, with Mr. Shipley against.
Mr. Beard of Tennessee for, with Mr. Caputo against.
Mr. Frey for, with Mr. McKinney against.
Mr. Hansen for, with Mr. Sarasin against.
Mr. Ruppe for, with Mr. Green against.
Mr. Vander Jagt for, with Mr. Minish against.

Mr. VOLKMER and Mr. BYRON changed their vote from "no" to "aye."

Mr. KRUEGER and Mr. BLOUIN changed their vote from "aye" to "no."

So the amendments were rejected.

The result of the vote was announced as above recorded.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words, and I ask unanimous consent that I may be permitted to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. ROUSSELOT. Mr. Chairman, I object.

Mr. DERWINSKI. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

ADMINISTRATIVE PROVISIONS

Not to exceed 7 per centum of any appropriation made available to the Environmental Protection Agency by this Act (except appropriations for "Construction grants") may be transferred to any other such appropriation.

Appropriations made available to the Environmental Protection Agency by this Act (except appropriations for "Construction grants", "Scientific activities overseas", and "Buildings and facilities") shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18; purchase of reprints; and library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Mr. VOLKMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, at this point I had planned to offer an amendment which would have restricted the use of funds appropriated in this bill for FIFRA, the Federal Insecticide, Fungicide, and Rodenticide Act, until those appropriations were authorized. I feel very strongly that we should be appropriating only authorized appropriations.

However, we are not doing so for that program. The bill which was passed last year by this House and went to conference is still in conference. The last authorization authorized appropriations only until March 31, 1977. So it has been over a year that this program has been operated solely on the appropriations. I am not going to offer the amendment, because I have talked to two of the conferees and they have assured me that they feel that the bill will be coming out of conference before the end of this session.

I realize that there are those here who probably feel that what I am saying has less importance to them than what they are talking about, but I will say that, in the event the appropriation is not authorized, I plan to be back here next year, and I will at that time offer this amendment if the Committee on Appropriations continues to seek to fund the program without authorization.

Mr. GIBBONS. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. GIBBONS was allowed to speak out of order.)

PERSONAL EXPLANATION

Mr. GIBBONS. Mr. Chairman, I would like to have voted on the last vote, but I had been stuck for 10 minutes over in the Rayburn Building in one of those great automatic elevators.

Mr. BIAGGI. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. BIAGGI was allowed to speak out of order.)

HUMAN RIGHTS VIOLATIONS AT CASTELREAGH PRISON IN NORTHERN IRELAND

Mr. BIAGGI. Mr. Chairman, Jimmy Carter has preached the gospel of human rights since the early days of his campaign. It won him the support of certain groups in this Nation. It got him attention and praise and prompted great hope. Yet with Ireland, the policy has been the height of hypocrisy. To the Irish community, Jimmy Carter preaches selective morality.

Last week, Amnesty International released a report documenting some 80 cases of human rights violations at the Castelreagh prison in Northern Ireland. This following reports in the past 2 years when Britain was cited for inhumane treatment of other political prisoners under their control.

Yet what has been the response of this moral and concerned administration? Silence. Nothing has been said or done. Such silence is the exception rather than the rule. The administration has spoken out against human rights violations in nations from Southeast Asia to Eastern Europe to Africa and most recently Brazil in Latin America.

Are Anglo-American relations so blinded by tradition as to obscure the truth? Can we ignore past and ongoing human rights violations and still expect to be trusted? It has been said, "To remain silent in the face of human rights violations is to condone them." Is this the human rights "policy" Jimmy Carter intended for Northern Ireland?

Mr. Chairman, I insert a column written by Jack Anderson this past Saturday which elaborates on this theme:

Irish Infractions—Under pressure from two foreign governments, President Carter is betraying a campaign promise to speak out against human rights violations committed by British authorities in Northern Ireland. He made the pledge to a group of Irish-American leaders in Pittsburgh six days before the 1976 election, in exchange for their endorsement.

Shortly after Carter took office, a leader of the Irish National Caucus, Dr. Fred Burns-O'Brien, supplied the White House with 10 documented cases of alleged torture perpetrated by British security forces against suspected Irish Republican Army members or sympathizers. The dossiers had been compiled by the Association for Legal Justice, a respected human rights organization in troubled Northern Ireland.

A presidential aide promised to turn the documentation over to the National Security Council and to human rights officials in the State Department. Burns-O'Brien and his associates later sent the White House additional accounts of torture and mistreatment of IRA prisoners.

To their astonishment, the State Department's annual report on human rights violations did not contain the slightest hint that such ugly practices were going on behind the prison walls of Belfast.

A spokesman for the State Department told us the material was never forwarded from the White House and thus was never considered for inclusion in the report. One official offered the lame explanation that the report cites violations only when there are "government-sanctioned efforts to systematically deny" basic rights. He insisted this was not the case in Northern Ireland.

This flies in the face of assessments by two reputable human rights organizations which have conducted their own on-the-spot investigations in Northern Ireland. A report by Amnesty International bears out the torture charges. So will a study by the World Peace Council, according to the group's chief investigator, Chitta Biswais.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190), the Environmental Quality Improvement Act of 1970 (Public Law 91-224), and Reorganization Plan No. 1 of 1977, including not to exceed $500 for official reception and representation expenses, and hire of passenger motor vehicles, $2,926,000.

AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of North Carolina:

Page 14, line 22, strike out "$2,926,000" and insert in lieu thereof "$3,126,000".

Mr. JONES of North Carolina. Mr. Chairman, my amendment would increase the appropriation to the Council on Environmental Quality by $200,000. This is a small amount of money, but it is important to this agency whose total budget for fiscal year 1978 is less than $3 million.

Despite its small size, the Council on Environmental Quality is charged with a large number of tasks relating to our country's environmental health. It acts as the principal adviser to the President in matters concerning environmental issues. The Council is the only Federal agency specifically charged with coordinating the administration of numerous Federal laws with statutory review requirements. Its goal is a more effective, less wasteful and more environmentally conscious Federal system.

Only recently the Council on Environmental Quality proposed the first set of regulations governing the administration of the National Environmental Policy Act. Those regulations attempt to streamline the environmental impact statement process and prevent unnecessary delays in Government projects associated with environmental review requirements.

The Council's budget has been repeatedly slashed over the years. Just last year the President reduced the staff at CEQ by eight people and the budget by $500,000. I am concerned that further reductions in the CEQ budget will prevent this agency from carrying out its statutory responsibilities.

In addition to those responsibilities already mentioned these include:

Improving the understanding of the economic impacts and benefits of environmental programs.

Assuring that the development of natural resources is accomplished in an environmentally accepting manner.

Assisting the analysis and resolution of long-term environmental problems facing our Nation and the World.

We often talk about making Government more efficient. It does not do any good to continually reduce the budgets of those Federal agencies which are attempting to eliminate duplications in Federal programs.

My amendment would provide an appropriation of $3.1 million to CEQ in fiscal year 1979. This corresponds to the amount requested by the administration, although it is $900,000 less than the authorization reported by my Committee on Merchant Marine and Fisheries.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment. I hesitate to oppose the distinguished gentleman from North Carolina. He stated the case well.

He would like to restore the funds to the budget request of $3,126,000. The committee reduced the Council on Environmental Quality by $200,000. There has been some question as to whether or not the CEQ ought to be in existence at all. This committee believes it ought to be in existence. What we have done here is to hold it to the 1978 level plus a $72,000 increase for 1979.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, may I ask the gentleman how many other departments or agencies his subcommittee held to the 1978 level?

Mr. BOLAND. There were a number of them. There are about six or eight. There is the American Battle Monuments Commission; cemeterial expenses, Army; the Consumer Information Center; the Consumer Product Safety Commission; the Department of Housing and Urban Development; and others.

Mr. JONES of North Carolina. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. JONES).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), title IX of the National Defense Education Act of 1958 (42 U.S.C. 1876-1879), and the Act to establish a National Medal of Science (42 U.S.C. 1880-1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; hire of passenger motor vehicles; not to exceed $3,500 for official reception and representation expenses; not to exceed $54,800,000 for program development and management; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); rental of conference rooms in the District of Columbia; and reimbursement of the General Services Administration for security guard services; $806,400,000, to remain available until September 30, 1980: *Provided*, That not more than $48,100,000 shall be available for Applied Science and Research Applications, of which not more than $1,000,000 shall be for Problem Analysis, not more than $5,000,000 for Integrated Basic Research, not more than $17,400,000 for Earthquake Hazards Mitigation, and not more than $2,400,000 for Community Water Management: *Provided further*, That receipts for scientific support services and materials furnished by the National Research Centers may be credited to this appropriation: *Provided further*, That if an institution of higher education receiving funds hereunder determines after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution shall deny any further payment to, or for the benefit of, such individual: *Provided further*, That of the foregoing amounts, funds available to meet minima authorized by any other Act shall be available only to the extent such funds are not in excess of amounts provided herein: *Provided further*, That unless otherwise specified by this appropriation, the ratio of amounts made available under this Act for a program or minima to the amounts specified for a program or minima in any other Act, for the activity for which the limitation applies, shall not exceed the ratio that the total funds appropriated in this Act bear to the total funds authorized in such Act, for the activity for which the limitation applies.

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California: On page 19, line 6, strike "$806,400,000" and insert in lieu thereof "815,400,000".

On line 8 strike "$48,100,000" and insert in lieu thereof "57,100,000".

On line 11 strike "$17,-" and insert in lieu thereof "$26,-".

Mr. BROWN of California. Obviously, Mr. Chairman, I have some trepidation in offering this amendment in view of my experience with the last amendment on EPA's research, but I honestly feel such deep personal concern about this amendment and its significance that I would really like to ask the chairman of the subcommittee if he would not consider accepting it.

I feel—and I will try and indicate this by a reference to the committee's report—that there was some misunderstanding in the subcommittee with regard to this particular item. Let me explain very briefly what the item is.

My amendment, although it sounds a little more complex than it is, restores $9 million to the earthquake hazard mitigation program in the National Science Foundation. By so doing, it restores it to the amount requested by the President, and supported by the authorizing committee.

Let me refresh the memory of the members of the committee with regard to this earthquake hazard mitigation program. Last October, the House passed the authorizing legislation. It had been several years in development. It was widely supported. and passed by an overwhelming majority. It was enthusiastically endorsed by the administration, and under the authorizing legislation the administration is required to bring back a program for coordinating and giving focus to the activities of about 20 agencies in the Government which are engaged in earthquake research. The two primary agencies are the National Science Foundation and the Geological Survey.

We are dealing only with the National Science Foundation in this particular item. What the subcommittee has done—I think without reference to the mandate of the authorizing legislation or recognition that this money is for a program that will be administered differently than other NSF programs—is to say that there are other agencies engaged in earthquake research, and we therefore should not increase the National Science Foundation budget to the amount requested by the administration for this purpose.

Well now, the whole thrust of the authorizing legislation was to bring this coordination, which the subcommittee so correctly saw is needed, into being. The National Science Foundation rcle is not just to do research that they have not been doing before, but it is a passthrough vehicle for channeling money into some of these other agencies, and using that as a mechanism of coordination. The subcommittee in its report points out correctly that the National Bureau of Standards Center for Building Technology does some of this work; that the Federal Preparedness Agency does some of this work, and it questions whether the National Science Foundation should be doing it.

It apparently did not contact these agencies, and I have letters from both of them which I solicited, asking what this cut would do. These letters say this cut would be destructive of their program because they get money channeled through the NSF for their activities. It does not duplicate, it is not redundant, it is part now of the integrated program that the House authorized when it passed the authorizing legislation just 8 or 9 months ago and which of course has not been reflected in the current year's budget. Unfortunately the action of the subcommittee would reduce the new program, from that authorized at an increased level, to below what it was before. This action undermines Public Law 95–124, and not only jeopardizes this program designed to save lives and property, but makes the Congress look foolish when it fails to see the effect of its own actions.

I think the chairman did not intend to do this and I would sincerely hope he would see the merit of restoring this money to the level that was requested by the administration.

Since I am sure the committee saw my statement on June 13 on page 17305 in the RECORD, I think there is adequate justification presented for accepting this amendment.

Mr. TRAXLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman's amendment seeks to add $9 million to the Foundation's earthquake hazard mitigation program. Reluctantly, I must oppose this amendment.

Let me tell you why.

The 1979 request for the Foundation's earthquake program is $26,400,000. It is broken into three elements. The first concerns research on the proper siting of structures and the second concerns research on the design of structures, while the third area addresses the policy or social aspects of earthquakes. Of the $26,400,000, $9,800,000 was requested for siting—$11,800,000 was requested for design—and $4,800,000 was requested for policy.

The committee reduced the Foundation's request of $26,400,000 by $9,000,000 to $17,400,000. Five million dollars of the reduction was taken from the design element and $4 million was taken from the policy element. No funds were recommended for reduction from the $9,800,000 requested for the siting element. Mr. Chairman, I believe the committee's report very clearly and succinctly points out why we made this reduction. We point out that in the case of design and policy subelements, ongoing activities at several other agencies of Government are closely related to the proposed research of the Foundation.

Those other agencies of Government not only have competence in the appropriate fields but also have established working relationships with the engineers, scientists, and public officials who must be involved in the work. Except in the area of siting research where we believe the Foundation can make a contribution, it does not make sense from the standpoint of the efficient use of Federal funds, or from the standpoint of effective intergovernmental relations, to add a new and relatively inexperienced agency to those agencies which are already performing effectively in these areas.

Finally, Mr. Chairman, the Committee's report points out that the awarding of grants for earthquake research has been the subject of serious management deficiencies. In testimony taken before the Senate subcommittee on HUD-independent agencies, it was learned that one grant recipient has received almost $2 million of the taxpayers money for work in the area of the social impact of earthquakes, testimony revealed that this individual misused travel funds—that he set up an independent private profit-making corporation which overcharged the University of Illinois by $23,000—that he used Federal funds to pay part of an apartment rented by the corporation and shared with a young lady who went to Hong Kong with him.

Also, it was learned in the same testimony that the National Science Foundation was aware through its own audit service that this grant recipient had budgeted over 100 percent of his available time in 25 out of 65 months to work performed and paid for under various NSF grants and contracts and that this did not include the amount of time he was also allocating to teaching and administrative duties at the University of Colorado.

Mr. Chairman, this amendment does too much too soon. When we do that we get the kinds of problems I just described, and I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. BROWN).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by law (5 U.S.C. 4101–4118) for civilian employees; and not to exceed $500 for official reception and representation expenses; $7,045,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

AMENDMENT OFFERED BY MR. WHITE

Mr. WHITE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITE: Page 21, line 22 of Title II, strike out the figure "$7,045,000" and insert in lieu thereof "$17,000,000".

Mr. WHITE. Mr. Chairman, what I am trying to do here is to follow the recommendation of the Committee on Armed Services. I would like to read a portion of their report to verify the need for this particular amendment:

In reviewing the state of our reserve forces and the manpower mobilization potential, it became obvious that the Selective Service System cannot meet manpower mobilization requirements in an acceptable time frame. To overcome that deficiency, Selective Service must be extricated from its present deep standby status with a return to registration and classification.

I might say that the law presently provides for registration. There is presently no registration being pursued. Consequently our country is in a state that we cannot respond properly in the event of an attack say in Europe. It will take 7 months to put a soldier, a sailor, or a marine draftee in the field to back up the thin line that we have opposing any possible attack on us.

If we should reinaugurate what the law already says we are supposed to be doing by having registration we will clip some 40 days from the time needed and those 40 days can be the critical time span which can spell the difference between victory or defeat.

I urge the House to restore a very small amount that was recommended by the Committee on Armed Services of up to $17 million. The bill provides for $7.5 million of the original amount of money which is inadequate to carry out even the very vestiges of their functions. This amendment will provide the skeleton force to carry out and do the job the law requires which is registration in order to accelerate and put us in a position of readiness in the event we have an attack on this Nation.

Mr. MONTGOMERY. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas (Mr. WHITE) and wish to commend the gentleman for offering the amendment.

This amendment would add the funds that would require young men to register as they were required to do before the Ford administration and the volunteer era. This would give us the information that would tell us where these young men are, how many there are, and so forth. We do not have that information. With the amendment proposed by the gentleman from Texas (Mr. WHITE) this would add at least 4 months of saving us time if a callup were necessary.

I think it is an excellent amendment. It is not a heavy cost item.

I hope this amendment will be adopted.

Mr. WHITE. All that I am adding is less than $10 million to bring our country to a state of readiness that is necessary in order to have some credibility as to our defenses with our allies, as well as for us to know that we have these forces available. That is what the Department of Defense needs.

We need 100,000 men in 60 days which we cannot now give them and we need 650,000 in 180 days which we cannot give them. Everybody in the House knows that our Reserve Forces cannot give them the support they truly need.

Mr. MONTGOMERY. Mr. Chairman, if the gentleman will yield further.

The Individual Readiness Reserves which the Department of Defense was depending upon in case the balloon did go up, all of those young men, we do not have them any more, they have gotten out of the program, so we have to turn to something like this.

Again I commend the gentleman.

Mr. WHITE. It is fine to have good environment. It is fine to have good quality of life. But it is not going to mean anything if we cannot defend it and unless we can continue to preserve the system we have.

I urge support of the amendment.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Michigan.

Mr. TRAXLER. I thank the gentleman for yielding.

In order to understand the gentleman's amendment is it his position that this money will be necessary, because we are going to go back to a compulsory registration, I mean put it into effect? We understand there is standby authority for it now. What the gentleman is saying is this is going to happen; therefore, we ought to have the money?

Mr. WHITE. To get it ready, as per the recommendation of the House in the committee report on the Department of Defense Appropriation-Authorization Act. This is in the report on page 34, recommending that the figure be $17 million to provide for registration.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. TRAXLER, and by unanimous consent, Mr. WHITE was allowed to proceed for 3 additional minutes.)

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Michigan.

Mr. TRAXLER. We have not had any recommendations from the administration or OMB that the figure that was given to us ought to be substantially increased. Does the gentleman have information that we don't have? Is the President going to request this? Is he going to order this? Is he going to go back to a registration program? Why put the money out if we are not going to use it?

Mr. WHITE. Let me tell the gentleman the fact is we are probably not going to get OMB to make recommendations, because in their cuts they have chosen this organization, among others, to seriously underfund. Selective Service is down to less than bare bones. It is down to a skeleton that is virtually ineffective. What we are saying to the executive department is we insist you go ahead and get ready to register, because this is the essential factor in accelerating our preparedness in a time of real danger. I do not think that many of the people in the executive department nor in the Congress are aware of the critical nature of our forces at the present time, both in Reserve and Active Forces. Unless we have some preparation to flesh out some of the registration, flesh out the Selective Service, and not kick it in the corner as it has been kicked over the years, we are not going to be able to respond to an attack on this Nation. I am saying we should mandate the push, and I think the President will come forward and implement it.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Michigan.

Mr. TRAXLER. Where I would come down on this—I guess I will vote against the gentleman's amendment—would be that instead of putting the money up front and saying to someone in the administration, we hope you will follow us, because the money itself cannot mandate that on the part of the Executive, as the gentleman, I am sure, would agree—I understand the President is opposed to this plan and, therefore, he is not going to spend the money if we do put it up there. Therefore, I am not going to do anything until he does.

Mr. WHITE. Let me say this: I do not think the President is opposed to this. We have an act. Remember, through all the history of the last decade this Congress has taken the lead in developing the preparedness of this Nation. We have pushed the executive department in many instances into doing things that are absolutely vital to the defense of this Nation. We would not have a nuclear submarine if it had not been for this Congress.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Indiana.

Mr. HILLIS. I thank the gentleman for yielding.

I certainly commend the gentleman on his amendment, and I should like to associate myself with his remarks.

It is my understanding that the Selective Service in its present status of deep standby is pretty much a paper organization.

Mr. WHITE. That is correct.

Mr. HILLIS. There are no draft boards. As far as I know, there is no State organization headquarters. All of this has to be put in place before we can function at all; is that not correct?

Mr. WHITE. That is exactly right. This is necessary.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. HILLIS, and by unanimous consent, Mr. WHITE was allowed to proceed for 2 additional minutes.)

Mr. HILLIS. If the gentleman will yield further, what will we get for this? What will the money buy?

Mr. WHITE. The $10 million will get precisely what we are talking about—the implementation, the machinery in order to register, in order to get ready to register the youth of this Nation. At the present time if we have an attack, there is no way we could quickly call up people. There is no way we could pluck out from the population the necessary forces as a backup. We would have to rely on the Active Reserves—already falling off in their numbers, because the draft several years ago was discontinued.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

If the amendment were to pass, and if the President then were not to go ahead with the registration, how would that affect the appropriations for the Selective Service System as it now exists?

Mr. WHITE. Unless the money is spent, it stands in abeyance in the Treasury. I am sure if the President elected not to spend this money, then it would remain in the pipeline.

Mr. BEDELL. That is not my question. My question is Selective Service came in for an increase from the Appropriations Committee. In my opinion, that increase was completely unjustified, and I would like to speak on it in just a minute.

Mr. WHITE. They got a decrease.

Mr. BEDELL. No; they asked for an increase. I would like to speak on that. My concern is if the gentleman's amendment passes, would that not give them the increase they ask for to add to the number of Reserve people they have, and even if the President did not go ahead with the registration, we are stopped?

Mr. WHITE. To fulfill the basic present operation, they would need something like $9.5 million as a total—about $2 million more.

The gentleman from Indiana (Mr. HILLIS) will have an amendment to that effect in the event mine fails to implement registration, that is, to get the machinery in operation; then you would need the $17 million recommended by the Committee on Armed Services.

Mr. BEDELL. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I would like to talk to the House a little bit about an experience I had where I was able to learn a little bit about how the Selective Service works. I have a project which is to go out and just independently walk into some of the governmental agencies to see what I can learn about how they operate. One of the agencies I visited some time ago was the Selective Service System. I was pretty shocked by what I saw there in terms of performance for the real need they had to do. Among other things, I visited the local Reserve unit who at that time was charged with the responsibility of handling their part of the total Selective Service System. At that time they had little to do, because they were concerned about helping those young people who had been granted amnesty by the President. Now, that is all over. They do not have that.

In our Selective Service System, we have 700 and some Reserve officers spread in units all across the United States that are waiting to help in case the Selective Service is ever instituted again.

I have a letter here from the head of the Selective Service System, Mr. Robert Shuck, who says that this agency in standby is much like a fire department. The fire department is not maintained, because they are always fighting fires; but when there is a fire they have trained personnel immediately available to cope with the emergency situation.

I believe we should have a standby Selective Service System; but I ask you if there were only going to be maybe one fire every so many years, would we have a full-time fire department or would we have volunteers who were available when we needed them?

In the past we have had draft boards available in order to institute the Selective Service System; at least in my area it would be very easy to see that we had draft boards again available to set up the Selective Service System if they were needed; but it does not make much sense today just to have reserve officers meeting 16 hours a month talking about what they would do if we ever had Selective Service.

I telephoned some of the people that serve in those units and I asked one of them, I said, "What do you do at your meetings?"

He said, "Well, we review the regulations."

I said, "Are they pretty complicated?"

He said, "No, not particularly."

I said, "What do you do after you have the regulations all digested?"

He said, "Then we review the changes in the regulations."

This is what we have people spending 16 hours a month doing at this time and this is what the taxpayers are paying them for.

I went to the Committee on Appropriations, asking them to cut this appropriation to $4 million, so we would still have a better system, but we would not have these reserve people standing by, meeting 16 hours a month, waiting until something happens.

It is my opinion that the people in my local community will be far better off setting up a Selective Service office, way better than setting up their own study system, than some reserve officer way down in another corner of the State. Surely we can get them to serve without paying for it.

Mr. WHITLEY. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from North Carolina.

Mr. WHITLEY. Mr. Chairman, would the gentleman support an amendment to seek to do exactly that, to reactivate the local draft boards and bring this out of the deep freeze; would the gentleman support us to bring that out?

Mr. BEDELL. I certainly support the effort to bring it out and support the local Selective Service Board.

It seems to me that is where they can move more quickly. We do not want to pay them under these circumstances if we just have to pay these people every month to wait around until there is something to do.

The trouble I see with both these amendments is that I see no reason to increase these 700 people who have nothing to do at this time to over 900 people.

I wish somebody would tell me why it is that we should pay more people to spend 16 hours a month waiting for something to happen, if it ever does, when we can get it done for nothing.

Mr. WHITLEY. Mr. Chairman, I would respond to the gentleman by saying that what we seek to do here is to give these people something to do other than to review regulations and changes in the regulations.

Mr. BEDELL. What would the gentleman have these people do?

Mr. WHITLEY. They would assist the local boards in classification and registration. Nobody is now being registered. We want to register the young people who are of the appropriate age, and we want to classify those people.

If we undertake that function, then these Reserve officers of whom the gentleman speaks, those who are reading regulations, reading changes in regulations, and studying regulations, will do exactly what they are supposed to be doing. They will be advising the boards in those functions.

The CHAIRMAN. The time of the gentleman from Iowa (Mr. BEDELL) has expired.

(By unanimous consent, Mr. BEDELL was allowed to proceed for 2 additional minutes.)

Mr. BEDELL. Mr. Chairman, is it the gentleman's understanding that those Reserve units, if this were to be done, would meet either once a week for 4 hours or once a month for 16 hours, and that those people would then travel out across the State, go to the far corners of the State, and meet with the draft boards in the State and try to get this set up? Is that the gentleman's understanding?

Mr. WHITLEY. That would certainly be their function and responsibility, yes.

Mr. BEDELL. Mr. Chairman, let me get the gentleman's understanding. If these amendments carry, is there then any assurance that those Reserve people who then would not have this duty and then would not have anything to do, assuming this program were not carried out, would not be kept on the payrolls by the Federal taxpayers?

Mr. WHITLEY. Mr. Chairman, will the gentleman yield further?

Mr. BEDELL. I yield to the gentleman from North Carolina.

Mr. WHITLEY. Mr. Chairman, I do not proceed on the assumption that the President would not follow the clear mandate of Congress if we provide the funds.

Mr. BEDELL. We may have the money, but we cannot proceed on any assumption. Either he is going to do it or he is not going to do it.

My question: If we pass this and he does not do it, are we not simply telling the Selective Service Board, "If you want to do it, go ahead and take the taxpayers' money. Go ahead and hire more people to serve in the Reserve, even though they do not have any duties at this time except to study the regulations"?

Mr. WHITLEY. Mr. Chairman, I would say to the gentleman again that if we do not provide the funds to enable the Selective Service to do more than it is now doing, we can be completely sure that they will not do more than they are now doing.

Mr. BEDELL. Mr. Chairman, if I might say so, if we had not provided the funds, in my opinion the Selective Service could have done more than they are now doing, because we do have people out there who would be willing to serve on these boards without incurring the cost to the taxpayers. These people would be close to where things are done, and they would do it without this extra cost.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentelman from Michigan.

Mr. TRAXLER. Mr. Chairman, is it fair to say that we cannot mandate registration in this appropriation bill, and that by providing $17 million additionally, it will not in any way mandate registration?

Mr. BEDELL. Mr. Chairman, if that is the case, it seems to me the most foolish thing we could possibly do would be to give this department more money, because what it needs is less money so that they will try to use the funds available without cost, and without performing the duty.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WHITE).

The question was taken, and on a division (demanded by Mr. WHITE) there were—ayes 24, noes 43.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. HILLIS

Mr. HILLIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HILLIS: On page 21, line 22, strike "$7,045,000", and insert in lieu thereof "$9,500,000".

Mr. HILLIS. Mr. Chairman, my amendment will increase the funding for the Selective Service System from $7,045,000 to the level recommended by the President of $9,500,000. Earlier during general debate, I outlined the necessity for this increase. To recapitulate, in 1977, DOD placed increased manpower requirements on the Selective Service in case of mobilization. The additional funds will enable the system to meet its new manpower requirements.

When the system was placed in deep standby in 1976, DOD's manpower mobilization requirements were on a stronger Reserve, National Guard, and IRR than we have today. The manpower mobilization requirements for the Selective Service were to deliver the first inductees at M+60 days with 100,000 inductees by M+150 days. The new 1977 manpower mobilization requirements, upped because of shortages in the Reserve, National Guard, and particularly the IRR, are to have the first inductees at M+40 days, the first 100,000 inductees at M+60 days, and 650,000 inductees at M+150 days.

The $7,045,000 recommended by the Appropriations Committee represents the fiscal year 1978 funding level plus inflation. No additional funds are provided for meeting the new manpower mobilization requirements.

Basically, the additional funds provided for by my amendment will allow the system to meet the new requirements by expanding the current five mobilization training headquarters to 10 regional readiness headquarters. This will improve not only the field activity, but the coordination with pertinent government agencies. Further, the geographical structure of the System's local boards will be reevaluated and, in conjunction with this, the local board membership will be reactivated to eliminate this requirement to recruit and train these members after mobilization.

When the Acting Director of the Selective Service appeared before the subcommittee on HUD/independent agencies and requested the $9.5 million funding level, he stated that—

The additional funds will permit us to move the system out of "deep standby" into a higher state of readiness mandated by the current Department of Defense requirements. This does not represent a change in purpose, but rather an increase in the system's mobilization readiness and delivery capability from a deep standby posture to a quicker response readiness posture more prepared to expeditiously execute essential operational functions relating to the nation's defense. The additional funds and personnel reflected in the budget request will certainly assist us in developing and attaining a more capable and responsive agency with increased readiness to meet a national emergency. The improved response capability which we will develop and evaluate will be geared to enable the System to demonstrate its readiness to meet the Department of Defense wartime manpower requirements within the time frames essential to our national defense posture.

Nearly 40 percent of the Selective Service's budget is reimbursed to the Department of Defense since the system, to a large degree, uses Reserve Forces officers to man its operations. The additional funds will allow the use of approximately 200 more officers. The increased number of officers will permit the System to have a trained officer for every area office which must be established and made operational as quickly as possible, as well as officers to establish and operate the State headquarters, serve as Selective Service representatives at the Armed Forces examining and entrance stations and augment the national headquarters.

Both the House and Senate Armed Services Committees have reviewed the current status of the Selective Service System and have recommended increasing its budget. The Department of Defense and OMB agree that the System needs the additional funds provided for by my amendment. In talking to officers in the Army, I know that the current shortages in Reserve manpower and the condition of the Selective Service constitute cause for major concern. The truth of the matter is that our military is currently unable to fight a protracted conventional war due, to a large degree, to the shortage of replacement personnel. Unless this situation is changed, we are limiting our response options to just two: either we will lose the war, or the war will have to go nuclear.

I strongly urge my colleagues to join with me and support the President's request for $9.5 million for the Selective Service in fiscal year 1979.

Mr. BEDELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know we are late here in time, and I do not want to take any more time than is necessary. I would just point out that this amendment seems to be attacking problems the way we tend to always attack problems. We say that if we just throw more money at it, it will solve the problem. I have already pointed out in my previous remarks that it appears to me that we do have people available on a volunteer basis to do this. The Selective Service, when they asked for this money, asked that they be permitted to increase the number of reserves, who, I have already explained, wait around 16 hours a month, without definite jobs to do, from 700 and some to 900 and some.

Mr. Chairman, I urge the defeat of the amendment.

Mr. STEIGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the Appropriations Committee deserves great credit for its effort to hold down the level of funding for the Selective Service System. As one who has consistently worked to reduce the appropriation for Selective Service since the end of the draft, I commend this effort.

There is one concern that I think must be raised, however. That is whether Congress should consider supporting the administration's request for $9.5 million for the Selective Service System. Pentagon and Selective Service officials say the additional expenditure, a 40-percent increase over the fiscal year 1978 spending level, will allow them to meet a wartime inductee delivery schedule which is accelerated significantly over the one now in existence. I believe we should support the Hillis amendment.

As I weighed the best course on this question, I wrote Dr. John White, Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics. I told him of my concern over the responsiveness of the Selective Service System in the event of mobilization, pointing to recent testimony that from its current "deep standby" status, it could not provide significant numbers of inductees until 5 months after the order to mobilize. I asked what plans were being made to improve Selective Service's responsiveness so that it can meet our wartime defense needs.

In a June 13 letter, Dr. White told me:

I believe that a system that does not deliver significant numbers of inductees until five months after mobilization is not acceptable.

He said they had recently reviewed wartime manpower requirements and assets and requested that the Director of Selective Service plan to meet an accelerated wartime delivery schedule. The new schedule calls for the initial inductee 30 days after mobilization, with 100,000 inductees within 60 days and a total of 650,000 after 6 months. At present, it would take 110 days for the first inductee and 150 days for 100,000 inductees; only 390,000 would be inducted at the end of 6 months.

The 40-percent increase in funding over fiscal year 1978 "will permit Selective Service to improve its planning, training, and testing."

Dr. White said:

The Acting Director of Selective Service has assured me that he will be able to meet our new delivery requirements with this budget and without peacetime registration.

Dr. White told me the President's budget "will enhance Selective Service responsiveness. It will improve wartime procedures; it will improve peacetime organizations; and it will provide more training and exercises."

The new budget will strengthen Selective Service responsiveness by refining new wartime procedures (the Emergency Military Manpower Procurement System or EMMPS) and by improving management. The entire Selective Service program will be assessed on the basis of responsiveness. All mobilization plans will be reviewed and additional EMMPS software will be developed. The system will shift from a five- to a 10-region structure, alining with Federal regions and improving efficiency. Training will be improved.

The Selective Service System will participate in the Joint Chiefs of Staff mobilization exercise scheduled for this fall. That test will help Pentagon and SSS officials assess and improve the procedures Selective Service would use in war. This is the first major defense mobilization exercise in which Selective Service is participating.

Dr. White, in a June 6 background paper responding to the Beard study recommendation that registration be resumed, said:

The Acting Director of Selective Service has stated that he can meet the new schedule without peacetime registration. I agree that that is a reasonable position.

Peacetime registration would accelerate the delivery schedule by about 15 days, Dr. White said. He continued:

However, this 15-day improvement would not be particularly helpful to DOD.

He continued:

We do not need 100,000 inductees in 45 days.

Pentagon officials feel they can draw on the delayed entry pool of those who have enlisted, but not yet gone in, to fill the training base during the first month. This pool varies from about 25,000 to 50,000 for the Army. They also expect to get some Army volunteers, probably at least 10,000 to 12,000 a month. With the accelerated program providing initial inductees 30 days after mobilization, there simply is no need for registration.

History has shown that an elaborate standby draft mechanism and local registration are not necessary components of a strong national defense system. When we became involved in World War I in 1917, the first registration was held 17 days after enactment of a draft bill, and the first inductions came within 4 months. In 1940, only 63 days elapsed between draft law enactment and first inductions. This was done with virtually no standby planning organization and without maintenance of any standby machinery.

It is interesting to note that between World War II and the Korea conflict, Selective Service was in full operation. Despite this, it still took 67 days for the first induction, 4 days longer than in 1940.

The question, then, is how we can most effectively provide for our Nation's defense at the lowest possible cost. Our distinguished colleague, Mr. BOLAND, deserves great credit for all he did in the Appropriations Committee to hold down the Selective Service cost. Two years ago, he showed great courage in proposing the reduction from $18.6 to $6.8 million. I greatly admired his willingness to push for that amendment, which was approved by voice vote, and I admire the continued effort he has made to maintain an adequate Selective Service mechanism at a reasonable funding level.

The committee report suggests that Selective Service funding should be kept basically at the same level as in fiscal year 1978, because the committee doubts SSS can meet the revised DOD manpower requirements without some form of registration and because the President's reorganization project is currently undertaking a study of SSS's organization, management, and processes.

Dr. White's letter and background paper would seem to argue otherwise. First, DOD and Selective Service both flatly state they can meet the new schedule without peacetime registration. They ought to be given a fair chance to make the 30-day plan work. The mobilization exercise this fall will be an ideal opportunity for that. Without adequate funding, though, Selective Service's participation in the exercise will almost certainly have to be scrapped. What happens in mobilization is integral to our success in future combat. Thus, that exercise, and Selective Service's participation in it, will help us weigh whether Selective Service can do the job it says it can as constituted and without registration.

What concerns me is that we should be aware of the implications of what we do as we weigh the future success of the volunteer force and the quality of our defense capability. If we do not provide the additional amount the administration says it needs to develop a substantially accelerated mobilization capability, we should not at some point down the line blame them for the lack of it. The AVF has been held accountable for recruiting problems that resulted from a gross cut by Congress in recruiting funds. We must be willing to take responsibility for our actions, and I hope we will be if the lower level, and lack of opportunity to check out the accelerated mobilization, are approved by Congress this year.

Mr. HILLIS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER. I yield to the gentleman from Indiana.

Mr. HILLIS. Mr. Chairman, in answer to my good friend and colleague, the gentleman from Iowa (Mr. BEDELL), I would say the funds included in this amendment will provide for local and State draft boards to be established. These are the boards the gentleman is talking about that will be manned by volunteers and which presently do not exist.

Mr. Chairman, I think that is an important point in this amendment.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER. Of course. I yield to the distinguished gentleman from Iowa.

Mr. BEDELL. Is it not correct that this amendment would increase from 715 to 904 the people I mentioned, who are now in the Reserves and who are meeting every month and who, as far as I can tell, do not have much, if anything, to do?

I agree with the gentleman about setting out the local Selective Service Boards, but is it also true that it would increase the number from 715 to 904?

Mr. HILLIS. If the gentleman will yield further, Mr. Chairman, there is an increase in the amount of Reserve personnel that would be in the Selective Service System. However, these personnel, as I understand it, were made available in helping establish a State headquarters to serve as the Selective Service representative to the Armed Forces. They did have meaningful tasks to carry out, as I understand it.

Mr. WHITE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the first point I wish to make is that if it were not for the Reserves, there would be virtually nothing in the Selective Service at the present time.

The OMB has had careful scrutiny over this agency for a long time and has held them down in their appropriations.

The fact that the administration comes forward and recommends the level which the gentleman's amendment addresses is an indication that they know of the need and that they have understood the need.

Mr. Chairman, we have had a number of witnesses appear before the Subcommittee on Personnel who have urged an increase far beyond this so that we can activate the Selective Service to the point at which it can be effective in the event of an attack against this Nation.

Mr. Chairman, it is very important that we go at least to the extent which the gentleman's amendment does. I wish we could go further so that we could have an even more efficient system.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I do not want to delay these proceedings any further. We hope to get through with this amendment and the Miller amendment so that we can adjourn.

In any event, Mr. Chairman, this has been a very thorny problem for the Committee over the past 3 years.

In 1976 we recommended $18 million, which would have allowed registration and classification. Last year the administration came in with a budget request of $6.3 million, and we accepted that recommendation.

They are back this year with a recommendation of $9.5 million and indicating that they would increase personnel to 117 positions; and, as the gentleman from Iowa (Mr. BEDELL) indicates, that would increase the reserves from 715 to 904 positions.

Mr. Chairman, I want to remind the members of this committee that we are not judging the effectiveness of the Armed Forces. What we really are doing here is judging whether the Selective Service System can do what they propose with the funds requested. I think we have to keep our eye on that particular target.

It is the judgment of this subcommittee that we cannot do it in this way. We cannot mandate registration. We could not even mandate it with the $17 million that was proposed in the amendment offered by the gentleman from Texas (Mr. WHITE). Mr. Chairman, there is no way by which we can do that without the President's cooperation.

What we did was essentially to keep the budget request to last year's level. But this question should be looked at. The Armed Services Committee ought to look at it more closely; the Department of Defense ought to look at it more closely; the administration ought to look at it more closely. Let us get out of this thicket of confusion that has surrounded this agency over the past 3 years.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Chairman, the minority certainly concurs in the state-

ment made by the chairman. This is not the place to decide this question on this bill. There is a report due this fall. We are putting the cart before the horse to move on this here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. HILLIS).

The question was taken; and on a division (demanded by Mr. HILLIS) there were—ayes 27; noes 41.

Mr. HILLIS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. BOLAND (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order to the remaining portion of the bill? The Chair hears none.

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio: On page 36 after line 16, insert the following paragraph:

SEC. 407. Of the total budget authority provided in this Act, for payments not required by law, *two* per centum shall be withheld from obligation and expenditure; *Provided*, That of the amount provided in this Act for each appropriation account, activity, and project, for payments not required by law, the amount withheld shall not exceed five per centum.

Mr. MILLER of Ohio. Mr. Chairman, members of the committee, this is the standard 2-percent reduction amendment that has been offered on the appropriations bills. This bill to fund HUD and independent agencies is recommended at a $68.2 billion level for fiscal year 1979. The summary of the budget authority would indicate that this is $6 billion under fiscal year 1978, and $1.3 billion under the request. These figures are misleading because they do not fully account for a $6.4 billion carryover from fiscal year 1978.

I would like to address just one example as to what is going on. Before I do, I would like to commend the chairman of the committee, the ranking minority member and the members of the committee, because they have many, many problems. The problems exist because all of the agencies come to them with what appear to be very valid programs, and undoubtedly they are valid programs. They have many pressures put on them, but someone needs to bite the bullet. That is what we are talking about right now, biting the bullet.

As an example, what could take place is that the Federal Government under HUD could pay to a family in New York City—and it is rated according to regions—for a four-bedroom unit, elevator apartment, and it is listed that way—elevator apartment—they could pay $1,260 a month subsidy to one family under the section 8 program of the Housing and Community Development Act of 1974.

The amount of the 2-percent reduction would be very close to $985 million out of a $68.2 billion program. I will not take the 5 percent. I would request that the Members do support the amendment for the 2-percent reduction.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, let me ask the gentleman this. Is there anything in his amendment that will direct the Secretary of HUD as to where these cuts should be made?

Mr. MILLER of Ohio. There is not.

Mr. KAZEN. All right. This I believe, and I tell my colleagues. This I believe is where the shortcoming of his amendment is. I would hate, like we did in the HEW bill, to say cut but not tell them where to cut. I think we are being irresponsible when we pass this type amendment, because as the gentleman pointed out, that example is probably one that should be cut but the Secretary does not have to cut that one. She may cut some other program that we in the Congress do not want cut. I think if we are going to do a job of cutting this budget, we ought to vote to do so and tell the Secretary or the agencies what specific program to cut or how much it should be under the amount.

Mr. MILLER of Ohio. I might say to the gentleman, we have tried that in the past, and every time it is a pet program of someone in the House and we have a battle. Not one line item under my amendment would be reduced more than 5 percent.

Mr. KAZEN. This is correct, provided the Secretary picks that line item to cut up to 5 percent. If the Congress does not agree with it, if that is not the intent of the Congress, if that is not the gentleman's intent, I know there are some programs the gentleman does not want to cut one dime out of, but hopefully the Secretary will find the ones we would like to cut. But if she does not, it is tough.

But I would say to the gentleman he should come back after the fiscal year begins, when the Secretary starts to cut the programs, and he will find his constituents will be coming to him and our constituents will be coming to me and to every other Member of the House and saying: "Why is the Secretary going to cut this? Did you intend to cut it?" And the Secretary is going to come back and tell them: "The Congress told me to cut this." And we did not intend to do any such thing. At least this is not the gentleman's intention to cut everything across the board.

Mr. MILLER of Ohio. I would like to say to the gentleman that I held a sign up last year and it stated this.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. MILLER of Ohio was allowed to proceed for 2 additional minutes.)

Mr. MILLER of Ohio. Mr. Chairman, it stated this: "There are 1,000 other programs you can cut. Don't cut mine." Everybody has a pet program. There is no doubt about it. But we have to bite the bullet sometime.

Mr. KAZEN. All right, but let us bite it right here on this floor.

Mr. MILLER of Ohio. We will never have a reduction under that condition. This is a first step.

Mr. KAZEN. We are passing the buck. We are being irresponsible to do that.

Mr. MILLER of Ohio. Let me tell the gentleman what has taken place in the past. Under the Foreign Assistance Act last year we in the House, in this Chamber, voted for a 5 percent reduction. In conference the decision was made where those line items would be cut and what line items would be cut, so the legislative body did do it, and the bill came back to the House floor. At that time at least we had a 4 percent reduction. But the legislative body did it.

This is the first step to show we want a reduction in spending because we are paying interest on our national debt of $151 million a day.

Mr. KAZEN. I still say this.

Mr. MILLER of Ohio. There is $5 billion going to foreign nations that have loaned us money. Too many people do not want to look at this total picture.

Mr. KAZEN. That is exactly what I am talking about. Under the procedure that the gentleman from Ohio (Mr. MILLER) has offered, we are abdicating our responsibilities to the conference committee. My vote counts just as much as that of anyone else but I will not be a conferee and I will not have a voice to say as to what program ought to be cut. I think we are abdicating our responsibility when we pass this type of amendment without telling the agencies involved what specific programs to cut.

Mr. MILLER of Ohio. And if we designate each program on the floor we will never have a cut.

I request your support of the 2-percent cut.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA TO THE AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Florida to the amendment offered by Mr. MILLER of Ohio: Strike the period at the end of the amendment, and insert in lieu thereof: "*Provided further*, That this paragraph shall not apply to budget authority or loans under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q).".

Mr. YOUNG of Florida. Mr. Chairman, the gentleman from Texas (Mr. KAZEN) has made a very fine point. That is if we are going to make the reductions I say we ought to be willing to tell them where we want them to be cut or not cut.

Despite my very great eloquence and persuasive arguments earlier today we did not increase the section 202 housing funds but, my friends, for goodness sakes, let us not reduce them because they are not doing the job they are supposed to do now. There is just not enough money there.

Let me add that this is a program that applies all over the country, not only one section of the country. This is one of the

few Federal programs that really works, a program where there is no fraud and where there is no mismanagement and no windfall profits for speculators. It is a program for which a need has been established and identified. I hope we will not make a reduction in this fund.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG) to the amendment offered by the gentleman from Ohio (Mr. MILLER).

The amendment to the amendment was agreed to.

Mr. BOLAND. Mr. Chairman, I move to strike the last word.

Mr. Chairman, may I inquire of the gentleman from New York (Mr. WEISS) whether the gentleman from New York has an amendment which does not impact upon the 2-percent amendment?

Mr. WEISS. Mr. Chairman, if the gentleman will yield, the answer is that that is correct.

Mr. BOLAND. Mr. Chairman, I wonder if we could recognize the gentleman from New York (Mr. WEISS) so we can then dispose of the amendment offered by the gentleman from Ohio (Mr. MILLER)?

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Chairman, I move to strike the last word, and I appreciate the courtesy of the distinguished chairman of the subcommittee, the gentleman from Massachusetts (Mr. BOLAND).

Mr. Chairman, in many ways the statement of the gentleman from Ohio (Mr. MILLER) is well taken regarding the difficulty of reaching agreement on where cuts ought to be made.

Three times before in amendments to NASA authorizing and appropriating measures I have called on this House to cut the unnecessary NASA program to develop a new supersonic transport or SST. This bill contains $15.9 million for a new SST, or, to use the recent euphemism the advanced supersonic transport (AST).

During a 10-year period, the Congress authorized an expenditure of some $1 billion on the SST aircraft. In 1972 the Congress finally, for health and economic reasons, decided to terminate that supersonic transport program. Yet the very next year the House authorized and appropriated funds again for development of another SST and $97 million thus far has been authorized by the House for expenditures—all "snuck in" through the back door.

I have not moved today an amendment to delete the funds because, knowing the tenor of the floor and based on prior experiences, it would be fruitless.

It seems to me that it is up to the committees having responsibility for the authorization and appropriation measures, at a time when people across this country are saying, "Let us cut out useless and wasteful luxuries," to use the scalpel otherwise others will use the ax. It seems to me that it is incumbent upon these committees, then, to come back at an appropriate time, or perhaps in conference committee, and cut these funds—a commitment which is likely to balloon to over $1 billion again.

This $15.9 million ($6.9 million for a variable cycle engine and $9 million for supersonic cruise technology) could be increased to $22.9 million if NASA takes advantage of the Appropriation Committee's authorization to apply another $7 million granted to it for use on the variable cycle engine program. In April this year when I introduced my amendment I pointed to a NASA report entitled "Program Options for Achieving Advanced Supersonic Transport Technology Readiness," in which NASA estimates that a new SST will cost between $900 million to $1.7 billion for development.

If an across the board cut is approved it should be recognized that the SST/AST program should go.

Even if the SST were viable, there is no reason to believe that the Federal Government should foot the bill. NASA itself has acknowledged, in a letter to the Committee on Science and Technology, that the space agency "is not the proper agency to develop a complete supersonic transport plan." If such an aircraft is needed I am confident that our free enterprise system is sufficiently resourceful to develop such an aircraft.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. MILLER). First of all, I want the membership of this committee to know that this bill is $1,300 million below—below—the 1979 request. This bill is $6,100 million below the 1978 appropriations. So, Mr. Chairman, I can understand the position of the gentleman from Ohio, who has been offering these amendments. He offered them last year; he has been offering them this year; and that is his right.

But I think that the point raised by the gentleman from Texas, Mr. KAZEN, is a very important one. What this amendment would do is give the executive branch considerable leeway in applying the reduction. That would take away authority and power from the Congress and fly in the face of the Congressional Budget and Impoundment Control Act of 1974. That is exactly what we are doing if we adopt the position of the gentleman from Ohio (Mr. MILLER).

The gentleman from Florida (Mr. YOUNG) very persuasively offered an amendment which would exempt the section 202 program, housing for the elderly and handicapped, from Mr. MILLER's amendment. He undercut one of the arguments that I was going to use. Mr. MILLER's amendment would have cut some 500 units of housing for the elderly and the handicapped under the section 202 program. I commend the gentleman from Florida (Mr. YOUNG) for his perceptiveness and his ability in this regard.

What the amendment will do is cut $107 million from the operation of the Veterans' Administrations hospitals. In recent deliberations on the budget resolution, the House voted to increase the amount for VA medical programs by $337 million. The committee has added $170 million above the budget for VA medical programs. We have met with members of the Veterans' Affairs Committee, with the gentleman from Texas (Mr. ROBERTS), the gentleman from Texas (Mr. TEAGUE), the gentleman from Virginia (Mr. SATTERFIELD), and others who were interested in this, and they agree with the position our committee took in reference to the VA budget. So I think we have used good judgment here, and I hope that the Members of the Committee of the Whole will follow the judgment of this committee when it looks at the recommendations we have made.

Today we have had a number of amendments offered to increase amounts in the bill, and none were adopted. That indicates that this Committee has confidence in the recommendations of the Committee on Appropriations. I would hope that the Members of the Committee will exercise good judgment and leadership and defeat the 2-percent amendment.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. I thank the gentleman for yielding.

The minority joins in opposing the amendment. My distinguished colleague, the gentleman from Ohio, cited some figures, for example, of the amount of rent supplement that can be paid. The place to remedy that is in the authorization legislation, not here in this legislation. We should defeat this amendment.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentleman for yielding.

My colleague realizes we do not pass authorization bills around here.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER), as amended.

The question was taken; and on a division (demanded by Mr. MILLER of Ohio) there were—ayes 34, noes 53.

Mr. MILLER of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment as amended was rejected.

The CHAIRMAN. Are there further amendments? The Chair hears none.

Mr. BOLAND. Mr. Chairman, I move that the Committee do now rise, and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. LEVITAS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12936) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation

that the amendment be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentlemen opposed to the bill?

Mr. MILLER of Ohio. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER of Ohio moves to recommit H.R. 12936 to the Committee on Appropriations, with instructions to that Committee to report the bill back to the House forthwith, with the following amendment:

On page 36 after line 16, insert the following paragraph:

SEC. 407 Of the total budget authority provided in this Act, for payments not required by law, two per centum shall be withheld from obligation and expenditure: *Provided*, That of the amount provided in this Act for each appropriation account, activity, and project, for payments not required by law, the amount withheld shall not exceed five per centum.

The SPEAKER. The gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes in support of the motion to recommit.

Mr. MILLER of Ohio. Mr. Speaker, I ask for a vote.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MILLER of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The question was taken by electronic device, and there were—yeas 156, nays 222, not voting 55, as follows:

[Roll No. 472]

YEAS—156

Abdnor	Biaggi	Cleveland
Ammerman	Breaux	Cochran
Anderson, Calif.	Brinkley	Coleman
	Brown, Ohio	Collins, Tex.
Anderson, Ill.	Broyhill	Conable
Applegate	Buchanan	Corcoran
Archer	Burgener	Crane
Armstrong	Burke, Fla.	Cunningham
Ashbrook	Burleson, Tex.	D'Amours
Badham	Butler	Daniel, Dan
Bafalis	Carr	Daniel, R. W.
Barnard	Cavanaugh	Derwinski
Baucus	Clausen, Don H.	Devine
Bauman		Dickinson
Bennett	Clawson, Del	Dornan
Edwards, Ala.	Kostmayer	Quayle
Edwards, Okla.	Krebs	Railsback
English	Krueger	Rhodes
Erlenborn	Lagomarsino	Robinson
Ertel	Latta	Rousselot
Evans, Ind.	Leach	Rudd
Fenwick	Lent	Russo
Findley	Levitas	Satterfield
Fithian	Lott	Sawyer
Foley	Lujan	Schulze
Forsythe	McClory	Sebelius
Fountain	McCloskey	Sharp
Frenzel	McDonald	Shuster
Gephardt	Madigan	Skelton
Gibbons	Mann	Skubitz
Glickman	Marks	Slack
Goldwater	Marlenee	Smith, Nebr.
Goodling	Marriott	Snyder
Grassley	Martin	Spence
Guyer	Mattox	Stangeland
Hagedorn	Mazzoli	Steiger
Hamilton	Michel	Stockman
Harkin	Mitchell, N.Y.	Stump
Harsha	Mollohan	Symms
Hightower	Moore	Taylor
Holt	Moorhead, Calif.	Thone
Huckaby		Treen
Hughes	Mottl	Vander Jagt
Ichord	Myers, Gary	Volkmer
Jacobs	Myers, John	Walker
Jenrette	Neal	Wampler
Johnson, Colo.	O'Brien	Whitley
Kasten	Panetta	Wiggins
Kelly	Pettis	Winn
Kemp	Pickle	Wydler
Ketchum	Poage	Wylie
Keys	Pritchard	Yatron
Kindness	Pursell	Young, Alaska

NAYS—222

Addabbo	Duncan, Tenn.	Lundine
Akaka	Early	McCormack
Alexander	Eckhardt	McDade
Ambro	Edgar	McEwen
Andrews, N. Dak.	Edwards, Calif.	McFall
	Eilberg	McHugh
Annunzio	Evans, Colo.	McKay
Ashley	Evans, Ga.	Maguire
Aspin	Fary	Mahon
AuCoin	Fascell	Markey
Baldus	Fish	Meeds
Beard, R.I.	Fisher	Metcalfe
Bedell	Flippo	Meyner
Bellenson	Flood	Mikulski
Benjamin	Florio	Mikva
Bevill	Ford, Mich.	Miller, Calif.
Bingham	Ford, Tenn.	Mineta
Blanchard	Fowler	Mitchell, Md.
Blouin	Fuqua	Moakley
Boggs	Garcia	Moffett
Boland	Gaydos	Montgomery
Bolling	Gilman	Moorhead, Pa.
Bonior	Ginn	Moss
Bonker	Gonzalez	Murphy, Ill.
Brademas	Gore	Murphy, Pa.
Breckinridge	Gradison	Murtha
Brodhead	Green	Myers, Michael
Brooks	Hall	Natcher
Broomfield	Hammer-schmidt	Nedzi
Brown, Calif.		Nichols
Brown, Mich.	Hanley	Nolan
Burke, Calif.	Hannaford	Nowak
Burke, Mass.	Harris	Oakar
Burlison, Mo.	Heckler	Oberstar
Burton, John	Hefner	Obey
Burton, Phillip	Heftel	Ottinger
Byron	Hillis	Patterson
Carney	Holland	Pattison
Carter	Hollenbeck	Pease
Cederberg	Holtzman	Pepper
Chappell	Horton	Perkins
Chisholm	Howard	Preyer
Clay	Hubbard	Price
Cohen	Hyde	Quillen
Collins, Ill.	Ireland	Rahall
Conte	Jeffords	Regula
Cornell	Johnson, Calif.	Reuss
Cornwell	Jones, N.C.	Rinaldo
Cotter	Jones, Tenn.	Risenhoover
Coughlin	Jordan	Roberts
Davis	Kastenmeier	Roe
de la Garza	Kazen	Rogers
Delaney	Kildee	Roncalio
Dellums	LaFalce	Rooney
Derrick	Le Fante	Rosenthal
Dicks	Lederer	Rostenkowski
Diggs	Lehman	Roybal
Dingell	Lloyd, Calif.	Ryan
Dodd	Lloyd, Tenn.	Schroeder
Downey	Long, La.	Seiberling
Drinan	Long, Md.	Sikes
Duncan, Oreg.	Luken	Simon
Sisk	Udall	Whitehurst
Smith, Iowa	Ullman	Whitten
Spellman	Vanik	Wilson, Bob
St Germain	Vento	Wilson, C. H.
Staggers	Waggonner	Wirth
Stanton	Walgren	Wolff
Steed	Walsh	Wright
Steers	Watkins	Yates
Stratton	Waxman	Young, Fla.
Studds	Weaver	Young, Mo.
Thornton	Weiss	Zablocki
Traxler	Whalen	Zeferetti
Trible	White	

NOT VOTING—55

Andrews, N.C.	Hawkins	Rose
Beard, Tenn.	Jenkins	Runnels
Bowen	Jones, Okla.	Ruppe
Caputo	Leggett	Santini
Conyers	Livingston	Sarasin
Corman	McKinney	Scheuer
Danielson	Mathis	Shipley
Dent	Milford	Solarz
Emery	Miller, Ohio	Stark
Evans, Del.	Minish	Stokes
Flowers	Murphy, N.Y.	Teague
Flynt	Nix	Thompson
Fraser	Patten	Tsongas
Frey	Pike	Tucker
Gammage	Pressler	Van Deerlin
Giaimo	Quie	Wilson, Tex.
Gudger	Rangel	Young, Tex.
Hansen	Richmond	
Harrington	Rodino	

The Clerk announced the following pairs:

On this vote:

Mr. Gammage for, with Mr. Richmond against.

Mr. Jenkins for, with Mr. Rangel against.

Mr. Flynt for, with Mr. Beard of Tennessee against.

Mr. Emery for, with Mr. Evans of Delaware against.

Mr. Hansen for, with Mr. McKinney against.

Mr. Miller of Ohio for, with Mr. Thompson against.

Until further notice:

Mr. Patten with Mr. Pressler.

Mr. Minish with Mr. Livingston.

Mr. Conyers with Mr. Quie.

Mr. Rose with Mr. Ruppe.

Mr. Stokes with Mr. Sarasin.

Mr. Stark with Mr. Pike.

Mr. Santini with Mr. Milford.

Mr. Hawkins with Mr. Leggett.

Mr. Van Deerlin with Mr. Tucker.

Mr. Murphy of New York with Mr. Scheuer.

Mr. Mathis with Mr. Harrington.

Mr. Bowen with Mr. Gudger.

Mr. Corman with Mr. Runnels.

Mr. Nix and Mr. Fraser.

Mr. Giaimo with Mr. Charles Wilson of Texas.

Mr. Shipley with Mr. Teague.

Mr. Danielson with Mr. Flowers.

Mr. Solarz with Mr. Tsongas.

Mr. Jones of Oklahoma with Mr. Andrews of North Carolina.

Messrs. SEIBERLING, CHAPPELL, and GAYDOS changed their vote from "yea" to "nay."

Mr. BARNARD and Mr. SKUBITZ changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device; and there were—yeas 332, nays 47, not voting 54, as follows:

[Roll No. 473]

YEAS—332

Abdnor	Ertel	Mahon
Addabbo	Evans, Colo.	Mann
Akaka	Evans, Ga.	Markey
Alexander	Fary	Marks
Ambro	Findley	Marlenee
Ammerman	Fish	Marriott
Anderson, Calif.	Fisher	Mattox
	Fithian	Mazzoli
Anderson, Ill.	Flippo	Meeds
Andrews, N. Dak.	Flood	Metcalfe
	Florio	Meyner
Annunzio	Foley	Michel
Applegate	Ford, Mich.	Mikulski
Ashley	Ford, Tenn.	Mikva
Aspin	Forsythe	Miller, Calif.
AuCoin	Fountain	Mineta
Bafalis	Fowler	Mitchell, Md.
Baldus	Fraser	Mitchell, N.Y.
Barnard	Fuqua	Moakley
Baucus	Garcia	Moffett
Beard, R.I.	Gaydos	Mollohan
Bedell	Gibbons	Montgomery
Beilenson	Gilman	Moore
Benjamin	Ginn	Moorhead, Pa.
Bevill	Glickman	Moss
Biaggi	Goldwater	Murphy, Ill.
Bingham	Gonzalez	Murphy, Pa.
Blanchard	Goodling	Murtha
Blouin	Gore	Myers, Gary
Boggs	Gradison	Myers, John
Boland	Grassley	Myers, Michael
Bolling	Green	Natcher
Bonior	Guyer	Neal
Bonker	Hall	Nedzi
Brademas	Hamilton	Nichols
Breaux	Hammer-schmidt	Nolan
Breckinridge		Nowak
Brinkley	Hanley	Oakar
Brooks	Hannaford	Oberstar
Broomfield	Harkin	O'Brien
Brown, Calif.	Harris	Ottinger
Brown, Mich.	Harsha	Panetta
Brown, Ohio	Heckler	Patterson
Broyhill	Hefner	Pattison
Buchanan	Heftel	Pease
Burgener	Hightower	Pepper
Burke, Calif.	Hillis	Perkins
Burke, Fla.	Holland	Pettis
Burke, Mass.	Hollenbeck	Pickle
Burleson, Tex.	Holtzman	Poage
Burlison, Mo.	Horton	Preyer
Burton, John	Howard	Price
Burton, Phillip	Hubbard	Pritchard
Butler	Huckaby	Quillen
Byron	Hughes	Rahall
Carney	Hyde	Railsback
Carr	Ichord	Regula
Carter	Ireland	Reuss
Cavanaugh	Jeffords	Rhodes
Cederberg	Jenrette	Rinaldo
Chappell	Johnson, Calif.	Risenhoover
Chisholm	Johnson, Colo.	Roberts
Clausen, Don H.	Jones, N.C.	Robinson
	Jones, Tenn.	Roe
Clay	Jordan	Rogers
Cleveland	Kasten	Roncalio
Cochran	Kastenmeier	Rooney
Cohen	Kazen	Rosenthal
Collins, Ill.	Kemp	Rostenkowski
Conte	Ketchum	Roybal
Corcoran	Keys	Ryan
Cornell	Kildee	Satterfield
Cornwell	Kindness	Sawyer
Cotter	Kostmayer	Sebelius
Coughlin	Krebs	Selberling
Cunningham	Krueger	Sharp
D'Amours	LaFalce	Sikes
Daniel, Dan	Lagomarsino	Simon
Daniel, R. W.	Leach	Skelton
Davis	Lederer	Skubitz
de la Garza	Le Fante	Slack
Delaney	Lehman	Smith, Iowa
Dellums	Lent	Smith, Nebr.
Derrick	Levitas	Snyder
Dickinson	Lloyd, Calif.	Spellman
Dicks	Lloyd, Tenn.	Spence
Diggs	Long, La.	St Germain
Dingell	Long, Md.	Staggers
Dodd	Lott	Stanton
Downey	Lujan	Stark
Drinan	Luken	Steed
Duncan, Oreg.	Lundine	Steers
Duncan, Tenn.	McClory	Steiger
Early	McCloskey	Stratton
Eckhardt	McDade	Studds
Edgar	McEwen	Taylor
Edwards, Ala.	McFall	Thone
Edwards, Calif.	McHugh	Thornton
Eilberg	McKay	Traxler
English	Madigan	Trible
Erlenborn	Maguire	Udall
Ullman	Weaver	Wolff
Vander Jagt	Whalen	Wright
Vanik	White	Wydler
Vento	Whitehurst	Wylie
Volkmer	Whitley	Yates
Waggonner	Whitten	Yatron
Walgren	Wiggins	Young, Alaska
Walsh	Wilson, Bob	Young, Fla.
Wampler	Wilson, C. H.	Young, Mo.
Watkins	Winn	Zablocki
Waxman	Wirth	Zeferetti

NAYS—47

Archer	Evans, Ind.	Mottl
Armstrong	Fascell	Pursell
Ashbrook	Fenwick	Quayle
Badham	Frenzel	Rousselot
Bauman	Gephardt	Rudd
Bennett	Hagedorn	Russo
Brodhead	Holt	Schroeder
Clawson, Del	Jacobs	Schulze
Coleman	Kelly	Shuster
Collins, Tex.	Latta	Stangeland
Conable	McCormack	Stockman
Crane	McDonald	Stump
Derwinski	Martin	Symms
Devine	Miller, Ohio	Treen
Dornan	Moorhead, Calif.	Walker
Edwards, Okla.		Weiss

NOT VOTING—54

Andrews, N.C.	Hawkins	Rodino
Beard, Tenn.	Jenkins	Rose
Bowen	Jones, Okla.	Runnels
Caputo	Leggett	Ruppe
Conyers	Livingston	Santini
Corman	McKinney	Sarasin
Danielson	Mathis	Scheuer
Dent	Milford	Shipley
Emery	Minish	Sisk
Evans, Del.	Murphy, N.Y.	Solarz
Flowers	Nix	Stokes
Flynt	Obey	Teague
Frey	Patten	Thompson
Gammage	Pike	Tsongas
Giaimo	Pressler	Tucker
Gudger	Quie	Van Deerlin
Hansen	Rangel	Wilson, Tex.
Harrington	Richmond	Young, Tex.

The Clerk announced the following pairs:

On this vote:

Mr. Gammage for, with Mr. Jenkins against.

Mr. Richmond for, with Mr. Flynt against.

Mr. Evans of Delaware for, with Mr. Hansen against.

Mr. Livingston for, with Mr. Emery against.

Until further notice:

Mr. Hawkins with Mr. Beard of Tennessee.

Mr. Patten with Mr. Sarasin.

Mr. Thompson with Mr. Caputo.

Mr. Stokes with Mr. McKinney.

Mr. Minish with Mr. Quie.

Mr. Murphy of New York with Mr. Frey.

Mr. Danielson with Mr. Ruppe.

Mr. Bowen with Mr. Pressler.

Mr. Van Deerlin with Mr. Andrews of North Carolina.

Mr. Rangel with Mr. Milford.

Mr. Giaimo with Mr. Pike.

Mr. Mathis with Mr. Runnels.

Mr. Obey with Mr. Jones of Oklahoma.

Mr. Nix with Mr. Gudger.

Mr. Rose with Mr. Flowers.

Mr. Sisk with Mr. Leggett.

Mr. Shipley with Mr. Tucker.

Mr. Conyers with Mr. Tsongas.

Mr. Santini with Mr. Teague.

Mr. Corman with Mr. Scheuer.

Mr. Harrington with Mr. Solarz.

Mr. Charles Wilson of Texas with Mr. Dent.

Mr. LEHMAN changed his vote from "nay" to "yea."

Mr. STANGELAND changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include tables, charts, and other extraneous matter, on the bill just passed, H.R. 12936.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 10, 1978:

H.R. 3994, An act for the relief of Charles P. Abbott.

On June 12, 1978:

H.R. 11370, An act to authorize an appropriation to reimburse certain expenditures for social services provided by the States prior to October 1, 1975, under titles I, IV–A, VI, X, XIV, and XVI of the Social Security Act.

On June 13, 1978:

H.R. 8423. An act to amend titles II and XVIII of the Social Security Act to make improvements in the end stage renal disease program presently authorized under section 226 of that act, and for other purposes.

On June 16, 1978:

H.R. 11657. An act to amend the Central, Western, and South Pacific Fisheries Development Act to increase the appropriation authorization through fiscal year 1982, to expand the United States fisheries development effort, and to cooperate in the formation and research of the South Pacific regional fishery agency, and for other purposes.

On June 19, 1978:

H.R. 3996. An act for the relief of Young Hee Kim Kang and her children Hee Jae Kang, Hee Jin Kang, and Hee Soo Kang.

ADJOURNMENT OVER TO WEDNESDAY, JUNE 21, 1978

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, we reconvene at 10 a.m. on Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAKING IN ORDER CONSIDERATION OF BILLS UNDER CLAUSE 6, RULE XXIV

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that on Wednesday, June 21, it shall be in order to consider bills under clause 6, rule XXIV, the Private Calendar rule.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST TO MAKE IN ORDER MOTIONS TO SUSPEND THE RULES NOTWITHSTANDING CLAUSE 1, RULE XXVI

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that on Wednesday,

June 21, it shall be in order for the Speaker to entertain motions to suspend the rules, notwithstanding the provisions of clause 1, rule XXVII.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ASHBROOK. Reserving the right to object, Mr. Speaker, I might ask my distinguished friend and majority leader, the gentleman from Texas (Mr. WRIGHT), about the schedule and why this is necessary.

Mr. WRIGHT. If the gentleman will yield, as the gentleman from Ohio probably is aware, five bills have been scheduled for consideration under suspension of the rules today. Due to the lateness of the hour, that, of course, becomes impossible today. Four bills have been scheduled for tomorrow. We had hoped that we would be able to take some of these on Wednesday and, therefore, move along the road toward completion of the schedule.

Mr. ASHBROOK. Further reserving the right to object, I know the leadership needs cooperation on these matters, and I can virtually assure my colleague, the distinguished majority leader, that we would work expeditiously next week, but I think it would probably be the better part of wisdom to have them on Monday, not on Wednesday. We do have a number of Members on our side who are somewhat opposed to that, so I would be constrained to object, with the understanding that I and others would certainly do all we could to help expedite them next week.

Mr. WRIGHT. Mr. Speaker, I should like to express my appreciation to the gentleman from Ohio, under those circumstances if the gentleman is constrained to object to their consideration on Wednesday——

Mr. ASHBROOK. Mr. Speaker, I would object.

Mr. WRIGHT. Mr. Speaker, we could look forward to general cooperation on Monday and to completing as many as possible with as few votes as possible.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ASHBROOK. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

DISCHARGING COMMITTEE ON POST OFFICE AND CIVIL SERVICE FROM FURTHER CONSIDERATION OF HOUSE JOINT RESOLUTION 1002 AND REREFERRAL OF HOUSE JOINT RESOLUTION 1002, TO COMMITTEE ON ARMED SERVICES

Mr. HANLEY. Mr. Speaker, on behalf of the chairman of the committee, the gentleman from Pennsylvania (Mr. NIX), I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 1002) and that such resolution be rereferred to the Committee on Armed Services.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO PRINT AMENDMENT UNDER RULE XXIII, CLAUSE 6

Mr. DINGELL. Mr. Speaker, pursuant to rule XXIII, clause 6, I ask unanimous consent that it may be in order to print an amendment to the bill, H.R. 11392, in tomorrow's RECORD, notwithstanding the fact that the House will not be in session.

The SPEAKER. Without objection, if there is a RECORD, that permission will be granted.

There was no objection.

REORGANIZATION PLAN NO. 3 OF 1978—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–356)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

Today I am transmitting Reorganization Plan No. 3 of 1978. The Plan improves Federal emergency management and assistance. By consolidating emergency preparedness, mitigation and response activities, it cuts duplicative administrative costs and strengthens our ability to deal effectively with emergencies.

The Plan, together with changes I will make through executive action, would merge five agencies from the Departments of Defense, Commerce, HUD and GSA into one new agency.

For the first time, key emergency management and assistance functions would be unified and made directly accountable to the President and Congress. This will reduce pressures for increased costs to serve similar goals.

The present situation has severely hampered Federal support of State and local emergency organizations and resources, which bear the primary responsibility for preserving life and property in times of calamity. This reorganization has been developed in close cooperation with State and local governments.

If approved by the Congress, the Plan will establish the Federal Emergency Management Agency, whose Director shall report directly to the President. The National Fire Prevention and Control Administration (in the Department of Commerce), the Federal Insurance Administration (in the Department of Housing and Urban Development) and oversight responsibility for the Federal emergency broadcast system (now assigned in the Executive Office of the President) would be transferred to the Agency. The Agency's Director, its Deputy Director, and its five principal program managers would be appointed by the President with the advice and consent of the Senate.

If the Plan takes effect, I will assign to the Federal Emergency Management Agency all authorities and functions vested by law in the President and presently delegated to the Defense Civil Preparedness Agency (in the Department of Defense). This will include certain engineering and communications support functions for civil defense now assigned to the U.S. Army.

I will also transfer to the new Agency all authorities and functions under the Disaster Relief Acts of 1970 and 1974 now delegated to the Federal Disaster Assistance Administration in the Department of Housing and Urban Development.

I will also transfer all Presidential authorities and functions now delegated to the Federal Preparedness Agency in the General Services Administration, including the establishment of policy for the National Stockpile. The stockpile disposal function, which is statutorily assigned to the General Services Administration, would remain there. Once these steps have been taken by Executive Order, these three agencies would be abolished.

Several additional transfers of emergency preparedness and mitigation functions would complete the consolidation. These include:

—Oversight of the Earthquake Hazards Reduction Program, under Public Law 95–124, now carried out by the Office of Science and Technology Policy in the Executive Office of the President.

—Coordination of Federal activities to promote dam safety, carried by the same Office.

—Responsibility for assistance to communities in the development of readiness plans for severe weather-related emergencies, including floods, hurricanes, and tornadoes.

—Coordination of natural and nuclear disaster warning systems.

—Coordination of preparedness and planning to reduce the consequences of major terrorist incidents. This would not alter the present responsibility of the Executive Branch for reacting to the incidents themselves.

This reorganization rests on several fundamental principles. *First, Federal authorities to anticipate, prepare for, and respond to major civil emergencies should be supervised by one official responsible to the President and given attention by other officials at the highest levels.*

The new Agency would be in this position. To increase White House oversight and involvement still further, I shall establish by Executive Order an Emergency Management Committee, to be chaired by the Federal Emergency Management Agency Director. Its membership shall be comprised of the Assistants to the President for National Security, Domestic Affairs and Policy and Intergovernmental Relations, and the Director, Office of Management and Budget. It will advise the President on ways to

meet national civil emergencies. It will also oversee and provide guidance on the management of all Federal emergency authorities, advising the President on alternative approaches to improve performance and avoid excessive costs.

Second, an effective civil defense system requires the most efficient use of all available emergency resources. At the same time, civil defense systems, organization, and resources must be prepared to cope with any disasters which threaten our people. The Congress has clearly recognized this principle in recent changes in the civil defense legislation.

The communications, warning, evacuation, and public education processes involved in preparedness for a possible nuclear attack should be developed, tested, and used for major natural and accidental disasters as well. Consolidation of civil defense functions in the new Agency will assure that attack readiness programs are effectively integrated into the preparedness organizations and programs of State and local government, private industry, and volunteer organizations.

While serving an important "all-hazards" readiness and response role, civil defense must continue to be fully compatible with and be ready to play an important role in our Nation's overall strategic policy. Accordingly, to maintain a link between our strategic nuclear planning and our nuclear attack preparedness planning, I will make the Secretary of Defense and the National Security Council responsible for oversight of civil defense related programs and policies of the new Agency. This will also include appropriate Department of Defense support in areas like program development, technical support, research, communications, intelligence and emergency operations.

Third, whenever possible, emergency responsibilities should be extensions of the regular missions of Federal agencies. The primary task of the Federal Emergency Management Agency will be to coordinate and plan for the emergency deployment of resources that have other routine uses. There is no need to develop a separate set of Federal skills and capabilities for those rare occasions when catastrophe occurs.

Fourth, Federal hazard mitigation activities should be closely linked with emergency preparedness and response functions. This reorganization would permit more rational decisions on the relative costs and benefits of alternative approaches to disasters by making the Federal Emergency Management Agency the focal point of all Federal hazard mitigation activities and by combining these with the key Federal preparedness and response functions.

The affected hazard mitigation activities include the Federal Insurance Administration which seeks to reduce flood losses by assisting States and local governments in developing appropriate land uses and building standards and several agencies that presently seek to reduce fire and earthquake losses through research and education.

Most State and local governments have consolidated emergency planning, preparedness and response functions on an "all hazard" basis to take advantage of the similarities in preparing for and responding to the full range of potential emergencies. The Federal Government can and should follow this lead.

Each of the changes set forth in the plan is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. The Plan does not call for abolishing any functions now authorized by law. The provisions in the Plan for the appointment and pay of any head or officer of the new agency have been found by me to be necessary.

I do not expect these actions to result in any significant changes in program expenditures for those authorities to be transferred. However, cost savings of between $10–$15 million annually can be achieved by consolidating headquarters and regional facilities and staffs. The elimination (through attrition) of about 300 jobs is also anticipated.

The emergency planning and response authorities involved in this Plan are vitally important to the security and well-being of our Nation. I urge the Congress to approve it.

JIMMY CARTER.

THE WHITE HOUSE, *June 19, 1978.*

AMERICAN DREAM MOVES CLOSER TO REALITY FOR OUR NATION'S SENIOR CITIZENS

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the American dream of our Nation's senior citizens is to retire in the comfort and security of their own homes. Millions of Americans have spent the greater portion of their lives pursuing this dream—of paying off the mortgage, retiring on social security or a private pension plan, and enjoying the remainder of their lives relatively free of money concerns.

But inflation has played a cruel joke on these citizens. Older Americans are discovering they can no longer afford to maintain and pay taxes on the homes they have bought and paid for in full. As the value of their homes have skyrocketed, property taxes and utility costs have devoured their fixed incomes and often exceeded the monthly mortgage payments they struggled to make so many years.

The options then available to these people are despairing—either cut back further on life's basic necessities or be forced to sell the home.

This problem was recently explored by Sylvia Porter, a noted financial writer, in the Washington Star. Ms. Porter outlined one possible answer for our senior citizens caught in this bind—the reverse annuity mortgage (RAM). Under this plan, older Americans are given another option, to draw equity from the increased value of their homes without being forced to sell. The homeowner not only retains ownership but receives a monthly check based on the value of his home. When the homeowner dies or decides to sell, the amount of these payments is merely deducted from the proceeds of the sale and returned to the lender.

Ms. Porter further points out that the main problem with this concept is the limited availability of this loan plan. Only a handful of financial institutions across the country offer RAMS.

However, under legislation I proposed last January, a bill I call the American Dream Act, millions of senior citizens could have access to RAMS. The bill allows federally chartered savings and loans to offer RAMS, and goes a step further by allowing the savings and loans to offer another innovative loan plan—graduated mortgage payments (GMP).

Graduated mortgage payment loans enable another group of Americans to realize their dream—the dream of owning a first home. Many young persons are now forced to rent or postpone buying their first homes, despite promising futures. Their income, however, can be expected to rise and as it does, so does their ability to handle a larger mortgage payment. Under GMP loans, homeownership can be possible now. Monthly payments begin at a reduced level and increase gradually over the life of the mortgage. Both the rate of increase and the interest rate remain fixed throughout the life of the loan.

Since I originally introduced this double-barreled legislation, the positive response has been overwhelming. Sixteen members of the House Banking, Finance and Urban Affairs Committee have joined me in sponsoring the bill. The legislation has been redesignated H.R. 12052 and was referred to the Subcommittee on Financial Institutions. We hope to hold hearings within the next month.

I have received letters from all parts of the country urging for passage of this legislation, the vast majority coming from senior citizens. Many older Americans view this legislation as their only hope of retaining ownership of their homes. Many have said that without this legislation, they will be forced to sell in the upcoming year.

The faster we can make these loans available, the sooner our older citizens placed in this precarious situation can be helped. Because the legislation grants permissive rather than mandatory authority to make these loans, I see no reason why we cannot deal with H.R. 12052 speedily, without protracted hearings and debate.

The potential of this legislation is enormous. It is estimated that senior citizens currently have a net equity of $90 billion in their homes. Why should they have to wait until death for this value to be realized?

As for young persons struggling to buy their first home, studies indicate that GMP loans would allow up to 2½ million couples under the age of 35 to purchase homes now.

The American Dream Act also insures consumer protections for persons using these two mortgage plans. I have added

language making certain that in a RAM a senior citizen would not lose his home if he outlived the money available under the mortgage.

Mr. Speaker, the American dream has always been to own your own home and to have enough income to retire on in comfort. But this dream is becoming increasingly difficult to obtain. H.R. 12052 would make this dream a reality to countless Americans. I urge support for this bill and will do all I can to see it passed quickly.

Furthermore, I would like to submit Ms. Porter's article to further illustrate the benefits available to our senior citizens under RAMS.

THE REVERSE MORTGAGE

(By Sylvia Porter)

Say you are an elderly couple or individual near retirement or actually retired. Your income is relatively low, yet you live in a mortgage-free home valued far above its cost to you. It's a larger house than you need or want, but you don't want to move. How can you turn this asset into cash without selling it?

One possible answer: The so-called reverse mortgage.

If effect, the plan—under study and experimentation by a few financial institutions—works like this: You retain the right to live in your home, with the lender sending you the loan principal either in one lump sum or in a stream of monthly payments. Thus, the reverse mortgage enables you to get back some of the equity in your home without your having to move.

The concept seems simple and certainly appealing, but there are so many ways to design these mortgages and they are so new that they pose many legal, tax and regulatory problems for both borrowers and lenders. The problems, however, mostly stem from the novelty and unconventionality of the idea and are by no means insurmountable.

A major study of alternatives to the familiar mortgage is under way by the Federal Home Loan Bank Board, which regulates savings and loan associations. Included are reverse mortgages, the problems involved and solutions.

Among the questions to be considered:

Do you want to sacrifice part of your estate that otherwise would go to your heirs?

If you suddenly came into a sum of money, can you get out of the reverse mortgage plan, and what would it cost you?

What would be the total cost of fees to cover appraisal, title insurance, points, other related expenses?

Traditional home financing is complicated and the variations of reverse mortgages are almost unlimited. With a type of mortgage so new, untried, unregulated, unstandardized, it's even more essential that you fully understand all details of any plan.

Among the few reverse mortgage programs actually under way is that offered by the Broadview Savings & Loan in Cleveland, Ohio. Under its "Equi-pay Loan," a homeowner may borrow up to 80 percent of a property's value. You are charged the going mortgage rate (currently 9 percent or so)—¼ percent more if you do not live in the home. Broadway sends you monthly payments minus taxes, interest and insurance for five, seven or 10 years, depending on the period you select.

When the loan period ends, you either may sell the home and pay off the remainder of the loan, or the house may be reappraised. If its value has increased, you may get a new loan and payments.

A homeowner borrowing $48,000 against a $60,000 home for five years would pay closing costs of about $1,250 and receive nearly $500 in payments each month, Arlo Smith, Broadview vice president and originator of the Broadview plan, said.

Slightly different than this two party reverse annuity mortgage, under which proceeds from the loan are used to buy a lifetime annuity from an insurance company, which sends you regular monthly payments.

Depending on age, sex, marital status and other factors, the payments vary, but are generally smaller than those received from a fixed-term reverse mortgage. The reason: The reverse annuity mortgage generally lasts a lifetime and you, the borrower, are not faced with the risk of having to sell your home to pay off the loan or having to raise needed funds through other means. The loan is paid off by your estate or the sale of your house when you die.●

IN MEMORY OF SOWETO

The SPEAKER. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

● Mr. DIGGS. Mr. Speaker, I would like for all of us who are concerned about human rights to commemorate today the many who shed their blood in Soweto, South Africa, on June 16, 1976, while nonviolently protesting an unjust system that continues to oppress them. That heroic and tragic day, only 2 years ago, brings to mind other heroic past attempts to strike blows for freedom, in countries like Poland, Hungary, and Czechoslovakia.

The tragedy of June 16 in Soweto highlights additional brutal attempts by a government to suppress its people. The slaughter of more than 400 Soweto demonstrators shows the extremes to which South Africa's racist minority regime will go to avoid extending the fruits of democracy to the majority of its citizens, seeking to rob them of their citizenship in the land of their birth. This is especially tragic since the Republic of South Africa enjoys an advanced level of material development, with enough resources and economic potential for all. Such material development should guarantee peaceful change toward a just nonracial society.

However, since June 16, 1976, the human rights situation in South Africa has gone from bad to worse. After continued harassment and detentions, the government summarily banned and jailed most of its antiapartheid critics on October 19, 1977. Despite such continuing repression, the South African Government cannot permanently suppress the growing restiveness of young South Africans struggling for their birthright of basic human freedom and dignity. This is the message that the youth of Soweto sent to the world on June 16, 1976.

For American policy toward Africa, it would indeed be unfortunate if we ignored this message while preoccupying ourselves with Soviet and Cuban involvement in Africa. The U.S. preoccupation with cold-war politics threatens to blind us to the No. 1 threat to peace, stability and progress in the African continent, namely the continuing domination of the southern subcontinent by the racist regime in Pretoria. Ridding the African continent of racism and colonialism is Africa's No. 1 priority, and the continuation of these forms of oppression in South and Southern Africa invites the very kind of external intervention in African affairs that we and most Africans condemn.

An American policy toward Africa that would approach the continent's problems within the simplistic framework of the East-West power struggle serves the interests of South Africa. In continuing to suppress freedom inside its own borders, the minority regime claims it is doing so in the name of fighting communism. It is Pretoria's unending hope that in pursuing such a line of policy, the United States would throw its weight behind dubious "internal settlements" in Zimbabwe and Namibia, which in turn would aid South Africa in maintaining its own system of racial oppression. Such a morally and politically bankrupt policy pursued by Washington would guarantee our alienation from the rest of Africa where American interests continue to expand. Hopefully, in commemorating the hope and tragedy contained in the Soweto rebellion of June 16, 1976, we will gain the type of perspective on what is happening in Africa that will enable us to rededicate ourselves to the type of positive approach to Africa, and especially southern Africa, that was so refreshingly promised in the early days of this administration.●

ANNE WEXLER TAKES CLOUT INTO CARTER INNER CIRCLE

The SPEAKER. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 15 minutes.

● Mr. ALEXANDER. Mr. Speaker, President Carter recently added to his varsity team one of the more savvy women in the national Democratic Party today, Anne Wexler.

The Arkansas Gazette, in its June 11 edition, contained a story on Anne and her transition from Deputy Undersecretary at the Department of Commerce to Assistant to the President at the White House. I commend the President for his selection and I commend this article to my colleagues:

[From the Arkansas Gazette, June 11, 1978]

ANNE WEXLER TAKES CLOUT INTO CARTER INNER CIRCLE

(By Margaret McManus)

WASHINGTON.—Now there are two.

Until May, the only woman in that inner circle of White House aides with the special title "assistant to the president" was Margaret (Midge) Costanza, an early and intensely loyal Carter supporter from Rochester, N.Y., the president's liaison with the people.

Another lady has now moved into the Carter administration—Anne Wexler, from Westport, Ct., a former deputy undersecretary of Commerce, who had heavy clout with

her boss at Commerce, Secretary Juanita Kreps. Mrs. Wexler's job is of enormous significance, "to help implement Carter's programs."

It sounds simple enough. It isn't. There are ramifications beyond count, not the least being, "where to start?" Although she has been at her new job a short time, Mrs. Wexler is moving quickly, but she isn't just running. She is thinking as she runs.

Her first major move will be working on Mr. Carter's urban redevelopment program, an area in which she has expertise and concern. She was involved with this at the Commerce Department and Miss Kreps is reported to have leaned heavily on her for advice regarding the participation of the Department in Mr. Carter's urban renewal package.

From her practical experience in national Democratic Party politics, she has a wide acquaintanceship among mayors and governors and influential civic groups around the country. At Washington, she will be coordinating 16 separate pieces of legislation and co-ordinating the departments of Labor, Treasury, Housing and Urban Development and Health, Education and Welfare.

Around Washington, and back home in Connecticut, especially around the state capital of Hartford, Anne Wexler is expected to be one of the hottest names at Washington. Those who knew her well, and knew her best, in the '60s, when she began her political career in small-town, local politics, would like to make bets, but nobody will bet against her. Not even with odds.

Robert S. Strauss, President Carter's special trade representatitve and one of his closest political advisors, said he was strongly in favor of her White House appointment. "I told the President that she would be a great asset to him. She's a doer."

Mrs. Wexler is more doer than talker. She fields questions well and she has a wide, appealing, ingenuous smile which she uses effectively. She can let silence sit there. She is cool, unflappable, has a voice almost as soft as Secretary Kreps, who has the softest voice in Washington. She claims not to look too far ahead to her future. She is open to ideas, waits to see what comes up, what doors open.

"I don't really plan ahead, at least not specifically. I go one step at a time and see what happens. I'm never bored. I get tired, but never bored. I wasn't bored when I was a housewife in Westport. After the kids were off to school, I'd rush through the dishes and beds, look at my watch and I'd think, 'I've got the next six hours to myself.' I was always involved in volunteer work, the PTA, the Council of Jewish Women, but some days, I'd just read for six hours."

That was in the early 1960s, less than 20 years ago, but she was also heavily involved in the Westport Democratic Party, learning the basic ground rules of Party policy before she moved into statewide politics, and then onto the national scene.

One former political co-worker at Westport said, "It was always obvious that Westport was too small a canvas for her. She needs a much bigger stage, but I always admired her competence and her authority and her sense of direction. She's like a Mack truck, nothing stops her."

At the same time she became interested in politics, shortly after her 1951 graduation from Skidmore College, Anne Levy Wexler, the daughter of a New York architect, was married to a doctor, an ophthalmologist. She uses his name because that is how she is known in political circles. She has two sons by that marriage, David Wexler, 23, and Dan Wexler, 21.

She met her present husband, Joseph D. Duffey, in 1967, when they were both campaigning for Eugene McCarthy. Duffey is chairman of the National Endowment for the Humanities and also the chairman of the Federal Council on the Arts and Humanities.

The son of a West Virginia coal miner, who grew up a Baptist and was an ordained minister in the United Church of Christ, Duffey actively broke into politics with the anti-Vietnam war activity and subsequently worked, as did Mrs. Wexler, in both the Muskie and McGovern presidential campaigns.

"Joe and I began a new life three years ago and we left most of our possessions behind us," Mrs. Wexler said.

The Duffeys get up at 5:30 a.m. every week-day morning, leave the house at 7 a.m. and share a 3-mile walk to their separate buses. Each is in the office by 8:30 a.m.

They usually hitch a ride home with one of Mrs. Wexler's colleagues, who lives near them, and they get back home again at 8 p.m. Week ends, they try to stay at home.

"I go to the market on Saturday mornings and if I'm lucky, that's my social activity for the week end. Joe and I have so much to talk about. We just want to be alone together. I also need to restore my energy. I'm tired."

In 1970, Anne Wexler managed Joe Duffey's campaign for the Senatorial nomination from Connecticut. They lost the campaign but they did not lose their momentum. They quietly disappeared from the Connecticut scene and three years ago, they were married in Haiti, where each had gotten a divorce. Duffey also has two sons by his previous marriage, Michael 22, and David 21.

The couple chose Washington, rather than New York or Connecticut, for their re-entry and late in 1975, they chose Mr. Carter as their presidential candidate, to the surprise and consternation of some of their more liberal friends.

"I understand Jimmy Carter," Mrs. Wexler said. "I've known him a long time. I'm in sympathy with what he is trying to do. I like his long-range thinking about our problems and I like the way he takes on unpopular issues. He understands what trouble we're going to be in if we don't deal with the energy crisis. The Panama Canal was another tough one, but he saw it through successfully.

"He needs help. Nobody can do it alone. And he needs time. You don't work miracles overnight, but there's a lot of good will out there for the president. We have to turn that into real action. He has assets that haven't even been used yet. I think one of his greatest, untapped assets is Rosalynn. I think she's dynamite. She should be more in the foreground. I barely know her but I'm going to see what I can do about making her more effective."

Mrs. Wexler said she had no wish to leave the Commerce Department. "I was happy there. I have a great relationship with Secretary Kreps and we were quietly getting a lot done. I don't know how I'm going to like working over here in this fishbowl, where every move you make is scrutinized and everything you say is analyzed and dissected. But when the president asks you, you don't say no."

Anne Wexler, 48, and Joe Duffey, 46, are considered here as one of the Carter couples, well regarded and influential on the national political scene. On her own, Mrs. Wexler is regarded as one of the most savvy, most astute women in Democratic national politics.

Consumer advocate Ralph Nader said in response to questions during a recent seminar at Hartford that he thought Mrs. Wexler's appointment to the White House was the president's first move in his strategy campaign to re-capture the party's presidential nomination.

Mrs. Wexler scoffs at this, and so does Ambassador Strauss.

"My job is to help the president implement his programs. First we concentrate on that and the nomination later. I'm not at all certain if I'll even be working on the campaign. We're not even sure the president wants to run. There's a lot of work to do before that."

However, in translation, Ralph Nader might not be so far off. A president cannot run for re-election without an effective program to run on, and pushing the president's program is Anne Wexler's specific job.

Mrs. Wexler does say that personally she cannot imagine that the President will not seek the nomination a second time. She will not say who she thinks will be his strongest competition for the nomination, mentioning only two men who have indicated interest, Governor Jerry Brown of California and Senator Daniel P. Moynihan (Dem., N.Y.). The name of Vice President Mondale did not come up.

If you ask Anne Wexler how she got so politically smart, so fast, she smiles widely, looks at you directly, and says:

"I don't think of what I do in political terms. I think I understand people, I relate to people, all kinds. I also pay the most scrupulous attention to details. I leave no loose ends. I leave nothing to chance. I return phone calls. I answer letters. I try to be considerate of people. And most of all, I listen and I listen and I listen."

She also has become a recognized expert on Party rules—"If the object of this game is to win, knowing the rules is one sure way to win. You are one step ahead of the other guy, because the chances are, he doesn't know the rules. That's one of the things that has put Senator [Majority Leader Robert] Byrd where he is."

She appears to concentrate only on essentials.

Her manner is businesslike, and of somewhat guarded friendliness. She doesn't sit behind a desk while she talks, in the formal manner, for instance, of Patricia Harris, Secretary of Housing and Urban Development, nor of Joan Mondale, who sits stiffly, upright in her living room, with drawing-room propriety.

Mrs. Wexler sits in a comfortable chair in her office, kicks off her shoes, puts her feet up on a sofa opposite and then walks around her office in her stocking feet. "My feet don't hurt. I just like to walk around with my shoes off," she says.

In manner she is more like her counterpart in the White House, Midge Costanza, who frequently sits on the floor of her office, or of Patt Derian, Assistant Secretary of State for Human Rights, who has been known to turn up at her office in the State Department in a sleeveless summer dress in late October.

Mrs. Wexler confronts her new assignment with the optimism and excitement of a realist not an idealist, although she says she thinks the two are compatible.

She always seems to be seeking and finding opportunities. Whenever opportunity knocks, however softly, she hears it. She is listening.●

PERSONAL EXPLANATION

The SPEAKER. Under a previous order of the House, the gentleman from Ohio (Mr. ASHLEY) is recognized for 5 minutes.

● Mr. ASHLEY. Mr. Speaker, on June 14, 1978, I was recorded incorrectly as voting against rollcall No. 458 when in fact I support the Armstrong amendment to

prohibit funds for calendars, agriculture yearbooks, plants, and shipping trunks to be furnished to Members of Congress.●

CRIME SUBCOMMITTEE SCHEDULED MARKUP OF H.R. 10934

The SPEAKER. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

● Mr. CONYERS. Mr. Speaker, I wish to announce that the Subcommittee on Crime, which I chair, has scheduled a markup of H.R. 10934, a bill to provide further authorization for appropriations for pretrial service agencies. The markup will take place Wednesday, June 28, 1978, at 9 a.m., in room 2237, Rayburn House Office Building.

Individuals desiring further information should contact the subcommittee staff on 225-1695.●

REMARKS OF SECRETARY OF STATE CYRUS VANCE BEFORE HOUSE INTERNATIONAL RELATIONS COMMITTEE

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, Secretary of State Cyrus Vance this afternoon testified at length before the Committee on International Relations on a wide range of foreign policy issues. In particular he dealt with United States-Soviet relations and recent developments in Africa.

Because of the great concern in the House about current American foreign policy I would like to take this opportunity to bring to the attention of the Congress Secretary Vance's opening statement before the committee:

STATEMENT OF SECRETARY OF STATE CYRUS VANCE

I welcome this opportunity to meet with you on behalf of the President to address the concerns that Members of this Committee expressed in their letter to the President.

There is perhaps no more important question on which we must consult than the entire range of U.S.-Soviet relations. I use the word "range" advisedly. For it is very important as we deal with these critical issues that we recognize a fundamental reality of this relationship: that it is not a relationship with a single dimension, but with many; that even as we have sharp differences, as we inevitably will, there are many other areas in which we continue to cooperate and to seek useful agreement; and that to view U.S.-Soviet relations from the perspective of a single dimension is to run the risk of failing to identify our interests carefully and to act accordingly.

The President's speech at Annapolis described this approach. In the weeks and months ahead, I hope that you will help us in explaining this complex reality so that we avoid excessive swings in public mood from unrealistic optimism to unwarranted pessimism.

As the President said at Annapolis, the Soviet arms build-up is excessive, both in conventional and nuclear weapons. Yet the extraordinary strengths we possess as a nation—military, economic, and political—enable us to fix and hold our own course.

The potential we and the Soviets share for mutual annihilation carries its own imperatives for us both: we must seek to reduce the risks of confrontation, particularly the risks presented by an uncontrolled nuclear arms race; to work to moderate our differences and to seek to expand other areas of mutually beneficial cooperation.

As the relationship between our two nations continues to evolve, both sides will continuously be making choices between an emphasis on the divergent elements of our relationship, and an emphasis on the cooperative ones. The President made clear at Annapolis that our preference is to broaden the areas of cooperation.

We seek peaceful and fair resolutions of the conflicts between and within the nations of the Third World.

We seek balanced and mutually beneficial arms control.

We seek to broaden the realm of scientific, technological, and cultural exchange.

We seek to enhance the opportunity for our citizens, our business leaders, our diplomats and other officials, to travel and conduct legitimate activities in our two countries.

We seek to increase our collaboration with the Soviet Union, but also with the emerging nations, with the countries of Eastern Europe and with the People's Republic of China.

In short, as the President said at Annapolis, we seek to emphasize the work of peace. But obviously, detente is a two-way street; the future course of our relations will depend also upon the choices made in Moscow.

Let me discuss the elements of our policy toward the Soviet Union that the President set forth at Annapolis.

Our strategy is based first on maintaining our military, economic, and political strengths.

Our security and that of our allies continues to depend on our ability to meet any military threat we face. Neither we nor the Soviets should entertain the notion that military supremacy can be attained. But we must and will maintain a strong defense that serves as a credible deterrent to any potential adversary.

To safeguard this deterrent, we are engaged in a comprehensive program to modernize our strategic nuclear forces. And in the area of conventional weapons, while we negotiate to reduce—through mutual and balanced actions—the level of forces amassed in Europe, we are meeting the challenge posed by the substantial Soviet build-up there. At the recent NATO Summit here in Washington, we and our NATO partners approved a long-term defense program—and unprecedented effort to anticipate our collective security needs for the 1980's and to undertake a comprehensive and coordinated program to meet those needs. Our commitment to a 3 percent real growth rate in defense expenditures for NATO reflects the priority we are giving to strengthening and modernizing its defense capabilities.

Even as we maintain a sound defense posture—in Europe, in the Pacific and in other areas where our vital interests and those of our allies are at stake—we also recognize that our strength in the world does not rest on our military power alone. It is based as well on the fact that our economy is the largest in the world, with an unparalleled industrial base and an enormous reservoir of technological knowledge and ability. Remaining strong also involves putting our economic house in order, by controlling inflation and by implementing a comprehensive energy policy.

Our strength is also based on the vitality of our alliances, and we are broadening our joint efforts for mutual and sustained economic growth and for development programs for the Third World, as well as defense cooperation.

Finally, the bedrock of our strength is our heritage as a free nation, our democratic institutions and what we stand for as a people. Our ideas are the most powerful in the world.

As the President said in his Inaugural Address: "Because we are free, we cannot be indifferent to the fate of freedom elsewhere." We will continue to use the mix of both public and private diplomacy that, in our judgment, will be most effective in helping to foster respect for individual human rights around the world, including the Soviet Union. Abuses of human rights in the Soviet Union violate not only the UN Declaration of Human Rights, but are sharply inconsistent with the Helsinki Agreement.

Our strengths give us great confidence in our future. From this foundation, we can seek to reduce the dangers of uncontrolled military competition through effective and sensible arms control. Thus, the second element of our policy is to pursue areas of negotiation which are vital to peace and to our national security.

As the President made clear at Annapolis, we will persist in our efforts to negotiate a sound SALT II agreement. When we reach an agreement that maintains and enhances our security and that of our allies, and is adequately verifiable, we will sign it.

A clear-eyed assessment of our national interests also compels us to purse other ongoing negotiations directed toward controlling the dangerous military competition between us: toward a comprehensive test ban; reducing conventional arms transfers to other countries; prohibiting attacks on satellites; stabilizing the level of forces deployed in the Indian Ocean; and negotiating mutual and balanced force reductions in Europe. We are proceeding in each of these negotiations with care and deliberation, prepared to take whatever time is necessary, and mindful that the furtherance of national security must be the critical test which any agreement must meet.

Within the last few days, there has appeared a lengthy article in "Pravda" which we are studying with careful attention. I would only say at this time that the most constructive course for both countries as we move ahead would be to concentrate on the concrete actions we both can take to reduce tensions and to reach agreement on the critical issues now under negotiation.

The third element of U.S. relations with the Soviet Union involves our mutual conduct in other areas of the world. While this is a global problem, I will address it in its African context, where interest is presently focused.

The recent introduction of large quantities of Soviet arms and thousands of Cuban troops in certain parts of Africa raises serious concerns. The size and duration of their military presence jeopardizes the independence of African states. It creates concern on the part of African nations that outside weapons and troops will be used to determine the outcome of any dispute on the continent. And it renders more difficult the efforts of Africans to resolve these disputes through peaceful means.

As I plan to indicate tomorrow in a speech on our African policies, our strategy is based upon an affirmative and constructive approach to African issues—helping African nations meet their pressing human and economic needs, strengthening their ability to defend themselves, building closer ties throughout Africa, and assisting African nations to resolve their conflicts peacefully.

We are proceeding in several ways:

We have substantially increased U.S. economic assistance to Africa and hope to be able to increase our assistance further to deal with the severe economic problems of that continent.

We will continue to work for the peaceful resolution of disputes in Africa because we seek to avoid bloodshed and also to avert situations which lend themselves to outside interference. We would welcome Soviet help—which we regret we have not had—in achieving a peaceful transition to majority rule in Rhodesia, Namibia and elsewhere in Africa.

We will continue to respect the growing spirit of African national independence because it is an important factor in nation-building and because—having fought long and hard to be free—Africans share an intense resistance to outside domination.

It has been our policy since the beginning of the Administration to consider sympathetically security requests from African nations with legitimate defense needs. Any increase in American military assistance will be done prudently and will be consistent with our policy that arms transfers to Africa take place only in exceptional circumstances.

In private and public, we have emphasized our strong concern about the nature of Soviet activities in Africa and we have been in contact with European countries, Arab and African nations and members of the non-aligned movement who share our concern.

Finally, we will rely on our long-term strengths in Africa developed over the years of trade, aid, investment, and cultural exchange. These relationships bind us to Africa in enduring and mutually beneficial ways.

This strategy represents a sound and positive approach to African realities. Let me emphasize the essential point that the basis for our position in Africa—a position which is strong and growing stronger—is the African perception that we see them and their problems in their own terms, and not as an arena for East-West differences.

We should not lose sight of the fact that we have constructed a solid political base in Africa over the last two years as a result of our policies. Our relations with the nations of Africa are better today than they have been in many years.

I have great confidence in the future. If we persist on our course, secure in our strength and steadfast in our determination to resolve disputes by peaceful means, Americans can live in a safer and more stable world.

I look forward to answering your questions and to discussing these and other issues both in open and Executive session.●

HOUSING OPPORTUNITY ACT OF 1978

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. AuCoin) is recognized for 5 minutes.

● Mr. AuCOIN. Mr. Speaker, as chairman of the homeownership task force established by the Housing and Community Development Subcommittee in October 1977, I have attended hearings held throughout the country to hear at first-hand the problems being encountered by countless American families as a result of the recent, rapid escalation in housing costs. It has been impressed upon the task force time and time again that a growing number of people are becoming excluded from the realm of homeownership through no fault of their own simply because house prices are rising at a rate much faster than the growth of personal incomes. There are no simple explanations or easy answers to this complex phenomenon. What is clear, however, is that as interest rates continue to increase, and house prices and occupancy costs soar even higher, the prospect of entry into the homeownership market is going to become more remote for many young and moderate income families who only a few years ago would have experienced much less difficulty.

The task force is continuing its work by undertaking further analysis of the problems and solutions that have been presented to us. The problem does not diminish in the meantime, however, and it is the task of Congress and the home-building industry to constantly explore new ways of bringing those adversely affected families into the homeownership market.

One group which has responded to this challenge is the National Association of Home Builders (NAHB). To its credit, the association has over the last 3 years undertaken research into new programs designed to help families cope with the high cost of borrowing, particularly in the early stages of their home-purchasing careers. It gives me pleasure to be able to introduce today the Housing Opportunity Act of 1978 which represents the fruits of the association's research efforts.

The bill consists of two programs, the first of which would provide mortgage credit assistance on a graduated scale to middle-income families purchasing conventionally financed new and rehabilitated homes, and a second which would facilitate the preservation and renewal of urban neighborhoods. Specifically, the bill would authorize the Department of Housing and Urban Development through the Government National Mortgage Association to assist families earning between $14,000 and $25,000 yearly, in purchasing a new home or one that has been substantially rehabilitated. This is achieved by a mortgage interest subsidy, the rate of the loan being determined principally by the purchase price of the home, but in no instance falling below 6 percent. There are important differences on the type of assistance depending upon whether the property is located within an inner city or suburban area, the effect of which will be to provide assistance for the purchase of up to 100,000 housing units per year in inner-city neighborhoods and up to 300,000 units per year in suburban areas.

The backbone of this program is its recapture feature. This means that people receiving assistance for purchasing homes will repay either a portion or the entire amount of the subsidy after the sale of the property. The Federal Government, in a sense, will become a partner in a venture with moderate income people to help buy their homes and share in part of the appreciation of properties when they are sold.

The National Association of Home Builders has calculated that the benefits of the programs which expressed in strict cash terms will more than offset the cash outlay required for their operation, estimated at a maximum of $1.8 billion over the 12-year term of the subsidy. For instance, the construction of an additional 400,000 new homes through this act would generate over 740,000 man-years of employment, over $10.6 billion in wages, and would increase taxes paid to local, State, and Federal Governments by $2.3 billion. This, of course, is in addition to the less easily quantified benefits that would accrue to those families presently excluded from homeownership but who under the provisions of this bill would be able to realize their dream of a home of their own.

It is my earnest hope that the innovative ideas incorporated in this bill can be thoroughly examined by Congress. The bill is not a panacea for all the problems confronting the prospective home purchaser, and it would be naive to believe that one or two programs could ever solve those problems. The homeownership task force will continue to analyze a range of alternative approaches and solutions to this complex phenomenon. The proposals contained in this bill are certainly worthy of similar detailed analysis and I commend the National Association of Home Builders for their approach.

Mr. Speaker, I hope that you and our colleagues will join me in supporting this proposal.●

INSURANCE REDLINING AND URBAN POLICY

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Ms. Holtzman) is recognized for 30 minutes.

● Ms. HOLTZMAN. Mr. Speaker, insurance company redlining, in the words of a recent HUD study, "Insurance Crisis in Urban America," is "a kind of arbitrary, guilt-by-association indictment of entire neighborhoods or even cities that excludes many decent risks from access to a free insurance market. It is by indirection choking credit and the means to maintain healthy core urban areas today in the nation."

The property insurance redlining problem is particularly acute in my own State of New York, as an editorial in the June 16 New York Times point out. Insurance companies redline by means of zip codes with undeniable racial overtones. People in not only blighted inner city areas, but also in healthy well-kept neighborhoods are arbitrarily shut out of the private insurance market and forced into so-called FAIR plans, State residual insurance pools which invariably provide more limited coverage at higher cost.

Redlining is not solely a New York problem, however, and neither are skyrocketing FAIR plan rates. In fact, there is a discernible trend toward increased FAIR plan rates nationwide: in 1975, only 3 States had plan rates in excess of the conventional insurance market; in 1976, the number increased to 7; and by the end of last year, the number was 10—Connecticut, Delaware, Illinois, Iowa, Kansas, Minnesota, Missouri, New York, Virginia, and Wisconsin. Furthermore, within the last year, rate increases have also been sought in Illinois, Kentucky, Marvland, Massachusetts, Pennsylvania, and Rhode Island.

Clearly, the States, which regulate the insurance industry, have not in the vast majority of cases taken the initiative to solve the problem of property insurance availability and affordability. The problem is getting worse, not better.

When Congress passed the Urban Riot Reinsurance Act of 1968, which encouraged States to set up FAIR plans to provide property insurance "at reasonable cost" to those denied coverage in the voluntary market, it intended that insurance be affordable. Congress recognized then that without access to insurance, mortgage financing is unobtainable and people cannot buy or renovate homes or businesses; in short, urban revitalization is impossible.

Section 307(b) of H.R. 12433, the Housing and Community Development Amendments of 1978, which is scheduled to be considered by the House shortly, would help remedy property insurance affordability problems by mandating that rates in FAIR plans not exceed rates in the private market. Enactment of this section has been supported by the Consumer Federation of America, the National Rural Housing Coalition, the National Consumers League, the AFL–CIO, the UAW, and National People's Action, in addition to several State insurance commissioners. When H.R. 12433 reaches the floor, I hope my colleagues will join me in strongly supporting retention of this section.

In the interim, I commend the New York Times editorial to my colleagues' attention.

The text follows:

INSURING A FAIR DEAL FOR HOMEOWNERS

Homeowners in fashionably restored parts of Park Slope are discovering that they share something besides Brooklyn addresses with their poorer Crown Heights neighbors; namely, Brooklyn ZIP codes. Insurance companies use them to redline—deny insurance to—entire communities. The homeowners are thus forced into a high-risk pool that provides less coverage at greater cost. They are not the only victims. Insurance redlining, with invidious racial overtones, is spreading in other cities and pressure is building on Washington to intervene. But that would not be necessary if the states, which regulate the insurance industry, took the initiative.

Insurance companies cite escalating losses to justify curtailing coverage. They say they base their judgments on the statistics: where the risk of loss from arson, theft or vandalism is too great, they refuse to renew old policies and limit new ones. Homeowners in newly redlined neighborhoods may suddenly find themselves without insurance even though they have never filed a claim or live blocks from the nearest abandoned building. The only place to turn is the FAIR plan (Fair Access to Insurance Requirements), created as a last resort after the riots of the 1960's. The premiums are astronomical. A Williamsburg property owner, abruptly canceled after 19 years without a claim, saw her annual premium jump from $60 under private coverage to $583 a year under the FAIR plan.

Should New York State, which regulates insurance rates and practices, rescue its urban property owners from redlining? Their cause is compelling. They are paying for social problems beyond their control. They are penalized for where they live, not for misconduct or negligence. But little is gained by condemning insurance industry caution. Instead, ways must be found to make the concept of insurance—spreading risk broadly and equitably—work for places like Park Slope.

The most urgent need in New York is reduced FAIR rates, New York, alone among all states, bases FAIR premiums on the losses within the high-risk pool; hence, all FAIR policyholders are charged several times more than other homeowners. The State Legislature could forbid these disparities altogether or peg the rates to a more reasonable proportion of conventional premiums. The losses would be redistributed statewide among all policyholders. By Federal estimate, the average annual FAIR premium would drop by 60 percent, or $160. Other policyholders would pay only 2 percent, or $4, more a year. The state could also require FAIR coverage to match conventional coverage—even though this might raise rates a bit more. It should closely monitor cancellation practices. And tough measures are needed to combat arson-for-profit.

PERSONAL EXPLANATION

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. OTTINGER) is recognized for 5 minutes.

● Mr. OTTINGER. Mr. Speaker, due to my prior commitment to be the principal speaker at the Ursuline School's graduation in New Rochelle, N.Y., I was unavoidably absent for two votes on Friday, June 16, 1978. Had I been present, I would have voted in the following manner:

On final passage of H.R. 12928, Public Works Appropriations, fiscal year 1979, rollcall No. 467, "aye."

On final passage of H.R. 12927, Military Construction Appropriations, fiscal year 1979, rollcall No. 468, "no."

For the same reason, I missed the first rollcall today, on a motion to resolve into the Committee of the Whole House on the State of the Union for consideration of H.R. 12936, making appropriations for the Department of Housing and Urban Development, rollcall No. 469. Had I been present I would have voted "aye." ●

THE PEOPLE OF TURLOCK, CALIF., TO HONOR ENOCH S. CHRISTOFFERSEN

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. MCFALL) is recognized for 5 minutes.

● Mr. McFALL. Mr. Speaker, the people of Turlock, Calif., will gather June 22 to honor a singularly unique individual, their councilman and mayor for 28 years, Enoch S. Christoffersen.

During his 75 years, Enoch Christoffersen, has devoted his life to serving God and his fellow man.

I have known Mayor Christoffersen for many years, and have come to appreciate his deep belief that by living a life of service to mankind he also serves God.

He is a man who believes that God's Temple is everywhere, in church, in business, in the community, and in the hearts of people.

In business, Enoch S. Christoffersen, began as a laborer and through hard work developed a multimillion dollar turkey growing, processing, and marketing firm.

As a businessman, he worked in the community to improve economic conditions, and in national and international forums to bring about economic progress for his and related industries.

His work as a public servant shines brightly.

From 1950 until this spring he served on the Turlock City Council, including 22 years as mayor. During those 28 years he was present for each council meeting. The city grew, the people prospered.

He also served on the Turlock Planning, Finance, and Water Commissions, and help responsible posts in the chamber of commerce.

His work helped to raise nearly $1 million for the Emanuel Medical Center, including a mental health wing. He served on the committee which was successful in locating California State College, Stanislaus at Turlock.

For more than six decades, Enoch Christoffersen has been a member of Turlock's Bethel Temple and is the only present member of the choir who served on the original choir.

His religious service expands well beyond the Turlock community. He serves as an international director and editorial board member of the Full Gospel Business Men's Fellowship International. In his work he has helped to organize local chapters and has led several international airlift missionary endeavors.

Among other avenues of service include his being the first president of the advisory council of Evangel College in Springfield, a life member of the Modesto Camp of Gideons, and membership on the Northern California-Nevada District of the Assemblies of God Campground Committee.

At his side during most of these years has been his gracious and devoted wife, Marie. She has worked with him in business and offered encouragement, help, and counsel in his other activities.

The people of Turlock, Calif., has been fortunate to have Enoch S. Christoffersen as their neighbor, friend, and public servant.

I join them, Mr. Speaker, in expressing appreciation for his life of devoted service to God and humanity.

Enoch and Marie carry with them our best wishes that the years ahead will remain filled with good health, joy, and accomplishment.●

HOUSE OFFICE BUILDING COMMISSION RULES AND PROCEDURES

(Mr. O'NEILL (at the request of Mr. EVANS of Georgia) asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, this is to advise Members that, effective June 7, 1978, the House Office Building Commission has approved the attached Rules and Procedures Governing the Selection and Assignment of Suites in the House Office Buildings, as recommended by the Commission at its meeting on October 20, 1977.

HOUSE OFFICE BUILDING COMMISSION,
HOUSE OF REPRESENTATIVES

RULES AND PROCEDURES GOVERNING THE SELECTION AND ASSIGNMENT OF SUITES IN THE HOUSE OFFICE BUILDINGS

The following rules and procedures for the selection and assignment of suites to Mem-

bers are hereby adopted by the House Office Building Commission:

Rule 1. Office vacancies occurring during a session of Congress.

1.1 If an office shall become vacant during a session of Congress, due to death or resignation of a Member or for any reason, it shall not be assigned for a period of 10 days from the day of the vacancy. Beginning at 12:00 o'clock noon on the sixth day (or the next day if it falls on a Sunday) from the day of vacancy and ending at 12:00 o'clock noon on the tenth day (or the next day if it falls on a Sunday), the Superintendent of the House Office Buildings shall accept, in writing, applications (provided for convenience by the Superintendent) from Members for the vacancy. At 12:00 o'clock noon on the tenth day (or the next day if it falls on a Sunday) the vacant office will be assigned to the Member with the longest continuous service.

1.2 In the case of Members of equal service the one whose application was first received in the Superintendent's office shall have priority; if applications from Members of equal service are received at the same time, priority shall be determined by lot.

1.3 There shall be a 30-day period from the date of the vacancy before the occupants shall be required to move.

1.4 For the purposes of this Rule, the day of the vacancy shall begin at 12:00 o'clock noon on the day following the effective date of a Member's resignation or other termination reason, or the day following the death of a Member.

Rule 2. Assignment of offices following November general elections

2.1 Following election day, the Superintendent of the House Office Buildings, under the direction of the House Office Building Commission, shall be responsible for preparing and issuing a schedule of dates on which suite applications will be received from, and suites assigned to, reelected Members, reelected former Members, and Members-elect without prior service.

2.2 Reelected Members and Reelected Former Members. The application and assignment schedule shall be arranged in a manner that will provide an opportunity for reelected Members and reelected former Members to apply for vacant suites, with the order of priority for selection and assignment based on length of continuous service and with the longest continuous service having the highest priority. The Superintendent of the House Office Buildings shall deliver a copy of these rules and procedures, along with the schedule of dates for applying, to each reelected Member on Thursday following the election, and it shall then become incumbent upon each related Member to apply for a suite at the allotted time if he/she so desires. At the same time the Superintendent of the House Office Buildings shall mail a copy of these rules and procedures and the schedule application dates to each reelected former Member. Only written application forms (provided for convenience by the Superintendent) for vacant suites will be received by the Superintendent of the House Office Buildings; these applications will be listed in the order that they are received. If a Member desires to have someone on his staff act in his behalf in applying for vacant offices, the Superintendent must be so notified in writing by the Member.

2.2.1 No Member will be permitted to apply before the allotted day and opening time, nor after the allotted day and closing time.

2.2.2 A Member may apply for only one suite at a time; the Member may revise the application during the selection time allotted to his or her seniority group.

2.2.3 Assignments shall be made in accordance with the provisions of Rule 1.2.

2.2.4 A Member who applies for a suite which is then assigned to that Member, must move.

2.3 Members-elect without prior service. Between the hours of 9:00 o'clock A.M. and 12 o'clock noon, on the date stated in the application and assignment schedule, Members-elect without prior service, or their authorized representatives, will draw numbers from a box to determine the order of their choice of an office from those remaining available. One individual may represent any number of Members-elect but he or she must draw a separate number for each person so represented and written authority from the Member-elect that is represented must be submitted. The numbers drawn will be recorded immediately and the card bearing the number drawn must be inscribed with the name of the Member-elect for whom it is drawn. This card is to be retained by the Member-elect or his representative and presented to the Superintendent of the House Office Buildings at 1:00 o'clock P.M. the same day at which time offices will be chosen and assigned in the numerical order of the numbers drawn. If more than one number is drawn out of the box at one time the higher number shall prevail and the other numbers shall be replaced in the box.

Rule 3. Members-elect without prior service or their accredited representatives who have not participated in the drawing will make their applications for offices in writing with the Superintendent of the House Office Buildings. Assignments shall be made in accordance with the provisions in Rule 1.2.

Rule 4. Unless otherwise provided by the House Office Building Commission, Members of Congress who will not be Members of the succeeding Congress must vacate their suites by 12:00 o'clock noon on December 15 of the Second Session of a Congress in order that offices may be made ready for Members of the next Congress.

Rule 5. The Superintendent of the House Office Buildings is directed to carry out the provisions of these rules.

THOMAS P. O'NEILL, JR.,
Chairman.
JAMES C. WRIGHT, JR.,
Member.
JOHN J. RHODES,
Member.

JUNE 7, 1978.

SCHEDULE OF DATES ON WHICH APPLICATIONS WILL BE RECEIVED AND SUITES ASSIGNED FOLLOWING NOVEMBER, 1978 ELECTIONS

Noon, November 13th, to Noon, November 14th—all Members who have served 14 or more terms.

Noon, November 14th, to Noon, November 15th—Members who have served 13 terms.

Noon, November 15th, to Noon, November 16th—Members who have served 12 terms.

Noon, November 16th, to Noon, November 17th—Members who have served 11 terms.

Noon, November 20th, to Noon, November 21st—Members who have served 10 terms.

Noon, November 21st, to Noon, November 22nd—Members who have served 9 terms.

Noon, November 27th, to Noon, November 28th—Members who have served 8 terms.

Noon, November 28th, to Noon, November 29th—Members who have served 7 terms.

Noon, November 29th, to Noon, November 30th—Members who have served 6 terms.

Noon, November 30th, to Noon, December 1st—Members who have served 5 terms.

Noon, December 4th, to Noon, December 5th—Members who have served 4 terms.

Noon, December 5th, to Noon, December 6th—Members who have served 3 terms.

Noon, December 6th, to Noon, December 7th—Members who have served 2 terms.

Noon, December 7th, to Noon, December 8th—Members who have served 1 term.

Members-elect without prior service, or their accredited representative, will draw for determination of selection priority on December 11, 1978, between the hours of 9:00 a.m. and 12:00 noon, in accordance with provisions set forth in Rule 2.3. Selection of suites will take place at 1:00 p.m. on the same day.

BRIEF COMMENTARY REGARDING NEW RULES FOR SUITE SELECTION

To assist in interpretation, the following comments are submitted concerning several basic changes that have been made in the rules and procedures for the selection and assignment of office space to Members:

(1) The new rules and procedures provide for specific dates for Members to apply for suites, following the general elections in November, based on their period of longest continuous service. Previously, Members could apply for suites on any of the dates during November, when applications were being received "Bumping" by Members could take place during the entire selection process; that procedure caused considerable confusion. The new rules and procedures continue the seniority system, but in a systematized and more limited manner.

The order of priority for selection of available suites will continue to be based on the period of longest continuous service; however, once having selected a suite in a particular length-of-service group the Member in that service group will no longer have a second opportunity to make a selection from other suites that become available during the remainder of the selection process.

(2) A Member who applies for a suite which is then assigned to that Member, must move; the application for a different suite automatically places the Member's former suite in the selection pool from which it may not thereafter be withdrawn by that Member, unless withdrawn prior to the closing date for the Member's service group.

(3) A Member who desires to be represented during the selection process must designate such a representative in writing. Previously, only Members-elect without prior service were required to designate a representative in writing to participate in the selection process.

(4) Members of Congress who will not be Members of the succeeding Congress must vacate their suites by 12 o'clock noon on December 15, of the Second Session of a Congress, unless otherwise approved by the House Office Building Commission.

JUNE 7, 1978.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

Mr. CORMAN (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. MILFORD (at the request of Mr. WRIGHT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mrs. FENWICK) to revise and extend his remarks and include extraneous matter:)

Mr. KEMP, for 5 minutes, on June 19, 1978.

(The following Members (at the request of Mr. EVANS of Georgia) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. DIGGS, for 10 minutes, today.
Mr. ALEXANDER, for 15 minutes, today.
Mr. ASHLEY, for 5 minutes, today.
Mr. CONYERS, for 5 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. AUCOIN, for 5 minutes, today.
Ms. HOLTZMAN, for 30 minutes, today.
Mr. OTTINGER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. FENWICK) and to include extraneous matter:)

Mr. WHALEN.
Mr. FORSYTHE.
Mr. DORNAN in four instances.
Mr. SAWYER.
Mr. WHITEHURST.
Mr. EMERY.
Mr. KEMP.
Mr. STEIGER.
Mr. ASHBROOK in two instances.
Mr. RUDD.
Mr. BROWN of Ohio.
Mr. ABDNOR.

(The following Members (at the request of Mr. EVANS of Georgia) and to include extraneous material:)

Ms. KEYS.
Mr. PATTERSON of California.
Mr. DOWNEY.
Mr. DRINAN.
Mr. ANNUNZIO in six instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. BROWN of California in 10 instances.
Mr. HAMILTON.
Mr. MAZZOLI.
Mr. WOLFF.
Mr. EDWARDS of California.
Mr. TEAGUE in five instances.
Mr. EDGAR.
Mr. WALGREN.
Mr. PREYER.
Mr. CONYERS in two instances.
Mr. RISENHOOVER.
Mr. UDALL.
Mr. MURPHY of Illinois.
Mr. MOSS.
Mr. SIMON.
Mr. KOSTMAYER.
Mr. BRECKINRIDGE.
Mr. WEISS in two instances.
Mr. VENTO in two instances.
Mr. RICHMOND.
Mr. LAFALCE.
Mr. BURKE of Massachusetts.
Mr. RONCALIO.

ENROLLED BILLS SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5176. An act to lower the duty on levulose until the close of June 30, 1980;

H.R. 10823. An act to amend the National Advisory Committee on Oceans and Atmosphere Act of 1977, to authorize appropriations to carry out the provisions of such Act for fiscal year 1979, and for other purposes;

H.R. 11465. An act to authorize appropriations for the U.S. Coast Guard for fiscal year 1979, and for other purposes;

H.R. 11777. An act to authorize the Secretary of Agriculture to provide cooperative forestry assistance to States and others, and for other purposes;

H.R. 11778. An act to direct the Secretary of Agriculture to carry out forest and rangeland renewable resources research, and for other purposes; and

H.R. 11779. An act to provide for an expanded and comprehensive extension program for forest and rangeland renewable resources.

THE LATE HONORABLE CLIFFORD ALLEN

Mr. JONES of Tennessee. Mr. Speaker, I offer a privileged resolution (H. Res. 1241) on the death of the Honorable CLIFFORD ALLEN.

The Clerk read the resolution as follows:

Resolved, That the House has heard with profound sorrow of the death of the Honorable CLIFFORD ALLEN, a Representative from the State of Tennessee.

Resolved, That a committee of 15 Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

APPOINTMENT OF MEMBERS TO ATTEND THE FUNERAL OF THE LATE HONORABLE CLIFFORD ALLEN

The SPEAKER. The Chair appoints as members of the Funeral Committee the following Members on the part of the House:

Mr. QUILLEN of Tennessee.
Mr. DUNCAN of Tennessee.
Mr. JONES of Tennessee.
Mr. BEARD of Tennessee.
Mr. FORD of Tennessee.
Mrs. LLOYD of Tennessee.
Mr. GORE of Tennessee.
Mr. REUSS of Wisconsin.
Mr. ST GERMAIN of Rhode Island.
Mr. CARTER of Kentucky.
Mr. HANLEY of New York.
Mr. BEVILL of Alabama.
Mr. ALEXANDER of Arkansas.
Mr. HILLIS of Indiana.
Mr. MURTHA of Pennsylvania.

The SPEAKER. The Clerk will report the remaining resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 6 o'clock and 47 minutes p.m.), pursuant to House Resolution 1241 and under its previous order, the House adjourned until Wednesday, June 21, 1978, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4399. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend titles 10 and 37, United States Code relating to temporary promotion of Navy lieutenants; to the Committee on Armed Services.

4400. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantees and insure transactions supported by Eximbank during May 1978, to Communist countries; to the Committee on Banking, Finance and Urban Affairs.

4401. A letter from the Comptroller General of the United States, transmitting a review of Federal domestic food assistance program (CED–78–113, June 13, 1978); jointly, to the Committees on Government Operations, Agriculture, Education and Labor, and Ways and Means.

4402. A letter from the Comptroller General of the United States, transmitting a report on the need for interagency sharing of Federal medical resources (HRD–78–54, June 14, 1978); jointly, to the Committees on Government Operations, Armed Services, Interstate and Foreign Commerce, Veterans' Affairs, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 10581. A bill to provide for the distribution of certain judgment funds awarded by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation (Rept. No. 95–1304). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 947. An act to declare certain federally owned land known as the Yardeka School land to be held in trust for the Creek Nation of Oklahoma; (Rept. No. 95–1305). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interstate and Foreign Commerce. S. 1291. An act to declare that certain lands of the United States situated in the State of Oklahoma are held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma, and to authorize the Secretary of the Interior to accept conveyance from the Cheyenne-Arapaho Tribes of Oklahoma of certain other lands in Oklahoma to be held in trust by the United States for such tribes (Report No. 95–1306). Referred to the Committee of the Whole House on the State of the Union.

Mr. MANN: Committee on the Judiciary. H.R. 9705. A bill to amend title 28 of the United States Code to provide for the appointment of a special prosecutor in appropriate cases, and for other purposes; with amendment (Rept. No. 95–1307). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. House Joint Resolution 738. Joint resolution: American Indian religious freedom; with amendment (Rept. No. 95–1308). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions

were introduced and severally referred as follows:

By Mr. AMBRO:

H.R. 13181. A bill to amend the Federal Aviation Act of 1958 relating to the authority of the Civil Aeronautics Board to regulate liability of freight claims for interstate air transportation of property; to the Committee on Public Works and Transportation.

By Mrs. BOGGS (for herself, Ms. HOLTZMAN, Mrs. SPELLMAN, and Mr. RANGEL):

H.R. 13182. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for occupational therapy services, whether furnished as a part of home health services or otherwise; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. BRECKINRIDGE:

H.R. 13183. A bill to prohibit the purchase of U.S. agricultural land by foreign persons and to require foreign persons currently holding interests in U.S. agricultural land to submit a report on such interests to the Secretary of Agriculture; to the Committee on Agriculture.

By Mr. DORNAN:

H.R. 13184. A bill to provide for the exclusion from the United States of aliens affiliated with terrorist organizations, to require investigations of registered agents of such organizations, and for other purposes; to the Committee on the Judiciary.

By Mr. FLORIO:

H.R. 13185. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to include ambulance, first-aid, and rescue squad members as public safety officers eligible to receive certain benefits, and for other purposes; to the Committee on the Judiciary.

By Mr. FLORIO (for himself, Mr. BAUMAN, Mr. BURKE of Florida, Mr. JOHN L. BURTON, Mr. CARNEY, Mr. CHAPPELL, Mr. D'AMOURS, Mr. EILBERG, Mr. EVANS of Delaware, Mr. HARSHA, Mr. HOWARD, Mr. PATTEN, and Mr. PURSELL):

H.R. 13186. A bill to repeal section 3402(q) of the Internal Revenue Code of 1954 which requires, for income tax purposes, amounts to be withheld from certain gambling winnings; to the Committee on Ways and Means.

By Mr. GINN (for himself, Mr. BRINKLEY, Mr. MATHIS, Mr. LEVITAS, Mr. MCDONALD, Mr. BARNARD, Mr. EVANS of Georgia, Mr. JENKINS, and Mr. FOWLER):

H.R. 13187. A bill to designate the U.S. Post Office and the Federal Building in Griffin, Ga., the "John J. Flynt, Jr. Federal Building"; to the Committee on Public Works and Transportation.

By Mr. MCKINNEY:

H.R. 13188. A bill to declare portions of Stamford Harbor in Fairfield County, Conn., nonnavigable; to the Committee on Interstate and Foreign Commerce.

By Mr. REGULA:

H.R. 13189. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. SEBELIUS:

H.R. 13190. A bill to require foreign persons who acquire, transfer, or hold interests in agricultural land to report such transactions and holdings to the Secretary of Agriculture and to direct the Secretary to analyze information contained in such reports and determine the effects such transactions and holdings have, particularly on family farms and rural communities, and for other purposes; to the Committee on Agriculture.

By Mr. SMITH of Iowa (for himself, Mr. PICKLE, Mr. CORMAN, Mr. CONTE, Mr. BALDUS, Mr. BLOUIN, Mr. JOHN L. BURTON, Mr. NATCHER, Mr. BYRON, Mr. CHAPPELL, Mr. COLLINS of Texas, Mr. CORCORAN of Illinois, Mr. FLYNT, Mr. ICHORD, Mr. LAGOMARSINO, Mr. LATTA, Mr. LE FANTE, Mr. LOTT, Mr. MCCORMACK, Mr. MATHIS, Mr. MOTTL, Mr. MURTHA, Mr. NEAL, Mr. QUILLEN, and Mr. ROBINSON):

H.R. 13191. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to small businesses by establishing a graduated income tax rate for corporations; to the Committee on Ways and Means.

By Mr. WALKER (for himself, Mr. LAGOMARSINO, Mr. CORCORAN of Illinois, Mr. QUIE, Mr. STANGELAND, Mr. KELLY, Mr. WINN, Mr. MARLENEE, Mr. GOLDWATER, Mr. RICHMOND, Mr. ANDREWS of North Dakota, Mr. LEVITAS, Mr. ROE, Mr. BAUCUS, Mr. JENRETTE, Mr. GUYER, Mr. HUGHES, Mr. TRAXLER, Mr. SIMON, Mr. EDWARDS of Oklahoma, Mr. CEDERBERG, Mr. BURGENER, Mr. RAILSBACK, Mr. DORNAN, and Mr. PRESSLER):

H.R. 13192. A bill to require certain foreign persons and agents acting on behalf of foreign persons to record their purchases of agricultural land with the Secretary of Agriculture; to the Committee on Agriculture.

By Mr. WALKER (for himself, Mr. EVANS of Delaware, Mr. BEDELL, Mr. COUGHLIN, and Mr. TRIBLE):

H.R. 13193. A bill to require certain foreign persons and agents acting on behalf of foreign persons to record their purchases of agricultural land with the Secretary of Agriculture; to the Committee on Agriculture.

By Mr. AUCOIN:

H.R. 13194. A bill to provide mortgage credit assistance to middle-income families purchasing conventionally financed new and substantially rehabilitated homes and to facilitate the preservation and renewal of urban neighborhoods; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CEDERBERG:

H.R. 13195. A bill to establish a program of comprehensive medical, hospital, and dental care as protection against the cost of ordinary and catastrophic illness by requiring employers to make insurance available to each employee and his family, by Federal financing of insurance for persons of low income, in whole or in part according to ability to pay, and by assuring the availability of insurance to all persons regardless of medical history, and on a guaranteed renewable basis; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. FUQUA:

H.R. 13196. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit State and county extension services to obtain excess property from the United States; to the Committee on Government Operations.

By Mr. HARKIN:

H.R. 13197. A bill to direct the Secretary of the Army to carry out a demonstration project for the removal of silt and aquatic growth from Lake Manawa, Pottawattamie County, Iowa; to the Committee on Public Works and Transportation.

By Mrs. MEYNER (for herself, Mr. PHILLIP BURTON, Mr. LEHMAN, Mr. MITCHELL of Maryland, Ms. HOLTZMAN, Mr. CHARLES WILSON of Texas, Mr. PEPPER, Mrs. BURKE of California, Mr. DERRICK, Mr. HUGHES, Mr. DUNCAN of Oregon, Mr. VENTO, Mr. OTTINGER, Mr. SIMON, Mr. MURPHY of Pennsylvania, Mr. ROE, Mr. JEFFORDS, Mr. BEDELL, Mr. HOWARD, Mr. PATTEN, Mr. MCCORMACK, Mr. RICHMOND, Mr. BLOUIN, Mr. JENRETTE, and Mr. STARK):

H.R. 13198. A bill to amend the Social Security Act to provide medicare benefits for individuals who require total parenteral nutrition (TPN); to the Committee on Ways and Means.

By Mrs. MEYNER (for herself, Mr. GOODLING, Mrs. HECKLER, Mr. MURPHY of New York, Mr. GEPHARDT, Mrs. SPELLMAN, Mr. MOTTL, Mr. FLORIO, Ms. OAKAR, Mr. O'BRIEN, Mr. STUDDS, Mr. EDWARDS of California, Mr. WHITEHURST, Mr. WEISS, Mr. AKAKA, Mr. ERTEL, Mr. WATKINS, Mr. DRINAN, Mr. PERKINS, Mr. HOLLENBECK, and Mr. MOORHEAD of Pennsylvania):

H.R. 13199. A bill to amend the Social Security Act to provide medicare benefits for individuals who require total parenteral nutrition (TPN); to the Committee on Ways and Means.

By Mr. RICHMOND (for himself, Mr. BRODHEAD, Mr. CORMAN, Mr. EILBERG, Ms. HOLTZMAN, Mr. MURPHY of Pennsylvania, Mr. OTTINGER, and Mr. RAILSBACK):

H.R. 13200. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act for the purpose of establishing civil penalties under said acts, increasing the existing criminal penalties under said acts, and providing for the summary withdrawal of inspection services under said acts pending administrative hearings; to the Committee on Agriculture.

By Mr. HORTON (for himself and Mr. MINETA):

H.J. Res. 1007. Joint resolution authorizing the President to proclaim a week, which is to include the 7th and 10th of the month, during the first 10 days in May of 1979 as "Asian/Pacific American Heritage Week"; to the Committee on Post Office and Civil Service.

By Mr. METCALFE (for himself, Mr. HARRINGTON, Mrs. SPELLMAN, Mr. TUCKER, Ms. MIKULSKI, Mr. SOLARZ, Mr. PHILLIP BURTON, Mr. STARK, Mr. EDWARDS of California, and Mr. RYAN):

H.J. Res. 1008. Joint resolution to recognize the heritage of black citizens of the United States; to the Committee on Post Office and Civil Service.

By Mr. BROOKS:

H. Res. 1242. Resolution to disapprove Reorganization Plan No. 3 transmitted by the President on June 19, 1978; to the Committee on Government Operations.

MEMORIALS

Under clause 4 of rule XXII,

436. The SPEAKER presented a memorial of the Legislature of the State of Louisiana, requesting that Congress propose an amendment to the Constitution of the United States relative to human life; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JOHN L. BURTON:

H.R. 13201. A bill for the relief of Tariq Hamid; to the Committee on the Judiciary.

By Mr. MCKINNEY:

H.R. 13202. A bill for the relief of Michael Christian Walter Frowein; to the Committee on the judiciary.

EXTENSIONS OF REMARKS

VOICE OF REASON IN ALASKA

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. UDALL. Mr. Speaker, H.R. 39, the Alaska National Interest Lands Conservation Act, is the culmination of a long series of events that began with Alaska's entry into the Union in 1959. Congress has the responsibility, under the terms of the 1971 Alaska Native Claims Settlement Act, to reach some firm decisions about Alaskan wilderness before the end of this year. The House lived up to our responsibility to the American people and overwhelmingly adopted H.R. 39 by a 277–31 vote on May 19th.

The responsibility has now shifted to the Senate where a filibuster has been promised should the legislation reach the Senate floor in its present form. I think this is unfortunate and not in the best interests of the State of Alaska or the United States as a whole.

The following editorial from a recent edition of the Homer (Alaska) News places this entire d–2 lands legislation in the proper light:

D–2 BACKFIRE

Recent efforts to put off any hearing on the Alaska d–2 lands bill until next year are not in Alaska's best interests.

When Alaska's two senators, Ted Stevens and Mike Gravel, threatened to filibuster any Senate bill to death this session they got a quick response from the Senate Majority Leader, who agreed to withhold the legislation. Traditionally, if both Senators from a state seek to scuttle a particular piece of legislation dealing only with their state, the Senate leadership has a hard time going around them. The sentiment is even stronger when the request is bipartisan. Such tradition is powerful in the clubbish Senate—apparently heavy enough to knock down part of the Alaska Native Claims Settlement Act, which mandated a decision on the d–2 bill by 1978.

We recall a much different attitude in the Senate when the halls were greased with votes to approve the bill authorizing the trans-Alaska pipeline. The project would never have been built if the Native land claims had not been settled first.

Part of that pipeline bargain—perhaps one that tends to be overlooked—was the establishment of reserves of wilderness on nationally owned areas of Alaska. The House has stuck to that bargain. Hearings were held across the nation and in Alaska last summer. The full Interior Committee refined the bill this year, and more modifications were made in the Merchant Marine and Fisheries Committee.

The debate had been long and thorough. Reps. Morris Udall and John Seiberling crisscrossed the state last summer, talking to Natives and other Alaskans who live close to the wilderness. Rep. Udall's H.R. 39 bill has undergone extensive modification since it was introduced.

This week another dimension was added. The state is going to attempt to exact from the federal government the transfer of some 40 million acres of state-selected land. All such transfers have been held up by the land freeze, awaiting the outcome of the d–2 battle. From early indications, the land has much more development potential than all the 102 million acres remaining with the federal government under the d–2 bill. A spoonful of sugar indeed.

The present bill still does not satisfy all Alaskans. What bill ever could? Yet the filibuster is an extreme measure, unwarranted at this point. Facing the original bill it would be more understandable; now, its major effect will be to extend the land freeze, which has caused nothing but grief for Alaskans.●

CARNEGIE HERO FUND COMMISSION AWARDS BRONZE MEDALS TO THOMAS V. DAMICO AND ROBERT C. JOHNSON

HON. DOUGLAS WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. WALGREN. Mr. Speaker, I recently learned of the Carnegie Hero Fund Commission Bronze Medal awards to two constituents of mine, Thomas V. Damico and Robert C. Johnson.

Thomas Damico helped in the rescue of Donald J. McCully from a coal mine cave-in at Penn Hills, Pa., on February 8, 1977. When the cave-in occurred, McCully was completely buried alongside a mining machine. He was able to breathe as some of the fallen shale and sandstone was partially supported by collapsed wooden beams. Thomas, along with other miners, assisted in the rescue. After another machine had removed enough rock to uncover the end of the collapsed boom, a tunnel was dug by hand alongside the boom. It was necessary to cut through a fallen beam along the way and, with the men crawling in and out, the careful removal of rocks finally extended the tunnel to McCully. Rocks were removed from around him. As a result of the efforts of Thomas and the other miners, McCully was pulled from under the rock fall via the tunnel.

Robert Johnson helped in the rescue of Warren E. Dixon, Jr., from a night fire that broke out in the kitchen of Dixon's second floor apartment in Slippery Rock, Pa., on February 24, 1978. Robert started up the stairs to the second floor but choked on smoke and retreated for air. He then reentered the stairwell, made his way to the second flood, entered the living room of the apartment and, by probing, located Dixon on the floor and dragged him to the top of the stairs. Fearing he was about to collapse from the smoke and heat, Robert started down the stairs and met two other men. They rescued Dixon who was hospitalized for burns he had sustained.

The deep concern of these men for their fellow man is recognized by the Carnegie Hero Fund Commission. I also would like to recognize and congratulate Thomas Damico and Robert Johnson for their outstanding bravery.●

FUNDS FOR SOLID WASTE PROGRAMS

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. EDGAR. Mr. Speaker, today the House considers H.R. 12936, the HUD-independent agencies appropriations bill. Included in this bill are funds for the Office of Solid Waste of the Environmental Protection Agency, which is responsible for overseeing Federal hazardous and solid waste programs.

For some time, I have been concerned over the small amount of funds allocated to hazardous and solid waste programs. I have addressed my concerns to the appropriate House committees, which have made some effort to increase funding in this area. However, in my view, the level of funds provided in H.R. 12936 is still inadequate to enable State and local governments to effectively develop and implement the provisions of the 1976 Resource Conservation and Recovery Act. This Federal legislation was designed to provide technical and financial assistance to the States for the development of solidwaste management plans and to regulate the management of hazardous wastes.

In the last 6 months, I have been in contact with a number of States concerning their progress in implementing the Resource Conservation and Recovery Act. Almost every State is finding it difficult, if not impossible, to implement effective solid waste programs and hazardous waste programs because the Federal Government has provided so little financial support.

So that my colleagues may be more fully aware of the funding problems occurring at the State and local level, I am inserting a letter from Donald E. Day of the Ohio Environmental Protection Agency. The information contained in this letter is representative of the difficulties facing all of the States with which I have been in contact.

OHIO ENVIRONMENTAL
PROTECTION AGENCY,
OFFICE OF LAND POLLUTION CONTROL,
April 27, 1978.

HON. ROBERT EDGAR,
U.S. House of Representatives, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN EDGAR: I wish to express our strong support for your effort to increase the level of RCRA funding to state and local governments.

Ohio, has had a reasonably effective solid waste disposal program since 1967. We have closed nearly 700 open dumps and now have 237 licensed disposal sites. We still have some uncontrolled dumping, particularly of materials not considered to be "solid waste" under state law, and some of our landfills need considerable improvement. We have only a fledgling Hazardous Waste Management Program, and are currently pursuing revisions to state law to allow us to fully implement Subtitle C of P.L. 94–580.

Our state appropriations from the General Assembly have shown little real growth since FY '75; and while the potential amounts of federal aid have increased dramatically compared to past years, so will the responsibilities suggested by implementation of RCRA. The monies to be made available under Subtitle C appear adequate to support the expanded program responsibilities particularly since it will take some time to gear up to a full scale Hazardous Waste Management Program, assuming passage of state enabling legislation. However, the monies allocated to Subtitle D are thoroughly inadequate. The amounts suggested will not support an expanded state regulatory and planning program, a complex disposal site inventory, and a meaningful local-regional planning and implementation effort.

In explaining the impact of RCRA to local governments and encouraging their seeking designation as planning or implementation agencies, we have continually faced the same question: "Will there be any money?" And we have continually given the same answer: "Not very much; probably only enough to fund solid waste facility planning in a few large metropolitan areas with the most severe problems of dwindling landfill space and a need to develop feasible alternatives."

While we will develop our state master plan, we do not expect any effective regional/local planning and implementation without reasonable levels of financial support. Local governments will not be able to address problems of residential waste disposal, or resource recovery, much less sludge disposal, non-hazardous industrial waste, collection or other related issues.

Without additional monies for sold waste management planning and implementation, the opportunities presented by RCRA will be stillborn. Many local governments will simply ignore it and try to "muddle through", and with decreasing probabilities of success.

Yours truly,

DONALD E. DAY, P.E.,
Chief, Office of Land Pollution Control.●

THE GUILFORD CENTER

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. PREYER. Mr. Speaker, recently the Mid-Western Piedmont Business Development Organization brought to my attention the contributions and assistance which the Guilford Center of Western Electric Co. has extended to minority business development.

The Guilford Center, located in Greensboro, N.C., was the recipient of the Mid-Western Business Development Organization's first corporate commitment award in 1976. Since then they have continued to commit themselves in supporting minority businesses. The Guilford Center is responsible for the entire Western Electric program of minority supplier development. Last year, Western Electric spent on a national scale over $49 million with minority firms, approximately $1.4 million was spent with minority firms within North Carolina. The company expects this figure will be substantially increased in 1978.

We are all aware of the hardships facing small businessmen today. However minority businesses have often encountered even greater obstacles. The unemployment rate among blacks and other minorities is substantially higher than the national average. However, the percentage of minority workers in the minority businessman's work force is eight times greater than those in white firms. Unfortunately, the minority businessman has had to survive in a system which has in some instances been fairer to his white competitor and it is frequently more difficult for minority enterprises to accumulate sufficient capital to stay in business.

I commend Western Electric for seeking out minority businesses, for selecting their bids, and giving them trial business which has undoubtedly led to continued success. Therefore I am pleased to recognize Western Electric's Guilford Center and express North Carolina's pride in the efforts they have made to benefit minority business development.●

THE ANTITERRORIST BILL

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. DORNAN. Mr. Speaker, some things are so unbelievable that the testimony of trusted friends and colleagues is not enough. There is an urge, like that expressed by the doubtful St. Thomas in the Upper Room, to reach out and touch, to see and feel, a reality that would otherwise boggle the imagination. So it was when I heard that the Palestinian Liberation Organization, the infamous PLO, had opened up a public relations office here in the capital of the United States.

I visited the PLO office to see if it was really there. It is. According to the papers filed with the Department of Justice, the office is staffed by three persons, whose task it is to disseminate information on the "Palestinian People and the Palestine Liberation Organization, their culture, social, economic, and political problems, including the publication of printed material, public appearances and meetings with the American public, in the hopes of promoting better Arab-American understanding." We may be seeing the first attempt to portray terrorists as "terrorists with a human face." But we must realize that this is all deception. Terrorists are inhuman in their methods and their outlook. They have demonstrated a capability to commit any outrage, any crime, in pursuit of their goals. Neither age nor sex deters them from their attacks on the innocent, the civilians they intimidate through their ruthlessness.

Mr. Speaker, on the very day that I visited the PLO office, June 2, that organization took credit for bombing a bus in downtown Jerusalem, killing six people—a 12-year-old boy, four teenagers, and an American medical student from Maryland. Consider the victims: innocent, mostly children, unarmed, helpless. The ideal targets of a coward.

The Palestinian Information Office is duly registered as an agent of a foreign principal, the Palestine Liberation Organization, based in Beirut, Lebanon. It registered as an agent of the PLO on April 27, and opened for business on May 1, 1978—fitting date. Under the standard operating procedure for the registration of foreign agents, Mr. Joseph Clarkson, Deputy Chief of the Registration Unit of the Department of Justice, informed a member of my staff that, to his knowledge, no detailed investigation of the organization's personnel had been conducted.

Mr. Speaker, I do not fault the Department of Justice in this matter. Under the Foreign Agents Registration Act of 1938, the Justice Department is charged with a simple determination of fact: Who or what a foreign affiliated organization represents and what the foreign affiliated organization is doing. The Registration Unit has no special discretionary authority. But I do think that the very fact that the representatives of an organization known throughout the world for bragging about vicious acts of terrorist violence, can open up shop, like any other foreign corporation and send funds into this country for the purpose of propaganda, with no controls or regulations, with no special investigations mandated in the process of registration, says something about the state of our security.

Mr. Speaker, today, I am introducing legislation to deal with the problem of international terrorism, and several measures which will enable us to more effectively monitor and control that problem within the confines of our constitutional tradition. I welcome the cosponsorship of my colleagues and hope that this body can swiftly deal with this potential problem before the potential problem becomes an actual tragedy.●

THE SIGNIFICANCE OF THE SNAIL DARTER

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. DOWNEY. Mr. Speaker, the recent Supreme Court decision, Snail Darter against Tellico Dam, has magnified the public debate over the Endangered Species Act. One of the most thoughtful letters I have received during the 95th Congress addresses this issue with style and with force. I would like to take this opportunity to share with my colleagues

this letter, written by Edward B. Furey, Jr., of Bay Shore, N.Y.:

BAY SHORE, N.Y., *April 19, 1978.*

Hon TOM DOWNEY,
U.S. House of Representatives,
House Office Building,
Washington, D.C.

DEAR SIR: Although I recently wrote on another matter, I cannot resist the impulse to enter the lists on behalf of the snail darter, the Houston toad, the sandhill crane and the many other wretched species whose habitats are menaced by the approach of highway overpasses, dams or shopping centers.

With remarkably few dissenting votes, the Congress passed the Endangered Species Act a few years ago, no doubt believing that the interests of animal lovers, to say nothing of the animals, would be thereby served. There may also have been a general belief that nothing so exotic as an endangered species was to be found in most Congressional districts.

It now appears that some of the Members of the House have discovered that the Act may actually have economic consequences, and, aided by those friends of "responsible" environmental legislation in the highway, concrete, real estate and power lobbies, are pressing for "reform." Archimedes is supposed to have said that with a big enough lever, he could move the world. In this case, the lever is very small, a three-inch fish called the snail darter.

Unknown until recently, the snail darter has acquired some powerful enemies, and, it appears, a growing number of friends and sympathizers. Anyone who senses the concrete pressing in around him cannot but sympathize with the little fish. In a sense, therefore, the snail darter is our surrogate, and while its victory will not send millions into the streets in celebration, it is awaited with a certain gleeful anticipation in many quarters. It appears that TVA deserves to lose, as the continuation of the project was done in bad faith, on the assumption that the Congress could be bludgeoned into amending the act once enough public money had been poured into the Tellico dam.

The snail darter offers the perfect test case for the law itself, for it is a creature of small constituency, carrying none of the patriotic baggage of the bald eagle or the nostalgia of the bison. If the Endangered Species Act has any meaning, it is to protect those lesser creatures who have no constituency of their own. Such creatures as the manatee or the timber wolf may disappear despite our best efforts, but the lesser ones will surely vanish without a trace if the United States of America withdraws its protection.

One needn't get misty-eyed over the Great Chain Of Being to sense that there is something profoundly wrong in destroying a harmless species to make room for public works project of dubious value. There is ample measure of doubt that the mission of the TVA to submerge all available riverine lands. Nor is the matter of the wasted money greatly disturbing, for, in truth, money is wasted all the time. This may be regrettable, but it also appears inevitable. In any event, the taxpayers will not suffer extravagantly, as only a fraction of the money was actually spent on the dam.

But, more importantly, it is the positive duty of the Congress to endorse on occasion the benevolent whimsies of the people. Such absurdities as the search for the Houston toad, the petition of the furbish louswort enthusiasts and the stubbornness of the Sandhill cranes (who forced the alteration of a Mississippi highway) are essential to the national well-being. These episodes generated great public amusement and gratification, despite, or perhaps even because of, the rage they aroused among those financially involved. It is delightful to see the animals win an occasional round.

Although most of us will never see a blue whale, Bengal tiger, snail darter, grizzly bear or manatee in the wild, we draw assurance from the notion that they are still there, and, equally important, a sense of deep alarm at the prospect that such creatures will disappear. I do not pretend to understand why the fate of the whales causes children in Nebraska to petition the Emperor of Japan, but the fact that it does signifies something very important, something we ignore at our peril.

The Endangered Species Act does not require Orwellian amendments to the effect that some animals are more equal than others, especially those that happen to get in the way of construction projects or Marine Corps maneuvers. It should apply to all endangered species.

Thus, I urge you to support the Endangered Species Act as it is, resisting such "reforms" as have been proposed.●

Sincerely,

EDWARD B. FUREY, JR.

OUR COURSE IN AFRICA

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. WHALEN. Mr. Speaker, in the Outlook section of the June 18 Washington Post, Sanford Ungar does a very good job of analyzing recent administration pronouncements on Africa. If, as he hypothesizes, it may be too late for President Carter to back off his linkage of the Soviet and Cuban presence in Africa to a SALT agreement, then "Carter will have done exactly the opposite of what he said he intended: he will have failed to seal Africa off from the tense overall East-West competition."

I recommend to my colleagues the entire text of the article which follows:

[From the Washington Post, June 18, 1978]

THE REAL REASONS FOR OUR AFRICA ROLE—NEUTRON BOMB DEBATE, AFGHANISTAN COUP HELPED TURN ZAIRE INVASION INTO A SUPERPOWER ISSUE

(By Sanford J. Ungar)

The Carter administration has treated the American people in recent weeks to a torrent of alarming declarations about events in Africa—but without ever stopping to explain adequately what is at stake for the United States on that vast continent.

The reason for this is disturbing: The African furor—some in the government even call it hysteria—actually has less to do with Africa than with global superpower competition as viewed from the National Security Council and with concern over the president's political standing at home.

Discussions with government policymakers indicate that the crisis over the presence of Soviets and Cubans in Africa grows in part out of such non-African issues as the propaganda battle over the neutron bomb and the pro-Soviet coup in Afghanistan in April.

Indeed, the verbal offensive—which intensified after the second annual invasion of Zaire's Shaba province by Katangan exiles from Angola last month, is meant largely to convey strength in both international and domestic political arenas, rather than to signal concrete steps the administration intends to take.

As a result, the tactic may well backfire. It could do serious damage to genuine American interests in Africa by raising the suspicion that the United States cares more about East-West competition there than about solving the complex and explosive problems of southern Africa. This, in turn, could create opportunities for more, rather than less, Soviet and Cuban influence over black liberation movements. At the same time, the uproar may increase the price to the administration of getting a nuclear arms control treaty with the Soviet Union through the Senate.

In short, the problem now appears to be the opposite of what the administration says it is: Instead of Communist activities in Africa interfering with the SALT negotiations and U.S.-Soviet detente, it is the White House focus on East-West tensions that undermines American policy in Africa.

Already the African furor has attracted unwanted admirers in white-ruled South Africa, while sending influential leaders of black Africa running in the other direction. It has exaggerated the American embrace of one of the most corrupt and repression leaders in Africa, Zairian President Mobutu Sese Seko. And it has led conservatives on Capitol Hill to offer to clear the way for the president to take interventionist steps in Africa that he has no intention of taking.

Far from being seen as a sign of strength, the misconceived offensive may well be viewed at home and abroad as an indication that the administration is—on yet one more issue—weak, divided and insecure.

BRZEZINSKI'S ROLE

The chief architect of the Carter administration's verbal assault, as widely noted, was White House national security adviser Zbigniew Brzezinski. Brzezinski genuinely believes in the need to confront Soviet ambitions everywhere, and he viewed the presence of the Soviets and Cubans in Africa as a provocation. He always had some difficulty swallowing the African policy pressed on Carter by Andrew Young, his ambassador to the United Nations, and like-minded friends at the State Department—a policy that placed a priority on the search for majority rule in southern Africa and downplayed superpower competition on the continent. Brzezinski found Young's conciliatory statements about the "stabilizing" role of Cubans in Angola particularly galling. But he was apparently willing to sit back quietly so long as the policy seemed to be winning influence for the United States in southern Africa and in Nigeria, one of black Africa's new powers.

What first set Brzezinski off, according to White House sources, was the massive influx of Communist troops and arms into Ethiopia late last year to help the Marxist government of Mengistu Haile-Mariam repel the invasion of the Ogaden by Somalia. That was when the administration—egged on by Saudi Arabia and others concerned about the prospect of Communist control of the Red Sea—began issuing warnings linking events in the Horn of Africa to the negotiations for a SALT treaty.

WHAT TIPPED THE BALANCE

Intelligence reports also indicated that the Soviets were pressing black guerrillas to escalate their struggles in Zimbabwe (Rhodesia) and Namibia (Southwest Africa), rather than cooperate with efforts for peaceful solutions there sponsored by the United States and other western powers. In those same reports, word came to the NSC that the Soviets and Cubans were telling their African friends, as one White House official paraphrased it, "Don't worry about the Americans; they're not in the game anymore."

Yet the balance was really tipped, and the White House decision made to take a harder

line on Africa, only as a result of global concerns played out far from that continent. According to one official close to the events, Brzezinski was particularly angered by what he viewed as Soviet-inspired agitation in Europe against American deployment of the neutron bomb, and he was startled by the coup in Afghanistan. That Asian country had been seen for decades as a possible Soviet target-of-opportunity, but why did Moscow move now?

The White House concern was that with Soviet President Leonid Brezhnev's health slipping, new and aggressive factions within the Soviet leadership were showing their hand and taking advantage of the United States. A growing number of administration officials seemed to agree with Brzezinski's belief that a tough response was required; the costs to the Russians, and to what are assumed to be their Cuban surrogates, had to be raised in Africa.

It was a conclusion convenient to Carter's domestic political advisers, who increasingly were being included in strategy sessions on foreign policy. The polls indicated that the president was perceived as weak on defense issues, and they wanted to improve his image.

Almost every foreign policy move the president had made seemed to upset one faction or another. The political counsellors are reluctant now to talk about their input. But White House press secretary Jody Powell probably sums up their attitude when he complains that, on African matters, "everybody races around wanting something done, as long as it doesn't cost anybody anything ever . . . You're going to be damned for any sort of reasonable policy."

The White House had caught trouble from the right when it failed to do "something" in the Ogaden, and more recently the left became angry when the administration appeared willing to do too much to prop up Mobutu. Brzezinski and company advanced a new line to satisfy the perceived need for the president to talk tough to the Soviets without requiring him to do very much to back it up.

In the wilderness, a few voices noted a lack of specific facts to justify the administration's alarm and said they saw no substantive evidence of Soviet or Cuban strategic gains in Africa or of serious damage to western interests there.

But those voices, mostly in the State Department and on Capital Hill, were soon drowned out in a hard-line cacophony. Even Vice President Walter Mondale surprised the U.S. delegation to the United Nations special session on disarmament when he joined them in New York and delivered a tough anti-Soviet speech.

The western press played a role in fanning the hysteria. First it took at face value Mobutu's exaggerated statements about the number of whites killed during the Shaba invasion, initially ignoring the extensive black fatalities. Then it overplayed Brzezinski's thunderings. Finally, it jumped to the hasty conclusion that the Cold War had returned.

Quicker than you could say "Foreign Legion," the French were working on plans for a western-oriented and -organized pan-African defense force. Leopold Sedar Senghor, the president of Senegal, a man widely respected in the West, visited Washington and, both publicly and in the Oval Office itself, warned in effect that the Russians were coming—to North America via western Europe via Africa.

Overall, the administration conjured up a vision of a Soviet-Cuban-controlled swath that spans the African continent from Angola in the southwest to Ethiopia in the northeast and threatens to spread even further. Nothing could be further from the truth.

Because of their mishandling of events in the Horn, the Soviets have lost their base at Berbera on the Somali coast. They have been thrown out of the Sudan (not to mention Egypt), and now Guinea on the West African coast has cut back drastically on the amount of Soviet naval and air activity it will permit to originate from its territory. In Ethiopia, both the Cubans and the Soviets have developed problems because of their reluctance to transfer their forces from the Ogaden to help Mengistu finish off the separatists in Eritrea, who have previously enjoyed Communist support. (Because of the help they have provided to Ethiopia, the Russians have encountered serious problems in other spheres of influence, including Iraq, which is sympathetic with the Moslem Eritreans.)

In Angola, the Cubans are largely tied down, because of all the vital support services they provide to the government of Agostinho Neto. There, and possible elsewhere, it is not entirely clear that the Cubans are in every respect surrogates for the Russians; for instance, the Cubans backed Neto last year during an attempted coup from within his party that was apparently supported by the Soviets.

The Carter team may also have taken the lastest Katangan march into Shaba out of perspective. The Katangans are not dedicated Communists but separatists who have accepted help over the years wherever they could find it (including from the Belgians and from the Portuguese, when Angola was still their colony). Angola, by harboring the Katangans, is doing nothing more than at least a dozen other African countries that have exiles from neighboring states living temporarily (or permanently) in their borders. There are Ugandans in Tanzania, Ethiopians in the Sudan and Equatorial Guineans in the Cameroon, to name a few. And, of course, there are also Angolans in Zaire, who have been permitted—and even encouraged—by Mobutu to use that country as a staging ground for raids (the most recent last March) that threaten the Angolan government's security.

THE POLICY DISSENTERS

The most agonized groans over the new tough African line have come from the State Department and Capitol Hill, where those long concerned about American interests in Africa now see them threatened, not so much by Soviets or Cubans as by the administration's own pyrotechnics.

Only a year ago the Carter administration was speaking eloquently but calmly about Africa. In fact, perhaps because the American public is generally so unfamiliar with Africa, that was one of the few areas of the world where the new president seemed able to get away with a dramatic change in foreign policy. Making a clear break with former Secretary of State Henry Kissinger's preference for privileged communication with the white regimes of the south, the Carter team insisted early on that it recognized the great variety of political situations in Africa and that it would press for "a progressive transformation of South African society."

Whenever possible, the State Department still invokes what it considers the seminal text of Carter administration policy in Africa, a speech delivered by Secretary of State Cyrus R. Vance on July 1, 1977, to the annual convention of the NAACP in St. Louis. That speech asserted that "if we try to impose American solutions for African problems, we may sow divisions among the Africans and undermine their ability to oppose efforts at domination by others."

What the Bureau of African Affairs at State realizes, but others may not, is that for the most part African leaders—with the exception of Senghor and a few of his counterparts, primarily in other French-speaking states of West Africa—simply do not feel panicked by the presence of Soviets and Cubans on their continent, particularly in Angola. The argument is that they are as entitled as any other foreigners to be in Africa so long as they have been invited in by legally constituted governments. "If you have too much to say about the Russians and the Cubans," one high State Department official points out, "it makes you suspect. It seems like you are more concerned about the Cubans than about racism in Rhodesia and South Africa."

Indeed, who was quick to arrive at the sidelines applauding the West's, and especially the United States', "new realism" toward the communist threat in Africa, but South African Prime Minister John Vorster. "They said we saw ghosts behind every bush," Vorster crowed: "it took Angola, the Horn of Africa and Shaba to wake them up."

Equally disturbing to the State Department was the reaction of Julius Nyerere, the influential president of Tanzania. Calling the diplomatic corps in Dar es Salaam to his office, Nyerere denounced Carter, previously his friend, for now paying more attention to "confrontation with the Soviet Union and defense of capitalism in Africa" than to the issue of majority rule in the south.

The small band of senators and congressmen who pay careful attention to Africa are also unhappy. Mostly liberal Democrats, they were never eager for a clear test on Capitol Hill of the Carter administration's original African policy; they feared conservatives would shoot it down and call for a return to close ties with the white minority regimes of southern Africa. Now they anticipate pressures—from conservative Democrats, from Republicans or, worse yet, from constituents—to put some substance behind the administration's rhetoric, something that the White House itself is distinctly loath to do.

On Capitol Hill, the administration is blamed for preaching a whole new self-fulfilling prophecy of gloom and defeat. "In the last few weeks, we have made the Cubans into the third superpower," complains Sen. Dick Clark (D-Iowa), chairman of the African subcommittee of the Senate Foreign Relations Committee; "after we've built them up as such a threat, they look nine feet tall." The only "victories" the Soviets and the Cubans have had in Africa, Clark says, are "the ones we've assigned them."

AMERICA'S INTEREST

What are the true American interests in Africa that must be taken into account when any short- or long-range policy is formulated? The various factions within the U.S. government seem to agree on several elements:

Economic interests: Africa is blessed with an incomparably rich supply of natural resources, many of which have not yet even been discovered, let alone developed. White-ruled South Africa has long argued that it was needed by the West because of its strategic minerals, including uranium, chrome and cobalt, not to mention gold and diamonds. But the West has now also discovered that many important materials are available in black Africa—including Nigera, which has become the second-largest supplier of crude oil to the United States.

As it develops, Africa is also a growing natural market for goods and technology from the rest of the world. Inevitably, there will be competition among outsiders for both African resources and African markets; and African choices about how to resolve the competition are bound to be based in part on political factors—perceptions of where other nations stood on the struggles in southern Africa.

For the moment, the economic questions are more important to western Europe, which has billions of dollars worth of investments in Africa, than to the United States. But it has recently dawned on some American policymakers that one way to insure future western access to minerals in South Africa, for example, may not be to side with the current white minority regime, but rather to identify with the majority of the people who are eventually bound to come to power and control the resources.

Human Rights: If the declared policies of the Carter administration are taken at face value, human rights is a critical American interest in Africa. Young has repeatedly said so. The warnings against communist domination, then, are motivated in part by concern for the ability of Africans to express themselves personally and politically, rather than being dominated by leaders loyal to foreign powers and ideologies. The problem is that human rights are severely threatened in many countries of black Africa, as well as in the white-dominated south, and it is a delicate political matter how to maintain credibility on all sides.

One of the most obvious targets for human rights concern, in fact, is Zaire, where Mobutu may treat his opponents almost as brutally as does the Soviet-supported Idi Amin in Uganda. Although the Carter administration has tried to keep its distance from Mobutu, the latest point effort with France and Belgium to help him in Shaba has only given Washington new identification with his regime. That identification, too, has repercussions elsewhere. If Mobutu is the West's best friend in Africa, before long it may not have many at all.

Diplomatic interests—If the United States wants to maintain credibility in the Third World, it must be identified with the aspirations of the majority peoples of southern Africa. That is a prerequisite for the establishment of any zones of influence—political, economic or whatever—in Africa and other emerging parts of the world; such zones are as much an American goal as a Soviet one. Obviously, Washington greatly prefers that the changes in southern Africa be peaceful and democratic, with safeguards for the rights of white minorities. But if, when change does come, whether by peaceful or violent means, the United States is perceived as having resisted rather than promoted it, America's ability to have good relations and maneuverability anywhere in Africa will be profoundly damaged. It was this recognition that lay at the heart of Carter's original African policy.

Another interest that is separate from, but related to, all of the others is the military and strategic one. It is the one that the ruling white South Africans are fondest of invoking. They have long talked about the importance of the sea route around the Cape of Good Hope, for example, to preserving trade opportunities for the West.

"Geography does come into play," acknowledges one White House source close to the president. "Let's face it: Africa is a strategic piece of property, and we would like the people there to be friendly to us." This does not necessarily mean that the United States, like the Soviet Union, wants to seek out African bases, but it does imply the availability of ports, overflight rights and such.

But if Brzezinski and his supporters put the strategic interest toward the top of their list, his detractors in the highest ranks of the State Department and on Capitol Hill disagree. Africa has virtually no military importance to the United States for the foreseeable future, they argue. And even if it does, it may be an acceptable risk in the short run to tolerate a presence in some parts of the continent by foreign powers hostile to the United States in order to achieve more important long-range political objectives.

WORDS, NOT ACTION

Are any concrete actions envisaged by the White House to implement the new confrontation with the Soviet Union and Cuba over Africa?

Apparently not. Powell is the first to insist proudly that there has been more in the way of words than actions, that the administration has actually been "very restrained" in its reaction to the latest Shaba invasion. Although this year's help to Mobutu involved using more aircraft for more hours to bring in supplies and to transport African and European troops, the nature of American involvement was just as limited as during last year's episode. Nor is the White House rhetoric matched by proposals for bold gestures anywhere else in Africa. As Powell puts it, "Nobody in his right mind in the administration has any idea of sending American boys to Africa."

From various quarters in the administration, however, comes the assertion that something has been accomplished—that the Angolans and the Cubans will "think twice" before encouraging or condoning another Shaba invasion.

Yet another question is raised: To what extent will the United States be held responsible for any reprisals taken by an emboldened Mobutu? He has already said that he would like to seek revenge by helping Neto's enemies invade Angola; if they use, or obtain any advantage from, the millions of dollars of American arms supplied to Zaire over the years, could not the United States then be held culpable, in much the same way that Cuba is being blamed for Shaba?

CIA Director Stansfield Turner was asked much the same question during a recent closed session of the Senate Foreign Relations Committee, and he was unable to explain the distinction. Sen. Frank Church (D-Idaho) suggested at the time that this was simply an example of the double standard that often governs American foreign policy: Washington is prepared to castigate others for actions that it seems perfectly willing to justify on its own behalf. (The issue is all the more relevant, given the fact that a few weeks earlier Turner had been on Capitol Hill asking senators to sign on to a plan to reinvolve the United States in covert assistance to opponents of the Angolan government, especially a faction that also has the support of the South Africans.)

Officially, administration spokesmen say, African policy has not changed a bit since Vance's speech in St. Louis last July; the president himself apparently feels deeply committed to the search for majority rule in southern Africa.

But officials at State concede privately that they are worried. As one in the African bureau put it, the recent furor "can complicate things in the longer term . . . These statements about the Soviets and the Cubans set up new political cross-currents, both here and in Africa."

Clark was more direct: "The president wants to do both things at the same time, have a progressive policy and be tough about the Soviet and Cuban presence. But in a way, they are mutually contradictory. He can't have it both ways."

Why should credibility be so difficult for the United States to establish and maintain in black Africa? Because of the American record in the colonial and immediately postcolonial period, when Washington was generally perceived to be on the wrong, or minority, side for too long—as indeed it was in South Africa, in the Portuguese colonies and even in Ethiopia during Haile Selassie's long reign.

For more than a year, the administration had seemed to make progress, by convincing Nigeria and others that it did understand African nationalism and it did appreciate that the vast variety of situations and circumstances on the continent required flexible attitudes and responses. Now, with the Vorster and Nyerere reactions on the record and more bound to come, it may very well seem as if the United States has returned to its old instincts. The African situation may be dangerously polarized. As a State Department expert posed the fear, "Will we now be required to oppose the Cubans wherever they are in Africa and whatever position they take? How about when we really agree with them, as we may come to do in Rhodesia?

A little quiet will probably help. But it may already be too late for Carter to back of his linkage of the Soviet and Cuban presence in Africa to a SALT agreement, a linkage with profound domestic political consequences. There may well be times when that presence in an appropriate cause for alarm, but it should be up to the Africans to decide for themselves when and what to do about it. Africans are not about to throw out Cubans who they feel are helping them, just to appease some conservative members of the U.S. Senate; nor are the Soviets and Cubans about to lose face by packing up their bags in the face of an unsubstantiated threat from the American president.

If that is the case, then Jimmy Carter will have done exactly the opposite of what he said intended: he will have failed to seal Africa off from the tense overall East-West competition.

LITHUANIA RECALLS INVASION AND OCCUPATION

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. BURKE of Massachusetts. Mr. Speaker, I come before the House today to recall to mind the 38th anniversary of the invasion and permanent occupation of Lithuania.

The latest in a long series of human rights violations involves several members of the Lithuanian public group to promote the implementation of the Helsinki Agreements. Two leaders of this citizens group were recently arrested for their "anti-Soviet behavior."

This April, Balys Gajauskas was the victim of a Soviet "show trial" wherein he was sentenced to 10 years in a special labor camp and additional 5 years of exile. All this simply because he sought to bring about a relaxation of some of the restrictions upon Soviet citizens in accordance with the Helskinki Final Act which the U.S.S.R. signed. Viktoras Petkus, who was arrested last August for similar offenses, is still awaiting trial.

With the inevitable jockeying for power for Secretary General Brezhnev's position, we are witnessing a hardening line on nearly every aspect of Soviet policy, internal and external. The recent "show trial" against Yuri Orlov of the Moscow group where he was sentenced to 7 years, the rescission of Soviet citizenship from Mtislav Rostropovich, the world renowned musician and even a retired Soviet general now living in the United States are all harbingers of a renewed campaign by the

Russians to stamp out any alternative lifestyle veering from the prescribed Soviet model.

The Soviet power struggle is precipitating a crackdown on all forms of internal dissent. Hardliners appear to be gaining the upper hand in view of recent Soviet-backed incursions by rebel forces in Africa and the flurry of tough talk between Washington and Moscow.

Mr. Solzhenitsyn's Harvard address further reminds us of the Soviet system's mockery of individual rights. The martyrdoms of countless individuals, Lithuanians among them, is a sober indication of Soviet oppression.

The United States must continue to use its moral leadership on behalf of these democratic forces. We must not betray the spirit of freedom-loving Lithuanians and of all the peoples suffering under the Russian yoke by forgetting the Soviet invasion of Lithuania. Let us pray that their struggle is rewarded.●

MR. NKOMO'S CUBANS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. DORNAN. Mr. Speaker, the Washington Star in an editorial of June 15, 1978, nailed the insane policy of Ambassador Andy Young, that is, President Carter's pathetic undermining of stability in Zimbabwe.

MR. NKOMO'S CUBANS

We suppose Joshua Nkomo's public acknowledgment makes it official. The Rhodesian guerrilla leader said, in an interview with The Times of Zambia the other day, that Cuban advisers are training his 6,000-man army.

This was hardly news; the Cuban involvement already was known and had been reported. The military tutelage by Havana, as Moscow's instrument, harmonizes with the pattern of Russian-Cuban anti-Western mischief elsewhere in Africa. In Rhodesia the communists' immediate goal is to kill chances for the peaceful installation of black majority rule, now being attempted by a transitional government of the formerly dominant white minority and moderate black leaders.

The sponsors of this "internal" settlement particularly want to hold democratic, Western-style elections in December, with everyone enfranchised and a black majority assured. The guerrillas want to head this off and, unfortunately, may have the disruptive power to do so. It may be impossible to hold the elections if the government cannot assure the safety of the polling places.

Mr. Nkomo has had previous moments of frankness. He and his associate in the roughly organized Patriotic Front guerrilla movement, Robert Mugabe, have shunned the transition ostensibly because it is too soft on the old white autocracy and, more specifically, because it includes old foe Ian Smith, the white prime minister who held off black rule for years. The real fear of the guerrilla leaders is that in a free electoral process they would not fair as well as better-placed, moderate blacks like Bishop Abel Mozorewa. As Mr. Nkomo laid bare his democratic sensitivities recently, he insisted that any transition terms must "contain arrangements for our firepower." The Patriotic Front, he said, "cannot discuss a cease-fire until we have an interim arrangement that secures a movement forward, and no reversal of what we have gained by military force."

His brandishing of the Cubans and his Soviet arms, he indicated, is designed to "scare away" the Western powers. Mr. Nkomo was not frank on this point. He actually wants the West—namely the United States and Britain—to compete with the Russians and Cubans in pushing Mr. Nkomo to power in Rhodesia. He wants our diplomats to help to carve a place for him, as much to his specifications as possible, in the transition process. Democratic niceties should not govern. Mr. Nkomo's Cuban-trained army, at least, would be positioned to exert a rather undemocratic form of pressure at the appropriate moment.

For reasons that do not bear scrutiny in terms of Rhodesia's democratic prospects or the desires of the country's peaceful majority, American and British diplomacy has been undercutting the transition government and promoting an "all-party conference" to reopen the constitution-making process to the guerrillas. The stated premise is that this is necessary to stop the fighting and avoid a larger black-on-black war for control of the future Zimbabwe. The geopolitical explanation is that this is the way to outmaneuver the Russians and Cubans, by playing for the hearts and minds of the Patriotic Front and the rest of black Africa. What moderate black Rhodesians might want is secondary.

We fear what Mr. Nkomo's votes-for-guns principle (should his guns outvote Mr. Mugabe's) would do to the prospect for fair and reasonable government honoring the aspirations for majority rule. His lack of political support inside Rhodesia shows little voluntary liking for his "firepower" among Rhodesian blacks. (Mr. Nkomo's minority tribal identification also limits his political appeal.) Perhaps Mr. Nkomo's public boasting of his Cuban connection will have the opposite of its intended effect, and make it harder for President Carter to continue endorsing such a masochistic role for the U.S. in Rhodesia.●

LITTLE ANTIETAM MEDICAL CENTER

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. BYRON. Mr. Speaker, I am always pleased to lend my support and congratulations to citizens who engage in extraordinary public-spirited action. An outstanding example of this recently took place on June 4 when the Little Antietam Medical Center of Keedysville, Md., was dedicated.

This memorable occasion was the culmination of 3 years of effort initiated by a group of citizens who decided to alleviate the physician shortage in southern Washington County. Through their efforts and with the assistance of Federal, State, and county officials, this new facility will be able to more adequately meet the health needs of the community and surrounding area.

I know you will join me in extending the official congratulations of the House to the many dedicated persons who have responded to and resolved the people's needs.●

CIVIL LIBERTIES UNDER ATTACK

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. WEISS. Mr. Speaker, several recent developments cause me grave concern over the status of civil liberties in our Nation today. Among these are the Supreme Court's decision in the Stanford University press case, the espionage convictions of David Truong and Ronald Humphrey and the trial of former CIA agent Frank Snepp which begins tomorrow.

Taken together, these and other events represent in my view a serious encroachment on certain constitutional guarantees that make ours a free Nation. New York Times columnist Anthony Lewis today explores some of the implications of these ominous governmental actions. I think Mr. Lewis' analysis is most instructive and I commend it to my colleagues as a thoughtful warning of where we, as a people, may be headed.

WHISPER WHO DARES

(By Anthony Lewis)

Here is an ingenious plan to assure secrecy in government: declare all information in official files to be, legally, "government property." Then using the information without permission would be a crime, like stealing an Army truck.

Could a tactic that simple really work? It sounds too clever, too transparently tricky for any American Government to get away with. But right now it is working. It is being tried by the Department of Justice: Jimmy Carter's Department of Justice. And so far the department is getting away with it.

The idea was used in the case of Ronald Humphrey and David Truong, the two men convicted last month of trying to deliver State Department documents to Vietnam. The main charge against them was old-fashioned espionage: giving defense information to a foreign power for its advantage. What virtually nobody noticed was that there were other counts in the indictment.

The two men were charged—and convicted—under Section 641 of the Federal criminal code, which makes it a crime to steal Government property. What was the property? The Justice Department said it was information, and Judge Albert V. Bryan Jr. followed that view of the law when he charged the jury.

"Information may be government property," the judge said, "apart from the document or the sheets of paper themselves." Thus it does not matter if the original government document remains in the files. Anyone who copies it or makes notes from it without official approval has still stolen "property."

For advocates of secrecy, the beauty of that legal theory is that it applies no matter what kind of government information is involved. National security need not have a thing to do with it. The price of food in the White House mess, the Amtrak deficit—any fact that leaked could be the subject of a criminal prosecution.

In short, the government property theory of information would give this country an Official Secrets Act. It would be potentially as devastating to the press and public knowledge as Britain's much-criticized secrecy law.

The idea of the United States Government "owning" information is against the tradition that goes right back to the founding of the Republic. From the beginning, the Gov-

ernment has had no right to copyright its documents. If the Administration presented the property theory as a legislative proposal, the chance Congress would enact it is just about zero.

What the Carter Justice Department has done instead is to try to impose an Official Secrets Act on this country by stealth. And unless the higher courts reverse that part of the Humphrey-Truong conviction, or the Administrative abandons its, the tactic will have worked.

There is a precedent—from the time of Richard Nixon and John Mitchell. In their aborted prosecution of Daniel Ellsberg and Anthony Russo over the Pentagon Papers, one charge was theft of the information in the Xeroxed documents. In fact, another troubling count in the Humphrey-Truong conviction tracks the Ellsberg case: a charge of communicating data "relating to the national defense" without any showing of intent to harm the United States or aid a foreign power.

Why should Jimmy Carter's Justice Department follow such an unhappy example? Mr. Carter, after all, said a lot in the campaign about "open government." Was that all deception? Does he really want extraordinary new power in Government to suppress uncomfortable facts? Is his Attorney General, Griffin Bell, maneuvering craftily to that end?

Conspiracy seems unlikely to me. My guess is that Griffin Bell has never thought about the dangerous implications of those counts in the Humphrey-Truong indictment. They have the aroma of over-zealous career lawyers in the Justice Department's Criminal Division: the sort of prosecutors who are not content with an espionage case but want to pile on legal theories that may be useful against other targets.

But to say that is not a compliment to Griffin Bell or his assistants. This is only the latest of many disturbing positions taken by the Carter Justice Department—disturbing for freedom of expression and information. The department has pushed gag orders to new extremes, and this week it brings Frank Snepp to trial for publishing unclassified information about the C.I.A. It is hardly reassuring if Mr. Bell's excuse is inattention or insensitivity.

The curious thing is that newspapers and others usually concerned about such issues have not raised more alarm. If John Mitchell were responsible, there would have been screaming editorials across the country. Perhaps a personal element is needed to dramatize issues. The press focused on Mr. Bell in the relatively trivial David Marston affair.

One has to wonder, too, whether the White House knows what is going on. Vice President Mondale said last week that the President had ordered a review of all proposed legislation to assure "full protecton" of First Amendment rights. But insidious Government positions in lawsuits are far more threatening to those freedoms.●

PERSONAL EXPLANATION

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Ms. KEYS. Mr. Speaker, on Friday, June 16, 1978, I was unavoidably absent from the House. Had I been present, I would have voted on matters coming before the House as follows:

"Yea" on rollcall No. 465, an amendment to H.R. 12928, that sought to prohibit the use of funds for production of enhanced radiation weapons.

"Yea" on rollcall No. 466, a motion to recommit H.R. 12928 with instructions to report it back containing an amendment that would reduce total appropriations not required by law by 3 percent.

"Yea" on rollcall No. 467, passage of H.R. 12928, making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979.

"Yea" on rollcall No. 468, passage of H.R. 12927, making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979.●

WASHINGTON STAR EDITORIAL ON WIRETAP BILL INACCURATE AND MISLEADING

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. MURPHY of Illinois. Mr. Speaker, a recent Washington Star editorial concerning H.R. 7308, the Foreign Intelligence Act of 1978, inveighed against the action taken by the Permanent Select Committee on Intelligence in reporting this legislation. I joined my colleagues Mr. BOLAND, chairman of the committee, and Mr. MAZZOLI, who serves with me on the Subcommittee on Legislation, in writing the editor of the Star in response. The Star did not print our letter. I feel that it is important to correct those misstatements which appear in the editorial. Accordingly, I would like to place into the RECORD a copy of the letter which the Star did not print.

PERMANENT SELECT COMMITTEE
ON INTELLIGENCE,
Washington, D.C., June 6, 1978.

EDITOR,
Washington Star,
Washington, D.C.

TO THE EDITOR: As members of the House Permanent Select Committee on Intelligence and of its Subcommittee on Legislation, which considered H.R. 7308, the Foreign Intelligence Surveillance Act of 1978, we feel compelled to address some of the misconceptions contained in your June 5 editorial about that pending legislation.

At the outset, your readers should know that the concept of a judicial warrant for foreign intelligence electronic surveillance in the United States is not only "the conventional view on Capitol Hill"; it has been vigorously supported by the Carter Administration, and, with equal vigor, by the Ford administration, whose idea it originally was. The fact that you can find executive branch support for your opposing view only from two members of the latter Administration is indicative of the strong bipartisan support for the warrant requirement.

In addition, it is inconceivable that either Administration would have supported the pending legislation if, as you suggest, it "would severely limit the intelligence-gathering capacity of the President. . . .". Indeed, as late as May 10, 1978, the Attorney General, the Director of the FBI, the Director of Central Intelligence, and the Director of the National Security Agency stated to the House Permanent Select Committee on Intelligence that the proposed legislation (H.R. 7308) would pose no threat to the intelligence collection capabilities of our Government. And, presumably, the 95 United States Senators who voted passage of the Senate companion bill (S. 1566) do not believe that the proposed measure poses such a threat.

Your editorial urges "the House to pause from any headlong plunge into judicial control" of intelligence collection. If you had taken the time to read the proposed legislation, you would have readily observed that the role of judges is clearly defined and circumscribed.

A judge is only involved where U.S. persons are involved, and then only to the extent necessary to make a probable cause determination that the target of the surveillance is a foreign power or an agent of a foreign power, as defined in the bill. The judge can make no substantive judgments as to the propriety or the need for a particular surveillance.

Rather, the proposed legislation would establish the substantive standards as to what the proper target of a surveillance is, whether the information sought justifies a surveillance, and what standards apply to the retention and dissemination of information obtained—and the judge would determine whether the proffered facts meet the statutory criteria. Such a determination is traditionally made by judges and would not, as you suggest, involve them "in a matter as to which their knowledge, experience, and perspective—and traditional constitutional role—are incomplete or irrelevant."

It should also be noted that the "criminal standard" applies only to U.S. persons who might be agents of a foreign power and who may be involved in a criminal violation. In addition, the "criminal standard" contained in H.R. 7308 adds no substantive requirements beyond those contained in the substitute provision Mr. McClory supports. Under the latter, a U.S. person could be surveilled only if he is acting for or on behalf of a foreign power and engaging in clandestine intelligence activities—which are tantamount to criminal activities. Furthermore, both the Attorney General and the Director of the FBI have stated their preference for the language of H.R. 7308 over the so-called non-criminal standard favored by Mr. McClory.

Our recent history abundantly demonstrates the folly of relying exclusively on the "basic character and integrity" of executive branch officials to protect the rights of our citizens and prevent abuses. Neither is it wise to rely solely on the congressional oversight committees, for these committees and the Congress can only act after the abuses have occurred. On the other hand, when U.S. persons are involved, the judicial warrant process would insure that the executive makes its case for a surveillance, under congressionally enacted standards, to a neutral and detached magistrate before the surveillance may be initiated. Of equal importance, the judicial warrant process will assure the dedicated and patriotic men and women of our intelligence services that their activities are lawful and proper.

Admittedly it is a difficult task to balance the legitimate intelligence needs of our nation with the civil liberties of our people in the area of foreign intelligence electronic surveillance. After three years of careful consideration of the difficult and delicate issues involved, three committees of Congress have struck the balance in favor of a warrant requirement. In the words of Attorney General Bell, ". . . this bill strikes the proper balance. It sacrifices neither our security nor our civil liberties . . . ".

Sincerely,

EDWARD P. BOLAND,
Chairman.
MORGAN F. MURPHY.
ROMANO L. MAZZOLI.●

ROSENBERGS, SOBELL AND CONSTITUTIONAL PROTECTONS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. WEISS. Mr. Speaker, today is the 25th anniversary of the execution of Julius and Ethel Rosenberg. Doubts and unanswered questions about their guilt or innocence persist a quarter of a century after they were electrocuted. Recently obtained FBI files may not conclusively demonstrate that the Rosenbergs and Morton Sobell were scapegoated and sacrificed to Cold War conspiracy theories. But they do indicate that fundamental constitutional protections were either ignored or discarded by the FBI, the Justice Department and the prosecution.

The 25th anniversary of the Rosenbergs' death should serve as an occasion for renewing our determination to safeguard the rights of every American. It should also cause us to consider the irrevocability of death sentences. And we would be wise to reflect today on the vulnerability of our system of justice to demagoguery and a poisoned political atmosphere.

This evening WNET–TV in New York will present a documentary film entitled "The Rosenberg-Sobell Case Revisited." Judging from the review of the show in today's New York Times, this is a film which should be seen by all of us. The times' critique follows:

TV: "ROSENBERG-SOBELL REVISITED" OFFERS NEW THINKING ON SPY CASE

(By John J. O'Connor)

In 1974, public television broadcast the documentary called "The Unquiet Death of Julius and Ethel Rosenberg." Alvin H. Goldstein spent a year and a half assembling material strongly supporting the argument that the Rosenbergs, executed as spies on June 19, 1948, were victims of what some have called "the most notorious frame-up in the history of our country."

On the 25th anniversary of the Rosenberg deaths, public television is repeating Mr. Goldstein's provocative and carefully constructed essay. With a new prologue and epilogue for updating, "The Rosenberg-Sobell Case Revisited" can be seen on Channel 13 at 9 o'clock tonight.

The 90-minute program is particularly successful in recapturing the hysteria of the more notorious cold war years. It begins with Bob Considine, righteous reporter, delivering an eyewitness account of the executions: ". . . after two more little jolts, Ethel Rosenberg was dead. She had gone to meet her maker, and she'll have a lot of explaining to do."

But four years ago Mr. Goldstein offered another view: "Perhaps the passion of the 1950's is far enough behind us for a dispassionate examination of who they were and who we were. Perhaps it is we who have a lot of explaining to do." The producer-writer then recounted a story that obviously was as intertwined with raging politics as with any concerns for justice.

At that time, however, Mr. Goldstein was unable, "in the America of Watergate," to review Government files on the case. Since the documentary was first shown, about 10 percent of the Federal Bureau of Investigation's documents have been released. Mr. Goldstein goes quickly to the point: "They do not settle the vexing questions. They neither confirm nor deny the guilt or innocence of the Rosenbergs." Or of Morton Sobell, who was given a 30-year prison sentence for his role in the case.

But, Mr. Goldstein says, the documents "seem to reveal" much about the F.B.I. and the country's system of justice.

Among other things, he contends, they suggest that the sentencing judge was not detached; that a Supreme Court Justice and the Attorney General contrived to overturn a stay of execution, and that parts of the testimony used against the defendants were at much constructed by the Government as remembered by witnesses.

Mr. Goldstein concedes that "we may never know with any degree of certaintly whether our rush to judgment was justified." But, once again referring to the warning of George Santayana, he insists on remembering the past to avoid being condemned to repeating it.

In the book version of the program, Mr. Goldstein offers an interesting note: "The very same government which 25 years ago spent close to a million dollars prosecuting Julius and Ethel Rosenberg and Morton Sobell provided the funding, through the Corporation for Public Broadcasting, for this contemporary re-examination of the case." He interprets this, justifiably, as encouraging evidence of the changing nature of our national psyche.●

DON'T DELAY ON ERA

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. EDWARDS of California. Mr. Speaker, the Judiciary Committee will be meeting very soon to consider extending the ratification period for the Equal Rights Amendment. The Subcommittee on Civil and Constitutional Rights has already approved a 7-year extension.

If we here in Congress favor the ERA—and I believe the great majority of us do—we must work for an extension of the ratification period. It is clear that without this extension the struggle for equality will suffer its most destructive setback. We in Congress cannot let that happen.

Since this issue will be coming before the House later this session, I thought this an opportune time to share with my colleagues an excellent editorial which appeared in the June 17 issue of the Christian Science Monitor. The editorial presents the need for a renewed effort by the Congress and the President to secure constitutional recognition of equal rights for women and men. The editorial follows:

[From the Christian Science Monitor, June 17, 1978]

DON'T DELAY ON ERA

Another defeat for the Equal Rights Amendment underscores the urgency of renewed efforts by its supporters—including the man in the White House. The rejection by the Illinois House of Representatives means that three states are still needed to complete ratification by the present deadline of March 22, 1979.

There is no constitutional bar to extending the deadline, according to the Justice Department. Congress should take timely action to ensure authorization of the proposed extension for another seven years. After all, ERA deserves no less consideration than many amendments for which no ratification deadline was specified. President Carter's state of Georgia did not ratify the original Bill of Rights amendments until 1939.

When opponents of extension contended that it was like changing the rules in the middle of the game, a senatorial proponent rightly said, "This isn't a game—this is a deadly serious business." But so far no Senate action has been taken. Last week a House subcommittee did act in favor of the extension. Now the full Judiciary Committee must act before the full House can consider the matter.

These things take time, and many other matters compete for congressional and presidential attention. Yet the constitutional recognition of the equal rights of men and women under the law is of such fundamental importance that it should be fostered in every way.

Someone after the Illinois defeat noted the irony that "women will have their rights before the amendment is passed!" Without question the legislative, judicial, and administrative actions toward equal rights must continue, despite the vicissitudes of ERA. Gains have been made.

But the commitment needs to be constitutionally spelled out. Here is where strong leadership from the President could make a difference, helping to put ERA over the top before the 1979 deadline. If the drive has to go into overtime, there is always a chance that momentum might be lost. So far Mr. Carter has not spoken out for ERA, since he was elected, in a way to be expected from a man who as a candidate said he wanted to do for women what President Johnson had done for black Americans in combating legal bias.

Mr. Carter has taken steps within the administration. And now, after considerable delay, the authorized women's commission has been appointed though the names have not been cleared for release. A presidential boost now could make a big difference for ERA, for the women and men who have been admirably struggling for it so long, and for equal justice in the United States.●

HOSTAGE TAKING AS A COMMUNIST WEAPON

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. ASHBROOK. Mr. Speaker, the exchange of prisoners of war, or of captured spies during a "cold war" is not new. But, the Communists have added a new twist to the concept. Instead of returning Western intelligence agents in exchange for Communist bloc spies, they simply arrest an innocent Westerner to get back their agents.

The most recent example of this was the arrest of an American businessman, F. Jay Crawford. The press has speculated that the Soviets are holding him to exchange for two of their spies, employed at the U.N., who were arrested last month. It was suggested that as soon as the Soviets arrest another innocent American they can exchange the two for their two agents. In other words, the ex-

change of two innocent persons for two guilty ones.

Crawford is an official of International Harvester which has been an active participant in American-Soviet trade. American businessmen dealing with the Soviets might ask whether the profits are worth the risk to their personnel. The State Department has now warned American businessmen in the Soviet Union to take precautions to avoid giving the Soviet authorities the excuse to make another arrest.

It is interesting that even the "moderate" Communist Government of Yugoslavia uses the same methods. On April 24, 1978, the West German magazine, Der Spiegel, reported that a prominent German Socialist and trade union leader, Eberhard de Haan, had been arrested during a visit to Yugoslavia, and held for over 2 months without a trial.

It soon became apparent why de Haan had been held hostage, said Der Spiegel. The West German Government secured his release in exchange for returning to the Yugoslavs, one Michailo Svilar. He had been captured while attempting a murder in West Germany. Svilar, an agent of the Yugoslav Secret Police, the UDBA had tried to murder a former UDBA agent who had revealed secrets to the West Germain authorities. Again, the exchange of the innocent for the guilty.

The Yugoslav UDBA has committed many murders in the West and is suspected of some killings in the United States. The victims were opponents of the Tito regime, some of them old men who had fought against Tito 30 to 35 years ago. The Communist secret police have long memories. But, one victim in Chicago was a child whose only "crime" was to be present while an anti-Tito newspaper editor was murdered. She was also killed.

As we make new and bigger deals with the Communists, it is worthwhile to know how they stack the deck. Innocent hostages for captured spies is a good example.●

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS V

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. SAWYER. Mr. Speaker, for the information of my colleagues, I would like to include in the RECORD a 1973 article which appeared in Newsweek magazine. The article, entitled "The Antioch Seven," present an accurate, though depressing, account of the capture and pretrial detention of seven American youth. Among this group of young people was Katherin Zenz and JoAnn McDaniel, the two girls of which I have been speaking about in recent days.

As you know, these girls are still in Turkey, having served 5 years of a nonparolable 24-year sentence. The conditions under which they serve, as described in the article below, are intolerable.

At a time when our Nation has publicized its concern over the human rights of all persons in all nations, we, as representatives of the people, should press for human rights for our own citizens in foreign lands even more stringently. A prisoner exchange treaty with the Government of Turkey would be a tremendous step toward this goal and a sign of continued commitment to our most basic beliefs. Please take notice of my forthcoming amendment to H.R. 12514, which will call for the prompt establishment of a prisoner exchange treaty with Turkey.

The Newsweek article follows:

[From Newsweek, Aug. 13, 1973]

TURKEY: THE ANTIOCH SEVEN

Marie Therese Grocki, 25, grew up in a rambling old white house in a nice part of Worcester, Mass. Like many young Americans she was restless, and so she decided to leave her job as a nurse last fall and travel to Europe and the Middle East. Nothing in her sheltered, middle-class background could possibly have prepared her for the ordeal that lay ahead. For the last nine months, Marie has been locked in a 10- by 15-foot Turkish prison cell with 23 other women and children. Her roommates include prostitutes and murderers. The midsummer temperature in the tiny room climbs during the day to more than 100. Toilet facilities consist of an open hole in the middle of the floor. The stench is overpowering. But somehow, Maria copes. "It isn't much," she told Newsweek's Nicholas Proffitt last week, "but for the moment, it's home."

Squalid: The trail that brought Maria and six other young Americans to the squalid prison in the town of Antioch began in Munich. There, Robert Ernst Hubbard, 22, a quiet young man with shoulder-length hair and a droopy mustache, had become involved in a scheme to rent three Volkswagen minibuses, drive them to Beirut, load them with hashish and then drive back to Germany. One night, Hubbard met Joann McDaniel, 28, of Coos Bay, Oreg., in a Munich discotheque. He invited her and an acquaintance, Catherine Zenz, 27, of Lancaster Wis., to help him drive the buses to the Middle East. They jumped at the chance. In Beirut, the trio met Maria Grocki; Penelope Czarnecki, 23, of San Francisco; Paula Gibson, 23, of Fairfax, Va., and Margaret Engle, 20, of Falls Church, Va. The four were only too eager to join the Hubbard entourage for the trip to Istanbul. On Dec. 10, the caravan crossed the Syrian border into Turkey. Customs officials, poking at the upholstery, became suspicious and pried it loose. Out tumbled bricks of hash. The women said they were dumbfounded.

Hubbard immediately confessed and absolved the women, but all seven were charged with being part of an organized drug-smuggling ring. In Turkey, that offense carries a penalty of life imprisonment. In the next few days, the seven learned the one fact of life that young Americans seems unable to grasp: once arrested in a foreign country, there is virtually nothing the U.S. Embassy can do to get them out. As of last week, 873 Americans were languishing in prisons around the world on drug charges. While official U.S. assistance is usually limited to furnishing a list of English-speaking lawyers, the Antioch Seven have been lucky. Louis P. Russell, a vice consul in the American consulate at Adana, has made the arduous 250-mile round trip to Antioch 25 times since December carrying cigarettes, Cokes, magazines, canned tuna and large numbers of Milky Way bars. "These kids should have been more careful," Russell sighed last week. "But when you're young, dumb and full of fun . . ."

For the most part, the women appear to have come through nine months of prison remarkably well. "We've been exposed to every disease imaginable," says Joann McDaniel. "Worms, lice, rats and the constant losing battle with bedbugs." But while Margaret Engle had a mild case of hepatitis, none of the others has been seriously ill. "It's because none of us eats the prison food," says Miss McDaniel. With money sent by their parents, the women send one of the prison matron's children out to buy fresh fruit and vegetables.

So far, the Americans have had eight court hearings at which little has been established, and the next is set for September. Nobody knows yet what will ultimately happen to the women, but Hubbard is bracing for the worst. Amazingly, none of the women is bitter about his role in the affair. "He's going to have it bad enough," one said. While they await the legal outcome, the women have dissuaded their mothers and fathers from trying to visit them. "Our parents would die if they ever saw this place," Paula Gibson said last week. "But so far, we've survived."

NONGAME FISH AND WILDLIFE CONSERVATION ACT

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. FORSYTHE. Mr. Speaker, on June 12, H.R. 10255, the Nongame Fish and Wildlife Conservation Act of 1978, was scheduled for consideration under suspension of the rules. On that morning, each Member received a letter from the U.S. Chamber of Commerce alleging that H.R. 10255 would result in the same confrontations that have occurred under the Endangered Species Act. I believe that the chamber has misinterpreted the intent and language of H.R. 10255 and would like to call the attention of my colleagues to the letter which I have sent the chamber in response to their concern.

COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, D.C., June 16, 1978.

Mr. HILTON DAVID,
Vice President, Legislative Action, Chamber of Commerce of the U.S. 1615 H Street, NW. Washington, D.C.

DEAR MR. DAVID: On June 12 I received your letter regarding H.R. 10255, the Nongame Fish and Wildlife Conservation Act. Your letter expresses your concern that this legislation will result in the same confrontations which have occurred under the Endangered Species Act.

As the sponsor of H.R. 10255, I can assure you that this legislation will not result in these confrontations. In the first place, the Endangered Species Act directs that all Federal departments and agencies shall insure that actions authorized, funded, or carried out by them do not jeopardize the continued existence of endangered or threatened species or result in the destruction or modification of the critical habitat of such species. H.R. 10255, on the other hand, only provides that Federal agencies shall, to the maximum extent practicable, administer programs under their jurisdiction consistent with a state comprehensive fish and wildlife conservation plan. H.R. 10255, therefore, does not contain the absolute bar which is provided for in the Endangered Species Act. H.R. 10255 merely urges Federal agencies to exercise their authority, to the extent they can do so, in a manner which will be consistent with the state plan. Equally important is the fact

that under H.R. 10255, it is the Federal developing agency which makes the determination regarding whether the provisions of H.R. 10255 have been met.

Second, with the development of the comprehensive fish and wildlife plans provided for in H.R. 10255, decision-makers will be able to compare the impact of various development projects on fish and wildlife and can guide programs toward those alternatives which have the least environmental impact. In this way, the planning process contained in H.R. 10255 can help avoid future confrontations between competing user groups.

Third, H.R. 10255, unlike the Endangered Species Act, provides no mechanism for the Secretary of the Interior or for the states to designate critical habitat areas by regulation.

Fourth, the conservation program established by H.R. 10255 will reduce the number of animals which may be added to the endangered species list. Currently, there is no direct program for the benefit of nongame fish and wildlife. The results of this lack of attention are seen in the fact that almost 70 percent of the vertebrate species currently listed as endangered were nongame species at the time of their listing. The Fish and Wildlife Service estimates that if present trends continue, an additional 450 nongame species of fish and wildlife will be added to the endangered species list by the year 1990. Of that number, 120 are likely candidates for listing within the next five years. Unless a program such as that provided for in H.R. 10255 is established, it is likely that there will be a dramatic increase in the number of nongame species being listed as endangered and being protected subject to the provisions of that Act.

Your letter also states that H.R. 10255 specifically provides for habitat acquisition. The implication is that an elaborate land acquisition program is provided for in the bill. As you know, H.R. 10255 does not provide for a habitat acquisition program per se. Rather, it provides monies for the states to undertake a conservation program for nongame fish and wildlife. This conservation program may include any activity associated with modern scientific resource management, such as research, census, monitoring, law enforcement, habitat acquisition, development and maintenance, information and education, propagation, live trapping and transportation. Habitat acquisition is only one of several tools which may be used by the states to conserve nongame fish and wildlife.

Although H.R. 10255 permits the states to use funds received under the Act for many purposes, including habitat acquisition, it is not likely that the states will undertake a large habitat acquisition program. In Fiscal Year 1974, the most recent year for which data is available, only seven-tenths of one percent of the monies made available to state nongame programs were used to acquire habitat. If the $90 million in implementation funds provided for in H.R. 10255 are made available in equal parts in each of Fiscal Years 1979, 1980 and 1981, if the program is fully funded, if the Fish and Wildlife Service deducts its 5 percent for administrative costs, and if the states continue to use the same seven-tenths of one percent of available funds for habitat acquisition, then less than $200,000 will be used for habitat acquisition nationwide in each year. Even if the states increase the amount of their nongame funds which are used for habitat acquisition by ten times, there will only be a total of less than $2 million available nationwide for habitat acquisition by the states (assuming the program is fully funded).

In regard to habitat acquisition, it should also be noted that under the Pittman-Robertson Act and the Dingell-Johnson Act the states are allocated funds which may be used for the conservation of game species of fish and wildlife. Combined, the Pittman-Robertson Act, which was enacted in 1937, and the Dingell-Johnson Act, which was passed in 1950, have made $776,666,778 available to the states for the conservation of game species. Although habitat acquisition is one purpose for which these funds may be used, the states have acquired a total of only 3,699,634 acres since 1937. In Fiscal Year 1975, for example, the states received a total of $70,320,000 in Pittman-Robertson and Dingell-Johnson funds; however, the states acquired only 41,631 acres of habitat for game species. These figures clearly indicate that the conservation of fish and wildlife, regardless of whether the species are game or nongame, does not entail a large habitat acquisition program. Contrary to what your letter suggests, H.R. 10255, which is patterned after the Pittman-Robertson and the Dingell-Johnson Acts, will not result in a large acquisition program.

Your letter also implies that the Federal Government will dictate to the states the nature and extent of any habitat acquisition. As you know, H.R. 10255 provides that the states, those who, as you put it ". . . know best the needs of their communities, the environmental conditions they wish to maintain or achieve, and the level and character of development they aspire to", will be making the decisions on how to structure their nongame fish and wildlife conservation programs.

Your letter also notes that the Administration now opposes the enactment of nongame legislation. The Administration position, however, is less than consistent. The President's May 23, 1977, Environmental Message to the Congress noted the inadequacy of existing programs stating that:

"Ninety-seven out of every hundred Federal wildlife dollars are devoted to less than 1 percent of vertebrate species that are hunted or fished for commerce or sport. To the rest little attention has been given, even though they are a part of the biological system that sustains us. To correct this imbalance, I am directing the Secretary of the Interior to propose other measures to improve the conservation of nongame wildlife."

On March 14, 1978, however, the Department of the Interior submitted a report to the Committee recommending against enactment of the legislation on the ground that a new program for nongame species is not warranted.

Your letter also contends that existing Federal wildlife programs are sufficient to ensure the conservation of nongame species of fish and wildlife. In this regard, I would remind you that only 3 out of every 100 Federal wildlife dollars and only 2 out of every 100 state wildlife dollars is specifically directed at programs designed to conserve nongame fish and wildlife. Of the 3,700 vertebrate species found within the continental United States, less than 10 percent receive any scientific management to ensure their welfare, and with few exceptions these represent the game species. I do not believe that an allocation of only 3 percent of the Federal wildlife budget and 2 percent of state wildlife funds is adequate to ensure the protection of nongame species which constitute 83 percent of all species found within the United States.

Finally, your letter suggests that H.R. 10255 will be protecting species such as insects, woodlice and even barnacles. As you know, H.R. 10255 protects only significant vertebrate species which are valued for ecological, educational, aesthetic, cultural, recreational, economic, or scientific benefits by the public. The species listed in your letter are not vertebrate species, and therefore would not be covered under the provisions of H.R. 10255. Furthermore, it is doubtful that barnacles, even if they were covered, would be valued for their significant benefits by the public.

In seeking the enactment of H.R. 10255, it is not my intent, nor is it the intent of the Committee on Merchant Marine and Fisheries, to precipitate the type of confrontation which has occurred under the Endangered Species Act. H.R. 10255 seeks to establish a balanced mechanism for protecting the environment and ensuring the development of the resources of this country.

I hope this letter responds to your concern. I would appreciate the opportunity to meet with you regarding this matter at your earliest convenience.

Sincerely,

EDWIN B. FORSYTHE.●

A TRIBUTE TO HOWARD JARVIS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. DORNAN. Mr. Speaker, how often do we forget that excessive taxation and the abusive regulation of trade inspired our Founding Fathers to strike for independence? How often do we forget that this Republic was born in a war and revolution against excessive taxation and intrusive government?

Bursting with the Spirit of '76, a 76-year-old tax revolutionary walks on the stage of national politics to remind us of our national heritage. Howard Jarvis, the leader of the fight for proposition 13 in the State of California, has proven once again that citizens can fight old city hall; that the establishment is not invincible; and that it is indeed possible for the private sector to turn the tides of recent history.

Howard Jarvis was the right man to lead the fight. He is, and always has been, a self-made man. Born in a small Utah copper town, he rose in the business and the political world through hard work and dedication to his principles. From that little copper mining town in Utah, he made his way to California, winning a law degree along the way, and founded a small business. That little business grew, in spite of all of the numerous little harrassments that the Government throws in the path of enterprising small businessmen. Finally, his company, Femco Inc., started making everything from gas heaters to missile parts. But he saw the other side of life, too. He knew hard work, and he saw those who had worked and scraped to make a living, threatened. Howard Jarvis was stirred by the plight of older citizens who were threatened with the loss of their homes by virtue of increasing property taxes.

He is not a polished academic, and knows no clever or manipulative rhetoric. He is a man who speaks the truth as he sees it, plainly and without fear of ridicule. Howard Jarvis spoke loudly and clearly to the citizens of California, and they determined that he spoke the truth. That truth is simple and straightforward: we need to cut the size and cost of government.

Mr. Speaker, the significance of the California tax revolt cannot be under-

estimated. Howard Jarvis knew this when he launched his now, nationally famous campaign. He has known it intimately as a man struggling to make his place in our society.

Mr. Speaker, the significance of the great California tax revolt cannot be underestimated. Let the proponents of the paternal state heed this well: Howard Jarvis has won a great victory, and will be an inspiration to others around the Nation. Over 65 percent of the California voters slashed their property taxes in half. The opposition scare tactics, the Anti-Prop. 13 fear campaigns, none of these worked. Tired of government waste, of the insensitivity of politicians, and sick and tired of gigantic bureacracy and wild spending for programs that accomplish very little in terms of results, the American public, like a sleeping giant, was bound to awaken. The people now will move coast to coast, in righteous anger, against runaway big government.

While the beaten liberal spenders may wail and gnash their teeth, running like hysterical old hags hither and yonder, they must finally come to their senses and recognize that the people are tired of getting the same old pablum: Tax reforms that never come—or tax reforms that actually increase taxes. As the Nobel Prize winning economist, Milton Friedman of the University of Chicago recently remarked: "The populace is coming to recognize that throwing government money at problems has a way of making them worse, not better; that people are likely to get more out of spending their own money than out of turning it over to bureaucrats to spend for them."

Mr. Speaker, there is a time when patience ceases to be a virtue. The grand patience of the American people has been tried. We cannot expect them to sit idly by while the growth of Government threatens their liberties. If we frustrate them further their anger will be all the greater. Three cheers for the incomparable Howard Jarvis, champion of the little guy. Long live the Spirit of '76.●

A LOOK AHEAD

HON. W. G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. HEFNER. Mr. Speaker, on May 11, 1978, the Family Lines System sponsored "A Look Ahead" at Wingate College in Wingate, N.C. I am very proud to have been the congressional sponsor for this event and would like to share with my colleagues some of the highlights of this fine program which looked toward the future of agriculture, forestry, energy, and the environment.

Members here who represent States in the Southeast may already be familiar with similar programs sponsored by the Family Lines System, since they have been held at various locations in the region for a number of years. Members who do not know about these outstanding programs ought to take notice because the one this year may well have been the last. I will explain later.

These programs have been a kind of corporate good citizenship activity, involving not just the Family Line System, but business leaders and public officials from the local area and from other States. They have highlighted and featured the local economy of the area in which they are held, and many of the out-of-State business leaders are really corporate citizens of my district. I am very pleased that the program was held in my district this year to draw attention to the many advantages the North Caroline Piedmont has to offer. And a better site than Wingate College could hardly have been picked. It is one of the outstanding junior colleges in North Caroline—or the whole South, for that matter—and under the leadership of Dr. Thomas Corts, who was present at "A Look Ahead," it has become even more outstanding.

These programs have focused on developments in agriculture and forestry, especially since these activities are so important to the economy of the whole Southeast, but the key roles that agriculture and forestry now play in energy and environmental concerns have become very important parts of these "Look Ahead" programs. In addition to being great fun for the public, these programs are great educational opportunities.

To begin the day, the Clinchfield No. 1, pulled by America's oldest steam engine, ran from Charlotte to Wingate—its 11 cars carrying over 300 business executives and public officials from many States. The train drew crowds along its route as people stopped to see this symbol of a bygone era pass by. In Wingate it was greeted by the Monroe High School Band to kick off the festivities.

Over 1,000 people attended the day-long event, viewing the field demonstrations, enjoying a fried chicken dinner and ice cream, and being entertained at lunch by my good friends, Mr. Arthur Smith and the Crackerjacks from Charlotte.

But the day had a serious side. I am sure my colleagues will be interested to know that the Honorable Tom Gettys, former Congressman from South Carolina, gave the invocation to begin the program. Mr. Prime F. Osborn III, president and chief executive officer of the Family Lines System, introduced the two main speakers.

During the morning session, Mr. Robert J. Lanigan, president and chief operating officer of Owens-Illinois, Inc., Toledo, Ohio, addressed the crowd. Because I feel Mr. Lanigan's remarks were so thought provoking, I would like to share some of them with you.

The theme of this conference is "A Look Ahead," and that's a good place to set our sights. A wise man once said that we should be very concerned about the future because we're all going to spend the rest of our lives there.

I think a big part of our look ahead must involve a look ahead at our free enterprise system and the direction business seems to be heading—in relation to the overall economy, public opinion, the government, and society in general. . . .

In the United States, the free enterprise system has been successful in providing the highest standard of living for the largest number of people compared with any other country on earth. . . .

. . . there are almost 14 million total business enterprises in the U.S. today—and you might be interested to know that more than 3.5 million of those enterprises fall into the agriculture-forestry-fishing category, the largest single category of all. Furthermore, some 67 million Americans, 72 per cent of the workforce, are employed in what could be considered "business" enterprises—that is, those entities that depend on profit. . . .

The point here is that virtually everyone in this country is involved in business and the free enterprise system in one way or another and dependent to some degree on the economic vitality of business. If a particular business practice merits criticism, by all means let's have it. But questions about the validity of our basic free enterprise system—that's like throwing rocks at a mirror.

In the U.S., the role of government is growing. Before you think that I'm about to launch into the usual businessman's tirade against the government, I assure you I'm not. I do feel, however, that there are some issues that ought to be raised—on both sides. Someone once said that if a man can see both sides of a problem, you know that none of his money is tied up in it. I'd like to think we can see both sides of the problem even though our money is very much tied up in the future of free enterprise as it faces an increasingly powerful government. . . .

The fundamental problem seems to be that more and more of our basic economic decisions—decisions that affect all of us on a daily basis—are being removed from the marketplace and transferred to the public/political sector where government—at the federal, state, and local level—susposedly has the ability to remedy all the ills of the human condition. . . .

If I've managed to get all the government representatives in the audience today totally enraged at me, let me also suggest to the businessmen with us—including myself—that our track record is far from perfect—and we made the Edsel to prove it. . . .

Obviously, business isn't perfect, but these failures were generated by individual organizations, and the free enterprise system in which they functioned eventually caught up to them.

Again, we may certainly condemn individual participants in the system, but condemnation of the system itself is unfair. Free enterprise—the private sector—has one undeniable asset going for it: it works. Since just after World War II, real GNP in the U.S. has risen some 186 percent; the average person's buying power, even including adjustment for inflation, has risen 94 percent in the same period. Home ownership has increased 137 percent, automobile ownership, 46 percent, and the overall life expectancy is up 9 percent.

In the 1970's alone, even with two recessions and the sharpest inflation in decades, the nation's output has continued to increase in real terms, although at a much slower rate.

And what about jobs? Despite the growing number of people on the public, tax-supported payroll, the private sector continues to be a principal source of jobs. In 1950, there were 64 million Americans employed. As of last month, there were 94 million employed. Our economy has created on the average, more than a million new jobs a year since 1950. Currently, we're creating about 200,000 to 300,000 new jobs a month. And keep in mind, we are not only increasing the absolute number of jobs, but also the percentage of people employed. In short, business can deliver on its promises—and we're not even up for election. . . .

In the long run, of course, government and business do have one common goal:

satisfying the needs of people. If we don't do that we're both out of a job, and as I said earlier my intention is not to lay at the feet of government all of business' problems, because thanks to that common goal we're both in the same boat. We do need to reason together as Lyndon Johnson once suggested, and to work together toward mutually acceptable objectives. As a businessman, I can't do my job without a strong central government that does its best to provide for the national defense, insure domestic tranquility, levy taxes, and yes, attend to the general welfare. But at the same time government can't do its job without me and the millions of other Americans who constitute a financially healthy private sector.

Free enterprise is the engine of America, the arsenal of democracy and all those other wonderful homilies. The funny thing, however, is that it really *is*, and profits and cash flow is the fuel that feeds the engine. We need to reinvest in business and make that investment an attractive one. We need to feed the engine, not starve it, otherwise we're going to find—practically and realistically—that we've eliminated prosperity at the source.

Before the morning session was over, Jay Marshall, president of the North Carolina Association of the Future Farmers of America, made special presentations to several people I would like to mention here. These were Mr. Jay Best, general traffic manager for Koppers Co. in Pittsburgh, Pa.; Mr. Stan Tippett, general traffic manager for Container Corp. of America, Chicago, Ill.; Mr. Max Lowish, director of trade relations, CIBA-Geigy, Greensboro, N.C.; Mr. Ivan Neas, director of research, Reynolds Tobacco, Winston-Salem, N.C.; and Mr. Robert N. Hoskins, former vice president of the Family Lines System and master of ceremonies for the day.

There were seven field demonstrations on the Wingat campus devoted to chemicals and energy from forests, energy, forest management, environmental elements, transportation of hazardous materials, and advances in strip mining.

"Opportunities in Southern Agribusiness—Pesticides, Fertilizers and Exports" was presented by Hon. James A. Graham, Commissioner of Agriculture for North Carolina, and Hon. Gus R. Douglass, Commissioner of Agriculture for West Virginia. Jim Graham also had some very appropriate remarks to make about the importance of tobacco to the economy of the region. I wish some of the Members of the House had been there to hear them.

The U.S. Department of Agriculture's Forest Service presented "Chemicals and Energy from Forests." Mr. John Zerbe, Program Manager for Energy of the Forest Service's Forest Products Laboratory in Madison, Wis., was on hand for this exhibit.

Mr. Robert F. DeVenuti, from the American Petroleum Institute in Washington, presided over "Energy—Today and Tomorrow."

The fourth exhibit, "Forest Management for Bluebirds, Wilderness, Pulpwood and More!", was presented by Mr. L. E. "Ed" Haws, Jr., of Bowaters Caroline Corp., Catawba, S.C.

The Koppers Co., Inc., of Baltimore, Md., was in charge of an exhibit on "The Environmental Elements—Your Concern, Our Business." This field demonstration was conducted by Mr. R. E. "Bob" Johnson who is manager for marketing communications for Environmental Elements Corp., a subsidiary of Koppers.

The problems of transporting hazardous materials was demonstrated by Dow Chemical U.S.A. in their exhibit "Product Stewardship in Transportation of Hazardous Materials." Mr. Hollis H. McKeag, distribution technical services for Dow Chemical of Midland, Mich., presided over the demonstration.

"Advances in Strip Mining and Land Rehabilitation" was presented by Mr. J. L. Jackson, president of Falcon Coal Co., Inc., in Lexington, Ky.

During the afternoon session, Mr. John M. Stackhouse, president of the National Association of State Departments of Agriculture and director of the Ohio Department of Agriculture, was the principal speaker and addressed the audience on the importance of agriculture to the national economy.

Turning our attention to the balance of payments, one can say this is a difficult situation, at best. Much can be done to improve the balance of payments through agri-industries. No where on earth is agriculture more efficient and productive than in the United States. In 1976, agriculture exports reduced the negative balance of payments by 12 billion dollars, and for the last four years, agricultural exports balanced over 80% of our Nation's oil imports. This past February, the trade deficit reached a shameful record for one month, of 4.52 billion dollars. This will result in further devaluation of the dollar and will add fuel to the fires of inflation.

America's farmers are also unique in that they have increased productivity per man hour 19 points more than the non-agricultural sector. The American farmer has produced 103.4 billion dollars worth of commodities in 5.3 billion man hours—$19.50 of marketable product per man hour—yet the average farm income in 1976 was only $7,200. The American farmer produces for himself and 56 others—an unequalled level of efficiency. . . .

It is difficult for the average American to realize that the $1.92 per pound boneless sirloin steak in Washington, D.C. costs $5.25 per pound in Brussels, $3.77 in London, $5.69 in Stockholm and $15.49 in Tokyo. Ladies and gentlemen, the average American enjoys and abundant and wholesome food supply, due in large part to the tools provided to the American farmer by your respective industries—pesticides, fertilizers, transportation, etc. In order to maintain the high standard of living, unequalled level of freedom and enjoyment, we must resolve some of the challenges facing us today. We must change some people's thinking that no matter what they impose on agriculture in the form of environmental regulations, we will still be able to put seeds in the ground, nourish them, harvest them and feed ourselves and the world. Without the necessary production tools, there won't be much left if we share with insects, weeds and rodents.

I think his remarks were well taken by the audience, much of which already knew firsthand how important agriculture is. But those of us here in the House who are not farmers can benefit from his advice.

Unfortunately, last-minute pressing business in Washington prevented my attending "A Look Ahead." My Committee on Public Works and Transportation was drafting highway legislation, and the House was taking up the foreign aid bill. During consideration of this bill, an amendment was offered to make tobacco and tobacco products ineligible for use in the "Food for Peace" program. Because tobacco is so important to North Carolina and many farmers around the South, I felt that my attendance in the House was necessary.

I commend the theme of Family Lines System's program. It is a good positive attitude—of looking to the future for better things. This has made our country great and will continue to do so.

Such an effort to bring together businessmen, public officials, farmers, and the general public could not have been achieved without the hard work of many people. The Sun Valley High School Future Farmers of America, and their faculty director, Mr. Wayne Mangum, who has had more State forestry winners in FFA competition than any other agriculture teacher in the State, assisted Mr. Hoskins in putting together the program.

Finally, I would like to pay special tribute to Bob Hoskins, who not only planned the event but also served as master of ceremonies during the day. He has been directing the Family Lines System-sponsored programs for 33 years, and retired with this year's production. I don't know how they can ever replace him. Bob is certainly to be commended for his devotion to a better understanding of the cooperative efforts needed to insure a productive future. He is dedicated to our free enterprise system and these programs that he has been running are an attempt—and a very successful one at that—to spread the gospel of economic freedom. Bob has devoted much to these demonstrations, but he has never been too busy to give even more of his time. For instance, he took time years ago to participate in organizing the first Future Farmers of America group. It was only appropriate that his dedication and accomplishments were recognized during "A Look Ahead" by the North Carolina Association of the FAA. Truly Bob's work has given us all a look into the future, and I thank him especially on behalf of North Carolina, the agricultural industry, and our young people.●

WORLD MILITARY AND SOCIAL EXPENDITURES: A CASE OF MISPLACED PRIORITIES

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. DRINAN. Mr. Speaker, it is my pleasure to introduce into the RECORD a summary of the material in Ruth Leger Sivard's annual report "World Military and Social Expenditures, 1978."

This work, comparing world military and social expenditures started while she was employed as an economist at the Arms Control and Disarmament Agency. Since she left the agency 5 years ago, she has continued her fine work

highlighting the misplaced priorities that the world's governments have with respect to military and social expenditures. She points out that world military expenditures have increased by $50 billion each year since 1975 to a startling total of over $400 billion in 1977. Ruth Sivard states:

The message conveyed by the world budgetary allocations today is that military power is the primary preoccupation of governments. Although there are significant national and regional differences in the relative allocation of funds, in the overall global picture the priority is clear: no other social objective or official responsibility receives as much financial support from the public budget as the military function.

It is ironic, that as we turn more and more to weapons to safeguard our security that, quite often, these weapons actually lead to greater insecurity.

Ms. Sivard also points out the detrimental impact of military spending on the world economy: it consumes scarce resources, reduces the overall rate of economic growth, contributes to unemployment, and causes inflation.

The study concludes that a fraction of the annual world military budget as small as 5 percent could be translated into food and shelter for millions of people; it could mean hospitals and schools where none currently exists; cleaner air and water; children saved from crippling malnutrition, blindness, and preventable disease. If this transfer of wealth could be made the poorest one-third of humanity, who now live in squalor and poverty, would be able for the first time to live in hope and lead productive lives.

The trend is, however, in the opposite direction. Throughout the world there is an ever increasing proliferation of weapons, both nuclear and conventional. The United States and the Soviet Union have played a dominant role in the global military competition. Between the years 1960 to 1976 the United States and the U.S.S.R. with only 42 percent of the world's GNP, together accounted for 64 percent of the world's military expenditures. In 1977, although the role of the two superpowers had diminished somewhat both militarily and economically, together we still spent $200 billion of the global military total of $400 billion. The reduced share of world military expenditures contributed by the superpowers is a result of rising military budgets in the developing countries. Ruth Sivard states that the hallmark of the 1979's is the accelerated dispersion of military power to the developing world. New wealth in the oil producing countries, a drive for greater autonomy in weapons production, and the uninhibited export policies of supplier nations are among the factors behind this spread of conventional weapons.

This most impressive analysis concludes that, while absolute expenditures on social needs have increased over the years, the increase is insufficient to meet basic human needs. A principal reason is the continued excessive spending on weapons and military forces which do not increase national security. Indeed, the trend toward providing developing nations with ever larger and more deadly quantities of weaponry decreases the security of everyone.

"World Military and Social Expenditures, 1978" is a careful and comprehensive analysis of the extent to which excessive military expenditures diminish the quality of life around the world. The place to begin a reordering of priorities is here in the United States, where we account for so much of the world's expenditures on armaments and have the potential to demonstrate to other countries that it is possible to divert some of these resources to programs which will help to meet urgent human needs.

The summary of this report follows:

WORLD MILITARY AND SOCIAL EXPENDITURES, 1978

(By Ruth Leger Sivard)

SUMMARY

The arms race remains out of control despite an increased number of official activities aimed at piecemeal solutions. The global competition now consumes more than $400 billion yearly in public funds.

In May 1978, as the 149 member nations of the United Nations convene in a special session on disarmament, they are faced with an unprecedented buildup of military power: over 23 million men under arms, the spread of highly sophisticated weapons throughout the world, an overkill stockpile of nuclear and conventional arms, and an apparently insatiable military appetite for new technology for mass destruction.

The evident strain on the world economy is as widespread and as ominous as the accumulation of weapons. The arms race clashes with world development needs, stimulates price inflation, contributes to unemployment and poverty. It amplifies problems that all nations have in common, while weakening the cooperative effort necessary to deal with them. The accumulation of destructive force in the name of national defense has itself become the major threat to international stability and human security.

A political will to reestablish control and reorder priorities is overdue. Success will require something more than the piecemeal measures that have been tried so far.

PRIORITIES 1978

The average family pays more in taxes to support the world arms race than to educate their children.

Nuclear bomb inventories of the two superpowers, already sufficient to destroy every city in the world seven times over, are still growing at the rate of 3 bombs a day.

In developing nations there is one soldier for 250 inhabitants, one doctor for 3,700.

For international peacekeeping forces, the world spends $135 million yearly, for national military forces 3,000 times as much.

Modern technology has made it possible to deliver a bomb across the world in minutes. Women in rural areas of Asia and Africa still walk several hours a day for the family's water supply.

One tax dollar in six goes to the arms race.

Only one government in three spends as much to safeguard the health of its citizens as to protect them against military attack.

Donor nations have spent a yearly average of $5 per capita since 1960 to aid the development of poorer nations, $95 per capita for their own military forces.

Developing nations, despite severe food shortages, use five times as much foreign exchange for the import of arms as for agricultural machinery.

For the estimated cost of a new mobile intercontinental missile (the MX), 50 million malnourished children in developing countries could be adequately fed, 65,000 health care centers and 340,000 primary schools built.

MILITARY GROWTH

At $1,000,000,000 a day, world military expenditures in 1976 reached an historic high, but continued to climb. The preliminary estimate for 1977 is $400 billion for the year, and there is no present sign that the advance has slowed down. The expanding inventory of arms is more widespread and infinitely more powerful than at any previous time in history.

The unusual buildup of military force in a period of relative peace has led the United Nations to convene an unusual meeting. In May 1978 the 149 member states of the UN meet in special session, in the largest official gathering on disarmament that has ever been assembled. They face an awesome challenge: an arms race out of control which has already accumulated such destructive power that for the first time in the course of civilization the outbreak of war could end life on earth.

THE DECADE OF DISARMAMENT

The 1970's, which the United Nations designated the Decade of Disarmament, have so far seen an extension, rather than a lessening, of the world-wide arms competition. The period has been marked by an escalation of official activity aimed at arms control, producing more negotiating forums in which to discuss it and also a number of new international agreements. Of fourteen such agreements since 1959,[1] eight were reached between 1970 and 1977. None of these treaties, however, had the effect of reducing arms or the expenditures on them. Many were peripheral to the basic issues, restricting military activities not of major importance to governnments; others set limits which in fact permitted planned programs to proceed. In general, the agreements seemed designed to set rules for the arms race but not to stop it. Neither the growing danger nor the burden of the competition was effectively put under control.

As a result, indicators of military strength continued to rise in the first eight years of the Disarmament Decade, some less rapidly than in the 1960's, others at an accelerated rate:

World military spending went from $200 billion in 1970 to the current $400 billion. After allowance for price inflation, this meant that yearly outlays had risen 15 per cent above the 1970 level, 60 per cent above 1960. Instead of the disarmament dividend expected at the end of the Vietnam War, the world arms budget had gone higher still.

Armed forces (regulars) increased to 23 million, about 2 million more than in 1970 and 7 million more than in 1960. Comparable increases in paramilitary forces brought active military personnel to a total of 36 million.

Exports of major weapons to third world countries reached an estimated $8 billion yearly in constant 1975 prices, almost three times such exports in 1970, over four times volume in 1960.

Strategic nuclear stockpiles of the two superpowers rose to 14,000 warheads, an increase of 8,000 since 1970. There are also 500 or more deliverable nuclear weapons among other nuclear weapon states, which now include United Kingdom, France, China, India and perhaps Israel. The explosive force of these stockpiles is equivalent to several tons of TNT for every person on earth.

The summary statistics give an overview of the dimensions of the military buildup

[1] The treaties are identified briefly as: Antarctic 1959, Hot-Line 1963, Limited Test Ban 1963, Outer Space 1967, Latin America Nuclear Free Zone 1967, Non-Proliferation of Nuclear Weapons 1968, Seabed 1971, Biological Weapons 1972, ABM 1972, Salt I 1972, Prevention of Nuclear War 1973, Threshold Test Ban 1974, Underground Peaceful Nuclear Explosions in 1976, Environmental Modification Ban 1977.

but do not adequately convey some of its most unusual features. Certain factors have combined to give the arms race a dynamic life of its own. They also make immeasurably more difficult the task of stopping it.

BIPOLAR COMPETITION

To a striking degree, the United States and USSR, two nations representing 11 percent of the global population, have shaped the military competition since World War II. A mutual distrust bordering on the pathological provided the impetus for an exceptional investment of resources in the search for military security. This rivalry spearheaded a technological revolution in the art of war and became the primary source in the world of new and increasingly powerful arms.

Only two economic giants could have mobilized the resources for the extraordinary competition in which they are engaged. Over the years 1960 to 1976, US and USSR, with 42 percent of the world GNP, together accounted for 64 per cent of the world's military expenditures. In 1977, although their dominant role had diminished to some extent both economically and militarily, they still spent $200 billion of the global military total of $400 billion.

There is every indication that these two nations will retain their leadership in the drive for new military technology. Between them they control 80 per cent of all research on new weapons. They also dominate the competition in space, where 4,500 satellites now orbit the earth, and have over 95 per cent of the world's stock of nuclear weapons.

This concentration of technological might continues to act as a spur to the wider dissemination of sophisticated arms throughout the world. For economic as well as political-military reasons, the superpowers have actively promoted exports of the newest technology. Three-fourths of the arms transferred to other countries originate in the US and USSR.

PROLIFERATION

Rising military budgets in the developing nations and the spread of both weapons and technology are signs of the accelerated dispersion of military power which is the hallmark of the 1970's. New wealth in the oil producing countries, a drive for greater autonomy in weapons production, and the uninhibited export policies of supplier nations are among the factors behind this spread.

Measured in terms of armed forces and military expenditures, the most rapid military growth since 1960 has occurred not in the superpowers, nor in their alliances, but in the developing world. The substantial increase in the number of men under arms between 1960 and 1976 has been almost wholly in the developing nations: the Far East had the largest regional gain in numbers, but South Asia and Africa the sharpest relative growth.

Military expenditures, in constant prices, registered some spectacular increases in developing nations in this same period. Spending increased almost three times in the Far East, four times in South Asia, six times in Africa, and fourteen times in the Middle East. The breadth and momentum of the advance that has occurred make clear that the arms race is a world-wide phenomenon, ultimately controllable only through the most comprehensive and universal means.

SOCIAL PROGRESS

The military-social connection is most direct and unambiguous in the allocation of public funds. Military and social programs must compete for shares of limited national budgets. The goal of maximizing military security can be pursued only at the expense of other goals that are also essential for the security of society.

There are broad variations among nations in the portion of the national product that moves through government channels but in general the public sector has tended to grow in relative size in recent years and to have an increasing impact on the private sector as well. In collecting revenues and allocating funds, governments have a choice among goals. In most states, the citizens they represent can review and influence those choices.

If government budgets express public priorities, as they appear to do, they must be subject to the most rigorous scrutiny by the public to evaluate their contribution to the general welfare and the satisfaction of human needs. In a very general sense, a study of global expenditures and opposing needs may help to identify some of the questions that can be raised about the priorities now prevailing.

BUDGET PRIORITIES

The message conveyed by world budgetary allocations today is that military power is the primary preoccupation of governments. Although there are significant national and regional differences in the relative allocation of funds, in the overall global picture the priority is clear; no other social objective or official responsibility receives as much financial support from the public budget as the military function. The results, suggest some curious twists in the world's scaling of priorities, for example:

The average family pays more in taxes to support the world arms race than to educate their children.

Governments as a whole spend 60 percent more to protect their populations against the possibility of military attack than against the everyday ravages of illness, disease, injury.

One-fourth of the world population, concentrated largely in the northern tier of industrialized nations, has four-fifths of all funds available for the public services of education and health.

Developing nations, with over 1 billion people living in extreme poverty, invest more public revenue in military forces than in education and health combined.

In two days the governments of the world spend as much on national military forces as on a full year's cooperative effort through the United Nations to deal with world peace, unemployment, energy, health, and the range of other social problems that are universally shared.

ALTERNATIVES

For a poverty-scarred world, the vista of economic and social opportunities that disarmament can offer is dazzling. What could $400 billion a year, or even a fraction of it, if turned away from death and destruction, do to succor and enrich the lives of all people on earth? The potential is so vast as to seem beyond comprehension.

In previous editions of this report we have tried to make the possibilities more realistic by converting just 5 percent of the yearly military budget into some specific alternative programs for the public good. At today's rate of military spending, a fraction no larger than 5 percent of that annual budget could translate into food and shelter for millions of people; it could mean hospitals and schools where there are none; cleaner air and water; children saved from crippling malnutrition, blindness, preventable disease; the poorest one-third of humanity able for the first time to live with hope of normal, productive lives.

The reality and scope of the alternative to a continued, consuming arms race are important to document. They should serve as a reminder to every public official, and to every citizen who votes for one.

Nevertheless, the facts of life are that years of discussion appear not to have brought us any closer to disarmanent or the dividends it could offer. Before the world can enjoy those benefits, we must find more effective ways to move toward the disarmament goal. The space remaining in this edition therefore will be used to explore the road ahead, rather than the rainbow at the end.

REVERSING THE ARMING PROCESS

Official negotiations at present do not meet the global need for a reduction of the arms burden. Their primary objective is to curb the nuclear threat, not to ensure budget savings. There is no indication that a reduction of national military expenditures is a subject of formal discussions.

Official negotiations also have a time disadvantage. Being highly technical and detailed, they are slow-moving. So far the advance of new technology has been faster than the efforts to control it.

These problems are recognized in the increased attention being given to simpler procedures, actions that could be taken outside the context of negotiations to give impetus to the process, and finally achieve an overall saving of resources. One such approach emphasizes national initiatives to induce comparable arms restraints in other nations.

The mutual example approach, as it is called, endeavors to lower the opposing threat rather than racing endlessly to exceed it. Mutual example reverses the arms race by using the same procedures that created it: action, observation, reaction. In the build-up of arms, unilateral decisions can be made quickly, based on a continuous process of observation and interpretation of the moves made by the opposing parties. If the same procedures can be used for the deescalation of arms, there is hope that a turning point can be reached and, at last, a curtailment of expenditures.

MUTUAL EXAMPLE OF THE 1960's

A glance back in history gives some cause for encouragement. An informal mutual example was tried in the 1960s and was associated with a period of restraint by the two superpowers.

Mutual example was a Soviet term, but it was the US which, in secret conversations with the USSR in 1963, first raised the matter of informal budgetary restraint. This approach was followed up, still in secret, in 1964. Until ruptured abruptly by the American entry into the Vietnam War in force in 1965, mutual restraint between the two superpowers was reflected in what appeared to be encouraging stability in their military expenditures.

AFFIRMATIVE ACTION IN THE 1970's

The runaway arms competition of the 1970's cries out for a renewed effort of mutual example by all powers. Courageous leadership is needed to take the first steps of restraint, and extend a challenge of reciprocity to which other nations can respond.

The bilateral moves of the 1960's were informal but also secret and limited. Their value for the present may be primarily in revealing omissions and weaknesses in the approach then used. What was not done then suggests certain precautions that if taken now could provide firmer ground for concerted international action.

One is the need for openness. An understanding that is secret loses the chance to win the public and legislative support so essential for continued leadership. An openly declared policy is taken more seriously both by the acting and responding nations.

Another is the importance of clearly defined and observable physical reductions as the core of the mutual restraint. Announced budget cuts are not enough. There are serious, if not insurmountable, problems in all nations in verifying budget actions. Physical reductions, such as base closings, troop reductions, termination of weapons tests, conversion of weapons research labs, would provide a higher degree of assurance that progress is being made.

Budget savings must nevertheless be an integral part of the process, tied explicitly

to the physical disarmament. To achieve savings, every announcement of a physical reduction must carry a price tab, which is in turn reflected in a corresponding drop in national military expenditures.

Safeguards must be created to ensure that arms reductions will continue and that savings are for the benefit of all. These safeguards should include national conversion committees to assist job changeovers, contributions by all military states to an enlarged program of international aid for those most in need, increase exchange of military information and an annual UN forum for review of progress.

DIVIDENDS

During the mutual example of the 1960's, military expenditures of the two superpowers, expressed in constant prices, were 20–25 per cent below present levels. If that understanding had held firm and military expenditures of the U.S. and U.S.S.R., after allowance for price inflation, had not exceeded 1965 levels, budget savings to the two superpowers alone would have amounted to $400 billion, in 1975 prices.

For the world as a whole it is not unreasonable to assume that the savings would have been considerably higher. Like the arms race itself, mutual example to diminish tensions can be contagious. If other nations had followed the example of the superpowers and held military expenditures at 1965 levels, overall savings would have amounted to $800 billion in just 12 years.

It is not difficult to imagine that the world today would have been a quite different place if $800 billion had been put to constructive rather than destructive use. The amount dwarfs even the most hopeful pleas of those who see the tragic needs of humanity today, and seek a change in world priorities.

The past often has a clear message for the future. The question is who will hear it.●

DRUGS IN SOUTH FLORIDA

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. WOLFF. Mr. Speaker, I am inserting in the RECORD at this time a thoughtful editorial from the Miami Herald, June 13, 1978 commenting on the critical situation faced by Federal and local authorities in south Florida because they do not have sufficient resources to combat drug smuggling. The House Select Committee on Narcotics Abuse and Control, of which I have the honor to be chairman, held 2 days of highly visible public hearings and field trips in Hollywood, Fla., at the urging of Congressman J. HERBERT BURKE ranking minority member, on the general subject of drug smuggling in that area on June 9 and 10, 1978. We found that Florida can be truly described as a disaster area comparable to that which would occur as a result of a hurricane, a flood, or war.

The editorial quite properly criticizes the Federal Government for not devoting at least reasonably adequate manpower and material resources to Florida in order to make a susbtantial effort at interfering with the vast quantities of drugs coming into the area from South America. The editorial critizes Congress and other departments of the Government for what it perceives to be a failure to provide law enforcement with the resources it needs to put up a meaningful fight.

The select committee, having been apprised of the emergency nature of this situation, sent a telegram from Florida to DEA, Customs, State Department, Coast Guard, and the White House, the agencies of Government having responsibility in this area, requesting an emergency meeting in Washington on Tuesday, June 13. The agencies immediately responded and on that date the following Members of Congress attended a meeting with representatives of these agencies: Chairman WOLFF, Congressmen PEPPER, FREY, FUQUA, IRELAND, BURKE, BIAGGI, AKAKA, ZEFERETTI, MURPHY, GILMAN, RANGEL, SKUBITZ, and ROGERS.

The fact that there was a dire, immediate emergency was made clear to the agencies at this meeting and they were requested to provide a step-by-step program to alleviate the law enforcement situation in south Florida and to assist the local officials in their efforts to intervene in the drug trade. The following proposals for an immediate remedy were made by the agencies with a promise that these recommendations would be immediately implemented.

First. A special White House review board would be established to coordinate all new Federal law enforcement efforts in the area.

Second. The implementation of special enforcement task forces to launch Federal agency joint operations including prosecutorial coastline enforcement and intelligence assistance in this area.

Third. Military assistance which would not be in conflict with posse comitatus legislation to include materials to be supplied to law enforcement such as: aircraft, boats, and sophisticated electronic surveillance equipment.

Fourth. International assistance would provide high level input, particularly Justice systems within Colombia, via U.S. CENTAX investigations, to provide for effective prosecution of Colombian nationals engaged in trafficking and living in Colombia.

Fifth. Additional requests to the Department of Justice which would alleviate the disparity of light sentencing of drug traffickers in the Florida region to be coordinated between the Attorney General and the Governor of Florida. The additional assignment of Customs personnel in Colombia, as well as south Florida, to aid in the analysis of intelligence, this activity to be augmented by additional DEA personnel in Florida and Colombia.

Sixth. Review of current U.S. legislation to control territorial waters and equate drug smuggling with piracy and slavery. This activity to take place in conjunction with new treaty initiatives with foreign countries to allow for expedient seizures of narcotics and smugglers on the high seas.

Seventh. A total review of equipment and manpower currently being utilized in the anti-narcotics activities currently in use in the Southeast region of the United States.

Eighth. That a full time Florida narcotics strike force be established in south Florida.

One of the most astounding revelations at the Select Committee's Florida hearings was the statement by the representative of the Federal Reserve System to the effect that there is presently a 180 percent increase in the amount of cash in 100 and 50 dollar bills being allocated to the Miami Federal Reserve System because of the tremendous demands for cash brought on by the drug trade. Miami was compared with other Federal Reserve districts of similar size and it was readily apparent that the Miami district required hundreds of millions of dollars in cash more than any other comparable Federal Reserve District.

Mr. Speaker, the House Select Committee on Narcotics Abuse and Control regards this problem as extremely serious and will monitor the activities of the Federal agencies who have promised the remedial action set forth to make certain that the full weight of the Federal law enforcement establishment will be brought to bear upon drug smuggling in Florida.

[From the Miami Herald, Tuesday, June 13, 1978]

AUTHORITIES NEED RESOURCES TO COMBAT DRUG SMUGGLING

When criminals can make a joke of law enforcement, the result is more than just rampant illegal acts. Respect for the law itself erodes, and with it the moral fiber of the community.

Small wonder, then, that drug smugglers have begun to assume the mantle of folk heroes in some quarters and that honest citizens speak with grudging admiration of fortunes built on the pot trade.

Despite the seizure of large amounts of cocaine and marijuana in the South Florida area since a stepped-up effort began last fall, the joke is still on the law. Nine-tenths of the drug traffic still gets through, according to some estimates. One lawman says the smugglers are still "beating the hell out of us."

We hope the sick joke reached its lowest point last Saturday. That was the day when not one of the U.S. Customs Service's eight locally based planes could get into the air; the aging fleet was grounded because of rust, mechanical defects—and lack of funds to correct them. A single rented craft was available, but it was on a special detail, leaving the skies open to smugglers.

This bizarre situation was only a symbol of the poverty budget that Customs has to work with every day. Funds for manpower and equipment have grown at a snail's pace in recent years while South Florida has rapidly become a world center for drug traffic.

Money is the ultimate weapon of the lawbreakers. They can get plenty of recruits for the risky but profitable smuggling trade. While the law struggles to find enough manpower and equipment, they can snap up fast yachts and airplanes to outrun Customs agents.

They can afford it. Marijuana sales alone gross about $5 billion a year in South Florida, and the profit margins are obscene. Bankers say area cash deposits have shot up by 180 percent in the past three years. Smugglers like to deal in cash, and keep big sums on hand.

Congress could wipe the satisfied smile off the face of the smugglers by simply giving law enforcement the resources it needs to fight back. That supposedly was the reason for the local visit last weekend of the House Select Committee on Narcotics Abuse and Control, a much-publicized outing.

We await results of the committee's visit with a trace of skepticism born of experience.

Members have called the situation a "disaster" and summoned four Federal drug-enforcement officials to a meeting this week to outline what should and can be done about it.

Other congressmen have come and gone with similar promises, yet smugglers continue to have the last laugh. We hope the committee means business this time; the jokes about drug-running yachtsmen zooming past agents in clunky hulks are wearing thin.●

ROUND TOP: A LITTLE TOWN WITH BIG MUSIC

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. PICKLE. Mr. Speaker, I was very pleased to see the recent article in the Wall Street Journal about the opening of the eighth season of the Round Top Festival which draws world-renowned artists to this small town in my district every year.

The Round Top Festival is truly a "diamond in the rough." Set in the rolling ranch country of northern Fayette County, it may seem at first that the festival is out of place. But I agree with James Dick, who started the festival in 1971, that it certainly belongs in Round Top whose Mayor Don Nagel is as colorful as that community is picturesque.

I have been to the festival several times and I have always been impressed with the quality of the performances and the performers that Mr. Dick has brought to our area of central Texas. Each summer he helps transform this quiet little rural town into an international cultural center. I think it is definitely an asset not only for the community but also for the students and artists who come to the festival.

I would like to share this article with my colleagues with the hope that they will visit the festival if they ever have the opportunity.

[From the Wall Street Journal, Friday, June 16, 1978]

GRAND MUSIC IN LITTLE ROUND TOP (POP., 74)

(By E. Nissen)

The dawn sun was just stoking up as Steven De Groote, a young South African pianist and first-prize winner in the 1977 Van Cliburn competition, walked into an open pasture in southeast Texas, lifted the lid of a concert grand piano, and began to practice a Schubert fantasy.

That night, under a bass-clef moon, Mr. De Groote played the piece before a pasture-capacity audience that had come by bus from San Antonio, by pickup truck from La Grange and on foot from just down the road a piece on highway 237.

The concert opened the eighth season of the Round Top Festival, a major classical music festival in Texas, which runs from June 9 to July 8 in Round Top, Texas, population 74, the smallest incorporated city in a state that thinks big. Round Top, named for a house with a rounded roof that used to be a landmark for the arriving stagecoach, is within two hours drive of Houston, Austin and San Antonio.

"There's sure a lot of places in this country where they could'a put this festival," said Herman Birkelbach, owner of the town's one cafe, as he turned chicken over an outdoor wood fire for a lunch customer. "But they put all that music out here. And, would you believe it, people come from all over the world to go out in that field and hear it."

Almost a thousand people came last Friday for the opening concert, bringing picnic dinners, blankets and folding lawn chairs. During the concert scissortails sang in the cedar trees and katydids chorused with Debussy. Restless children ran in side pastures and pointed at cows.

The Round Top Festival was started with borrowed money and compounded faith in 1971 by James Dick, 37, the only American concert pianist to win top prizes in the Tchaikovsky, Leventritt and Busoni competitions. "I love Texas, and I wanted a place here where music could be played and heard and learned," said Mr. Dick as be listened to a technician tune a concert grand in the humid spring air.

Solo and chamber music concerts are played every weekend during the festival by such internationally acclaimed artists as violinist Young-Uck Kim, cellists Yehuda Hanani and Yo-Yo Ma, by Mr. Dick himself and by the students who come to the festival from around the world to take master classes and play in the festival orchestra.

The concerts are held in the pasture, a soft half-acre apron of grass named the Sid W. Richardson Concert Square, and in the brick courtyard of a gabled 1870 Victorian farmhouse that rests under the blessing of century-old live oak trees on the festival grounds.

More than 10,000 people came to the concerts here last year, and half again as many are expected this season.

"There's something about hearing music outdoors," said Marion Scarborough, who brought her five-year-old son, H. L. and a bottle of wine to the concert from Houston. "This is more like music must have been centuries ago."

"The artists are the same caliber you get in Houston and Dallas, and it's so very beautiful out here," said Ann Walker, who brought 37 members of the San Antonio Opera Guild to Round Top by bus for Mr. De Groote's concert. "This is a hip crowd, so they know where to go for good music."

R. Z. Afflerbach, who runs the grocery store in neighboring Carmine and who can count the days he's been out of town since he was born there in 1900, said few of the locals went to the concerts. "Us, we don't much know about the opry-like music they play," said Mr. Afflerbach. "The people who go are from the really big towns, like Giddings and Brenham."

While Round Top residents may prefer Country-and-Western music to concertos, many helped with the restoration of the festival's farmhouse and the restructuring of the old barn into a student dormitory. Mr. Birkelbach proudly tells visitors that his son worked on the festival's entry gate, a replica of the gate to Tchaikovsky's summer home near Moscow, made of Texas cedar and cherry-red brick from Austin. "The people here in town still know how to do that fine woodworking," said Don Nagel, the mayor of Round Top since 1957, as he sharpened a mower blade in his chain-saw and mower-repair shop. "We're all real proud of that work there.

The Round Top area was settled in the 1840s by German and Czech immigrants, and most of the townspeople still speak German ("although it's just a chigger rusty after so long," said one). Texas barbecue is served with sauerkraut and spaetzle; a sign in the general store, which sells everything from soda water to plows, advertises an all-polka radio show.

There is little discord between this blink-long city and the festival. "Of course, it's good for business," said Mr. Birkelbach, "but it's a real fine thing too. We get to see the students when they come down the road for a cold drink or something. We don't see many young people anymore. They leave here, soon as they grow up."

The 50 students at the festival this year, who range from high-school age to post-graduates, were chosen by cassette-tape audition. They spend between two and six weeks at Round Top taking master classes, studying with the visiting artists and attending seminars in architecture and local history, as well as music-related topics. The topic this week was a discussion with Robert Finn, music critic for the Cleveland Plain Dealer, entitled "The Critic and the Artist: A Case for Detente." Students give public concerts midweek and Sunday afternoon in the farmhouse parlor. And they practice, sometimes outdoors, if they can find a slice of shade.

"There's no place quite like this," said Dick Ehlert, a 17-year-old pianist from Austin. "It's small enough that you don't get looked over here." Mr. Ehlert and four other students were teaching Mr. De Groote how to play Hearts and joking with him about bringing their music scores to his concert to watch for his mistakes. "One of the best things here is that you can get close to the artists," one student said afterward. "You can see that they're like you, that they're not gods."

"What I wanted all this to be was a place where one could make a musical life for oneself," said Mr. Dick. "It's a perfect place for that. The country inspired much of the music we play here. It's not strange that this festival is in Round Top. It belongs here."

THE ROAD TO PROSPERITY—PART IX—THE CHASE STUDY

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

Mr. STEIGER. Mr. Speaker, I have inserted in the RECORD various economic studies of H.R. 12111, the Steiger-Jenkins-Hansen Investment Incentive Act for review by the Members. These studies have analyzed the benefits—economic growth, more investment, jobs creation, and higher tax revenues—which would result from the lower tax on capital proposed by our bill.

Today, I would like to bring to the Members' attention a rather controversial study, the "Chase Econometrics Study." There has been a vigorous debate over the assumptions used in the study. However, the critics have not been able to devise a better model. We have to rely on the best information available for our decisions. Thus, I hope the Members will take the time to read the following study.

CHASE ECONOMETRIC STUDY

(NOTE.—Graphs not printed in the RECORD)

Chase Econometric Associates, Inc. (CEAI) has undertaken this study to determine the economic effect of a reduction in capital gains taxes. In particular, it is assumed that the maximum rate on capital gains taxes is reduced from the current maximum rate of 49.125 percent to 25 percent on January 1, 1980. It is also assumed that the maximum rate of 25 percent applies to both individuals and corporations, and that capital gains are eliminated from the list of tax preference items used in computing the minimum and maximum tax.

Under such legislation, the rate of growth in constant-dollar GNP for the period 1980–1985 would average 3.6 percent, compared to a 3.4 percent annual average growth rate otherwise. An additional 440,000 new jobs would be created by 1985. Expenditures for plant and equipment would rise 5.7 percent per year in constant prices, compared to 4.7 percent otherwise. In addition, the Federal budget deficit would be $16 billion less by 1985 than would be the case without this reduction in capital gains taxes. These numerical comparisons are given in Table 1 and in Figures 1–4.

The reduction in capital gains taxes stimulates economic activity through the following combination of events:

(1) A reduction in capital gains taxes raises stock prices.

(2) Higher stock prices lead to a faster rate of growth in capital spending.

(3) Higher stock prices lead to more equity financing, which reduces the debt/equity ratios of corporations. As a result, interest rates are lower than would otherwise be the case.

TABLE 1.—COMPARISON OF KEY ECONOMIC INDICATORS

	1980	1981	1982	1983	1984	1985
Real GNP, billions of 1978 dollars:						
Baseline	2,244	2,321	2,395	2,475	2,562	2,647
Lower capital gains taxes	2,247	2,331	2,410	2,492	2,583	2,673
Difference	3	10	15	17	21	26
Cumulative difference	3	13	28	45	66	92
Real GNP, annual percent increase:						
Baseline	3.9	3.4	3.2	3.4	3.5	3.3
Lower capital gains taxes	4.0	3.8	3.4	3.4	3.7	3.5
Difference	0.1	0.4	0.2	0	0.2	0.2
Cumulative difference	0.1	0.5	0.7	0.7	0.9	1.1
Employment, millions, total nonfarm:						
Baseline	83.3	91.4	93.4	95.5	97.7	100.2
Lower capital gains taxes	89.3	91.6	93.7	95.8	98.1	100.6
Difference	0	0.2	0.3	0.3	0.4	0.1
Cumulative difference	0	0.2	0.5	0.8	1.2	1.6
Fixed business investment, billions of 1978 dollars:						
Baseline	236	251	262	271	283	294
Lower capital gains taxes	239	256	269	280	292	304
Difference	3	5	7	9	9	10
Cumulative difference	3	8	15	24	33	43
Federal budget deficit, billions of current dollars:						
Baseline	77.2	62.7	60.3	59.2	52.2	49.4
Lower capital gains taxes	76.5	58.8	53.9	51.4	41.5	33.8
Difference	0.7	3.9	6.4	7.8	10.7	15.6
Cumulative difference	0.7	4.6	11.0	18.8	29.5	45.1

(4) More investment creates higher levels of output, employment, and income, and reduces inflationary pressures by increasing productivity and raising maximum potential GNP.

(5) The increase in economic activity raises Federal government revenues, hence reducing the budget deficit. This in turn leads to lower interest rates and lower rates of inflation.

We now examine each of these linkages in greater detail.

Economists generally agree that an increase in capital gains taxes will depress the stock market, while a reduction will raise stock prices. However, the link between these two variables has not often been measured. Some studies which purport to show a link between capital gains taxes and economic activity merely assert that such a relationship does exist without providing empirical justification. However, as shown in Figure 5, the relationship is extremely important. The sharp declines in the stock market in 1969–70 and 1977–78 are due in large part to the Tax Reform Acts of 1968 and 1976. While changes in interest rates, inflation, and profits also affected stock market behavior in these years, the decline was greater than can be accounted for by the factors above. We have found that after a two-year period, a 10 percent increase in the capital gains tax reduces an average of stock market prices [1] by about 17 percent. Thus a reduction in the maximum capital gains tax rate from 49.1 percent to 25 percent would raise stock prices about 40 percent by 1982 relative to what would occur if capital gains taxes remained at present levels.

To put this decline in perspective, the average price/earnings ratio for 1964–68 period—after the reduction in the maximum personal income tax rate but before the increase in the capital gains rate—was 17.4; in 1977 it was only slightly above 9. While it is true that interest rates and inflation are higher now than they were then, this discrepancy cannot be explained without recourse to the change in capital gains taxes.

The total change in stock prices caused by a change in capital gains taxes does not occur instantaneously because of the lock-in effect. Higher capital gains taxes reduce the number of individuals willing to sell their stock at any given time; since these capital gains remain unrealized, less new funds are available for purchases of other stock and hence prices gradually decline. We have found that this effect usually takes about two years to become fully operative. Similarly, a reduction in capital gains taxes will not cause all individuals to sell their assets immediately. However, many investors will sell sooner; as this happens, more funds will be committed to purchases of equities. This will raise stock prices and cause an increasing number of investors to realize their capital gains, thus providing even more funds for equity financing. Hence we would expect the full effect of a reduction in capital gains taxes on stock prices to occur in 1981 and 1982.

The effect of higher stock market prices on fixed business investment has been well documented and in fact is now accepted by leading economists of both political parties. This relationship is shown both in the 1977 Economic Report of the President, prepared by Alan Greenspan (pp. 29–30) and the 1978 report prepared by Charles Schultze (pp. 68–70). Figure 6 shows the exceedingly close relationship between the ratio of fixed business investment to GNP and the ratio of equity prices to construction costs lagged one year. The one-year lag reflects both the decision lag by entrepreneurs and corporate executives and the time necessary for actual construction and delivery of capital goods.

The theory behind the importance of this ratio centers on the relative costs of building new facilities to buying old ones. When equity prices are high relative to construction costs, ongoing businesses are relatively expensive to acquire, so firms will expand their existing facilities and increase their investment in plant and equipment. On the other hand, when the cost of buying existing facilities is well below the cost of new capital goods, as is the case today, profit-maximizing firms will not expand if they can purchase existing assets more cheaply.

As a result, it is not surprising to find that the effect of an increase in stock prices is relatively more important for nonresidential construction than it is for purchases of producers durable equipment. As is shown in the computer printout tables included at the end of this report, the reduction in capital gains taxes would raise nonresidential construction by an additional 2.5 percent per year over the 1980–85 period, while the incremental increase in producers durable equipment would be a substantial but nonetheless substantially lower 0.4 percent per year.

The third linkage is between stock market prices and interest rates, or between the debt and equity cost of capital. The declines in the stock market over the past decade have been mirrored in the sharp increase in the amount of debt financing. This graph shows the comparison between (a) the ratio of the market value (i.e. stock prices) to replacement cost of net assets [2] and (b) the volume of new corporate debt issues. In particular one should note the sharp increase in debt financing whenever this ratio dips below unity. That should come as no surprise, since firms are extremely unlikely to issue new equity issues when their stock price is below book value—as has been the case since 1974.

Our analysis indicates that a 40-percent in stock market prices, which would raise this ratio slightly above unity, would lower the volume of new corporate issued by about $5 billion per year, which would reduce long-term bond yields by about 50 basis points at any given level of economic activity.

Since demand for loanable funds by both consumers and investors would rise because of the heightened level of economic activity, interest rates would not actually decline this much, but the switch from debt to equity capital would lighten the burden in financial markets and would be critical in preventing crowding out from occurring. In other words, an increase in the investment ratio from 9.5 percent to 10.6 percent cannot be supported in the capital markets unless the debt/equity ratio were to diminish dramatically, which in turn cannot be accomplished at present levels of capital gains tax rates.

The fourth linkage incorporates what is usually known as multiplier analysis. An increase of $1 billion in spending will result in the creation of more jobs, which will raise individual and corporate incomes and hence result in more purchases of consumer and capital goods. Most economists agree that the investment multiplier is about 2 which means that every $1 billion increase in capital spending caused by higher stock market prices will result in about $2 billion more in real GNP.

It should be mentioned that the multiplier is much smaller for increases in spending which are inflationary, for the increase in prices and interest rates has a negative impact on consumer and capital spending. In general, increases in spending which do not raise productivity tend to have much smaller ultimate effects on economic activity because of the backlash of higher inflation. For this reason, the investment multiplier is usually higher than the spending multiplier for either consumption or government purchases. An increase in the amount of capital per unit of output improves the rate of growth in productivity and expands the production possibility frontier of the economy, hence lessening the probability of

[1] All references to stock market prices and associated calculations are based on the Standard & Poor's 500 stock index.

[2] These figures are taken from Table 8, p. 68 of the 1978 Economic Report of the President.

bottlenecks and shortages. Since goods and services are now produced more efficiently, the rate of inflation does not rise as rapidly, and the gains in individual and corporate income stemming from more jobs and higher output are not eroded by higher inflation. For this reason, changes in fiscal and monetary policy which stimulate investment give a bigger "bang for the buck" than do other types of economic policies. The only drawback to policies that stimulate investment is that the lag is somewhat longer, since investment decisions take time to implement and investment goods take time to produce or construct. Thus the first year effect is often not as large, although the effects in all succeeding years are significantly larger per dollar of increased stimulus.

We now turn to the critical issue of the effect of a reduction in capital gains taxes on the Federal budget deficit. Economists, businessmen and politicians are in general agreement that reducing tax rates has some positive effect on economic growth and employment. The major drawback to tax cuts is that they increase the size of the Federal budget deficit, which often leads to higher interest rates and a faster rate of inflation.

Some economists have argued that the Federal budget deficit can actually be decreased through a reduction in personal or corporate income tax rates. The logic supporting this hypothesis suggests that the economic effects stemming from these tax cuts will be so large that the increase in revenue will offset the initial decline. However, this claim is unsupported by empirical evidence. In 1977, Federal government revenues accounted for exactly 20% of total GNP. Thus in order for an income tax cut to leave the deficit unchanged, the implicit spending multiplier would have to be about 5, far greater than the investment multiplier of about 2. While we have often argued for a reduction in personal and corporate income tax rates because of their positive effects on productivity and incentives and their beneficial long-term effects in widening the private sector tax base, we have never claimed that such a move would actually decrease the size of the Federal budget deficit.

The capital gains tax, however, is unique in its leveraged effect on the economy. The major reason for this, and the factor which distinguishes the capital gains taxes from all other levels, is that the taxpayer can in large part determine whether or not he wishes to pay the tax. For most individuals who are unhappy with their high marginal tax bracket, the only (legal) option is to earn less income. Tax avoidance and tax shelters provide some limited relief, but the options are sharply constrained. However, the owner of a capital asset can delay his tax indefinitely by the simple expedient of not selling the asset. Such a decision is economically inefficient, for it restrains capital from flowing to its most productive use and hence retards growth in productivity and output. However, this option is available to taxpayers with capital assets, and most of them use it.

As a result, the revenue raised from capital gains taxes is miniscule relative to the levels of Federal personal and corporate income taxes. Figures for capital gains taxes are not readily available, but Joseph A. Pechman has prepared estimates through 1973 for both personal and corporate taxpayers, and Richard Rahn has prepared estimates through 1975. Both these sets of figures, which are given in Table 2, show the same general pattern of capital gains taxes.

Two facts are immediately apparent from these figures. First, the amount of tax collected is relatively small, generally less than 5% of Federal income tax. Second, and of particular interest for this study, the amount of capital gains tax paid in 1969, when rates were increased to a maximum of 40%, are substantially less than in 1968, the last year of 25% maximum rates.

To be sure, some of this may be due to the fact that individuals who knew that they would face higher tax rates in the following year elected to sell a disproportionately large part of their assets in 1968. However, tax collecting have remained below 1968 peaks through 1975 and are certainly not likely to be higher for 1976 and 1977 in view of the dismal performance of the stock market.

The counterargument to be made is that capital gains taxes have declined since 1968 because of the relatively poor performance of the market since that date. This argument is not well taken, however, for two reasons. First, the stagnation of the market itself is due to the higher capital gains taxes, as we have already shown. Second, the amount of capital gains taxes is relatively insensitive to the yearly fluctuations in the market, as can also be seen from the figures presented in Table 2. The capital gains taxes in 1971 and 1972, which were relatively good years for the market, were only about $1 billion greater than in 1974, which was a disastrous year.

TABLE 2.—ESTIMATES OF CAPITAL GAINS TAXES

	Pechman estimates			Rahn estimates, total	Total capital gains, individual income tax returns	Percent change, stock price	Pechman estimates			Rahn estimates, total	Total capital gains, individual income tax returns	Percent change, stock price
	Individual [1]	Corporation	Total				Individual [1]	Corporation	Total			
1960	1.9	0.6	2.5		5.1	−2.7	1968	7.2	1.3	8.5	7.2	17.7	7.9
1961	2.9	.8	3.7		7.6	18.7	1969	4.8	1.4	6.2	5.9	14.3	−.4
1962	2.1	.7	2.8		5.8	−5.9	1970	2.3	1.1	3.4	3.6	8.7	−14.1
1963	2.3	.7	3.0		6.4	12.0	1971	3.8	1.3	5.1	5.3	13.1	18.1
1964	2.7	.7	3.4		7.9	16.5	1972	5.3	1.8	7.1	6.9	16.7	11.1
1965	3.4	.8	4.2	4.1	10.0	8.4	1973	5.0	2.0	7.0	6.8	16.1	−1.6
1966	3.4	.9	4.3	4.0	9.7	−3.3	1974			NA	5.6	13.5	−22.9
1967	5.0	1.0	6.0	5.5	13.5	7.8	1975 [2]			NA	5.5	13.7	4.0

[1] Including fiduciaries.
[2] Latest year currently available; figures are preliminary.

Sources: For cols. 1 to 3 Joseph A. Pechman: Federal Tax Policy, 3d ed, table C-13, p. 352; for col. 4 Richard Rahn: "The Myth of the Revenue Loss Resulting From Capital Gains Tax Rate Cuts."

Of equal importance with this argument is the relatively small magnitude of the total capital gains tax, which is currently only about $5 billion for individuals and $2 billion for corporations. Let us first undertake a static analysis. Assume that the maximum tax rate is reduced from 50% to 25% for individuals and from 30% to 25% for corporations. Even if this had no stimulative effect on the stock market and did not induce a single investor to unlock any capital gains, the maximum revenue loss would only be $3 billion. However, this figure is too high for at least two reasons. First, the average capital gains tax rate is closer to 35% than 49%; although investment decisions are made on the margin, the revenue loss calculations are based on the average rate. Thus the maximum revenue loss would be no higher than $2 billion. Second, just as the increase in the capital gains tax rate caused investors to offer fewer assets for sale, a decline would result in much greater activity in the stock market and would increase the total amount of capital gains.

As a result of these factors, our analysis suggests that the reduction in the capital gains tax would be revenue neutral. In other words, a reduction in the maximum capital gains tax rate from 49% to 25% would have virtually no effect on capital gains revenue. To this must be added the increase in Federal tax receipts caused by the increase in economic activity, which would raise Federal receipts by $0.7 billion in 1980 and $15.6 billion in 1985.

The "bootstrap" effect, which is said to occur when the increase in Federal receipts is greater than the initial tax loss, does not work for reductions in personal or corporate income tax rates. This effect is unique to the capital gains tax for two reasons. First, the expected revenue loss would not occur because taxpayers have the option either to sell or hold their capital assets. Reducing the rates would unlock the sales of many capital assets, hence leading to an increase in volume which would offset the decline in the rate. Second, the reduction of capital gains would have a very marked stimulative effect on the stock market, which would in turn result in a major investment boom. A reduction in income tax rates that would have a similar effect on aggregate demand could occur only at the cost of far higher budget deficits. As a result, a reduction in the capital gains tax represents the only type of tax policy which will stimulate the economy and yet reduce the Federal budget deficit over a five-year period.●

ST. PAUL—A CITY BLOOMS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. VENTO. Mr. Speaker, I want to bring to the attention of my colleagues the enclosed article from the St. Paul Dispatch/Pioneer Press on just one aspect of the incredible renovation taking place in our fair city.

St. Paul has been variously described as a typical "aging middlewestern city," and several years ago groups were formed to change this image under the leadership of the city administration, the chamber of commerce and the Trades and Labor Assembly, AFL–CIO. First there was the Capitol Centre project involving chiefly the financial institutions and the new Federal Courts Building, and then operation No. 85 was formed to implement plans for the rebirth of the core city area. After years of study, many frustrations

and many false starts, St. Paul is enjoying an unprecedented boom in terms of residential, business, and public construction.

While unemployment in Minnesota has consistently been at a rate about two-thirds the national average, the current figures for the metropolitan St. Paul-Minneapolis area is but 2.8 percent. The recent announcement by Ford Motor Co. that they will spend $23 million and add 300 employees at the St. Paul plant bodes well for the future. Additionally, the McKnight Foundation agreed to commit $10,000,000 to the redevelopment of Lowertown—an aging wholesale section of St. Paul. This unique grant is aimed at restoration consonant with the preservation of the basic architectural charm and historic significance of the area. I could go on to list all of the projects in process all over town—not just the inner city. The proposed people mover, the new parking proposals, the Oxford-Radisson hotel development, the Mears Carley downtown housing, and so on.

Suffice to say that this rebirth of a fine and proud city has been accomplished by a spirit of cooperation among all elements: The public commitment, by a fine mayor and city council, State government involvement—through both legislative acts and the administration, Federal help cutting across several agencies (HUD, EDA, and SBA), and finally a unified labor-business community led by operation No. 85 which brought realization to our dreams and hopes.

Les Layton's article describes graphically one element of our city's commerce, and I heartily recommend it to you.

[From the Dispatch, Tuesday, June 13, 1978]

ST. PAUL BOOKED SOLID

(By Les Layton)

People often have said one could drop a bomb in downtown St. Paul after 6 p.m. and not hurt anyone. That apparently no longer is the case. At least not this month.

Hotels are booked solid, bars are crowded and people sometimes even need reservations for dinner in downtown restaurants. Last night, on Monday of all days, it was extremely difficult even to find a free parking space.

"This June is the biggest convention month this city has ever seen," says John Geisler, director of St. Paul's Convention and Visitors Bureau.

"We've been sold out for June since a couple months ago," said William Brose, general manager of the St. Paul Radisson Hotel. "This is the best month the hotel ever has had as far as sales are concerned."

The Radisson, Holiday Inn-State Capitol, Capp-Towers Motor Hotel, Midway Twins Motor Inn, Ramada Inn and Howard Johnson's Motor Lodge all are having their best years, according to Geisler. And even the St. Paul Hotel has had plenty of "no vacancy" nights.

Among the major conventions in St. Paul this month include those of the state DFL, radio and television promotion directors, Gamble-Skogmo distributors, National Attorneys Association. Minnesota Bar Association, state VFW and a large group of physicians. The VFW gathering alone this week will attract 2,000 people.

Why the turnaround?

Geisler said there are three major reasons: (1) More aggressive sales efforts on the part of local motel and hotel operators as well as the St. Paul Area Chamber of Commerce; (2) new management at most of the St. Paul facilities; (3) remodeling and redecorating at almost every major St. Paul hotel and motel.

"Improve your facilities," Geisler said last week during an interview. "That's the key. Word of mouth (about the improved quarters) is getting out, and one group attracts another."

The Radisson's recent $3 million investment in its 10-year-old hotel (formerly managed by Hilton Hotel Corp.) and a $1.5 million remodeling program at the Holiday Inn-State Capitol have been the largest improvement programs at downtown hotels and motels.

The capital investments are being paid for with much higher occupancy rates, according to Geisler.

The Radisson is an example. St. Paul's leading hotel had an annual occupancy rate of 53 percent in 1975 when Radisson took it over. That figure will be about 75 percent for this year through June, Brose said last week. June alone will be more than 90.

The annual occupancy average for all St. Paul facilities was 57 percent about four years ago, Geisler said. Now it's approaching 70 percent. Hotels and motels generally start making money when occupancy rises more than 65 percent, Geisler said. The St. Paul Radisson made money in its first year—1976—when occupancy was just less than 60 percent, Brose said.

The busy convention schedule helps the tills of downtown business establishments, but also it creates problems for the traveling public. Geisler said his agency can help consumers find rooms during the hectic month.

"We call every hotel and motel every morning and have constant surveys on hand," Geisler said. "Normally there is a place you can go. People are lucky there are so many rooms available in the area."

July and August will be slower than June, according to Geisler, but those months traditionally are strong because of the summer tourist trade. The end of August and early September are boosted by the Minnesota State Fair, which consumes most motel and hotel rooms in the city.

The new Radisson to be completed sometime in 1980 will help the city attract even more conventions, Geisler said, because the hotel room capacity will increase 25 percent to 1,250. The new Holiday Inn scheduled to open this fall next to Maplewood Mall also will add 120 rooms to area capacity. Those beds probably will be necessary next summer when the National Street Rod convention brings 2,500 to 3,000 people to town.

And if the high occupancy rates prompt you to book ahead for next year's Minnesota high school hockey tournament, forget it. Geisler says rooms that week already are taken.

EMPLOYEE-COMMUNITY OWNERSHIP TO SAVE JOBS WHEN FIRMS SHUT DOWN

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. KOSTMAYER. Mr. Speaker, on March 1, 1978, I introduced the Voluntary Job Preservation and Community Stabilization Act, H.R. 12094 together with my colleagues Mr. LUNDINE and Mr. MCHUGH, of New York.

This legislation provides loans to employee and employee-community groups to purchase firms due to shut down, but where the continued operation of those firms is feasible. I am pleased at the response this bill has received. So far 49 of our colleagues have become cosponsors.

I wish to bring to the attention of my colleagues an article by Prof. William Foote Whyte which considers the problem of firm shutdowns in the American economy and the potential of employee and employee-community ownership to save jobs. Professor Whyte is a noted sociologist and expert in labor and industrial relations at Cornell University's New York School of Industrial and Labor Relations. He is director of the school's new systems of work participation program and directs a series of case studies of five employee and employee-community owned firms while monitoring the development of these trends throughout the country. He has been president of the Industrial Relations Research Association and the Society of Applied Anthropology. He is presently a member of the governing council of the American Sociological Association and a recipient of the career research award of the National Institute of Mental Health.

IN SUPPORT OF THE VOLUNTARY JOB PRESERVATION AND COMMUNITY STABILIZATION ACT

(By William Foote Whyte)

The purpose of this statement is to bring to bear the findings of Cornell University's New Systems of Work and Participation Program in support of the Voluntary Job Preservation and Community Stabilization Act, which was introduced March 1 to the House of Representatives by Congressmen Peter H. Kostmayer, Stanley N. Lundine, and Matthew F. McHugh.

In the case of an impending plant shutdown, H.R. 11222 is designed to assist employee or employee-community organizations toward purchasing the plant and thereby maintaining jobs. Loans are to be authorized only if a feasibility study indicates a reasonable chance that the newly formed company will be successful.

Responsibility for the proposed program is assigned to the Secretary of Commerce, acting through the Economic Development Administration. While that agency has had most experience in saving jobs through transferring of ownership, EDA now has other legislatively mandated priorities and thus currently has neither funds nor programs designed for the purposes of this Act.

EDA is to provide two types of loans, one to the newly formed company, the other to individual employees. Employees are to repay the loans through payroll deductions, with the company serving as collection agency for EDA.

Either directly or through contract, EDA is to provide technical assistance to the emerging new company. Such technical assistance is not to be limited to a feasibility study, covering financial, technical, legal, and marketing problems. EDA is also to provide information and consultation on forms of organization and control and other organizational aspects important to establishing a viable enterprise.

In order to qualify for loans and technical assistance, the organization must certify to the Secretary that the form of ownership and control . . . has been adopted by members of the organization after full consideration and deliberation of all options related to the form of ownership and control available under the laws of the state in which the concern is located.

The new company must also establish regulations and procedures to include future employees in ownership on a non-discrimi-

natory basis and to repurchase stock owned by employees who quit, retire, or die.

The technical assistance offered by EDA is to include consultation on the quality of working life, productivity and increased employee participation in decision making.

UNEMPLOYMENT AND CONGLOMERATE MERGERS

The need for H.R. 11222 must be seen against the background of national economic trends. According to Mark Nadel (Corporations and Public Accountability), the 200 largest corporations held 47.7 percent of the nation's manufacturing assets in 1950, and that figure had risen to 60 percent by 1972. Where will we be in 1984?

The conglomerate merger movement reached its peak in the years 1967–69, with over 3,500 mergers annually, and the trend continues but at a slower pace. On the Op–Ed page of The New York Times (January 22, 1978), Walter B. Kissinger, Chief Executive Officer of a company listed on the New York Stock Exchange, expressed his concern in these words:

"As a result of takeovers, more than 100 public companies lost their independence in the course of 1977, causing great destruction and waste for their managers and employees and for the communities in which they operate. More than 20 billion dollars of corporate cash resources that could have been used to create new production and employment opportunities will instead have been devoted to rearranging the ownership of existing properties."

We are finding that this accumulation of properties is frequently followed by the divestiture of plants that are considered expendable by conglomerate management. Our studies of such divestitures have led us to recognize three widely held myths.

The first myth is that a big company would not shut down a plant that was making money. In a growing number of cases, conglomerate decision makers shut down a profitable operation because they believe they can make more money in other parts of their economic empire. For example, a plant producing library furniture in Herkimer, N.Y., had made a profit in 19 out of 20 years it had been owned by Sperry-Rand, but it fell short of the 22 percent on invested capital which top management had set as its standard of success.

In other cases, plant shutdowns are threatened by the financial collapse of the conglomerate. As an officer of the New Jersey cable manufacturer said to me, "Okonite has always been a successful operation. But during a ten year period we were owned twice by Jimmy Ling. That says it all."

A second myth is the assumption of big business efficiency: if a big company could not make money with this plant, it could not possibly be successful under employee ownership. Consider the case of the Van Raalte Company whose 16 plants manufactured top quality women's undergarments. When taken over by Cluett-Peabody in 1968, Van Raalte had a sales volume of $72 million. By 1974 that volume was down to $20 million on which Cluett-Peabody suffered a loss of $11 million. Such a catastrophic decline can be accounted for only by gross mismanagement from remote conglomerate headquarters.

The third myth is that we can expect our leading companies to play a major part in reducing our current high levels of unemployment. Reporting on an important study carried out by the House Sub-Committee on Small Business, Anti-trust, Consumers and Employment, Congressman John Breckinridge pointed out (CONGRESSIONAL RECORD, March 8, 1978) that the 1,000 largest corporations contributed less than one percent to the more than 9.5 million jobs added to our economy in the 8 years, 1969–76.

The record indicates that we are misdirecting our efforts to solve the unemployment problem if we simply concentrate upon measures designed to favor the expansion of big business. We need to redirect government programs to stimulate the efforts of employees and community people to preserve jobs and create new enterprises.

CAN EMPLOYMENT OWNERSHIP SAVE JOBS?

A 1975 poll by Hart Research showed that 66% of a national sample expressed a preference for working in an employee owned firm rather than in a firm owned by private investors or by government. The idea is popular, but is it practical?

To answer that question, we must restate it into two separate questions. The first question is—Can a conversion of a privately owned plant to employee or employee-community ownership save jobs that would otherwise be lost and maintain employment through building an economically viable enterprise?

Since this type of change did not happen with any frequency until the 1970s, the track record of these firms is short, but the evidence indicates that such ownership conversions are becoming an important means of preserving and expanding jobs.

In all four U.S. cases we have studied, Saratoga Knitting Mill, Mohawk Valley Community Corporation (formerly the Library Bureau), Jamestown Metal Products, and Vermont Asbestos Group, and also in Byers Transport Ltd. in Western Canada, employment has been maintained or expanded.

The same pattern appears to hold for many other cases on which we have less complete information. The growing list includes the Chicago and Northwestern Railroad, South Bend Lathe Co. in Indiana, the Okonite Company (plants in New Jersey and two other states), Sea-Pak Corp. (frozen foods plants in Georgia and Texas), Bates Fabrics Co. in Maine, and Pacific Paperboard Products (plants in California and Oregon).

Even this incomplete list of cases indicates that the problem is not simply regional. While shutdowns have been occurring with higher frequencies in the older industrialized sections of the country, a shutdown and the consequent economic and social blight upon a community can take place anywhere.

The size of the new firms ranges from 116 to 13,000 employees. A financial analysis of each of these firms is beyond the scope of this statement, but changes in the value of company stock may be taken to reflect economic performance. Vermont Asbestos Group stock bought in 1974 for $50 has recently been selling for $1,834. Since that spectacular increase was caused primarily by a sharp rise in the price of asbestos, we may wish to disregard that case. Limiting our cases to those others on which we have a record of more than one year of operations, we find that the value of the stock has risen substantially.

CAN EMPLOYEE OWNERSHIP SURVIVE IN THE LONG RUN?

The second important question is—Can employee ownership survive in the long run?

Howard Aldrich and Robert Stern have been directing a study of cooperative or worker owned production firms from 1790 to 1970 in the United States. They found records of well over 500 such organizations during this long period yet the capacity for survival of these firms has been unimpressive. When control of the firm is based upon the amount of stock owned, as the firm succeeds, the stock rises so much in value that new employees cannot buy the stock of retiring members. Furthermore, firms can lose that form of ownership for lack of capital for expansion. Such was the case with what is now the Amana Corporation. As Amana reached the point where its leaders needed large loans in order to expand their facilities, they were able to get the necessary credit only through selling out to private investors.

We find the most impressive long run record among the plywood cooperatives of the Pacific Northwest, but even here there has been some erosion of ownership. Paul Bernstein (World of Work Report, May 1977) reports that the plywood cooperatives have on the average been superior to privately owned plywood firms both in productivity and in the economic rewards paid to their workers-members. Bernstein states that "at least twenty-six worker-owned mills have been in operation, but today there are only sixteen." He adds, "Ironically, it is the economically most successful worker-owned firms that are liable to be sold . . ."

This analysis suggests that in the United States most employee owned firms have found themselves in a catch-22 situation: over a period of years they were doomed to lose this form of ownership either because they failed or because they were successful.

If workers and managers wish not only to maintain jobs but also to maintain employee ownership in an economy dominated by private enterprise, they need to examine new organizational models. In Europe we find a number of firms that have remained employee owned for many years, but generally these have been isolated cases that have shown little capacity for growth or for the creation of new firms. The major exception to this generalization is the system of industrial production cooperatives centered in Mondragón in the Basque country of Spain. Both in economic growth and in the maintenance of employee ownership this system has become so strikingly successful as to command the attention of all serious students of workers participation and employee ownership. (See A. G. Johnson and W. F. Whyte, "The Mondragón System of Industrial Production Cooperatives", Industrial and Labor Relations Review, 31:1, October, 1977.)

The founder and guiding spirit of the Mondragón system was an extraordinary Catholic priest, José María Arizmendi who began by organizing a technical school. In 1956, five men banded together and, with the support of their friends, founded the first cooperative firm. Over the next two decades the system had grown to include 65 firms with 14,665 worker-owners. The system is linked with and supported by its own cooperative bank, the Caja Laboral Popular which had at the end of 1976 206,841 depositor-members. More recently the firms have been assisted by a cooperative research and development organization, which moved into a new $2 million building in 1976.

The Mondragón system has been successful with a wide range of products from furniture to machine tools, and to powerful steel presses. It is Spain's leading producer of stoves and refrigerators. Mondragón has been able to compete in international markets far better than privately owned firms in Spain. Furthermore Mondragón has won competitive bids from private engineering firms and multinational corporations for building turn-key industrial plants in a number of developing countries.

The system has attracted and developed a highly competent corps of executives and managers while maintaining popular democracy in the ultimate control of each firm. That is, each employee, regardless of salary or rank, has a single vote in the election of the board of directors. This control structure means that, barring a complete collapse of the total system, there is no possibility of the control of Mondragón firms escaping from employee-members and into the hands of outside investors.

In the United States, it may be necessary to base ownership and control upon stock, yet there are ways of establishing a structure based upon one-employee-one-vote. One option is to issue two classes of stock: Class A (voting) one share to each member and sales limited to members; Class B (non-voting) open to both members and non-

members in unlimited amounts. The designers of such a structure will also need to provide for purchase of shares of employees who quit, retire, or die. Furthermore, these provisions must be built in at the outset for otherwise members may resist the apparent dilution of their equity involved in including new workers in ownership.

Where community supporters have played major roles in the establishment of the new firm, the control structure question is more complex. It seems only just that such community supporters have some say in management. On the other hand, community investors may have only a few hundred dollars at risk, while employees are risking not only their investment but also their pay and long run economic security.

Balancing these interests may call for devising a scheme whereby community stockholders elect a specified number of members of the Board of Directors. Another option, proposed by David Ellerman, would be for a community development corporation or industrial development authority to raise the required capital from individual investors, financial institutions, and government agencies, to lend this money to the new firm in return for community representation of its board of directors. As the loan is paid off, outside board representation might be reduced according to an agreed upon formula. Under such an agreement, the CDC or IDA might also contract to provide technical assistance and training to the new firm, especially in the early months of its existence.

This is not the place for a full examination of the complexities of the control structure problem. I seek only to stress the importance of this problem for those who wish to maintain employee ownership. The Voluntary Job Preservation and Community Stabilization Act does not dictate any particular form of organization and control, but it does seek to assure employees and their community supporters an opportunity to make an informed choice, supported by the best information available on the experience of other employee or employee-community owned organizations.

OWNERSHIP, CONTROL AND PARTICIPATION

A well designed legal control structure is a necessary but not sufficient condition to assure the maintenance of employee ownership in the long run. If employee ownership means nothing more to workers than jobs and money, then that form of ownership is not likely to survive. Long run survival depends also upon workers' belief that this is really their own company, and that belief can only be maintained if they participate actively in decision making.

This conclusion is illustrated by the case of Vermont Asbestos Group, which had neither a control structure designed to maintain employee ownership nor any provision for worker participation in decision making—beyond minority representation on the board of directors.

John Lupien, who played the leading role in the employee takeover, had no interest in encouraging worker participation and little respect for what workers might contribute beyond their physical efforts and skills. Andrew Fields, the lawyer who designed the control structure, told us that it was his objective to make this as much like a private enterprise as possible. Even worker participation through membership on the board of directors was limited by management's insistence that board deliberations were confidential and that employee-owners should learn of board actions only through statements issued by management.

Workers were by no means demanding that they take over management, but there was a widespread belief that they should have some "input" into management decisions. When they saw no opportunity for such input and when they were increasingly confused or resentful over managerial behavior, many of them reasoned that stock ownership had only monetary value and that they had better sell at the high price offered them by a private enterpreneur, with a reputation for competent and resourceful management.

Our research suggests that, in cases where the employee owned firm is unionized, neither management nor union leaders are prepared to capitalize upon the union's potential role in the guidance and stimulation of worker participation. The campaign to save jobs appears to establish a firm base for such participation since we find local union leaders joining with management officials in that campaign.

Such a successful campaign creates a spirit of trust and mutual respect that did not exist before. However, in the crisis situation, the parties have given no thought to increase worker participation in decision making. When the new firm has been established, management people naturally feel under great pressure to maintain or expand their market, to improve manufacturing efficiency, and to meet the company's financial obligations. They are likely to assume that the harmonious labor relations that supported the takeover campaign will continue under employee ownership, thus permitting executives to concentrate all their attention on the traditional tasks of management.

Compared to a private company, an employee or employee-community owned firm requires a different style of management and of labor relations. If the parties do not sit down together for exploratory discussions as to how this new participative system is to be developed, we can expect the day to day problems at work to dissipate the good feeling of the job saving campaign and to lead the parties back into the traditional adversary relationship. For example, a month after the establishment of their employee-community owned firm, local union leaders spoke to us with enthusiasm about the new relationship with management created during the job saving campaign. Fifteen months later, one of them said to us:

"You want to know what working in that plant means to the workers now? Ask anybody. They will all tell you the same thing: 'I've got a job.' Nothing else. Labor Relations are no better now than they were when X company owned the plant."

Avoiding this deterioration of relations will require managerial and union leadership that we have not yet seen in the cases we have studied. In fact, we see a general failure even to think about the organizational problems and potentialities involved in employee ownership.

The stance of international representatives and other higher union officials has been marked by ambivalence. In the face of a plant shutdown, those officials are inclined to support almost any plan that will save jobs, but they naturally worry that workers in an employee owned firm may decide that they don't need union representation.

Here our research findings should be reassuring to union leaders. We have not yet found a case of a previously unionized plant where the union disappeared following the conversion of ownership. Furthermore, our surveys in two cases show that a very large majority of the workers believe they still need union representation.

Even if employee ownership poses no immediate threat to the existence of a union, the change does require rethinking of the role of the union.

With common ownership, it should be easier to reach agreement in collective bargaining, but agreement will not be automatic. The different positions of the parties in the organizational structure are bound to influence their views as to what is desirable and also practical. Management people will be inclined to bargain in terms of their views of the company's need to maintain long run economic strength, whereas union leaders will naturally be more concerned with the immediate economic and social needs of workers. The success of the employee owned firm will depend upon the ability of local union and management leaders to work out a reasonable balance between the needs for efficiency and the needs for increasing economic rewards for the members.

In some cases in private industry, union leaders have established an impressive record in working with management to increase productivity so as to make jobs more secure and so as to provide workers with a share in productivity gains. Workers are more likely to feel that they can afford to work on projects with management when they are represented by a union whose leaders are looking after the interests of workers. The agreements that are hammered out in discussion and negotiation are more likely to seem fair to workers and therefore to elicit their commitment than is the case when the signals are called entirely by management.

Since we have as yet so little experience with unions in employee owned firms, our conclusions must remain tentative. My purpose at this point is simply to open a discussion with union and management leaders regarding the roles to be played by both parties in the employee owned firm. My own judgment is that the future of employee ownership in the United States may well depend upon the skills and dedication of the parties in implementing that clause in H.R. 11222 which calls for consultation on . . . the design of the work environment . . . including worker motivation, productivity, job satisfaction, and the improvement in the quality of working life through increased employee participation in decision making.●

SMALL BUSINESS TAX RELIEF ACT

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. ABDNOR. Mr. Speaker, I have recently joined in cosponsoring H.R. 10540, the Small Business Tax Relief Act of 1978. I am enthused by the promise this legislation holds for the future of our Nation's small businesses and would like to commend the gentleman from Pennsylvania (Mr. SCHULZE) for his authorship of this bill.

I would also direct my colleagues' attention to the provisions of the bill and ask that if you have not already done so, to consider joining in cosponsorship of this legislation.

The Small Business Tax Relief Act of 1978 would provide the following:

Authorization for a single proprietorship to choose either the cash or accrual method of reporting income for tax purposes.

This would permit an owner of a small business to use whichever accounting system is best for his business. Because of the seasonal nature of some businesses, and with rising inflation, the accrual basis of inventory valuation oftentimes causes serious cash flow problems.

An increase in the corporate surtax exemption from the present $50,000 to $150,000 and reduces the overall corporate tax rate from the present 48 percent to a more realistic 40 percent rate.

Authorization to use rapid amortization (36 months) of business improvements made as a result of Federal laws or regulations.

This change would reduce the tax liability of any business, through rapid depreciation, of capital improvements made to bring a firm into compliance with OSHA, EPA, or other Government regulations.

Provisions for a tax free "roll over" of profits from the sale of a small business if such profits are reinvested into another business within 18 months.

A 15-percent investment tax credit for any business which expands or relocates within a 50-mile radius of its present location, not to exceed $3 million per year for a period of 10 years.

Small businesses always have been the backbone of America's economic system. In recent years many of these firms have been forced out of business by heavy taxation and Government regulation. It is time to recognize the importance of these businesses to America.

The Small Business Tax Relief Act of 1978 contains such considerations. I urge your support of H.R. 10540.●

SAVING THE PEACE CORPS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. WHITEHURST. Mr. Speaker, the following article about Peace Corps Director Dr. Carolyn Payton appeared in the Norfolk, Va., Virginian-Pilot on Sunday, June 18, 1978. It was written by Ms. Deborah Lambert, a free-lance writer living in McLean, Va.

I am delighted to take this opportunity to share this with my colleagues, because I think everyone who reads it will be encouraged about the future of the Peace Corps.

In closing, let me say that Dr. Payton need have no concern with regard to making people proud of her in Norfolk. We already are—very proud indeed.

[From the Virginian-Pilot, June 18, 1978]

SAVING THE PEACE CORPS—NORFOLK'S CAROLYN PAYTON THINKS SHE HAS THE ANSWER

(By Deborah Lambert)

WASHINGTON.—"The two qualities I admire most in people are honesty and integrity," says Peace Corps Director Carolyn Payton. "I don't believe anyone could accuse me of playing games and I don't admire those who do."

Dynamic in voice, delicate in stature, the 53-year-old Norfolk psychologist is a portrait of studied calm. Seated in her 12th-floor office overlooking Washington, it's hard to imagine her in daily contact with the political machinery below.

Yet her unbureaucratic candor and common-sense approach may save the Peace Corps from being strangled by its own good intentions.

In 1961 it was the vanguard of Kennedy's New Frontier—and an attempted antidote to an Ugly American image abroad. Thousands of young volunteers went to live among the people of developing countries for a two-year stint. They sought overnight solutions for poverty, illiteracy, and disease.

With the end of Camelot, public support dwindled. The Peace Corps' charismatic image suffered from mismanagement and unrealistic expectations.

Dissension over Vietnam further shredded the structure. For awhile it was shuffled through the bureaucratic maze. Finally, the Republicans folded it into ACTION—the agency for volunteerism—in 1971.

Most people think it died there.

But now the Peace Corps is back.

What will it do to do an encore?

At ACTION headquarters in Washington, the atmosphere resembles a college dormitory the week before finals. Its hallways ring with a chorus of multilingual voices. In uncarpeted offices, oversized wooden desks are littered with papers and documents. Vibrant native tapestries hang from spindly tables. Stacks of cardboard file cabinets line the walls along with eye-catching posters ("You Worked For An Education—Now Put Your Education To Work").

But something is different.

The Camelot theorists' rhetoric about massive overnight solutions to world problems has been replaced by straight talk and common sense.

If there is anything to distinguish the new Peace Corps from the old, it is the lack of a grand plan.

Ever since former antiwar activist Sam Brown took over ACTION last year, his primary objective has been to clear up the confusion in the politicized, bureaucratized agency, especially in the Peace Corps—the international arm of ACTION.

Now the bulk of that job rests with Carolyn Payton, whom Brown selected as Peace Corps director.

The appointment of a black female to the $47,000-a-year post last fall brought new visibility, autonomy, and a shift in the traditionally white, middle-class male Peace Corps image. "I think my being here should serve as a message to all minorities," says Dr. Payton.

She had agreed to a rare Sunday afternoon interview at her Washington home—an inviting white clapboard house with pumpkin shutters in a comfortable, tree-lined Washington neighborhood.

Having just returned from buying tomato plants with a group of young Peace Corps staff member/friends, she dodged the tornado activity of her cowardly shepherd-collie "Jimmie," and stepped into the house—its sunny rooms a random clutter of African carvings, a Guatemalan midwife's chair, and South American tapestries splashed with her favorite color orange.

Over a rum and coke, she settled rather uncomfortably into her favorite den chair, appearing tense and vulnerable—as if she would prefer the impersonal, protective cloak of her office surroundings. She flashed her Sunday afternoon intruder the "wary-psychologist-about-to-be-interviewed" look. But a little humor softened the spell. "I wouldn't do this unless it was for my hometown paper," she said with an owlish grin.

With dispassionate yet fond memories, she recalled the support system of a close family and neighborhood. There were notably few anecdotes and no misty-eyed attempts to rewrite the script of her early life.

Born the daughter of Bertha and Leroy Robertson, Carolyn and her older sister Jean grew up in the Lindenwood section of Norfolk, which Dr. Payton describes as a well-cared-for residential area of mostly homeowners, somewhat like where she lives now. "Of course, being in the South at that time meant it was on the other side of the tracks," she adds.

Norfolk ties run deep.

"I can't remember having missed an important holiday like Christmas with my family unless I was overseas," she says.

Her sister, Jean, a teacher at Tidewater Park Elementary School, lives in Greenhill Farms.

Since her father's death 7 years ago, her mother has lived alone in the house where Carolyn grew up at 2500 West Street. "I was hoping to build a house for her on some property I bought in Broad Creek Shores," says Dr. Payton. "But she's been living in the same house ever since she was 7 years old—and at 78, she's not about to move."

Being born into a college-educated family was rare at that time. Her mother graduated from Pratt Institute (N.Y.) and her uncle from Hampton Institute. Higher education was expected for Carolyn too. Rather than being pushed, however, an atmosphere of constant support encouraged her to take risks knowing that any failures would be forgiven.

"Like the time a neighborhood boy and I got stuck in a rowboat trying to cross the Lafayette River," she recalls. "Someone had to swim out and row us back, and all the way home I was frightened that my mother was going to spank the daylights out of me. But I think she understood how scared I was and only scolded me instead." She breathes a mock sigh of relief.

Dr. Payton returned to the Peace Corps after seven years of directing the Howard University Counseling Service where she is credited with expansion of therapy and mental-health programs into the community.

Now she faces a problem of opposite proportions.

In the current political climate, large government programs flavored with leftover Kennedy idealism have an unpopular New Deal aura of expansionism about them.

With this in mind, Dr. Payton's personal goals to recruit more generalists, encourage minority participation, and enlist the help of former Peace Corps volunteers as staff members are strictly low-keyed.

But in Washington where it's always open season for criticism, her announced aims prompted disapproval even before she took office, primarily from Joseph Blatchford, Peace Corps director from 1969 to 1972.

"What these countries still need are specialists to show them how to do things," says Blatchford, who regards Payton's goal of recruiting generalists with liberal arts degrees as a backward step.

"As a matter of fact, when I took over, my biggest frustration was seeing all those generalists perpetuating themselves. The way they thought inexperienced kids could create overnight revolutions sounded like some theory cooked up at Dartmouth. But it obviously didn't work the first time, so I can't see why she wants to do it again."

ARROGANCE OF 1960'S

Seated in a Washington law office projecting the leather and lucite statements of success, Blatchford concedes the Peace Corps' arrogance and paternalism during the '60s.

"People in Washington tended to think in lofty terms," he explains. "The higher-ups didn't think plumbers and electricians could learn a language because they weren't college-educated."

"Besides being unresponsive to the host countries' needs, sending in all those stereotypes turned the Peace Corps into a sandbox for kids who didn't know what to do with their lives yet."

Of Dr. Payton's goal to return former volunteers to the organization, Blatchford says, "They can only take us back, stifle new ideas."

Currently about 50 percent of domestic Peace Corps staff consists of former volunteers. Dr. Payton herself returns to the program after serving as a volunteer for 6 years, first in 1964 as field selection officer for Latin America. From 1965–1969, she served as Director of the Peace Corps in the Eastern Caribbean, and during her last year (1969–

70) was special assistant to the Latin American regional director.

While she agrees that some use the agency as a crutch, encouraging people to return to service with their newly acquired knowledge of specific countries' problems stimulates responsiveness to their needs. "Besides," she adds, "the most rewarding part of my job is talking to returning volunteers."

To Dr. Payton, highly trained technicians were more of a hindrance than a help. Developing nations weren's ready to absorb their level of knowledge nor did they have the sophisticated equipment required to teach it.

"The important thing is to teach people how to meet basic human needs," she says with a penetrating gaze. "For instance, a volunteer in a small tribal village doesn't have to be a specialist to show people how to prevent disease by protecting food from bacteria or covering a well so the water won't become contaminated. That's just common sense."

Then, too, a lot of specialists couldn't speak the tribal language, because the Republicans spent less money on training. So what was gained in technical know-how was lost in not being able to speak Swahili. "And after all," says Dr. Payton, her expression giving way to a wry grin, "unless you can communicate it, knowledges is just a lot of bull—."

"I'm not saying we should jump on the wagon and recruit all the generalists," she continues, lighting a cigarette. "But we've never been able to get enough qualified specialists for the program anyway. They're too busy making a living."

NEW PROBLEMS

Surrounding the Peace Corps' born-again status is a bewildering array of new problems:

Functioning without a leader for 6 years has left the agency confused and demoralized. It needs to be restructured with specific goals.

The dropoff in volunteers (from a high of 15,000 in 1966 to about 6,000 in 1978) means that qualifications must be downgraded to applicants' random skills instead of those specifically requested.

The agency must adopt an equal partnership having no taint of volunteer colonialism with newly authoritarian Third World countries aware of their natural resources as bargaining chips on the world market. To counteract resentment at intrusion, Peace Corps offices abroad should be increasingly staffed by local people.

The agency must be able to defend itself against charges of everything from being irrelevant in today's world to propping up unstable governments and infiltrating countries with CIA agents.

Dr. Payton faces these obstacles with equanimity. If she is frustrated by a national tendency to build heroic institutions and then rail at their defects like spoiled children, she doesn't show it.

Lighting another cigarette from a crumpled pack, she props her feet up against the mountain of paper work on her office desk, speaking with studied eloquence and only a slight Virginia drawl.

"My goal is to return the Peace Corps to health by reaching the poorest of the poor," she says. "After all, we live in a global village, and as neighbors, we must be willing to help each other."

She attributes the Peace Corps' early dilemma to overenthusiasm. "You just can't come into a tribal village with all your American baggage and expect to change things overnight," she explains with a bemused grin.

Even Sargent Shriver, the first Peace Corps director, later described plans to parachute hundreds of people into remote areas as "about as subtle as launching a Normandy beachhead."

Her one noncontroversial goal is encouraging increased minority participation, which so far has hovered at about 2 percent. Dr. Payton intends to let minorities know how enriching her experience has been and also inform them that Peace Corps volunteerism opens doors to all sorts of job opportunities, such as the State Department and Foreign Service.

As to why minority-group members don't volunteer, she speculates that some of them may be too close to the problem themselves. "I know there's a lot of rhetoric about helping our black brothers in Africa, but so far it seems to be all talk and nothing else."

REFLECTION OF VALUES

Throughout its 18-year existence, Peace Corps volunteers have been an accurate reflection of our changing national values. In the early '60s, thousands of overtheorized but immature volunteers joined the program seeking an impossible dream.

During the heat of our internal strife over Vietnam in the late '60s and early '70s, the program absorbed draft dodgers seeking an alternative to military service.

Today's Peace Corps applicants tend to choose volunteerism as a last resort if graduate school or job plans dissolve. The post-Vietnam reaction in the self-absorbed '70s has dimmed the desire to save the world.

But fewer volunteers has led to greater geographical and age diversity. The proportion of retired volunteers has tripled. And an influx of Midwestern volunteers has counteracted the East and West Coast long-haired activist image, replacing it with a more conservative one.

Criticism of the Peace Corps has not resulted in any serious budgetary restraints. The agency's most recent request for fiscal 1979 has just been authorized by the House in the amount of $96.1 million.

A statistical assessment of Peace Corps achievement is impossible, since dealing with developing countries on a people-to-people basis doesn't yield computerized results.

But since developmental gains have been minimal and most volunteers believe they have benefited more from their experience than the host countries, what, if anything, has the Peace Corps achieved?

There seems to be a general consensus that the agency's greatest accomplishment to date has been one of cross-cultural communication.

"The host countries take great pride in having a group of Americans working alongside them—not just carrying guns," says Dr. Payton briskly. Our example instills the feeling that if the Americans can do it, they can too."

As far as the volunteers' doubting their effectiveness, Dr. Payton says that most of them judge the experience in terms of their own satisfaction. They tend to underestimate the value of their contribution which may filter into the country without them knowing it.

PROGRESS MADE

She recalls talking with a young Peace Corps staff member who had been a volunteer in India 10 years ago. "He told me that when he left India, he felt a tremendous lack of accomplishment in his work on a poultry project. But upon returning to the volunteer site 10 years later, his 'mind was blown' because there were chickens everywhere in the area where he had worked. The people had carried on beyond his wildest dreams.

"Of course there have been negative situations where shifty politicians have gone out and sold all the equipment we've installed as soon as we've gone and places where people just watch us work and then quietly drop all our projects when we leave. There's a definite readiness factor involved with our degree of success in each country."

Sifting through the muddle of Peace Corps interpretations, it's helpful to realize that while it was intended to be an apolitical organization, it has had to shed the ideal to remain alive. For the aims of government agencies are rewritten to the whim of each administration.

This explains why a bill to separate the Peace Corps from ACTION giving it more autonomy and visibility appears in a Democratic administration.

Proposed by Rep. Don Bonker, D-Wash., the bill would make the Peace Corps into a public government-funded corporation.

Sam Brown opposes the bill, labeling it a romantic recollection of the Kennedy days. It would also decrease his own power.

Dr. Payton's reaction to the bill is one of guarded optimism. "It's heartwarming to know that some congressmen care enough to sponsor a bill like that," she says. "But whether well-intentioned enthusiasm can be translated into a viable program remains to be seen."

Peace Corps congressional liaison John Szabo doesn't think any action will be taken on the bill this year, especially since the administration is opposed to it, reasoning that the Peace Corps is better off in ACTION. They have common purposes and the program is cheaper to run within ACTION than independently. Most importantly, the Third World countries like the idea that the Peace Corps is part of the same agency that deals with U.S. poverty (through the VISTA program).

Although the current administration has bestowed a favorable new status on the Peace Corps, Carter has so far given the program noncommittal support in spite of his mother's volunteer participation. "But," says Payton, "Carter doesn't have to beat the drums for the Peace Corps to get it off the ground like they did in the Kennedy days. Just the fact that it's still alive after 17 years shows it can function without a lot of publicity."

"Carolyn was always even-tempered and fought frustrations with cool logic rather than outrage," recalled former University colleague, Dr. Howard Johnson, labeling her greatest contribution as stepping out of the psychologist's role to lend encouragement and support to students in finishing their degree programs.

Dr. Payton's niece, Nichole Scott, also a Howard counseling employe, echoed this sentiment, citing her aunt's invaluable help when she moved to Washington from Norfolk—"like letting me live at her house for the first year until I could find my way around," she said.

For Dr. Carolyn Robertson Payton, being supportive is repaying a debt. Time and again she credits her achievements to the foundations of love and trust built by her family during her formative years.

Besides her parents and sister, the family unit included her uncle—a teacher who lived in the next block—her grandmother, and her great-grandmother with whom she spent summers at Hampton. In addition, her family's house was the stopping-off point for many Southern relatives on their way north to find work.

The constant activity did not completely alleviate her father's absences during Carolyn's adolescence when he worked for the Coast Guard and Geodetic Survey. "Fortunately he was home a lot during my early years when he was a chef at the Monticello Hotel," she recalls. Later, when Carolyn was in college, her father opened his own restaurant—Leroy's Cafe—at Church Street near B Avenue.

But Lindenwood offered a surrogate family where everyone knew and disciplined everyone else's children. She recalls never having to venture outside of a four-block area for friends.

Never as outgoing and gregarious as her sister Jean, Carolyn's childhood playmates were mostly her sister's friends. "I just never

felt comfortable with people," she admits. "But I probably read every book in the house because of it. Most of them belonged to my father—the Rover Boys, Horatio Alger stories, that kind of thing. And I devoured the Book of Knowledge from end to end."

Teased by her sister who warned of dire punishment resulting from school misbehavior, she became predictably submissive. "I can still remember in first grade being rigid with fear over what would happen to me."

FAST ACHIEVER

Good behavior and high academic performance was rewarded. She skipped fourth and seventh grades, graduating from high school at 16. Her early years at the old J. C. Prince Elementary School at B Avenue and Church Street are recalled with mixed feelings. "It was condemned for whites and consequently a real rat trap, especially the bathrooms. But I learned to avoid them, which was good preparation for my Peace Corps stints later on when sometimes facilities were unavailable."

High school was again an extension of the neighborhood. "Of course, busing has changed all that. Not that I'm against it, but it takes away that personal feeling of knowing teachers who were your parents' friends and peers."

Sports led her outside interests. "My uncle was a tennis teacher, so naturally I became good at that. And it was a shock when I came to Howard that someone remembered me as having played on the Booker T. girls' basketball team."

Besides going crabbing in the nearby Lafayette River, she and her neighborhood friends spent a lot of time playing games—bob jacks, hide and seek, and mables. "The street light for the block across from my house was the focal point of our games which ended at the sound of the 9 o'clock gun when we all headed home," she says.

Saturday mornings were reserved for movies at the Booker T. Washington Theater on Church Street—but only if she and her sister had done all their chores.

She recalls her first part-time job delivering groceries from her grandfather's store which he built adjacent to their backyard. Now known as Scottie's and managed by her brother-in-law, Sterling Scott, it was then called Faison's. Her grandfather paid her for taking groceries on her bike to his customers. Later, she waited tables in her father's restaurant. "I don't recall Daddy ever paying me a salary, but I was allowed to get what I needed bevond my tips from the till."

Carolyn entered Bennett College in Greensboro, N.C., at 16. "I can remember wanting to go to Hampton Institute," she says. "But Bennett's snob appeal realiv turned my parents on—the place where discriminating parents send their daughters if I remember the brochure correctly—to keep them away from the evils of smoking and drinking." Four years later (1945) she packed off for the University of Wisconsin to earn a master's degree in psychology.

A doctorate in education from Columbia University led to a teaching position at Livingstone College (N.C.) in 1948, then posts as dean of women at Elizabeth City State Teachers College in Petersburg. Before joining the Peace Corps in 1964, she was assistant psychology professor at Howard University. Dr. Payton joined the program because of enthusiastic reports from Howard students who had become volunteers.

A short-lived marriage to Raymond Payton ended in 1951. "It obviously didn't work for me, but I think if the two parties are compatible and one doesn't need all the applause, why not try it."

The most supportive and long-lasting influence in her life has been a maternal one. "My mother did everything for me—from choosing clothes to closing the bedroom window during a rainstorm—and I came to depend on it," she says. "Believe it or not, she used to comb my hair every night until I left for college."

Not surprisingly, her adult life has been filled with supportive, maternal replacements. "For instance, my closest friend here in Washington is an older sister type. Even though she's younger than I am, she's supportive and protective of me. I need people around me to select my wardrobe and make small decisions which I never had to make." She adjusts her rumpled denim shirt briefly. "I realize that I'm looked upon as a very independent person, but I still need that support system."

She admires other independent women who are not afraid of taking an unpopular stand—like Barbara Jordan, Shirley Chisholm, Midge Constanza ("I like her bulldog tenacity"), and Bella Abzug.

"But I'd never run for political office," she declares firmly. "Why? Because next to my present job, I'd rather get back into psychology. That's why I probably can be more candid than most bureaucrats. I don't have anything to hide, and I'm not out to make a name for myself or get into power."

After eight years in Washington, Dr. Payton denies having gotten Potomac fever. "It'll never be home to me," she says firmly.

"It seems the longer I'm away, the more deep-seated my ties become. For example, when I drive down for a weekend and the first whiff of that crab smell hits me around Hampton, I know I can unwind because I'm home again.

"As a matter of fact," she grins and winks broadly, "you can tell them back home that I'm up here trying to do something for my country that will make them proud of me in Norfolk. After all, I'd like nothing better than to retire there someday." ●

THE FALLACY OF SOVIET EMIGRATION STATISTICS: THE TRUTH BEHIND THE NUMBERS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. KEMP. Mr. Speaker, without hesitation I want to reiterate my unfaltering support for those Jewish citizens in the Soviet Union wishing to emigrate to Israel. Alexandr Solzhenitsyn in his recent address at Harvard University noted "a decline in courage" as the most outstanding element of what he called a spiritual exhaustion of the West. We in the West must match the courage of those who stand up for human rights in Soviet Russia.

Dina Beilina, a prominent Jewish emigree, waited 6 years for her family's exit visa to Israel. In her insightful report, which I herewith share with my colleagues, she explains the fallacy of Soviet claims that all who so desire may leave the country; this in fact is not so. Soviet officials have lodged a discreet campaign which has proven effective in discouraging many from attempting to leave. In light of this it is essential that we maintain the courage of our convictions and uphold the principles for which our country stands. We have demonstrated to the world through the Helsinki Accord our commitment to human rights, and we should not now, or at any time in the future falter in this stance. As Members of Congress and representatives of American ideals it is our duty to stand strong and support the politically repressed and disadvantaged of the world.

AN ANALYSIS OF SOVIET STATISTICS ON JEWISH EMIGRATION FROM THE U.S.S.R.

(By Dina Beilina)[1]

It is accurate to state that during the year 1977–78, the number of Jewish families granted permission to emigrate from the Soviet Union was 50 percent higher than in the previous year. Unfortunately, Soviet authorities are now claiming that all who wish to emigrate are able to do so! The Soviet authorities maintain that "only 1½ percent of all those who apply are detained temporarily for so-called reasons of State security or for other legitimate reasons. But," the Soviet authorities declare, "the majority of Jews do not wish to emigrate; they prefer to remain in the Soviet Union."

A correct evaluation of the statistics, however, indicates that this statement is clearly untrue. The facts are well known and I would like now to reveal what is hidden behind these Soviet statistics. Soviet authorities are successfully operating a quiet, very well thought-out and very effective system they have created, that consists of a series of preventive measures calculated to apply the brakes and eventually to stifle the emigration of Jews from the USSR.

More and more fresh groups of Jews are being cut off by Soviet authorities from the possibility of emigrating. The deliberate chaos, the abuse of authority on the part of officials, and the violation of legality in the practice of permitting or refusing emigration, all of which are well known to potential applicants, are in fact principal parts of the system of extra-judicial and judicial persecution of those who desire to emigrate. I will refer to only a few aspects of this Soviet policy of quiet stifing of Aliyah.

1. Vizovs (the invitations from Israel without which it is not possible to apply for emigration) are, as a general rule, received only by those who do not have the indication of becoming potential "refuseniks".

Young people, and those whose emigration might appear to be "undesirable" to Soviet authorities, have their invitations held back by postal censorship of the USSR. They sometimes have to wait for years before they can receive this vizov.

People are thus quietly prevented from being able to apply to emigrate; the number of "refuseniks" is therefore not increasing significantly and Soviet statistics therefore seem to be correct.

2. Recently OVIR[2] has been demanding a certificate from the place of work, indicating that the place of employment has no financial claims against the person wishing to emigrate to Israel."

When employed people have to deal with things which have a certain financial value, i.e. instruments, books, equipment, and so on, for which they are held personally liable, and financially responsible in case of damage or loss, etc. How, then, can people be kept employed when they are given or will be given a document certifying that for time everlasting there will be no financial claims against them, now or in the future?

Naturally, one fires such people.

The certificate demanded by OVIR is thus given to a potential emigrant only in exchange for an undertaking to leave the place of employment "voluntarily" and immedi-

[1] Dina Beilina was one of the most prominent Jewish emigration activists, while waiting 6 years for her family's exit visa to Israel. A close friend of Anatoly Scharansky, she was granted her family's exit visa in March 1978.

[2] Office of Visa Registration.

ately. The status of the potential emigrant is not protected by the law. No one will help him to obtain this certificate from his place of work, and he is thus compelled to leave the place of employment on this fictitious "voluntary" basis.

Recently, the re-examination of the documents of an applicant has been dragged out by authorities for as long as a year. Persons who are not anxious to be without the means of obtaining a crust of bread to eat do not apply to emigrate. And so Soviet statistics look better.

3. Recently the authorities have been demanding from adult persons a document certifying that those relatives who are remaining in the USSR not only do not have any financial claims against them, but also are in agreement with their emigration. It is obvious that in circumstances where emigration to Israel is considered equivalent to treachery, "treason to the Motherland", and espionage, such a document is very difficult to obtain.

Ten per cent of the refusals in Leningrad were given, recently, for the so-called "secrecy of classification" of relatives who themselves have no intention of emigrating, even when these relatives have already given their approval for the applicant to emigrate.

Both of these types of refusals are well known, now, and they effectively reduce the number of would-be applicants. Once again, Soviet statistics look better.

4. If a woman who is divorced and has a child submits an application to emigrate then the authorities openly and actively encourage the former husband to have the child removed from the mother's custody, even if the father has never shown the slightest interest in the child's upbringing. Well known are the cases of Elena and Lev Bronstein of Leningrad, and Maria Sadovka of Minsk. In both cases the applicants were compelled to withdraw their applications under the threat of losing their child.

Single mothers with children, or remarried divorced women with children may be afraid to apply. Once again, Soviet statistics look better.

5. Where, previously, in the absence of certain documents demanded by OVIR there did exist the possibility of sending such documents to the Supreme Soviet, for them to be examined and then forwarded to the Office of OVIR for consideration, and for a refusal then to be issued, now the Supreme Soviet denies the applicant the opportunity of even becoming a refusenik by returning the documents by post to the would-be emigrant who is then not even considered to be an applicant.

Thus the official number of refuseniks and of applicants is effectively reduced. Once again, Soviet statistics look better.

6. The list of possible reasons for a refusal being issued is constantly increasing; the average length of time for being held in refusal is constantly becoming longer.

The list of names of people who have been refused for five or even eight years is well known to all Jews in the Soviet Union, and information about the situation of Jewish refuseniks intimidates potential applicants. It acts as a brake upon the flow of emigration and, once again, Soviet statistics look better.

7. There has been created a well thought-out system of verbal refusals, entirely unsupported by law, without any indication of the length of term of the refusal. While this system is considered to be directed against the refuseniks, in fact it is to a much greater extent a brake on all those who are considering applying. Every potential repatriate knows full well that he stands the risk of remaining in refusal for many long years, that he can take no part in the consideration of his own case, and that he has no possibility of appealing. The courts do not look into cases connected with refusals in the granting of emigration permits, and people are thus afraid to apply, and Soviet statistics look better.

8. A great deal has been spoken about the exploitation of the army as a means of compulsory linking with "secrets" for many years. Cases are known where the Soviet authorities conscript into the army young men from 18 to 30 years of age. At least 20% of the population have sons or husbands in this age category. The army is exploited as a preventive measure against emigration for that part of the population which otherwise would not have any reason for being refused; that is to say, young men as a general rule who have not yet worked in a sensitive or so-called secret position are not only threatened with 2 years army service, but also with subsequently being held for an unspecified length of time for so-called "army secrets." So, Soviet statistics look better.

9. Soviet authorities are conducting an intensive campaign to cut off Jewish activists from other Jews who wish to emigrate. Jewish activists are publicly portrayed in the press, on radio, and on television as "Zionist paid agents," as "spies" and "traitors."

On the other hand those who do apply to emigrate come under pressure to accept the idea that to be active will be harmful to their personal interests. "Be quiet and you will be let out." This is what can often be heard, and many Jews suffer in silence. They make no protest against violations of the law, but wait for years silently pushed from pillar to post, from one department to another. They wait for the permission to emigrate as if waiting for a miracle. Information about individual cases of this sort rarely comes to light, as a result of their silence and so, once again, Soviet statistics look better.

10. In recent years monstrous anti-Israel propaganda has been increasing in output, and the mass media are inundating the Soviet people with dreadful lies about life in Israel.

Many a time Soviet television presents the same film shots of battles, fires, the killing of children, explosions and so on. Printed publications forecast the most gloomy predictions of Israel's future, and Jews who have no other source of information think twice about applying. Soviet statistics once again look better.

I do not wish to speak here about the frightful conditions under which the Jewish Prisoners of Conscience are suffering, and whose only crime consisted in their active fight for their right to emigrate to Israel.

I do not wish to speak here about the dreadful and, unfortunately, well known so-called Shcharansky case.

The fate of these innocent victims acts as a press, squeezed down upon their desire to emigrate, effectively intimidating them and preventing them from applying.

It is up to all of us, to you and to me, to take whatever steps we can to destroy this system which is stifling emigration. We must aim at proving the inaccuracy of Soviet statistics. We must do all we can to obtain freedom to emigration from the USSR to Israel.

1976–78 EMIGRATION FIGURES

	1976		1977		1978	
	Vienna	Israel	Vienna	Israel	Vienna	Israel
January	969	428	1,245	585	1,761	865
February	1,218	646	1,063	443	1,812	842
March	1,391	671	1,030	569	2,038	914
April	1,115	529	1,204	522	1,938	756
May	1,120	637	1,193	789		
June	1,173	645	1,268	529		
July	823	422	1,305	643		
August	815	471	1,474	686		
September	1,030	579	1,622	758		
October	1,254	470	1,850	946		
November	1,542	772	1,543	936		
December	1,766	934	1,940	954		
Total	14,216	7,204	16,737	8,357		

Statistics Prepared by the Soviet Jewry Research Bureau, NCSJ, 11 West 42d St., New York, N.Y. 10036. ●

CONCERNING NASA'S FUNDING

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. TEAGUE. Mr. Speaker, the gentleman from Massachusetts (Mr. BOLAND) and distinguished members of the Subcommittee on HUD-independent agencies appropriations are to be congratulated. Fashioning a complex appropriation measure such as H.R. 12936 is a most difficult task. Their efforts bring before this body a most carefully considered and well-prepared bill.

Of particular interest are several actions with respect to the National Aeronautics and Space Administration. In the majority of actions taken, both the NASA authorizing and appropriations committees of the House found themselves in substantial agreement. Therefore, I would like to emphasize my comments are directed to only those few items which it seems worthwhile to consider at further length.

In considering the need for a fifth Space Shuttle orbiter, it is apparent that appropriations, by their action, favor the fabrication of such a vehicle. It is only the timing and pace that appears to produce differing views. H.R. 12936 provides long-lead hardware for a fifth Space Shuttle orbiter. As a minimum, this should be part of the fiscal year 1979 NASA appropriations. It is my view that a commitment to ultimate fabrication of the fifth orbiter would likely lead to economies of manufacture and would be desirable in fiscal year 1979.

Funds for a teleoperator retrieval system were deleted from the bill. However, funds from the current year are available through June, to continue work on this system. Although the probability is

low that such a system will be available in time for boosting Skylab to a higher orbit, the device will have substantial use beyond Skylab. Because of this, it is my recommendation that the teleoperator retrieval system be given a higher priority consideration in further review by the appropriations committees of both Houses.

In the interest of establishing a reserve fund for Space Shuttle development need in fiscal year 1979, H.R. 12936 establishes a $30 million contingency fund derived from the Jupiter orbiter probe, space telescope, and solar polar missions in the NASA space science area. Two of the three missions are continuing programs and the pace and ultimate cost of those programs will likely be affected by the use of such a "contingency" fund for other purposes. The language of the report on H.R. 12936 suggests that a possible alternative would be NASA-requested supplemental funding. This would certainly seem a more appropriate course of action in the event such funds are needed for the Space Shuttle. The orderly progress of the major space science missions would thus be assured without the potential for program total cost increases.

H.R. 12936 provides for an increase of $7 million for composite technology, variable cycle engine work, and agricultural aircraft. The subcommittee's recommendation is most commendable. It insists on NASA taking a longer range view in aeronautics. Both the authorizing and appropriations committees share this view. To further emphasize this fact, a modest but somewhat larger amount can be spent in this area. Such funds have been demonstrated in the past to provide a better future aviation product. Final consideration of this item should take this into consideration and I am sure the able chairman will do so.

In mentioning these items I also would like to point out that the authorizing and appropriations committees shared common views on NASA advanced programs, Stereosat, and space solar power. All these programs are directed to developing a national space program of direct benefit to the public. We share the view that NASA has a continuing and important role to play in the life of this Nation.●

LIBERTY TOWNSITE APPLICATION

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. RONCALIO. Mr. Speaker, S. 2033 waives certain requirements of the National Forest Townsite Act thereby allowing the Secretary of Agriculture to consider the Liberty townsite application.

The Townsite Act requires that the lands be located adjacent to or contiguous to an established community, and that it be a tract of national forest system land. Unfortunately, the town of Liberty is not "adjacent to or contiguous to an established community", and it is questionable whether the town or the national forest was established first. The Secretary is unable to consider Liberty's application for this 17 acres unless legislation is passed waiving these two provisions.

The remaining provisions would still apply, including payment of fair market value for the land. The Congressional Budget Office estimates a revenue of approximately $23,000 would result from the land sales.

The administration supports this legislation, and I urge my colleagues to pass S. 2033.●

TRIBUTE TO MIKE OUSDIGIAN

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. VENTO. Mr. Speaker, the Minnesota State Legislature unanimously approved a resolution on March 24 paying tribute to Mr. O. M. (Mike) Ousdigian who, for the past 40 years, has served as the executive director of the Public Employees Retirement Association. As a member of the State House of Representatives from 1970 to 1976, I had the great pleasure of working with Mr. Ousdigian. His dedicated service to the State of Minnesota and his many achievements are respected, not only by Minnesotans but by his countless friends and colleagues throughout the Nation.

Mr. Speaker, I respectfully submit Minnesota Senate Resolution 34 for publication in the CONGRESSIONAL RECORD today.

Senate Resolution No. 34: A senate resolution expressing the appreciation of the Legislature to O. M. (Mike) Ousdigian for many years of loyal and efficient service to the state of Minnesota.

Whereas, O. M. (Mike) Ousdigian was born in Armenia of Armenian parentage and was subjected to the horrors of slavery as a prisoner of the Turks as a youth; and

Whereas, Mike arrived in the United States as an immigrant in 1921 bearing the scars of mis-treatment in the slave camp and possessing little other than a keen mind and a sincere desire to succeed in his new homeland; and

Whereas, Mike subsequently became an American citizen in 1926, and was graduated from the University of Pennsylvania in 1931; and

Whereas, Mike has served as Secretary of the Minnesota Public Employees Retirement Association since May 1, 1938; and

Whereas, the experiences of Mike's youth, viewed in contrast with the opportunities of his adult life as an American citizen has instilled in Mike an appreciation of America, and the American way of life which has not, and indeed probably cannot, be matched in any native born American; and

Whereas, Mike's avocation as a public speaker on subjects generally relating to America and the American way of life have won him wide acclaim and public speaking awards, including the George Washington Medal of Honor from the Freedom Foundation at Valley Forge, Pennsylvania on two occasions and the Second Americanism Medal from the Daughters of the American Revolution; now, therefore,

Be it Resolved, by the Senate of the State of Minnesota, the House of Representatives concurring therein, that the sincere appreciation of the Minnesota Legislature go out to O. M. (Mike) Ousidigian for his long and untiring efforts and achievements as a public servant of the State of Minnesota and as a full time booster of America and the American way of life.●

THE SIGNIFICANCE OF INSURANCE COMPANY INVESTMENT INCOME

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. LaFALCE. Mr. Speaker, within the casualty insurance industry, much brouhaha is made about underwriting profitability (or the lack of it), especially when insurers are seeking rate increases. However, an often overlooked component of the true profit picture of these insurance companies is their investment income, which is generated from reserves and/or cash flow. Underwriting profit or loss represents merely how much is paid out in claims and expenses for every premium dollar earned. It does not take into account investment income.

In fact, investment income can be substantial, even if the insurance company is operating at an underwriting loss. In fact, as a recent article from Barron's (June 5, 1978) notes, the president of Kemper Corp. predicted that his company's investment income would increase by almost 100 percent in 5 years, and by over 350 in 10. What is especially noteworthy is, that regardless "whether Kemper shows underwriting gains or losses (within limits), or breaks even, investment income probably will grow at about the same rate."

The article, which follows, notes the increasing significance of investment income upon the profitability of casualty insurers. It underscores the fact that insurers can remain profitable, even if they pay out more in claims and expenses than they take in in premium dollars.

The article follows:

[From Barron's, June 5, 1978]

ESCAPE CLAUSE

INVESTMENT INCOME ENSURES CASUALTY UNDERWRITER'S GROWTH

(By William R. Bowler)

At a gathering of analysts in New York 10 days ago, James W. Harding, president of Kemper Corp., the big Kansas City insurance organization, spoke about his company and its prospects. On the latter score, he predicted flatly that Kemper's investment income would grow to $18 a share in five years and to $33 in 10. Last year, the total came to $9.40 a share; a decade ago, it amounted to only $1.35.

The estimates stand up, Mr. Harding said, under each of three assumptions; first, the combined ratio will average 98 and premium volume will advance by 15 percent annually; second, the ratio will run around 100 and premiums will advance by 16 percent; third, the ratio will rise to 102 and premiums will climb by 19 percent–21 percent. In other words, whether Kemper shows underwriting gains or losses (within limits), or breaks even, investment income probably will grow at about the same rate.

The reason: offsetting forces are at work. Greater premiums from faster growth mean more cash for investing, but they also mean a higher loss ratio and thus less money to invest. (In the assumptions above, it might be noted, the loss ratio rises with the pre-

mium growth rate—the more business written, the more likely that underwriting standards will be relaxed.) Conversely, a slow growth means not only a smaller investment portfolio but also reduced losses—fewer insured risks, together with a lower loss ratio.

Over the past five years, Kemper's investment income climbed at an average annual rate of 24 percent, compared with the 14 percent envisioned for 1978–1982.

In part, the more subdued rate of growth anticipated in the years ahead reflects the larger base of investment income the company now enjoys and, no doubt, the natural conservatism of management.

In any case, Kemper's bullishness points up the generally bright outlook for growth in the investment income accounts of property-casualty insurers. Nonetheless, uncertainty over the underwriting side of the business is causing concern among investors about the industry's profits next year. Indeed, despite sparkling first-quarter showings, some extreme worrywarts in the analytical fraternity are beginning to caution about a possible decline this year.

An insurer's underwriting performance, of course, is subject to many influences, man-made and natural alike. Among them; inflation, competition, premium rates, capacity, regulation, natural disasters, reserves, and mandated risk sharing plans. The last, which take such forms as assigned risk pools and joint underwriting associations, provide coverage for risks that cannot be placed in the voluntary market. They will undoubtedly continue to produce claims disproportionate to the number of insureds.

About all that can be said of weather-related losses is that everyone talks about them (particularly jittery analysts), but no one can do anything about them. This year's first quarter was the worst for any comparable period on record for storm losses (by contrast, in the opening three months of '77 catastrophe claims were relatively light). Even so, as noted, January–March earnings of most property-casualty firms were exceedingly strong.

What's true of the weather is pretty much true of inflation—talk is about as much as anyone seems to be able to do about it. No question, underwriters carry a high-risk exposure to inflation. But their very experience with it in a particularly virulent form last time around, the indications are, has made then better able to cope with current inflationary pressures.

TABLE I.—*Earnings per share*

	Full year			First quarter			Full year			First quarter	
	1976	1977	[1] 1978	1977	1978		1976	1977	[1] 1978	1977	1978
Aetna	$3.91	$7.76	$9.00	$1.51	$1.93	Republic Fnancial	$3.05	$5.25	$6.00	$0.96	$1.20
Chubb	4.10	5.41	6.50	1.11	1.47	St. Paul	4.24	6.40	7.75	1.36	1.88
Crum & Forster	3.09	6.31	8.00	1.16	1.91	Travelers	3.51	6.02	7.80	1.01	1.96
Continental	1.82	4.70	5.40	0.79	1.15	USF&G	3.10	5.85	7.00	1.25	1.78
Ohio Casualty	2.04	4.66	5.25	0.89	1.09						

[1] Estimate.

Undeniably, too, competition is growing more intense. But lack of capacity, if nothing else, promises to restrain the vigor and extent of price cutting. On this score, in sizing up the industry's outlook for 1978, Best's Insurance News Digest commented: "The general impression one gets from forecasts of the future of the property-casualty insurance business is that, given the chance, the companies will give away the store. That is an absurd hypothesis in view of the recent history and present circumstances of the industry. It is not likely that managements that endured the experience of 1974–1976 would within a few years repeat the mistakes which caused that disaster."

In the March quarter, rate hikes granted by those states in which Insurance Services Office files applications for its members came to 0.7 percent, or 2.8 percent in an annual basis, vs. average quarterly hikes of 4.1 percent in 1976 and 1.6 percent in 1977. Because they are applied only to new, or renewed, policies, the full effect of the 1976 and 1977 boosts will not be felt until at least 1979; they will enlarge this year's premium volume by perhaps 10 percent.

Nonetheless, if underwriting profitability, now in its second year, is to be maintained, it's clear that higher premiums will be required. Presumably, even regulatory agencies have come to recognize the need for the casualty firms to make at least a nominal profit from underwriting.

For most insurers, interest, dividends and rents some time ago displaced underwriting as principal determinants of net income. Which is quite a change from the traditional role of this type of earnings—to smooth out the wrinkles in operating results created by underwriting ups and downs. But today, investment income bulks so large that it can, as it did in 1977, turn a year of modest underwriting gains (the industry's combined ratio stood no exception) the book value of other firms has shot up as well. Aetna's shareholder equity last year rose by 17 percent, Kemper's by 25 percent, Mission's by 26 percent, Progressive's by 22 percent and St. Paul's by 23 percent. This year's gains will very likely be smaller, but they will still be first-rate, even if underwriting experience worsens.

Still, the gains ahead loom large enough to suggest that the investment income of many an organization will double after four or five years. Some may do so in three. They will make such progress even in the face of occasional modest underwriting losses, such as many observers foresee in the next year or two. Table III includes a sample of what representative firms netted in investment income last year and estimates for this year.

TABLE II.—*Pretax investment income vs. underwriting income*

	1976			1977			1976			1977		
	Und. income	Invest. income	Combined ratio	Und. income	Invest. income	Combined ratio	Und. income	Invest. income	Combined ratio	Und. income	invest. income	Combined ratio
	Thousands			Thousands			Thousands			Thousands		
Aetna	$66,000	$192,000	96.4	$177,000	$239,000	93.2	Mission	($1,556)	$7,435	101.5	$2,331	$10,288	98.4
Chubb [1]	(84)	43,061	100.2	8,419	52,183	97.3	St. Paul	2,413	76,308	99.1	50,312	98,241	94.8
Continental	(158,404)	158,561	106.4	44,756	187,863	96.0	USF&G	6,643	81,486	98.8	119,210	105,338	91.2

[1] After taxes.

TABLE III.—*Investment income increase over comparable previous period*

[In percent]

	Full Year 1977	First qtr. 1978
Aetna	24	36
Chubb [1]	21	16
Indiana Group	23	32
Mission [1]	36	40
Ohio Casualty	38	43
St. Paul	29	25
So. Caro. Ins	33	38
SRI Corp	28	25
Travelers	20	20
USF&G	29	29

[1] After taxes.

GROWTH PLUS

The variables in determining investment income are premium volume, the loss ratio, interest rates and choice of securities. In the 1972–77 stretch, which takes in two underwriting peaks and a deep valley between, investment income of virtually every underwriter climbed without a break. Highlighting how steady and strong has been the growth of this source of earnings for the industry is the record of U.S. Fidelity & Guaranty. Last year, the firm's portfolio generated 3.3 times the income it did 10 years ago and more than twice as much as it did only three years ago.

Book value of the property-casualty insurers also is rising steadily. A long string of annual gains in the book value or policy surplus) of virtually all insurers was snapped in the disastrous year of 1974. Since then, however, net worth has resumed its rise—and at an exceedingly rapid rate, to boot. For example, Ohio Casualty's net worth in 1974 slumped by $10 million to $127 million. In 1975, it mounted by $26 million, in the following year by $28 million, and in 1977 by $36 million. In other words, in the past three years, the company added a cool $90 million, or 70 percent, to its policyholders surplus. Higher premium rates, improved loss ratios and record investment income fueled the spectacular surge.

And, as indicated, Ohio is at 97, into one of peak profits.

Investment income also can transform a disastrous underwriting experience into a mere dip in final net. It did so in 1975, when the combined ratio for stock companies touched 108.3. (The combined ratio is a measure of underwriting profit or loss; the farther it falls below 100, the bigger the gain; the more it rises above 100, the bigger the

loss. A ratio of 95 is considered barely satisfactory.)

A look at the breakdown of some first-quarter 1978 earnings statements will help put into perspective the relative contributions of the two income components. For Crum & Forster, underwriting contributed $1.8 million of pre-tax profits, investments $28.8 million. At Chubb Corp., underwriting brought in $3.7 million, investments $16.6 million. At Progressive, the respective underwriting-investment figures: $1.4 million and $1.5 million. U.S. Fidelity & Guaranty gained $39.4 million from underwriting and $30.5 million from investments while the respective totals at Safeco were $16.7 million and $14.2 million.

RISKS AND REWARDS

In the case of INA, underwriting operations ran in the red to the tune of $11 million; by contrast, investments yielded $52.4 million of income. In like vein, South Carolina Insurance suffered a $625,000 underwriting deficit, but earned $1.5 million from its portfolio.

Further evidence of the dominant and growing role of investment income is presented in Table II. Lopsided as they are in most instances, the comparisons materially understate investment income's contribution to overall profits. Here's why: unless offset by credits from prior year losses, underwriting gains are subject to the normal 48 percent income tax; to the extent that it is derived from tax exempt bonds and from dividends that can be deducted in computing income taxes, however, investment income is not taxed.

In the circumstances, it is no surprise that in the last two years or so, most insurers have been heavy buyers of municipals. As a result, some 70 percent of Ohio Casualty's portfolio now consists of such issues. They accounted for $1.4 billion of St. Paul's 1977 year-end $1.7 billion portfolio and $757 million of Chubb's $1.1 billion worth of investments.

Income taxes in this year's first quarter cut Chubb's after-tax underwriting profits in half, to $1.8 million, but they pared investment income by only 11 percent, to $14.7 million (on that aforementioned $16.6 million pretax total). Last year, Aetna's tax rate on investment income worked out to 14 percent, Crum & Forster's 18 percent, St. Paul's and Ohio Casualty's 4 percent, USF&G's 8 percent. Thus, for many insurers the great bulk of investment income flows right down to the bottom line.

For most property-casualty firms, as noted, investment income is destined to keep climbing. Recently, as Table III shows, it has been advancing rapidly. These rates of gain, to be sure, cannot be sustained: in large measure they reflect the fact that underwriting in 1974–75 was so nearly a calamity that insurers found it easy, in most jurisdictions, to win regulatory approval for higher rates. And it is the flow of bigger premium dollars into investment portfolios (together with the decline in the loss ratio) which has powered the recent unprecedented growth in investment income.

The financial strength and earnings gains of the industry are sure to be translated into higher dividends, both over the rest of this year and as far as the analytical eye can see. That underwriting results aren't necessarily crucial in determining whether dividends are raised or not is graphically illustrated by Chubb's ability to keep its payout expanding (Table V).

TABLE IV.—*Pretax net investment income per share*

	1977	[1] 1978
Chubb	$4.69	$5.60
Crum & Forster	7.66	9.30
INA	7.77	9.25
Indiana Group	2.45	3.20
Ohio Casualty	2.79	3.60
Republic Fin	3.30	4.00
Safeco	3.79	4.50
St. Paul	4.69	5.80
So. Caro. Ins	1.97	2.65
USF&G	3.87	4.90

[1] Estimate.

TABLE V.—*Chubb's vital statistics per share*

	Investment income	Underwriting income	Dividends
1978			[1] $1.90
1977	$4.12	$0.67	1.57
1976	3.40	(0.01)	1.42
1975	2.77	(1.22)	1.40
1974	2.39	(2.56)	1.37
1973	2.04	0.00	1.18

[1] At present quarterly rate.

The trend to greater generosity toward shareholders already is in full swing. Recently, for example Mission jacked up its annual rate of payments to 80 cents a share, from 45 cents in 1977. (It paid 28 cents, 28 cents and 30 cents in 1974, 1975 and 1976.) Kemper, which paid 80 cents a share in 1974, 1975 and 1976, went to $1.30 in 1977 and $1.80 this year. At St. Paul, disbursements have swelled from 74 cents in 1976, to the current annual rate of $1.40 a share. At Western Casualty, during the same period, the dividend has been increased from 76 cents annually to $1.16.

With underwriting income in the black (at least for now) and investment income flying, the next round or two of dividend hikes could be exhilarating, particularly for two classes of companies: those which held back on boosts during the recent underwriting shambles and therefore have ground to make up; and those which have been distributing a very small percentage of their profits and thus should tend to raise the payout to catch up to others.

In sum, and Wall Street's fears to the contrary notwithstanding, prospects for the property-casualty underwriters—and their shareholders—remain quite promising.

TWENTY-FIVE YEARS AFTER THE ROSENBERGS' DEATH

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. CONYERS. Mr. Speaker, 25 years ago the cold war and McCarthyism were raging in this country. A great many Americans were its victims. It was during this period that Julius and Ethel Rosenberg were found guilty of, and put to death for, espionage, the first and only Americans to meet such a fate in U.S. civil court history.

The guilt or innocence of the Rosenbergs has really never been settled. As a matter of fact, on the basis of tens of thousands of FBI documents that have been released to Michael and Robert Meeropol, the Rosenbergs' sons, under a Freedom of Information Act suit, very serious questions have been raised about the conduct of their trials. For example, the documents reveal a pattern of ex parte contacts between the trial judge, the prosecutors, and the FBI and the judge's interference with the case even after it left his courtroom.

The continuing interest in the Rosenberg case is not an effort to exhume the past for some vindictive end. Rather, it is to discover the truth behind their conviction and sentence and to bring to light official wrongdoing, if such had taken place. The history of the past several years makes clear how essential it is to hold official institutions and leaders accountable. It is for this reason that over 100 lawyers and law professors have recently called upon the House and Senate Judiciary Committees to investigate the conduct of the trial judge in the Rosenberg case.

Today marks the 25th anniversary of the Rosenberg execution. Memorial events will take place in New York City's Union Square and in other cities. The Rosenbergs' sons, Michael and Robert Meeropol, have issued the following statement on their efforts to reopen the case, and I commend it to my colleagues' attention.

IN TRIBUTE TO ETHEL AND JULIUS ROSENBERG

25 Years ago today the government executed our parents, Ethel and Julius Rosenberg. The official charge was conspiracy to commit espionage, more specifically plotting to give "the secret of the atom bomb" to Russia. The prosecution said they had stolen "the greatest secret known to mankind," the press called it "treason." However, that execution should never have taken place: the trial was a fraud and there was no secret of the atom bomb to steal.

Top scientists since 1945 have said that any country with the commitment and resources could produce an atomic bomb. The growing list of atomic powers has proven the truth of these predictions.

We have always felt that our parents were framed to fuel the fires of the Cold War. The case was used to "prove" that domestic dissenters were really foreign-led traitors out to destroy our way of life. However, belief is not enough. Using the Freedom of Information Act we sued for millions of pages of secret files on this case. The government's response has been inadequate. The 100,000 pages we have received have come only after a long, expensive court struggle. Many pages contain serious and still unexplained deletions and have been "accidently" poorly copied. Others have been very revealing.

Most people now agree that our parents should not have been killed. Files reveal that the Judge who pronounced that harsh sentence discarded his impartiality by advising the Justice Department of Supreme Court procedures so our parents' execution would not be delayed. The man who recorded this advice wrote in a memo (2/19/53), "I asked Judge Kaufman if he desired that I bring these comments to the attention of the officials in Washington. He stated that he didn't think it would be desirable for there to be any indication that he was taking an affirmative position in instant (sic) matter because of his judicial situation."

The files indicate that the FBI overheard consultations between our parents and their attorney and fed the information to the Judge. He was thus forewarned of defense tactics.

The files state that the Judge used his long friendship with J. Edgar Hoover to initiate FBI investigations of authors who wrote articles or plays critical of his role. In one file, a personally signed letter dated 5/7/69 he wrote, "Thank you so much for your letter of May 2 furnishing me with the background

information of the gentleman responsible for writing the play "The United States v. Julius and Ethel Rosenberg." Like Nixon, the Judge successfully used the FBI for personal investigative work. This Judge has not retired. Judge Irving Kaufman is Chief Judge of the United States Court of Appeals for the Second Circuit.

The files show that crucial discrepancies in two prosecution witnesses' testimony were ironed out at an FBI initiated secret meeting held four months before the trial. They further indicate that prosecution witnesses had provided very little evidence against our mother until ten days before the trial. In an official transcript of a Joint Congressional Committee on Atomic Energy meeting held just before the trial, government prosecutor Myles Lane admitted the case against Ethel Rosenberg was "not too strong" but a conviction was "very important." Mr. Lane stated, "that the only thing that will break this man Rosenberg is the prospect of the death penalty . . . plus if we can convict his wife . . ." The files show that the chief prosecution witnesses made new statements to the FBI the following week greatly strengthening the case against our mother.

The files show much more, but the public has seen little of their contents. Newspapers have not printed the original material. Some reporters tell us no one cares about a case that occurred 25 years ago. However, the issues involved in our parents' case are alive today. This case concerns crucial questions of national security and government secrecy.

The people have not lost interest in the Rosenberg case. Today, thousands will demonstrate in New York City's Union Square as did thousands 25 years ago on execution day. Similar memorial events are occurring across the country and throughout the world. There are still many unresolved questions in the case. Only full disclosure of the files can answer these questions. After 25 years we all have a right to know.

MICHAEL MEEROPOL.
ROBERT MEEROPOL.●

THE TRILATERAL COMMISSION

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. RUDD. Mr. Speaker, there is a growing interest in the international group known as the Trilateral Commission.

I did not personally know much about this organization, until I read a statement of its purposes and the list of its membership, inserted in the CONGRESSIONAL RECORD by Arizona's distinguished senior Senator, the Honorable BARRY GOLDWATER.

Since that time, I have attempted to keep abreast of the Trilateral Commission's activities. There is no doubt that this organization, conceived and founded by David Rockefeller with the help of Zbigniew Brzezinski, has gained control of and totally dominates the executive branch of the U.S. Government.

The apparent aim of the Trilateral Commission is a new international economic order. Trilateralists from throughout the world are committed to the objective of controlling the world's energy, food, financial institutions, industrialization, balance of power, and certain national governmental operations, under the auspices of their own collective efforts and policies.

I am interested to see that more and more is becoming known, and being made public, about the Trilateral Commission. It was only recently that the establishment media began paying serious attention to the commission's membership and objectives, and reporting them to the general public.

I believe that this is a healthy development. The American people certainly have a right to know who is pulling the strings of economic, government, and social power throughout the world, and what certain vested interests are attempting to implement as public policy in order to achieve their own private objectives.

A generally favorable story about the Trilateral Commission, which contains some revealing information about the role of our own President and his inner circle in the commission's workings, was published this weekend in the Washington Post.

I would like to include that story at this point in the RECORD:

[From the Washington Post June 18, 1978]

TRILATERALISTS: BIG TYCOONS ON DEFENSIVE

(By William Greider)

When David Rockefeller's Trilateral Commission came to Washington last week and called upon the Carter administration, it was like the nest returning to the sparrows.

President Carter, an ex-Trilateralist himself, greeted his former brethren in the East Room with praise so generous that it was mildly embarrassing to some.

"I was dumfounded by some of the things he said," said a Trilateral executive. "I would love to get permission to quote him in our fund-raising."

This is terribly off-the-record, like all Trilateral discussions, but Carter told the 200 movers and shakers from America, western Europe and Japan that, if the Trilateral Commission had been in business after World War I, the world might have canceled World War II.

Thus encouraged, the Trilateralists heard from three other alumni, the Cabinet officers who count most in global matters—State, Defense and Treasury. A fourth star canceled his briefing because of illness—Carter's national security affairs adviser, Zbigniew Brzezinski, the intellectual father of the Trilateral idea.

"Poor Zbig, he was sick as a pup," said Trilateral coordinator George S. Franklin. "He caught the Russian flu in China."

At least 18 top-level executives of the Carter administration were drawn from the Trilateral membership. So was the foreign minister of Japan. So were the prime minister of France and the labor minister of West Germany. The present membership includes 12 former Cabinet officers and top advisers of past U.S. administrations, from Kennedy's to Ford's.

It is a very heavy group—bankers and corporate barons, fellow-traveling technocrats, promising politicians and a light sprinkling of trade unionists drawn from three continents. This has stimulated much spooky theorizing about a Rockefeller shadow world government, a floating establishment conspiracy to run everything. In some circles of fervid political imagination, the "Trilateral connection" is short-hand for puppets on a string, responding to a secret agenda.

The reality, alas, is less dramatic. On paper, they run the world. But, in the flesh, the Trilateralists get together and mostly talk about how the world ought to run, if only the world would cooperate.

This humble little secret slipped out from under the mirror-paneled doors at L'Enfant Plaza where the Trilateralists met for three days last week: the heavyweight members, despite their awesome economic clout, feel defensive, uneasy, unloved.

"It's surprising," said one participant, "that these big, powerful, hefty tycoons would be so defensive. They are not terribly confident."

At the White House, even the president lectured them on their bad image. Three foreign leaders from Third World countries, Carter said, have told him personally that the Trilateral Commission is nothing but "a rich man's club" that doesn't care about the rest of the world. The Trilateralists, Carter urged, should demonstrate to the poor nations of the world that the commission "has a heart."

"Ninety percent of the questions," one informed witness said, "were: 'Tell us, Mr. President, what can we do to get on better terms with the Third World?' "

It is a "rich man's club" in global terms, but that was the idea in the first place. The members are drawn from the leading industrial and financial and intellectual empires of the noncommunist world—Citibank and Fiat and Nippon Steel, Oxford and Harvard and Tokyo University, Coca-Cola and Barclays of London and Mitsubishi. Their meetings are all in private, presumably to stimulate franker discussion, but perhaps also to enhance the mystique of importance.

At the Washington sessions, a number of participants noted how restrained and defensive the Trilateralists were with one another, tip-toeing around the strains and differences among themselves.

The Japanese were defensive about their trade surpluses. The Americans about their growing oil imports. The British and French about their import barriers. The Germans about their low rate of growth.

This is not exactly what everyone expected when "Trilateralism" was coined five years ago by Brzezinski as the new catch phrase of global thinking. It may have a short shelf life, as catch phrases go, because the Trilateral agenda has not exactly swept the world.

Neither the Carter administration nor its counterparts in Europe or Japan have been able to move very far on the monetary revisions proposed by a Trilateral study. Nor have they developed the unified energy strategy urged by the commission. Nor have they worked out a consolidated bargaining approach to those underdeveloped nations that are demanding a new economic order in the world.

The problem is messy politics, in every instance. And some of those who were inside noted that the Trilateral talks here were stimulating and educational, but a trifle unreal—lofty theorizing above the realm of practical politics.

"They address serious problems in serious ways," said columnist Joseph Kraft, one of three journalists admitted as observers with the understanding that they would be discreet in reporting who said what. The others were New York Times columnist James Reston and Le Monde correspondent Michel Tatu.

"They're very useful for people who are not used to this world of discussion, but they are most distinguished for their lack of political realism," Kraft said "They talk about the energy problem, but there's no acknowledgement of the political nationalism sweeping the world. There's no how-do-we-get-from-here-to-there."

John Sawhill, president of New York University, former federal energy administrator, and author of the Trilateral report on energy, made a similar point but saw a certain virtue in the commission's detachment.

"It's a little more detached from immediate politics," Sawhill said. "This gives the politicians a chance to step back and take a longer view of the future."

Richard Barnet, author of "Global Reach" and a leftist critic of multinational corporations who was definitely not invited to the Trilateral meetings, thinks the Rockefeller organization is increasingly irrelevant.

"It's all based on a make-nice view of reality," Barnet said. "Most of the positive agenda hasn't got anywhere. It was more interesting in the pre-Carter period because it looked like a nesting place for the next Democratic administration, if there was going to be one. Now it is less interesting."

Indeed, many of the members themselves think the Trilateral gatherings—in Bonn or Tokyo or Ottawa or here—are less valuable for the ideas or concensus they strive to generate, more useful merely as get-acquainted sessions. The Japanese, in particular were drawn into deeper relations with European leaders through the Trilateral sessions and are now engaged in regular government and private exchanges.

The attendance is good, especially when the meeting is held in Washington, because everyone knows the governments will be listening to what's said.

"These are influential people," said Maurice Sauve, former minister of Quebec. "They carry weight. If they want some action to be done, they can make the contacts without having to wait."

"Frankly," said Sawhill, "it's an awfully good training ground for American political leaders and not only American leaders."

Rockefeller and Brzezinski demonstrated a certain skill in picking ascendant politicians when they originated the commission in 1973—tapping Carter and Vice President Mondale, long before they were close to the White House.

For what it is worth, Rockefeller's list of young and promising politicians recently added to the commission includes Rep. William S. Cohen (R-Maine), Sen. John C. Danforth (R-Mo.), Illinois Republican Gov. James R. Thompson and West Virginia Democratic Gov. John D. Rockefeller IV, who is David Rockefeller's nephew.

Tatu, the Washington correspondent for Le Monde, said the Trilateral meetings have a certain sameness to them. The same people show up for the Bilderberg Conferences and Atlantic Institute meetings, a fact which stirs the conspiracy theorists to spin intricate webs of interlocking power.

"It's no more or less imperialistic than any other meetings like this," Tatu said. "The leftists think it's a big conspiracy, which is completely wrong. It's just a forum for talks very often empty talks."

Sen. William V. Roth (R-Del.), one of 11 senators and representatives on the commission, discovered an ancillary benefit from his membership. Last year, Penthouse magazine published a lengthy expose of Rockefeller's shadow government.

"That gave me an excuse to buy Penthouse," Roth said.

FOREIGN INVESTMENT HEARINGS

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. BRECKINRIDGE. Mr. Speaker, there appears to be a growing concern in this Nation that choice tracts of precious U.S. farmland are being purchased at an alarming rate by foreign investors. The Family Farms, Rural Development, and Special Studies Subcommittee of the House Agriculture Committee, on which I serve, will conduct public hearings June 20, 1978, on foreign investment in U.S. agricultural land. The hearings will begin to address the many unanswered questions posed by this problem.

In point of fact, no one really knows the extent of foreign penetration in U.S. agricultural land. Secretary of Agriculture Bob Bergland, in his testimony on February 1 of this year before the full Agriculture Committee, said, "There is very little solid information on the quantity of land owned by foreign investors."

However, it has been variously alleged that as much as 40 to 50 percent of the sales of agricultural land in certain areas of the United States are being made to foreign buyers, and that the figure may be as high as 20 percent nationally.

On the other hand, a report just released by the General Accounting Office found that only three-tenths of 1 percent of cropland in 25 counties in 5 States—California, Kansas, Georgia, Missouri, and Oklahoma—was owned by nonresident aliens. These reports are helpful, but largely inconclusive, and simply underscores the need for more reliable information.

It is time that the Congress begins to address itself to correct, on a Federal level, this lack of information. Today, I have introduced Federal legislation designed to go the full length in preventing foreign ownership of U.S. agricultural land. My bill prohibits foreign individuals, corporations or governments from purchasing agricultural land in the United States. It also requires any foreigners now owning such land to report their holdings to the Secretary of Agriculture unless they desire to suffer civil penalties. I urge the Members of Congress to consider its provisions in the context of the Family Farms, Rural Development, and Special Studies Subcommittee's testimony and the Federal legislation already introduced.

I look forward to reviewing the testimony the Family Farms, Rural Development, and Special Studies Subcommittee will receive and will consider very closely the legislation now pending in Congress relating to foreign investment in U.S. agricultural land. My legislation is submitted to the Congress without prejudice to any ultimate legislative decision in this area and is only a draft in what I trust will be a positive congressional resolution of this issue.●

FEDERAL FUNDING TO CITIES

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. BROWN of Ohio. Mr. Speaker, it now appears certain that tax-cutting proposals similar to California's proposition 13 will appear on ballots across the country this year.

While I applaud the idea, we need to start asking where cities will obtain the dollars to continue vital services—such as fire and police protection—once voter-induced tax cuts deplete local resources.

Federal dollars have been flowing steadily to our cities throughout the past several years. Many cities have grown overly dependent on Washington when their local funds could not meet all their budgetary needs.

What will happen to us when this latest wave of tax cutting forces more cities to turn to Washington for help? How will we answer their pleas? Will increased Federal participation in local affairs remove local government's control over its own business?

Although the following article appeared in the Springfield, Ohio, Daily News and Sun almost a month before that momentous California vote, the message it contains on Federal aid to cities is more urgent today than ever before.

The article follows:

FEDERAL FUNDING: A MIXED BLESSING?

(By Dick Minnig)

Two years ago Springfield's downtown heart of dingy buildings and abandoned shops was an eyesore and an embarrassment. It had the look of a place "standing still in time," one city planner said.

Today, new concrete, glass and brick is sprouting up around a leveled city "core" block on which the skeleton of the new City Building is rising, and optimistic city planners and officials see the blossoming construction as the birth of a future business, finance and governmental center for Clark County.

The city has invested millions of dollars in its ambitious development plans, which are not confined to the downtown core alone, and has succeeded in capturing private investment as well. Although there can be no guarantees about the future, a growing feeling of enthusiasm and confidence is apparent.

"There's no such thing as a city standing still," one official said. "You're either growing or you're decaying."

Helping to generate this new life has been a stream of federal dollars which started as a trickle in 1970 and increased to a steady flow. This year alone, federal aid is contributing $8 million toward the more than $19 million in capital improvement projects the city will have underway—making 1978 the biggest year for public works spending in the city's history.

The dollars from Washington will pay for things ranging from road construction and housing rehabilitation to storm sewers and the development of a 60-acre industrial site recently purchased with the help of federal aid. More than $1 million will be used to give a new lease on life to the deteriorating downtown Arcade.

But despite the obvious benefits of federal aid, which in 1977 provided the city with a sizeable 19 percent of its income, city officials are eyeing Washington's growing role in local affairs with some uneasiness. One question asked around the nation by municipal officials is: Are cities becoming wards of Washington?

Springfield officials readily credit federal aid with quickening efforts to revitalize the city, but they disagree on whether the city's future is dependent on unabated federal assistance. Many believe the city could weather a wholesale loss of federal aid, although there would be some "gut-wrenching readjustments," as one city commissioner put it.

It's unlikely that belief will be tested soon.

Federal aid—and federal power—has increased as citizens and local governments have relied more and more on Washington to improve the quality of life and solve problems felt to be beyond the capacity of town hall—problems ranging from urban decay and racial bigotry to dirty air and un-

employment. No end of that trend is in sight.

President Carter's new urban strategy, for example, will channel billions more into cities and, despite misgivings about redtape and federal regulations, Springfield officials will not be shy about seeking the city's share. The money is there for the asking and, as one official said, "If we don't get it, someone else will."

This year cities will look to Washington for an estimated $80 billion in assistance, which for some has become a life preserver in a sea of urban ills. Cleveland, which reportedly may end the year with as much as a $23.5 million deficit, will get an estimated 60 percent of its income from direct federal aid. Detroit will depend on Washington for a startling 75 percent of its revenue.

These figures add credence to the view expressed by the congressional Subcommittee on the City that the federal budget probably is "the single most important document affecting the well-being of cities."

Mayor Roger L. Baker believes this view doesn't apply to Springfield. "Federal aid didn't get us started and it's not keeping us afloat," he said, referring to the city's redevelopment efforts.

That belief is shared by City Commissioner John Sayers: "I have the feeling that we could have recovered without federal aid. We still have enough pioneer types here who would have hitched up their pants and got the job done."

Baker and Sayers pointed to the willingness of Springfielders in 1975 to increase their own taxes to pay for public works, including downtown renewal and construction of the new City and Public Safety buildings. "Things had just gotten to the point where people realized that something had to be done," another official said.

But like Baker, Sayers admits that without federal money the city's redevelopment timetable would have been slowed down and some projects might still be gathering dust in planners' desks. Local tax money might have been funneled into less ambitious but necessary projects such as street construction and storm sewers, now largely paid for with federal money.

Other city officials are not so confident about the city's ability to rely on its own resources. "The whole federal Community Development aid program had led to an upswing here," said one high-ranking administrator. "There's no question that we'll become even more dependent on federal aid," he predicted, saying that cities can't support themselves.

"The city's future may be tied to federal aid unless citizens change their minds about calling on government for their every need," suggested City Commissioner Carol Goettman." As long as the tax burden is as heavy as it is, I don't see how we can increase city taxes."

One city administrator pointed to a "tremendous explosion of the role of government at all levels," from Washington to village halls. "Government once wasn't involved in the economy except to tax you," he said. "And it wasn't so long ago that local governments stayed away from social services or promoting employment."

The increasing demand for services placed on cities has come at a time when their growth generally has peaked. With city populations declining and tax bases eroding, federal assistance has become vital in paying bills.

"If we're to grow and provide for services, we need federal aid," said Commissioner Robert Cherry.

Because of fears that federal policies could change and that federal dollars aren't limitless, some city officials say Springfield is playing it safe by using federal money largely to accomplish projects, which once completed, will not tie the city to continuing expenditures in later years. Once a sewer or street is constructed or an industrial site developed, the expense to the city will be limited to routine maintenance, and the benefits are likely to be greater than the costs.

Officials are wary of relying on federal money to pay the day-to-day costs of running the city, although some $1.5 million in federal revenue sharing funds will be used this year for police and fire division payrolls. Baker doesn't see that amount as a dangerous fiscal dependency.

More importantly, officials point out, Community Development projects paid for with federal money and city taxes have been accomplishing a vital goal—creating a climate of growth and confidence that stimulates private investment in the city's future, thereby lessening the need for government pump-priming and bolstering the city's tax base.

Every dollar of public money, including federal aid, has been stimulating $6 or $7 in outlays from the private sector, one city planner estimated.

By fall there could be $22 million to $25 million in construction going on in connection with downtown renewal and little of it will involve federal money, said Thomas Loftis of Core Renewal Corp., the city's agent for downtown redevelopment. He pointed to the spurt of new construction by financial institutions and businesses that has already occurred along the periphery of the Core Block and cited plans by Credit Life Insurance Co. to build a larger headquarters across from the new City Building.

A member of the Springfield Chamber of Commerce recalled that a few short years ago, when seeking to entice businessmen to Springfield, "we wouldn't bring their wives downtown." The decay there was a poor selling point. Now evidence of new life in the city's center has a very positive effect, he said.

He also pointed to the construction of Mill Run sewer and the city's new industrial site as long-term assets in promoting industrial expansion.

Businessmen take a hard look at what government is doing, he said, but cautioned, "You just can't wave a magic wand and see industrial development happen."

Ultimately, the city's future will not hinge on federal assistance but on the economic health of the nation as a whole, and whether businessmen and wage earners are convinced that Springfield is a good place to live and do business, many argue forcefully. Just bringing in money in baskets is not going to help," a Wittenberg University economist observed.●

"SMALL" CUT FOR OSTP CAN DO GREAT DAMAGE

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. TEAGUE. Mr. Speaker, while I wish to congratulate my colleagues on the Appropriations Committee for their diligence, courage, and overall perception in making reductions in the Federal budget—I feel constrained to point out that the cuts made in the budget of the President's Office of Science and Technology Policy (OSTP) may be pennywise and pound foolish.

Of course, those of us on the Committee on Science and Technology who engendered the existence of OSTP after 3 years of careful investigation and work undoubtedly have a somewhat parochial viewpoint.

Even so, it is hard to ignore the fact that this Office—which was established with bipartisan support and the support of both the legislative and executive branch—is the best coordinating tool the President has for implementing the nearly $30 billion Federal R. & D. budget for fiscal 1979. Its efficient functioning can mean the difference between hundreds of millions of dollars lost or ill spent—or wisely, efficiently, and appropriately applied.

Now, however, in this appropriations bill, we find OSTP, which is requesting $2.621 million—$200,000 less than for this fiscal year—is cut $145,000. That amount is hardly qualified to discuss as a "cut" in today's terms. Yet I submit that the effect of this cut could mean a loss of many millions of dollars to the taxpayers.

The reason is simple.

OSTP operates with a very small staff of 15 or 20 people which, in itself, has been criticized as too limited to perform the many advisory and managerial responsibilities now being assigned to the President's science adviser and to OSTP. The Office must depend, designedly so, on outside consultant and borrowed help— and on its flexibility to seek help from experts in other areas than Washington. Paying for their travel is like "life's blood" for this small but crucial operation.

Yet the cut is made in "contract" and "travel" and "personnel" authority categories. So while the cut is only 5 percent of OSTP's budget—and while OSTP's budget is only 1/10,000th of the total R. & D. budget—seldom has $145,000 loomed larger, in effect, than the loss of this particular sum in this particular instance. And, very importantly, the cuts are made without opportunity for flexibility.

Perhaps I am oversensitive to this proposal since our committee has had a lead role in the development of science policy and R. & D. management mechanisms since 1962—with intensive activity directed thereto in 1969–70 and 1973–76. But we are convinced of the need for and utility of OSTP and are dismayed at the likely results of this "small" reduction.

Mr. Speaker, it reminds me of the old fable—"for want of a nail, the shoe was lost"—and then, eventually the kingdom. This $145,000 may not be quite so drastic—but it sure is going to cripple the horse and make a lot of problems for the rider.●

GASOHOL DEMONSTRATION

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. EMERY. Mr. Speaker, on June 28, 29, and 30, Congressmen FINDLEY,

GLICKMAN, FAUNTROY, and myself, along with Senators CHURCH, CURTIS, JACKSON, JAVITS, PERCY, and the American Automobile Association, will be sponsoring a demonstration for Members of Congress, the executive, interested organizations and the media.

We have arranged to have a tank truck stationed at Pennsylvania Avenue and First Street, NW. facing the Peace Monument, so that participants can enjoy a free fillup of gasohol in their own cars. The gasohol will be composed of 90 percent unleaded regular gasoline and 10 percent ethanol from renewable resources.

Those of us sponsoring this demonstration believe that alcohol fuels are a near-term, promising avenue to reducing our Nation's dependence on imported petroleum which, at the same time, offer the hope of boosting local economies all over the country by supplementing farm incomes and relieving the drain on urban budgets caused by waste disposal problems.

I urge each Member to treat his or herself to a free fillup. All will receive a Dear Colleague letter with an enclosed certificate which the Capitol police will ask for upon entering the restricted area where gasohol will be dispensed. Our tank truck will be pumping gasohol from 12:30 p.m. to 3:30 p.m. on June 28, from 9:30 a.m. to 3:30 p.m. on June 29, and from 9:30 a.m. to 12:30 p.m. on June 30.●

SURGEON TAKES SWIPE AT BILL MOYERS OF CBS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. DORNAN. Mr. Speaker, I wish to call to the attention of my colleagues an interview appearing in the May 21, 1978, National Catholic Register with Dr. C. Everett Koop on the grisly specter of infanticide that now hangs over America. Both Mr. Riley, editor of the Register, and Dr. Koop are quite blunt in their discussion of infanticide, and are also unafraid to point out that a segment of the media are more interested in Catholic "baiting" than in dealing with the life-and-death issues of abortion, infanticide, and euthanasia.

We have had abortion on demand nationwide for more than 5 years. It appears that we have grown so used to the death of innocents that this grotesque "debate" on killing "the unwanted" has now shifted to those who are born. Taking their lead from the Supreme Court, a panel of 20 professionals from various disciplines were asked, "Would it ever be right to kill a self-sustaining infant?" Seventeen—count them 17—panelists said it was all right, 2 said it was not all right to kill a self-sustaining infant, and 1 gutty person abstained. This madbrained approval of killing was issued at a seminar dealing with the "Ethics of Newborn Care held at the Sonoma Campus of the University of California in May 1974.

But death selection is not just for the unborn or the newly born. It also extends to those who have been born for quite a while. Robert A. Derzon, Administrator of HEW's Health Care Financing Administration, suggested in a June 4, 1977 memo to Secretary Califano that medicare money not be used to treat the very persons who paid for it if they happen to live in a State that does not have "living will" or euthanasia legislation on the books. And besides, if a medicare-eligible patient does live in such a State, the prime beneficiary will be the so-called medical practitioner who administers the death sentence.

It is becoming more evident that the struggle between those who love life and those who promote death is taking on even larger proportions. This shedding of innocent blood is a malignant moral pollution that is eating out the vitals of this country. We are fast becoming people with hollow chests, capable of any transgression against God in the pursuit of self-indulgence.

If we accept the proposition that an "unwanted" person might be put to death by another, who or what will prevent America from becoming an "unwanted" nation in the eyes of the world—a nation that deserves to be treated as it treats its young and old? I shudder to think that God's hand will not be stayed forever. He will not be mocked forever. Malcolm Muggeridge was truly prophetic when he said the 1970's would become "the decade of the great liberal death wish." Those who love life will be impressed with this excellent Dr. Koop interview. I also recommend his compelling book, "The Right To Live; the Right To Die."

The interview follows:

BILL MOYERS CRITICIZED

(By Dr. C. Everett Koop)

Riley: This is a blunt question, but I think it has to be confronted: Do you find that in any case the mother or father of a defective child wants to destroy that child?

Koop: I can tell you honestly that in the 32 years I have been doing this work I have never had a parent come to me voluntarily and say "I don't want this child to live." I feel that when parents do request this that the idea had to be given them by a physician caring for their child, as though death were a very legitimate option. I don't consider it to be an option.

Riley: Do you consider the basic instinct, the gut drive, of every parent to protect the life of the child?

Koop: Absolutely. I am old enough to be able to see youngsters I operated on a quarter century ago now raising their own families, and never has one of those children come to me and said: "Why did you try so hard?" As a matter of fact, most of these children don't see themselves as handicapped. Children who grow up with a handicap never seem to look at it the way we would. They don't see it as a real handicap.

One of the things that disturbs me most about the practice of infanticide—because we might as well be blunt about that, we are talking about infanticide—is that infanticide is occurring more and more in this country. It is being practiced by that very branch of the medical profession which you used to be able to count on to stand in the role of advocate for a child: the pediatrician. The pediatric surgeon.

Now we are confronted by ethical problems, moral problems and worst of all, financial considerations. The cost-containment that all of us strive for in this era of mounting medical costs becomes a factor in whether a child should live or not. That is a kind of discrimination that is more deplorable than the ones we talk about all the time, like race, color and creed.

Riley: To what do you attribute the degeneration of the very men who should be protecting life?

Koop: I think we have lost some basic promises of the medical profession. When I went to medical school, I came out taught that my business was to save lives and alleviate suffering.

Riley: You swore to do that, If I am not mistaken.

Koop: I did indeed, in the Hipprocratic oath. That used to mean that you were saving the life of your patient and you were alleviating the suffering of your patient. This now has become twisted in this way; sure, you are supposed to save the life of your patient, but if the suffering that you see in the family can be alleviated by destroying the child, then destroy the child. So in a sense one can still say, "I am saving lives and alleviating suffering." But the suffering you are alleviating is that of the family, and a life is destroyed.

Riley: But you indicated earlier that it isn't the suffering family that wants its suffering relieved by destruction of the child.

Koop: Right.

Riley: Rather that it is the doctor who generally insinuates or suggests that this is a way out of their suffering.

Koop: The lethal factor used to be the patient's illness. Now the lethal factor is the physician's decision.

The inconvenient and unwanted fetus now has become the inconvenient and unwanted child. This is why I have never been concerned about "viability" of an unborn child. As far as I am concerned, from the moment of conception, that is the real thing. The mere fact that at one time the growing baby has his domicile in the uterus and another time has it out in the world doesn't affect my understanding of the preciousness of that life.

Riley: Otherwise you have discrimination on the basis of place of residence.

Koop: Absolutely. The mother is providing domiciliary care. That growing baby really is not part of her body in the sense that we are told it is.

Riley: That is what the abortionist tells us it is.

It is often said that abortion is a religious issue, and by that it is generally meant that it is a Roman Catholic issue. What do you think about that?

Koop: I think it is one of the techniques that the pro-abortionists have been delighted to use. The play on the bigotry of part of our population by associating abortion and other concerns about life with the Roman Catholic Church. And they try to make abortion a church-state issue.

I am not a Roman Catholic, I am an elder in the Presbyterian Church.

The CBS documentary with Bill Moyers on April 22 is a beautiful example of misrepresentation. Almost every prolife person was shown wearing a reversed collar or was an identifiable Roman Catholic. Moyers' summation moved the issue from the civil rights arena to the religious arena.

Riley: The Register has published a report by a team of psychiatrists in British Columbia who compared answers given by a group of 70 women concerning their abortions to the kind of emotion that welled out of another group of women, fewer number, under psychoanalysis. Now all of these women had had abortions. The women who just answered questions in a questionnaire said that their principal feeling after the abortion was relief. Most of them said they did not feel depressed. In fact, one very

interesting datum is that these women especially the very young ones, seem to have very little feeling about anything. Their feelings seem to have been deadened, as it were.

The women in depth analysis told a different story. There emerged from them a very powerful feeling of unity with the child who had died, of regret and pangs of conscience that they had brought about the death of their child. The principal investigator may even have used the term "PROLIFE." There is a tremendous feeling for life among women which somehow is hidden in what they have to say during what you might call "conscious conversation". I wonder if you have had any experience that would confirm that?

Koop: I can answer the question by saying that I think preservation of life is instinctive whether that is your life or someone else's life; that is deeply rooted in conscience.

As a conservative Christian I think that it just screams out of the Bible that life is precious to God and that you and I as His stewards have no right to destroy that life. I think that women recognize in the basic maternal way that they indeed have been granted stewardship over the life of this child and when they realize that they have suddenly interrupted that life . . .

That is an interesting verb the pro-abortion people use, when they talk about "interrupting" a pregnancy as though it was a temporary thing that you could pick up again. It is a very permanent interruption. But I think that women basically rebel against this. Their rebellion, I think, is attested to by the fact that we have had so many semantic changes in order to make abortion palatable.

Riley: It is 1984 and Newspeak.●

LABOR LAW BATTLE INTENSIFIES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. CONYERS. Mr. Speaker, the labor law reform bill, now before the Senate, seeks to strengthen the National Labor Relations Act (NLRA) of 1935 so that it would work as it was intended to work and, among other things, guarantee to workers the right to organize into unions. That the NLRA has proved inadequate in enforcing worker and union rights is evident in countless cases of employers obstructing or subverting the letter and spirit of the law—for example, firing, or reducing the pay of, workers who engage in prounion activities; refusing to recognize unions even after they have been voted in and duly constituted; utilizing all kinds of delaying tactics such as calling for redundant National Labor Relations Board reviews and instituting endless litigation.

The NLRA is, in fact, one of the most glaring cases in American history of the passage of a law without the machinery for enforcement. The law did offer, however, employers the widest opportunities to circumvent it, especially since it provides only the scantest monetary penalties to employers in violation of it, penalties that cost them less than the financial cost of abiding by the law.

The provisions of the labor law reform bill are modest enough, and understandable in the light of more than 40 years of experience. Basically, the reform bill would strengthen the machinery of the NLRB to carry out the law; expedite elections and hearings and their review; and stiffen the penalties against violators. Unfortunately, the business leadership of this country seems to prefer to keep the law as it is—ineffective, nonenforcing, and fundamentally unfair.

Were it not for so many other instances of corporate power attempting to turn back the clock and roll back the hard-won gains of workers and the disadvantaged, the attempts by employers to obstruct the labor law might appear merely as hardnosed tactics in a very competitive and hard-fought game known as labor-management relations. There is, however, a wide-ranging campaign of antiunion and anti-Government activities underway that seeks to weaken and cripple all types of social reform—for example, equal employment opportunity; national health insurance; full employment; unionism; tax reform—of which the labor law reform is but one example.

The battle over labor law reform is the subject of an excellent series of articles that appeared in a recent issue of In These Times, an independent Socialist weekly newpaper that began publication more than a year ago. For a growing number of devoted readers, In These Times has become an indispensable publication in covering a great variety of public issues that often escape notice in mainstream publications. The following article, "Labor Law Battle Intensifies," written by Dan Marschall, offers a very cogent analysis of the importance of, and reason for, the labor law reform legislation before the Senate, and I recommend it to my colleagues.

[From In These Times, May 31–June 6, 1978]

LABOR LAW BATTLE INTENSIFIES

(By Dan Marschall)

For the next several months the chambers of the U.S. Senate will echo with debate over labor law reform. As pro-reform forces maneuver to stop a filibuster and fend off debilitating amendments, lobbyists on both sides of the question will beseige undecided Senators. When the final vote is taken, probably in mid-July, the controversy will likely be recognized as the most bitter labor-management confrontation in decades.

The historic importance of the Labor Law Reform Act of 1978 (S. 2467) is difficult to overestimate. Since 1935, when American workers won the legal right to organize unions and bargain collectively through the Wagner Act, the labor movement has undergone successive waves of governmental restrictions on its activities and powers. These changes gradually strengthened the ability of employers to resist unionization. This option wasn't pursued much in the post-war period. Unions were accepted as "stabilizing influences"—at least in the major sectors of the economy—integral to the smooth functioning of corporate-dominated society. But in recent years the fundamental hostility of employers toward unions has surfaced once again.

Corporate interests have launched a major offensive against unions, both in the political arena and in contract negotiations. Through organizations like the Business Roundtable and the Chamber of Commerce, business has stepped up its lobbying activities and constructed well-financed political machines throughout the country. Collective bargaining increasingly revolves around "take-away" demands whereby employers attempt to win back long-held union gains in working conditions and job rights.

UNIONS ON DEFENSIVE

Unions, meanwhile, are on the defensive. Union membership has declined in proportion to the total workforce and, from 1974 to 1976, in absolute terms. Last year unions lost more representation elections than they won, according to National Labor Relations Board figures.

The defeat of common site picketing in 1977 also whetted the anti-union appetites of corporate executives who, in alliance with right-wing organizations like the National Right to Work Committee, are moving in for the kill.

The outcome of the labor law reform battle will serve as a decisive measurement of the strength of this renewed management offensive and the ability of labor to resist.

The AFL–CIO argues that labor law reform is a modest, reasonable piece of legislation that will redress the constructive "balance"' between labor and management and not jeopardize the labor relations of law-abiding companies. It is aimed primarily at employers who flagrantly break the law or utilize long procedural delays to avoid unionization.

The bill, a similar version of which was passed by the House of Representatives last October, would:

Expand the NLRB from five to seven members in order to speed the processing of unfair labor practices cases, which have substantially inreased since 1960;

Empower the NLRB to seek preliminary injunctions against employers who illegally fire workers during organizing campaigns or before the negotiation of a first contract;

Grant one and one-half times back pay, less interim earnings, to workers illegally fired during organizing efforts;

Set maximum time limits for the conduct of union representation elections; and

Bar employers who have "willfully violated" Board orders from federal contracts for three years.

To press passage of the bill, the AFL–CIO set up a special Task Force on Labor Law Reform, encouraged individual unions to mount their own campaigns, and planned to create a committee of 20 to 25 corporations to support the legislation. That committee never materialized.

BUSINESS HOSTILITY

Instead the AFL–CIO confronted an unprecedented business lobbying campaign that has utilized "grass roots" techniques developed by the consumer, environmental and anti-war movements. Groups like the Business Roundtable, which ordinarily views congressional legislation in the light of corporate liberalism, have lined up with the more hard-line, anti-union organizations like the National Association of Manufacturers in an effort to shoot down the bill.

Organized labor, in coalition with women's, environmental, minority, religious and consumer groups, outmaneuvered this business power bloc in the House. (ITT, Oct. 19, 1977). Reform opponents, however, vowed to stop the bill in the Senate through filibuster—the legislative equivalent of the tactics used to block unions.

Through the National Action Committee, a coalition of about 500 corporations and trade associations, business forces have spent an estimated $5 million to buy newspaper ads, commission studies of the bill's "inflationary impact," and generate postcards from business constituents in opposition to the Senate bill. To lobby uncommitted legislators, corporate jets have shuttled thousands of distraught small businessmen into Washington. Conservative columnists like James Kilpatrick have poured out a steady stream

of distortions about the "bill to benefit union bosses." An hysterical spokesman for the Chamber of Commerce even predicted that the law would triple union membership within ten years.

NEW FORMS OF LOBBYING

To counter this management blitz, organized labor mounted "its strongest, most heavily financed lobbying effort in years," according to the New York Times. The AFL–CIO's Committee on Political Education (COPE) put out the word that the labor bill vote would be given "more of a priority" in determining which Senators receive future AFL–CIO support. Over 2.1 million pro-reform postcards have been received by Senators.

In their House and Senate campaigns the AFL–CIO and affiliated unions reportedly have spent up to $2.5 million to cut through business rhetoric and make sure that Senators understand the actual substance of the bill.

The intensity of the business campaign has also prodded organized labor to move away from its traditional lobbying techniques toward grass-roots-oriented tactics. The "coalition-building" strategy, now being advanced by AFL–CIO president George Meany and his closest advisors, was decisive in moving labor law reform through the House. For the Senate campaign, the AFL–CIO is bringing 35–50 "victims" of corporate anti-union tactics into Washington each week to convince their representatives to support the bill.

The "victim's vigil" (see accompanying article) represents, according to a union source, a "significant departure" for the AFL-CIO, which usually relies on its professional lobbying staff. "It's a real worker's lobby involving rank and filers and staff-people from different levels of the unions' hierarchies. This is quite different from how the AFL-CIO has proceeded in recent years."

Despite business assertions that labor law reform is a "naked power grab" by organized labor, impartial observers predict that passage would not have immediate, dramatic consequences. Most unions have deemphasized organizing in relation to collective bargaining since WWII. A great crusade to "organize the unorganized" would necessitate a basic reordering of priorities. Indeed, the AFL-CIO has "no plans for a great organization campaign" if the provisions are enacted, Meaney remarked at a recent AFL-CIO Executive Council meeting.

Both sides concede that the bill would pass if a straight yes-no vote were held today. To stop that from happening, Senate critics, led by Orrin Hatch (R-UT) and backed by the Republican party establishment, are conducting a filibuster.

Because the bill is supported by President Carter and by the Senate's Democratic leadership, observers expect a cloture vote to win in mid-June. Proponents will then have to counter a flurry of 500 amendments that Hatch has promised to introduce to further delay passage.

The political strength of organized labor in the near future may hang in the balance. "Opponents to labor law reform are clearly after the labor movement itself," says a congressional staffer. "If the leaders of the AFL-CIO can't deliver on this one, they're in trouble. A defeat here would be a substantial blow to their ability to function on a national level."

VICTIMS LOBBY FOR LABOR LAW REFORMS

(By Dan Marschall)

(As the Senate discusses labor law reform, hundreds of victims of labor law violations are coming to Washington, D.C., with first-hand proof of the necessity for labor law reform. The "Victim's Vigil," organized by the AFL–CIO, is intended to confront Senators with the irrefutable stories of how rank and file organizers have been fired, harassed and intimidated by employers trying to block unionization. The interviews below give a representative sampling of these testimonies).

LARRY STETNEY, CADILLAC, MICH.

"Our organizing attempt at WWTV in northern Michigan began in October 1974. We tried to bring in the National Association of Broadcast Employees and Technicians, NABET, to cover about 45 engineers, TV news announcers, radio announcers and television production people.

"The company realized that if they could delay the process long enough the people who were for the union would get upset enough to leave and find other jobs. They tried to make it very uncomfortable for employees who supported the union. But we got about 75 percent of the unit in [authorization] cards and won the election.

"It was after the election that we encountered real opposition from the company. They never expected us to win. The company started maneuvering people around to undesirable positions. They tried to make one female news reporter into a secretary, for instance.

"They also held up all raises and conducted surface bargaining. They never really intended to reach an agreement. Sure they'd sit down at the bargaining table, but make no attempt to get any concrete agreement. They insisted on unreasonable demands and didn't come in with any rational counter-proposals. Just all of the stall tactics, hoping everyone would quit.

"There were several terminations. The company was willing to fire people because they knew they would save money in the long run. Even if they had to hire the person back or pay them back wages, it would still be cheaper than paying the higher wages and fringes. After we filed complaints, the [National Labor Relations] Board issued three separate complaints against them for unfair labor practices. We were on strike for five months protesting one of those practices.

"In October 1976 we finally got a contract. What should have been a six-month procedure was dragged out to two years. What finally convinced them to sign a contract was not pressure from the NLRB, but the fact that they were possibly violating Federal Communications Commission rules because they were breaking federal laws.

"With this labor law reform, the key issue is that it would speed things up. Companies no longer could use the law to delay the unionizing process. (The law includes time limits for union representation elections and penalties against employers who failed to bargain in good faith.)"

BOB ISENHOUR, ANDERSON, IND.

"I work for Carter Industrial Services in Anderson, Ind., and became involved in organizing a union in February, 1978. As soon as the company found out about the campaign, they harassed people and tried to keep them from being informed of their rights.

"We work on a piece-rate system. People identified as union supporters were given substandard work. I was told, for example, to repair parts that had been thrown out for scrap. But the people wearing badges supporting the company were given parts that needed very little repair. So the pro-union people got under their rate of 20 parts per day, which is grounds for being written up and dismissed.

"A lot of other things were done. I couldn't leave my area for any reason without talking to my foreman. So whenever I tried to go and pick up replacement parts, I was chewed out in front of the whole factory and humiliated.

"Worst of all, the companies' tactics kept people afraid to come to union meetings and find out what their rights really were. The factory employs 60 people and I had 43 cards signed supporting the union. The first day the company found out about the union, six people were dismissed when they didn't show up for work. They wanted to show people that they would be fired if they wanted this union in.

"We had captive [on company time] audience meetings every night for about three weeks prior to the election. Half an hour before quitting time, they would get everybody into a group session and read a presentation written by their corporate lawyer. It was timed so that it would end just as the whistle blew. Since people wanted to get home they had no chance to get their questions answered.

"The company was able to persuade the vote. I know of three men who were promised foremen's jobs if the union lost. They signed cards before the election, and then switched when they were promised jobs. One man was given an additional half-day pay to come in and vote against the union. Another guy was bribed with two new tires the company bought for his car. The final election came out 23 to 22. The union lost.

"There has to be some forum where somebody can come into the plant and inform people of what their rights really are. When I tell them their rights, all they see is me getting harassed and nothing being done about it. As far as my fellow workers are concerned, the company has gotten away with everything they have done to me.

If this labor law reform is passed, this captive audience thing could not be used to keep people totally in the dark. (Union representatives would have the legal right to address employes on company time if captive audience meetings are held.) This law would help people hear both sides."

DONNA TERRY, BEREA, KY.

"I used to work at Goodyear Aerospace in Berea, Ky. We produced brake linings and housing equipment for heavy equipment. It was a new plant when I started there and they were doing people bad from the very beginning. When I became active in a union campaign, I saw management constantly harass employees wearing UAW (United Auto Workers) badges. They would follow people around and get very nasty about asking why they were for the union. Because of this, we lost the first election by about 15 votes.

"In a later organizing campaign management took me into their office and started talking about my brother who is a personnel director at another plant in this area. They told me that unless I stopped they would do something to cause my brother to lose his job. This got me very upset. They again harassed people pretty bad during the campaign and we lost the election.

"Again, I became active in a campaign. This is when things really went bad. When we were getting [union authorization] cards signed, I was taken into the manager's office and given a second warning for absenteeism. I never got a verbal warning or a first warning! I had just had surgery, but I always had a doctor's slip when I was out.

"Then a few days before the election, they had a meeting in the plant manager's office. I and another union activist were wearing UAW badges. The plant manager told us: we don't get mad at anyone wanting a union, but we do get even. Then he laughed about it! At the end of the meeting, he ordered us to put a no-vote into the election box. To buy people's votes they gave retroactive raises. Again we lost the election.

"Then I had to be off for a few days because of doctor's orders. As soon as I got back they took me into the manager's office and fired me. They said it was for absenteeism. Suddenly their whole absentee policy had changed! They wouldn't accept doctor's excuses.

"After we took them to court, the court ordered Goodyear to put us back to work. But they said no. We're just being done real dirty. And there's not a thing that can be done because of how the law is written. If this labor law reform bill had been active, we'd be working right now. My husband's disabled, I'm the mother of two kids, and I can't get a job in my own home town because I've been blacklisted.

"Right now these companies are giving the government a run-around. And it's the little people who are being hurt. Without this bill, people will be scared to get into a union campaign. They can't afford to be out of work four or five years. If companies were penalized, they would think twice before committing unfair labor practices." ●

CUTS IN NSF FUNDING UNDERCUT PRESIDENT'S POLICY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. TEAGUE. Mr. Speaker, one of the agencies the Science and Technology Committee authorizes is the National Science Foundation. The House Appropriations Committee for several years has concurred with the Science and Technology Committee on the importance of science education. This year both the authorization passed by the House and this appropriations bill, H.R. 12936, contain higher amounts for science education than requested by NSF. I would like to congratulate the Appropriations Committee for its sensible action on science education.

Unfortunately, the $5 million increase for science education proposed by the Appropriations Committee is small compared to the $44 million cut which Appropriations took in the research and related activities budget of the Foundation.

The President proposed that basic research throughout the Federal Government should have real growth of 5 percent. I believe the President's policy is a good one. This country needs basic research today for its well-being tomorrow. The Appropriations Committee's cut seems to me short-sighted. The $44 million reduction in the NSF research budget is far too large. It deals a significant blow to the President's basic research policy and reduces the NSF basic research budget to an amount which will permit no increase in the level of effort of NSF-supported basic research.

I believe a strong national effort in basic research is essential as a sound investment. The amount appropriated to the National Science Foundation by H.R. 12936 just will not do the job.

Mr. Chairman, in strong support of that opinion, I have obtained permission to insert for the record, the following letter from President Carter to Chairman MAHON dated June 9. This same appeal from the President also was sent to Mr. BOLAND, as Chairman of the House Appropriations Subcommittee, and to Senators MAGNUSON and PROXMIRE.

THE WHITE HOUSE,
Washington, D.C., June 9, 1978.

Hon. GEORGE H. MAHON,
Chairman on Appropriations,
House of Representatives,
Washington, D.C.

TO CHAIRMAN MAHON: I am writing to express concern regarding congressional action on my proposed budget for basic research for fiscal year 1979.

Shortly after taking office I directed Departments and Agency heads to examine the Federal Government's programs in basic research. As a result of that review I determined that the Nation's investment in basic research had fallen far too low over the past decade. In my budget message to Congress, I recommended total obligations of $3.6 billion, which represents a real rate growth of almost 5 percent for fiscal year 1979. I believe this encouragement and support for basic research by the Federal Government is essential for the discoveries and technological innovations fundamental to our economic well-being and to our national security.

As the Congress considers final funding levels for R&D programs, I want to emphasize that even relatively small reductions in key agencies—such as the National Science Foundation—or in new initiatives and growth planned for the mission agencies—including NASA and the Departments of Agriculture, Energy, and Defense—would defeat our objective. Modest increments of real growth in these programs are necessary if we are to strengthen the Nation's capacity and productivity in critical areas of research.

As the Congress completes its work on the R&D proposals before it, I wish to reiterate my support for the basic research initiative, and to ask again for the support of the Congress in beginning to meet this national need in the 1979 budget.

Sincerely,

JIMMY CARTER. ●

MEAT INSPECTION

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. RICHMOND. Mr. Speaker, today, the Department of Agriculture plays a key role in assuring that only high quality, clean, and unadulterated meats and poultry are delivered to the American consumer. But in the midst of a complex gimmick-ridden world of food marketing and advertising, dominated by an invisible conglomerate of support systems, it has become increasingly difficult for the Department to insure that these products meet the Federal standards we have established.

When the typical American consumer reaches for hamburger or a chicken in our brightly decorated supermarkets, he or she rarely considers the regulatory steps which have been taken to insure that such products are wholesome. The health and safety inspection process is not seen by consumers, who believe that all necessary precautions have been taken and that the USDA's efforts are adequately protecting him or her.

But, all is not well in the inspection business. The USDA's meat and poultry inspection system has recently been rocked by scandals. Last year, 30 Federal meat inspectors were convicted of accepting bribery payments for allowing adulterated and unhealthy meat to reach our dinner tables.

The bribes were made to either avoid unfair and costly harassment by Federal inspectors or to influence inspectors to overlook processing or sanitation violations. Evidence exists which suggests that bribery, fraud, and the distribution of adulterated or substandard products permeates the meat and poultry industries in several cities. As a result, consumers are no longer assured that the meat and poultry they are purchasing is wholesome and unadulterated.

The U.S. Department of Agriculture is responsible for cleaning up this mess, but I believe present laws are inadequate to deal with this widespread problem. Sanctions must be made available to the Department which allow it to administer meat packing laws in a meaningful and flexible manner.

The Department system is in need of "beefing up" its ability to penalize offenders, and protect consumers from unwholesome products.

Today, I am introducing a bill which is designed to aid the USDA in its efforts to clean up the dirt in the meat inspection process. Last year, Congress widened the jurisdiction of the Federal meat inspection services and requirements. But, without important revisions in Federal standards, our past efforts to insure healthy and high quality meat for the consumer will be in jeopardy. Sanctions must be made meaningful and enforceable.

In order to aid the Department in its implementation of Federal standards, my bill will establish civil penalties, increase the existing criminal penalties, and provide for the summary withdrawal of mandatory Federal inspection services for violating Federal meat inspection standards. By doubling the allowable fines for violations, the Department will be able to use its power to enforce the standards. Until now the fines have not been high enough to act as a deterrent and it has been more profitable for the companies to violate the law and pay the penalties. My bill allows the Secretary to disqualify producers and packers who are consistently supplying unhealthy and deceptive meat in spite of current penalties.

To insure that the provisions are administered in a fair manner, the bill maintains an extensive review and appeals process. The Secretary has enough freedom to use his discretion so that the penalties will be administered in an equitable but flexible manner which will insure healthy high quality meat for the consumer.

I urge my colleagues to join with me in behalf of consumers and the continued viability of a healthy meat and poultry industry.

A section-by-section analysis of my bill follows:

SECTION BY SECTION ANALYSIS OF MEAT AND POULTRY INSPECTION CONSUMER PROTECTION ACT OF 1978, BY MR. RICHMOND

Sec. 1. Short title.

Sec. 2. Raises penalties for those giving and receiving bribes. (Changed from $5,000–$10,000 to $10,000–$20,000, and imprisonment changed from 1–3 years to 2–5 years.)

Sec. 3. Raises penalties for those assaulting or interfering with USDA inspectors, including assault with deadly weapon. (Changed from fine of not more than $5,000 to $2,000–$10,000 and imprisonment changed from a term of not more than 10 years to a variable term of from 2 to 20 years.)

Sec. 4a. Raises penalties for those violating the act in other ways; raises penalties for those intending to defraud or distributing or attempting to distribute adulterated products. (Changed from imprisonment for not more than 3 years and/or a fine of not more than $10,000 to a 1–5 year term and/or fine from $2,000–$15,000.

Sec. 4b. Adds new provision for civil penalties up to $5,000 for each violation, with hearing and appeal.

Sec. 4c. Those receiving in good faith animals or products in violation of the Act shall not be penalized unless they refuse to furnish name and address of the person who sent the animal or products, and all relevant documents.

Sec. 4d. Retains provisions allowing written notice of warning in the case of minor violations, granting the Secretary flexibility in the reporting procedures.

Sec. 5. Removes requirement for a hearing before inspection services may be refused or withdrawn to those found unfit because of any felony or two misdemeanor convictions. Hearing will be provided on request after such action and such withdrawal or refusal of inspection shall continue in effect until otherwise ordered by the Secretary.

Sec. 6–9. Amend the Federal Poultry Products Inspection Act, following the changes in the Federal Meat Inspection Act above. Raising penalties, adding civil penalties and making it easier to withdraw or refuse inspection services where a person or firm is found to be unfit.●

BUCKMINSTER FULLER URGES "DO MORE WITH LESS"

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. SIMON. Mr. Speaker, recently the Congressional Clearinghouse on the Future sponsored one of its "Dialogues on America's Future" dinners and invited R. Buckminster Fuller to speak. It was my privilege to introduce Dr. Fuller to our colleagues who joined us that night.

It is hard for me to express what happened to all of us present that night, Mr. Speaker, except to say that we knew we were in the presence of a genius who is undoubtedly one of the important thinkers of this century. We want to share this evening with our colleagues, and are asking that a summary of Dr. Fuller's remarks be placed in the RECORD today. The text of his comments follow:

BUCKMINSTER FULLER ON THE FUTURE

Some of the early experiences of my life led me to do my own thinking. I thought what I ought to commit myself to was that would affect all of humanity. Earning money was never something I wanted to do.

When I was young, we were being told that "Life is a very great struggle, that my grandmother's golden rule didn't really work, that there was not enough to go around, and you and me had better get over our sensitivity because life is a hard struggle." I did very nicely in the Navy (I didn't have to make money with my ship), and when I came out and went into the building world, a lot of my rich contemporaries thought I was to be a winner. So they bet on me, and I lost all their money because I found I really was interested in producing good buildings and really didn't have it in me to make money.

The things I learned when I was growing up were about this game of making money, and many times things I had been thinking had proven to be right and the game was wrong. So I said, maybe I had better start doing my own thinking. I think we may be at a point in the history of human beings on this planet where if we acquired enough information we might be looking at things in a little different way. It seems to me I ought to commit myself to anything that I can see which might affect all humanity. Besides, I wanted to make a little experiment to see if a little, penniless, unknown, really in-bad-reputation human being with a dependent wife and child might be able to do more effectively something on behalf of all humanity that the great nation-states, the great financial enterprises might not be able to do.

When I was in the Navy, I realized that the land area of the earth was pretty small. Three-quarter's of the earth is covered with water, and the quarter that is left is half covered by ice, snow, rocks, and deserts. Only about ⅛th of the earth's surface is propitious for taking care of life. We have over 100 nations dividing up that ⅛th surface so that the total territory of any one nation is really very small, and each one is looking out for itself and guarding it's own local area. All financial enterprises and political state leaders are thinking the same way so they're really forced to a fairly short-sighted range. It became apparent to me that this is a myopic state for our leaders to be in.

SPACESHIP EARTH

I began to speak about our total planet, trying to understand how human beings happen to be on board of it, and I had to think about it as a ship. Later on I did give it a name, Spaceship Earth. What do we know about the design of this planet? What do we know about the life on board of it—ecology in general, and humans in particular—and why are we here? How do we use the total resources that are available to run this ship in such a way we might be able to take care of everybody. Anyway, that was 50 years ago. I have been engaged in looking out at the total planet ever since.

I knew that you are not going to get anywhere by trying to talk to people or trying to reform people. The only way you really could get anywhere would be to participate in nature's own permitted formulation, so I got into artifacts and I could see this might really affect all humanity. I will explain how I committed myself.

I was born in New England. Marconi had invented the theoretical wireless the year I was born; x-ray was discovered the year I was born; electrons were discovered when I was three years of age. I was 8 years old when the Wright brothers first flew, and I was 7 when the first automobile came. I was strictly in the on-your-feet-and-bicycle-world where we were really remote from one another. We assumed people 5 miles away and in the next town were very dangerous, and we had better not go over there. It was a very different kind of world, no question about it.

I was astonished as these inventions began to come in, and was terribly excited as any young man would be. The year of my freshman class at Harvard the subway opened from Cambridge to Boston. It only took 7 minutes to get from one to the other. I remember that it took my father and grandfather and great grandfather half a day to get from Boston to Cambridge. Something was happening and I realized it really was something new.

Then I got in the Navy and it was very exciting. What hit me very hard was that we were moving out of a world I'll call a "visible reality." When I was born, reality was everything you could see, smell, touch, and hear—that was reality. But suddenly there were electrons and alloys. There was no way you could tell the characteristics of these things by looking with your naked eye. So I realized that we were coming into what is called an invisible world, and in that invisible world, the very essence of the Navy would be outdated. Its business at that time was with controls the great lines of the suppliers of the surface of the earth. You could see even when I was young that an airplane was going to sink a battle cruiser one of those days—a little thing was going to do away with a big thing. I was fascinated to know why I was trained for one moment of great destruction. All the highest capability of humanity is focused on how to destroy most expertly.

Now this reality hit me very, very hard. This is fascinating from a viewpoint of grand strategy: the enemy can see our ship; they know exactly the size of our ship; they know exactly what the water of that much cubage can weigh, and that is all your ship can weigh. But what they don't know is what you have that will do very much more with less and is invisible. That's what we call the most highly classified information. So I say this very highly classified way of learning things was not getting out into society, and it is interesting that right up to today there is no book in economics with even one sentence about doing more with less.

DOING MORE WITH LESS

Doing more with the same and more with less hit me very hard, because I said that it could be that someday we might do so much with so little you might be able then to take care of everybody.

When I came out of the Navy and went into the building world, I found the building world was thousands of years behind the art of designing a ship. In 1927 the American Institute of Architects published that year (as they do all the time) buildings they thought were the best, and they had a single family dwelling in Illinois which they said was really optimum for 1927.

I took that building and its floor area and its total cubage, the amount of windows, lumens of light, all the equipment it had, everything they did, and I then took its weight—and it came to 150 tons including the pipes out to the mains. Then, using the most advanced technology of aircraft designers of that time, I gave myself that same amount of environment, the same footage, the same amount of light, and explored how I could enclose it. It did everything the Illinois house did, but it was also earthquake proof, and it weighed only 3 tons against 150. This told me quite clearly there was a possibility of doing so much with so much less in the world of the home, and that if I really tended to it I might some day be able to prove the theory of more with less in home building. That is how I happened to get into geodesic domes. Now there are over 200 thousand geodesic domes around the world so my logistical experience is very, very high, and I am able to talk to you very authoritatively about resources and how we can really use them.

DOING MORE WITH LESS: GEODESIC DOMES

With the geodesic dome we learned somethink that we learned long ago in building ships. We learned that every time you double the length of a ship, you automatically have 4 times as much surface but 8 times as much volume. That's simply solid geometry. Everytime you doubled, you had 8 times the pay load but only 4 times as much surface of friction to drive through the sea; so it pays to increase the size of your ship very rapidly.

I found that every time I doubled the diameter of my geodesic dome, I have 8 times as many molecules or atmosphere inside but only 4 times as much surface. So every time I double, I have the amount of surface in which an interior molecule or atmosphere could gain or lose heat. The reason why an iceberg melts very, very slowly is because its surface is so negligible and its mass is so enormous. It can't melt any faster and get heat from the outside through its surface.

I've found that all of man's building goes back to the idea of putting a rock on top of a rock—compressive buildings. What fascinated me was that nature organized us so that the moon doesn't touch the earth; the balls of compression are idle, and they are just continuous tension, discontinuous compression. Our buildings are exactly the opposite. Is it possible for human beings to make what is called discontinuous compression?

As I got into bigger and bigger geodesic domes, I calculated them and all their parts and what it cost and how to get them into place, and finally I wondered whether the bigger domes got more or less worthwhile. I found the bigger they become, the more economical and worthwhile they became. I finally got to figure one two miles in diameter and I was eager to know what it really would look like. I determined an area on Manhattan Island that was two miles wide and so I got an aerial photograph of great New York on a very beautiful, clear day.

I used an air brush to make my dome from 22nd Street up to 62nd; you can see all the buildings standing below it. I found the cost of it was amazing because the cost of snow removal for that area turned out for ten years would pay for the dome. I calculated that the heat gain and loss in New York City covered by the dome would be reduced by 85%, and it also became very clear that NYC could become an energy exporting system and not an importer.

TECHNOLOGY AND HUMAN PURPOSE

I want to talk a little bit more on the energy side. I find 99% of humanity doesn't understand technology. Take such words as engineering efficiency—the amount of work you get out of an engine for the amount of energy you put in it. Reciprocating engines are only 15% efficient; turbines are 30% efficient, and in jet engines we get up to 60–65%. Our fuel cells of the space program are up to 85%. Our own universe itself is eternally regenerative and 100% efficient. That's the most amazing thing physically.

Now we have all those reciprocating engines, and we could have more efficient ones. But we don't because the retooling costs are expensive. So there was no question about what was most worthwhile to America or to humanity. The assumption is you make more money by just keeping on, because people are buying the old cars. These things should be considered very powerfully in our present situation. I found that at all times in North America we have 2 million cars standing in front of red lights with engines going—so we have 200 million horses running and going no where. I've found in the overall economy we are only realizing 5% efficiency out of all the energy consumed and say you put it in barrels—so out of a hundred barrels of petroleum, 95 are going down the flush. And people really don't understand it because they don't understand technology.

We also have the phenomenon of recirculation of metals. Most people don't understand about that. People say the mines seem to be exhausted. They don't realize all the metals that have ever been used can be continually recirculated. 85% of all the copper that has ever been mined in all history is recirculating. Our new steel is 65% scrap now. I can now say to you, using only proven technology, using only metals already mined and recirculating, it is highly feasible within ten years to have all humanity living at a higher standard of living than anyone knows today.

It seems to me that human beings were born and are on our planet for a very important reason. When I try to differentiate between humans and other living organisms, what is absolutely clear is that all other living organisms have some built-in physical equipment to give them a special advantage in some special environment. This little vine gets along beautifully on the Amazon and no place else. The birds fly with their beautiful wings, but when they're not flying they hobble as they try to walk around.

What we have is not any integral built-in equipment; we have over and above all brains and we have something else called mind. And mind has been able to discover principles—principles of leverage where one little man can now lift what took 20 men to lift before; the principle of a wing for airplanes. In other words, we work on pure principle and are able to extend ourselves. Using the capacity to understand principles, the mind discovered an eternal universe. What is the most impressive about these great generalized principles is that none of them have ever been found to contradict any of the others. They're all concurrently operative and when you and I use the word "design" we mean an aggregate of components that have been by some intellect selection of components purposely arranged. Human beings are being admitted to a little bit of the great design of the universe itself. This means to me we must have some function in the universe.

What has been common to all human beings in all history has been problems, problems, problems. We have some problem solving. If you're any good at problem solving, you get much worse problems. That's the reward. We are here probably as local information gatherers, local problem solvers. We're here for our minds and muscle or we are here for nothing. Absolutely nothing. It seems that at the present time, muscle and cunning are in control of human affairs, and muscle and cunning add up to guns, and mind is not in control. It is very sad that we heard the news just a few days ago of two human beings being paid $3 million for the photographic rights to a picture of people trying to smash a thinking machine. We're pretty far off the track on these things.

All human beings are born naked, helpless, ignorant, and have to find our big hungry, thirsty, curious drive to carry on, to find our way by trial and error. I don't ever look at mistakes as something as negative at all—you learn from your mistakes.

I now am a student of human and world affairs, and I am trying to see what nations are trying to do. I'm going to show you one big curve which is a typical way you can make some predictions about the future. I want to be able to plot science against time. An example I found is in the periodic table of chemical elements. When history opened, we had nine elements already known—gold, silver, tin, iron, mercury, carbon, lead, copper, zinc. So we started nine steps high in 1200 A.D. There was a 200-year lag and we suddenly see the acceleration of pure science against time. Most of the elements discovered since 1200 A.D. were discovered in peacetime. Pure science profits in peacetime, but war uses what we found out yesterday.

So we have this curve of science against time, and what will humanity do with the advantage it gains? We could get into new environments, find new resources. Humanity can make an environmental control which makes it possible to exist under conditions in which we've never been able to exist before, and within that environment control, control energy outside it. Anyway, we're quite clearly all coming out of this group womb of ignorance into an entirely new relationship to the universe. Now we're at a point where there's enough information to really get somewhere. I just finished my 44th trip around the world, and I am able to use my very best words and people are able to understand those words. This is a very, very great change. We have gone from 90 percent illiteracy to 90 percent literacy of humanity. The versatility of communication has changed our relationship to each other. And our future will depend on this new facility.

QUESTIONS AND ANSWERS

Question. I am really afraid to ask you anything, but I feel so privileged to be in the same room with you. I think you are a genius and I've read your books, and all the rest of it. Thank you for coming. I would like you to clarify something you said earlier. You indicated that you think cunning and muscle are in control in the world rather than the mind. What is the relationship of the mind to cunning and muscle?

Answer. Anything that is physical moves needles. What doesn't move needles on machines is metaphysical. People are so specialized today that we don't have much philosophizing. What is inanimate is becoming more clear and what is animate is becoming less clear.

Q. Can unrestrained scientific research be more dangerous to mankind than beneficial?

A. We must know a lot to make positive statements. If nature permits something to happen, it is natural. If nature doesn't permit it to happen, it isn't possible. There is no such thing as something unnatural. The danger today is that we become over-specialized because we become a rather closed system without the ability to know all of the ramifications of our actions. Extinction is the consequence of over-specialization. We lose our adaptability.

Q. Why does the body give off electrical energy if it is inanimate?

A. All systems give off and import energy. Let me illustrate by showing you a differentiation of the brain and mind. The brain is part of our physical self which coordinates the mechanisms of the body. The mind, on the other hand, has the capability to take in all that is systemic. It can discover relationships between systems.

Once we realize that we are completely bankrupt (The U.S. is the 4th world in terms of debt.), we will be able to act. What we need is more cosmic accounting. Money and wealth are entirely different things.

I want to tell you something now that I think is very important. When we decided to have computers, we changed our way of looking at the world. Computers may help us get to something else without making too much of a mess of it. We are still a young country and can still make a real contribution to the planet, and computers may be the technology that helps us do that.

Q. If you were elected to Congress, what would your first priority be?

A. I would immediately resign, because I can only work with nature and how it works with whole systems. I could not deal in this environment. Besides, I have lots of work of my own to do.●

HONORS TO SOUTH JERSEY WATER ASSOCIATIONS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. FLORIO. Mr. Speaker, in southern New Jersey, a notable golden anniversary is being celebrated in honor of two very important associations whose

membership includes those persons directly involved in maintaining the water systems of their individual municipalities.

As such, I am taking this occasion to command both the South Jersey water superintendents and the South Jersey Water Pollution Control Association on their 50th anniversary for combining their efforts and talents to better serve their communities. Best wishes for continued success.●

INVESTIGATIONS OF HEALTH CARE DELIVERY SYSTEM

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. MOSS. Mr. Speaker, the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce has been conducting an investigation into cost and quality aspects of the health care delivery system for the last 3 years. Two interrelated issues which we have studied extensively and intensively are unnecessary surgery and the availability of accurate and verifiable data.

Recent publications have highlighted the work done by the subcommittee in these areas. Four "Letters to the Editor" in the June 8, 1978, New England Journal of Medicine, commented favorably on the tonsillectomy study being conducted by Drs. Paradise and Bluestone at the University of Pittsburgh. Dr. Charles Bluestone testified before the subcommittee in April and October 1977.

A recent opinion by Judge Gerhard Gesell on *Public Citizen Health Research Group* v. *Department of Health, Education, and Welfare, et al.*, Civil Action No. 77-2093 (D.D.C. filed April 25, 1978), accepts the necessity of being able to obtain reliable data. Judge Gesell found that National Capital Medical Foundation (the District of Columbia area PSRO) "is an 'agency' for purposes of the Freedom of Information Act, 5 U.S.C. section 553(e) (1976), and thus subject to the disclosure provisions of that act."

While I certainly would not advocate wholesale release of patient information, information on PSRO ratings of individual physicians and hospitals, including data on medical necessity and morbidity and mortality rates, is of great importance to the public. It is essential that PSRO's and the physicians and institutions they oversee be accountable to the public for their performance. This can only take place if information is available.

Mr. Speaker, I have attached these publications and commend them for reading by all Members as they impact upon the current health care delivery system and the medicare and medicaid programs.

[From the New England Journal of Medicine, June 8, 1978]

INDICATIONS FOR TONSILLECTOMY

SARASOTA, FLA.

TO THE EDITOR: As a rather conservative otolaryngologist, I fully agree with the paper, in the February 23 issue of the *Journal*, by Paradise et al. on the unreliability of a parent's of repeated attacks of tonsillitis in a child. However I should like to take exception to the editorial written by Dr. Robert J. Haggerty in the same issue of the *Journal*. I think he has missed a very important point in the published paper.

Observation of these children for a year showed that the number of attacks of tonsillitis was not as frequent as the mother had reported. This result does not mean, to me, that the patient has had fewer attacks of tonsillitis, but that the mother was inaccurate in reporting them. Under close observation the children proved to have fewer attacks than stated. Therefore, indications for tonsillectomies in many of them would not apply.

For my part, I have long recognized the possible inaccuracy of a history given by a child's parents and have always gone to the family physician, or to the pediatrician, for a history of whether the sore throats that the child has had are, in actuality, acute tonsillitis. The physician's history is more likely to be accurrate. It can be used as a better criterion for deciding the indications for the operation.

ARTHUR J. GORNEY, M.D.,
Doctors Hospital Medical Complex.

SEATTLE, WASH.

TO THE EDITOR: The current rate of tonsillectomies is a national disgrace fostered by the medical profession. A study by the Department of Health Services of the University of Washington School of Public Health and Community Medicine of tonsillectomies performed on those enrolled in a prepaid health-insurance program in Seattle revealed that two thirds of them were not justified despite the fairly liberal criteria used. The report of Paradise et al. now suggests that less than 10 percent of these tonsillectomies can be justified. To reduce the frequently of this unnecessary procedure, it is suggested that all health insurers drop it from their coverage except on a special consultation basis, and that Blue Cross inform the public of the reason in its national advertising.

MAX BADER, M.D.

The above letters were referred to Dr. Haggerty, who offers the following reply:

BOSTON, MASS.

To the Editor: Dr. Gorney has added a good way to document the frequency of acute tonsillitis—namely, to obtain the primary-care physicians' records. In general, of course, they will yield even fewer bouts than the parents' history, not because of inaccuracy of memory, but merely because not all bouts of tonsillitis are brought to the primary-care physicians. Dr. Gorney, however, does seem to ignore the developmental issue, so well demonstrated by Dingle and his associates, that in addition to an inaccurate history, children have fewer infections on the average each succeeding year as they grow up. All the sources of data (family history and physician records), as well as the observation for a year, should be used by the prudent physician before subjecting a child to a tonsillectomy and adenoidectomy.

Dr. Bader suggests an interesting intervention strategy to reduce the number of tonsillectomies and adenoidectomies—namely, to drop insurance coverage for this procedure. As an intermediate step I should prefer a second opinion, since not all such procedures are contraindicted. Once the Paradise-Bluestone study is completed, we shall have more facts from which to make better decisions about which child should receive an operation and how we may approach appropriate controls over the procedure.

ROBERT J. HAGGERTY, M.D.,
Harvard School of Public Health.

WALNUT CREEK, CALIF.

To the Editor: Although concern about indications for tonsillectomy is appropriate,[1] attention should be focused on the potential for long-term adverse effects. I view with alarm the finding that in an adult (20 to 55 years of age) female population (9255), those having a history of tonsillectomy (60 per cent) had a mean concentration of gamma globulin lower than those who had not had an operation.[2] The statistical significance is at such extraordinary levels ($t=10.2$, $P<<0.0001$) that this surprising finding cannot be attributed to chance sampling variation. Despite the fact that clinical hypogram maglobulinemia does not follow tonsillectomy and that no immediate immune-deficiency effects have been recognized, an increased susceptibility to diseases, particularly those involving the immune system, has not been excluded. Similarities between the thymus gland and tonsils from both embryonic and functional aspects have been demonstrated in laboratory animals[3,4] and may be the basis for lower levels of gamma globulin in tonsillectomized persons.

Given the high rate of tonsillectomy, it is urgent that further studies be devised to ascertain whether, in later life, those having tonsillectomy in childhood are predisposed to development of immune-surveillance disorders.

ERNEST E. SPONZILLI, M.D.,
Kaiser-Permanente Medical Center.

[In the U.S. District Court for the District of Columbia—Civil Action No. 77-2093]

MEMORANDUM AND ORDER

(Public Citizen Health Research Group, Plaintiff, v. Department of Health, Education, and Welfare, et al., Defendants; American Association of Professional Standards Review Organizations, Intervening Defendant.)

The primary issue presented by these cross-motions is whether or not defendant National Capital Medical Foundation, Inc. ("NCMF") is an "agency" for purposes of the Freedom of Information Act, 5 U.S.C. § 552(e) (1976), and thus subject to the disclosure provisions of that Act. The matter has been fully briefed and argued.

Plaintiff, Public Citizen Health Research Group ("Public Citizen"), is a non-profit organization engaged in research and consumer advocacy on health and safety matters affecting Medicare and Medicaid patients in the District of Columbia. It seeks certain documents from NCMF or, alternatively, from the Department of Health, Education, and Welfare ("HEW"), a federal agency to which NCMF has certain statutory obligations, having been designated by HEW as a Professional Standards Review Organization ("PSRO") pursuant to 42 U.S.C. § 1320c-1 (Supp. V. 1975).

NCMF and HEW have moved to dismiss or, alternatively, for summary judgment. They are joined by the American Association of Professional Standards Review Organizations, which was allowed to intervene as a defendant. Public Citizen has cross-moved for

[1] Paradise JL, Blustone CD, Bachman RZ, et al: History of recurrent sore throat as an indication for tonsillectomy: predictive limitations of histories that are undocumented. N Engl J Med 298:409–413, 1978.
alarm the finding that in an adult (20 to 55

[2] Wingerd J, Sponzilli EE: Concentrations of serum protein fractions in white women: effects of age, weight, smoking, tonsillectomy, and other factors. Clin Chem 23:1310–1317, 1977.

[3] Harrison BH, Patt D, Albright JT: Cellular development in the palatine tonsil of the fetal rabbit, with special emphasis on lymphopoiesis. Tissue Cell 2:1–5, 1970.

[4] Harrison BH: Tonsillar tissue implants in neonatally thymectomized mice. I. Effect on the spleen. J Immunol 105:38–42, 1970.

partial summary judgment. There are no material facts in dispute.

The PSRO program was instituted by Congress in 1972 "to promote the effective, efficient, and economical delivery of health care services of proper quality" in federally funded health care programs, most notably Medicaid and Medicare, *Id.* § 1320c. To this end, PSROs, such as defendant NCMF, are required to review health care provided to hospital patients covered by Medicaid and Medicare and to make final and binding determinations as to whether the care rendered was necessary and therefore qualified for federal reimbursement.

The origins of the PSRO program relate back to the establishment of Medicaid and Medicare. As early as 1965 Congress recognized the need to curb the delivery of unnecessary or needlessly expensive medical care in order to contain the cost of government-funded medical services. Medical services that were medically unnecessary were prohibited. *Id.* §§ 1395y(a)(1), 1396a(30). Because very substantial health care funds are expended for inpatient hospital care, Congress sought to assure that health care provided by institutions was necessary and of adequate quality. The statute as initially enacted only required each hospital to form its own committee of physicians to oversee and control the utilization of services provided to Medicare and Medicaid patients within their institution. *Id.* §§ 1395x(k). However, this in-house system of review failed adequately to ensure that the care rendered Medicare and Medicaid patients met statutory standards of necessity and adequate quality.

When it became apparent to Congress that these internal review procedures were inadequate, amendments to the Social Security Act were proposed to establish local and regional regulatory physicians' groups charged with the duty to make appropriate reviews. Ultimately in 1972 Congress adopted the PSRO Amendments to the Social Security Act, Pub. L. No. 92–603, § 249F(b), 86 Stat. 1329 (1972), which created a comprehensive system of external monitoring of hospital-based health care delivery by PSROs. The Secretary of HEW was required to establish areas throughout the country within which PSROs would be designated. As soon thereafter as practicable, the Secretary was required to designate a qualified organization within each area as the PSRO. 42 U.S.C. § 1320c–1(a) (Supp. V 1975).

Federally designated PSROs such as NCMF operate under contract with HEW. In addition to other functions, they review the professional services rendered by practitioners and providers in their area to determine: (1) whether certain institutionally based services are medically necessary; (2) whether such services are of acceptable quality; and (3) whether appropriate care could be provided as effectively on an outpatient basis or more economically in a different type of inpatient facility. The purpose of these reviews is to determine if the services rendered were delivered in conformance with the applicable criteria. Reviews conducted by PSROs are relatively standardized, since all PSRO reviews must be based on regional norms of medical practice established for that area.

Under a system established by HEW, members of a PSRO routinely review Medicaid and Medicare patients in hospitals within the the PSRO's jurisdiction. According to HEW requirements, PSROs must undertake four stages of review: (1) admission certification, (2) continued stay review, (3) medical care evaluation studies, and (4) profile analysis. HEW, PSRO Program Manual § 705, at VII–5 to VII–16 (1974) ("Program Manual").

Admission certification review concerns the medical necessity of hospital admissions. PSRO members generally review an admission during the first day of hospital stay to determine whether the patient needs to be hospitalized at all. Based on that review, members predict, or "assign," the appropriate length of the patient's stay. 42 U.S.C. § 1320c–4(a)(2) (Supp. V 1975); Program Manual § 705.1, at VII–5 to VII–10.

Continued stay reviews are conducted for patients who remain in the hospital beyond the expiration of their predicted stay. These reviews are made to determine whether continued hospitalization is in fact needed. Additional days may be assigned at this time, or, in the event that the PSRO concludes the additional stay is not "medically necessary," the PSRO can disapprove of continued hospitalization. 42 U.S.C. § 1320c–5(d) (Supp. V 1975); Program Manual § 705.2, at VII–10 to V–II–13. In that event, once the patient has been notified that the PSRO deems his additional stay to be medically unnecessary, the patient must thereafter either leave the hospital or make private payment. Program Manual § 1905.5, at XIX–5.

The PSRO statute provides that PSRO determinations with regard to the medical necessity, conformance to professional standards, and appropriateness of institutional setting of admission and continued stays "shall constitute the *conclusive* determination of those issues . . . for purposes of payment under this Act." Medicare-Medicaid Antifraud and Abuse Amendments, Pub. L. No. 95–142, § 5(d)(1), 91 Stat. 1175 (1977) (amending 42 U.S.C. § 1320c–7) (emphasis added). Reconsideration and eventual appeal of PSRO decisions to HEW is provided for by the PSRO statute under certain limited circumstances if the PSRO determination is adverse. However, favorable determinations by the PSRO as to medical necessity are binding on the payors and are never reviewed by HEW because they are not appealable. Indeed, the statute requires notice only of adverse PSRO determinations. All PSRO approvals are therefore final and binding on HEW. Approximately one percent of the hospital patients reviewed by NCMF during the first year of operation made claims which were disapproved. Thus, in nearly 99% of NCMF's cases, there was no possibility that the Secretary of HEW could review NCMF's decision of medical necessity.

Once a PSRO determines medical necessity, conformance to professional standards, and appropriateness of institutional setting, other matters in the exclusive province of HEW must be resolved. PSRO do not determine eligibility under the programs, coverage, or the reasonableness of charges. Yet the fact remains that in practically all cases benefits are not paid unless the PSRO makes its conclusive affirmative determinations of medical necessity.

In addition, of course, PSROs perform a variety of significant independent decisional functions supplementing the overall governmental program, such as evaluating care rendered groups of patients in respect to specific medical problems within HEW guidelines, developing criteria, and collecting data for governmental purposes. PSROs also perform profile analysis of individual doctors or hospitals to detect patterns of abuse and substandard care.

NCMF urges that it should not be treated as an "agency" for purposes of the Freedom of Information Act because of the following factors:

(1) Its relations with HEW are contractual.

(2) It was not established by federal law.

(3) Its employees are not civil servants or protected by the Federal Tort Claims Act.

(4) Its activities are largely advisory to HEW in its performance of what are essentially peer group monitoring functions.

(5) Most of its decisions are not binding.

(6) It is free to, and in fact does contract to perform various functions for state and city agencies and for private parties.

(7) HEW supervision is accomplished by regulations, not day-to-day control.

Thus NCMF presents itself in the guise of a consultant and points to the obvious fact that the Secretary of HEW is the person charged with ultimate responsibility for implementing the congressional purpose.

Whether or not NCMF is subject to the Freedom of Information Act depends on whether or not it fits the generalized definition of agency found in the Administrative Procedure Act ("APA") *i.e.*, an "authority of the Government of the United States, whether or not it is within and subject to review by another agency." 5 U.S.C. § 551(1) (1976). In *Washington Research Project, Inc. v. Department of HEW*, 504 F.2d 238 (D.C. Cir. 1974), *cert. denied*, 421 U.S. 903 (1975), the Court took cognizance of the varying arrangements Congress has designed for implementing governmental functions through private or quasi-private entities. Recognizing the "myriad organizational arrangements" adopted "for getting the business of government done," it was forced to the "unavoidable fact" that each arrangement must be examined in its own context to determine whether or not it constitutes an "agency" within the term agency as defined in the APA. Id. at 246.

The Court held that while all factors must be weighed, "the important consideration is whether it has any authority in law to make decisions." As previously explained, NCMF has such authority and exercises it daily. Given this undisputable fact, which alone may be decisive, it also plays a crucial role requiring exercise of its independent decisional authority. These significant factors weigh heavily in this context. NCMF is financed by the United States, it is a creature of statute, it performs an executive function, and it operates under direct, pervasive, continuous regulatory control affecting even minutia of the procedures and functions. *See id.; Soucie* v. *David* 448 F. 2d 1067 (D.C. Cir. 1970); *Grumman Aircraft Engineering Corp.* v. *Renegotiation Board* 482 F. 2d 710 (D.C. Cir. 1973), *rev'd on other grounds*, 421 U.S. 168 (1975).

Considerable emphasis is placed on the undisputable fact that Congress sought to protect PSROs by statutory provisions designed to assure substantial confidentiality of their working records. Since, however, the Secretary of HEW retained discretionary authority over release of PSRO data and no flat exemption from the FOIA was enacted, these confidentiality provisions give way to FOIA standards. *American Jewish Congress* v. *Kreps*, No. 76–1559 (D.C. Cir. Mar. 15, 1978).

The Court is well aware that the affidavits and attitudes of the medical profession strongly suggest that the peer review mechanism which Congress wisely established in enacting the PSRO program will experience a severe setback, if not fatal blow, should PSRO records become generally available through the FOIA. But the remedy for alleviating these justifiable concerns lies with Congress, not the courts.

Since NCMF must be deemed an agency, it alone is required to respond to plaintiff under the FOIA. At this juncture there has been no determination as to whether some or all of the documents sought are protected from disclosure by NCMF under the various statutory exemptions set out in the FOIA. This process must now be set into motion by remanding to NCMF for determination. While HEW has neither possession nor control of the records sought, its administrative processes for processing the request can and perhaps should be used and accordingly its motion to dismiss will not be granted.

Plaintiff's motion for partial summary judgment is granted, defendants' motions to dismiss are denied, and the case is remanded to NCMF and HEW for prompt processing of the plaintiff's FOIA request.

So ordered.

GERHARD A. GESELL,
U.S. District Judge.

April 25, 1978.

TECHNOLOGY TRANSFER: THE NEED TO SPEED UP AND SPREAD OUT

HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. TEAGUE. Mr. Speaker, on May 22, 1978, the Honorable DON FUQUA, distinguished chairman of the Subcommittee on Space Science and Applications addressed the National Conference on the Role of Community Colleges in the National Technology Transfer Program.

His comments on the importance of the transfer and use of technology derived from federally funded research and development are highly significant. Therefore, I am including them in the RECORD for the benefit of my colleagues and the general public:

TECHNOLOGY TRANSFER: THE NEED TO SPEED UP AND SPREAD OUT

I welcome speaking opportunities such as this one, for you here are dealing with practical applications of the nation's new technology and means for getting these much needed capabilities into more extended use. Like so many things these days, the value of technology in terms of arm chair opinions has had its ups and downs. At one time in the not so far distant past, new technological advances were expected unrealistically to solve almost all our problems and then after the usual swing of the pendulum, technology was looked upon by some of these same arm chair quarterbacks as a major contributor to our current problems. Any responsible analysis shows that technological advance has in fact been a major contributor to the solution of problems and the improvement in the quality of life—not only in terms of material things but to intellectual and spiritual things as well as in terms of contributions to better health, better education, more travel opportunities, and the better accessability of artistic and cultural experiences. Now it appears that most people again appreciate the role technology can play. Nevertheless, the transfer to use of much of the valuable technology presently available within federal agencies tends to be poor indeed.

Energy problems obviously represents the area of most immediate and demanding need, and I note that the pilot projects of the Southeastern Michigan Technology Assistance Program has focused logically on this area. Providing technical support to the solution of problems in many other areas is also exceedingly important. Examples include problems in (1) the availability of mineral resources in general, (2) the availability of clean water, (3) the preservation of a high quality natural environment, (4) the production and distribution of food, (5) the warning and control of disasters, (6) the cure and prevention of death healing disease, (7) a more uniform availability of educational opportunities, (8) the provision of low cost quality housing and (9) the provision of efficient urban transportation just to list a few. All of these problems are apparent world-wide and though some may not yet be so strongly evident as those associated with energy they are likely to strike with almost equal force if we do not plan, organize and take early action.

In many instances the federal government must play a key role in developing the technology and stimulating the problem solving effort but much of the use-oriented activity must take place at the grassroots. This is not a new concept, for over one hundred years ago the Congress in 1862 authorized the building of the first transcontinental railroad which then, through private enterprise, provided major impetus to the settlement of the west and the effective use of our entire country. In that same year the Land Grant College Act, along with associated agricultural legislation, proceeded the first steps in making the American farmer the world leader in food production. It is interesting that these two legislative initiatives occurred simultaneously and in the middle of a period of great turmoil, the Civil War. At another time of crisis, during World War I, Congress finding the nation critically far behind European Nations in the application of the airborne weaponry, created the National Advisory Committee for Aeronautics. The research laboratories of this federal agency, along with the counterpart laboratories of the Department of Defense, were the main source of the technology which enabled United States industry to produce the now venerable DC–3 transport in 1933, right in the midst of the great depression. This airplane brought practical air transport to the entire world through its deployment during World War II. Still later, federally sponsored technology brought forth the jet transport revolutionizing our ideas of travel and now American produced jets account for eighty percent of the world's air transport fleet. More recently after the staggering impact of the first Russian Sputniks, Congress enacted the Space Act and NASA in conjunction with American industry has produced almost unbelieveable technical accomplishments over the past 20 years. These accomplishments greatly contribute to the security and prestige of this nation but also make major positive contributions to the quality of our lives. Perhaps the best example is the amazing international network of satellite communications affording inexpensive and almost instantaneous communications by telephone or television to and from any part of the world.

I know that all of us hope that the important technological innovations of the future do not have to await a time of extreme crisis to enable their development and use which seems to be the case in the past. On the positive side the past accomplishments have been made with the strong support of the federal government but not by nationalizing our efforts as has occurred in so many other countries. Though differing innovative approaches were used in each of the foregoing examples, the federal institutions and the legislative process were employed to stimulate action by the appropriate elements of the public and private sectors whether the effort was on an international, national, state or local level. This approach affords maximum freedom of individual effort and initiative.

I might mention here that it seems to me that the Congress is well postured to obtain visibility into these processes. On one hand the Congress as a part of the budgetary activity reviews the programs of each federal agency and thereby its members generate considerable insight into national problems and capabilities. On the other hand, each individual member of Congress is intrinsically tied to his state or district and is familiar with the concerns, needs, and aspirations of his constituents. Thus, Congress, in a way, is an intermediary in a transfer process of the general type being considered here at this symposium.

In the House of Representatives, the Committee structure is that a major part of the federal technological effort is under the cognizance of the Committee on Science and Technology of which I am a member. This Committee strongly believes in the value of American technological advance. This advance is particularly important today because of the strong international competition that has developed in this area.

Many current jobs and future job opportunities are dependent on the preservation of American leadership in this area. For reasons such as this, the Congress as a whole has very positive views on the encouragement of technological development and application. Our Committee and the associated Committees in the Senate, continually emphasize to the federal agencies the need to transfer applicable technologies to industry, to small business, to the entrepreneur, to the public, and thereby to civil use. This aspect of the overall technological effort has been the hardest part of our job so I would now like to discuss this matter in some detail.

As I have just implied a major effort by Congressional Committees has been and continues to be the encouragement of the federal agencies to develop mechanisms for transfer of their technology. Indeed, such mechanisms are in place to some degree but these efforts have not always produced the hoped for results. There are reasons for this situation. (1) The major research and development agencies such as the DOD and NASA have developed and applied these technologies for their own specific purposes and responsibilities. In the case of the example agencies, these purposes are national defense and space exploration, respectively. Because these mission applications are their prime responsibility, these applications are logically their highest priority. (2) Some adaptation or modifications of the basic technology is almost always needed to adapt it to any specific civil use. Even when this adaptability is fairly obvious funds within the federal agencies to accomplish this end tend to be limited. (3) Even when the new federal technology is applicable to a civil use, the potential using organizations are likely to be unfamiliar with it. In some cases the potential users are apprehensive toward technology they don't understand. Therefore an educational effort is almost always needed. (4) This type of educational activity is regarded by the budgetary elements of the federal bureaucracy as marketing and they discourage marketing by the federal agencies. (5) In any case the so called market is almost always diverse in terms of applications and highly diffuse in terms of geography. The federal institutions in many instances are not well structured to carry out such a task (The Agricultural Extension Service is one exception). (6) Industry, local business, and individual entrepreneurs are usually unable to accept the financial risk of adopting new technology without some demonstration of its applicability, its value, and its profit potential. (7) To further compound this financial problem, many times cost is less of a factor in developing technology for critical national needs such as defense but costs are always a driving factor in any commercial seller/buyer relationship.

In spite of these inhibiting conditions, we are all aware that much of the valuable federal technology has entered the civil market place, for example computers plastic materials and nuclear energy. The transfer process, however, has generally taken a very long time—thirty years to the first truly practical steps in air transport, as an example. Today because of the rapid onset of critical problems amenable to technological solutions, we can not afford to wait that long. In our present energy situation alternative energy sources such as solar power must be employed and conservation techniques involving more efficient home heating, factory processes and personal transportation must be applied if this nation is to avoid very serious economic difficulties. The accomodation to these newly available technologies must be accomplished rapidly. The facts are that this effort in the energy area have been painfully slow.

It was over four years ago that the magnitude of the energy problem became very apparent to us all. Yet within the federal government, itself, the Energy Research and Development Administration was not established until two years later. The Department of Energy just came into being last year with such important adjuncts as the Solar Energy Research Institutes and the Energy Exten-

sion Services just now being started. Congress is yet to pass legislation related to the President's energy program. This is not necessarily a situation of irresponsibility for this apparent sluggishness stems primarily from the fact that current problems are or seem to be exceedingly complex with the associated need to resolve many points of view as to priorities and approaches.

Lest I paint to black a picture, I should point out that significant technology transfer in the area of energy is taking place. Solar energy businesses are springing up in all parts of the country, additional nuclear power plants are coming on line, Detroit is building smaller, lighter, more fuel efficient automobiles, there is a rush of homeowners to insulate their homes, use of coal is expanding, and natural gas supplies and distribution have improved considerably. You can see from these trends that stimulations to technology transfer do not always have to eminate from the legislative process or other federal dictums. What is important is that if problems of this kind are to be anticipated and solved rapidly, technology transfer must be taking place between all segments of the nations' institutions—government to industry, government to consumer, industry to industry, and industry to consumer; or sliced another way, federal agency to federal agency, federal agency to state, federal agency to local and state to local. Better transfer mechanisms need to be developed in all these areas but those involving local groups and consumer interactions are the most important for if they have taken place with a sufficiently large scope the overall transfer process has been, indeed, successful.

I understand that the main emphasis of this symposium is, in fact, on the transfer of federally sponsored technology to use within local communities. This facet of technology transfer seems to be the hardest of all to achieve; however numerous Committee hearings involving this general subject leads me to believe that a great many possibilities exist for the use of federal technology by local entities. Unfortunately, from an analysis of the many good opportunities in the past, it appears either the transfer has not taken place, or is taking place very slowly, or has only been accomplished to a limited extent. For example, a innovative new device enthusiastically accepted by one hospital is not a true transfer unless the acceptance encompasses other hospitals in the community and ultimately over the rest of the nation.

It is difficult for people at the local level on encountering needs to determine whether applicable technology exists at the federal level or where to go to find out. Even if satisfactory contacts are made and information is flowing, difficulties may be experienced in setting up a good programmatic approach. Frequently, personnel in the federal agencies are turned off by the inability of local groups to define their problems in sufficiently specific terms or to provide a proposed program approach of sufficiently general applicability. Of course, some help in this process can be expected from the federal agencies but as I have already stated, not enough resources are available for this purpose either in terms of personnel support or funding support. In addition, the federal personnel are prone to concentrate on what their technology can do without sufficient consideration of the real user needs.

The limited availability of federal funds for technology transfer is hard to understand when this activity is so important to the well being of the country. Discussions with executives of firms dealing in commercial products indicate that significantly greater investment must be made in the marketing of a product than in the research and development that created it. Perhaps one legitimate concern exists within the bureaucracy which may inhibit the availability of federal funding. It is the fear that if Federal support is too easy to obtain technology that is not cost effective will fund its way into use. Although this is usually faulty logic, it must be contended with. I do not feel that complex economic analyses are the answer to this dilemma; however, if the planning includes plans for ultimate transfer of federal support to state or local funding or to a privately sponsored endeavors, the initial federal funds should be easier to obtain. The plannery should be as definite as possible in this respect to provide confidence that the shift in funding responsibility will really take place when proper conditions are met.

I hope the foregoing discussions has provided some background indicating important features to consider when structuring a system for transfer of technology from the federal government to local entities. Obviously, there must be an effective outreach mechanism serving the local areas for it is there that the technological needs are manifest and it is there where the strongest motivation to satisfy their needs exists. The outreach activity should be postured in a way to be readily available to inputs from each of the communities it supports, but the outreach activity must also serve as an effective intermediary enhancing the flow of information. In addition, because many of these community needs may be regional, national or even international in scope, this outreach effort should be dispersed throughout the country. This dispersed capability should be linked together into an efficient network so as to be in a position to integrate inputs and distribute results associated with common problems. This network should have a source of technical and programmatic support so that well defined and integrated proposals to meet user needs can be brought to the attention of the appropriate federal agency. To assure the understanding of the capabilities of current technology and to assure the ability to stay current, the broadly based outreach network may have to call upon other organizations, for detailed technical knowledge, for program planning, for procurement support, and for strategies of approach to the federal government.

The three most important features of the outreach organization therefore are its broadly dispersed base, its strong empathy with each local area, and the closely linked network of its individual elements for information flow, coordination, technical support, and program integration. One of the past failings of many of the transfer initiatives sponsored by the federal government has been that the scope of these activities have been too limited. This limitation may very well have reflected a concern over the large effort required to implement and manage a broadly based endeavor and unquestionably any effort to create this capability from scratch will be large indeed. In any case this kind of capability should eminate from the grassroots to assure that the activity is driven by a needs pull as compared to a technology push.

It seems to me that the institutional makeup of SEMTAP, the transfer program undertaken here in Michigan has many of the characteristics that I have outlined in more basic terms. Certainly the large number of community colleges distributed throughout the United States by charter, structure, and motivation face and interface closely with the communities in which they reside. These colleges have available in their faculty or otherwise have access to technically qualified people as well as personnel in other disciplines in a position to contribute to a technology transfer effort. Equally important a network of those colleges already is in place in terms of associations operating in each state and also at the national level through the American Association of Community Colleges, the sponsor of this symposium.

Another valuable feature of the Southeastern Michigan concept is the use by this consortium of community colleges of a state based laboratory to handle some of the more complex technical and programmatic aspects of this effort. This laboratory, the Environmental Research Institute of Michigan, has had a close association with many research and development efforts within the federal government as a not-for-profit contractor with such agencies as the DOD and NASA. ERIM personnel have appeared as expert witnesses before the Congressional Committee on which I serve as well as other Committees of the Congress. I feel that each state or region contemplating the participation in a concept similar to this one should assure a source for this kind of support.

I hope that efforts of this nature do expand to a national scale whether they be local, state or regionally organized endeavors. The concentration by SEMTAP on a single problem area, energy conservation seems to be a wise approach to an initial step, rather than attempting to cover the entire gamut of problems amenable to technology solutions. On the other hand, if such efforts were expended nationally, each element likewise would in its own initial steps encompass a limited scope associated with a major problem area within its region. Then with the network working, so to speak, I would expect the experiences of others could be incorporated to produce more comprehensive and diversified support in each individual region.

As you probably can judge, I am, and for a long time have been, enthusiastic about the positive role technology can play in the solution of many problems whether they be international, national or local in character. Naturally along with this problem solving activity we must always consider the broader and interest effects of our technology innovations. Congress recognized this in creating the Office of Technology Assessment. If we operate in a well planned and well organized way we can expect to solve difficult problems such as those associated with energy in a timely fashion. If we do not, then much greater difficulties are likely to confront this nation than those being encountered today. In addition to creating problem solving technology, we must rapidly and effectively transfer it into use and this seems to be the area needing the most attention. I am therefore most gratified that you here are grappling with this problem. I am excited about the possibility for improved transfer of technology and wish you every success in your deliberations.●

MARKUP SCHEDULED ON CIGARETTE BOOTLEGGING BILLS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1978

● Mr. CONYERS. Mr. Speaker, the Subcommittee on Crime, which I chair, has held several hearings on the problem of cigarette bootlegging and will commence markup of bills on this subject on Wednesdav, June 28, 1978, at 9 a.m. in room 2237 Rayburn House Office Building.

Persons desiring further information should contact the subcommittee staff on 225–1695.●

SENATE COMMITTEE MEETINGS

Title IV of the Senate Resolution 4, agreed to by the Senate on February 4,

1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in commitees scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 20, 1978, may be found in Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 21

9:30 a.m.
Human Resources
Alcoholism and Drug Abuse Subcommittee
To resume hearings jointly with the Judiciary Subcommittee on Juvenile Delinquency on S. 2778, and other proposals, to tighten controls on and to increase penalties for the manufacture and distribution of the drug PCP (angel dust).
2228 Dirksen Building

Select Small Business
Monopoly and Anticompetitive Activities Subcomimttee
To continue hearings on the Federal Government patent policy.
424 Russell Building.

10:00 a.m.
Banking, Housing, and Urban Affairs
Financial Institutions Subcommittee
To hold hearings on H.R. 10899, the International Banking Act.
5302 Dirksen Building

Energy and Natural Resources
To mark up S. 499, 1500, 1546, 1787, 2465, and 2944, to designate or add certain lands in Alaska to the National Parks, National Wild and Scenic Rivers, and National Wilderness Preservation systems.
3110 Dirksen Building

Environment and Public Works
To hold hearings on the Federal acquisition and renovation of Union Station in Nashville, Tennessee.
4200 Dirksen Building

Foreign Relations
Foreign Economic Policy Subcommittee
To hold hearings on the nature of U.S. economic relations with Uganda.
4221 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on the President's proposed reorganization plan number III relative to disaster/preparedness.
6202 Dirksen Building

Rules and Administration
To mark up S. 2 and S. 1244, to require periodic reauthorization of Government programs, and to consider other committee business.
301 Russell Building

Joint Economic
To continue hearings on economic change, including demographic, employment, and inflation.
S-207, Capitol

Select Intelligence
To resume hearings on S. 2525, to improve the intelligence systems of the U.S. by establishing a statutory basis for U.S. intelligence activities.
5110 Dirksen Building

10:30 a.m.
*Judiciary
Criminal Laws and Procedures Subcommittee
To hold hearings on S. 1766, proposed Federal Computer Systems Protection Act.
3302 Dirksen Building

11:00 a.m.
Judiciary
Business meeting on pending calendar business.
2300 Dirksen Building

2:00 p.m.
Select Ethics
Inquiry on Unauthorized Intelligence Disclosures Subcommittee
To resume closed hearings on alleged unauthorized disclosure of information concerning intelligence activities in Panama.
S-407, Capitol

Conferees
On H.R. 5037, to establish a comprehensive National Energy Conservation Policy.
2123 Rayburn Building

JUNE 22

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Robert Pitofsky, of Maryland, to be a member of the Federal Trade Commission.
235 Russell Building

9:30 a.m.
Environment and Public Works
To consider S. 1493, to provide financial and technical assistance to States, local governments, and Indian tribes to manage impacts caused by energy development and to consider pending nominations.
4200 Dirksen Building

Judiciary
Constitution Subcommittee
To hold hearings on S. 3162 and 3164, proposed Citizen's Privacy Protection Amendment.
2228 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To resume markup of S. 50, the Full Employment and Balanced Growth Act.
5302 Dirksen Building

Energy and Natural Resources
To continue markup of S. 499, 1500, 1546, 1787, 2465, and 2944, to designate or add certain lands in Alaska to the National Parks, National Wild and Scenic Rivers, and National Wilderness Preservation Systems.
3110 Dirksen Building

Finance
To resume markup of S. 1470, proposing reform of the administrative and reimbursement procedures currently employed under the medicare and medicaid programs.
2221 Dirksen Building

Foreign Relations
Foreign Economic Policy Subcommittee
To hold hearings on the decline of the value of the dollar abroad.
4221 Dirksen Building

Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To hold hearings on the GSA investigation of Government contract fraud.
3302 Dirksen Building

Judiciary
Criminal Laws and Procedures Subcommittee
To continue hearings on S. 1766, proposed Federal Computer Systems Protection Act.
1318 Dirksen Building

Joint Economic
To continue hearings on economic change including demographic, employment, and inflation.
318 Russell Building

Select Small Business
To mark up H.R. 11318, to amend and extend through FY 1980 authorization for the SBA; S. 836, to improve the surety bond program provided by the Small Business Investment Act; S. 2156, the Minority Enterprise Venture Capital Act; and S. 2259, to expand and revise procedures for insuring small business participation in Government procurement activities.
424 Russell Building

10:30 a.m.
Commerce, Science, and Transportation
Merchant Marine and Tourism Subcommittee
To resume hearings on S. 2873, proposed Ocean Shipping Act.
235 Russell Building

Judiciary
To hold hearings on the nominations of Santiago E. Campos, to be U.S. district judge for the district of New Mexico, and Louis H. Pollack, to be U.S. district judge for the eastern district of Pennsylvania.
2228 Dirksen Building

JUNE 22

2:00 p.m.
Select Ethics
To hold a business meeting.
Room to be announced

Conferees
On S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
Until 5:00 p.m. 3110 Dirksen Building

JUNE 23

9:00 a.m.
Judiciary
Improvements in Judicial Machinery Subcommittee
To hold hearings on S. 2857, proposed Customs Courts Act.
4232 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To resume hearings on S. 72, to restrict the activities in which registered bank holding companies may engage, and to control the acquisition of banks by holding companies and other banks.
5302 Dirksen Building

Environment and Public Works
Water Resources Subcommittee
To hold hearings on S. 1592, to terminate further construction of the Cross-Florida Barge Canal project.
4200 Dirksen Building

Foreign Relations
Foreign Economic Policy Subcommittee
To hold hearings on the reserve role of the dollar and its implications for the U.S. economy.
4221 Dirksen Building

10:30 a.m.
Govermental Affairs
Federal Spending Practices and Open Government Subcommittee
To continue hearings on the GSA investigation of government contract fraud.
3302 Dirksen Building

1:00 p.m.
Conferees
On S. 1633, to extend certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona.
S-207, Capitol

JUNE 26

9:30 a.m.
Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To resume hearings on the Federal Government patent policy.
318 Russell Building

10:00 a.m.
Judiciary
Antitrust and Monopoly Subcommittee
To hold hearings on oil company ownership of common carrier pipelines.
2228 Dirksen Building

JUNE 27

*8:00 a.m.
Judiciary
Improvements in Judicial Machinery Subcommittee
To resume hearings on S. 2857, proposed Customs Courts Acts.
4232 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To resume mark up of S. 50, the Full Employment and Balanced Growth Act.
5302 Dirksen Building

JUNE 28

9:30 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To hold oversight hearings on the Department of Energy's administration of the crude oil entitlements program and its impact on the domestic refining industry.
3110 Dirksen Building

Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
4200 Dirksen Building

Finance
Taxation and Debt Management Generally Subcommittee
To hold hearings on S. 3065, 2608, and 2428, proposals affecting taxation of capital gains.
2221 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue markup of S. 50, the Full Employment and Balanced Growth Act.
5302 Dirksen Building

Rules and Administration
To receive testimony from Senators on S. Res. 405, making the Select Committee on Indian Affairs a permanent committee of the Senate; and to consider other legislative and administrative business.
301 Russell Building

JUNE 29

9:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold oversight hearings on auto odometer requirements.
235 Russell Building

9:30 a.m.
Environment and Public Works
Nuclear Regulations Subcommittee
To continue hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
4200 Dirksen Building

Finance
Taxation and Debt Management Generally Subcommittee
To continue hearings on S. 3065, 2608, and 2428, proposals affecting the taxation of capital gains.
2221 Dirksen Building

Special on Aging
To resume hearings on the degree to which older Americans are purchasing more private health insurance than needed to supplement gaps in the Medicare programs.
457 Russell Building

10:00 a.m.
Judiciary
Penitentiaries and Corrections Subcommittee
To hold oversight hearings on the Bureau of Prisons, with emphasis on west coast prison facilities.
2228 Dirksen Building

Select Indian Affairs
To consider S. 2460, the Indian Self-Determination and Education Assistance Act amendments; S. 2712, the Indian Program Evaluation and Needs Assessment Act; S .3069, to provide that the Sisseton-Wahpeton Sioux Tribe shall have a preference right to purchase certain North and South Dakota lands held in trust by the U.S. for tribal members; and S. 3153, the Rhode Island Indian Claims Settlement Act.
5110 Dirksen Building

JUNE 30

9:30 a.m.
*Veterans' Affairs
Compensation and Pensions Subcommittee
To hold hearings on S. 379 and H.R. 6501, to provide increased awards of service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities; S. 2828, the Veterans Disability Compensation and Survivor Benefits Act; and S. 1929, to establish, for purposes of paying dependency and indemnity compensation, a presumption of death from service-connected disability in the case of certain blinded veterans.
Dirksen Building

JULY 12

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
6226 Dirksen Building

JULY 13

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 2775, to improve the siting and licensing process for nuclear reactors.
6226 Dirksen Building

JULY 18

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume mark up of S. 2755, the Drug Regulation Reform Act, and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

JULY 20

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume mark up of S. 2755, the Drug Regulation Reform Act, and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

JULY 21

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To continue mark up of S. 2755, the Drug Regulation Reform Act, and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

JULY 25

10:00 a.m.
Budget
To hold hearings on the second concurrent resolution on the Congressional Budget for FY 1979.
6202 Dirksen Building

JULY 26

10:00 a.m.
Budget
To continue hearings on the second concurrent resolution on the Congressional Budget for FY 1979.
6202 Dirksen Building

JULY 27

10:00 a.m.
Budget
To continue hearings on the second concurrent resolution on the Congressional Budget for FY 1979.
6202 Dirksen Building

AUGUST 2

10:00 a.m.
Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To hold hearings on the quality of patient care in nursing homes.
3302 Dirksen Building

AUGUST 3

10:00 a.m.
Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To continue hearings on the quality of patient care in nursing homes.
3302 Dirksen Building

CANCELLATIONS

JUNE 28

9:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on the procedures of EPA and the Consumer Product Safety Commission as relates to chronic hazards.
235 Russell Building

HOUSE OF REPRESENTATIVES—*Wednesday June 21, 1978*

The House met at 10 o'clock a.m., and was called to order by the Speaker pro tempore (Mr. WRIGHT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WRIGHT) laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
June 21, 1978.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Be Ye stedfast, unmovable, always abounding in the work of the Lord.—I Corinthians 15: 58.

O God of peace, who hast taught us that in returning and rest we shall be saved, in quietness and in confidence shall be our strength; by the might of Thy Spirit lift us, we pray Thee, to Thy presence, where we may be still and know that Thou art God. Grant unto us such a measure of Thy Spirit that we may be made ready for the responsibilities of this day. In fulfilling our duties help us to continue to struggle for purity of mind, for honesty of spirit, and for a friendliness of heart that we may worthily represent our people and wonderfully do our duty for our country.

Lead us we pray Thee, as we endeavor to walk in Thy way and to work for the highest good of our beloved Republic.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 944. Joint resolution making urgent grain inspection supplemental appropriations for the Department of Agriculture, Federal Grain Inspection Service, for the fiscal year ending September 30, 1978.

The message also announced that the Senate agrees to the amendments of the House to the amendment of the Senate to a bill of the House of the following title:

H.R. 11713. An act to create a solar energy and energy conservation loan program within the Small Business Administration, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3447. An act to amend chapter 83 of title 5, United States Code, to grant an annuitant the right to elect within one year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant; and

H.R. 3755. An act to provide for the reinstatement of civil service retirement survivor annuities for certain widows and widowers whose remarriages occurred before July 18, 1966, and for other purposes.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2937. An act to amend the Speedy Trial Act of 1974 to provide further authorization for appropriations for pretrial services agencies; and

S. Con. Res. 72. Concurrent resolution countering terrorism.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would like to make an announcement about the electronic voting system. The Chair has been informed that the board displaying each Member's name behind the Chair and the boards displaying the bill number and vote totals to the left and right of the Chair are not working today. However, all voting stations are operating; and the Chair has directed all vote monitoring stations to be staffed with personnel so any Member may go to any monitor and verify his or her vote. Members may also verify their votes—as they should on any vote—by reinserting their card at the same or another voting station, in order to make certain, if the system is not visibly working, that they are correctly recorded.

The Chair therefore directs that the vote be taken by electronic device, but cautions each Member to understand that the recording system is working if the visual system should not be working. Members interested in the progress of the vote may inquire at the vote monitoring stations.

PRIVATE CALENDAR

The SPEAKER pro tempore. Pursuant to the order of the House of June 19, 1978, this is the day for the call of the Private Calendar. The Clerk will call the first individual bill on the Private Calendar.

KWONG LAM YUEN

The Clerk read the bill (H.R. 1798) for the relief of Kwong Lam Yuen.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MORRIS AND LENKE GELB

The Clerk called the bill (H.R. 3084) for the relief of Morris and Lenke Gelb.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

HABIB HADDAD

The Clerk called the bill (H.R. 3995) for the relief of Habib Haddad.

There being no objection, the Clerk read the bill as follows:

H.R. 3995

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Habib Haddad shall be held and considered to have satisfied the requirements of section 316 of the Immigration and Nationality Act relating to required periods of residence and physical presence within the United States and, notwithstanding the provisions of section 310(d) of the Act, he may be naturalized at any time after the date of enactment of this Act if he is otherwise eligible for naturalization under the Immigration and Naturalization Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRENE HOFFMAN

The Clerk called the bill (H.R. 5612) for the relief of Irene Hoffman.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MARTINA NAVRATILOVA

The Clerk called the bill (H.R. 10210) for the relief of Martina Navratilova.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

BALL STATE UNIVERSITY AND THE AMERICAN ASSOCIATION OF COLLEGES FOR TEACHER EDUCATION

The Clerk called the bill (H.R. 1415) for the relief of Ball State University and the American Association of Colleges for Teacher Education.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PROVIDING FOR CONVEYANCE OF TITLE AND OWNERSHIP TO 2.58 ACRES WITHIN THE BRIDGER-TETON NATIONAL FOREST, WYO., TO BEN BOSCHETTO, JR.

The Clerk called the bill (H.R. 10160) to provide for the conveyance of title and ownership to 2.58 acres within the Bridger-Teton National Forest, Wyo., to Ben Boschetto, Jr.

There being no objection, the Clerk read the bill, as follows:

H.R. 10160

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is hereby authorized and directed to convey at fair market value to Ben Boschetto, Junior, ownership and title to 2.58 acres within the Bridger-Teton National Forest, Wyoming, described as follows:

A tract of land in the northwest quarter section 29, township 38 north, range 113 west, of the sixth principal meridian, Sublette County, Wyoming;

Beginning at the southeast corner of the north half northwest quarter northwest quarter section 29; thence south 89 degrees 47 minutes 41 seconds west along the south line of the north half northwest quarter northwest quarter, a distance of 185.99 feet to a point on the northeast right of way line of United States Highway 187; thence north 43 degrees 38 minutes 39 seconds west along said right of way line a distance of 220.35 feet; thence north 89 degrees 47 minutes 41 seconds east a distance of 497.77 feet; thence south 00 degrees 6 minutes 29 seconds east a distance of 524.72 feet to a point on the northeast right of way line of United States Highway 187; thence north 43 degrees 38 minutes 39 seconds west along said right of way a distance of 232.28 feet to a point on the east line of the northwest quarter northwest quarter section 29; thence north 00 degrees 06 minutes 29 seconds west, along the east line of the northwest quarter northwest quarter section 29 a distance of 196.06 feet to the point of beginning, said tract contains 2.58 acres.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYING ALL INTERESTS OF THE UNITED STATES IN CERTAIN REAL PROPERTY IN SANDOVAL COUNTY, N. MEX., TO WALTER HERNANDEZ

The Clerk called the bill (H.R. 3121) to convey all interests of the United States in certain real property in Sandoval County, N. Mex., to Walter Hernandez.

There being no objection, the Clerk read the bill, as follows:

H.R. 3121

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in the following lands are hereby released and conveyed to Mr. Walter Hernandez of Cuba, New Mexico: the northwest quarter of the northwest quarter of section 27, township 21 north, range 1 west, New Mexico principal meridian, Sandoval County, New Mexico, containing approximately forty acres.

SEC. 2. Upon application by the grantee, the Secretary of the Interior is authorized and directed to issue such patents or other documents of conveyance as he deems necessary to evidence the conveyance effected by section 1 of this Act.

With the following committee amendment:

Page 1, line 9, strike out "acres." and insert in lieu thereof:

acres: *Provided,* That such conveyance shall be made subject to Federal Oil and Gas lease NM-A 18520 issued June 1, 1973, and shall reserve to the United States all rentals and royalties payable to the lessor under the terms and conditions of such lease for so long as such lease remains in full force and effect.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PROVIDING FOR CONVEYANCE OF CERTAIN LANDS IN WENATCHEE NATIONAL FOREST, WASH., BY SECRETARY OF AGRICULTURE

Mr. McCORMACK. Mr. Speaker, pursuant to the order of the House of June 19, 1978, I call up the Senate bill (S. 2033) to provide for conveyance of certain lands in the Wenatchee National Forest, Wash., by the Secretary of Agriculture, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill, as follows:

S. 2033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any requirement or limitation therein with respect to the location of lands that may be conveyed, the Secretary of Agriculture is authorized to convey as a townsite lands in the Wenatchee National Forest, Washington, known as the Liberty Townsite, pursuant to and in accordance with the provisions of the Act of July 31, 1958 (72 Stat. 438; 7 U.S.C. 1012a) as amended by section 213 of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743, 3760).

The SPEAKER pro tempore. The Chair recognizes the gentleman from Washington (Mr. MCCORMACK) for 5 minutes.

Mr. McCORMACK. Mr. Speaker, this bill, S. 2033, was on the Consent Calendar on Monday. It was held over until today at my request, and by the motion of the gentleman from Utah (Mr. MCKAY).

Mr. Speaker, the bill is identical to H.R. 8946 which I sponsored in this body. S. 2033 was unanimously passed in the Senate, and H.R. 8946 has been reported unanimously by the subcommittee and full Committee on Interior and Insular Affairs.

There is no known objection to the legislation. The bill is supported by the administration. The bill corrects an inadvertent unfairness in the Federal Land Management Act of 1976, which deprived the town of Liberty, Wash., from applying for title to the land on which the town has stood since late in the last century, and which is now within the Wenatchee National Forest. S. 2033 simply allows the town to make that application for title. I request support for the legislation.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REQUEST FOR SUBCOMMITTEE ON ECONOMIC STABILIZATION OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT PAST 10 A.M. TODAY WHILE HOUSE IS IN SESSION

Mr. BARNARD. Mr. Speaker, I ask unanimous consent that the Subcommittee on Economic Stabilization of the Committee on Banking, Finance and Urban Affairs may be permitted to sit past 10 a.m. today while the House is in session in order to conduct hearings on the administration's anti-inflation program.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, I wonder whether the gentleman from Georgia (Mr. BARNARD) can tell me if this request has been cleared with the minority?

Mr. BARNARD. If the gentleman will yield, Mr. Speaker, yes, it has, both with the gentleman from Ohio (Mr. STANTON) and with the gentleman from California (Mr. ROUSSELOT). They have both agreed to this request.

Mr. BAUMAN. Mr. Speaker, my information, I would say to the gentleman, is that the gentleman from California (Mr. ROUSSELOT) has not agreed to this request.

I wonder whether the gentleman from Georgia could perhaps withhold the request momentarily until we have time to check with the gentleman from California (Mr. ROUSSELOT).

Mr. BARNARD. In leaving the committee just a minute ago, I got the information from the aide to the gentleman from Ohio (Mr. STANTON) that the gentleman from California (Mr. ROUSSELOT) had agreed to this request.

However, Mr. Speaker, I will withdraw the request for the time being.

Mr. BAUMAN. Mr. Speaker, I appreciate that, and we will check immediately.

The SPEAKER pro tempore. The request of the gentleman from Georgia (Mr. BARNARD) is withdrawn.

PERMISSION FOR SUBCOMMITTEE ON INVESTIGATION AND REVIEW OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO MEET TODAY UNDER 5-MINUTE RULE

Mr. CORNWELL. Mr. Speaker, I ask unanimous consent that the Subcommittee on Investigation and Review of the Committee on Public Works and Transportation may be permitted to meet today under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

REDUCTION IN SOCIAL SECURITY TAX WOULD REDUCE TRADE DEFICIT

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURKE of Massachusetts. Mr. Speaker, according to the news over the radio, the U.S. dollar has taken another dive in Japan.

Our trade deficit this year might reach the high amount of $45 billion. I have a bill before the House Ways and Means Committee that will reduce social security taxes, that would cut that trade deficit in half. I ask the Members of this House to contact the members of the House Ways and Means Committee to ask them to report out a tax reduction bill on the social security taxes, which is doing great harm to our economy, costing us jobs, and allowing merchandise to come from overseas to glut our markets and run up our trade deficit.

Our trade deficit is the highest in history, and might reach $45 billion. Let us cut the regressive social security payroll tax and help get the economy moving.

NATIONAL COMMISSION ON SOCIAL SECURITY SHOULD BE ESTABLISHED IMMEDIATELY

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, last week we all received a letter from our colleague from Virginia, Mr. WAMPLER, asking us to join with him in cosponsoring a resolution urging that appointments be made to the National Commission on Social Security without further delay and that the Commission fully examine the investment features of the social security insurance funds as a means of alleviating the growing tax burden. I want to urge every Member of this body to join in support of Mr. WAMPLER's resolution.

We authorized the Commission over 6 months ago and charged it with a duty which is growing more obviously important every day. But, to date, the Speaker has made the two appointments for which he is responsible under the act and one of the two Senate appointments has been made. I understand the President intends to make his appointments "shortly," and I have no indication of the status of the other Senate appointment. Regardless, the fact that these appointments have been delayed for over 6 months is a real disservice to the American people.

All of us know that Americans are outraged over the social security tax increases we voted last December, and I think we will all agree that the legislation we approved at that time was a far-from-perfect answer to the problem. When I voted for the new law, I did so with the understanding that it was an interim measure and that the Commission provided for in the bill would be put to work promptly to develop comprehensive recommendations for meaningful reform of the social security system.

The 2-year period provided for in the bill would have given us sufficient time to consider the Commission's recommendations during the next Congress. But the 6-month delay means that consideration will—at the earliest—take place in the closing months of the 96th Congress. The last thing the social security system needs is to be "reformed" in a rushed and highly politicized atmosphere. Hopefully, urgings like the Wampler resolution will help to minimize that potentiality.

"TAKE ME OUT TO THE BALL GAME"

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, to commemorate the Republican 4-to-3 victory at last night's ball game, I would like to offer the following rewrite of "Take Me Out to the Ball Game."

We took them out to the ball game;
We took them out to the park;
We whipped them soundly
And broke their back
We're surprised they even came back
Cry, cry, cry, for Democrats
For them it's really a shame
They can't spend, spend, spend more to win
At the old ball game.

U.S. CONGRESS SHOULD PROTEST ARREST OF F. JAY CRAWFORD BY SOVIET UNION

(Mr. QUAYLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUAYLE. Mr. Speaker, I commend the gentleman from Massachusetts (Mr. CONTE), who just preceded me in the well, for his fine coaching ability, and for his great ability to write poems.

Mr. Speaker, 10 days ago on a Moscow street Soviet police suddenly dragged F. Jay Crawford, an American citizen and Moscow service representative for the International Harvester Co., from his car placing him under arrest and he apparently will be charged with currency violations under article 88 of the Russian Republic Criminal Code.

The arrest and detention of Mr. Crawford, who is a legal resident of Mobile, Ala., should be of concern to all Americans and especially to U.S. businessmen who are doing business with the Soviet Union.

It is incumbent upon those of us in the Congress to join in protesting this storm-trooper-like action by Soviet policemen. Other American businesses attempting to trade with Russia can only wonder whether their representatives will be subject to such harassment in the future.

According to press reports, Mr. Crawford may be a pawn in the current diplomatic maneuvering between the United States and the Soviet Government. He is, in fact, a hostage in reprisal for the recent arrest in this country of two Soviets who were members of the United Nations Secretariat staff on espionage charges.

However, our courts have formally arraigned the espionage suspects, established bail, and set trial dates. The Soviet police are continuing their pretrial investigaton of Mr. Crawford and he has not yet been formally charged.

There is little question that we may be entering into a new and dangerous era in our relationship with the Soviet Union. The arrest of Jay Crawford and the manner in which he was taken into custody can only result in a further deterioration of the spirit of détente and the relations between Russia and the United States.

It is important that we speak out and assure the safety of American citizens whether they are tourists or attempting to do business with the Soviet Union. I have today sent a letter of protest to Soviet Ambassador Dobrynin in Washington requesting immediate clarification of the intentions of the Russian Government in regard to Jay Crawford. I urge my colleagues in the House to join in this protest.

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS VI

(Mr. SAWYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAWYER. Mr. Speaker, I have been waging a persistent battle on behalf of two young American women, neither of whom are my constituents, who are languishing in a Turkish prison.

As Members know, we are going to have a vote come up shortly on lifting the Turkish arms embargo and providing

economic aid to Turkey shortly. I am speaking about JoAnn McDaniels from Oregon and Katherine Zenz from Wisconsin. They, along with five other young women, in their mid or early twenties, were traveling in Europe. They met a young American man who asked them if they would be willing to drive two of the three vans he had to deliver down in Turkey and he said he would pay the expenses. When they went across the Turkish border, unfortunately these two young women, JoAnn McDaniels and Katherine Zenz were taking their turn at driving. The Turkish officials at the border found hashish under the upholstery of the vans. The young women now are serving 24 years without possibility of parole in a Turkish prison where they have been for 5 years.

I ask the Members to help get some support in this House, when this legislation to lift the arms embargo comes before this body.

PERMISSION FOR SUBCOMMITTEE ON ECONOMIC STABILIZATION OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT PAST 10 A.M. ON TODAY

Mr. BARNARD. Mr. Speaker, I again ask unanimous consent that the Subcommittee on Economic Stabilization of the Committee on Banking, Finance and Urban Affairs be permitted to sit past 10 a.m. on today, June 21, 1978, in order to conduct hearings on the administration's anti-inflation program.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

MANAGER OF REPUBLICAN CONGRESSIONAL BALL CLUB

(Mr. CEDERBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CEDERBERG. Mr. Speaker, I should announce to the House that the owners of the Republican baseball club met this morning. As chairman of the board I have been directed to announce that even though the manager, the gentleman from Massachusetts (Mr. CONTE), has been on probation for a year, we will extend his contract for 1 year, but due to the closeness of the score we are considering a reduction in salary, although we may leave it at the same salary that he had last year.

COMMUNICATION FROM COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., June 1, 1978.

Hon. THOMAS P. O'NEILL,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following items on May 10, 1978:

Building Project Surveys.—Boston, Massachusetts; Savannah, Georgia.

11(b) Resolutions.—Patterson, New Jersey; Milwaukee, Wisconsin.

The original and one copy of the authorizing resolutions are enclosed.

Sincerely,

HAROLD T. (BIZZ) JOHNSON,
Chairman.

COMMUNICATION FROM COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., June 8, 1978.

Hon. THOMAS P. O'NEILL,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following items on May 15, 1978:

Building Project Survey.—Milwaukee, Wisconsin.

Alterations.—Nashville, Tennessee.

The original and one copy of the authorizing resolutions are enclosed.

Sincerely,

HAROLD T. (BIZZ) JOHNSON,
Chairman.

COMMUNICATION FROM COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION,
Washington, D.C., June 14, 1978.

Hon. THOMAS P. O'NEILL,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following items on June 13, 1978:

Lease Renewals.—Ford Building, New York, New York; Building No. 5, Des Plaines, Illinois; 1201 E Street, N.W., Washington, D.C.; and Center Building, Hyattsville, Maryland.

Alterations.—Post Office & Courthouse, Miami, Florida; Appraisers Stores Building, Boston, Massachusetts; Post Office & Courthouse, Tallahassee, Florida; and Federal Office Building, Newark, New Jersey.

11(b) Resolution.—Government Printing Office, Washington, D.C.

Building Project Survey.—Providence, Rhode Island.

The original and one copy of the authorizing resolutions are enclosed.

Sincerely,

HAROLD T. (BIZZ) JOHNSON,
Chairman.

WAIVING CERTAIN POINTS OF ORDER AND PROVIDING FOR CERTAIN PROCEDURES DURING CONSIDERATION OF H.R. 12932, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1979

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1230 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1230

Resolved, That during the consideration of the bill (H.R. 12932) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1979, and for other purposes, all points of order against the following provisions in said bill for failure to comply with the provisions of clause 2, rule XXI, are hereby waived: beginning on page 2, line 2 through page 7, line 3; beginning on page 7, line 13 through page 9, line 9; beginning on page 9, line 16 through page 10, line 5; beginning on page 12, lines 4 through 25; beginning on page 16, lines 20 through 24; beginning on page 17, lines 14 through 17; beginning on page 37, line 4 through page 40, line 2; beginning on page 42, lines 11 through 22; beginning on page 50, lines 11 through 14 and lines 20 through 25: *Provided*, That it shall not be in order during consideration of said bill to consider any amendment making the availability, obligation, or expenditure of any appropriations carried therein contingent upon the enactment of authorizing legislation.

The SPEAKER pro tempore. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT) pending that, Mr. Speaker I yield myself such time as I may consume.

Mr. Speaker, this rule is very much like the rule that the House passed by an overwhelming vote last week dealing with the public works appropriations bill. The issues are essentially the same. The language of the rule is obviously not identical but it is very much the same as it was in the rule on the public works bill. Since the House has spoken on the matter, I do not see any particular reason for starting a debate on it.

I have had no requests for time and I reserve the balance of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule waives clause 2, rule XXI which would lie against several appropriating provisions in H.R. 12932, the Department of the Interior and related agencies appropriation bill for fiscal year 1979. Those provisions would fund the following items which have not been authorized: the Bureau of

Land Management, Land and Water Conservation Fund, Historic Preservation Fund, U.S. Fish and Wildlife Service resource management, National Park Service National Park System operation, Bureau of Mines Helium Fund, Office of Surface Mining Reclamation and Enforcement Regulation and Technology, Department of Energy, Navajo and Hopi Indian Relocation Commission, and Pennsylvania Avenue Development Corporation salaries and expenses and public development.

In addition, the rule provides that during the consideration of H.R. 12932 no amendment will be in order which makes the availability, obligation, or expenditure of any appropriations contained in the legislation contingent upon the enactment of authorizations.

The Interior Department appropriation amounts to $4,242,184,000. The related agencies portion of the measure appropriates $8,458,360,000. The grand total for fiscal year 1979 in this bill is $12,700,544,000, which is $174,213,000 below the budget estimate.

Mr. Speaker, I have no request for time, and I yield back the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MONTGOMERY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 353, nays 27, answered "present" 2, not voting 51, as follows:

[Roll No. 474]

YEAS—353

Abdnor	Boggs	Clay
Addabbo	Boland	Cleveland
Akaka	Bolling	Cochran
Alexander	Bonker	Cohen
Ammerman	Bowen	Collins, Ill.
Anderson, Calif.	Brademas	Conable
	Breckinridge	Conte
Anderson, Ill.	Brinkley	Conyers
Andrews, N. Dak.	Brodhead	Corcoran
	Brooks	Corman
Annunzio	Broomfield	Cornell
Applegate	Brown, Calif.	Cornwell
Archer	Brown, Mich.	Cotter
Armstrong	Broyhill	Coughlin
Ashley	Burgener	D'Amours
Aspin	Burke, Calif.	Daniel, Dan
AuCoin	Burke, Fla.	Daniel, R. W.
Badham	Burke, Mass.	Danielson
Bafalis	Burleson, Tex.	Davis
Baldus	Burlison, Mo.	de la Garza
Barnard	Burton, Phillip	Delaney
Baucus	Byron	Dellums
Beard, R.I.	Caputo	Derrick
Beard, Tenn.	Carney	Derwinski
Bedell	Carr	Devine
Benjamin	Carter	Dickinson
Bennett	Cavanaugh	Dicks
Bevill	Cederberg	Dodd
Biaggi	Chisholm	Dornan
Bingham	Clausen, Don H.	Downey
Blanchard		Drinan
Blouin	Clawson, Del	Duncan, Oreg.
Duncan, Tenn.	Ketchum	Rangel
Early	Keys	Regula
Eckhardt	Kildee	Reuss
Edgar	Kindness	Rhodes
Edwards, Ala.	Lagomarsino	Rinaldo
Edwards, Calif.	Latta	Risenhoover
Edwards, Okla.	Lederer	Roberts
Eilberg	Le Fante	Robinson
Emery	Lehman	Roe
English	Lent	Rogers
Erlenborn	Livingston	Roncalio
Ertel	Lloyd, Calif.	Rooney
Evans, Colo.	Lloyd, Tenn.	Rose
Evans, Del.	Long, La.	Rostenkowski
Evans, Ga.	Long, Md.	Rousselot
Evans, Ind.	Lott	Roybal
Fary	Lujan	Rudd
Fascell	Luken	Russo
Fenwick	Lundine	Ryan
Findley	McCormack	Santini
Fish	McDade	Sarasin
Fisher	McEwen	Satterfield
Fithian	McFall	Sawyer
Flippo	McHugh	Scheuer
Flood	McKay	Schroeder
Florio	Madigan	Schulze
Flowers	Maguire	Sebelius
Flynt	Mahon	Sharp
Foley	Mann	Shuster
Ford, Mich.	Markey	Sikes
Forsythe	Marlenee	Sisk
Fountain	Marriott	Skelton
Fowler	Martin	Skubitz
Fraser	Mathis	Slack
Frenzel	Mattox	Smith, Iowa
Frey	Mazzoli	Smith, Nebr.
Fuqua	Metcalfe	Snyder
Gammage	Meyner	Solarz
Gaydos	Michel	Spellman
Gephardt	Mikva	Spence
Giaimo	Miller, Calif.	St Germain
Gibbons	Miller, Ohio	Stanton
Gilman	Mineta	Stark
Ginn	Minish	Steed
Glickman	Mitchell, Md.	Steers
Goldwater	Mitchell, N.Y.	Stokes
Gonzalez	Moakley	Stratton
Goodling	Moffett	Studds
Gore	Mollohan	Stump
Gradison	Montgomery	Symms
Grassley	Moorhead, Calif.	Taylor
Green		Thompson
Gudger	Moorhead, Pa.	Thone
Guyer	Mottl	Thornton
Hagedorn	Murphy, Ill.	Traxler
Hamilton	Murphy, N.Y.	Treen
Hammer-schmidt	Murphy, Pa.	Trible
	Murtha	Tsongas
Hanley	Myers, Gary	Udall
Hannaford	Myers, John	Ullman
Hansen	Myers, Michael	Van Deerlin
Harkin	Natcher	Vanik
Harris	Neal	Vento
Harsha	Nedzi	Waggonner
Hefner	Nichols	Walgren
Heftel	Nix	Walker
Hightower	Nolan	Walsh
Hillis	Oakar	Wampler
Holland	Oberstar	Watkins
Hollenbeck	Obey	Weaver
Horton	O'Brien	White
Howard	Panetta	Whitehurst
Hubbard	Patten	Whitley
Huckaby	Patterson	Whitten
Hughes	Pepper	Wilson, C. H.
Hyde	Perkins	Winn
Ichord	Pettis	Wirth
Ireland	Pickle	Wolff
Jacobs	Pike	Wright
Jenkins	Poage	Wydler
Johnson, Calif.	Pressler	Yates
Johnson, Colo.	Preyer	Yatron
Jones, N.C.	Price	Young, Fla.
Jones, Okla.	Pritchard	Young, Mo.
Jones, Tenn.	Pursell	Zablocki
Kastenmeier	Quillen	Zeferetti
Kazen	Rahall	
Kemp	Railsback	

NAYS—27

Bauman	Kelly	Ottinger
Brown, Ohio	Krebs	Quayle
Buchanan	Krueger	Staggers
Coleman	Levitas	Stangeland
Collins, Tex.	Marks	Steiger
Crane	McDonald	Stockman
Cunningham	Meeds	Volkmer
Dingell	Mikulski	Weiss
Holt	Moore	Wilson, Bob

ANSWERED "PRESENT"—2

Hawkins	Ruppe

NOT VOTING—51

Ambro	Jeffords	Richmond
Andrews, N.C.	Jenrette	Rodino
Ashbrook	Jordan	Rosenthal
Beilenson	Kasten	Runnels
Bonior	Kostmayer	Seiberling
Breaux	LaFalce	Shipley
Burton, John	Leach	Simon
Butler	Leggett	Teague
Chappell	McClory	Tucker
Dent	McCloskey	Vander Jagt
Diggs	McKinney	Waxman
Ford, Tenn.	Milford	Whalen
Garcia	Moss	Wiggins
Hall	Nowak	Wilson, Tex.
Harrington	Pattison	Wylie
Heckler	Pease	Young, Alaska
Holtzman	Quie	Young, Tex.

The Clerk announced the following pairs:

Mr. Jenrette with Mr. Andrews of North Carolina.

Mr. Richmond with Mr. Dent.

Mr. Shipley with Mrs. Heckler.

Mr. Waxman with Mr. Kasten.

Mr. Breaux with Mr. McClory.

Mr. John L. Burton with Mr. Ashbrook.

Mr. Chappell with Mr. Leach.

Ms. Holtzman with Mr. Milford.

Mr. Rosenthal with Mr. Pattison of New York.

Mr. LaFalce with Mr. Quie.

Mr. Nowak with Mr. Butler.

Mr. Harrington with Mr. Leggett.

Mr. Garcia with Mr. Pease.

Mr. Ford of Michigan with Mr. Jeffords.

Mr. Diggs with Mr. Moss.

Mr. Ambro with Mr. Kostmayer.

Mr. Beilenson with Mr. McCloskey.

Mr. Charles Wilson of Texas with Mr. Runnels.

Mr. Teague with Mr. Seiberling.

Miss Jordan with Mr. McKinney.

Mr. Bonior with Mr. Tucker.

Mr. Hall with Mr. Young of Alaska.

Mr. Simon with Mr. Wylie.

Mr. Whalen with Mr. Vander Jagt.

Messrs. STAGGERS, VOLKMER, STOCKMAN, MEEDS, COLLINS of Texas, and BROWN of Ohio changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BAUMAN. Mr. Speaker, in view of the fact that the display board is not working today, will it be in order for Members to demand a recapitulation of the vote in view of the fact that we quite often have close votes on amendments or on other legislation here?

The SPEAKER pro tempore. The Chair will state that Members can still verify by the machine. A Member can ascertain the manner in which his vote has been recorded after having voted by inserting his card into the same or a different receptacle or by going to a monitor. There will be attendants at the monitors on both sides of the Chamber.

Mr. BAUMAN. I thank the Speaker.

TABLING OF HOUSE RESOLUTION 1225

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to lay on the table House Resolution 1225, waiving certain points of order and providing certain procedures during consideration of the bill, H.R. 12932, making appropriations for the Department of the Interior and related agencies. This rule is not needed because we have just adopted House Resolution 1230.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS AUTHORIZATION

Mr. MINETA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 2973) authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to te request of the gentleman from California?

Mr. WALSH. Reserving the right to object, Mr. Speaker, and I will not object, I would like to ask the gentleman from California (Mr. MINETA) whether S. 2973 differs from H.R. 12098, as adopted by the Committee on Public Works and Transportation.

Mr. MINETA. If the gentleman will yield, Mr. Speaker, S. 2973 amends the John F. Kennedy Center Act to authorize appropriations in the amount of $4.2 million to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts for the fiscal year ending September 30, 1979.

Section 6 of the John F. Kennedy Center Act, as amended, provides that—

> The Secretary of the Interior, acting through the National Park Service, shall provide maintenance, security, information, interpretation, janitorial and all other services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts.

With the adoption of that language in 1972, the Congress recognized that the Kennedy Center functions both as a performing arts center and as a Presidential memorial similar to the Lincoln Memorial and the Jefferson Memorial, and that those so-called nonperforming arts functions comparable to other Presidential memorials should be funded by appropriations to the Interior Department. Subsequent acts of the Congress have amended that subsection to provide funds through fiscal year 1978. S. 2973, as passed by the Senate, would provide authorization through fiscal year 1979, or for 1 additional year.

In 6 years of operation, the Kennedy Center has gained international recognition as one of the most successful performing arts institutions in the world. Thousands of the world's foremost performing artists, writers, composers, conductors, choreographers, directors and designers have contributed to a new creative environment. More than 6,100 performances have been presented to an audience of 9.6 million people. Comprehensive educational and public service programs have been developed for the Washington community and for the Nation as a whole.

Since its opening, the center has welcomed nearly 20 million visitors. Records indicate that the Kennedy Center had 5,300,000 visitors in 1976 and 4,800,000 in 1977, making the center one of the most popular tourist attractions in the Nation's Capital. Visitors' services provided by the Park Service include operation of two information booths, two slide projection shows, and rooftop tours. Additional visitors' services are provided by volunteers from the Friends of the Kennedy Center who are responsible for conducting the tours and operating the souvenir stands. The value of the Friends' services, which are provided without charge, is estimated at $250,000 annually by center officials. The center estimates that the Friends provide 52,208 staff-hours of such service annually.

Mr. Speaker, the John F. Kennedy Center for the Performing Arts is the sole living memorial to the late President Kennedy. This legislation is clearly in the national interest; it will enable us to maintain the Center as a fitting memorial for millions of Americans and for visitors from all parts of the world. S. 2973 is virtually identical to H.R. 12098 which was reported favorably to the House by the House Committee on Public Works and Transportation on May 4, 1978. I therefore urge my colleagues to support S. 2973.

In conclusion, I would like to commend the chairman of the Committee on Public Works and Transportation, the gentleman from California (Mr. JOHNSON); and the ranking minority member of the full committee, the gentleman from Ohio (Mr. HARSHA); and the ranking minority member of the Subcommittee on Public Buildings and Grounds, the gentleman from New York (Mr. WALSH) for their time and effort spent in bringing this legislation to the floor.

Mr. WALSH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. KAZEN. Reserving the right to object, Mr. Speaker, I do so to ask the gentleman from California (Mr. MINETA) two questions. First, what is the amount of money authorized?

Mr. MINETA. $4.7 million.

Mr. KAZEN. The $4,700,000 is for 3 months, as I understand it, to the end of fiscal year 1978 in September of this year; is it not?

Mr. MINETA. I will correct myself. The $4,200,000 is for the fiscal year ending September 30, 1979.

Mr. KAZEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Speaker, I further reserve the right to object.

Mr. Speaker, I wonder if the gentleman from California could tell us why it is necessary to increase this authorization in the last 2 years by more than 50 percent. As I read the Senate report, funding goes from $2,800,000 to $4,200,000 in a 2-year period.

Mr. MINETA. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from California.

Mr. MINETA. In 1978 the appropriation through the Department of the Interior was $4 million, and this year the authorization in this bill will be asking for $4,200,000.

Mr. BAUMAN. The point the gentleman from Maryland is making is that over a 2-year period it has gone from $2,800,000 to now $4,200,000. It was supposed to be a facility that was not going to cost the taxpayers any money. It was going to be run for the most part by private donations.

Mr. MINETA. If the gentleman will yield further, the 1976 year, of course, includes a transition quarter. That made it a total of $3,500,000. I am not sure what figure my colleague from Maryland is referring to.

Mr. BAUMAN. I am referring to the figure in the report of the other body, page 7.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from New York.

Mr. WALSH. The figures I have for fiscal year 1978 show that the total appropriation was $3,861,000. This year, the appropriation request is for $4,200,000, so the increase is the difference between $3,861,000 and $4,200,000, which is a little over $400,000; not the figures the gentleman is using.

Mr. BAUMAN. Further reserving the right to object, will the gentleman tell me whether the roof still leaks?

Mr. MINETA. That is being worked on right now under a contract let by the Department of the Interior.

Mr. BAUMAN. That is good to know. I am sure the taxpayers are comforted.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill as follows:

S. 2973

An Act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sub-

section (e) of section 6 of the John F. Kennedy Center Act (72 Stat. 1698), as amended, is amended by adding at the end thereof the following: "There is authorized to be appropriated to carry out this subsection not to exceed $4,200,000 for the fiscal year ending September 30, 1979.".

● Mr. JOHNSON of California. Mr. Speaker, I want to commend the gentleman from California (Mr. MINETA), chairman of the Subcommittee on Public Buildings and Grounds, for his leadership in bringing this legislation to the Members today. I also want to commend the gentleman from Ohio (Mr. HARSHA), the ranking minority member of the full committee, and the gentleman from New York (Mr. WALSH), the ranking minority member of the subcommittee on Public Buildings and Grounds, for their support and hard work on this legislation.

Mr. Speaker, S. 2973 is virtually identical to H.R. 12098 reported favorably by the House Public Works and Transportation Committee on May 4, 1978. This legislation amends the John F. Kennedy Center Act to authorize $4.2 million to be appropriated to the Secretary of the Interior for the nonperforming arts functions at the John F. Kennedy Center for the Performing Arts for the fiscal year ending September 30, 1979. The funds contained in the bill are minimal in order to keep this memorial to a former President operating at the same quality level as other monuments and memorials in the Nation's Capital.

The Kennedy Center functions as a center for the performing arts, a memorial in honor of the late President Kennedy, and a facility for lectures, meetings, and civic activities. The first two functions are primary. The center has become an important showcase for the performing arts in America and has added immeasurably to the life of Washington. The center offered more than 1,000 free educational and public service events during the bicentennial year and some 600 during 1977. Some 414,000 persons—nearly 10 percent of all those who visited the center attended these free events last year. Beyond that, the center has made up to 15 percent of its tickets available at half-price to such groups as the elderly, students and those with fixed low incomes since its opening.

Last year, this program cost the center nearly $409,000 in potential revenue. For the past 2 years, the center has offered a year-long series of free children's programs. In providing for the establishment of the national cultural center in 1958, which subsequently became the John F. Kennedy Center for the Performing Arts, Congress specified that the institution present performing arts and provide facilities for civic activities. In this regard, I believe that the efforts made by the Kennedy Center to date should be praised.

Mr. Speaker, the Kennedy Center is an integral part of the Washington scene. Tourists have made the center one of the busiest sightseeing attractions in Washington, and over 20 million tourists have now visited and toured the center. Visitors' services are provided by the Park Service and additional visitors' services are provided by volunteers from the Friends of the Kennedy Center who are responsible for conducting the tours and operating the souvenir stands.

It is apparent that President Kennedy's vision and interest in the arts are being shared by a growing number of citizens all over the Nation for the cultural activities which it provides. It is in the vital interest of us all to maintain the integrity of this magnificent living memorial.

I urge enactment of S. 2973.●

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12098) was laid on the table.

GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate bill just passed

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

A CORRECTION OF THE RECORD OF THE "BUDGET PERSPECTIVE STATEMENT OF HONORABLE PAUL SIMON ON H.R. 10173, THE VETERAN'S AND SURVIVORS' PENSION IMPROVEMENT ACT OF 1978" GIVEN ON JUNE 19

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, on Monday, my dear friend and colleague, PAUL SIMON, on behalf of the Budget Committee, addressed the House on the budget implications of three bills that were to come up under suspension of the rules.

I wish Representative SIMON would have discussed this statement's context with me. Since he did not, I am forced to set the record straight on my intentions when H.R. 10173 comes before us, probably next week.

Representative SIMON stated:

Efforts are being made to defeat this bill in order to seek a rule under which the bill could be amended to add provisions for World War I veterans. I do not wish to speak to the merits of special provisions for World War I veterans. However, I am compelled to point out the budget implications of striking the provisions in the bill relating to veterans over age 80 and inserting the provisions of H.R. 9000.

My distinguished colleague then proceeded to state that this would increase the deficit by $1.5 billion, would jump the cost of H.R. 10173 to $2.3 billion in 1979, and use up more new entitlement authority than our first budget resolution gave to the Veterans' Affairs Committee.

This is simply not true.

My amendment would only authorize a separate WWI pension, subject to such sums as are appropriated by appropriations acts. Thus, if adopted, my amendment would decrease the 1979 cost of H.R. 10173 by $55 million and allow us to go to appropriations for a maximum $150 monthly pension. It would not increase the cost of H.R. 10173 one cent. It would not increase the deficit one penny. It would not use any of the committee's new entitlement authority.

I thank the Speaker for allowing me this time to clarify the well intentioned remarks of our Budget Committee colleague.

BILL TO PROVIDE FOR GRADUATION IN INCOME TAX RATE STRUCTURE FOR CORPORATIONS REINTRODUCED

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, I rise on behalf of myself and Mr. PICKLE, Mr. CORMAN, Mr. CONTE, and the 93 other Members who have joined us to date, for the purpose of reintroducing a bill to provide for graduation in the income tax rate structure for corporations.

Numerous small business groups have indicated to us that the single tax relief measure felt to be most needed by small business is a graduated tax. Take the corporate surtax exemption level for example. Presently set at $50,000 of taxable income, if this had been increased merely to keep up with inflation, it would now be levied at $175,000. In addition, the "sudden death" jump in the tax rate—presently 26 percent when income exceeds $50,000—places pressure on businessmen to make uneconomic decisions in an attempt to spread income more evenly over several tax years. This is not good at any surtax level, and a graduated rate structure would eliminate the desirability of doing this.

The bill provides the following schedule:

Taxable income:	*Tax rate in percent*
$1– $25,000	16
$25,001– $50,000	20
$50,001– $75,000	26
$75,001–$100,000	32
$100,001–$125,000	38
$125,001–$150,000	42
Over $150,000	45

As more Members continue to call and ask to cosponsor this proposed legislation, I hope the message becomes clear. In particular it is my hope that the Ways and Means Committee will include this proposal in the final tax bill that they are presently working on, even though it was not included in the President's recommendations.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1979

Mr. YATES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12932) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1979, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Pennsylvania (Mr. McDADE) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12932, with Mr. MINETA in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Illinois (Mr. YATES) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. McDADE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I yield 10 minutes.

Mr. Chairman, the Appropriations Committee brings to the floor today a bill that is best described as the "all American bill." It is a bill about the land—our land—the land of the United States of America—it is the bill of and for America the Beautiful—the majestic purple mountains, the fruited plains, the scenic rivers, the placid lakes, and the stately forests. It supports the national heritage of all Americans—the Nation's parks, forests, mountains and natural resources, the national heritage that we want to pass on to our children, our grandchildren and to the generations to come—a land that is better than the one we enjoy. We have so much to do if we are to meet that challenge. Unfortunately, for many years and generations we despoiled the land. We cut, we gouged, we defiled—we took much from the land and returned little or nothing. This bill continues this committee's revolt against that kind of selfish unnecessary despoilation.

It is hoped that the executive branch will share this committee's vision of America. It is disturbing to us that each year the committee finds itself pitted against the executive branch for allocation of funding that will insure that vision of America. A number of the program initiatives which we created and funded last year were discarded or diminished by the executive branch. We believe Congress, as well as the executive branch, may be the source of new ideas. We carry out that belief in this bill.

The resources administered by the agencies in this bill include over 2 billion acres within the Bureau of Land Management, 34 million acres within the National Park Service, 35 million acres within the Fish and Wildlife Service, and 187.9 million within the jurisdiction of the Forest Service of the Department of Agriculture—a total of more than 2.25 billion acres. This includes 1.1 billion acres of the Outer Continental Shelf of which it is hoped will provide our Nation with additional sources of oil and gas. In fiscal year 1979, visitor day use is expected to reach 282 million in the national parks, 25 million at the wildlife refuges and hatcheries of the Fish and Wildlife Service, 213 million in the national forests and the wilderness areas within the Forest Service and 80 million on the lands of the Bureau of Land Management.

Receipts from the multipurpose lands administered by the Department of Interior and the Forest Service, return $4.3 billion to the Federal Treasury. This includes receipts of $1.8 billion from the outer continental shelf oil lands.

This bill provides $12,700,544,000 in new obligational authority, an increase of $2,046,443,000 above the comparable amounts appropriated to date in fiscal year 1978 and $174,213,000 below the budget request. Of the $2 billion increase over 1978 appropriations enacted to date, $1,184,556,000, is in the Department of Energy, $190,773,000 is in the Forest Service, $152,158,000 is in the Bureau of Indian Affairs, $109,714,000 is in the energy and minerals area of the Department of Interior, $127,711,000 is in the fish, wildlife, and parks area of the Department of Interior, and $70,648,000 is in the land and water resources of the Department of Interior. An additional $74,530,000 is in the area of Indian health and education, $50,760,000 is for the National Foundation on the Arts and the Humanities, $47,748,000 for Territorial Affairs, and $14,958,000 for the Smithsonian Institution.

As you can see, Mr. Chairman, the significant increases over fiscal year 1978 are in the areas of energy and natural resources.

In arriving at its recommendations, hearings were held for 42 days. The testimony taken during those 42 days of hearings is contained in 10 volumes, which have been available for your review.

The major changes made by the committee pursuant to the hearings on the fiscal year 1979 budget request include increases of: $255.4 million in the Bureau of Land Management, the National Park Service, the Fish and Wildlife Service, and the Forest Service for improved management of the public land resources of the Nation; $110.5 million for energy research and development; $100 million for Indian and territorial programs; $18.1 million for water research efforts; and $15 million for the historic preservation grant program.

Increases of this magnitude could not have been made without reductions of: $182.1 million for deferral of firefighting costs; $165.8 million for the Strategic Petroleum Reserve; $103 million for deferral of unauthorized Land and Water Conservation Fund projects; $47.5 million rescission of permanent contract authority for the Helium Fund; and $9.6 million in National Park Service construction projects.

It should be noted that the committee has deferred items that will have to be funded in subsequent appropriation measures. This includes the firefighting costs and the unauthorized Land and Water Conservation Fund and Park Service construction projects. When these projects are finally funded and the $47.5 million Helium Fund rescission is taken into consideration, instead of a reduction of $174.2 million as indicated, there really is an increase of $168.5 million over the budget.

Of the $12 billion plus in budget authority recommended in this bill, $5,970,368,000 is for the Department of Energy. Of that, $4,084,624,000 is for the Strategic Petroleum Reserve. An additional $4,242,184,000 is to carry out the many programs of the Department of Interior related to land and water resources; fish, wildlife, and parks; energy and minerals; Indian affairs; and territorial affairs. $1,380,526,000 is to carry out the important programs of the U.S. Forest Service.

I want to pay tribute to the members of the subcommittee. There is no finer group in the House than those members who make up the Interior Subcommittee of the Appropriations Committee. The members from the East and from all parts of the country worked together to provide what is a unanimous bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YATES. Mr. Chairman, I yield myself 3 additional minutes.

I particularly want to commend the gentleman from Pennsylvania (Mr. McDADE) who made many contributions to this bill, all of which make it a very constructive and worthy bill.

It is with regret that I acknowledge the intention of our good friend, the gentleman from Colorado (Mr. EVANS) to leave the Congress. Mr. EVANS was a very constructive member of our subcommittee and of the entire Congress. I am very sorry that he has decided that he will not run for the next Congress. We will miss him very much, and we hope that he returns frequently to consult with us.

Mr. Chairman, this is a good bill, and I urge its approval by the House.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman's yielding.

As I think the Chairman knows, I was the sponsor of the Siletz Restoration Act, Public Law 95–195. This was a law to restore the Confederated Tribes of the Siletz Indians in Oregon to the status of a federally recognized tribe after more than 30 years of the terminated status. Enactment of that law required 3 years of hard work and many concessions by the Siletz, including giving up on their hope for a reservation in order that they may be restored to recognized status and receive the rights and benefits and services to which they are entitled by virtue of that status.

I have noted that the committee has increased contract care funding by $7.7 million over the fiscal year 1978 level, and I also note that the committee included report language indicating that this amount is to be shared by the Siletz with other recognized tribes.

To insure legislative intent, I would like to engage the distinguished chairman of the subcommittee in a colloquy, and I would like to ask specifically this question: It is, in fact, the committee's intention that this level of funding would be sufficient to insure that the Siletz receive an amount of contract care reasonably necessary to provide for their health care needs, in the gentleman's judgment?

Mr. YATES. As the gentleman so well points out, the Siletz Indians have now been recognized as a tribe and have been so accepted by the Bureau of Indian Affairs. It would be my expectation and the committee's intention that as a recognized tribe, the Siletz Indians would share with other tribes in the benefits that are made available for the tribes through the Bureau of Indian Affairs—and I go further—and through the Indian Health Service as well.

Mr. AuCOIN. If the gentleman would further yield for one additional question, it is, then, the distinguished chairman's opinion and intention that under the terms of Public Law 95–195 the goals of that tribal restoration are to be carried out by funds appropriated through this bill that we are considering today, as with any other federally recognized tribes?

Mr. YATES. That is my understanding, and I am sure it is the committee's understanding as well.

Mr. AuCOIN. I want to say that I thank the committee chairman for these assurances, and I compliment him for his work. I appreciate the assurances very much.

Mr. YATES. I thank the gentleman very much.

Mr. TSONGAS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. TSONGAS. I thank the gentleman for yielding.

It has been my hope this appropriations bill would include moneys for the Lowell National Historical Park. However, that park was not signed into law by the President until subsequent to the consideration by the subcommittee and this committee, and is not included because of the chairman's policy of not allowing for amendments. I would wonder, however, what the chairman's view would be were these moneys to be put in on the Senate side, and if the chairman would then go to conference and have a chance to consider them at that point.

Mr. YATES. May I say to the distinguished gentleman from Massachusetts that I and the subcommittee both are very much aware of how long and earnestly the gentleman from Massachusetts (Mr. TSONGAS) labored to attain the recognition, through passage of legislation, of the Lowell Park.

I would say to the gentleman that if the funds are provided for Lowell Park in the Senate, it would be the intention of our subcommittee, assuming we are appointed as conferees, to look upon that appropriation most sympathetically.

Mr. TSONGAS. Mr. Chairman, I thank the gentleman.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Chairman, I thank the gentleman for yielding.

As a congressional Regent of the Smithsonian Institution, I would like to say that the country is fortunate, indeed, to have the preservation and enhancement of our physical and our cultural environment in the hands of the chairman of this subcommittee and the ranking member, the gentleman from Pennsylvania (Mr. MCDADE), and all the members of this committee. I thank the gentleman very much.

Mr. YATES. Mr. Chairman, I thank the gentlewoman for her kind comments.

I want to tell the gentlewoman that the affairs and the problems and the organization of the Smithsonian Institution are in very good hands as a result of the gentlewoman becoming a regent of the Smithsonian Institution.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I want to thank the gentleman for the gentleman's kind remarks made about me a few minutes ago.

Mr. YATES. I was very sincere about that.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

Mr. YATES. Mr. Chairman, I yield myself 2 additional minutes.

Mr. EVANS of Colorado. Mr. Chairman, if the gentleman will yield further, I would like to tell the gentleman sincerely that the gentleman is among the finest chairmen that we have, not only in the House, but in the entire Congress. I had the privilege of serving on the committee when the gentleman became chairman. I discovered in so doing in picking the chairman that we have had a chairman that is one of the hardest working and most knowledgeable chairman it has been my pleasure to know. Whether it relates to Indians or parks or development of our oil from oil shale or range fees, whatever the issues may be and whether we have agreed or not, I have been impressed with the seriousness, the interest and the dedication and the brilliant way in which the gentleman conducts his committee.

I want to say to my dear friend, the ranking Republican Member, the gentleman from Pennsylvania (Mr. MCDADE), that the gentleman is also one of the most outstanding Members of this Congress. Between the two of them, they review the issues that come before this subcommittee and when you are dissatisfied with the facts developed by the witness, there is agreement by both of them that they should go back and do some homework and come back again so that this committee gets all the facts and figures and also the extent to which the gentlemen from Illinois agreed to having public members testify and raise issues and then call back the administration to try to answer those questions so we can again be as well informed as possible has made my experience in this committee one of the finest I have and I will miss the gentleman.

Mr. YATES. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has again expired.

Mr. YATES. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, I am sure I speak for every other member of the subcommittee when I say we have enjoyed working with the gentleman and recognize the fine contribution the gentleman has made not only to our work, but to the work of the Congress and that the gentleman's efforts will be missed very much in the future.

I repeat what I said before. We look forward to the gentleman's coming back again frequently.

I want, too, Mr. Chairman, to pay my tribute to the very fine staff that our Appropriations Subcommittee has. I am continually amazed at the long hours of work that are put in by members of our staff, led by Fred Mohrman and his associates, Byron Nielson, Bob Kripowicz, Ms. Robin Harrold, and Neal Sigmon.

We pay tribute to them for their hard work, we are grateful for their hard work, and we promise to use them as much in the future as we did in the past and to make them work even harder.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Chairman, I thank the gentleman for yielding.

At the risk of contributing to what might be viewed as a morning mutual admiration society, I nevertheless cannot abstain from saying that I, upon taking my leave from this great institution after 10 years, must grant that the gentleman

from Chicago, Ill. (Mr. YATES), the chairman of this Subcommittee on Interior of the Committee on Appropriations is one of the finest public servants in America, as far as I am concerned. I will deeply miss not having the opportunity to work with the gentleman in the future.

Mr. Chairman, on behalf of all the citizens of Wyoming and the Rocky Mountain area, I wish at long last to express our gratitude and appreciation for the gentleman's contributions to this great American institution.

Mr. Chairman, I now wish to ask the gentleman a question.

Mr. YATES. Mr. Chairman, after those remarks, the answer will obviously be in the affirmative.

Mr. RONCALIO. Mr. Chairman, I wish to include the ranking minority member of the subcommittee, the gentleman from Pennsylvania (Mr. McDADE), and thank him for his work.

My question is this: $1,220,000 has been provided in the National Park Service budget for both Yellowstone and Grand Teton National Parks in Wyoming for road construction. The $600,000 for Yellowstone National Park should have actually been in the operation and maintenance account rather than in construction.

Does the committee have any objection to using $600,000 of the $14 million addition for operation and maintenance for Yellowstone and using the entire $1,220,000 for road construction in Grand Teton National Park?

Mr. YATES. Mr. Chairman, I would say in answer to the gentleman's question that the committee has no objection to that use.

May I say, too, that I want to express to the gentleman from Wyoming (Mr. RONCALIO) my sorrow and my sadness at the fact that he is departing from the Congress. Over the years of my being in the Congress, one of my great joys was the opportunity of being able to work with the gentleman and to enjoy the friendship of the distinguished gentleman from Wyoming (Mr. RONCALIO). I am sorry that he is leaving us.

Mr. Chairman, I know that the gentleman has other interests that he wants to pursue, and I hope that he, too, will come back and see us frequently.

Mr. RONCALIO. Mr. Chairman, I thank the chairman of the subcommittee very much.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I would like to commend the gentleman in the well, the gentleman from Illinois (Mr. YATES), the ranking minority member, the gentleman from Pennsylvania (Mr. McDADE), and all the members of the subcommittee for their most sensitive efforts, consistent with their record, in terms of their treatment of the insular areas.

I would like to make particular reference to their understanding, as has been reflected, of the problems of the new government of American Samoa, the first democratically elected government in its history.

I would further like to note most particularly their recognition of the important moral principles involved in finally paying at least one of the two claims under the Micronesian Claims Act.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

Mr. YATES. Mr. Chairman, I yield myself 2 additional minutes, and I yield further to the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Chairman, as the head of the subcommittee that has jurisdiction in the area I just mentioned, I can assure all my colleagues that when those who are our fellow Americans in all respects, the Samoans and the Micronesians as well, come in on these issues and talk to us, they are always exhilarated at the sensitive and the obvious concern reflected by the chairman and the members of this subcommittee. I say that with full knowledge of all the jurisdictions for which the gentleman has responsibility on the appropriations sides.

Our authorization bill as yet has not cleared the thicket of the Senate, although I have been led to believe there was and is no problem with the bill. But inertia is a factor that we must deal with in this life, and I would hope that when that bill is signed into law, the gentleman will particularly take a look at the various authorizing items, those that will hopefully be added into the Senate-passed bill, if the bill is signed in time. I hope the gentleman will give those items the same kind of sensitive treatment the gentleman has demonstrated universally in this area of his responsibility.

Mr. YATES. Mr. Chairman, I thank the gentleman for his remarks.

I want to commend the gentleman from California (Mr. PHILLIP BURTON) for the outstanding work and sympathetic treatment he has accorded to the people of the Trust Territory of the Pacific Islands in connection with the problems they have had over the years. The gentleman has dealt with these problems most sympathetically and sensitively. I should include in this statement not only the Trust Territory but, as well, Puerto Rico, the Virgin Islands, Guam, and Samoa, and commend the gentleman for his attention to their problems also.

Now let us look at what the bill does.

DEPARTMENT OF THE INTERIOR

For the Bureau of Land Management (BLM), the committee recommends an appropriation of $510,146,000, a net increase of $22,022,000 above the budget estimate. Why the increases? They reflect funding of the Federal Land Policy and Management Act of 1976 (FLPMA) and other recently enacted legislation which OMB did not fund. The bill includes increases of $4.9 million for energy and minerals management in response to increasing national demand. An increase of $40 million is provided to accelerate lands and realty management activities in support of energy and other programs and to eliminate backlogs. A $21,723,000 increase is provided for renewable resource management for such activities as range management, wild horse and burro management, soil and water management, wildlife habitat management, forest and recreation management, and fire management. In addition, increases of $9.5 million are provided for planning and automatic data processing—$6.5 million, and for cadastral surveys—$3 million. An increase of $2.1 million is also recommended for construction to reduce safety hazards, improve sanitation, and for timber access and recreation roads.

I want to note that $3.6 million added to BLM and $5.6 million added to the Geological Survey are to implement an agreement reached in the court case between the United States and the Natural Resources Defense Council which allows the resumption of limited coal leasing on public lands. The Interior Department was enjoyed from any additional leasing in September 1977. The agreement and these funds will increase the number of short-term lease applications processed from 20 to 36, or an 80-percent increase, and the number of preference right leases from 10 to 20, a 100-percent increase. This activity will add 13 to 17 million tons to annual coal production in the United States.

These increases have been offset by a $25,250,000 reduction due to the deferral of funding firefighting costs until a fiscal year 1979 supplemental.

Another area in which many of the members have expressed a strong interest is the proposed national heritage program of the new Heritage Conservation and Recreation Service, formerly the Bureau of Outdoor Recreation. The President's budget proposed using $63,720,000 of the State portion of the Land and Water Conservation Fund to initiate that program based on criteria that were to have been developed by the Heritage Service by May 1. It was obvious during the hearings that the program was not being developed in concert with the States. Therefore, it is recommended that the House support the proposal to add the $63 million to the portion that would be appropriated to the States and that the Secretary of Interior not start this program by administrative allocation of the funds. He should encourage the States, as willing partners, to use their Land and Water Conservation Fund money to acquire sites that would be eligible for the National Register.

A recommendation is proposed to acquire two gambling casino sites in the Lake Tahoe Basin, for a total of $25 million, of which $12.5 million would be from the fund and each State would contribute $6,250,000. In addition, the States would have to agree that no additional unrestricted gaming establishments would be built in the basin. These legislative provisions require that the States share in the land acquisition and the ef-

fort to prevent further environmental degradation to a unique national resource.

An increase of $15 million is recommended for the historic preservation grants, another area in which many of you have expressed an interest. To insure that the funds are not used for renovation of State and local governmental buildings still in use for governmental purposes or too large a portion is used for museum-type reconstruction of mansions, legislative provisions are proposed prohibiting grants for State and local governmental buildings still in use for governmental purposes and requiring that at least 60 percent of the grants be made for restoration and renovation of neighborhoods in historic districts or historic structures which will contribute to the renovation of a neighborhood or a community.

The committee recommends an appropriation of $196,695,000 for resource management in the Fish and Wildlife Service. The amount for the Fish and Wildlife Service includes an increase of $6,425,000 for the animal damage control program. Of this increase, $1,725,000 is recommended for research to develop controls for pine voles and to end damage to sunflower crops and $4,700,000 for nonresearch predator control.

Also within the Fish and Wildlife Service is an appropriation of $96.153,000 for the construction and anadromous fish account. The third phase of the refuge improvement program proposed by the land heritage program is part of this appropriation.

A total of $382,217,000 is recommended for the operation of the national park system. In this amount, the committee has recommended increases for several programs: $1.8 million to enhance the Director's new science program to develop data that will permit the Park Service to better understand the degree, if any, of threats to parks from nearby industrial activities; $3 million for interpretation and visitor services; $2 million for visitor protection and safety; and $14,786,000 for the maintenance program.

A limitation is recommended on the amount of money that can be spent by the Park Service for operation of the National Visitor Center in Union Station is limited to an amount of $1,758,000. It is reccmmended that no support be provided for a proposal to appropriate in excess of $40 million to complete construction of a 1,200-space parking garage at the site of Union Station. There are too many unmet needs in the national parks of the U.S. park system that can better use a sum of that magnitude.

It does not make sense for the Congress to establish national parks and then have no funds allotted by OMB for staffing. This has happened not only within the National Park Service, but also to Indian hospitals that have been built.

A committee investigative study found that the entire Park Service construction planning process was in disarray. Particularly impressive was finding that there is often no validity to the estimates. Therefore, the committee has added $2,688,000 for advance planning and recommended that future budget requests be made only for items for which preliminary and advance planning is complete. A number of reductions were made where projects were not authorized, where planning was not well enough advanced to have any confidence in the project or the cost estimate, or where the work has been completed.

The recommendation for the Geological Survey is $419,689,000, an increase of $21,326,000 over the budget request; $3.6 million has been provided to start wilderness studies in conjunction with the Forest Service's RARE II studies, $5.7 million for increased coal-leasing activity in the West, $9.4 million for improving water data collection, and $3.2 million to improve mapping techniques.

A significant increase of $30,500,000 is recommended for exploration of the National Petroleum Reserve in Alaska. Originally 26 wells were to be drilled in this area to assess its resources potential. The Department has reduced that to 19 wells by the end of the 1979, and did not provide funds for drilling in 1980. This increase will permit positioning of supplies in Alaska in the event the administration decides that it wants to mount an aggressive drilling program in fiscal year 1980 in the Alaska reserve.

The Bureau of Mines total recommended appropriation is $132,667,000. Included in this total is an increase of $9.5 million over the budget estimate for coal mine health and safety research and $3.4 million for a minerals assessment program as part of the Forest Service's roadless area review and evaluation.

An increase of $8.6 million over the budget is recommended for the Office of Surface Mining; $1.6 million will provide funding for State mineral institutes on a regional basis. It is recommended that regional centers of excellence be established rather than having a research unit in every coal mining State. Establishing regional units will provide more money for research and less money for administrative overhead; $7 million will provide for accelerated demonstration techniques in critical areas.

The total appropriation for the Bureau of Indian Affairs is $1,035,367,000, an increase of $61,886,000 above the budget estimate. The increase includes $29.8 million in the operation of Indian programs and $32 million for construction. A significant portion of the increase—$12.7 million—is provided to give the Assistant Secretary the tools which he needs to begin making the long overdue changes in the organization and management of the Bureau. In addition, at the direction of the committee, GSA and BIA have developed a master plan for Indian school construction. It is anticipated this will become a guide to correcting the deficiencies existing in the BIA's school facilities program.

The increases include $5 million to make it possible for the first time to service a minimum of 1,100 handicapped children; $12.8 million for contract support to meet the expected increase in tribal contracting; $4 million to expand the Indian Action Team program to $25.3 million; $6 million to research and prepare all valid Indian claims against third parties; $22.1 million to complete 10 school construction projects already in progress; and $2.6 million for increased road construction.

The committee has also recommended a reduction of $2,788,000 in the administrative budget for the central and area offices. The committee continues to be concerned about the growth in the administrative budget with little indication of improvement in the services provided. The committee, however, has approved $29 million for this activity and believes this amount will be more than adequate in fiscal year 1979.

For the Office of Territorial Affairs, the committee recommends an appropriation of $181.7 million, an increase of $25.3 million over the budget estimate. Included among the increase is a total of $4.1 million to stimulate economic development in Guam and American Samoa and $6.7 million to upgrade the existing airport facilities on Ponape. In addition, the committee recommends payment of $12.6 million of outstanding post World War II claims against the United States under title II of the Micronesian Claims Act of 1971.

RELATED AGENCIES

FOREST SERVICE

For the Forest Service the committee recommends $1,380,526,000, a net increase of $38,318,000 above the budget. If you take into consideration deferral of funding of $149,848,000 for the forest fire costs until a supplemental, the actual increase amounts to $188,166,000. This increase contains sufficient funding to enable the Forest Service to reach approximately 81 percent of fiscal year 1979 RPA goals in all activities, about the same as last year. OMB reduced it to 71 percent. This recommended level will continue the balanced program among the multiple uses on the lands administered by the Forest Service initiated by the Congress in the fiscal year 1978 appropriation bill. The increases will make more timber available for housing to help hold down prices.

The amount recommended will provide the following increased output above the fiscal year 1979 budget request: sale preparation of an additional 900 million board feet of timber—11.5 billion to 12.4 billion, harvest of an additional 1.2 billion board feet—10.3 billion to 11.5 billion, reforestation of an additional 55,000 acres of land—151,000 to 206,000, timber stand improvement to an additional 153,000 acres—169,000 to 322,000, full recreation service at the 232 areas proposed for reduced service, habitat restoration and development on an additional 199,000 acres (925,000 to 1,124,000), range management improvement to an additional 1,304 allotments, and survey and location of an additional 1,265 miles of roads—10,971 to 12,236. In addition, the committee restored the following programs proposed to be eliminated in the fiscal year 1979 budget: urban forestry—$3,600,000; Firescope—$3,-

700,000; dutch elm disease control—$2,600,000; and the noxious weed program—$1,662,000.

The committee has provided an increase of $3 million for the timber salvage sale program to permit the harvest of 1.22 billion board feet of salvageable timber which would otherwise be lost.

DEPARTMENT OF ENERGY

For the Department of Energy, the committee recommends an appropriation of $5,970,368,000, an increase of almost 25 percent over fiscal year 1978 appropriations. This recommendation is a net of approximately $315 million under the budget and reflects several initiatives as well as reductions.

Our assessment is that the reductions will have little or no programmatic effect. For example, $166 million of the reduction is accounted for by removing the effect of the crude oil equalization tax from Strategic Petroleum Reserve allowances because the tax has not yet been enacted; $78 million is offset by unobligated prior year balances from the "Coalcon" project and $9 million is from Federal vanpooling which was not authorized by Congress. A reduction of $53 million is taken from naval petroleum reserve funds because of habitual overestimation of expenses by the program, which carried forward an unobligated balance of $291 million into this year in the Elk Hills reserves alone. Reduction of about $50 million in fossil energy results from accepting authorizing committee recommendations, which have little programmatic effect.

The largest item in the Department is $4,084,624,000 for the strategic petroleum reserve program. This will provide funds to purchase the additional 267 million barrels of oil necessary to meet 1980 goals of 500 million barrels in storage in the reserve. Of the total amount recommended, $1,112,280,000 is to be used in fiscal year 1980. That amount could have been deleted, but that action would have been characterized by the executive as a signal to the producing countries that our support for the concept of a strategic reserve is declining. That was the way our reduction was viewed in fiscal year 1978 and the Congress restored all but $220 million of the amount reduced. I would like to point out that the program is currently 6 months behind schedule.

In fossil energy, the committee is recommending several initiatives above the budget request, including $20 million to initiate an above-ground oil shale demonstration, $17 million to speed up enhanced oil and gas recovery, and $9 million for peat gasification and coal cleaning. The bill also includes $23 million for starting the design of demonstration plants for solvent refined coal products. The total recommended appropriation for fossil energy research, development and construction is about $642 million and continues the substantial commitment of the Congress to expanded use of abundant fossil energy resources.

In fiscal year 1975 the Congress appropriated $19 million to programs in this bill concerned with energy conservation. We are recommending today an appropriation of $907 million for conservation programs, a 50-fold increase from 1975 and 53 percent above 1978 appropriations. It is clear from these figures the priority the committee attaches to the conservation activities of the Department. The bill, in addition to supporting virtually all the programs requested by the administration, includes initiatives above those programs of $5 million for fuel cells, $7.5 million for urban waste projects, and $9 million for developing energy conserving consumer products, such as heat pumps; $5 million additional is also recommended for what is called appropriate technology, which aids small innovative projects on a local level.

Lastly in the Department of Energy, the bill recommends about $95 million for the important functions of the Economic Regulatory Administration, $59 million for the Energy Information Administration, $147 million for production from and continued development of the naval petroleum reserves and $26 million for purchase of solar hardware for Federal buildings in order to stimulate the development of a solar manufacturing industry.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

For the Indian Health Service (IHS) an appropriation of $560,603,000 is recommended. This is an increase of $17,796,000 above the budget estimate and $60,455,000 above fiscal year 1978. The bulk of the increase—$16.7 million, with an allowance for inflation, restores the proposed reductions in the Indian health manpower program, the urban Indian program, tribal health program development, and the self-determination program. The committee has also initiated a model program in the detection and treatment of diabetes. For the first time, appropriations of approximately $20 million from medicare and medicaid payments are recommended in addition to the direct appropriation. These moneys will provide a major augmentation to the IHS budget and will significantly enhance the quality of care provided.

The committee has not recommended any new hospital starts. The committee made this decision reluctantly after long and careful review of the controversy over inpatient hospital bed needs. The committee believes this issue must be resolved before additional construction proceeds.

For the Office of Indian Education, an appropriation of $73,735,000 is recommended. This is an increase of $14,075,000 above fiscal year 1978 and a decrease below the budget estimate of $2 million. This allows approximately a 23-percent increase over fiscal year 1978 in the Indian education program.

A reduction of $4,377,000 is made in the Navaho and Hopi Indian Relocation Commission because of the lower than anticipated rate of family relocation experienced by the commission to date.

The committee learned this year, for the first time, of the decision by the Smithsonian Board of Regents to establish a $50 million endowment to be funded from the profits of private Smithsonian activities, such as the Smithsonian magazine. Such profits approximate $8 million a year, most of which are earned by the Smithsonian magazine. The Smithsonian has already set aside $12 million toward the $50 million endowment. It has indicated it intends to add $4 million to the fund in fiscal year 1978 and $4 million in fiscal year 1979.

Witnesses for the Smithsonian sought to justify the endowment as being necessary to protect the Smithsonian against inflation and against the possibility of inadequate congressional appropriations. They said that as prudent administrators, they had to lay aside funds "for a rainy day."

The committee desires to point out that the Smithsonian's concern with inflation overlooks the fact that the congressional appropriation process does provide for recognition of the impact of inflation. The fiscal year 1979 budget includes a total of $1,345,000 for uncontrollable increases, such as pay raises, rising utility rates, and so forth. Respecting the prospect of an unfriendly Congress, suffice it to say that the committee does not believe the Congress would jeopardize or impair the well being of the Smithsonian. Certainly, unfriendliness has not been the treatment accorded the Smithsonian by the Congress over the Smithsonian's long history.

The committee cannot understand why the funds proposed for the $50 million endowment should not be used in measure to ease the burden of paying for Smithsonian operations. The committee is very much aware that the proposed $50 million endowment was created by decision of the Board of Regents, and the committee does not want or intend to impose its will on the board. However, in observing its responsibility to the taxpayers to reduce appropriations where possible, the committee believes it should suggest to the Regents that the funds proposed to be set aside in the endowment could well be used for paying for one or more of pending Smithsonian programs or projects, rather than placing such funds in reserve for use for projects now unknown which they may approve later.

It has requested that the Regents consider the possible use of such funds to pay for current programs to lessen the need for Federal appropriations. I have been informed by the secretary of the Smithsonian that this matter will be its highest priority for consideration at the September meeting of the Regents.

An increase of $500,000 is recommended for a pilot art bank to acquire works of unknown American artists for display in Government buildings and for loan to other institutions. This would be comparable to the highly successful art bank program in Canada.

NATIONAL GALLERY OF ART

The committee recommends an appropriation of $19,305,000, the budget re-

quest. This should be adequate to finish and staff the new areas so they may be utilized fully by the public and the staff and for continuing the expansion of the gallery's various art displays and educational programs.

The gallery's new structure, the East Building and the Connecting Link, which were designed by I. M. Pei and partners, and which has been under construction since 1971, was opened formally on June 1, 1978. The aggregate square footage provided in the new facilities is 112 percent of the area of the original building. The cost of the structure is approximately $95,000,000. The entire amount was a donation from Paul Mellon, the late Alisa Mellon Bruce, and the Andrew W. Mellon Foundation. The gallery staff now has the difficult task of acquiring work of art commensurate with the beauty of the building itself.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

The committee recommends the full budget requests for the National Endowments for the Arts and the Humanities. The committee is very much aware of the spectacular increase in funding the endowments over the years. Starting with an appropriation of $10,700,000 in 1966, appropriations over the years have mounted to the current approved requests of $149,660,000 for NEA and $145,600,000 for NEH—a total of $295-260,000. These large appropriations have not kept pace with applications for assistance. The fiscal year 1978 applications to NEA exceeded $600 million. Those to NEH totaled more than $400 million. The growth of interest in endowment activities through the country has been equally spectacular. Public visitations to galleries, exhibitions, museums, art fairs, and so forth, keep attaining new heights.

The committee believes that this is an appropriate time to take stock of the activities of the endowments. The appropriations made available are large—how well have the endowments spent them? How do they intend to spend them next year? What are their plans? Where do they see themselves going for the next few years?

During consideration of the fiscal year 1978 budget, the committee requested both endowments to submit 5-year programs to show how much money they thought they would need in 5 years and for what purposes. Such reports were not received. The committee has again requested that it be furnished with such reports.

The committee has requested its excellent investigative staff to examine the operations of both endowments, to review their procedures, policies, and programs to determine their fairness and effectiveness, the treatment of applicants and applications, their prospective needs for the future and their compliance with the congressional mandate as expressed in the authorizing legislation.

Mr. Chairman, this is a good bill, a balanced bill, and I recommend its enactment as reported.

Mr. President, I ask unanimous consent to have printed in the RECORD a table comparing appropriations recommended in the bill with those of fiscal year 1978 and with the fiscal year 1979 budget estimates and House allowances.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1978 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1979

Agency and item	New budget (obligational) authority fiscal year 1978 [1]	Budget estimates of new (obligational) authority fiscal year 1979	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority fiscal year 1978	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1979
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I—DEPARTMENT OF THE INTERIOR					
LAND AND WATER RESOURCES					
Bureau of Land Management					
Management of lands and resources	$246,938,000	$275,368,000	$295,315,000	+$48,377,000	+$19,947,000
Acquisition, construction, and maintenance	18,707,000	17,683,000	19,758,000	+1,051,000	+2,075,000
Public lands development roads and trails (appropriation to liquidate contract authority)	(1,924,000)			(−1,924,000)	
Payments in lieu of taxes	100,000,000	105,000,000	105,000,000	+5,000,000	
Oregon and California grant lands (indefinite, appropriation of receipts)	56,500,000	58,250,000	58,250,000	+1,750,000	
Range improvements (indefinite, appropriation of receipts)	9,172,000	10,900,000	10,900,000	+1,728,000	
Recreation development and operation of recreation facilities (indefinite, special fund)	300,000	300,000	300,000		
Service charges, deposits, and forfeitures (indefinite, special fund)	11,531,000	20,523,000	20,523,000	+8,992,000	
Working capital fund	2,000,000			−2,000,000	
Miscellaneous trust funds (indefinite)	100,000	100,000	100,000		
Total, Bureau of Land Management	445,248,000	488,124,000	510,146,000	+64,898,000	+22,022,000
Office of Water Research and Technology					
Salaries and expenses	25,307,000	27,154,000	31,057,000	+5,750,000	+3,903,000
Total, Land and Water Resources	470,555,000	515,278,000	541,203,000	+70,648,000	+25,925,000
FISH AND WILDLIFE AND PARKS					
Heritage Conservation and Recreation Service					
Salaries and expenses	[2] 17,194,000	20,978,000	17,874,000	+680,000	−3,104,000
Land and Water Conservation Fund (indefinite)	600,000,000	725,000,000	645,841,000	+45,841,000	−79,159,000
Historic preservation fund	45,000,000	45,000,000	60,000,000	+15,000,000	+15,000,000
Total, Heritage Conservation and Recreation Service	662,194,000	790,978,000	723,715,000	+61,521,000	−67,263,000
U.S. Fish and Wildlife Service					
Resource management	169,279,000	191,937,000	196,695,000	+27,416,000	+4,758,000
Construction and anadromous fish	68,660,000	89,943,000	96,153,000	+27,493,000	+6,210,000
Migratory bird conservation account (definite, repayable advance)	10,000,000	10,000,000	10,000,000		
Development and operation of recreation facilities (indefinite, special fund)	150,000	150,000	150,000		
Total, United States Fish and Wildlife Service	248,089,000	292,030,000	302,998,000	+54,909,000	+10,968,000
National Park Service					
Operation of the national park system	[3] 323,152,000	363,714,000	382,317,000	+59,165,000	+18,603,000
Construction	161,442,000	121,328,000	111,775,000	−49,667,000	−9,553,000
Road construction (appropriation to liquidate contract authority)	(30,198,271)			(−30,198,271)	
Planning, development, and operation of recreation facilities (indefinite, special fund)	14,000,000	15,478,000	15,478,000	+1,478,000	
John F. Kennedy Center for the Performing Arts	3,750,000	4,066,000	4,055,000	+305,000	−11,000
Total, National Park Service	502,344,000	504,586,000	513,625,000	+11,281,000	+9,039,000
Total, Fish and Wildlife and Parks	1,412,267,000	1,587,594,000	1,540,338,000	+127,711,000	−47,256,000

Footnotes at end of tables.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1978 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1979—Continued

Agency and item	New budget (obligational) authority fiscal year 1978 [1]	Budget estimates of new (obligational) authority fiscal year 1979	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority fiscal year 1978	Bill compared with— Budget estimate of new (obligational) authority, fiscal year 1979
(1)	(2)	(3)	(4)	(5)	(6)
ENERGY AND MINERALS					
Geological Survey					
Surveys, investigations, and research	363,547,000	398,363,000	419,689,000	+56,142,000	+21,326,000
Exploration of national petroleum reserve in Alaska	209,541,000	185,548,000	216,048,000	+6,507,000	+30,500,000
Total, Geological Survey	573,088,000	583,911,000	635,737,000	+62,649,000	+51,826,000
Bureau of Mines					
Mines and minerals	[4] 135,270,000	121,329,000	132,667,000	−2,603,000	+11,338,000
Helium fund (permanent authority)		47,500,000			−47,500,000
Total, Bureau of Mines	135,270,000	168,829,000	132,667,000	−2,603,000	−36,162,000
Office of Surface Mining					
Reclamation and Enforcement					
Regulation and technology	30,880,000	37,761,000	39,344,000	+8,464,000	+1,583,000
Abandoned mine reclamation fund (definite, trust fund)	36,647,000	70,861,000	77,851,000	+41,204,000	+6,990,000
Total, Office of Surface Mining Reclamation and Enforcement	67,527,000	108,622,000	117,195,000	+49,668,000	+8,573,000
Total, Energy and Minerals	775,885,000	861,326,000	885,599,000	+109,714,000	+24,237,000
INDIAN AFFAIRS					
Bureau of Indian Affairs					
Operation of Indian Programs	685,555,000	761,256,000	791,092,000	+105,537,000	+29,836,000
Construction	66,319,000	86,815,000	116,265,000	+49,946,000	+29,450,000
Road construction	75,335,000	71,410,000	74,010,000	−1,325,000	+2,600,000
Road construction (appropriation to liquidate contract authority)	(22,912,000)			(−22,912,000)	
Alaska native fund	30,000,000	30,000,000	30,000,000		
Trust funds (definite)	3,000,000	3,000,000	3,000,000		
Trust funds (indefinite)	23,000,000	21,000,000	21,000,000	−2,000,000	
Total Bureau of Indian Affairs	883,209,000	973,481,000	1,035,367,000	+152,158,000	+61,886,000
TERRITORIAL AFFAIRS					
Office of Territorial Affairs					
Administration of territories	[5] 37,470,000	49,436,000	53,523,000	+16,053,000	+4,087,000
Permanent appropriation (special fund)	(336,000)			(−336,000)	
Transferred from other accounts (special fund)	(938,000)			(−938,000)	
Trust Territory of the Pacific Islands	[6] 96,483,000	106,920,000	115,578,000	+19,095,000	+8,658,000
Micronesian Claims Fund			12,600,000	+12,600,000	+12,600,000
Total Office of Territorial Affairs	133,953,000	156,356,000	181,701,000	+47,748,000	+25,354,000
SECRETARIAL OFFICES					
Office of the Solicitor					
Salaries and expenses	[7] 14,409,000	[8] 14,695,000	14,585,000	+176,000	−310,000
Office of the Secretary					
Departmental Management	34,993,000	40,607,000	42,391,000	+7,398,000	+1,784,000
Salaries and expenses	[9] (21,454,000)	[10] (24,597,000)	(26,381,000)	(+4,927,000)	(+1,784,000)
Departmental operations	[11] (13,539,000)	[12] (16,010,000)	(16,010,000)	(+2,471,000)	
Salaries and expenses (special foreign currency program)	1,000,000	1,000,000	1,000,000		
Total, Office of the Secretary	35,993,000	41,607,000	43,391,000	+7,398,000	+1,784,000
Total, Secretarial Offices	50,402,000	56,502,000	57,976,000	+7,574,000	+1,474,000
Total, title I, new budget (obligational) authority, Department of the Interior	3,726,631,000	4,150,573,000	4,242,184,000	+515,553,000	+91,611,000
Consisting of:					
Appropriations	3,726,631,000	4,103,073,000	4,242,184,000	+515,553,000	+139,111,000
Definite appropriations	3,011,878,000	3,251,372,000	3,469,642,000	+457,764,000	+218,270,000
Indefinite appropriations	714,753,000	851,701,000	772,542,000	+57,789,000	−79,159,000
Permanent contract authority		47,500,000			−47,500,000
Memoranda:					
Appropriations to liquidate contract authority	(55,034,271)			(−55,034,271)	
Title I, new budget (obligational) authority and appropriations to liquidate contract authority	3,781,665,271	4,150,573,000	4,242,184,000	+460,518,729	+91,611,000
TITLE II—RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest protection and utilization:					
Forest land management	535,754,000	689,624,000	626,720,000	+90,966,000	−62,904,000
Forest research	101,488,000	102,152,000	110,718,000	+9,230,000	+8,566,000
State and private forestry cooperation	53,059,000	41,755,000	57,676,000	+4,617,000	+15,921,000
Total, Forest protection and utilization	690,301,000	833,531,000	795,114,000	+104,813,000	−38,417,000
Construction and land acquisition	40,630,000	19,545,000	43,550,000	+2,920,000	+24,005,000
Youth conservation corps	60,000,000	60,000,000	60,000,000		
Forest roads	212,115,000	243,466,000	243,466,000	+31,351,000	
Forest roads and trails	175,833,000	173,922,000	224,275,000	+48,442,000	+50,353,000
Forest roads and trails (appropriation to liquidate contract authority)	(78,781,000)			(−78,781,000)	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1978 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1979 —Continued

Agency and item	New budget (obligational) authority fiscal year 1978 [1]	Budget estimates of new (obligational) authority fiscal year 1979	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority fiscal year 1978	Bill compared with— Budget estimate of new (obligational) authority, fiscal year 1979
(1)	(2)	(3)	(4)	(5)	(6)
TITLE II—RELATED AGENCIES—Continued					
DEPARTMENT OF AGRICULTURE—Continued					
Forest Service—Continude					
Timber salvage sales			3,000,000	+3,000,000	+3,000,000
Aquisition of lands for national forests:					
Special acts (special fund, indefinite)	165,000	160,000	415,000	+250,000	+255,000
Acquisition of lands to complete land exchanges (special fund, indefinite)	38,000	242,000	239,000	+201,000	−3,000
Rangeland improvements (special fund, indefinite)	5,200,000	6,374,000	5,400,000	+200,000	−974,000
Assistance to States for tree improvement	1,387,000	1,409,000	1,508,000	+121,000	+99,000
Construction and operation of recreation facilities (indefinite, special fund)	4,084,000	3,459,000	3,459,000	−625,000	
Rights of way (indefinite)		100,000	100,000	+100,000	
Total, Forest Service	1,189,753,000	1,342,208,000	1,380,526,000	+190,773,000	+38,318,000
DEPARTMENT OF ENERGY					
Fossil energy research and development	[13] 608,950,000	637,451,000	614,704,000	+5,754,000	−22,747,000
Fossil energy construction	[14] 83,800,000	[14] 95,350,000	27,139,000	56,661,000	−68,211,000
Energy production, demonstration, and distribution	[15] 186,847,000	234,692,000	182,881,000	−3,966,000	−51,811,000
Energy conservation	[16] 594,024,000	904,921,000	907,001,000	+312,977,000	+2,080,000
Economic Regulatory Administration	[17] 84,240,000	[18] 98,933,000	94,733,000	+10,493,000	−4,200,000
Strategic petroleum reserve	[19] 3,179,889,000	4,250,464,000	4,084,626,000	+904,735,000	−165,840,000
Energy Information Administration	[20] 48,062,000	63,405,000	59,286,000	+11,224,000	−4,119,000
Total, Department of Energy	4,785,812,000	6,285,216,000	5,970,368,000	+1,184,556,000	−314,848,000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
Health Services Administration					
Indian health services	428,891,000	472,852,000	490,048,000	+61,157,000	+17,196,000
Indian health facilities	71,257,000	69,955,000	70,555,000	−702,000	+600,000
Total, Indian health	500,148,000	542,807,000	560,603,000	+60,455,000	+17,796,000
Office of Education					
Indian education	59,660,000	75,735,000	73,735,000	+14,075,000	−2,000,000
OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION					
Institute of Museum Services	4,000,000	7,752,000	7,752,000	+3,752,000	
Total, Department of Health, Education, and Welfare	563,808,000	626,294,000	642,090,000	+78,282,000	+15,796,000
INDIAN CLAIMS COMMISSION					
Salaries and expenses	1,500,000			−1,500,000	
NAVAJO AND HOPI INDIAN RELOCATION COMMISSION					
Salaries and expenses	2,050,000	13,129,000	8,752,000	+6,702,000	−4,377,000
SMITHSONIAN INSTITUTION					
Salaries and expenses	88,238,000	96,307,000	96,841,000	+8,603,000	+534,000
Museum programs and related research (special foreign currency program)	4,000,000	3,700,000	3,700,000	−300,000	
Science information exchange	1,777,000	2,218,000	2,000,000	+223,000	−218,000
Construction and improvements, National Zoological Park	2,500,000	3,900,000	3,900,000	+1,400,000	
Restoration and renovation of buildings	2,425,000	3,100,000	2,100,000	−325,000	−1,000,000
Construction	325,000	575,000	575,000	+250,000	
Subtotal	99,265,000	109,800,000	109,116,000	+9,851,000	−684,000
Salaries and expenses, National Gallery of Art	14,509,000	19,305,000	19,305,000	+4,796,000	
Salaries and expenses, Woodrow Wilson International Center for Scholars	1,256,000	1,317,000	1,567,000	+311,000	+250,000
Total, Smithsonian Institution	115,030,000	130,422,000	129,988,000	+14,958,000	−434,000
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES					
National Endowment for the Arts					
Salaries and expenses	89,100,000	102,160,000	102,160,000	+13,060,000	
Administrative expenses	8,500,000	10,000,000	10,000,000	+1,100,000	
Matching grants	25,500,000	37,500,000	37,500,000	+12,000,000	
Total, National Endowment for the Arts	123,500,000	149,660,000	149,660,000	+26,160,000	
National Endowment for the Humanities					
Salaries and expenses	87,500,000	100,300,000	99,100,000	+11,300,000	−1,200,000
Administrative expenses	8,200,000	10,800,000	10,000,000	+1,800,000	−800,000
Matching grants	25,000,000	34,500,000	36,500,000	+11,500,000	+2,000,000
Total, National Endowment for the Humanities	121,000,000	145,600,000	145,600,000	+24,600,000	
Total, National Foundation on the Arts and the Humanities	244,500,000	295,260,000	295,260,000	+50,760,000	
COMMISSION OF FINE ARTS					
Salaries and expenses	233,000	264,000	263,000	+30,000	−1,000
ADVISORY COUNCIL ON HISTORIC PRESERVATION					
Salaries and expenses	1,080,000	1,553,000	1,178,000	+98,000	−375,000
NATIONAL CAPITAL PLANNING COMMISSION					
Salaries and expenses	1,819,000	1,939,000	1,936,000	+117,000	−3,000

Footnote at end of table.

Agency and item	New budget (obligational) authority fiscal year 1978 [1]	Budget estimates of new (obligational) authority fiscal year 1979	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority fiscal year 1978	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1979
(1)	(2)	(3)	(4)	(5)	(6)
TITLE II—RELATED AGENCIES—Continued					
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION					
Salaries and expenses	25,000	20,000	20,000	−5,000	
JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA					
Salaries and expenses	712,000	594,000	594,000	−118,000	
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION					
Salaries and expenses	1,294,000	1,530,000	1,630,000	+336,000	+100,000
Land acquisition and development (borrowing authority)	7,500,000	13,400,000	13,400,000	+5,900,000	
Public development	12,354,000	12,355,000	12,355,000	+1,000	
Total, Pennsylvania Avenue Development Corporation	21,148,000	27,285,000	27,385,000	+6,237,000	+100,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Petroleum Reserves (indefinite, special fund) (by transfer)	(561,200,000)			(−561,200,000)	
Total, title II, new budget (obligational) authority, related agencies	6,927,470,000	8,724,184,000	8,458,360,000	+1,530,890,000	−265,824,000
Consisting of:					
Appropriations	6,919,970,000	8,710,784,000	8,444,960,000	+1,524,990,000	−265,824,000
Definite appropriations	6,910,483,000	8,700,449,000	8,435,347,000	+1,524,864,000	−265,102,000
Indefinite appropriations	9,487,000	10,335,000	9,613,000	+126,000	−722,000
Borrowing authority	7,500,000	13,400,000	13,400,000	+5,900,000	
Memoranda:					
Appropriations to liquidate contract authority	(78,781,000)			(−78,781,000)	
Title II, new budget (obligational) authority and appropriations to liquidate contract authority	7,006,251,000	8,724,184,000	8,458,360,000	+1,452,109,000	−265,824,000
RECAPITULATION					
Total, new budget (obligational) authority, all titles	10,654,101,000	12,874,757,000	12,700,544,000	+2,046,443,000	−174,213,000
Consisting of:					
Appropriations	10,646,601,000	12,813,857,000	12,687,144,000	+2,040,543,000	−126,713,000
Definite appropriations	9,922,361,000	11,951,821,000	11,904,989,000	+1,982,628,000	−46,832,000
Indefinite appropriations	724,240,000	862,036,000	782,155,000	+57,915,000	−79,881,000
Borrowing authority	7,500,000	13,400,000	13,400,000	+5,900,000	
Permanent contract authority		47,500,000			−47,500,000
Memoranda:					
Appropriations to liquidate contract authority	(133,815,271)			(−133,815,271)	
Grand total, new budget (obligational) authority and appropriations to liquidate contract authority	10,787,916,271	12,874,757,000	12,700,544,000	+1,912,627,729	−174,213,000

[1] Includes amounts in Public Law 95-240.
[2] Includes $11,574,000 transferred from "Salaries and Expenses", Bureau of Outdoor Recreation, $5,667,000 transferred from "Preservation of Historic Properties", National Park Service less a net of transfers of $440,000 from and $487,000 to "Operation of the National Park System", National Park Service.
[3] Includes the net of transfers of $487,000 from and $440,000 to "Salaries and Expenses" Heritage Conservation and Recreation Service.
[4] Excludes $67,770,000 transferred to "Fossil Energy Research and Development", Department of Energy.
[5] Includes $13,961,000 transferred from "Trust Territory of the Pacific Islands" and $606,000 transferred from "Salaries and Expenses", Office of the Secretary.
[6] Excludes $13,961,000 transferred to "Administration of Territories".
[7] Excludes $535,000 transferred to the Department of Energy.
[8] Includes budget amendment reduction of $1,330,000 contained in H. Doc. 95-331.
[9] Excludes transfer of $678,000 to the Department of Energy and $606,000 to "Administration of Territories".
[10] Includes budget amendment reduction of $255,000 contained in H. Doc. 95-331.
[11] Excludes $746,000 transferred to the Department of Energy and includes the net of transfers of $903,000 to and $1,471,000 from "Salaries and Expenses", Mining Enforcement and Safety Administration.
[12] Includes budget amendment reduction of $81,000 contained in H. Doc. 95-331.
[13] Includes $532,107,000 from "Operating Expenses, Fossil Fuels", Energy Research and Development Administration (ERDA), $62,780,000 from "Mines and Minerals", Bureau of Mines, $5,500,000 from "Plant and Capital Equipment, Fossil Fuels", ERDA, and $8,563,000 from program and management funds, Department of Energy.
[14] Includes $83,800,000 from "Plant and Capital Equipment, Fossil Fuels", ERDA and excludes $5,500,000 from that account transferred to "Fossil Energy Research and Development".
[15] Includes $28,765,000 from "Salaries and Expenses", Federal Energy Administration (FEA) $152,151,000 from "Exploration, Development, and Operation of Petroleum Reserves", Naval Petroleum Reserves, and $5,931,000 from program and mangement funds, Department of Energy.
[16] Includes $217,020,000 from "Operating Expenses, Fossil Fuels", ERDA, $1,670,000 from "Plant and Capital Equipment, Fossil Fuels", ERDA, $363,540,000 from "Salaries and Expenses", FEA, $200,000 from the Department of Commerce and $8,594,000 from program and management funds, Department of Energy.
[17] Includes $74,240,000 from "Salaries and Expenses", FEA and $10,000,000 from program and management funds, Department of Energy, and excludes $453,000 transferred to the Judiciary.
[18] Excludes $577,000 transferred to the Judiciary.
[19] Includes $3,174,617,000 from "Strategic Petroleum Reserve", FEA and $5,272,000 from program and mangement funds, Department of Energy.
[20] Includes $39,024,000 from "Salaries and Expenses", FEA, $2,950,000 from "Mines and Minerals", Bureau of Mines, and $6,088,000 from the Federal Power Commission.

Mr. McDADE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of this bill making appropriations for the Department of the Interior and related agencies for the fiscal year 1979, and I urge its approval by the House.

Mr. Chairman, I want to begin by saying that I believe that all of us owe a great debt of gratitude to our distinguished chairman of the subcommittee, the gentleman from Illinois (Mr. YATES). The gentleman has, as he always has done in the past, conducted these hearings in a very bipartisan, fair, and open way, and there has been a tremendous result because of that. I think this is perhaps the most cohesive subcommittee in the Congress, and the reason is because of the patience and the good will of our distinguished chairman, in seeing to it that every member had an opportunity to make a contribution to this bill. Indeed, it is the work product of all of us who serve on this committee. It is a bill that both sides can endorse with enthusiasm.

Mr. Chairman, I want to say to my friend, the gentleman from Colorado—who, with the deepest regret on my part, has announced that he is retiring—that he will be sorely missed as a member of this committee. Because of his wisdom, coming from the great State of Colorado, because of his enormous patience in eliciting facts and figures from witnesses, and because of his wit, he has left an imprint every single year on this bill, making it a better nation for all of us to live in and which makes future generations of Americans comfortable with the fact that my friend, the gentleman from Colorado, has served his stewardship in an exemplary fashion and has dealt with the great resources of this Nation, which we are all pledged to protect, with distinction and with intelligence. He shall be sorely missed as a member of our committee. I can assure the gentleman that if he does not come to visit us in Washington, we will be just descending on him in the great State of Colorado by the busload. We wish him well.

Finally, Mr. Chairman, a word of great thanks to the members of the staff. This is a very, very complex bill. It covers all sorts of subject matters, each and every

one of them important to every Member of the House and to the people of this Nation. None of the work could get done if we did not have a staff that works together, also in cohesion, and never in a partisan way, and gives us honest answers and ferrets out honest answers when we need them. Both sides of the aisle worked together in that respect.

I want to thank the gentleman from Ohio for all of the time he has spent in the committee room. It is never possible for all of us to spend every minute of our working day in one committee. We all serve on multiple committees, and my friend, the gentleman from Ohio, serves on multiple committees, including the Budget Committee, which is as tough a committee as there is in the Congress. I am deeply grateful to him for his advice, his consultation and his patience with me.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Illinois.

Mr. YATES. I thank the gentleman for yielding.

Mr. Chairman, I inadvertently omitted the name of the gentleman from Ohio when I was referring to the members of the subcommittee with whom I have enjoyed the hearings. I would not want to overlook this opportunity of telling the gentleman from Ohio how very much I appreciate the very significant contributions that he has made and, particularly, his efforts to have included the appropriation for the Little Miami Railroad.

Mr. McDADE. Well said.

Mr. Chairman, the gentleman from Illinois has outlined for all of us, in very broad brushes and in a very important way, all of the various activities funded by this bill. It is, as so many of us know, perhaps the major resource bill that will appear before the Congress this year. It will manage our vast natural resources while meeting, or attempting to meet, our ever expanding energy needs. It addresses the complex problems faced by our Indian tribes and by the residents of the trust territories. It fosters an ever growing commitment to the cultural enrichment of our people through the programs of the National Endowment for the Arts and Humanities, as well as the Smithsonian Institution. We conducted lengthy hearings, and yet I am pleased to tell the Members that we bring to them a bill that is, nonetheless, $174.2 million below the budget request submitted by the Administration.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding, and I am more appreciative than I can say of this subcommittee's careful efforts to try to sort through the tremendous amount of requests that come from all Members of the House.

As the gentleman from Pennsylvania (Mr. McDADE) has said, this is a major resource bill which affects almost every Member of Congress; and for the subcommittee to come in still $174 million under the budget is even more amazing when so many Members are camping on the doorstep of the chairman, the gentleman from Illinois (Mr. YATES), and the ranking Republican Member, the gentleman from Pennsylvania (Mr. McDADE). Frankly those of us from California have asked that $1 million be included for parts of the Angeles National Forest in California. The subcommittee still was able to come in under the budget. That is even more amazing.

Mr. Chairman, I want to compliment both the chairman of the subcommittee, the gentleman from Illinois (Mr. YATES) and the ranking member, Mr. McDADE, for a job well done.

I know we can sit here and compliment one another a lot, but this committee has done an excellent job in coming in under the budget by $174 million even after sorting out the vast number of requests from the Members.

Of course, on page 68 of the committee report, the subcommittee, as is indicated, has handled the Angeles National Forest in an adequate and complete manner—not by quite as much as I requested, but in a most responsible way.

I appreciate the restraint that was applied to my fellow Californian's request and yet the subcommittee was able to fulfill most of the needs for fire protection and recreation planning.

Mr. McDADE. Let me say to my friend, the gentleman from California (Mr. ROUSSELOT) that we are, all of us, deeply grateful for his observations.

Mr. Chairman, let me compliment him for his continuing interest in the stewardship of our national assets. It was at his request that I went out and looked at the Angeles National Forest.

Mr. ROUSSELOT. And so did the chairman.

Mr. McDADE. And the chairman went at the gentleman's request.

Both of us, may I say, enriched our understanding of that problem. It is because of the gentleman's persuasion and because of the gentleman's efforts that we have been trying year after year to make it a safer forest, to make it less fire-prone, to protect the water supply of southern California, and to provide the citizens of that area with much-needed recreational assets within the forests.

Mr. Chairman, the gentleman from California has done his homework well, and because of that he had succeeded.

Mr. ROUSSELOT. I thank the gentleman from Pennsylvania (Mr. McDADE) for his services to the resources of the Nation covered by this appropriation yet, for still coming in under the budget.

Mr. McDADE. We do it every year.

For a few moments today I would like to focus the attention of the Members upon what I believe are the significant programs in this bill that affect our Nation's energy situation. I do this recognizing that each of you share our concern about where our Nation is heading as we confront the uncertain future that our energy crisis holds for us.

The facts that exist were presented to our committee in conjunction with the administration's fiscal year 1979 budget. They are unpleasant to contemplate. Even more unfortunate was the lack of any new energy budget initiatives by the administration. If we continue our present patterns of energy consumption, we are going to reach a point, say some experts, probably by the mid-1980's, where the world's demands for oil will exceed its supply. This is because our consumption of oil has been rising at a rate in excess of 3 percent per year since 1973. When this happens we will face not only the painful prospect of shortages but that price of oil more than treble to about $30 per barrel. When this happens, our Nation and the other nations of the free world will face a period of rapid inflation, increased unemployment, and the prospect of a series of economic shocks that pose a critical danger to the free world.

What can we do about this threat? Is there a vehicle available to us to put a cap on this escalating price? Well, one answer is to support the numerous initiatives in both energy conservation and increased production that are found here. Our committee has been working diligently for the past several years to begin new congressional actions that will reduce domestic demand for oil while developing to the fullest our Nation's energy production capability.

The first series of initiatives are found in the vital area of enhanced oil recovery. Because we have the technology that allows us to recover only 33 percent of the oil we get out of the ground we find ourselves wasting oil because our technological know-how is lagging. The U.S. Geological Survey has told us that if we can increase this yield by only 1 percent we will increase our domestic oil supply by an amount equal to that under the North Slope of Alaska.

We added $7 million to the administration's budget request bringing to $53 million the amount of money available to increase the yield for existing fields through various technological innovations. This program has been kept alive by the Congress over the past 4 years. From an appropriation of $26.3 million in fiscal year 1975 we have steadily increased funds for this program; $30.3 million in fiscal year 1976, $23.7 million in fiscal year 1977, $45.9 million in fiscal year 1978. This additional $7 million will enable us to begin experiments in improved waterflooding, steam drive, micellar/polymer and other techniques that increase output.

This oil will be extracted at a price ranging from $8 per barrel to $25—somewhat below the projected price of world oil in the critical period of the mid-eighties.

The Congress is criticized from all sides for the oil price structure that exists in this country. However, it is worth noting that under the existing two-tier structure, drilling for new wells has increased steadily for the past 5 years to where it stands at just over 2,000 rigs in use. Just 5 years ago only 1,107 rigs

were operating. The United States is still the most attractive place in the world to drill for oil.

The committee finally began the long discussed process of doing something about oil shale as a component of our energy program. We added $20 million to get the administration's oil shale program off dead center. Both the private sector and successive administrations have long assured us of the importance of oil shale. Yet that sense of urgency never seems to be felt at the Office of Management and Budget. Our $20 million investment is step one in what will be a $150 to $200 million project shared 50–50 with private industry. This money will permit design, purchase of leadtime items, as well as environmental and site preparation work necessary for the construction of a demonstration plant. We are told by the experts that the price of this oil would range anywhere from $11 per barrel to $20 per barrel, still below the projected cost of world oil.

While we added these funds for surface retorting, the committee bill also contains $29 million for in situ shale retorting projects. In situ oil shale is proceeding at the most rapid pace possible. These funds will be used to fund four ongoing processes at requested levels.

A second area where our committee has taken the energy initiative is the area of enhanced gas recovery. We added $10 million above the budget request bringing to $31.3 million the amount of money in this bill to extract a greater percentage of our gas reserves. I might add that this is a relatively new program. In 1976 we provided $16.5 million, the first funding for such activity. Subsequently, we provided $14.8 million in fiscal year 1977, $26.7 million in fiscal 1978, and now we have nearly doubled the initial appropriation.

Of the $10 million we added this year, $6 million will be used for Devonian shale projects and $4 million will be used to continue work on how to capture methane gas that exists in deep coal mines and treat it for use as a fuel. This money will attract an equal amount of private investment in both programs.

A fourth initiative contained in this bill deals with the exploration program on the naval petroleum reserve known as Pet 4 located on the North Slope of Alaska. The Interior Department has proposed to drill 19 wells by the close of fiscal year 1979 and then evaluate the resource potential of the entire North Slope sometime in 1980. Such a plan does not provide for any drilling in 1980, even if some positive results should begin to show on Pet 4.

To keep our supplies in position and to eliminate the possible 1-year delay that the administration's budget would create, our committee added $30.5 million to the Geological Survey Appropriation to guarantee that we will have a drilling program in this region in 1980 by prepositioning necessary supplies. It is entirely possible that our efforts will be extended from Pet 4 outward to drill for oil on the Beaufort Sea as well. Whatever that case, our committee has kept this program alive.

The largest and one of the most important items contained in the energy sections of this bill is the $4.08 billion appropriation for the strategic petroleum reserve program. By the end of the calendar year 1980, 500 million barrels of oil will be stored in a series of underground salt domes in the Southwest. Unfortunately, the reserve is 6 months behind in acquiring oil. Nevertheless, we are supporting practically the full amount for the reserve, deleting only $166 million, the proposed effect of the unauthorized crude oil equalization tax. The amount provided by the committee will allow for the purchase of an additional 267 million barrels of oil necessary to meet our 1980 capacity goal.

Of particular importance this year is the significant amount made available—$89 million—for four demonstration plants in the fossil energy construction program. All of this money will be matched by private funding on a 50–50 cost share. The four demonstration plants, two low Btu gas, one high Btu gas, and the clean burning SRC program, have occupied a great deal of our committee's attention.

Since their inception, we have invested $246 million on the high Btu gas projects, and another $175 million on low Btu industrial gas projects. Now we are moving into the demonstration phase, the final step before commercialization. We have seven high Btu pilots, and four low Btu pilots plants in existence. We also have funded to date three liquefaction projects, all of which have spurred an equal amount of funding from the private sector.

The committee also provided the entire budget request for the Federal building solar program, the solar commercialization program, as well as the alternate fuels demonstration project.

But production and development of our domestic resources is not the only area of our committee's attention. I would urge all of the Members to read the section dealing with energy conservation, the other vital component of our energy program.

This year the committee approved $907 million for the energy conservation programs of the Department of Energy. This represents an increase of $2 million above the budget estimate but, more important, it is $312.9 million above funding we made available last year. Our commitment to energy conservation has been expanding so rapidly that we will obligate more money this year than we have throughout the entire 4-year life of the research and grants development program.

We continued committee initiatives begun last year in urban waste research and we added $8.7 million for research into the promising area of gas and oil fired heat pumps. This program is geared toward developing the viability of this highly efficient energy concept. Two of them are for residential application, the other two for industrial. They are necessary if we are to go to commercial application.

Mr. Chairman, it has been an unfortunate but true commentary that we tend to move against a crisis only after we have begun to feel its effects. And often when we begin to feel the impact of a crisis we are too late to alleviate it. Within the confines of this bill we have been building over the years a comprehensive structure which I believe can help us get through the crunch that surely faces us within the next decade. Because the United States produces only 6 percent of the world's energy while consuming 33 percent, the onus is upon us as to whether or not the free world can survive the escalating demand for energy. We are staking our survival upon the initiatives found here in the hope that we can reduce domestic demand while at the same time increase production capacity. These actions are the kinds of things that the Members can take back to their constituents as Congress seeks to accomplish them.

But energy is not the only resource managed, developed, and protected herein. On the 1.8 billion acres of land onshore and offshore are contained some of our Nation's most valuable treasures. Our national forests yield 12.4 billion board feet of timber, administer the grazing of 6.3 million head of livestock and support grazing for 3.5 million big game animals. They also contain 390 million acre-feet of water, which helps to irrigate 20 million acres of land. These activities are funded at $1.3 billion. We funded all of the targets set by the Rangeland and Renewable Resource Planning Act of 1974 at least to the 81 percent level. Many of those targets are funded at 100 percent.

Five years ago, our committee, with your support, began a 10-year reforestation program aimed at improving the serious backlog of timber stands that existed in our national forests. We did this because we believed that the Forest Service was being neglected by budgetary restraints. We also did this because it was in the national interest that we do everything possible to increase our timber harvest.

The funds that we have provided here continue that program for sale of 12.4-billion board feet of timber. This is a substantial increase over actual sales of 11.4-billion and it is somewhat in excess of what the Forest Service tells us would be their capacity. But we want them to strain their capacity and prepare more timber.

These increased sales contribute mightily to the amount of timber available to the housing industry. They make more wood available and they lower construction costs. They directly affect that great American dream of homeownership and bring it a little closer to reality by restraining, at least a bit, the surge in prices for all too short wood products.

There is $60 million contained here for the YCC program that has been so successful in putting young people to work in our Nation's wilderness areas. The

38,000 jobs are provided in this bill alone for youngsters ranging from 15 to 18 years of age.

Our bill contains $1.7 billion for meeting the health, education and economic needs of our American Indians. We continue to make tremendous progress in the area of meeting the special health care needs of the Indian population. In the past 2 decades we have reduced dramatically the death rate, both for Indian adults (down 69 percent) and Indian children (down 68 percent), while at the same time increasing the life expectancy of Indian children by 5 years. The ravages of tuberculosis, pneumonia and gastritis, diseases which we take for granted as cured but which still threaten our Indian population, are finally being controlled.

The bill also funds the activities of the Fish, Wildlife and Parks program, administered by the Department of the Interior; $1.5 billion is committed to these activities, including $645.8 million to the Land and Water Conservation Fund, 68.7 percent of which will be returned to the States for matching grant money to create new recreational opportunities.

We made a significant increase ($15 million) in the historic preservation account, a most popular and expanding item in our bill. Sixty percent of this money will be used in conjunction with HUD and various other Federal agencies in programs aimed at restoring urban neighborhoods and historic areas.

The activities of the Arts, Humanities, and the Smithsonian also received the committee's attention. We funded both endowments to meet growing need.

I would urge each of the Members of this House to read our report carefully. You will find a continuation of the lofty goals and priority setting which you have come to expect from our committee, especially in the management of our national resources.

I believe the Members of this House can support this bill enthusiastically and I urge its adoption by the House.

Mrs. PETTIS. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentlewoman from California.

Mrs. PETTIS. Mr. Chairman, I would like to express my appreciation to the chairman of the Interior Appropriations Subcommittee, the gentleman from Illinois (Mr. YATES) and the ranking minority member, the gentleman from Pennsylvania (Mr. McDADE) and their capable staff for the assistance they have given the constituents of my congressional district, a district that has extensive public lands. Since I have been in Congress, the subcommittee has been most receptive to requests I have made for the necessary funds to insure that these lands are properly managed.

This bill includes more than $5 million for planning and management of the California Desert Conservation Area, as provided for in legislation which I sponsored in the last Congress. It calls for the preparation and implementation of a comprehensive, long-range plan for the management, use, development and protection of the California Desert to be prepared by September 30, 1980. Of the $5 million, $2 million will be allotted for planning and the remainder will be used for interim management activities.

This year, at my request, the subcommittee added $1.95 million for the purchase by the Forest Service of a portion of a privately owned ranch within the San Bernardino National Forest.

Due to its close proximity to the Los Angeles and San Diego metropolitan areas, this area will satisfy a portion of the existing recreational deficiencies for both day use and overnight camping activities. Its three diverse physical elements—a lake, the high elevation valley, and the mountains—invite a broad range of visitors to participate in prime recreational activities such as sightseeing, hiking, camping, picnicking, fishing, boating, snowplay, rock climbing, and horseback riding.

Also, at my request, the subcommittee authorized the use of all receipts from timber sales in the San Bernardino National Forest within Riverside County to finance the acquisition of some 9,000 acres of land "checkerboarded" throughout the Santa Rosa Mountains.

The subcommittee has my appreciation for its favorable consideration of these matters.

Mr. McDADE. Mr. Chairman, I thank my colleague, the gentlewoman from California. I would also like to say that perhaps nobody's presence will be missed more than that of our colleague, the gentlewoman from California. We will all regret her departure. She has carried on the great work started by her husband. Her interest and devotion to the protection and preservation of so many interests in her State, in shepherding the area that she represents, have been recognized by the committee and we are grateful for her devotion.

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I am pleased to yield to the gentleman from Maine (Mr. COHEN).

Mr. COHEN. Mr. Chairman, I thank the gentleman for yielding.

I would like to inquire of the gentleman from Pennsylvania (Mr. McDADE) that, as he will remember, several years ago there was an indication from the Interior Subcommittee at that time that there be a phaseout of the program of funding for the gypsy moth and tussock moth research and eradication programs, and a reallocation of those funds for the spruce budworm control effort and that was to take place in fiscal 1979 and there is roughly $4 million involved.

I realize since that time that there has been a continuing problem in the gentleman's State which has caused him to at least postpone that decision for 1 or 2 years. But I would like to get some indication from the gentleman as to how long that postponement will be and, second, whether or not the gentleman would have any objection to, or the gentleman from Illinois (Mr. YATES), to the Forest Service engaging in a reprograming within the confines of the budget, providing it did not take funds from the gypsy moth program?

Mr. McDADE. Mr. Chairman, my friend the gentleman from Maine (Mr. COHEN) has shown a tremendous interest in this problem, and we have increased the funds in the bill overall in such programs to control the devastation that is taking place in the State of Maine as well as in my State and in many other States so we are very keenly aware of the problem, as well as his problem, and we are trying to reconsider his reprograming request.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McDADE. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, the gentleman from Maine (Mr. COHEN) has done his work well and, as I say, we will be happy to work with the gentleman. We are grateful for his input into this problem.

I will close, Mr. Chairman, by just taking a second to say that the major resource in this bill, in addition to the energy things that I have been discussing, is our national forests. I must pay tribute to my colleague, the gentleman from the great State of Oregon (Mr. DUNCAN) who has done so much to educate us and to lead us in showing us the way. We have increased the money again in this Forest Service budget under the leadership of our chairman, the gentleman from Illinois (Mr. YATES). We have done so because, if we can increase the Nation's renewable resources that is what we are talking about and trying to do, to increase these renewable resources so that they can begin to fit into the stream of demand for wood products in this country, and in so doing, will not harm our national forests, but keep them on a sustainable basis. He has been a very thoughtful and determined advocate of this and sometimes has been even effective, and that is the bottom line, and we hope, because of his great work, that we will see the Forest Service beginning to move in reforestation, as we did so many years ago, and to move on additions to the harvesting in our forest lands so as to try to get the price of wood products to a reasonable point or to at least restrain them some.

Mr. Chairman, I urge passage of the bill.

Mr. YATES. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, I would like to take a few moments to address two issues of great importance concerning this legislation. First, I would like to say a few words about the abandoned mine reclamation funds and their treatment in H.R. 12932.

ABANDONED MINE RECLAMATION FUNDS

Mr. Chairman, less than 1 year ago, this Congress enacted the Surface Mining Control and Reclamation Act, a piece of legislation I fought for over a number of years. Title IV of that new law sets up an abandoned mine reclamation fund, consisting of deposits made by coal mine operators, to be used to reclaim lands damaged by coal mining operations. This was one of the most important features of the new law, but I am

very much concerned that some of its purposes may be undercut in H.R. 12932, the Department of the Interior appropriation package we are considering today.

The Appropriations Committee has recommended an appropriation of $78 million from the abandoned mine reclamation fund to implement title IV of the Surface Mining Act, an amount sufficient to allow the reclamation program to get off the ground as Congress intended it to. However, in its report accompanying H.R. 12932, the committee earmarks a large portion of the $38 million that would be allocated for specific Department of the Interior reclamation projects to two States, Pennsylvania and Illinois. In addition, the committee's report indicates that these reclamation programs would be administered by the Bureau of Mines. My concern is over the earmarking of funds and the designation of the Bureau as the administrator of these programs.

The Surface Mining Act established the Office of Surface Mining (OSM) under the Secretary of the Interior, and the act clearly intended that OSM would administer title IV. More importantly, title IV of the act sets forth a system of priorities for mine reclamation, recognizing that surface mining problems far exceed the revenues available to solve them. Although OSM is still in the process of getting organized, and it has not yet identified all those areas that deserve reclamation funding in the next fiscal year, it has followed the letter and spirit of the act in undertaking projects of an emergency nature first. Seven major projects have been announced to date, ranging from subsidence control (threatening school dormitories with rupture of gas lines) to fire and flood control. Earmarking of funds can serve no purpose other than to attenuate the priorities Congress has already set for abandoned mine reclamation.

The act also contemplates distribution of the reclamation funds with consideration of the geographic source of those funds, and the intention was to have an approximately equal distribution between the Eastern and Western States. To provide Pennsylvania, a State contributing 13 percent of the reclamation funds, with 37 percent of their distribution, invites a distribution at odds with the congressional mandate.

One additional problem arises from earmarking of these funds. Under the act, 50 percent of the reclamation fund ultimately goes to the States based on the amounts paid in. The committee's proposal could result in leaving a State with an abundance of problems from past practices but moderate levels of current production without the means to solve even its most critical problems.

The Surface Mining Act is a new law, and the programs taking shape under it are moving in the direction Congress intended. We need to keep them on this track. The Appropriations Committee report misinterprets the intentions of Congress in the act, and I urge my colleagues to support my efforts to clarify these intentions. I am hopeful that this type of problem will be avoided in the Senate as well.

MINERAL INSTITUTES

My second concern is with the Appropriations Committee's treatment of title III of the Surface Mining Act. Title III authorizes the establishment of a number of mineral resources and research institutes throughout the Nation, with no more than one institute in a single State. These institutes were intended to provide information and training in all types of mining activities, so that we could attempt to deal with many of the problems facing us today in regard to fuel-producing minerals, and to prevent the same kinds of problems for nonfuels minerals. Title III institutes would be vital centers to stimulate professionals to enter the field, and would also advance mining knowledge so we can increase production of the minerals we need in an environmentally sound manner.

Section 301 of the act authorized $300,000 in fiscal year 1979 for each State selected for participation in this program, while section 302 authorized $17 million in research funds for fiscal year 1979 for the anticipated network of minerals institutes. In order to be eligible for such an institute, the State must have a public college or university which has an established school of mines or a program of substantial instruction and research in mining or minerals extraction. The funds would be distributed on a matching dollar-for-dollar basis with State moneys. In addition, it was provided that a State without a public university with such a program may receive funding for an institute at a private school.

The Office of Surface Mining, created by the act, has initiated a program calling for 20 minerals institutes in as many States. This program is consistent with both the letter and spirit of the act. Unfortunately, the bill we have before us today does not carry out the intent of the act. H.R. 12932 appropriates only $1.6 million for minerals institutes, in a total appropriation for the enforcement of the Surface Mining Act of $39,344,000. In addition, the Appropriations Committee chose to earmark this money for so-called regional institutes in Pennsylvania, Mississippi, and Utah. There are two serious problems with this approach. First, $1.6 million is an insufficient amount to accomplish the purposes Congress intended when it passed the act. The act envisaged a network of minerals institutes, providing a broad base of knowledge, research, and training. Second, earmarking of these funds for particular States is a clear interference with the letter and spirit of the act. Although I commend the committee for recognizing the shortsighted policy of the administration in requesting no funds for mineral institutes, it would make much more sense to provide funds for those institutes the Office of Surface Mining determines meet the requirements of the act.

It is my understanding that this question will be pursued in the other body, and I am hopeful it can be resolved there.

LAND AND WATER CONSERVATION FUND

In another area, I wish to commend the Appropriations Committee for its work on land and water conservation and historic preservation. Let me just take a few moments to explain these programs.

One of the outstanding conservation programs created by the Congress in recent years is the land and water conservation fund program. It provides the funding that has been necessary to carry out our expanding Federal park and recreation land acquisition projects as well as the matching moneys for State and local projects which have proven so worthwhile in communities in every part of the country.

Without substantially tapping the taxpayer, the Congress has made possible a growing program using funds derived from revenues from the Outer Continental Shelf. In other words, we have reinvested a fraction of the revenues produced from the sale of the depletable resources of the OCS—resources belonging to all the people—into lasting resources for the American public.

Together with 21 other members of the Committee on Interior and Insular Affairs, I wrote some of the members of the Appropriations Committee urging them to recommend full funding of the land and water conservation fund and suggesting that the 60–40 division of the State and Federal shares of the fund be maintained.

I am generally pleased with the recommendations of the committee. By raising the matching-grant program to about $370 million, the committee recommendation will bring back a better balance between Federal and State programs. There has been some concern with the implementation of the heritage program planned by the administration, so I believe most people will argue with the committee's recommendation that it should not be implemented in a manner which will dilute the effectiveness of the existing land and water conservation fund grant-in-aid program.

HISTORIC PRESERVATION PROGRAM

In the historic preservation area, the committee has made a significant improvement in the President's budget. While the appropriations are still somewhat short of the total amount authorized for this year, if enacted as recommended by the committee, they will represent a significant step forward for this program.

Like the State side of the land and water conservation fund program, this program provides double dividends for every dollar invested. Each Federal dollar is matched at the State or local level and is used for projects which are administered without further Federal funds. The States are to be commended for taking command of these important preservation projects and for their commitment to the historic preservation program.

By making this appropriation, the Congress will assure the continued interest of the States in the program and will demonstrate the continued commit-

ment of the Congress to the preservation of historic properties in all parts of the country.

Mr. McDADE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I should like to join in voicing my strong support for the bill now before us. It is perhaps the most eclectic of any we deal with in the appropriations process. It is comprised of several large established Federal agencies, such as the Forest Service and the entire Department of the Interior. Yet it also reaches into many agencies which are unusual in their mission, or quasi-governmental in nature, such as the National Endowment for the Arts and Humanities and the Smithsonian Institution.

The primary reason we are able to present the Members with a bill of such quality is the bipartisan leadership in our subcommittee provided by the gentleman from Illinois (Mr. YATES) and the gentleman from Pennsylvania (Mr. McDADE). Their ability to guide the Members in setting priorities for spending has been very evenhanded and realistic. It has also cnabled us to present a bill that is $166 million below the budget request and below the targets set in the first budget resolution by $594 million in authority and $410 million in outlays. As a member of the Committee on the Budget, I am very pleased with the actions of the Interior Appropriations Subcommittee. I feel that the Interior Appropriations Subcommittee is very unique in its focus: The issues themselves are what determine our decisions and not partisan politics. Perhaps this is due in part to the fact that the subject matter that we deal with is very tangible—our Nation's public lands and their resources which represent one-third of our Nation's land resources. Because we are determining the future of the actual physical well-being of our Nation, the judgment Members put into funding levels is very important. If we do not provide for the adequate maintenance and development of our lands and resources, the resulting negative impact is very visible.

We would have fewer energy resources and raw materials; less timber for the housing market; fewer agricultural commodities produced from public lands.

In our deliberations this year we have taken the initiative to set priorities which have sometimes been neglected in the past. While the Congress has legislated into being many national parks, for example, the follow-up on funding these parks has been insufficient, according to budget requests.

I believe one excellent example of corrective funding in our national park system taken this year is with the Cuyahoga Valley National Recreation Area in my home State of Ohio. It was authorized in 1974.

I would add here that my colleague, the gentleman from Ohio, Mr. JOHN SEIBERLING, deserves much credit for getting this bill passed. It is very attuned to an urban recreation focus. Of the 13,000 acres scheduled for land acquisition, 7,600 acres have already been acquired; however, without additional funding beyond the budget request, the park would remain all but unusable to visitors. This year the committee included an additional $1.7 million for the Cuyahoga Valley National Recreation Area and I am grateful to the members of the subcommittee for their support. This will provide the most necessary basics in equipment and personnel to allow visitor usage of the park. It is an excellent example of putting national parks where the people are.

I might also add that the Cuyahoga Valley Park will be a tremendous asset in sustaining the development of the economy of northern Ohio. It is vital to our State, along with the support we have had for the Devonian shale development.

I would also want to say to all the Members here that I think we have done something interesting in the language of the report that says:

> The Committee recommends an increase of $500,000 for informational publications. It is recommended that the Service make a greater effort to provide schools with information on the various park areas. The Service should prepare a film that would be made available to schools to describe the NPS system for school age audiences. The film could include advice on proper visitor use of park resources to help preserve and protect the system.

What we are saying is let us make the public of this Nation aware of the great assets that they all have in terms of our national parks. I hope we will perhaps in the future do the same thing with the national forests.

I might also add, I had an opportunity to visit several of the national parks and the national forests in the West. I was tremendously impressed with the dedication of the people that manage and work in these parks and forests. I do not think there is any other function of Government where we get as much caring and as much dedication on the part of the employees of the Federal Government as we do in our parks and forests. It is very apparent when you talk with them that they feel deeply about their work.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. REGULA) has expired.

Mr. McDADE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, this bill is one example where the Congress is acting to protect the country's lands and resources. It is the most basic protection we can offer to our Nation. Without it, we would have no foundation for our economy; with it, we provide recreation to millions of people and the tools our economy necessitates for its well-being.

Mr. Chairman, I urge my colleagues to support this legislation.

Mr. YATES. Mr. Chairman, I yield such time as he may require to the gentleman from Utah (Mr. McKAY).

Mr. McKAY. Mr. Chairman, I rise in support of the bill.

Mr. YATES. Mr. Chairman, I yield such time as he may require to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, as a member of the subcommittee, I rise in support of the Interior appropriations bill. My colleagues and I have worked hard to produce a bill that is significantly below the President's budget request. Not only have we reduced spending, but we have also increased revenues by funding those activities which return money to the Treasury, leveraging the Federal taxpayers dollar.

The Forest Service budget is an example. For every dollar invested, four to five are returned. In 1977 Congress appropriated $168 million for national forest timber management activities, including sale preparation and administration, reforestation, and timber stand improvement. In that same year, cash revenue from the sale of timber amounted to $652 million.

Without these revenues, our backlog of unproductive national forest lands would increase. Instead of cutting back on reforestation we should be spending even more money to return our national forests to resource production.

Revenues from timber sales also provide money to local governments for roads and schools. One-fourth of revenues from timber sales is returned every year to local counties. In 1977 this amounted to about $220 million, about $50 million more than the original appropriation.

Increasing appropriations for the Forest Service would also help to combat our Nation's worst enemy, inflation. For every 1 percent increase in the timber budget we can build 4,000 or 5,000 homes. About 30 percent of the construction cost of the average new single house can be attributed to wood products. Due to continued high demand in the face of diminished supply, lumber prices have increased appreciably more than the average rate of inflation in the last few years. Reducing timber sales from the national forests will only compound this inflationary cycle. The President has recognized the inflation-fighting potential of national forest timber sales when, in his inflation message, he asked for an administration review of ways to increase Federal timber sales.

This message came after the President's budget request. The subcommittee has accepted the President's leadership in fighting inflation, but Congress should not cut costs at the expense of even greater revenues. The timber and forest products industry is watching Congress to see whether we are committed to providing a stable supply of lumber from our national forests. Industry confidence in the availability of timber in years to come is directly related to the amount of timber under contract, which has been steadily decreasing since the early 1970's.

If U.S. mills cannot get the timber they need to maintain adequate reserves for the future they will cut production, and Canadian imports will meet the demand. Last year Canadian softwood imports were up 30 percent, while U.S. production increased only 9 percent. We paid $1.8 billion to Canada for these products

which helped to increase the deficit in the balance of payments.

In spite of the best markets and prices in the history of the industry, the U.S. lumber producing regions of this country cannot raise their production. For every million board feet of lumber exported we are exporting 8 work years of direct employment and 16 work years in service jobs.

Industry confidence is further eroded by the long-drawn-out RARE II. Two to three times the amount of timber which will eventually be set aside for wilderness uses has been tied up in the RARE II program. A firm and positive indication that there will be a congressional commitment to maintain the timber supply from national forests is especially needed now as we near the end of the process and patience wears thin.

I urge my colleagues to support the Appropriations Committee. This is a good bill. We have moved cautiously as befits a time of fiscal restraint. The programs we have funded are good ones. We have provided more funds only when justified, where a specific need exists. Where the program justification is weak, or performance less than satisfactory, the budget was cut without hesitation. The subcommittee has used its discretion judiciously. Our recommendations to you are carefully made.

Mr. Chairman, we are funding energy conservation at a little over $907 million in this bill. This is $2.1 million over the administration's budget request, and $313 million over what we appropriated last year for this category.

This request includes substantial increases for urban waste projects, home heating system efficiency research and development, industrial and transportation conservation programs, and at the same time removes a lot of program duplication such as demonstrations of existing technologies. I think this is one of the best energy investments we can make at a time when our domestic reserves of gas and oil are being depleted by about 4.25 percent per year and constraints on the production and use of coal and nuclear electrical baseload generation are growing yearly.

Cost savings from energy conservation, in many cases, are not tied to expensive new technologies with long leadtimes. Generally, conservation preserves investment capital, it does not exhaust it; and I am convinced that the energy conservation momentum already underway in residential, commercial, and industrial uses can be accelerated by many of the proposals we are considering here, especially the removal of institutional barriers, developing a useful information base, providing technical assistance, promoting a sound program of conservation development and useful outreach for technology transfer.

I know that my district, as well as many others, could use the kind of support being encouraged by the proposed National Energy Act and other authorizing legislation reflected in our bill which includes energy conservation grants for local government buildings, schools, and hospitals, and where residential, municipal, industrial, and other conservation programs meet the most stringent review.

Mr. Chairman, this bill represents some very positive steps toward helping this Nation conserve energy. It provides some strong inducements to save energy right away, and to achieve the kind of conservation that could reduce U.S. energy demand by up to 20 percent by 2020. Together with an expected 20-percent input by all solar technologies by the year 2020, conservation can remove much of the impact on the environment and investment capital that confronts us now in producing and using fossil fuels.

I hope the committee and the House will support this bill.

Mr. YATES. Mr. Chairman, I yield the balance of my time to the gentleman from Oklahoma (Mr. RISENHOOVER).

Mr. RISENHOOVER. Mr. Chairman, let me preface my remarks by saying that when you folks get everything you need to get done and want to get done in Illinois and Pennsylvania, I have a couple reclamation projects in my district which I am perfectly willing to bide my time for awhile.

Let me say also that the chairman and the subcommittee have been as good and sensitive friends as the native Americans in this country have ever had and I very much appreciate the consideration you have given to the request I have made for my particular district.

Mr. Chairman, on May 31 I wrote the chairman concerning a $8.5 million debt owed by our Government to the Cherokee Nation. I wonder if the chairman has had a chance to inquire about this bill owed by our country?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. RISENHOOVER. I will be glad to yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman did write to me, and I did make inquiry.

Let me say that I agree with the gentleman on the subject of his inquiry, which was the question of payment of a debt claimed by the Cherokee Nation against the United States. The Supreme Court has held that the Cherokee Nation does own a portion of the bed of the Arkansas River and has owned it since 1835, and that the Corps of Engineers did remove sand and gravel for the construction of the McClellan-Kerr Arkansas River navigation system. Prior to that time it was believed that the riverbed had been owned by the State of Oklahoma; the Supreme Court found otherwise.

I made inquiry of the Secretary of the Interior to find out why the debt in which the gentleman from Oklahoma (Mr. RISENHOOVER) is so vitally interested on behalf of the Cherokee Nation has not been paid. The Secretary of the Interior indicated to me that he has an informal agreement pending with the representatives of the Cherokee Nation, but that agreement has not yet been formally signed, and until that agreement has been signed and approved by the Department of the Interior our committee felt that we could not make available as an appropriation the full $8.5 million that the Cherokee Nation agreed to as its losses.

So I would say to the gentleman that much as we would like to help him—and we do recognize the very aggressive and constructive effort he has made on behalf of the Cherokee Nation in obtaining payment of this debt—and much as we would like to go along with the gentleman, until we do have that formal signed agreement by the Department of the Interior, the committee believed it could not make that appropriation available.

Mr. Chairman, I will tell the gentleman that agreement is now pending and is the subject of negotiations, and I would like the gentleman to know that our committee will make every effort to try to get a resolution of that agreement as promptly as possible.

Mr. RISENHOOVER. Mr. Chairman, I thank the chairman of the subcommittee very much.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, let me add this:

I do want the gentleman to know that we are very aware of his interest in this claim by the Cherokee Nation, and it is the desire of our committee to try to bring this controversy to an end, although it is no longer really a controversy, and try to get payment as promptly as possible to the Cherokee Nation.

Mr. RISENHOOVER. Mr. Chairman, I appreciate very much the gentleman's attitude.

Mr. Chairman, I will at this point include the entire letter to which I referred for the RECORD, as follows:

MAY 31, 1978.

Hon. SID YATES,
Chairman, Subcommittee on Interior and Related Agencies, Committee on Appropriations.

DEAR SID: As I discussed with you on the floor, I plan to seek an amendment to your bill adding $8,453,818.88 to pay the Cherokee Nation for destruction of sand and gravel deposits in the navigable portion of the Arkansas River in Eastern Oklahoma—which the U.S. Supreme Court ruled that they own.

The Carter Administration's refusal to make timely payment of this just bill is contrary to honorable conduct between Nations. If we owed such a bill to Panama, Angola or any other sovereign Nation beyond our shore—I feel the Administration's attitudes would be entirely different.

In refusing to seek a supplemental appropriation to pay this debt of the United States, James T. McIntyre, Jr., director of the Office of Management and Budget, said ". . . supplemental requests . . . were especially rigid. Only those items deemed to be critical were included." He said the "question" was deferred until the FY 1980 budget. I believe we owe the debt and we should pay it immediately.

The Cherokee Nation approved the agreement submitted to it by Forrest Gerard, Assistant Secretary of the Interior, for the payment to the Nation of the $8,453,818.88 for the destruction of sand and gravel deposits in the navigable portion of the Arkansas River in Eastern Oklahoma.

The agreement declares that the Interior Department will include in its supplemental

appropriation request for the fiscal year 1978 the stated sum of money for this purpose, but made clear that the time was contingent upon approval by OMB.

The value of the sand and gravel deposits was determined by appraisals carried out by the Bureau of Indian Affairs under Interior Department Appropriation Acts for the fiscal years 1973, 1974 and 1975.

The Interior Department selected the appraisers and the Nation had no input into the appraisal process. The appraisal figure was accepted by the Interior and the Nation more than a year ago.

The Indian ownership of the property was confirmed after lengthy litigation which commenced in the United States District Court for the Eastern District of Oklahoma in 1967, culminating in the decision of the United States Supreme Court in Choctaw Nation vs. Oklahoma in 1970.

The Interior Department has consistently taken the position that compensation for this item accords with the policy of the United States in previous instances where specific provision has been made for the compensation of Indian interests where the United States has constructed navigation projects.

It can be said that had Congress known of the Indian ownership in the Arkansas River provision for compensation would have been made before the Corps of Engineers undertook in 1946 the construction of the McClellan-Kerr Arkansas River navigation system and scoured the navigation channel in the river. The Cherokees are convinced that the agreement is satisfactory for settlement of the sand and gravel interest in the river. The Interior Department believes that it is a fair basis for compensation. The Indians are entitled to be compensated. The United States has a trust responsibility toward the Cherokee Nation. It is the Secretary of the Interior's trust obligation to protect the property interests of Indian Tribes. The Secretary recognizes this and that is why he made the payment of the debt to the Cherokee Nation for the destruction of property in the Arkansas riverbed.

When OMB refused to approve appropriation request, which was submitted by the Interior Department, I decided that Congress should directly take up this question which is vital to the integrity of our government.

Your help in gaining approval of the amendment would be most deeply appreciated and vital to the principle of justice, the keeping of our commitments and national honor.

Sincerely,

TED RISENHOOVER,
Member of Congress.

● Mr. VANIK. Mr. Chairman, I would like to lend my support to the fiscal year 1979 budget request for the National Park Service which contains funding for the Cuyahoga Valley National Recreation Area, being considered today under the Department of Interior Appropriations, H.R. 12932.

Since its establishment 5 years ago, the Cuyahoga Valley National Recreation Area has blossomed into a unique and exciting urban recreation area located between the two large metropolitan cities of Cleveland and Akron, Ohio. The park, which contains nearly 30,000 acres, covers an area virtually unspoiled by industrialization and commercialization. The public has enthusiastically offered increasing support to preserve its natural and historical qualities. It has been very rewarding to witness the transformation of this park from a creative seed of an idea to a viable urban recreational resource to be used by the people of Ohio, the Midwest, and the entire country.

As this enthusiasm grows, the National Park Service must meet the demands to maintain and establish the standards expected of it by the public. It is therefore my hope that my colleagues will maintain the funding level for the National Park Service contained in this bill.●

● Mr. FRENZEL. Mr. Chairman, here we have another appropriation bill—Interior, H.R. 12932—which is apparently under the budget, but which is $2 billion, or about 17 percent, over last year's spending. I shall not vote for such increases unless there are new programs of obvious priority. That seems not to be the case here.

In the old, under the Ford administration, the fact that a bill was over or under the budget was significant. For the Carter administration, the budget itself is too high. No taxpayer I know believes in 17 percent increases in Government activity over last year.

The Miller amendment, to reduce the bill by 2 percent, failed by a small margin despite my support. Even if it had passed, I would not have voted for the bill. We can never get control of our spending if we are willing to make huge increases each year in each appropriation bill.

The Carter budget, which we will probably exceed eventually by supplemental appropriations, called for 11 percent more spending that last year. I will vote against appropriation bills, like H.R. 12932, with increases of that amount or greater.●

● Mrs. BOGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to thank my colleagues for rejecting the amendment offered by the gentleman from Ohio to reduce the appropriation we have had under consideration by 2 percent.

It is gratifying that all of us stopped to consider what type of programs we were cutting. In addition to vital energy programs and programs to manage our valuable natural resources, this appropriation funded many activities that help to improve the quality of life in America today. It included such things as the National Park Service, the National Trust for Historic Preservation, the National Endowments for the Arts and Humanities, and the Smithsonian Institution.

I would like to address one aspect of this bill with which I am particularly familiar: the budget of the Smithsonian Institution. I have the privilege of serving on the Board of Regents of the Institution along with 5 other Members of the House and Senate and 12 distinguished Americans, in addition to the Chief Justice of the Supreme Court and the Vice President.

Mr. Chairman, as a Regent I participated in the preparation of the Smithsonian's budget prior to its submission to Congress. This budget is lean and clean and reflects no frills. As a matter of fact, the budgetary people at the Smithsonian prepared their recommendations for the Regents utilizing "zero-based budgetary" procedures.

The bulk of the increases over the fiscal year 1978 budget are a direct result of uncontrollable expenses: increased salaries, increased maintenance costs, increased utility costs. There are some increases in the area of research, construction, and restoration that are controllable. However, these proposed increases have been subjected to what I consider to be rather strict scrutiny, both by the Regents and by the members of the Interior Appropriations Subcommittee, and they have withstood reduction under close inspection.

Mr. Chairman, the Smithsonian in the past year has undergone three very extensive and comprehensive audits: One by the General Accounting Office, one by fine personnel of the investigative staff of the House Appropriations Committee, and one internal audit conducted by a special committee appointed by the Regents. Not one of these reviews suggested that there was waste or mismanagement of Federal funds by the Smithsonian. True, these were recommendations on ways to improve accountability. But these criticisms have been welcomed and steps have been taken by the Regents to implement these recommendations.

In conclusion, I would remind my colleagues in this House that the biggest single tourist attraction in this city is not the White House; it is not the Capitol building; it is not one of the beautiful monuments. It is the National Air and Space Museum, truly one of the finest museums in the world. Like the other facilities of the Smithsonian it serves the people of our Nation, through both Federal and private funding, in its mission to increase and diffuse knowledge among men and women.●

Mr. GIAIMO. Mr. Chairman, the purpose of my remarks is to provide a budget perspective for the House as it considers H.R. 12932, making appropriations for the Department of Interior and related agencies.

This bill is within fiscal year 1979 budget resolution spending targets for this subcommittee.

There are, however, several items assumed in the budget resolution which have not yet been considered by the subcommittee. These include expected supplemental appropriations to cover the costs of fighting forest fires, funding for additional recreational resources projects for which authorizations are pending; and $405 million to fund an increase in the purchase price of oil to be stored in the strategic petroleum reserve. This price increase is contingent upon enactment of the proposed crude oil equalization tax (COET) legislation. If these items are ultimately funded in total at $692 million, which was assumed in the budget resolution, the subcommittee would exceed its spending target in budget authority by $98 million. Since there is considerable question of when or whether COET will be enacted, it is too early to conclusively determine that the subcommittee targets will be exceeded.

I insert a copy of the House Budget Committee's early warning report on H.R. 12932, which provides greater de-

tail regarding congressional budget scorekeeping for this bill:

H.R. 12932—INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1979, (H. REPT. 95-1251)

Committee: Appropriations.
Bill Manager: Mr. Yates (Ill.).
Ranking Minority Member: Mr. McDade (Pa.).
Bill Type: Appropriations.
Scheduled: Tuesday, June 20.

I. SPENDING ACTION COMPARED TO TARGET

The bill includes $12,700 million in budget authority and $6,161 million in outlays. These amounts plus all amounts previously enacted and those passed the House are under the subcommittee target by $594 million in budget authority and $410 million in outlays.

[In millions of dollars]

	Budget authority	Outlays
Committee subdivision target (by subcommittee)	13,294	11,671
Less: Amount in reported bill	−12,700	−6,161
Previously enacted or passed House	----	−5,100
Spending action compared to target:		
Over target	----	----
Under target	594	410

II. PROJECTION

If items remaining to be considered are funded at levels assumed in the First Budget Resolution, this subcommittee would exceed its target in budget authority but would be within its target in outlays.

[In millions of dollars]

	Budget authority	Outlays
Amount remaining within subcommittee target	594	410
Less: Amounts assumed in the resolution, but not yet considered	−692	−364
Assuming no changes from remaining budget resolution assumptions:		
Over subcommittee target	98	----
Under subcommittee target	----	46

EXPLANATION OF PROJECTION

A. *Amounts over subcommittee targets.*—Assuming no changes in budget resolution assumptions for items still to be considered, the subcommittee would exceed its target by about $98 million in budget authority. No conclusive projection that the subcommittee will exceed its targets can be made at this time, however, because it is open to question when or whether key items on the Subcommittee's funding agenda will be authorized by the Congress. In total $692 million remains to be considered. It consists primarily of (1) $287 million for the costs associated with fighting forest fires and for certain recreational resources projects for which authorizations are pending, and (2) $405 million for the increase in the purchase price of oil to be stored in the Strategic Petroleum Reserve. This price increase is associated with the proposed crude oil equalization tax (COET) which has not yet passed the Congress.

B. *Amounts assumed in budget resolution, but not yet considered.*—See explanation above.

III. *Perspective on function totals.*—This bill covers programs in nine functional categories, however, slightly over 80 percent of the funding is concentrated in two functions—energy (function 270) and natural resources and environment (function 300). At this time, it appears that these functional targets assumed in the First Budget Resolution will not be exceeded.

IV. *Comparison with the President's budget.*—This bill is $127 million in budget authority under the President's budget request of $12,827 million.

Mr. Chairman, there is one other item that I would like to add and that is, the statement has been made on the floor that this bill is under the President's budget. That is correct. I believe it is about $127 million in budget authority under the President's budget request; but when you add the amounts that will have to be added in a supplemental, particularly for forest fires and probably for the recreational projects if they are funded, I submit that the bill will be far in excess of the President's budget and will not be approved.

● Mr. WON PAT. Mr. Chairman, I want to take this opportunity to add my support for the passage of H.R. 12932, an appropriations bill for the Department of Interior.

Of special importance to my constituents is an allocation in the bill of $10.3 million for Guam. Of this amount, $8.68 million, requested by the administration, would be reserved for construction needs of the island.

The House Appropriations Committee is to be commended for also adding $1 million to a requested appropriations of $500,000 for the Guam Economic Development Act. This law, which Congress originally approved in 1968, provides limited funding for the establishment and assistance of private industry on Guam. During its few years of cooperation, the GEDA program has been a significant tool in helping the island government encourage the growth of private industry in an area where private development and investment capital is almost entirely unavailable through normal commercial channels. I am deeply pleased that Congressman SIDNEY YATES, chairman of the Subcommittee on Interior Appropriations, has recognized Guam's need for additional support for this vital program. He has been of great help to Guam, and in fact, all of the various U.S. territories through his deep-seated desire for our well-being. It must be said that my good friend SIDNEY YATES has always been an attentive listener to our problems and he has always responded in a manner which is indicative of his great humanity and concern for others. I fully recognize the tremendous pressures on him at this time to hold the line on spending.

It is to his everlasting credit that he was able to accomplish his desire to get the maximum possible utilization from the taxpayer's dollar without neglecting the legitimate needs of Guam and our sister territories.

I also want to offer my sincere appreciation to my good friend Representative JOHN MCDADE, the ranking minority member of the committee, who has likewise been most supportive for Guam and our off-shore areas.

I now thank the Chairman and the Members for this opportunity and urge that the measure be adopted.●

The CHAIRMAN. All time of the gentleman from Illinois (Mr. YATES) has expired.

The gentleman from Pennsylvania (Mr. MCDADE) has 1½ minutes remaining.

Mr. MCDADE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read title I.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that the bill be read by titles, and that title I be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

POINT OF ORDER

Mr. BLOUIN. Mr. Chairman, I have a point of order on part of title I that I would like to raise prior to the offering of amendments.

(The portion of the bill to which the point of order relates is as follows:)

INDIAN AFFAIRS

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment (in advance or from date of admission), of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order, and payment of rewards for information or evidence concerning violations of law on Indian reservation lands, or treaty fishing rights tribal use areas; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rigths; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian art and crafts, as authorized by law; and for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, $791,092,000, of which not to exceed $61,528,000 for higher education scholarships and assistance to public schools under the Act of April 16, 1934 shall remain available for obligation until September 30, 1980, and that the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450) shall remain available until September 30, 1980: *Provided*, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs; and includes expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531, $5,028,000, to remain available until expended: *Provided further*, That none of these funds shall be expended as matching funds for programs funded under Section 103(a)(1)(B)(iii) of the Vocational Education Act of 1963 as amended by the Act of June 3, 1977 (Public Law 95-40).

The CHAIRMAN. The gentleman from Iowa (Mr. BLOUIN) will state his point of order.

Mr. BLOUIN. Mr. Chairman, my point of order is directed to page 19, lines 14 through 18. in which the language of the bill states as follows:

That none of these funds shall be expended as matching funds for programs funded under Section 103(a) (1) (B) (iii) of the Vocational Education Act of 1963 as amended by the Act of June 3, 1977 (Public Law 95–40).

Mr. Chairman, this would appear to me to be couched as a limitation of undifferentiated Snyder Act funds which have the effect of repealing the provisions of Public Law 95–40, which mandates Bureau of Indian Affairs expenditures as matching funds, should funds be appropriated under the Snyder Act.

Our Committee on Education and Labor is working hard to see that this program does go forward, and I raise a point of order as to the appropriateness of this section.

The CHAIRMAN. Does the gentleman from Illinois (Mr. YATES) desire to be heard on the point of order?

Mr. YATES. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The gentleman concedes the point of order, and the point of order is sustained.

Mr. BEARD of Tennessee. Mr. Chairman, I move to strike the last word.

Mr. BUCHANAN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears. Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The gentleman from Tennessee (Mr. BEARD) is recognized for 5 minutes.

Mr. BEARD of Tennessee. Mr. Chairman, this bill contains appropriations for the operation of the Endangered Species Act, which expires on September 30. As controversial as this law has become, I would think Members would first like to consider the authorization bill before voting funds to be appropriated. I am certain that my colleagues are familiar with the problems brought on by this act. Last week's Supreme Court decision in TVA against Hill gave final confirmation that the act is totally inflexible. Where man and any species on the endangered list conflict, man must give way.

For those of you who are not yet aware, the House Merchant Marine and Fisheries Committee has reported out a 3-year reauthorization of the act, with no changes. Again, no flexibility has yet been provided in section 7 of the act—that section which is being abused by environmental groups intent on stopping specific public works projects. In fact, to insure this, the committee "railroaded" it through hearings in February. Notice was given on February 14 that reauthorization hearings were to be held on the 15th. The committee's rationale for this short notice was:

Although the committee would have preferred to have held these oversight hearings prior to reporting the authorization, the press of business and the large number of individuals asking to testify on the Endangered Species Act necessitated postponing these hearings until after May 15.

In addition to giving inadequate notice, the committee denied Members any opportunity to testify. In fact, one Member asked to testify at the February 15 hearings, but was told that this would be inappropriate. He was told that the hearings on the 15th were for "administration" witnesses only, and that Members would be given an opportunity to testify at a later date. Actually, however, administration witnesses and environmentalists testified on the 15th. Members were allowed to testify 3 months later—after the reauthorization bill had been reported.

As I have mentioned, the inflexibility of the act makes it a particularly effective weapon in the hands of environmental groups. The magnitude of this problem was addressed in House testimony by Prof. James Rainey, the preeminent ichthyologist from Cornell University. He has stated that, with the assistance of four of five good biologists, he could halt any public works project in the Southeast by exploring for new candidates for the endangered species list. While I am not a scientist, it is apparently easy to find new "endangered species" by use of a taxonomic approach known as "splitting." This amounts to looking for minute changes in various subspecies which, more often than not, is eligible for Federal protection under the act.

Action of this type clearly abuses the intent of the Congress in passing the law. I must say I was one of the people in this House that voted for this law. I think this indicates one area where corrective legislative action is warranted.

It is becoming apparent to a growing number of Members of the House and the Senate and to the public at large that the bill must be amended or repealed. I favor the amendment process among the alternatives. As of this week however it appeared that the House would have had no opportunity to amend this bill. Because of the intransigence of the Merchant Marine and Fisheries Committee, it appeared that House Members would be able only to cast meaningful votes through other measures, such as the amendments I would have offered here today.

I would like to say at this time I do not plan to offer my 682 amendments to this appropriation bill. I have been assured by the chairman of the Merchant Marine and Fisheries Committee that he would request an open rule for this authorization bill and that he would request an open rule from the Rules Committee within 5 days for the Endangered Species Act.

I have also been assured by the Speaker of the House that he would do all in his power to see that it would be an open rule and that it would be forthcoming as soon as possible and that the bill would be forthcoming as soon as possible.

I find it tragic and unfortunate that I had to do this to this appropriation bill, to take this time and to cause concern among the gentleman from Illinois (Mr. YATES) and the gentleman from Pensylvania (Mr. MCDADE), but I do want to say I have appreciated their understanding and their forthrightness with me.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

(On request of Mr. YATES and by unanimous consent, Mr. BEARD was allowed to proceed for 2 additional minutes.)

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, our committee was very much aware of the concern that the gentleman had for the provisions of the Endangered Species Act and of the desire of the gentleman to amend that act. It was unfortunate that our committee was caught in the middle between the gentleman and the Merchant Marine and Fisheries Committee.

I want the gentleman to know that our committee appreciates very much the action of the gentleman in resolving the problem with the chairman of the Merchant Marine and Fisheries Committee and with the Speaker.

Speaking for the committee, we are pleased that the chairman of the Merchant Marine and Fisheries Committee has agreed to apply for a rule on that bill within 5 days.

Mr. BEARD of Tennessee. I thank the gentleman and I am correct in that understanding?

Mr. YATES. That was what the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from New York (Mr. MURPHY), told us in his colloquy before this bill was considered.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I want to commend the gentleman now in the well, the gentleman from Tennessee (Mr. BEARD) for the restraint he is showing. I know that the gentleman found himself in a position where he and other Members of the House felt as though they were denied their day in court, in a sense, because of their failure to have the opportunity to examine the policies in the Endangered Species Act and that he knew that this bill is not quite the vehicle in which to examine that policy but that he was pushed to the wall, so to speak, because of the problem he had with the authorizing committee.

So I want to commend the gentleman for his attention to this problem, his interest in it and his restraint in not forcing the Members into a long day, and perhaps a futile day in reaching the real issue he wishes to raise, as do other Members who want to discuss the issue or at

least have the opportunity to be heard upon it.

I want to say in the gentleman that I had the same assurances that he had that the chairman of the Committee on Merchant Marine and Fisheries will bring his bill to the floor of the House within 5 days with an open rule.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEARD of Tennessee, Mr. Chairman, I ask unanimous consent that I may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. YATES. Mr. Chairman, reserving the right to object, and I make the reservation only for the purpose of correcting the gentleman from Pennsylvania (Mr. McDADE) and that is that the gentleman from New York (Mr. MURPHY) did not say that he would bring the bill to the floor within 5 days, the assurance was that he would bring the bill before the Committee on Rules for a rule within 5 days.

Mr. McDADE. If the gentleman will yield, yes, I believe that is accurate and the Speaker has agreed he will support bringing the bill out under an open rule.

Mr. YATES. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Chairman, I thank the gentleman for yielding. I would like to add that I too was privy to the conversation, and was pleased to hear the chairman of the Committee on Merchant Marine and Fisheries make the commitment that he would ask for an open rule within 5 days for the authorization bill.

As the gentleman has indicated, he is not the only Member of this House who has had problems with this matter.

I asked to testify during the authorization hearings and was told that it would not be appropriate, that only administration witnesses would testify and, as a matter of fact, environmental witnesses did testify. The authorization was passed out of the subcommittee and the full committee without any amendment, without any recommendations on the problems caused in many areas by the law as written.

In my own district we have a situation where $0.5 billion to $1 billion of private development in the Birmingham area, that has been described in the magazine Southern Living, as a model as far as environmental consequences are concerned, may be threatened by the proposal to include in the Endangered Species Act two mutations of small minnow-like fishes, the gold line darter and the cahaba shiner, because it would endanger their alleged critical habitats.

So, again I commend the gentleman from Tennessee (Mr. BEARD) and certainly hope we bring reason into the enforcement of this act.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I want to commend the gentleman in the well for assuring the House that the Members will have the opportunity to work their will on the Endangered Species Act, but I must confess to the gentleman from Tennessee (Mr. BEARD) that, as a member of the homo sapiens species that I am a little disappointed that I will not be able to make the very eloquent, stirring, and moving speeches that I had intended to make on behalf of homo sapiens against the Indiana bat, the gray bat, and a creature that I am sure the gentleman from Tennessee (Mr. BEARD), is very well acquainted with, the one-eyed Higgins pearly eyed mussel. Seriously, Mr. Chairman, at this time I do want to commend the gentleman for the service he has rendered the Members. I am disappointed, but I do commend the gentleman.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague's yielding. Many of us are pleased you are forcing this issue to come to the floor regarding the unreasonable aspects of the Endangered Species Act.

The gentleman is correct in insisting as the Supreme Court indicated, that we amend the present endangered species law. So the most appropriate place to do that is with the authorizing committee bill. However, the fact that the gentleman was prepared, with many other Members, to come before the House today to amend this defective law although it will put my colleague, the gentleman from Illinois (Mr. YATES) through an unnecessary legislative drill, if that was the only way we could have corrected the Endangered Species Act, I appreciate what the gentleman from Tennessee has done to force this issue to the floor at an early date.

I do have an opportunity occasionally to review the impact of the Endangered Species Act on various developments throughout the country. Recently I had the opportunity to be in Houston, Tex. Several developments are being unduly held up in that area, because of the so-called endangered species called "the Houston toad." The Houston toad has not been seen since 1952; yet substantial developments are now being held up for this dubious species.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. ROUSSELOT, and by unanimous consent, Mr. BEARD of Tennessee was allowed to proceed for 3 additional minutes.)

Mr. ROUSSELOT. If the gentleman would yield further, this Endangered Species Act has been used as a weapon by those people who do not want any development, who want to stop everything and tie it up in court, in many cases on an unwarranted basis. These zealots are many times no-growth advocates. I do not know whether the Houston toad is in fact an endangered species or not or that it is a species that we want "to try to preserve," even though we have nobody who has seen one, supposedly, since 1952. I do believe my colleague, the gentleman from Tennessee (Mr. BEARD) has been right in making sure that we bring this issue to the floor and that we reassess that whole Endangered Species Act. I compliment him for this action.

Mr. McKAY. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from Utah.

Mr. McKAY. I thank the gentleman for yielding. I applaud his efforts.

Mr. Chairman, the critical situation we face with the conflict between long-standing Federal reclamation policy and the 1973 Endangered Species Act reminds me a little of the bumber cars you see at the amusement park with the cars representing laws passed by the Congress. We pass these laws and then give them a life of their own and steer them vaguely in the same direction. Sometimes the orders we leave with the drivers contradict each other, and there is a collision. But that is soon corrected and everyone usually gets around the track before the ride ends. Last week we witnessed a collision of a different sort. As confirmed by the Supreme Court, it occurred between the water development policy and the Endangered Species Act.

That act, passed 5 years ago, was a good idea and a statement of general policy which perhaps was overdue. But the law is too inflexible and outstrips the tools at our disposal.

Unless we correct this law, there are going to be more casualties involved than just the Tellico Dam. The law leaves no room for compromise and, therefore, dozens of projects across the country are now in jeopardy. I have carefully reviewed the legislation, and have identified several problems with it. The law now threatens to bottle up a good deal of the Central Utah project, which is Utah's principal means of getting its share of Upper Colorado River Basin water. Without the ability to store the spring runoff, we lose the ability to use the water. It is that simple.

It is perfectly normal that we as a nation pass routinely through legislative trends of one kind or another. The concern for the environment is one of these which the national mood several years ago and the endangered species law is one of the results.

Many of us have forgotten, but conservation and reclamation must go hand in hand. The reclamation program now embodied in the Bureau of Reclamation was conceived and born through the studies and foresight of such conservationists as President Theodore Roosevelt and Maj. John Wesley Powell.

Water is everything to many western communities. It means life itself, and without it, nothing is possible. We in the West never take water for granted. We watch the water supply like others watch the stock market. The legal battles fought over the rights to water in the Colorado River drainage system earlier in this century attest to this fact. An amicable agreement was finally reached between the Upper and Lower

Colorado River Basin States and then among the States comprising the Upper Colorado River Basin. These agreements make sense only when talked of in terms of water conservation and storage projects such as the Central Utah project.

Man is the only one of God's creatures which has the ability to change his environment. In many parts of the West, life is intolerable without alteration of the environment. Water development projects permit much more life than can exist without them. The Western Indians have long known this. They epitomize in their traditional relations with nature the wise distinctions beween resource utilization and conservation.

Environmentalism to Indians is the careful cultivation of the Earth in tandem with nature, and the constant use of reason to judge how far man can take in the give and take with nature.

An example of an unwise distinction is beginning to develop in my State. Two months ago endangered status was proposed by the Fish and Wildlife Service for the boneytail chub and threatened status was proposed for the razorback sucker. I hasten to affirm I have no animosity toward these small fish. However, the functional integrity of the Central Utah project must not be threatened by their need to survive in a particular location.

Consequently, I recommended that the Department of the Interior proceed with the proposed endangered and threatened classifications only after intensive surveys have been conducted by the Fish and Wildlife Service. Much new information must be compiled before such an important step is taken. It currently appears that the boneytail chub may actually have a much wider distribution than was originally thought. If such is in fact the case, a classification of endangered status would be entirely inappropriate.

In recommending an endangered and threatened status for the boneytail chub and the razorback sucker, the Fish and Wildlife Service has based its determination on suppositions and presumptions which must be viewed with some skepticism. For instance, the Fish and Wildlife Service maintains that—

> Minor changes in water quality may cause serious declines in the boneytail, hence any alteration of the mainstream or tributaries might result in the species extinction.

No evidence is offered to verify the claim that alteration of mainstream or tributaries in the Upper Colorado River system will actually impede the productive capabilities of adult chubs.

The Fish and Wildlife Service makes the statement that—

> Large numbers of adult razorbacks are usually found in reservoirs soon after dam closure, and these adult populations persist for approximately 30 years, and then disappear.

The Fish and Wildlife Service then goes on to describe Lakes Mead, Mohave, and Havasu as having at least some recruitment of razorbacks since closure of the dams. This contradiction indicates that the dams in fact do not result in the extinction of the species. They then admit that "it is not known whether razorbacks are reproducing in the Upper Basin." It, therefore, seems precipitous to establish the razorback as a threatened species on the basis of such sketchy and speculative information. What purpose can be served by designating them threatened when the Fish and Wildlife Service's own figures indicate that "razor-back adults have been reported recently" and "at present, recruitment appears to be maintaining some Upper Basin population level and, therefore, reproduction is assumed"?

Because the Fish and Wildlife Service has indicated that large adult boneytails have been found in lakes Mead and Mohave and spawning has been observed, I recommended that neither the boneytail chub or the razorback sucker be formally designated endangered or threatened.

Of greatest concern to me about the proposed recommendation is the impact the proposed determination would have on water development in the Uintah Basin. The draft environmental impact assessment prepared by the Fish and Wildlife Service covering the proposed determination identifies four of the five units in the Central Utah project which are "in or adjacent to the areas where these species occur." They are listed by name as the Bonneville Unit, the Ute Indian Unit, the Upalco Unit, and the Uintah Unit.

Three of these units, Bonneville, Uintah, and Upalco, have been funded for either initial or continued construction in the fiscal year 1979 public works appropriations bill which has passed the House of Representatives. I am very concerned that a premature determination could, if implemented, delay construction of these units and thus contravene the will of Congress that the units proceed to construction in fiscal year 1979.

Indeed, I strenuously object to the environmental impact assessment's conclusion that—

> These proposed determinations will obligate all federal agencies to carefully re-examine proposed projects . . . to ascertain if they will jeopardize the survival of the razorback sucker and bonytail chub or adversely modify their habitat. If it is found that any project will indeed adversely modify the habitat, those projects could have to be redesigned to eliminate those determinal aspects of the project. If this is impossible, the project may have to be abandoned.

Each of these projects presently funded for fiscal year 1979 construction has satisfied the prerequisite environmental examinations necessary for approval. I call to your attention testimony presented before the House Public Works Appropriations Subcommittee this year:

> Mr. McKAY. Is there any reason, aside from fiscal constraints, why the Uintah and Upalco units could not begin construction in fiscal year 1979?
>
> Mr. ANDRUS. No, we expect to complete the construction prerequisites. Assuming that no major problem develops, construction could be initiated in fiscal year 1979.

The EIS specifically addresses each feature of the Bonneville unit with respect to its impact on fisheries and not once is either of the two species mentioned as occupying a habitat affected by the project. This EIS has been tested and upheld in both the Utah Federal District Court and the 10th Circuit Court of Appeals. It seems quite unnecessary to once again force a reexamination of this project causing further delays in construction.

The recent decision of the U.S. Supreme Court in *Tennessee Valley Authority* v. *Hill et al.* No. 76–1701 which results in the termination of a water project nearly completed, specifically invites Congress to establish priorities of Federal action as between the Endangered Species Act of 1973 and authorized public works projects.

Other projects in my State are threatened by the inflexibility of the Endangered Species Act. The Warner Valley water reclamation project proposed in southwestern Utah is another case in point.

Utah is the second driest State in the Union. Southwestern Utah is one of the driest areas of the State. Portions of the Virgin River dry up every year, because of the low precipitation rate and existing agricultural diversions. Construction of the Warner Valley project would insure a continuous flow through parts of the river presently bone dry much of the year, and this fact undoubtedly would improve the habitat of a rare little fish called the "woundfin minnow."

The Fish and Wildlife Service has concluded that the Warner Valley project should not be allowed unless a certain minimum water flow occurs as a result of the project. But the means taken by the Fish and Wildlife Service in reaching its hypothetical minimum stream flow recommendations leads many experts to the conclusion that the agency intentionally structured its data and established averages in order to justify its predetermined conclusions. Sound data was ignored, other information was misinterpreted, misconstrued, or misunderstood, and some of the information which was used was collected in a manner which points to this original bias.

Evidence ignored by the Fish and Wildlife Service shows that the project not only will allow adequate habitat for the minnow, but some areas will be enhanced for the species, because water will flow continuously through these portions of the river throughout the dry summer months.

The woundfin has thrived in the river for over a century, adjusting to present irrigation and water use practices. In fact, recent study indicates that there are hundreds of thousands of the fish now thriving there.

An example of this puzzling bias is the fact that a hot springs headwaters near LaVerkin on the Virgin River is an unacceptable habitat for the woundfin. The fish occasionally migrate to the area, find the habitat unacceptable, and return to a more habitable portion of the river. Nonetheless, the Fish and Wildlife Service continues to include this section of the river as a critical habitat for the woundfin.

Mr. Chairman, the time has come to apply commonsense and the rule of reason to the Endangered Species Act. I call upon the appropriate committees and the Congress to amend section 7 of the act and to take whatever other remedial action is required to make it comport with modern-day America. This

may include the delegation of authority to the multiple-use agencies for the responsibility of ascertaining a particular endangered species. They might take into account such considerations as: Identification, determination, protection, restoration, and mitigation. Jurisdiction could be based on the habitat, land or water under the agency's authority. Another possibility would be to direct that subspecies or variations of nonlisted species shall not be included as an endangered species. The time to act is now.

Mr. McEWEN. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from New York.

Mr. McEWEN. I thank the gentleman for yielding. I, too, want to commend the gentleman for his interest and his efforts in this field. I think all of us are seeing the effects of, as the gentleman from California (Mr. ROUSSELOT) said, really stopping legitimate endeavors of man over sub, subspecies.

In my own area we had a much needed hydroproject that came to a grinding halt, because of the Indiana bat that the gentleman from Missouri (Mr. ICHORD) identified. I do not know what sort of a subspecies an Indiana bat is. I know in my own home we have a few bats that I would be glad to offer as replacements. But our hydroproject was stopped.

I say to my colleagues, if they have not met with the people in the building and construction trades unions, you should know that they are terribly concerned about this. In my own area, Mr. Chairman, we have our greatest unemployment in the building trades, which simply cannot get construction started, because there is always another sub, subspecies that is identified and alleged to be endangered.

Most of all, I want to commend our colleague, the gentleman from Tennessee (Mr. BEARD), for the interest he has taken in this. I know also that in another suit, the uniform of the U.S. Marine Corps, the gentleman had to maneuver through the red-cockaded woodpeckers at Camp Lejeune. May I say to the gentleman that, if they are endangered there, I was at Fort Polk, La., and it is covered with red-cockaded woodpeckers. I do think they are doing well there, and I hope they are. I just hope, too, that we have room for the Army and the marines as well.

Mr. RISENHOOVER. Mr. Chairman, will the gentleman yield?

Mr. BEARD of Tennessee. I yield to the gentleman from Oklahoma.

Mr. RISENHOOVER. I thank the gentleman for yielding.

I, too, want to commend the gentleman from Tennessee for his action regarding this appropriation and for his restraint.

It is such legislation, as the Endangered Species Act, that makes me a very proud member of the Dirty Dozen and I hope I can remain on that list as long as this kind of legislation remains on the books.

Mr. BEARD of Tennessee. Mr. Chairman, let me say in closing, I appreciate the remarks that have been made. I personally do not want to see this bill gutted. I want to see flexibility. I want to see reason brought back into it. All but 12 Members of the House voted for this particular legislation under suspension.

The CHAIRMAN. The time of the gentleman from Tennessee (Mr. BEARD) has expired.

(By unanimous consent, Mr. BEARD of Tennessee was allowed to proceed for 1 additional minute.)

Mr. BEARD of Tennessee. Mr. Chairman, all but 12 Members voted for this piece of legislation 3 years ago. I think if you would ask the majority of the Members of this House why they voted for it or what was in their minds when they voted for it, they thought of the grizzly bear, the eagle, species along these lines; but not one of the 167 variations of a particular species that was added on to prohibit the completion of an 80-percent complete project.

Reason must prevail and the only way reason can prevail is through legitimate hearings where we as Representatives of the people of this country have the opportunity to express our concerns and our suggestions for improvement of this bill.

I think the chairman of the committee and the minority leader of the committee for being so gracious.

● Mr. LEGGETT. Mr. Chairman, the gentleman from Tennessee has made a number of allegations about the Merchant Marine and Fisheries Committee and my subcommittee. I want to take this opportunity to refute them.

First, the committee did not hold a hearing and report out the Endangered Species Act reauthorization bill in the same day. The Subcommittee on Fisheries and Wildlife Conservation and the Environment held an open hearing on the bill on February 15, 1978. The subcommittee marked up the legislation on March 14, 1978, and the Merchant Marine and Fisheries Committee ordered the legislation report to the floor of the House on March 16, 1978.

Second, the committee did not provide Members with only 1 day of notice of the reauthorization hearing. As Chairman MURPHY explained in a June 8 letter to Congressman BEARD, the hearing notice was advertised on February 8, 1978, 1 week prior to the scheduled hearing.

Third, no Member of Congress was precluded from testifying at the subcommittee hearing. The Merchant Marine and Fisheries Committee has a longstanding policy of permitting all interested witnesses to testify. Some of our hearings have extended well into the evening as a result of this policy. In fact, Congressman BEARD testified at length during the recent oversight hearings and was permitted to cross-examine witnesses as if he were a member of the committee on 2 days.

Fourth, the committee has not "railroaded" the authorization bill through the House. In fact, that bill has been specifically withheld from the floor until the committee has had an opportunity to develop amendments to the act. Further, the bill will go to the floor under an open rule permitting any and all amendments to be offered.

It is true that the February 14 hearing focused on the administration's endangered species budget request for fiscal year 1979, rather than substantive endangered species issues. The committee and subcommittee leadership has decided that the press of business, the complexity of the endangered species issue, and the large number of witnesses seeking to testify necessitated postponing further hearings until May.

It should be noted that the Congressional Budget Act requires all committees to report all authorizing legislation to the House by May 15. The Subcommittee on Fisheries and Wildlife Conservation and the Environment alone was responsible for reporting 15 individual pieces of legislation authorizing appropriations for new or existing programs. In addition, during the months of March and April, the subcommittee and full committee was deeply involved in the Alaska national interest lands bill which had a reporting deadline of May 1.

The Subcommittee on Fisheries and Wildlife Conservation is currently involved in the most extensive review of the Endangered Species Act ever conducted. Five days of hearings have already been held on the act and more are scheduled. The committee intends to fully and deliberately review the need for amendment to the Endangered Species Act. It is likely that the committee will be developing amendments to the act for consideration by the House along with the authorization legislation and I further want to announce that today our committee is asking the Rules Committee for an open rule on this new reauthorization.

I would like to point out that of the approximately 629 species listed, 439 are foreign species and are not even subject to section 7 of the Endangered Species Act. Further, of the approximately 190 U.S. species on the list, only about 50 are subject to State conservation efforts.●

Mr. RISENHOOVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a century and a half ago, the U.S. Government sent the Cherokees and other Indians to Oklahoma—giving them fee simple title to land in exchange for their homelands in the East.

Those solemn treaties often were trampled by white settlement. Through a sense of justice and hard drive by dedicated people this country has slowly moved toward resolution of the problems. I rise today to address the thorny and pressing issues still affecting the Cherokee and their land.

The U.S. Supreme Court ruled in 1970 that three Oklahoma Tribes still own segments of the Arkansas River bed and banks—settling 60 years of confusion on the issue.

Congress subsequently appropriated money to appraise the value of sand, gravel, gas, and coal reserves, market value of the land, power head rights and dam site values, besides recreation, fish, and wildlife benefits. The total value is $177 million.

As late as May 10, Cherokee Chief Ross O. Swimmer signed an agreement with the Department of the Interior—which, I am told, no one at Interior has yet formally signed—claiming some $8.5 million as fair value of sand and gravel in the river bed.

In an act of decency and responsibility, Secretary Cecil Andrus requested that the money be added to the supplemental budget for 1978.

The Office of Management and Budget denied the money claiming "especially rigid" and "only those items deemed to be critical were included."

Chief Swimmer addresses the critical need for the money which he said will "create the means by which the Cherokees can help themselves." he said:

The Cherokees in northeastern Oklahoma number about 21,000. Over 80 percent of them live in rural areas. The isolation which results from a lack of adequate transportation compounds the problems of poverty, unemployment, substandard health care, housing and education. About 50 percent of the Cherokee families have income below the poverty level, and as many as 70 percent of the unemployed within the area are Indian. Poor access to various services makes the problem worse.

The Courts' decisions were based on ancient but solemn treaties of the United States. Andrew Wilcoxer., General Counsel of the Cherokee Nation, has commented on our country's failure to pay the quasi-sovereign Indian Nations for the property we have taken from them.

Besides treaties, laws and fee simple title to the land, Wilcoxen comments:

It must also be remembered that the relationship between the United States and its Indian ward was and is a fiduciary one and imposes on the Government the greatest responsibilities to deal fairly with them.

Mr. Chairman, I have been advised that the mood of Congress is improper for fair consideration of an amendment adding the money to the Bureau of Indian Affairs budget to pay this lawful debt of our Government.

I disagree. I believe we have an honorable Government. I believe Members of Congress are honorable people who believe in paying debts—old and new.

To wait, to delay, or deny this lawful payment of our debt to the Cherokees would be clearly wrong. We owe the bill—everyone agrees—and we should pay it. This debt is more than lawful—it is a moral obligation to our own people. If we owed the money to a nation beyond these shores, I think we would have unanimous agreement to pay the bill. The money that I seek to add to this bill today is owed to the Cherokee Nation, whose people live in peace—and poverty—among us.

I intended to ask my colleagues to approve this amendment as a lawful responsibility: as an expression of respect for our treaties and laws, and as a moral obligation that has been denied for over half a century; but the assurances of the chairman of the subcommittee that he will work toward expeditious payment of this debt satisfies me and I am sure will satisfy the Cherokees. We know from experience that the gentleman from Illinois does not speak with forked tongue.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. RISENHOOVER. I yield to the chairman of the subcommittee.

Mr. YATES. Mr. Chairman, I want to assure you that the gentleman from Illinois does not speak with forked tongue, and that the assurances I gave the gentleman in our earlier colloquy will be pursued and followed.

The gentleman from Illinois and our committee will make every effort to try to resolve the debt to the Cherokees as promptly as possible.

Mr. RISENHOOVER. Mr. Chairman, I appreciate the subcommittee chairman's assurances.

I might add that I personally am embarrassed to go back to the people I have urged to support this administration and tell them that the administration did not even make a recommendation that this lawful debt be paid and did not even make such a recommendation to the Subcommittee of the Committee on Appropriations of the House of Representatives.

Mr. PHILLIP BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a question which concerns language in the committee report on this measure which deals with the acquisitions of inholdings in our older national parks.

As the gentleman knows, I have been concerned that we expedite the conduct of this purchase program in order both to protect these national parks from further development and to insure that acquisitions be completed before rising land costs greatly increase our total expenditure in this area.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PHILLIP BURTON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman is correct. I am very much aware of the gentleman's concern.

May I tell the gentleman that our committee shares the gentleman's concern. We were disturbed that the National Park Service has changed its management guidelines over the past year and has implemented a revised policy without full opportunity for public review and discussions.

In our bill our committee has recommended $10 million to continue the inholdings purchase program, and we believe the National Park Service must conduct public hearings in good faith regarding implementation of this policy. There has been a great deal of controversy in the Park Service respecting the inholdings policy.

What our committee desires is a rule of reason to be observed by the Park Service, that it should not resort to extreme measures, either in preventing owners of inholdings from enjoying their inholdings or other extreme measures. The committee is concerned that the Park Service should not permit the development of commercial enterprises or subdivisions. That is far from our mind. We agree with the gentleman from California that there ought to be good faith public hearings on what the procedures ought to be.

Mr. PHILLIP BURTON. I understand the gentleman. Does the gentleman believe that, in an instance where commercial developments or tract housing or housing intended for purposes other than occupancy by the owner of the land, that that kind of development is not intended to be insulated from the Park Service and the Department of the Interior from foreclosing such an event?

Mr. YATES. If the gentleman will yield, it certainly is the intention of our committee that inholdings in the older, western parks should not be expanded for commercial purposes. There have been a number of complaints brought to the attention of the committee by unreasonable restrictions of the Park Service. For example, the gentleman from California (Mr. SISK) brought to the committee certain complaints in Yosemite of people who had been threatened of taking by the Park Service because they wanted to add an addition to their house or the inclusion of an extra toilet. I think that kind of a threat is unreasonable. And certainly it is the intent of our committee that a much more reasonable attitude be observed by the Park Service.

Mr. PHILLIP BURTON. In the committee report, a matter that makes it very difficult for any of us to deal with, because it is not subject to amendment, as would the normal course of establishing legislative guidelines, reference is made to public hearings.

Mr. YATES. Yes.

Mr. PHILLIP BURTON. In discussions with the Chair, I am led to believe that hearings here in the Washington area, and in two or three areas throughout the country would suffice if those hearings were held in good faith and then, following those hearings, the rule of reason, if you will, will be the guidelines for the Agency and the Department to implement this acquisition policy; am I correct in that understanding?

Mr. YATES. The gentleman is correct.

The CHAIRMAN. The time of the gentleman from California (Mr. PHILLIP BURTON) has expired.

(By unanimous consent, Mr. PHILLIP BURTON was allowed to proceed for 2 additional minutes.)

Mr. PHILLIP BURTON. I further understand that if the department is making good-faith efforts to proceed with the public hearing process, and there is an item that would, by all reasonable standards, shock the conscience, it would not be the intention, I would hope, of the Chair to preclude the Department from bringing this matter to the attention of the subcommittee to see if they could exercise existing authority.

Mr. YATES. The gentleman is correct.

Mr. PHILLIP BURTON. I thank the gentleman.

Mr. GEPHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the provision in H.R. 12932, Interior appropriations, which provides $1,655,000 for

the Jefferson National Expansion Memorial in St. Louis.

This project, which is a monument to the pioneer spirit of Americans who launched the westward expansion of our Nation, was first authorized over 40 years ago. Since that time, it has developed into one of the greatest attractions in the world with the completion of the Gateway Arch, renovation of the historic Old Courthouse, and opening of the Museum of Westward Expansion.

The project, however, is not yet completed. Last year the Congress approved over $4 million to fund site development of the grounds around the arch at an accelerated pace. The contract on that job has been signed and the work is now underway. With the funds recommended in this bill, landscaping of the grounds can now go forward. By making the money available in fiscal 1979, the planting can be coordinated with the site development, thereby lowering the cost and providing for more efficient execution of the work.

Once landscaping is underway, the Jefferson National Expansion Memorial will need pedestrian overpasses across the interstate highway which visitors must now cross to get from the arch and Museum of Westward Expansion to the Old Courthouse and adjacent mall area. The existing situation presents a considerable safety hazard to the millions of visitors to the memorial or discourages many tourists to the arch from seeing the Old Courthouse as well.

Finally, before the overpasses can be built the Luther Ely Smith Square in front of the courthouse must be reconstructed to accommodate them.

The Jefferson National Expansion Memorial is a keystone in the ongoing effort to revitalize St. Louis. It is a major tourist attraction for over 3.6 million visitors a year and it has largely been responsible for the rebirth of downtown St. Louis.

The memorial is an asset not only for St. Louis but for the Nation. Its completion is long overdue. The funds included in the Interior appropriations bill before us today will assure significant progress toward that end.

My one concern about the Interior appropriations bill is the deletion of the administration's budget request of $544,000 for renovation of the Old Courthouse.

Last year the Congress approved a similar amount which is now being spent on emergency repairs to the dome of this historic structure which was the site of the famed Dred Scott trial. The leaky roof had caused chunks of the ceiling to fall. Repairs were absolutely essential not only to preserve the historic structure but to protect visitors in the rotunda area.

Additional renovation is sorely needed. The budget request was intended to pay for repairs on the roof area below the courthouse dome which would include sealing of cracks in the limestone blocks, tuck pointing (involving work on stone and mortar joints), and repainting. This work represents the second phase of a four-step program to renovate the Old Courthouse.

While this work is seriously needed and has been carefully planned, I can understand the committee's reluctance to fund this and other projects in the National Park Service construction program in view of the apparently inadequate budget justifications provided to the committee. In this time of growing concern about unnecessary Government expenditures, I believe the committee is right to demand better explanation from the Park Service of its construction program priorities and stronger justification of the amounts requested.

I understand the Park Service is now actively developing this information and should be submitting it to the Congress later this summer. It is my sincere hope that the justifications will be forthcoming as soon as possible so that repair of the Old Courthouse can go forward without further delay.

The CHAIRMAN. Are there any amendments to title I?

If not, the Clerk will read title II.

The Clerk proceeded to read title II.

Mr. YATES. Mr. Chairman, I ask unanimous consent that title II be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order to title II?

Are there any amendments to title II?

AMENDMENT OFFERED BY MR. MOFFETT

Mr. MOFFETT. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

ECONOMIC REGULATORY ADMINISTRATION

For necessary expenses in carrying out the activities of the Economic Regulatory Administration, $94,733,000: *Provided*, That none of the funds herein appropriated shall be available to pay the expenses of parties intervening in regulatory proceedings before the Economic Regulatory Administration.

The Clerk read as follows:

Amendment offered by Mr. MOFFETT: On page 38, line 12, change the colon to a period and strike all of line 13 through the period on line 16.

Mr. MOFFETT. Mr. Chairman, this amendment, very simply, strikes out lines 13 through 16 on page 38. It strikes out the language which would prohibit the use of funds to pay the expenses of parties intervening in regulatory proceedings before the Economic Regulatory Administration.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from Illinois.

Mr. YATES. Payment for such expenses is provided for in the authorizing legislation, is it not?

Mr. MOFFETT. Yes, it is.

Mr. YATES. I want to tell the gentleman that this side of the committee is willing to accept the gentleman's amendment, with the expectation that the amounts made available by the agency would be within reasonable bounds.

Mr. MOFFETT. I thank the chairman. Very quickly, I would like to add that it is my intention to have that be the case. As the distinguished subcommittee chairman knows, there have only been two applicants thus far for intervention. One is the Consumer Federation of America on the question of middle distillate oil, and the other is the Consumers Association on the question of refiner overcharges. Since these funds do come out of the general funds, it is our expectation and my intent that we would not have anything extravagant take place.

Mr. YATES. It is my understanding that the amount of the funds expended by this project thus far have been something in the nature of $40,000.

Mr. MOFFETT. That is right, exactly.

Mr. YATES. I would expect the agency to stay about at that level.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, it is my understanding that the amount that is authorized for these legal funds under the authorizing bill is $40,000 in total.

Mr. MOFFETT. No, I do not believe that is correct.

Mr. DICKS. What is the amount of the authorization? Is it as much money as necessary, unlimited authorization?

Mr. MOFFETT. Yes.

Mr. DICKS. For intervenor fees. In other words, we are saying it is like an entitlement program, they can spend as much as they want.

Mr. MOFFETT. If the gentleman will allow me to reclaim my time, let me tell him something he may already know, which is about the history of intervenor funding not only with regard to this agency, but to all agencies. There has been no case that anyone can cite where an agency has gone to what I think any reasonable person would regard as an extravagant kind of level.

Some have argued that agencies have the inherent power under their own enabling legislation to allow this to happen. For example, the Comptroller General in 1972 issued an opinion stating that it was the Federal Trade Commission's inherent authority to reimburse intervenors for their attorneys' fees and other costs in court in the adjudicatory proceedings.

The Comptroller General again ruled in favor of intervenor funding in a case regarding the Nuclear Regulatory Administration in February 1976, that it had inherent statutory power to facilitate public participation in those proceedings by using its funds to reimburse where it believes such participation is necessary or required by statute, or where it finds the intervenor is indigent or otherwise unable to bear the financial costs of participation in the proceedings.

I think the members of the committee can make it absolutely clear—and I would intend to do this—that we do not want any extravagance. We want them to be very frugal. We want them not to allow a whole cadre of intervenors into a participation.

Mr. DICKS. I am just curious. How does an agency make a decision about which agency should be allowed to intervene? What kind of standard do they use? I understand there might be a stat-

utory requirement, but what kind of standard should they use to make these kinds of judgments?

Mr. MOFFETT. Well, again I think the history of intervenors indicates what that standard should be. Where you are not going to otherwise have a particular point of view represented, you should do that. The standard that has been used in the past has been one that has varied from agency to agency for many years. It is my understanding that under the authorizing legislation it is laid out that the Economic Regulatory Administration, which we are talking about here, would in a judicious fashion try to allow for points of view that are not otherwise presented.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(At the request of Mr. DICKS and by unanimous consent, Mr. MOFFETT was allowed to proceed for 2 additional minutes.)

Mr. DICKS. So, what we are saying here is that there is not a limitation. It is up to the head of the agency to make a judgment. He looks at the financial condition of the proposed intervenor; he makes an assessment whether this point of view will not be heard, and if he so desires, he can allow these obligations to be incurred.

I thank the gentleman for yielding to me.

Mr. STOCKMAN. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from Michigan.

Mr. STOCKMAN. Mr. Chairman, the gentleman has insisted that these intervenor payments not be extravagant and I think he is making a very important point, but it is my understanding in the Consumer Federation of America case, the intervenor is being paid a rate equivalent to what a private firm which had a case before the regulatory commission would be paid, but on top of that the intervenor is being paid by the organization for which that intervenor works. It seems to me that is double dipping, No. 1, and No. 2, it would fall under my definition of extravagant. Is it the gentleman's intention that these intervenors be paid at the high rates levied by the private sector?

Mr. MOFFETT. Is the gentleman referring to where the Consumer Federation goes out and hires a law firm?

Mr. STOCKMAN. In this case the intervenor was actually an employee of the intervenor organization.

Mr. MOFFETT. I think we can make it clear in this dialog, which has contributed to that clarification, that there should not be a double dipping, but I do not, and I do not think the gentleman would intend that to bar a Consumer Federation or other group from going to a law firm to hire an attorney.

Mr. STOCKMAN. I would hope we would not make this a prevailing wage law. I am on the House Administration Committee and we had all these contested cases and the winners and losers retained counsel, and we refused to give them the going rate. We did not want to give them that rate. Would the gentleman agree with that?

Mr. MOFFETT. Absolutely.

If I might reclaim my time, let me share with the Committee a couple of statistics. At the Federal Power Commission, when it was the Federal Power Commission, there was no public participation in six out of eight proceedings which the FPC picked as the most important proconsumer proceedings. In the two dockets where there was participation, it was weighted 12-to-1 in one case, and 4-to-1 in the other. At the Federal Energy Administration, industries regulated by the FEA accounted for 90 percent of all petitioners, while consumer groups accounted for only 3 percent.

We have been through this before. I think we can make a case that, in fact, it is the Commission that is supposed to be a proconsumer interest, but we all know these are quasi-judicial proceedings in a sense and the Commissioners are sitting basically as judges, and if we do not have some consumer representation, we will have a record certainly tilted in one direction.

This is one of the reasons why I think it is important to adopt the amendment certainly saying we do not at least want to prohibit these agencies from moving in the direction of supplying this funding.

But let me point out one very important thing to my colleagues. This amendment does not mandate funding and I do not intend to mandate funding or setting an amount. It only gives discretion to the agency if it feels it is necessary to have a public input and the agency has shown no great inclination to make this a common practice where they go out and fish up people to intervene. I do not want that to be the case.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the chairman of the committee, the gentleman from Illinois.

Mr. YATES. Mr. Chairman, would the gentleman be willing to accept a limitation on his amendment of, say, $100,000?

Mr. MOFFETT. I certainly would.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the chairman of the committee, the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I would offer a perfecting amendment to the amendment offered by the gentleman from Connecticut (Mr. MOFFETT) if it is in order at this time. Would the gentleman yield for that purpose?

Mr. MOFFETT. I am happy to yield to the chairman.

PERFECTING AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer a perfecting amendment to the bill.

The Clerk read as follows:

Perfecting amendment offered by Mr. YATES:

Strike the proviso beginning on page 38, line 12, and insert: "*Provided*, That of the funds herein appropriated not to exceed $100,000 shall be available to pay the expenses of parties intervening in proceedings before the Economic Regulatory Administration."

The CHAIRMAN. The Chair will state that the Chair feels this is a perfecting amendment to the bill and the vote should occur first on the perfecting amendment, then, if it is agreed to, there will not be a vote on the amendment offered by the gentleman from Connecticut (Mr. MOFFETT) which proposes to strike out the proviso.

Mr. YATES. Mr. Chairman, the purpose of this amendment is to place a limit on the authority contained in the authorizing legislation. There is no limit at the present time on the amounts authorized to be made available for payment of expenses for such intervenors. And if it is the intention of the gentleman from Connecticut (Mr. MOFFETT) that there be a limitation, and certainly it is the intention of the committee that there be an appropriate limitation, then I believe that the sum of $100,000 will be an adequate and a reasonable amount for that purpose.

Mr. McDADE. If the gentleman will yield, may I say to my chairman that I think the limitation he has suggested is an excellent one and one that we on this side of the aisle can support my chairman's perfecting amendment.

I believe that we ought to watch this closely because it is a very difficult question as to who gets recognized and who does not. This is a way of removing a problem that we were trying to correct when we wrote the legislation.

Mr. DUNCAN of Oregon. Mr. Chairman, if the gentleman will yield, the gentleman knows how reluctantly I rise to oppose any suggestion the gentleman offers and that I have the highest respect for his judgment and for his intentions.

Mr. Chairman, it seems to me this amendment points out one of the dangers of this whole approach that is being taken by the gentleman from Connecticut (Mr. MOFFETT) to assure, ostensibly, public interests are represented in front of the regulatory agencies.

May I inquire of the gentleman from Illinois (Mr. YATES) as to how the $100,000 figure was arrived at?

Mr. YATES. The $100,000 figure was arrived at on the basis of estimates of pending requests on the Economic Regulatory Administration (ERA) which exceed $100,000 at the present time. I thought my limitation was a reasonable one.

Mr. DUNCAN of Oregon. Mr. Chairman, if the gentleman will yield still further, I think this points out the weakness of this whole system. Certainly I support a limitation, but it seems to me that in any free society that if its government undertakes to pay the costs and expenses of intervenors that we ought to pay it on an equal basis and pay the costs of all the intervenors.

It does not seem to me to be correct in a free society that we not treat all citizens alike and that we require certain intervenors to pay their own expenses because, in the judgment of some member of the bureaucracy, he can afford it and yet pay someone else's expenses because, in his judgment that intervenor cannot, or because his viewpoint is being inadequately expressed by someone else. It seems to me that we are treating all citizens differently when they are all in exactly the same position.

It seems to me that if we are going to undertake this course of action that we have to provide what is, in effect, an entitlement program, so that any citizen who believes he has a point of view and wants to express that point of view, can express it at the Government's expense.

I do not agree with that.

I think these regulatory agencies were established for the purpose of protecting the public's interest and, indeed, the only purpose of the U.S. Government itself is to protect the public's interest. Therefore, it would seem to me that if an agency is not doing as it should then the remedy is to correct the regulatory agency and not to provide unlimited amounts of money to intervenors to continue to frustrate and delay any progress in this country.

Can this be done? Yes it can. And I would point out the Civil Aeronautics Board who, without this power of paying for intervenors, has been able to move dramatically in the direction of protecting the public's interest. Airplane rates have dropped by something over 50 percent. In addition, revenues of airlines are up and their profits are up. So an agency can move without this power of intervention.

And, incidentally, the power is there, and I would not detract from that one iota. The only question we are asking here is whether we are going to call upon the taxpayers to pay for the costs of the intervention, not of every citizen, but only of a very select few.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Connecticut.

I would just like to, if the Chairman would permit, read from the statement of the Chief Circuit Court Judge Warren Burger, in 1966 in the case of United Church of Christ against the Federal Communications Commission.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. MOFFETT, and by unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. MOFFETT. If the gentleman would yield further, he said:

> The theory that the Commission can always effectively represent the listener interests in a renewal proceeding without the aid and participation of legitimate listener representatives fulfilling the role of private attorneys general is one of those assumptions we collectively try to work with so long as they are reasonably adequate. When it becomes clear, as it does to us now, that it is no longer a valid assumption which stands up under the realities of actual experience, neither we nor the Commission can continue to rely on it.

I think the gentleman from Oregon feels that the power is there now and he would not interfere with it. The problem with that is that the langauge of the bill prohibits the use of funds to pay the expenses of parties intervening in Federal regulatory proceedings before the Economic Regulatory Administration. I do not know if the gentleman intends for that to be the case.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. I thank the gentleman for yielding.

What I said was the power to intervene exists, and it must be maintained. The question I have is as to the legitimacy, the desirability, the fairness, the constitutionality, indeed, of paying for the cost of intervention of some but not the cost of all.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield further?

Mr. YATES. I yield to the gentleman from Connecticut.

Mr. MOFFETT. I thank the gentleman for yielding.

I do not want to belabor the point, but I want to say that, look, we know that the odds are stacked against consumers in terms of intervening. We can talk about their power being there, but the fact of the matter is that in two rather famous examples set forth by a Senate study, A.T. & T. was shown to have spent $1 million for only one Federal Communications Commission case in 1975; 11 airlines were shown to have spent over $3 million for one CAB case. In the A.T. & T. case, the public interest groups were forced to withdraw because they could not keep up with the funding levels. In the CAB case the public interest group spent half of its annual budget, $20,000, on the case. So clearly the ability of the regulated industries to obtain financing in these cases needs to be served. I am not suggesting in any way that we limit the industries in their ability to go into these agencies and make their points. I think there are real first amendment problems with that. But how in the world can we at least try to even up the odds? I do not suggest we mandate intervenor funding, but let us not take away the power for the agency to do that. That is all my amendment seeks to do.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. I thank the gentleman for yielding.

The only thing I say is the purpose of the regulatory agency in the first place is to protect the public interest. I would be the first to concede that in some industries they have become the captive of the industries they have been supposed to regulate. But I also say if that has become the case, it is not our function to finance with unlimited amounts of money, as I think we must if we start down this road, but, rather, to correct the operations of that regulatory agency, and I cite that that has been done with the Civil Aeronautics Board.

Mr. YATES. Mr. Chairman, I should like to reclaim my time.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. YATES. Mr. Chairman, I should like to point out to the gentleman from Oregon (Mr. DUNCAN) two things. First, that we do provide for public representation of people who do not have enough money to hire their own lawyers now, but perforce there is a limit on the amount of representation we allow by the amount of money we make available. The fact that we do not make enough money available to take care of all of the citizens does not mean we should not make available the amount we do.

The second point I should like to make is this: Over the years the administrative agencies have, indeed, become crystallized and stereotyped and no longer file suits on their own motion for the correction of public abuses as they used to do. The gentleman's example of what the CAB has done recently in permitting greater competition among airlines to serve as a stimulus for the reduction of fares I think is unique by the fact that there is only one agency among all the regulatory agencies which has done this. All the other regulatory agencies usually sit back and act as referees and do not carry out the requirement that they act in the public interest as the gentleman said they are supposed to do.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. I thank the gentleman for yielding.

If that is the case, then again I say their remedy is to correct those administrative agencies. I have already indicated that that has been done in one instance.

Will the gentleman yield further?

Mr. YATES. I yield to the gentleman.

Mr. DUNCAN of Oregon. In the case the gentleman mentioned about paying the attorneys' fees of indigents accused of crime——

Mr. YATES. Not accused of crime only, but also for civil cases now.

Mr. DUNCAN of Oregon. As far as anyone accused of crime is concerned, any indigent is entitled to have his attorneys' fees paid; he is entitled to those court costs to be paid; and it is an entitlement program and it is a constitutional right.

If we are undertaking this course of action, it seems to me that is the only way we ought to operate to make these fees available to everyone and give them a chance to present their case.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 1 additional minute.)

Mr. YATES. Mr. Chairman, may I point out to the gentleman (Mr. DUNCAN) that the recommendation of the gentleman (Mr. MOFFETT) is taking care of these situations. The authorizing committee in this instance is providing the opportunity for ERA to make payments to intervenors where they thought the intervenors had presented some kind of constructive action. I thought it should not be open ended and it was for that reason I offered the amendment that I did.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that I share some of the concerns of my colleague from Oregon on this amendment; but I think that the gentleman's perfecting amendment does make a proper limita-

tion of the amount of funds that are going to be spent next year.

I think the gentleman from Connecticut is correct in pointing out the large number of other agencies of the Federal Government that are allowing this. After all, we did defeat the Consumer Protection Act earlier this year. One of the things that the opponents of that legislation suggested is that individual agencies should handle these matters on a case-by-case and agency-by-agency basis; so I think the limitation is proper. I think this is a fair compromise. I would urge the Committee to accept the amendment of the gentleman from Connecticut, as perfected by the gentleman from Illinois.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Connecticut.

Mr. MOFFETT. Mr. Chairman, one last point for the distinguished gentleman from Oregon (Mr. DUNCAN).

Mr. DICKS. The gentleman is working on the Forest Service budget right now.

Mr. MOFFETT. Mr. Chairman, in a sense the opposition makes this sound like it is something new and innovative. It is not a new concept.

Let me point out very quickly that the Federal Trade Commission has already awarded funds to 51 applicants in 15 proceedings. That is just one example of what they have done.

In the hearing aid rulemaking, in which a lot of Members were interested and found useful, they awarded funds to the National Council for Senior Citizens. It was generally, I believe, felt that the National Council for Senior Citizens did an extraordinary job in that proceeding.

It is also quite clear that the National Council for Senior Citizens would not have been in that proceeding, were it not for intervener funding.

Another example, the Agriculture Department tells us that on food stamp proceedings, for example, they found it very useful to use their general authority as they see it to allow for limited intervenor findings.

The Department of Commerce has a program in place. They received one request, that is all, from the Environmental Law Institute in Florida.

The Food and Drug Administration has a program in place.

Again, nothing extravagant is going on. It is not a new concept, but it is a very important American as apple pie concept to try and allow participation, especially at a time when all of us bemoan the lack of participation, the lack of involvement, the lack of interest by citizens in these proceedings.

Mr. Chairman, I applaud the gentleman for supporting both the gentleman's amendment and mine.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to both the amendments.

Mr. Chairman, I understand the purpose of the gentleman from Illinois in offering this amendment. The gentleman is one of the great and able legislators of this House. I can appreciate the gentleman's desire to want to compromise the situation by providing a $100,000-limit on the funding for intervenors; but the committee which is chaired by the gentleman from Illinois was correct when it originally adopted this absolute prohibition against intervenors funding.

This business of Federal intervenor funding is getting out of hand. It is true that it has been provided by statute in certain cases, notably at the FTC. My own Subcommittee on Energy and the Environment has had this question before it dealing with the Nuclear Regulatory Commission as to whether or not Federal funds should be used to allow groups to intervene in regulatory actions, stop nuclear plants and finance their testimony on such issues. The FTC has very carefully circumscribed availability to those groups which would contribute something to its hearings. It has other restrictions having to do with the financial availability of the group that applies for Federal funding.

This particular restriction in this bill has to do with a new subagency of the Department of Energy. It is quite proper to put this restriction in an appropriation bill so that the authorizing committees can deal eventually with this question of intervenor funding.

Beyond that, there is another point. The Committee on the Judiciary of the House and committees of the other body have been considering legislation for intervenor funding all across the board for Federal agencies. I think the matter ought to be dealt with in that general manner, because there are many complex questions as to whether we ought to be handing out taxpayers' money to finance legal action or intervention in regulatory agencies. This is another case of expanding Federal spending and in this case doing it without any authorizing legislation. By implication, if we adopt the language of the gentleman from Illinois (Mr. YATES) we will encourage such funding.

But the gentleman from Connecticut (Mr. MOFFETT) puts his finger on the issue. He is very happy that the National Council of Senior Citizens has gotten money from the Federal Government to intervene in cases before some agencies. That is very nice, but the National Council of Senior Citizens is engaged in political activities. They put out congressional vote ratings indicating that any conservative is always against old people and any liberal is for old people. They are essentially a political action and a lobbying group, on behalf of a very leftwing liberal viewpoint on all issues albeit they do espouse senior citizens issues as well.

My feeling is that we ought not to get into the business of providing taxpayer funds for this kind of intervenor funding. If these groups want to raise their own funds or if they want the AFL–CIO to finance some particular group let them do it, but let us not spend our taxpayers' money for this kind of special interest advocacy by self-appointed defenders of the public.

Mr. Chairman, I can appreciate this is a compromise, but it is a bad compromise and the committee's position ought to be upheld. I appeal to the subcommittee chairman to stand by his committee on this issue, and I ask all the other Members to stand with the committee on this matter.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from Illinois (Mr. YATES) to the amendment offered by the gentleman from Connecticut (Mr. MOFFETT).

The question was taken, and on a division (demanded by Mr. BAUMAN) there were—ayes 16, noes 19.

Mr. MOFFETT. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Connecticut (Mr. MOFFETT) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes 221, not voting 22, as follows:

[Roll No. 475]

AYES—190

Addabbo	Dellums	Leggett
Alexander	Derrick	Lehman
Ammerman	Dicks	Levitas
Anderson, Calif.	Diggs	Lloyd, Calif.
	Dingell	Long, Md.
Anderson, Ill.	Dodd	Lundine
Andrews, N.C.	Downey	McCloskey
Andrews, N. Dak.	Drinan	McDade
	Early	McHugh
Applegate	Eckhardt	Maguire
Ashley	Edgar	Mann
Aspin	Edwards, Calif.	Markey
AuCoin	Ellberg	Mattox
Baldus	Fary	Mazzoli
Baucus	Fascell	Metcalfe
Beard, R.I.	Fisher	Meyner
Bedell	Flood	Mikulski
Beilenson	Florio	Mikva
Benjamin	Flowers	Miller, Calif.
Bennett	Flynt	Mineta
Bingham	Foley	Minish
Blanchard	Ford, Mich.	Mitchell, Md.
Blouin	Fowler	Moakley
Boland	Fraser	Moffett
Bolling	Garcia	Moorhead, Pa.
Bonior	Gephardt	Mottl
Bonker	Gibbons	Murphy, N.Y.
Brademas	Gilman	Murtha
Brinkley	Gore	Neal
Brodhead	Green	Nix
Brown, Calif.	Hamilton	Nolan
Burke, Calif.	Hannaford	Nowak
Burlison, Mo.	Harkin	Oakar
Burton, John	Harrington	Oberstar
Burton, Phillip	Harris	Obey
Byron	Hawkins	Ottinger
Carney	Heckler	Panetta
Carr	Holland	Patten
Cavanaugh	Holtzman	Patterson
Chisholm	Howard	Pattison
Clay	Hubbard	Pease
Cleveland	Jeffords	Pepper
Collins, Ill.	Jordan	Pressler
Conte	Kasten	Price
Corman	Kastenmeier	Pritchard
Cornell	Kildee	Pursell
Cornwell	Kostmayer	Railsback
Cotter	Krebs	Rangel
D'Amours	LaFalce	Regula
Danielson	Leach	Reuss

Richmond	Sharp	Tsongas
Risenhoover	Skelton	Udall
Rodino	Smith, Iowa	Van Deerlin
Rogers	Spellman	Vanik
Rooney	St Germain	Vento
Rose	Staggers	Volkmer
Rosenthal	Stark	Walgren
Rostenkowski	Steers	Weaver
Roybal	Steiger	Weiss
Ryan	Stokes	Wirth
Scheuer	Stratton	Wolff
Schroeder	Studds	Yates
Schulze	Thompson	Young, Mo.
Seiberling	Traxler	Zablocki

NOES—221

Abdnor	Ginn	Murphy, Pa.
Akaka	Glickman	Myers, Gary
Ambro	Goldwater	Myers, John
Annunzio	Gonzalez	Myers, Michael
Archer	Goodling	Natcher
Armstrong	Gradison	Nedzi
Badham	Grassley	Nichols
Bafalis	Gudger	O'Brien
Barnard	Guyer	Perkins
Bauman	Hagedorn	Pettis
Beard, Tenn.	Hall	Pike
Bevill	Hammer-schmidt	Poage
Biaggi	Hanley	Preyer
Boggs	Hansen	Quayle
Bowen	Harsha	Quillen
Breaux	Hefner	Rahall
Breckinridge	Heftel	Rhodes
Brooks	Hightower	Rinaldo
Broomfield	Hillis	Roberts
Brown, Mich.	Hollenbeck	Robinson
Brown, Ohio	Holt	Roe
Broyhill	Horton	Roncalio
Buchanan	Huckaby	Rousselot
Burgener	Hughes	Rudd
Burke, Fla.	Hyde	Ruppe
Burke, Mass.	Ichord	Russo
Burleson, Tex.	Ireland	Santini
Caputo	Jacobs	Sarasin
Carter	Jenkins	Satterfield
Cederberg	Johnson, Calif.	Sawyer
Chappell	Johnson, Colo.	Sebelius
Clausen, Don H.	Jones, N.C.	Shuster
Clawson, Del	Jones, Okla.	Sikes
Cochran	Jones, Tenn.	Sisk
Cohen	Kazen	Skubitz
Coleman	Kelly	Slack
Collins, Tex.	Kemp	Smith, Nebr.
Conable	Ketchum	Snyder
Corcoran	Keys	Solarz
Coughlin	Kindness	Spence
Crane	Krueger	Stangeland
Cunningham	Lagomarsino	Stanton
Daniel, Dan	Latta	Steed
Daniel, R. W.	Le Fante	Stockman
Davis	Lederer	Stump
de la Garza	Lent	Symms
Delaney	Livingston	Taylor
Derwinski	Lloyd, Tenn.	Thone
Devine	Long, La.	Treen
Dickinson	Lott	Trible
Dornan	Lujan	Ullman
Duncan, Oreg.	Luken	Vander Jagt
Duncan, Tenn.	McClory	Waggonner
Edwards, Ala.	McCormack	Walker
Edwards, Okla.	McDonald	Walsh
Emery	McEwen	Wampler
Erlenborn	McFall	Watkins
Ertel	McKay	White
Evans, Colo.	McKinney	Whitehurst
Evans, Del.	Madigan	Whitley
Evans, Ga.	Mahon	Whitten
Evans, Ind.	Marks	Wilson, Bob
Fenwick	Marlenee	Wilson, C. H.
Findley	Marriott	Wilson, Tex.
Fish	Mathis	Winn
Fithian	Meeds	Wright
Flippo	Michel	Wydler
Forsythe	Miller, Ohio	Wylie
Fountain	Mitchell, N.Y.	Yatron
Frenzel	Mollohan	Young, Alaska
Frey	Montgomery	Young, Fla.
Fuqua	Moore	Zeferetti
Gammage	Moorhead, Calif.	
Gaydos	Murphy, Ill.	
Giaimo		

NOT VOTING—22

Ashbrook	Milford	Thornton
Butler	Moss	Tucker
Conyers	Pickle	Waxman
Dent	Quie	Whalen
English	Runnels	Wiggins
Ford, Tenn.	Shipley	Young, Tex.
Jenrette	Simon	
Martin	Teague	

Messrs. ERLENBORN, MOLLOHAN, YATRON, RAHALL, ROUSSELOT, FORSYTHE, GAYDOS, GARY A. MYERS, LOTT, SEBELIUS, FRENZEL, ERTEL, SKUBITZ, DUNCAN of Tennessee, CHARLES H. WILSON of California, CHARLES WILSON of Texas, Ms. KEYS, Messrs. McCLORY, WINN, WALSH, ROBINSON, MADIGAN, McEWEN, HEFNER, EMERY, RUSSO, COHEN, PREYER, Mrs. PETTIS, Messrs. GLICKMAN, and CAPUTO changed their votes from "aye" to "no."

Mr. JONES of North Carolina changed his vote from "no" to "aye."

Messrs. PIKE, QUILLEN, RINALDO, LUKEN, MARLENEE, and JONES of North Carolina changed their votes from "aye" to "no."

Mr. MITCHELL of Maryland changed his vote from "no" to "aye."

So the perfecting amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr LEVITAS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LEVITAS. My parliamentary inquiry is this, Mr. Chairman: Is there now pending before the Committee the amendment to strike offered by the gentleman from Connecticut (Mr. MOFFETT)?

The CHAIRMAN. That is correct.

Mr. LEVITAS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Connecticut (Mr. MOFFETT).

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Connecticut.

Mr. MOFFETT. I thank the gentleman for yielding.

Mr. Chairman, I want to thank the gentleman for his support. I think it is obvious that we have a somewhat strange situation, in terms of what we are accustomed to here, because of the fact that we cannot see the voting board and do not know what is going on. I think that is true, whether or not my amendment succeeds.

But, second, I want to say something about the amendment. First of all, I thank the gentleman from Georgia for his support. Second, I think that we have to address the question here of basic fairness. In the colloquy that the distinguished subcommittee chairman, the gentleman from Illinois (Mr. YATES), and I had, we made it clear that we do not want any extravagant funding of a lot of different groups before this agency. The only two occasions on which this authority was used were: No. 1, with home heating oil, where the Consumer Federation of America went in; and No. 2, the Consumers' Union, on the refiner overcharges. That amounted to over $100,000.

Second, it is not a new concept. It has been used on hearing aids. The National Council of Senior Citizens went in. They would not have gone in otherwise. I ask my colleagues, in all sincerity, if we limit this and make the agency make certain findings that they now have to do under the law, and if in fact other agencies have, and if in fact the Controller General, and others, have made findings on many different occasions that this was totally in the power of the agencies, the FDA, the Federal Trade Commission, and so forth, why should we single out the economic regulatory agency in this instance, as the subcommittee has done, and say, "In no circumstances will we allow intervener funding, no matter how indigent, no matter how much the voice is not being heard"?

I think it is clear that powerful economic interests dominate the regulatory arena. We are not trying to deny that, we are not trying to limit that in any way. But when consumers are unrepresented, as they are in something like 8 out of 10 cases, before the Federal Power Commission, when it was the Federal Power Commission, or when they are totally unrepresented, it makes sense on a fair, discrete, sensible, reasonable, focused basis to allow some intervention. If you do not believe in the principle of trying to open up and have more participation by the public, that is one thing. But we cannot have illusions that the arena is accessible to groups now. One group spent half its entire budget on one CAB case. They cannot possibly compete with Hogan & Hartson and other powerful firms that defend the airlines.

Mr. LEVITAS. Mr. Chairman, I would like to say this: The reason I support this amendment is, as many of the Members know, I was strongly opposed and vocally opposed to the so-called Consumer Protection Agency, which I am happy to say this House defeated. And one of the reasons I was opposed to that was that it seemed to me to make absolutely no sense to set up a group of bureaucrats who claim to know what is the public or consumer interest and then have these bureaucrats represent the American people in presenting these views during rulemaking and advisory hearings.

However, quite clearly, in something as important as the price of energy to every consumer, we cannot let that forum only be occupied by those who are rich enough to come to Washington and hire lawyers to appear before these bodies.

Mr. Chairman, we are talking about something that will affect the pocketbook of every American; and unless we assure full representation for all points of view, it is the average citizen who will lose.

For that reason, Mr. Chairman, I strongly support the amendment offered by the gentleman from Connecticut (Mr. MOFFETT), and I hope that the committee will adopt it.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, if the Members will read page 38 of the bill and 85 of the committee report, they will see that the committee says clearly that in their view, having heard the testimony, they believe there is no equitable way to choose among the many possible intervenors in

regulatory matters and therefore does not approve funding for selected intervenors in regulatory cases.

Mr. Chairman, I wish it were as the gentleman from Georgia alleges, that it will be the average American who comes before these agencies and gives his views. It is not. It is the special interest groups such as Ralph Nader and the National Council for Senior Citizens, which are essential liberal political groups. It is these groups who espouse greater Federal spending and regulation who seek this funding.

Mr. Chairman, the committee has had decided against intervenor funding for this agency. They are correct.

Let us not provide in an appropriation bill that this agency shall, indeed, give out taxpayers' money to finance intervention before regulatory proceedings. That is a mistake. We can decide what the proper policy should be at the right time and whether or not this is a proper course to follow, but that should be for the authorizing committee in due course.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I ask this question of the gentleman: Under the Moffett amendment, would any group that wanted to come in be able to come in and be paid at taxpayers' expense for whatever counsel they needed to present their case?

Mr. BAUMAN. As I understand it, it would be only those groups which the bureaucrats at the Department of Energy select. However, if the provision the committee put into the bill remained, no group would have that privilege.

Mr. FRENZEL. Mr. Chairman, I think the gentleman from Maryland (Mr. BAUMAN) has made an excellent case.

I do not think we ought to give that jurisdiction and discretion to the Department of Energy. They are supposed to represent all the people anyway.

Mr. BAUMAN. That is exactly right.

Mr. FRENZEL. Mr. Chairman, I think we would be well advised to vote this amendment down.

Mr. McDADE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Moffett amendment.

Mr. Chairman, I want to say to my colleagues that I will make this statement brief. I would support my chairman. I did support, as the Members know, my chairman when he offered his perfecting amendment which put a limit on the amount of dollars that could be spent on intervention. That was a definite compromise because the bill which the subcommittee reported to us unanimously rejected any money for intervention, and for good reason.

Mr. Chairman, let me quote a little bit from the hearings.

Here is a question which was posed by my astute colleague, the gentleman from Utah (Mr. McKAY), to the man who runs this agency:

> Mr. McKAY. How do you choose those groups?
>
> Mr. BARDIN. That is an excellent question.

Mr. Chairman, my colleague, the gentleman from Maryland (Mr. BAUMAN), just pointed out some of the excellence of that question.

The man in charge of this rulemaking went on to say the following:

> What we proposed in this rulemaking for the first time was a kind of competitive process. Unfortunately, only one group applied . . . This is just the way it works with any other Federal grant process—you give people points or an evaluation.

Mr. Chairman, that is someone at that time making a subjective judgment about whom they are going to give the taxpayers' dollars to.

Mr. Chairman, Mr. Bardin went on and said that the Government, in effect, would choose which groups would get the money, according to an evaluation process.

Mr. Chairman, there is not a Member in this Chamber who has seen any evaluation form. What we are coming right back to again is an open-ended raid on the Treasury with no competitive method being used. We have had no input into something that somebody downtown is going to decide.

I wish the Members would listen to this question asked by my colleague, the gentleman from Oregon (Mr. DUNCAN):

> Mr. DUNCAN. Don't you have a staff that does research on these things for you and presents to you the broad spectrum of issues that are involved and position papers with respect to each of them?
>
> Mr. BARDIN. We do.

The gentleman from Oregon (Mr. DUNCAN) further says this:

> In effect, is not what you are proposing to do analogous to contracting out to do the work you ought to do in your own shop?

Well, the gentleman answers, yes, it is kind of like that.

Then my colleague, the gentleman from Oregon (Mr. DUNCAN), makes the most important point. He says:

> It seems to me that once you start down this road, there is not way to stop. If Government is going to be equal to everybody, you are not going to be able to make a subjective decision in a bureaucracy about who gets paid and who does not.

In fact, we are going to pay everybody. That is why the subcommittee recommended not one penny. As I said, I would agree to put a cap on, but not the unlimited amount, that could result in frivolous actions, cast doubt upon the House, and prevent sincere interests from being heard.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. Mr. Chairman, I would just like to associate myself with the gentleman's wise words and those of the gentleman he is quoting.

Mr. McDADE. Mr. Chairman, I urge that we vote this amendment down.

Mr. DOWNEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I just want to say very briefly that the issue of fairness here and the broad effect of this amendment should not escape the membership. The fact is without intervenor funding. the likelihood that someone will intervene on behalf of consumers or of consumers groups is particularly difficult. All this amendment does is to provide an opportunity to the thousands of consumers that are never heard before regulatory commissions, the opportunity to be heard. I hope that is not lost on the membership.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Connecticut.

Mr. MOFFETT. Mr. Chairman, I know that the gentleman from Texas wanted to say something, but I have one point first. That is, in the Senate study we mentioned in the debate, A.T. & T. spent $1 million—more than $1 million—on one case before the Federal Communications Commission. Eleven airlines spent $3 million for one CAB case. One public interest group spent half its annual budget on that very case.

Groups are forced to stay out of these proceedings all the time, or else withdraw from these proceedings. Could we not at least say by this amendment itself that we are going to open up the arena and let a determination be made, a very specific determination?

Financial need is part of that determination. It is not as there has been a record of abuse in this area. There has been no abuse of this power; $40,000 has been spent in the last year on two cases.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. Mr. Chairman, I would just like to make a point. That case that A.T. & T. spent a $1 million on, A.T. & T. lost, because in that particular instance the Federal Communications Commission was doing its job. I would like to make the further point, and the last gentleman would agree with me, that certainly such groups as Energy Action and Ralph Nader are not lacking for funds.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there are several points which should be understood with respect to the Federal funding of intervenors. This movement, by a new class of professional obstructionists, is attempting to spread across a broad spectrum of public activities. I think that Members of Congress must understand that the basic philosophy behind the funding of intervenors is that we, the elected representatives in Government are not doing our job representing the people. If we spend Federal money to fund intervenors to come in to oppose the projects that we have authorized and funded we are saying that we do not actually represent the people as well as we should, and we must fund self-styled watchdogs to watch us. If we fund intervenors to oppose projects the administration undertakes, we are saying that the administration does not fairly or responsibly serve the people. We, and the executive, are elected to represent and serve the people. That is what we are charged to do.

To fund unelected, private, self appointed persons to oppose those projects which we undertake, on the precept that

the people need to be protected from us, is saying we are not doing our jobs.

Second, the Freedom of Information Act provides that all information in the possession of any Federal agency, including the briefs submitted by any petitioning entity appearing before that agency may be made available to any individual or organization. Sincere citizens do not need expensive researchers or self-appointed expensive lawyers to obtain this information.

Third, we are talking about a principle, but we are talking about a precedent. Recently Secretary Schlesinger pointed out that the harassing lawsuits and threatened delays brought against our nuclear powerplants by these professional intervenors cost the people of this country about $120 million for each 1 year of delay for each plant. The ratepayers must pay that money in higher utility rates, and what we would be doing if we were to fund intervenors would be paying the self-starting, unauthorized self-styled defenders of the public for needlessly causing higher utility rates. We would be paying the obstructionists to oppose the projects we authorize, on the supposition we are not doing our jobs. I can think of few more foolish ways to waste taxpayers' money than to use it to pay professional obstructionists to cause higher electric bills for the people of this country.

This amendment to allow funding intervenors, should be defeated.

Mr. OTTINGER. Mr. Chairman, I rise in support of the amendment.

I would like to answer my friend, the gentleman from Washington, because we in Congress certainly do not represent the people in any kind of vacuum. We invite the public to hearings so that they may be heard on the issues before us, and many times our committee has paid their way if they cannot afford to come themselves in order to get their input.

What we are saying is that, of necessity, we give the agencies, like the Economic Regulatory Agency, considerable discretion in carrying out the laws we pass. We do not want them to act in a vacuum. We want them to have the opportunity to hear all points of view. With respect to those points of view which cannot be represented because they have inadequate funds—and in many of these proceedings it is very expensive to participate—then we will contribute toward their making an appearance where the agency, in its discretion, finds that they can make a significant contribution and that they cannot otherwise afford to participate. Those findings would have specifically to be made.

I hope the amendment will be supported.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I would point out that all the expenses of business and industry, parties and intervenors, before regulatory commissions are tax deductible expenses, which means the taxpayers are paying 48 percent of the cost of such appearances. So the taxpayers are already funding all intervenor business corporations even though most of them can easily afford to pay for participating in such proceedings.

It is the nonbusiness public interest groups and individuals who have no means of passing on their costs to the customers or the taxpayers who need this amendment. All this amendment does is provide for a reasonable amount of money to fund representatives who speak for important viewpoints that the agency determines would not otherwise be adequately represented. The agency itself must decide that question and also how much is a reasonable cost. Certainly agencies do not have an incentive to grant funds for frivolous or dilatory activities by intervenors, and the record here shows they have not done so. But if we are going to have fair proceedings in which all elements of our society are represented and the public interest is protected, this amendment is the least we can do.

Mr. OTTINGER. Mr. Chairman, we are no better than the facts we have and the agencies making decisions affecting people's lives are better than the facts they have. I urge support of this amendment so the agencies can get public input where it is badly needed.

I urge support of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. MOFFETT).

The question was taken; and (on a division demanded by Mr. OTTINGER) there were—ayes 47, noes 98.

RECORDED VOTE

Mr. MOFFETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes, 126, noes 282, not voting 25, as follows:

[Roll No. 476]

AYES—126

Ambro	Drinan	Mottl
Ammerman	Early	Myers, Michael
Anderson, Calif.	Eckhardt	Nolan
Andrews, N.C.	Edgar	Nowak
Ashley	Edwards, Calif.	Oakar
Aspin	Fascell	Oberstar
AuCoin	Fraser	Obey
Baldus	Garcia	Ottinger
Baucus	Glickman	Panetta
Beard, R.I.	Gore	Patterson
Bedell	Green	Pattison
Beilenson	Hamilton	Pepper
Bingham	Hannaford	Pressler
Blanchard	Harkin	Price
Boland	Harrington	Rangel
Bonior	Hawkins	Reuss
Brademas	Holland	Richmond
Breckinridge	Holtzman	Rosenthal
Brodhead	Howard	Roybal
Brown, Calif.	Jeffords	Scheuer
Burke, Calif.	Jordan	Schroeder
Burton, John	Kastenmeier	Seiberling
Burton, Phillip	Keys	Sharp
Carney	Kildee	Solarz
Carr	Kostmayer	Spellman
Cavanaugh	LaFalce	St Germain
Chisholm	Lederer	Staggers
Clay	Levitas	Stark
Collins, Ill.	Lundine	Steers
Corman	McCloskey	Stokes
Cornell	McHugh	Studds
Cornwell	Maguire	Tsongas
D'Amours	Markey	Udall
Danielson	Mattox	Vanik
Davis	Meyner	Vento
Dellums	Mikulski	Volkmer
Derrrick	Mikva	Walgren
Dicks	Miller, Calif.	Weaver
Diggs	Mineta	Weiss
Dingell	Minish	Wirth
Dodd	Mitchell, Md.	Yates
Downey	Moakley	
	Moffett	

NOES—282

Abdnor	Gammage	Murtha
Addabbo	Gaydos	Myers, Gary
Akaka	Gephardt	Myers, John
Alexander	Giaimo	Natcher
Anderson, Ill.	Gibbons	Neal
Andrews, N. Dak.	Gilman	Nedzi
Annunzio	Ginn	Nichols
Applegate	Goldwater	O'Brien
Archer	Gonzalez	Patten
Armstrong	Goodling	Pease
Badham	Gradison	Perkins
Bafalis	Grassley	Pettis
Barnard	Gudger	Pickle
Bauman	Guyer	Pike
Beard, Tenn.	Hagedorn	Poage
Benjamin	Hall	Preyer
Bennett	Hammer-schmidt	Pritchard
Bevill	Hanley	Pursell
Biaggi	Hansen	Quayle
Blouin	Harsha	Quillen
Boggs	Heckler	Rahall
Bolling	Hefner	Railsback
Bonker	Heftel	Regula
Bowen	Hightower	Rhodes
Breaux	Hillis	Rinaldo
Brinkley	Hollenbeck	Risenhoover
Brooks	Holt	Roberts
Broomfield	Horton	Robinson
Brown, Mich.	Hubbard	Roe
Brown, Ohio	Huckaby	Rogers
Broyhill	Hughes	Roncalio
Buchanan	Hyde	Rooney
Burgener	Ichord	Rose
Burke, Fla.	Ireland	Rostenkowski
Burke, Mass.	Jacobs	Rousselot
Burleson, Tex.	Jenkins	Rudd
Burlison, Mo.	Johnson, Calif.	Ruppe
Byron	Johnson, Colo.	Russo
Caputo	Jones, N.C.	Ryan
Carter	Jones, Okla.	Santini
Cederberg	Jones, Tenn.	Sarasin
Chappell	Kasten	Satterfield
Clausen, Don H.	Kazen	Sawyer
Clawson, Del	Kelly	Schulze
Cleveland	Kemp	Sebelius
Cochran	Ketchum	Shuster
Cohen	Kindness	Sikes
Coleman	Krebs	Sisk
Collins, Tex.	Krueger	Skelton
Conable	Lagomarsino	Skubitz
Conte	Latta	Slack
Corcoran	Le Fante	Smith, Iowa
Cotter	Leach	Smith, Nebr.
Coughlin	Leggett	Snyder
Crane	Lehman	Spence
Cunningham	Lent	Stangeland
Daniel, Dan	Livingston	Stanton
Daniel, R. W.	Lloyd, Calif.	Steed
de la Garza	Lloyd, Tenn.	Steiger
Delaney	Long, La.	Stockman
Dent	Long, Md.	Stratton
Derwinski	Lott	Stump
Devine	Lujan	Symms
Dickinson	Luken	Taylor
Dornan	McClory	Thompson
Duncan, Oreg.	McCormack	Thone
Duncan, Tenn.	McDade	Treen
Edwards, Ala.	McDonald	Trible
Edwards, Okla.	McEwen	Ullman
Eilberg	McFall	Van Deerlin
Emery	McKay	Vander Jagt
English	McKinney	Waggonner
Erlenborn	Madigan	Walker
Ertel	Mahon	Walsh
Evans, Colo.	Mann	Wampler
Evans, Del.	Marks	Watkins
Evans, Ga.	Marlenee	White
Evans, Ind.	Marriott	Whitehurst
Fary	Martin	Whitley
Fenwick	Mathis	Whitten
Findley	Mazzoli	Wiggins
Fish	Meeds	Wilson, Bob
Fisher	Metcalfe	Wilson, Tex.
Fithian	Michel	Winn
Flippo	Miller, Ohio	Wolff
Flood	Mitchell, N.Y.	Wright
Florio	Mollohan	Wydler
Flynt	Montgomery	Wylie
Foley	Moore	Yatron
Forsythe	Moorhead, Calif.	Young, Alaska
Fountain	Moorhead, Pa.	Young, Fla.
Frenzel	Murphy, Ill.	Young, Mo.
Frey	Murphy, N.Y.	Zablocki
Fuqua	Murphy, Pa.	Zeferetti

NOT VOTING—25

Ashbrook	Flowers	Fowler
Butler	Ford, Mich.	Harris
Conyers	Ford, Tenn.	Jenrette

Milford	Shipley	Waxman
Moss	Simon	Whalen
Nix	Teague	Wilson, C. H.
Quie	Thornton	Young, Tex.
Rodino	Traxler	
Runnels	Tucker	

The Clerk announced the following pairs:

On this vote:

Mr. Jenrette for, with Mr. Ashbrook against.

Mr. Waxman for, with Mr. Shipley against.

Mr. Conyers for, with Mr. Butler against.

Mr. LEGGETT changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. McDADE. Mr. Chairman, I move to strike the last word.

Mr. CLEVELAND. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I take this moment to express my appreciation to the gentleman from Pennsylvania (Mr. McDADE) and the gentleman from Illinois (Mr. YATES) for the work that their subcommittee has done over the years to restore the Atlantic salmon in the Connecticut River. The restoration of Atlantic salmon in the Connecticut River has been a success story, and it is a good newsstory. Besides the efforts to abate water pollution by the Committee on Public Works and Transportation on which I serve, the work of this subcommittee in financing a fish hatchery at Bethel, Vt., at the request of the gentleman from Vermont (Mr. JEFFORDS), the gentleman from Massachusetts (Mr. CONTE), and myself, has gone a long way toward seeing this project actually reach fruition.

I am pleased to report to the Members that there have now been at least 50 Atlantic salmon identified this spring in the Connecticut River. It is a success story, and it is a good news story.

As the gentleman knows, I am also concerned about getting the Atlantic salmon back in the Merrimack River. Last year the committee was kind and generous and gave us $16,000 for a feasibility study, and following up on that they have made available $80,000 for the purchase of a site near Nashua, N.H., where we hope to build a stockout facility. In fact, I asked the committee to do that. The committee was so generous the Members were so committed to the Atlantic salmon program that I wonder if I may ask this: Could the gentleman explain why the construction money for that salmon stockhouse facility is not in this bill?

Mr. McDADE. Mr. Chairman, let me say to my distinguished colleague, the gentleman from New Hampshire, that unhappily the people downtown did not proceed in a timely fashion and did not meet the request that would come only because of the diligence and the persistence of the gentleman from New Hampshire (Mr. CLEVELAND). In any event, they dropped a stitch.

Therefore, we had to leave out the reprograming, and that is sitting in front of the Senate committee and the House committee. That program is to provide $80,000 to get the site and keep the project going.

We know of the gentleman's commitment to this project, and I want to commend him for his efforts. I want to give him my assurance—and I believe I can speak for the committee—that we look with great favor upon his efforts and what he is trying to accomplish, even though there is a bureaucratic entanglement that has taken place.

Mr. Chairman, I want to assure the gentleman from New Hampshire that we will be watching out for some other vehicle, a supplemental or the new appropriation bill next year, to provide these funds so that we can complete this essential work.

Mr. CLEVELAND. Mr. Chairman, I thank the gentleman, and I appreciate the cooperation I have received from this subcommittee.

It is my understanding, though, that it is impossible to include the construction money in this bill at this time, but it might be possible to have it in either a supplemental or certainly in the appropriation bill next year?

Mr. McDADE. We certainly hope so. And in the meanwhile, because the gentleman brought this to our attention, we do have the program in place and there will be money spent in this fiscal year to keep the project reasonably on schedule, although we have lost time because, as I say, they dropped a stitch downtown and we were unable to act. But we are going to work for the gentleman's project.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:)

STRATEGIC PETROLEUM RESERVE

For expenses necessary to carry out the provisions of sections 157 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), $4,084,624,000, of which (1) not to exceed $2,972,344,000 shall remain available until December 31, 1979, and (2) not to exceed $1,112,280,000 shall become available for obligation on September 30, 1979, and shall remain available until December 31, 1980.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: On page 38, line 21, strike all after the first comma through "1979", on line 24.

Mr. DINGELL. Mr. Chairman, the purpose of this amendment is to give the Department of Energy adequate time to plan and to make arrangements for the orderly and timely purchase of petroleum for the strategic petroleum reserve program.

The Energy Policy and Conservation Act (EPCA) authorized the creation of a strategic petroleum reserve which would meet the Nation's petroleum needs in the event of another severe energy supply interruption such as the 1973 oil embargo. I believe that it is in the best interests of this country that the strategic petroleum reserve be filled on the schedule proposed by the administration, and accepted by this Congress in Energy Action DOE-002. Upon completion, the reserve will store 1 billion barrels of oil.

H.R. 12932 contains language allowing the expenditure of over $4 billion to buy and store crude oil under the Department of Energy strategic petroleum reserve program. It limits that commitment, however, by spreading the appropriated sums over 2 fiscal years: Over $1 billion of this may not be expended until fiscal year 1980. This amendment strikes that limitation, so that the full $4 billion can be expended or obligated in fiscal year 1979.

You might look at it this way: For slightly over $1 billion we are able to buy a very important insurance policy—insurance by any one of a number of events. Our dependence upon imported crude oil has more than doubled in the 5 short years that have elapsed since the 1973 embargo. Another such embargo, without an effective crude oil storage program in place, would be crippling—not just inconvenient. We simply cannot afford the risks that would follow if we delay acquisition of oil for the reserve.

I am aware of no knowledgeable analyst who believes that the price of crude oil is going to decrease in the future: Prices are going only one way—up. This means that the inventory of crude oil in storage will increase in value not only as a form of insurance, but also in intrinsic terms. It also means that the longer we wait to complete that inventory, the more we will ultimately have to pay for it.

The situation is further complicated by the fact that it takes time to order and store large amounts of crude oil. The Defense Fuel Supply Center, which makes the actual commitment to purchase this fuel, normally requires about 6 months leadtime prior to actual delivery to make the purchase in an orderly way. Even if the $1.1 billion is not actually paid until fiscal year 1980, it must be available in fiscal year 1979 in order for that purchase to be legal.

This amendment would give the Department the ability to make longer term arrangements at a time when the price of oil and the costs of construction of storage facilities are rising. It would make direct government-to-government oil procurement possible. Price advantages may be obtained. Stability of supply and orderliness of delivery can be better assured than in the case under present short-term commitments.

Given these circumstances, I believe that the most responsible action that the Congress can take is to allow the entire $4 billion to be appropriated during the next fiscal year. This program is entirely bipartisan and has been supported by every President since the 1973 embargo. I believe that it merits your support as well, and ask your vote for the amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I thank the gentleman for yielding, and I think this is a good amendment. The gentleman and the committee are interested in the same objectives. We want those handling the strategic petroleum reserve to place that reserve oil in storage as

promptly as possible. The reason that the committee placed language in the bill making that amount of money available until December 31, 1980, was to permit the type of purchasing that the gentleman described. The committee did not want the funds to lapse at the end of the fiscal year.

Mr. Chairman, on this side of the aisle we are willing to accept the gentleman's amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I am delighted that the gentleman from Illinois (Mr. YATES) is accepting the amendment, and I am pleased that the gentleman from Michigan (Mr. DINGELL) proposed the amendment. I was prepared to support the amendment most eloquently, but now we will all be spared that. The passage of this is, I think, quite likely to save money, because if the money can be committed early to build the facilities and buy the oil that we clearly need because of our jeopardy as a result of our dependence on Arab oil, if we do that earlier than programed under the present language of the bill, we will quite possibly save ourselves on both the price of oil we buy and certainly will save ourselves on the construction of the facilities.

I join in support of the amendment.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I want to say to the gentleman from Michigan that on this side of the aisle we accept the amendment and we urge its adoption.

Mr. DINGELL. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The amendment was agreed to.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to thank the chairman and the ranking minority member for inserting the funds in here for the White River National Fish Hatchery in Bethel, Vt.

Mr. Chairman, for each of the past 6 years, I have risen at this time to speak on behalf of the White River National Fish Hatchery in Bethel, Vt. Although this year is no exception, I will not have to sing the hatchery's praises much longer. The conservationists and sport fishermen will do that for me.

With the appropriation of $980,000 for construction and operations for fiscal year 1979, the hatchery will be able to begin operation in December of this year and the Connecticut River will be well on its way to being reborn as a fertile spawning ground for Atlantic salmon.

The hatchery could not begin operation at a more opportune time. The signs of the renaissance of the river are everywhere. When I began supporting this project in 1972, I was reminded by the experts that Atlantic salmon had not been in abundance in this New England river since the American Revolution. They questioned whether the river would ever again provide a suitable environment for smolts.

As I am sure many of my colleagues know, State and Federal agencies have successfully stocked the river in recent years. In fact, for the first time in more than 100 years, significant numbers of salmon have returned to the Connecticut River system. Over the past year, there has been a tenfold increase in the number of salmon captured in fish lifts and traps. This simply reflects the progress that this river has made toward once again becoming a spawning ground for salmon.

Imagine, if you will, the effect the Bethel Fish Hatchery will have on these restocking efforts once it is fully operational in 1980. With the addition of 500,000 Atlantic salmon smolts a year, the river will be well on its way to being totally revitalized. Conservationists and sports fishermen will be able to take pride in the fact that this once barren river is again thriving.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, is that the hatchery and fishery referred to as the "Conte hatchery?"

Mr. CONTE. That is it. When the salmon come up the Connecticut River, I want the gentleman from Pennsylvania and the chairman to come up and be my guests.

AMENDMENT OFFERED BY MR. M'CORMACK

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

(The portion of the bill to which the amendment relates is as follows:

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $907,001,000, to remain available until expended: *Provided*, That of the total amount of this apriation, not to exceed $1,750,000 shall be available for a reserve to cover any defaults from loan guarantees issued for electric or hybrid vehicle research, development, and production as authorized by section 10 of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2509): *Provided further*, That the indebtedness guaranteed or committed to be guaranteed under said law shall not exceed the aggregate of $8,750,000.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: On page 37, line 34, strike "$907,001,000" and insert in lieu thereof "$919,501,000."

Mr. McCORMACK. Mr. Chairman, I want, first of all, to pay my respects to the subcommittee, to the distinguished chairman, the gentleman from Illinois (Mr. YATES), to the distinguished minority member, the gentleman from Pennsylvania (Mr. McDADE), and to all of the members of the subcommittee who, I know, have worked so hard on this legislation.

However, I have a very sharp difference of opinion with them concerning funding of certain energy conservation programs which my subcommittee authorized, that is the Subcommittee on Advanced Energy Technologies and Energy Conservation Research, Development and Demonstration of the Committee on Science and Technology, and which were seriously cut by the Subcommittee on Interior of the Committee on Appropriations in the bill that we have before us today (H.R. 12932).

Mr. Chairman, I should like to read to the Members the cuts that have been made in programs that have been authorized for energy conservation, research, development, and demonstration.

For the "Automotive Propulsion Research and Development Act of 1978" authorized under Public Law 95–238 title III, which mandated now more efficient automobile engines and drive systems by 1983, the amount cut was $21 million, the entire authorized program.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, I just want to make it clear that the gentleman from Washington (Mr. McCORMACK) is drawing a distinction between the authorization bill, which has yet to pass the House, and the President's budget, which is a different figure; is that correct?

Mr. McCORMACK. Yes. There is no doubt about that. I am pointing out the differences between the bill on the floor today from the Subcommittee on Appropriations and the authorizing bill from the Committee on Science and Technology, as reported to the House.

These programs have been authorized by the committee and are contained in the DOE. & D. authorization bill, H.R. 12163, which will be on the floor in the near future. Incidentally, I know of no opposition to the projects left unfunded by this appropriation bill.

The second project is the "fuel cell feasibility demonstration for electric power generation and cogeneration of usable steam and power." The objective of this authorized project is to promote through demonstration efficient and cleaner burning of fossil fuel at an efficiency level of 85 percent. Compared to a norm of 33 percent, this is quite an improvement. The entire program authorization was cut from $25 million to zero.

The next one is the "Municipal Waste Energy Reprocessing Demonstration," authorized under Public Law 95–238 title IV. This is a program of grants and price supports, for which the committee authorized $25 million. The appropriations bill cut the support to $12.5 million.

The next program, "cogeneration of electricity and process steam" was authorized at $15.7 million; and the committee cut it by $11 million.

The Science Committee held hearings on the "Waste Oil Rerefining Facility" and authorized $1.2 million for a prototype design, but the effect of this bill is to reduce funding to zero.

For "utilization of industrial process waste gases" project, the entire authorized program was cut from $600,000 to zero.

The "low-temperature waste heat recovery" project was authorized at $200,000 and cut to zero.

"Cogeneration program support," authorized at $500,000, was cut to zero.

"Steel mill waste heat recovery studies," authorized at $1 million, was cut to zero.

The "heat pump centered integrated community energy system" project, or how to operate communities more efficiently, authorized at $900,000, was cut to zero.

The "grid-connected integrated community energy systems" project, because of the effect of specifically directed projects in this bill, will be cut by $2.1 million of the $3 million authorized by the Committee on Science and Technology.

Mr. Chairman, these programs the names of which I have read total to an authorization of $89.1 million, of which $76 million was cut.

In addition, Mr. Chairman, the Subcommittee on Appropriations added $6.5 million for three projects in Pennsylvania which were not authorized and which have never been requested either by the authorizing committee or by the Department of Energy and for which feasibility studies have not been accomplished or authorized.

Mr. Chairman, rather than to try to reinstate all the programs, I have worked with my staff to pick out the ones which we believe are the most critical and the most acceptable to the members of the full Committee of the Whole House.

We hope to reinstate $12.5 million of the $76 million cut, a very modest cut. Our plan would also provide $1.8 million for essential feasibility study of the programs which the Subcommittee on Appropriations added and which have not yet been authorized or examined for economic or engineering feasibility.

Therefore, Mr. Chairman, our amendment would allow full funding for the following programs:

One, the "municipal waste to energy reprocessing demonstration," $20 million.

The "waste oil refining facility," that is for getting the waste oil back into circulation, $1.2 million.

"Program support for cogeneration," half a million dollars.

The "heat pump centered community energy system," $900,000, and the "grid-connected integrated community energy system," $3 million.

The net effect of my amendment is to add $12.5 million to the appropriations bill, to increase it from $907,001,000 to $919,501,000.

The CHAIRMAN. The time of the gentleman from Washington has ex-expired.

(At the request of Mr. OTTINGER and by unanimous consent, Mr. MCCORMACK was allowed to proceed for 3 additional minutes.)

Mr. MCCORMACK. The amendment constitutes a compromise, accepting cuts or zero funding in a number of energy conservation programs, but attempting to save those we consider to be most important. I want to point out that all of these programs have received wide support, and are recommended by the Department of Energy. They are all supported by the industry and by the communities involved.

I ask for the Members' support of my amendment.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I thank my chairman for yielding to me. I would like to say that these particular programs are where we are likely to get the greatest payoff in terms of important savings for conservation. I think they are just tremendously important.

For example, all over the country we are trying to work out methods by which municipal waste can be converted economically to energy. This amendment provides an additional $20 million, which is the biggest item in the amendment offered by the gentleman from Washington, for a demonstration of this technology. It has been done with varying degrees of success by existing technologies, but there are a good many systems which need to be tried, which need to be proven to be economical.

This could save our municipalities a great deal of money and could achieve very significant energy savings in terms of oil that would otherwise have to be imported.

I just say that there is everything to be said in favor of this amendment, and nothing to be said against it. I do hope Members will really support Mr. MCCORMACK and Mr. OTTINGER. We have the complete spectrum of this House here.

Mr. MCCORMACK. I thank the gentleman for his comments.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(By unanimous consent Mr. MCCORMACK was allowed to proceed for 2 additional minutes.)

Mr. MCCORMACK. I want to emphasize the point the gentleman from New York (Mr. OTTINGER) just made. Ever since the oil embargo and before, we have been talking about converting waste to fuels or energy-intensive products or directly to fuel. I am talking about garbage and solid waste from our cities' agricultural waste, industrial waste, corn husks, peanut shells, and bark from lumber mills. Over and over again we talk about converting this waste to energy, the equivalent of 3 to 5 million barrels of oil a day equivalent, or 10 percent of our total energy consumption in this country today and half of what we import. But, we never get started because such facilities are so difficult to organize and finance. This program will provide $20 million to start planning these demonstrations. People say, "For God's sakes, why don't you do something?" This appropriations bill is preventing us from starting this program authorized under Public Law 95–238.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I am looking at the gentleman's chart. It has amounts cut and amounts appropriated. For example, under automobile research and development, under the amount cut it has $21 million; amount appropriated, zero. Does the gentleman mean that we did not appropriate any money for the program?

Mr. MCCORMACK. That is correct. Public Law 95–238 title III is not provided funds in your bill.

Mr. YATES. As it happens, we appropriated $46 million.

Mr. MCCORMACK. What the gentleman appropriated for was the electric car research and hybrid research programs.

Mr. YATES. No; that is not correct. That is a separate line, a separate program. The gentleman has a zero. Does the gentleman know that we appropriated $46 million for that program?

Mr. MCCORMACK. Did the gentleman support the "Automotive Propulsion Research and Development Act of 1978?" This is what I am talking about.

Mr. YATES. The appropriation is for demonstration and research and development.

Mr. MCCORMACK. That is not what we read in the report.

Mr. YATES. In this fiscal year, our committee appropriated $16 million for urban waste and the chart shows $7.5 million. I do not understand the gentleman's chart.

Mr. MCCORMACK. I do not understand how the figures that came to us from the gentleman's staff are different from the ones he is giving us now.

Mr. YATES. I can tell the gentleman that my staff has just given me the figures on this straight from our report. I just do not understand the gentleman's chart.

Mr. MCDADE. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Pennsylvania.

Mr. MCDADE. Our report has been published for 2 or 3 weeks, and it shows in each instance where the gentleman is stating cuts, we have either given the President 100 percent of the budget or exceeded it.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. MCCORMACK was allowed to proceed for 2 additional minutes.)

Mr. DICKS. Mr. Chairman, if the gentleman will yield, as I understand it, the difference here is the level of the authorization bill and what we appropriated. Obviously we do not usually appropriate funds not authorized.

Mr. YATES. It is incorrect to say in the column marked "appropriated" that nothing is appropriated.

Mr. DICKS. That is exactly correct. The difference here is the level of the gentleman's committee authorization and what the level of the budget request was and what the committee did. I think we ought to point out this authorization bill has not been passed by the House.

Mr. McCORMACK. Mr. Chairman, I want to reclaim my time at this point.

Mr. DICKS. I do think we want to have a fair reflection of what the committee did.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(By unanimous consent, Mr. McCORMACK was allowed to proceed for 1 additional minute.)

Mr. McCORMACK. Mr. Chairman, the remarks of the gentleman from Washington (Mr. DICKS) are misleading. He knows perfectly well that the fact that the DOE R. & D. authorization bill has not come before the House is not the fault by the Committee on Science and Technology.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, that can be told by the gentleman from Michigan (Mr. DINGELL), too.

Mr. DICKS. Mr. Chairman, if the gentleman will yield, the gentleman is talking about the difference between the authorization level of his committee and the budget request levels.

Mr. McCORMACK. Mr. Chairman, the "Municipal Waste Reprocessing Demonstration" is the most important program requiring full funding. The chairman will recognize he appropriated only $7.5 million. The cut was $12.5 million. I do not think the chairman would argue that he has fully funded the programs I am trying to reinstate.

Mr. YATES. If the gentleman will yield, I will show what the committee has done. What the committee has done is set forth in the committee's report, which has been public since June 1, and if the gentleman will look at page 81 he will see there is appropriated for the automobile program—not the electric vehicle program but under the category headed "Heat Engine Highway Systems"—$46.3 million. That was the full amount of the budget request. We did appropriate that. Under the gentleman's column marked "amount cut" it shows we have cut $21 million from that, which is not the case. What we have done in our committee was to reconcile the efforts of the gentleman's committee and the Interstate and Foreign Commerce Committee under the gentleman from Michigan (Mr. DINGELL), to try to get them together.

The CHAIRMAN. The time of the gentleman from Washington (Mr. McCORMACK) has expired.

Mr. YATES. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

There is no question but that the subcommittee would want to put more money into this bill for the energy programs, much more money for the energy programs, but we have got the gentleman from Ohio (Mr. MILLER) sitting over there on the floor ready to offer an amendment saying we have put too much money into this bill not only for energy but also other programs. He proposes to offer an amendment later saying all these programs should be cut down.

The gentleman from Washington circulates an argument in support of his amendment, and in that chart one gets the impression the Appropriations Committee did nothing on these key items.

Well, let us take them up one by one. The first item is automobile research and development. The budget request was $46 million. The committee put in $46 million.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield at that point?

Mr. YATES. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I think we can get an agreement on what we are talking about, since I have had a chance to look at the report, too. There is no doubt that under automobile research and development the gentleman did fund the $46 million to which he is referring, but there is no provision for the automobile research and development program established under Public Law 95–238, title III, which is the Brown bill enacted by this House last year, over and above this program to which the gentleman is referring, and this is what has been passed and what has been cut.

Mr. YATES. The gentleman is saying we should put in an extra $21 million. We put into the bill the budget amount. What the gentleman is saying is that we did not put in the amount that the authorizing committees would have liked us to put into the bill. And I use the plural on "authorizing committees" because they have been in dispute for several months on this.

Mr. McCORMACK. Not on this question.

Mr. YATES. The gentleman from Michigan (Mr. DINGELL) appeared before the committee and argued for his bill, the Interstate and Foreign Commerce Committee bill, and the gentleman from Washington (Mr. McCORMACK) is arguing for his bill, which is the Committee on Science and Technology bill. The Committee on Appropriations sought to put in the amounts it thought to be reasonable.

Mr. McCORMACK. I must point out to the gentleman despite the fact that there is some debate on jurisdictional areas between the two committees, it is not in the area we are talking about today and the fact that there is debate over jurisdiction does not impact the subject before this House.

Mr. YATES. That is the gentleman's contention.

Let us take item 2. The gentleman indicates a cut of $25 million for fuel cell demonstration. The budget request was $35 million. The committee exceeded the budget request by $5 million. The gentleman says that that is not adequate and he wants another $25 million for the program. Well, that is the gentleman's viewpoint. The committee felt it could not put in more.

Then, item 3, municipal waste reprocessing demonstration. In the 1978 appropriation bill the committee put in $6 million over the budget. This year the budget request was $8½ million. The committee put $16 million into the bill, twice what the budget request was. The gentleman says that is not adequate.

Then, item No. 4, cogeneration of electricity from waste heat. The budget request was $16 million. The committee put $5 million in that because the committee believed that was the amount that was appropriate under the circumstances. The gentleman says that is not adequate.

Then on item 5 the gentleman says that $1.2 million for waste oil re-refining facility was cut. I do not think that was cut, but this contention is subject to some interpretation. Our committee believes that that amount is already within the amounts in the bill; within the funds that have been recommended for appropriation. I find myself in no dispute with the gentleman on this and I do not think there is any need for the extra $1,200,000.

Mr. OTTINGER. Mr. Chairman, if the gentleman will yield, I have been talking with the Science Committee staff and in the items from the oil re-refining facility, and the others listed there, down through the end of that list, they all come from the Department of Energy. Apparently the Committee on Appropriations appropriated some $6.5 million, as outlined on page 81 of the report, for items that were not authorized. The question is what would have to be cut in order to accommodate those?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. OTTINGER. Mr. Chairman, if the gentleman would yield still further, these are the items that they said they would have to cut in order to be able to accommodate those increases so those are already cuts in important programs that we will have to contemplate if the Department of Energy is not directed otherwise or if we do not provide the additional funds that are put in by the amendment offered by the gentleman from Washington (Mr. McCORMACK).

Mr. McDADE. Mr. Chairman, if the gentleman would yield, I would like to have the Members understand the differences that we have with the authorizing committees in this instance.

The gentleman talks about one specific authorization. We have got authorizations for new conservation work and here is a table that results from the DOE's interpretation of what our committee has done. Here is an item that they have planned that involves unselected contractors, $6 million worth to do something called institutional process efficiency research and development.

We then turn the page here and we find $4.5 million authorized once again for some unselected contractor to do some kind of alternative fuels, materials, and processing R. & D.

We look further and find four more unselected contractors authorized to do work about which there has been absolutely no testimony in front of our committee.

As my very able friend the gentleman from Illinois (Mr. YATES) has pointed out, we have in those requests that have been pointed out exceeded the budget request in all of these substantial areas of energy conservation because we believe in the program as firmly as anybody in the House does. If the gentleman

does not think that is true, let me just give him a couple of figures.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 4 additional minutes.)

Mr. McDADE. Mr. Chairman, will the gentleman yield further?

Mr. YATES. I yield to the gentleman from Pennsylvania.

Mr. McDADE. I thank my distinguished colleague for yielding.

Listen to the appropriations level that our committee has made in energy conservation in just a few short years. We started this program out at about $19.2 million. We raised it to $88 million the following fiscal year. We raised it to $182 million the following fiscal year. That is just fiscal year 1977. Listen to this one. In fiscal year 1978 we raised it to $598 million. And guess what we are doing this year—doubling it again. There is roughly $1 billion in this bill for energy conservation.

I do want to point out a cut we made from the authorizing level and why we did it. There is a marvelous process known in the world as cogeneration, and we cut the budget request that the administration made by about $11 million. That is the one accurate figure I find in the sheet we have been supplied.

My friend would have us add $11 million to that program. We cut it out because we believed that private industry and that the economy of the Nation was going to respond to the price increase that had happened because of the Arab embargo. Is it happening?

Here is yesterday's New York Times. This is not a month ago or 6 months ago; this is yesterday. This is what is happening in cogeneration. This is headlined, "Building in Midtown To Supply Its Own Power." This is a skyscraper in New York that we are opting out of the normal utility grid and we are going to buy diesels. We are going to generate our own electricity with a 100,000-barrel capacity of oil that we will buy, and because we can cogenerate the heat we will make in creating electricity, we are going to cut the cost of utilities to our tenants to 10 percent, and we are going to have a very, very nicely profitable building using cogeneration.

Yes, we made a little cut in the budget that the President submitted on cogeneration because there is plenty of inducement to every entrepreneur out there—and they are all aware of costs—to try to take advantage of using what we are now wasting in terms of heat for their own profitability. This is done without one Federal dollar. So I hope the Members will support my chairman.

I hope that what we will do is to recognize that we have got this account doubling every year. We are determined to have an effective energy conservation program. We are determined to try to do everything we can to make this a more energy-efficient nation, and it is reflected not in the authorization bill—it has not been here yet—but it is reflected in dollar outlays that each of us is being asked to vote. This is an actual expenditure out of the Treasury to do things, to create things to make our energy more efficient in terms of its conservation.

I appreciate my friend's yielding. I support him, and I hope we vote this amendment down roundly.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Washington.

Mr. McCORMACK. I thank the gentleman for yielding.

I just want to say that the gentleman made a big pitch against cogeneration, which we pulled out of the amendment itself. Is the gentleman opposed to the $20 million waste? I just want to point out to the gentleman again what it is we are asking for. We are asking for $12.5 million, including $1.8 million for the gentleman's unauthorized projects, and then to bring the waste program up to a total of $20 million, which is pittance, and then add four other programs not included in cogeneration.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Pennsylvania.

Mr. McDADE. I thank the gentleman for yielding.

I do want to respond, because we get carried away sometimes in debate, and I certainly do not want to leave my friend with the impression I am against the Holy of Holies: cogeneration. I favor it. As a matter of fact, if the gentleman will look at this bill, he will find $5 million in it for cogeneration processes.

What I said was there are enough economic inducements around that this account can stand a little cut, when we have a deficit of some $50 billion or some $60 billion, when we have got double-digit inflation again. There are places where we can save money, and there are inducements in the market for all kinds of people to get into cogeneration, without coming to the Federal Treasury to do so.

Mr. McCORMACK. Mr. Chairman, let me get the gentleman straight on this point. We have taken this out of my amendment. It is not included. We have taken it out.

If we would stop advocating cogeneration when the issue is waste conversion, then we could get to the issue before us.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. McCORMACK).

The amendment was rejected.

AMENDMENT OFFERED BY MR. MOORHEAD OF CALIFORNIA

Mr. MOORHEAD of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOORHEAD of California: On page 37, line 24, strike "$907,001,000" and insert in lieu thereof "$897,001,000".

Mr. MOORHEAD of California. Mr. Chairman, what this amendment does is to conform the appropriation for one energy extension service program with the Commerce Committee's authorization. As we all know, the authorization bill will not precede this appropriation bill.

After extensive hearings in the Energy and Power Subcommittee, we thoughtfully determined that the energy extension service program, which is one of many, many energy information outlets, could do quite well with $15 million for fiscal year 1979. This appropriations bill provides $25 million for fiscal year 1979.

This particular energy extension service is a new program which started out with a $7,500,000 appropriation last year. There has been no justification at all to more than triple the funding for this program, especially at this time.

This extension service will not produce any additional energy but it will duplicate other energy information programs. It should also be emphasized that this extension service program directly overlaps national energy act provisions already adopted by the conference committee that requires utilities to provide energy extension services to customers. Specifically, utilities will be required to:

First. Send customers information to make their residences more energy efficient.

Second. Offer to inspect residences.

Third. Periodically inform consumers (at the time of billing) of various energy-saving techniques as directed by the Secretary of Energy.

Information about solar applications and other important energy-saving applications is readily available from HUD, DOE, State agencies, and many private concerns simply by writing or calling.

At the hearings conducted by the Energy and Power Subcommittee, the individuals involved in the extension program could not put forth any real justification for adding millions for this program.

In fact, we were informed in the subcommittee that the American people are well aware of the need to conserve energy and to weatherize their homes. It is in their economic interest to do so. We have information that the American people are weatherizing so fast that there are significant shortages of quality insulation and other products.

This program is really just another WPA-type program. It does nothing to help America conserve energy.

The American people know they have to conserve energy and they know how to do it. The only things that seem to be standing in their way are a lack of materials and money in their checking accounts. Perhaps we could help the latter problem by cutting back on a program that the people really do not need.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of California. I would be happy to yield to the distinguished gentleman from Illinois.

Mr. YATES. Mr. Chairman, I have examined the gentleman's amendment. I think it is a reasonable one and I think the money can be saved. I am willing to save the money.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of California. I yield to the gentleman from California.

Mr. McDADE. Mr. Chairman, I have examined the amendment, too. It is a place we can save some money and, on our side, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. MOORHEAD).

The amendment was agreed to.

Mr. JOHNSON of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to commend the chairman and the ranking minority member of the subcommittee, the gentleman from Illinois and the gentleman from Pennsylvania. They have done a wonderful job in perfecting this bill and bringing it before the committee today.

There is only one part in the bill that disturbs me; that is the language that is found on page 12, line 22. There is a proviso there that bothers the Committee on Public Works and Transportation. As chairman of that committee, I think it is only right that I call this matter to the attention of the chairman of the committee and ask for some clarification.

It read:

Provided, That not to exceed $1,758,000 may be available for operation of the National Visitor Center and of that amount not to exceed $1,000,000 may be used for payment of rent.

I might say that the Committee on Public Works and Transportation perfected a bill, H.R. 12796, a bill that we held hearings on, marked up and perfected in the full committee. It was passed on the 22d of May and a vote of 28 to 5 out of the Committee on Public Works and Transportation, the authorizing committee.

In that bill we provided for the Interior Department to maintain the Visitors' Center under its jurisdiction, so that they would have complete jurisdiction and operation of the Union Station/National Visitor Center.

We also offered a modified plan in perfecting the Visitors' Center that would cost about $16 million less than that which was recommended by the Secretary of Transportation and the Secretary of the Interior.

Now, at the present time there is an obligation which was incurred by the Department of Interior on behalf of the U.S. Government to pay $3.5 million annually in rental payments to the Washington Terminal Co. for 25 years for the use of Union Station by the Department of Interior as a National Visitor Center.

At the end of that time title would revert to the Government for $1 as the Visitors' Center under the jurisdiction of the Department of the Interior and operated by the Park Service.

We think that from the standpoint of the fact that our committee report was also made available on May 22, so that our position was clear to the entire House that this language should not appear in this bill nor should it appear in the committee report that was filed by the Committee on Appropriations. If the Public Work's bill were to pass the House, this facility would remain in the Department of the Interior and would be operated under the National Park Service. It would be a visitor's center for all the visitors coming to Washington.

There is also a provision in the Public Works bill to modify the Visitor's Center facility, to build additional parking, and to build a system of roads in and around the building that would take care of the railroad traffic and also the people coming to Washington as visitors.

I might also say this: That not long ago the Secretary of Transportation stated that there would be a cutback in Amtrak's operation. There would be a reduction of about five trains that are now using the Washington terminal facility. Also the Southern Railway is going to step out from operating the Century, which was the last passenger train operated by a railroad here in the East.

I do think we should wait until such time as we get the facility built as it was intended, taking over the building, putting the parking in, and providing the road system around it for the accommodation of railroad travelers who are now serviced behind Union Station and of the people visiting Union Station. The existing railroad station serves the operation now and will for the foreseeable future upon completion of the eastern portion of the rail station by the Washington Terminal Co. The eastern portion cannot be completed until construction of the southeast ramp is underway. The front of the building, the front area, and the road system have been perfected.

The center's two shortcomings are the absence of parking for visitors' automobiles and the need for auto access for rail passengers. The Public Works bill, H.R. 12796, will complete the southeast ramp in order to provide better access to the garage for buses and cars. Additionally, the concourse roadway directly behind the Union Station building will be completed so that rail passengers will have direct access to the terminal building.

The CHAIRMAN. The time of the gentleman from California (Mr. JOHNSON) has expired.

(By unanimous consent, Mr. JOHNSON of California was allowed to proceed for 3 additional minutes.)

Mr. JOHNSON of California. Mr. Chairman, I would just like to hear from the chairman of our very fine Subcommittee on Interior of the Committee on Appropriations, the gentleman from Illinois (Mr. YATES), and see if he thinks the language in his bill would in any way jeopardize our bill.

Our bill was reported out of committee on May 22, and the report was filed on May 22. That is a matter of record. The bill is now pending before the Committee on Rules awaiting a rule.

The limitation in H.R. 12932 would probably carry out the intent of the Secretary of Transportation and the Secretary of the Interior, who appeared before the Subcommittee on Public Buildings and Grounds, based upon the bill they sent to us. We introduced that, but then at my request we worked our will on that and perfected a bill. We introduced a clean bill, and that bill, H.R. 12796, is the one that is before the Committee on Rules at the present time. It is much different than the bill that was sent to us by the administration.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. Certainly, I yield to the chairman of the subcommittee.

Mr. YATES. Mr. Chairman, there is no Member in the House for whom I have greater admiration and affection than the distinguished chairman of the Committee on Public Works and Transportation.

The action of our subcommittee was predicated upon the hearings that our subcommittee has held on the Visitors Center over the last several years and indeed upon hearings that were held early this year. At the time of our hearings and at the time of our markup I do not believe that the gentleman's committee had acted, as far as our subcommittee had known.

Based upon the hearings to which I have referred, there was an agreement in existence between the Secretaries of Transportation and of the Interior under which it was proposed to reconvert the Visitors Center into what would be essentially a railroad terminal. The purpose of our amendment in limiting these funds was really to hold the situation in status quo and really to provide no funds other than the bare housekeeping funds for maintaining that situation until there was a resolution of the issue.

As the gentleman has so ably pointed out to the House, his committee has taken action on the subject matter. It is now pending in the Committee on Rules. I assume that if the House passes that bill and if the Senate passes it, too, this will serve as a resolution of the issue. After this bill passes the House, this matter, in addition to all of the others in the bill, will go over to the Senate. And by that time the Senate will have the advantage of knowing the gentleman's committee has taken the action it has on the bill. I do not know what the Senate corresponding Committee on Public Works is doing or proposes to do.

The CHAIRMAN. The time of the gentleman from California (Mr. JOHNSON) has expired.

(On request of Mr. YATES and by unanimous consent, Mr. JOHNSON of California was allowed to proceed 3 additional minutes.)

Mr. YATES. Mr. Chairman, if the gentleman will yield further, I want to tell the gentleman that our committee has no desire to impose its will on the authorizing committee; that the only purpose of putting this provision in and its limitations on funds was to hold everything in the status quo until the authorizing committees have acted.

Mr. JOHNSON of California. Is it not true that the Interior Department at the present time has jurisdiction over Union Station?

Mr. YATES. I believe that is true. The reason I say that I believe that is true is because I know there had been negotiations for an agreement between the Secretaries of the Interior and Transportation, and I do not know how far those negotiations had proceeded.

Mr. JOHNSON of California. By an act of Congress the building comes under the jurisdiction of the Department of the Interior?

Mr. YATES. Oh, yes. The Visitors' Center has been within the jurisdiction of the National Park Service, which is within the jurisdiction of the Department of the Interior.

Mr. JOHNSON of California. And it has been renovated to be used as a visitors' center?

Mr. YATES. It has been completely altered.

Mr. JOHNSON of California. There is other work that has to be done to perfect the parking and the road system around the terminal to serve it. The railroad company has also moved their facilities back and provided their facilities at their own cost, and they are serving the railroad needs there at the present time.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from New York.

Mr. WALSH. I thank the gentleman for yielding.

Mr. Chairman, I, too, want to express my concern to the chairman of the Appropriations Committee. I know what a difficult task he has been confronted with. In listening to the debate, I would suggest the gentleman has done a marvelous job. Like the chairman of the Public Works Committee, I am the coauthor of this legislation, and I am concerned that a great deal of work of the Subcommittee on Public Buildings and Grounds may go down the drain unless we get some assurance that the legislation is going to be considered. We held extensive hearings on this matter. Many of the members of the subcommittee made several inspections of the Visitors' Center to determine that the plan is workable and sensible, in contrast to the plan submitted by the Secretary of Transportation and the Secretary of the Interior. Our proposal will save the taxpayers of this country about $16 million. It will also provide a viable, excellent visitors' center for the peope coming into the terminal. The hearings brought out the fact that we do need a center such as this. We had testimony from over a dozen witnesses, including the heads of the major bus companies in the area serving Washington, we had great support for our plan, including many of the groups in Washington that will benefit from the Visitors' Center.

The CHAIRMAN. The time of the gentleman from California (Mr. JOHNSON) has again expired.

(On request of Mr. WALSH and by unanimous consent, Mr. JOHNSON of California was allowed to proceed for 2 additional minutes.)

Mr. WALSH. Mr. Chairman, if the gentleman will yield further, I want to urge upon the chairman of the Appropriations Committee the fact that we have developed here a good piece of legislation. We are heartened in the fact that the gentleman is holding the door open for the authorizing committee to come in. At first I was concerned about the gentleman usurping our jurisdiction; but I am delighted to hear the gentleman say that he is not.

Mr. JOHNSON of California. I thank the gentleman from New York, and I also thank the gentleman from Illinois, the chairman of the subcommittee. We do think we should have consideration.

Mr. GORE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in our consideration of this bill, I would like to underscore the importance of the Department of Energy program in magnetohydrodynamics and express my regret that the appropriation of funds for MHD was not increased to the level of funding recommended by the Committee on Science and Technology.

As a member of the Science and Technology Committee, I participated in the deliberations which resulted in the proposed $20 million increase in the authorization for MHD for fiscal year 1979. A large majority of our committee agreed upon $94,325,000, a figure which we believe to be necessary to propel MHD research and development at a rate consistent with our national energy and environmental needs. This was one of the very few increases recommended in the fossil fuel budget. Substantial decreases were recommended in other fossil areas.

Our committee devoted considerable study to the requested increase in funding, and a great majority shared the firm conviction that the additional appropriation is fully warranted.

MHD technology will allow us to burn high-sulfur coal—our most abundant energy resource—in a virtually pollution free manner. The University of Tennessee, which has been experimenting with MHD for the past 15 years, has demonstrated pollution control with simple, inexpensive apparatus. In fact, the University of Tennessee has successfully demonstrated MHD electrical generation with pollution control performance that exceeds the allowable emission standards proposed by EPA through 1982.

Another critically important feature of MHD is its coal-to-electrical power efficiency. The MHD process will boost the conversion efficiency to 50 percent, as compared to the 35 percent efficiency of the best conventional steamplants. This means that we will be able to generate 50 percent more electricity per ton of coal while at the same time overcoming a major environmental and economic problem which now plagues our existing steamplants.

The savings to the Nation in acquiring MHD technology are tremendous—as much as $140 billion before the end of the century. All of this can be accomplished with a domestic energy resource which will last for at least the next 200 years—and much longer if we use it efficiently.

The CHAIRMAN. Are there further amendments to title II?

AMENDMENTS OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendments offered by Mr. YATES: On page 47, line 23, strike "99,100,000" and insert "98,300,000".

On page 48, line 5, strike "10,000,000" and insert "10,800,000".

Mr. YATES. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, the purpose of this amendment is to correct a technical error in that portion of the bill relating to the National Endowment for the Humanities. This amendment does not change the amount of the bill, it merely shifts totals within the National Endowment for the Humanities account. The net result is an increase of $800,000 for the administration of the National Endowment for the Humanities and a corresponding decrease to the programmatic activities.

It is clear from the committee report that the intent of the committee is to provide the administration request of $10,800,000 to administer the National Endowment for the Humanities.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois (Mr. YATES).

The amendments were agreed to.

The CHAIRMAN. Are there further amendments to title II?

If not, the Clerk will read title III.

The Clerk proceeded to read title III.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order against title III?

The Chair hears none.

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio: On page 52 after line 14, insert the following paragraph:

SEC. 306. Of the total budget authority provided in this Act, for payments not required by law, two per centum shall be withheld from obligation and expenditure; *Provided*, That of the amount provided in this Act for each appropriation account, activity, and project, for payments not required by law, the amount withheld shall not exceed five per centum.

Mr. MILLER of Ohio. Mr. Chairman and members of the committee, it is not easy to be offering reduction-in-spending amendments such as this one.

My good friend, the chairman of the subcommittee, the gentleman from Illinois (Mr. YATES), and my good friend, the ranking minority member of the subcommittee, the gentleman from Pennsylvania (Mr. MCDADE), have worked very hard and long on the bill. I am aware of what they needed to do because I also serve on two other appropriation subcommittees. They have spent many hours, days, weeks, and months. They have many demands upon them by the various agencies which come to them requesting the dollars, but this is an opportunity to put the cat on somebody else's back.

Mr. Chairman, I am offering this amendment to, perhaps, in some way, soften the load.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, both the gentleman from Pennsylvania (Mr. McDADE) and I have very broad backs. We feel very strong. We are willing to bear the load by accepting this amendment, I say to the gentleman from Ohio (Mr. MILLER).

Mr. MILLER of Ohio. Mr. Chairman, to my friend, the gentleman from Illinois (Mr. YATES), I want to say that the gentlemen do have strong backs; but the taxpayers' backs are not quite that strong. They are the people who are footing the bill, and they are the people who are unhappy with paying the taxes today plus the interest on the national debt, plus paying the interest to the foreign nations which we borrowed the money from to raise the national debt $108 billion.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, Does the gentleman say that the taxpayers are unhappy? Does he think the taxpayers of America are unhappy with the amount of funds we are appropriating in this bill for the Department of Energy and for the energy program?

Mr. MILLER of Ohio. I believe that they want an energy bill.

Mr. YATES. Yes, they do.

Mr. MILLER of Ohio. But, let me tell the gentleman what else is going on about the energy bill. We do not have an energy policy in this country. Because we do not have an energy bill——

Mr. YATES. Therefore we should not appropriate any money, is that what the gentleman is saying?

Mr. MILLER of Ohio. No. It so happens that IRS came to one of my subcommittees, and does the gentleman know what the IRS has spent? It spent $5.4 million preparing forms—preparing forms, training personnel and establishing computer programs so that they would be able to allow tax credit. I think we have all kinds of problems there. They have employed 275 additional employees because of the energy related work. But we do not have an energy policy because Congress is still working on it. We are not talking about a policy in this bill, we are talking about conservation. I agree with that.

Mr. YATES. Is that not a different form of energy than the ones we were talking about?

Mr. MILLER of Ohio. That is a different form of energy, but what I am conveying to the gentleman is that we need the energy policy. The gentleman is attempting to conserve energy in this bill.

Mr. YATES. I am interested in the effect of the gentleman's amendment. For example, how will the amendment affect the various programs in the Department of Energy? Will all of those programs be cut 2 percent?

Mr. MILLER of Ohio. They will not need to be cut at all under the amendment. The maximum amount that any line item could be cut is 5 percent. The total overall budget would need to be reduced 2 percent. The gentleman, as a conferee, could decide in the conference what would be cut, and then the reductions would never be made by the administration. All we would want is a 2-percent cut, to decide what low priority items should be cut, and the cut returned in a conference report. That solves the problem.

I want to convey that the bill is approximately $12.7 billion. It is up $1,912 million, about $2 billion over last year. Now, under the nonmandatory spending part of the bill, that amounts to approximately $12,300 million. Of that, the 2 percent would amount to very close to $250 million. Now, that is just one-eighth of the amount of the increase—one-eighth of the amount of the increase over 1978.

I would request that the Members support the 2-percent reduction.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Mr. YATES and by unanimous consent, Mr. MILLER of Ohio was allowed to proceed for 5 additional minutes.)

Mr. YATES. Mr. Chairman, if the gentleman will yield further, my good friend from Ohio said that we who will be on the conference committee—and I assume our subcommittee will be the conferees—will be the ones who will allocate the 2 percent. Is that in the gentleman's amendment? As I understood the gentleman's amendment, it provided for a reduction within 2 to 5 percent, that was to be made by the executive branch. There is nothing in the gentleman's amendment that requires the members of this subcommittee to allocate these funds.

Mr. MILLER of Ohio. The complaint has been that the administration would make the reductions.

Mr. YATES. Yes.

Mr. MILLER of Ohio. Last year, if I could give an example, a 5-percent reduction was attached to the foreign operations appropriation bill, and the reductions were made in the conference. It came back to the House in the conference report and was approved in the House, and no further reductions were made by the administration. There is nothing in the amendment that states that the administration would make the reductions. That was good propaganda in order to defeat the 2-percent reduction in the other appropriation bills.

Mr. YATES. Mr. Chairman, the gentleman's amendment requires a cut of 2 to 5 percent. Who makes that cut? How is that cut made?

Mr. MILLER of Ohio. In the foreign operations conference——

Mr. YATES. No, no; I am talking about my bill here.

Mr. MILLER of Ohio. In the foreign operations conference it was made right then, and why could the gentleman not do the same thing? In the conference the reductions were made in line items, and not more than 5 percent in any line item, but a maximum of 2 percent overall. After the reductions were made in conference, it was brought back to the House floor, and the conference report was approved.

Mr. YATES. Let me suggest to the gentleman, and I am sure that the gentleman is very proud of his amendment and approves of it, but suppose the Senate agrees with the gentleman and adopts the gentleman's amendment word-for-word. What action do we conferees have then?

Mr. MILLER of Ohio. If they adopt the amendment word-for-word, they would still have to do exactly what I said here.

Mr. YATES. How? It is not in conference.

Mr. MILLER of Ohio. The conferees will do it at that point.

Mr. YATES. On the contrary, the Senate may put it in its bill, and if this same amendment is in the Senate bill it is not in conference and there is nothing for us to do. Is that not true? There is no argument, so it is not in conference.

Mr. MILLER of Ohio. I would assume that there will be a conference, as I assume the chairman of the Interior Subcommittee on Appropriations, the gentleman from Illinois is quite aware. There will be a conference.

Mr. YATES. But, Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Illinois.

Mr. YATES. The point I am trying to make is this. If the Senate adopts the amendment of the gentleman from Ohio word-for-word and point-for-point, there is nothing for us to discuss in the conference. It is not the subject of the conference.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Connecticut.

Mr. GIAIMO. I think the gentleman from Illinois raises a good point.

The CHAIRMAN. The Chair would like to make the point that the gentleman from Ohio (Mr. MILLER) has the time.

Mr. MILLER. That is correct.

Mr. YATES. I am sorry.

Mr. GIAIMO. I was misled by my good friend, the gentleman from Illinois, who said he had the time. I bow to the statement of the Chair.

Will the gentleman from Ohio yield?

Mr. MILLER of Ohio. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, we are in an area that I think needs clarification and I think perhaps this colloquy can help us. I am not certain we are all certain as to what the manner of accomplishing this is, but I think it can be done. My understanding is that if the amendment cutting 2 percent but not more than 5 percent from any program were to be passed, and if the other body were to agree with that, the gentleman from Illinois is correct, it would not be an item in disagreement. In that event, it would not be a subject before the conference.

However, it is my understanding that it would be a form of limitation on the executive to abide by that and to reduce expenditures by 2 percent at the discre-

tion of the executive branch but not more than 5 percent for any one program. So to that extent it would be a retrenchment of funds.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, that is not the way the gentleman explained it.

Mr. GIAIMO. Mr. Chairman, I do not know how the gentleman explained it.

Mr. YATES. It is not the amendment of the gentleman from Connecticut. It is the amendment of the gentleman from Ohio.

Mr. GIAIMO. Mr. Chairman, would the gentleman from Ohio yield further?

Mr. MILLER of Ohio. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Does the gentleman from Ohio disagree with what I have said?

Mr. MILLER of Ohio. I do not disagree.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. MILLER) has again expired.

(By unanimous consent, Mr. MILLER of Ohio was allowed to proceed for 2 additional minutes.)

Mr. MILLER of Ohio. Mr. Chairman, when the gentleman from Illinois (Mr. YATES) mentioned that if the Senate would approve the amendment word-for-word and point-for-point, there still would be other items and we would go to conference. That particular item would not be in disagreement. That is what the gentleman from Connecticut is conveying. And the administration could then make the reductions. But we would have that opportunity. As long as the amendment is not agreed to by the Senate, it is in disagreement, and the conferees could work it out. The gentleman knows and I know the system, and that is what would happen.

Mr. YATES. Yes, but, Mr. Chairman, will the gentleman yield further?

Mr. MILLER of Ohio. I yield to the gentleman from Illinois.

Mr. YATES. Does not the gentleman agree with the gentleman from Illinois that if the Senate were to accept the Miller amendment word-for-word and point-by-point, the Miller amendment would not be in conference?

Mr. MILLER of Ohio. That is correct and that is what I have said.

Mr. YATES. Well, that being so, then the administration is the cutting instrumentality, is it not, and the conferees would have nothing to say about the cuts. Is that right?

Mr. MILLER of Ohio. The conferees would have something to say about the cuts, but the gentleman knows how the system works, probably better than I, and at that point the conferees would make the desired cuts.

You know what would take place at that point, you would make the desired cuts in those items that are in dispute and you would bring it back as a conference report with a 2-percent reduction from the bill so that you would be blocking the administration from making the reduction.

Mr. YATES. That is not what would happen at all, may I say to my good friend the gentleman from Ohio (Mr. MILLER) because we would be forbidden to make those cuts and the executive branch would agree on where they should take place. And I object to giving the administration that responsibility because it is our responsibility under the Constitution, may I say.

Mr. MILLER of Ohio. When you go to conference you have the low and the high figures and you would pick the low figure.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. MCKAY, and by unanimous consent, Mr. MILLER of Ohio was allowed to proceed for 1 additional minute.)

Mr. MCKAY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Utah.

Mr. MCKAY. Mr. Chairman, the fiscal year 1979 Interior appropriations bill offers Congress an opportunity to invest in our great natural and energy resources in this Nation. While this bill calls for the appropriation of $12.7 billion, this amount will be offset by fee collections of over $4.3 billion this year. Furthermore, investment in renewable resources such as timber and rangelands will produce revenues for years to come. Those who suggest general reductions in these areas are pursuing a false economy. It is impossible to collect fees for resources that are never developed; you cannot harvest timber that has never been reseeded and you cannot collect grazing fees on lands that have not been protected or revegetated.

The committee has also taken the initiative in water resource analysis and development. Money is provided for increased saline water conversion research, data collection on groundwater resources, and Federal-State cooperative water use programs. The House is free to cut these programs, but it does so at the peril of further energy development and industrial growth in this Nation. The lost tax revenues from development that cannot take place due to inadequate water supplies will far outweigh any short-term savings achieved by cutting today's budget.

Perhaps the most serious victim of wholesale budget cuts in the Interior appropriations bill would be the Nation's energy program. The committee has taken initiatives to increase coal leasing on Federal lands, to develop the Nation's petroleum reserve, to promote enhanced oil and gas recovery, to demonstrate oil-shale technology, and to encourage conservation in public buildings and institutions. I find it hard to believe that any Member of this body could, in good conscience, vote to limit these initiatives and make the United States more vulnerable to energy blackmail.

One final area of Federal responsibility that would be affected by general reductions in this budget is the U.S. commitment to its trust responsibilities. The Federal Government has legal and moral responsibilities to the Indian people and the residents of the trust territories that cannot be taken lightly. If you had investigated the inadequacies of Indian health care, Indian education services, or resettlement efforts in the Pacific as this committee has done, you cannot easily vote to reduce funds for these programs. If the United States fails to fulfill its basic trust responsibilities, its ability to support human rights around the globe will be seriously impaired.

Finally, let me return to the question of general reductions to this budget. I do not dispute for a moment the fact that there is waste and mismanagement in Federal programs, but the job of Congress is to identify those abuses and eliminate them. Congress job is not to impose arbitrary budget cuts across the board and congratulate itself on its own fiscal responsibility. If there is waste and abuse let us identify it and root it out, instead of turning to those same bureaucrats who are responsible for the waste and inefficiencies and asking them to impose these budget cuts.

It is said that a 5-percent reduction is not drastic, but consider the effects of such a cut in the following areas:

Land and water conservation fund grants to States, reduced $18.5 million.

Maintenance of national parks, reduced $9 million.

National Petroleum Reserve in Alaska exploratory drilling, reduced $9.2 million.

Indian education, reduced $13.9 million.

Energy conservation in schools and hospitals, reduced $15 million.

Strategic petroleum reserve, reduced $204.2 million.

Two percent would have a proportional effect. But it allows the Agency to cut up to 5 percent in any one area which is not good in this bill as we develop our resources.

If the gentleman will yield still further, the gentleman is suggesting that we could not cut more than 5 percent from any program in his amendment?

Mr. MILLER of Ohio. That is right.

Mr. MCKAY. The effect of that on the programs in this bill, if the administration, or the conferees, whichever the case may be—given the statement of the gentleman from Illinois (Mr. YATES)—if they took 5 percent he indicated the total 2 percent of the bill would be some $200 million, I believe he said.

Mr. MILLER of Ohio. He said approximately $250 million.

Mr. MCKAY. If you took 5 percent out of the strategic petroleum reserve, that is $205 million. If you took 5 percent out of energy conservation, that is $15 million. Five percent out of Indian education, that is $13 million.

If you took 5 percent out of the national petroleum reserve in their exploratory drilling, that would be $9 million.

Maintenance of national parks would be $9 million. The Land and Water Conservation Fund, $18 million, just to give you an idea of the effect this could have on this bill.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. EVANS of Colorado and by unanimous consent, Mr. MILLER of Ohio was allowed to proceed for 2 additional minutes.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, assuming that the House and the Senate were in agreement on the Miller of Ohio amendment, point-by-point and word-for-word, then it is not in the conference.

I think what the gentleman from Ohio is saying is that both the House and Senate having spoken that the conferees, instead of just splitting the difference between the low and the high will take the low figure. If that is what happens in the conference, then it is brought back and it is brought back still with that 2 percent that is tied to it. So after we reduce to the lowest figure and then we send it to the executive branch, then he is commanded to take another 2 percent out and that is 4 percent, or it may be even 7 percent.

Mr. MILLER of Ohio. Not in the Committee on Foreign Relations, after they made their reduction, they did not allow the 5 percent, it did not return in the conference.

Mr. YATES. If the gentleman will yield, the Senate passed the Miller of Ohio amendment, it was not in the conference so the executive branch then had to make the 2-percent cut in addition to what the conferees might have cut.

Mr. MILLER of Ohio. I believe we could find all kinds of reasons and that is why we will have a national debt of about $850 billion in 1979.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. MILLER).

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts (Mr. CONTE.)

Mr. CONTE. Mr. Chairman, I agree wholeheartedly with the gentleman from Illinois (Mr. YATES) now in the well. I happened to be on that conference on the foreign aid when the so-called Miller of Ohio amendment passed in the House. If I recall correctly, it was never discussed in conference. What happened was we had some high figures and some low figures in that conference and we compromised on those figures. It might have come up as 5 percent, but the Miller of Ohio amendment was dropped.

You are absolutely right that if the Senate accepts the 2-percent amendment then we lose all control and its up to the administration, the executive branch, to determine where they are going to make the 5-percent cuts.

Mr. YATES. That is right. May I say to my friend the gentleman from Massachusetts (Mr. CONTE) that if the Miller of Ohio amendment is as good as the gentleman from Ohio Mr. MILLER thinks it is, the Senate might think it equally good and accept it.

Mr. CONTE. That is right.

Mr. YATES. Then this item would not be in conference.

Mr. CONTE. And we lose control.

Mr. YATES. That is correct.

Mr. RICHMOND. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York (Mr. RICHMOND).

Mr. RICHMOND. Mr. Chairman, I rise in opposition to this amendment. Included in the Interior appropriation for fiscal year 1979 is $295.5 million for the National Foundation on the Arts and Humanities.

Since the endowments were established in 1965, the arts in this country have grown tremendously both in appeal to the public and in the number of arts organizations. In the past 12 years dance companies have increased tenfold. Professional theatres have opened in cities all across the country. Today there are over 1,800 community arts councils in the country. Libraries and museums across the Nation report dramatic increases in attendance.

A major impetus behind this extraordinary growth has been the support and encouragement provided by the NEA and the NEH. The importance of the contributions made by these two agencies to the enrichment of American life cannot be overstated.

The past year has been a tumultuous one for these two agencies. The new Chairmen have faced bitter conflicts over the future direction of Government support. Critics of the endowments have entered into verbal battles over whether the endowments should support the "elitist" organizations, that is, the larger established institutions or "populist, grassroots" organizations.

Such conflicts have done nothing to help the status of the arts in this country. To continue to pursue the argument seems pointless. Recognition of the mutually beneficial relationship between both large and small art organizations must be made. It is doubtful that the major arts institutions could as successfully exist without the support of the smaller groups. Nor could the grassroots organizations function as effectively without the leadership provided by the high impact organizations.

Today, the arts have more popular support in this country than ever before. This popularity must not be endangered by forcing a needless division of public support. As long as the arts in this country remain financially unstable, the endowments will be besieged with requests for assistance. Time and time again they will be pressured to fund one segment of the arts community at the expense of others.

Such pressure I believe must be relieved by Congress. It is not the proper role of Congress to direct what kind of art is funded or encouraged. This in effect would be the end result of congressional attempts to mandate to whom grants should be awarded. If the Congress is truly concerned over providing an equitable allocation of funds, the need for future increases in the appropriations for the endowments must be recognized.

The chairman of the endowments, Livingston Biddle and Joseph Duffey, are to be commended for the standards of excellence they have brought to the endowments. Decisions made by these men in attempts to reorganize the endowments have not always been popular. However, they have displayed courage and vision in implementing needed changes. Their efforts are indeed worthy of praise.

This year's appropriation marks a turning point in the relationship between the Congress and cultural organizations in our Nation. The fiscal year 1979 budget for the endowments represents the largest percentage increase thus far proposed by Congress. It is my opinion that this increase reflects the acceptance as well as approval of the work of the endowments by the Congress and the American public.

The proposed 2-percent cut would represent a loss of $6 million to the two endowments at a time when the endowments have requests in excess of $1 billion annually. These $6 million are crucial to the continuing development of the arts and humanities in this country.

I hope that my colleagues will join me in voting to uphold the fiscal year 1979 Interior appropriations, thereby affirming support for the invaluable contributions the national endowments have made to our Nation's cultural life.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I thank the gentleman for yielding.

The 5 percent was discussed last year in the conference on foreign operations. I received telephone calls from the conferees, who told me it was being discussed and gave me the amount of the line items. It came out to be a 4-percent reduction, a reduction of $273 million.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman for yielding.

The gentleman (Mr. MILLER) might have spoken to Mr. LONG, the chairman of the subcommittee, but we did not discuss it openly in that conference.

Mr. YATES. That is correct, may I say to the gentleman.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Illinois.

Mr. MICHEL. I appreciate the gentleman's yielding.

I just want to say to the gentleman that I am going to oppose this amendment, and I hope my friend, the gentleman from Ohio, will not be offended by my opposing it. As he well knows, I supported his amendment to the Labor-HEW appropriation bill because I think, frankly, in the HEW area it was well deserved. But I am not going to make it a practice of cutting 2 percent or 3 percent from every bill we have before us. Otherwise I am afraid, serving as a member of the Appropriations Committee, that we are going to be inclined to simply pad our bills to account for it when the bill gets to the floor. If you offer this type of cut to the foreign aid appropriation bill, I will support the gentleman again, but when we have a

bill like this one that has a variety of programs where, in my judgment, the committee has made substantial changes from the administration's recommendations, I would support the committee. I think the committee has done a fine job on this bill and must oppose the amendment.

Mr. YATES. I have the greatest admiration and respect for my good friend, the gentleman from Ohio. I know his intentions are the best, but he did not sit at our deliberations on this subcommittee.

Let me tell the House what we did on this subcommittee. First of all, we sat for 42 days of hearings, day in and day out, as the gentleman has done on his subcommittee, and we heard from 800 witnesses.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. I thank the gentleman for yielding. I also offered to my own subcommittee bill a 2-percent reduction, and it was approved.

Mr. YATES. Of course, the gentleman did. May I say to the gentleman, I have great respect for the members of his subcommittee.

Let me point out to the gentlemen some of the problems that we have in our subcommittee. One of the major problems which affects the Bureau of Land Management, the Forest Service, the Geological Survey, and a number of the other resource agencies is environmental impact statements. We have a job on our committee of trying to foster and press forward with the task of developing energy problems. We have a big portion of the energy budget in this bill. For example, coal leasing by the Federal Government is being held up at the present time. We are supposed to be moving from petroleum to coal. Leasing of coal is being held up because of the injunction granted in a suit filed by the National Resources Defense Council (NRDC) that prevents any coal from being mined, with a few exceptions, until certain environmental impact statements are filed. So what did our subcommittee do? Our subcommittee is trying to increase coal production, so we provided an additional $3,600,000 in this bill, pursuant to an agreement reached between NRDC and the Department of the Interior under which they agreed to allow certain coal leasing.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 5 additional minutes.)

Mr. YATES. The additional funds will allow the number of short-term lease applications processed to increase from 20 to 36, or an 80-percent increase, and the number of preference right leases to increase from 10 to 20, a 100-percent increase. What will that do? That action alone will allow 13 to 17 million tons of coal to be mined annually that would not have been allowed if we had not taken that action.

We have other backlogged programs within the Bureau of Land Management. We have backlogs of processing mining claims. We are trying to clear up that backlog so that we know what the situation is on coal mining and other mining activities. We thought we should clear that backlog up so we added an additional $4.9 million in the Bureau of Land Management to eliminate those backlogs.

We also provided an additional $1 million for the purpose of processing an additional 520 energy-related rights-of-way permits to respond promptly to applications for transmission of energy.

We provided other moneys to clear up other backlogs.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, the chairman of the subcommittee, who is a very distinguished leader of the subcommittee and who does a superb job, has repeatedly referred to what the subcommittee did. The subcommittee consits of 12 members. I think the gentleman could better support his position by saying that the full committee of 55 members were presented with the report and this bill before us is the product of more than just the gentleman from Illinois and the gentleman from Pennsylvania and the 12-man subcommittee. This is not just the act of the subcommittee but it is the work of the full 55-member Committee on Appropriations. It represents the best judgment of the committee, with compromises here and there. Nobody is satisfied in every way with everything in the bill; but we did the best we could under all the circumstances.

Mr. YATES. Mr. Chairman, I thank the gentleman.

Mr. Chairman, let me make one other point. Let me tell you about the Forest Service. The committee provided an additional $188 million, excluding the deferral of funding for firefighting costs for the Forest Service. The people in the city of Chicago, do not directly benefit by increased employment or revenue from the production of Forest Service timber; but let me tell you why I voted for the increase. I believe in protecting the people's resources. A few years ago Congress passed the Humphrey-Rarick bill to protect and preserve the Nation's forestry resources. The Humphrey-Rarick Act had been funded at a level significantly below what was needed to protect the resource. Last year we decided in our committee that we ought to protect the Nation's forestry resources, not only for this generation but for generations to come. We need to increase our reforestation efforts. We ought to provide for proper and increased harvesting of our timber resources including insect-infected logs. So what did the committee do—we increased the Forest Service budget by $265 million to provide for 85-percent funding of the Humphrey-Rarick Act.

The Office of Management and Budget took away most of the committee initiatives of fiscal year 1978 when the fiscal year 1979 budget was submitted.

They requested only 71 percent of the Humphrey-Rarick Act. The additional $188 million the committee provided was to make sure that the Forest Service program was preserved at least at the fiscal year 1978 level.

Now, why? What is the additional bonus for that? The Forest Service told our committee that the fiscal year 1979 budget would allow them to prepare for sale 11.5 billion board feet of timber. The President of the United States and your constituents, I might add, who are in the homebuilding business, want the costs of lumber, which are skyrocketing, to be reduced; so our committee increased sales preparation to 12.4 billion board feet of timber, an increase of 900 million board feet. The Forest Service said they could only prepare 12.2 billion board feet but we thought they could do better and we made it 12.4 billion board feet.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. YATES) has again expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 3 additional minutes.)

Mr. YATES. Mr. Chairman, why did we do that? The more lumber we are able to harvest with good forestry practices under a sustained-yield program, the better it is for our country, the better it is for our resources and the better it is for the consumers, as well as for the lumber industry.

Now, you say, "Well, why will a 2-percent cut hurt?"

I think a 2-percent cut will hurt. Why did we provide all this money? You come along blithely and say, "You can stand a 2-percent cut. There is enough waste in the bill. There is bound to be a cut here."

We do not think so. We think the Forest Service is a very good investment.

I have given you some of the reasons. I have given you some of the analyses that went into our decisions.

We did not do this willy-nilly. We examined each of these items, and I suggest to the gentleman from Ohio (Mr. MILLER) that, much as I admire him and despite all the affection I have for him, that in this instance at least he has come to the wrong conclusion.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to my friend, the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, the 2-percent reduction amounts to $250 million, only one-eighth of the amount of the increase over last year's spending in this bill.

Mr. YATES. Mr. Chairman, I think there is no immediate reply to be made to that statement. I think the gentleman's statement stands by itself.

Mr. McKAY. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Utah.

Mr. McKAY. Mr. Chairman, the gentleman from Ohio (Mr. MILLER) fails to recognize that this amendment, by cutting the funds, cuts the amount of money that will accrue back to the Treasury.

Mr. YATES. The gentleman is correct.

Mr. McKAY. This bill provides resources to the Treasury. This is one bill

where when we increase the funds we increase revenues. The more we cut, the more we cut the revenues going back to the Treasury.

Mr. YATES. The gentleman is exactly right. Under the provisions of this bill, $4.3 billion will be returned to the Treasury in receipts of various kinds.

Mr. Chairman, this is a good bill as it is, and I urge the defeat of the amendment.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Miller amendment to reduce the total appropriations in H.R. 12932, Interior-related agencies appropriations for fiscal year 1979, by 2 percent.

I am especially concerned about the impact this reduction could have on funding for the National Endowments for the Arts and the Humanities. Passage of the amendment before us could overturn the Appropriations Committee's decision to fund fully the budget request of $295,260,000 for the National Foundation for the Arts and the Humanities. Included in this amount are $149,660,000 for the National Endowment for the Arts and $145,600,000 for the National Endowment for the Humanities.

Funding for the National Endowments for the Arts and the Humanities has grown in recent years. However, appropriations continue to lag behind the demands being placed on the Endowments. In this regard, I would like to call my colleagues' attention to the Appropriations Committee's comments on page 103 of the report to accompany H.R. 12932:

> Yet the large appropriations have not ever kept pace with applications for assistance. The FY 1978 applications to NEA exceeded $600 million. Those to NEH totaled more than $400 million. The growth of interest in Endowment activities through the country has been equally spectacular. Public visitations to galleries, exhibitions, museums, art fairs, etc., keep attaining new heights.

As the Representative for the 18th Congressional District in Manhattan, which includes many of the prominent theaters and museums in New York City, I have received numerous communications in strong support of full funding for the National Endowments. My constituents have been especially concerned about the urgency of Federal support for the National Endowment for the Arts. In a recent letter to me, Joseph Papp, producer for the New York Shakespeare Festival, wrote:

> It is absolutely essential that the $150 million request (for NEA) be seen as a survival budget for the arts, and that any attempt to cut this request be vigorously resisted on behalf of the millions of Americans whose lives are enriched by the arts.

Similarly, Thomas M. Messer, director of the Guggenheim Museum, observed:

> For those of us who direct and manage cultural institutions, the Endowments have become true lifesavers for without the project support over the past years, it would have been impossible to contain deficits that have been growing as a result of a general economic deterioration and the effects of inflation. Such difficulties persisted while public demands increased so that we find ourselves in the anomalous position of increased demand and decreased financial capacity. What all of this means for the City of New York, its tourist trade, visitor potential and of course its position as a world center of culture need not here be separately spelled out. . . . The same situation holds true in hundreds of other art museums to say nothing of the numerous related cultural organizations that span this continent.

The comments of Mr. Papp and Mr. Messer are typical of those I have received from theater groups and museums. All have emphasized that the requested level of funding for the National Endowment for the Arts, contained in the committee's bill, must be viewed as a "minimum" or "survival" amount. To reduce the appropriations recommended by the committee, as the Miller amendment would do, would be to abandon the Federal commitment to artistic and cultural advancement in this Nation. As the committee report noted, applications for endowment assistance are far in excess of available funds—over four times higher in the case of the National Endowment for the Arts. A reduction in the recommended appropriations would involve cutting below the floor amount that our theaters, museums, and cultural organizations need to even begin to meet rising demands and expenses. Is this to be the extent of our national support for the arts and humanities?

In closing, I would like to share with my colleagues the eloquent comments of Dennis Turner, the executive director of the CSC Repertory, a not for profit rotating repertory theater group that provides over 5,000 discount and complimentary tickets to the aged, handicapped, and underprivileged in New York City. Mr. Turner said in his telegram to me:

> Federal assistance at the proposed level is essential for the continued growth, stability and cultural contributions made by this theater and other arts organizations throughout the country. Without this funding our community and our nation run the risk of losing one of their major resources, the communication of the soul of man.

I call upon my colleagues to help save that resource and to vote against the reductions mandated by this amendment.

Mr. STOCKMAN. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Michigan.

Mr. STOCKMAN. Mr. Chairman, the gentleman is talking about the danger resulting from these large cuts, but I am looking at the categories he is talking about.

It would appear to me that there is a $26 million increase provided in fiscal year 1979 for the National Endowment for the Arts, and there is a $25 million increase provided in fiscal year 1979 for the National Endowment for the Humanities. That is roughly a 22-percent increase in both these categories over last year's funding.

I cannot understand how, even if 5 percent, the maximum amount, were cut out of these two categories, we would do some irreparable damage to these two programs. I will agree they are worthwhile programs, but even under those circumstances they would still have a 15- to 18-percent increase over last year.

We have an inflation rate of 10 percent, and we have a deficit that is out of hand. Yet the gentleman is suggesting that an 18-percent increase is inadequate—that it would destroy these programs.

Mr. Chairman, I think this is a very good example of why many of us think the amendment offered by the gentleman from Ohio (Mr. MILLER) ought to be adopted. This is a good illustration of the fact that there is fat in this budget that can be cut, and that the gentleman's amendment is a responsible one.

Mr. GREEN. Mr. Chairman, if I may respond to the gentleman, I would simply refer him to page 103 of the committee report, in which the Committee on Appropriations, after examining the amount of the increase, very specifically notes that the large appropriations have never kept up with applications for assistance. The report says that the fiscal year 1978 applications to NEA exceeded $600 million and those to NEH totaled more than $400 million.

The committee goes on to say this:

> The growth of interest in Endowment activities through the country has been equally spectacular. Public visitations to galleries, exhibitions, museums, art fairs, etc., keep attaining new heights.

So, Mr. Chairman, the committee has examined this very carefully and has specifically alluded to the need in its report. I think the language of the report fully justifies these appropriations.

Mr. McDADE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. GIAIMO. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Chairman, I urge the defeat of the amendment offered by my colleague, the gentleman from Ohio (Mr. MILLER).

Let me tell the Members a little bit, in addition to what the subcommittee chairman has said regarding the Forest Service, about where this $250 million would come from and about where, if we went in some categories to 5 percent, this $600 million would come from.

When I had the opportunity to speak in general debate, I told the Members about the energy initiatives this committee has written, after listening to all the Members of this body and the outside witnesses. We have $20 million in here to begin the surface retorting of oil shale.

It is estimated, as the Members know, there is a trillion barrels of oil there. We have been hearing about it for years. The administration sent us not a penny for surface retorting of oil shale. We are going to try, and we are going to try in the process to put a cap on what may be a $30 million price on oil in the mid-1980's unless we do something in these

areas. We have also broken the budget in other areas. The administration did not request a penny for enhancing the oil recovery. As I said in general debate, there is only about $40 million in here for the entire program nationwide. The administration has not send a budget request for the money. But if we can use existing know-how to increase the take from the existing wells by 1 percent, then what we will have is a find equal to the entire Alaskan North Slope. I can go on and on, to show the Members where someone downtown can find the money to make this $200 million cut. We are going to have a drilling operation soon in the frontier areas of Alaska. It is a tough environmental question. We have appropriated every dollar to get over the environmental question. We have in here $30 million that is prepositioned money so that we can get to Alaska, if we get a commercial find, and bring it to the lower 48 2 years ahead of schedule. Not one person in the administration asked for the money. We put it in because we believe we have to solve these energy problems. It falls right within the amount of money that can be thrown out by anybody downtown.

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. McDADE. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate my remarks with the remarks of the gentleman from Pennsylvania (Mr. McDADE). The gentleman has demonstrated what I think most of us have said in speeches many, many times. Economy in Government is not necessarily spending no money. Economy in Government is the wise use of the public's money. And this bill is a demonstration, in my judgment, under the leadership of the gentleman from Pennsylvania and the gentleman from Illinois, of the wise use of the public's money. There is $4 billion in this budget that this 2 percent would apply against for the acquisition of a strategic petroleum reserve. Is there anybody who sits here and thinks we are not going to make money on that investment? That is just transferring wealth from one form to another. And I suggest that the defense and the economic survival of this country absolutely demand it.

Mr. McDADE. How much money will this bill generate into the Treasury from receipts in the U.S. Forest Service?

Mr. DUNCAN of Oregon. From the Forest Service alone, directly and indirectly, over $1¼ billion.

Mr. McDADE. Into the Treasury?

Mr. DUNCAN of Oregon. Into the Treasury. From BLM, $3,800,000,000.

Mr. McDADE. That is in OCS receipts. All we have to do is let somebody downtown get stuck with a tough environmental question, postpone the Beaufort shale, postpone the Alaska shale, and we will get no revenue, we will get no additional dollars into the Treasury, and we will end up, as the gentleman said, being penny wise and pound foolish.

Mr. DUNCAN of Oregon. We had some criticism of the money that went to the arts and humanities. If we add up all of the money for the arts and humanities in this $13 billion bill, we have something less than $450 million for that whole operation. Two percent of that is $9 million.

Mr. McDADE. Let me say one thing further. We have heard the President say time and time again the country has to get into the use of coal. I come from a State where we had some experience with that problem.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. McDADE) has expired.

(On the request of Mr. DUNCAN of Oregon and by unanimous consent, Mr. McDADE was allowed to proceed for 2 additional minutes.)

Mr. McDADE. Mr. Chairman, we have had some experience with that problem. The only way we are going to do it is to liquefy it, or turn it into gas or find ways to make it more usable.

We have $20 million here to begin an SRC process using coal to burn it cleanly. We have fossil fuel programs to gasify Btu gas, low Btu gas, and for liquefaction; and many of them were opposed by the administration.

Mr. Chairman, this committee wrote this section of the bill after thoughtful consideration, after witnesses from inside the Congress, outside the Congress, and administration witnesses were heard.

Stick with us and vote against this penny-wise, pound-foolish amendment.

Mr. DUNCAN or Oregon. Mr. Chairman, if the gentleman will yield further, he has demonstrated beyond the peradventure of a doubt why this bill ought to be written by the Congress of the United States and not by the administration downtown, whether it is a Democratic or a Republican administration.

We have had the hearings. We are making the judgments. We represent the people. We have to answer if we do not provide the answers in energy, in timber, in fiber, and so forth.

Mr. Chairman, this bill ought not to be subjected to this meat-ax approach of the 2-percent cut.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentleman from Ohio (Mr. MILLER).

Let me say at the outset that there is not another person in this Chamber for whom I have a higher regard than the chairman of this subcommittee, the gentleman from Illinois (Mr. YATES); my admiration applies to the ranking minority member and, in fact, to all of the members of the subcommittee. This is a fine subcommittee of the Committee on Appropriations.

Mr. Chairman, I think that the bill that they bring out is one of the most comprehensive and certainly one of the best thought-out bills, and I would trust the figures of the subcommittee of the gentleman from Illinois (Mr. YATES) without hesitation. I think the figures that he has established are undoubtedly good and accurate dollar figures in the various functions.

However, Mr. Chairman, that is not the point. The point here is that there is a demand that we in Government do something about Federal expenditures.

The Members will recall that when we brought before the House the first budget resolution in May, there was a demand that we do something to get better control of expenditures. At that time, I suggested to the Chamber that the way to get better control over expenditures was not to try to just arbitrarily cut them in the Committee on the Budget by 2 percent, because that would not accomplish very much except to send out some sort of signal. The way to do it would be when we get to the spending bills which we can get to easily, as witness the fact that today we have a spending bill before us. In addition, we can figure out a way to get to the uncontrollable and mandatory items, which are mostly in the entitlement programs, and that is where a great deal of the big spending is.

Mr. Chairman, we are beginning to go down this new path. We are not sure how it works. We are feeling our way. Members may call it meat-ax if they wish, but it is the only way that I know to do something about Federal expenditures right away, right now.

What is the gentleman's amendment saying? It is saying that 2 percent of the moneys provided and which are not now mandated by law to be spent, which are not mandatory, should be withheld. It is saying, "Take 2 percent of those moneys, Mr. President and the executive branch, and withhold those funds."

Mr. Chairman, I will say to my good friend, the gentleman from Illinois (Mr. YATES), that of course it is going to hurt. I know it is going to hurt. It is a reduction in what the gentleman estimated the proper amount should be.

Mr. Chairman, in talking about any kind of belt tightening, here it is. I think the requirement and the demand are prevalent today. It is evident that the people want us to do something about the raging rate of inflation in the land, and that we in Government should make a start by addressing ourselves to Federal expenditures, which are one of the contributing factors to inflation although I would concede that they are not the only one and may not even be the major one. However, I will submit that it is the only one over which you and I have very real control and about which we can do something.

Mr. Chairman, we may be able to figure out a better way to provide for these cuts; but, for the time being, I do not know what that better way is. Therefore, the only way in which we can effect them is to say to the executive branch, "Select where you can make a 2 percent cut. Do not kill any program. Do not take more than 5 percent out of any program, but in the overall, take 2 percent."

Mr. Chairman, let me say that the gentleman from Illinois (Mr. YATES) and others have said how this will hurt programs. Of course, it will; but we can survive this reduction.

This bill provides $12.7 billion. That is an increase over last year's bill, which was $10.6 billion. There is an increase in spending or in appropriations or budget authority of about $2 billion.

What the amendment would do would be to say take out $250 million of the $2

billion increase which we are authorizing and appropriating. We know it will hurt; we know it constitutes belt tightening. However, if we do do it in this bill, and in many of the other bills which will be before us, we will truly make a contribution to reducing spending and trying to get some control over inflation.

● Mr. WEISS. Mr. Chairman, I oppose the gentleman from Ohio's (Mr. MILLER) amendment calling for a 2-percent across-the-board reduction in H.R. 12932, the Department of Interior-Related Agencies appropriations.

Included in this bill is $295.3 million for the National Foundation for Arts and Humanities. As the committee report states—

> The growth of interest in Endowment activities through the country has been . . . spectacular. Public visitations to galleries, exhibitions, museums, art fairs, et cetera, keep attaining new heights.

The committee report also points out that despite significant increases in appropriations for the arts and humanities, they have not kept pace with the surge of interest that has spawned millions of applications for assistance. Last year, for example, National Endowments for the Arts requests exceeded $600 million, and National Endowments for the Humanities requests totaled more than $400 million.

This proven interest should not be discouraged by a 2-percent reduction in the funds available. Even without any reduction in the appropriation, less than $3 of every $10 requested can be awarded. One need only walk a few blocks from this Chamber to see vivid reminders of the Nation's cultural heritage. But all of the world's great art is not in museums; much of it is waiting to be created, and without encouragement from the Federal Government, there is no telling how much of it will die in the idea stage before it ever becomes a reality.

When money gets tight, the first things to go are the intangibles of a society, its arts, its humanities. But it is these very intangibles that often best reflect a Nation's spirit, character, and history. As leaders of the country, we would be remiss in our responsibilities if we did not create a climate that allowed thcse kinds of contributions to flourish. This is an especially appropriate occasion to heed Oscar Wilde's opprobrium about the man "who knows the price of everything, but the value of nothing." ●

Mr. YATES. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, shame on all of you in this committee for beleaguering this poor man from Ohio, who has come here today to try and cut spending. My goodness, all he is trying to do is what the people of the United States have requested. You should shower him with accolades instead.

Praise to you, I say to the gentleman from Ohio, for trying to do this. Your view is the view of the American people. Someday the Congress will catch up. Everytime a bill comes up the gentleman actually tries to cut spending.

Our liberal friends think there must be something wrong with the gentleman from Ohio, but I love him for it and so will America.

● Mr. REGULA. Mr. Chairman, as our committee report states, the vast majority of the money in this bill "relates to the protection of the peoples resources on public lands." As members of the committee we are responsible for making judgments as to how much money is actually required to accomplish this mission.

If the House overrules our judgment in this matter, who stands to suffer? Not only the people but the actual resources of our country; the actual land in our country.

If you jeopardize that protection you set off an alarming domino game in America. You also jeopardize our minerals and raw materials used in everyday life; our Nation's supply of energy; our ability to produce lumber to meet growing housing needs, our agriculture community that uses public lands to supply the United States and the world with food.

The Congress cannot legislate over one-third of our country as public lands, and then turn around and not provide sufficient funds to maintain it in a productive atmosphere. A 2-percent cut, or a 5-percent cut at this point is, I am sorry to say, very much after the fact. If you want to cut back the Interior budget it cannot rightfully occur in our appropriations. It has to occur by cutting back on the authorizations to establish these national lands in the first place.

I suggest the gentleman turn to page 21 of our report, which lists just some of the authorized national parks we are obligated to fund; or to the Bureau of Land Management budget on page 10 of our report. We are talking here about the most tangible, concrete aspects of American life in this bill—the land and its resources.

If these items do not top our priority list for Federal spending. I cannot imagine what would. for without them we would have no physical country on which to build our Nation. ●

(By unanimous consent, Mr. REGULA yielded the balance of his time to Mr. MCDADE.)

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. MCDADE).

Mr. MCDADE. Mr. Chairman. I tried to get my friend from Connecticut to yield to me, but I could not. I wanted to point out some things to him.

The Secretary of Energy was supposed to report to the Congress on May 1, on phase 2 of the energy program. We have not seen any of it, not one dime.

The people of America are suffering from inflation, and the primary reason is the increased price of oil. The second biggest reason is because the Budget Committee cannot control the spending levels of this Congress. That is the gentleman's committee.

Well, we did not get from this administration one new piece of energy technology. My friends in the House, they are in this bill. If we make this cut, OMB is going to go right back through this list and cut the very energy programs all of us want.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Chairman, I rise in opposition to this amendment. I think the committee has done an excellent job. Those of us who are concerned about the Forest Service, about our natural resources, about our energy programs, I think find in this bill a decent level of funding. It just seems to me that if we go with this meat-ax, across-the-board approach on each bill that comes out without exercising some judgment, we make a serious mistake.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. MILLER).

Mr. MILLER of Ohio. Mr. Chairman, the amendment says that we would reduce the nonmandatory spending 2 percent, no line item being reduced more than 5 percent. The amendment would reduce the overall bill by $250 million. That is one-eighth of the amount of the increase in the bill over last year.

Believe me, all the tears that we have seen here on the floor concerning what programs we are going to harm, will never happen.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. Mr. Chairman, I would like to say I support the amendment.

I realize that there are very important programs in this bill and that there will be some sacrifices necessary if the amendment is adopted, but we must all be willing to sacrifice—not just the people who are the taxpayers, but everybody must be willing to take the sacrifice, even in those programs that they feel are absolutely necessary even in their own districts.

(By unanimous consent, Messrs. CARNEY, GIAIMO, DUNCAN of Oregon, and MCKAY yielded their time to Mr. YATES.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I thank the various Members who have yielded their time to me.

I want to reply, in that brief time allotted, to my good friend the gentleman from Connecticut (Mr. GIAIMO). I consider the gentleman from Connecticut (Mr. GIAIMO) to be one of the brightest Members of the House, but I think on this point he is totally wrong. That is right, he is totally wrong.

The Constitution of the United States gives to the Congress of the United States the power and the authority to determine wherein the funds of the taxpayers shall be spent. The gentleman from Ohio (Mr. MILLER) and the gentleman from Connecticut (Mr. GIAIMO)

both are allocating that function to the executive branch.

I really cannot understand my good friend, the gentleman from Connecticut. He is a member of the Appropriations Committee, as am I. The appropriation bills give the opportunity to those of us who are members of the Appropriations Committee to exercise our constitutional function. If there are cuts to be made, let them be made at that point. Let them be made as the bills go through the Congress. Let us not, after the bill has received the attention of the Appropriations Committee, let the executive branch determine how a 2-percent reduction will be applied and tell them we have not done a good job.

Mr. Chairman, I think that is a surrender of our responsibility. I urge the defeat of the amendment offered by the gentleman from Ohio (Mr. MILLER).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER).

The question was taken; and on a division (demanded by Mr. MILLER of Ohio) there were—ayes 19, noes 37.

RECORDED VOTE

Mr. MILLER of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 211, not voting 24, as follows:

[Roll No. 477]

AYES—198

Abdnor	English	Keys
Ambro	Erlenborn	Kindness
Ammerman	Ertel	Krueger
Anderson, Calif.	Evans, Del.	LaFalce
	Evans, Ga.	Latta
Andrews, N.C.	Evans, Ind.	Leach
Archer	Fenwick	Lent
Armstrong	Fisher	Levitas
Badham	Fithian	Livingston
Bafalis	Flippo	Lloyd, Tenn.
Barnard	Forsythe	Lott
Bauman	Fountain	Luken
Beard, Tenn.	Frenzel	McDonald
Benjamin	Frey	Madigan
Bennett	Gammage	Mann
Bevill	Gaydos	Marks
Blanchard	Gephardt	Marlenee
Blouin	Giaimo	Marriott
Breaux	Gibbons	Martin
Brinkley	Gilman	Mathis
Broomfield	Ginn	Mattox
Brown, Mich.	Glickman	Mazzoli
Brown, Ohio	Goldwater	Miller, Ohio
Broyhill	Goodling	Minish
Buchanan	Gradison	Moffett
Burgener	Grassley	Montgomery
Burke, Fla.	Guyer	Moore
Burleson, Tex.	Hagedorn	Moorhead, Calif.
Byron	Hall	
Caputo	Hamilton	Mottl
Cavanaugh	Hammer-schmidt	Murphy, Ill.
Cederberg		Myers, Gary
Clausen, Don H.	Hanley	Myers, John
	Hannaford	Neal
Clawson, Del	Hansen	Nichols
Cleveland	Harkin	Nowak
Cohen	Harsha	O'Brien
Coleman	Heckler	Panetta
Collins, Tex.	Hefner	Pease
Corcoran	Hightower	Pike
Cotter	Hillis	Poage
Crane	Holland	Preyer
D'Amours	Holt	Pritchard
Daniel, Dan	Huckaby	Pursell
Daniel, R. W.	Hughes	Quayle
Davis	Hyde	Quillen
Delaney	Ichord	Rinaldo
Derrick	Ireland	Roberts
Derwinski	Jacobs	Robinson
Devine	Jenkins	Roe
Dickinson	Jones, Okla.	Rogers
Dornan	Jones, Tenn.	Rousselot
Edwards, Ala.	Kelly	Rudd
Edwards, Okla.	Kemp	Ruppe
Emery	Ketchum	Russo
Santini	Steers	Wampler
Sarasin	Steiger	Watkins
Satterfield	Stockman	Whitehurst
Sawyer	Stump	Whitley
Schulze	Symms	Wiggins
Sharp	Taylor	Wilson, Bob
Shuster	Thone	Winn
Skelton	Treen	Wydler
Smith, Nebr.	Trible	Wylie
Snyder	Vander Jagt	Yatron
Spence	Volkmer	Young, Fla.
Stangeland	Waggonner	
Stanton	Walker	

NOES—211

Addabbo	Flood	Natcher
Akaka	Florio	Nedzi
Alexander	Flynt	Nolan
Anderson, Ill.	Foley	Oakar
Andrews, N. Dak.	Ford, Mich.	Oberstar
	Fraser	Obey
Annunzio	Fuqua	Ottinger
Applegate	Garcia	Patten
Ashley	Gonzalez	Patterson
Aspin	Gore	Pattison
AuCoin	Green	Pepper
Baldus	Gudger	Perkins
Baucus	Harrington	Pettis
Beard, R.I.	Harris	Pickle
Bedell	Hawkins	Pressler
Beilenson	Heftel	Price
Biaggi	Hollenbeck	Railsback
Bingham	Holtzman	Rangel
Boggs	Horton	Regula
Boland	Howard	Reuss
Bolling	Hubbard	Rhodes
Bonior	Jeffords	Richmond
Bonker	Johnson, Calif.	Roncalio
Bowen	Johnson, Colo.	Rooney
Brademas	Jones, N.C.	Rose
Breckinridge	Jordan	Rosenthal
Brodhead	Kasten	Rostenkowski
Brooks	Kastenmeier	Roybal
Brown, Calif.	Kazen	Ryan
Burke, Calif.	Kildee	Scheuer
Burke, Mass.	Kostmayer	Schroeder
Burlison, Mo.	Krebs	Sebelius
Burton, John	Lagomarsino	Seiberling
Burton, Phillip	Le Fante	Sikes
Carney	Lederer	Sisk
Carr	Leggett	Skubitz
Carter	Lehman	Slack
Chappell	Lloyd, Calif.	Smith, Iowa
Chisholm	Long, La.	Solarz
Clay	Long, Md.	Spellman
Cochran	Lujan	St Germain
Collins, Ill.	Lundine	Staggers
Conable	McClory	Stark
Conte	McCloskey	Steed
Corman	McCormack	Stokes
Cornell	McDade	Stratton
Cornwell	McEwen	Studds
Coughlin	McFall	Thompson
Cunningham	McHugh	Thornton
Danielson	McKay	Udall
de la Garza	McKinney	Ullman
Dellums	Maguire	Van Deerlin
Dent	Mahon	Vanik
Dicks	Markey	Vento
Diggs	Meeds	Walgren
Dingell	Metcalfe	Walsh
Dodd	Meyner	Weaver
Downey	Michel	Weiss
Drinan	Mikulski	White
Duncan, Oreg.	Mikva	Whitten
Duncan, Tenn.	Miller, Calif.	Wilson, C. H.
Early	Mineta	Wilson, Tex.
Eckhardt	Mitchell, Md.	Wirth
Edgar	Mitchell, N.Y.	Wolff
Edwards, Calif.	Moakley	Wright
Eilberg	Mollohan	Yates
Evans, Colo.	Moorhead, Pa.	Young, Alaska
Fary	Murphy, N.Y.	Young, Mo.
Fascell	Murphy, Pa.	Zablocki
Findley	Murtha	Zeferetti
Fish	Myers, Michael	

NOT VOTING—24

Ashbrook	Moss	Simon
Butler	Nix	Teague
Conyers	Quie	Traxler
Flowers	Rahall	Tsongas
Ford, Tenn.	Risenhoover	Tucker
Fowler	Rodino	Waxman
Jenrette	Runnels	Whalen
Milford	Shipley	Young, Tex.

Mr. DEL CLAWSON and Mr. RUSSO changed their vote from "no" to "aye."

Messrs. DODD, GARCIA, BRODHEAD, DE LA GARZA, and DUNCAN of Tennessee changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. WYDLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am a strong supporter of the oil heat R. & D. program which is supported in this appropriations bill. I want to commend Mr. Yates, the subcommittee chairman, and Mr. MCDADE, the ranking minority member, for recognizing the merits of this important R. & D. program. My amendment to the DOE authorization bill provided an additional $5.4 million to the Department request of $600,000 for the ongoing conservation R. & D. program. This bill provides a $4.3 million appropriation for this program with an accent on the activity I am most concerned about, that is, advanced boiler and furnace concepts and oil-fired heat pump R. & D. This effort promises tremendous payoff for the investment in terms of fuel savings for millions of residents in the Northeast. I am providing a description of this key R. & D. activity and details on the potential savings.

I urge the House to support this bill.

OIL HEAT R. & D. PROGRAM

Conduct R. & D. on innovative concepts in oil boiler and furnace design to develop and fabricate advanced components for testing.

Identify advanced burner with high energy saving potential and where appropriate, design and fabricate prototypes of burners in preproduction stages for lab and field testing.

Conduct integrated technology demonstration tests of advanced systems utilizing advanced components.

POTENTIAL SAVINGS

According to Census and Bureau of Mines figures there are approximately 13,000,000 residences which use distillate heating oil for space heating.

Over 487,000,000 barrels of distillate oil was used for heating in 1975, according to Bureau of Mines. It is expected that the 1976 figure when compiled will have grown to approximately 540,000,000 barrels.

Efficiency improvements in burners, boilers, and furnaces could save over 150,000,000 barrels of heating oil a year if the necessary funds were made available to focus R. & D.

The energy conservation potential is equivalent to almost half the entire output of all of the nuclear generators in the United States.●

Mr. YOUNG of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to commend—and associate myself with—the remarks of my esteemed colleague from Missouri, Congressman RICHARD GEPHARDT.

This bill includes $1,655,000 for the Jefferson National Expansion Memorial, a major tourist attraction in St. Louis. The funding will be used to add 3,400 trees and 34,000 shrubs, and provide ground cover on 6 acres at the riverfront site.

I believe the funding will be important in the National Park Service's effort to

transform a once-barren site into a beautiful setting worthy of the 3½ million persons who annually visit it.

But the memorial project—including the soaring Gateway Arch—is not merely a tourist attraction for visitors from around the Nation. It also is a key to the drive to renew downtown St. Louis.

I urge my colleagues to support this legislation.

Mr. YATES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. MINETA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12932) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1979, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The question is on the passage of the bill.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device; and there were—yeas 356, nays 50, not voting 27, as follows:

[Roll No. 478]

YEAS—356

Abdnor	Biaggi	Carney
Addabbo	Bingham	Carr
Akaka	Blanchard	Carter
Alexander	Blouin	Cavanaugh
Ambro	Boggs	Cederberg
Ammerman	Boland	Chappell
Anderson, Calif.	Bolling	Chisholm
Anderson, Ill.	Bonior	Clausen, Don H.
Andrews, N.C.	Bonker	Clawson, Del
Andrews, N. Dak.	Bowen	Clay
Annunzio	Brademas	Cleveland
Applegate	Breaux	Cochran
Armstrong	Breckinridge	Cohen
Ashley	Brinkley	Coleman
Aspin	Brooks	Collins, Ill.
AuCoin	Broomfield	Conte
Bafalis	Brown, Calif.	Corcoran
Baldus	Brown, Ohio	Corman
Barnard	Broyhill	Cornell
Baucus	Buchanan	Cornwell
Beard, R.I.	Burgener	Cotter
Beard, Tenn.	Burke, Calif.	Coughlin
Bedell	Burke, Fla.	Cunningham
Beilenson	Burleson, Tex.	D'Amours
Benjamin	Burlison, Mo.	Daniel, Dan
Bennett	Burton, John	Daniel, R. W.
Bevill	Burton, Phillip	Danielson
	Byron	Davis
de la Garza	Jones, Tenn.	Price
Delaney	Jordan	Quillen
Dellums	Kasten	Railsback
Dent	Kastenmeier	Rangel
Derrick	Kazen	Regula
Dickinson	Ketchum	Reuss
Dicks	Keys	Rhodes
Diggs	Kildee	Richmond
Dingell	Kindness	Rinaldo
Dodd	Kostmayer	Risenhoover
Dornan	Krebs	Robinson
Downey	Krueger	Roe
Drinan	LaFalce	Rogers
Duncan, Oreg.	Lagomarsino	Roncalio
Early	Le Fante	Rooney
Edgar	Leach	Rose
Edwards, Ala.	Lederer	Rosenthal
Edwards, Calif.	Leggett	Rostenkowski
Eilberg	Lehman	Rousselot
Emery	Lent	Roybal
English	Levitas	Rudd
Ertel	Livingston	Ruppe
Evans, Colo.	Lloyd, Calif.	Russo
Evans, Del.	Lloyd, Tenn.	Ryan
Fary	Long, La.	Santini
Fascell	Long, Md.	Scheuer
Findley	Lujan	Schulze
Fish	Luken	Sebelius
Fisher	Lundine	Seiberling
Fithian	McClory	Sharp
Flippo	McCloskey	Sikes
Flood	McCormack	Sisk
Florio	McDade	Skelton
Flynt	McEwen	Skubitz
Foley	McFall	Slack
Ford, Mich.	McHugh	Smith, Iowa
Forsythe	McKay	Smith, Nebr.
Fountain	McKinney	Snyder
Fraser	Madigan	Solarz
Frey	Maguire	Spellman
Fuqua	Mahon	Spence
Gammage	Mann	St Germain
Garcia	Markey	Staggers
Gaydos	Marks	Stanton
Gephardt	Marlenee	Stark
Giaimo	Mazzoli	Steed
Gibbons	Meeds	Steers
Gilman	Metcalfe	Stokes
Ginn	Meyner	Stratton
Glickman	Michel	Studds
Goldwater	Mikulski	Taylor
Gonzalez	Mikva	Thompson
Goodling	Miller, Calif.	Thone
Gore	Mineta	Thornton
Gradison	Minish	Treen
Green	Mitchell, Md.	Trible
Gudger	Moakley	Tsongas
Guyer	Moffett	Udall
Hagedorn	Mollohan	Ullman
Hall	Moorhead, Calif.	Van Deerlin
Hamilton	Moorhead, Pa.	Vander Jagt
Hammer-schmidt	Murphy, Ill.	Vanik
Hanley	Murphy, N.Y.	Vento
Hannaford	Murphy, Pa.	Waggonner
Hansen	Murtha	Walgren
Harkin	Myers, John	Walsh
Harrington	Myers, Michael	Wampler
Harris	Natcher	Weaver
Harsha	Neal	Weiss
Hawkins	Nedzi	White
Heckler	Nichols	Whitehurst
Hefner	Nolan	Whitley
Heftel	Nowak	Whitten
Hightower	O'Brien	Wiggins
Hillis	Oakar	Wilson, Bob
Holland	Oberstar	Wilson, C. H.
Hollenbeck	Obey	Wilson, Tex.
Holtzman	Ottinger	Winn
Horton	Panetta	Wirth
Howard	Patten	Wolff
Hubbard	Patterson	Wright
Huckaby	Pattison	Wydler
Hughes	Pease	Wylie
Hyde	Pepper	Yates
Ichord	Perkins	Yatron
Ireland	Pettis	Young, Alaska
Jeffords	Pickle	Young, F.a.
Jenkins	Pike	Young, Mo.
Johnson, Calif.	Poage	Zablocki
Johnson, Colo.	Pressler	Zeferetti
Jones, N.C.	Preyer	

NAYS—50

Archer	Crane	Frenzel
Badham	Derwinski	Grassley
Bauman	Devine	Holt
Brodhead	Edwards, Okla.	Jacobs
Brown, Mich.	Erlenborn	Jones, Okla.
Caputo	Evans, Ga.	Kelly
Collins, Tex.	Evans, Ind.	Kemp
Conable	Fenwick	Latta
Lott	Mottl	Stangeland
McDonald	Myers, Gary	Steiger
Marriott	Pursell	Stockman
Martin	Quayle	Stump
Mathis	Roberts	Symms
Mattox	Satterfield	Volkmer
Miller, Ohio	Sawyer	Walker
Montgomery	Schroeder	Watkins
Moore	Shuster	

NOT VOTING—27

Ashbrook	Milford	Sarasin
Butler	Mitchell, N.Y.	Shipley
Conyers	Moss	Simon
Duncan, Tenn.	Nix	Teague
Eckhardt	Pritchard	Traxler
Flowers	Quie	Tucker
Ford, Tenn.	Rahall	Waxman
Fowler	Rodino	Whalen
Jenrette	Runnels	Young, Tex.

The Clerk announced the following pairs:

Mr. Rahall with Mr. Ashbrook.
Mr. Traxler with Mr. Whalen.
Mr. Shipley with Mr. Butler.
Mr. Simon with Mr. Sarasin.
Mr. Jenrette with Mr. Quie.
Mr. Flowers with Mr. Duncan of Tennessee.
Mr. Ford of Michigan with Mr. Pritchard.
Mr. Moss with Mr. Mitchell of New York.
Mr. Waxman with Mr. Eckhardt.
Mr. Conyers with Mr. Nix.
Mr. Teague with Mr. Runnels.
Mr. Fowler with Mr. Milford.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on June 19, 1978, the President approved and signed a bill of the House of the following title:

H.R. 130. An act to provide for the protection of franchised distributors and retailers of motor fuel and to encourage conservation of automotive gasoline and competition in the marketing of such gasoline by requiring that information regarding the octane rating of automotive gasoline be disclosed to consumers.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, and that I may include tables and charts and other extraneous matter on the bill H.R. 12932, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to make the following announcement:

We intend to take up the rule on H.R. 11493, Amtrak Improvement Act of 1979, and the rule on H.R. 12505, solar power research and development. We will then take up the Amtrak bill; we

hope to finish it and then take up the bill on solar power research and development. The Chair has been informed by the chairmen of the committees that we should be out of here by 8 o'clock this evening but under no conditions will we go beyond 9 o'clock this evening.

THE LEGISLATIVE VETO—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–357)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

In recent years, the Congress has strengthened its oversight of Executive Branch decisions. I welcome that effort. Unfortunately, there has been increasing use of one oversight device that can do more harm than good—the "legislative veto."

In the past four years at least 48 of these provisions have been enacted—more than in the preceding twenty years. This proliferation threatens to upset the constitutional balance of responsibilities between the branches of government of the United States. It represents a fundamental departure from the way the government has been administered throughout American history. Unnecessary and unwarranted legislative veto procedures obstruct the efforts of my Administration and most members of Congress to make the administrative process quicker and simpler and divert attention from our common task of improving Federal programs and regulations.

Since taking office, I have several times expressed my deep reservations about legislative veto provisions in bills presented to me for signature. Herbert Hoover and every subsequent President have taken this position. The purpose of this message is to underscore and explain the concern and to propose alternatives.

The legislative veto was first used in the 1932 statute which authorized the President to reorganize the Executive Branch. The provision was repeated in subsequent reorganization acts, including the statute in effect today. This kind of legislative veto does not involve Congressional intrusion into the administration of on-going substantive programs, and it preserves the President's authority because he decides which proposals to submit to Congress. The Reorganization Act jeopardizes neither the President's responsibilities nor the prerogatives of Congress.

As employed in some recent legislation, however, the legislative veto injects the Congress into the details of administering substantive programs and laws. These new provisions require the President or an administrator of a Government agency to submit to Congress each decision or regulation adopted under a program. Instead of the decision going into effect, action is blocked for a set time—typically 60 congressional working days—while Congress studies it. A majority of both Houses, or either House, or even a single committee, is authorized to veto the action during that period.

Such intrusive devices infringe on the Executive's constitutional duty to faithfully execute the laws. They also authorize congressional action that has the effect of legislation while denying the President the opportunity to exercise his veto. Legislative vetoes thereby circumvent the President's role in the legislative process established by Article I, Section 7 of the Constitution.

These are fundamental constitutional issues. The Attorney General is seeking a definitive judgment on them from the courts, but no immediate resolution is in prospect. Pending a decision by the Supreme Court, it is my view, and that of the Attorney General, that these legislative veto provisions are unconstitutional.

Moreover, the legislative veto raises serious, practical policy problems.

Federal agencies issue thousands of complex regulations each year. Many are adopted after months or years of hearings and are based on many volumes of evidence. To act responsibly under a typical legislative veto provision, Congress would have to examine all of this evidence, hold its own hearings, and decide whether to overrule the agency—all in a few weeks. This task would add an additional burden to Congress' legislative agenda.

The regulatory process is rightly criticized for being slow and for creating uncertainty which cripples planning by business, state, and local governments, and many others. The legislative veto greatly compounds both problems. At best, it prolongs the period of uncertainty for each regulation by several months. At worst, it can mean years of delay. Under the legislative veto procedure, Congress can only block an agency's rules, not rewrite them. If the House and Senate agree that a regulation is needed but disagree with the agency or each other on the specifics, exercise of the veto can lead to indefinite deadlock.

This danger is illustrated by the regulations concerning President Nixon's papers. Three versions of these regulations were vetoed, and it took three years to reach agreement on them. Whatever the merits of the issues, this is clearly an unsatisfactory way to decide them. Such lengthy, expensive procedures could easily become commonplace under legislative veto statutes.

In addition to causing delay, legislative veto provisions can seriously harm the regulatory process. Regulators operating under such laws would seek to avoid vetoes. They would therefore tend to give more weight to the perceived political power of affected groups and less to their substantive arguments. Meetings of regulatory commissions could degenerate into speculation about how to write rules so they would escape future disapproval of future Congressional reviewers who are not present nor represented when the rules are being drafted. Many regulations would be evolved in negotiations between agency officials and Congressional staff members, subverting requirements in present law for public notice and comment and for decisions based on the record. Parties to regulatory proceedings, never knowing when a decision might be vetoed, would have to reargue each issue in Congress.

These problems would lead many regulators to reverse the constructive trend toward adopting uniform rules. They would revert to acting on a case-by-case basis, because the legislative veto cannot be applied to such decisions. This lack of uniformity would not reduce the scope of regulation, but it would reduce clarity and certainty. Those affected would have to determine how dozens of decisions on individual fact situations might apply to their own cases, instead of abiding by a single rule.

The most troubling problem, however, is that the legislative veto treats symptoms, not causes. The vast effort required to second-guess individual regulatory decisions could impede the crucial task of revising the underlying statutes.

Agencies issue regulations because Congress passes laws authorizing them, or—frequently—mandating them. Many of these laws have not been seriously reexamined for years and need change. This year, Congress is working on key bills to reform airline regulation, encourage public participation in the regulatory process, require lobbyists to work more openly, and adopt "sunset" procedures. Next year's agenda may be even fuller. We need legislation to speed up and simplify regulatory procedures, and we must reform a number of individual regulatory programs. We must deregulate where appropriate, make regulation easier to understand and to honor, and control the costs which regulations impose on our economy.

The President and the agency heads are responsible for improving the management of regulation, and we are doing so by administrative action encouraged by my Executive Order on improving the regulatory process. Only Congress through regulatory reform can deal with the underlying problems caused by a multitude of individual legislative mandates.

Regulation provides just one example of the problems caused by legislative vetoes; similarly severe problems arise in other areas of government. Thus, excessive use of legislative vetoes and other devices to restrict foreign policy actions can impede our ability to respond to rapidly changing world conditions. Reasonable flexibility is essential to effective government.

In sum, for both constitutional and policy reasons I strongly oppose legislative vetoes over the execution of programs. The inclusion of such a provision in a bill will be an important factor in my decision to sign or to veto it.

I urge Congress to avoid including legislative veto provisions in legislation so that confrontations can be avoided. For areas where Congress feels special oversight of regulations or other actions is needed, I urge the adoption of "report-

and-wait" provisions instead of legislative vetoes. Under such a provision, the Executive "reports" a proposed action to Congress and "waits" for a specified period before putting it into effect. This waiting period permits a dialogue with Congress to work out disagreements and gives Congress the opportunity to pass legislation, subject to my veto, to block or change the Executive action. Legislation establishing "report-and-wait" procedures has been introduced. Even these procedures consume resources and cause delays, however, so they should be used sparingly.

As for legislative vetoes over the execution of programs already described in legislation and in bills I must sign for other reasons, the Executive Branch will generally treat them as "report-and-wait" provisions. In such a case, if Congress subsequently adopts a resolution to veto an Executive action, we will give it serious consideration, but we will not, under our reading of the Constitution, consider it legally binding.

The desire for the legislative veto stems in part from Congress' mistrust of the Executive, due to the abuses of years past. Congress responded to those abuses by enacting constructive safeguards in such areas as war powers and the budget process. The legislative veto, however, is an overreaction which increases conflict between the branches of government. We need, instead, to focus on the future. By working together, we can restore trust and make the government more responsive and effective.

JIMMY CARTER.

THE WHITE HOUSE, *June 21, 1978.*

LEGISLATIVE VETO

(Mr. LEVITAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, as the principal sponsor of a bill providing for legislative veto of administrative rules and the author of a series of amendments to various bills called the Levitas amendments providing for legislative veto, I take this time to respond to the message just received from the White House.

The gauntlet has now been thrown down. We have received a message from the President saying he opposes the legislative veto. I suggest we ought to send a message back to the White House as soon as possible saying we, and the American people, want this essential control over the unelected bureaucracy.

The issue is who makes the laws in this country. Is it the unelected bureaucrats, or is it the elected Congress which is responsible to the people?

Regrettably, the President has come down on the side of the bureaucracy. This House will come down on the side of the people.

As candidate for President, Jimmy Carter correctly perceived that the American people were fed up with Washington bureaucrats running their lives. This White House message indicates he has forgotten that mood. I respect the President and hope he will remember and reconsider.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 12536, NATIONAL PARKS AND RECREATION ACT OF 1978

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1313) on the resolution (H. Res. 1243) providing for consideration of the bill (H.R. 12536) to provide for increases in appropriations ceilings, development ceilings, land acquisition, and boundary changes in certain Federal park and recreation areas, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF H.R. 11493, AMTRAK IMPROVEMENT ACT OF 1979

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1212 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1212

Resolved, That upon the adoption of this resolution it shall be in order to move, section 401(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11493) to amend the Rail Passenger Service Act to extend the authorization of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against said substitute for failure to comply with the provisions of clause 5, rule XXI and section 401(b)(1) of the Congressional Budget Act of 1974 (Public Law 93–344) are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 11493, it shall be in order in the House to proceed to the immediate consideration of the bill S. 3040, section 401(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, and it shall then be in order to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 11493 as passed by the House.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may use.

Mr. Speaker, the resolution (H. Res. 1212) provides for the consideration of the bill (H.R. 11493) to amend the Rail Passenger Service Act to extend the authorization of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes.

It is an open rule providing 1 hour of general debate controlled by the Committee on Interstate and Foreign Commerce and divided in the customary manner.

The rule contains a number of rather complicated provisions but, to the best of my knowledge, there is no controversy. The Committee on the Budget supports the waivers; the rule is supported by the minority; there was no adverse testimony on the rule; and it was reported by voice vote.

The rule waives points of order against the bill as introduced for failure to comply with section 401(a) of the Congressional Budget Act of 1974. The act prohibits consideration of a bill which provides new contract authority unless it also provides that such authority is to be effective for any fiscal year only to the extent provided in applicable appropriation acts. The violation is cured by the committee substitute.

The rule waives points of order against the substitute for failure to comply with section 401(b) of the Budget Act and clause 5 of rule XXI. Section 401(b) prohibits consideration of legislation providing entitlement authority which would take effect before the beginning of the fiscal year. Although the committee had not intended that entitlement provisions would be effective earlier than October 1, the bill does not so provide. However, a technical committee amendment will be offered to cure the Budget Act violation.

Clause 5 of rule XXI prohibits appropriations in legislation. The violation is that two sections of the bill can be read as reappropriating funds by making them available for purposes for which they were not available when appropriated. This is a technical matter and the Appropriations Committee indicated no problem.

The rule makes it in order to consider the companion bill (S. 3040) and waives points of order for failure of that bill

to comply with section 401(a) of the Budget Act. However, this waiver is provided only in order to make it possible to substitute the House-passed text to enable the matter to be sent to conference. And the bill, as it will pass the House, would be in full compliance with the Budget Act.

The rule also contains several provisions which are required when a committee reports an amendment in the nature of a substitute. It provides for the committee substitute to be read for amendment as an original bill; otherwise amendments to amendments would be ruled out of order as being in the third degree. It enables any Member to demand a separate vote on any amendments in the House; otherwise it would not be possible to obtain separate votes on individual amendments. It also provides for a motion to recommit with or without instructions; otherwise the motion to recommit could contain no instructions. These provisions are routine in the case of substitutes and are intended only to insure that Members, and particularly the minority, will have the same rights they would have in the case of a clean bill containing the same text.

The bill (H.R. 11493) authorizes appropriations for fiscal year 1979 for Amtrak in the amounts of $613 million for operating expenses, $130 million for capital expenditures, $250 million for development of rail safety programs, and $25 million for reduction of Amtrak debt to the Treasury.

The bill also makes numerous changes in existing law. All reforms are based on the careful ongoing oversight of the Subcommittee on Transportation and Commerce.

Most of the amendments are very technical and I will defer to the expertise of the able chairman of the subcommittee, the gentleman from Pennsylvania (Mr. ROONEY), who will discuss the bill at length in the Committee of the Whole. However, I would particularly commend the Committee for the work they have done to insure that Amtrak provides the best possible service to the public at the lowest possible cost to the taxpayers.

Mr. Speaker, this is a very important and useful bill. The rule, although complicated, is generally agreed to offer a fair procedure for the orderly consideration of the legislation. I urge the adoption of the rule and strongly support the Amtrak Improvements Act of 1978.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, House Resolution 1212 makes in order House consideration of the bill H.R. 11493, the Amtrak Improvement Act of 1978, notwithstanding the provisions of section 401(a) of the Budget Act which prohibits new contract authority not subject to annual appropriations. That waiver is necessary because of a violation in the original committee bill. But the problem has been taken care of in the committee substitute which will be considered as an original bill for the purpose of amendment under this rule.

This is an open rule, calling for 1 hour of general debate to be equally divided between the majority and minority. The rule waives clause 5 of rule XXI and section 401(b)(1) of the Budget Act against the committee substitute. Clause 5 of rule XXI prohibits appropriations on an authorization measure, and section 401(b)(1) of the Budget Act prohibits consideration of new entitlement authority which would become effective before the first day of the fiscal year which begins during the calendar year in which the bill is reported. Section 13 of the bill would provide that certain States or agencies shall be entitled to reimbursement for staff services upon enactment, thus conceivably violating section 401(b)(1) of the Budget Act since this could be enacted before the beginning of the next fiscal year which begins on October 1.

Our committee received a letter from Chairman GIAIMO of the Budget Committee in which he indicates that the Interstate Committee has informed him that an amendment will be offered to change this effective date to October 1, thus eliminating the possible Budget Act violation.

The rule further provides that, following passage of H.R. 11493, it shall be in order to proceed to the consideration of S. 3040, the Senate counterpart bill, by striking all after the enacting clause and substituting the language of the House-passed bill. Points of order are waived against the Senate bill for failure to comply with the provisions of section 401(a) of the Budget Act. This is a technical waiver to permit consideration of the Senate bill, even though we will not be dealing with the Senate language which may be in violation of the Budget Act.

Mr. Speaker, the bill which this rule makes in order, the Amtrak Improvement Act, authorizes $768 million for the National Railroad Passenger Corporation—Amtrak—for fiscal year 1979. This includes $613 million for basic system operating expenses and for the operating and capital expenses of the rail passenger service, $130 million for capital acquisitions or improvements, and $25 million for principal obligations guaranteed by DOT.

The two other main provisions of this bill are instructions to DOT to develop recommendations for a new route structure based on current and future market and population requirements to optimize passenger rail service; and a freeze on route system modification or restructuring, with minor exceptions until October 1, 1979.

The bill was reported from the Interstate and Foreign Commerce Committee by voice vote, though there are four Members who have filed dissenting views urging defeat of the bill. However, there was no testimony heard or filed in the Rules Committee objecting to the granting of this rule. I urge its adoption.

I want to make just one further observation before I yield up the balance of my time, and that is when this House considered last week the rule on the public works and transportation appropriations bill, there was some talk at that time of the inadequacies of the present Budget Control and Impoundment Act and how it might be necessary for the Committee on Rules in its session next year to consider amendments to that act. My attention was particularly drawn in this regard to the additional or supplemental views of the gentleman from Illinois (Mr. MADIGAN), who said that, because at the time that amendments were being considered to this particular bill they had reached the last legislative day permitted for reporting authorization bills under the Budget Act—in other words, it was the eve of the 15th of May—it was his judgment that this legislation "does not reflect the usual high degree of legislative competence and thorough consideration generally exhibited by my committee."

He goes on to say, in his supplemental views, that a number of colleagues from both sides of the political aisle endeavored to offer amendments that would, hopefully make Amtrak more responsible, and because of the 11th hour rush to file a report to meet that deadline of May 15, their efforts were in vain.

I think once again, perhaps, it is important to point out, not once, but more than once, for the benefit of the record, that there are some things about the Budget Control Act that are not working out to the satisfaction of, in this case, either the authorizing committee or the Appropriations Committee.

I would therefore express the hope that some attention will be paid to necessary amendments that, hopefully, could cure some of the conditions that are pointed out in the views of the gentleman from Illinois (Mr. MADIGAN).

Mr. Speaker, I have no further requests for time. I urge adoption of the rule, and I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 375, nays 25, not voting 33, as follows:

[Roll No. 479]

YEAS—375

Abdnor	Archer	Benjamin
Addabbo	Armstrong	Bennett
Akaka	Ashley	Bevill
Alexander	Aspin	Biaggi
Ambro	AuCoin	Bingham
Ammerman	Badham	Blanchard
Anderson, Calif.	Bafalis	Blouin
	Baldus	Boggs
Anderson, Ill.	Barnard	Boland
Andrews, N.C.	Baucus	Bolling
Andrews, N. Dak.	Beard, R.I.	Bonior
	Beard, Tenn.	Bonker
Annunzio	Bedell	Bowen
Applegate	Beilenson	Brademas

Breaux	Goodling	Mineta
Breckinridge	Gore	Minish
Brinkley	Gradison	Mitchell, Md.
Brodhead	Grassley	Moakley
Brooks	Green	Moffett
Brown, Calif.	Gudger	Mollohan
Brown, Mich.	Guyer	Montgomery
Brown, Ohio	Hagedorn	Moore
Broyhill	Hall	Moorhead, Pa.
Buchanan	Hamilton	Mottl
Burgener	Hammer-schmidt	Murphy, Ill.
Burke, Calif.		Murphy, N.Y.
Burke, Fla.	Hanley	Murphy, Pa.
Burke, Mass.	Hannaford	Murtha
Burleson, Tex.	Harkin	Myers, Gary
Burlison, Mo.	Harrington	Myers, John
Burton, John	Harris	Myers, Michael
Byron	Hawkins	Natcher
Caputo	Heckler	Neal
Carr	Hefner	Nedzi
Carter	Heftel	Nichols
Cederberg	Hightower	Nolan
Chappell	Hillis	Nowak
Chisholm	Holland	O'Brien
Clausen, Don H.	Hollenbeck	Oakar
	Holtzman	Oberstar
Clay	Horton	Obey
Cleveland	Howard	Ottinger
Cochran	Hubbard	Panetta
Cohen	Huckaby	Patten
Coleman	Hughes	Patterson
Collins, Ill.	Hyde	Pattison
Conte	Ichord	Pease
Corcoran	Ireland	Pepper
Corman	Jacobs	Perkins
Cornell	Jeffords	Pettis
Cotter	Jenkins	Pickle
Coughlin	Johnson, Calif.	Pike
D'Amours	Johnson, Colo.	Poage
Daniel, Dan	Jones, Okla.	Pressler
Daniel, R. W.	Jones, Tenn.	Preyer
de la Garza	Jordan	Price
Delaney	Kastenmeier	Pursell
Dellums	Kazen	Quayle
Dent	Kelly	Quillen
Derrick	Kemp	Railsback
Derwinski	Ketchum	Rangel
Devine	Keys	Regula
Dickinson	Kildee	Reuss
Dicks	Kindness	Rhodes
Diggs	Kostmayer	Richmond
Dingell	Krebs	Rinaldo
Dodd	Krueger	Risenhoover
Dornan	LaFalce	Roberts
Downey	Lagomarsino	Robinson
Drinan	Latta	Roe
Duncan, Oreg.	Le Fante	Rogers
Early	Leach	Roncalio
Eckhardt	Lederer	Rooney
Edgar	Leggett	Rose
Edwards, Ala.	Lehman	Rosenthal
Edwards, Calif.	Lent	Rostenkowski
Edwards, Okla.	Levitas	Roybal
Eilberg	Livingston	Ruppe
Emery	Lloyd, Calif.	Russo
English	Lloyd, Tenn.	Ryan
Erlenborn	Long, La.	Santini
Ertel	Long, Md.	Satterfield
Evans, Colo.	Lott	Sawyer
Evans, Del.	Lujan	Scheuer
Evans, Ga.	Luken	Schroeder
Evans, Ind.	Lundine	Schulze
Fary	McClory	Sebelius
Fenwick	McCloskey	Seiberling
Findley	McCormack	Sharp
Fish	McDade	Shuster
Fisher	McEwen	Sikes
Fithian	McFall	Sisk
Flippo	McHugh	Skelton
Flood	McKay	Skubitz
Florio	McKinney	Slack
Flynt	Madigan	Smith, Iowa
Foley	Maguire	Smith, Nebr.
Ford, Mich.	Mahon	Snyder
Forsythe	Mann	Solarz
Fountain	Markey	Spellman
Fowler	Marks	Spence
Fraser	Marlenee	St Germain
Frenzel	Marriott	Staggers
Frey	Martin	Stangeland
Fuqua	Mathis	Stanton
Gammage	Mattox	Stark
Garcia	Mazzoli	Steed
Gaydos	Meeds	Steers
Gephardt	Metcalfe	Steiger
Giaimo	Meyner	Stokes
Gilman	Michel	Stratton
Ginn	Mikulski	Studds
Glickman	Mikva	Thompson
Goldwater	Miller, Calif.	Thone
Gonzalez	Miller, Ohio	Treen
Trible	Wampler	Wolff
Tsongas	Watkins	Wright
Udall	Weaver	Wydler
Ullman	Weiss	Wylie
Van Deerlin	White	Yates
Vander Jagt	Whitehurst	Yatron
Vanik	Whitten	Young, Fla.
Vento	Wiggins	Young, Mo.
Waggonner	Wilson, Bob	Zablocki
Walgren	Wilson, Tex.	Zeferetti
Walker	Winn	
Walsh	Wirth	

NAYS—25

Bauman	Fascell	Rudd
Broomfield	Hansen	Stockman
Cavanaugh	Harsha	Stump
Clawson, Del	Holt	Symms
Collins, Tex.	Jones, N.C.	Taylor
Conable	McDonald	Volkmer
Crane	Moorhead, Calif.	Whitley
Cunningham		Young, Alaska
Duncan, Tenn.	Rousselot	

NOT VOTING—33

Ashbrook	Jenrette	Sarasin
Burton, Phillip	Kasten	Shipley
Butler	Milford	Simon
Carney	Mitchell, N.Y.	Teague
Conyers	Moss	Thornton
Cornwell	Nix	Traxler
Danielson	Pritchard	Tucker
Davis	Quie	Waxman
Flowers	Rahall	Whalen
Ford, Tenn.	Rodino	Wilson, C. H.
Gibbons	Runnels	Young, Tex.

The Clerk announced the following pairs:

Mr. Jenrette with Mr. Ashbrook.
Mr. Rahall with Mr. Whalen.
Mr. Traxler with Mr. Butler.
Mr. Shipley with Mr. Sarasin.
Mr. Waxman with Mr. Quie.
Mr. Conyers with Mr. Nix.
Mr. Teague with Mr. Runnels.
Mr. Simon with Mr. Milford.
Mr. Moss with Mr. Kasten.
Mr. Carney with Mr. Pritchard.
Mr. Cornwell with Mr. Mitchell of New York.
Mr. Davis with Mr. Nix.
Mr. Gibbons with Mr. Thornton.
Mr. Charles H. Wilson of California with Mr. Flowers.
Mr. Phillip Burton with Mr. Ford of Michigan.

Mr. HANSEN changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
June 20, 1978.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 3:33 p.m. on Tuesday, June 20, 1978, and said to contain H.R. 3161, an Act to amend title 5, United States Code, to improve the basic workweek of firefighting personnel of executive agencies, and for other purposes, and a veto message thereon.

With kind regards, I am,
Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

BASIC WORKWEEK OF FIREFIGHTING PERSONNEL OF EXECUTIVE AGENCIES—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95–358)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning, without my approval, H.R. 3161, a bill which would substantially reduce the work week for Federal firefighters, while maintaining their pay at nearly the present level. I have three principal objections to this bill. First, this measure would reduce firefighters' work week without reducing the premium pay which was designed for a longer standby schedule. In effect, it would raise firefighters' total hourly pay by more than 15%. If only the basic hourly pay is considered, without overtime pay, the increase is almost 30%. I do not believe this is justified, particularly in light of the 5.5% pay cap I have recommended for Federal employees as part of my efforts to hold down inflation. Moreover, the length of the work week for Federal firefighters must be considered in light of the nature of their duty. Fires tend to be less frequent at Federal installations than in urban areas. Comparatively, there is a very low incidence of fire and there are very few severe fires.

Second, H.R. 3161 would impair the ability of agency heads to manage the work force and regulate the work week.

Third, H.R. 3161 would require the Department of Defense alone to hire 4,600 additional employees, at an annual cost of $46.7 million, just to maintain existing fire protection. These additional personnel and payroll measures are unacceptable.

I am very proud of the superb record of Federal firefighters at our military installations. I know them to be hard-working and dedicated. The evidence is not compelling, however, that they are unfairly treated in matters of pay and length of work week. And in extending unwarranted advantages to them, H.R. 3161 offends the ideals of fairness that should guide this Administration. I am not prepared to accept its preferential approach.

JIMMY CARTER.

THE WHITE HOUSE, *June 19, 1978.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that further consideration of the veto message from the President on the bill H.R. 3161 be postponed until June 28, 1978.

The SPEAKER. Is there objection to the request of the gentlewoman from Colorado?

Mr. BAUMAN. Reserving the right to object, Mr. Speaker, I hope we can have some guarantee that the President's veto of this excellent legislation, which is of such great importance to many hard-working Federal employees, will definitely be voted on by the House. Can we have some guarantee to that effect from the gentlewoman from Colorado?

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the gentlewoman.

Mrs. SCHROEDER. I thank the gentleman for yielding.

I do not think the gentlewoman is willing to make any kind of guarantees at this point. I am saying that we would like to have a week to think about it, and then we will reconsider it at that point.

Mr. BAUMAN. Further reserving the right to object, under the ordinary procedure would we not. Mr. Speaker, have to vote upon this today? Under ordinary procedure, when will we vote on this veto message, unless this request is granted?

The SPEAKER. The House always takes some action on the day the message is received, and a unanimous-consent request to postpone is in order, and the gentlewoman from Colorado is asking unanimous consent to postpone.

Mr. BAUMAN. Reserving the right to object, all I am asking the gentlewoman is that the House have a chance to vote on this veto at some point in the future. If she cannot give me that assurance, then I would object.

The SPEAKER. In the opinion of the Chair, the answer would be in the affirmative.

Mr. BAUMAN. I trust the Chair implicitly and explicitly, that we will have a vote on the veto and I withdraw my reservation of objection.

The SPEAKER. Of course, all the options remain next week as to whether the committee would want to bring the bill up. The gentlewoman evidently is asking that the vote be postponed until the 28th, so the bill will come up on the 28th.

Mr. BAUMAN. With that assurance, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentlewoman from Colorado?

Mr. DERWINSKI. Reserving the right to object, Mr. Speaker, I think things are happening a little too fast. I would like the Members to know that my interest in this subject started with the premise that the President's veto message is a very statemanslike and courageous act, and I would hope that the President would have the support of the leadership and an overwhelming number of Members.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 12505, SOLAR POWER RESEARCH AND DEVELOPMENT

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1215 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1215

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12505) to provide for a research, development, and demonstration program to determine the feasibility of collecting in space solar energy to be transmitted to Earth and to generate electricity for domestic purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California (Mr. SISK) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1215 provides for the consideration of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978.

This is an open rule providing 1 hour of general debate. The time is to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Science and Technology.

Mr. Speaker, the basic concept behind H.R. 12505 is to study the feasibility of placing satellites into orbit to collect solar energy and transmit this energy by microwaves back to Earth where it will be converted into electricity.

The bill authorizes $25 million in fiscal year 1979 to establish a program of solar power satellite research and development. An office is to be established in the Department of Energy to administer the program. The Secretary of the Department of Energy and the Administrator of NASA are directed to coordinate their research efforts on the project. The bill further requires the Secretary of the Department of Energy after consultation with the Administrator of NASA to submit a report to Congress by January 3, 1979, outlining a comprehensive plan for the program. The plan is to include: First, definitive and ground-based research to determine the economic viability of solar power satellites; and second, establish a schedule for the program, determine the points within the schedule where decisions to continue or stop the program must be made, and assess the cost for each major step of the program.

Mr. Speaker, although H.R. 12505 was reported from committee by a record vote of 30 to 1, some Members have expressed reservations about the possible long-range effects and economic impacts of the solar power satellite program. However, I am not aware of any controversy surrounding the rule, and I would urge my colleagues to adopt House Resolution 1215 so that we may proceed to the consideration of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, House Resolution 1215 is a simple, 1-hour open rule, providing for the consideration of the bill, H.R. 12505, which establishes a solar power, satellite research, development, and demonstration program in the Department of Energy. This is one of the cleanest and most uncontroversial rules we have had come out of the Rules Committee in a long time, though I know there is some controversy over the bill itself.

The bill would authorize $25 million in the first year to establish the solar power satellite program in the Department of Energy, in coordination with NASA. The plan envisions the collection of solar energy by the orbiting satellite, the conversion of this energy into microwaves for transmission to receiving stations around the country, and then the conversion of the microwaves back into usable electrical energy. The satellite system would consist of nearly 35 square miles of collectors which would be placed in a stationary Earth orbit, 22,300 miles above the Earth's surface. The bill this rule would make in order simply provides for the initial research and development work on such a program. It in no way commits the Congress or the country to its actual implementation.

Mr. Speaker, I urge adoption of this rule.

Mr. SISK. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Speaker, I am not going to oppose the rule, because I think this bill ought to be considered and voted down roundly. This is the most way-out proposition that this House has ever been asked to consider. It makes the military-industrial complex look like pikers.

What we are being asked to do is to embark on a program that the proponents indicate is going to cost $40 billion to $80 billion from the Federal Treasury in research and development alone. The jet propulsion laboratories out in California did a study for this under the old ERDA. They came out with a $60 billion figure.

It is a technology that involves great hazards to the environment, as opposed to the concepts of solar energy with which we are familiar. I think it is a very bad bill. It ought to be defeated, but I will go into the reasons to defeat it in the consideration of the bill itself; but I ask for defeat of the bill itself.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMTRAK IMPROVEMENT ACT OF 1978

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11493) to amend the Rail Passenger Service Act to extend the authorization of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 11493, with Mr. GONZALEZ in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. SKUBITZ) will be recognized for 30 minutes.

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the primary purpose of this legislation is to authorize funds to Amtrak for fiscal year 1979, for operating deficits, capital expenditures, and debt retirement. The bill also requires the Secretary of Transportation to conduct an evaluation of the Amtrak route system and to submit recommendations to the Congress for a new route system no later than December 31, 1978. There are also a number of other amendments to the original Rail Passenger Service Act which the committee believes taken together warrant the title of this bill as the Amtrak Improvement Act of 1978.

The bill provides funds in the amount of $613 million for operational losses in fiscal year 1979. This amount has been indicated by Amtrak and the administration as being necessary to operate the present route system. The bill authorizes $130 million for capital expenditures. This amount is considerably less than the $341 million requested by Amtrak, but is believed sufficient based on the premise that major capital decisions should not be made prior to the time that a final decision has been made with regard to the Amtrak route system. A considerable amount of the requested funds was to purchase new equipment which may not be needed if the route system is changed or reduced.

Secretary Adams issued his preliminary recommendations for the Amtrak route structure on May 8. These recommendations include a 25-percent reduction in the present route system—from 27,000 miles to 18,900 miles. These recommendations correspond to those called for in section 3(b) of this bill. The request for the route structure study was originally contained in the conference report last November on the Supplemental Appropriations Act for Transportation and related agencies. The bill we are considering provides, and the Secretary is proceeding accordingly without awaiting enactment, for public comments to be obtained by the Rail Services Planning Office between May and September of this year.

The Secretary will evaluate these RSPO comments and make his final recommendations by December 31. This bill provides that the recommended route structure will go into effect when approved by Congress. The bill further provides that no trains in the present system will be discontinued before October 1, 1979, providing the Congress with an opportunity to adequately review the recommendations without having the threat of immediate service disruptions.

As I stated, there are also a number of other amendments contained in the bill. Of particular importance in my judgment is section 8, which provides that all procurements in excess of $100,000 and not determined by the Secretary to be inconsistent with the public interest, must be purchased from domestic suppliers. The committee believes that this so-called buy-American provision is essential for normal engine and car procurements, and also because of the magnitude of the procurement program for the Northeast Corridor improvement project. Congress has authorized $1.75 billion for this project. The committee believes that considering the condition of the primary industries involved in providing the materials necessary for this project, there is no reason why they should not be procured from our domestic suppliers.

In conclusion, I would like to assure the Congress that we have thoroughly considered this bill. We had 3 full days of hearings and 2 days of markup in both the subcommittee and the full committee. In addition, we requested and received two special reviews by the General Accounting Office. Moreover, each of the members of the subcommittee and many members of the full committee have given considerable time and attention to many of the provisions of this bill. We have attempted to objectively review this matter and present to you what we consider to be a fair and equitable bill from the standpoint of several diverse interests. The bill was passed out of subcommittee and full committee by overwhelming voice votes.

Mr. SKUBITZ. Mr. Chairman, I intend to speak on this legislation at a later moment. I will defer my statement. Therefore, I yield 5 minutes to the gentleman from Ohio (Mr. DEVINE), the ranking minority Member.

Mr. DEVINE. Mr. Chairman, I want to take several minutes to express my concern about the growing costs for Amtrak. In 1971, when we began this experiment to see if the public wanted intercity rail passenger service, we authorized $40 million as an operating subsidy and $100 million as loan guarantees. Many of the proponents of Amtrak argued that such money would be sufficient to give a true test to the proposition that intercity rail passenger service was wanted by the public.

In the 7 years that have followed the creation of Amtrak, we have seen its costs go far beyond what anyone had imagined. This bill contains an operating subsidy of $613 million. That is a far cry from the $40 million we provided in 1971. As a matter of fact, operating subsidies alone have exceeded $1.8 billion through the end of fiscal year 1977. By the end of 1982, we will have put more than 5.5 billion tax dollars into operating subsidies for Amtrak.

In addition to the operating subsidies, we loaned Amtrak nearly $900 million. We authorized nearly $1.7 billion for the acquisition of the Northeast Corridor, and we have given other capital grants to Amtrak of several hundred million dollars. By the end of 1982, the total money provided for Amtrak will have exceeded $10 billion.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, in response to the gentleman's statement about the differences in the money, when this program first started, one of the reasons that we took authority away from OMB to control Amtrak's budget has been OMB's historically penurious attitude toward Amtrak.

That is one of the reasons Amtrak is not running more efficiently today. If Amtrak had the opportunity to buy the equipment needed to replace the dilapidated equipment it inherited from the railroads, we would not be in the quandary we are in today.

Mr. DEVINE. Mr. Chairman, I thank the gentleman for his comments. However, we always have many excuses. The fact remains that we are spending billions and billions of dollars.

Mr. Chairman, I realize that many of our constituents have a great fondness for intercity rail passenger service. I share that fondness, but there comes a point when we have to draw the line. When we began Amtrak, many of us felt that the railroads had not given rail passenger service a chance to succeed. We believed that they had done everything in their power to discourage people from riding the trains. The primary purpose of Amtrak was to provide a fair test for the proposition that intercity rail passenger service was needed and would be used. In the 7 years of its existence, Amtrak has demonstrated that intercity rail passenger service cannot break even because enough people will not ride the trains.

The GAO study conducted for the committee and released just last month points out that the traveling public can see no advantage to the train, so use their automobiles for short distances and airplanes for long distances. The intercity passenger train has neither a cost saving nor a time saving for the traveling

public. Consequently, we in Congress can do nothing beyond what we have already done to try to save intercity rail passenger service.

What have we been doing by our actions with respect to Amtrak? We have simply been providing millions of tax dollars so as to keep a Corporation we created in business. In many cases, our money is simply buying us the privilege of seeing an empty train crisscross the country. There are too many good uses for tax dollars for us to ignore the fact that most of the tax dollars going to Amtrak are wasted.

This bill does have one positive feature in that it formalizes the route restructuring study being undertaken by Secretary Adams at DOT. However, the bill then undoes this constructive step by freezing the present system until a year from October and then foreclosing the implementation of the Secretary's recommendations by requiring both the House and Senate to affirmatively approve them.

I urge all of my colleagues to ask themselves whether or not we can afford to throw millions of dollars at Amtrak as long as the Amtrak route structure has no discipline. I, for one, am convinced that the American people are no longer willing to have trains crisscross the country simply so that every little town can have one passenger train a day. There may be parts of the country where the passenger train has a future, but until we face up to the responsibility of separating the big losers from the small losers, Amtrak will never provide a meaningful public benefit.

I intend to offer an amendment which will reduce the operating subsidy in this bill from $613 million to $575 million. I have taken the $575 million figure because Secretary of Transportation Brock Adams has indicated that is the amount of money which would be needed if we were to continue all existing Amtrak trains. I might add that the Senate bill contains $510 million and the President's budget contains $510 million. I am willing to go with the $575 million figure which is what Secretary Adams says is needed. However, I think it would be the height of financial irresponsibility to provide $38 million more than the Secretary of Transportation says is needed to operate the present Amtrak system.

Mr. ROONEY. Mr. Chairman, I yield 7 minutes to the gentleman from Tennessee (Mr. GORE).

Mr. GORE. Mr. Chairman, I would like to speak in support of this bill.

During the past 8 months we have been deluged with information regarding the operation of Amtrak. The atmosphere of these discussions has been one of confrontation and frustration over the problems besetting the system since its beginning 6 years ago.

I believe it is now time to look ahead instead of to the past, a time to finally formulate a working policy for rail passenger service.

Amtrak has an able new president, Alan Boyd. His mere arrival as the chief executive has brought new life to the Corporation. We can expect Mr. Boyd to inject a renewed spirit and sense of mission into this important service.

The Corporation has shown remarkable advances in the areas of marketing, equipment maintenance, and public image during its brief existence. Indeed, a recent Harris poll has shown that a large majority of Americans want more and better rail passenger service.

Congress, the administration, and the general public are now involved in an extensive examination of the national route structure. This process will culminate in the development of a system the American public can count on to be in place now and in the future.

The bill we are now considering is the first step toward that goal.

The principal feature of the bill is to keep the national system intact until the current review process is completed and Congress can act upon the recommendations arising from this extensive analysis.

This is the most important part of the bill and I cannot emphasize too strongly that this provision must be kept intact. To immediately begin eliminating trains without benefit of public comment and subsequent congressional review would undermine our role. Moreover, such haphazard route cutting would destroy rising public confidence in Amtrak and seriously jeopardize the future of the system.

Another provision of this bill would require that both Houses of Congress approve any route system proposed by the Department of Transportation at the close of this calendar year.

Mr. Chairman, the process in which we are now engaged—the formation of the future policies for rail passenger service in this country—is too important to limit approval to only one body of Congress. We must have complete consensus on this issue.

We are all concerned with the rising cost of operating public transportation, and we should not expect Amtrak to be locked into operating trains along routes which have been shown to be highly unprofitable.

The Commerce Committee has dealt with this problem while proposing that the national system be kept intact for the next fiscal year. I would like to take a moment to clarify the committee's position in that regard.

We believe Amtrak should be encouraged and urged to reroute trains onto more profitable routes to cut losses and serve more potential riders.

The Floridian is such a route and I cite this train as a good example of how Amtrak can improve service by rerouting.

By directing the Floridian through Chattanooga, Atlanta, and Savannah, Amtrak will substantially cut its losses, serve a considerably more populous part of the Southeast, and bring the train well within the standards now used by the Secretary of Transportation for inclusion in a final route structure.

This route was chosen by the Amtrak board in November, the Commerce Committee has urged this action, and I want to reaffirm that conviction today.

Mr. Chairman, for the benefit of the Members not on the Commerce Committee, I would like to ask the distinguished subcommittee chairman if the rerouting of the Floridian was, indeed, the intent of the committee action?

Mr. ROONEY. That is absolutely correct.

Mr. GORE. Thank you, Mr. Chairman. I believe this clarification will be extremely helpful to Amtrak in its management efforts.

Mr. Chairman, we are on the verge of a new era in transportation policy in this country. The growing, and alarming dependence upon oil imports may very well change the way we choose to move about this country.

That time is not 50, 30, or 20 years off. It is now. And we must rise to this challenge.

Rail passenger service will play an important role in this transition and we should be prepared to equip our national system with the tools necessary to meet that demand.

The Staggers bill is a positive and reasonable approach to providing a comprehensive policy for rail passenger service.

I urge my colleagues to join me in support of this bill.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. GORE. I am pleased to yield to my distinguished colleague from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding to me. I want to compliment him and the members of his committee for the work they have done in trying to let Amtrak know that we intend for the Floridian to keep on running, at least until it is given a chance with new routing.

When they bypass large areas like Atlanta and Savannah, areas which will produce passengers, obviously it cuts into their ability to make a profit. I appreciate the work the gentleman has done.

As the gentleman knows, my Committee on Appropriations, when we had the appropriation bill on the floor, engaged in the same colloquy and came to the same determination, that Amtrak should make these decisions which will improve the service to the people of the Midwest and the Southeastern part of the United States. I just want to compliment the gentleman for once again establishing, through the work of his committee and subcommittee and here on the floor, that the Floridian can be a route that is not in arrears if we keep the trains on schedule and keep the trains servicing the areas where there are passengers to ride.

I want to thank the gentleman for all the help he has given all of us served by the Floridian.

Mr. GORE. I thank the gentleman.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I want to compliment the distinguished gen-

tleman from Tennessee (Mr. GORE) for his very truthful and sensible statement on the Amtrak system, and join with him in his expressions concerning the system itself.

Mr. Chairman, today we are considering a bill that authorizes almost three-quarter of a billion dollars for Amtrak in fiscal year 1979. I want to take this opportunity to note for the committee my concerns about the operations of Amtrak in New England.

Mr. Chairman, the routes which Amtrak operates in the Northeast are the most successful in the system. The Northeast corridor improvements project is partially responsible for this success. A major share of the credit, however, must go to the people of the region who are extremely interested in utilizing rail service. More, however, can be done by Amtrak to increase ridership in the Northeast. As I have indicated on previous occasions, Mr. Chairman, a logical step for Amtrak to take is to institute an inland route between New York and Boston. This route, through New Haven and Springfield, would bring convenient rail service to 1.8 million people who do not currently receive that type of service. Before the inland route can be a feasible alternative, however, certain changes need to be made in the physical condition of the affected rail lines. I feel, Mr. Chairman, that this bill should be a start toward making those changes.

The roadbed between New Haven and Springfield, Mr. Chairman, is, in a word, "lousy." During the past year, I have used Amtrak on several occasions to travel between my district and Washington. Although the trains have usually been on schedule, the condition of the roadbed between New Haven and Springfield needs considerable improvement.

Before service on an inland route is feasible, this roadbed must be upgraded. I would propose that some of the funds authorized under this bill be used for this purpose.

In the same vein, Mr. Chairman, the present rail passenger station in Springfield, Mass., is in serious need of replacement. That station is now serving the Montrealer as well as the Lake Shore Limited and will be used extensively if an inland route is established. I note in the bill that $130 million is authorized for capital acquisitions. I hope that the Amtrak board of directors would look closely at the condition of the station situation in Springfield and recommend necessary improvements. I cannot believe that there are many cities in the Amtrak system where the need for improved station facilities is greater or where improvements would yield such an immediate return of investment in terms of increased ridership.

Mr. GORE. I thank the gentleman from Massachusetts.

Mr. SKUBITZ. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. Mr. Chairman, beginning on page 32 of the committee report on this bill are my supplemental views. I wrote those supplemental views because I believe that certain changes in the structure of the Amtrak organization are needed if we are to have better Amtrak service and control the large costs associated with Amtrak.

In committee, several amendments of mine were adopted which I believe will be helpful in shaping the future course for Amtrak. For example, one of my amendments eliminates the myth that Amtrak is a for-profit corporation. At the same time, it makes it clear that Amtrak should be managed and operated as though it were a for-profit corporation. I instituted this change because I wanted to distinguish Amtrak from ConRail. I share the belief of many Members that ConRail could eventually become a private corporation not dependent upon Federal subsidies. Amtrak on the other hand will always need some Federal subsidies. I think it is important that we keep the differences between the two organizations clearly in mind. If we keep congressional interference with ConRail at a minimum, it may succeed as a private corporation. Since no Amtrak route now breaks even—to say nothing of being profitable—Amtrak must be considered as a public service corporation.

I also had an amendment adopted which will require the Secretary of Transportation to evaluate what should be done with the common stock of Amtrak. As you know, the common stock is held by four railroads, and I am concerned about the status of that stock. the amendment which the committee adopted requires the Secretary to address this problem so as to make certain that the interests of the United States are protected. I want to make certain that no railroad holding Amtrak stock, receives unjust enrichment simply because our actions have over the years given Amtrak considerable property including the Northeast Corridor.

Year after year, Amtrak costs have gone up. What started as a $40 million investment by the Government already exceeds $5½ billion and will approach $10 billion by the end of 1982. Last fall, Chairman ROONEY and I requested the Comptroller General to investigate Amtrak and report to Congress with his findings and recommendations. On May 11, 1978, the Comptroller General published his report, "Amtrak Subsidy Needs Cannot Be Reduced Without Reducing Service." The results of that report are not encouraging. In a nutshell, the report concludes:

> Amtrak's seven year history has proven that sufficient passenger demand for rail service does not exist under present circumstances to allow break-even operation of a nationwide passenger rail system. Even its best routes cannot pay for themselves and given the current cost and demand relationships, never will.

Mr. Chairman, Amtrak now represents a considerable burden on the American taxpayer. This bill, for example, contains an operating subsidy of $613 million. In fiscal year 1977, $521 million, or over $27 per passenger, was paid to Amtrak from the Federal Government. This year, the cost will even be higher.

What concerns me most about all of this is that Amtrak operates without any meaningful financial control. When the money is used up out of one appropriation, Amtrak simply comes to Congress for a supplemental appropriation. As a matter of fact, this has become a pattern for Amtrak operations.

In my views I suggest two changes in the existing law which would be helpful in providing greater financial responsibility for Amtrak. The first proposal is that Amtrak should go through the Office of Management and Budget just like other Federal agencies. I intend to offer an amendment to that effect which will repeal the present exemption to the Budget Act which permits Amtrak to come directly to Congress with its budget requests.

My second proposal in my supplemental views is to establish a Finance Committee made up of the Secretary of Transportation, the Secretary of the Treasury and the Chairman of the Amtrak Board so as to force Amtrak to live within its budget. Since the Secretary of Transportation is undertaking a complete study of Amtrak, I have suggested the use of a Finance Committee to him. I do not intend to offer an amendment establishing a Finance Committee at this time.

Since Amtrak receives around two-thirds of its total budget from Congress in the form of operating subsidies, it is placed in a very difficult position when it comes to the discontinuance of unprofitable trains. To date, it has been more politically expedient to ask for more money than to bite the bullet and discontinue the trains which lose millions of dollars. The GAO report points out that the route criteria and procedures for discontinuance which were enacted in 1976 by the Congress have not been effectively implemented by Amtrak. As a matter of fact, not a single train has been taken off as a result of that procedure.

The GAO report says:

> The route criteria and procedures have not been effectively implemented because of the time consuming processes involved and the political and public opposition to any hint that a particular route might be discontinued. The ineffectiveness of these procedures, combined with the continued operation of certain highly unprofitable routes has contributed to mounting concern over Amtrak's operating costs.

I intend to offer an amendment to address the ineffectiveness of the route criteria which we previously established.

I wonder, Mr. Chairman, if there is any way to provide some political insulation for Amtrak so that Amtrak can minimize its losses. I intend to propose an amendment which would provide objectivity for getting the worst of the Amtrak trains discontinued. My amendment would simply provide that when a train has lost more than $100 per passenger, it shall be discontinued if there is an alternative mode of intercity service available. I have set the dollar amount at a level which at present would affect only three trains. I think that the principle is important because it lets the taxpayer know that we have the courage to provide some outer limits for Amtrak expenditures.

Mr. Chairman, I am convinced that intercity rail passenger service makes sense where the people are willing to use it There are a number of corridors throughout the country where the density of population is such that the intercity rail passenger service is essential. If we are to preserve that essential service, we must be willing to take some steps to make Amtrak more financially responsible. The amendments I will propose today represent a step in that direction. I would be remiss, however, to suggest that adoption of my amendments will cure the problem. The problem will require a careful analysis by the Secretary of Transportation and a willingness by Congress to implement his recommendations when they come to us at the end of the year.

Mr. Chairman, my first amendment to this bill is at the desk. It would simply remove the existing exemption Amtrak has which permits it to come to Congress without going through the Office of Management and Budget.

Quite frankly, I am convinced that Amtrak will benefit from having to deal with OMB. At the present time, the Department of Transportation speaks for Amtrak at OMB and Amtrak's case is not always carefully explained.

Under the existing law, whatever administration is in power puts forth their suggestions with respect to Amtrak and then Amtrak deals directly with Capitol Hill in order to argue for its budget. As I have mentioned, we are simply not in a position to examine each and every item in the Amtrak budget in order to determine its justification. I am convinced that one of the reasons Amtrak has never been able to live within its budget is the fact that no one is exercising any kind of budgetary discipline. By requiring Amtrak to go through the Office of Management and Budget, some budgetary discipline will be necessary.

At the same time, Mr. Chairman, you and I both know that should OMB not approve a budget which reflected Amtrak's needs, we in Congress can determine that fact. We can determine that fact during the hearing process by simply asking Amtrak what its original submission was to the Office of Management and Budget. There can be no secrets nor shenanigans which exclude Congress from the budget-making process. However, all of us in Congress can benefit by requiring as orderly a process as possible for Amtrak to use in working out its budget requirements.

I have received the following letter from the Secretary of Transportation Brock Adams, who strongly endorses this amendment. Let me read from that letter which is dated June 14, 1978:

I wish to assure you of my complete support for the amendment to H.R. 11493 that you are proposing to introduce on the Floor of the House and which would remove Amtrak's present exemption from the normal budget process.

As I have stated on numerous occasions since becoming Secretary of Transportation, I continue to be a strong supporter of intercity rail passenger service and of Amtrak. However, I firmly believe that, given existing overall budget constraints, it is becoming increasingly important that any Federal resources be provided to Amtrak only after a careful weighing of the relative priority of the Amtrak program within the content of total Federal budget priorities. Your amendment would take us on a very important step in that direction, and would also begin to deal with problems of accountability and control which I discussed in the recent route study report to Congress.

Mr. Chairman, this amendment in no way is intended to gut or destroy Amtrak. It is simply an effort to place Amtrak on an equal footing with other Federal agencies and give us in Congress the benefit of a careful budget analysis before we are called upon to act on Amtrak authorizations.

I urge the adoption of this amendment. Mr. Chairman, I include the letter from Secretary Adams at this point in the RECORD:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., June 14, 1978.

Hon. EDWARD R. MADIGAN,
House of Representatives,
Washington, D.C.

DEAR ED: I wish to assure you of my complete support for the amendment to H.R. 11493 that you are proposing to introduce on the Floor of the House and which would remove Amtrak's present exemption from the normal budget process.

As I have stated on numerous occasions since becoming Secretary of Transportation, I continue to be a strong supporter of intercity rail pasesnger service and of Amtrak. However, I firmly believe that, given existing overall budget constraints, it is becoming increasingly important that any Federal resources be provided to Amtrak only after a careful weighing of the relative priority of the Amtrak program within the content of total Federal budget priorities. Your amendment would take us on a very important step in that direction, and would also begin to deal with problems of accountability and control which I discussed in the recent route study report to Congress.

I commend your initiative and your sense of responsibility, and I heartily endorse your amendment.

Sincerely,

BROCK ADAMS.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the full Committee on Interstate and Foreign Commerce, the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I thank the gentleman for yielding to me this time.

First of all, Mr. Chairman, I would like to say to the two gentlemen on the opposite side of the aisle who just preceded me that I consider both of them very excellent gentlemen and I know that both of them are working for the best interests of our land. I know they are going to offer some amendments.

I just want to state briefly some of my views on this whole situation.

I would like to say to both the gentleman from Ohio (Mr. DEVINE) who is the ranking member on the committee and who has been on the committee all the years since Amtrak started and has been in operation, and to the gentleman from Illinois (Mr. MADIGAN) that they certainly are useful members of the committee and have gone along with most of the things we have wanted and that we need in the area of rail passenger service. I know that neither one of these gentlemen want to hinder Amtrak. I would like to point out to both of these gentlemen that Amtrak received its bad start in the very beginning when OMB had control over it and at that time they would not provide funds to adequately finance it or to give Amtrak a fair start. All of Amtrak's equipment was rundown and had been in use for 30 or 40 years. They were not even able to repair and replace enough of it. Of course, it takes a good while to do all that but more could have been accomplished during those years. But it has taken, as I say, time to replace some of the cars and repair them and some of that equipment still needs to be renovated and new equipment purchased in order to make the system go.

I would also like to say that we have a new president of Amtrak. He is an experienced railroad man. He was president of the Illinois Central Railroad, I believe, out in the gentleman's own territory in Illinois. I do not believe that we should hinder him when he takes over. Instead, I believe that we should supply him with the tools needed to do the job that we expect him to do.

Another thing I would like to call your attention to is that all other nations that have railroads subsidize their railroads far more heavily than what we do. Other nations have recognized the benefits of rail passenger service and have subsidized their systems in order to get a good workable railroad system. If any Member has ever taken a trip to Japan and ridden on trains there, he knows that they are able to run them at 125 miles an hour and yet you can put a glass of water on the window of the seat you are sitting in and it will not fall over, shake or spill a drop.

On the other hand, our rail system is out of date. It is time the Government did something about it. We are either going to have to finance it or drop it. If we drop it, the time will come when the Members and the people are going to say we need a good railroad and we do not have one; why did we not have a little common sense and a little vision?

I can remember during the Second World War the only transportation I could get in this Nation was riding on a passenger train, and most of the time I had to stand up because they were so crowded. An energy crisis is drawing close, and I think we ought to have enough vision and courage to say that we need an energy-efficient system. We need a national system, and we need to put money into it and, indeed, not try and starve it to death.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

At the outset I would like to respond to the gentleman from West Virginia by saying that on behalf of the gentleman from Ohio (Mr. DEVINE) and myself, we both appreciate the gentleman's kind remarks and would say for the record,

not only on behalf of the two of us but on behalf of all of the members of the Commerce Committee, that we recognize the tremendous contributions that the gentleman from West Virginia has made to the betterment of the American railroad system throughout the years he has been here in Congress. I want to distinguish, if I may, for the gentleman from West Virginia just a few things.

I, first of all, want to make the point to the gentleman that I have supported all of the money for equipment, and for road or track improvements that have ever been requested by Amtrak or by anybody else for any railroad anywhere in the United States. What we are talking about here is operating subsidies that in some cases run as high as $122.55 per ticketed passenger per ride. That is what we are talking about in this particular bill.

I would also like, if I might, just to continue—and the gentleman has the time; I do appreciate his yielding—I would just like to remind the gentleman from West Virginia that the railroad system that was so important during the Second World War, to which he has referred here, was important at a time when we did not have seven-eighths of the commercial air ports that we presently have in this country, or not even one mile of the Interstate Highway System that we presently have. Finally—and again I want to thank the gentleman for yielding—I would like to remind the gentleman that when he talks about England, as a country with a very progressive railroad system, that one can ride from coast to coast in that country on a railroad and not travel as far as one would ride from one end of my congressional district to the other, and my district is only 1/435 of this country. That makes a lot of difference in what kind of transportation system is proper and will be well received by the public in a particular country. I thank the gentleman for yielding.

Mr. STAGGERS. I would like to ask if the gentleman has ridden the trains in Germany or France?

Mr. MADIGAN. If the gentleman will yield, I have ridden the trains in France, and if the gentleman from West Virginia will approve a voucher for me to do it, I will go to Germany, too.

Mr. STAGGERS. I will be glad to, because I think when we see what is going on in some other places, then when we return and say, "Well, maybe we are not doing so well; maybe we should be looking ahead; maybe we have not been preparing for the future." If we do not have the railroad tracks to carry the big equipment if war happened to come on, and we do not have those to carry it, how would we get it from place to place? You cannot carry the equipment by truck. The railroad system including passenger equipment is essential for national defense.

I might say to the gentleman, how many billions of dollars has this Nation put into the highways of this country? If we put one-hundredth of the money we put into highways into the railroads right now, we would have a great railroad system. How much money have we put into the airlines of this Nation—how many billions? If we put one-tenth into the railroad system now that we have put into the air system, we would have a great rail system in America.

We are going to have to have the vision to help our railroads and keep them running. I am certain of this, that the time is not too far in the distant future when our people are going to say, "Why didn't we have the vision to put money into the railroads now?"

We have a new president of Amtrak. Let us give him the money and the tools to do a good job and we can wait for the Secretary's recommendations on what should be changed. The Congress will have an opportunity to review them and determine what course of action should be followed.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I thank the gentleman for yielding.

I have ridden the trains in Japan, England, Germany, and France. They have outstanding passenger train service and it would bode well for every Member of this Committee to visit those countries and find out how they are operating.

Mr. STAGGERS. Mr. Chairman, will the gentleman use his own time, or yield me some time?

Mr. SKUBITZ. Mr. Chairman, I will yield 1 minute of my time to the gentleman from West Virginia (Mr. STAGGERS).

Mr. Chairman, the unfortunate thing in this country is this, that between Chicago and the west coast you can take the passenger train and fill every seat, every pullman, every room, roomette; you can eat the best meals they serve and have three drinks before each meal and three drinks after and when you get to the west coast with the completed train, they have lost money; so let us quit talking about this increasing the passengers.

What is wrong is that between Chicago and the west coast they have 21 crew changes. The poor Amtrak organization has no control over it.

One of our biggest difficulties is that our tracks today are such that we cannot improve the kind of service we need and yet Amtrak has no control over them.

Mr. STAGGERS. Mr. Chairman, I would like to say that over 45 percent of the petroleum we have now is being imported from abroad. Every time a man rides on a railroad train he is helping reduce dependence on imported oil, because 50 or 60 percent of that oil is used in automobiles today in the form of gasoline.

I know that only one little section of railroad from Martinsburg into Washington makes a substantial contribution. If that train is dropped, 43 additional cars would be coming into Washington every day.

Amtrak ridership did increase terrifically during the Arab oil embargo and there will be another time when we will have to use the train system again. Let us have it in the condition that will encourage the people to ride it. Let us have a national passenger service in this land, one of which we can be proud and one that we can revitalize into a good system.

Mr. SKUBITZ. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Chairman, as I listen to this debate year in and year out, I am always reminded of the fact that no industry has ever had a better friend than the chairman of our committee, the gentleman from West Virginia (Mr. STAGGERS). There has never been a stauncher defender of railroads than the gentleman from West Virginia (Mr. STAGGERS). The gentleman is for railroads, and on the railroad committee certainly the gentleman from Pennsylvania (Mr. ROONEY) has stood with him in every way. Mr. ROONEY has been fair and honest in all his hearings and reports on railroads. Then I see our good friend over here on my side of the aisle, the gentleman from Kansas (Mr. SKUBITZ), who also strongly supports the railroads.

But when we talk about railroads, I want to come back to the basics. I like railroads, but I like railroads that carry freight because the railroads that carry freight break even or make a profit, and they are absolutely essential to the American system. We could not live without freight trains, but we need these passenger trains about like I need a hole in the head.

The facts are here.

Let us look at this statement that the railroads are carrying more passengers. It is true they are carrying more passengers, but the reason they are carrying more passengers is because we had a lot more trains and 3 million more passengers rode the trains. But when we come down here and check the revenue passenger miles per train, we find that in 1974 it was 126, in 1976 it was 103, and in 1977 it was 96. When we look at it in that light, we find there are just fewer people all the time riding the trains. Then we hear the statement made that everybody wants trains, but there are only about 2 percent of the passengers in this country who are moving on trains. Most people want to go on an airplane because it moves faster, they want to go on a bus because the schedules are better and the buses are there all the time, or they want to go by automobile because it is more convenient.

Mr. Chairman, this bill seems determined to simply throw more money at Amtrak as it rolls to what appears to be a disastrous destination. The time has come to vote against this bill or any other legislation which prolongs the life of Amtrak for the following reasons:

First. Amtrak has failed.

Second. Amtrak costs the taxpayers too much.

Third. Amtrak provides no public benefit.

Fourth. The freeze in this particular bill guarantees another 18 months of extravagant waste.

Fifth. The bill in effect prohibits even the Secretary of Transportation from taking off a single Amtrak train, now or in the future.

AMTRAK HAS FAILED

In May of 1971, Amtrak began its operations with the fond hope that it could prove once and for all that inter-city rail passenger service has a future if someone other than the railroads were given the opportunity to run it. The General Accounting Office report prepared for the committee and entitled "Amtrak Subsidy Needs Cannot Be Reduced Without Reducing Service," dated May 11, 1978 reaches the following conclusions about Amtrak:

Amtrak's operations since 1971 have demonstrated that nationwide passenger rail service cannot be justified on economics alone, even though Amtrak's present system is mostly made up of the best routes available. (Page 54.)

In testimony before our committee on March 20, the Director of the Community and Economic Development Division of GAO testified that:

"Amtrak's biggest problem is that there are not enough people who want to use the train for inter-city travel. While Amtrak attracted about three million more passengers in fiscal year 1977 than it did in 1972, it did so by substantially increasing the number of trains available. The number of revenue passengers per train have decreased. The reasons why demand does not exist in spite of Amtrak's low fares (fare revenue averaged only about 35 percent of operating costs) are fairly straightforward. Air travel is much quicker and more convenient for time sensitive travellers, smoother and more comfortable, (especially considering the comparatively short time the traveller must occupy the airplane), and on longer trips, almost the same price as Amtrak. Busses go more places than Amtrak, usually at a lower cost to the traveller. Automobiles give travellers more control over where and when they go, are convenient to have at a destination, and, on a marginal basis most people use to make travel decisions, are perceived as being much more cheaper than the train, particularly when more than one traveller is involved." (Page 55).

The fact of the matter is that less than 2 percent of intercity passengers use the railroads. The hope for growth in intercity rail passenger service simply has not occurred. Through fiscal year 1977, Congress pumped 1,865 billion Federal dollars into Amtrak. Over that period of time, revenue passenger miles per train declined as follows:

Revenue passenger miles per train mile

October 1974 through February 1975	126.81
Fiscal year 1976	103.81
Fiscal year 1977	96.60

This decline occurred even though Amtrak: First, increased trains; second, increased train miles; and third, increased routes.

1971:	
Trains per week	1,247
Train miles per week	461,432
Routes	25
1977:	
Trains per week	1,503
Train miles per week	636,328
Routes	25

Mr. Chairman, Amtrak carried only 15.6 percent more passengers in 1977 than in 1972, its first year of operation.

It should be pointed out that Amtrak's growth has not only been marginal but has occurred only because Amtrak has greatly increased the size of its system. Clearly the Amtrak experiment has been a failure.

AMTRAK COSTS TOO MUCH

The following table, taken from the GAO report, graphically demonstrates the gigantic Federal subsidies which have been keeping Amtrak rolling with its empty trains.

[In thousands of dollars]

Fiscal year	Operating revenues	Operating expenses	Deficits
Past:			
1971	22,645	45,301	22,656
1972	152,709	306,179	153,470
1973	177,303	319,151	141,848
1974	240,071	437,932	197,861
1975	246,459	559,807	313,348
1976	268,038	674,307	406,269
Transition quarter	77,167	176,298	99,131
1977	311,272	832,850	521,578
Total	1,495,664	3,351,825	1,856,161
Projected: [1]			
1978	352,866	943,366	590,500
1979	403,254	1,072,325	669,071
1980	444,987	1,172,140	727,153
1981	505,652	1,293,940	788,288
1982	578,274	1,432,340	854,066
Total	2,285,033	5,914,111	3,629,078
Grand total	3,780,697	9,265,936	5,485,239

[1] Amtrak estimates.

Mr. Chairman, as can be seen from the table above, through fiscal year 1977, $1.856 billion had been dumped into Amtrak for operating subsidies alone. By the end of fiscal year 1982, $5.485 billion will have been given to Amtrak for operating subsidies alone.

In addition to the operating subsidies, the Federal Government has loaned Amtrak over $900 million and has provided nearly $1.8 billion in capital grants. The total cost for Amtrak by the end of fiscal year 1982 could exceed $10 billion.

Any taxpayer attempting to pay his mortgage, his car payment, his child's education, or nursing home care for a loved one should be asked if this $10 billion expenditure is justified. Clearly, Amtrak costs too much.

AMTRAK PROVIDES NO PUBLIC BENEFIT

Even though Amtrak costs too much, it could be justified if there was a compensating public benefit. That compensating public benefit simply does not exist.

The clearest indicator that Amtrak provides no public benefit is found in the fact that Amtrak has been unable to attract substantially larger numbers of people to ride the train. As pointed out above, the growth in intercity rail passenger traffic has been far less than the growth in the system itself. As a practical matter, revenue passenger miles per train mile have decreased from 126.81 in February 1955 to less than 96.6 in February 1977. Amtrak has carried only 15.6 percent more passengers in 1977 than in 1972, its first year of operation. In every single case where an Amtrak train goes, alternative forms of public transportation are available. Airplanes cover more than 60 percent of the Amtrak route points and intercity motor buses cover 100 percent.

Some argue that rail passenger trains are energy efficient. The preliminary report to Congress by DOT entitled "A Reexamination of the Amtrak Route Structure" (May 1978) clearly indicates that the fuel efficiency of the rail passenger train is a myth. For example, that report points out:

At worst, Amtrak operations are much worse than even the automobile, let alone the bus. The Floridian, according to Amtrak estimates, used more fuel in FY 1976 than if everyone had travelled by automobile and the mail had been carried by truck.

Under the best of circumstances, Amtrak's fuel efficiency is not as good as the intercity motorbus. Therefore, one cannot argue that a public benefit accrues as a result of Amtrak saving our precious energy. It is simply untrue.

What public benefits, then, are there to justify continuation of Amtrak? We see none. The one example which can be persuasive is that some day in the future, this Nation may need to use the intercity pasenger train because of an energy crisis. The possibility for that use exists because the tracks and roadbeds stay in place, not because we have empty passenger cars crisscrossing the country. Therefore, it is clear that no public benefit exists which outweighs the tremendous cost inherent in Amtrak operations.

THE FREEZE IN THIS PARTICULAR BILL GUARANTEES ANOTHER 18 MONTHS OF EXTRAVAGANT WASTE

Paragraph 2 of subsection (e) of section 3 of this bill locks into place every single train operating on the Amtrak system until at least October 1, 1979. It is ironic that the same section requires the Secretary of Transportation to reevaluate the Amtrak route system and then turns around and freezes every bit of that route system in place. The Secretary in his preliminary report indicates that at least 25 percent of the Amtrak route system needs to be stopped. What possible justification can the committee

have for continuing to waste the taxpayers' dollars in total disregard of every shred of evidence? It appears that the only way to justify the continuation of a train called the Shenandoah was to freeze every other unprofitable train into the Amtrak system. Only total disregard for the Federal tax dollar can justify such crass politicization of Amtrak.

It makes no sense to provide a freeze in this particular bill which guarantees another 18 months of extravagant waste while the Secretary of Transportation is attempting to rationalize the Amtrak system.

THE BILL IN EFFECT PROHIBITS EVEN THE SECRETARY OF TRANSPORTATION FROM TAKING OFF A SINGLE AMTRAK TRAIN, NOW OR IN THE FUTURE

Section 3 of the bill directs the Secretary of Transportation to evaluate Amtrak and undertake a route reexamination. By the end of 1978, he is directed to report to Congress as to how Amtrak should be changed so as to improve its dismal record. That provision in and of itself would be laudatory, considering Amtrak's gross unprofitability. However, subsection (e) of Sec. 3 in paragraph 1 contains an interesting "catch 22" which in effect negates any findings by the Secretary of Transportation. That subsection makes it clear that the Secretary's recommendations shall be deemed final only after approved by both Houses of Congress. This provision is but a blatant attempt by Amtrak to continue perpetually its grossly inefficient intercity passenger train service. As a practical matter, Congress is on the one hand shifting the buck to the Secretary of Transportation to propose Amtrak route reductions, but on the other hand, heaps upon itself the impossible task of having to vote on each one of the Secretary's recommendations. This is an absolute sham. If this provision stays in the bill, we should be aware of the fact that we are committing this country to spending billions of dollars more for a toy railroad that nobody rides and only Congressmen seem to want for political mileage.

As indicated above, Amtrak is not needed, has been a failure in attracting business, has no redeeming social benefits, and is a waste of taxpayer dollars. Now is the time to dismantle the model railroad created by Congress for our own political amusement.

Mr. SKUBITZ. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, once again, and perhaps for the last time, I find myself urging you to support Amtrak, and the survival of rail passenger service in the United States. I have always been a supporter of Amtrak since its creation in 1971. Although frequently dissatisfied with the performance of Amtrak's management, and disturbed at the volume of justifiable complaints which I have received concerning Amtrak's service, I still urge that sufficient funding be given the Corporation so that first-class rail passenger service may be provided in this country where it is needed.

Consciously or unconsciously, we, Members of Congress, have hamstrung this Corporation by on the one hand freely giving assurances of appropriations and supplemental appropriations, and on the other, attaching such subtle strings to these appropriations that the Corporation does not have a prayer to either meet its budget, or the minimum standards of service which any rail passenger should be entitled to expect from Amtrak.

The appointment of Mr. Allen Boyd as the new president of Amtrak is a very pleasant development which may give us one more opportunity to salvage our vision of national passenger service. Public wrath is growing, as was clearly demonstrated recently in California, against government expenditures which do not meet the needs of the greater public. Mr. Boyd, indeed, will have no honeymoon. In fact, we are expecting him to cross the starting line on a dead run. If he is to straighten out this Corporation, a task which might even give the legendary Hercules some pause, we owe it to him to provide, one more time, a sufficient operating subsidy to meet reasonable budgetary expectations.

No matter how favorably disposed I am to the concept of Amtrak and national rail passenger service—we must use discipline and recognize cold, hard facts when dealing with this Corporation. I submit to you that there should be an absolute ceiling to any appropriations to this Corporation, both now and in the future. Mr. Allen Boyd must be provided with both carrot and stick. The task he has undertaken presumably without undue coercion, must be humanly realizable, and he must have the personal satisfaction of realizing the goals of the Corporation. On the other hand, it must be absolutely and finally clear that there is a finite limit to the amount of money which the Federal Government is prepared to put into this venture, and that the limit has been reached. If, indeed, costs are escalating and service criteria cannot be met, then Mr. Boyd must be given free rein now to take such steps as necessary, free from political pressures, to bring this Corporation into line. He must be given the freedom to implement the recommendation of the Secretary of Transportation for restructuring of Amtrak routes, and make such other service adjustments as are necessary to keep Amtrak a viable enterprise. If we deny the right of this Corporation to manage itself as a profit center, we are simply perpetuating the myth of a "for-profit corporation," and we might as well admit freely and publicly that Amtrak will never be held accountable for anything to anybody.

By serving notice today that it is the intent of Congress to set an absolute ceiling to appropriations for this venture, we will, I hope, provide the right "lean and hungry" management outlook which is what this Corporation requires. Indeed, it is about time that the management of this Corporation went out and generated new and profitable business. Let us have an end to these cereal box-top promotions which artificially increase the number of passengers but does nothing to the bottom line—the revenue per passenger mile. Let us see an aggressive pursuit of ventures such as increasing the carriage of U.S. mail on passenger trains. Everytime we have had Amtrak up before our subcommittee, I have asked the same questions concerning the carriage of U.S. mail, and receive the same, waffling nonanswers.

In fiscal year 1977, the railroads did $107 million worth of business with the U.S. Post Office. In 1978, they will do $119 million worth, and by 1979, $129 million. Amtrak must compete for its share of these funds.

A recent study by Frank E. Shaffer of Modern Railroads, which has come to my attention, indicates that at least $50 million of revenue could be realized by carriage of bulk mail on existing Amtrak trains. The study even assumes that, first, only full cars of mail will be handled, and only to and from locations where Amtrak currently has switching crews; two, only bulk mail would be carried, and only to/from bulk mail center cities; and three, mail would be diverted only from highway carriers. It is worthy of note that Amtrak serves 19 of the 21 cities in which the U.S. Postal Service has located its bulk mail centers. Fifty million dollars of revenue is probably only a fraction of what could be developed for Amtrak by aggressive management, and would certainly help reduce subsidy requirements, or make sure that future requirements are maintained substantially below our fixed ceiling.

We are all, I am sure, extremely tired of the constant and recurring problems and tribulations of dealing with Amtrak, and its heavy political game playing. Please join me in welcoming Mr. Allen Boyd to the Amtrak "hot seat" and in conveying to him that we fully expect him to run Amtrak in a businesslike manner. And finally, let us exhort Mr. Boyd to keep Amtrak's nose out from under the Congress tent.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I would like to have just a very brief colloquy with the subcommittee chairman, the gentleman from Pennsylvania (Mr. ROONEY). I would like to commend the committee chairman and the subcommittee chairman for this bill, which helps to improve Amtrak, and specifically say that, in light of our public transit needs throughout the country, we need a strong railroad system and a strong public transit system. I would like, for the record, to clarify section 6 of the bill.

Section 6 of this bill instructs the Secretary to develop economical equipment designed to be compatible with the operational characteristics of the Northeast Corridor. I would like to ask the chairman whether or not it is the intention of this section that two separate types of equipment be developed for the corridor: We will need high-speed trains to meet the timetables mandated by the act, but we also will need practical, self-propelled electric trains for "through-local" service on the corridor. "Through-local"

service will serve smaller communities such as New Brunswick, Princeton Junction, Chester, and Aberdeen in addition to the larger communities like Philadelphia and New York.

I have been told that low-cost trains for this "through local" service can be developed by taking existing 100-miles-per-hour electric commuter rail equipment off the shelf and by outfitting the equipment with more comfortable interiors suitable to long-distance through service. This equipment will be cheaper to operate than locomotive-propelled Amfleet equipment, and accelerations are fast enough to permit service to many smaller stations.

Accordingly I hope we can clarify that section 6 instructs the Secretary to consider both needs, the need for new "through local" equipment as well as the need for high-speed equipment.

Is that the understanding?

Mr. ROONEY. If the gentleman will yield, yes. I agree with the gentleman from Pennsylvania. I agree with the gentleman's statement. There was no intent of our establishing the Northeast Corridor improvement program that commuter, local, or other short-distance trains be subject to same criteria as the "through-trip" trains.

Mr. EDGAR. I commend the chairman for his statement and I congratulate him for the bill.

Mr. ROONEY. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Chairman, I have a question that I would like to address to the gentleman from Pennsylvania (Mr. ROONEY), on behalf of both myself and Congressman NOWAK, about his interpretation of existing law and the intent of language in this bill. Our question involves services by Amtrak in the Buffalo-Niagara Falls metropolitan area, where Amtrak and New York State have been working on a plan to adjust Amtrak's routes to provide better service in that area, which includes one of America's—and the world's—most prominent tourist attractions. It is our view that the "freeze" imposed on Amtrak's present route structure is not intended to prohibit adjustments such as those contemplated in the Buffalo metropolitan area, and that the bill's authorization of minor deviations is intended to clarify this fact and permit Amtrak, in cooperation with States, local governments, and private interests, to make adjustments such as those I have described. Is our understanding correct?

Mr. ROONEY. Yes, it is. Both the gentlemen from New York (Mr. LAFALCE and Mr. NOWAK) and I have discussed this problem previously. As I indicated to the gentleman from Tennessee (Mr. GORE) with regard to the Floridian, your understanding is correct, both generally and with respect to the situation in the Buffalo area, as the gentleman from New York so ably described it.

Mr. LAFALCE. Mr. Chairman, I thank the gentleman from Pennsylvania very much.

● Mr. RAHALL. Mr. Chairman, the Amtrak Improvement Act, H.R. 11493, is legislation of great importance to me. I wish to share with my colleagues some comments I have about this bill. In essence, the legislation to be considered today would wage until October 1, 1979, a moratorium on the route structure change that would substantially alter the accessibility to many of our Nation's cities and towns through discontinuance of the now existing Amtrak nationwide routes.

We have heard from the Secretary of Transportation that the present Amtrak structure is far too costly for the service which it offers and that projections show that if we continue the present system as it is, by 1984 we will be providing subsidies to Amtrak of around $1 billion a year for operations alone, but I say that we should, through this legislation allow for extensive hearings to determine whether or not the DOT recommendation to reduce the Amtrak structure by 8,100 miles is, indeed, the consensus of opinion by the taxpayer—the person who pays for this service.

Already, the Interstate Commerce Commission has announced dates and locations for 14 hearings around the Nation to receive public comment on the recently issued Department of Transportation report on the future of Amtrak rail passenger service. In fact, one of the hearings will take place in my own district where much attention will be focused, I am sure, on the discontinuance of the Hilltopper route that runs from Washington through southern West Virginia.

I would like to quote from the letter from Secretary Adams in transmitting the DOT report to Congress in May:

> I am looking forward to the receipt of public comments on the recommended route system. I do not consider the individual routes and routings which I have recommended to be final. They are indeed "preliminary," and I expect to make changes in the recommendations as public comment is received and as we further refine our basic information and our methods of analysis. In fact, in several instances where our information was clearly insufficient, we have refrained from recommending specific routings and we have instead indicated alternatives for public consideration. It is inevitable that individuals at the local level and in state governments will know of, and will bring to our attention, information which could not be collected in the time available for preparation of this report. We welcome receipt of such information and the comments of all concerned individuals.

As the committee report has stated to accompany this bill:

> . . . the committee feels that full funding of the present system coupled with a prohibition on changes in the present Amtrak route structure are necessary to the integrity of the route reexamination process. Public input, careful analysis and calm and dispassionate Congressional consideration of the new Amtrak system cannot take place in an atmosphere of emotional clamor over immediate service disruptions.

I urge my fellow colleagues to consider my remarks and vote for passage of this bill.●

● Mr. VENTO. Mr. Chairman, I rise in support of H.R. 11493, the Amtrak Improvement Act of 1978.

This bill will guarantee the continued existence of current Amtrak routes until public hearings are held on the Department of Transportation's recommendations regarding Amtrak and after Congress has had an opportunity to consider the Secretary's final recommendations.

When Congress passed the Rail Passenger Act of 1970, it recognized the importance of a viable national rail passenger service in our country's transportation system. As the findings stated:

> The Congress finds that modern, efficient, intercity railroad passenger service is a necessary part of a balanced transportation system; that the public convenience and necessity require the continuance and improvement of such service to provide fast and comfortable transportation between crowded urban areas and in other areas of the country; that rail passenger service can help to end the congestion on our highways and the overcrowding of airways and airports; that the traveler in America should to the maximum extent feasible have freedom to choose the mode of travel most convenient to his needs; that to achieve these goals requires the designation of a basic national rail passenger system and the establishment of a rail passenger corporation for the purpose of providing modern, efficient, intercity rail passenger service.

At the time of Amtrak's establishment, rail passenger service was faced with the threat of extinction. Private railroads were more interested in moving freight than in the transportation of passengers. Because of this attitude, little attention was paid to meeting passenger needs. Passenger cars went unrepaired and no new cars were installed, freight trains were given precedence over passenger trains resulting in delays and lengthy travel time, and train stations were allowed to deteriorate as passenger service became the neglected child of our rail system. In face of these difficulties, it is no wonder that the American public began to look for alternative forms of transportation.

During its existence, Amtrak has faced many serious difficulties. It inherited a passenger system that was outdated and that had suffered through years of neglect. Amtrak has had to build a new constituency for its services and has faced serious opposition within administrations, Congress, and private rail enterprise. Not all of Amtrak's problems are inherited. We are all too familiar with the complaints of mismanagement, lengthy delays, terrible schedules, faulty equipment, and nonprofitable routes. All these problems, old and new, have hurt Amtrak's performance record.

I believe Amtrak is capable of overcoming these handicaps and of fulfilling the role that Congress originally intended for it. The installation of new, comfortable equipment, track maintenance and improvement, the building of new train stations and the restoration of older ones, improved schedules and easier connections and, above all else, the development of a dedicated and capable staff committed to meeting rail passenger needs have already resulted in an increase in the ridership levels. In its first full year of operation, Amtrak served 15,801,216 passengers and this

past year 19,003,840 utilized Amtrak's operations, an increase of some 3 million passengers.

Amtrak has come a long way from its first years of operation and still has a long way to go before it can play a major role in our transportation system. It is headed in the correct direction and should receive every encouragement to continue its efforts. With this bill and the actions that will follow during this summer and into the next Congress, Amtrak will begin to realize its congressional directives. I urge my colleagues to support H.R. 11493 and to reaffirm our commitment to the development of a viable national rail passenger system.●

Mr. ROONEY. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. SKUBITZ. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time having expired, pursuant to the rule, the Clerk will read the committee amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 11493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Amtrak Improvement Act of 1978".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) Section 601(a)(1) of the Rail Passenger Service Act (45 U.S.C. 601(a)(1)) is amended—

(1) in clause (1) thereof (A) by striking out "except for" and all that follows through "sentence" and inserting in lieu thereof "including the payment of the additional operating expenses of the Corporation which result from the operation and maintenance of the Northeast corridor pursuant to title VII of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 851 et seq.)", (B) by striking out "and" immediately after "1977,", and (C) by inserting ", and not to exceed $613,000,000 for the fiscal year ending September 30, 1979" immediately after "1978";

(2) in clause (2) thereof (A) by striking out "and" immediately after "1977,", and (B) by striking out "1978;" and inserting in lieu thereof "1978, and not to exceed $130,000,000 for the fiscal year ending September 30, 1979, which shall include funds for expenditures for compatible equipment under section 703(5) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 853(5)); and";

(3) by striking out clause (3) and redesignating clause (4), and all references thereto, as clause (3); and

(4) in clause (3) thereof, as so redesignated, by inserting ", and not to exceed $25,000,000 for the fiscal year ending September 30, 1979" immediately after "1978".

(b)(1) Section 601(a)(2) of such Act (45 U.S.C. 601(a)(2)) is amended by striking out "subsection (a)(4)" and inserting in lieu thereof "subsection (a)(3)".

(2) Section 602(d) of such Act (45 U.S.C. 602(d)) is amended by striking out "clause (4)" and inserting in lieu thereof "clause (3)".

ROUTE REEXAMINATION

SEC. 3. (a) The Secretary of Transportation (hereinafter in this section referred to as the "Secretary"), in cooperation with the National Railroad Passenger Corporation (hereinafter in this section referred to as the "Corporation"), shall immediately develop preliminary recommendations for a route structure for the Corporation which will provide an optimal intercity railroad passenger system, based upon current and future market and population requirements, including where appropriate portions of the Corporation's existing route structure. In developing such recommendations, the Secretary shall consider—

(1) any unique characteristics and advantages of rail service as compared to other modes of transportation;

(2) the role that rail passenger service can play in helping meet the Nation's transportation needs while furthering national energy conservation efforts;

(3) the relationship of benefits of given services to the costs of providing such services, computing the costs in loss or profit per passenger mile rather than total loss or profit per route;

(4) the transportation needs of areas lacking adequate alternative forms of transportation; and

(5) frequency alternatives and the impact of such alternatives on ridership, revenues, and expenses of rail passenger service.

(b) The Secretary shall, no later than May 1, 1978, develop and publish the preliminary recommendations described in subsection (a) of this section and submit a copy of such recommendations to the Rail Services Planning Office and to both Houses of the Congress. The Secretary shall at that time also provide copies of the preliminary recommendations to the Corporation, the Office of Rail Public Counsel, the Interstate Commerce Commission, the Secretary of Energy, the Governors, Departments of Transportation, and Public Utilities Commissions of each State in which rail passenger service is proposed to be modified, the railroads affected by such recommendations, the labor organizations authorized under the Railway Labor Act to represent railroad employees, and the United States Postal Service. In addition, copies of the preliminary recommendations shall be made available by the Secretary to interested persons at a reasonable cost. Such recommendations shall include—

(1) a recommended route system by end points and principal intermediate points to be served;

(2) quality and type of service recommended for each route, including frequency, speed, and classes of services offered;

(3) ranges of projected operating expenses, ridership, and revenues, by route, including a measure calculated by loss or profit per passenger mile and separated for non-State supported routes and State supported routes;

(4) an estimate of the equipment and facilities necessary to support the recommended system;

(5) a recommendation for coordinating passenger rail service at points on the system with other modes of transportation serving such points; and

(6) based upon the route level projections, an estimate of operating and capital appropriations required to operate the system for fiscal years 1980 through 1984.

(c) During the period beginning May 1, 1978, and ending August 31, 1978, the Rail Services Planning Office shall conduct public hearings on the preliminary recommendations developed by the Secretary under this section. Such public hearings shall be held in such places and at such times as the Office determines will afford the affected State and communities the greatest opportunity to participate. During such period, in addition to holding public hearings, the Office shall invite comment on such recommendations from the Corporation, the Interstate Commerce Commission, the Secretary of Energy, the Governors, Departments of Transportation, and Public Utilities of each State in which rail passenger service is proposed to be modified, the railroads affected by such recommendations, the labor organizations authorized under the Railway Labor Act to represent railroad employees, interested citizens groups, and the United States Postal Service.

(d) The Rail Service Planning Office shall, no later than September 30, 1978, submit to the Secretary a summary and analysis of the evidence received in the course of its proceedings conducted under subsection (c) of this section, together with its critique and evaluation of the preliminary recommendations of the Secretary. The Secretary shall thoroughly consider the material submitted by the Office with respect to such recommendations and, based on such consideration (and further evaluations of the Secretary), develop final recommendations for a route structure for the Corporation as he deems appropriate. In developing such final recommendations, the Secretary shall also consider the impact of such recommendations upon existing tourism markets and the potential for future tourism in areas to be served by the recommended route system. Such final recommendations shall include a summary of the significant recommendations received, together with the reasons for adopting or not adopting any such recommendation.

(e)(1) The Secretary shall, no later than December 31, 1978, submit the final recommendations designating the basic route system, together with supporting and explanatory material, to both Houses of the Congress and to the Committee on Appropriations and the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Appropriations and the Committee on Commerce, Science, and Transportation of the Senate. The final recommendations shall be deemed approved and shall take effect only upon the adoption by both the House of Representatives and the Senate of a resolution approving such final recomendations. If, following submission of the final recommendations by the Secretary, either House of the Congress passes a resolution disapproving such recommendations, the Secretary shall prepare revised final recommendations. All such revised final recommendations shall be submitted to both Houses of the Congress and the committees referred to in this paragraph for approval in accordance with this subsection.

(2) Pending approval of the final recommendations developed by the Secretary under this section and notwithstanding any other provision of law, the route system of the Corporation in effect on January 1, 1978, shall not be modified or restructured prior to October 1, 1979, except with respect to those routes initiated by the Corporation subsequent to January 1, 1978, pursuant to section 404(a) of the Rail Passenger Service Act (45 U.S.C. 564(a)). Nothing in this paragraph shall be construed by the Corporation as precluding the rerouting of existing rail passenger service, or construed as requiring the Corporation to maintain service provided under an agreement with a State pursuant to section 403(b) of the Rail Passenger Service Act if such State fails to meet its share of the costs of such service or requests discontinuance of such service.

(3) Immediately upon approval of the final recommendations of the Secretary, the Corporation shall implement the basic route system designated in such recommendations and shall complete such implementation as soon thereafter as possible.

(f) The provisions of section 404(c)(1) of the Rail Passenger Service Act (45 U.S.C. 564

(c)(1)), including the criteria and procedures developed under such section, shall not apply to the preliminary or final recommendations developed by the Secretary under this section. After the effective date of the basic system designated in the final recommendations of the Secretary, any additions, deletions, or modifications in such basic system may be made by the Corporation in accordance with the criteria and procedures developed under such section 404(c)(1). The basic system designated in the final recommendations of the Secretary shall supersede any other system or route previously in effect.

(g) The Rail Services Planning Office shall, in the course of the hearings conducted under subsection (c) of this section, conduct an evaluation of alternatives to the existing organizational structure of the Corporation and of the relationship of the Corporation to the Federal Government, including its relationship to the Office of Management and Budget, the Secretary of Transportation, and the Congress.

STUDY OF RELATIONSHIP OF AMTRAK FARE STRUCTURE TO THE INTERCITY BUS INDUSTRY

SEC. 4. The Comptroller General shall, in consultation with the Secretary of Transportation and the Interstate Commerce Commission, conduct a study of the economic relationship of the fare structure of the National Railroad Passenger Corporation to the intercity bus industry. The Comptroller General shall, no later than December 31, 1978, submit a report to the Congress setting forth the results of such study.

HEARINGS ON UNFAIR OR PREDATORY PRACTICES

SEC. 5. Notwithstanding the provisions of section 306 of the Rail Passenger Service Act, the Interstate Commerce Commission shall have, upon the application of any aggrieved motor carrier, jurisdiction under any applicable provision of part 1 of the Interstate Commerce Act over any rate, fare, charge, or marketing practice of the National Railroad Passenger Corporation with respect to any route or service which operates at a loss for the purpose of hearing the complaint over an unfair or predatory practice.

NORTHEAST CORRIDOR

SEC. 6. Section 703 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 853) is amended—

(1) in paragraph (1)(A)(i) thereof, by inserting "at most" immediately before "a 3-hour-and-40-minute" and "a 2-hour-and-40-minute", respectively;

(2) in paragraph (1)(B) thereof, by inserting "or other responsible parties" immediately after "(or local or regional transportation authorities)"; and

(3) by adding at the end thereof the following new paragraph:

"(5) Compatible equipment.—The Secretary shall develop economical and reliable rolling stock and related equipment designed to be compatible with the track, operating, and marketing characteristics of the Northeast Corridor at and after the completion of the Northeast Corridor improvement project, including the capability to reliably meet the trip times set forth in paragraph (1)(E) of this section in regularly scheduled revenue service in the Northeast Corridor. The Secretary shall consult with the Corporation in the development of such equipment. The Corporation shall submit requests for authorization of appropriations for the production of such equipment and shall, together with the Secretary, include equipment planning in the reports required by paragraph (1)(E) of this section.".

EXPENSES OF ELECTRIFICATION CONVERSION

SEC. 7. Section 704(a)(1) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 854(a)(1)) is amended by inserting immediately before the semicolon at the end thereof the following: ", of which not less than $27,000,000 shall be available to finance the cost of the equipment modification and replacement which States (or local or regional transportation authorities) will be required to bear as a result of the electrification conversion system of the Northeast Corridor pursuant to this title".

PURCHASES OF DOMESTIC ARTICLES, MATERIALS AND SUPPLIES

SEC. 8. Section 305 of the Rail Passenger Service Act (45 U.S.C. 545) is amended by adding at the end thereof the following new subsection:

"(j)(1) Except as provided in paragraph (2) or (3) of this subsection, the Corporation, in carrying out its activities under this Act, shall purchase only—

"(A) unmanufactured articles, materials, and supplies which have been mined or produced in the United States; and

"(B) manufactured articles, materials, and supplies which have been manufactured in the United States substantially from articles, materials, and supplies mined, produced, or manufactured, as the case may be, in the United States.

"(2) The Secretary may, upon application of the Corporation, exempt the Corporation from the requirements of paragraph (1) of this subsection with respect to the purchase of particular articles, materials, or supplies, if the Secretary determines that—

"(A) imposing such requirements with respect to such articles, materials, or supplies is inconsistent with the public interest;

"(B) the cost of imposing such requirements with respect to such articles, materials, or supplies in unreasonable; or

"(C) such articles, materials, or supplies or the articles, materials, or supplies from which they are manufactured are not mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.

"(3) The provisions of this subsection shall not apply—

"(A) in any case in which the cost of the articles, materials, or supplies purchased is less than $100,000; or

"(B) in the case of articles, materials, or supplies purchased pursuant to a contract entered into before the date of enactment of this subsection.

"(4) For purpose of this subsection, the term 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.".

FOR-PROFIT STATUS OF AMTRAK

SEC. 9. The second sentence of section 301 of the Rail Passenger Service Act (45 U.S.C. 541) is amended by inserting "operated and managed as" immediately before "a for profit corporation".

COMMON STOCK OWNERSHIP

SEC. 10. The Secretary of Transportation shall evaluate the common stock ownership of the National Railroad Passenger Corporation and shall, no later than December 31, 1978, submit a report to the Congress setting forth his recommendations with respect to retention, retirement, or conversion of such common stock. In making such recommendations, the Secretary shall consider the best interests of the United States.

RAILROAD SAFETY SYSTEM PROGRAM

SEC. 11. Title VIII of the Rail Passenger Service Act (45 U.S.C. 641 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 807. Railroad Safety System Program.

"(a) No later than January 1, 1979, the Corporation shall, in consultation with railroad labor organizations, develop and implement a Rail Safety System Program for employees working on property owned by the Corporation. Such program shall be designed to serve as a model for other railroads to use in developing safety programs.

"(b) The Railroad Safety System Program required under this section shall include but not be limited to—

"(1) a periodic analysis of accident data, including primary and secondary causes, if known;

"(2) a periodic evaluation of the activities undertaken under the program, particularly the specific steps taken in response to accident causes;

"(3) a periodic identification of the expenditures for occupational health and safety activities included in the program;

"(4) a periodic identification of the reduction of costs, fatalities, and casualties resulting from accident prevention under the program;

"(5) a periodic identification of direct accident costs, including claims arising out of such accidents; and

"(6) an identification and evaluaton of such other information or data as the Corporation considers necessary or appropriate.

"(c) There is authorized to be appropriated to carry out the provisions of this section not to exceed $250,000.".

CONVERSION OF RAILROAD TERMINALS

SEC. 12. Paragraphs (2), (3), and (4) of section 4(1) of the Department of Transportation Act (49 U.S.C. 1653(1) (2), (3), and (4)) are amended by striking out "60 per centum" each place it appears and inserting in lieu thereof "80 per centum".

REIMBURSEMENT FOR STAFF SERVICES

SEC. 13. Section 403(b)(1) of the Rail Passenger Service Act (45 U.S.C. 563(b)(1)) is amended by adding at the end thereof the following new sentence: "The State or agency shall be entitled to reimbursement for staff services in an amount equal to 3 per centum of the Corporation's share of operating losses and associated capital costs.".

PETITIONS TO THE INTERSTATE COMMERCE COMMISSION

SEC. 14. Section 403(b) of the Rail Passenger Service Act (45 U.S.C. 563(b)) is amended—

(1) by redesignating paragraphs (2) and (3), and all references thereto, as paragraphs (3) and (4), respectively; and

(2) by inserting immediately after paragraph (1) the following new paragraph:

"(2) Whenever a State, regional, or local agency requests the Corporation to institute service pursuant to this subsection, or to enter into a contract or other agreement or modify an existing contract or agreement relating to rates, fares, charges, scheduling, marketing, or operations of service provided pursuant to this subsection, and the Corporation fails to institute such service or to enter into or modify such contract or agreement, as the case may be, such State, regional, or local agency may petition the Commission for an order directing the Corporation to comply with its request. If the Commission determines, upon receipt of such a petition and after notice and an opportunity for a hearing, that the request which is the subject of such petition is consistent with the public interest and the purposes of this subsection, the Commission may enter an order directing the Corporation to comply with such request or to take such other action as the Commission considers appropriate.".

ADDITIONAL SERVICE

SEC. 15. Section 403 of the Rail Passenger Service Act (45 U.S.C. 563) is amended by adding at the end thereof the following new subsection:

"(d) The Corporation is authorized to operate commuter rail passenger service under an agreement with a State (or local or regional transportation agency) if such State or agency agrees to reimburse the Corporation for the avoidable cost of operating such

commuter rail passenger service. For purposes of this subsection, the term 'commuter rail passenger service' means rail passenger service operated in metropolitan and suburban areas, usually characterized by reduced fare, multiple-ride, and commutation, tickets, and by morning and evening peak period operations.".

Mr. ROONEY (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. DEVINE

Mr. DEVINE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEVINE: Page 15, line 20, strike "$613,000,000" and insert in lieu thereof "$575,000,000."

Mr. DEVINE. Mr. Chairman, I do not intend to take the full 5 minutes because the amendment is quite simple and concise. It saves $38 million simply on this basis:

The administration is opposed to the $613 million authorization for operating subsidy. The administration budget calls for only $510 million. The Secretary of Transportation, our former colleague, Brock Adams, has said what he needs is $575 million. The Senate bill was only $510 million.

Therefore, Mr. Chairman, it seems to me the better part of wisdom, in the interest of economy, to give the Secretary of Transportation what he needs, $575 million, which is above the administration budget, but what is needed.

I think in view of the fact that there are rather strong minority views in the committee report, favorable consideration should be given to this amendment in accordance with the wishes of the Secretary of Transportation.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, adoption of this amendment would be contrary to the entire thrust of this bill. This bill provides for the continuation of the present route structure until the Secretary has completed his study and the Congress has approved his recommendations. The Secretary's report is due on December 31. And this bill provides that there will be no changes prior to the end of fiscal year 1979, that is, October 1, 1979. This being the case, Amtrak will require $613 million to operate the present system. The integrity of this amount as being necessary to operate the present system has been supported by the General Accounting Office and the administration, as well as Amtrak. Any reduction in this amount would necessitate a discontinuance of a number of trains, which is contrary to the provisions included in this bill.

It is contended that this is the amount recommended by the administration. This statement is wrong. Let me read you one paragraph from a letter from the FRA Administrator, dated May 8.

He states:

Because the precise operating requirements will not be known until the public comment period has expired, a final report is submitted to Congress, and a firm schedule is established to implement its recommendations, we are not prepared to propose an amendment to the 1979 budget, or any specific authorization amounts at this time.

The Administrator goes on to state that the $574 million supposedly recommended by the administration is based on a reduction of service. He states:

Using this 8-month 4-month split between the existing system and the recommended system, respectively, and assuming no interim adjustments in routes, fares, services, or administrative costs, Amtrak would incur operating losses of $574 million in fiscal year 1979, including the Federal share of State-supported services.

Thus, if we reduce the amount as recommended by this amendment, we will be assuming adjustments in routes, fares, and other costs, which the act in its present form prohibits. Adoption of this amendment would mean that Congress must accept the Secretary's recommendations for train discontinuances whether or not they are considered acceptable. Congress must retain the funding of $613 million in order to preserve its options for accepting or rejecting the Secretary's recommendations.

Mr. Chairman, it can thus be seen that adoption of this amendment will gut the sense of the bill and I strongly recommend my colleagues to join me in opposition.

AMENDMENT OFFERED BY MR. SKUBITZ AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. DEVINE

Mr. SKUBITZ. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. SKUBITZ as a substitute for the amendment offered by Mr. DEVINE: Page 15, line 20, strike "$613,000,000" and insert in lieu thereof "$600,000,000".

Mr. SKUBITZ. Mr. Chairman, the amendment is quite clear. During the subcommittee meeting, I offered this amendment and it was defeated.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Pennsylvania.

Mr. ROONEY. Mr. Chairman, I have had an opportunity to review the gentleman's amendment. As the chairman of the subcommittee I accept his amendment.

Mr. SKUBITZ. Mr. Chairman, I do not know what the parliamentary procedure is. Of course, I thank the gentleman for accepting my amendment.

Mr. STAGGERS. Mr. Chairman, on this side I accept the gentleman's amendment.

Mr. DEVINE. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Chairman, what is the amount of the gentleman's amendment?

Mr. SKUBITZ. It is $600 million. My reason for doing this, may I say to the chairman of my committee, is that I offered this amendment in the subcommittee. My reason for doing so was that I thought that Brock Adams' suggested $575 million was pretty much in line. However, we are going on into 1979, and I thought because of inflation and other matters that might arise, we should put in $600 million.

Mr. DEVINE. The chairman of our committee read a May letter from the Department of Transportation. On the gentleman's time, I would like to read a portion of the letter from the Department which is dated June 13, 1978, from the Federal Railroad Administrator, which says as follows:

The bill, in section 3(e)(2), would freeze the existing Amtrak system through the end of Fiscal Year 1979, with certain exceptions. We believe that such a freeze is unnecessary and would be unduly costly. I note that the Senate Bill contains no such freeze and, in fact, that the Senate Commerce Committee Report on S. 3040 indicates a strong intent that Amtrak immediately move to apply the route and service criteria to eliminate routes and to operate within the $510 million authorized in the Senate Bill. In our preliminary route study recommendations, we have projected a need for an operating subsidy of $575 million in FY 1979, and have assumed orderly transition to the new Amtrak system, commencing immediately after Congressional review of the Secretary's final route structure recommendations.

So, I think that supports my amendment to which the gentleman seeks to offer a substitute.

Mr. SKUBITZ. May I say this: I was not present at the full committee meeting when it passed this bill out with $613 million. Since the committee as a whole did report the bill, apparently they were familiar with the situation—maybe not to the letter, but they knew what was coming. As I say, the reason for my amendment is that it extends to 1979. I think what the gentleman should have done was to strike section 3(e)(2) in the beginning. Then, I would perhaps have gone along with him.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I would like to say again to the gentleman that the $575 million is on the supposition that we implement the recommendations that the Secretary has made, that we cut this system. We in the bill mandate that it shall be retained, and it will take the $600 million. I think it is a good compromise in between the two figures. To reduce the authorization below that level would paralyze Congress in its review of the Secretary's recommendations.

Mr. SKUBITZ. I would just like to serve notice on the new leaders of the Amtrak Corporation that we intend to hold their feet to the fire, and $600 million is it, period.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. SKUBITZ) as a substitute for the amendment offered by the gentleman from Ohio (Mr. DEVINE).

The amendment offered as a substitute for the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. DEVINE), as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. ROONEY

Mr. ROONEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROONEY: Page 30, immediately after line 24, insert the following new section:

EFFECTIVE DATE

SEC. 16. (a) Except as provided in subsection (b) of this section, the provisions of this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) The amendments made by section 7 and section 13 of this Act shall take effect on October 1, 1978.

Mr. ROONEY. Mr. Chairman, this is a technical amendment for the purpose of bringing the bill into compliance with the Budget Act.

Section 7 of this bill provides that $27 million previously provided in the 4R Act for the Northeast Corridor improvement program may be used for electrification conversion. Section 13 of this bill permits the States to be reimbursed for staff services. This amendment merely precludes expenditures for these purposes during fiscal year 1978. The remaining portions of the bill become effective upon enactment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. ROONEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MADIGAN

Mr. MADIGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MADIGAN: Page 16, immediately after line 17, insert the following new section:

BUDGET ESTIMATES

SEC. 3. Subsection (b) of section 601 of the Rail Passenger Service Act (45 U.S.C. 601(b)) is repealed.

Redesignate the following sections accordingly.

Mr. MADIGAN. Mr. Chairman, subsection 601(b) of the National Rail Passenger Corporation Act makes an exception to the Budget Control Act of 1921 so that Amtrak is able to come directly to Congress for its authorizations and appropriations. As a practical matter, this means that the normal budgetary discipline exerted by OMB is not applied to Amtrak. It further means that we in Congress are continually put in the spot of having to evaluate the Amtrak budget from scratch.

What this means, Mr. Chairman, is that we make the Halls of Congress the battleground for all budgetary discipline on Amtrak. Quite frankly, the Halls of Congress are not the proper place for applying commonsense, reason, and logic to the financial needs of any agency. We have neither the time nor the inclination for a dispassionate analysis of all of the items making up a budget as complex as that for Amtrak. As a matter of fact, the Budget Act of 1921 which forms the basis for OMB recognized the need for a process which would narrow the issues which we would have to decide in any authorization or appropriation.

In my judgment, one of the major factors contributing to Amtrak's excessive cost is the fact that a lot of arguments which could be resolved between Amtrak and any administration are not resolved at OMB, but left for the Congress to resolve. My amendment would simply treat Amtrak like any other Federal agency and require their budget submission through OMB. I am convinced that this procedure will remove some of the politics from Amtrak and contribute toward making Amtrak a better run corporation.

Mr. Chairman, there are people going hungry in this country. A story in the Star reports that NATO cannot afford to practice fire some of their weapons. It is ridiculous to allow Amtrak to be free of the same discipline to which everyone else is subjected.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., June 14, 1978.

Hon. EDWARD R. MADIGAN,
House of Representatives,
Washington, D.C.

DEAR ED: I wish to assure you of my complete support for the amendment to H.R. 11493 that you are proposing to introduce on the Floor of the House and which remove Amtrak's present exemption from the normal budget process.

As I have stated on numerous occasions since becoming Secretary of Transportation, I continue to be a strong supporter of intercity rail passenger service and of Amtrak. However, I firmly believe that, given existing overall budget constraints, it is becoming increasingly important that any Federal resources be provided to Amtrak only after a careful weighing of the relative priority of the Amtrak program within the content of total Federal budget priorities. Your amendment would take us on a very important step in that direction, and would also begin to deal with problems of accountability and control which I discussed in the recent route study report to Congress.

I commend your initiative and your sense of responsibility, and I heartily endorse your amendment.

Sincerely,

BROCK ADAMS.

I understand Chairman ROONEY and Mr. SKUBITZ both support this amendment as does Secretary Adams. I urge your support for the amendment.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois (Mr. MADIGAN).

Mr. Chairman, again I want to say that I rise in opposition to the amendment reluctantly because of the high regard and feeling I have for the gentleman from Illinois (Mr. MADIGAN). The gentleman has been an outstanding member of our committee. He has done an excellent job. I know that he is very sincere in what he is trying to do here, but I just believe that this amendment would make Amtrak a Government operation and would be more of a hindrance than it would be a help.

Amtrak was taken out from under OMB because OMB did not want to fund Amtrak adequately. There are those who do not want Amtrak to succeed. I know the gentleman from Illinois (Mr. MADIGAN) is aware that there are several different entities in the Nation that would like very much to see Amtrak go under and disappear.

I think the gentleman from Illinois (Mr. MADIGAN) recognizes, as I do, the need for a national rail passenger service and I say, looking ahead, looking at it from the standpoint of the future that I do not want to put this under OMB's direction where OMB can cut the rail passenger system down more and ultimately say that we do not need the Amtrak system at all.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I will be happy to yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I want to thank the gentleman from West Virginia (Mr. STAGGERS) for yielding to me.

I did not offer nor do I plan to offer any amendment to cut the appropriation for Amtrak. I would have supported $613 million.

Mr. STAGGERS. I know.

Mr. MADIGAN. I will support $750 million. I will support any amount of money as long as I can reasonably be assured that that money is being used in a productive way.

I do not think that the gentleman from West Virginia (Mr. STAGGERS) could convince me in the next 24 hours that there is no waste in Amtrak.

I am afraid that this Congress does not submit Amtrak to any kind of discipline. I want to remind the gentleman from West Virginia (Mr. STAGGERS) that on food and liquor alone last year Amtrak lost more money than the entire operation of the U.S. Postal Service lost in 1973, in the entire calendar year. I think that is a dismal record that should not be continued by the Congress of the United States. I think there has to be some discipline.

Secretary Adams, our chairman, the gentleman from Pennsylvania (Mr. ROONEY) and the gentleman from Kansas (Mr. SKUBITZ) all agree that this is the proper way to do it. I respectfully suggest and would appreciate the gentleman from West Virginia reconsidering his position.

Mr. STAGGERS. I will say I respect the gentleman's opinion, as he knows, but I would like to say to him that we have a new president at Amtrak. Let us give him a chance to do the job. Let us say to him, get Amtrak under control and improve service. If there have been losses in food service—I have never been in favor of serving liquor on trains anyhow, or on airlines for that matter. I say if there have been losses, let us work to reverse this trend, but let us keep passenger trains running from place to place so people can ride them. Let us not send more money abroad to import more oil and have our foreign debt increase every time there is an ex-

change. I do not think this is the proper way to do it. I hope the House will not put Amtrak under the Office of Management and Budget again.

Mr. STOCKMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment. I think it is an important tool that we need to impose some restraint on the way in which this deficit that the Amtrak has run continues to grow.

The argument has been made a number of times this afternoon that we do not need to worry about those large deficits, about the $2 billion or $3 billion we will have to shell out of the taxpayers' pockets to keep this system running over the next 4 or 5 years. The argument has been made that even though this is costly and even though this is a heavy drain on the Federal budget, we ought to do it anyway because it is an energy-conserving mode of transportation and that we are saving all kinds of imported oil, our balance of payments, and so forth.

I take this opportunity to speak because I think that that argument needs to be given a little scrutiny, and I think the Members of this House need to think for a moment about the true facts before they vote for an open-ended blank check to Amtrak in order to save us money on the import bill.

Last year Amtrak accounted for about 5.6 billion passenger miles. If we were to shut down Amtrak completely—completely—and have no passengers at all and put those 5.6 billion passenger miles into automobiles, one at a time, one passenger in a car, and if they got 16 miles per gallon—which is about the fleet-wide average in our economy today—we would use 8.3 million barrels a year in passenger gasoline to move those people around who are moving on Amtrak today. What that tells us is that we are paying $75 per barrel to save this oil as a result of the Amtrak system. We spend $600 million a year to subsidize it; we are saving 8 million barrels of oil. That is $75 per barrel in taxpayers' money that we are spending in order, allegedly, to save on our oil imports, when we could buy it for $14 and give it to the taxpayers for travel who are now on the Amtrak system, and we would still save the Federal Government a lot of money. So the point is there may be reasons for keeping this system going, and there may be justification for these very large subsidy payments we have to make, but certainly the oil imports that we are saving is not one of them unless we think spending $75 per barrel to save imported oil is a good bargain.

Mr. Chairman, I yield back the remainder of my time.

Mr. GORE. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak against the amendment.

Mr. Chairman, this amendment was offered in the full committee but a substitute for it was approved by the full committee. I will yield to the gentleman from Illinois for clarification in a moment, but let me state my understanding of it first. That substitute is currently section 3(g) of the new bill. Now I will yield to my friend for clarification if that is contrary to his understanding of the history in the committee.

Mr. MADIGAN. If the gentleman will yield, I just say to the gentleman I do not have any recollection of the amendment being offered.

Mr. GORE. I am advised that a similar amendment was offered in full committee and a substitute for that similar amendment was adopted in its place. It is now a part of this bill. Let me read it:

(g) The Rail Services Planning Office shall, in the course of the hearings conducted under subsection (c) of this section, conduct an evaluation of alternatives to the existing organizational structure of the Corporation and of the relationship of the Corporation to the Federal Government, including its relationship to the Office of Management and Budget, the Secretary of Transportation, and the Congress.

So in the bill as we are voting on it this evening, we mandate a study of this relationship to see what the proper relationship ought to be.

Therefore, I think the amendment ought to be voted down. There are other reasons as well. This is a Government corporation, not a department of Government. OMB has come to run on a daily basis too much of the Government, in my opinion. When we give OMB the power to make the line item decisions in every single Government corporation, we take away the possibility that Amtrak will exercise some vision to build ridership for the future.

If an increased subsidy today results in increased ridership 8 years from now, the benefits will come in another administration; but the opportunity to cut the seed money comes this year. That hazard is the reason why it was not put under OMB to begin with. That is the reason it was set up as a Government corporation to begin with, to give them some integrity, to give them an opportunity to look to the future and design the kind of rail service we need in this country.

Mr. Chairman, for all those reasons, I urge the Members to vote down the amendment.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of what I think is a most important amendment offered by the gentleman from Illinois.

I notice some of the previous speakers talked about saving petroleum, saving energy, and yet there is a recent DOT study which shows that some of these inefficient routes on Amtrak are actually consuming more fuel per passenger mile than a comparable trip alone in an automobile would consume.

Another speaker this evening said that we were going to build ridership and these investments, which were not reviewed by OMB, were going to provide ridership.

According to my information, since 1972, total loans and grants to Amtrak come to $4½ billion. Yet the present ridership has not been increased. In fact, less than 2 percent of possible intercity riders use the train. On many routes, ridership is decreasing.

In fact, despite the enormous Federal subsidies that have been used to expand route structure and increase the number of trains, the passenger miles per train mile have decreased by 24 percent. This shows no productive increase nor any hopeful sign of energy efficiency.

It is quite obvious that without some kind of budget review by the executive branch we are not going any place but down the railroad toward higher subsidies and lower ridership.

Mr. Chairman, I think it would be the height of folly for this Committee to do anything other than pass the amendment of the gentleman from Illinois. I urge its adoption.

Mr. Chairman, earlier this year I sent out a postal patron questionnaire which included an item on Amtrak financing. The question and the response were as follows:

Between 1972 and 1976 Amtrak ridership grew 11% while operating deficits increased 218%. We could either continue to increase operating subsidies to maintain current service, or reduce subsidies by curtailing service on the least economic routes. We should: Increase subsidies 26%; Decrease subsidies 74%.

Three out of four voters who responded to this question favored cutting back the least cost-efficient service as a means of reducing operating subsidies. The bill before us in its present form will lock us into rapidly increasing operating deficits and prevent any meaningful restructuring of the bloated Amtrak system. Unless several key amendments are adopted, I shall be obliged to vote against the bill.

I understand that a number of amendments may be offered. If given the opportunity I will vote to: First, require OMB scrutiny of the Amtrak budget; two, discontinue those routes that currently generate operating subsidies in excess of $100/passenger; three, reduce the proposed $613 million operating subsidy; and four, remove the freeze on DOT authority to curtail service on uneconomic routes.

If these modest changes are adopted, the bill will still authorize capital grants of $130 million, an increase of $22 million over current spending and substantially increase operating deficits.

Even if the Secretary of Transportation is allowed to implement his service readjustment plans, the operating subsidies for the coming year will increase by nearly 14 percent over the current year. But if the freeze on service adjustments is retained, even the $106 million jump in operating subsidies favored by the committee will prove inadequate and will have to be adjusted upward later in the year.

I would be far less concerned about the growth in operating subsidies if we could point to an offsetting growth in ridership and related benefits to the public resulting from Amtrak operations. Regrettably the level of capital and operat-

ing subsidy far exceeds any identifiable benefits.

Since 1972 the total of loans, capital grants, and operating subsides totals $4.6 billion. Yet ridership has increased only 15.6 percent. Currently less than 2 percent of intercity travelers take the train. And ticket revenue covers only one-third of operating cost. The taxpayer covers the other two-thirds of the cost.

These huge Federal subsidies have been used to expand the route structure and increase the numbers of trains, yet revenue passenger miles per train mile have declined 24 percent. This reflects a downward trend in productivity and energy efficiency. A recent DOT study shows that the least efficient routes actually consume much more fuel per passenger than would a comparable trip by automobile.

Unless we immediately begin to inject some fiscal discipline into the Amtrak operation, the total cost of the program could climb above $10 billion by 1982. We cannot afford to delay further the implementation of needed reforms.

Mr. PEPPER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, regarding this legislation presently before us, I would like to add a few words concerning our desire to see that the Floridian, running between Chicago and the Southeast, including Miami, be upgraded in efficiency and usefulness by rerouting it through Atlanta, and other more populated areas.

Since 1971, when the train was first introduced as part of Amtrak's new system, the "Floridian" has shown consistent overall improvement in ridership, indicating a growing need and acceptance of such a service for the working population, business travelers and families of the Southeast and Midwest.

Even without advertising, without a practical booking service and with some highly varied scheduling changes from the top, that pattern of increasing public interest held until 1977, when Amtrak under its former leadership embarked on an all-out campaign to rid itself of a promising train, whose need for steady improvement was embarrassing management and pointing up shortfalls. The train needed better supervision and promotion, while Amtrak favored concentrating more on the shorter, more easily profitable lines in and out of New York and Chicago. Now, New York, as we are aware, needs all the tourism it can get. And I, for one, am optimistically hopeful that that region's problems can be solved and that it can become viable again in terms of transportation, culture, and so on.

I would contend, that rerouting the Floridian from Miami through Jacksonville and St. Petersburg, through Atlanta, Ga., Savannah, Chattanooga, Nashville, and Indianapolis to Chicago will also serve that purpose, and help tie the Caribbean and worldwide commerce of our growing region to those cities of the industrial Northeast connected independently to both Chicago and Florida.

Thus the Floridian could play an important part in the revitalization of an economy under the siege of energy and materials shortages. We cannot any longer afford to have so many cars and other petroleum-based vehicles make their runs between these cities and towns, where trains can go for many purposes.

Cutting redcap service from a very few to even fewer men in our area, as Amtrak did last year, has seemed the wrong way to go.

As any experienced businessman will tell us, a business must make itself convenient and attractive to the consumers whom it is supposed to serve, by being attentive to their needs, and thereby make itself more viable.

Cutting people at the low, service-connected end of the operation, as has been practiced on the Floridian, will diminish Amtrak's service and economy, not rebuild them.

I am today expressing the hope that the new and promising president of Amtrak, Mr. Alan Boyd, will let the people know about these trains, such as the Floridian, the Silver Star, and others, and will have them routed and scheduled responsively and reliably.

The overwhelming response Amtrak received in last year's hearings on the desirability of rerouting the Floridian showed that many people care about this service to Chicago, and I believe, with the new situation we are having in this Nation, more and more people will take to the train again for visits, vacationing, and for business.

It was unfortunate that Amtrak, last year, chose to ignore this public evidence, created in accordance with the route and service criteria Congress gave it, but remained unresponsive and unreasonable during that time in attempting to rid itself of these trains by the back door of managerial dictum. I have every trust that it can be different, that a well-run, rerouted Floridian can show greater increases in ridership than it has even this year, when first one, then another coach and a sleeper car had to be added to accommodate public demand upon continuation and better scheduling of the line. I believe if Amtrak will listen to and talk with its riders, the people will then support it.

I have received, informally, assurances from the committee, and from other sources that this act, in its basic form, will be applied by Amtrak, so that work can finally begin on the rerouting and publicizing of our Floridian, and that it, the Silver Star, and other needed trains will be improved and not any longer run into the ground. It is on this basis, and because of the recent beginning of Mr. Boyd's stewardship at Amtrak, that I intend to support this bill in its essential form.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the pending amendment. I do so with considerable reluctance because of the high regard I have for my friend, the gentleman from Pennsylvania (Mr. ROONEY), and the chairman of the committee, the gentleman from West Virginia (Mr. STAGGERS). I have worked with these two gentlemen for 10 years on the Committee on Interstate and Foreign Commerce and have the highest personal regard for them.

Fundamentally, though, so far as the pending amendment is concerned, I see no basic reason why Amtrak should not go before OMB for its budget, as do nearly all the other agencies on appropriation matters facing the Congress. I think that is fundamental, at least after this number of years, and I believe we ought to support the amendment.

I want to remind some of the Members here that I was a member of the Committee on Interstate and Foreign Commerce and as such helped to create in subcommittee the concept of high-speed ground transportation. I have traveled to Colorado, to the site of their demonstration project at Pueblo; I have gone to Japan and ridden their high-speed facility and tried to study ways they have used ground transportation; I have made field train trips to different portions of the country.

In recent years I helped in the offering of the amendment that created Amtrak, and, particularly, that created the international runs which were made between the United States and Mexico and the United States and Vancouver, and the United States and Canada at New York.

I had hoped with all my heart that Amtrak would be made into a viable American transportation force. I have been disappointed in the service of Amtrak in the Southwest, and my disappointment has been primarily from that regional point of view. We have been promised better roadbeds and have not gotten them; we have been promised better train schedules and have not gotten them; we have been promised better equipment and have not gotten it, or very little.

As a matter of fact, so far as the Inter-American run is concerned in the Southwest, we get the tail end of Amtrak service. We are the "caboose" of the entire Amtrak system. I do not think it needs to be that way. I had confidence in Mr. Reistrop. I think he wanted to give us better service, but somehow all the emphasis has been on the Northeast.

I have confidence now in the new man, Alan Boyd, because I have worked with him and I believe he will add a great deal to this Corporation.

But I have not been satisfied with the promises that have been made and not delivered. These promises have been as long as a unit freight train with a 100 cars in it, but the deliverance has not been forthcoming.

I do not want to be strictly regional or sectional about this issue. I want Amtrak to be a success, but it cannot be a success in the Southwest unless we are given good equipment, unless we are given good schedules, and unless the roadbeds are

improved and unless the Amtrak system gives us a portion of the funds.

We have been promised these things, Mr. Chairman, and they have not been forthcoming. I do not want to be negative about this issue, but neither do I want to pump good money after bad year after year and see no good result come to the Southwest. I think I have a right to protest after 6 years of operation.

Therefore, I am going to support the amendment. I will support an amendment, if it is offered, to cut back funds on a motion to recommit, if such a recommittal motion is made.

I think ground transportation is the best means of moving large numbers of people most efficiently. I have preached that concept, and I believe it, but I do not believe, the way the system is working now, that we can ever hope to have any improved service in the Southwest. For that reason fundamentally, it seems to me that we can support this amendment to say that the funds they seek will be cleared by the Office of Management and Budget, and after that the Congress will decide if that amount is correct, the same way as we do in other appropriation bills.

Mr. Chairman, I am going to support this amendment, I had hoped that Amtrak was made into a viable force instead of having Amtrak simply chugchugging its own deliberate way in a different direction of the country, and never being of any help to the Southwest.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MADIGAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MAGUIRE

Mr. MAGUIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAGUIRE: Page 23 immediately after line 2, insert the following new section:

RAIL PASSENGER SERVICE REPORT

SEC. 5. Section 703(2) of the Railroad Revitalization and Regulatory Reform Act of 1978 (45 U.S.C. 853(2)) is amended—

(2) by inserting "(A)" immediately after "Transportation.—"; and

(2) by adding at the end thereof the following new subparagraph:

"(B) The submission by the Secretary to the Congress of the following report on the conflict between the needs of commuter rail passenger service in the Northeast Corridor:

"(i) Within one year after the date of enactment of this subparagraph, a report on the allocation of access rights to the key Northeast Corridor terminals, especially Pennsylvania Station in New York, New York.".

Redesignate the following section accordingly.

Mr. MAGUIRE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MAGUIRE. Mr. Chairman, I rise to introduce an amendment to direct the Secretary of Transportation to study the right of access to Pennsylvania Station, New York.

For 20 years, commuters in northern New Jersey have dreamed of the ability to travel directly into and out of midtown Manhattan. The State of New Jersey has exhaustively studied the structural requirements for developing direct routes into Manhattan and has concluded that such routes are completely feasible, if only access to Penn Station is guaranteed.

We in Bergen County have long looked to the day when a transfer station could be constructed at Secaucus so that the main line and the Pascack Valley line could proceed directly into Penn Station. New Jersey has a new commissioner of transportation who has assured me that one of his highest priorities is the construction of the Secaucus transfer, but no transfer station can be built until we can be guaranteed that these commuter lines will be assured the right to terminate in Penn Station. If the Secretary agrees that these lines should have the right of access, then the State commissioner will have nothing in his way to fulfilling the dream of over 10,000 commuters in Bergen County.

The New Jersey Department of Transportation has more immediate plans to construct the Kearney connection which would allow the Erie-Lackawanna trains moving east into Hoboken from Morris County to terminate also in Penn Station. The daily routine of 70,000 commuters on these three lines will be made greatly easier if the Secretary agrees that these people too have a right of access to Penn Station.

Mr. Speaker, I urge my colleagues to support this amendment so that we can finally know whether a direct commuter trip by train from northern New Jersey into Manhattan will be achieved.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Pennsylvania.

Mr. ROONEY. I thank the gentleman for yielding.

Mr. Chairman, I have had an opportunity to take a look at this amendment, along with the minority, and we accept the amendment.

Mr. MAGUIRE. I thank the gentleman very much for his comments.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Kansas.

Mr. SKUBITZ. I thank the gentleman for yielding.

Mr. Chairman, if I understand the amendment correctly, what the gentleman is asking is that DOT simply include this as a study, the use of the station by commuters in New York?

Mr. MAGUIRE. That is correct.

Mr. SKUBITZ. I have no objection to the amendment.

Mr. MAGUIRE. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. MAGUIRE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STEIGER

Mr. STEIGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER: Page 25, strike out line 8 and all that follows through line 2 on page 27.

Mr. STEIGER. Mr. Chairman, this is a very simple amendment. This simply lowers the rate of taxation on capital gains. I am sorry. That is the wrong amendment. I did not mean to offer that tonight. It is coming up.

This amendment, Mr. Chairman, is designed to strike the language that is in the committee reported bill. I recognize that, given the number of Members who are on the floor, one can often have the feeling that he is whistling—I hate to say Dixie, but I will say it anyway—at this hour of the night. I think I might pick up a couple votes if I thought we were whistling Dixie. The language that is in the bill amending section 305 adds a section that is not now in the law. And I might say, in all honesty, that if the House is to adopt something like this tonight, it could not come at a worse time. The Subcommittee on Trade of the Committee on Ways and Means spent all morning this morning meeting with the Commission of the European Communities, the delegation headed by Vice President Haferkamp, with the Japanese delegation, headed by Minister of State for External Economic Affairs, Mr. Ushiba, and the Canadian delegation, headed by Ambassador Warren.

One of the issues that is very directly and deeply involved in the multilateral trade negotiations and in the U.S. efforts under the leadership of Ambassador Strauss is the whole issue of Government procurement. The "Buy America" provision that is in the bill is inconsistent with our efforts in MTN. It is damaging to the United States.

Mr. Chairman, I recognize that there will be some, including those who have been distributing those sheets, as the gentlewoman from Maryland (Ms. MIKULSKI) has, who say, in effect, not to worry about it, because it is not all that onerous. The Secretary can waive this upon request by Amtrak for that purpose; and after all, as the gentleman from Tennessee attempted to say during his remarks on an earlier amendment, not to worry; this is not a Government corporation. It is a quasi-public-private corporation; and therefore, it is not Government procurement.

Mr. Chairman, both are wrong. Let us not kid ourselves. If this provision stays in the bill, it will be that much more difficult, in my judgment, for Bob Strauss, who has done an extraordinarily good job, to go to the European community and say, "We want you to lower your barriers in order to procure in terms of what the governments of the European communities will buy." It will make it more difficult to try to insure the governments of the European communities do not continue to play games with the U.S. business community. They do not advertise bids. They do not make available billions for the postal service or British steel or whatever else it might be for U.S. companies.

Mr. Chairman, it makes it that much more difficult for the United States to go to the Japanese and say, "We want you to end the restrictions you place upon American business." I do not think we could get that kind of government consideration from Japanese industries, from the government itself, or from anybody else.

Therefore, Mr. Chairman, this amendment puts in serious jeopardy our efforts in the multilateral trade negotiations. It will mean that we are, in fact, acting in bad faith in our efforts to get the European community or to get the Japanese to end the kinds of restrictive actions that they have taken against American business.

Mr. Chairman, there is simply no way that this House tonight, even at this hour, at 7:28 p.m., even with as few Members as there are on the floor, can stand idly by and see us disrupt the efforts to achieve access for the American business community to what happens abroad.

That is what we are talking about. That is the issue which we are going to have to debate tonight. The question is whether or not we are going to take a step tonight that will leave the United States in a position of being in bad faith in requesting the Japanese business community to open up while we are closing down.

Mr. Chairman, that is wrong for the United States and for American industry; and it is not in our best interests in attempting to secure some kind of rational trading policy.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. STEIGER) has expired.

(On request of Mr. FRENZEL and by unanimous consent, Mr. STEIGER was allowed to proceed for 3 additional minutes.)

Ms. MIKULSKI. Mr. Chairman, will the gentleman yield?

Mr. STEIGER. Yes, I am delighted to yield to my opponent, the distinguished gentlewoman from Maryland. Is the gentlewoman withdrawing her sheet?

Ms. MIKULSKI. Mr. Chairman, I thank the gentleman for yielding.

I would like to speak to the issue and ask the gentleman on the Republican side whether he is aware, first, that Amtrak supports this amendment; second, that Amtrak itself has, by its own executive order, a very similar, or, in fact, even more stringent executive order already in place.

Therefore, what the gentleman is moving to strike is something that is already in effect within the Amtrak organization.

Is the gentleman aware of that?

Mr. STEIGER. Mr. Chairman, the gentlewoman from Maryland makes the case even better than I can as to why this provision ought to be stricken.

Of course, Amtrak supports this provision; and yes, I recognize that they have undertaken some effort of this kind. That is the very reason that the argument the gentlewoman uses in the material she is distributing is so wrong, because it requires Amtrak to request a waiver from the Secretary. The gentlewoman and I both know that Amtrak will not request it.

The very feature of this amendment, by which the gentlewoman attempts to try to leave with people the impression that it is not as bad as it might otherwise be, is the very reason that this provision ought not to be adopted.

I do not believe that Amtrak is correct in its policy, and I frankly do not care if Amtrak supports or does not support the language that is in this bill. What I do care about is the effort of the United States of America in good faith to negotiate that we have access to markets abroad.

The language of the bill, if it stays in, puts the United States in the position of not being able to say to our trading partners that we are willing to try and get access for our products, because we are closing the doors for their products. That is wrong as a policy.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER. I yield to the gentleman from Tennessee.

Mr. GORE. Mr. Chairman, I did not want my earlier comments to give the gentleman the impression that I opposed his amendment. I want to associate myself with his remarks, and compliment him on his leadership. I think the amendment is well taken, and points up two problems.

The first is that if we hamstring Amtrak with the requirement that they have to buy everything in this country or else, then it is no wonder that they are going to have somewhat higher subsidies resulting from that. The second point the gentleman elucidated quite clearly is that we need to break down the barriers to trade. Everyone who represents a farm district ought to be interested in trying to open new markets.

In this instance in particular, I think the gentleman has shown real leadership.

Mr. STEIGER. I thank the gentleman very much for his support. I was only attempting to be forewarned in case that argument got raised.

Mr. STOCKMAN. Mr. Chairman, will the gentleman yield?

Mr. STEIGER. I yield to the gentleman from Michigan.

Mr. STOCKMAN. Mr. Chairman, I want to support strongly the gentleman's effort, and raise this question: Would not adopting the gentleman's amendment be tantamount to cutting off our noses to spite our faces?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STOCKMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. ROONEY. Mr. Chairman, reserving the right to object, in the interests of time I think we ought to limit ourselves to the 5-minute rule. I will not object at this time, but after this let us stick to the 5-minute rule. We have an agreement to end this debate at 8 o'clock and there are many other Members who want to be heard on the subject.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER) for 2 additional minutes.

Mr. STEIGER. Mr. Chairman, I thank the distinguished chairman of the subcommittee. Obviously, I have no interest in going any further than I have to, but I know the gentleman from Michigan has an extraordinarily articulate contribution to make.

Mr. STOCKMAN. Mr. Chairman, I appreciate the gentleman's remarks.

The fact is, as I understand it, there is something like $50 billion worth of potential tradable goods in the international economy now covered by buy-national policies. The fact is, that hurts us far more than it does any of our trading partners, because our major trading partners, such as Great Britain, Western Europe, and Japan, have far larger nationalized sectors than we do. Those nationalized industries, government corporations, quasi-government corporations, tend to be brought under their buy-national policies now.

As I understand it, what we are trying to do in our current negotiation is to get them to remove those essential industrial activities from their buy-national policy. If we were to bring Amtrak—which, after all, is a quasi-government corporation—under our buy-national policies, it would only defeat the effort we are making to open up a huge potential market to U.S. exports and to potential American competition in markets and in procurements that are totally unavailable to us at the present time. Would that be a correct interpretation?

Mr. STEIGER. The gentleman is absolutely correct. There is no doubt that, in fact, our markets abroad, if we can get them to reduce their barriers, are substantially greater than the markets they might have enjoyed here.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. STEIGER. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, how would the gentleman explain the fact, where we have gone through a very long period of open markets, we have restricted markets in these other countries? The gentleman is simply saying that we should on good faith, continue the present policies which have resulted in lack of access on the part of American companies.

Mr. STEIGER. The problem, I will say to my friend, the gentleman from Ohio, is that we have never in trade rounds prior to this, the Kennedy round especially, dealt with nontariff barriers. Now is the time to deal with them.

Mr. ROONEY. Mr. Chairman, I rise in opposition to this amendment.

The "buy American" provision was inserted in the bill by the distinguished

colleague of mine serving on my committee, the gentlewoman from Maryland, Congresswoman MIKULSKI, with my wholehearted endorsement.

The Congress provided $1.750 billion for the Northeast Corridor improvement project and there is no reason why when contracts are being awarded out of 100 percent tax dollars that this money should not remain in the United States. In this way all contractors will be on an equal footing and have full knowledge in advance of the conditions of bidding on a particular contract.

It is not unusual, nor for that matter unwarranted, for public works projects to require a "buy American" provision. The Northeast Corridor improvement project should be looked upon in that same light.

Let me say to the gentleman from Wisconsin (Mr. STEIGER), for whom I have a great deal of respect and admiration, that he ought to be in cities like I represent, in cities such as Bethlehem, Pa., or Pittsburgh, Pa., or Birmingham, and Youngstown, Ohio, and Buffalo, N.Y. Thousands and thousands of citizens in these cities are without jobs. Why? Because almost 20 percent of all the steel coming into this country is coming in from foreign competition.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, I wish to associate myself with the statements of the distinguished gentleman, the Member from Pennsylvania.

I want to point out to this House that we had better be very careful. This year the trade deficit may rise to the high figure of $45 billion. If we do not roll back the social security taxes next year, that could rise to $60 billion. The dollar has been devalued down to a new low with the Japanese yen. There has been a 30-percent devaluation of the dollar, and here we have everybody expressing the free trade policy for this country, when other nations of the world are not engaged in a free trade policy.

We have to do something to protect the dollar in this country. It is important that the Members of Congress understand this. We will have a $45 billion trade deficit this year. We could be wiped out within 2 or 3 years if something is not done.

To strike out this amendment here today would be the most asinine action that this House could take. As the gentleman from Pennsylvania has pointed out, tens of thousands of steelworkers have been wiped out of their jobs. So have the electronic workers in this country been wiped out of their jobs, as have the footwear workers and the textile workers—you name it.

How long can we go along with this free trade argument? How long can this Nation stand up and how can we stand up now to this $8 billion trade deficit with Japan? We complain now about this deficit caused by oil in this country, let alone allowing this market to be glutted with foreign goods driving people out of jobs.

Go into any merchant here in Washington, D.C., and try to buy a piece of American-made apparel. Why, the clerk would be fired if he was caught selling one an American-made piece of goods because the markups on the imports are so high.

We have to do something here. This would be the most ridiculous step we ever could take. It is time we serve notice on our trading partners that we expect reciprocity. We have opened up our gates and they have flooded us.

Bob Strauss went over to make a couple of good marketing agreements with Taiwan and Korea. But what do we find? We find that Hong Kong has moved into the market and picked up the slack that Bob Strauss had created.

I say to the Members, it would be the most ridiculous thing to do. How silly can we get when we have a $45 billion trade deficit facing this country?

If you think the people are aroused about taxes, you will find out how they are going to be aroused about trade.

Ms. MIKULSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin (Mr. STEIGER) to strike the "buy American" provision with reference to Amtrak.

For those Members who may not be familiar with section 8 permit me to elaborate on exactly what it entails. It would mandate that Amtrak must buy unmanufactured articles, such as stone, types of ore, mined or produced in the United States.

It also would mandate that Amtrak must buy manufactured articles made in the United States from articles, materials or supplies mined, produced or manufactured in the United States, among other things. In other words, this would mean railroad rails, cars, and a whole host of other things. However, the Secretary of Transportation may, upon Amtrak's application, waive this if such requirements are inconsistent with the public interest, or if it imposes requirements that are unreasonable, or if the material is not available in the United States, or the purchase is less than $100,000.

That is a rather simple, straightforward, flexible amendment.

Why did I offer that language in the committee? One reason was that I happen to believe in the importance of the multiple returns for the taxpayers of our country, and I felt that by having a "buy American" provision we would do just that.

Another reason is the double exposure of the returns through the "buy American" amendment that we would generate other jobs in the private sector, and the third reason is that they will produce a whole variety of other things. I could give statistic after statistic that would show how purchasing American railroad cars has generated jobs. For instance, we recently bought a 492 Amtrak fleet of railroad cars from a manufacturer called the Budd Co. in Pennsylvania. It is estimated that the multiplier effect in the Pennsylvania economy was $45 million, which is an extraordinary amount of money.

Another reason that I offered the "buy American" amendment was when Secretary Brock Adams came before the committee and was talking to us he emphasized the need to have an American railroad industry rooted in American manufacturing for national defense reasons.

His whole point was that in the event of some type of national security threat we would need to have our own American railroad source of supplies operating and in effect in the same way we did during World War II and during our involvement in Korea. I do not think we can depend on foreign imports for that type of activity.

Another reason is that, as many of us know, there is the added cost for unemployment, in the loss of social security, the loss of a tax base plus the rising cost of food stamps.

Also, I appreciate the eloquence of the gentleman from Wisconsin, Mr. STEIGER, in his statement on free trade, and yet he himself does not always go for it, it is only when he does not want us to buy American railroad cars from American manufacturers, but if you talk about exporting American cheese, when it comes to Wisconsin cheese then I say that there is more cheese in this discussion than perhaps comes to the floor so often.

Another reason is that perhaps some of my opponents of my "buy American" amendment have never visited Japan, because I can tell you that there are official and there are unofficial trade barriers in Japan because it is desperately needed in their island economy in order to survive, and they will go to any means possible in order to keep us from ever intruding in their markets. Another thing I found out in my trip to Japan in particular was their obstinate refusal to move in agricultural areas, let alone in manufacturing areas. So if we are to do anything at all to help our American taxpayers it will only be if we can have a strong manufacturing structure and, if we do, we will have gone a long way in meeting our needs.

Ms. OAKAR. Mr. Chairman, will the gentlewoman yield?

Ms. MIKULSKI. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentlewoman for yielding.

I just want to associate myself with the gentlewoman's remarks and add that I was recently appointed to the National Commission on Unemployment Compensation. Last year our country gave out to Americans who are unemployed more than $20 billion in unemployment compensation checks, many of whom lost their jobs because of the import prices that we face in our country. I say it is time to think of the American worker and time to save the taxpayers' money because, in fact, that is what we really will be doing if we keep them off the unemployment rolls.

Mr. LUKEN. Mr. Chairman, will the gentlewoman yield?

Ms. MIKULSKI. I yield to the gentleman from Ohio.

Mr. LUKEN. I thank the gentlewoman for yielding. I would like to associate myself with the remarks of the gentlewoman from Maryland. I think we need to remind ourselves that this is a public works contract. I have had the experience of working very diligently and unsuccessfully upon a machine tool contract for the Department of Defense which has gone to Japan, and many other subcontracts that as well have, so I associate myself with and support the gentlewoman.

Mr. LUKEN. Mr. Chairman, the retention of the language in this bill is essential if we in the Congress are to maintain strong domestic industries. We cannot continue our policy of supporting foreign markets when our own industries are in serious trouble.

At present this country has limited defenses against unfair import pricing and unfair trade practices. We must act to strengthen those defenses at a time when periods of slack world demand such as we are experiencing now exist. This position is not one of mere protectionist policy but one which seeks to maintain strong American industry and one which seeks to provide the American taxpayer with prudent use of their dollar.

At present, as has been mentioned by the gentlewoman from Ohio we are spending upward of $20 billion in unemployment payments annually. This figure is astounding and far greater than any costs incurred from purchases from our own manufacturing industries.

In addition to this the amount of money uncollected by the Government from lost tax revenues at Federal, State, and local levels is vast. These moneys are not pumped into our economy in the form of increased needs for goods and services and have the effect of being a continued drain on the economic well-being of our Nation.

I support the need for "buying American" and urge my colleagues to join me in opposing this amendment.

● Mr. WEISS. Mr. Chairman, I oppose the amendment offered by the gentleman from Wisconsin (Mr. STEIGER) striking section 8 of H.R. 11493, the Amtrak Improvement Act.

This section establishes guidelines for the purchase of American goods by Amtrak. Under the provisions of section 8, Amtrak would be required to buy materials manufactured, produced, or mined in the United States. Thus railroad cars, rails, and related equipment would have to be American made.

Section 8, however, is moderated by the principle of fair trade. The Secretary of Transportation, at Amtrak's request, could waive the requirements of section 8 if the Secretary determines that these requirements impose an unreasonable burden on Amtrak or are inconsistent with the public interest. Furthermore, if the material is not available in the United States or the purchase is for less than $100,000, Amtrak would be exempt from section 8's requirements.

There is a great need for the United States to adopt a fair trade policy. Last year, we suffered the largest—$27 million—trade deficit in history, a fourfold increase over the previous year's deficit. Many of the Members of this House have espoused the virtues of free trade, but unhappily our trading partners are not adopting such a policy. Their various trade protective measures place an unfair burden on our country, flooding us with foreign imports far too often at the expense of our domestic industry. While we got mired in a trade deficit last year, Japan, for example, had a trade surplus of more than $16 billion.

Without reciprocity from those nations with which we trade, I think it is incumbent on us to take the necessary steps to insure fair trade. The guidelines established in section 8 do this. It would be a mistake to strike them.●

● Mr. FRENZEL. Mr. Chairman, I think we have been treated to an exciting debate on this amendment to delete the "Buy America" provision. Because this discussion has ranged far afield, it is well to review what it is we are doing.

Here is what "Buy American" does. It invites all our trading parties to indulge in exactly the same protectionism. The trouble is that they all have more nationalized industries or more central control of industry than we do. In short, they control more buying power than we do. In a "Buy National" competition the only thing we can do is lose.

As it is now we are behind in all aspects of the trade business. Until recently we have not needed to rely on trade. Now that interdependance and growing world markets make it necessary to look abroad, we find we have no export policy at all.

A "Buy National" trade war, in which we will be the losers in the Government procurement markets, will make it even more difficult for us to catch up.

"Buy America" has a nice sound to it, but it works to disadvantage the people we represent. We are protecting less than we will lose.

We have heard a lot of talk today about the effects of trade. Some speakers would have us believe, our trade goals have been responsible for massive layoffs and enormous imports.

There have been disruptions. It is also true that we not have not done as good a job as we should have on adjustment assistance. Parenthetically, it might be noted that we have been waiting in vain over a year for the administration to present a new adjustment assistance plan.

But, despite these disruptions, unemployment does not stalk the land, and the land itself has not been overrun by imports. On the contrary, unemployment is down even with massive new job entrants.

Here a few facts:

Point—The Vice President in a recent speech claimed administration credit for 4 million new jobs in the past year and a half. That is quite a different look than what has been presented here.

Point—Unemployment is down about 15 percent from a year and a half ago.

Point—Textile and apparel imports about which we have heard so much represent about 10 percent of domestic consumption. That is hardly a case in which clerks will not sell, and buyers cannot buy, American goods.

As a matter of fact, our economy is doing better than the economies of most of our trading partners. Their health is important to us because when they are prosperous they are better markets for us.

We have heard some more myths today. Apparently, there is strong feeling that the United States is the big patsy with the wide open market, and all our trading partners are bad guys with closed markets. That may play well at home, but it is not quite true. In fact, every country, including the United States, maintains a variety of protective devices, laws, rules, and customs.

We have quotas. They are the worst form of protectionism. These barriers include meat, dairy products, apparel, and so forth. We have tariffs, some of which are quite high. Our textile tariffs, for instance, are about twice as high as prevalent European tariffs. We are the only nation in GATT, without an injury test.

We also have bilateral agreements, reference prices restrictions in State and local laws, "Buy American" laws, and international marketing agreements. We may be more open than many countries, but by no stretch of the imagination is the United States an open free trade market.

If one looks at the record, one cannot completely blame our trading partners for our difficulties. We can blame a little on them, but more on our own mismanagement and on our national disinterest in exports.

We complain about lack of access to Japanese markets. But the Europeans have less difficulties than we do. They do seem to have more experience, and perhaps they want the business more. We complain about access to European markets. But the truth is that we have, and have had for some time, a large surplus of trade with the European community.

Truly, in the field of trade, conventional wisdom, that sounds so good to our constituents, needs a little adjustment. Things are not what they seem.

Another reason to vote for the amendment of the gentleman from Wisconsin (Mr. STEIGER) is one of timeliness. We are in the middle of trade negotiations. Actually we are almost at the end. We ought to let President Carter and his draft negotiator, Bob Strauss complete that MTN negotiation in the best possible climate. If we send another "Buy America" signal to Geneva, it may not blow Strauss completely out of the water, but surely it will make his job much more difficult.

To recapitulate, "Buy American" provisions are counterproductive. They cost more in lost markets than they gain in market protection. Agriculture, one of our leading exports, is particularly vulnerable to "Buy National" countermeasures of our trading partners.

Trade has not ruined us comparatively, we are pretty healthy now, but trade can make us much healthier. Our long term quality of life depends on trade both for scarce materials and expanded markets in an increasingly interdependent world.

It is easy to rail against foreigners. None of them vote in your districts. It is fun to blame our own sins on them. They do the same to us.

But for our own economic self-interest and to support the efforts of our President and Bob Strauss, let us support this amendment. ●

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

I certainly oppose the amendment offered by the gentleman from Wisconsin. This is a very serious problem, being on the Transportation Appropriations Committee, I have seen it not only in Amtrak but we have seen it across the board. I believe that about 60 percent, maybe more—I wish I had the figures here tonight—during the past 18 months, of the cars bought by cities across this land for mass transit have been bought offshore. This is with American taxpayers money and we are losing a very valuable technology.

I heard the gentleman from Wisconsin's passionate plea. I could not believe my ears. The gentlewoman from Maryland is right. If he were talking about cheese, it would be just the opposite. It would be Swiss cheese with holes in it. But to come here and plead for those people with striped pants. It is not a two-way street. They have put all kinds of roadblocks in front of us, license rebates and everything else. They do not have OSHA, EPA, et cetera, laws to comply with.

I was involved in a heavy transformer dumping case with about five countries. The Japanese, the English, the Italians, the Swedish, and the French were dumping heavy transformers into this country. Believe me, if you want to try a very difficult case, try to prove dumping. But they have a two-tier market, one high-price market for their domestic market and another low price market here in the United States.

This is American taxpayers' money that we are talking about—Amtrak equipment, UMTA equipment, or WMATA equipment, and I say that this language that is in this bill really does not go far enough. We ought to have the buy-American provision that the Department of Defense has in their procurement contracts. That is what should be in this and the other UMTA authorization bills. I hope this amendment is defeated.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, in 1929 and 1930 the debate that we have heard here tonight took place. At that time instead of being the Mikulski amendment, it was the Smoot-Hawley amendment. My Lord, how soon do we have to relive history? How lucky can we be to even have the opportunity to relive history? The same type of discussion, the same type of amendment plunged the American economy into the worst depression that it has ever known. The unemployment rate hit 25 percent.

Our economy collapsed. The international economy collapsed. Hitler rode to power on that. Hirohito rode to power on that. About 1 million American men died because of that. That is what we are talking about tonight.

Is there anybody in this Chamber that will dispute one word that I have said?

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. Well, good. When I get through, I hope all of you get your 5 minutes, too.

The gentleman from Pennsylvania has limited my time to 5 minutes. Will the gentleman from Pennsylvania allow me to have additional time?

Mr. DENT. Mr. Chairman, give the gentleman 1 minute and I will answer that.

Mr. GIBBONS. Mr. Chairman, will the gentleman from Pennsylvania (Mr. ROONEY) allow me extra time? I will yield, Mr. Chairman, if I am granted additional time.

(At the request of Mr. DENT, and by unanimous consent, Mr. GIBBONS was allowed to proceed for 1 additional minute.)

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. Mr. Chairman, I will yield for that purpose.

Mr. DENT. Mr. Chairman, the Smoot-Hawley law was passed. In between the time of passage and the time of the effective date of the Smoot-Hawley tariff, we had the 1929 depression. Smoot-Hawley never went into effect in this country, not 1 day of our existence. The Smoot-Hawley tariff rates were never set forth, because the depression came in and stopped Smoot-Hawley, which was supposed to be so bad and it never went into effect, the bugaboo of all bugaboos, the most disgraceful era in our existence.

Mr. GIBBONS. Mr. Chairman, Smoot-Hawley was still in effect and it did go into effect, I will say to the gentleman from Pennsylvania (Mr. DENT). Everybody anticipated it and the economy, as we know, went to pieces. The international agreements that we had went to pieces. The Germans moved from a collapsed economy into militarism in World War II. The Japanese did the same thing; so it did go into effect and part of it is still in effect. It was repealed as a democratic measure under Franklin Roosevelt.

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I will yield if the gentleman gets me additional time.

Mr. CARNEY. Mr. Chairman, the gentleman made a statement; now, back it up.

Mr. GIBBONS. Mr. Chairman, I will yield only if the gentleman will get me additional time. My time has been limited by the gentleman from Pennsylvania (Mr. ROONEY).

The CHAIRMAN. The gentleman from Florida does not yield.

Mr. GIBBONS. Mr. Chairman, if we examine the last two issues of Time magazine, we will find that Bethlehem Steel has been sending us a message in a two-page ad. The first one I refer to is the one that had Joe Califano with red-tape wrapped all around his neck, with his tongue hanging out. If we look at those two-page ads from Bethlehem Steel, they were not asking for this. They were asking for enforcement of the laws we have on the books of dumping and countervailing. They are entitled to that. I support it and everybody in this Congress supports it and we want to make sure they do.

This week Time magazine, with the ladies on the front cover in their athletic games, had another two-page spread by Bethlehem Steel which has been referred to here and has been talked about as the need for this amendment, complained that they needed protection, but not like this. They needed protection from the 5,600 Government laws and regulations that hamstring them. That is what the people in the steel industry are asking for. They are not asking for this. I have talked to them. I have asked them questions in hearings, all the steel companies, and not one single one wants this kind of thing, because they know that it will slaughter us all in the long run.

Mr. Chairman, I repeat, why do we have to go through this kind of history so many times? Why cannot this body remember the mistakes we made and the good things we did? Let us not do it again. I say to my Democratic Members, it was Franklin Roosevelt and a Democratic Congress that repealed all this.

Mr. CARNEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I urge my colleagues to retain the "buy American" provision to H.R. 11493, the Amtrak Improvement Act of 1978.

In calendar year 1977, Amtrak purchased over 43,000 tons of steel—at a cost of over $15 million.

By the end of 1978, Amtrak plans to have purchased over 64,000 tons of steel for over $25 million.

To the extent that these steel purchases are made possible by the use of public funds, they should not result in the loss of American jobs.

Amtrak has functioned well under a buy American policy which is very similar to the language included in this bill.

The buy American provisions attached to Amtrak authorization bills have not greatly raised Amtrak's costs.

In fact, buy American provisions have saved jobs for countless Americans as well as generated needed tax revenues in our communities.

Amtrak officials have assured me that "buy American" provisions have not affected their costs.

On March 23, 1978, Amtrak officials testified as a "good example" during "buy American" hearings before the sub-

committee on Federal Spending Practices and Open Government.

Today, the House is considering an authorization of $768,250,000 for the National Railroad Passenger Corporation for fiscal year 1979.

The American taxpayer ultimately supports Amtrak with a very large subsidy.

The Congress, therefore, must take responsibility to insure that Amtrak makes a commitment to the well-being of the domestic economy.

I will lend my support to legislation which provides the "legal basis" to insure that the American taxpayer and worker will not lose his job because of the procurement practices of corporations which receive public funds.

Mr. Chairman, if we are going to save American jobs, we had better wake up, because time is flying. If we are going to spend the money of the American taxpayers, especially money that is used to subsidize Amtrak, we certainly do not want to export jobs.

Mr. Chairman, I urge the Members to support the "buy America" concept and cast their vote against the amendment.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, under normal circumstances I would not rise to discuss this particular bill because I am not particularly a great fan of Amtrak.

I have listened so many times on this floor to the ringing debates about "buy American." I do not think there is any Member on this floor who believes more in buying American products than does the gentleman in the well. But I do not wear it on my sleeve; I practice it.

I can well remember on this floor a few years ago when we were discussing the Alaskan pipeline bill and one of our Members offered an argument in a stirring debate that we should buy American for the Alaskan pipeline, and that individual was at the time driving a Mercedes Benz.

I say to my Democratic friends that we are in the process of trade negotiations at this very moment. I am not a particularly good friend of the administration's, but it has without a doubt the best trade negotiator and the toughest trade negotiator that we have had in my brief experience. I trust him to carry the American line to the very best of his ability. I cannot say how all these things will come out or how they will be decided, but I believe that our negotiator will stand fast, and I believe that he will do his very best for America.

I questioned the president of the United Auto Workers before the Committee on Ways and Means just recently, and I asked him the same question that is being asked here tonight: "What do you think in terms of buy America? I get one letter after another from your union telling me, 'buy America'."

I asked him, "Have you been past any of your factories lately? Are your members buying the American cars they produce?"

He said, "Oh, we're doing pretty well in Detroit. It's only 5 percent of our members, but in California it may be a little bit different."

Mr. Chairman, if the members of that union are not willing to support the very industry that supports them, how can they expect us to support that line of reasoning?

I support the gentleman's amendment. I support the Ambassador, Mr. Strauss, in his efforts on behalf of the United States, and I think the Members can do no less.

Mr. CARNEY. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Ohio.

Mr. CARNEY. Mr. Chairman, I want to tell the gentleman something about our meeting of the steel caucus on the Hill.

Mr. Murphy, the president of General Motors, announced there that General Motors only buys American steel and he promised that they would continue to do so.

Mr. KETCHUM. Mr. Chairman, I am glad to hear that.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I think the gentleman from California (Mr. KETCHUM) made a very fine statement.

It would seem to me that the Members on the other side of the aisle would want to support this amendment, because failure to do so is going to chop the legs out from under one of the best things the Democrats have going for them—the work of the Ambassador in charge of trade negotiations, Mr. Strauss.

Mr. KETCHUM. Despite the fact that Mr. Strauss has on many occasions tried to defeat me in this very body, I certainly support him.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from New York.

Mr. CONABLE. I thank the gentleman for yielding, and I certainly want to associate myself with his remarks. I think he has made a fine statement. I hope the House will support his position.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Chairman, I would like to compliment the gentleman on his remarks. If we go to the Federal garage under the Rayburn Building, we will see many foreign cars right here. I think we ought to clean up our own House, and that would include many Members of Congress who drive foreign cars.

Mr. KETCHUM. Example is the best way to prove a point.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the gentleman for yielding, and I wish to associate myself with the gentleman's remarks.

Mr. Chairman, I think "Buy America" is one of the slogans that is neat, plausible, and wrong.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when I was a little boy, the Republican Party was known as a protectionist party, and we prospered. The Democratic Party became identified with free trade. I ask all of the Members who are much younger than I am, go over your memories and find out just what caused every depression. Every depression that has been in this country in my 70-odd years of life has been caused when working people were producing goods from the four sources of wealth, the land, the mines, the sea, and the timber, and the only four sources of wealth. We are fortunate enough to have all four original sources of wealth, and we managed them well for many years. Then, suddenly, we came to a new school of thought that if we could buy cheaper from somewhere else, then we could have more goods for the money we earned, if we earned that money.

I am known as a protectionist. But I am probably the greatest free trader in this House. I believe in free trade—for need and not greed.

Mr. Chairman, two decisions made by the Supreme Court within a period of 5 days can well spell the end of all of the dreams of those who live in a world by themselves. There is no wealth which can be created except by the hand of man, with the resources of his mind to guide those hands. We are all immigrants, either first, second, third, fourth, or fifth generation immigrants, who came here because there were jobs.

Those who do not want to listen do not want to learn.

Mr. Chairman, the Members may not believe what I say; but I will tell them honestly that I say it from a lifetime of experience. My town died years ago, many years ago. It has never come back.

We are talking now about buying foreign-made products.

Let me tell the Members something. This Congress passed a mass transit bill. Every dollar's worth of equipment was purchased in West Germany.

Mr. Chairman, I came across the ocean on my so-called junket, paid for by myself. I am afraid to travel, and no one should travel more than Members of Congress to see what is happening in the world. It is not a big, backward world out there anymore. It is a great big industrial concern determined, through industrial might, to take our place in the world.

Mr. Chairman, no democracy has lived more than 200 years.

Tyler said it in 1776 in writing about the demise of the Grecian democracy. Why did it die? Because when the electorate learned that they could get more largesse from the Government by voting for that candidate who promised more largesse, democracy would die.

Our whole Nation, from the highest down to the lowest of us in the spectrum of citizens, depends on largesse.

Mr. Chairman, 181 million checks are mailed out every month in this Nation, out of the 216 million people living within it. Why? Trade. Trade cannot be anything but a hoax.

I say to the gentleman from Wisconsin (Mr. STEIGER) that I fought his bat-

tle. I was the one voice which fought his battle before the gentleman came here, and that was over creamery industry imports. I screamed. What was coming in was a mixture, but it was really sugar and cream.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. DENT) has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 5 additional minutes.)

Mr. DENT. Mr. Chairman, I have not made many speeches since I have not been able to handle things; but I tell the Members that what we are talking about tonight, after the two last decisions made within 3 days by the U.S. Supreme Court, can well mean the end of democracy.

Let me cite those two cases. I am not a lawyer. I am an uneducated person who went to the eighth grade; but I learned through a lifetime of experience. Furthermore, I am the oldest living legislator in the United States in years of service. I learned it the hard way.

Mr. Chairman, there were two Supreme Court decisions. Let me cite one. The State of Iowa was upheld in its right to have a different base for taxation on interstate business in Iowa than on intrastate business, No. 1, which sets up, in its own way, a tariff between States.

Mr. Chairman, the fundamental strength of this Nation has been free, unlimited transfer of goods and services between the States. That has gone down the drain.

The second of these memorable decisions was made just this week. That one is of some importance, especially to the Japanese. It is a case brought by the Zenith Corp., the last remaining color television manufacturer in the United States. They went over to Japan and made a contract to have their televisions made over there in order to learn why the Japanese can undercut us.

Do the Members know how they do it? The Japanese pay rebates to their manufacturers of television sets, which makes the market absolutely uncompetitive insofar as we are concerned.

Let me indicate what that decision does. It is a decision that was asked for by the President because of what the law says. The word "may" was used in that law, the tariff law, with respect to which there was a debate on this floor. The debate was based upon an amendment in the Tariff Act.

The gentleman from Florida (Mr. GIBBONS) ought to know this; he is a student: If any industry is injured by way of the loss of jobs, then that loss of jobs could be compensated for by a tariff increase.

The House took the position that they ought not to be limited to tariff increases, but they may choose; the President may choose the route of tariff increases, quotas, compensating duties, or complete embargo. Using the word "may" was bad judgment, because this administration asked for and got a decision that they wanted. The Supreme Court did not say that it could not impose; they said he did not have to impose.

So, what does that mean? That means that every nation in the world, on its exports to the United States, now can set the rates of their goods in the United States to the point that, by rebates to their manufacturers, they can undercut any product sent into the United States. Let me tell all of you something tonight—and this may be the last time that I take this well—but let me tell you all that everything that has happened, I predicted. The largest deficit—Sam and the rest of you—the largest deficit in the history of the United States in trade has been created in the first 3 months of this year, $17 billion.

We are selling gold. One other nation in the history of the world had to revert to the selling of gold as the only means of having an export. When the regimes of Rome could find no more nations to plunder, Rome went down the drain. We are selling gold. Let me tell you some arithmetic. The American dollar is 70 cents to the dollar today in Japan. They are protesting because our products now going to Japan and their products coming here, the 70-cent dollar is injuring their exports to the United States.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(At the request of Mr. ROUSSELOT and by unanimous consent, Mr. DENT was allowed to proceed for an additional 5 minutes.)

Mr. DENT. Let me give you this simile so you will understand what the devil is going on. Here we are, with our dollar 30 percent less. We are selling gold like Rome did, and we are taking back 70-cent paper dollars for one dollar's worth of gold in our Treasury. No nation can survive—no nation can survive trading bullion for paper dollars. We are buying back, mind you—we are buying back, selling our gold and paying for our deficit in trade with 70-cent dollars to them and one dollar dollars to the American people.

How long can you graduates, all of you, of universities; graduates, all of you, of colleges; learned people, how can you stand in this House and not recognize the fault we are in, the fault of people that have lost the desire to save and preserve a nation? My father came here as an immigrant. He was given a pick and a shovel, and he never cared.

When I spoke to him, replying to his broken English to me, would say: "Do not talk to me in Italian; talk to me in English, talk to me in American."

That is what I am saying to the Members. Believe me, as God is my witness, this Nation will not survive 10 more years unless we in this Congress have the courage to stand up and admit there is no way that we can buy buses, there is no way we can buy buses for the mass transit system that we are building, for billions of dollars, and have the buses shipped over to the United States in Russian ships. Let me tell the Members that one Member of this Congress, without naming names, protested that. Do Members know what we got? We got a concession after humbly begging on our knees, begging the Russians who had the contract, begging them on our knees, and they conceded to give us half of the shipments of the buses from Germany to the United States.

Let me ask the Members a question: How are we going to pursue a war? There is no longer a merchant marine—it is a very poor one. There is no longer one tourist ship.

No nation of the world allows American airplane companies to create within their territory a tourist trip. We cannot sell tourist tickets in Germany or Italy for tourists to come to the United States. But every nation of the world inaugurates tours in the United States. But we are not allowed to do that in their countries.

All of these things add up to one thing: The default of the Congress of the United States. If we are in low respect, if we are in low regard, we brought it on ourselves.

I give this to the Members in my parting word. Please become what this body was: one-third of the U.S. Government—not the last leg of Government, but that leg of Government equal to the other two, the Judiciary and the Administrative.

How can we sit here, how can we go back to our people and how can we send out letters and send out false stories about how important we are? We are not important. We cannot even make a decision.

I am ordered to do this. I will not do it. I have never done it and I never will.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. I thank the gentleman from Pennsylvania for yielding.

Mr. Chairman, I am as disturbed as I can be about the necessity for the United States to sell gold. I did not want to miss the opportunity to tell the gentleman and our colleagues on the floor this evening that in the last 2 months we have sold 600,000 ounces of gold during the same period that the International Monetary Fund has sold $169 million worth of gold.

I want the gentleman to know that one of the purchasers, in fact the largest purchaser of the IMF gold sale was India, who also owns $745 million worth of our national debt, and who is also one of the largest recipients of our foreign aid program.

Mr. DENT. That is another question.

Mr. Chairman, I promised to yield to the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, let me respond briefly to the Zenith case. The Zenith case involves a rebate of the sales tax to their producers, which is exactly the way we and Pennsylvania and all other States handle their sales tax.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GONZALEZ, Chairman of the Com-

mittee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11493) to amend the Rail Passenger Service Act to extend the authorization of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes, had come to no resolution thereon.

A TRIBUTE TO CHARLES J. ZWIESLER

The SPEAKER pro tempore (Mr. FLIPPO). Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

● Mr. WHALEN. Mr. Speaker, this Sunday afternoon a long-time friend of mine, Mr. Charles J. Zwiesler, will be honored upon his retirement after 40 years' association with the Dayton Boys' Club. During this period thousands of young people have benefited from Mr. Zwiesler's example and guidance. This positive influence which Charlie has brought to bear on two generations of Daytonians certainly has helped to make our community a better place in which to live.

A graduate of Chaminade High School and the University of Dayton, Charlie joined the staff of the Dayton Boys' Club in 1937, being named game room director. At that time the club's membership was 1,000 boys. After serving 3 years in the Armed Forces during World War II, Charlie returned to Dayton and the boys' club. By 1956, largely through his efforts, the boys' club had expanded to three units plus a summer camp. Charlie not only directed one of the three units but also headed the summer camp. That unit's membership has grown, again principally through Charlie's leadership, to 3,000 young men and women, while total Dayton Boys' Club membership has climbed to 6,000 boys and 2,000 girls. Until his retirement in March 1977, Charlie continued to supervise personally the five departments at the boys' club—education, vocation, gymnastic, aquatic, and recreation.

Aside from his duties at the boys' club, Charlie has been active in sports and involved in various other community and civic enterprises in the Dayton area. In recognition of these contributions, he has received many awards throughout the years. Included among these are the Jaycees Award for Outstanding Service to Junior Basketball, the Community Service Award for participation in the United Appeal Campaign, and the NCAA Recognition Award given by the Dayton chapter of the National Football Foundation and Hall of Fame for his contribution to amateur football.

Mr. Speaker, I plan to join Charlie Zwiesler's many friends this Sunday in paying tribute to him for his four decades of dedicated service to the youth of our community. His has been a life all of us would do well to emulate.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SARASIN) is recognized for 5 minutes.

● Mr. SARASIN. Mr. Speaker, on June 15, 1978, I was absent for part of the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 462: H.R. 12928: Public works-energy research appropriations. The House rejected an amendment to the agreed-to amendment that sought to delete funds for the following projects: Russell Dam, Georgia and South Carolina; Bonneville Unit, Utah; and O'Neill Unit, Nebr., "no;" and

Rollcall No. 463: H.R. 12928: Public works-energy research appropriations. The House rejected an amendment that sought to delete funds for the following eight water projects: Bayou Bodcau, La.; LeFarge Lake, Wis.; Lukfata Lake, Okla.; Meramec Park Lane, Mo.; Yatesville Lake, Ky.; Fruitland Mesa, Colo.; Narrows Unit, Colo.; and Savery-Pot Hook, Colo., "no."

Mr. Speaker, on June 16, 1978, I was absent from the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 464: H.R. 12928: Public works-energy research appropriations. The House agreed to resolve itself into the Committee of the Whole, "yes;"

Rollcall No. 465: H.R. 12928: Public works-energy research appropriations. The House rejected an amendment that sought to prohibit the use of funds for production of enhanced radiation weapons, "no;"

Rollcall No. 466: H.R. 12928: Public works-energy research appropriations. The House rejected a motion to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith containing an amendment that would reduce total appropriations not required by law by 3 percent, "no;"

Rollcall No. 467: H.R. 12928: Public works-energy research appropriations. The House passed the measure making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1979, "yes;" and

Rollcall No. 468: H.R. 12927: Military construction appropriations. The House passed the measure making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979, "yes."

Mr. Speaker, on June 19, 1978, I was absent from the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 469: H.R. 12936: HUD-independent agencies appropriations. The House agreed to resolve itself into the Committee of the Whole, "yes;"

Rollcall No. 471: H.R. 12936: HUD-independent agencies appropriations. The House rejected an amendment that sought to decrease appropriations for EPA abatement and control activities by $114.6 million and EPA enforcement activities by $18.9 million, "no;" and

Rollcall No. 472: H.R. 12936: HUD-independent agencies appropriations. The House rejected a motion to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith containing an amendment to reduce total appropriations not required by law by 2 percent, "no."●

NATIONAL GUARD DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. DODD) is recognized for 5 minutes.

● Mr. DODD. Mr. Speaker, I am proud to join with over 145 Members of the House of Representatives in cosponsoring House Joint Resolution 946, introduced by my colleague from Ohio, CLARENCE BROWN, to designate October 7, 1978, as "National Guard Day."

Dating all the way back to 1636 when the first corps of the volunteer militiamen was formed in the Massachusetts Bay Colony, the National Guard has been an integral part of our national defense. We have long recognized the need for an effective backup to the Regular Army and Air Force which has the training, experience, and ability to mobilize quickly to meet any danger. That is the job of the National Guard.

The citizen-soldier and the citizen-airman of the Army and Air Force National Guard serve in two roles. First, in the event of war, the men and women of the National Guard are trained, equipped, and ready to provide active support to our standing Armed Forces in the defense of our country. I might point out that the National Guard has taken part in every war our Nation has fought. The second role of the National Guard, and the one which the majority of Americans are probably most familiar, is the support the Guard provides to the community during natural disasters and local emergencies. It was little over 4 months ago, in the pages of the CONGRESSIONAL RECORD, that I commended the truly remarkable job the National Guard did in assisting the people of Connecticut battle the worst storm to hit our State in this century. It was only the result of the tremendous cooperation and resourcefulness of all the people of Connecticut that we were finally able to conquer the effects of that storm. And it was the National Guard which provided the essential foundation of training, experience, and organization upon which many of the efforts of the community rested.

I am especially pleased to announce my cosponsorship of the "National Guard Day" resolution at this time because it was just last Monday that I visited with 400 National Guard troops in Niantic, Conn., who were preparing to leave on field maneuvers. I owe a special debt of gratitude to these troops of the 248th and 250th Engineering Companies of the 192d Engineering Battalion for their outstanding efforts in assisting the community during last winter's storm.

This dual role of the National Guard, duty in wartime and in peacetime, is mirrored in the authority under which the Guard acts. The National Guard is the only military organization that has a dual responsibility to both State and Federal authorities.

As my colleague Mr. BROWN, pointed out, on October 7, the National Guard will be 342 years old. That is quite a record for a nation which is 202 years old. Designating October 7, as "National Guard Day" would be a fitting way of bringing to the attention of the American people the many contributions of the Guard in the defense of the United States and through community service in times of natural disasters and domestic strife. I might also add that such recognition of the Guard's unique role would hopefully stimulate its recruiting and personnel retention efforts at no additional cost to either the State or Federal Governments.

I am sure that as each Member of the House remembers the special contributions the National Guard has made to our national defense and the service the Guard has provided on the community level, that the designation of October 7, as "National Guard Day" will meet with overwhelming support. It will remind us all that in contemporary American society, the Guard, indeed, "belongs."

The text of House Joint Resolution 946 follows:

H.J. RES. 946

Joint Resolution to designate October 7, 1978, as "National Guard Day"

Whereas several units of the militia of the Massachusetts Bay Colony were organized on October 7, 1636, as the First Militia Regiment and became the forerunner of the National Guard of the United States;

Whereas the National Guard has served with distinction, during the three hundred and forty-two years since 1636, in every major military conflict involving the United States, from the Revolutionary War through the Vietnam conflict;

Whereas the National Guard currently consists of nearly four hundred and fifty thousand volunteer soldiers and airmen, organized into nearly four thousand military units located in the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands, and forms the Reserve Military Force that supports the Regular Army and Air Force; and

Whereas the people of the United States owe a debt of gratitude to those citizen soldiers and airmen who are members of the National Guard for their continuing contribution to the security of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation declaring October 7, 1978, as "National Guard Day", and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.●

ZENITH RADIO CORP. SUPREME COURT DECISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

● Mr. VANIK. Mr. Speaker, the decision of the Supreme Court for the Government against Zenith saves the world from an immediate trade and economic crisis. The decision will enable the multilateral trade negotiations to move forward and, in general, is a welcome decision.

The decision leaves unanswered, however, the economic arguments advanced by Zenith and supported by the Customs Court that the rebate of indirect taxes on exports by our trading partners distorts trade and is unfair to American industry and labor. While the Government may have won the case, I believe that most businessmen, workers, and Members of Congress agree with Zenith.

Therefore, our trading partners should be advised that the commitment of the American Congress to a satisfactory agreement on limitations on subsidies which distort trade is essential for a successful MTN. An extension of the waiver of countervailing duties, which expires January 3, 1979, is unthinkable as even a temporary interim measure unless there is a concrete prospect of a satisfactory subsidies code.

Finally, as part of its review of the Nation's unfair trade laws, the subcommittee wil be giving increased oversight of the administration of the countervailing duty laws. In addition, we invite at this time comment from economists and other experts on the economic impact on the United States of the rebate of indirect taxes on our trading partners' exports.●

PROVISIONS OF THE TOBACCO PROGRAM CONSEQUENCES OF THEIR ELIMINATION AND ALTERNATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

● Mr. JONES of North Carolina. Mr. Speaker, from time to time some Members of Congress, as well as Secretary of HEW, Joseph Califano, have advanced the idea of terminating the present tobacco support program to the end that the farmers in some six or seven States would convert to other crops.

Recently I received a report from the Department of Economics, North Carolina State University in Raleigh, N.C. by Dr. Charles R. Pugh, economist, entitled: "Provisions of the Tobacco Program Consequences of Their Elimination and Alternatives." This report emphasizes the obvious fact that if there were no controlled program, a great additional amount of tobacco would be produced thereby depressing the price to the farmers and actually causing more tobacco to be in circulation. This would result in a depressed value of land, disturbing the tax base of all local governments involved. Among other information contained in this work is a table, as follows:

TABLE 1.—*Estimated revenue and expenses per acre for selected crops under recommended practices, North Carolina*

	Flue-cured tobacco	Burley tobacco	Corn	Soybean
Yield	[1] 2,100	[1] 2,600	[2] 100	[2] 35
Price	$1.20	$1.20	$2.40	$5.25
Gross receipts	$2,520	$3,120	$240	$184
Operating and overhead costs	$906	$1,378	$128	$82
Labor at $3 per hour	384	822	10	9
Net over the above costs [3]	$1,230	$1,120	$102	$93

[1] Pounds.
[2] Bushels.
[3] Net returns to land, management, and general farm overhead, plus (in the case of tobacco) returns to one acre's quota.

Source: *Planning for Profit—Field Crops,* Circular 519, November, 1977, and *Planning for Profit—Grains and Soybeans,* Circular 522, March, 1977, N.C. Agricultural Extension Service.

I hope this to some degree answers those who raise the question as to the economic feasibility of replacing tobacco with other crops.●

INTRODUCTION OF ADMINISTRATION'S LEGISLATION ESTABLISHING A NATIONAL DEVELOPMENT BANK

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Wisconsin (Mr. REUSS) is recognized for 5 minutes.

● Mr. REUSS. Mr. Speaker, today my colleague WILLIAM S. MOORHEAD, chairman of the House Banking Committee's Subcommittee on Economic Stabilization, and I are introducing legislation, by request, to establish a National Development Bank. This bank constitutes one of the several components of the President's urban policy package. On several occasions I have praised the President's urban initiative, without committing myself necessarily to any of its specific elements. I maintain a similar position on this legislation.

Many questions remain concerning whether or not this bank is an effective instrument to help solve the severe structural employment problems that exist in our country.

Whether or not separate incentives or subsidies to increase private sector investment in designated communities,

large and small, can succeed in meeting the objective of reducing structural unemployment remains to be seen. We in the Banking Committee will examine the administration's proposal carefully and expeditiously.

Through our Subcommittee on Housing and Community Development, the Subcommittee on the City, and the Subcommittee on Economic Stabilization, your Banking Committee has been carefully considering the problems this legislation is designed to address. The committee will continue to examine these issues in connection with the Development Bank bill, along with other parts of the President's urban package which fall within the jurisdiction of our committee.

TWO SOVIET JEWS SENTENCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, news from Moscow reaching the West reports that two courageous Soviet Jews—Vladimir Slepak and Ida Nudel—have been convicted in separate trials of malicious hooliganism. Slepak has received a term of 5 years of internal exile while Nudel was sentenced to 4 years of the same. It is both ironic and tragic that exile is their punishment since the opportunity to leave the U.S.S.R. is precisely what both Nudel and Slepak have been seeking for years. The attainment of that dream will now be put off even longer while they are forced to serve out their sentences, most likely in some remote part of Siberia.

Slepak, a member of the Moscow Helsinki Watch Group, first applied to emigrate to join relatives in Israel over 8 years ago. While his elder son, Aleksandr, was finally granted an exit visa last year, Slepak, his wife Maria, and their younger son, Leonid, have been refused repeatedly. This family's ordeal is hardly over: Maria Slepak also faces charges of malicious hooliganism and Leonid is threatened with prosecution on charges of draft evasion.

Similarly, Ida Nudel, although she has no other relatives living in the Soviet Union, has been denied permission to emigrate to Israel, where her husband and sister live, for over 7 years. Known as the "Little Angel," she has taken it upon herself to watch over the Jewish Prisoners of Conscience by writing and sending packages to them, visiting them, and interceding with prison and camp authorities in their behalf. Now, tragically, Ida Nudel joins the ranks of those she sought so valiantly to help.

Once again, the Soviet Government has manifested its blatant disregard for the commitments it made at Helsinki by signing the Final Act. The signatory states—including the U.S.S.R.—in that document pledged to facilitate the reunification of families, guaranteed to respect basic human rights, and confirmed the right of their citizens to know and act upon their rights.

The crime of Slepak and Nudel was to try to act upon their rights. They were bold enough to stage brief demonstrations demanding the right to emigrate. In the eyes of the Soviet authorities, this constitutes malicious hooliganism. But the malice is neither Ida Nudel's nor Vladimir Slepak's. It is the Soviet Government's.●

VLADIMIR SLEPAK AND IDA NUDEL SENTENCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. LEHMAN) is recognized for 5 minutes.

● Mr. LEHMAN. Mr. Speaker, today I received word that Vladimir Slepak has been sentenced to 5 years in exile and Ida Nudel to 4 years exile. I condemn in the strongest sense possible, this action taken by the Soviets at the so-called trials today. This is the price Vladimir Slepak and Ida Nudel must pay for their leadership role in the Helsinki monitoring group in Moscow. For it is not the malicious hooliganism that is really the charge brought against them and so many other courageous Soviet Jews, but the reason they are being persecuted is their continuing, persevering moral commitment to a higher authority, the human rights of Soviet Jews to live where they choose, to be reunited with their families, and to be able to take an active part in seeing their country live up to the commitments it makes.

The Soviet Union has signed the Helsinki Final Act and it is frustrating and paradoxical that the Soviets choose not only to ignore their international commitment but also to choose this time to escalate their actions against Soviet Jews and others who demand their just human rights. The American Congress has repeatedly expressed its concern about the plight of the Jews in Russia over many decades, ever since the days of the pogroms in Czarist Russia. Today, unfortunately, is not so different. The sentencing today of Vladimir Slepak to 5 years in exile, and Ida Nudel to 4 years in exile, are to be condemned vehemently.●

REMOVING IMPEDIMENTS TO INSTITUTIONAL INVESTMENT IN SMALL BUSINESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

● Mr. LAFALCE. Mr. Speaker, small business in America today is finding it increasingly difficult to obtain much needed equity capital, in part as a result of the increasing concentration of assets in large financial institutions.

In 1977, a blue-ribbon SBA task force chaired by William J. Casey, former Chairman of the SEC and Export-Import Bank, found that since 1962, "deposits in the 10 largest banks have increased from 20 to 33 percent of all deposits;" and "pension fund assets have tripled since 1962 * * * it being estimated that by 1985 more than half of all equity capital will be in the hands of pension fund managers." Further, the insurance industry controls literally hundreds of billions of dollars, virtually none of which is presently available to small business.

To make institutional funds more readily available to small business, I have recently introduced H.R. 12666, a bill designed to remove existing legislative and administrative impediments for large financial institutions—including banks, savings and loan associations, pension plans, and insurance companies—which inhibit equity investments in small businesses.

This objective would be accomplished in two ways. First, such institutions expressly would be granted the authority to invest up to 5 percent of their net worth in the equity of small businesses. By limiting these investments to merely 5 percent net worth, it is hoped that a balance has been struck between the need to preserve the financial integrity of the institutions and the needs of small business.

Second, the bill provides that such investments in small business will constitute responsible fiduciary conduct, so long as the institution reasonably believes the potential for gain from such investment warrants the investment. This provision is necessary because most small business investments are risky when compared with existing fiduciary standards which generally cause institutions to favor investments in blue-chip securities.

Finally, the bill provides that such institutions cannot control, directly or indirectly, any small business. This provision is necessary to promote independently owned and operated small businesses, and to insure that investments made by these institutions remain merely investments, and do not become operating subsidiaries.

It is hoped that this bill will promote institutional investment in small business equity. Revitalization of equity sources for the small business sector of our economy is imperative if America is to retain its continued greatness.●

TURKISH-AMERICAN RELATIONS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SIKES. Mr. Speaker, the Washington Star engaged in plain talk on Turkish-American relations in an editorial which appeared on June 7. The effort of the Carter administration to lift the arms embargo against Turkey is needed and hopefully it will be successful. The peace of the world and the effectiveness of the NATO alliance are equally threatened by a situation which steadily is pushing the Turks toward a new alliance inimical to U.S. interests. I submit the editorial for the RECORD.

TURKISH-AMERICAN RELATIONS

The Carter administration has opened an elaborate campaign to get Congress to drop the three-year-old arms embargo against Turkey. There will be briefings at the White

House for "uncommitted" congressmen, at which the President will be joined by top officials of Defense and State to discuss the issue. General Haig will return from Europe for some such sessions. Our ambassador to Turkey will perform similar duty. The administration hopes to enlist the veterans' organizations in building "grass roots" support for its position that a key NATO ally should not be crippled and alienated because of a long-pending dispute with another NATO ally and neighbor.

Politically, the effort could be a risky investment of Presidential prestige in a foredoomed cause. The Senate Foreign Relations Committee last month reaffirmed the embargo in an 8 to 4 vote. That seemed to cancel an 18-to-17 vote against the embargo in the House International Relations Committee. The administration's current missionary work looks immediately to a House vote late this month.

The embargo supposedly is a legal reaction to the Turks' use of American-supplied arms in their 1974 occupation of more than a third of Cyprus, after a coup on the island by Greek-Cypriot extremists was seen as a move toward union with Greece and a threat to the Turkish-Cypriot minority. What Congress really did was take sides in the regional quarrel, for Greece and against Turkey, largely because of effective lobbying by Greek and Greek-American interests.

Advocates of the embargo claimed it would promote a Cyprus settlement by encouraging Turkey to make concessions. There is no sign of this happening. The former Demirel government in Ankara vehemently resisted such pressure. Prime Minister Ecevit says he has broken the "linkage" between the embargo and Cyprus, in making new Cyprus proposals without waiting for the embargo to be lifted, but he contends the embargo now makes the Greeks intransigent about a Cyprus settlement, causing them to hope for a weakening of the Turkish bargaining position.

In the meantime, the embargo clearly has damaged Turkish-American relations, has contributed to the loss of the U.S. bases in Turkey and has hurt both the credibility of NATO as an alliance and the military strength of one of its important members. The situation was a serious embarrassment at the NATO summit here last week.

One of the purposes of such publicized high-level gatherings is to demonstrate the unity and resolve of the allies for the benefit of potential adversaries. It did not help to have Mr. Ecevit explain how financial difficulties, worsened by the embargo, necessitated cutbacks of Turkey's NATO commitments, and to have the Turkish leader use what is normally a marital occasion to talk up detente with the Soviet Union and his imminent visit to Moscow.

It did not help, either, to have Greek Prime Minister Karamanlis argue for continued trouble in Turkish-American relations, on the ground that ending the embargo would damage Greek-American relations. The Greek contribution to NATO in recent years has been to blame the alliance for the Cyprus mess and withdraw from military participation, while seeking to rile U.S.-Turkish dealings.

What a majority of Congress must do at last, in reconsidering the embargo, is to distinguish between rival American interests, and the narrow Greek interest in preserving a presumed bargaining chip to play against Turkey. The U.S. interest is in a strong and friendly Turkey playing an important role in NATO. This does not preclude an equivalently friendly and valuable relationship with Greece. America's good offices are available to aid in a Cyprus settlement, but this can best be done without such partiality as the embargo proclaims.

Greece and its American friends should understand this.●

INDOCHINA'S MISSING MILLIONS

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SIKES. Mr. Speaker, the idiosyncracies of foreign policy defy description. For reasons incomprehensible to me, we and the British appear to place unusual stress on what we consider the human rights of people in a number of Central and South American countries. How much of this is deserved is beside the point of the discussion. What puzzles me is the fact that we are so nearly blind to what happens in many other parts of the world. There is no more pertinent example of abuse of human rights than Indochina but many of our leaders and writers seem to feel that all is well in that part of the world, now that communism has swallowed up so much of it.

John P. Roche made some pointed observations in the Washington Star of June 19. I submit his column for reprint in the CONGRESSIONAL RECORD. It is entitled, "Indochina's Missing Millions."

INDOCHINA'S MISSING MILLIONS

(By John P. Roche)

Tuning in late to a BBC news program, I heard Dr. David Owen, the foreign secretary, calling for a vigorous international investigation of the plight of political dissidents, particularly those who have vanished without a trace.

This struck me as splendid, until the anticlimax: He was discussing 1,500 Chileans! Since then Chile has agreed to permit a United Nations investigation of the status of dissidents, which had earlier been demanded by the General Assembly.

Herewith a modest suggestion for the U.N. team: When it finishes in the minor league, why not move on to Indochina? To say this is not to downplay the fate of an alleged 1,500 Chileans—if you happen to be one of them, the oppression is 100 per cent. After all, each of us secretly assumes the greatest tragedy in history will be his or her demise.

However, in broad perspective Chile is a minimal offender. According to well-informed Vietnamese communist sources, a couple of million Cambodians are "missing," and equally well-informed Chinese and Cambodian sources assert the Vietnamese have disposed of an even larger number of their compatriots.

The case of the ethnic Chinese in Vietnam is instructive. At the time Saigon was captured, I suggested that trouble between Hanoi and Peking was inevitable. The signal was clear: When Gen. Tran Van Tra's victorious legions marched into Saigon's Chinese twin-city, Cholon, they were greeted by Chinese communist flags flying everywhere. Not that the Cholon Chinese were communists—they were passionate bourgeois entrepreneurs—but they figured Hanoi might get a message.

Temporarily Hanoi had higher priorities, notably the elimination of anti-communist Vietnamese forces. For example, if the U.N. human rights team gets to Ho Chi Minh City (formerly Saigon), it should inquire into the fate of the more than half-million members of the Vietnamese trade union movement. This was a free trade union, not a state-run dummy. Indeed, I suspect on occasion, say, when the CVT struck the port of Saigon, both American generals and the Thieu government wished the Soviet model had been followed. Now the CVT is "missing."

Then there were the hundreds of thousands of brave South Vietnamese army (ARVN) officers and non-coms who took the American commitment seriously. Those who mercilessly libel ARVN as a bunch of corrupt cowards forget the Hanoi Easter offensive of 1972 when, with only 65,000 Americans remaining, largely in air support, Saigon's troops held everywhere but Quangtri City. The defenders of An Loc were taking 5,000 incoming artillery and rocket rounds a day, but they never quit.

In 1975, ARVN did collapse, but with a better excuse than the French had in 1940: The U.S. Congress cut off 80 per cent of their essential supplies and withdrew air support.

Where are they? "Missing," or wandering the ocean in leaky tubs seeking asylum.

Until recently Americans who want to camouflage the genocide in Vietnam and Cambodia have grasped at the euphemism "re-education centers." The anti-social types have been sent off to a healthy rural life where they can purge themselves of imperialist tendencies and emerge as "socialist" men and women.

However, Peking blew the whistle on that forsenic foul, proving again it takes one to spot one. Because of their own extensive employment of "re-educational centers" to dispose of "parasitical elements," Teng and Co. refused to let words stand between them and reality. In their brawl with Hanoi over the future of the Vietnamese Chinese, they use the phrase "death camps."

Which brings us back to the dreadful paradox: While Foreign Secretary Owen and the U.N. are in hot pursuit of 1,500 missing Chileans, only Peking is demanding of Vietnam with respect to the Chinese, "Where are they?"

The Chinese motive is simple: If China is to consider itself a great power, it must offer protection to the Han Yang, the millions of Chinese scattered around Southeast Asia. Fundamentally, it is racist—the Han aristocrats must be protected from inferior Malayans, Filipinos, Indonesians, and now Vietnamese. So Teng, without an ideological wobble, tells Hanoi unequivocally, "Lay off," and announces rescue boats will be arriving and asylum in China provided. Chromosomes have priority over communism.

While Teng thunders at Hanoi and cuts back economic aid to Vietnam, what are we doing? Is U.N. Ambassador Andy Young demanding an international investigation of human rights in Indochia? No, he is screaming about South Africa and Rhodesia, which by comparison are run by Baptist deacons.

Isn't it time Congress took an interest in the "missing" millions? I'll even settle for a compromise: This week, South Africa and Chile; next, Indochina, and the world.●

JOSEPH C. HARSCH ON "THOSE CUBAN SOLDIERS"

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SIKES. Mr. Speaker, American officialdom seems to have gotten itself into a dither on what or what not to do about Cuba's involvement in Africa. The Cuban conquest of Africa now being carried on at Russia's bidding is one of the unbelievable actions of our time. That operation does not make sense, but it is happening. Presumably, when the Cuban conquest of Africa is completed, the battle-trained Cubans, or what is left of them, can be brought back to the Western Hemisphere to conduct a similar mission of conquest in our part of the world. After all, there are Central and South American countries whose military forces with their obsolescent equipment would

be ineffective against seasoned and experienced Cuban troops armed with modern Russian equipment.

In the midst of all the hand wringing that is now going on about getting Mr. Castro's sights realined, Mr. Joseph C. Harsch, who writes for the Christian Science Monitor, has provided one simple and realistic proposal. It has to do with Guantanamo Bay which has long been considered the most important American base in the Caribbean other than the Panama Canal. Since we now have to get out of the canal, it has been presumed that Guantanamo Bay will be increasingly important to the Western World. The fact apparently has not dawned on official Washington.

Instead of upgrading Guantanamo Bay to assume its added significance and responsibility for peace in our hemisphere, our Government is downgrading our American base there. Instead of an admiral in charge of this installation, we have a captain. Instead of improving the facilities, we are gradually letting them decline. Personnel are being reduced. If this is calculated to gain favor with Mr. Castro, it is obviously not working.

Mr. Harsch has another thought and I strongly recommend that it be read by the Congress. I submit it for the CONGRESSIONAL RECORD:

THOSE CUBAN SOLDIERS

(By Joseph C. Harsch)

It seems to me that Bill Mauldin, the cartoonist, came up the other day with a better idea about the problem of those Cuban soldiers wandering around so much of Africa.

He proposed sending American combat troops to the American base at Guantanamo on the island of Cuba.

"I didn't say invade Cuba, mind you"—says Mr. Mauldin's cartoon character, Joe—"I just said crowd 'em a little. Castro would twitch like a goat full of razor blades and start hauling his bodyguards home."

Perhaps that last is a bit of an oversimplification. I doubt that Mr. Castro would bring home his 40,000 soldiers now based in Africa if the United States only sent a bridgade, or even a division, of U.S. combat troops to Guantanamo. But Mauldin's Joe is certainly right that the easiest way to end all this trouble in Africa would be to get those Cuban troops home. And the easiest and surest way to get them home would be to give Mr. Castro a persuasive reason to think that it would be to his advantage to do just that.

How does one go about persuading Mr. Castro to call his soldiers home?

Down in Washington the heavy thinkers have proposed a whole series of steps such as breaking off the SALT II negotiations, sending guns to China, ending détente, arming the anti-communist guerrilla factions in Angola, sending guns indirectly to the Eritrean rebels who are fighting the Ethiopians who are being aided by the Cubans. A few bold persons have even proposed sending American troops to Africa, though that idea is still well ahead of the times. It could never clear the Congress—yet.

But all those ideas from Washington are aimed at dealing with the symptoms of the trouble, not with the trouble itself. The trouble stems from the fact that at the moment it is to Mr. Castro's advantage to rent out his soldiers to the Soviets for service in Africa. And no one has yet done a thing to make it a disadvantage to him.

The situation in Africa would change marvelously, if Mr. Castro were to summon home those soldiers. Moscow could not quickly or easily find a substitute source of mercenaries. The search might take them years. Meanwhile the opportunities the Soviets are now exploiting with Cuban soldiers would have matured. There would be new problems and perhaps new opportunities for Soviet exploitation. But they would be new and different. It is extraordinary how often a problem in foreign affairs is diluted and sometimes dissolved entirely by the passage of a year or two of time.

So how does one make it desirable to Mr. Castro to bring his boys home?

First of all, words are useless. President Carter in Washington has turned out a lot of words of warning both to the Soviets and to Mr. Castro, and nothing happens. Words in this sort of a situation may have a palliative effect on impatient American opinion. But they do not move the hearts or minds of the leaders in Moscow and Havana.

When John F. Kennedy wanted to get Moscow to take its medium-range ballistic missiles back home from Cuba he did very little public talking, but a great deal of quietly visible acting. He called up reservists, put the airborne divisions in combat ready condition, moved combat units and combat landing craft to the embarkation ports of Florida, and concentrated an enormous amount of naval power around Cuba. In other words, he prepared to invade Cuba by land, sea and air—but without saying so.

Probably it would not be necessary in this case to go nearly so far. There is no immediate threat to the security of the United States itself as there was in the Cuban missile crisis. So the justification for drastic action is much less. But there would be no harm in beefing up the garrison in Guantanamo, and increasing the frequency of American sea and air patrols around and over Cuba, and moving some combat units towards the Florida embarkation ports, and calling off all further diplomatic and economic traffic with the Cubans.

If Washington does not like having Cuban soldiers in Africa then let it make that feeling known to Mr. Castro in ways he can understand. Some might prefer to use a carrot along with the stick. Let the experts work out the right mix of carrot and stick.

Cuba is a very small country of fewer than ten million persons living under Uncle Sam's chin just off the tip of Florida. It is monstrous that it become the instrument of Soviet power politics in much of Africa. Moscow would not tolerate this sort of situation in reverse for a minute. It would act against the source of the trouble. In this case Mr. Castro is the source. Remedial actions should be addressed directly at him.●

LEGISLATION TO ESTABLISH AN OFFICE OF POPULATION POLICY

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. OTTINGER. Mr. Speaker, today, Representative MICHAEL HARRINGTON and I, along with Mr. DELLUMS, Mr. HORTON, Mr. AKAKA, Mr. BEILENSON, Mr. BINGHAM, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. CORRADA, Mr. MCCLOSKEY, Mrs. MEYNER, Mr. MIKVA, Mr. NEAL, Mr. RICHMOND, Mr. ROSE, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SIMON, Mr. STARK, Mr. STEERS, and Mr. WILSON of Texas introduced a bill (H.R. 13223) to declare the need for an explicit national population policy and to establish an Office of Population Policy to coordinate the Nation's approach to population growth. The bill seeks to require the departments and agencies of the Federal Government to consider the impact on population of their plans, functions, programs, and resources so that the Nation may experience a higher standard of living and contribute to world stability. It does not advocate any specific measures of population regulation and steers clear entirely of controversial abortion and birth control issues.

More than 30 countries have adopted an explicit national population policy over the last two decades, but the United States has not—despite our agreement to the U.N. World Population Plan of Action in Bucharest in 1974, committing each participant to consider adopting an explicit national population policy.

Informally, our population policy seems to be: "Do as we say, not as we do." We encourage developing countries who request our economic aid to demonstrate their intent to "control their population growth," but we have not formally addressed our own population problems.

Many people think the United States has achieved zero population growth, but the fact is that U.S. population increases by between 1.7 and 2.4 million people every year—about half from estimated net legal and illegal immigration and half from births in excess of deaths.

Decisions made in 1978 could make a difference of between 20 million and 110 million additional people in the United States during the next 50 years, and a 15 percent increase per decade in the world population size. If we intend to adequately feed, house, clothe, educate, employ, and otherwise care for our constituents, we will have to balance the available resources with the demands made upon them by our population.

The impact of each American on the world's resources is substantially higher than for almost any other country. With only 5 percent of the world's population, the United States consumes about one-third of the world's annual production of nonrenewable resources and energy. The relative impact of continued U.S. population growth, therefore, should be much more carefully considered.

Our constituents have long recognized the impact of continued national population growth on the Nation, particularly as it affects energy supplies, natural resources, food and agriculture, the environment, governmental expenditures, and diplomatic relations. Not only have they recognized the economic, social, governmental and environmental advantages of population planning as set forth in this bill, but, according to a 1976 Gallup poll, 87 percent of the public favor an end to U.S. population growth.

The Select Committee on Regulation has done a fine job of bringing out the importance of population considerations to our national policy in all of its ramifications. The committee has informed us that it is not sponsoring or endorsing any legislation, but we have been encouraged to proceed and we are proud that a majority of the members of the Select Committee are cosponsoring this bill.

Mr. Speaker, we owe it to ourselves and to the other people with whom we share this world, to create and maintain con-

ditions under which it is possible to plan for population size and growth consistent with a high standard of living relative to available resources, at the earliest possible time.

The text of the bill follows:

H.R. —

A bill to declare the need for an explicit population policy and to establish an Office of Population Policy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PURPOSE

SECTION 1. The purposes of this Act are—

(1) to declare the need to coordinate the Nation's approach to population growth;

(2) to attain a balance between the environment and human demands made upon it;

(3) to allow greater opportunity and a high standard of living for all;

(4) to establish an Office of Population Policy.

DECLARATION OF POLICY

SEC. 2. (a) Congress recognizes the impact of continued national and international population growth, particularly as that growth affects energy supplies, natural resources, food and agriculture, the environment, governmental expenditures, world security, and diplomatic relations. Congress recognizes further the economic, social, governmental and environmental advantages of declaring an explicit national population policy.

(b) Congress declares that the Federal Government should adopt an explicit national population policy and encourage and assist other countries to achieve their population goals, and that it is the continuing policy of the Federal Government, in cooperation with State and local governments and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which it is possible to plan for population size and growth consistent with a high standard of living relative to available resources, at the earliest possible time.

(c) In order to carry out the purposes and provisions of this Act, it is the continuing responsibility of the Federal Government to use all practicable means, consistent with other essential considerations of national policy, to improve and coordinate Federal plans, functions, programs, and resources to the end that the Nation may attain a high standard of living relative to available resources without incurring major social or economic dislocations, and to encourage and assist other nations to do the same.

ADMINISTRATION

SEC. 3. The Congress authorizes and directs that, to the fullest extent possible—

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this Act;

(2) all agencies of the Federal Government shall—

(A) utilize a systematic, interdisciplinary approach which will insure the integrated use of reliable demographic research in planning and in decisionmaking;

(B) identify and develop methods and procedures in consultation with the Office of Population Policy established by this Act which will insure that population dynamics be given appropriate consideration in decisionmaking along with environmental, economic, and technical considerations;

(C) recognize the worldwide and long-range character of population growth and lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing population growth;

(D) make available to States, counties, municipalities, institutions, and individuals, advice and information useful in improving the quality of life by attaining a balance between population and the environment; and

(E) assist the Office of Population Policy established by this Act.

POLICY REVIEW

SEC. 4. All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this Act and shall propose to the President such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes and procedures set forth in this Act within six months of its enactment. The policies and goals set forth in this Act are supplementary to those set forth in existing authorizations of Federal agencies.

ANNUAL REPORT

SEC. 5. (a) The President shall transmit to the Congress annually a Population Growth and Distribution Report (hereinafter referred to as the "report") which shall set forth—

(1) the status of population growth and distribution;

(2) current and foreseeable trends in the growth and distribution of population both as it relates to demographics and to immigration;

(3) the adequacy of available natural resources for fulfilling human and economic requirements of the Nation at current and foreseeable population sizes;

(4) a review of the programs and activities (including regulatory activities) of the Federal Government, the State and local governments and nongovernmental entities of individuals, with particular reference to their effect on population dynamics; and

(5) a program for remedying the deficiencies of existing programs and activities, together with recommendations for legislation.

(b) The Secretary of State and the Director of the Agency for International Development shall submit for inclusion in the report required by subsection (a) the most recent available data with respect to each nation of the world on—

(1) the status of population growth and distribution;

(2) foreseeable trends in the growth and distribution;

(3) the adequacy of available natural resources for fulfilling human and economic requirements of such nation at current and foreseeable population sizes; and

(4) a review of the programs of the Federal Government, international agencies, and the local national government to address population growth problems, their deficiencies, and recommendations for administrative and legislative actions which would improve these programs or provide new programs to address population problems.

OFFICE OF POPULATION POLICY

SEC. 6. (a) There is created in the Executive Office of the President an Office of Population Policy. The Office may employ such officers and employees as may be necessary for the carrying out of its functions under this Act. It shall be the duty and function of the Office—

(1) to assist and advise the President in the preparation of the Population Growth and Distribution Report required by this Act;

(2) to gather timely and authoritative information concerning the conditions and trends in population growth both current and prospective and both attributable to demographics and immigration; to analyze and interpret such information for the purposes of determining whether such conditions and trends are interfering, or are likely to interfere with the achievement of the policy set forth in this Act; and to compile and submit to the President and Congress with respect thereto;

(4) to develop and recommend to the President and Congress national policies to meet the environmental, social, economic, health, and other requirements and goals of the Nation;

(5) to conduct investigations, studies, surveys, research, and analyses relating to population growth and distribution;

(6) to document and define changes in population growth and distribution and to accumulate necessary data and other information for a continuing analysis of these changes or trends and an interpretation of their underlying causes;

(7) to report at least once each year to the President and Congress on the state and condition of population size and distribution;

(8) to coordinate with the Secretary of State and the Director of the Agency for International Development with respect to our international policies affecting population growth; and

(9) to make and furnish such studies, reports thereon, and recommendations with respect to matters of policy and legislation as the President and Congress may request.

(b)(1) In exercising its powers, functions, and duties under this Act, the Office shall—

(A) consult with such representatives of science, industry, health, education, agriculture, labor, conservation, social welfare, and population organizations, State and local governments and other groups, as it deems advisable; and

(B) utilize to the fullest extent possible, the services, facilities, and information of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, thus assuring that the Office's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.

(2) Each department, agency, and instrumentality of the Executive Branch of the Government, including any independent agency, is directed to furnish the Director such information as the Director deems necessary to carry out the functions of the Office under this Act.

(c)(1) Directors of the Office shall serve full time and shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(2) Section 5314 of title 5, United States Code, is amended by inserting immediately after paragraph (37) the following new paragraph:

"(38) Director, Office of Population Policy.".

(d) In carrying out the functions of the Office under this Act, the Director is authorized to—

(1) appoint such officers and employees as may be necessary to perform the function now or hereafter vested in the Office and to prescribe their duties;

(2) obtain service as authorized by section 3109 of title 5, United States Code, at rates not to exceed the rate prescribed for GS–18 under section 5332 of such title; and

(3) enter into contracts and other arrangements, subject to prior appropriation of funds, for studies, analyses, and other services with public agencies and with private persons, organizations, or institutions, and make such payments as may be necessary to carry out the provisions of this Act.

(e) There are authorized to be appropriated to carry out the provisions of this Act not to exceed $800,000 for the first fiscal year commencing after the date of enactment of this Act, $1,200,000 for the second fiscal year commencing after the date of enactment of this Act, and $1,600,000 for each fiscal year thereafter.●

THE HOUSEWIFE ON INFLATION

(Mr. COLLINS of Texas asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. COLLINS of Texas. Mr. Speaker, all of us learn a great deal from constituent mail. Last week I received a letter which carried a strong message of concern. This fine lady from Garland is caught in the middle of the inflation spiral.

What her letter reminded me of is the fact that the people who suffer most from inflation are the middle class and the poor. When the middle class is trying to raise a family, the mother in that home feels the extreme pinch that cuts right in on their family budget.

It is discouraging but these suffering people do not realize that it is Government overspending that has caused the Nation's inflation. They do not realize that this year's Congress will spend $100 billion more than it takes in. Congress will then provide to cover this deficit by printing new money and bonds. As more printed money goes into circulation, the money becomes worth less and less. When today's dollar is worth only 90 cents, it will take $1.11 next year to buy the same amount of goods.

The reason that the public does not understand is because politicians constantly make simplistic broad statements. They challenge employers for raising wages. They challenge the farmers on prices in spite of the fact that many farmers are taking severe losses. Bureaucrats try to put in price and wage controls despite the fact that 5,000 years of history have shown that price and wage controls have never been successful.

But the politicians do not cut the budget and that is the best solution for inflation. One other solution would be to have an increase in unemployment which would have an effect of increasing productivity, but from all views, this is the least desirable solution.

This good lady wrote me a four page letter. I am enclosing some of the key paragraphs. I am in complete agreement with her on costly malpractice insurance. I never plan to sue a doctor and I resent the fact that my hospital and doctor bills skyrocket because certain groups of people tend to sue at every opportunity.

But from her letter, I warmly gained a tremendous amount of respect for her family. She has a husband who follows the greatest of American traditions—he works hard. He is carrying two jobs 5 days a week on which he makes $3.37 on one and $2.80 at the other. They have self-respect and they have personal pride. But they have even more than this. They provide an example and inspiration to the other people in this country.

When the next appropriation bill comes up and I rise to ask that we cut the appropriation for Government spending, I hope you will join me. Let us cut Government spending and remember the good words of this fine mother and housewife in Garland.

DEAR SIR: What can a person, like myself, who has never before had any interest in politics, do to learn?

Before I have always said leave the voting to the people who know about it, but now as a wife and Mother I feel a need to learn. Where do I start?

My husband works at two jobs 5 days a week. He makes $3.37 an hour at one, and $2.80 at the other.

We have no extra money because insurance and utility rates are so high, we pay $70.00 a month for health and car insurance.

The utility rates go up constantly and ask for more.

I feel there must be something a great country such as ours can do to help the low income families, after all there are lots of people just like us.

I don't mean welfare, if we wanted handouts, my husband would quit one of his jobs and qualify for that. I mean a way to make the utility and insurance companies lower their rates.

I also believe insurance could be brought down if there were laws governing the outrageous settlements of the "professional insurance freeloaders."

These people sue and usually get enormous amounts which the insurance company passes on to us.

The courts should set reasonable payments and ask the AMA to weed out their incompetents. If malpractice insurance were lowered, medical costs could either come down or go for something else to insure better care. Then our hospital insurance might not be raised at the drop of a hat.

I know this is a long, boring letter but I hope you can take a little time to help me find some answers. I've watched you on TV and you seem so kind.

As you can tell, I'm no "brain" nor am I well educated but I have a need to learn and get involved. I hope you will help.

Respectfully,

——— ———.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. TRAXLER (at the request of Mr. WRIGHT), after 2:30 p.m. today, and for the balance of the week, on account of an illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STOCKMAN), to revise and extend their remarks, and to include extraneous matter:)

Mr. WHALEN, for 5 minutes, today.
Mr. KEMP, for 20 minutes, today.
Mr. SARASIN, for 5 minutes, today.

(The following Members (at the request of Mr. EVANS of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. DRINAN, for 5 minutes, today.
Mr. DODD, for 5 minutes, today.
Mr. VANIK, for 5 minutes, today.
Mr. JONES of North Carolina, for 5 minutes, today.
Mr. REUSS, for 5 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. LEHMAN, for 5 minutes, today.
Mr. LAFALCE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LEGGETT, to extend his remarks immediately after those of Mr. BEARD of Tennessee in the Committee of the Whole today during consideration of H.R. 12932.

(The following Members (at the request of Mr. STOCKMAN), and to include extraneous matter:

Mr. COUGHLIN in two instances.
Mr. SARASIN in three instances.
Mr. JOHN T. MYERS.
Mr. GRADISON.
Mr. DORNAN in three instances.
Mr. WYDLER.
Mr. GRASSLEY.
Mr. BROOMFIELD.
Mr. SAWYER.
Mr. BOB WILSON in two instances.
Mr. FRENZEL in three instances.
Mr. MICHEL in two instances.
Mr. QUAYLE.
Mr. EMERY.
Mr. DEL CLAWSON.
Mr. PURSELL in two instances.
Mr. GARY A. MYERS.
Mr. GILMAN.

(The following Members (at the request of Mr. EVANS of Indiana) and to include extraneous matter:)

Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. KILDEE.
Mr. MAZZOLI in two instances.
Mr. CORNWELL.
Mr. LEHMAN.
Mr. TEAGUE in 12 instances.
Mr. JACOBS.
Mr. CORRADA.
Mr. OTTINGER in two instances.
Ms. KEYS.
Mr. DENT.
Mr. MCDONALD in five instances.
Mr. BEARD of Rhode Island.
Mr. YOUNG of Missouri.
Mr. WAXMAN.
Mr. TRAXLER.
Mr. VANIK in three instances.
Mr. BINGHAM in five instances.
Mr. LE FANTE in two instances.
Mr. BONIOR.
Mr. RANGEL in two instances.
Mr. WEAVER.
Mr. UDALL.
Mr. HAMILTON.
Mr. LAFALCE.
Mr. ASHLEY.
Mr. VENTO.
Mr. STOKES.
Mr. WOLFF.
Mr. RAHALL.
Mr. BENJAMIN.
Mr. REUSS.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and concurrent resolution of the Senate of the following titles were taken

from the Speaker's table and, under the rule, referred as follows:

S. 2937. An act to amend the Speedy Trial Act of 1974 to provide further authorization for appropriations for pretrial services agencies; to the Committee on the Judiciary; and

S. Con. Res. 72. Concurrent resolution countering terrorism; to the Committee on International Relations.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. THOMPSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 11713. An act to create a solar energy and energy conservation loan program within the Small Business Administration, and for other purposes; and

H.J. Res. 944. Joint resolution making urgent grain inspection supplemental appropriations for the Department of Agriculture, Federal Grain Inspection Service, for the fiscal year ending September 30, 1978.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on June 19, 1978, present to the President, for his approval, bills of the House of the following titles:

H.R. 5176. To lower the duty on levulose until the close of June 30, 1980;

H.R. 10823. To amend the National Advisory Committee on Oceans and Atmosphere Act of 1977 to authorize appropriations to carry out the provisions of such Act for fiscal year 1979, and for other purposes; and

H.R. 11465. To authorize appropriations for the U.S. Coast Guard for fiscal year 1979, and for other purposes.

ADJOURNMENT

Mr. EVANS of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 24 minutes p.m.), the House adjourned until tomorrow, Thursday, June 22, 1978, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4403. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the Army National Guard, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

4404. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment to the Federal Republic of Germany (Transmittal No. 78–24), pursuant to section 813 of Public Law 94–106; to the Committee on Armed Services.

4405. A letter from the Deputy Solicitor, Department of the Interior, transmitting revisions to the Department's fiscal year 1977 annual report on Freedom of Information Act activities; to the Committee on Government Operations.

4406. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b, to the Committee on International Relations.

4407. A letter from the Assistant Secretary of the Treasury for Legislative Affairs, transmitting project performance audit reports prepared by the International Bank for Reconstruction and Development, postevaluation reports by the Asian Development Bank, and Controllers' evaluation reports by the Inter-American Development Bank, pursuant to section 301(e)(3) of the Foreign Assistance Act of 1961, as amended (87 Stat. 718); to the Committee on International Relations.

4408. A letter from the Secretary of Health, Education, and Welfare, transmitting the first biennial report on research into the effects of changes in ozone in the stratosphere upon human health, pursuant to section 154(e) of the Clean Air Act, as amended (91 Stat. 728); to the Committee on Interstate and Foreign Commerce.

4409. A letter from the Secretary of Commerce, transmitting the annual report of the Maritime Administration for fiscal year 1977; to the Committee on Merchant Marine and Fisheries.

4410. A letter from the Secretary of the Army, transmitting a Corps of Engineers report on the Chicago and Underflow Plan, Illinois, in response to resolutions of the Senate and House Committees on Public Works adopted March 29, 1973, and April 11, 1974, respectively, and in partial response to section 206 of Public Law 85–500 (H. Doc. No. 95–359); to the Committee on Public Works and Transportation and ordered to be printed.

4411. A letter from the Secretary of the Army, transmitting a Corps of Engineers report on the Bassett Creek Watershed, Minnesota, in response to resolutions of the Senate and House Committees on Public Works adopted April 7, 1962, and September 24, 1970, respectively (H. Doc. 95–360); to the Committee on Public Works and Transportation and ordered to be printed.

4412. A letter from the Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space currently occupied at 2011 Jefferson Davis Highway, Arlington, Va., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

4413. A letter from the General Counsel of the Treasury, transmitting notice of a determination proposing the waiver of countervailing duties on certain fish exported from Canada which are subject to bounties or grants given by the Canadian Government, together with the reasons therefor, pursuant to section 303(e) of the Tariff Act of 1930, as amended (88 Stat. 2049) (H. Doc. No. 95–361); to the Committee on Ways and Means and ordered to be printed.

4414. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering the period January 1976 through June 1977 on the operation of the special pay program for medical officers of the Commissioned Corps of the Public Health Service, pursuant to 37 USC 313(e) (88 Stat. 95); jointly, to the Committees on Armed Services, and Interstate and Foreign Commerce.

4415. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to establish a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and private sector investment in areas with high unemployment, lagging economic growth and low income levels, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, and Public Works and Transportation.

4416. A letter from the Acting Comptroller General of the United States, transmitting a report on waste disposal practices (CED–78–120, June 16, 1978); jointly, to the Committees on Government Operations, and Interstate and Foreign Commerce.

4417. A letter from the Acting Comptroller General of the United States, transmitting a report on neighborhood health centers funded by the Department of Health, Education, and Welfare's community health center program (HRD–77–124, June 20, 1978); jointly to the Committees on Government Operations, and Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DIGGS: Committee on the District of Columbia. Report on allocation of budget authority and outlays by major programs; (Rept. No. 95–1309). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON: Committee on House Administration. Report on the Committee on House Administration pursuant to section 302(b) of the Congressional Budget Act of 1974, (Rept. No. 95–1310). Referred to the Committee of the Whole House on the State of the Union.

Mr. NIX: Committee on Post Office and Civil Service. Report pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 95–1311). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 12973. A bill to amend title XX of the Social Security Act to increase the entitlement ceiling and otherwise provide for an expanded social services program, to promote consultation and cooperative efforts among States, localities, and other local public and private agencies to coordinate services, to extend certain provisions of Public Law 94–401, and for other purposes; with amendment (Rept. No. 95–1312). Referred to the Committee of the Whole House on the State of the Union.

Mr. MEEDS: Committee on Rules House Resolution 1243. Resolution providing for the consideration of H.R. 12536. A bill to provide for increases in appropriations ceilings, development ceilings, land acquisition, and boundary changes in certain Federal park and recreation areas, and for other purposes. (Rept. No. 95–1313). Referred to the House Calendar.

Mr. BINGHAM: Committee on International Relations. House Concurrent Resolution 599. Concurrent resolution disapproving the proposed export of low-enriched uranium to India. Reported adversely (Rept. No. 95–1314). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Finance and Urban Affairs. H.R. 13007. A bill to amend the Consumer Credit Protection Act to establish rights, remedies, and responsibilities for all participants in the utilization of electronic fund transfer services (Rept. No. 95–1315). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEVILL:

H.R. 13203. A bill to require certain foreign persons and agents acting on behalf of foreign persons to record their purchases of agricultural land with the Secretary of Agriculture; to the Committee on Agriculture.

By Mr. CORCORAN of Illinois (for himself, Mr. MCCLOSKEY, Mr. DENT, Mr. DERWINSKI, and Mr. GILMAN):

H.R. 13204. A bill to expedite decisions concerning the temporary storage of spent fuel and the permanent storage of spent fuel and other radio-active waste, including the selection of sites for storage facilities, the determination of whether the Federal Government should take title to such fuel and such waste, and the amount of storage fees which should be charged; jointly to the Committees on Interior and Insular Affairs, and Interstate and Foreign Commerce, and Rules.

By Mr. COTTER (for himself and Mr. JACOBS):

H.R. 13205. A bill to provide that certain statutory subsistence allowances received by State police officers will not retroactively be included in gross income; to the Committee on Ways and Means.

By Mr. DERWINSKI (for himself, Mr. UDALL, Mr. GOODLING, Mr. MOAKLEY, and Mr. STUMP):

H.R. 13206. A bill to authorize the construction and maintenance of the General Draza Mihailovich Monument in Washington, District of Columbia, in recognition of the role he played in saving the lives of approximately 500 U.S. airmen in Yugoslavia during World War II; to the Committee on House Administration.

By Mr. EDWARDS of Alabama:

H.R. 13207. A bill to disregard, for purposes of certain taxes imposed by the Internal Revenue Code of 1954 with respect to employees, certain changes since 1975 in the treatment of individuals as employees; to the Committee on Ways and Means.

H.R. 13208. A bill to amend the Internal Revenue Code of 1954 to exclude certain service performed on fishing boats from coverage for purposes of unemployment compensation; to the Committee on Ways and Means.

By Mr. LAFALCE (for himself, Mr. CARR, and Mr. HORTON):

H.R. 13209. A bill to establish Federal product liability tort law standards; to the Committee on Interstate and Foreign Commerce.

By Mr. LAFALCE (for himself, Mr. CARR, Mr. DOWNEY, Mr. HORTON, and Mr. MIKVA):

H.R. 13210. A bill to amend the Internal Revenue Code of 1954 to provide that trusts established for the payment of product liability claims and related expenses shall be exempt from income tax, that a deduction shall be allowed for contributions to such trusts, and for other purposes; to the Committee on Ways and Means.

By Mr. LAFALCE (for himself, and Mr. MIKVA):

H.R. 13211. A bill to establish a Federal Insurance Commission to regulate the insurance industry; jointly, to the Committees on Banking, Finance and Urban Affairs, and Interstate and Foreign Commerce.

By Mr. LAFALCE (for himself, Mr. BADHAM, Mr. BURKE of Florida, Mr. EDGAR, Mr. HANNAFORD, Mr. HARKIN, Mr. LE FANTE, Mrs. LLOYD of Tennessee, Mr. MATHIS, Mr. NOLAN, and Mr. NOWAK):

H.R. 13212. A bill to establish a Federal Insurance Commission to regulate the insurance industry, to establish Federal product liability tort law standards, and to amend the Internal Revenue Code of 1954 to provide that trusts established for the payment of product liability claims and related expenses shall be exempt from income tax, that a deduction shall be allowed for contributions to such trusts, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs; Interstate and Foreign Commerce, and Ways and Means.

By Mr. NICHOLS (for himself and Mr. MITCHELL of New York):

H.R. 13213. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay provisions for certain health professionals in the uniformed services; to the Committee on Armed Services.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 13214. A bill to repeal section 5153(c) of title 10, United States Code; to the Committee on Armed Services.

H.R. 13215. A bill to authorize appropriations for construction at certain military installations, and for other purposes; to the Committee on Armed Services.

Mr. RICHMOND (for himself, Mrs. COLLINS of Illinois, Mr. GEPHARDT, Mr. OTTINGER, Mr. RANGEL, Mr. STARK, and Mr. Waxman):

H.R. 13216. A bill to establish a task force within the Department of Agriculture to develop new beef-grading standards based on consumer needs and preferences, to require the posting of such standards in retail food stores, and to educate consumers with regard to the Department of Agriculture's beef grading standards and their relation to the nutritional value and cost of beef; to the Committee on Agriculture.

By Mr. ROE (for himself, Mr. BOWEN, Mr. CLEVELAND, Mr. COHEN, Mr. FLIPPO, Mr. HOLLAND, Mr. JEFFORDS, Mr. SEBELIUS, Mr. SKUBITZ, Mr. SPENCE, Mr. WINN, Mr. YOUNG of Missouri, Mr. BALDUS, Mr. MATHIS, Mr. LOTT, Mr. MONTGOMERY, Mr. CORCORAN of Illinois, Mr. ICHORD, Mrs. FENWICK, Mr. WHITLEY, Mr. ST GERMAIN, Mr. JOHNSON of Colorado, Mr. BRECKINRIDGE, Mr. RINALDO, and Mr. LEHMAN):

H.R. 13217. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. CUNNINGHAM, Mr. THONE, Mr. ABDNOR, Mr. WEAVER, Mr. DUNCAN of Tennessee, Mr. MCDONALD, Mr. MADIGAN, Mr. WHITTEN, Mr. FASCELL, Mr. PERKINS, Mr. PATTEN, Mr. RUPPE, Mr. EILBERG, Mr. HUGHES, Mr. BLOUIN, Mr. FUQUA, Mr. VENTO, Mrs. LLOYD of Tennessee, Mr. HOWARD, Mr. MILFORD, Mr. ALEXANDER, Mr. ROBINSON, Ms. KEYS, and Mr. WATKINS).

H.R. 13218. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. EMERY, Mr. STEED, Mr. ARMSTRONG, Mr. LE FANTE, Mr. KASTEN, Mr. LENT, Mr. BROYHILL, Mr. RODINO, Mr. MINISH, Mr. RAHALL, Mr. CORRADA, Mr. CHAPPELL, Mr. WHITEHURST, Mrs. MEYNER, Mr. EVANS of Georgia, Mr. EDWARDS of Oklahoma, Mr. BENJAMIN, Mr. AMMERMAN, Mr. HYDE, Mr. NICHOLS, Mr. KEMP, Mr. THOMPSON, Mr. FLYNT, and Mr. FLOWERS):

H.R. 13219. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. SIKES, Mr. PEPPER, Mrs. SPELLMAN, Mr. STEERS, Mr. IRELAND, Mr. RICHMOND, Mr. GOLDWATER, Mr. STUMP, and Mr. HOLLENBECK):

H.R. 13220. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. SANTINI:

H.R. 13221. A bill to extend the boundaries of the Toiyabe National Forest in Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Iowa (for himself, Mr. PICKLE, Mr. CORMAN, Mr. CONTE, Mr. BAUCUS, Mr. BUCHANAN, Mr. CUNNINGHAM, Mr. D'AMOURS, Mr. DEVINE, Mr. EVANS of Indiana, Mrs. FENWICK, Mr. FORSYTHE, Mr. FUQUA, Mr. GUYER, Mr. HUCKABY, Mr. KASTEN, Mr. LEVITAS, Mr. KILDEE, Mr. KINDNESS, Mr. LLOYD of California, Mr. MARKS, Mr. PERKINS, Mr. PREYER, Mr. UDALL, and Mr. WYDLER):

H.R. 13222. A bill to amend the Internal Revenue Code of 1954 to provide tax relief to small businesses by establishing a graduated income tax rate for corporations; to the Committee on Ways and Means.

By Mr. DERRICK (for himself, Mr. MANN, Mr. DAVIS, Mr. HOLLAND, Mr. JENRETTE, and Mr. SPENCE):

H.R. 13223. A bill to name the Veterans' Administration hospital at Columbia, S.C. the "Wm. Jennings Bryan Dorn Veterans' Hospital"; to the Committee on Veterans' Affairs.

By Mr. DIGGS (for himself, Mr. MCKINNEY, Mr. DELLUMS, and Mr. FAUNTROY):

H.R. 13224. A bill to provide for the transfer of certain real property in the District of Columbia from the United States to the District of Columbia Redevelopment Land Agency; to the Committee on the District of Columbia.

By Mr. DORNAN (for himself, Mr. WHITEHURST, Mr. KEMP, Mr. KETCHUM, Mr. SANTINI, Mr. STRATTON, Mr. GUYER, Mr. DERWINSKI, Mr. LEHMAN, Mr. LOTT, Mr. OTTINGER, Mr. ROSENTHAL, Mr. PEPPER, Mr. RINALDO, Mr. BURKE of Florida, Mr. COUGHLIN, Mr. GILMAN, Mr. LENT, Mr. LEDERER, Mr. ZEFERETTI, Mr. STOCKMAN, Mr. CAPUTO, Mr. WAXMAN, Mrs. SPELLMAN, and Mr. ROUSSELOT):

H.R. 13225. A bill to provide for the exclusion from the United States of aliens affiliated with terrorist organizations, to require investigations of registered agents of such organizations, and for other purposes; to the Committee on the Judiciary.

By Mr. DOWNEY (for himself, Mr. BEDELL, Mr. CARR, Mr. CORNWELL, Mr. DRINAN, Mr. EDGAR, Mr. EILBERG, Mr. LAFALCE, Mr. FITHIAN, Mr. HUGHES, Mr. PIKE, and Mr. WHITLEY):

H.R. 13226. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services; to the Committee on Armed Services.

By Mr. EDWARDS of California:

H.R. 13227. A bill to amend the Civil Rights Act of 1964 to insure the rights of citizens under the 4th and 14th amendment to the Constitution and to insure freedom of the press under the 1st amendment to the Constitution; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 13228. A bill authorizing the Secretary of the Army, acting through the chief of Engineers, to survey, plan, construct and operate projects to bring water to or store water for areas with present or anticipated

water shortages; to the Committee on Public Works and Transportation.

By Mr. HARRINGTON (for himself, Mr. OTTINGER, Mr. AKAKA, Mr. BEILENSON, Mr. BINGHAM, Mrs. BURKE of California, Mr. JOHN L. BURTON, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. CORRADA, Mr. DELLUMS, Mr. HORTON, Mr. MCCLOSKEY, Mrs. MEYNER, Mr. MIKVA, Mr. NEAL, Mr. RICHMOND, Mr. ROSE, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SIMON, Mr. STARK, Mr. STEERS, and Mr. CHARLES WILSON of Texas):

H.R. 13229. A bill to declare the need for an explicit population policy and to establish an Office of Population Policy; jointly, to the Committees on Government Operations, and International Relations.

By Mr. MOORHEAD of Pennsylvania (for himself, and Mr. REUSS):

H.R. 13230. A bill to establish a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and private sector investment in areas with high unemployment, lagging economic growth and low income levels, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, and Public Works and Transportation.

By Mr. NOLAN:

H.R. 13231. A bill to amend title 13, United States Code, to require the Secretary of Commerce to use sampling methods in taking agricultural censuses; to the Committee on Post Office and Civil Service.

By Mr. QUAYLE (for himself, Mr. WALKER, Mr. FORSYTHE, Mr. THONE, Mr. PANETTA, Mr. PATTISON of New York, Mr. MITCHELL of Maryland, Mr. KILDEE, Mr. MURPHY of Pennsylvania, Mr. BAFALIS, Mr. BADHAM, Mr. MCKINNEY, Mr. SCHEUER, Mr. O'BRIEN, Mr. RANGEL, Mr. GUYER, Mr. LEACH, Mr. ABDNOR, Mr. GOLDWATER, Mr. PATTERSON of California, Mr. HARRINGTON, and Mr. HOLLENBECK):

H.R. 13232. A bill to secure and protect the rights of citizens and protect the freedom of the press; to the Committee on the Judiciary.

By Mr. ANDERSON of California (for himself, Mr. CEDERBERG, Mr. HANNAFORD, Mr. MOFFETT, and Mr. LONG of Louisiana):

H.J. Res. 1009. Joint resolution to provide for the designation of a week as "National Lupus Week"; to the Committee on Post Office and Civil Service.

By Mr. HAGEDORN (for himself, Mr. ABDNOR, Mr. ANDREWS of North Dakota, Mr. CLEVELAND, Mr. COLEMAN, Mr. CORCORAN of Illinois, Mr. DEVINE, Mr. DORNAN, Mr. DUNCAN of Tennessee, Mr. EDWARDS of Oklahoma, Mr. FREY, Mr. GOODLING, Mr. GUYER, Mrs. HOLT, Mr. HYDE, Mr. JEFFORDS, Mr. KELLY, Mr. KETCHUM, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LOTT, Mr. MARRIOTT, Mr. MOORE, Mr. MOORHEAD of California, and Mr. MARKS):

H.J. Res. 1010. Joint resolution proposing an amendment to the Constitution of the United States limiting annual increases in Federal budget outlays and new Federal budget authority; to the Committee on the Judiciary.

By Mr. HAGEDORN (for himself, Mr. MOTTL, Mr. O'BRIEN, Mr. PRESSLER, Mr. PRITCHARD, Mr. QUAYLE, Mr. QUILLEN, Mr. ROBINSON, Mr. ROUSSELOT, Mr. RUDD, Mr. SCHULZE, Mr. SEBELIUS, Mr. SHUSTER, Mr. SNYDER, Mr. SPENCE, Mr. STANGELAND, Mr. SYMMS, Mr. TAYLOR, Mr. TREEN, Mr. TRIBLE, Mr. WAMPLER, Mr. WATKINS, Mr. WHITEHURST, Mr. WHITLEY, and Mr. WINN):

H.J. Res. 1011. Joint resolution proposing an amendment to the Constitution of the United States limiting annual increases in Federal budget outlays and new Federal budget authority; to the Committee on the Judiciary.

By Mr. LATTA:

H.J. Res. 1012. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or a national emergency declared by the Congress; and to provide for the systematic repayment of the national debt; to the Committee on the Judiciary.

By Mr. STRATTON:

H.J. Res. 1013. Joint resolution authorizing the President to proclaim October 14 of each year as "National Jogging Day"; to the Committee on Post Office and Civil Service.

By Mr. DERWINSKI (for himself, Mr. COUGHLIN, Mr. GOODLING, Mr. HOLLENBECK, and Mr. STOCKMAN):

H. Con. Res. 646. Concurrent resolution calling upon the President to direct the U.S. Ambassador to the United Nations to use all means at his disposal to obtain action by the General Assembly terminating the observer status of the Palestine Liberation Organization; to the Committee on International Relations.

By Mr. LIVINGSTON (for himself, Mr. COLLINS of Texas, Mr. ABDNOR, Mr. STOCKMAN, Mr. KETCHUM, Mr. DERWINSKI, Mr. TREEN, Mr. LOTT, Mr. FRENZEL, Mr. ANDREWS of North Dakota, Mrs. SCHROEDER, Mr. BADHAM, Mr. HUCKABY, Mrs. BOGGS, Mr. WAGGONNER, Mr. BREAUX, Mr. ENGLISH, Mr. MARLENEE, Mr. DORNAN, Mr. MOORE, and Mr. KRUEGER):

H. Con. Res. 647. Concurrent resolution expressing the disapproval of the Congress with respect to the Department of Energy's proposed changes to the crude oil entitlements programs; to the Committee on Interstate and Foreign Commerce.

By Mr. FINDLEY (for himself, Mr. GUDGER, and Mr. RONCALIO):

H. Res. 1244. Resolution to maximize local nighttime radio service; to the Committee on Interstate and Foreign Commerce.

By Mr. GILMAN:

H. Res. 1245. Resolution expressing the sense of the House of Representatives with respect to the action of certain U.S. scientists in refusing to visit the Union of Soviet Socialist Republics in protest of the conviction of the prominent Soviet scientist Yuri Orlov, and for other purposes; to the Committee on International Relations.

By Mr. WAGGONNER:

H. Res. 1246. Resolution amending the Rules of the House of Representatives to eliminate the existing requirement that motions to suspend the rules be seconded by tellers when demanded; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

437. By the SPEAKER: A memorial of the Senate of the Commonwealth of Massachusetts, relative to placing the profile of Abigail Adams on the new dollar coin; to the Committee on Banking, Finance and Urban Affairs.

438. Also, a memorial of the Senate of the State of New Jersey, relative to Cyprus; to the Committee on International Relations.

439. Also, a memorial of the Senate of the Commonwealth of Puerto Rico, relative to naming the new Federal office building in Hato Rey, Puerto Rico, in honor of Federico Degetau; to the Committee on Public Works and Transportation.

440. Also, a memorial of the Senate of the Commonwealth of Massachusetts, relative to legislation to combat the economic dislocation caused by business closings, relocation, and large scale layoffs; jointly, to the Committees on Banking, Finance and Urban Affairs, and Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KOSTMAYER:

H.R. 13233. A bill for the relief of Vassilios Stamatacos; to the Committee on the Judiciary.

By Mr. LIVINGSTON:

H.R. 13234. A bill for the relief of Mrs. Stella Marie Deignan; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 13235. A bill for the relief of James Thomas Lantz, Jr., David D. Bulkley, and Arthur J. Abshire; to the Committee on Merchant Marine and Fisheries.

By Mrs. PETTIS:

H.R. 13236. A bill for the relief of Jose Quintana Dominguez Sendejas; to the Committee on the Judiciary.

By Mr. PURSELL:

H.R. 13237. A bill for the relief of Dr. Patrick H. Lau; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

480. By the SPEAKER: Petition of the Southern Legislative Conference of the Council of State Governments, Tallahassee, Fla., relative to the distribution of Federal aid; to the Committee on Government Operations.

481. Also, petition of the Southern Legislative Conference of the Council of State Governments, Tallahassee, Fla., relative to congressional review of proposed regulations; to the Committee on Interstate and Foreign Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 11493

By Mr. DUNCAN of Oregon:

—On page 21, strike lines 1 and 2, inclusive, and insert the following and renumber succeeding sections accordingly: "shall take effect 120 days after submission of the final recommended basic route system to both Houses of Congress unless disapproved by a vote of either House."

H.R. 12433

By Mr. HAGEDORN:

—Page 9, insert the following after line 2 and redesignate section 104 as section 105:

LABOR STANDARDS AND REHABILITATION ACTIVITIES CONDUCTED BY NEIGHBORHOOD-BASED NONPROFIT ORGANIZATIONS

SEC. 104. (a) Section 110 of the Housing and Community Development Act of 1974 is amended by inserting the following before the period at the end of the first sentence thereof: ": *Provided further*, That this section shall not apply to any rehabilitation of residential property which is carried out, directly or by contract, by a neighborhood-based nonprofit organization".

(b) Section 12 of the United States Housing Act of 1937 is amended by inserting after "construction or rehabilitation is commenced" the following: ", except that the

provisions of this section shall not apply to a substantially rehabilitated project assisted under such section 8 if such rehabilitation is carried out, directly or by contract, by a neighborhood-based nonprofit organization".

(c) Section 212(a) of the National Housing Act is amended by adding the following new sentence at the end thereof: "Notwithstanding any other provision of law, the provisions of this section shall not apply with respect to rehabilitation activities financed by a mortgage insured under this Act and carried out, directly or by contract, by any neighborhood-based nonprofit organization.".

H.R. 12433

By Mr. GEPHARDT:

—Page 20, in line 10 strike out "and", and in line 13 strike out the period and insert in lieu thereof "; and", and after line 13 insert the following:

(5) by adding the following new sentence at the end of the first paragraph thereof: "Of the additional authority to enter into contracts for annual contributions provided on October 1, 1978, and approved in appropriations Acts, the Secretary shall make available not less than $50,000,000 for modernization of low-income housing projects.".

EXTENSIONS OF REMARKS

GEORGE W. BREWSTER RETIRES FROM PUBLIC LIFE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. ANDERSON of California. Mr. Speaker, since 1970 the city of Torrance has been fortunate enough to enjoy the leadership of George W. Brewster, whose expertise in the field of transportation and deep concern over civic affairs have been the hallmarks of his service on the city council. Although he recently retired from his duties, the benefits he leaves for the people of Torrance will continue to work on in their behalf.

Thus, when his former colleagues on the Torrance City Council honor George at a dinner on June 29, 1978, the gratitude and respect which will be expressed will come from a community well aware of his outstanding contributions.

Born on August 7, 1932, in Washington, D.C., George received his early schooling in the area around our Nation's capital. He earned his Bachelor of Science Degree in Business from Northwestern University, and received his MBA from Harvard Business School in 1960 after spending 4 years as an aviator for the U.S. Navy.

He has been a resident of the South Bay area for over 17 years, and during much of that time he has been active in civic affairs. Besides his 8 years on the city council, George previously served for 6 years on the Torrance Planning Commission, as well as the Torrance Youth Commission, and the Torrance Environmental Quality Commission. As a councilman, George Brewster served on several committees, including transportation; police, fire and public safety; public works; community development; and finance. He has served as chairman of the Public Works Committee; the Police, Fire and Public Safety Committee; and the Airport Noise Abatement Committee. The latter committee, under his able leadership, drafted a municipal code governing noise control at Torrance Municipal Airport. George has also worked with the Legislative Liaison and Taxation Committees of the Torrance City Council.

George Brewster brought many positive qualities to city government, including his own strong determination, leadership, and ability not only to work with others, but to inspire maximum effort by his own example. His background also includes almost 10 years of experience as systems analyst, senior economics adviser, and special assistant to the director of transportation developments for North American Rockwell, as well as special assignments in technical analysis and research functions. As the city of Torrance possesses both its own general aviation airport and a public transportation system, George's extensive background in transportation has been a tremendous asset to the council.

George has contributed to many transportation studies at various levels of government, including the California Transportation Study, conducted while I served as California's Lieutenant Governor. At the Federal level he worked on the Department of Housing and Urban Development's Frontiers of Urban Transportation Technology Study. He has participated in various other studies on V/STOL aircraft, general aviation aircraft, high-speed trains, electric autos, people-movers, surface-effects ships, commercial aircraft, and mass transportation systems.

As a councilman, George has sought to balance environmental needs with those of economic growth. He has been active in developing transportation improvements not only in Torrance, but throughout the South Bay area. George has been a highly effective spokesman for providing accessible public transit to the elderly, handicapped, and disabled.

Since 1963. he had been a member of the board of directors, Southern California Rapid Transit District, and has served as vice president of the board. He was chairman of the Marketing and Advanced Planning Committee of the R.T.D., and served on the Finance; Facilities; and Governmental Affairs Committees. George was also a member of the Governmental Affairs Committee, American Public Transit Association.

Among his other affiliations as a public official were the Los Angeles District Attorney's Advisory Committee; the Southern California Association of Governments Transportation and Utilities Committees; the League of Cities; and the Los Angeles County Transportation Committee.

As president of Advisers General Management Corp., a business management firm, and as an active officer, director or stockholder in three companies, it is hard to see how George has the time to devote to community service. Yet he was always willing to agree to serve when asked to do so. Somehow, in addition to his business responsibilities and many civic roles, George always found time for community affairs. He is a past president of the Torrance Junior Chamber of Commerce; a former chairman of the Torrance YMCA Board of Managers, and has served the American Red Cross in three capacities—as a past chairman of the Lomita Branch, as a member of the board of directors of the Los Angeles Chapter, and as a member of the Southern District. He is an active member of the Christ Episcopal Church, Redondo Beach.

Mr. Speaker, George M. Brewster can look back on a long list of positive achievements in his 14 years in civic government. He has exemplified the highest ideals of elected officials, and donated much time and energy toward the benefit of his community. The entire South Bay community will long remember him.

My wife, Lee, joins me in congratulating George Brewster and in wishing him the best of fortune in the years ahead. We would also like to extend our greetings to his lovely wife, Sheila, and their three children, George, Douglas, and Sandra. They can be justly proud of the accomplishments George W. Brewster has achieved in his careers in both local government and private industry.●

THE SALEM CROSSROADS HISTORICAL RESTORATION SOCIETY

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. DENT. Mr. Speaker, I would like to take this opportunity to pay a fitting tribute to a group of men and women in my congressional district who have dedicated themselves to preserving a rich part of our American heritage.

The Salem Crossroads Historical Preservation Society, founded in 1971, is a nonprofit organization devoted to restoring the original community of Salem Crossroads. In addition, the society is studying the feasibility of establishing a living historical farm to recreate rural living during the first part of the 19th century.

The village of Salem Crossroads, now known as Delmont, Pa., was a thriving rural community during the period 1830 to 1870. It grew up on the northern pike stage route between Philadelphia and Pittsburgh. Originally the crossroads provided fresh spring water for travelers and horses. As the community developed around the springs, Salem Crossroads

served as a resting place where weary passengers could enjoy food and lodging.

The 40 years which spanned Salem Crossroads existence were among the most dynamic in American history. They witnessed the Civil War and the westward expansion. During this period America grew from a rural economy to a bustling industrial giant, much of which was centered in western Pennsylvania.

Mr. Speaker, the growing interest in our history and the renewed interest in preserving the past, makes the restoration of Salem Crossroads a very worthwhile project. Many of the original buildings are still standing in the village cluster and should indeed be restored and preserved. An authentically restored Salem Crossroads would provide more than just a visual depiction of the past. Properly planned and executed, it would also give one a better appreciation of the hopes, fears, ideals, and values of those who came before us. Such a restoration would not only benefit the people of the area but would serve as a reminder to all who visit there. Ultimately, it would earn a high place on the list of early American communities that have been restored.

The Salem Crossroads Historical Restoration Society has received expert advice on its plans from such noteworthy organizations as the Council of the National Trust of Historic Preservation, the Smithsonian Institution, the Advisory Council on Historic Preservation Landmarks Planning, and the Pennsylvania Historical and Museum Commission. Salem Crossroads has been included on the Pennsylvania Register of Historic Places, and has been nominated for inclusion on the National Register.

The men and women of the Salem Crossroads Historical Restoration Society deserve the thanks of the Nation for the work they are doing. They have dedicated themselves to preserving a part of American history not only for our current generation, but for generations yet to come. I am proud that they are among my constituents and I wish them all the best in their endeavor.●

THE LITHUANIAN STRUGGLE FOR FREEDOM

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. SARASIN. Mr. Speaker, I feel it necessary to once again bring to the attention of my colleagues the plight of the freedom-loving people of Lithuania. It seems to be a fact of human nature that we tend to forget or ignore the difficulties of people whose problems we do not personally share. Since Americans have great individual liberties, it is necessary that we be constantly reminded of our less fortunate friends, lest we forget their need.

After decades of subordination to the Russian Empire, the nation of Lithuania proudly proclaimed its independence at the conclusion of World War One. However, after only 22 years as a self-governing republic, Lithuania was invaded by the Soviet Union and once again forced into subjection. Since 1940, the Lithuanian people have had to endure the loss of political, religious, social, and economic freedom.

The fate of Viktoras Petkus serves as an example of what has happened to the individual rights of Lithuanians under Soviet domination. Petkus was first arrested in 1947 for his activities in the Catholic Youth Organization. He was released in 1953 after serving 6 years in prison. Petkus was arrested again in 1957, this time for possession of "anti-Soviet" literature—a collection of poems by Jurgis Baltrusatitis written in 1912. He remained in prison until 1965. In late 1976, Petkus and a number of colleagues announced the formation of the Lithuanian Public Group to monitor the Helsinki Agreements and seek their implementation. The Soviets, however, quickly put this activity to an end. Petkus was arrested on August 23, 1977 and is now in prison still awating trial.

Viktoras Petkus is only one of literally thousands of Lithuanians who have felt the authoritative hand of Soviet oppression. It is easy to be discouraged after many years of little or no apparent progress in the Lithuanian struggle for human rights. Yet the struggle must continue. We who enjoy so much freedom must take the responsibility to aid others in achieving it for themselves. Let us look for inspiration to the thousands of Lithuanians and Lithuanian-Americans who have not given up hope. They are a proud people with a glorious past, a defiant present, and, I am confident that with the help of the free world to overcome their current hardships, they will have a bright future.●

ED KINZIE WILL BE MISSED

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. JOHN T. MYERS. Mr. Speaker, the name Joel Edward Kinzie will never appear in any history books. The memory of Ed Kinzie for what he gave to a small rural community in Indiana will be remembered much longer than the deeds of some of the names that will appear in those history books.

Ed Kinzie was always around to help out his friends, delivering coffee to barber shops, beauty shops, and others in the business section of little Flora. He raked leaves, shoveled snow, washed windows, swept floors, moved furniture, and helped anyone that needed a little extra help regardless of how menial the task might be—the kind of person that there are so few of any more. He was the kind of guy one appreciated being with and sharing a friendship.

He was more than all of these things, just nice to have around and appreciated by all. He loved his fellow man. He wanted to share with others, went to church, revivals, dinners, reunions, and participated in all the activities in his small community.

Ed will not be helping his friends of Flora any more. The smile, the nod, the gesture, and the helping hand of the friendliest guy in town was silenced as he was walking with his Bible in hand along a road near Kokomo. He apparently was on his way to attend a friend's funeral when he was fatally injured. Ed did not drive but frequently walked wherever he desired to go regardless of the weather or distance. Friends usually would recognize him and pick him up. Last Friday evening he was struck and died later in a Kokomo hospital.

Ed Kinzie, 60, had been silent in voice since a childhood illness left him a mute, but his spirit and his name will be remembered for a long time by anyone who ever had the opportunity to meet him.

Joel Edward Kinzie of Flora, Ind., was a great guy. I am glad I knew him and could call him a friend.●

FEDERICO DEGETAU FEDERAL BUILDING

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. CORRADA. Mr. Speaker, I am inserting in the RECORD a copy of the Senate Resolution No. 226, approved on May 30, 1978 by the Senate of Puerto Rico.

This resolution is a further expression of endorsement to my bill H.R. 4270, which was passed by the House on June 5, 1978.

The text of the resolution is as follows:

"I, Hector M. Hernandez Suarez, Secretary of the Senate of the Commonwealth of Puerto Rico, do hereby certify:

That the Senate of Puerto Rico in its Session of May 30, 1978, approved S.R. No. 226 which reads as follows:

RESOLUTION

To express the Senate of Puerto Rico's endorsement of H.R. 4270, which proposes that the structure that houses the offices of the Federal Government in Puerto Rico and the United States District Court for the District of Puerto Rico, be denominated the "Federico Degetau Federal Building" ("Edificio Federal Federico Degetau").

STATEMENT OF MOTIVES

There is a Bill before the Congress of the United States, H.R. 4270, presented by the Honorable Baltasar Corrada del Rio, Resident Commissioner of the Commonwealth of Puerto Rico in Washington, which proposes to designate the new Federal Government Office Building, located in Hato Rey, as the "Federico Degetau Federal Building" ("Edificio Federal Federico Degetau").

If H.R. 4270 is approved, it will honor the memory of the eminent Puerto Rican, don Federico Degetau, who was the first Puerto Rican Resident Commissioner in the United States, and who served in said office from March 4, 1901 to March 3, 1905.

The Senate of Puerto Rico joins this noble gesture, by endorsing the proposal that the new structure, located on Carlos Chardón Street in Hato Rey, which houses the Federal Government offices in Puerto Rico and the United States District Court for the Dis-

trict of Puerto Rico, be denominated as the "Federico Degetau Federal Building ("Edificio Federal Federico Degetau").

Be it resolved by the Senate of Puerto Rico:

Section 1. The Senate of Puerto Rico expresses its endorsement of House Resolution 4270, which proposes that the structure that houses the offices of the Federal Government in Puerto Rico and the United States District Court for the District of Puerto Rico, be denominated the "Federico Degetau Federal Building" ("Edificio Federal Federico Degetau").

Section 2. A copy of this Resolution shall be sent to the Speaker of the House of Representatives of the United States, the Chairman of Public Works and Transportation Committee, to the Honorable Baltasar Corrada del Rio, Resident Commissioner of Puerto Rico in Washington, and to the information media for its general diffusion.

Section 3. This Resolution shall take effect immediately after its approval by the Senate of Puerto Rico.

And for transmittal to Honorable Baltasar Corrada del Rio, Resident Commissioner of Puerto Rico in Washington, I issue this Certificate in my office at the Capitol Building in San Juan, Puerto Rico, and set my hand and the Seal of The Senate, this thirty-one day of May of the year nineteen hundred and seventy-eight.

HECTOR M. HERNANDEZ SUAREZ,
Secretary of the Senate.●

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS—VI

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. SAWYER. Mr. Speaker, the lack of concern by the Government of Turkey for the fundamental human rights of Americans serving harsh prison sentences in Turkey is deeply distressing. I would like to include for my colleagues a copy of a letter which I received from our Ambassador to Turkey, Ronald I. Spiers, which contain the faint suggestion of the possibility for negotiations of a prisoner exchange treaty with Turkey. As you will note, the letter is dated February 6, 1978.

I think, perhaps, that the emphasis of this letter intimates that the most advantageous time has arrived for favorable conclusion of this important agreement. We cannot afford to pass up this opportunity. While this matter is in the immediate attention of these officials, we should pressure for the most immediate settlement possible. Treaty guidelines are already intact, as they were established in treaties concluded by Turkey with other countries.

As should also be noted, Ambassador Spiers mentions that he feels "confident that tangible results can be achieved before summer." This has not been the case. These delays cannot continue. I cannot emphasize enough the desperate situation in which we are placing both the American women imprisoned in Turkey, as well as their families. We must make it obvious that we will no longer tolerate such delays by either the Government of Turkey nor our own Department of State.

Ambassador Spiers' letter follows:

EMBASSY OF THE
UNITED STATES OF AMERICA,
Ankara, Turkey, February 6, 1978.

Hon. HAROLD S. SAWYER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN SAWYER: Thank you for your letter concerning Katherine Zenz and JoAnn McDaniel, and your thoughtfulness in providing a copy of Public Law 95-144.

The Government of Turkey has indeed expressed interest in entering into a transfer of prisoners treaty with U.S. A treaty of this type breaks no new ground for the Turks as they are signatory to a similar treaty among the Council of Europe countries which they ratified last year. A draft proposal has been prepared by the Ministry of Justice in response to our initial discussions, and is presently under consideration by the Ministry of Foreign Affairs.

We are in constant touch with Ministry officials and urge them as much as possible to expedite negotiations. While there have been delays I still feel confident that tangible results can be achieved before summer.

I am concerned though about how long, once negotiated, such a treaty will take to go into force. Parliamentary action is outside the control of technocrats and even routine cultural treaties can take two years or more for ratification. I cite this only as an example of the deliberate nature of Turkey's Parliament. On the positive side I think the change in government will be a definite advantage. It was the former Ecevit government (1974) that was responsible for the general amnesty resulting in a reduction of the girls' sentence to 24 years, and it is possible that the new Ecevit government will be more receptive in matters of this kind.

Meanwhile, we continue to explore alternatives for achieving the early return home of the girls and other Americans serving long sentences in Turkish prisons.

Sincerely,

RONALD I. SPIERS,
American Ambassador.●

CHECK LIST FOR TECHNICAL EVALUATION OF UNITED STATES AND COCOM EXPORT CONTROL CASES

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. BINGHAM. Mr. Speaker, as chairman of the Subcommittee on International Economic Policy and Trade, from time to time I receive inquiries from American business regarding the criteria that are applied by our Government in determining whether or not to grant licenses for the export of advanced technology which might be strategically significant.

Too much of the export-licensing process is shrouded in secrecy. Too often our exporters have no way of predicting whether their product will receive an export license, or of knowing the reasons for a rejection of their license application. There is a fundamental lack of accountability and openness in the process. The subcommittee has been working to remedy this and will continue to do so.

Recently the Department of Defense made available to the industry a list of technical guidelines it uses internally to arrive at a DOD position on license applications. I commend the Department for its openness in this respect. While I do not necessarily endorse the list in its entirely, I wish to place it in the RECORD so that all interested parties will have access to it.

The material follows:

CHECK LIST FOR TECHNICAL EVALUATION OF UNITED STATES AND COCOM EXPORT CASES

For each case requiring technical programmatic and combat effectiveness evaluations all of the following questions will be answered. Where appropriate, notations of "Not Applicable" or "Don't Know" will be entered. In formulating answers to questions regarding military significance, the factors listed in Appendix I will be expressly considered.

1. Relationship to US/Weapons System and Military Significance:

What predominant or important military or military supporting end-use does this item currently have?

2. Stated End Use:

Is the stated civil end-use reasonable and appropriate?

3. Diversion Potential:

(a) Could this item easily be diverted from the stated civil end-use to a military or military supporting program in the country of destination? If so, how?

(b) Can adequate safeguards be devised either before or after the export to preclude diversions?

4. Technology Transfer:

(a) Does this item contain extractable technology of significance for military or military supporting production in the country of destination?

(b) Would follow-on operation and maintenance instructions, overhaul data, training or US plant visits connected with this export involve a transfer of significant technology?

5. Previous Releases:

(a) To what countries/foreign companies has similar US equipment or related technology been released?

(b) Is there evidence of attempts at illegal acquisition of the items or technology? If so, by whom?

6. Foreign Availability:

What is the present foreign availability of the item in quantity and quality?

7. Recommended Position:

(a) What DoD position (approval, disapproval, or approval with provisos) on this case would be consistent with this technical evaluation?

(b) Would this position represent a departure from preivous policy? If so, how and to what extent?

8. Name, Organization, Office Symbol, Date and Signature.

APPENDIX 1—FACTORS RELATING TO QUESTIONS ON MILITARY SIGNIFICANCE AND RELATIONS TO U.S. WEAPONS SYSTEMS

1. Relationship to US Weapons Systems:

(a) With respect to US military systems is the item or the technology within the item critical? As applied to questions (1) and (2) in the following its absence would degrade the performance of at least one of the primary missions.

(1) Current systems;

(2) Future systems;

(3) Research and Development;

(4) Diagnostic or maintenance systems, training, or operating instructions for either current or future systems? or,

(5) Design, manufacturing processes or utilization know-how relating to any of the above items?

(b) Would release of equipment/information reveal U.S. military equipment (vulnerabilities) (deficiencies) (tactics) (intelligence information) on our first line weapons or space systems?

(c) Was the product specifically designed for U.S. military equipment or has a commercially developed version of the product been modified for the military application? In either case is there a significant trend toward commercial exploitation of the product or embedded technology?

2. Military Significance/Technology Transfer:

(a) With respect to the recipient country will the sale create a new or significantly higher regional combat capability?

(b) Is this item related to:

(1) Nuclear, biological, or chemical weapons.

(2) Weapons or systems which provide strategic reconnaissance or missile delivery capability.

(3) Weapons or systems with a significant tactical capability.

(4) Technical data or specialized equipment which could contribute to indigenous design, development or manufacture of items (1), (2) and (3) above.

(c) Is this transaction related to any of the items on the preliminary list of dual-use (military-commercial application) critical technologies generated during Defense Science Board Study (Bucy Report). Implementation Effort (Appendix 2). Please describe the relationship.

APPENDIX 2

Description and No.:

ACOUSTICS & UNDERWATER

Acoustic Displays, 1*.
Acoustic Propogation, 2*.
Acoustic Reception (Incl. Towed Arrays), 3*.
Acoustic Transmission (Incl. Transducers), 4*.
Deep Ocean (RUWS/WSP), 5*.

ADVANCED DESIGN & MANUFACTURING

Design:
Advanced Airfoil & Three-Dimensional Wing Design, 6*.
Computer-Aided Design (other than for I.C.'s and machine tools), 7*.
Control Configured Vehicle (e.g., fly-by-wire), 8*.
Deep-Drawn, Thin-Walled Metal Parts Design, 9.
Fracture Control Design Processes, 10*.
Platform Stabilization, 11.

MANUFACTURING

Airframes (e.g., Wide Body Transports), 12*.
Bearingless Rotors, 13.
Composite Filament Winding, 14.
Diffusion Bonding (Incl. Titanium), 15*.
Electrocatalysis, Chemical Modification of Electrodes, 16.
Electroforming, 17.
Electrostream Hole Drilling, 18*.
Glass/Ceramic Applications, 19.
High-Energy Rate Forging, 20.
High-Performance Welding (Incl. Explosive Welding), 21.
High-Precision Manufacture of Large Pressure Vessels, 22.
High Vacuum Processes, 23.
Hot Isostatic Processing, 24*.
Inspection of Advanced Composite Structures, 25*.
Non-Destructive Evaluation Technology, 26*.
Numerical Control of Machine Tools (Incl. Adaptive), 27.
Plasma Spraying, 28.
Replicated Optics, 29*.
Thixocasting & Rheocasting of Ferrous Materials, 30.
Vacuum Casting (Especially Air-Colled Turbine Blades), 31*.
Vapor Deposition (Physical & Chemical), 32.

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*Indicates high priority items.

ADVANCED MATERIALS

Amorphous Metals, 33.
Boron Fibers, 34.
Corrosion/Erosion Resistant Coatings, 35*.
Cubic Boron Nitride for Tooling, 36.
Fiber Optics Materials, 37*.
High Temperature Coatings for Superalloys & Titanium, 38*.
Metal-Matrix Composites (Incl. Carbon-Carbon, Organic), 39*.
Optical Thin Film Materials, 40.
Polyimides (Incl. Kevlar), 41.
Polymers (Incl. Piezoelectric, Pyroelectric and High-Temperature Elastomers), 42.
Powder Metallurgy (e.g., High Cooling Rate), 43*.
Radiation Detection Materials, 44.
Solid State Microwave Device Materials, 45.
Ultrahigh Carbon Steels (e.g., Superplasticity), 46.

ANTENNA & RADAR

Conformal Antenna Arrays, 47.
High Dynamic-Range Receivers, 48.
High-Performance Clutter-Rejection Radar, 49.
Solid State Transmitters & Frequency Amplifiers, 50.
Specialized Space Antennas, 51.
Synthetic-Aparture Radar, 52.
Wide-Band Low-Noise Receivers, 53.

COMPUTERS

Artificial Intelligence Software, 54.
Biocybernetic Communication, 55.
Computer Disc Systems, 56.
Computerized Exchange Switching (Incl. Packet Switching), 57*.
Distributed Data Base Systems, 58*.
Large Memory Design (e.g., 10^{15} Bits), 59*.
Memory Technologies (Incl. Bubble Memory & Logic, High Density Cores, Rapid Access Erasable), 60*.
Natural Language Communications with Computers, 61*.
Optical Computing, 62.
Photo Interpretation by Computers, 63.
Photo-Recording Materials, 64.
Processor Architecture, 65*.
Speech Processing Technology, 66.

DETECTORS AND FILTERS

Infrared Detectors and Materials (Incl. High Resistivity Silicon), 67*.
Intensified Array Detectors, 68*.
Low Light-Level Imaging, 69*.
Tunable IR Filters (Acousto-Optical or Electro-Optical), 70*.
Wide-Angle Narrow-Band Filters, 71*.

ELECTRONIC AND OPTICAL COMPONENTS

Solid State:
Beam Lead Integrated Circuits, 72*.
Charge-Coupled Device Signal Processing and Imaging, 73*.
Gallium Arsenide Devices (Incl. Microwave FET's), 74.
Large-Scale Integrated Circuits (Incl. Microprocessors, High Performance IIL, Schottky TTL).
Metal Oxide Threshold Switches (MOTS), 76.
Millimeter Wave Devices (e.g., 35 and 95 GHz), 77.
Solid State Light Modulators, 78.
Solid State Microwave Devices (Incl. Diodes, Silicon Bipolar Amplifiers and IC's).
Surface Acoustic Wave Devices and Technology, 80*.
Optical:
Adaptive Optics, 81.
Fiber Optics/Integrated Optics, 82*.
High-Density Optical Recording, 83.
High-Power Optics, 84.
Infrared Focal Plane Arrays, 85*.
Optical Fiber Cable Assemblies, Devices and Fiberguide, 86.
Plasma Displays, 87.
Other Electronic Components and Related Instruments:
Advanced Microwave Transmission Line Components (Incl. Microwave Tubes), 88.
Arc Plasma Spray Technology, 89.
Coherent Microwave Memory Technology, 90.
Fast Fourier Transform Processors, 91*.
High Performance A/D Convertors, 92*.
High-Performance Cathode Ray Tubes, 93.
High Performance Travelling Wave Tubes, 94.
Millimeter Wave Tubes (e.g., 35 and 95 GHz), 95.
Phase Control Components, 96.
Ultra-Stable Oscillators, 97.

INSTRUMENTATION

Electron Accelators, 98.
Flash Radiography, 99.
Gravity Gradiometers, 100.
High-Precision Clocks and Frequency Standards, 101.
Inertial Navigation Systems (Incl. Gyro and Accelerometers), 102.
Nondestructive Thin-Film Measurement, 103.
Remote Sensing, 104.
Scanning Electron Microscope, 105.
Seismic Intrusion Sensors, 106.
Structural Analysis and Integrity Assessment Systems Using Microprocessors, 107*.
Ultra High-Speed Photography, 108.
Very Wide-Band Tape Recorders, 109.
Vibration Test Equipment, 110.

LASERS

Coherent Sources with Wavelengths Shorter than 1000 A, 111.
Electrical Excitation Technology for Lasers, 112*.
Far IR Lasers (more than 50 micrometers), 113.
Frequency Multipliers for Infrared Lasers, 114.
High-Energy Lasers (Incl. Electrical Discharge, Gas Dynamic and Chemical), 115*.
Laser Gyro Technology (Incl. Ring Laser Gyros), 116.
Solid State Laser Diodes (Injection Laser Development), 117.
X-ray Laser Technology, 118.

MAGNETICS

High Magnetostriction Rare Earth Alloys, 119.
Normal-Conducting Homopolar Electrical Machinery, 120.
Rare-Earth Alloy Permanent Magnets, 121.
Segmented-Magnet Motors and Generators, 122.

POWER GENERATION

Centrifugal Compressors for Small Turbine Engines, 123*.
Closed-Cycle Brayton Turbine, 124.
Electrolyte Battery Developments (Incl. Lithium-Inorganic and Low-Temperature Solid), 125.
Photoassisted Electrochemical Cells, 126.
Photochemical Enhancement in Air-Breathing Engines, 127.
Propulsion Controls, Materials and Systems, 128*.
Pulsed Power Generation, 129.
Thermoelectric Energy Conversion, 130.
Turbojet Engines (e.g., Composite Materials, Polyamides, Bearings), 131*.

SUPERCONDUCTORS

Polymeric Superconductors, 132.
Superconducting Electrical Machinery, 133.
Superconducting Sensors and Oscillators (Incl. Josephson/Tunnel Junction), 134.
Superconducting Magnetometer Technology (Incl. Quantum Interference Devices), 135.

WINDOWS, COATINGS, AND MATERIALS

Cooled Metal Mirror Fabrication, 136*.
High-Speed Diamond Turning of Large Mirrors, 137*.
Uncooled Mirror Materials, 138*.●

PERSONAL EXPLANATION

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. YOUNG of Missouri. Mr. Speaker, on Friday, June 16, 1978, I was unavoidably absent from the House. Had I been present, I would have voted on matters coming before the House as follows:

"Yea" on rollcall No. 468, passage of H.R. 12927, making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1979.●

BUREAUCRATESE CREATES OVERABUNDANCE OF LAWYERS

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. GRASSLEY. Mr. Speaker, I would like to share with my colleagues this article sent to me by the Honorable James E. Bromwell, former Member of the U.S. House of Representatives. This item was written by the very distinguished David M. Elderkin, who has practiced law in Cedar Rapids since 1937. He is past president of the Iowa State Bar Association, a member of the board of governors of the Iowa Academy of Trial Lawyers, and a fellow of the American College of Trial Lawyers.

Mr. Elderkin speaks out for the necessity of lawyers in our ever-increasing complex society. He points out "that until the Congress of the United States and the legislatures of the several States stop spewing such monstrous quantity of new legislation, we will need more lawyers, not fewer." This is a point well taken.

I wish Mr. Elderkin well and thank Mr. Bromwell for making this article available to us. The piece from the Cedar Rapids Gazette of June 4, 1978, follows:

[From the Cedar Rapids Gazette, June 4, 1978]

KICKING LAWYERS SATISFIES, BUT FREEDOM RIDES ON WHAT THEY DO

(By David M. Elderkin)

Whatever one may think about President Carter, one must admit he is highly resourceful. Since he took office, he has been constantly criticized as a man in retreat. His own party (Jackson, Moynihan) has accused him of retreating before Soviet pressure on the issue of human rights, the neutron bomb and strategic arms limitation negotiations.

Critics challenge him with having retreated before the Soviet-Cuban rampage in Africa, abandoning Taiwan at the insistence of China and running away from South Korea. He has, of course, been accused of succumbing to pressure from Saudi Arabia, Panama, Angola, and, mostly recently, Zaire.

Domestically, he has been bullied by industry on voluntary price controls, by big labor on voluntary wage controls, and by Congress on everything, including energy, Social Security, food stamps, welfare, employment, education, hospital costs, urban policy, defense and taxation.

To get back in the ball game, the president's advisers (no doubt Hamilton Jordan, the tiger of the Washington, D.C., singles lounges) advised the president to go on the offensive. On being so advised, so he did. On big labor, big business, the oil cartel? Mr. Brezhnev, perhaps, or maybe even Fidel Castro?

Heck, no. He took out after the lawyers. Big deal.

In the first place, it's about as dangerous as attacking a geriatrics ward with a sharp stick. No one ever really loses, because the lawyers never fight back—they are too busy writing the speeches of the people attacking them.

Nor is it exactly a novel idea. Everyone at times gets some mileage out of it. For 5,000 years or more, everyone periodically has been attacking the lawyers—kings, emperors, presidents, congressmen, editorial writers, public opinion polls.

The Iowa Legislature schedules a regular time for hate-lawyers discussion, right after the morning prayer. Even lawyers attack lawyers. It's a time-honored custom, sometimes deserved, and even when not it has its uses. Society needs a scapegoat for the perplexities and frustrations it creates.

It's hard to know just exactly if Mr. Carter has any real antipathy toward lawyers. When he was campaigning for office and appeared before the American Bar Association Convention, he was most flattering, Come to think of it, however, that was in the days when he was promising the Iowa farmer his undying support.

Seriously, his charge that the country is over-lawyered is quite true. I join with anyone who wonders why he can't make out his income tax return without a lawyer, or run a business without hiring lawyers to explain (if they can) OSHA, ERISA or the present Tax Reform Act of 1976. Parenthetically, if I am asked why a man can't confess to a crime without a lawyer, I can quickly tell you why he can't, but I won't claim it makes much sense.

But the quantity of lawyers comes from the demands of society. Congress enacted 200 bills in th last session with 7,000 rules and regulations all of which require knowledge and interpretation. Among them are the most complex and, in some instances, the most monstrous pieces of legislation ever known to tax the brains and souls of mankind.

They are written in bureaucratese which bears only a tantalizing resemblance to any spoken language. Do not belive the canard that they were written by lawyers—they were not; as a matter of fact they stagger the patience even of Philadelphia lawyers numbing them to acquiescence. The Iowa Legislature unfortunately is not far behind.

Definitely as Mr. Carter suggests there are too many lawyers. But until the Congress of the United States and the legislatures of the several states stop spewing such monstrous quantity of new legislation, we will need more lawyers, not fewer. Someone must purport to study, understand and advise the rest of us on our rights, duties and obligations under all of this new legislation and the resultant administrative rules. A lawyer, in this connection, is simply a person who, by study and training, is able to properly advise us and many are needed.

But I suspect that these are not the kind of lawyers the president refers to. I am sure that he really finds his hostility toward those of us who practice that branch of the law we call advocacy—the representation of people and people's problems in the arena of the courtroom. It is in the courtroom, of course, that the public sees the law in action; and it is there that the public, as well as Mr. Carter, forms its judgment of the legal profession.

In the area of criminal law, for example, no matter how brutal the crime, the criminal always seems to show up with a lawyer, increasingly at public expense, who files writ after writ, delaying and sometimes defeating what appears to be quick and simple justice. In the eyes of the public, if it were not for the lawyer and his hanky-panky, more criminals would be held responsible for their crimes.

"How," the lawyer is always asked, "can you defend a man you know is guilty?"

But if freedom is to be maintained, the lawyer must take seriously the constitutional commandment that every man is presumed to be innocent; it is not and cannot be the role of the lawyer to usurp the judge and the jury's province of determining guilt or innocence.

This, however, seems to have been the thrust of Mr. Carter's comment when he spoke with disdain of the lawyers who represented the people in the South who were resisting integration. He forgot, or ignored, the lawyers who went into Mississippi and the other Southern states to defend unjustly accused blacks and others who supported integration, as the public is inclined to overlook the fact that the lawyers involved in Watergate were prosecuted, sent to jail and disbarred by other lawyers; and the President of the United States, while represented by lawyers, was at the same time forced out of office by lawyers.

Which is the point I am trying to make.

The right, constitutionally guaranteed, to a fair and impartial trial, carrying with it the presumption of innocence, cannot exist without the right of every person to be represented by a lawyer, no matter how unworthy the person or ignoble his cause. It is the lawyer's duty to use every legal and honorable means at his disposal to protect his client's rights. If you would deny or limit this right, where would you draw the line?

We have, at best, a difficult, uneasy society. There is a vast potential of disorder that lies beneath an ordered surface. The tensions on the surface are a mirror of the reconciliations, the balances, the disciplines for which all civilized societies on every scale must forever search. It is not the responsibility of the lawyer, at least the trial lawyer, to make this search and strike these balances. This is the role of government.

Yet, it has long been a grave question whether any government strong enough to balance and control the tensions and the vast potential for disorder lying beneath the surface is not too strong for the liberties of its citizens.

Herein lies the lawyer's role—to preserve individual liberty. Is our effort always of high quality? Obviously not. Yet quite often. All in all, the American citizen, of whatever economic status and of whatever race, creed or color, has more individual liberty than any citizen of any other country on the face of the Earth.

There are many factors and many influences that bring this about, to be sure, but it is also true—and not generally appreciated—that at any given time, no person's liberty amounts to any more than he or she can get a lawyer to stand up—alone if need be—and defend.

This is true, Mr. President, from Sam Berkowitz to Bert Lance. For the role of the lawyer is not to make society virtuous, but to try to keep it free to be. If it chooses.●

THE STANFORD DECISION

HON. DAVID L. CORNWELL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. CORNWELL. Mr. Speaker, I stand in the opinion that the day of May

31, 1978, will also be a day that will "live in infamy." On this day, the Supreme Court destroyed the protection granted under the first and fourth amendments to the Constitution by reversing two lower court decisions requiring police officials to obtain a subpena duces tecum to search innocent third party property: the Stanford decision. The Court, in a 5-to-3 decision, interpreted the fourth amendment to hold that innocent third party property may be legally searched with the aid of a search warrant. It is with this narrow interpretation of the Constitution that the American free press will suffer unless immediate action is taken.

My highest regards go out to Senator ROBERT DOLE, Senator BIRCH BAYH, Representative ROBERT DRINAN, and specifically Representative ANDY JACOBS for their action in response to the Stanford decision. Through the action of these distinguished colleagues may freedom of the press continue to bless the United States of America.

I wish to enter the remarks of Marvin Stone, reporter for the U.S. News & World Report, who exemplifies the ramifications of the courts decision and promulgates some insight to our colleagues proposals:

The remarks follow:

A PERIL NOT ONLY TO THE PRESS

(By Marvin Stone)

It is starting to sink in—with some in Congress at least—that the recent Supreme Court decision approving search and seizure in a newspaper office has frightening implications. The decision is being rightfully regarded as one more move to cancel safeguards of the First and Fourth amendments, not only for the press, but for all citizens.

The details require a brief review. On April 12, 1971, police came unannounced to the offices of the *Stanford Daily*, armed with a search warrant. They thought the *Daily*, though not itself suspected of crime, might possess photographs showing who helped beat up nine policemen. The invaders ransacked photo labs, cabinents, desks and wastebaskets, found nothing and left. The paper sued local authorities. It won in U.S. district court and appeals court. But the Supreme Court now has ruled that no clause in the Constitution bars what happened to the *Daily*.

The potential peril to every individual became evident in Justice Stevens' dissent: "Doctors, lawyers, merchants, customers, bystanders . . . may have documents in their possession that relate to an ongoing criminal investigation." You could interpret that to mean that police, armed with search warrants from judges or magistrates—any judges or magistrates—could invade the homes of third parties and rummage through their files, letters, photos and documents as if they were no better than common criminals.

The Boston Globe saw, as well it might, a "step toward a police state." Sam Dash, once the Senate's chief counsel in investigating Watergate, concluded that the new decision puts innocent people in a worse plight than criminals.

How did we come to such a state?

The Fourth Amendment, written out of bitter experience, declares: "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

For many years, this was interpreted to mean that only weapons or the plunder of crime could be hunted. But in 1967 the Courts sanctioned the seizure of "mere evidence." The Standford raid an other, similar cases followed, broadening the searches to papers an other effects of innocent third parties, and now the Court has approved these also.

The Court's majority—commendably—did invite legislative action. It was not long in coming. Representatives Drinan and Jacobs and Senators Dole and Bayh, occupying a pretty wide political spectrum, are offering legislation to guard the personal privacy made vulnerable by the Court. Cosponsors are many.

Any of these bills would give welcome aid; the only question is whether they go far enough. Drinan's plan, for instance, confines itself to the press—a vital consideration but only part of the problem.

Dole and Bayh would require a hearing for the innocent party before a search could be conducted, but would permit this to be skipped if the police showed that the party, given warning, might destroy the evidence.

This arrangement would provide little safety against the most feared threat, an unscrupulous administration and a compliant magistrate. But the Jacobs bill may have a solution: Where the wanted evidence cannot be found without exposing other private papers to inspection, all must be sealed without examination until after a hearing. If properly structured, this procedure, which parallels the model code of the American Law Institute, averts danger of destruction while protecting the individual.

Whatever the action—and it must be weighed with utmost care—now is the time. Liberties that Americans treasure are being threatened and could easily be stolen away.●

TWENTY-FIVE TO BE HONORED AT 16TH ANNUAL COTILLION

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. KILDEE. Mr. Speaker, I am pleased today to draw the attention of my colleagues in the U.S. House of Representatives to the 25 young people from in and around Flint, Mich., who will be honored at the 16th annual Cotillion this Saturday. Nineteen young women and six young men will receive special recognition from the National Association of Negro Business and Professional Women's Clubs, whose Flint chapter sponsors the annual affair. The Flint chapter has contributed substantially to a better life for many in the Flint area and is a respected and valued voice in the business community as well as the community at large.

The 1978 Cotillion Debutantes are Iva Alexander, Cassandra Barker, Sherri Bryant, Angela Franklin, Marcia Hedrick, Debra Jackson, Tanya Edwards, Roxann Jenkins, Edda Johnson, Cornelia Monroe, Phyllis Oliver, Eleanor Powell, Lucille Shamley, Renee Turner, Kathleen White, Tanya Woodson, Lisa McCloud, Melody Smith, and Rhonda Conner.

The young men being honored this year are Joey Edwards, Craig Fields, Greg Renick, Greg Simmons, Greg Tucker, and Wendell White.●

MEDICARE—LOW VISION COVERAGE FOR THE LEGALLY BLIND

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Ms. KEYS. Mr. Speaker, I am today introducing legislation to provide medicare coverage of low vision lenses and illumination aids for legally blind individuals together with coverage of accompanying low vision services.

Research has established that approximately 80 percent of those persons termed "legally blind" have some degree of useful vision which can be maximized through the use of low vision aids and training. Legal blindness is most prevalent among the elderly. However, there are an additional 117,000 persons under the age of 65 who are eligible for medicare through the Social Security Disability Insurance program as a result of legal blindness.

To address the needs of these persons, specialists have developed a wide variety of optical lens systems which can enable legally blind individuals to make use of residual vision for reading and other activities. Low vision aids may range from hand-held magnfiers to more complex microscopic lens systems mounted on spectacles.

The American Foundation for the Blind estimates that the average combined cost of optical aids and professional services is approximately $200 per person. Thus, we could provide low vision services to a person enrolled in medicare at a cost of only $10 million. Such coverage could restore sight to nearly 50,000 elderly Americans and permit them to enjoy the same daily activities and independence that nonhandicapped persons take for granted.

The legislation follows:

H.R. —

A bill to amend title XVIII of the Social Security Act to provide coverage, under the supplementary medical insurance program, of certain lenses and illumination aids for individuals suffering from severe limitation of central visual acuity and of the services of an optometrist in prescribing such lenses and aids

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(s) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (8),

(2) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and",

(3) by inserting immediately after paragraph (9) the following new paragraph:

"(10) lenses prescribed by a physician to aid the condition of limited central visual acuity, if the individual for whom any such

lens is prescribed suffers from blindness (as that term is used in section 216(i)(1)(B))", and

(4) by redesignating paragraphs (10) through (13) as paragraphs (11) through (14), respectively.

(b) Section 1861(r)(4) of such Act is amended by inserting "or establishing the necessity for and prescribing lenses (as well as any illumination aid to be used in connection therewith) to aid the condition of limited central visual acuity of an individual who suffers from blindness (as that term is used in section 216(i)(1)(B))" immediately after "lenses".

(c) Section 1864(a) of such Act is amended by striking out "paragraphs (10) and (11)" and inserting in lieu thereof "paragraphs (12) and (13)".

(d) Section 1862(a)(7) of such Act is amended by adding immediately before the semicolon at the end thereof the following: "(except that this paragraph shall not be applicable to lenses described in section 1861(s)(10), and illumination aid prescribed by a physician to be used in connection with any such lens, nor to services of a physician in determining the necessity for and prescribing any such lens or aid)".

SEC. 2. The amendments made by this Act shall apply only to services furnished on or after the first day of the month following the month in which this Act is enacted.●

A TRIBUTE TO CHARLIE GARRETT

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. DORNAN. Mr. Speaker, I ask you and my colleagues to join me in recognizing an outstanding public servant in my district, Mr. Charlie Garrett. On July 13, he will be retiring from his position of president of the Redondo Beach Chamber of Commerce after a distinguished term of service.

One certain reason for Charlie Garrett's tremendous success as president of the chamber of commerce, and his other public service positions, is his colorful background. After completing his formal education, he worked in a variety of positions from coal miner to boatswain's mate in the U.S. Navy. From these experiences he molded a valuable talent, the ability to understand and work with people. This personal characteristic has been a contributing factor to his remarkable success as chamber president.

In recognition of this tremendous potential, in 1972, Mr. Garrett was selected to attend the prestigious Institute of Humanistic Studies in Aspen, Colo. This experience served to further increase his knowledge of human interaction.

Charlie Garrett has voluntarily offered his service as a member of the board of directors of the Redondo Beach Chamber of Commerce for the past 7 years. As the 1977–78 president, he led the organization to what has been called its most successful year.

His dedicated service has extended beyond the Redondo Beach Chamber of Commerce and reached the entire community. He has been an active member of the board of directors of the South Bay Association of Chambers of Commerce and has been a valuable participant in the Redondo Beach Round Table.

As Charlie Garrett's term as chamber of commerce president comes to an end, I ask the Members of this 95th Congress to join me in this commendation for his outstanding community service, and wish him continued success in his future endeavors.●

ROCKEFELLER FOUNDATION REPORT ON "INTERNATIONAL COOPERATION ON BREEDER REACTORS"

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. WYDLER. Mr. Speaker, I have been very concerned about the implications of the administration's nuclear policy which has caused grave doubts on the part of the Soviets and Japanese as well as our friends in Western Europe. In my discussions with European Government officials last summer and this winter the bankruptcy of the Carter nuclear policy was starkly evident. The recent decisions by the British and Japanese on nuclear reprocessing have "broken the dike" on this misguided policy. The Japanese decision to invest in French and British reprocessing facilities was predictable to everyone but the Carter administration. I cannot imagine how the United States could expect the Japanese to turn their backs on the energy in spent nuclear fuel. They are an island nation with no fossil reserves and it is only common sense for them to look to conserving their enriched U.S. uranium and reactor-made plutonium.

I have submitted a report to the Science and Technology Committee on my European oversight findings and have prepared a companion report on my Soviet discussions which I shall submit to the committee this month. My findings on the question of breeder reactor development are strongly corroborated by the recent Rockefeller Foundation report on "International Cooperation on Breeder Reactors." This is a particularly important and timely document and contains the following major points.

The United States had the early lead in developing experimental FBRs. It has put no new breeder reactors in place for some time and has, at present, no firm plans for doing so.

Measured in terms of successful reactors of progressively increasing scale, the French and the Soviets have a clear lead now. Moreover, both nations have firm plans for continued demonstration of scaled-up reactors.

Measured on the same scale, the British are not far behind the French and the Soviets. However, the U.K. does not currently have a reactor in construction and so may not keep pace. (The British do have a 250 Megawatt electric reactor operating at Dounreay, Scotland.*)

The F.R.G. and Japan have started programs more recently than France, the United States, the U.K. and the U.S.S.R. Germany progressed rapidly at first but is experiencing some difficulty with its SNR-300 schedule. Japan built its first breeder reactor, JOYO, in a relatively short time; its second effort, MONJU, is in construction and is expected to progress rapidly.

Of central importance to the future prospects for international cooperation on breeders are the following: the close existing association between France and the F.R.G., together with Italy, Belgium and the Netherlands; the U.S. indecision; and the relative position of Japan.

The recommendations from chapter 7 of the report are:

The U.S. should continue to develop breeders as insurance against possible future resource depletion. For such an approach to be credible, breeders should be proven as an option through the demonstration of commercially sized units.

The present LMFBR reactor and fuel cycle technology should be further developed in its most proliferation-resistant form as the technology of choice and in light of the INFCE process.

The U.S. should take steps to move back into a position of technological leadership on the breeder reactor and particularly on the breeder fuel cycle and nonproliferation measures. These steps should include:

Adoption of a policy which does not encourage premature commercial breeder deployment but fosters appropriate RD&D;

Articulation of a policy of intent to support development of proliferation-resistant breeder technologies, including plutonium-fueled LMFBRs; and

Careful and deliberate preparation of a breeder research, development and demonstration program plan.

The U.S. government should recognize that continued exchange and cooperation on R&D, demonstration, and safety and licensing may make nonproliferation-related agreements easier to achieve.

Current international cooperative activities in R&D are judged to be effective and no specific recommendations are made in that regard.

The U.S. and Japan, and possibly the U.K., should plan a joint breeder demonstration plant program. Eventual participation of additional countries, particularly the U.K., should be provided for.

The continental European breeder program is already closely integrated, and no specific recommendation is made in this regard. However, the U.S. and others should recognize that the group is open to additional interchanges, particularly on a commercial basis.

The U.S. and Japan, and possibly the U.K., the F.R.G., France and the U.S.S.R., should form a working group, possibly under IAEA auspices, among their respective licensing agencies which would explore the merits of increased cooperation in developing licensing standards and procedures.

A clear international understanding of the nonproliferation issue as it relates to LMFBR fuel cycle should be sought by forming an international working group, perhaps organized through INFCE ** (or otherwise independently by the U.S., the F.R.G., France, the U.K., the USSR and Japan). The group's goals would be to standardize the assumptions, terminology and perspective of the issues, to identify specifically areas of agreement and differences of opinion, and to seek means of resolving the differences.

Consideration should be given to forging an industrial consortium or cooperative, suitable for the purpose of international fis-

*Mr. Wydler's comment.

**International Fuel Cycle Evaluation (INFCE).

sile material supply and control, out of certain existing or planned sensitive nuclear fuel cycle facilities—specifically Barnwell, Windscale, LaHague, Eurochemic, Tokai-Mura, Gorleben and perhaps the planned Japanese reprocessing plant—and including provision for future participation and supply options.

A feasibility study should be undertaken on the establishment of an international fuel cycle authority responsible for the control of fissile material. The analysis should be detailed and specific beyond the broad conceptual work already done on this topic by the IAEA and other organizations.●

SOLAR POWER SATELLITES—THE PUBLIC REACTION

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. OTTINGER. Mr. Speaker, last week on June 14, I had the privilege of appearing on public television's MacNeil/Lehrer Report with my distinguished colleague from Alabama, Mr. FLIPPO. The topic of the discussion was the proposed solar power satellite and Mr. FLIPPO's bill, which would in effect give the go-ahead to the SPS program. Since this bill will soon be considered by the House, I thought I would share with my colleagues a representative sample of the mail I have since received about the broadcast.

The first letter gives one citizen's estimate of $40,000 as the cost per homeowner using the SPS system—calculated with the designer's own cost figures, by the way. This means that it would cost far less for the Federal Government to purchase a solar collector for every home in the Nation than it would to finance the solar satellite program, it is calculated.

The second letter contains an article from the St. Petersburg, Fla., Times, of May 28, 1978, which was forwarded to me by the subject of that article, Jan Reiner. Again comparing the cost of satellites versus the advantages of terrestrial solutions.

Both these letters, as well as many others I have received, reiterate my feeling that the solar power satellite concept is a wasteful extravaganza.

BILL PILOT CO.,
Rockford, Ill., June 15, 1978.

Representative RICHARD L. OTTINGER,
House Office Building, Washington, D.C.

DEAR SIR: I saw you on the McNeil/Lehrer report on Public TV. After I got some of the figures that were presented on cost I made the following analysis.

I assumed cost per satellite station is 25 billion dollars. One hundred stations are needed in this country. I assumed 60 million homes in the country. I know from personal experience that the cost of a comprehensive solar system in the Rockford area can be built for approximately $8,000 per large home. It will supply 60% of the heat and hot water needed.

Simple arithmetic shows that satellite power (100 stations) would cost 2.5 trillion dollars. That's $40,000 per household. However it would only cost 480 billion dollars to equip every home in the United States with solar heating ($8,000 each) if the Federal Government paid the total bill.

That leaves over two trillion dollars to solve the R&D problems to upgrade the storage capacity of existing solar systems and to develop solar cells for private home use to provide the necessary electrical power. It is obvious when one examines the economics that it is more advantageous by far for the Federal Government to buy everyone a solar home heater than to build a satellite system.

I can't believe that Congress intends to waste our money in this manner.

Yours truly,

BILL PILOT.
BETTY PILOT.

[From the St. Petersburg Times, May 28, 1978]

PREPARATION FOR FUTURE MUST BE ON "EARTHLY SCALE"

(By Charles Benbow)

A willful computer named HAL was the villain of outer space in *2001: A Space Odyssey*. More likely though, catastrophies in space colonies will originate for the same reasons they occur on Earth.

So said Jan Reiner, architect and educator, during a luncheon lecture last week at the Arts Center in St. Petersburg. In the course of preaching his humanist's philosophy he reviewed some of the projects proposed for development of gigantic Earth satellites. He is not, however, an advocate of such projects. Better to spend the money on rebuilding the cities of Earth.

Despite precautions as to the nature of the "colonists" on these satellites Reiner said, warfare could develop—wars within a colony between members of the population with conflicting interests; wars between the colonies over resources; wars between the colonies when "nationalism, chauvinism or control of resources divide their sponsoring nations in times of trouble on Earth." He even noted the possibility of war with extraterrestrial beings.

Recalling that the colonization of America was "real-estate ventures" of Old World entrepreneurs, Reiner foresees that multinational corporations could build orbiting industrial colonies with the promise of high dividends to their stockholders. The American colonies rebelled and Reiner hypothesizes that inhabitants of self-sufficient, industrial colonies in space might refuse to pay tribute to Earth.

Reiner used handsome colored slides and diagrams from NASA, Boeing, Rockwell, Lockheed and others to illustrate the utopias the American military-industrial complex is working on. They are vast cities with their own farms and factory components built on man-made planets sufficiently large enough to provide a comfortable "gravity" by means of their own axial rotation.

We're being "conditioned" to accept all this, Reiner suggested. The urban crises, the pollution debates and the oil and energy crises are helpful to this end, he said. "Scare people enough about national security," Reiner said, "and you can get money out of them."

Scientist-authors have made various suggestions about the type of people who might inhabit these artificial planets, Reiner points out—the extremes being persons with computers surgically implanted in their brains or, to save shuttle payload costs, they might be preconditioned, test-tube embryos carried into space in "shoeboxes."

Reiner said, orbiting solar energy collectors alone will cost "trillions of dollars" for the "acres" of solar cells needed to satisfy Earth's power needs.

Reiner concluded with a review of the work needed to "entirely rebuild" cities on Earth to make them livable. He prefers that the "trillions of dollars" be spent on new concepts for earthly transportation, agriculture, and political structures. "Whatever is done, cannot be done solely on a national basis," he says "A preparation for a better future must be on a (whole) earthly scale."●

OPERATION YOUTH

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. GRADISON. Mr. Speaker, in this time of great cynicism about our governmental processes, I think it is appropriate to call attention to a positive development, the annual Operation Youth which recently took place in my district. The conference, held this year June 10–17 at Xavier University in Cincinnati, has for 18 years provided interested young men and women the opportunity to learn about our system of government.

Seventy-seven high school juniors and seniors from Ohio, Kentucky, and Indiana participated in the program. Included in the agenda were speeches by leaders of government, industry, and education on such topics as "Political Image in America," "Freedom Preserves Values," and "America's Ethnic Heritage." The students were provided forums in which to discuss these topics and other current issues. In addition, the students participated in a political simulation as they formed political parties and elected officials to a mock municipal government. I am proud to recognize those students who were elected to office as well as those who participated in all other aspects of this valuable program.

They are as follows: Kevin Rue of Hamilton Baden High School, mayor; Maria Del Carmen Hidalgo of St. Ursula Academy, vice mayor; Cathy Hines of Talawanda High School, city manager; Brian Kokensparger of New Lexington High School, clerk of council; and council members Phil Buness of Goshen Local High School, Tom Gardner of Madeira High School, Jenifer McKitrick of Greenville High School, Jeff McMahon of Loveland Hurst High School, Colleen Moosbrugger of Charminade-Julienne High School, John Morgan of Wyoming High School, and Sardina Rivizzino of Bishop Fenwick High School.

Also participating in the conference were Allison Behm, Kenneth Belleman, Randy Berning, Cheryl Broka, Roy Brown, Timothy Bruggeman, Lisa Bruemmer, Craig Calcaterra, James Curso, Gregory Delev, Thomas Fisher, Julie Franz, James Gabel, Paul Gerbus, Jill Gerhardt, Leonard Geshan, Mike Girbert;

Gregg Greivenkamp, Joseph Gruber, Shelly Harker, Evelyn Hassett, Patrick Haverland, Kimberly Hill, Roy Hobbie, Kent Johnson, Lynn Jones, Kathy Kearney, Mike Killian, William Klaus, Barbara Kolbe, Janice Lahna, Lori Louis, Laurie Marggrander, Sharon Mikula;

Sieanna Miller, Barry Milliron, Christine Murphy, Dennis O. Connor, David Oka, Cynthia Okuley, Patricia Olvera,

Michael O'Rourke, Connie Race, Troy Richburg, Jeff Scholles, Monica Sertell, Precia Shenk, Mark Skoroz, Suzanne Splain, Sharon Stanton;

Mary Ellen Stoehr, Thomas Sucietto, Beth Szymanowski, Sue Tepe, Sandy Tye, Brad Van Etten, Patty Vesper, Martin Vettel, Suzanne Wahle, Baron Wair, Judith Ward, Michael Weber, John Werment, James Wilch, Susan Wilp, and Paul Woodworth.

I would especially like to honor Mr. William E. Smith, director of Operation Youth and professor of accounting and education at Xavier University. His efforts, as well as those of his staff, Bryan Adrick, Brian Marrero, Leo Bowden, Allen Burke, Jan Thompson, Mark Waters, Marilyn Mayer, Maureen Murphy, Paula Schimpf, and Stephen Wilson, enabled 77 young citizens to gain new insight into the workings of democracy. With programs such as Operation Youth, I am optimistic about the future of America.●

LIMITING FREEDOM OF THE PRESS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. MAZZOLI. Mr. Speaker, on June 14, the House voted to prohibit the use of legislative branch funds for televising House proceedings if the cameras are controlled by persons not employed by the House.

I was very disappointed by this action. This action is, in my opinion, a limitation on the freedom of the press. And, it could have a chilling effect on broadcast journalism.

I commend to the attention of my colleagues the following, which appeared in the June 16, 1978, Washington Post:

THE SOUNDS OF CONGRESS

Some new sounds have been heard across the land this week: the voices of members of Congress in House debate. Until Monday, citizens outside the Capitol galleries had no way to hear proceedings on the House floor. They had to rely on broadcasters' summaries or statements that lawmakers recorded elsewhere. Now Speaker Thomas P. O'Neill (D-Mass.) is letting broadcasters use the sound carried on the official system that transmits floor proceedings to members' offices. Some networks and stations have already carried excerpts from this week's debates.

The new system is a welcome first step. But it has practical limitations. The microphones do not pick up the background sounds that convey a real sense of the chamber's atmosphere. More important, reporters may broadcast only from a gallery off the floor, where they cannot see what is going on. In contrast, the Senate, during its Panama debates, allowed National Public Radio to broadcast from a balcony. The correspondent could watch events, identify all speakers instantly, describe roll calls and inform listeners of off-mike events such as quick conferences among senators. That kind of on-the-spot, gavel-to-gavel coverage is practically ruled out in the House so far.

The system also embodies Mr. O'Neill's view, affirmed by the House on Wednesday, that Congress itself should operate the mikes and, in the future, television cameras. As a matter of principle, we and most broadcasters object to that. What remains to be seen is how much day-to-day difference House control will make. If the House does provide first-class technical services and grants broadcasters enough access and flexibility, the public will certainly gain. We trust that Mr. O'Neill will move quickly to expand broadcast opportunities so people everywhere can hear and eventually see more of their representatives at work.●

ANOTHER VOICE OF REASON IN ALASKA

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. UDALL. Mr. Speaker, the vast majority of the proposed new national parks and wildlife refuges to be created in H.R. 39, the "Alaska National Interest Lands Conservation Act" are in remote, interior Alaska. The lifestyle of rural Alaskans, those people who inhabit the scattered "bush" villages throughout interior Alaska, will be directly affected by the outcome of this legislation. They, after all, are the ones who actually live in these areas. How do they feel about this landmark conservation initiative?

The newspaper of rural Alaska, the Tundra Times, perhaps best sums up the feelings of "bush" Alaskans in a recent editorial that concludes "... delay in drawing final park and refuge boundaries will only keep the brakes on Alaska's postpipeline efforts to build financial stability and security for the future."

Following is the complete text of the editorial:

[From the Tundra Times, May 31, 1978]

SENATE D-2 FILIBUSTER

Alaska's two Senators have been threatening for weeks to block passage of an Alaska federal lands bill in the Senate. The House has already passed such a bill by a hefty margin.

Senators Ted Stevens and Mike Gravel, who are strongly opposed to the House version of the comprehensive land classification package, seem hopeful that after this fall's general election, the halls of Congress will be inhabited by a greater number of pro-development legislators, assuming that throwing the d-2 issue back to the House to start from scratch, which their delaying tactics would do, would result in a "better" House bill. On this assumption, the Senators want to stop the momentum that has developed to complete d-2 work this year. In other words, they want to:

(1) prolong the uncertainty over how subsistence resources are going to be managed by state and federal agencies, and threaten the protection of millions of acres of habitat needed to support fish and wildlife;

(2) delay Congressional blessing of the State of Alaska's long awaited Statehood land entitlement program;

(3) complicate, rather than simplify, the fight over some of the d-2 questions which the Senators feel the House has not answered in the best interests of Alaska;

(4) put off consideration of amendments to the Alaska Native Claims Settlement Act designed to make the cumbersome machinery of ANCSA implementation serve the original, honorable purpose for which it was intended—protection and recognition of Native land rights.

We hold the assumption that next year's Congress will be more sympathetic to the Senators' pro-development stance to be tenuous at best. This premise is particularly shaky considering that veteran Washington Representative Lloyd Meeds, who fought long and hard, albeit unsuccessfully, in the House for the type of d-2 bill that Gravel and Stevens want, will retire this year.

Senators Stevens and Gravel, should they choose to pursue their ill-conceived and short-sighted filibuster, would surrender a far better chance at altering the d-2 bill than that provided by waiting for a different Congressional attitude that might never materialize. Should they go along with the 1978 d-2 deadline, they might find it relatively simple to extract concessions from environmentalists anxious to have a bill on the Presidents' desk by the end of the year.

A last point not accounted for in the Senators' strategy is that prolonging the uncertainty over this federal land legislation can only add to the deep-rooted pessimism one now finds throughout Alaska's economic community. Far more than large parks and wildlife refuges themselves, which will have positive economic value for the state, delay in drawing final park and refuge boundaries will only keep the brakes on Alaska's post-pipeline efforts to build financial stability and security for the future.●

JEWISH LEDGER'S ANNIVERSARY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. SARASIN. Mr. Speaker, the long-cherished freedom of the press has always been a pinnacle among the achievements of our society. The result has been the publication of diverse material representing and reflecting upon all aspects of American life. One area which has been the focus of numerous periodicals is that of our various ethnic-religious backgrounds. I would like to take this opportunity to recognize one of Connecticut's foremost such periodicals.

The Connecticut Jewish Ledger celebrated its 49th anniversary in its June 15, 1978 edition. This weekly paper is a paragon of ethno-religious journalism and has long been the voice of Connecticut Jewry. It diligently reports events and issues of concern to its relevant audience; strives to educate and entertain; comments on current events; and endeavors to develop and maintain a sense of community among its readers. Furthermore, it has often served as a liaison between Connecticut's Jewish community at large.

Any truly beneficial institution must prove itself in the test of time, and the Connecticut Jewish Ledger's celebration of its 49th anniversary is a testimony to its success. I congratulate the Ledger on its accomplishments and look forward to many more years of its astute and enjoyable publications.●

CARTER'S MIDDLE EAST POLICY

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. FRENZEL. Mr. Speaker, writing in the Bulletin of American Professors for Peace In the Middle East, Mark Siegel, formerly deputy assistant to President Carter, has characterized the President's Middle East policy "erratic" and "unpredictable."

Siegel says that Brzezinski and Carter are "the ultimate obstacle to peace in the Middle East." Those are pretty harsh words from an ex-White House insider, but Siegel makes a strong, organized case in support of his statement.

Because I think the Siegel critical analysis is worthy of the attention of the House, the article follows:

WASHINGTON'S MIDDLE EAST POLICY

(By Mark A. Siegel)

In the current respite (to put it optimistically) in the Middle East negotiating process, we can take stock of the Carter Administration's record on the issues, successes and failures, and attempt at least to evaluate alternative plans for U.S. action in the short and long terms.

When the Carter Administration came to power in January 1977, the President, his National Security Advisor Zbigniew Brzezinski and his Secretary of State Cyrus Vance were persuaded that 1977 was a year of major opportunity for a breakthrough in the Arab-Israeli stalemate, for a number of reasons: (1) a coincidence of "moderate" Arab leadership in the region; (2) the desire for peace of all the parties to the conflict (including President Assad of Syria and, at least initially, Yasser Arafat of the PLO); economic dysfunction in the region, particularly in Egypt and Israel linked, at least in the mind of the Carter Administration, to wartime economic constraints; (3) military stalemate; a balance of military power, making war an unacceptable alternative for both sides, and (4) the positioning of the U.S. as a third party trusted by both sides, to act as a mediating force for change in the rigid negotiating positions that had produced the stalemate in the first place.

The President's first goal was to limit the issues of the conflict. The Administration adopted the Brookings formula, of three overriding issues—the definition and obligations of peace, the relationship between territory and security, and the Palestinian question. Secretary of State Vance was sent to the Middle East in February of 1977 to try to get the parties to adopt this structure for negotiations and then a program for conflict resolution. Vance did achieve this limited (and limiting) goal. Through his efforts, and follow-up bilateral summit meetings between Carter and Middle East heads of state, the issues were so narrowed (if one could call it narrowed—since the three Brookings "super-issues" in fact encompassed all peripheral issues of the thirty-year conflict).

The President, in his effort to expand the U.S. mediating role into a catalytic role, began to articulate innovations in U.S. policy specifically designed, at least in terms of the Administration's retroactive explanation, to shake the status quo. Hence the Clinton, Mass. endorsement of a Palestinian homeland, inconsistent with the traditional Israeli position; hence the expansion of the definition and obligations of full peace as the goal of the process, inconsistent with the traditional Arab position; hence the interpretation of the U.S.-moderate Arab "special-relationship," hence the U.S. arms commitments, breaking with past U.S. foreign policy behavior, and hence the Administration's systematic and prolonged overtures to the PLO.

However, despite this retroactively justified diplomatic method, it is difficult to view the Carter Administration's behavior as far removed from diplomatic madness, or at least as erratic and unpredictable swervings that acted to destabilize the potential peace process. Inconsistency in strategy and goal, best exemplified by the ill-conceived joint Soviet-American communique on Geneva, seemed to characterize U.S. diplomatic behavior.

What is claimed to be the most dramatic "success" of the Administration to date—the Sadat peace initiative—was not only not encouraged by U.S. foreign policy planners, but was viewed, a least initially and probably still, as inconsistent with the U.S. goal of reconvening the Geneva Conference and the achievement of a comprehensive, multilateral Middle East peace settlement.

The failure of the U.S. enthusiastically to endorse and publicly to embrace the Egyptian-Israeli bilateral peace initiative is the most significant error in a host of past and continuing Carter errors in Middle Eastern policy. The failure of Carter and, in this case, more specifically Brzezinski, to respond to the changing demands of the situation, raises questions as to the competence of this set of U.S. foreign policy decision-makers to act effectively in the region.

The clumsy and misguided U.S. Middle East arms sales package, introducing new and complicating variables into the peace negotiations, further inhibits Israel from taking the quantum leaps of faith that many believe may be in order. The goal of the sales, and most notably its timing and packaging, seem to me to go far beyond the arms sales question, and indicate a simplistic tactic of pressure on Israel and an attempt at deliberate confrontation with the American Jewish community by Carter and Brzezinski that can only have counter productive consequences in an Israel already consumed with self-questioning about territorial, political, military and, ultimately, psychic security.

The incessant and overt U.S. criticism of Israeli positions, large and small, without any corresponding attempt to criticize Arab intransigence (which, to date, makes Israeli inflexibility appear mild indeed by comparison) has led to the distinct impression in this nation and in the Middle East that traditional U.S. government support for Israel has significantly eroded. It has made many American Jews feel that Carter has, in deed and in spirit, "tilted." Carter would have done far better in generating more Israeli negotiating innovation and change, by reinforcing, not destroying, the inevitability and continuity of the U.S.-Israel special relationship. And the President's incoherent negotiating style with the Israelis—cold and aloof to Rabin, warm and effusive to Begin, icy and brutal to Begin, glowing and spiritual to Begin—has left Middle Eastern policy watchers not only dizzy, but incredulous. Announcing a U.S. memorial to the victims of the Holocaust while, at the same time, continuing a full-court lobbying press on the Hill to arm the Jidda-oriented Saudis with an abundant number of our most sophisticated air-to-air and air-to-ground war planes may be viewed by some in the White House as good public relations. But it is viewed by a great many others, outside the White House, as warped cynicism.

It would seem in the interest of American strategy in the Middle East for President Sadat to be encouraged to perceive that contrary to his January Camp David expectations, Jimmy Carter cannot negotiate a better deal for Egypt than Egypt can negotiate for itself. It would seem in the interest of peace in the Middle East for President Carter again to assume a reasonable and fair mediating role, and to drop his self-annointed mantle of compulsory-arbitrator.

If there is to be peace in the Middle East, it will be because Sadat and Begin have matured and adapted their positions in the long-term interests of their nations. It will be because they have come to decide that patronizing dogma about negotiations emanating from Washington cannot lead to mutual and reciprocal response by Egypt and Israel, but only to a rigid "let Jimmy change them" attitude that will further prolong the stalemate. Unless and until Carter and Brzezinski re-evaluate their positions and adjust their "bull-in-a-china-shop" incoherence, their efforts will remain what I believe they are today—the ultimate "obstacle to peace" in the Middle East.●

FORMER SOVIET SALT NEGOTIATOR URGES AMERICAN REARMAMENT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. McDONALD. Mr. Speaker, 2 months ago I was privileged to meet Dr. Igor Glagolev, until October 1976 the top expert on disarmament issues in the Institute of World Economy and International Relations of the Soviet Academy of Sciences. He was a principal analyst for the U.S.S.R. in the first Strategic Arms Limitation Talks and not given to mincing words. As a Soviet analyst, he supported equality of armaments between the U.S.S.R. and the United States, because he "never imagined that the United States would be so stupid as to agree to Soviet superiority in this field." Furthermore, Dr. Glagolev had firsthand experience as to how the Soviet Union uses its "peace" initiatives and World Peace Council (WPC) as an instrument of war and arming of terrorists and armies of invasion in Southern Africa.

Statements and analyses Dr. Glagolev made to me are elaborated in the following interview with veteran investigative Journalist John Rees, published in the May 10, 1978, edition of the weekly news magazine, the Review of the News. I highly commend this article to the attention of my colleagues:

FORMER SOVIET SALT OFFICIAL URGES UNITED STATES TO ARM

(By John Rees)

(Dr. Igor Glagolev, in his first published interview, discusses what the Soviets are really trying to do with the SALT negotiations.)

The mailbox at the house where your reporter met Igor Glagolev was unmarked. His telephone is unlisted, and his address is known to perhaps a dozen people in the

world. Igor Glagolev is not hiding, but he is taking every reasonable precaution so that he can live to accomplish what he knows to be an urgent task. He has deliberately chosen to leave his own country to warn Americans that they are in great danger.

At the height of a distinguished career which took him to the top of the Disarmament Section of the Institute of World Economy and International Relations of the U.S.S.R. Academy of Science, Dr. Glagolev realized that he must sacrifice himself to take a stand against the oppressive Communist Government that controls his country. One of the Soviet Union's most important political analysts, he managed to reach the United States, and since his arrival he has briefed authorities on the Strategic Arms Limitations Talks (SALT), human rights issues, and other important matters.

Igor Glagolev forcefully reminds us that there is no freedom of thought or advocacy in the Soviet Union and that the existence of strong factions of "Kremlin doves" is a fantasy created by K.G.B. disinformation agents in order to deceive Western leaders and Western public opinion. Of the "peaceful" intentions of the Soviet leadership, Dr. Glagolev says:

"The diplomats of the U.S.A. and of other democratic countries have ceaselessly appealed to the present Soviet Government to reduce, or at least not to increase, the vast weaponry of the U.S.S.R. Such requests, however, have been systematically rejected by the Soviet leadership. Overt support by any Soviet citizen for an American proposal to reduce Soviet arms is inevitably interpreted by the party leadership as a sign of political unreliability. In the past, support of U.S. proposals by some Soviet scholars has resulted not only in their removal from the decision-making process but also in accusations of pro-Americanism, party penalties, transfers to interior positions, reductions in salary, and prohibition of travel abroad. If members of a given section of a public institute or commission should express a desire to accept U.S. proposals, or even to discuss such proposals seriously, that section, institute, or commission may be completely abolished. Articles or books which express approval of American proposals—where those differ from the Soviet position—do not get published. In the actual process of diplomatic negotiations, the proposals of the United States are accepted only in those cases where they do not hamper the *military* programs of the Soviet Union."

As a result of his intimate familiarity with the Soviet leadership's policy-making process and goals of expansion and domination, and the privileged position which enabled him to travel in the Free World, examine our political and economic freedoms, and have ready access to Free World publications, Dr. Glagolev determined to do what he could to fight Communism where it would hurt the most. In October of 1976 he was given an opportunity to travel again to the West, making his way to the United States. In the following exclusive interview he tells of the dangers that face Americans as our leaders succumb to Soviet deception and yield to Communist aggression.

It should be kept in mind that while Igor Glagolev has a large English vocabulary, English is not his first language and some of his uses of words and phrases are different from that of native-born Americans. For example, Dr. Glagolev employs the term "democratic countries" to include such mixed concepts as the Western allies of N.A.T.O., democratically elected representative governments, what is called the Free World, and non-Communist countries in general.

Q. Dr. Glagolev, when and why did you come to the United States?

A. I came to the United States in October 1976. As a historical and political researcher I recognized that Communism was and is a reactionary movement, and I was in favor and am now in favor of representative democracy.

Q. You were involved in the first Strategic Arms Limitation Talks on the Soviet side. What was your role as a planner and what was the Soviet purpose of SALT?

A. I wrote several analytical papers for the Central Committee of the Communist Party and for the Ministry of Foreign Affairs, and published articles on the subject of strategic arms limitation agreements. I was in favor of a limitation agreement, and in all my papers and articles advocated a balance of strategic weapons between the Soviet Union and the United States. But the U.S.S.R. was allowed more missiles than the United States, and the aggregate yield of those missiles was by agreement much larger than the aggregate yield of the missiles of the United States.

We who were analyzing disarmament supported the idea of actual equality of weapons, never imagining that the United States would be so stupid as to agree to Soviet superiority in this field. After that, papers on the Soviet side advocating equality were not published; were in fact suppressed. And the fact of the agreed to Soviet superiority was not told to the Soviet people. When I tried to publish this in my articles to tell the people, I was told: "Oh no, this is not to be published, this is an error in the article." And, when I quoted American sources for the protocol Brezhnev had signed, they insisted this was not to be published for the Soviet people.*

That is the tactic now. However, I believe that once the Soviet Union has increased its SALT-guaranteed strategic superiority over the United States the Soviet leaders will say so openly and will use that superiority to blackmail the Free World. It is important that Americans understand this because, at the present time, a relatively small increase in U.S. defense spending for production of the delayed weapons, and for research, would close the gap and make such blackmail unlikely.

Q. How do you view President Carter's decision to stop production of the neutron bomb and the B–1 bomber?

A. These are examples of unilateral reductions in the means of defense. The American decision not to build the B–1 bomber will lead logically to the elimination of the whole strategic aviation of the United States because the B–52 bombers will not be replaced by any other comparable bombers and almost the whole fleet of medium-range strategic bombers has already been liquidated.

The neutron bomb also involves a unilateral decision since the Soviet Union has not reciprocated. There are other decisions of a similar kind, like the postponement of the Trident submarine program and the MX missile program. The United States has decided not even to build replacements for the American land-based strategic missiles. It may mean that the whole force of such missiles will be allowed to deteriorate as they become old and obsolescent without any replacements. We are talking about unilateral disarmament of the United States in the face of a heavy Soviet buildup.

Q. Are you familiar with the activities of the International Department of the Central Committee of the Communist Party of the Soviet Union which has basically replaced the former functions of the Comintern?

A. Yes, I am familiar with these activities because I worked for many years for this department in its central offices. It tries to coordinate the activities of foreign Communist Parties. The leaders of these parties are invited periodically to Moscow and the members of the International Department discuss key problems with them and give them instructions.

Q. How does the International Department work with the K.G.B.? Does it have oversight functions of some activities? Can you describe the chain of command down from the Politburo?

A. In my opinion, the International Department and the K.G.B. cooperate very closely, but it is difficult to say who oversees because Andropov, who is chief of the K.G.B., is a member of the Politburo, the highest organ of the Communist Party of the Soviet Union, while Boris Ponomarev, who is chief of the International Department, is only a candidate member of the Politburo.

The chain of command is very difficult to determine. For example, previously in some cases of which I know the Foreign Ministry subordinated to the International Department; Gromyko was invited to the International Department and just told to sign some documents. But now he has become a member of the Politburo, and the Politburo uses both the Foreign Ministry and the International Department of the staff of the Central Committee. The influencing of foreign governments is usually done through the Foreign Ministry, and the influencing of the Communist Parties is usually done through the International Department of the Central Committee.

Q. You were an official of the World Peace Council (W.P.C.), an organization which works with a number of U.S. groups ranging from the Communist Party, U.S.A., through the disarmament coalition, the Coalition for a New Foreign and Military Policy, to the disarmament and anti-nuclear power Mobilization for Survival. What can you tell us of this operation?

A. I know this program very well. The World Peace Council is an organization which is officially considered international and non-political, but is actually subordinated to both the International Department of the C.P.S.U. Central Committee and to the K.G.B.

The aim of the World Peace Council is to influence masses of people in the democratic countries. The leaders of the Communist Party of the Soviet Union try to suppress the peace movement in the Soviet Union itself but they are interested in enlarging its influence among the population of target countries. The W.P.C. is used because the Communist Parties are not very popular, but the slogans of "peace" and "disarmament" are really popular both in the Soviet Union and worldwide.

The International Department of the Central Committee, C.P.S.U., chooses members or prospective members of the World Peace Council. It actually appoints them, both the Soviet citizens and the citizens of the foreign countries.

There is a special fund the Central Committee uses. The money is collected by the churches in the Soviet Union and the believers think this money will be used for a real peace movement. However, the Central Committee usually invites only members of the foreign Communist Parties to the meetings of the World Peace Council or people who do not officially belong to the Communist Parties but who work for the Soviet Union, for the Soviet leadership.

And it is interesting that this World "Peace" Council is also used for arming terrorist groups in the foreign countries. For example, they use this World Peace Council to organize arms supplies for the terrorist groups in Africa. I participated in negotia-

* It might be retranslated back to the American people to demonstrate to them the undeniable evidence of their betrayal by their own leaders.

tions to provide arms to such terrorists in the name of "peace."

Q. Last year we found out that the World Peace Council was acting as a conduit for funds provided to the Chilean K.G.B. agent Orlando Letelier; funds he was using to pay expenses of a United States Congressman, Michael Harrington (D.-Massachusetts), to a meeting sponsored by W.P.C. Are you familiar with World Peace Council activities in the United States?

A. Yes, the Communist leaders of the Soviet Union try to influence the people of the United States through the World Peace Council, and in general through the so-called "world peace movement."

I participated in thousands of discussions with Americans when I was a member of the Soviet Peace Committee of the W.P.C. The ideas of peace and disarmament are very popular in the United States and some Americans work for the leaders of the Communist Party of the Soviet Union without knowing it because they support the suggestions of the Soviet leaders in these fields. But "peace" suggestions may be directed against peace. For instance, during the war in Vietnam, the Soviet leaders organized the movement in the United States to stop resistance to the aggression of the North Vietnamese Communists. In the Soviet Union, however, the same "peace movement" advocated continuation of Hanoi's aggressive war against South Vietnam.

Q. Recently leaders of the American Civil Liberties Union testified before the Senate Judiciary Committee that their intent was to urge such restrictions on F.B.I. intelligence gathering that never again could the Communist Party, U.S.A., be investigated on grounds of its "affinity" for the Soviet Union. Presently the C.P.U.S.A. itself claims to have 18,000 members and over 100,000 sympathizers. In a population of 220 million, this is small. How is the Communist Party, U.S.A., useful to the Soviet Union?

A. The Soviet leaders try to use the members of the Communist Parties in the United States and the other democratic countries as their agents. The leadership of the Communist Party of the United States is directly subordinated to the International Department of the Central Committee of the Communist Party of the Soviet Union. However, sometimes they have some difficulties. And sometimes the Soviet leadership works through the Socialist parties, not through the Communist parties, in certain countries.

Q. When International Department chief Ponomarev was in this country recently, ostensibly as a "Soviet parliamentarian," he met not only with Congressmen but later with leaders of the Communist Party, U.S.A., in New York. Was this usual for his activities?

A. He gives them commands, instructions, so this meeting was quite natural.

Q. Dr. Glagolev, what is the Soviet goal in Africa?

A. It is well known that the main purpose of the Soviet leadership's foreign policy is to control the whole continent of Africa. It organizes several armies in Africa; it arms existing armies of dictatorial governments in Africa; and, it influences these governments, these terrorist groups, and these armies through its military advisors. One of these Soviet advisors actually commands the whole Ethiopian army.

The purpose of Soviet policy in Africa is to establish pro-Soviet dictatorships in almost all of the African countries. It is especially important to control South Africa, Rhodesia, and certain other key countries because of their huge mineral resources like gold, uranium, platinum, and other rare and valuable resources.

Q. Does the small and illegal South African Communist Party play much of a role in the development of propaganda?

A. Yes, it plays an important role. I met personally with its secretary, who worked in London, and conveyed the instructions of the Central Committee of the C.P.S.U. to their agents, black and white, in South Africa. The Communists use racial hatred very widely in South Africa. They deceive its black population so that some of its members think they are struggling for the interests of black people, but in reality many of them are supporting the interests of the white leadership of the Soviet Communist Party.

Q. What sort of timetable of developments do you see for southern Africa?

A. There is, of course, a Soviet scenario that is explained quite openly in *Pravda* and other Soviet publications. They speak of their agents coming to power in all these countries—Rhodesia, Namibia, and South Africa. They speak openly about their armies of invasion.

However, I think democratic elements are growing stronger and stronger. For instance, important black leaders in Rhodesia decided to organize a multi-racial Government. One can hope that pro-Communist terrorist groups will have some trouble in these countries because they will encounter strong resistance from the majority of the population.

Q. Dr. Glagolev, which Soviet agencies or departments coordinate manipulation of the press and communications media in the Free World?

A. Many agencies: the International Department and the Department of Propaganda and Agitation of the C.P.S.U. Central Committee; the press agency Novosti; TASS; and, many others. All of them try to influence Western public opinion. They try to bribe certain journalists and they try to use "Liberal" attitudes to organize a psychological surrender and to prevent resistance to Communist expansion. In Africa, the other continents, and in Europe, where there are several Communist Parties which may come to power, they seek to have Communists included in the Governments, such as France and Italy.

So the Soviet agencies which try to influence Western public opinion try to picture Communism as a "peaceful" political movement. Of course they never mention the huge human losses connected with the establishment of Communist regimes in many countries. It is very well known that about 60 million people were killed—tormented to death in the concentration camps or died from artificial famine—in the Soviet Union alone. In China, the same figure, 60 million, is mentioned. Here too there was a civil war organized by the Communists, several waves of terror against the population and the democratic opposition, and of course malnutrition caused by Communist agricultural policies.

Now they are killing millions of people in the Indo-China countries of Vietnam, Cambodia and Laos; and carrying out wars of terrorism in the African countries of Ethiopia, Chad, Morocco, Mauritania, Rhodesia, South Africa, and Angola.

This is a Communist offensive though the Soviet propaganda describes it as a series of "national liberation movements" and suggests that the democratic countries either do not resist this offensive or actually support it!

Q. What are the Soviet agencies responsible for recruiting journalists in the West to the Soviet cause?

A. The K.G.B. of course is heavily involved in this process. Sometimes they use journalists who are already in favor of Communism, giving them materials. Sometimes they bribe them, paying certain journalists for placing their stories.

By the way, it is very easy to see that certain journalists ALWAYS support the Communist line—always. Thus it is quite clear that they are somehow connected with the leadership of the Soviet Union. Of course they try to use Western terms, Western ideas about democracy, peace, *détente;* but they ALWAYS support the Soviet line and Soviet suggestions.

Q. What are some recent examples of disinformation or propaganda?

A. It is being done every day. For example, the correspondents of the Western newspapers and magazines who work in Moscow may be invited to lunch in luxurious restaurants by agents of the K.G.B. and simply given a lot of false "information." A recent case involved prices of meats that do not exist in the Soviet Union. Gullible journalists automatically repeat such nonsense. I read the imaginary meat prices cited in the leading American newspapers recently. Or they describe Brezhnev or K.G.B. boss Andropov as "Liberals". Really. The use of psychiatric asylums for mental and physical tortures is *not* a "Liberal" measure. But those asylums are being run by leaders described in American newspapers as "Liberals".

Q. Do you think there is a Soviet policy of encouraging U.S. groups and journalists to make attacks on American policies first, before the Soviet media picks them up, in order to increase the "credibility" of the attack?

A. Yes, I think this is being done very often. For instance, some American newspapers attack practically every major weapon of U.S. defense, sometimes even before the Soviet Union has time to attack such weapons. Just enumerate the new major weapons of defense under consideration by the United States—the Trident, the MX program, the B–1 bomber, the so-called neutron bomb—every one of these weapons is being actively attacked by certain American journalists, systematically attacked and successfully attacked. The production of some of these weapons has already been stopped and other programs have been delayed. At the same time the Soviet Union continues to produce the same or more powerful weapons at a growing rate.

Q. Dr. Glagolev, have you any suggestions as to how the Communist policy of expansion, of promoting dictatorships, can be blocked?

A. Yes. It is urgent that the people of the West unite to create an informed public opinion that can make their Governments respond to this challenge. It is not too late. We have great opportunities, but we must start immediately.●

PERSONAL EXPLANATION

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. BROOMFIELD. Mr. Speaker, on May 19, when the House voted on final passage of H.R. 39, the Alaska National Interests Lands Conservation Act, I was unable to vote because I was back in my district fulfilling some longstanding commitments. However, had I been present, I would have joined my colleagues and voted for final passage of H.R. 39.●

INSTITUTE FOR POLICY STUDIES: COUNTERINTELLIGENCE DISGUISED AS "WHISTLEBLOWING"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. McDONALD. Mr. Speaker, on Friday, May 19, 1978, the Institute for Policy Studies (IPS) opened a conference in the Rayburn House Office Building. The conference was designed to encourage middle-level officials in this country's intelligence and law enforcement agencies to unilaterally divulge secrets under the cloak of "whistleblowing."

It should be remembered that the Institute for Policy Studies has operated for 15 years as a consortium of Marxist intellectuals who variously look for political direction to Cuba, North Vietnam, the Soviet Union, and toward the Soviet Union. While IPS has made a priority of using its network of contacts in the executive and legislative branches of Government to influence policies in ways favorable to the Communists.

The Information Digest, a newsletter on U.S. political and social movements published by John Rees, provided the following report on the IPS conference which I commend to the attention of my colleagues who are doubtless interested in the distinction between "whistleblowing" and counterintelligence fronts:

IPS CONFERENCE ON WHISTLEBLOWING

In the early 1970s, the Institute for Policy Studies (IPS) became concerned about the problems faced by such "national security whistleblowers" as Daniel Ellsberg [The Pentagon Papers]; Victor Marchetti [The CIA and the Cult of Intelligence, with John Marks]; Perry Fellwock, better known as Winslow Peck of Counter-Spy magazine and the National Security (NSA); Morton Halperin [National Security Council]; and Robert Wall [Federal Bureau of Investigation—Washington, DC, Field Office].

To meet the needs of people such as these, IPS formed its Project on Official Illegality under the direction of Ralph L. Stavins, an IPS fellow and lawyer. In 1976, this project was expanded beyond the national security agencies to include other branches of government and was renamed the Government Accountability Project (GAP).

GAP, now directed by Ralph Stavins and Margie Bernard and operating from IPS's offices at 1901 Q Street, NW, Washington DC 20009 [212/234-9382], organized its first conference on whistleblowing in June, 1977. The second GAP gathering, the "Whistleblowers Conference on National Security," was held on May 19 and 20, 1978.

The first part of GAP's 1978 conference, organized by Stavins and Christy Macy of the Center for National Security Studies (CNSS), opened in a Capitol Hill meeting room under arrangements made by Rep. Ronald Dellums [D-CA] with some 258 people in attendance. Because of the rules of the U.S. House of Representatives, drawn to attention by Rep. Larry McDonald [D-GA], IPS's GAP was unable to collect the $25 registration fee for the "Whistleblowers Conference on National Security." Somewhat grudingly, GAP provided a coffee, cheese and sandwich reception for free.

Depsite the inevitable late start, the conference keynote speaker, Daniel Elisberg, was even later, not appearing uniti two hours after his scheduled 7:30 pm address. As a result, the evening's agenda was revised with IPS's newest intelligence agency defector, John Stockwell, getting star treatment; Morton Halperin talking about that day's conviction of David Truong and Ronald Humphrey of spying for the Vietnamese Communist government; Stavins extending his opening remarks (including a glowing tribute to his "dear friend," IPS co-founder Marcus Raskin; and finally Elisberg appearing to give his keynote address.

A feature of the program was a showing of the GAP film, The Case Officer [director: Saul Landau; producer: Ralph Stavins; filmed by Haskell Wexler]. The film, which includes considerable footage of fighting in Angola credited to the Cuban government, concerns Stockwell's CIA career from recruitment through assignments in Vietnam and Angola to his defection in June 1976.

According to the film and to an IPS resume, Stockwell spent his childhood in the [Belgian] Congo [now Zaire] with his missionary parents. He graduated from the University of Texas and then joined the U.S. Marine Corps where he served as a junior officer. On his leaving the service, he joined the Gates Rubber Company in Denver, CO, as an executive.

He wa s first contacted by the CIA while a student at the University of Texas, but not until he was employed by the Gates Rubber Company in 1964 was he recruited. His first CIA assignments were in Africa where he claims to have had personal contacts "providing services" to an African head of state.

From 1972 to 1973, Stockwell was the Chief of the Kenya-Uganda Section at Langley. From 1973 through the evacuation of Saigon, he served as a CIA case officer in charge of activities in Tay Ninh province in South Vietnam. On his return to the U.S. in 1975, he was chosen to be chief of the Angola Task Force and "so ran the CIA's secret war in that country."

From the film, it would appear that Stockwell was a military adviser to Holden Roberto, chief of the FNLA guerrillas and brother-in-law of Zaire president Mobutu, and to Jonas Savimbi, leader of the UNITA forces, and that he was responsbile for paramilitary operations. However, under questioning, Stockwell admitted to "running" a number of locally enlisted agents as an intelligence network in Luanda, Mossamedes and Cabinda—indicating a most unusual combination of "case officer" and paramilitary adviser roles.

After twelve years in the Agency, Stockwell resigned in April 1977, writing an open letter to CIA Director Stansfield Turner that was published in the Washington Post explaining his resignation. He then "kept his head down" in a summer cabin in Texas; took a $10,000 advance from the W. W. Norton Co. for his book (just published). In Search of Enemies: A CIA Story, [35,000 hardcover copies sold as of May 19]; and with the IPS team made the film, The Case Officer, probably in the early summer of 1977 in Houston. Stockwell has two sons from his former marriage and an adopted Vietnamese daughter.

According to Stockwell, his income since April 1977 has been the $10,000 publisher's advance and $15,000 from his savings: this as compared to the $33,000 plus a year he earned at the CIA.

In response to a question, Stockwell indicated that he had last had access to CIA documents in June 1976. He offered no explanation as to why it was ten months later that he resigned.

It is noted that in January 1976, the IPS-related CNSS published a newsletter, Intelligence Report [Vol. 1, No. 1], subtitled "CIA's Secret War in Angola," that in many small details parallels the information now being given by Stockwell, The CNSS publication cited unnamed "official sources" as providing such operational details as that by December 12, 1975, the CIA had sent "five artillery spotter planes piloted by Americans into the Angolan battle zones" and that the CIA had use of U.S. Air Force C-141 transport jets which landed supplies at the Kinshasa airport for retransport into Angola via small plane.

A December 17, 1975, article in the Los Angeles Times by John D. Marks, director of the CIA Project of CNSS, quoted an unnamed "knowledgeable official" describing the Angolan operation as "a mutual anteraising, an inconclusive situation and a hell of a lot of dead Angolans." The CNSS publication [contributors to that issue included John Marks, Christy Macy, David Klaus, Courtland Cox and Robert Borosage] quoted "an official directly involved" as warning that "neither Savimbi or Roberto are good fighters—in fact, they couldn't fight their way out of a paper bag. It's the wrong game and the players we got are losers." In his film narrative and in his live remarks to the IPS/GAP conference, Stockwell used markedly similar phraseology.

The film showing was followed by Stockwell answering (and evading) questions from the audience. Later he was joined by Donald Jordan, a former CIA officer from the Agency's San Diego office; and Frank Snepp, a former CIA analyst and author of the recently published book, Decent Interval; on a panel moderated by American Civil Liberties Union (ACLU) attorney Mark Lynch, of the joint ACLU and CNSS Project on Civil Liberties and National Security, who has been representing Snepp.

Speakers slated to take part in the May 20 GAP conference to be held as Washington's International Inn include:

Raymond J. Connolly, former analyst, Army Security Agency.

Mike McDougal, former U.S. Army Officer.

Lt. Ronald McRae, U.S. Navy.

Renault Robinson, officer, Chicago Police Department.

Sgt. Leah Wainwright, U.S. Army.

Christopher Pyle, professor, formerly with Army Intelligence.

John Bradley, formerly of the Defense Communications Agency.

Robert Aldridge, former top Lockheed missile engineer.

John Bennett, nuclear technician, U.S. Navy.

James Conrad, Nuclear Regulatory Commission (NRC).

Dr. Tom Mancuso, nuclear scientist, formerly with Atomic Energy Commission.

Dr. Ted Taylor, Princeton University, 1975 project director, NRC Safeguard Study.

Senator James Abourezk [D-SD].

Daniel Schorr, author and TV commentator, leaker of House Intelligence Committee report.

Charles Brennan, former director of the FBI's domestic intelligence program.

Adm. William P. Mack, former commander, 7th Fleet, Vietnam.

Robert L. Borosage, listed as "Director, Institute for Policy Studies."

Marcus Raskin, "political philosopher," IPS.

Gloria Emerson, author.

Emory Swank, former U.S. Ambassador to Cambodia.

Distributed at the conference was a pamphlet, "A Whistleblowers Guide to the Federal Bureaucracy," price $3, with its printing "donated by the Playboy Foundation," and supportive "blurbs" from Ralph Nader, Rep. Morris Udall [D-AZ], Ernest Fitzgerald of C-5A cost overrun notoriety, and American University law professor Robert G. Vaughn.

The pamphlet, by GAP staffer Mark Ryter, states it is designed to be the "ideal compliment" to showings of GAP's films, The Swine Flu Caper, and The Case Officer, available for rent or for sale (prints cost $400 and $500 respectively).

In an introduction to the pamphlet, GAP's Stavins and Bernard announce that in ad-

vance of this "Whistleblowers Conference on National Security," IPS has set up a Government Employees Advisory Committee of "government employees, lawyers, labor leaders, legislators and public interest groups" to aid any who may wish to continue in the tradition of Marchetti, Halperin, Ellsberg, Stockwell and company.

The second day of the Institute for Policy Studies (IPS) Government Accountability Project (GAP) "Whistleblowers Conference on National Security" took place in Washington's International Inn on Saturday, May 20, 1978, with some 175 people present.

Following an opening speech by Robert L. Borosage, director of IPS (and until recently director of the Center for National Security Studies (CNSS)), panels on military and police intelligence and nuclear energy "threats" were held. The featured luncheon presentation was by Senator James Abourezk [D-SD].

The Senator launched an attack on the Carter Administration for suppressing the Lyle Report which he said "chronicles the Civil Service Commission's involvement and participation in illegal patronage activities, possible perjury and document destruction." Before concluding, the South Dakota Senator paid homage to the CIA's newest defectors, saying:

"Frank Snepp, John Stockwell or anyone else who joined the national security establishment did not sign away their First Amendment rights. They did not waive their due process rights. And they did not vow loyalty to Agency actions which were above the laws of this nation."

He did not elaborate as to how these statements applied to Snepp or Stockwell's actions.

During the afternoon, three workshops took place which were described by GAP in the following terms:

The Congressional/Executive Connection for Whistleblowers—This workshop will focus on how to improve the channels of communication between Congressional staff, White House personnel, and the federal employee who wishes to report abuse. The historical situation has been that directors or top level persons within a government agency are the only voices heard on Capitol Hill. In the past, their testimony has often been misleading or incomplete at best. There is therefore a serious need to open up new channels between policy makers in Congress and the Executive, and middle-level employees of the government. Is there a way that this process can be systematized? Who should whistleblowers go to? * * *

A panel of Congressional staff and executive personnel will respond to questions and help with suggestions on the above issues. The panelists will include:

Frank Silbey, staff, Cong. John Moss' Office.

Jessica Josephston, staff, Senator Jim Abourezk's Office.

Bill Funk, staff on the Legislative Committee, House Intelligence Committee.

Mark Gittenstein, staff, Senate Select Committee on Intelligence.

Paul Rosenthal, staff, Senate Government Affairs Committee.

Steve Simmons, White House staff.

The Legal Options for the Whistleblower—The workshop will explore some of the legal considerations about which potential whistleblowers should be aware. The workshop is geared toward helping whistleblowers to anticipate and avoid unnecessary problems. The following types of issues will be discussed.

Legal expenses.
Attorney selection.
Timing of disclosures.
Congressional revelations.
Gathering documentation.
Suits against superiors.
Internal remedies, etc.

A panel of Washington attorneys will respond to questions and, when appropriate, make suggestions about ways of blowing the whistle as effectively and safely as possible. The panel will consist of the following attorneys:

Mr. John Bodner of the law firm of Bodner and Bruce. Mr. Bodner represented Mr. Ernest Fitzgerald in his successful legal struggle for reinstatement at the Pentagon.

Mr. George D. Crowley, an associate in the law firm of Shaw, Pittman, Potts and Trowbridge. Mr. Crowley is presently representing Mr. Robert Sullivan, the GSA investigator who publically disclosed the wasteful and unlawful contracting practices of his Boston office.

Mr. Joseph D. Gebhardt of the law firm of Dobrovir, Oakes, Gebhardt and Scull. Mr. Gebhardt is the co-author of two publications: The Offenses of Richard M. Nixon: A Guide to His Impeachable Crimes (1973, 1974) and Blueprint for Civil Service Reform: An Analysis of How Politics Have Made a Mockery of the Civil Service Merit System.

Mr. John Shattuck is the director of the Washington Office of the American Civil Liberties Union.

Caring for the Personal Needs of Whistleblowers—The purpose of this workshop is to explore various methods of dealing with the personal needs of the whistleblower. Most individuals, when going through periods of stress, experience varying degrees of anxiety and uncertainty. This is doubly true of the whistleblower. * * * In addition to experiencing the awesome weight of the federal bureaucracy directed toward discrediting them, the whistleblower often experiences loss of communication with co-workers, strained relationships with family and friends, financial difficulty, long legal battles, long-term unemployment, and fear about the future.

The workshop panelists to provide analysis of services needed to support the whistleblowers were listed as:

Margie Bernard—[IPS] Government Accountability Project, moderator.

Steve Boyan—Washington Ethical Society.

Doug Carmichael—psycho-therapist.

Bruno Heidik—Washington Pastoral Counseling Service.

Edwin Mikkelsen—psychiatrist.

Representative of the American Federation of Government Employees (AFGE).

The IPS/GAP conference was concluded with a panel discussion entitled, "Personal Conscience and National Security," in which Charles Brennan, a former FBI Director of Domestic Intelligence, gave a spirited defense of FBI policies under its late Director, J. Edgar Hoover.

As the conference was ending, GAP director Ralph Stavins announced the formation of the National Security Association or League which he said would provide assistance to members of the intelligence community, "especially those who have signed secrecy oaths," who "have something that they wish to disclose and need assistance."

Stavins noted that three conference participants, Frank Snepp, John Stockwell and Donald Jordan, had agreed to become founding (and by implication, organizing) members of this new IPS project; and that the ACLU and IPS had agreed to provide assistance. In concluding, Stavins remarked that the new group would help offset the "pernicious influence" of the "other organization that represents Intelligence Officers in the Washington area."

A few days after the conference, participants received a mailing requesting a donation of $10 to offset the loss of over $1,000 caused by GAP's inability to require participants to pay to attend the first session held on Capitol Hill in the Rayburn House Office Building. Said IPS/GAP's Margie Bernard:

"The conference expenses represented a sizable portion of GAP's current operating budget, and * * * we suffered a financial loss of approximately $1,000."●

HISTORY OF INDIANA'S CONGRESSIONAL DELEGATION

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. JACOBS. Mr. Speaker, I insert the following article written by Prof. Philip A. Grant, Jr., concerning historical aspects of Indiana's delegation to the Congress. Professor Grant, at his own expense, has paid for the marginal printing costs of this insertion; a thoughtful gesture by a responsible citizen:

HISTORY OF INDIANA'S CONGRESSIONAL DELEGATION

On March 9, 1933, the Seventy-Third Congress was called to order.[1] Summoned into emergency session by newly inaugurated President Franklin D. Roosevelt, this Congress was to enact an impressive array of major laws and thus begin the momentous era of the New Deal. Between March 9, 1933 and the adjournment of the Third Session of the Seventy-Sixth Congress on October 10, 1940, the nation was destined to experience a wide variety of serious economic and social problems, undergo the most sweeping domestic reform movement in its entire history, and witness the ominous rise of totalitarian aggression in Europe and the Far East.

During this historic seven and one-half year period the State of Indiana had a fourteen member congressional delegation. Like their colleagues from other parts of the nation, Indiana's two United States Senators and twelve members of the House of Representatives had the ultimate responsibility of approving or rejecting the multitude of legislative measures proposed by President Roosevelt. A substantial number of these individuals chaired standing committees in their respective bodies and were identified with significant legislation.

Among the Indiana congressmen taking their oaths of office on March 9, 1933 were Representatives Eugene B. Crowe of Bedford, John W. Boehne, Jr., of Evansville, and Glenn Griswold of Peru, Crowe, Boehne, and Griswold were staunch supporters of nearly all the New Deal innovations of the first two Roosevelt Administrations.

A banker by profession, Crowe compiled a virtually unblemished record of support for both the domestic and foreign policies of the New Deal. By 1940 he had become the ranking Democrat on the Committee on Public Buildings and Grounds and the Committee on Territories. Crowe's most noteworthy achievement involved a pivotal role in the enactment of the National Defense Housing (Lanham) Act of 1940.[2] He was also instrumental in the passage of numerous bills vital to the welfare of two future states, Alaska and Hawaii.[3]

Boehne was elected by his constituents in southwestern Indiana to six consecutive terms in the House.[4] He was the only Indianan assigned to the prestigious Committee on Ways and Means.[5] While obviously lacking sufficient seniority to exert dominant influence on the Ways and Means panel, Boehne did actively participate in the deliberations culminating in two landmark New Deal measures, the Reciprocal Trade Agreements Act[6] and the Social Security Act.[7]

An Attorney, Griswold was a former member of the Indiana Railroad Commission.[8] Throughout the period between 1933 and 1939 he served on the Committee on Labor. Griswold had the distinction of being designated to serve on the House-Senate conference committees having the responsibility of

Footnotes at end of article.

finalizing the details of the two foremost labor statutes of the New Deal period, the National Labor Relations (Wagner) Act [9] and the Fair Labor Standards (Wages and Hours) Act.[10]

Also present at the opening ceremonies on March 9, 1933 were three other Indiana congressmen, Representatives William H. Larrabee of New Palestine, Charles A. Halleck of Rensselaer, and Arthur H. Greenwood of Washington. Larrabee, Halleck, and Greenwood were destined to spend an aggregate total of sixty-two years on Capitol Hill.

Prior to entering Congress in 1931, Larrabee had been engaged in the general practice of medicine.[11] Although representing a traditionally Republican district he was acknowledged as one of the most steadfast New Dealers in the House. During the second Roosevelt Administration Larrabee became Chairman of the Committee on Education and ranking Democratic member of the Committee on the Census. In these capacities he presided over lengthy hearings on the question of federal aid-to-education [12] and assisted in the passage of the Census Act of 1940, providing for the mandatory tabulation of population and various economic statistics.[13]

First sworn in as the Representative of Indiana's Second District in August 1935, Halleck was one of the youngest members of Congress.[14] From 1935 to 1939 he was the sole Republican on the Indiana congressional delegation. Halleck eventually to serve a decade as Republican Floor Leader, was a fiercely partisan combatant and a highly accomplished extemporaneous orator. A harsh and relentless critic of New Deal domestic programs,[15] he was especially vociferous in denouncing the Roosevelt Administration's labor [16] and welfare policies.[17] Halleck initially attracted nationwide attention at the 1940 Republican National Convention. At this gathering he delivered the principal nominating for his fellow Indianan, Wendell Willkie of Elwood.[18]

Greenwood, at the time of his retirement in January 1939, had completed sixteen years of continuous House service and was dean of the Indiana delegation.[19] More importantly he was a senior member of the powerful Committee on Rules, the organ vested with the prerogative of determining which of the various bills and resolutions reported by the other standing committees would be approved for floor consideration.[20] Greenwood assumed personal responsibility for urging House consideration of three high priority New Deal measures, the Agricultural Adjustment Act,[21] the Bituminous Coal (Guffey-Vinson) Act,[22] and the Farm Tenancy (Bankhead-Jones) Act.[23] Genuinely respected for his parliamentary expertise, Greenwood was also frequently selected by the Speaker to occupy the post of Chairman of the Committee on the Whole.[24]

The three most renowned congressmen from Indiana during the New Deal period were Representative Louis L. Ludlow of Indianapolis and Senators Frederick Van Nuys of Indianapolis and Sherman Minton of New Albany. Ludlow, Van Nuys, and Minton certainly rank as three of the most illustrious public servants from Indiana over the past half century.

After a lengthy and distinguished career in journalism, Ludlow in November 1928 had been elected to the first of ten terms in the House.[25] A member of the Committee on Appropriations, he was Chairman of the Legislative Subcommittee, 1933–1935, and the Treasury and Post Office Subcommittee, 1936–1940. While chairing these organs, Ludlow successively authored the annual laws to fund the operation of the two houses of Congress [26] and two of the existing executive departments.[27] Especially well-publicized were Ludlow's activities as one of the most outspoken leaders of the bipartisan isolationist bloc in Congress. In addition to his sustained efforts in behalf of strict neutrality legislation [28] and in opposition to peacetime military conscription,[29] Ludlow proposed the constitutional amendment requiring a nationwide referendum as a precondition to a declaration of war.[30]

Van Nuys, a former United States Attorney for Indiana, served in the Senate between 1933 and 1944.[31] During the second Roosevelt Administration, he was Chairman of the Committee on Expenditures in the Executive Departments and a member of the Committees on Foreign Relations and the Judiciary. Although generally sympathetic to the New Deal, Van Nuys was distinctly independent in his approach to certain sensitive issues. He incurred the wrath of the Roosevelt Administration by strongly opposing the controversial plan to enlarge the membership of the United States Supreme Court [32] and strenuously objecting to the President's decision to seek an unprecedented third term in 1940.[33] As a longstanding member of the Judiciary Committee, he coauthored the Federal Anti-Lynching (Wagner-Van Nuys) Bill, a pioneer piece of civil rights legislation,[34] and reviewed the credentials of several prominent gentlemen nominated by President Roosevelt to fill vacancies in the Department of Justice and the United States Supreme Court.[35]

During the final two years of the second Roosevelt Administration, Minton was Assistant Democratic Leader (Whip) of the Senate and Chairman of both the Committee on Pensions and the Special Committee to Investigate Lobbying Activities.[36] Along with Senators Alben W. Barkley of Kentucky, Robert F. Wagner of New York, and George W. Norris of Nebraska, Minton was an articulate and unwavering spokesman for the New Deal. He readily challenged the President's conservative critics on the floor of the Senate [37] and staunchly defended the propriety of Roosevelt's quest for a third term.[38] Not only did he enthusiastically favor the President's domestic policies, but also, unlike most members of the Indiana delegation, he loyally supported Roosevelt's foreign policies. Perhaps his most notable effort occurred in 1940, when, as a member of the Committee on Military Affairs, Minton helped guide the Selective Service Act through the Senate.[39] Largely because of his close identification with the New Deal, Minton was narrowly defeated in his campaign for re-election in 1940.

Collectively the Indiana congressional delegation compiled a record of firm support for New Deal legislation. A survey of thirty key votes in the House of Representatives between March 1933 and October 1940 establishes the fact that members from Indiana favored the Roosevelt Administration on 80.1% of the roll calls,[40] while an examination of thirty important votes in the Senate indicates an 85.5% level of support.[41] Among Democrats the figures were 87.3% in the House and 91.5% in the Senate. On purely domestic issues the proportions in the House and Senate were 93.1% and 92.7% respectively.

In addition to the obvious talents and abilities of the aforementioned gentlemen there were two major factors why congressmen from Indiana wielded influence during the New Deal period. These factors were affiliation with the dominant political party and possession of desirable committee assignments.

Between March 1933 and January 1939 the Indiana congressional delegation consisted of thirteen Democrats and one Republican. The 13–1 Democratic advantage (92.7 percent) was considerably in excess of the national average of the party's representation in Congress which varied from 310–117 (72.6 percent) to 331–89 (78.4 percent) in the House and 60–35 (63.1 percent) to 76–16 (82.6 percent) in the Senate.[42] Some, if not most, of Indiana's Democratic congressmen probably realized that they owed their seats to the landslide Roosevelt victories of 1932 and 1936,[43] and therefore were inclined to support or at least resolve their doubts in favor of the New Deal. In November 1938, however, the Republicans gained six House seats in Indiana, and in the following two years the popularity of the New Deal declined appreciably. Notwithstanding these 1938 reverses, the Democrats in Indiana from 1932 to 1938 won all three Senate races and thirty-nine of forty-eight House contests. The successes registered by Democratic candidates seeking House and Senate seats in large measure explains why the Roosevelt Administration enjoyed such steadfast support from the Indiana congressional delegation.

In addition to the political complexion of its delegation, Indiana was fortunate to have so many of its congressmen assigned to major standing committees. Among these panels were the Senate Committees on Foreign Relations, Military Affairs, and the Judiciary and the House Committees on Ways and Means, Appropriations, Rules, and Labor. Inasmuch as these seven committees were responsible for producing approximately half of all New Deal legislation, it was certainly understandable why the Indiana delegation had the opportunity to attain such prominence. Even under ordinary conditions these seven committees would have been quite important. Their importance was greatly accentuated by the numerous crises accompanying the Great Depression and the advent of World War II.

The aforementioned members of the House of Representatives and United States Senate were chosen by the citizens of Indiana to serve in Congress during one of the most legendary periods in the country's history. Between March 9, 1933 and October 10, 1940 each of these gentlemen compiled records of genuine accomplishment.[44] Although Indiana accounted for less than three percent of the nation's total population, its congressional delegation exerted profound and disproportionate influence on Capitol Hill.[45]

FOOTNOTES

[1] United States Congress, *Congressional Record*, Seventy-Third Congress, First Session (Washington: United States Government Printing Office, 1933), LXXVII, 41, 67.

[2] House of Representatives, *Conference Report on the bill (H.R. 10412) to expedite the provision of housing in connection with the national defense*, October 7, 1940; *Congressional Record*, LXXXVI, 11868, 11874, 13339, 13394; *The Statutes at Large of the United States of America, 1939–1941* (Washington: 1941), LIV, 1125–1128.

[3] *Statutes at Large*, L, 258, 508, 900–902; LII, 590–591, 1174, 1230; LIII, 1219.

[4] Lawrence F. Kennedy (comp.), *Biographical Directory of the American Congress, 1774–1971* (Washington: United States Government Printing Office, 1971), p. 881.

[5] The Ways and Means Committee had original jurisdiction over all taxation, foreign trade, and social insurance bills. A scholarly account of this committee is John F. Manley, *The Politics of Finance; The House Committee on Ways and Means* (Boston: Little, Brown and Company, 1970).

[6] *Report on the bill (H.R. 8687) to amend the Tariff Act of 1930*, March 17, 1934; *Congressional Record*, LXXVIII, 4754; *Statutes at Large*, XLVIII, 943–945.

[7] *Report on the bill (H.R. 7260) to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the administration of their unemployment com-*

pensation laws; to establish a Social Security Board; to raise revenue, and for other purposes, April 5, 1935; *Congressional Record*, LXXIX, 5155; *Statutes at Large*, XLIX, 620–648.

[8] *Biographical Directory of American Congress*, p. 1037.

[9] *Conference Report on the bill (S. 1958) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, to create a National Labor Relations Board, and for other purposes*, June 27, 1935; *Congressional Record*, LXXIX, 9682, 9688, 9694–9695, 9864, 10297–10300; *Statutes at Large*, XLIX, 449–457.

[10] *Conference Report on the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes*, June 14, 1938; *Congressional Record*, LXXXI, 8657–8661; LXXXIII, 6389, 7770, A2106–2108, A2883–2885; *Statutes at Large*, LII, 1060–1069.

[11] *Biographical Directory of American Congress*, p. 1265.

[12] House of Representatives, *Hearings on Federal Aid to the States for the Support of Public Schools*, March 30–April 13, 1937.

[13] *Report on the bill (S. 2505) to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments*, March 14, 1940; *Congressional Record*, LXXXVI, 2916; *Statutes at Large*, LIV, 162.

[14] *Biographical Directory of American Congress*, p. 1265.

[15] A well-written account of Halleck's activities between 1935 and 1940 may be found in Henry Z. Scheele, *Charlie Halleck; A Political Biography* (New York: Exposition Press, 1966), pp. 47–103.

[16] *Intermediate Report of the Special Committee to Investigate the National Labor Relations Board*, March 29, 1940; *Congressional Record*, LXXXVI, 7513–7515, 7711, 7733–7736, 7775, 7781–7782, 7793, 7797.

[17] *Congressional Record*, LXXXI, A1119; LXXXIV, 264–265, 7181–7184, A1826–1827; LXXXVI, 6316–6320.

[18] *Official Report of the Proceedings of the Republican National Convention, 1940* (Washington: 1940), pp. 203–211; *Post*, Washington, D.C., June 27, 1940, pp. 1, 5.

[19] *Biographical Directory of American Congress*, p. 1031.

[20] 9 definitive study of the Rules Committee is James A. Robinson, *The House Rules Committee* (Indianapolis: The Bobbs-Merrill Company, Inc., 1963).

[21] *Report on the resolution (H. Res. 136) providing for the consideration of the conference report on H.R. 3835*, May 3, 1933; *Congressional Record*, LXXVII, 3052, 3055, 3060.

[22] *Report on the resolution (H. Res. 146) for the consideration of H.R. 4985*, March 3, 1937; *Congressional Record*, LXXXI, 1808, 2026–2030.

[23] *Report on the resolution (H. Res. 261) for the consideration of H.R. 7562*, June 24, 1937; *Congressional Record*, LXXXI, 6299, 6431–6443.

[24] *Congressional Record*, LXXIX, 506, LXXX, 1490; LXXXI, 1233; LXXXIII, 456.

[25] *Biographical Directory of American Congress*, p.1314.

[26] *Congressional Record*, LXXVIII, 4427, 4966–4978, 5037–5046, 5047–5077, 5194–5200, 6337, 7186, 7238–7242, 9155–9158, 9861–9862; LXXIX, 7395–7425, 7504–7541, 7689–7718, 7746–7779, 9227, 10293–10297, 10660–10663; *Statutes at Large*, XLVIII, 817–834; XLIX, 459–477.

[27] *Congressional Record*, LXXX, 1489–1492, 1511–1535, 1597–1636, 1658–1693, 3868–3869, 7249–7275, 8863, 10026; LXXXI, 1201, 1233–1262, 1325–1350, 1356–1388, 1419–1449, 2851, 4165–4167; LXXXIII, 455–489, 520–564, 592–606, 643–675, 706–715, 2695, 3806–3807; LXXXIV, 1852–1889, 1938–1966, 2016–2044, 2761, 4866–4878; LXXXVI, 570, 606–614, 619–649, 691–705, 1676, 2807, 2885–2887; *Statutes at Large*, XLIX, 1827–1854; L, 137–164; LII, 120–148; LIII, 654–684; LIV, 55–79.

[28] *Congressional Record*, LXXXIV, 8015–8018; LXXXV, 485–488; Francis O. Wilcox, "The Neutrality Fight in Congress, 1939," *American Political Science Review*, October 1939, pp. 811–825.

[29] *Congressional Record*, LXXXVI, 11466–11468.

[30] *H.J. Res. 199—A joint resolution proposing an amendment to the Constitution to provide for a referendum on war*, February 5, 1937; *Congressional Record*, LXXXI, 9407–9408; LXXXIII, 276–283; Robert A. Divine, *The Illusion of Neutrality* (Chicago: University of Chicago Press, 1962), pp. 219–221; Manfred Jonas, *Isolationism in America, 1935–1941* (Ithaca: Cornell University Press, 1966), pp. 159–163.

[31] *Biographical Directory of American Congress*, p. 1852.

[32] United States Senate, *Report on the bill (S. 1392) to reorganize the judicial branch of the Government*, June 14, 1937; *Congressional Record*, LXXXI, 5639.

[33] Anticipating that Roosevelt would be renominated in 1940, Van Nuys announced that he would decline to be a delegate to the Democratic National Convention. Acceding to his wish, Van Nuys was not included among Indiana's district or at-large delegates to the convention.

[34] *Report on the bill (H.R. 1507) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching*, June 22, 1937; *Report on the bill (H.R. 801) to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching*, April 8, 1940.

[35] Between 1937 and 1940 the Judiciary Committee examined the qualifications of Attorneys-General Frank Murphy and Robert H. Jackson and Supreme Court Justices Hugo L. Black, Stanley Reed, Felix Frankfurter, William O. Douglas, and Frank Murphy.

[36] A succinct biographical sketch of Minton is Richard Kirkendall, "Sherman Minton," *The Justices of the United States Supreme Court, 1789–1969* (4 vols.; New York: Chelsea House Publishers, 1969), IV, 2699–2709.

[37] *Congressional Record*, LXXXII, 1934–1935.

[38] *Congressional Record*, LXXXVI, 11535–11536.

[39] *Conference Report on the bill (S. 4164) to provide for the common defense by increasing the personnel of the armed forces of the United States and providing for its training*, September 13, 1940; *Congressional Record*, LXXXVI, 9923–9924; *Post*, Washington, D.C., September 14, 1940, pp. 1, 4.

[40] Appendix A.

[41] Appendix B.

[42] Democratic congressional representation in other midwestern states between 1933 and 1939 was as follows: Ohio 82.1%; Illinois, 77.1%; Iowa 63.6%; Michigan 47.3%; Wisconsin 41.7%; and Kansas 40.7%.

[43] Appendix C.

[44] Halleck, Van Nuys, and Minton continued in public life after 1940. Remaining in the House until 1969, Halleck was Majority Leader, 1947–1949 and 1953–1955 and Minority Leader, 1959–1965. Van Nuys became Chairman of the Judiciary Committee in January 1941, a position he occupied until his death three years later. Minton was a Judge of the United States Court of Appeals (Seventh Circuit), 1941–1949, and an Associate Justice of the United States Supreme Court, 1949–1956.

[45] According to the Census of 1940 Indiana had 3,427,696 inhabitants. Indiana therefore accounted for 2.6% of the nationwide population of 131,669,275. As a consequence of the 1940 Census, Indiana lost one of its twelve congressional seats.●

ANTINUCLEAR DEMONSTRATORS TO RETURN TO SEABROOK

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. McDONALD. Mr. Speaker, the Clamshell Alliance, aided and abetted by the Marxist disarmament advocates of the Mobilization for Survival (MFS), is planning to hold another occupation of the construction site of the Seabrook, N.H., nuclear powered electrical generating plant. The arrogant leaders of the Clamshell Alliance, who make an elaborate pretense of being nonleaders, but merely spokesmen of "spokes" for the mass of antitechnology neo-Luddites who follow them, include Samuel Lovejoy, a veteran of the Venceremos brigade sojourns in Cuba and admitted saboteur of a Massachusetts nuclear powerplant construction site facility, who has been traveling around the country for 3 years urging local antinuclear groups to commit similar acts of violence which Lovejoy tries to excuse as "self-defense in advance" against the plants.

As the history of mass protests has shown, there is always a danger that groups or individuals associated with a cause may commit acts of violence during or in advance of the demonstration.

Columnist John J. Metzler has written a thoughtful analysis of the Clamshell Alliance and the various revolutionary groups who are attempting to colonize the antinuclear groups which will be present at Seabrook on June 24. Mr. Metzler's column appeared first in the June 14, 1978, issue of the Manchester Union Leader.

The article follows:

IS TROUBLE BREWING THIS TIME AT SEABROOK?

(By John J. Metzler)

Since its massive 1977 May Day weekend demonstration, the Clamshell Alliance has been actively preparing bigger and better publicity stunts aimed at stopping construction of the Seabrook nuclear facility. The Clamshell Alliance, an umbrella organization whose nearly 40 groups range from the pacifist to the violent, plans to stage a rematch between its militant and the State of New Hampshire's authority on June 24.

While American opposition to nuclear technology has not had the same violent tradition as that movement's European and Japanese comrades, the U.S. antinuclear movement could well be on the verge of violence. Occupations of nuclear sites ranging from Colorado's Rocky Flats to Seabrook are bringing together elements which when alone are not inflammatory but when linked could well provide the chemical reaction needed to produce an explosion.

Who comprises this latter-day Luddite Crusade about to swoop into peaceful Seabrook? For the most part, the Clams (as they call themselves) and their supporters are young students or professional people who have been active in ecology-related issues. Most Clams are well-off white lib-

erals, who, while genuinely concerned about the environment, are not interested in the movement's Marxist bedfellows nor in its violence potential.

Several radical strains are running throughout the clam beds of the Northeast. Groups such as the Socialist Workers Party (SWP), the Youth Against War and Fascism (YAWF), and the War Resisters League are very much interested in directing the ultimate course of this very malleable movement. A high degree of competition among radical circles is a feature of this underground trend. Oddly the pro-Soviet U.S. Labor Party (USLP) has taken a firm pronuclear stand to a large degree due to their Moscow mentor's using much nuclear technology. The Communist Party of the United States (CPUSA) has likewise found itself in an uncomfortable position with anti-nukes at first again due to Moscow's position. The CPUSA now stresses disarmament issues and selectively uses anti-nukes through many front organizations.

Last year the SWP, an old line Trotskyist group with a tradition of violence and political expediency, tried to take over the Clamshell Alliance. While rapid exposure averted the bid, the SWP remains close to the Clam's heartbeat. SWP still seeks promising individual activists through the anti-Nuke crowd.

The Portsmouth-based Clamshell has been actively preparing for the June 24 Seabrook onslaught. Prominent in this campaign was the proliferation of Seabrook demonstration exhibit tables sponsored by various organizations at the recent Mobilization for Survival (MFS) Disarmament rally in New York. The MFS is actually one of a number of groups participating in the layer cake of CPUSA fronts—Clamshell is in turn a group working under the MFS banner.

Groups such as the War Resisters League, also in concert with the MFS, are offering "nonviolence training" for the Seabrook bout; militant anti-Nukes are required to undergo four to six hours of training for the action. The participants going into the Seabrook plant facility must be willing to get arrested and therefore make a time commitment of four days. Affinity groups ranging in size from 10 to 15 people are again to be the decentralized mode of action. Such groups were used by Anarchist factions during the Spanish Civil War.

While most participants are certainly going to Seabrook in a nonviolent spirit, the situation could get out of hand should violent emotions be stirred. Radicals within the Clam representing the violent trend frankly despise the nonviolent Clams and don't hide this indictment in their literature. Both Trotskyite and Maoist communists have shown their distaste for Clams who don't want to be involved in political action beyond the anti-nuclear issue.

Most interesting perhaps is the recurring theme taken by those radicals that the Clamshell has not widened its scope—in a lead article in Win Magazine (June 16, 23, 1977), an author lamented that "though we seek a revolution in our political and social institutions, this revolution cannot occur without solid educational development, which often proceeds in an evolutionary fashion before the revolution can occur . . . therefore, we urge the Clamshell Alliance to recognize the commonality of its struggle with other movements. Only when we join forces can we truly succeed in making the radical changes we seek."

Another author comments in the same issue, that the single anti-Nuke cause "certainly isolates the Clamshell Alliance from wider support." Further the writer states, "for now it would be premature for the Clam to declare itself a socialist organization." (But sooner or later, organizations like the Clams are going to have to take that plunge.) "Then the true purposes in store for the majority Clams show through in brilliant crimson lettering: The central role which nonviolence plays in Clam politics can also be limiting." Using classic Marxist theory, the reader is treated to a smorgasbord of radical statements shedding needed light into the Clam's darker corners. After giving typical totalitarian reasons for the Clam's need for more directness, our writer says that individualism must be totally subordinate so collectivity can spring from the Clambeds. The author's personal conclusion, quite typical of radicals trying to make the Clams a Marxist battering ram, is "the Clamshell Alliance should be open only to people who want to contribute to its political direction and participate in its collective actions."

Extreme views are shown above are naturally at loggerheads with many of the counterculture Clams who still possess individuality. Leadership in the Clam is difficult as many members are anti-leadership of any sort. Nevertheless, anarchical trends, the countercultures and the ecology crowd pose a far different specter from organized bands of radicalized robots which many extremists yearn to create.

There stands a strong possibility that the Clamshell and other anti-Nuke organizations will soon be affected by the radical fallout being tirelessly advocated by the few planning to dictate to the many.●

GERARD JO O'BRIEN

HON. JOSEPH A. LE FANTE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. LE FANTE. Mr. Speaker, the development of communications throughout our Nation's history contributed significantly to our advancement as one of the great powers of the world. In the past, New Jersey has been noted for the scientific achievements of Thomas Alva Edison. Now the time has come to pay special tribute to another inventor from the Garden State who contributed immensely to our country's growth by resolving a communication problem that had baffled scientists for over a century.

In 1973, Gerard J. O'Brien of Jersey City, N.J., developed the "tap transducer," a modified version of the telegraph which acts as a voice transmitter without all the intricate mechanisms of Mr. Bell's telephone. In doing this, Mr. O'Brien not only contributed valuable knowledge to science, but also provided a means for creating energy conserving communication for an energy conscious people.

O'Brien's tap transducer looks very much like Morse's original telegraph, but works at a much faster rate so that it can transmit a voice much further and louder than the telephone, using one-third the energy. The tap transducer can also be used to detect earthquakes and find defects in airplanes and machinery. It has many communicative possibilities that will make communication less expensive and wasteful.

Born July 5, 1934, Gerard J. O'Brien graduated from St. Patrick's Elementary School in Jersey City and then, after 1 year of high school, entered the work force. Despite his limited formal education, Mr. O'Brien displayed an ingenious talent for solving complicated engineering problems.

That talent was also evidenced in his other patented inventions which should not go unnoticed. These include a portable voice generator that aided deaf mutes in communication and an electromagnetic amplifier sound transducer used to convert acoustical waves into amplified electrical waves. Mr. O'Brien was also granted 11 other patents.

Gerard J. O'Brien deserves credit for his accomplishments and the role they play in keeping ours a well-informed and intelligent society. More importantly, however, he has proven to be an outstanding citizen in his pursuit for a more progressive, modernized system of communication.●

REV. ANZO MONTGOMERY: OUTSTANDING CHURCHMAN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. STOKES. Mr. Speaker, I rise on this occasion to pay tribute to the Reverend Anzo Montgomery, of Cleveland, Ohio, who is one of our city's most respected churchmen. Reverend Montgomery has served as the distinguished pastor of the Lane Metropolitan CME Church for over 13 years.

Mr. Speaker, Reverend Montgomery will be leaving our city shortly. He has recently been elected as the general secretary, board of evangelism of the Christian Methodist Episcopal Church. Those of us in Cleveland who know and admire Reverend Montgomery are pleased that he has been selected for this significant honor. He will bring to his duties a solid background and wide experience in church and community relations. Nevertheless, I am certain that I speak for many when I say that we will also feel a sense of loss, for Reverend Montgomery is a strong and dedicated leader who has done much to promote the advancement of our city and the black community.

So that my colleagues in the House can better acquaint themselves with Reverend Montgomery's career, I would like to take this opportunity to cite some of the highlights of his life and career.

Reverend Montgomery was born and raised in Jackson, Tenn. As a young man, he was educated at Henderson Business College, Fisk University School of Religion in Nashville, and Washburn University. After pastoring several churches in Tennessee, he was called to Topeka, Kans., and the Lane Chapel. He also became the president of the Topeka chapter of the NAACP. During this time, Reverend Montgomery and five other area ministers questioned the constitutionality and morality of the segregated Topeka public school system and paved

the way for the historic Brown against the Board of Education case.

He also served as the pastor of St. Mathew's CME Church in Wichita, Kans., and continued his active leadership in community relations serving on the boards of the YM–YWCA, the Phyllis Wheatley Children's Home and the Urban League.

Mr. Speaker, when Reverend Montgomery was called to Cleveland in 1965, the Nation was going through one of the most tumultuous periods in its history. Urban unrest, violent assassinations, the mounting civil rights struggle all combined to make it an era of frustration and uncertainty. In our city, much of the burden fell on Reverend Montgomery and other prominent pastors to lead our community through a time of spiritual unrest.

During his 13 years at Lane Metropolitan CME Church, Reverend Montgomery served as the president of the Interdenominational Ministerial Alliance, the Methodist and CME Methodist Alliance, State president of the Ohio Leadership Conference and Urban Ministers Foundation, vice president of the Interchurch Council and the Board of Directors of the Urban League, Reverend Montgomery is married to Saphronia Goodwin Montgomery who is a composer and author.

Mr. Speaker, on Friday, June 23, an appreciation banquet will be given in honor of Reverend Montgomery for his tireless and dedicated service to his church and to his city. At this time, I would like to ask that my colleagues join me in paying tribute to this outstanding churchman and to wish him well in his future pursuits. Our community has been immeasurably advanced by his presence and his deeds.●

AMERICAN FAMILY SOCIETY

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. BOB WILSON. Mr. Speaker, I am pleased to tell you about a major effort just getting underway this week, to encourage the building of stronger and happier family relationships in every community of America. This commendable effort underscores the fact that further breakdown of family life in the Nation is not inevitable—that negative trends can and will be turned around by the right kind of leadership.

One of my very public-spirited constituents living in San Diego, Mr. Ray Kroc, is leading a salute to the families of America with a series of inspiring radio and television spot announcements, and in a major 4-week campaign that begins this week in 3,600 McDonald's family restaurants—located all over America.

During the campaign, Mr. Kroc's organization will sponsor reunions for more than 3,600 families, with travel arrangements being handled by United Airlines. McDonald's will distribute to millions of people printed suggestions for activities that bring fun and strength to family life.

To help parents take positive steps to prevent family problems, participating restaurants will distribute a unique family checkup, developed in consultation with some of the Nation's leading authorities on family life. Entitled "Because Your Family Matters," the brochure was produced in cooperation with the American Family Society, a nonprofit, nonsectarian organization headquartered in the Nation's Capital. (A free copy will be sent to anyone who writes to: Family, Box 9873, Washington, D.C. 20015.)

I wanted you to know of this commendable effort by Mr. Kroc and other leaders in the private sector, because it will touch the lives of so many of the families you serve.●

HONORING GENERAL JASKILKA UPON RETIREMENT

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. SARASIN. Mr. Speaker, a distinguished serviceman who has achieved honors and high rank in the U.S. Marine Corps will soon retire. I speak to Gen. Samuel Jaskilka, a man I am proud to say is a constituent and a friend. General Jaskilka will retire from the Marine Corps on June 29, 1978.

Born in Ansonia in 1919, Samuel Jaskilka attended local schools and then went on to my alma mater, the University of Connecticut, from which he graduated in 1942 with a degree in business administration.

That same year, Sam Jaskilka attended Reserve officers' classes for the corps. He later fought in the Pacific theater during World War II, being involved in the Marshall Islands battles, the Leyte operation, and others.

In the Korean conflict, General Jaskilka was a battalion executive officer and a commanding officer of Company E, 2d Battalion, 5th Marines. His actions at this time earned him the Silver Star and Bronze Star Medal with a combat "V" for heroism.

Having served his country in two major military conflicts, the general went on to fight in yet one more. His contributions toward the American effort in Vietnam brought him the Distinguished Service Medal.

On July 1, 1975, Samuel Jaskilka became Assistant Commandant of the Marine Corps, and he was promoted to the rank of general on March 4, 1976.

The list of awards General Jaskilka has earned is an impressive one. The Distinguished Service Medal; the Silver Star Medal with one gold star in lieu of a second award; the Legion of Merit; the Bronze Star Medal with combat "V"; the Joint Service Commendation Medal with one oak leaf in lieu of a second award; the National Order of Vietnam; and the Vietnamese Army Distinguished Service Order, First Class are all his.

Furthermore, the general has developed an outstanding personal physical fitness record. Having been involved in athletics since his school days, he will become a member of the 10,000 Mile Club before he retires, designating that he has jogged over 10,000 miles.

Gen. Samuel Jaskilka's retirement marks the end of a long, illustrious career of dedicated service to our country. I am pleased to take this opportunity to pay him honor and to express thanks for a lifelong commitment to the United States. I wish him luck and happiness in his retirement.●

TELLICO DAM WOULD FLOOD SACRED CHEROKEE LAND

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. BONIOR. Mr. Speaker, I would like to share with my colleagues a statement that was presented to the House of Representatives Merchant Marine and Fisheries Committee hearings on the reauthorization of the Endangered Species Act on June 20, 1978, by Jimmie Durham, director of the International Indian Treaty Council, as follows:

TSI YUNWIYAH. I am a Cherokee. In the language of my people, Ani Yunwiyah, or Cherokee as we are called, there is a word for land: Eloheh. This same word also means history, culture, and religion. We cannot separate our place on the earth from our lives on the earth nor from our vision and our meaning as a people. We are taught from childhood that the animals and even the trees and plants that we share a place with are our brothers and sisters.

So, when we speak of land, we are not speaking of property, territory, or even a piece of ground upon which our houses sit and our crops are grown. We are speaking of something truly sacred.

Is there a people anywhere in the world that does not revere its homeland? Is there a human being who does not revere his homeland, even if he may not return? We say that reverence is a great human characteristic. We say that reverence for ancestral lands, no matter how insignificant in our own daily affairs or how far from our own homes is vitally important to the whole of humanity.

The Cherokee people lived for thousands of years in what is now Tennesseee, Georgia, and Carolina. In our own history, we teach that we were created there, which is truer than anthropological truth because it was there that we were given our vision as the Cherokee people. But, President Jackson illegally drove us out of that land, from Echota, the center of our world.

There is no Cherokee alive who does not remember that Trail of Tears, who does not remember and revere that sacred land and Echota.

Today the Tennessee Valley Authority plans to flood the sacred valley that held our two principal cities, Echota and Tenasi, after which the state is named. The Tellico Project would destroy an area of great religious importance, many settlement sites, cemeteries, rich farmlands, forests, and the river itself. This is an un-needed dam which can, at the whimsey of TVA, wipe out thousands of years of history of a great and currently oppressed people. To do so will be an insult not only to the Cherokee, but to all the people in the U.S. and to all humanity. Yes, I am

proud enough to state that the history and vision of my people are important to humanity.

I want to speak to my children and my grandchildren about Echota, and I want them to be able to go there and listen to their ancestors. The anthropologists have dug up some bones and some pottery at Echota and TVA tells us that we can visit those bones at a museum.

But the spirits of our ancestors are not in a museum. They live in the Pine and Hickory and Walnut trees and in those free-running creeks and rivers.

I will never live at Echota, anymore than a Greek in New Jersey will ever live at the Parthenon, but the hearts of our people say it must be there.

The fact that there is no stone monument or large ruins at Echota is itself a monument. Our reverence for the land and its life maintained it in an unspoiled state for those thousands of years. Maybe someone will think I am being too emotional, but there must come a time when the American government and the American people can be emotional about the destruction of land and of sacred things.

The flooding of our old valley has been stopped temporarily because of a little fish that lives there and nowhere else. I have seen Griffin Bell, The New York Times, and a national television network make fun of this little fish and I would like to ask why it is considered so humorously insignificant. Because it is little, or because it is a fish?

It is this incredible arrogance towards other life that has caused such destruction in this country. Who is Griffin Bell or the U.S. government to play God and judge the life or death of an entire species of fellow-being which was put here by the same power that put us here? Who has the right to destroy a species of life, and what can assuming that right mean?

Let me be emotional: to me, that fish is not just an abstract "endangered species", although it is that. It is a Cherokee fish and I am its brother. Somehow, it has acted to save my holy land, so I have a strong gratitude for that fish.

The Cherokee people in Tennessee, Oklahoma, the Carolinas, Georgia, and wherever we might be, are of one voice and of one mind that this dam, this degradation, be stopped. We want our universe, our Eloheh, with all of its fish and all of its life to continue. And, we are sure that this cannot be against the interests and wishes of the American people.●

LITHUANIAN OCCUPATION REMEMBERED

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. COUGHLIN. Mr. Speaker, it has now been 38 years since the Soviet Union invaded the independent Republic of Lithuania and forcibly deprived the Lithuanian people of freedom, self-determination, independence, and other basic human rights. Lithuania's attempts to retain independence have been in vain. Thirty-thousand Lithuanian freedom-fighters died in the resistance to Soviet annexation and an equal number perished in prison or in exile.

Documented cases of ruthless Soviet persecution of Lithuanians continue to reach the West. Yet in spite of political and cultural repression, and religious persecution, the proud spirit of freedom and independence instilled in these people has survived and continues to flourish. Dissidents continue to fight valiantly for their basic human rights at great personal risk. Their just cause must not be abandoned.

As a nation which was founded on the primacy of individual liberties, the United States must never allow its dedication to human rights diminish. Lithuanians, like Americans, are devoted to the principles of personal liberty and freedom of choice. Lithuania presents an inspiring example of having maintained its "national pride" and its will to independence against overwhelming odds.

As a Congressman who has strongly supported resolutions to protest the illegal seizure of the Baltic States, I take great pride in honoring the courageous Lithuanians, and I salute the Lithuanian-American community for its constant efforts on behalf of its homeland.

With the support and cooperation of millions throughout this country and other nations, we can urge the Soviet Union to comply with the human rights provisions of the Helsinki Final Act and insure that the just cause of Lithuanian self-determination will not be abandoned.●

JUSTICE—SOVIET STYLE

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. BINGHAM. Mr. Speaker, today in the Soviet Union another travesty of justice has occurred. Soviet Jewish refuseniks Ida Nudel and Vladimir Slepak, in separate trials in Moscow, were tried and convicted of "malicious hooliganism". Both were sentenced to terms of internal exile, Slepak for 5 years and Nudel for 4 years. As is becoming more and more familiar, the trials were commenced with little advance notice and in the case of Nudel, at least, no friends or observers were allowed to attend.

The actions for which Slepak and Nudel were arrested and which comprise, according to the Soviet Government, "malicious hooliganism" can hardly be considered criminal. Slepak and his wife, Maria, frustrated at having been denied the right to emigrate to Israel for over 8 years, hung a banner with the inscription "Let Us Go to Our Son in Israel" over the side of their apartment balcony in downtown Moscow. Police broke into the eighth floor apartment, tore the banner into three pieces and arrested Mr. and Mrs. Slepak. Both were charged with "malicious hooliganism." Mrs. Slepak, a physician, was released pending trial. Apparently, the Soviets intend to try Mrs. Slepak, who suffers from pancreatitis, alone.

Ida Nudel, who has been trying for over 7 years to emigrate to Israel where her husband and sister live, attempted to take part in a demonstration with other refuseniks demanding their right to emigrate. The demonstrators were hustled away by KGB agents and later Nudel reportedly hung a protest poster in her apartment window. She was told on June 2 that she was being charged under article 206 of the RSFSR criminal code with "malicious hooliganism."

Both Slepak and Nudel have played important roles in the Soviet Jewish emigration movement. Slepak, one of the best known leaders of the refuseniks, is also a member of the Moscow Group to Promote Observance of the Helsinki Agreement in the U.S.S.R., headed by now-imprisoned Yuri Orlov. Nudel is known as the guardian angel of the Jewish Prisoners of Conscience. She regularly appealed to Soviet authorities and the West in their behalf, corresponded and visited with them. Both will be sorely missed by the Soviet Jewish community.

Despite the pledges made at Helsinki to respect human rights and fundamental freedoms, which include the right to emigrate, and the promise to facilitate the reunification of families, Vladimir Slepak and Ida Nudel were deliberately separated from family members abroad. For protesting the denial of their rights, these courageous individuals are now forced to spend years in an isolated part of Siberia away from their homes, their families, and their friends. Mr. Speaker, I urge my colleagues to speak out against this injustice and to join me in protesting conviction and sentencing of Ida Nudel and Vladimir Slepak.●

CORRESPONDENCE WITH THE ADMINISTRATION ON BREEDER REACTOR DEVELOPMENT

HON. GARY A. MYERS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. GARY A. MYERS. Mr. Speaker, as ranking member of the House Subcommittee on Fossil and Nuclear Energy Research, Development, and Demonstration, I am concerned about the lack of administration support for the demonstration of fast breeder technology in a plant operating on a utility grid.

While I do not oppose the concept of the administration-supported study, I support such a study only if it is carried out concurrently with work on the existing small scale breeder demonstration project.

Our colleague, the Honorable JOHN W. WYDLER has, as ranking member of the House Science and Technology Committee, brought to light several of the concerns involved in the breeder issue in an exchange of letters with Mr. Harry E. Bergold, Jr., Department of Energy Assistant Secretary of International Affairs. I am appending copies of the correspondence as a portion of my remarks, and I urge careful consideration of the points raised in view of the continuing disparity between congressional and Executive views on breeder reactor development.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 31, 1978.

MR. HARRY E. BERGOLD, JR.,
Assistant Secretary for International Affairs, Department of Energy, Washington, D.C.

DEAR MR. BERGOLD: I read with considerable interest the reply that you sent me at the request of the President. I appreciate the courtesy but frankly I found some of your key points unconvincing

Certainly the question of nuclear power demand is a chicken-egg issue. The difficult problems in delay of plant construction due to design licensing requirements have played a major role in slowing nuclear power demand by eroding utility and industry confidence.

Only the nuclear fuels resource assessment program will answer the question of the level of uranium resources we can project with confidence. As you know, several studies, including that of the National Academy of Science, place our reserves considerably lower than the Administration's optimistic figures. It will be five years before we can nail down this figure and I am surprised that you would contend that the reserves are "projected to be significantly higher than that used for planning the nuclear program including the Clinch River Breeder Reactor."

You failed to address the question of a focus for our breeder technology program. I have discussed this with officials of many foreign governments and regardless of the level of funding they will not take a breeder program seriously which does not involve a plant commitment. On that basis, I cannot agree with your statement that "the new program direction maintains our position as the world's leading nuclear power nation." I cannot believe we will maintain nuclear preeminence vs. the Russians, French, and British as they will accumulate considerable plant experience by the early 1980s.

I endorse U.S. emphasis on systematic and comprehensive R&D with extensive component testing but this activity is not inconsistent with parallel design activity to build a technology demonstration plant.

Finally, it is clear to me that the President's unfortunately strident rhetoric of last April 20th has got him "out on a limb" on nuclear policy. I am pleased to see his recognition of this in recent dealings with the Indian government. He can hardly afford to treat any of our nuclear friends with less courtesy than he is showing Premier Desai. The Japanese announcement to proceed with nuclear reprocessing is simple evidence of common sense. I am stunned that the Administration would have expected otherwise from an island nation with no fossil energy reserves.

I can appreciate that it is a most difficult chore for you and other officials to defend a policy which lacks a sound basis in technical fact or international political reality. I trust you will convey the substance of my reply to the President and Secretary Schlesinger.

Sincerely yours,

JOHN W. WYDLER,
Ranking Minority Member.

DEPARTMENT OF ENERGY,
Washington, D.C., May 13, 1978.

Hon. JOHN W. WYDLER,
House of Representatives, Washington, D.C.

DEAR MR. WYDLER: The President has asked me to reply to your letter of April 4. You raise a number of important issues concerning your energy discussions with the Soviets, the future of the U.S. breeder reactor program, and the future role of nuclear power in this country. Let me assure you at the outset that the President shares your commitment to continued U.S. technological and industrial leadership in world nuclear markets.

In April 1977, the President announced a restructuring of the breeder reactor development program. Key factors involved in this decision were nuclear power demand, economic outlook, and proliferation concerns. Specifically, nuclear power demand had changed markedly since the decision was made to go forward with the Clinch River Breeder Reactor. Projections of electrical demand for the year 2000 are now between one-quarter and one-half of the presumed requirements when the Clinch River Breeder Reactor Project was planned. Moreover, the uranium resource base is projected to be significantly higher than that used for planning the nuclear program including the Clinch River Breeder Reactor. These considerations led to the conclusion that the sense of urgency regarding the CRBRP was unwarranted.

We now have additional time to develop options that assure the availability of an improved breeder that would meet our goals for low doubling time and proliferation resistant fuel cycles with safe and reliable reactor systems. This option is being assured by our present base program that includes conceptual planning, systems studies, system design studies, and development of plant components, fuels, and materials.

The new program direction maintains our position as the world's leading nuclear power nation. Nuclear electric generating capacity in the U.S. is unmatched by any other country. For FY 1979 the DOE has proposed a breeder reacter development budget of around $400 million. It will support development of variations of the uranium/plutonium and uranium/thorium cycles. In carrying out this effort it will be necessary to draw heavily on CRBRP experience and professional staff. We will also continue research directed toward improving the efficiency and safety of light water reactors. We believe that this program will assure nuclear power options which can meet the requirements of the future.

The Soviet Union is also proceeding rapidly with the development of breeder reactors and the deployment of light water reactors. However, the U.S. and Soviet approaches have differed enough to make point-by-point comparisons difficult. The Soviets have preferred to construct reactors as quickly as possible and to correct the defects later. (The Shvechenko breeder has not operated without significant problems, including steam generator leakages.) By contrast, the United States has emphasized systematic and comprehensive research and development reinforced by extensive proof testing of components prior to building demonstration plants.

We do not believe that the United States and other Western supplier states will lose world markets to Soviet reactors. The Nuclear Non-Proliferation Act of 1978 should enable the United States to restore international confidence in its reliability as an exporter of reactors and nuclear fuels.

The depth and breadth of our nuclear power program should clearly indicate to the world and to the American people that we take this source of energy very seriously. President Carter has stated that we do not regard the proliferation of nuclear explosive capability as an inevitable byproduct of the peaceful uses of nuclear energy. We intend to use our technological capabilities and our resource endowments to assure that international peace and security as well as world energy needs are served by the development and deployment of advanced, proliferation-resistant reactors, as well as sales of our current reactors.

Sincerely,

HARRY E. BERGOLD, Jr.,
Assistant Secretary for International Affairs.●

TUITION TAX CREDIT GETS STRONG SUPPORT FROM EXPERT ON DESEGREGATION

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. COUGHLIN. Mr. Speaker, as the case in support of tuition tax credit legislation continues to gain momentum, it pleases me enormously to be able to add to the growing list of active backers of this concept the name of James S. Coleman, a noted sociologist and professor at the University of Chicago, who is best known for directing an influential study in favor of school desegregation in the mid-1960's. The following article on Coleman's views on tax credits appeared in the Tuesday, June 21, 1978, issue of the Washington Post.

Coleman, speaking recently at a forum on desegregation sponsored by the Black Student Fund, expressed his strong support for tuition tax credits, particularly at the elementary and secondary levels of education. The sociologist effectively countered the argument that tax credits would in fact promote segregation with the statement that a tax credit "would increase the opportunity of black parents to escape from schools that they think hurt their children." I believe Coleman's remarks make a lot of sense and highly recommend this article to my colleagues.

The article follows:

DESEGREGATION EXPERT BACKS TUITION CREDIT

(By Lawrence Feinberg)

Sociologist James S. Coleman, who headed a massive influential study favoring school desegregation in the mid-1960s, yesterday strongly supported a tuition tax credit to aid parents of private and parochial school pupils.

Coleman, a professor at the University of Chicago, said he favors the tax credit—which has been voted by the House but is bitterly opposed by the Carter administration—because it would "increase the range of choice of low-income black parents."

Particularly in big cities, Coleman said, where large-scale public school desegregation is unlikely, a tax credit "would increase the opportunity of black parents to escape from schools that they think hurt their children."

Opponents of the measure have contended it would promote segregation, hurt public schools and mainly benefit middle- and upper-income groups.

But Coleman said that because of the relatively modest size of the proposed credit, $100 to $500 per student, "the principal effect would be on lower-income families" sending their children to relatively low-priced schools.

He said "a very large number of black children" already attend low-tuition Catholic schools in big cities, such as Chicago, New York and Washington, with generally positive educational results.

Coleman spoke at a forum on desegregation attended by about 60 persons at Georgetown Day School, 4530 MacArthur Blvd., NW. The forum was sponsored by the Black Student Fund, which during the past decade has aided more than a thousand black students to attend private schools in the Washington area.

He was introduced warmly by Alice M. Rivlin, director of the Congressional Budget Office, who later asked him to deal with the "accusation" that programs to help blacks

attend private schools are "detrimental" to public education.

"That's not a valid argument," Coleman rejoined. "Anything that allows for an individual to have greater opportunity can't be bad for the country."

Besides favoring a tuition credit on federal income taxes, Coleman said he supported proposals to give vouchers to parents to use for tuition at public or private schools.

"Parents and children have a better sense of what's a good school context for them," Coleman said, "than do professionals who must deal with a very large number of children. I trust the parents and children more than the professionals.

"I think the stronger the private schools are the better it will be for the public schools because the public schools will be forced to be better to stay in business."

Overall, Coleman said, school desegregation since 1954 has had "no effect" on educational achievement of black students.

"In the absence of turmoil," Coleman said, "there seems to be an achievement increase." But so far, he said, this has been counterbalanced by reduced black achievement in places where desegregation was accompanied by conflict and fear and "distraction from study."

In general, he said, integration has been most successful in well-disciplined schools headed by strong principals.

Coleman stressed that the main finding of his 1966 report, issued by the U.S. Office of Education, was that black students had higher achievement in mostly white schools not because of the skin color of their classmates but because of the middle-class background and "educational resources" that the white children brought from home.

"Increasingly, class is less correlated with race than it was 10 years ago," Coleman said.

Widespread desegregation, he said, has been "enormously beneficial" to the South by aiding its transformation from a backward region to a thriving "Sun Belt."

But he repeated his view, which has attracted controversy for the past three years, that desegregation programs requiring "instant racial balance" through compulsory busing have caused "very serious harm" by speeding the exodus of whites from big cities.●

CHAMBER OF COMMERCE LEADERSHIP IN BUENA PARK

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. PATTERSON of California. Mr. Speaker, I wish to call attention to the installation of new officers at the Buena Park Chamber of Commerce. Many of the Members of the House of Representatives know Buena Park as home of some of the Nation's most famous entertainment attractions—Knott's Berry Farm, Movieland Wax Museum, and Movieland Cars of the Stars. However, Buena Park is also a balanced residential, commercial, and industrial community. Buena Park's success in attracting business is due in large part to the efforts of the Buena Park Chamber of Commerce and its leadership, such as outgoing president Bob Burbank.

This week the Buena Park chamber will install Gail Dixon as president, the first woman to ever hold that position. She is the manager of Great Western Savings and Loan Association, Buena Park branch, and has long been active in civic affairs. Other officers being installed are Jon Dowell of Meade Packaging as president-elect; David Hannemann of Movieland Wax Museum as vice president; Al Whitmore of Al's Automotive as secretary, and Dick Pettit of the Automobile Club of Southern California as treasurer.

I ask the 95th Congress to join me in congratulating these new officers and wishing them success in continuing to make Buena Park a better city.●

TECHNOLOGY TRANSFER

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. PURSELL. Mr. Speaker, several weeks ago, I participated in the National Conference on Technology Transfer which was held in Ann Arbor, Mich. This conference sought to discuss particularly the role of community colleges in technology transfer. Over 160 people from community colleges in 21 States participated in the conference.

It is my feeling that we must recognize and encourage the important role which these colleges can play in technology transfer. An article which appeared in Science (June, 1978 edition) expands on this concept and my belief. I would like to share this article with my colleagues in the hope that they also will work with their community colleges in the area of technology transfer.

The article follows:

TECHNOLOGY IN RESPONSE TO LOCAL NEEDS

Before the period when President Johnson talked of the Great Society, federally sponsored research and development was concerned primarily with problem areas external to society, specifically those of defense posture and the space program. Since then the scope of federal R & D has broadened to include domestic problems such as urban economic development, transportation, and energy conservation. Several editorials in Science have illuminated aspects of this situation.*

Effective R & D, or technical assistance and technology transfer, on domestic problems is peculiarly difficult because the users are generally varied and dispersed. For example, in the area of energy conservation the clients include consumers, builders, heating and cooling contractors, architects, and utilities. This is typical of domestic problem areas; we must reach the grass roots. Yet the federal R & D community is not responsive to local needs. Rather, it is focused where the money is, in Washington, D.C. This incongruous situation is a major obstacle to progress. What is needed is a structure that integrates the R & D community with problems and people at the local level.

The major difficulty in designing an appropriate delivery system is that of providing a technology extension service which achieves intimate contact with millions of local businesses and thousands of state and local government agencies. If a delivery system is designed from scratch, the costs are formidable and the problem of achieving the required rapport between the system and the people to be saved may be insurmountable. Both issues indicate that organizations which are already an integral part of the community should be used to provide the technology extension service.

A set of institutions that have become strong and well supported at the community level and are committed to community service are the 1200 community colleges located across the country and serving a major share of the people. It is recommended that the community colleges—which have the required geographic distribution, service orientation, constituency, and value system—should have a prominent role in a national R & D delivery system.

Universities, research institutes, and governmental laboratories would operate in concert with the colleges by conducting research that is responsive to local needs and by obtaining from the R & D community results and products that can be moved into the economic stream. Substantial costs would be involved in establishing such a delivery network; however, they would be a small fraction (perhaps 1 percent) of the cost of the current R & D enterprise. Also, the additional resources brought to bear are large enough to have a major impact. In terms of dollars, the operating budgets of the community colleges total over $5 billion per year, and the enrollment is more than 4 million students, with the majority in vocational and continuing educational programs.

A pilot program has been in operation in Michigan with support from the Economic Development Administration of the Department of Commerce. The program stresses cooperation with the activities and resources of the (agricultural) Cooperative Extension Service and other public and private assistance programs. The performance and institutional motivations thus far demonstrated are encouraging. Energy is a national problem area in which the community colleges could be very helpful in disseminating information and techniques. This is especially true of the effort to attain better conservation of energy in home heating and cooling. It is also likely that expanding applications of solar energy such as water heating and use of biomass would be facilitated if the community colleges were broadly involved.—William M. Brown, President, Environmental Research Institute of Michigan, Ann Arbor 48107, and Edmund J. Gleazer, Jr., President, American Association of Community and Junior Colleges, Washington, D.C. 20036.●

* R. L. Bisplinghoff, Science 190, 1045 (1975); J. G. Horsfall, ibid. 193, 637 (1976).

PETER STRUDWICK—MARATHON RUNNER

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. PATTERSON of California. Mr. Speaker, I wish to share an amazing story that has recently come to my attention, a story of perseverance, courage, and endurance. This is a story of a marathon runner, Mr. Peter Strudwick. Pete has now run over 40 marathons. And, though his choice of sport is hardly unique these days, Pete is. He has no feet.

Born with only ankle stumps and two fingers on one hand, Pete Strudwick does

more than live with limitations—he literally runs beyond them. Three times he has accepted the challenge of the Pike's Peak Marathon, the roughest distance race regularly run on Earth. He is and may remain the only footless fellow ever to marathon over mountains.

What makes Pete run? Hunger for health. The cheers of friends and fans. A joyful defiance. At 39, his career as an aerospace engineer-psychologist ended in a massive business recession. His body weakened by worry and inactivity, Pete challenged his first marathon. Although he was last to start, last to finish, and last all the way, he finished and that is the victory of the Pete Strudwick story.

Now a junior high school mathematics teacher, Pete lives with his wife, Barbara, and their four children in La Palma, Calif., where he trains and writes and polishes his public speaking. From Alaska to Mexico, from San Francisco to Washington, D.C., Pete Strudwick has run and continues to run. The amazing accomplishments of this footless racer continue to be the subject of many news stories. He has appeared on numerous television and radio programs and continues to be an inspiration in the field of physical well-being.●

PERSONAL EXPLANATION

HON. JOSEPH A. LE FANTE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. LE FANTE. Mr. Speaker, I missed a number of votes in the House last week due to the fact that I underwent some preliminary medical testing and as a result of my participation as a congressional adviser at the United Nations special session on disarmament. Had I been present, I would have voted in the following manner:

Rollcall No. 437, condemning violations of human rights in Uganda, "yes."

Rollcall No. 438, Toxic Substances Control Act, "yes."

The following votes concerning H.R. 12933, Transportation Appropriations, fiscal 1979:

Rollcall No. 439, to prohibition use of funds to require vehicles to be equipped with passive restraint systems other than seat belts, "no."

Rollcall No. 440, to permit use of funds for research and development relating to passive restraint systems, "yes."

Rollcall No. 441, passage of H.R. 12933, "yes."

The following votes concerning H.R. 12929, Labor-HEW appropriations, fiscal 1979:

Rollcall No. 442, motion to resolve into the Committee of the Whole for consideration of the bill, "yes."

Rollcall No. 443, to strike language prohibiting use of funds for abortions unless the life of the mother was in danger, "no."

Rollcall No. 444, to substitute the compromise language restricting use of funds for abortions contained in fiscal year 1978 Labor-HEW appropriations bill, "no".

Rollcall No. 445, to prohibit the use of funds to implement quotas or other numerical requirements relating to race, creed, or sex with respect to hiring, promotion, or admissions policies, "yes."

Rollcall No. 446, to reduce controllable spending in the bill by 2 percent, "no."

Rollcall No. 447, to reduce the appropriation for the Occupational Safety and Health Administration by $28.4 million, "no."

Rollcall No. 448, passage of H.R. 12929, "yes."

Rollcall No. 449, motion to resolve into the Committee of the Whole for consideration of H.R. 12935, legislative branch appropriations, fiscal 1979, "yes."

The following votes concerning H.R. 12928, energy, public works appropriations, fiscal 1979:

Rollcall No. 461, approval of the rule, House Resolution 1236, "yes."

Rollcall No. 462, to delete $90.8 million earmarked for three water projects, "yes."

Rollcall No. 463, to delete funds for eight water projects, "no."

Rollcall No. 464, motion to resolve into the Committee of the Whole for consideration of H.R. 12928, "yes."

Rollcall No. 465, to prohibit use of funds for production of enhanced radiation weapons, "no."

Rollcall No. 466, to recommit the bill with instructions to report back with an amendment to reduce total appropriations not required by law by 3 percent, "no."

Rollcall No. 467, passage of H.R. 12928, "yes."

Rollcall No. 468, passage of H.R. 12927, appropriations for military construction for the Department of Defense, fiscal 1979, "yes."●

PROPOSITION 13—NUCLEAR AGE "BOSTON TEA PARTY"

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. DEL CLAWSON. Mr. Speaker, before and after the June 6, 1978, primary in California the cries of gloom, doom, and despair were heard up and down the State and across the Nation. In spite of all of these protestations, the people of California "shouted it out" loud and clear. Fortunately, many messages were included in the expression of public opinion. The citizens were warned that the tax savings would all be drained off by increases in Federal income taxes. Estimates ranged as high as $2 billion. The prophets of doom pointed out that the Federal Government would receive the largess from California if proposition 13 carried. This would make it necessary for the public officials of California to go as "beggars" with "hat in hand" to Washington for a bailout as a result of the windfall revenues that would now accrue to the U.S. Treasury.

We were told that all nonessential programs, services, and projects would be eliminated and many essential services and programs would be curtailed as a result of passage of proposition 13. Cutbacks, layoffs, unemployment, increased welfare rolls, and so forth, were predicted. Californians did not listen to all of this depressing and dismal propaganda, and one message that has not been enunciated in the media and did not receive the attention during the campaign that it deserved is that the benefit to the Federal Government is factual nonsense. The people want and demand more discretionary spending power of their hard-earned wages. They no longer accept the role of the faceless bureaucrat to continue making decisions over their lives about what is "good for them." They will decide which programs to support and which services to continue and which projects to reject. The money saved in taxes can be contributed to the community library, to the local youth band, to the civic symphony orchestra, to the little theater and little league, to the civic light opera, to the community center, and the lists continues on and on. The point is that they decide. The corporation, the business, the partnership, and professional and the common, ordinary, unnamed, unrecognized citizen decides in the "marketplace" by his voluntary contributions what his community is to provide for him. Tax deductions for all of these contributions may very well find that less money, not more, is going to Washington. This is the old-fashioned, radical American way. This is the nuclear-age "Boston Tea Party." Confiscatory taxation and bureaucratic decisions are not acceptable. This is the real spirit of America. Dreaming? Perhaps. But, if it is just a dream, it is the rebirth of the American dream. The time is now ripe for every citizen to become a "born-again" American.

If any should be in too big a hurry to say that Californians cannot measure up to this commitment, let me remind you that recent statistics reveal that only seven nations of the world rank higher in gross national product than the State of California. California is ahead of our neighbor Canada, No. 8, and just behind the United Kingdom, No. 7. Even the county of Los Angeles, my home county, is No. 14 in the same category, gross national product, ahead of the next country, the Netherlands, and following India. In per capita gross national product, the Los Angeles area is between No. 4 and 5 of these same nations. And, even using population and gross national product statistics, California and Los Angeles County rank among the top nations of the world.

Mr. Speaker, we will measure up to the responsibilities and obligations of the decision that we have made, but do not spend that increase in Federal income taxes just yet. Californians have very fine methods of keeping their dollars at home where they will be spent far more judiciously than being funneled through

the Federal bureaucracy. Far better that the Ways and Means Committee and the Congress find more tax deduction items for our tax returns and let us have even more discretion in how our own money is to be spent, than to search for new sources of revenue.

After saying all of this, let me insert for the edification of all readers of the CONGRESSIONAL RECORD a column of James J. Kilpatrick in the Washington Star of June 20, 1978, which also has some observations on "California aftershocks":

CALIFORNIA AFTERSHOCKS

(By James J. Kilpatrick)

Two weeks have passed since the California earthquake, and the tremors have at last crossed the Potomac. The House of Representatives last week voted to cut the Labor-Welfare budget by $800 million. In terms of a $500 billion budget, it wasn't much, but it was a start. Thank you, Howard Jarvis.

Mr. Jarvis, of course, is the cantankerous apostle of the new political religion known as tax limitation. Since California's landslide vote of June 6 for his Proposition 13, his voice no longer cries alone in the wilderness. All kinds of politicians have got religion, as an examination of the 220-181 vote in the House will suggest. Some of the 220 had never cast a vote for economy in their lives.

Here, as there, cries were raised that to reduce public spending, especially in areas of health, education and welfare, amounts to grinding the faces of the poor. In times past, such cries have proved marvelously effective; and as a consequence, the federal budget for welfare has become bloated beyond recognition. Until Brother Jarvis came along, there seemed no possibility that the Labor-HEW appropriation ever would be touched by fiscal sanity. Now the boys are running scared.

Some other things have been happening in these two weeks. The news that reaches us from California is mostly maddening news. Daily we are deluged by pitiful stories of libraries closing, of fire trucks immobilized, of police laid off, of school teachers dismissed, all as a result of that dreadful Jarvis man. On examination, it appears that most of these doomsday tidings have to do with possible closings and possible cutbacks and possible reductions in services, depending upon what the California legislature does to save the day.

If I were a California voter, witnessing this defeatist reaction from officialdom, I would start making lists—lists of those elected officials who have responded with vindictiveness or ineptitude, or both, to the results on Proposition 13. At the first opportunity, I would move heaven and earth to vote them out of office and to replace them with new officials dedicated to making the proposition work.

California's highly paid state legislators have the first responsibility for a sensitive, intelligent response to the situation, but local imagination and local leadership could count for vastly more. A dispatch from Corona, Calif., informs us dolefully that "the sleek new library on Main Street probably will close." Well, nonsense! The library won't close if Friends of the Corona Library will stop sniffling and raise the money voluntarily to take up the slack.

The inference one draws from the post-referendum news is that Californians have become so absolutely dependent upon government, so weak and enfeebled, so pathetically gutless, that they are unable to lift a finger in their own behalf. I do not believe it for an instant.

In every community affected by Proposition 13, there are local industries, stores, banks, factories and well-heeled individuals who will benefit from substantial tax reduction. In many cases, these taxpayers can be persuaded to give large chunks of their savings back to their communities for parks, libraries, fire companies, or the like. Under federal income tax laws, such voluntary contributions would cost them nothing.

We hear lamentations about the cancellation of summer schools and adult education classes. So what? Generations of Americans grew up to a reasonable literacy without free summer school and free adult education. Charge a fee or let it go! What if Corona's Little League ballparks no longer may be watered or lighted at public expense? When I was a boy, all we had for second base was a busted-outpiece of an apple crate. Sweet are the uses of adversity! We raised some pretty fair infielders that way.

Here in Washington, politicians are nervous. They hear the tom-toms beating and they know the natives are restless out there. What Howard Jarvis did in California, some national leader might yet do for Washington. It's a heady thought, and it won't go away.●

RESOLUTION REGARDING HUMAN RIGHTS VIOLATIONS IN THE SOVIET UNION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. GILMAN. Mr. Speaker, I am introducing today a resolution expressing the support of the Congress for the decision of 21 American scientists not to attend the recent physics symposium in the Soviet Union. The resolution also calls upon the administration to take an active role in condemning the Soviet Union's disregard of basic human rights, and requests that all U.S. Government agencies make a careful evaluation of their sponsorship of international conferences involving the Soviet Union.

Nineteen American scientists, comprising the American delegation to a symposium held in Moscow from May 22 to May 26, unanimously decided to cancel their trip. In addition, Robert Marshak, president of City College of New York, and Nicholaas Bloembergen, a Harvard professor, canceled scheduled trips to the U.S.S.R. This represented a reversal on the part of Mr. Marshak, who in the past has been vocal in his support of the exchanges.

The decision of these American scientists not to journey to the Soviet Union was taken in response to the harassment and abuse Soviet dissidents have received at the hands of the authorities.

Yuri Orlov, a prominent Soviet scientist, was recently tried on the charge of selling "slanderous material to the West," convicted and sentenced to 7 years in prison, and 5 years of internal exile.

This harsh penalty was imposed upon an individual whose only "crime" has been to insist that the principles set forth in the Helsinki Agreement be adhered to by the Soviet Union.

Orlov's trial was conducted arbitrarily and without any regard for the defendant's rights. He was refused the right to call witnesses on his behalf. Throughout his imprisonment and trial, his family has been continuously harassed. Mr. Marshak commented:

> The closed trial and inhuman punishment imposed on our high-energy physics colleague. Yuri Orlov, make it impossible for me to attend the seminar in Moscow next week.

I fully support his position, and that taken by the other American scientists.

The Soviet Union has shown a continuing disregard for the human rights of their citizens. Their treatment of dissidents is abhorrent. The trial of Orlov is but the latest example in a continuing record of Soviet abuses in this area.

Ethnic minorities suffer heavily in the U.S.S.R. Jewish scientists in the Soviet Union who request permission to emigrate and are denied become known as "refuseniks," often cut off from the scientific community, refused any opportunity to support themselves and their families.

In the near future, Anatoly Scharansky and Alexander Ginzburg are scheduled to go on trial for crimes similar to those allegedly committed by Orlov. If they are treated similarly, the message to the rest of the world will be clear: There is no justice in the Soviet Union.

For relations between our two countries to improve, the Soviet Union must first improve humanitarian conditions in their own country. I urge my colleagues to join with me in making this statement of congressional support for the courageous action taken by our scientists, and in urging the administration to pursue with renewed vigor the enforcement of basic human rights throughout the world.

A similar resolution has been previously introduced in the Senate.

I insert the full text of this resolution at this point in the RECORD:

RESOLUTION

Whereas Yuri Orlov, a prominent Soviet scientist, was convicted by the Soviet Union of selling "slanderous material to the West" after a trial in which he was denied the representation of his choice and the right to call witnesses on his own behalf;

Whereas during the trial Orlov's family was harassed and abused by the Soviet authorities and Mrs. Orlov was denied the right to visit her husband;

Whereas the entire 19-member delegation of United States scientists to the Sixth Joint U.S.-U.S.S.R. Symposium on Condensed Matter Theory announced on May 20 that they were cancelling their scheduled trip to the Soviet Union to participate in the Symposium because of the conviction of Yuri Orlov;

Whereas two prominent scientists, Robert E. Harshak and Nicholaas Bloembergen, also decided to forgo visits to the Soviet Union this week; and

Whereas Jewish scientists who have been refused permission to emigrate from the Soviet Union, known as "refuseniks", have lost their jobs, have been forbidden all contact with the scientific community, have been denied access to scientific literature, and have been subjected to severe penalties of imprisonment and banishment, as in the case of Anatoly Scharansky: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the United States should support the action of certain United States scientists in

refusing to visit the Union of Soviet Socialist Republics in protest of the conviction of the prominent Soviet scientist Yuri Orlov;

(2) the United States should assume leadership in condemning the violation by the Union of Soviet Socialist Republics of the basic human rights of its scientists and other citizens; and

(3) the President should direct the heads of the departments and agencies of the Government to begin an intensive and careful evaluation of international conferences and exchanges of scientists with the Union of Soviet Socialist Republics, sponsored by the respective departments and agencies, and such an evaluation should continue until the Government of the Soviet Union expresses its willingness to comply with the human rights provisions of the Helsinki Accords.●

REPRESENTATIVE EDWARDS INTRODUCES A BILL TO PROTECT THE PRESS AND THE PUBLIC AGAINST IMPROPER GOVERNMENT SEARCHES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. EDWARDS of California. Mr. Speaker, on May 31 the Supreme Court delivered an opinion which drastically cut away at the constitutional right of every American to be secure against Government search and seizure. In the case of Zurcher against Standard Daily the Court held that police may use an ex parte warrant to enter and search the premises of a party not suspected of criminal activity. The subject of the search in the case before the Court was the office of the Stanford University newspaper, but the Court's decision reaches far beyond the press. In the words of the Los Angeles Times, "It renders every home and every place of business vulnerable to a surprise search by the police."

In response to this serious threat to fourth amendment rights, I am today introducing the Citizens Privacy Protection Act of 1978. This bill is designed to protect individuals as well as the press against unannounced invasions by anyone acting under color of law. Where law enforcement authorities need to secure evidence of a crime, the bill provides that they do so only by means of a subpena issued pursuant to an adversary court proceeding.

Writing for the trial court in the Stanford Daily case, District Court Judge Robert Peckham recognized the safeguards which this approach provides for innocent third parties:

> Unlike one suspected of a crime the third party has no meaningful remedy or protection against an unlawful search, with or without a warrant, and an additional safeguard is necessary to assure that his Fourth Amendment rights are not trampled. That protection is the obligation of law enforcement to use a subpoena duces tecum unless it is shown, through sworn affidavits, that it is impractical to do so.

The bill provides two exceptions under which a search warrant may be issued. First, where there is probable cause to believe that the person holding the evidence was involved in a crime, and second, where there is probable cause to indicate that but for the use of a warrant, the evidence might be destroyed. The bill's provisions are enforceable through civil actions and include the granting of general and punitive damages.

In response to the Supreme Court's decision there has been a great outcry from the press against the ruling. Such disparate commentators as James J. Kilpatrick and Carl Rowan have joined in their criticism of the Court's action. This concern of the press is justified because the opinion now makes it possible for police to secure a search warrant and, unannounced, search newsroom files, desks, wastebaskets, and cabinets. In doing so they may seize only items specified in the warrant, but before leaving, they may end up examining everything in the newsroom. The police raid on the Stanford Daily, designed to find photographs of a crime, yielded none; yet the newsroom was rummaged by police for over 8 hours.

Speaking for a majority of the Court, Justice White is sanguine about the ability of law enforcement to keep itself in check regarding such searches. However, most of us can recall only too recently cases of gross governmental abuse of power. Benjamin Bradlee of the Washington Post noted that under the Court's rule, the Pentagon Papers might never have been published, since they could have been seized by police pursuant to a warrant. Furthermore, while searching for information relative to a crime, the police will have access to reporter's information about confidential news sources. Ultimately, such risk of exposure will effectively dry up these valuable news sources.

The Supreme Court's decision also impacts the rest of us. In his well-reasoned dissent in the case, Justice Stevens wrote:

> Just as the witnesses who participate in an investigation or a trial far outnumber the defendants, the persons who possess evidence that may help to identify an offender, or explain an aspect of a criminal transaction, far outnumber those who have custody of weapons or plunder. Countless law abiding citizens—doctors, lawyers, merchants, customers, bystanders—may have documents in their possession that relate to an ongoing criminal investigation.

The Court's ruling creates the potential for official mischief limited only by the imagination of the police. Justice White's trust in judges and magistrates to act as a restraining influence fails to give much comfort. Our experience with wiretap warrants under the 1968 Omnibus Crime Control and Safe Streets Act tells us that judges do not exercise meaningful control over warrant applications. From 1969 through 1976, applications by police for search warrants totaled 5,563; only 15 of these applications were denied by judges or magistrates. In 1977, not one of 626 such applications was denied. These statistics demonstrate the tendency of judicial officers to rubberstamp applications for search warrants.

In concluding, Mr. Speaker, I wish to emphasize the importance of Congress acting to correct this unfortunate decision of the Supreme Court. The bill which I have introduced goes far toward correcting the problems created by the Court's decision and toward restoring the rights of privacy and personal security to all Americans. I urge the support of my colleagues for this measure.●

PROPOSITION 13

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 21, 1978, into the CONGRESSIONAL RECORD:

PROPOSITION 13

In three of my Southern Indiana town meetings this past weekend, a major topic of conversation was the California vote to slash property taxes. Hoosiers seem to agree that the vote is a message to public officials everywhere that taxes are too high and government performance not good enough.

Whatever their counterparts in other states are thinking, California officeholders have received a signal that cannot be misinterpreted. By a two-to-one margin, Californians voiced their objection to the outrageously high taxes levied on their homes and business properties. Apparently, Californians also want smaller, more efficient government. It is easy to sympathize with this anguished tax protest and hard to quarrel with the view that government has grown too big and too inefficient. For some time now there has been a feeling in the land that the burden of taxation and the government it pays for must be trimmed back.

The California proposal, Proposition 13, stands as a powerful symbol of an emerging political force: the disgruntled middle-income and upper-middle-income taxpayer. As ratified, Proposition 13 cuts the property tax rate to 1 percent of the 1975 cash value of real property, restricts increases in assessed values to not more than 2 percent per year unless property changes hands, calls for a two-thirds majority in the state legislature for any new or increased state taxes, and forbids substitute local taxes unless they are approved by two-thirds of the qualified electors. Overall, the proposal lowers property tax revenues from $11.4 billion to $4.4 billion.

A $7 billion revenue loss is very significant, but it is still too soon to predict what impact Proposition 13 will have. There will no doubt be legal and constitutional challenges to it that could result in delay. The real implications of the California vote and the sentiment behind it remain to be sorted out.

California will probably relieve the immediate fiscal pressure on cities and towns with assistance from the state surplus. However, an examination of the structure and priorities of local government is inevitable and a hardhanded assessment of all public services will have to be undertaken. Since Proposition 13 does not indicate how local government budgets should be cut, there will surely be a scramble to determine what is fat and what is muscle in those budgets. With possible budget reductions of up to 70% slated for some communities and school districts, the choices will be difficult. There may be protracted disputes among the various segments of local government: police, fire, education, sanitation, recreation, and so on. The elimination of some jobs is unavoidable, and the possibility of strikes, slow-

downs and other work disruptions cannot be ruled out. Some mayors have already announced far-reaching layoffs.

In the long run, one effect of Proposition 13 and measures like it may be to transfer control of some local affairs away from local governments. The property tax has been a fiscal mainstay of local treasuries in the United States. It accounts for 80% of all local revenues. Because our federal system has stressed the importance of local control, a sharp reduction in the property tax represents a fundamental change in the ordering of that system. With less local money at hand, demand for state and federal assistance will increase, particularly in cities which are already too dependent on such assistance. One cannot help but wonder whether resentment toward taxes and government has been taken out on the right tax. Looking to the state capital or to Washington may be an easy answer, but it may also be the wrong answer.

The factors that brought about the California tax revolt would be hard to duplicate exactly in other states. In Indiana, for example, per capita state and local taxes rank 43rd in the nation in percentage of personal income, while California's are fourth. Indiana's per capita state and local tax burden is only 61% of California's. In addition, Indiana's property taxes have been comparatively stable while California's have soared. But the revolt will spread even if voters in other states do not choose the California model. It seems to me that echoes of frustration are already skipping across the country. They are being heard in Ohio where voters rejected a tax increase to help the schools and in Tennessee where a limit has been placed on the growth of state spending. Moves to curb state and local government spending are afoot in about half the states, and 23 state legislatures have called for a constitutional amendment banning federal deficits. At the federal level the revolt could result in the limiting of federal spending to a fraction of the output of the national economy.

In part, Proposition 13 and measures like it are votes of "no confidence" in government. The manner in which public officials respond to such protests may very well determine whether confidence can be restored. To replace lost revenue with new taxes would countermand the will of the people. To reduce services in a careless or haphazard way would violate the public trust. It is clear that the people now expect sharp reductions in government costs at all levels. They want efficiency in essential functions and curtailment of non-essential functions.●

NOAH AMINADAV BEN-TOVIM

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. WAXMAN. Mr. Speaker, on Sunday afternoon, July 2, the Southern Pacific Region of the Zionist Organization of America will hold a reception to honor Noah Aminadav Ben-Tovim on the occasion of his retirement as regional director.

We say of a few of the people of the world who have been involved in its history that they are "living legends," and Noah Ben-Tovim is, indeed, such a person. He came from the hills of Jerusalem, a Sabra, a Hebrew scholar and teacher of Zionism; a writer and soldier; an active and tireless administrator. A member of one of the most distinguished families in Israel, his grandfather, a judge in Jerusalem, was a founding member of Hovevi Zion together with Rabbi Mohilever, a great-uncle of his wife, Grace. Noah's father took an oath under his marriage canopy to speak only Hebrew to his family.

Noah was educated at the Hebrew Seminary in Jerusalem, at the Hebrew University, and the London Law School. His teachers praised him for his talents and modesty, for his intellectual integrity and idealism. He was the first Boy Scout in Israel; founder and president of the National Student Body which gave heroic leaders to Israel in the war for Jewish liberation; served as editor of a student magazine and of a daily newspaper in Jerusalem.

In London, Noah was appointed to represent the Betar of Poland before the British Government, the House of Commons, and the House of Lords in the struggle for immigration certificates into Palestine. A volunteer in the British Army during World War II, Noah also served in the Haganah and in the war of liberation under Menachem Begin, commander in chief. He received a British medal for brave conduct and the Aleh (the Medal for the Fighters of Statehood) from the Government of Israel.

At the end of the war of liberation, the Honorable Menachem Begin founded Shelach, dedicated to the rehabilitation of his veterans. He assigned Noah Ben-Tovim and Dr. Israel Lifshitz, his loyal officers, to direct operations throughout the Americas. Ben-Tovim and Lifshitz planned and organized this hercuelan task and accompanied their chief on the historic journey through our country and Latin America. In New York over a million people lined his route; thousands upon thousands flocked to see and greet Begin everywhere they stopped. Presidents, parliaments, and the news media paid tribute, in an outpouring of love, to the Jewish patriots who had accomplished a miracle for their country.

Ben-Tovim was also entrusted with the first American publication of Mr. Begin's war memoirs, "The Revolt." A 1948 autographed picture of Begin is a treasured possession of Noah's. It reads:

To my Dear Friend Ben-Tovim, the Faithful of the Sons of the Fighting Family.

The long and warm friendship between the families Begin and Ben-Tovim is a source of joy to both.

When he became a resident of the United States, Noah came to Los Angeles and served the city in many capacities for 14 years. He was president of the public utilities and transportation commission; president of the traffic commission; vice chairman of the housing authority commission; human relations commissioner and on the urban renewal committee. He is presently a county commissioner on the Martin Luther King, Jr., Hospital Authority and publisher and editor of the Municipal Guardian, a monthly publication dedicated to good government; and is the coauthor of "The American Testament," a study of American history.

How can we thank a man who has given of himself so greatly, who participated in events which, literally, "shook the world"? We are fortunate, indeed, to have him in our community and to be the beneficiaries of his devotion and friendship. I ask the Members to join with his wife, Grace, his son and daughter-in-law, Gilbert and Holly; grandson, Joel Todd, and his many friends and admirers in this special tribute to Noah ben-Tovim.●

CITIES: AN ENVIRONMENTAL WILDERNESS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. OTTINGER. Mr. Speaker, I commend to the attention of my colleagues an important statement of policy by the Honorable Barbara Blum, Deputy Administrator of the U.S. Environmental Protection Agency. It was delivered May 6, 1978, to the Sierra Club's 86th anniversary celebration in Berkeley, Calif.

Ms. Blum eloquently states the need for environmentalists to emphasize the urban environment, and for their own sake as well as for the sake of meeting the most gaping environmental needs of the Nation. The environmental movement may well founder if it does not move to include the majority of citizens who live in our cities. As she puts it so well:

The crisis of contemporary American environmentalism will not be resolved until we can find the proper balance between our urban-industrial-chemical civilization and the natural world. We need to see the city and the wilderness as interdependent, harmonious parts of the same human and natural community.

An elite environmental movement which ignores urban needs is bound to fail. Again, Ms. Blum states so aptly:

It's time to recognize that there is no place to hide. It's time for all urban residents, inner-city and suburban, to acknowledge that they share a common destiny. And it's time for the environmental movement to forge a new urban vision and make a sustained commitment to create a healthy urban environment.

I recommend my colleagues read the full article which is set forth below:

REMARKS BY THE HONORABLE BARBARA BLUM

CITIES: AN ENVIRONMENTAL WILDERNESS

We are gathered here tonight to celebrate the anniversary of the Sierra Club's founding eighty-six years ago in 1892 and to honor men and women responsible for their exceptional achievements in improving our Nation's environment.

Tonight, I want not so much to pay tribute to the past of the environmental movement, I want to confront what I think is the most important domestic challenge not only for environmentalists, but for all Americans. That challenge is rescuing our urban environment.

Throughout our history, Americans have placed a special value on their environment. The first colonists risked all to create an environment of bounty and freedom in the New World. Initially, the challenge came from the

howling wilderness, but from the start there was an urban vision too of building a city on a hill which would be a beacon to all people.

In the years of discovery and colonization, America's seemingly inexhaustible natural resources—fur, timber, minerals, and land—acted like a magnet. Millions of immigrants left their homelands to settle in America because of religious, political, and ethnic persecution.

In the nineteenth century, as the American economy gathered momentum, the wilderness was viewed either as something to be overcome to make way for "progress" or as a bonanza of untapped wealth to be plundered at will. There were no institutions and few traditions to induce Americans to conserve. The way West became the path of exploitation.

By the late nineteenth century, the industrial city's unbounded appetite for natural resources was endangering the wilderness. Men like John Muir who left their beloved mountains, and women such as Grace Greenwood who wrote so eloquently in defense of wilderness preservation, came to the city, and there fought successfully to save the wilderness from destruction. In the process, the Sierra Club was formed and environmental protection began.

Thanks to the perseverance of the Sierra Club and other environmental groups, large parts of the wilderness have been saved. Although we must continue to guard the wilderness, it is the urban environment and urban people, particularly inner-city people, who are our most endangered species.

The crisis of contemporary American environmentalism will not be resolved until we can find the proper balance between our urban-industrial-chemical civilization and the natural world. We need to see the city and the wilderness as interdependent, harmonious parts of the same human and natural community.

Ours is an urban civilization. Over three-quarters of all Americans live in a city whose total environment has been sound in the past, is healthy now, and is likely to remain so in the future.

Daily our lungs breathe in messages of warning. Our eyes smart. Our ears ring and our heads ache as the decibel count mounts. We know that the environment in which the inner-city poor must live is frightening, unhealthy and destructive.

Because the environmental movement has focused so much of its attention in the past on the wilderness, it has been charged as elitist. We had better face the fact that there is more than a grain of truth to this charge.

No person is an island, and yet we all know that in our midst there are islands everywhere, vast, ugly, dilapidated, teeming islands filled with poverty, unemployment, chronic sickness, depression and sometimes despair and violence. These islands we have come to know as ghettoes, urban cores, and central cities.

Ripping through these islands are the ribbons of steel and concrete that whisk suburbanites and exurbanites into and out of town. In the last thirty years the exodus to suburbia raised the nation's suburban population 200 percent while the inner-city population declined. With that migration to suburbia went the fiscal resources for city services. With it also went much of the environmental conscience as well as the economic and political power of the environmental movement.

Suburbanites have roughly triple the income of inner-city residents and consume four times as much energy. But suburbanites are exposed to less than half of the environmental health hazards inner-city residents face.

Most of the power plants and the heavily polluting industries are the next-door neighbors of the urban poor who enjoy the fewest products of American technology, but are forced to consume its often lethal pollution. The poor desperately need jobs, but as my friend Vernon Jordan of the Urban League has said, "We need jobs, but we also need to be healthy enough to hold those jobs."

The inner-city poor—white, yellow, brown and black—suffer to an alarming degree from what are euphemistically known as "diseases of adaptation". These are not healthy adaptations, but diseases and chronic conditions resulting from living with bad air, polluted water, excessive noise, and continual stress. Hypertension, heart disease, chronic bronchitis, emphysema, sight and hearing impairment, cancer and congenital anomalies are all roughly fifty percent higher than the level for suburbanites. Behavorial, neurological and mental disorders are about double.

Two-thirds of the 60,000 rat bites in the United States are suffered by that one-tenth of the nation housed in the ghettoes of the inner-city.

In the city, the rate for most kinds of cancer is rising twice as fast as it is in the suburbs. For the urban poor it is rising faster yet, and for non-whites it is rising twice as fast as for whites. And for cancer, there is no such thing as adaptation. There is only illness and often death.

But as sprawl continues, environmental injury and insult come with it. The flight to the suburbs is binding innercity and suburban people together in ways that the suburban escapees did not anticipate. The air, water, and noise may be most lethal downtown, but increasingly the metropolitan environment is one continuous airshed, watershed and noise basin.

It's time to recognize that there is no place to hide. It's time for all urban residents, inner-city and suburban, to acknowledge that they share a common destiny. And it's time for the environmental movement to forge a new urban vision and make a sustained commitment to create a healthy urban environment.

In my estimation, to achieve our urban environmental vision we must:

Give top priority to the inner-city.

Eliminate environmental health hazards.

Clean up air and water and develop resource recovery.

Increase citizen participation.

Conserve energy.

Reach out to urban people in their neighborhoods.

Create environmentally useful jobs.

Form a national coalition committed equally to the enhancement of the urban environment, and to urban investment and employment.

Develop recreation.

Promote regional solutions.

In short, the talents and energies of environmentalism must be mobilized to help cities to once again become the magnet and the stage for all that is best about being human.

On March 27 of this year, President Carter submitted to the American people and to the Congress proposals for a comprehensive national urban policy. "This policy," said the President, and I quote, "will build a New Partnership involving all levels of government, the private sector, and neighborhood and voluntary organizations in a major effort to make America's cities better places in which to live and to work."

In developing the new partnership, President Carter did not want to repeat the mistakes of the past. Instead the entire Federal Government took a year-long inventory of the Federal policies that influenced American cities and found a substantial number of programs that needed to be redirected.

EPA's wastewater treatment facilities grant program has unquestionably contributed to the underwriting of suburban sprawl in some metropolitan areas. That's one past mistake that EPA will be turning around in the years ahead.

In addition to correcting yesterday's errors, there's a second facet to the Administration's urban policy that should promote its success. The new partnership has an inventive touch, which reminds me of a story about Thomas Edison.

Mr. Edison had a very beautiful summer residence in which he took great pride. One day he was showing his guests about, pointing out all the various labor-saving devices on the premises. Turning back toward the house it was necessary to pass through a turnstile which led onto the main path. The guests soon found out that it took considerable force to get through the device.

"Mr. Edison," asked one of his guests, "How is it that with all these wonderful modern things around, you still maintain a heavy turnstile?"

Said Mr. Edison, his eyes lighting up with laughter, "Well, you see, everyone who pushes the turnstile around pumps eight gallons of water into the tank on the roof."

Jimmy Carter knows that the Federal Government alone can't do the job. That's why the Administration's urban policy calls for the building of a new partnership among all levels of government, the private sector and neighborhood and voluntary organizations. I think we'll only have ourselves to blame if we don't push the turnstile that will make urban environmentalism a major contributor to the success of the new partnership.

One of the critical challenges of the new partnership is to reach not just the well-informed middle-class (who are already involved), not just the public interest groups (who are already committed) and not just the municipal-industrial complex (who either have large-scale incentives or sanction of the law to motivate them)—but the people who live in inner-cities.

As a former psychiatric social worker and administrator of a clinic for the urban poor, I know first-hand that urban people desperately need to gain control over their destiny. They have had enough of other people planning their lives for them.

Inner-city residents are the first to suffer the unintended consequences of technology. They are the first to get sick and die from environmental health effects because their physical and social surroundings are harmed and destroyed.

We need not depend upon technological tragedy to inform us when everyday, citizens are assessing their technologies with their eyes ("It's ugly"), with their ears ("It's too noisy"), with their noses ("It stinks"), and above all, with their commensense gut feelings and intuition ("Somehow this just doesn't make sense").

A critical test of our joint ability to build this new partnership will be the success of the three-day conference which the National Urban League, The Sierra Club and the Urban Environment Conference will hold this coming January. This National Conference will be funded jointly by EPA, the Department of Housing and Urban Development, the Department of the Interior and the Department of Labor.

We consider it vital that this Conference further define the vision of urban environmentalism and develop the national and regional coalitions that will begin the task of translating vision into reality.

All major urban areas in the continental United States are in violation of one or more of the national ambient air quality standards. All states with these non-attainment areas must submit acceptable cleanup plans to EPA by January 1979.

This past February, EPA made a joint grant to the Sierra Club, Friends of the

Earth, the National Clean Air Coalition and the American Lung Association to aid cities in meeting the requirements of the new Clean Air Act Amendments. During 1978, 50 one-day workshops will be conducted in urban areas in all parts of the country.

Working together at these workshops will be health and environmental groups, municipal officials, blue collar workers, labor organizations and women's groups as well as other civic organizations committed to urban, environmental improvement.

With the help of environmentalists across the nation, we are convinced that all 50 states can successfully develop acceptable cleanup plans. However, if such planning fails to achieve a workable consensus, EPA, as required by law, will end up having to impose mandatory sanctions which, in turn, will seriously restrict the flow of Federal funds for wastewater treatment facilities and mass transit. This would hurt our cities' environment. It must not be allowed to happen.

If the President's urban proposal meets the Congressional approval, EPA, in cooperation with other Federal agencies, will provide air quality technical assistance and $25 million for planning grants during the next fiscal year to help cities work out solutions to the double-edged problem of achieving both clean air and economic growth.

To achieve these ends, EPA will develop regulations that will permit localities to "bank" reductions in air pollution and to transfer these reductions so as to accommodate a margin of new growth. In effect, this "banking" policy adds flexibility to the emissions offset policy, which EPA pioneered and Congress made law.

On April 25th, EPA proposed a number of regulations to reduce sprawl by preventing the creation of unneeded excess wastewater treatment capacity. One regulation will require that population projections for all communities in a given state, when added together, not exceed the projections of the Bureau of Economic Analysis of the Department of Commerce for that state by more than five percent. This regulation will insure that those wastewater treatment facilities that are built meet only reasonable growth needs.

For the same reason, another of EPA's proposed regulations requires that, barring special circumstances, the design period for interceptor sewers be twenty years. Finally, in order to protect environmentally sensitive areas such as wetlands, flood plains, and prime agricultural lands, EPA will not fund collection systems which otherwise would encourage new growth on those areas.

However, EPA's success in discouraging wasteful sprawl is going to be very much conditioned by the impact of public participation. The Clean Water Act gives state water quality agencies the opportunity to expand their management role for the wastewater treatment construction grant program. As you know, most state legislatures are dominated largely by suburban interests, as that is where the bulk of the population lives. Therefore, if areawide water quality planning and the wasterwater treatment facility construction grant program are effectively to discourage wasteful sprawl, it's going to be because urban environmentalism becomes an effective political force within each state.

In most cities, solid waste is the second or third largest item in urban budgets and yearly becomes an ever greater problem as sites for disposal become scarcer. Technology is now available for recovery of energy and materials from waste. President Carter has requested $15 million from the Congress to help communities make the transition from land disposal to resource recovery.

Businesses, as well as environmental and community groups, have already demonstrated the economic feasibility and energy efficiency of recycling, and a number of states have already taken the lead on beverage container legislation.

In addition to these EPA initiatives for air, water, and solid waste, the President announced government-wide employment and recreational initiatives.

Already in place are new employment training programs for youth and public service under the Comprehensive Employment and Training Act. There are job opportunities in waste treatment, resource recovery and pest and insect control, as well as in air and water pollution monitoring at the state level.

Environmentalists should set a target of 100,000 environmentally related jobs from this program as their goal for the next year.

In addition, EPA will play a significant part in the overall Federal effort to draw minority businesses into the mainstream of American economic life. Specifically, the Agency will set target goals for the $4.5 billion a year wastewater treatment facilities construction program to make sure that minority-owned businesses in urban areas receive an equitable share of contracts. We mean business; we will use our funding power to insure that these goals are achieved.

In announcing the new partnership, the President said that urban communities will compete for $150 million in funds to revive and rebuild parks and recreation facilities. One of the amendments to the Clean Water Act provides that EPA assess the recreational park and open space potential created as a result of the construction of wastewater treatment facilities. Communities can use a portion of the available facility planning money for recreational park and open space planning purposes.

Environmental groups, long used to fighting for wilderness areas, national parks, and other grand designs, such as Gateway East in New York and Gateway West here in the Bay area, need to focus their thinking about recreation on the urban reality and the wishes of inner-city residents.

Greenlining and other modest water reclamation recreation projects may be all that is possible in some cities. But small parks can accomplish miracles in muting sound, lowering air pollution, and providing new recreational opportunities.

The Sierra Club and other environmental groups, in developing projects like the one in Boston Harbor, have already demonstrated the inventiveness of urban environmentalism.

Urban environmentalism will take a giant step forward when metropolitan regions, which usually have the same boundaries as airsheds and watersheds, control simultaneously air pollution, water pollution, and resource recovery from solid waste. To realize the potential inherent in this regional approach, metropolitan areas are going to have to go through the agony of long-range regional planning.

What will make it worthwhile is that urban areas will at long last regain control over their environment and can take those steps necesseary to insure that pollution is not allowed to enter the environment. The day of disaster-prevention through catch-up cleanup will be behind us.

Air, water, solid waste, public service environmental employment, recreation, and comprehensive regional planning—these are some of the areas in which environmentalists can use their expertise to make a unique contribution to the rejuvenation of our nation's cities.

I titled this talk, "Cities: An Environmental Wilderness" because I think that, up until now, we have displayed the same attitudes of bewilderment, hopelessness and destructiveness towards our cities as our ancestors did toward the wilderness.

As I was getting ready to leave my office one of my staff told me a story. In the 1960's during the Watts riots, a friend was on an airplane. As the plane approached Los Angeles, the pilot said to the passengers, "Look out the window, folks, and you can see smoke signals from the Great Society."

To me and to many other Americans, Watts, Detroit, Harlem, and Washington, D.C. were much more than smoke signals! They were cries for help!

During the flight from Washington, D.C., across the Nation to San Francisco, I couldn't help but think of all the possibilities of urban environmentalism. But, as I landed, I was aware once again that the crisis of the urban environment is now and that delay will further increase the dangers.

We must not only avert this crisis, but also seize this opportunity to create a healthy and exhilarating urban environment.

I cannot help but believe that together we will make urban environmentalism the leading force of the New Partnership. The President's urban policy provides the tools. The rest is up to us—all of us.

Thank you.●

FATHER EDWARD FELIX WOJTYCHA HONORED IN NEW JERSEY SENATE

HON. JOSEPH A. LE FANTE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. LE FANTE. Mr. Speaker, recently Father Edward Felix Wojtycha was honored in the New Jersey Senate with a resolution hailing his accomplishments over the last 40 years. I extend my heartfelt gratitude to Father Wojtycha for enriching the Bayonne community so greatly with his service.

I would like to insert the text of the New Jersey Senate resolution into the RECORD. This resolution outlines Father Wojtycha's many awards and endeavors, and encourages him to continue in the same manner. I too wish him continued success in his work.

Resolution follows:

RESOLUTION

Whereas, Reverend Father Edward Felix Wojtycha, ordained to the priesthood on June 11, 1938 for the Roman Catholic Archdiocese of Newark, and a resident of the County of Hudson; and,

Whereas, Reverend Father Edward F. Wojtycha, served in the parish of Saint Vincent de Paul R.C. Church, Bayonne, New Jersey, as first assistant pastor and administrator from 1938 to 1963, a period priestly dedication of twenty-five years; and

Whereas, Reverend Father Edward F. Wojtycha during that time brought great acclaim to his church and community by his unselfish service to all ethnic peoples of the City of Bayonne, New Jersey; and

Whereas, Reverend Father Edward F. Wojtycha bestowed great tribute to the State of New Jersey by involvement with the Veterans of Foreign Wars and the American Legion, by winning ten national championships, twenty three New Jersey State championships and other Tri-State and Provincial championships in many of the states of our great nation, by his organization qualities in the establishment of the great Big Green Band, the St. Vincent Cadets Drum and Bugle Corps of Bayonne, New Jersey. A real tribute to his untiring efforts on behalf of youth of the City of Bayonne, County of Hudson; and through the music of his Na-

tional Champions graced the inaugural of the Governors of New Jersey and Presidents of the United States of America during this time.

Whereas, Reverend Father Edward F. Wojtycha was appointed the first pastor of our Lady of Mercy in Jersey City in 1963, the city of his birth; and now the present pastor of Saint Andrew's R.C. Church in the City of Bayonne; and

Whereas, Reverend Father Edward F. Wojtycha was instrumental in helping over 16 men to ordinations as priests and was active in organizing many youth activities in the both communities of the County of Hudson; Boy Scouts, Girl Scouts, Sea Scouts, C.Y.O. and High School of Religion; and

Whereas, Reverend Father Edward F. Wojtycha was an integral part of the communities he served in the County on Hudson and has been awarded many awards by our great service organizations; the Red Cross, Rotary Youth Award, Bayonne Junior Chamber of Commerce "Man of the Year"; National Junior Chamber of Commerce "Man of the Year"; Bayonne Kiwanis Youth Award; V.F.W. State Citations; Disabled Veterans award-national citation; V.F.W. national citation, Bayonne Girl Scout Award; Drum Corps Hall of Fame, therefore

Be it resolved by the Senate of the State of New Jersey,

That this Senate hereby congratulates Reverend Father Edward Felix Wojtycha on his fortieth anniversary of ordination to the priesthood and wish him many more years of health and happiness in the vineyard of the Lord, whom he has served so well.

Be it further resolved, that a duly authenticated copy of this resolution, signed by the President of this Senate, and attested by the clerk, be transmitted to Reverend Edward F. Wojtycha.●

CONSISTENCY AND FACTS IMPERATIVE IN THE ABORTION DISPUTE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. MAZZOLI. Mr. Speaker, Congress again finds itself in the midst of the medicaid abortion funding controversy.

I am personally convinced that abortion on demand is wrong and that Federal funds should not be spent for these activities. However, there are thoughtful and serious people who, as a matter of conscience, disagree with me. Such disagreement is inevitable in a democratic society.

With the same vigor that I oppose abortion on demand, I hold the view that a genuine respect for life must span all issues—abortion, war, the arms race, economics, health care, and the environment. And, I have tried to be consistently "pro-life" in all of my legislative activities.

Whatever one's social or moral views on the abortion issue, two things strike me as imperative: Those on both sides of the question must strive for consistency in dealing with all of the important issues of the day; and, those on both sides of the question must stick to the true, basic facts on the abortion issue.

I commend to the attention of my colleagues the following article by Michael Novak which appeared in the June 18, 1978, Washington Star:

THE FACTS ON ABORTION GET ABORTED

(By Michael Novak)

Recently, Newsweek put the abortion story on its front cover once again. Abortion is a big story these days. But it is always told in an aborted fashion. Nobody addresses the basic facts in dispute.

Newsweek quotes Mary Clark of the California Abortion Rights Action League, who says without challenge that abortion "is the most basic right a woman has. If a woman can't control her own body, she has no control over the rest of her life." But is it a scientific fact that the aborted is a part of a woman's body?

Biologically, genetically, emotionally, and in every other way, the aborted is a distinct, separate, living organism. The aborted individual does not have its mother's genetic code. If male, the aborted does not even have its mother's sex. The aborted is not "part of a woman's body." It is only being carried by her, and is in her trust.

One may deny—as many do—that the aborted one is a "person," and one may disagree about whether personhood begins at conception or with "quickening," or whenever. But science absolutely forbids calling the aborted one part of a woman's body. Scientifically, that is one thing the aborted is not.

Call the aborted an "unjust aggressor," if you like. But science and medicine know all too clearly that the fetus is not just tissue. It was gynecologists, after all, who in the 19th Century worked so hard to put abortion laws on the books. For science was just then unlocking the secrets of human reproduction. The embryo—they saw then, and modern sophistication recognizes in far sharper detail—is a distinctly individualized organism, with feelings and reactions of its own.

Many good citizens have vast sympathies for defenseless seals, whales, sea gulls and louseworts. They have organized to protect these from slaughter. What failure of imagination prevents them from organizing to protect their own kind?

Is it racism, since the victims are disproportionately black, very young, and on welfare? Is it money, since abortion is cheaper than welfare?

Actually, the issue of abortion is more poignant because it has become entangled with the ideal of a woman's own "reproductive freedom." In reproduction, males and females are not equal. The biological responsibilities which flow from sexual commerce weigh differently upon females.

Some see the right to abortion as the only way to regain mastery over their own life, in case of an unwanted pregnancy. Men do not share this risk in the same way. Abortion is viewed by some as "the equalizer."

But at whose expense? The right of a woman to rid herself of an unwanted pregnancy clashes with the right of the conceived individual to be born and to have a life of his or her own. A movement for "liberation" which depends on the denial of another's right to life, and indeed upon another's death, has forfeited its moral purity.

That is why Clare Booth Luce and many other ardent champions of women's rights have protested against the portion of the women's movement which grounds itself in a systematic practice of death for others.

Suppose that seals, whales, sea gulls and lousworts were subjected to the specific, exact means of death employed upon aborted humans: painful saline solutions, dismemberment, destruction. Sensitive people would find it hard to approve of such public slaughter.

One recognizes, of course, that ugly and even evil things must sometimes happen. Sometimes humans have to make choices between two evils, trying to discern and to embrace the lesser evil. One recognizes, as well, that in any historical human society, short of utopia, abortions will sometimes occur. One recognizes, especially, that in an age of enormous preoccupation with sexual adventurism, with no social restraints upon intercourse, the numbers of those who want sexual exercise but do not wish pregnancies will be unusually high. In such a time, the market for abortions will be very large, indeed. Abortion will become big business, a source of fabulous profits.

Somehow, all these conflicting social demands must find a point of compromise. Those who are absolute about a woman's choice, and those who are absolute about a conceived child's right to life, will find compromise difficult, indeed repugnant. Such morally serious persons provide an important social witness. Both must be listened to.

But a society that chooses life, that shows reverence for birds and plants and other living things, will have to find a way to cut back the slaughter of more than a million individual human organisms every year, more than 3,000 every day.●

LITHUANIAN ANNIVERSARIES

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. WOLFF. Mr. Speaker, I would like to bring to the attention of the House two solemn Lithuanian anniversaries that occur in June. June 15, 1940, marks the Soviet invasion and occupation of the independent Lithuanian Republic. This second anniversary represents a series of events that took place between June 14 and 20, 1941. This period of massive terror and deportation was an inevitable result of the first incident.

Lithuania's roots as a nation date back to well into the 13th century when Lithuania first emerged as a unified state. During the next century, Lithuania evolved into a flourishing medieval dominion and concerned itself with expansion eastward and southward. During most of her history, until the 18th century when Lithuania was partitioned between Russia and her German neighbors, she existed as a Polish-Lithuanian commonwealth. It was not until the end of World War I that Lithuania gained her independence. But this lasted only until 1940, when the Russians occupied the small country and incorporated her into the U.S.S.R. Lithuania has been held in Soviet bondage ever since.

One year after the Russian takeover the Soviets unleashed mass terror that resulted in the deportation of 35,000 Lithuanian men, women, and children to the Gulag Archipelago, and cost 5,000 lives. This was only the first in a series of mass deportations of people who were considered "politically unreliable" to Siberia. By 1952, the toll struck a staggering mark of some 400,000 people. Most of them perished when faced with disease, arctic cold, and starvation—among other inhuman conditions that were typical of the Siberian slave labor camps.

Although the Stalin-type mass deportations have been discontinued, Lithuanians who even attempt to exercise their basic human rights of free speech and thought which are guaranteed to them in the Soviet Constitution, end up in Soviet prisons. Thirty-eight years after the occupation of Lithuania, the totalitarian regime has undergone no basic changes. Thirty-eight years after the occupation, the Lithuanian people against overwhelming odds, have maintained a strong determination to regain their freedom and independence.●

PREGNANCY DISABILITY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. PURSELL. Mr. Speaker, as a member of the House Education and Labor Committee, and a cosponsor of H.R. 6075, the pregnancy disability bill, I would like to share with my colleagues a paper which I believe presents solid arguments in favor of this legislation.

Earlier this year, Ms. Ruth Weyland—who was the attorney involved in the General Electric against Gilbert case—presented testimony to the Michigan State Senate Judiciary Committee on the State's version of this bill. Ms. Weyland presents clear and concise information on this issue which, I believe, will provide a greater understanding of pregnancy disability.

Following is Ms. Weyland's testimony. I hope my colleagues will consider these arguments carefully.

I am co-chair of the Campaign to End Discrimination Against Pregnant Workers, which is a temporary organization of representatives from more than 200 organizations which support national legislation to amend Title VII of the federal Civil Rights Act to prohibit discrimination in employment because of pregnancy. A partial list of organizations supporting the campaign is attached hereto. The American Bar Association just last week voted its support of this federal legislation. I am also the attorney who lost the case of *General Electric Co.* v. *Gilbert*, 429 U.S. 125 (1976) in the Supreme Court of the United States. This is the case which held that discrimination because of pregnancy is sex discrimination because of sex. H.B. 5257 would make clear that in Michigan for all employment purposes, discrimination because of pregnancy is discrimination because of sex.

H.B. 5257, if enacted, will impose no new taxes. It will create no new administrative agency. It imposes no across-the-board additional cost on business. For employers who have no fringe benefit plans and no sick leave plans, the bill will impose no costs whatever. The bill does not require any employer to establish a fringe benefit plan or a sick leave plan if the employer does not have such a plan.

For employers who do have fringe benefit or sick leave plans, the impact of the bill will vary from employer to employer. Thus, employers who have created generous fringe benefit plans to attract and retain the highest caliber of employees will be required to be equally as generous to their female employees who are disabled by pregnancy, while smaller, less affluent, companies are required to provide the same modest benefits for female employees as are provided for male employees.

This means that for employers who already provide paid sick leave or disability and health insurance benefits for pregnancy related disabilities on the same basis as for other non-work related disabilities, the bill will impose no additional costs. There are such employers in Michigan. The International Union of Electrical Radio and Machine Workers, AFL–CIO–CLC, has collective bargaining agreements with some 15 such Michigan employers.

For employers such as AT&T, which is one of the largest, if not the largest, employers of women in the State of Michigan which already provides the same fringe benefits for complications of pregnancy, hospital and medical insurance as for any other disability as well as disability benefits for 6 weeks for absences due to normal pregnancies, there would be no substantial additional cost—only benefits for women disabled more than 6 weeks by a normal pregnancy, which rarely occurs—almost by definition disability of more than 6 weeks connotes a complication and AT&T pays full benefits, sickness and accident as well as hospital medical for all complications.

For the auto companies, GM, Chrysler and Ford which already provide 6 weeks of disability benefits, as well as full hospital and medical coverage, the only additional cost would arise from disability benefits for absences due to complications or for individuals disabled more than 6 weeks by a normal pregnancy, which is unusual unless the women is engaged in particularly strenuous heavy work. The medical profession fix complications as usaully occurring in less than 5% of all pregnancies.

To a large extent, the effect of the bill will be gradual because the employers with disability and health plans have been primarily in industries which historically have employed very few women. These companies are now beginning to employ women. The effect of H.R. 5257 will largely be felt only as these campanies expand their work force.

Nor is the bill one which imposes costs without countervailing benefits to employers. Companies which have placed disabilities from pregnancy on the same basis as other disabilities, including payment of disability benefits, have found that the return rate of women after childbirth improved markedly. Prentice Hall, in a survey of 1,000 companies, got reports of some employers experiencing a 100% return rate. Xerox, which pays full salary for up to 5 months, with a smaller percentage of salary for periods after the first 5 months, after placing pregnancy disability benefits on the same basis as other disabilities for all employees reported return rates increasing from 46% in 1973, to 59% in 1974, to 69% in 1975, to 73% in 1976. Two other companies following the same policies are IBM, with a return rate of 74% and Polaroid with a return rate of 80%. All of these figures were supplied by the companies involved and placed in the record of the hearings in the United States Senate (Hearings on S. 995, 95th Cong., 1st Sess., pp. 531, 536, 545 or in the Hearing on H.R. 6075, 95th Cong., 1st Sess., Pt. 1, pp. 195–197; Pt. 2, p. 165).

Training new employees always involves some expense, and is sometimes quite expensive. I remember an airline wage arbitration where TWA claimed it cost $850 to train each new stewardess. With inflation, the figure today would be much higher.

COSTS LESS THAN ONE-TENTH OF A CENT FOR DOLLAR OF WAGES

The United States Departments of Labor and Commerce prepared cost studies for the United States Senate and House hearings which show conclusively that the increase costs are but a fraction of a cent of each dollar of labor cost. Their cost study states that "temporary disability insurance contributions represent only 1.4% of the wage package for covered workers in private industry and H.R. 6075 will increase that package only to 1.5%" (Hearings, S. 995, pp. 559–560). In other words, the increase would not exceed one-tenth of a cent per dollar.

The accompanying tables prepared by the Department of Labor and Department of Commerce show that whether the average period of disability is 6 weeks, 7.5 weeks or 9 weeks, the increased cost is still less than 1/10 of a cent out of each dollar of labor costs. Thus, see the following tables (Hearings on S. 995, pp. 573–574).

TABLE 8

Additional cost of extending temporary disability insurance benefits for pregnancy. (For average periods of 6.0, 7.5 and 9.0 weeks)

As a percent of estimated payroll.

Weeks of Benefits	Excluding Administrative Cost [In percent]	Including Administrative Cost [In percent]
6.0	0.027	0.033
7.5	0.044	0.072
9.0	0.060	0.072

TABLE 9

Additional costs as a percentage of total TDI Contribution Required [3]

Weeks of Benefits	Excluding Administrative Cost [In percent]	Including Admin. Costs [In percent]
6.0	1.9	2.2
7.5	2.9	3.5
9.0	4.0	4.7

[3] The percentages reflected in this table represent the additional costs (Table 6) divided by the sum of total contributions (Table 9) plus the additional costs (Table 6).

The figures of the Labor-Commerce report as to the percentage of each dollar of wages which goes to disability insurance, 1.4%, without coverage for pregnancy, is higher than the figures by the Chamber of Commerce in their latest annual report for 1975 which showed 1.2% for payments for time not worked, paid sick leave. See attached Chamber of Commerce, Employee Benefits 1975.

When we are talking about increasing costs of disability benefits, 2, 3, or 4% and what we are increasing costs only a cent or a cent and a half, the amount of the increase is under a tenth of a cent.

Figures based on the actual experience of various companies supplied by the companies themselves during the Senate and House hearings showed the following rate of increase when they covered pregnancy disabilities on the same basis as other disabilities: Cummins Engine, Inc., Columbus, Indiana, 2.7% increase (Hearings, S. 995, p. 9). Cummins began covering pregnancy disabilities fully in 1976. Hourly workers receive a flat $100 a week for up to 52 weeks; salaried, their full salary for the first 3 months of disability, 75% the next 3 and 60% thereafter. During 1976, its bill for maternity related disabilities was $36,039 as compared to a total of $1,300,000 disability benefits for hourly employees, a 2.7% increase cost due to the pregnancy coverage.

Polaroid Corporation, with 11,000 employees of whom 3,300 are women, paid out over $5 million in short term disability benefits, of which $130,000 was for pregnant related disabilities, a 2% increase. (Hearings, S. 995, pp. 544–545). Polaroid paid full salary for up to one year for all employees with more than a year of seniority and 65 days for those with less than a year of seniority.

Careful studies of cost presented to the Senate and House committees by the AFL–CIO placed the cost increase as even less than that computed by the Department of Labor. The AFL–CIO did not offer a figure as to the percentage increase in disability benefit costs but in terms of increase in hourly wage costs which showed the increase would be between .004¢ and .01¢ (Hearings Senate, p. 202). If this increase was distributed evenly among all workers, it would amount to $1.50 a year per worker.

Murray W. Latimer, formerly chairman of the Railroad Retirement Board and now a practicing actuary in Washington, D.C., presented a detailed analysis of costs and came up with a figure of a 3.75% increase in the costs of disability benefits (Hearings, S. 995, p. 507).

During the hearings before the committees of the U.S. Senate and House, none of the opponents of the bill presented any computation in terms of the percentage of increase in costs, although the insurance industry offered as estimate an increase of 5.9% (Hearings, Senate, p. 431). When it is understood that we are talking about increases in an item that costs only 1.2 to 1.4 cents out of a dollar, even a 5.9% increase is less than a tenth of a cent per dollar increase.

The State of Hawaii in 1973 passed a law requiring all employers in the state to pay disability benefits of 60% of wages for up to a maximum of 26 weeks. The insurance rates in effect in 1973 have dropped drastically. For instance, Pacific Insurance dropped its rate of $2.43 per woman in 1973 to 67¢ (Hearings, Senate, p. 380). Letters from insurance companies stating that they overestimated rates are printed in the Senate hearings (pp. 354–356).

None of the six insurance companies which write more than 80% of the insurance in Hawaii found it necessary to raise rates because of the inclusion of pregnancy (Hearings, Senate, pp. 350–357). Average weeks of disability for females with pregnancy disability have dropped and in 1975 averaged 4.4 weeks as compared with 5.1 weeks for men (Hearings, Senate p. 381).

With respect to rates charged by insurance companies, it appeared during the Senate and House Hearings that the disability insurance tabulars for coverage of pregnancy disabilities had not been revised since 1948 when the birth rate was high due to the baby boom following World War II. The House Hearings on HR 6075, 95th Cong., 1st Session, (Pt. 1, pp. 229–249) printed excerpts from proceedings of the Society of Actuaries for 1975 commenting on this fact and pointing out that experience was running at 22% to 40% of the expected cost for disability insurance covering pregnancy while all other disability costs were running 100% of tabulars or higher. Hearings before the Senate (pp. 243, 524) and House (Pt. 1, p. 207) showed many employers in 1973–74 found it cheaper to "self insure" pregnancy disability benefits rather than buy insurance at the high rates charged by some companies. Recently, employers seem to be having no difficulty obtaining reasonable rates.

HB 5257 would require that policies which cover medical expenses, both hospital and physician, for employees be available to female employees and cover all their expenses attendant upon pregnancy, childbirth and related medical conditions on the same terms as other medical expenses and without any extra charge to the female employee. The health insurance industry has often bragged as to its coverage of delivery expenses for the majority of babies born in the United States. Charges filed with EEOC showed widespread discrimination because of pregnancy in policies, sometimes by an additional deductible, other times by limitation in schedule amounts payable. There are no credible studies as to the extent of the exclusions. We have furnished this Committee with the survey of Hospital and Physician Cost for Pregnancy and Delivery—Present Coverage by Major Health and Insurance Plans.

The cost entailed by H.B. 5257 will be less than 3.4% of the cost of medical insurance because that would be the cost of adding maternity if it was not covered at all (Hearings, S. 995, p. 508). What portion of that 3.4% will be required by this bill is unknown because we do not know to what extent existing plans approach full coverage. The survey shows that a third of major firms meet full coverage, and a third make some approximation at full coverage.

But, a 3.4% increase in costs of medical insurance is still in the fraction of a cent area in terms of the labor dollar.●

REACTORS: USEFUL FOR DECADES, RADIOACTIVE FOR CENTURIES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. RANGEL. Mr. Speaker, for a long time I have been deeply concerned with the disposal of nuclear wastes from reactors. An article in last Saturday's New York Times again drew my attention to perhaps the most perplexing form of nuclear waste, the obsolete nuclear reactor.

A nuclear reactor has a useful life of 20 to 40 years, after which it is either too run down to operate or so obsolete that it is uneconomical. However, having been operated for decades, the reactor is highly radioactive, and it will remain so for thousands of years. The technology to dismantle a radioactive reactor simply does not exist. Until such technology is developed—if it ever is developed—those reactors must be guarded and structurally maintained, because they are prime targets for terrorist attacks and tremendous sources of unchecked radiation in the event of natural disaster.

This is one of the hidden costs of nuclear power. An inactive reactor, of which we will have over 100 by the year 2000, must be kept secure. It must be kept secure not just for our lifetime, or our children's, or even our grandchildren's, but for thousands of years. Inactive nuclear reactors are a legacy that might well prove catastrophic for our descendants. It is not right to leave a problem of this gravity to future generations. We have no business reaping the benefits of nuclear energy ourselves and leaving the costs for our grandchildren. We should seriously rethink our construction of nuclear powerplants until we have completely developed the technology to safely disassemble them.

I think that my colleagues would find the New York Times article of June 17 interesting, informative, and a little frightening. I urge you to find the time to read it. The text of the article follows:

A-PLANT BUILDER TURNS TO DISMANTLING OLD ONES

(By Jonathan Kandell)

MARCOULE, FRANCE.—For the last 20 years, André Crégut has built most of the important nuclear power plants in France, including the controversial Phoenix breeder reactor that rises amid the vineyards and medieval villages here on the bank of the Rhone River.

But Mr. Crégut, a robust 50-year-old engineer, has not decided to spend the rest of his active years figuring out how to dismantle the nuclear plants he has erected. This is not a case of a conscience-stricken scientist converted to environmentalism. Quite the contrary. Mr. Crégut is as convinced as ever that nuclear power plants will continue to grow as an essential source of energy for the foreseeable future.

LIFETIME IS 20 TO 40 YEARS

But nobody has yet been able to dismantle a commercial atomic reactor. With dozens of nuclear plants reaching obsolescence throughout the world, scientists and governments have begun facing up to the troubling problems of ridding the landscape of these dangerously radioactive structures, and estimates for the clean-up operations are running into the billions of dollars.

Reactors usually have a lifetime of 20 to 40 years. Like any other machine, they may wear out from use, suffer irreparable damage from accidents, undergo repeated breakdowns that become too expensive to repair, or simply be rendered obsolete by new technological breakthroughs.

Already 20 nuclear power plants have been closed in the Western industrialized world—15 in the United States and 5 in Western Europe, including 2 in France. By the year 2000, there will be more than 100 inactive atomic plants. In addition, there are hundreds of smaller nuclear installations—research accelerators, fuel enrichment and reprocessing plants, navy ship reactors, nuclear medicine facilities—that have ceased to operate.

All of them will remain radioactive, for hundreds or even thousands of years. In many cases, these closed nuclear installations pose a greater threat than when they were in use. Their security systems—the antiradiation shields, alarms, ventilation, and detection devices—have been largely removed. Even if they are guarded perpetually by security personnel, they are bound to deteriorate and eventually leak radioactivity.

"Even if we entombed these plants, there is no way to be certain that after 500 or 600 years the protective casing will be physically maintained or guarded," said Mr. Crégut, who heads the French Government's program to deal with obsolete nuclear installations. "Do we have the moral right to leave these plants in place knowing that it will take hundreds, perhaps thousands of years before they cease to be dangerously radioactive?"

This question is being asked by other governments as well. Last year, in a report to Congress, the Comptroller General of the United States criticized nuclear agencies and private industry for ignoring the "problem of protecting the public from the hazards of radiation lingering at nuclear facilities which are no longer operating."

Last month, the European Economic Community proposed a five-year research program on the problems involved in dismantling nuclear reactors. And the International Atomic Energy Agency in Vienna has been calling attention to the hazard at least since 1975.

In France, it was Mr. Crégut who first proposed to the Government in 1974 that it start a program to deal with obsolete atomic plants. He had just completed directing the construction of the Phoenix breeder, a type of reactor that is the focus of a controversy between West European governments and President Carter, who opposes it because it uses and produces plutonium, which can be used for weapons.

"My boss congratulated me for handling the construction of Phoenix so well," said Mr. Crégut. "I told him that I hoped he would congratulate me again when I figured out how to take it apart safely."

SHELVES OF DATA ON DISMANTLING

Mr. Crégut then set about amassing studies of the Phoenix plant during the next four years. The fruit of his labors is in a room next to his office that has aisles of shelves from floor to ceiling and that he hopes includes the data necessary to dismantle the breeder reactor.

Mr. Crégut's plan follows roughly the lines proposed by other experts—mothballing, entombment and complete dismantlement. In the United States, nuclear plant owners are given an option of any one of these methods to deal with their obsolete installations. Mr. Crégut does not believe that the hazard ends until complete dismantlement takes place.

In mothballing, the reactor is welded shut with steel and the facility is placed under permanent guard. This has been done at the Marcoule GI plant, a military reactor that produced plutonium for French nuclear weapons until it was shut down 10 years ago. But Marcoule GI has developed cracks, leaks radiation and, according to Mr. Crégut, will have to be dismantled eventually.

Entombment involves encasing the reactor in concrete. But it also requires permanent monitoring and security over centuries.

Dismantling involves the complete removal of the reactor and the rest of the plant, and the restoration of the site for other activity. No one has yet attempted it with a commercial-size nuclear reactor, and even in the few cases involving smaller installations, it has proved a difficult and expensive task.

"I think in this respect France has an advantage over the United States or West Germany," said Mr. Crégut. "Here the Government owns the nuclear plants and has clear responsibility to deal with them when they become obsolete. In the United States and West Germany, a private company can always go bankrupt, and then what happens with its obsolete reactors? How can they be monitored for future generations?"

Nuclear experts in the United States and Western Europe have suggested that new atomic plants be designed with their eventual dismantling in mind. But no one knows yet what this would mean in terms of building material and added costs.

Meanwhile, it will still take years of research on dealing with existing plants before it will be known at what point radiation levels are low enough to permit dismantling. Then the equipment needed to take the plant apart can be designed. It will take additional years to carry out pilot experiments with smaller installations to build a reservoir of experience for use on larger commercial plants.

"I feel we're at the same stage now in our knowledge of dismantlement that we were with Phoenix, say, back in 1958, when it was first conceived," said Mr. Crégut. "Phoenix appeared impossibly difficult to carry out 16 years ago, and now it seems easy. At this point, dismantlement also seems just as difficult. I'll have more confidence when the budget exists to let us do what we want to do."

"By the time I retire, I want to have a clear conscience that everything I built can be taken apart properly," Mr. Crégut said. "I don't want people to think of me like that genius who invented the plastic bottle and never figured out how to get rid of the damned thing."●

EAGLE SCOUT JAMES DAVID KLAMO

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. BENJAMIN. Mr. Speaker, I wish to bring to the attention of my colleagues the accomplishments and honors of Eagle Scout James David Klamo of my district.

James, the 15-year-old son of Mr. and Mrs. John Klamo, is a lifetime resident of Gary and a student at Andrean High School in Merrillville. He has been involved in Scouting for the past 8 years and is presently a member of Troop 8 of the Calumet Council. After many years of leadership, participation, and dedication to his school and community, James is more than qualified for the award of Eagle Scout which he will receive June 27 at the Izaak Walton League in Merrillville.

I am proud to have this opportunity to recognize James Klamo for his outstanding contributions and services to our community. It is always very rewarding to recognize such talented and deserving young men. It is a pleasure for me to ask my colleagues to join with the communities of northwest Indiana to recognize the accomplishments of Eagle Scout James David Klamo, and his parents, Mr. and Mrs. John Klamo, and to congratulate them upon James receiving scouting's highest honor.●

SOVIET MVD OFFICER GETS 10 MONTHS OF POLICE TRAINING IN SOUTHERN CALIFORNIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. McDONALD. Mr. Speaker, with shock and surprise I have read in the current edition of the weekly news magazine, The Review of the News, that the Department of State permitted a Soviet MVD officer to enter this country on a student exchange program which enabled him to receive 10 months of training in several southern California police departments. The MVD or "Soviet National Police" is responsible for operating the slave labor camps of the "Gulag Archipelago," for repressing dissident groups of Soviet citizens who are denied by the Soviet state their basic human rights, and for other aspects of counterintelligence and internal security. Admittance of an MVD officer as a "police science" exchange student is particularly offensive when qualified, highly professional police officers from Free World nations are denied permission to increase their qualifications by taking training in America.

For the information of my colleagues, the article follows:

[From the Review of the News, June 21, 1978]

SECURITY

Police and public-safety officers from the anti-Communist countries are no longer trained in the United States on the grounds that the skills they obtain may be used against "dissidents seeking their human rights." That is a pretty phrase often used to describe terrorists seeking to overthrow friendly governments as in Argentina, Nicaragua, Chile, Iran, and South Africa.

Now the Review of the News has learned that our government has no such qualms about training men from the Soviet M.V.D., the most repressive police apparatus in the world.

WELCOMING SOVIET AGENTS

According to John Barron, author of KGB: the Ministry of Internal Affairs (M.V.D.) the Secret Work of Soviet Secret Agents, was a forerunner to the K.G.B. and remains a part of the Communist system of internal repression. It has responsibility, among other areas, for the investigation and harassment of dissident groups, for key aspects of counterintelligence, and for running the slave-labor camps. Some people call it the Soviet National Police.

Officers of the M.V.D. are trained and conduct training at institutions including the Sverdlovsk Institute of Law in the eastern foothills of the Ural Mountains. That is important to our story because, some ten months ago, 33-year-old Anatoly Nikolaevich Gusakov, a doctoral candidate at the Sverdlovsk Institute of Law and a captain in the M.V.D., came to the United States as an "exchange student." He was a participant in the Young Faculty Exchange program organized by the International Research and Exchange Board and promptly went to work "researching" the tactics, equipment, methods, and operations of American police departments!

Gusakov brazenly told California policemen with whom he worked that he was a Criminal Investigator in the Soviet National Police and a member of the Soviet Communist Party. Nevertheless, because he was in America under the auspices of the State Department, Gusakov was allowed to carry out his "research."

The host International Research and Exchange Board (I.R.E.X.) was formed ten years ago and operates from a spacious modern suite at 110 East 59th Street in New York City. Created by the American Council of Learned Societies and the Social Science Research Council, I.R.E.X. has as its prime function the administration of academic exchange programs between the United States and the Soviet Union. It is a small, but very selective, program that in the period 1976–1977 brought 76 Soviet "senior research scholars, graduate students and young faculty" to our shores.

When the Review of the News interviewed John P. C. Matthews, Deputy Director of I.R.E.X, we told him that a report recently issued by Senator Edward Kennedy had reiterated facts first made public by the Senate Select Committeee on Intelligence establishing that "one quarter of the Soviet exchange students coming to the United States in a ten-year period were found to be intelligence officers." Matthews flatly declared: "That is not true; it can't be true. If it had been said, I would have known."

For the information of Mr. Matthews and others, this information can be found in the Judiciary Committee Report on the Foreign Intelligence Surveillance Act of 1977, Page 21, Paragraph 3; and in the Senate Select Committee on Intelligence, Final Report, Book 1, Page 163.

The funds for programs such as the one that brought M.V.D. Captain Anatoly Gusakov to California to gather information on police procedures and activities is provided by a handful of "prestigious" sources that include the U.S. Department of State, the Ford Foundation, the Rockefeller Foundation, and the Chase Manhattan International Foundation.

Remarkably circumspect about finances, I.R.E.X. publishes no budgetary figures in its annual reports. Considering that it has a staff of 18 to operate an exchange of approximately 55 Americans and 55 Soviet-bloc citizens, its ample offices and the amount of travel and subsidy provided the program participants, the I.R.E.X. budget must be over $2.5 million. That so much American money is used to bring Soviet intelligence

officers to this country is odd to say the least. Especially since this prestigious organization arranges the placement of these Soviet agents and provides them with credentials to make their task easier.

According to the Senate Select Committee on Intelligence, citing an F.B.I. counterintelligence specialist, "Various exchange groups provide additional opportunities for Soviet intelligence gathering within the United States. . . . During the past decade, the FBI identified over 100 intelligence officers among the approximately 400 Soviet students who attended American universities during this period as part of an East-West student exchange program."

Based on the Senate figures, it can be estimated that I.R.E.X brought some 20 Soviet spies to the United States in the 1976–1977 period. According to I.R.E.X. Deputy Director Daniel C. Matuszewski, Gusakov openly stated on his application to do "research" in this country that his interests were in the "tactical methods" used by our police; in the collection and analysis of technical police literature; and, in our "patterns of investigation into criminal activity." Can there be much doubt that Anatoly N. Gusakov was "tasked" by the K.G.B. (with which his own organization, the M.V.D., is constantly exchanging personnel) to penetrate our West Coast law enforcement community?

To aid Comrade Gusakov, I..R.E.X. arranged for him to study at the U.C.L.A. Law School with Professor George Fletcher as his faculty advisor and mentor. Dr. Fletcher, an authority on Soviet law, told the Review of the News that Gusakov had made "a very good impression" and that he was more interested in "practical police matters" than in classroom studies. Said Fletcher: "I placed him in a course dealing with the rights of suspects, but he appeared totally uninterested in individual rights; he was really only interested in the techniques of investigations."

Gusakov's quest for information on the techniques of U.S. police investigation and practical police work was facilitated by police science professor Dick Grace of California State College at Los Angeles. Working with Dr. Fletcher, Grace made arrangements for the Comrade Captain to visit and work with the Anaheim, Santa Ana, Santa Monica, and Los Angeles police departments, as well as with the Los Angeles Sheriff's Department. And, as Gusakov's visit drew to a close, his California police contacts, having become acquainted with the Soviet officer, provided him with introductions to the Las Vegas, Chicago, Washington, D.C., and New York City police departments as a customary courtesy.

We spoke with Chief Tielsch of Santa Monica where Gusakov spent a considerable amount of time. Tielsch confirmed that the Soviet M.V.D. man had "been involved in all facets of the activities of his Department; he had been assigned to the investigative division, the identification bureau, and the detective bureau." The Review of the News learned from Santa Monica police officers that the Soviet M.V.D. Captain had worked with them in police operations and had actually taken part in arresting American citizens.

On May 9, 1978, in Santa Ana, the police cruiser in which Anatoly Gusakov was riding on street patrol was involved in a collision. The Soviet officer received a cut on the head which required hospital treatment, and the Santa Ana Register reported, "Russian Gets Bang Out of Visit to Orange County." When the Review of the News brought this to the attention of Gusakov's faculty advisor, Dr. Fletcher replied, "I thought that he may have been injured making an arrest."

One of the senior police officers who hosted Gusakov said, "I saw nothing very wrong with him being in my Department; he was a guest of the United States. But he may have been following a secret agenda of which we were not aware."

Very likely. In California, Gusakov was busy asking questions of a number of police officers about U.S. political groups, particularly the Christian Defense League in Orange County and the Jewish Defense League (J.D.L.), which has been involved in political activism against Soviet diplomatic and trade offices. This is especially interesting since a person using the old J.D.L. slogan, "Never again," recently claimed responsibility for the bombing of a New York City Russian-language newspaper. Reports described it as an anti-Communist publication, giving rise to speculation that the attack was a pro-Soviet provocation.

Criminal Investigator Gusakov, or M.V.D. Captain Gusakov, or Comrade Gusakov, or Student Gusakov also asked innumerable questions about police use of computers, police-radio systems, electronic equipment, interrogation procedure, contingency measures for natural disasters or civil disorders, and communication between police departments—every possible area of American police technology and operations. The Communist M.V.D. Captain made himself particularly well-informed on liaison procedures between local, state, and federal law-enforcement agencies, and had access to F.B.I. reports.

Neither State nor I.R.E.X. nor any of the police officers involved now wish to comment on how this could have been allowed. Typically, Professor Dick Grace said: "Well, the State Department arranged for it and approved it; and I have no wish not to cooperate with them." As I.R.E.X. put it: "We never know exactly what the exchange students will do. Why to ask questions would be an infringement of their right to privacy."

Requests for an interview with Anatoly Gusakov were sharply rejected by I.R.E.X. officials who claimed not to know his present location, and then contradicted themselves saying that he was on his way back to the Soviet Union. State Department spokesmen reluctantly provided the information that a "security review" was conducted before Gusakov entered the United States. But, they said, the review showed only that A. N. Gusakov was a graduate student at the Sverdlovsk Institute. One State Department official admitted, "We don't really know if Gusakov is his real name."

Our interviews with members of the California law-enforcement community quickly established that Gusakov had admitted being an officer of the Soviet National Police (M.V.D.). But the State Department spokesman refused to admit any such knowledge declaring: "Even if he is, I don't consider it very awesome."

No State Department official would admit to sanctioning Gusakov's program of police penetration, explaining that the details were arranged by "the college of his choice." And yet Professor Grace, Chief Tielsch, Captain McCarthy, Captain Stebbings, and a dozen other officers who were interviewed all recall being told that Gusakov was their guest with State Department approval.

The Federal Bureau of Investigation declined to comment on the case of Soviet agent Anatoly Gusakov, saying that neither his visit to our country nor his course of studies had F.B.I. approval. "It was a State Department matter." Asked about national security implications, the F.B.I. spokesman readily confirmed the Senate Intelligence Committee Report on the abuse of student exchange programs by the Soviet bloc, but added: "Of course we can make no comment on any investigation in the counterintelligence area." ●

CALM ACTION, NOT COLD WAR RHETORIC, IS WAY TO DEAL WITH THE SOVIETS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. SEIBERLING. Mr. Speaker, it was with relief that I read in this morning's paper Secretary Vance's moderate, low-key remarks concerning our relations with the Soviet Union. This is indeed a refreshing change from the "cold war" rhetoric of recent weeks, and, we may hope, is evidence of a more mature, balanced approach by the administration with respect to the problems of dealing with the Soviets and Soviet supported activities in Africa and other parts of the world.

Of course, it is important to let the Soviet leadership know that there are limits to the kind of arms buildup and foreign adventurism they can engage in without weakening détente and undermining the prospects of a new SALT Treaty. However, past experience in dealing with the Soviets ought to have taught us by now that they are far more likely to be impressed by our actions and our resolve, communicated by quiet diplomacy and reasonable rhetoric, than by unnecessarily provocative actions and by "hard-line" talk, to which they will simply respond in like manner.

In late May, the New York Times reported that one of the studies prepared for the recent meeting of NATO leaders in Washington concluded that the Soviet Union has accepted parity with the United States in strategic nuclear arms but is still unwilling to accept equality with NATO in conventional and nuclear tactical forces in Europe. Thus, according to the report, the Soviets will continue their military buildup in Europe despite growing economic problems resulting from their continued high level of military spending.

On the other hand, on June 13, the Akron Beacon Journal reported that the Soviet Union has made a proposal for equal ceilings on Eastern and Western troop strength in Europe and a mutual reduction of weapons located there. This is the first major move that the Soviets have made since the beginning of the European force reduction negotiations in 1973. Whether this is just a tactical ploy to blunt the recent efforts to strengthen NATO's defenses or is a serious move to reach agreement remains to be seen. Obviously, it should be seriously explored.

Perhaps the Soviet proposal will turn out to be the constructive response that President Carter said he would look for at the time he decided to delay a decision on producing the neutron warhead. In any event, the Soviet proposal is more likely a response to the administration's actions than to its recent spate of rhetoric. Indeed, we ought to be concerned that continued escalation in the "war of words" does not create a climate in which negotiation of such arms limitation agreements becomes impossible.

Mr. Speaker, an excellent article on this subject by Mr. Anthony Lewis appeared recently in the Akron Beacon Journal, reprinted from the New York Times. Mr. Lewis says, with respect to recent administration rhetoric:

It is unconvincing to react to Soviet behavior as if one were discovering sin for the first time.

He notes that the Soviets are not likely to be impressed by bluster, which serves to blur what have to be discriminating choices for this country. As he says:

We are right to be worried about Soviet intentions. But we have to understand that some accommodations may help us: notably SALT. In such a situation presidents and their aides must be scrupulous in their rhetoric. They must avoid legitimizing hysteria.

Mr. Speaker, I offer the Anthony Lewis column and the Akron Beacon Journal article for printing immediately following these remarks:

DETENTE RHETORIC ENDANGERS SALT TALKS

(By Anthony Lewis)

WASHINGTON.—"I think there will be less red scare in the coming weeks."

That remark, by an administration official, is an appropriate epitaph for one of the strangest episodes in Jimmy Carter's presidency; the experiment with what could be called the New Toughness in foreign policy.

It developed while I was abroad for a month, so it struck me with particular force when I returned at the end of May: the strident tone of the administration's voice in talking about the Soviet Union and the Communist threat. Now the stridency has abated. The President's speech at Annapolis last week was a conscious and effective effort to restore balance. What remains is for Carter—and the rest of us—to learn something from the episode.

A first point is that it is unconvincing to react to Soviet behavior as if one were discovering sin for the first time. The USSR has been a powerful adversary of ours in the world for a long time, and its standards of humanity have been nasty. To react to such realities as if they were new is to appear ignorant or silly.

The Russians "maintain a vitriolic worldwide propaganda campaign against the United States," Zbigniew Brzezinski said on NBC's Meet the Press. They are carrying out a massive buildup in conventional arms, and they are trying to "encircle and penetrate the Middle East." Yes. And what else is new?

"This pattern of behavior I do not believe is compatible with what was once called the code of detente," Brzezinski said. But the pattern is what we have to expect from the Soviets, and guard against. Detente is not a happy day of brotherhood. It is restrained competition. To pretend otherwise is only to create false expectations among Americans, inevitably followed by disappointment. It is to repeat the folly of Richard Nixon in promising "a structure of peace."

The most peculiar business has been the attempt to make a great East-West point out of the rebel invasion of Zaire's Shaba Province. The Cubans in Angola may or may not have tried to stop the invasion, as they claim. But everyone knows that tribal rivalries in the area are the fundamental issue. Is it our view that the Cubans have the duty to suppress them? And if so, what of our own record?

In the Kissinger era the United States tried to keep the Portuguese in Angola, then covertly sent arms to the losing side in the struggle for local power. That inept move brought the Cubans in. Since then we have kept Zaire afloat while it supported a continuing guerrilla war against Angola. We have foolishly refused to come to terms with an Angolan government that works easily enough with the Gulf Oil Corp. Who is destabilizing whom?

Of course the United States has to worry about any sudden jump in Communist ambitions in Africa. But the Russians have had ample trouble of their own in Africa, as in the Middle East. Carter's policy has wisely been directed at trying to deal with the underlying African problems, notably white supremacy in Southern Africa. Why suddenly encourage the American people to think it is all a Communist plot?

An even more puzzling question is why the administration should have tried to link Zaire, even by implication, with the strategic arms limitation talks. No serious issue in the world can possibly depend on developments in that post-colonial disaster area. And nothing could be more serious than SALT.

What is so odd is that Jimmy Carter really cares about arms limitation—perhaps more than any other president. He understands that a SALT agreement is urgently important to this country. In recent days he has gone so far as to reject political advice that he should stall over the summer even if the Russians are near agreement, because a treaty could not be taken up by the Senate until after election and would be a political problem in the meantime. Carter has given orders to go ahead if a treaty is in sight.

It was also inconsistent with Carter's instincts that many in Washington see some political motive for the toughness episode—a hope of going up in the polls. I suspect a less-conspiratorial reasons, a desire to gain some bargaining leverage with the Russians. But if so, the technique was hopelessly inept.

The Soviets are not likely to be impressed by bluster. More important, such rhetoric as "the code of detente" blurs what have to be discriminating choices for this country. We are right to be worried about Soviet intentions. But we have to understand that some accommodations may help us: notably SALT. In such a situation presidents and their aides must be scrupulous in their rhetoric. They must avoid legitimizing hysteria.

Brzezinski has had the fame and the blame for this episode. Soviet diplomats are saying that it confirms their view of him as "anti-Soviet." I think his fault is a different one. He is a man of enthusiasms, of extremes, with many good ideas but seemingly, sometimes, to lack a center of gravity.

The moral for Carter and his administration is that, in foreign policy, steadiness is all. But there is a warning here for the Russians, too. They may complain of American attempts to "link" such disparate issues as Africa and SALT. But some linkage is a fact in American opinion. If the Soviets proceed to try to imprison Anatoly Shcharansky, for example, I think no president could save a SALT treaty.

[From the Akron Beacon Journal, June 13, 1978]

SOVIETS PROPOSE TROOP CUT

WASHINGTON.—The Soviet Union has made a proposal for placing equal ceilings on Eastern and Western military forces in Europe that Carter administration officials said Monday could be an important breakthrough in the stalled negotiations over troop reductions.

In the proposal, Moscow said for the first time that any accord cutting back on Eastern and Western air and ground units in Central Europe should set equal ceilings on the troops that remain.

Because the Warsaw Pact possesses a numerical edge in troops deployed in Central Europe, Soviet negotiators until now have sought mutual cuts that would maintain the East's advantage.

The Western powers offered a proposal in May which clung to the principle of common ceilings but offered the Soviets greater flexibility in choosing what units it would remove.

In an apparent response to this initiative, Moscow last week agreed to the Western demand that each side be limited to 700,000 ground forces in the region and furthermore suggested that a ceiling of 900,000 be placed on total ground and air manpower.

Administration officials said that in addition to accepting the common ceiling approach, Moscow has agreed to the Western proposal, in the first phase of a troop cut, to withdraw 1,000 American nuclear weapons in Europe in return for a cutback in Soviet tanks.

The Soviet proposal is described by officials as the first major move that Moscow has made in the Vienna talks since they got under way in 1973 and, as such, it is thought to reflect a desire by Moscow to reach agreement.

Meanwhile, Secretary of State Cyrus R. Vance announced a complex pledge by the United States not to use nuclear weapons against countries that do not have them.

The pledge was designed to "extend a feeling of security" to countries that renounce atomic weapons and to improve the U.S. posture in the current disarmament session at the United Nations, officials said.

The pledge will have little practical effect on U.S. policy on the use of nuclear weapons, they conceded.

Nevertheless, officials hope the statement will have a positive political input on nations such as India that have not yet signed the Non-Proliferation Treaty.●

ANTITERRORIST BILL

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. DORNAN. Mr. Speaker, recently, the newly appointed Director of the FBI, Judge William Webster, expressed concern over the potential danger that terrorists pose to the United States. According to the New York Times of March 30, Judge Webster remarked:

Experience tells us that when we have epidemics like this around the world, it is very likely to come to the United States.

For many terrorists, the United States is an object of their supreme hatred. It is the leader of the capitalist world, the major financial and military power of advanced industrial society. It is the source, according to several terroristic ideologies, of the ills of modern life. It is not unreasonable to believe that the United States would present a tempting target to the kamikazi terrorist squads that have been roaming the world. No crime is too outrageous for the terrorist; for he is at war with society itself. It is well to realize that we, like Italy and West Germany, could also fall victim to terrorist violence.

Mr. Speaker, I do not think there is any danger that we will fall victim to inordinate fear or alarmist appeals. But I

do fear that we may fall victim to complacency. Judge Webster's remarks are cause for rethinking our approach to internal security.

Modern terrorism is not simply an isolated set of violent attacks, but a more sophisticated, and systematic assault on modern states. Terrorism is now an international phenomenon. Terrorist agents and organizations have received support and encouragement across national boundaries. Aden, Algeria, Cuba, Czechoslovakia, North Korea, and Yemen have provided lodging and training for the death squads who go about the world bombing, killing, and kidnaping various civilian and government personnel in pursuit of their own goals. According to a special report prepared by the Heritage Foundation, "Terrorism in America: The Developing Crisis," the United States is not immune from such penetration:

In addition to our own indigenous terrorists, there is evidence that other terrorists may be migrating to the United States. The presence of Arab terrorists, anti-Castro Cubans, the Mexican radical group LC-23, and perhaps some European terrorists have been reported in the United States. In November 1977, the U.S. Coast Guard began patrolling waters near international airports in New York, Boston, and Philadelphia after Lufthansa airlines received threats of rocket attacks on its planes from groups claiming to represent the Baader Meinhof Gang (Red Army Faction or RAF). In December, several Latin American countries reported that 19 members of the RAF were present in the Western Hemisphere and were planning an "international action plan."

Mr. Speaker, the recent opening of the Palestinian Information Office, being subsidized by the Palestinian Liberation Organization, occasioned my legislative interest in this matter. I realize that a number of my colleagues will object to my proposed legislation on the ground that the PLO is only disseminating information. But my bill will not prevent them from continuing to disseminate information. It will, however, strengthen security measures that the actions of the PLO most assuredly merit.

In Washington, D.C., the PLO is disseminating information. But that is not the only thing that the PLO does. Founded in 1964, the PLO has emerged as an umbrella organization of the world's most notorious terrorist groups: Palestine Liberation Army, the Egyptian-founded Al Fatah, the Syrian-sponsored Al-Saiqua, the Popular Democratic Front for the Liberation of Palestine, the Popular Front for the Liberation of Palestine, and the Iraqui-formed Arab Liberation Front.

During the past 10 years, the PLO has been engaged in a whole series of outrageous incidents. On March 11 of this year, the PLO landed a squadron on an Israeli beach and killed 37 civilians. For a decade we have witnessed killings, bombings, and hijackings. According to Mr. Arnold Forster, general counsel of B'nai B'rith:

There have been incidents on six continents in which the PLO and its affiliates killed 1,331 people, injured 2,471 and held 2,755 hostages. These terrorist actions included 308 bombings in 20 countries; 216 attempted bombings in 26 countries; 180 shootings in 11 countries; 11 assassinations in 9 countries; 17 attempted murders in 11 countries and 19 hijackings in 14 countries.

A decade's reality: seven terrorist actions a month; one incident every four days, day in and day out for over the years; nine murders each month; one victim every three days; 20 people maimed each month; 22 human beings held as hostages.

Mr. Speaker, it may be said that terrorism is bred in the depths of despair, among oppressed people who have little or no hope. As a historical fact, that may be the case. But no explanation is identical with a justification. There is and can be no justification for a deliberate war against an unarmed civilian population, against women and children. Those who make war on innocent airline passengers, civilians on a bus, or on a beach, in a city square or public market, should be branded for what they are: cowards and criminals. They can never be compared to true patriots who battle for the welfare of their people. Whatever grievances the Palestinian people have, a resort to terror will not resolve them. Terror only begets more and more terror. Outrages only give birth to more and more outrages. Terror makes an unjust cause beneath contempt, and it profanes the cause of the just.

Mr. Speaker, can anyone be sure that a representative of an organization—the PLO or any other organization—that engages in terroristic activities in other lands will not resort to terroristic or illegal activities here in the United States? Can we be sure that such representatives will not use the resources of a free and open society to recruit and indoctrinate political fanatics, preparing them for supportive violent assaults against the open society itself? The answer, of course, is that we cannot. No group that is undeterred by the simplest sentiments of humanity, that is unsparing of innocents, regardless of age or sex, can be expected to abide by the legal principles of the American polity—except for purely tactical reasons.

No, Mr. Speaker, the Congress is not morally or legally required to admit alien representatives of foreign terrorist organizations, whoever they may be, into the United States. Congress is not morally nor legally required to treat the agents of a terrorist organization as if they were ordinary, conventional representatives of foreign principals, corporations, political parties, partnerships or associations. Prudence alone dictates that we ought to strengthen our security procedures. We owe it to our citizens to insure that representatives of foreign terrorist organizations are not themselves engaging in any illegal activities. It is the very least we can do.

Finally, Mr. Speaker, I think it is wise to seal off—once and for all—the importation of moneys from terrorist organizations or groups into this country, and punish a breach of this inflow of foreign moneys with the most severe and deterring penalties. Consider the possibility that blood money could be spent in financing propaganda for bloodletting. The thought appalls me.

Mr. Speaker, students of politics tell us that the most difficult and recurrent question of politics is the reconciliation of personal liberty and political authority, the rights of the individual and the rights of the state. In drafting this legislation, I have been extremely sensitive to this problem. I sincerely believe that my bill recognizes, reconciles, and encompasses these legitimate claims, and strikes a balance between the liberty of the individual and the constitutional powers of the United States. No American's right to express any idea, or disseminate any information, on behalf of any cause, no matter how distasteful, would be abridged by the passage of this legislation.

I have taken time to assure that the rights of conscience, speech, and expression, as guaranteed under the first amendment, are congruent with the constitutional powers of the Congress to regulate the flow of interstate and foreign commerce and the precedents established by the Immigration and Nationality Act.

Of this much I am sure, we ignore the terrorist danger at our peril. Terrorists are at war with civilization; and it is the obligation of a civilized society to take those necessary precautions that will prevent the conflict from threatening the society in which we live. The great danger to a democratic society is not in taking strong preventative measures, but in the failure to take preventative measures. I fear that if we do not act intelligently and prudently now, some terrorist outrage, sometime in the future, will drive us into a fit of hysteria. Fearing for the safety of society, we may enact truly repressive measures thus undermining the very foundations of our free society.

My legislation will do the following: It will amend the Immigration and Nationality Act and related legislation by excluding admission to the United States of any alien affiliated with a terrorist organization; it will authorize the Attorney General to investigate any person registered as a foreign agent of a terrorist organization, in order to determine whether that person is, or has, engaged in any unlawful acts in connection with that organization; and it will forbid any person registered as a foreign agent from knowingly and willfully receiving funds from any foreign group engaging in acts of terrorism. The bill reads as follows:

H.R. 13184

A bill to provide for the exclusion from the United States of aliens affiliated with terrorist organizations, to require investigations of registered agents of such organizations, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)), relating to general classes of aliens ineligible to receive visas and excluded from admission, is amended—

(1) by striking out the period at the end of paragraph (32) and inserting in lieu thereof a semicolon; and

(2) by adding after paragraph (32) the following new paragraph:

"(33) Any alien who is a member of or affiliated with an organization which the consular officer or the Attorney General has reason to believe is a terrorist organization.".

(b) Section 212(d)(3) of such Act (8 U.S.C. 1182(d)(3)), relating to waiver of exclusions for certain nonimmigrants, is amended by striking out "(27) and (29)" and inserting in lieu thereof "(27), (29), and (33)" each place it appears.

(c) Section 212(d)(5) of such Act (8 U.S.C. 1182 (d)(5)), relating to parole authority, is amended by inserting "(other than an alien described in subsection (a)(33))" after "any alien".

(d) Section 212(d)(8) of such Act (8 U.S.C. 1182(d)(8)), relating to admission for transit of foreign officials, is amended by striking out "and (29)" and inserting in lieu thereof "(29), and (33)".

SEC. 2. Section 241(a) of the Immigration and Nationality Act (8 U.S.C. 1251(a)), relating to general classes of deportable aliens, is amended—

(1) by striking out "or" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and inserting in lieu thereof "; or"; and

(3) by adding after paragraph (18) the following new paragraph:

"(19) is a member of or affiliated with a terrorist organization.".

SEC. 3. Section 102 of the Immigration and Nationality Act (8 U.S.C. 1102), relating to applicability of title II to certain nonimmigrants, is amended—

(1) by striking out "paragraph (27)" in paragraph (1) and inserting in lieu thereof "paragraphs (27) and (33)";

(2) by striking out "paragraph (27)" in paragraph (2) and inserting in lieu thereof "paragraphs (27) and (33)"; and

(3) by striking out "and (29)" in paragraph (3) and inserting in lieu thereof "(29), and (33)".

SEC. 4. Section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h)), relating to withholding of deportation, is amended by inserting "(other than an alien described in section 241(a)(19))" after "The Attorney General is authorized to withhold deportation of any alien".

SEC. 5. Section 244(e) of the Immigration and Nationality Act (8 U.S.C. 1254(e)), relating to voluntary departure of aliens under deportation proceedings, is amended by striking out "or (18)" and inserting in lieu thereof "(18), or (19)".

SEC. 6. Section 277 of the Immigration and Nationality Act (8 U.S.C. 1327), relating to aiding or assisting any subversive alien in entering the United States, is amended by striking out "or (29)" and inserting in lieu thereof "(29), or (33)".

SEC. 7. Section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)) is amended by adding at the end thereof the following new paragraph:

"(42) The term 'terrorist organization' means any organization or group that has carried out, states that it has carried out, or attempts or threatens to carry out any of the following: killing, causing serious bodily harm, kidnaping, or violent destruction of property, with the intent to coerce or intimidate the civilian population, any segment thereof, or a government or international organization.".

SEC. 8. (a) The Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611 et. seq.), is amended by redesignating sections 9 through 14 as sections 10 through 15, respectively, and by inserting after section 8 the following new section:

"SEC. 9. INVESTIGATIONS BY ATTORNEY GENERAL.—The Attorney General shall investigate the activities of any person registered under this Act as an agent of a terrorist organization in order to determine whether such person has engaged in illegal acts in connection with such organization. In the case of a partnership, such investigation shall be conducted with respect to all the members thereof, and in the case of a person other than an individual or a partnership, such investigation shall be conducted with respect to all the officers and directors thereof or persons performing the functions of such officers and directors.".

(b) Section 1 of the Foreign Agents Registration Act (22 U.S.C. 611) is amended by adding at the end thereof the following new subsection:

"(r) The term 'terrorist organization' means any organization or group that has carried out, states that it has carried out, or attempts or threatens to carry out any of the following: killing, causing serious bodily harm, kidnaping, or violent destruction of property, with the intent to coerce or intimidate the civilian population, any segment thereof, or a government or international organization.".

SEC. 9. (a) Any person who is required to register as an agent of a foreign principal under the Foreign Agents Registration Act of 1938, as amended, and who knowingly and willfully receives funds, directly or indirectly, from any foreign group which such person, at the time of such receipt, had reason to know was a terrorist organization, shall be fined $25,000 or imprisoned for a minimum of ten years, or both.

(b) For purposes of this section, the term "terrorist organization" means any organization or group that has carried out, states that it has carried out, or attempts or threatens to carry out any of the following: killing, causing serious bodily harm, kidnaping, or violent destruction of property, with the intent to coerce or intimidate the civilian population, any segment thereof, or a government or international organization.●

ROBIN HOOD PROPOSITION

HON. JAMES WEAVER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. WEAVER. Mr. Speaker, today I am inserting in the RECORD excerpts from a most stimulating and important article, "A Neo Capitalist Manifesto: Free Enterprise Can Finance Our Energy Future," written by Amory B. Lovins and first appearing in the April 14, 1978 issue of Politicks. As many Members know, Mr. Lovins shook the energy establishment with his "Energy Strategy: The Road Not Taken" in October of 1976. In that prescient masterpiece, he showed that—theoretically—this Nation could meet its energy demand through energy conservation, renewable technologies and transitional uses of fossil fuels. In the article that I am placing in the RECORD today, he indicates a practical means of bringing that theory to fruition: a capital transfer scheme to allow consumers to utilize solar energy.

Mr. Lovins advocates allowing—even requiring—electric utilities to invest their equity capital in conservation improvements and renewable energy technologies as an alternative to investing in new central-station, thermal generating facilities. Such investment would be effected through low-interest, long-term loans.

The major barriers to widespread commercialization of renewable energy technologies are not technological, or even economic; they are institutional. Our energy institutions are structured in such a way as to preclude rational consideration of nontraditional energy sources and to prevent the implementation of alternative sources even when they are found to be more attractive. Mr. Lovins' thesis directly addresses these problems.

If this Nation is going to get serious about our energy problems, we must seek out the innovative solutions that address the structural nature of those problems. I strongly recommend to my colleagues Amory Lovins' article as such an innovative proposal.

The article follows:

ROBIN HOOD PROPOSITION—A NEO-CAPITALIST MANIFESTO: FREE ENTERPRISE CAN FINANCE OUR ENERGY FUTURE

(By Amory B. Lovins)

The energy future will not be like the energy past. It entails a difficult transition away from reliance on oil and gas. But the nature of the transition depends on how we define the problem we're trying to solve. If we try simply to expand domestic supplies to meet projected total demands we will continue our "hard" energy path—a policy of Strength Through Exhaustion that converts ever scarcer fossil and nuclear fuels to premium forms (fluids and electricity) in ever larger, more complex, more centralized plants.

But the costs of the hard path are intolerably high—in money, risk, even freedom—for it is inevitably centrist, autarchic, vulnerable, technocratic. It produces a word not of free enterprise and pluralistic choice but of subsidies, $100 billion bail-outs, oligopolies, regulation, nationalization, corporate statism—and perhaps Bertram Gross's "friendly fascism."

Suppose, instead, that we start by asking what tasks we want the energy for, and how we can do each task by supplying a minimum of energy (and other resources) in the way that is most effective for that task. We then find that we need new supplies of heat (58 percent of present United States needs for delivered energy) and liquid fuels (34 percent), not electricity (only 8 percent—far less than our current generating capacity). More power stations of any kind are not a rational response to this problem. They take too long to build, are far too costly, and provide a higher-quality form of energy than we can use economically.

SMOOTH TRANSITION

We can construct a smooth transition, over 50 years, to a virtually complete reliance on renewable energy sources by doing three things, starting now: using far more efficiently the energy we have; relying increasingly on "soft technologies"—diverse renewable sources (such as solar space and process heat, conversion of farm and forestry wastes, wind, and microhydroelectricity) that supply energy at the scale and of the

quality we need—and meanwhile using fossil fuels briefly, cleanly, and sparingly in special "transitional technologies."

Such a "soft energy path" has its own political problems, but they are far more tractable than those of the hard path, and the soft path is also cheaper, quicker, surer, and safer—virtually anywhere in the world—assuming only presently available soft technologies and present life styles and social organization.

INEQUITABLE ACCESS

One important way of financing the transition to soft energy technologies will be outlined here in the broader context of energy prices and equity.

Many people who otherwise could and would use efficiently-improving devices and soft technologies lack the money to do so. At the same time, attempts to build centralized, hard-technology energy-supply systems are driving electric and gas utilities toward bankruptcy because those investments require too much capital and repay it too slowly. A logical approach to both problems is to transfer capital by loans from the second group to the first. This could make energy efficiency and soft technologies equitably available to all while making utilities financially healthy, thus directly benefiting both consumers and utilities. Capital transfers would simultaneously help to increase employment, clean up the environment, decrease inflation and interest rates, rapidly replace oil and gas, strengthen the dollar, and diminish nuclear proliferation.

Some utilities already loan money to consumers for insulating their homes (see *Business Week*, July 18, 1977) because insulation is a cheaper heat source than new power stations or new gas fields. Several states, such as Oregon (H.B. 2157, 1977), are mandating such loans. I too would have utilities—competing with heating-oil distributors, banks, insurance companies, the Federal Housing Administration. The Veterans' Administration, the Department of Housing and Urban Development, farm loan organizations, and other institutions—loan money to householders (and to others ranked according to how difficult it is for them to get cheap capital now) for fuel-saving investments.

EQUAL ACCESS

But two conditions should be added. First, the utilities should loan the money at the same rate of interest at which they would otherwise loan themselves money to build, say, a new power station. Second, borrowers should repay the loan (through their utility bills) at or below the rate at which the fuel-saving investment is expected to save them money. (The saving could be computed against the energy price the consumer would have paid if the utility had met his or her needs by building a new plant instead.) The first condition is meant to ensure that hard and soft technologies enjoy equal access to capital; the second, that loan repayments do not increase consumers' utility bills.

The utility would only loan the money. It should neither execute nor control the project, either directly or indirectly (for instance by setting equipment standards). The loan would not be added into the utility's rate base (its total investment on which it earns a regulated return): People who choose not to take part in capital transfers should not have to pay for those who do.. The utility's profit, at the normally regulated rate, would be from interest on the principal loaned and would equal the return that the utility would otherwise have earned from a new plant. The utility's normal operations would continue—as would needed efforts at utility rate and structure reform.

The loan would have the same legal status and remedies for default as any other. It could be taken over by a new owner or tenant just like a utility hookup or a mortgage, and could be repaid prematurely without penalty and for an interest credit. Preferably the loan should be unsecured, since many who need it most have no collateral. Disconnection after due notice and hearing might be a last resort in case of brazen default.

CONSUMER BENEFITS

Capital transfers under this system would benefit both consumers and utilities. Consumers could heat their houses more cheaply than if they had not installed heat-saving or solar devices, yet without having to pay extra for the improvement. Second, insulation and solar heat would largely protect consumers from future rate hikes. Third, the fuel-saving investment would make the utility's cash flow more attractive (see below), would make the very costly new plants unnecessary, and would save the utility money and fuels by using present capacity more efficiently; these things all help to avoid the rate hikes in the first place. (Solar heating in an energy-efficient building should have enough storage to need no backup and hence should not make the utility's peak-load problem worse.)

Further, the lower capital requirements of soft versus hard technologies would mean lower interest rates and slower inflation. If utilities had to heat houses by building power plants and synthetic-gas plants to replace oil and gas, they would need so much capital that they would starve other sectors of the economy—leading to a net loss, directly and indirectly, of about 4,000 jobs per thousand-megawatt power station built. In contrast, conservation and soft technologies make more jobs per dollar invested, and leave more dollars available to create jobs elsewhere in the economy.

Utilities, while continuing to supply present lighting and appliance needs and perhaps eventually evolving into a distribution system similar to the telephone company (based largely on dispersed renewable sources), would avoid astronomical *new* investments to electrify space and water heating. Adding a completely solar heating system to a heat-conserving house requires about half as much capital as building a nuclear and heat-pump system to heat the same house, and one-fourth as much capital as building a nuclear system with resistance heaters (the kind now commonly used). Building solar heating for a whole neighborhood rather than for a single house would roughly double the capital saving. Heat conservation requires approximately one-sixth to one-thirtieth as much investment as a nuclear-powered heat-pump system: in new buildings, it can even *reduce* total construction costs.

While a power station often takes 10 years to build and then 30 years more to repay its cost, conservation and solar investments take days or weeks to build and pay for themselves in about one to 10 years. If utilities invested in the latter systems rather than in the former, they could turn over their money faster and improve their effective rate of return, which they are sentimental about. Thus the transitional process, which they once saw as a threat, would become an opportunity—a better business to be in than building power stations—and a former enemy of soft technologies co-opted as a merchant banker for them. (Already, utilities in New Jersey and California that fought industrial cogeneration for years are scrambling to finance it because they can find neither money nor sites for conventional power stations that would be worse investments anyway.)

A healthier cash flow would improve utilities bond ratings, reduce the rate of return they need to maintain those ratings, make their equity worth more, avoid dilution of existing stockholders' equity by new issues, and eliminate the rate hikes now commonly needed to make both debt and equity more attractive. Those rate hikes—a desperate measure by many utilities now at or near their legal limits on interest coverage, and borrowing in short-term paper just to pay dividends—might even be reversed.

Indeed, continuing to tie up huge blocks of capital for long construction periods would make utility cash flows fundamentally unstable. It takes so long to build a plant that by the time it is finished, the interim rate hikes needed to finance its construction (both directly and by keeping debt and equity marketable) may keep people from buying as much electricity as they were expected to buy Revenues would then be too small to pay the fixed charges on the plant, requiring still higher prices, further reducing demand, and so on into the "spiral of impossibility" familiar from United States railroad finance. Diverting new investment into another business with short lead times and fast pay back—solar and conservation—would remove this instability.

KEEP UTILITIES SOLVENT

Thus capital transfers, which look like a Robin Hood act to consumers, don't hurt utilities. On the contrary, they keep utilities solvent without a bailout, and thus help to keep taxes down. The roughly two-thirds of typical rate hikes now needed to finance new plants would become superfluous. Rates would no longer zoom out of control and could even come down. And poor people would be as able as anyone else to afford insulation and solar heat.

Gus Speth, now a member of the President's Council on Environmental Quality, once proposed a refinement that could in practice help to substitute for pricing fuels at the cost of replacing them in the long run. He suggested that utilities should not get their Certificate of Public Necessity and Convenience to build a plant until they prove that they have exhausted the potential for energy efficiency improvements, peak-load management, and soft technologies that (1) would do the same jobs for consumers as the proposed plant, (2) compete with it economically, and (3) could have been financed by transfers of the capital allocated to build the plant. Only if these conditions were met would the plant economically and efficiently meet its customers' energy needs. Further, to encourage realistic cost estimates and careful cost control, the amount the utility could add to its rate base, if it did build the plant, could be limited to the real plant cost it assumed in making the above comparison. This would keep utilities from simply passing on their uncontrolled cost overruns to consumers. It is a simple control mechanism that could make investments more socially responsible without requiring a stifling bureaucracy.

LARGER PATTERN

Capital transfers, whether or not linked with the utility certification test, are part of a larger pattern of efforts to meet people's energy needs fairly and at a reasonable cost. Yet economically efficient ways of allocating energy—or food or water or shelter—are always inequitable because some people start off rich and some poor, and rich people can always buy things that poor people cannot afford. A society worth living in will ensure that even its poorest members can afford the energy (and other things) needed for a decent life. But should we do this by fighting poverty or by subsidizing the innumerable things poor people need but cannot afford?

The latter approach means making energy (for example) artificially cheap—several times cheaper than what it costs us to replace it. But while this puts some energy in reach of the poor, it always means giving cheap energy to rich people. And if we want

to use energy prices as an instrument of distributional equity, why not do the same for food, housing, education, travel, and everything else?

An alternative approach is to price energy (and other things) at levels reflecting actual costs and simultaneously to make poor people less poor by other means. Redistributing wealth or income, though it requires more political nerve, is a more direct, honest, and effective way to achieve social justice than tampering with prices in a futile attempt to make everything seem cheap enough to be afforded by people whom we haven't the compassion—or political will—to help directly.

Energy that looks cheap may actually be very expensive everywhere else in the economy—especially for poor people. Sooner or later, too, the high cost of replacing historically cheap fuels will come home to roost. In fact, we are already paving these costs: newly ordered nuclear electricity will cost, in heat equivalent, about seven times today's OPEC oil price.

Renewable sources now available are much cheaper than nuclear or synthetic-fuel systems for the same jobs—though many cost somewhat more than today's oil and gas.

Thus whether we use soft technologies or not, energy prices will rise because the fuels on which we have long relied are becoming scarcer and harder to get. The question is not whether prices will rise, but how fast, predictably, how controllably, and who will get the money.

TWO INDUCEMENTS

There seem to be only two noncoercive ways to induce investors to save money by building soft technologies in time to replace the oil and gas but before the artifically cheapened average energy prices would make them profitable. The first way is to subsidize soft technologies so they can immediately "compete" with those average prices. But this subsidy to supply perpetuates an illusion of cheap energy (with all the indirect costs that implies) and merely transfers costs from our energy bills to our already swollen taxes.

The second method—which is much better economics—is to charge ourselves realistic prices, reflecting true replacement costs, for those no-longer-cheap fuels we are rapidly burning up. But how can we get our prices right? An across-the-board energy tax would be unfair and ineffective: We want only to raise the price of depletable fuels toward that of their long-term sustainable substitutes, the soft technologies. Further, an abruptly imposed fuel tax could be as disruptive as the sudden 1973–74 rise in OPEC oil price. Any tax should be introduced gradually, perhaps over a decade or more: It need only outpace rises in real wages and interest rates. But people must be able to anticipate future energy prices in today's investment decisions, so the tax should be phased in on an anticipatory schedule, avoiding the unpredictability and possible abruptness of deregulation. Such taxation does not raise prices simply to satisfy some masochistic prejudice that high prices are desirable. Rather, it anticipates and softens the inevitable, encouraging us to substitute soft technologies for oil in good time to minimize long-term energy prices—and ensuring that the money will be used in ways that remain under political control.

SEVERANCE ROYALTY

Many kinds of taxes on depletable fuels might serve this purpose. We now tend to use excise taxes on final fuels, such as gasoline; these require rebates for equity, so they have high administrative costs and lead to a swamp of intricate rules and exceptions. A much simpler approach would be a severance royalty—a uniform Federal tax on all depletable fuels, charged according to their energy content, and levied as they come out of the ground or into the country. This tax would automatically become embodied in all goods and services according to their total direct and indirect energy content. Administration would be relatively easy because the machinery is already in place—the severance royalty is like a depletion allowance backwards—and because the royalty is simple and universal.

End-use excises hit the poor hardest, because poor people spend the largest fraction of income on direct energy purchases. But a tax imposed on primary fuels would not be significantly redistributive, because the fraction of income that Americans spend directly and indirectly on energy does not vary significantly with income (with a minor exception in the highest income bracket): Higher-income people simply spend a large fraction of their energy budget on indirect energy embodied in goods and services, and the royalty would affect direct and indirect energy purchases equally. Further, revenues from a severance royalty could be rebated promptly to poor people or to especially hard-hit regions or groups, or used to finance efficiency improvements or soft technologies for those who need them most.

Nor would a severance royalty lead to the unbalancing side effects of more selective, special-case fuel taxes, because it applies as much to uranium as to oil, gas, coal, oil shale, etc.: All are depletable fuels. It would not disturb the present cost disadvantage of nuclear power. Rather, it would highlight the economic advantages of soft over hard technologies. Depletable fuel prices need not be made higher than soft-technology energy prices—at which virtually all hard technologies would still be very uncompetitive (to say nothing of their nasty side effects). We would then have achieved indefinitely stable energy prices lower than if we had done nothing. And while we might want some subsidies meanwhile to help conservation and soft technologies compete with the more heavily subsidized hard technologies, it is better economics not to subsidize any energy investments. Conservation and soft technologies can look after themselves on their inherent economic merits; only hard technologies cannot survive true competition.

Capital transfers are not a subsidy; they correct an imperfection in capital markets. But wider tax reform would also be helpful. For example, we should reform the policy that lets businessmen write off fuel as a business expense but forbids them from similarly deducting the capital costs of renewable systems; or reconsider the outmoded practice of taxing labor and subsidizing capital; or encourage durability by making excise taxes on consumer ephemerals (such as cars) inversely proportional to the length of the warranty. And while there is no natural monopoly on solar energy, abuses of market power are just as possible there as in agriculture, minerals, and industry generally, so vigorous antitrust enforcement and control of antisocial gigantism are important parts of a sound energy policy.

HELL WILL FREEZE OVER

Much though we need innumerable social reforms, oil depletion will not wait for them. If we make the resolution of our ideological disputes—capitalism versus socialism, price versus regulation, the future of the oil companies and indeed of our whole society—a prerequisite to addressing the energy problem, hell will freeze over first.

But a soft energy path can cut across these increasingly sterile arguments. If, for example, you are an economic traditionalist, you can build a solar collector because it is cheaper than competing sources; if you are a worker, you can build a solar collector because it gives more and better jobs than power plants; if a conservationist, because it is benign; if a social transformationalist, because it is autonomous. Yet it is still the same collector, and you need not agree, in advance or afterwards, about why you built it.

If we can use all the kinds of energy husbandry and renewable sources that people agree about, these will be enough. We can then dispense with the hard technologies that people don't agree about, because those will be superfluous.

Our tendency at times to focus the energy debate more and more on less and less reminds me of a woman who, while living in India, once called in a carpenter to fix a window frame. He followed her sketch too literally and botched the job. When she asked why he had not simply used his common sense, he drew himself up and replied with great dignity, "But common sense, Madam, is a gift of God. I have technical knowledge only."

"Technical knowledge only": perhaps a good epitaph for a civilization. But I think a tolerant common sense is alive, and living with the people, and will not be denied.●

PROBLEMS AND CHALLENGES OF THE ENERGY CRISIS

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. ASHLEY. Mr. Speaker, on June 17, 1978, I was privileged to be in attendance at the commencement exercises of the University of Toledo in my district, and to hear the excellent commencement address given by the distinguished Secretary of Energy James R. Schlesinger. My good friend and colleague in the arduous enterprise of forging a comprehensive national energy plan took this most significant occasion to eloquently warn all of us of the problems and the challenges posed by ever-dwindling energy reserves and our increasing dependence on foreign oil. Of particular interest in this stimulating and informative address was the Secretary's stark answer to those who refuse to recognize and act upon the certain drastic consequences in years hence, if we do not immediately get about the business of providing for the future. Dr. Schlesinger's refutation of these "energy optimists" should be required reading for all those concerned with the national energy plan, and I am pleased to have this opportunity to insert the text of his address into the CONGRESSIONAL RECORD.

The address follows:

COMMENCEMENT ADDRESS BY JAMES R. SCHLESINGER TO THE UNIVERSITY OF TOLEDO

I am honored to have been invited to be your Commencement speaker. On this occasion, for you both festive and sobering, the first expression should be one of congratulations to all those who today receive their degrees—a reward for past efforts and a symbol of future challenge. Also, heartiest congratulations to the parents of degree recipients, whose financial obligations may or may not be at an end.

On a personal note. I should take the occasion to pay respect to your Congressman and my friend, Lud Ashley, whose persuasiveness was added to the University's in bringing me here today. Congressman Ashley is in the great tradition of Ohio legislators which includes such names as John Sherman and Robert Taft. Lud and I have been together in a foxhole in Washington's energy

war. And together we look forward to victory—sometime before Judgment Day.

As one of Ohio's most faithful sons-in-law, who has spent considerable time in Ohio over the past quarter century, I am delighted to return to Toledo on this special occasion. I must take note of the remarkable growth of the University of Toledo in recent years—which reflects, I believe, the vitality of the City of Toledo as a whole.

Toledo has grown from its early days primarily as an industrial community—a city created and shaped by America's first great economic transformation during the industrial revolution of the nineteenth century.

Within the last decade, however, a cloud has appeared on the horizon which, if unattended, could interfere with industrial development and economic expansion. I refer to the developing energy problems of this nation. Toledo and the rest of Ohio have experienced some of the initial shocks of this budding crisis, which is introducing another period of profound economic change that will determine the future well-being of the country. In the past two years, this state has been sharply buffeted by severe energy shortages—first a natural gas shortage, then a coal strike. Ohio has thus paid a price for the failure of this nation to adopt a comprehensive energy policy. Thus, unutilized gas can be available in Texas, yet, however sorely needed, it cannot be used in Ohio. With such curtailments of gas supply, Ohio industries must shift to oil, adding to the nation's severe balance of payments drain. The rising demand for oil in Ohio is symptomatic of the burgeoning world demand for oil, leading to the serious situation which faces the United States and the world.

The problem is really quite simple: growth in world oil supply—a finite resource—cannot keep pace indefinitely with world oil demand. The world oil production level, currently above 60 million barrels a day, is not likely to increase beyond 75 million barrels a day. In the course of the next decade, we shall reach a practical limit on the world's productive capacity for oil. Sometime in the 1990's conventional production of oil will peak, and begin a steady decline. All governmental and virtually all private forecasts reach essentially these same conclusions. The vast reservoirs of oil created over hundreds of millions of years will have been largely dissipated in little more than a century—roughly in the period from the introduction of the motor car and the conversion of the British Fleet from coal to oil.

In the face of these stark and compelling realities, there are still some "optimists" on energy matters who suggest the energy crisis is not real and will solve itself without vigorous action by the Government and other sectors of society. These observers argue that a temporary oversupply of petroleum in today's world market is a precursor of ample supplies of oil in the long term, that consumption of energy will not increase as fast as the rate of economic growth in the future, that the rate of world economic growth will (happily) remain low and thus restrain the growth of demand for oil, and that the world's supply and production capacity are greater than conventional estimates. The overall impression is thereby left that the energy picture is much improved today over what it was last April when the President presented his National Energy Plan.

But the opposite is regrettably true. In major respects the energy outlook today is even worse than it was a year ago.

The hope that substantial reductions in demand will rescue the world from an energy crisis belies recent history and common sense. The fact that the ratio between energy demand and economic growth has dropped since the 1973–1974 embargo—as industry and other consumers have adjusted to the five-fold increase in prices—is no revelation. These reductions in estimated future growth in demand have been incorporated in demand estimates made by DOE as well as in other forecasts. To expect even lower levels of demand to occur naturally, without further large price increases, is another matter.

The argument of the "energy optimists" proceeds from the assumption that the industrialized countries are helpless in determining long-run economic growth and must accept slower economic growth dictated by relative shortages and higher prices. In effect, the solution to the energy problem would depend on worldwide economic stagnation. I would agree that restraining economic activity and accepting surging energy prices would inevitably bring supply and demand in balance, but at an incalculable cost to the aspirations and well-being of vast numbers of people. Indeed, that concern lies at the heart of the argument for vigorous national policy that can ensure a smooth transition from an era of abundant conventional energy supplies to one of prospective scarcity. It is this goal of a smooth, long-term transition that the President's policy proposals are intended to achieve.

Energy optimists also take a sanguine view of supply prospects. They suggest that OPEC capacity is much larger than actual production and that large finds, on the scale of the Alaska North Slope and the North Sea are realistic possibilities in the near term. In fact, the slight and transitory excess of productive capacity—caused in large part by increased production from the Alaskan North Slope and the North Sea, and by the aftermath of a worldwide recession—will quickly be overtaken by continued increases in world demand. To meet such increases in world demand would require a new Alaskan North Slope every six months or a new North Sea every year and a half. It is highly unlikely that finds of that magnitude will occur—and virtually impossible for such finds to be converted into actual production by the mid-1980's.

Outside the OPEC countries, oil discoveries in recent years have hardly been encouraging. The last substantial United States Oil Discovery was at Prudhoe Bay in 1968. Since 1970, discoveries of new reserves and additions to supply have been considerably less than half of the country's total production of oil. In the lower 48 states, proved reserves of oil are now only 7.5 times greater than annual production. With the exception of large new oil discoveries in Mexico, no other major discoveries have occurred worldwide since the substantial OPEC prices increases in 1973–1974. The evidence of the past four years has not been reassuring—small returns and dry holes off the Coast of Florida, in the Gulf of Alaska, and most recently, off the Atlantic Coast.

The question then comes down to the ability—and willingness—of OPEC to continue to meet rising world oil demand. Since there is little additional capacity to expand production outside of Saudi Arabia, the technical capacity and willingness of the Saudis to increase production is of critical significance to the economic well-being of the entire world. Saudi Arabia has come to be regarded as an energy cornucopia. Estimates of future Saudi production, which are pure speculation, have in recent years gone as high as 20 million barrels a day. That is sheer speculation, if not fantasy. We cannot realistically expect Saudi Arabia to be the world's oil panacea. At this juncture it appears that Saudi production level of 12 million barrels a day by 1985 is realistic, that would result in a total OPEC production level of 37–39 million barrels a day by 1985, compared to estimates of around 45 million barrels a day just a year ago.

Even with efforts to conserve by major importing countries other than the United States, there will likely be a gap between worldwide demand and worldwide supply by 1985—A gap that would bridge rapid price increases and reduced output and employment worldwide. The imbalance would be considerably exacerbated if the Soviet Union and the East European nations become net importers of oil, instead of continuing to export one million barrels of oil a day, as they do today.

Although the world's energy future is extremely serious, it is not the only reason for the United States to take actions to reduce dependence on imported oil. The national security implications of excessive dependence and the balance of payments impacts, coupled with the deterioration of the dollar and the fragility of the world monetary system, provide powerful reasons for a vigorous national energy effort. Many of the "optimists" do not even discuss these adverse effects—or the increased burden of inflation and recession which it is taken for granted the American people will have to bear.

While novel and optimistic estimates of energy supply and demand do add spice to the energy debate, the ultimate question comes down to whether the United States should base its policies—and our national future—on the hope that the prevailing projections might be wrong. With nothing less than the survival of our economic system at stake, the United States cannot drift along, waiting to see whether—or when—the day of reckoning finally comes.

There is nothing inevitable about drastic energy supply/demand imbalances. Serious national peril—can be avoided—if we do what we must do: take advantage of the time available to make adjustments before the day of reckoning.

Once the American people—all of us—fully recognize our potential perils, we have the ability and the resolve to take the actions necessary to avert that future crisis. Indeed, with the energy legislation now pending in Congress as the necessary first step, we shall be well on our way towards accomplishing this goal. For the near term, we can make the necessary adjustments. For the longer term—as the generation represented here today by this graduating class comes to maturity—we shall, through our technical skills, develop permanent, long-term answers to the energy problems. We shall bring forth new and inexhaustible sources of energy supply that will ultimately remove our dependence on fossil fuels.

These are sobering thoughts, but they are hopeful thoughts. They represent your challenge. With dedication and skill, I am confident that you—and your fellow Americans—will surmount this challenge.

Finally, it is incumbent on commencement speakers to offer to the departing graduates some comprehensive philosophy, some eternal verities—to guide them on their way. However, the Duke of Wellington offers the best advice to a speaker on occasions such as this: "Don't quote Latin, say what you have to say, and sit down." It is excellent advice—even, despite this academic setting, this stricture on avoiding Latin. Let me, therefore, simply offer once again my heartfelt congratulations to the degree recipients—for what you have already achieved and for the challenges that you will face in the future.

Good luck and God speed.●

PROTEST SOVIET ARREST OF H. JAY CRAWFORD

HON. DAN QUAYLE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. QUAYLE. Mr. Speaker, 10 days ago on a Moscow street Soviet police suddenly dragged F. Jay Crawford, an

American citizen and Moscow service representative for the International Harvester Co., from his car placing him under arrest and he apparently will be charged with currency violations under article 88 of the Russian Republic Criminal Code.

The arrest and detention of Mr. Crawford, who is a legal resident of Mobile, Ala., should be of concern to all Americans and especially to U.S. businessmen who are doing business with the Soviet Union.

It is incumbent upon those of us in the Congress to join in protesting this storm-trooper-like action by Soviet policemen. Other American businesses attempting to trade with Russia can only wonder whether their representatives will be subject to such harassment in the future.

According to press reports, Mr. Crawford may be a pawn in the current diplomatic maneuvering between the United States and the Soviet governments. He is, in fact, a hostage in reprisal for the recent arrest in this country of two Soviets who were members of the United Nations secretariat staff on espionage charges.

However, our courts have formally arraigned the espionage suspects, established bail, and set trial dates. The Soviet police are continuing their pretrial investigation of Mr. Crawford and he has not yet been formally charged.

There is little question that we may be entering into a new and dangerous era in our relationship with the Soviet Union. The arrest of Jay Crawford and the manner in which he was taken into custody can only result in a further deterioration of the spirit of détente and the relations between Russia and the United States.

It is important that we speak out and assure the safety of American citizens whether they are tourists or attempting to do business with the Soviet Union. I have today sent a letter of protest to Soviet Ambassador Dobrynin in Washington requesting immediate clarification of the intentions of the Russian Government in regard to Jay Crawford. I urge my colleagues in the House to join in this protest.

Under leave to extend my remarks in the RECORD, I include the text of my letter to the Soviet Ambassador to the United States:

JUNE 21, 1978.

HON. ANATOLY F. DOBRYNIN,
Ambassador Extraordinary and Plenipotentiary, Union of Soviet Socialist Republics, Washington, D.C.

DEAR MR. AMBASSADOR: I wish to express my deep concern and register a strong protest over the arrest in Moscow of Mr. F. Jay Crawford, an American citizen and official of the International Harvester Company, on June 12, 1978. I respectfully request that this protest be transmitted by you to the leadership of your Government in Moscow.

The arrest of Mr. Crawford and the circumstances surrounding his sudden apprehension can only result in a further deterioration of the spirit of detente and the relations between the Soviet Union and the United States.

It is inconceivable to me that an American citizen would be dragged from his car by Soviet police on questionable charges of currency violations under Article 88 of the Russian Republic Criminal Code. Surely your government does not condone storm trooper tactics on foreign nationals.

The treatment of Mr. Crawford and his continued detention without formal charges being lodged will undoubtedly deter other American businessmen in attempts to trade with the Soviet Union. They can only wonder whether they might someday experience similar treatment.

International Harvester, which maintains a large facility in the 4th District of Indiana, long has been a friendly trading partner with the Soviet Union. I am, to say the least, puzzled that an International Harvester employee would be the subject of this strange arrest.

In my opinion, Mr. Crawford is being held as "hostage" in reprisal for the recent arrest in this country of two Soviets who were members of the United Nations Secretariat staff on espionage charges. However, in this instance, the U.S. Courts have formally arraigned the suspects, established bail, and set trial dates.

Mr. Ambassador, I urge that immediate clarification be given of the circumstances regarding Mr. Crawford's arrest. In the interest of the continued goodwill and friendly relations of our two great Nations, I ask that if Soviet criminal code has been violated, he be granted speedy and fair justice. If, on the other hand, he is only a pawn in current diplomatic maneuvering between our governments, I demand that he be promptly freed.

Sincerely,

DAN QUAYLE,
Member of Congress.●

THE HUMAN COST OF WORLDWIDE COMMUNISM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. MICHEL. Mr. Speaker, there is a curious sort of historical amnesia that afflicts many influential media and political opinion-makers in the United States. Asked to comment on the number of political prisoners in Chile they immediately respond with computer-like accuracy. Asked about the record of worldwide communism in its long and still vigorous war against human rights, these same articulate, informed men and women mumble generalities about "cold war rhetoric" and walk away. Mr. Todd Culbertson of the Richmond News Leader has taken the trouble to set the record straight concerning the record of communism. I hope this detailed and persuasive article will help jog the memories of those whose selective amnesia makes them incapable of remembering or commenting upon Communist atrocities.

At this point I wish to insert in the RECORD, "The Human Cost of Worldwide Communism" by Todd Culbertson, from the Richmond News Leader, June 9, 1978:

THE HUMAN COST OF WORLDWIDE COMMUNISM

(By Todd Culbertson)

The recent telecast of "Holocaust" awakened many viewers to the reality of Adolf Hitler's "final solution" for Europe's Jews. Yet while the Free World is committed to preventing a recurrence of Nazi barbarism, it remains relatively unaware of the extent of the genocide that is practiced whenever Communism gains power.

Here is how Alexander Solzhenitsyn describes one of the reasons for the West's silence in the face of Communist barbarities: "There seems to be little doubt, as many now realize, that what is going on in the USSR [and other Communist countries] is not simply something happening in one country, but is a foreboding of the future of man, and therefore deserving the fullest attention of the Western observers. No, it is not any difficulties of perception that the West is suffering, but a desire not to know, an emotional preference for the pleasant over the unpleasant. Such an attitude is governed by the spirit of Munich. . . ."

Available evidence indicates that perhaps 100 million persons have been destroyed by the Communists; the imperviousness of the Iron and Bamboo curtains prevents a more definitive figure. The Communist system of forced starvation, concentration camps, and slave labor is remarkably similar to that of the Nazis, whose policies claimed approximately 6 million Jewish victims.

Herewith, a partial catalogue of Communism's record of inhumanity:

SOVIET UNION

From its beginnings the Soviet Union has fed on organized terror. Lenin himself spoke glowingly of the "real, nationwide terror, which reinvigorates the country." He added that the "energy and mass nature of the terror must be encouraged."

Historian Robert Conquest calculates that it has cost between 21.5 million and 32.2 million lives to "reinvigorate" the USSR. (The late Senator Thomas Dodd estimated the cost at between 35 million and 45 million lives.) Specific examples of this terror include (1) the trials and executions of children, (2) the government-inspired famine of 1932 that killed 5 million persons, and (3) Stalin's labor camps, which sent 12 million Russians to their deaths.

The goal of Communist terror is to destroy all potential opposition. According to a Ukranian party official in the mid-1930s, the famine "was a test of our strength and [the peasants'] endurance. It took a famine to show them who is master here. It has cost millions of lives but the collective farm system is here to stay. We have won the war."

The Soviet execution rate may have been reduced since Stalin's Great Terror, but the Gulag continues at full force. The essential nature of Soviet Communism remains unchanged.

EASTERN EUROPE

Communist terrorism in Eastern Europe began with the 1939 Soviet invasion of Poland (at that time the Communists were allied with the Nazis). At Katyn Forest, Soviet troops machinegunned more than 5,000 unarmed Polish prisoners of war.

In 1944 the Communists refused to aid the Warsaw Uprising, which was timed to coincide with the arrival of Marshal Konstanin Rokossovsky's First Belorussian Front. But instead of liberating Warsaw he halted his troops and watched as the Germans forced a surrender. Approximately 15,000 Poles died; those who escaped to Rokossovsky's lines were arrested and sent to Siberia.

The Red Army's suppression of the Hungarian Revolt of 1956 caused 15,000 casualties in Budapest alone. Communist troops fired on—among others—nurses, Red Cross workers, and children. More than 200,000 refugees fled to the West.

In "The Bridge at Andau," the definitive history of the Hungarian Revolt, James Michener wrote, "At dawn, on November 4, 1956, Russian Communism showed its true character to the world. With a ferocity and barbarism unmatched in recent history, it moved its brutal tanks against a defenseless population seeking escape from the terrors of Communism, and destroyed it."

In Czechoslovakia the Communists purged Jews, Slovak nationalists, the Catholic clergy, and the middle class. In one six-week period more than 10,000 Czechs were "enrolled" in concentration camps. "Operation Class Warfare" in 1949 caused the burning of many of the country's libraries. Three years after the Communists seized power, 152,000 persons had been executed or sent to slave-labor camps.

Writing about the Communist takeover in Czechoslovakia, New York Times correspondent Dana Adams Schmidt has noted, "I often felt I had been through this before. It was in Nazi Germany where I was a correspondent for two years. . . . The chief objects of the police persecution carried on by the Nazis, with their race theories, were the Jews. Under the Communists, with their class warfare, the pariah group is the bourgeoisie, who are the chief—although by no means only—objects of police terror."

Other Eastern European countries have suffered similar consequences of Communist domination. In Bulgaria more than 16,000 persons were liquidated in the first months of Communist rule. The Communist takeover in Rumania was accompanied by mass arrests and executions. In Yugoslavia, Josip Broz Tito ruthlessly eliminated opposition to his Communist dictatorship and suppressed the Serbian and Croatian nationalists.

BALTIC STATES

The decades-long Soviet occupation of Latvia, Estonia, and Lithuania has been telling and grotesque. As many as 1.2 million Lithuanians were liquidated or deported to slave labor camps during the first 15 years of Communist rule. In 1962 the population of Lithuania was less than it was in 1939.

In his autobiography, ballet dancer Valery Panov, who defected from the Soviet Union in 1974, describes how as a child he watched the mass deportations of the Lithuanian middle class: "The convoy returned toward twilight. It made for the railroad station with a cargo of families crushed into each cart and truck. Guarded by soldiers with tommy guns, the adults already wore a convict look, made even more haggard by their inability to explain their uprooting to their bewildered children. . . .

"All evening packed wagons passed by, people moaning inside them. Even children my own age were weeping. Pregnant women had fainted. I ran home, where my father ordered me to be worthy of myself as a Soviet lad, since 'those people are the bourgeois enemy.'"

RED CHINA

According to Richard Walker, director of the Institute for International Studies at the University of South Carolina, Communism-connected casualties on mainland China may exceed 64 million persons. In just the Political Liquidation Campaigns (1949–1958), 30 million Chinese may have been killed.

Walker notes, "It is worth remembering that at the very moment in June, 1971, when [Western] reporters were commenting on Mao Tse-tung's creation of the new Chinese man (see for example Seymour Topping's dispatches in *The New York Times*), troops of the People's Liberation Army were machinegunning scores of their fellow Chinese who were attempting to escape to Hong Kong from Mao's new paradise.

"Many of the youths drowned in the attempt, and others—the few—who made it told stories which were reported in the Hong Kong press, but were omitted in the euphoria that surrounded the first American direct access to Communist China for journalists and a few specialists in more than two decades."

Walker continues:

"The time is at hand to break away from the kind of double entry moral bookkeeping which has characterized the approach of all too many Western intellectuals to the facts of rule in mainland China under Mao Tse-tung. The cost in human terms . . . stands as a formidable indictment of a half-century of Communist experience in China.

"There can be no rationalization for the attack upon those qualities that have made the Chinese among the world's most civilized humans. Their civilization has a long memory, and this is a period which will be remembered as a blot on their approach to the human condition."

CAMBODIA

Cambodia is today's most visible example of Communist enormities. According to estimates made a year ago, approximately 1.2 million Cambodians were murdered during the first two years of Communist rule. New estimates indicate that perhaps 2.5 million have died since the Communist takeover in 1975. (If Cambodia's execution rate were applied to the U.S., more than 57 million Americans would have to be killed.)

Life for Cambodians who thus far have avoided execution is little better than death itself. City dwellers have been force-marched to the countryside for slave labor. All persons aged 15 or older must work 16 hours a day; those under 15 work 12 hours. Children who try to rest during work hours are killed. Love is outlawed; marriages are ordered by the government for reproductive purposes only. Thousands of anguished and despairing Cambodians have committed suicide.

The Communist regime is so brutal that one former official who escaped to the West because he could take no more claims that Cambodian authorities have deliberately instigated border battles with Vietnam and Thailand to reduce the number of refugees.

VIETNAM

Under the leadership of the late Ho Chi Minh, North Vietnam was one of the Communist bloc's most ruthless dictatorships. The so-called "Land Reforms" of 1953–1956 sent 500,000 persons to their deaths. The 1956–1959 "People's Tribunals" ordered the execution of another 200,000.

Since the end of the Vietnam War in 1975, the Communists have been exporting their brand of terror to the South. Some 30,000 Vietnamese who worked with Americans were rounded up in one drive; 1 million South Vietnamese have been forcibly shipped to the North; yet another 500,000 languish in concentration camps, which are euphemistically called "Re-education Camps."

Nguyen Cong Hoan, a former member of the Communist government, says that 100,000 persons have been slaughtered and that 1 million more have been forced out of the cities and into the "New Economic Zones"—*i.e.*, into agricultural collectives. Because the conditions are so primitive in the collective, few are expected to live.

LAOS

Laos is so cut off from the West by its overlords that little is known about the extent of Communist terror there. Yet 200,000 Laotians, in a country with fewer than 4 million, have fled.

CUBA

Cuba ranks among the world's most vicious and pervasive police states. Castro's prisons hold more than 20,000 political prisoners. As a percentage of total population, that is the highest concentration of political prisoners to total population of any country anywhere. Moreover, the Cubans are busy exporting Communist oppression to Africa and Latin America.

ANGOLA

During the past several months, Cuban stormtroopers supporting the Communist regime in Angola have murdered more than 70,000 women and children. Cuba also has entered the slave trade: Angolan children between the ages of 10 and 17 are taken from their parents and shipped to Cuba to work in the cane fields.

Feliciana Talanga, a refugee, describes Angola under the Communists: "The troops came in and set fire to our homes, driving us into the forest. Then a helicopter began shooting, killing, and wounding. We have lost everything. . ." In the words of another refugee: "I was one of a handful of people to survive out of a community of 700. I have five children. They were taken away and killed, and my husband has disappeared."

Thus an incomplete accounting of Communist genocide. Since the Russian Revolution 61 years ago Communism has been responsible for the death of 100 million innocent persons—not including the terrorism inspired by Communists in free countries. The total cost in human suffering and grief is beyond comprehension.

Many who watched "Holocaust" comforted themselves in the belief that Nazi-inspired genocide was a one-time occurrence, something that "won't happen again." That is a delusion. State terror did not end in 1945. It is continuing today in Africa, Asia, Europe, and Latin America—wherever Communism wields power.

It is popular to compare countries in terms of human rights. Indeed, President Carter has asserted that Cambodia is the world's worst violator of them. Yet such pronouncements miss a fundamental point: Communism itself violates every moral precept that has contributed to mankind's progress. Cambodia merely is the latest example of Communism's inherent barbarism. The Free World's abiding failure to depict Communism's true face is willful blindness surely equaling the West's blindness to the Holocaust four decades ago.

The Lithuanian Jewish leader Julius Margolin, who survived seven years in a Communist concentration camp, has provided eloquent testimony to Communist brutality:

"Until the fall of 1939, I had assumed a position of benevolent neutrality toward the USSR. . . . The last seven years have made me a convinced and ardent foe of the Soviet system with all the strength of my heart and all the power of my mind. Everything I have seen there has filled me with horror and disgust which will last until the end of my days.

"I feel that the struggle against this system of slavery, terrorism, and cruelty which prevails there constitutes the primary obligation of every man in this world. Tolerance or support of such an international shame is not permissible for people who are on this side of the Soviet border and who live under normal conditions. . . .

"Since they came into being, the Soviet camps have swallowed more people, have executed more victims than all the other camps—Hitler's included—together. . . .

"And those who in reply only shrug their shoulders and try to dismiss the issue with vague and meaningless generalities, I consider moral abstainers and accomplices in banditry."●

JOHN KENNETH GALBRAITH TALKS ABOUT OUR ECONOMY

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. REUSS. Mr. Speaker, John Kenneth Galbraith recently addressed our colleagues at a dinner sponsored by the Congressional Clearinghouse on the Future, and he warned that tax cuts and other measures designed to stimulate the economy are only temporary solutions. The text of his presentation follows:

The best way to look at the future is to look at the historical process. For the next ten years, we will see that the central problem is how democratic societies come to grips with the realization of the democratic personality—of people realizing that they can take control of their lives. Other industrial countries are making substantial progress in this area. It is time for us to catch up.

Economics is a way we have of looking at what is happening in our society, but you need to remember that when you are dealing with economics you are dealing in dynamics. In inspection into the nature of economics reveals that it has a rapid rate of change. Economists think they possess static and eternal truths, yet when they were asked what to do about the depression, they didn't have much to say and were of little help.

A golden age of economics were the postwar years . . . the 50's and 60's. Prices were stable, we had high employment, we expanded the economy by reducing interest rates, and public expenditures expanded. It was always pleasant. During the 60's there was a vigorous discussion between Walter Heller and myself. Heller thought that you should reduce taxes to expand the economy and I argued that you should expand expenditures. Both of us knew that President Kennedy would like to hear what both of us had to say. It was a good time to be an economist.

The next period has brought us into a realization of the democratic ethos. More people want to have control over their lives and that means they want to have control over their income. There has come to be a desire to escape from impersonally determined income and prices. Large corporations have control over prices and the individuals in it have control over their income. The upward pressure of income and prices is a new force in the economy. And the inward pressure of income gains strength as time passes. This is the dilemma we are contending with and will be contending with for some years to come.

Today, economists have again gotten out of phase with the times. They think that in a modern economy there can be no shortage of purchasing power and that something will occur to restore equilibrium. But we see an adjustment which is the spiral of unemployment. The older economic ideas offered inappropriate policies for solution . . . such as interest rate hikes, increased taxes, or cuts in the public expenditure. Only after substantial unemployment is there a restraint put on prices. This is the reason the Administration is struggling with voluntary restraints, trying to encourage labor unions to adopt voluntary restraints. They recognize this problem.

How should Congress react to the subject of economics? You must remember that we tend to learn economics not from professors, but from situations.

QUESTIONS AND ANSWERS

Q. I have a growing feeling that a major economic problem of the future will be capital formation. Capital is formed on a much more limited basis than before and by large corporations. This used to be done by entrepreneurs. Do you agree and what reasons do you give for this development?

A. I couldn't agree with you more. This is an extension of the historical process I sketched. The first reason for it is that in the last ten years, with inflation, the easiest way to deal with capital formation has been to turn to the Federal Reserve and increase interest rates. But this is the source of money for small business poeple. Relying on monetary policy is relying on a system of restraints that hurts the small business. If restraint is needed in the future, I would prefer a change in fiscal policy rather than monetary policy. Fiscal policy changes cut consumption while monetary policy takes it all out of capital formation.

The second reason is that we have larger military expenditures. The Germans and Japanese are industrial successes because of their loss in WWII which limited their military expenditures. Our defense spending is a constant drain on our capital resources.

Q. Would you comment on the Puritan work ethic. As we have increasing world population, industrialization and cybernation, we are destined not to be able to have full employment.

A. I don't think that's right. I think we have a surplus in some areas of the U.S.—like the urban areas. I would argue against your proposition that a modern industrial economy runs short of work. I would attribute it to something else—liquidation of rural poverty. I see this as a temporary surplus. The day will come when we will run out of workers to do the labor of our society. Then we will look abroad. A characteristic of the modern economy is the way we have to look abroad for assembly-line labor. Yet we don't talk about it. The Swiss work force is made up of 25% non-Swiss. Germans no longer make automobiles. Can you imagine what food prices would be in this country if Americans picked it?

Q. I have two questions. (1) We are lectured by foreign countries about our economic balance and trade deficit and our energy problems. It's very difficult to communicate these problems to the people in our district. Would you comment on how we might improve that situation? (2) How far do we go in extending free trade when there is no reciprocal arrangement?

A. I will address the last question first. I have never been totally in favor of free trade. The notion of an interrelated trading community is a good one. But it doesn't require suffering of particular groups or political suicide. American agriculture is enormously dependent on foreign markets—so it serves as a barrier to protectionism. Multinational corporation are also barriers to protectionism.

On your first question, we need to get our oil imports under control, put a ceiling on them and adjust domestic policy so that we can live with what we can afford. I think your constituents could understand that if we could begin taking action.

Q. The phenomenon of people wanting authority over their income interests me. You mentioned wage/price restraints. Do you recommend that government impose such restraints? How do you reconcile this with the need for control over income?

A. You cite the basic conflict here: we are defining the problems. This is the heart of the economic/political problem which I don't want to minimize. But we can't accept unemployment as a way to control the economy, nor can we accept inflation. Both are unevenly distributed. The impact is always on the weak. The challenge is to evolve a consensual arrangement with trade unions and mandatory sanctions for non-complying employers. This is not needed for small business where the economic system still works. But we must allow for cost of living increases.

The Germans and Austrians have a social market policy where the prices will not go out of line with wages. The British have a formalized system. The French also have such a system. We are the only industrial country which is coming to this development last. Other industrial countries have resolved this to some degree.

Q. If we assume we are not going to solve the energy problem and if government doesn't move any faster, what will be the scenario that you see? What effect will our doing nothing have on the total economic activity?

FOREIGN INVESTMENTS IN U.S. RISKY

A. I am not sure how it would affect internal economic activity. I am worried about the imbalance which produces a lot of money which among other things leads to massive investment in this country. I don't think this is a prudent risk to run.

Q. In the 60's, 3% was a bad rate of inflation. What level would you settle for if we did limit incomes?

A. I'm not sure. We should not expect that any system will wipe out inflation. But you've put your finger on the tendency to accommodate inflation with unemployment. We should not expect any system of restraints to set flat prices; 3–4–5% would be better than rigidity.

Q. I come from a state in which the governor recognizes that "small is beautiful." Do you share that view and what kind of economy fits into that view?

A. I was reminiscing with Jerry Brown about Fritz Schumacher a few weeks ago. You know Fritz was my assistant during WWII. He was one of the finest men I have ever known. The concepts of limits to growth and small is beautiful are very important. But Fritz saw much more flexibility in economics than in fact there is. But there is an intermediate stage that might be appropriate to lesser stages of development. The notion of limits was very valuable when Fritz brought it up. People with fresh points of view are important—those who think the "impossible" is possible.

Q. People who have control over income aren't hurt by inflation. But some people are hurt by it, so some are talking about indexing. What would happen then?

A. That is an important question. I have been reluctant to endorse mass indexing. It's complex and difficult. How do you index personal savings, for example? If we accepted indexing, it probably wouldn't help much. But I accept indexing for cost of living adjustments in wage/price adjustments. This is part of the bargain. You can have selected indexing.

INFLATION AND CONSTITUENTS

Q. Inflation is on the mind of our constituents. How do we respond to them when they say that temporary wage/price restraints cause problems when removed, and permanent ones affect the nature of our economy?

A. Every incentive worked into the tax system has the possibility of becoming a loophole. I do not think that this changes the structure of our economy. Our economy changed when large corporations began to produce so much. Changing from private to public restraints does not change the nature of the economy. I would not like to say that restraints should be permanent, but in a world of large corporations, it is necessary.

NO TAX CUT

Q. What do we do now in Congress? Pass a tax cut or none or a medium-sized one?

A. None. The economy needs stimulation. If we need fiscal stimulation, do it in central cities. That is the least inflationary part of our economy. I'm encouraged by your resistance to a tax reduction and urge you to continue to persevere.

Q. We Members of Congress wonder if we are merely tinkering with our society—doing a little with pieces here and there. Does this change the way decisions are made in the private sector? What other tools

should we use? How could we be more bold in the next 2–5 years?

A. The system lends itself to infinity of patching. I would like to see an emphasis on the problem of public management. We don't press for a measure of public performance as we did in the past. More attention needs to be paid to managerial skills. But that's not what I would stress. I would stress welfare reform; get some incentive into that system. It would also lift a load off the big cities.

We must recognize that where there is a basic fiscal defect in our system—urbanization, population growth, high standard of living—the public costs go overwhelmingly to the big cities. But revenues accrue to the federal government. The problems go one place and the remedies go to another. Welfare reform would redistribute this. In the past we corrected the problem in the area of agriculture. I would like to see the welfare burden removed from the cities.

Q. Are you concerned about the concentration of wealth in the hands of a few?

A. Power associated with ownership of assets hasn't concerned me. Capitalists (owners) lose power and it goes into the bureaucracy. That's why rich people go into politics. There is no power in private ownership. But I think a good society spreads wealth as much as possible, so from that perspective such concentration disturbs me. Income redistribution needs to be more equitable in America.●

GASOHOL DEMONSTRATION

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. EMERY. Mr. Speaker, there is a considerable amount of interest both here in Congress and across the Nation in the potential of alcohol fuels. The possibility of decreasing our dependence on foreign energy sources while providing a new market for agricultural surpluses increases the attractiveness of implementing alcohol fuels into our society.

Witness the statewide trend across the Nation of subsidizing State gasoline tax exemptions on each gallon of gasohol sold. Iowa, Illinois, Colorado, and Nebraska each participate in this. California is nearing a similar program, while New York is close to approving a test fleet of gasohol-fueled cars. Nebraska has also aided in organizing approximately 20 States into the National Gasohol Commission.

Witness the gasohol demonstration sponsored thus far by 15 Congressmen, Senators, and the American Automobile Association, to be held June 28–30. To demonstrate the applicability of gasohol, a tankful of blended 10 percent alcohol/90 percent gasoline will be offered to Members of Congress, the executive, interested organizations, and the media. For details see the CONGRESSIONAL RECORD June 19, page 18243.

Finally, witness the administration's national energy plan. While the Senate's tax version of the plan provides for a Federal excise tax exemption on fuels at least 10 percent alcohol, the House version does not.

Today, I am introducing a bill to encourage the commercialization of methanol/ethanol-producing plants for the production of alcohol fuels. The bill has two provisions: The first is designed to make construction of a methanol/ethanol plant more attractive for private enterprise by providing for a rapid amortization period of 5 years, the second would provide for a Federal excise tax exemption on fuels at least 10 percent alcohol.

The rapid amortization period should be an attraction for industries interested in energy development. An exemption from the Federal excise tax for alcohol/gasoline blends will provide an incentive for consumers to try this new fuel. An average car with a 15-gallon tank could save 60 cents per fill-up by buying alcohol/gasoline-blended fuel. People would also have the satisfaction of knowing that they are contributing to development and utilization of alternative fuels which are renewable and cause less pollution.●

PRODUCTIVITY: THE FIGURES TELL THE STORY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. LaFALCE. Mr. Speaker, the lagging productivity of the American economy is a subject which has long concerned me. When American-made products are no longer competitive in the world markets, it is too easy to look outside for causes and excuses, when one large part of the problem can be found within industry itself. Sluggish growth in productivity is the responsibility of both the American worker and the industry for which he works, and protectionist remedies are only temporary solutions to a problem that ultimately will demand the attention and efforts of us all.

One June 14, 1978, the Bureau of Labor Statistics released figures on productivity growth in several U.S. industries, and these figures are telling. Not only does the United States compare poorly with the rest of the industrial world, but our productivity growth has slipped substantially behind the rates of just a year or two ago. In some instances there has even been a decline in the rate of productivity from 1976 to 1977. We cannot sit idly by and allow this state of affairs to continue. Government, labor, and management must join forces to improve both productivity and the quality of working life in American industry.

A summary of the BLS report follows:

BLS REPORTS ON INDUSTRY PRODUCTIVITY FOR 1977

Productivity, as measured by output per employee hour, increased in 1977 in more than half of the industries regularly covered by the Bureau of Labor Statistics of the U.S. Department of Labor. In 1976, productivity increased in almost every industry measured.

In about three-quarters of the industries, productivity growth was less in 1977 than 1976. This slowdown is consistent with the situation in the nonfarm business sector of the economy where productivity grew 2.2 percent in 1977 as compared with 4.1 percent in 1976.

Among the key industries covered, motor vehicle manufacturing recorded an above-average gain of 7.0 percent, reflecting a large increase in output of 14.5 percent, as demand was up for all types of motor vehicles, and a gain of 7.0 percent in employee-hours. This productivity advance was slightly lower than the 8.7 percent increase in 1976, which also was based on a very large gain in output. On the other hand, the steel industry posted a below-average increase in productivity of 1.5 percent, based on a gain in output of 2.4 percent and an increase in employee-hours of 0.9 percent. This small productivity gain contrasts sharply with the 7.3 percent advance in 1976.

Productivity increases were recorded by a number of other manufacturing industries. The largest gainers included the sugar industry, which posted an advance of 16.4 percent; synthetic fibers, which grew 14.0 percent; metal cans, with 7.6 percent; major household appliances, with 7.3 percent; gray iron foundries, with 6.1 percent; and hydraulic cement, with 5.9 percent. In contrast, significant productivity declines were recorded by a number of manufacturing industries in 1977. These included clay refractories (−7.4 percent), flour and other grain mill products (−7.1 percent), footwear (−4.3 percent), and hosiery (−3.7 percent).

All of the mining industries covered registered declines in productivity in 1977. The most noteworthy was coal mining, which posted its ninth consecutive decline in productivity, dropping 1.2 percent. A slight output increase of 1.2 percent combined with a production-worker hours increase of 2.4 percent to produce the productivity decline. In iron mining (usable ore), productivity fell by 6.4 percent, while copper mining (recoverable metal) and non-metallic minerals both dropped 1.5 percent.

Among the transportation industries, petroleum pipelines recorded a large gain of 8.1 percent, as output posted a large advance due in part to the opening of the Alaska pipeline. Intercity trucking was up by 5.9 percent, with output growing 8.9 percent. Air transportation gained 4.7 percent, as output grew 7.4 percent, while railroads (revenue traffic) grew 2.4 percent, as output posted an above average gain of 3.7 percent.

In other nonmanufacturing industries, gasoline service stations had a significant increase of 7.6 percent, laundry and cleaning services grew 4.6 percent, telephone communications was up 4.4 percent, and franchised new car dealers gained by 4.3 percent. Small increases were posted by gas and electric utilities (1.6 percent), hotels and motels (1.0 percent), and retail food stores (0.8 percent), while eating and drinking places dropped by 1.0 percent.

The attached table presents indexes of output per employee-hour for the selected industries for the last 7 years. Additional data for these measures, such as average rates of change for all the components of the measures, are available from the BLS upon request. The forthcoming bulletin, "Productivity Indexes for Selected Industries, 1978 Edition," will include data back to 1947 for many industries. Data on output per hour of all persons and related cost measures for the private business sector as well as nonfarm business, manufacturing, and nonfinancial corporations are reported in the quarterly BLS press release, "Productivity and Costs."

INDEXES OF OUTPUT PER EMPLOYEE-HOUR IN SELECTED INDUSTRIES, 1971-77, AND PERCENT CHANGES, 1976-77
[1967=100]

SIC Code	Industry	1971	1972	1973	1974	1975	1976	[1]1977	Percent change, 1976-77
	MINING[2]								
1011	Iron mining, crude ore	117.1	124.4	126.7	118.1	117.0	119.3	112.8	−5.5
1011	Iron mining, usable ore	112.4	118.8	119.9	108.7	107.0	106.7	99.9	−6.4
1021	Copper mining, crude ore	121.2	118.1	117.7	117.6	128.9	143.2	136.3	−4.8
1021	Copper mining, recoverable metal	104.9	102.5	97.0	89.0	96.4	112.8	111.1	−1.5
111, 121	Coal mining	19.0	84.2	83.9	82.6	74.9	73.4	72.5	−1.2
121	Bituminous coal and lignite mining	91.5	83.9	83.4	82.1	74.7	72.9	72.5	−.5
14	Nonmetallic minerals	117.2	121.7	127.5	124.8	122.5	125.3	123.4	−1.5
142	Crushed and broken stone	121.9	128.2	139.5	136.9	137.6	133.6	128.3	−4.0
	MANUFACTURING								
203	Canning and preserving	112.6	114.8	125.6	122.6	124.8	132.4	[3]	[3]
204	Grain mill products	114.1	116.9	115.8	123.9	124.9	131.7	[3]	[3]
2041	Flour and other grain mill products	110.0	114.3	111.9	116.2	116.8	119.6	111.1	−7.1
2043	Cereal breakfast foods	106.7	112.8	111.0	105.3	107.7	112.8	[3]	[3]
2044	Rice milling	102.2	115.3	100.3	115.2	111.7	109.7	[3]	[3]
2045	Blended and prepared flour	112.1	103.6	103.5	116.4	104.7	108.2	[3]	[3]
2046	Wet corn milling	106.9	138.9	123.3	150.6	152.7	168.7	[3]	[3]
2047, 48	Prepared feeds for animals and fowls	119.9	115.9	118.5	127.1	129.5	138.3	[3]	[3]
205	Bakery products	108.1	113.7	113.1	112.9	112.7	112.8	115.9	2.7
2061, 62, 63	Sugar	110.1	117.4	114.0	110.0	108.1	111.4	129.7	16.4
2065	Candy and confectionery products	114.6	128.7	137.3	149.0	136.0	126.9	[3]	[3]
2082	Malt beverages	125.1	139.3	153.2	157.2	175.3	192.9	188.5	−2.3
2086	Bottled and canned soft drinks	111.2	114.2	119.5	120.9	129.5	142.6	147.4	3.3
2111, 21, 31	Tobacco products—total	109.7	110.0	108.1	111.9	114.2	119.3	118.9	−.3
2111, 31	Cigarettes, chewing and smoking tobacco	105.6	106.1	104.9	106.5	110.3	114.1	113.7	−.3
2121	Cigars	120.1	120.1	116.8	128.6	126.5	137.1	137.0	−.1
2251, 52	Hosiery	120.9	139.2	147.7	168.5	191.6	219.5	211.4	−3.7
2421	Sawmills and planing mills, general	110.0	120.6	112.9	108.2	112.7	118.2	116.6	−1.4
2611, 21, 31, 61	Paper, paperboard and pulp mills	119.9	130.0	135.4	135.2	128.0	139.5	138.6	−.6
2653	Corrugated and solid fiber boxes	118.5	121.6	130.2	137.7	142.2	148.0	146.5	−1.0
2823, 24	Synthetic fibers	140.7	162.2	176.8	173.1	187.2	198.4	226.3	14.0
2834	Pharmaceutical preparations	125.7	134.9	132.1	141.3	145.4	152.2	158.8	4.3
2851	Paints and allied products	114.4	119.1	111.8	123.3	128.7	131.9	[3]	[3]
2911	Petroleum refining	109.5	120.5	132.4	121.4	123.7	128.3	132.7	3.4
3011	Tires and inner tubes	114.0	118.2	116.7	116.3	115.7	127.6	128.6	.8
314	Footwear	105.9	103.1	102.0	100.3	104.8	105.5	100.9	−4.3
3221	Glass containers	107.8	107.7	112.9	121.6	120.9	121.2	118.6	−2.2
3241	Hydraulic cement	121.5	123.7	129.7	119.0	110.6	120.7	127.7	5.9
325	Structural clay	122.8	127.3	131.7	134.6	132.0	138.1	132.7	−3.9
3251, 53, 59	Clay construction products	126.7	130.4	133.0	130.7	132.2	140.1	136.0	−2.9
3255	Clay refractories	109.3	116.4	125.6	143.9	127.6	130.3	120.7	−7.4
3271, 72	Concrete products	111.7	113.7	115.9	116.4	113.3	116.3	[3]	[3]
3273	Ready-mixed concrete	102.5	104.8	109.0	105.7	102.7	104.0	[3]	[3]
331	Steel	104.8	111.1	123.9	123.5	108.6	116.5	118.2	1.5
3321	Gray iron foundries	113.0	118.9	124.2	128.0	126.7	125.6	133.3	6.1
3324, 25	Steel foundries	100.4	106.0	107.6	118.5	113.6	111.5	111.4	−.2
3331, 32, 33	Primary copper, lead, and zinc	121.4	135.2	140.6	127.6	125.6	141.7	144.9	2.3
3334	Primary aluminum	113.8	112.2	111.1	122.8	105.8	110.8	112.5	1.5
3351	Copper rolling and drawing	109.6	112.2	117.7	106.3	94.7	105.4	108.5	3.0
3353, 54, 55	Aluminum rolling and drawing	119.9	140.5	154.7	157.9	142.5	166.0	166.0	[6]
3411	Metal cans	105.1	108.0	109.2	113.3	116.0	122.3	131.6	7.6
3631, 32, 33, 39	Major household appliances	121.4	133.0	135.1	134.9	140.7	145.3	155.9	7.3
3651	Radio and television receiving sets	111.6	132.2	128.5	124.4	125.0	135.3	[3]	[3]
371	Motor vehicles and equipment	119.0	123.7	126.7	121.1	129.4	140.6	150.4	7.0
	OTHER								
401 Class I	Railroads, revenue traffic	111.9	121.7	133.2	129.6	124.0	127.7	130.8	2.4
401 Class I	Railroads, car-miles	108.2	115.5	119.2	116.2	115.5	117.7	117.1	−.5
4213 PT	Intercity trucking [4]	113.6	120.9	123.4	120.5	121.2	134.7	142.6	5.9
4213 PT	Intercity trucking (general freight) [4]	108.0	114.7	122.1	118.9	109.8	[3]	[3]	[3]
4511	Air transportation [4]	116.8	128.7	131.3	133.0	134.6	146.7	153.6	4.7
4612, 13	Petroleum pipelines	124.1	142.7	156.4	156.5	154.5	153.2	165.6	8.1
4811	Telephone communications	118.7	123.2	129.9	139.3	152.6	168.1	175.5	4.4
491, 92, 93	Gas and electric utilities	123.3	128.6	131.2	128.8	132.3	135.8	137.9	1.6
54	Retail food stores [5]	114.9	113.2	107.1	103.5	106.1	105.0	105.9	.8
5511	Franchised new car dealers	113.3	116.9	119.5	116.2	122.4	130.6	136.3	4.3
5541	Gasoline service stations [5]	124.6	127.2	136.1	142.6	136.8	149.4	160.7	7.6
58	Eating and drinking places [5]	103.1	104.4	105.4	103.5	105.4	106.3	105.2	−1.0
7011	Hotels and motels [5]	92.0	109.4	109.9	102.9	101.2	105.4	106.5	1.0
721	Laundry and cleaning services [5]	102.9	107.0	109.6	107.3	104.1	105.5	110.4	4.6

[1] Preliminary.
[2] Mining data refer to output per production worker hour.
[3] Not available.
[4] Output per employee.
[5] Output per hour of all persons.
[6] Less than 0.05 percent. ●

THE BIRDIE AND THE BEAR

HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1978

● Mr. MICHEL. Mr. Speaker, James Reston of the New York Times recently pointed out that there soon may be an 18-hole golf course in the Soviet Union. At present there are no golf courses in that country, a fact which may or may not be a provocative act under international law.

Reston's column warns the Soviets of the terrible risks of allowing golf to flourish in the workers' paradise:

It diverts an inordinate amount of time from work, separates families, encourages excessive drinking and leads inevitably to self-doubt and long agonies of psychological depression.

I think that is a rather gloomy assessment of the game. Golf can be a very good way of learning the truth about one's self and one's fellow man. I have had the pleasure of playing golf with the distinguished Speaker of the House and I can say without fear of contradiction that the way he plays golf very accurately reflects the quality of his political insights. I will let you think about that one for a while, Mr. Speaker, while I insert into the RECORD at this point, "Moscow's Fatal Mistake" by James Reston of the New York Times:

MOSCOW'S FATAL MISTAKE

(By James Reston)

The first hot-weather or silly-season news of the year comes from Moscow. It was announced there the other day that Armand Hammer of Texas, Russia's favorite capitalist, had offered to build the first 18-hole championship golf course in the Soviet Union, and that the offer had been accepted personally by President Leonid Brezhnev. No

doubt they will call it the Hammer & Sickle Country Club.

This may be Moscow's biggest mistake since the Ribbentrop-Molotov pact. Everything about golf goes against the Soviet view of life. Golf is not a collective but a highly individualistic enterprise. It takes land out of agricultural production. It diverts an inordinate amount of time from work, separates families, encourages excessive drinking, and leads inevitably to self-doubt and long agonies of psychological depression. This is not exactly what the Soviet Union needs, considering all its other problems.

No doubt Mr. Hammer made his offer in the spirit of détente and the reduction of international tensions, but golf is an addiction, like vodka, and produces more physical and mental tensions than any other form of human activity, with the possible exception of sex.

Be very careful with this deal, Mr. Brezhnev. If you're worried about the invasion of ideas and habits from the West, golf may be the most subversive of them all. It is a game of traps, pitfalls, bushes, and ambushes, defying all biological facts. Put it to the Soviet Academy of Sciences and they will tell you that it goes against all the laws of physics to swing the human body around in curves, and still hit a small ball straight onto narrow little rivulets of green grass surrounded by Saharas of sand. The history of this devilish conspiracy should be sufficient warning to any prudent Communist. As is well known, golf was invented by the Church of Scotland as a punishment for the sinful nature of man. After the border wars, it was Scotland's revenge for the arrogance of England, and there are historians of sound mind who hold it directly responsible for the decline of the British Empire.

Even today, wherever you find bitter strife in the world, you will usually find golf: Ireland, South Africa, Rhodesia, Israel, India, and Pakistan. The first thing your bearded buddy, Fidel Castro, did when he seized power in Cuba was to close down the Havana Country Club and plow up every other golf course on that island. By this act alone he liberated over 40,000 Cubans for the conquest of Africa.

Mr. Brezhnev has clearly not considered the basic conflict between golf, an expensive, elitist sport, and the Constitution of the Soviet Union. To each according to his needs, etc., as the Soviet Constitution says, would require that all Soviet citizens have a golf handicap of at least forty, and that the Hammer Memorial Country Club course, would be available to everybody. At tee-off time, this could be quite a problem in Moscow.

Even so, introducing golf into the Soviet Union has its points. It would demonstrate to the world during the 1980 Olympic Games in Moscow that the Soviet Union has finally accepted the three great Scottish inventions: golf, whiskey and McDonald's hamburgers, and that it also has the authority to amend the golfing rules of the royal and ancient golf club at St. Andrews in Scotland.

What the game of golf needs, as any dub can tell you, is a whole new set of rules and golf course architects. We need the authority of the state to rescue all golfers from adversity. We need fairways as wide as the Soviet Union.

Anybody can tell you, that all golfers want the elimination of bunkers. We also want computerized clubs that won't slice or hook, magnetic golf balls that sink into larger magnetic holes, even if we're off line, and, above everything, the elimination of the four-foot, downhill, side-hill putt.

If you could do all this on Mr. Hammer's new Moscow golf course, Comrade Brezhnev, maybe it would be all right, but you'd better be careful. Let him build it, with the widest possible fairways, no traps, no high rough, no glass-fast greens, and no publicity.

You may be able to deal with the Chinese, you have produced 900 million people partly because they stayed home and didn't play golf, and you may be able to handle the Japanese, who are nutty about golf, but you can't conquer the world and conquer golf at the same time. You will have to choose between Hammer and his golfing anvil. The guess here is that you can either conquer the world or learn to play golf, but that you can't do both.●

SENATE COMMITTEE MEETINGS

Title IV of the Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committees scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 22, 1978, may be found in Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 23

9:00 a.m.
Judiciary
Improvements in Judiciary Machinery Subcommittee
To hold hearings on S. 2857, proposed Customs Courts Act.
4232 Dirksen Buiding

9:30 a.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on an Office of Technology Assessment report on the uses of solar energy.
3110 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To resume hearings on S. 72, to restrict the activities in which registered bank holding companies may engage, and to control the acquisition of banks by holding companies and other banks.
5302 Dirksen Building

Foreign Relations
Foreign Economic Policy Subcommittee
To hold hearings on the reserve role of the dollar and its implications for the U.S. economy.
4221 Dirksen Building

*Government Affairs
Federal Spending Practices and Open Government Subcommittee
To continue hearings on the GSA investigation of government contract fraud.
3302 Dirksen Building

1:00 p.m.
Conferees
On S. 1633, to extend certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona.
S-207, Capitol

JUNE 26

9:30 a.m.
Select Small Business
Monopoly and Anticompetitive Activities Subcommittee
To resume hearings on the Federal Government patent policy.
318 Russell Building

10:00 a.m.
Energy and Natural Resources
Parks and Recreation Subcommittee
To hold hearings on S. 3163, proposed Urban Park and Recreation Recovery Act.
3110 Dirksen Building

Governmental Affairs
Energy and Nuclear Proliferation Subcommittee
To hold hearings on postal reorganization legislation.
3302 Dirksen Building

Judiciary
Antitrust and Monopoly Subcommittee
To hold hearings on oil company ownership of common carrier pipelines.
2228 Dirksen Building

Joint Economic
Priorities and Economy in Government Subcommittee
To meet in closed session to receive testimony from CIA Director Turner on a review of the economy of the U.S.S.R.
5302 Dirksen Building

3:00 p.m.
Conferees
On H.R. 11504, to improve Federal credit assistance programs for farmers, ranchers, and rural communities and businesses.
S-207, Capitol

JUNE 27

8:00 a.m.
Energy and Natural Resources
Energy Production and Supply Subcommittee.
To hold hearings on S. 3189, to authorize the Secretary of the Interior to exchange Federal coal leases and to encourage recovery of certain coal deposits.
3110 Dirksen Building

Judiciary
Improvements in Judicial Machinery Subcommittee
To resume hearings on S. 2857, proposed Customs Courts Acts.
4232 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To resume markup of S. 50, the Full Employment and Balanced Growth Act.
5302 Dirksen Building

Energy and Natural Resources
Parks and Recreation Subcommittee
To continue hearings on S. 3163, proposed Urban Park and Recreation Recovery Act.
3110 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on S. 3209, proposed State Community Conservation and Development Act.
6202 Dirksen Building

Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To hold hearings on efforts to reduce the Federal paperwork burden.
3302 Dirksen Building

2:30 p.m.
Conferees
On S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

JUNE 28

9:30 a.m.
Energy and Natural Resources
Energy Conservation and Regulation Subcommittee
To hold oversight hearings on the Department of Energy's administration of the crude oil entitlements program and its impact on the domestic refining industry.
3110 Dirksen Building

Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
4200 Dirksen Building

Finance
Taxation and Debt Management Generally Subcommittee
To hold hearings on S. 3065, 2608, and 2428, proposals affecting taxation of capital gains.
2221 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue markup of S. 50, the Full Employment and Balanced Growth Act.
5302 Dirksen Building

Energy and Natural Resources
To mark up proposed legislation designating certain Alaska lands as national parkland.
3110 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 3209, proposed State Community Conservation and Development Act.
6202 Dirksen Building

Judiciary
Antitrust and Monopoly Subcommittee
To resume hearings on S. 1927, to promote competition in the energy industry.
2228 Dirksen Building

Joint Economic
To hold hearings to review economic conditions, and to discuss the future outlook.
1202 Dirksen Building

Rules and Administration
To receive testimony from Senators on S. Res. 405, making the Select Committee on Indian Affairs a permanent committee of the Senate; and to consider other legislative and administrative business.
301 Russell Building

2:00 p.m.
Conferees
On S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

JUNE 29

9:30 a.m.
Environment and Public Works
Nuclear Regulations Subcommittee
To continue hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
4200 Dirksen Building

Finance
Taxation and Debt Management Generally Subcommittee
To continue hearings on S. 3065, 2608, and 2428, proposals affecting the taxation of capital gains.
2221 Dirksen Building

Special on Aging
To resume hearings on the degree to which older Americans are purchasing more private health insurance than needed to supplement gaps in the Medicare programs.
457 Russell Building

10:00 a.m.
Energy and Natural Resources
To hold hearings on the nomination of Omi Gail Walden, of Georgia, to be an Assistant Secretary of Energy.
3110 Dirksen Building

Governmental Affairs
Energy and Nuclear Proliferation Subcommittee
To resume hearings on postal reorganization legislation.
4232 Dirksen Building

Judiciary
Penitentiaries and Corrections Subcommittee
To hold oversight hearings on the Bureau of Prisons, with emphasis on west coast prison facilities.
2228 Dirksen Building

Select Indian Affairs
To consider S. 2460, the Indian Self-Determination and Education Assistance Act amendments; S. 2712, the Indian Program Evaluation and Needs Assessment Act; S. 3069, to provide that the Sisseton-Wahpeton Sioux Tribe shall have a preference right to purchase certain North and South Dakota lands held in trust by the U.S. for tribal members; and S. 3153, the Rhode Island Indian Claims Settlement Act.
5110 Dirksen Building

Joint Economic
To receive testimony from Federal Reserve Board Chairman Miller on U.S. monetary policy.
6226 Dirksen Building

2:30 p.m.
Conferees
On S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

JUNE 30

9:30 a.m.
Veterans' Affairs
Compensation and Pensions Subcommittee
To hold hearings on S. 379 and H.R. 6501, to provide increased awards of service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities; S. 2828, the Veterans Disability Compensation and Survivor Benefits Act; and S. 1929, to establish, for purposes of paying dependency and indemnity compensation, a presumption of death from service-connected disability in the case of certain blinded veterans.
6226 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine and Tourism Subcommittee
To hold hearings on H.R. 6503, to provide for a just and reasonable rate of return or profit for common carriers by water in intercoastal commerce.
235 Russell Building

JULY 11

10:00 a.m.
Joint Economic
To resume hearings to review economic conditions, and to discuss the future outlook.
6226 Dirksen Building

JULY 12

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
6226 Dirksen Building

10:00 a.m.
Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
5110 Dirksen Building

JULY 13

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 2775, to improve the siting and licensing process for nuclear reactors.
6226 Dirksen Building

10:00 a.m.
Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
2168 Rayburn Building

JULY 18

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume mark up of S. 2775, the Drug Regulation Reform Act, and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

Joint Economic
To resume hearings to review economic conditions, and to discuss the future outlook.
2168 Rayburn Building

JULY 19

10:00 a.m.
Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
5110 Dirksen Building

JULY 20

9:30 a.m.
Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
2168 Rayburn Building

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume mark up of S. 2755, the Drug Regulation Reform Act, and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

JULY 21

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To continue mark up of S. 2755, the Drug Regulation Reform Act, and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

JULY 25

10:00 a.m.
Budget
To hold hearings on the second concurrent resolution on the Congressional Budget for FY 1979.
6202 Dirksen Building

Joint Economic
To resume hearings to review economic conditions, and to discuss the future outlook.
2220 Rayburn Building

JULY 26

10:00 a.m.
Banking, Housing, and Urban Affairs
To mark up H.R. 10899, proposed International Banking Act.
5302 Dirksen Building
Budget
To continue hearings on the second concurrent resolution on the Congressional Budget for FY 1979.
6202 Dirksen Building

JULY 27

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue markup of H.R. 10899, proposed International Banking Act.
5302 Dirksen Building
Budget
To continue hearings on the second concurrent resolution on the Congressional Budget for FY 1979.
6202 Dirksen Building

AUGUST 2

10:00 a.m.
Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To hold hearings on the quality of patient care in nursing homes.
3302 Dirksen Building

AUGUST 3

10:00 a.m.
Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To continue hearings on the quality of patient care in nursing homes.
3302 Dirksen Building

CANCELLATIONS

JUNE 22

10:30 a.m.
Commerce, Science, and Transportation
Merchant Marine and Tourism Subcommittee
To resume hearings on S. 2873, proposed Ocean Shipping Act.
235 Russell Building

JUNE 23

10:00 a.m.
Environment and Public Works
Water Resources Subcommittee
To hold hearings on S. 1592, to terminate further construction of the Cross-Florida Barge Canal project.
4200 Dirksen Building

JUNE 29

9:00 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold oversight hearings on auto odometer requirements.
235 Russell Building

SENATE—*Thursday, June 22, 1978*

(Legislative day of Wednesday, May 17, 1978)

The Senate met at 1:30 p.m., on the expiration of the recess, and was called to order by Hon. FLOYD K. HASKELL, a Senator from the State of Colorado.

PRAYER

Rabbi Israel Goldstein, rabbi emeritus, Congregation B'Nai Jeshurun, New York, on the 60th anniversary of his ministry, offered the following prayer:

Sovereign of the universe, Thy blessing we invoke upon all who seek Thee in truth.

Do Thou enlighten the counsels of this legislative body. Bless our Nation that it may go from strength to strength in enlarging the boundaries of brotherhood and peace among men and nations.

The technical sciences have reduced the barriers of distance between men and nations. Grant, O Lord, that man's spiritual outreach may reduce the gaps of ignorance and prejudice which divide men and nations.

Grant that our Nation may match its strength with its greatness, its wisdom with its vision.

In the words of the psalmist we pray, "The Lord bless you out of Zion and behold the good of Jerusalem." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 22, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable FLOYD K. HASKELL, a Senator from the State of Colorado, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. HASKELL thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The distinguished majority leader is recognized.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I have a nomination in my hand which has been cleared all around. This nomination was reported earlier today. I ask unanimous consent that the Senate go into executive session for not to exceed 1 minute to consider the nomination, which I now send to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The nomination will be stated.

DEPARTMENT OF STATE

The assistant legislative clerk read the nomination of Warren Demian Manshel, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

The ACTING PRESIDENT pro tempore. Is there objection to the nomination? Hearing none, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was was agreed to.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SPECIAL ORDER

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. CRANSTON. Will the Senator yield very briefly?

Mr. STEVENS. Yes. First, let me ask the Chair, is the Chair recognizing me as the first of the three special 10-minute orders?

The ACTING PRESIDENT pro tempore. The Senator is recognized under that order.

Mr. STEVENS. I thank the Chair. I yield to my good friend, the majority whip.

UNITED STATES-SOVIET RELATIONS: THE ADMINISTRATION'S VIEW

Mr. CRANSTON. Mr. President, in testimony before the House International Relations Committee on Monday, June 19, Secretary of State Cyrus Vance, speaking on behalf of President Carter, made a comprehensive and specific statement on the present state of United States-Soviet relations.

The statement is particularly welcome because it removed any ambiguity which may have remained after the President's speech at Annapolis in which he referred to choices between "cooperation" and

"confrontation" with the Soviet Union. And the Secretary's statement clearly set forth the three elements of the administration's policy toward the Soviets:

First. Maintain our military, economic, and political strengths.

Second. Pursue areas of negotiation which are vital to peace and to our national security, particularly a verifiable and enforceable SALT II.

Third. Follow constructive and positive approaches in other areas of the world which involve the mutual conduct of the United States and the Soviet Union, such as Africa.

Secretary Vance realistically recognizes that the relationship with the Soviet Union is not one dimensional, but is one of cooperation and divergence, of useful agreement and sharp differences. Because of this, it is not surprising that the administration's policy in practice sometimes appears contradictory, complex, and confused: the world we live in is often contradictory, complex, and confused.

Therefore I particularly welcomed the articulation of the three underlying elements of the administration's foreign policy. And I was gratified to have this confirmed at the White House the next evening, Tuesday, June 20.

As my fellow Senators are aware, the President held a buffet dinner to discuss foreign policy with key Members of both the Senate and House. The key foreign policymakers of the administration participated: the President, Secretary of State Vance, Secretary of Defense Brown, and Zbig Brzezinski, Assistant to the President for National Security Affairs. At this gathering, the President confirmed and repeated the substance of Secretary Vance's testimony concerning United States-Soviet relations and the elements of the administration's foreign policy.

Mr. President, in view of the keen interest in, and direct responsibility of this body for, United States-Soviet relations, I ask unanimous consent that the complete text of the opening statement of Secretary Vance before the House International Relations Committee on June 19, 1978, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT BY SECRETARY OF STATE CYRUS VANCE

I welcome this opportunity to meet with you on behalf of the President to address the concerns that Members of this Committee expressed in their letter to the President.

There is perhaps no more important question on which we must consult than the entire range of US-Soviet relations. I use the word "range" advisedly. For it is very important as we deal with these critical issues that we recognize a fundamental reality of this relationship: that it is not a relationship with a single dimension, but with many; that even as we have sharp differences, as we inevitably will, there are many other areas in which we continue to cooperate and to seek useful agreement; and that to view US-Soviet relations from the perspective of a single dimension is to run the risk of failing to identify our interests carefully and to act accordingly.

The President's speech at Annapolis described this approach. In the weeks and months ahead, I hope that you will help us in explaining this complex reality so that we avoid excessive swings in public mood from unrealistic optimism to unwarranted pessimism.

As the President said at Annapolis, the Soviet arms build-up is excessive, both in conventional and nuclear weapons. Yet the extraordinary strengths we possess as a nation—military, economic, and political—enable us to fix and hold our own course.

The potential we and the Soviets share for mutual annihilation carries its own imperatives for us both: we must seek to reduce the risks of confrontation, particularly the risks presented by an uncontrolled nuclear arms race; to work to moderate our differences and to seek to expand other areas of mutually beneficial cooperation.

As the relationship between our two nations continues to evolve, both sides will continuously be making choices between an emphasis on the divergent elements of our relationship, and an emphasis on the cooperative ones. The President made clear at Annapolis that our preference is to broaden the areas of cooperation.

We seek peaceful and fair resolutions of the conflicts between and within the nations of the Third World.

We seek balanced and mutually beneficial arms control.

We seek to broaden the realm of scientific, technological, and cultural exchange.

We seek to enhance the opportunity for our citizens, our business leaders, our diplomats and other officials, to travel and conduct legitimate activities in our two countries.

We seek to increase our collaboration with the Soviet Union, but also with the emerging nations, with the countries of Eastern Europe and with the People's Republic of China.

In short, as the President said at Annapolis, we seek to emphasize the work of peace. But obviously, detente is a two-way street; the future course of our relations will depend also upon the choices made in Moscow.

Let me discuss the elements of our policy toward the Soviet Union that the President set forth at Annapolis.

Our strategy is based first on maintaining our military, economic, and political strengths.

Our security and that of our allies continues to depend on our ability to meet any military threat we face. Neither we nor the Soviets should entertain the notion that military supremacy can be attained. But we must and will maintain a strong defense that serves as a credible deterrent to any potential adversary.

To safeguard this deterrent, we are engaged in a comprehensive program to modernize our strategic nuclear forces. And in the area of conventional weapons, while we negotiate to reduce—through mutual and balanced actions—the level of forces amassed in Europe, we are meeting the challenge posed by the substantial Soviet build-up there. At the recent NATO Summit here in Washington, we and our NATO partners approved a long-term defense program—an unprecedented effort to anticipate our collective security needs for the 1980's and to undertake a comprehensive and coordinated program to meet those needs. Our commitment to a 3 percent real growth rate in defense expenditures for NATO reflects the priority we are giving to strengthening and modernizing its defense capabilities.

Even as we maintain a sound defense posture—in Europe, in the Pacific and in other areas where our vital interests and those of our allies are at stake—we also recognize that our strength in the world does not rest on our military power alone. It is based as well on the fact that our economy is the largest in the world, with an unparalleled industrial base and an enormous reservoir of technological knowledge and ability.

Remaining strong also involves putting our economic house in order, by controlling inflation and by implementing a comprehensive energy policy.

Our strength is also based on the vitality of our alliances, and we are broadening our joint efforts for mutual and sustained economic growth and for development programs for the Third World, as well as defense cooperation.

Finally, the bedrock of our strength is our heritage as a free nation, our democratic institutions and what we stand for as a people. Our ideals are the most powerful in the world.

As the President said in his Inaugural Address: "Because we are free, we cannot be indifferent to the fate of freedom elsewhere." We will continue to use the mix of both public and private diplomacy that, in our judgment, will be most effective in helping to foster respect for individual human rights around the world, including the Soviet Union. Abuses of human rights in the Soviet Union violate not only the UN Declaration of Human Rights, but are sharply inconsistent with the Helsinki Agreement.

Our strengths give us great confidence in our future. From this foundation, we can seek to reduce the dangers of uncontrolled military competition through effective and sensible arms control. Thus, the second element of our policy is to pursue areas of negotiation which are vital to peace and to our national security.

As the President made clear at Annapolis, we will persist in our efforts to negotiate a sound SALT II agreement. When we reach an agreement that maintains and enhances our security and that of our allies, and is adequately verifiable, we will sign it.

A clear-eyed assessment of our national interests also compels us to pursue other ongoing negotiations directed toward controlling the dangerous military competition between us: toward a comprehensive test ban; reducing conventional arms transfers to other countries; prohibiting attacks on satellites; stabilizing the level of forces deployed in the Indian Ocean; and negotiating mutual and balanced force reductions in Europe. We are proceeding in each of these negotiations with care and deliberation, prepared to take whatever time is necessary, and mindful that the furtherance of national security must be the critical test which any agreement must meet.

Within the last few days, there has appeared a lengthy article in "Pravda" which we are studying with careful attention. I would only say at this time that the most constructive course for both countries as we move ahead would be to concentrate on the concrete actions we both can take to reduce tensions and to reach agreement on the critical issues now under negotiation.

The third element of US relations with the Soviet Union involves our mutual conduct in other areas of the world. While this is a global problem, I will address it in its African context, where interest is presently focused.

The recent introduction of large quantities of Soviet arms and thousands of Cuban troops in certain parts of Africa raises serious concerns. The size and duration of their military presence jeopardizes the independence of African states. It creates concern on the part of African nations that outside weapons and troops will be used to determine the outcome of any dispute on the continent. And it renders more difficult the efforts of Africans to resolve these disputes through peaceful means.

As I plan to indicate tomorow in a speech on our African policies, our strategy is based upon an affirmative and constructive approach to African issues—helping African nations meet their pressing human and eco-

nomic needs, strengthening their ability to defend themselves, building closer ties throughout Africa, and assisting African nations to resolve their conflicts peacefully.

We are proceeding in several ways:

We have substantially increased US economic assistance to Africa and hope to be able to increase our assistance further to deal with the severe economic problems of that continent.

We will continue to work for the peaceful resolution of disputes in Africa because we seek to avoid bloodshed and also to avert situations which lend themselves to outside interference. We would welcome Soviet help—which we regret we have not had—in achieving a peaceful transition to majority rule in Rhodesia, Namibia and elsewhere in Africa.

We will continue to respect the growing spirit of African national independence because it is an important factor in nation-building and because—having fought long and hard to be free—Africans share an intense resistance to outside domination.

It has been our policy since the beginning of the Administration to consider sympathetically security requests from African nations with legitimate defense needs. Any increase in American military assistance will be done prudently and will be consistent with our policy that arms transfers to Africa take place only in exceptional circumstances.

In private and public, we have emphasized our strong concern about the nature of Soviet activities in Africa and we have been in contact with European countries, Arab and African nations and members of the non-aligned movement who share our concern.

Finally, we will rely on our long-term strengths in Africa developed over the years of trade, aid, investment, and cultural exchange. These relationships bind us to Africa in enduring and mutually beneficial ways.

This strategy represents a sound and positive approach to African realities. Let me emphasize the essential point that the basis for our position in Africa—a position which is strong and growing stronger—is the African perception that we see them and their problems in their own terms, and not as an arena for East-West differences.

We should not lose sight of the fact that we have constructed a solid political base in Africa over the last two years as a result of our policies. Our relations with the nations of Africa are better today than they have been in many years.

I have great confidence in the future. If we persist on our course, secure in our strength and steadfast in our determination to resolve disputes by peaceful means, Americans can live in a safer and more stable world.

I look forward to answering your questions and to discussing these and other issues both in open and Executive session.

Mr. STEVENS. Mr. President, I ask unanimous consent that Priscilla Hunter, of my staff, be granted the privilege of the floor during my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMERICANS SUPPORT ALASKANS' POSITION ON PUBLIC LANDS

Mr. STEVENS. Mr. President, this is another in a series of statements I am making to the Senate concerning the so-called Alaska lands issue.

During the past year, Congress has heard much from environmental publicists and conservation pressure groups on the Alaska lands issue. Just the other day we all had the opportunity to hear from a new group—you constituents—the American people.

I am referring to the national opinion poll conducted by the Lou Harris group that was released last Tuesday, and I believe each Senator received a copy sent to you by my colleague and I.

The survey is very timely and significant, and once you have had the opportunity to study it, I am sure you will agree that the people in the United States support the Alaskan position on the land bill in overwhelming proportions.

The survey was done at the expense of the Alaska State Legislature with funds from the citizens of Alaska to enable you to know how your constituents feel about the lands issue; to give you an idea of how they perceive Alaska in general and perceive the wilderness designation in particular.

Briefly, the poll proved few Americans are well informed about Alaska or the actual impact of the wilderness designation, but once informed they do not want Alaska locked up. They do support the moderate position, the Alaskan position.

Half of those polled had no idea as to the size of Alaska's population. The majority of the balance placed the population around 1 million. Ten percent thought it exceeded 3 million. Only 16 percent correctly estimated that it was below half a million—430,000 to be exact.

Not surprisingly misconceptions on geographic magnitude and human impact were rampant. Less than half the sampled could grasp the comparative size of 100 million acres to the Lower 48 States. Twenty percent estimated 100 million acres was the size of Rhode Island or Massachusetts or Delaware or Connecticut. In fact, all four could fit comfortably within 100 million acres with room to spare.

As to the extent of human impact—development—on Alaska, only 5 percent correctly estimated that less than 1 percent of Alaska's land mass was affected by any type of human development. The majority, reflecting their own region's experience, placed the figure between 10 and 50 percent.

Only 14.5 percent of the households surveyed had a member who had visited Alaska but 42 percent indicated plans or a desire to travel to Alaska within the next 5 years. And when they come as tourists they expect tourist facilities within the National Park System.

Three alternatives were offered to conserve wilderness. One paralleled the House bill's directive to draw all or most parks, refuges, and national forests under the protection of the Wilderness Act. The second approximated the Alaskan position, limiting the restrictive classification to areas with the highest scenic and wildlife values. The third suggested no restriction beyond existing laws protecting parks, refuges, and forests.

Only 58.9 percent opted for the second moderate position—the proposal supported by the citizens of Alaska; 17.1 percent favored no wilderness restrictions. Only 15.2 percent of the sampled selected the first alternative for broad wilderness classification. By combining moderate and antiwilderness views, you can see that over 75 percent of the public opposes "instant wilderness." This overwhelming consensus was expressed in all regions. These are your constituents speaking.

So despite the costly ads run in the Washington Post and New York Times for your consumption, do not be deceived. There is no lack of Alaska sentiment. Your constituents want accessible parks at home and in Alaska.

This was further demonstrated by explaining the cooperative management concept—again supported by over 58 percent of the respondents.

So far as new national parks go—an impressive 78.1 percent felt, even in Alaska, these should be accessible to the American public. By accessible, they meant surface transportation—roads, highways, trains, and buses, transportation average Americans can afford. Only 4.5 percent mentioned small aircraft and 2.1 percent boats.

Supporters of the House bill often cite that Alaska's parks belong to the American people. On this point there was universal agreement and the majority want these parks accessible, affordable, and reasonably comfortable; 43.9 percent of those polled felt that the National Park Service should provide trails, way stations, rough vehicle roads, and other basic services as part of d–2 legislation. They do not see why they should support wilderness they cannot reach or enjoy.

Further, while highly enthusiastic about outdoor recreation the vast majority was equally confident resource development could be achieved without adversely impacting the environment.

Seventy-one percent urged mineral deposits be fully surveyed prior to any congressional action which might prohibit mining.

Almost two-thirds—62⅔ percent favored gas and oil production even in parklands and refuges with proper environmental safeguards.

Seventy-five percent favored pipeline access throughout parks and refuge systems, provided it is cost effective and could be built safely.

Sixty-three percent supported all types of development in Alaska so long as valued scenic, wildlife, and ecological systems are properly protected.

This survey proves the lower 48 majority supports the Alaska position in overwhelming proportions. This is the real American sentiment. These are the real Americans for Alaska speaking. They may not have wealth, prestigious names, or the organization to employ a PR firm but they are your constituents sending you a message.

From every region American citizens are sending a vote of confidence in the Alaskan people and in the Alaskan position on the lands issue. They know Alaskans will not "rape and run." They want to visit our great parks and tap our resources. They know that "we, the Alaskan people" can be trusted to provide and protect both for Alaska's and America's future.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized.

ISRAELI CABINET STATEMENT ON THE WEST BANK SENDS THE WRONG SIGNAL

Mr. JAVITS. At this critical juncture in Middle Eastern affairs, the world—and especially we in the United States—have been waiting for a significant signal from both Egyptian President Sadat and Israel's Prime Minister Menachem Begin, that each was ready to resume, in the name of his government, the stalled peace negotiations. We have heard, so far, nothing but public rhetoric—indeed some threats—from President Sadat. But now we do have in hand the Israel Government's statement of its position and it is for me a disappointment as the Israeli Government's response is the wrong signal, at the wrong time, and argues with the wrong party.

I hope that this is not Israel's last word on the questions posed to it by the United States. The questions referring to the West Bank and the Gaza District are: First, could Israel say that at the end of 5 years the question of the final status of these territories would be resolved? Second, what could Israel say about the mechanism by which this question would be resolved?

As the mediator seeking to promote a resumption of the negotiations I believe that the United States was correct in its expectation of a more positive reply from Israel. The Israeli statement leaves up in the air the crucial question of Egypt-Israel or Arab-Israel negotiations concerning the permanent status of the West Bank and Gaza District. Negotiations on this issue, which goes to the heart of the Arab-Israel dispute, cannot be left this way.

I have noted the statement issued by the Department of State on June 18, 1978, which refers to "a number of useful discussions with the Egyptians" concerning the U.S. request to Egypt for its "specific views on how the issues relating to the Palestinians, the West Bank, and Gaza could be dealt with in the negotiations."

As much as I feel Israel must accommodate to new opportunities, I feel as strongly that Egyptian President Sadat has been unavailing and occasionally threatening since his historic original peace gesture last December. I am aware also that neither Jordan nor Saudi Arabia, the latter a beneficiary of recent U.S. arms support, has lent any public support or commitment to the moderate course of President Sadat's original initiative.

The Arab world bears a heavy burden of responsibility for its past history of unreliability and its present intransigence in these negotiations.

So far, Egypt has not answered the prime questions necessary to be asked of it: First, does President Sadat still adhere to the two preconditions for even negotiating with Israel? (That is, that Israel must agree to complete withdrawal from the West Bank and Gaza District, and self-determination by the Palestine Arabs there which could include a PLO state.) Second, do we even know finally whether Egypt will come to an agreement with Israel on the West Bank and Gaza District so that the negotiations on Sinai may go forward without Jordan being present as a negotiating party?

The absence of a formal Egyptian counterproposal to the peace proposals tabled by Prime Minister Begin at Ismailia last December also has been a vital factor contributing to the loss of momentum in Egyptian-Israeli negotiations following President Sadat's historic visit to Jerusalem in November 1977. The formulation and presentation to Israel of Egypt's specific views on the question of negotiations respecting the permanent status of the West Bank and Gaza District, and the role to be played by the Palestinians in such negotiations could set the stage for a rethinking by Israel of the position contained in the Israeli Cabinet statement of June 18.

The situation requires a positive stance by Israel to assist the United States in its role as mediator of the Arab-Israel negotiations. The possibility of achieving a real peace in the Mideast, after 30 years of war, is sufficiently compelling to justify extraordinary efforts by all parties including the United States as mediator, to surmount procedural obstacles and secure the resumption of face-to-face Egypt-Israel negotiations on the substance of the dispute.

In line with its acceptance of United Nations Resolution 242 as the basis of negotiations respecting the West Bank and Gaza District, I believe that Israel faces a real danger now if it fails to come forward with a more precise statement of its views as to the permanent status of the West Bank and Gaza. The danger is that the United States may well come forward with its own peace plan. As a substitute of United States thinking for Israeli thinking on an issue so vital to Israel this would be a negative development in terms of Israel's constant and proper insistence on achieving peace through face-to-face Arab-Israel negotiations. And, being confronted with an American peace plan would raise the whole issue of a dictated U.S. Middle East peace plan.

Time is only on the side of those who seek anarchy or war in the Mideast, not peace, and the parties involved are the hope of the world for peace and this needs to be forwarded therefore most actively.

What is essential to the security of Israel must of course be determined by its government which is responsible to Israel's people. I speak here today only of what I see to be necessary for the United States to pursue its mediating role, which can be decisive if equipped with the necessary cooperation on the part of Israel and on the part of Egypt.

According to press reports both the Israeli Cabinet and the Israeli Knesset were themselves sharply divided on the substance of the Israeli Cabinet's June 18 statement which was preceded by a full month of vigorous debate. It seems clear to me now that it is therefore logical to expect that there will be divisions as to what is contributing properly to the mediation role of the United States among those who support the best in United States-Israel relations in the United States.

I consider it the high duty of all friends of Middle East peace in the United States now to come forward with their suggestions, ideas, and views as to what will be the most conducive to peace. And, it is my judgment that this requires a fundamental acceptance, not for ritualistic purposes but as the firm basis for negotiations, of the applicability of United Nations Resolution 242 and 338. The only way to negotiate at this rather late stage is to come forward with measures to implement these basic declarations of policy to which the parties have pledged their formal acceptance.

Mr. BAKER. Mr. President, if the Senator will yield, I would only take a moment of the Senator's time to say what all of my colleagues know. That is, not only is there a special relationship between the United States and the State of Israel, but there is a special importance that attaches to the remarks in this respect just made by the Senator from New York.

There are important issues in disagreement between the State of Israel and the United States from time to time, but there has never been any doubt in the mind of this Senator and I believe of every Member of the Senate that this country is dedicated to the presentation of the State of Israel and to peace in the Middle East.

The Senator from New York speaks with such authority and with special sensitivity and courage. I commend to our colleagues that we should give special attention to the contribution of our ideas, of our thoughts, and our support to the efforts to developing an appropriate plan for peace in the Middle East.

But at all costs I propose, Mr. President, that the United States should not formulate and then try to impose a peace in the Middle East. This peace must be achieved by negotiation of the parties involved with the good offices and good wishes of those of us who join with the Senator from New York today in urging this approach.

Mr. JAVITS. I thank my colleague.

Mr. President, that is my sole purpose in speaking today, to see that it is a peace based on face-to-face negotiations.

Now, just a word or two of explanation.

United Nations Resolutions 242 and 338 call for a balanced action respecting Middle East peace.

They call, on the one hand, for withdrawal from territories occupied as a result of the 1967 war. But they balance that by requiring upon secure and recognized borders for Israel. In short, security for Israel. Hence, the shorthand has been invented of defensive borders.

But whatever words are used, I will stand by the words of Resolution 242 itself. The fact is that there must be an even balance.

I deeply believe that Israel has to be more forthcoming in the precision and meaning of what it is ready to do about the West Bank and Gaza, and the participation, which is the subject of something called the Aswan formula, by the resident Palestinians in that activity. That needs to be balanced, at one and the same time, by Egypt not standing with its feet in concrete, as it has been ever since Sadat's great initiative. Since

the breakoff of the talks by Sadat, he has said Egypt will not talk at all unless everything it wants is agreed to in advance by Israel; to wit, complete withdrawal and complete self-determination for the Palestinian Arabs. Egypt must be willing also to offer its counterproposal.

Mr. President, the United States has a very sacred mission here and a very grave responsibility. While I have disagreed with our President and with our administration on the issue of jet aircraft, which we decided here only a couple of weeks ago, I deeply feel it is the mission of the United States to bring peace to this Middle East and to a mediation role right now between Egypt and Israel. I believe this is indispensable.

So where I hope my voice will carry, I urge Israel to come forward. I note today with great satisfaction that the administration is leaning on Egypt to come forward. I think that is just as valid and just as equal as anything else in this situation.

Mr. President, I ask unanimous consent that the news report on this latter point be printed in the RECORD.

There being no objection, the news report was ordered to be printed in the RECORD, as follows:

U.S. TO ASK CAIRO TO PROPOSE PLAN FOR WEST BANK

WASHINGTON, June 21.—The Carter Administration has decided to seek a formal proposal from Egypt on the future of the Israeli-occupied West Bank of the Jordan and the Gaza Strip as a possible way of reviving the stalled Middle East peace talks, officials said today.

They reported that Secretary of State Cyrus R. Vance told members of congress last night that because Irsael had shown no flexibility in its latest responses to the United States, the best possibility for resuming talks would be for President Anwar el-Sadat of Egypt to offer a plan to counter the proposal of Prime Minister Menachem Begin that Israel has adhered to since December.

U.S. REGRETS ISRAELI REPLY

A formal Egyptain plan on the negotiating table would provide an impetus for resuming peace talks and for the United States to offer a possible compromise, officials said.

Meanwhile, the State Department issued a statement expressing regret that the Israeli replies on Sunday to specific American questions were not responsive to the efforts to end the deadlock in the peace talks. Administration officials had already indicated their disappointment privately.

Senator Jacob K. Javits, Republican of New York, a strong Israeli supporter, joined the Administration's criticism of Israel and seemed to second the plan to elicit a formal plan from Mr. Sadat.

In a speech to be delivered tomorrow, Mr. Javits plans to call Israel's statement "a disappointment," saying "the United States is correct in its expectation of a more positive reply from Israel."

The Middle East negotiations have been stalled because Egypt has wanted assurances that Israel would be willing, in a final peace settlement, to withdraw from the West Bank and the Gaza Strip as well as from the Sinai Peninsula. It has refused Israeli offers to negotiate a separate accord for Sinai on the ground that this would be a rejection of the Arab and Palestinian causes.

Last December, Mr. Begin proposed a plan for the West Bank and the Gaza Strip that offered self-rule to the million or so Palestinian Arabs there, including elected councils and an end to Israeli military government.

But the plan provided for an Israeli military force and left open the question of the ultimate sovereignty of the areas.

Mr. Sadat rejected the Israeli plan because it did not guarantee an Israeli withdrawal over a period of time, even though it did call for a review after five years. Mr. Sadat has never offered a similarly detailed plan.

In April, the United States put two questions to Israel. They were: Could Is * * * the question of the final status of these territories would be resolved? And "What could Israel say about the mechanism by which this question would be resolved?"

The Israeli Cabinet statement on Sunday was vague on both points. It said that after five years Israel agreed that "the nature of the future relations between the parties will be considered and agreed upon." And it said there should be negotiations that would include representatives of the elected Arab councils.

"We have now had time to reflect on the Israeli replies," the State Department said, "and we have also received a full explanation on the Cabinet decision from Foreign Minister Moshe Dayan. We regret that the Israeli replies did not fully respond to our questions."

Officials said that with Mr. Begin adamantly against any substantial changes in his West Bank and Gaza plan, it was necessary now to see whether Mr. Sadat could at least come forth with a written plan to serve as the basis for a renewal of discussions.

Mr. Sadat has been asserting recently that Israel should agree to hold talks about the Gaza Strip with Egypt, the pre-1967 administrator of the region, and about the West Bank with Jordan, which controlled the area prior to the 1967 war.

He has said that Israel has genuine security concerns about giving up those lands but that agreements could be reached once Israel agreed to withdraw. But Mr. Begin has refused to agree to give up even part of the lands, thereby bringing him into dispute with the United States, which argued that Security Council Resolution 242 of 1967 obliges such withdrawals.

Mr. Javits who has been in touch with the Administration, also called upon Mr. Sadat to make a "formal Egyptian counterproposal" to Mr. Begin. He said:

"The formulation and presentation to Israel of Egypt's specific views on the question of negotiations respecting the permanent status of the West Bank and Gaza District and the role to be played by the Palestinians in such negotiations could set the stage for a rethinking by Israel of the position contained in the Israeli Cabinet statement."

"The situation requires a positive stance by Israel to assist the United States in its role as mediator of the Arab-Israel negotiations," Mr. Javits said. "Israel faces a real danger now if it fails to come forward with a more precise statement of its views as to the permanent status of the West Bank and Gaza."

The danger, he said, is that the United States might produce its own peace plan and this would "raise the whole issue of a dictated United States Middle East peace plan."

Mr. JAVITS. Mr President, I have just a few more words to add, if I may.

I have been asked ever since these remarks of mine were issued to the press to implement them and to detail further what I had in mind in respect of the speech which I had to make today.

I refer within these remarks to the statement respecting the absence of a formal Egyptian counterproposal to the peace proposals tabled by Prime Minister Begin at Ismailia. That is a vital factor, as well as the apparent imprecision of the Israeli reply, which has contributed to the loss of momentum in these negotiations between Egypt and Israel following this historic breakthrough, to which we all have paid our tribute to President Sadat, in November of 1977.

There are two observations I wish to make on that. First, I see no denigration or derogation of Sadat's initiative, which is historic, and to which we all have paid our tribute, when we say that nothing followed in terms of that contribution which would implement that breakthrough—to wit, when you negotiate, you react to the propositions of the other side.

Then, turning to Israel, I know from my own knowledge of the situation that the Begin peace plan, including self-rule for the West Bank, represented a very liberal offer from Israel's viewpoint which richly deserved to be the subject of counterproposal by Egypt or the Arab side.

I hope very much that a further preciseness by Israel as to its position will stimulate and back up what the United States is now trying to get from Cairo.

(The following proceedings occurred during Mr. JAVITS' remarks:)

The ACTING PRESIDENT pro tempore. The 10 minutes of the Senator from New York have expired.

Mr. BAKER. Mr. President, do I have any time under the order today?

The ACTING PRESIDENT pro tempore. By unanimous consent, the leadership time was eliminated today. There are 10 minutes provided for Senator DURKIN, but he is not on the floor.

Mr. BAKER. Mr. President, I ask unanimous consent that I have 5 minutes, which I propose to yield to the Senator from New York.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

(Also the following proceedings occurred during Mr. JAVITS' remarks:)

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from New Hampshire (Mr. DURKIN) is recognized until 2 p.m.

Mr. DURKIN. Mr. President, I would like to yield sufficient time to Senator JAVITS. If he needs the 10 minutes, that is fine.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator has until 2 p.m.

Mr. JAVITS. I am very grateful to my colleague. I appreciate that very much.

(Conclusion of proceedings during Mr. JAVITS' remarks.)

LABOR LAW REFORM ACT OF 1978

The PRESIDING OFFICER (Mr. MOYNIHAN). Under the previous order, the 1 hour under the rule before the cloture vote shall be equally divided between and controlled by the Senator from Utah (Mr. HATCH) and the Senator from New Jersey (Mr. WILLIAMS).

The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 8410) to amend the National Labor Relations Act to strengthen the remedies and expedite the procedures under such act.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, a parliamentary inquiry. Is this time being charged equally to both sides?

The PRESIDING OFFICER. Not unless the Senator asks unanimous consent that it be charged equally.

Mr. HATCH. I ask unanimous consent that there be a quorum call and that the time be charged equally to both sides.

Mr. JAVITS. Mr. President, reserving the right to object—and I shall not object—I hope we will have a gentleman's understanding that the quorum call may be called off as soon as we are ready to proceed.

Mr. HATCH. There is no question about that.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, I am going to propound a unanimous-consent request, but before doing so I think I should state that if the request is agreed to, I would then ask unanimous consent to vitiate the cloture vote today.

I make this request because there are a good many Senators who feel that they want the bill sent back to the committee, that the committee be given an opportunity to restudy the bill, modify it, amend it, or whatever in the wisdom of the committee the committee wants to do. This would give all Senators who have concerns an opportunity to appear before the committtee, address their comments to those concerns, and it will give the committee an opportunity to attempt to resolve those concerns, if possible.

It would also mean that when the committee reported the bill back it would be the pending business before the Senate. If another measure were pending at that time, if the request is agreed to, that measure would not automatically be taken down. If it happened to be an appropriation bill, it would be within the province of the majority leader to continue action on that bill that was then pending without automatically taking it down; but that upon the disposition of that then pending business, the bill that is reported from the committee would again be the pending business.

Now, several concessions have been made in the form of a substitute which has been offered by a number of Senators, in the form of the perfecting amendments that are now pending, and in the course of the committee's attention to the bill—this would be up to the committee—perhaps, other areas of the bill would be given attention, possibly modified. That is not for me to say. All I am saying is that the bill would go back to the committee and, when reported to the Senate it will be the pending business, with the only qualification that whatever bill was then before the Senate would be continued if the leader did not want to call it down, which I do not think I would. It would carry the further proviso that the cloture vote scheduled for today would be vitiated.

I have not made the request, but without losing my right to the floor at the moment—Mr. President, I think I will make the request and then let Senators reserve the right to object, and they can put their questions to the request.

Mr. President, I ask unanimous consent that the bill be recommitted to the Committee on Human Resources, and that when reported back to the Senate it be the pending business, subject only to the completion of the then pending business, if there be such before the Senate; but that the then pending business, in the discretion of the majority leader in consultation with the minority leader, could take that bill down, whatever that measure is at the time, and with the further proviso that the vote on the cloture motion today be vitiated.

The PRESIDING OFFICER. Is there objection? The Senator from Tennessee.

Mr. BAKER. Mr. President, reserving the right to object, I first wish to commend the majority leader for proposing and propounding this request at this time.

I would like to clarify two or three aspects of it, if I may. First of all, this is a motion to recommit to the committee, the jurisdictional committee?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. BAKER. Without instructions.

Mr. ROBERT C. BYRD. The only instruction would be that, when reported back, it be the pending business.

Mr. BAKER. But without instructions as to what is reported back by the committee.

Mr. ROBERT C. BYRD. That is correct, without instructions as to what is reported back or as to when it will be reported back.

Mr. BAKER. Which was my next point. There is no requirement in this order laid on the jurisdictional committee to report this bill at any time.

Mr. ROBERT C. BYRD. Exactly, and I would be glad to couple it with a date of July 15.

This gives me another thought: In no event would the committee report back the bill prior to July 15.

Mr. BAKER. Mr. President, I then understand with this modification that the bill would be recommitted with instructions to report back not prior to July 15, and at some future indefinite date subsequent to that time——

Mr. ROBERT C. BYRD. Yes, when reported back.

Mr. BAKER (continuing). And when reported back it would be the pending business, subject only to the disposition of the matter then before the Senate or the laying aside of this measure on the concurrent requests of the majority and minority leaders.

Mr. ROBERT C. BYRD. Yes, but that upon the disposition of that business then pending this bill would again become the pending business.

Mr. BAKER. It is within the contemplation of the majority leader, as I understand it, that during this time the Members of the Senate would have an opportunity to appear before the jurisdictional committee to express their views, to make proposals and recommendations. Is it in the contemplation of the majority leader that there would be hearings or rather just consultation?

Mr. ROBERT C. BYRD. I would ask the chairman of the committee (Mr. WILLIAMS), the manager of the bill, to respond.

Mr. WILLIAMS. First of all, I would say that we have had an opportunity to learn so much of the views of those who are in opposition to this bill—that we have had a long and complete airing of those parts of the bill that are not receiving the approval of so many Members. So we have a foundation of information which is in the nature of full hearings right here.

I would hope, however, that we could give an opportunity for those viewpoints to be expressed in a different forum before our committee and that would be my hope and objective—that we could work that out so that these ideas expressed here in general debate could be more specifically addressed before our committee. We would work toward that objective.

Mr. BAKER. Mr. President, I thank the distinguished chairman of the committee, the Senator from New Jersey. I must say, Mr. President, that I am pleased the majority leader has made this request, and I find it appealing.

I see a number of other Senators on the floor, and I would like to withhold other comments at this time.

Mr. TOWER. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. At the moment I yield the floor so that the time does not run.

Mr. TOWER (continuing). I wonder if the Senator from Virginia would not alter his consent request—from West Virginia, I beg your pardon, sir—up until 1963 it was the Senator from Virginia—I wonder if the distinguished majority leader would not alter his request to strike that portion of it which requires that it become the pending business on the completion of whatever business is before the Senate at the time?

It occurs to me that this is not emergency legislation, and we could be in the kind of situation in which poor old New York City is up there wallowing in their own garbage, waiting, waiting——

(There was a disturbance in the gallery.)

The PRESIDING OFFICER. The galleries will refrain from making any comments.

Mr. TOWER (continuing). Waiting, waiting——

The PRESIDING OFFICER. Will the Senator from Texas kindly suspend? The galleries will be in order. The Sergeant at Arms will see to that.

The Senator from Texas is recognized.

Mr. TOWER. Waiting for Congress to bail them out or something; and we have not considered that legislation yet, when their loan authority expires on June 30 of this year.

There might be other matters that should take precedence from the standpoint of urgency. I cite that only as an example. There might be many others. Why is it that this bill is given that sense of urgency, to give it virtual emergency status, exceeding anything else that might come up?

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. TOWER. Yes.

Mr. ROBERT C. BYRD. Under the order that has already been agreed to, the U.K. Treaty would automatically come up if this is agreed to. The U.K. Treaty is ready to come up before the Senate upon referral of this bill back to the committee. But the majority leader, under that same order, is authorized to call up any emergency legislation, which would take care of the New York City situation.

Mr. TOWER. But sometimes urgent legislation is not emergency legislation as such, but more urgent than this matter is.

Mr. ROBERT C. BYRD. Well, I am talking about emergency legislation such as the New York City situation.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. SCOTT. Will the Senator from Texas yield?

Mr. TOWER. Mr. President, I reserve the right to object.

Mr. SCOTT. Mr. President, I noticed the distinguished majority leader first said "if and when" the bill is reported back, and then later he omitted the words "if and," and just said "when reported back." That might be construed as a motion ordering the committee to consider and report it back.

I wonder if the majority leader could return to his original language, and thereby give discretion to the committee to determine if and when it should be reported back. It might decide not to report the bill back.

Mr. HOLLINGS. Mr. President——

The PRESIDING OFFICER. The Senator from Texas has the floor. He has yielded to the Senator from Virginia.

Mr. TOWER. Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Virginia yield?

Mr. SCOTT. Mr. President, I would like to retain the floor momentarily to give the majority leader an opportunity to reply.

The PRESIDING OFFICER. Who yields time? We are under controlled time.

Mr. HATCH. I yield such time as he may require to the Senator from South Carolina (Mr. HOLLINGS).

Mr. HOLLINGS. Mr. President, I object. I have learned from my distinguished colleague the Senator from Louisiana (Mr. LONG) that there comes a time when somebody on behalf of the people should object. On the Panama Canal treaties, the Senator said that good and loud, over the radio and everything else.

We are all keyed in on this particular vote. I think everybody knows the position he has taken. Recommital would just cause more delay and discussion. I do not know of anything realistic that could be accomplished with delay, and I think the time has arrived when we should go ahead and vote. Therefore, I object.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Who yields time?

Mr. LONG. I yield myself such time as I may require.

The PRESIDING OFFICER. The time is under control. Who yields time?

Mr. LONG. Mr. President, there are some of us, I for one, who have had a number of discussions with the managers of this bill, and those managers have been willing to accept a number of amendments the Senator from Louisiana has suggested. I would like to see other Senators' amendments have the same consideration, but it looks as though that is not going to be the case, and that being the case, I suppose I may have to vote for cloture.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senator from Louisiana.

Mr. LONG. Knowing that my vote could conceivably be the crucial vote, I had sought the attention of the majority leader, the managers of the bill, and also the minority leader (Mr. BAKER). I thought it would be a very good idea if the thoughts and suggestions of every Senator in this voluminous pile could be considered, and those that had merit could be added by the committee, and perhaps the need of the filibuster could be resolved. There are a lot of good things in this bill; I for one would hate to see the good features go down the drain. But I do not like to see some objectionable features approved. I would not like to dictate what other amendments should be agreed to at all, but I would like to have the committee take a look at it and see if they could resolve some of the controversy. I do not feel like supporting a filibuster just to kill a bill with some good provisions. If the Senator wants me to vote for cloture, perhaps he would support accommodating amendments.

Mr. HOLLINGS. Mr. President——

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. I yield the Senator from South Carolina such time as he may require.

Mr. HOLLINGS. Mr. President the comment of my distinguished friend from Louisiana is no surprise. I always knew he was the 59th vote. The fact of the matter is that now we are not talking about the merits of the particular provisions of this bill, because they have been discussed, debated, considered, and understood by the American public generally. I think the majority leader has done an outstanding job. He has had five cloture votes, and we are ready to have the sixth.

What we are suggesting here is that we try to face a fixed position, such as the one that was faced last fall. Under the procedures, I think it is good that we move on now as planned and have this vote, to find out where we stand, because other misunderstandings may occur when they go to discuss it again with other Senators. I think the matter has had its fair day in court. The Senator from Louisiana should understand that he ought not to work too strongly on my friend from Alabama, or I will have to stop talking and do a little work myself.

Thank you very much.

The PRESIDING OFFICER. The galleries will be in order.

Mr. ROBERT C. BYRD. Mr. President, the request has been objected to. Let me say to my friends we have spent hours and hours debating this measure. We have spent days and days and days. There has been a good debate. There has been no effort on the part of the managers of the bill or the leaders to invoke the rule against two speeches on the same legislative day, and we have accommodated every Senator we possibly could. We have agreed to concessions. I have offered the substitute that provides a good many compromises that met the legitimate concerns that have been expressed against this bill.

I intended today to move to recommit the bill with instructions that it be reported back forthwith, with certain additions, certain additional changes, but I found, in talking with Senators, that they prefer the bill go back to the committee for a few days, so the committee itself would have an opportunity to consider it, and so that all Senators would have an opportunity to appear before the committee to express their concerns about additional amendments, and in that way, that every Senator have a chance to get the bill modified as he saw fit, rather than including such modifications in instructions to report it back forthwith, and it was for that reason I sought to send the bill back to the committee.

It is the pending business. Now the question is asked, "Why does it have to be the pending business when it is reported back, when it is the pending business now?"

To send it back to the committee, let the committee rework it, and then, when it is reported back, it has the same status as it has now. That is the answer to the question as to why it should be the pending business when it came back.

I would hope Senators would let the bill go back to the committee, with the understanding that when it is reported back it should be the pending business. That is a reasonable request; it is fair; it goes all the way in trying to meet the legitimate concerns of the Senate.

If there are going to be objections, I can only move that the bill be sent back

to the committee and, of course, Senators do not have to let me have a vote on that motion before the cloture vote, but I would hope Senators would allow a vote to occur on that motion, and then allow the order for the cloture vote to be vitiated.

If a Senator is not willing, those who oppose the bill—and I speak with the utmost respect with regard to every Senator who is opposed to this bill—if he is going to shut me off from unanimous consent to get the bill back to the committee, with no date — I have not said it has to be back in 10 days or 20 days, just when it is reported back it will be the pending business—if Senators are not going to let me do that, which is a reasonable request, then I will have to move that it be recommitted and reported back within, say, 45 days, or within 30 days. I am forced to do it.

If the Senate will not let us vote on that but insists on the cloture vote, and will not let us vitiate the cloture vote, will not let us vote on a very reasonable motion, then it puts the opponents in the position of not wanting anything, not wanting any bill, not wanting any changes in the bill, and not even wanting the committee and the Senate to have an opportunity to take a new look at this bill, to restudy it, rework it, to meet the objections that have been legitimately advanced by those who oppose the bill. I would say then it is about time somebody think about fairness and reasonableness in the spirit that was just expressed by the Senator from Louisiana and let us have the cloture vote now and I hope one or two of those who have not been voting for cloture will stand up with Senator LONG and vote for cloture today.

I would hope we would think about this a little and allow the request to be agreed to, or at least allow the motion to be voted upon before the vote on cloture.

Mr. PERCY. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PERCY. I appreciate the majority leader yielding.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill recommitted to the Committee on Human Resources, and that if and when the bill is reported back to the Senate it become the pending business.

SEVERAL SENATORS: Reserving the right to object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

MOTION TO RECOMMIT

Mr. ROBERT C. BYRD. Now, Mr. President, I move that the bill be recommitted to the Committee on Human Resources, with instructions that it be reported back to the Senate within 45 days.

Mr. HATCH. Reserving the right to object——

Mr. PERCY. Mr. President, will the Senator yield?

Mr. BAKER. Mr. President, a parliamentary inquiry. Who has control of the time now?

The PRESIDING OFFICER. The Senator from New Jersey and the Senator from Utah have control of the time.

Mr. BAKER. I thank the Chair.

Mr. PERCY. Will the Senator from Utah yield me 3 minutes?

Mr. HATCH. I yield.

Mr. PERCY. Mr. President, I am not a chess player, but I think we all recognize when a stalemate has been reached. We are at an impasse right now and I think we have to do something to break that impasse.

Having supported the motion of the minority leader to recommit this bill to the committee weeks ago, I did feel that was the right move, a wise motion to make, and I felt it would have been the best thing at that time so that the Senate could get on with its work. I am not going to stand in the way of a motion again being made to recommit the bill to the committee. But I do feel that we should really face up to this issue. I hope the manager of the bill and the chairman of the committee will give us some idea as to what the committee would be doing in these next 45 days.

I do not support filibusters and I have not for the 12 years I have been in the Senate. I do support the use of filibuster so that we will not impetuously move into a vote before we understand the issues. I feel now in the fifth week we all pretty well understand the issues. I still will not vote for this bill as it stands in the substitute. I will not vote for any bill that has an unconstitutional provision such as equal access, which would be argued out and fought out in the courts. I think unions are now beginning to realize that provision will never become law unless they give up many of the exclusive rights they now have. There has to be fairness in our approach to this. We cannot be pro-union or pro-management. The Federal Government must simply be pro-worker.

We have been debating this bill for 5 weeks, but I know that I, for one, have been working on it much longer. I just wonder how long we can keep going on this matter.

Looking at the work ahead, we have a year's work and 3½ months to go. There is a major tax bill, a housing bill vital to the housing industry, a dozen appropriation bills, the tuition tax credits, the U.K. Tax Treaty, and civil service reform, just to mention a few. We better start dealing with the really important problems of inflation and energy because these are vital matters to this country.

How many more cloture votes can we go through on this? What is the intention of the leadership? What will the committee accomplish in the next 45 days on this bill? Those are questions I leave to my colleagues.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HATCH. I yield 2 minutes to the distinguished minority leader.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. I thank the distinguished Senator from Utah.

I think the Senator from Illinois has put his finger on it when he said we are at an impasse, both in terms of substance and in terms of procedure. I understand the concerns that many have for any agreement at this time. After all, we are in our fifth week of debate. We have just finished five filibuster cloture votes and it appears that we will have another one here in 13 minutes. I understand the concern to finish the job at hand. Maybe that is the best way to handle it.

I must say I did not object to the request of the majority leader because I felt that what the majority leader was doing was taking this bill down. The majority leader was doing what he would do if we had had 10 votes and suddenly he stood up and made a motion to recommit to some indefinite future date. That is what he was doing. The only caveats that were added were not before July 15 and that it would become the pending business.

Mr. President, I have no quarrel with that. The leadership role gives you no prerogative beyond that of an individual Senator in terms of a unanimous-consent request. I am perfectly willing to let the Senate work its will in this respect. I have no other choice. But I believe, as the Senator from Illinois believes, that we have to liquidate this issue. I think we can do it at 3 o'clock by defeating the cloture petition. I think we might do it by postponing the bill indefinitely. But the important point is that we have been debating this matter long enough. We have now set a new record for cloture votes on anything other than an election contest.

Mr. President, notwithstanding the disagreement on unanimous consent, on strategy, and on the range of amendments, I hope we will defeat the cloture motion if it, in fact, is presented to the Senate at 3 o'clock; and that we can then find a way, after the cloture vote, to regularize and abbreviate the procedure, and proceed with disposing of this issue.

The VICE PRESIDENT. Who yields time?

Mr. WILLIAMS. I yield 2 minutes to the Senator from New York.

The VICE PRESIDENT. The Senator from New York.

Mr. JAVITS. Mr. President, I think it is a proper question as to what we would do if this bill was referred to us. I am the ranking member of the committee. I would like to tell the Senate what we would do.

We would examine, for my part, very carefully every one of the amendments which have been offered. We would examine the objections and the factual situations presented to us. We would revise the bill in accordance with the experience which has resulted from the debate and with the experience which has resulted from the flowback of the country to us. I am confident that we would do it honestly and that when we were ready, which could be within the period set, or it might take longer, we would bring back to the Senate a bill which we felt, in the light of all the debate, the discussion, and the factual findings, we could support. That would be our duty.

There is one other thing, Mr. President.

I beg every Member, before we finally act, to read pages 5 and 6 of the committee report which is a case in point of an individual worker fired for union ac-

tivity who is simply out. He is put on the trash heap. There is no unemployment compensation. He is cut off from welfare, ostracized in his town, and that is the end of it as a human being.

That is why I think it is our duty to legislate in this field. The fact is that this system of collective bargaining found a way in which to be frustrated, just as we have been frustrated by hundreds of amendments after cloture. We are trying to find a way out of that impasse. I deeply believe that the method suggested is the right way and that we can contrive what will be fair for the situation and the people of the country and fair to the Senate.

Therefore, I hope very much that we either have cloture, as the majority leader has called for, or that we have the appropriate reference, which is the subject of his motion.

The VICE PRESIDENT. Who yields time?

Mr. HATCH. Mr. President, how much time remains to each side?

The VICE PRESIDENT. The Senator from New Jersey has 4 minutes and the Senator from Utah has 5 minutes.

Mr. HATCH. I thank the Chair.

The VICE PRESIDENT. Who yields time?

Mr. WILLIAMS. I yield myself 2 minutes, Mr. President.

We were asked what we would do in the period between recommittal and a possible report back. I think that, on the record, it can be seen that those of us who have brought this bill here have responsibly approached our task of managing this bill and seeking effective enforcement of the present law. First, many amendments were agreed to in the committee. When we came to the floor and we heard the concerns of Senators, we began to deal with them and agree to them. We could not get a vote on any of those ideas; therefore, we presented amendments based on those concerns stated by the opponents.

There was concern that there would be a great expansion of the jurisdiction of the National Labor Relations Board. An amendment was offered to freeze the current discretionary jurisdiction. There were concerns about access, about time periods for holding elections, and other matters, and these were reflected, in an earnest effort, through a substitute.

I can tell the Senators that, upon recommital of this bill to the committee, we shall continue to search out ways to make this measure acceptable to a majority of the Members and more. There are provisions that have been debated at length and we can see that a change must be made if we are going to come to final conclusion here. Equal access is one such area. A fair time for the election in the most simplified situation is another area. We have four or five significant areas that have consistently been the subject of the opponents' concern, and these can be adjusted, we know. And we can have, within the Committee, further hearings on this.

That is why this recommittal motion was made, in order to have an agreement that we would finally have a measure that we could vote on and that will not be stalled forever without any action, without any votes in a filibuster. So there can be an assurance on the record that the concerns of Senators will be fully considered by the committee upon a recommittal of this bill.

The VICE PRESIDENT. The Senator's time has expired. Who yields time?

Mr. HATCH. I yield 2 minutes to the distinguished Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the thoughts of the manager of the bill, the distinguished Senator from New Jersey. I must say that, on our behalf, the proposal of the majority leader today comes as a surprise, a total surprise, I must say, within the last hour that a recommittal would occur, a recommittal legally, indefinitely.

I simply reiterate the thoughts of the minority leader, the distinguished Senator from Tennessee, that we believe that this is a substantial victory for what we have been saying all along, that essentially, this bill is to be taken down. It might never reappear. In a busy session, there will be good reason for it never to reappear. A majority of the Members of this body would like for it never to reappear, for it to be gone forever.

At this particular moment, the parliamentary situation is one in which we are going to have a vote at 3 o'clock. I just say simply that I think it is very important that we win this vote, that cloture not be obtained, that the bill be killed in that way. One way or another, it must go. I say in behalf of a good number of people in America, a majority of Americans, in my judgment, they want it to go. They want the Senate docket to be cleared and opportunities to vote on the things that are important to all Americans. I am hopeful that the Senate will vote against cloture.

The VICE PRESIDENT. The Senator's time has expired.

Who yields time? Each side has 2 minutes remaining.

Mr. GRIFFIN. Will the Senator yield?

Mr. STEVENS. Will the Senator yield me 1 minute?

Mr. HATCH. I yield to the Senator from Alaska.

Mr. STEVENS. Mr. President, I have voted against cloture. I have voted for cloture. I think the majority leader made a reasonable suggestion. I urge the people involved to see that this goes back to the committee. If it does not go back to the committee on the majority leader's request, then I shall not vote for cloture this time and we shall be exactly where we are right now. I think it is a reasonable suggestion to send it back to committee. I urge the Senate to grant the majority leader's request, because it will be the request before the Senate after the cloture vote if we do not grant it now.

Mr. BAKER. Will the Senator yield for just a minute?

Mr. HATCH. I yield 1 minute to the distinguished Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the Chair. I only rise to say to my distinguished friend from Alaska, the assistant minority leader, than I, of course, can speak only for myself. If, in fact, we defeat cloture today, I am perfectly willing to support a motion to recommit this bill under the original proposal of the majority leader.

Mr. HATCH. I yield to the distinguished Senator from Michigan.

The VICE PRESIDENT. The Senator's time has expired. The Senator from New Jersey has 2 minutes remaining.

Mr. WILLIAMS. Mr. President, the majority leader has offered this unanimous-consent request, and it was objected to. I have been advised that he might want to repropound that request. I do not see him on the floor. I am not sure whether he does or does not. We have reached the point where we are coming close to a time for the vote. I do not know whether he wants to reinstitute his request for recommital.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be recommitted to the committee.

Mr. HOLLINGS. I object. We are going to vote. Then I shall be glad to go along with the Senator's motion at that particular time. I think we are going to vote in 2 minutes.

Mr. ROBERT C. BYRD. Would the Senator be willing to vote before the cloture vote?

Mr. HOLLINGS. No, I prefer to go ahead. Then I shall be glad to support the majority leader's motion.

Mr. HATCH. I would support the motion.

CLOTURE MOTION

The VICE PRESIDENT. One hour having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the substitute amendment, No. 2445, by the Senator from West Virginia (Mr. ROBERT C. BYRD) and others to H.R. 8410, An act to amend the National Labor Relations Act to strengthen the remedies and expedite the procedures under such act.

Robert C. Byrd, Patrick J. Leahy, Harrison A. Williams, Jr., John Melcher, George McGovern, Claiborne Pell, Dick Clark, Frank Church, Daniel Patrick Moynihan, Edward M. Kennedy, Jacob K. Javits, Abraham Ribicoff, Howard M. Metzenbaum, Birch Bayh, Henry M. Jackson, and William Proxmire.

VOTE

The VICE PRESIDENT. By unanimous consent, the quorum call has been waived. The question is, Is it the sense of the Senate that debate shall be brought to a close?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 30 seconds.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I take the floor to announce in behalf of Mr. STENNIS that he cannot be here today; that if he were present, he would vote against cloture.

Furthermore, I announce that I shall vote also against cloture and I urge all Senators to do so.

Mr. BAKER. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Tennessee.

Mr. BAKER. I wish only to say that I talked with the distinguished Senator from Mississippi this morning and sent word to the majority leader that he had authorized acceptance of a pair against this bill, and a pair has been arranged.

The VICE PRESIDENT. The question is, Is it the sense of the Senate that debate shall be brought to a close? The yeas and nays are mandatory under the rule. It will be a 20-minute vote.

The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, debate is not allowed on a rollcall, but may I say that Senators who wish to vote for cloture may certainly do so, and ought to do so if they feel in their consciences they want to do so. I shall vote "No."

The assistant legislative clerk called the roll.

Mr. STEVENS (when his name was called). Mr. President, on this vote I have a live pair with my good friend Senator STENNIS. If he were here, he would vote "nay." If I were to vote, I would vote "aye." I withhold my vote.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. STENNIS), is necessarily absent.

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 168 Leg.]

YEAS—53

Abourezk	Hatfield,	Metzenbaum
Anderson	Mark O.	Moynihan
Bayh	Hatfield,	Nelson
Biden	Paul G.	Packwood
Brooke	Hathaway	Pearson
Burdick	Heinz	Pell
Case	Huddleston	Proxmire
Chafee	Humphrey	Randolph
Church	Inouye	Ribicoff
Clark	Jackson	Riegle
Culver	Javits	Sarbanes
DeConcini	Kennedy	Sasser
Durkin	Leahy	Schweiker
Eagleton	Magnuson	Stafford
Ford	Mathias	Stevenson
Glenn	Matsunaga	Weicker
Gravel	McGovern	Williams
Hart	McIntyre	
Haskell	Melcher	

NAYS—45

Allen	Eastland	Muskie
Baker	Garn	Nunn
Bartlett	Goldwater	Percy
Bellmon	Griffin	Roth
Bentsen	Hansen	Schmitt
Bumpers	Hatch	Scott
Byrd,	Hayakawa	Sparkman
Harry F., Jr.	Helms	Stone
Byrd, Robert C.	Hodges	Talmadge
Cannon	Hollings	Thurmond
Chiles	Johnston	Tower
Cranston	Laxalt	Wallop
Curtis	Long	Young
Danforth	Lugar	Zorinsky
Dole	McClure	
Domenici	Morgan	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Stevens, for.

NOT VOTING—1

Stennis

The PRESIDING OFFICER (Mr. PAUL G. HATFIELD). The yeas are 53, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

The question recurs on the motion of the Senator from West Virginia to recommit the bill

Mr. ROBERT C. BYRD. Mr. President, will the Chair have the clerk state the motion?

The PRESIDING OFFICER. That the bill be recommitted to the committee, with instructions to report back within 45 days.

Mr. BAKER. Mr. President, I had hoped that the motion to recommit would be made on the basis of the original formulation suggested by the majority leader.

As a matter of fact, there were votes that were cast on this side and at least in one case a pair that was given on the idea that there would be support. I pledged my support for a motion to commit and report back not before July 15 but on some indefinite future date.

There are other aspects of that motion, such as making this bill the pending business, to displace another piece of pending business, only with the concurrent consent of the majority and minority leaders, and I am perfectly happy to support that agreement. I hope the majority leader might consider amending his motion in order to put it back into that original formulation. Otherwise, I am afraid that it will cause some misunderstandings certainly on this side of the aisle and will be at variance with what Members of the Senate thought was the situation as it had been described.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be recommitted to the Committee on Human Resources and that it be reported back to the Senate within 45 days but not before July 15 and that it be the pending business when reported.

Is that the understanding?

Mr. BAKER. Mr. President, reserving the right to object, it is not. I must tell my friend, the majority leader, that the original formulation, as I recall, and the one on which Members on this side had predicated their decisions, in part, was that the bill be recommitted to the jurisdictional committee with instructions that if and when it was reported back, and in no event prior to July 15, it would be made the pending business to displace another piece of pending business with the concurrent consent of the majority and minority leaders. That was the way we understood it on this side, and it was only after that was objected to that the 45-day part was suggested.

Mr. PERCY. That is right.

Mr. ROBERT C. BYRD. Mr. President, I appreciate the——

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. MAGNUSON. We have been working very hard on the Appropriations Committee, and the House of Representatives has reported now most of its bills. We are ready to report most of ours when we get back. We have to finish this by at least the middle of September. If we run into August with another filibuster, which is likely to happen, they can also hold up appropriations bills. I ask that this be amended with the exception of such appropriations bills that are ready for action. Otherwise, we are going to be held up and appropriations bills would be held as hostage if this matter gets back on the floor just about the time we are ready to report them. Then we will have the same situation as we have had sometimes around here where we run into continuing resolutions.

I do not ask the majority leader to amend it except for appropriations bills. I think we have precedence anyway. I am going to object unless that is put into it.

Mr. ROBERT C. BYRD and Mr. PERCY addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be recommitted to the Committee on Human Resources and that if and when it is reported by that committee, but with the proviso that it not be reported prior to July 15, it be the pending business, with the further proviso that the majority leader may be authorized to call up appropriations bills at any point without prejudice to this bill.

Mr. MAGNUSON. All right. OK.

Mr. BAKER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Is that irrespective of cloture if invoked?

Mr. ROBERT C. BYRD. I beg pardon?

The PRESIDING OFFICER. Irrespective of the vote on cloture that would be invoked.

Mr. BAKER. Against what?

The PRESIDING OFFICER. The calling up of the appropriations bills.

Mr. ROBERT C. BYRD. No, because I would take it that if cloture is invoked the matter would not be before the Senate ad infinitum.

Mr. JACKSON. It is privileged.

Mr. PERCY. Mr. President, I wish to ask the distinguished majority leader what the situation would be if we have an energy bill reported to us that has been in struggle for a year that is vital to the future of this country? What would the position be if we have a tax bill which is vital to every taxpayer in this country? Are we going to allow a filibuster to be carried on holding up some of the most important legislation that we have faced in many years?

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I hope the Senator will understand I feel I have a responsibility to the Senate, that I have a responsibility to see that other important legislation is considered, and that I can also move at any time I want to move to displace this bill. I can move to take it down. I am not going to let the country collapse or the Republic go to the dogs.

I hope he will trust me to that extent, and I recognize emergency legislation when I see it, I say most respectfully to the Senator.

Mr. JACKSON. Mr. President, will the majority leader yield?

Mr. PERCY. If I may finish.

Mr. ROBERT C. BYRD. I yield.

Mr. JACKSON. Mr. President, this will answer the Senator's question and it will be helpful.

We do have four conference reports pending. As I understand it conference reports would be in order under existing Senate rules save and except in situations where cloture has been invoked and then, of course, that takes precedence over all legislation on the floor.

Mr. ROBERT C. BYRD. Exactly, the conference reports.

The PRESIDING OFFICER. The Senator is correct. They are privileged.

Mr. ROBERT C. BYRD. Exactly.

Mr. PERCY. Mr. President, to complete my comments, I just wanted the reassurance that I knew the Senate would have. The majority leader has always acted in cooperation with the minority leader in seeing that the vital national interest does go first, and important as this legislation is to some people it cannot be compared in importance——

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Illinois can be reassured that until such time as cloture is invoked on this bill conference reports do have privileged status, and there is nothing to keep the manager of the conference report or any Senator from calling up the conference report. So any measure coming along with a conference report can be called up. If cloture is going to be invoked, the matter is not going to be before the Senate very long no matter whether there are 1,200 amendments or 12,000. The Senator need not fear, it will not be before the Senate overly long but will be before the Senate for a reasonable length of time to give Senators an opportunity to have a fair crack at their reasonable series of amendments.

Mr. PERCY. I thank the Senator.

Mr. ROBERT C. BYRD. I think the Senator can be assured of that.

Mr. BAKER. Mr. President, still on my reservation, I wonder if the distinguished majority leader will repeat his request now since there has been so much intervening colloquy.

Mr. ROBERT C. BYRD. Yes, I will repeat the request. But did the Senator from South Dakota wish to ask any questions?

Mr. ABOUREZK. I want to find out what you are agreeing to. For those of us in the back it is hard to hear what is going on.

Mr. ROBERT C. BYRD. I am sure it is.

So, Mr. President, if we may have order——

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be recommitted to the Committee on Human Resources with instructions that if and when it is reported back it become the pending business before the Senate, with the proviso that it not be reported back prior to the date of July 15; provided further that the majority leader be authorized at any time, except within a cloture situation, at any time this bill is the pending business before the Senate, the majority leader be authorized, to call up appropriation bills or any other emergency legislation while it is pending—appropriation bills or emergency legislation while it is pending except when cloture has been invoked.

Mr. ABOUREZK. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK. May I ask the majority leader why he would want the last proviso in that, why you would want some kind of a specific right to bring up legislation, even emergency legislation, during the time it is the pending business?

Mr. ROBERT C. BYRD. Well, I will strike that. I will leave only the words "appropriation bills."

Mr. ABOUREZK. Why would the majority leader want the right to bring up appropriation bills while this is the pending business?

Mr. ROBERT C. BYRD. To accommodate the problem that was addressed by the chairman of the Appropriations Committee.

Mr. ABOUREZK. Would it not be better then if you need to bring up appropriation bills just to take the bill down again?

Mr. ROBERT C. BYRD. I would rather not.

Mr. ABOUREZK. Well, I object.

Mr. ROBERT C. BYRD. Mr. President, what is the pending motion before the Senate?

The PRESIDING OFFICER. The motion of the Senator from West Virginia that the bill be recommitted to the Human Resources Committee to be reported back not before July 15, but if and when it should be reported back—there were some eliminations at the end.

Mr. ROBERT C. BYRD. That was a unanimous-consent request objected to. What is the pending motion?

RESTATEMENT OF MOTION TO RECOMMIT

The PRESIDING OFFICER. The motion was that it be recommitted to the Human Resources Committee to be reported back within 45 days.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. McCLURE addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I still have the floor.

Mr. McCLURE. Mr. President, first of all, the Senate was not in order, and I could scarcely hear the Chair while the Chair was putting the motion. Did I understand that the motion was that if and when it be reported back or was the motion that it be reported back? I could not hear the Chair.

Mr. ROBERT C. BYRD. Well, the motion is different from the unanimous-consent request which was objected to. The motion is simply that the bill be recommitted to the committee with instructions that it be reported back to the Senate within 45 days.

Mr. McCLURE. And that when the committee cannot exercise any judgment as to whether or not it would be reported back under the motion?

Mr. ROBERT C. BYRD. That is correct.

Mr. McCLURE. Mr. President, would the distinguished majority leader entertain the possibility of amending it to state the motion in the same way that the unanimous-consent request was to give the committee that authority to say if and when it is reported back?

Mr. ROBERT C. BYRD. Mr. President, will the Chair indulge me for a moment?

Mr. President, I ask unanimous consent that I may put in a quorum call without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

Mr. STEVENS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. McCLURE. Mr. President, will the Chair direct Senators to take their seats?

The PRESIDING OFFICER. Senators will please take their seats. The Senator from West Virginia is recognized.

UNANIMOUS-CONSENT AGREEMENT ON RECOMMITTAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the bill be recommitted to the Human Resources Committee, and that if and when it is reported back to the Senate by the committee, it become the pending business, with the proviso that it not be reported back to the Senate prior to July 15.

Mr. MAGNUSON. Have you dropped the appropriations proviso off of it? I object, if that is the case.

Mr. ROBERT C. BYRD. I hope the Senator will not object.

Mr. MAGNUSON. I am going to have to, because——

Mr. ROBERT C. BYRD. I know. I understand, and I want to cooperate.

Mr. MAGNUSON. The House is having a recess that we are not going to have.

Mr. ROBERT C. BYRD. I know; that is true.

Mr. MAGNUSON. And that is going to take place in August, and unless we get our appropriations bills done, that is the latter part of July, and they are going to pick up and go, and they will not be back until after Labor Day, and we will be here until after Christmas with appropriations bills.

Mr. BAKER. Mr. President, will the majority leader yield?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, I, too, am sympathetic with the position of the distinguished chairman of the Appropriations Committee. I see the ranking Republican member on the floor, and I believe he feels the same way. But the majority leader has the authority to request

that the Senate proceed to the consideration of another item on the calendar, and certainly in a matter of this importance, with appropriation bills under a deadline, I am sure he would do so. I would support him.

Mr. MAGNUSON. Why do you not, instead of assuring me, make it certain?

Mr. ROBERT C. BYRD. Again, because if I do that, the Senator from South Dakota will object.

Mr. MAGNUSON. No; he said he is not going to object. He is gone.

Mr. METZENBAUM. No; he is right here. [Laughter.]

Mr. MAGNUSON. If I have the assurance of both the minority and majority leaders that when we have an appropriation bill ready, in July or August, whenever it is, we can bring it up on the floor, and we are not going to be held hostage to the matter we are now discussing here today——

Mr. ROBERT C. BYRD. It would have to be with the understanding that it would not be with prejudice to this bill.

Mr. BAKER. And with the understanding, Mr. President, that the distinguished——

Mr. MAGNUSON. Well, I want to bring them up.

Mr. ROBERT C. BYRD. I do, too, but I would like to have the understanding that if I call it up it would be without prejudice to this bill.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. YOUNG. I would like to say, as ranking Republican on the Appropriations Committee, that from now on, when those appropriation bills are ready, we are going to have to bring them up. If we have a two-track system, that is all right, but these appropriation bills have to be brought up when they are ready, otherwise we will be here until Christmas.

Mr. ROBERT C. BYRD. I agree. No one is more aware of the necessity for proceeding with the appropriation bills, or of the necessity for getting our work done, and done in an orderly fashion, within a reasonable length of time. I hope Senators will understand my stating that, and will not object to my request. The Senator from Washington knows I will work with him.

Mr. MAGNUSON. I know you and the Senator from Tennessee give your word that that is what you will do; but you cannot control some of the other prima donnas around here.

Mr. ROBERT C. BYRD. Right; exactly.

[Laughter.]

Mr. MAGNUSON. I may be ready with an appropriation bill to keep the Government running, and you two might want to bring it up, and somebody will stand up here in the back row and say "I object."

[Laughter.]

Mr. MAGNUSON. Then we have to go through the rigmarole again. But I guess the three of us can work it out.

All right, I have no objection.

The PRESIDING OFFICER. Is there objection. Without objection——

Mr. SCHMITT. Mr. President, reserving the right to object, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SCHMITT. Will the Chair state the status of the amendments to this bill under the provisions of the unanimous-consent agreement? Are they also in order? Will the Chair state the facts as to that?

Mr. BAKER. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Supplementing the inquiry from the distinguished Senator from New Mexico, is it not so that amendments at the desk would be recommitted with the bill itself?

The PRESIDING OFFICER. No, the Senator is not correct. The pending amendments would fall, the three pending amendments. But all other amendments at the desk would stay in place, and could be called up.

Mr. SCHMITT. I thank the Chair.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(Later the following occurred:)

Mr. ROBERT C. BYRD. Mr. President, as in legislative session, I ask unanimous consent that this statement appear immediately after the action taken by the Senate today in referring the labor bill to the committee with instructions that it report it back to the Senate and it become Senate business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the action that the Senate has taken with respect to the labor bill is the action that was necessary to keep that bill from being killed. I think it should be obvious to everyone that the proponents did not have the 60 votes necessary to invoke cloture. So what the Senate did was it kept the bill from being killed. In ordering that the bill be made the pending business if and when the committee report it back, the bill was saved. It is very much alive, and I am confident that the committee will act to report back a bill after having taken into consideration the concerns that have been expressed throughout this debate.

I think it was recognized by everyone that there were legitimate concerns expressed. The managers of the bill (Mr. WILLIAMS and Mr. JAVITS) both acted reasonably and fair at all times, and attempted in every way to accommodate what they saw as being the legitimate and reasonable concerns. Those accommodations were manifested in the substitute which I offered on their behalf and on behalf of other Senators, and also were manifested in the perfecting amendments which were offered. The managers of the bill, I, and other proponents were ready today to make certain other modifications in the bill by way of instructions for recommittal and reporting back forthwith. It was thought best that the bill go back to the committee, let the committee take another look at it, take some time on it, let all Senators have the opportunity, if they wish to appear before the committee, to address their comments to the committee, and then let the committee report the bill after due consideration.

So that was the approach of the Senate and that is what the Senate ordered.

Let it not be said that it was a victory for anyone, a victory for this side or a victory for that side, or a defeat for this side or a defeat for that side. The issue has not been settled, but it has been temporarily sent back to the committee. I fully expect the committee to report back a bill and when that bill comes back it will be the pending business before the Senate and the Senate will take it up.

There are those who say, "Well, there may be a filibuster then." Who knows? It will not be on the bill sent back to the committee today but on the bill the committee reports. The issue will involve the bill that the committee reports. I do not at this time anticipate a filibuster on a bill the committee has not reported. It may very well be that whatever bill the committee reports will meet with the approval of an overwhelming majority of Senators.

But that is the purpose in sending the bill back to the committee, so that it can take another look at it. It is not a defeat for one side or the other, or a victory for one side or the other. The bill is very much alive. What kept it alive was the action of the Senate today in the order that was entered into.

Mr. JAVITS. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. I wish to emphasize as one of the managers of the bill that the evils which the bill sought to reach have not gone away.

Mr. ROBERT C. BYRD. Exactly.

Mr. JAVITS. The fact is that people fired for trade union activity can still remain fired for years without redress, and the people who want to organize a union can be frustrated no matter how overwhelming the vote, not for months but for years. I promise the Senator that we will bring back a lean and hard bill expressly dealing with the evils. We tried to fashion it on the floor. We could not do it. But we will fashion it in the committee.

Mr. ROBERT C. BYRD. I thank the Senator for his statement. I have full confidence that the Senator from New York and the Senator from New Jersey (Mr. JAVITS and Mr. WILLIAMS) and other members of the committee, are going to do precisely that, look at the bill, report back a bill. and when that bill is reported back it will be the pending business and the Senate will debate it and address its attention to it.

So the bill is not dead. I just want to emphasize that so it will be clear to all that it is my intention when the committee reports the bill back to press for Senate action on it.

(Conclusion of later proceedings.)

EXECUTIVE SESSION

TAX CONVENTION WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND—EXECUTIVE K, 94TH CONGRESS, 2D SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session.

Mr. ROBERT C. BYRD. Mr. President, I hope Senators will not leave the Chamber now.

The PRESIDING OFFICER. To consider Executive K, 94th Congress, 2d Session, Calendar No. 3, the Tax Convention with the United Kingdom of Great Britain and Northern Ireland, which the clerk will report.

Mr. ROBERT C. BYRD. Mr. President, before the clerk states the matter, may I now state that we are now proceeding to consider the United Kingdom Tax Treaty under a time agreement, and there may therefore be rollcall votes yet today, and there will likely be rollcall votes tomorrow, because the Senate will be operating under a time agreement.

Mr. STEVENS. Mr. President, for the information of Senators, may I request that——

The PRESIDING OFFICER. The Senate will be in order.

Mr. STEVENS. May I request, Mr. President, that the Chair state the agreement, so that everyone understands the agreement on this treaty? Are we automatically now in executive session, may I ask?

Mr. McCLURE. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order. The Chair will state the agreement after the Senate comes to order.

Mr. STEVENS. Mr. President, may we have order? This is a very important subject to my State and to most Western States.

The PRESIDING OFFICER. The Senate will be in order. Senators who wish to converse will retire to the cloakrooms.

The clerk will state the unanimous-consent agreement, together with the treaty.

Mr. McCLURE. Mr. President, the Senate still is not in order. We have to many conversations going on between staff and others. I wish the staff could be instructed to clear the floor.

The PRESIDING OFFICER. Those staff members who are not needed on the treaty will clear the floor.

The clerk will report the treaty.

The assistant legislative clerk read as follows:

Executive K, 94th Congress, 2d Session: Tax Convention with the United Kingdom of Great Britain and Northern Ireland.

UNANIMOUS-CONSENT AGREEMENT

Ordered, That when the Senate proceeds to the consideration of the Tax Convention with the United Kingdom of Great Britain and Northern Ireland, there be 8 hours for debate on the treaty and/or the resolution or ratification thereto, with the time to be equally divided and controlled by the Senator from Alabama (Mr. Sparkman) and the Senator from New York (Mr. Javits);

Ordered further, That on a reservation or amendment to be proposed by the Senator from Idaho (Mr. Church) there be a 4-hour time limitation, with the time to be equally divided and controlled by the Senator from Idaho (Mr. Church) and the manager of the treaty; that on any other proposed reservation, amendment, understanding, etc., there be a time limitation of 2 hours; on any amendment to a reservation, amendment, understanding, etc., a time limitation of 1 hour; and on any debatable motion, appeal, or point of order, a time limitation of 20 minutes, with the time for debate in each case to be divided in the usual form;

And provided further, That on the disposition of the labor reform bill, the Senate proceed, in executive session, to the consideration of this treaty.

Mr. JAVITS. Mr. President, the treaty having been reported, do I have the time?

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. Does the Senator desire me to yield?

Mr. STEVENS. I understand the Senator has the time now that the treaty has been called up. I ask that the Senator yield for 30 seconds.

Mr. JAVITS. I will yield for 5 minutes.

Mr. STEVENS. Mr. President, I ask unanimous consent that Sally Crossman of my staff be granted the privileges of the floor during the consideration of this treaty.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I would inquire of the Senator from New York. It is my understanding from the unanimous-consent agreement that the Senator from Alabama and the Senator from New York are managing the time on the treaty. The first amendment, I understand, is to be called up by the Senator from Idaho. Is it the intention of the managers of the treaty to have any colloquy explaining the treaty prior to the consideration of Senator CHURCH's first amendment?

Mr. JAVITS. I would say so. I would say to the Senator that my feeling is that Members have the right to call up reservations or amendments whenever they choose. All time is limited. We will use such time as we need to for the purpose of presenting the treaty to the Senate. From that point on, it is the usual course. If the Senator has some personal wish in that regard, I am sure he can work it out by communicating it to me and Senator SPARKMAN concerning a particular amendment he has in mind.

Mr. STEVENS. I think other Senators would like to know if we are going to get to voting on amendments and reservations. We have been sort of taken a little bit by surprise in terms of planning the order of presenting these matters. As soon as the other Senators involved can be contacted, I will notify the Senator of our plans. My question was, does the committee intend to make a presentation or explanation in the beginning as to what the treaty does and its point of view in terms of the treaty?

Mr. JAVITS. I have a statement and I believe Senator SPARKMAN does also. I do not see him on the floor, however.

Mr. STEVENS. I thank the Senator. It is my understanding that in all probability there will be a vote on at least one amendment or reservation today.

Mr. JAVITS. I cannot say that. I really do not know. That depends on those who move the reservations. We have no vote to ask for until the treaty is complete.

Mr. STEVENS. The only amendment or reservation that has a 4-hour time limit is Senator CHURCH's.

Mr. JAVITS. That is right.

Mr. STEVENS. The others are 2 hours. Unless Senator CHURCH's amendment is called up first, if our others are presented now there will be a vote.

Mr. JAVITS. The Senator is correct.

Mr. STEVENS. I thank the Senator.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may call for a quorum and the time be charged equally to Senator SPARKMAN and myself.

The PRESIDING OFFICER (Mr. PAUL G. HATFIELD). Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DEATH OF HON. FREDERICK G. PAYNE

Mr. MUSKIE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I shall be glad to yield to the Senator from Maine such time as he may require.

The PRESIDING OFFICER. As in legislative session, the resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 486) relative to the death of the Honorable Frederick G. Payne.

Mr. MUSKIE. Mr. President, is it in order to submit this resolution?

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MUSKIE. Mr. President, I submit this resolution on behalf of my colleague and myself.

I would like to say this about the distinguished Senator from Maine who preceded me in the seat which I now hold:

Mr. President, Fred Payne, a distinguished political leader of Maine and a former Member of the Senate, died last Thursday at his home in Waldoboro, Maine.

I know many of my colleagues share with me warm memories of Fred. He had a colorful background, an engaging personality, a talent for eloquent speech and a detailed knowledge of parliamentary procedure, which he put to good use presiding over this body though it was controlled by a Democratic majority.

Fred also had a deep interest in the needs of small business, a concern for the plight of the elderly, and an understanding of the dangers of the nuclear age.

He came to the Senate in 1952 after a tough Republican primary campaign. It was a measure of his personality, and his skill as an administrator during two

terms as Governor of Maine, that he won.

I was a minority member of the legislature during Fred's years as Governor. In those days we Democrats were a small minority, indeed. It was said we held our caucuses in a telephone booth. But Fred found the time to offer me advice and counsel in a spirit of bipartisanship and friendship during those years. I was grateful for his help and his courtesy, and I was impressed by his leadership as Governor.

Fred's background was an unusual one for a man who succeeded in politics.

He was at times a theater usher, grocery clerk, and dishwasher, as well as an accountant and movie theater manager. He had a good financial mind and his accomplishments as Governor included broadening Maine's financial base through a sales tax. Fred also increased school aid, improved pay for State employees, and accelerated the State highway building program.

Among his specific accomplishments in the Senate was a resolution which led to U.S. participation in an international scientific commission to study the health dangers of nuclear fallout.

In 1958, we were political opponents. It was a clean, well-fought campaign in the best political tradition. I regarded him as an honorable opponent who preferred to campaign on the issues. I appreciated the high quality of his performance in the campaign.

Fred Payne was a dedicated servant of the people of Maine. He accomplished much during his political career. I know those of my colleagues who served with Fred share my sense of loss at this death.

Mr. President, the Portland Press Herald, in its editorial on Fred Payne, entitled "A Good Governor," pointed especially to his service as Maine's chief executive.

The paper wrote:

It was as governor from 1949 to 1953 that he made his most conspicuous mark. His experience as finance commissioner pointed the way and the need for the overhaul of the state's fiscal system which he provided. One of the innovations was the appointment of a roving auditor who checked on the expanding state agencies.

Under Fred Payne's stewardship, economic development became a major area of state concern.

During the two terms he served in Augusta, the state was experiencing a significant expansion of government responsibility. As governor, Payne fought for introduction of a sales tax and broadened the base of the state's source of revenue to meet the demands of the growing government.

The newspaper added these sentiments, which I know all of us who knew Fred share:

Fred Payne worked hard for the State of Maine and his leadership accomplished much. His performance, and his warm personality, are what Maine people remember best about him and for which they are grateful.

I thank my good friend from Alabama for his courtesy in yielding to me.

Mr. SPARKMAN. Mr. President, I want to say that I was privileged to know Fred Payne and to serve in the Senate with him. I certainly second every word that the senior Senator from Maine has said in tribute to him. He was a very fine citizen and a distinguished Senator. I join the distinguished Senator in his tribute.

Mr. HATHAWAY. If the Senator will yield, I join my distinguished colleague in paying tribute to the late Senator from Maine, whom I did not know personally very well, but whom I know by reputation. He made a great contribution to the State of Maine and to the country as a U.S. Senator and as Governor of our State.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 486) was agreed to.

The resolution reads as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret of the death of Honorable Frederick G. Payne, a Senator from the State of Maine, from 1953 until 1959.

Resolved, That the Secretary communicate these resolutions to the family of the deceased.

Resolved, That when the Senate, at the conclusion of its business today does recess it do so as a further mark of respect to the memory of the deceased.

TAX CONVENTION WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND—EXECUTIVE K, 94TH CONGRESS, 2D SESSION

The Senate continued with the consideration of the treaty.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the United Kingdom-United States Treaty be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the resolution of ratification.

The legislative clerk read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income signed at London on December 31, 1975, and an Exchange of Notes signed at London on April 13, 1976, modifying certain provisions of the Convention (Executive K, 94th Congress, second session), and by two protocols, signed on August 26, 1976 (Executive Q, 94th Congress, second session) and on March 31, 1977 (Executive J, 95th Congress, first session).

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the following individuals be granted the privilege of the floor during consideration of the treaty with the United Kingdom: Norvill Jones and Steve Emerson, of the Committee on Foreign Relations; Paul Oosterhuis and Howard Weinman, of the Joint Committee on Taxation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Will the Senator yield for a similar request?

Mr. SPARKMAN. Yes, indeed.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Carey Parker, of my office, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Mr. KENNEDY assumed the chair.)

Mr. SPARKMAN. Mr. President, I am pleased to present to the Senate the proposed United States-United Kingdom Income Tax Treaty, as amended by an exchange of notes and two protocols. On March 15, 1978, the Committee on Foreign Relations recommended that the Senate give its advice and consent to the treaty and the protocols.

The proposed treaty is intended to replace the existing treaty which was originally signed in 1945. The British House of Commons has already approved the new treaty and protocols. The treaty properly reflects the significance of our close and extensive economic relations with the United Kingdom and is designed to update existing arrangements.

In keeping with other income tax treaties, the proposed treaty contains basic provisions that are designed to avoid double taxation and to prevent evasion of income taxes. However, the treaty breaks new ground in several fundamental respects.

The agreement to refund the United Kingdom advanced corporation tax represents a major concession by the British. Under the new British system of integrated taxation, a tax, known as the A.C.T., is imposed upon divided payments of United Kingdom corporations. The tax is then refunded to British shareholders, but not to other foreign shareholders.

This treaty proposes that U.S. shareholders be given a similar refund, thus eliminating the current discrimination against U.S. investors. The Joint Committee on Taxation has estimated that the refund of this tax will return approximately $375 million to individual and corporate U.S. investors for the years 1973–78, and approximately $90 million a year thereafter. In short, the refund of the tax will provide substantial rebates to American investors and create new investment incentives for our investors. In addition, the treaty commits the United States to reduce its withholding tax rates on dividends paid by American corporations to British investors.

A second new provision of the proposed treaty, contained in article 9(4), seeks to limit the application of the unitary apportionment method in assessing the State income tax liability of any corporation that is controlled by British investors. The proposed treaty provides that a State may not take into account the operations of any affiliated corporation that is not doing business in that State. Rather, the States will be empowered only to utilize the arm's length method, a formula used by the Federal Government and many foreign governments.

A third new provision of the treaty provides that the U.K. petroleum revenue tax will be made creditable for foreign tax credit purposes. The British

recently introduced this tax on petroleum activities on its continental shelf, most notably in the North Sea, in order to help manage oil exploration and production. This tax is separate from the regular British corporate tax and is in addition to a separate royalty. In the view of the Internal Revenue Service, this tax would probably not be treated as a creditable tax in the absence of the treaty provision.

A fourth provision governs the taxation of income earned by public entertainers and athletes. Although similar rules are not contained in the existing tax treaty with the United Kingdom, they have been included in several tax treaties with nations such as Iceland, Japan, Belgium, Norway, and Trinidad. Under these rules, highly paid entertainers and athletes will be taxable in the country where they perform regardless of the length of their stay in that country.

In most other areas, the proposed treaty is substantially similar to the existing tax treaty with the United Kingdom, to other recent U.S. tax treaties, and to the model tax treaty of the organization for economic cooperation and development.

The proposed tax treaty is vitally important in furthering the objectives of our international economic policies. These objectives are concerned with the removal of impediments to the free international flow of capital and technology, the prevention of tax evasion, and removal of differential tax rates that discriminate against American investors. Of particular significance, the treaty provides for substantial economic refunds to American investors. In a major concession, the British have agreed to make these refunds retroactive, which will immediately provide $375 million to our investors for the years 1973 through 1978, and $90 million per year thereafter.

It should be noted that the Treasury Department has estimated that these refunds will also indirectly serve to increase Federal revenue.

First, if the treaty goes into effect in 1978, the aggregate excess credit position of American corporate investors as a result of their United Kingdom investments will be $83 million less for the 4-year period ending with 1978 than their excess credit position without the treaty. Assuming that excess credits shield investors' low-tax income in other countries from U.S. taxation, the reduction of the excess credit position of American investors in the United Kingdom serves to increase Treasury receipts.

Second, the Treasury Department's estimates are based upon an assumption that, on average, United Kingdom corporations pay out 50 percent of their earnings (after United Kingdom taxes) to their American corporate shareholders. To the extent that the payout rate is greater than 50 percent, excess credits will further diminish and, at some point, there will be a net U.S. tax on the refunds.

Finally, it is estimated that the American corporate investors will redistribute about 50 percent of their refunds to individual shareholders in the United States. The Federal tax on such redistributions would increase Treasury receipts by about $53 million for the refunds attributable to the 1975–78 period, and by about $13 million for refunds attributable to each subsequent year. Similarly, additional State revenues can be expected by taxing these redistributed refunds.

The United Kingdom is one of our major trading partners with whom we have shared close economic relations for many years. Vast changes have occurred in this relationship since 1945, when the existing treaty was first signed. The treaty serves to update outmoded tax laws and institute internationally recognized standards in the area of tax administration. The arm's length method in article 9 (4) is one such uniformly accepted standard and thus simplifies the administrative complexities in the determination of taxable income of United Kingdom corporations.

Equally important to U.S. interests is the provision which grants substantial refunds to American investors, and the provision which treats the petroleum revenue tax as a creditable tax, thus serving as an incentive to the oil companies in encouraging them to explore for non-OPEC oil.

In short, the proposed tax treaty represents a timely and necessary revitalization of our existing tax treaty arrangement. I urge its approval.

Mr. President, I ask unanimous consent that excerpts from the committee report be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

INCOME TAX TREATY WITH THE UNITED KINGDOM AND TWO PROTOCOLS

REPORT

The Committee on Foreign Relations, to which was referred the Tax Treaty with the United Kingdom of Great Britain and Northern Ireland for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (Executive K), as amended by a subsequent Exchange of Notes and two Protocols (Executive Q and Executive J) having considered the same, reports favorably thereon without reservation and recommends that the Senate give its advice and consent to ratification thereof.

I. PURPOSE

The purpose of this Treaty, as amended by the Exchange of Notes and two Protocols (collectively referred to in this report as the proposed treaty), is to replace the existing tax treaty between the United States and the United Kingdom signed on April 16, 1945, and subsequently amended. The proposed treaty is intended to modernize the relationship between the two countries with respect to income taxes and, in particular, to take into account changes in the British income tax system.

II. BACKGROUND

The proposed Tax Treaty with the United Kingdom was signed on December 31, 1975, and was amended by the Exchange of Notes (signed on April 13, 1976), the first Protocol (signed August 26, 1976) and the second Protocol (signed on March 31, 1977). The Tax Treaty and the Exchange of Notes were transmitted to the Senate on June 24, 1976.

The proposed Tax Treaty, as amended by the Exchange of Notes and the two Protocols, has been approved by the United Kingdom House of Commons.

III. SUMMARY OF TREATY

The proposed treaty is substantially similar to the existing tax treaty with the United Kingdom, to other recent U.S. tax treaties, and to the model tax treaty of the Organization for Economic Cooperation and Development (OECD). There are, however, several provisions of the proposed treaty which are not found in other U.S. tax treaties. Of particular significance are the new provisions contained in the proposed treaty (1) which provide for a refund by the U.K. to U.S. portfolio and direct shareholders receiving dividends from British corporations of Advance Corporation Tax (ACT) paid by the distributing corporation (*Article 10*) and allow a U.S. foreign tax credit for the one-half of the ACT which is not refunded to U.S. direct corporate investors (*Article 23*), (2) which limit the right of states to apportion income of British multinational corporations under the unitary method (*Article 9 (4)*), and (3) which treat the British Petroleum Revenue Tax (PRT) as a creditable tax for U.S. foreign tax credit purposes (*Articles 2 and 23*).

IV. PROVISIONS OF TREATY

Article 1. Personal scope

Article 1 sets forth the persons covered by the proposed treaty: generally, citizens and residents of the United States and the United Kingdom and corporations resident in either country. This article also contains the usual "saving clause" which provides that, with specified exceptions, the treaty is not to affect the taxation by the United States or the United Kingdom of their citizens or residents.

Article 2. Taxes covered

Article 2 sets forth the taxes covered by the proposed treaty. The treaty generally covers the income taxes imposed by both countries and, in addition, applies to the U.S. insurance excise tax and the British Petroleum Revenue Tax (PRT).

Insurance of U.S. Risks

Application of the proposed treaty to the insurance excise tax results in the exemption under *Articles 7 (business profits)* and *22 (Other income)* of British insurance companies with no U.S. permanent establishment from the insurance excise tax. This exemption from both taxes is a departure from the existing U.S.–U.K. tax treaty and other U.S. tax treaties.

Petroleum Revenue Tax (PRT)

The proposed treaty treats the PRT as a creditable tax for U.S. foreign tax credit purposes. The PRT is imposed at a 45-percent rate on assessable profits from oil and gas extraction activities in the United Kingdom (including the North Sea) on a field-by-field basis. It is in addition to, and separate from, the regular U.K. corporate tax and a separate royalty. In the view of the Internal Revenue Service, the PRT would probably not be treated as a creditable tax in the absence of this provision.

Article 3. General definitions

Article 3 defines the terms used in the proposed treaty, which are generally the standard definitions contained in most U.S. tax treaties.

Article 4. Fiscal residence

Article 4 sets forth the rules for determining whether a person is a resident of either country and therefore entitled to the benefits of the treaty.

Article 5. Permanent establishment

Article 5 defines the term permanent establishment for purposes of the treaty. The manner in which income of a resident of one country is taxed by the other country is generally dependent upon whether the in-

come is attributable to a permanent establishment which the resident has in that other country.

Article 6. Real property

Article 6 sets forth the rules governing the taxation of income from real property.

Article 7. Business profits

Article 7 defines the term "business profits" and provides the general rule that residents of one country are not to be taxed on business profits from the other country unless they are attributable to a permanent establishment in that other country.

Article 8. Shipping and air transport

The proposed treaty provides that income derived by a U.S. enterprise from the operation in international traffic of ships or aircraft is exempt from British tax and that such income derived by a British enterprise is exempt from U.S. tax. This exemption is broader than the exemption customarily provided in U.S. tax treaties (including the existing U.S.–U.K. tax treaty) under which shipping and air transport income of a resident of one country is exempt by the other only if the ships and aircraft are registered in the first country.

Article 9. Associated enterprises

Article 9 sets forth the right of each country to allocate income on an arm's-length basis in the case of transactions between related persons.

Article 9(4). State taxation/unitary method

The proposed treaty contains a new provision, not found in other United States tax treaties, which places limitations on the combined reporting method used by several states of the United States to determine the taxable income which multinational corporations derive from sources within the state. Under this apportionment method, the operations of all related corporations (both domestic and foreign) are taken into account on a consolidated basis. The proposed treaty provides generally that in determining the tax liability of a British corporation doing business within a state, or of any subsidiary (U.S. or foreign) doing business within a state which is controlled by a British corporation, the state may not use the combined reporting method to take into account the operations of any related foreign corporation which is not doing business within the state. In such cases, the arm's-length method may be applied.

Article 10. Dividends

Article 10, in conjunction with Article 23 (Elimination of double taxation), contains a new and complex set of provisions with respect to the taxation of dividends. These provisions are designed to resolve the problems presented by the interaction of the U.S. system of corporate taxation and the new hybrid system adopted by the United Kingdom in 1973 which in part integrates corporate and shareholder taxation. Under the new British system, a tax is imposed upon U.K. corporations with respect to dividend payments (the Advance Corporation Tax, or ACT) and is allowed as a refundable credit to U.K. shareholders. In the absence of a tax treaty, no refunds are paid to, and no withholding taxes imposed on, foreign shareholders receiving dividends from British corporations.

Under the proposed treaty, the U.K. is to provide full refunds of the ACT to U.S. portfolio investors (individual shareholders and corporate shareholders owning less than a 10 percent stock interest) in British corporations, but the ACT refunds and dividend payments are to be subject to a 15 percent withholding tax. In the case of U.S. direct corporate investors (corporations owning at least 10 percent of the U.K. corporation's stock), the proposed treaty provides for a refund of one-half of the ACT, but also for a 5 percent withholding tax on the dividend and the refund.

The proposed treaty also provides for rules for the treatment of the ACT for U.S. foreign tax credit purposes and provides for the allowance of an indirect foreign tax credit for ACT which is not refunded (*Article 23*).

The United States agrees to reduce its statutory 30 percent withholding tax to 15 percent on dividends to United Kingdom portfolio investors and to 5 percent on dividends to United Kingdom corporate direct investors. Under the existing treaty, the withholding tax rate is limited to 15 percent on dividends to both portfolio and direct corporate investors.

Article 11. Interest

Article 11 follows the existing treaty and provides for the reciprocal exemption of interest derived by residents of either country from payers in the other. (The U.S. statutory rate is 30 percent.)

Article 12. Royalties

Article 12 follows the existing treaty and provides for the reciprocal exemption of royalties derived by residents of either country from payers in the other. (The U.S. statutory rate is 30 percent).

Article 13. Capital gains

The proposed treaty provides that residents of one country may be taxed by the other country under its internal laws on capital gains derived from sources in that other country. This is a change from the existing treaty under which such capital gains are exempt. However, under the internal laws of both countries, nonresidents are not ordinarily subject to tax on such gains.

Article 16. Investment holding companies

Article 16 denies the benefits of the articles on dividends, interest, and royalties (*Articles 10–12*) to certain investment and holding companies which qualify for certain tax benefits in the country of residence or which are controlled by shareholders from third countries.

Articles 14, 15, 18–21. Compensation for personal services

Articles 14 (Independent personal services), 15 (Dependent personal services), 18 (Pensions, annuities, and alimony), 19 (Government service), 20 (Teachers), and 21 (Students and trainees) govern the treatment of compensation for personal services. These provisions generally follow the existing treaty and other recent U.S. tax treaties.

Article 17. Artistes and athletes

The proposed treaty contains a separate set of rules which govern the taxation of income earned by public entertainers and athletes. Similar rules are not contained in the existing U.K. treaty, but are contained in several recent U.S. tax treaties. These rules provide that public entertainers and athletes who are residents of either the U.S. or the U.K. and whose gross receipts from performing in the other country exceed $15,000 for the year may be taxed by the country where the services are performed. Under these rules, highly paid entertainers and athetes will be taxable in the country where they perform regardless of the length of their stay in that country.

Article 22. Other income

Article 22 provides rules governing income not otherwise dealt with in other articles. In general, such income is taxed in the country of residence unless attributable to a permanent establishment in the other country.

Article 23. Elimination of double taxation

Article 23 provides the general rule that both countries will allow a foreign tax credit for income taxes paid to the other country on income from sources in the other country. The treaty also clarifies the taxation of United States source income of United States citizens residing in the United Kingdom and branches of U.S. corporations located in the United Kingdom. The treaty generally allows the United Kingdom to tax such income, but in so doing, the United Kingdom must allow a credit against its tax for any United States tax paid with respect to the same income. It also provides the general rule that income derived by a resident of one country which may be taxed under the proposed treaty by the other country will be deemed to arise from sources within that other country. These rules are consistent with our other recent treaties and the OECD model tax treaty.

Article 24. Nondiscrimination

Article 24 is a comprehensive nondiscrimination provision similar to provisions in other U.S. tax treaties under which each country agrees not to discriminate by imposing more burdensome taxes on citizens and corporations of the other country than it imposes on its own citizens and residents.

Articles 25 and 26. Administrative provisions

Articles 25 and 26 contain various administrative provisions similar to those contained in other U.S. tax treaties.

Article 27. Effect on diplomatic officials and domestic laws

Article 27 provides that the treaty will not affect the fiscal privileges of diplomats and consular officials under international law or other agreements. Article 27 also contains the general rule found in other U.S. tax treaties that its provisions do not restrict any right or benefit otherwise available under the laws of either country.

Article 28. Entry into force

Article 28 provides that the proposed treaty will enter into force on the thirty-first day after ratification. Once the treaty enters into force, it applies retroactively with different dates for different taxes and provisions. Most provisions are effective beginning in 1975, but the provisions dealing with ACT refunds to U.S. portfolio shareholders are effective beginning in 1973.

Article 29. Termination

Article 29 provides that the treaty will continue in force indefinitely, but either country may terminate it in any year after 1980 by giving notice through diplomatic channels.

V. DATE OF ENTRY INTO FORCE

The proposed treaty will enter into force 30 days after the date of the exchange of instruments of ratification and have effect according to the schedule in Article 28. The proposed treaty will remain in force indefinitely but may be terminated by either party by giving notice of termination on, or before June 30, in any year after 1980 pursuant to the procedure found in Article 29.

VI. COMMITTEE HEARINGS

The Committee on Foreign Relations held public hearings on the proposed treaty on July 19 and 20, 1977. During these hearings the Committee received testimony from 22 witnesses and compiled a hearing record totalling 496 pages.

The following individuals testified:

Paul Berger on behalf of the Screen Actors Guild.

Valentine Brookes, Brookes, Brookes & Vogl, San Francisco, Calif., on behalf of EMI-Capital Records, Inc.

Ernest S. Christian, Jr., Patton, Boggs & Blow, on behalf of the Committee on State Taxation, Council of State Chambers of Commerce, Washington, D.C.

Kenneth Cory, Controller, State of California, Sacramento, California.

Theodore W. De Looze, Chief Tax Counsel, Oregon Department of Justice, Salem, Oregon.

Bruce E. Denebeim, Senior Vice President, the Chartered Bank of London, San Francisco, California.

Sterling Gallagher, Commissioner, Department of Revenue, State of Alaska, Juneau, Alaska.

Andrew W. Gotelli, Peat, Marwick, Mitchell & Company, on behalf of California Council for International Trade, San Francisco, Calif.

Hon. S. I. Hayakawa, U.S. Senator from California.

Hon. Jerome Kurtz, Commissioner, Internal Revenue Service; accompanied by Stuart Seigel, Chief Counsel, Internal Revenue Service.

John J. Lobdell, Director of Revenue, State of Oregon; immediate past chairman of the board of trustees of the Federation of Tax Administrators; and present chairman of the Multi-State Tax Commission, Boulder, Colo.

William D. McKee, on behalf of the Committee of Foreign Banks in support of the United States-United Kingdom Tax Treaty.

John S. Nolan, Miller & Chevalier, on behalf of the British National Committee of the International Chamber of Commerce and the Confederation of British Industry, Washington, D.C.

Robert M. Norris, President National Trade Council, New York, N.Y.; accompanied by William J. Hanlon, member of the tax committee.

Paul W. Oosterhius, legislation counsel, Joint Committee on Taxation; accompanied by David H. Brockway, legislation attorney, Joint Committee on Taxation.

Norman J. Phillion, Executive Vice President, Air Transport Association of America; accompanied by John Krimsky, Jr., Vice President, Pan American World Airways, Washington, D.C., and James T. O'Hara, special counsel to the Air Transport Association of America, Jones, Day, Reavis and Pogue, Washington, D.C.

Ernest I. Reveal, President, R. T. French Co., Rochester, N.Y.

Daniel G. Smith, President, National Association of Tax Administrators, Chicago, Ill.

Carl A. Stutsman, Jr., on behalf of the Los Angeles Area Chamber of Commerce.

Charles M. Walker, former Assistant Secretary of the Treasury for Tax Policy.

Laurence N. Woodworth, Assistant Secretary for Tax Policy, Department of the Treasury; accompanied by David Foster, tax consultant, Department of the Treasury, and Charles Kingson, International Tax Counsel, Department of the Treasury.

VII. COMMITTEE ACTION

The Committee considered the proposed treaty on March 15, 1978, and ordered it favorably reported by a voice vote with the recommendation that the Senate give its advice and consent to ratification of the proposed treaty. Prior to the vote, Senator Church proposed that a reservation be attached to the provision that restricts the use of the unitary taxing method, Article 9(4). The proposed reservation on Article 9(4) was defeated by a vote of 10 to 5. The Senators favoring a reservation were Senators Church, Clark, Humphrey, Sarbanes, and Sparkman. The Senators opposing a reservation were Senators Baker, Case, Glenn, Griffin, Javits, McGovern, Pearson, Pell, Percy, and Stone.

VIII. BUDGET IMPACT

The Committee estimates that, in contrast with the existing tax treaty with the U.K., the proposed treaty could result in a reduction in U.S. tax revenues of $100 million for fiscal year 1978 (reflecting the impact of changes retroactively applicable to the 1975–1978 period). It is estimated that the proposed treaty could result in a U.S. revenue loss of $28 million for fiscal year 1979 and that the annual revenue loss could increase to $45 million by fiscal year 1983. No revenue gain or loss is reflected in these estimates with respect to the provisions relating to the ACT refund to U.S. direct corporate investors or to the creditability of the PRT because of the uncertainty as to the revenue effect of these provisions. Consequently, the actual revenue effect of the proposed treaty could be significantly higher or lower than these estimates indicate. In fact, under certain assumptions the proposed treaty could even be viewed as resulting in a revenue gain. However, under other assumptions, the provisions of the proposed treaty relating to the PRT and the ACT could result in a substantial loss in revenue each year, as noted in the section of the report analyzing revenue effects. The revenue impact of the proposed treaty is discussed in detail in part B of section IX, "Explanation of Treaty Provisions."

In accordance with section 403 of the Budget Act, the Committee advises that the Director of the Congressional Budget Office also estimates that the five-year cost of the treaty provisions, other than those related to the ACT and the PRT, in millions of dollars would be:

Fiscal year:	Revenue loss
1978	$100
1979	28
1980	31
1981	35
1982	40
1983	45

The Congressional Budget Office indicated (text of letter follows) that because of the degree of uncertainty involved in determining the gain or loss attributable to the ACT and PRT provisions (since it is dependent on the resolution of other legal questions such as whether taxes imposed by other foreign countries qualify for the foreign tax credit), it has made no estimate for the effect on budget receipts of these provisions. In keeping with the spirit of section 308(a) of the Budget Act, and after consultation with the Director of the Congressional Budget Office, the Committee states that the proposed treaty does not provide any new budget authority or any new or increased tax expenditures.

TEXT OF LETTER FROM THE CONGRESSIONAL BUDGET OFFICE

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C. April 18, 1978.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with Section 403 of the Budget Act, the Congressional Budget Office has examined the proposed income tax treaty with the United Kingdom. The proposed treaty would replace the existing treaty between the two countries. It is intended to take account of changes in the tax systems, particularly the enactment by the British of the Advance Corporation Tax (ACT) and the Petroleum Revenue Tax (PRT).

The treaty would not provide any new budget authority or any new or increased tax expenditures.

The Congressional Budget Office estimates that the five-year cost of the treaty provisions, other than those related to the ACT and the PRT, in millions of dollars would be:

Fiscal year:	Revenue loss
1978	$100
1979	28
1980	31
1981	35
1982	40
1983	45

While the proposed treaty would make clear that the ACT and the PRT qualify for the foreign tax credit under United States law, the resulting gain or loss in federal revenues would depend on the resolution of other legal questions, including, for example, whether taxes imposed by some other foreign countries also qualify for the foreign tax credit. Because there is this degree of uncertainty, no estimate for the effect on budget receipts of the provisions relating to these taxes has been made.

Sincerely,

ALICE M. RIVLIN,
Director.

IX. EXPLANATION OF TREATY PROVISIONS*

PART A. ARTICLE-BY-ARTICLE ANALYSIS

Article 1. Personal scope

The proposed treaty generally applies to residents of the United States and residents of the United Kingdom, with specific exceptions designated in other articles. This follows the OECD model tax treaty and most of our other income tax treaties.

However, corporations which are incorporated in the United States but are managed and controlled in the United Kingdom, and thus considered residents of both for purposes of the treaty ("dual-resident corporations"), may only claim the benefits of certain provisions (described within in connection with the relevant articles).

Additionally, the proposed treaty contains the usual "saving clause" which provides that, with specified exceptions, the treaty is not to affect the taxation by the United States or the United Kingdom of their citizens or residents. The principal exceptions involve the determination of domicile for U.K. tax purposes, the limitations placed on the power of state and local governments to tax corporations controlled by U.K. shareholders, and the benefits provided under the foreign tax credit and the nondiscrimination, governmental salaries, teachers, and students provisions.

Article 2. Taxes covered

The proposed treaty generally applies to the U.S. Federal income taxes (including the employee's share of social security taxes) imposed under the Internal Revenue Code. The proposed treaty also applies to the Federal excise tax on insurance premiums paid to foreign insurers (Code sec. 4371). The application of the proposed treaty to the insurance excise tax differs from the existing treaty and other U.S. tax treaties, and it is discussed in greater detail below in connection with the business profits article (*Article 7*). In the case of the United Kingdom, the proposed treaty applies to the income tax, the capital gains tax, the corporation tax, and the Petroleum Revenue Tax.

The proposed treaty applies to income taxes imposed by political subdivisions or local authorities of the United States and the United Kingdom for purposes of the limitations placed on the combined reporting method of determining income subject to tax in the case of a corporation controlled by a corporation resident in the other country (*Article 9(4)*). In practice, this applies only to states and localities in the United States because the political subdivisions and local authorities in the United Kingdom do not impose income taxes.

In addition, the nondiscrimination provisions of the proposed treaty (*Article 24*) apply with respect to all taxes of each country, including all political subdivisions and local authorities of each country.

Finally, the proposed treaty also contains a provision generally found in U.S. income tax treaties to the effect that it will apply to substantially similar taxes which either country may subsequently impose.

Article 3. General definitions

The standard definitions found in most of our income tax treaties are contained in the proposed treaty.

For purposes of the treaty, the term "United States," when used in a geographical sense, includes the states and the District of Columbia. Thus, the treaty does not apply

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*The Committee would like to thank the staff of the Joint Committee on Taxation for preparing the explanation of the provisions of the proposed treaty.

to the possessions of the United States or to Puerto Rico. The term "United Kingdom" means Great Britain and Northern Ireland. The treaty does not apply to the Channel Islands, the Isle of Man, the British colonies, or member-states of the Commonwealth. The term "Nationals" of the United Kingdom includes, for purposes of the treaty, all citizens of the United Kingdom. In addition, in certain limited cases, the term also includes citizens of British colonies and certain other British subjects from Commonwealth countries.

The proposed treaty contains the standard provision that undefined terms are to have the meaning which they have under the applicable tax laws of the country applying the treaty. Where a term is defined in a different manner by the two countries, the competent authorities of the two countries may establish a common meaning for the term in order to prevent double taxation or to further any other purpose of the treaty.

Article 4. Fiscal residence

The benefits of the proposed treaty are generally available only to residents of the two countries. The proposed treaty defines "resident of the United Kingdom" and "resident of the United States". Generally, the proposed treaty treats as residents of a country individuals who are subject to tax in that country on account of their residence therein. In addition, a set of rules is provided to determine residence in the case of an individual with dual residence. This provision of the proposed treaty is based on the fiscal domicile article of the OECD model treaty and is similar to the provisions found in other U.S. tax treaties.

An individual whom both countries consider to be a resident according to their general rules for determining residence will be deemed for all purposes of the treaty to be a resident of the country in which he has his permanent home, his center of vital interests (his closest economic and personal relations) his habitual abode, or his citizenship. If the residence of an individual cannot be determined by these tests, applied in the order stated, the competent authorities of the countries will settle the question by mutual agreement. Where an estate or trust (taxable as such) is considered to be a resident by both countries, the competent authorities may settle the issue by mutual agreement.

Paragraph (4) of this Article is a unique transitional provision designed to eliminate a difference in the rules for determining domicile under prior U.K. law between American women married to U.K. nationals and American men married to U.K. nationals. Under U.K. law, resident aliens are generally taxed on their worldwide income if they are domiciled in the United Kingdom; but if they are not domiciled there, they are only taxed on their income which they receive in the United Kingdom. Under prior U.K. law, a woman who was a resident of the United Kingdom was considered to be domiciled in the United Kingdom if she was married to a man domiciled in the United Kingdom. A man, however, was entitled to establish on the basis of the facts and circumstances that he was not domiciled in the United Kingdom notwithstanding the fact that he was married to a U.K. domiciliary. In order to eliminate this difference in treatment, the U.K. amended its law in 1973 to provide that any woman married to a U.K. domiciliary after January 1, 1974, may, to the same extent as a man, establish under the facts that she is not a U.K. domiciliary and thus not subject to tax on foreign income until it is remitted.

The problem which the treaty provision resolves is that this new rule providing for equivalent treatment of men and women in the determination of domicile under U.K. law does not apply with respect to marriages which occurred prior to 1974. U.K. law treats a woman married before 1974 as retaining her husband's domicile. The proposed treaty (as modified by the second Protocol) extends the rule providing equivalent treatment to American women married before 1974 to U.K. domiciliaries by providing that marriages before 1974 of women who are U.S. citizens and men domiciled in the United Kingdom shall be deemed to have taken place on January 1, 1974, for purposes of determining domicile for U.K. tax purposes.

Under the existing treaty, the problem of the domicile of U.S. citizens married to U.K. domiciliaries was not as important because the U.K. courts interpreted the treaty as barring the U.K. from taxing U.S. citizens domiciled in the U.K. on U.S. source dividend and interest income and, accordingly, the question of domicile was frequently moot. However, the question becomes more important under the proposed treaty because the treaty makes clear that the United Kingdom may tax U.S. citizens domiciled in the United Kingdom on income from U.S. sources (subject to a credit for U.S. taxes paid) once the existing treaty ceases to apply to such income (April 6, 1976).

A special rule is provided for cases where income eligible for treaty relief in one country is taxable to a resident of the other country only if, and to the extent that, it is remitted to or received by that person. In certain cases, individuals who are residents of the United Kingdom are not taxable on foreign source investment income, unless it is remitted to or received by them in the United Kingdom. If such income were received outside of the United Kingdom and accumulated by the taxpayer, a United Kingdom resident may not be subject to U.K. tax on that income. If the reductions in U.S. tax rate or exemptions from U.S. tax were to apply to those items of income, the United States would be foregoing tax where double taxation does not in fact occur. Thus, this paragraph provides that if under the law in the other country income would only be taxed on a remittance basis, then any reduced rates of tax (e.g., as provided by Article 10 (Dividends)), or relief from taxation (e.g., Article 7 (Business Profits) and 8 (Shipping and Air Transport), 11 (Interest), or 12 (Royalties)) provided by this treaty shall apply only to the extent that the income is remitted to or received by the person in the year in which it accrues to the benefit of that taxpayer. This rule applies to all persons, including individuals, corporations, partnerships, and trusts or estates. A similar provision is contained in the existing treaty.

Article 5. Definition of permanent establishment

The proposed treaty contains a definition of permanent establishment which follows the pattern of the OECD model tax treaty and other recent U.S. income tax treaties. The permanent establishment concept is one of the basic devices used in income tax treaties to avoid double taxation. Generally, a resident of one country is not taxable on its business profits by the other country unless those profits are attributable to a permanent establishment of the resident in the other country. In addition, the permanent establishment concept is used to determine whether reduced rates of, or exemptions from tax provided for dividends, interest, and royalties are applicable.

In general, a fixed place of business through which a resident of one country engages in industrial or commercial activities in the other country is considered a permanent establishment. This includes a branch, an office, a factory, a workshop, a mine, oil or gas well, quarry, or other place of extraction of natural resources, and any building or construction or installation project which exists for more than 12 months.

This general rule is modified to provide that a fixed place of business which is used for any or all of a number of specified activities will not constitute a permanent establishment. These activities include, among others, the use of facilities for storing, displaying, or delivering merchandise belonging to the resident, the maintenance of a stock of goods belonging to the resident of purposes of storage, display, delivery, or processing by another person, and the purchase of goods or collection of information for the resident.

A resident of one country will be deemed to have a permanent establishment in the other country if it maintains an agent in the other country who has, and habitually exercises, a general contracting authority (other than for the purchase of merchandise) in that other country. The proposed treaty contains the usual provision that the agency rule will not apply if the agent is a broker, general commission agent, or other independent agent acting in the ordinary course of its business.

The fact that a corporation which is a resident of one country controls (or is controlled by) a corporation which is a resident of the other country or which carries on business in the other country shall not of itself cause the latter corporation to be treated as a permanent establishment of the country of the parent's residence.

Article 6. Income from immovable (real) property

The proposed treaty provides that income from immovable property, including income from agriculture or forestry, may be taxed in the country where the property is located. This rule does not preclude the country of residency from taxing the income, but only confirms that the country where the property is located has the primary jurisdiction to tax the income whether or not the income is derived through a permanent establishment.

Immovable property is to be defined under the laws of the country where the property is located. Generally, the term refers to real property for purposes of United States and United Kingdom law. Income from real property includes income from use or renting, but it does not include capital gains on the sale, exchange, or other disposition of real property. Ships, boats, and aircraft are not considered to be immovable property.

Article 7. Business profits

In General

Under the proposed treaty, business profits of a resident of one country are taxable in the other country only to the extent they are attributable to a permanent establishment which the resident has in the other country. The business profits provisions are substantially the same as the provisions in the existing treaty and in the OECD model tax treaty.

In computing the taxable business profits, all expenses, wherever incurred, which are reasonably connected with the business profits are allowed as deductions. These expenses include a reasonable allocation of executive and general administrative expenses, research and development expenses, interest, and other expenses incurred for the enterprise as a whole (or the part which includes the permanent establishment). However, in determining the amount of the deduction for expenses incurred by the head office, the deduction generally will be limited to the expense incurred without including a profit element for the head office.

Profits will not be attributed to a permanent establishment merely because of the purchase of goods or merchandise by that permanent establishment for the account of the enterprise. Thus, for example, where a permanent establishment purchases goods for its head office, the business profits attributed to the permanent establishment with respect to its other activities will not be increased by a profit element on the purchasing.

The profits of a permanent establishment

are to be determined on an arm's-length basis. Thus, there is to be attributed to it the industrial or commercial profits which would reasonably be expected to have been derived by it if it were an independent entity engaged in the same or similar activities under the same or similar conditions and dealing at arm's-length with the resident of which it is a permanent establishment. In addition, business profits are to be computed on a consistent basis from year to year.

The proposed treaty sets forth examples of types of income which are considered business profits. It follows the approach of our other recent treaties and the Internal Revenue Code by including within business profits investment income which is effectively connected with the permanent establishment. Personal services income earned by an employee is excluded from business profits.

Insurance of U.S. risks

Under the Code, premiums from insuring U.S. risks which are received by a foreign insurance company having no U.S. trade or business are not subject to U.S. income tax but are subject to the U.S. insurance excise tax (secs. 4371–4374). However, the proposed treaty applies to the insurance excise tax and thus, under the business profits article and *Article 22 (Other income)*, income of a British insurance company from the insurance of U.S. risks is subject neither to U.S. income tax nor to the insurance excise tax unless that insurance income is attributable to a U.S. permanent establishment maintained by the British insurer. This treatment is a departure from the existing tax treaty with the U.K. and other U.S. tax treaties.

Under the Internal Revenue Code (in the absence of a contrary treaty provision), a foreign insurer is subject to U.S. income tax on income derived from the insurance of risks situated in the United States in situations where that insurance income is effectively connected with a U.S. trade or business. A foreign insurance company insuring U.S. risks ordinarily will not be viewed as conducting a U.S. trade or business and thus will not be subject to U.S. income tax if it has no U.S. office or agent and operates in the United States solely through independent brokers.

In these situations, a foreign insurance company is not subject to U.S. income tax, but the insurance excise tax is imposed (except as otherwise provided in a treaty) on the premiums paid for that insurance.[1] The excise tax may be viewed as serving the same function as the withholding tax imposed on dividends, interest, and other types of passive income paid to foreign investors. In general, the excise tax applies to insurance covering risks wholly or partly within the United States where the insured is (i) a U.S. person or (ii) a foreign person engaged in a trade or business in the United States. Under the Code, the excise generally applies to any such life, sickness, or accident insurance, or annuity contract unless the foreign insurance company is subject to U.S. income tax. It generally applies to any such casualty policy written by a foreign insurance company unless the policy is placed through an officer or agent of the foreign insurer within a state in which the insurer is authorized to do business.

The treatment of insurance income of foreign insurers is complicated somewhat in situations where, as is usually the case, some portion of the risk is reinsured with other insurance companies in order to spread the risk. In situations where the foreign insurer is engaged in a U.S. trade or business and thus subject to the U.S. income tax, reinsurance premiums, whether paid to a U.S. or a foreign reinsurer, are allowed as deductions. Accordingly, the foreign insurer is taxable only on the income attributable to the portion of the risk it retains. However, while no excise tax is imposed on the insurance policy issued by the foreign insurer doing business in the United States (and, in the case of casualty insurance, the policy is written by an officer or agent of the insurer within a State in which it is authorized to do business), the one-percent excise tax on reinsurance is imposed if and when that insurer reinsures that U.S. risk with a foreign insurance company not doing business in the United States (and not subject to U.S. income tax).

The statutory rules governing the taxation of foreign insurance companies insuring U.S. casualty risks have been modified through interpretations of the existing treaty contained in certain closing agreements which have been entered into between the IRS and a number of British insurance companies. These closing agreements constitute confidential taxpayer return information, and the substantive terms and the legal basis of these agreements have not been made public in the form of revenue rulings or revenue procedures. The closing agreements are apparently intended to provide relief in those situations where there is the potential liability for both income tax and excise tax liability because the foreign insurer is subject to the income tax (because it has a U.S. trade or business) but is not exempt from the excise tax (because it is not licensed by a state to write insurance). It is understood that U.K. insurance companies agree in the closing agreements to subject themselves to the U.S. income tax by treating their U.S. operations (frequently an unrelated agent) as a permanent establishment, and the IRS agrees to waive the excise tax under the nondiscrimination clause of the present treaty.

In exempting from the U.S. income tax and the insurance excise tax all insurance income which is not attributable to a permanent establishment in the United States, the proposed treaty makes two changes in the statutory rules governing the taxation of insurance income of U.K. insurance companies. First, any insurance income which is effectively connected with a U.S. trade or business but is not attributable to a U.S. permanent establishment will not be subject to U.S. income tax. This exemption is contained in the existing treaty. Second, U.K. insurance companies not engaged in a U.S. trade or business will no longer be subject to the insurance excise tax. However, those U.K. insurance companies which continue to maintain a U.S. permanent establishment after the proposed treaty enters into force will remain subject to the U.S. income tax on their net U.S. insurance income attributable to the permanent establishment. In addition, the insurance excise tax will continue to apply in situations where a U.K. insurance company with a U.S. trade or business reinsures a policy it has written on a U.S. risk with a foreign reinsurer other than a U.K. resident. The excise tax will apply to such reinsurance even where the U.K. insurance company has a U.S. trade or business but no U.S. permanent establishment and thus will not be subject to U.S. income tax on the net income it derives on the portion of the risk it retains.

Article 8. Shipping and air transport

The proposed treaty (as modified by the protocol of August 31, 1976)[2] provides that income derived by an enterprise of the United States from the operation in international traffic of ships or aircraft is exempt from United Kingdom tax. Income derived by an enterprise of the United Kingdom from the operation in international traffic of ships or aircraft is exempt from United States tax. These exemptions apply regardless of where the ships or aircraft are registered. The exemption provided in the treaty for U.S. and U.K. residents is broader than the exemption customarily provided in U.S. tax treaties (including the existing U.S.-U.K. tax treaty) under which shipping and air transport income of a resident of one country is exempt by the other only if the ships and aircraft are registered in the first country.

Income from the operation in international traffic of ships or aircraft includes the rental income on a bareboat basis of ships or aircraft operated in international traffic if the rental income is incidental to income from the actual operation of ships or aircraft in international traffic. For example, this rule permits an airline of one country which has excess equipment during certain periods to lease that excess equipment during those periods to an airline of the other country. In such a case the rental income of the lessor is exempt from tax in the other country, whether or not the other airline uses the aircraft in international traffic.

The proposed treaty also provides that income derived by a U.S. enterprise from the use, maintenance, and lease of containers (including trailers and related equipment for the inland transport of containers) used for the transportation of goods or merchandise may not be taxed by the United Kingdom unless the goods or merchandise are transported solely between places within the United Kingdom. Such income derived by U.K. enterprises is similarly exempt from U.S. tax unless the transportation is solely between places within the United States.

Under the proposed treaty, the provisions relating to the taxation of shipping and air transport apply also to profits derived by U.S. or U.K. enterprises from the participation in a pool, a joint business, or an international operating agency.

The proposed treaty also provides that gains of a U.S. enterprise on the sale or other disposition of ships, aircraft or containers owned by the U.S enterprise shall only be taxable by the United Kingdom if under the treaty the income from the ships, aircraft or containers may be taxable by the United Kingdom. Such gains received by U.K. enterprises are similarly not subject to tax by the United States if the income from the disposed ship, aircraft or container is not subject to U.S. tax.

The proposed treaty also exempts from U.K. tax any income derived by a U.S. citizen who is not a resident of the United Kingdom, or by a U.S. corporation (including a dual resident corporation) from the operation of ships or aircraft registered in the United States. This exemption from U.K. tax applies even if the ships or aircraft are operated solely within the United Kingdom. This provision confirms that the United Kingdom grants to U.S. citizens and corporations (including dual resident corporations) the equivalent exemption required in order for the shipping and aircraft income of U.K. nationals and corporations to be exempt from U.S. tax under Code sections 872(b) and 883. As contrasted with the general shipping and aircraft exemption contained in the proposed treaty, this exemption applies only to income derived from the operation of ships or aircraft registered in the United States.

Except as set forth in the previous paragraphs, the shipping and air transport provisions are subject to the saving clause. Therefore, the United States may, without regard to this article, tax income derived by U.K. residents from shipping or air transport, or from the use of rental of containers, if

[1] The excise tax is imposed at a rate of 4 percent of the premiums paid on casualty insurance and indemnity bonds, and one percent of the premiums paid on life, sickness, and accident insurance, annuity contracts, and reinsurance.

[2] The treaty as initially negotiated included a registery test under which the exemption applied only to income of U.S. enterprises from the operation of ships and aircraft registered in the United States and income of British enterprises from the operation of ships and aircraft registered in the United Kingdom.

the U.K. residents are citizens of the United States. Similarly, the United Kingdom can tax shipping and air transport income derived by U.K. nationals resident in the United States.

A number of proposals have been made in recent years to change U.S. tax laws, and the U.S. negotiating position in tax treaties, with respect to international shipping. These have included proposals to tax, at least in some cases, international shipping into and out of the United States and proposals for international arrangements through bilaterial treaties or international agreements whereby international shipping income would generally be subject to tax in some jurisdiction. These proposals are generally intended to minimize the competitive advantages of shipping companies operating through countries such as the United Kingdom which do not effectively tax the international shipping income of their residents (including local companies owned by U.S. interests). The Committee has not considered these various proposals and takes no position as to their merits. However, the Committee does not intend, in recommending the ratification of this treaty, to foreclose any such review or revision of U.S. policy toward international shipping. Thus, this treaty is not intended as a precedent for future U.S. treaty policy in this area—particularly as that policy applies to countries which encourage through favorable tax treatment the incorporation and registry of ships which neither operate in the international commerce of that country nor are owned ultimately by residents of that country. In addition, if and when the United States does change its policy toward international shipping, it may be appropriate at that time to consider conforming modifications to this treaty.

Article 9. Associated enterprises

The proposed treaty, like most other U.S. tax treaties, contains a provision similar to that contained in the Internal Revenue Code (sec. 482) which recognizes the right of each country to make an allocation of income in the case of transactions between related persons, if an allocation is necessary to reflect the conditions and arrangements which would have been made between unrelated persons.

It is anticipated that when a redetermination has been made by one country with respect to the income of a related person, the other country will attempt to reach an agreement with the first country in connection with the redetermination, and if it agrees with the redetermination, it will make a corresponding adjustment to the income of the other person.

Limitation on State Taxation

The proposed treaty also contains a new provision, not found in other United States treaties, which limits the methods by which the United States, the United Kingdom, and political subdivisions and local authorities of each country may tax enterprises of the other country (or enterprises which are directly or indirectly controlled by enterprises of the other country). The proposed treaty provides that in determining the tax liability of such an enterprise doing business within their respective jurisdictions, the United States, the United Kingdom and their political subdivisions and local authorities may not take into account the income, deductions, receipts or outgoings of a related enterprise of the other country or of any third country.

Background.—This provision applies to those states of the United States which, in determining the amount of income of a business operating within the state which is to be apportioned to that state for income tax purposes, require combined reporting of all related business operations (including related business operations of affiliated U.S. and foreign corporations, whether or not doing business within the state). The governments of the United Kingdom and the United States do not apportion income between jurisdictions under this method but rather allocate income between related enterprises under arm's-length principles as specified in other paragraphs of this article. In addition, the political subdivisions and local authorities of the United Kingdom do not impose income taxes. Consequently, this provision's only application is to limit the combined reporting method used by certain states of the United States.

In determining what business income of a corporation is earned within a state and thus subject to income tax by that state, all states imposing an income tax use some type of apportionment system. An apportionment system is necessary because of the difficulties of attempting to account separately for business income in any state where the activities of a single business are carried on beyond the borders of that one state. In most states this business income is apportioned between the state and other jurisdictions according to a basic three-factor formula (or some variation of the formula) under which total business income is multiplied by the average ratio of sales, payroll, and property values within the state to total sales, payroll, and property values associated with the business. This type of apportionment, when applied to a single business of one corporation, is called the "unitary method" of apportionment and is used by most states which have a corporate income tax. The proposed treaty does not affect the application of this method when applied to a single corporation.

However, some states have adopted "combined reporting" requirements, which extend the unitary method to corporations related to the corporation doing business within the state (subsidiaries, parent corporations, or brother-sister corporations), whether or not these related corporations are doing business within the state, where the activities of the related corporations are considered by the state to constitute a unitary business. For example, if a U.K. manufacturing company operating in a state requiring combined reporting owns a U.S. subsidiary which sells the products manufactured by the U.K. parent, the income subject to tax in that state would be determined under the combined reporting method by applying the average ratio of the sales, payroll, and property values in the state to total sales, payroll, and property values of both corporations in both countries and multipling these average ratios against the combined worldwide income of the two corporations.

California, Oregon, and Alaska are the primary states requiring the use of combined reporting in connection with related foreign corporations as well as related domestic corporations. Certain other state governments have also indicated that combined reporting with respect to related foreign corporations is at times required in their states, or that they may in the future require this type of reporting at least in some cases.

Explanation of limitation.—The treaty provision prevents a state from extending the unitary method through this combined reporting system to related foreign enterprises where the enterprise doing business in the state is either a British enterprise or is controlled directly or indirectly by a British enterprise. Thus, for example, if a U.S. branch of a British corporation does business in a state, that state cannot apply the unitary method to combine the income (and sales, payroll, and property) of any related foreign enterprises (from the United Kingdom or any third country) with those of that British corporation in determining the income of its U.S. branch which is taxable by that state. However, that state may take into account the income and assets of any other branches of that corporation, wherever located, because a corporation is considered to be a single enterprise regardless of how many separate branches or businesses it has. Alternatively, if the British corporation does not do business in the state, but has a U.S. subsidiary (or any other corporation which it directly or indirectly controls) doing business in the state, that state, in determining the taxable income of that U.S. subsidiary, cannot apply combined reporting requirements to include the income (and the sales, payroll, and property values) of the British parent corporation or other related foreign enterprises. Of course, in either situation described above the state may take into account the income and assets of any related U.S. corporations.

The limitation in Article 9(4) applies only to cases where an apportionment formula is used without regard to any application of the arm's-length standard (provided under *Article 9(1)*). Of course, both countries and their political subdivisions may apply apportionment formulas, including formulas that take into account attributes of related entities, as a method of achieving an arm's-length price for a transaction between related entities. Moreover, apportionment formulas may be used as a method of apportioning income of related entities to the extent that it is established that they are not dealing on an arm's length basis.

There are two additional exceptions to the combined reporting limitation. First, if the British enterprise is a corporation which is itself directly or indirectly controlled by residents of the United States (Code sec. 957) or of any third country, the limitation does not apply. In addition, in computing the tax liability of any U.S. subsidiary (or other enterprise) resident in the state which is controlled by a British enterprise, the three-factor formula may, notwithstanding the general prohibition, be applied to any related foreign enterprise to the extent that the U.S. subsidiary owns, directly or indirectly, the capital of the related foreign enterprise.

For purposes of the proposed treaty, an enterprise is related to another enterprise if either enterprise directly or indirectly controls the other, or if any third person or persons (related to each other or acting together) control both. The term control is not limited to the ownership of the capital of an enterprise, and it includes any kind of control, whether or not legally enforceable, however exercised or exercisable.

Article 10. Dividends

The proposed treaty contains a new and complex set of provisions with respect to the taxation of dividends which in a number of respects are substantially different from the existing tax treaty with the United Kingdom and from other U.S. tax treaties. In 1973, the United Kingdom introduced a new system of corporate taxation which in part integrates its corporate income tax with its individual income tax. The integrated tax system of the United Kingdom differs substantially from the classical system of separate corporate taxation used by the United States (under which dividends received by shareholders are generally taxed without regard to the taxes paid by the distributing corporation). The new provisions contained in the proposed treaty relating to dividends are designed to accommodate the problems which are presented by the interaction of the differing U.K. and U.S. systems.

Under the existing treaty, neither country can tax dividends paid by resident corporations to shareholders resident in the other country at a rate exceeding 15 percent of the

gross amount of the dividend.[3] However, the proposed treaty provides that, as long as the U.K. integrated system is in effect, the refund withholding system described below is to apply.

ACT refund to U.S. shareholders

Description of U.K. system.—Under the new system adopted by the United Kingdom, a special "Advance Corporation Tax." or "ACT," is collected from a U.K. corporation on any distribution to its shareholders. The rate of the ACT is presently 33/67 of the amount of the dividend. For years prior to 1977, the rate of the ACT was 35/65 of the dividend. At the U.K. corporate level, ACT payments can, within certain limits, be credited against the regular U.K. 52-percent corporate income tax (the "mainstream tax"), if any, paid by the corporation in the year of the distribution. If no mainstream tax is paid, the ACT can be carried back two years and carried forward indefinitely to be credited against mainstream tax otherwise payable in those years. Where the dividend is out of income on which mainstream tax has been paid and the ACT is fully creditable against that mainstream tax, the aggregate 52-percent tax paid by the corporation is not affected by the payment of a dividend because the ACT payment with respect to the dividend is fully offset by the reduced mainstream tax.

In addition to being allowed as a credit against the distributing corporation's mainstream tax, the amount of ACT paid by the corporation is also refunded to U.K. shareholders receiving the dividends either through a credit against the shareholder's U.K. income tax liability or through a cash refund to the extent that the ACT payment exceeds the shareholder's income tax liability. However, the dividend subject to tax is "'grossed up" by the amount of ACT paid by the corporation; that is, the U.K. shareholder is required to include in taxable income the amount of ACT credited or refunded to him as well as the amount of the cash dividend. For example, if a U.K. corporation pays a cash dividend of $67, it must also pay ACT of $33 (which it may credit against the mainstream tax). The shareholder receives a tax credit or refund of $33 and includes in income $100 (the $67 distributed and the $33 of ACT).

In the absence of a tax treaty, the ACT is not refunded to nonresident aliens of the United Kingdom. Thus, under the new U.K. hybrid system, there is a higher tax burden imposed on dividends to nonresident shareholders than is imposed on U.K. resident shareholders; the unrefunded ACT can thus be viewed as an additional U.K. tax at the corporate level on dividend distributions to foreign shareholders. On amounts distributed to U.K. resident shareholders, the aggregate U.K. tax burden (the tax paid by the corporation reduced by the shareholder credit) ranges from zero to 28 percent (the effective rate depends upon the extent to which the distribution is out of taxable income compared to the extent it is derived from nontaxable earnings or capital). Since nonresident shareholders from nontreaty countries do not receive the refundable shareholder tax credit allowed U.K. resident shareholders, the effective U.K. tax burden on distributions to them ranges from 33 percent to 52 percent. By not making the shareholder credit available to nonresidents, the U.K. hybrid integration system has substantially the same effect with respect to dividends paid to foreign shareholders as if the U.K. imposed a split rate corporate income tax of up to 52 percent on retained earnings and up to 28 percent on earnings distributed as dividends, with a 33-percent dividend withholding tax.

U.S. direct corporate investors.—Under the proposed treaty, separate rules are provided for the taxation of dividends to shareholders which are U.S. corporations owning at least 10 percent of the distributing U.K. corporation's stock (because only corporate shareholders owning 10 perecnt of the stock are entitled to indirect foreign tax credits for U.K. income taxes paid by the U.K. corporation paying the dividend).[4]

In the case of a U.S. corporation which is a direct investor in a U.K. corporation, the proposed treaty provides that the U.S. corporation is entitled to a payment from the United Kingdom of an amount equal to one-half of the ACT paid with respect to the dividend, subject to a deduction withheld from the payment of up to 5 percent of the combined cash dividend plus the refunded one-half of the ACT.

To illustrate by example, on a dividend of $67 paid by a U.K. corporation to a U.S. direct corporate investor, the U.K. corporation pays ACT of $33 to the U.K. Treasury, which in turn refunds approximately $12.50 to the U.S. shareholder—the amount equal to one-half of the ACT paid ($16.50) reduced by 5 percent of the sum of the cash dividend and one-half of the ACT (roughly $4, or 5 percent of the sum of $67 plus $16.50). Thus, the proposed treaty requires that the U.K. refund to direct U.S. corporate investors approximately 38 percent (12.5/33) of the ACT imposed on the corporation. The refund provided for in the proposed treaty reduces the maximum effective U.K. tax burden on distributions to these direct U.S. corporate investors from 52 percent to 43 percent, and the minimum effective U.K. rate from 33 percent to 20.5 percent. Alternatively, the refund can be viewed as reducing the additional U.K. tax imposed on distributions to nonresidents (that is, the unrefunded ACT) from 33 percent to 20.5 percent.

The United Kingdom does not generally impose any withholding tax on nonresident shareholders under its new hybrid system. However, it does impose a withholding tax in those situations where it has agreed in tax treaties to refund the ACT to residents of the other treaty country. In any case where the U.K. corporation pays out some but not all of its after-tax income as dividends, the 5-percent withholding tax has the effect of slightly increasing the foreign tax which is treated as paid by the shareholder on the distribution and thus increasing the U.S. foreign tax credit allowed on the distribution.

U.S. individuals and portfolio investors.—Different rules are provided with respect to dividends from U.K. corporations to U.S. shareholders who are not corporations owning 10 percent of the U.K. corporation's stock (and thus are not entitled to a U.S. indirect foreign tax credit with respect to the taxes paid by the U.K. corporation). In these other cases, the proposed treaty provides for a payment to the U.S. shareholder by the U.K. Treasury of the full amount of the ACT paid by the U.K. corporation with respect to the dividend. However, this refund is reduced by a 15 percent withholding tax on the sum of the dividend and the ACT paid. To illustrate by example, on a dividend of $67 paid by a U.K. corporation to a U.S. resident individual or to a corporate portfolio investor, the U.K. corporation pays ACT of $33 to the U.K. Treasury, which in turn pays over the U.S. shareholder $18—the excess of the ACT paid ($33) over 15 percent of the sum of the cash dividend and the ACT ($15, or 15 percent of the sum of $67 plus $33).

As discussed in further detail in connection with the provision dealing with the foreign tax credit (Article 23. Elimination of double taxation), the proposed treaty also provides that the full $100 is to be treated for U.S. foreign tax credit purposes as a dividend and that the $15 not refunded is to be treated as a U.K. withholding tax imposed upon the shareholder. As indicated above, the United Kingdom does not generally impose a withholding tax except where it has agreed to refund ACT pursuant to a tax treaty. The withholding tax for shareholders who are U.S. residents has the effect of treating the ACT not refunded as a tax paid by the shareholder receiving the distribution (rather than the corporation paying the dividend), thereby giving the shareholder a foreign tax credit against his U.S. tax liability on the dividend.

U.K. shareholders

With respect to dividends paid by U.S. corporations, the withholding tax which the United States may impose on U.K. resident shareholders depends upon whether or not they are direct corporate investors. In the case of dividends paid to U.K. corporations owning at least 10 percent of the distributing U.S. corporation's stock, the otherwise applicable 30-percent U.S. withholding tax is reduced to 5 percent. (The rate under the existing treaty is 15 percent.) In the case of dividends paid to all other U.K. shareholders, the U.S. withholding rate is only reduced to 15 percent.

Comparison of rate reductions

As a result of these provisions, the maximum combined effective rate of tax (mainstream corporate tax and ACT) imposed by the U.K. on corporate earnings distributed to U.S. direct corporate shareholders is reduced from 52 percent to approximately 43 percent (a 52-percent corporate burden reduced by an ACT refund paid to the shareholders). In contrast, the maximum combined effective rate of U.S. tax (corporate tax and withholding tax) on U.K. direct corporate investors is reduced by the proposed treaty from approximately 63 percent (48 percent plus a 30 percent withholding tax on the remainder left for distribution) to approximately 51.5 percent (48 percent plus 5 percent of the remainder left for distribution). The combined effective U.K. rate on U.S. resident individuals and portfolio investors is reduced from 52 percent to approximately 39 percent, while the U.S. effective rate on U.K. resident individuals and portfolio investors is reduced from 63 percent to approximately 55.5 percent.

Special rules and exceptions

The dividend provisions do not apply in two circumstances where tax avoidance may occur. First, where a resident of either country owns 10 percent or more of the shares of a corporation with respect to which dividends are paid, these provisions do not apply to the extent that the dividends are paid out of income or profits which the corporation earned or received in a period ending a year or more before the date on which the shareholder became the owner of 10 percent or more of the corporation's stock. This rule is designed to prevent transactions where a 10-percent stock interest is acquired in order to obtain a distribution of the past earnings of a corporation at a reduced rate of tax.

A second rule is designed to deny the benefits of the dividend provisions to U.S. tax-exempt organizations if the dividends are received in circumstances where they would have been subject to U.K. tax if they had been received by an exempt organization of the United Kingdom. Under United Kingdom

[3] The proposed treaty provides that in the event that the United Kingdom modifies its current system of taxation and ceases to allow a shareholder credit to its residents, then dividends will be treated as they are under the existing treaty, and the withholding taxes of both the United States and the United Kingdom will be limited to 15 percent on dividends paid to residents of the other country.

[4] As contrasted with the rules applicable to U.K. direct corporate investors in U.S. corporations (discussed below) a U.S. corporation will be considered to be a direct investor where it, together with any related corporations, owns a 10-percent stock interests in the U.K. corporation.

law, if a resident of the United Kingdom sells securities to a tax-exempt organization immediately before the payment of dividends, the organization will be taxable on the dividends paid in respect to the securities if the transaction was designed to accord the initial seller a preferential rate of tax on his sale. This rule is contained in the existing treaty.

These two tax avoidance rules do not apply if the beneficial owner of the shares satisfies the competent authority of taxing country that the shares were acquired for bona fide commercial purposes and not to secure the benefits of the proposed convention.

In addition to the above new rules added to the treaty to take into account the U.K. integrated tax system, a number of other provisions were included which are generally similar to those in the existing British treaty or in the OECD model treaty.

The above provisions relating to dividends do not apply to dividends received by U.S. residents who carry on business through a permanent establishment in the United Kingdom, or who perform independent services from a fixed base in the United Kingdom, where the dividends are effectively connected with the permanent establishment or fixed base. Similarly, the provisions do not apply to dividends received by U.K. residents who carry on business through a permanent establishment in the United States, or who perform independent personal services from a fixed base in the United States, where the dividends are effectively connected with the permanent establishment or fixed base. In such situations, the provisions relating to business profits (*Article 7*), independent personal services (*Article 14*), or public entertainers and athletes (*Article 17*), as the case may be, shall apply.

As in the case of most U.S. tax treaties and the OECD model tax treaty, the proposed treaty contains a general limitation on the taxation of dividends paid by corporations which are residents of the other country. Under this provision, the U.K. may not impose any taxes on the dividends paid by a U.S. corporation except where such dividends are paid to U.K. residents or where the dividends are effectively connected with a permanent establishment or fixed base in the United Kingdom. Similarly, the United States may not impose any tax on dividends paid by a U.K. corporation except where the dividends are paid to a resident or citizen of the United States or where the dividends are effectively connected with a permanent establishment or fixed base situated in the United States. These exemptions apply even if the dividends consist wholly or partly of profits or income arising in the taxing jurisdiction.

The proposed treaty also provides that a U.K. corporation shall be exempted from the U.S. accumulated earnings tax if U.K. resident individuals (other than U.S. citizens) control, directly or indirectly, throughout the last half of the taxable year, more than 50 percent of the entire voting power of the corporation. This provision is contained in the existing tax treaty with the United Kingdom.

Article 11. Interest

Under the proposed treaty, interest derived by a resident of one country (other than a citizen of the other country) from sources within the other country is exempt from tax in the source country. This exemption does not apply if the recipient has a permanent establishment or fixed base in the source country and the interest is effectively connected with the permanent establishment or fixed base. If the interest is effectively connected with a permanent establishment or fixed base, then it will be taxed under the provisions of the proposed treaty dealing with business profits (*Article 8*), independent personal services (*Article 14*), or public entertainers and athletes (*Article 17*), as the case may be. This treatment generally conforms to that provided by other recent U.S. tax treaties of the OECD model tax treaty.

The exemption from U.K. tax under this article will not apply if the recipient of the interest is exempt from tax on such income in the United States and the recipient sells or makes a contract to sell the holding from which such interest is derived within three months after the date the recipient acquired such holding.

A definition of interest is provided which is also substantially identical to that found in the OECD model tax treaty and other recent U.S. income tax treaties. In situations where the payor and recipient are related, the proposed treaty limits the amount treated as interest to that which would have been paid had they not been related.

Interest paid by a resident of one country, regardless of where it derives its income, to a person other than a resident of the other country (and, in the case of interest paid by a U.K. corporation, to a person other than a U.S. citizen) will be exempt from tax by the other country. However, this rule is inapplicable if the interest is effectively connected with a permanent establishment or fixed base which the recipient has in the other country.

Paragraph (7) of this article is carried over from the existing treaty. Under U.K. domestic law, interest payments by U.K. corporations to non-U.K. corporations which have 75 percent or more control, directly or indirectly, of the U.S. corporation are treated as dividends rather than as deductible interest. This paragraph provides (in reciprocal terms) that this rule shall not apply where the interest payment is to a U.S. resident. A dual resident corporation may claim the benefits of the provision with respect to interest payments it makes. However, the exemption does not apply to the interest paid to a U.S. corporation if more than 50 percent of the voting power of the U.S. corporation is directly or indirectly controlled by residents of the United Kingdom.

Paragraph (8) provides that the exemption from United Kingdom tax under paragraph (2) of this Article will not apply if the recipient of the interest is exempt from tax on such income in the United States and the recipient sells or makes a contract to sell the holding from which such interest is derived within three months after the date the recipient acquired such holding.

Article 12. Royalties

Under the proposed treaty, industrial and artistic royalties derived from one country by a resident of the other country are exempt from tax in the source country. The exemption does not apply if the recipient has a permanent establishment in the source country or performs independent personal services through a fixed base in the source country, and the royalties are effectively connected with the permanent establishment or fixed base. If the royalty is effectively connected with a permanent establishment or fixed base, then it will be taxed under the provisions relating to business profits (*Article 8*), independent personal services (*Article 14*), or public entertainers and athletes (*Article 17*), as the case may be. This treatment of royalties is substantially identical to that provided in the OECD model convention.

The proposed treaty does not include film royalties within the scope of the royalties article. Instead, they are treated as business profits and, accordingly, are exempt from tax unless they are attributable to a permanent establishment which the recipient maintains in the source country.

As in the case of the interest provision, the royalty provision does not apply to that part of a royalty paid to a related person which is in excess of an arm's length rate.

Article 13. Capital gains

The proposed treaty provides that, except as provided in *Article 8* (*Shipping and air transport*), capital gains are taxable in accordance with the domestic laws of each country. This rule applies to the existing laws of the United States and the United Kingdom respecting the taxation of capital gains and revisions of those laws subsequent to the effective date of the proposed treaty. Whether an item of income constitutes capital gains shall be determined under the laws of the country seeking to tax those gains.

Under current U.S. law, nonresident alien individuals are generally not taxable in the United States on their U.S. source capital gains unless (1) they are present in the United States for 183 days or more during a taxable year or (2) the gains are effectively connected with the conduct of a U.S. trade or business. Foreign corporations generally are taxable in the United States only on capital gains which are effectively connected with the conduct of a U.S. trade or business.

The representatives of the United States and the United Kingdom are to consult with each other upon the enactment or the proposed enactment by either country of any laws which substantially change the manner in which capital gains derived by nonresidents are taxed.

Article 14. Independent personal services

Under the proposed treaty, income from the performance of independent personal services (i.e., services performed as an independent contractor rather than as an employee) in one country by a resident of the other country is exempt from tax in the country where the services are performed unless (1) the person performing the personal service is present in the source country for 183 or more days during the taxable year and the income is attributable to services performed in that country, or (2) the person maintains a fixed base regularly available to him in the source country and such income is attributable to the fixed base.

Article 15. Dependent personal services

Under the proposed treaty, income from services performed as an employee in one country (the source country) by a resident of the other country will not be taxable in the source country if three requirements are met: (1) the individual is present in the source country for not more than 183 days during the taxable year; (2) compensation is not paid by, or on behalf of, an employer who is a resident of the source country; and (3) the compensation is not borne by a permanent establishment of the employer in the source country. The treatment of dependent personal services is the same as that provided in the OECD model tax treaty.

Compensation derived by an employee from the performance of personal services as a member of the regular complement of a ship or aircraft operated in international traffic by a resident of one country is exempt from tax by the other country.

Article 16. Investment or holding companies

The proposed treaty contains a provision which in certain situations denies the benefits of the articles on dividends, interest, and royalties (*Articles 10–12*) to a corporation which is entitled in its country of residence to special tax benefits resulting in a substantially lower tax on those types of income than the tax generally imposed on corporate profits by that country. This provision applies if more than 25 percent of the capital of the corporation is owned by individuals who are not residents of that country or U.S. citizens. A similar provision is contained in several recent U.S. tax treaties (Iceland, Norway, and Trinidad and Tobago). The OECD model tax treaty does not have a comparable provision.

This article also provides that a corporation which is a resident of the United States

shall not be entitled to the benefits of the articles relating to dividends, interest or royalties arising in the United Kingdom where more than 80 percent of its gross income (including such dividends, interest, or royalties) is derived from sources outside of the United States. This limitation does not apply if more than 75 percent of the capital of the corporation is owned directly or indirectly by individuals who are U.S. citizens or residents.

Neither of these limitations apply to a U.S. corporation if 75 percent or more of its capital is directly or indirectly owned: (a) by another U.S. corporation which receives 20 percent or more of its gross income from sources within the United States; (b) by a foreign corporation which would not be treated as a close company under U.K. law; or (c) by a corporation, resident in the United Kingdom, more than 50 percent of the voting power of which is controlled directly or indirectly by individuals who are residents of the United Kingdom.

The purpose of the first limitation is to prevent residents of third countries from using a corporation in one treaty country, which is preferentially taxed in that country, to obtain the tax benefits in the other treaty country which the proposed treaty provides for dividends, interest, and royalties derived from that other country. This accords with the purpose of an income tax treaty between two countries to lessen or eliminate the amount of double taxation of income derived from sources within one country by a resident of the other country. At the present time, neither the United Kingdom nor the United States grants to investment or holding companies the type of tax benefits with respect to dividends, interest or royalties which would make this limitation applicable. Thus, it will have effect only if the United Kingdom or the United States should subsequently enact special tax measures granting preferential tax treatment to dividends, interest or royalties received by an investment or holding company.

The second limitation is intended to prevent the use of U.S. corporations by residents of third countries in order to take advantage of the reduced rates of tax or exemptions from tax granted by the United Kingdom on dividends, interest and royalties paid to residents (including corporations) of the United States. Generally, interest and dividends paid by U.S. corporations to nonresidents of the United States are not subject to tax by the United States if more than 80 percent of the corporation's gross income is from sources outside the United States (sec. 862). Accordingly, were it not for this provision, a resident of a third country could establish a U.S. corporation solely to derive interest or dividends from the United Kingdom subject to the reduced rates and refunds allowed by the treaty. While such income would be subject to normal corporate taxes in the United States, the corporation's dividends or interest to the third country residents would be exempt from U.S. withholding taxes. This limitation prevents this abuse where the 25 percent or more of the capital of the corporation is owned by individuals who are not U.S. citizens or residents. Since the purpose of this provision is only to prevent the use of U.S. corporations in cases where their income would otherwise qualify for reduced withholding rates in the United Kingdom and their distributions to third country residents would not attract U.S. withholding taxes, exceptions to the rule are given where that corporation is owned by another U.S. corporation whose distributions would attract U.S. withholding taxes; where that corporation is owned by a corporation which is not a close company under U.K. law; and where the corporation is owned by a corporation resident in the United Kingdom 50 percent or more of the voting power of which is controlled by U.K. resident individuals.

Article 17. Artistes and athletes

The proposed treaty contains a separate set of rules which govern the taxation of income earned by public entertainers (such as theater, motion picture, radio or television entertainers and musicians) and athletes. The proposed treaty provides that, notwithstanding the other provisions dealing with the taxation of personal services (*Articles 15 and 16*) each country may tax nonresident entertainers or athletes on the income from their personal services performed in the country during any year in which their gross receipts (including reimbursed expenses or expenses borne on their behalf) for services performed in that country during that year exceed $15,000. Thus, highly paid entertainers and athletes will be taxable by the country in which they perform, regardless of the period of time spent in that country. However, as in the case of the other provisions dealing with personal services income, this provision does not bar the country of residence or citizenship from also taxing that income. In such a case, double taxation is avoided by the grant of a foreign tax credit.

In addition, the proposed treaty provides that where income in respect of personal services performed by an entertainer or athlete is paid not to the entertainer or athlete but rather to another person or entity, that income will be taxable by the country in which the services are performed in any situation where the entertainer or athlete shares directly or indirectly in the profits of the person or entity receiving the income. For this purpose, participation in the profits of the recipient of the income includes the receipt of deferred compensation, bonuses, fees, dividends, partnership distributions, or other distributions. The provision is intended to prevent performers and athletes from avoiding tax in the country in which they perform by routing the compensation for their services through a third person such as a personal holding company.

Article 18. Private pensions and annuities, and alimony

Under the proposed treaty, private pensions and annuities derived by residents of the United States are exempt from tax by the United Kingdom, and private pensions and annuities derived by residents of the United Kingdom are exempt from tax by the United States. In addition, alimony paid to a resident of either country is exempt from tax by the other country.

Article 19. Government services

Under the proposed treaty, compensation, other than a pension, paid by the Government of either country to an individual for services rendered to that country is generally taxable only in that country. However, such compensation is taxable only in the country in which the services are being performed if the recipient is a resident national of that country or is a resident solely for the purpose of performing the services. This provision does not apply to compensation received for services performed for political subdivisions and local authorities. The provision generally follows the OECD model tax treaty, and it is similar to the provision in the existing U.S.-U.K. tax treaty.

Any pension paid by either country, or a political subdivision or a local authority thereof, to any individual in respect of services rendered to that country or subdivision or local authority is generally taxable only in that country. However, a pension is taxable only in the other country if the recipient is both a national of and a resident of that other country.

These provisions do not apply if the services are rendered in connection with any business carried on by or on behalf of either country or a political subdivision or local authority. In such cases, the provisions of *Articles 14 (Independent personal services), 15 (Dependent personal services), 17 (Artists and athletes), and 18 (Pensions)* apply, as the case may be. In addition, these provisions do not apply to an individual who acquires immigrant status in the country in which he performs the services or receives the pension. See paragraphs (3) and (4)(b) of *Article 1 (Personal scope)*.

Article 20. Teachers

The proposed treaty provides that a professor or teacher who is a resident of one country will be exempt from tax in the other country on income from teaching or from engaging in research at an educational institution in the host country if he is present in that other country for a period not exceeding two years. Unlike the present treaty and other U.S. tax treaties, if the two-year period is exceeded, the exemption will be lost retroactively. In addition, as in other U.S. tax treaties, the exemption for income from research only applies if the research is undertaken in the public interest and not primarily for the benefit of some other private person or persons.

Article 21. Students and trainees

The treatment afforded students and trainees under the proposed treaty corresponds generally to the existing treaty and to the OECD model tax treaty. Residents of one country who become students or business apprentices in the other country will be exempt from tax in the host country on payments received for their maintenance, education, or training, if they are engaged in a full-time education or training program and the payments are made from sources outside the host country. Payments will be considered to have been made from sources outside of the host country when they are borne by a person who is not a resident of that country. The exemption does not apply to payments to students or business apprentices who are nationals of or residents with immigrant status in the host country.

Article 22. Other income

Items of income not otherwise dealt with in the proposed treaty which are derived by residents of either country shall be taxable only by the country of residence, regardless of the source of the income. That rule, however, does not apply to residents of one country carrying on a business in the other country through a permanent establishment or performing independent personal services in that other country from a fixed base situated therein, where the income paid is effectively connected with the permanent establishment or fixed base. In such situations, the provisions of *Article 7 (Business profits), Article 14 (Independent personal services) or Article 17 (Artistes and athletes)*, as the case may be, shall apply.

However, the article specifies that each country may continue to tax income paid out of trusts. This provision allows the U.K. to continue to apply its taxes on accumulation and discretionary trusts.

Article 23. Elimination of double taxation in general

The proposed treaty contains the general rule contained in many U.S. tax treaties under which the United States agrees that it will continue to allow its U.S. citizens and residents to claim a foreign tax credit (Code sec. 901) against the U.S. tax for the appropriate amount of income taxes paid to the United Kingdom. The proposed treaty also makes the indirect foreign tax credit (Code sec. 902) available where a U.S. corporation receives a dividend from a U.K. corporation in which it has at least a 10-percent ownership interest. In this case, a credit will be allowed for the appropriate amount of tax paid to the United Kingdom by the U.K. corporation with respect to the profits out of which the dividend is paid. The (direct or indirect) credit allowed under the proposed treaty is subject to the limitations and in

accordance with the provisions of U.S. law (as it may be amended from time to time without changing the general principle of allowing a foreign tax credit) applicable to the year in question.

The proposed treaty similarly provides that the United Kingdom shall allow a foreign tax credit against its tax for U.S. tax paid on profits or income from sources within the United States. The credit is to be subject to the provisions of U.K. law regarding the allowance of a foreign tax credit as they may be amended from time to time without changing the general principle of allowing a foreign tax credit. In addition, the proposed treaty provides that where a U.K. corporation recives a dividend from a U.S. corporation and the U.K. corporation controls (directly or indirectly) at least 10 percent of the voting power of the U.S. corporation, the United Kingdom is to allow an indirect credit for the U.S. taxes paid by the U.S. corporation in respect to the profits out of which the dividends are paid.

In addition, the proposed treaty sets forth the general rule that income or profits derived by a resident of one country which may, under the proposed treaty, be taxed by the other country shall be deemed to arise from sources within that other country. However, an exception to that rule is provided with respect to residents of the United Kingdom who are U.S. citizens (and thus are taxed by the United States on the basis of citizenship). Under the proposed treaty, the United Kingdom shall not be required in that situation to allow a credit with respect to U.S. tax on income the U.S. citizen earned from sources outside the United States (as determined under the laws of the United Kingdom). Similarly, the United States shall not be required to allow to such U.S. citizens a foreign tax credit for U.K. taxes on income from sources outside the United Kingdom (as determined under the laws of the United States).

The Advance Corporation Tax (the "ACT")

Background.—In addition to the general rules providing for the allowance of the foreign tax credit, the proposed treaty also sets forth special rules which govern the manner in which the taxes imposed by the United Kingdom on U.K. corporations (in particular, the ACT) are to be treated for purposes of the U.S. foreign tax credit allowable on dividends paid to U.S. shareholders.

As discussed above in connection with the provisions of the proposed treaty relating to dividends (*Article 10*), the United Kingdom has a hybrid corporate tax system which in part integrates the tax imposed on corporations and their shareholders. Under the U.K. system, the effective rate of tax paid by a U.K. corporation depends upon the extent to which it has paid out dividends. The corporation is subject to a "mainstream" corporation tax imposed at a rate of 52 percent. When it makes a distribution to its shareholders, it is subject to an additional tax, the ACT, equal to 33/67 of the distribution. However, since the corporation is entitled to credit the ACT payment against its mainstream tax liability (subject to certain limitations), the ACT payment does not result in an increased tax burden on the corporation except in situations where the U.K. corporation distributes amounts with respect to which the mainstream corporate tax has not been paid (distributions out of earnings in excess of U.K. taxable income, out of capital, or out of non-U.K. source earning against which a U.K. foreign tax credit has been allowed for mainstream tax purposes—no foreign tax credit is allowed against the ACT).

In addition to the credit of the ACT allowed against the corporation's mainstream tax, U.K. shareholders are entitled to credit an amount equal to the ACT payment against their U.K. income tax liability on the distribution (the U.K. shareholder receives a cash refund to the extent, if any, that the ACT payment by the corporation exceeds the shareholder's tax liability). In the absence of a tax treaty, the ACT is not refunded to nonresident aliens, and the unrefunded ACT results in an actual increased tax burden with respect to dividends paid to nonresidents.

Creditability of ACT.—It is open to question whether, in the absence of the proposed treaty, the unrefunded ACT would be treated as a creditable income tax for U.S. foreign tax credit purposes. On the one hand, although the unrefunded ACT may be viewed economically as a foreign tax with respect to income of the U.S. shareholders because it is imposed with respect to dividend income paid to them, it is imposed on the paying U.K. corporation rather than the U.S. shareholder receiving the distribution and thus probably would not be allowed as a direct income tax credit to the U.S. shareholder.[5]

On the other hand, although it is a tax imposed on the paying U.K. corporation, it is not imposed with respect to income of the paying corporation, but rather on all distributions made by the U.K. corporation, whether out of taxable income, out of untaxed earnings, or out of capital. Under present IRS ruling policy, in order for a foreign tax to qualify for the U.S. foreign tax credit, it must be imposed on the net gain of the taxpayer (determined by allowing the deduction of the generally significant expenses incurred in the production of that income), it must be imposed only on income that is realized, and it must be imposed on the receipt of income rather than some other transaction.[6] It would appear that, at least in form, the ACT would not satisfy these criteria. There is, therefore, a reasonable possibility that the ACT would not be viewed by the IRS as a creditable tax in the absence of the proposed treaty.

However, notwithstanding these technical difficulties, the ACT could be treated as a creditable income tax to the extent that it is allowed as an offset against the U.K. "mainstream" corporate tax, which is a creditable income tax. Under this treatment, in situations where the ACT is offset against a mainstream tax accruing in years subsequent to the dividend payment, no foreign tax credit would be allowed in the absence of the treaty until that later year in which the mainstream liability is offset.

ACT refunds to U.S. portfolio shareholders.—In the case of dividends paid to U.S. resident shareholders (other than U.S. corporations owning more than 10 percent of the U.K. corporation's stock), the proposed treaty provides (*Article 10. Dividends*) that the United Kingdom is to pay to the U.S. shareholder an amount equal to the amount which would be refunded to U.K. resident shareholders with respect to the distribution. However, the refund to these U.S. shareholders is to be reduced by an amount equal to 15 percent of the sum of the distribution and the full refund which would be paid to U.K. shareholders. For example, on a distribution of $67, U.K. resident shareholders would be allowed a credit of $33. Under the proposed treaty, U.S. shareholders (other than direct corporate investors) would receive a net refund of $18—the $33 credit allowable to U.K. shareholders less $15 (15 percent of the sum of the $67 distribution and the $33 credit). Since the amount of the refund paid to U.K. shareholders is 33 percent of the sum of the dividend and the refund, the net payment made to these U.S. shareholders ($33 less $15, or 18 percent of that sum) is to be a little more than one-half of the credit allowed to U.K. shareholders (18/33rds).

The proposed treaty provides that for U.S. foreign tax credit purposes the U.S. shareholders are to be treated as having received a dividend equal to the distribution paid plus an amount equal to the full refund payable to U.K. shareholders (*Article 10(2)(a)(iii)*) and that the reduction in the refund payable to U.S. shareholders equal to 15 percent of that grossed-up dividend is to be treated as creditable income tax imposed on the U.S. shareholder (*Article 23(1)(b)*). For example, on a dividend of $67, the U.S. shareholder will receive a net payment from the U.K. Treasury of $18 and will be treated for U.S. foreign tax credit purposes as having received a dividend of $100 ($67 distribution plus $33 gross refund) from which a $15 creditable income tax has been withheld. The effect of providing for a full 33-percent payment to the U.S. shareholder subject to the special 15-percent reduction is to permit the U.S. shareholder to claim a foreign tax credit for the 15-percent reduction.

Act refunds to U.S. direct corporate investors.—In the case of distributions made to U.S. corporations which own at least 10 percent of the voting stock of the distributing U.K. corporations ("direct corporate investors"), the provisions contained in the proposed treaty relating to the U.S. foreign tax credit are more complicated. In the case of distributions to U.S. direct corporate investors, the proposed treaty provides that the U.K. Treasury is to make a payment to U.S. direct corporate shareholders equal to one-half the credit which would be allowed to U.K. resident shareholders. However, the payment from the U.K. Treasury is to be reduced by an amount equal to 5 percent of the sum of the distribution and the payment. To illustrate by example, on a $67 distribution to a U.S. direct corporate investor, the distributing U.K. corporation pays ACT of $33 to the U.K. Treasury, which in turn pays approximately $12.50 to the U.S. direct corporate shareholder. This payment to the U.S. shareholder is $16.50 (one-half of the $33 credit which would be allowed to a U.K. resident shareholder) less roughly $4 (5 percent of the sum of that $16.50 and the $67 distribution).

For purposes of the U.S. foreign tax credit, the proposed treaty treats the U.S. direct corporate shareholder as receiving a dividend equal to the distribution paid plus an amount equal to one-half of the credit allowable to U.K. shareholders (*Article 10(2)(a)(iii)*). The reduction in the payment to the U.S. shareholder of 5 percent of the grossed-up distribution is to be treated as a creditable income tax (under Code sec. 901) imposed on the U.S. shareholder (*Article 23(1)(b)*). In addition, the remaining one-half of the amount which would be credited to U.K. residents but which is not refunded to U.S. direct corporate investors is treated as a creditable income tax imposed on the distributing U.K. corporation. As a result, the U.S. direct corporate shareholder can claim a deemed-paid foreign tax credit.

For example, on a distribution of $67, the U.S. direct corporate shareholder would be treated as receiving a divident of $83.50 (the $67 distribution plus one-half of the $33 credit which would be allowed to U.K. resident shareholders), and would be treated as having paid a creditable income tax of 5 percent of that amount, or roughly $4. In addition, the U.K. corporation would be treated as having paid additional income tax of the remaining $16.50 which is not refunded, and the U.S. shareholder will be entitled to an indirect foreign tax credit for that unrefunded $16.50.

The technical explanation of the proposed treaty issued by the U.S. Treasury Depart-

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[5] *Biddle* v. *Commissioner*, 302 U.S. 573, 1938-1 USTC ¶ 9040. If the ACT were a shareholder tax, it would be subject to, and limited by, the dividend provisions of the existing treaty.

[6] Rev. Rul. 78-61, Rev. Rul. 78-62, and Rev. Rul. 78-63, 1978 I.R.B. 8.

ment further details the manner in which direct U.S. corporate investors are to compute their U.S. foreign tax credit with respect to dividends received from U.K. corporations. For purposes of computing the indirect foreign tax credit, the technical explanation does not treat the ACT refund which is paid to the U.S. shareholder by the U.K. Treasury (equal to half the credit allowable to U.K. shareholders) as a refund of U.K. tax paid to the U.S. shareholder, but instead treats it as a refund of U.K. tax to the distributing U.K. corporation. The partial refund of the ACT paid to the U.S. shareholders provided in the proposed treaty reduces the maximum effective U.K. tax rate with respect to dividends paid to U.S. shareholders to 43 percent while the U.K. tax rate on retained profits is 52 percent. The effect of the method of computing the foreign tax credit set forth in the proposed treaty Treasury's technical explanation is to average the reduced U.K. taxes paid with respect to the distribution with the higher U.K. taxes paid on retained earnings in determining the U.K. tax which is attributed to the dividend distribution.

To illustrate by example, where a U.K. corporation with $200 of taxable income distributes one-half of its $96 of after-tax earnings, or $48, a refund is paid to the U.S. shareholder of $9 ($12 refund, reduced by $3 withholding tax). This refund reduces the effective rate of U.K. tax on the dividend to 43 percent ($52 of tax paid by the corporation reduced by a $9 refund to the U.S. shareholder). For indirect foreign tax credit purposes, however, the distributing corporation would be treated as having paid $92 in U.K. tax ($104 minus the full $12 refund without regard for the withholding tax). Since one-half of after tax income is distributed, one-half of the taxes as determined ($46) are allowed as an indirect foreign tax credit. In effect, the U.S. shareholder is permitted to average the 52-percent rate paid with respect to the retained earnings and the 43 percent paid with respect to the dividend received and claim a 48.5-percent foreign tax credit.[7] If the retained profits are subsequently distributed to the U.S. shareholder (thereby lowering the average rate attributable to the previous dividend to 43 percent), the U.S. shareholder is treated as having received a refund of a portion of the U.K. taxes claimed as a foreign tax credit with respect to the earlier dividend and must reduce the foreign tax credit claimed in the prior year.

The Treasury's technical explanation also sets forth a complex set of rules and examples intended to be used for purposes of determining the earnings to which ACT payments by a U.K. corporation are to be attributed for purposes of computing the indirect U.S. foreign tax credit. The technical explanation also sets forth rules for determining the credit where the U.K. corporation has non-U.S. shareholders. These rules are necessary because the treatment of the refund of the ACT to shareholders as a refund of tax to the corporation would distort the average U.K. tax paid by the corporation attributed to its shareholders where the shareholders receive refunds of differing amounts.

The ACT refunds, the withholding tax, and the unrefunded portion of the ACT are treated for U.S. foreign tax credit purposes in a manner which is generally favorable to U.S. shareholders. These rules raise difficult and complex issues. In recommending the ratification of the proposed treaty, the Committee does not intend that these rules necessarily serve as a model for future treaties. Further, in recommending the ratification of the treaty, the Committee does not intend to adopt or reject the amplifications of the foreign tax credit rules contained in the Treasury technical explanation. Consequently, Treasury would not be foreclosed by the ratification of the treaty from modifying those administrative interpretations in the future should it deem it advisable to do so. Of course, the rules contained in the treaty also do not limit any legislative action in this area; the computation of the foreign tax credit for unrefunded ACT may be subject to any generally applicable changes in the U.S. foreign tax credit rules which may subsequently be enacted.

Petroleum Revenue Tax

The proposed treaty also provides that the U.K. Petroleum Revenue Tax (the "PRT") is to be treated as a creditable income tax for U.S. foreign tax credit purposes. It is the position of the Internal Revenue Service that the PRT is not a tax on net income and that therefore it would no be eligible for the U.S. foreign tax credit in the absence of the proposed treaty. In the view of the IRS, the PRT is more in the nature of a deductible royalty or excise tax.

The PRT is imposed at a 45 percent rate on assessable profits from oil and gas extraction activities in the U.K. (including the North Sea) on a field-by-field basis. It is in addition to, and separate from, the regular U.K. corporate tax (and a 12.5 percent royalty payable on North Sea production). The amount of PRT paid is allowed as a deduction for purposes of computing the regular U.K. corporate income tax. Operating and capital losses from nonextraction activities are not allowed as deductions in computing the PRT. In addition, no deduction is allowed for interest or other financing costs. However, a special additional deduction based on the amount of capital investment is provided to compensate for the disallowance of interest expenses in computing profits for purposes of the PRT. The aggregate amount payable to the U.K. Government in taxes and royalties on oil and gas extraction income is roughly 60 to 70 percent.

The proposed treaty also makes it clear that the provisions of this article requiring the U.S. to allow a foreign tax credit for U.K. taxes, in particular the PRT, do not affect the limitations on credits for foreign taxes imposed on foreign oil and gas extraction income and foreign oil-related income which are contained in the Tax Reduction Act of 1975. Since the treaty was negotiated prior to the enactment of the Tax Reform Act of 1976, the proposed treaty does not also refer to the limitations on foreign tax credits for oil and gas extraction taxes contained in the 1976 Act. However, since the proposed treaty provisions require only that a U.S. foreign tax credit be allowed in accordance with the provisions and subject to the limitations of the law of the United States (as it may be amended from time to time without changing the general principle of allowing a foreign tax credit), the additional limitations contained in the 1976 Act, and any similar limitations applying to foreign income taxes imposed on oil and gas extraction income or oil related income which may in the future be adopted, will apply in computing the U.S. foreign tax credit allowable with respect to U.K. taxes on oil and gas extraction income and oil-related income.

Article 24. Nondiscrimination

The proposed treaty contains a comprehensive nondiscrimination provision similar to provisions which have been embodied in other recent U.S. income tax treaties and the OECD model treaty. One country cannot discriminate by imposing more burdensome taxes on its residents who are citizens of the other country, or on permanent establishments maintained in that country by residents of the other country, than it imposes on its nationals and resident corporations. The nondiscrimination provision also applies to corporations or other enterprises of one country which are owned by residents of the other country. The nondiscrimination provision does not, however, oblige either country to grant individual residents of the other country any personal allowances, reliefs, or deductions for taxation purposes on account of personal status or family responsibilities (e.g., dependency deductions) which it grants to its own residents.

The proposed treaty provides generally that interest, royalties, and other disbursements paid by a U.S. enterprise to a U.K. enterprise, whether or not related, shall, if reasonable in amount, be deductible by the U.S. enterprise in computing its U.S. taxable income to the same extent as if they had been paid to another U.S. enterprise. Similarly, such payments by U.K. enterprises to U.S. enterprises are deductible for U.K. tax purposes to the same extent as deductions are allowed for similar payments made to U.K. enterprises. For purposes of this provision, the term "other disbursements" includes charges or allocations for amounts expended by a resident of the other country for the benefit of the enterprise (e.g., amounts expended by a U.S. parent corporation for the benefit of its U.K. subsidiary). It includes a reasonable allocation of executive and general administrative expense incurred on behalf of the enterprise by the resident of the other country (except that it does not include such expenses to the extent that they are not for the benefit of the enterprise, but are for "stewardship" or "overseeing" functions for the resident's own benefit as an investor in the enterprise). The term also includes charges and allocations of research and development expenses where the enterprise has the benefits of such activities under a cost or risk-sharing agreement and other expenditures incurred by the resident for the benefit of a group of related enterprises which includes the resident.

This provision does not apply to interest, royalties, or other disbursements paid or charged to a related resident of the other country to the extent that they exceed the arm's-length amount which would be paid under similar circumstances to an unrelated party. This provision also does not apply to interest payments by a corporation to a U.S. corporation controlled by U.K. shareholders (see *Article 11(7). Interest*). Under certain circumstances such payments are treated as dividends for U.K. tax purposes.

Articles 25 and 26. Administrative provisions

The proposed treaty contains various administrative provisions generally along the lines of the provisions contained in other U.S. tax treaties. In general, the proposed treaty provides—

(1) for consultation and negotiation between the top countries to resolve differences arising in the application of the proposed treaty and also to resolve claims by taxpayers that they are being subjected to taxation contrary to the terms of proposed treaty;

(2) for the exchange between the countries of information pertinent to carrying out the provisions of the proposed treaty and of the

[7] The allowance of the foreign tax credit at a 48.5-percent rate rather than at the average rate of U.K. tax (47.5 percent) imposed on retained and distributed profits results from the characterization of the $9 net payment by the U.K. to the U.S. shareholder as comprised of (i) a $12 ACT refund to the U.K. subsidiary (one-half of the $24 ACT imposed) reduced by (ii) a $3 withholding tax (5 percent of the sum of the $48 dividend and the $12 unrefunded ACT) rather than merely as an ACT refund of the net $9 payment made by the U.K. (or ⅜ of the ACT imposed). This treatment yields a slightly higher foreign tax credit than would otherwise be available because the full amount of the withholding tax is available to the U.S. shareholder as a direct credit, while the reduction in its deemed paid foreign taxes attributable to the ACT refund is allocated between the dividend and the earnings retained by the U.K. subsidiary.

domestic laws of the countries concerning taxes covered by the proposed treaty; and

(3) that each country is to assist the other in collecting taxes imposed by the other country to the extent necessary to insure that the benefits provided by the proposed treaty are enjoyed only by persons entitled to those benefits.

Article 27. Effect on diplomatic officials and domestic laws

The proposed treaty contains the rule found in other U.S. tax treaties that its provisions are not to affect the fiscal privileges of diplomatic and consular officials under the general rules of international law or the provisions of special agreements.

In addition, the proposed treaty contains the rule found in other U.S. tax treaties that its provisions do not restrict in any manner any exclusion, exemption, deduction, credit, or other allowances accorded by the laws of either country. Thus, the proposed treaty can only be applied when it benefits a taxpayer.

Article 28. Entry into force

The proposed treaty will enter into force on the thirty-first day following the date on which the instruments of ratification are exchanged. Once the proposed treaty enters into force, it applies retroactively, with different effective dates provided with respect to different taxes and provisions.

With respect to the income and capital gains taxes imposed by the United Kingdom, the provisions of the proposed treaty generally apply for any year of assessment beginning on or after April 6, 1975 (the United Kingdom tax year begins on April 6). However, the provision relating to the refund of the ACT and the imposition of the 15 percent withholding tax on dividends paid by United Kingdom corporations to U.S. individual investors and corporate portfolio investers (*Article 10(2)(a)(ii)*) applies with respect to dividends paid after April 1, 1973 (the date the ACT system came into effect). The proposed treaty will apply with respect to the corporation tax for any financial year beginning on or after April 1, 1975. With respect to the Petroleum Revenue Tax, it applies for any chargeable period beginning on or after January 1, 1975 (the date the PRT first came into effect).

The proposed treaty will generally apply on a retroactive basis to taxes imposed in the United States (including state income taxes subject to the limitations provided in Article 9(4)) for taxable years beginning on or after January 1, 1975. The proposed treaty applies to any U.S. withholding taxes paid or credited on or after January 1, 1975, without regard to when the taxable year began. In addition, the provisions under which the United States is required to allow a foreign tax credit for United Kingdom taxes (including the income tax, the capital gains tax, the corporation tax, the unrefunded ACT, the deemed withholding tax, the Petroleum Revenue Tax, and local taxes) apply with respect to United Kingdom taxes paid on or after April 1, 1973.

The provisions of the existing treaty will generally cease to have effect on a retroactive basis with respect to a tax to which the proposed treaty applies at the time the proposed treaty comes into effect with respect to that tax. However, where any provisions of the existing treaty would have afforded greater relief from tax, that provision will continue to have effect for any taxable year beginning before January 1, 1976. The existing treaty will terminate on the last date on which it has effect under the above provisions.

The termination of the existing treaty will not, however, affect agreements which extend the existing treaty to certain territories of the United Kingdom (Antigua, Belize, the British Virgin Islands, Dominica, the Falkland Islands, Montserrat, St. Christopher-Nevis-Anguilla, St. Lucia, and St. Vincent). In those cases, the existing treaty will continue to apply. However, the United States has requested the United Kingdom to advise those territories that the United States desires to renegotiate the existing treaty as it affects them so as to reflect the principles of the proposed treaty.

Article 29. Termination

The proposed treaty will continue in force indefinitely, but either country may, on or before June 30 of any year after 1980, terminate it by giving notice through diplomatic channels.

If such notice is given, the treaty will cease to be effective for taxable years beginning on or after January 1 of the following year for U.S. tax; for a year of assessment beginning on or after April 6 of the following year for the U.K. income tax and capital gains tax; for a financial year beginning on or after April 1 of the following year for the U.K. corporation tax; and for a chargeable period beginning on or after January 1 of the following year for the U.K. Petroleum Revenue Tax.

PART B. REVENUE EFFECTS

Several provisions of the proposed treaty will have an impact on U.S. tax revenues as contrasted with the existing treaty. Those revenue effects generally involve either (i) reductions of U.S. withholding taxes on dividends paid by U.S. corporations to British direct corporate investors, (ii) increases or decreases in U.S. foreign tax credits resulting from increases or decreases in U.K. taxes paid by U.S. taxpayers (or their subsidiaries) on U.K. source or (iii) increase in U.S. taxable income as the result of ACT refunds to U.S. shareholders. On the basis of the information presently available to the Committee, however, it is not possible to make firm estimates of the revenue effects of certain of the treaty provisions which may significantly effect revenues.

Reductions of U.S. withholding tax on dividends

The U.S. withholding tax on dividends paid by U.S. corporations to U.K. direct corporate investors is reduced to 5 percent under the proposed treaty from 15 percent under the existing treaty (the statutory rate is 30 percent). This rate reduction is effective for withholding taxes paid after 1974. Dividend payments from U.S. corporations to U.K. direct corporate investors amounted to $164 million in 1975 and $155 million in 1976, and are estimated at $155 million in 1977 and 1978. Thus, it is estimated that the revenue loss for fiscal year 1978 attributable to the reduction in withholding rates will be $63 million (reflecting dividends paid during the 1975–1978 period), and it is estimated that the revenue loss for fiscal 1979 will be $15 million, increasing to $22 million in fiscal 1983.

The proposed treaty retains the 15-percent withholding tax limitation contained in the existing treaty with respect to dividends paid by U.S. corporations to U.K. portfolio shareholders; thus, there is no revenue impact with respect to portfolio investors.

DIVIDENDS BY U.K. SUBSIDIARIES TO U.S. DIRECT INVESTORS

Article 10 of the proposed treaty provides that in the case of dividends paid by British corporations to U.S. direct corporate investors, the United Kingdom is to refund to the U.S. shareholder one half of the Advance Corporation Tax (ACT) paid by the British corporation with respect to the dividends. This refund is reduced by a 5 percent British withholding tax provided for in the proposed treaty. No ACT refund would be made and no U.K. withholding tax would be imposed in the absence of the treaty. These provisions of the proposed treaty regarding dividends paid to U.S. direct corporate investors apply for any year of assessment of the distributing British corporation beginning on or after April 6, 1975.

The proposed treaty also provides (*Article 23*) that the one-half of the ACT paid by the British corporation which is not refunded by the U.K. to U.S. direct corporate investors is to be treated as a creditable tax for purposes of the U.S. deemed-paid foreign tax credit. As discussed in the explanation of this provision, it is not clear whether the unrefunded ACT would be treated as a creditable foreign income tax in the absence of the proposed treaty.

Dividends payments by British corporations to U.S. direct investors covered by these provisions are estimated to be $1,250 million for the 1975–1978 period and the associated ACT payments to the U.K. Treasury by the distributing U.K. corporations are estimated at $650 million. Accordingly, the ACT refunds paid in the current year to U.S. direct corporate investors under the proposed treaty would amount to $325 million, and the aggregate amount of the 5-percent withholding tax imposed on the grossed-up dividends would amount to approximately $80 million for that period. Thus, the net payment by the U.K. to U.S. direct corporate investors is estimated at $245 million for the 1975–1978 period and approximately $65 million a year thereafter.

Although the information is available to estimate the net refunds of British taxes to U.S. shareholders resulting from these provisions, it is not possible to make any firm estimate as to the impact of these tax refunds on U.S. tax revenues. A major difficulty is that the revenue impact turns on whether the portion of the ACT which is not refunded to U.S. direct investors would qualify for the deemed-paid foreign tax credit in the absence of the treaty. If the unrefunded ACT would be treated as a creditable tax in any event, these provisions should result in an increase in U.S. taxes. If not, these provisions would result in a decrease in U.S. taxes. Moreover, as discussed below, it is not possible to estimate precisely the U.S. revenue effect of these provisions for either assumption as to the creditability of the ACT because the revenue effect is heavily dependent upon factors for which adequate information is not available.

The Treasury Department has made an analysis of the impact on U.S. taxes of these provisions for the assumption that unrefunded ACT would be creditable without regard to the proposed treaty. Treasury estimates that the ACT refunds will not result in any net increase in U.S. tax paid by U.S. direct corporate investors, but will result in a $83 million decrease in excess foreign tax credits for the 1975–1978 period. This estimate, however, is subject to several caveats.

First, the analysis assumes that each U.K. subsidiary which pays dividends to a U.S. parent distributes one-half of its earnings for each year from which a dividend is paid. The best information available is that, on average, U.K. subsidiaries of U.S. parent corporations do in fact distribute approximately 50 percent of their earnings. However, in each individual case in which the payout rate is higher, the ACT refund will result in increased U.S. taxes (conversely, a lower payout rate results in a smaller reduction in excess credits), and it is clear that many individual U.K. subsidiaries have a payout rate in excess of 50 percent. This variation operates in the direction of increasing the revenue gain.

Second, the revenue estimate is based on the assumption that the subsidiaries pay U.K. tax at a 52 percent rate. Treasury points out that the actual rate of U.K. tax paid by the subsidiaries is usually somewhat lower, with the result that the ACT refunds will, to a certain extent, result in actual U.S. tax

increases rather than merely decreases in excess credits.

Third, it is probable that a large part of the excess credits attributable to dividends from U.S. subsidiaries could be used against other foreign income of the U.S. parent corporations, and that the estimated $83 million reduction in excess credits with respect to these dividends therefore results in an increase in U.S. taxes with respect to other foreign source income However, there will remain a significant portion of the reduction in excess credits which will not translate into increases in U.S. taxes. One reason is that many U.S. parent companies (particularly petroleum companies) are continually in a substantial excess credit position and thus a reduction in the U.K. taxes attributable to dividends they receive from U.K. subsidiaries would not increase their U.S. taxes. Another reason is that some U.S. companies attempt to time their dividends from high and low-taxed foreign subsidiaries so that their combined foreign tax credits offset any U.S. taxes on their foreign income. In that situation, a reduction in credits attributable to dividends from U.K. subsidiaries would tend to cause increased dividend distributions from high-taxed subsidiaries (or a reduction in dividend distributions from low-taxed subsidiaries) but would not necessarily affect their U.S. tax liabilities.

Fourth, the ACT refund may produce a second order effect which results in a Federal tax increase in those situations where the excess credits cannot be used. The resulting increased cash position of U.S. parent companies due to the ACT refund will cause them to increase their dividend payments which, in turn, would increase the taxes paid by their shareholders. As a general rule, however, such second order effects are not taken into account in making revenue estimates.

In summary, if the assumption is made that the unrefunded ACT would be creditable notwithstanding the treaty, the ACT refund will result in some U.S. tax increase. Depending upon the factors outlined above, the revenue gain would probably be somewhere between $50 million and $100 million for the 1975–1978 period and $15 to $25 million a year thereafter.

On the other hand, however, if it is assumed that the ACT would not otherwise be creditable, the treaty provisions dealing with dividends from U.K. subsidiaries to U.S. direct investors would result in a U.S. revenue loss rather than a revenue gain. Using the same assumptions as made in the Treasury analysis discussed above (a 52-percent rate of U.K. tax paid by the U.K. subsidiary and a dividend payout rate of 50 percent), the effect of the treaty on dividends paid during the 1975–1978 period to U.S. parent companies would be a reduction in U.S. taxes paid of $65 million and an increase in excess foreign tax credits of $15 million. The actual U.S. revenue loss would depend on the same factors as those outlined above which would operate if the unrefunded ACT were assumed to be an otherwise creditable tax. Accordingly, instead of a U.S. revenue gain, these provisions would probably result in a U.S. revenue loss of somewhere between $50 million and $100 million for the 1975–1978 period and $15 to $25 million a year thereafter.

In view of the uncertainty as to the amount of any possible revenue effect and as to whether the revenue effect would be positive or negative, no revenue gain or loss with respect to these provisions has been included in the budget impact statement.

ACT refunds to U.S. portfolio shareholders

The provisions allowing ACT refunds on dividends paid by British corporations to U.S. portfolio shareholders and the creditable U.K. withholding tax of 15 percent of the sum of the dividend and the ACT refund are retroactively effective with respect to dividends paid after April 1, 1973. Dividend payments from U.K. corporations to U.S. shareholders are estimated at $450 million for the 1973–1978 period, with an associated ACT payment of $234 million. Thus, it is estimated that these provisions will result in ACT refunds with respect to that period of $234 million, subject to British withholding taxes of $103 million, leaving a net payment in the current year by the U.K. to U.S. portfolio shareholders of $131 million. Thereafter, dividend payments to U.S. portfolio shareholders are estimated at $90 million annually, with ACT refunds to $44 million and U.K. withholding taxes of $20 million (or a net U.K. payment of $24 million).

These provisions will not result in any significant U.S. gain or loss because the increase in U.S. tax attributable to the ACT refund to U.S. portfolio shareholders will be approximately offset by the foreign tax credit for the 15 percent U.K. withholding tax provided in the treaty.

Petroleum Revenue Tax (PRT)

The treatment of the PRT as a creditable tax for U.S. foreign tax credit purposes will not have any significant revenue effect for the 1975–1978 period because (i) the U.S. oil companies have just begun to pay the PRT, and (ii) they are in a substantial excess oil tax credit position for those years in any event. However, the PRT provision is likely to be important in future years.

Beginning in 1979, substantial amounts of PRT will be paid by U.S.-controlled companies operating in the British sector of the North Sea. On the basis of the information presently available,[8] it is estimated that the PRT payments made by U.S.-controlled companies will be as follows:

	Millions
1979	$250
1980	550
1981	850
1982	950
1983	1,250

The IRS is currently conducting an examination of the treatment of foreign oil taxes for U.S. foreign tax credit purposes. The IRS rulings holding the Saudi Arabian and Libyan taxes creditable have been revoked for years after 1978. There is a good possibility that the IRS will take the position that other OPEC oil taxes do not, in their present form, qualify for the U.S. foreign tax credit.

If the IRS were to deny the credit with respect to the oil taxes imposed by other foreign countries, the U.K. treaty PRT provision would become very important because many U.S. oil companies would no longer be in an excess oil tax credit position. In that event, creditability of the PRT would enable the companies to credit the PRT against their U.K. source oil income. In addition, they would be able to use any excess PRT credits against non-U.K. foreign oil income. If it were possible for all PRT credits to offset U.S. tax, the revenue loss due to the creditability of the PRT theoretically could exceed $600 million a year by 1983 (the maximum U.S. revenue loss would only be a little more than half the amount of PRT paid rather than the full amount because the PRT would be deductible in the absence of the treaty). However, there is a good possibility that the PRT provision will not result in any significant U.S. revenue loss. It is possible that the IRS will take the position that many or most foreign oil taxes are in fact creditable taxes or that the companies will be able to overturn in the courts adverse IRS rulings in this area. Alternatively, the foreign countries may restructure their tax systems so that their taxes qualify for the credit. Similarly, it is possible that the courts would have held the PRT to be a creditable tax despite the position of the IRS, or that, if the PRT provision were not ratified, the U.K. would restructure the PRT so as to make it a creditable tax.

In any case, since the U.S. oil companies will generally continue to be in a substantial excess foreign tax credit position without regard to the creditability of the PRT unless most of the foreign oil taxes the companies pay to other countries are denied the credit for future years, no budgetary impact for 1979 or later years is reflected by this provision.

Insurance of U.S. risks

The proposed treaty (*Articles 2, 8, and 22*) exempts British insurance companies from U.S. insurance excise tax on income from insuring U.S. risks which is not attributable to a U.S. permanent esablishment. The exemption is effective for taxable years beginning after 1974.

It is difficult to make a firm estimate of the revenue impact of this exemption because there is insufficient information as to the U.S. income taxes and insurance excise taxes paid by the British insurance companies. The total insurance excise tax receipts from all foreign insurers are estimated on a calendar year basis at $22 million in 1975, $30 million in 1976, $43 million in 1977, and $48 million in 1978. While no figures are available with respect to the amount of premiums paid on direct insurance, Commerce Department figures indicate that total reinsurance premiums paid by U.S. insurance companies to foreign reinsurers amounted to $1,070 million in 1976, of which $566 million, or 53 percent, was paid to reinsurers resident in the U.K. (both figures have been increasing at an annual rate of approximately 20 percent). Nevertheless, it is difficult to extrapolate the revenue effect of the treaty from these figures because there is no hard data as to the extent to which the premiums paid to U.K. insurers or casualty policies are attributable to U.S. permanent establishments and exempt under closing agreements with the IRS.

In addition to the lack of the necessary data, the impact of the treaty provisions is difficult to assess because the new treaty provisions may cause shifts in business practices to take advantage of the treaty exemptions. First, it is relatively attractive under the present treaty for U.K. insurers to have U.S. permanent establishments; under the proposed treaty it will be disadvantageous from a tax standpoint to have a U.S. permanent establishment. It can thus be expected that some U.K. insurance companies will discontinue operations through U.S. permanent establishments and will instead operate in the United States through independent brokers rather than dependent agents. Second, to a certain extent it will become more attractive for non-U.K. foreign insurance companies (including foreign subsidiaries of U.S. companies) intending to insure U.S. risks either to operate directly through offices in the U.K. or, alternatively, to do so indirectly by reinsuring U.S. risks which have been insured by British insurance companies not having U.S. permanent esablishments.

If premiums paid to U.K. insurance companies account for one quarter of the total insurance premiums paid to foreign insurance companies subject to the insurance excise tax, it is estimated that the revenue loss resulting from the treaty provisions dealing with the insurance of U.S. risks by British insurance companies would be $35 million for fiscal year 1978 (reflecting premiums paid in 1975–1978 period), and $13 million for fiscal year 1979, increasing to $23 million in fiscal year 1983.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that an editorial

[8] These figures are derived from data contained in the Wood, Mackenzie & Co. North Sea Reports of October and December 1977.

from the Wall Street Journal and an editorial from the New York Times be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, May 10, 1978]

NOW, THE U.K. TAX TREATY

Out of the corner of your eye, no doubt, you have been seeing stories and commentaries about the tax treaty our State Department negotiated wtih the United Kingdom. In the next day or so, most likely, the U.S. Senate will vote the treaty up or down. We and almost everyone else who has looked at the treaty think it is swell, a document that so clearly benefits all parties that it may be that which Milton Friedman says there is none of, a free lunch.

Why are the proponents so anxious? What's it all about?

In the most general terms, what the treaty does is protect British investors from the tendency of American tax collectors to become greedy and arbitrary. At the same time it protects American investors from the tendency of British tax collectors to become greedy and arbitrary.

The folks who are trying to dynamite the treaty in the U.S. Senate, not surprisingly, are the state tax collectors, who are running around yelling that the treaty is a violation of "states' rights" and will cause a loss of revenues to state governments.

There is, broadly speaking, no merit to their arguments, although they have a measure of our sympathy. They are constantly being whipped by their political bosses to find revenues that do not anger voters. It is thus inevitable that they would be driven to plucking the feathers of foreign investors, which is precisely why it became necessary for the State Department to get into the act and negotiate this treaty.

All it takes in a state revenue office to show a short-run bulge in taxes is to move the punctuation around in the accounting rules that U.S. subsidiaries of foreign companies must follow. Once the company is established, say in California, Sacramento has a tendency to figure it has no choice but to stand still and be plucked. This is the same mental attitude that once gripped the banana republics of Latin America, until they learned that greedy plucking of foreign investors always meant a drying up of foreign investment.

State tax collectors are not expected to understand the global impact of their narrow-minded administrative manipulations. National politicians are expected to, which is why there is such broad support in Washington and New York among Democrats and Republicans and newspapers that are usually on opposite sides of issues. In California, Gov. Jerry Brown initially sided with his tax collector. Then he took a trip to Japan and realized that potential Japanese investors in the California economy were staying home. Now he supports the treaty.

All the treaty does is systematize procedures in a way that will prevent states from abusing their tax-collecting powers in a way that ultimately hurts everyone, including their own citizens. The worst abuse that will be halted is the state taxing of profits earned outside a state, even profits earned in the United Kingdom. For their part, our British partners will stop double-taxing U.S. dividend income and rebate a barrel of money already grabbed in this fashion. If this isn't a free lunch, it's at least the next best thing.

[From the New York Times, May 9, 1978]

THE NATIONAL STAKE IN A TAX TREATY

For a generation, except in the recession year of 1977, the exports of the industrial countries have been climbing annually about twice as fast as production, spurring growth rates, income and prosperity. That growth has depended on the reduction of barriers to international trade and investment, but many impediments remain. One of them is the discriminatory taxation of American investments abroad, and it can be significantly reduced if the Senate this week approves a new tax treaty with Britain. It would also reduce discriminatory taxation of British companies in the United States; unfortunately, it is opposed by several state governments that fear the loss of revenue. The two-thirds vote needed for ratification is in doubt.

The pending pact, arduously negotiated over three years, would replace and modernize a 1945 treaty. The major gain for American investors is a provision that would grant them relief from the double taxation of business income as it appears as corporate earnings and dividends. Britons now get such relief in the form of tax credits; the new treaty would qualify Americans for cash refunds and put them on much the same footing.

Refunds of about $85 million a year are at stake. A retroactive payment of $375 million for the 1973–78 period would also be made—a not-insignificant boost for the dollar, as the Treasury has observed. Moreover, the treaty would set a standard for similar negotiations with West Germany, France, Canada, and other nations. Its approval clearly would serve American interests.

Because the United States continues to tax both corporate earnings and divided distributions, it had to offer Britain other concessions to gain the treaty. The one that has aroused the greatest opposition would limit a type of taxation by state governments that discriminates against subsidiaries of British companies. Several governors have invoked the cry of "states" rights to challenge the treaty. Tax officials of a dozen states have written to President Carter protesting that such treaties would significantly reduce the revenues of 32 states and also create a chance for tax evasion by American-controlled multinational companies.

The treaty would prohibit states from taxing subsidiaries for any part of the income of a parent company outside the state. However, the Treasury would help the states to apply the complicated "arms length" calculations used by the Federal Government to guard against the understating of a subsidiaries profits. A letter from Treasury Secretary Blumenthal to the 50 governors argues persuasively that this should adequately protect their taxing power. Mr. Blumenthal also argues that the revenue losses are likely to be small and will probably be offset by new investments that the present system now discourages. He offers assurances that present taxing methods would continue to apply to American-controlled multinational companies.

California, with the largest stake in the present system, is now supporting ratification. Governor Brown evidently discovered on a trip to Tokyo that prospects for Japanese assembly plants and other investments in California would be improved by such tax changes. The national interest, too, will be served if the Senate rejects the proposed reservations and approves the treaty.

Ms. SPARKMAN. Mr. President, I believe that Senator CHURCH is prepared to make remarks on this treaty and I yield to him.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

UP RESERVATION NO. EX–40

(Subsequently numbered reservation No. Ex–1.)

Mr. CHURCH. Mr. President, I send to the desk a reservation to the pending treaty which relates to article 9(4) and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the reservation.

The legislative clerk read as follows:

The Senator from Idaho (Mr. CHURCH) proposes an unprinted reservation numbered Ex–40:

Before the period at the end of the resolution of ratification insert a comma and the following: "subject to the reservation that the provisions of paragraph (4) of Article 9, as amended by the Notes relating to the Convention which were exchanged on April 13, 1976, shall not apply to any political subdivision or local authority of the United States".

The PRESIDING OFFICER. There are 4 hours on the reservation.

Mr. CHURCH. I yield myself such time as I may require.

Mr. President, before the Memorial Day recess, Members of the Senate received a letter urging them to oppose this reservation of article 9(4) of the proposed United States-United Kingdom Tax Treaty. The letter repeated arguments in support of the treaty which, in my judgment, do not withstand close analysis. I would like at this time to respond to those arguments.

There are two important principles at stake in this treaty. The first concerns the role of tax treaties in our constitutional system. Whatever tax treaties are good for, they should not be used to usurp for the executive branch of Government the power to impose major changes in internal tax policy. Yet, the United Kingdom Treaty does precisely this.

For some 10 years, Congress has been rejecting the type of limitation on the power of our State governments to tax which is incorporated in article 9(4) of the pending treaty. Yet, if this article is adopted, it will serve as a precedent for the future.

No one has suggested that this provision would be confined to the bilateral agreement between the United States and the United Kingdom. It is anticipated, should this provision remain in the treaty, that it will be inserted in all future treaties with other foreign governments, and we must consider it in this light.

In due course, the executive branch, through the device of these many new tax treaties, actually will work a change in our internal tax laws, imposing for the first time a limitation upon the right of State governments to choose the method by which they tax foreign-owned corporations doing business within their jurisdiction. And that change of policy will be accomplished without consultation with the States that are affected, without any participation on their part—indeed, without the consent of the Congress of the United States and without action by the appropriate tax committees of the House of Representatives and the Senate.

Many words have been spoken about the need for Congress to reassert its rightful legislative prerogatives. Yet, the United States–United Kingdom Treaty now before us represents legislative policymaking by the executive through the device of a tax treaty.

The second important principle con-

cerns the proper way for resolving disputes within our federal system. As I mentioned a moment ago, the States were never consulted before their tax powers were bargained away for the benefits of the multinational corporations. They were informed afterward, and then only through happenstance, when they suddenly discovered this provision, article 9 (4), in the treaty now before us.

Mr. President, Congress is the forum in which disputes within the federal system meant to be resolved. In Congress, both sides can make their case, and reasonable compromises are possible. Ironically, the letter from supporters of article 9(4) suggests that the principle of resolving Federal disputes within Congress rather than through the treaty process "is an attack on the exercise by the Senate of its power to give advice and consent on tax treaties."

Mr. President, that assertion lacks both logic and historical truth. The original purpose for the Senate's role in the treaty process was to protect the interests of the several States in treaty matters. The framers feared that to give the executive branch of the Federal Government free rein in the treaty process would enable the President to ride roughshod over the States. We may have waited a while to see that fear confirmed, but that is exactly what article 9(4) of this treaty does. It demonstrates that the fears of the framers of our Constitution were well founded.

Mr. President, multinational corporations have a long list of disputes with the States, not only in the tax area but in other areas as well—natural gas development, offshore drilling, land use, environmental standards, corporate and foreign ownership of farmland, among others.

If we consent to this precedent-setting article 9(4) of the United Kingdom Treaty, we invite the use of the treaty process in the future, without participation of the States, to settle these many other points of controversy.

Those of us in the Senate who oppose article 9(4) are not alone in our concern for these principles. The same provision is strongly opposed by the California Comptroller and the Franchise Tax Board; by the Governors of Alaska and Oregon and 16 other States, including my own; by some 26 State tax commissioners; by the AFL–CIO; by the Consumer Federation of America; by the American Federation of State, County, and Municipal Employees; by the National Association of Machinists and Aerospace Workers; by the Oil, Chemical, and Atomic Workers International Union; by the National Farmers Union, and by the National Democratic Committee's Farm Caucus.

This provision in the treaty is supposed to be justified by the alleged abuses said to have occurred in the State of California in its application of the unitary method for taxing the multinational corporations doing business in that State.

Mr. President, if we were to set aside the question of whether or not these allegations are well founded and were to assume, for the purpose of argument, that abuses may have occurred in California, the fact remains that similar charges have not been made against any other State that has adopted the unitary method. In our hearings, there were no such charges alleged against the other 42 States and the District of Columbia which are presently using all, part, or a variation of the unitary method in determining the tax to be assessed against a multinational corporation.

So all we have to justify this article is the charge that in certain instances the determinations made by the State of California were abusive and worked to the disadvantage of the large companies there.

I think that is a very thin basis upon which to justify the inclusion in this treaty of an article of this kind, for the treaty is not confined to the State of California. It limits the power of every State government to determine the method to be used in taxing foreign-owned corporations doing business within the State.

Furthermore, Mr. President, if any given State applies the unitary method in a way that business finds to be onerous there are remedies that are available. Until now we had always thought those remedies sufficient. In the first place, the business concern can effect its own remedy by simply withdrawing from the State and taking its business elsewhere. Or the State legislature, faced with complaints of this kind, can readily refashion its law so as not to cause an exodus of capital.

For 200 years now we had thought that this self-correcting process was sufficient. We had thought that it was unnecessary for the Federal Government to intervene via a treaty with a foreign government to prohibit all the States from adopting the unitary method to tax these great global corporations.

I think we will regret the precedent established by this treaty if the Senate chooses not to strike article 9(4) from the treaty by way of the reservation I propose.

Finally, Mr. President, there is the question of the revenue impact of the United Kingdom Treaty on the United States. The Treasury Department states:

> The overall impact on Federal tax revenues of the changes from the present U.K. Treaty is expected to be no more than a few million dollars.

Mr. President, I cannot find any basis for such a statement. The Congressional Budget Office judges that the 5-year cost of the United Kingdom Treaty in millions of dollars to be as follows: The revenue loss for 1978 to the Federal Treasury will be $100 million; in 1979, $28 million; in 1980, $31 million; in 1981, $35 million; in 1982, $40 million; and in 1983, $45 million.

The Budget Office made no estimate of the potential revenue loss to the United States from making creditable dollar for dollar against U.S. taxes, Britain's advance corporation tax, known as the ACT or its petroleum revenue tax, known as the PRT.

The revenue effect section of the Foreign Relations Committee report on the United Kingdom Treaty indicates that by making those taxes creditable, the potential loss of the ACT is somewhere between $50 million and $100 million for the 1975–78 period, and $15 to $25 million a year thereafter. The potential revenue loss from the PRT ranges from between $300 million and $600 million a year by 1983.

These are very sizable losses. Further, these figures are confined only to the impact of this treaty between the United States and the United Kingdom.

But what will be the real loss to the U.S. Treasury? When the principles incorporated in this treaty are extended to all new tax treaties between the United States and all other foreign governments, the global tax loss to the U.S. Treasury will be staggering.

In summary, Mr. President, it is clear that the executive branch is attempting to induce the Senate to approve an undesirable treaty that will have high costs to the U.S. Government, and to use the treaty process both for the initiation of new tax policy within the United States and for the resolution of disagreements within the Federal system.

We have lived to regret past concessions of our legislative roll and we will live to regret again any decision that retains article 9(4) in the pending treaty.

Mr. President, one of the States that has adopted the unitary method of taxing foreign-owned corporations is the State of Alaska. My attention has been called to a very interesting advertisement of the Exxon Co., which was published in Alaska in which the following two questions and answers appear:

Question. How does the State determine how much of a multistate company's income is taxable in Alaska?

ANSWER. Under current law a multistate or multinational corporation's total worldwide income is apportioned to Alaska by an equally weighted three-factor formula based on the percentage of the company's total property, payroll, and sales in the State. For instance, if the company has 25 percent of its total property, payroll and sales in Alaska, the company pays Alaska corporate income taxes on 25 percent of its total Federal taxable income—at the corporate tax rate of 9.4 percent. Variations of this same formula are used in 42 other States and the District of Columbia in calculating income to attribute to multistate companies.

Question. Would Alaska change the formula under the legislation now proposed?

ANSWER. Yes. One bill would delete the sales factor and substitute an extraction factor. Supporters of the measure ignore the fact that production activity (extraction) is measured by the property and payroll factors and that Alaska also already levies a high tax on production through the severance tax. Another proposal is a separate accounting bill. We believe Alaska's present income tax law as it applied to the oil and gas industry in Alaska is equitable and provides uniformity with other industries and most of the other States that levy income taxes. A departure from this uniformity could result in overlapping taxation by the States.

Mr. President, it is unusual for a large multinational corporation like Exxon to speak with favor about any tax. Yet clearly Exxon endorses the unitary tax in Alaska.

No case has been made to justify the Federal Government's intervening by way of article 9(4) of the U.K. Treaty

to prohibit Alaska, Oregon, and California from using a unitary tax method. No case has been made to prohibit its use by the 42 other States and the District of Columbia that have adopted variations of this formula.

Why should the States be forced by the Federal Government to adopt an arm's-length method of assessing the proper allocation of costs and determination of profits between subsidiaries and parent corporations that operate on a global scale?

In the course of the investigations that I conducted of multinational corporations we heard much testimony about the unsatisfactory character of that method, about the inability of the Federal Government to accurately allocate costs or determine where profits lay within such enormous corporations. If the Federal Government cannot do it with all of the expert advice available to the Internal Revenue Service, with all of the accountants at the disposal of our national Government, then how can we expect State governments, limited in their resources, limited in their accounting and bookkeeping capacity, to successfully invoke an arm's-length method to determine what part of the profit of a great corporation can be attributed to that State?

What business is it of the Federal Government to intervene through an agreement that has been negotiated with the United Kingdom and say to the 50 States:

> You cannot adopt a unitary method because Washington and London have agreed that British-owned corporations may not be taxed by the States in this fashion?

It has never been done before.

This is a mischievous extension of the treaty power to fashion internal tax policy. Again and again Congress has been asked to establish a national policy limiting State governments in their method of taxing multinational corporations. Again and again Congress has refused. Yet it was Congress that was supposed to decide such matters.

Now we propose to override a refusal by Congress to restrict State governments by imposing that restriction in the form of article 9, section 4 of the pending treaty with the United Kingdom.

We will regret doing it as time passes and we find that the treaty power is again and again invoked to circumvent both the Congress and the States.

For these reasons, Mr. President, I hope very much that the Senate will see fit to strike article 9, section 4 from the treaty by way of my reservation to the resolution of ratification. That vote, I undersand, will come tomorrow, and I would hope that if Members of the Senate carefully study the issues at stake here the proposed reservation will be adopted.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I yield myself 15 minutes.

The description of what is taking place here is very analogous to the blind man and the elephant. The particular provision to which my colleague refers is but a part of a larger whole which is of great interest and of great importance to the United States in terms of Federal income tax revenue, and to the business community of the United States.

It has been pointed out, I think quite properly, that the concern about article 9(4) emanates from three States, the largest being California. If I can read the official position of the State of California to the Senate we would put in sharp focus what I meant when I said we have here a presentation of the blind man and the elephant, the blind man who could touch but one infinitesimal part of the elephant and not understand its whole.

We have a declaration, in telegram form, from the Governor of California and one of its Senators, which is found at page 399 of the record of the Foreign Relations Committee hearings on the treaty, and which reads as follows:

Hon. JOHN J. SPARKMAN,
U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR SPARKMAN: Since our separate letters to you on July 21, 1976, and April 1, 1977, regarding the United States-United Kingdom Tax Treaty, we have been informed that the revenue loss to California will be far less than $100 to $125 million originally indicated. The direct loss of tax revenue to California resulting from the exclusion of the foreign operations of foreign parent corporations from the unitary method of taxation may be 15 or 20 million dollars.

Furthermore, it is the judgment of California's Business and Transportation Secretary, Richard Silberman, and the State Director of Finance, Roy Bell, that ratification of the treaty will have a positive net economic impact on California.

Secretary of the Treasury Blumenthal has specifically requested our support for ratification of the treaty and has emphasized that the Carter Administration believes it to be in the international interest.

In light of the above, it is our judgment that it is in the best interest of California as well as the nation that the United States-United Kingdom Tax Treaty be ratified.

Sincerely,

EDMUND G. BROWN, Jr.,
Governor.

ALAN CRANSTON,
U.S. Senate.

I understand, that, Senator HAYAKAWA will speak tomorrow, to the same effect, having already manifested in his testimony before the committee his support for the committee's position

Now, Mr. President, I opened with Governor Brown's letter for this reason: I yield to no one in my respect and regard for my friend from Idaho, who has proposed this particular reservation, but I urge the Senate to look at the whole treaty, before we get diverted on to this particular proposition, which will have, in my judgment—and, incidentally, this is Secretary Blumenthal's judgment as well, not just mine—the effect of killing off this treaty.

The fact is, Mr. President, that this particular treaty was negotiated with the British at a time which was extremely favorable to us, a time when Britain was in considerable economic difficulty and was reaching out for ways in which she could improve her situation.

This treaty was attractive to England because she was smarting under serious economic difficulties, but we were smarting very much more, Mr. President, because there were hundreds of millions of dollars in taxable U.S. income which were tied up in Britain, and which could not be paid to American investors, both portfolio and capital investors, because of British law, which discriminated against American investors by not providing them with refunds of the Advance Corporation Tax, which British investors were getting.

These dividends, if you were a United Kingdom citizen, were rebatable under their unitary apportionment tax system, but they were not rebatable to U.S. citizens, and so American investors were completely hung up beginning in 1973, when that law passed, to the tune of hundreds of millions of dollars

The purpose of this treaty was to loosen up that money, and the treaty will result, if ratified this year, in cumulative refunds of approximately $375 million, to be repatriated to the United States, with subsequent annual refunds totaling $85 million—an annual tax benefit to the U.S. Treasury.

Also, Mr. President, and I now cite Secretary Blumenthal:

> The proposed treaty is also very significant from the standpoint of international tax relations. It is the first treaty ever to reconcile successfully a classical system of corporate taxation such as that of the United States with the type of integrated system currently in place in many developed countries. Without such a reconciliation, United States investors encounter discriminatory taxation in countries having such integrated tax systems. We are hopeful that the provisions in the proposed treaty dealing with this discrimination will serve as a model in our current treaty negotiations with France, Germany, Canada, and other countries that have integrated systems similar to that of the United Kingdom.

Coming now to the particular matter about which Senator CHURCH has been debating today: this article represents a concession which we have made to the United Kingdom. It is one of the very few concessions made in this treaty; and the whole cost of the concession, in terms of State revenue, Mr. President, is estimated at $25 million for the three States which are referred to—and, by the way, Idaho has not even installed this system; it may wish to, but it has not done so. Of the three States we referred to, the potential taxation for California itself amounts to only $15 or $20 million. Yet we are asked to kill off the whole treaty for that reason.

Let me tell the Senate why I say we are asked to kill off the whole treaty for that reason. Here is what Secretary Blumenthal said in his letter of May 2, 1978. I ask unanimous consent that the entire letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, May 2, 1978.

Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR JACK: A proposed new income tax treaty between the United States and the United Kingdom will soon be before the Senate. The Treasury supports this treaty, and I am writing to urge that you vote for its ratification.

The proposed treaty is extremely advantageous to the United States. One of its most important provisions obligates the United Kingdom to make substantial refunds of taxes (estimated to amount to some $375,000,000 for the retroactive period from 1973 to 1978, and about $85,000,000 each year thereafter) to American investors in United Kingdom corporations. A transfer of funds on this magnitude from a foreign Treasury to United States investors should help both our balance of payments and the value of the dollar in foreign currency markets.

The proposed treaty is also very significant from the standpoint of international tax relations. It is the first treaty ever to reconcile successfully a classical system of corporate taxation such as that of the United States with the type of integrated system currently in place in many developed countries. Without such a reconciliation, United States investors encounter discriminatory taxation in countries having such integrated tax systems. We are hopeful that the provisions in the proposed treaty dealing with this discrimination will serve as a model in our current treaty negotiations with France, Germany, Canada, and other countries that have integrated systems similar to that of the United Kingdom.

Some persons have objected to Article 9(4) of the proposed treaty, which limits the application of the so-called unitary method of taxation. The unitary method is a means of allocating the income of a multi-jurisdiction business among the relevant taxing jurisdictions, through the use of a formula. The method is not employed by the federal government but is employed in various forms by certain states. I believe that Article 9(4) has been the subject of considerable misunderstanding.

The Article prevents the application of the unitary method with respect to the income of foreign corporations controlled by United Kingdom interests. We understand that only three states—California, Alaska, and Oregon—extend the unitary concept to such income, that is, income of foreign corporations controlled by foreigners. The inclusion of Article 9(4) in the treaty was strongly urged by the British on the ground that the unitary method as applied to United Kingdom corporate groups imposes excessive recordkeeping and reporting burdens and often results in state taxation of income having no connection with the taxing state, thus violating a basic international tax principle. The article will have the salutary effect of limiting a system of taxation which foreign investors often find burdensome, unfair, and a disincentive to investment in this country.

From the standpoint of the United States, Article 9(4) represents a narrowly drawn and relatively minor concession, by any measure, in relation to the overall balance of benefits in the treaty. The treaty makes clear that states are not in any way precluded from using the arm's length method of controlling prices in transactions between related parties to ensure that a multi-jurisdiction business does not arbitrarily shift income from one tax jurisdiction to another. The arm's length method is employed by the federal government, and the transfer price information developed in federal audits can be made available to state tax authorities. Thus, the treaty restriction on unitary taxation should not have a serious impact on state revenues, if indeed it has any adverse impact at all. Moreover, it is reasonable to conclude that other aspects of the treaty, especially the provisions requiring refunds of United Kingdom taxes, will tend to increase state revenues.

It would be extremely unfortunate, in my view, if the Senate were to enter a reservation on Article 9(4) or otherwise fail to ratify the proposed United Kingdom treaty as it stands. A reservation would require that the treaty be sent back to Parliament for reconsideration. After a review of the new balance of concessions in the revised treaty, Parliament might enter reservations of its own, which would be costly to U.S. investors, the Treasury, and the states. Moreover, further delay in achieving ratification could do considerable damage to our efforts to reach satisfactory international tax agreements with other countries.

For these reasons I respectfully urge that you vote for Senate ratification of the proposed treaty.

Sincerely,

W. MICHAEL BLUMENTHAL.

Mr. JAVITS. I would like to repeat particularly these closing sentences:

It would be extremely unfortunate, in my view, if the Senate were to enter a reservation on Article 9(4) or otherwise fail to ratify the proposed United Kingdom treaty as it stands. A reservation would require that the treaty be sent back to Parliament for reconsideration. After a review of the new balance of concessions in the revised treaty, Parliament might enter reservations of its own, which would be costly to U.S. investors, the Treasury, and the states. Moreover, further delay in achieving ratification could do considerable damage to our efforts to reach satisfactory international tax agreements with other countries.

For these reasons I respectfully urge that you vote for Senate ratification of the proposed treaty.

Now, Mr. President, to go on: It has also been said in the arguments that this is an unprecedented restriction upon State authority. But, Mr. President, this is not breaking new ground at all. There are many tax treaties to which the United States is a party, in which the States are prohibited from imposing discriminatory taxation on foreign residents and foreign companies. That is almost universal in tax treaties, and that is a very important restriction on States.

Also, Mr. President, there are treaties like the Vienna Convention which limit the application of State and local taxes respecting foreign diplomatic personnel. Again, to a place like New York, that is a tremendous restriction. We have them all. But nonetheless, Mr. President, we have to yield to the national will.

In addition, Mr. President, there is an alternative to this unitary method of taxation as far as the States are concerned. Most of the States have what is called the arm's-length system, which is considered to be, by our own Treasury and by all of these States, a very much fairer way of assessing taxation.

Indeed, the reason that the United Kingdom insisted on the exclusion of this unitary tax method is because it is basically unfair. It has no relation whatever to property owned or business done. It simply represents an attempt to apportion tax on the global operations of a particular foreign enterprise which happens in the case of this treaty to be a United Kingdom enterprise. Hence they rebelled against it. The arm's-length system on the other hand is based upon business done and property owned in the United States.

Now, the unitary tax system in some form may be applied in many States, but these States limit the application to the domestic operations of foreign corporations. If a foreign corporation does business in 40-odd States of the United States, certainly in that case you can make an apportionment based on the unitary approach for the operation of the corporation in the States; there is nothing unfair about that. But in worldwide operations with no relation to U.S. business, I think the United Kingdom is absolutely right; this should be prevented. And, as I say, the application of the unitary system is the global operations of non-U.S. corporations has been done only by very few States, and involves very modest amounts of money.

The critical question is therefore the following: After all this time and with all of the benefits accruing from this treaty in terms of the business operations of the United States, the increased revenues to the U.S. Treasury and in terms of increased American investment in other developed countries with comparable tax systems to that of the United Kingdom, shall we, in effect dump this treaty for this particular article, considering the relationship which it represents to the total proposition?

The Foreign Relations Committee voted 10 to 5 against recommending a reservation based upon exactly these arguments which were made by Senator CHURCH and myself; and I respectfully submit that this was the right decision.

Just to finish, and then I will yield to the majority leader, I would like to explain the reason for my active participation in this procedure. Why am I involved? Why have I suddenly taken up this matter and become a manager of a treaty?

The reason is, Mr. President, that I believe that the future of this world is in the fair opportunity available to Americans to invest everywhere and to foreigners to invest here. The development and aggrandizement of that opportunity represents the capacity of the capitalist system to triumph over the Communist system which is so material to the facilitation of world trade, so that we do not have the parochialism destroying the free world today.

So my interest is in the precedent, and the results that will automatically accrue.

Mr. President, I yield to the majority leader.

Mr. ROBERT C. BYRD. I yield to the Senator from Louisiana.

CUSTOMS PROCEDURAL REFORM

Mr. LONG. Mr. President, as in legislative session, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 8149.

The PRESIDING OFFICER laid before the Senate a message from the

House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 8149) to provide customs procedural reform, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LONG. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the confereees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LONG, Mr. TALMADGE, Mr. RIBICOFF, Mr. HARRY F. BYRD, JR., Mr. NELSON, Mr. MOYNIHAN, Mr. CURTIS, Mr. HANSEN, Mr. PACKWOOD, and Mr. ROTH, conferees on the part of the Senate.

TAX CONVENTION WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND—EXECUTIVE K, 94TH CONGRESS, 2D SESSION

The Senate continued with the consideration of the treaty.

UNANIMOUS-CONSENT AGREEMENT

MR. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the reservation by Mr. CHURCH occur tomorrow morning at 11:30 o'clock, and that a vote on the approval of the resolution of ratification of the treaty occur immediately upon the disposition of that vote.

The PRESIDING OFFICER (Mr. NUNN). Is there objection?

Mr. STEVENS. Reserving the right to object, Mr. President, will the majority leader say when the first vote on the Church reservation will occur?

Mr. ROBERT C. BYRD. At 11:30 a.m.

Mr. STEVENS. Can we have an agreement that we will notify the Members of the Senate that that will be a definite 15-minute vote so that the second vote would start at 11:45? I say this advisedly. I know people are leaving and I would like to have the vote before they leave. We could ask for a 10-minute rollcall, but if we are assured that there will be a 15-minute limit on the first one, then they will be able to vote on the treaty.

Mr. ROBERT C. BYRD. May I say to the Senator from Alaska that the vote on the Church reservation will be a 15-minute vote and the vote on the resolution of ratification will be a 15-minute rollcall vote.

Mr. STEVENS. Reserving the right to object, it is my understanding of the agreement, and I have discussed the matter with the Senator from Oregon who has substantial concerns about the treaty as well as the Senator from Idaho and myself, that the Senator from Massachusetts is going to offer his reservation.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Massachusetts.

Mr. KENNEDY. Mr. President, were we to get a vote on my reservation, I would ask if we could have it at 11:15, if we are to vote on it.

Mr. STEVENS. That is agreeable to me.

Mr. KENNEDY. I would only really need probably 10 minutes on it just prior to that. I will speak tonight. But if we have that, if we are to have a vote, to have it at 11:15, that will be satisfactory.

Mr. STEVENS. May I inquire of the majority leader what time he plans to reconvene the Senate tomorrow?

Mr. ROBERT C. BYRD. At 9 a.m.

Mr. JAVITS. Mr. President, this is all relatively new to me. I was told it was being discussed, but I have not agreed to it. That is clear, I hope. I hope I will not have to disagree. Let me first ask the Chair a parliamentary question.

Mr. ROBERT C. BYRD. I yield for that purpose, Mr. President.

Mr. JAVITS. Mr. President, have all steps in respect of the tax convention with the United Kingdom as listed on the Executive Calendar, the first protocol and the second protocol, preliminary to a final vote on ratification been completed, either actually or by unanimous consent?

The PRESIDING OFFICER. They have.

Mr. JAVITS. So that the single vote at 11:45 would represent the Senate ratification of the treaty without further action.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. The reservations, whatever they may be, having been acted on.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. Would that similarly cover the first and second protocols as listed on the Executive Calendar?

Mr. ROBERT C. BYRD. Mr. President, I was going to ask unanimous consent that the vote on the resolution of ratification of the treaty and the protocols be en bloc.

The PRESIDING OFFICER. Is the Senator asking that?

Mr. ROBERT C. BYRD. I say to the distinguished Senator from New York, if that be agreeable to him and others, I shall ask that.

I do ask that.

Mr. JAVITS. Let us be sure, Mr. President, that what we are doing can be done.

The PRESIDING OFFICER. It will take unanimous consent to vote en bloc on the resolution regarding the treaty and the protocols.

Mr. JAVITS. And the protocols?

The PRESIDING OFFICER. Yes.

Mr. ROBERT C. BYRD. Mr. President, I have asked unanimous consent.

Mr. JAVITS. May we have a ruling on that?

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Now we can have the other unanimous-consent request put, which I understand is a follows——

Mr. STEVENS. Reserving the right to object on the other matter.

Mr. ROBERT C. BYRD. May I change it before the Senator proceeds?

Mr. STEVENS. Surely.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, if a vote occurs on the reservation by Mr. KENNEDY, that vote occur at 11:30 a.m. tomorrow, and that the vote be a 10-minute vote; that it be immediately followed by a vote on the reservation by Mr. CHURCH; that that be a 10-minute vote; and that the Church reservation be followed by a vote immediately on the approval of the resolution of ratification of the treaty and the protocols en bloc; provided further that, if no vote occurs on the reservation by Mr. KENNEDY, then the other two votes be moved up; that the vote occur at 11:30 on Mr. CHURCH's reservation, to be immediately followed by a vote on the treaty.

Mr. JAVITS. Reserving the right to object, and I do not want to be picky about it, but there is a very different situation. Senator CHURCH raised his reservation first. I think it should be voted on first. Then we shall deal with the Kennedy reservation, which is a rather different matter.

Mr. STEVENS. Reserving the right to object, I state to my good friend from New York, the problem is in trying to work out the time of the vote so that Senators can make some plane connections to the West. It is my understanding that we are not certain yet that the Senator from Massachusetts will ask for a vote. If he does ask for a vote, we are trying to accommodate three votes in the time frame in which we would otherwise accommodate two. I ask his consideration, in connection with other Senators who are not here, that he permit the original motion to go forward on the unanimous consent, since it would mean that if the Kennedy reservation is not voted on, these people can catch their planes.

Mr. JAVITS. Mr. President, I deeply appreciate what the Senator says, but there is a different situation with respect to the Kennedy reservation, and I do not want to get confused on that before we vote on the Church reservation.

The Church reservation is the big one and the main one, so let us vote on it. Senator KENNEDY, I am sure, will take a 10-minute rollcall if it follows. If he wants one, it will be 10 minutes.

Mr. STEVENS. It is my understanding that if the Church amendment vote comes at 11:30, it will be a 10-minute rollcall in any event, under this procedure. Then, if the Kennedy reservation is voted upon, it would come next and it would be a 10-minute vote. If it is not voted upon, we shall go to the treaty and the protocols on a block vote, which would commence at the end of the first 10 minutes. Is my understanding correct?

Mr. JAVITS. Right.

I think the leader wanted 15 minutes on Church. That is all right with me.

Mr. ROBERT C. BYRD. It is all right with me.

Mr. STEVENS. We have to accommodate a half hour time frame, I say to the Senator from New York.

Mr. JAVITS. I am not averse. That is all right.

Mr. ROBERT C. BYRD. Mr. President,

I restate my request: I ask unanimous consent that, beginning at 11:30 a.m. tomorrow, the vote occur on the reservation by Mr. CHURCH and that that be a 10-minute rollcall vote; that upon the disposition of that reservation, the vote occur, if a vote is ordered, on the reservation by Mr. KENNEDY, and that that be a 10-minute rollcall vote if it is ordered; and that the vote on the resolution of ratification immediately follow the vote on the reservation by Mr. KENNEDY if such vote is ordered. If not, I ask unanimous consent, in the alternative, that the vote on the resolution of ratification occur immediately after the vote on the reservation by Mr. CHURCH.

Mr. JAVITS. If no vote is required on Kennedy, can we provide 15 minutes on Church, just to accommodate him?

Mr. ROBERT C. BYRD. Mr. President, suppose we do it like this: Let us have a 15-minute vote on the reservation by Mr. CHURCH and let it begin at the hour of 11:25 a.m.

Mr. JAVITS. That is fine.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object—I have no objection.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I take it that there is a general understanding that there will be no rollcall votes tonight?

Mr. STEVENS. That is my understanding. I still hope we have accommodated the desires of the Senators from the West.

Mr. ROBERT C. BYRD. Mr. President, I hope we may proceed to inform our colleagues that there will be no more rollcall votes tonight, and also inform them of the two rollcall votes tomorrow morning for sure, and a possibility of a third tomorrow morning.

Mr. STEVENS. Will the Senator from Idaho allow me some time on his amendment?

Mr. CHURCH. I shall be very happy to do that. I think the Senator from Massachusetts had hoped to get the floor. I had told him that, but first, I wanted to deliver a short rebuttal to the distinguished Senator from New York. Subject to those understandings, I should be happy to accommodate the Senator from Alaska.

Mr. STEVENS. I shall be happy to make the request later.

Mr. CHURCH. Mr. President, let there be no misunderstanding about the fact that the particular article 9(4) in the pending treaty is unprecedented. The Senator from New York says we already have tax treaties which provide that foreign diplomats in New York City will not be subject to State or local taxes. Therefore, article 9(4) is not unprecedented.

Well, that is true, Mr. President. We also have provisions in tax treaties which provide that State governments may not discriminate. That is to say, they may not tax a foreign-owned corporation doing business within that State at a higher rate than they would tax a home-owned corporation.

These nondiscriminatory provisions or these provisions that relate to the traditional immunity that is granted to foreign diplomats in this country are of an entirely different character, dimension, and scale from what will be wrought by the inclusion of article 9, section 4, in the pending treaty, because never before have we gone beyond these nondiscriminatory provisions in tax treaties to say to State legislatures that they may not choose a given method for imposing taxes on multinational corporations doing business within their boundaries. Never before have we undertaken to interfere with what has been the right of the States to determine tax policy within those States.

I do not ask Members of the Senate to take my word for it.

When the State Department sent this treaty to the President, the letter of submittal, included in executive K as part of the basic treaty documents and forwarded by the President to the Foreign Relations Committee, acknowledges that article 9(4) is unprecedented with these words:

> This provision represents the first attempt to bind State and local taxing authorities by a substantive provision of the treaty.

Furthermore, we have the statement of the staff of Joint Tax Committee prepared for the use of the Committee on Foreign Relations on this same question. This is what they have to say about the provision:

> The proposed treaty contains a new provision, Article 9(4), not found in other United States tax treaties or in the OECD Model Tax Treaty, which places limitations on the combined reporting method used by several States of the United States to determine the taxable income which corporations derive from sources within the State.

So that should settle the argument as to whether or not this article is unprecedented. Clearly, it is.

In his argument, the distinguished senior Senator from New York said that the revenue losses to the State of California would not be very large if we were to ratify this provision and include it in the treaty. He said, as I recall, that the losses might be as little as $20 million or $25 million.

Well, Mr. President, that is subject to considerable dispute in California. The Governor is engaged in lively argument with both the State Comptroller and the Franchise Tax Board in California, and they take a very different view from that currently expressed by the Governor, who, incidentally, a few months ago opposed this article and then reversed his ground. But neither the California Comptroller nor the California Franchise Tax Board reversed their ground. They have testified strongly before the Senate Foreign Relations Committee against retention of this provision in the treaty, on the ground, among other reasons, that it would occasion a very serious revenue loss to the State of California. The Tax Commission places their estimate of the loss at $125 million.

What about Alaska, Mr. President? I know that the distinguished Senator from Alaska, who will speak here soon, will cover this subject fully. But I do not think it inappropriate to include at this point in my argument the estimate of Sterling Gallagher, commisioner, Department of Revenue of the State of Alaska, who appeared as a witness at the time of the hearings. Senators will find on page 146 of the hearings his statement to the effect that this treaty will cost the State of Alaska in 1980 around $50 million.

For a State the size of Alaska, that is a great deal of revenue, indeed.

So I reject the contention of the Senator from New York that this will have minimal impact upon the States. It is not borne out by the weight of the testimony before the committee.

My good friend, the able Senator from New York, who is very knowledgeable in tax and financial matters, has suggested to us that we ought not look at article 9, section 4 alone, that this, after all, is but one piece in a great mosaic, which is the treaty taken as a whole.

He makes the case for the treaty taken as a whole, suggesting that somehow if we were to reserve our consent on article 9, section 4, the whole treaty would collapse.

Mr. President, I cannot accept that argument. I do not think that there is a basis for it in the RECORD. Rather, from what I know of the negotiations, I believe that had we not offered article 9(4) as a concession, we still could have secured the British tax reductions for the American corporations as contained in the treaty.

One need only peruse the treaty to realize the magnitude of our other concessions, which should have obviated the need to concede article 9(4).

For example, we have agreed to exempt all British insurance companies from paying the customary insurance excise tax. Because 50 percent of foreign insurance that insures U.S. risks is owned by British investors, this tax exemption will result in major revenue losses to the U.S. Treasury.

We have also agreed to offer foreign income tax credits to the oil companies for the special taxes that they pay to Britain on North Sea oil activities—contrary to a ruling by the Internal Revenue Service in 1975—with a potential cost to the U.S. Government of some $300 million to $600 million annually by 1983.

We also create by this treaty a shipping haven in the United Kingdom, and we make Britain's advance corporation tax creditable, dollar for dollar, against the U.S. tax, again at an enormous potential cost to our Treasury.

Finally, I would like to point out that the Dutch have recently negotiated a tax treaty with Britain that provides for a tax break to Dutch corporations in Britain, but does not require any change in the Dutch taxation of British corporations similar to article 9(4).

In sum, it appears that the American concession was unnecessary and, in fact, should not have been offered in the first place.

So I do not think we can take it as an article of faith that if we strike this particular provision from the treaty all the work entailed in this negotiation will collapse and the treaty itself will fall.

Finally, Mr. President, let me emphasize that the benefits in this treaty do not abound to the Government of the United States, nor to the American people as a whole. The benefits we derive from this treaty are directed toward the stockholders of American-owned companies doing business in Great Britain—a very narrow group of well-to-do people. They are the ones for whom the treaty has been crafted. They are the ones who will benefit from its provisions.

I know that multinational corporations want this treaty. I know the difficulty of surmounting their combined influence. It rarely happens. Whether or not the Senate chooses to adopt this reservation, I suggest that it is in the interests of the ordinary people of this country and it is in the interests of the Treasury of the United States.

Furthermore, the adoption of this reservation would send a clear signal to the Treasury Department and to the State Department that it is the Congress of the United States that should determine tax policy for this country and that it is regarded as an improper use of the treaty power to attempt to force upon this country a change in tax policy that Congress, itself, consistently has refused to accept.

Once we begin to use tax treaties for the purpose of legislating internal tax law, once we begin to use agreements with foreign governments as a device for limiting the power of our own State legislatures to adopt tax formulas that are applicable to businesses in their own jurisdictions, we have set ourselves upon a course that we will live to regret.

I can fully understand why so many State governments are calling upon us to reject this provision of the pending treaty, for they know how much is at stake for them if we fail to do so.

For these reasons, Mr. President, I hope that the Senate will see fit to reserve article 9(4) from the consent otherwise given by the resolution of ratification.

Mr. President, I reserve the remainder of my time, and I yield to the Senator from Massachusetts such time as he may require.

Mr. KENNEDY. Mr. President, I give my strong support to the proposed reservation to article 9(4) of the pending tax treaty with the United Kingdom.

The provisions of article 9(4) would prohibit the States of the United States from applying the so-called unitary method of accounting in taxing the income of multinational corporations based in the United Kingdom.

One of the most difficult areas of tax policy is the proper method for allocating the taxable income of multistate and multinational businesses among the various jurisdictions with which the businesses have contacts. In recent years, a number of States have recognized the simplicity and workability of the unitary accounting method, and have adopted it for allocating the worldwide income of multinational corporations to their jurisdictions for the purposes of applying State tax laws.

Under a common version of the unitary accounting method, a proportion of a firm's worldwide income is allocated to a State according to a three-factor formula based on the firm's property, payroll and sales within the State. In part, this procedure has been adopted by the States in response to devious efforts by multinational corporations to manipulate the income and transactions of their U.S. subsidiaries, in order to remove as much of that income as possible from the reach of State tax laws.

Some claim that it is possible to pierce these corporate shells, to analyze the complex "transfer pricing" and other subtle arrangements by which foreign corporations try to slip beyond State tax commissioners, and to arrive at a realistic definition of multinational profits that can legitimately be taxed by the States.

But few, if any, State tax officials believe that this alternative can work in practice. They have neither the resources nor the time to go through the myriad transactions and structures of the multinational pyramid. It stretches the imagination beyond the breaking point to suggest that the U.S. Treasury Department can fill the gap, by providing the "technical assistance" that State tax offices need to perform this difficult accounting surgery.

Yet article 9(4) of the pending treaty, by outlawing the unitary method of accounting, would relegate the States to precisely this burdensome effort to determine the amounts of income derived by multinational corporations from activities in their States.

In effect, the treaty would nullify, for all practical purposes, the reasonable efforts of States to apply their tax laws legitimately to the income of multinational corporations operating within their borders.

At this time of growing national concern over rising taxes, and widespread efforts in many States, fueled by Proposition 13 in California, to relieve the burden of property taxes on local citizens, it is unfair for the Federal Government to cripple the States in their effort to find reasonable alternative sources of income.

Article 9(4) would have the entirely undesirable practical consequence of allowing multinational corporations to lurk in foreign tax havens, hiding behind foreign subsidiaries and corporate shells, sucking income and profits out of the United States, and then thumbing their noses at State tax commissioners in every State. In effect, the treaty provision would create modern counterparts of the old foreign gambling ships, plying their trade outside the 3-mile limit, thwarting all the law enforcement efforts of local sheriffs.

The unitary method of accounting has widespread support among tax experts as a simple, efficient, and equitable method of allocating multijurisdiction income for the purposes of State and local taxation. It is a method that is also widely used within the United States for apportioning the income of U.S. firms engaged in business activities in more than one State.

As recently as a week ago today, the Supreme Court of the United States upheld an Iowa statute prescribing—not the preferred three-factor formula—but a more limited, single-factor formula based only on sales within the State. It was argued by corporations subject to the tax that Iowa was using a discriminatory formula that concentrated too much out-of-State corporate income in Iowa, and subjected such corporations to double taxation. But the Supreme Court rejected the claim in Moorman Mfg. Co. against Blair, decided on June 15 by a 6 to 3 majority. According to the Court, the single-factor formula based on sales was not so arbitrary as to be unconstitutional. The out-of-State corporation had failed to prove that the income attributed to Iowa for purposes of Iowa taxation under the formula was "out of all reasonable proportion of the business transacted" in Iowa.

The same principle applies to the pending treaty. Use of the much fairer three-factor formula primarily at issue here should not arbitrarily be denied to the States in their efforts to reach a reasonable allocation of multinational corporate income to activities within their borders.

If the unitary method of accounting produces arbitrary results in some cases, the answer is to change the formula, not to throw out the baby with the bathwater by barring all unitary formulas. Yet this is the approach the Treasury negotiators have taken in bringing article 9(4) to the Senate for ratification.

Mr. President, I would like to mention here a little bit about what we have found in the Senate Antitrust Subcommittee about the accounting procedures by at least one major oil company, the Exxon Co.

It should come as no surprise that the major international oil companies are strong supporters of the proposed tax treaty with the United Kingdom. They obviously stand to benefit from a number of the provisions. But what is remarkable is the enthusiasm with which they have embraced the provisions prohibiting the use of the unitary method of taxing multinational corporations. This position is so obviously inconsistent with what we have heard from the industry in other contexts that it deserves careful examination.

The issue arises because a multinational corporation can artificially reduce its tax burden in a particular State by simply selling its products to a subsidiary in that State at inflated prices. As a result the subsidiary will appear to earn little or no profit in the State, thereby reducing its State tax burden.

This transaction, of course, does not in any way affect the corporation's real profits, since the sale to the State subsidiary was only an intra-corporate transfer, not a real sale.

In an effort to deal with this problem, a number of States have decided that where a corporation functions as a unit, each subsidiary being dependent upon the others, the State should ignore transfer payments and compute its taxes based upon its fair share of the overall corporate revenue. This approach obviously depends upon the unitary nature of the corporation involved. A

corporation that has hamburger stands in State A and a car rental operation in State B is clearly not unitary. It would be unfair to allow State A to use its hamburger connection to tax the car rental profits earned in State B.

What is remarkable about the present situation is that the oil industry, both in State tax proceedings and with respect to this treaty, rejects the unitary concept and strongly endorses the use of transfer payments for computing tax liability. But the crocodile tears now being shed by the industry are clearly at variance with other statements by the industry in other circumstances approving the unitary method.

In 1976, Senator Philip A. Hart, chairman of the Senate Antitrust Subcommittee, called to the Senate's attention certain State Tax Commission litigation involving Exxon. At that time, vertical divestiture was the issue. Texaco was running television commercials showing how the parts of an integrated oil company fit together like pieces of a puzzle. Mobil ran cartoons of a man hacking up a garden hose to demonstrate divestiture. Congress was deluged with material extolling the benefits of vertical integration and warning of the dire consequences that would come if the intricate system of integration were taken apart. The industry referred to divestiture as dismemberment, conjuring up an image of hacked-off limbs gushing oil, if not blood.

In the midst of this furor, Senator Hart uncovered the fact that Exxon was singing a different tune in Wisconsin at the time Exxon was opposing the State of Wisconsin's effort to use the unitary tax method, on the ground that Exxon was not—I repeat not—a unitary corporation.

Exxon's position was no mere technical tax argument. Completely inconsistent with their divestiture argument, they set out in Wisconsin to demonstrate that, in fact, their corporation was not at all the highly integrated and interdependent organization we had been hearing so much about in Washington. Rather, they had become a group of loosely affiliated organizations that could quite easily be separated with no serious economic consequences.

What is particularly relevant to the present treaty is the fact that, when divestiture was the issue, Exxon actually asserted to the Antitrust Subcommittee that there was no way that the "arms-length transaction" standard could be used to separate profit and loss figures for its divisions and subsidiaries. Logically, of course, it should be impossible to compute State taxes for each division. The only possible way to compute such taxes should be on a unitary basis.

In December 1975, Senator Hart wrote to a number of major oil companies, including Exxon, and requested certain financial data. The letter contained an "Item 5" which asked for "profit and loss statements and balance sheets, audited or unaudited, separately covering production, transportation, refineries, and marketing."

Mr. A. L. Monroe, Exxon's comptroller, replied to Senator Hart's letter, saying:

> . . . Exxon Corporation's financial records are not maintained on a functional or segment basis similar to those categories set forth in your Item 5.

Mr. Monroe elaborated:

> As for further statements of revenue and expenditure data directly attributable to each of the above-mentioned groupings (crude production, refining, marketing and transportation), our corporate records are not maintained in that manner, nor do our independent public accounts prepare such allocations.
>
> The petroleum business is unitary in nature. The most meaningful segmentation of our operations is the "upstream"/"downstream" segmentation. Further breakdowns require many allocations and assumptions, which could lead to erroneous comparisons of data between various companies and hence erroneous conclusions.

As Senator Hart pointed out, Exxon's position at that time was inconsistent on two important points with the corporation's position before the State tax authorities.

First, Exxon unequivocally told the Senate that "the petroleum business is unitary in nature." Yet, in the Wisconsin tax proceeding, Exxon's counsel stated:

> Our evidence will show that none of [Exxon's] functional departments are integral parts of a unitary business; rather each function is independent and not unitary to, or an integral part of, any other function.

Second, Exxon's letter denied the existence of profit and loss statements for separate functions. But in tax litigation in South Carolina, Exxon had filed a complaint which said:

> Each of these functions is managed and accounted for on a funtional operating basis. Each is a segment of [Exxon's] total corporate enterprise, but each has its own accounting, budgeting and forecasting, its own management and staff, its own profit center, its own investment center, its own physical facilities, etc. The profit or loss of each function is separately and accurately computed.

These are not statements taken out of context. They were central to Exxon's case in each proceeding. The statements of Exxon's counsel elaborated on these arguments at great length.

Mr. President, the multinational corporations can not have it both ways. The Senate is entitled to take their opportunistic arguments against this reservation to the tax treaty with a very large grain of salt. Depending on this issue, they whisper an argument into the Senate's divestiture ear and a squarely contradictory argument into the Senate's taxation and treaty ear.

In my view, the Exxon materials vividly demonstrate the shallowness and hypocrisy of the arguments made in favor of article 914 of the treaty. The Senate should reject those arguments, and vote in favor of the pending reservation.

Mr. President, even apart from the lack of merits in the substance of section 9 (4), the provision is also vulnerable to serious objections because of the procedure by which it was negotiated.

The desirable method of congressional action in this complex area of taxation should be the route of legislation, rather than treaty. Serious considerations of Federal-State relations are involved here—considerations that are easily slighted by the treaty negotiation and ratification procedure. It would be preferable, therefore, to deal with the issue by legislation, so that the tax committees of the House and Senate may also consider the problem and recommend solutions, and so that the States may have the opportunity they deserve within our Federal system to protect their basic rights in this sensitive fiscal area.

A wiser approach would have been for the administration to submit general recommendations for legislation on this subject. These recommendations would be the subject of discussion and debate in the House and Senate, and I am confident that Congress would reach a prompt resolution of these questions in a way that both protects the rights of State governments and deals fairly with multinational corporations.

It is hardly a satisfactory approach for the Senate alone to attempt to make a preliminary and unprecedented resolution of this sensitive issue of States' rights in the context of a treaty.

Finally, the administration asks us—whatever our reasons for opposing the substance and procedure with respect to section 9(4)—to swallow our objections, for fear that if a reservation is adopted, the treaty may be rejected by the British Parliament. I welcome the benefits negotiated for the United States, and particularly for American investors, in other articles of the treaty. But I find the administration's desire to promote U.S. investment in Britain curious, to say the least, in light of our widely shared concern over the sluggish levels of investment here at home.

In any event, I seriously doubt that any responsible action we take in adopting a reservation to article 9(4) will jeopardize the treaty as a whole. There are obvious compromises that can be negotiated to avoid any arbitrary application of the unitary method of accounting to British corporations operating in American States, without taking the drastic and unnecessary step of prohibiting the method altogether.

This treaty itself, signed in London in 1975, has already been the subject of amendment by an exchange of notes and two protocols. It strains credulity for the administration to maintain that another protocol could not be easily arranged with Britain to repair the damage that article 9(4) would do to the States and our Federal system, while fully protecting the rights of British multinational corporations to conduct their business in the United States, free from unjust State laws or overly aggressive State tax commissioners.

The reservation that has been proposed to article 9(4) will not jeopardize the treaty, and it deserves to be supported by the Senate.

Mr. President, I reserve the remainder of my time.

Mr. PELL. Mr. President, I yield such time as he desires to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. CLARK. I thank the Senator very much.

Mr. President, I agree with the remarks of the Senators from Idaho and Massachusetts.

I, too, am extremely concerned about the propriety of placing such unprecedented limits on taxing, particularly State taxing authority through the vehicles of a tax treaty ratified by only one House of Congress. This constitutes little more than the IRS deciding, by fiat, what method of taxation the States may use. As far as I am concerned, this is a bad way to make tax policy. The issue should be addressed thoroughly by both the House of Representatives and the Senate and by their Ways and Means and Finance Committees, particularly.

Mr. President, I am especially troubled, because of the potential impact such a tax policy could have on farm States. Conservative estimates are that there is nearly $1 billion of foreign investment in U.S. farmland. Speculation is that the actual amount of foreign investment in farm properties is actually much higher than that.

One of the problems, of course, has been that records on foreign ownership of real estate are very sketchy. In fact, the Commerce Department has frankly admitted its inability to get a handle on foreign ownership of farmland.

Mr. President, I would ask unanimous consent to include at this point in my remarks several articles which appeared in Business Week and the Saturday Review which reflect the growing concern about the incidence of foreign ownership of U.S. farmland.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOREIGN INVESTORS FLOCK TO U.S. FARMLANDS

Other investment markets have waned, but a cheap dollar, political instability overseas, and a long record of rising prices have made U.S. farmland the single hottest area for foreign investors. Although much of the foreign money is hard to trace, European Investment Research Center, a private consulting firm based in Brussels, estimates that foreigners invested some $800 million in farmland last year. That would come to a startling 30% of all foreign direct investment in the U.S., according to the Commerce Dept. "What we are witnessing, says Kenneth R. Krause, a senior economist for the Agriculture Dept., "is the biggest, continuing wave of investment in American farmland since the turn of the century."

Nor does it look as if the trend is slowing down. Real estate advisers and brokers report that the buying interest, mostly from Western Europe but also from Latin America and Japan, is on the increase. The Arab oil states have apparently not yet been big investors. And marketing activity aimed at the potential investors is heating up. For example, Amrex Inc., a San Francisco-based real estate firm, is holding a meeting in Zurich next week to introduce buyers to sellers who represent as much as $750 million worth of U.S. farmland. Some observers warn that the industry is attracting its share of hucksterism as well. West German newspapers are being flooded with real estate advertisements, apparently from small U.S. brokers, that often offer only an anonymous post office box number for an address.

Predictably enough, U.S. farmers are irate, and the Agriculture Dept. and, most recently, Congress are growing increasingly concerned as well. Despite some recent softening, farmland prices are dramatically higher than they were a few years ago, and critics blame foreigners for much of the speculation. Also, many foreigners can take special tax breaks at home or through Caribbean subsidiaries that give them a significant advantage over domestic investors. Since last year's $24 billion in agricultural exports represented a major component of U.S. trade, Washington is especially worried about increasing foreign control of U.S. farmland.

What also concerns the Agriculture Dept., as well as local farmers, is that the identity of the foreign purchasers is seldom known. Brokers and bankers steadfastly refuse to divulge names although they claim that most investors are wealthy individuals rather than corporations or investment groups. "We simply cannot get a handle on farmland," says a Commerce Dept. official, "since ownership is disguised through the extensive use of trusts, partnerships, and corporations headquartered offshore."

SAFE INVESTMENT

Angry farmers and their allies in state capitals are trying to crack down on foreign investors by seeking registration of ultimate ownership and outright restrictions on foreign purchases. Kansas and Missouri have recently undertaken investigations of foreign investments. And the General Accounting Office is just beginning what will be the most sweeping probe. At the request of the Senate Agriculture Committee, the GAO will try to determine the extent and locations of foreign investment in farmland. "Once we get answers to these questions," says one committee aide, "we will decide what, if anything, we shall do about the trend."

The weakening dollar is only the latest of a number of reasons that foreigners are so attracted to farmland. Political instability in their home countries is pushing foreigners into U.S. investments. With stock and bond prices both down, real estate in general, and farmland in particular, is drawing foreign money. Many Europeans also believe that agricultural land is guaranteed to retain its value because they anticipate worldwide food shortages in the future. "American agriculture is nothing less than the safest investment around," says Ernst-Ludwig von Bülow, who specializes in U.S. real estate for a Hamburg-based investment fund, Lehndorff Vermögensverwaltung.

Present economic trends in U.S. agriculture have further whetted the foreigners' appetites. Land prices in recent months have fallen or softened just about everywhere, including the corn belt, but more noticeably in the Great Plains. As a result, the current annual rate of growth in farmland values has slowed to 5 percent or less from 17 percent a year ago. The slippage is due primarily to the continuing cost-price squeeze on American farmers, which is being worsened by depressed farm prices.

SUNBELT PURCHASES

But if land prices begin soaring again, it still makes sense for the Europeans to buy in, say real estate advisers. Farmland prices in Western Europe are roughly double the price of the same quality land in the U.S.—$3,000 an acre for prime farmland in West Germany and France vs. $1,500 an acre in the U.S. last year, according to Chicago's Northern Trust Co., which manages about 400 farms in 35 states.

While it is difficult to pinpoint where foreigners are buying most heavily, Jules A. Horn, director of the European Investment Research Center, says the so-called Sunbelt, which runs across the bottom third of the U.S., is attracting most of the money. He considers prices ranging between $600 to $1,000 an acre to be particularly attractive to Europeans. Until the present sag in the land price boom, Horn says, Europeans were far more interested in investing in California and the upper Midwest states such as Illinois and Wisconsin.

Hamburg-based Lehndorff has kept its investors out of the nation's richest farmland states, such as Iowa and Indiana, preferring to concentrate investments in Wisconsin, Missouri, and Arkansas. Singled out by von Bulow: farmland near the resort area of Lake Geneva, Wis., 60 miles from Chicago. "Lake Geneva is gradually expanding," he says, "which means that we may eventually be able to sell the land for construction." Jeffery White, head of Iowa Agronomics Inc., a farm management firm, adds that prices for Southern farmland are down drastically this year, and bargain hunters could come up with good buys in such states as Arkansas and Texas.

Meantime, real estate firms report that the growth in foreign business is providing a major fillip to their sales. Oppenheimer Industries Inc., Kansas City (Mo.)-based farm brokerage and management firm that operates a rural land portfolio comprising roughly 1 million acres of farm and ranch land, for example, reports that sales to foreign investors more than doubled in the past few years and now account for one-third of its annual volume. A typical Oppenheimer deal recently involved the purchase of a 1,215-acre soybean and corn farm for nearly $1 million by a Western European. Two weeks ago, the company helped an Italian investor buy a 315-acre citrus grove for $1.4 million San Francisco's Amrex says that of the approximately $100 million in agricultural deals that it arranged last year, half were with foreigners.

UNFAIR COMPETITION

What especially worries U.S. officials is the possible widespread use of foreign tax havens by farmland investors. Lionel S. Steinberg, director and former president of the California State Board of Food & Agriculture, finds it "totally objectionable" for foreign investors to buy California land through corporations headquartered in the Dutch Antilles, for example, which require payment of little or no income taxes. "This is unfair competition and a threat to bona fide family farming in the U.S.," says Steinberg, noting that tax-privileged foreign investments make it difficult for prospective local buyers to compete.

NOTHING SINISTER

Understandably, brokerage firms, banks, and other intermediaries for foreigners are defensive about their activities. "Much of the paranoia concerning absentee ownership is due to poor communications," declares Reed J. Oppenheimer, vice-president for Oppenheimer's international activities. "These people are not the suspicious cloak-and-dagger people they are made out to be," he says.

Nevertheless, Oppenheimer concedes that foreigners "often purchase through a foreign corporate entity," which he adds is designed "to facilitate tax considerations in their own countries and here." But he argues vehemently that they are not driving up land prices, except possibly in what he describes as "a few isolated cases." "The well-heeled American farmers who can afford it are the ones who are driving up land prices," he maintains. And, Oppenheimer adds, only 3% of all farmland turns over each year.

What bothers dealers and managers of U.S. farmland is the new breed of promoters. "They are difficult to identify, but they are all over Europe huckstering farmland. We assume most of them are American brokers trying to cash in on what they perceive to be a booming market in Europe," says the vice-president of a large Midwestern bank, who prefers not to be identified. "We worry about them because they claim buyers can make 10 percent, 15 percent, or more in net returns on their farm investments, and that is just ridiculous."

"SOMETHING SOLID"

The bank official's point explains why large, U.S. institutional investors and corporations have generally shied away from investing in farmland on anything but a very modest scale. Bankers and agricultural economists generally agree that, depending on crops, productivity, and location, net cash returns on professionally managed farms rarely exceed 4 percent and are usually closer to 2 percent, without taking into account debt servicing and taxes. "Investors seeking fast or high gains should definitely not be in agriculture," cautions a vice-president for one of the big Chicago banks.

The European investors and their American intermediaries would be far happier if all the fuss died down. "The trend toward land investments by Europeans stems from the need for a safety factor, like gold," argues Horn of the European Investment Research Center. "These investments are not made for speculation, but forever." However, the controversy seems destined to continue simmering for the foreseeable future. Warns a staffer on the Senate Agriculture Committee which will review the GAO's probe: "We have no intention of dropping this issue until all the facts are in."

INVASION OF THE AMERICAN HEARTLAND

(By Christopher H. Stern)

A new breed of tenant farmer in the United States opens his eyes as the sun rises on his part of the world. What he sees, whether he is in Arkansas, Texas, or California, are acres and acres of the earth's highest-yield farmland. What he cannot see is the German industrialist in Dusseldorf, the Roman Clergyman on Lake Como, or the aging Argentinian banker, one of whom owns the farm he is about to work.

Lehndorff Vermogens Vermattung, a Hamburg-based holding company, owns 14,000 acres of choice midwestern farmland. M. Thomas Lardner, Lehndorff's general manager in the United States, says that nonresident "alien" investors want American farms. "The enthusiasm of Europeans for American farms is unbelievable."

A few foreign acquisitions have received publicity: Prince Lichtenstein's 10,000-acre farm in Texas's Red River area; the Busonis' 12,000-acre Norris farm in Illinois; the Meternich's 2,135 acres in Iowa; and the Japanese Kikamo farm in Wisconsin. However, viewed against the 340 million acres of American farmland, these purchases represent no more than a soybean in a bucket; but foreign investment in land is not limited to the acquisition of farmland. Overseas firms own 2 million acres of American forest land, hundreds of thousands of acres of coal and ranch lands, and a sizable amount of urban land. Farmland, however, is the property foreign investors are most interested in.

California is the hottest area of foreign investor activity. Amrex Corporation in San Francisco will sell $260 million worth of agricultural farms in 1977 to an assortment of Italians, Swiss, Belgians, West Germans, and Frenchmen. Says the corporation's exuberant president, Gerald Jackson, "Good farmland is selling as fast as it's available. More than eighty percent of agricultural buyers are nonresident foreigners. We get a hundred inquiries a day from interested foreigners, and right now one of the world's biggest banks and one of the biggest investment houses are standing by with fifty million dollars of foreign capital to invest in farmland."

In New York City, Daniel Bodini, who speaks three languages, handles Eastdil Realty's foreign investors. Last year he sold 200,000 acres in the American West. This year he will sell more than twice that amount. But although other real estate companies and brokers also claim large sales to foreigners, the industry's consensus is that the big banks—particularly Northern Trust and Continental Illinois in Chicago—are doing the most spectacular business everywhere in the country.

"Foreign investors feel comfortable dealing with a bank," explains broker Davis Martin. "One hundred out of one hundred aliens who actually come looking for a U.S. farm begin by going to Northern Trust, and afterward eighty of them wander down the street to Continental." Though banks release no information, citing the fiduciary relationship they have with their clients, Northern Trust's 1976 annual report records 460,000 acres managed in 35 states. "Right now the banks couldn't be doing more farm business," says one successful Chicago broker, "and even if they've been in the business for twenty years, you can bet the overwhelming majority of their holdings are foreign because domestic owners have many better ways to manage their farms."

Davis Martin has good reason not to disparage the banks. In the Arkansas and Missouri river bottoms and in the Mississippi delta, he has handled 30 transactions worth $12 million. A competitor, Oppenheimer Industries, which sold $60 million in farms from 1974 through 1976 and will do $40 million in 1977 alone, has handled 15 to 20 farms in that region. "Foreign owners weren't too familiar with our temperate climate at first," drawls slow-talking, fast-closing broker Vardeman Moore, of Mississippi, "but they're warming to it real fast. There's a virtual land rush down here."

Foreign interest is also high in southwestern and midwestern states, but there are simply not enough large quality farms being put on the market. Henry S. Miller and Company and Interstable of Dallas each sold 15,000 acres to foreigners in 1975 and 1976. This year, they say that due to the lack of big farms they have made no sales. A few farms remain available, and foreign investors are snatching those up. Broker Fred Smith has handled 20,000 acres in the Red River area, and two-thirds of his business comes from foreign investors. San Antonio's Pleaz Naylor knows of 75,000 acres bought by foreigners in northwest Texas, but he agrees there are "a lotta lookers and little land." Complains one exasperated Chicago banker, "We can't begin to locate enough properties to please our foreign investors."

There are many reasons why foreign investors are buying American farms. "My clients are old rich families, disenchanted, nervous, or just scared out of their minds," notes Reed Oppenheimer of Oppenheimer Industries. "Many of them have had land in their families for a thousand years. They say, 'When Napoleon came, when the Prussians came, when the jewels were sold, we survived as a family because of the land.'" Brokers concur that foreigners want to salt away a place for themselves and their children and grandchildren because they fear Communism and consider America the strongest remaining bastion of free enterprise.

In a report to Congress, John Timmons, a professor of economics at Iowa State University, and Charles Curtiss, Distinguished Professor of Agriculture there, outlined the complex of incentives that are drawing foreign investors to U.S. farmland. They cited the hedge against inflation provided by the relative stability of U.S. prices and farming cost; the hope that investments in U.S. land will offer a refuge against land reform and political disorders abroad; the expectations of capital appreciation due to skyrocketing land values (witness the steady 15 to 35 percent annual rises since 1972); the tax advantages and natural advantage (access to food, materials, and farming technology) of investing in U.S. land; the fact that in terms of income and of capital appreciation, U.S. land safely balances investment portfolios; and the idea that—beyond the satisfaction, prestige, and psychic value of owning farmland in the United States—such investment may give them control of strategic resources and provide them with a base of economic and political power within the country.

Though the incentives are well-known and heavy investment is apparent, scant information exists as to the magnitude or locations of foreign ownership. This is because land-related public records, traditionally kept at the county level, are not a practical device for disclosing who owns what and where. And since market advantage runs with secrecy, real estate people are unwilling to provide much information. By and large, borkers deal and do not tell. For example, Michael Hirsch, vice-president of Amnivest Corporation in New York City, admitted he had sold 25,000 acres of farmland to foreign investors—but quickly added that Amnivest was no longer interested in making farm acquisitions for aliens. Later, two independent brokers described being called in to an Amnivest because "the company heads are extremely anxious to locate farms for foreign investors."

The foreign investors themselves insist on anonymity. Some risk prison penalties for taking large sums of money out of their countries. Others fear that being publicly identified as persons of great wealth will make them targets for criminals and political zealots. A West Coast broker told of visiting an elite Spanish hunting club where the men had hunted together for 15 years—"yet not one of them knew that each of the others was my client. They just don't talk about it."

Silent purchases are facilitated by institutionalized investment vehicles. Much of the foreign money passes through either Credit Swisse or Deutsche Bank; through Bermuda, Bahamas, or Netherlands Antilles corporations if the source is Latin-American or European; or, if the source is Asian, through Hong Kong or Taiwan corporations. The American financial intermediaries used most often are Continental Illinois and Northern Trust. Transactions are rarely conducted principal to principal. In one deal for a 2,500-acre Kansas farm, an unnamed West German investor contacted a Canadian realty firm, which contacted a Wyoming broker, who contacted a Chicago bank, which employed a statewide Kansas broker, who in turn found a local broker. As Tom Martin, president of the Anchor Mutual Investment Fund, says of the tangle of intermediaries, "Ten years ago a guy sitting in Frankfurt would've had trouble making a buy in total secrecy. Now it's a snap of the fingers."

American reaction to the unmonitored alien ownership of U.S. farmland varies. Businessmen stress the absolute prerogative of the free market economy. They point to the significance of creating a truly international world economic order, of maintaining an international cash flow, and of the tremendous value of American land investments abroad. "The internationalization of the world is as inevitable as it is necessary," intones broker Philip Dub, "and capital is the blood of the world's body, so it has to flow freely."

The real estate brokers argue that the hostile reaction of many farmers is xenophobic or, more buntly, racist. After all, they note, a mere 3 percent of American farms change hands each year, and farmer-to-farmer sales account for 80 percent of all transactions. At this rate, how can foreigners ever own more than a sprinkling of American farms?

Farmers reply that foreign investors have collided head on with them and with their

farming communities. In the first place, they say, the unlimited capital resources of alien investors have been pitted against the farmer's instinct for expansion in what amounts to an unfair dollar dogfight. "I waited thirty-five years for my neighbor to die so I could buy his farm," says Iowa farmer Mike Denis. "When he did, it cost me an arm, a leg, and the shirt off my back."

The combined effect of this expansionist instinct and of agricultural technology has transformed the basic unit of rural communities from the small family-owned farm into the large family-owned farm. Today's corn and soybean operator, for instance, works an average of 1,000 acres, twice as much as he could cultivate 10 years ago. Farmers are very sensitive to the decline in the number of farms (from 4 million in 1960 to 2.8 million in 1976) and to the decrease in the farm population (from 15.6 million in 1960 to 8.9 million in 1975), for they fear a concentration of ownership. Ten years ago, the size of an average farm was 210 acres; in 1977 it is 310 acres. Any investor, therefore, who threatens to further concentrate farm ownership is naturally viewed with hostility.

Foreign investors not only concentrate farm ownership but operation as well. Once a foreigner purchases a farm, an independent management service—Doane's of St. Louis, Oppenheimer's of Kansas City—or a farming subsidiary of a bank is hired. These managers then employ area farmers who, because they are already farming large land tracts, possess sophisticated farming techniques and expensive equipment. In the event that an alien's acquisition lies in a newly developed area where large-scale farming has not been practiced, an experienced farmer from a different county or state is brought in.

Local farmers are angered by the fact that absentee foreign owners are not civic-minded. Virginia farmer Ace Rudder notes that "foreigners force out people who were on the bank board and church board. These people supported local businesses while foreigners buy cheap from big dealers. In fact, the only small business growing around here is the farm brokers. And foreigners don't practice conservation, 'cause it's money they have to spend, and when it's not your living, people have short arms and deep pockets."

As to the charge of farmer racism, Harold Dodd, president of the Illinois Farmers Union, replies, "We are not against the foreign investor per se; we are against any large outside nonagricultural interests owning farmland. The biggest contributory factor to our being able to outproduce any country in the world [on the average, an American farmer feeds 57 people; a Soviet farmer feeds 7] is the structure of the family farming system, which has been a hallmark of our country since its inception.

Indeed, according to the U.S. Department of Agriculture, young families have been returning to the farm in sizable numbers. In the period from 1970 through 1975, the number of persons between the ages of sixteen and thirty-four who were self-employed in agriculture increased by about one-third over the preceding five-year period. Older farmers hope these young people will foster the regeneration of the smaller family farm, but they worry that the unlimited resources of foreigners will make it impossible for young farmers to buy quality farmland at reasonable prices.

Politicians regard foreign interest in U.S. farmland in terms of politics at home and of America's position in the world. "To date," says Iowa congressman James Leach, "statistics indicate foreigners probably do not own incredible quantities of American farmland, but the trend pointing violently in that direction potentially endangers our nation." There is a general feeling that the emergence of an international economic order might promise greater world peace and prosperity, but as long as nations regard one another with the evil eye of self-interest, each—including the United States—had better guard its precious resources.

The "politics of food," aggravated by a desperate world land shortage, is destined to become a critical international issue. American agriculture provides a balance-of-payments cushion for domestic politics in the United States, as well as political leverage in international relations. The Soviet Union, Japan, and other industrial nations cannot reduce agricultural imports without drastically affecting their food supply and their political stability. Thanks to the supremacy of its agricultural sector, the United States can always curtail imports in the event of foreign exchange difficulties. More than its thermonuclear power, America's "agripower" makes it a desirable ally and a force in the world.

Many states have statutes intended to prohibit or limit alien investment in farmland. At the federal level, there are three recently passed laws that are intended to facilitate the gathering of information about foreign investment. In the words of Senator Daniel Inouye (Dem.-Hawaii), "The lack of a national information base and of adequate data on agricultural land ownership have been recognized by the Congress. . . ." But as Washington tax lawyer Paul Toulouse comments wryly, "I can't see the ropes for the loopholes in any legislation concerning foreign land investment; it's just too easy to veil ownership with intermediaries, local trusts, or corporations."

It is not reassuring to hear lawmakers and others express concern about being blindfolded by a lack of information at a policy crossroads. As Economic Research Service economist Gene Wunderlich says, "Land has sufficiently unique qualities to require separate attention in direct investment policy. America has a right, an immediate and possibly urgent right, to know who owns the land."

This is especially true in view of several ominous portents. Brokers admit they are beginning to receive numerous inquiries from farmers who want to sell to foreign investors because these buyers pay 40 percent down and in fact prefer to make all-cash purchases. (One retired broker in Arizona, a state that strictly prohibits alien ownership, says he might play a little less golf so he can respond to the inquiries he is getting each week.) Many real estate companies formerly unequipped to handle foreign investors are now feverishly preparing to enter the market. One particularly troubling sign is that in the past six months Amrex's Gerald Jackson, among others, has noted the first feelers from Middle Eastern holders of petrochemical dollars seeking American farmland.

Even without new real estate brokers and an inflow of OPEC money, foreign interest in and acquisition of American farmland is like a luxury car accelerating powerfully and noiselessly. The incentives, the mechanisms, and the capacities for investment feed the momentum. In a few decades of harvesting, if no limit is assigned, foreign investment in U.S. farmland could eclipse American ownership. Then American agriculture, the nation's single greatest source of power, would pass from the hands of American citizens.

Mr. CLARK. Mr. President, the potential impact of this tax treaty, and others that may follow it, on agricultural States is twofold. First, if critics of the so-called arm's length method of taxation are correct, foreign investors in U.S. farmland will be able to escape significant amounts of taxation both here and abroad. This could give foreign investors a competitive tax advantage over potential domestic purchasers of land and possibly accelerate foreign real estate investment here. In the process the price of land could be bid up and the degree of absentee ownership could rise.

Let me explain. As you know from the earlier remarks of my colleagues, article 9(4) of the treaty precludes States from using the so-called unitary method of taxation on a combined reporting basis and relegating them instead to the arms-length method of taxation.

It is argued that foreign corporations can escape significant taxation both here and abroad under the arms-length method. For example, critics of this method point to businesses which establish corporate fronts in tax havens where they pay little or no taxes, and then juggle their books to make it appear that all of the corporation's income—including that growing out of activity in this country—was in fact earned abroad in the low tax jurisdiction. As a result of these tax savings, foreign corporations could find it relatively less expensive to buy and operate farmland here than would domestic purchasers in equivalent positions.

The second and related result which could flow from adoption of the tax policy contained in the tax treaty as written, is the erosion of agricultural States' income tax base. To the extent foreign corporations can escape State taxation under the arms-length method and to the extent foreign ownership of agricultural lands increases, the revenue impact on farm States could be significant.

Mr. President, I am not a tax expert and cannot say for a fact that preclusion of the unitary method of taxation will inevitably stimulate foreign investment in U.S. farmland or permit foreign corporations to escape taxation. I do not really think this is the time even to get into a debate about the relative merits of the unitary method or the arms-length method of taxation. My position is that where the questions as to possible impact are as substantial as they are here, a tax treaty, voted on by only the Senate, is a totally inappropriate vehicle to implement such a potentially harmful tax policy.

I urge my colleagues to join with me in supporting the reservation of article 9(4) of this treaty and opposing the treaty if article 9(4) is not reserved.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I would like to have some time on Senator CHURCH's time. I do not know who is controlling the time.

Mr. PELL. We are not going to use that time, so I will yield it on the proponents' side.

Mr. STEVENS. I would like to have 10 minutes.

Mr. JAVITS. Ten minutes.

Mr. STEVENS. Mr. President, for the past several months, I have, along with several other of my colleagues, urged that the Senate attach a reservation to article 9(4) of the United Kingdom-United States Treaty. At this time, I would like to outline some of the concerns that we have expressed with regard to this provision.

Article 9(4) would prohibit states from utilizing the unitary tax method in determining the tax liability of British

multinational corporations operating within their boundaries. The unitary method reflects the fact that all parts of a business enterprise, including its foreign affiliates, contribute to its profitability. If parts of a business are interrelated, such as drilling and marketing of a multinational oil company, they are treated as a unit. The total income is apportioned to the States and countries according to the percentage of the company's business done in each. The percentage allocation is typically determined by means of a three-factor formula which includes property, payroll, and sales. To determine its income attributable to a particular State, a corporation will construct as many fractions as there are factors, each representing the percentage of property, sales, and payroll in each State. The courts have recognized for years the fairness of the three-factor formula.

The alternative method of establishing tax liability is the arm's length method. The arm's length method accepts the corporate structure as presented by the company. If a foreign based company has subsidiaries in several States, the arm's length method assesses taxes based on the income in a particular State. For companies with foreign operations in several States, the shuffling of income to avoid taxes is hard to detect. To insure that income is properly distributed among the subsidiaries, IRS auditors would have to go through all transactions, invoice by invoice, to determine if they were made at genuine "arm's length" prices. This method can be used to avoid taxation and thus cost the States millions of dollars annually. My State stands to potentially lose $50 million annually from the prohibition of the unitary tax method. The importance of the State's abilities to distinguish foreign from U.S. income is vital, not only to protect State's revenues but also to prevent foreign firms from gaining an unwarranted tax advantage over U.S. firms in the same markets through their ability to shift U.S. income overseas or to States with lower tax rates. As multinational commerce grows, the ability of the States to deal with this problem becomes even more important. The arm's length approach creates a tax preference for foreign based firms and closes future options in the tax enforcement area.

Currently 23 States utilize the unitary tax method to some degree, and increasing numbers are adopting it as general policy. Many States find this approach favorable in its simplicity and its effectiveness in preventing tax avoidance. Even some corporations prefer its utilization, such as Exxon operating in Alaska. Whatever the deficiencies of the unitary approach, the fact that 23 States find it a desirable tool undercuts any justification for its prohibition. Let the States be the judge of which is the most appropriate method.

One of the major arguments against reservation is that it would jeopardize the entire treaty, one that could bring substantial revenues to the U.S. Treasury. According to a study conducted by the Joint Committee on Taxation, however, this is just not the case. The Treasury claims that the United States will greatly benefit from British concessions. In fact, article 9(4) is said to have been included in the treaty in return for article 10, which provides tax refunds for U.S. individuals and corporations that invest in the United Kingdom. It should be noted, however, that only one-third of the investors are individuals so mainly corporations would benefit. Also, foreign dividends are exempt from taxation, to some degree, from 19 States so this provision would not provide revenues to these States. Another provision, article 23, declares that the British petroleum revenue tax—PRT—will be creditable for U.S. oil companies. This means that U.S. companies drilling in the North Sea will be able to subtract their PRT straight from their U.S. tax bill, dollar for dollar. Absent the treaty, the IRS has indicated that the PRT be deductible. Article 23 would specifically make creditable a U.S. tax on profits derived from North Sea oil. At a time when congressional and administrative policy is to clamp down on the bestowal of tax credits for oil companies producing abroad, article 23 would establish these credits in a treaty where they would be beyond the reach of Congress to reverse. Further, once granted for oil companies, a chain of precedent would be set in motion and oil companies producing in places other than the North Sea would demand equal treatment.

Mr. President, I would like to bring the attention of the Senate to an editorial that was printed in last Sunday's Boston Globe. While the editorial brings to light several important concerns, I would like to mention the point it raises regarding States' rights.

Article 9(4) represents a serious limitation on State taxing power that is unprecedent in previous treaties and usurps the States' right to set up and enforce their own tax structures. This right is constitutionally empowered as a State funcion and allows for the establishment of an income tax that is not in violation of the commerce clause. Alexander Hamilton eloquently expressed this desirable role of the States in the Federalists Papers when he stated:

> The individual States should possess an independent and uncontrollable authority to raise their own revenues for the supply of their own wants. . . . (T)hey would, under the plan of the (Constitutional) convention, retain that authority in the most absolute and unqualified sense; and that an attempt on the part of the national government to abridge them in the exercise of it would be a violent assumption of power, unwarranted by any article or clause of the Constitution.

While I cannot argue that it is within the power of the Federal Government to limit that right, I suggest that a tax treaty is not the proper nor desirable medium for the exercise of this power. The States should be given the opportunity to participate in the consideration of such restrictive action and both Houses of Congress should contribute to the dissolution of this issue.

I hope that each Member of this body will carefully review the implications of this provision and find it appropriate to support reservation of article 9(4). I urge every Senator to read this editorial from the Boston Globe and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TAXING STATE TAXATION

The advantages of lowering trade barriers and fostering international commerce have been much heralded. So too has the necessity of strengthening the ability of American states to meet the challenges within their borders. Those two objectives have come into conflict in a treaty embodying a US-United Kingdom tax agreement due to come before the Senate soon.

The treaty offers much to American investors—primarily multinationals—that invest in the United Kingdom, including a $375 million tax refund for the years 1973–78 and about $85 million a year thereafter. The refunds would be derived by granting US investors there tax credits to offset the double taxation of business income, as both corporate earnings and dividends, that are now granted British investors in their own country. But while American investors would benefit by the terms of the treaty, American states could suffer.

Embodied in the treaty is a prohibition against states employing a simplified method of deriving the taxes due them from British corporations operating within their borders. Instead, they would be compelled to utilize a cumbersome accounting practice that even with the promised assistance of the U.S. Treasury might be beyond their capacities. There have been wide-ranging estimates of the potential revenue losses to the states. Ultimately, the effect will depend upon whether the United Kingdom accord becomes a model for other US tax treaties with other nations.

But whatever the impact—and Treasury argues that the net result could be an increase in revenues for some states—the effect of the accord would be to embody in a treaty, which neither the states themselves nor their representatives in the House had any role in drafting, a limitation on state taxing policies and prerogatives.

Foreign investors in the United States have every right to demand that they are taxed fairly by the states, that taxing formulas are not jiggered from place to place and time to time. Yet the states clearly have the right to establish their own fair procedures or, at the least, to participate fully if Washington constricts that right.

In light of these considerations, there is a strong movement afoot in the Senate to attach a reservation to the United Kingdom tax treaty voiding the section dealing with state taxing policies. It has the support of Massachusetts tax officials, as well as those in numerous other states, and it is a reasonable course.

Mr. STEVENS. Mr. President, I want to call particular attention to the problem that Alaska has with regard to this U.K.-U.S. treaty. As I have already pointed out, article 9(4) is a very serious step so far as Alaskans are concerned. As a matter of fact, it is nearly disastrous in terms of Federal interference with the procedures that have been adopted by my State and which, as the Senator from Idaho has stated, have won the approval of major international corporations such as Exxon. If it has not been placed in the RECORD, I ask unanimous consent that the Exxon advertisement that was run in various publications from November 1977 through April of 1978 be placed in the RECORD at this point.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

LET'S TALK . . . ABOUT "EQUALIZING" TAXES

QUESTION. Why are you opposing corporate income tax legislation which would change the method of taxing oil company profits?

ANSWER. Because we don't believe it's equitable to impose a special income tax system on the oil industry alone, and because the proposals would result in a sharp increase in Alaska's oil industry taxes, which are already higher than in any other producing state.

QUESTION. But supporters of the bill claim they are simply trying to equalize the tax rate. What's wrong with that?

ANSWER. You can't "equalize" taxes by increasing them on one industry only when that industry already pays the highest overall tax rate in the state. In addition, the oil industry already pays income taxes on the same basis as any other multi-state business.

QUESTION. How does the state determine how much of a multi-state company's income is taxable in Alaska?

ANSWER. Under current law, a multi-state or multi-national corporation's total world-wide income is apportioned to Alaska by an equally weighted three-factor formula based on the percentage of the company's total property, payroll and sales in the state. For instance, if the company has 25 percent of its total property, payroll and sales in Alaska, the company pays Alaska corporate income taxes on 25 percent of its total federal taxable income—at the corporate tax rate of 9.4 percent. Variations of this same formula are used in 42 other states and the District of Columbia in calculating income to attribute to multi-state companies.

QUESTION. Would Alaska change the formula under the legislation now proposed?

ANSWER. Yes. One bill would delete the sales factor and substitute an extraction factor. Supporters of the measure ignore the fact that production activity (extraction) is measured by the property and payroll factors and that Alaska also already levies a high tax on production through the severance tax. Another proposal is a separate accounting bill. We believe Alaska's present income tax law as it is applied to the oil and gas industry in Alaska is equitable and provides uniformity with other industries and most of the other states that levy income taxes. A departure from this uniformity could result in overlapping taxation by the states.

QUESTION. Do the two corporate income tax proposals now before the Legislature have anything in common?

ANSWER. Yes, both would result in multi-billion dollar tax increases on oil companies over the life of the Prudhoe Bay field. Both could discourage future resource development in Alaska at a time when most Alaskans would rather see increased job opportunities instead of increased general fund surpluses.

Mr. STEVENS. Now, we are concerned enough about this treaty with the United Kingdom, but we are even more concerned about the precedent that is being set here. In effect, the Federal Government is using its treaty power to tell the State of Alaska, and other States, what they can and cannot do with regard to the taxation of foreign corporations.

In my State it is bad enough to deal with the corporations that come from the United Kingdom, but if the same principle is applied to our relationship with corporations that come from Canada, or the corporations that come from Japan, we are going to be completely at the mercy of the Federal treaty power as it affects our relationships with foreign corporations.

Japanese corporations own or control over 70 percent of the timber production and wood products activities in my State. They own or control more than 50 percent of the shore-based fish processing facilities in my State. We tax those Japanese corporations under this same approach that is being condemned in the U.K. treaty.

We have many Canadian corporations operating in my State. As a matter of fact, the corporation that is doing the exploration on the naval petroleum reserve of Alaska, the old Naval Petroleum No. 4, is a Canadian corporation. Our present method of taxing these Canadian corporations would be condemned if this provision were extended to a treaty with Canada.

There is no reason for the Federal Government to take this step in connection with the United Kingdom unless it is setting a precedent. We see this as a step toward dealing with Japan or Germany or Canada, the major trading partners of the United States, on the same footing as with the United Kingdom under this treaty.

I think a lot of people who are proponents of this treaty ought to look at their whole card because they do not deal very much with the United Kingdom. Alaska does because of the involvement of the international oil industry in the North Sea and in Alaska on a substantial basis. But we also deal with Japan; we also deal with Germany; we also deal with Canada on a massive basis, as do the majority of the States of this Union, and in particular the eastern seaboard, where the major support for this U.K. Treaty comes from. They are the ones who are going to be most harmed by the extension of this principle to the corporations that originate in Canada, or the corporations that originate in Germany or in Japan.

We think it is a very, very bad precedent. The Governors of the West are united on this matter. There are some 42 States that use a portion of the approach that has been adopted by Alaska. That was pointed out by Exxon in the ad that I put in the RECORD:

The ad states:

Variations of this same formula are used in 42 other States and the District of Columbia in calculating income to attribute to multi-state companies.

We are dealing with two concepts: The foreign corporation and the domestic corporation which is foreign to a particular State. I say that the net result of this will be a massive shift in the States approach to income taxation which is going to disrupt the total income picture of international corporations more than this one approach, which has been acceptable to 42 States.

It would not be utilized, Mr. President, in 42 States and the District of Columbia if it had been totally unacceptable to those people who are involved in the multinational business. But I feel that what has happened here is that someone has found a way to get some of these impounded funds from the United Kingdom back to the United States, and using that as a carrot, and using the treaty power of the United States, the Federal Government is invading States rights.

It is invading the right of a State to determine how to tax nonresident corporations. The precedent will come home to haunt the very people, including my good friends from New York and Rhode Island that are managing the proponents' side of this treaty. It is a mistake; and I predict I will live to see the day, as a Senator, when this concept is extended to Canada, Japan, and Germany, and the very people who are arguing for it now will argue against it.

If that day ever comes, and this treaty should happen to be approved tomorrow, I hope to be able to add some kind of a provision which declares this treaty null and void, because it embodies a concept which, as far as the national policy of the United States is concerned, and the relationship of the Federal Government to the sovereign, independent States, is wrong.

I do not know what some of us are going to do about it because there do not appear to be enough States interested in the relationship with the United Kingdom. When it comes to Japan or Germany, though, there will be interest, and when it comes to Canada there will be interest, because then it will involve the automobile industry, the steel industry, and some more vital industries. So, while I anticipate losing tomorrow, I want to tell the people of this country it will not be for long. When this treaty concept is carried into the relationship with the major trading partners of the United States, it will be reversed, and I think we can rest assured that the country will come to its senses, and that the United States, at the Federal level, will stop interfering with the taxing powers of the States.

Mr. PELL. Mr. President, we have heard some exceedingly cogent and well-thought-out speeches in opposition to article 9(4) of the United States-United Kingdom Tax Treaty. I have the greatest regard for our colleagues who advocate reserving on the article. There are, however, a couple of points we should examine.

First, let us look at the unitary tax system. We agree it is constitutionally legitimate. We are aware that it is being employed at this time in three States—California, Oregon, and Alaska—and is being contemplated for use in other States.

But even though it is compatible with our Constitution, it does, I think, have a hint of unfairness about it. For example, let us take the hypothetical case of a British company which has a chocolate manufacturing plant in Africa and has a razor blade company in California. The razor blade company in California is doing very badly; the chocolate factory in Africa is doing very well.

Under the unitary tax system, California would be empowered to levy a heavy tax on the razor blade factory even though it was actually losing money. On the other hand, under Afri-

can tax laws, we might find either that the chocolate factory was paying excessive taxes or that it was exempt from taxation. The point of this example is to demonstrate that under the unitary system, the taxation is not being levied where the business is created.

I agree with the proponents of the treaty that the British refund of the advocate corporation tax provides an instant windfall by nature of its retroactive application. Personally, I am surprised by the magnitude of the British concession but, speaking as an American Senator, I am delighted with it, because one cannot regret, but rather must be pleased, when American subjects, be they corporations or individuals—and I recognize that two-thirds of the beneficiaries of the retroactivity will be corporations—benefit this way from a windfall. Eventually, it assures to the good of America, and it must be remembered that there will be increased taxes levied on these retroactive tax rebates.

The question has been raised as to whether there have been other treaties in this regard that affected the taxing powers of individual sovereign States. I think there have been. My understanding is that the 1959 Friendship, Commerce, and Navigation Treaty with France specifically prevents State taxation of French companies except regarding properties located in such States, income or profit derived from activities within the State, or business which French companies do in that State.

This treaty pointed at directly the same problem, and was approved in 1959. Moreover, I think that if one examines the federalist papers, and contemplates the early days of our constitutional hearings, one must realize that our Founding Fathers knew exactly what they were doing when they pointed out that treaty law dominates State law. What was valid then is valid now.

In connection with the benefits, I think we should bear in mind that certainly there are benefits and losses. Of the three States that incur losses, California will incur the most. But let us look at what the benefits are as well.

On balance, I think of U.S. nationals, be they citizens, be they corporations, or be they—and I have had a good deal of mail on this subject—the spouses, or spice, whatever the plural is, of American citizens living in the United Kingdom; they have been very unfairly treated in the past, and this treaty makes their treatment fair.

I think when you look at the general balance sheet, and realize the increased investments that will probably result from the treaty, and the taxes that will be levied on them, you will see that this treaty is very much to the benefit of U.S. citizens and corporations, and there is nothing wrong with that.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table giving an approximate idea of the concessions and the gains from this treaty. I think a perusal of that table will convince any of our colleagues who reads the record of this debate that the United States gains substantial benefits from this treaty.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Proposed U.S.-U.K. income tax treaty: U.S. benefits and concessions as compared to present treaty [1]

U.S. BENEFITS

1. The U.K. will refund the full ACT to U.S. portfolio investors. Payments about $25 million per year. Negligible Federal revenue impact; some state revenue gain.

2. The U.K. will refund one-half of the ACT to U.S. direct investors. Payments about $60 million per year. Federal Revenue gain $10 to $15 million; some state revenue gain.

3. ACT refunds are retroactive to 1973 for portfolio investors and to 1975 for direct investors. Total U.K. payments in 1978 for the retroactive period will be $375 million; revenue gain for retroactive period $50–75 million.

4.The U.K. has agreed to apply the principles in the new U.S. income allocation regulations (section 861). Possible revenue gain.

5. The treaty removes discrimination against U.S. women married to U.K. domiciliaries. Slight revenue gain.

6. U.K. entertainers subject to U.S. tax if gross remuneration exceeds $15,000. Minor revenue impact.

U.S. CONCESSIONS

1. The U.S. will credit the U.K. Petroleum Revenue Tax (PRT). Revenue effect negligible.

2. States are limited in the application of unitary apportionment to U.K. owned corporations. States estimate state revenue cost at $30 million. Treasury estimates little or no cost to states.

3. The U.S. will exempt British insurance companies from excise on premiums. Little basis for revenue estimate; probably well under $25 million for the 1975–1978 period, and $5–10 million for 1979.

4. The U.S. will reduce withholding rate on dividends to U.K. parent corporations. Revenue cost 1975–1978 about $60 million; $15 million per year thereafter.

5. U.S. entertainers subject to U.K. tax if gross remuneration exceeds $15,000. Minor revenue impact.

6. U.S. agreed that U.S. citizens resident in U.K. should be treated under the treaty as U.K. residents.[2] This will have no U.S. revenue impact.

Mr. PELL. Finally, the State that presently benefits most from the unitary system of taxation, California, has its Governor and its two Senators squarely in support of this treaty. Why? Because they do not see it with the narrow blindness of the taxing authority alone, or the Franchise Tax Board, as it is called. They see it through the wider perspective of Senators or a Governor and are looking at the overall benefits to that State. They hope and believe—or they would not take the position they do—that the application of this treaty will lead to the benefit of California.

For all these reasons, on balance, I believe it is to the advantage of the United States to move ahead with this treaty, and not regret that a windfall may occur.

[1] Table does not reflect concessions and benefits in present treaty, as compared with internal law, which are not changed in proposed treaty, e.g., exemption of interest and royalties from withholding in source country.

[2] This result was intended in present treaty but U.K. courts ruled otherwise.

Let us say that a windfall does occur. In the United States, when anyone has a windfall, we should all say hurrah, as long as taxes are paid on that windfall. Lord only knows U.S. citizens and corporations are taking a beating, taxwise, throughout the world today.

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER (Mr. MATSUNAGA). The Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that floor privileges be extended to Jon Fleming of Senator CRANSTON'S staff and Jacques Gorlin of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I believe we have debated this subject as far as we can tonight, but I would like, before we end this part of the debate and go over until tomorrow, to correct certain impressions which may have been created by the debate, so that Members who may read the RECORD will have a complete rather than an incomplete record.

In the first place, Mr. President, the question has been raised as to the revenue loss to the States now using the unitary method of taxation.

Let us remember, and I again repeat, that there will be taxes paid on the $375 million which will come in to U.S. investors, and that thereafter there will be a benefit at the rate of $85 million a year, which is also very appreciable.

As to the losses to individual States, Senator PELL and I have already inserted into the RECORD the telegram of the Governor of California, which shows that as far as they are concerned, we are talking about $15 million or $20 million, and they are by far the biggest State. They are confident they will more than make up for that loss of revenue through an improved investment climate in the State.

Aside from that, I refer to a letter dated February 24, 1978, addressed to Steven Emerson, of the Subcommittee on Foreign Economic Policy of the Senate, by the international tax counsel of the Office of the Secretary of the Treasury, H. David Rosenbloom. I wish to highlight it.

In any event, in assessing the estimates made by California, Alaska, and Oregon, please bear the following facts in mind. If one assumes the existence of a 9 percent corporate rate (the California rate), an estimate of a $30 million loss in revenue means that approximately $333 million of income is escaping taxation. Since Article 9(1) of the proposed Convention allows states to use the same arm's-length method of determining transfer pricing that is available to the Federal Government, the above-mentioned $333 million must be escaping not merely state taxation, but federal taxation as well.

After some calculations he goes on in the letter to make it clear that even the estimate of loss of $30 million of revenue is rather high. Therefore, I submit that that is a very substantial bit of evidence backing up what I have said, especially in view of the statement of the Governor of California that it means $15 to $20 million to California which, in relation to the other two States, Alaska

and Idaho, is larger by 20 to 1 in terms of population and, therefore, in terms of the business that is likely to be done in that particular State.

The other thing that I wish to emphasize is that the arm's length method which most States use is an entirely appropriate and fair method of taxation.

Mr. President, I ask unanimous consent that a rebuttal prepared by the Treasury Department on that subject answering the charge that the arm's length method imposes more burdens on the taxpayers than the unitary method be printed at this point in the RECORD, together with another Treasury rebuttal to the charge that the unitary method is the most reasonable and equitable approach to allocate income.

Mr. President, that is just not so. These statements, which are very professional, make this very, very clear.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Arm's-Length Method Imposes More Burdens on Taxpayers Than the Unitary Method

Rebuttal: The unitary method as applied internationally requires foreign affiliates of companies doing business here to keep records and books in English and in U.S. tax concepts even if these affiliates never do business in the United States or never engage in a business transaction with a company that is operating here. Thus, all foreign affiliates have significant burdens imposed upon them by the unitary system. In sharp contrast, the "arm's-length" method—the method used by the Federal government domestically and internally and the method used by most states internationally—only involves a foreign affiliate when that affiliate engages in a business transaction with a company doing business in the United States. And, that foreign affiliate may only be concerned with U.S. record-keeping to the extent of its transactions with that U.S. affiliate. A foreign affiliate that has no office here but brings from or sells to a related company present here need not, under the arm's-length method, even produce its books and records less it appears to the tax authorities that a transaction does not clearly reflect income; in contrast, the unitary system requires the production of foreign books and records by that foreign affiliate in all cases. In short, it is clearly inaccurate to state that the unitary method imposes fewer burdens on taxpayers than does the arm's length method. In fact, the opposite is true.

The Unitary Method is the Most Reasonable and Equitable Approach to Allocate Income.

Rebuttal: The unitary method has certain advantages when used domestically by the states. Economic conditions in the United States are comparable; valuations of sales, property and payroll do not vary greatly between the states. This is not the case internationally. The cost of labor and property is substantially lower in developing countries than, for example, in California, but the three-factor unitary apportionment formula operates as if the costs were the same. Due to such differences in costs, plus a lack of uniformity with respect to foreign and state rules on allocating income, the unitary system almost assuredly creates substantial distortions and double taxation of income when applied in the international arena.

Mr. JAVITS. I would like to read to my colleagues from a letter that Assistant Secretary designate Ulrich answering the concerns about the effect of the treaty on the ownership of U.S. farmland:

The proposed treaty does not in any way create a tax preference for foreign ownership of U.S. farmland. The proposed treaty contains no provisions specifically addressed to the taxation of farmland. The treaty does provide in Article 6 that all U.S. real property income is taxable in the United States under normal Federal tax rules. This would include income derived from farmland. The treaty most certainly would not prevent the states from taxing farm income.

As explained in Secretary Blumenthal's letter, there are a few limited situations where pursuant to Article 9(4) of the proposed treaty states may not use the so-called unitary method in taxing profits. At the present, there are only three states that would be affected by Article 9(4)—California, Alaska and Oregon. In the limited situations where the unitary method of taxation may not be used, the states are allowed under the treaty to use the arm's length method of controlling prices in transactions between related parties. There is a wide market for agricultural products and it is, therefore, very easy to obtain arm's length prices and to avoid any possible shifting of profits. Moreover, Federal audit information is available to state tax authorities for the purpose of determining an arm's length price.

We understand that the concern with respect to the taxation of farming profits is primarily directed at Japanese interests and not the United Kingdom. Of course, the proposed treaty with the United Kingdom does not in any way relate to Japanese investment.

Another argument with respect to the treaty's impact on farmland is that the treaty would somehow prevent the states from requiring that farmland be owned by domestic corporations or domestic persons. This argument is totally incorrect. The proposed treaty does not contain any rules affecting state laws with respect to the rights of foreign persons to own U.S. farmland or any other type of land. Although there is a non-discrimination article in the proposed treaty, this article only applies to Federal and state laws with respect to *taxation*. The non-discrimination article in the proposed treaty is the same in this respect as non-discrimination articles already contained in our current treaty with the United Kingdom and sixteen other U.S. tax-treaties. None of those treaties require the states to alter any rules with respect to land ownership.

Mr. President, I think it is very important to address oneself to the attempt to turn down the whole treaty through the insertion of this reservation, which is an indirect rather than a direct way of trying to defeat it directly.

It seems to me that we must be very cautious in arguing against the free flow of international investment. The encouragement of investment in this country and the investment by our nationals in other countries represents the fundamental strength of our world. That is the way in which developing countries can be developed; in which industrialized countries can be helped through difficult periods such as Great Britain has had.

Furthermore, the provisions in the treaty are extremely limited rather than broad, which I must again emphasize at this point. The treaty does not prohibit States from applying unitary taxation. It does not affect unitary taxation of U.S. corporations, nor does it affect foreign corporations controlled by U.S. persons, or even by persons from countries other than the United Kingdom, nor does the treaty prevent the application even of unitary taxation to the operation of foreign corporations which do an aggregate business in the several States of the United States.

Indeed, unitary taxation may be applied freely where the universe to which the tax is directed is a universe of business done within the 50 States, within the United States itself. Therefore, in view of the limitations and in considering what is at stake, the amounts which are involved in lost tax revenues to the individual States which use this method, appear to be minor. In view of what we are getting back in terms of retroactive and future payments, and the nondiscrimination against the U.S. directed portfolio investments, it seems to me that the treaty represents a very sound arrangement in the interests of the United States and the business system of the United States. It ought to be ratified, as indeed it was recommended by a 2 to 1 vote in the Foreign Relations Committee on this very issue when exactly the same arguments which we have heard here on the floor were made.

Mr. President, I ask unanimous consent that I may have a quorum call with the time to be charged equally to both Senator SPARKMAN'S time and mine.

The PRESIDING OFFICER. Does the Senator specify that this be on the treaty?

Mr. JAVITS. On the general debate on the treaty.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. JAVITS. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. PELL. Mr. President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there morning business?

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

NATIONAL EARTHQUAKE HAZARDS REDUCTION SYSTEM—MESSAGE FROM THE PRESIDENT—PM 184

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers, which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

Throughout its history, the human race has faced the threat of earthquakes, but in the last few years advances in science and technology have taught us more about earthquakes, and reduced the mystery of their origin and effects. These advances now permit us to anticipate earthquakes and to mitigate their potentially disastrous consequences. Today there is hope that we may eventually be able to predict earthquakes reliably.

Through the Earthquake Hazards Reduction Act of 1977 (Public Law 95-124), the Congress seeks to apply these advances by "the establishment and maintenance of an effective earthquake hazards reduction program." I am transmitting today a plan for a National Earthquake Hazards Reduction Program. This program is designed to meet the objectives of the important legislation you have passed. It deals with: predicting and preparing for earthquakes; ways in which government, industry, and the public can apply knowledge of seismic risk when making land-use decisions; and achieving earthquake-resistant design and construction.

As this program emphasizes, the Federal government must set a strong example in developing guidelines and standards for its own facilities. But Federal effort alone is not enough; to succeed in this effort, we must have the cooperative efforts of State and local governments, industry and business, professional and volunteer organizations, and the public.

JIMMY CARTER.

THE WHITE HOUSE, *June 22, 1978.*

NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT—PM 185

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I herewith transmit the Annual Report of the National Institute of Building Sciences as required by Section 809 of the Housing and Community Development Act of 1974.

JIMMY CARTER.

THE WHITE HOUSE, *June 22, 1978.*

THE "LEGISLATIVE VETO"—MESSAGE FROM THE PRESIDENT—PM 186

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on Human Resources, the Committee on the Judiciary, the Committee on Rules and Administration, the Committee on Veterans' Affairs, the Select Committee on Intelligence, and the Select Committee on Indian Affairs, jointly, by unanimous consent:

To the Congress of the United States:

In recent years, the Congress has strengthened its oversight of Executive Branch decisions. I welcome that effort. Unfortunately, there has been increasing use of one oversight device that can do more harm than good—the "legislative veto."

In the past four years at least 48 of these provisions have been enacted—more than in the preceding twenty years. This proliferation threatens to upset the constitutional balance of responsibilities between the branches of government of the United States. It represents a fundamental departure from the way the government has been administered throughout American history. Unnecessary and unwarranted legislative veto procedures obstruct the efforts of my Administration and most members of Congress to make the administrative process quicker and simpler and divert attention from our common task of improving Federal programs and regulations.

Since taking office, I have several times expressed my deep reservations about legislative veto provisions in bills presented to me for signature. Herbert Hoover and every subsequent President have taken this position. The purpose of this message is to underscore and explain the concern and to propose alternatives.

The legislative veto was first used in the 1932 statute which authorized the President to reorganize the Executive Branch. The provision was repeated in subsequent reorganization acts, including the statute in effect today. This kind of legislative veto does not involve Congressional intrusion into the administration of on-going substantive programs, and it preserves the President's authority because he decides which proposals to submit to Congress. The Reorganization Act jeopardizes neither the President's responsibilities nor the prerogatives of Congress.

As employed in some recent legislation, however, the legislative veto injects the Congress into the details of administering substantive programs and laws. These new provisions require the President or an administrator of a government agency to submit to Congress each decision or regulation adopted under a program. Instead of the decision going into effect, action is blocked for a set time—typically 60 congressional working days—while Congress studies it. A majority of both Houses, or either House, or even a single committee, is authorized to veto the action during that period.

Such intrusive devices infringe on the Executive's constitutional duty to faithfully execute the laws. They also authorize Congressional action that has the effect of legislation while denying the President the opportunity to exercise his veto. Legislative vetoes thereby circumvent the President's role in the legislative process established by Article I, Section 7 of the Constitution.

These are fundamental constitutional issues. The Attorney General is seeking a definitive judgment on them from the courts, but no immediate resolution is in prospect. Pending a decision by the Supreme Court, it is my view, and that of the Attorney General, that these legislative veto provisions are unconstitutional.

Moreover, the legislative veto raises serious, practical policy problems.

Federal agencies issue thousands of complex regulations each year. Many are adopted after months or years of hearings and are based on many volumes of evidence. To act responsibly under a typical legislative veto provision, Congress would have to examine all of this evidence, hold its own hearings, and decide whether to overrule the agency—all in a few weeks. This task would add an additional burden to Congress' legislative agenda.

The regulatory process is rightly criticized for being slow and for creating uncertainty which cripples planning by business, State and local governments, and many others. The legislative veto greatly compounds both problems. At best, it prolongs the period of uncertainty for each regulation by several months. At worst, it can mean years of delay. Under the legislative veto procedure, Congress can only block an agency's rules, not rewrite them. If the House and Senate agree that a regulation is needed but disagree with the agency or each other on the specifics, exercise of the veto can lead to indefinite deadlock.

This danger is illustrated by the regulations concerning President Nixon's papers. Three versions of these regulations were vetoed, and it took 3 years to reach agreement on them. Whatever the merits of the issues, this is clearly an unsatisfactory way to decide them. Such lengthy, expensive procedures could easily become commonplace under legislative veto statutes.

In addition to causing delay, legislative veto provisions can seriously harm the regulatory process. Regulators operating under such laws would seek to avoid vetoes. They would therefore tend to give more weight to the perceived political power of affected groups and less to their substantive arguments. Meetings of regulatory commissions could degenerate into speculation about how to write rules so they would escape future disapproval of future Congressional reviewers who are not present nor represented when the rules are being drafted. Many regulations would be evolved in negotiations between agency officials and Congressional staff members, subverting requirements in present law for public notice and comment and for decisions based on the record. Parties to regulatory proceedings, never knowing when a decision might be vetoed, would have to reargue each issue in Congress.

These problems would lead many regulators to reverse the constructive trend toward adopting uniform rules. They would revert to acting on a case-by-case basis, because the legislative veto cannot be applied to such decisions. This lack of uniformity would not reduce the scope of regulation, but it would reduce clarity and certainty. Those affected would have to determine how dozens of decisions on individual fact situations might apply to their own cases, instead of abiding by a single rule.

The most troubling problem, however, is that the legislative veto treats symptoms, not causes. The vast effort required to second-guess individual regulatory decisions could impede the crucial task of revising the underlying statutes.

Agencies issue regulations because Congress passes laws authorizing them, or—frequently—mandating them. Many of these laws have not been seriously reexamined for years and need change. This year, Congress is working on key bills to reform airline regulation, encourage public participation in the regulatory process, require lobbyists to work more openly, and adopt "sunset" procedures. Next year's agenda may be even fuller. We need legislation to speed up and simplify regulatory procedures, and we must reform a number of individual regulatory programs. We must deregulate where appropriate, make regulation easier to understand and to honor, and control the costs which regulations impose on our economy.

The President and the agency heads are responsible for improving the management of regulation, and we are doing so by administrative action encouraged by my Executive Order on improving the regulatory process. Only Congress through regulatory reform can deal with the underlying problems caused by a multitude of individual legislative mandates.

Regulation provides just one example of the problems caused by legislative vetoes; similarly severe problems arise in other areas of government. Thus, excessive use of legislative vetoes and other devices to restrict foreign policy actions can impede our ability to respond to rapidly changing world conditions. Reasonable flexibility is essential to effective government.

In sum, for both constitutional and policy reasons I strongly oppose legislative vetoes over the execution of programs. The inclusion of such a provision in a bill will be an important factor in my decision to sign or to veto it.

I urge Congress to avoid including legislative veto provisions in legislation so that confrontations can be avoided. For areas where Congress feels special oversight of regulations or other actions is needed, I urge the adoption of "report-and-wait" provisions instead of legislative vetoes. Under such a provision, the Executive "reports" a proposed action to Congress and "waits" for a specified period before putting it into effect. This waiting period permits a dialogue with Congress to work out disagreements and gives Congress the opportunity to pass legislation, subject to my veto, to block or change the Executive action. Legislation establishing "report-and-wait" procedures has been introduced. Even these procedures consume resources and cause delays, however, so they should be used sparingly.

As for legislative vetoes over the execution of programs already prescribed in legislation and in bills I must sign for other reasons, the Executive Branch will generally treat them as "report-and-wait" provisions. In such a case, if Congress subsequently adopts a resolution to veto an Executive action, we will give it serious consideration, but we will not, under our reading of the Constitution, consider it legally binding.

The desire for the legislative veto stems in part from Congress' mistrust of the Executive, due to the abuses of years past. Congress responded to those abuses by enacting constructive safeguards in such areas as war powers and the budget process. The legislative veto, however, is an overreaction which increases conflict between the branches of government. We need, instead, to focus on the future. By working together, we can restore trust and make the government more responsibe and effective.

JIMMY CARTER.

THE WHITE HOUSE, *June 21, 1978.*

Mr. PELL. Mr. President, I ask unanimous consent that a message from the President relative to the "legislative veto" be referred to all committees having legislative jurisdiction.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENTIAL APPROVAL

A message from the President of the United States stated that on June 19, 1978, he approved and signed the following act:

S. 1640. An act to designate the Mike Monroney Aeronautical Center.

MESSAGE FROM THE HOUSE

HOUSE BILLS AND JOINT RESOLUTION SIGNED

At 12:35 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 11713. An act to create a solar energy and energy conservation loan program within the Small Business Administration, and for other purposes;

H.R. 11777. An act to authorize the Secretary of Agriculture to provide cooperative forestry assistance to States and others, and for other purposes;

H.R. 11778. An act to direct the Secretary of Agriculture to carry out forest and rangeland renewable resources research, and for other purposes;

H.R. 11779. An act to provide for an expanded and comprehensive extension program for forest and rangeland renewable resources; and

H.J. Res. 944. A joint resolution making urgent grain inspection supplemental appropriations for the Department of Agriculture. Federal Grain Inspection Service, for the fiscal year ending September 30, 1978.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore (Mr. EASTLAND).

The message also announced that the House has passed the following bills, without amendment:

S. 2033. An act to provide for conveyance of certain lands in the Wenatchee National Forest, Wash., by the Secretary of Agriculture; and

S. 2973. An act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

The message further announced that the House has passed the following bill, with amendments in which it requests the concurrence of the Senate:

S. 2351. An act to name the new Veterans' Administration Hospital in Little Rock, Ark., the John L. McClellan Hospital.

The message also announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 12257. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to furnish cemetery memorial headstones or markers to commemorate veterans who die after being honorably discharged and whose remains are not recovered or identified; and

H.R. 12936. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979, and for other purposes.

The message further announced that the House has agreed to House Resolution 1241, on the death of the Honorable Clifford Allen, a Representative from the State of Tennessee.

ENROLLED BILLS SIGNED

At 4:32 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 2033. An act to provide for conveyance of certain lands in the Wenatchee National Forest, Wash., by the Secretary of Agriculture; and

S. 2973. An act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. HASKELL).

The message also announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 3121. An act to convey all interests of the United States in certain real property in Sandoval County, N. Mex., to Walter Hernandez;

H.R. 3995. An act for the relief of Habib Haddad;

H.R. 10160. An act to provide for the conveyance of title and ownership to 2.58 acres within the Bridger-Teton National Forest, Wyo., to Ben Boschetto, Jr.; and

H.R. 12932. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1979, and for other purposes.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 3121. An act to convey all interests of the United States in certain real property in Sandoval County, N. Mex., to Walter Hernandez; to the Committee on Energy and Natural Resources.

H.R. 3995. An act for the relief of Habib Haddad; to the Committee on the Judiciary.

H.R. 10160. An act to provide for the conveyance of title and ownership to 2.58 acres within the Bridger-Teton National Forest, Wyo., to Ben Boschetto, Jr.; to the Committee on Energy and Natural Resources.

H.R. 12257. An act to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to furnish cemetery memorial headstones or markers to commemorate veterans who die after being honorably discharged and whose remains are not recovered or identified; to the Committee on Veterans' Affairs.

H.R. 12932. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

H.R. 12936. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

ORDER FOR STAR PRINT OF REPORT NO. 95–828

Mr. NELSON. Mr. President, I ask unanimous consent that a star print be made of Senate Report No. 95–828, the Small Business Energy Loan Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFERRAL OF A BILL

Pursuant to the provisions of section 401(b) of the Budget Control Act of 1974, S. 3085, Calendar Order No. 814, has been referred to the Committee on Appropriations for 15 calendar days exclusive of days on which the Senate is not in session.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications together with accompanying reports, documents, and papers, which were referred as indicated:

EC–3808. A communication from the general counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for construction at certain military installations, and for other purposes; to the Committee on Armed Services.

EC–3809. A communication from the Acting Secretary of Transportation, transmitting, pursuant to law, a report on State Demonstration Program for General Aviation Airport Development, June 1978; to the Committee on Commerce, Science, and Transportation.

EC–3810. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on the Mineral Leasing Act of 1920, as amended; to the Committee on Energy and Natural Resources.

EC–3811. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus which proposes a succeeding lease for space presently occupied at 120 Church Street, New York, N.Y.; to the Committee on Environment and Public Works.

EC–3812. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Savings and Loan Associations: Changes Needed in the Regulation of their Service Corporations," June 14, 1978; to the Committee on Governmental Affairs.

EC–3813. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Lessons Learned from Constructing the Trans-Alaska Oil Pipeline," June 15, 1978; to the Committee on Governmental Affairs.

EC–3814. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Federal Domestic Food Assistance Programs—A Time for Assessment and Change," June 13, 1978; to the Committee on Governmental Affairs.

EC–3815. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Grievance Systems Should Provide all Federal Employees an Equal Opportunity for Redress," June 13, 1978; to the Committee on Governmental Affairs.

EC–3816. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Legislation Needed to Encourage Better Use of Federal Medical Resources and Remove Obstacles to Interagency Sharing," June 14, 1978; to the Committee on Governmental Affairs.

EC–3817. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, a report on the Presidential Advisory Committee Recommendations on "Need for a Consistent, Future-oriented Foreign Trade and Investment Policy"; to the Committee on Governmental Affairs.

EC–3818. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report and supporting documentation for a new system of records for the Agricultural Stabilization and Conservation Service of the Department of Agriculture; to the Committee on Governmental Affairs.

EC–3819. A communication from the Assistant Secretary for Administration, Department of Commerce, transmitting, pursuant to law, a proposal of two systems of records in addition to those previously noticed in the Federal Register for the Department's National Fire Prevention and Control Administration; to the Committee on Governmental Affairs.

EC–3820. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report of a new system of records; to the Committee on Governmental Affairs.

EC–3821. A communication from the Attorney General of the United States, transmitting, pursuant to law, a report on the Drug Enforcement Administration Accounting System (DEAAS); to the Committee on Governmental Affairs.

EC–3822. A communication from the Secretary of Labor, transmitting, pursuant to law, a report of activities in the administration of the Age Discrimination in Employment Act of 1967; to the Committee on Human Resources.

EC–3823. A communication from the Chairman, National Commission for Manpower Policy, transmitting, pursuant to law, a report entitled "An Assessment of CETA"; to the Committee on Human Resources.

EC–3824. A communication from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, final regulation for emergency school aid—special compensatory projects, maintenance of effort, and technical changes; to the Committee on Human Resources.

EC–3825. A communication from the Chief Justice, Supreme Court of the United States, transmitting, pursuant to law, a report of proceedings of the meeting of the Judicial Conference of the United States held in Washington, D.C., on March 9 and 10, 1978; to the Committee on the Judiciary.

EC–3826. A communication from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to provide for the forfeiture of proceeds of illegal drug transactions; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PAUL G. HATFIELD, from the Committee on the Judiciary, without amendment:

S.J. Res. 133. A joint resolution to authorize and request the President to issue a proclamation designating September 24, 1978, as "National Good Neighbor Day" (Rept No. 95–942).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1006. A bill for the relief of Concrete Industries (Monier), Limited (Rept. No. 95–943).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1562. A bill for the relief of Datronics Engineers, Incorporated (Rept. No. 95–944).

By Mr. PELL, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 90. A concurrent resolution authorizing the printing of additional copies of volumes 1 and 2 of the committee print entitled "A Legislative History of the Water Pollution Control Act Amendments of 1972" (Rept. No. 95–945).

S. Res. 478. A resolution authorizing additional expenditures by the Committee on Appropriations for routine purposes (Rept. No. 95–946).

H. Con. Res. 441. A concurrent resolution providing for the printing of the report "New Perspectives in Health Care for Older Americans" (Rept. No. 95–947).

H. Con. Res. 561. A concurrent resolution authorizing the printing as a House document the folder "The United States Capitol" (Rept. No. 95–948).

By Mr. LONG, from the Committee on Finance, without amendment:

H. Con. Res. 555. A concurrent resolution approving the extension of nondiscriminatory treatment with respect to the products of the Hungarian People's Republic (Rept. No. 95–949).

Special Report on Allocation of Budget Totals for Fiscal Year 1979—first concurrent resolution on the budget (Rept. No. 95–950).

S. Res. 487. An original resolution authorizing supplemental expenditures by the Committee on Finance for inquiries and investigations. Referred to the Committee on Rules and Administration.

S. Res. 488. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 11005. Referred to the Commmittee on the Budget.

By Mr. MUSKIE, from the Committee on the Budget, without amendment:

S. Res. 474. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2635 (Rept. No. 95–951).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Warren Demian Manshel, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

(The above nomination from the Committee on Foreign Relations was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Warren Demian Manshel.

Post: Ambassador.

Contributions, amount, date, and donee:

1. Self—See Schedule A.

2. Spouse—See Schedule B.

3. Children and Spouses: Liane Catherine Manshel (minor), none. Michael Demian Manshel (minor), none.

4. Parents: Erna Manshel (mother see Schedule C. Father, deceased.

5. Grandparents: Deceased.

6. Brothers and Spouses: Ernest Manshel, brother, and Hannah Manshel, spouse. See Schedule D.

7. Sisters and Spouses: None.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

WARREN D. MANSHEL.

SCHEDULE A

Amount, date, and donee:

$1,000, January 30, 1978: Ravenel for Senate Committee.

$200, November 21, 1977: Friends of Moynihan '82.

$1,000, October 21, 1977: Re-Elect Senator Pell.

$2,000, April 12, 1977: Tribute to Gerald Ford.

$1,000, March 8, 1977: Moynihan for Senator Committee.

$200, October 7, 1976: Friends of Les Aspin.

$100, September 13, 1976: New Yorkers for Koch.

$250, July 12, 1976: Kress for Congress.

100, June 14, 1976: Nat'l. Comm. for an Effective Congress.

$1,000, June 14, 1976: Moynihan for Senate.

$2,500, June 14, 1976: National Republican Committee.

$500, May 18, 1976: McCarthy '76.

$165, May 10, 1976: Nebraska Democratic Party.

$250, April 14, 1976: Friends of Jerry Litton.

$1,000, March 11, 1976: Stein for Senator Committee.

$1,000, February 18, 1976: Glorida Schaeffer—Senate.

$500, February 7, 1976: Committee for a Constitutional Presidency.

$1,000, December 16, 1975: Church for President.

$500, December 2, 1975: Committee for Jimmy Carter.

$100, June 17, 1975: McCarthy for '76.

$500, January 13, 1975: Citizens for a Strong Energy Program.

$100, December 9, 1974: Democratic Forum.

$100, October 28, 1974: Citizens for Culver.

$25, October 10, 1974: Eagleton Campaign.

$100, October 10, 1974: Ramsey Clark for United States Senate Committee.

$100, October 3, 1974: Friends of Les Aspin.

$10, June 5, 1974: A.D.A.

$100, May 9, 1974: Committee to Re-Elect Ed Koch.

$50, January 24, 1974: Ramsey Clark for United States Senate Committee.

An aggregate of $11,998 was expended independently in advocacy of Frank Church in May and June of 1976; these expenditures were reported on FEC Form 5 under date of June 14, 1976.

SCHEDULE B

Amount, date, and donee:

$1,000, January 30, 1978: Ravenel for Senate Committee.

$1,000, December 14, 1977: Re-Elect Senator Pell.

$1,000, March 8, 1977: Moynihan for Senator Committee.

$1,000, October 14, 1976: Gloria Schaeffer for Senate.

$1,000, September 13, 1976: Moynihan for Senator.

$1,000, December 16, 1975: Church for President.

$500, December 2, 1975: Committee for Jimmy Carter.

SCHEDULE C

Amount, date, and donee:

$1,000, June 20, 1977: Moynihan for Senate Committee.

$1,000, April 3, 1976: Frank Church for President.

SCHEDULE D

A: Ernest Manshel:

Amount, date, and donee:

$500, June 2, 1976: Frank Church.

$500, April 16, 1976: Frank Church.

B: Hannah Manshel:

Amount, date, and donee:

$500, June 2, 1976: Frank Church.

$500, April 16, 1976: Frank Church.

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Frederic L. Chapin, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

(The above nomination from the Committee on Foreign Relations was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee: Frederick L. Chapin.

Post: Ambassador to Ethiopia.

Contributions, amount, date, and donee:

1. Self: Frederic L. Chapin, ($1,000 total), December 2, 1975; March 15, 1976; April 19, 1976; June 1, 1976; July 14, 1976, and Committee for Jimmy Carter.

2. Spouse: Cornelia C. Chapin credited with part of above as joint gift. Also $100, May 22, 1977. Democratic National Committee.

3. Children and Spouses: None. John C. Chapin; Anne C. Chapin; Grace S. Chapin; Edith C. Chapin.

4. Parents: Father deceased, March 27, 1963. Mrs. Selden Chapin (mother): None.

5. Grandparents: None living as of January 11, 1974.

6. Brothers and Spouses: None—Not applicable.

7. Sisters and Spouses: Reverend Ronald I. Metz (brother-in-law): None. Helen Chapin Metz (sister).

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

FREDERIC L. CHAPIN.

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Adolph Dubs, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Afghanistan.

(The above nomination from the Committee on Foreign Relations was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee: Adolph Dubs.

Post: Ambassador to Afghanistan.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: None.

3. Children and Spouses: None. Lindsay Jane Dubs, None.

4. Parents: Mr. and Mrs. Alexander Dubs, Sr.: None.

5. Grandparents: Not applicable.

6. Brothers and Spouses: Mr. and Mrs. Alexander Dubs, Jr.: None.

7. Sisters and Spouses: Dr. and Mrs. James J. Milford: None.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

ADOLPH DUBS.

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Morton I. Abramowitz, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Thailand.

(The above nomination from the Committee on Foreign Relations was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

POLITICAL CONTRIBUTIONS STATEMENT

Nominee: Morton I. Abramowitz.

Post: American Ambassador, Bangkok.

Contributions, amount, date, and donee:

1. Self: $100, 1976, Sen. Muskie. $75, 1975, Sen. Muskie. $25, 1977, Steve Sachs for Att. Gen. $25, 1977, Mike Barnes for Congress. $50, 1976, Sen. Muskie. $25, 1976, H. Schwartz for Cong. $25, 1976, Democratic Party. $50, 1975, Sen. Muskie. $50, 1975, Assorted Candidates. $100, 1974, Sen. Muskie.

2. Spouse: Sheppie Abramowitz.

3. Children and Spouses: Rachael Abramowitz and Michael Abramowitz (none).

4. Parents: Ida Glass (none).

6. Brothers and Spouses: Mr. and Mrs. Irving Abramowitz (none).

7. Sisters and Spouses: Molly Tatel, Eleanor Sreb, and Mr. and Mrs. Irving Abramowitz (none).

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

MORTON I. ABRAMOWITZ.

By Mr. SPARKMAN, from the Committee on Foreign Relations:

William H. Gleysteen, Jr., of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

(The above nomination from the Committee on Foreign Relations was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

POLITICAL CONTRIBUTIONS STATEMENT

Nominee: William H. Gleysteen, Jr.
Post: Ambassador to the Republic of Korea.
Contributions, amount, date, and donee:
1. Self, None.
2. Spouse, None.
3. Children and Spouses: Thea, none; Guy, none; Michael, none.
4. Parents: Deceased, None.
5. Grandparents: Deceased, None.
6. Parents-in-Law: O. Edmund Clubb:
$10, February 5, 1973, Hillsman for Congress.
$10, July 7, 1973, Morse for Senate Deficit Committee.
$10, March 29, 1974, Ramsey Clark for U.S. Senate Committee.
$10, April 15, 1974, Wayne Morse for Senate Committee.
$10, July 27, 1974, McGovern for Senate Committee.
$15, July 27, 1974, Committee for Fifteen.
$10, October 28, 1974, Democratic Party.
$10, June 14, 1975, Democratic Party.
$3, June 23, 1975, Town of Catskill Democratic Club.
$15, October 14, 1975, Shriver for President Committee.
$25, December 10, 1975, Democratic DSG Campaign Fund.
$10, February 3, 1976, Udall '76 Committee.
$10, April 16, 1976, Democratic Party.
$10, May 18, 1976, Udall '76 Committee.
$10, June 8, 1976, Shriver for President Committee.
$10, July 16, 1976, Ramsey Clark Senate '76 Committee.
$25, August 6, 1976, Democratic Party.
$3, September 23, 1976, Town of Catskill Democratic Club.
$20, October 24, 1976, Greene County Democratic Committee.
$15, October 16, 1976, Democratic Party.
$10, November 28, 1976, Udall '76 Committee.
$12, October 23, 1977, Democratic Committee of Catskill.
$15, March 29, 1977, Democratic National Committee.
$25, April 17, 1977, Fraser for Senate.
$20, April 21, 1978, Pattison '78 Campaign.
Mariann Clubb, None.
7. Brothers and Spouses:
T. Carter Gleysteen, None.
Mary H. Gleysteen (s), $100, 1974, Thomas N. Downing, 1st Congressional District, Virginia.
Culver Gleysteen: $50, 1975, Democratic National Committee.
$100, 1976, Democratic National Committee.
Elizabeth M. Gleysteen (s), None.
Dirk Gleysteen, None.
Marguerite B. Gleysteen (s), None.
Sisters and Spouses:
Alice Scott Morton, None.
W. Scott Morton (s), None.
Margaret G. Huie, None.
Byron S. Huie, Jr. (s):
$50, June 6, 1974, Republican National Finance Committee.
$25, July 8, 1975, Republican National Finance Committee.
$25, July 7, 1976, Republican National Finance Committee.
$50, October 18, 1976, The John Grady Campaign Fund.
$25, July 22, 1977, Republican National Finance Committee.
$30, September 19, 1977, Republican National Finance Committee.
$35, April 17, 1978, National Republican Senatorial Committee.
Anne G. Kramer, None.
Elmer G. Kramer (s), None.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information in this report is complete and accurate.

WILLIAM H. GLEYSTEEN, JR.

By Mr. SPARKMAN, from the Committee on Foreign Relations:

The following-named persons to be members of the Board of Directors of the Overseas Private Investment Corporation:

James M. Friedman, of Ohio;
Richard R. Swann, of Florida; and
Edward L. Marcus, of Connecticut.

(The above nominations from the Committee on Foreign Relations was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Philip B. Heymann, of Massachusetts, to be an Assistant Attorney General.

Paul F. Murray, of Rhode Island, to be U.S. attorney for the district of Rhode Island.

Rufus E. Thompson, of New Mexico, to be U.S. attorney for the district of New Mexico.

(The above nominations from the Committee on the Judiciary were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Shane Devine, of New Hampshire, to be U.S. district judge for the district of New Hampshire.

Mary Johnson Lowe, of New York, to be U.S. district judge for the southern district of New York.

By Mr. LONG, from the Committee on Finance:

Donald Cyril Lubick, of Maryland, to be an Assistant Secretary of the Treasury.

(The above nomination from the Committee on Finance was reported with the recommendation that it be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Ex. G, 95–2. Treaty with Bolivia on the Execution of Penal Sentences (Ex. Rept. No. 95–22).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BENTSEN (for himself and Mr. TOWER):

S. 3214. A bill to designate certain lands in the Guadalupe Mountains National Park, Texas, as wilderness; to the Committee on Energy and Natural Resources.

By Mr. BROOKE:

S. 3215. A bill to amend the Bank Holding Company Act of 1956 to prohibit bank holding companies and their subsidiaries from selling property and casualty insurance as principals, agents, or brokers; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BENTSEN:

S. 3216. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to increase financial assistance to units of general local government for the development and implementation of programs relating to the prosecution of repeat criminal offenders, and for other purposes; to the Committee on the Judiciary.

By Mr. McCLURE (for himself, Mr. GARN, Mr. WALLOP, Mr. CHURCH, Mr. DECONCINI, Mr. GRAVEL, Mr. HANSEN, Mr. HATCH, Mr. HAYAKAWA, Mr. HELMS, Mr. LAXALT, Mr. SCHMITT, Mr. MORGAN, Mr. GOLDWATER, and Mr. PAUL G. HATFIELD):

S. 3217. A bill to exempt white water river running boats from the requirements of the act, requiring inspection and certification of small passenger carrying vessels; to the Committee on Commerce, Science, and Transportation.

By Mr. BENTSEN:

S. 3218. A bill to amend the Internal Revenue Code of 1954 to allow the tax-exempt status of the interest of certain life insurance accounts to flow-through to policyholders; to the Committee on Finance.

By Mr. BROOKE (for himself and Mr. KENNEDY):

S. 3219. A bill to authorize the Coast Guard cutter *Chautaqua* to be made available for use as an exhibition and education center under contracts with nonprofit organizations; to the Committee on Commerce, Science, and Transportation.

By Mr. RANDOLPH (for himself, Mr. TALMADGE, Mr. STONE, Mr. DURKIN, Mr. THURMOND, Mr. STAFFORD, and Mr. HANSEN):

S. 3220. A bill to redesignate May 30 of each year as Memorial Day and to make such day a legal public holiday; to the Committee on the Judiciary.

By Mr. McCLURE:

S. 3221. A bill to provide that the lake referred to as the Ririe Lake on Willow Creek, in Bonneville County, Idaho, shall hereafter be known as Oscar Johnson Lake; to the Committee on Environment and Public Works.

By Mr. DOLE:

S. 3222. A bill to secure and protect the freedom of individuals from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

By Mr. GRAVEL:

S. 3223. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives for the estalishment of general stock ownership plans; to the Committe on Finance.

By Mrs. HUMPHREY:

S. 3224. A bill for the relief of Miss Linda Lee; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 3225. A bill to secure and protect the freedom of the press, and for other purposes; to the Committee on the Judiciary.

By Mr. HELMS:

S. 3226. A bill for the relief of Veronica Anthony; to the Committee on the Judiciary.

By Mr. DECONCINI:

S. 3227. A bill to amend title 18, United States Code, to establish therapeutic communities in Federal correctional institutions,

and for other purposes; to the Committee on the Judiciary.

By Mr. DURKIN (for himself, Mr. McINTYRE, Mr. STAFFORD, Mr. PAUL G. HATFIELD, Mr. RIEGLE, Mr. ABOUREZK, Mr. MELCHER, and Mr. HATHAWAY):

S. 3228. A bill to amend the Export Administration Act of 1969 to curtail the export of crude oil and certain petroleum products, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GLENN (for himself, Mr. STEVENS, and Mr. JAVITS):

S. 3229. A bill to amend title 39 of the United States Code to improve the organizational structure of the U.S. Postal Service, to provide authorization for funds to maintain the public service functions of the U.S. Postal Service, to provide a reduced rate for certain individuals, and for other purposes. Held at the desk.

By Mrs. HUMPHREY (for herself and Mr. BAYH):

S. 3230. A bill to amend title 5 of the United States Code to provide that a former spouse of a Federal employee who had been married to such employee for ten years or more shall be entitled to a portion of such employee's annuity and to a portion of the annuity of any surviving spouse of such employee, to provide the same settlements to former spouses of members of the Foreign Service, and for other purposes. Held at the desk.

By Mr. JACKSON (for himself and Mr. HANSEN) (by request):

S. 3231. A bill to amend section 6(e)(2) of the Land and Water Conservation Fund Act of 1965, as amended; to the Committee on Energy and Natural Resources.

By Mr. JACKSON (by request):

S. 3232. A bill to designate certain lands within units of the National Park System as wilderness; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN (for himself and Mr. TOWER):

S. 3214. A bill to designate certain lands in the Guadalupe Mountains National Park, Tex., as wilderness; to the Committee on Energy and Natural Resources.

GUADALUPE MOUNTAINS NATIONAL PARK

● Mr. BENTSEN. Mr. President, I am introducing today for myself and my colleague, Mr. TOWER, a bill to protect and conserve one of the most scenic and unspoiled areas in the continental United States. The legislation would designate 46,850 acres of the Guadalupe Mountains National Park in Texas as wilderness under the Wilderness Act of 1964.

The Guadalupe Mountains National Park is situated in the desert of west Texas, adjacent to the New Mexico State boundary. It comprises over 77,000 acres of Chihuahuan Desert marked by such prominent peaks as El Capitan and the highest point in Texas, Guadalupe Peak. The person who explores the canyons of the Guadalupes, climbs the hillsides, and observes the surrounding desert is rewarded with spectacular views of one of nature's most unique works. Here the wildlife and plantlife of both the desert and mountains, along with the desert starkness and the mountain tranquillity are blended in natural harmony. It is truly a land of beautifully molded contrasts that is domed by the deep blue of the endless sky for which my State has become famous.

Perhaps the most important feature of the wilderness area is the distinctive relic forest referred to as the Bowl and the unique geology and fragile biology of the area around McKittrick Canyon which is located at the northern edge of the designated area. The entire park is marked by a rugged topography that includes a variety of vegetation which is of considerable scientific interest and a scenic landscape that has made the park a popular addition to the national park system.

Mr. President, one of the features that makes this park such an excellent candidate for addition to the wilderness system is that it has been over its history so infrequently penetrated by man. A few scattered locations have been found to contain artifacts that have been dated at about 12,000 years in age; however, no significant interest was expressed in the area until the Mexican War in the 1840's. A survey was ordered in 1846, but the closest any reconnaissance approached the Guadalupes was the southwest side of the Llano Estacado, about 100 miles northeast. Even after there was much confusion concerning the topography of much of the region acquired by the United States. Since then the area has continued to experience relatively infrequent intrusion by man and thus, its splendor for the most part has been remarkably well preserved.

The ecological balance found in the Guadalupe Mountains Park as noted, is one of the most unusual anywhere in the world. Elevations in the park vary thousands of feet and localized conditions such as those found in deep canyons or near permanent water sources all serve to establish varied plant and animal communities in close proximity. In the low lying arid areas of the park a desert balance dominates. The wilderness area to be designated provides excellent examples of the complete range of these ecological communities.

Mr. President, despite its rugged and heretofore well preserved appearance, the area is part of a system that is easily damaged and difficult to repair. The region as a whole is a dry and fragile area which, as is typical of the life cycle of a desert ecology, is literally a slow motion sequence. The recovery time from adverse environmental impacts can seem interminable. The vegetation and relict trees of the Guadalupe Mountains have already suffered damage due to extensive use of the park. We must act now to insure that this important area of our natural heritage is preserved so that we may share it with generations to come. ●

By Mr. BROOKE:

S. 3215. A bill to amend the Bank Holding Company Act of 1956 to prohibit bank holding companies and their subsidiaries from selling property and casualty insurance as principals, agents, or brokers, to the Committee on Banking, Housing, and Urban Affairs.

● Mr. BROOKE. Mr. President, the Committee on Banking, Housing, and Urban Affairs will hold hearings on Friday, June 23, 1978, on legislation designed to restrict the nonbanking activities of bank holding companies. Among the issues which will be considered is the desirability of bank holding companies engaging in insurance activities.

There has long existed in this country a separation between banking and other forms of commerce. This separation was developed in part because banking organizations, by virtue of their control over credit transactions, are in a position either directly or indirectly to exercise great influence over borrowers in connection with the purchase of nonbanking services. Furthermore, the pursuit of nonbanking activities would tend to divert bank resources and efforts away from their principal activity—banking.

The Bank Holding Company Act of 1956, as amended, provides a regulatory framework designed to restrict bank holding companies to those activities which are "closely related" and a "proper incident" to banking. Under this rubric, however, the Federal Reserve Board by regulation has permitted bank holding companies to be involved in the retail property and casualty insurance agency business. Whether such activity was within the contemplation of the Congress when it enacted the Bank Holding Company Act and its subsequent amendments is a matter which has been the subject of considerable litigation. In order to clarify the intent of the Congress with respect to bank holding company involvement in the insurance business, I am today introducing a bill to restrict such activities to the sale of credit life and credit accident and health insurance which is directly related to extensions of credit within a bank holding company system, or to the sale of any insurance in a community that has: First, a population not exceeding 5,000 or second, no adequate insurance agency facilities.

I expect that this legislation will be considered at the Banking Committee's hearings on Friday, and I am hopeful that, since similar legislation is under consideration on the House side, we shall be able to enact a bill of this kind before the conclusion of the 95th Congress. ●

By Mr. BENTSEN:

S. 3216. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to increase financial assistance to units of general local government for the development and implementation of programs relating to the prosecution of repeat criminal offenders, and for other purposes; to the Committee on the Judiciary.

CAREER CRIMINALS PROSECUTION ACT OF 1978

● Mr. BENTSEN. Mr. President, I am introducing legislation that will provide $100 million over a 5-year period to assist local governments in efforts to prosecute career criminals.

John Greenleaf Whittier once said that justice should be "The hope of all who suffer; the dread of all who wrong." Too often it is neither.

I believe that our debates on crime control have led to a new realism which can help us live up to Whittier's ideal. For years we have debated whether the primary effort should be to reduce unemployment, improve education, and reha-

bilitate offenders or instead, to imprison criminals to prevent them from committing crimes and to deter others.

For years we have debated these options as mutually exclusive, as though we should do one and not the others.

The new realism recognizes merit in all of these approaches.

Certainly we must fight unemployment, especially urban minority unemployment which is such a devasting waste of human resources in an era of human rights. We must improve education. And we should not give up on rehabilitation.

But, Mr. President, the new realism also accepts the fact that some people continually commit violent acts. Their violence serves to imprison the elderly and corrupt the young.

Often these habitual offenders take advantage of our overburdened criminal justice system, spinning their way through the revolving doors and doing violence as they go. For them, justice is not the dread of those who wrong.

We must stop this revolving door by devoting the necessary resources to cases involving the most dangerous threats to society. The time has come to seriously address the problem of the chronic criminal who poses such a deadly danger to our society.

In recent years many localities have engaged in innovative programs to tackle this problem head on. They have established priority management procedures, which concentrate resources on those cases involving offenders with long and violent criminal histories. This enables experienced prosecutors and investigators to present the strongest possible case and to insure speedy justice where society is most concerned.

These programs, funded with Federal assistance, have helped to combat the repeat offender through managerial reforms that prevent the guilty from taking advantage of our overworked system.

The latest statistics compiled by the National Legal Data Center indicate that these programs have led to the conviction of at least 6,641 defendants on a total of 10,409 separate crimes. These convicted criminals have a total of 84,367 prior nonjuvenile arrests and 38,710 prior nonjuvenile convictions.

The Rand Corp. study of criminal careers suggests that these convictions may prevent over 100,000 future crimes from taking place.

NLDC statistics also demonstrate that in 1977 cities with career criminal programs that were surveyed experienced an 8.2 percent decrease in robberies and a 5.5 percent decrease in burglaries.

Mr. President, I am firmly convinced that priority management procedures, the early assessment of criminal cases, and the concentration of resources on those most involving community safety, provide important steps forward in law enforcement. We can make our system work, and in the process restore public faith and respect in the criminal law.

I would also state that any serious urban program must contain a major crime component. To make our cities more attractive we must make them more safe.

I recently chaired hearings of the Joint Subcommittee on Economic Growth concerning the relationship between crime and urban decay. We heard compelling testimony on the need for a program to combat the chronic criminal.

Crime drives individuals, families, and businesses from our cities, and imposes an intolerable cost on those who remain. Crime serves to erode the urban tax base, and often victimizes the poor and the elderly. Something can and should be done.

There is public frustration when dangerous people plea bargain their way to little or no punishment. This program can provide the needed resources to eliminate the most outrageous abuses of plea bargaining that are all too common.

There is public outrage when dangerous people are released on bail to commit new crimes, because information regarding their criminal histories was not available when the bail decision was made. One study of career criminal convictions found that 53 percent of those convicted were on conditional release at the time of their arrest. This program recognizes the need for information to make sound bail decisions and to protect the public from those who should not be released.

There is public cynicism when long-pretrial delays allow the dangerous to continue their violent careers. This program expedites our judicial process when public safety is most at stake.

There is general public anger at our inability to cope with the chronic criminal. People rightfully feel that the least we can do is effectively deal with those dangerous people we apprehend. There is no excuse for allowing these people to stalk the streets. This program has attained a conviction rate of over 90 percent, and those convicted can expect to serve long terms in prison.

There is an important role for the Federal Government to play in helping localities to cope with this problem. Fifty years ago, in a study of crime in Cleveland, Felix Frankfurter and Roscoe Pound concluded that a system that cannot cope with the chronic criminal is nothing short of an inducement to professional crime.

In 1976 I introduced an amendment to encourage these programs. Today I introduce legislation that will go much further. My legislation provides for a 5-year Federal commitment of up to $100 million to fund half of the cost of local career criminal programs. The State and local governments must provide funding for the other half. The money would be available to units of local government with populations of over 100,000. Deputy Attorney General Civiletti has written me stating his current and future support for these programs. I want to increase this effort, to engage in a major urban crime initiative that can help localities meet their pressing needs.

I am today writing the Governors of 50 States, seeking their advice and suggestions. I believe that this legislation can pass in the next Congress, and I want to work toward a Federal, State, and local cooperative effort against the career criminal.

Mr. President, the new realism recognizes the need for other innovations.

We must treat criminal justice in a systematic fashion that encourages sound managerial procedures. We must assess the needs of our prison systems, so we will have adequate space and humane conditions.

We must establish uniform sentencing procedures. I have sponsored legislation to do this, and I strongly support the similar provisions incorporated in S. 1437, the criminal code reform bill.

The House of Representatives has a unique opportunity to improve our outmoded, antiquated, cumbersome, complicated, and often unfair criminal code by passing this important legislation. It would provide a major step forward for criminal law in this country.

The new realism understands the need for alternative sentencing procedures for nonviolent offenders. There must be something between the extremes of unconditional amnesty and prison. Restitution, community service sentencing, fines, and part-time deprivation of liberty during leisure hours are alternatives that have bright promise for the future.

The centerpiece of this effort should be the prosecution and conviction and imprisonment of the people who repeatedly do violence against other human beings.

The new realism recognizes the need for long prison terms for the chronic criminal.

It recognizes that a system that allows professional criminals to spin their way through revolving doors is senseless and unfair to society.

It understands the injustice in sentencing laws that provide neither certainty nor fairness of punishment. It seeks to make deterrence a factor in the criminal law once again.

It perceives the futility of prisons so inadequate that they reinforce criminal behavior.

It renews our commitment to employ the jobless as we imprison the dangerous.

It maintains our attempts to rehabilitate while we imprison the dangerous and the deadly.

It emphasizes the need to seek social justice as we implement criminal justice.

Mr. President, at our hearings Lou Harris testified that he believed there would be strong public support for the initiative I am proposing today.

We live at a time when every public expenditure is questioned, when programs must justify their existence.

The career criminals programs have met this standard, and maintain high public support in communities that have witnessed their growth and success.

Public safety is an important goal of free society, and respect for human life is essential to our way of life.

We must put a high price on conduct that violates the safety of others.

This effort is not partisan, or ideological, or regional.

It is based on traditional notions of fairness and innovative managerial reforms.

This project will take a Federal, State, and local cooperative effort, and the past demonstrates that this effort can succeed in increasing public safety.

I urge my colleagues to join me in proposing this initiative, as we work to make justice the hope of all who suffer and the dread of all who wrong.●

By Mr. McCLURE (for himself, Mr. GARN, Mr. WALLOP, Mr. CHURCH, Mr. DECONCINI, Mr. GRAVEL, Mr. HANSEN, Mr. HATCH, Mr. HAYAKAWA, Mr. HELMS, Mr. LAXALT, Mr. SCHMITT, Mr. MORGAN, Mr. GOLDWATER, and Mr. PAUL G. HATFIELD):

S. 3217. A bill to exempt white water river running boats from the requirements of the act, requiring inspection and certification of small passenger carrying vessels; to the Committee on Commerce, Science, and Transportation.

WHITE WATER RIVER RUNNING BOATS

● Mr. McCLURE. Mr. President, I am honored to join with my distinguished colleagues, Mr. GARN, Mr. WALLOP, and others, in introducing a bill to exempt the white water river running industry from needless Coast Guard regulations under the Vessels, Passenger, Inspection and Certification Act of 1956 and indirectly from the Jones Act. On August 2, 1977, we introduced S. 1986 for the same purpose, but we submit this revised version which is more precise and effective. The Inspection Act of 1956 was designed to regulate coastwise shipping through Coast Guard enforcement and requires that certain safety standards be met by small commercial vessels carrying six or more passengers. The original intent of this act applied to navigable waters which were then considered to be mainly along the Atlantic and Pacific coasts and some major rivers and lakes. The act was in response to two tragic accidents off the Atlantic coast in 1951 where many lives would have been saved had the boats been inspected. At the time small passenger vessels were totally unregulated, and the act was needed and beneficial.

It has only been recently that "navigable waters" has been interpreted to extend to many wild rivers in the United States. The Inspection Act of 1956 clearly was never meant to apply to every river and stream in the United States. As a consequence of these recent interpretations, the Coast Guard is now drafting regulations to inspect the white water rafting industry on most rivers. The Coast Guard is not equipped to regulate the river-running industry in remote areas. It is ridiculous for the Coast Guard to become involved in the supervision of every river and stream in the United States. Congress never intended to give them this responsibility. The Coast Guard never really wanted it. The industry is opposed to it. So am I.

It should be noted that Coast Guard regulation is not needed in the river-running industry for safety reasons. Adequate regulation has already insured a fine safety record in the industry for inflatable rafts, water jet-propelled aluminum boats, and other vessels. Before commercial river runners can operate they must obtain a license from the respective State's outfitter or guide association. To obtain the license they must meet stringent safety requirements. In addition to the industrial association's supervision, river runners are regulated by the Federal or State agencies that have jurisdiction over the particular river. These Federal managers require that minimum safety requirements be met before river runners can receive a permit to operate. The result has been an admirable safety record. For example, in the Salmon National Forest in recent years loss of life has been less than four one-hundredths of 1 percent of commercial passengers. The ratio is about the same for noncommercial river runners. The present regulating bodies are functioning competently. The Coast Guard is simply not needed.

One of the major problems created by the Inspection Act of 1956 is that all vessels under its jurisdiction must abide by the Jones Act. The Jones Act makes the commercial use of any foreign-made vessel within U.S. navigable waters illegal. Approximately 60 percent of the rafts used by the river runners are foreign made—mainly in France and England. The industry has relied on the surplus U.S. World War II rafts, but the supply of these rafts is almost depleted. Present domestic production is not capable of rapidly producing enough boats. If river runners could no longer use foreign-built rafts, the river-running industry would be devastated in the short run, and the price of rafts would remain artificially high. Since this is a major industry in many States including my own, it is only fair that Congress protect them from the consequences of the Jones Act—an act which was not meant to apply to recreational inland boating. By making the river runners exempt from the requirements of the Inspection Act of 1956 we will indirectly relieve the river runners from enforcement of the Jones Act. Of course the river-running industry should be explicitly exempted from the Jones Act but this bill relieves them of the problem for now because enforcement of the Jones Act would remain impractical.

I wish that this legislation were not necessary, but once again we must protect someone from unnecessary Federal rules and regulations that Congress never intended. An important industry in our country must be saved from these regulations which will soon go into effect. Therefore I urge your support for this important legislation.

I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (b) of the first section of the Act entitled "An Act to require the inspection and certification of certain vessels carrying passengers", approved May 10, 1956 (46 U.S.C. 390 (b)), is amended by inserting at the end thereof the following: "The term does not include any inflatable raft, jet propelled boat, or other small craft used for the purpose of white water river running between points in the United States." ●

By Mr. BENTSEN:

S. 3218. A bill to amend the Internal Revenue Code of 1954 to allow the tax-exempt status of the interest of certain life insurance accounts to flow through to policyholders; to the Committee on Finance.

● Mr. BENTSEN. Mr. President, I am today introducing legislation to enable individuals who invest in municipal bonds through certain life insurance accounts to recognize the tax-exempt status of the interest on such bonds. This would simply extend to certain life insurance policyholders the same opportunity which was provided to mutual fund shareholders by a technical provision of the 1976 Tax Reform Act.

Mr. President, my proposal is desirable for several reasons:

First, this would provide senior citizens with an additional method of obtaining a retirement income. Under this proposal insurance companies would be able to invest in tax-free bonds to provide fixed-dollar annuities to retirees. These retirees would benefit from the so-called "passthrough" of the tax-exempt status of the interest on the bonds.

Second, before 1976, there were several methods for investment by individuals of moderate means in diversified municipal bond funds. These funds were sponsored by securities brokers, banks, and limited partnerships. A Senate floor amendment to the 1976 Tax Reform Act extended this opportunity to shareholders of mutual funds. As a result, life insurance companies are the only principal financial intermediaries currently excluded from this market. My bill would remove this competitive disadvantage.

Third, allowing life insurance companies to provide exempt-interest annuities would increase the number of investors interested in purchasing State and local bonds. This would help reduce the cost of public improvements by States and localities. This is particularly important in light of the large borrowing needs of State and local governments.

Finally, the 1976 mutual fund provision had no effect on revenues and this legislation should also have no effect on revenues.

I urge the Senate to adopt this legislation. ●

By Mr. BROOKE (for himself and Mr. KENNEDY):

S. 3219. A bill to authorize the Coast Guard cutter *Chautaqua* to be made available for use as an exhibition and education center under contracts with nonprofit organizations; to the Committee on Commerce, Science, and Transportation.

● Mr. BROOKE. Mr. President, I am introducing today a bill which provides for establishing and maintaining aboard the retired Coast Guard cutter *Chautaqua* a permanent exhibition and educational center, the purpose of which shall be to educate the public about marine environmental issues.

The exhibition will emphasize the protection of the ocean environment and the Government's role in establishing rules and safeguards to that end. Other space on the vessel shall be used to conduct classes, seminars, and other suit-

able activities for the public which are related to vessel safety, seamanship, the marine sciences, and other appropriate areas of interest.

The bill authorizes the Commandant of the Coast Guard to enter into contract with the Boston Educational Marine Exchange, a nonprofit organization chartered under the laws of Massachusetts, for the purpose of carrying out such activities. It further provides that the Boston Educational Marine Exchange shall utilize the funds appropriated under authority of this act for repairs, renovations, and improvements to the vessel as may be necessary to make the vessel suitable for such activities, and that the Boston Educational Marine Exchange shall be responsible for all maintenance, operation, and care of the vessel during the term of the contract.

The exchange would use any income realized from the use of the vessel solely for maintenance, operation, care, and improvement of the vessel.

Boston Harbor is an area which draws tourists from all parts of the Nation and which can appropriately serve as a home to a nationally supported exhibition and educational center of this nature.

Mr. President, I suggest that the people of Boston, visitors to the city, and the Coast Guard will all profit from this project. It is my hope that the Senate will act favorably.●

By Mr. RANDOLPH (for himself, Mr. TALMADGE, Mr. STONE, Mr. DURKIN, Mr. THURMOND, Mr. STAFFORD, and Mr. HANSEN):

S. 3220. A bill to redesignate May 30 of each year as Memorial Day and to make such day a legal public holiday; to the Committee on the Judiciary.

MEMORIAL DAY

● Mr. RANDOLPH. Mr. President, I am introducing today for myself and Senators TALMADGE, STONE, DURKIN, THURMOND, STAFFORD and HANSEN a bill which will restore May 30 as the date for the observance of Memorial Day of each year.

Memorial Day, also known as Decoration Day, is supposed to be a special day set apart from other days of the week. It is the day we stop to remember the sailors and soldiers and pilots that have lost their lives in service to their country.

As we know, in 1968 Congress passed the Monday holiday law, Public Law 90–363, which moved the Federal celebration of Memorial Day from May 30 of each year to the last Monday in May. It had been celebrated on May 30 of each year since the year 1868.

Interest in this legislation has resulted from the confusion caused by the change in date. Many States continue to observe May 30. The American people seek to celebrate May 30, and it is fitting that the official day be May 30 and that Congress should enact appropriate legislation.

As drafted this measure would become effective in 1980. It is felt that this delay should provide ample time for the necessary changes that must be made in returning Memorial Day to its original date—the right date.

This bill has the full support of the major veterans organizations: The American Legion, Veterans of Foreign Wars, Disabled American Veterans and American Veterans of World War II, Korea and Vietnam.

It is my hope that this legislation will receive the same support and favorable action that a similar Veterans Day bill received in the 94th Congress. It was my privilege to be a cosponsor of the law which restored November 11 as the date for the observance of Veterans Day each year, beginning in 1978.

Mr. President, I ask unanimous consent that the bill and an American Legion resolution be printed in the RECORD at this point.

There being no objection, the bill and resolution were ordered to be printed in the RECORD, as follows:

S. 3220

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective January 1, 1980, section 6103(a) of title 5, United States Code, is amended by striking out—

"Memorial Day, the last Monday in May."

and inserting in lieu thereof—

"Memorial Day, May 30.".

RESOLUTION No. 340

Whereas, Memorial Day also known to many citizens as Decoration Day has been celebrated on May 30, since the year 1868; and

Whereas, The veteran population and the general public have for many years observed May 30 as the day for their annual visitation to the graves of their departed loved ones; and

Whereas, The Congress of the United States in recent years has seen fit to change our national holidays so as to have three-day weekends; now, therefore, be it

Resolved, By The American Legion in National Convention assembled in Seattle, Washington, August 24, 25, 26, 1976, that The American Legion seek appropriate legislation which will restore May 30, and only that date, to be designated and proclaimed as Memorial Day throughout our land and observed as a national holiday.●

By Mr. McCLURE:

S. 3221. A bill to provide that the lake referred to as the Ririe Lake on Willow Creek, in Bonneville County, Idaho, shall hereafter be known as Oscar Johnson Lake; to the Committee on Environment and Public Works.

OSCAR JOHNSON LAKE

● Mr. McCLURE. Mr. President, I am introducing this bill on behalf of Ruby Sharp and family, to name the reservoir behind Ririe Dam, Oscar Johnson Lake in honor of Mr. Oscar Johnson, an Idaho pioneer whose ranch was inundated by the waters of Ririe Dam. The Corps of Engineers newly constructed Ririe Dam is located in Bonneville County, Idaho, and its location was the Johnson home for over 65 years. Being an advocate of flood control and irrigation projects, he graciously conceded his cattle ranch so that Ririe Dam might be built for the public benefit.

This proposal has been endorsed by the former mayor of Idaho Falls, the Honorable S. Eddie Pederson, and other local officials and friends of the late Oscar Johnson. Much of the land owned by Oscar Johnson was homesteaded by his family and other Idaho pioneers. When Oscar Johnson was 16 his father passed away, leaving Oscar to support the family. He then began ranching by purchasing 35 acres and eventually other homesteads to form the 5,000-acre Willow Creek Ranch that the reservoir has taken. Members of the Johnson family still make their home in eastern Idaho today.

Oscar Johnson is a fine example of the strong and honest character of the people that settled this part of Idaho. He was progressive in his thinking, hard-working, and a well-respected citizen of the community. He had dedication to land and water resource conservation as well as a love for the outdoors and its wildlife. It is fitting that part of his ranch that rests on the edges of the reservoir now houses wildlife under the management of the Fish and Wildlife Service.

It should also be noted that Ririe Dam is named after another Idaho pioneering family whose ranch was located below and where the dam now stands. It is only just that both families be represented by name on this water project. Even though it affected dramatically their way of life, they both supported it for its many benefits to their Idaho neighbors.

I would hope the Senate would take into account the Idaho pioneering history involved and consider this legislation to make the Ririe Dam reservoir the Oscar Johnson Lake.

I ask unanimous consent that the bill be printed at this point in the RECORD. There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in honor of the late Oscar Johnson of Idaho, whose ranch formed much of Ririe Lake, the lake referred to as the Ririe Lake on Willow Creek, Bonneville County, Idaho, shall hereafter be known and designated as the "Oscar Johnson Lake." Any law, regulation, map or record of the United States in which such lake is referred to shall be held and considered to refer to such lake by the name of the "Oscar Johnson Lake." ●

By Mr. DOLE:

S. 3222. A bill to secure and protect the freedom of individuals from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

PERSONAL PRIVACY ACT

● Mr. DOLE. Mr. President, the Supreme Court has recently ruled, in the case of Zurcher against the Stanford Daily, that police officers, armed with a warrant, may search the homes or businesses of a third party not suspected of a crime. While the court's 5-to-3 ruling may appear innocuous at first glance, a closer inspection will reveal the pervasive impact of the decision.

PRIVACY IS A FUNDAMENTAL RIGHT

The prohibition against deprivation of property without due process of law, founded in the 4th and 14th amend-

ments, reflects the high value that we place on a citizen's right to enjoy what is his, free of government interference. The right to privacy is one or our most cherished protections. This right is so fundamental to the American way of life that Congress has repeatedly expanded its scope. The Supreme Court decision in Zurcher against the Stanford Daily, however, has called into question the viability of this protection—our right to be secure from unreasonable searches and seizures.

Mr. President, much has been made of the impact of Zurcher on the press in our country. Certainly, this interpretation of the 1st and 14th amendments could have a chilling effect on the news gathering activities of reporters. I am concerned, though, that Zurcher may result in an erosion of the 4th amendment rights of all Americans. Among the likely targets of third-party searches are those who maintain files relating to numerous individuals, such as attorneys, physicians, psychiatrists, banks, accounting firms, and employers. Often such information is privileged. Even if it is not, the search of third parties for evidence relating to a criminal suspect needlessly exposes the files of unrelated, nonsuspects to police scrutiny.

LAW ENFORCEMENT CONCERNS

Mr. President, the legislation I am introducing this afternoon will enhance the constitutional guarantees of privacy, while in no way impairing legitimate law enforcement interests. My bill would prohibit the issuance of a search warrant against any third party not suspected of a crime, unless there is a substantial likelihood that the evidence will be hidden or destroyed. In the cases where a search warrant is prohibited, police will be required to use a subpena duces tecum—a court order to produce the documents named. Such a subpena is more protective of fourth amendment rights and no less effective. This bill will not limit the options of police against suspected criminals, it will not jeopardize the availability of evidence, and it will not interfere with police investigations. The intent and effect of the procedure advocated in this legislation is to protect the privacy of Americans from intrusion by police officers, where that intrusion is unnecessary.

TEST OF REASONABLENESS

Mr. President, the fourth amendment dictates that the test of a search warrant's constitutionality is its reasonableness. A warrant cannot be resisted. Whatever objections, whatever privacy interests, and whatever claims to confidential treatment may have existed, are irretrievably lost once a warrant is executed. On the other hand, a subpena to compel the production of evidence does not impair any rights. The person subpenaed can show under oath the reasons why he should not be compelled to produce the documents in question. A subpena duces tecum allows the orderly collection of the relevant evidence, while maintaining the privacy of other records which would be needlessly exposed in a search. Many of those circumstances in which society has the highest respect for confidentiality are especially vulnerable in third-party searches. Mr. President, it seems to the Senator from Kansas that a subpena duces tecum measures up far better against the criteria of reasonableness than a search warrant.

THE FOURTH AMENDMENT

Finally, Mr. President, the circumstances surrounding the primary base of our right to privacy—the fourth amendment. The first clause of that amendment—that "the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated"—was a direct response to the warrantless searches of the colonists' homes by British soldiers. It was written as a safeguard against recurrence of abuses so deeply felt by our forefathers as to be the major cause of the American Revolution. Since that time, the Congress has repeatedly expanded the scope and protection granted by the 4th amendment, and its counterpart for States—the 14th amendment.

Mr. President, the bill I am introducing this afternoon will provide one more protection of the privacy—the right to be secure in our homes and businesses—that every American enjoys.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3222

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Personal Privacy Act of 1978".

FINDINGS

SEC. 2. The Congress finds and declares that—

(1) there is a need to reaffirm the right of the people, as guaranteed by the Fourth and Fourteenth Amendments, to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures;

(2) the execution of a search warrant against a third party not suspected of a crime may jeopardize particularly sensitive and privileged privacy interests and may needlessly expose unrelated information to police scrutiny;

(3) any privacy interests and claims to confidential treatment which exist may be irretrievably lost once a warrant is executed, whereas the issuance of a subpoena duces tecum, when no danger of destruction of evidence exists, is more protective of Fourth and Fourteenth Amendment rights and no less efficacious;

(4) no legitimate law enforcement interest is impaired by the requirement of a subpoena duces tecum, and that an opportunity to be heard raises no impenetrable barrier to the collection of information and the protection of public safety.

LIMITS ON SEARCH AND SEIZURE

SEC. 3. (a) Except as provided in subsection (b), any person acting under color of law who has probable cause to believe evidence of a crime is located on or about the premises in which another person is in possession, custody, or control may obtain that evidence only through a subpoena duces tecum.

(b)(1) A search warrant may be issued only if—

(A) there is probable cause to believe the person in possession, custody, or control of the evidence to be seized has committed or is committing a criminal offense; or

(B) there is reasonable cause to believe the giving of notice pursuant to a subpoena duces tecum would lead to the destruction, concealment, or alteration of the evidence to be seized.

(c)(1) Any Federal official who violates any provision of this section shall be fined not more than $10,000, and, for any willful or malicious violation, shall be imprisoned not more than one year.

(2) Any State official who violates any provision of this section shall be fined not more than $10,000.●

By Mr. GRAVEL:

S. 3223. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives for the establishment of general stockownership plans; to the Committee on Finance.

GENERAL STOCKOWNERSHIP PLANS

● Mr. GRAVEL. Mr. President, the United States is the world's wealthiest Nation. Our net national worth has tripled since 1925 and now stands at over $6 trillion. This growth has been dramatic, but we should be concerned that a quarter of this growth, nearly $1 trillion of capital expansion, is owned by 1 percent of the population. This is the same 1 percent of our population which controlled 25 percent of our national wealth in 1925 and which today owns over half of all privately held corporate stock and more than 60 percent of all bonds.

Concentrations of wealth are not bad per se, but do create serious problems when many Americans find their labor income insufficient and must rely on Government subsidies for survival. In such a situation it is incumbent upon policymakers to review and correct structural defects which prevent the great majority of citizens from sharing in the Nation's growth.

There is continuing concern over the concentration of wealth in our economy. The Joint Economic Committee has recommended that the broadening of capital ownership be adopted as a national goal. Secretary of the Treasury Blumenthal and other Treasury officials have expressed concern over this concentration as well. But, in spite of this "gnashing of teeth" over the issue, little of substance has been accomplished. The great bulk of our national wealth is still controlled by a very few.

One of our greatest legislative failures is that we have not significantly broadened the ownership of American wealth during the past 50 years. In spite of all our income transfer programs and massive Federal deficits 25 percent of our wealth is still owned by 1 percent of the people. It would be a tragedy indeed if, through our own negligence, the future expansion of our capital stock is similarly concentrated. If it can be said in the year 2000 that 1 percent of our population controls 25 percent of our wealth it will be a great American tragedy and it will be our fault. The failure to insure broader participation in the economy will be laid at our doorstep and the epitaph of the capitalist system may well read,

"In failing the people they themselves were doomed to failure."

IT TAKES MONEY TO MAKE MONEY

The old adage, "It takes money to make money," holds more than a grain of truth. To a great extent new wealth is a function of existing wealth. Wealth is generated either through credit or saving. Savings are invested to create new capital while debt may be used in the same way with the earnings of the investment amortizing the loan.

The poor and middle classes are precluded from accumulating wealth through either of these means. Because of our failure to provide access for the less affluent in our society to either existing wealth or debt for the generation of new wealth they are locked into their present status. The great bulk of our citizens cannot save enough from their incomes to generate capital wealth; they must consume what they earn. Neither can they finance new wealth through credit because that requires a guarantee for repayment. The lender needs assurances of repayment if the investment fails to throw off sufficient income to amortize the debt. Existing wealth performs this function for the rich, but the poor have no guarantee to support debt financed access to new wealth. The key to new wealth for the vast majority of Americans is the capacity to guarantee debt. I have structured a program which allows the citizens of a State, acting through their State government, to avail themselves of the guarantee power of the State itself to provide access to new wealth.

I want to emphasize at the beginning that this plan is not one designed to transfer the ownership of existing wealth. I do not propose to play Robin Hood, taking from the rich and giving to the poor. I do propose that more Americans be allowed access to the new wealth required by the future expansion of our economy. I am offering a vehicle through which we can involve all our citizens in the process of generating new productive capacity. By bringing more people into the capital formation process we also allow more people to share in the fruits of that capital, increased income.

ESOP'S: A FIRST STEP

Employee stockownership plans were developed more than 20 years ago under the pension provisions of the Internal Revenue Code. They have recently received congressional attention and support beginning with the Pension Reform Act in 1974. In addition to its pension potential, the ESOP also provides a means for the diffusion of capital ownership. Through an ESOP employees can use the corporation's credit to guarantee their leveraged purchase of the company for which they work.

Under an ESOP the employer company establishes a tax exempt pension trust with its employees as beneficiaries. A loan to the trust is guaranteed by the company. The loan proceeds are used to purchase employer stock on behalf of the employees. The debt is repaid by the trust out of pension contributions made to the trust by the employer corporation. The employee receives the stock held for him by the trust either when he retires or terminates his employment.

The ESOP is a very important and useful device for spreading capital ownership, but its scope is severely limited. ESOP's are not available to those Americans who are not employed by corporations sponsoring such plans. Although some 10 million employees are covered by these plans we have neglected the welfare of hundred of millions of Americans. I would like to propose a program offering some opportunity for other Americans to share in our capital growth. My program is a parallel to the ESOP which would be available to all Americans.

THE GENERAL STOCKOWNERSHIP PLAN

Today I urge the adoption of legislation to enable the adoption by States of general stockownership plans. This proposal finds its origins in the ESOP. It is designed to parallel the tax treatment of ESOP's while expanding the category of eligible individuals beyond the employees of a single company. As with the ESOP the key feature of the GSOP is a tax-exempt trust. However, the GSOP trust is sponsored by a State government with eligibility open to all residents of the State. Payments to the trust are deductible to corporations and tax free to the trust. The trust is required to distribute all its income annually either in repayment of debt or as dividends to the trust participants, the citizens of the State.

Before discussing the operation of GSOP's I should emphasize that the GSOP is not a vehicle for State ownership. In fact, the concept is offered as an alternative to State ownership. In Alaska we have been discussing the possibility of an Alaska State equity interest in the proposed gas pipeline. While such an investment is an exciting opportunity I am concerned about State ownership of private business. Under existing law it would be possible for the State government to make such an investment and pass the profits through to its citizens either in services or tax reductions.

However, I think it is important that ownership in such investments be held by the people directly rather than through the State government. Direct ownership puts spending decisions in the hands of the consumers. State ownership tends to concentrate both economic and political power in the same hands, an unhealthy combination. In addition, bureaucratic spending decisions are not always consistent with the needs or desires of the people. Therefore, I think the people of the State should hold direct ownership of any equity interest the State chooses to make in private business. The GSOP can accomplish this goal by using the credit of the State to acquire interests on behalf of the State's citizens.

THE GSOP AT WORK

The GSOP provides an additional and expanded vehicle for capital diffusion. It creates a means for the transfer of what would otherwise be government-owned interests directly to the people. It can be used for the ownership of any revenue producing government project from a sports complex to a powerplant. The GSOP puts the profits of operating these essentially private sector enterprises back into the hands of the people where they belong.

To form a GSOP the sponsoring government forms a GSOP trust and appoints trustees. Based on revenue and financial projections, and perhaps a guarantee by the sponsoring State government, the trust borrows money in the private market to make investments. In order to provide for allocation of ownership interests within the trust investment is limited to corporate stock. If the target project is one which is to be initiated by the GSOP a corporation is formed to hold the assets themselves.

Within the GSOP trust the newly acquired stock is allocated one share each to persons who have resided in the State for at least a year who choose to participate. All residents are eligible regardless of age and new residents may apply for participation once they have fulfilled the 1 year requirement. The stock of the corporation allocated to the trust participants is voted by them so that control of the investment is in the hands of the citizens and not the sponsoring State government.

The loan to the trust used to finance the purchase of stock must be repaid through the use of the investment proceeds. The corporation makes payments to the trust for this purpose which are deductible to the corporation up to its full taxable income. The trust, however, cannot accumulate income and must distribute out what it receives from the corporation either as loan payments, operating expenses or dividends to the participants. Cash dividends to participants are treated as dividends on corporate stock and taxed accordingly. Since this dividend amount is deductible to the corporation when paid to the trust we have effectively eliminated the double tax on corporate earnings.

The GSOP trust is designed not only to provide income for the participants, but to provide actual capital ownership as well. Without access to the GSOP stock the participant would be like the spendthrift nephew whose uncle provides a trust from which he can only receive the income. Despite his extreme need he cannot sell off the trust assets to pay his gambling debts and avoid the malice of his creditors. I believe that there are a minimum of ne'er-do-well nephews in our society and that most Americans are capable of making their own spending and capital allocation decisions.

Without providing for direct ownership of the stock a plan such as the one I propose would be unduly paternalistic. Therefore, the GSOP trust must, upon request, distribute the stock held for a participant to him after 5 years of participation. Distribution of the stock to the participant will not preclude continuing integration of the corporate tax so long as the corporation continues to make its dividend payments through the trust. The stock is not taxed upon distribution to the participant, but if the participant sells the stock the proceeds

are taxed as ordinary income. In addition to the tax consequences upon a sale of the GSOP stock no person may own more than 10 shares of any corporation's GSOP stock.

WHAT CAN A GSOP MEAN

In working with the GSOP concept I became curious as to what such a program might mean to individuals participating in the program. Using Alaska as an example I turned to our oil pipeline since State participation was being sought in the comparable gas pipeline. British Petroleum owns a 15.85-percent interest in the oil pipeline and their revenue and cost figures are available through testimony before the Federal Energy Regulatory Commission. Assuming a purchase price of $1.5 million with 100-percent financing through tax-exempt bonds over 20 years at 5.5 percent interest this asset could produce $500 annually in 1978 dollars for every citizen of the State of Alaska and more than $800 annually after the debt is retired; $2,000 per year for a family of four is a substantial amount for citizens in parts of Alaska where median income is less than $3,000 per year.

I am not suggesting that GSOP's are appropriate for all State owned and operated activities or that they constitute the whole solution to the problem of capital concentration. However, they can and will provide an additional tool available to assist the broad mass of Americans to participate in capital ownership. Mr. President, I would ask unanimous consent that my bill be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3223

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GENERAL STOCK OWNERSHIP TRUSTS.

Subsection (c) of section 501 of the Internal Revenue Code of 1954 (relating to list of exempt organizations) is amended by adding at the end thereof the following new paragraph:

"(22) A general stock ownership trust which is established in writing by the United States or the government of a State or a political subdivision of a State exclusively for the purpose of broadening stock ownership and integrating the corporate income tax by purchasing, receiving, holding, pledging, and distributing securities (within the meaning of section 251(b)) of one or more corporations, and which is empowered to receive, hold, and distribute amounts paid to the trust by corporations whose securities are held by the trust (or trust participants) and incur, amortize, and guarantee indebtedness in furtherance of the trust purposes, but only if the trust—

"(A) provides for participation by all residents of the sponsoring jurisdiction as of the date each such resident completes at least 12 consecutive months of residency within the jurisdiction,

"(B) provides for the allocation of one share of each issue of securities held by the trust to the account of each participant (within the meaning of section 251(b)) as of the last day of the trust year in which the individual initially becomes a participant in the trust in a manner which does not discriminate among such participants on the basis of race, sex, age, income, or ownership of property,

"(C) provides that each participant has a nonforfeitable right to any stock allocated to his account, but that no stock allocated to a participant's account may be distributed to the participant from that account before the last day of the trust year next following the trust year of the participant's death or, if earlier, the last day of the trust year next following the later of—

"(i) the participant's completion of 5 years of participation in the trust, or

"(ii) the participant's attainment of 18 years of age,

"(D) provides that all amounts received by the trust will be distributed not later than the due date for the filing of the trust's information return under section 6033 for the trust year in which such amounts are received,

"(F) provides that no person may purchase or otherwise acquire except by gift or devise from any participant directly or indirectly more than ten shares of any security held by or upon which dividends are distributed through the trust, and

"(G) meets such other requirements as the Secretary may be regulation prescribe.".

SEC. 2. INCOME TAX TREATMENT OF DISTRIBUTIONS FROM GENERAL STOCK OWNERSHIP TRUSTS.

Securities (as defined in section 251 (b) of the Internal Revenue Code of 1954) transferred to a participant or to the account of a participant in a trust described in section 501 (c) (22) of the Internal Revenue Code of 1954 shall not be considered income of the participant under the Internal Revenue Code of 1954 until such time as the participant sells or exchanges such a security. Amounts paid by the trust in connection with securities held by the trust in the account of a participant shall not be considered income of the participant under the Internal Revenue Code of 1954 until actually received by the participant and, at such time, shall be treated, for purposes of such Code, as dividends.

SEC. 3. CORPORATE DEDUCTION FOR AMOUNTS PAID TO GENERAL STOCK OWNERSHIP TRUSTS.

(a) In General.—Part VIII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to special deductions for corporations) is amended by adding at the end thereof the following new section:

"SEC. 251. AMOUNTS PAID TO A GENERAL STOCK OWNERSHIP TRUST.

"(a) GENERAL RULE.—In the case of a corporation there shall be allowed as a deduction an amount equal to the amount paid for the taxable year by such corporation to a trust described in section 501 (c) (22), not in excess of the amount determined by multiplying the corporation's net taxable income (determined without regard to any deduction allowable under this section) by a fraction, the numerator of which is the total number of shares of the corporation's securities held by the trust (including shares held by participants in the trust which were acquired, other than by purchase, from the trust) and the denominator of which is the total number of shares of the corporation's securities outstanding. Amounts paid to the trust not later than the date established by law for filing the corporation's return of tax for a taxable year, including any extension thereof, shall be treated as paid for that taxable year.

"(b) DEFINITIONS.—For purposes of this section and sections 4975(c)(4) and 501(c)(22)—

"(1) Distributed.—The term 'distributed' means actually paid to the participants of the trust, paid as ordinary and necessary expenses of trust operation, or paid in retirement of debt principal and interest incurred in furtherance of the trust's purposes.

"(2) Participant.—The term 'participant' means any individual for whom an account is maintained under a trust described in section 501(c)(22), for whose benefit allocations are made under the trust, and to whom benefits are distributed from the trust, and any individual who succeeds to the interest of a participant in a transaction in which gain is not recognized.

"(3) Securities.—The term 'securities' means common stock issued by a corporation with voting power and dividend rights no less favorable than the voting power and dividend rights of other common stock issued by the corporation.".

(b) CLERICAL AMENDMENT.—The table of sections for such part is amended by adding at the end thereof the following new item:

"Sec. 251. Amounts paid to a general stock ownership trust.".

SEC. 4. FAILURE TO DISTRIBUTE.

Section 4975(c) of the Internal Revenue Code of 1954 (relating to prohibited transactions) is amended by adding at the end thereof the following new paragraph:

"(4) Special rule for general stock ownerships trusts.—It shall be a prohibited transaction within the meaning of this section for a trust described in section 501(c)(22) to fail to distribute all amounts transferred to it as required by section 501(c)(22)(E).".

SEC. 5. EXEMPTION OF GENERAL STOCK OWNERSHIP TRUSTS FROM TAX ON UNRELATED BUSINESS INCOME.

Section 511(a)(2) of the Internal Revenue Code of 1954 (relating to organizations subject to tax) is amended by inserting "or in section 501(c)(22)" after "section 501(c)(1)".

SEC. 6. ELIGIBILITY FOR INDUSTRIAL DEVELOPMENT BONDS.

Section 103(b)(3) of the Internal Revenue Code of 1954 (relating to exempt persons) is amended by adding at the end thereof the following new subparagraph:

"(C) an organization described in section 501(c)(21).".

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act, and the provisions of section 2 of this Act, shall apply with respect to taxable years beginning after December 31, 1978.●

By Mr. HEINZ:

S. 3225. A bill to secure and protect the freedom of the press, and for other purposes; to the Committee on the Judiciary.

FREEDOM OF THE PRESS ACT OF 1978

Mr. HEINZ. Mr. President, the recent Stanford Daily decision by the Supreme Court, is, in my judgment, a clear and present threat to the freedom of the press, a freedom which is an essential element of our society. I do not mean to criticize the Court; I believe its decision was constitutionally correct. But the potential for erosion of freedom of the press that necessarily results from this decision is why I am today introducing legislation which would help protect and preserve the crucial first amendment rights of the press.

It is my concern that the standards for search warrants articulated in the Stanford Daily decision could have far-reaching effects throughout our society, effects which would touch the lives and

expectations of every citizen, and the potential for abuses must be analyzed with the strictest scrutiny.

I and several of my fellow Senators believe that legislative action is urgently required to strengthen the fourth amendment protections as the Court has invited us to do. However, before we, as legislators, move broadly in this area, I advocate particular legislative caution, awareness, and care: Caution that we do not undermine the protections which we now have; awareness that we are dealing with a complex body of laws that has taken 200 years for our courts to define; and care that we are not unleashing a system which could be more subject to abuses than the present one. Furthermore, any legislation the Congress enacts must insure that law enforcers have sufficient means to protect the society and promote the security of its citizens.

Mr. President, the soundness of our democracy is underpinned by the flow of information which results from a free, critical, probing press. We must assure that this freedom, this criticism, this investigative capacity continues without diminution, without dilution and without interruption. The Stanford Daily decision threatens to erode the freedom of the press and to undermine the information-gathering process which is so essential to it.

The Court decided in *Zurcher* v. *Stanford Daily*, 46 U.S.L.W. 4546 (May 31, 1978), that in order to justify issuing a search warrant it is not necessary for a law enforcer to assert that the individual in possession of the property to be searched has or is acting criminally. The Court rejected the argument that first amendment considerations justified an exception to its construction of the fourth amendment in the case, which involved a search by police of a newspaper office. It is therefore not only appropriate but essential that legislation be enacted which will provide for full and complete protection of freedom of speech notwithstanding the decision of the Court to hold that the fourth amendment requires such protection. It is widely accepted that the Congress may not limit constitutional protections but may extend them in certain circumstances. In Stanford Daily the Court noted that—

> The fourth amendment does not prevent or advise against legislative or executive efforts to establish non-Constitutional protections against possible abuses of the search warrant. . . ." 46 U.S.L.W. at 4551.

Congress must accept this invitation to act in order to insure that abuses of the search warrant procedure are not used to undermine the freedom of the press. A vigilant, unimpeded, critical press has played a vital role in keeping the electorate informed. The Founding Fathers anticipated and fostered this role through the freedom of the press guarantees placed in the first amendment. History has proven that it is only an informed electorate that can sit in judgment of officials in whom they have placed their trust through the electoral process. It is information and criticism which gives impetus to change in the society; inhibitions of the flow of information and criticism can only entrench the status quo.

Without corrective legislative action, the Stanford Daily decision menaces all press offices with the possibility of unannounced, disruptive searches. While some argue that the high standards and professionalism of those who enforce the law render this possibility remote, in an area so vital as the freedom of the press, we can ill afford to take risks. I would in particular observe that it is not necessary that actual abuses occur in order to silence confidential sources which are vital to the flow of information. The mere perception that such abuses might or will occur is sufficient to discourage those sources from coming forward to arm the press with those facts which are essential to its focus and operation.

Inherent in our society is a delicate balance between conflicting interests and rights. At issue in the Stanford Daily case were two critical aspects of that balance: The profound interest society has in a free press and the necessity of providing law enforcers with sufficient tools to police the law and to insure the security of citizens. The importance of the need to protect and preserve the freedom of the press and the availability of another tool, the subpena duces tecum, force me to conclude that Congress must limit the ability of law enforcers to secure a warrant to search premises owned by individuals and entities involved in the collection and dissemination of news.

The legislation which I am introducing today would provide that no person acting under color of law shall be able to secure a search warrant directed at places under the control of reporters or news organizations unless that person has established probable cause that such reporter or news organization has committed or is committing a criminal offense. This provision will not preclude law enforcers from securing evidence in the possession of news reporters or news organizations, because law enforcers will still have available to them a subpena duces tecum. If the news reporters or organization desire to contest the service of the subpena, they may file a motion to quash and thus have the benefit of an adversary proceeding which will guarantee the protection of their rights.

The bill also establishes civil and criminal remedies. Aggrieved parties may bring a civil action against persons acting under color of law who violate the proscriptions of the act. The courts would have discretion to award appropriate relief, including general damages, equitable or declaratory relief or punitive damages up to $10,000. The bill also provides for a criminal sanction consisting of a fine, but not incarceration.

Finally, this legislation authorizes the award of reasonable attorney's fees to prevailing parties. I would expect the term "prevailing parties" to be construed by the courts in the same fashion that they have construed similar provisions of titles II and VII of the Civil Rights Act of 1964 and the Civil Rights Attorney's Fees Awards Act of 1976. Specifically, in *Newman* v. *Piggie Park Enterprises, Inc.*, 390 U.S. 400 (1968), the Supreme Court held that the prevailing plaintiff would recover attorney's fees unless special circumstances dictate otherwise. However, a prevailing defendant can only recover attorney's fees if the plaintiff's suit was frivolous. *Christiansburg Garment Co.* v. *E.E.O.C.*, 46 U.S.L.W. 4105 (January 23, 1978). A similar interpretation by the courts of the provisions of this bill will assist reporters and news organizations in defending their rights and will thus further the congressional mandate inherent in this bill that these rights must be protected.

Mr. President, this legislation is urgently needed: the protection of the freedom of the press demands no less. But, do we need more? It is that question which the Congress must also address. The need to protect the privacy of our citizens cannot be questioned. However, before the Congress takes additional steps, as some have suggested, which could change the requirements for all search warrants, we should move cautiously and deliberately, reaching our decisions only after all potential impacts in this complex field are evaluated.

Great caution must be exercised if we are going to legislate a new standard, and I would like to briefly discuss a few examples of the kinds of questions which I believe should be answered before legislation concerning all search warrants is adopted.

The present standards for the issuance of a search warrant have evolved through 200 years of judicial interpretation of the Constitution. The basic requirements are known: Probable cause exists to believe that a crime has been committed and that evidence of that crime is located on a specified premise and that the evidence to be seized is described with particularity. If we are to legislate a new and alternative standard, we should do so only after a careful, detailed analysis of how the judicial interpretation of the standard might affect existing standards.

Legislation which defines standards for all search warrants could and probably would have a profound impact on law enforcement at all levels: Federal, State, and local. We must anticipate the application of any legislation in a wide variety of areas. For instance, we must ask whether such legislation will impede the ability of law enforcers to ferret out corporate crimes when incuplating documents and records are in the possession of other innocent corporations with the wrongdoer transacts business? We must ask what the impact of such legislation will be on various State laws? For example, the availability of a subpena in my home State of Pennsylvania is limited. It is my understanding that Pennsylvania law enforcers may only secure a subpena if an arrest is made and a trial date has been set. Thus, State law enforcers will not be able to secure a subpena early in an investigation, and this could seriously impair their ability to properly prepare the public's case against the alleged criminal.

The complexity of this field is unquestionable; therefore the impact of

legislation establishing standards for all search warrants could touch the lives of every American. In order to insure that individual rights are protected and protected without question or the slightest doubt, Congress should move not only with diligence, but also wtih prudence. I suggest to my colleagues that the legislation which I introduced today is a starting point, and one which I hope will receive the prompt and focused attention of both the Congress and the American people.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Freedom of the Press Act of 1978".

SEC. 2. The Civil Rights Act of 1964 is amended by adding at the end thereof the following new title:

"TITLE XII—SEARCH AND SEIZURE

"SEC. 1201. (a) It shall be unlawful for any person acting under color of law to search any place or seize any thing in the possession, custody, or control of any reporter or news organization unless such search or seizure is conducted pursuant to a warrant issued by a magistrate or other authorized judicial officer upon probable cause that such reporter or news organization has committed or is committing a criminal offense.

"(b) For the purposes of this section—

"(1) 'reporter' means a person regularly engaged in the business of collecting or writing news for publication, or presentation to the public, through a news organization; and

"(2) 'news organization' means—

"(A) an individual, partnership, corporation or other association regularly engaged in the business of—

"(i) publishing a newspaper or other periodical which reports news events which is issued at regular intervals and has a general circulation;

"(ii) providing newsreels or other motion picture news for public showing; or

"(iii) broadcasting news to the public by wire, radio, television, or facsimile; and

"(B) a press association or other association of individuals, partnerships, corporations, or other associations described in (2) (A) (i), (ii), or (iii) of this subsection engaged in gathering news and disseminating it to its members for publication.

"SEC. 1202. (a) Any person aggrieved by a violation of this title may commence a civil action in an appropriate United States district court or State court at any time not later than three years after the alleged violation occurred, or one year after the discovery of such alleged violation, whichever is later.

"(b) In any civil action brought under this section, the court, if it finds a violation of this title, shall award such relief as may be appropriate, including general damages, equitable or declaratory relief, and punitive damages not to exceed $10,000 for each willful violation.

"(c) In any civil action brought under this section, the court may allow the prevailing party (other than the United States, or any agency, officer, or employee thereof) reasonable attorney fees as part of the costs.

"SEC. 1203. Any person acting under color of law who willfully violates this title shall be fined not more than $10,000.".●

By Mr. DECONCINI:

S. 3227. A bill to amend title 18, United States Code, to establish therapeutic communities in Federal correctional institutions, and for other purposes; to the Committee on the Judiciary.

THERAPEUTIC COMMUNITY ACT OF 1978

Mr. DECONCINI. Mr. President, today I am introducing a bill to establish an experimental program of therapeutic communities in Federal prisons. Therapeutic communities consist of a psychological therapist, staff, and community members engaging in ongoing therapeutic processes in live-in setting. In Federal prisons, the residential or live-in setting would be a section of the prison living quarters separated from the general inmate population where the members would engage in therapy in continuous daily sessions. The therapeutic techniques to be employed are "group" or "encounter" therapy modes.

Group therapy has been practiced in one form or another since the beginning of the 20th century, but the impetus for its major expansion came from the need for clinical services during and immediately after World War II. The sudden influx of psychiatric casualties during World War II, along with a shortage of trained therapists to work with these individuals, led to an increased interest in briefer and more efficient techniques such as group therapy. After the war, human relations training groups (T groups) were formulated at the National Training Laboratory at Bethel, Maine. These later became known as sensitivity training groups. In the 1960's the encounter group movement or human growth and potential movement emerged, stimulated by the founding of human growth centers around the United States such as the Esalen Institute in California.

Group therapies offer several advantages over traditional therapist-patient modes: The therapist sees the patient interacting with others rather than having to rely on the patient's reports of his interaction with others; and the patient receives immediate support and feedback from the therapist and others, facilitating the educational process and the patient's insight.

One form of interactional (group) psychotherapy that is finding increased acceptance in the therapeutic professions is transactional analysis. This form of therapy was created by psychiatrist Eric Berne in the late 1950's. Transactional analysis—T.A.—focuses on the patient gaining understanding rather than emotional release, with the result of his achieving greater awareness of his faulty interaction with others. Transactional analysis is an intellectual form of therapy. Gestalt and encounter techniques are emotive forms.

The application of these techniques in prison settings seem especially appropriate. Efforts to apply group therapy techniques to prisoners were pioneered in Arizona and Illinois by Dr. Martin Groder. Dr. Groder established the first therapeutic community in the Federal prison at Marion, Illinois, based on principles learned from his association with Dr. Eric Berne. Prisoners who have been trained in therapeutic techniques were later transferred to the Fort Grant Training Center in Arizona where programs were established. In-custody programs are being operated there by former inmates to provide continuing therapy to released persons. These programs still need study to determine their impact on the lives of prisoners, but early results are encouraging. I ask unanimous consent that articles from the Arizona Daily Star and the Arizona Republic describing several therapeutic communities be inserted in the RECORD following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DECONCINI. Mr. President, at a time when rehabilitation is being discredited among penologists, legislators, and laypersons, we must be wary of the bandwagon mentality and carefully examine programs like therapeutic communities that offer techniques and new possibilities for change. The Therapeutic Communities Act establishes communities in 10 Federal detention facilities for a period ending in 1986. The membership will be selected from among volunteers in the inmate population and will be placed under the supervision of the community director, subject to the warden's responsibility for custody and detention. The community members will engage in continuous therapeutic sessions conducted in a meeting room adjacent to their living quarters.

The bill forbids the use of medical procedures, including drugs, shock treatments, surgical procedures, or other procedures as therapeutic techniques.

The director of the community must be a person qualified in a mental health profession. This position is not limited to psychiatrists or psychologists, but the director must be trained and experienced in group therapeutic methods. It is the director's responsibility to oversee the staff and members in the therapeutic process and to become clinically involved with the members during that process.

Because a goal of therapy is the open and honest acceptance of the members' feelings, the legislation provides that information received from any member shall be confidential except for information pertaining to the future commission of a crime or violation of rules.

The ultimate goal of therapy is self-awareness and change, particularly of those thoughts and emotions that led the member to commit crimes. In the course of the Arizona program, several inmate-members have become excellent therapists themselves. Two such individuals, Monte MacKenzie and Bill Smith, are discussed in the news article. The legislation therefore includes a provision that, to the extent possible, members shall be trained as staff to assist the director in the therapeutic process, and that inmate staff may be transferred, with the approval of the director of the Bureau of Prisons, to assist in establishing other therapeutic communities.

To insure that the community is selected from among inmates who truly desire to change and who are not merely seeking to obtain privileges or early re-

lease, the bill provides that membership shall be voluntary and may be voluntarily terminated at any time; membership shall not affect the length of incarceration in any way and all volunteers must be notified of this fact; members shall obey all rules of the detention facility with modifications allowed only to carry out provisions of the legislation; and members shall be removed from the community for specified violations such as violence.

The bill establishes a Committee on Therapeutic Communities consisting of all directors of the 10 communities and an administrator to oversee the program. The legislation also requires that an independent agency be engaged to evaluate the program. To facilitate evaluation, the bill requires that all Federal agencies allow inspection of their records on any community member if such records are relevant to the therapeutic process evaluation and do not pertain to an ongoing criminal investigation. Finally, the bill empowers the Attorney General to employ directors and staff without regard to civil service requirements and to employ an agency to evaluate the program.

Mr. President, our prisons are little more than warehouses for inmates. The only value they serve is the temporary removal of some dangerous persons from society. Due to the vagaries of the criminal justice system, there is little guarantee that even this minimum function is being performed efficiently. All too often the most dangerous go unapprehended, unprosecuted, unconvicted, are given probation, are given light sentences, or are paroled. Yet persons committing nonviolent crimes may spend years in confinement.

The Congress in the Federal Criminal Code revision has taken significant steps to change this situation and focus the weapon of incarceration on the most harmful offenders. However, even if we only incarcerated our most dangerous offenders, we could not afford enough prisons to protect society from all of them. With these facts, it is apparent to me that we must never abandon the search for effective rehabilitative techniques. I believe much of the current disenchantment with rehabilitation is nothing more than discouragement with the obvious failure of early 20th century penological reforms.

The Federal Government has invested much of its resources in national mental health. At the same time, our prisons are filled with persons who are dysfunctional in society, and who are confined with much idle time. To me, the combination of these facts points to enactment of a program such as I am introducing today. Of course, we must be sensitive to the prisoner abuse that has unfortunately resulted from past rehabilitation programs. By providing complete voluntariness and by prohibiting medical techniques, this bill demonstrates that sensitivity.

Mr. President, the thinking behind these techniques and modes of therapy should appeal to persons on both sides of the rehabilitation issue. The belief in individual responsibility for one's acts, in individual ability to change one's behavior, and in individual dignity permeate the processes that will be employed in the therapeutic communities. I do not know if this legislation will provide a solution to the problem of the career criminal. I do know it has been carefully drafted to avoid the harm to society that has occurred from the parole of dangerous persons and other past rehabilitation programs. Therapeutic communities cannot harm society; they offer the possibility of great benefits. This legislation is the vehicle to test that possibility. I urge my colleagues to support its swift enactment.

I ask unanimous consent, Mr. President, to have the bill printed at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Therapeutic Community Act of 1978".

Sec. 2. The Congress finds that—

(1) significant advances in the behavioral sciences have led to the development of new modalities of psychotherapy, such as encounter or group therapy, transactional analysis, reality therapy, gestalt therapy, and other modes;

(2) these new techniques offer possibilities of positive growth for persons who desire to change their behavior;

(3) past penitentiary rehabilitation programs have not succeeded in decreasing the incidence of recidivism among program participants;

(4) therapeutic communities are uniquely suited for utilization in penitentiaries; and

(5) therapeutic communities may reduce the incidence of recidivism among federal prisoners who voluntarily participate in the programs.

Sec. 3. (a) Title 18, United States Code, is amended by adding immediately after chapter 303 the following new chapter;

"CHAPTER 304—THERAPEUTIC COMMUNITIES

"Sec.

"4061. Establishment of therapeutic comunities; Committee on Therapeutic Communities; Administrator.

"4062. Authority of Attorney General.

"4063. Program for therapeutic communities.

"4064. Qualifications and duties of director; prohibition on disclosure of information.

"4065. Participatcn as a member; conditions.

"SEC. 4061. Establishment of therapeutic communities; Committee on Therapeutic Communities; Administrator

"(a) The Director of the Bureau of Prisons shall establish a therapeutic community in each of ten Federal correctional institutions designated by the Director with the consent of the warden of each institution so designated. If ten such institutions cannot be found, the Director shall designate as many such institutions as can be found.

"(b) The directors of the therapeutic communities, together with the Administrator of the program appointed under subsection (d), shall constitute the Committee on Therapeutic Communities (hereinafter in this chapter referred to as the 'Committee'). The Administrator shall act as chairman of the Committee.

"(c) The Committee shall—

"(1) establish policies for the programs of therapeutic communities;

"(2) approve reports of the Administrator, the budget, and the recommendation by the Administrator under subsection (d) of an agency to evaluate the programs; and

"(3) examine any member of a therapeutic community who has demonstrated ability to become a staff member and certify any such member who satisfactorily meets the requirements of that examination.

"(d) The Administrator shall be appointed by the Attorney General under section 4062, and shall be qualified as a director under section 4064(a). The Administrator shall—

"(1) standardize the programs of the therapeutic communities;

"(2) insure compliance with policies established by the committee;

"(3) act as a liaison between the Committee, the Director of the Bureau of Prisons, and the Attorney General;

"(4) prepare budget requests;

"(5) recommend to the Attorney General an agency to evaluate the program; and

"(6) prepare and submit an annual report to Congress, the Attorney General, and the President.

"SEC. 4062. Authority of Attorney General

"The Attorney General shall—

"(1) employ the Administrator, directors, and staff, without regard to the provisions of the title 5, United States Code, relating to appointments in the competitive services and the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates;

"(2) acquire such facilities, services, and materials as he determines necessary to carry out the purposes of this chapter;

"(3) enter into contracts and other agreements without regard to advertising requirements for the acquisition of such personnel, facilities, services, and materials which he determines necessary to carry out the puposes of this chapter; and

"(4) select an appropriate agency, upon consultation with the Committee, to evaluate each program of a therapeutic community established under this chapter.

"SEC. 4063. Program for therapeutic communities

"(a) Each therapeutic community shall consist of a director, staff, and members chosen by the director from volunteers of the general inmate population of that Federal correctional institution. The director may terminate at any time the membership of any member. Members may voluntarily leave the program at any time. Members shall be housed in living quarters separate from the general prison population. Members of the community shall meet regularly on the instructions of the director to engage in group therapeutic sessions.

"(b) To the extent possible, members of the communities shall be trained during the therapeutic process as staff. Upon certification by the Committee, and with the approval of the Director of the Bureau of Prisons, such inmates may be transferred to other institutions as staff, to assist in establishing new therapeutic communities.

"(c) Members of the community shall be subject to all regulatons of the institution, with such modifications as are necesary to carry out the purposes of this chapter, and shall also be subject to such rules as the community and Committee may establish. Members of the community shall be subject to the jurisdiction of the warden of the institution for purposes of restraint, custody, and detention. The director of the community shall have jurisditcion over members for all other purposes.

"Sec. 4064. Qualifications and duties of director; prohibition on disclosure of information

"(a) The director of each therapeutic community shall be qualified in a mental health profession, with training and experience in transactional analysis, gestalt therapy, reality therapy, or other group therapeutic modes.

"(b) The director shall supervise the staff and members in therapeutic processes, and shall maintain a clinical relationship with each member of the community.

"(c) The director and staff may not disclose any information received from any member of the community, except that information relating to the future commission of an act violating any rule, regulation, or law may be disclosed to proper law enforcement authorities.

"Sec. 4065. Participation as a member; conditions

"(a) Membership in a therapeutic community shall not affect the length of incarceration of any inmate, and the director shall not be construed to limit the availabilmembership prior to their selection.

"(b) Medical procedures, including the ingestion of drugs, shock treatments, psychosurgery, or other such procedures, may not be administered as therapeutic modes in any program of a therapeutic community established under this chapter. This subsection shall not be construed to limit the availability of medical treatment, including medication prescribed by a physician to be ingested by a member who is participating in a therapeutic community, for purposes other than those of the therapeutic community.

"(c) As a condition of membership in the community, each member shall permit the inspection by the agency selected under paragraph (4) of section 4062 of records maintained by any government agency, department, or bureau relevant to the inmate's behavior before, during, and after participation in the therapeutic community. The respective government agencies shall make such records available to the agency except where the records concern an on-going investigation of criminal activity, and except where the records are not relevant to an evaluation of the program. This subsection shall not be construed to authorize the disclosure of confidential information prohibited under section 4064 (c).

"(d) The director shall remove a member from the community for—

"(1) threats of violence against another person,

"(2) disclosing information received during community meetings, or

"(3) sexual acts with other members of the community.

"(e) The director may remove members from the community for gambling, stealing, or the use of psychotropic substances.".

(b) The table of chapters for title 18, United States Code, and for Part III of such title, are each amended by inserting immediately after the item relating to chapter 303 the following:

"304. Therapeutic communities..... 4061".

Sec. 4. The provisions of this Act shall expire on September 1, 1986.

EXHIBIT 1

"A MIRACLE"—HE NOW SPEAKS FROM OTHER SIDE OF PRISON BARS

(By Liz Doup)

"My mere sitting here is a miracle," the man said, speaking in low, calm tones while the tape recorder picked up his words. "It's miraculous."

It was Bill Smith talking, a man once given a life sentence who was speaking now from outside the prison bars.

This week he talked to the Scottsdale Corporate Ministry as part of its series on corrections and rehabilitation, explaining that his miracle began with a prison group.

It was called Asklepicion, born in the toughest of places, a federal penitentiary in Marion, Ill., that was built to replace Alcatraz.

Smith was in that institution, his fifth time in jail, when he came across some literature aimed at people who didn't care for themselves very much, who were dissatisfied with the way they were.

Smith was at that point. He was 43 years old and had spent about 19 years of his life behind bars from offenses that ranged from attempted robbery to kidnapping.

What Smith became involved in was a kind of therapy "where people were asked questions they've never asked themselves." The emphasis was on transactional analysis, a way of understanding behavior by categorizing it into parent, adult and child groupings.

Smith's turn-about behavior and work within the program was widely noted. Once sentenced to life in prison, former President Ford heard about him and commuted his sentence to 25 years.

Now he has been paroled to direct a therapeutic community, Asklepicion West, at the Fort Grant Training Center in Fort Grant.

Here he works with a group of 77 people, ranging in age from 22 to 55, trying to help them "un-learn" some very destructive ways of acting.

The idea is put out again and again that a person's behavior results from a script that is self-written. And this script can be rewritten if the effort is there.

There is the emphasis, too, that people are beautiful, even though their actions may sometimes be ugly.

"You have to be super dingy not to believe in something. If you don't believe in yourself, who will?" Smith asked.

Those who end up behind bars sometimes are the victims of "third degree character disorders," he said. Because one characteristic of this disorder is a resistence to treatment, his rule is that someone must have to remain in Fort Grant for at least nine months to be in the program. Even then, he said, 18 months to two years is recommended for the program to be effective.

It is voluntary but requirements must be fulfilled. Those participating must be clean of drugs and no violence or gambling of any kind is allowed.

No homosexuality is permitted in the community nor can members violate the confidentiality code.

The group studies transactional analysis and bit by bit takes at look at themselves and why they went amiss.

"Whatever works, we do it," Smith said. And if that means holding someone and kissing his brow, letting someone cry or take a teddy bear to bed with him, then it's done.

Smith is 51 years old and described himself as a model prisoner who had sustained himself behind bars through church activities and Alcoholics Anonymous.

"The trouble was I hadn't programmed myself that way on the outside," he said.

When he was released from Marion, where sentences went from 30 years to a high of 900 years, and sent to Fort Grant, he made the trip as a prisoner—in leg irons and other restraints. It took six weeks on the road, he explained, "stoppin' in every jail, every hole along the way."

"I know for me it was the last time."

[From the Arizona Daily Star, Dec. 28, 1976]

SCREAMS OF ANGER ARE THERAPY AT FT. GRANT

(By Elaine Davis)

FT. GRANT.—Squeezed into cramped rooms dimmed by paper covering the windows, the 65 men at the minimum-security prison here take part in a living drama.

For 36 hours, immersed in a therapeutic marathon, they curse, they cry, they scream. They reach into the hidden thoughts and feelings that make them what they are—prisoners.

"Why do you look so sad?" asked Bill Smith, the leader of the therapy program, as he walked into one of the rooms during a session. Smith, an ex-convict who spent most of his life behind bars, radiates energy and purpose.

Jerry, to whom the question was addressed, is surprised. "What do you mean, sad?" he retorts.

"You look sad," Smith persisted, pressing Jerry and the others to concede how sad Jerry looked and acted.

Jerry, looking a little desperate under the gaze of his peers, meekly admitted that he was sad.

"Why?" the group demanded.

"Because," Jerry said, "I killed my teacher when I was 12 years old. I was too young to know what I was doing."

The group members pressed for more but Jerry was evasive.

"Why'd you kill another man after that?" Smith asked.

"I don't know," Jerry said. "It was a bar fight, not with a gun. I choked him. I didn't know he was dead until later."

"What would you do if some dude pressed you again?" a member of the group wanted to know.

"I'd have to pull my pistol," Jerry answered calmly, curling his hand around the bowl of his pipe.

There was an uproar. The group heaped criticism on Jerry, telling him that his attitude would bring him right back to prison and a life sentence.

Smith spent much of his prison time in the "hole" and, at age 43, faced a life sentence. "I was stricken," he said in an interview. "I looked down the tunnel of life and it was pitchblack."

At a prison in Marion, Ill., Smith was helped through transactional analysis.

"It helped me to make sense of things. It took eight years," Smith said.

Smith came to Ft. Grant because the superintendent, Cliff Anderson, wanted to try the transactional analysis program used in Illinois.

Anderson arranged to have Smith transferred to Ft. Grant where he finished his parole-shortened sentence. Now he directs the new therapeutic community at this alternative prison.

Transactional analysis works in cutting down on the number of criminals who return to prison, Smith said.

The transactional analysis model—created by Eric Berne and popularized in such books as "Games People Play" and "What Do You Say After You Say Hello?"—is that a child is given a "script" by his parents.

In the case of convicts, Smith said, it is a "losing script." Many parents of criminals have said, "Get lost, go out in the streets," Smith said.

George, a young man who looks as though he is a college student, wanted to talk, and blurted out: "Why do you guys hate me? Everything I do is wrong."

It wasn't easy figuring out what George was after, so after an hour of indecisive haggling, the group asked to see his contract.

A contract is the document each member of the group fills out that lists the games the inmate plays and what he wants to learn from the group.

"It says here that you want to take charge of your life," one prisoner said, reading George's contract.

"I do," George said, shifting his eyes to those of the other men, looking for reassurance.

George told how he was never allowed to play as a child. He had to help his foster

mother clean the house while his alcoholic foster father watched television.

Encouraged by the group, George called for the mother and father who gave him away. The effort was accompanied by his screams and then he sobbed.

The time had dragged on slowly. It was late. The men were tired. And, big, muscular Eddie wanted to talk.

Eddie sweated under Smith's penetrating questioning. Others started to sweat too, sensing Eddie's gathering tension.

Smith and Eddie talked about murder, violence, and threats of violence. The group was quiet, as though it expected Eddie to explode.

The violence never came though, and the men were relieved. They relaxed. It was over—time for coffee and a cigarette—and the men congratulated each other.

[From the Arizona Republic, Feb. 20, 1977]

EMOTION THERAPY—CONVICTS CONFRONT FEAR OF GIVING LOVE

(By Jack Swanson)

The 12 convicted criminals sat in a circle of chairs, speaking quietly, earnestly. They weren't talking about the jobs they had pulled or the drugs they had used, but about love.

"How can we love somebody else if we don't love ourselves?" asked one young man with black hair and tattoos on his arms.

"My trust level with my brothers here is one I never attained with anybody on the outside. This is my family, not my relatives out there."

"I've spent a lot of time in other programs," said a red-haired man in his early 20s across the circle. "My thing was hyping on the streets. Now I'm done with hurting myself. I was one of the people I knew least in the world."

Another inmate hunched forward in his red plastic chair and addressed a clergyman across the circle. He talked about how it took him 20 years to tell his mother he loved her.

"I was carrying a lot of guilt around inside. I wasn't able to confront my feelings."

As the young inmate told his story, the man sitting next to him put his arm around the speaker's shoulders. Several times during the hour-long sharing session, men stood and hugged each other.

The inmates were sharing newfound feelings with three outsiders at the Maricopa County sheriff's office Durango correction facility. That's the new jail at 32nd Avenue just south of Durango, which has come to be known as the "Durango Hilton."

The 12 men are members of a therapeutic community, a program developed behind prison walls to help criminals who have a "want to" to change their behavior by helping them understand why they broke the law.

The program is as new as the building that houses it. The director of the community is an ex-convict. He works with the executive director of the OK Community who spent 28 years behind bars.

The purpose of the program isn't to make better adjusted prisoners who love each other and don't cause trouble. It's to help them deal with their fear of the outside so they won't need to keep running back behind bars for security.

"Sure. We know how to deal with the streets. We know how to do crime, do dope. How to pop our fingers and be cool," an inmate continues the dialogue. "But we're talking about changes in our behavior. Our thoughts. Feelings! That's scary as hell!

"We already know we're sick, 'cause we're in jail."

Monte McKenzie, 53-year-old founder of the OK Community, picks up on the safety aspects of prison life. Tired, suffering from a bad case of flu, McKenzie "gets into his feelings" and begins to cry. Others in the circle offer verbal and physical support.

"I can't handle it out there. I'm comfortable in a penitentiary. I see myself in all of you guys. I didn't have nobody who gave a damn about me or what I got," McKenzie tells them.

"Jails and prisons are beautiful places. You can just shut off your feelings. You don't have to deal with love."

McKenzie, a former bank robber, learned the tolls of transactional analysis and therapy as an inmate in a federal prison at Marion, Ill. He was sent to Ft. Grant Training Center two years ago to set up a similar program.

That program is still flourishing. After a year of intensive work, McKenzie turned the program over to another inmate and moved to Phoenix to set up the OK Community as an "out-patient" facility to help convicts and others trying to cope with the outside world.

His program is being supported by a grant from the federal Law Enforcement Assistance Administration, which is administered through the state Justice Planning Agency.

Charles Adrian, who served time in Arizona State Prison and Ft. Grant for assault, is one of McKenzie's graduates. Adrian now runs the community.

He jokes about the difference between the men he has to deal with at Durango and those in prison.

"They're babies compared to Ft. Grant," he chuckles. "By that I mean they're not as hardened. It's easier to put them into treatment. I'm used to working with tougher cases. I find we can do in four or five months what it would take a psychiatrist a couple of years to do."

Adrian meets with the community every day. The mornings include lectures on transactional analysis and "sensitivity" sessions.

Then there are the games. Not funtype games but day-long sessions in which men with behavior problems are forced to confront them.

The community has four rules: No alcohol, no drugs, no violence, no homosexuality.

So far, the program has had encouraging results. Four men left the program, Adrian said. "Two because they broke the rules and two because they couldn't handle the love."

Out of 20 persons who have graduated from the program to life outside, Adrian said two have gotten into trouble again.

Lt. Russell Zarkou, the 29-year-old director of the Durango facility, thinks the failure may be somewhat higher than that but feels the program is too new for statistical evaluation.

Zarkou was put in charge of the corrections officers. He has a degree in French and a master's degree in criminal justice and is the first corrections officer in Maricopa County to earn a lieutenant's bars.

Zarkou was put in charge of the controversial Durango facility last summer shortly after it was completed.

The $9 million plant, conceived by former Sheriff Paul Blubaum, received a lot of criticism before it was completed because of what some saw as unnecessary frills. Some called it a country club because of its modern, campus-like decor.

Others called it the Durango Hilton and the name seems to have stuck.

"Funny thing about that name," Zarkou said. "We were looking for the name of the street we're located on so we could put our mailbox. We checked the map and the street that should run through here is Hilton. We decided to put the mailbox on Durango."

Zarkou speaks cautiously about the therapeutic community. He is not one given to excessive optimism. One reason he is cautious may be because he has his hands full with getting the bugs worked out of the new jail.

Because it was designed as a minimum security facility, security has been a problem. Eleven women prisoners broke out recently and Friday 38 women were transferred back to the downtown county jail to prevent more escapes.

Zarkou has had to compensate for the facility's design problems with more guards.

Zarkou has a staff of 33 to handle the Durango jail's 230 inmates. Two of the facility's seven modules are unoccupied.

One of the facility's early programs—coeducation—didn't work out and had to be scrapped, Zarkou said.

"We had a lot of people who were not willing to be responsible for themselves," he said. "We're coed now only because we house two sexes."

He is blunt when asked his feelings about the therapeutic community.

"I believe the program is unproven," he said. "But I think the program has merit. I'm a supporter because I want to see if it works. God knows, nothing else does."

There has been some friction between the staff and leaders of the community.

Sheriff Jerry Hill said some OK Community members were disgruntled when the group had to be moved out of a carpeted module to one with concrete floors.

The facility has different decor and floor coverings as rewards for good behavior. Newcomers start out in modules with concrete floors then move to modules with painted floors, ceramic tile floors and, finally, carpeted floors as their attitude improves. Each inmate has a single room.

The move of the community to a module with concrete floors was interpreted by some as a loss of status.

Hill said the move was necessary because of the extra cost of heating and staffing a separate module just for the community. The exclusive treatment also caused some morale problems, Hill said.

"But in general I'd say they're doing all right out there. I believe they're providing some good input," Hill said.

Zarkou said some rules for the community differ from those for other inmates. Community members aren't allowed to have jobs or attend school programs.

On the other hand, they are free to engage in some sports activities among themselves and may have ball-point pens, forbidden to other inmates. Community members also may enter each other's rooms, another no-no for the rest of the population.

"Personallly, I have problems making some of these allowances," Zarkou said. "The problem with running any jail is that you must be fair and consistent. This contradicts that."

One of the biggest sore points has been that Adrian and McKenzie received permission to bring in several criminals who ordinarily would not have been allowed at Durango—a convicted sex offender and several with armed robbery records.

The purpose, Adrian said, was to show that transactional analysis works with the toughest guys in the system.

McKenzie believes such concessions are justified.

"The comunity is intended to provide a safe environment where people can deal with the very real problems of why they can't function in society," he said. "Punishment doesn't work; vocational programs, education programs don't work until a person has a chance to find out why he behaves the way he does.

"For too long a time penology has based its rehabilitation measures on the theory that you can change people's behavior without their consent. We know.

By Mr. DURKIN (for himself, Mr. MCINTYRE, Mr. STAFFORD, Mr. PAUL G. HATFIELD, Mr. RIEGLE, Mr. ABOUREZK, Mr. MELCHER, and Mr. HATHAWAY):

S. 3228. A bill to amend the Export Administration Act of 1969 to curtail the export of crude oil and certain petroleum products, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

DOMESTIC PETROLEUM SUPPLY AND SECURITY ACT OF 1978

Mr. DURKIN. Mr. President, today I am introducing a bill to amend the Export Administration Act, which restricts exports of petroleum products from the United States. The purpose of this amendment is to close a loophole which is being used by the oil industry to export Alaskan and Californian oil to Japan and thereby circumvent the clear intent of Congress.

It was nearly 5 years ago, during the extensive debate on the Trans-Alaska Pipeline Act, that Congress first clearly expressed its will that oil produced on the North Slope of Alaska was not to be exported, but was to be used instead to fulfill our domestic petroleum needs. Congress enacted a similar ban on the export of North Slope crude oil, introduced by Senator MCINTYRE and me, just last year. Now, after all the solemn promises made to the Government and the American public by the big oil companies that Alaskan oil was vital to America's needs, we are finally finding out the unpleasant truth. The oil companies are more interested in seeking the highest possible profits by exporting oil to Japan and draining America first than they are in keeping their promises of helping America achieve energy independence from the OPEC cartel.

The industry's efforts to circumvent congressional intent only came to light recently when I discovered that the Departments of Commerce and Energy had secretly approved an application by Tesoro Petroleum Co. to export a cargo of 200,000 barrels of Alaskan low-sulfur residual oil—some of it from the North Slope—to Japan. This violates the clear intent of the Trans-Alaska Pipeline Act, which restricts exports of Alaskan oil and requires that any exports be "in the national interest." It also violates the clear intent of the amendment which Senator MCINTYRE and I introduced and which was included in the Export Administration Act Amendments of 1977, which also restricts exports of Alaskan crude oil.

Approval of our amendment was a clear and unmistakable indication that the Congress did not want to send Alaskan oil to Japan or to any other foreign nation when our domestic energy shortage was so acute, particularly in New England. In addition, I believe there is little question that if Members of Congress knew in 1973 that Alaskan oil would be fueling Japanese homes and factories in 1978, rather than relieving our own domestic energy crisis, they would not have voted to approve the world's largest and most costly construction project, or at least the same route.

The decision to export American oil during an energy crisis is ill-advised and will prove harmful for a number of reasons. First, exports of west coast oil removes any pressure on the oil companies to build a system for transporting oil to the East where it is needed most. Second, permitting oil exports will increase pressure to exploit possible oil fields on undisturbed and environmentally fragile Alaskan lands, raising the specter of our last great wilderness area being developed for the benefit of foreign countries. Finally, the economics of this export arrangement further increases our dependency on the OPEC cartel, by increasing expensive OPEC imports of oil to replace exported domestic oil.

Not only have the Departments of Energy and Commerce approved this clandestine sale which violates the clear intent of Congress, but now we learn that this export is to be just the first in a series. Last week the administration announced its intention to license the export of 5 to 10 million barrels a year of "surplus" California residual oil to help relieve the west coast glut that has resulted from the new Alaska production.

But this is just the beginning of a dangerous trend toward increasing exports. There are plans to build oil refineries in Alaska and Hawaii to refine North Slope crude into product for export to Japan, Taiwan, and other economic competitors of the United States. This method of avoiding the restrictions on export of crude oil was clearly not envisioned when Congress imposed these restrictions last year.

Does this surplus west coast oil have to be exported? I believe that it does not. I believe that New England and the entire United States simply cannot afford to send one barrel of domestic oil abroad. Those who think the west coast glut is insolvable without exports to Japan should consider a recent proposal by New England Petroleum Co. (NEPCO) that is presently pending before the Department of Energy.

NEPCO proposes to transport heavy California crude oil to its refinery in the Bahamas where it would replace the 200,000 barrels a day of Iranian crude that NEPCO presently imports. After refining, the product would be transported to market on the east coast. Why this proposal and others like it have not been actively pursued by DOE before the glut in California developed into a crisis, one can only speculate. But it is clear that proposals like NEPCO's would alleviate the west coast glut without depriving the United States of valuable petroleum.

DOE's analysis of the NEPCO proposal shows that such an arrangement would have several clear advantages:

It would improve our annual balance of payments by about $1 billion;

It would help lower costs of petroleum products in the East by up to 2 to 3 cents per gallon;

It would decrease dependence on OPEC oil by 200,000 barrels per day; and

It would increase competition and help the status of independent marketers on the east coast.

Other domestic companies have refining capacity in the East that is running imported crude that could economically be replaced with surplus west coast crude. It is indeed unfortunate that proposals like NEPCO's were apparently not presented to President Carter as viable alternatives to export to Japan. Until every effort is made to sell domestic oil to domestic markets the proposal to export oil to Japan is unnecessary and ill-conceived.

So now it is necessary to amend the Export Administration Act again to insure that America's resources are used in America; to insure Alaskan oil does not create more jobs in Japan and more unemployment in New England, and to make the oil companies keep their solemn word that American oil is for a strong America—not a strong Japan, or Hong Kong, or Taiwan. But there is a larger and perhaps more important reason why Congress must act to prevent the squandering of American wealth: the credibility and respect of the U.S. Government. Can anyone seriously believe that we are working to resolve the problems of a domestic energy crisis when valuable U.S. oil is flowing to Japan? Can any of my constituents seriously think that we are faced with "the moral equivalent of war" when American oil is going to Japan while New England pays the world's highest prices to the OPEC cartel? And does the administration seriously expect the American public to conserve energy if U.S. oil supplies are so excessive as to warrant supplying Japan?

Clearly not, Mr. President. Even the administration realized 1 year ago that shipments of oil to Japan would pose a particular problem. At that time Secretary Schlesinger rejected any oil shipment to Japan in part because it would undercut the administration's energy program. The Secretary stated on national television that the decision rejecting the export of oil to Japan was "a decision for all-time." Secretary Schlesinger apparently has a far different conception of time than I do.

In order to end this squandering of America's wealth abroad and to insure American oil will benefit the United States, I am proposing an amendment to the Export Administration Act that will close the loopholes that are now being used by the oil industry to export America's resources abroad and treat exports of refined product the same as exports of Alaskan North Slope crude oil. My amendment will provide that no domestically produced petroleum product—no crude oil, no residual fuel oil, and no refined petroleum product—may be exported unless the President makes and reports certain findings to Congress. Certain exemptions will allow export of oil to adjacent States for processing or convenience provided that the oil reenters the United States.

Any other export of domestic oil would require Presidential findings submitted to Congress that must show that the export will:

First. Not diminish the total quan-

tity or quality of petroleum available to the United States;

Second. Have a positive effect on consumer prices;

Third. Not have a negative effect on petroleum supplies in event of any supply disruption; and

Fourth. Will be in the national interest.

The Congress would be empowered to disapprove the President's finding by concurrent resolution. These provisions will insure that Congress exerts its authority over this crucial area of energy policy.

Mr. President, every Member of this Congress recognizes the vital need to resolve the critical energy problems facing the United States. Part of the obvious solution to our problem is increasing domestic energy supplies—a goal that is implicit in the higher prices, greater incentives, and special programs of the national energy plan. Yet, how can we justify such policies if we export increased oil production just as soon as it becomes available?

The answer is we cannot and that is the simplest reason why we must act now to curtail exports of America's valuable energy resources. Mr. President, I hope that every Member will give serious consideration to this issue. I am confident we will all agree that only one course can be followed: To insure that America's energy is America's strength, not someone else's.

I ask unanimous consent that the text of the bill I am introducing today with Senators McINTYRE, STAFFORD, MELCHER, ABOUREZK, PAUL G. HATFIELD, RIEGLE, and HATHAWAY be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3228

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Domestic Petroleum Supply and Security Act of 1978."

SEC. 2. Section 4(1) of the Export Administration Act of 1969 is amended to read as follows:

"(1)(1). Notwithstanding any other provision of this Act and notwithstanding subsection (u) of section 28 of the Mineral Leasing Act of 1920, no domestically produced crude oil transported by pipeline over rights-of-way granted pursuant to such section 28 'and no domestically produced petroleum product (as defined in section 3(3) of the Energy Policy and Conservation Act) (except any such crude oil or domestically produced petroleum product which' (A) is exchanged in similar quantity for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or (B) is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign state and reenters the United States) or (C) is temporarily exported for refining or processing, *provided however,* that all such products of such refining or processing reenter and are consumed in the United States), may be exported from the United States, its territories and possessions, during the 2-year period beginning on the date of enactment of this subsection unless the requirements of paragraph (2) or (3) of this subsection are met.

"(2) Crude oil subject to the prohibition contained in paragraph (1) may be exported only if—

"(A) the President makes and publishes an express finding that exports of such crude oil—

"(i) will not diminish the total quantity or quality of petroleum available to the United States,

"(ii) will have a positive effect on consumer oil prices by decreasing the average crude oil acquisition costs of refiners,

"(iii) will be made only pursuant to contracts which may be terminated if the petroleum supplies of the United States are interrupted or seriously threatened,

"(iv) are in the national interest, and

"(v) are in accordance with the provisions of this Act; and

"(B) the President reports such finding to the Congress as an energy action (as defined in section 551 of the Energy Policy and Conservation Act).

"(3) Domestically produced petroleum product subject to the prohibition contained in paragraph (1) may be exported only if—

"(A) the President makes and publishes an express finding that exports of such domestically produced petroleum product—

"(i) will not diminish the total quantity or quality of petroleum product available to the United States,

"(ii) will help reduce consumer oil prices,

"(iii) will be made only pursuant to contracts which may be terminated if the petroleum product supplies of the United States are interrupted or seriously threatened,

"(iv) are in the national interest, and

"(v) are in accordance with the provisions of this Act; and

"(B) the President reports such finding to the Congress as an energy action (as defined in section 551 of the Energy Policy and Conservation Act)."

The Congressional review provisions of such section 551 shall apply to an energy action reported in accordance with this paragraph, except that for purposes of this paragraph, any reference in such section to a period of 15 calendar days of continuous session of Congress shall be deemed to be a reference to a period of 60 calendar days of continuous session of Congress and the period specified in subsection (f)(4)(A) of such section for committee action on a resolution shall be deemed to be 40 calendar days."

By Mr. GLENN (for himself, Mr. STEVENS, and Mr. JAVITS):

S. 3229. A bill to amend title 39 of the United States Code to improve the organizational structure of the U.S. Postal Service, to provide authorization for funds to maintain the public service functions of the U.S. Postal Service, to provide a reduced rate for certain individuals, and for other purposes. Held at the desk.

POSTAL SERVICE AMENDMENTS ACT OF 1978

● Mr. GLENN. Mr. President, I am today introducing for myself and Senators STEVENS and JAVITS the proposed Postal Service Amendments Act of 1978 and announcing that hearings on that bill and related proposals will begin next week before the Subcommittee on Energy, Nuclear Proliferation, and Federal Services.

These amendments, if enacted, would constitute the most significant changes made in the Nation's postal institution since the Reorganization Act of 1970. They would not, however, turn back the clock. Nor would they introduce radical change. The aim of the bill, rather, is to bring the Postal Service to a more even keel.

My bill would authorize and establish the means by which Congress could freeze the rate of postage for the first-class mail of private individuals at the present rate through fiscal year 1982. Thus, it would benefit consumers—most notably those on fixed incomes—and, I would hope, help maintain a higher volume of mail, which is needed if we are to sustain the huge system for 6-day-a-week delivery.

Reassessment, including further change or reauthorization of that provision, as well as other key portions of the bill dealing with ratesetting and subsidy, would be required by the beginning of fiscal year 1983.

The issues that engulf the Postal Service, though, are not just 13- or 15-cent questions. As insignificant as those pennies may seem, their collective importance when combined with other classes and services is revealed when we realize that the volume of mail is so high—90 billion pieces a year—that total receipts in the current fiscal year amount to more than $14 billion. Contemplating that sum of money passing through the Postal Service's hands, the approximately 650,000 people on its payroll, and the 40,000 outlets it operates in all the United States, its territories, and possessions, the importance of the Postal Service to the social and economic life of the country can begin to be fathomed; it is major.

In terms of sales alone, the U.S. Postal Service would rank among the corporate giants of the country, were it a public corporation rather than a governmental service organization.

Even today, despite the inroads of various competitive modes of communication, the U.S. mail remains of crucial importance. It is, as the inscription over the entrance to the Main City Post Office here in Washington, puts it, a—

Messenger of Sympathy and Love
Servant of Parted Friends
Consoler of the Lonely
Bond of the Scattered Family
Enlarger of the Common Life
Carrier of News and Knowledge
Instrument of Trade and Industry
Promoter of Mutual Acquaintance of Peace and Goodwill Among Men and Nations.

The mails remain an essential part of the American fabric, even if somewhat changed in activities from the days when the Post Office was used as a primary instrument of national policy to help open the West, to subsidize the budding railroad industry, and to give life to commercial aviation. Even today, the Post Office is, in many parts of this land, the resident presence of the Federal Government and a source of community identity and cohesiveness. Its value, then, exceeds even the impressively large numbers of its revenue, its budget, its payroll, and its influence on the Nation's economy.

Because of events that could hardly have been foreign, the landable charter given the Postal Service by the Reorganization Act has proven unrealistic in expecting this fundamental service to be rendered on a self-sufficient basis. The

Postal Service is not self-sufficient. Its $14 billion in sales in the current fiscal year will not match its total expenses. Just 2 years ago, the Congress voted the Postal Service an extra $1 billion to offset its operating indebtedness. And mailers in several traditionally subsidized classes were, before that, given an added measure of time to adjust to the principle that postal rates should more nearly approximate the cost of the services provided.

I am not being critical of those who conceived and gained enactment of the Postal Reorganization Act of 1970. They could not have looked ahead and predicted the years of double-digit inflation and the impact it would have on this labor-intensive organization, in which personnel-related costs alone eat up 86 percent of the budget. They cannot be held to account for the fact that the cumulative long-term liability of the Postal Service for workers' compensation alone has reached $1.2 billion, much of it attributable to just the past year's experience under the revised Federal Employees Compensation Act, a program over which management can exercise precious little control.

The projections of significant mail volume increases of 1969 and 1970 were made without the benefit of more recently gained insight into the impact that the rapidly progressing and technologically-based information and communications revolution must have on the traditional postal services.

In the end, the most important issue is not one involving the postal institution per se. Rather, the issue—certainly in long-range terms—is how the Postal Service is to fit into the total communications system of this country as we adapt to changing technology and changing communications patterns. Those changes are well underway now and can only be expected to expand.

No attempt has been made in this bill to prejudge the broad policy questions yet to be made, such as the possibility of Postal Service entry into large-scale use of electronic transmission systems. But the bill does attempt to establish a process that would insure that the future role of the U.S. mails will not just happen, but will be shaped on the basis of conscious decisions, sound information, and solid judgments about how we want to use the vast delivery network that is the great strength of the Postal Service, for the benefit of the country

The bill I am introducing today, then, does not just amend the Postal Reorganization Act to make some needed changes in the organization of the Postal Service, to clarify the congressional policy on rate setting, and lay to rest the notion that the Postal Service as we know it can operate without a subsidy. It also attempts to insure that postal managers and the Congress will look to the future.

This bill would increase the responsiveness and accountability of the Postal Service, especially at the top policy level. But it would not do that at the expense of scuttling management's responsibility for objectives and performance.

It would recognize that the goal of self-sufficiency has proven unattainable given present economic realities and ease the Postal Service off that target, but not at the expense of providing management with an easy source of additional appropriations as a substitute for efficiency. It would move toward stabilizing postal finances and the impact of postal rate increases without writing a blank check for withdrawals from the Treasury.

This bill also would recognize that postal managers and ratemakers must have leeway in pricing the different postal services or classes of mail if the postal network is to be sustained. But it does this while directing renewed efforts to improve the system for identifying postal costs and apportioning them to the various classes of mail users. This is a very important requirement, if we are to have adequately accurate information on which to base specific future subsidies for specific future services. Meanwhile, it would dampen the upward pressure on rates and permit Congress to put a brake on increases in first-class rate for individuals.

The bill aims at insuring that postal management will no' only keep itself informed on coming communications trends, but provides that Congress, too, must be informed of those trends and how the Postal Service plans to respond. And it provides means by which the postal policymakers can avail themselves of a broader range of knowledge and expertise as they address their responsibilities for the future shape of postal services in America.

All that may sound like a lot. But this bill, in truth, is limited in scope. It does not address every issue that has been brought to my attention or to that of the subcommittee since we assumed jurisdiction over postal affairs. Some of those questions are of sufficient magnitude and potential impact that I believe they warrant full and careful consideration on their own merits. Nonetheless, advocates of various proposals not dealt with in the bill introduced today will be afforded opportunity to be heard in the hearings scheduled to start in the near future. The provisions of the bill are not so fixed as to defy alteration or improvement. Changes, no doubt, will be made, and I look to suggestions and guidance with an open mind.

This bill has, however, been drafted with care and with attention to the suggestions and recommendations of many groups and individuals. It is just over a year since the subcommittee began its consideration of postal affairs with hearings on the recommendations of the Commission on Postal Service, which had been created by the 94th Congress. Hearings on that report, on the impact of the burgeoning field of electronic communications on postal services, general postal oversight hearings, hearings on other postal-related bills, numerous contacts with past and present postal officials and other interested parties, and the views of other Members of the Senate, as well as considerable attention to the progress of postal legislation through the other body, have helped shape this bill.

And, Mr. President, this bill has been formulated with the benefit of extensive exchange of ideas and viewpoints with representatives of the White House and the Office of Management and Budget. I cannot say what the administration's position will be on the bill or its various provisions, though I think it safe to say that the administration will approve the fact that it will not bust the budget.

Aside from some minor outlays—for funding the Postal Rate Commission out of the Treasury, for support of the task force it would establish to advise the Board of Governors of the Postal Service, and for some slight rate relief, especially for small publications and institutions eligible for the library rate—the bill follows current policy for fiscal year 1979. For the 3 years beyond fiscal year 1979 it would provide for moderate increases by forestalling the planned phasing down of the current public service payment to the Postal Service. If triggered by a general rate increase, and appropriated for, the proposed ceiling on individuals' letter mail could result in a cost of about $360 million, based on a 2-cent price differential. This would be most unlikely to occur in fiscal year 1979 or 1980, however.

Because of the small increases in budget authority for fiscal year 1979, we likely will be seeking some indulgence from the Committee on the Budget at the proper time.

Most importantly, under the provisions of section 3 of this bill, the authority for public service payments to the Postal Service would in the future, require the Postal Service to provide a functional breakdown on its expenditure of public service funds—what services for how much subsidy. And, since it seems clear that periodic reassessment of the public service payment is needed, the bill provides for a 4-year authorization, requiring reenactment of the public service payment after that period.

Personally, Mr. President, I have no objection to earlier or more frequent adjustment of the public service payment, provided the Congress knows, by function, how the money is to be spent and has evidence that it is needed for bona fide public service activities. But the multiyear authorization is needed, in my opinion, to provide the Postal Service with a long enough planning horizon, accompanied by sufficient certainty of its total income, to project logically its operations and the possible need for future rate increases.

The reporting requirements of this bill are designed to insure that Congress is kept fully informed of projected revenue shortfalls, of Postal Service plans for any cutbacks in service, and of postage rate increases, so that the option would be available to forestall either, if the Congress were so disposed. The power is always with us, provided we are willing to make the necessary authorizations and appropriations.

Finally, Mr. President, I know that some Senators, not to mention others both in and out of the postal community, will be in disagreement with the bill I am introducing because it does not provide for the direct Presidential appoint-

ment of the Postmaster General, with advice and consent of the Senate. Instead, it would provide that the President would designate one of the Governors of the Postal Service, all of whom are Presidential appointees, as Chairman of the Board. In this way, the bill would guarantee more direct Presidential involvement and more direct accountability to the President by the policymaking Board of Governors. But it would leave the day-to-day management of the Postal Service—of this business which, in terms of sales alone, compares with some of our largest corporations as an economic factor—to be managed by individuals chosen solely for their professional knowledge and proven competency, and answerable on the basis of one standard only—that of performance.

Another too-easy "solution" to what Vermont Royster, writing in the Wall Street Journal, has called 'The Postal Perplex," would be to open the postal market to full competition, or even abolish the Postal Service. Mr. Royster warns that caution is in order and suggests we need to make up our minds what it is we want the mail service to do.

My response is that we want it to perform.

Mr. President, I ask unanimous consent that the text of the bill, a summary of its provisions, and a thoughtful article, to which I have referred, which appeared under Vermont Royster's by-line in the April 12, 1978, Wall Street Journal, be printed in the RECORD.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 3229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postal Service Amendments Act of 1978".

REDUCED RATES FOR INDIVIDUALS

SEC. 2. (a)(1) Subchapter II of chapter 36 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 3629. Reduced rate for certain mail matter of individuals

"(a) Notwithstanding the provisions of this subchapter or of subchapter III of this chapter, the rate of postage established under such subchapters for qualified mail matter (as defined in subsection (d) of this section) shall be established in accordance with subsection (b) of this section.

"(b) If the rates for the class of mail that is maintained under section 3623(d) of this title for the transmission of ordinary letters sealed against inspection are adjusted under subchapter II or subchapter III of this chapter after the date of enactment of this section and before October 1, 1982, so as to exceed 15 cents for the first ounce and 13 cents for each additional ounce or fraction of an ounce, the Postal Service shall establish a classification for qualified mail matter (as defined in subsection (d) of this section) and shall establish the rates for such classification at 15 cents for the first ounce and 13 cents for each additional ounce or fraction of an ounce.

"(c)(1) Except as authorized by this section, no person shall mail any matter at the rates prescribed pursuant to subsection (b) of this section.

"(2) Any person who violates paragraph (1) shall be subject to a civil penalty not to exceed $500 for each violation.

"(3) The Postal Service shall have authority to assess a civil penalty under paragraph (2). The Postal Service shall provide any person alleged to have violated paragraph (1) with written notice of the decision to impose a civil penalty and the charges upon which such penalty is based. The Postal Service may, and upon timely request by the person alleged to have violated paragraph (1) shall, order a hearing on the charges pursuant to sections 554 and 555 of title 5.

"(4) The decision of the Postal Service to impose a civil penalty, whether or not pursuant to a hearing under paragraph (3), shall be final and conclusive unless it is appealed to any court of appeals of the United States within 15 days after service of the decision upon the person. The court to which it is appealed shall have jurisdiction to review the decision in accordance with section 706 of title 5, and chapter 158 and section 2112 of title 28, except that the facts underlying a decision to impose a civil penalty shall not be subject to trial de novo by the court. Issues which became final and conclusive because no appeal was taken to a court of appeals, and issues which were raised or might have been raised in a court of appeals, may not be raised as a defense to a civil penalty.

"(d) For purposes of this section, the term 'qualified mail matter' means domestic letter mail—

"(1) of the class that is maintained under section 3623(d) of this title for the transmission of ordinary letters sealed against inspection;

"(2) prepared in accordance with such reasonable mail preparation requirements as the Postal Service may prescribe by regulation; and

"(3) sent by an individual.

For purposes of this subsection, the term 'individual' does not include a corporation, company, business, association, partnership, professional entity, proprietorship, institution, or governmental unit or any similar entity.".

(2) The table of sections for subchapter II of chapter 36 of title 39, United States Code, is amended by adding at the end thereof the following new item:

"3629. Reduced rate for certain mail matter of individuals.".

(b)(1) Section 2401 (b) of title 39, United States Code, as amended by this Act, is amended by striking out "and 3626" and inserting in lieu thereof "3626, and 3629".

(2) Section 3627 of title 39, United States Code, is amended by striking out "or 3626" and inserting in lieu thereof "3626, or 3629".

ORGANIZATION OF THE POSTAL SERVICE

SEC. 3. (a) Section 202(a) of title 39, United States Code, is amended by striking out the third sentence and inserting in lieu thereof the following: "The President shall from time to time designate one of the members of the Board to serve as Chairman.".

(b)(1) Section 206 of title 39, United States Code, is amended to read as follows:

"§ 206. Specific duties of the Board of Governors

"(a) The Board shall—

"(1) prescribe such rules and regulations as the Board finds necessary to insure that the Postal Service—

"(A) adopts (after consideration of the recommendations of the Postal Rate Commission under section 9 of the Postal Service Amendments Act of 1978) a system of accounts for the identification of costs, and

"(B) makes, keeps, and preserves such other accounts, records of cost-accounting procedures, correspondence, memoranda, papers, books, studies and other records as appropriate for the carrying out of the functions of the Postal Service under this title;

"(2) require the accounts of the Postal Service to conform to generally accepted accounting principles and insure the adequacy of any audit conducted under subsection (b), (d), or (e) of section 2008 of this title;

"(3) make available to the public following the close of each fiscal year information, in a manner readily understandable to the public, relating to the revenues received and costs incurred in connection with each class and subclass of mail and type of mail service (including information on the effects, if any, resulting from the application of section 3622(b)(2)(B) of this title);

"(4) insure the adequacy of the Postal Service's audit and analysis of service performance for each class and subclass of mail and type of mail service;

"(5) review the consumer functions of the Postal Service to insure that—

"(A) the interests of the general public in postal operations are adequately represented, and

"(B) complaints and inquiries received from the general public are satisfactorily investigated, resolved, and responded to within a reasonable period of time;

"(6) direct the Postal Service in the development of comprehensive and long-range planning strategies for providing postal services;

"(7) insure the coordination of the policies and programs of the Postal Service, including research into, and development and implementation of, new technologies in postal operations, with other agencies of the Government and persons outside of the Government; and

"(8) monitor activities within and outside of the Government which may affect the Postal Service and its role.

"(b)(1) The Chairman may appoint such personnel as may be necessary to carry out the provisions of this section and the responsibilities of the Governors under this title. Such personnel shall be employed under the Board but may serve in the headquarters of the Postal Service in the District of Columbia or in offices of the Postal Service in each of the Postal Service regions.

"(2) Any officer or employee appointed under paragraph (1) shall be paid at rates of compensation, and shall be entitled to programs offering employees' benefits, established under chapter 10 or chapter 12 of this title, as appropriate.".

(2) The table of sections for chapter 2 of title 39, United States Code, is amended by striking out the item relating to section 206 and inserting in lieu thereof the following new item:

"206. Specific duties of the Board of Governors.".

APPROPRIATIONS AND ANNUAL REPORT

SEC. 4. (a) Section 2401 of title 39, United States Code, is amended to read as follows:

"§ 2401. Appropriations

"(a) There are appropriated to the Postal Service all revenues received by the Postal Service.

"(b) There are authorized to be appropriated to the Postal Service each year a sum determined by the Postal Service to be equal to the difference between the revenues the Postal Service would have received if sections 3217, 3403–3405, and 3626 of this title and the Federal Voting Assistance Act of 1955 had not been enacted and the estimated revenues to be received on mail carried under such sections and such Act.

"(c)(1) As reimbursement to the Postal Service for costs incurred by it in the establishment and maintenance as a public service of a comprehensive nationwide system for the regular and effective delivery of mail matter,

and in recognition of the value of such system to the nation and the public, there are authorized to be appropriated to the Postal Service for each of the fiscal years ending September 30, 1979, through September 30, 1982, the sum of $920,000,000.

"(2) In any fiscal year for which funds authorized under paragraph (1) are appropriated, the Postal Service shall expend part of such funds (in such amounts as it determines necessary) to carry out a comprehensive program of research and development in connection with improved methods of postal service including, but not limited to, methods of electronically sending and delivering letters and other mail matter.

"(d) The Postal Service, in submitting any budget which includes requests for the appropriation of funds authorized under subsection (c) of this section, shall include with such budget a report detailing by function—

"(1) the expenditure of funds appropriated under subsection (c) of this section during the immediately preceding fiscal year, and

"(2) the proposed expenditure of funds during the fiscal year for which appropriations are requested.

"(e)(1) The Postal Service shall present to the Committee on Governmental Affairs of the Senate, the Committee on Post Office and Civil Service of the House of Representatives, and the Committee on Appropriations of each House of Congress, at the same time it submits its annual budget under section 2009 of this title, sufficient copies of the budget of the Postal Service for the fiscal year for which funds are requested to be appropriated, and a comprehensive statement relating to—

"(A) the plans, policies, and procedures of the Postal Service designed to comply with all the provisions of section 101 of this title;

"(B) its plans, including contingency plans, for the period covering the fiscal year for which appropriations are requested and the next 2 fiscal years for—

"(i) reductions in service on a nationwide or substantially nationwide basis,

"(ii) capital improvement programs or projects with an estimated cost of $20,000,000 or more,

"(iii) borrowing under the authority of section 2005 of this title,

"(iv) establishing, consolidating, or discontinuing post offices or postal facilities,

"(v) personnel levels, and

"(vi) requesting changes in the rates or fees charged for the various classes and subclasses of mail and types of mail services;

"(C) postal operations generally, including data on the speed and reliability of service provided for the various classes and subclasses of mail and types of mail service (whether by physical or electronic means), mail volume, productivity, trends in postal operations, and analyses of the impact on internal and external factors upon the Postal Service;

"(D) a listing of the total expenditures and obligations incurred by the Postal Service for the most recent fiscal year for which information is available, an estimate of the total expenditures and obligations to be incurred by the Postal Service during the fiscal year for which funds are requested to be appropriated and, to the extent practicable, during the next 2 fiscal years, and the means by which these estimated expenses will be financed;

"(E) actions taken to carry out the duties of the Board under section 206 of this title; and

"(F) such other matters as the committees may determine necessary to insure that the Congress is fully and currently consulted and informed on postal operations, plans, and policies.

"(2)(A) The Postal Service shall prepare a plan for establishing a research and development program for which amounts are required to be expended under subsection (c)(2). Such plan shall be submitted not later than January 15, 1979, to the Committee on Governmental Affairs of the Senate and the Committee on Post Office and Civil Service of the House of Representatives.

"(B) The Postal Service shall after the close of each fiscal year for which funds are expended to carry out the research and development program established under subparagraph (A) submit to such committees a report on the activities conducted under such program during such year.

"(f) The failure of the President to request the appropriation of any part of the funds authorized by this section may not be deemed to be a failure of appropriations.

"(g) The rates established under chapter 36 of this title for zone-rated parcels formerly entered under former chapter 67 of this title shall not be more than 10 percent less than the rates for such mail would be if the funds authorized under subsection (c)(1) of this section were not appropriated.".

(b) Section 2003 of title 39, United States Code, is amended by striking out subsection (f).

POSTAL RATE COMMISSION

SEC. 5. (a) The third sentence of section 3601(a) of title 39, United States Code, is amended to read as follows: "The Commissioners shall be chosen on the basis of their professional qualifications or demonstrated knowledge in postal affairs, communications, law, economics, engineering, accounting, finance, or regulatory affairs (including rate-setting). A Commissioner may be removed by the President only for cause.".

(b)(1) Section 3604(d) of title 39, United States Code, is amended to read as follows:

"(d) There are authorized to be appropriated to the Commission such sums as may be necessary to carry out its functions.".

(2) The second sentence of section 3604(c) of title 39, United States Code, is amended to read as follows: "For purposes of title 5, any individual appointed under this section shall be treated as an officer or employee within the meaning of sections 2104 and 2105 of title 5, except that such individual may be appointed without regard to the provisions of title 5 governing appointments in the competitive service and may be paid without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, relating to classification and General Schedule pay rates.".

(3) Section 3604(e) of title 39, United States Code, is amended by adding at the end thereof the following new sentence: "However, the Commission is subject to the Budget and Accounting Act, 1921 (31 U.S.C. 1).".

PERMANENT RATES AND CLASSES OF MAIL

SEC. 6. (a) Section 3622 of title 39, United States Code, is amended to read as follows:

"§ 3622. Rates and fees

"(a)(1) From time to time the Postal Service shall request the Postal Rate Commission to submit a recommended decision on changes in a rate or rates of postage or in a fee or fees for postal services if the Postal Service determines that such changes would be in the public interest and in accordance with the policies of this title. The Postal Service may submit such suggestions for rate adjustments as it deems suitable.

"(2) The Postal Service shall, at the same time as a request is made under paragraph (1), submit to each committee referred to in section 2401(e)(1) of this title a copy of such request and accompanying data with respect to the revenue need which prompted such request.

"(b)(1) Upon receiving a request, the Commission shall make a recommended decision on the request for change in rates or fees in each class or subclass of mail or type of mail service in accordance with the policies of this title and the requirements of paragraphs (2) and (3) of this subsection.

"(2)(A) Each class or subclass of mail or type of mail service shall bear the postal costs that are attributable to that class, subclass, or type.

"(B) For the purposes of establishing attributable costs under subparagraph (A) in connection with a recommended decision on any request submitted by the Postal Service under this section after the date of the enactment of the Posal Service Amendments Act of 1978 and before September 30, 1982, if the Commission determines that attributable costs exceed 60 percent of the total estimated costs, the attributable costs of each class, subclass, or type shall be reduced to an amount that is determined by multiplying the attributable costs of that class, subclass, or type by a fraction whose numerator is 60 and denominator is a whole number equal to the percentage of total estimated costs determined to be attributable.

"(3) Costs not attributed under paragraph (2) of this subsection shall be apportioned among each class or subclass of mail or type of mail service in accordance with the following factors:

"(A) the establishment and maintenance of a fair and equitable schedule;

"(B) the relative demand for each such class, subclass, or type;

"(C) the value of the mail service actually provided each such class, subclass, or type to both the sender and the recipient, including but not limited to the collection, mode of transportation, and priority of delivery;

"(D) the effect of rate increases upon the general public, business mail users, and enterprises in the private sector of the economy engaged in the delivery of mail matter other than letters;

"(E) the available alternative means of sending and receiving letters and other mail matter at reasonable costs;

"(F) the degree of preparation of mail for delivery into the postal system performed by the mailer and its effect upon reducing costs to the Postal Service;

"(G) simplicity of structure for the entire schedule of, and simple, identifiable relationships between, the rates or fees charged each such class, subclass, or type;

"(H) the educational, cultural, scientific, and informational value to the recipient of mail matter; and

"(I) such other factors as the Commission deems appropriate.".

(b)(1) Section 3626(a)(2) of title 39, United States Code, is amended to read as follows:

"(2) the rates for mail matter under former sections 4359, 4421, 4422, and 4554(a) shall be equal, on and after the first day of the eighth year following the effective date of the first rate decision applicable to that class or kind, to the rates which would have been in effect for such mail if this subsection had not been enacted, except that the revenues received from rates for not more than 250,000 pieces of each issue of a publication under former section 4359, 4421, and 4422 which are subject to the highest per piece rate applicable to such class or kind shall not, on and after the first day of the eighth year following the effective date of the first rate decision applicable to that class or kind, exceed the postal costs attributable to mail under former section 4359 (excluding all other costs of the Postal Service), and the reduction authorized by this paragraph shall be applied by reducing the per piece charge otherwise applicable to not to exceed 250,000 pieces of each issue.".

(2) Section 3626 of title 39, United States Code, is amended by adding the following new subsection at the end thereof:

"(e) In the administration of this section,

the rates for mail matter specified in former section 4554(a)(1) or 4554(b)(2)(A) of this title, and teaching guides, maps, or other interpretative material prepared solely for use with such mail matter, when mailed between a publisher or a distributor and a school, college, university, or public library, shall be the rate currently in effect for such mail matter under the provisions of former section 4554(b)(1) of this title.".

(3) Section 3683 of title 39, United States Code, is amended—

(A) by striking out subsection (b), and

(B) by striking out "(a) Notwithstanding" and inserting in lieu thereof "Notwithstanding".

POSTAL SERVICES AND COMPLAINTS

SEC. 7. (a) Section 3661(b) of title 39, United States Code, is amended by adding before the period at the end thereof the following: ", and shall notify the committees referred to in section 2401(e)(1) of its action and the reasons therefor".

(b) Section 3661(c) of title 39, United States Code, is amended by adding at the end thereof the following new sentence: "The Commission shall transmit a copy of its advisory opinions, together with its assessment of the effects on the Postal Service, mail users, and the general public, to each committee referred to in section 2401(e)(1) of this title.".

SIZE AND WEIGHT LIMITS

SEC. 8. Section 3682 of title 39, United States Code, is amended to read as follows:

"§ 3682. Size and weight limits

"The Postal Service may establish size and weight limitations for mail matter in the same manner as prescribed for changes in classification under subchapter II of this chapter.".

COST ATTRITION STUDY

SEC. 9. (a) The Postal Rate Commission shall study alternatives to the method of attributing or apportioning postal costs among each class or subclass of mail or type of mail service set forth in section 3622(b) of title 39, United States Code, as amended by section 6(a) of this Act. The Commission shall, after such study, provide for the preparation of a recommended system of accounts by which the costs of the United States Postal Service can be identified and associated with the class or subclass of mail or type of mail service, or with the public service function of the Postal Service. The Commission shall report its findings and recommendations to the Congress no later than September 30, 1980. The report of the Commission shall include—

(1) such recommended system of accounts, and

(2) the Commission's estimates of the effects of the alternatives studied on postal volumes, revenues, rates and fees in terms of both overall postal services and each class or subclass of mail or type of mail service.

(b) The Postal Service shall cooperate with the Commission in the conduct of the study under subsection (a) of this section and shall provide the Commission with any information the Commission reasonably deems necessary to carry out that study.

(c) In the conduct of its study under subsection (a) of this section, the commission is authorized to conduct such proceedings including hearings, as it deems warranted, without regard to the provisions of sections 556 and 557 of title 5, United States Code.

THE MAIL AND COMMUNICATIONS

SEC. 10. (a) Notwithstanding any other provision of law, each department and agency of the Government shall assist the United States Postal Service, insofar as practicable and on a reimbursable basis, in carrying out its responsibilities under sections 2401(c)(2) and 2401(e)(2) of title 39, United States Code.

(b) There is hereby established the Task Force on the Mail and Communications (hereinafter in this section referred to as the "Task Force") composed of seven individuals whom the President may designate, one of whom shall be designated as Chairman of the Task Force by the President, and such representatives of the Postal Service as the Chairman of the Board of Governors of the Postal Service may designate.

(c) The Task Force shall—

(1) advise and assist the Board of Governors in carrying out its functions under paragraphs (6), (7), and (8) of section 206 of title 39, United States Code;

(2) advise and assist the Board of Governors and the Postal Service in carrying out the Postal Service's duties under sections 2401(c)(2) and 2401(e)(2) of title 39, United States Code;

(3) study and formulate advisory recommendations with respect to the development and application of new technologies to mail, mail delivery, and other postal service operations, as well as the future of the mails as part of the communications network serving the people of the United States. Such studies shall include the interrelationship between the mails and—

(A) traditional communications services such as transmission of messages by wire, radio, or television, or intangible forms other than the mail, and

(B) newly developing services such as electronic message and electronic funds transfer systems; and

(4) formulate advisory recommendations to insure that communications services, including those of the Postal Service, are developed and provided in an informed and coordinated fashion that responds to developing needs and changing communications systems and technologies.

(d) The Task Force may secure directly from any department or agency of the United States information and assistance necessary to carry out its duties under this section. Each department or agency is authorized and directed, to the extent permitted by law and within the limits of available funds, to furnish information and assistance to the Task Force.

(e)(1) Except as provided in paragraph (2), members of the Task Force each shall receive as compensation the daily equivalent of the annual rate of basic pay in effect for grade GS-18 for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Task Force.

(2) Members of the Task Force who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Task Force.

(3) While away from their homes or regular places of business in the performance of service for the Task Force, members of the Task Force shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the government service are allowed expenses under section 5703 of title 5, United States Code.

(f) There are authorized to be appropriated, without fiscal year limitation, such sums as may be necessary to carry out this section.

(g) Section 2003 of title 39, United States Code, as amended by section 4(b) of this Act, is amended—

(1) in subsection (b) thereof—

(A) by striking out "and" at the end of paragraph (5),

(B) by striking out the period at the end of paragraph (6) thereof and inserting in lieu thereof a comma and "and", and

(C) by adding at the end thereof the following new paragraph:

"(7) amounts appropriated under section 10(f) of the Postal Service Amendments Act of 1978."; and

(2) by adding at the end thereof the following new subsection:

"(f) Amounts deposited into the Fund under subsection (b)(7) shall be withdrawn by the Postal Service only for the payment of expenses incurred by the Postal Service in providing office space, clerical personnel, supplies and equipment, and such other items as the Postal Service finds necessary for the Task Force on the Mail and Communications.".

EFFECTIVE DATE

SEC. 11. The provisions of this Act, and the amendments made by this Act, shall take effect on October 1, 1978, except that the provisions of section 2401(d) of title 39, United States Code, as amended by section 4 of this Act, and the provisions of sections 3604 (d) and (e) of title 39, United States Code, as amended by section 5(b)(1) of this Act, shall not apply to any budget or request for appropriations submitted prior to the date of the enactment of this Act.

THE POSTAL PERPLEX

(By Vermont Royster)

Have you ever wondered why it is that you can send a letter all the way across the continent for the same price as sending it across town?

Or why it costs no more to mail a letter to a friend living on a distant country backroad than to someone living in an apartment in a densely populated city?

Or why if you have a son or daughter in the armed forces—in Germany, say, or Korea—you can send a letter overseas, airmail, at the ordinary domestic rate?

Or why you can mail a book at a fraction of the cost of another package of the same weight?

None of this makes economic sense. Since time began, the cost of any other form of transportation or communications has been a function of distance. It costs more to fly from New York to San Francisco than from New York to Washington. The cost of shipping a case of fruit juice or a load of lumber increases with the distance involved.

So also with that modern form of communication, the telephone. It cost more to make a long distance call from Chicago to Dallas than from Chicago to Evanston.

Why should the Postal Service be any different? You don't have to be an accounting expert to know that the actual cost of delivering a letter halfway across the continent to some R.F.D. route number in rural Kansas is vastly greater than delivering it within the same city. The difference in cost is not only in transportation, whether by air or truck, but in the multiplicity of handling required in many distribution points.

Yet we send all these letters for the same 15-cent stamp. And hardly ever think it strange.

It wasn't always that way. It wasn't until 1789 that the Post Office was formally organized as a department of government, and in the beginning mail was very expensive, the cost varying according to distance and the remoteness of the recipient.

In the early 1800s, for example, it cost six cents to mail a letter up to 30 miles away. Thereafter the rates rose steeply: 10 cents for distances from 30 to 80 miles, 12½ cents up to 150 miles, 18½ cents to 400 miles. Anything beyond that cost 25 cents per half-ounce. And that was when even pennies were real money.

Then in 1863 Congress decided to institute the uniform rate regardless of distances. This came about partly because of the complexity of the old system but mainly because of a conscious political decision about the role of a postal service in the life of the nation. The decision was to treat the mail as a public service, subsidized out of the public treasury, to help bind the country together,

promote business and industry and spur public information.

From that decision Congress made such things as rural free delivery (to put farmers on an equal basis with city dwellers) and the idea that books, magazines and newspapers should be carried at a cheaper rate.

In short, it was a conscious decision not to run the Post Office in a "businesslike manner" in which the prices charged would be tied to actual costs of the service.

This concept prevailed until 1970. By that time the subsidies required had grown quite large and there were complaints about the politics of appointing local postmasters, although lesser postal employes were by then under Civil Service. Congress responded to these complaints by creating a quasi-independent agency and gave it a mandate to "pay its own way."

Now we grumble about the result. The rates have gone up, though still not as high as in the early 1800s. The service has deteriorated. And the Postal Service still doesn't pay its own way.

Confronted with this perplexing problem, Congress is again considering all sorts of remedies. Why the devil, it's asked, can't the Postal Service be run as efficiently as, say, the telephone service or United Parcel where the costs are covered by the customer charges? Why, in other words, can't it be run on a "businesslike basis"?

One proposal, quite fashionable in some quarters, is to cut loose the Postal Service entirely from government and put the whole operation in the private sector. Perhaps we might franchise a single company to do the job, as with the long-lines telephone service. Another idea would be simply to repeal the existing law which prohibits competition with the Post Office in the delivery of first-class mail for the public. We could throw postal service open to the free market, letting anyone who will enter the business and letting the market decide which one—or ones—survive.

These are intriguing ideas. It's been proved that in some areas private delivery of mail can be done more cheaply than government delivery. Many businesses for example, deliver their own bills within a city (permissible as long as they don't carry mail for others) for less than the present 15-cent rate. Several newspapers, including The Wall Street Journal, have alternate delivery systems in the major cities which are both cheaper and faster than the mails.

So there's no doubt some things could be done better on a businesslike basis. Yet perhaps some caution is in order before we embrace the concept.

Could a businesslike service charge no more for transcontinental delivery than for cross-town delivery? Could it have the same rate for that rural householder in outer Kansas? Could it charge less for books than other packages of the same weight? Could it, in short, fill the social role once expected of it? If not, would the change be in the public interest?

These questions need some answers before we rush into another "solution" to the postal problem. We need to make up our minds what it is we want the mail service to do before we can resolve the postal perplex.●

POSTAL SERVICE AMENDMENTS ACT OF 1978

● Mr. JAVITS. Mr. President, I join with my colleagues, Senator GLENN and Senator STEVENS, in introducing the Postal Service Amendments Act of 1978.

It was just 8 years ago in 1970, that Congress enacted Public Law 91-395, the Postal Reorganization Act. That act, which was ambitious, abolished the Post Office Department as a Cabinet level department and created an independent established within the executive branch of the Government to own and operate the Nation's postal system. Since 1970, however, it has become clear that the basic premise of the reorganization—that postal rates should enable the Postal Service to achieve a self-sustaining revenue by 1985—has not and cannot be met. Despite four substantial rate increases in 7 years, supplemental authorized appropriations of $1.2 billion and large borrowings to defray operating expenses, the Postal Service still faces severe financial problems. At the same time that the price of a first class stamp has been rising, service has declined and numerous small post offices have been forced to close, a step which places a burden on our elderly and rural constituents, in particular.

The legislation we are introducing today attempts to meet these problems by reinstating a measure of congressional and executive control and by making the USPS more efficient. Specifically, the bill provides that the Chairman of the Board of Governors shall be designated by the President, and details specific duties of the Board, including responsibility for cost-accounting and financial and service audits. It also requires the Postal Service, when it files a request for a change in postal rates, to advise the relevant congressional committees and provide them with data on the revenue need and proposed adjustments. The bill further provides that the rate of postage for first class mail of individuals will remain at 15 cents until 1982. Most importantly, the bill repeals the break-even mandate of the 1970 law and authorizes an annual public service appropriation of $920 million through 1982.

Mr. President, I am fully aware that this bill will not cure all of the ills of the Postal Service. Indeed, there are general provisions that I believe need to be discussed in detail by my colleagues on the Governmental Affairs Committee during hearings on this bill. Thus, I would like to stress that while I support the purposes of this bill, I am not committed to its every provision. I will consider carefully the testimony presented during committee hearings. and remain open to suggestions, amendments or modifications that would help make this a better bill.

I am, however, committed to enacting legislation during this session of Congress. The public needs a Postal Service that is reliable and is not unduly costly. The House passed a postal reform bill in April, and I hope sincerely that my colleagues also will approve a bill so that the Postal Service can get on with the task of improving its service and minimizing its financial problems.●

By Mrs. HUMPHREY (for herself and Mr. BAYH):

S. 3230. A bill to amend title 5 of the United States Code to provide that a former spouse of a Federal employee who had been married to such employee for 10 years or more shall be entitled to a portion of such employee's annuity and to a portion of the annuity of any surviving spouse of such employee, to provide the same settlements to former spouses of members of the Foreign Service, and for other purposes. Held at the desk.

SPOUSAL RETIREMENT AND SURVIVORS' BENEFITS RIGHTS ACT

● Mrs. HUMPHREY. Mr. President, today Senator BAYH and I are introducing the "Spousal Retirement and Survivors' Benefits Rights Act."

This bill would award a pro rata share of the retired pay of a civil servant or Foreign Service officer of a divorced spouse, male or female, married for at least 10 years. The exact amount of the annuity would be a function of the number of years marriage that overlap with credited years of service toward retirement, and the total number of years the member serves. At a maximum, the annuity would be equal to 50 percent of the retired pay.

The bill would also award a pro rata share of survivors' benefits to a divorced spouse. Survivors' benefits generally equal 55 percent of the member's retired pay. The divorced spouse would be entitled to up to 70 percent of the annuity the member was receiving.

Older, divorced spouses are among the most vulnerable individuals in society. They frequently find it difficult to get jobs because of high unemployment, lack of recent paid work experience, and the hesitation of employers to hire older workers. The later years also generally impose additional monetary burdens brought on by declining health. Yet under current law, the divorced spouse of a civil servant or Foreign Service officer is guaranteed nothing.

Vulnerability is greatest for the divorced person whose spouse remarries. Currently, if a civil servant is married and gets divorced at a late stage in life and then remarries, the first spouse is not eligible for any of the civil servant's survivors' benefits.

I have recently heard from a number of people who are in this position. Most often, these people are about 60 years old, have had no job experience, and, even though they were marrid for 20 or 30 years, they will not receive any survivors' benefits which will go to the second spouse. Many of these persons will not be able to find a job, and even those who do may never be eligible for social security.

Twelve years ago the Social Security System recognized the principle that marriage is an economic partnership granting former spouses of social security recipients, if the marriage had lasted at least 20 years, a claim to a portion of the recipient's annuity. Congress has recently reduced the 20-year standard to 10 years.

Despite this action, the Federal Government, in its role as employer, has been slow to adapt to this change and recognized that the former spouse has made a significant contribution to the Federal employee's ability to earn a wage and receive benefits.

This bill is not a panacea, but it is a significant step towards making the present civil and foreign service retirement systems fair.

Mr. President, I ask unanimous con-

sent that the "Spousal Retirement and Survivors' Benefits Rights Act" be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8331 of title 5, United States Code, relating to definitions for purposes of civil service retirement, is amended—

(1) by striking out "and" at the end of paragraph (20);

(2) by striking out the period at the end of paragraph (21) and inserting in lieu thereof"; and "; and

(3) by adding at the end thereof the following new paragraph:

"(22) 'former spouse' means a former wife or husband of an employee or Member who was married to such employee or Member for not less than ten years and who has not remarried.".

SEC. 2. (a) Subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, is amended by inserting after section 8338 the following new section:

"§ 8338A. Former spouse annuity

"(a) A former spouse of an employee or Member entitled to an annuity under this subchapter is entitled to an annuity—

"(1) equal to 50 per centum of the amount of such employee's or Member's annuity (determined without regard to any reduction under section 8339(n) of this title) if the former spouse was married to the employee or Member during all periods of creditable service of such employee or Member, or

"(2) equal to the amount which bears the same ratio to the annuity to which such former spouse would have been entitled if paragraph (1) of this subsection applied as the periods of creditable service of such employee or Member during which such former spouse was married to the employee or Member bears to the total period of such service.

An annuity under this section is subject to section 8340 of this title.

"(b) The annuity of a former spouse commences on the later of the day on which an annuity is first payable to such employee or Member under this subchapter (other than an annuity under section 8337) or the first day of the month in which the individual becomes a former spouse. Such annuity and the right thereto terminate on the last day of the month before—

"(1) the former spouse dies or remarries before becoming sixty years of age;

"(2) the former spouse becomes entitled to an annuity under section 8341 of this title; or

"(3) such employee or Member dies.".

(b) Section 8339 of title 5, United States Code, relating to annuity computation, is amended by adding at the end thereof the following new subsection:

"(n) The annuity of an employee or Member computed under this section is reduced by the amount of an annuity under section 8338A of this title of any former spouse of such employee or Member.".

(c) Section 8342 of title 5, United States Code, relating to lump-sum benefits, is amended—

(1) by adding at the end of subsection (a) the following new sentence: "If an employee or Member files an application under this subsection for such lump-sum credit, the former spouse of such employee or Member is entitled to be paid a lump-sum credit in an amount determined under subsection (j).";

(2) in subsection (a)—

(A) by inserting "(reduced as provided in subsection (j))" after "credit" in the first sentence, and

(B) by inserting "of the employee or Member or any former spouse" after "rights" in the second sentence;

(3) in subsection (b), by inserting "(and any former spouse of the employee or Member)" after "employee or Member";

(4) in subsections (c) and (d), by inserting "(or any former spouse of the employee or Member)" after "employee of Member" each place it appears;

(5) in subsections (f) and (g), by inserting "(or any former spouse of the annuitant)" after "annuitant"; and

(6) by adding at the end thereof the following new subsection:

"(j) If the employee of Member has a former spouse, the lump-sum credit of the former spouse shall be—

"(1) if the former spouse was married to the employee or Member throughout his period of creditable service, 50 per centum of the amount of the lump-sum credit of such employee or Member (determined without regard to this subsection); or

"(2) if such former spouse was not married to the employee or Member during all periods of creditable service of such employee or Member, an amount which bears the same ratio to the amount of the lump-sum credit to which such former spouse would be entitled under paragraph (1) as the period of creditable service during which such former spouse was married to the employee or Member bears to the total period of such service.

The lump-sum credit of the employee or Member shall be reduced by the amount of the lump-sum credit payable to the former spouse.".

(d) Section 8344 of title 5, United States Code, relating to annuities and pay on reemployment, is amended by adding at the end thereof the following new subsection:

"(d) The Civil Service Commission shall prescribe regulations to provide for the application of this section in any case in which an annuitant has a former spouse entitled to an annuity under section 8338A of this title.".

(e) The table of sections for subchapter III of chapter 83 of title 5, United States Code, is amended by inserting after section 8338 the following new item:

"8338A. Former spouse annuity.".

SEC. 3. (a) Section 8341(b) of title 5, United States Code, relating to survivor annuities, is amended—

(1) in paragraph (1), by inserting "or by a former spouse" after "after retirement", and

(2) by striking out "or widower" the second and each succeeding place it appears and inserting in lieu thereof "widower, or former spouse".

(b) Subsections (d), (e), and (g) of section 8341 of title 5, United States Code, are each amended by striking out "spouse" each place it appears and inserting in lieu thereof "spouse or former spouse".

(c) Section 8341 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) In the case in which both a former spouse and a spouse, widow, or widower are entitled to an annuity under this section, the former spouse's annuity shall be—

"(1) if the former spouse was married to the employee or Member throughout his period of creditable service, 70 per centum of the amount of the annuity to which the surviving spouse, widow, or widower is entitled under this subsection, or

"(2) if such former spouse was not married to the employee or Member during all periods of his creditable service, an amount which bears the same ratio to the annuity to which such former spouse would have been entitled if paragraph (1) of this subsection applied as the period creditable service during which such former spouse was married to the employee or Member bears to the total period of such service.

The annuity of the spouse, widow, or widower is reduced by the amount of the annuity payable to the former spouse.".

SEC. 4. (a) For purposes of section 805 of the Foreign Service Act of 1946 (22 U.S.C. 805) the amendments made by the first section and sections 2 and 3 of this Act shall be considered to be affecting provisions of general applicability in the Civil Service Retirement and Disability System which are substantially identical to corresponding provisions of the Foreign Service Retirement and Disability System.

(b) Notwithstanding the provisions of such section 805, any amendment to the Foreign Service Retirement and Disability System by reason of subsection (a) shall take effect at the same time as the amendments made by the first secion.

SEC. 5 The amendments made by the first section and sections 2 and 3 of this Act shall only apply with respect to employees and Members, as defined in section 8331 of title 5, United States Code, who retire on or after the date of the enactment of this Act or who apply for lump sum credit under section 8332 of such title on or after such date.●

By Mr. JACKSON (for himself and Mr. HANSEN) (by request):

S. 3231. A bill to amend section 6(e)(2) of the Land and Water Conservation Fund Act of 1956, as amended; to the Committee on Energy and Natural Resources.

● Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Wyoming (Mr. HANSEN) a bill to amend section 6(e)(2) of the Land and Water Conservation Fund Act, as amended.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
May 8, 1978.

HON. WALTER F. MONDALE,
President of the U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill "To amend section 6(e)(2) of the Land and Water Conservation Fund Act, as amended."

We recommend that the bill be referred to the appropriate Committee for consideration and that it be enacted.

The draft bill would permit States to shelter or enclose, at their own expense, any outdoor recreation facility heretofore or hereafter developed with monies from the Land and Water Conservation Fund.

At the present time, section 6(e)(2) of the Act gives the Secretary the discretion to allow the sheltering or enclosure of swimming pools and ice skating rinks in areas of the country where the severity of climatic conditions and the increaed use made possible by the sheltering justifies their construction. Ten percent of a qualified State's yearly apportionment from the Fund or State and local monies may be used for this purpose. The Conference Committee Report on these 1976 amendments to the Act further defined climatic severity to include those northern tier areas of the country which suffer from severe cold weather and snow conditions.

Early in the Spring of 1977, the Heritage Conservation and Recreation Service circulated proposed guidelines to implement the current sheltering provisions of the Act for comment. The reaction from various members of Congress, Governors, communities,

and the State liaison officers who administer the Fund program within the several States and territories has been overwhelmingly critical. It has been extremely difficult to establish a logical and defensible cut-off point beyond which climatic conditions are not severe enough to justify sheltering. States have also expressed concern that the use of Fund assistance for sheltering purposes will cause a heightened interest in proposals which can not be assisted within the current ten percent ceiling.

We also believe that there are several additional factors which are crucial to a full evaluation of a truly effective sheltered facilities program. There are many normal outdoor recreation facilities, such as tennis courts and basketball courts, in addition to ice skating rinks and swimming pools, which receive limited public use due to harsh weather conditions. Not only is this apparent in our northern States but our southern areas suffer as well. Sand and dust storms and extreme hot weather, long periods of rain and so forth all serve to limit the outdoor recreation experiences our citizens can enjoy. At the present time, for example, our Southern States are unable to provide ice skating facilities with assistance from the Fund, and the outdoor swimming season in communities with moderate climates must still be limited to three summer months. For these reasons, I support the broadening of the Act's sheltering provisions.

In deliberating the 1976 amendments to the Land and Water Conservation Fund Act, and historically since the inception of the Fund in 1965, the Congress has expressed a strong desire to maintain an aggressive outdoor recreation program. I agree with this philosophy and am thus suggesting that this expansion in scope be coupled with a provision which would eliminate any direct assistance from the Fund for the enclosures.

After a thorough analysis of the situation, I am hopeful that the Congress will agree that this approach offers the most practical method of meeting the Country's recreation needs.

The Office of Management and Budget has advised that there is no objection to the presentation of this proposed legislation from the standpoint of the Administration's program.

Sincerely,

ROBERT HERBST,
Assistant Secretary.●

By Mr. JACKSON (by request):

S. 3232. A bill to designate certain lands within units of the national park system as wilderness; to the Committee on Energy and Natural Resources.

● Mr. JACKSON. Mr. President, by request, I send to the desk a bill to designate certain lands within units of the national park system as wilderness.

Mr. President, this proposal was transmitted to the Congress by the Department of the Interior. I ask unanimous consent that the executive communication accompanying this proposal be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *May 11, 1978.*

HON. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft bill "To designate certain lands within units of the National Park System as wilderness."

We recommend that the draft bill be referred to the appropriate Committee for consideration, and that it be enacted.

The purpose of the bill is to designate, in accordance with section 3(c) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132(c)), 25 areas as wilderness or potential wilderness. This proposed omnibus legislation represents completion of this Administration's review of wilderness proposals for areas within the National Park System made by previous Administration, and consolidates into one legislative package many separate pieces of wilderness legislation currently pending before the Congress.

There are currently 30 National Park System wilderness proposals submitted by this Administration or previous Administrations which are not yet enacted. The bill proposes the following:

1. Four of the proposals should be enacted as previously submitted: Buffalo National River, Cedar Breaks, Everglades, and Glacier;

2. Action should be postponed on five of the proposals pending further study: Yosemite, Canyonlands, Capital Reef, Death Valley, and Assateague;

3. Action should be postponed on Great Smokies until the Park Servcie and the State of North Carolina resolve a dispute regarding the location of a road;

4. As the Katmai National Monument is being considered as part of the D–2 deliberations, we have not proposed designating it in this legislation;

5. The remainder of the previously submitted proposals should be revised in various ways which are described in the attached descriptions.

In addition, we have proposed wilderness and potential wilderness designation for portions of Gulf Islands National Seashore.

We have attached to this proposal a description of each area and other information, such as the facilities currently existing in those areas and management practices.

The Office of Management and Budget has advised that this legislative proposal is in accord with the program of the President.

Sincerely,

BOB HERBST,
Assistant Secretary.●

ADDITIONAL COSPONSORS

S. 1423

At the request of Mr. NUNN, the Senator from Missouri (Mr. DANFORTH) was added as a cosponsor of S. 1423, the Judicial Tenure Act.

S. 2669

At the request of Mr. NELSON, the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of S. 2669, a bill to amend the Internal Revenue Code of 1954 to provide an equitable tax structure for small and independent companies, and for other purposes.

S. 2742

At the request of Mr. NELSON, the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of S. 2742, a bill to reform the depreciation system for small business.

S. 2851

At the request of Mr. MATHIAS, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 2851, a bill to restore the Pension Building in Washington, D.C., to house a Museum of the Building Arts.

S. 2865

At the request of Mr. NELSON, the Senator from Minnesota (Mr. ANDERSON) and the Senator from Kentucky (Mr. FORD) were added as cosponsors of S. 2865, a bill to amend the Internal Revenue Code of 1954 to provide a more equitable estate tax treatment of joint interests in farm and closely held business property.

S. 2267

At the request of Mr. GOLDWATER, the Senator from Mississippi (Mr. EASTLAND) was added as a cosponsor of S. 2867, a bill to remove residency requirements and acreage limitations applicable to land subject to reclamation law.

S. 3007

At the request of Mr. DOLE, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of S. 3007, a bill to disregard certain changes in the Code of 1975 with treatment to individuals as employees.

S. 3027

At the request of Mr. HART, the Senator from Minnesota (Mrs. HUMPHREY), the Senator from New York (Mr. JAVITS), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 3027, a bill to provide for a program of review of State laws with regard to solar energy.

S. 3037

At the request of Mr. DECONCINI, the Senator from Louisiana (Mr. JOHNSTON), the Senator from Alaska (Mr. GRAVEL), and the Senator from Kentucky (Mr. HUDDLESTON) were added as cosponsors of S. 3037, a bill to provide for the administration of the Internal Revenue Code of 1954 without regard to certain Revenue Rulings relating to the definition of the term "employee".

S. 3134

At the request of Mr. HART, the Senator from California (Mr. HAYAKAWA) and Mr. DANFORTH) were added as cosponsors of S. 3134, to provide that certain statutory subsistence allowances received by State police officers will not retroactively be included in gross income.

S. 3138

At the request of Mr. HART, the Senator from California (Mr. HAYAKAWA) and the Senator from Minnesota (Mr. ANDERSON) were added as cosponsors of S. 3138, a bill to amend the Internal Revenue Code of 1954 to provide for the indexation of individual income tax brackets, and for other purposes.

S. 3177

At the request of Mr. NUNN, the Senator from Alabama (Mrs. ALLEN) was added as a cosponsor of S. 3177, a bill to restore access to the Federal excess property program for the Agricultural Extension Service.

SENATE JOINT RESOLUTION 134

At the request of Mr. BAYH, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of Senate Judiciary Resolution 134, to extend the deadline for ratification of the Equal Rights Amendment.

SENATE JOINT RESOLUTION 135

At the request of Mr. DANFORTH, the Senator from Louisiana (Mr. LONG) and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of

Senate Judiciary Resolution 135, designating the weekend of or preceding April 29 of each year as "Days of Remembrance of Victims of the Holocaust."

SENATE JOINT RESOLUTION 138

At the request of Mr. DOLE, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of Senate Judiciary Resolution 138, proposing an amendment to the Constitution to provide that, except in time of national emergency declared by Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year.

SENATE RESOLUTION 405

At the request of Mr. ABOUREZK, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of Senate Resolution 405, extend the life of the Senate Select Committee on Indian Affairs.

SENATE CONCURRENT RESOLUTION 79

At the request of Mr. MCCLURE, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of Senate Concurrent Resolution 79, disapproving proposed regulations of the Department of the Treasury requiring centralized registration of firearms and other matters.

AMENDMENT NO. 2449

At the request of Mr. KENNEDY, the Senator from Arkansas (Mr. BUMPERS), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Alaska (Mr. STEVENS), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Delaware (Mr. BIDEN), and the Senator from Ohio (Mr. GLENN) were added as cosponsors of Amendment No. 2449 intended to be proposed to S. 2850, a bill to establish the National Home-Delivered Meals Act of 1978.

AMENDMENT NO. 2794

At the request of Mr. DURKIN, he was added as a cosponsor of amendment No. 2794 intended to be proposed to H.R. 8410, the Labor Law Reform Act of 1978.

SENATE RESOLUTION 487—ORIGINAL RESOLUTION REPORTED AUTHORIZING SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON FINANCE

Mr. LONG, from the Committee on Finance, reported the following original resolution, which was referred to the Committee on Rules and Administration:

S. RES. 487

That Senate Resolution 392, 95th Congress, agreed to March 6, 1978, is amended as follows:

In section 2, strike out the amounts "$609,600" and "40,000" and insert in lieu thereof "$909,600" and "$340,000", respectively.

SENATE RESOLUTION 488—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. LONG, from the Committee on Finance, reported the following original resolution, which was referred to the Committee on the Budget:

Resolved, That (a) pursuant to section 402(c) of the Congressional Budget Act of 1974, section 402(a) of such Act shall not apply with respect to the consideration in the Senate of the bill (H.R. 11005) to provide authorization of appropriations for the United States International Trade Commission for fiscal year 1979; and

(b) That waiver of this section is necessary in order to enable the Senate to consider this legislation which authorizes funding for continued operation of the International Trade Commission.

SENATE RESOLUTION 489—SUBMISSION OF A RESOLUTION OF DISAPPROVAL OF REORGANIZATION PLAN NO. 3

Mr. RIBICOFF submitted the following resolution, which was referred to the Committee on Governmental Affairs:

S. RES. 489

Resolved, That the Senate does not favor the reorganization plan numbered 3 transmitted to the Congress by the President on June 19, 1978.

● Mr. RIBICOFF. Mr. President, on June 19, the President transmitted to Congress Reorganization Plan No. 3 of 1978. This plan, together with changes which the President proposes to make by Executive order, would merge five agencies from the Departments of Defense, Commerce, HUD, and GSA into a new, independent Federal Emergency Management Agency, reporting directly to the President.

Mr. President, I ask unanimous consent that the text of Reorganization Plan No. 3, and the text of the President's message transmitting the plan, be printed in the RECORD.

There being no objection, the message and plan were ordered to be printed in the RECORD, as follows:

To the Congress of the United States:

Today I am transmitting Reorganization Plan No. 3 of 1978. The Plan improves Federal emergency management and assistance. By consolidating emergency preparedness, mitigation and response activities, it cuts duplicative administrative costs and strengthens our ability to deal effectively with emergencies.

The Plan, together with changes I will make through executive action, would merge five agencies from the Departments of Defense, Commerce, HUD and GSA into one new agency.

For the first time, key emergency management and assistance functions would be unified and made directly accountable to the President and Congress. This will reduce pressures for increased costs to serve similar goals.

The present situation has severely hampered Federal support of State and local emergency organizations and resources, which bear the primary responsibility for preserving life and property in times of calamity. This reorganization has been developed in close cooperation with State and local governments.

If approved by the Congress, the Plan will establish the Federal Emergency Management Agency, whose Director shall report directly to the President. The National Fire Prevention and Control Administration (in the Department of Commerce), the Federal Insurance Administration (in the Department of Housing and Urban Development) and oversight responsibility for the Federal emergency broadcast system (now assigned in the Executive Office of the President) would be transferred to the Agency. The Agency's Director, its Deputy Director, and its five principal program managers would be appointed by the President with the advice and consent of the Senate.

If the Plan takes effect, I will assign to the Federal Emergency Management Agency all authorities and functions vested by law in the President and presently delegated to the Defense Civil Preparedness Agency (in the Department of Defense). This will include certain engineering and communications support functions for civil defense now assigned to the U.S. Army.

I will also transfer to the new Agency all authorities and functions under the Disaster Relief Acts of 1970 and 1974 now delegated to the Federal Disaster Assistance Administration in the Department of Housing and Urban Development.

I will also transfer all Presidential authorities and functions now delegated to the Federal Preparedness Agency in the General Services Administration, including the establishment of policy for the National Stockpile. The stockpile disposal function, which is statutorily assigned to the General Services Administration, would remain there. Once these steps have been taken by Executive Order, these three agencies would be abolished.

Several additional transfers of emergency preparedness and mitigation functions would complete the consolidation. These include:

Oversight of the Earthquake Hazards Reduction Program, under Public Law 95–124, now carried out by the Office of Science and Technology Policy in the Executive Office of the President.

Coordination of Federal activities to promote dam safety, carried by the same Office.

Responsibility for assistance to communities in the development of readiness plans for severe weather-related emergencies, including floods, hurricanes, and tornadoes.

Coordination of natural and nuclear disaster warning systems.

Coordination of preparedness and planning to reduce the consequences of major terrorist incidents. This would not alter the present responsibility of the Executive Branch for reacting to the incidents themselves.

This reorganization rests on several fundamental principles. *First, Federal authorities to anticipate, prepare for, and respond to major civil emergencies should be supervised by one official responsible to the President and given attention by other officials at the highest levels.*

The new Agency would be in this position. To increase White House oversight and involvement still further, I shall establish by Executive Order an Emergency Management Committee, to be chaired by the Federal Emergency Management Agency Director. Its membership shall be comprised of the Assistants to the President for National Security, Domestic Affairs and Policy and Intergovernmental Relations, and the Director, Office of Management and Budget. It will advise the President on ways to meet national civil emergencies. It will also oversee and provide guidance on the management of all Federal emergency authorities, advising the President on alternative approaches to improve performance and avoid excessive costs.

Second, an effective civil defense system requires the most efficient use of all available emergency resources. At the same time, civil defense systems, organization, and resources must be prepared to cope with any disasters which threaten our people. The Congress has clearly recognized this principle in recent changes in the civil defense legislation.

The communications, warning, evacuation, and public education processes involved in preparedness for a possible nuclear attack should be developed, tested, and used for major natural and accidental disasters as well. Consolidation of civil defense functions in the new Agency will assure that attack readiness programs are effectively integrated into the preparedness organizations and programs of State and local government, private industry, and volunteer organizations.

While serving an important "all-hazards" readiness and response role, civil defense must continue to be fully compatible with and be ready to play an important role in our Nation's overall strategic policy. Accordingly, to maintain a link between our strategic nuclear planning and our nuclear attack preparedness planning, I will make the Secretary of Defense and the National Security Council responsible for oversight of civil defense related programs and policies of the new Agency. This will also include appropriate Department of Defense support in areas like program development, technical support, research, communications, intelligence and emergency operations.

Third, whenever possible, emergency responsibilities should be extensions of the regular missions of Federal agencies. The primary task of the Federal Emergency Management Agency will be to coordinate and plan for the emergency deployment of resources that have other routine uses. There is no need to develop a separate set of Federal skills and capabilities for those rare occasions when catastrophe occurs.

Fourth, Federal hazard mitigation activities should be closely linked with emergency preparedness and response functions. This reorganization would permit more rational decisions on the relative costs and benefits of alternative approaches to disasters by making the Federal Emergency Management Agency the focal point of all Federal hazard mitigation activities and by combining these with the key Federal preparedness and response functions.

The affected hazard mitigation activities include the Federal Insurance Administration which seeks to reduce flood losses by assisting states and local governments in developing appropriate land uses and building standards and several agencies that presently seek to reduce fire and earthquake losses through research and education.

Most State and local goverments have consolidated emergency planning, preparedness and response functions on an "all hazard" basis to take advantage of the similiarities in preparing for and responding to the full range of potential emergencies. The Federal Government can and should follow this lead.

Each of the changes set forth in the plan is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. The Plan does not call for abolishing any functions now authorized by law. The provisions in the Plan for the appointment and pay of any head or officer of the new agency have been found by me to be necessary.

I do not expect these actions to result in any significant changes in program expenditures for those authorities to be transferred. However, cost savings of between $10-$15 million annually can be achieved by consolidating headquarters and regional facilities and staffs. The elimination (through attrition) of about 300 jobs is also anticipated.

The emergency planning and response authorities involved in tihs Plan are vitally important to the security and well-being of our Nation. I urge the Congress to approve it.

JIMMY CARTER.

THE WHITE HOUSE, *June 19, 1978.*

REORGANIZATION PLAN NO. 3 OF 1978

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 19, 1978, pursuant to the provisions of Chapter 9 of Title 5 of the United States Code.

PART I. FEDERAL EMERGENCY MANAGEMENT AGENCY

Section 101. Establishment of the Federal Emergency Management Agency.

There is hereby established as an independent establishment in the Executive Branch, the Federal Emergency Management Agency (the "Agency").

Section 102. The Director.

The Agency shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter prescribed by law for level II of the Executive Schedule.

Section 103. The Deputy Director.

There shall be within the Agency a Deputy Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter prescribed by law for level IV of the Executive Schedule. The Deputy Director shall perform such functions as the Director may from time to time prescribe and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the Office of the Director.

Section 104. Associate Directors.

There shall be within the Agency not more than four Associate Directors, who shall be appointed by the President, by and with the advice and consent of the Senate, two of whom shall be compensated at the rate now or hereafter prescribed by law for level IV of the Executive Schedule, one of whom shall be compensated at the rate now or hereafter prescribed by law for level V of the Executive Schedule and one of whom shall be compensated at the rate now or hereafter prescribed by law for GS–18 of the General Schedule. The Associate Directors shall perform such functions as the Director may from time to time prescribe.

Section 105. Regional Directors.

There shall be within the Agency ten regional directors who shall be appointed by the Director in the excepted service and shall be compensated at the rate now or hereafter prescribed by law for GS–16 of the General Schedule.

Section 106. Performance of Functions.

The Director may establish bureaus, offices, divisions, and other units within the Agency. The Director may from time to time make provision for the performance of any function of the Director by any officer, employee, or unit of the Agency.

PART II. TRANSFER OF FUNCTIONS

Section 201. Fire Prevention.

There are hereby transferred to the Director all functions vested in the Secretary of Commerce, the Administrator and Deputy Administrator of the National Fire Prevention and Control Administration, and the Superintendent of the National Academy for Fire Prevention and Control pursuant to the Federal Fire Prevention and Control Act of 1974, as amended, (15 U.S.C. 2201 through 2219); exclusive of the functions set forth at Sections 18 and 23 of the Federal Fire Prevention and Control Act (15 U.S.C. 278 (f) and 1511).

Section 202. Flood and Other Matters.

There are hereby transferred to the Director all functions vested in the Secretary of Housing and Urban Development pursuant to the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended, (42 U.S.C. 2414 and 42 U.S.C. 4001 through 4128), and Section 1 of the National Insurance Development Act of 1975, as amended, (89 Stat. 68).

Section 203. Emergency Broadcast System.

There are hereby transferred to the Director all functions concerning the Emergency Broadcast System, which were transferred to the President and all such functions transferred to the Secretary of Commerce, by Reorganization Plan Number 1.

PART III. GENERAL PROVISIONS

Section 301. Transfer and Abolishment of Agencies and Officers.

The National Fire Prevention and Control Administration and the National Academy for Fire Prevention and Control and the positions of Administrator of said Administration and Superintendent of said Academy are hereby transferred to the Agency. The position of Deputy Administrator of said Administration (established by 15 U.S.C. 2204(c)) is hereby abolished.

Section 302. Incidental Transfers.

So much of the personnel, property, records, and unexpended balances of appropriations, allocations and other funds employed, used, held, available, or to be made available in connection with the functions transferred under this Plan, as the Director of the Office of Management and Budget shall determine, shall be transferred to the appropriate agency, or component at such time or times as the Director of the Office of Management and Budget shall provide, except that no such unexpended balances transferred shall be used for purposes other than those for which the appropriation was originally made. The Director of the Office of Management and Budget shall provide for terminating the affairs of any agencies abolished herein and for such further measures and dispositions as such Director deems necessary to effectuate the purposes of this Reorganization Plan.

Section 303. Interim Officers.

The President may authorize any persons who, immediately prior to the effective date of this Plan, held positions in the Executive Branch to which they were appointed by and with the advice and consent of the Senate, to act as Director, Deputy Director, and Associate Directors of the Agency, until those offices are for the first time filled pursuant to the provisions of this Reorganization Plan or by recess appointment, as the case may be. The President may authorize any such person to receive the compensation attached to the Office in respect of which that person so serves, in lieu of other compensation from the United States.

Section 304. Effective Date.

The provisions of this Reorganization Plan shall become effective at such time or times, on or before April 1, 1979, as the President shall specify, but not sooner than the earliest time allowable under Section 906 of Title 5, United States Code.

AMENDMENTS SUBMITTED FOR PRINTING

LABOR LAW REFORM ACT OF 1978—H.R. 8410

AMENDMENTS NOS. 3037 AND 3038

(Ordered to be printed and to lie on the table.)

Mr. WALLOP submitted two amendments intended to be proposed by him to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3039 AND 3040

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted two amendments intended to be proposed by him to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3041 AND 3042

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted two amendments intended to be proposed by him to amendment No. 2339 intended to be proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3043 AND 3044

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted two amendments intended to be proposed by him to amendment No. 2875 intended to

be proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3045 AND 3046

(Ordered to be printed and to lie on the table.)

Mr. RIEGLE submitted two amendments intended to be proposed by him to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3047

(Ordered to be printed and to lie on the table.)

Mr. DURKIN submitted an amendment intended to be proposed by him to the pending question to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3048

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to Amendment No. 2822 intended to be proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3049

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to Amendment No. 2223 intended to be proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3050 THROUGH 3052

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted three amendments intended to be proposed by him to Amendment No. 2901 intended to be proposed to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENTS NOS. 3053 AND 3054

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted two amendments intended to be proposed by him to Amendment No. 2794 intended to be proposed to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3055

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to Amendment No. 2821 intended to be proposed to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3056

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed to him to Amendment No. 2827 intended to be proposed to Amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3057

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2828 intended to be proposed to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3058

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2897 intended to be proposed to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3059

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2815 intended to be proposed to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3060

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2816 intended to be proposed to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3061

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2817 intended to be proposed to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3062

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2898 intended to be proposed to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

AMENDMENT NO. 3063

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to amendment No. 2902 intended to be proposed to amendment No. 2445 proposed to H.R. 8410, the Labor Law Reform Act of 1978.

CONSUMER CONTROVERSIES RESOLUTION ACT—S. 957

AMENDMENT NO. 3064

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY (for himself, Mr. FORD, and Mr. BAYH), submitted an amendment intended to be proposed by them, jointly, to the bill (S. 957) to promote commerce by assisting States and other persons to create or develop mechanisms for the effective, fair, inexpensive, and expeditious resolution of disputes, and for other purposes.

● Mr. KENNEDY. Mr. President, last fall I introduced an amendment in the nature of a substitute (amendment No. 1623) to S. 957, the Consumer Controversies Resolution Act. Since that time a number of thoughtful suggestions and recommendations have been made for improving my amendment, and I ask unanimous consent that the text of my revised amendment be printed in the RECORD, together with the letters from the Attorney General and the American Bar Association as well as the resolution of the Conference of Chief Justices endorsing the amendment.

There being no objection, the amendment and material were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 3064

Strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Dispute Resolution Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) for the majority of Americans, mechanisms for the resolution of disputes involving consumer goods and services, as well as numerous other types of disputes involving small amounts of money, are largely unavailable, inaccessible, ineffective, expensive, or unfair;

(2) the inadequacies of dispute resolution mechanisms in the United States have resulted in dissatisfaction and many types of inadequately resolved grievances and disputes;

(3) each individual dispute, such as that between a consumer and seller, and landlord and tenant, for which adequate resolution mechanisms do not exist may be of relatively small social or economic magnitude, but taken collectively such disputes are of enormous social and economic consequence;

(4) there is a lack of necessary resources or expertise in many areas of the country to develop new or improved consumer and other necessary dispute resolution mechanisms;

(5) the inadequacy of dispute resolution mechanisms throughout the United States is contrary to the general welfare of the people;

(6) a major portion of the goods and services which form the underlying subject matter of consumer disputes and disputes involving small amounts of money flows through commerce, and the unavailability of effective, fair, inexpensive, and expeditious means for the resolution of such disputes constitutes an undue burden on commerce; and

(7) while the States and the private sector have made substantial efforts to resolve disputes, and while such efforts should be encouraged and expanded, effective redress will be promoted through a cooperative functioning of both public and private mechanisms with the support and assistance of the Congress.

(b) PURPOSE.—It is the purpose of the Congress in this Act to assist the States and other interested parties in providing to all persons convenient access to dispute resolution mechanisms that are effective, fair, inexpensive, and expeditious.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(a) "Attorney General" means the Attorney General of the United States, or his designee;

(b) "commerce" means trade, traffic, commerce, or transportation—

(1) between a place in a State and any place outside thereof, or

(2) which affects trade, traffic, commerce, or transportation described in paragraph (1);

(c) "Commission" means the Federal Trade Commission;

(d) "dispute resolution mechanism" means courts of limited jurisdiction and arbitration, mediation, conciliation, and similar procedures, and referral services, which are available to adjudicate settle, and resolve disputes involving small amounts of money

or otherwise arising in the courses of daily life;

(e) "local" means of or pertaining to any political subdivision within a State;

(f) "State" means any State of the United States, and the District of Columbia; and

(g) "State system" means all of the State-sponsored mechanisms and procedures available within a State for the resolution of consumer disputes and other civil disputes not involving large amounts of money, including, but not limited to, small claims courts, arbitration, mediation, and other similar mechanisms and procedures.

SEC. 4. CRITERIA FOR DISPUTE RESOLUTION MECHANISMS.

(a) CRITERIA.—In order to achieve the purpose of this Act, a dispute resolution mechanism funded in whole or in part under this Act shall provide for—

(1) forms, rules, and procedures which are, so far as practicable, easy for potential users to understand and free from technicalities;

(2) assistance, including paralegal assistance where appropriate, to persons seeking the resolution of disputes;

(3) the adjudication or resolution of disputes during hours and on days that are convenient, including evenings and weekends;

(4) adequate arrangements for translation in areas with substantial non-English-speaking populations; and

(5) reasonable and fair rules and procedures, such as those which would—

(A) insure that all sides to a dispute are directly involved in the resolution of such dispute, and that such resolution is adequately implemented (including promoting effective means for insuring that a monetary award or agreement is promptly paid, and a nonmonetary award or agreement is effectively carried out);

(B) provide an easy way for an individual to determine the proper name in which, and the proper procedure by which, any person may be made a party to a dispute resolution proceeding;

(C) encourage the resolution of disputes by, in addition to adjudication, such informal means as conciliation, mediation, or arbitration;

(D) permit the use of dispute resolution mechanisms by the business community, including, but not limited to, small businesses, corporations, partnerships, and assignees;

(E) provide for the qualifications, tenure, and duties of persons, other than judicial officers, charged with resolving or assisting in the resolution of disputes;

(F) encourage the finality of the resolution of consumer and other minor disputes; and

(G) provide information about the availability of other redress mechanisms in the event that dispute settlement efforts fail or the dispute does not come witihn the jurisdiction of the mechanism.

(b) STATE SYSTEM.—Each State is encouraged to develop a State system which is responsive to the criteria established in subsection (a) of this section by providing—

(1) sufficient numbers and types of readily available dispute resolution mechanisms which meet the requirements for such mechanisms set forth in subsection (a) of this section; and

(2) a public information program which effectively communicates to potential users the availability and location of such mechanisms and consumer complaint offices in such State.

SEC. 5. DISPUTE RESOLUTION PROGRAM.

Within 60 days after the date of enactment of this Act, there shall be established within the United States Department of Justice a dispute resolution program, to be administered at the direction of the Attorney General. Such program shall consist of the Dispute Resolution Resource Center established pursuant to section 6 of this Act and of the financial assistance authorized under section 7 of this Act.

SEC. 6. DISPUTE RESOLUTION RESOURCE CENTER.

(a) ESTABLISHMENT.—There shall be established within the United States Department of Justice, as part of the dispute resolution program established pursuant to section 5 of this Act, a Dispute Resolution Resource Center (hereinafter referred to as the "Center"). As soon as practicable after the creation of such dispute resolution program, the Attorney General shall provide for the creation of the Center and prescribe basic criteria for its operation consistent with the purposes described in subsection (b) of this section.

(b) PURPOSES.—The Center shall—

(1) serve as a national clearinghouse for the exchange of information concerning the improvement of existing and the creation of new dispute resolution mechanisms;

(2) provide technical assistance to State and local governments to improve existent and to create new mechanisms for dispute resolution;

(3) conduct research and development for the improvement of existent and creation of new dispute resolution mechanisms;

(4) undertake comprehensive surveys of the various State systems and, to the extent possible, major private dispute resolution mechanisms within the States, and each such survey shall, to the extent possible, disclose (A) the nature, number, and location of dispute resolution mechanisms within each State; (B) the annual expenditure and operating authority for each such mechanism; (C) the existence of any program for informing the potential users of the availability of each such mechanism; (D) an assessment of the present use of the projected demand for the services offered by each such mechanism; and (E) other relevant data on the types of disputes handled by each such mechanism, such as disputes between consumers and sellers. landlords and tenants, and any other relevant categories of cases;

(5) identify, after consultation with the Commission, those dispute resolution mechanisms or aspects thereof that:

(i) are consistent with the provisions of Section 4;

(ii) are most effective and fair to all parties in the resolution of disputes; and

(iii) are suitable for general replication. Consideration shall also be given to the need for the program to provide new or improved mechanisms for the resolution of all types of minor disputes. Mechanisms or aspects thereof so identified shall be certified as "national priority projects"; and

(6) make grants to, or enter into contracts with, to the extent provided in appropriation acts, public agencies. institutions of higher education, or private organizations to conduct research, demonstrations, or special projects to implement paragraphs (1) through (5).

SEC. 7. FINANCIAL ASSISTANCE.

(a) AUTHORITY.—As part of the dispute resolution program established under section 5 of this Act, the Attorney General is authorized to provide financial assistance in the form of grants to applicants who have filed, pursuant to subsection (c) of this section, applications for the purpose of improving existent or creating new dispute resolution mechanisms.

(b) DUTIES OF THE ATTORNEY GENERAL.—As soon as practicable after the date of enactment of this Act, the Attorney General shall prescribe—

(1) the form and content of the applications for assistance to be submitted as set forth in subsection (c) of this section;

(2) the time schedule for submission of applications for assistance available under this section;

(3) the procedures for approval of applications submitted under this section, and for notification to each State of all funds awarded to applicants within such State;

(4) the specific criteria for the distribution of funds received by applicants under this section, consistent with the limitations contained in section 4 and subsection (e) of this section and after consultation with the Commission;

(5) the form and content of the reports to be filed under this section as may be reasonably necessary to monitor compliance with the requirements of this Act and to evaluate the effectiveness of projects funded under this Act and the procedures to be followed by the Department of Justice in reviewing such reports;

(6) the uses to which funds received under this section may be put consistent with those set forth under subsection (d) of this section; and

(7) procedures for publishing in the Federal Register a notice and summary of approved applications.

(c) ELIGIBILITY REQUIREMENTS.—Nonprofit organizations, agencies of State governments, and units of local governments are eligible to receive assistance under this section. Any such entity desiring to receive grant funds under this section shall submit to the Attorney General an application consistent with the criteria set forth in section 4 of this Act and such specific criteria as the Attorney General may establish under paragraph (4) of subsection (b) of this section. Such application shall—

(1) set forth a proposed plan for improving or creating dispute resolution mechanisms for which financial assistance is sought;

(2) identify the person responsible for the administration of the project set forth in the application;

(3) provide for the establishment of fiscal controls and fund accounting of Federal funds paid pursuant to this Act;

(4) provide for the submission of reports in such form and containing such information as the Attorney General may require under subsection (b) of this section;

(5) (A) meet the criteria of the national priority projects program of the Center, or (B) identify the project proposed therein as not meeting the criteria of the national priority projects program and request funding as an exception thereto in such manner, on such forms, and pursuant to such specific criteria as the Attorney General may prescribe pursuant to paragraph (2) of subsection (e) of this section; and

(6) set forth the nature and extent of participation of interested parties, including consumers, in the development of the application.

(d) USE OF FUNDS.—(1) Funds available under this section may be used only for the following purposes—

(A) compensation of personnel engaged in the administration, adjudication, conciliation, or settlement of disputes, including personnel whose function it is to assist in the preparation and resolution of claims and the collection of judgments;

(B) recruiting, organizing, training, and educating personnel described in subparagraph (A) of this subsection;

(C) improvement or lease of buildings, rooms, and other facilities and equipment and lease or purchase of vehicles needed to improve the settlement of disputes;

(D) continuing monitoring and study of the mechanisms and settlement procedures employed in the resolution of disputes within a State;

(E) research and development of effective, fair, inexpensive, and expeditious mechanisms and procedures for the resolution of disputes;

(F) sponsoring programs of nonprofit organizations to accomplish any of the provisions of this subsection; and

(G) other necessary expenditures directly related to the operation of new or improved dispute resolution mechanisms.

(2) Funds available under this section may not be used for the compensation of attorneys for the representation of disputants or claimants or for attorneys otherwise providing assistance in any adversary capacity.

(e) DISTRIBUTION OF FUNDS.—(1) One-half of the funds available for the purpose of making grants under this section shall be reserved for equal distribution among the States from which applications have been received for projects which are identified as national priority projects and which are approved by the Attorney General. The sum of all grants awarded in any State under this subsection shall be (A) an amount equal to the entitlement of such State; or (B) an amount up to the entitlement of such State, if approved applications for funds under this paragraph are, in total, in an amount less than such State's entitlement. Funds available under this paragraph shall be awarded to applicants in such amounts as the Attorney General may decide.

(2) One-half of the funds available for the purpose of making grants under this section shall be reserved for the awarding of discretionary grants by the Attorney General. Such grants may be made to fund applications that were not funded under paragraph (1) of this subsection, to applications for projects that do not meet the criteria of the national priority projects program, or to research and demonstration projects or other activities that will encourage innovation in order to effectuate the purpose of this Act. The Attorney General shall, in consultation with the Commission, establish specific criteria, terms, and conditions for awarding grants under this paragraph. Such criteria, terms, and conditions shall include consideration of: (1) population and population density; (2) the financial need of States and localities in which applicants for funds available under this section are located; (3) the need in the State and locality for the type of dispute resolution mechanism proposed; and (4) the national need for experience with the type of mechanism proposed, including the need to further the goal that for all types of disputes there be dispute resolution mechanisms available.

(f) PAYMENTS TO GRANTEES.—When the Attorney General has approved an application submitted under subsection (e)(1), he shall pay to the applicant the Federal share of the estimated cost of the approved project. The Federal share of the estimated cost of projects funded pursuant to applications submitted under subsection (e)(1) shall be 100 percent for the first fiscal year in which funds are appropriated for grants under this section; 90 percent for the second fiscal year in which funds are appropriated for grants under this section; 75 percent for the third fiscal year in which funds are appropriated for grants under this section; and 60 percent for the fourth fiscal year in which funds are appropriated for grants under this section. When tne Attorney General has approved an application under subsection (e)(2), he shall pay to the applicant the amount which he in his discretion determines appropriate. The aggregate expenditure of funds of the State and political subdivisions thereof, exclusive of Federal funds, for such purposes shall be maintained at a level which does not fall below the average level of such expenditures for the last 2 fiscal years preceding the date of application for funding. Payments made pursuant to this subsection may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment, but shall not be used to compensate, directly or indirectly, for any administrative expense incurred in applying for funds under this Act.

(g) SUSPENSION OF PAYMENTS.—Whenever the Attorney General, after giving reasonable notice and opportunity for hearing to any recipient of a grant under this subsection, finds that the project for which such grant was received no longer complies with the provisions of this Act, or with the relevant application as approved by the Attorney General, the Attorney General shall notify such recipient of his findings and no further payments may be made to such recipient by the Attorney General until he is satisfied that such noncompliance has been, or promptly will be, corrected. However, the Attorney General may authorize the continuance of payments with respect to any program pursuant to this Act which is being carried out by such recipient and which is not involved in the noncompliance.

(h) No funds for assistance available under this section shall be expended until one year after the date of enactment of this Act.

SEC. 8. RECORDS, AUDIT, AND ANNUAL REPORT.

(a) GENERAL.—Each recipient of assistance under this Act shall keep such records as the Attorney General or his designee shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the project or undertaking supplied by other sources, and such other records as will assist in effective financial and performance audits. This provision shall apply to all recipients of assistance under this Act.

(b) AUDIT.—The Attorney General or his designee shall have access for purposes of audit and examination to any relevant books, documents, papers, and records of the recipients of financial assistance under this Act.

(c) COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of his duly authorized representatives, shall, until the expiration of 3 years after the final year of the receipt of any financial assistance under this Act, for the purpose of financial and performance audits and examination, have access to any relevant books, documents, papers, and records of recipients of such assistance under this Act.

(d) ANNUAL REPORT.—The Attorney General, in consultation with the Commission, shall submit to the President and Congress on or before the 365th day following the enactment of this Act, and on or before February 1 of each succeeding year, a report on the administration of this Act during the preceding fiscal year. Such report shall include but not be limited to—

(1) a list of all grants awarded;

(2) a summary of any actions undertaken in accordance with section 7 (g) of this Act;

(3) a listing of the projects designated as national priority projects for that year and the types of other dispute resolution mechanisms which are being created, and, to the extent possible, a statement as to the success of all such mechanisms in achieving the purpose of this Act;

(4) the results of financial and performance audits conducted pursuant to this section; and

(5) an evaluation of the effectiveness of the Center in implementing this Act, including a detailed analysis of the extent to which the purpose and goal of this Act have been achieved, together with any recommendation for additional legislative or other action.

SEC. 9. AUTHORIZATION FOR APPROPRIATIONS.

(a) To carry out the purposes of section 6 of this Act, there are authorized to be appropriated to the Attorney General not to exceed $3,000,000 for the fiscal year ending September 30, 1978; not to exceed $3,000,000 for the fiscal year ending September 30, 1979; not to exceed $3,000,000 for the fiscal year ending September 30, 1980; not to exceed $3,000,000 for the fiscal year ending September 30, 1981; and not to exceed $3,000,000 for the fiscal year ending September 30, 1982.

(b) To carry out the purposes of section 7 of this Act, there are authorized to be appropriated not to exceed $15,000,000 for the fiscal year ending September 30, 1979; not to exceed $15,000,000 for the fiscal year ending September 30, 1980; not to exceed $15,000,000 for the fiscal year ending September 30, 1981; and not to exceed $15,000,000 for the fiscal year ending September 30, 1982. Such sums shall remain available until expended.

SEC. 10. THE FEDERAL TRADE COMMISSION.

The Federal Trade Commission shall hire and assign applicants for employment and shall promote, train, discipline, demote and dismiss employees on the basis of individual merit, without regard to race, color, sex, religion, or national origin, and without engaging in any act or practice which has the purpose or the effect of illegal discrimination against any indiivdual because of his or her race, color, sex, religion, or national origin.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., February 2, 1978.

Hon. EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: I am gratified that agreement has been reached on an amended S. 957 that would create a Dispute Resolution Program in the Department of Justice. This program would make a significant contribution to the efforts of this Administration to improve the quality of justice in the United States.

S. 957 addresses a problem in this country that has been too long neglected. The disputes and controversies that arise between people in the course of their daily lives may not be of great individual magnitude, but collectively they are very important. At the same time, they are matters of State and local jurisdiction and, therefore, matters of State and local responsibility. There are, however, two appropriate and important roles that the federal government should play, which this bill is intended to fulfill. One is to gather together from all of the States information on minor dispute resolution processes, to make that information available to each State, and to conduct research and demonstration projects. These functions are clearly beyond the capacities of the individual States and, therefore, appropriate for the federal government. The bill creates a Dispute Resolution Resource Center that would fulfill this role.

In addition, because this area has been identified as one of pressing national importance, it is fitting for the federal government to provide seed money funds to spur the implementation of new and improved dispute resolution mechanisms by States and localities whose limited budgets make such innovative projects difficult to initiate. That is what the Dispute Resolution Act makes possible through a seed money grant program.

I note that it has been agreed that the bill will be amended to delete the role of State Administrator. This alteration will eliminate substantial expense at the State level that is unnecessary for a program of such relatively modest dimensions.

The Department of Justice has been developing proposals for improving our entire justice system. In addition to improving the quality of justice in the federal sphere, we are endeavoring to provide leadership in improving the state of justice in the nation as a whole. This bill represents an important step in the achievement of that goal. We will be coming forth with other such measures in the near future. For example, the Department is presently involved in a restructuring

of the overall approach to federal assistance to the States for justice purposes. The design of assistance programs proposed for other areas may vary from the design of the grant program in S. 957. We believe, however, that S. 957 embodies the right response to the problem it addresses. Moreover, we are confident that it can be effectively integrated into any larger reorganization of federal justice research and programs of assistance to the States.

I look forward to early Congressional action on this legislation.

Sincerely,

GRIFFIN B. BELL,
Attorney General.

AMERICAN BAR ASSOCIATION,
Chicago, Ill., March 7, 1978.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: I understand that the Senate will soon consider the Dispute Resolution Act, your amendment to S. 957, the proposed Consumer Controversies Resolution Act. I would like to convey the strong support of the American Bar Association for enactment of this legislation, as proposed to be amended.

Subsequent to the hearings on this legislation conducted by Senator Ford, the bill's chief sponsor and Chairman of the Subcommittee on the Consumer of the Committee on Commerce, Science and Transportation, the Board of Governors of the American Bar Association last June approved the following resolution:

"*Resolved*, that the American Bar Association supports in principle, the enactment of legislation such as the Consumer Controversies Resolution Act (S. 957 and H.R. 2482, 95th Congress), or legislation of similar purport, which would provide federal financial assistance to the states for the improvement of existing mechanisms, and the experimentation of new mechanisms, for the resolution of minor disputes, and which would reserve to each state the right to provide such mechanisms for the resolution of minor disputes as appear appropriate to meet the needs of its residents."

This resolution was based on the finding by the Association's Special Committee on Resolution of Minor Disputes that S. 957 could be an even more significant law if it were amended in a number of respects. Among our concerns, which appear to have been satisfied by your proposed amendment, is the need to expand the applicability of the bill to include not only consumer complaints, but also such other citizen disputes as housing controversies, juvenile delinquency problems. marital disputes and minor criminal matters.

We also agree with your conclusion, supported by the Attorney General, that the Department of Justice is the most appropriate entity to house the proposed Dispute Resolution Resource Center and to oversee the distribution of financial assistance to qualified applicants. Also, the Board of Governors specifically suggested the desirability of allowing states and other grantees the discretion to apply grant funds where they are most needed, without the necessity of complying with detailed federal regulations.

The Association has long involved itself in the effort to improve generally the justice system and, specifically to suggest means by which all citizens have more ready access to establish mechanisms for the resolution of their disputes. One of our most recent efforts, upon which the above resolution is based, was our sponsorship in 1976 with the Judicial Conference of the United States and the Conference of Chief Justices, of the National Conference on the Causes of Popular Dissatisfaction With the Administration of Justice. Suggestions for reform of the justice system which emanated from this conference—including suggestions to improve the disposition of monetarily small disputes—are contained in the Report of the Pound Conference Follow-Up Task Force, a copy of which I enclose.

This report suggests the need for the kind of state experimentation and information gathering and analysis which could be accomplished by the amended version of S. 957. The attached document was prepared under the chairmanship of then-Judge Griffin Bell and outlines a number of important approaches toward improving the administration of justice. We support your efforts, and those of Senator Ford, in refining the provisions of S. 957, and encourage prompt Senate adoption of this legislation.

Sincerely,

WM. B. SPANN, Jr.,
President.

RESOLUTION OF THE CONFERENCE OF CHIEF JUSTICES

RESOLUTION 2: CITIZEN DISPUTE RESOLUTION ACT

Whereas, the Conference of Chief Justices recognizes the need for additional dispute resolution programs and resources if each citizen is to be provided a just remedy within the law for all legitimate grievances, and,

Whereas, the just resolution of many grievances can be accomplished through improved mediation and arbitration procedures; and,

Whereas, S. 957 as amended (No. 1623) would create a national resource center and provide funds to assist courts, states, localities and non-governmental organizations in developing new mechanisms for the "effective, fair, inexpensive and expeditious resolutions of dispute."

Now therefore, be it resolved that the Conference of Chief Justices endorses the principle of federally funded technical assistance and demonstration programs designed to improve dispute resolution mechanisms, but with the understanding that such federally financed programs recognize the constitutional responsibilities of the judicial branch of state government in the resolution of citizen disputes; and that federally financed programs, at the national, state and local levels, be conducted in keeping with the doctrines of separation of powers and state sovereignty.

Adopted in New Orleans on February 10, 1978.●

INTERNATIONAL DEVELOPMENT ASSISTANCE ACT OF 1978—S. 3074

AMENDMENT NO. 3065

(Ordered to be printed and to lie on the table.)

Mr. BROOKE submitted an amendment intended to be proposed by him to S. 3074, a bill to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1979, and for other purposes.

THE LOCUST PROBLEM IN AFRICA

● Mr. BROOKE. Mr. President, I am today submitting an amendment to S. 3074, the International Development Assistance Act of 1978, to provide $5 million for the specific purpose of combating the locust problem that is currently causing great suffering in Africa, especially the Horn of Africa.

There is an urgent need for concerted action. The FAO reports that 50 locust swarms are estimated to cover a total area of over 2,000 square kilometers. These swarms devastate food crops wherever they feed. Given the already existing drought conditions in the Horn, a failure to move with dispatch to destroy the locusts before they multiply further would bring thousands of additional people to the brink of disaster.

It is my hope that the Congress, after the July recess, can move rapidly to enact foreign assistance legislation so prompt attention can be given to this problem. Delay only increases the dangers that are inherent in the unique conditions in the Horn.

Mr. President, I ask unanimous consent that various articles and reports on the locust plague be inserted into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LOCUST CONTROL IN EASTERN AFRICA, JUNE 16, 1978

Ideal breeding conditions in Eastern Africa and the Arabian Peninsula have contributed to massive swarmings of locusts. In addition, the war in the Horn of Africa disrupted normal locust control activities undertaken by the Desert Locust Control Organization of Eastern Africa (DLCO–EA). According to locust control experts, the locusts have created a serious condition in Eastern Africa, but the condition has not yet reached plague proportions.

PRESENT SITUATION

According to reports received from Agency for International Development (A.I.D.) Missions and from the Food and Agriculture Organization (FAO), the locusts are under control in some areas, such as Yemen Arab Republic. In other areas, especially in the Horn of Africa where the largest concentrations of locusts have been found, spraying operations are under way to combat the large swarms, some of which cover areas of over 100 square kilometers. The FAO report indicates that the 33 locust swarms spotted in Ethiopia and the 17 swarms spotted in Somalia, together, cover a total area of over 2,000 square kilometers.

Heavy rainfall in some areas of the Horn of Africa has produced the vegetation upon which the locusts feed and has provided soil moisture necessary for the incubation of the eggs, which the locusts bury in the ground. These ideal conditions have contributed to the locust problem. To counter what locust experts term as an upsurge, insecticides are used to attack the locusts at three different stages in their development: (1) beds are treated as the locust nymphs begin to emerge; (2) hoppers, the stage before the locust can actually take flight, are sprayed; and (3) locust swarms are chemically attacked when they settle to rest or feed between flights.

Several different international organizations (including FAO and the Center for Overseas Pest Research) and national units are working to monitor and combat the insects. DLCO–EA, highly regarded by the international community, is carrying out the major international operations against the locust. Fighting in the Ogaden region between Ethiopia and Somalia interrupted or prevented early efforts by DLCO–EA to contain the locusts. If the locust problem continues unabated, USDA and FAO state that the upsurge could develop into a plague with the possibility of the locusts moving into western and northern Africa and moving east as far as Pakistan.

PRESENT COURSE OF ACTION

After receiving the initial outline of a just-completed FAO assessment of the upsurge, A.I.D. hosted, on June 15, an interagency meeting to address the problem.

While waiting for a full report from FAO and a complete review of its assessment, do-

nors, including the U.S. Government, are taking or have taken steps to provide DLCO–EA with assistance. The United Kingdom has provided two aircraft, equipped for spraying, and are in the process of giving two more. The Federal Republic of Germany is reported to have donated $400,000. These contributions will help provide DLCO–EA with much needed support since some of its equipment is old or in need of repair. DLCO–EA presently is using ground equipment and nine airplanes to carry out its operations.

The Center for Overseas Pest Research, a London-based organization working closely with DLCO–EA, has now identified an immediate need for 20,000 liters of insecticide for DLCO–EA. A.I.D.'s Office of U.S. Foreign Disaster Assistance plans to provide all 20,000 liters, valued at $125,000 (including transportation), as an initial contribution. A.I.D. will also send a locust expert from the USDA to meet with FAO and to make, if necessary, an on-site assessment of the situation. Additional assistance will be considered as more information becomes available on the priority items needed to contain the pests and to prevent a potentially devastating plague.

MEMORANDUM

JUNE 14, 1978.

To: PDC/OFDA, Mrs. Anne C. Martindell, Director.

Thru: PDC/OFDA, Mr. Christian R. Holmes, IV; PDC/OFDA, Mr. Stanley W. Guth.

From: PDC/OFDA, Robert Clary.

BACKGROUND INFORMATION

As early as April—we were informed that Desert Locust Control Organization, East Africa (DLCO–EA), was doing aerial spraying against locust infestation. They have nine aircraft and had sufficient pesticide stocks (deildrin is generally used) for a normal nine-month period. Some of their equipment, including five-ton trucks and other four-wheel drive vehicles, need replacement.

About June 8, we were informed that an FAO survey team had made an assessment in Ethiopia and that their report was being prepared which would indicate a need for approximately $3 million, probably most of it being utilized for the purchase of insecticides.

OFDA, at that time, sent an immediate message to Somalia, Ethiopia, Djibouti, Yemen, and contiguous areas, to request information concerning their analysis and advice on the situation. The response from Addis indicated that the DLCO had located some 30 major swarms in 6 of 14 administrative regions in Ethiopia. Aerial control had been used on 19 of these 30 swarms and the rest would be sprayed. Mission had the impression that everything that could be done by DLCO was being done.

Addis further recommended that the USG response to the locust situation be delayed until the FAO report was received, reviewed, and specific requests evaluated.

The situation in SANA, presently much the same; some 9 swarms had been identified and attacked.

U.N. estimates, however, indicate that approximately 5% of each of these 9 swarms had escaped and that, although rains in the area have not been heavy, there is sufficient moisture to permit additional hatching. U.N. officials estimate that extensive surveillance and control measures are necessary.

OFDA has further been informed that the FAO report has been pouched from Rome. We should be receiving it soon.

PRESENT SITUATION

While we are waiting for the FAO report, we have planned a meeting with locust experts from the USDA and other agencies. In addition to OFDA, the meeting will include AID and State Desk officers. This meeting is scheduled for tomorrow morning, June 15, at 10:00 A.M., in the OFDA Operations Center. It is our intent to focus upon the direction and possible magnitude of USG contribution toward this area emergency.

OFDA is presently making inquiries with regard to availability and costs of pesticides.

Attached for your information is an article concerned with the locust, the area involved, and where they come from. It will provide you with some information concerning the problem, its cause and effect.

LOCUSTS: "TEETH OF THE WIND"

(By Robert A. M. Conley)

The first stirring was a mile away from Khalil's patch of bulrush millet when he noticed it. *"Sirb!"* he called to me in Arabic. "A swarm . . . among the dunes!"

Through the glassy waves of heat rising off the Sudanese desert, I could see what he meant. A hint of grayness slid along the sand, vague as a touch of smoke. Then, as we watched, it gathered into a wisp and began to spill over the dune slopes. Once it reached the stubble of scrub growth below, the wisp quickened and spread in the wind until it became a cloud of locusts three miles wide that swept straight toward us.

"Yella!" Khalil shouted. "Let's go!"

We sprinted across to his dried-mud house, picked up fistfuls of reeds from a sheaf of roof thatching, and ducked back into the millet plants.

"My father knew these invaders before me," he said. "He called them the 'teeth of the wind.'" And with that, the cloud swirled into us. Flying locusts the size of index fingers bounced off my face, tangled in my hair, and grabbed at my shirt with twitchy legs. Wherever I turned, the swarm glinted in the sun in crystalline flecks that shifted and slid from brown to gold to pink like tumbling bits of mica.

"Bandits! Beggars!" I heard Khalil cry in the fluttering confusion. I yelled too, but my voice was lost in the rush of wings.

We fought for an hour to save his crop—a dozen or so wobbly furrows scratched in the bush—about 10 miles west of Khartoum, Sudan's capital. We slashed at the intruders with the reeds; we found two castaway cans and banged sticks against them; we ran up and down the rows throwing stones; and in the end, in the 110° heat, we knew we had lost.

SECRET OF THE LOCUSTS

Where do they all come from? The centuries-old question posed by a locust swarm was answered in 1921 by Sir Boris Uvarov. He discovered that one of the familiar green grasshoppers of the African and Asian bush is really the ravenous locust in another guise. When repeated rains dampen the desert sands, thousands of eggs hatch. The hoppers constantly touch one another, triggering a change of behavior and color; they seek each other's company and turn yellow, black, and red.

In the Anti-Locust Research Centre in London, founded by Sir Boris, an experiment offers proof. A fan keeps tiny threads swirling inside a jar. As the threads brush a grasshopper, simulating the touch of its kin, it slowly changes color.

A laboratory encounter between examples of the two guises shows the differences in coloring. Sir Boris, knighted in 1961 for his research, is completing volume two of his monumental *Grasshoppers and Locusts.*●

DEPARTMENT OF EDUCATION—S. 991

AMENDMENT NO. 3066

(Ordered to be printed and referred to the Committee on Governmental Affairs.)

Mr. CRANSTON (for himself, Mr. BROOKE, Mr. WILLIAMS, Mr. JAVITS, Mr. NELSON, Mr. PELL, Mr. RIEGLE, Mr. RANDOLPH, Mr. KENNEDY, Mr. CHAFEE, Mr. HATCH, Mr. GLENN, Mr. CASE, Mr. DOLE, Mr. LEAHY, Mr. ROTH, Mr. ABOUREZK, Mr. BAYH, Mr. DURKIN, Mr. DOMENICI, Mr. FORD, Mr. MCGOVERN, Mr. SARBANES, Mr. SCHMITT, Mr. THURMOND, Mr. TOWER, and Mr. WALLOP) submitted an amendment intended to be proposed by them, jointly, to S. 991, a bill to establish a Department of Education.

KEEPING HEAD START IN HEW

● Mr. CRANSTON. Mr. President, I am submitting for printing an amendment to S. 991, which proposes the establishment of a Department of Education. This amendment would delete the Head Start program from the programs to be transferred to the new department.

Mr. President, I am submitting this amendment on behalf of myself and the Senator from Massachusetts (Mr. BROOKE), as well as 25 other Senators, including the Senator from New Jersey (Mr. WILLIAMS), chairman of the Committee on Human Resources, the Senator from New York (Mr. JAVITS), the ranking minority member of the Committee on Human Resources and a leader on the Committee on Governmental Affairs, the Senator from Wisconsin (Mr. NELSON), chairman of the Subcommittee on Employment, Poverty and Migratory Labor of the Human Resources Committee, the Senator from Rhode Island (Mr. PELL), chairman of the Subcommittee on Education, Arts, and Humanities of the Human Resources Committee, the Senator from Michigan (Mr. RIEGLE), the ranking majority member of the Subcommittee on Child and Human Development of the Human Resources Committee, which I am privileged to chair, as well as other members of the Human Resources Committee, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Rhode Island (Mr. CHAFEE), and the Senator from Utah (Mr. HATCH). Also cosponsoring this amendment are the Senator from Ohio (Mr. GLENN), the Senator from New Jersey (Mr. CASE), the Senator from Kansas (Mr. DOLE), the Senator from Vermont (Mr. LEAHY), the Senator from Delaware (Mr. ROTH), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Indiana (Mr. BAYH), the Senator from New Hampshire (Mr. DURKIN), the Senator from New Mexico (Mr. DOMENICI), the Senator from Kentucky (Mr. FORD), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maryland (Mr. SARBANES), the Senator from New Mexico (Mr. SCHMITT), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the Senator from Wyoming (Mr. WALLOP).

Mr. President, as chairman of the Child and Human Development Subcommittee of the Human Resources Committee and as the ranking majority member of the Employment, Poverty, and Migratory Labor Subcommittee, I have been deeply involved in legislation affecting the Head Start program since

I first came to the Senate. Last year I introduced S. 2081, legislation to extend the authorization of appropriations for Head Start. Most of the provisions of S. 2081 were incorporated into S. 2090, which was reported to the full Senate by the Human Resources Committee on May 15 and is now awaiting action by the full Senate.

Mr. President, I consider the Head Start program to be one of the most successful children's programs in the country. Since its inception as part of the war on poverty in the sixties, Head Start has become synonymous with innovative early childhood programs. Head Start, founded upon the notion that parents must be the primary influence upon young children, builds upon the role of parents as partners in providing a comprehensive range of services to disadvantaged children and their families. These services include health care, nutrition, social services, and parenting education as well as preschool educational development.

Although Head Start does make significant contributions in helping disadvantaged children acquire the self-confidence, self-esteem, and self-reliance so necessary for subsequent educational experiences, the Head Start program is not merely—or even primarily—an education program. It is a comprehensive, multiservice, family-oriented, community-based, program for disadvantaged children.

Despite the proven success of Head Start and its comprehensive service approach, over the years it has been necessary to be vigilant to preserve the integrity of the Head Start program. Several years ago I worked closely with then Senator MONDALE to prevent the assessment of fees upon the parents of children in Head Start programs. Other proposals to restrict Head Start programs have had to be beaten back.

Mr. President, I believe that the pending proposal to transfer Head Start to the proposed Department of Education poses as grave a threat to the program as any in the past. My opposition to the transfer of Head Start is outlined in a letter I sent to the chairman of the Governmental Affairs Committee on April 28. I ask unanimous consent that the text of this letter be printed in the RECORD at the conclusion of my remarks, along with the text of the cosponsorship letter for this amendment which was sent to all Senators on June 9.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, those advocating the transfer of the Head Start program have suggested that the successful components of Head Start can have a beneficial effect upon other education programs in the Department of Education and that various protections can be provided to insure that the Head Start program's comprehensiveness and parental involvement will not be threatened. I believe that the risk posed to the Head Start program from such a transfer is too great a risk to take unnecessarily. Indeed, I have yet to see or hear of a single argument that such a transfer would benefit the Head Start program—only that protections could be developed within the new Department to insure that the success of Head Start is not undermined by the proposed transfer.

Mr. President, Head Start is currently operated successfully in the Administration for Children, Youth, and Families within the Office of Human Development Services in HEW. Other important children's programs, such as child abuse, runaway youth programs, and the child welfare program under title IV–B of the Social Security Act are also administered through the Administration for Children, Youth, and Families.

Mr. President, the amendment which we are submitting would delete both the provisions in S. 991 which specifically transfer the Head Start program into the new Department of Education and the authority to make such a transfer administratively. I believe it is important that Congress retain its direct authority for making by law or disapproving if proposed by reorganization plan any transfer of this nature, and have drafted this amendment to insure that Congress does retain this power.

Mr. President, I think the number of cosponsors of this amendment amply demonstrates the deep concern that Members of the Senate have concerning this issue. I am pleased to say that Senator JAVITS and Senator GLENN will be offering this amendment when the Governmental Affairs Committee meets to consider S. 991. I sincerely hope that the administration, which has sought to include Head Start among the programs to be transferred into the proposed Department of Education, will reconsider its position in light of the very considerable opposition to this proposal. In this connection, Mr. President, I ask unanimous consent that a recent editorial in the New York Times opposing the transfer of Head Start be printed in the RECORD at the conclusion of my remarks after the two letters.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. CRANSTON. In closing, however, let me express again my own personal support for the proposed Department of Education. I was an original cosponsor of S. 991—although I expressed at that time my reservations over the inclusion of Head Start in the new department—and I continue to support the proposed department. Head Start is simply not one of the programs that belongs there.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD at this point followed by the other inserts.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

EXHIBIT 1

WASHINGTON, D.C.,
April 28, 1978.

HON. ABRAHAM RIBICOFF,
Chairman, Committee on Governmental Affairs,
U.S. Senate,
Washington, D.C.

DEAR ABE: For many years I have been an active supporter of the Head Start program. I believe that it has proven to be one of the true success stories of the antipoverty programs of the 1960's, providing a multitude of services to poor children and their families, including health, nutrition, and social services, as well as providing a significant early childhood educational experience. The success of Head Start, however, rests primarily upon its strong commitment to parental and community involvement as an essential component of each project.

As you know, I am also a co-sponsor of your proposal to establish a Department of Education to address the important and critical educational needs of this Nation. Although I share your view that establishment of a Department of Education is vital, I must express my own very strong view that Head Start should remain in its present location within the Administration for Children, Youth, and Families in the Office of Human Development Services at H.E.W., rather than being included in a new Department of Education.

Although the Head Start programs make a critical contribution to preparing disadvantaged children for entrance into the educational system, it would be a grave mistake to view Head Start as simply a preschool educational program. Many of the major accomplishments of the Head Start program lie in areas other than educational development. For example, in the area of health, during a recent Head Start year, 270,000—or 90 percent—of the children enrolled received their immunizations for DPT, polio, measles, and rubella through Head Start. Another 90,000 children, or thirty percent of the enrolled children, were found to require some type of medical treatment which they received through the Head Start program. In the area of nutrition, Head Start programs not only provide one-half to two-thirds of a participating child's daily nutritional needs, but also provide consumer education and guidance to families of Head Start children in the selection and preparation of foods to meet family needs.

The educational components of the Head Start program, while providing initial educational experiences to Head Start children, are designed primarily to help these children develop socially and emotionally, as well as intellectually, in a supportive environment. The program emphasizes the development in each child of the self-reliance, self-esteem, and self-confidence so vital for later educational achievements. This approach to educational development, not often followed by primary schools, is a critical part of the philosophy underlying Head Start.

Perhaps the most significant difference between the Head Start approach and the traditional educational approach is the involvement of parents in all aspects of the child's development and in all phases of the Head Start program—including program planning and administration. The Head Start program is founded upon the notion that parents are and should be the principal influence on the development of their children. Head Start programs also provide for parents a multitude of activities specifically designed to enhance their own growth and development as parents. These activities include consumer education classes, home management courses, and family counseling activities.

It is because of this multiple service, family-centered approach in the Head Start program and my strong belief that early childhood development programs must make parental involvement the central component that I feel Head Start should remain in an administrative setting which emphasizes the needs of families in their entirety, rather than focusing primarily upon the educational components of the program.

Since becoming Chairman of the Child and Human Development Subcommittee of the Human Resources Committee of this Congress, I have become even more keenly aware of the need to insure that early childhood education programs retain the elements that

distinguish them from traditional educational programs. I believe that the underlying strength of Head Start—a delivery system based upon the involvement of parents and local communities in providing comprehensive services to poor children and their families—would be severely jeopardized in a setting which emphasized the educational components of Head Start over the other aspects of the program. Unfortunately, placement of the program in a Department of Education—no matter what assurances might be made to retain the comprehensive nature of services and parental involvement—would denote such an emphasis rather than retention of the truly comprehensive nature of Head Start.

For these reasons, I strongly oppose inclusion of Head Start (specifically in the legislation or by providing authority to transfer it through a reorganization plan) as part of a new Department of Education, and urge acceptance of this view by your Committee.

With best personal regards,

Cordially,

ALAN CRANSTON,
Chairman, Subcommittee on Child and Human Development.

WASHINGTON, D.C.,
June 9, 1978.

DEAR COLLEAGUE: As many of you know, a great deal of controversy has arisen over the proposal to transfer the Head Start program from its present location in the Administration for Children, Youth, and Families in the Office of Human Development Services at H.E.W. to the proposed new Department of Education to be established by S. 991. The Governmental Affairs Committee plans to begin markup on S. 991 later this month.

We strongly feel that such a transfer is inappropriate and poses a serious threat to one of the most successful programs for disadvantaged children. Although Head Start programs make critical contributions to preparing disadvantaged children for entrance into the educational system, it is a grave mistake to view Head Start as an educational program—or even primarily an educational program. Many of the major accomplishments of the Head Start program lie in areas other than educational development, such as health, nutrition, and community involvement. Head Start programs also help disadvantaged children develop socially and emotionally to achieve self-reliance, self-esteem, and self-confidence.

But perhaps most important to the success of Head Start is its multi-service, family-centered approach. The Head Start program is founded upon the notion that parents are and should be the principal influence upon the development of young children. Parents are actively involved in all phases of the Head Start program—including program planning and administration. This extent of parental involvement and direction has not generally been part of traditional educational programs.

Some advocates of the transfer of Head Start suggest that the strengths of Head Start—parental involvement and comprehensive services—could have a beneficial influence upon other programs within the Department of Education. Be that as it may, we believe that the risk is too great that transferring Head Start into a Department of Education may destroy or weaken the critical non-educational elements of the Head Start program.

Accordingly, we intend to submit on June 19 an amendment to S. 991 deleting both the provision transferring the Head Start Program as a matter of law and the authority for any such transfer to be made administratively by the President. Senator Javits and Senator Glenn will be offering this amendment in the Governmental Affairs Committee markup.

We hope you will join in co-sponsoring this amendment. If you have any questions or wish to co-sponsor, please have your staff contact Susanne Martinez (49181) or Jon Wasawicz (48519). Please let us know by June 15 if you wish to cosponsor.

Sincerely,

Alan Cranston, Edward W. Brooke, Claiborne Pell, John Glenn, Harrison A. Williams, Jr., Jacob K. Javits, Jennings Randolph, Bob Dole, Clifford P. Case, Gaylord Nelson, John H. Chafee, Donald W. Riegle, Jr., Patrick J. Leahy, and William V. Roth, Jr.

EXHIBIT 2

[From the New York Times, June 14, 1978]

INCLUDE HEAD START OUT

Congress will soon consider a plan to gather all the Federal Government's scattered education programs into a new Cabinet-level Department of Education. The idea has been pushed for years by such groups as the National Education Association, and President Carter has fulfilled a campaign promise by initiating the legislation. It is a poor idea for a number of reasons, not the least of which is that it would move the Head Start program out of the Department of Health, Education and Welfare.

Head Start now serves almost 400,000 disadvantaged preschoolers of all races in cities and rural areas. Since its beginning in 1965 as part of the Great Society and antipoverty programs, it has served as a kind of laboratory, pioneering the involvement of parents in school programs, training day-care teachers, and opening programs to handicapped children.

Head Start has had its share of problems; perhaps its greatest was the early research finding that the gains made by participating children "faded out" once they entered regular schools. More recent studies, however, show that over a longer period Head Starters benefit educationally and socially; they gain in reading and mathematical skills, and develop better nutrition habits to boot.

Head Start advocates fear that if placed within the conventional setting of a Department of Education, this unique and innovative venture would be stifled. Their apprehensions are understandable. Head Start has thrived on the kind of parent and community participation that the education establishment has tended to resist. In addition, removing Head Start from H.E.W. would break its ties with the health and family service programs, a crucial part of the overall effort.

We have not liked the idea of a separate Department of Education from the outset; but if the President must have it, then let him, to paraphrase Sam Goldwyn, include Head Start out.

EXHIBIT 3

On page 7, strike out lines 8 through 11, and on pages 7, 8, and 9, redesignate clauses (3), (4), (5), (6), (7), (8), (9), (10), (11), and (12) of section 7(a) as clauses (2), (3), (4), (5), (6), (7), (8), (9), (10), and (11), respectively.

On page 9, strike out lines 17 through 25, and lines 1 through 4 on page 10. Redesignate sections 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21 as sections 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20, respectively.●

VETERANS COMPENSATION PROGRAM—S. 2828

AMENDMENT NO. 3067

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. CRANSTON (for himself, Mr. TALMADGE, Mr. STONE, Mr. DURKIN, and Mr. MATSUNAGA) submitted an amendment intended to be proposed by them, jointly, to S. 2828, a bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their surviving spouses and children, and for other purposes.

VA SERVICE-CONNECTED COMPENSATION PROGRAMS

● Mr. CRANSTON. Mr. President, with the cosponsorship of the Senator from Georgia (Mr. TALMADGE), the chairman of our Veterans' Affairs Subcommittee on Compensation and Pension, and the Senator from Florida (Mr. STONE), the Senator from New Hampshire (Mr. DURKIN), and the Senator from Hawaii (Mr. MATSUNAGA), I am submitting for printing and appropriate reference Amendment No. 3067, proposing amendments to S. 2828, an administration-requested bill which the Senator from Georgia (Mr. TALMADGE) introduced by request on April 5, 1978, to amend title 38 of the United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their surviving spouses and children; and for other purposes.

The administration bill, Amendment No. 3067, and other legislation relating to the VA compensation and dependency and indemnity compensation—DIC—programs are scheduled for hearings on June 30, 1978, before the Subcommittee on Compensation and Pension.

S. 2828 as introduced would provide a 5.8-percent increase in the rates of disability compensation and DIC. The administration bill also would provide for a "housebound" rate for surviving spouses receiving DIC who are disabled, not to the extent of requiring regular aid and attendance, but so as to be substantially confined to their homes. Three provisions intended to correct problems which have arisen in the administration of the compensation and DIC programs are also included in the bill as introduced.

COST-OF-LIVING INCREASE

Mr. President, before turning to a discussion of the provisions of Amendment No. 3067, I would like to assure all those concerned that, before reporting any legislation pertaining to cost-of-living increases in the compensation and DIC programs, the committee intends to examine very carefully the proposed rate increase of 5.8 percent in the light of Congressional Budget Office (CBO) economic projections in July. Thus, no inference should be drawn from the fact that the amendment does not address the cost-of-living-increase issue. Based on February projections, CBO is currently projecting a 6.1-percent rise in the Consumer Price Index for the period from October 1, 1977, when the last rate increase became effective, to October 1, 1978, the effective date of S. 2828, and the Consumer Price Index has already risen 3.7 percent from October to April, with recent increases from month to month higher than anticipated.

Mr. President, I ask unanimous consent that a summary of the provisions of Amendment No. 3067 be inserted in the RECORD at this point.

The summary follows:

SUMMARY OF PROVISIONS OF AMENDMENT NO. 3067

Amendment No. 3067 would:

(1) Provide an increase for service-connected disabled veterans rated 50-percent disabled or more in the additional allowances for spouses and children, as follows:

	Monthly
Veterans rated 100 percent with a spouse or child	$87
Each child or each additional child	55

Veteran rated 50-percent to 90-percent disabled would receive dependents' allowances at the following proportionate rates:

Rating	One dependent (spouse or child)	Each additional dependent (child)
50 percent	$43.50	$27.50
60 percent	52.20	33.00
70 percent	60.90	38.50
80 percent	69.60	44.00
90 percent	78.30	49.50

(2) Provide that a 100-percent service-connected disabled veteran who has suffered the loss or loss of use, or a combination of loss or loss of use, of both hands and one foot or both feet and one hand shall be compensated at the next higher rate or intermediate rate, not to exceed $1,388.

(3) Provide that veterans entitled to the aid-and-attendance allowance under section 314(r) of title 38, United States Code, who are in need of special aid and attendance shall receive, in lieu of the regular aid-and-attendance allowance, $900 per month for such purpose (in addition to other compensation) if the Administrator finds that, in the absence of care being provided by another person, the veteran would require hospital or nursing home care.

(4) Provide that, in the case of a veteran who has suffered the service-connected loss or loss of use of one paired extremity, entitling the veteran to a rating of 40 percent or more, and who has also suffered the non-service-connected loss or loss of use of the other paired extremity, which if service-connected would, alone, be rated as a 40-percent disability shall be entitled to compensation based on a rating increased by the same amount that the rating would be increased by virtue of bilateral impairment if both disabilities were service-connected.

(5) Provide an increase in the additional monthly allowance for children payable to the surviving spouse receiving DIC, as follows:

One child	$87
Each additional child	55

(6) Provide for entitlement under chapter 13, title 38, United States Code (the DIC chapter), for the survivors of veterans who were rated 100-percent service-connected disabled at the time of death when it cannot be determined that the veteran had died of service-connected causes, as follows:

(a) at the full rate to the survivor of a veteran who had been continuously rated 100-percent service-connected disabled for 20 or more years (the point at which the 100-percent rating becomes protected and cannot be reduced);

(b) at the full rate to the survivor of a veteran who had been rated 100-percent service-connected disabled for 10 or more years continuously since the date of discharge (after a continuous 10-year period, service-connected status becomes protected);

(c) as follows to the surviving spouses of all other veterans who were rated 100-percent service-connected disabled at the time of death: The benefits payable under this category (c) would be determined on the basis of either of the following alternatives, between which the surviving spouse could elect: (1) payment of the full rate for a period of time equal to the number of months during which the veteran was receiving compensation at the 100-percent-disabled rate, or (2) monthly payments for life based on the amount payable under (1) spread out over the actuarially expected life of the survivor—the annual amount being calculated each year by multiplying the applicable rate (including cost-of-living increases) by a number derived by dividing the number of months the veteran was rated at 100 percent by the estimated number of months of remaining life expectancy of the surviving spouse at the time of the veteran's death; (for example, if the veteran was rated at 100 percent for 9 years and the remaining life expectancy of the surviving spouse is 18 years, the surviving spouse could elect to receive benefits (1) at the full DIC rate for 9 years or (2) at the 50-percent rate (9÷18=50 percent) for as long as he or she lives); and

(d) as follows to the surviving children of the same category of veterans as described at (c): The benefits payable under category (d) generally would be determined by multiplying the applicable rate by a number derived by dividing the number of months the veteran was receiving compensation at the 100-percent rate by the number of months remaining before the child attains age 21 (for example, if the veterans were rated at 100 percent for 6 years and the child is age 13 when the veteran dies, the child would receive benefits at 75 percent of the DIC rate (6÷8=75 percent)). Such a child would receive benefits until the child reaches age 18 (or age 23, if attending school). However, in the case of a helpless child (one who becomes permanently incapable of self-support before reaching age 18), the benefits would be paid at the full DIC rate as long as the child remains helpless.

This provision includes a limitation so that in no case would benefits be greater than the benefits payable to survivors receiving DIC for a veteran's death determined to be service-connected.

(7) Provide for an increase in the rate of special pension payable to recipients of the Congressional Medal of Honor, from $100 per month to $200 per month.

(8) Provide for a cost-of-living increase in the automobile assistance allowance for certain severely-disabled service-connected veterans, from $3,300 to $4,100.

INCREASE IN DEPENDENT'S ALLOWANCES

Mr. CRANSTON. Mr. President, under current law, veterans with service-connected disabilities rated from 50 to 100 percent receive additional compensation for each dependent. The amounts payable to those rated 100-percent disabled are prorated accordingly for veterans who are rated at 50- to 90-percent disabled.

In preparing the committee pension-reform measure, S. 2384, for introduction, the committee reviewed the dependents' allowances payable to veterans and survivors in each of the four major title 38 programs providing for such allowances: GI bill educational assistance, service-connected disability compensation, DIC, and need-based pension. The schedule of benefits and the amounts payable differ substantially in each program. For example, a married veteran attending school full time under the GI bill receives an additional $59 per month for his or her spouse and an additional $52 per month for one child, plus $26 for each additional child. A 100-percent service-connected disabled veteran who is married receives disability compensation of $46 per month for his or her spouse and $31 per month for one child, plus $21 for a second child, and $22 per month for each additional child. A surviving spouse receiving DIC receives $33 per month for each dependent child. The additional pension payable to a married, needy veteran with a non-service-connected disability cannot exceed $15 per month for a spouse plus $5 per month for each dependent child up to a maximum of two.

Mr. President, one of the major provisions of S. 2384, the committee pension reform measure, would establish a system of increased payments for the support of dependents more realistically in line with the actual costs of support than the allowances provided under current law in any of these programs. Thus, S. 2384 as ordered reported by the Veterans' Affairs Committee would provide for an increase in the basic income standard of $87 per month if the veteran is married, with $55 per month added for each dependent child. The income standards applicable to surviving spouses would be similarly increased if there are dependent children. In H.R. 10173, the pension-reform bill reported by the House Committee on Veterans' Affairs on May 31, 1978, those additional amounts are $100 and $50 per month, respectively.

The purposes of the four major programs mentioned above differ, of course, but in each program the dependents' allowance is intended to defray the costs of supporting the veteran's or survivor's dependents. In the cases of service-connected disabled veterans and surviving spouses receiving DIC, eliminating the disparities between the compensation and pension programs by increasing the dependents' allowances payable to 100-percent service-connected disabled veterans and DIC beneficiaries to the levels provided in S. 2384 is clearly warranted, as are proportionate increases to those rated 50- to 90-percent disabled.

Thus, Amendment No. 3067 contains a provision increasing the dependents' allowance for totally disabled veterans to $87 per month if the veteran has a spouse, with $55 per month for each child. If the veteran does not have a spouse, the dependents' allowance would be $87 per month for the first child and $55 per month for each additional child. As under current law, those amounts would be prorated for veterans rated 50- to 90-percent disabled. Amendment No. 3067 also provides for a substantially increased dependents' allowance for surviving spouses receiving DIC who have children—from $33 per month for each child to $87 per month if there is one child, plus $55 per month for each additional child.

INCREASE IN COMPENSATION FOR SERVICE-CONNECTED LOSS OR LOSS OF USE OF THREE EXTREMITIES

Mr. President, under current law, service-connected disabled veterans rated at 100 percent may be entitled to additional compensation for certain permanent, severe disabilities, such as unrestorable

blindness and paraplegia, and combinations of disabilities, as specified in the applicable sections of chapter 11 of title 38, United States Code. For example, a veteran who has suffered the service-connected loss of use of both feet is compensated at the "l" rate—subsection (l) of section 314 of title 38. A veteran who has suffered the service-connected loss of both lower extremities at a level preventing natural knee action with prosthesis in place is compensated at the "m" rate—subsection (m) of section 314. A veteran who has lost both lower extremities so near the hip as to prevent the use of a prosthetic appliance is compensated at the "n" rate—subsection (n) of section 314. A veteran whose disabilities are such that he or she would be entitled to two or more of the rates under (l) through (n) is compensated at the "o" rate—subsection (o) of section 314—which is the maximum rate, currently $1,312 per month.

Subsection (p) provides that the next higher rate or an intermediate rate—established by regulation—may be allowed if the disabilities exceed those specified in subsection (l), (m), or (n). The veteran may also be entitled to a "k" award—subsection (k) of section 314—for certain specific disabilities.

Any veteran compensated at the "o" rate, or paid at the maximum rate authorized under subsection (p) of section 314, and who is in need of regular aid and attendance, may be entitled to an additional $563 per month, under subsection (r) of section 314.

However, no specific recognition is granted in these provisions to veterans who have suffered the cumulative devastations of a triple amputation, loss of use of three extremities, or any combination of amputation or loss of use of three extremities. Depending on the severity of the disability involved, these veterans are compensated at the following rates:

	Monthly
"l ½" (intermediate rate)	$985
If rated "l ½" (intermediate rate) + "k"	1,041
If rated "m" + "k"	1,088
If rated "m ½" (intermediate rate) + "k"	1,158
If rated "n" + "k"	1,228

Mr. President, a comparison of the rates payable to veterans who have incurred a double amputation or loss of use of two extremities, and who have incurred a triple amputation or loss of use of three extremities, indicates that the level of compensation payable to those in the latter group is, on the average, only about 9 percent higher than that payable to veterans in the former group. This differential is insufficient, in our view, to compensate these veterans adequately for their loss of three extremities. Thus, Amendment No. 3067 would increase the rate of compensation payable—to the next higher rate or intermediate rate—to these veterans, in order to insure that they are adequately compensated for the cumulative devastations attributable to their disabilities. This provision would insure that veterans in this group who require regular aid and attendance are, in appropriate cases, entitled to the highest aid and attendance rate under subsection (r) of section 314. About 727 veterans would be eligible for the new rate.

INCREASED AID-AND-ATTENDANCE ALLOWANCE FOR CERTAIN 100-PERCENT SERVICE-CONNECTED DISABLED VETERANS

Mr. President, under current law, a veteran compensated at the "o" rate or the maximum "p" rate may be eligible for additional compensation of $563 per month if he or she is in need of "regular aid and attendance". These "o" and "p" rates provide increased compensation to 100-percent service-connected disabled veterans with certain very severe multiple disabilities, such as those who are both blind and deaf and those who are paralyzed and blind, and those who are quadriplegic. H.R. 11891, as reported on May 31, 1978, by the House Veterans' Affairs Committee, would provide for an increased aid-and-attendance allowance of $900 per month—$10,800 per year—for veterans who are compensated at the "o" and maximum "p" rates and who require "constant" aid and attendance. There are two justifications for that proposal. First, the current amount of $563 per month—$6,756 per annum—is insufficient to pay for adequate aid-and-attendance-type care in some cases. Second, a higher rate would assist some veterans who cannot survive away from the hospital without full-time, 24-hour care at home. Approximately 3,000 veterans would be eligible for the increased rate.

Mr. President, I believe that it is justifiable to provide an increased allowance to permit some veterans who cannot survive without care to live away from the hospital or nursing home. However, I also think that the increase should be limited to those veterans who are in actual need of such special aid and attendance. Thus, under this provision, Amendment No. 3067, a veteran requiring special aid and attendance would receive $900 per month for this purpose in addition to his or her compensation. The special aid-and-attendance allowance, however, is limited to those situations in which, in the absence of such care by another person—usually a relative or a person employed for that purpose—the veteran would require hospital or nursing-home care, or care in some other inpatient residential setting, such as a personal-care home.

VETERANS WITH PARTLY NON-SERVICE-CONNECTED IMPAIRMENTS OF IMPAIRED EXTREMITIES

Mr. President, under current law, three groups of veterans with bilateral disabilities are paid at the 100-percent rate even though part of the disability is non-service-connected. In each of these three groups, the veteran has sustained a service-connected loss and a non-service-connected loss. The three categories are as follows:

First, service-connected blindness of one eye and non-service-connected blindness of the other eye;

Second, service-connected total deafness in one ear and non-service-connected total deafness in the other ear; and

Third, service-connected loss or loss of use of one kidney and non-service-connected severe involvement of the other kidney resulting in total disability.

The thread tying those three categories together is total impairment of an irreplaceable or unrestorable function—vision, hearing, and kidney function. The effect is to compensate those veterans as if the entire bilateral organic impairment were service-connected. The VA interprets this provision, found in section 360 of title 38, United States Code, as making those veterans eligible for other benefits available to 100-percent service-connected disabled veterans, for example, dependents' allowances at the maximum rate and increased compensation under section 315 (k) through (p), where applicable.

Mr. President, on May 23, 1977, the House passed H.R. 6501, a bill to extend the bilateral-impairment principle of section 360 to veterans with so-called paired extremity losses—that is the service-connected loss, or loss of use, of one extremity—such as an arm or a leg or a hand or a foot or part of an arm or leg or of a hand or a foot—and the loss, or loss of use, of the second paired extremity from non-service-connected causes, the combination of which renders the veteran totally disabled. A counterpart bill, S. 379, was introduced by my good friend and colleague, the Senator from New Jersey (Mr. WILLIAMS). Those measures are pending before the committee and are scheduled to be considered at the subcommittee hearing on June 30, 1978.

Mr. President, the arguments in favor of these bills are twofold. First, the extension of the principle of bilateral impairment to these severely disabled veterans would be a reasonable extension of the concept in section 360, title 38. Second, a bilateral impairment—both arms or both legs—is intrinsically more disabling than other combinations of service-connected and non-service-connected disabilities so that this legislation would not establish an unwise precedent; without the service-connected loss of one paired extremity, the veteran who loses the other paired extremity would not be bilaterally totally disabled, and it is thus the responsibility of the Federal Government to compensate the veteran as if the entire disability were in fact service-connected.

However, the administration has strongly opposed this legislation for three reasons. First, in almost all cases, the loss of an extremity can be partially restored by prosthetic devices; and in this way, extremity losses generally differ from the loss of vision, hearing, or kidney function, which are unrestorable or irreplaceable losses. Second, the extension of the principle of bilateral impairment would dilute the concept of service connection. Third, the legislation would set an unwise and potentially costly precedent for future legislative initiatives designed to compensate veterans totally disabled through a combination of service-connected and non-service-connected causes.

Mr. President, letters we have received indicate very severe disabilities among some of the veterans who would be bene-

fited. In one instance, for example, a veteran who had suffered the amputation of one leg as the result of a combat injury was mugged and, as a result, lost the other.

The compensation currently payable to a veteran who has lost the use of one extremity ranges from $155 to $419 per month, depending on severity. The veterans to be made eligible under the House-passed bill would receive a minimum of $754 per month, the 100-percent rate, plus other compensation to which they might become entitled, as compared to the $155 to $419 per month they are receiving currently. The fact that service-connected compensation is tax-exempt and is not subject to reduction in any way because of other income available to the veteran makes these compensation rates very beneficial.

Besides the increased compensation payments—which could be, for a double-amputee, for example, as much as $1,172 per month for a single veteran and $1,270 for a married veteran with two children—there would also be granted, in some cases, eligibility for dependents and survivors' educational assistance benefits and DIC benefits for survivors.

Mr. President, clearly, in some cases, the veteran in the "paired extremity" situation may be in real need of income support at a higher level. However, there are many veterans receiving pension whose total disability is partly service-connected and who, by definition, are needy. Other veterans have suffered partly non-service-connected bilateral impairments—to organs such as lungs—or other very serious combinations of service-connected and non-service-connected impairments, such as the loss of an upper extremity and a lower extremity, amputation of fingers plus blindness, or partial deafness with paraplegia, to mention just a few. Even though such veterans may not be eligible for pension, their severe disabilities may require a higher measure of income support than their present rate of compensation provides.

The argument of the VA that such legislation would tend to erode the concept of service-connection seems persuasive to me. The service-connected compensation program is the highest priority of the VA and of this committee. Extending valuable service-connected benefits to the veterans intended to be benefited by H.R. 6501, regardless of how small the number, would be a serious inroad on the integrity of the program.

Besides eroding service-connected principles and setting a risky precedent, this proposal would create serious inequities with respect to 100-percent totally service-connected disabled veterans. Some "paired extremity" disabled veterans would become eligible for benefits for which large numbers of 100-percent service-connected disabled veterans are not under current law eligible because of the nature of their disabilities. Moreover, these benefits are not now available to seriously—but less than 100-percent—disabled veterans whose entire disability is service-connected and whose disabilities, if 100-percent rated, would render them eligible for these additive benefits. The inequity in this situation—favoring partly non-service-connected disabled veterans—weighs heavily against the House-passed bill, in my view.

Mr. President, in addition, despite the very tragic cases which have been cited, there are other mechanisms in our society intended to offset the risks of non-service-connected disabilities, such as tort law, liability insurance, social security disability, workers'—including Federal employees—compensation, private disability insurance, and the VA's need-based pension program for wartime veterans.

It should not be the task of the Federal Government to provide disability compensation to veterans for non-service-connected disabilities. If those disabilities, in and of themselves, or in combination with service-connected disabilities, are total and permanent, the new pension program that would be established under S. 2384, the proposed "Veterans' and Survivors' Pension Improvement Act", would prevent incomes of wartime veterans who are so disabled from falling below the poverty line.

Nevertheless, the argument that the bilateral loss is particularly severe in such cases does find support in the VA's regulation establishing a rating schedule for entirely service-connected "paired extremity" situations. The "bilateral factor", found in 38 CFR 4.26, provides for a higher rating for impairments of paired extremities than the combined rating for each disability would produce. It recognizes the increased disability resulting from the impairment of paired extremities and is applicable only to that particular situation.

It is the bilaterality of the disability that is the main contention of the advocates of the provisions contained in H.R. 6501 and S. 379. They argue that if it had not been for the service-connected loss of the one extremity, the veteran would not, after suffering the non-service-connected loss of the paired extremity, be bilaterally impaired. The application of the bilateral factor to these situations of mixed service-connected and non-service-connected disabilities would not, in my view, dilute the concept of service connection. It would not be a fiction, nor would it directly compensate the veteran for a non-service-connected disability. It would, however, result in an increased rating for the service-connected disability, by recognizing the risk of a severely disabling condition—bilateral impairment—to which the service-connected disability subjected the veteran and, if that risk eventuates, by providing an appropriate additional measure of compensation.

Thus, Mr. President, Amendment No. 3067 provides that a veteran who has suffered the service-connected loss or loss of use of one paired extremity, entitling the veteran to a rating of 40 percent or more, and who has also suffered a similarly severe non-service-connected loss or loss of use of the other paired extremity—which if service-connected would itself be rated at least a 40-percent disability—shall be entitled to a compensation percentage increase equal to the same amount that the rating would be increased by virtue of bilateral impairment if both disabilities were service connected.

BENEFITS FOR SURVIVING SPOUSES AND CHILDREN OF TOTALLY DISABLED SERVICE-CONNECTED DISABLED VETERANS

Mr. President, under current law, survivors of service-connected disabled veterans—including those rated 100-percent disabled—are not eligible for DIC unless the VA finds that the veteran's service-connected disability was a direct or contributory cause of death. From 12 to 25 percent of DIC claims based on deaths of 100-percent service-connected disabled veterans are denied because the veteran's death is not found to be service connected.

On May 31, 1978, the House Veterans' Affairs Committee reported H.R. 11890, which would enable such survivors, where the service connection of the death was not established, to receive DIC if the veteran's 100-percent rating had been in effect for 10 years or more, or continuously from the date of discharge, but, in the case of a surviving spouse, only if the survivor had been married to the veteran for 5 years or more immediately preceding the veteran's death. On June 8, Senator BIDEN introduced legislation similar to the House bill (S. 3187).

Another bill currently pending in the committee, S. 13, introduced by Senator INOUYE, would provide for the payment of DIC to all widows of 100-percent service-connected disabled veterans regardless of the cause of the veteran's death. If the death of the veteran was not service connected, the DIC payable would be subject to a 50-percent offset of other income available to the widow. S. 13 would extend eligibility to all those widows whose husbands died after December 31, 1956.

Also pending before the committee is S. 1929, introduced by Senator THURMOND, which would extend DIC eligibility to the survivors of blinded veterans, regardless of the cause of the veteran's death. Testimony on S. 13, S. 1929, and S. 3187 will be heard by the Subcommittee on Compensation and Pension on June 30, 1978.

Mr. President, the amendment we are submitting contains a provision which recognizes that the presence of a 100-percent service-connected disability not only may reduce normal life expectancy but also may so overwhelm a family as to prevent the normal accumulation of an estate sufficient to provide for the survivors. This legislation would provide for entitlement to benefits under the DIC chapter as follows:

First. At the full DIC rate to the surviving spouse or child of a veteran who

had been continuously rated 100-percent service-connected disabled for 20 or more years—the point at which the 100-percent rating becomes protected and cannot be reduced—when it could not be determined that the veteran had died of service-connected causes.

Second. At the full DIC rate to the surviving spouse or child of a veteran who, when it could not be determined that the veteran had died of service-connected causes and the veteran had been rated 100-percent service-connected disabled for 10 or more years continuously since the date of discharge—after a continuous 10-year period, service-connected status is acquired for the life of the veteran.

Third. As follows to the surviving spouses of all other veterans when it could not be determined that the veteran had died of service-connected causes and the veteran had been rated 100-percent service-connected disabled. The benefits payable under this category would be determined on the basis of either of the following alternatives, between which the surviving spouse could elect: First, payment of the full DIC rate for a period of time equal to the number of months during which the veteran was receiving compensation at the 100-percent-disabled rate; or second, monthly payments for life, based on the amount payable under the first alternative, but spread out over the actuarially expected life of the survivor—the annual amount being calculated each year by multiplying the applicable DIC annual rate by the number derived by dividing the number of months the veteran was rated at 100-percent disabled divided by the estimated number of months of remaining life expectancy of the surviving spouse at the time of the veteran's death. For example, if the veteran was rated at 100 percent for 9 years and the remaining life expectancy of the surviving spouse is 18 years, the surviving spouse could elect to receive benefits: First, at the full DIC rate for 9 years; or second, at 50 percent of the DIC rate for as long as he or she lives,

Fourth: As follows to the surviving children of the same category of veterans as described under the third category. The benefits payable under this last category generally would be determined by multiplying the applicable annual DIC rate by the number derived by dividing the number of months the veteran was receiving compensation at the 100-percent rate by the number of months remaining before the child attains age 21. For example, if the veteran was rated at 100 percent for 6 years and the child is age 13 when the veteran dies, the child would receive benefits at 75 percent of the DIC rate. Such a child would receive benefits until the child reaches age 18, or age 23, if attending school. However, in the case of a helpless child, one who becomes permanently incapable of self-support before reaching age 18, the benefits would be paid at the full DIC rate as long as the child remains helpless.

This provision includes a limitation so that in no case would monthly benefits be greater than those payable to survivors receiving DIC when a veteran's death is determined to be service-connected. Also, this provision would not be applicable to the parents of veterans whose death is not determined to be service-connected.

MEDAL OF HONOR PENSION INCREASE

Mr. President, the Medal of Honor is the highest award for bravery any individual in the United States may receive. Given by the President in the name of the Congress, it recognizes that the individual to whom it is awarded has performed a deed so valorous at the risk of his own life, that, if he had not done it, he would not have been subject to justifiable criticism. It was established 116 years ago and is the first military decoration formally authorized by our Government as a badge of valor. The history of this medal, the deeds for which it has been awarded, and the men who have earned it are of the greatest concern to the Nation they have served. Amidst the ugliness and tragedy of war, Mr. President, many individuals who have been called to battle display outstanding courage and valor and willingness to make sacrifices. The most supreme acts of heroism are recognized by the award of the Medal of Honor.

To enhance the significance of this highest award, and to set it apart from all others, Congress provided in 1918 for a monetary stipend, now known as special pension, payable to recipients of the Medal. In 1961, an increase to $100 per month was authorized. Since that time, the Consumer Price Index has more than doubled, and thus the enhancement which the special pension represents has been seriously diminished. Increasing the rate to $200 per month would benefit approximately 286 living recipients. The House Committee on Veterans' Affairs reported a similar measure, H.R. 11889, on May 31, 1978.

AUTOMOBILE ASSISTANCE ALLOWANCE

Mr. President, veterans who have suffered the service-connected loss or loss of use of one or both feet, or one or both hands, or who are blind, are entitled to a one-time grant of $3,300 to assist them in purchasing an automobile. In addition, the VA provides special assistance to the veteran in adapting the automobile to the veteran's needs, as well as training in the use of the specially adapted automobile.

The automobile assistance allowance of $3,300 has not been increased since the enactment of Public Law 93–538, effective February 1, 1975. Since that time, the Consumer Price Index—CPI—components for new automobiles has risen approximately 22.7 percent, and will probably rise about 4 or 5 percent more by October 1, 1978. An increase of $800, effective October 1, 1978, to reflect the estimated rise in the cost of new automobiles from February 1975 to October 1, 1978, is thus provided for under Amendment No. 3067.

COSTS

Mr. President, from time to time our committee has requested the Congressional Budget Office—CBO—to assist us by providing informal cost estimates of legislative proposals under consideration. The following estimates of the required budget authority in fiscal year 1979 were provided to the committee by CBO based on provisions comparable, but not identical, to those contained in Amendment No. 3067:

Dependents' allowance increase	$127,000,000
Increase for veterans with loss of three extremities	2,500,000
Special aid and attendance	10,800,000
Veterans with partly non-service-connected loss of paired extremities—less than	1,000,000
Chapter 13 benefits for surviving spouses and children	27,000,000
Medal of Honor increase	333,000
Automobile assistance allowance increase	792,000

We have requested revisions of those estimates to take into account the particular provisions of the amendment we are submitting today.

Mr. President, I ask unanimous consent that the text of Amendment No. 3067 be printed in the RECORD at this point:

The amendment follows:

AMENDMENT NO. 3067

On page 3, between lines 11 and 12, insert the following:

(b) Section 314(p) of such title (as amended by subsection (a)(15) of this section) is further amended by adding at the end thereof the following new sentence: "In the event the veteran has suffered the anatomical loss or loss of use, or a combination of anatomical loss and loss of use, of both feet and one hand, or both hands and one foot, the Administrator shall allow the next higher rate or intermediate rate, but in no event in excess of $1,388.".

(c) Section 314(r) of such title (as amended by subsection (a)(16) of this section), is further amended by—

(1) striking out "If" at the beginning thereof and inserting in lieu thereof "Subject to the limitations of section 3203(e) of this title, if";

(2) inserting "(1)" after "is in need of"; and

(3) striking out "subject to the limitations of section 3203(e) of this title" after "per month," and inserting in lieu thereof "or (2) special aid and attendance, such veteran shall be paid, in addition to such compensation, an allowance of $900 per month, if the Administrator finds that such veteran, in the absence of such aid and attendance by another person, would require hospitalization, nursing home care, or other residential institutional care".

On page 3, line 12, strike out "(b)" and insert in lieu thereof "(d)".

On page 3, beginning with line 20, strike out all down through line 16 on page 4 and insert in lieu thereof the following:

(1) by amending clauses (A) and (B) to read as follows:

"(A) has a spouse, $87, plus $55 for each child, if any;

"(B) has no spouse, $55 for each child, if any;";

(2) by striking out clauses (C) through (G);

(3) by redesignating clauses (H), (I), and (J) as clauses (C), (D), and (E), respectively;

(4) by striking out "$37" in clause (C), as redesignated by clause (3) of this section, and inserting in lieu thereof "$39";

(5) by striking out "$83" in clause (D), as redesignated by clause (3) of this section, and inserting in lieu thereof "$88"; and

(6) by striking out "$70" in clause (E), as redesignated by clause (3) of this section, and inserting in lieu thereof "$74".

SEC. 103. (a) Section 360 of title 38, United States Code, is amended by inserting "(a)" before "Where" at the beginning of such section and inserting at the end of such section the following new subsection:

"(b) Where any veteran has suffered the loss or loss of use of an extremity as a result of service-connected disability so as to entitle such veteran to a rating of not less than 40 per centum and has suffered the loss or loss of use of the paired extremity as a result of non-service-connected disability, not the result of the veteran's own willful misconduct, which would, if service-connected, entitle such veteran to a rating of not less than 40 per centum, the Administrator shall determine the percentage increase, if any, which would be added to the combined value of such disabilities if both such disabilities were service-connected and were independently rated, and shall, in the same manner in which the Administrator would add such percentage to the combined value of less than total service-connected disabilities, add such percentage to the rating of such veteran's service-connected disability.".

(b) The catch line of section 360 of such title is amended to read as follows:

"§ 360. Special consideration for certain cases of blindness, bilateral kidney involvement, bilateral deafness, or loss or loss of use of paired extremities.".

(c) The table of sections at the beginning of chapter 11 of such title is amended by striking out

"360. Special consideration for certain cases of blindness or bilateral kidney involvement or bilateral deafness."

and inserting in lieu thereof

"360. Special consideration for certain cases of blindness, bilateral kidney involvement, bilateral deafness, or loss or loss of use of paired extremities.".

On page 5, line 6, strike out "$35" and insert in lieu thereof "$55".

On page 5, after line 13, insert the following:

SEC. 202. (a) Chapter 13 of title 38, United States Code, is amended by inserting after section 404 the following new section:

"§ 405. Special Determinations

"(a) In any case under this chapter in which the Administrator is required to determine a number of months, the calendar month in which (1) a veteran is rated totally disabled, (2) a veteran died, and (3) a child will attain age 21, shall be considered as one full month.

"(b) Where a monthly rate would contain a fraction of a dollar, such rate shall be fixed at the next higher dollar.".

(b) The table of sections at the beginning of such chapter is amended by inserting

"405. Special determinations."

below

"404. Special provisions relating to surviving spouses.".

Sec. 203. (a) Chapter 13 of title 38, United States Code, is amended by inserting after section 411 the following new section:

"§ 411A. Benefits for surviving spouses of certain totally disabled veterans

"(a) Whenever any veteran dies, not as the result of the willful misconduct of such veteran or such veteran's spouse, and (1) at the time of death such veteran had a service-connected disability rated as total, and (2) the Administrator has not determined that such veteran's death resulted from a service-connected or compensable disability, benefits shall be paid to the surviving spouse as provided in subsection (b) of this section.

"(b)(1) In any case in which the total service-connected disability of such veteran had been so rated continuously for a period of twenty years or longer immediately prior to such veteran's death or had been so rated continuously during the period from the date of such veteran's discharge to the date of such veteran's death and such period was ten years or longer, benefits shall be paid to the surviving spouse of such veteran at the appropriate monthly rate provided for under section 411 or 412 of this title in the same manner and to the same extent as if the Administrator had determined that such veteran's death had resulted from a service-connected or compensable disability.

"(2) In any case in which the total service-connected disability of such veteran had been so rated continuously for a period not meeting the requirements of paragraph (1) of this subsection, benefits shall be paid to the surviving spouse of such veteran at the appropriate monthly rate provided for in section 411 or 412 of this title, in the same manner and to the same extent as if the Administrator had determined that the veteran's death resulted from a service-connected disability, except that—

"(A) the period for which such benefits shall be paid shall not exceed a number of months equal to the number of months the disability of such veteran was continuously so rated, or

"(B) the monthly rate of benefits shall be determined by multiplying the monthly rate which would otherwise be applicable under such section 411 or 412 (had the Administrator found that such veteran's death resulted from a service-connected or compensable disability) by the number derived by dividing (i) the number of months such veteran was continuously so rated by (ii) the number of months of remaining life expectancy (using standard mortality tables) of the surviving spouse at the time of such veteran's death, whichever method of determining benefits the surviving spouse elects.

An election to receive benefits under clause (A) or (B) of this paragraph shall be irrevocable if any benefits have been paid pursuant to such an election. In no event shall the benefits payable under this paragraph exceed those which would be payable under such section 411 or 412 if the Administrator had determined that the veteran had died from a service-connected or compensable disability.

"(c) Surviving spouses receiving benefits under this section shall be entitled to all payments and benefits under this title and other law, except benefits under sections 411 and 412 of this title, to which surviving spouses receiving dependency and indemnity compensation are entitled.".

(b) The table of sections at the beginning of such chapter is amended by inserting

"411A. Benefits for surviving spouses of certain totally disabled veterans."

below

"411. Dependency and indemnity compensation to a surviving spouse.".

SEC. 204. Subsection (b) of section 412 of title 38, United States Code, is amended by striking out "In" and inserting in lieu thereof "Except in cases in which the surviving spouse is receiving benefits under section 411A(b)(2)(B) of this title, in".

On page 6, line 1, strike out "Sec. 202" and insert in lieu thereof "Sec. 205".

On page 6, between lines 11 and 12, insert the following:

"Sec. 206. (a) Chapter 13 of title 38, United States Code, is amended by inserting after section 414 the following new section:

"§414A. Benefits for surviving children of certain totally disabled veterans

"(a) Whenever any veteran dies and (1) there is no surviving spouse, (2) the death of such veteran was not the result of the willful misconduct of such veteran, (3) at the time of death such veteran had a service-connected disability rated as total, and (4) the Administrator has not determined that such veteran's death resulted from a service-connected or compensable disability, benefits shall be paid to the surviving children in equal shares as provided in subsection (b) or (c) of this section, as appropriate, except that no benefits under this section shall be paid to any child if the veteran's death resulted from such child's willful misconduct.

"(b)(1) In any case in which the total service-connected disability of such veteran had been so rated continuously for a period of twenty years or longer immediately prior to such veteran's death or had been so rated continuously during the period from the date of such veteran's discharge to the date of such veteran's death and such period was ten years or longer, benefits shall be paid to the surviving children of such veteran at the appropriate rate provided for under sections 413 and 414 of this title in the same manner and to the same extent as if the Administrator had determined that such veteran's death had resulted from a service-connected or compensable disability.

"(2) In any case in which the total service-connected disability of such veteran had been so rated continuously for a period not meeting the requirements of paragraph (1) of this subsection, benefits shall be paid to the surviving child of such veteran in the same manner and to the same extent as if the Administrator had determined that the veteran's death resulted from a service-connected disability, except that the monthly amount payable to such child shall be determined by multiplying the monthly rate of dependency and indemnity compensation which would otherwise be payable under sections 413 and 414 of this title (had the Administrator found that such veteran's death resulted from a service-connected or compensable disability) by the number derived by dividing (A) the number of months such veteran was continuously so rated by (B) the number of months remaining from the date of the veteran's death until the child attains twenty-one years of age. In no event shall the benefits payable under this paragraph exceed those which would be payable under sections 413 and 414 of this title if the Administrator had determined that the veteran had died from a service-connected or compensable disability.

"(c) In the case of any child of a deceased veteran described in subsection (a) of this section who became permanently incapable of self-support before attaining the age of eighteen, benefits shall be paid to or on behalf of such child at the rate provided under section 413 and, if applicable, section 414 of this title.

"(d) Surviving children receiving benefits under this section shall be entitled to all payments and benefits under this title and other law, except benefits under sections 413 and 414 of this title, to which surviving children receiving dependency and indemnity compensation are entitled.".

(b) The table of sections at the beginning of chapter 13 of such title is amended by inserting

"414A. Benefits for children of certain totally disabled veterans."

below

"414. Supplemental dependency and indemnity compensation to children.".

On page 6, line 12, strike out "Sec. 203" and insert in lieu thereof "Sec. 207".

On page 9, between lines 17 and 18, insert the following new sections:

SEC. 306. Section 562 of title 38, United States Code, is amended by striking out "$100" and inserting in lieu thereof "$200".

SEC. 307. Section 1902(a) of title 38, United States Code, is amended by striking out "$3,300" and inserting in lieu thereof "$4,100".

On page 9, line 18, strike out "Sec. 306" and insert in lieu thereof "Sec. 308".

Amend the title so as to read: "A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of compensation for service-connected loss or loss of use of three extremities; to increase the aid and attendance allowance for certain totally disabled service-connected disabled veterans; to increase the rates of compensation for veterans with dependent spouses and children; to increase the rates of compensation for veterans with certain service-connected and non-service-connected disabilities of paired extremities; to increase the rates of dependency and indemnity compensation for surviving spouses, surviving spouses with dependent children, and surviving children; to provide for payment of benefits to certain surviving spouses and children of certain totally disabled service-connected disabled veterans; to increase the special pension for persons awarded the Medal of Honor; to increase the automobile assistance allowance for certain service-connected disabled veterans; and for other purposes.

NOTICES OF HEARINGS

SUBCOMMITTEE ON FEDERAL SPENDING PRACTICES AND OPEN GOVERNMENT

● Mr. CHILES. Mr. President, the Subcommittee on Federal Spending Practices and Open Government announced hearings on the General Services Administration contract fraud investigation on Thursday, June 22, and Friday, June 23, 1978. Please be advised of a time change on these hearings: Both days of hearings are now scheduled to meet at 10 a.m. in 3302 Dirksen Office Building.

Please contact Mr. Ronald A. Chiodo, subcommittee chief counsel and staff director (224–0211), for further information regarding these hearings.●

COMMITTEE ON THE JUDICIARY

● Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 29, 1978, at 10 a.m. in room 2228, Dirksen Senate Office Building, on the following nominations:

Santiago E. Campos, of New Mexico, to be U.S. district judge for the district of New Mexico vice H. Vearle Payne, retired.

Robert H. McFarland, of Mississippi, to be U.S. district judge for the Canal Zone for the term of 8 years vice Guthrie F. Crowe, retired.

Louis H. Pollak, of Pennsylvania, to be U.S. district judge for the eastern district of Pennsylvania vice A. Leon Higginbotham, Jr., elevated.

Any persons desiring to offer testimony in regard to these negotiations shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

This hearing will be before the full Judiciary Committee.●

SUBCOMMITTEE ON ENERGY PRODUCTION AND SUPPLY

● Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Subcommittee on Energy Production and Supply of the Senate Energy and Natural Resources Committee.

The hearing will be on S. 3189, a bill to further amend the Mineral Leasing Act of 1920 (30 United States Code 201 (a)), to authorize the Secretary of the Interior to exchange Federal coal leases and to encourage recovery of certain coal deposits, and for other purposes. It is scheduled for June 27, 1978, at 8 a.m. in room 3110, Dirksen Senate Office Building.

For further information regarding the hearing, you may wish to contact Mr. Thomas Laughlin, of the subcommittee staff on extension 4–2564.●

AUTHORIZATION OF APPROPRIATIONS, FEDERAL BUREAU OF PRISONS: SITE ACQUISITION AND PLANNING, WEST COAST FACILITY

● Mr. PAUL G. HATFIELD. Mr. President, I wish to announce that the Subcommittee on Penitentiaries and Corrections of the Committee on the Judiciary will hold a hearing on the request of the Federal Bureau of Prisons, Department of Justice, for an authorization of appropriations for fiscal year 1979 in the amount of $2,600,000 for purposes of site acquisition and planning for the construction of a west coast facility.

On May 17, 1978, during its consideration of an original bill to authorize appropriations for fiscal 1979 for the Department (S. 3151), the committee agreed to an amendment to strike the above-mentioned request and directed the subcommittee to hold an additional hearing on it. Emphasis was placed on securing from the Bureau more precise information on future construction and maintenance cost estimates for the requested resident facility. The hearing will address that and related issues.

The hearing will be held next Thursday, June 29, 1978, in 2228 Dirksen Senate Office Building at 10:30 a.m. Persons wishing to testify or submit a written statement should write or call the subcommittee at room A–407, Senate Office Building, Washington, D.C. 20510, telephone (202) 224–5461.●

SUBCOMMITTEE ON ADMINISTRATIVE PRACTICE AND PROCEDURE

● Mr. ABOUREZK. Mr. President, I wish to announce that the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary, will have a hearing on the FBI Charter concerning undercover operations on June 27, 1978, at 10 a.m., in room 2228, Dirksen Building.●

SUBCOMMITTEE ON PARKS AND RECREATION

● Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of public hearings before the Parks and Recreation Subcommittee of the Senate Energy and Natural Resources Committee.

The hearings are scheduled for June 26 and 27 beginning at 9:30 a.m. on June 26 and 10 a.m. on June 27, in room 3110 of the Dirksen Senate Office Building.

The subcommittee will take testimony on a number of urban recreation issues, including the current condition of urban recreation in this country, and options and alternatives which might be taken to improve urban recreation opportunities.

In addition, testimony will be taken on S. 3163, to authorize the Secretary of the Interior to establish an urban park and recreation recovery program. This measure represents one element of President Carter's urban policy message of April 3, 1978, and is based upon one of the major findings of the recently completed "National Urban Recreation Study" prepared by the Secretary of the Interior pursuant to Public Law 94–422.

The following witnesses have been invited:

Governor Brendan Byrne of New Jersey.
Lt. Gov. Thomas P. O'Neill III of Massachusetts.
Mayor Thomas Bradley of Los Angeles.
Mayor Maynard Jackson of Atlanta.
Mayor Charles Royer of Seattle.
Mayor Edward Koch of New York.
Mayor Coleman Young of Detroit.
Mayor Jerry Springer of Cincinnati.
National League of Cities.
National Conference of Mayors.
National Association of Counties.
National Association of State Outdoor Recreation Liaison Officers.
National Governor's Association.
National Park and Conservation Association.
Sierra Club.
Urban Environment Foundation.
National Recreation and Park Association.
National Urban Coalition.
Parks Council of New York City.

For further information regarding the hearings, you may contact Laura Beaty at 224–7144.●

SUBCOMMITTEE ON FEDERAL SPENDING PRACTICES AND OPEN GOVERNMENT

● Mr. CHILES. Mr. President, the Subcommittee on Federal Spending Practices and Open Government would like to announce hearings on efforts to reduce Federal paperwork burdens on Tuesday, June 27, at 10 a.m., in 3302 Dirksen Building.

For further information regarding these hearings, please contact Mr. Ronald A. Chiodo, subcommittee chief counsel and staff director (224–0211).●

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION, AND FEDERAL SERVICES

● Mr. GLENN. The Governmental Affairs Subcommittee on Energy, Nuclear Proliferation, and Federal Services will

begin hearings on the Postal Service Amendments Act of 1978, H.R. 7700, and related bills on Thursday, June 29, 1978, at 10 a.m. in room 4232 of the Dirksen Senate Office Building Government witnesses will appear at that time.

Further hearings will be announced at a later date.

Interested parties can contact the staff of the subcommittee on 224–2627.●

ADDITIONAL STATEMENTS

HEAD START

● Mr. BROOKE. Mr. President, I am pleased today to join my distinguished colleague from California in offering an amendment to S. 991 to prevent the Head Start program from being incorporated in the proposed new Department of Education.

By placing Head Start within the new Department, we run the risk of emphasizing the educational aspects of the program at the expense of other important development and welfare components. The result of such a shift in emphasis could very well have catastrophic consequences for our poorest and most vulnerable children.

To provide a full explanation of my position for opposing the inclusion of Head Start within the Department of Education, I am submitting for the RECORD a copy of my recent testimony on this issue in hearings before the Senate Governmental Affairs Committee.

The testimony follows:

TESTIMONY OF SENATOR EDWARD W. BROOKE

"Mr. Chairman and distinguished members of the Committee: I appreciate the opportunity to testify regarding one aspect of the President's proposed plan for the creation of a separate Department of Education about which I am greatly concerned.

"As the Chairman knows, I have long supported the establishment of a separate Department of Education. However, I strongly oppose the inclusion of Headstart in the new Department of Education. For Headstart is not just, or even primarily, an education program. It is, as was intended by Congress, a comprehensive program of development and welfare services for our poorest and most vulnerable children.

"If we ignore the many services which Headstart provides, completely distinct from its education programs, and classify Headstart essentially as an education program, which will be the result if we transfer it to the Department of Education, the inevitable dynamics will lead to Headstart's increasingly being regarded as just an early childhood education program. And these other equally needed services will be downgraded, if not in the end virtually discontinued.

"For placing Headstart in a Department of Education could well result in Headstart's being absorbed into the established education system. This is not a premature or idle speculation. For important segments of the education system are already on record as desiring and rationalizing the absorption of early childhood programs, such as Headstart.

"And as we in the Congress know too well, the maneuverings within government bureaucracies and by outside interest groups almost always result in victories by the strongest and most powerful groups. And such a description definitely does not include the Headstart constituency.

"Yet at the same time education representatives seek to incorporate early childhood programs into the education system, many educators increasingly feel most strongly that the duty of the educational system is to teach and not to provide at school all the services necessary to make up for society's or for a family's neglect of children. I am sure that virtually every Senator has received letters from education representatives, administrators and teachers decrying the responsibility being placed on them to respond to more and more of the needs of children, needs which are nowhere more prevalent than among our poorest children. And I understand some of this frustration.

"But Headstart's very success has depended in large part on responding to all the needs of its poor children. It has provided not only education, but also health, nutrition, social and mental health services.

"And it is clear that its success has largely been a result of parental involvement and control by the ones who are the least reluctant to make every effort and sacrifice to answer as many of their children's needs as possible.

"But such parental control has also been regarded dubiously, at times with outright opposition, by segments of the education system.

"Thus we cannot ignore the portents, that even with careful guarantees, we would be endangering Headstart's unique role and great success in serving poor children, if we approved this proposed transfer to the Department of Education.

"Indeed, I cannot understand the insensitivity to and misunderstanding of Head start's comprehensive role that the proposed transfer demonstrates. For to transfer Headstart alone from all the child welfare and human development programs in the Administration of Children, Youth and Families simply defies logic.

"It is not claimed that the transfer of Headstart is needed in order to make it work well. Indeed, Headstart is one of the few government program fully supported by both the public and the Congress, and justly so. For the record of Headstart is one of measurable success. Recent studies have left no doubt that the program provides significant benefits to young children. Those who have had the opportunity to participate in Headstart programs have shown definite and substantial gains in intelligence and achievement. There have been demonstrable improvements in health and nutrition where few health services and inadequate diet had previously been the rule.

"And there have been gains in areas which some might consider more intangible, but which I think are equally important, for poor children and their families. For Headstart has enabled them to acquire a sense of self-worth and dignity, a belief in their own ability and an eagerness to use that ability.

"And, by initiating community involvement and control in this one program, Headstart has often started a ripple effect of community involvement in many other areas, with resulting beneficial changes in the community as a whole.

"This is a proud and successful record, one which we should not threaten without overwhelmingly convincing evidence that the proposed transfer is necessary to better serve the children in Headstart. And there is no such evidence.

"Indeed, our main concern about Headstart should be the tragic fact that only 20 percent of poor children eligible for Headstart can participate because of lack of funds, not in trying to make it fit into an organization chart where it so obviously does not belong.

"Mr. Chairman, Headstart now serves 400,000 of our nation's poorest and most needy children in 1,200 communities across our nation, disadvantaged communities far from the mainstream and consciousness of American life. And 65 percent of these children served by Headstart are minorities and 50 percent are black.

"This is the one program which minorities have regarded more than any other as their own, as the opposition to this transfer by many of the most distinguished black leaders in this nation attests—leaders such as Congresswoman Shirley Chisholm, Coretta Scott King, Jesse Jackson, Vernon Jordan, Bayard Rustin, Carl Holman and many others. What they are saying to us is not to take away or endanger a program so meaningful to people who have had so little and from such programs have benefited so much.

"Last year when we were considering the Labor-HEW Appropriations Bill, I received hundreds of letters from Headstart parents. They were written on cheap, rough paper, often torn from a child's copy book, a type of stationary seldom seen in our Congressional offices. I would imagine that few of the writers had ever written a Member of Congress before. Their sentences were fragmented, but these letters had an eloquence which none of us could match. These parents explained their desperation and hopelessness before their opportunity to participate in Headstart; and how Headstart had brough' into so many of their lives and the lives of their children the first chance for hope, for pride and a belief that they too could have some control over their own and their child destiny.

"Seldom have I been so poignantly and so personally reminded of the real responsibility which is ours and how much simple faith and trust is placed in Members of Congress, in this instance by people who probably have the least cause for faith and trust in their government.

"While there are many rational and logical arguments against transferring Headstart to the Department of Education, perhaps those letters offer the most compelling testimony. And we in Congress should not be willing to endanger, for really no reason, such faith and trust and the tremendous accomplishments which these poor, neglected and defenseless people have earned for themselves, and more important to them, for their children, with the modest tool which we have given them.

"The belief which we placed in our poor when we enacted Headstart has been remarkably justified. I believe that it is now time that we repay their trust in us. And I therefore ask the Committee for all these important reasons, tangible and intangible, not to endanger the future of Headstart by transferring it to the Department of Education." ●

OPPORTUNITY FOR THE BLIND

● Mrs. HUMPHREY. Mr. President, the National Industries for the Blind has a publication entitled "Opportunity." In their June issue they ran an article about the Minneapolis Society for the Blind and the wonderful accomplishments that have been achieved in employment opportunities through the efforts of this group.

I wish to share with my colleagues an article about the growth and success which the Minneapolis Society for the Blind has experienced in their 60 years

of existence. Their efforts are truly a splendid example of quality work being accomplished by a group of citizens when they were given the chance. They have progressed from handicraft jobs, to supplying the Government with a highly sophisticated product requiring rigid quality control. And not only have these handicapped individuals met the requirements, but they also have surpassed them by their excellent work.

Modern technology, sound marketing practices, a modern, well-equipped plant—all of these factors serve to give the skilled, trained blind worker employment providing both dignity and financial reward. The Minneapolis Society for the Blind has incorporated all of these features and has helped to make a countless number of lives meaningful and satisfying.

Mr. President, I ask that the article be printed in the RECORD.

The material follows:

MINNEAPOLIS SOCIETY—60 YEARS OF EMPLOYMENT OPPORTUNITY

Since its meager but determined beginning in 1917, the Minneapolis Society for the Blind has experienced and influenced an evolution in employment of blind persons.

The Society began industrial operation with only a handful of blind workers performing handicraft jobs. The person controlled the product. Production was limited to rug weaving, chair caning and broom making.

Today, there is a vast difference—almost another world—at the Society. Stereotyped occupations of the blind like broom making and rug weaving are things of the past. With a total workforce of 125, the modern, well-equipped plant has adopted semi-automation. Machines now control the product, but the skilled, trained blind workers control the machines. Companies cooperating with the Society in placement of sub-contract manufacturing or processing include: Honeywell, IBM, 3M, Pako, Schaper, Whirlpool, G. H. Tennant, Federal Stamping and Vincent Brass.

Sub-contracting now provides steady employment for 55 people, of whom 45 are blind and some have other handicaps. The productivity of these workers is evidenced by repeated increased contracts with satisfied industrial customers.

As a result of the Javits-Wagner-O'Day Act, blind workers of the Society are manufacturing products efficiently and competitively for the U.S. government.

One government products, the external catheter, was originally to be assembled by one person performing many different operations. MSB and NIB engineers developed an assembly line technique that today contributes to the employment of 14 blind people, some of whom are multiply and severely handicapped. The assembly line method also increased productivity.

Quality restrictions of the catheter are extremely rigid but through the cooperation of NIB engineering at St. Louis, quality requirements are not only met, but surpassed.

There is a hum of modern industry at the Society but the motivation and purpose over 60 years have not changed. Jesse Rosten executive director says "We are here only to serve the people of the community." These are not empty words. Last year MSB remodeled and enlarged its rehabilitation facilities. Today it can and does serve 150 blind individuals annually with training for living and working. Mr. Rosten continues, "Though our people have lost their sight, it is our intention that they do not lose their vision of a satisfying and productive life."●

THE DEATH OF REPRESENTATIVE CLIFFORD ALLEN

● Mr. BAKER. Mr. President, I would like to express my sorrow at the death of a good friend and distinguished public servant, the Honorable Clifford Allen. Mr. Allen died last Saturday despite his gallant efforts to recover from a heart attack he suffered May 26. He was elected to Congress in 1975, in a special election, and at the time of his death was a candidate for a second full term. His was a unique personality, and in his 30 years of public service in Nashville, Tenn., he was always an effective advocate for the causes in which he believed.●

REPRESENTATIVE CLIFFORD ALLEN

● Mr. BAKER. Mr. President, if I may, I would like to put into the RECORD the thoughts expressed at funeral services for Congressman Allen by his own pastor, the Reverend Robert Spain, who is now superintendent of the Nashville-Franklin district of the Tennessee Conference of the United Methodist Church. Also I would like to express to the Nashville Banner my gratitude for reprinting much of Reverend Spain's eulogy. Many of us who attended the services found it profoundly moving:

Clifford Allen did not leave life as he found it. He made a difference. He gave to the causes he championed everything he had.

It may very well be that, at least in this area, he is one of this generation's best-known personalities.

He was unrelenting in his conviction. He could unleash an attack on an agency or individual that had the fury of a tornado. But he was not one to harbor ill will. Even in the midst of a torrid debate, there was always a respect for those who sat on the opposition side.

Many often felt him to be totally insensitive to the criticisms leveled against him . . . but he was a feeling, personal man. There is a bleeding which reveals itself to the world. But there is also an internal bleeding. He did feel it, and he did suffer.

Like a boxer, he had an uncanny sense of timing and a way of turning disaster and defeat into advantage . . . Time after time, he struggled up at the count of nine with a new burst of power.

Like a quarterback, he was always in control. Like the conductor of a symphony orchestra, he had the ability to blend together sounds from all corners of life and bring them into one harmonious outburst.

He was a person-oriented individual. All kinds of people were as necessary to him as food and water. He charted his own course. He ruled his own life.

There is no doubt in my mind that the spirit of his life will continue to be felt even though his physical presence is with us no longer.

His great accomplishment will be the hope that he gave to common, ordinary people.

I have fought the good fight. I have finished the course. I have kept the faith.

Clifford Allen died as he lived, fighting. And we are the beneficiaries of his struggles. May God take hold of all of his feelings. May God bless the memory of Clifford Robertson Allen.●

MR. ALBERTON L. McLAIN HONORED IN FEDERAL RETIREE OF THE YEAR COMPETITION

● Mr. HATHAWAY. Mr. President, many people in politics today have found it all too easy to criticize Federal employees as being slothful, overpaid, and inefficient. Newspapers have sensationalized uniquely high annuity payments or salaries as representatives of the mass of active and retired Government employees. However, an awards ceremony recently held here in Washington spotlighted workers of a far different character; men and women who epitomize the best in those who serve the Nation. I would like to share that moment with you.

The Federal Retiree of the Year competition sponsored by the National Association of Retired Federal Employees, sought to identify career Government personnel who distinguished themselves through outstanding public service and contributions to the Nation. In sponsoring the event, the first ever honoring Federal retirees, NARFE sought to increase public knowledge and appreciation of these achievements and to promote excellence in the Federal career service.

From scores of nominees submitted by Federal agencies during a Government-wide competition, a panel of judges from the Washington media selected nine semi-finalists and a winner. Among those honored was Mr. Alberton L. McLain, a resident of Dover-Foxcroft, Maine.

From the beginning of his 27 years of Federal civilian service, Mr. McLain was associated with the Great Lakes fishery restoration program. He soon became the foremost leader in the successful sea lamphrey control program that made possible the revitalization of sport fishery in the Great Lakes. The importance of this achievement can be measured in dollars and cents terms by the thousands of Great Lakes businessmen who witnessed an economic revitalization of the tourist industry in that once thriving area. A tireless worker, Mr. McLain devoted much of his own time to this program, resulting in the completion of this assignment well ahead of deadline. He is the author of numerous scientific papers, and a recognized leader in conservation.

I salute Mr. McLain for his noteworthy achievements and the pursuit of excellence which his long career epitomized, and laud the National Association of Retired Federal Employees for conducting the competition which brought his and other equally distinguished accomplishments to the fore, for the public recognition they so richly deserve.●

CETA SUCCESSES

● Mr. MATHIAS. Mr. President, the Senate will soon begin full debate on re-

enactment of the Comprehensive Employment and Training Act. Over the past 4 years, the CETA system has proven its value as a tool for addressing the serious national problem of unemployment. I believe the strength of the CETA system is based on its ability to respond quickly and flexibly at the local level to nationally established goals and policy. I am concerned that, in spite of the obvious accomplishments of the CETA system, discussion to date has focused more on the isolated abuses within the system than on its successes. I would like to redress the balance by citing some of the successes of the CETA program.

The Baltimore Metropolitan Manpower Consortium has earned a reputation as one of the leaders in the manpower field. Baltimore's reputation is built on strong local involvement in planning and on innovative and effective programs built to meet local needs. I ask that several articles about the CETA program in Baltimore be printed in the RECORD.

The articles follow:

EDITORIAL FROM THE BALTIMORE NEWS AMERICAN OF MAY 2, 1978

When business joins government in coping with social problems, that's welcome news.

We are referring to the unusual alliance of the Commercial Credit Corp, and the city government's Manpower office.

The experiment started at Walbrook High School three years ago and, a few months ago, spread to the downtown YMCA.

It consists of learning through a computer-based educational system, called PLATO—Programmed Logic for Automatic Teaching Operations—developed by Control Data Corp. Commercial Credit is a Control Data subsidiary.

PLATO consists of small computers, a little larger than that of a typewriter, which have small television screens and keyboards. On that system 85 students at the "Y" get instruction in basic language, reading and math skills.

About 60 percent of the students' instruction is from the computer terminals. Each terminal can be programmed to teach as fast, or slow, as a student requires. The rest of the instruction is with audio-visual lessons and workbooks.

The goal of the program is to take adults who have trouble with fundamental reading, writing and math, and train them for jobs. The students at the "Y" are all adults without high school diplomas. having slow typing speeds and reading levels from the third to eighth grades. They receive minimum wage during the 37-hour week of study.

Through federal grants under the Comprehensive Employment and Training Act, the city covers wages, administrative costs and clerical help in the amount of $200,000. Commercial Credit has committed over $450,000 over the next two years to computer education.

Mayor Schaefer says he hopes Commercial Credit's efforts "rub off on some other businesses here."

That would indeed be an outcome much to be desired.

[Brochure published by the Mayor of Baltimore's Office of Manpower Resources on June 1, 1978]

CETA: PEOPLE, ISSUES, STORIES

CASTING CALL, BALTIMORE CETA FESTIVAL

Wanted: Producers, directors, managers, performers.

Apply: Baltimore Metropolitan Manpower Consortium.

No, the ad isn't for a regional theater festival sponsored by CETA, but is part of a metaphor that helps explain how a local CETA program works. Managing a CETA program is similar to producing a series of plays. Like the New York Shakespeare Festival. CETA has projects in various stages of production all over town.

A theater festival begins with a producer—one person whose vision establishes its character and whose management determines its success or failure. It's the same with CETA. Congress made each local elected official responsible for CETA's suuccess in his community. Whether it's Joseph Papp at the New York Shakespeare Festival or Mayor William Donald Schaefer in Baltimore, these producers are accountable for the crew they've selected to stage the plays that make up the festival.

Technically, the process is called selecting the program mix and service deliverers. Practically, it's similar to hiring the producers, directors, actors, and technical staff for the festival of major productions. As a CETA Prime Sponsor, we're trying to make people more employable in different ways at various locations all over town. To do that, we try to find the individuals and groups in Baltimore communities who can effectively produce or perform the planning, training services, and placement that make up CETA.

A theater-festival producer chooses his producers and staff, who in turn choose actors and technicians—both groups look for those who can give the best performances. If the performers aren't effective, the audience feels cheated and the production fails. We're not trying to entertain our audience but to make its members more employable. If our performances aren't effective, our production fails.

SOLID PLANNING IS CENTER STAGE

Two years or more can go into the planning and mounting of a successful theater festival. CETA projects are mounted in months rather than years, but planning is just as crucial. A local CETA program makes a major impact on any labor market. Whether that impact is beneficial depends on how well the program activities are designed.

Year-round planning is the only way to exploit the full potential of CETA's flexibility. Tom Bradley, one of Baltimore's CETA planners, is chairman of the AFL–CIO Metropolitan Labor Council and a key spokesman for the unions.

"The CETA idea is sound," Bradley says. "It can work. If there are problems between CETA and unions or businesses in other cities, it's because they aren't approaching CETA the right way."

What's the approach that works in Baltimore? It begins with the Baltimore Consortium's Executive Planning Council. Bradley is a member of the Council along with others who represent business, education, economic development, and human service organizations. After receiving labor-market analyses, program evaluations, and legislative reports, members meet at least quarterly to review the progress and policy of CETA in the Baltimore area.

To plan the CETA-union-business linkages in detail, the Baltimore Consortium uses Labor Market Advisory Committees. Each committee focuses on a single occupation or industry. Drafting and restaurant occupations are but two examples. The committees include labor and industry representatives as well as education and training experts. Presently, one committee advises Consortium staff on developing training programs to meet the shortage of skilled installers for the fast-growing solar heating industry. Another committee led to the establishment of one of the Consortium's most successful training projects—the pre-apprenticeship plumbers training, which is operated by the Joint Apprenticeship Council.

COMMUNITY ORGANIZATIONS IN THE SPOTLIGHT

CETA and the private sector are working together in Baltimore because they've taken the time to talk to each other, to know each other's needs, and to make efforts in good faith to meet those needs. CETA doesn't stop with planning or with the private sector; it involves community organizations not just in planning, but in producing actual services.

Howard Moore's Manpower Service Center occupies a storefront in a shopping center on Baltimore's West Side, which is an ethnic, economic, and social melting pot. As the manager of one of two Manpower Service Centers run under contract by the Baltimore Urban League, Moore is one of the lead actors in the local CETA production. The other center, located at the Mondawmin Concourse, is managed by another major player, Joe Washington. Both centers are in shopping plazas for a simple reason—this is where the people are. A CETA job/training referral center is a community resource; it shouldn't be an intimidating governmental edifice that looks like a court house or a police station. CETA isn't a matter of governments giving people jobs. It's a matter of government money helping some people in a community to help other people find jobs. The Baltimore Consortium chose the Urban League to run two Manpower Service Centers because we knew they perform well. We wanted an organization with a community base, one that understands the people it serves and is understood by the people served. That's been a formula for local success.

"We mean business," says Moore. "When a man walks in here, he's got responsibilities—food, clothing, shelter, a wife, maybe kids. He means business, so we treat him with a businesslike manner. If he doesn't treat us the same way, then I take him aside and give him a little talk. We're not here because we owe everyone a job. We're here to make a match between the employer and the employee as often as we can. We make referrals, but he's got to do the rest."

Such reality counseling is what many unemployed people need. One of the major reasons they are unemployed is their lack of experience with the labor market. These jobseekers are often young, without any experience and without any idea of how to find a job themselves. We've got to show them how to find a job, how to "play the game."

Moore also emphasizes the importance of CETA-funded training resources. Local training programs, which simulate real employment environments, provide area jobseekers with a genuine competitive edge, because they're geared to match existing skill shortages in the community.

Some jobseekers have had a rough time looking for a job and they're frustrated. Often, they think theirs is the only dilemma. Moore says, "I tell them I want you to get a job as bad as you do, but we've got to work on a principle—equity of service to everybody. Once they know the rules, then we can work together."

This is what community-based organizations can contribute to CETA—people who

know who they're trying to help and how to help them.

COLORFUL CASTING MAKES THE SHOW

You might call it colorful casting. Roger Chylinski (pronounced Helinski) runs another CETA production—a culinary arts training school. Chylinski isn't your average CETA "producer"—his full name is Chylinski-Polubinski and he's a descendant of Polish Royalty. Similarly, the Culinary Arts Institute is an extraordinary CETA training program.

The Institute is a spin-off from the Community College of Baltimore (CCB), a "producer" for several CETA Festival projects. CCB began a culinary training program in 1972. Food service was a booming industry then, as it is now. Employers, however, had to recruit much out-of-state talent because no advanced training program existed in the Baltimore area at the time.

Chylinski, a graduate of the Hyde Park, New York Culinary Institute of America, one of America's foremost culinary academies, was hired by CCB to manage its new group of courses. Chylinski is modeling the Baltimore program on the Culinary Training program of his alma mater.

New York's Hyde Park school runs a perpetually-crowded demonstration restaurant and maintains a near-100% placement rate. The Baltimore Culinary Arts Institute is aiming for the same four-star rating from both the public and the food industry.

By carefully leveraging local and federal funds, the City is turning a Victorian-era warehouse into the new home for the Institute, just blocks away from the new convention center, aquarium, and hotel-shopping complex. This facility will include a demonstration restaurant, raw bar, wine cellar, refrigeration rooms, classrooms and lecture halls, that in turn will help to place graduates in restaurants and hotels that make up the growing service sector of the local economy.

Roughly 79% of the program's current CETA graduates have jobs. They earn an average of $4.00 per hour plus tips. They are chefs, pastry chefs, meat cutters, maitre's d', and managers. Such a success rate isn't due just to the *expansion* of the "hospitality industry"; it's also a result of the industry's active *participation* in the planning and operation of the Culinary Arts Institute.

Major members of the Baltimore area hospitality industry, including several national chains, helped design the program, donated equipment or provided space and staff for training. They serve on a Labor Market Advisory Committee because they *need* well prepared employees, trained employees who can be counted on to do their jobs. It's more profitable for the industry to support a well-run group training program than to individually train each new employee themselves. This CETA production is a success because it was "written, produced and directed" by people who know what they are doing and what their audience wants.

The kinds of success we've described don't happen easily. "Baltimore *Community* Manpower Festival" means *community* from beginning to end: community involvement in the planning, construction, and delivery of CETA services. At times, the production reached unprecedented scales, responding to the most complex and highly-pressured demands on any recent manpower system. The President's most recent call to expand the Public Service Employment Program was answered in Baltimore by an effort that placed the local prime sponsor at 109% of its goal! This response to the hiring and job-creation demands of the Title VI Economic Stimulus package means that, for the first time, national economic policy hasn't been strictly a matter of Washington regulation. For the first time, the people who are to benefit from an economic policy got a chance at the local level to help make that policy fit their needs as *they* saw them.

JUST ONE PLAY IN A SERIES

No play can succeed if it doesn't mean anything to its audience. In Baltimore, we're using community involvement from beginning to end to make sure our plays mean something to our audience, to make sure we succeed. It's just one play in a series—with different actors, a variety of scripts and on distinct sets—but the audience stays the same—jobseekers who can not afford to wait in the wings.

EXCERPTS FROM A REPORT COMMISSIONED BY THE DEPARTMENT OF LABOR ON CETA PROJECTS AND WRITTEN BY MDC, INC., A PRIVATE CONSULTING FIRM

PROJECT DESCRIPTION

The Baltimore Literacy and Learning project provides individualized tutorial services to residents of the Baltimore area in order to assist them in improving their basic reading and math skills. The project is structured to work with persons who desire assistance in developing the literacy and learning skills necessary for achieving functional literacy, high school equivalency, or meeting employment and career qualifications. Any person regardless of age or achievement level can receive the tutorial services. Most clients to date, however, have received assistance in preparing for GED's.

The tutors work individually with each client to help them achieve a level of proficiency that is determined by their personal needs. If a client wants to improve his reading skills in order to pass a test for a driver's license, the tutor will work with him toward this end. The same individual attention will be given to another person whose goal is to pass a high school equivalency test. The tutors are averaging three hours per week with each client, but the actual time depends on the needs and desires of the client. No maximum or minimum period of assistance is mandated. All services provided are kept confidential to prevent unnecessary embarrassment to the client.

The program is operated by the Enoch Pratt Free Library System. It was initiated in December of 1976 and will continue through November of 1977. During the month of March, 1977, 214 clients received individualized tutorial services in reading and math. In the same month, the eighteen tutors administered 181 diagnostic tests to determine reading and math levels, and initiated 1569 client contacts, interviews, and screening sessions with prospective clients.

The Literacy and Learning project was significantly aided by a carefully organized public relations campaign to inform the citizens of the Baltimore area of the availability of the tutorial services. The campaign began with an announcement by the Mayor of Baltimore than through the use of CETA Title VI funds, the Enoch Pratt Free Library System would be able to offer any citizen interested in improving their literacy and learning skills with individualized assistance. His public announcement was followed by short public service announcements on television, radio, and in the local newspapers. Creatively designed posters and signs were distributed throughout the community. All branches of the library system have the posters and signs prominently displayed in their entrances. The signs contain the necessary information on how a person can enroll.

The public relations campaign was significant for three reasons. First the Literacy and Learning project was new and the library system needed to inform the public of the available services in a timely and inexpensive manner to ensure adequate participation. Second, the public relations campaign provided an opportunity for the library system to enhance its image by informing the public of a new and innovative service. Third, the campaign provided the city with an opportunity to inform the public that the manpower funds were being utilized in a manner that was not only beneficial to the unemployed, but to the community as well.

Project staff work closely with local schools, training and educational institutions, and other community organizations. Clients who have serious reading or other academic deficiencies are referred to ongoing programs in these various agencies. The referral works in the other direction, as well, as the schools and other agencies refer persons in need of relatively short-term tutoring assistance to the project.

The project is staffed by eighteen tutors, two public relations officers and two secretaries. Each tutor is paid $4.68 per hour. After the participants were hired, they attended a three week training course offered by the Literacy Volunteers of America. The course prepared the participants in tutoring techniques and working with the clients on a one-to-one basis.

In order to make the tutorial services more accessible to the general public, the tutors have been assigned to work at the various library branches in the Baltimore area. At least one tutor is located at each branch. The tutors' duties include scheduling a time and place for conducting sessions; administering diagnostic tests to determine achievement levels; and assisting their clients in improving their literacy and learning skills. Limited supervision is provided by the library staff.

The public relations officers are paid $4.36 per hour. They have the responsibility of maintaining communications with the media, press, and various public and private nonprofit organizations to inform them of the services offered by the project. This effort assures the tutors of a sufficient caseload every month. Each of these officers was required to have some background or experience in the public relations field. The two clerk typists perform general clerical duties for the project and provide secretarial support for the tutors and public relations officers.

IMPLEMENTATION HINTS

Another prime sponsor could successfully replicate the concept embodied in the Baltimore Literacy and Learning project. However, there are some areas that should be given careful planning and consideration to insure the project's success. First, a well organized public relations campaign can be of immense value. The campaign can generate immediate public support and assist the tutors in their recruiting efforts.

The organization that operates the project should be prepared to assist the tutors by having an adequate supply of textbooks and training and testing material available for their use. Consideration should also be given to the scheduling and selection of facilities for tutoring services.

In the Baltimore project the tutors have arranged some evening tutoring sessions in order to accommodate clients who cannot come to the library during the day. Some-

times, however, these sessions have been interrupted by other library events. Minor problems have also resulted from the unavailability of private tutoring areas in all of the branch libraries.

It has proven worthwhile in Baltimore to start the project with some tutoring training for the CETA participants. The Literacy Volunteers of America is a national organization which has branches in many cities. This organization can provide special training packages and instruction in tutoring adults. This kind of assistance may be available through local universities or schools as well.

The prime sponsor should allow for seasonal influences that might affect the public's participation. For example, the tutorial services might not be widely used during the summer months. This situation might warrant starting the project in the fall of the year or operating less than twelve months.

SUMMARY ANALYSIS OF PROJECT: VALUE, APPLICATION AND POTENTIAL

The Baltimore Literacy and Learning project provides individualized tutorial services to persons wishing to improve reading and math skills. The service is available to anyone wishing to achieve functional literacy or meet general employment and career qualifications. Many clients have been assisted in receiving high school equivalency diplomas.

The project utilizes a worthwhile concept that can be readily adopted by other prime sponsors, irrespective of their size or governmental level. The functional approach to improving the literacy and learning skills of the public appears to be a popular and practical method of addressing the immediate needs of clients. This concept could also be used to assist the training efforts of CETA Title I agencies or other educational programs such as Adult Basic Education, Vocational Education, and private nonprofit training agencies.

This project is operated by and at the public library. Other locations could be utilized such as schools or training institutions. It may be, however, that the library setting is a psychologically more acceptable location particularly for those persons who found public education to be a difficult or frustrating experience.

PROJECT DESCRIPTION

The Baltimore Cardiopulmonary Resuscitation project (CPR) is designed to train and employ a number of CETA Title VI eligibles to instruct the general public in application of this life-saving technique.

The project was implemented through a three-party agreement involving the Mayor's Office of Public Safety, the American Heart Association, and the Baltimore Fire Department. The latter office has responsibility for scheduling the classes and conducting the training. The Heart Association is assisting the project by serving as a clearinghouse for information on CPR training and as a referral system for individuals interested in the training. The Mayor's Office is generating a public information campaign to publicize the availability of the training and is working with city departments to insure that every city employee receives the training during the life of the project.

CPR has been used successfully as an emergency procedure in cases of cardiac arrest. Medical professionals are recommending that as many members of the general public as possible be trained in providing this service. The technique involves tilting the victim's head back to clear the airway, restoring breathing by mouth-to-mouth resuscitation, and restoring circulation by external cardiac compression.

The Baltimore project employs four CPR instructors and two senior clerk typists, all under Title VI. The instructors, at $3.99 an hour, schedule classes of between 10 and 25 students, provide four hours of instruction, and administer a 15 minute post-training test. In order to perform as instructors, these CETA participants were given 80 hours of orientation in CPR by the fire department. Each of the instructors had some previous experience in medical or instructional fields either in the armed services or in institutions—although none is licensed either as a doctor or nurse or for any specific paramedical services. The crucial aspects of the orientation training for these CETA instructors included recognizing the need for CPR: knowing how and when to apply the treatment and, if necessary, how to modify it to fit the circumstances; and checking or evaluating the effectiveness of CPR during the resuscitation process itself. It is anticipated that by their participation in this program the instructors will have acquired the necessary skills to pursue paramedical careers.

One of the clerk-typists is employed by the fire department and has duties including scheduling training classes with community groups and city agencies, registering students, typing correspondence related to training classes and providing information on training courses. The other clerk typist is employed by the American Heart Association to issue CPR certification cards, keep records of the number of courses offered and the number of individuals trained, and disburse literature to interested parties. Both clerk-typists are paid $3.88 an hour.

The project has generated a great deal of community interest as a result of media coverage initiated by the prime sponsor. It is anticipated that in its 12 months of operation the project will result in the training of hundreds of individuals in administering CPR. The 12 month project will terminate in January 1978. If local resources permit, the six participants will move on to local payrolls in order to continue CPR training unsubsidized by Title VI.

IMPLEMENTATION HINTS

One aspect of the Baltimore project worth considering by others interested in CPR training as a Title VI concept is the division of responsibilities of participating agencies. The Baltimore project has clearly defined roles among three agencies which, together, have the resources and the interest to make the program successful.

An important consideration for replicating this project is making the necessary arrangements for personnel, equipment, and supplies in time for the training to begin on schedule. Start-up of the Baltimore project was delayed somewhat by a need to spend more time obtaining equipment and supplies than was originally anticipated.

Another key aspect of the project is publicizing the merits of CPR training to the general public. Participation of chief elected officials in this process is highly desirable. This participation helps open the doors to media coverage of the training. In Baltimore the effort to train all city employees in the CPR technique has served to emphasize the importance of the project.●

INTERNATIONAL MONETARY FUND POLICIES IN PERU

● Mr. ABOUREZK. Mr. President, we have heard a good deal recently about Peru's economic difficulties and her receipt of a loan from the International Monetary Fund on the promise of imposing a severe austerity program at home. In light of the Senate's upcoming consideration of the Witteveen facility and the human rights amendment which will be offered, I would like to share with my colleagues a report from three Americans working in Peru who have had a first-hand look at how IMF lending policies have affected the poor people of that country. I ask unanimous consent that the report be printed in the RECORD.

The report follows:

REPORT

On May 21, the military government of Peru dropped the bombshell economic package, which everyone had anticipated, but not so soon, nor so drastic.

BACKGROUND

The package is a result of a critical economic crisis due to poor economic judgments by the military: mishandling of funds, capital-intensive investment which has not paid off, and high spending on military equipment, plus low gains on the export market. In the past four years, Peru's inability to pay for imports has worsened. It has had to go in search of more and more loans to meet immediate needs. These have been won, each time, at the cost of the popular classes. This week marks the eighth "package" of economic measures since 1975. In 1977, international banks refused to finance loans and Peru became dependent on the International Monetary Fund (IMF) to bail them out. The fund is known to demand harsh measures in return for loans. In July 1977, these measures included a devaluation of the sol and lowering of subsidies on food and gas, with minimal wage increases. The peoples' reaction was the effective strike of July 19, where the Military retaliated by allowing the dismissal of over 5,000 union leaders and workers from their jobs. They have continually fought, this year, for reposition, to no avail. Seventy-eight workers participated in a two month hunger strike, following Bolivia's example. The president gave in to their demands for reposition, and in an act which showed where the power lies in Peru, the factory owners and the Industrial Society refused to comply. The strikers are still out of work.

In the early months of 1978, the situation had become more critical. There is such a shortage of dollars in the country, for foreign trade and debt payments, that banks are close to a state of insolvency. Publicly owned companies who usually get the available dollars have also joined the scramble for dollars on the open market. As a result, the dollar has skyrocketed from 130 to 225 for dollar certificates. This week the official rate was at 150 soles per dollar.

With the financial system near collapse, President Morales Bermudez has held out on taking sharp economic measures because elections were scheduled for June 4. For six months there has been an "open" campaign to elect a Constituent Assembly. Morales is trying to improve Peru's image by moving towards a democracy. While everyone recognizes the Assembly as a farce, the left has taken advantage of the relative freedom of speech, public meetings and debate. All parties have been given free space on T.V., radio and in the press. Leftist magazines have circulated freely. When the military tried to take these privileges away from two marxist parties—UDP and FOCEP—the pressure was great enough that he returned these privileges. He has been battling internally (within the cabinet) as to which is most important, the elections or the economic measures, and everyone assumed that the measures would come shortly after elections. The U.S. has backed Morales Bermudez as a middle of the road conservative. Hoping Peru would make it to the elections, it granted large amounts of AID money for food in April.

The Industrial market has been terrible—with no dollars for import materials, and with no retail market (due to inflation), production is way down. The immediate need for industrialists has been to cut back on workers and curb union disorders. The military, on the other hand, has seen the power of the industrialists and realized that their support is necessary. The result was a pact between the government and industrial and financial sectors. One of the first agreement was the new Labor (In-) Stability Law, which has the left up in arms. The last law allowed for a three month trial period for new employees. After that, they could not be fired except for grave offenses. The new law expands this period to three years and makes minor offences charges for dismissal. So employers have a free hand in dismissing workers for economic or political reasons, and have done away with work stability and union power. An example is a union leader who was fired for "causing material damage to the factory" when he stuck a flyer on the wall.

Further evidence of the pact came this week when the Minister of Foreign Relations went to Washington to negotiate a new loan with three leading industrialists and bankers. Later in the week the two most powerful ministers, Cisneros (Interior) and Ibanez (Industry and Finance) plus the Minister of the Economy (Saenz) were booted out, and two of the spots were filled by civilians. This came after rumors of an attempted coup by Cisneros. This reveals that President Morales Bermudez is still in control, for the moment, and has given strength to the industrial-military bond and to big capitalists willing to make concessions to the IMF and foreign investors.

More evidence of huge concessions to foreign investors was the new 30 year contract made with Occidental Petroleum Co. earlier this year. It allows for exploration and development of oil deposits in the jungle, plus current production. The profits will be split 75–25 and eventually 60–40 in Oxy's favor. Also, taxes will be paid by Petroperu (Peru's public company) out of its share. In return, Occidental will make large amounts of ready cash available to the Peruvian Government.

After the mission to the U.S. last week, came a bundle of tax hikes which lead people to believe the other measures would be delayed or cancelled. These were used for bargaining with the IMF and included a price hike in utilities and higher import, income, vehicle, sales and travel taxes.

The "National Unity Mission" which went to Washington achieved some degree of political support from the Carter administration and economic support from the U.S. treasury (In AID loans) and the International Development Bank, including a "roll-over" on loan contracts (renewal). They also went ready to meet IMF demands for immediate loans.

The result of their agreement came late Sunday night (May 14) as a Mother's Day present—a well timed surprise for a celebrating "pueblo." These measures include subsidy cuts on food and fuel which mean an increase of 60% in the cost of living this year. At the same time salaries were raised 13%. This, of course, is only for officially registered workers and does not include all the under-employed or un-employed workers (almost 50% of the workforce). The measures, of course, have hit the popular classes hardest. Basic food stuffs, and transportation have gone up on the average of 50% (see Table I). But the measures have also begun to hit the middle class, and they too are beginning to complain strongly.

The nation's reaction to this "package" was expected and feared. In a week, we have just begun to feel the protest. While the "pueblo" was suffering before, they literally cannot subsist now. Milk and oil have become luxury items. Thousands of workers are unemployed unjustly since mass layoffs last July, and others, due to lack of jobs.

TABLE I.—*Price rises on principal products (in soles)*

	January 1978	Current price	Percent increase
Food staples:			
Single rolls	1.50	2.20	47
Noodles (kilo)	46.50	69.50	50
Milk (can)	27.50	39.00	42
Oil (liter)	80.00	184.00	130
Transportation:			
Micros	8.00	12.00	50
Busses	12.00	15.00	25
Petroproducts:			
Gasoline (gallon)	75.00	125.00	67
Kerosene (gallon)	10.00	15.00	50
Liquid gas (gallon)	169.00	255.00	51

SOURCE: El Peruano, Government newspaper, 150 soles equal $1U.S.

Below is a Chronology of the week:

Sunday, May 14—At 9:00 pm all schools and Universities are closed indefinitely. (This is because of the "package" and also because of a week long national teachers' strike. Their demands include 100 percent wage increase, and the government hopes to kill the strike by closing schools. The teachers' union, controlled by leftist parties, has been staging demonstrations throughout the city. The strike continues in spite of school closings.) At 10:30 pm the new measures are announced. Police and military are stationed in the main plaza, markets and gas stations for the rest of the week.

Monday, May 15—Tanks and truckloads of soldiers are seen in the streets. Government supermarkets sell food stuffs at old prices (rationed) for three days. Lines become so long that they curl around the block with 5–6 hour waits. Police maintain order in lines.

In some areas stores are looted and merchants close down. One main avenue leading to the northern "barriadas" (slums) is blocked by huge rocks. Cars and busses are stoned and burned. Bus transportation is limited. Professors, students and administrators of the National University (San Marcos) refuse to recognize the decree to close the University, and vote to remain open.

Tuesday, May 16—Bank workers declare a national strike which affects other sectors. In Lima, protesting teachers and bank workers motivate a general shut-down by merchants, and repression by tanks and guards. In the "pueblos jovenes" (slums) busses are attacked and stop running.

The reaction by the pueblo is always strongest in the provinces. In Pacasmayo the people take to the streets and loot for food. Police reaction leaves one dead. In Huánuco, four are killed when 4,500 people attack the police station. In general, transportation is scarce, and there is little business or commercial activity. Highways are blocked. There are demonstrations and marches throughout the country. The struggle is strongest in Cuzco, Arequipa, Huánuco and Chimbote. In Arequipa, Peru's second city, groups burn the race-track. Attempts are made to sabotage basic utilities (electricity, water, etc.). The police are attacked.

Wednesday, May 17—Lines continue outside of supermarkets. The military of Arequipa, reacting to the pressure of the pueblo (in an indefinite strike) agree to sell gas reserves at old prices and speak out against economic measures. They threaten a coup. Various organizations and parties of the left stage a mass rally and march through Lima, with over 6000 participants. Repression is strong. The Election Board hints that "files aren't ready" for elections on June 4.

Thursday, May 18—Climate of protest and repression continues. The Municipality of Lima lays off 200 workers in budget cuts. General strikes (total shut-down) continue in Cuzco, Arequipa and other cities. Some basic products become scarce (sugar, liquid stove gas, rice, etc.).

Friday, May 18—The situation deteriorates radically—The Election Board announces that Constituent Assembly elections will be postponed until July 18. The new Minister of the Interior begins his job by initiating fierce repression in earnest. UDP and FCCEP (two far left parties participating in the elections) headquarters are raided. The military begins visiting houses and rounding up leaders. By midday, many leading candidates have been taken prisoner, including Hugo Blanco and Diaz Chavez, both recently returned from exile under an election amnesty. About 100 have been taken prisoner, mostly teacher-union leaders. Rumors fly about 3 different coup attempts, though none are successful. Cisneros and Ibailez, recently ousted ministers, are imprisoned on charges of an attempted coup, after having been decorated for merits a day before. All free campaign space in the media is withdrawn and programmed speeches are cancelled. Southern cities are under an unofficial state of emergency. A major bridge is blown up in the mountain province of Tingo-Marin and the road is closed between Lima and city of Huancayo. Electric lines are cut in Huancayo.

Saturday, May 19—We are greeted with the news that the government has declared a "temporary" state of emergency and all constitutional guarantees are suspended. Also, all publications except daily newspapers are suspended indefinitely. Military commanders will assume local control throughout the country. Obviously, the Constituent Assembly and elections are a thing of the past, as well as amnesty, "free press", etc., yet the president insists that the timetable has merely been postponed.

The suspended rights include the guarantee of arrest under specific charges with a warrant, protection against entering and searching homes without a warrant, the right to public and private meetings, and to free movement in and out of the country.

The organizations and parties of the Left, Union controls, the bus driver's union and others call for a national strike Monday and Tuesday (22–23) to initiate an indefinite general strike. It looks as if it will be very effective. The government immediately declares it illegal.

The Huancayo Valley in the central Andes is totally paralyzed, as well as Cuzco and Arequipa. One week of protest and repression nationwide brings the toll to 12 dead, 47

wounded, millions of soles in damage and well over 100 political prisoners.

President Morales Bermudez speaks to the public on T.V. and radio. He assures the people that the government has everything under control, that elections will continue and that the protest is due to a small number of activists. He appeals to the people in an emotional way for cooperation and more austerity. He assures them that these measures are taken with no outside influence and with "absolute dignity and national sovereignty". The people take the speech for what it is—lies and a desperate attempt by the military to keep control.

Monday, May 22—A national strike is effective throughout the country. An eerie silence prevails in the center of Lima and commercial areas. All stores are closed and no buses are running. The three main highways out of Lima to the "pueblos jovenes" and the industrial area are completely blocked by masses of people, huge rocks and burning tires. Lima is totally surrounded by a belt of "new slums", of people of the popular class, many migrant peasants, who feel the measures most strongly. Most of the action is in this belt around Lima. People come down from the surrounding hills in thousands to mobilize and block roads. In one "pueblo joven" hundreds of people loot the market for food. Police and the military fire into the air to break up crowds, but they also fire into the crowds on occasion. According to an unofficial report, in San Martin de Porras, a pueblo joven, police fire into a huge mass of local residents, who are mobilizing and burning tires, killing and wounding many. A truck goes behind gathering up the dead. An unconfirmed estimate says about 30 were killed in Lima during the day. Helicopters circle the city to report disturbances. News hasn't been available from the provinces yet.

In the evening the military impose a curfew from 12:00 p.m. to 5:00 a.m., with soldiers ordered to shoot people in the streets after 12. This signifies that protest and blockade efforts have been very strong and effective. It looks as if the protest will continue on Tuesday and the strike will be equally effective. (Tuesday it is confirmed by activity in the streets, demonstrating masses, and the government makes curfew at 10:00 p.m.).

Leftist groups are proposing an indefinite strike to begin next week. It has not been confirmed yet.

POSSIBILITIES FOR THE FUTURE OF PERU

The people are strong enough now to continue the struggle so it seems certain that the state of emergency and curfew will continue for some time, and that schools will not open soon. Also, elections will almost certainly be suspended. If there is an indefinite strike the conflict will become worse. At this point, it looks as if Morales Bermudez has won out in the internal power struggle, over more repressive groups. We fear, however, that as the economic crisis continues, and the pueblo continues to struggle against them, the government will increase the repression to save itself. As more economic measures are sure to come (Peru is bankrupt), the picture seems very dismal.

While there is little that U.S. citizens can do directly now, it is crucial that we begin to be aware of what's happening in Latin America and how we are partly responsible. This information can serve in communicating to others in a process of consciousness raising about our involvment. From the other side of the fence, in Latin America we can see the weakening of the United States' human rights policy and an attempt to pull away from the heavy handed national security policy, while at the same time maintaining corporate, economic, and political control.

The Senate soon will be voting on a bill, S. 2152, to authorize funds for the Witteveen Facility of the International Monetary Fund. In this bill a human rights amendment will be offered, which has already passed in the House, with several provisions which should go a long way to help ease situations and experiences like that of Peru. With the Harkin/Abourezk amendment, the U.S. Executive Director of the Witteveen Facility would have to take all possible steps to the end that no transactions would contribute to the further deprivation of basic human neeeds and rights and would have to oppose any such transactions which do so. There is also a reporting requirement in the amendment for an evaluation of how the loans made have affected the availability of basic human needs to the poor of a country.

Peru is a vivid example of what can happen too often under the present lending policies of the IMF and that country's experience demonstrates clearly the critical need for this human rights language.●

SENATOR PERCY AT THE NATIONAL GASOHOL COMMISSION

● Mr. JAVITS. Mr. President, the National Gasohol Commission has just concluded its third annual meeting here in Washington. The Commission is dedicated to promoting gasohol, the mixture of 90 percent gasoline and 10 percent grain alcohol. Gasohol is a more efficient, cleaner burning fuel than gasoline. It can help us decrease gasoline consumption by up to 10 percent.

During its 2 days of meetings, the Commission was addressed by a number of Senators, Representatives, and other Government officials. Of special note was the speech by my distinguished colleague from Illinois, Senator PERCY. He has been one of the strongest advocates of gasohol in the Senate. His two amendments to the energy tax bill—one to exempt gasohol from the 4 cents per gallon Federal gasoline tax, the other to create a Federal gasohol test fleet—are among the very important Senate gasohol actions.

Mr. President, I ask that Senator PERCY's address to the National Gasohol Commission on June 14, 1978, be printed in the RECORD.

The address follows:

ADDRESS BY SENATOR CHARLES H. PERCY

It is a pleasure to participate in this third annual meeting of the Gasohol Commission. Meetings such as yours are vital to our effort to find solutions to the energy crisis. I commend you for your foresight and iniative.

Today I want to talk to you about our energy supply—or should I say lack of supply—the problem we face because of it and the important role alternative sources such as gasohol must play.

For years Americans appeared to do their best to ignore the need for a national energy policy. Some wondered if the costs and benefits of a comprehensive energy program could be distributed fairly throughout our society. Only a handful of people admitted that we were squandering enormous amounts of energy.

Even though many Americans agree that we face an energy crisis, our energy dilemma is now worse than when Congress and the Administration began warning about the perils of wasteful energy habits. It is now clear that a national effort to conserve energy and find innovative energy sources—such as gasohol—is essential to combating the energy crisis and protecting our national security.

Let's look at the facts. Recently, I attended a briefing given by Admiral Turner, Director of the CIA, to the Board of Directors of the Alliance to Save Energy, a nonpartisan energy conservation group that I founded last year with Hubert Humphrey. Admiral Turner presented this assessment of the prospects for the world oil supplies in the next ten years, and I quote: "In the absence of greatly increased energy conservation projected world demand for oil will approach productive capacity by the early 1980's and substantially exceed capacity by 1985. In these circumstances, prices will rise sharply to ration available supplies."

The CIA projects 1985 world demand for OPEC oil at 48 million barrels a day. Saudi Arabia will reach a capacity production of 14 million barrels; other OPEC suppliers can contribute at most 28 million barrels. This leaves a shortage of at least six million barrels a day.

Some aspects of the CIA analysis are controversial. For example, the agency projects Russian and Eastern Europe import needs to be 2.5 million barrels a day by 1985, although other analysts dispute this. Also, Saudi Arabia may be able to exceed its capacity projection and the world economy may continue to stagnate, thus cutting oil demand.

But as a U.S. Senator, I feel responsibility to base my decisions on reasonable expectations of future events. We cannot afford to have the future of the American economy dependent on the assumption that we can avoid a worsening oil crisis—caused by supply or price—in the 1980's. Or, in the terms of what might be called Disney's law of Thermodynamics, "Wishing will not make it so".

Even if the most optimistic predictions about world oil demand prove to be accurate, the rapid price escalation the CIA projects can at best be postponed ten years to the early 1990's. In either case, the basic energy problems must be addressed today.

In 1977, U.S. energy consumption grew three percent from 1976. Most of the increase came from imported OPEC oil because domestic energy production has declined since 1971 while demand continued to rise. Last year we consumed twice as much domestic oil as we found. Our oil import bill hit a record $45 billion dollars.

While we import almost half the oil we use, Western Europe imports nearly 96 per cent of its oil. The foreign relations implications of this fact alone are serious. We are all vulnerable. The energy sources we use are finite. World production from known oil and gas reserves is expected to peak in the next 15 years.

As supply runs out, the cost will continue to rise. This fact alone is a great burden on every nation's economy. Presently, the United States is running a net trade deficit of 25 to 30 billion dollars a year.

The European community, excluding Germany and Great Britain, is running a large balance of payments deficit. Italy and France are in a particularly precarious position because their financial reserves are low and their capacities to borrow from international lending institutions have been diminished.

Many nations dependent on imported oil are turning to the United States for help. They seem to think that the United States should maintain a permanent balance of payments deficit so they can have access to the money they need to meet mounting oil bills. But the United States cannot continue to run such huge trade deficits. The value of the dollar is at stake, just as it was in the

late 60's and early 70's when the international monetary system faltered.

The long-range economic and social implications of the energy crisis are a serious threat to the unity of the Western Alliance. The greatest possible friction in the coming years may not be between oil suppliers and consumers, but between competing consumers.

We will all be vying for the same oil. And we could face a more critical situation than we confronted during the Arab oil embargo in 1973 when every country tended to look out for itself. There was inadequate cooperation. We survived that crisis, but we will not survive the next such challenge if the Western Alliance does not become a stalwart force in dealing with the oil producing countries.

That is why it is imperative that we conserve energy and seek new sources at the same time. We have high hopes that such new energy sources as solar power will help fill our future needs. But such innovations as gasohol can help now in the effort to cut our extravagant use of oil.

You have heard me and a number of my colleagues express support for gasohol, we are building a strong gasohol coalition in the Senate. But, as seems to be the case too often, Congressional support and enthusiasm is met with silence by the Administration.

The Department of Energy should be the leader in the promotion and development of alcohol fuels. The Energy Department should be absolutely swamped with work and overcharged with enthusiasm about the future of gasohol.

We fully expected the Department to act. DOE, as part of their Alcohol Fuels Program, created a Department group called the "Immediate Action Element". And what actions have the "Immediate Action Element" taken? None! It will instead do more studies.

According to the DOE "Position Paper on Alcohol Fuels", the Immediate Action Element's function is to undertake "special studies to examine and help resolve key technological, economic, environmental and institutional issues."

The Position Paper, which I am sure many of you have read, says further that "These studies will contribute to a DOE decision on commercialization of non-petroleum liquid fuels to be made by January, 1979."

These are important issues. And the January 1979 deadline is not far off. But studies are not action, and action is what is needed. What I question most is the motivation.

Gasohol just does not seem to be taken very seriously by the Energy Department. In response to the overwhelming evidence of the benefits of alcohol fuels in Illinois, Nebraska, Indiana and other states, DOE commissions continue to study. And even before the studies are completed, there is a presumption against gasohol.

The Position Paper states that "Research and development are being conducted . . . which would improve both energy use and economics, but it is not likely that these will give savings large enough to enable ethanol to compete nationally with other alternatives. However, production and utilization of ethanol on a regional basis may have merit."

Without a doubt, the production and utilization of ethanol on a regional basis does have merit. Service stations in central Illinois are selling gasohol today. They are doing well.

Consumers in Illinois and other states are using gasohol even without a federal tax exemption as an incentive. Gasohol has created new markets for surplus and inedible grains. Eventually, gasohol will tangibly benefit all agriculture. So I do not understand why, with such clear evidence, the Department of Energy is so hesitant to recognize and promote gasohol.

Because of DOE's hesitancy, it is all the more important for you who work with gasohol to develop it on your own and convince the doubters. And it is up to us in Congress to provide sufficient legislative assistance.

I introduced two gasohol bills that were accepted by the Senate last November as amendments to the Energy Tax Bill. The first bill would exempt gasohol from the 4¢ per gallon federal gasoline tax. The second would establish a federal gasohol test fleet. Both bills, I believe, would help gasohol significantly.

The Energy Tax Bill is now the only part of the National Energy Act that remains unresolved by the Energy Conference Committee. There is a good chance that it never will be resolved. If the Energy Tax Bill fails, I will resubmit the two gasohol bills to the Senate. Because they were accepted unanimously the first time, there is a good chance of approval again.

Five years ago, I might have been laughed off the Senate floor had I proposed tax exemptions and federal test fleets for gasohol. But today, more and more people are aware of the benefits of alcohol fuels. Twenty-eight Senators cosigned a letter to Secretaries Bergland and Schlesinger encouraging the use of alcohol fuels.

I attribute much of this new awareness to the work of the National Gasohol Commission. Through your diligent efforts, gasohol has gained the respectability its always deserved. I encourage you to continue your good work.

I believe private efforts such as yours are the best way to increase awareness of the energy crisis. That is why last year I formed the Alliance to Save Energy. Its purpose is to develop a broadly-based constituency for energy conservation and to promote energy efficiency in every sector of our economy, including building construction, transportation, electrical power generation and industrial processes.

In its first year, the Alliance evolved into the country's only nonprofit organization dedicated to reducing energy waste. The Alliance to date has a number of accomplishments under its belt.

It has cosponsored 25 conferences around the nation involving businesses, trade associations, policy makers and concerned citizens, with a total attendance of 30,000 people. It assisted in the preparation of a report on industrial energy use that will be published this month by the Conference Board. The Alliance is developing training programs for members of the National Home Improvement Council and the National Lumber and Building Material Dealers Association.

The Alliance is producing monthly news features on energy conservation. Over 570 newspapers and 930 corporate publications subscribe to this service.

A new Alliance publication, "101 Ways to Save Energy," will soon be distributed by the Boy Scouts.

I am especially enthused about taking the message of the Alliance into every American home. To deliver the conservation message, the Alliance is working with the Advertising Council to produce a series of energy conservation television ads for use later this year.

This has been a good first year for the Alliance. I believe we have launched many worthwhile projects that will raise the level of energy consciousness in America.

It will take a great effort by all involved to increase private investments in energy efficiency. We must recognize that energy is a means, not an end.

I hope those of you participating in this conference today will continue the effort to make the most of our energy sources. The Gasohol Commission is a model of energy innovation and imagination. Keep up the good work.

Thank you.●

COMMUNICATIONS IN RURAL AMERICA

● Mr. BAYH. Mr. President, I have joined as a cosponsor of S. 3003, a bill introduced by my distinguished colleague from Montana, Senator MELCHER. This bill will permit Rural Electrification Administration financing for rural telephone systems to deliver a wide range of telephone and broadband services. I commend Senator MELCHER for his farsighted and responsible answer to important communication needs of vast rural areas in the United States. These REA loans will make it possible for rural residents to receive the benefits of new communications technology at incremental costs where such facilities and services are not now commercially available.

I have been a longtime supporter of the REA which brought electricity to rural America and has contributed more to rural development over the last four decades than any other single program. One of the REA's most important roles has been to provide funding for telephone systems for rural Americans.

In recent years, the development of coaxial cables and other technology has made it possible to install broadband services like cable TV, telemedicine, information transfer, and various education programs with regular telephone service. Also coaxial cables have the capacity to accommodate expansion of basic telephone and video service economically because a great many new customers can be served without laying any new lines. The average copper telephone cable can transmit 900 voice telephone conversations at one time. The average coaxial cable, on the other hand, can transmit 2,040. Some communities have installed broadband technology just for telephone service. Clearly installing coaxial cable reduces the costs and disruptions of replacing conventional cables when the population grows. More importantly, coaxial cable permits consolidation of small switching centers into a single, modern, large switching facility.

It is estimated that replacing a telephone system with a combined broadband and telephone system will cost only 25 percent more than installing telephone lines alone. Combining broadband and telephone services, as allowed in S. 3003, appears the least expensive and most practical way to extend cable TV to rural areas.

Farm and small town residents from all States have sought improved communications for entertainment, weather, marketing, and health information, and other services. Broadband can do much to improve the quality of rural life. Some of the other potential uses include: instant communication with distant doctors and medical facilities, long-distance meter reading, closed circuit instruction, broadcast of movies and plays, home security monitoring for fire and burglary, and message service. At a modest cost

to the Government, S. 3003 would offer access to broadband communication, which is now enjoyed by urban and suburban dwellers, to millions of rural Americans.●

GOODBY TO "GET SMART" SCHOOL

● Mr. MATHIAS. Mr. President, I would like to call attention to an event which took place in Baltimore a week ago—the closing of School 100 located in Baltimore's inner city.

School closings are commonplace in communities all over the country. Like School 100, many face the chronic problem of inner city schools, old age. Even when School 100 was in good repair, it was not an attractive building.

But a school is more than just a building. What is significant about School 100 is what has happened in its halls and classrooms over the years.

School 100 has served black children in Baltimore for 74 years in what the Baltimore Sun has described as "a neighborhood riven of late with poverty." In spite of its environment, School 100 has consistently stood head and shoulders above other Baltimore City schools in test scores.

The moving force behind the school's academic success has been its remarkable principal, Mrs. Carrie O. Staten. Her dedication to her pupils has been praised by many, both within and outside the community.

But her dedication does not stop at the school door.

Each summer Mrs. Staten conducts a camp for at least 90 students to help them continue their learning experiences. Through horseback riding, swimming and other outdoor activities, her students have acquired confidence in themselves, and the knowledge that other people care about them.

Through Mrs. Staten's enlightened and enthusiastic learning program the children of School 100 have acquired far more than the basic reading, writing, and math skills—they have been opened to the knowledge that someone really cares.

We will miss School 100's unique spirit and the devotion of Carrie Staten and her inspired staff. Baltimore itself will miss her creative program which she characteristically named the "Get-Smart" school experience.

But this is not the end of the experience. Next fall when Mrs. Staten and the School 100 staff are reassigned, they will take with them the indomitable spirit of the "Get-Smart" school, and will enrich their new schools, and, in turn, their society.

I ask that an editorial from the Baltimore Sun as well as a letter to the editor from an admiring colleague be included in the RECORD.

The material follows:

SCHOOL LOSS

Sir: Your June 2 editorial, "Goodbye to Get-Smart-School" certainly was appreciated by those of us who know and love Carrie O. Staten.

Her love and devotion for the children of School 100 can be documented by the multiplicity of activities and personal financial sacrifices provided through the untiring efforts of Carrie Staten. Not only have the children learned to read, write and spell, they've learned effective social behavior for many occasions.

For many summers now, Carrie Staten, supported by the love and charity of a few friends, has provided a six-week "country living experience" for at least 90 children a summer from School 100. On her farm the children continue their learning through horseback riding, swimming and other related experiences. That such a dedicated principal and staff should be faced with the uncertainty of their next year's assignment is a blot on the record of the Baltimore Department of Education.

With such a disregard for the well being of its staff, no one should be amazed that the Baltimore city schools have lost and are losing their best administrators and teachers.

HELEN C. THOMAS,
Retired Administrator as of June, 1977.

GOODBYE TO GET-SMART SCHOOL

Yesterday was the deadline for School 100 to have its belongings packed in readiness to move, although as of this week there has been no word as to where pupils and staff members would be reassigned. The school itself is soon to be abandoned, which from a physical standpoint is no cause for sorrow. Located at Mount and Saratoga streets, just south of the Franklin-Mulberry expressway gulch, School 100 is an antiquated three-story structure, built in 1888 on a cramped site and designated in 1904 as a "colored" school. It has served black children ever since, in a neighborhood riven of late with poverty.

A school, though, is more than a physical structure. Since the advent of published test scores, School 100 has consistently stood out as having above-average reading and math achievement levels, and in the most recent state report, its fifth graders had exceeded the national norm. For all its physical inadequacy and the poverty of its children, School 100 in its last decade has been rich in the spirit of Carrie O. Staten, its cheerleading, child-hugging principal who repeatedly, emphasizes to pupils that what they will do, eat and wear in the future depends on what they learn today.

Mrs. Staten is the principal who, for lack of an auditorium, gets pupils out on a small play lot for a daily pep talk. "What are we going to do today?" she shouts, and in unison they shout back, "Get smart." Encouragement, incentives and love are her educational tools, and School 100 has been blessed with a staff that has shared her readiness to reward achievement with frequent hugs, paper crowns, weekly prizes, weekend outings—anything that will stimulate learning. The school is now ending, not with a whimper but with a bang-up schedule of festivities, and the public can hope that some of School 100's spirit will follow its pupils, teachers and principal wherever they are next assigned.●

JUSTICE ON INDIAN RESERVATIONS

● Mr. ABOUREZK. Mr. President, the still unsettled issue of jurisdiction on the Nation's Indian reservations has been the focus of much attention recently as the result of three landmark decisions dealing with jurisdictional disputes this spring from the U.S. Supreme Court.

In an attempt to come to grips with the ramifications of these rulings, Indian leaders from throughout the country met recently in Washington for a conference on the administration of justice on Indian reservations. My distinguished colleague from Massachusetts, Senator EDWARD M. KENNEDY, delivered the keynote address at that conference. His speech eloquently recognized the Federal Government's special trust relationship with Indian tribes and offered a concise and lucid examination of the problems involving the administration of justice in Indian country and the Government's role in furthering tribal self-determination and self-government.

Mr. President, I ask that his address be printed in the RECORD.

The address follows:

JUSTICE ON INDIAN RESERVATIONS

I am pleased to be with you today at this conference on the Administration of Justice on Indian Reservations. For over a decade I have participated in Congressional efforts to meet some of the basic needs of Native Americans. We have developed education, health, and manpower programs to address fundamental problems faced by Indian people. And we have worked towards restoring or securing natural resource rights of many tribes. But the agenda of unfinished business remains long. And although Indians are not attracting the headlines they were during confrontations at Alcatraz, the BIA building, and Wounded Knee, these remain unsettled times in Indian country.

Since the coming of Europeans to North America, there have been conflicts between those who believed they could see a better use for Indian lands and resources and the Indians themselves, who were intent on preserving their ancient heritage. But today those disputes are being settled not on the battlefields, but in the courts where Indian tribes are vigorously pursuing their dormant or unsettled legal rights.

The assertion of Indian rights has come about because tribes at long last have begun to take their rights of self-government seriously, and the courts are taking them seriously too.

In the past two months, the Supreme Court has handed down three landmark decisions which will require a fundamental reassessment of the relationship between Indian tribes and the states and the federal government. In *Wheeler v. United States*, the court made it clear that as a matter of law tribes and tribal courts have a sovereign identity separate from the United States. The *Martinez* decision confirmed the role which tribal courts play in enforcing even federal laws, specifically the Indian Civil Rights Act, on reservations.

On the other hand, the Supreme Court's holding on the controversial *Oliphant* case reversed the recent trend toward recognition of tribal authority by ruling that tribes do not have inherent criminal jurisdiction over non-Indians on reservation lands.

These cases have one element in common: they all help draw the boundaries of tribal self-determination which will guide the course of Indian and non-Indian relationships in the decades to come.

During the past 200 years, the federal government has made numerous promises to Indians and Indian tribes. Many have not been kept. Few promises, however, have been more important to Indians today than the promise made in the last decade—that of Indian self-determination.

Native Americans have long awaited a time when they might determine their own futures. Congress finally recognized this desire, and the need for a new era in the federal-Indian relations, when the Indian Self-Determination and Education Assistance Act of 1975 recognized that the Indian people will never surrender their desire to control their relationships—both among themselves and with non-Indian governments, organizations, and persons.

That Act then proceeded to state:

The Congress declares its commitment to the maintenance of the federal government's unique and continuing relationship with and responsibility to the Indian people through the establishment of a meaningful Indian self-determination policy.

The federal government today has not only an important opportunity, but a responsibility to affirm that promise of self-determination and to assure that it is carried out. Whether the national policy of self-determination will have any meaningful importance for Indian tribes and individuals will depend not upon additional pronouncements by federal courts, but upon its implementation by the Congress.

We must assure development of programs and policies under the Indian Self-Determination Act in accordance with the original purposes of that Act. A central focus must continue to be maintenance of a firm and secure natural resource base for tribal economic development. Our efforts, however, must also be focused on a second level: that is, providing basic assistance to the tribes for development of their own internal institutions. Effective Indian self-government through tribal institutions must be a cornerstone of federal policy. Tribal judicial institutions and the administration of justice on Indian reservations must be viewed as essential components of Indian self-determination.

For centuries, the resolution of disputes has formed an integral part of Indian tribal governments. Ancient tribes were recognized for their creative and effective informal settlement of disputes through arbitration and negotiation. In fact, many tribes implemented systems for the resolution of disputes which are not unlike those being recommended by the American Law Institute for the improvement of our modern state and federal judiciary.

The authority of today's tribal judicial bodies—the descendants of the early Indian systems—has been explicitly recognized. As recently confirmed by the Supreme Court, it springs from tribal sovereignty, rather than from any delegation of federal power. Tribal court jurisdiction—and in some cases exclusive authority—over criminal actions involving Indians and civil actions involving Indians and non-Indians has been upheld in numerous cases.

However, tribal courts are important in more than just a theoretical or historical sense. They fill a very real need: the administration of justice on reservation lands where, except for tribal judicial bodies, many offenses might go unpunished and many disputes might be left unresolved. Even in cases where state or federal courts may have jurisdiction concurrent with the tribe, tribal bodies often constitute the most convenient and effective forums for the affected parties. The functioning of tribal judiciaries is thus crucial for Indian reservations. The importance of tribal courts, however, is also broader. They constitute a separate and unique component in our Nation's judicial system, composed of courts of a number of different jurisdictions.

The effective functioning of all of these bodies, including tribal courts, can assure a comprehensive judicial system that meets the needs of all segments of our society.

Despite their obvious importance, on-reservation judicial systems have received neither the monetary support nor the policy backing necessary to ensure their development. Because of the often abrupt shifts in federal policy toward Indians, tribes have never been assured of the permanent right to maintain their own judicial systems. Moreover, financial support, which has come only recently, has too often been inconsistent, inadequate, or unfairly distributed. Reports completed by the American Indian Court Judges Association in the last several years document the enormous, still unmet funding needs facing Indian judiciaries.

As the federal government has begun to recognize the needs of Indian judiciaries, those needs are also intensifying. Greater commercial, economic, and recreational development in Indian country, increased mobility on and off reservations, and other factors have created criminal and civil problems in increasing proportions, thereby placing additional pressures on small, understaffed judicial institutions.

In addition, the three decisions of the Supreme Court which I mentioned earlier pose new problems for tribal courts in ensuring full, effective administration of justice.

The Congress and the Executive face three major challenges in assisting Indian tribes and their courts to respond to the problems facing them.

The first challenge is to maximize the financial support for tribal institutions.

If the federal commitment to Indian self-determination through the development of tribal institutions is to be meaningful, federal authorities will have to assume substantial financial responsibility for the development of reservation judicial systems. Our interest and support must be continuing and consistent. Tribes should also be afforded the opportunity to obtain direct grants from the various institutions in a manner similar to the CETA program grants.

The second challenge is to develop new legislative and administrative approaches which would assure permanent support for the development of tribal courts, including personnel training and facilities. In doing this we must ensure that Indian court systems can remain unique institutions in structure and procedure.

Third, we must be prepared to address legislatively the jurisdictional problems relating to the proper administration of justice on Indian reservations. The Senate Select Committee on Indian Affairs, under the able leadership of Senator Abourezk, has been performing valuable service in this regard. Extending the life of this separate Committee on Indian Affairs, with its expertise and single-minded objective, is necessary to insure that in the Senate we can meet this last challenge.

Meeting this federal commitment will serve broader purposes than just the development of tribal judicial systems and governments and the delineation of their jurisdiction. Judicial processes for all peoples on or near Indian reservations will be upgraded, reciprocity between on-reservation courts will be increased, dispute-resolution mechanisms will gain respect and stature, and relations among Indians and non-Indians will be improved. And that, ultimately, will benefit all the people of our land.●

SENATOR MATHIAS' CALL FOR A CLEAR, CONSISTENT FOREIGN POLICY

● Mr. JAVITS. Mr. President, on June 15, 1978, my friend and colleague, Senator MATHIAS, of Maryland, delivered a major foreign policy address before the Anti-Defamation League in Boston. Throughout his career in the Senate, Senator MATHIAS has taken a special interest in the question of strategic nuclear arms limitation problems. In this, he has been a keen and avid student. He is currently serving as a congressional adviser to the U.S. negotiating team for the SALT talks. I am also a congressional adviser to our SALT negotiators and I have worked closely over the years with Senator MATHIAS on this and other issues.

Senator MATHIAS' June 15 speech demonstrates in full measure those qualities which have earned him such a high reputation among his colleagues. It is intelligent and well informed; most importantly, it reflects the informed and sincere feelings of a dedicated public servant.

Mr. President, I ask that Senator MATHIAS' June 15 speech be printed in the RECORD.

The speech follows:

WANTED: A CLEAR, CONSISTENT FOREIGN POLICY

Tonight I want to talk a little about the general condition of United States foreign policy.

Last Wednesday I went with President Carter to Annapolis when he gave the graduation address at the United States Naval Academy. I had looked forward to the trip for several reasons.

As a member of the Board of Visitors of the Naval Academy, I wanted to enjoy the historic moment when the first President of the United States to have graduated from the Naval Academy returned in glory to the scenes of his youth.

I also welcomed the chance to talk privately with the President during the 20-minute helicopter ride. I believe I made good use of the time in a cause of interest to us both.

And, finally, I was anxious to hear the President's speech.

The President was reported to have drafted the speech himself in order to erase the impression that his administration is deeply divided on national security issues. That impression actually is so widespread that Press Secretary Jody Powell joked that "if we had assigned the first draft to either State or the NSC, the press would have accused us of playing favorites."

Clearly, the President's decision to intervene in the situation was timely and necessary. Our policy toward the Soviet Union has needed clarification ever since the 1976 election campaign, when Henry Kissinger's strategic idea of detente was sacrificed to political expediency.

But, unfortunately, President Carter's speech mystified where it sought to clarify. It did not correct the flaws in the Administration's foreign policy; it exemplified them. The speech reads like an antiphonal chorus between dove and hawk.

It's no wonder Soviet officials were "baffled" by the President's attempt to clarify U.S.-Soviet relations. A lot of other people were baffled too.

Even insiders had their problems with the speech. According to the *Washington Post* (June 8) unnamed "officials" admitted the speech contained "ambiguities," "oversimplifications," or "mistakes" in precise phrasing that might be misinterpreted by the Soviets or others.

Perhaps this confusion could have been avoided.

Later (June 11) the Post reported that the President had gathered his top foreign policy advisors to discuss his speech draft as soon as he returned from Camp David. None, however, was willing to criticize the speech, because each found in it enough of his own point of view to be satisfied.

It seems to me that the President was badly served in this exercise.

The unreconciled ambiguities in the President's speech and in our foreign policy have prompted Chairman Clement J. Zablocki and 14 members of the House International Relations Committee to ask the President for a clarification of his "clarification" of U.S.-U.S.S.R. relations.

"There is concern," they wrote him, "whether it is in our own security interest to permit developments in Africa to adversely

affect our overall relations with the Soviet Union."

This bipartisan group of legislators had a curious request. They asked the President to make available either the Secretary of State or "whoever you determine is best able to articulate ... whether there has been a change in U.S. policy or whether any change is contemplated."

Obviously, we have reached a dangerous state of affairs when neither friend nor foe can say with any certainty what U.S. policy is toward the world's other great nuclear power. The gravity of the danger is compounded when even members of the Congress of the United States don't know where to go for the right answers.

As a United States senator with a specific constitutional responsibility to give my "advice and consent" on treaties, I am particularly concerned about the President's failure to clearly dispose of the question of "linkage" in his Annapolis talk. I welcomed the President's statement that:

We and the Soviet Union are negotiating in good faith because we both know that failure would precipitate a resumption of a massive nuclear arms race.

As a Congressional advisor to the SALT talks, I was happy to learn that the President thinks "the prospects for a SALT II agreement are good." I hope he is right.

But, I looked in vain for any statement that would make it clear to the American people why a SALT II agreement can promote our national interests in ways that are really unrelated to other issues, such as Soviet activity in Africa or even human rights.

Instead, the President wound up his speech with what is certainly a conditional threat and may become a self-fulfilling prophecy. He said:

We have no desire to link this negotiation with other competitive relations nor to impose other special conditions on the process. In a democratic society, however, where public opinion is an integral factor in the shaping and implementation of foreign policy we recognize that tensions, sharp disputes, or threats to peace will complicate the quest for an agreement.

I do not dispute that public perceptions play an important part in shaping and implementing foreign policy. But the President surely has an opinion-making role to play in any "quest" for agreement.

The case for SALT in the United States is not seen as self-evident. Both the SALT process and the emerging agreement are under attack. The final agreement will, of course, be examined carefully in the Senate. But a great many of SALT's difficulties have little to do with this particular treaty. Other factors are involved.

Part of the Carter Administration's problem with SALT is that it hasn't had a completed agreement to defend. It has been impossible, for example, for the Administration to outline Soviet concessions in negotiations which are still going on. The Administration has had to stay largely mute in the face of selective leaking and continuous attacks which focus on specifics.

On the other hand, the Administration has not made the case for SALT in a consistent and coherent way. The President need not go into the details of a particular agreement in order to let the American people know that the issue itself is vital. We simply have not heard a strong case for arms control emanating from Washington.

Instead, we have been subjected to a hot-water, cold-water treatment. One day a SALT agreement is a few weeks away. The next day SALT is being linked to Soviet activity in Africa. The following day it is being unlinked. But rarely does anyone in the White House explain to the American people—Why SALT? The field is left wide open to the opponents.

Either SALT is in the national interest of the United States or we should not be engaging in this negotiating exercise. I believe that it is and that the President should not be at all defensive about explaining why to the American people.

In a democracy, the people must know the truth if they are to act responsibly and intelligently. A badly informed, or wrongly informed, electorate is a dangerous thing in a democracy. Such an electorate is the prey of demagogues.

It is the President's job to make certain that the country keep foreign policy controversies in proper perspective. He must somehow get across to the American people exactly what is at stake for humanity in the nuclear arms talk. (And he must also get it across to the people in his foreign policy establishment.)

The President of the United States is not a referee. He is the team captain. He must have a grant strategy and he must execute it.

If I were making the strategic game plan for the last quarter of the 20th Century, this is what I would tell the American people.

It is vital that Americans see through the emotional smokescreen being laid down by those of limited vision. They should know that stockpiling more and more weapons of destruction in nuclear arsenals around the world simply raises the probability that these weapons will be used.

The facts are precise, almost elegantly mathematical, in their certainty:

Today the world is spending about $1 million a minute for arms. (1978 Stockholm International Peace Research Review)

The average family pays more in taxes to support the arms race than to educate its children. (Ruth Leger Sivard: Report on World Military and Social Expenditures)

The overkill capacity of nuclear arms could destroy every city on earth nearly seven times over. (ibid)

What else do we need to know?

We are now at the most critical moment in the history of the world. The decisions we make now concerning our relationship with the other great nuclear power—the Soviet Union—will surely determine the ultimate fate of our peoples and of all nations.

We live in a time of great hope and a time of great danger. Even as we debate the life and death issues of the arms race, the destructive capabilities of the United States and the Soviet Union grow incrementally greater every minute.

Most Americans agree that the United States must continue the effort to forestall nuclear war. In fact, the latest Harris polls show that the American people strongly favor nuclear disarmament. Seventy-five percent favor SALT and 74 percent want to see an agreement to end all nuclear weapons testing.

How to achieve these goals lies at the heart of the controversy over our relationship with the Soviet Union.

In his speech, the President said "The Soviet Union can choose either confrontation or cooperation." He added that "The United States is adequately prepared to meet either choice."

I don't think our relationship with the Soviet Union should be an either/or proposition. I believe we should be more mature than that in our relationships.

We must be prepared, as Mr. Brezhnev has candidly warned us, to cope with wars of national liberation supported by the Soviet Union. We must hold our own in global economic competition. We must challenge the Soviet Union to live up to its obligations under the Helsinki agreement. We must not be deterred in our support of human rights.

But, we must also work, as we have over the past decade, to get rid of the cold war, to strengthen normal ties with the Soviet Union and its peoples, to create leverage through a series of mutually advantageous relationships, rather than linkage which would destroy those relationships.

To do this, the American people must have consistent and determined leadership. A world with the capacity for the ultimate crime of total genocide ought not to hesitate too long before renouncing that fatal course. For the sober, the prudent, the wise, the courageous, all know there is no alternative to a cooperative effort to halt the nuclear arms race.

Columnist Mary McGrory, who was born and raised here in Boston, as usual has put the problem clearly. In her May 24, column, Miss McGrory wrote:

The President is the only one who can convince the Americans that SALT provides the arms control they want combined with the reassurances they need. That is the linkage that must be made, and he's the only one who can make it.

SALT must stand or fall on its own merits. It must serve the national interests of the United States. Its terms must be verifiable. But if these criteria are filled, it must not be tied to other issues. We must deal with the problems created by Soviets in Africa. We must press for human rights. But tying these problems to SALT only serves to doom the treaty's prospects in the United States.

In his inaugural address on January 20, 1977, President Carter said that his ultimate goal is "the elimination of all nuclear weapons from this earth." SALT II is a step in that direction.

This is the message the President must get across to the American people. Ultimately, only he can resolve the differences in his Administration and only he can turn the tide.●

UNITED STATES AND INDIA: TWO DEMOCRACIES

● Mr. KENNEDY. Mr. President, last week, Prime Minister Morarji Desai of India concluded an important state visit to Washington, further strengthening ties between our two countries. His visit comes a year after India, and he personally, have taken great strides in cementing its commitment to democratic principles—which deserves the strong support and admiration of the American people.

I know in his meeting with President Carter and his administration, and with Members of Congress, Prime Minister Desai impressed all with his strong dedication to democratic ideals, and his commitment to peaceful development in South Asia and throughout the world.

His visit to the United States provided an opportunity to resolve some of the outstanding questions between our two countries, laying the basis for a continuing and constructive dialog over the months and years ahead.

Mr. President, India in recent years has been buffeted by strong forces of change and stress, yet it has withstood the challenges to its democratic traditions, thanks to the determined spirit of its people and leaders, such as Prime Minister Desai.

In the years ahead, India will face extraordinary hurdles in bettering the lives of its people and developing the resources of its land. But, as I have noted before, if India succeeds in both developing and supporting the democratic principles which have guided it since independence, it will have gone far in protecting the

freedoms of its people as well as enhancing the achievement of its other goals in the economic and developmental spheres.

Mr. President, I commend to the attention of the Senate the joint communique signed by President Carter and Prime Minister Desai last week, which clearly articulates the strong ties that exist between our two democratic countries.

I ask that the text of the communique, as well as an editorial from the Christian Science Monitor, be printed in the RECORD.

The material follows:

JOINT INDIA-UNITED STATES COMMUNIQUE

At the invitation of President Jimmy Carter, the Prime Minister of the Republic of India, Morarji Desai, paid an official visit to the United States of America between June 9–15, 1978.

In the talks the Indian participants were:

Morarji Desai, Prime Minister Government of India.

Atal Bihari Vajayee, Minister of External Affairs, Government of India.

N. A. Palkhivala, Ambassador of India in Washington.

V. Shankar, Principal Secretary to the Prime Minister.

J. S. Mehta, Foreign Secretary, External Affairs Ministry and others.

The American participants were:

Jimmy Carter, President of the United States of America.

Walter Mondale, Vice President of the United States of America.

Zbigniew Brzezinski, Assistant to the President for National Security Affairs.

Warren Christopher, Acting Secretary of State of the United States of America.

David Aaron, Deputy Assistant to the President for National Security Affairs.

Robert Goheen, Ambassador of the USA to the Republic of India and others.

President Carter and Prime Minister Desai held extensive and useful talks in a spirit of mutual confidence, candor and friendship. They agreed that there has been a significant improvement in bilateral relations over the past year, marked by a comprehensive exchange of correspondence between them and President Carter's visit to India in January 1978. This should be continued and deepened, building upon the common principles enunciated in their Joint Declaration signed in New Delhi in January 1978. They also had a broad exchange of views on major international issues of common concern and reviewed the current situation in South Asia. The views of the two sides reflected wide areas of agreement on the issues discussed.

Prime Minister Desai and President Carter devoted special attention to questions of world peace. They agreed that world peace can only be assured through effective measures to halt the arms race, particularly in the nuclear field, including the prevention of the proliferation of nuclear weapons and their ultimate elimination. The Prime Minister welcomed the progress being made in CTB and SALT negotiations, as described by the President. They called for a stronger and more effective role for the United Nations in the field of disarmament, and emphasized their active support for the Special Session on Disarmament of the United Nations General Assembly.

The President and the Prime Minister agreed on the urgent need to find a comprehensive, just and lasting solution to the problems of the Middle East. It should be based on Israel's withdrawal from territories occupied as a result of the 1967 war, respect for the legitimate rights of the Palestinian people, and steps to ensure the independence territory integrity and security of all states of the region.

The President and the Prime Minister reviewed developments in Africa and agreed that peace, racial equality, stability, and economic development with particular attention to the needs of the individual, were essential elements of their policies toward the continent. They agreed that African problems should be solved without outside intervention which can aggravate regional conflicts and inhibit their resolution.

The President and the Prime Minister agreed that the Ethiopia-Somalia conflict should be resolved by peaceful means, respecting the legitimate aspirations of the peoples of the region within the framework of territorial integrity and in conformity with the principles of the Charters of the United Nations and the Organization of African Unity.

The President and the Prime Minister expressed support for the legitimate aspirations of the African peoples to self-determination and majority rule and they condemned racism in all forms. They reaffirmed the inalienable right of the peoples of Zimbabwe and Namibia to sovereignty and independent development and the necessity of ensuring a rapid transfer of power to the African majority, in the spirit of pertinent United Nations resolutions.

The President and the Prime Minister reviewed the situation in South Asia and the recent events in Afghanistan. They expressed the hope that while preserving their independent personalities, stability, trust and beneficial cooperation among the countries of the region would continue.

The President described the state of talks between the USA and USSR on the stabilization of their military presence in the Indian Ocean. The Prime Minister expressed the hope that these discussions would continue and result in the eventual removal of all great power military presence in the Ocean.

The President and the Prime Minister had extensive and highly useful discussions on the Indo-U.S. Nuclear Cooperation Agreement and statutory requirements affecting the continued supply of enriched uranium from the United States. They discussed measures to ensure non-proliferation of nuclear weapons, including appropriate universal means of ensuring that nuclear energy is not misused for military purposes. They agreed that the dialogue between the two countries will continue. President Carter pledged to make every effort consistent with American law to maintain fuel supplies for Tarapur and continue nuclear cooperation with India.

The President and the Prime Minister noted with satisfaction the development of economic exchanges between their two countries, and agreed that there is potential for expanding them substantially. President Carter noted that Commerce Secretary Kreps would visit India later this year to explore that potential.

The President and the Prime Minister welcomed the initiative of the India-U.S. Business Council in implementing a program designed to promote and facilitate cooperation between Indian and U.S. commercial organizations in construction and engineering projects in third countries. The President noted that the International Executive Service Corps would be assigning a highly qualified, retired American businessman to New Delhi this fall to pursue this important Business Council project.

The President and the Prime Minister welcomed the successful conclusion of negotiations for an Indo-U.S. understanding providing for concessions under the Tropical Products Group of the Multilateral Trade Negotiations as an indication of their mutual desire to contribute to a dynamic and open world trading system. They agreed on the desirability of fighting protectionism and working toward a more open and fair global trading system through a successful conclusion to the Multilateral Trade Negotiations. They also agreed on the need for close consultations in these final stages of the negotiations. It was also agreed that contributions from developing countries should not be inconsistent with their individual development, financial and trade needs. They took note of the recent steps taken by India to liberalize foreign trade.

Prime Minister Desai and President Carter reviewed the relations between the world's industrialized and developing nations. They favored further exchanges of views between senior officials from the United States and India, as well as from other developed and developing countries. Through such exchanges both developed and developing countries can improve their understanding of their common interests and responsibilities in the equitable operation of the global economic system.

The President and the Prime Minister expressed satisfaction on the progress of discussions between the two governments on joint projects in agricultural research, extension and education. They also welcome the progress made on the design of joint projects in the area of solar technology and expressed the hope that they would be speedily implemented.

Prime Minister Desai met with members of the House of Representatives and the Senate. The talks showed a mutual desire to deepen understanding between the two countries and peoples.

The President and Prime Minister expressed their satisfaction at the results of their talks and agreed to continue the bilateral dialogue through future meetings and correspondence as well as through regular official-level consultations and within the Inida-U.S. Joint Commission.

Prime Minister Desai also visited New York, California, and Nebraska.

Prime Minister Desai expressed his warm thanks to President Carter for the friendly and hospitable reception extended to him throughout his visit which is the natural expression of the friendship and shared values of the American and Indian peoples. He was particularly pleased that his tour took him to both coasts of the United States and included the opportunity to visit a working farm in the American mid-West.

[From the Christian Science Monitor, June 12, 1978]

INDIA'S DESAI VISITS FRIENDS

One thing should be uppermost in the minds of the international public as India's Prime Minister Desai returns President Carter's visit to New Delhi of six months ago. It is that, despite headlines of friction over nuclear matters, relations between the United States and India are the best they have been in some 15 years.

Mr. Desai's restoration of democracy to his country opened the way to improved ties. They were fostered by Mr. Carter's trip to India, and the trend should be continued by the Carter-Desai talks this week.

Americans ought to recognize the contributions India has been making to stability in the vast Asian region of which it is a part. It has bettered its relationships with Bangladesh, Pakistan, and, to some extent, China. It has tilted away from the Soviet Union and toward the United States in a direction of more genuine "neutrality" toward the superpowers.

In the so-called Group of 77 nonaligned countries, India has been a moderating voice. In international forums and economic institutions, it has been working better with the U.S.

Meanwhile, the U.S. has resumed direct economic development aid, which had been interrupted since the India-Pakistan war of 1971, with an appropriation of $60 million for this fiscal year. An appropriation of $90 million is being sought for next year.

There is no question of India's need for development assistance, to which the U.S. also contributes indirectly through international bodies. Right now, for instance, India is reported to have plenty of grain in storage to prevent starvation—but many people are too poor to be able to buy it.

The U.S. continues to provide direct food aid. But there are wise efforts in all the aid programs to prevent the excessive American presence that alienated Indians in the past.

Mr. Desai's government faces a political threat from a resurgent Indira Gandhi. It has such problems as encouraging birth control without returning to the forced sterilization during her regime. Its determination to preserve democracy should have world support.

There remains that nuclear question in the headlines. India is resisting American demands for certain imposed safeguards, not because it is against safeguards, it says, but because it is a sovereign nation. At the United Nations disarmament conference Mr. Desai reiterated that India would not sign the international nuclear nonproliferation treaty. India has given its own assurances it will not use nuclear materials for weapons purposes. Its position against the treaty designed to halt the spread of A-weapons brings up a fundamental question. Will the "have" nuclear countries take sufficient steps of arms control on their own to persuade the "have-nots" that it is to their advantage not to join the nuclear club?

These are not easy questions, but in the case of India-U.S. relations they should not overshadow the overall progress made.●

IN MEMORY OF IMRE NAGY

● Mr. DOLE. Mr. President, June 17, 1978, was the sad anniversary of the murder by execution of the great Hungarian leader, Imre Nagy. The Hungarians are an ancient and proud people who had the misfortune to fall victim to Soviet occupation after World War II. An unfamiliar and inhuman system of oppression, censorship, and totalitarian decrees was imposed on this nation that had always stood in the vanguard of freedom. The fictitious story was spread throughout Hungary and to the outside world that the new Communist regime ruled through the will of the people. In 1956, the people of Hungary spoke their true will and showed through their actions that they want to be free in deed as well as word. The population took to arms to assert their rights and drive out the hated oppressor. But a people fighting for its rights needs a leader. The Hungarian people found their leader in the person of Imre Nagy. At a time when the nation was in turmoil, when the emotions unleashed by the spirit of liberty most needed direction, Imre Nagy found the courage to stand at the head of his people in their just struggle for their national rights and freedom.

Unfortunately, the glorious days of the Hungarian revolution ended in tragedy under the treads of Soviet tanks which crushed the aspirations for liberty of a brave nation which fought against such overwhelming odds. The Soviet invaders then found a group of men to do their bidding and carry out their orders. This group of men who betrayed the dreams of their own people, drove 200,000 Hungarians from their homeland and arrested the brave leader of the Hungarian cause. For 2 years, the great son of Hungary, Imre Nagy, languished in Communist prisons. Then, on June 17, 1958, after being guaranteed safe passage by Janos Kadar, Imre Nagy was brutally cut down by a hail of bullets and the life of a great Hungarian patriot ended in blood.

Though these terrible events occurred over 20 years ago, the memory of the revolution and of Imre Nagy remain fresh in the minds of the Hungarian people. I want to present this statement in memory of a great man whose life of sacrifice and dedication for his people can serve as an inspiration for those everywhere who love their country and their freedom.●

EARTHQUAKE IN GREECE

● Mr. KENNEDY. Mr. President, it is now clear that a serious earthquake has tragically struck the people in northern Greece. First reports were sketchy, but as more complete field assessments are being made it is evident that the destructive impact of the earthquake is more serious than the relatively light toll first reported.

From these reports we find a large area has been affected, including several large population centers. Heavy damage to many structures has been reported.

The Government of Greece has moved swiftly to respond to immediate relief needs, and units of the Greek Army have been mobilized to help clear debris and provide emergency services. No external assistance has been requested to date.

Mr. President, I commend the Office of Foreign Disaster Assistance within the Agency for International Development for its expeditious offer of U.S. assistance, and for mobilizing emergency relief supplies on the contingency that they may be needed. The U.S. Geological Survey has dispatched a team to Greece, and together with Greek officials they will determine in what ways the United States can be of assistance.

I know all Americans offer their deep sympathy for the earthquake victims in northern Greece, and stand ready to offer a helping hand to a friend.●

SOCIETY OF NUCLEAR MEDICINE

● Mr. HAYAKAWA. Mr. President, I would like to take just a few moments to congratulate the Society of Nuclear Medicine on the occasion of its 25th annual meeting, which will take place next week, June 27–30, in Anaheim, Calif.

For its silver anniversary meeting, California welcomes the Society of Nuclear Medicine back to the west coast, where its formal organization began a quarter-century ago in Seattle, Wash. The growth of this organization has paralleled the remarkable development of the field of nuclear medicine itself, a unique specialty which combines the resources and expertise of chemistry, physics, engineering, and pharmacy with the ultimate aim of medical practice: The diagnosis and treatment of human disease.

At that formative meeting in Seattle in May 1954, a total of 190 physicians, scientists, and technologists met to exchange ideas. By contrast, this year's meeting in Anaheim is expected to attract more than 7,000 participants, and the exchange of medical and scientific information that ensues should be correspondingly impressive. I am told that one of every two persons entering a hospital today benefits from some nuclear medicine procedure, so advances in this field affect literally millions of Americans each year.

With a membership nearing 10,000 nuclear medicine specialists, the Society of Nuclear Medicine is the largest single organization in the United States dedicated exclusively to the field of nuclear medicine. It brings together experts from a great variety of special medical and scientific disciplines, all of whom have in common a career interest in the diagnosis and therapeutic use of "radiopharmaceuticals." Radio pharmaceuticals and drugs which are radioactive and which permit internal organs to be imaged by camera-like devices. Nuclear medicine procedures also are performed outside the body that can measure quantities of substances in the blood and other body fluids far too small to be determined by any other available means. The latter technique, called radiobioassay, accounts for more than 20 million laboratory tests each year and is of such importance that its developer, Rosalyn S. Yalow, was awarded the 1977 Nobel Prize in medicine. Dr. Yalow is a prominent member of the Society of Nuclear Medicine.

While millions of Americans have been spared the trauma of exploratory surgery by nuclear medicine's ability to examine the functioning of internal organs noninvasively, many are still unfamiliar with the term "nuclear medicine." But the name and role of this important specialty are bound to become increasingly familiar to most people in the coming years. As distinct from its sister discipline, X-ray radiography, nuclear medicine has the facility to produce studies of the body's actual functioning rather than merely its structure alone. This capacity for physiological investigation, now in the process of being greatly extended by computer technology, offers possibilities for patients with a wide range of illnesses, in particular, heart disease and cancer. At the Anaheim meeting next week, the Society of Nuclear Medicine will present a scientific program at which more than 350 research papers will be read covering nuclear medicine applications not only to those dreaded ailments, but to pulmonary, gastric, renal, liver, blood, bone, brain, and pediatric diseases as well. And some of the new developments are striking: Researchers in nuclear cardiology, for example, have perfected motion-picture-like displays of the heart beating; and computer-organized pictures of "slices" of the body provide physiological maps to almost any organ.

Writing in the June 1978 issue of the Journal of Nuclear Medicine, one of the publications of the Society of Nuclear Medicine, Henry N. Wagner, Jr., M.D., of the Johns Hopkins Medical Institu-

tions, took at what the future may bring for this exciting field:

We are beginning to visualize the structure and functions of the human body non-invasively.

Dr. Wagner wrote:

In ways that at times surpass the perception pathologists at the autopsy table and surgeons at the operating table. As we do so, we are becoming more and more aware of the dynamic state of body constituents, viewing our patients as concatenation of physiological processes, not simply as static structures. . . . If we view the patient's body as a symphony of chemical and physical motion, perhaps we shall be able to redefine diseases and recognize them at a much earlier functional stage, even before detectable structural changes have occurred . . .

One cannot help but be impressed by so helpful a picture and by so humanistic an approach to the ancient problem of making people well. In its 25th year, I offer my best wishes to the Society of Nuclear Medicine along with the hope that the next quarter-century will be as productive for those in the field of nuclear medicine as the first has been.●

THE NOISE REDUCTION BILL

● Mr. CANNON. Mr. President, today I would like to describe to my colleagues revisions to S. 3064, the Aircraft and Airport Noise Reduction Act of 1978 introduced by Senator PEARSON and myself. These revisions are the product of testimony received by the Aviation Subcommittee during its recent hearings on this issue.

S. 3064, as originally introduced included guaranteed loans for air carriers acquiring new aircraft which comply with the Federal noise regulations. Our intent in proposing this financing mechanism was to achieve the maximum incentive for airlines to replace rather than retrofit noncompliant aircraft. However, during the subcommittee hearings it became evident that any useful assistance to the industry would have to be in the form of "up-front" money as an addition to a carrier's equity base. This concept was supported by virtually all the witnesses before the subcommittee, including CAB and DOT, in their comments on selecting between the various legislative proposals, S. 3064, S. 747, and H.R. 8729.

The major point of controversy on the other hand, was the analysis of whether or not the airline industry needs a special financing mechanism to comply with FAR 36. The airlines, aircraft manufacturers, financial community, and DOT all supported the necessity of a finance mechanism if the airlines are to comply with FAR 36 and adopt the desirable course of maximizing new technology replacement which provides the greatest noise relief. The CAB, however, made an impressive case that the industry may well not have the need for a funding mechanism if the future is as profitable as CAB forecasts. The CAB did go on to state that their analysis was an economic projection, and as such uncertain, and was not addressing the social concerns of noise which might well justify a finance mechanism to maximize replacement rather than retrofit.

However, I was impressed with the conviction on both sides of the debate regarding the future uncertainty of the industry's financial ability to comply with FAR 36 in a rational manner. I became convinced by this honest disagreement about future expectations that what is needed is a flexible finance mechanism. If industry profits are high no funding is needed and none should be provided. If industry profits are insufficient to comply with the noise rules, which in turn would create pressure to delay the noise compliance deadlines, financial assistance borne by the users should be provided.

To that end I am offering for my colleagues review today a new staff draft which will be considered by the Commerce Committee, and I hope subsequently the Finance Committee, that reflects my concern for a flexible financing mechanism to assure compliance with FAR 36, and provide meaningful relief to people who are impacted by aircraft noise.

This draft creates a noise abatement charge of 2 percent, which is offset by reducing the ADP ticket tax from 8 to 6 percent, on all domestic airline tickets. This 2-percent charge is effective for 1 year. At the end of that year DOT must make a recommendation and CAB must subsequently make a ruling on any needed adjustment to the charge level. Adjustments made by CAB are subject to disapproval by either House of Congress. Subsequent reviews are at the discretion of CAB or DOT during the maximum 5-year life of the surcharge.

In other words, if airline profits are sufficiently high the noise abatement charge can be reduced to zero; if industry profits are too low for noise compliance an appropriate level for the charge is set by CAB. This mechanism will allow the carriers to rationally plan their future knowing that the funds, whether user charge funds or profits, will be there for noise compliance.

A similar mechanism is provided for foreign air carriers once the noise regulations are made applicable to those carriers.

In addition, this draft reflects my desire to promote the maximum use of replacement rather than retrofit in complying with the noise regulations. Carriers must retrofit all 2 or 3 engine aircraft by 1983 or have a signed contract for a stage 3 replacement to be delivered under a schedule approved by the Secretary. Stage 3 replacement is significant because it represents the newest technology aircraft which meet the most stringent FAA noise rules. I have worked closely with the airport operators who strongly objected to the extension of compliance dates included in S. 3064, and I believe the new provision satisfies their concerns.

Finally, with certain changes this draft contains provisions included in S. 3064 to assist airport operators in noise compatibility planning and land acquisitions, as well as increases in airport development aid for fiscal year 1979 and fiscal year 1980.

After 4 days of noise hearings which included considerable disagreement about the meaningful effect of retrofitting two and three engine aircraft, the Aviation Subcommittee held a flyover demonstration at Dulles Airport. This demonstration included a retrofitted and non-retrofitted 727 and an A-300 Airbus which represented a stage 3 airplane. This flyover confirmed my convictions that replacement rather than retrofit is the proper course to pursue in quieting aircraft noise at the source. Retrofit simply did not provide a meaningful noise relief, and while the A-300 did provide, in my opinion, meaningful relief in comparison to the 727's, we learned what we already knew—all airplanes are noisy when they pass overhead at 300 feet.

The Senate and the public should be put on notice that the noise problem around airports will not go way in 1985. Until people stop developing land under approaches to jet runways, we will always have an aircraft noise problem. The Federal Government can take this step, but local and State governments must bear the primary responsibility for zoning and compatible land use around airports in order to keep people away from the noise. Aircraft noise can and will be made quieter, but the physical limits of foreseeable technology do not include a truly "quiet" airplane.

Aircraft noise is a serious problem which affects 7 million Americans, and it is time to get on with the job of providing some relief. I encourage my colleagues to review the new staff draft and join with me in a maximum effort to see that noise legislation is enacted this year. I ask that the staff draft of this legislation be printed in the RECORD.

The draft follows:

A bill to provide assistance to aircraft operators to aid them in complying with Federal aircraft noise standards, to amend the Airport and Airway Development Act of 1970 to provide assistance to airport operators and aircraft operators to assist them in complying with noise standards, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aircraft and Airport Noise Reduction Act of 1978".

TITLE I

SEC. 101. For purposes of this title—

(1) the term "airport" means any air carrier airport whose projects for airport development are eligible for terminal development costs under section 20(b) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1720);

(2) the term "airport operator" means any person holding a valid certificate issued pursuant to section 612 of the Federal Aviation Act of 1958 to operate an airport;

(3) the term "Secretary" means the Secretary of Transportation.

SEC. 102. Not later than the last day of the 12th month which begins after the date of enactment of this Act, the Secretary, after consultation with the Administrator of the Environmental Protection Agency and such other Federal, State, and interstate agencies as he deems appropriate, shall by regulation—

(1) establish a single system of measuring noise to be uniformly applied in measuring the noise at airports and the area surrounding such airports;

(2) establish a single system for determining the impact of noise upon individuals which results from the operations of an airport and which includes, but is not limited to, noise intensity, duration, frequency, and time of occurrence;

(3) identify land uses which are normally compatible with various impacts of noise on individuals.

SEC. 103. (a)(1) After the effective date of the regulations promulgated in accordance with section 102 of this title, any airport operator of an airport may submit to the Secretary a noise impact map which sets forth, in accordance with the regulations promulgated to section 102, the noncompatible uses in each area of the map, as of the date of submission of such map, a description of the projected aircraft operations at such airport during 1985, and the ways, if any, in which such operations will affect such map.

(2) If, after the submission to the Secretary of a noise impact map under paragraph (1), any change in the operation of an airport would create any substantial new noncompatible use in any area surrounding such airport, the operator of such airport shall submit a revised noise impact map showing such new noncompatible use.

(b)(1) Section 11 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1711) is amended by renumbering paragraphs (6) through (21), and all references thereto, as paragraphs (7) through (22), respectively, and by adding immediately after paragraph (5) the following new paragraph:

"(6) 'Airport noise compatibility planning' means the development for planning purposes of information necessary to prepare and submit (A) the noise impact map and related information permitted by section 103 of the Airport and Aircraft Noise Reduction Act, including any cost associated with obtaining such information, and (B) a noise compatibility program for approval by the Secretary pursuant to section 104 of such Act.".

(2)(A) Section 13(a) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1713) is amended by—

(i) inserting "(1)" immediately before the first sentence thereof; and

(ii) adding at the end thereof the following new paragraph:

"(2) In order to promote the development of an effective noise compatibility program, the Secretary may make grants of funds to sponsors of air carrier airports whose projects for airport development are eligible for terminal development costs under section 20(b) of this title for noise compatibility planning.".

(B) Section 13(b) of such Act is amended to read as follows:

"(b) AMOUNTS AND LIMITATION OF GRANTS.—(1) The award of grants under subsection (a)(1) of this section is subject to the following limitations:

"(A) The total funds obligated for grants under subsection (a)(1) of this section may not exceed $150,000,000, and the amount obligated in any one fiscal year may not exceed $15,000,000.

"(B) The United States share of any airport master planning grant or airport noise compatibility planning grant under this section shall be that percent for which a project for airport development at that airport would be eligible under section 17 of this Act. In the case of any airport system planning grant under this section, the United States share shall be 75 percent.

"(C) No more than 10 percent of the funds made available under this paragraph in any fiscal year may be allocated for projects within a single State, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, or Guam. Grants for projects encompassing an area located in two or more States shall be charged to each State in the proportion which the number of square miles the project encompasses in each State bears to the square miles encompassed by the entire project.

"(2) For the purpose of carrying out subsection (a)(2) of this section, there is authorized to be appropriated, for fiscal years ending on or after September 30, 1979, out of the Airport and Airway Trust Fund, not to exceed $15,000,000.".

SEC. 104. (a) Any airport operator who has submitted a noise impact map and the related information permitted by section 103(a)(1) may develop, in consultation with the officials of any unit of local government in the area surrounding such airport, the Federal officials having local responsibility for such airport, any air carrier using such airport, and any regional planning authority, and submit a noise compatibility program to the Secretary for his approval. Such program shall set forth measures which such operator has taken or proposes for the reduction of existing noncompatible uses and the prevention of the introduction of additional noncompatible uses within the area covered by the noise impact map submited by such operator. Such measures may include, but are not limited to—

(1) the implementation of any preferential runway system;

(2) the implementation of any restriction on the use of such airport by any type aircraft based on noise characteristics of such aircraft;

(3) the construction of barriers and acoustical shielding, including the soundproofing of buildings;

(4) the use of flight procedures to control the operation of aircraft to reduce the impact of noise in the area surrounding the airport; and

(5) acquisition of land and interests therein, such as air rights, easements, and development rights, so as to insure the continued use of property for purposes compatible with airport operations.

(b) The Secretary may disapprove any program or part thereof submitted to him pursuant to subsection (a) within 180 days after it is received by him. The Secretary may disapprove such program or part thereof (1) if the measures to be undertaken in carrying out such program (A) do not provide for the continuation of safe flight operation, (B) create an undue burden on interstate or foreign commerce, and (C) are not reasonably consistent with obtaining the goal of reducing existing noncompatible uses and preventing the introduction of additional noncompatible uses, and (2) if the program does not provide for any revision made necessary by any revised noise impact map submitted under section 103(a)(2) of this title. Failure of the Secretary to disapprove such program within such time period shall be deemed to be an approval of such program, except that the administrator of the Federal Aviation Administration shall be required to explicitly approve or disapprove any part of such program which relates to flight procedures referred to in subsection (a)(4) of this section, within such time period.

(c)(1) The Secretary is authorized to make grants under this Act for any project to carry out a noise compatibility program or parts thereof not disapproved under subsection (b) of this section. Grants under this Act may be made to operators of airports submitting noise compatibility programs and to units of local government in the area surrounding such airports if the Secretary determines such units have the capability to carry out projects for which grant applications are made in accordance with such noise compatibility programs. The Federal share of any project for which a grant is made under this subsection shall be 80 percent of the cost of the project. All of the provisions of the Airport and Airway Development Act of 1970 applicable to grants made under that Act (except section 17 and those provisions relating to apportionment) shall be applicable to any grant made under this Act, unless the Secretary determines that any provision of such Act of 1970 is inconsistent with, or unnecessary to carry out the purposes of this Act.

(2) The Secretary, further, is authorized under this section to make grants to operators of airports for any project to carry out a noise compatibility program developed prior to the enactment of this Act or the promulgation of its implementing regulations if the Secretary determines that such prior program is substantially consistent with the purposes of reducing existing noncompatible uses and preventing the introduction of additional noncompatible uses and that the purpose of this Act would be furthered by prompt implementation of such program.

(d) There is authorized to be obligated by the Secretary, out of the Airport and Airway Trust Fund, funds not to exceed $35,000,000 for the fiscal year ending September 30, 1979, and not to exceed $35,000,000 for the fiscal year ending September 30, 1980, to be expended, at the discretion of the Secretary, for making grants under subsection (c) of this section.

(e) The Secretary is authorized to make loans under this Act in amounts as included in appropriations Acts, upon such terms and conditions as are specified in this section and any others he considers appropriate, to airport operators for the purpose of acquiring real property impacted by aircraft noise in accordance with a noise compatibility plan approved under subsection (b) of this section: *Provided*, That the aggregate amount of outstanding loans at any time shall not exceed $300,000,000. Any loan made under this Act may not exceed 80 percent of the cost of the real property acquired and may not be made for a period in excess of 5 years, and shall bear interest at a rate determined by the Secretary such that the earnings are sufficient to cover the administrative costs of the program authorized by this subsection. Real property acquired with the proceeds of a loan under this subsection may be leased for uses compatible with projected noise levels, or sold, with the approval of the Secretary, if the airport sponsor provides assurances considered adequate by the Secretary that future uses will be compatible with such noise levels.

(f) There is established in the Treasury of the United States a revolving fund to be known as the Aircraft Noise Impacted Real Property Acquisition Revolving Loan Fund (hereinafter referred to as the "fund"). The fund shall be administered by the Secretary and shall consist of such amounts as may be transferred, appropriated, or credited to the fund as provided in this section. At the close of fiscal year 1979 $300,000,000 shall be transferred to the fund from the Airport and Airway Trust Fund. All sums received in connection with the administration of subsection (e) of this section shall be credited to the fund. There are authorized to be appropriated to the fund such additional sums as may be required to carry out subsection (e). Amounts in the fund shall be available, as provided by appropriations Acts, for making expenditures after October 1, 1979, and before October 1, 1990, to meet those obligations of the United States incurred under subsection (e) of this section and for the administrative costs of the program. Any balances remaining in the fund after 1995 shall revert to the Airport and Airway Trust Fund. The Secretary is empowered to prescribe rules and regulations consistent with the provisions of this section.

SEC. 105. The Secretary, acting through the Administrator of the Federal Aviation Administration, after consultation with the officials of any unit of local government in the area surrounding such airport, shall prepare and publish a noise impact map and a noise

compatibility program for the airport established by the Act of June 29, 1940 (54 Stat. 686), and the airport the construction of which was authorized by the Act of September 7, 1950 (64 Stat. 770). Such map and program shall be prepared and published in accordance with the requirements of this Act no later than 1 year after the effective date of the regulations promulgated in accordance with section 102 of this Act.

SEC. 106. Any noise impact map submitted to or prepared by, the Secretary under this title and the list of land uses identified by the Secretary under this title as those which are normally compatible with various impacts of noise on individuals shall not be received in evidence in any trial, hearing, or other proceeding in or before any court in the United States.

SEC. 107. No person who acquires property or an interest therein after the date of enactment of this Act in an area surrounding an airport shall be entitled to recover damages with respect to the noise attributable to such airport unless, in addition to any other elements for recovery of damages, such person can show—

(1) a significant change in the type or frequency of aircraft operations at the airport;

(2) a significant change in the airport layout;

(3) a significant change in flight patterns; or

(4) a significant increase in nighttime operations, occurred after the date of the acquisition of such property or interest therein.

SEC. 108. The Secretary shall study (1) airport noise compatibility planning carried out with grants made under section 13 of the Airport and Airway Development Act of 1970, and (2) airport noise compatibility programs carried out with grants made under this title, to determine to what extent such planning and programs are achieving the goals of reducing existing noncompatible uses of land around airports and preventing the introduction of new noncompatible uses around airports. Not later than January 1, 1981, the Secretary shall submit to Congress a report setting forth the determinations made pursuant to such study together with legislative recommendations, if any, which the Secretary determines necessary.

TITLE II

SEC. 201. (a) Paragraph (3) of subsection (a) of section 14 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714) is amended by striking out "$495,000,000 for fiscal year 1979, and $525,000,000 for fiscal year 1980." and inserting in lieu thereof "$582,000,000 for fiscal year 1979, and $750,000,000 for fiscal year 1980."

(b) Paragraph (4) of subsection (a) of section 14 of the Airport and Airway Development Act of 1970 is amended by striking out "$80,000,000 for fiscal year 1979, and $85,000,000 for fiscal year 1980." and inserting in lieu thereof "$93,000,000 for fiscal year 1979, and $120,000,000 for fiscal year 1980.".

(c) Paragraph (4) of subsection (b) of section 14 of the Airport and Airway Development Act of 1970 is amended by striking out the last sentence therein.

(d) Subsection (f) of section 14 of the Airport and Airway Development Act of 1970 is amended by adding a new paragraph (4) to read as follows:

"(4) No provision of law, except for a statute hereafter enacted which expressly limits the application of this paragraph (4), shall impair the authority of the Secretary to obligate by grant agreement in any fiscal year the unobligated balance of amounts which were apportioned in prior fiscal years and which remain available for approved airport development projects pursuant to paragraph (5) of subsection 15(a), in addition to the minimum amounts authorized for that fiscal year by subsection (a)(3) and (a)(4) of this section.".

SEC. 202. Paragraph (2)(A) of subsection (a) of section 17 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1717) is amended by striking out "1977 and 1978, and shall be 80 per centum of the allowable project costs in the case of grants from funds for fiscal years 1979 and 1980," and inserting in lieu thereof "1977 through 1980".

TITLE III

DEFINITIONS

SEC. 301. For purposes of this title—

(1) the term "noncomplying aircraft" means any civil subsonic turbojet powered aircraft (A) which (i) has a maximum certificated takeoff weight of 75,000 pounds or more, (ii) is registered in the United States, (iii) has a standard airworthiness certificate issued pursuant to section 603(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1423), and (iv) as determined by the Civil Aeronautics Board, is in service on the effective date of this section, and (B) which does not comply with the noise standards prescribed for new subsonic aircraft in regulations issued by the Secretary, acting through the Administrator of the Federal Aviation Administration (14 CFR part 36), as such regulations were in effect on January 1, 1977;

(p) the term "retrofit" means the alteration of the engine or the engine nacelles of an aircraft with sound absorbent materials for the purpose of noise reduction;

(3) the term "Secretary"' means the Secretary of Transportation;

(4) the term "Board" means the Civil Aeronautics Board: and

(5) the terms "air carrier", "foreign air carrier", "foreign air commerce", and "United States", have the same meaning as in section 101 of the Federal Aviation Act of 1958, as amended.

LIST OF NONCOMPLYING AIRCRAFT

SEC. 302. Not later than 60 days after the date of enactment of this title, the Secretary shall publish a list in the Federal Register setting forth the name of each operator of each noncomplying aircraft and the registration number of such aircraft.

NEW TECHNOLOGY AIRCRAFT INCENTIVE

SEC. 303. (a) The Secretary shall provide a waiver for the operation of two- or three-engine noncomplying aircraft beyond January 1, 1985, if the operator has entered into a binding contract by January 1, 1983, for the purchase of a replacement aircraft which meets at a minimum, the noise standards for new type certificated aircraft set forth in regulations issued by the Secretary, acting through the Administrator of the Federal Aviation Administration, on March 2, 1978 (F.R., Vol. 43, No. 42, p. 8722 et seq.) and in accordance with a plan specified in section 91.305(c) of title 14, Code of Federal Regulations.

LIMITED WAIVER AUTHORITY

SEC. 304. Notwithstanding any other provision of this or any other law, the Secretary is authorized to allow any noncomplying aircraft to be operated beyond the date by which such aircraft is to be in compliance with noise standards applicable to it in regulations issued by the Secretary, acting through the Administrator of the Federal Aviation Administration (14 CFR part 36), as such regulations were in effect on January 1, 1977, by waiving the application of such regulations to such aircraft for such period beyond such date of compliance as he determines reasonable to permit compliance. No such waiver shall be granted except upon application of the operator of the noncomplying aircraft and a finding by the Secretary that such operator has made a good faith effort to comply with such regulations and that there is good cause for failure of such operator to comply with such regulations as applicable to such noncomplying aircraft. For the purpose of this section, the term "good cause" shall include the following:

(1) Any case where the supplier is unable to furnish or make available to such operator in a timely manner the necessary engine retrofit kits, replacement engines, or replacement aircraft.

(2) Any other circumstances the Secretary deems appropriate.

DOMESTIC NOISE ABATEMENT CHARGE

SEC. 305. Notwithstanding any other provision of law, 60 days after enactment of this title any operator named in the list published under section 302(a) of this title shall impose a noise abatement charge for the transportation of any person subject to the tax imposed by section 4261(a) of the Internal Revenue Code of 1954 and any property subject to the tax imposed by section 4271(a) of the Internal Revenue Code of 1954, equal to 2 percent of all other rates, fares, or charges for such transportation (excluding all Federal and State taxes).

VOLUNTARY COMPLIANCE INCENTIVE

SEC. 306. Notwithstanding any other provision of law, 60 days after the certification described in subsection (a) or (b) of this section, the following operators shall impose a noise abatement charge of $3, in addition to any other lawful fare or charge, for the transportation of any person by air, if such transportation begins in the United States and is not taxable under section 4261(a) of the Internal Revenue Code of 1954:

(a) Any air carrier engaged in foreign air commerce which certifies to the Secretary that it waives its rights under section 91.307 of title 14, Code of Federal Regulations, not to comply with Federal noise abatement rules, with respect to that portion of its fleet engaged in foreign air commerce, and

(b) Any foreign air carrier which certifies to the Secretary that with respect to each of its aircraft engaged in operations within the United States it will voluntarily comply with the noise standards which would apply to such aircraft if they were registered in the United States and not engaged in foreign air commerce, as such standards are set forth in the regulations of the Secretary, acting through the Administrator of the Federal Aviation Administration (14 CFR parts 36 and 91), as such regulations were in effective on July 1, 1978.

INTERNATIONAL NOISE ABATEMENT CHARGE

SEC. 407. The noise abatement charges imposed in section 306 shall continue to be imposed until 60 days after the date that all air carriers and foreign air carriers operating aircraft within the United States have either certified that they will voluntarily comply with the noise standards referred to therein, or are required by regulations of the Secretary to comply with such standards within deadlines set by the Secretary. At such time:

(a) Any operator of an aircraft which is used for the carriage of persons for compensation or hire shall impose a noise abatement charge in addition to any other lawful fare or charge, for the transportation of any person by air, if such transportation begins in the United States and is not taxable under section 4261(a) of the Internal Revenue Code of 1954, which is (1) $2 for transportation of persons to foreign contiguous territory or adjacent islands; or (2) $10 for the transportation of persons not included in (1); and

(b) Any operator of an aircraft which is used for the carriage of property for compensation or hire shall impose, in the case of foreign air transportation of property by air which begins in the United States, a noise abatement charge in addition to any other lawful rate or charge, which is equal to 5 percent of all other such rates or charges for such transportation (excluding all Federal and State taxes) but not to exceed a maximum of $2.25 per 100 pounds of cargo.

USE OF NOISE ABATEMENT CHARGE REVENUES

SEC. 308. As long as the fleet of any operator is not fully in compliance with all applicable Federal noise abatement regulations, the noise abatement charges collected by that operator shall be retained and utilized by it only to bring its noncomplying aircraft into compliance with all applicable Federal noise abatement regulations.

MODIFICATION OF NOISE ABATEMENT CHARGES

SEC. 309. Subject to the procedures described below, the Board shall have the authority to increase, decrease, or eliminate the noise abatement charges required by sections 305 and 307 of this Act:

(a) No less than 12 months but no more than 14 months following the imposition of the noise abatement charges identified in section 305 and no less than 24 months but no more than 26 months following the imposition of the noise abatement charges identified in section 307, the Secretary shall submit to the Board reports regarding the effect of the noise abatement charges and recommendations regarding the continuation or termination of the noise abatement charges or an adjustment in the noise abatement charges to a higher or lower percentage or dollar amount.

(b) The reports shall include an evaluation of the following, among other things:

(1) the financial condition of the operators;

(2) the progress of the operators toward the bringing of noncomplying aircraft into noise regulation compliance;

(3) the state of production of "stage 3" aircraft; and

(4) whether continuation of the noise abatement charges will produce excessive profits for the operators.

(c) Upon receipt by the Board of the reports and recommendations, the Board shall initiate a rulemaking proceeding which shall be completed within 90 days. The final rule may adopt, reject, or amend the recommendations of the Secretary.

(d) In making its determinations, the Board shall consider, among other things:

(1) the need for the operators to raise sufficient capital to meet the requirements for compliance with all Federal noise abatement regulations;

(2) the desirability of encouraging the development and use of the most advanced technology available for reducing noise levels; and

(3) with respect to the noise abatement charges imposed by section 307, the views of the Department of State.

(e) The final rule shall be submitted to both Houses of Congress and shall take effect 60 days thereafter unless either House disapproves, by simple majority vote, the implementation of the rule within 30 legislative days from the date of submission to the Congress.

(f) The Board or the Secretary may initiate additional reviews, consistent with the procedures in this section, at any time after 12 months following the initial review.

TERMINATION OF NOISE ABATEMENT CHARGES

SEC. 310. Notwithstanding any other provision of this title, the noise abatement charges identified in section 305 shall cease to be in effect on and after the last day of the 60th month which begins after the date of imposition of the noise abatement charge. Notwithstanding any other provision of this title, the noise abatement charges identified in sections 306 and 307 shall cease to be in effect on and after the last day of the 120th month which begins after the date of imposition of the noise abatement charge.

COMPLIANCE FOR INTERNATIONAL CARRIERS

SEC. 311. If, by January 1, 1980, the International Civil Aviation Organization (ICAO) does not reach an agreement on noise standards and an international schedule for compliance with ICAO Noise Standards (annex 16) or part 36 of title 14, Code of Federal Regulations 36, the Federal Aviation Administration shall commence a rulemaking to require all airplanes operated by all international operators to meet the noise level standards of part 36 or annex 16 during the 5-year period thereafter, at a phased rate of compliance similar to that established for domestic operations. Such rulemaking shall be concluded within 120 days. The ultimate requirement applied to United States international flag carriers shall not be any more stringent than those applied to foreign air carriers.

TITLE IV

CHANGE IN TAXES ON TRANSPORTATION OF PERSONS BY AIR

SEC. 401. (a)(1) IN GENERAL.—Subsection (a) and (b) of section 4261 of the Internal Revenue Code of 1954 (relating to transportation of persons by air) are each amended by striking out " 8 percent" and inserting in lieu thereof "6 percent", until such time as the noise abatement charge for the transportation of persons imposed by section 305 of this Act is terminated in accordance with either the provisions contained in section 309 or the provisions contained in section 310, whichever occurs earlier in time.

(2) Upon termination of the surcharge as specified in paragraph (1) of this subsection, subsections (a) and (b) of section 4261 of the Internal Revenue Code of 1954 are each amended by striking out "6 percent" and inserting in lieu thereof "8 percent".

(3) The amendments made by paragraph (1) of this subsection shall apply with respect to transportation beginning on the date specified in section 305 of this Act.

(b)(1) IN GENERAL.—Subsection (c) of section 4261 of the International Revenue Code of 1954 (relating to the use of international travel facilities) shall not apply with respect to transportation on which a noise abatement charge has been imposed under section 306 or 307 of this Act.

(2) The amendment made by paragraph (1) of this subsection shall cease to apply for any transportation on which noise abatement charges imposed by sections 306 or 307 of this Act are terminated in accordance with either the provisions contained in section 309 or the provisions contained in section 310, whichever occurs earlier in time.

(3) Upon termination of all noise abatement charges as specified in paragraph 2 of this subsection, subsection (c) of section 4261 of the Internal Revenue Code of 1954 is amended by reenacting that subsection as it read on December 31, 1978.

CHANGES IN TAXES ON TRANSPORTATION OF PROPERTY

SEC. 402. (a)(1) IN GENERAL.—Subsection (a) of section 4271 of the Internal Revenue Code of 1954 (relating to the transportation of property by air) is amended by striking out "5 percent" and inserting in lieu thereof "3 percent", until such time as the noise abatement charge for the transportation of property imposed by section 305 of this Act is terminated in accordance with either the provisions contained in section 309 or the provisions contained in section 310, whichever occurs earlier in time.

(2) Upon termination of the noise abatement charge as specified in paragraph (1) of this subsection, subsection (a) of section 4271 of the Internal Revenue Code of 1954 is amended by striking out "3 percent" and inserting in lieu thereof "5 percent".

(3) The amendment made by paragraph (1) of this subsection shall apply with respect to transportation beginning on the date specified in section 305 of this Act.●

REDTAPE AND BUREAUCRACY

● Mr. DOLE. Mr. President, as we all know, one of the major topics in this Congress has been the impact of Government redtape and bureaucracy on business, both large and small.

Today, the pressures on the American businessman and woman, both by the weight of regulations and burden of taxes have become very serious problems. Even those businessmen and women who can understand the incredible number of forms and thousands of regulations often give up trying to cope with the massive and often unresponsive Federal bureaucracy. To challenge even the smallest adverse Government action is often beyond the resources of most small businessmen and women. Yet, the number of agencies which can impose fines, issue citations, and promulgate orders, grows each year.

Mr. President, at this time I would like to submit for the RECORD a relevant excerpt from a speech that Senator CHARLES MATHIAS gave before the Better Business Bureau of Metropolitan Washington annual luncheon on June 19, 1978. I think his remarks succinctly tell us of the problems and concerns of businessmen, large and small, and the important role the Better Business Bureau plays in the self-regulation of business. Mr. President, I ask that these remarks entitled "Better Business Is Everybody's Business" be printed in the RECORD.

The material follows:

BETTER BUSINESS IS EVERYBODY'S BUSINESS

I am delighted to be here this afternoon at the annual luncheon of the Washington Area Better Business Bureau. Harold Brayman in his book, "Corporate Management in a World of Politics," suggested that:

"It would be an interesting experiment for some business organization to cancel half the speeches by business executives at its annual convention and substitute for them a similar number of speeches made by people in academic, journalistic and government activities . . ."

I understand that Katharine Graham spoke to you two years ago and Joe Allbritton last year and here I am today. So, apparently the Washington Area Better Business Bureau is following Mr. Brayman's advice.

I hope you also reverse the process and go out and give others the benefit of your views. We all have a lot to learn and to teach each other. Our complex society is made up of many, often contending, factions, and, if it is to work well, we must exchange ideas, hear each other out and engage in an open-ended process of continuing education. The men and women in government, maybe more than anyone else, need continuing education, if we are to make the right decisions. We also need you to tell us when the wisest course is simply to do nothing.

For many reasons, it's important that business involve itself actively in the business of government. For one thing, your opinions are informed and valuable. You have a varied experience that has far broader application than just to the field of business. You know how to make things happen. As the saying goes: until you've met a payroll, you've never really come to grips with American reality. And each of you has met a payroll.

Teddy Roosevelt placed special confidence in the views of men and women in business because, as he said:

"(They) form an element of strength which is of literally incalculable value to the nation. Taken as a class, they are among our best citizens . . . The average business man (and, I shouild add, business woman) is, as a rule, a leading citizen of his community, foremost in everything that tells for its betterment, a man whom his neighbors look up to and respect." (Before Ohio Con-

stitutional Convention, Columbus, February 21, 1912.)

Yet today, despite this central position in our society, many businessmen and women believe that their views and interests are largely ignored in the governmental process. I do not think this is entirely true. But there certainly are elements of truth in it. The trouble, I think, is that the positive aspects of the partnership between business and government are often obscured by the petty and incessant aggravations government imposes on business.

"Red tape" and "bureaucracy" are two of the most popular, or maybe I should say unpopular, catch-phrases of the day. And for good reason. Small business, especially, is staggering under the mountain of regulations which the federal government has been piling on it since the beginning of this decade. Last fall a cartoon in the Baltimore News American showed a pedestrian gazing dejectedly at two signs in a shop window. One read: "Sale—Everything Must Go." The other said: "Regulated Out of Business." Now, when cartoonists take a subject up, you know the problem is both widespread and serious.

From 1970 to 1975, the pages in the code of Federal Regulations swelled from 54,000 to 72,000. One of my constituents is so fed up with the forms he's expected to fill out to conduct his modest interstate operation that he stuffs all of them into the bottom drawer of his file cabinet. He knows he's sitting on a time bomb. But, for his money, the chance that it will go off someday is preferable to the certainty that filing all the proper forms will drive him crazy or out of business or both.

I must say I sympathize with him. There are now more than 6,000 different federal forms, generated by 3,500 government bureaus, agencies and services that maintain 8,000 separate records systems. In all, the government prints over 11 billion forms a year. It costs the economy $40 billion a year to produce this flood of paper and to shuffle it around.

I don't want to imply that Congress is innocent in this area. Far from it. Congress has passed 9,000 laws that require reports of some sort and not long ago a Senate Subcommittee set up to study the horrendous paper problem made a little contribution of its own. It issued a 2,200 page final report. Governmental foot-dragging on deregulation has led many business people to wonder if Uncle Sam ever really intends to get out of their hair.

It's no joking matter but, of course, there are jokes about it. Like the one about the beggar who approached a bureaucrat on Pennsylvania Avenue. "Mister," he said, "I haven't had a thing to eat for three days. Could you spare a dollar?"

"Of course not" said the bureaucrat. "And if you're that bad off, you'd be smarter to ask for a quarter, which you'd be more likely to get than a dollar."

"Listen," said the beggar, "Give me a dollar or give me a quarter, I don't care, but please don't tell me how to run my business."

The government should also heed that advice. Government bureaucrats shouldn't sit in the stands and tell the players how to play the game. They shouldn't try to substitute their judgment for that of men and women experienced in the day-to-day operation of their businesses. Government must keep its profile as low as possible.

We have flourished under the free enterprise system, and, under that system, the government should be the regulator of last resort. But, when self-regulation fails and persistent abuses force a public outcry, then the government should enter the pitcure.

The better way, however, is the way of the Better Business Bureau. You play an important role in the self-regulation of business, far more effectively than any governmental body ever could.

Still, while there are obvious areas where business and government should not try to mind one another's business, they both do have a lot in common. I'm not talking about those cozy relationships where special interests and government officials occasionally scratch each others' backs, to the discomfort and disadvantage of the public. What I want to see and to promote is an across-the-board relationship in which business people become more aware of and more involved in the legislative and regulatory process. Right now business and government are not operating in tandem.

The commonality to which I refer stems from the status of both government and business as institutions. Dean H. J. Zoffer of the University of Pittsburgh's Graduate School of Business made the point in a thoughtful article published last fall, in which he wrote:

"In few periods of American history have institutions been in such disrepute as they are at the present . . . It is interesting that Webster's includes the word 'serve' in the definition of institution, and perhaps that is a clue."

Dean Zoffer goes on to refer to the "constituencies" of an institution—constituencies of corporations as well as of governmental institutions. I think it is an interesting point. Business corporations, like legislatures, were created to serve their constituencies, and our period of disrepute today arises from lapses or misdirection in that service.

What then are the constituencies whom we each must serve? Only the most cynical would maintain that business' contituency is businessmen. It has been quite a while since a captain of industry dared to say, "the public be damned." If it is to remain viable, business must serve the consuming public, not just its owners and its employees. To this end, many businesses now publish annual Social Performance Reports. And only a few weeks ago, a televised news report called attention to a Bethesda department store's training program to make sales personnel more sensitive to the ways in which they could help their blind customers. These companies run on the same profit motive as any other American business. They have simply taken steps which demonstrate their awareness of the principle that social responsibility is part and parcel of running a successful business.

All of you here today are also wedded to that principle as your membership in the Better Business Bureau attests.

You must have been pleased by the recent Louis Harris poll that showed how highly the public values the type of business leadership you provide. Two-thirds of those polled said that every community should have a complaints bureau where claims against manufacturers, dealers and salesmen could be brought. When asked to rate how well government agencies and other organizations had protected consumer interests, the general public sample ranked Better Business Bureaus second only to Ralph Nader, out of 16 possible choices. Even the consumer activists sampled judged Better Business Bureaus "excellent" in their consumer protection function at a far higher rate than they or anybody else gave the federal government.

All of which finally brings me to government's constituencies. Government, of course, must serve consumers and business and it doesn't seem to be serving either very well. Both are dissatisfied with the government's performance.

But, frankly, we in government are a little dissatisfied too. We do not want people in our constituencies just to hand over the tax dollars and leave the governing to us. As I mentioned earlier, business people, with their organizational and material resources, are in an especially good position to help government run its business, particularly as it relates to their own. To capitalize on this favorable position is not to be an opportunist; it is to be a good citizen. This notion of civic responsibility is not something that businessmen and women need to conjure up in order to rationalize their activity on Capitol Hill or within the federal corridors of this City. As the Harris poll, to which I referred earlier, concluded:

"There is a widespread recognition (among the public) that the regulation of business is not satisfactory and needs reform. There is no consensus as to how this might be done, but there is a widespread desire to involve people outside the federal government—consumer activitists, individual consumers and business itself—in the process."

Let me give you some examples of the type of business involvement I have in mind. But first, let me emphasize that I am not talking primarily of big business. A "small" businessman has been defined, only half in jest, as anyone who can't afford to have a full-time lobbyist in Washington. These are the people I am trying to reach and to involve. And I hope you will help me. Because you live and work in the Washington area, you can set an example for your colleagues around the country by getting constructively involved in the process of government. They will look to you for advice and they will look to you for results.

I am convinced and I want to convince you that your participation can have tremendous impact on what we do. So, in preparing this talk, I reviewed my legislative program for the 95th Congress to see who had contributed ideas and how they had influenced the legislation. None of my bills was dreamed up by some stoop-shouldered academician huddled under a dim light bulb in the stacks of the Library of Congress. Rather, most of them were the direct result of suggestions from businessmen and women like yourselves.

Many of the suggestions were funneled to me by national organizations representing business. For example, the National Federation of Independent Business (NFIB) is the type of organization that doesn't approach Congress just when it wants to oppose legislation. It plays a very positive, creative role in the legislative process. The "Small Business Administrative Review Act," S. 49, which I introduced on the first day of the 95th Congress, owes much of its life and language to the NFIB, which helped me draft it. In addition, NFIB also gave impetus to the "Product and Professional Liability Insurance Tax Equity Act of 1978," S. 2864, which I introduced in April.

Other business people are indirectly involved with me in the legislative process by virtue of their membership in a trade or professional organization. The National Association of Wholesale-Distributors, for instance, played a formative role in the drafting of S. 2173, my "Interstate Taxation Bill of 1977."

These bills are widely supported by small business because business has had a stake in them from the beginning. The "Small Business Administrative Review Act" that I just mentioned would enable small businesses to obtain review of the decisions of regulatory agencies at minimum expense to themselves or to the taxpayer. In essence, it is based on the very successful experience of the U.S. Tax Court in the conduct of small tax cases. It would establish a court of limited jurisdiction to hear cases involving federal orders, citations and fines involving $2,500 or less. The court wouldn't decide whether regulations were good or bad. But it would introduce some common sense and equity into how they are applied.

My "Interstate Taxation Bill" would help businessmen who, like my friend with the unfiled forms in the bottom of his filing cabinet, are swamped by hundreds of complex local tax regulations. It would regularize the jurisdictional principles by which the states impose sales, use, income and gross

receipts taxes and clarify for those who deal in interstate commerce what is expected of them. I have been fighting for this measure ever since 1964 when I served on the House Special Committee on State Taxation of Interstate Commerce. It is of particular importance to you in the Metropolitan Area, whose businesses straddle three jurisdictions.

PLITE, shorthand for "Product and Professional Liability Insurance Tax Equity" would allow businesses and professionals, who either can't afford or can't obtain liability insurance, to set up tax-deductible trusts for purposes of self-insurance.

These bills are good for small business. They are also good for the consumer. It is the consumer who pays the extra costs which a firm might charge to cover high insurance costs. It is the consumer who suffers when the business can't obtain insurance coverage. Again, it is the consumer who must pay higher prices for products made in conformance with unnecessary federal regulations.

These bills are also good for government. The best tax, from the government's point of view, is one that can be collected. The best regulation is one that is self-enforcing. And the best law is one that serves all government's constituencies, including business. These bills incorporate good ideas, and the ideas came from people like you. I brought copies of them along for any of you who are interested. But, now, in according business its due process and just deserts, I must remind you of a great truth Woodrow Wilson enunciated many years ago:

"Men on the inside of business know how business is conducted and they cannot complain if men on the outside make mistakes about business if they do not come from the inside and give the kind of advice which is necessary." (Speech, Washington, D.C., February 3, 1915)

Take my advice—give advice. Be aware and be active. Don't just holler after you're hurt. Speak out before you get hurt. Write your Congressman, that's not such a worn-out piece of advice itself.●

ORGANIC FARMING: A MODERN ANSWER TO AGRICULTURAL PRODUCTION

● Mr. ABOUREZK. Mr. President, in the last few weeks, Daniel Zwerdling has published two very important and interesting articles on organic farming. Mr. Zwerdling provides very provocative information on the potential of organic farming in the United States and Europe. Recently, I held hearings on USDA research priorities and found that the agricultural research establishment severely discriminates against organic farming, regarding it as an anachronistic folly. As the articles point out, however, organic farming is a very modern and very scientific approach to agriculture. In Europe, where it is practiced more commonly than here, organic products compete with conventionally grown products on supermarket shelves. In this country, one eye-opening study has shown that organic farmers can produce almost as much as nonorganic farmers, and obtain the same net profits.

Organic farming, of course, is environmentally sound, and is not subject to the uncertainties of energy supplies for fertilizer and environmental regulations for pesticides. Organic products also allow the consumer a choice of pesticide free foods. A recent survey by a food industry group showed that 50 percent of the American consumers would pay more for food grown without chemicals.

Given this demand, and the results organic farmers are able to obtain, I wonder if the agricultural research establishment is not the one being anachronistic in its steadfast refusal to do any work on this area.

I urge my colleagues to give the two articles serious consideration and ask that they be printed in the RECORD.

The articles follow:

[From the New York Times, May 29, 1978]

CAN U.S. FARMERS KICK THE PETROCHEMICAL HABIT?

(By Daniel Zwerdling)

Americans have not seen such desperate farmers since the Great Depression. But now, on a crisp March day in Washington, 50 shouting farmers have crashed through the doors of the Agriculture Department, roughed up the department's inspector general and his security chief and have seized an inner patio, forcing the government to call in fully armed federal riot police to evict them. And unless the government gives them higher prices, more than 4,000 American Agriculture Movement strikers say, they'll shut down the land like General Motors shuts down a chassis factory; they won't plant any more crops.

The sight of farmers striking for higher prices to solve their plight is a sad spectacle, like watching a victim of stomach ulcers grope for a bottle of Maalox. For the warning signs are becoming clear: America's Green Revolution, three decades of booming agricultural growth hooked on a chemical fix, has finally reached its limit—and now the chemical era is pushing the nation's farmers toward disaster. But low prices are the least of their problems.

Sixteen years after Rachel Carson's classic, "Silent Spring," farmers are not reducing their $8-billion-a-year chemical habit but rapidly increasing it. Farmers in the Corn Belt will spray more than twice as much fertilizer and almost five times as many pesticides on each acre this year than they did only a dozen years ago—while some chemical bills have surged 800 percent.

Consumers are worrying about the growing number of pesticides that may cause cancer mutations or birth defects. The Environmental Protection Agency has virtually banned seven best-selling poisons in the past few years, but researchers now believe that tens of thousands of pesticides may actually contain cancer-causing substances. "Trying to regulate problems like these," one EPA official said gloomily, "is obviously a horrendous if not impossible task."

But farmers are worrying about mounting pesticide problems in the fields. Little-publicized evidence in government and university files shows that in major crops from corn to cotton, from onions to oranges, pesticides have warped the ecological balance so drastically that pest damage is twice as bad as it was before the pesticides were even invented. "Many producers are now on a chemical treadmill," warns scientist Dale Bottrell of the Council on Environmental Quality, "a treadmill leading toward bankruptcy."

And while most Americans think the Dust Bowl is a chapter in high school history books, government investigators are thinking the unthinkable: The nation may be heading toward another one. Blame the coming crisis, government researchers say, on intensive chemical methods of agriculture that have weakened and abused the once-fertile farmlands and made them vulnerable to savage erosion. "We have abused our soils tremendously over the last three decades," says USDA soil scientist James Parr. Without drastic changes on the farms, Parr warns, "it will be setting the stage for disaster."

Striking farmers should turn their backs on Washington and make a pilgrimage to the fields of Valley, Nebraska. For there, on 760 acres in the Corn Belt quilt of crust-brown cornstalks and the chartreuse sea of soybeans, they'll find some crucial answers to their problems. Commercial farmer Del Akerlund could care less about soaring petrochemical costs and the erosion crisis and increasing armadas of pests. In a nation where artificial fertilizers and pesticides are a way of life, Del Akerlund has created a fertile and productive farm world that is 100 percent, completely organic. "I haven't used one drop of chemical fertilizers or pesticides," Akerlund says, "since 1967."

Organic? To most Americans raised on the lessons of agribusiness, an organic farm means a backyard garden or a natural food store bin full of worm-eaten tomatoes. Or, as former USDA Secretary Earl Butz used to say, the primitive way our great-grandfathers farmed, scarcely befitting our modern nation. "Before we go back to an organic agriculture in this country," Butz sniffed on national television, "somebody must decide which 50 million Americans we are going to let starve or go hungry."

So when I pulled off the highway, 30 miles outside Omaha, and saw Akerlund's organic farm with my own eyes, I felt puzzled, disoriented. I didn't find a city dropout struggling with a hand plow and a horse; Akerlund, soft spoken and khaki-clad, was driving his $50,000 harvester by his 300-head cattle feedlot and twin cement silos. He wasn't living in a wood-stove cabin; Akerlund sat down to Sunday dinner in his modern split-level with plush pile carpeting and a super-appliance kitchen out of Better Homes and Gardens.

And it wasn't worm-ravaged corn that Akerlund showed me as we drove the length of his fields, stretching for almost a mile. "Akerlund's corn is number-one grade, the highest quality possible," says bookkeeper Jeanette Muhle at Lincoln Grain, Inc., a big commercial distributor that buys almost exclusively from chemical farmers. "He's in the top 10 percent of the farmers we buy from quality-wise, and I'd bet he's even higher than that."

Let Del Akerlund shatter three decades and billions of dollars worth of the great American agribusiness myth: Chemical farming is not the only way. Organic farming works. During an investigation that took me from the Corn Belt to California to the fertile farmlands of Europe, I found large-scale, sophisticated, commercial farms raising high-quality foods organically—lush citrus orchards and vast acres of cauliflower and broccoli and peppers and soft lettuce. I found scientific studies conducted by major research centers in Europe—studies virtually ignored in the United States—which suggest that organically grown foods can be not only as good as their chemical counterparts but in some ways superior.

And while I had always assumed that farmers go organic to earn spiritual points while conventional farmers go the chemical route to earn money, here's the biggest irony: The organic farmers I spoke with have abandoned their chemical habits in the past decade precisely because the financial and ecological costs of the chemical system were driving them out of business.

"If we hadn't switched to these organic methods we wouldn't have a vineyard today," says grape grower Stephen Pavich, swiveling in the office chair of his $3-million grape ranch in Delano, California. "Our ground was gone to hell. We would have gone bankrupt. But with these biological methods our yields are better than many of our neighbor's, and while they've reached their peak," Pavich says, smiling, "our potential is starting from here on up."

Agribusiness officials like to talk about "going back" to the era Before Chemicals—B.C.—as though it were prehistory. But sift through voluminous USDA studies from the 1930s, long forgotten and out of print, squirreled away in the USDA archives outside Washington, D.C., and you'll discover

that top government and land-grant university scientists back then were developing organic farming into a complex, sophisticated, self-renewing ecological system—the kind of stable ecosystem about which environmentalists of the seventies only fantasize.

The way sophisticated farmers of yore practiced it, an organic farmer grew a rich diversity of crops, rotating them every year from one field to the next. That way, no pests attracted to any one crop could sweep through the farm. Farmers didn't need to buy nitrogen fertilizer from the factory: They actually grew the crucial nutrient by planting crops that sucked nitrogen from the air and "fixed" it in the soil. And as the voracious crops drained the fertile reserves from the soil, organic farmers carefully replenished them by working nutrient-rich animal manures and other organic matter back into the land. The USDA 1938 Yearbook, *Soils and Men*, blessed this precious organic matter as "our most important national resource"; without it, the USDA report warned, farmers would eventually snuff out "the life of the soil."

But World War II changed all that. As USDA historians tell it, the chemical corporations and the military had built a massive industry to manufacture nitrogen for bombs, and chemists at the Pentagon's Camp Detrick were developing secret poisons for biological-chemical warfare. Suddenly, with peace in Europe and no more enemies to attack, the nitrogen industry and budding biological warfare business faced instant collapse. The solution: Industry would spray the chemicals in the fields of America instead.

"At first the response we got from these chemicals was fantastic," says Akerlund, who, in 1946, was one of the first in his area to use synthetic pesticides. Farmers were able to forget the careful and complex work of nurturing a healthy biological balance in the fields; they could plant vast acres of a single crop, called a monoculture, and then simply spritz on the nitrogen and blast away the exploding insect infestations with a pesticide can. Vast monocultures spread across the nation like a plague—fly over Illinois and it looks like one giant farm, 85 percent of the cropland in corn and soybeans. Yields boomed—not just because of chemicals but thanks to the whole Green Revolution package of super machinery and new hybrids developed in the genetic laboratory. And a powerful industry took a grip on American agriculture, the petrochemical-energy complex. (Pesticide and fertilizer giants such as Mobil, Tenneco, Standard Oil of California, Dow and DuPont produced $10 billion worth of farm chemicals last year alone.)

But the chemical rush couldn't last forever. USDA scientists had warned back in 1938 that while organic farming methods replenish the soil's fertility, the chemical system robs it, sticking back only a handful of nutrients with an easy chemical fix. ITT-Continental does the same sort of thing with Wonder Bread, refining at least 24 precious nutrients from the wheat berry, adding back a handful and then calling the bread "enriched."

"We saw it happening in the early sixties," says Akerlund. "The soil was getting hard and lumpy, we couldn't work it easily anymore and had to keep buying bigger tractors. There was so little organic matter in the soil that the ground couldn't hold water anymore; the rains would run off the fields like water off a duck's back. We were using more and more pesticides, but the weeds were getting so bad we could hardly handle them, and the insects weren't getting any better—if anything they were getting worse." In the late 1950s a local fertilizer dealer was telling Akerlund to spread 33 pounds of nitrogen fertilizer on every acre. "But by the late sixties," Akerlund says, "we were putting on almost five times as much and our yields had stopped going up."

In 1967 Akerlund's chemical bill hit $24,000. "My brother and I just turned to each other one day and said, 'We have to shut those chemicals off.'"

Chemical farmers must spray increasingly more costly insecticides to fight the inevitable pest infestations on their crops. For, thanks to monocultures and growing pesticide resistance, says Cornell University researcher David Pimentel, insect damage to corn has tripled since pesticides came to the farms. But Akerlund, like other organic farmers, prevents most pests from invading his farm in the first place by rotating a careful mix of crops, including corn and soybeans, oats, clover and wheat. While a chemical farmer pumps the crops with nitrogen and with a few minerals, Akerlund replenishes his soil with literally dozens of nutrients by growing special nitrogen-fixing crops, spraying ground-up rocks from the air, and spreading animal manure—lots of it, 2,500 tons last year—from cattle operations in the area and from his own feedlot. "We take better care of our soil," says Akerlund, "than ourselves."

"Could an organic farmer make it in this area?" muses Jim Nelson as he tends the counter of the Anderson Feed and Seed Co., off Main Street in nearby Freemont. A sign warns customers: "Soybeans are Not Returnable"; plastic jugs of pesticides line the wall. "I doubt it," Nelson laughs, as he fills a pesticide order for a client. "Organic farmers who didn't put out any herbicides this year would've had more weeds than crops in their rows. One farmer I know sprayed four times this year, and his weeds still came back up."

In fact, USDA statistics show that Corn Belt farmers are spraying eight times as much weed-killing poison this year as they did just a dozen years ago. But not Akerlund: His special crop system keeps weeds under easy control. "We had to cultivate a few times during the season," he tells me as I search his corn and soybean fields—without success—for a single weed.

Since farmers in the Valley, Nebraska, area were crisped four years ago by one of the worst droughts since the Dust Bowl, they've been rushing to the farm equipment dealers to buy expensive irrigation systems. "I'd say the number of irrigation systems in this area has increased 50 percent in just the past few years," says county agriculture extension agent James Novotny. But Akerlund says his fields don't need a single pipe. "We've got so much organic matter built up in the soil that it holds on to all the water it can get, like a sponge, every time it rains," he says, leafing through laboratory soil reports that show his fields have 50 percent more precious organic matter than most farmland in the area. It's no mystery why: The old USDA studies show that an organic system like Akerlund's, rich in water-grabbing organic matter, will lose less than half as much water during a rain as a conventional farmer's fields.

Just add it all up. "My total fertilizer and pesticide costs ran about eighty-five dollars an acre last year, plus another eight dollars an acre for the electricity to run my irrigation pumps," says chemical farmer Spencer Wedberg, who has a 1,100-acre farm next to Akerlund's. "I'm very pleased with my yields—it was an excellent year." Akerlund pored through his meticulous records. "I figure we spent fifteen dollars an acre for all our organic materials," he says, "although some years we spend a little more, some years a little less." His yields were virtually the same.

But comparing two farms in a single season can't tell the most important part of the story: where farming is heading over the years. The way Akerlund sees it—with farm chemical prices rising, market prices going haywire, monoculture farmers getting trapped in a boom or bust cycle and going on strike—he's got to come out ahead of his chemical neighbors in the long run. "The great thing about organic farming is we're so flexible now," Akerlund says. "By having different crops we're never trapped by the fluctuation in prices. We know that at least one of our crops is going to have a good price, which will give us a nice, comfortable living.

"And even when theres a recession or a serious drought or some other catastrophe," he says, "we haven't laid out all that money on chemicals like the other farmers do—so we can override those years."

Government researchers say the worst crisis on the horizon is a potential Dust Bowl. Only massive use of artificial fertilizers, a recent Senate report warns, has been able to mask the land's rapidly decreasing productivity—just as drugs prop up a terminally ill patient who should already have died. But time is running out; and erosion nationwide soon "could have a disastrous effect on crop productivity," investigators in the General Accounting Office warn. But Akerlund doesn't need to worry. USDA studies show his kind of organic farming methods can drastically cut the erosion his neighbors' farms are suffering.

Pushed for more evidence—more statistics, more sales figures, more profit margins, more facts—Arkerlund smiled. "All that," he said, sweeping his hand toward 760 acres of lush crops, a shed jammed with modern equipment, twin silos bulging with 1,200 tons of top-grade corn, "all that is my evidence."

If Del Akerlund were a lone organic adventurer in this Nebraska corner of the Corn Belt, you could write him off as a fluke. Except he's not. When researchers at Washington University's Center for the Biology of Natural Systems decided five years ago to study some commercial organic farms, they set off to scrape up a handful—and found more than 250 commercial organic operations ranging up to 800 acres in size. When the researchers dissected 14 organic farms and compared them to 14 chemical farms of similar size—the most successful chemical farms local USDA agents could recommend—they produced hard statistics that prove what Akerlund already knows. "While the conventional farms produced somewhat higher yields, somewhat higher, not much," study director William Lockeretz said recently, "the organic farmers had lower costs. And so the net returns per acre on the organic and conventional farms over three years were virtually the same."

Don't dismiss these other organic operations as unique creatures of the Corn Belt, either. Only 20 miles from the agribusiness haven of Salinas, California—where multinational conglomerates grow thousands of heads of lettuce and the odor of pesticides often hangs in the air—I found Mexican-American farmworkers picking 150 organic acres of broccoli, snap beans and other vegetables on Russel Wolter's Odello Ranch. I followed the boxes of organic produce to Frank Capurro & Son wholesalers; forklift trucks were hoisting them under Capurro's "Topless" label into great semi-trailer trucks filled with chemically grown vegetables, bound for markets across the U.S. "I don't care if it's organic as long as it's good," says Frank Capurro, puffing his cigar through phone calls from buyers in New York, San Jose and Vancouver. "Wolter's quality can be as good as the chemical growers I buy from, no doubt about it. In fact, right now his romaine lettuce is better."

And I found a miracle of modern-day organic farming in the sun-baked fields of Delano, a few hundred miles southeast—Table Grape Capital of the World, according to the agribusiness press. Table grapes are a big-money, fragile business: A cloud of insects or an evening of rain can wipe out millions of dollars of these tender, sugary,

skinbursting fruits overnight. And seven years ago, Stephen Pavich & Sons—700 acres of grapes in California and Arizona, 30 full-time employees plus 150 pickers at harvest, a $400,000 cold storage warehouse right on the freight tracks—was on the verge of collapse. "Our ground was hard as concrete," says Pavich, a farmer since the Depression. "Our grape were melting off the vines. They were so sick they couldn't hold up long enough for harvest."

"When you're down near the gutter you'll try anything to save yourself," said his son, Steve.

Since 1971, Steve Pavich has created a radically new system of agriculture in his grape fields, step by step. "We've done this based strictly on an experimental approach," he said, as we drove past tons of steaming cattle manure and grape pulps.

You can measure what the organic system has accomplished in the ranch's yields—they're as good as or better than the country average now, and thousands of crates of purple clusters are piled high in the 33-degree warehouse, waiting to be shipped to major supermarkets across the nation. You can describe what Pavich's organic methods have done to the nightmarish problem of pests. "In this area every June there's a build-up of insects which will completely defoliate a vineyard if unchecked," says Jerry Garzoli of Oxychem Delano, one of the biggest pesticide dealers in California. "Most growers spray [insecticides] two or three times a year, and this year many grape crops were sprayed four times because the pests were so bad." Pavich hasn't sprayed a single pesticide on most of his grapes in more than five years. "I have my serious doubts if that's possible," laughs Tulare County Agricultural Commissioner Clyde Churchill, when told about the Pavich ranch. "But I'd sure be impressed if it's true."

Organic farmers often told me you have to *feel* what the organic system can accomplish—literally—in the soil. As I wandered with Pavich through his ranch—endless fields of stumpy, dusty-green vines stretching toward the Sierra Nevadas, fading into the heat mist—we came to a narrow dirt road. On one side was Pavich's organic field; on the other, a conventional, chemically nourished ranch. I walked onto the conventional field, the soil so hard and dry it felt almost like an extension of the road.

I tried to claw my fingers into the ground, grappling to work my hand past the rocky, dried lumps. Then I crossed the dirt road into Pavich's vineyard, springing and sinking as I walked as if I were on some giant sponge. I plunged my hand deep into the soil. The dirt was crumbly fine, dark and moist. Pavich brushed back vines drooping with fat bunches of grapes, baring mantis and spider egg sacks—crucial allies in his biological balance of pests. "The key to what we've done here," Pavich called out to me as I searched vainly in the conventional field for a single sign of a spider or an egg, "is we've brought the soil back to life."

To hear most agricultural researchers talk about it, however, the new wave of modern organic farmers might as well be farming on another planet. "To deny American farmers the use of artificial fertilizers," asserts Rutgers University professor R. White-Stevens, "would require the removal of 100 million Americans . . . return some 20 million nonrural people back to the toil of the soil and stoop labor, reduce the present standard of living by 50 percent and retreat to the way of life of a century ago."

It's easy enough for agricultural researchers to dismiss the potentials of organic farming methods, since USDA and the land-grant colleges have virtually refused to study them. "Unfortunately, there really hasn't been very much done on comparative studies between organic and conventional methods," says James Parr, chief of USDA's biological waste management and soil nitrogen laboratory. "One main reason why is that proponents of organic farming have been looked upon as a bunch of nuts."

The few comparative studies I could turn up in the USDA and land-grant college literature are so out of touch with organic methods, at least as farmers like Akerlund and Pavich practice them, that they're ludicrous. Ask researchers at South Dakota State University's agriculture experiment station for the low-down on organic methods, for instance, and they'll send you "Facts About Organic Farming and Gardening." In one dramatic experiment in Nebraska, the pamphlet observes, researchers planted a "Today's Acre" of corn, spritzed with pesticides and fertilizers and water, and then compared the yield to a supposedly organic "Nature's Acre"—a plot of soil stuck with corn seeds and nothing else, It's no surprise that "Today's Acre" won.

"If organic farming is so successful," one USDA researcher asks with a sardonic laugh, "then why are most of the country's 2.5 million farms still using chemicals?"

It's not as though most farmers have ever made a deliberate choice to farm chemically rather than organically, any more than a baby born in America makes a deliberate choice to speak English rather than Swahili. In the United States, chemical farming is the way of life. Try to take a course on organic farming techniques at your local university. After an exhaustive search, researchers on Senator James Abourezk's (D–S.D.) staff found only one in the entire nation, at the University of Massachusetts. It's no mystery why: During a recent year, Purdue University agricultural researchers and professors were funded by Shell, Monsanto, Chemagro, Dow, Union Carbide and a half-dozen other chemical giants, according to the Agribusiness Accountability Project.

And while USDA officials told me there isn't a single extension agent in the country trained to help farmers shift to organic methods, a farmer can find more than 4,000 people who sell and give advice about pesticides in Iowa.

"One of our biggest problems is that farmers who want to go organic have no organized resources to turn to," says grape grower Pavich. "You try going to the Tulare County farm adviser and say, 'Hey, how can I grow my grapes organically?' and they'll say, 'Are you nuts?'" Pavich sprawls on his living room floor, strewn with pamphlets, books, Xeroxed manuscripts, anything he can find even vaguely related to organic principles. "Trying to figure out an organic system of farming," Pavich says, "is something I've had to piece together pretty much on my own."

The lack of a network of advisers is crippling the spread of organic farms, pioneers like Akerlund and Pavich say, because shifting from the chemical to the organic way of life requires far more than tossing out the fertilizer and pesticide bags. Organic farmers who have already struggled through the transition say that kicking the chemical habit, just like kicking an addiction to barbiturates can be a painful experience—economically fatal if the farmer isn't highly skilled and doesn't know precisely what he or she is doing.

"I won't tell a guy he won't get hurt during the first few years going organic," says organic orange grower Nick Stehly, "because he probably will. It's hard for a guy on chemicals to say, 'No more,' and then sit back and watch his trees take a beating until his fields get back to a healthy, biological control. It's just like your own body. If it's been sick and abused it takes time to restore it to balanced health."

It takes at least three years, according to University of California entomologist Carl Huffaker, to convert from pesticides to biological pest controls. And farmers trapped in an economic system that rewards short-term profits aren't likely to risk losing a single bushel of corn or a single bin of oranges just to go the organic route—even if it means assuring a far more stable and productive system over the years. "Sure, I've heard things about how our fertilizers are poisoning the ground and the dangers of pesticides and this sort of thing," says Spencer Wedberg, Del Akerlund's chemical-farming neighbor. "And maybe in my artificial system I am hurting the soil in the long run. But in the short-term economics," Wedberg says, "I need that extra production, every bit of production I can get. Land costs are going up every year, and I've got my tractor payments to meet."

Inside the nerve center of American agriculture, the government fortresses of Washington, there are stirrings of revolutionary change. In EPA's Office of Pesticide Programs, usually attacked for playing footsy with the chemical industry, administrator Bill Holmberg is rhapsodizing about organic farmers as "heroes of the future." Holmberg, in fact, has just compiled the first public directory of alternative farmers and researchers.) On Capitol Hill, when five key members of the House Committee on Agriculture emerged from a meeting with Europe's leading proponent of organic agriculture, Congressman Frederick Richmond (D-N.Y.) said: "All of us at that dinner agreed that organic farming is something we should be pushing for, devoutly," and when dozens of scientists at USDA's Beltsville, Maryland, laboratories, the heart of the agriculture research establishment, gathered in an auditorium for a special lecture, it wasn't to hear about the latest wonders in fertilizers or pesticides, but to hear about the latest organic farming research. "There's a real and growing concern in the agency that we haven't been treating the nation's soils in a very kindly way," says scientist Parr. "I used to consider those organic people a bunch of heretics, but now I'm going to their meetings."

Like the Vietnam hawks who began turning on the war when they realized America's B–52 bombardments were failing, small but increasing numbers of agricultural researchers and policy makers are beginning to believe that the chemical blitz in the fields is doomed. "With the cost of energy soaring and the fact that we're running out of petroleum," as Congressman Richmond puts it, peering out his office window at his rooftop organic garden, "we've got to begin developing organic farming."

Government officials are also seeing organic techniques as a key strategy in the burgeoning crusade to save the family farm. "We think biological farming is a way to maintain and strengthen small family farms, because biological methods reduce costs, improve soil fertility, ensure long-term productivity and conserve energy," says Peggy Wheeler, a top aide to Congressman George Brown (D-Calif.). Brown has just introduced the Family Farm Developument Act, a landmark bill that would pour government funds into researching and helping commercial farmers convert to organic systems. "Even one year ago most people would have looked at this bill and said, 'Organic farming?' and laughed," says Wheeler. "But with the new mood up here today we think the bill has a good chance of getting passed."

When it comes to hard research on biological farming methods, the USDA and land-grant colleges are just barely getting their toes wet. USDA and some of the colleges, for instance, are developing ways to transform city sewage and other organic wastes, now mostly dumped into giant landfills or into the ocean, into top-quality fertilizers. When USDA researchers grow corn and other crops using organic fertilizer made from the toilets of the nation's capital, "we get as good and

often better yields than using artificial fertilizers," says soil scientist Eliot Epstein. But so far, USDA's total annual budget for the research equals the value of fertilizer that the chemical industry sells in an average afternoon.

In one of the most important developments, USDA joined the EPA and National Science Foundation to investigate ways farmers can slash insecticide use. Under a system called integrated pest management (IPM), farmers use a combination of biological controls, more resistant strains of crops, plus lots of vigilance—literally counting the bugs in the field—before hauling out the spray rig as a last resort. "Seven years ago my bell peppers were so infested with bugs I'd spray every eight or nine days," says California grower Jack Hubbard, who farms 900 acres of vegetables off the freeway just outside Los Angeles. Today, with IPM, "if I spray once a season on even part of my crop, that's something unusual," he continues. "And my yields have increased." But so far, USDA is spending only $4 million a year training farmers to use the IPM technique; the pesticide corporations will spend $200 million this year developing new poisons.

Proponents of organic agriculture have argued for decades that there is something about the way sophisticated, organic crops are grown which makes the plants—well, healthy, and resistant to insects and disease. Chemically treated crops, they claim, are sick: Only crops grown in an "impoverished and murdered soil," as Sir Albert Howard, a British organic researcher, wrote in the 1940s, "need to be bolstered up by poison sprays."

To most farmers and agriculture industry officials, the notion that organic methods can keep the bugs away is nonsense. "I only know of sick research in people's minds," says William Hollis, science coordinator with the National Agricultural Chemicals Association, the pesticide industry lobby. "Akerlund *must* have insect infestations," chemical neighbor Spencer Wedberg says. "I mean, it's been so ingrained in the system, these chemical controls we use. I'd think Akerlund's crop would be an oasis for insects in a desert of chemical fields."

But mounting evidence from top researchers in Europe suggests that the organic farmers may be right. "Our studies show that common fertilizing practices are actually contributing to plant susceptibility to insects and diseases," says Francis Chaboussou, until recently director of entomology in the French National Institute for Agricultural Research. "The fertilizing causes physiological changes in the plants which, in effect, make the plants, shall I say, *juicier* for the pests."

And here's the most surprising finding of all: When farmers haul out the pesticides to combat the insects their artificial fertilizers are attracting, Chaboussou's studies show, the poisons may actually *increase* insect attacks. "The pesticides change the physiology of the plant to make it more nutritionally acceptable to pests," Chaboussou told me through a translator, "so they can reproduce to a larger extent than if you had not sprayed." Recent studies at Cornell University seem to corroborate Chaboussou's work.

While artificial fertilizers and pesticides may be making the nation's crops sicker and more vulnerable to pests, other studies indicate that common organic methods may help bring the crops back to health. "Many studies show that by incorporating organic fertilizer into pathogen infested soils, we can actually suppress the disease," says USDA soil scientist James Parr. "The organic matter nourishes the beneficial bacteria, which then reproduce at a tremendous rate and overwhelm the pathogens."

But these findings shouldn't come as such a surprise. "Doctors tell us that stress factors make people more susceptible to diseases, and plants are exactly the same way," says R. James Cook, a research plant pathologist at the USDA lab in Pullman, Washington. "I'm convinced that one of the biggest problems on the farm, the reason for the biggest increases in diseases in our crops, is that we're pushing our crops to yield more and more by any and all means available. By pushing for every last bushel with all these intensive methods, including chemicals, we're pushing the crops beyond their biological capacity. We've created an era of stress on our crops, stresses we'll be a thousand years trying to understand.

"I'm all for anybody who wants to use the organic approach," Cook says. "We know it works."

The biological methods that USDA and the land-grant colleges are developing—composing organic wastes here, cutting insecticide use there—are all important advances that will help farmers back away from their dependence on chemicals. But they are still a long way from organic farming: They are only isolated *reforms* that farmers can plug into their chemical fields, while organic farming is a radically different *system*.

HEALTHY ADVICE

Are organically grown foods more nutritious and healthful than their chemically grown counterparts? Many organic advocates cherish the belief as gospel; most conventional researchers dismiss it as nonsense. "There is no proved, substantiated basis," a USDA science adviser declared, "for claiming that plants grown with only organic fertilizer have a greater nutrient content than those grown by conventional methods."

It has been a hard policy to challenge, since virtually the only serious study USDA researchers have conducted on the question dates back to 1951. The news, then, is that carefully controlled, scientific studies are comparing organically and conventionally grown foods in the 1970s—but you are not likely to read them in the United States. I had to travel to Europe. While the findings are far from conclusive, the preliminary evidence is potentially explosive: Biologically grown foods may well be more healthful than the chemical versions. And not just because they aren't contaminated.

Researcher Werner Schuphan, director of the West German government's Federal Institute for Quality Research on Plant Products, compared the nutritional value of eight common vegetable crops grown under conventional and biological methods for 12 years. His results: The biologically grown crops had significantly higher amounts of top quality protein, vitamin C and major nutrients such as potassium, calcium, phosphorus and iron. "That the consumer would benefit by a higher biological value of such products," Schuphan concludes, "is beyond question."

Schuphan's work appears reinforced by a current study at the internationally respected Agricultural College of Sweden in Uppsala. The college launched the nine-year study, Swedish researchers say, to combat "the apparent lack of information" swirling around the growing organic debate. Results from the first three years: Potatoes grown under biological methods has more vitamin C and better quality protein than the chemically raised potatoes. Chefs may be interested to learn that the biologically raised tubers had dramatically better cooking quality and more "potato flavor." Supermarket executives, take note: While the conventional potatoes had slightly higher yields in the fields, they suffered almost twice the rate of spoilage once they were put in the storage bins. Your grandparents aren't crazy when they say supermarket foods don't hold up anymore.

Some European researchers argue that merely measuring a handful of nutrients can't really tell you much about the quality of the food. Foods have a more elusive "biological value," as Germany's Schuphan calls it, a "wholesomeness" and "value for the maintenance of health" which standard nutrition tables can't reveal. One of the easiest and most effective ways to test this biological value, researchers believe, is to feed different kinds of foods to animals, and then see which animals are more fertile. Switzerland's Research Institute for Biological Husbandry has been comparing commercial dairy herds raised on biologically grown and conventionally grown feed—and the preliminary results, bolstered by animal studies in Germany, show that the animals on biologically grown feed are "significantly more fertile," according to Institute director Hardy Vogtmann.

Will USDA launch carefully controlled studies comparing the health value of conventional and organic foods to get some hard answers once and for all? Don't hold your breath. "Members of the scientific community, such as myself, are already basically convinced there is no difference," says David Moore, director of USDA's Plant, Soil and Nutrition Laboratory. "So we would find that not a terribly exciting research lead to follow."—*D.Z.*

PRICE MIXING

For most consumers the ultimate question in the organic versus chemical debate comes down to this: Won't eating organic foods hike their grocery bills out of sight? "The major difference between organic foods and the ones available at the supermarket," as *Newsweek* quotes "most experts" in a recent cover story, "is that they cost about twice as much." In fact, University of Illinois researchers have published a report suggesting that if vegetable farmers tried to go organic, a stalk of broccoli would cost $14 a pound.

Nonsense. Economic studies show that organic foods usually cost more than their chemical counterparts only because they're shipped and sold in tiny quanities by small specialty stores, which jack up the retail price. The price of most organic foods at the farm level is precisely what conventional farmers get, no more and no less. "We pay our farmers comparable prices to what conventional farmers are getting on the regular market," says Max Kozek, one of the nation's largest organic wholesalers, who sells mainly to small stores.

But the supreme irony is this: Most of the nation's large-scale organic farmers don't even sell their foods to health food stores, where it would be hyped as "organic" for a high price. Large-scale organic farmers are selling most of their foods on the conventional market. Nebraska farmer Del Akerlund, for example, is selling organic corn to CPC International Inc. You may be eating some right now in CPC's Mazola corn oil or margarine. You may also be buying organic vegetables and lush organic grapes (don't blanch, the United Farm Workers have called off the boycott) at your neighborhood Safeway or Food Fair or Kroger.

But if American supermarket executives still doubt that organic agriculture can earn profits in 1978, they should take their board members to the Swiss town of Taegerwilen near the foot of the Alps. For there the executives will find the spectacular organic fields and greenhouses of the $6 million Biotta fresh produce and juice corporation. Biotta sells its picture-perfect produce, supplemented with vegetables from more than 100 organic farms, to major Swiss supermarkets. The organic vegetables are tagged with special labels and sold alongside their chemically grown counterparts—at exactly the same price. "We have to prove that organic agriculture is possible at reasonable prices,"

Biotta president Hugo Brandenberger says, "and with capitalistic profits."—D.Z.

ANIMAL FARM ON CAPITOL HILL

"What I am doing today is not what I would recommend if I were a private citizen," Secretary of Agriculture Bob Bergland told a startled Senate committee while testifying on the Carter farm bill last year. Even in an administration where loyalty to the party line is a casual virtue, it was surprising to hear the new Secretary so clearly telegraph his dissatisfaction.

It all started during the 1976 campaign, when Carter vaguely promised farmers a return equal to their average costs of production, a pledge that even then did not sit well with his agrarian constituents. What farmers were seeking was 100 percent "parity"—a concept devised during the New Deal in order to provide farmers with price levels (in current dollars) equal to those that prevailed between 1910 and 1914, the golden years of farming. Agricultural techniques developed after World War II—such as hybrid seeds and chemical fertilizers—have rendered the formula increasingly irrelevant; an acre that yielded 35 bushels of corn in 1930 will yield 94 bushels now.

The real problem with Carter's bill was that it guaranteed farmers who let a portion of their land lie fallow target prices that fell $1 short of the average production costs for wheat. (Farm prices in congressional debate are often expressed in terms of wheat prices, through they are meant to include other commodities as well.) The only way to justify the Administration's estimate of production costs was to assume that farmers should earn only 1.5 percent on their land investment. "It was absurd," says Owen Donley, an expert for the Senate Agriculture Committee. "They could get 5 percent by selling the land and sticking the money in a bank." Congress responded by raising the Carter target prices to $3.00 a bushel, still 60 cents short of production costs.

But even as the President was signing the bill last September, four farmers were griping about it over coffee in a Colorado truck stop. Their anger was the spark that touched off a farm revolt. Within three months, the American Agriculture Movement had over 300 strike offices, concentrated in the Southeast and in a swath of states from Montana and North Dakota south to Texas, where the last two years of falling international demand for grain hit hardest. (By 1977 the price of wheat had collapsed from $5 a bushel a few years ago to $2.30.) Farmers who joined the revolt were on the average 38 years old. They had bought new machinery and land at high prices, and were mortgaged to the hilt.

The striking farmers blocked highways with tractors, protested on America's main streets in cavalcades of farm equipment and threatened to plant only 50 percent of their own crops or burn half the crops of anyone who decided to plant as usual. They sent Washington an ultimatum: full parity by December 14 or no more farm production. Agriculture Department officials derided the ultimatum: December is hardly the month of planting or harvesting. But when the deadline passed, farmers who had time—if not crops—to burn organized a march on Washington.

The capital had seen nothing like it since the Vietnam protests. Suddenly work-jacketed farmers were sitting in congressional offices. Anxious staff members called the Agriculture Committee members' offices, "My God, these farmers are here," one complained, "We don't know what to tell them."

There was a minor piece of agriculture legislation scheduled at the time—Senate HR 6782, the raisin promotion bill permitting special privileges to the raisin industry. Desperate members of the Senate Agriculture Committee decided to attach emergency farm price relief to it. No one was willing to give the farmers their wildest dream, a law requiring that all wheat purchasers pay the 100 percent parity price of $5.04 a bushel. That, the Agriculture Department warned, would push food prices up 20 percent. And it would far exceed the costs of production. "The farmers would be in fat city," a staffer on the committee smiled." The Cadillac people would really be in business."

The committee's chairman, Georgia Democrat Herman Talmadge, had a relatively simple alternative. Farmers would retire 31 million acres from production, and the federal government would pay them an average of $75 an acre, at a cost to the Treasury of $2.3 billion dollars. The international relief agencies opposed it. If there were a basic crop this year, literally millions of Third World families would starve. Senator George McGovern offered a more complex proposal which, in effect, would have guaranteed farmers a target price of $4.25 a bushel, 65 cents more than their actual production cost. But Senator Robert Dole, Gerald Ford's running mate in 1976 and a candidate for the Republican presidential nomination in 1980, had his own political hay to harvest. He organized a solid Republican front against the McGovern bill, and the Senate Agriculture Commitee voted it down 10 to 6.

Dole had his own idea, which came to him while he was doodling on a yellow legal pad. He invented the notion of "flexible parity": For each additional 5 percent of land that a farmer set aside above 20 percent, the farmer would receive a higher target price. At a maximum set aside of 50 percent, the farmer would get the full parity of $5.04 a bushel. The striking farmers instantly embraced flexible parity; it was nearly everything they wanted. By March 15, the Agriculture Committee had approved both the Talmadge and Dole bills and sent them to the Senate floor.

Before the Senate voted six days later, the committee's staff director, Mike McLeod, informed McGovern that Talmadge wanted the McGovern proposal—with the target price guarantee lowered to $3.50—offered as an amendment. It passed easily, 58 to 35. Maine Senator Edmund Muskie, who treats his chairmanship of the Budget Committee more as a vocation than an assignment, saved his fiercest denunciations for the Dole scheme. His budget staff gave him a memo succinctly listing the dire effects of flexible parity. It would, they said, add $3 billion to the budget deficit, inflate flood costs by $6 billion to $8.5 billion, reduce grain reserves and create a "famine potential in the event of major crop failure." Production would plummet because, as the Agriculture Movement's leaders admitted, a majority—and maybe most—farmers would take the option of setting aside the maximum 50 percent of their land in return for the highest price.

Muskie warned that if the Dole bill passed, there might be no bill at all because of a presidential veto. But that, says a Senate staff aide who has worked with Dole, "was just fine with him. He was cynically using the farmers. He didn't want a bill. He wanted a Carter veto. He wanted an issue." The Senate passed Dole's flexible parity by a narrower margin than the McGovern plan, then voted 67 to 26 for what one Agriculture Committee official calls "a crazy bill" that included both of those proposals and Talmadge's land retirement idea. The contradictory mishmash could be straightened out in a conference with the House.

To this point, Muskie had had little or no help from the Administration. Agriculture Secretary Bergland couldn't get in to see Carter during any of the six days between the final committee vote and the Senate floor action. He didn't know what the President would settle for or veto. Bergland couldn't give his own advice to senators, he explained to one of them, because White House economic adviser Charles Schultze and Budget Director James McIntyre might undercut him the next day. Bergland and Carter finally met the very afternoon the Senate voted. Carter had decided to draw a hard line. All he would accept was an increase in the target price to $3.40 a bushel for wheat alone, with no increase for other commodities. He dispatched a letter to Muskie, Talmadge and House Agriculture Chairman Thomas Foley announcing that he would veto anything else.

On April 3, when the House-Senate conference met, the Capitol hallways were packed with farmers chanting: "We want Dole . . . we want Dole. . . ." The din was so loud that once inside the committee room, the conferees could hardly hear themselves. Since they faced a presidential veto anyway, they figured they might as well give the farmers what they were chanting for, and weary conferees adopted the Dole scheme with minor changes.

The final Senate vote was on April 10. That morning, Agriculture Department congressional liaison James Webster was laying bets that the Administration had the votes to beat the bill. Inflation had worsened and raising food prices was beginning to look like the worst kind of politics. Urban liberals who had supported the initial Senate bill turned against the conference report. In the end, the bill eked out a 49 to 41 victory despite an hour-long philippic from Edmund Muskie. That night, Muskie exploded at Dole: "I heard you spill . . . garbage on the Senate floor for two days and I don't buy any of it. . . . When you keep saying that I don't care about the farmers, at long last I am going to stand up on my two feet and object." (Muskie apologized to Dole the next day.)

Dole kept his cool. He was relatively confident that he would have the last word—the veto and the issue for which he had maneuvered. Congressman Larry Pressler (a Senate candidate in South Dakota) and Max Baucus (ditto in Montana) had canvassed the House and found 200 votes for the conference report, very close to a majority. Yet when the House decided on April 13, with Speaker O'Neill flashing a thumbs-down at wavering members as they voted, the bill was defeated 150 to 268. And it wasn't just O'Neill's influence, or White House lobbying, or fear of inflation, or the opposition of the urban members—or all these factors together—that so overwhelmingly beat the farmers. As the weeks of protest wore on, the farmers wore out their wary welcome in Congress. "They antagonized members," say a House official. "A lot of the members think they shouldn't have to answer to constituents except on a robotype machine." When the farmers let 40 goats loose on the Capitol steps, Washington Representative Meeds expressed a common feeling in the House. "One of those goats was mine," he groused to a colleague. "These farmers got my goat about two days ago."

And in the end all the farmers got was a pittance of a bill. The Senate and House conferees reconvened in late April and voted the Secretary of Agriculture the authority to raise target prices for wheat, but nothing else. The Agriculture Department's chief economist, Howard Hjort, promised that the Secretary would set the price of wheat at $3.40 a bushel in 1978—less than Carter had pledged as a candidate, but not a penny more than as President he said he would accept.

So the farmers went home—mad. And politically they intend to get even. One Montana Democrat now estimates that Carter's approval rating in that state is down to 20 percent. And among Iowa farmers, Senator Dick Clark's popularity fell 12 points in a *Des Moines Register* poll after he voted against Dole's flexible parity proposal in the Senate Agriculture Committee. Dole himself

is out on the hustings blasting Carter and the Democrats on farm policy.

The American Agricultural Movement came to Washington 10 years after the Poor People's March announced by Martin Luther King Jr. and led by Ralph Abernathy after King's assassination. Some of the poor people rode into town in covered wagons. Many of the farmers drove down Pennsylvania Avenue in mortgaged $60,000 tractors. And at both ends of that road, on Capitol Hill and at the White House, both groups hit a dead end. The farmers even lost nine of the forty goats they released on the Capitol steps. Those nine goats have never been found. "With beef prices the way they are, someone probably ate them," a California congressman guesses. And the farmers, naturally, didn't get a fair return on their goats either.—Robert Shrum.

[From the Washington Post, June 15, 1978]

SETTING BACK THE SCIENTIFIC CLOCK—IN EUROPE, ORGANIC PRODUCTS ARE COMPETING WITH CHEMICAL CROPS

(By Daniel Zwerdling)

Fantasize walking into your neighborhood supermarket: You find huge posters on the walls announcing the supermarket chain has decided to help the nation's farmers go organic. You push your basket to the produce aisle, once the exclusive domain of foods grown the chemical way—but today there are lush fruits and vegetables grown organically, without any artificial fertilizers or pesticides, selling at regular supermarket prices.

"This program is one of our greatest achievements," the posters proclaim, "which proves to our customers that all these agricultural products are really natural, and therefore taster."

The fantasy seem ludicrous here in 1978. But walk into one of the ultramodern supermarkets in Switzerland's $3-billion co-op Migros supermarket chain and that's exactly what you may find, posters and all. Ever since its customers declared overwhelmingly in a 1970 survey that they'd prefer to buy organically grown foods, the Migros chain has launched a nationwide campaign to help satisfy them.

A special team of technicians is helping teach farmers how to shift toward organic methods in the fields, and the 2,000 farmers who are participating in the special conversion program get preferential treatment over conventional chemical farmers when they go to the supermarket to sell their crops.

While some of the special produce in the supermarkets, tagged by the label, "Migros-S-Production," is already strictly organic, most of it comes from farms that are still in transition: They're cutting back on chemicals and using more organic methods, but they're not yet completely weaned from the chemical habit. "Such a conversion," says a food industry executive close to the Migros program, "needs an education of many years."

The Migros campaign is just one reflection of the growing movement for organic agriculture—across the Atlantic the term is biological agriculture—in Europe. It symbolizes the dramatic differences between the climate in Europe toward alternative methods of agriculture and that in the United States.

To Americans raised on the lessons of agribusiness, "organic" means a backyard garden or a natural food store bin full of wormeaten tomatoes. "From a practical point of view," says USDA research administrator James Iacono, "talking about organic agriculture has no bearing on reality. We can't start turning back time and science."

But as policy-makers and scientists in Europe watch problems mounting on the farms—problems such as soaring chemical costs, environmental pollution from fertilizers and pesticides, and growing resistance of insects to potent pesticides—they are turning toward sophisticated organic methods as a potential solution.

In Holland, a government commission for Investigation of Biological Agricultural Methods declared last year that "alternative farming methods have to be seriously considered." The commission, which included top officials in the food and argiculture ministries, called for "urgent" research on the potentials of biological farming techniques.

In Germany, the state government of Bavaria recently converted a 200-acre conventional farm to an organic system, expressely to conduct research. "They think the biological system might help farmers get more out of their land," a source in the German Federal Department of Agriculture explains.

And three years ago, the Council of Europe, and official branch of NATO, unanimously passed a special resolution urging member governments to set up "pilot farms to carry out longterm experiments on the effectiveness of various farming techniques, including 'organic' farming." A "biological approach to agriculture," the council asserted, should be introduced into the struggle to improve the quality of life.

Attribute it to accidents of history, or politics or topography, but massive chemical-intensive farms have never gobbled up the small family farms in Europe quite as voraciously as in the United States. With their Old World roots more intact, many farmers have retained, or rediscovered, a fierce commitment to a more natural system in their fields.

I visited organic farms sprinkled across Switzerland and Germany with a contingent of skeptical American farmers, agriculture extension agents and the Massachusetts state secretary of agriculture. They were storybook farms, 80 to 200, acres, with centuries-old timbered barns, alabastered houses, women baking thick-crusted, whole-grain breads in brick ovens and profusions of flowers planted in the fields.

In a competitive Common Market, organic farmers such as Germany's Hans Werner told us they were prospering with a rich blend of grains and livestock, vegetables and fruit orchards—and, Werner said, about $100,000 worth of modern equipment in the sheds. These farmers didn't go organic to earn spiritual points but to escape the mounting side effects of the chemical system: "My use of pesticides and fertilizers was increasing every year and I saw no end to it," said Werner, whose family has been farming the same land since 1890.

"Also there was a lot of bad air pollution from a factory down in the valley, and I thought the crops might be more resistant to the pollution if they were grown organically."

"I don't think I'll learn much," one U.S. agriculture extension agent scoffed as we embarked on the organic farm tour. But as they trekked from one commercial organic farm to another, the U.S. farm experts saw years of agribusiness teachings shattered before them in the fields. "I don't believe that anybody can grow any crop, I mean any crop, without pesticides and not get wiped out by diseases and insects," said University of Massachusetts extension agent Roger Harrington. But as they walked through the organic fields, the U.S. experts shook their heads in disbelief. "The thing that's amazing to me," said Winston Way, extension agent at the University of Vermont, "is that I have never seen healthier plants. I mean the plants in these organic farms are luxuriant."

And even the toughest skeptics on the trip conceded they were impressed by the organic farmers' sophisticated methods of fertilizing their crops, organically. In the U.S., use of petrochemical-based fertilizers has more than doubled on major crops in just the past dozen years; in Europe, the organic farmers grow their nitrogen fertilizer in the fields, by planting special blends of up to four different "cover" crops which suck nitrogen from the air and "fix it" in the soil. "That's the biggest thing that's impressed me," said Harrington. "These farmers have really made themselves independent of the Arabs."

"These organic farms were really way beyond my expectations," said Fred Winthrop, Massachusetts secretary of agriculture and a part-time farmer. "While I'm not willing to accept everything the (organic) farmers said at face value, I do know this: It would be a mistake for those of us in the United States to miss the boat on doing basic research on biological farming."

One reason why members of the U.S. agriculture establishment have found it so easy to ignore the potentials of organic farming is because they have never seriously researched organic farming techniques—and compared them to conventional methods. "One main reason why," says James Parr, chief of the U.S. Department of Agriculture's biological waste management and soil nitrogen laboratory, "is that proponents of organic farming have been looked upon as a bunch of nuts."

But in Switzerland, the Research Institute for Biological Husbandry is conducting careful research, respected in the agricultural science community, comparing organic and conventional techniques on a 100-acre farm. Policymakers and food industry executives take the Institute's work seriously: The researchers are fueled with grants from the Migros chain, a Swiss canton (Switzerland's version of a state) and with funds from the nation's counterpart of the National Academy of Sciences.

Preliminary studies suggest that conventionally grown crops are attacked by greater numbers of pests than their organically grown counterparts, according to Institute director Hardy Vogtmann. Researchers at the German Federal Institute for Quality Research on Plant Products and at Sweden's respected Agricultural College in Uppsala have been comparing the nutritive value of organic vs. conventionally grown crops.

USDA officials will tell you, "there is no proved, substantiated basis" for claiming that organic foods "have a greater nutrient content." But the preliminary unconfirmed results in Germany and Sweden suggest that some organically grown crops may well have higher quality protein and other major nutrients than their chemically grown cousins.

Although three decades of U.S. agriculture research, education and government policies have promoted chemical methods on the farms, small but growing numbers of commercial farmers across the country are converting to organic systems. Researchers at the University of Washington in St. Louis, for instance, have found more than 250 commercial organic farms in the Corn Belt. There are large-scale commercial farms growing organic vegetables, grapes and citrus in other parts of the nation, too. Like the organic farmers in Europe, they abandoned chemical methods and shifted to organic systems when side effects of the chemicals started to damage their crops—and their profits.

But while the farmers are benefiting from growing crops the organic way, most consumers are not: The produce grown by most of these farmers is not identified as organic in the stores. Most of these farmers are forced to sell their crops through conventional wholesalers, who mix them together with chemically grown foods because there is simply no organic marketing network set up in the U.S. big enough to handle the volume these organic farmers produce.

The only stores in the U.S. that sell foods labeled as organic are small health food stores. They buy from marginal farmers and sell in such uneconomically small quantities that they are forced to hike up the retail price. That's the main reason organically

grown foods in the U.S. cost so much at retail. On large-scale organic farms, studies by University of Washington researchers suggest, the cost of organic crops is no more than on conventional chemical farms.

But while America's organic farmers are isolated and weak, organic farmers in Europe have built strong and supportive marketing organizations. In Switzerland, for instance, more than 600 organic farmers have joined the Bio Gemuse Cooperative, which sells $3.5 million worth of their organic produce, milk and meat to major supermarkets, as well as to health food stores, each year.

They are out to prove "that organic agriculture is possible at reasonable prices and with capitalistic profits."●

JAMES B. ALLEN

● Mr. GRIFFIN. Mr. President, some years ago, Henry Adams observed that "A friend in power is a friend lost"—a starkly sobering thought for any of us in public life—a sadly cynical rule of thumb that begs for a demonstrated exception.

More than any man I have ever known, Jim Allen was the exception to Henry Adams' rule—because, as the people of Alabama learned during his 40-year public career and as we in the Senate learned during his 10 years here, having Jim Allen in positions of power was to gain a friend, not to lose one.

That is why his untimely death was such a shock to all of us who enjoyed the warmth of his friendship and who relied on his wise and gentle counsel.

Jim Allen truly was a Senator of his people. He understood their hopes and fears; he labored to preserve their individual freedoms; he strove always to serve them. And the people of Alabama, recognizing how deeply he cared for them, had the commendable good sense to make him and keep him their Senator—not because Jim Allen was a politician, but because he was their friend.

In his last election, the outpouring affection for Jim gave him a victory margin of 95 percent. I would venture that the other 5 percent—by some fluke—simply had not yet met him.

It was this dedication to the interests of the people, coupled with a precision of mind and attention to detail, that made Jim Allen a master of parliamentary practice as the basic tool of the senatorial trade.

Just as you cannot play a good game of tennis or bridge or backgammon without knowing the rules, Jim knew that the best way to be a good Senator was to know how to be a good Senator. From being a student of our rules, Jim became a teacher to us all.

As one who served 7 years as minority whip, and who served for a number of years with Jim Allen on the Rules Committee, I believe I have a special appreciation for the incomparable contributions he made to modern Senate procedures. He helped make our dusty precedents come alive.

Though he now is gone, his legacy of excellence long will remain. And though the Senate is poorer for the loss of Jim Allen, we all are enriched for having had among us a colleague of such intelligence, compassion, integrity, humor, dedication, and conviction. I will miss him very much.

Marge and I extend our heartfelt sympathy to MARYON and her family, together with our sincere best wishes as she takes on the heavy burdens of Jim's unfinished work.●

SOVIET JUSTICE "HOOLIGAN STYLE"

● Mr. DOLE. Mr. President, once again I wish to call the attention of my colleagues to a deplorable spectacle of Soviet "justice" at work. Yesterday in Moscow two Soviet judges handed down harsh sentences to two Soviet Jewish activists, Vladimir Slepak and Ida Nudel. Mr. Slepak learned he must spend the next 5 years—until 1983—in internal exile in some remote corner of Siberia. Ida Nudel was told that it would be at least 4 years until she would be able to see her husband in Israel, since she would be forced to live in internal exile in a distant village in Siberia.

And what was the crime for which Slepak and Nudel were sent to Siberia? For something called malicious hooliganism. What were their hooligan acts they performed so maliciously? They organized a public protest demonstration to plead their emigration cases. Such demonstrations are perfectly legal under the Soviet constitution. One may well ask whose actions were more malicious and hooligan in nature—those of the accused or those of their accusers? To any fair person it seems obvious that it is Soviet justice which stands accused of malicious hooliganism.

Not only has Vladimir Slepak been a Jewish activist, he has also been a member of the distinguished Moscow group to promote the observance of the Helsinki Accords in the U.S.S.R. In the eyes of the court of world opinion, the record of Soviet implementation of the human rights provisions has been abysmal. The unfair sentencing of Vladimir Slepak and Ida Nudel are only two more examples of "justice" Soviet style. One wonders how much longer the world can tolerate such actions without speaking out in words of outrage and protest.●

REFUGEE PAROLE AUTHORITY

● Mr. KENNEDY. Mr. President, I was pleased to learn late last week that the Attorney General, after consultations with Congress, has wisely acted to use his parole authority under the Immigration and Nationality Act to respond to the urgent resettlement needs among refugees in Indochina, Latin America, and Eastern Europe.

I know that to many of us in Congress—and especially to those in the voluntary agencies—who are deeply concerned over the growing backlog of refugees in these areas, that this decision will come as welcome news.

Since last October 28, 1977, when I wrote to Attorney General Bell, I have strongly advocated the step he has now taken, which is in the finest humanitarian traditions of the American people.

Over many years, the American people have responded generously and compassionately to the needs of special migrants and refugees, and I share the view of many that a national policy of welcome serves our country and its traditions well. Hopefully, we will continue this policy—as the Attorney General has done today—and pending the enactment of some basic reforms in the immigration law relative to the admission of refugees, I hope we will continue to use the parole authority already in the law to respond to the urgent needs of refugees.●

NRC DISAPPROVAL OF NUCLEAR EXPORT TO INDIA MISINTERPRETS THE NUCLEAR NON-PROLIFERATION ACT

● Mr. McCLURE. Mr. President, I was privileged to testify before the Senate Committee on Foreign Relations on May 24, 1978, in a hearing on the President's authorization of a pending nuclear fuel export to India under the Nuclear Non-Proliferation Act of 1978. The Foreign Relations Committee was considering the President's action, pursuant to the Nuclear Non-Proliferation Act, authorizing the export after the Nuclear Regulatory Commission (NRC) failed to approve the export application. The NRC's failure to approve the export to India was the result of a 2-to-2 deadlock by the Commissioners on the issue of whether or not the export would meet the new export criteria contained in the Nuclear Non-Proliferation Act.

On June 14, 1978, the International Relations Committee in the other body, by voice vote, disapproved the resolution of disapproval introduced pursuant to the procedures in the Nuclear Non-Proliferation Act for disapproving the President's action authorizing the export, notwithstanding the NRC's failure to approve the export. I strongly applaud the action taken by the International Relations Committee as being the best possible disposition of the pending resolutions, as well as a strong endorsement for the President's decision on this export of nuclear fuel to India. I understand that the disapproval resolution may be considered on the floor of the other body in the near future, and I sincerely hope that the action of the International Relations Committee in disapproving that resolution will be strongly supported at that time.

I am pleased to note that the Committee on Foreign Relations on Tuesday, June 20, 1978, effectively approved the President's action authorizing the export. The committee took the action by adopting a proposal by the Senator from Ohio (Mr. GLENN) that the committee communicate to the President its views on the Indian export situation. My reading of the resulting letter of June 21, 1978 to the President from the distinguished chairman of the committee (Mr. SPARKMAN) indicates that the committee essentially has adopted a position on the export very similar to my own position included in my testimony. Of particular importance, the committee's views all focus on future agreements with India resulting from continued negotiations over the next 15 months, rather than agreements mandated im-

mediately in the statutory regulation of the Indian exports by the Nuclear Regulatory Commission (NRC) under the Nuclear Nonproliferation Act of 1978. I strongly endorse the action of the committee in support of the President, although I personally do not believe that the committee's view that acceptance of a full-scope safeguards waiver "is highly unlikely" will help necessarily the negotiations on the full-scope safeguards issue. I also hope that the committee's action will be a clear signal to the NRC commissioners that the Senate rejects the NRC disapproval of this export, and expects approval under similar circumstances of the other pending exports to India.

As part of my formal statement before the Senate Committee on Foreign Relations, I presented to the committee a detailed review of the legislative history associated with the relevant provisions of the Nuclear Nonproliferation Act bearing on the pending export to India. Specifically, the review of the legislative history focused on the failure of the NRC to approve the export application in the first instance. I am convinced as a result of that review, that the NRC should have approved the export, and further that the opposition of two of the commissioners misinterpreted and potentially prostituted the clear congressional intention for the review of this specific export to India. Because this review of the legislative history associated with the relevant provisions in the act may be of interest in any forthcoming debate, I ask that an excerpt from my testimony be printed in the RECORD at this point.

The excerpt follows:

EXCERPT OF THE TESTIMONY OF SENATOR JAMES A. MCCLURE

Mr. Chairman, I have closely reviewed all of the relevant documents associated with the NRC opinions and the President's authorization for the Tarapur export and his supporting determination that withholding the proposed export would be seriously prejudicial to the achievement of United States non-proliferation objectives. I also have closely reviewed the testimony in yesterday's House International Relations Committee hearing on this same subject from the principal sponsors of the House resolution disapproving the President's action under the Nuclear Non-Proliferation Act and the testimony of the State Department and the NRC. I also have been given access to the various correspondence from the Executive Branch on this issue. All of this review leads me to one central conclusion and to a series of resulting recommendations for the Committee.

Perhaps most importantly, my central conclusion is that as a matter of law and clear Congressional intent, the Nuclear Regulatory Commission should have approved the Tarapur export under the clear mandates in the Nuclear Non-Proliferation Act, and further that this Congressional review triggered by the required Presidential action to authorize the export should be quickly terminated by an affirmative approval in the Senate. Specifically, this is the wrong debate at the wrong time in the sequential process of increasingly stronger non-proliferation requirements over time mandated by the Act. There can be absolutely no doubt that the provision for the eighteen to twenty-four month delay in the full scope safeguards requirement was intended to provide time for the very negotiations now underway with India. In fact, the very absence of specific assurances which might be available at the end of that negotiating process is the basis for the opinion by Commissioners Bradford and Galinsky in opposition to this export.

It is most unfortunate that this clear Congressional intention has been so misinterpreted and potentially prostituted to the result that Congress may be drawn into a wholly counterproductive and premature debate on the Indian nuclear program. Now that that result has been achieved and the President's required action has been placed before the Congress, I am convinced that this Committee and the Senate must act with all deliberate speed to minimize any further damage to the negotiations with India envisioned by this Act, as well as the broader impression of unilateralism which the NRC's action has triggered.

Let me at this point summarize my recommendations for the Committee's consideration in reviewing the President's action.

(1) I strongly recommend that the Committee affirmatively support the President's determination that withholding the proposed export would seriously prejudice the achievement of United States non-proliferation objectives, and that the authorization of the sale by the Executive Order should be approved. The representations of Secretary Vance, Ambassador Guheen, and Dr. Nye in the Administration's correspondence to the Committee and in the testimony presented yesterday and here today categorically establish the accuracy of the President's determination. As Ambassador Guheen stated so well in his letter, there is no assurance of success in the full scope safeguards negotiations over the next eighteen months to two years, if this export and the other pending exports in the interim are approved, but there is no chance of success in those negotiations if this export is disapproved. This conclusion is particularly true in light of the clear and obvious, underlying misrepresentation of the Nuclear Non-Proliferation Act only two months after its enactment.

(2) I strongly urge the Committee to act quickly, with all deliberate speed, to approve affirmatively by resolution the President's authorization of the export. As the rhetoric in the House hearing yesterday makes absolutely clear, there is an imperative need to terminate this ill-timed, unfortunate, unnecessary and most probably counterproductive, in a negotiating sense, debate in the United States Congress regarding full scope safeguards in India and the Indian nuclear program in general. Further prolonged Congressional debate probably can only serve to exacerbate and polarize further the very negotiating process which was conceived as the heart of the strategy we adopted in the Nuclear Nonproliferation Act.

(3) I also strongly urge the Committee to file a report associated with the affirmatively approved resolution with views and recommendations indicating that this Act of the Congress in approving the export is intended to signal to the NRC that future exports to India and any other similarly-placed nations in the interim period should be approved under these same or similar circumstances. The absence of full assurances of the results of the full scope safeguards negotiations should not be grounds in the future for the NRC to fail to make the statutory findings under the Act. The Commission's responsibility to make a finding "based on a reasonable judgment of the assurances provided and other information available to the Federal Government" that the applicable criteria in the interim period have been met should be made in these same or similar circumstances where there is no indication other than the pending negotiations that future actions may vary from current assurances.

(4) I also strongly urge the Committee in its report to restate and reinforce the clear legislative history intent and the intent of this Committee, the Senate and the Congress that the NRC's responsibility in reviewing proposed exports is to make findings based on a reasonable judgment of the assurances provided and other information available to the Federal Government and that this export clearly should have been approved on the basis of the assurances and other information available. The Committee should emphasize strongly our intent that the NRC's future interpretation of this act be consistent with the policies and objectives set forth in the act and the clear legislative history regarding its implementation in this regard. For example, it was suggested in yesterday's hearing that the assurances provided by Prime Minister Desai of India should be considered suspect because the Prime Minister is 81 years of age and therefore may not be in power or alive throughout the life of the fuel to be exported. We clearly did not intend to put the NRC in a position of such speculative review, with all of the combinations and permutations of political conditions in a recipient nation.

The same reasoning could suggest the need for a "coup probability analysis" in assessing assurances received from many nations of the world. As the Committee members may recall, I raised serious concerns about the independent review of the NRC and its specific role in assessing these very foreign policy considerations. The legislative history is replete with assurances that we were not putting the NRC in that position with the Nuclear Non-proliferation Act. Specifically, I strongly endorse the opinion of Commissioner Kennedy with regard to the NRC's responsibilities and conversely, strongly oppose the opinion of Commissioners Bradford and Galinsky in that regard. The Committee should reinforce that legislative history in its report.

(5) I strongly urge the Committee to defeat any attempts or initiatives towards requiring additional assurances at this time from India regarding issues in the post full scope safeguards negotiations timeframe. I am convinced that the State Department's representation of the serious negative impact such attempts or initiatives would have on the negotiations are correct. I, also, am convinced that requiring such assurances would place a stamp of legitimacy on the actions by the NRC in refusing to approve the export under the procedures in Section 304 of the Act. As noted previously, I am convinced that the NRC action was a blatant misconstrual of the Act and this Committee should not act to support it.

(6) I urge the Committee in its report also to put the NRC and the Executive Branch on clear notice of the committee's and the Senate's intent to closely monitor and oversee the implementation of the Act in areas where there is no direct or only limited Congressional Review, to insure the Act is not being misinterpreted or abused similarly in other areas. For instance, there apparently has already been action contemplated or taken under Section 303, "Subsequent Arrangements", which would be clearly afield of our intent with regard to the regulation of such arrangements. Not only should the Committee not sanction the NRC's misinterpretation of the Act in this first export license action under the Act, but the Committee should act now to insure that the future activities of the NRC and the Executive Branch under the Act will not be similarly misguided.

(7) Finally, I urge the Committee in its report to note the series of current and predictable future foreign policy confrontations flowing from the implementation of this Act and the potential negative impact on our non-proliferation policy objectives

and our broader foreign policy objectives in the future. I am sure the Committee is already fully familiar with the current statutory embargo of nuclear fuel exports to EURATOM and forthcoming issues involving the British Windscale reprocessing facility, the Japanese Tokai Mura facility, the potentially, overly-rigorous physical security requirements under the new NRC regulations, the continuing debate on the NRC's independent verification of safeguards, the extraterritoriality of NEPA, the extraterritoriality of NRC safety responsibilities and other highly controversial issues under this Act. It is now obvious that even with a strict construction of the Act, the reliable supplier concept which is the foundation for the balance which has been struck in the Act is in very real danger of being undercut. Nuclear isolationism and unilateralism could become a rampant result of the actions by the NRC and the Executive Branch under this Act.

In conclusion, Mr. Chairman, I cannot overemphasize the need for this Committee to act swiftly, affirmatively and categorically to preserve the full-scope safeguards negotiation process with India and to terminate the counterproductive and unnecessary debate on the Indian issue at this time. I appreciate the opportunity to present these views and I would be pleased to work with the Committee in any way in the future to resolve this issue in a positive way.

Mr. Chairman, I would like to briefly review the legislative history associated with the sections of the Nuclear Non-Proliferation Act at issue in the NRC decision on the Tarapur export, which is the basis for my aforementioned conclusions and recommendations dealing with that Act and its application by the NRC. H.R. 8638 was the House version of the Nuclear Non-Proliferation Act which was passed on September 22, 1977. H.R. 8638 was virtually identical to the subsequently-passed Senate version of the Act, insofar as the provisions relating to the Tarapur export issue are concerned. The House provisions for the Phase I export criteria, the Phase II full-scope safeguards criteria, and the requirements for renegotiation of existing agreements for cooperation are all virtually identical to the Senate-passed bill, which became the statutory language. The relevant legislative history for the House bill is contained in the report of the House International Relations Committee (Report No. 95-587). In discussing the Phase I export criteria, the Report states at page 22 as follows:

"In general, these criteria correspond to undertakings export recipients have previously given the United States in their existing agreements for cooperation with this country. Thus, in most cases, the Committee anticipates that application of the criteria will provide a basis for continued exports to countries currently engaged in nuclear commerce with the United States."

This discussion closely parallels the Senate legislative history indicating that there should not be any moratorium on exports as a result of the Phase I criteria. The Report continues, at page 25, to discuss generally the Phase II, full-scope safeguards criteria, and most importantly, specifically addresses the situation with India as follows:

"Section 504(e)(2) adds an additional licensing criterion which becomes effective eighteen months after the enactment of this Bill. This criterion requires that a recipient state permit IAEA safeguards to be applied with respect to all peaceful nuclear activities carried out within that state. This requirement is an essential element of the bill and in the Committee's view, indispensable to any comprehensive nuclear anti-proliferation policy.

"The Committee has in the interest of flexibility permitted an eighteen-month period of grace before requiring the mandatory application of this criterion. In addition, the bill provides for further extension by Executive Order, subject to Congressional disapproval by concurrent resolution.

"India and South Africa would be most significantly affected by this requirement. The Committee feels strongly that the currently unsafeguarded facilities in those countries must be brought within the framework of the IAEA safeguards system if American nuclear cooperation is to continue. The Committee is encouraged by the cooperative and constructive attitude manifested by the new government of India and is hopeful that provision for comprehensive IAEA controls will soon be achieved through mutually satisfactory negotiation."

The Committee's discussion of the India situation in the last paragraph of the preceding quotation from the Report makes absolutely clear the House Committee's express intention that provision for comprehensive IAEA safeguards would be achieved through negotiation, rather than through any immediate statutory requirement. There, therefore, can be no doubt that in formulating this Phase I and Phase II statutory scheme, the Committee fully intended that cooperation and exports would continue during the eighteen-month period of negotiations before the Phase II criterion became effective. It also is noteworthy that none of the subsequent discussion of the bill on the House Floor in any way modified or contradicted the quoted discussion in the Committee Report.

The House Report also dealt with the question of required renegotiation of existing agreements for cooperation. Section 401 of the House bill contains a series of requirements for new agreements for cooperation, which by Section 402 are also required for renegotiated, existing agreements for cooperation. Two of the requirements are particularly relevant to the consideration of the NRC's decision. Amended Section 123 of the Atomic Energy Act pursuant to Section 401 of the House bill would include subsection 123.a., with the specific requirements for new agreements. Subparagraph (2) of the subsection would require that a cooperating party agree that any safeguards set forth in the agreement for cooperation would be maintained irrespective of the duration of other provisions in the agreement or whether the agreement is terminated or suspended for any reason. Subparagraph (3) of the same subsection would require full-scope safeguards to be maintained with respect to all nuclear materials or equipment in all peaceful nuclear activities within the territory of such state, under its jurisdiction, or carried out under its control anywhere. Section 402, then, has the effect of instructing the President to initiate renegotiation of these existing agreements with the requirements set forth in the preceding Section 401. The House Committee Report, at page 16, discusses the Section 402 requirements.

"This section instructs the President to undertake an immediate effort to renegotiate existing agreements for cooperation so as to seek inclusion of the requirements set forth in Section 401 for new agreements. The Committee believes that this requirement is essential to the success of U.S. antiproliferation efforts. While there was considerable sentiment within the Committee for applying several of the requirements for new agreements immediately or at least within eighteen months of enactment to all exports made under existing agreements, most of these requirements were instead made criteria for agreements for cooperation in the interest of providing flexibility for the Executive Branch."

Again, the Committee's comments in the Report make it abundantly clear that the Committee formulated a scheme which did not require the immediate application of the cited subparagraphs (2) and (3), requiring safeguards in perpetuity regardless of the status of an agreement and requiring full-scope safeguards. It is extremely significant that the Committee noted in the second sentence of the quoted paragraph that it had considered applying some of the section 401 requirements immediately to all exports made under existing agreements, but had rejected that notion to provide flexibility for the Executive Branch in the renegotiation process. This comment, of course, is directly relevant to the issue of whether or not the Tarapur fuel should today be the subject of an Indian agreement or assurance of safeguards in perpetuity, regardless of the status of the Agreement for Cooperation, after the eighteen-month grace period when the full-scope safeguards requirement is effective.

As mentioned before, the House bill is virtually identical to the Senate bill reported by the Foreign Relations Committee, the Senate bill as passed by the Senate and the statutory language in the Nuclear Non-Proliferation Act of 1978 in the relevant provisions of interest to the Tarapur export. It also is noteworthy that during the House debate on February 9, 1978 on the Senate-passed amendment to the House bill, that Congressman Zablocki, Chairman of the House International Relations Committee, stated that there were no substantial changes from the House-passed version in the Senate bill and all of the central elements of the House bill "were faithfully preserved". Congressman Findley, Minority Floor Manager for the House International Relations Committee, concurred with the comments of Chairman Zablocki. Consequently, it is fair and reasonable to fully consider the House Committee Report as an accurate representation of the House views on these provisions in the statute.

S. 897, the Senate bill reported by the Committee on Governmental Affairs, the Committee on Energy and Natural Resources, and the Committee on Foreign Relations, was the subject of a joint, three-Committee report (Report No. 95-467). The Report is particularly relevant to this discussion because the provisions of interest as reported by the Foreign Relations Committee, which acted last, were not amended substantively on the Floor of the Senate and remained virtually the same in the final statute. The Joint Report, at page 16, discusses the Phase I export criteria:

"As currently drafted, these 'Phase I' export criteria will not result in an immediate moratorium on U.S. nuclear exports. Although the actual language in our existing agreements for cooperation varies, and seldom corresponds precisely to the language of these criteria, it is our understanding that each of these basic requirements and rights are contained in those agreements noted below."

The Joint Report, at page 17, in discussing the full-scope safeguards Phase II export criterion, also makes a very relevant comment with regards to the Committee's intent for the Phase II criterion:

"It is important to note that this provision (the Phase II, full-scope criterion) does not require a pledge from the recipient country, as is required under the NPT, that full-scope safeguards will be maintained indefinitely into the future. Rather it provides that the export may not be authorized unless *at that time* all peaceful nuclear activities are safeguarded, and that no subsequent exports may be made if in the interim the country removes a facility from IAEA jurisdiction or obtains a new, unsafeguarded facility." (original emphasis)

The Committee, therefore, is indicating with this Report language that, even with the full-scope safeguards requirement after the eighteen-month grace period, there would not be a requirement that the full-scope safeguards be applied in perpetuity, regardless of the status of the agreement for co-

operation. Even with the full-scope safeguards requirement in effect, then, the Committees do not expect that the assurances on full-scope safeguards will be made in perpetuity. This is a full recognition that the renegotiation of the existing agreements for cooperation, as required by Title IV of the Senate bill, will deal with the issue of maintaining safeguards in perpetuity, regardless of the status of the original agreement. This comment is also of significance when considered in light of the previously-mentioned House Committee Report language emphasizing that the requirement for renegotiated agreements dealing with the perpetuity of safeguards was expressly deferred by the House Committee to the renegotiation process, rather than applied immediately through the export licensing criteria.

The Joint Committee Report, at page 41, includes a letter of September 12, 1977 to Chairman Jackson of the Committee on Energy and Natural Resources from Secretary of State Vance. The letter summarizes the Administration position on S. 897, as it had been reported by the Senate Committee on Governmental Affairs. It is significant that S. 897 as reported by the Committee on Governmental Affairs included the original formulation of the Phase I and Phase II export criteria. The formulation reported by the Governmental Affairs Committee was not changed substantively throughout the remainder of the legislative consideration in the Senate, and remains virtually intact in the final statute. The following paragraph from Secretary Vance's letter, which appears at page 49 of the Joint Committee Report, discusses the underlying philosophy for this Phase I and Phase II formulation.

"Additional Export Criterion and Procedures (Section 306). This provision represents the heart of the compromise between previous Senate bills and the Administration bill. As the President indicated when submitting his bill, the approach of the Administration is oriented toward the negotiation of tighter non-proliferation controls, rather than the unilateral imposition of new export licensing conditions. However, in view of the crucial and pivotal importance of full-scope safeguards to an effective non-proliferation policy, the Executive Branch is ready to support the essence of the provisions contained in this section. We believe the procedures for bringing the new criterion into effect are appropriate and workable. . . ."

This quoted comment from the Secretary's letter and repeated statements by Administration officials responsible for nuclear non-proliferation policy have made clear the full understanding and anticipation of the Administration that the Phase II criterion would allow for required negotiations with countries, such as India, *before* becoming effective or impacting on the Phase I criteria.

The Senate debate occurred over a three-day period on February 2, 6, and 7, 1978. Throughout that debate there were numerous references to the possibility of a moratorium on nuclear exports. On several occasions, I engaged in colloquys with Senator Glenn and Senator Percy, the Majority and Minority Floor Managers for S. 897, respectively, on that issue. Senator Glenn, in his initial statement on the bill on February 2, 1978 (*Congressional Record*, February 2, 1978, page 1929), stated that the bill would establish minimum criteria with Phase I that "clarifies and codifies controls and approval rights under existing agreements" and "would not cause a moratorium". He went on to say that, of the things that S. 897 specifically does not do, would be to "require breach of existing agreements". He later stated that "the criteria which go into effect immediately upon passage of this bill represent nothing more than a common sense codification of existing policy regarding nuclear exports to non-weapon states". Similar expressions of intent were made by Senator Glenn and Senator Percy during the remainder of the debate, and made clear their expectation that the Phase I criteria would not be the source of any moratorium on exports under existing Agreements for Cooperation, in the absence of some action, by a recipient nation which would trigger termination of our cooperation under other provisions of the Act.

Mr. Chairman, I have been particularly disturbed by the absence of a clear focus on the statutory mechanism for the Phase II, full-scope safeguard criterion procedures included in Section 306 of the Act. I am especially disturbed that Commissioner Bradford and Commissioner Gilinsky in their analysis of the impact of the full-scope safeguard criterion apparently failed to focus on the procedural importance of Section 306, and its obvious impact on their reasoning in refusing to approve the Tarapur export. Section 306 in establishing the full-scope safeguard criterion, and making it effective at the end of the eighteen-month to twenty-four month grace period, also establishes a procedure which clearly envisioned the intended negotiating process for the eventual implementation of full-scope safeguards with all of our nuclear trading partners. The section provides for annual exemptions from the full-scope safeguards requirements by the President, subject to Congressional review and veto, after the criterion becomes effective.

Consequently, whether or not it would or should be used with India, it is conceivable theoretically that the negotiation process with India could, with Congressional agreement, proceed through several phases before reaching the final go—no go decision on continued cooperation with India in the absence of a complete, full-scope safeguards application or in the alternative, eventual Indian agreement to apply full-scope safeguards as required by Section 306. The thrust of this procedure is quite clear, and there can be no mistake that the provision for annual exemptions by the President, subject to Congressional review, was fully intended to support a negotiating process with the nations which do not now apply full-scope safeguards, specifically including India. The import of this procedure, therefore, in the debate regarding the application of Phase I criteria in the face of an eventual requirement for the Phase II, full-scope safeguards criterion is quite apparent. Additionally, it is quite conceivable that, through this very procedure and the associated negotiating process, the United States and India might agree to additional assurances for continued safeguarding of the U.S. exported nuclear materials in the event that the Agreement for Cooperation ultimately is terminated, because of either Presidential or Congressional refusal to continue cooperation in the absence of the full-scope safeguards. Dr. Nye, Deputy Undersecretary of State has made this point repeatedly in discussions of the Tarapur export, and has reiterated the importance of the continued negotiating process to address, not only the full-scope safeguards issue, but also potential, additional assurances should the full-scope safeguards negotiations ultimately lead to a termination of cooperation.

It also is noteworthy that the NRC in approving the export for Tarapur in 1977 focused directly on the issue of the Tarapur spent fuel, and ongoing efforts by the United States and India to achieve agreement on the eventual disposition of that spent fuel. Curiously, Commissioner Gilinsky voted in favor of that export and strongly supported that negotiating process regarding the disposition of the Tarapur spent fuel. Since that export, the United States and India entered into an agreement in September, 1977, providing for technical assistance from the United States, and a Department of Energy team has been actively supporting the Indians in their continued efforts to find a satisfactory solution for the disposition of the Tarapur spent fuel.

This cooperative, technical effort is paralleled by continued policy level discussions with the Government of India regarding the policy alternatives, as a function of the technical and economic alternatives, for an agreed-upon disposition of the Tarapur spent fuel. These are exactly the type of ongoing negotiations and cooperation which are envisioned under Section 306 and should be encouraged and supported by the actions of the NRC in approving continued cooperation and exports during the eighteen to twenty-four month grace period, and any later extension authorized by the President and Congress under the exemption procedures of Section 306 after that grace period.

As discussed previously, and as discussed in detail in Commissioner Kennedy's opinion on the Tarapur export, Title IV of the statute expressly provides for a renegotiation of existing Agreements for Cooperation, including the requirement that safeguards be maintained irrespective of the duration of other provisions of an Agreement for Cooperation or whether the Agreement for Cooperation is terminated for any reason. It is particularly significant, that in addition to other aspects of Title IV previously discussed, that Section 405(a) states as follows, "The amendments to Section 123 of the 1954 Act made by this Act shall not affect the authority to continue cooperation pursuant to agreements for cooperation entered into prior to the date of enactment of this Act." The failure to approve the export of this nuclear fuel to Tarapur, which would have the effect of abrogating the current agreement with India, clearly violates the intent of Section 405(a). Again, I am disturbed that Commissioner Bradford and Commissioner Gilinsky failed to focus on the clear and obvious impact of Title IV in their analysis of the intent of Congress regarding the Phase I export criteria and the intended statutory scheme for applying additional requirements for assurances from foreign nations.

The statutory scheme established by the Nuclear Non-Proliferation Act for nuclear exports provides that the NRC must make a finding, "based on a reasonable judgment of the assurances provided and other information available to the Federal Government" that the export criteria "are met." As noted previously, the Senate Joint Report in discussing Section 306 makes clear that even full-scope safeguards need not be applied in perpetuity to satisfy that export criterion, but rather only must be applied at the time the export is considered.

There is nothing in the entire record of this matter which indicates that there is any contention by any party that the United States has not received the required assurances for the Phase I criteria. A "reasonable judgment of the assurances provided and other information available to the Federal Government", therefore, should only lead to one conclusion, that the export criteria for the Tarapur export "are met". The Senate Joint Report, at page 13, emphasizes the importance of the foreign assurances in making this "reasonable judgment" by stating, "By defining the standard the NRC must use a reasonable judgment, the NRC is to realize that it should rely on the assurances provided by foreign governments and the evidence." The only, and I emphasize only, rationale for the opinion of Commissioner Bradford and Commissioner Gilinsky is based on the lack of an express assurance as to what will occur, not at the time of the export, but rather at the time the Phase II, full-scope safeguards requirement becomes effective, and beyond that when cooperation between the United States and India speculatively might be curtailed or terminated. Their opinion makes no claim that there is any basis for a "reasonable judgment" of a

Phase I criteria problem in the interim or in the absence of such a speculative curtailment or termination. Commissioner Kennedy, at page 18 of his opinion, commented very forcefully on this issue of assurances.

"If nuclear supply cooperation is to continue with India, then the issues which now divide the Commission must be resolved. As I have indicated, adoption of full-scope safeguards is a matter for the eighteen-month negotiation period specifically provided by Congress; and provision of perpetual safeguards assurances is unambiguously a matter for the Section 404 renegotiation process. (footnote 30). In my view, for the Commission to demand either at this time by holding licenses hostage to these requirements is to thwart the will of Congress and to make more difficult the very negotiating process which Congress in its wisdom foresaw as the approach most likely to achieve United States non-proliferation objectives."

Commissioner Kennedy, in his footnote 30, focused specifically on the issue of the responsibility of the NRC to deal with the assurances required by the statute. His footnote 30 stated as follows:

"My colleagues apparently take a different view not only as to how the Congress intended perpetual safeguards assurances should be sought, but as to who should seek them as well. Section 404(a) of the Nuclear Non-Proliferation Act specifically places responsibility on the President to 'initiate a program immediately to renegotiate agreements for cooperation in effect on the date of enactment of this Act . . .' On the other hand, it states on page 16 of my colleagues' memorandum: 'Were it not for . . . the degree of urgency attached to this application, it might have been possible for the Commission to initiate a process designed to obtain the required assurances through further consultation and negotiation with the Government of India. But the exigencies of time do not appear to allow for this approach.' "

Commissioner Kennedy, in his footnote, draws attention to Commissioner Bradford and Commissioner Gilinsky's apparent misunderstanding of the respective responsibilities of the NRC and the Executive Branch regarding the assurances provided by other nations. The Senate Report makes clear that the NRC is intended to "realize that it should rely on the assurance provided by other countries". Those assurances required for the Phase I criteria were provided, and there should have been no question that a "reasonable judgment" based on those assurances would find that the Phase I criteria are met for the Tarapur export. The failure of Commissioner Bradford and Commissioner Gilinsky to make the finding based on such a reasonable judgment clearly contradicts the intention of the House and the Senate and the understanding of the Administration and regarding the intended effect of the Phase I criteria and associated assurances.

The Bradford-Gilinsky opinion cites to the "preamble" of the statute and specifically emphasizes the provisions in Sections 2 and 3 dealing with measures to stem the proliferation of nuclear explosive devices or the direct capability to manufacture or otherwise acquire such devices. At the same time, however, the opinion apparently fails to reflect the statements in Sections 2 and 3 dealing with "actions as are required to confirm the reliability of the United States in meeting its commitments to supply nuclear reactors and fuel to nations which adhere to effective non-proliferation policies" and "actions as are required to ensure that it (the United States) will act reliably in meeting its commitment to supply nuclear reactors and fuel to nations which adhere to effective non-proliferation policies". The opinion also apparently ignores statements in the same sections regarding action to "strongly encourage nations which have not ratified the Treaty on the Non-proliferation of Nuclear Weapons to do so at the earliest possible date" and "providing incentives to the other nations of the world to join in such international cooperative efforts and to ratify the treaty". The clear application of these policy and purpose statements to the Tarapur export, in light of all of the clear facts and statutory provisions, could only lead to the approval of that export, rather than the opposition to the export which occurred.

Commissioner Bradford and Commissioner Gilinsky state, at page 3 of their opinion, that, "How we dispose of this application for shipment of nuclear fuels will have an important effect on the future administration of this law and the way it is perceived and all nations engaged in nuclear commerce with us". Unfortunately the failure of the NRC to approve the Tarapur export application, when application of the quoted statements of policy and purpose and the subsequent provisions of the Act clearly required approval, must be considered as creating exactly the wrong perception in other nations than those statements intended. The Commissioners should have realized that their misapplication of those policies and purposes, through misinterpretation of the clear statutory requirements and the intent of Congress, could only act to create an exactly negative perception of U.S. reliability in nuclear commerce under this Act. As the first official action of the Commission under the provisions of the new Act, the Commissioners in their disapproval have cast a very heavy, negative cloud on the intended reliability of the United States in the future. Rather than "confirming the reliability of the United States in meeting its commitments" and "taking such actions as are required to insure that it (the United States) will act reliably in meeting its commitment", as well as "strongly encouraging nations" and "providing incentives to the other nations of the world" to ratify the NPT and join in international cooperative efforts in non-proliferation, the disapproval by Commissioner Bradford and by Commissioner Gilinsky serves to directly undercut those very policies and purposes.

The Bradford-Gilinsky opinion, at page 15, summarizes the thrust of their analysis, as follows:

"What is missing from the record if NRC is to be able to make the finding that the immediately applicable criteria are met is formal assurances that regardless of the eventual fate of the agreement itself, both current and previous conditions and restraints placed on U.S.-supplied fuel, and on the Tarapur reactors themselves, will be maintained; otherwise, the Congressional intent that no U.S. material or facilities contribute to explosive uses of nuclear energy may be frustrated, if not in this case then in one of the many which will follow it. The consistent and objective administration of the new law by the NRC is directly at issue here."

By their own statement at this point in the opinion, the Commissioners have demonstrated exactly how their view contradicts the clear intent of the statute, as developed in the previous discussion. Ironically, they also have couched their misinterpretations as a function of "consistent and objective administration of the new law by the NRC". In fact, the rationale for their objection to the Tarapur export is clearly contrary to every express and implied statement of Congressional intent for all of the directly or indirectly relevant provisions of the statute. Further, by their action, they set the NRC on a course of completely inconsistent and non-objective administration of the new law. That course of action in this first official NRC application of the Act to an export which was expressly contemplated by the Congress can only have a dramatic negative impact on our current and potential, future nuclear trading partners. In that regard, I completely endorse Commissioner Kennedy's observation, at page 7 of his opinion, that, "The Commission's action . . . may well have made more difficult the achievement of the full-scope safeguards regime which all agree must be the objective." I thoroughly endorse Commissioner Kennedy's opinion generally, and specifically as it discusses "The Proper Application of the Nuclear Non-Proliferation Act," and I urge the Committee, in any formal action it may take, to similarly endorse Commissioner Kennedy's opinion.

Mr. Chairman, some of the commentators on the Tarapur export, unfortunately including one of our colleagues in the Senate, have indicated that the NRC's actions in failing to approve the export are consistent with the letter and the spirit of the Non-Proliferation Act. As the previous discussion indicates, I simply cannot agree with the interpretation of the Nuclear Non-Proliferation Act of 1978. Not only is the statute on its face and all of the legislative history related to the House and Senate bills contrary to that conclusion, but all of my extensive discussions with the Administration and with the sponsors of the Act in the Senate indicated throughout its consideration that the application of the export licensing procedures and the Phase I export criteria clearly were not intended to impose a moratorium during the so-called "grace period".

I cannot recount exactly how many times the Indian and Tarapur export cases were specifically the subject of those discussions, but I know that was the case on numerous occasions. I also understand that the Committee staffs and the Administration officials who worked so hard in fashioning the Phase I and Phase II formulation in the statutory scheme focused extensively on the Tarapur and Indian situation, and how the statutory requirements would impact on that situation. In fact, much of the legislative history was expressly included to provide an underpinning of support for the Administration's negotiating efforts with the so-called controversial situations, expressly including India.

Ironically, the Bradford-Gilinsky opinion even noted that "It is not too much to say that the new legislation controlling U.S. nuclear exports to all nations is a direct result of that explosion (the Indian 1974 detonation of a nuclear explosive device)" and further that "Controversy has accompanied all fuel shipments to India snice that country's 1974 detonation". They continued, "Consequently, more than ordinary significance attaches to the Commission's consideration of this particular export so soon after the President signed the bill into law". Of course, significance attaches to the Tarapur export as a result of the enactment of the Nuclear Non-Proliferation Act of 1978, but that significance was not newly found by the Commissioners. Congress clearly contemplated the situation at Tarapur, was extremely well informed with regard to the entire Indian situation, and it is not too much to say expressly formulated the statute around the compromise Phase II criterion with India clearly in mind. I, therefore, simply cannot accept that the NRC actions in failing to approve this export are consistent with the letter and spirit of the Non-Proliferation Act. In fact, if that action was consistent with the letter and spirit of the Non-Proliferation Act, as a result of the speculative (and admittedly creative) misinterpretation of the statute on its face and the clear legislative history or a legal technicality, I would have to conclude that this Senator, and I am sure the Senate and the House of Representatives and the Administration and the President, were either completely ignorant of the statutory provisions,

thoroughly misinformed, or somehow misled into the universal concensus that cooperation with India would continue during this eighteen to twenty-four month grace period, and potentially beyond that if the President and Congress were to agree that the negotiating progress short of full-scope safeguards agreement at the time justified the extensions provided by Section 306.

The Bradford-Gilinsky opinion, as mentioned previously, highlighted the absence of formal assurances of continued safeguards in perpetuity, regardless of the eventual fate of the agreement for cooperation under the Phase II pressures. It is particularly noteworthy, as Deputy Undersecretary of State Nye repeatedly has noted, that there has been no question that the current Indian assurances will be satisfactory or regarding the fulfillment of the applicable criteria under conditions of continued cooperation or continued U.S. supply of fuel for Tarapur reactors, as provided for under the framework of the Agreement for Cooperation. Further, it also is important to note that India has adhered to all of the terms and conditions of that agreement throughout the period of U.S. supply of fuel for Tarapur reactors. Additionally, as mentioned earlier, Dr. Nye has emphasized that this same eighteen to twenty-four month grace period, as well as any extension of that period under Section 306 (which, of course, Dr. Nye should not advertise as a U.S. negotiator), also provides an opportunity for finding the most acceptable arrangements for the U.S.-supplied nuclear fuel and materials in the event of a discontinuation of U.S. supply, if that becomes necessary under this Act. Again, it was clearly contemplated in the Congress that just such considerations ensue during this grace period, and any extension provided by the statute. Dr. Nye has characterized correctly the exact intent of the Congress for the application of the Act, which is diametrically opposed to the Bradford-Gilinsky opinion and the action of the NRC. It, therefore, is exceedingly difficult to understand how the opinion of Commissioner Bradford and Commissioner Gilinsky or the resulting failure of the NRC to approve the Tarapur export is in any way consistent with the letter and spirit of the Non-Proliferation Act.

Mr. Chairman, some have suggested that the NRC's action in failing to approve the export, or Congressional disapproval of the President's authorization of the export, would demonstrate that the Nuclear Non-Proliferation Act of 1978 and the United States are going to be tough-minded in dealing with the proliferation issue and the export process. My own view is that the Nuclear Non-Proliferation Act is already tough-minded enough, probably too much, and that the action of the Commission is contrary to, rather than supportive of, the strength of the Act.

The patent misconstrual and subjective application of the Act directly undermines any appearance of an evenhanded, objective and reasonably tough policy in the future. Moreover, any Congressional action to disapprove the President's authorization or an attempt to use the NRC's action as the basis to put further pressure on India at this time would only exacerbate an already dismal situation. Specifically, the issue will become increasingly the integrity of the Nuclear Non-Proliferation Act of 1978. The Congress cannot and should not acquiesce in such a direct attack on the integrity of this Act, particularly in this embryonic stage of its application to U.S. nuclear commerce.

Mr. Chairman, even with a completely correct interpretation and objective application of the Nuclear Non-Proliferation Act of 1978 to U.S. nuclear commerce, we undoubtedly will encounter significant diplomatic difficulties in the immediate and near future as a result of the Act. I, of course, refer to the current statutory embargo on nuclear fuel to our European allies, because of their reluctance to renegotiate the EURATOM agreement as a result of the unilateral requirement in this Act. I also am referring to other near-term difficulties such as the extraterritoriality of NEPA and the public health and safety aspects of exports, the application of the "timely warning" requirement for reprocessing approvals at Windscale and other new or expanded reprocessing facilities overseas, the renegotiation of the Japanese, Tokai Mura reprocessing agreement, the new control on foreign uranium enrichment service contracts, the "most favored nation" status for Iranian uranium reprocessing approvals, and a host of other similar difficulties in the future. Maintaining the stated policies and purposes of the reliability of the United States as a nuclear supplier, and providing encouragement and incentives for our trading partners to proceed forward in nonproliferation efforts will be hard enough in the face of these virtually certain diplomatic difficulties under this Act. The wholly unjustified and unnecessary complication of these difficulties by the NRC's action on the Tarapur export simply should not be tolerated by the Congress. As I mentioned earlier, the integrity of the Nuclear Non-Proliferation Act must be maintained. I would urge this Committee to take such action as it deems appropriate to insure that the integrity of the Act is maintained in the future.

Mr. McCLURE. Mr. President, as I mentioned at the outset, I find it of particular importance that the Senate Foreign Relations Committee in its views communicated to the President focused completely on future agreements with India resulting from continued negotiations over the next 15 months, rather than agreements mandated immediately in the statutory regulation of the Indian exports by the NRC under the Nuclear Nonproliferation Act. As the preceding legal analysis has documented in detail, there can be no reasonable doubt that the clear intent of Congress was to provide the 18- to 24-month grace period for just such negotiations. Congress clearly did not intend that the NRC use the absence now of agreements resulting from those continuing, future negotiations to disapprove pending export applications during the grace period. Chairman SPARKMAN of the Foreign Relations Committee, in his letter of June 21, 1978 to the President, makes it absolutely clear in the third committee view that the arrangements for spent fuel of U.S. origin should be the subject of future negotiations to seek a future arrangement with India. Specifically, the committee view states as follows:

> The United States should also actively seek an arrangement with India ensuring that no spent fuel of United States origin could be used at any time for explosive purposes. Such agreement might provide for the United States to exercise its right to repurchase spent fuel should it desire to do so or to maintain veto rights as to the future disposition of the fuel. It may not be necessary for the United States to have physical control of the fuel so long as the fuel will be assuredly under international safeguards and will not be handled in a manner unacceptable to the United States.

The committee's view endorsing future negotiations for a future arrangement for the spent fuel can and should be read as a direct negation of the assertion by Commissioner Bradford and Commissioner Gilinsky that the absence of such an arrangement—in effect, for safeguards in perpetuity or, in the alternative, effectively removing the U.S. origin spent fuel from the sole control of India—is justification for denying approval of the export. The committee view thereby reasserts the original intent of Congress that such arrangements would be one of the subjects of negotiations during the 18- to 24-month grace period before the full-scope safeguards requirement is effective. The committee view also corresponds to the administration position, presented by Dr. Nye in his testimony, to the same effect.

Consequently, the NRC Commissioners now have absolutely no justification or supporting rationale for the Bradford-Gilinsky position requiring the existence of such agreements or arrangements before approving an export to India.

I sincerely hope that this clear and unambiguous signal to the NRC will be objectively received and followed in dealing with the pending fuel exports for India and for any other similarly placed nation under the same circumstances during the interim grace period. I also hope that the NRC Commissioners will recognize that Congress will not tolerate further any similar misconstrual of the Nuclear Non-Proliferation Act of 1978, and, in the future, the Commissioners will conform their actions and opinions to our clear intent. Such action on the part of the Commisioners in so conforming their actions and opinions is the only way in which the integrity of the act can be maintained in the future, and the policies and purposes of the act implemented in future regulatory actions.

Mr. President, I can only reiterate my firm conclusion that the NRC was dutybound under the clear congressional intent of the Nuclear Non-Proliferation Act to approve the export to India. Also, I am absolutely convinced that this is the wrong debate at the wrong time in the sequential process of increasingly stronger nuclear nonproliferation requirements over time mandated by the act and directly envisioned by Congress as the basis for negotiations with India in the future. Consequently, I again urge support of the House International Relations Committee's disapproval of the pending resolutions, and the Senate Foreign Relations Committee's action effectively approving the President's authorization of the export.

Thank you, Mr. President.●

TO FURTHER HUMAN RIGHTS IN CHILE

● Mr. KENNEDY. Mr. President, last month I spoke, on the Senate floor, of certain improvements in the human rights situation in Chile that resulted from strong and consistent domestic and international pressures on the military junta led by General Pinochet. At the same time, I stressed the continuing obstacles to full respect for human rights and to restoration of democracy in that tormented nation.

There are, in particular, the potential implications of decree law 2.191 of April 19, 1978, the so-called amnesty declared by General Pinochet. While releasing a few hundred political prisoners—a wel-

come step—this "amnesty" fails to make it possible for most political exiles to return to Chile. It fails even to address the fate of more than 1,500 Chileans who have been detained by Chilean security forces, only to disappear from sight.

Worst of all, this "amnesty" could permit the junta to protect from prosecution those very security agents who kidnapped, tortured, and murdered its political targets between September 11, 1973, and March 9, 1978.

The Chilean Government has declared that the amnesty was declared in response to the need to "forgive and forget" in Chile. Let them not forgive the criminals and forget their victims.

The relatives of the political prisoners, particularly the disappeared for whom the junta has failed to account, cannot forgive and forget. Under the motto "our lives for the truth" (la vida por la verdad), the families of the disappeared began a worldwide hunger strike on May 22, until the military junta carried out "their promises to tell us the truth about what has happened to our relatives since their arrest." It was a privilege for me to be able to meet and express solidarity with these brave Chileans, both at the World Council of Churches in Geneva and at St. Matthew's Cathedral in Washington.

On June 8, the relatives of the disappeared suspended their hunger strike, after the Chilean Government assured the Chilean Episcopal Conference that it would provide information on the fate of "each one of the disappeared persons whose disappearance has been registered by a competent body and whose families inquired about them," and after the Government indicated that it would permit human rights investigations by both the Chilean Episcopate and the U.N. Commission on Human Rights.

The Government has indicated to the hunger strikers that this information will be provided "in a short period of time," within 15 to 30 days. The hunger strikers have stated:

> Because of the urgency of the problem, an answer cannot be delayed beyond 30 days. Nevertheless, we would like to firmly establish that we will not accept generalized or formal answers for our dramatic situation. We do not want judicial maneuvers or legal fictions. Our struggle is for the lives of our dear ones—to re-establish their rights which will be achieved once the truth is known.

I strongly support this statement by the members of the hunger strike. If the Government indeed gives a full accounting for the disappeared, this will be an important step forward, one deserving international recognition. But if the answer is evasive once again—as it was when the Chilean Government gave its nonreport to U.N. Secretary General Waldheim last August and when the Chilean Supreme Court rejected writs of habeas corpus last December—then the Pinochet regime must face the strongest international condemnation.

Mr. President, I request unanimous consent that the full text of the June 8 statement by the Chilean hunger strikers in Santiago be printed in the RECORD at the conclusion of my remarks, along with a comprehensive memorandum from Amnesty International and an incisive article by Tom Wicker, entitled "Stonewall in Chile," both of which address the military regime's past record of false promises and of repression of human rights.

(See exhibit 1.)

At this critical juncture for democracy and human rights in Chile, the administration has taken two further steps, in addition to its decision last month to approve $38 million in Commodity Credit Corporation (CCC) wheat aid to Chile.

On May 25, the Department of Agriculture announced its approval of an additional $8 million in CCC credits to Chile for soybeans and vegetable oil.

At the same time, the Sierra Army Depot was preparing to ship 22,000 pounds of fin bombs to the Chilean Air Force from San Francisco, aboard the Prudential S.S. *Sea Jet*. Upon learning of this contemplated bomb shipment to Chile, the International Longshoremen's and Warehousemen's Union decided that it would not load the military cargo aboard the vessel.

I support the ILWU decision not to load these weapons of death aboard a ship destined for the Chilean Air Force, at a time when human rights are in the balance in Chile, and at a time when Chile is engaged in serious border disputes with its neighbors to the north and the south.

But it will be for the administration to decide whether the bomb shipments will be postponed further. Contracts for these arms transfers were concluded before the congressionally imposed arms embargo took effect against Chile.

I believe that the administration should not authorize shipment of these bombs, at least until the human rights situation is clarified in Chile. For the United States to ship 22,000 pounds of bombs to Chile while its regime is deciding whether and how to account for over 1,500 disappeared political prisoners would betray enormous insensitivity—and run counter to the wishes of the majority of the Congress and American people.

But the decision to approve $8 million in CCC credits was a new decision, above and beyond the $38 million approved previously. It was a decision announced 3 days after the international hunger strike for the disappeared Chilean political prisoners began.

This was a wrong decision. It was an insensitive decision. It suggests that $8 million in vegetable oil and soybean credits is more important to the United States than the fate of over 1,500 Chileans who were kidnaped, and many of whom were probably tortured and murdered by agents of the military regime.

I call upon Secretary Bergland at least to defer the implementation of this decision until the Chilean Government carries out its promises to the hunger strikers to account for each and every one of the disappeared political prisoners. Failure to do so would be a shocking commentary, particularly in view of the strong and consistent efforts by this administration to promote human rights in Chile.

Finally, Mr. President, I request that a balanced and insightful article by Charles Krause on the human rights situation in Chile be printed following the materials previously submitted in the RECORD.

(See exhibit 2.)

EXHIBIT 1

STATEMENTS BY FAMILIES OF DISAPPEARED POLITICAL PRISONERS ON THE HUNGER STRIKES IN CHILE

1. The country was informed that the relatives of the disappeared political prisoners initiated an hunger strike with the aim of finding out the truth as to what happened to our loved ones. We undertook the hunger strike after having done everything possible within the judicial system and after innumerable actions by individuals and as a group which were frustrated by the authorities; especially after the issuance of the Decree Law after the amnesty.

2. Today the sacrifice that we have undertaken has meant that public opinion, that the national and international community, who for basic humanitarian reasons, is pressing the government to definitively clarify each one of the cases that we are protesting. Competent international organizations have offered to collaborate in order to clarify the whereabouts of the disappeared prisoners. We are thankful for the support from all the sectors to which the disappeared belong—to the workers; to the students; to the women and the unemployed of the country; to the intellectuals—artists and professionals; to the media; to those of religious beliefs; to former political prisoners and to the prisoners in Chile; to the Chileans outside the country; to those who went on hunger strikes and all the actions and gestures of support; to all of them and so many others who have not left us alone in the midst of our drama.

3. We thank, in particular the Catholic Church, which has stated its understanding of our just demands. We thank its mediation in this conflict which has meant the agreement by the government to answer our questions about each one of our loved ones within a brief period of time. We deeply value the Church's statement that it will do whatever it can so that the sacrifice we have made insures that the legitimate rights of the relatives could be met in the form of an appropriate answer.

4. It is because of this immense support and because of the agreement that we suspend the hunger strike accepting the call from the Bishops. We understand that because of the urgency of the problem, an answer cannot be delayed beyond 30 days. Nevertheless, we would like to firmly establish that we will not accept generalized or formal answers for our dramatic situation. We do not want judicial maneuvers or legal fictions. Our struggle is for the lives of our dear ones—to re-establish their rights which will be achieved once the truth is known.

5. We think that this answer is possible. It is possible because there exists numerous proofs of their arrest, numerous places where they were detained have been documented and numerous agents have been identified—agents that carried out orders given by Manuel Contreras Sepulveda, Director of the Ex-DINA, today the CNI, or other military authorities. These arrests could not have taken place just because individuals overstepped their authority. In an authoritarian regime it is easily possible to determine the truth of what happens within the security services who are dependent upon the regime. The government cannot then claim an inability to give an answer.

6. We shall continue utilizing, as we have done in the past, the judicial means, and all means which can achieve for us a definitive answer.

We call on the people of Chile who have made our problem theirs, to demand that this agreement is fullfilled with the veracity and brevity required.

We call on you to maintain an active concern so that we can find our dear ones and know the truth of their fates.

DISAPPEARED PRISONERS IN CHILE

One of the gravest accusations against the Chilean government concerns government responsibility for the disappearance of more than 1,500 people since September 1973 following their detention by security forces. Detentions were generally carried out by the DINA, by the *Servicio de Inteligencia de Caribin* (SICAR—Police Intelligence Service) or the *Servicio de Inteligencia FACH* (SIFA—Intelligence Service of the Air Force) and since August 1977 by the *Central Nacional de Informaciones* (CNI—National Information Centre). In 1974, and 1975 and 1976, in spite of the high number of arrests and disappearances which occurred, the relatives could not generally protest publicly for fear of reprisals. They could and did however, present numerous unsuccessful writs of *habeas corpus* to responsible judicial authorities.

The *Vicaria de la Solidaridad* is now investigating about 600 cases of disappearances and gives a great deal of support to the families of the disappeared. However, with legal remedies totally ineffective, and with encouragement by growing international awareness of the problem of disappearances (highlighted by the Amnesty International campaign, publication of the dossier of disappeared prisoners in March 1977 and the adoption of prisoners etc.), some relatives decided to take more public action.

THE HUNGER STRIKE

In June 1977, twenty four women whose relatives disappeared after being detained by Chilean security forces started a hunger strike in the offices of the Economic Commission for Latin America (CEPAL); the strike coincided with the meeting of the General Assembly of the Organization of American States (OAS) in Grenada. Other hunger strikes in support took place at the same time in Washington, Geneva, Paris and elsewhere. Following an intervention by Kurt Waldheim, Secretary General of the United Nations, the Chilean government promised to provide information on the whereabouts and fate of this group of disappeared prisoners. The committee of the relatives of disappeared prisoners issued a statement at the time of the hunger strike:

We want the truth! We want to find our missing relatives!

We declare this hunger strike because we cannot go on waiting.

Our relatives have disappeared after arrests which were made on various dates in different parts of the country.

In every case the "security services" of the government, especially the National Intelligence Directorate (DINA) have taken part in the arrests.

In every case the authorities have either denied that the arrests occurred or given contradictory explanations, in spite of the testimony of many different witnesses and sometimes of legal documentary proof. In short, overwhelming evidence of the arrest exists.

In every case the intelligence services have tried to block investigations of the disappearances and often they have pressured those of us who are looking for our missing relatives to stop our search.

In every case investigations made by the Chilean judiciary, when they are made at all, have come to nothing. In the case of every missing person, with the sole exception of Carlos Contreras Maluje, who has still not been freed, tribunals have rejected appeals for court-ordered investigations "for lack of antecedents".

In all the cases we have reported, our relatives have been missing for months and even years, without our knowing if they are alive or dead. The plight that this uncertainty means for any home is obvious.

On 23 June, the hunger strike was ended, ten days after it had begun, on the recommendation of Kurt Waldheim.

Since the hunger strike, the relatives who took part in it have been visited in their homes by men in civilian clothes and asked questions about the individuals who have disappeared—details such as name and age. At the same time they were questioned about the organizers of the hunger strike.

On 23 September 1977, the Chilean government sent its official reply to Kurt Waldheim. The note stated that none of the disappeared persons in question were detained by governmental agencies, but that investigations would be continued. This reply was unacceptable to the relatives of the disappeared prisoners.

REPRESSION

It has already been mentioned that the first acts of intimidation towards the relatives of the disappeared were visits by DINA agents to their homes. In September 1977, one of the leaders of the Committee of relatives of the disappeared prisoners, Jorge René Palma Pacheco, was arrested in his home by agents of the CNI and severely tortured. He was charged with distributing subversive literature.

On 17 November, at 11 o'clock in the morning, more than a hundred women, some with pictures of their disappeared relatives pinned to their clothes, gathered for a silent vigil on the steps of the Plaza de la Libertad in Santiago. This Plaza is the site of the Palacio de la Moneda (the Presidential Palace), the Ministry of Defense and the Ministry of Public Works. Twenty minutes later, security forces arrived and arrested 40 of the women. They were detained for several hours and then released. Some of them were beaten. At the same time, the head of the United Press International (UPI) bureau, who was taking photographs of the demonstration, was taken briefly to a police station, as was a local radio reporter.

On 23 November, three women relatives of disappeared prisoners who left Chile to publicize the problem in the United Nations and before other governmental and non-governmental organizations, were refused reentry into Chile when they sought to disembark at Santiago airport. This was in spite of the presence of several diplomats at the airport to greet the women and to ensure their safety. They were eventually allowed to return to Chile in January 1978, after having been obliged to sign a declaration promising not to undertake any "political activity."

LEGAL ACTION

The struggle of the families of disappeared prisoners has had repercussions at national and international levels during 1977. The problem has several important aspects:

1. The legal aspect

Some relatives of disappeared prisoners who are supported by the *Vicaria de la Solidaridad*, and by their own organization, have joined together to begin a legal battle with the Supreme Court of Justice. In view of the evidence which has been presented about the disappearances, the relatives are demanding that the Ministry of the Interior and the state security organizations be ordered either to produce the disappeared prisoners, or, failing this, to clarify the circumstances of their disappearance and establish the identity of those responsible. All writs of *habeas corpus* have been rejected with the exception of that concerning Humberto Contreras Maluje, where a great deal of evidence (including the testimony of a policeman who witnessed the abduction) was presented before the Supreme Court proving conclusively that he had been detained by the DINA using an official vehicle.

The Supreme Court ordered the Ministry of the Interior to set him free. In spite of this, the Minister of the Interior, in open defiance of the Court's ruling, denied having given the order for the detention of Contreras and subsequently denied that he had been detained by any governmental organization at all. Thus the case has reached an impasse.

2. The psychological aspect

The committee of relatives has, with its particular problem, become a very important organization for people denied their rights. Because it is an apolitical organization and the sole aim of its members is to find their disappeared relations, the impact of its actions on other groups working in Chile has been considerable since it provides a focus and an encouragement for similar activities related to human and civil rights.

3. International recognition

The hunger strike in the CEPAL building gave an international perspective to the problem of disappeared prisoners. It also drew attention to other violations of human rights in Chile.

International pressure reached a peak at the end of 1977 with the condemnation of Chile by the United Nations General Assembly and the organization of the "national referendum" on 4 January 1978 by General Pinochet.

The Chilean government has tried to extricate itself from this problem. However, instead of assuming responsibility, it has taken the more dubious route of trying to confuse public opinion. To this end it sometimes makes statements in the press (called "definitive explanations") on the situation of the disappeared. At the end of 1976, the Supreme Court rejected a collective writ of *habeas corpus* which was presented by the relatives of the disappeared. Without specifying names, it affirmed that, of the people who were said to have disappeared, 38 were free 5 had left the country, 11 were under arrest under the State of Siege, 3 at the disposition of military tribunals and 3 at at the disposition of ordinary tribunals.

When the *Vicaria de la Solidaridad* asked that the names of those referred to be made known on 10 December, the Supreme Court agreed to give only the names of the 11 people in detention under State of Siege provisions. There people *did not* appear on the detailed list of 411 people on whom the organization had full dossiers. In 1977, after many delays, it was possible to determine the names of the other people referred to: *not one* of them appeared on the lists either. The *Vicaria* pointed this out to the Supreme Court on 29 November 1977. Among the "disappeared" persons that the government claimed to have found is Arturo Vilavella Araujo, whose detention had been recognized and was well known in Chile as well as overseas.

On 13 December 1977, the Secretary General of the government gave an assurance that 1,200 disappeared persons had been found. As on other occasions, the list on which the statement was based, compiled by the International Red Cross, contained major inaccuracies of which the Junta had taken advantage. Nevertheless, if one looks at the government statement in detail, the following observations can be made:

Of the 46 people said to be in their homes, none are on the list of 566 people registered by the legal department of the Vicaria. Neither of the two people who "left the country to go into exile" appears.

None of the three people who left the country under an expulsion order appears on the list.

The case of a person referred to as "deceased", whose body was taken to the Legal Medical Institute on 19 September (the time of death having been established at 10:00 of that day) clearly contradicts an official report ratified by the *Intendente* of Concepción. This report stated that the said person, Hector Rodriguez Carcamo was detained on the night of 19 September and "freed" on the morning of 20 September. The man's family deny this version.

Of the 65 people about whom the government requested more information on the grounds that there are several people of the same name, nine are on the Vicaría lists. However, for at least one of them this reply is the third version which has been given: X was never detained; X was detained but subsequently freed; we need more information about X. Needless to say, the most detailed information available about these people has already been presented to the government on several occasions, and official claims of confusion appear utterly unjustified.

[From the New York Times, June 6, 1978]

STONEWALL IN CHILE

(By Tom Wicker)

In any dictatorial regime, it is dangerous to assume that things are necessarily as they appear from the outside. On Dec. 14, 1976, for example, the Pinochet junta in Chile announced the release of about 900 political prisoners and promised an end to police violence.

At about 7:30 p.m. the next day, Waldo Pizarro Molina, the president of the Chilean Federation of Textile Workers, was strolling on Avenida Lorraine in the Nunoa section of Santiago. Several cars pulled up and men wearing black bags over their heads jumped out. They beat Mr. Pizarro with fists and rifle butts, then hauled him away in one of the black cars. He is not known to have been see since, and the Pinochet police have provided only confusing answers as to his whereabouts or fate.

Mr. Pizarro thus became one of 597 "disappeared" Chileans whose cases have been documented by the Association of Relatives of the Disappeared (which believes there may be as many as 1,500 more such persons). Contrary to the appearance of things, their plight and that of their anguished relatives has been made worse, not better, by recent "liberalizing" action proclaimed by the Pinochet regime .

On March 9, President Augusto Pinochet himself announced an end to the "state of siege" under which constitutional government in Chile had been suspended since the overthrow of the legally elected President Salvador Allende Gossens in 1973. Citing a referendum which had given him overwhelming support, General Pinochet said he would maintain thereafter only "a state of emergency."

On April 5, he went further, announcing that political prisoners already serving prison terms would have their sentences commuted so they could be exiled. The Justice Ministry reported that 224 prisoners were eligible for this kind of mercy.

On April 19, General Pinochet signed Decree Law 2,191, a general amnesty for persons being held for violation * * * and March 9, 1978, including those charged but not yet sentenced.

This show of generosity caused State Department spokesmen in Washington to welcome "a positive contribution by the Government of Chile to improvement of the human rights situation in that country," one which they said would "accelerate the return to constitutional government." On May 4, the Agriculture Department approved $38 million in credits for Chilean farmers; and although State Department officials pointed out that the credits were for individuals, not the regime, they obviously reflected approval of developments in Chile.

But in the last week of May, 60 women and six men, all relatives of disappeared Chileans began a hunger strike in Santiago, announcing that they would fast until the regime made available information about their missing relatives. By June 2, according to Chileans—including Mrs. Waldo Pizarro—meeting with United Nations officials in New York, 130 relatives were engaged in the hunger strike in Santiago, at the UNICEF Building, the Red Cross, the penitentiary, and at nine churches.

Once again, things are not what they seem in Chile. The "amnesty" of April 19, in fact, ended legal proceedings designed to force the Government to disclose information about "disappeared" persons. The preconditions for amnesty were that persons to be included had to have been tried or charged with crimes. That not only left out the "disappeared" but criminal charges in connection with missing persons that in some cases had been brought against Government officials were covered by the anmesty. As a result, all such cases have been closed.

The decree—according to Chileans in New York—also prevents charges from being brought against police officials for homicide, kidnappings and other crimes committed during the state of siege. It forbids investigation of terrorist acts in other countries by Chilean secret police, although evidence exists to link them to the murder of General Carlos Prats in Argentina and the attempted assassination of former Chilean Vice President Bernardo Leighton in Rome.

Nor should anyone be optimistic that the growing hunger strike in Santiago—and supporting strikes in Europe—will force information about missing persons out of General Pinochet and his police. A similar strike last summer caused him to promise to report on the matter to the United Nations. But as usual, things were not what they seemed; when the report was delivered in August, Secretary-General Waldheim rejected it as "unsatisfactory"—a diplomatic word, indeed, for the Pinochet regime's continued "stonewalling" of this outrage against decency.

EXHIBIT 2

[From the Washington Post, June 11, 1978]

DRAMATIC POLITICAL CHANGE CAUSED BY PRESSURES ON CHILE

(By Charles A. Krause)

SANTIAGO, CHILE.—The political situation here has changed dramatically in recent months after almost five years of harsh authoritarian military rule.

President Augusto Pinochet, whose name has become associated abroad with total suppression of political liberties and brutal repression of human rights, is clearly on the defensive as a result of internal and external pressures—not the least of which is the U.S. investigation into the 1976 assassination of exiled Chilean diplomat Orlando Letelier.

These pressures have already forced Pinochet to relax his grip on the country and to consider an end to the military dictatorship that he has headed since 1973, when he led the overthrow of leftist president Salvador Allende.

The question is no longer whether the military will leave power but when and under what circumstances. Last January, Gen. Pinochet said he could see no reason to hold another election in Chile for 10 years and added that the military had no intention of leaving power until 1990 or 1991.

By March, Pinocet had cut nine years off his timetable for when the next election would be held and six or seven years off his schedule for returning Chile to civilian rule. Pinochet announced that he would have a proposed new constitution written oy the government ready by the end of this year, that there will be a plebiscite to approve or disapprove the document next year and a return to an elected government here by 1984 or 1985.

Most observers here believe that the details of Pinochet's timetable for phasing out military rule and his ideas for the kind of civilian government he would like afterwards are less important than the fact that he felt it necessary to discuss the subject in the context of other liberalization measures and concessions to foreign critics that have perceptibly changed the atmosphere here.

"The fundamental shift that has occurred is that it is now worthwhile to talk about what the future might look like," said one diplomatic observer. "It's possible that this change in ambiance will be ephemeral. But, at the moment, the Christian Democrats and the other opposition parties are riding high."

A Chilean lawyer who is a leader of a centrist political party—all parties are still officially outlawed—was both more cautious and more optimistic during a recent interview.

"At this time, there isn't much repression because of international pressure. But we believe that Pinochet doesn't really want to return to democracy and that the repression could return. The Letelier case is very serious for the government and will have an important effect on what happens," he said.

Since the United States has not yet charged any Chilean former secret police officers with a role in the political murder and the evidence against them has not yet been made public, the lawyer said, "it is impossible to say exactly what is going to happen.

"But I have the most profound belief that we will return to democracy because, really, this is a democratic country. In 1973, after the coup, I was optimistic in the long term. Now, I am optimistic in the shorter term."

Most observers here seem to believe that the 1973 coup was welcomed by the vast majority of people here after the last year of economic and political chaos under the Allende regime. But most Chileans have never considered a military solution permanent.

It has been viewed as an interlude—less agreeable to some than to others—that would eventually end. The beginning of the end started last January, according to most observers, and the question that could be answered within the next several months is whether civilian government will be restored in six or seven years, as Pinochet has said, or sooner, as many people here now think.

At the same time, the government has enough support and power to clamp a temporary lid on the liberalization that has already occurred if Chile's unions, political parties and leftists reassert themselves too quickly or try to provoke a direct confrontation.

The government for example, broke up the first May Day labor demonstrations since the coup last month. But, significantly, there was little police violence and all of those arrested were allowed to go home within hours.

The hunger strike that ended last week did not achieve its primary objective of getting the government to admit that more than 600 leftists have disappeared, probably at the hands of the secret police, since 1973, but for the first time the issue was given prominent coverage in newspapers—which are closely watched by the government.

This weekend, the government announced that it will allow the U.N. Commission on Human Rights to visit Chile later this year.

"I don't think that Chile is going to take as long to return to democracy as Pinochet and some of those around him wish," said another diplomat." But the situation is delicate. Things are vastly improved but the bottom line is that there's nothing to prevent the government from going back. There hasn't been an institutional leap. Most of the generals haven't seen the light."

What they have seen, apparently, is that Chile's worldwide reputation as a gross violator of human rights has severely weakened the country diplomatically and militarily.

Chile no longer receives arms aid from the United States and has obtained little diplomatic support for its border disputes with neighboring Argentina and Boliva.

The general's also thought they saw an attempt by Pinochet last January to turn the results of a plebiscite on his rule—which netted him 75 percent of the vote—into a means of personalizing the regime. It is said that the military sensed that Pinochet harbored designs of converting the junta with power shared by the army, air force, navy and national police—into a one-man dictatorship.

Opposition to Pinochet, led by air force commandant Gen. Gustavo Leigh, began to surface. Leigh began to talk about a return to democracy as a way of countering Pinochet's apparent grab for power, according to many observers.

Then came the U.S. investigation into the Letelier murder and a continuing stream of allegations that it was carried out by the secret police, known here as DINA, at the behest of Gen. Manuel Contreras, a close confidant of Pinochet's who headed the organization.

Supporters and opponents of the military agree that Pinochet has already been hurt by the revelations from the Letelier investigation and the intense international scrutiny and pressure to improve the human rights situation here.

The series of liberalization measures announced by the government so far—an end to the state of siege, a political amnesty, appointment of a majority civilian Cabinet and the speeded-up timetable for the constitution—are seen here as tactical concessions to world opinion.

Many opponents of the junta believe that Pinochet had no intention of seriously beginning the transition to real democracy but that the liberalization measures, coupled with continuing international pressure, have taken on a life of their own.

The country's largest political party, the Christian Democrats, has been working with two smaller parties to write a constitution that could serve as an alternative to the government effort, which is based on principles that would give interest groups—rather than political parties—representation in a new legislature.

A group of more conservative lawyers is also known to be working on a constitution while a source close to the absolutely illegal Communist Party said that a working group had been formed to consider which of the conservative economic policies implemented by the government the party could support after a return to democracy.

The likelihood of the military allowing the Communists to become legal again, even after some form of democratic government is restored, is not considered to be very great, however.

The real unknown is the outcome of the Letelier affair. Many people here believe a large number of Chileans, including some military, could not stomach the idea that DINA carried out a political assassination and many people would find it hard to believe that Pinochet did not know about it.

There is intense debate over whether Pinochet could continue as president in the wake of clear evidence that his old confidant Contreras was involved. At a minimum, it is thought that the return to democracy would be hastened if the junta is discredited by U.S. indictments.●

GASOHOL DEMONSTRATION ANNOUNCED

● Mr. BAYH. Mr. President, I would like to invite all my colleagues to participate in a gasohol demonstration which Senators CHURCH, CURTIS, JACKSON, JAVITS, and PERCY, Congressmen EMERY, FAUNTROY, FINDLEY, GLICKMAN, and myself, are sponsoring in conjunction with the American Automobile Association. This demonstration will take place next Wednesday, June 28, from 12:30 p.m. to 3:30 p.m.; on Thursday, June 29, from 9:30 a.m. to 3:30 p.m.; and on Friday, June 30, from 9:30 a.m. to 12:30 p.m. We have arranged for a tank truck of gasahol—a blend of 90 percent unleaded regular gasoline and 10 percent ethanol from grain—to be stationed at First Street and Pennsylvania Avenue NW., at these times, so that Members of Congress and representatives of the executive branch can enjoy a free fill-up in their own cars.

Certificates redeemable for this free tankful were enclosed in a "Dear Colleague" letter which we circulated, and I have sent invitations to interested persons at the Department of Energy, Agriculture and Transportation, the Environmental Protection Agency, and the White House.

Those of us who are sponsoring this demonstration, Mr. President, are hopeful that alcohol fuels can go a long way toward solving our energy problems. They offer a near-term avenue toward reducing our dependence on foreign sources as well as a means to boost local economies through use of farm products, urban waste, and other renewable resources.

Mr. President, I hope all my colleagues will take advantage of this opportunity to try out this fuel in their cars. Gasohol offers increased octane, lower emissions and better fuel economy than straight gasoline, and could prove to be a big step toward easing our energy shortage.●

THE WRONG TYPE OF EXILE

● Mr. STONE. Mr. President, disheartening news has reached us from Moscow this week: Soviet courts found Helsinki group member and Jewish refusenik Vladimir Slepak and Ida Nudel, selfless activist in the capital's Jewish community guilty of "malicious hooliganism." The sentence entails exile for the two who have long-awaited permission to emigrate to Israel. Rather than grant them their request, Soviet officials decided to impose 5 years of internal banishment for Slepak, 4 for Nudel, to some remote and isolated province of the Soviet Union.

Years of exit visa denials led these two courageous individuals to engage in civic activity focused on the plight of fellow countrymen sharing their fate. Slepak joined the membership of the Moscow Group to Promote Observance of the Helsinki Accord which monitors Soviet compliance with the humanitarian provisions of the Helsinki Final Act; Nudel, distanced from all family members who left for Israel, provided moral and material support for Jewish prisoners of conscience in detention in prisons and camps around the country.

The charge of "malicious hooliganism" was the label applied to brief recent demonstrations Slepak and Nudel undertook publicly in Moscow to express their frustration over their repeated visa denials. This is hardly a sign of the Soviet Union's commitment to implement "in good faith" the provisions of the Helsinki Accord to facilitate the reunification of families, and, in Slepak's case, to observe the rights of their citizens to "know and act" upon the rights embodied in this document.●

FAMILY REUNION OF U.S. CHILDREN IN VIETNAM

● Mr. KENNEDY. Mr. President, I was gratified to receive on Tuesday a message from the Government of Vietnam that it is now making arrangements for American citizen children holding U.S. passports to join their families in the United States. These children, among others, were separated from their family members now in the United States as a result of the events in 1975.

The message I received from the Ministry of Foreign Affairs in Hanoi follows a series of letters I have exchanged with the Foreign Minister. The text of the message reads:

As has been proposed by Senator Kennedy, the Government of Vietnam has agreed to authorize the children having United States passports to travel, with their mothers, to the United States to join their relatives. The list of children and precise date of departure from Vietnam will be communicated at a later date.

Mr. President, this action by Vietnam will resolve one of the more serious humanitarian problems that has remained in the aftermath of the recent war. This important gesture to promote family reunion will be deeply appreciated—not only by the families involved, but by all Americans concerned over the future relations between our two peoples and governments.

Hopefully, this positive step by Vietnam will encourage new and fruitful efforts to normalize relations and resolve the many other humanitarian issues that affect the lives of both the Vietnamese and American people.

As I noted in a Senate statement last May 25, I commend the administration for engaging in serious negotiations to normalize relations with Vietnam, and I am confident that these efforts will be resumed in the days ahead.

Like many Americans, I hope that both sides can make fresh efforts to establish a normal relationship, including fully operational and protected embassies in Hanoi and Washington; to lift the trade embargo; and to contribute to the recovery of the Vietnamese people from a generation of conflict.

Such steps will be in the interests of both the American and Vietnamese people, and will help to finally heal the wounds of war.●

WORSHIPPING AT THE ALTAR OF AGRIBUSINESS

● Mr. ABOUREZK. Mr. President, recently the Progressive magazine carried a very enlightening story on reclamation law by George Baker. Mr. Baker has covered this issue for years as the Washington correspondent for a chain of California newspapers. His first-hand familiarity with the issues has enabled

him to write a number of excellent articles on the subject. This article, I think, summarizes the problem especially well. The article also points to another person who has followed this issue for years—my colleague Senator GAYLORD NELSON. Senator NELSON'S persistent and insightful criticism of the program is, I believe, largely responsible for the efforts now being made to reform the basic reclamation law and return it to its original intention of settling family farmers on the land.

I ask that the text of the article be printed in the RECORD.

The article follows:

THE GREAT WATER BOONDOGGLE

(By George L. Baker)

Dr. Ben Yellen works out of a dusty office in Brawley, California, a small town in the Imperial Valley. The area, a year-round hothouse along the Mexican border, depends on water piped in by the Federal Government from the Colorado River seventy miles away. Yellen, a crusty, outspoken physician transplanted from Brooklyn, has waged a lonely struggle for two decades to get the Federal Government to enforce an existing law designed to create family farms and to curb land and water monopoly in the West.

Yellen, dismissed by many as an eccentric crank over-exposed to the desert sun, wondered for years why farms as large as 110,000 acres were operating in the valley when Federal law said users of Federally delivered water were entitled to only 160 acres. The answer he usually received was that it had always been that way. With a mimeograph machine and some pamphleteering worthy of Tom Paine, Yellen kept publishing his "yellow" sheet, a two-page expose of the numerous land and water ripoffs in Southern California, mailing copies in bulk to Federal officials and journalists.

In the mid-1960s, officials at the Interior Department were finally persuaded by Yellen's arguments and sued to enforce the anti-monopoly law in the 500,000-acre Imperial Irrigation District. Last summer, after spending thousands of his own dollars, Yellen was vindicated when a Federal court of appeals ruled that the law—better known as the 160-acre limitation—applied to the Imperial area and that more than 250,000 acres would have to be sold off to family farmers.

What Yellen learned long ago and others are just begining to learn is that, as a device for fostering the family farm, the Federal Government's reclamation program has been a failure. In seventy-six years the program has watered seventeen western states with irrigation projects worth more than $10 billion. But increasingly in recent decades the beneficiaries have been agribusiness tycoons who conspired with Government officials to thwart Federal law, squeezing out small farmers. Land sold in presumed compliance with the law has been transferred in a maze of leases, trusts, partnerships. and friendly foreclosures so that true ownership or operation seldom changes hands.

Only recently, Senator Gaylord Nelson of Wisconsin, one of reclamation's most persistent critics and author of reform legislation, criticized the program. The Senate Small Business Committee, which Nelson heads, found that "if the pattern of land sales in fact precluding family farmers from moving on the land—and all the evidence indicates this—then this is a fraud on the law. It circumvents the whole intent and purpose."

Fueled by revelations of criminal wrongdoing and administrative malfeasance over the years, the Carter Administration moved aggressively last year to enforce the law—and touched off an economic and political free-for-all that has swept portions of the West like a prairie fire. At the center is Interior Secretary Cecil D. Andrus, a former Idaho governor who was raised on a family farm and is thus acquainted with the promise and shortcomings of reclamation programs. Acting under a Federal court order involving another giant California water district, Andrus proposed a set of regulations that would have put family farmers on the land and kicked off the corporate operators.

"The family farmers whom the law was designed to benefit," Andrus said, "sometimes can be found in the corporate boardrooms of Los Angeles or New York, in Caribbean tax havens, or 'farming' out of the fortieth floor of an office building or a lawyer's or doctor's office."

The agribusiness interests and water hustlers, confronted for the first time within memory with a Secretary who believed in enforcing the law, reacted with predictable outrage and some disingenuous doctoring of the facts. Across the West, farm groups with such seductive names as the Committee for Government Fairness (composed of Imperial Valley farmers) and the National Alliance to Modernize Water Laws have reached into the pockets of their supposedly financially strapped members to raise hundreds of thousands of dollars for a media blitz and lobbying effort.

Having taken water in violation of the law for years, piling up enormous profits in the process, these interests were unwilling to comply with any law that restricted their ability to farm the Government as well as the land. They complained bitterly that Andrus was leading a social revolution—and after a fashion, he was. The revolution began in the early 1900s, when Congress declared it national policy to subsidize water in the West.

The basic purpose of the Federal program was to distribute the largess of land and water as widely as possible. As economist Paul S. Taylor of the University of California, Berkeley, persistent reclamation critic, aptly puts it, the reclamation program was intended to benefit people, not land. To accomplish this, the 1902 Reclamation Act and subsequent amendments provided that water could be obtained for only 160 acres. Land in excess of that could be served only if the owner agreed to sell his large holdings within a specified period at a Government-controlled price.

As a crucial underpinning, the law required that water recipients live "on or in the neighborhood" of their land a phrase later construed to mean fifty miles. But the residency requirement, aimed at discouraging absentee ownership of land and promoting the establishment of healthy local communities, was enforced with decreasing frequency.

Unfortunately, the overseer of the law for seventy-six years has been the Bureau of Reclamation, a small mossbacked Federal agency in the Interior Department with a record of non-enforcement. For years, its 7,200 employees, most of them construction engineers scattered from Texas to Washington, have been busily building dams with little regard for the environment, while answering only to a handful of members of Congress who eagerly shovel out more money each year for construction.

The Bureau has less trouble delivering copious amounts of water. In 1976 it delivered 27.9 billion acre-feet (9,085 billion gallons) to 18.1 million people, or 31 per cent of the western states' population. But of the nearly 9.3 million acres of farmland served by the Bureau's 174 projects, at least 850,000 are clearly receiving water in violation of the law, according to Government records. Since the Bureau relies on local water districts to compile enforcement records, the figures are probably understated. In California alone, 761,000 acres—out of 3.6 million eligible for water service—are getting water illegally, including some of the nation's biggest and richest corporate operators. And in the seventeen western states, another 2.3 million acres owned by 6,014 persons are labeled "excess" and would have to be sold to family farmers if the Bureau enforced the law.

How could such violations occur? One man who knows is Geoffrey G. Lanning, who worked in reclamation as an Interior attorney in the 1960s and 1970s. "The Bureau of Reclamation," he said after leaving Washington, "deliberately violated or avoided the 160-acre limitation, doing so by failure to administer the law at all or, when pressed, by having its captive lawyers write crude loophole provisions that let the big landowners ignore this public safeguard."

A farmer testifying at Congressional hearings last August put it somewhat less elegantly. When she and her husband bought 2,000 acres in 1970, Rosana Winterburn of Helena, Montana, told a Senate subcommittee, she was instructed to "phony up some deeds to put on file with the Bureau, breaking down ownership into 160-acre-blocks so we could have water." What is common practice, she testified, is to put "your mother and your dad, your kids and your cat and whoever on these deeds and the copy is filed so the Bureau can be in compliance."

In the Imperial Valley, the evasion was more official and equally successful. In the early 1900s, pioneers began taking water out of the Colorado River and diverting it into the valley. But the water had to be routed out of a canal in nearby Mexico (there was no telling when the Mexicans might actually claim the water for themselves) and periodic floods and droughts made farming a risky business. In 1928 the landowners convinced Congress to build the Hoover Dam and the $25 million All-American Canal to carry the stored water. The only hitch was that the 1928 Act said the reclamation limitation would apply to the project.

That bothered the landowners only slightly. In 1933, in the closing days of the Hoover Administration, they prevailed on Interior Secretary Ray Lyman Wilbur to give them a letter stating they were exempt from the limitation. (Their letter kindly asked him to commit nothing to writing if the law was to be applied.) A letter granting the exemption was sent a month before Hoover left office and was prepared by one of Wilbur's young assistants, Northcutt Ely, who later would go to work representing the water district.

That frail reed of an exemption, never cleared by Congress, lasted until Yellen went on the warpath and the courts agreed that administrators could not give away what Congress had protected. But the result today is that a few have prospered at the expense of many. Relying on cheap imported labor from across the border, Imperial Valley farmers produced farm goods worth nearly $250 million last year. About 12,000 persons earn a living in the valley, but fewer than 700 are farmers. Of these, seventy-two operators control more than half the land, and the other half is owned by absentee owners. It is a top-heavy social and economic structure which locks many farmworkers into a perpetual cycle of poverty.

Equally immersed in controvery has been the Westlands Water District, a cucumber-shaped swath of 600,000 acres, sixty miles long and thirty miles wide, in Central California's San Joaquin Valley. The largest irrigation district in the United States, Westlands contains some of the shrewdest operators ever to turn a plow in California. Among them are the Southern Pacific Railroad with 100,000 acres; Standard Oil; Bangor Punta, a wide-ranging conglomerate. and the J. G. Boswell Co., a major corporate farmer whose holdings total 120,000 acres statewide.

Unlike Imperial, Westlands has at least nominally complied with the law. But the land that is supposed to be sold to family farmers and the landless has ended up in the hands of insiders, speculators, tax shelter syndicators, and other "paper" farmers. After a decade of the law's "enforcement," the average farm in Westlands is 2,400 acres, a considerable spread even by California's opulent standards. One typical "family farm" created in recent years involves a company 20 percent owned by the Nissho-Iwai Co., a Japanese trading corporation, which leases land from twenty-five persons and farms almost 10,000 acres, though most of the individual holdings are smaller than 160 acres.

The irony is that there are hundreds of farmers and farmworkers willing and able to buy land in reclamation areas if given the opportunity. One group representing some of these farmers is National Land for People, headed by George Ballis of Fresno, California, who has been pushing for reform for more than a decade. Like others, Ballis believes that small family farms with labor contributed by farmers serve society better than their corporate counterparts. The small farms are a positive economic and social force for rural communities, and they are less likely to produce the kinds of social serfdom which plagues the Imperial area.

Those who advocate repealing the law altogether or allowing more land to be owned by individuals content the 1902 law is an anachronism, ill suited to modern techniques of farming. Whatever the merits of that argument may be, it was undermined by a study performed at the farmers' request by Agriculture Secretary Bob Bergland. The report, published early this year, found that a farm as small as 160 acres in Westlands could produce a net income of $25,000, and 320 acres could yield profits of $54,000. By contrast, 83 percent of the nation's farmers grossed less than $40,000 in 1976.

The average 2,400-acre farm in Westlands now produces annual profits of between $405,441 and $481,081, according to a Bureau study. It is easy to understand why California farmers have not been in the vanguard of the American Agriculture Movement's strike. Such relatively high incomes are possible only because the Government provides cheap water, with a subsidy piled on top of that, and offers up land at bargain-basement prices.

With so much at stake, it is not surprising that the West's farm and water establishment is doing its best to defeat Secretary Andrus's proposals, launching a major effort to delay the regulations and to emasculate the 1902 law. Led by California, Arizona, and Colorado farmers and water officials, several groups have aligned themselves in a coalition to ramrod a "reform" effort. And the Imperial Valley farmers, who already have spent more than $1 million fighting Yellen's court suit, have launched a slick media drive masterminded by Bill Roberts, who guided the farmers' defeat of a Cesar Chevez farm labor initiative in 1976.

The political heat became so intense for California Governor Jerry Brown that he backed away from his earlier, well-publicized calls for stricter adherence to the law. And Brown's adroitly timed shift enabled Andrus to stage his own retreat in the face of overwhelming farm opposition and considerable heat from Capitol Hill and the White House. President Carter himself has called for updating the law, and Andrus was given time to do that when a Federal district judge in Fresno ordered an environmental impact statement to be written before the regulations are enforced.

Andrus's latest proposal, which is subject to change, is a 960-acre limit per family instead of 160 acres per person, a fifty-mile residency requirement, restrictions on leasing, and an equivalency formula which would permit farmers in areas such as the Northern Plains states, where the growing season is shorter than California's, to own proportionately more land. From time to time there have been attempts to establish Federal financing for the purchase of reclamation land, but nothing has come of them. Andrus does not address the issue. A bill sponsored by Senator Nelson would provide a $25 million fund for Federal purchase of excess land for lease to family farmers.

Senate and House leaders are thrashing about, attempting to come up with a package which would meet the objections of their farm constituents. Senator Frank Church of Idaho, who has taken the lead on the Senate side, and Representative Morris Udall of Arizona, chairman of the House Interior Committee, are laying the groundwork for an all-out assault on the law next year. The battle, whenever it comes, promises to be a lively confrontation between western legislators who want an even bigger slice of the Federal pie and other lawmakers who are increasingly upset over losing Federal dollars.

How much genuine reform will come out of this regional boondoggle remains to be seen. The Carter Administration and Andrus have contracted a case of political jitters bound to intensify as the tough decisions are pushed toward reelection politics in 1980. Andrus, who appears to be the best hope for dealing with this untouched scandal of immense proportions, is increasingly concerned about ruffling the feathers of the constituency served by his department.

But it remained for former Interior Secretary Stewart Udall, who also failed to enforce the law when he held office, to pinpoint what has gone wrong with water policy in general and reclamation in particular: "The fact of the matter is," he told a Senate subcommittee, "as I look back on my service in Washington twenty years ago, we paid lip service to the family farm but we really worshiped at the altar of agribusiness. That is the way I read the last twenty years."●

SENATOR JOSEPH MONTOYA

● Mr. CHILES. Mr. President, I would like to pay tribute to former Senator Joe Montoya whose untimely death marks a great loss to his family, his State, and all of us who had the opportunity to be associated with him in the Senate.

Senator Montoya spent 40 of his 62 years in public office, having been elected to the New Mexico State Legislature at the age of just 21. He also served as Lieutenant Governor of his State, as a Member of the U.S. House of Representatives from 1957 to 1964 and as a Member of the U.S. Senate from 1964 to 1976.

In Congress, Senator Montoya was dedicated to bettering the lot of Spanish-Americans and others whose lives were burdened by poverty and whose spirits and hopes were smothered by lack of opportunity. He himself was born into a family of limited means at Pena Blanca, near Albuquerque, N. Mex., but while he was able to achieve political and personal success, he did not forget his early life and the plight of others.

He was a hard-working Senator. I followed him as chairman of the Treasury, Postal Service, and General Government Subcommittee of Appropriations and, therefore, have had the opportunity to see evidence of his efforts in that assignment.

In this time of grief my sympathy and prayers are with the family, including wife, Della, and his children, Joseph II, Patrick, and Linda.●

HAROLD I. BAYNTON

● Mr. CANNON. Mr. President, in a loss I am sure is felt by many of my colleagues, Harold I. Baynton, former chief counsel of the Senate Commerce Committee, has recently passed away.

Hal was one of the most loyal and dedicated Senate employees it has been my pleasure to know. He was a man who loved and respected the Senate as an institution and who also became a close friend to many individual Members.

Hal first came to the Senate in 1955 as Commerce Committee counsel. He had already compiled an impressive career in the Justice Department as an Assistant Attorney General under former President Truman. He was appointed by the President to head the Office of Alien Property during and after World War II.

In that post he was responsible for approximately one-half billion dollars worth of alien property in the United State. Because of his expertise in this area, he was appointed to represent the United States at the Interallied Reparations Conference in Brussels in 1948.

After leaving the Commerce Committee, Hal served for 5 years as Washington representative of World Airways. He then put in some time with another Washington area business, but I was able to convince him to come back to the Senate as a member of my staff in 1971.

His experience was invaluable to me in my work on the Commerce Committee and as chairman of the Commerce Aviation Subcommittee. Hal was an extremely effective liaison between my office and those bodies and I grew to rely greatly on his expertise.

Hal retired from the Senate in 1973 and, tragically, battled a series of unfortunate illnesses over the last 5 years of his life.

Because he was a friend as well as a former employee. I remained close to Hal and his lovely wife, Dee, for many years. Hal had spent most of his boyhood in Reno, Nev., so we had a natural affinity as westerners to go along with our other common interests.

I know his loss is felt deeply by Dee and the rest of his family and I wanted to take this opportunity to state publicly that the Senate will miss Hal Baynton also.●

TAXPAYERS WANT FISCAL RESPONSIBILITY

● Mr. NUNN. Mr. President, many public officials, in this body and across the land, have taken note of the passage of Proposition 13 in California and referred to this action as if it were the "first shot" in a "taxpayer's revolt." There can be little doubt that the voting which took place in California last week was significant; however, it seems equally apparent to me that the taxpayers of this country were sending the same message to the Government long before the advent of Proposition 13. The difference now is that public officials are listening and recognize that the American people have finally reached the breaking point.

I have told the story many times about the Georgia constituent who sent me a message on an unsigned postcard a couple of years ago. The writer had written one sentence on the back of the card:

Senator, please do not spend any more of my tax money until you hear from me further.

Clearly, the message with respect to levying taxes is: Like shearing sheep, you stop when you reach the skin.

Fiscal accountability is what the taxpayers want. They want Congress to cool the fires of inflation, restrain runaway Government spending, stabilize the value of the dollar, reduce taxes, eliminate deficits in times of peace, abolish unnecessary programs, and cut out wasteful spending.

How does this public mood relate to the overall economy of the United States today? If elected officials of this country do exactly what the public is asking be done, will this make our economic situation better or worse? I believe that, by examining the economic history of the 1960's, we can find the answer to this question. In my view, we must not only put on brakes, we must put our gear shift in reverse.

For instance, in 1968, total capital gains taxes collected from individuals and corporations was $18 billion. Congress came along and increased the capital gains rate from 25 percent maximum to 35 percent maximum. Congress also added the minimum tax computation which increased the possible maximum capital gains rate to almost 50 percent. According to the estimates of the proponents of this so-called loophole close, this should have appreciably increased revenues. Did this happen? No it did not. Instead the total tax revenue produced from capital gains decreased by $3.4 billion from 1968 to 1969 and it has never again reached the 1968 levels in constant terms. In other words, by increasing the tax rate, Congress actually decreased the total revenues. More importantly, however, this increased tax rate has had and continues to have an adverse effect on productivity, inflation, jobs, and the development of increased technology. This effect has been particularly important in the area of small business. It has been estimated that about $30,000 is required to provide for one manufacturing job. New businesses and young businesses create jobs much more rapidly than mature and older companies. Risk capital is required in order to finance new companies and risk capital is the component that is missing today. Since 1970, the number of individual investors in the United States has decreased by 20 percent from 30 to 25 million. In 1969, there were 698 new stock offerings totaling $1.4 billion by companies with a net worth under $5 million. In 1975, there were four such offerings totaling $16 million. These figures have improved to some degree in 1976 and 1977 but remain substantially below our experience in the late 1960's.

In summary, the increase in capital gains tax has increased the risk while decreasing the rewards for providing risk capital. As could be anticipated, this decreased availability of risk capital has had a devastating effect on the development of small businesses and new businesses in particular.

I have recently cosponsored legislation which, if enacted, would roll back the maximum capital gain rate to the 1968 level of 25 percent. According to an analysis prepared by the Chase Econometric Association, this bill would have the following positive effect:

Under such (capital gains) legislation, the rate of growth in constant-dollar GNP (gross national product) for the period 1980–1985 would average 3.6% compared to a 3.4% annual average growth rate otherwise.

Here are some of his other estimates of the impact of a capital gains tax reduction in the 1980–85 period.

An additional 440,000 new jobs would be created than would result otherwise.

Spending on plant and equipment would rise 5.7 percent a year instead of an estimated 4.7 percent a year.

The Federal budget deficit would be $16 billion less in 1985 than it would have been otherwise. Over the entire period, the cumulative difference in the budget deficit would be reduced about $45 billion.

Stock prices would rise, spurring equity financing and decreasing dependence on debt financing, interest rates would ease and inflation would be lower.

We must also address the burden of Federal taxation on individuals. My preference in this regard has been a rollback of the increases in social security taxes which are scheduled to go into effect next year. This could be accomplished while maintaining a solvent system by simply removing the welfare aspects from the social security system and placing them under HEW where they belong.

It has become clear to me that insufficient support for a rollback in social security taxes exists either in the Congress or in the administration. I have, therefore, channeled my efforts toward another proposal which I believe can provide meaningful and responsible tax relief to individuals in this country. On Wednesday of last week, I became a cosponsor of the Tax Reduction Act which has become known as the Kemp-Koth bill.

It is apparent, that the current tax rates serve as a disincentive to investment, savings and private initiative. This legislation would reduce the financial burden imposed on taxpayers by the Federal tax code by cutting individual income taxes approximately 33 percent over a 3-year period. It would particularly assist middle income taxpayers and small businesses, because that sector of the economy currently bears the brunt of the income tax burden. For example, a family of four making $10,000 per year would realize a 51-percent cut; a family of four making $15,000 would realize a 39 percent cut; and a family of four making $20,000 to $25,000 would realize a 36 percent cut in income taxes.

I believe that this tax relief would substantially increase incentives to work, save, and invest. A natural product of this action would be an expanding private economy which would minimize, if not completely offset any revenue loss to the Treasury.

The concept of a deliberate, step-by-step reduction in taxes at the Federal level is one which deserves enthusiastic support. We must remain flexible as to the exact details of the program, however, so that maximum advantage can be taken of developing economic information and analysis. While the private economy will undoubtedly grow as a result of a tax reduction, and Federal revenues will be thereby positively affected in the long run, I believe that we must achieve coincident reductions in the level of Federal spending so that, in the short run, these tax cuts do not fuel inflation.

In my judgment, in conjunction with a reduction of taxes, we need to declare a moratorium on all massive new Federal spending programs. Emphasis must be placed on reorganization and consolidation of existing programs. In addition, we must move to a balanced budget policy. This will require passage of the constitutional amendment similar to the one I have introduced in each of the last three Congresses requiring a balanced Federal budget, except in periods of national emergency.●

SLEPAK'S TREATMENT IS PROTESTED

● Mr. RIBICOFF. Mr. President, I am extremely disturbed about the recent actions which the Soviet Union has taken against those who wish to emigrate from the Soviet Union to Israel. One of the most outrageous examples, but by no means unique, is the treatment of Vladimir, Maria, and Leonid Slepak.

As of the 13th of April 1978, Vladimir, Maria, and Leonid Slepak had officially waited 8 years since first applying for permission to emigrate. When I was in the Soviet Union in 1975, I had an opportunity to meet Vladimir Slepak. He is a man of character who simply wants to live with his family in Israel.

Earlier this month, Vladimir Slepak and his wife Maria were arrested for publicly expressing their desire to emigrate to Israel by hanging a banner out their window. Vladimir Slepak was held in jail. In a secret trial which ended yesterday, he was found guilty of "malicious hooliganism" and sentenced to 5 years of internal exile. This sentence is totally unjustified and directly flaunts the letter and spirit of the Helsinki accord.

Yesterday, a number of Senators who had met Slepak during a 1975 visit to the Soviet Union sent a cable to leading Soviet officials protesting the secret trial and harsh sentencing of Vladimir Slepak. We stated in that cable that "based upon our personal knowledge, Slepak is no 'hooligan.' He is simply a man who has been trying for 8 years to emigrate to Israel." We went on in that cable to urge that Vladimir Slepak's sentence be commuted and that he, his wife and son be granted immediate permission to emigrate to Israel.

Mr. President, I ask that the text of

that cable be printed in the RECORD at the conclusion of my remarks.

(See exhibit 1.)

Mr. President, it is essential that people of good will throughout the world condemn the action of the Soviet Union in this case. Maria Slepak has not yet been tried on charges identical to those against her husband. Their son Leonid is in hiding to avoid being arrested for refusing to be drafted into the Soviet Army. They have suffered enough. In the name of human rights, the Helsinki accord and just plain human decency, the Slepaks should be immediately permitted to emigrate to Israel.

EXHIBIT 1

JUNE 21, 1978.

His Excellency LEONID BREZHNEV,
Chairman Presidium of the Supreme Soviet of the U.S.S.R., Moscow, U.S.S.R.
His Excellency ANATOLIY F. DOBRYNIN,
Ambassador of the Union of Socialist Soviet Republics, 1125 16th Street NW., Washington, D.C.
GEORGI ARBATOF,
Director, Institute of U.S. and Canadian Studies of the Academy of Science, 2/3 Khlebry, Moscow, RSFSR, U.S.S.R.
ROMAN RUDENKO,
Procurator General, Pushinskaia Ploshchad 15, Moscow, RSFSR, U.S.S.R.

We strongly protest the secret trial of Vladimir Slepak for "malicious hooliganism" for having publicly expressed his desire to emigrate to Israel.

During a 1975 visit to the Soviet Union, we met with Vladimir Slepak. Based upon our personal knowledge, Slepak is no "hooligan." He is simply a man who has been trying for eight years to emigrate to Israel. We urge you to commute Vladimir Slepak's sentence and grant Vladimir Slepak and his wife and son immediate permission to emigrate to Israel.

ABE RIBICOFF,
EDWARD W. BROOKE,
PETE V. DOMENICI,
GARY HART,
PATRICK J. LEAHY,
JAMES A. MCCLURE,
CHARLES H. PERCY,
U.S. Senators.●

TAXING THE PROBLEM HELPS FIND SOLUTIONS

● Mr. FORD. Mr. President, for several years I have been calling for increased research at the Federal level on tobacco research. Fortunately, my State of Kentucky, is attacking the problem of the tobacco-health controversy without the use of Federal funds. For 4 years the University of Kentucky Tobacco and Health Research Institute has been conducting research to counter the problems related with tobacco.

Tobacco is a pliable product. Impurities can be removed from tobacco in as short a time as two growing seasons. The flexibility of tobacco facilitates the research being conducted at the Tobacco and Health Research Institute. The institute helped to develop the current low-tar and low-nicotine cigarettes which are now on the market.

One of the many dividends of this research is the promise of finding the "safe cigarette." The excellent research activities at the institute were recently highlighted in a article in the Louisville Courier-Journal. I ask that the June 18, 1978, article, written by James R. Russell entitled "Taxing the Problem Helps Find Solutions," be printed in the RECORD and commend my colleagues' attention to it.

The article follows:

[From the Louisville Courier-Journal, June 18, 1978]

TAXING THE PROBLEM HELPS FIND SOLUTIONS

(By James R. Russell)

LEXINGTON, KY.—The University of Kentucky Tobacco and Health Research Institute, a fledgling attempt 14 years ago to counter anti-smoking attacks, has grown into an international leader in smoking and health.

The institute is the only organization whose research stretches from the tobacco seed to the human lung, from plant genetics to human genetics, from cigarette manufacturing to heart mapping.

The institute has been described by scientists as a model that should be copied for other health-related problems. The problem of smoking and health has been acknowledged, and the problem itself has been taxed to finance the search for a solution.

Most of the money for the institute comes from a special half-cent tax per package of cigarettes. The state tax has generated $24 million since it went into effect in mid-1970.

The law that established the research program in 1964 specified that "every effort should be made to prove or disprove the charges against tobacco products and to preserve and strengthen tobacco programs in the Commonwealth."

Some $4 million of the special tax has been used to build institute offices and labs in Lexington. The rest has been used to finance hundreds of projects in Lexington, at the University of Louisville and at several other universities.

In the seven years since the program became an institute, more than 260 articles about its research have been published in scientific journals in the United States, Great Britain, Switzerland, the Netherlands, West Germany and Canada.

Dr. John Wyatt, director of the institute, has called its work a "template," or pattern, of investigation, and has added, "Someday I hope it will be a temple of investigation."

"With this kind of investigation into disease relationship, you're writing the pattern that can be followed in other factors that may be incriminated in the future," he said, citing such things as air pollutants and pollutants associated with occupational diseases.

Tom Harris, Kentucky's commissioner of agriculture, is chairman of the Kentucky Tobacco Research Board, a lay group that oversees the institute. He noted that the law setting up the institute was intended to protect the tobacco industry as well as public health. But he said that while Kentucky obviously has a vested interest in tobacco, the institute's work is in no way dictated by that economic interest.

"The scientists are allowed to do their own thing and publish their findings, whether those findings are good or bad. None of the researchers at the institute ever has been told to do anything one way or the other," said Harris, who as a state senator sponsored the bill for a half-cent cigarette tax.

"If they can tell us what elements or combination of elements are causing the problem, then we won't be fighting a ghost. Our biggest problem is trying to keep tobacco from being condemned on circumstantial evidence."

Many of the projects are proposed by researchers in the state's two medical schools, science departments or agricultural colleges. The projects are reviewed and evaluated by a 12-member board of scientists from the universities of Louisville and Kentucky.

Those projects that are approved by the review board go to five outside technical consultants headed by the Kentucky Tobacco Research Board's technical adviser, Dr. Arthur A. Stein, who is a professor of pathology at the Albany (N.Y.) Medical Center Hospital.

The scientific consultants are Dr. Hans Falk, assistant director of the National Institute of Environmental Health Sciences; Dr. T. C. Tso, a senior scientist in the Agricultural Research Center, Beltsville, Md.; Dr. Marvin Kuschner, dean of the School of Medicine in the State University of New York at Stoneybrook; and Dr. Robert Belles, senior toxicologist for the Lakeside Pharmaceutical Co. in Milwaukee.

Institute director Wyatt, himself an internationally known pulmonary specialist, is a consultant to the National Cancer Institute.

A small cigarette "factory" in the UK institute makes the standard research cigarettes used by many laboratories around the country. The blend is stirred in a small cement mixer, and quality control is so tight that three of every four cigarettes are discarded.

The institute has sections devoted to the study of smoking's influence on blood—the platelet function and coagulation in animal models.

Several projects are studying smoke's effect on lung function.

The institute also provides computer service, statistical assistance and a laboratory where tissues and small animal organs are prepared for investigators.

Wyatt said the institute has one of the finest informational retrieval systems in the world. Some 10,000 articles on smoking and health are stored in a computer in Lexington, and another 20,000 are being processed for the computer.

Dr. Stein, the research board's technical adviser, said biological considerations are heavily influencing public policy on tobacco now and are probably "being used out of context. Good policy requires consideration of economics, social sciences and biology."

"Our goals (at the institute) have been defined by law. We're trying a mix of projects into clinical diseases and more basic research into what tobacco's role is in the mechanisms of disease."

One plus for tobacco came from Dr. Ralph Shabetai's work on the human heart, Stein said. His studies showed that there is only a modest increase in heart rate during cigarette smoking. Other research showed that smoking seemed to have a protective effect against Parkinson's Disease.

The institute also has taken issue with the U.S. Environmental Protection Agency over the use of MH30, a material that controls suckers—the secondary growth on the tobacco plant's stalk that robs nutrients from the plant and can push the "money" leaves from the stalk.

"Quick work by the institute has delayed a ban on the material and conservatively saved the state's burley farmers $75 million per year in hand labor to sucker the crop," Harris said.

"That one project alone has paid all of the expenses (of the institute) to date, plus some 14 years into the future."●

ENERGY CONSERVATION STILL THE AGENDA FOR THE FUTURE

● Mr. KENNEDY. Mr. President, I want to draw the attention of the Senate to an article in the New York Times magazine of June 14 by Daniel Yergin of the Harvard Business School. I do so not because I agree with everything he says. I am inclined to think the future for oil production and rapid price increases is not as dire as he predicts.

But Mr. Yergin's article is a clear reminder of the danger of inaction in the face of a potential threat to the international economic system if the United States does not reduce its energy appetite. More important, Yergin points to the solution which is still being neglected under the barrage of oil company propaganda favoring production. That solution is conservation.

This article points out that we have not begun to realize the potential for conservation. Hearings, which I conducted last year for the Joint Economic Committee, pointed out that the potential savings are enormous. Hearings conducted this year demonstrated that conservation could create hundreds of thousands of new jobs.

One more point deserves special attention and that is Mr. Yergin's belief that the United States should do everything possible to increase oil production in non-OPEC countries, assuming as I believe we can, that OPEC will take care of itself. I endorse this belief for it is mine as well.

I ask that Mr. Yergin's article, "The Real Meaning of the Energy Crunch," be printed in the RECORD.

The article follows:

THE REAL MEANING OF THE ENERGY CRUNCH

(By Daniel Yergin)

It need not happen. But, unless we bestir ourselves, it most likely will. By 1985 or 1986 or 1987, if present trends continue, we'll be staring at an energy crisis far worse than the one we went through in the early 70's. And then our present boredom with the energy problem, and with the Carter Administration's efforts to cope with it, will seem like complacent sleep.

In that event, the reality we wake up to is apt to be frightening. Prices will double or triple, in real terms, within a short time. The standard of living of every American will nosedive. The international monetary system will shudder and shake. Industrial nations will be pitted against each other in a bruising scramble for oil. The Western alliance could be shattered. In a number of countries, democracy itself might not be able to survive.

There is one sure way to forestall this disaster, and that is for Americans to get their oil thirst under reasonable control. The United States dominates the world oil market. We use a third of all the oil used in the world every day. American cars and trucks alone use a seventh of all the oil used in the world every day. Our $45 billion trade deficit, and the consequent weakening of the dollar, is mainly the result of our growing oil imports. Yet in the present atmosphere of careless optimism about our oil supplies—"We're doing all right," people say—the goal of sensible restraints on our consumption appears harder and harder to attain.

Let us give the optimists their due. They have their reasons. The world does continue to function four and a half years after the October Revolution of 1973. Some recent projections and studies have been widely played in the press under such headlines as "Experts Dispute Administration, Doubt Energy Crisis in the 80's." People even say there is an oil "glut." And there was that meeting of OPEC oil ministers in Caracas last December, when the price hawk, Iran, and the price dove, Saudi Arabia, got together to hold the line against a further price increase at this time.

But the famous "glut" amounts to only 2 million to 3 million barrels a day, less than 5 percent of world production—nothing more than a temporary slack. And at Caracas, the Saudi oil minister, Sheik Ahmed Zaki Yamani, qualified the no-hike-now decision with the statement: "Once the [present] surplus is eliminated, neither the United States nor any other superpower will be able to bring about a freeze in oil prices." The real price of oil, he said, will almost certainly double within a decade.

Yamani was being realistic. He was pointing to what is clearly in prospect for the late 1980's—the energy crunch, sometimes called the gap.

This coming gap has been the subject of heated discussion among energy specialists for the past year. There are two ways of construing it. One is the notion of an absolute breach between supply and demand—not enough oil left in the ground to meet the world's needs. The Administration has used this dramatic imagery to try to sell its energy program. But it is misleading. It is very hard to demonstrate that the world will run out of oil in the next decade or two. World production grew by 70 percent between 1966 and 1974; in the same period, world reserves grew by 80 percent. What should concern us, although it has been neglected in most public discussions up to now, is the second meaning of the gap.

Under this definition, the gap will occur in the middle or late 1980's. Production of non-OPEC oil will, by then, be running at full speed. And production of OPEC oil will be approaching certain limits. These may be physical limits—the capacity of the wells, pipelines, docks and other equipment in place. Or there may be limits imposed by OPEC governments for political or economic reasons. In either case, worldwide demand for oil will begin to run up against the limits of worldwide production, and we may begin to see interruptions of supply.

With or without such interruptions, we can be sure of something else: With supplies that tight, it will again be a seller's market. Prices will go up, rapidly and dramatically.

Here, then, is the real meaning of the energy gap—a point at which we would witness a very sharp breach between demand and supply at reasonable prices. We would see a sudden shooting up of prices from those the world can bear to those it can't.

Nineteen eighty-five is only seven years hence. The last oil crisis is already five years behind us. We are talking about a predicament that, to be avoided, must be grappled with now. And, contrary to much current publicity, it should be seen not as a new crisis but as the sharpening of a situation that emerged in the late 1960's, made its impact felt in the years 1970–74, and is likely to continue into the 1980's and 1990's.

Up until the late 1960's, the network of oil production, transportation, refining and distribution was under the control of the major oil companies (the "Seven Sisters") and an assortment of independent oil firms. The oil was delivered on time and cheaply, and the consuming nations were more or less happy to let the companies handle the whole thing. As for the producing countries, they were not in a strong position to do much more than hand out concessions and collect royalties. But in the late 1960's, the international energy system was transformed.

The industrial world was by then in the midst of a rapid shift away from coal to very high dependence on oil. Who wanted to stay with coal? It was bulky, it was dirty, and it represented old forms of social conflict that most everybody wanted to forget. How much easier to turn a valve for oil than to shovel coal! Between 1955 and 1972, the share of Western Europe's energy needs met by coal declined from three-quarters to little more than a fifth, while the share met by oil increased from a fifth to three-fifths. A similar change, starting even earlier, occurred in the United States.

The impact of this change was magnified by another factor. The industrial nations consumed more and more. In 1976, North America, Western Europe and Japan used 65 percent of all the oil consumed in the world. But they increasingly used other people's oil, for they had only one-tenth of the world's reserves. (Meanwhile, the Middle East and Africa, with two-thirds of the world's known reserves, consumed only 4 percent of the oil.) Few people realize how recent this change has been. The United States was still the world's No. 1 producer in 1964. The next year, it was overtaken by the Middle East. Before the decade was out, the Middle East was producing a third more oil than the United States.

At the same time, the West was losing its petroleum insurance policy." This had taken the form of oil wells in place but not in production—what the industry calls spare capacity. So long as such capacity existed in the United States, a squeeze play in the Middle East could not be very effective, since the unused wells in the United States could be put back into production. This is what happened during the Arab-Israeli war of 1967, thus aborting an attempted Arab oil embargo.

But the United States, at that time, was already running out of spare capacity. American production peaked in 1970 and began declining thereafter, and spare capacity disappeared. The import quotas that had restricted the amount of foreign oil in the United States were scrapped by Washington, and the hungry American market became part of the world market. Hence the confidence of Sheik Yamani's remark to an Exxon executive in 1971: "You know the supply situation better than I do. You know you cannot take a [Middle East] shutdown." The insurance policy was void.

The OPEC countries did not shy from capitalizing on their advantage. They were no longer content merely to collect rents. They wanted the bulk of the income and they wanted control, and between 1969 and 1973, ever more sophisticated and assertive, they took both. The international oil companies no longer ran the show; they were reduced to little more than ticket takers. They have done rather well, even so, but control was now in the producers' hands. And once they had knocked over the companies, the producers began to exert power directly over the consuming countries.

Most of the industrial countries suddenly found urgent reasons to overhaul their Middle East policies. They were suddenly more than willing to pay court to the new bankers of the world economy. Those bankers also cast themselves as the champions of "third-worldism," using their oil weapon to demand a redistribution of power and product in the world. (That poor countries without oil have been hurt worse than anyone else by OPEC's price policies is something OPEC prefers to overlook.)

The transformation might not have been so thorough had it not been for one last factor. OPEC is composed of 13 nations with competing interests and no lack of mutual suspicion. If their oil reserves had been distributed equally among them, they might have found themselves constantly at odds. Fortunately, from their point of view, geology decided otherwise. Saudi Arabia, a country with one-quarter of the world's oil reserves, and with natural conditions permitting extraordinarily cheap and easy exploitation, has emerged as the cartel's dominant partner and leader. It was with impressive matter-of-factness that Sheik Yamani was able to say at the conclusion of last December's Caracas meeting: "Saudi Arabia is making decisions to regulate the [international oil] market."

It took a series of events, including the Yom Kippur War, the Arab embargo and Western panic-buying, for these changes to become clear to all concerned. Now that the producers know how considerably power has shifted to their corner, they will not need new Arab-Israeli hostilities to respond with

sharp price hikes or interruptions of supply in pursuit of what they perceive to be their own interests.

This crisis-prone relationship is likely to persist into the 1980's. In the past year or so, there have been a number of projections for the oil balance in the next decade—by the Central Intelligence Agency, Exxon, Shell, the Workshop on Alternative Energy Strategies at the Massachusetts Institute of Technology, the International Energy Agency and various arms of Congress. A newspaper reader might be left with an impression of sharp disagreement. On the contrary, there is a surprising degree of consensus. The controversy has focused on just one aspect of the C.I.A.'s studies—the prediction that the Soviet Union, a not insignificant oil exporter, will become a major oil importer because of its domestic production difficulties and will thus make the oil market even tighter.

The evidence both for and against the C.I.A.'s case remains slim. The Russians themselves probably don't have a very clear idea of where they will be in the 1980's. This question aside, the C.I.A. is right in step with the other projections. A consensus view would be something like this:

World demand for OPEC oil is now between 28 and 31 million barrels a day. Available OPEC capacity is 33 million barrels a day. If pushed very hard and willing to respond, the OPEC nations could go as high as 38 or even 39 million barrels a day.

A decade from now, however, the demand for OPEC oil will be at least 42 million to 45 million barrels a day. Meanwhile, OPEC's physical capacity, if pushed to the utmost, might have grown to around 45 million barrels a day. That will make the supply situation extraordinarily tight.

Moreover, it is not clear that the OPEC nations could or would want to produce at the outside limit of physical capacity. Some OPEC spokesmen have been forthright in warning against such an assumption. "It is felt necessary that the life span of OPEC's hydrocarbons reserves should be extended as long as possible." OPEC secretary general Ali M. Jaidah said recently, predicting a production level for the mid-and late 1980's of only 42 million barrels a day, if not lower. And he made clear that even the 42 million level could be expected only if made "economically justifiable"—that is, in response to much higher prices.

What will follow from this crunch? The period 1970-73 gives us some idea of what to expect. The tightening of demand and lack of spare capacity would once again strengthen the hand of the price hawks, like Iran. By this time, the OPEC governments would have extended their reach not only into the transport, refining and marketing of oil but into the international trade in natural gas. They might not act as overtly as the last time but rely on "impersonal" market forces to push prices up.

The effect of climbing prices would be grave. There would be a resurgence of hyperinflation. At the same time, there would be another major reduction of investment and purchasing power in the industrial world, with catastrophic impact on growth and employment rates, as well as on that basic confidence in the system on which our type of economy depends. The strains on the international payments structure would be intense; countries like Italy, France and Japan might well experience intolerable balance-of-payment crises. The developing countries would feel those strains most acutely, with devastating effect on their development plans. In such circumstances, one would hardly expect the private banking system to weather the storm with any great degree of comfort. In sum, the economic consequences would likely be a major recession, even a world depression.

The political consequences would be no less serious. It is economic growth in the years since World War II that provided the solution to the conflicts and internal crises that liberal democracies experienced in the 1920's and 1930's. How long can such systems survive without the solvent effects of growth? High unemployment, hyperinflation, the struggle of various groups to maintain their relative and absolute positions—all this would make it extremely difficult for social conflicts to be mediated through the traditional play of democratic politics.

Conflicts would arise not only within the Western nations but among them. All other aspects of their relationship would be overshadowed by a bruising scramble for oil. As lights flickered, prices shot up and publics panicked, political leaders would find themselves unable to respond to anything other than immediate political imperatives. That some nations would be better off than others—the United States less vulnerable than Western Europe and Japan, West Germany in a better position than Italy—would only make matters worse.

How long could the Western security and trading network survive such pressures? Certainly, the OPEC nations would be able to play various countries off against each other. Also, the potential Soviet role cannot be ignored. If it succeeds insolving its own oil production problems, the Soviet Union might well seek to use its oil exports to gain political leverage over West Germany and Italy. Conversely, if the C.I.A.'s prediction of a Soviet oil shortage turns out to be right, the Russians might well be desperate enough to take bold risks in trying to extend their influence over oil producers in the Persian Gulf area. Without being alarmist, it must be recognized that wars have been started for less reason than that.

In the late 1940's and 1950's, abundant, low-priced oil helped Western Europe and Japan make their spectacular recoveries within the Western system. In the latter half of the 1980's, expensive oil could bring that system crashing down. We do not have to go by forecasts alone. A precursor of what to expect is what happened during the energy crisis of 1973–74, when the balance of supply and demand was still better than the one we are heading into.

In the first few monts after the 1973 oil embargo, the very basis of the European Community was threatened by the refusal of some members to share oil with the Dutch, who had been singled out by the Arabs for a complete embargo. (This situation was remedied when the Dutch reminded the French that a goodly share of France's natural gas happened to come from the Netherlands.) At the same time, the basis of NATO was shaken when frightened Europe governments denied landing rights to American planes resupplying Israel.

These conflicts have since been muted, as the industrial nations have sought to work together through such forums as the International Energy Agency. But the present calm may only be temporary. One need look no further than the dispute stirred by President Carter's nuclear-energy policy to realize the shakiness of the accord on oil.

The United States is fighting a rather late battle against the development of certain nuclear technologies—the recycling of nuclear waste and the breeder reactor—that increase the likelihood of the proliferation of nuclear weapons. This has pitted the United States against other industrialized countries, including France, West Germany and Japan, that have been developing these technologies for their own use and for export. Fundamentally, these countries believe the new American policy would deny them the tools they require to reduce their dependence on OPEC oil. This, in their eyes, poses a threat to their very survival. (For that reason, no doubt, they are less sensitive to the dangers of nuclear proliferation.)

The very preponderance of the American role in the energy field engenders suspicions among our allies. In some quarters, the American antinuclear policy is regarded as an expression of commercial rivalry. There are still some who wonder whether the United States manipulated the 1973 crisis to undercut the economic competitiveness of Europe and Japan. Many wonder whether our special relationship with Saudi Arabia represents an effort to pre-empt the Saudi output for the United States when the crunch arrives. The fact is that Washington's strong stands on international energy and nuclear matters lack credibility as long as the United States remains without a domestic energy policy. For, to the other countries, this means that the United States continues to gobble up the world's oil while asking them to hold back on their efforts to reduce their own far greater vulnerability to the hazards ahead.

There is another danger, this one so overwhelming that officials prefer to pretend it doesn't exist.

During the past two years, Saudi Arabian production has been in the range of eight million to nine million barrels a day. If the increased demand for OPEC oil projected for the 1980's is to be met, it can be done only by raising Saudi production to 16 million or even 20 million barrels a day.

The Saudi oil industry today has a physical capacity of up to 10.5 million barrels. By 1982, it will have a capacity of up to 14 million barrels. How much higher it can go is not clear. Whether it can be stretched by that extra two- to six-million-barrel margin to meet the demand placed on it will have enormous international impact.

Dependence on Saudi Arabia to such a degree would make that country not only the linchpin of the OPEC cartel but the linchpin of the world economy—a surprising responsibility for a nation of perhaps five million, undergoing what may be the most rapid and total modernization in world history. The industrialized countries would be placed in a very precarious position. Their well-being would be affected not only by decisions in Riyadh but by a host of imponderables.

There could be a natural disaster. Or an accident or a terrorist strike in the oil fields or in the narrow straits leading to the Persian Gulf. Or the growth of the Soviet presence in the region, some new twist of the Arab-Israeli conflict, or a struggle for preeminence among Saudi Arabia, Iraq and Iran. Or a shift in the outlook of the elite that runs the Saudi kingdom. Or—and this is the very real danger that Western officials prefer to close their eyes to—a coup in Riyadh and the accession to power of a radical like Libya's Colonel Qaddafi.

The present Saudi leaders deserve their due. Except for their conduct during the 1973–74 crisis, they have been rather cautious about brandishing the oil weapon. Granted, they presumably recognize that it might not be in their interests to threaten economic warfare against nations that more or less underwrite their security. A Qaddafi in the Arabian peninsula, on the other hand, is not likely to be that constrained. The Libyan dictator has been prone to frequent and arbitrary cutbacks in production and changes in the rules, for a whole range of political, ideological and emotional reasons. A Saudi Qaddafi might well follow the same irrational pattern, particularly since the Saudi regime earns so much more from its oil than it can possibly spend at home. The coming to power of such leadership in Saudi Arabia would create tremendous uncertainty around the world.

And this worry is not the only one. A similar upheaval in Iran, the No. 2 OPEC producer, or some other key country in the region, would also have very serious consequences.

Geology need not be destiny.

What I have described need not happen. The odds could be diminished by what occurs on the supply side.

But there does not seem to be much reason today to be optimistic about these alternatives. Alaskan production in a decade or so will only make up for declining production in the lower 48 States. The North Sea oil fields could reach 5 million to 6 million barrels a day by 1985, but, barring some major new finds, their output will then begin to go down. The only new oil strike of the 1970's was the one in Mexico, and production there is being held back by political and technical problems.

Nuclear energy? Projections for its contribution have been consistently lowered since 1973. A tangle of barriers stands in the way—cost, technical problems, environmental risks, doubts about safety, and, most recently, the dispute over nuclear proliferation. To put it simply, nuclear power is in the grip of a paralyzing stalemate.

Coal? It has become increasingly clear that there are plenty of obstacles to a return to primary reliance on that resource. Solar energy? It could probably make a much greater contribution than conventionally thought, but many more incentives are required. In sum, prospects for avoiding the crunch through non-OPEC oil and through alternative supplies do not appear to be good.

But what about changes in world demand? If the projected need for OPEC oil in the 1980's is brought down to below the critical figure of 42 million barrels a day, the whole picture is altered.

The demand for oil would drop if economic growth rates proved to be even lower than the already lowered recent forecasts. But that is not exactly a happy way to solve the energy problem. It would mean high unemployment and other economic and political consequences of the same kind that would be produced by an energy gap. There is, however, another way: energy conservation. This is an alternative that gets a lot of lip service but wholly inadequate support. It is America's great untapped energy source, the secret weapon in the energy struggle.

The impact of American consumption on the international oil market is enormous. Not only do we use a third of all the oil used in the world every day, but the trends are all in the wrong direction. Our consumption has been rising—up by 18 percent since 1973. An increasing share of the oil we use is imported—36 percent in 1973, 47 percent in 1977. Of the imported oil, an overwhelming share comes from OPEC—70 percent in 1973, 86 percent in 1977. And imports from the Arab members of OPEC have increased even more dramatically—from 22 percent of our total imports in 1973 to 43 percent today.

We use energy less efficiently than other countries. The amount of energy used per person in Sweden is 60 percent of the amount used per person in the United States. In West Germany, the figure is 50 percent, in France less than 40 percent. This does not mean that we could instantly achieve the efficiency of those other countries in energy use. But these comparisons and a number of other careful studies, suggest that we could use a good deal less energy—30 percent to 40 percent less—without cutting into our standard of living.

Such changes, of course, would call for new investment, as do oil exploration and development, and they also involve lead times. But they probably would involve a good deal less investment and much shorter lead times than do oil or nuclear reactors. In short, the single most effective way to avoid the worldwide energy crisis of the 1980's would be a thoroughgoing program of energy conservation in the United States.

But it is here that self-interest runs head on against a wall of skepticism. The American public and its elected servants and bureaucrats have long been in the habit of believing that salvation comes only from big technology. One day it is "another Manhattan Project," the next day "another man-in-space program." Always big technology and a hundred billion dollars. Energy conservation seems much too modest a method to take seriously for a problem like the energy gap. People scoff. "America," they say, "did not become great by conserving." The very idea seems un-American, fit for investigation by a Congressional committee.

Such a view is often reflected in the statements of the American oil companies. This contrasts markedly with the attitudes of European oil corporations. The managing director of British Petroleum, for instance, has suggested that growth of energy consumption in Western Europe should be brought down to zero. The major Italian company, E.N.I., has said that Western Europe should actually reduce its energy consumption after 1985. These companies operate in societies where the strains of the OPEC era are all too vivid. Most American-based companies, on the other hand, seem to be insulated from the political and economic costs of avoiding a realistic view of energy consumption, and continue, in the face of contrary evidence, to pin their faith on the traditional alternatives, while playing down the importance of conservation.

The failure to come to grips with the nature and extent of the energy crisis is hardly limited to the oil companies, however. It extends all the way across the political landscape. Most of the participants in this debate are having a great time attacking each other, trying to settle pre-1973 scores in a post-1973 world. Depending on who is speaking, the villains are either the Federal bureaucrats or the oil companies or the environmentalists or the Naderites. But these are all actors in a far larger drama—the transformation of the international oil system.

To forestall the breach of the 1980's, action—adequate action—should have been initiated four years ago. But a lot of lost time can still be made up. The Carter program is a start, but, despite all the sound and fury, only a modest start. We are still drifting. A few guidelines for a national reassessment might be helpful:

(1) The gap—a devastatingly tight energy market—is the most reasonable scenario for the 1980's.

(2) We must see the problem in its international context.

(3) We must realize that the issues surrounding the various forms of energy are interrelated. Our efforts against nuclear proliferation lack credibility. If we ask the Europeans and the Japanese to slow down their nuclear programs, we must, at the same time, carry out an American domestic conservation program that reduces our take of the world's oil.

(4) We ought to strive for an adroit mixture of incentives, regulation, public education and energy-pricing policies that would promote energy-conservation habits, programs and technology speedily and with a minimum of dislocation.

(5) We should seek mechanisms to encourage oil development in diverse parts of the world—as diverse as possible.

(6) Obviously, all alternatives to OPEC oil should be promoted. But we must remember that decision making on energy involves decision making on investment. More attention needs to be given to the evaluation of different kinds of investment. For instance, would an investment in conservation technology "produce" more energy more quickly and cheaply—by saving it—than would be produced by a comparable investment in nuclear plants? (It often will.)

Unhappily, complex and fragmented problems that stretch far ahead and involve foreign countries tend not to get the sustained attention they require. As Immo Stabreit of the International Energy Agency has pointed out, "Energy policies are politically risky, because the danger with which we are dealing is 8, 10 or 12 years away, whereas our governments face re-election every four years." In other words, the glory and reward for successful avoidance of disaster, or for providing a better way of life, cannot be attained during the politically relevant period—before the next election. "There is, therefore, a strong built-in urge to dodge the issue."

Dodge it now, and the United States and the other Western countries will pay later. That is the challenge before the West—and primarily before the United States, with its overwhelming impact on the world oil market. For here are posed, as one peers into the 1980's, issues of survival that, in their own way, are no less fundamental than those of the nuclear arms balance.●

PRELIMINARY NOTIFICATION PROPOSED ARMS SALES

● Mr. SPARKMAN. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million or, in the case of major defense equipment as defined in the act, those in excess of $7 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

(See exhibit 1.)

I wish to inform Members of the Senate that such a notification was received on June 20, 1978.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, room S–116 in the Capitol.

EXHIBIT 1

WASHINGTON, D.C., *June 19, 1978.*

In reply refer to: I–3468/78ct.

Mr. WILLIAM RICHARDSON and Dr. HANS BINNENDIJK,

Professional Staff Members, Subcommittee on Foreign Assistance, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR SIRS: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a NATO country tentatively estimated to cost in excess of $25 million.

Sincerely,

ERNEST GRAVES,

Lieutenant General, USA, Director, Defense Security Assistance Agency.●

RIVER RUNNING RAFTS

● Mr. GARN. Mr. President, last August Senator MCCLURE and I introduced legislation to exempt river running rafts from the provisions of the Jones Act and

also from regulation of the Vessels, Passenger, Inspection, and Certification Act of 1956. While it is desirable to eliminate the problems of Jones Act intervention in river traffic, Coast Guard regulation poses a greater threat to the river running industry.

River runners are regulated by the States in which they operate, and by the Federal land managers in cases where the rivers run through Federal land. The Coast Guard has no expertise in this area, has other regulatory responsibilities given to it by Congress, and has no need to step into the river trade. As a matter of fact, the river runners have an enviable safety record and the reason the Coast Guard has not heretofore acted is its recognition that it simply does not have the expertise to devise safety, training, and equipment standards for the river running industry.

I am convinced that we are faced with a classic case of absence of need for additional regulation, and I am sure that the Coast Guard will ultimately be grateful for the introduction of this legislation.●

SENIOR INTERN PROGRAM

● Mr. CHILES. Mr. President, recently I had the pleasure of sponsoring my first senior citizen intern in the new congressional program aimed at bringing older Americans into direct contact with the legislative process. I was, indeed, fortunate to have Mrs. Anne Ackerman of North Miami Beach as my first intern. Mrs. Ackerman, an acknowledged leader in her community, brought to my office the same interest, enthusiasm, and ability that she brings to all her endeavors. If anyone needs proof that older Americans are some of our most dynamic and valuable citizens, they need only spend a short time with Mrs. Ackerman. It is a most refreshing experience.

I requested that Mrs. Ackerman prepare a short report of her experiences in Washington and what the senior citizen intern program meant to her and her husband, Irving, who served in a similar capacity in Congressman LEHMAN'S office. I believe her comments are most insightful and I wish to share them with the Senate.

Mr. President, I ask that Mrs. Ackerman's report be printed in the RECORD.

The report follows:

SENIOR INTERN PROGRAM REPORT

(Submitted by Anne Ackerman)

The Senior Intern program, held during the two week period from May 8th thru' May 19th, was stimulating, informative, challenging and enlightening. In essence, it was a "crash course" in the services available thru' the Federal Government for Older Americans, and, in addition, exposed the participants to the workings of their Congressmens' and Senators' offices. We, also, were instructed in the step-by-step method thru' which a Bill becomes a Law. The speakers in each session were excellent, and the feed back from the 146 participants was of extreme importance. Because of the value of this program, I urge that it become an official program, with the status of funding and staff. At the present time it is appendage program, without staff to formulate it. There is House Res. 647, that if acted on, would elevate this program to the status it should have.

The daily seminars of instruction, held from 10 A.M. thru' 4 P.M., addressed themselves to every facet of the myriad of services that have been adopted federally to meet the needs of the growing number of Seniors in our society. As a participant in these in-depth sessions, it became apparent that the number of nationally funded programs in every area were overwhelming, but because of the proliferation of agencies handling them, funneling these programs down thru' the state and local levels where they must be implemented is confusing and frustrating. There is a great need for coordinating these services, and reducing over-lapping red-tape. The sessions that evoked the greatest interest and feed-back. were, of course, those dealing with Social Security, medicare, supplementary income and medicaid.

What was upper most in the minds of the 146 Senior Interns participating? They were, for the most part middle income people—some rural and some urban—who had spent their productive years as assets to their communities and their society. They were deeply concerned with the dignity of their lives in their golden years, and the lives of the millions they represented. Their major concern was the solvency and safety of the Social Security Program. They were deeply concerned, too, that the increase in taxes to support Social Security would fall most heavily on middle income. middle year families.

It was suggested that the social security taxes be reduced and general revenue funds be used—in view of the fact that Social Security payments have been expanded to give benefits to many people who were not included in the original concept of Social Security.

It was further suggested that cost-of-living increases are given to all recipients of Social Security—whether they need it or not. Could a method be devised where only those recipients who need the additional funds receive them? Many Older Americans are not in need. Would it not save many of millions of dollars? There was no question about the fact that Social Security revolutionized America.

Medicare came under exhausive scrutiny. Spokesmen from every area of the country registered complaints of "rip-offs" and mishandling. The intent of medicare was superb—absorbing 80% of health costs, and low cost supplementary coverage (in the public sector) to underwrite the difference. But as a result health care costs have sky-rocketed, not only for the elderly, but for all Americans. No area of American life has felt the inflationary pressures to the extent that the delivery of health services has. We learned that, at the present time, about 40% of the costs are absorbed by medicare. Further, additional help is given to poverty level people thru' medicaid, but those who planned for their retirement and have an average income cannot obtain additional help. It became apparent that because of the "fear" of being unable to meet medical costs, our Senior Citizens fall prey to every conceivable kind of health coverage sold in the private sector. Many people have become insurance poor. (Senator Chiles' committee is already intensively studying this area.) And the over-riding "fear", expressed by representatives from every area of the country, was being wiped out by prolonged catastrophic illnesses. The spectre of years of institutional care—(such as, nursing homes, since home health delivery services are totally inadequate, and expensive)—was the over-riding fear that was constantly expresed.

As a citizen activist—during the past 10 years, I have supported and sought to bring into being a national health program such as the Kennedy-Corman bill. Facing the reality of the current situation, I am in doubt as to the possibility of its passage. It makes me sad to know that in this country that we have always called the strongest and richest, we have not been able to do what smaller industrial nations have done for decades—give adequate health care to its people. For the above reasons, I have come to the conclusion that what is imperative and possible at this time is "catastrophic illness" coverage for all Americans. It must include both institutional and home health delivery services care. I am attaching to this report, a recommendation for catastrophic illness coverage developed by one of our residents of Point East. Payment for same would have to be worked out by the Federal Government's actuaries. There is no question that this was the overriding concern of all who attended this program.

Other sessions dealt with social and recreational services, all of great importance. Included were—senior citizen centers, housing, nutrition (Hot Meals), meals on wheels, volunteer services, transportation, legal services, physical fitness, national organizations of senior citizens, and a final session on how a bill becomes a law.

We learned that the programs are available and funded, but channeling them thru the myriad of agencies involved down to the local levels where they are to be implemented is an overwhelming task. So many different sources need to be contacted, and so many different, sometimes conflicting, qualifications must be met, that confusion and frustration results. There is a great need for consolidation of these social programs. There is no reason why Title 3, 5, and 7 should not be combined into one agency program. This is essential if these programs are to filter thru the states to the local communities where implementation takes place so that the people who are to be served can receive the benefits of these programs. So many of these programs have "means tests". Are not those of us who have always sought to be self-supporting as entitled to social programs?—For example, in the area of transportation, funds can be obtained thru the Department of Transportation for special vehicles without a "Means Test". But, funds to operate this program are obtained thru HEW and do require a "Means Test". This doesn't make sense, since people in need of special transportation need it whether they can pay or not. A handicapped person, or an elderly person, regardless of income, needs this kind of consideration. If these programs were combined,—if the red-tape was minimized, not only would the people benefit, but money would be saved and efficiency in program implementation would result. We are aware that such a recommendation was made in revising the Older Americans Act. It should be enacted. I am also aware that Senator Chiles has made recommendations for consolidation of programs, and this is essential.

Housing is a crying need,—but, again, not only for the elderly "poor", but for the elderly middle class. All such housing has become cluster housing. This is good,—for within complexes that have multiple dwellings, social services can become part of same. Cluster housing facilities can contain social halls, first-aid rooms manned by nurses or para-medics, nutrition centers, etc. They also provide "peer group" living. There is a negative effect. Crime committed against the elderly, who are defenseless, has become rampant in these housing complexes. Security is poor, and therefore, the elderly become prey to muggings, purse snatching, and break-ins. Yet, efforts geared to prevent such crime is concentrated amongst the poor, and little thought is given to the protection of the cluster housing, such as the tremendous condominium developments in North Dade that are peopled with thousands of middle income elderly people,—that need this protection to an even greater degree.

Senior Citizen Centers are developed in poor communities, together with hot meals programs and meals on wheels, and recreational programs. The same are needed in areas where the elderly are not "means test" people, and could even pay for these services.

If there was a central source, where these programs were coordinated, or at least where we could be specifically directed to obtain the information to implement the programs, time, effort, and money would be saved. More important, we, on the local level, would not be frustrated in trying to bring to our communities the services that are supposedly available to us. A wealth of material was made available to the Senior Interns. It will require months of study to digest all of it. When we have effectively done so, we will be in a better position to serve adequately in our local community. In the meantime, we are studying the programs that have been successfully implemented, and will offer our services—both Irving and I—to enrich the quality of life for the Older Americans in our area.

COMMENTARY

The present Older American generation in the U.S. is a revolutionary one. It is the first full generation that is the recipient of both Social Security and Medicare. It is, also, the first full grand-parent generation that has changed the family life style of America. The nostalgic "family homestead" of previous generations is non-existent, and the three generation family under one roof, or living in close proximity, is gone. The affluent 50's and 60's that contributed to the mobility of our society produced a grand-parent generation no longer dependent on their children. It is the other way around—adult children still seek help from their parents. The sense of responsibility for one's elders, that was part of the life style of former generations no longer exists. In fact, there is a little book being widely read entitled "How to Be a Good Mother-in-Law: Keep Your Mouth Shut, and Your Purse Open." Because of this kind of social climate, two sociological factors have become prevalent in the older generation, namely, "fear" and "loneliness."

The advent of cluster housing geared to the mature adult generation—such as, condominiums with their recreational centers, high rise apartments with their social halls, etc.—seemed to answer the need to overcome "loneliness", since group living has created the "peer group" family. So many of the social service programs created federally for the Older Senior Citizen Centers, with their hot meals, their arts and crafts, their current events groups, and their social events were created?

These programs made social contact possible, and gave new meaning to lonely lives. But, the other factor—"fear"—cannot be overcome that way. The "fear" is long term debilitating illness, with no one to care on a continuing basis, and, above all, being pauperized by such an eventuality. Adult children and grandchildren living hundreds of miles away from their grandparents can no longer be counted on to bring warmth, consideration, love, or help. The older widow or widower, who indicate that they will live alone and be independent rather than seek to live with their children, is in constant "fear" of illness. The elderly couple, with their family scattered throughout the country, has the same "fear".

These sociological factors exist on every level of our society—the poor, the rich, and the vast middle class.

Strangely enough, the poor are not nearly so afraid, since our society cares for them.

The "rich" can, at times, surround themselves with people who can make their lives comfortable.

It is the vast "middle class"—the people who through their own efforts managed to provide themselves with a home or an apartment, with savings that seemed adequate for their needs—who live in "fear". The spectre of being wiped out by long term illness, of losing their dignity and self-esteem, haunts them.

Personal example: My sister-in-law, a 7th generation American, was born and raised in rural America, a town called Wheatfield, Ind., one of nine children. Her father and mother, both in their 80's, still reside in Wheatfield. Not one of their nine children live within one hundred miles of this town. The parents always owned their own home and small farm, and lived independently until 3 years ago. Her father became ill, deteriorated and was cared for by her mother until he became totally bedridden and involuntary. My sister-in-law left her home in Chicago to stay with her mother and see what kind of arrangement could be made. None of the other children could do this. A nursing home was found 40 miles away (cost, $1,000 a month), where her father has been kept for two years. Her mother's resources are all gone. All she has is her home and a minimum amount of insurance. She cannot get any help because she has her home. Yet the patient in the next room, because he is "below the poverty level" has received the same care without cost.

The question is, how is this mother and father going to exist. To take her home away would be to destroy her last vestige of personhood and dignity. This is the dilemma faced by the "middle class". It is the dilemma faced by her children, who are "middle class" and raising their own families. There was a time when male children were legally responsible for their parents. That is no longer so, and now parents consider it demeaning. Since this is the reality of today's America—and since today's Older American generation is the experimental one—the society as a whole must address itself to it.

The above conditions were the reasons that produced the Older Americans Act in the first place. What wasn't taken into consideration was the radical change in life style. Perhaps, that is why so many programs created by the Federal Government were geared to the poor. Now we must address ourselves to the vast number of middleclass Older Americans whose needs are of overriding importance. They, too, must be given considerations that their sense of dignity and worthwhileness is not taken from them, and their "fear" alleviated.

These are the reasons that I stressed, in this report, the over-riding need for catastrophic illness coverage for all Americans. How it is to be worked out is the business of Government. This is, also, why I stressed the need for consolidation of the multi-faceted programs now available thru the Older Americans Act. Some order must be brought out of the chaos. It may mean some job loss, and some executives might have to take lesser positions. It may, also, mean reducing red-tape and doing away with reams of paper work. It could probably mean saving millions of dollars, enough to begin a catastrophic illness program. Our federal budget has reached ½ a trillion dollars. I can't conceive of that much money. It is beyond me. Maybe, that's why millions seem so little. But if we can save millions in administration, and more millions by tightening up Medicare, and more millions by "sunset budgeting," we will be able to find a way to serve the tax paying people of America in meeting their basic need adequate health care so that they will not live in "fear". When we have resolved the problems faced by this first "radically changed" older generation, we will have solved the problems for those that come after them. May I thank you so much for reading this report.●

THE JUDICIAL TENURE ACT

● Mr. DANFORTH. Mr. President, I am pleased to add my name as a cosponsor of S. 1423, the Judicial Tenure Act—a bill which would establish "a procedure in addition to impeachment" for the forced retirement of disabled judges and for the forced removal of Federal judges—other than Justices of the Supreme Court—whose conduct is or has been inconsistent with the good behavior required by article III, section 1 of the Constitution.

In the history of the United States only nine Federal judges have been impeached. Only four have been convicted and removed from office. The chief impediment to impeachment is the impeachment process itself.

The last impeachment of a Federal judge occurred in 1936. At that time Senator William McAdoo observed that the difficulties posed by impeachment made it "a practical certainty that in a large majority of the cases misconduct will never be visited with impeachment, a standing invitation for judges to abuse their authority with impunity."

Senator McAdoo was right. The failure of Congress to impeach a Federal judge for the last 42 years says nothing whatsoever about the integrity or ability of the Federal judiciary; it says a great deal about Congress and the process of impeachment.

A House Judiciary Committee report in 1940 called impeachment a "governmental absurdity when applied to a single judge." It is an absurdity. In all but the rarest of circumstances, the U.S. Congress simply cannot afford to set aside the Nation's business for a week, a month, 3 months, to debate the fate of a solitary Federal judge charged with wrongdoing. The question becomes even more difficult—and of doubtful constitutionality, case precedents notwithstanding—when the judge whose impeachment is sought is not deemed unworthy of public trust by virtue of criminal acts—but rather is held to be unfit for office owing to senility, alcoholism, drug dependency, or other physical or mental affliction. In this year, in this decade, does anyone seriously believe that Congress should or would set aside its business to debate whether or not some Federal judge is senile?

Mr. President, I do not think we can any longer ignore the serious limitations of the impeachment process. Plainly and simply stated, it is wrong to perpetrate a system which tolerates the presence on the Federal bench—whether actual or potential—of persons who are known to be unfit for judicial office.

S. 1423, introduced early last year by Senator NUNN, would create a procedure—in addition to impeachment—for the forced retirement and removal of Federal judges other than Justices of the Supreme Court.

As you know, there have been several attempts to provide a mechanism for the removal of Federal judges short of impeachment. In each instance, commentators have argued that any attempt to remove a Federal judge from office by a means other than impeachment would be unconstitutional, given that the Constitution provides that "all civil officers of the United States shall be removed from office on impeachment for and con-

viction of, treason, bribery, or other high crimes and misdemeanors." Since the sole power of impeachment rests with the House of Representatives, and since the Senate is vested with the sole power to try impeachments, these commentators argue that impeachment is the only means by which Federal judges may be removed from office. In the past, these arguments have served to stifle legislative initiative. In my opinion, they should not have.

Impeachment is a breach in the separation of powers. For that reason, it is extraordinarily difficult to carry out—as it should be. If this were not so, the independence of the judiciary could be seriously threatened by a hostile Congress. Constitutional scholar Raoul Berger persuasively argues, however, that the language quoted above simply means that no other body other than the Congress can bring or try impeachments; it does not purport to bar other methods of removal by the other branches of the Government. Neither the independence of the judiciary nor the doctrine of separation of powers is damaged if it is the judges themselves who are given the power to remove other judges from office, as is provided in Senator NUNN's proposal. Berger notes that article III, section 1 of the Constitution provides that judges, "both of the Supreme and inferior courts, shall hold their offices during good behavior * * *." Berger's research leads him to conclude that:

> Impeachment is a legislative trial, strictly circumscribed. Good behavior is a judicial forfeiture proceeding, it has nothing to do with impeachment. * * * While all high crimes and misdemeanors might constitute a breach of good behavior, not all breaches of good behavior amount to high crimes and misdemeanors.

It is worth noting that Justice Blackmun, when a court of appeals judge, Justice Rehnquist, when an Assistant Attorney General, and Attorney General Bell, when a member of the practicing bar in Atlanta, all testified to the effect that the Nunn bill or a variaion on it, is constitutional. However, I strongly believe that the debate over this bill should not devolve into a discussion of its constitutionality—a subject incapable of resolution by this body. Recognizing that the constitutionality of this proposal is a subject on which reasonable minds may differ, I believe we should recognize further, as Jefferson observed, that:

> It is not for those who are only to act in a preliminary form to let their own doubts preclude the judgment of the court of ultimate decision.

There is a compelling need to establish some mechanism for the orderly removal of Federal judges who are found to be unfit for office. The Nunn bill provides such a mechanism.

Mr. President, I commend to the attention of my colleagues a recent article by Judge J. Edward Lumbard, a senior judge of the U.S. court of appeals, entitled "The Nunn Bill: A Way to Insure Judicial Accountability." I ask that it be printed in the RECORD.

The article follows:

[From Judicature, May 1978]

THE NUNN BILL: A WAY TO ENSURE JUDICIAL ACCOUNTABILITY

(By J. Edward Lumbard)

At a time when judicial commissions in our two largest states, California and New York, have acted decisively and promptly regarding fitness of a judge to sit and hold office, and the propriety of a judge's conduct, our federal judiciary should also have the power to take disciplinary action against a federal judge when necessary. The Nunn bill, S. 1423, would give them this power. It would also ensure the accountability of federal judges to the people.

Federal judges who hold office for life "during good behaviour" under Article III of the United States Constitution now number about 600. Their ranks will soon be increased by at least 145 when pending legislation to create additional district and circuit judgeships is passed by Congress. With rare exceptions, such as certification of disability, neither the judiciary nor any governmental agency has the power to do anything regarding the unfitness or improprieties of these judges short of impeachment by the House and trial before the Senate with two-thirds vote required for conviction.

During the 200 years of our nation's history, Congress has impeached only nine federal judges; the trial of Judge Halsted Ritter in 1936, resulting in his conviction, was the last. And the time which an increasingly busy Congress can give to an impeachment proceeding makes it unlikely that it will ever again be used. Instead, since 1936, criminal prosecutions have been required in order to remove unfit federal judges.

Circuit Judge Martin T. Manton of the Second Circuit resigned in 1939 after being indicted for taking bribes, and was later convicted. In 1974, Circuit Judge Otto Kerner of the Seventh Circuit resigned only after affirmance on appeal of his conviction for taking bribes as governor of Illinois and falsely testifying before a federal grand jury. But clearly prosecution is inadequate to ensure either fitness or accountability.

CIRCUIT COUNCIL INACTION

Although circuit councils of each circuit, composed of the active circuit judges of the circuit, have the power by statute to "make all necessary orders for the effective and expeditious administration of the business of the courts within its circuit," they have made few attempts to take disciplinary measures. In addition, such attempts as have been made have been challenged, and it is not yet clear that the power given the councils includes the power to curtail in any general way what particular judges may do in the way of conduct. The problems encountered by the council of the Tenth Circuit in dealing with Judge Willis Ritter of Utah and Judge Stephen Chandler of Oklahoma demonstrate these difficulties. A serious handicap to the councils is the fact that they lack the subpoena power and cannot compel the attendance and testimony of witnesses or the production of papers.

But even where the facts are clear enough, circuit councils have often been curiously reluctant to act. I remember two such situations during the time I was a member of the Judicial Conference of the United States. In the Sixth Circuit, an Ohio district judge who handled important labor cases had as his secretary a labor union officer who performed no secretarial services. In the Third Circuit, several district judges in Philadelphia appointed their bailiffs to act as appraisers in bankruptcy cases. In both situations the circuit councils refused to act. The Judicial Conference solved the Ohio case by stopping the secretary's salary, and the Philadelphia case by a resolution disapproving such appointments, which the judges obeyed.

The reluctance of the circuit councils to act with respect to abuses in their circuit and the readiness of the Judicial Conference to do so point up the advantage of placing investigative and disciplinary powers in a judicial body with nationwide powers, unhampered by the possibility of local embarrassments which prevent action.

THE MEANING OF INDEPENDENCE

Those who oppose any grant of power to discipline judges rely largely on the argument that the exercise of such power would infringe the independence of the judges, and might be used to punish judges who express views at odds with the majority. Of course, independence to decide cases and make judicial rulings is one thing: independence to behave any way the judge pleases, without consideration for what is proper, is another.

The constitutional provision of Article III that judges "shall hold office during good behaviour" should be given its natural and intended meaning. Judges are assured of their office only so long as their conduct conforms to what the bar and the public may reasonably expect. If a judge is notoriously intemperate, neglects his duties or acts so as to bring the court into disrepute, his conduct is no longer good behavior.

In my opinion, Congress has ample authority in the Constitution to provide a disciplinary mechanism within the federal judiciary to deal with misconduct short of impeachable offenses. The "general welfare" clause of the Preamble, the power to create inferior federal tribunals, and the "necessary and proper" clause in Article I, Section 8, combine to permit Congress to take such steps as it sees fit to define "good behavior" as used in the tenure of federal judges. If Congress chooses to empower a group within the judiciary to determine what behavior is good behavior, and what sanctions may be imposed for failure to observe it, it is acting to take steps "necessary and proper" to the fulfilment of its duties.

THE NUNN BILL

Senator Nunn's bill, S. 1423, would create a Commission on Judicial Conduct and Disability with powers to investigate, hold hearings and recommend further proceedings. The commission's first function in cases of complaints against federal judges would be to have its executive director screen out the frivolous and formally defective ones. All others would be referred to a panel of the circuit or court on which the judge who was the subject of the complaint sits.

This panel, consisting in the case of circuits, of the chief judge and two district judges from the circuit, would conduct a preliminary investigation into the complaint, and recommend to the commission either dismissal or further investigation. Upon receiving a recommendation other than dismissal, the commission would conduct its own investigation in order to determine whether a formal hearing was warranted. All proceedings before the commission would be kept in strictest confidence.

If a formal hearing were found necessary, the complaint would be referred to a new Court on Judicial Conduct and Disability. The subject of the complaint would enjoy rights of representation, confrontation and production of evidence at the hearing before the court, which would be held in public. He would continue to receive his salary pending decision, but might be relieved of judicial duties.

Any complaint which the court found could not, after hearing, be dismissed, could be dealt with by censure removal or—in the case of disability (including habitual intemperance)—involuntary retirement. Appeal from an adverse decision would be to the Supreme Court.

A complaint against a Supreme Court jus-

tice would be handled somewhat differently: First, no circuit panel would perform any investigation of the complaint prior to that of the commission, which would be solely responsible for the decision whether to refer the complaint to the conduct and disability court for hearing. Second, on finding the complaint substantiated, that court would not itself remove or censure the justice, but could only vote to recommend to the House of Representatives either censure or impeachment. There would be no judicial review of the decision of the court.

The mere existence of such a commission and court with full power to inquire and to act would accomplish two purposes: It would provide the means for conclusively and speedily disposing of the numerous groundless, yet annoying complaints which are made but which are not now resolved; and judges would know that they could not disregard standards of good behavior or even the rulings of the Judicial Conference as some have done.

Currently there are judges who refuse to file statements of extra-judicial income and activities as provided by Judicial Conference resolution. There are others who have continued to serve, and perhaps are now still serving, as directors of commercial banks despite a Judicial Conference resolution that federal judges should not act as bank directors. With the creation of the proposed commission and court, there would no longer be any doubt that judges could be compelled to conform their conduct.

CONCLUSION

None of the powers proposed for the commission or court, or the actions to be taken by those bodies, would interfere in any way with the independence of any judge to perform any duty which is a judicial duty and has to do with the merits of any factual or legal question pending before him. It is noteworthy that the Nunn bill has been endorsed, in total or in principle, by the Judicial Conference,[10] the American Bar Association,[11] the American Judicature Society and the American Association of Attorneys General.

No matter how careful the President and Senate may be in the appointment of Article III judges, there will always be some whose conduct will raise serious questions, some who may become incompetent or unable to serve, usually through no fault of their own. The business of the federal courts is too important to the public to permit it to be administered by judges whose capacity, competence or integrity is open to serious question. The public interest is paramount; it should receive protection against maladministration by judges comparable to that which is provided against misfeasance in the executive and legislative branches.

A President must account to the electorate every four years, and the members of Congress every two or six years. In our scheme of government it is simply unacceptable to argue that the conduct of judges may not be questioned by their peers, or by any means short of impeachment, when they fall short of a good behavior which the Constitution requires in return for life tenure.●

JOURNALISM LOSES ONE OF ITS GIANTS

Mr. CHILES. Mr. President, we must pay special recognition to a man who has physically left us but whose spirit and influence will continue. Nelson Poynter, chairman of the board of the St. Petersburg, Fla., Times and Evening Independent, died last Thursday night, June 15, at age 74.

Mr. Poynter enjoyed an illustrious career becoming renowned nationally for his editorial independence and his innovative journalism. A very hard worker, it is not surprising that he was in his office when he was stricken.

He founded and served as chief executive of Congressional Quarterly, Inc., which we are all familiar with as a news and political research organization here in Washington specializing in congressional coverage.

He also founded and served as chairman of the board of trustees of Modern Media Institute, an educational institution that is chartered to meet journalism education needs not being met by existing institutions. Its students use the Times and Independent as working laboratories.

In the afternoon prior to his death, he attended a ground-breaking ceremony for a St. Petersburg campus of the University of South Florida, received a plaque honoring him and the newspapers, and heard himself praised by a member of the Florida Board of Regents of the State university system for having done so much for education as a citizen of the State.

Nelson Poynter was born December 15, 1903, into a newspapering family in Sullivan, Ind. He was graduated in 1925 from Indiana University where he fought the Ku Klux Klan as student editor. He earned his masters degree in economics from Yale in 1927.

His father purchased the St. Petersburg Times in 1912, and young Nelson worked as a carrier and cub reporter for the paper at age 11. Before joining the Times fulltime in 1938, he worked with newspapers in Clearwater, Fla., Kokomo, Ind., Washington, D.C., Columbus, Ohio, and Minneapolis, Minn.

He and his newspapers championed many causes, not all of them popular at the time. Sometimes he was not successful, but he was always vigorous and pointed. His was one of the first newspapers in the South to express strong opposition to segregation. He aggressively exposed questionable conduct by public officials and advocated progressive legislation. A highlight of his career came in 1964 when the Times won the Pulitzer Gold Medal for public service for an exposé of the Florida Turnpike Authority.

A year before Pearl Harbor was attacked, Mr. Poynter was called to Washington to help develop better press facilities for Latin America. He became Codirector of the U.S. Communication Bureau's press section, charged with the responsibility for improving newspaper, press, and picture facilities among the American republics to counter Nazi propaganda.

In 1941 he was chosen by the late Gen. William J. Donovan to help activate the new office of Coordinator of Information. He organized the Foreign Information Service which started the Government's overseas shortwave radio network, the Voice of America.

Perhaps telling us most about the nature of this man, however, is a memorandum he wrote in 1975 to Eugene Patterson, editor and president of the Times. The memo provided instructions regarding his death:

Most newspapers overplay most deaths of newspaper people. Let's not do this in my case. A one-column head, no comment or a bunch of silly tributes. And it's a one-day story. You know, of course, there will be cremation, no funeral or memorial service of any kind, no requests "in lieu of flowers." You might include that I have observed no one really likes to go to a funeral. I am trying to be considerate of my friends who might come to my funeral by having none. Important in the story is to emphasize there'll be no change whatsoever in the Times Publishing Co. as a result of my death. I'll haunt you like the devil if the above is not carried out.

When he gained controlling interest in 1947, Mr. Poynter wrote and published "15 Standards of Ownership," including vows not to sell to chain ownership or form a chain; to achieve financial stability in order to maintain a strong editorial policy; to hire above-average staffers and to pay above-average wages; to provide decent pensions and share the newspaper's profit with the staff; and never to permit voting stock in the newspaper to scatter.

He succeeded in all these things. He left an indelible mark on St. Petersburg, the State of Florida, our Nation, and especially on journalism.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

● Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Oliver James Keller, Jr., of Florida to be a Commissioner of the U.S. Parole Commission for a term of 6 years vice George J. Reed, retired.

Joseph I. St. George, of New York, to be U.S. marshal for the western district of New York for the term of 4 years vice Edward S. King.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, June 29, 1978, any representations or objections they may wish to present concerning the above nominations with a further statement whether it is their intention to appear at any hearing which may be scheduled.●

WORLD ADMINISTRATIVE RADIO CONFERENCE

Mr. GOLDWATER. Mr. President, on Tuesday, June 20, our colleague, JACK SCHMITT, spoke to the Armed Forces Communications and Electronics Association here in Washington. The subject of his speech was U.S. preparations for the World Administrative Radio Conference (WARC) scheduled to convene in Geneva, Switzerland, in September 1979. That conference, which will be attended by 154 nations, will make decisions on the allocation of the radio frequency spectrum for the next 20 years. Those decisions will have implications for every facet of our economy and our national security.

Unfortunately, as in the past, I do not believe the United States is adequately preparing for the conference and I expect we will come out second best. I ex-

pressed concerns similar to those outlined by JACK SCHMITT at the recent confirmation hearing held by the Commerce Committee on the nomination of Henry Geller to be Assistant Secretary for Telecommunications and Information.

Because the Senate must confirm the nomination of the head of U.S. delegation, and must advise and consent to the revised radio regulations agreed to at the World Administrative Radio Conference, I believe all Senators should be aware of these concerns; and I ask unanimous consent that Senator SCHMITT's speech be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HARRISON SCHMITT

Having been completely dependent on effective and efficient communications to carry out the last Apollo Space Mission, I have experienced the practical importance of your business (Lunar Module Loss of Communications). Now my membership on the Senate Communications Subcommittee presents the opportunity and responsibility to acquaint myself with the many policy issues raised for your business by changing telecommunications technologies.

I don't need to tell you about the growing importance of effective and efficient telecommunications to government and private industry. Many commentators predict our society is entering an "information era." If they are correct, and I believe they are, the convergence of computers and all forms of human communications will put you at the center of the most dynamic changes our society has ever experienced.

One occurrence that will have a great effect on the ability of our society to adapt telecommunications to meet our future needs is the World Administrative Radio Conference (WARC) scheduled to convene in Geneva, Switzerland, September, 1979.

A number of questions regarding U.S. preparations for WARC have become apparent to me and my staff. For example, how many of you, as policy makers, have ever seriously considered the effect decisions made at that conference might have on our society?

Have you considered the possible effect on the communications and electronics systems you manage or provide to the Government?

Can you, as a decision-maker in government or private industry, really say you have involved yourself in preparations for the 1979 WARC, or have you left them to those with so-called technical expertise?

Do you appreciate the fact that by your possible failure to make policy decisions, technicians are making them for you based on technical considerations?

While in the rest of the world, are politicians making policy decisions for you based on political considerations?

Do you believe those non-U.S. politicians will look after your best interests?

Other than reading about it in your favorite trade journal, have you considered that 154 countries are going to make decisions that will guide the development and use of communication equipment and the operation of national and international radio systems into the next century?

Are you prepared to justify your communications or electronics budget on the basis of the U.S. proposals now being developed for presentation at the 1979 WARC?

I wonder if the SALT negotiators and DOD understand the effect that WARC could have on the use of passive satellite sensors. If so, have the technicians responsible for formulating the U.S. position been provided policy guidance on the importance of preserving our use of the spectrum for satellite sensors?

National telecommunications policies must be closely coordinated with other domestic and international policies. I question whether in our preparations for the 1979 WARC we are coordinating those policies sufficiently. I am afraid it has become too easy for government and industry decision-makers to leave it to the technician.

I am afraid that once again the Administration has missed the fact that all international policy must be closely coordinated to be successful.

The Senate Communications Subcommittee is deeply disturbed by U.S. preparations, or lack of same, for WARC. We do not criticize the technicians—they are doing the best they can with insufficient policy guidance.

We will be asked to vote to confirm the head of the U.S. delegation to WARC, Professor Glen Robinson. When agreement is reached on the revised radio regulations, we will be asked to vote to ratify this treaty, knowing that it will be binding on the United States for twenty years.

I must say that at this point, I am concerned at what that final treaty might mean to the United States.

Why are we in such a predicament? The U.S. has greater resources and technical expertise in telecommunications than any other nation. Why must we sacrifice future economic development or jeopardize our national security by not insuring U.S. access to important parts of the electromagnetic spectrum and orbital positions for satellites?

My answer is because the policy makers have not defined the problems and made an effort to find acceptable solutions.

Radio frequency spectrum is a finite resource. The policy makers must provide guidance on which spectrum users are to receive priority. We must decide what our principles are and work to achieve them.

If we believe in the free flow of information we should stick with it and force others to come into line.

If we believe in free access to space, we should stick to it and force others to accept that principle.

If we believe in international use of the RF spectrum without frequency interference, we should so dominate communications technology that there will be no choice for others but to avoid interference.

If we believe that the hope of mankind is through services provided in large part through communications to and from space, we should mobilize our best political and technical minds to see that free and efficient use of communications is not lost to future generations.

Several years ago, the lesser-developed countries began to assert themselves in what had previously been technical forums. The U.S. and other industrialized nations found they were confronted with political questions at frequency management meetings. At the last Plenipotentiary Conference of the International Telecommunications Union in Torremolinos, Spain, much of the debate centered on the question of whether Portugal and South Africa should be excluded from the ITU.

The Third World has begun to use the one member, one vote principle in international communications bodies. These nations object to the existing "first-come, first-served" system of international frequency registration. They do not want to be deprived of future access to the spectrum.

The 1974 WARC on maritime service reversed the provision protecting first assignees to a frequency from interference from a late arrival. New users receive the same protection as existing users. This philosophy may be more equitable than the previous policy, but the plan had to include many frequency assignments to landlocked nations.

At the 1977 WARC on Broadcasting Satellites in the 12 Gigahertz band, technical interference standards were adopted that would have the effect of eliminating future transnational direct satellite broadcasting without the prior consent of the target country. The U.S. claimed it didn't endorse the principle and maintained that the U.S. position supporting the free flow of information had not changed. But the practical effect of the standards is the same.

Although the nations of Region II were convinced by U.S. and Canadian arguments that decisions on frequency assignments and orbital positions should be deferred until 1982, Regions I and III, composing much of the lesser-developed part of the world, ignored the U.S. argument for postponing action.

The principle of equal access established in 1974 can be expected to haunt the U.S. in 1979. What are we doing about it? During his confirmation hearing before our Committee, Henry Geller, Assistant Secretary-Designate for Telecommunications and Information, was asked about U.S. WARC preparations. He stressed that the U.S. was developing sound technical positions to present next year.

I believe Mr. Geller's emphasis is misplaced. Certainly we must have sound technical support for our positions. But Mr. Geller, and I fear U.S. officials responsible for WARC preparations, apparently do not realize that technical arguments are not going to convince the third world nations interested in "equal access."

As part of U.S. preparations, Mr. Geller stressed that U.S. representatives were visiting with foreign officials, seeking their support for our positions. But rather than visiting with the representatives of the third world, our contacts have been talking predominantly with our traditional allies. I question whether U.S. representatives are meeting with policy makers or talking with their technical counterparts.

I am not criticizing these hardworking technicians who are attempting to articulate U.S. policy. After all, they are receiving very little policy guidance. At his confirmation hearing, Mr. Geller was confident that Glen Robinson would soon be on board as head of the U.S. delegation with the rank of Ambassador. However, I understand now that Professor Robinson is not expected to be working on WARC full-time until mid-1979. If we don't have a man at the top, how can the U.S. delegation establish policy?

The White House appears oblivious to what is happening. Without strong leadership and guidelines based on traditional principles of free access, we are in danger of creating great future problems, economic hardships and threats to our national security.

A serious question must also be raised as to why the U.S. delegation has not been appointed to coordinate decisions.

We need a broad-based delegation now, but I noticed there is still a question as to its composition. Recently, Professor Robinson assured commercial broadcasters they would be invited to attend WARC but whether they would be on the delegation, as in the past, has not been settled.

An advisory committee, composed of representatives of 37 organizations, including industry and users, has been invited to a meeting tomorrow. This is late in the game but I hope the meeting is well-attended and the members are in a position to make a contribution to the U.S. position.

Our failure to develop sound policy positions is apparent in several more specific areas. For planning purposes, the 806 to 890 MHz band has been allocated in the United States to land mobile service although the present international allocation provides for international broadcasting in that band. As a result of the U.S. decision on land mobile services, United States companies are preparing to offer new land mobile services. But the FCC's *8th Notice of Inquiry* states that the U.S. position at WARC is that this frequency should be shared equally with UHF

broadcasting. Aside from the merits of either service being awarded that frequency, this shared use decision, if adopted at WARC, appears to postpone the ultimate decision thus leaving both services open to future changes.

Another example is in the 8215–8400 band. The *8th Notice* loads up that band with more services than could ever use that band—thus we have made no decision and have created the very real opportunity for future congestion in this band. There are other examples, but my point is that with the U.S. government spending approximately $11 billion for communications and electronics, we are seriously jeopardizing that investment by failing to make the hard decisions necessary to formulate a U.S. position on future spectrum allocations.

With the demands for equal access by the LDCs, I understand there have been suggestions that "rent" be charged for the use of space sectors. Such a proposal has many implications for the U.S., but I can envision a spectrum cartel being formed similar to those existing in our other natural resources. The rental of an unused frequency or space would be a painless opportunity for LDCs to obtain needed investment capital. The basic question for the U.S. delegation is whether "space" is owned by any particular nation.

Another issue that will affect the success of United States' proposals at WARC is the increasing concern of many countries with regulating the flow of data across national boundaries. UNESCO is now considering the general issue as it relates to the developed countries' "information dominance" over the LDCs. The OECD, the Council of Europe and the Nordic Council are considering more specific regulation of computer-aided transfer of personal data across national boundaries. The U.S. position on this question has tremendous implications for our multinational corporations now engaged in $980 billion in export business, which is supported by a vast network of commercial transactions made possible by sophisticated telecommunication services.

If WARC does not go well for the U.S., some would suggest we can take a reservation to objectionable frequency assignments or withdraw from the ITU. These are not realistic alternatives. The U.S. is too dependent on telecommunications on a worldwide basis to refuse to comply with WARC decisions.

Our only chance now is to get the appropriate appointments made to the U.S. delegation and advisory committee in order to focus on major policy questions. Then, we must get the White House to bless the delegation's positions and direct Administration-wide assistance in having those positions prevail at WARC.

After decisions have been made, every effort should be made to seek political and diplomatic as well as technical support for them from other nations, particularly the LDCs. If those nations in the 3rd World need assistance to prepare for WARC, the U.S. should provide that assistance as part of the quid pro quo in WARC negotiations.

We should also consider the establishment of an alternative to WARC, namely a user-based organization such as INTELSAT. Frequency and space allocations under such an arrangement could be based on capability, use, and need rather than on nationalistic and political considerations.

We are starting behind, but we don't have to give up—I urge you to do what you can to give a high priority to U.S. preparation—a job well done there will benefit our Nation and the World.

U.S. ATTITUDE TOWARD SOUTH AFRICA

Mr. GOLDWATER. Mr. President, several times this year I have made comments relative to the attitude which now prevails on the part of the Carter administration toward the country of South Africa, and I intend to continue to do this.

Somehow, the thought prevails in the minds of those who take punitive measures against South Africa that South Africa cannot live without us. Quite to the contrary, I believe that she can live without us, even though I do not think she would care to, and I am sure it would work against our interests. But, Mr. President, we cannot live without South Africa without giving up places of great strategic value that will prove to be our last abilities to protect whatever rights we feel we might have in the Indian Ocean. The resources of South Africa are such that we should well look toward protecting them, because we are going to need them as ours are depleted.

I ask unanimous consent that a paper entitled "United States of America versus South Africa, the Trade Connection" be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES/SOUTH AFRICA

THE TRADE CONNECTION

"We are not enamored of the idea of economic sanctions against South Africa. They are a blunt weapon, pressing on both whites responsible for repression and whites seeking reform, on blacks who welcome that pressure as a move against apartheid and on blacks who see it as an invitation to harsher racial confrontation and to hardship for blacks as well as whites. There is also the question, raised in the (United States) Senate Banking Committee, of why South Africa alone should be singled out for its internal defects. The administration, we note, did not support this amendment (the curb on economic ties with South Africa). It objects even to well-meaning congressional restrictions on executive flexibility, and it does not wish to encourage political amendments to economic bills." (Excerpt from editorial, the Washington Post, May 4, 1978.)

INVESTMENT AND TRADE REALITIES

About 350 United States companies operate in South Africa. They have a combined direct investment of more than $1.5 billion.

This figure represents about 40 percent of all American investment in Africa, 17 percent of total foreign investment in South Africa, and 1.2 percent of total private U.S. investment abroad. Expressed as a percentage of total South African investment, including foreign investment, the United States' share amounted to 4 percent in 1976. To this should be added American bank loans.

Fact is that these U.S. organizations are coming under increasing pressure for manufacturing and selling their products in South Africa. Equally obvious is the firm resistance offered by these companies to resist any hint of retrenching or pulling up their stakes in South Africa.

On the other side of the coin, desire to continue and expand operations in South Africa has led the American business community to establish an American Chamber of Commerce in Johannesburg—an organization whose executives are drawn from prestigious U.S. corporations.

Overall American business feeling regarding South Africa is summed up by a General Motors spokesman, "We've been there for over 50 years, and we plan to be there for a long time to come." Mr. Henry Ford is on record as saying, "We are going to stay in South Africa. We are not going to move out. Hopefully we will continue our business here (South Africa) and hopefully it will grow."

Fear on the part of American subsidiaries in South Africa that they could find themselves the target of retaliatory measures is unfounded and unnecessary. South African policy on such matters is crystal clear.

South Africa does not believe in interference in the domestic affairs of other countries. It is opposed to the imposition of sanctions, boycotts and similar measures. It does not allow politics to interfere with investment and trade. South African Minister of Economics, J. Chris Heunis, has stated recently that South African subsidiaries of American companies forced to follow the instructions of disinvestment will not be penalized by South Africa.

South Africa is politically the most stable country in Africa. As one of only 9 of Africa's 52 states with more than one political party, South Africa ranks among the world's 26 industrialized and among the first 15 trading countries. It is an industrial and commercial giant on the African continent, and it offers opportunities of economic and technical assistance to its neighbors.

A recent report in U.S. News & World Report (April 10, 1978) stated, among other things:

"South Africa deals more or less regularly with 23 other African countries, although it maintains diplomatic relations with only Malawi. In addition, at least three others—Tanzania, Kenya and Nigeria—receive shipments of South African goods covertly through intermediaries. Egypt, Morocco, Libya, Mauritania and the Sudan also are occasional customers of South African merchants.

"This thriving commerce creates too many jobs for South Africa's own workers to fill. As a result, about 270,000 foreigners, most of them from neighboring black nations, were employed in the country's mines, factories and farms last year. Another 200,000 migrants fill more menial jobs such as gardeners or domestic servants.

"South Africa's rich deposits of gold, chromite, platinum, manganese, uranium and other strategic minerals make it one of the world's most important mining centers. But mining is just one factor in South Africa's overwhelming economic domination of the region.

"By one authoritative estimate, this country accounts for 25 percent of the gross product and 40 percent of the total manufacturing output of the entire African continent.

"About 170,000 workers from the three countries (Botswana, Lesotho, Swaziland) are employed in South African mines and industries. Wages that they send home account for an estimated one-fourth of their nations' gross national product.

"Other black countries also depend on South Africa for their economic well-being, despite political differences with the white-minority government. Zambia, for instance, has demanded that an oil embargo be imposed on South Africa. Yet it uses South African ports to export its minerals and buys 25 percent of its total imports from Pretoria, including refined petroleum products and vast quantities of food, fertilizer and pharmaceuticals—even beer bottles and tin cans.

"Zaire, another 'front line' state in opposition to white-minority rule, also imports petroleum products, mining equipment, auto parts and food from South Africa."

The report continued:

"An estimated 61,000 Mozambicanos work in South Africa's mines, farms and factories. South Africa pays 60 percent of the miners' wages to Mozambique in gold—at the old fixed rate of $42 an ounce. Mozambique then sells the gold through the South African Reserve Bank in Pretoria at the current free-market rate of about $180 an ounce.

"Profits from these sales give Mozambique

what is in effect a yearly South African subsidy of more than 100 million dollars.

"Another milestone in South Africa's economic cooperation with Mozambique came last March, when the first generators of the giant Cabora Bassa Dam began operating.

"The dam, built by South Africa and three European partners in northern Mozambique, will furnish electrical power for both countries—including 7 percent of South Africa's needs. By the time the dam is paid for and fully operational, it stands to earn approximately 18 million dollars a year in profits for Mozambique.

"For all their talk of oil, arms and trade embargoes, most black African officials admit privately that their economic survival would be difficult, if not impossible, without the goods and services that South Africa provides. They realize, too, that an economic embargo could damage their nation far more than it would harm South Africa."

Board chairman of U.S. Steel Corporation Edgar B. Speer, recently told his firm's 77th annual meeting of stockholders (the Washington Star, May 2, 1978) that progress made in the past four to five years (in South Africa) was "unbelievable, and I'm pleased with it."

Dr. Speer told shareholders U.S. Steel depends on South Africa for vital raw materials, including ferromanganese, without which steel could not be produced. He added:

"South Africa also is the biggest source of platinum for the United States, and the automobile industry depends on it for catalytic converters in pollution controls.

"To pull out of South Africa or to resist investing in projects that are to the best of the world economy as well as the viability of U.S. Steel, that provide jobs for South Africans—that would be a copout as far as I'm concerned."

Restriction of business and investment in South Africa would cause economic and social hardship to countless South Africans. U.S. business investment in South Africa has become a positive force in advancing social progress.

A number of U.S. firms have adopted six principles (developed by the Rev. Leon Sullivan) guiding investment in South Africa. The principles are:

(1) Non-segregation of races in all work facilities;

(2) Equal employment practices for all employees;

(3) Equal pay for all employees doing comparable work;

(4) Training programs to prepare blacks for supervisory and technical jobs;

(5) Increasing the number of blacks in management positions, and

(6) Improving the quality of employees' lives outside the work environment, especially in housing, transportation, schooling, recreation and health facilities.

All these objectives have been officially endorsed and supported by the South African government. In fact, organized commerce and industry in South Africa have adopted even more constructive guidelines for the economic advancement of black employees.

To remove U.S. investment from South Africa would nullify the growing U.S. concern in promoting social justice. To the extent any economic sanctions were effective, the first to suffer would be South African blacks. U.S. firms now employ an estimated 100,000 blacks in South Africa, and an even larger number of South African blacks work for industries supplying these U.S. firms. These blacks might well become unemployed as a result of disinvestment or trade restrictions.

That is why elected black leaders in South Africa and U.N. Ambassador Andrew Young, among others, have urged no U.S. disinvestment or economic sanctions.

This point was also made recently by former Under Secretary of State George W. Ball,

"To throttle the effectiveness of our own companies by forbidding further American investment would merely nullify a helpful influence. That they have upgraded the pay and working conditions of their black employes is well understood by sophisticated black American leaders. For example, Vernon Jordan, executive director of the National Urban League, stated on returning from a recent trip to South Africa that he had visited extensively with black leaders there, and that 'To a person they were firm in their conviction that American corporations should not withdraw.' "

South Africa is making rapid socio-political progress. The progressive impact and productive role that United States corporations have had on the living standards of South Africa's (and southern Africa's) blacks, is considerable. South African black leaders—some of whom are outspoken critics of the South African government—have unanimously opposed a disengagement of foreign investment:

Speaking in St. Louis on a visit to the United States in 1977, Zulu leader, Chief Gatsha Buthelezi, condemned advocacy of withdrawal of foreign capital as "a sterile exercise, because it does not help either side."

Addressing the Economic Club of Michigan during April 1977, Chief Lennox Sebe, Chief Minister of the black homeland Ciskei, said that while the West and black African states had been expressing concern for the welfare of blacks for years, that concern had never taken the form of effective help for the black man. This often critical black leader added that the South African government was the only one giving such help.

Mrs. Lucy Mvubelo, a black labor leader, was quoted in Fortune as saying "If Americans withdraw it will lower the general standard of living here, and Africans will be the first to suffer."

The Shangaan leader, Prof. Hudson Ntsanwisi, had pledged with foreign investors not to withdraw, but to help establish industries in the black homelands. This, he contends, would not be "supporting separate development, but assisting the black people of this country."

On April 6, 1978, the President of Bophuthatswana, Chief Lucas Mangope, said the withdrawal of foreign investment would lead to economic chaos in the whole of southern Africa. President Mangope added:

"The shock waves of such a catastrophy could well be felt in countries to the north.

"We are all painfully aware of the campaign for an economic boycott of South Africa, which is being conducted by people who will have to live with the consequences, should they be successful.

"Despite the fact that Bophuthatswana is an independent republic with a policy of non-racialism, the so-called friends of southern Africa's black people are just as eager to bring us to our knees economically.

"Of course, herein lies the indefensibility of the whole attempt to bring about a political change by means of economic sanctions. Even if Bophuthatswana were to be excluded from the application of such sanctions, it would do my country little good.

"Because South Africa was the strongest power in southern Africa any serious damage to its economy would prove disastrous to all its neighboring states."

These views are also shared, in one way or the other, by influential Americans and South Africans:

Mr. Harry Oppenheimer, chairman of the Anglo American Corporation of South Africa, said in a recent interview with the Zurich financial newspaper, Schweizerische Handelszeitung, that stopping investment in South Africa was not the right way to bring about peaceful change.

"Many people, particularly in the U.S. and Britain, are demanding two totally contradictory things. On the one hand they want to help the blacks by not investing in South Africa, and on the other they demand that wages and other conditions are improved. But you cannot achieve improvements in the field of wages and other working conditions if industry is not registering a steady growth," Mr. Oppenheimer said.

In an interview with the Chicago Tribune on February 6, 1978 Ambassador Andrew Young, chief U.S. delegate to the United Nations, said, "Economic sanctions looked like an easy answer but South Africa is one of the most self-sufficient nations in the world. It could get along without us. In fact, their economy contributes about half a billion to the U.S. economy yearly. If we cut off investments we would lose jobs in this country and we wouldn't necessarily help blacks in that country."

"William Raspberry, a black columnist for the Washington Post, reported from South Africa that black opinion is divided on disinvestment. He heard 'again and again . . . a virtual plea against disinvestment', from blacks fearing worse black unemployment or mass bloodshed." (Excerpt from editorial, the Baltimore Sun, May 3, 1978.)

THE KEY TO PROGRESS AND PROSPERITY

According to the Department of State's Bureau of Public Affairs, the U.S. trade deficit increased from $9 billion in 1976 to $31 billion in 1977, and concern about U.S. trade policies has grown accordingly. Imports increased nearly $28 billion during this period, while exports rose less than $6 billion. A similar deficit is likely in 1978. "There are two main reasons for this situation: (1) Our massive oil import bill—about $45 billion in 1977—and (2) the sluggish economic activity in our major foreign markets, resulting in slower growth in U.S. exports."

The report continued:

"Although the United States remains competitive in international markets, our exports this year are not doing as well as hoped. Trade expansion is therefore especially important at this time. Sales abroad are needed to support jobs at home, restrain protectionism, and improve the nation's balance of payments. The U.S. government is increasingly active in promoting exports, but a greater export consciousness on the part of American business is also needed. There is no substitute for the willingness of U.S. companies to compete in international markets on a sustained and active basis."

South Africa is one of the world's 15 foremost trading countries. In 1977, United States exports to South Africa totaled $1.054 billion while South African exports to the U.S. realized $1.268 billion.* In the past three years, U.S./South African trade has shown a favorable balance for the United States amounting to $670.0 million.

Apart from the United States and other developed countries, South Africa conducts an active import/export trade with a number of black African countries. With only 5 percent of the African continent's population and 4 percent of its land area, South Africa has 22 percent of Africa's total output of goods and services and 26 percent of Africa's imports from the U.S.

South Africa also accounts for almost 90 percent of Africa's steel production. Stainless steel production has increased rapidly, and production of ferrochromium began several years ago.

Agriculture, mining, secondary industry and an integrated structure of services contribute to South Africa's national wealth. Secondary industry accounts for about 25 percent of the total domestic production, and the South African government particularly encourages the development of this sector.

Consumer goods ranging from foodstuffs, textiles, clothing and footwear to metal,

* SOURCE.—U.S. Department of Commerce.

paper and paper products are manufactured, while capital goods such as mining machinery, transport and electrical equipment have been produced on an increasing scale since the second World War.

South Africa has vast reserves of minerals and metals which are essential to the economies of the industrialized world. In the case of some essential minerals it is the only source of supply in the free world.

With 54 minerals currently being mined on an economic basis, South Africa ranks as one of the Western world's three top producers. Apart from gold and diamonds, the most important are iron, manganese, coal, copper, lead, zinc, asbestos and chromium.

A recent report, "Contingency Plans for Chromium Utilization," of the U.S. National Research Council, revealed that the United States and other wealthy nations are highly vulnerable to interruption of their chromium supplies, much of which comes from South Africa and Rhodesia, and that curing this vulnerability will be difficult and expensive (the New York Times, April 5, 1978).

Dr. Earl R. Parker of the University of California at Berkeley and a group of academic and industrial colleagues reported, "There are no substitutes for chromium in the fabrication of corrosion-resisting steels and high-temperature alloys."

Large amounts of chromium go into the brick linings of metal-melting furnaces, paint pigments, chemicals for tanning leather and the special types of mud used in drilling oil and gas wells.

In the future, stainless steel is expected to be used heavily in such energy facilities as breeder nuclear reactors and factories for converting coal into gas and liquid fuels.

Most of the world's leading industrial nations, including the United States, must import almost all the chromium they need, in the form of chromite ore or ferrochromium.

In principle, such a dependency on imports should not be worrisome. Chromium is found in widely separated places, including southern Africa, the Soviet Union, Turkey and the Philippines. The known resources contain enough chromium to supply present world consumption for nearly 700 years.

But there is a problem. More than 95 percent of the known resources of chromium lie in South Africa and Rhodesia.

After 18 months of study, the scientists led by Dr. Parker have concluded that "the United States is strategically more vulnerable to a long-term chromium embargo than to an embargo of any other natural resource, including petroleum."

The composition of U.S. trade with South Africa is important. Imports from South Africa consist mainly (nearly 70 percent of value) of metals and minerals. These include such essential elements as industrial diamonds, manganese and ferromanganese, chrome and ferrochromium, antimony, copper, uranium oxide, platinum sponge, palladium, rhodium, nickel, zinc and iridium, osmium and osmiridium. The United States relies on South Africa for 56.5 percent of its imports of high carbon ferrochromium, and 88 percent of its vanadium pentoxide imports, 48.8 percent of its antimony trioxide imports, and 49 percent of its direct platinum group imports.

These not only play an important part in the economic and industrial well-being of the United States but in many instances will be difficult to obtain from alternative sources, and if so, at economically realistic prices. Few of the imports from South Africa are in competition with domestically produced goods.

Exports to South Africa, on the other hand, are mainly concentrated in the areas of machinery and transportation equipment, chemicals, the food industry and electrical and office equipment.

These are also mainly the type of exports to South Africa which are supported by the Export-Import Bank. This is significant when viewed in conjunction with the gain of only 3 percent in volume of the exports of capital goods from the United States.

The social, economic and political progress of South Africa's black, Colored and Asian communities are generally regarded by U.S. critics as insignificant. Too often the realities of internal progress are tended to be ignored. In considering some of the latest developments in this field, the following picture emerges:

Non-white purchasing power is estimated to have increased from $919 million in 1970, to $6.7 billion in 1977. The disposable income of blacks is forecast to exceed $9.3 billion by 1980.

A recent report by the University of South Africa's Bureau of Market Research on the market potentials of consumer goods and services among blacks in South Africa in 1975 indicates that between 1970 and 1975, spending on consumer goods by blacks in Johannesburg rose by 195 percent. In 1975, they represented a total consumer market of $734 million.

According to a year-long study by a Johannesburg stockbroking firm, Max Pollack & Freemantle, the real increase in earnings by blacks between 1970 and 1976 was 51.3 percent compared to 3.8 percent for whites. Black per capita income is forecast to rise 29.5 percent as against 7.3 percent for whites in the period 1975 to 1980.

The Urban Foundation and the South African Employers' Consultative Committee on Labor Affairs have adopted a South African Code of Employment Practice. This Code expresses the resolve of South African industry and commerce to eliminate discrimination in employment practices.

In addition to the 41 multi-racial trade unions which existed in 1975, the Mines Technical Officials Association and the Master Builders Association opened their doors to multi-racial membership in 1978.

In 1977 the government scrapped 20 of the existing 25 categories of statutory job reservation and announced that the Industrial Tribunal was investigating the possibility of doing away with the remaining five.

The Wiehahn Commission is presently engaged in a thorough re-examination of all labor-related legislation. After gathering evidence from all interested parties it will report on the way in which existing labor legislation operates and what changes are necessary to ensure an equitable new deal for all population groups.

A new industrial agreement, catering for job security on a non-racial basis, was accepted recently by South Africa's National Industrial Council for the iron, steel, engineering and metallurgical industry. This agreement also caters for job opportunities, promotional aspects and wage increases across the board.

". . . at a recent annual general meeting of the Bank of Montreal in Canada, questions were raised . . . concerning the bank's dealings with Chile and South Africa . . . The questions themselves were not really questions, but demands that the Bank of Montreal sever all political and economic connections with South Africa and Chile.

"The chairman of the bank. . . . Mr. (Fred H.) McNeil, listened patiently and then replied. He had visited South Africa, he said, and had spoken to a great number of people of all colors and political persuasions. There were people like Cardinal McCann, Archbishop Burnett of the Anglican Church, Reverend Hendricks, president of the Methodist Church, representatives of the Moravian Church, the chief ministers of four black homelands.

"The majority of the members of the above churches are either black or colored, says McNeil, and 'not one, not a single one of those people I saw' agree that there should be an economic and/or political boycott of South Africa." (Excerpt from article, "No Boycott, say black South Africans," THE NEWS WORLD, April 13, 1978.)

In the "Summary and Recommendations" of United States Corporate Interests in Africa (Report of the Committee on Foreign Relations, United States Senate), which was submitted by Senator Dick Clark, it is specifically mentioned:

"It should be noted that there is no legal prohibition against training black workers or placing blacks in executive or supervisory positions."

This document also stated:

"Training of black employees is one aspect of multinational labor practices which the South African government actively supports. Indeed the South Africa government encourages black training through the provision of tax incentives . . ."

The South African government is moving rapidly toward a democratic system based on group sovereignty, communal rights and separate freedoms, or the structuring of a plurality of democracies. As proof of its integrity in this regard, the government has granted independence to Transkei in 1976 and to Bophuthatswana in 1977, and has promised independence to all other homelands that desire it. (The self-governing black nation of Venda, numbering 449,000, has now requested the South Africa government to become fully independent.)

Both the constitutional progress of the black territories and the level of development of urban blacks have reached the stage where the government is giving wide ranging powers to urban blacks to manage their local affairs via autonomous, elected urban community councils. These will eventually have autonomy over matters such as administration and policy, housing, schools, health facilities, business, transport, welfare and sport and recreational facilities.

The Cabinet Council system, introduced in 1976, offers Coloreds and Asians the opportunity to influence government policy and to achieve the power and status of cabinet ministers.

In 1977 the recommendations of an all-black committee were accepted which will lead to the abolition of the "pass book" (identity documentation) system. Blacks will now be issued with reference books identical to those being carried by whites.

The government has taken the first steps toward compulsory education for blacks (almost 22 percent of South Africa's total black population is at school). The number of black students writing the twelfth grade examinations increased by 41.7 percent in 1977.

On April 1, 1978 all academic personnel at universities achieved complete parity in remuneration.

THE CONTRIBUTION OF FOREIGN BUSINESS AND INVESTMENT

Curbs on foreign investment will seriously harm the fragile economies of neighboring and other black African countries on the sub-continent.

During 1976 an estimated 2.1 million migrant workers from outside its borders took up temporary employment in the Republic of South Africa. The majority came from Transkei, Lesotho, Malawi, Mozambique, Botswana and Swaziland. Most of these countries are unable to employ the majority of their own people; in the case of Botswana and Lesotho only 10 percent of the labor force can be employed. The incomes derived from the workers who sell their labor in South Africa, represent up to 25 percent of the G.N.P. of these countries.

Real progress and prosperity in South Africa (and southern Africa) depends to a great degree on the foreign investor and businessman. The choice facing them will depend on confidence that economic progress through further exploitation of mineral and

other resources, fueled by foreign capital, is the best way of ensuring economic and social stability as well as safeguarding the stake that has been built up. It would be a tragedy should the United States and the Western world fail to perceive that their long-term interests and those of the people of South Africa, in the end, coincide to mutual benefit.

ENDANGERED SPECIES AND THE HUMPHREY-HAWKINS ACT

Mr. GARN. Mr. President, last week, the Supreme Court issued its decision in the Snail Darter case, Tennessee Valley Authority against Hill. This is a decision which will have serious repercussions in the future, particularly if it is not overturned by congressional action. Nevertheless, I am inclined to think this decision is a good one, and I would like to take a moment or two of the Senate's time to explain why.

Basically, there are two reasons, one a practical one, one a theoretical one. At the practical level, this decision is a good one because it will make it certain that the Endangered Act will be amended. At the theoretical level, it is good because it gives us a warning that we will ignore at the peril of the Nation. The warning has been expressed by many of us over the past few years, but only the Supreme Court can command this kind of attention. The warning is that the courts are likely to enforce legislation passed by the Congress, no matter how silly or unwise it is.

To return to the practical level, Mr. President, it is apparent that there will have to be some adjustment made in the present Endangered Species Act. By treating the legislative history of the 1973 act in a very selective manner, the Supreme Court has accepted the most rigid interpretation of the law. Essentially, the Court has said that "the plain intent of Congress in enacting this statute was to halt and reverse the trend toward species extinction, whatever the cost." That is a very rigid interpretation of the law, indeed, and it can only be reached by ignoring substantial portions of the legislative history of the 1973 act. I will have more to say about that in the future.

It is interesting to note that this rigid interpretation was not shared by the Department of the Interior at the time the act was passed. In fact, in its initial implementing regulations, Interior said, that it was not the Government's intention "that section 7 bring about the waste that can occur if an advanced project is halted * * *." However, after the Court of Appeals ruled against the Tellico Dam, Interior withdrew that proposal, and adopted the rigid line which now prevails. That line is perfectly reflected in the testimony of Interior officials before the Environment and Public Works Committee a year ago, when under questioning by Senator McCLURE, they admitted that the act was inflexible; in fact, perfectly inflexible. It is true that negotiations have settled a large number of conflicts between permitting agencies and the Office of Endangered Species, but in every case, the flexibility has all been on one side; when the project cannot accommodate itself to the act, the act always wins.

To my mind, Mr. President, that is not flexibility.

Now the committee has reported to the Senate an amendment to the act, which is designed to introduce a measure of flexibility. It is widely believed that this amendment, called the Culver-Baker amendment, was designed specifically to settle the Tellico Dam case, and that it will not significantly change the way in which the act is administered. Senator CULVER, the subcommittee chairman, admitted as much. In defending himself against charges that the Culver-Baker amendment was weakening the act, Senator CULVER pointed out that the deck was pretty well stacked against any potential project.

What Senator CULVER meant is that the Endangered Species Committee, which would be established by his bill, is so loaded with those whose sympathies lie with absolute preservationism that endangered species have nothing whatever to fear. In fact, once the Tellico Dam is out of the way, I think we could look forward to seeing the committee simply act as a high-level rubberstamp for the Office of Endangered Species.

As amended by the full Committee on Environment and Public Works, the Culver-Baker bill does provide for State representation on the Endangered Species Committee. It was Senator WALLOP's amendment which added the Governor of an affected State to the committee, and we should be grateful for small favors. At the least, the Governors will be able to tell their story to the members of the committee, assuming the members come to the meetings, and do not simply send their environmental advisers. But the deck remains stacked against them, and the possibilities for relief are slim, indeed.

Along with a number of cosponsors, I introduced my own amendment to the Endangered Species Act. My amendment would have permitted the Governor of the affected State to make a decision in cases of conflict between projects and endangered species. Any such decision would be reviewable, of course, but my proposal was rejected by the committee. The anti-State bias of some staff members, of some lobbying groups, and even of some Senators becomes obvious when a proposal like this one is made, and I did not expect overwhelming support from this particular committee. I do think my proposal offers considerably more flexibility than the committee bill, and I am hopeful that something can be done on the floor of the Senate.

There may be other changes needed to the present Endangered Species Act, beyond the addition of flexibility at the end of the process. Several witnesses testified about the inflexibility of administration of the act. Pet handlers, bird breeders, scientists, and others all testified during the hearings that the way the act was being administered seriously hampered their work. As one witness phrased it, the act is being used to undermine the scientific research which produced the information on which the act itself is based. Since what we are dealing with here is the administration of the act, rather than with the act itself, it is obvious that some of these problems could be worked out without changes in the legislation. But as so often happens, there is no mechanism for forcing the bureaucracy to move, and the administrative problems remain. It is unfortunate that legislation is required in these circumstances, but it may well be in this case.

There have also been criticisms of the procedures for listing plants and animals as endangered or threatened. It has been said that the scientific review required for listing a species as endangered is less rigorous than for getting an article published in a scholarly journal. Certainly, when the consequences of such listings can be so far reaching, every effort should be made to establish a scientifically impeccable case for the listing. The act should simply not be allowed to be used cynically, for the sole purpose of halting construction projects.

Incidentally, Mr. President, that is a charge I have made myself, and been severely criticized for making. In fact, however, I am not alone in making that charge. No less an authority than the Secretary of the Interior made it, in testimony before the House Appropriations Subcommittee. Let me quote the Secretary directly:

> With the endangered species list there is no question that it is being used in some instances to bring a judicial halt to a project. The problem is not with the endangered species but with the people and the project involved. That is an instrument by which they use to bring the projects to a halt.

I could not have said it better myself. But of course, Mr. President, the fault has to lie with legislation which allows itself to be perverted to those ends, which are not the ends the legislation was designed to serve.

Yet another area where amendment to the act may be needed is in the designation of critical habitat. In truth, it is the designation of the habitat which puts the operative constraints on Federal activities. The mere designation of a species as endangered has no effect; but when a critical habitat is identified, all activity must cease within that habitat, which in some cases is enormous. So important is the designation that there is some evidence that the Office of Endangered Species is delaying the designation of critical habitat in some cases, because of the political firestorm that would be ignited. It is hard for me to believe that that is not the reasoning behind the delay in designating the Colorado River Basin as the critical habitat for the Colorado squawfish, the humpbacked chub, the bonytail chub, and the razorback sucker.

Senator McCLURE has discussed the possibility of requiring the filing of an environmental impact statement under the National Environmental Policy Act before a critical habitat could be designated, so important does he consider the designation. I am myself reluctant to require an EIS, because of the further delay that the EIS always entails. Delay works to the advantage of the obstructionist, of course. During the delay, other

legal avenues may be found, costs escalate, political winds blow, and what may have been the best solution to a problem is abandoned in favor of one that is not subject to as many delays.

But despite my misgivings about the EIS, it is clear that Senator McClure has recognized the importance of the designation of critical habitat, and that he is addressing the issue head-on, something the committee has not done.

In at least these ways, Mr. President, the Endangered Species Act needs to be amended. In view of the action by the Supreme Court, in applying the most inflexible interpretation of the act, we would be derelict in our duty if we did not amend it. At this time I will not discuss specific amendatory language, but before the bill comes to the floor, I expect to have specific amendments, and I hope other Senators will give some attention to the Act, and devise corrective measures of their own.

Earlier in my speech I referred to the theoretical value of the Court's decision in TVA against Hill, suggesting that we are being warned about the legislation we pass. Indeed we are, Mr. President, and I suggest we read that warning very carefuly before we enact such legislation as is coming down the legislative pike. Some of it is merely silly, like the Humphrey-Hawkins bill and some of it is well intentioned but misguided, like the natual diversity bill. All of it is vague, and filled with the kind of terms and exhortations that have caused us so much trouble in the Clean Air Act, the Clean Water Act, and the Endangered Species Act.

Now on the basis of past experience, Mr. President, I know that that last sentence is going to be read as opposition to the three acts mentioned, so let me put in the standard disclaimer. I do not oppose the Clean Air Act, the Clean Water Act, or the Endangered Species Act. What I object to is the extension given to congressional intent through administrative and judicial action. I am convinced that when Congress passed the Clean Air Act in 1970, it had no intention of preventing any significant deterioration of air quality all across the country. That requirement was a judicial interpretation of vague language in the statute. Subsequently, the Congress ratified the Court's view in the 1977 amendments, but until then, I submit that the PSD requirements were the creature of an overactive judiciary.

Similarly with the Clean Water Act, I find it impossible to believe that Congress, in passing the 1972 act, intended to grant the Army Corps of Engineers permitting authority over tiny streams and ponds of water. Again, a judiciary seized of its own importance and omniscience, interpreted that requirement out of vague statutory language. The Endangered Species Act is a third example of this kind of judicial activism, but this time, the Court's opinion held us to the black letter of the law, without allowing the rule of reason to intervene. In his decision, Chief Justice Burger appears to be telling us: If you pass the laws, you will have to live with them, no matter how silly they are, no matter how unwise. Now the Court has not always taken that position, in my opinion, and I for one welcome that Chief Justice's opinion, and its categorical declaration that such would no longer be the practice of the Court; that the Court would accept the letter of the laws passed by Congress. That policy will be our burden and our opportunity. Our burden to pass laws that are clear and simple; our opportunity to assure the enforcement of laws reflecting our actual intentions.

However that may be in the future, we now have an obligation to tackle the Endangered Species Act, and to bring its plain language in line with our intention, an intention to provide reasonable flexibility in an important statute.

BILLS HELD AT DESK

Mr. STEVENS. Mr. President, I ask unanimous consent that two bills, one introduced by Mrs. Humphrey for herself and Mr. Bayh, and one by Mr. Glenn, not be printed or referred today.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. PELL. Mr. President, if there be no further business to come before the Senate, I move, pursuant to Senate Resolution 486, as a further mark of respect to the memory of the deceased Honorable Frederick G. Payne, late a Senator from the State of Maine, that the Senate stand in recess until 9:30 a.m. tomorrow morning.

The motion was unanimously agreed to and, at 6:26 p.m., the Senate recessed until tomorrow, Friday, June 23, 1978, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 22, 1978:

The Judiciary

Robert H. McFarland, of Mississippi, to be U.S. district judge for the district of the Canal Zone for a term of 8 years, vice Guthrie F. Crowe, resigned.

In the Air Force

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Lloyd Richardson Leavitt, Jr., [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Winfield Wayne Scott, Jr., [redacted], U.S. Air Force.

In the Army

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Eugene Priest Forrester, [redacted], U.S. Army.

CONFIRMATION

Executive nomination confirmed by the Senate June 22, 1978:

Department of State

Warren Demian Manshel, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Thursday, June 22, 1978*

The House met at 10 o'clock a.m.

Rev. Dr. H. Beecher Hicks, Jr., Metropolitan Baptist Church, Washington, D.C., offered the following prayer:

Eternal God, we bow because we must. Caucuses are convening, parties planning, committees compromising; we are filled with our own importance—often too busy to pray. If you speak, Lord, mountains will shake; if your voice is heard, nations tremble. So stop us! Shake us! Shock us! Move us to a new sense of Thee.

Yet, we are shocked. Shocked that mankind is weakened by the waters which divide us and not strengthened by humanity's blood which ought unite us; shocked to see the propositions of the rich snatch food from the feeble; shocked that our national principles are divorced from our national practice.

Free us from the hunger of spirit and poverty of the soul. Free us from the tyranny of moral license to the responsibility of ethical liberty. Free us to experience a collective liberation of the mind. Lift us from the paranoia of provinciality to the limitless expanse of Your providence.

Stop us! Shake us! Shock us! Until we learn not to be our brother's keeper but to be our brother's brother. Stop us! Shake us! Shock us! Until at last we get our house in order. Amen.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, on the basis of rule I, clause 1, of the rules of the House, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection a call of the House is ordered.

There was no objection.

The SPEAKER. The Chair would like to make an announcement about the electronic voting system. The Chair has been informed that the board displaying each Member's name behind the Chair and the boards displaying the bill number and vote totals to the left and right of the Chair are not working today. However, all voting stations are operating; and the Chair has directed all vote monitoring stations to be staffed with personnel so any Member may go to any monitor and verify his or her vote. Members may also verify their votes—as they should on any vote—by reinserting their card at the same or another voting station.

The Chair therefore directs that the vote be taken by electronic device. Members interested in the progress of the vote may inquire at the vote monitoring stations.

Members will record their presence by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 480]

Ambro	Ford, Mich.	Pike
Andrews, N.C.	Ford, Tenn.	Pressler
Armstrong	Fraser	Pritchard
Ashbrook	Garcia	Pursell
Ashley	Gibbons	Quayle
Aspin	Goldwater	Quie
Baucus	Goodling	Rahall
Bellenson	Gudger	Rodino
Bevill	Guyer	Roncallo
Bingham	Harrington	Rose
Bolling	Harris	Rosenthal
Breaux	Harsha	Runnels
Brown, Calif.	Hollenbeck	Sarasin
Buchanan	Huckaby	Scheuer
Burton, John	Ireland	Seiberling
Butler	Jacobs	Shipley
Byron	Jenrette	Shuster
Cederberg	Kasten	Simon
Chisholm	Kastenmeier	Solarz
Collins, Ill.	Krueger	Stark
Conyers	Le Fante	Teague
Coughlin	Leach	Traxler
D'Amours	McClory	Tsongas
Daniel, Dan	McDonald	Tucker
Davis	McKinney	Udall
de la Garza	Mahon	Ullman
Dent	Mann	Vander Jagt
Dickinson	Mathis	Vanik
Diggs	Mazzoli	Waggonner
Dingell	Milford	Walker
Drinan	Mitchell, Md.	Waxman
Edwards, Okla.	Mitchell, N.Y.	Whalen
Erlenborn	Moffett	Wiggins
Evans, Ga.	Nichols	Wilson, Tex.
Flowers	Nix	Young, Alaska
Foley	O'Brien	

The SPEAKER pro tempore (Mr. MOAKLEY). On this rollcall 326 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Chirdon, one of his secretaries.

THE REVEREND DR. H. BEECHER HICKS, JR.

(Mr. FAUNTROY asked and was given permission to address the House for 1 minute.)

Mr. FAUNTROY. Mr. Speaker, the Members of the House and the American people have been privileged today to have had the lessons of God invoked upon the proceedings by one who is not only a colleague of mine in the Christian ministry, but also a fellow Baptist in the inner city of this, our Nation's Capital.

Mr. Speaker, the Reverend H. Beecher Hicks, Jr., has brought to his pastorate, the historic Metropolitan Baptist Church of Washington, D.C., a rich background as a theological scholar, educator, counselor, and social scientist, as well as community organizer and patron of the arts and author. He was born in Baton Rouge, La., and is a graduate of the University of Arkansas and of Colgate Rochester Divinity School with earned degrees to the level of doctorate.

Prior to coming to Washington, he served the pastorates in Munford, N.Y., Pittsburgh, Pa., and Houston, Tex., while carrying on a wide-ranging worldwide ministry that has taken him to cities in Nigeria and Ghana for study and growth.

Mr. Speaker, his work as vice president of the National Urban League, as a branch president of the NAACP, and as a national board member of the Fund of Renewal of the American Baptist Church in this country has given content to his belief that the Christian ministry is a call to serve God through serving his people.

Mr. Speaker, I am privileged to have presented to you and to the Members of the House, to invoke the blessings of God, a man who by the instructive example of his life has enriched the public service and exalted the public life.

Mr. Speaker, I extend my thanks to you for yielding this 1 minute to introduce the Reverend H. Beecher Hicks, Jr.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING 5-MINUTE RULE

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be permitted to sit during the 5-minute rule today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York.

There was no objection.

THE POLITICS OF COSMETICS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, during recent debates in the House, I have noticed a curious phenomenon. Members of the majority who have been among the most vociferous supporters of budget-busting legislation are suddenly taking a vow of fiscal responsibility. Members of the majority, who previously jeered at the efforts of those of us fighting for the taxpayer, have suddenly become enflamed with zeal for budget cuts.

Ever since June 6, 1978, "D-day" of the tax revolt, big-spending Democrats have been trying to get on the correct side—and I mean the right side—of the tax rebellion. Many of you must be taking remedial speech lessons to learn to pronounce what to you are unfamiliar and exotic phrases like "fiscal responsibility," "tax-load," and "taxpayers."

What we have here is a new kind of politics, the politics of cosmetics. Big-spending liberals trying to disguise themselves and fool the voters.

This Nation has not seen such a job of makeup since Boris Karloff played Frankenstein's monster.

No amount of cosmetics can disguise the fact that it is the spender's irresponsible policies that have brought the wrath of the people down upon them.

I suggest the majority think about shaping up instead of making up.

AMENDMENT TO CUT OFF AID TO SOUTH KOREA ILL ADVISED

(Mr. FINDLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FINDLEY. Mr. Speaker, according to today's Washington Post, an amendment will be offered during the consideration of the agricultural appropriation bill to terminate our obligations under the Public Law 480 program in South Korea. In my view, this would be an act of legislative stupidity. I urge my colleagues to reject this amendment if it is offered.

Mr. Speaker, I ask unanimous consent that during consideration of the agricultural appropriation bill I may be permitted to include in my remarks extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DESPERATION MEASURE—SELLING U.S. GOLD

(Mr. YOUNG of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Florida. Mr. Speaker, during our very interesting debate late yesterday evening, the subject of the necessity of the United States to sell gold to bolster the American dollar was raised. I would like to go into just a little more detail than I did last night.

We sold 300,000 ounces of American gold in May.

We sold another 300,000 ounces in June, and we are going to sell 300,000 ounces a month additionally for the next 4 months. That is a total of 1.8 million ounces of American gold we will be selling on the market to try to bolster the American dollar. That is more than 61 metric tons of gold.

What are we going to sell when it is all gone?

But the interesting point is this: While our economy is such that we have to sell gold to bolster the American dollar, India, who is one of the largest recipients of American foreign aid, not only is able to own a good portion of our national debt but India was the largest purchaser of gold from the International Monetary Fund when they also had a gold sale just about a month ago.

I think it is time we realized what is happening economically in the world, and paid some attention to it.

TOUGH TO BE A BACHELOR IN WASHINGTON

(Mr. RISENHOOVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RISENHOOVER. Mr. Speaker, the gossip column in the Washington Star made a personal reference to me the night before last, the second shot this year. Now I hate to shoot down budding legends, but this one is unsought and unwanted.

The reference is inaccurate and the quotes attributed to me were never made by me, let alone to a newspaper reporter. There is no heart shaped bed at my house and as far as I can determine no manufacturer produces such an animal.

My sister cuts my hair.

I realize that this is fun and gossip in Washington, but it shows up in Oklahoma as information and it is quoted as coming from a newspaper owned by Time magazine. That makes it sound serious. I will admit, it is a serious propaganda effort.

I have this word for the ear of my colleagues: I have learned that the tipster to the gossip column is a staffer for a Member of the other body, from the other party, who has a candidate for a certain seat in Congress in Oklahoma. They are stretching for issues, and I might add they are making it tougher to be a bachelor in Washington.

CARTER IS LAW-ABIDING CITIZEN AND PRESIDENT

(Mr. LEVITAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, yesterday when the White House sent a message to the Congress indicating its disaffection with the legislative veto provisions, one portion of that message indicated that even if laws to this effect were passed and signed by the President, that the President would generally not consider them to be legislative veto provisions, and if a legislative veto was subsequently adopted by the Congress the President would not consider it legally binding.

Headlines in the paper today said: "Carter Won't Obey Vetoes, Congress Told." Several Members and several newsmen have asked if this means that President Carter would not abide by a duly enacted law which had not been declared invalid.

I would like at this time to rise in defense of the President, because I do not believe President Carter, unlike other Presidents in recent history, will deliberately violate the law, and when the times comes he will as a law-abiding citizen of this country and as our President of this country obey the law. I reject any interpretation or insinuation that the President's message implied otherwise.

While the President and I disagree on the issue of legislative veto, I do not let that disagreement lead me to believe that it would cause him to fail to "faithfully execute" the laws as required by the Constitution. The courts will decide what laws are valid.

NATIONAL EARTHQUAKE HAZARDS REDUCTION PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interior and Insular Affairs and the Committee on Science and Technology:

To the Congress of the United States:

Throughout its history, the human race has faced the threat of earthquakes, but in the last few years advances in science and technology have taught us more about earthquakes, and reduced the mystery of their origin and effects. These advances now permit us to anticipate earthquakes and to mitigate their potentially disastrous consequences. Today there is hope that we may eventually be able to predict earthquakes reliably.

Through the Earthquake Hazards Reduction Act of 1977 (Public Law 95–124), the Congress seeks to apply these advances by "the establishment and maintenance of an effective earthquake hazards reduction program." I am transmitting today a plan for a National Earthquake Hazards Reduction Program. This program is designed to meet the objectives of the important legislation you have passed. It deals with: predicting and preparing for earthquakes; ways in which government, industry, and the public can apply knowledge of seismic risk when making land-use decisions; and achieving earthquake-resistant design and construction.

As this program emphasizes, the Federal government must set a strong example in developing guidelines and standards for its own facilities. But Federal effort alone is not enough; to succeed in this effort, we must have the cooperative efforts of State and local governments, industry and business, professional and volunteer organizations, and the public.

JIMMY CARTER.

THE WHITE HOUSE, *June 22, 1978.*

ANNUAL REPORT OF NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking, Finance and Urban Affairs:

To the Congress of the United States:

I herewith transmit the Annual Report of the National Institute of Building Sciences as required by Section 809 of the Housing and Community Development Act of 1974.

JIMMY CARTER.

THE WHITE HOUSE, *June 22, 1978.*

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks in the consideration of the bill H.R. 13125, the agriculture, rural development, and related agencies appropriation bill for fiscal year 1979.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES APPROPRIATION BILL, 1979

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13125) making appropriations for agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1979, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from North Dakota (Mr. ANDREWS) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ANNUNZIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 369, nays 5, not voting 59, as follows:

[Roll No. 481]

YEAS—369

Abdnor	Duncan, Oreg.	Leach
Addabbo	Duncan, Tenn.	Lederer
Akaka	Early	Leggett
Alexander	Eckhardt	Lehman
Ammerman	Edgar	Lent
Anderson, Calif.	Edwards, Ala.	Levitas
	Edwards, Calif.	Livingston
Anderson, Ill.	Edwards, Okla.	Lloyd, Tenn.
Andrews, N.C.	Eilberg	Long, La.
Andrews, N. Dak.	Emery	Long, Md.
	English	Lott
Annunzio	Erlenborn	Lujan
Applegate	Ertel	Luken
Archer	Evans, Colo.	Lundine
Armstrong	Evans, Del.	McClory
Aspin	Evans, Ga.	McCloskey
AuCoin	Evans, Ind.	McCormack
Badham	Fary	McDade
Bafalis	Fascell	McFall
Baldus	Fenwick	McHugh
Barnard	Findley	McKay
Baucus	Fish	McKinney
Bauman	Fisher	Madigan
Beard, R.I.	Fithian	Maguire
Beard, Tenn.	Flippo	Mahon
Bedell	Flood	Mann
Benjamin	Florio	Markey
Bennett	Flynt	Marks
Bevill	Ford, Mich.	Marlenee
Biaggi	Forsythe	Marriott
Bingham	Fountain	Martin
Blanchard	Fowler	Mathis
Blouin	Fraser	Mattox
Boggs	Frenzel	Mazzoli
Boland	Frey	Meeds
Bolling	Fuqua	Metcalfe
Bonior	Gammage	Michel
Bonker	Gaydos	Mikulski
Bowen	Gephardt	Mikva
Brademas	Giaimo	Miller, Calif.
Breaux	Gilman	Miller, Ohio
Breckinridge	Ginn	Mineta
Brinkley	Glickman	Minish
Brodhead	Gonzalez	Mitchell, N.Y.
Brooks	Gore	Moakley
Broomfield	Gradison	Moffett
Brown, Calif.	Grassley	Mollohan
Brown, Mich.	Green	Montgomery
Brown, Ohio	Gudger	Moore
Broyhill	Hagedorn	Moorhead, Calif.
Buchanan	Hall	
Burgener	Hamilton	Moorhead, Pa.
Burke, Calif.	Hammer-schmidt	Moss
Burke, Fla.		Mottl
Burke, Mass.	Hanley	Murphy, Ill.
Burleson, Tex.	Hannaford	Murphy, N.Y.
Burlison, Mo.	Hansen	Murphy, Pa.
Burton, Phillip	Harkin	Murtha
Caputo	Harris	Myers, Gary
Carney	Hawkins	Myers, John
Carr	Heckler	Myers, Michael
Carter	Hefner	Natcher
Cavanaugh	Heftel	Neal
Chappell	Hightower	Nedzi
Chisholm	Hillis	Nolan
Clausen, Don H.	Holland	Nowak
	Hollenbeck	O'Brien
Clawson, Del	Holt	Oakar
Clay	Holtzman	Oberstar
Cleveland	Horton	Obey
Cochran	Howard	Ottinger
Cohen	Hubbard	Panetta
Coleman	Huckaby	Patten
Conable	Hughes	Patterson
Conte	Hyde	Pattison
Corcoran	Ichord	Pease
Corman	Ireland	Pepper
Cornell	Jeffords	Perkins
Cornwell	Jenkins	Pettis
Cotter	Johnson, Calif.	Pickle
Coughlin	Johnson, Colo.	Pike
Crane	Jones, N.C.	Poage
Cunningham	Jones, Okla.	Pressler
D'Amours	Jones, Tenn.	Preyer
Daniel, R. W.	Jordan	Price
Davis	Kastenmeier	Pursell
de la Garza	Kazen	Quillen
Delaney	Kelly	Rahall
Dellums	Kemp	Railsback
Derrick	Ketchum	Regula
Derwinski	Keys	Reuss
Devine	Kildee	Rhodes
Dickinson	Kostmayer	Richmond
Dicks	Krebs	Rinaldo
Dornan	LaFalce	Risenhoover
Downey	Lagomarsino	Roberts
Drinan	Latta	Robinson
Roe	Solarz	Walgren
Rogers	Spellman	Walker
Rooney	Spence	Walsh
Rose	St Germain	Wampler
Rostenkowski	Staggers	Watkins
Roybal	Stangeland	Weaver
Rudd	Stanton	Weiss
Ruppe	Steed	White
Russo	Steers	Whitehurst
Ryan	Steiger	Whitley
Santini	Stockman	Whitten
Sarasin	Stokes	Wiggins
Satterfield	Stratton	Wilson, C. H.
Scheuer	Studds	Wilson, Tex.
Schroeder	Stump	Winn
Schulze	Symms	Wirth
Sebelius	Taylor	Wolff
Seiberling	Thompson	Wright
Sharp	Thone	Wydler
Shuster	Thornton	Wylie
Sikes	Treen	Yates
Sisk	Trible	Yatron
Skelton	Udall	Young, Fla.
Skubitz	Ullman	Young, Mo.
Slack	Van Deerlin	Young, Tex.
Smith, Iowa	Vanik	Zablocki
Smith, Nebr.	Vento	Zeferetti
Snyder	Volkmer	

NAYS—5

Collins, Tex.	McDonald	Wilson, Bob
Lloyd, Calif.	Quayle	

NOT VOTING—59

Ambro	Gibbons	Rangel
Ashbrook	Goldwater	Rodino
Ashley	Goodling	Roncalio
Bellenson	Guyer	Rosenthal
Burton, John	Harrington	Rousselot
Butler	Harsha	Runnels
Byron	Jacobs	Sawyer
Cederberg	Jenrette	Shipley
Collins, Ill.	Kasten	Simon
Conyers	Kindness	Stark
Daniel, Dan	Krueger	Teague
Danielson	Le Fante	Traxler
Dent	McEwen	Tsongas
Diggs	Meyner	Tucker
Dingell	Milford	Vander Jagt
Dodd	Mitchell, Md.	Waggonner
Flowers	Nichols	Waxman
Foley	Nix	Whalen
Ford, Tenn.	Pritchard	Young, Alaska
Garcia	Quie	

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13125, with Mr. STRATTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Mississippi (Mr. WHITTEN) will be recognized for 1 hour, and the gentleman from North Dakota (Mr. ANDREWS) will be recognized for 1 hour.

The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, I yield my self such time as I may require.

AGRICULTURE REMAINS BASIC

Mr. Chairman, this Congress will deal with many subjects during its sessions this year. It is my firm belief that when we come to the consideration of this bill on appropriations for the U.S. Department of Agriculture and the other related subjects within this bill, we come to the basis for just about everything the Nation does or can do.

Truly, as I said in our committee report, I think there is nothing more basic than meat, bread, and potatoes. Nothing is more basic to the general economy than a prosperous and healthy financial condition for agriculture.

In the beginning, man spent most of his time providing for his creature needs—food, the means to keep his body warm, and shelter from his enemies, as well as from the elements.

With time, man learned to specialize. With time, he learned to cultivate crops. With time, he learned to use equipment or, through research, to develop aids in the form of tools and machinery and improved seeds, and things of that sort.

The standard of living of every country of the world ties back to the amount of time that the people had to use in providing the basic necessities and how much time was left for other pursuits.

That is about as good a measuring stick as you can have for the standard of living of any country in the world.

In the United States, only about 17 percent of man's income goes for food, the only Nation of any size where that condition exists.

Mr. Chairman, we had over 300 of our colleagues take up with me, as chairman of this committee, the items that were of great interest to them and which they had heard about from home that needed to be taken care of, if any agriculture was to prosper in those areas. As I said. Mr. Chairman, there were over 300 Members that contacted the committee.

May I say that if the Members will look at pages 38, 39, and 40, they will see a list of the amounts that had been cut by the administration in these research programs. These programs are essential, as deemed by prior Congresses and this Congress last year, but they would be eliminated under the budget that came before us.

We, all of us, were conscious this year more than in any other of the financial situation of the American farmer. When the farmers came to Washington, there were some incidents that would have been better not to have occurred; but there is one thing that we cannot deny, and that is that the American farmer faces serious financial straits.

We today have over $20 billion in loans that have been extended by the Farmers Home Administration. There will be another $8 billion this year.

Those are loans that are made under the basic law. We are supposed to provide personnel to not only supervise the lending of the money, but to supervise the borrower. We are supposed to see that he not only repays the Government, but that he gets himself in better shape.

Mr. Chairman, when the farmers went back home and went back to farming with Government loans, they still owed the money, so their financial situation now has not improved. We did, through Congress, increase the lending authority of the Commodity Credit Corporation and other lending agencies so that they could produce a crop. However, their financial situation still remains risky.

Not only that, if one looks at this bill, he finds that this is the bill which provides the programs and the funds to try to protect this country for the generations ahead.

Remember, the cost of food, clothing, and shelter is going to be paid either by the user, the consumer, the taxpayer, or the land. We cannot afford to charge the cost to the land, for if we wear out our agricultural base, we will be like India, China, and other food-deficient countries. Our children will have nothing on which to build for the future.

It is essential to all segments of the overall national economy that agricultural producers continue to grow the food and fiber needed to meet domestic and world needs. However, the 4 percent who feed and clothe the other 96 percent cannot continue to accept lower and lower prices for their crops, while paying ever-increasing production costs, without going bankrupt.

A majority of the members of this subcommittee have become convinced that the fairest and most practical solution to the farm emergency is a farm program which would provide full parity for farmers by raising farm prices at the same rate as and along with increases for industry and labor. To compete in our present-day economy, farm producers must remain on an equal financial footing with these other economic forces. The national economy is dependent on such a parity relationship.

It should be remembered that, in addition to the economic hazards of the marketplace, the farmer also faces the many risks related to the uncertainties of weather and insects—factors not generally faced by others.

AGRICULTURE MUST PROSPER

Mr. Chairman, we often forget that our high standard of living comes because so few of us provide food, clothing, and shelter for the rest of us. This, in turn, enables the rest of us to provide the thousand-and-one things that make for our high standard of living.

We seem to forget that agriculture is the biggest market for the products of industry and labor.

We seem to forget that practically all material wealth comes from raw materials—which, in turn, come from the earth.

We know that there is a limit to the consumer dollar. However, we seem to forget that as those between the farmer and the consumer get a bigger percentage or share, a smaller and smaller share of the consumer dollar is left for the farmer.

We tend to overlook the fact that farm income, which is absolutely essential to enable the farmer to stay in business, is volume times price less cost. Some would cut volume too much to get a higher price. If volume is cut, however, a higher price may not help because price times a smaller volume would usually provide little improvement in income to the farmer. While too much production, if carried over from one year to the next, can cause problems, too little production over an extended period is far worse. On the other hand, if supplies on hand become too large, reduction of acreage to balance supply with demand may be justified if not carried to the point that production from U.S. acreage is moved overseas.

What drastically reduced volume could mean is that we give away our foreign markets to other countries, when we know that a healthy American agriculture needs foreign markets for one-third to one-half of its production. When we cut volume too much, we have less to sell, and we reduce our ability to keep our trade with foreign countries in balance. Further, we weaken our hand in international affairs since our ability to produce food is our greatest strength. Food is our chief weapon in maintaining our humanitarian aims in times of peace. It is a major asset in time of war.

Anything less than parity with industry and labor means eventual bankruptcy for agriculture. According to the lessons of history, this will lead first to wearing out our soil and then to national bankruptcy. The decline of the early civilizations of Mesopotamia, the Nile Valey and other areas of the Mid-East and Asia provides convincing evidence of the results of the abuse of basic resources.

RETURNS TO FARMERS ARE LOWEST

Earnings on investment consistently run lower for agriculture than for other production entities in this country. USDA figures for the period 1970–77 show that returns to agriculture are substantially below those for nonfarm endeavors. In 1973, when farm prices and farm income were high, returns to farming were roughly comparable to other segments. Prior to and since that time, however, they have been at a level where they represent about one-seventh of returns to other economic groups, such as manufacturers, food products, and petroleum and coal products. They are about one-fourth of returns for textile mill products.

Mr. Chairman, I will provide those USDA figures for the RECORD:

RETURNS TO EQUITY IN AGRICULTURE—RETURN TO FARM EQUITIES AND RATIO OF PROFITS TO STOCKHOLDERS' EQUITIES, 1970–77 [1]

Year	Farming	All manufacturers	Food and kindred products	Petroleum and coal products	Textile mill products
1970	3.5	9.3	10.8	11.0	5.1
1971	3.4	9.7	11.0	10.3	6.7
1972	5.0	10.6	11.1	8.7	7.5
1973	10.1	12.8	12.8	16.6	9.2
1974	5.2	14.9	14.0	21.0	9.9
1975	4.4	11.6	14.4	12.5	4.2
1976	2.5	14.0	14.9	14.4	8.0
1977	2.1	14.1	13.2	13.8	7.8

[1] Manufacturing returns are after corporate taxes have been deducted. Estimates for 1977 are preliminary; for manufacturing corporations the estimate is the average of the 1st 3 quarters.

In assessing the financial position of farmers, it should be recognized that net farm income must cover not only return on equity but also the value of unpaid labor by the producer and his family, as well as income taxes. Also, family living expenses must be met from net farm income to the extent that such costs are not covered by nonfarm income.

These facts help to explain the reason why most of our farmers find it virtually impossible to accumulate sufficient financial reserves to carry them through periods of low prices and low income, such as we have at present.

FARMING—WORLD'S BIGGEST GAMBLE

Mr. Chairman, it has been said that to go into farming a person must have enough money to start a bank and enough nerve to rob one.

A farmer must have enough money to buy land, equipment, and the many other expensive items required for farm production. USDA figures show that the average agricultural producer must invest as much as $200,000 to $250,000 to acquire the assets needed to begin farming today. It has been estimated that a minimum of $500,000 is required to establish a western wheat farm at present cost levels.

In an article appearing in the Washington Post of March 19, 1978, Mrs. Marian Lenzen, a farm mother, made the following significant statement:

> We figure it was cheaper to finance seven children to four years of college than to put one son into farming.

As pointed out in our report last year, a farmer must have enough money to pay taxes on his land (and perhaps liquidate a mortgage) and maintain his production capacity, despite the rapidly expanding inflationary pressures which, together with adverse weather, unstable prices and markets, and Government regulations curbing effective control of insects and diseases—all to some extent affected by the shift of political power to our urban consumers—are threatening to take more and more of our farms out of agricultural production as difficulties increase.

Increased Federal regulations issued by such agencies as EPA and OSHA have added materially to the farmer's production costs. While it is not possible to determine the amount for individual producers, USDA has been able to provide some examples of the total cost to everyone engaged in agriculture, resulting from certain such regulations. For example, it is estimated that an additional $500 million to $1 billion of cost has been added by OSHA regulations on machine guard standards. Installing rollover protected cabs and frames is estimated to have cost farmers an additional $805 million from 1969 to 1975.

The 1971 ban on the use of DDT is estimated to have increased the yearly cost of cotton production by $110 million because the chemicals that had to be substituted for DDT were more costly and less effective. In addition, they were highly toxic to humans which required additional safety precautions and training. It is estimated that the banning of Aldrin in 1974 reduced farm income from corn production by $32 million. The banning of Heptachlor and Chlordane in 1976 is estimated to cost corn producers an extra $70 million. EPA control standards for feedlots isued in 1976 have increased production costs by an estimated $27 million.

A farmer must have enough money to finance the heavy costs of energy, farm labor, equipment replacement, seed, fertilizer, pesticides, and the many other items necessary to plant and harvest his crop. He must be able to meet the ever-increasing costs of production in an inflationary period such as today. The size of FHA production loans to farmers indicates that the cost of producing a crop frequently equals the total value of the producer's holdings.

During this year's hearings, an official of USDA provided the committee with

the following testimony on the increase in production costs between 1967 and 1977:

Over the 10-year period, 1967–77, per unit production costs (excluding land and management) for corn, wheat, cotton, and soybeans increased by an average of 115 percent. This increase in production costs resulted from higher input prices and increased quantities of inputs that were only partially offset by higher yields.

As you are aware, prices of inputs have jumped substantially in the past decade. Seed prices increased by 165 percent, fertilizer by 81 percent, and machinery by 133 percent since 1967. Per unit production costs changed 8 percent due to higher seed prices, 12 percent because of higher fertilizer prices, and 26 percent as a result of the jump in machinery prices. Increased use of these production items increased costs by an additional 22 percent. Higher prices and quantities applied for seed, fertilizer, and machinery therefore caused a 68 percent change in production costs. The remainder of the 115-percent change (47 percent) is accounted for by changes in prices and quantities of chemicals, fuels, custom services, and labor.

The increases in the cost of fuel to operate farm machinery become increasingly significant when it is realized that agriculture uses more petroleum than any other single industry. Further, the additional costs which will be required to modify farming practices to meet energy demands, and the unpredictable costs looming in the more distant future when the inevitable change from petroleum to other sources of energy occurs, will cause production costs to continue to expand. Eventually such costs could require many farmers to discontinue their farming ventures.

A farmer must have enough nerve to risk his entire investment each time he plants a crop. In addition to the financial risks, he must gamble on the weather and pestilence—either of which can destroy his crop and wipe out his investment overnight. This is especially risky at present, since he is faced with the uncertainty of whether or not his government will let him use proven tools against insects and disease. As I noted earlier, the added costs to the farmers as a result of the bans on certain agricultural chemicals have been large.

Frequent storms and floods in many parts of the country add greatly to the problems faced by farmers and to their production costs. A series of severe storms in Oregon, Washington, and California in late 1977 and early 1978, for example, destroyed crops and vegetation and damaged streams, water-retarding structures, and other facilities essential to irrigation and drainage. A severe storm in Georgia, Tennessee, and North Carolina in November 1977, damaged streams, flooded fields, and blocked drainage systems. During the past 10 years, severe storms and flooding have occurred on the main stem and tributary basin of the Lower Mississippi River nearly every year. During early May 1978, the New Orleans area had 7 inches of rain in one 24-hour period.

These disasters have not only done severe damage to the rivers and streams, but have impeded internal drainage, thereby flooding large areas of cropland. This has increased costs of clearing and preparing fields for cultivation and has delayed getting heavy equipment into the fields for planting by several weeks in many cases. In some cases, already planted fields have had to be replanted at additional cost. In the irrigated areas, the cost of repairing the irrigation and drainage systems has been high, and in some cases an entire production season was lost.

If a farmer is lucky enough to win his gamble against inflation, weather, and pestilence, he must gamble on the uncertainties of the marketplace. He must take his chances when he plants his crop that market prices will be high enough at harvest time to cover his production costs, provide some return on his investment and possibly earn him a small profit to cover living expenses for himself and his family.

Whereas it formerly took as many as 7 consecutive years of bad crops to bankrupt the average producer, it is estimated that the greatly increased risks of farming today can eliminate his "stake" in a single year.

MARKET STABILITY ESSENTIAL

With large investments, heavy production costs, and the uncertainties of weather and pestilence, the farm producer must have some reasonably stable factor to rely on to provide the financial return needed to support his farming operations. Since he cannot rely on costs in view of inflation, and since he cannot rely on volume because of weather and pestilence, he must look to price and market stability—something which is not now available to him.

Without such market stability, American agriculture can look only to increasingly difficult periods of financial stress at the farm level, with a steadily increasing number of farmers being forced off their farms. Such a development would not only damage a solid, sound, down-to-earth and essential segment of our economy, but everyone would be adversely affected by the harm done to the healthy and wholesome influence of rural people on the social fabric of our society.

In essence, to preserve our agricultural system and protect our present way of life in this country, we must establish and maintain a farm system which will provide a reasonable return to the farmer through the orderly marketing of his products at stable prices. Above all, we must establish a full parity price relationship which will enable him to receive the same level of return from his efforts as is assured to his counterparts in industry and labor.

A system which requires producers to send their commodities to market soon after harvest, thereby saturating the market and driving down prices is not satisfactory, either to the producer or to the consumer who is dependent on the producer in the long run to provide his food and fiber. Under such a system, any increase in prices which may come later in the marketing year, benefits the traders and the speculators—but not the producers.

Editor Marvin Stone of U.S. News and World Report, described it this way in his March 27, 1978 edition:

There must be something wrong with a system in which the prime producer's take goes down below cost while everybody else's goes up. The farmers have been the only people in the food-supply chain with no control over how much pay or profit they will work for.

Up to now, we have taken the farmers for granted, and it has always seemed that they took themselves that way too. They have stood proudly individual and self-sufficient, in the role Jefferson conceived for them nearly 200 years ago—the pillars of a free nation.

Of course, with the total consumer dollar limited, when industry, labor and the middleman get a higher percentage, this automatically leaves a smaller share for the farmer.

FARMERS' SHARE OF FOOD DOLLAR AT LOW LEVEL

Mr. Chairman, despite his tremendous contribution to the advancement of this country and the comfort and well-being of its people, the American farmer continues to receive a smaller share of the consumer's food dollar for the reasons given above. For example, while the retail price of bread went up over 50 percent in the past 10 years, the price of wheat at the farm went down 4 percent during the same period.

USDA statistics show that in 1973 the agricultural producer received 45.6 percent of the food dollar, that this declined to 42.7 percent in 1974, 41.8 percent in 1975, 39.4 percent in 1976, and 38.8 percent in 1977.

I will provide for the record USDA figures which show that, while consumer expenditures for food continue to increase, the farm value has remained constant since 1974 and the costs between the farmer and the consumer have increased steadily:

[Dollars in billions]

	1974	1975	1976	1977	Percent increase 1977 over 1974
Farm value	$56.0	$54.9	$56.3	$56.5	0.9
Labor	44.8	49.1	54.3	58.8	31.3
Packaging	12.1	14.2	15.0	16.0	32.2
Transportation	7.2	8.3	9.5	10.4	14.4
Other	29.1	34.5	37.2	38.3	31.6
Total consumer expenditures	149.2	161.4	172.3	180.0	20.6

From these figures it can be seen that the total food bill to consumers rose $30.8 billion, nearly 21 percent, while the farm value received by the producers increased only $0.5 billion, less than 1 percent. Virtually all of the increase in retail prices, therefore, results from increased marketing costs which are more than double the farm cost. Labor costs are now the largest single component of food costs—even more than the amount the farmer receives for providing the food in the first instance.

Information obtained from USDA shows that the farm value of the wheat in a 36-cent loaf of bread is 2.6 cents, approximately 7 percent. Also, it shows that the farmer's share of a 56-cent package of cornflakes is 6 percent.

When the effect of farm price support programs on retail food prices is considered, it is important to recognize that, because such a small part of the con-

sumer dollar for most commodities finds its way to the producer, increases in farm prices needed to keep American agriculture healthy and strong have a nominal effect on retail food prices. Therefore, consumers can afford to support a satisfactory long-range pricing structure for farm commodities which permits the producer to share in the Nation's bounty on an equal basis with other members of society.

DECLINE OF FARM ESTABLISHMENT

It is no wonder, therefore, that farming has become a less attractive way to earn a living through the years. Figures issued by the Department of Labor show that, while the total number of workers in the United States went up 57 percent in the past 30 years, the number of farm workers decreased by 66 percent. I will provide those figures at this point in the RECORD:

	1947 (millions)	1977 (millions)	Percent change
White-collar workers	20.2	45.2	+124
Blue-collar workers	23.6	30.2	+28
Service workers	6.0	12.4	+107
Farmworkers (including farmers and farm managers)	8.1	2.8	−66
Total	57.9	90.6	+57

AGRICULTURE'S CONTRIBUTION TO MAN'S ADVANCEMENT

The miraculous achievements in science, medicine, industry and other fields in this country have been made possible largely by the plentiful supplies of wholesome and inexpensive food and fiber produced by the 4 percent of Americans engaged in farming. This great contribution of American agriculture has made it possible for 96 percent of our people to engage in the many nonfarm pursuits which have made our modern society and our standard of living the most advanced ever known to man.

As a result, man has walked on the Moon, has explored Mars and has photographed Jupiter. He has developed spaceships, missiles, rockets, airplanes, and various other highly technical and sophisticated modes of travel. He has developed highly advanced international telecommunications systems, television, communications satellites and many other devices which allow instantaneous transmission of messages and pictures to every part of the Earth—and even throughout the solar system.

Due to a highly developed society, supported by a greatly advanced agricultural system, man has nearly doubled his life span in the United States since the turn of the century. The discovery and perfection of the many marvelous medical devices and highly sophisticated medical techniques have increased his average life span from about 47 years in 1900 to over 72 years today.

Dr. Cortez F. Enloe, Jr. described North American agriculture as the "8th Wonder of the World." In the March/April 1977 edition of Nutrition Today, he claimed that the most significant factor in the advancement of the United States and Canada has been the abundant food supplies which have given the vast majority of people freedom from production of their food, and thereby the means to provide the central support for Western civilization. Dr. Enloe concluded as follows:

The most significant achievement of mankind is the creation in North America of the greatest land of nutritional abundance in the world. Not even the building of the Egyptian Pyramids, the writing of the Greek Classics, the painting of the masterpieces, the composition of the symphonies, the invention of steam power, or the splitting of the atom can fill the shadow of this towering triumph of the human spirit. It alone is the greatest thing man has ever done.

A LAND OF PLENTY

With its tremendous food production capability, the United States must always be a land of plenty, not only to meet the needs of domestic consumers, but also to help feed a hungry world.

This country must never adopt policies and laws which would place undue restrictions on the production of abundant supplies of food and fiber. Efforts to protect prices at the farm level by creating shortages are not in the best interests of either the urban consumer or the rural producer. Of course, if supplies on hand or if surplus stocks become too large, some set-aside of acreage may be justified provided this is not carried too far or continued too long, thereby moving U.S. production overseas.

Our agricultural policies must always provide ample supplies of food at the retail level, with such price and market supports at the farm level as may be required from time-to-time to keep our agricultural production system continuously healthy and sound.

FEEDING PROGRAMS ARE ESSENTIAL

Mr. Chairman, this bill not only contains the basic agricultural programs to assure that consumers may have food, but also provides the funds needed for these essential food delivery and nutrition assurance programs: school lunches and breakfasts, summer and child care feeding, special milk program, food stamps, supplemental commodities for pregnant or breastfeeding women and their children, food donations for needy families, and human nutrition research, education and information.

Good health through nutrition must continue to be made available to all of our people, of all economic groups and in all areas of the country. These programs have been highly beneficial in helping to maintain the health of our children and neighbors, so that we all have the opportunity to lead long and full lives. Without these feeding programs, our children might be prevented from reaching their full mental and physical potential, with the result being human misery, despair, and increased medical and welfare costs. Our children are our Nation's future—and as a Nation, there is nothing we do that is more important than these feeding programs in helping our children and our disadvantaged to develop into healthy, productive citizens.

Particularly noteworthy is the outstanding contribution being made by the special supplemental food program for women, infants, and children (WIC). Recent studies show that WIC participants demonstrated a substantial reduction in anemia, a reduced incidence of low birthweight infants, and improvements in both underweight and overweight participants.

For example, in Arizona, anemia was reduced 81 percent in children, and in 64 percent there was an improvement in height, an 82-percent improvement in underweight, and a 62-percent improvement in overweight. Most important, Arizona found a dramatic reduction in the incidence of low-birthweight infants among pregnant women who receive WIC services. Low-birthweight infants are more likely to die before they are 1 year old or fail to grow to full potential during childhood. Oregon found that 94 percent of the children initially at high risk due to anemia were no longer at high risk after 1 year on the WIC program, and 56 percent of the children who had been obese no longer suffered from this condition. Similar results are reported in other States.

The committee has recommended increasing the WIC program above the President's budget request, and has made other recommendations consistent with the importance of these programs.

The committee remains concerned about continuing reports of irregularities and abuses in the food stamp program. These abuses and irregularities not only result in increased costs but also make it more and more difficult to retain the program for those who are truly in need of it. It is estimated by the Department that last year approximately $224 million was issued to ineligible households and approximately $379 million was overissued to eligible households. The Department should continue to intensify its program supervision and to more closely monitor State and local activities responsible for implementing legal requirements. Strong action to correct program and administrative deficiencies will help make the program as free of fraud and abuse as possible.

FOOD FOR A HUNGRY WORLD

Furthermore, Mr. Chairman, the United States in its own interest must not only be in a position to provide food to its own people but, on a humanitarian basis, must provide food to the underdeveloped countries of the Near East, Asia, Africa, and South America. Even though we frequently produce more food and fiber than is needed by the American consumer, such production is never surplus to the needs of the rest of the world and will always be a major contribution to world affairs.

With perhaps one-half of the world's people suffering from some form of malnutrition, with thousands of people dying every day from starvation in food-deficient countries, and with a world population explosion which will reach an estimated 6 billion people by the year 2000, double the world's population in 1960, we should never have reason to be concerned about overproduction of food and fiber in the United States. Our worries should be how to get such food to the right place for our benefit as well as theirs.

We must always have ample production, together with appropriate com-

modity reserves, to best handle our foreign policy, to be able to meet domestic food needs and to protect against hunger and starvation throughout the world.

MAJOR FOREIGN EXCHANGE EARNER

Further, agriculture is a major earner—one might say the essential earner—of foreign exchange for this country in world markets. According to USDA, the United States exported some $24 billion of farm products in 1977, $1.25 billion greater than the previous year. This was a major means of paying for our heavy oil imports of $45 billion in 1977, an increase of $10 billion over 1976.

Also, it is important to realize that exports are taking a large portion of our farm production each year. USDA figures indicate that in 1977 we exported 51 percent of our wheat, 26 percent of our feed grains, 68 percent of our rice, 49 percent of our soybeans, and 32 percent of our cotton. Such figures also indicate U.S. exports represent a significant share of total world trade. In 1977, they were 42 percent for wheat, 64 percent for coarse grains, 24 percent for rice, 51 percent for oilseeds, and 24 percent for cotton. In total, the production from about 1 out of 3 acres of U.S. cropland goes into export each year. In 1978, exports are expected to reach a record volume.

Both our rural and urban economies benefit from this high export volume. It is estimated that as many as 500,000 American farmers are able to stay on the land due to production for export markets. It is also estimated that an even larger number of urban people are employed in the processing, marketing, and transportation of farm commodities sold in export markets.

MUST MAINTAIN EXPORT MARKETS

Mr. Chairman, if we are to maintain our export markets for agricultural commodities, we must have sufficient supplies on hand at all time, first to meet domestic needs, and then to offer them on foreign markets on a consistently available basis, maintaining a policy of selling supplies surplus to domestic needs on world markets at competitive prices.

The mechanisms now available through the Commodity Credit Corporation and Public Law 480, including the USDA Sales Manager established by the Congress to expand and promote exports of U.S. commodities, offer the best possible means of maintaining farm income at a level which will enable our farm producers to stay in business. They should also enable us to expand our export markets to help offset the cost of our rapidly increasing imports and thereby reduce our huge trade deficit.

Thus, we would be helping to overcome our present and somewhat persistent economic difficulties at the domestic farm level and would strengthen our position in world financial markets, with real benefits to industry and labor as well as agriculture.

Legal authority and funds are presently available to the President and the Secretary to enable them to remove price depressing quantities of farm commodities from market channels and to sell them in world trade at competitive world prices. In view of present conditions in American agriculture, it is imperative that such steps be taken.

To repeat—it is a far more sound national policy to produce abundant supplies of agricultural commodities and to sell or even donate those that are surplus to domestic needs to hungry people in other parts of the world, than to cut down on normal supply so as to force a reasonable price at the marketplace.

The predominantly urban society we have in this country today would not long condone a policy of price support through scarcity. It would not long support the programs and funds necessary to maintain a strong and healthy agriculture on such a basis.

PARTNERSHIP WITH CONSUMER

Mr. Chairman, both producers and consumers have a close mutual interest in the programs funded in this annual agricultural appropriations bill.

Producers are benefited by the many activities of USDA which enable them to protect and preserve their land, water, and other physical assets. They are benefited by the research, extension, and related activities which help to improve their farming practices and production techniques. They are benefited by the credit and rural development programs which make it possible for them to remain on the land and engage in agricultural production.

Consumers are benefited indirectly by these same programs, which help to provide their supplies of food and fiber. They are also benefited directly by food stamps, school lunches, and other feeding programs which represent a large portion of the funds in this bill. They also benefit directly from the various inspection programs funded herein, which assure the finest quality and most wholesome foods ever available.

Together, producers and consumers benefit from all programs in the bill and have a mutual interest in its passage. It is essential, therefore, that agriculturalists continue to seek the support of urban consumers through their Representatives in Congress and through the media for the funds necessary to carry out such programs.

This committee is most appreciative of the understanding and support it has received from urban Members of Congress in past years. It is anxious to continue this relationship by assuring that those programs directly affecting urban areas continue to have adequate funding and by insisting that officials of the Department of Agriculture give them proper priority in their program planning and execution.

FOOD—CONSUMER'S BEST BUY

As I noted earlier, while consumer expenditures for food continue to increase, the farm value remains fairly stable. Figures were included which showed that the farm value of food increased only 1 percent from 1974 to 1977, whereas the total cost of consumers went up by 21 percent due to increased costs of labor, packaging, transportation, and retailing.

Despite this total increase in food costs, however, American consumers still enjoy ample supplies of high quality and wholesome food at very reasonable prices. According to USDA officials, increases in food costs in 1977 over 1976 (1970=100) were 8 percent in the United States as compared with 13.9 percent in Canada, 11.6 percent in France, 11.7 percent in England, 45.6 percent in Brazil and 179.1 percent in Argentina.

The amount of work time required in 1977 in Washington, D.C., to purchase selected items of food is generally less than in other world capitals. For example, a person in Washington can purchase 1 pound of boneless sirloin steak by working 24 minutes, compared to a little over 1 hour in London and Paris and nearly 4 hours in Tokyo.

I will provide at this point in the RECORD a table showing six selected items:

HOURS AND MINUTES OF WORK REQUIRED IN 1977 TO PURCHASE 1 UNIT OF VARIOUS COMMODITIES, SELECTED CITIES

City	Steak (pound)		Eggs (dozen)		Butter (pound)		Milk (quart)		Oranges (dozen)		Bread (pound)	
	H	Min	H	Min	H	Min	H	Min	H	Min	H	Min
Bonn		51		14		19		5		41		4
Washington		24		8		15		5		18		5
Ottawa		21		9		12		6		17		3
Paris	1	3		26		31		3		58		16
Tokyo	3	47		17		32	11	1	31			7
Mexico City	1	17		40	1	38		20		35		16
London	1	4		20		21		8		38		5
Brasilia		29		27		54		10		22		12
Buenos Aires	1	45	1	59	3	33		32	1	43		57

It is estimated that the average family in the United States spends less than 20 percent of its income, after taxes, for food. This is below the amount spent in other countries of the Western World and compares very favorably with an estimated 21 percent in Japan and an estimated 35 percent in Russia. When related to the amount of consumer income left for nonfood purposes, if 35 percent of income were spent for food in the United States—as in Russia—the loss of markets for the products of American labor and industry might total $200 billion annually.

URBAN 4-H CLUBS AND NUTRITION EDUCATION

To strengthen the urban-rural partnership, this committee initiated a program to establish 4-H Clubs in the cities and to provide nutrition aides to assist urban dwellers in dietary matters. In the 1970 appropriation bill, the committee earmarked $7.5 million for pro-

fessional workers to promote 4–H type programs in the depressed areas of our cities and to provide educational assistance among low-income groups to improve dietary practices and reduce malnutrition. The committee recognized the success of the 4–H Clubs in rural areas and felt that such clubs would help to provide similar interests and activities for youth in congested areas.

As reported last year, the results of this effort have been increasingly rewarding. The 4–H Clubs now have more than 5.5 million members, including 2.7 million in urban areas, an increase of 200,000 over a year ago. Today, less than 20 percent of 4–H Club members live on farms. The remainder live in towns and cities, including around 9 percent in the inner cities of our large metropolitan areas.

It appears that much of the increased understanding of interrelated rural-urban problems is due to this involvement of urban people in agricultural-type activities, with increasing support of city-Members of Congress and their constituents for agricultural programs.

URBAN GARDENING

Mr. Chairman, the committee continues to receive evidence that the urban gardening movement, initiated 3 years ago as a joint effort with certain urban colleagues, has been enthusiastically accepted by people in the larger cities and other urban areas. It is estimated that about one-half of all families in this country are growing home gardens today.

The committee had the opportunity during this year's hearings to view a movie depicting the urban gardening development in New York City. This was a most impressive showing and it is hoped that many others throughout the country will have an opportunity to view it in the near future.

The Department is expected to continue to give the same attention and support to this program as it has in the past several years. To this end, the Department of Agriculture is requested to use its facilities to make filmstrips and other information on this subject available to as many groups and individuals as possible in the coming year.

The committee considers this to be an important program in terms of its value to urban people, both as a supplemental source of food and as a wholesome and educational activity. Also, agriculture and rural people receive benefits from the better understanding that city dwellers develop of the problems involved in growing of food for consumption.

It may cost about a dollar to grow a tomato in an urban garden, but it does teach those in our cities the value of and the means of growing food. It does give them something to do in their spare time. Everybody cannot play golf.

The gentleman from California, GEORGE BROWN, was one of those who started this program for the cities and it has had a better effect on agriculture than almost anything I can think about. But the administration cut that out because they wanted to do other things.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I wanted to thank the distinguished Chairman for yielding and for his support of the urban gardening program. I also want to stress some of the things the gentleman said.

The urban gardening program is one of the many very good programs in this bill, and it is my understanding that the chairman of the subcommittee has been instrumental in restoring that program, after it had suffered severe cuts by the executive branch.

I want to concur with the gentleman on the value of this program, as he has expressed it. But I happen to be growing tomatoes, along with a dozen or so other vegetables in my garden, and I can assure the gentleman that the tomatoes do not cost $1 apiece. They are quite economical to grow and they are competitive with the market. The benefits are very extensive.

I hope to see this program continue and flourish.

Mr. WHITTEN. I appreciate the contribution of the gentleman to the program and I appreciate the gentleman's contribution here.

I was straying rather far afield. What I should have said was that if it did cost $1 apiece to grow a tomato, it would be worth it. I appreciate very much the gentleman's comment.

CITY WHOLESALE MARKETS

In addition, Mr. Chairman, the modernization and improvement of antiquated, inefficient, and wasteful wholesale food markets in many of four larger cities has made an extremely valuable contribution to urban people. New wholesale markets have been built or are under construction in 40 of the 70 cities where studies have been made. The work in such cities as Boston, New Orleans, Los Angeles, New York, and Baltimore has made possible subsequent urban renewal developments of great economic benefit to the residents of those cities, in addition to a significant reduction in their food costs.

In New York City, for instance, agricultural products shipped by train from the Midwest and Far West had to be unloaded from boxcars onto barges for transport across the Hudson River. Then they had to be reloaded on trucks for delivery to the terribly overcrowded wholesale district of lower Manhattan. Due to the very high costs resulting from triple handling and wasted time in the congested narrow streets of this market area, it was estimated by USDA officials that about 50 percent of the retail cost of food consumed by New York residents was added after the produce reached the Hudson—even for shipments from as far away as California.

The work of the Department in this instance resulted in the relocation of a significant portion of the lower Manhattan wholesale markets to Hunts Point in the Bronx, a less congested area with more convenient accessibility by rail and highway. This has not only reduced handling and transportation costs, but has added to the freshness and quality of products consumed in the New York markets.

Information from USDA shows that food distribution costs would have been about $6 per ton higher throughout the country had the wholesale operations still been carried out in the old way in the former facilities. Total savings due in large part to these Federal research studies are estimated to be over $85 million each year for the 40 cities in which new wholesale markets have been constructed.

According to testimony received from the head of USDA's research programs, many of the 281 standard metropolitan areas in the United States could benefit from a review of their wholesale food markets.

Also, there are many smaller cities which could use such market studies. In addition, he points out, in many of the major cities where modern markets have been built, facilities are aging and a review and update of the present studies are needed.

In view of the value of this program to urban consumers, it is important that these wholesale market studies be continued by USDA. Although no cost-benefit estimates have been developed, it is apparent that the benefits obtained in those cities with modernized markets far outweigh the $1.7 million spent annually for this purpose.

THE GREAT DEPRESSION

Mr. Chairman, the seeds of the Great Depression of the 1930's were sown in the agricultural depression of the 1920's which followed the First World War. The failure to maintain farm exports and to support farm prices during this period seriously impaired the farmers' purchasing power. This, in turn, weakened banking and business concerns throughout the country, causing many of them to fail.

With the passage of time, many people who lived through that period have forgotten the lessons of the disastrous financial crisis which paralyzed America for nearly a decade. Also, there are several generations of younger people who have no personal knowledge of that period of our history and who have not had to experience a similar depression in their lifetime.

This makes it more difficult for many of the people of this country, who take our bountiful food supplies and a high standard of living for granted, to understand or even realize the seriousness of the present threat to our economic stability due to the serious farm depression now in existence as a result of the heavy indebtedness of many farmers and the low farm prices for many products.

During World War I, foreign demand for U.S. farm products was high and American farmers saw their incomes and farm prices rise. Many of them invested their new wealth in land and equipment to increase future production.

In June 1919, the United States discontinued its wartime credits to the Allied countries of Europe for the purchase of U.S. farm commodities. Foreign de-

mand dropped suddenly and farm prices fell drastically.

By the autumn of 1920, farm prices in the United States were declining rapidly. By the spring of 1921, it was evident that farmers were in serious trouble. Their purchasing power for non-agricultural products was less than two-thirds of pre-war levels. Costs of production remained high. Many farmers carried large debts because they had purchased high-priced land and equipment during the war.

Many bills proposing farm relief were debated during this period. High tariffs were enacted to protect U.S. products from import competition, but what farmers really needed most was expanded export outlets.

In June 1929, farm legislation was enacted to establish agriculture on a basis of equality with other segments of the economy. Before the new law could be implemented, however, the stock market crash occurred in October and all areas of the country were in severe depression.

THE BREAK IN FARM PRICES

A review of the history of farm prices in the 1920's reveals the reasons for the sharp drop in purchasing power of agricultural producers, which not only bankrupted agriculture in the 1920's, but brought down the rest of the national economy in the 1930's.

After the First World War ended, the Government announced that it would no longer support the price of wheat. Wheat which had brought $2.94 a bushel in Minneapolis in July 1920, brought $1.72 in December 1920, and 92 cents a year later. Agricultural prices in general collapsed. Cotton fell to a third of its July 1920 price, and corn fell by 62 percent. The Yearbook of Agriculture of 1922 shows that the total value of agricultural products dropped from $18,328,000,000 in 1920 to $12,402,000,000 in 1921. As a result of the agricultural crash of 1920–21, 453,000 farmers lost their farms. Many others remained in serious financial trouble, which, in turn, was reflected by failures of local banks and other businesses.

Average wheat prices for the years 1924–27 stayed in a range between $1.19 and $1.44 a bushel as compared to a parity price of approximately $1.40 for that period. Corn prices in these same years varied between 70 cents a bushel and $1.06 a bushel versus a parity price of about $1.00. Cotton prices were 12.5 cents a pound in 1926 but averaged 20.7 cents for the other years, compared to a parity price of 19.1 cents. In 1928 these prices were: Wheat, $1.00; cotton, 18 cents; and corn, 84 cents. By 1931 wheat was 38 cents; cotton, 5.5 cents; and corn, 32 cents—roughly one-third of the pre-1928 price levels. Starting in August 1929, wheat prices for the dominant futures on the Chicago Board of Trade fell from $1.43 average price to 76 cents in November 1930, a drop of over 50 percent in 15 months. The Dow Jones stock price averages followed by declining from a high of 381.2 in September to a low of 41.2 in July of 1932. The decline of the price of wheat on the commodity exchanges was particularly significant since there were nearly $250 million of open contracts in October 1929, almost 2½ times the number of contracts in normal years. A great many of these speculators were ruined.

While industry and business concerns generally enjoyed great prosperity in the 1920's, the farmers met with one financial setback after another. Most farmers were hopelessly in debt. Many were in default on their mortgages. Mortgage brokers, lenders, title companies, and banks held millions of these notes, most of which were worthless and would never again be of value.

It was a hard way to learn it, but people at that time came to realize that real wealth starts with production of raw materials such as farm commodities—corn, wheat, cotton, and food crops of all kinds. They began to understand that the general economy is primed by raw materials produced from our land and other physical resources. They began to recognize that the value created by farm and raw material production multiplies itself many fold as it moves through the various phases of the overall economy.

ALL SEGMENTS OF SOCIETY SUFFERED

Agriculture was not the only segment of our economy to suffer from this financial catastrophy. It has been said that there were more suicides during that period than in any period in our history.

The stock market losses on "Black Thursday"—October 24, 1929—ran into the billions of dollars. Losses were so heavy that thousands of prosperous brokerage and bank accounts were wiped out. Again on "Tragic Tuesday"—October 29, 1929—losses on the New York Stock Exchange totaled between $8 and $9 billion.

ONE OUT OF FOUR WORKERS UNEMPLOYED

Unemployment increased steadily from the fall of 1929 to the spring of 1933. By early 1930, it reached nearly 4 million. By early 1931 it doubled to nearly 8 million. By March 1932, unemployment had reached an estimated 11 to 12 million people. In March 1933, one well-known economist estimated unemployment at around 13.5 million and several labor organizations estimated it to be 15 or 16 million. The Labor Department estimates unemployment at that time to have been nearly 13 million or 25 percent of the 52 million work force.

BANK CLOSINGS AND HUNGER RIOTS

It is estimated that some 5,000 banks closed their doors during the period 1930–32. At the time of the Presidential inauguration in 1933, one-half of the remaining banks in the country were close to collapse. The new President found it necessary to close all banks immediately to prevent complete financial collapse. When they were reopened, attitudes and moods had changed sufficiently to enable them to remain open, despite the fact that the economic crisis had improved very little. News stories from the New York Times carried many accounts of hunger riots.

STORM CLOUDS AGAIN GATHERING

Mr. Chairman, the serious financial problems which threaten American agriculture today are very similar to those which created the disastrous farm depression of the 1920's. The same combination of factors—low farm prices, inflated production costs, decreasing farm income and heavy farm indebtedness—is forcing more and more of the nation's farmers to the brink of bankruptcy today, as it did then.

In his annual report to Congress this year, Gov. Donald E. Wilkinson of the Farm Credit Administration described the situation now facing American agriculture. He noted that farm income has dropped 28 percent since 1972 and 56 percent since 1973. I will insert in the RECORD his summary statement on present farm conditions:

The current farm price/cost squeeze is impacting heavily upon farmers who extended themselves financially for expensive land and machinery during the period of high farm prices of 1973, 1974, and 1975. Especially hard hit are farmers who are just getting started, those who are in a weak financial condition, those hit by drought and low yields, or those with managerial problems. Crop farmers with off-farm income or those whose major land purchases were made prior to the land price escalation of the 1970's are expected to weather the current conditions, if not prolonged, without major damage.

The income picture is not good. Net farm income reached an all time high of $18.7 billion in 1972, then rose to $33 billion in 1973. Income has fallen steadily since 1973, reaching an estimated $20 billion in 1977. When these figures are adjusted for inflation and presented in real terms, the $20 billion for 1977 becomes $11 billion in 1967 dollars. This is a drop of 28 percent since 1972 and 56 percent since 1973.

Farm prices declined in 1977. Most of the price drops occurred late in 1977, when it became apparent that corn and soybean production would be a record level with a near record level production of wheat. Soybean prices fell from nearly $10 per bushel to less than $5 per bushel, while wheat and corn prices dropped about 50 cents per bushel. The general deterioration of grain prices coupled with the continual increase in production cost will keep 1977 net income from rising above the 1976 $20 billion level. Two significant developments, gradually improving livestock prices and government payments, have kept income levels from being even lower. Cattle prices did not increase much during 1977 but low feed grain prices did help move margins into the "break-even" area.

Drought conditions caused low yields in the Southeastern parts of the Corn Belt and Great Plains. Localized areas hit by the drought faced both low output and low prices. The overall drought impact, however, turned out to be much less than anticipated when record and near record harvests were recorded. Rains in the fall and winter months have now brought soil conditions to well above normal in most of the country.

During 1978 carryover stocks will limit prospects for farm income improvement for corn, soybean, wheat, and cotton farmers. Reserves are expected to grow in spite of the higher demand requirements in the coming year. Government programs will have a significant impact on producer income in 1978. Although government programs will be an important factor in the cash flow positions of many crop producers, little, if any, improvement is expected in total net farm income during 1978.

A letter recently received from a rural family in Kansas dramatically illustrates the situation facing farmers in many parts of the country. I will insert an ex-

cerpt from that letter at this point in the RECORD:

Problems at home are urgent. Listen to the family farmer. Jan. 31, 1975—Tractor with duals cost $22,000, tax included—wheat price $4.15 December 14, 1977—Tractor with duals cost $30,900, tax included—wheat price $2.22. As of record in the Graham County Register of Deeds office on December 15, 1977—mortgages recorded in 1976 covering 22,170 acres of Graham County land was mortgaged for $11,335,923.02. This includes purchase mortgages and refinancing—1976 averaged $164.17 per acre with 1977 averaging $401.95 per acre.

PRICES RECEIVED BY FARMERS

Prices received by farmers, especially for farm crops, have decreased steadily in the past 3 years, whereas the wholesale price index has continued to climb.

I will insert in the RECORD tables which show why the farmer cannot rely on price to maintain his income:

	(Percentage of 1967)				
	1974	1975	1976	1977	Percent comparison (1977 with 1974)
Prices received by farmers (U.S. average):					
All	192	195	186	183	−4.7
Crops	224	201	197	192	−14.3
Livestock	165	172	177	176	+6.7
Wholesale price index:					
All commodities	160	175	182	194	+21.3
Industrial commodities	154	172	182	195	+26.6

	Season average—				
	1974	1975	1976	1977	January 1978
Wheat (bushel)	$4.09	$3.56	$2.73	$2.87	$2.54
Corn (bushel)	3.03	2.54	2.15	2.02	1.96
Soybeans (bushel)	6.64	4.92	6.81	5.50	5.63
Cotton (pound—upland)	.427	.511	.638	.518	.478

These figures show that the drop in crop prices since 1974 has been over 14 percent, while the wholesale price index has increased over 21 percent. For two major crops the price drop has been much greater. For instance, wheat prices have decreased 38 percent and corn prices have dropped 35 percent between 1974 and January 1978.

PRICES PAID BY FARMERS

Despite these sizable decreases in farm prices, inflation has rapidly increased the cost of what the farmer must buy to produce his crop and to support his family. Again, USDA figures tell the story and I will provide them for the RECORD:

	Percentage of 1967				Percent comparison (1977 with 1974)
	1974	1975	1976	1977	
Real estate	187	213	242	283	+51.3
Wage rates	178	192	210	226	+27.0
Energy and fuels	159	177	187	202	+27.0
Fertilizer	167	217	185	181	+8.4
All prices paid	164	180	191	202	+23.2
Production items	166	182	193	200	+20.5
Nonproduction items	168	200	210	220	+31.0
Family living	151	166	178	187	+23.8

As noted earlier, there has been a decrease of over 14 percent in farm crop prices since 1974, with reductions of 38 percent and 35 percent for wheat and corn respectively. The above figures show that, during this period, the increase in production costs has been over 20 percent, the increase in nonproduction items has been about 31 percent, and in the increase in living costs has been nearly 24 percent. Also, USDA figures show that the cost of tractors and other machinery has increased about 50 percent since 1974 and has doubled since 1971.

FARM INCOME DOWN

As noted previously, Mr. Chairman, Governor Wilkinson of the Farm Credit Administration told the committee that farm income has dropped 28 percent since 1972 and 56 percent since 1973. This is readily apparent when one reviews the figures for prices received and prices paid by farmers. It is apparent that farmers are "selling at wholesale" and "buying at retail."

According to Department of Agriculture officials, the $10.9 billion net income for 1977, at 1967 price levels, represents the lowest earnings by the Nation's farmers in many years.

FARM DEBT OMINOUS

Farm debt has risen to the point where many farm operators have completely exhausted their sources of credit. These producers are finding it difficult, if not impossible, to continue farming in view of their inability at present farm prices to raise the money needed to continue planting. This is especially true of those farmers who have gone into the farming business in recent years, with very heavy investments in land and equipment.

Figures obtained from USDA show the heavy increase in farm debt in the past three decades. It will be noted that farm debt in 1978 is estimated to be $118.7 billion—a nearly tenfold increase over 1950 and a 60-percent increase over 1974. I will put those figures in the RECORD:

USDA FIGURES

	Farm debt (billions)	Percent increase (cumulative)
1950	$12.4	
1960	24.9	100
1970	53.0	327
1974	74.1	506
1975	81.8	560
1976	90.8	632
1977	102.1	723
1978 (preliminary estimate)	118.7	858

INFLATED LAND VALUES

As noted earlier, one of the major factors contributing to the serious financial condition of many farmers is the high cost of farmland purchased in recent years to begin farming or to expand existing operations. The large loans needed to purchase such land might have been repaid with interest at the farm price levels of 1973 and 1974. With today's prices and increased interest rates and taxes however, many farmers are unable to earn enough from their farms to meet interest charges, with little hope of paying on principal.

The head of USDA's Crop and Livestock Reporting Service in Des Moines is quoted as saying:

From all evidence we can now say that it would be impossible for a young man to buy a farm and the equipment he needs, and pay for it with the income from farming.

I will insert in the RECORD USDA figures which show the increase in land values in certain farming areas since 1970:

	Average per acre				Comparison (percent) 1977 with 1970
	1970	1975	1976	1977	
Corn Belt	$374	$665	$812	$1,072	+186.6
Southern Plains	153	255	280	302	+97.4
Northern Plains	125	232	272	311	+148.8

SUMMARY OF PRESENT CONDITIONS

Mr. Chairman, careful study of present conditions in American agriculture leads to the disturbing conclusion that we are in a period of financial depression on the Nation's farms very similar to that which existed in the 1920's, triggering the Great Depression of the 1930's. Today's falling farm prices are reminiscent of similar price declines in the 1920's. The cost-price squeeze of that former period is again facing farmers today due to low prices and inflated production costs. Farm income has decreased 56 percent in the past 4 years and farm debt has increased 60 percent in the same period.

The present financial condition of agriculture could lead to a nationwide depression similar to the Great Depression of the 1930's unless the financial position of farmers is improved.

WE MUST PROTECT OUR AGRICULTURAL RESOURCE BASE

With world demand for food expanding and with ever-increasing inflation and other serious threats to our ability to produce adequate food supplies in the future, it is essential that we continue to emphasize those programs which will protect our land and water resources so as to strengthen food production. Only in this way can we meet the demand for food for domestic consumption and maintain exports of our chief stock-in-trade and our greatest weapon in our efforts to maintain a favorable balance of trade with the other nations of the world.

We should recognize that production must come first, so that food is available to consumers. In the past, many nations of the world failed because their people did not recognize and accept this truism. Instead, they ate up what they had today without saving "seed" to plant tomorrow's crop for food.

Many of the undeveloped countries we aid today did not accumulate capital for the development of their natural resources. Other countries, after developing their resources, did not restore a fair share of what was taken out of the soil to keep their land productive. We in this country are often affected by this short-sighted approach, as our agricultural producers are being faced with increasing limitations on their ability to produce the finest food in the world.

ACCOMPLISHMENTS OF USDA CONSERVATION PROGRAMS

The extensive conservation efforts carried out in this country during the past two generations have resulted in the planting of some 7 to 8 billion trees, the construction of over 2 million water impoundment structures and the terracing of nearly 35 million acres of land. Under the agricultural conservation program (ACP) where farmers put up about half the cost plus their labor, many soil and water conservation improvements were accomplished between 1936 and 1976. I will provide those figures for the RECORD:

Practice	Extent under 1976 program (acres)	Total accomplishment 1936–76 (acres)
Water impoundment reservoirs constructed to reduce erosion, distribute grazing, conserve vegetative cover and wildlife, or provide fire protection and other agricultural uses	[1] 22,000	2,357,000
Terraces constructed to reduce erosion, conserve water, or prevent or abate pollution	335,000	34,986,000
Stripcropping systems established to reduce wind or water erosion or to prevent or abate pollution	105,000	114,537,000
Trees and shrubs planted for forestry purposes, erosion control, or environmental enhancement	209,000	6,015,000
Forest tree stands improved for forestry purposes or environmental enhancement	25,000	4,713,000
Wildlife conservation	113,000	[2] 14,117,000
Sediment pollution-abatement structures or runoff control measures	1,167,000	[3] 11,675,000

[1] Structures.
[2] From 1962 with certain data estimated.
[3] From 1970.

Had it not been for these major conservation contributions since the mid-1930's the floods, drought, and dust storms since that time would have drastically reduced our food production capability.

It is essential, therefore, that we continue our efforts to protect and conserve our basic resources. With continued damage to our land and water from weather and human abuse on the one hand, and with an expanding world population demanding increased "mining" of land for food production on the other, the need for ever-increasing attention to our life-supporting resources is a must.

VALUE OF RESEARCH AND EXTENSION

The Department of Agriculture began as a research and extension institution. From 1862 until the turn of the century, a major portion of its funds were spent for these purposes. These functions continue to be an essential part of the Department's activities today.

Continuous research for new, better and more prolific varieties, including resistance to insects and diseases, must be assured if we are to continue to meet our needs for food and fiber.

One of the moving forces behind the amazing evolution of American agriculture has been our spectacular progress in agricultural science and technology and our ability to put the results into use on the Nation's farms. The cooperative programs of the Department, the State experiment stations, and the State and county extension services have been the "backbone" of this phenomenon.

Testimony presented by USDA officials indicates that the cost of 1976 farm output, using 1955 technology, would have been 48 percent higher. Research advancement, therefore, resulted in a savings to the U.S. economy in the cost of farm output of $42.6 billion in 1 year. The cost of one product, chicken, in 1937 was 22 cents per pound. Despite the tremendous expansion in costs of all items required to produce chicken through the years, research findings limited the cost to 24 cents per pound today, four decades later.

The major problem of the research and extension programs is to keep ahead of research needs. These activities must anticipate future problems and devise ways to solve them in advance. Much of the research being done today may not be used in production for another 10 to 15 years. It is essential, therefore, that the research and extension work of USDA be continued at current levels. A 1-year gap in research on a problem affecting production of crops or livestock, protection of the soil or water, control of diseases or pests, could result in the lack of essential research information needed at a crucial point in the continuous cycle of food and fiber production.

NEED FOR RURAL DEVELOPMENT

This committee has a long record of support for rural development activities. It has recognized the benefits to the Nation of programs which enable people to stay on the land and continue their farming operations, instead of going out of business and moving into the already overcrowded urban centers. It has recognized the value of making rural life attractive enough to encourage people to return to the land to live while engaged in nonfarm occupations in urban areas.

For many years this committee has strongly supported adequate funds for rural housing, rural electricity, rural telephones, rural water and waste disposal systems, rural fire protection, and other programs which contribute to the quality of life in rural areas. It has felt that these benefits to rural people contribute equally to rural and urban areas.

The various rural development programs in this bill play a major role in making rural life more comfortable, thereby attracting more people back to less congrested rural areas. The committee feels such programs should be properly funded so as to have a real impact on the quality of rural living.

1979 BUDGET REQUEST OUT OF BALANCE

Mr. Chairman, the President's budget for next year is seriously out of balance, both in its broad interdepartmental dimensions and within the Department of Agriculture. It provides sizable increases for foreign aid, which is 100-percent inflationary. It also provides additional funds for other programs of the Government which make no lasting contribution to the Nation's economic base. At the same time, it proposes sizable reductions in programs which would directly benefit this country through the improvement of its natural resources, the conservation of its land and water, and the strengthening of its agricultural production base.

Total Federal budget outlays are estimated to reach $500 billion in 1979—an 8-percent increase over 1978. Yet, the share of this half-trillion dollar budget allocated to agriculture—the basis for our entire economy, the provider of food for consumers throughout the world, and the largest market for the goods of industry and labor—represents less than 2 percent for programs which benefit agricultural production. This figure is certainly low when compared with the $100 billion per year which agriculture contributes directly to the Nation's economy. This in turn generates up to $700 billion in monetary value as it moves through the economic system.

REDUCTIONS PROPOSED FOR USDA

The 1979 budget proposes reductions for various Department of Agriculture programs which are extremely important to the preservation of the physical resources which support the Nation's entire economy and to the agricultural production base upon which present and future generations must depend for their existence.

A reduction of $64 million is proposed for watershed planning, flood prevention, Great Plains conservation, the resource conservation and development program and forestry incentives. In addition, the 1979 agricultural conservation program (ACP) has been cut by $90 million, despite the fact that Congress has supported this committee 21 times since 1954 in restoring funds for this purpose. Under this time-proven program, the joint efforts of the Federal Government and the Nation's farm producers have made a major contribution to the country's conservation efforts.

The 1979 budget also proposes decreases of $11 million in Hatch Act funds for State experiment stations and $9.7 million in grant funds for the extension service.

The proposed cut for the extension service would eliminate certain programs which this committee has initiated for the benefit of urban people, including urban gardening and farmer-to-consumer direct marketing. It is estimated that over half of the families in the United States, largely in urban areas, are growing home gardens. Testimony received from USDA officials last year and again this year clearly points out the value of home-produced food to urban-oriented consumers and the benefits to them from working with the soil.

The budget also proposes to discontinue the program which has done so much to modernize the wholesale markets in many of the large cities of the country. Wholesale markets have been built or are under construction in 40 of the 70 cities where studies have been completed. A significant improvement in food quality and a sizable reduction in cost of food to urban consumers has resulted. This program has been so valuable

to those urban areas where new markets have been built that the committee feels it should be made available to other cities which have not yet benefited therefrom.

In addition, the 1979 budget proposes a decrease of $9 million in research on food processing, storage, and distribution, all of which are essential to assure wholesome and reasonably priced food for the Nation's consumers. The proposed funds in the 1979 budget for food stamps and supplemental food programs will have no meaning unless food is produced and made available to consumers in sufficient quantity and quality to meet their nutritional needs.

Budget reductions have also been made in rural housing research, rural fire protection grants, and rural planning grants. Quality of life in rural areas is an important factor in the maintenance of a productive agriculture. An annual investment of less than $9 million in these programs is small in terms of their contribution to the health and protection of the people in rural areas.

COMMITTEE ACTIONS TO RESTORE BALANCE

Mr. Chairman, to provide a proper balance to this bill and thereby assure adequate funding for those programs which have proved through the years to be most essential to the maintenance of a healthy agriculture and a strong national economy, the committee recommends the restoration of many of the reductions proposed in the President's budget for 1979. Also, the committee has included additional funds in the bill for certain programs which it feels are underfunded in the 1979 budget in the light of difficulties currently facing the American farmer.

There is no net increase in the new obligational authority in the bill, however, since the amount of restorations of budget cuts for ongoing programs and additions to meet increasing problems of agriculture are fully offset by recommended reductions in other appropriation items.

To protect the Nations' natural resources, preserve its agricultural production base, and maintain the research, extension and marketing programs of USDA, the committee recommends the following restorations of proposed budget reductions in existing programs of the Department:

Agricultural Research Service	$11,508,000
Animal and Plant Health Inspection Service	3,774,000
Cooperative State Research Service	17,257,000
Extension Service	9,700,000
Agricultural Marketing Service	3,361,000
Economics, Statistics and Cooperatives Service	94,000
Farmers Home Administration	8,500,000
Rural Electrification Administration (loans)	(15,000,000)
Soil Conservation Service	64,360,000
Agricultural Stabilization and Conservation Service	95,000,000
Food and Nutrition Service	83,000,000

To meet the increasing financial pressures facing American agriculture in these times of depressed farm prices, increased costs of farming, inflated land values, and extremely heavy farm debt, the committee recommends the following additions to the budget:

Agricultural Research Service	$41,314,000
Animal and Plant Health Inspection Service	10,148,000
Cooperative State Research Service	2,650,000
Extension Service	5,000,000
Agricultural Marketing Service	639,000
Economics, Statistics and Cooperatives Service	550,000
Farmers Home Administration	47,500,000
Water and sewer, housing and farm ownership loans	(536,000,000)
Rural Electrification Administration	72,000
Insured electrification loans	(100,000,000)
Soil Conservation Service	4,170,000
Agricultural Stabilization and Conservation Service	25,000,000
Food and Nutrition Service	25,000,000
Foreign Agricultural Service	2,000,000
Food and Drug Administration	550,000

The committee makes the above recommendations in an effort to assure that the established research, extension, conservation, marketing, and rural development programs of USDA may continue to contribute to agriculture and the Nation as in the past, and to provide reasonable expansion for the coming year in those areas where the greatest needs of American producers and consumers currently exist.

SUMMARY OF BILL

Mr. Chairman, I will insert at this point in the RECORD a summary of the new obligational authority, loan authorizations, and section 32 transfers included in the titles and subtitles of the bill, as compared to amounts approved for 1978 and the 1979 budget:

[In millions of dollars, rounded]

Titles and subtitles	Approved 1978	Budget 1979	Bill 1979	Comparisons: Approved 1978	Comparisons: Budget 1979
Title I—Agricultural programs:					
Production, processing, and marketing	1,368	1,468	1,531	+163	+63
Farm income stabilization	732	5,743	5,332	+4,600	−411
Total—title I	2,100	7,211	6,863	−4,763	−348
Title II—Rural development programs:					
Rural development assistance	1,088	1,203	1,259	+171	+56
Loan authorizations	(8,966)	(8,433)	(9,080)	(+114)	(+647)
Combined total	(10,054)	(9,636)	(10,339)	(+285)	(+703)
Conservation	757	653	766	+9	+113
Total—title II	1,845	1,856	2,205	+180	+169
Loan authorizations	(8,966)	(8,433)	(9,080)	(+114)	(+647)
Combined total	(10,811)	(10,289)	(11,105)	(+294)	(+816)
Title III—Domestic food programs	7,644	7,843	7,950	+306	+107
Transfer from sec. 32	(1,015)	(1,412)	(1,337)	(+322)	(−75)
Combined total	(8,659)	(9,255)	(9,287)	(+628)	(+32)
Title IV—International programs	969	858	860	−109	−2
Title V—Related agencies	296	322	316	+20	−6
Total in bill:					
New obligational authority	12,854	18,090	18,014	+5,160	−76
Loan authorizations	(8,966)	(8,433)	(9,080)	(+114)	(+647)
Transfer from sec. 32	(1,015)	(1,412)	(1,337)	(+322)	(−75)
Grand total in bill	(22,835)	(27,935)	(28,431)	(+5,596)	(+496)

COMPARISON WITH BUDGET REQUEST

Mr. Chairman, the President's budget requested $611,000,000 in decreases, about $300,000,000 of which actually impacted on ongoing programs.

The President's budget requested $1,200,000,000 in increases, of which over $900,000,000 was for CCC restorations and the food programs.

Therefore, the President's budget cut about $300,000,000 in ongoing programs to start $300,000,000 in programs of their own choosing.

Since the programs the committee has recommended restoring are ongoing programs of proven value, then the real increase over the budget is the $300,000,000 in new initiatives which the President wishes to fund.

RESEARCH GRANTS

For special research grants the Committee recommends restoring over $2 million in reductions proposed in the President's budget. Also recommended is an increase of $5,000,000 for human nutrition research and an increase of $10,000,000 for animal health and plant research.

The committee recommends deleting the $30 million requested for competitive grants. We are of the opinion that Congress—the people's branch of Government—must retain the responsibility of identifying specific research needs, just as Congress must have the responsibility for levying taxes to pay the costs of needed research. Congress must not allow itself to be placed in the position of being held accountable to the people for the research priorities established by a non-elected bureaucrat issuing grants to his fellow scientists. It is our judgment that the contractual grants provided in the bill are preferable to competitive grants, since the contractual grants will be based on congressional policy priorities and have built-in performance standards and other managerial controls for more cost-effective use of Federal funds.

HUMAN NUTRITION RESEARCH AND EDUCATION

Mr. Chairman, the committee is aware of the very great needs for additional human nutrition research and education and has acted accordingly. We have recommended increasing funds for these activities by nearly $16 million over the budget request and by $18 million over fiscal year 1978. I will insert in the RECORD a summary of these funds with comparisons:

	1978	Request 1979	Committee recommendation	Change
Agricultural Research Service:				
In-house research	$15,508,000	$18,392,000	$18,392,000	
Grants		5,000,000		−$5,000,000
Grand Forks Research Center	3,500,000			
Adult Nutrition Research Center	2,000,000		21,100,000	+21,100,000
Child Nutrition Research Center			1,500,000	+1,500,000
West Coast Research Center			100,000	+100,000
Subtotal	21,008,000	23,392,000	41,092,000	+17,700,000
Cooperative State Research Service:				
Grants	5,000,000	10,000,000		−10,000,000
Contract research	150,000	150,000	5,150,000	+5,000,000
Hatch Act research	5,040,000	4,525,000	5,040,000	+515,000
1890 colleges	2,600,000	2,600,000	2,885,000	+285,000
Subtotal	12,790,000	17,275,000	13,075,000	−4,200,000
Extension Service: Nutrition aides	50,560,000	50,560,000	53,060,000	+2,500,000
Library: Food and Nutrition Information Center	300,000	575,000	475,000	−100,000
Total, SEA	89,468,000	91,802,000	107,702,000	+15,900,000

COMMODITY CREDIT CORPORATION

Mr. Chairman, Public Law 95–279 authorized an increase in the borrowing authority of the Commodity Credit Corporation of $10,500,000,000. The committee has recommended an increase of $5,500,000,000 at this time, the same as the budge request. The remaining $5,000,000,000 can be appropriated upon receipt of a supplemental budget request. Out of the $5,500,000,000 in new borrowing authority, $990,900,000 will be used to liquidate contract authority so that the new budget authority provided in the bill is actually the difference, or $4,509,100,000.

The committee also recommends a restoration of $580,000,000 in net realized losses since the additional $5,500,000,000 in borrowing authority will provide ample funds for the Corporation at this time.

NON-POINT SOURCE POLLUTION CONTROL

The recently enacted Rural Clean Water program authorizes and directs the Secretary of Agriculture, with the concurrence of the Environmental Protection Agency Administrator, to establish and administer a water quality program. The program provides for technical assistance and long-term cost-share contracts with owners and operators of rural land for the purpose of installing measures to control nonpoint source pollution and improve and maintain water quality.

The committee recommends an appropriation of $25,000,000 to the Agricultural Stabilization and Conservation Service for the first quarter of the fiscal year to allow adequate time for submission of a supplemental budget request.

The committee has also recommended an appropriation of $4,000,000 for the Soil Conservation Service for the purpose of providing technical assistance in connection with this program.

PERSONNEL CEILINGS

For many years the committee has been concerned with the tendency of the executive branch to establish arbitrary personnel ceilings to slow down or stop various programs with resulting lack of proper handling of the program, and in violation of the spirit, if not the letter, of the Impoundment Control Act.

On several occasions, funds have been appropriated for additional staff deemed essential by the Congress, and then used as additional funds for travel or equipment and supplies. Therefore, to avoid such de facto impoundments in the future, the committee has recommended in many instances separate appropriations for "personnel compensation and benefits" and for "other expenses." As a result of this bill language, any attempt to withhold funds for salaries must be reported to Congress for its consideration under the law.

DOMESTIC FEEDING PROGRAMS

Mr. Chairman, I am pleased to report that the committee is recommending the full amount estimated to be needed for the school lunch and breakfast programs, child care and summer food programs, nutrition education, special milk program, food donations program, and the food stamp program.

Moreover, Mr. Chairman, in view of the exceptional need for, and performance of, the special supplemental food program for women, infants, and children (WIC), we are recommending $560.5 million, or $25 million more than the budget request. Also, the equipment assistance program, which the administration would have reduced in funding, is restored in the bill to the current level of $28 million.

FORTIFIED GRAIN-FRUIT PRODUCTS

Mr. Chairman, the subcommittee's action reflects our concern that those officials in schools without food service facilities who believe their students need these products to fulfill their nutritional requirements will not be prevented from doing so by regulations issued in Washington. Conditions differ widely throughout the country, and there remains much controversy over the value of fortified grain-fruit products, as is currently under study. Moreover, the committee has again found it necessary to recommend restoration of funding omitted in the budget request for the school food service equipment assistance program, which is designed to help enable schools to offer regular, hot meals. There are still thousands of schools without such equipment.

Thus, our recommendation was based on the conviction that responsible officials at the local level are best able to judge the needs and conditions prevalent in their own schools. While we recognize the desirability of fostering good eating habits in our schoolchildren, such efforts should not, by broad national mandate, be allowed to overshadow nutritional needs. Nutrition education cannot be taught to children who are hungry, as might be the inadvertent result of the proposed ban by USDA.

COMMITTEE DELIBERATIONS

Mr. Chairman, we have spent 2 months in hearings. Our 8 hearing volumes contain 7,389 pages of testimony from 274 witnesses.

We have a good bill, Mr. Chairman. It is sound. It is responsive to both the needs of our people and to their pocketbooks. It would treat agriculture as an equal partner of industry and labor. This bill would serve to the advantage of consumers and producers alike. It would help assure the quality and wholesomeness of our foods and drugs, and protect our valuable natural resources which are the ultimate basis of our standard of living. This bill will provide that our schoolchildren are fed properly; that the weak, the elderly, and the economically disadvantaged can avail themselves of a nutritious diet.

Mr. Chairman, this is the basic bill that Congress will consider this session. We are proud of it, and commend it to your favorable action.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I thank the gentleman from Mississippi (Mr. WHITTEN) for yielding to me and I want to congratulate the gentleman for bringing before us what I think is a very comprehensive bill.

The bill provides, as I understand it, for Public Law 480, and the gentleman has followed the activities of our Government under title I of Public Law 480 for many years and I wonder if the gentleman has any evaluation as to the effectiveness of Public Law 480 in developing regular cash customers abroad? If so, does the gentleman consider the Republic of Korea as one of those countries where Public Law 480 has been helpful in expanding our cash markets of agricultural products?

Mr. WHITTEN. I would say it has been very helpful. I would also say that the United States has been most helpful to Korea in making the commodities available to them and in the long run that is certainly what we would desire. We may have individual situations arise that might affect the market differently but in the long run I would agree with that.

Mr. FINDLEY. Would the gentleman agree our Public Law 480 relations with Korea has at least proven to be a benefit to the United States as it has for the Republic of Korea?

Mr. WHITTEN. You are getting into an area which I do not know whether I have studied with that in mind. But speaking of the setup between agricul-

ture and labor, the farmer is dependent upon our export market, by the same token the foreign countries are dependent upon our country for food. So when two sides are dependent on what is available from each other, each speaks for itself.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I am very pleased with the initiative the gentleman has made in restoring funds for a number of programs which, as he has indicated, were not requested in the President's budget.

It is my intention to support these restorations and support the bill against any effort to make any blanket cuts of the sort that have been mentioned.

I had intended to offer an amendment to the Agriculture Appropriations bill to restore funding for the basic competitive grants program and the agricultural solar energy competitive grants program. The total cost of this amendment would have been $15 million, which would have been considered a sound investment in those bygone days before proposition 13. However, I have respectfully acquiesced to the present political realities of the House and will not offer an amendment at this time. I cannot let this opportunity pass, however, without raising the issues surrounding the basic and solar competitive grants program.

The competitive grants program was established in the Department of Agriculture to implement section 1414(b) of the Food and Agriculture Act of 1977 with a 5-year authorization. This program received $15 million in fiscal year 1978. The bill that we have before us has no money for this program, even after hearings in the Agriculture Committee and the Science and Technology Committee pointed to a strong need for new approaches to basic research within USDA.

This lack of funding distresses me because there is so much knowledge and expertise available for agriculture research efforts that may be left untapped because of this omission. Scientific discovery follows no fixed disciplinary or jurisdictional path. The breakthroughs that we seek in photosynthesis are as likely to come from a scientist studying plankton at Scripps as a scientist examining the dynamics of plant growth at an agricultural college. Yet the marine biologist may be prevented from structuring his research to benefit agriculture because of this bill's lack of funding for basic agricultural research grants.

I want to emphasize that these competitive grants are meant to complement the ongoing research efforts of the USDA and the traditional agricultural research community and in no way threaten existing research. The competitive grants are meant to be the extra push in areas of high importance that urgently need additional funding to sharpen the focus and accelerate the progress of ongoing research. These basic competitive grants augment but do not replace and, according to the basics of scientific inquiry, should not replace ongoing research efforts.

Some may wonder in horror at the types of research that may emerge from these grants. Past mention has been made—made in jest I might add—of studies such as the one on the sex life of flies. While some of us from areas that do not have extensive cattle operations may rise in indignation at this waste of taxpayers money, the countless cattle ranchers that owe their livelihood to the result of this research on the eradication of a major parasite are grateful for this research investment.

The research proposals that this competitive grants program funds undergo extensive peer review by the Competitive Grants Office to eliminate any "useless" research. The interest in this new program by the scientific community is indicated by the fact that over 1,100 research proposals requesting over $200 million have been received for funding from the fiscal year 1978 appropriation of $15 million. Early indications show that there are four to five times more highly meritorious, innovative research proposals that can be funded in 1978. And it is interesting to note that nearly three-quarters of these proposals—722 to be exact—came from land grant universities. The same pressing need for funding is present in the solar competitive grants. The renewable energy sources included under the term solar—direct solar, hydroelectric, biomass, and wind power—offer great promise to our energy and petrochemical-intensive farming industry. Yet much of the research on these areas is concentrated on residential and commercial use rather than on agricultural applications. There is a great deal of research at schools and laboratories outside of the traditional USDA research system that will remain uncoordinated with agricultural needs unless the solar competitive grants program receivings funding.

In short, funding for these competitive grants programs contributes to and enhances the standing of traditional USDA agricultural research efforts. I hope that there is a way that Congress can see its way clear to fund these programs once the political climate has changed. The need for a balanced research effort will be even greater if the "taxpayer's revolt" continues and non-Federal funding sources decrease.

This effect of proposition 13 on scientific research is a major source of concern to those of us in the California delegation and one reason why members of the delegation worked so hard to have the funding for these programs restored. California researchers submitted 102 proposals—about 10 percent of the total—to the competitive grants program with 65 of these coming from California agricultural experiment stations. But this issue involves more than one State's funding problems. At issue is the maintenance of research capability to investigate especially knotty areas or concentrate on areas that demand rapid focused attention. At issue is the enhanced ability of full time agricultural scientists to benefit from parallel research being conducted in other fields.

I know the gentleman is aware of the keen interest in the Committee on Agriculture on the subject of agricultural research and the efforts that were made by the committee in enacting the Farm Act of a couple of years ago to provide for new initiatives in agricultural research. I was at first somewhat concerned that the recommendations of the gentleman's subcommittee would call for a reduction in the contract research or the competitive grant program in order to restore funds to other phases of agricultural research. I wonder if the gentleman could explain just very briefly the thought behind that.

Mr. WHITTEN. I appreciate the question. May I say that the recommendations of the legislative committee—and the Chairman, the gentleman from Washington (Mr. FOLEY) appeared before us—were, in its authorization bill, that competitive grants be made available in addition to regular research. The budget which was sent to us by the Office of Management and Budget was at the expense of regular research. After my colleague discussed it with me, however, I went back and got the details. Under the bill that we submit here today we are recommending $22.4 million for special grants for research which are a little different from competitive grants. These research contracts may be entered into with State Agricultural Experiment Stations, all colleges and universities, other research institutions and organizations, Federal agencies, private organizations, corporations, and individuals. It is my own judgment that special grants or contracts are the better approach, because here we can let everybody know we have it under contract.

Mr. BROWN of California. If the gentleman will yield, may I ask one additional question of the gentleman, and I do appreciate his assurances on this matter. If I had my personal wishes, I would have preferred to see both the regular research programs and the other programs increased, because I think agriculture needs them. I wanted to ask specifically about reference to research in new crops that the gentleman has in the report, for which he has recommended $2 million for high priority research projects not specifically earmarked, including new crops such as crambe. Then the gentleman also mentions two other new crops later on: guayule and jojoba, which are of particular interest to me, and a small amount is directly earmarked, $65,000, for guayule, and $53,000 for jojoba. My personal familiarity with these crops, which are being researched in California, leads me to feel that we are about ready for a demonstration phase in the economics of these crops. The question I have is, is there any reason in the bill why this $2 million for high priority research projects could not be used for additional research on crops ready for exploitation, ready to enter the marketplace if it seems desirable to do so?

Mr. WHITTEN. We have done nothing to restrict the use of those funds. We have tried to keep those in Washington from directing, throughout the country, a given pattern in the food research area, because this country is too big and the conditions from section to section vary too much. The need varies too much for anyone here to spell out everything

that might be involved. The reason we put those funds in a lump sum was to leave it where they would be available when it became apparent they would be needed. Maybe they would be needed to give additional attention to the item the gentleman mentions.

I was here when we had the National Guayule Demonstration Project. Since then with synthetic rubber we have replaced many, many situations where we needed natural rubber. Our relationship with many of the countries that produced natural rubber has also changed. There may well be a need for guayule, and the conditions are so different that the time might be here to develop that.

Mr. BROWN of California. If the gentleman will yield further, the Committee on Agriculture, in combination with the Science Committee, did hold hearings on guayule just this week, and it leads us to feel that the priority should be elevated at this time.

Mr. WHITTEN. There is nothing to prevent that here, may I say, and I am glad to say that. If the gentleman will permit me at this time, I think one of the problems we have is that the letter the Secretary sent to my chairman missed out on a whole lot of factual content which it could have contained. The Department of Agriculture recognizes, under the law, they have a right to organize.

However, they seem to overlook another statute which we have and that is found in section 628 of title 31 of the United States Code. Section 628 says:

> Except as otherwise provided by law, sums appropriated for the various branches of expenditure in the public service shall be applied solely to the objects for which they are respectively made, and for no others.

So while they have a right to reorganize, they have no right to change the appropriation. This means they must come before the Congress and justify any claim for the use of the money. It never was intended that the Department, through reorganization, could take money appropriated for one purpose and spend it for another. I think that has to be straightened out.

There is one other thing I will take time to mention; that is, in recent years the Office of Management and Budget has been thwarting the will of the Congress. The Farmers Home Administration has $25 billion in loans outstanding. By putting a ceiling on personnel, however they are preventing the Department from properly supervising the loans. They have been doing that in the face of the Impoundment Control Act which provides for rescission and deferrals. We attempted to meet that by providing so much money for salaries and so much for expense. Then if they put a ceiling on personnel, they have to report it to the Congress. They have to let us pass a rescission or deferral. This means the people as represented by their elected officials are in control of the money.

Mr. BROWN of California. Mr. Chairman, I thank the gentleman from Mississippi very much for the work the gentleman has done. I will not say that I am 100 percent in agreement, but I will say I am 99 percent in agreement, and I rarely get that close.

Mr. WHITTEN. Mr. Chairman, may I say that following the work of the gentleman from California, I feel highly complimented to have 99 percent agreement.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it has been a pleasure working with our distinguished subcommittee chairman and the other members of the committee on this bill. I think we have reported out a sound piece of legislation, which I commend to all my colleagues. The report on our bill outlines the need for this legislation and the reasoning behind it. I recommend that my colleagues study it.

Mr. Chairman, as has been pointed out, this is as much a consumer bill as it is a farmers' appropriation bill. Out of the $18 billion recommended, $7.8 billion is earmarked for domestic feeding programs.

Abraham Lincoln called the Department of Agriculture the "people's department" and this description is reflected in our appropriations bill. Nearly 44 percent of the funds recommended go to feed hungry people here at home and additional funds go to feed the hungry of the world.

I would commend particular attention to page 119 of the report where we have the recapitulation of the funding. It shows that agricultural programs are set for $6,863 million, which figure may be reached if our market prices do not rise. There has been some price recovery since we set out these figures. Hopefully, if market prices can gain, we will have to use less in farm price supports; but even if we use the full $6.8 billion, it is far less than the $7.9 billion that is in the bill for domestic food programs.

I would urge my colleagues to realize that we are spending less money stimulating the production of food than we are spending in this bill on the consumption of food.

That is a rather significant departure. Most people take a look at this and say, "What is this, $18 billion for farmers?"

Not so. Far less than half of this bill is for farmers. In addition to the nearly $8 billion for feeding programs, there is $2 billion $25 million for rural development programs, there is $859 million for international programs, and there is $316 million for related agencies which give us our meat inspection and a whole host of other consumer-oriented operations.

We are, of course, naturally concerned with the production of food, but this bill is, as I say, even more concerned with the consumption of food and with research on nutrition, as well as assuring that our people have the benefit of high quality food. Toward that end we have earmarked $5 million for special research grants on human nutrition. It is amazing that we know more in this Nation on how to nourish pigs than we do on how to nourish people. This bill moves hopefully in the direction correcting that lack of effort in the field of human nutrition.

We are well aware of the fact that this has been something long overdue, and we are addressing ourselves to it with a second human nutrition center, with a third one coming along as a backup.

The major food assistance programs, the school lunch and breakfast programs, which help to secure a good diet for approximately 30 million children, are not overlooked. We have seen a steady increase in these programs, and we have been successfully cutting back on plate waste.

As one USDA official, Carol Foreman, said on September 6, 1977:

> It's not just a matter of throwing food at kids. There is not a bit of use to nutritious food if it is ending up in the garbage can instead of the kid.

I could not agree with her more. What we have tried to do in this bill is to give latitude to the individual school districts so they can use the type of food children want to eat, so that they will consume it instead of scraping 60 percent of their food off their plates into the garbage can at the end of their meal periods.

If this means we have to use a fortified type of food in breakfasts, so be it. But that discretion should be at the local level. We have been told that we ought to teach our children to start with the basics and we should not feed them fast foods. Fine, but we will have to address ourselves to that in their families where TV dinners and fast food seem to be the order of the day. Certainly parents could be encouraged to feed their children basic foods, but the important thing for a school lunch or school breakfast program is to make sure the child consumes the food and gets the nutrients needed.

This appropriation bill also contains $5.7 billion for farm income stabilization, as I mentioned before. As the Members know, these funds are directed to support our farm families and to enable them to remain on the land.

Increased agricultural exports can play a large part in assuring that our farmers receive better prices for their products.

Agricultural exports are, of course, not only important to our farmers but to our entire economy. As we all know, our Nation's balance of trade is presently out of tilt. Every one of our Nation's economists who appear before Congress today talk about the drag in our balance of payments. Imagine what it would be like without our $24 billion worth of farm exports.

Family farmers are the Nation's single largest source of exports and the biggest factor offsetting foreign imports. We must continue to expand our exports if we are going to be able to pay for the oil we need to run our factories and to heat our schools and our homes.

I think it is important also to point out that for every million dollars we spend in agricultural export promotion we get $1 billion in agricultural exports, and for every billion dollars of agricultural exports we create about 50,000 new jobs here at home.

We must, therefore, actively and aggressively seek markets for our farmers' production, not only for the farm families but for the total basic economy of this Nation of ours.

I understand there is going to be an amendment offered to the bill on the

food-for-peace program for Korea. I can understand the desire of the leadership to finally resolve the Korean situation that has hung like a cloud over this House for all this time. Certainly none of us on our side of the aisle want to do anything to stop the completion of this investigation that should have been brought to a finish, with the facts laid on the table for the American public, long, long ago. But I cannot help but wonder, why do they have to hit food in this area?

It is the leadership of the Republic of Korea that is holding back. The food-for-peace program feeds the people who are out of the leadership. If we cut it out, we are certainly not going to bother the people who are refusing to allow the testimony that is needed to bring to the bar of justice those colleagues of ours who have transgressed.

For years we have been against those who would use the food-for-peace program as a lever of international politics. In fact, some of the most persuasive arguments against using the food-for-peace program to hammer people into adopting a particular foreign policy has come from the other side of the aisle. Food for peace, we have always thought, should be for helping hungry people. It should be to show that the American system works. We can produce enough of that basic necessity, food, to feed ourselves and have a little left over. That is the concept for the food-for-peace program: a concern for people, not as an instrument of foreign policy.

And I might point out, also, for those who are ready to offer this type of amendment, that title I of the food-for-peace program develops markets, cash markets, for this country. And today the Republic of Korea just happens to be the fifth largest cash purchaser of American farm commodities. They buy more than a billion dollars' worth of our cotton, wheat, tobacco, soybeans, and barley. They give us a billion dollars with which we are able to pay for the oil we have to import to keep our economy going.

I am beginning to wonder if we are not using the wrong vehicle in trying to get them to do what should have been done a long time ago in remedying the cloud of uncertainty that has hung over the actions of a very, very few of our colleagues.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, I appreciate my friend, the gentleman from North Dakota, yielding to me. I certainly do not purport to speak on behalf of the leadership. I am just making a personal observation. And that is that perhaps it is the timing that is so important on this issue, in that this bill, with the provision for food for peace, comes at a time when the leadership is seeking to get movement to conclude the Koreagate issue. And I would submit to the gentleman—again a personal observation—that if this does not succeed in getting the necessary forward movement from the Korean Government, there will be subsequent bills on which similar amendments will be offered. Certainly, this Member will support such an approach.

Mr. ANDREWS of North Dakota. I totally agree with my colleague that it is all a matter of timing. But I think it is unfortunate that the target that they picked just happens to be a target where we get, because of the billion dollars' worth of annual cash purchases from us, more of the benefit than they do.

I suspect there are a lot of other bills containing items of military hardware, and other things, for the Republic of Korea that would put far more pressure on the leadership of Korea than would attacking the food-for-peace program which would go to take care of the needs of the lowest income people of that country. They certainly are not part of the leadership of that country. No one wants to erase the shadow that has hung over this House more than my colleague, the gentleman from Missouri (Mr. BURLISON), and I do. If this is the mechanism, fine. But I would think that I would not be doing my job if I did not point out that it is strange that, whenever a target is picked, it always seems to be one in agriculture exports. I think they may be shooting a little wide of the mark on this one.

Mr. JOHN T. MYERS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Indiana.

Mr. JOHN T. MYERS. I thank the gentleman for yielding.

Mr. Chairman, this type of an amendment would do one other thing. It would put the farmer, who is innocent in this situation, who is not involved in this, squarely in the middle. The farmers of this country are having enough problems already without being thrown in the middle of an international policy negotiation problem.

I think it is unfair to the farmers to be placed in this jeopardy today when they already have problems.

Mr. ANDREWS of North Dakota. I thank the gentleman for his comments.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I am sure the gentleman in the well does not need the reminder, but it is quite certain that some Members of this body need a reminder about the origin of the Republic of Korea Public Law 480 provision that is now under attack.

This began back in 1971 as a part of the effort on the part of our Government to impose limitations on the export of textiles from the Republic of Korea into the United States. We were concerned about the rising level of imported Korean textiles. We agreed to enter into a long-term Public Law 480 title I understanding with Korea, under which they would pay cash over a period of time for food, but they would have the advantage of easy credit terms. They agreed to buy all the food they could from the United States. All Korea got out of it, of course, was the easy credit terms on a small amount of purchases. Members from urban districts where textile industries are located ought to realize that they have an enormous stake in this Korean agreement.

Mr. Chairman, I commend the gentleman in the well for the view he has expressed.

Mr. ANDREWS of North Dakota. Mr. Chairman, one of the things that ought to be pointed out to the House is that what is involved in the remaining food-for-peace commitment for Korea is less than 10 percent of their cash purchases this year. That 10 percent is spread out over several years, so we are, in effect, shooting at a food-for-peace that is less than probably 3 percent of their cash purchases next year.

Somehow or another, I think that rather than going after the Korean issue with a rifle, we are going after it with a blunderbuss, and scattering shot out all over the place.

Mr. Chairman, I feel we must wind up this investigation into the alleged misdoings of some of our colleagues. My concern is about the way in which the leadership is going about it.

Mr. FINDLEY. If the gentleman will yield further, Mr. Chairman, I have another observation.

This agreement in 1971 to which I alluded just a moment ago had another feature, and that was an obligation over this period of years on our part to sell a certain annual level of food items under title I of Public Law 480. As I said the Koreans agreed to a certain level of limitation on the exporting of textiles. They have lived up to the letter of their side of the agreement, despite the fact that thanks to the decision of this body in recent years, the level of Public Law 480 exports under title I to South Korea has been reduced several times in violation of our agreement. Despite the change, the unilateral change on the part of the United States, Korea lived up to the letter to its agreement.

Now we are in the process of considering an amendment which would chop off this obligation totally; and we are going to reap the whirlwind if we perform this foolish act.

Mr. ANDREWS of North Dakota. Mr. Chairman, those of us in the Subcommittee on Agriculture and related agencies of the Committee on Appropriations are committed to farm policies and programs which will help U.S. farmers maintain their positions as the world's leading producers of food and fiber.

We have included $1.5 billion to support agricultural research and those programs involved in processing and marketing our commodities. This is a small investment when we consider that rural America is 87 percent of the Nation's land area, containing 27 percent of the people. But on this land just over 3 percent of the people produce all of the Nation's food and fiber for 220 million people and still have much left over to feed millions more scattered throughout the world's famine belt.

In Russia, more than 50 percent of its manpower must be engaged in agriculture to feed that nation. In China and India, nearly 90 percent of the people must work the land to survive.

Mr. Chairman, the one factor that has been fundamental to America's progress in agricultural production is research. Our capacity to produce a wide range of crops, in terms of both quantity and quality, is a direct result of the research done in the laboratories and fields of our land-grant institutions.

The committee was concerned about the message that came up from the White House asking us to cut back seriously on this long-term productive-type research in our land-grant institutions, and instead to put the focus on competitive research grants.

It was the opinion of the legislative committee, as testified to by the chairman our colleague from the great State of Washington, that the competitive research grant concept which the bulk of us in the Congress supported was to be an add-on to the basic research that has worked so well, not an instead of.

Mr. Chairman, we found a proposal coming up to us to undo this 100 years of progress through land-grant research, and to set up a NSF type group of scientists to review and allocate.

The NSF is that great group that brought up those research projects we have heard a great deal about on the floor of the House, research into the sex habits of the dry boned toad, the sweat glands of the Australian aboriginal, and a whole host of other things. I do not really think that we want to get away from the basic land grant institution research of how to produce cotton and wheat, and combat wild oats and how to deal with the illnesses that come about is our livestock herds. I think we certainly need to recognize some competitive grants in basic research such as photosynthesis in plants and growth cycles in livestock. That needs to be done. This subcommittee has responded to that with $15 million in a type of competitive research program that we think will move in that direction and still be responsive and supportive of the program that has worked out so well in putting American agriculture ahead of any other in this world today.

If the American farmer was forced to use 20-year-old technology, our country would face scarcity, not the plenty we enjoy. By the year 2000—think of it—we must be prepared to feed at least 85 percent more people and we will not be able to do it with today's technology. Agriculture research may determine the winner or loser of the race between the stork and the plow.

For these reasons, the committee has recommended that the cuts proposed in the ARS budget be restored. I think this is extremely important to all of us, whether we live in an agricultural area or in a big city.

In conclusion, this bill contains funding necessary to provide a wise food policy of abundance. In the long run, abundant food supplies are more important to sustaining life than all other national investments, including the development of new sources of energy. Food energy is extremely important, as fuel energy, but between food energy and fuel energy, the priority always must go to food energy. We can exist temporarily with a shortage of fuel, but not without food.

For too long we failed to realize the farm problem is really a national problem. It is not a temporary problem, but rather one that demands long-term planning. The committee has recommended $1.8 billion for rural development and conservation programs, along with an adequate program of production incentives and research in crops and livestock that will help us meet this challenge.

Mr. Chairman, I think Members will find that this bill balances the needs of the farmer and the consumer, and serves the best interests of the economic well being of our country as a whole. I urge support of the bill.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, I am not sure of the constraints the gentleman has with time, and there may not be time for him to address this issue, but I notice that he did not mention an amendment expected to be offered, the Miller amendment for across-the-board, meat-ax 2-percent reduction. I wonder if the gentleman would like to address that issue? It strikes me as being particularly, with reference to this bill, a very detrimental approach, and one that really will circumvent the intent of the committee in the drafting of this bill.

Mr. ANDREWS of North Dakota. I think that it is a detrimental amendment to this bill. I might also like to assure the gentleman that I have not been a consistent supporter of the Miller amendment approach. I think the last two times it was offered, I voted against it. I do not think the across-the-board cut approach is the proper way Congress should legislate the spending of our Nation.

I would hope that such an amendment offered to this bill, which contains so many important functions of agricultural research and productive potential for the future, would not have the support of my colleagues.

Mr. BURLISON of Missouri. I thank my friend for yielding to me.

Mr. WAMPLER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Virginia.

Mr. WAMPLER. I thank the gentleman for yielding.

Mr. Chairman, as we consider the impact of the so-called Miller amendment, I think it is important to point out that in the first concurrent budget resolution passed by the Congress, agriculture was the only major budget function that took any appreciable cut. As I recall, it was in the magnitude of $3.7 billion. I think it is appropriate to bear this in mind as we are considering where we are going to cut the budget. Agriculture has already sustained a substantial cut in the first concurrent budget resolution.

Mr. ANDREWS of North Dakota. Not only that, but as my colleague knows full well, agriculture is the big dollar earner in our balance of payments, and unless we shore up agriculture we will not have the dollars with which to shore up our other programs. This is the dollar earner. Other programs depend on agriculture for the income which carries them on. It would be folly to cut our capital base, so to speak. It just would not make sense at all.

I appreciate the contribution of my friend, the gentleman from Virginia.

Mr. RISENHOOVER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Oklahoma.

Mr. RISENHOOVER. Mr. Chairman, I commend my friend, the gentleman in the well, the gentleman from North Dakota, and also the chairman of the subcommittee, and express my support for them.

I would also direct a question to the gentleman and to the chairman of the committee, if I might.

Mr. ANDREWS of North Dakota. I would be glad to hear the gentleman.

Mr. RISENHOOVER. Is there anything, to the gentleman's knowledge, in this bill that might jeopardize the status, I guess, so to speak, of those of us who have been named to the "Dirty Dozen?" Is there anything in this bill that might cause us to be removed from that list?

Mr. ANDREWS of North Dakota. I would think if the gentleman supports this bill, which contains as it does the protection of the environment, where it all starts, in the small fields and on the small farms of this Nation, that he could not help but be commended by any thoughtful environmentalist in this Nation.

Mr. RISENHOOVER. If the gentleman would yield further, I understand that the folks who make up or publish this "Dirty Dozen" list are not concerned about that kind of conservation of the environment. What they are interested in is maintaining the status quo and doing nothing, as the gentleman knows, to have everything remain exactly as it is. They are "no-growthers." I just want to make sure there is nothing in this bill that is "no growth" and that might cause my name to be removed from the list of that "Dirty Dozen." I would not want anything in this bill to cause me to be taken off that list.

Mr. ANDREWS of North Dakota. Agriculture is the basic growth industry and without its growth this world would indeed be in trouble.

The people who make up the list are a nebulous group who do not even tell us what votes they use to make up the list.

I suspect if we could get them out behind the plow and get them to realize what it is to feed a steer or a pig to marketweight, they might have an understanding of the true environmental challenges that face this Nation. I am sure it would help them to understand our problems.

Mr. RISENHOOVER. But they are probably the last people we would find out on the farms working with their hands and with the earth. Maybe we could entice them to come out and see how it really is. But they are usually the last people we would find working anywhere except at wrecking this country.

I appreciate the gentleman's comments.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana (Mr. BAUCUS).

Mr. BAUCUS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the appropriations bill we are considering today is vitally important to the rural areas of this Nation. It also provides the funding for important food aid programs.

Because agriculture is such a basic industry, this bill should be strongly supported by every Member of Congress.

I am a member of the Agriculture Subcommittee of the Committee on Appropriations. My subcommittee has made substantial changes in this bill from the administration's original request. Primarily we have increased funding for research and conservation programs that we believe are essential to this Nation's food-producing capacity.

Increases in population and income are expanding world demand for food. As you know, the United States is a major international food supplier. It is essential that we continue conservation programs to protect our farmland and research programs to expand our agricultural knowledge so that we can continue to meet the world's food demands.

The subcommittee has added $17 million to the President's request for watershed and flood prevention operations, $25 million for resource conservation and development programs, $15 million for the Great Plains conservation program, $90 million for the agricultural conservation program, and $25 million for nonpoint source pollution control. These programs are essential to protect the soil and water resources of this Nation. To reduce them might bring some short term cost savings. But in the long run, we would pay the price of deterioration of our natural resources and reduction of our food-producing base.

The administration had proposed cuts in many research programs that are essential to the agricultural sector. Individual farmers and ranchers do not have the ability of large corporations to do their own research. Thus, the Federal Government has an important obligation in the area of agricultural research. The committee has restored cuts in the funding for land-grant colleges and many other agricultural research facilities. We have tried to insure that local and regional needs are not ignored. The committee also added money for such important research priorities as developing technology for use by small farmers and solar energy development. Some of the most promising uses of solar energy appear to be in such agricultural pursuits as drying grain and heating livestock buildings.

The committee has increased funding to develop overseas markets for our agricultural products. We have been amassing enormous budget deficits. The only bright spot on our foreign trade picture is agricultural exports. Last year exports of grains and other agricultural products brought in roughly $24 billion worth of foreign currency. A $10.6 billion net surplus in agricultural trade helped offset the $20 billion trade deficit in the nonfarm sector.

Our bill not only contains the basic agricultural programs, but also provides the funds needed for the essential food delivery and nutrition assistance programs. The special supplemental food program for women, infants, and children (WIC) has been enormously successful in dealing with the special nutritional problems of these groups. The committee has increased funding for the WIC program above the President's budget request. The committee has also provided additional funds to help schools buy equipment they need to provide good school lunch and breakfast programs.

The committee recognizes the importance of minimizing Federal outlays. We are dedicated to reducing the budget deficit and tax burdens on American people. The committee has expanded many programs that we feel are essential. On the other hand, we have recommended reductions in less essential programs so that the budget we bring you is in total $76 million smaller than the President's original request. The total budget is larger than the fiscal year 1978 agricultural budget. This increase is required because of increased farmer participation in USDA commodity support programs.

The Agriculture Subcommittee has always recognized the importance of adequate farm support prices. During the past year many farmers in the United States have suffered horribly from inadequate farm prices. Congress has improved its farm program, although it is by no means as good as it should be. Changes in the program are a major reason for the increases in the agricultural budget this year.

Mr. Chairman and fellow colleagues, I urge your support for the agricultural appropriations bill. Our entire economy is dependent upon a financially healthy American agriculture. The bill we bring you is designed to insure the future health and vitality of American agriculture.

Mr. Chairman, I would like to take this time to commend the gentleman from Mississippi (Mr. WHITTEN). I think he is probably one of the most outstanding chairmen of any of the subcommittees in the Congress. I would also like to commend the gentleman from North Dakota (Mr. ANDREWS). It has been a pleasure for me to serve with both of these gentlemen who have exhibited such intelligence, commonsense, and a solid approach to so much of the agricultural problems facing our country.

I particularly want to thank them for the work they have undertaken in reversing some of the trends the administration tried to pursue in its budget to the Congress.

I think that the committee has done an excellent job in maintaining the agricultural research in our land grant colleges so as to increase production and to decentralize agricultural production because I, in my experience, have learned that the people at home have a little better sense and understanding of these needs.

Again, Mr. Chairman, let me say it has been a real pleasure to serve with the gentleman from Mississippi (Mr. WHITTEN), the chairman of our subcommittee, and I will miss him regardless of what the future holds for all of us in future years.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may consume in order to say thanks to my colleague, the gentleman from Montana (Mr. BAUCUS), who is going over to the other side of the Congress. We appreciate the splendid job he has done on this side. I think that they can well use his services on the other side of the Capitol.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Chairman, as a member of the Agriculture Appropriations Subcommittee, I rise in support of this bill, H.R. 13125. It will not please everyone, but it does represent a workable compromise between fiscal restraint and the obligation to meet the diverse needs of this country. It is a bill which deserves the support of the Congress.

That the country is indebted to the farmer is beyond question. The continued economic prosperity and high standard of living which this country enjoys is due in very large part to the fact that only 4 percent of the population of this country is needed to produce the food and fiber to support the other 96 percent, and much of the rest of the world besides.

While some consumers may complain about rising prices for food purchased at the supermarket, little thought is given to the difficulties involved with the production and processing of that food. The farmers' recent visit to Washington aroused the awareness of this country to these difficulties somewhat, but that awareness has not been sustained.

Mr. Chairman, the total amount contained in this bill is $28.4 billion, which is $5.6 billion more than has been provided for the current fiscal year to date. This represents a 24.5-percent increase. While this may appear to be a huge increase, it again must be stressed—as I stressed last year—that support for actual agricultural programs here amounts to only a fraction of the bill's total. Title I appropriations, or those for agricultural programs, are only 24 percent of the appropriation suggested here.

In comparison, title II, dealing with rural development, takes 39 percent. This includes such items as grants and loans for rural housing, water and sewer development, and rural industrialization. It includes grants for low-income housing repairs, rural community fire protection, and rural development planning. It includes funds for rural electrification and rural telephone development. Finally, it includes $29 million for initial application of the rural clean water program.

At the very least, it should be recognized that much of the funding under this title does not contribute directly to the promotion of agricultural production, which should be the primary purpose of this bill.

Title III, for domestic food programs, takes 33 percent. As part of title III, the food stamp program alone takes 20 percent of total appropriations in the bill. Let me make that clear: One-fifth of the money in this bill, which is supposedly for the support of the farmer, goes to sustain a welfare-type program, which in my opinion better belongs in the De-

partment of Health, Education, and Welfare budget, not here.

International programs and related agencies receive a little over 4 percent of the total appropriation.

FOOD STAMP PROGRAM

Mr. Chairman, prior to full committee consideration of this bill I contemplated proposing an amendment to reduce the funding in this bill for the food stamp program by half a billion dollars. This program, which has been subject to much abuse and fraud in recent years, now is expected to cost taxpayers $5.8 billion in the next fiscal year. This is the amount requested by the Department, and the amount provided in this bill.

During our hearings, Department of Agriculture officials stated that an estimated $503 million had been wasted in the one year period from July 1976 to June 1977 through the overissuance of stamps to eligible households and the issuance of stamps to ineligible households. This was the last period for which the figures had been computed, and I suspect that if these figures were updated, they would reveal even greater waste.

The amendment I would have offered would have cut the $5.8 billion appropriation in this bill by half a billion dollars—or the estimated loss due to waste—in an effort to force the Department to enforce stricter administrative procedures to eliminate this reported waste. It would not aim to cut benefits for those who legitimately qualify for them.

I have refrained from offering the amendment, not because I do not feel that this type of waste should be eliminated, but because last year Congress passed, and the President signed, legislation to tighten up the program, and to initiate strengthened enforcement procedures.

Department officials have informed me that the final regulations pursuant to the act will be issued in August, and that they will take effect on either November 1 or December 1. The appropriation level for the food stamp program here takes into account that these new regulations will be in effect for at least 9 of the 12 months of the next fiscal year.

I will offer a similar amendment next year if the Department fails to prove that these proposed regulations succeed in reducing waste in the program. I wish to make it clear that benefits under this program should go to those who are truly in need, and that taxpayer dollars should not be wasted by going to those who are not eligible for such assistance.

AGRICULTURE RESEARCH

Last year, Congress and the President recognized the increasing importance of agricultural research in passing into law the 1977 farm bill. Efforts must be centered on producing the highest yield of nutritious food not only for our own country's consumers but also for the people of other countries, particularly those in underdeveloped nations which have become heavily reliant on the producing abilities of the U.S. farming sector.

This bill contains a total of $503 million for the research programs conducted by the Agricultural Research Service, the Cooperative States Research Service and scientific activities overseas. This represents an increase of almost $30 million over the amount contained in the budget for the current fiscal year, and over $14 million more than was requested by the administration for the next fiscal year. The majority of subcommittee members is committed to the support for the traditional research programs in the Agriculture Department which have been of proven value throughout the years. I wish the same could be said for the administration and the Department itself.

For the Agricultural Research Service, the committee has provided an increase of over $11 million in the next fiscal year, and over $9 million more than the Department itself requested.

For the Cooperative State Research Service, the committee provided almost $20 million more than is contained in the budget for the current year, and almost $5 million more than was requested by the administration.

For scientific activities overseas the committee held steady at the current year level and recognized the difficulty of the Department in finding research facilities and qualified personnel to carry out worthwhile projects outside this country.

As one member of the Agriculture Appropriations Subcommittee, I completely rejected the administration's proposed budget for agricultural research. The Department proposed to strike $11 million from the Hatch Act program which provides payments under formula to State universities and land-grant colleges, such as the Virginia Polytechnic Institute and State University.

It proposed to strike $950,000 from the McIntire-Stennis cooperative forestry research program.

It proposed to strike $2,025,000 for the special grants program.

What the administration did propose to do was to transfer the dollar amount of these reductions to the competitive grants research program, thus, with an additional appropriation, raising that program from $15 million to $30 million.

The subcommittee heard testimony from members of the House Agriculture Committee which flatly stated that the traditional formula funding programs were intended to be the principal modes of research under the Cooperative State Research Service. The competitive grants program was to serve in a supplemental capacity only. It was not to replace the other programs, which is exactly what the Department proposed to do in the next fiscal year.

To rectify the situation, the committee restored all the proposed reductions in the formula programs and eliminated funding for the competitive grants program completely. Many Members of the House have misconstrued this action to mean that the committee did not support any research activities outside the formula programs.

This is not the case. While the committee cut out funding for the competitive grants program, it provided an increase of $15 million for the special grants program. This was added on top of the restoration of over $2 million which the Department had proposed to be cut from the program.

Five million dollars of the committee's increase is earmarked for human nutrition research, while $10 million is earmarked for plant and animal research. Under animal research, problems concerning pseudorabies, brucellosis, and bluetongue are to receive a high priority.

In light of the committee's positive actions regarding agricultural research, I am inclined against any additional increases, especially until the Department of Agriculture itself sorts out its research priorities to a degree not indicated in its most recent budget submission.

AGRICULTURAL EXPORTS

In this bill, the committee has provided an increase of nearly $8 million over the current fiscal year budget for the Foreign Agricultural Service. This amounts to nearly $2 million over the amount requested by the administration, and brings the total appropriation for the FAS to $53.6 million.

This is the agency within the department which monitors overseas markets for agricultural commodities and attempts to develop potential markets for U.S. goods through the administration of special export programs, and by securing trade conditions which benefit U.S. agricultural exports. The International Development staff, the Public Law 480 programs, and the Office of General Sales Manager are also funded under this bill, and they all contribute to the promotion of agricultural exports overseas.

Agricultural exports play a vital role in holding down the country's balance of payments deficit. In fiscal 1977, agricultural exports totaled $24 billion. For the current fiscal year, Agricultural Department officials forecast that exports will total $25.5 billion. Dairy product exports are estimated to increase from $171 million in fiscal 1977 to $176 million by the end of the current fiscal year. Likewise, poultry product exports are expected to increase from $302 million in the last fiscal year to $340 million by the end of fiscal 1978.

While agricultural exports are increasing, our agricultural imports are holding steady. In fiscal 1977 agricultural imports cost us $13.4 billion. In the current fiscal year it is estimated that they will cost $13.5 billion, a minor increase.

Consequently, by the end of the current fiscal year we can expect a $12 billion agricultural export surplus—unless the easing of beef import quotas recently announced by the President has a substantially greater impact than now indicated.

This surplus will go a long way toward offsetting the high price this country pays for imported oil.

GRAIN-FRUIT PRODUCT

In the report accompanying this bill, Mr. Chairman, is language which expresses the committee's wish that—

The question of whether or not to serve formulated grain-fruit products will be left to the determination of each school.

Formulated grain-fruit products are nutritionally fortified pastry-type foods which are used to supplement the regularly offered meals in the school breakfast program, administered under the food and nutrition service. They are de-

signed to be used in schools with no kitchen facilities for serving hot meals.

Additionally, they are designed to be attractive to children so that the children will actually eat them rather than pushing them aside, as happens now in many cases with the regular breakfasts.

The Department of Agriculture has proposed to issue a regulation which would impose an outright ban on the use of this product in the school breakfast program. I cannot agree, especially as it was the Department which promoted the use of the product several years ago in the first place.

Certain objections have been raised as to the use of the formulated grain-fruit product. The language contained in the report does permit discontinued use of the product in any school district in the country should that local school district so decide. But for those school districts where this product is very much in need, for nutritional as well as financial reasons, the committee's language allows them to continue to supplement the regular breakfast menu with this product.

DEPARTMENTAL ATTITUDE

I wish to express my very deep concern about the trend the Department of Agriculture appears to be taking away from support for the farmer and the production of agricultural commodities.

The percentage of funding which agricultural programs receive in this bill—at 24 percent—is too low to begin with. And this percentage is arrived at after the committee restored funding priorities to a more realistic balance.

Under the agricultural research service, for example, the Department proposed to cut back research on animal production, tobacco production and tropical and subtropical plants. At the same time it proposed to increase funding for research in human health and safety. and human nutrition.

I am not opposed to research in human health and nutrition. I believe this type of research has its place. However, I cannot support the reduction in research programs aimed at increasing agricultural production in order to provide for research in other areas.

The technology and knowledge that has been carefully developed from past research efforts is now virtually exhausted. Additional agriculture research is vitally necessary to increase this knowledge and technology base from which farmers and other agricultural producers draw for practical application. As the world becomes increasingly dependent on what the United States is able to produce, it becomes increasingly important to encourage agricultural research in every way possible.

Recent actions by the Food and Nutrition Service and other agencies in the Department, coupled with the attitudes of some of the Department's higher level officials, has given me the impression that the Department has moved away from the active support of the farming sector of this country. In some cases, it appears that the Department has even been antagonistic toward the people of this country who it is supposed to be assisting.

I, for one, hope that this attitude changes.

CONCLUSION

Mr. Chairman, I raise these points here and now because they merit the attention of all Members of the House, and the people of this country. The members of the Agricultural Appropriations Subcommittee have spent much time and effort constructing a bill which attempts, through the best means available, to meet the needs of the American farmer.

I wish to express my sincere thanks to the subcommittee staff—all of them—who have been of particular help to me. They deserve praise for a job well done.

The appropriations process is an inexact science in which differing interests compete for limited taxpayer dollars. The bill does represent a workable compromise between fiscal restraint and the obligation of Congress through the appropriations process to meet the diverse needs funded through this bill.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from Kentucky (Mr. NATCHER), a long-time member of the subcommittee and a very valuable member of this subcommittee.

Mr. NATCHER. Mr. Chairman, it is a distinct honor and privilege for me to serve on this subcommittee with our distinguished chairman, the gentleman from Mississippi (Mr. WHITTEN) and our distinguished minority leader on the subcommittee, the gentleman from North Dakota (Mr. ANDREWS). The same applies to all the other members of this subcommittee.

Mr. Chairman, it required about 7½ weeks of hearings on this bill. We present to the House at this time and to the Committee a good bill and we recommend this bill to the Committee.

Mr. Chairman, the Subcommittee on Agriculture and Related Agencies Appropriations once again brings to the floor of the House for your approval the annual appropriations bill for fiscal year 1979.

The total obligational authority recommended in this bill for fiscal year 1979 totals $19,350,604,000. The total budget estimates of obligational authority for fiscal year 1979 totals $19,501,727,000.

The total budget authority is an increase of $5,481,924,000 over the budget authority for fiscal year 1978. In 1978, the budget authority totaled $13,868,680,000.

Mr. Chairman, the domestic food programs provided for in this bill total $9,575,070,000. When you deduct this amount from the overall amount, and then take out the amount in the bill for the Food and Drug Administration, which totals $300,313,000, you then have the sum of $9,244,546,000 for agricultural programs.

The domestic food programs, as you know, Mr. Chairman, include the special milk program; food stamp program; food donations program; elderly feeding program; and child nutrition program.

The amount requested for the food stamp program totals $5,779,200,000, and this is the amount we recommend in the bill. The special milk program request totals $142 million and we recommend $142 million. The food donations program request totals $11,500,000, and this is the amount we recommend in this bill.

As you know, Mr. Chairman, the Agricultural Research Service was established by the Secretary of Agriculture on November 3, 1953, under the authority of the Reorganization Act of 1949.

After conducting hearings on the request for the Agricultural Research Service, we restored a number of reductions and in this bill have proposed a number of redirections; the reductions pertaining to a cut of $9,431,000, for processing, storage, and distribution efficiency research; a cut of $389,000, in rural housing; a cut of $3,106,000, in tobacco crop production research; and a cut of $343,000, in tropical and subtropical research. During the hearings, the committee decided, after carefully reviewing the reductions proposed, that such reductions were unacceptable and, therefore, we recommend the reductions and redirections set forth in this bill.

Our committee restored the following amounts deleted for fiscal year 1979 for crop production research of tobacco. The total amount that is now carried in the bill for crop production research for tobacco is $5,533,500.

At my request, the amount for crop production research for tobacco was restored and this now means that $728,600 is restored for Kentucky and, in addition, the following amounts are restored for use at the places designated: $166,400, for Tifton, Ga.; $824,400, for Beltsville, Md.; $1,143,800, for Oxford, N.C.; $181,500, for Richmond, Va.; $170,300, for Greenville, Tenn.; and $72,000, for Raleigh, N.C. The bill contains no reductions for crop research now being conducted at Athens, Ga., and at Gainesville, Fla.

Crop production research for tobacco is of great concern not only to Kentucky, but to all of the other 19 States that produce tobacco. In Kentucky, 118 counties of the total 120 counties produce tobacco; 150,000 farm families produce tobacco in Kentucky and this is the fifth largest cash crop production by the farmers in this country. Only corn, soybeans, wheat and cotton produce more money for the farmer.

Crop production research is not only directed to the production of tobacco, but studies are being made and should be made which ascertain the nicotine and tar content of tobacco. Every effort is now being made to produce a low tar and nicotine tobacco and this type of crop production research for tobacco is more essential now than at any time since this program started.

Mr. Chairman, the amount contained in this bill for crop production research for tobacco is a very small amount when you consider the fact that tobacco and tobacco products produce in this country the sum of $6,300,000,000 in taxes for the Federal, State, and local tax departments.

We have been conducting research in Kentucky on tobacco since 1958 and this, as you know, was long before the report on smoking and health was released in 1964.

The people in Kentucky believe that we must continue our research program on crop production research and since 1958, the State has constructed a research facility at the University of Kentucky which cost a little over $4,500,000. Since that time, the people of Kentucky have voted an additional tax which produces approximately $4 million a year to be used along with Federal funds at the tobacco research facility in Lexington, Ky. Mr. Chairman, this is an important program and it must continue

As you know, there are only about 4 percent of the people in this country employed in agriculture today. Some 800,000 people have left the farms in each of the last 5 years and we are now down to a farm population of a little over 10 million people. The total land in farms and ranches in this country in the year 1950 totaled 1.2 billion acres and today we have 1 billion acres. We all know that the average size of the farm has increased considerably in the last 10 years, and it has reached the point, if our young people on the farms decide to stay in agriculture, they must either inherit a farm or succeed in borrowing large amounts of money to invest in land.

If we are to feed the people in this country and to continue exporting some $20 billion worth of farm commodities each year, we must keep our land in production and through our soil conservation and ACP programs see to it that it is preserved.

Mr. Chairman, the American farmer is not receiving a fair share of our national income. If we stop the exodus of the family farmers and keep the farmer cultivating the land, the farmer must have more income. The cost of labor and equipment has increased to such an extent that it is difficult for the farmer to show any profit at the end of the year.

Agriculture is our largest industry, and when agriculture is in trouble, our country is in trouble. Assets invested in agriculture today exceed those of any of the next 10 largest industries. Agriculture employs more workers than any other major industry and in fact, employs 23 times the number of people employed in the coal and oil industry and 5 times more than the number employed in the automobile industry.

Agriculture is one of the major markets for the products of labor and industry. It spends more for equipment than any other of the large industries. Agriculture uses more steel in a year than is used for a year's output of passenger cars. Agriculture uses more petroleum products than any of the other large industries in this country. Agriculture uses more rubber each year than is required to produce tires for 6 million automobiles.

Mr. Chairman, the farmers' assets at this time are approximately $400 billion. The American farmer today owes a little over $109 billion.

If our country is to survive and prosper, we must continue to be interested in and to assist when necessary, our custodians of the natural resources in this country. We must reforest our lands, protect our watersheds and conserve the soil and water in this country. We must leave to future generations a fertile land and a land sufficient to produce food for our people.

Mr. Chairman, all down through the years, our Soil Conservation Service, Extension Service, Agricultural Stabilization and Conservation Service, Farmers Home Administration, Rural Electrification Administration, Foreign Agricultural Service, and Research and Control Services have produced great benefits for the American farmer. Our Farm Cooperative Service, Agricultural Marketing Service, and our Packers and Stockyards Administration are all of great concern to every farmer in this country.

Mr. Chairman, almost every year since I have been a member of this subcommittee, we have had to restore funds in the bill for soil conservation, ACP, and research programs and extension service.

Mr. Chairman, we recommend that the sum of $334,100,000 be appropriated for agricultural research service. This is $9,241,000 over the 1978 appropriations and $11,012,000 over the 1979 budget estimate. If we are to continue to meet our needs for food and fiber, we must have a good research program underway in the Department of Agriculture.

As you know, Mr. Chairman, the Cooperative State Research Service was established by the Secretary of Agriculture on July 19, 1961, under reorganization plan No. 2 of 1953. For this service we recommend $163,057,000. This is $19,907,000 over the 1978 appropriations and $4,907,000 over the 1979 budget estimate.

We recommend the sum of $276,747,000 for extension service. We further recommend the necessary funds to continue the successful urban gardening program. The amount recommended is $19,526,000 over the 1978 appropriations and $14,700,000 over the 1979 budget estimate.

Mr. Chairman, we recommend that the sum of $46,502,000 be appropriated for agricultural marketing service.

Our committee has made a number of increases in the action agencies responsible for rural development. We sincerely believe that every effort must be made to see that the rural areas of this country receive treatment from the Federal Government similar and also equal to that received by our urban areas. We recommend $300 million for rural water and waste disposal grants. This is $50 million over the 1978 appropriations and $35 million over the 1979 estimate.

For Rural Development Planning Grants, we reommended $2,500,000. For Rural Housing Supervisory Assistance Grants, we recommended $2,500,000. For Rural Development Grants, we recommended $10 million.

REA is one of the great achievements of our present day Government. We recommended loan authorization totaling $1 billion 100 million for fiscal year 1979. This is $100 million more than the 1978 authorization, and $115 million more than the 1979 budget request. For insured loans to rural electric systems, we recommended a floor of $850 million and a ceiling of $1 billion. For insured telephone loans we recommended a floor of $250 million.

Our soil conservation service was established by an act passed on April 27, 1935. This is one of the great services administered by the Department of Agriculture. For fiscal year 1979, we recommended for conservation operations, the sum of $262,491,000. For river basin surveys and investigations, we recommended $16,487,000. For watershed planning, we recommended $12,587,000. For watershed and flood prevention operations, we recommended $169,607,000. For resource conservation and development, we recommended $31,979,000. For great plains conservation program, we recommend $23,288,000.

Mr. Chairman, for our agricultural stabilization and conservation service, we recommended $190 million.

We recommended that the sum of $53,645,000 be appropriated for our foreign agricultural service.

Our committee recommends the full amount of the budget requesting for Public Law 480 expenditures. This amount is $805,900,000.

For reimbursement to the Commodity Credit Corporation, we recommend the sum of $580 million.

Our committee recommends the sum of $289,854,000 for the Food and Drug Administration.

Mr. Chairman, this is a good bill and our Committee on Appropriations recommends it to the Members of the House. If our country is to survive and prosper, certainly, we must continue to be interested in and to assist, when necessary, the custodians of the natural resources of our country.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield 7 minutes to my good friend and colleague, the gentleman from Virginia (Mr. WAMPLER), the ranking member of the legislative committee.

Mr. WAMPLER. Mr. Chairman, I take this time to offer some observations on the agricultural appropriations bill.

First, this bill is basically a sound, fiscally responsible measure for which I commend the Committee on Appropriations and the Subcommittee on Agriculture, Rural Development, and Related Agencies.

I particularly want to thank my friends, the gentleman from Mississippi (Mr. WHITTEN) and the gentleman from North Dakota (Mr. ANDREWS), for their initiatives in restoring the cuts contained in the President's budget in Hatch Act funding to support our State agricultural experiment stations; the McIntire-Stennis Act to support the State cooperative forestry programs; the special research programs; the Smith-Lever Act to support the State extension services; and our very successful EFNEP program. This action on the part of the committee brought the level of funding for fiscal year 1979 to the 1978 level.

However, I must express disappointment that the Appropriations Committee did not go far enough in its actions and add funds in these important areas to cover the cost of inflation and necessary modest increases in these programs recommended by the Committee on Agriculture and allowed in the first budget resolution. In this regard I can appreciate the Appropriations Committee's desire to stay as close as possible to budget

ceilings and not invoke the wrath of President Carter to veto the bill.

Only yesterday Secretary Bergland, in testifying before a joint hearing of the Committee on Agriculture and the Committee on International Relations on legislation to establish an international wheat reserve, spoke of the need of this country to aid in the feeding of a world population that will double in our lifetime. How would we accomplish this? We all know our cities and our suburbs cannot do it. It must be done on the farms and ranches of America, by making, in a sense, two blades of grass grow where only one blade of grass grows today.

Title XIV, prudently and properly administered and funded, would have given our country a chance to meet these coming demands.

But, I regret to say, efforts by some influential people at the Department of Agriculture and OMB to sabotage title XIV—by cutting traditional formula funding for agricultural research and extension programs and by downgrading the roles of the Cooperative State Research Service and the Extension Service and the role of the States in agricultural research and extension—runs contrary to the intent of Congress.

Likewise, title XIV to Public Law 95–113, The Agricultural Research, Extension, and Teaching Policy Act, also called for competitive grant programs to broaden the base of agricultural research. These grants would be open to both existing institutions in our land grant universities and colleges and to the best individual and institutional scientific talent available elsewhere in our Nation.

But, Mr. Chairman. I call the attention of the committee and of the administration in particular to the law—largely ignored in the budget by the President and in requests for funding by the Secretary of Agriculture. I have in mind, Mr. Chairman, title XIV of Public Law 95–113.

Title XIV, The National Agricultural Research, Extension, and Teaching Policy Act of 1977, a major part of the 1977 Farm Act, provided for better coordination of agricultural research, extension, and teaching and a progressive increase annually over a 5-year period to double our agricultural research and education effort by fiscal year 1982.

During the past 18 months, the Committee on Agriculture has been literally besieged by farmers and farm families from across this Nation who suffer from depressed farm prices, increased production costs, inflated land values, and crushing farm debt. Consumers have also complained of sharply escalating food prices. In the past, these problems have been avoided or overcome through dramatic increases in productivity resulting from agricultural research. However, 3 years of study have convinced us that we have nearly exploited all past scientific breakthroughs and that we must again renew our support for agricultural research if we are to provide food at prices fair to both farmer and consumer.

Regrettably, Mr. Chairman, the Appropriations Committee has chosen to reverse the will of the Congress and not to fund competitive grants. I can appreciate their concern for peer review as conducted by the National Science Foundation. But perhaps we should have called for bid proposals in the act. Title XIV was not allowed to function although thousands of proposals are currently under review. This provision is sound and needed and should have been funded.

We are at a crossroads. Already the administration is formulating the 1980 budget. I trust the lack of progress in funding title XIV will not be taken by the administration as a lack of support for agricultural research and extension.

In closing, I want to remind the committee that it took 40 years from the time the scientists discovered the secret of hybrid corn until the farmers were able to revolutionize farming. We have a long way to go to meet the food needs of the future.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. I thank the chairman for yielding to me, and I would like to ask the chairman a question.

Mr. Chairman, we have included in this bill, under the Farmers Home Administration funding section, an amount totaling $3 million, of which some is to be used by the Department to carry out, monitor, and evaluate projects to help people of the countryside find better, more efficient, and more economically efficient ways of solving the problems and meeting their needs. Further, it is my understanding that some of this money could be used by USDA to provide technical assistance to small towns and communities in their community development efforts.

Is that the correct interpretation of the intent for which this funding is being made available?

Mr. WHITTEN. If the gentleman would yield, that was and is the intent of the members of the subcommittee.

Mr. ALEXANDER. I thank the chairman, and I appreciate very much the cooperation in clearing up the intent of the subcommittee in providing this additional $3 million which can be readily used by our people in the countryside areas.

Mr. ROBINSON. Will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Virginia.

Mr. ROBINSON. I thank the gentleman for yielding.

Mr. Chairman, in line with the inquiry of the gentleman from Arkansas (Mr. ALEXANDER), I should like to ask the gentleman from Mississippi, the chairman of the subcommittee, whether or not I am correct in understanding that the intent of the subcommittee, as reflected at the bottom of page 76 of the committee report, is to indicate its support of a continued effort to meet such needs of rural communities as adequate safe water supplies and sewage disposal systems.

I have in mind the substantial help given a number of low-income rural communities in Virginia by a private nonprofit organization, the Virginia Water Project.

This organization has provided technical assistance and modest amounts of seed money to meet the water and sewer problems of small communities out of reach of urban or regional water and sewer systems, and lacking in resources even to begin minimal local facilities.

This project in Virginia, and others across the Nation, have benefited from limited funding available from grants by the Community Services Administration to the National Demonstration Water Project, also a nonprofit private organization.

As the gentleman from Mississippi knows, however, there is ample authority in the Farmers Home Administration to assist in such problems, and it would seem logical for that agency to have an active concern for these basic services in the very small, more or less isolated, rural communities.

My question, therefore, is whether or not it is the gentleman's view that the Farmers Home Administration could use some of the funds provided to it in the bill, such as for contract assistance, to help such projects as I have mentioned when they have been established as cost effective?

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield further, may I ask in reply that certainly that would be in line with what the committee intends.

However, I would call attention also to the fact that because of the problem or the question that has been raised by my colleague, the gentleman from Arkansas (Mr. ALEXANDER) and the gentleman from Virginia (Mr. ROBINSON), we separated the appropriation for the Farmers Home Administration into salaries and expenses. For quite some time we have seen a lack of proper supervision, we have seen poor inspection on housing, and we have seen many other things which the Department would not have done had they had the personnel provided by the Congress. Instead of having that personnel, we have had imposed on the Farmers Home Administration by the Office of Management and Budget a ceiling on the total number of personnel. This ceiling has resulted in inadequate inspection, inadequate supervision, and inadequate planning; and, may I say, inadequate assistance to those who borrow from the Farmers Home Administration.

Mr. Chairman, not only do I agree that there is provision for this, but in this bill we have tried to provide the personnel to carry out much of this from within the Department.

Mr. ROBINSON. Mr. Chairman, I thank the gentleman, and I thank the gentleman from Arkansas for yielding.

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for his contribution, and I wish to thank the chairman for his assistance and cooperation in trying to provide the kind of leadership that has been sorely needed by the Farmers Home Administration.

Mr. Chairman, I know of no agency in the Federal Government that has a greater opportunity to serve people in America than the Farmers Home Administration. Likewise, from the history of the past several years, I know of no agency that has had the difficulties of the Farmers Home Administration. As

reports of the Committee on Government Operations revealed, about 4 years ago it was one of the most inefficient, disorganized, and poorly run agencies in the Federal Government. Because of the leadership of the chairman and the cooperation of the members of the subcommittee, I think that situation has been reversed, and that we now have an agency that is serving the needs of the people and complying with the laws as prescribed by the Congress.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. KREBS).

Mr. KREBS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would be remiss, indeed, if I did not rise in strong support of this legislation and express my deep appreciation to the chairman, the gentleman from Mississippi (Mr. WHITTEN), and to the ranking minority member, the gentleman from North Dakota (Mr. ANDREWS), for their cooperation and their understanding of the problems that are facing not only agriculture in general, but some of the specific problems that I and other Members of the California congressional delegation testified to in the course of the many hours of hearings which this subcommittee so diligently engaged in.

Mr. Chairman, I will be very brief, indeed. However, I would like to put emphasis on a point which should be emphasized in light of the fact that before consideration of legislation will be completed, an attempt, no doubt, is going to be made to cut this appropriation. I would urge the members of this committee to resist such temptation.

I do not believe there is any question but that the message of proposition 13 has been heard around the land. I do not think there is any doubt that the voters of California and the voters in many other parts of this country, if not in every one of the 50 States, would like Government to intrude less into their day-to-day lives, become less expensive, and address itself to the more basic concerns of the American people. But, there is such a thing as overkill, and I think this particular bill has been drafted very carefully and cutting it further would be self-defeating.

The committee has made a very diligent and serious attempt to combine fiscal responsibility, with its duty to address the needs not only of agriculture but the needs of the American people in general.

I would like to share with the Members a specific example where a cut in the appropriation would have a devastating impact on one segment of agriculture. I have specific reference, if I may be so parochial, to the California cotton industry.

The committee saw fit to add $1 million to the pink bollworm eradication program. I certainly do not want to leave the impression, if I may digress for a moment, that this is the only contribution this committee has made to California agriculture. Obviously, time does not permit me to dwell on some of the other contributions and on the other positive and constructive efforts that this committee has engaged in to the benefit of California agriculture in general.

But, the threat of the pink bollworm infestation, which has been a very serious threat indeed to the California cotton industry unless addressed, as this committee has seen fit to do, may well have resulted in the destruction of an industry that last year alone contributed $415 million to our agricultural exports. The total California cotton production in the year 1977 came to $755 million. It hardly would seem necessary to spell it out to anybody in this Chamber as to what the impact would have been on California's cotton growers industry if indeed the pink bollworm infestation could not be dealt with as will now be possible due to the help and efforts of the subcommittee.

This brings me to my last point, one which deals with agricultural exports in general. In 1977, this country has had a trade deficit of $26.7 billion. But for agricultural exports, which last year came to approximately $24 billion, our trade deficit would have been almost twice as high. I submit to the Members that there is hardly anything that is more urgent as far as the well-being of the economy of this great country is concerned than bringing our balance of payment back into the black.

So, Mr. Chairman, while I would be less than honest if I stated here that I agreed with every specific provision of this legislation, I certainly share the views of those who have previously stated that they agreed with and concurred in the overwhelming provisions of this legislation. This is about as good as we can get.

Let me, however, in closing, in a constructive and not in a critical fashion express my hope that this subcommittee in the future will give some further consideration to the advisability of the competitive grant program.

I think it would be a step in the right direction to provide for such a program, which would in the final analysis, return to the American taxpayer for more than he receives under the present program.

I would like to again express my thanks to the chairman of the subcommittee and the ranking minority member of the subcommittee as well as all the members of the subcommittee.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri (Mr. VOLKMER).

Mr. VOLKMER. Mr. Chairman, I wish to commend the gentleman from Mississippi, the chairman of the subcommittee, for all the years he has given to agriculture, for a sound agricultural economy.

Also I wish to commend him for this report and I urge each and every Member to read it. If the Member has not had the time to read the report before now, if not today, then I urge the Members at least to read it another day, especially the first 23 pages of this report, because I think it tells the story of American agriculture and the problems and where this may lead if we do not cure those problems.

As pointed out in the report, those problems are not all a result of what Congress has done, nor can they all be cured by this bill. Those problems arise not only from natural sources but also from Government bureaucracy and the EPA rulings. For instance, in my district right now, because we cannot use all the insecticides, because some are banned, such as heptachlor and aldrin, and the cutworms are reducing our corn crops in northeast Missouri.

Our farmers are concerned about what will happen because they cannot use certain antibiotics because of EPA rulings.

Another problem is caused by the increased cost of farm machinery due to OSHA requirements in so-called safety features.

The ruling just recently passed to increase beef imports has really devastated the people, not only, I am sure, of my district but also throughout the State of Missouri and many of the Midwestern States. Just when cattle prices were getting to where the farmer could pay back what he had borrowed over the last 3 years to stay in business, just in my district since that last announcement about the increased imports, there has been a loss because of the reduction of the price per hundredweight for cattle. How long can they remain on the farm? Indeed, only time can tell, unless we recognize, as the chairman has said, that agriculture is the backbone of this economy—and I think it is well said, as it is on the first page of the report, that our entire economy is dependent on a financially healthy American agriculture for it is the foundation of our economic well-being.

Mr. WHITTEN. Mr. Chairman, I appreciate the gentleman's statement.

● Mr. GRASSLEY. Mr. Chairman, I would like to take this opportunity to make a few comments about H.R. 13125, the agricultural appropriations for fiscal year 1979. As my colleagues are fully aware, I am very concerned about the deficits of our Federal budget, and have spoken about my concerns many times. With the current mood in our country regarding Government spending and taxes, I feel sure more of my colleagues than ever before share my concerns. The recent success of proposition 13 in California has sent a message around the Nation which cannot be ignored. Taxpayers, I feel, are going to begin requiring greater accountability of their elected officials in the use of their hard-earned dollars turned over to the governments (local, State, and Federal) for use in providing government services. They are no longer willing to take for granted as being best what elected officials do with their tax dollars.

There are a couple of points which we must remember when considering appropriations for the Agriculture Department. First, a significant part of the budget, nearly 50 percent, does not deal with agricultural programs but instead goes for domestic food programs. Second, a large part of the agriculture segment of the budget is also an entitlement pro-

gram. Therefore, only a small segment of the budget can be used to restrain spending. However, some of the programs which do not have entitlement protection are, in my opinion, some of the most important programs to farmers and consumers.

In several program areas, I am pleased to see that the Appropriations Committee saw fit to restore funds which had not been requested by the administration. For example, I feel it is very important that we maintain a strong and continuing research program at both the State and Federal level. Agriculture research has provided a high rate of return in the past, and I am sure it will continue to do so in the future. Inadequate funding now, I fear, could prove disastrous in the future because of the lack of trained scientists and an ongoing research program with which to deal with problems. Likewise, I feel the cooperative extension service has provided valuable assistance to farmers and homemakers in the past and is continuing to do a good job in its traditional role as well as adapting to meet changing needs. I am particularly pleased to see funds provided for the farm safety program.

Next, I am pleased with the support the committee has given rural development. The statement in the report which accompanied this bill states on page 64:

> . . . the Committee has approached rural development from the point of view of assuring that every effort be made to see that the rural areas of the country receive treatment from the Federal Government similar and also equal to that received by our urban areas.

This is very important. We must see that our rural citizens are on par with our urban citizens and I will continue to work as a Member of this Congress to accomplish this goal.

The committee also had the wisdom to support the conservation programs. These time-proven programs which are joint efforts of the Federal Government and the Nation's farm producers have made a major contribution to the country's conservation efforts.

It is imperative that we show fiscal restraint with all programs if we are ever to come close to balancing the Federal budget, and I would be willing to see the programs I have discussed bear their fair share of this restraint. I do not think that was the case in the budget requests from the administration and I support the level of funding by the committee for these programs.

The farmers and rural residents have always shown a willingness to show restraint and a willingness to sacrifice. I just wish that the other segments would show the same willingness. I strongly feel that the programs I have just discussed are in the best interest of the Nation.●

● Mr. FRENZEL. Mr. Chairman, H.R. 13125, the agriculture appropriation, is both over budget and considerably up from last year. However, it could be much worse. Much of the increase can be accounted for in restoring of loan funds after last years disasters, by entitlement programs like food stamps, and from the agriculture set-asides we have encouraged the Agriculture Department to set up.

I doubt this bill is without fat, but I think the committee has done a conscientious job of holding down expenses. I would prefer a tighter bill, but I can find no egregious excesses. In fact, we may do well to avoid a supplemental appropriation later.

With the reservations that I would be happier with a less expensive bill, I shall vote for H.R. 13125.

The Wright amendment to cut Korea aid causes some concern, but it must be supported. The government of Korea has been given ample warning. I do not like to play chicken with any government, especially a friendly one, but this is a terribly important matter.

The ex-Ambassador, who is alleged to have made illegal payments to Members of Congress has not been willing to appear before us. Buying a Congress, or a part of it, is about as grave a matter as I can conceive. Until we can clear up these allegations, or prove them, extraordinary measures, like the Wright amendment must be taken.●

● Mr. TRAXLER. Mr. Chairman, I rise in complete support of H.R. 13125, a bill to make appropriations for the Department of Agriculture and related agencies for fiscal 1979.

The bill before us today is the result of several months work on the part of several Members who are highly devoted to making rural America a good place to live, who want to make sure that the American farmer receives the proper assistance from the Department of Agriculture, and who want all Americans to have access to the best food supply in the world.

Our chairman, JAMIE WHITTEN, and our ranking minority member, MARK ANDREWS of North Dakota, ably led our subcommittee to the bill that is before us today. The choices we had to make were hard, but there is unanimous agreement among the subcommittee members that the choices we did make are the correct ones.

We have already heard that the direction we are taking in this bill is meeting with the objections of the Department and the President. Many new initiatives were suggested in the President's budget proposal for USDA this year, and I am sure the President would like to have all of these initiatives approved. Unfortunately, these initiatives were all at the expense of the programs that USDA has operated for the benefit of our farmers for many years. I agreed with our chairman when he said that it is better to stick with the programs for which we have a proven need than to give up many of the good programs in order to try out some new ideas.

The President has wanted the Congress to maintain budgets this year for only essential programs. That is what we have done with this bill, even though we did disagree with its recommendations on exactly what programs are essential.

There are many individual features I want to point out in this bill. It is important that certain of these highlights be brought to the attention of our colleagues who have not had the benefit of the months of hearings that the subcommittee held.

Title I of the bill provides our farmer programs. These programs provide the funding for the agricultural research that is essential to our continued ability to have plentiful crops. New seed varieties must be developed for all crops. New methods of storage and processing are needed to improve our efficiency in handling commodities once they are removed from the farm. We need to be sure that we can insure both the safety of our food products and the health of both our people and farm animals. All of thsee concerns are addressed in this portion of the bill.

Title I also provides the income stabilization that is so essential to our farmers under our current farm price condition. We must be certain that adequate funds are provided for crop price support programs, and this is one area in which the subcommittee had strong disagreements with the budget request.

The Agricultural Research Service, now part of the Science and Education Administration of USDA, is an extremely important agency. This division carries on much of the basic research that is needed to maintain the quality and consistent supply of our crops. This year's budget recommendation would have cut many of these essential research programs, and would have set back many of our research efforts. The subcommittee restored these cuts, as pages 38 through 40 of the report so clearly point out.

I have been extremely pleased with many of the research projects that ARS scientists have carried out in the State of Michigan in conjunction with the agriculture school at Michigan State University. Again this year we will have funding for our dry bean and sugar beet research programs. The work already underway will help us to understand many of the problems faced by these two crops, and it is essential that this research continue until completed in order to maximize the benefits we derive from these research dollars.

I am also very happy with additional appropriations which will allow for the construction of the dairy forage management research center at the University of Wisconsin at Madison. This center will be of extreme importance to the entire dairy industry in the Midwest as we learn more about the care of dairy animals.

A slight increase was provided in pickle, onion, and carrot research to help the scientists working on these projects to expand their efforts to improve varieties of cucumbers.

This title also provides funding for the Food Safety and Quality Service. This branch of the Department has an important job in helping both farmers and consumers to understand about the quality of our foods. During our hearings, we discovered that FSQS was intending to reorganize its activities in a fashion which would make it harder for farmers to get answers about the problems they face in the proper care of their

animals and crops. The record clearly shows that I strongly disagree with this proposed reorganization because it will lead to confusion among the agricultural community and will make the agency less responsive to the needs of our farmers. Despite the comments by Dr. Angelotti, the agency Administrator, I am not convinced that our farmers will be treated in as helpful a fashion as they have been under the older breakdown of product review along commodity lines. Our report points out that we expect to see the Department act in a fashion to help farmers, and not to just test management theories. You can be certain that I will be most interested in the action by FSQS over the next year.

This portion of the legislation also funds the Cooperative State Research Service. We had to make several budget restorations in this area in order to protect the integrity of the agricultural research that is being carried out at our land-grant colleges under the Hatch Act and McIntire-Stennis programs. These programs were cut in order to provide more funding for the so-called competitive grants program. Over the course of the past year, the Department had failed to issue regulations for this competitive grant program. They had failed to appoint the peer review boards. They had failed to provide any substantial amount of information as to how one might go about applying for these funds until our hearings were underway this year. After all of this inaction, we were told that the competitive grant program is the "superior approach to agricultural research." I will deal with this matter in more detail at a later point during these proceedings.

I opposed the competitive grant approach this year. I told Assistant Secretary Rupert Cutler that I opposed this approach, and I told Secretary Bergland that I opposed this approach on the grounds that it took research decisions out of the hands of the people's branch—the Congress—and gave it over to an unaccountable group of peers. I pledge to continue my opposition to this approach in the agricultural bill.

In lieu of the competitive grants, we provided $15 million for contractual grants between the Department through CSRS and any research institution, be it private industry, land grant college, or any other qualified research university or association. We earmarked $5 million for nutrition research, and $10 million for animal and plant research. We have made certain recommendations of research projects that merit funding under this approach, such as the dairy photoperiod research project of Michigan State University that has been under review for the past year and a half by the Department. This approach is acceptable to the Department, and can allow for expanded research without the pitfalls of the peer review process.

We were able to make only slight increases in the budget of the Extension Service. I personally wish that it could be possible to provide more for the many essential programs that Extension operates, but budget constraints are something that must be shared by all in order to be equitable. We restored many of the individual grant programs in the Extension budget that would have been eliminated under the President's request. We have a battle to retain these programs almost every year, and I am glad that we were again successful.

I am very pleased that we were able to provide a modest $2.5 million increase in the expanded food and nutrition education program. This is the first time in 7 years that this program has seen a budget increase, and it has seen inflation erode its operating base for many years. This program helps people to understand the importance of good nutrition, and certainly deserves the support of every Member.

The Agricultural Marketing Service is about to become more involved in studying the problem of rail car supply for our grain industry. I am extremely happy with the announcements that have been made thus far by the Department to more aggressively represent agriculture in the many transportation forums. The problem of hopper car supply is a critical one for our grain shippers. Slow hopper cars can mean lost sales and higher prices to consumers. A tight oversight program can help the rail industry make better use of the cars it does have, and ease the problem that the elevators in my district face each year as cars are delivered from 4 to 6 weeks later than the date for which they were ordered. AMS has my support for this effort, and I hope that recent announcements of their actions are only the beginning.

Title II of this bill provides the funding for rural development programs. The money in this section of the bill is for every community that is not by definition an urban area. The money goes to improve the water and sewer systems of small towns. It helps provide additional funding for housing projects. It provides a very modest amount to help rural communities obtain very essential fire and rescue equipment.

This section of the bill through the Farmers Home Administration also provides money for loans to our many farmers. Banks do not want to take a chance on agricultural loans. The return from investment in agriculture is lower than the interest on a standard savings account. For this very reason, we need to have these loan programs if our farmers are going to be able to get the money that enables them to purchase the farm equipment that is so vital for the production of food.

We also provide money for conservation programs under the Soil Conservation Service and the Agricultural Stabilization and Conservation Service in this part of the bill. We try to protect our soil and our water so that we will have them for our use in the future. Inadequate funding of these programs is the same as ignoring our future needs, and this subcommittee is vitally interested in our future needs.

Title III is the domestic food programs section of the bill. In this section we provide the funds for school breakfast and lunch programs, for the women, infants and children special commodity program, for the commodity supplemental feeding program, and for the food stamp program.

We have heard of the administration's proposal to move the school breakfast and lunch programs from USDA into the proposed Department of Education. This action would certainly be a mistake. Only when nutrition research and nutrition education are coordinated can they be effective. Any Member who needs to know why the proposal is a bad one should take the time to read the response I received from Assistant Secretary Carol Tucker Foreman when I asked her about the proposal. This information appears on pages 310 through 312 of part 4 of our hearings.

However, I remain concerned about the review of the "fast food lunch" concept in the school lunch program that is being conducted by the Food and Nutrition Service. One of our truly critical problems is plate waste in the school lunch program, and we must be certain that the Department takes all action to assure that this problem is solved, and that the type of lunch available in one part of the country should not be prohibited in some other part of the country by lax review of school lunch proposals.

I am delighted that the Department at various points during the hearing in response to my questions to Secretary Bergland, to Assistant Secretary Foreman, to Lewis Strauss, the Administrator of FNS, and to Jerry Miles, former budget officer for USDA, regarding the commodity supplemental feeding program, recognized that the CSFP program is necessary and effective. I commend them on their pledges to not add personnel standards to the CSFP program, and to not in any way merge the CSFP program with the WIC program. Both programs have their place in the Department, and are doing a world of good for all of its recipients. The Focus: HOPE program in Detroit has demonstrated quite clearly how effective a commodity supplemental feeding program can be in teaching people about good nutrition.

Title IV of this bill contains the funding for international programs. We are all in agreement that if we are to help our farmers, we must maintain and obtain viable export markets. I am generally pleased with the sentiment evidenced by Department witnesses during the hearings. Unfortunately, I find that not all that can be done is being done.

Last year the subcommittee took issue with the Department on its operation of the Public Law 480 food for peace program. It seemed as if the Department did not want to use the program for commodities other than price supported commodities. I have learned in recent days that the same policy is true with respect to the provision of American commodities for the United Nation's World Food Program. Commodities that are price supported commodities are the only ones that we ever provide to the U.N. program. I submit that we may be losing an important opportunity to interest lesser developed nations in various American commodities. I would hope

that the Department would review its policy in this area so that we can be in a position to truly promote American agriculture at every given opportunity.

We are also suggesting in our report that the Department modify the fashion in which it has handled the provision of commodities under the Public Law 480 program. At the present time, it is very possible that some commodities are available for only 1 year, and that if a country begins to develop a liking for a particular item, they will be unable to obtain that commodity under Public Law 480 beyond the current year. Our report directs the Department to both make the commodities available for at least 2 years to allow for an orderly market development program, and to provide a preliminary 6-month notice of the Department's intention to discontinue the availability of given products to both the recipient countries and the affected commodity groups so that everyone will more clearly understand how the Public Law 480 program operates.

Title V provides the funding for the Food and Drug Administration's efforts to insure the safety of our medicines and foods through the review of food additives and processes. This agency must have our support, even in the heat of public debate in review of many FDA decisions.

This bill is an important one. It may not get the attention that some of the more attractive bills like defense and foreign aid do. But without this bill, we would soon realize the need we have for good agricultural programs, and the need to not take them for granted.

I certainly hope that all of the Members here will be in support of this legislation. It is one of the very few that affects Americans every day of their lives.●

● Mr. WEAVER. On behalf of the delegate from the Virgin Islands as well as myself, I wish to commend the chairman for the fine work which has been done in bringing this bill to the floor. I am well aware of the many hours and the hard decisions that went into shaping this legislation.

Unfortunately, after all the deliberations had been concluded, a problem in the Virgin Islands has come to my attention, and the solution properly falls within the jurisdiction of the committee.

At the moment, the livestock industry in the Virgin Islands is being threatened by a resurgence of the tropical fever cattle tick. While I am very concerned about its impact there, the trouble this insect, and the fever it carries, has caused is not limited only to the Virgin Islands. As my colleagues from Texas are particularly aware, this tick has been infesting cattle all across the Southwest. This is not a new phenomenon, and the Federal Government has been addressing it for some time.

Sadly, previous attempts to control the tick in the Virgin Islands failed as outbreaks in other areas shifted funds away from the local effort. Therefore, I appreciated the distinguished chairman having expressed to us that it is the intent of the committee that of the total funds for the Animal and Plant Health Inspection Service, including contingency funds, that there shall be a sufficient amount available to properly address the problem of the tropical fever cattle tick in the Virgin Islands.●

Mr. GORE. Mr. Chairman, I would like to take this opportunity to congratulate the esteemed chairman, Mr. WHITTEN, and the committee for their work on this important bill which they have brought before us today. I fully support this bill and urge my colleagues to do likewise.

I would like to address myself to that portion of the bill which deals with the funding of the brucellosis eradication program under the Animal and Plant Health Inspection Service. In the past, the efforts to control and eradicate the disease have had almost as harsh an impact as the disease itself, especially for dairymen. The present indemnity paid under the current appropriation is a uniform $50 for all unregistered cattle condemned and slaughtered under the authority of the program. This places an especially hard burden on the dairymen since even the indemnity and carcass salvage value combined often fail to equal the full market value of the animal by hundreds of dollars. I introduced the Brucellosis Relief Act earlier this year to remedy some of the problems faced by dairymen.

On May 5 of this year USDA–APHIS proposed regulations that would substantially improve the indemnity rate structure. Essentially, the proposed amendments would establish a separate indemnity category for unregistered dairy cattle, defined as females over 20 months of age that have already calved or are within 90 days of doing so provided that such cattle are members of a milk-producing herd. The level of indemnity would be raised to $150 for such cattle. I applaud this proposal as a significant step in the right direction toward alleviating much of the hardship and burden that dairymen have labored under in the past.

Once again Chairman WHITTEN should be congratulated for the important part he played in bringing these problems to the attention of APHIS. I note that the budget of somewhat over $63 million for this project includes a commendable increase of $8 million over last year. I am sure that this will bring us closer to the ultimate goal of eradicating this dread disease.

However, I am concerned about the long run effects of this proposal. It is the first change in the indemnity rate since 1971. During that time the salvage value of condemned cattle fluctuated with beef prices while the replacement costs for dairy cattle climbed steadily, yet the indemnity stayed constant. I am concerned that even under the new rules the normal fluctuation of slaughter prices will again produce situations where the combination of indemnity and salvage value will not adequately cover the loss of a dairy cow. This is especially likely in the face of ever-increasing dairy cattle replacement costs that will rise even faster should the dairy reduction proposals come into effect.

Additionally I am concerned that the definition of dairy cow may not adequately reflect the nature and structure of the industry. Many producers in my district and throughout the country are in the business of raising dairy cattle for replacement stock. As the APHIS report notes:

> When breeding animals are—sent to slaughter, the herd owner's loss is considerable.

It goes on to note that this loss is often so great that he cannot stay in business. I fear that by not including heifers and/or dairy cattle not in milk producing herds APHIS will leave a significant and important sector of the dairymen who are currently suffering under the inadequate $50 indemnity.

At this point I would like to seek some clarification from the chairman of the subcommittee as to the intent of this bill.

Is it the chairman's of the subcommittee understanding and the committee's intent that the responsible agency, APHIS, in the Department of Agriculture should direct its attention to these problem areas that I outlined as it reevaluates the rate structure for indemnities paid to the owners of cattle condemned and slaughtered on account of brucellosis? Is it also the chairman's of the subcommittee understanding that such attention should continue to be directed to the relationship of replacement costs and salvage values so that we do not go for another lengthy period of time before these rates are adequately adjusted?

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield, let me say to my colleague, the gentleman from Tennessee (Mr. GORE), that it is the intention of the committee that the Department of Agriculture continue to not only give attention to this matter now, but to continue to follow this problem, because as inflation and prices increase, then certainly the payments to the owners should logically follow suit. So we hope they will keep up their present efforts to make it more equitable.

Mr. GORE. With respect to the definition of dairy cattle, is that also the intent of the chairman and the committee so as to adequately reflect the nature and structure of the industry?

Mr. WHITTEN. Certainly.

Mr. GORE. Mr. Chairman, I thank the chairman and the members of the subcommittee.

● Mr. GIAIMO. Mr. Chairman, the purpose of my remarks is to provide a budget perspective for the House as it considers H.R. 13125, making appropriations for the Department of Agriculture and related agencies.

This bill is within fiscal year 1979 first budget resolution spending targets for this subcommittee.

There are, however, several items assumed in the budget resolution but which have not yet been considered. These include expected supplemental appropriations to cover $5 billion for additional

Commodity Credit Corporation borrowing authority, $411 million for full reimbursement of net realized losses to the Commodity Credit Corporation, $75 million for funding the rural clean water program for a full year, and $30 million for expected additional agriculture research funding. Even if these items are ultimately funded, which was assumed in the budget resolution, the subcommittee would still be below its spending targets.

I would like to insert a copy of the House Budget Committee's early warning report on H.R. 13125, which provides greater detail regarding congressional budget scorekeeping for this bill.

H.R. 13125—AGRICULTURE AND RELATED AGENCIES, FISCAL YEAR 1979 (H. REPT. 95–1290)

I. SPENDING ACTION COMPARED TO TARGET

This bill includes $18,014 million in budget authority and $11,766 million in outlays. These amounts plus amounts previously enacted and those passed by the House are under the subcommittee target by $5,662 million in budget authority and $265 million in outlays.

[In millions of dollars]

	Budget authority	Outlays
Committee subdivision target (by subcommittee)	25,294	14,777
Less: Amount in reported bill	−13,014	−11,766
Previously enacted or passed House	−1,618	−2,746
Spending action compared to target:		
Over target	----	----
Under target	5,662	265

II. PROJECTION

If enacted, amounts assumed in the resolution but not yet considered can be accommodated within the committee target.

[In millions of dollars]

	Budget authority	Outlays
Amount remaining within subcommittee target	5,662	265
Less: Amounts assumed in the resolution, but not yet considered	−5,516	−85
Assuming no changes from remaining budget resolution assumptions:		
Over subcommittee target	----	----
Under subcommittee target	146	180

EXPLANATION OF PROJECTION

A. Amounts under Subcommittee targets—The bill as reported is $146 million in budget authority and $180 million in outlays under the Appropriations Committee subdivision to the Agriculture Subcommittee. The largest amounts under the subcommittee targets are in the Natural Resources and Environment function ($125 million in budget authority), and the Community and Regional Development function ($54 million in budget authority).

B. Amounts Assumed in the budget Resolution But Not Yet Considered—Several additional items assumed in the first budget Resolution remain to be considered:

$5 billion of budget authority for Commodity Credit Corporation borrowing authority

$411 million of budget authority for Commodity Credit Corporation reimbursement of net realized losses

$75 million of budget authority and $60 million of outlays to fund the remaining nine months of the Rural Clean Water Program

$30 million of budget authority and $25 million of outlays for additional agricultural research funding

III. PERSPECTIVE ON FUNCTIONAL TOTAL

This bill covers programs in eight functional categories, however, over 80 percent of the funding is concentrated in two of these functions—income security (function 600) and agriculture (function 350). At this early stage of House action on appropriations bills, it appears that this bill will not cause the functional targets assumed in the First Budget Resolution to be exceeded.

IV. COMPARISON WITH THE PRESIDENT'S BUDGET

This bill as reported is $1 million in budget authority below the President's budget request of $18,015 million. Significant differences between the reported bill and the President's request include reductions from the President's request of $411 million for reimbursement of realized losses to the Commodity Credit Corporation and increases of $188 million for soil conservation programs, $64 million for agriculture research and $217 million for funding child nutrition program legislative savings proposed in the President's budget. Authorization for these legislative savings have not been adopted to date.●

Mr. WHITTEN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ANDREWS of North Dakota. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The clerk will read.

The Clerk proceeded to read the bill.

POINT OF ORDER

Mr. SYMMS. Mr. Chairman, I raise a point of order against the Farmer-to-Consumer Direct Marketing Act.

(The portion of the bill to which the point of order was made is as follows:)

EXTENSION SERVICE

Payments to States, Puerto Rico, Guam, and the Virgin Islands: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962 (7 U.S.C. 341–349), section 506 of the Act of June 23, 1972, and the Act of September 29, 1977 (7 U.S.C. 341–349), to be distributed under sections 3(b) and 3(c) of the Act, for retirement and employees' compensation costs for extension agents, and for costs of penalty mail for cooperative extension agents and State extension directors, $176,031,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $53,060,000; payments for the urban gardening programs under section 3(d) of the Act, $3,000,000; payments for rural development work under section 3(d) of the Act, $1,000,000; payments for the pest management program under section 3(d) of the Act, $5,435,000; payments for the farm safety program under section 3(d) of the Act, $1,020,000; payments for the pesticide impact assessment program under section 3(d) of the Act, $1,735,000; payments for extension work under section 209(c) of Public Law 93–471, $910,000; payments under section 5 of the Farmer-to-Consumer Direct Marketing Act of 1976, $1,500,000; payments for solar research under section 1447 of Public Law 95–113, $2,500,000; and $2,500,000 for Rural Development Education as authorized under the Rural Development Act of 1972 (7 U.S.C. 2661–2668); payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326, 328) and Tuskegee Institute under section 1444 of the National Agricultural Research, Extension and Teaching Policy Act of 1977 (Public Law 95–113), $10,013,000; and for carrying out the provisions of section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), $11,500,000; in all, $720,-204,000, of which not less than $75579,000 is for Home Economics: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, as amended, shall not be paid to any State, Puerto Rico, Guam, or the Virgin Islands prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962, section 506 of the Act of June 23, 1972, section 209(d) of Public Law 93–471, and the Act of September 29, 1977 (7 U.S.C. 341–349), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, $6,543,000, of which not less than $2,029,000 is for Home Economics.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SYMMS. Mr. Chairman, I make a point of order against the payments under section 5 of the Farmer-to-Consumer Direct Marketing Act of 1976, of $1,500,000, on page 13. The point of order is based on the fact that in accordance with clause 2, rule XXI, no authorizations shall be appropriated for unless authorized, and the authorizing legislation still lies within the authorizing committee.

The CHAIRMAN. Does the gentleman from Idaho (Mr. SYMMS) make his point of order against only lines 16 and 17?

Mr. SYMMS. That is correct, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Mississippi (Mr. WHITTEN) desire to be heard on the point of order?

Mr. WHITTEN. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The gentleman from Mississippi (Mr. WHITTEN) concedes the point of order and the Chair, therefore, sustains the point of order.

The Clerk will read.

The Clerk read as follows:

FOOD STAMP PROGRAM

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, $5,779,200,000: *Provided*, That funds provided herein shall remain available until September 30, 1981, in accordance with section 16 of the Food Stamp Act of 1964, as amended: *Provided further*, That no part of the funds appropriated by this Act shall be used during the fiscal year ending September 30, 1979, to make food stamps available to any household, to the extent that the entitlement otherwise available to such housenold is attributable to an individual who: (i) has reached his eighteenth birthday; (ii) is enrolled in an insti-

tution of higher education; and (iii) is properly claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household: *Provided further*, That funds provided herein shall be expended in accordance with section 15(b) of the Food Stamp Act of 1964, as amended.

AMENDMENT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SYMMS: On page 41, line 19, strike "$5,779,200,000" and insert in lieu thereof "$5,489,000,000".

Mr. SYMMS. Mr. Chairman, I will not take the entire 5 minutes. I just make the point that the food stamp program is one that has been filled with difficulties, problems, fraud, and abuse, over the years. The Congressional Budget Office estimates that the amount of money that I have in the amendment is adequate and that is all that they will be spending; so we are actually appropriating more money with the present legislation we have before us than what the CBO is estimating we will need to spend, and the amendment only cuts one-half of the GAO estimated amount of money lost to fraud.

Mr. Chairman, I would be very happy at this point to yield to my friend, the gentleman from California (Mr. ROUSSELOT), if the gentleman cares to comment on this amendment.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague offering this amendment on my behalf as well as for himself, an active member of the agriculture committee. I regret that some of us have two other committee meetings going on simultaneously on important legislation, so we just cannot always be every place at once. Both Banking, Finance, and Urban Affairs, and Post Office and Civil Service Committees have been marking up bills while this appropriation bill has been before the House. In any regard, I hope my colleagues will see fit to support this Symms-Rousselot amendment. It has been designed to eliminate fraud and overissued benefits, by reducing the amount of funding for food stamps in this bill roughly 12 percent fraud that the General Accounting Office says in 1978 is, in fact, still existent in this program.

Two recent GAO reports reveal serious waste, fraud, and general mismanagement in the food stamp program.

An April 14, 1978, GAO report examined the work registration requirement for food stamp recipients and found that—

Of 620 household members required to register for work—from a random sample of 1,061—over half were not even registered for work—384, to be exact.

Of the 233 who were registered for work, 3 got jobs. Only 3 out of 620 food stamp recipients capable of work got jobs.

A June 13, 1978, GAO report showed that the Federal Government is losing over half a billion dollars annually in the food stamp program because of overissued benefits. This is 12 percent of all benefits issued.

The food stamp program is fraught with fraud, abuse, waste, and mismanagement. In these days when our constituencies are demanding—and voting for fiscal sanity, Congress should not increase spending for programs that are not properly managed. Programs which are in fact not welfare assistance but sheer give-a-ways.

The Rousselot-Symms amendment will hold spending in fiscal year 1979 at the fiscal year 1978 spending level. CBO's latest estimate for actual 1978 expenditures is $5.489 billion.

There should be no increases in the food stamp program when there is such obvious—and documented—evidence of abuse and outright fraud.

Let me review the figures:

Fiscal year 1977: Actual expenditure, $5.398 billion; percent decrease, 4.9—decrease from 1976.

Fiscal year 1978: Anticipated expenditure $5.489 billion; percent increase, 1.9.

Fiscal year 1979: Appropriation request (H.R. 13125) $5.779 billion; percent increase, 5.

The Symms-Rousselot amendment holds the fiscal year 1979 appropriations to $5.489 which is the fiscal year 1978 level.

We think that the amendment will be a clear signal to the administrators of this program to not only write rules to eliminate fraud and over issued benefits, but impliment that action now.

Knowing the chairman of this subcommittee, who has been a strong advocate of making sure that fraud is eliminated from this program, I am sure the gentleman will immediately jump up and support it; but if the gentleman does not, I am sure that my colleague on the Republican side would be so inclined, because I know the gentleman, too, opposes the obvious fraud that has existed in this program.

Mr. Chairman, I encourage my colleagues to support this amendment.

Mr. SYMMS. Mr. Chairman, I thank the gentleman from California for his comments. It is obvious that the gentleman from California is the original author of this amendment. I appreciate the efforts the gentleman went through to prepare this.

I would just ask the gentleman from California, would this put us back consistent with how much money was spent last year on the food stamp program?

Mr. ROUSSELOT. Yes; it would and it would allow us some inflationary impact, even though the dollar amount is the same, because there is that much fraud and over issued benefits. We had some legislation to try to correct these past misexpenditures on this program and that bill became law. The food stamp administrators are trying to impliment those new tougher rules. There is no doubt that there are people taking food stamps who do not deserve them and should not have them. Therefore, I think our amendment does provide a more than adequate dollar amount of $5.4 billion.

Mr. SYMMS. Mr. Chairman, I thank the gentleman very much. I would also say to the members of the committee that if this amendment is adopted, there would still be well over $5 billion in the food stamp program; so it is not as if we are taking the food out of the mouths of babes.

Mr. RICHMOND. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amount in the bill of $5,779,200,000 was carefully figured. That was the lowest amount that was considered during the committee's debate. At that time I believe the gentleman who offered this original amendment seemed quite satisfied with that figure.

I urge that we leave the $5,779 million in the bill. We are certainly not going to spend any more money on food stamps than necessary.

The 1977 legislation is just going into effect, and the regulations are just being promulgated now. The new food stamp program will not start until October 1, and I think it would be wise if we would let that figure alone and depend on the wisdom of Congress and the wisdom of the U.S. Department of Agriculture to administer the program under the newly tightened law. The regulations are the most difficult, tough food stamp regulations that have ever been developed to deal with fraud and error rates. I say we should not cut the new program now before it even gets started.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. RICHMOND. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's yielding.

First of all, I am sure the gentleman misspoke. I thought I heard the gentleman use the figure of $5 million, but I believe he meant $5.4 billion.

Mr. RICHMOND. Yes, $5 billion.

Mr. ROUSSELOT. I appreciate the gentleman's making that small correction. We always seem to underestimate what we are spending here.

As my colleague knows, on June 13 of this year, 1978, the General Accounting Office report showed that the Federal Government is losing over half a billion dollars annually in the food stamp program because of overissued benefits.

My point is this: How do we answer that well-documented charge?

Mr. RICHMOND. We answer that by the fact that we are promulgating new regulations. They are much, much tighter regulations on food stamps issuance and use, as the gentleman well knows.

Mr. ROUSSELOT. They may be tighter, but today—right now—there are overissued benefits still being acquired by those who would misuse the system.

Mr. RICHMOND. These new regulations will go into effect on October 1, and I urge the gentleman to please give this new law at least a few months of operation before he starts complaining.

Mr. ROUSSELOT. Mr. Chairman, Mr. SYMMS and I have been critics of this program, because the people out there in our country know there are a lot of people who are misusing this program. That is a fact of life.

The General Accounting Office, our accounting arm, says the misuse amounts to half a billion dollars, $500 million,

annually. That report is dated June 13, 1978.

Let me review the digest of the Comptroller General's report to the Congress:

DIGEST

The Government is losing over half a billion dollars annually in the food stamp program because of overissued benefits resulting from errors and suspected recipient fraud. Of every $100 in benefits issued nationally, about $12 resulted from overissued stamps. Only 12 cents of that $12 has been recovered.

Over 17 million low-income people buy food stamp coupons having a face value greater than their purchase price and use them to buy food at participating stores. The difference between the face value of the coupons and their purchase price is called the bonus value, which cost the Government $5.3 billion in the year ended June 30, 1976.

The problems GAO identified relate to overissuances in general as well as overissuances involving suspected recipient fraud.

OVERISSUANCES IN GENERAL

State and local food stamp offices at the eight projects reviewed were not effectively using available sources of information to identify overissued benefits. This had the obvious result—only a small part of total overissuances were brought to light.

Little emphasis was put on recovering money due from the overissuances, and controls were not adequate to guarantee that claims to recover money were established. Overissuance cases were not regularly evaluated to determine whether collection was appropriate and, even when collection was deemed appropriate, few or no attempts were made to collect.

States and local offices have no financial incentive to work harder to identify and recover overissued benefits and to punish offenders for fraud. The Government pays the entire bonus value and keeps all money recovered, while States and local offices must pay half of all administrative costs, including the cost of identifying and recovering overissuances.

As a result, the State and local offices have given both recovery of overissued food stamp benefits and punishment of recipient fraud very low priorities.

Neither the Food and Nutrition Service nor the States have effective systems for monitoring and evaluating local offices' claim and collection activities. Neither the Service nor the States receive information on certain types of food stamp overissuances, and the information they do receive concerns only individual cases.

To adequately monitor and evaluate local programs, the Service and the States need to obtain or compile summary information which will give a complete picture of local offices' activities.

The Service wastes time and resources trying to keep detailed records on certain individual cases, instead of concentrating on evaluating State and local activities. The records the Service maintains are inaccurate and unusable.

SPECIAL PROBLEMS REGARDING SUSPECTED RECIPIENT FRAUD

Food stamp recipient fraud is a serious problem. Complete and accurate nationwide data is not available on the extent of it but, at five projects visited by GAO, available data showed that about half of the over issuance claims established were classified as suspected fraud cases have been either prosecuted or adjudicated administratively.

The Department of Agriculture is not able to investigate most suspected recipient fraud cases and refer them to the Department of Justice for prosecution. Instead it relies on State and local governments to handle these cases. Agriculture had not given the States adequate guidance and assistance in handling suspected recipient fraud cases, and State and local offices were confused about how these cases could best be handled. Little was being done to identify and punish people who committed fraud, although some States seemed to be doing more than others.

GAO was told that a recent Department effort had been stated to give State investigative personnel some training in this area.

Procedures for penalizing fraud by means other than criminal prosecution have been little used. Most prosecutors—Federal, State, and local—put prosecution of suspected recipient fraud cases low on their list of things to do. In the localities reviewed, penalties were generally not considered when recipients agreed to repay the bonus value fraudulently obtained.

Food stamp recipient fraud cannot be allowed to continue unchecked, although criminal prosecution does not appear to be the best way to handle many of the cases. The courts are already clogged with more serious criminal cases, and most prosecutors are understandably reluctant to spend time and money to recover small dollar amounts.

To keep some semblance of integrity in this program, there must be effective deterrents. GAO believes that administrative adjudication of most suspected recipient fraud, especially when the dollar amounts involved are small, is a workable alternative to criminal prosecution. Penalties, such as suspension from the program or warnings of suspension, should be assesed in such cases.

RECOMMENDATIONS

The Congress should authorize the Secretary of Agriculture to allow the States to keep some portion of the money recovered from recipients of overissued benefits and to increase from 50 percent to 75 percent the Federal share of the administrative costs associated with processing the suspected fraud cases.

The Congress should authorize Agriculture, in consultation with the Department of Justice, to handle most suspected recipient fraud cases administratively rather than referring them for criminal prosecution.

The Department of Agriculture should take a number of steps to make sure that States adequately identify and recover overissued food stamp benefits and punish people who commit food stamp fraud.

So what both Mr. SYMMS and I have tried to do in offering this amendment is from the point of view of our accounting arm, the General Accounting Office, to look at this very, very carefully. We have said that the food stamp administrators do not need $5.7 billion; they only need $5.4 billion on the basis of this report just reviewed. I believe that is the real bottom line.

Second, this will encourage the food stamp administration to really cut out the fraud and misuse.

Mr. RICHMOND. Mr. Chairman, if the gentleman will allow me to reclaim my time, let me say that he loves to throw this figure of $500 million around. This is not $5,779 million, and I am sure the gentleman understands the $500 million is less than 9 percent of the total to start with.

Mr. ROUSSELOT. Yes, I am aware of that.

Mr. RICHMOND. Second, I can assure the gentleman that our own committee, in conjunction with the Appropriations Subcommittee on Agriculture, has done everything it possibly could to tighten up the law to curtail fraud and abuse.

Mr. Chairman, I urge the gentleman to give the Department of Agriculture the opportunity to issue these regulations and let this new food stamp program operate for a few months before he tries to cut the program before it even gets started. The predictions already are that the money we are appropriating today is the bare bones amount needed to see us through this time of rising food prices.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Idaho (Mr. SYMMS).

The amendment that the gentleman offers would cut the levels for the food stamp program by approximately $290 million, which is about $150 million below this year's level of authorization.

Those who are familiar with the food stamp program will recognize that although the issue of who is eligible is an important factor in determining the cost, perhaps even more significant is the trend in food prices. The law requires an adjustment twice a year for recipients of the food stamp program, depending upon the index for the cost of living applicable to food.

The fact of the matter is, as every Member in this Chamber knows, that food prices have been rising. The number of people under the program has dropped dramatically from the levels of 1975 and 1976. At one point we had almost 20 million people who were recipients of food stamps. Participation was at 16.3 million in April 1978, almost a 20-percent reduction in a little over 2 years; unemployment has dropped, and employment has risen.

The reason that the cost of the program has not dropped along with participation has been that the cost of food has been rising sharply, leading to significant increases in food stamp allotments to keep pace with inflation. Today the average food stamp recipient gets a bonus of $27 per month. Last year, it was $24.

I am concerned, as the gentleman from Idaho (Mr. SYMMS) and the gentleman from California (Mr. ROUSSELOT) are concerned, about eliminating fraud and abuse. In the legislation we passed last year, the Food and Agriculture Act of 1977, we provided incentives to States in the form of an additional 25 percent in administrative cost sharing to increase their antifraud activities in order to insure that no one who is ineligible receives more benefits than those to which he or she is entitled.

I want to point out to the Members, however, that these programs are operated in the field not by employees of the United States but by State and county officials, and they vary from State to State in the degree of care and accuracy in avoiding error and effective and efficient administration.

Error rates, by the way, can be of two kinds, both helping and harming recipients. We have error rates that reflect the failure to give recipients the proper amount of food stamps to which

they are entitled to as well as error rates encompassing ineligible recipients.

But to state that we are going to cut this program in the face of obviously increasing food costs, is to fail to understand how those food costs find their way into the program's cost structure. If food costs were not rising, there would be no need for adjustment. That is why this amendment should not be adopted. We are consistently lowering the number of people who are receiving food stamps in a very dramatic way from a couple of years ago.

I hope the members of the committee will reject the amendment.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is familiar, I am sure, with the June 13, 1978, report of the General Accounting Office; is he not?

Mr. FOLEY. Yes.

Mr. ROUSSELOT. In that report, and relating to this issue which the gentleman has just raised—and we all know that it is the State and county governments which, basically, administer this program—the GAO has this to say:

> States and local offices have no financial incentive to work harder to identify and recover overissued benefits and to punish offenders for fraud. The Government pays the entire bonus value and keeps all money recovered, while States and local offices must pay half of all administrative costs, including the cost of identifying and recovering over issuances.
>
> As a result, the State and local offices have given both recovery of overissued food stamp benefits and punishment of recipient fraud very low priorities.
>
> Neither the Food and Nutrition Service nor the States have effective systems for monitoring and evaluating local offices' claim and collection activities. Neither the Service nor the States receive information on certain types of food stamp overissuances and the information they do receive concerns only individual cases.

I believe this amendment will help the food stamp administrators do just what the GAO says must be done to tighten up. Our amendment is directed to that issue.

Mr. FOLEY. Mr. Chairman, I would like to disagree with the gentleman and, perhaps, with the General Accounting Office. The fact of the matter is, the law that was passed last year is not yet operative. We all know that the regulations which have been proposed will not be in effect until, perhaps, the first of the year. But we did provide additional incentives in the bill we passed last year to correct fraud and abuse. I agree with the gentleman that we should have built in more incentives to the State and local areas to address fraud. The new legislation does that. It allows higher levels of administrative cost-sharing for those States which have the lowest error rate. The gentleman from Idaho knows that. He participated in writing the legislation. It allows for recovery of funds by States for fraud and abuse and gives them administrative cost-sharing incentives to go out and make much more stringent efforts against fraud and abuse. Before we have implemented the provisions of the new act, before the regulations are in place and the States have had a chance to demonstrate their ability to respond, I think it would be wrong to make such a cut as the gentleman from Idaho proposes.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank my distinguished chairman for yielding.

Mr. Chairman, I think much of our intention with this amendment is to assist the Department in the tightening up of the regulations.

This is our way, as Members of the legislative body, to send them a message downtown that we are supporting them. Therefore, if we can save $200 million or $300 million here in the food stamp program, it might be at a later time put into food research or agricultural research to find out how to grow two blades of grass instead of one. This would be the way to provide more food for the country, and more food for those among us who may be disadvantaged.

The CHAIRMAN. The time of the gentleman from Washington (Mr. FOLEY) has expired.

(By unanimous consent, Mr. FOLEY was allowed to proceed for 1 additional minute.)

Mr. FOLEY. Mr. Chairman, I think the Committee on Appropriations has been very careful in estimating the needs of this program.

It is my judgment that even with the most careful addressing of the problems of eligibility, there is going to be, perhaps, an insufficient amount in the present appropriation to meet the needs of the program by the end of next summer, considering the increase in food costs, which will have to be adjusted only next month, and again next January and next July. There will have to be several major adjustments in the program to account for increased food costs.

Mr. Chairman, I think that the appropriation that is offered here by the committee may not prove adequate itself; and certainly I am satisfied that the amendment, if adopted, would prove inadequate, since this entitlement program would simply have to come back at some later time. Unless we were to eliminate all food stamps for 16 or 17 million Americans in the summer of 1979. If we attempted this, we would be doing a real injustice to recipients of the program.

Therefore, Mr. Chairman, I urge that the Members defeat the amendment.

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise with some reluctance to speak in support of this amendment in view of the fact that I have been a party to developing this legislation as a member of this subcommittee; but in good conscience, I have no recourse when I consider the remarks that I made in general debate with regard to the prospect that I had considered offering an amendment to this end myself and then decided not to in view of the fact that these regulations which are proposed to be issued tighten up this program.

However, Mr. Chairman, with the amendment that has been offered, which does not even go as far as the amendment that I had proposed to offer, I feel, in good conscience, that I must support it.

I do think that there is the prospect that this amendment would send a signal not only to those who administer the food stamp program in the Department of Agriculture, but to those very frustrated individuals at the local level who find the guidelines so indefinite and the problems so huge that there is a distinct lack of incentive, as was noted by the GAO study, to try to police the program as it should be policed.

Mr. Chairman, this amendment, if passed, would cut back on the amount of the increase which is proposed, which is $152 million, and additionally reduce the amount that was appropriated last year for the same purpose. This does not begin to touch the figure that was suggested as being in the areas of abuse, of overissue, and improper issue, which were discussed in the GAO report, which is about $500 million.

We went into this matter quite thoroughly with regard to the subcommittee consideration of the area, and I do not believe that a cut of $290 million is going to cripple this program, by any means. We are talking about a program which runs to almost $6 billion. I know, as well as does every Member of this House, that if the necessity arises and the case can be proved, and if the incentive which I hope this will offer to those people at the local level who are trying to police this program, does not work to the end that it is cut back, they will be right back up here to get the necessary money by way of a supplemental.

Mr. Chairman, what we are trying to do by this action is to send a signal, and I believe it is a significant signal.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I thank the gentleman for yielding.

I can understand the feelings of the offerer of the amendment and of the gentleman from California, as well as those of my colleague, the gentleman from Virginia. However, regardless of the reasons for any amendment cutting the amount we have in this part of the bill, would not the gentleman agree that later on in the year, if the amount we appropriate here and now is insufficient to meet the automatic obligations of the various States under this program, we will simply be back in here for a supplemental because they are mandated amounts that must be met?

Would not the gentleman agree with that?

Mr. ROBINSON. I certainly do, and I think I so stated in the last sentence I made in my comments.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the committee's

position, which is against the amendment.

Mr. Chairman. this matter of the food stamp program is one that has given us a great deal of trouble through the years because of the handling of it and because of the fraud and abusive actions taken by those who deal with the stamps themselves.

The committee has continually monitored this program for years, giving careful attention to the misuse and losses in this program and of the waste that existed, as well as the fraud.

The committee remains concerned about widespread irregularities and abuses in the food stamp program. These abuses and irregularities not only result in increased costs but also make it more and more difficult to retain the program for those who are truly in need of it.

Under existing law, the Secretary of Agriculture has the authority to curtail program abuses and irregularities through his regulatory provisions, as has been repeatedly shown by this committee over the past years in numerous committee reports.

In response to these reports, the then Secretary of Agriculture agreed that his Office could meet most of the problems through administrative directives. Approximately 2 years ago, that Secretary issued such regulations.

Subsequently, the Federal district court on June 18, 1976, issued an injunction banning the implementation of the regulations.

Upon taking office, the new Secretary of Agriculture canceled the previously proposed regulations.

We now have a new food stamp law and new regulations will soon go into effect.

Since the food stamp program is administered through State government agencies, that is the level where prosecution to deter abuses would seem to have the potential of being the most effective. Many U.S. attorneys, for one reason or another, give food stamp cases a low priority relative to their other Federal responsibilities.

We have recommended the reduction of funds for this program when we judged it to be necessary.

Now, this committee this year met without the benefit of the new regulations which will be necessary to implement the new law, so it left us with nothing to go on except the estimates submitted by the Department and by OMB. The figure before the committee is the figure that they gave us, without us having the benefit of seeing how well the regulations will actually work.

This is one of the problems we have in the Congress as we look over the bill we have before us when we get to dealing with the 2-percent amendment that perhaps will be offered. We will find that about two-thirds to three-fourths of this bill is what might be called mandatory spending. Food stamps are under mandatory spending. We have got to do it. This figure is that which was agreed on by the Department without the new regulations being in effect yet.

The committee having agreed on it, I suggest that we keep the dollar amount because, whether it is too little or too much, the law will require us to provide the necessary money. So, I would say let us go along with the committee. We agreed on that. I do not believe anybody could be more opposed to the fraud or the way it has been handled in the past. I think this committee has proved that by its actions over the years. Several years ago we provided for a $2 billion reduction in this program.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the distinguished chairman of the subcommittee yielding to me.

The gentleman mentioned the one-third/two-thirds nonmandated and mandated formula. This amendment would not affect the two-thirds that is mandated. The gentleman knows that. So, this does not affect the two-thirds mandated by the program.

Mr. WHITTEN. May I say that I did not mean to so indicate. I meant to say that this is unquestionably within the two-thirds which is beyond our reach. I think we would get into a bad practice by passing laws like that.

Mr. McHUGH. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will be brief. I have a rather unique position because I had the privilege of serving on the Agriculture Committee which passed the food stamp reform bill, and also this year of serving on the Subcommittee for Agriculture Appropriations which considered this matter and, of course, developed the bill now before the committee.

I can assure the gentleman from California and the gentleman from Idaho—and certainly the gentleman from Idaho, as a member of the Agriculture Committee, knows this—that every single member of the Agriculture Committee was deeply concerned about the problems the gentleman from California has spoken of: Problems of fraud, and problems of error. In 1976, our committee spent months listening to testimony, hearing witnesses, many of whom addressed these very problems.

When it came to markup in 1976, our committee dealt with it. Of course, in 1976 that food stamp bill never did reach the floor before adjournment. So, in 1977 the Committee on Agriculture again took up this food stamp reform measure, and after months of work produced a bill which I think was a significant step forward in dealing with the problems that the gentleman from California is concerned with.

Some of the particulars of the new food stamp legislation have already been referred to. Let me cite one matter, however, which has not yet been mentioned. It relates to error rates. There is a concern with error rates. Our committee found that, to a large extent, the system of itemized deductions, the system which required that all of a household's expenses be accounted for and subtracted from gross income to determine the benefit level, contributed significantly to error rates.

So one of the significant reforms which the Agriculture Committee adopted, and which the House passed and is now part of the law, was to substitute a standard deduction for those itemized reductions.

I think that this is a significant example of where error rates would be reduced by the Food Stamp Reform Act which is now in effect. So I would hope that this committee would not adopt this amendment, put forward with very good motives, an amendment designed to provide additional incentive for reducing error rates, but an amendment which it seems to me is premature given the facts that the chairman of the authorizing committee has pointed out and given the fact that the new food stamp regulations have not yet taken effect.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from Washington.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the gentleman is familiar with the June 13, 1978, General Accounting Office report. The GAO is an arm of the Congress. They were clearly aware of the new laws and new regulations and still the GAO states that $500 million is unnecessary money.

That is all this amendment does, reduce about one-half of that amount.

I appreciate the gentleman's comment that this was a well motivated and well-intentioned amendment and I hope he will vote for it.

Mr. McHUGH. I hope the committee will vote against the amendment. I think it is premature. I would disagree with the General Accounting Office report if its determination was that prior to these new regulations they felt they could determine what funds are unnecessary to fully implement those regulations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. SYMMS).

The question was taken; and on a division (demanded by Mr. FOLEY) there were—ayes 19, noes 20.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 201, not voting 38, as follows:

[Roll No. 482]

AYES—194

Abdnor	Badham	Brinkley
Ambro	Bafalis	Brooks
Anderson, Ill.	Barnard	Broomfield
Andrews, N.C.	Bauman	Brown, Mich.
Andrews, N. Dak.	Beard, Tenn.	Brown, Ohio
	Bennett	Broyhill
Archer	Bevill	Burgener
Armstrong	Breaux	Burke, Fla.
AuCoin	Breckinridge	Burleson, Tex.

Byron	Hall	O'Brien
Cederberg	Hammer-	Panetta
Chappell	schmidt	Patterson
Clausen,	Hannaford	Pettis
Don H.	Hansen	Pickle
Clawson, Del	Harsha	Pike
Cleveland	Hefner	Poage
Cochran	Hightower	Preyer
Cohen	Hillis	Pursell
Coleman	Holland	Quayle
Collins, Tex.	Holt	Quillen
Conable	Hubbard	Railsback
Conte	Hughes	Regula
Corcoran	Hyde	Rhodes
Coughlin	Ichord	Risenhoover
Crane	Ireland	Roberts
Cunningham	Jacobs	Robinson
Daniel, Dan	Jenkins	Rousselot
Daniel, R. W.	Johnson, Colo.	Rudd
Davis	Jones, N.C.	Ruppe
Derrick	Jones, Okla.	Santini
Derwinski	Jones, Tenn.	Sarasin
Devine	Kelly	Satterfield
Dickinson	Kemp	Schulze
Dornan	Ketchum	Sebelius
Duncan, Tenn.	Kindness	Shuster
Edwards, Ala.	Lagomarsino	Sikes
Edwards, Okla.	Latta	Skelton
Emery	Leach	Slack
English	Lent	Smith, Nebr.
Erlenborn	Levitas	Snyder
Ertel	Lloyd, Tenn.	Spence
Evans, Del.	Lott	Stangeland
Evans, Ga.	Lujan	Stanton
Evans, Ind.	McClory	Steiger
Fenwick	McCloskey	Stockman
Findley	McDonald	Stump
Fish	McEwen	Symms
Fisher	McKay	Taylor
Flippo	Madigan	Thone
Flynt	Marks	Treen
Forsythe	Marlenee	Trible
Fountain	Marriott	Volkmer
Frenzel	Martin	Walsh
Frey	Mathis	Wampler
Fuqua	Mattox	Watkins
Gammage	Michel	Weaver
Gephardt	Miller, Ohio	White
Gibbons	Mitchell, N.Y.	Whitehurst
Ginn	Montgomery	Whitley
Glickman	Moore	Wiggins
Goldwater	Moorhead,	Wilson, Bob
Goodling	Calif.	Wilson, Tex.
Gradison	Mottl	Winn
Grassley	Myers, Gary	Wydler
Gudger	Myers, John	Wylie
Hagedorn	Neal	Young, Fla.

NOES—201

Addabbo	Cornwell	Hollenbeck
Akaka	Cotter	Holtzman
Alexander	D'Amours	Horton
Ammerman	Danielson	Howard
Anderson,	de la Garza	Huckaby
Calif.	Delaney	Jeffords
Annunzio	Dellums	Johnson, Calif.
Applegate	Dent	Jordan
Ashley	Dicks	Kastenmeier
Aspin	Diggs	Kazen
Baldus	Dingell	Keys
Baucus	Dodd	Kildee
Beard, R.I.	Downey	Kostmayer
Bedell	Drinan	Krebs
Bellenson	Duncan, Oreg.	LaFalce
Benjamin	Early	Lederer
Biaggi	Eckhardt	Leggett
Bingham	Edgar	Lehman
Blanchard	Edwards, Calif.	Livingston
Blouin	Eilberg	Lloyd, Calif.
Boggs	Evans, Colo.	Long, La.
Boland	Fary	Long, Md.
Bolling	Fascell	Luken
Bonior	Fithian	Lundine
Bonker	Flood	McCormack
Brademas	Florio	McFall
Brodhead	Foley	McHugh
Brown, Calif.	Ford, Mich.	McKinney
Buchanan	Fowler	Maguire
Burke, Calif.	Fraser	Mahon
Burke, Mass.	Gaydos	Mann
Burlison, Mo.	Giaimo	Markey
Burton, Phillip	Gilman	Mazzoli
Caputo	Gonzalez	Meeds
Carney	Gore	Metcalfe
Carr	Green	Meyner
Carter	Hamilton	Mikulski
Cavanaugh	Hanley	Mikva
Chisholm	Harkin	Miller, Calif.
Clay	Harrington	Mineta
Collins, Ill.	Harris	Minish
Corman	Heckler	Mitchell, Md.
Cornell	Heftel	Moakley
Moffett	Rahall	Steed
Mollohan	Rangel	Steers
Moorhead, Pa.	Reuss	Stokes
Moss	Richmond	Stratton
Murphy, Ill.	Rinaldo	Studds
Murphy, N.Y.	Roe	Thompson
Murphy, Pa.	Roncalio	Udall
Murtha	Rooney	Ullman
Myers, Michael	Rose	Van Deerlin
Natcher	Rosenthal	Vanik
Nedzi	Rostenkowski	Vento
Nix	Roybal	Walgren
Nolan	Russo	Weiss
Nowak	Ryan	Whitten
Oakar	Scheuer	Wirth
Oberstar	Schroeder	Wolff
Obey	Seiberling	Wright
Ottinger	Sharp	Yates
Patten	Sisk	Yatron
Pattison	Smith, Iowa	Young, Mo.
Pease	Solarz	Young, Tex.
Pepper	Spellman	Zablocki
Perkins	St Germain	Zeferetti
Pressler	Staggers	
Price	Stark	

NOT VOTING—38

Ashbrook	Le Fante	Teague
Bowen	McDade	Thornton
Burton, John	Milford	Traxler
Butler	Nichols	Tsongas
Conyers	Pritchard	Tucker
Flowers	Quie	Vander Jagt
Ford, Tenn.	Rodino	Waggonner
Garcia	Rogers	Walker
Guyer	Runnels	Waxman
Hawkins	Sawyer	Whalen
Jenrette	Shipley	Wilson, C. H.
Kasten	Simon	Young, Alaska
Krueger	Skubitz	

The Clerk announced the following pairs:

On this vote:

Mr. Nichols for, with Mr. Jenrette against.

Mr. Waggonner for, with Mr. Waxman against.

Mr. Teague for, with Mr. Hawkins against.

Mr. Runnels for, with Mr. Garcia against.

Mr. Sawyer for, with Mr. John L. Burton against.

Mr. Ashbrook for, with Mr. Shipley against.

Mr. Butler for, with Mr. Le Fante against.

Mr. Guyer for, with Mr. Conyers against.

Messrs. LUKEN, WIRTH, ZEFERETTI, HUKABY, and YATRON changed their votes from "aye" to "no."

Messrs. BADHAM, BARNARD, MARKS, and GUDGER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

● Mr. FORD of Tennessee. Mr. Chairman, I would like to take this opportunity to express my strong opposition to the amendment offered by Representative STEVEN SYMMS of Idaho. This amendment to H.R. 13125, the Agriculture appropriations for fiscal year 1979, would have cut the food stamp program by $292.2 million. Due to an illness in my family, I was unable to return to Washington in time for this very important vote. Had I been present, I would have voted against this amendment.

Mr. Chairman, let me emphasize my firm commitment to the food stamp program and the essential nutritional aid it provides to so many Americans.●

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the Domestic Food Programs funded under this Act, $71,300,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

Mr. MOORE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I first want to compliment the chairman of the subcommittee, the gentleman from Mississippi (Mr. WHITTEN), and the ranking minority member, the gentleman from North Dakota (Mr. ANDREWS).

I believe this is a well-balanced bill. I think it is, in many ways, an improvement over the budget sent to us by the administration.

However, both the Department of Agriculture and the Executive Office did exclude a request from the Extension Service for funding for aquaculture for extension work of $1.75 million.

I discovered this during House Agriculture Committee review of the budget and our preparation of the Committee on Agriculture budget resolution. At that time I proposed an amendment, adopted unanimously by the Committee on Agriculture, to recommend funding of $1,750,000 for the Extension Service for work in aquaculture to the Budget Committee. Since this funding did not appear in the Executive budget request, the Committee on Appropriations did not have the opportunity to have hearings on this particular matter, it was not considered and did not find its way into this bill that we have before us today.

I can understand the Chairman's hesitation, without hearings, to consider amendments on the floor for this funding. Therefore, I will not offer this amendment today. But I do believe we should not lose sight of the importance of this particular work of the Extension Service. Therefore, I will attempt to have this added in the other body in its deliberations, hopefully in time for them to have hearings, and I would urge that the members of the Committee on Appropriations who will be on that conference committee will be amenable to accepting funding for the Extension Service for work in aquaculture should the other body fund it.

If unsuccessful, I sincerely hope it will find its way into the fiscal year 1980 appropriations for the Department of Agriculture.

Let me explain, just for a moment, the importance of this particular work. We have been in contact with the Deputy Director of the Extension Service at USDA, who has indicated they are still very much interested in this funding, they did request it, it was refused by OMB, and they would like very much to have it in the fiscal 1980 budget. He also feels this is emerging as a priority item.

I have also contacted Dr. James Fowler, the aquaculture specialist at Louisiana State University, who has indicated that it is most important to our State and many others. In our State, crayfish production is worth some $10 million a year income to farmers, and catfish production is worth some $3 million to $4 million a year income to farmers. He has pointed out that there are

not sufficient personnel in the Extension Service, that they are spread far too thin, and that there are no full-time extension personnel working with aquaculture. He also pointed out, and I fully agree with him, that this may be a rising new area in agriculture. It is a way to grow protein for our people, possibly for protein export, and at the same time create new sources of farm income.

The problem is that the technology in this area is developing very quickly and without the Extension Service working with it, there is no way to get the technology from the researchers down to the producers.

Mr. Chairman, I would also remind my colleagues that in the Food and Agriculture Act we passed last year there was strong emphasis on the USDA's commitment to furthering aquaculture research and extension services.

I also point out that on February 15, 1978, when we considered H.R. 9370, developing an aquaculture program for the United States, the National Academy of Sciences report indicated that this is important and that USDA is a principal agency in this area which includes the Extension Service.

Therefore, Mr. Chairman, I can only conclude that USDA has been very involved and should. The Extension Service should be involved in the future, and I would hope that we would be able to find our way to further fund the Extension Service's work in this area in the future.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, I would like to commend the gentleman in the well for the statement that he has just made pointing up the importance of funding aquaculture programs, albeit in the agriculture bill.

As the gentleman pointed out, we passed in this House my bill, H.R. 9370, by a 2-to-1 vote here just 2 months ago. This bill is languishing over in the Senate. After hearings, they are trying to get together on the form of an authorization bill right now.

Mr. Chairman, I would hope that we can fund Agriculture, the Department of Commerce, and the Department of Interior and move ahead rather rapidly in this important area which the gentleman has pointed up. I do hope that proper amendments can be made under a proper regime over in the Senate to take care of this matter.

Mr. MOORE. Mr. Chairman, I thank the gentleman for his comments and I supported his bill.

Mr. LEGGETT. Mr. Chairman, I move to strike the requisite number of words so as to engage in a colloquy with the chairman of the committee.

Mr. Chairman, I want to commend the gentleman from Mississippi (Mr. WHITTEN), our chairman, for bringing to the floor an outstanding bill for redevelopment and continuation of American agriculture.

In this legislation, as I understand it, we have an item to study a human nutrition component at the Letterman Army Institute for Research on the Presidio Grounds in San Francisco.

Of course, we are very much concerned nationwide with the development of a national human nutrition research center or many of them. I do not think they are necessarily mutually exclusive.

Mr. Chairman, as I understand it, the Department of Agriculture is interested, under their general authority, in studying at the University of California, particularly at the campus at Davis, the feasibility of the development of a human nutrition center which perhaps would complement the facility at the Letterman Army Institute for Research. They would not be mutually exclusive either; and as I understand it, in order to do that, no line item is needed; no funds need to be added to this bill. I did indicate to the Department of Agriculture that I would engage in a colloquy with the chairman on this subject at this time.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield, may I say to my colleague, the gentleman from California (Mr. LEGGETT), that we have discussed this earlier, as he knows, with Dr. Emil Murak and various others from Davis University, with which I am thoroughly familiar, having visited there a time or two. It is a very fine institution itself, and I think a university such as Davis would certainly qualify to cooperate with us and to be used along with what we have already pointed out here. Certainly that and other universities should be taken into consideration in the development of this program.

Mr. LEGGETT. I would see no reason that the Department could not undertake, under their general authority, the initiation of a feasibility study, as has been outlined.

Mr. WHITTEN. Perhaps they waited for us to have a little something to say.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701–1715, 1721–1726, 1727–1727f, 1731–1736f), as follows: (1) financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms pursuant to titles I and III of said Act, $840,274,000, of which $500,874,000 shall be derived from proceeds from sales of foreign currencies and dollar loan repayments and from repayments made on long-term credit sales; and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, $573,006,000, of which $106,506,000 shall be derived from carry-over balances.

AMENDMENT OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT: On page 44, line 24, strike the period and insert the following: "*Provided*, That none of the funds appropriated or otherwise made available under this paragraph shall be obligated or expended to finance assistance to Korea.".

Mr. WRIGHT. Mr. Chairman, it is with sadness that I offer this amendment. I do not covet the privilege of reducing aid for the Republic of Korea, but we have no other alternative. The question of honor is involved. A cloud of suspicion has hung over the House of Representatives; that cloud must be dispelled.

On May 31, 3 weeks ago, the House adopted a resolution by which it declared that, absent some effort on the part of the Government of the Republic of Korea to bring forward Kim Dong Jo to supply corroboration or denial of testimony that has been given to the House Committee on Standards of Official Conduct, that investigation could not be satisfactorily completed.

The Special Counsel advises me that every other pertinent witness has been heard. All other testimony relative to the inquiry has been taken. Unless we are able to secure a confirmation or a denial from Kim Dong Jo with respect to the allegations pending unresolved in that committee, there forever will remain an unresolved question as to certain charges that have been lodged there.

On May 31, the House declared that unless this information were supplied to us, we would be prepared to reduce or eliminate nonmilitary aid to Korea. That time has come.

Let there be no question in the mind of any. We do not seek to provoke confrontation or a rupture in our relations with the Government of South Korea. That country is a friend of ours; it has been, and so it remains. But charges of the gravest nature have been leveled. It is alleged that the government of Korea attempted to infiltrate and subvert our own Government through bribery of public officials. Those charges have not been officially denied to our committee by the former Ambassador who has been accused of implication in such deeds.

In the days and weeks that have followed May 31, very earnest attempts have been made to accommodate the wishes of the Government of the Republic of Korea and to secure the truth—be it confirmation or denial. Concessions have been made. The suggestion even has been offered that questions might be submitted in writing and a reply received in writing, in the form of a deposition. That has not been agreed to.

No effort has been made on the part of the Government of the Republic of Korea to assist us in obtaining the information which is vital and indispensible to the final completion of this inquiry. And so, under these circumstances—while making it abundantly clear that this action must not be read or misinterpreted as a message that we would invite or tolerate any military adventurism on the part of North Korea, nor that we have in any sense severed our friendship with the Government of the Republic of Korea—in defense of the honor of this institution we have no other recourse than to do what we said that we would do.

Therefore, Mr. Chairman, I with regret must appeal to my colleagues to adopt this amendment. It will reduce, I am advised, some $56 million in Public Law 480 funds which otherwise would go to the Republic of Korea under this bill. I ask for an aye vote on the amendment.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. WRIGHT. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I am sure the gentleman would agree with me, and I think all the Members would, that this is a most serious action to take against a staunch ally, even given the provocation that may have occurred.

But the question that I have—and I listened carefully to what the gentleman from Texas said, and he talked about "satisfactorily completing the investigation" and requiring this witness so that "no questions would remain" if the former ambassador testified—is this: What end is it that we are seeking here?

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On request of Mr. BAUMAN, and by unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. BAUMAN. Mr. Chairman, the question I have for the majority leader that troubles me is: What end is it we are seeking here? Do we not have enough information now about individual Members to bring out a resolution of censure or to refer charges to the Justice Department if they have committed a criminal act? Why must we attack an ally, demand yet another witness and always delay? Is there not enough information to act against Members now without this drastic step? Is it really necessary to go to these lengths? I do not know that my question has ever been satisfactorily answered.

Mr. WRIGHT. In response to the gentleman's question, in which he asks what is it that we are seeking here, I think the answer is very plain: We are seeking the truth, the whole truth, and nothing but the truth. Nothing less than that will satisfactorily terminate the inquiry.

According to the information that has been given to me, there always will remain a question with respect to certain alleged transactions which may or may not have occurred. Every other witness has appeared. One witness only can confirm or deny certain allegations which otherwise will remain dangling in the air unanswered. That witness is Kim Dong Jo.

I still have hopes that through this process we yet may prevail upon our friends in South Korea to come forward with this information.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

(On request of Mr. YOUNG of Florida, and by unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to my friend, the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding.

I am going to vote for his amendment, but I am tempted to recall for our colleagues the very eloquent speech of the distinguished majority leader last year when he spoke against my amendment to deny aid to Uganda and Vietnam. The thrust of his speech then was that the poorest of the poor ought not to be punished for the transgressions of their political leaders. I wonder if there is not just a little inconsistency here.

Mr. WRIGHT. Was it not Emerson who said:

> A foolish consistency is the hobgoblin of little minds . . .?

Mr. YOUNG of Florida. Yes; and I would emphasize the part, "a foolish consistency."

Mr. WRIGHT. I must respectfully acknowledge that there may appear superficially to be some inconsistency. But there are notable distinctions in the two situations.

In the other instance the honor and the integrity of the U.S. House of Representatives was not at stake. In the other instance we had not made clear as a body to those governments our determination for information which they were withholding from us.

In this instance, it is and we have.

I believe that in some of those other instances another matter was involved. If I recall correctly, the gentleman from Florida (Mr. YOUNG) offered an amendment to deny indirect aid, which flows through international agencies. Unlike Public Law 480 which is bilateral, the international lending institutions by the terms of their charters are not capable of receiving funds from the United States when we tie strings to those funds. Those were not bilateral questions. They were multilateral. This is clearly a bilateral question involving our Government and the Government of the Republic of Korea.

Mr. YOUNG of Florida. Mr. Chairman, would the gentleman yield further?

Mr. WRIGHT. Surely.

Mr. YOUNG of Florida. Mr. Chairman, I appreciate the gentleman yielding. I say again, I intend to vote for the gentleman's amendment, but since the gentleman raised the question of the charter of the international banks, I have read the international banking charters from front to back, and the Congressional Research Service of the Library of Congress has done the same thing, and we cannot find anything that prohibits the international banks from accepting our money.

Mr. RHODES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am going to support the amendment offered by the majority leader, the gentleman from Texas (Mr. WRIGHT). This House some weeks ago, adopted a resolution which warned the Republic of Korea that economic aid might be broken off if certain testimony from Kim Dong Jo, a former Ambassador of that country was not forthcoming. When we took that action, this action was foreordained, I think it is necessary for us to adopt this amendment.

There was a letter written by the distinguished counsel of the Committee on Ethics, Mr. Jaworski, to the Speaker on June 19, 1978 in which he restated the reason for which the resolution was passed, and set forth the actions which he had taken in order to get the testimony of Kim Dong Jo. He said that the testimony was not forthcoming, that there had been literally no response to his request.

Actually, Mr. Chairman, I was somewhat appalled by some of the contents of that letter of June 19. It appears that, in his zeal to try to get some statement out of Kim Dong Jo, our counsel has given away the ball game. His final effort aimed at getting Kim Dong Jo to answer written questions I gathered from the letter that the answers were not to be under oath, that there would be no confrontation, and no cross-examination. There would merely be an answer to a question. This is total surrender. Such an unsworn statement would have no probative value at all.

Mr. Chairman, I supported the earlier resolution because Mr. Jaworski had made it very clear to the Speaker, the majority leader and to me that the bottom line of his inquiry always would be to insist on examination under oath of Kim Dong Jo, not a written statement not under oath. So, it seems to me that the counsel has already given away any possibility of obtaining meaningful testimony from Kim Dong Jo. However, I am not going to assume finally that he could not now repair the matter so that he could get a meaningful statement from Kim Dong Jo under oath. I hope that he can back away from his own folly. But I am serving notice, right here and now, that I am not going to be satisfied with any statement written or oral that is not under oath, and is not subject to follow-up questions.

I would like to say in response to the query of the gentleman from Maryland (Mr. BAUMAN) that one reason that the testimony of Kim Dong Jo is important is that if he indeed did give money to Members of this House there is no question but that the Member was receiving that money from a foreign agent which, under the law, is a crime.

It is possible for people who received funds from others, like Tongsun Park, to allege that they did not have any idea that Mr. Park was an agent for a foreign government.

So the testimony of Kim Dong Jo is important—the counsel says it is vital. We must do all we can in this body to get that testimony. As I say, I am going to vote for the amendment, but even so, I must express my complete disappointment at the action taken by the counsel in agreeing to take something less than examination under oath from the former Ambassador of the Republic of Korea.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

The gentleman from Arizona is perhaps privy to information to which others of us are not. He has answered one of my questions—and I trust his judgment—in his statement that with-

out Kim Dong Jo's testimony, criminal action cannot be brought by the Department of Justice against certain Members.

Mr. RHODES. I would not say it cannot be brought, but it probably would not succeed.

Mr. BAUMAN. If the gentleman will yield further, the further question that I have is this: Is this witness' testimony essential to a censure, expulsion or other action that the House might have available as a disciplinary measure against Members? Certainly that course does not require the same degree of proof. Can we not proceed without his testimony on those kinds of actions?

Mr. RHODES. I think what the gentleman from Maryland said is absolutely correct. We could proceed with lesser actions which do not amount to criminality. The reason for the investigation, of course, was to proceed as far as we possibly could to find evidence of the highest quality available. But if any evidence adds up to a course of action which should require censure or some other action by this body, then, of course, the committee should and I assume will report that fact.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. BAUMAN, and by unanimous consent, Mr. RHODES was allowed to proceed for 1 additional minute.)

Mr. BAUMAN. Mr. Chairman, will the gentleman yield further?

Mr. RHODES. I yield to the gentleman.

Mr. BAUMAN. The concern that I have is that the absence of this witness—who may never appear even though we may curtail aid to Korea—is going to be used as a continuing excuse not to do what needs to be done, and that is to come to a final conclusion and cite those Members who have done something wrong and should be punished by the House accordingly.

Mr. RHODES. Yes, and, of course, as the gentleman from Maryland, being as perspicacious as he is, will have understood, I do not want a written statement not under oath for the very same reason. While I cast no doubts upon the reputation for truth telling of Kim Dong Jo, nevertheless statements not under oath are suspect. Characters might be blackened that should not be blackened, and on the other hand people who receive exculpatory treatment might not deserve that kind of treatment. So I would rather have nothing from Kim Dong Jo than to have a statement not under oath.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS of North Dakota. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am deeply concerned. I totally agree with the remarks of the distinguished majority leader and the minority leader, but I am deeply concerned that we are going after this thing with a shotgun, and we are hitting the wrong target. I think this is the wrong way to try to convince the Government of Korea to do something that they should have done a long, long time ago and I would like to explain why.

I will bet that few members of the American public realize, reading the article that they read in the morning newspaper, that what we are talking about is stopping $56 million worth of food for peace for Korea, but that represents less than 5 percent of the billion dollars worth of cotton, of wheat, of soybeans, and of tobacco that Korea will buy from us with cash this year alone. If we are trying to force Korea to do what they should have done a long time ago, I wonder if this is not just another symbolic gesture. If we say, "We are not going to give you the $56 million," 5 will get you 10 they can go someplace else in this world and they can buy their billion dollars worth of farm commodities. And if they get a 5-percent discount, they are ahead of the game, and we have not made the impression that we are trying to make.

Mr. Chairman, I am deeply concerned that we resolve this cloud. It has been hanging over the House of Representatives for far too long. I want to support the leadership on both sides of the aisle in any way I possibly can in moving to get on the table the facts on what I am sure concern very, very few of our colleagues, and exonerate the rest. But I am just wondering what type of pressure this really puts on the Korean Government and whether or not, when we talk about saying, "We are not going to give you $56 million worth of food for peace," they will tell us, "Fine; we will take our marbles and go someplace else," and they place the order for $348 million worth of cotton they bought from us last year someplace else, the $266 million of wheat they bought from us someplace else, the $46 million worth of tobacco they bought from us someplace else, the $43 million worth of soybeans, the $38 million worth of barley. And I could go on and on. They could say, "We will go to another grocery store and spend this cash."

Mr. Chairman, we have a serious balance-of-payments problem in this country. The Koreans are our fifth biggest cash customers of agriculture, and I think we are hitting them where it is not really going to bother them, and I think we are making an entirely hollow gesture. We ought to find something that is really going to hurt, if we want to bring their Government around to the way they should be and be responsive to this serious charge of intergovernmental meddling, which we all want to resolve.

Mr. BURLISON of Missouri. Mr. Chairman, will my friend, the gentleman from North Dakota, yield?

Mr. ANDREWS of North Dakota. I will be glad to yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. I thank the gentleman for yielding.

I will submit to the gentleman from North Dakota that if this somewhat token action of a deletion of $56 million is not successful in getting the cooperation of the South Korean Government, this body would seriously consider further actions on other bills that come along. At least that is this Member's view. It is important that the South Korean Government get our unequivocal message that we mean business.

I would agree with the gentleman that perhaps the amount of money involved in this instance is fairly meager. Yet, it is sending a very significant message.

Again, as I said in my colloquy with the gentleman in general debate on this bill, I do not purport to speak for the leadership. I am only expressing a personal view; but I would think if we get no affirmative and positive response from the South Korean Government, we will certainly be giving thought to other actions in order to carry out our purpose and get accomplished our goal of cooperation with the investigation.

Mr. ANDREWS of North Dakota. Mr. Chairman, the reason for my bringing this up is to point out to the House the figures that they might not be aware of and express my concern this might well be the weakest possible place to take a stand.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, is it not true this is the weakest possible tool if we really want to accomplish the claimed objectives; that almost any other tool would be more effective?

Mr. ANDREWS of North Dakota. That is totally the case I am trying to make.

The CHAIRMAN. The time of the gentleman from North Dakota (Mr. ANDREWS) has expired.

(By unanimous consent, Mr. ANDREWS of North Dakota was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Iowa. Mr. Chairman, if the gentleman will yield further, at the present time there happens to be a surplus of almost all these commodities on the world market. We are almost the only country that does not make available major credit sales of agricultural commodities in the world today. Others have long-term credits. Other countries have various ways they can provide discounts from State trading concerns, which we do not have available in the United States, because we do our business through big private grain companies.

As a matter of fact, this amendment could be counterproductive. The 5-percent they buy from us on credit is not really as large as the effective discount they could secure at the present time under world circumstances from Canada, Argentina, and other countries. They will sell on a credit free basis for several years which amounts to a discount far in excess of 5 percent. Instead of buying $56 million worth from us on credit and paying cash for over $900 million worth, they could buy a billion dollars worth elsewhere on credit terms which amount to price discount below our prices. They have not done so because we have a gentleman's agreement. If we violate our portion of that agreement, they would be money ahead to use that as a legitimate excuse to buy cheaper elsewhere. This is the worst possible tool to use if we really want to accomplish the objective set forth.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, let me say to the gentleman from Iowa that we cannot choose our time for attempting to get cooperation from the South Korean Government. This is the mechanism that is available at the time. Again, I would submit that this body would want to seriously consider other measures, if that is necessary.

Mr. SMITH of Iowa. Mr. Chairman, if the gentleman will yield further, the leadership just put the foreign aid bill off for another week. It could be brought up tomorrow. We do not have to wait.

Mr. ANDREWS of North Dakota. Mr. Chairman, if the majority leader would bring up his amendment on the foreign aid bill, that would make sense. The only time the timing is right seems to be when it involves agricultural exports and opportunities for American farm families. They seem to be the target of choice.

Again I say, I agree totally with the objective of the leadership to try to bring this out. I just wonder if this is the proper vehicle.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I concur with the comments of the gentleman from North Dakota. I think this is the most unwise, unsound amendment I have heard in a long time. I disagree with the judgment behind it. I usually have great respect for the judgment of the Speaker and the majority leader; but I certainly question this amendment.

The CHAIRMAN. The time of the gentleman from North Dakota has again expired.

(At the request of Mr. EVANS of Colorado, and by unanimous consent, Mr. ANDREWS of North Dakota was allowed to proceed for 2 additional minutes.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. ANDREWS of North Daktota. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, let us follow the thinking of the distinguished gentleman from Missouri just a few steps down the block. Let us say this amendment passes and becomes law and does not work.

Well, the gentleman from Missouri talks about other remedies we are going to have. The military procurement bill is coming up pretty soon. Maybe that will grab their attention. Is that the way we in the House want to conduct the foreign policy of this Nation, to vindicate the honor of this House? I do not think the foreign policy of this Nation should be attempted to be modified or adjusted by this House because we have in-House problems.

I think the amendment is most ill-founded and I will oppose it.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I would like to put a question to the majority leader or to the Speaker. Some time in this debate someone should tell the House whether if this amendment passes and food aid is cut off, if there is no response and the witness does not testify, are you then going to offer an amendment on the part of the leadership to cut off military aid and assistance to Korea?

Is that the next step? I ask that because we should know today whether that is the plan. We seem to be starting down that road.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the majority leader.

Mr. WRIGHT. Mr. Chairman, I think that question deserves a very direct answer. The answer is no.

Military assistance was not contemplated in the resolution we adopted on May 31. Military assistance is not contemplated in this amendment. We are not engaged in an effort to cut off our noses to spite our faces.

A little bit earlier, if I might pursue this question further, a question was asked by the gentleman from Florida (Mr. YOUNG) as to the relative consistency of opposing certain amendments on the foreign aid bill last year and supporting this specific amendment this year.

The CHAIRMAN. The time of the gentleman from North Dakota (Mr. ANDREWS) has expired.

(By unanimous consent, Mr. ANDREWS of North Dakota was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. Mr. Chairman, if the gentleman will be kind enough to yield further, let me just suggest to the Members that the most inconsistent thing conceivable to me would be for any Member who voted for the resolution on May 31, declaring our readiness to take this action in the absence of a willingness on the part of the Government of the Republic of South Korea to come forward with the information, now to vote "no" on this amendment. That would be a direct inconsistency.

Mr. ANDREWS of North Dakota. Mr. Chairman, again the concern of this gentleman is not the thrust of our efforts to resolve the Korean problem. The concern of this gentleman is the fact that we are using the farmers as whipping boys in this effort, inadvertent as our action might be, and we are in effect cutting off our noses to spite our faces.

Our biggest economic problem in this country today is our balance of payments overseas, because, as the gentleman from Iowa (Mr. SMITH) has pointed out, they can very easily say, "We don't need your $56 million," which represents a 5-percent discount on the billion dollars' worth of goods and products they bought from us last year. They can go someplace else, and then we would be worse off than we were before.

My point is that I hope this does not end up being nothing but a mistaken symbolic gesture.

Mr. SISK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I agree with a great deal of the things that have been said here today. I hesitate to say some of the things I am probably going to say, because I have the greatest admiration in the world for my good friend and colleague, the gentleman from Texas (Mr. WRIGHT).

But I totally deplore what our leadership is doing to us on this occasion. I remind the Members that the Good Book teaches that he is without sin, let him cast the first stone.

In discussing this matter with some people down at the other end of the avenue and taking into account some of the precedents we are setting, I could not help but wonder about a situation which recently occurred in the country of Italy. I am curious to know what our leadership, the Speaker of the House, the majority leader, and the minority leader, would say if in fact Italy decided to hold a hearing on certain moneys—and let us not kid ourselves; it is a substantial amount—that were distributed in Italy—these are American dollars—and that country decided to subpena an ambassador of this country or, let us say, the head of the CIA to go over and testify before a legislative body.

Mr. BURLISON of Missouri. Mr. Chairman, will my friend, the gentleman from California, yield on that point?

Mr. SISK. Not at this moment. I will yield a bit later.

Mr. Chairman, let me assure the Members that I do not think there is any question but what in that event we would raise up in holy horror at such a suggestion.

I was at lunch just a little while ago with some of my colleagues, and one of them said to me—and I am not going to call names here—with reference to what they understood to be this proposal: "Well do you not know, after all, Korea is one of the few friends we have left in this world? We have got to kick somebody in the teeth, and we have a habit of kicking our friends."

I know for a certainty that this is not intended in that way. But Lord knows, Korea is one of the few friends we have left in the world.

We had a whole string of people from the administration down here the other day pleading with us to restore an extra billion dollars to the foreign aid bill. I do not know what is going to happen to that bill. I have a hunch it may be in a little bit of trouble.

But all I want to say is that it just seems unbelievable, to me, after all the time that has expired, and all the witnesses that have been heard, and all of the investigations that have taken place, that we here, at this late date, are still seeking some other witness.

How many of the Members remember what was said by Mr. Jaworski, and others, in connection with Tongsun Park? I am hearing the same things said here today by our distinguished friend, the majority leader, and some others. "Just

one more witness. Just one more witness. If we can get Tongsun Park over here and get him under oath, we have the solution to this whole situation, we are going to find out all of the facts."

I wonder, per chance—and I wanted to speak to some of our leadership about this—to what extent we are being led around by the nose by a gentleman who is attempting to serve his own ego in connection with this investigation, if, in fact, he is not looking for a good excuse to resign?

I understand there are those who have fear that Mr. Jaworski may resign. I have had some ups and downs with Mr. Jaworski because I thought he was talking too much. As a result of some comments I made, we had a nice exchange of letters, and they were courteous. I recognize his ability as an investigator. I am less than impressed with his desire to get the headlines.

Let me say to my good friend, the gentleman from Texas: Was the President or the State Department consulted in connection with this amendment? Do they support this amendment?

I yield to my colleague, the gentleman from Texas (Mr. WRIGHT) to comment on that.

The CHAIRMAN. The time of the gentleman from California (Mr. SISK) has expired.

(On request of Mr. WRIGHT and by unanimous consent, Mr. SISK was allowed to proceed for 3 additional minutes.)

Mr. SISK. Mr. Chairman, I yield to my colleague.

Mr. WRIGHT. Mr. Chairman, I do not know whether the State Department or the President has a position on this matter. I have not asked the State Department. I do not suppose that the Speaker has asked the State Department. I do not believe that it is a question for the State Department. It is not the honor and the integrity of the State Department that is at stake; it is the honor and the integrity of the House of Representatives.

Mr. SISK. If the gentleman will permit me to make a comment, I have heard the gentleman make that statement. I believe my good friend, the gentleman from Missouri, made a statement along that line, concerning the honor and integrity of this House.

I am as concerned about the honor and integrity of this institution as any Member here, and I am sure every Member here is concerned about it. But is this any way, to go out and start kicking our friends in the teeth worldwide, to retain our honor? Does the gentleman mean to say there is no other way that we can recoup some honor other than to do this? Is that the gentleman's position?

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Texas.

Mr. WRIGHT. If I could think of any other way to gain the information, which I am told by Mr. Jaworski and by members of the committee needs to be supplied, I would be pursuing that way. If I believed there was a less stringent manner of achieving our goal than this, I would be pursuing that manner. I believe that every other avenue has been explored. Every other chance has fallen by the wayside.

If the gentleman will yield further, I simply want to say one thing in response to a comment which my friend has made with respect to Leon Jaworski. Leon Jaworski did not seek this post. The Speaker of the House of Representatives and I called him personally and implored him to take this responsibility. We felt that the need was sufficient for a person of absolutely unimpeachable integrity and proven credentials to be placed in that position. We know of none other who so eminently qualified.

Mr. Jaworski had absolutely nothing to gain by acceding to our request. Many of his friends advised him not to do it.

His reputation has been made. He is not seeking to build upon his reputation. In addition to that, Mr. Jaworski, when he called us back after having talked with his wife, his law partners, and others, and after having arranged to do this, said that he wanted to perform this service for our Government without compensation. He is not even receiving pay for the time he is giving.

Do the Members know what convinced him to do it? It was when the Speaker said, "Leon, the Congress needs you, the country needs you, and it is on that basis that Jim and I are asking you to do this job for us."

When he did accept, Speaker O'NEILL, Chairman FLYNT, and I all pledged to him that we would give him our full and total cooperation. I believe that we owe it to him, just as we owe it to ourselves and to the reputation of the House.

The CHAIRMAN. The time of the gentleman from California (Mr. SISK) has expired.

(By unanimous consent, Mr. SISK was allowed to proceed for 1 additional minute.)

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. SISK. Yes; I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Chairman, the comment I would like to make was in response to the hypothetical question which the gentleman posed a while ago as to what our Government's response would be in the event that an ambassador of ours was asked to come to a country in which he had formerly served to testify under oath.

Mr. Chairman, I truly believe this: I truly believe that if an ambassador of the United States gave money illegally to members of the legislative body of the country to which he was accredited and if those individuals accepted the money illegally, and it was necessary for a judiciary committee or the legislative body, whichever it was, of that country to take the testimony in order to make out a proper case or a prima facie case, as has been shown here, I think that this Government should then make it necessary that that Ambassador testify.

Mr. Chairman, that is exactly the case which we have here now. As far as our friendship with South Korea is concerned, of course, I believe in that friendship. It has been tried and tested. I am afraid, however, that the actions of the Government of South Korea in this instance are not being true to that type of friendship which we have had. I am afraid that if that situation continues, that friendship might well be strained. I hope it will not.

Mr. SISK. Mr. Chairman, let me say that I appreciate the comments of my colleague, the gentleman from Arizona (Mr. RHODES). I basically agree from the standpoint of principle.

However, I still feel very strongly that under what has been a worldwide practice of diplomatic immunity, we would raise all kinds of questions about the authenticity of the charges, just as I am sure that they are raising questions about the authenticity of the charges over there.

I wonder, in addition, in view of some comments that have been made here, about how much confidence this House, the leadership, and others, are going to have in whatever is said under whatever set of circumstances, because it is my understanding from some of my colleagues on this side that such evidence as may be offered by the former Ambassador from South Korea must be made under oath.

On the other hand, it is my understanding that there have been suggestions that the gentleman might be permitted to make, in writing, answers to certain questions.

Consequently, Mr. Chairman, it seems to me that there is a great lack of direction in how his testimony is to be presented, if, in fact, it ever is, and I do not believe it ever will be.

Mr. Chairman, I frankly think that what we are involved in here today—and it seems to me that the statement by my colleague, the gentleman from Missouri, indicates the direction of at least some of the minds in this House—is a situation in which we are going to pursue this matter ad infinitum, and that I cannot believe.

The CHAIRMAN. The time of the gentleman from California (Mr. SISK) has again expired.

(On request of Mr. EVANS of Colorado and by unanimous consent, Mr. SISK was allowed to proceed for 1 additional minute.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, I thank the gentleman for yielding.

I am glad he has raised that question, for I think if we pass on this question today—and I would say this to our distinguished majority leader and to our distinguished Speaker—we should, here and now, be advised fully as to what the next step may be. Perhaps either the Speaker or the majority leader may want to address himself to this matter. If this action is taken today and does not produce the result that is wanted, we need to be advised today whether or not the leadership or others will then seek rem-

edy in other bills which come along; and if so, what bills?

I think we should have a full picture in that regard.

The CHAIRMAN. The time of the gentleman from California (Mr. SISK) has again expired.

(By unanimous consent, Mr. SISK was allowed to proceed for 3 additional minutes.)

Mr. SISK. Mr. Chairman, I agree with my colleague, the gentleman from Colorado (Mr. EVANS). However, as I said, the very comments, with all due respect to my friend, the gentleman from Missouri, really shake me up.

Mr. Chairman, I would suggest that either the Speaker or the gentleman from Texas (Mr. WRIGHT) make some comment on this question.

I would yield to him at this point, because as I understood, in answer to a question earlier, he did not support the position apparently taken by the gentleman from Missouri. Now, what is the leadership's intention? Are we going to be involved in this right on through the year, bill after bill, or does the gentleman have any idea where we are going on the situation assuming Korea does what I believe it will do because, frankly, I do not believe an independent, sovereign power can yield to the kind of nonsense we are attempting here today.

I yield to the gentleman from Texas at this point.

Mr. WRIGHT. Mr. Chairman, in response to the question that was directly asked by the gentleman from Colorado, I think we might expect that when the foreign aid appropriation bill comes to the floor, if no acceptable response has been forthcoming, an amendment would be offered to delete or reduce funds under that bill in the form of direct economic aid to the Republic of Korea. Beyond that, I think we must be governed by events.

I do not under any foreseeable circumstances anticipate that any effort would be made with the blessing of the leadership—or certainly not of the majority leader—to reduce any military assistance to the Republic of Korea, nor to reduce any assistance or collateral program of any nature or description which would be vital to the maintenance of the territorial integrity of the Republic of Korea or the vital interests of the United States.

I want to anticipate the reverse, however. I should like to believe, and indeed I fervently hope, that if this action is taken by the House today, our friends in South Korea will understand the earnestness of our determination to get to the bottom of all these allegations and to know the whole truth, and will come forward with the information in whatever acceptable form; and that there might even be time, if that were done in a timely fashion, for the Senate to restore the funds and for the conferees then to agree to the restoration of those funds in this bill.

There is no desire on the part of the leadership, and emphatically no desire on the part of the majority leader, to do anything to be hurtful to the Republic of Korea or to the people of the Republic of Korea. The only desire is to protect the integrity and the honor of the U.S. House of Representatives, to get the truth, to lay it out publicly so that the cloud of suspicion will be removed.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent Mr. SISK was allowed to proceed for 2 additional minutes.)

Mr. SISK. Mr. Chairman, let me say to my colleague from Texas that I did not come down here to criticize or crucify Mr. Jaworski. Mr. Jaworski and I have exchanged letters. They were courteous letters. I respect him as a great investigator. I sometimes feel that Mr. Jaworski likes the limelight a little bit, and I suppose that is human nature. Any of us who are close to the political picture have to be partially prima donnas. So, I want to make sure that my comments are not taken as a direct criticism of his ability in this area.

I honestly am concerned as to what kind of commitments have been made. I appreciate the statement of the gentleman from Texas as to what seems to be a commitment, but I am not necessarily saying that the gentleman has a right to commit me. He committed himself and, to some extent the House, indirectly to some things here.

I always take with a grain of salt people who contribute their time, particularly lawyers—and I love lawyers, there are so many of them and politically we could hardly get along without them. But, I have not found lawyers to be very free with their time. So, I am a little concerned. I have a hunch that the Jaworski law firm will do pretty well out of this situation.

So let us not kid ourselves.

Let me say I am not criticizing Mr. Jaworski as an individual. He and I, I think, understand each other. I have been very much concerned, though, that he has not been able to bring this matter to a close. It seems to me we are finally at a point where there is a desire to get off the hook or maybe a good excuse why this whole thing should end.

Mr. DUNCAN of Oregon. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have had some discussion here this afternoon not only about this amendment but also about the resolution that was offered a few weeks ago and a question of consistency or inconsistency. It reminds me of the story they used to tell about Abraham Lincoln, who rode the circuit in Illinois, where I was born. In those days a lawyer would have—and the gentleman from California (Mr. SISK) will forgive me for referring to lawyers—a number of cases to argue in front of the same judge. By coincidence Mr. Lincoln argued one case in the morning and he came back in the afternoon and argued an identical case involving the same issue. He was taking a position diametrically opposed to the position he had taken in the morning. The judge took the same position as the gentleman from California (Mr. SISK) took today and he said: "Mr. Lincoln, you were arguing the other position in the morning and I decided in your favor. Are you asking me to reverse my position now?" Lincoln thought a little bit—about as long as our majority leader did and scratched his head and said: "Well, Judge, I may have been wrong this morning, but I am dead right this afternoon."

I do not have an inconsistency to justify because I opposed the resolution of a few weeks ago. Those of the membership who did not can remember the Lincoln story and I might frankly say about them: "You may have been wrong a few weeks ago but you are dead right today."

I want the honor of this House vindicated, as does the Speaker and as does every Member of this House. I do not think this course will vindicate the House. I do not think it will elicit the testimony we want. The resolution of a few weeks ago did not.

As a matter of fact, we have pursued a course of this sort against the country of Turkey to try to force a settlement on the question of Cyprus. It has failed. I think this will, too.

Even should we get the testimony of the Ambassador, even should that testimony show there has been wrongdoing on the part of a Member of the House, that will not end the question, because when that man's trial is called on the docket and he is faced with this testimony, we are going to have to have that Ambassador back again, because I cannot imagine any court accepting the testimony of that Ambassador at a criminal trial against a Member of this House without giving him the opportunity to be confronted by that witness and the right of cross-examination.

But even if this technique might succeed, it seems to me that it is entirely too high a price for us to pay. The gentleman from North Dakota has already outlined some of the economic prices, but it seems to me that there is more.

Diplomatic immunity, it is true, is a concept that at times, as now, is troublesome, just as is from time to time the concept of the first amendment of our own Constitution. And yet both concepts have firm, legitimate, and longstanding foundations. And diplomatic immunity, contrary to what the minority leader might have suggested a moment or two ago, is relied on by our own Government from time to time. As a matter of fact there is a young lady in Falls Church, Va., today who was removed from the Soviet Union under the doctrine of diplomatic immunity.

I fear that the precedent that this House is about to set today can and will be turned against this Nation in the future. Contrary to the minority leader, I can conceive the Soviet Union demanding that we waive the immunity of our Ambassador or the head of our CIA and send them to Moscow to testify in the trial of a Yuri Gurin, or against a Yuri Gurin in the future.

To me, that is too high a price to pay. I think this is an unwise amendment. I urge the House to vote against it.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DUNCAN of Oregon. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr.

Chairman, I would say to the gentleman that if we faced the Soviet Union in the case that he puts the Soviet Union might cut off our foreign aid.

Mr. DUNCAN of Oregon. Of course, that is not so.

Mr. BURLISON of Missouri. They do not give us any foreign aid, so they would not likely meet with success.

So I think the argument of diplomatic immunity is an extraneous one here. We are not violating that doctrine by saying that: "we are not going to continue to give you aid unless you can provide us with inforamtion, which you have, which has direct bearing on the integrity of this institution."

Mr. DUNCAN of Oregon. The gentleman and I are in disagreement. I think the fundamental concept of diplomatic immunity under international law is involved in this situation and that we are ill advised if we ignore it. Of course the same sanctions may not be used in a different situation. The gentleman from California (Mr. SISK) raised the question of the nation of Italy. There may be any number of situations that could arise. We have them with the first amendment of our Constitution. When somebody else claims the first amendment protection we say it is a nuisance.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. BURLISON of Missouri, and by unanimous consent, Mr. DUNCAN of Oregon was allowed to proceed for 1 additional minute.)

Mr. BURLISON of Missouri. I am disappointed with the tone of this debate. It sounds like the House is losing its enthusiasm to investigate the "Koreagate" allegations. Hopefully, the vote to come in a few minutes will show our resolve to continue.

Mr. DUNCAN of Oregon. Mr. Chairman, as I started to say, the first amendment is a bloody nuisance when somebody else is claiming it, but when it affects our rights, then it is a basic constitutional right and we demand for ourselves all of the coverage under the Constitution.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DUNCAN of Oregon. I yield to the gentleman from Missouri.

Mr. FINDLEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this debate has raised the question as to what step may be taken if this amendment fails to produce the testimony of Mr. Kim. The majority leader, the gentleman from Texas (Mr. WRIGHT)—and I hope he is on the floor at this moment—said that he would then favor the lifting of any additional nonmilitary assistance to the Republic of Korea.

Well, I have already looked into the nonmilitary assistance that we would have available for lifting and it consists of one thing and one thing only, the funding for the Peace Corps in the Republic of Korea. Now, that would be an enormous level, as you can imagine, to use in order to get the testimony of Mr. Kim.

The majority leader is going to have to look elsewhere, to gunboats or something like that in order to get the Republic of Korea to cooperate. The nonmilitary aid avenue is foreclosed.

I ask the Members to think, for a moment, as to just what the Republic of Korea is. It is a nation in which our Nation has had a tremendous stake. We have seen fit, out of a sense of our national interest, to invest about 55,000 U.S. lives and much treasures the security of that country.

We have seen fit to obligate ourselves to a mutual defense treaty. We have seen fit to keep enormous military resources in that country at some considerable expense risk. And almost every year several U.S. service personnel are killed in some activity along the DMZ.

What else is the Republic of Korea? It is the most democratic, the most liberty loving nation of that region of the world with the exception of Japan. Look elsewhere in that part of the world and you cannot find another nation where the private sector is so well protected, where basic individual rights are so well protected, where legislative government is so well established. Of course we have criticism of the Republic of Korea but when you contrast the system that exists there with the rest of the region you find that the level of democracy in that part of the world is very shallow and Korea, by contrast, is doing very well indeed.

As we consider this amendment we ought to keep our eyes open to the importance of the Republic of Korea to our own national interests.

I set forth four reasons why I believe this amendment should be rejected:

First and foremost it will not work. I read the letter sent by Mr. Leon Jaworski to House Speaker O'NEILL, dated June 19, and the letter is summed up with this one sentence which I read directly from the letter:

> In brief, there has been no substantial indication of cooperation.

This was Mr. Jaworski's summation of the experience he has had seeking Mr. Kim's testimony since the approval of the resolution in this body about 3 weeks ago warning that we might cut off aid to Korea if Mr. Kim does not cooperate. His summation:

> In brief, there has been no substantial indication of cooperation.

When that resolution was up before this body, several of us warned that we were painting ourselves into a corner. We were issuing a legislative threat that when the time came we really would not want to deliver on. That day has come. Of course, there has not been any substantial indication of cooperation. What self-respecting nation would bow to a legislative threat like that embodied in that resolution, and especially so because the threat itself is so minor in economic importance to the Republic of Korea?

When will we learn that we should not try to push publicly other nations around, especially when we are using a feather to do the pushing? And that is what it amounts to. It is a featherweight threat. It will not work.

The second reason, and one eloquently presented by the gentleman from Oregon, is that it is a bad precedent. No one would relish having the former directors of the CIA hauled down to Chile, to Italy, to Vietnam, to other corners of the Earth to be examined in some public arena as to the use of U.S. funds to influence political activity within those countries in past years.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. FINDLEY was allowed to proceed for 4 additional minutes.)

Mr. FINDLEY. Most of us would be horror stricken if any government would seek to use whatever leverage necessary to bring about testimony of that nature.

The third reason that I urge the Members to vote against this amendment is that it requires a breach of contract. It is a violation of an agreement that we entered into in 1971 with the Republic of Korea, a very complex agreement of vital importance to the United States. Let me list the items in that agreement—not all spelled out in black and white and signed in documentation with seals and all of that, but, as the Department of State describes it, a gentleman's agreement, a clear understanding between our nations.

The first element of that agreement was that the Republic of Korea, which was then winning textile markets in the United States at an astonishingly increased rate, would agree to a limitation on textile exports to the United States. Ever since that year Korea has lived by the very letter of that obligation.

Another element in that agreement was that Korea would buy all of the food it could from the United States when it needed anything abroad. Since then it has bought 95 percent of its foreign food requirements from the United States.

What did Korea get out of this? It got the Public Law 480 agreement that is now before us. but in its original form—to which we obligated ourselves as a nation—the level of Public Law 480, title I contract, was to be substantially higher than the $56 million for just 1 year that is the subject of this amendment. We agreed to a much higher annual level back in 1971, but thanks to the action of Congress cutting back on Public Law 480 to Korea year by year, that has shrunk down. In exchange Korea agreed to a stretchout, and that is how we now have a 5-year agreement stretching out to 1978. But the Koreans lived by the letter of their agreement on textile exports each year, even though we welched on our part of the agreement and did not come through with agreed title I contract levels.

I ask the Members to examine the character of the title I contract. This is not a giveaway of food. It is not a donation of food. Korea agreed to pay full value. The only advantage to Korea is

the easy credit terms. That is all they got out of this multifaceted obligation which our two Governments entered into back in 1971. Do we want to break our contract at this stage?

I urge that the amendment be defeated for a larger reason, though. We have the same stake in the Republic of Korea that we had back at the time of the Korean war.

It is a staunch ally standing against the expansionist tendencies of the Soviet Union. The Korean war from the very start was a Soviet war and the Koreans stood up to them. We joined them and several other countries joined with us. They still stand as a bulwark against Soviet expansion.

How foolish we look here today giving, I guess it is serious consideration to trying to push around this important ally over such trivia.

Mr. Speaker, I include at this point the text of memorandum on the vital question of diplomatic immunity.

LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., March 1, 1978.

From: American Law Division
Subject: Amenability of Former Diplomatic Agent to Questioning by a Congressional Committee

This memorandum is submitted in response to your questions concerning the above subject. Specifically, you have asked the following questions. If the committee calls a foreigner who is now resident in this country and who was a former employee of his government, are there any restrictions on what it can ask him? How can it be determined if the person in question had diplomatic immunity at the time of his employment? Could the committee have subpoenaed him then? Can it now? Does he have any privilege he can assert against testifying about his activities then?

The initial determination to be made is the legal status of the foreigner with respect to his former government employment. It is given that the person in question was attached to an embassy, probably as an intelligence agent. Thus, the question becomes whether an intelligence agent can be a "diplomatic agent" under Article I(e) of the Vienna Convention on Diplomatic Relations,[1] thereby enjoying the immunities accorded diplomatic agents under Article 31. Article I(c) of the Vienna Convention provides that "a diplomatic agent is the head of the mission or a member of the diplomatic staff of the mission." One of the contributions of the Vienna Convention in codifying diplomatic law was to divide the personnel of a diplomatic mission into three categories,[2] thus making the scope of immunity granted contingent upon the category into which a particular employee falls. Except for the administrative and technical staff where the criteria are reasonably objective, there appears to be no meaningful limitation on the discretion of the sending State to class as it wishes the personnel of its embassy. Thus, a particular employee may be classified as a diplomatic agent, whether or not such employee also performs functions as an intelligence agent. The important point is that once classified a "diplomatic agent," the privileges and immunities attached thereto flow automatically. Thus, it appears that if the person in question were assigned to an embassy as an intelligence agent, he was probably formally appointed to the diplomatic staff and therefore enjoyed diplomatic immunity as provided under Article 31.

Article 31(1) exempts a diplomatic agent from the criminal, civil and administrative jurisdiction of the receiving State, with three exceptions not pertinent here.[3] Even more germane is paragraph 2 of Article 31 which provides that "a diplomatic agent is not obliged to give evidence as a witness." However, Article 32(1) provides that "the immunity from jurisdiction of diplomatic agents . . . may be waived by the sending State."

Therefore, to the question whether the committee could have subpoenaed the agent during his tenure as an embassy employee, the answer is reasonably clear that unless the sending State waived the immunity of the diplomatic agent under Article 32(1), Article 31(2) bars issuance of a subpoena to compel testimony before a committee of Congress or any other body.

Could the committee subpoena the agent today, as a former embassy employee? Stated differently, the question is whether one who is now a former diplomatic agent may be questioned by a congressional committee with respect to activities which transpired prior to the termination of diplomatic status. Article 39 of the Vienna Convention defines the duration of privileges and immunities accorded diplomats. Paragraph 2 of Article 39 provides for the legal consequences of termination of the official functions of a diplomat:

"2. When the functions of a person enjoying privileges and immunities have come to an end, such privileges and immunities shall normally cease at the moment when he leaves the country, or on expiry of a reasonable period in which to do so, but shall subsist until that time, even in case of armed conflict. However, with respect to acts performed by such a person in the exercise of his functions as a member of the mission, immunity shall continue to subsist."

The last sentence of the above provides for the important rule of continuing immunity with respect to official duties. Thus, whether or not a congressional committee may question a former diplomatic agent about activities which transpired prior to the termination of his diplomatic status appears to depend upon the nature or character of such activities. Hence, should it be determined that the activities in question related to the diplomat's official duties then it appears that Article 39(2)'s rule of continuing immunity could be invoked to bar questioning the diplomat with respect to such official activities. On the other hand, should it be determined that the activities in question related to the diplomat's private acts, then it appears the rule of continuing immunity would be inapplicable, thereby freeing the committee to question the diplomat about such private acts.

There is no rule or authority on how the question whether the acts were performed "in the exercise of his functions as a member of the mission" is to be determined, but it is likely that if the matter were disputed a court would accept the statement of the sending government on the matter, particularly since to refuse to do so would undoubtedly cause serious offense.[4]

It was also asked whether the person in question could assert any privilege against testifying about activities which transpired during his embassy employment. Faced with a committee request to testify, any former diplomatic agent has the option to invoke Article 39(2)'s rule of continuing immunity in order to bar testimony concerning his former official duties.

Assuming the sending State of a diplomatic agent consents to waive immunity under Article 32(1), thus permitting testimony before a congressional committee, it was asked whether the committee would be restricted as to what was asked.

Article 32(2) requires that whenever a sending State waives the immunity of its agents it must always be an express waiver. Therefore, if such express waiver of immunity were given with respect to a diplomatic agent's official functions, it appears that the Vienna Convention would impose no further restrictions as to what questions might be posed to the diplomatic agent.

MOSES L. PERRY, Jr.

Mr. ROBINSON. Mr. Chairman, I move to strike the requisite number of words. I would not want to use the full 5 minutes, but I would not want it inferred that because I do not speak on this amendment that I am in favor of it, because I certainly am not. I am totally opposed to it.

With regard to its total impact, it has the potential to do irreparable harm. It is diplomatically a dangerous precedent that is being proposed as a vehicle to help to find solutions to the ills of this House in terms of its integrity and honesty. The contribution that possibly will accrue is both dubious and uncertain.

With regard to its economic impact, it represents a potential disaster to our agricultural economy. Because here we are prepared to try to take $56 million out of the hides of the poor people of Korea and $1 billion out of the hides of American farmers by way of the use of an agricultural appropriation bill that is supposed to help the farmers.

Mr. WHITTEN. Mr. Chairman, could we have some agreement on time?

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto end by 3 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous consent agreement was entered into will be recognized for one-half minute each.

(By unanimous consent, Mr. SYMMS and Mr. ROBINSON yielded their time to Mr. GOLDWATER).

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Chairman, for the life of me, I cannot understand how the business of cutting off foodstuffs to the South Korean people is going to get the South Korean Government to coop-

[1] TIAS 7502, 23 UST 3227; signed April 18, 1961; entered into force for the United States December 13, 1972.

[2] (1) diplomatic staff; (2) administrative and technical staff; and (3) service staff.

[3] 1. A real action relating to private immovable property . . .

2. An action relating to succession in which the diplomatic agent is involved as executor, administrator, heir or legate . . .

3. An action relating to any professional or commercial activity exercised outside his official functions.

[4] Eileen Denza, *Diplomatic Law* (Oceana Publication, Inc.: New York, 1976), p. 250.

erate in our informal investigation of alleged payoffs to Members of Congress. Have we totally given up on our quiet negotiations and the rule of reasonableness? This is not Cambodia or Uganda we are talking about. It is South Korea—one of our most valuable allies and friends.

Frankly, the entire foreign aid program is a farce, but as long as we have got it, I can think of about 50 countries who should be in line ahead of South Korea for a cutback.

What we are really doing here is performing a silly, symbolic act that further undercuts our already deteriorating relations with a great and noble people. The South Korean people are no more responsible for Kim Dong Jo and Tongsun Park than the American people are responsible for Bobby Baker and Richard Nixon.

Sure the Korean Government is reluctant to cooperate with us. Apparently, they are shell-shocked over the horrible things being said about South Korea by ambitious politicians and a hostile press. It is now become a point of national pride and saving face—a characteristic indigenous to the oriental culture. Countries all over Asia are waiting to see what South Korea does; and if they totally capitulate to the American news media and the Congress, they will be the laughing stock of all Asia.

We have handled this scandal miserably. We have treated it in Tammany Hall fashion as if everyone is guilty until proven innocent. We have demagogued this thing to death and the South Korean Government knows it. The result has been a hardening of their position. By taking such churlish and precipitous action as cutting our food aid to South Korea, I predict they will just get their "back up" all the more. Besides, what happened to all our moral pronouncements that we would not use food as a weapon to force nations to cower and acquiesce to our demands?

You know why we are really taking up this amendment? Let us have it straight. We have got people around here who do not like President Park and the so-called suppression of a few dissidents in his country. We have got people around here who do not want American troops in South Korea. We have got people around here who do not want to defend South Korea from Communist aggression.

If we are so concerned about a couple of South Korean agents running around the Hill, then why in blazes do not we expand our investigation? That is right. Expand it. It is common knowledge that representatives from the Communist satellite countries in Eastern Europe are all over this Hill visiting congressional offices. Now, they will deny it, but there is plenty of indication that these so-called representatives are nothing more than agents of their nation's secret police. If you do not believe it, ask the FBI to come by your office and give you a briefing on some of the folks from the Communist Nations who are lobbying the blazes out of Congress to get such things as most favored nation trade status in their trade relationships with us. Maybe they are all nice, innocent folks, but do not the American people deserve to know as much about their activities as they do about the South Koreans?

I suspect that we have got another double standard going on around here, and if we are not careful, people are going to start thinking we are a bit silly. It may be too late, but we had better try to work out a reasoned approach to this investigation. South Korea is absolutely vital to the defense of the entire Pacific. It was one of a handful of countries who helped us in Vietnam. It is resisting Communist aggression, and it is achieving economic growth and political stability not dreamed of after a devestating war just 25 years ago.

Let us continue our investigation. Let us ferret out the wrongdoing and punish the wrongdoers. But in the process, let us not lose another ally. We have got precious few left.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I oppose this amendment.

A few weeks ago, when the House adopted the aid cutoff resolution aimed at Korea, I said that if South Korea were to fail to produce the witness demanded, we would be honorbound to cutoff assistance to that country. I also said that no country could honorably comply with a naked threat of this kind. The adoption of that resolution placed us irrevocably on a course of dangerous conduct—I said it then and I repeat it now.

If we are honorbound to adopt this amendment, the Korean Government is equally bound to reject the blackmail it implies. Who can gain from this? We do not, for we do not retrieve our honor. Not Korea, for the only way it can respond is to refuse to cooperate under coercion. Who suffers? The only people who suffer are the poorest people of a poor country and that is the hungry and the helpless. Why should they feel the sting of a misbegotten vengeance?

Who gains from this destructive course of action that can only erode the ties between our country and Korea—ties that extend all the way back to the creation of that country which I would remind you occurred only because of U.S. insistence for a partition during the closing days of the Second World War. Who can gain from this amendment? Only the mutual enemies of the United States and Korea.

We cannot, by this action, obtain any usable evidence against those few avaricious Members and ex-Members of the House, who willfully dishonored themselves and us. We do not retrieve our honor by this. We do not honor ourselves by a naked threat that demands a sovereign nation to dishonor itself. We do not gain honor for ourselves by taking vengeance against the poor and the helpless, who depend upon us for any hope of survival. What honor is there to be gained by cutting off a basic human right to people who have long been denied the rights we proclaim, even the right to physical survival.

The enemies of the United States must surely rejoice at the cruel and destructive course of action the House committed itself to on May 31, and which finds its first realization in the amendment before us.

This amendment is dishonorable itself, and if we think anything of the principles we proclaim, we would be wise to reject the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, I support the amendment.

I do not understand all the concern about the feelings of the Government of Korea. The Government of Korea is not a friendly government when it adopts practices that try to subvert our own system. Friendly governments do not try to bribe Members of our Government, and I do not understand all this concern about how we are trying to blackmail the Koreans.

Mr. Chairman, we are talking about not giving them aid until they tell us what they tried to do in the process of subversion of our Government. That has nothing to do with blackmail.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MATTOX).

Mr. MATTOX. Mr. Chairman, the House of Representatives cannot sit idly by while being accused of participating in and succumbing to the wicked designs and unworthy schemes of outside parties. Such accusations must be answered fully and completely by the House itself or its basic integrity will be irreparably damaged.

The impossibility of getting a full and complete account from the South Korean Government through direct testimony from Kim Dong Jo, its former Ambassador to the United States, precipitates the action we are about to take today. Our failure to respond to the Korean Government's refusal would, in my opinion, prove to both the American people and the Korean people the intrinsic vileness of the schemes of those who would govern for personal profit and would show that our own systems of Government are calculated to destroy public confidence.

Therefore, it must be made clear that the true policy of the House of Representatives rests on the public interest and not on any personal gain. Our friendship with and assistance to the Government of South Korea must be obtained through free intercourse untainted by corruption and influence-buying. Until all such questions of fraud, bribery, and deceit are resolved we have no right to commit any more public funds. I support the Wright amendment not as a vindictive action against the South Korean people, but as a firm pronouncement of what our relationship and assistance require.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. BADHAM).

Mr. BADHAM. Mr. Chairman, as I listened to this debate, it occurred to me that perhaps the Founding Fathers showed some wisdom when they tried to restrict foreign policy and its determinations to the executive branch.

As we in the House have begun to dabble in foreign policy—and I say, "dabble," but perhaps we should more seriously consider it as some aspect of blackmail—we now see the ineffectiveness of the Turkish arms embargo from which we are now trying to release ourselves. We are only now considering the fact of the longstanding effect and the future ramifications of this deed.

Mr. Chairman, I rise in opposition to the amendment. Granted we passed a resolution on May 31 which was advertised by the distinguished majority leader as a nonbinding resolution to cut off aid to the Republic of Korea. Just before that we soundly defeated a "binding" resolution. Now we cannot have it both ways and still refer to "the honor and integrity of the House of Representatives."

Perhaps the Founding Fathers did in fact express great wisdom when they attempted to reserve the creation and maintenance of foreign policy to the executive branch. Unfortunately, from time to time an abysmal vacuum does exist in the development, maintenance, and execution of foreign policy by the Executive. Such time exists today. Our friends and foes alike are deeply concerned by the confusing policy or rather the total lack of a coherent foreign policy. This, of course, has created a vacuum that the legislative branch has sought to fill, so for the past few years the Congress has been more and more of an attitude to dabble in foreign policy. In "dabbling" in foreign policy by the legislative branch I would suggest that this has been done with too little serious concern for the longrun ramifications. Take the example of the Turkish arms embargo. In order to force Turkey to negotiate the subject of Cyprus, the Congress passed an embargo for arms and spare parts on Turkey. This effectively lays bare the southern flank of NATO, deprives the United States of eyes and ears across the Black Sea and has all but destroyed a once highly favorable relationship with a longstanding ally.

I am sure at the time of that emargo, from which we are trying to extricate ourselves graciously now, the comment must have been made "we do not want to do anything hurtful to our friends." We should have seen clearly at that time that it is something less than honorable—speaking of honor—to blackmail our good friends and expect good results. Now comes just a $56 million cut in food for peace to the South Korean people. Do we really think that by removing $56 million of food for the Korean people that their leaders will fork over an ambassador?

A respected friend and colleague of mine joined me on the floor a while ago and asked me, "Who is winning?" and I replied that I did not know who was winning for sure but I did know who is losing, and that is American prestige at home and abroad, the South Korean people, and the American farmers whose surplus will stay just that.

I suspect that in his attempt to do "nothing hurtful" to our friends the majority leader will find soon enough that the "only one more witness" will not be forthcoming. He will have to think up a new threat, and perhaps even the whole investigation will amount to nothing because we tried to use blackmail to obtain a witness who probably won't come anyway but without which the case perhaps might not be made, another sad case of unwarranted dabbling in foreign policy indeed.

Mr. Chairman, I ask that this amendment be opposed and soundly defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. JACOBS).

Mr. JACOBS. Mr. Chairman, I agree with the assertion that the Koreans do not owe us their testimony in our courts or in aid of our judicial process. It is equally true that we do not owe them gifts in the form of foreign aid.

I personally believe that this question ought to be answered by the committee: Whether a dictator is going to care very much if we cut off the Food for Peace so long as we send him guns so he can keep the people in line.

Mr. Chairman, on this amendment we are not being asked to bite the bullet. We are being asked to bite the bread.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Chairman, the issue here is an investigation into efforts by a government abroad to influence and buy votes in this institution. That is the issue that we are dealing with—whether this House has the courage to tell the Republic of Korea that we will not tolerate any efforts to undermine our democratic process.

The method we are using is to try to provide a message that we are serious about the investigation, that we are serious about getting the information we need, and that we are serious about restoring the credibility of this institution.

(By unanimous consent, Mr. BURLISON of Missouri yielded his time to Mr. WRIGHT.)

(By unanimous consent, Mr. FINDLEY yielded his time to Mr. ANDERSON of Illinois.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in strong opposition to this amendment. It seems to me that the linkage that is attempted here between assistance under the food for peace program and cooperation with the Korean Government to clarify matters surrounding the investigation of bribery of certain Members of Congress is wholly inappropriate.

We have already heard from the author of the amendment, the distinguished majority leader, that he is not attempting and never would attempt to use the military aid bill in a similar manner.

There is a surplus of food grains already on the world market. Korea can buy these food grains elsewhere if we do not sell them under the food for peace program.

Clearly, with this amendment, if we adopt it, we are going to be using a weapon that will prove to be utterly impotent in getting the cooperation from that government that we seek. I think it would be foolish beyond words that I can possibly use, to deliberately embark on a course and try to use a weapon that will be totally ineffective.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Chairman, I rise again in opposition to this amendment. I think it is utterly ridiculous that we are cutting off food for the people of Korea and saying we are going to keep sending bullets and bayonets to keep the political leaders in power. This is a ridiculous approach. I believe the Koreans should testify, but this is not the way to accomplish it.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, we have heard comments here about the sanctity of foreign relations and the niceties of foreign policy. Let us get it clear. The allegation has been made that the Government of South Korea at the highest levels sought to infiltrate the Government of the United States by bribing public officials.

If that is not true, they owe it to us as a friendly power to come forward and say that it is not true. To the extent that it be true, they owe us an explanation. That is the goal of this amendment. Perhaps it will not achieve its objective. I hope that it will. I do not want to rupture relations. We hold no threat of prosecution whatsoever over the head of Kim Dong Jo. It is not a question of his diplomatic immunity. That will be respected. It is a question of whether this House is intent on getting the truth, the whole truth, and nothing but the truth. If this effort should fail, at least we shall have done everything we prudently and honorably could have done.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN), the chairman of the subcommittee, to conclude the debate on this amendment.

Mr. WHITTEN. Mr. Chairman, I shall vote for the amendment. I do not think it is as earth shaking as the proponents think it is nor do I think it is as devastating as those opposed to it say it is. So I shall vote for it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WRIGHT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WRIGHT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered

The vote was taken by electronic device, and there were—ayes 273, noes 125, answered "present" 1, not voting 34, as follows:

[Roll No. 483]

AYES—273

Addabbo	Forsythe	Moorhead, Pa.
Akaka	Fountain	Mottl
Alexander	Fraser	Murphy, Ill.
Ambro	Frey	Murphy, Pa.
Ammerman	Fuqua	Natcher
Anderson, Calif.	Gammage	Neal
	Gaydos	Nedzi
Andrews, N.C.	Gephardt	Nolan
Applegate	Giaimo	Nowak
Archer	Gibbons	O'Brien
AuCoin	Gilman	Oakar
Bafalis	Ginn	Oberstar
Baldus	Glickman	Obey
Barnard	Gore	Ottinger
Baucus	Grassley	Panetta
Beard, R.I.	Gudger	Patten
Bedell	Hall	Patterson
Benjamin	Hamilton	Pattison
Bennett	Hanley	Pepper
Bevill	Hannaford	Perkins
Blanchard	Harkin	Pickle
Blouin	Harrington	Pike
Boland	Harsha	Preyer
Brademas	Hawkins	Price
Breaux	Heckler	Quayle
Brinkley	Hefner	Quillen
Brodhead	Heftel	Rahall
Broomfield	Hightower	Railsback
Brown, Calif.	Holland	Rangel
Brown, Mich.	Hollenbeck	Reuss
Broyhill	Holtzman	Rhodes
Buchanan	Howard	Richmond
Burleson, Tex.	Hubbard	Rinaldo
Burlison, Mo.	Huckaby	Risenhoover
Burton, Phillip	Hughes	Roberts
Byron	Hyde	Roe
Caputo	Ichord	Rogers
Carney	Ireland	Roncalio
Carr	Jacobs	Rooney
Cavanaugh	Jeffords	Rose
Cederberg	Jenkins	Rosenthal
Chappell	Johnson, Colo.	Rostenkowski
Chisholm	Jones, Tenn.	Ruppe
Clausen, Don H.	Jordan	Russo
	Kastenmeier	Ryan
Cleveland	Kazen	Santini
Cochran	Kelly	Sarasin
Cohen	Keys	Scheuer
Coleman	Kildee	Schroeder
Collins, Ill.	Kindness	Schulze
Collins, Tex.	Kostmayer	Seiberling
Conable	Krebs	Sharp
Corcoran	LaFalce	Shuster
Corman	Lagomarsino	Skelton
Cornwell	Latta	Slack
Cotter	Leach	Snyder
Coughlin	Lederer	Solarz
Cunningham	Lehman	Spellman
D'Amours	Lent	Spence
Danielson	Levitas	St Germain
Davis	Lloyd, Calif.	Staggers
Delaney	Long, La.	Stangeland
Dellums	Long, Md.	Stanton
Derrick	Lott	Stark
Dickinson	Luken	Steers
Dicks	Lundine	Studds
Diggs	McCloskey	Teague
Dornan	McCormack	Thompson
Downey	McDade	Thornton
Drinan	McEwen	Trible
Early	McFall	Udall
Edgar	McHugh	Van Deerlin
Edwards, Okla.	McKinney	Vanik
Eilberg	Madigan	Vento
Emery	Maguire	Volkmer
English	Mahon	Waggonner
Ertel	Markey	Walker
Evans, Del.	Marlenee	Watkins
Evans, Ind.	Mattox	White
Fary	Mazzoli	Whitley
Fascell	Meeds	Whitten
Fenwick	Metcalfe	Wirth
Fish	Meyner	Wright
Fisher	Mikva	Wydler
Fithian	Miller, Calif.	Wylie
Flippo	Mineta	Yates
Flood	Minish	Yatron
Florio	Mitchell, Md.	Young, Fla.
Flynt	Moakley	Young, Mo.
Foley	Moffett	Young, Tex.
Ford, Mich.	Mollohan	Zeferetti
Ford, Tenn.	Montgomery	

NOES—125

Abdnor	Evans, Colo.	Myers, John
Anderson, Ill.	Evans, Ga.	Myers, Michael
Andrews, N. Dak.	Findley	Pease
	Goldwater	Pettis
Annunzio	Gonzalez	Poage
Armstrong	Goodling	Pressler
Ashley	Gradison	Pursell
Aspin	Green	Regula
Badham	Hagedorn	Robinson
Bauman	Hammer-schmidt	Roybal
Beard, Tenn.		Rudd
Beilenson	Hansen	Satterfield
Biaggi	Harris	Sebelius
Bingham	Hillis	Sikes
Boggs	Holt	Sisk
Bolling	Horton	Skubitz
Bonior	Johnson, Calif.	Smith, Iowa
Bonker	Jones, N.C.	Smith, Nebr.
Breckinridge	Jones, Okla.	Steed
Brooks	Kemp	Steiger
Brown, Ohio	Ketchum	Stockman
Burgener	Leggett	Stokes
Burke, Calif.	Livingston	Stratton
Burke, Fla.	Lloyd, Tenn.	Stump
Burke, Mass.	Lujan	Symms
Carter	McClory	Taylor
Clawson, Del	McDonald	Thone
Clay	McKay	Treen
Conte	Mann	Ullman
Cornell	Marks	Walgren
Crane	Marriott	Walsh
Daniel, Dan	Martin	Wampler
Daniel, R. W.	Mathis	Weaver
Derwinski	Michel	Weiss
Devine	Mikulski	Whitehurst
Dingell	Miller, Ohio	Wiggins
Dodd	Mitchell, N.Y.	Wilson, Bob
Duncan, Oreg.	Moore	Wilson, C. H.
Duncan, Tenn.	Moorhead, Calif.	Wilson, Tex.
		Winn
Eckhardt		
Edwards, Ala.	Murphy, N.Y.	Wolff
Edwards, Calif.	Murtha	Zablocki
Erlenborn	Myers, Gary	

ANSWERED "PRESENT"—1

de la Garza

NOT VOTING—34

Ashbrook	Kasten	Sawyer
Bowen	Krueger	Shipley
Burton, John	Le Fante	Simon
Butler	Milford	Traxler
Conyers	Moss	Tsongas
Dent	Nichols	Tucker
Flowers	Nix	Vander Jagt
Fowler	Pritchard	Waxman
Frenzel	Quie	Whalen
Garcia	Rodino	Young, Alaska
Guyer	Rousselot	
Jenrette	Runnels	

The Clerk announced the following pairs:

On this vote:

Mr. Jenrette for, with Mr. Dent against.

Mr. Krueger for, with Mr. Nichols against.

Mr. Waxman for, with Mr. Shipley against.

Mr. La Fante for, with Mr. Runnels against.

Mr. John L. Burton for, with Mr. Nix against.

Mr. Garcia for, with Mr. Moss against.

Mr. ABDNOR and Mr. CHARLES WILSON of Texas changed their vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk continued to read the bill.

AMENDMENT OFFERED BY MR. MOORE

Mr. MOORE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOORE: Page 49, line 7, insert the following new Section:

"SEC. 613. None of the funds herein appropriated shall be available to pay the expenses of parties intervening in any regulatory proceeding or of any person acting as a witness, an expert, or an advisor for or upon behalf of any organization appearing before the United States Department of Agriculture, Food and Drug Administration or Commodity Futures Trading Commission."

Mr. MOORE. Mr. Chairman, my amendment is simple, necessary, and compelling.

It codifies what the committee has wisely stated in its report on pages 29 and 30.

It will also write into this bill an elemental principle that has guided the interpretation of appropriations bills for decades—and I think it interesting to note that 31 U.S.C. 628 has been on our country's law books since 1809—the principle that the use of public funds is limited to those activities that are specifically authorized by law and such funds are "not" available to be spent on any scheme not specifically prohibited by law.

In the current instance we are seeing a creeping invasion of professional litigants who seek to use the Public Treasury to pay for expressing their particular point of view.

Heaven knows we want all citizens to be able to speak and appear before their Government. But we certainly should not pay some, all, or any to do so.

At USDA a recent trend is toward paying consumer activists, self-appointed experts and other groups to plead their cases.

That should stop.

Public money should not be used to pay their expenses any more than it should be used to pay the expenses of the chamber of commerce, the farmers union, or the Socialist Workers Party.

Information has come to me that this is happening and this amendment is necessary to stop it.

Declaring "public participation" too important for the Department to obtain "ideas and information," the Secretary of Agriculture has directed agencies "to actively solicit public comment and other inputs." To assure this, USDA agencies are "encouraged" to provide financing of costs incurred by nonindustry groups in presenting views, to organize public meetings, to solicit public comment and to organize "followup" on public complaints.

The fact is, Mr. Chairman, that this House has been speaking on this issue with consistent regularity for 173 years—from the act of March 9, 1809, to the vote yesterday, June 21, 1978, on the amendment of the gentleman from Connecticut (Mr. MOFFETT).

Yesterday this body voted 282 to 126 to keep the philosophy of 31 U.S.C. 628.

What I now present is an amendment to codify in this appropriations bill some badly needed language that the House embraced yesterday. I urge passage of the amendment.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the chairman of the subcommittee.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Chairman, similar amendments have been adopted over the last 2 or 3

weeks, and having read this amendment and having the understanding I do, we have no objection to this.

Mr. MOORE. I thank the gentleman.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. MOORE. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. I thank the gentleman for yielding.

Mr. Chairman, we will be glad to accept the amendment on this side of the aisle.

Mr. MOORE. I thank the gentleman very much.

With that, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. MOORE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Ohio: On page 49 after line 7, insert the following new section:

Of the total budget authority provided in this Act, for payments not required by law, two per centum shall be withheld from obligation and expenditure: *Provided*, That of the amount provided in this Act for each appropriation account, activity, and project, for payments not required by law, the amount withheld shall not exceed five per centum: *Provided further*, That this shall not apply to the appropriations for Agricultural Research Service, Cooperative State Research Service, and the Extension Service.

Mr. MILLER of Ohio. Mr. Chairman, this again is the standard 2 percent reduction amendment where only the nonmandatory items would be reduced 2 percent and no line item would be reduced more than 5 percent. It has a proviso that this shall not apply to the appropriations for Agricultural Research Service, Cooperative State Research Service, and the Extension Service. We have stopped the reduction for the Research Service. It was in reality, compared to the total of the bill, a small amount. It is about $800 million and 2 percent of that would be $16 million. The problem is the people that are working the doors—and the Members on the floor are well aware of what I am talking about—distort the facts in such a way we do not wind up having a reduction in spending. I am not happy about this method.

The gentleman from Mississippi (Mr. WHITTEN) and the gentleman from North Dakota (Mr. ANDREWS) and their committee have worked hard. There is no doubt about it. I am on two subcommittees on appropriations and I know the amount of hours and days and months that we put in, and I would prefer not to offer a reduction in the spending after they have finely tuned the bill, but I have found no other way.

We have another problem beyond just what we are voting on today. Tuesday in the State, Justice, Commerce, and the Judiciary Subcommittee of the Committee on Appropriations we had a markup with 36 supplementals. The agencies are now coming in the backdoor. Today we had a markup in the Treasury—Postal Service and General Government Subcommittee of the Committee on Appropriations with 15 supplementals.

This is a great crying problem. Somehow we need to find a way to reduce spending.

I would like to convey to the Members what is in the agriculture bill. The bill's total today is $18 billion. The increase over 1978 is $5 billion.

The nonmandatory section where we could reduce 2 percent is about one-third of the bill, or $4.7 billion.

The dollar reduction at 2 percent would be approximately $80 million out of an $18 billion bill. That amounts to just one-sixtieth—one-sixtieth of the amount of the increase over last year. That is all we are asking to be reduced, one-sixtieth of the amount of the increase that was made in the bill over last year's bill.

Mr. Chairman, I am not going to take the full 5 minutes on this. We have heard this many times before. I request that the Members support the 2-percent reduction.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I just take a minute to say that years ago I was on the Joint Committee of the House and the Senate on the overall budget. One time with 104 Members I offered a 5-percent amendment, specifying that 5 percent go to pay off the public debt. I got the vote of all the Republicans. They were in the majority.

But then I lost all the Democrats.

The next time the picture changed and I got the votes of the Democrats, but the majority voted against me.

Let us see how loosely worded this amendment is. Since two-thirds of the items in this bill are mandatory, what this amendment would do would be to cut 5 percent of the projects here. That is 5 percent of soil conservation, 5 percent of the emergency conservation measures, 5 percent of the rural electrification, 5 percent of the Farmers Home Administration. You would cut water and sewer grants.

The amendment would take away hundreds of meat inspectors. Not only that, we would seriously cut the programs of the Food and Drug Administration.

Now, 300 of our colleagues appeared before us to put the money back in the budget proposed to be cut out. So I respectfully urge that we vote against this amendment. It would have a devastating effect because most of the total budget would not be touched. Five percent is just too high and that is what the cut would be because only one-fourth to one-sixth of the funds are left.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, it is not one-sixtieth of the total budget. It is one-sixtieth of the increase over last year's budget.

Mr. WHITTEN. It will cripple meat inspection, soil conservation, and many other things on the list that I will put in the RECORD.

Budget authority, fiscal year 1979

[In thousands of dollars]

	House bill	5 percent reduction
Programs most probably subject to the Miller amendment:		
Office of the Secretary	3,791	190
Departmental administration	17,483	874
Office of the Inspector General	22,945	1,147
Office of the General Counsel	10,251	513
National Agricultural Library	7,527	376
Economics, Statistics, and Cooperatives Service	79,860	3,993
World Food and Agricultural Outlook and Situation Board	1,009	50
Foreign Agricultural Service	53,645	2,682
Office of International Cooperation and Development	199	10
Public Law 480	805,900	40,295
Agricultural Stabilization and Conservation Service:		
Salaries and expenses	227,552	11,378
Agricultural Conservation Program	215,000	10,750
Emergency Conservation Measures	10,000	500
Water Bank	10,000	500
Forestry Incentives Program	15,000	750
Rural Electrification Administration	24,905	1,245
Farmers Home Administration:		
Salaries and expenses	219,566	10,978
Very low income housing repair grants	24,000	1,200
Rural community fire protection grants	3,500	175
Rural development grants	15,000	750
Rural housing grants	57,000	2,850
Water and sewer grants	300,000	15,000
Soil Conservation Service:		
Conservation operations	262,491	13,125
Resource conservation and development	31,979	1,599

	House bill	5 percent reduction
Watershed planning	12,587	629
River basin surveys and investigations	16,487	824
Watershed and flood prevention operations	169,607	8,480
Great Plains Conservation Program	23,288	1,164
Animal and plant health inspection service	230,817	11,541
Federal grain inspection service	22,680	1,134
Agricultural Marketing Service:		
Marketing services	46,502	2,325
Payments to States	2,000	100
Food safety and quality service	271,019	13,551
Food and nutrition service—food program administration	71,300	3,565
Total, programs most probably subject to the Miller amendment	4,100,264	

Mr. Chairman, I hope we will vote against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. MILLER).

The question was taken, and on a division (demanded by Mr. MILLER of Ohio) there were—ayes 13, noes 52.

RECORDED VOTE

Mr. MILLER of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 189, noes 201, not voting 43, as follows:

[Roll No. 484]

AYES—189

Ambro	Gephardt	Calif.
Anderson, Calif.	Giaimo	Mottl
Annunzio	Gibbons	Myers, Gary
Archer	Goldwater	Myers, John
Armstrong	Goodling	Myers, Michael
Aspin	Gradison	Neal
AuCoin	Grassley	Panetta
Badham	Gudger	Pease
Bafalis	Hall	Pettis
Barnard	Hamilton	Pike
Bauman	Hammer-schmidt	Pursell
Benjamin	Hannaford	Quayle
Bennett	Hansen	Railsback
Bevill	Harkin	Regula
Biaggi	Harris	Rhodes
Breaux	Harsha	Rinaldo
Broomfield	Heckler	Roe
Brown, Ohio	Hightower	Rogers
Broyhill	Hillis	Rosenthal
Buchanan	Holland	Rudd
Burgener	Hollenbeck	Russo
Burke, Fla.	Holt	Ryan
Burleson, Tex.	Horton	Santini
Byron	Hughes	Sarasin
Carr	Hyde	Satterfield
Cederberg	Ichord	Schroeder
Clausen, Don H.	Ireland	Schulze
Clawson, Del	Jacobs	Selberling
Cleveland	Jenkins	Sharp
Cohen	Kelly	Shuster
Collins, Tex.	Kemp	Skelton
Conable	Ketchum	Snyder
Corcoran	Keys	Spence
Cotter	Kindness	Stangeland
Coughlin	Kostmayer	Stanton
Crane	LaFalce	Steers
Cunningham	Lagomarsino	Steiger
D'Amours	Latta	Stockman
Davis	Leach	Stratton
Delaney	Lent	Stump
Derrick	Levitas	Symms
Derwinski	Livingston	Taylor
Devine	Lujan	Thone
Dickinson	Lundine	Treen
Dornan	McClory	Vanik
Downey	McDonald	Volkmer
Duncan, Tenn.	McEwen	Walgren
Edgar	McKinney	Walker
Eilberg	Madigan	Walsh
Emery	Maguire	Weaver
Erlenborn	Mann	Whitehurst
Evans, Del.	Marriott	Whitley
Evans, Ga.	Martin	Wiggins
Fenwick	Mattox	Wilson, Bob
Findley	Mazzoli	Wilson, Tex.
Fish	Michel	Wirth
Fisher	Mikulski	Wolff
Flippo	Mikva	Wydler
Flynt	Miller, Calif.	Wylie
Forsythe	Miller, Ohio	Yatron
Frey	Minish	Young, Fla.
Gammage	Mitchell, N.Y.	Young, Mo.
Gaydos	Moffett	Zeferetti
	Moorhead,	

NOES—201

Abdnor	Fary	Murtha
Addabbo	Fascell	Natcher
Akaka	Fithian	Nedzi
Alexander	Flood	Nolan
Ammerman	Florio	Nowak
Anderson, Ill.	Foley	O'Brien
Andrews, N.C.	Ford, Mich.	Oakar
Andrews, N. Dak.	Ford, Tenn.	Oberstar
Applegate	Fountain	Obey
Ashley	Fuqua	Ottinger
Baldus	Garcia	Patten
Baucus	Gilman	Patterson
Beard, R.I.	Ginn	Pattison
Beard, Tenn.	Glickman	Pepper
Bedell	Gonzalez	Perkins
Beilenson	Gore	Pickle
Bingham	Green	Poage
Blanchard	Hagedorn	Pressler
Blouin	Harrington	Preyer
Boggs	Hawkins	Price
Boland	Hefner	Quillen
Bolling	Heftel	Rahall
Bonior	Holtzman	Rangel
Bonker	Howard	Reuss
Brademas	Hubbard	Richmond
Breckinridge	Huckaby	Risenhoover
Brinkley	Jeffords	Roberts
Brodhead	Johnson, Calif.	Robinson
Brooks	Johnson, Colo.	Roncalio
Brown, Mich.	Jones, N.C.	Rooney
Burke, Calif.	Jones, Okla.	Rose
Burke, Mass.	Jones, Tenn.	Rostenkowski
Burlison, Mo.	Jordan	Roybal
Burton, Phillip	Kastenmeier	Ruppe
Carney	Kazen	Scheuer
Carter	Kildee	Sebelius
Cavanaugh	Krebs	Sikes
Chappell	Lederer	Sisk
Chisholm	Leggett	Smith, Iowa
Clay	Lehman	Smith, Nebr.
Cochran	Lloyd, Calif.	Solarz
Coleman	Lloyd, Tenn.	Spellman
Collins, Ill.	Long, La.	St Germain
Conte	Long, Md.	Staggers
Corman	Lott	Stark
Cornell	Luken	Steed
Cornwell	McCloskey	Stokes
Daniel, Dan	McCormack	Studds
Daniel, R. W.	McDade	Thompson
Danielson	McFall	Thornton
de la Garza	McHugh	Trible
Dellums	McKay	Udall
Dicks	Mahon	Ullman
Diggs	Marks	Van Deerlin
Dingell	Marlenee	Vento
Dodd	Meeds	Waggonner
Drinan	Metcalfe	Wampler
Duncan, Oreg.	Meyner	Watkins
Early	Mineta	Weiss
Eckhardt	Mitchell, Md.	White
Edwards, Ala.	Moakley	Whitten
Edwards, Calif.	Mollohan	Winn
Edwards, Okla.	Montgomery	Wright
English	Moore	Yates
Ertel	Moorhead, Pa.	Young, Tex.
Evans, Colo.	Murphy, Ill.	Zablocki
Evans, Ind.	Murphy, N.Y.	
	Murphy, Pa.	

NOT VOTING—43

Ashbrook	Kasten	Shipley
Bowen	Krueger	Simon
Brown, Calif.	Le Fante	Skubitz
Burton, John	Markey	Slack
Butler	Mathis	Teague
Caputo	Milford	Traxler
Conyers	Moss	Tsongas
Dent	Nichols	Tucker
Flowers	Nix	Vander Jagt
Fowler	Pritchard	Waxman
Fraser	Quie	Whalen
Frenzel	Rodino	Wilson, C. H.
Guyer	Rousselot	Young, Alaska
Hanley	Runnels	
Jenrette	Sawyer	

Messrs. MOFFETT, SKELTON, Mrs. HOLT, Messrs. MILLER of California, BAUMAN, BROOMFIELD, SEIBERLING, McEWEN, CONABLE, and HORTON changed their vote from "no" to "aye."

Messrs. EDWARDS of Oklahoma, LOTT, BROWN of Michigan, WAGGONNER, PATTERSON of California, LUKEN, LEHMAN, EVANS of Indiana, HUCKABY, MOORE, YOUNG of Texas, Mrs. SPELLMAN, Messrs. FASCELL, QUILLEN, JONES of Oklahoma, and MARLENEE changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STRATTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 13125) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1979, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MILLER OF OHIO

Mr. MILLER of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MILLER of Ohio. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER of Ohio moves to recommit the bill H.R. 13125 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 326, nays 59, not voting 48, as follows:

[Roll No. 485]

YEAS—326

Abdnor	Early	Lederer
Addabbo	Eckhardt	Leggett
Akaka	Edwards, Ala.	Lehman
Alexander	Edwards, Calif.	Lent
Ambro	Edwards, Okla.	Levitas
Ammerman	Eilberg	Livingston
Anderson, Ill.	Emery	Lloyd, Calif.
Andrews, N.C.	English	Lloyd, Tenn.
Andrews, N. Dak.	Ertel	Long, La.
	Evans, Colo.	Long, Md.
Annunzio	Evans, Del.	Lott
Applegate	Evans, Ga.	Lujan
Ashley	Evans, Ind.	Luken
Aspin	Fary	Lundine
Bafalis	Fascell	McClory
Baldus	Findley	McCloskey
Barnard	Fish	McCormack
Baucus	Fithian	McDade
Bauman	Flippo	McEwen
Beard, R.I.	Flood	McFall
Beard, Tenn.	Florio	McHugh
Bedell	Flynt	McKay
Beilenson	Foley	McKinney
Benjamin	Ford, Mich.	Madigan
Bevill	Ford, Tenn.	Maguire
Biaggi	Fountain	Mahon
Bingham	Frey	Mann
Blouin	Fuqua	Marks
Boggs	Gammage	Marlenee
Boland	Garcia	Martin
Bolling	Gaydos	Mathis
Bonior	Giaimo	Mazzoli
Bonker	Gibbons	Meeds
Brademas	Gilman	Metcalfe
Breaux	Ginn	Meyner
Breckinridge	Glickman	Michel
Brinkley	Goldwater	Mikulski
Brooks	Gonzalez	Miller, Calif.
Brown, Calif.	Goodling	Mineta
Brown, Mich.	Gore	Minish
Brown, Ohio	Grassley	Mitchell, Md.
Buchanan	Green	Mitchell, N.Y.
Burke, Calif.	Gudger	Moakley
Burke, Fla.	Hagedorn	Moffett
Burke, Mass.	Hall	Mollohan
Burleson, Tex.	Hamilton	Montgomery
Burlison, Mo.	Hammer-schmidt	Moore
Burton, Phillip		Moorhead, Pa.
Byron	Hannaford	Murphy, Ill.
Carney	Harkin	Murphy, N.Y.
Carr	Harrington	Murphy, Pa.
Carter	Harsha	Murtha
Cavanaugh	Hawkins	Myers, Gary
Cederberg	Hefner	Myers, Michael
Chappell	Heftel	Natcher
Chisholm	Hightower	Neal
Clausen, Don H.	Hillis	Nedzi
	Hollenbeck	Nolan
Clay	Holt	Nowak
Cochran	Holtzman	O'Brien
Cohen	Horton	Oakar
Coleman	Howard	Oberstar
Collins, Ill.	Hubbard	Obey
Conte	Huckaby	Ottinger
Corcoran	Hughes	Panetta
Corman	Hyde	Patten
Cornell	Ichord	Patterson
Cornwell	Ireland	Pattison
Cotter	Jeffords	Pease
Cunningham	Jenkins	Pepper
D'Amours	Johnson, Calif.	Perkins
Daniel, Dan	Johnson, Colo.	Pettis
Daniel, R. W.	Jones, N.C.	Pickle
Danielson	Jones, Okla.	Poage
Davis	Jones, Tenn.	Pressler
de la Garza	Jordan	Preyer
Delaney	Kastenmeier	Price
Derrick	Kazen	Pursell
Dickinson	Keys	Quillen
Dicks	Kildee	Rahall
Diggs	Kindness	Railsback
Dodd	Kostmayer	Rangel
Downey	Krebs	Regula
Drinan	LaFalce	Reuss
Duncan, Oreg.	Latta	Rhodes
Duncan, Tenn.	Leach	Richmond
Rinaldo	Skelton	Volkmer
Risenhoover	Smith, Iowa	Waggonner
Roberts	Smith, Nebr.	Walgren
Robinson	Solarz	Walsh
Roe	Spence	Wampler
Rogers	St Germain	Watkins
Roncalio	Staggers	Weaver
Rooney	Stangeland	Weiss
Rose	Stanton	White
Rosenthal	Stark	Whitehurst
Rostenkowski	Steed	Whitley
Roybal	Steers	Whitten
Ruppe	Steiger	Wilson, Tex.
Ryan	Stokes	Winn
Santini	Studds	Wirth
Sarasin	Taylor	Wright
Satterfield	Thone	Wylie
Scheuer	Thornton	Yates
Schulze	Treen	Yatron
Sebelius	Trible	Young, Mo.
Seiberling	Udall	Young, Tex.
Sharp	Ullman	Zablocki
Sikes	Van Deerlin	Zeferetti
Sisk	Vento	

NAYS—59

Anderson, Calif.	Edgar	Pike
	Erlenborn	Quayle
Archer	Fenwick	Rousselot
Armstrong	Fisher	Rudd
AuCoin	Forsythe	Russo
Badham	Gephardt	Schroeder
Bennett	Gradison	Shuster
Blanchard	Hansen	Snyder
Brodhead	Harris	Stockman
Broomfield	Jacobs	Stratton
Broyhill	Kelly	Stump
Burgener	Kemp	Symms
Clawson, Del	Ketchum	Vanik
Cleveland	Lagomarsino	Walker
Collins, Tex.	McDonald	Wiggins
Conable	Mattox	Wilson, Bob
Coughlin	Mikva	Wolff
Crane	Miller, Ohio	Wydler
Derwinski	Moorhead, Calif.	Young, Fla.
Devine		
Dornan	Mottl	

NOT VOTING—48

Ashbrook	Holland	Sawyer
Bowen	Jenrette	Shipley
Burton, John	Kasten	Simon
Butler	Krueger	Skubitz
Caputo	Le Fante	Slack
Conyers	Markey	Spellman
Dellums	Marriott	Teague
Dent	Milford	Thompson
Dingell	Moss	Traxler
Flowers	Myers, John	Tsongas
Fowler	Nichols	Tucker
Fraser	Nix	Vander Jagt
Frenzel	Pritchard	Waxman
Guyer	Quie	Whalen
Hanley	Rodino	Wilson, C. H.
Heckler	Runnels	Young, Alaska

The Clerk announced the following pairs:

Mr. Jenrette with Mr. Dent.
Mr. John L. Burton with Mr. Ashbrook.
Mr. Le Fante with Mr. Milford.
Mr Markey with Mr. Nix.
Mr. Waxman with Mr. Pritchard.
Mr. Shipley with Mr. Whalen.
Mr. Simon with Mr. Vander Jagt.
Mr. Charles H. Wilson of California with Mr. Butler.
Mr. Krueger with Mr. Fowler.
Mr. Traxler with Mr. Guyer.
Mr. Conyers with Mr. Frenzel.
Mr. Hanley with Mrs. Heckler.
Mr. Dellums with Mr. Holland.
Mr. Nichols with Mr. Quie.
Mr. Bowen with Mr. Fraser.
Mr. Dingell with Mr. Young of Alaska.
Mr. Flowers with Mr. Moss.
Mrs. Spellman with Mr. Marriott.
Mr. Teague with Mr. Kasten.
Mr. Slack with Mr. Skubitz.
Mr. Tsongas with Mr. Tucker.
Mr. John T. Myers with Mr. Sawyer.
Mr. Thompson with Mr. Runnels.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill H.R. 13125, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

SOLAR POWER SATELLITE RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM ACT OF 1978

Mr. FUQUA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12505) to provide for a research, development, and demonstration program to determine the feasibility of collecting in space solar energy to be transmitted to Earth and to generate electricity for domestic purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. FUQUA).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12505, with Mr. VOLKMER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Florida (Mr. FUQUA) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. WINN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. FUQUA).

Mr. FUQUA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Subcommittee on Space Science and Applications, chaired by myself, and the Subcommittee on Advanced Energy Technologies and Energy Conservation Research, Development and Demonstration, chaired by the gentleman from Washington (Mr. MCCORMACK), held joint subcommittee hearings on the bill before us in April 1978. Testimony was taken from the academic community, cognizant Federal agencies, and industry. There currently exists a joint Department of Energy/NASA solar power satellite program which involves paper studies on systems definition, environmental issues, and economics.

However, testimony at the hearings confirmed that the technical, environmental, economic, and other issues cannot be resolved without an adequate technology verification program. Studies to date have not identified any barriers with regard to technical feasibility. Although solar power satellites represent a large engineering endeavor, I am told by a number of respected scientists and engineers that there are no scientific breakthroughs required.

Our witnesses included representatives of the scientific community with expertise in environmental areas such as effects of long-term, low level exposure to microwave energy; effects of microwave energy transmission through the ionosphere; and effects of large scale launch operations on the atmosphere. We heard from the cognizant Federal agencies including the Department of Energy, NASA, and the Environmental Protection Agency. We also heard from industry whose considerable expertise continues to dominate world markets and makes positive contribution to our balance of payments through the export of high technology products.

There are economic, environmental, technical, and other issues which require technology verification for resolution. As reflected by the bill, there is no attempt at this time to commit the Nation to construction of full-scale commercial solar power satellites. The thrust of this bill is to formally establish a program office within the Department of Energy; to assign roles to both DOE and NASA; to require a comprehensive program plan which identifies the basic elements of the program, establishes a program schedule, and identifies a series of decision points to evaluate further program commitments; and finally the bill would authorize $25 million for the program in fiscal year 1979.

Mr. Chairman, in summary I want to again state that the thrust of the bill is to provide for a technology verification program which will resolve the technical, environmental, economic, and institutional issues. I want to emphasize that there is no commitment to the construction of a commercial demonstration solar power satellite. In addition the bill provides for an annual authorization which will assure the Congress a full annual review of the progress and resolution of issues.

Mr. Chairman, I congratulate the gentleman from Alabama (Mr. FLIPPO) in his foresight in introducing this legislation and would like to thank Chairman TEAGUE for his efforts in bringing this legislation to the floor. I would also like to thank Mr. MCCORMACK and the Advanced Energy Technologies Subcommittee for their cooperation and would recognize the gentleman from New York (Mr. WYDLER) and the gentleman from Kansas (Mr. WINN) for their efforts in guiding this legislation through committee.

H.R. 12505 deserves the support of this body as we search for a solution to future energy supplies and I urge its passage.

Mr. WINN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the legislation H.R. 12505 and encourage my colleagues to do the same. This bill represents a very rational method for answering the technological questions associated with the solar power satellite concept.

In the very early stages, this concept seemed so "far out" that it did not require much attention. After 10 years of preliminary studies it is obvious that this is the furthest from the truth. This system has a great potential of providing a major portion of the base load electrical power requirements of this Nation. In fact, some estimates indicate that 30 percent of the required electrical power could be provided by the solar power satellite system between the year 2000 and 2025. This represents a potential that cannot be ignored.

This legislation will establish a program office within DOE that will define a joint program with the National Aeronautics and Space Administration ending in a demonstration satellite. However, it must be emphasized that this legislation in itself does not make a commitment to a demonstration satellite. In fact, the legislation specifically states that this will be a separate decision point.

At the present time the paper studies have revealed that there are no technological barriers to the concept. This implies that we do not have to develop any basic science to construct such a system. For example, in principle, fusion power has an unlimited potential for generating electric energy. Unfortunately, we do not possess the scientific understanding to sustain and control this process. In other words we must have a scientific breakthrough to develop the nuclear fusion technology. This represents the real advantage to the solar power satellite concept. Every scientific principle required in this system has been demonstrated from the photovoltaic conversion of sunlight to electricity to the microwave transmission of the power.

The questions that remain to be answered are engineering questions; such things as optimum microwave transmission frequencies, best microwave beam density, effects of low-level microwave exposure, fabrication techniques for large space structures, and control of large satellites in orbit. These are just a few of the engineering questions that this legislation will address. However, it is important to recognize that this legislation is required to answer those questions. The current NASA/DOE planning program is merely a paper study—we must perform laboratory and component experiments to answer these questions. They cannot be addressed by paper studies.

Mr. Chairman, it is time that we give this concept the attention that its potential warrants. We must face the fact that this concept, nuclear power and coal are the only sources that offer the potential of providing long-term baseload electrical power. We must also recognize the fact that there are not any alternative energy sources such as wind, or ground based solar, as important as they are, that can provide continuous power without a distributive power system as a backup.

In closing, I would like to comment on the cost of such a system. I have heard the opponents of this system talking about the huge investment associated with a system of this magnitude. Some figures indicated that to generate 10 quads—approximately half of the Nation's current requirement—would cost between $200 and $500 billion. It is important to keep these numbers in perspective because the sheer magnitude can frighten anyone. As a comparison, the total investment in this Nation's powerplants is approximately $200 billion in 1975 dollars. The other point I would like to make is that there is no intention of asking the Federal Government to bear the burden for building such a commercial system the same as we have not carried the burden for the current $200 billion investment in conventional power production.

This legislation is needed. We have an obligation to the American taxpayer to develop the potential of this high technology system. Consequently, I again urge my colleagues to support this legislation.

Mr. FUQUA. Mr. Chairman, I yield 5 minutes to the gentleman from Washington (Mr. MCCORMACK).

Mr. MCCORMACK. Mr. Chairman, I join the gentleman from Florida (Mr. FUQUA) and the gentleman from Kansas (Mr. WINN) and my friend and colleague, the gentleman from Alabama (Mr. FLIPPO) in supporting this legislation.

The gentleman from Florida and I held joint hearings on this legislation before our subcommittees of the Committee on Science and Technology, and I should observe that this bill is another example of the leadership of the Science and Technology Committee, under the chairmanship of the Honorable OLIN E. TEAGUE of Texas in introducing legislation for space development on the one hand, and energy research demonstration on the other.

It is important to recognize that we must study carefully all energy technologies and concepts to insure that each one has the opportunity to compete on technological, economic, and environmental grounds. This is equally as important for those technologies that lie well in the future as it is for the near-term technologies. Our decisions must be made on the basis of the best scientific, engineering, and economic facts available.

This is the reason we need this program now. Instead of talking about the concept, we need to get a research and development program underway. The solar power satellite system is a technology that may hold a great deal of promise as a viable option for baseload electric power in the future, but it is also a technology requiring a great deal of research and development before we can move forward with demonstrations. Among other things, the biological effects of microwave radiation must be studied to resolve differences of opinion that exist with respect to safety standards, and to learn how much radiation would be received off target from these systems.

There is much new knowledge that we must gain, but this bill does not commit

this Nation to development of solar power satellite systems. It will provide the information necessary to make informed decisions regarding demonstrations for a future date.

While the ultimate demonstration programs will be expensive and the environmental factors to be assessed are substantial, it is obvious that the time has come to take this step in the vertification of this new solar technology. This bill, H.R. 12505, will provide the solid base for carrying out such a technology verification program.

So again I congratulate the gentleman from Alabama (Mr. FLIPPO) and the members of the committee who brought this legislation forward.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I will explain my own concerns about this bill on my own time, but there is one thing that is particularly within the gentleman's expertise and which I do not understand. On pages 4 and 5, starting with line 22, the bill says that the Secretary shall—

Perform or cause to be performed comparative technology assessments of a solar power satellite concept and terrestrial alternatives to such concept, including, but not limited to—

And then it says:

(c) nuclear (Closed Brayton Cycle and thermionic conversion) concepts.

I wonder what that means and whether it is appropriate for this bill?

Mr. McCORMACK. May I suggest to the gentleman from New York that he skipped several lines, and to put the question in the proper concept, he should include the (A) and (B) paragraphs on the photovoltaic concepts and the solar thermal concepts, and then (C).

Mr. OTTINGER. The (A) is the photovoltaic concepts, and I have no problem with that. Then (B) is the solar thermal concepts, and I have no problem with that.

Mr. McCORMACK. So the gentleman is asking about (C). I agree with the gentleman's point, and at the appropriate time I shall submit an amendment to strike item (C). I see no reason for including in this bill any consideration of nuclear powerplants in space, either in connection with solar energy or for any other purpose.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will be glad to yield to the gentleman from Kansas (Mr. WINN).

Mr. WINN. Mr. Chairman, I thought I heard the gentleman from Washington (Mr. McCORMACK) say that he would have an amendment to offer to (C) on page 5 at the appropriate time?

Mr. McCORMACK. Yes, that is correct, I will have an amendment to strike that item.

Mr. WINN. I wonder if the gentleman has an extra copy of the amendment so that we could look it over.

Mr. McCORMACK. I would be glad to do so.

Mr. WINN. Perhaps we can have a copy made of it.

Mr. McCORMACK. This is now being done.

Mr. WINN. Mr. Chairman, I yield such time as he may consume to the ranking Republican member on the minority side, the gentleman from New York (Mr. WYDLER).

Mr. WYDLER. Mr. Chairman, I support this legislation. I offer this support in the perspective of my real concerns about the reckless funding of solar energy. It is clear to me that all technology development should be judged on the same criteria, the achievement of goals within cost and on schedule. On that basis this program has most of the vital ingredients for assuring success in technology development. There is strong project management and technical capability in the NASA field centers and the aerospace industry for the space research and complementary expertise in the DOE labs for environmental research and development.

Thus we build on the strong base of a government/industry partnership. This bill calls for addition of the heretofore missing ingredient, strong program management attention by the Department of Energy to the solar power satellite development. It is not an open-ended commitment to massive expenditures. Rather we have a bill which directs DOE and NASA to undertake phase research and development which may lead to satellite demonstration of this concept if and when that is appropriate. Thanks to a committee amendment my concerns have been put to rest on this issue.

It is obvious that this is the only solar energy approach that has the potential of substantially contributing to the base electrical power requirements of the Nation.

There are engineering problems and questions that require resolution, but there are no apparent scientific barriers. Realistically, we cannot expect commercial application of this concept until the late 1990's. However, this time limitation does not detract from the significance this legislation has today. We have an obligation to guarantee the long-term energy independence of this Nation by pursuing this option now.

In principle, this concept has the potential of complementing the capabilities of nuclear power. I think it is obvious that it is unwise to base our long term energy needs on a single source. Certainly, nuclear should be the dominant source for electricity in the short term, but the solar power satellite, given the opportunity, can substantially contribute in the long term. In addition, the funding level in this legislation is commensurate with the promise of the technology. In fact, when compared with other solar programs such as wind energy and ocean thermal conversion, it is very modest. The fiscal year 1979 DOE authorization for wind energy is $59 million and for OTEC is $27.2 million. The projected funding schedule for the next 5 years as described in the report is $270 million and I view this as upper limit funding.

It is time to seriously look at both the short- and long-term energy needs of the Nation.

It is time to establish program funding that is commensurate with the potential of the energy source.

It is time to face the reality that there are no energy concepts that will satisfy all the critics. I can remember when nuclear energy was described as the ideal way to generate electricity. Now it is under attack for a variety of specious reasons although its safety and reliability have been demonstrated in an economically competitive manner. We must look for the best possible compromises in selecting energy technologies. This concept represents a promising avenue to tapping the sun's virtually unlimited energy on a huge scale.

I urge my colleagues to support this legislation.

Mr. WINN. Mr. Chairman I yield such time as he may consume to the gentleman from Florida (Mr. BURKE).

Mr. BURKE of Florida. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Research and Development Act of 1978.

Since 1968, the idea of utilizing the direct sunlight of space as a source of energy has come to be viewed as a realistic alternative to our existing forms of energy.

There is no question that the legislation being considered, although controversial, could provide huge and worthwhile beenfits if the research proves successful. True, this program would be expensive but its benefits could be far reaching. One satellite in orbit could obtain sunlight for 24 hours a day thereby obtaining 4 to 11 times the amount available in the entire areas of certain parts of the Earth. How can we solve problems if we cut off research? If research proves successful, one satellite alone could supply enough electricity to a city the size of New York for not 1 year but for decades. We all know that our Nation is faced with a most dangerous energy shortage and we must do something. Our people who have been recognized as one of the most imaginative have become dependent upon foreign powers for our energy resources. This dependence is now not only harmful to our people but dangerous to our future. The program contemplated by this legislation offers us a possibility to reduce these dependencies. The measure before us authorized much need for research and development of a system which surely is worthy of our approval. This legislation does not provide for, authorize, or condone a multimillion dollar space program: Instead, to insure its worthwhile development the Department of Energy along with the National Aero Space Administration will identify a program schedule and a series of decision points within the program to determine its effectiveness. At each step, including the point of commitment to construct a satellite, Congress will have the opportunity to evaluate the program and de-

termine if further funding is justified. This program will provide the Congress with the information needed to determine if such a program is feasible both technologically, environmentally, and economically.

Mr. Chairman, I urge my colleagues to support this legislation, as reported by the committee in an effort to thwart the present and future energy crisis that we are battling.

Mr. WINN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DORNAN).

Mr. DORNAN. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978. This bill provides for a solar energy R. & D. program that this country desperately needs. It has become increasingly necessary to develop our solar energy resources to the fullest extent possible in order to reduce our dependence on foreign energy supplies. I believe that we must take actions now to insure that we will have enough energy supplies in the future to satisfy our demands.

H.R. 12505 satisfies this need. It is an attempt to establish a clear, goal-oriented program for solar satellite power system development. The bill requires the Department of Energy to formulate a research, development, and demonstration program plan to determine the feasibility of solar power satellites. It also provides the funding necessary to allow us to consider whether we should proceed with the further development of this concept. I believe that we have chosen an appropriate level to assure that the taxpayer's money is spent wisely.

Emphasis on the development of solar power satellites may even help solve some of the other great problems facing our Nation today, such as our unemployment worries. If produced in quantity, these satellites will create a great number of new jobs, a prescription that is well suited for our economy. Beneficial spinoff features such as often accompany high technology projects are also likely to occur. These projects will help us obtain the knowledge necessary to continue our role as leaders of the scientific community. Finally, solar power satellites can assist in erasing our balance-of-trade deficit. These satellites may offer an attractive energy option for foreign nations who will face the same pressing energy demands that we predict for ourselves. The increase in export revenues created by solar power satellites will help stimulate our economy and strengthen our dollar. We would be negligent in evaluating the merits of this concept if we did not consider these other reasons for proceeding with solar power satellites.

Mr. Chairman, I believe the solar power satellite system concept has to be pursued in the restrained manner represented by this bill. I support the bill, as I do the use of solar energy in general, and urge my colleagues to do the same.

Mr. FUQUA. Mr. Chairman, I yield 10 minutes to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Chairman, I thank the gentleman from Florida (Mr. FUQUA) for yielding to me.

I also wish to thank the gentleman from Washington (Mr. MCCORMACK), the author of the bill, and the gentleman from Alabama (Mr. FLIPPO) for arranging to have this bill taken up for consideration today in view of the fact that a death in the family forces me to be absent tomorrow when the bill was scheduled.

Mr. Chairman, I am very strongly opposed to this bill. The administration opposes this bill as being a premature expenditure. The bill goes beyond the research stage; it specifically includes provision for development and demonstration of a technology that is worlds beyond the cost of that of any Federal program ever before conceived. Simply, it is a giant boondoggle for the space industry.

The thing that really bothers me is that once we get into the development and demonstration, and when we buy the hardware and get the people working on it, then we will never be able to turn the dial off. We will be irretrievably committed to this gargantuan Government expenditure.

This program is a creature of the space industry conceived to keep its nose in the Federal trough forever. Since we have been slowing down the space programs, the industry has been looking for avenues to continue its activities at Federal and taxpayers' expense. They have rested on the popularity of solar energy to promote this project, and it is a project that is just absolutely mind-boggling.

Let me tell the Members what we are talking about here. We are talking about building satellites that are 12 miles long and 6 miles wide—and actually constructing them out in space.

They are going to have to be built on space platforms with an estimated 400 people working in space, or some scientists have suggested we will construct the things on the Moon.

We are talking about rockets of a size that have never been built. The launch vehicle, Boeing estimates, would cost $10 billion just to develop, and each satellite, it is estimated, will require somewhere between 300 to 500 launchings of this rocket. So, what we are talking about is just a fantastically large enterprise.

The costs are mind boggling. The industry itself estimated in their presentation in the Senate about a month ago that it would cost $40 to $80 billion for research and development alone. Jet Propulsion Laboratories out in California that did a study of this for ERDA estimated $60 billion for research and development alone. When we get beyond research and development, we are talking about a cost per satellite which JPL estimated at $26.5 billion each on the average. We are talking about in the neighborhood of a $2.5 trillion capital investment. I just do not think that is the way to solve our energy problem. I think there are less capital intensive avenues that we can pursue and should pursue.

This certainly is a perversion of the present concepts for use of solar energy. One of the great advantages that everybody has conceived for solar energy is that it is environmentally benign. This technology is not environmentally benign.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I would be glad to yield to my colleague, the gentleman from New York.

Mr. WEISS. I appreciate the gentleman's yielding and want to associate myself with his comments.

Mr. Chairman, given enough time and Federal money, the aerospace industry can turn the best of ideas into boondoggles. The latest candidate for this dubious distinction is solar energy.

Originally intended as an alternative to massive energy systems, solar energy has much bigger plans being made for it. Courtesy of the folks who brought you the SST and who wanted to bring you the B–1, we now have the SPS, the solar power satellite. H.R. 12505 authorizes $25 million for a SPS demonstration project.

Envision this—if you can. Circling the Earth are 100 satellites, each weighing 40 million pounds, each having been constructed in space because NASA does not have a rocket big enough to put such a satellite into orbit, and each designed to turn the Sun's heat into microwaves to be transmitted back to Earth. And back on Earth are hundreds of antennas, not just ordinary antennas, but structures 7.3 miles long, designed to catch the microwaves. In effect, the atmosphere would be converted into a giant microwave oven.

The risk of microwaves is still unknown, but even Dr. Peter E. Glaser, the father of the solar satellite, admits that the "design must incorporate several failsafe features to assure control of the microwave beam and instantaneous shutoff of power." Presumably, this word of caution means that the SPS carries with it the potential for cooking the world's population until it is well done.

The discovery of potential dangers to health from microwaves was well publicized in 1976 when U.S. Embassy personnel became ill as a result of microwave eavesdropping techniques employed by the Soviet Union.

There are also warnings from the General Accounting Office (GAO) and the Department of Energy (DOE). GAO tells us that:

> The population is (already) receiving measurable exposures of nonionizing radiation (a byproduct of microwaves). The sources are increasing while the effect of such exposures (even) at low levels is a controversial subject.

The Department of Energy's warning is no less somber:

> There are a number of potential problems that must be addressed and researched before SPS can become a functional reality. One of the critical issues is the potential

impact of the SPS microwave radiation on public health and the environment.

Solar energy has the potential to solve many of our energy problems. The SPS, however, will solve only the problems of the aerospace industry. It should come as no surprise that one of SPS's biggest supporters is something called the Sunsat Energy Council, a consortium whose board of directors consist of representatives from Grumman, Boeing, Lockheed, McDonnel Douglas, and Martin Marietta.

There is no need to invest an additional $25 million in SPS research. The Department of Energy, which opposes the demonstration project, already has been allocated $15.6 million for a solar satellite research program to be coordinated with NASA. The $25 million seems to be more an investment in Sunsat than in the Sun. As such, I believe it should be pushed into the shadows. I urge you, therefore, to join me in voting against this bill. The Sun is too valuable a resource to be burdened with the albatross of a 40-million-pound satellite.

Mr. OTTINGER. I appreciate the gentleman's support.

Environmentally, the problems are numerous. First of all, let us look at the 300 to 500 launchings per satellite of an unprecedented size rocket; they are going to be five times larger than any rocket that has ever been built. That means that they would require between three and six launchings per day for 30 to 40 years. The exhaust from these rockets has been estimated by scientists to create water vapor in the ionosphere, which would cause a greenhouse effect, with much more catastrophic effects than CO_2. This does not consider other effects from other atmospheric pollutants from these rockets.

The energy will be transmitted to Earth by microwaves. Here again we get an idea of the fantastic size of this thing. The receiver for these microwaves—each one is estimated to be three-quarters of the size of the State of Rhode Island. If we put up 112, which it is estimated will be required to provide energy for the Nation, we are talking about covering an area the size of the State of Michigan with receivers. The microwaves that will come down at even very low levels are a cause for great concern with respect to their health effect on human beings. Microwaves at very low levels have been shown to cause central nervous system disorders, cataracts, genetic changes, and other disorders.

There are other problems with it. Microwaves of a relatively low level have been shown to disrupt communications and cause severe damage. There is concern that all the police radios, all the CB radios in the country, indeed, perhaps all the radio and television transmission within the country, would be disrupted.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Washington.

Mr. McCORMACK. I thank the gentleman for yielding.

I want to say that I think the questions the gentleman is raising are by and large valid questions. However, he is prone to prejudge the answers before we have a chance to analyze the questions or to investigate scientific phenomena that will be the subject of our studies.

Mr. OTTINGER. Mr. Chairman, I have no problem with the research. There is already $9 million in the budget which we approved in our subcommittee to do research. The thing that bothers me is accelerating the program so we get into demonstrations.

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield further, I share the gentleman's position as far as our making a commitment not to launching solar satellites. However, I do not consider this bill a commitment. I do not wish to commit this country to massive demonstrations, let alone commercialization. However, we must determine whether or not demonstrations are in order, because the potential value of this system is very high. For these reasons, I would consider it unfortunate for us not to go ahead and look as soon as we can at the actual cost in dollars per kilowatt hour; at the environmental problems that do, indeed, exist and must be resolved.

I think we need to go ahead and determine what the potential benefits and costs of such a program will be.

Mr. OTTINGER. Mr. Chairman, if I can resume my time, I have no problem in taking that look, but I have a problem going beyond that and starting the commitment to massive amounts of money for R. & D. This bill would provide $25 million, added to the $9 million already authorized, means a total of $34 million. At this level of spending we have opened a spigot which will be nearly impossible to turn off.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield further?

Mr. OTTINGER. I will if I have the time.

Mr. McCORMACK. Mr. Chairman, will the gentleman from Kansas (Mr. WINN) grant us some additional time?

The CHAIRMAN. The gentleman in the well still has time remaining.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield further?

Mr. OTTINGER. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, I want to make one more point quickly. The gentleman cited the administration's opposition to this legislation. I would like to point out that the administration opposed the Solar Heating and Cooling Demonstration Act, which I authored. The administration opposed the Solar Research, Development and Demonstration Act, which I authored, and which the gentleman from New York supported. The administration opposed the Geothermal Research Development and Demonstration Act which I authored and the gentleman supported. The administration opposed the Electric Car R.D. & D. Act. We had to override the President's veto on the electric car bill. The administration is now opposing the Solar Photovoltaic Energy Research Development and Demonstration bill we will have on the calendar next week.

It seems to me that suggesting that we oppose the satellite solar program because the administration opposes it is using very poor logic. The administration opposes, or fails to support, most energy production technologies.

Mr. OTTINGER. Mr. Chairman, to that I can only say touché. I am not opposing this primarily because of the administration's opposition, but because we are going down a path that is difficult to reverse and entering a program that is just fantastically expensive and environmentally dangerous.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, if I understand, the gentleman is opposing this solar power energy bill. As I have understood the gentleman's position over the years, the gentleman is opposed to using oil and coal for energy. The gentleman is against nuclear energy. The gentleman has always been selling the people on the idea of using solar power for energy.

Now, here is one of the ways we can do it and now when we get it on the floor the gentleman is on his feet opposing this as well. What are we going to use?

Mr. OTTINGER. Mr. Chairman, I consider this a real perversion of solar energy. One of the great advantages of solar energy is in its dispersion form, the fact that you can use the Sun in a particular application at the site where it is needed and in the amount needed.

Second and most importantly, it is environmentally benign.

The CHAIRMAN. The time of the gentleman from New York (Mr. OTTINGER) has expired.

Mr. McCORMACK. Mr. Chairman, may I ask the gentleman from Kansas if the gentleman has any time to yield, in the absence of the gentleman from Florida?

Mr. WINN. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Chairman, I thank my colleague, the gentleman from Kansas (Mr. WINN) for yielding this additional time to me.

Mr. Chairman, there are other problems with this bill that are very severe. For example, as to the number and the size of rockets that are required to launch these satellites, it has been estimated that they will hit the upper atmosphere and burn holes in the ionosphere, permitting much increased solar radiation to reach the Earth's surface. Such radiation as would normally be reflected through space would possibly give rise to a greater incidence of skin cancer, producing what is known as a "greenhouse" effect, and possibly alter weather conditions and potentially cause a climatic change on a hemispheric scale.

There is a further problem, and that is that the solar powered satellites, with their intense energy, have a potential for use as a weapon, a weapon which is estimated to have a frightening first-strike capability because they are so very vul-

nerable to the Soviet ability to seek out and destroy satellites.

If this energy were to be concentrated and directed toward targets within a country, it would constitute a devastating weapon. It would involve a whole new level of problems with arms control.

So, all in all, this is quite a departure from what we have thought in the past to be solar energy, using energy in collectors and using photovoltaic cells, receiving the light and the heat of the Sun and using it as an appropriate means on Earth.

This is a huge centralized system involving fantastic capital costs, with very grave environmental dangers, and I think the bill ought to be defeated.

Mr. Chairman, one of the main reasons this is said to be advantageous is because up in space these satellites would not be subject to disruption night or day and would not be subject to any effect from clouds or rain. This is untrue—there are serious atmospheric effects on solar satellites that I will relate later when I have more time.

The CHAIRMAN. The time of the gentleman from New York (Mr. OTTINGER) has expired.

Mr. WINN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. HOLLENBECK), a member of the committee.

Mr. HOLLENBECK. Mr. Chairman, I rise in support of H.R. 12505, to provide a program of research, development, and demonstration for the solar power satellite system.

The complexity and subtlety of our energy problems require that we explore the potential of every imaginable source of energy over the long-term future. Of course, our resources are not infinite and thus we must be prepared to end exploratory programs early on, if they prove unworkable. H.R. 12505 accomplishes both of these purposes.

Some possible sources of energy are imaginable, but mindboggling. The solar power satellite is one such concept. When first proposed in 1968 by Dr. Peter Glaser, it seemed preposterous and presumptuous to put 35 square miles of photovoltaic panels in space to collect energy for use on Earth. Now, a mere 10 years later, the solar power satellite is considered a serious potential contributor in the spectrum of potential sources of energy. Technically, it is closer to realization than controlled thermonuclear fusion which is often seen as an unlimited "clean" source of energy.

But if the uses as well as the possible sources of energy often boggle the mind, so also may the costs and unforeseen consequences of its use which often appear in undreamed of ways from seemingly benign sources of energy. For instance, the latest issue of the British Journal, New Scientist, contains an article based on a report prepared by the Atomic Energy Control Board of Canada. It suggests that the health costs of solar space heating may be very near to those of heating oil. The report estimates that approximately 100 man-days will be lost for each megawatt year of energy produced through the consumption of oil, whereas the health risk of using solar energy for space heating is approximately the same; namely, about 100 man-days per megawatt year. The author contends that the health costs associated with mining the material for the collecting panels and fabricating it into the panels can lead to overall health and environmental costs for solar energy which are comparable with those associated with burning oil to obtain the same amount of energy. This example, incidently, illustrates how closely tied national materials policy is with national energy policy.

Who would have dreamed that the use of solar panels to reflect energy could have significant environmental and health impacts? Yet, a recent report for the Department of Energy on the possibility of a solar economy for the State of California also suggests that the land required for the collection of solar energy in California would be very substantial.

The solar power satellite system could eliminate some of the hazards associated with materials production and fabrication for solar energy on the ground. This would occur for two reasons: first, a satellite collecting solar energy can do so continuously and requires less surface area to collect the same amount of energy over time. For example, a solar power satellite is estimated to be capable of collecting between 4 and 11 times as much energy per unit area of collection surface. Furthermore, since the panels themselves would be operating in an environment without gravity, structural problems are relatively minor and the panels themselves may be built from lightweight materials.

On the other hand, some say that the solar power satellite could very well upset atmospheric balances in the process of transmitting power from the satellite to Earth. Some contend that exhaust products from the many rockets required to assemble the satellite system in space could upset atmospheric chemistry through the depletion of ozone and other trace gases which are critical to protecting the surface of the Earth from damaging ultraviolet radiation. The receiving antenna on Earth would collect the microwave radiation being transmitted from the satellite would also require large amounts of land.

Mr. Chairman, I think these examples indicate that the solar power satellite has a great many potential benefits but being realistic there may also be substantial uncertainties and costs associated with it. Indeed though, as my earlier citation of the Canadian report illustrated this situation applies to every form of energy.

Mr. Chairman, I urge my colleagues to join me in supporting H.R. 12505. If this program is carried out, I would hope that the Secretary of Energy would consider fully the directives of section 6–2(c): Namely, that this bill does not constitute an irrevocable commitment to go ahead with a full scale demonstration. At each stage, the advisability of proceeding to the next stage along with the possibility of ending the program will be seriously considered. The costs of energy development are enormous and, while we must explore every imaginable concept for producing energy; we must also develop ways of deciding early on when a given approach constitutes a blind alley. In this sense, I believe the experience gained in connection with the solar power satellite could prove very valuable in teaching us general techniques for sorting out viable future sources of energy as well as for alerting us to the possible side effects and costs of using different forms of energy.

Mr. Chairman, if there is one lesson which will emerge from the consideration of the costs and benefits of all the different forms of energy, it is that the less energy we use to accomplish a given task, the better off we will be. All of our energy problems become so much more workable the less energy we use to attain a given standard of living. Indeed, with rising international expectations requiring a greater use of energy by other peoples, energy conservation is essential if we wish to preserve our own standard of living at all over the long future.

More fundamentally, Mr. Chairman, there is a choice to be made; it concerns the deep question of how much energy we really need. We can do things efficiently, but we have to decide what it is that we want. What quality of life do we choose? In this sense, I hope that the debate over the solar power satellite, as well as its general lessons, will intensify and sharpen our discussion of the general economic and social style that we wish to attain. For it is this vision of the future, not technological considerations, which determine where we place the pivot as we balance the costs and benefits of energy use now, to us, to other nations, and to future generations.

Mr. MCCORMACK. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Chairman, I rise in strong support of this bill, and I commend my freshman colleague, the gentleman from Alabama (Mr. FLIPPO), for showing a great deal of leadership and also for giving a great deal of pride to our freshman class in getting this bill through committee.

I rise in strong support of the bill, because I believe the technology offers great promise. It may not bear fruit, but I think we would be negligent if we were not to pursue it.

One of the great things I think this offers is the ability of this country to cooperate internationally with other countries in the rest of the world on a project of massive implications, because I truly believe the energy crisis in this country will only be solved through international cooperation, and a project of this scope is international in nature and requires that kind of cooperation.

Mr. Chairman, I would ask the sponsor of this bill, the gentleman from Alabama (Mr. FLIPPO), whether it is his intention or the intention of the committee to encourage DOE and NASA to cooperate

and initiate cooperation with other governments and other space and energy agencies in this project on a worldwide basis?

Mr. FLIPPO. Mr. Chairman, if the gentleman will yield, it is indeed my intention that we would have great cooperation in the international area. In fact, the presence of an international concern is one of the main reasons I am interested in the legislation, because developing nations have no hope to compete for the scarce resources that are available on this Earth unless we go to some inexhaustible source of energy such as this.

Mr. GLICKMAN. Mr. Chairman, the gentleman would see, if this bill is enacted into law, that we would cooperate with other governments in trying to get them to help us in the whole area of developing a solar satellite?

Mr. FLIPPO. The gentleman is entirely correct.

Mr. McCORMACK. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, I thank the distinguished chairman of the subcommittee for yielding this time to me.

I have a couple of questions to ask the gentleman from Washington (Mr. McCORMACK), if I might, relating to requirements in the final DOE report on the solar power satellite. One of those relates to the lack of knowledge that we currently have about the effect that massive densities of energy might have on the atmosphere and on the weather.

Is it my understanding that that set of questions must be answered by DOE?

Mr. McCORMACK. Yes. By DOE and NASA. That would be part of the study.

Mr. WIRTH. Yes, NASA and DOE working together.

And, secondly, it is my understanding that we are not clear, even at this point, what effect the intensity of microwaves might have on the people in the area surrounding the antenna, or even at greater distances, if microwave is the medium that is used.

Mr. McCORMACK. There is clearly a difference of opinion as to what is the allowable exposure of human beings to microwave radiation. We must also do studies on how to prevent the occurrence of rings of microwaves away from the target. Such questions will be involved in the studies.

Mr. WIRTH. These will be in the DOE report on the solar power satellites, before we go ahead with any kind of activity on this; is that correct?

Mr. McCORMACK. Yes, before any solar satellite is launched.

Mr. WIRTH. I thank the gentleman.

I think this is a promising approach for the House to be taking, assuming we are able to answer the questions that the gentleman suggested the DOE must do.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from New York.

Mr. OTTINGER. I thank the gentleman for yielding.

Mr. Chairman, I think these questions ought to be answered. There is $9 million already authorized which is supposed to do the research on this. The difficulty I have with the legislation of the gentleman from Alabama (Mr. FLIPPO) is that he carries this beyond that point, into a demonstration commitment, way before we have any of these answers. I think that is a great mistake.

Mr. WINN. Mr. Chairman, I have no further requests for time.

Mr. FUQUA. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GAMMAGE).

Mr. GAMMAGE. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978. Today's newspaper headlines make it evident that our Nation is plunging ever deeper into an economic crisis brought about by global energy depletion and our dependence on energy supplies in the hands of an international cartel. Increasing energy costs are reflected by increasing prices for food and industrial products which are evident in every household. Energy supply shortages over the next several years will continue to contribute to a higher cost of living.

In addition to short term measures such as energy conservation, our Nation needs to pursue a national energy strategy which will result in an energy solution in reestablishing a sound economy. Desirable characteristics of such a solution include nondepletability, domestic availability, abundance, environmental acceptability, and economic competitiveness.

There is abundant energy in the universe; it streams past our planet from that giant, existing, fusion reactor, the Sun. The solar power satellite concept offers the potential to tap this energy source. These powerplants in space would collect energy in space, beam the energy to earth, and provide baseload electric power from ground receivers to homes and industrial plants.

Solar power satellites may potentially meet all the requirements for a national energy solution. Their implementation would promote the economic stability of the United States. They can be installed on a scale to provide significant amounts of future energy requirements. If the energy can be safely beamed to Earth, their environmental impact may be the lowest of any currently envisionable energy source.

Solar power satellites require no fuel. Their useful lifetime, with appropriate maintenance, should be long. Thus after amortization of the original cost the energy price can be extremely low.

Mr. Chairman, at this time we do not need to commit to development of large commercial size satellites. However, we do need to commit to a technology verification program which will resolve the technical, economic, and environmental issues. These issues cannot be resolved with only paper studies. This technology verification program will include ground-based experiments and in-space tests using the Space Shuttle leading to a subscale satellite demonstration delivered to orbit by the Space Shuttle. The cost of this technology program is modest in comparison with expenditures on other energy alternatives and in view of the economic potential of solar power satellites. Furthermore, the bill provides for an annual authorization to assure a continuing review of the program by Congress and requires a separate decision to be made on a commitment to the subscale demonstration phase.

Mr. Chairman, I applaud our colleague, Mr. FLIPPO, Chairman TEAGUE, Subcommittee Chairmen FUQUA and McCORMACK for their efforts in bringing this legislation to the floor. I urge my colleagues to support this legislation.

The CHAIRMAN. The time of the gentleman from Texas (Mr. GAMMAGE) has expired.

Mr. WINN. Mr. Chairman, I yield 1 additional minute to the gentleman from Texas.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. GAMMAGE. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, just to get the gentleman's agreement, there is $9 million for research into the development of this satellite, however; is that not correct?

Mr. GAMMAGE. There is no money for technology verification currently in any budget.

Mr. FLIPPO. Mr. Chairman, will the gentleman yield?

Mr. GAMMAGE. I yield to the gentleman from Alabama.

Mr. FLIPPO. Mr. Chairman, I would like to clarify that particular point. There is not $9 million in the budget now for environmental questions. There is not.

The gentleman stated earlier that there was $9 million for that, and there is not.

Mr. GAMMAGE. There is not $9 million, and I should also add to further underline what the gentleman just said that there is no money in the budget for technology verification, which is extremely important to this program. The technical, the economic, the environmental issues that have to be investigated and have to be pursued are included in this bill, but there is no money in any budget for the pursuit of those or in any other legislation that has come before this House in this session.

Mr. Chairman, I urge my colleagues to support this bill.

Mr. FUQUA. Mr. Chairman, I yield 5 minutes to the prime sponsor of the bill, the gentleman from Alabama (Mr. FLIPPO).

Mr. FLIPPO. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research Development, and Demonstration Program Act of 1978. I congratulate Chairman TEAGUE and Subcommittee Chairmen FUQUA and McCORMACK on their efforts in perfecting this legislation. That our Nation and the world must develop new sources of energy other than fossil fuels is a fact beyond question.

Mr. Chairman, we hear a lot of discussion about whether or not there is an energy shortage; but no one that I know of is arguing that the price of energy is not going up, and the price of energy will continue to go up until we address ourselves to some type of energy system in which the supply is inexhaustible. If it were possible to furnish all the energy needs of this country with hydroelectric power, we could have somewhat of a natural cap on the cost of energy by the time we recovered our capital costs and our operating costs. We would have a cap.

Mr. Chairman, we must eventually go to some type of system which is inexhaustible so that we can have that cap.

When we look at the various alternatives, I think we must pursue all of them.

The gentleman from Florida (Mr. FUQUA) and others have pointed out the prime elements of this bill. It is a very simple bill. It authorizes a research, development, and demonstration program. It asks DOE and NASA to come back before this Congress next January and present us with a plan. If they can, we are going to get to a "go" or "no go" decision and stop fooling around with this type of concept and get on with it.

As I said, Mr. Chairman, the gentleman from Florida (Mr. FUQUA) and others have explained what the bill contains and what it provides for.

If the Members will let me, Mr. Chairman, I would like to tell them what it does not do.

I want, first of all, to make it abundantly clear that this bill does not attempt to hide, to disguise, to ignore, or to minimize the envirnmental issues associated with the SPS concept. On the contrary, the members of the Subcommittee on Energy and Space Programs made every possible effort to identify and assess the environmental issues. Distinguished scientists from all over, private research laboratories, and Federal agencies were invited to participate in hearings on this bill held this year.

They clearly identified all the environmental issues, issues involving the SPS, for the members of the subcommittee; and they provided information about the status of ongoing research efforts to analyze and solve these environmental questions. They outlined research programs that would seek to resolve the environmental issues by a combination of analyses.

Mr. Chairman, for those who want to know more about the committee approach to the environmental issues, I recommend a careful reading of the committee report. In addition to reviewing the environmental issues, the report contains an innovative and I believe unique approach to addressing the environmental concerns. The report recommends the establishment within the overall SPS program and plan of a mechanism that will allow for independent review and consultation on environmental, biological, and ecological issues. This independent review mechanism will isolate the environment judgment from the program management and from the program components.

In short, Mr. Chairman, we recognize the environmental issues, and we are willing to work to address these issues in an objective and open manner.

Second, this bill does not provide nor does it authorize a multibillion-dollar space program. It does provide for the authorization of $25 million for fiscal year 1979 that will determine whether or not the SPS is economically and fiscally sound.

Mr. Chairman, the $25 million provided in this bill appears to me to represent a prudent investment in the future of our country. There are no known technical barriers to the design, the development, and the operation of the solar power satellite. Economic studies have shown that projected capital-generating costs are within the competitive range.

Mr. Chairman, this bill deserves careful consideration and support. We need to look ahead and make this investment in our country. If it turns out that this concept is viable, we will be in a position to reap tremendous tangible benefits.

Mr. Chairman, it is the essence of the energy crisis. We must seek a solution through the development of a nondepletable source of energy which can be transformed into usable electricity. One potential source is the giant, existing, fusion reactor, the Sun. Solar power satellites offer an attractive means for tapping the energy from the Sun. Such a satellite would be bathed in sunlight 99 percent of the time, receiving from 4 to 11 times the solar energy available in areas on Earth.

The solar power satellite bill is not a space program. It is a program to develop a source of energy. Preliminary studies indicate that we can utilize the knowledge, the technology, and the hardware we have already developed through the space program to help us develop a new source of energy.

If it turns out that this concept is viable we will be in a position to reap enormous tangible benefits. The implementation of a solar power satellite program would provide us with an alternative source of power that would reduce our reliance on foreign sources of energy and the need to invest billions of dollars in nuclear and fossil fuel facilities to generate electricity. We would be in a position with a solar power satellite program to insure the energy sufficiency of this country.

Solar power satellites provide the promise of a better quality of life for our people and a source of inexhaustible energy for the world. The jobs which will bring the solar power satellite system into reality do not go into space but stay right here on the ground. This puts people to work on a meaningful means to meet future energy needs. This effort means jobs for our Nation while lessening the inflationary impact on our dependence on foreign energy supplies. Solar power satellites have the potential of making the United States a net energy exporter, supplying not only our own growing energy needs but the needs of other nations who are struggling to enter the industrial age.

The increased cost of world energy supplies will be shared by us all, but the burden will be felt by those people and nations who can least afford to pay the higher costs. The poor would suffer as they are priced out of the market for fossil fuels and higher electric power costs. Energy would make the distinction between the haves and have-nots. International cooperation will be needed to insure that the vast resource of direct energy from the Sun will be fully utilized throughout the world.

At present, the Department of Energy and the National Aeronautics and Space Administration are conducting a joint 3-year solar power satellite study. Their overall objective is to develop an understanding of the technical requirements, economic practicability, and social and environmental acceptability of the solar power satellite concept. This understanding is to be sufficient to enable a preliminary program continuation decision to be made in calendar year 1979 and a final decision to be made in 1980 to either continue with the program or phase it out.

The Department of Energy/NASA program is a good start. However, we need to accelerate this phase in order to get the answers necessary for the Congress and the Nation to reach an intelligent decision on this energy alternative. The current program allows only $15.6 million over the 3-year period. These funds are being used solely for paper studies while precluding any ground or space testing. To examine the questions of environmental acceptability of the microwave beam, as well as the economics of a solar power satellite system, we need a technology verification phase.

Passage of H.R. 12505, would provide for a research, development, and demonstration program to determine the feasibility of collecting in space solar energy to be transmitted to Earth and used to generate electricity for domestic purposes.

H.R. 12505 would initiate a technology verification program for solar power satellites. It would accelerate the movement from merely paper studies toward hardware verification. The foundation for a go or no-go decision in 1980 could be better made on the basis of firmer experimental data made available through examination of the technical, economic, and environmental issues. Much of this data could be gathered from hardware component testing as provided for in H.R. 12505. The bill would also establish a solar power satellite program office in the Energy Department to identify the basic elements of the solar power satellite program, a program schedule, decision points, and funding requirements for each program element.

When placed in the context of the other post-1995 nondepletable, baseload energy options, solar power satellite research is being shortchanged. Fusion research receives congressional support of more than $400 million per year; nuclear fission receives more than $1 billion per year; while solar power satellites receive less than $5 million per year. Each energy option should be given

a balanced examination commensurate with its potential. Hence, an increase of $25 million for solar power satellites in fiscal year 1979 is an initial step toward developing a more balanced emphasis toward all nondepletable energy alternatives.

This bill brings the solar energy efforts of our Nation into focus insuring a proper examination of this energy resource which shows great promise. The time to begin a full investigation is now. We cannot afford to wait until shortages, dependence on foreign sources or until the costs of energy rise beyond our reach and force a delayed examination and crash programs. We need to start this vital work which would mean a practical step toward implementing a viable means to harness the energies of the Sun. Solar energy is our hope for the future to provide a clean, safe, less costly and renewable energy resource. Solar power satellites can provide the means to collect the vast and inexhaustible energy of the Sun.

Mr. Chairman, I urge the support of my colleagues in passing this legislation.

● Mr. DRINAN. Mr. Chairman, I must reluctantly rise in opposition to H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978. While I am deeply and sincerely committed to the development of alternative sources of energy—and believe we must assume significant risks in that process—I cannot support this particular bill at this time.

H.R. 12505 would prematurely commit the United States to the development of a demonstration solar power satellite—SPS—at an authorized level of $25 million in fiscal year 1979 and unknown amounts thereafter. The proponents of this legislation have argued that it is only a research bill which will allow Congress to better understand SPS options and make a "go" or "no-go" decision on the actual demonstration of such a satellite at a later date. Reading the actual language of H.R. 12505, however, one has little choice but to conclude that a decision to proceed with the development and demonstration of the solar power satellite has already been made.

Perhaps the most compelling reason to vote against H.R. 12505 is the fact that there is already an aggressive SPS research program being conducted jointly by the Department of Energy (DOE) and National Aeronautics and Space Administration (NASA). More than $15 million has already been spent on SPS research since 1973, and the House has recently voted to appropriate $4.6 million for SPS research within DOE, and another $3 million for SPS research within NASA during fiscal year 1979.

In 1976, the SPS Task Group of the Energy Research and Development Administration (ERDA) concluded that insufficient information is currently available for any significant program decision on the solar satellite concept. The group consequently recommended that a comprehensive, 3-year study be undertaken to provide Congress and the executive branch with "an initial understanding of the technical feasibility, the economic practicality and the social and environmental acceptability of the SPS concept." Indeed, the completion of such a study is the focus of current SPS funding within both DOE and NASA, and the report is expected to be completed and made available to Congress in another year.

Only after reviewing the results of this comprehensive feasibility study, Mr. Chairman, can Congress make responsible and intelligent decisions about the Nation's future commitment to the SPS program.

I intend to reserve any judgment on the merits of the solar satellite concept until and unless a comprehensive feasibility study is completed and submitted to Congress by DOE, but I have some initial reservations based on the testimony received by the Science and Technology Subcommittee on Space Science and Applications. There was a consensus among witnesses that the research and development costs of the program—not including the costs of actually placing a demonstration satellite into orbit—would range between $40 and $80 billion. These costs would dwarf the less than $2 billion which has been spent on R.D. & D. in the history of the U.S. solar program. I am concerned that enactment of H.R. 12505 as presently drafted might represent a long-term commitment to allocate the bulk of our solar R.D. & D. resources to the SPS program, rather than decentralized technologies with a far greater short-term energy potential.

Another potentially significant problem is the lack of hard information on the health and environmental effects of exposure to microwave radiation, which is the proposed medium for transferring energy from the solar satellite to a receiving station on Earth. Hearings in April before the Government Operations Subcommittee on Environment, Energy and Natural Resources, on which I serve, highlighted the fragmented and inadequate Federal response to radiation hazards in the recent past, and the need for a complete overhaul of the Government's interagency radiation protection effort. To make major policy and budget decisions now—prior to the completion of DOE's 3-year environmental assessments and in default of an effective Federal program to identify and respond to radiation hazards—might truly be a questionable expense of the taxpayers' money.

Mr. Chairman, I enthusiastically support the existing solar satellite program at DOE, and the expanded $7.6 million SPS program which is planned for the next fiscal year. I should remind my colleagues, however, that only yesterday this House rejected an amendment by the gentleman from Washington (Mr. McCormack) to make a modest, $12.5 million increase in appropriations for energy conservation R.D. & D.—perhaps the most productive short-term energy option available to the United States. Having done so, I cannot see how the House, in good conscience, can turn around and authorize $25 million for an exotic technology which is so far from proving its worth.●

● Mr. GOLDWATER. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978. This bill is in the best interests of our country, as it will expedite the development of an important application of solar energy. Collection of solar energy in space offers us an energy source that has great potential for satisfying our future energy needs. The basic technology necessary for the solar power satellite concept is already under development by our Nation.

This legislation provides the necessary focus to insure that the solar power satellite concept is fully considered. It accomplishes this by augmenting the paper studies being conducted by the Department of Energy and NASA with a technology verification program. This program will include laboratory investigations, some testing on Earth, limited space experiments, and evaluation of environmental, economic, and institutional factors. The bill provides for a vigorous research and development program to overcome the obstacles facing the development of solar power satellites.

What H.R. 12505 does not do is commit us to any imprudent, huge expenditure of funds at this time. Instead, it calls for the formulation of a rational program plan to insure that any future Federal funds are wisely spent. The bill primarily involves determination of the feasibility of collecting solar energy in space and transmitting it back to Earth. The key word here is feasibility—no large satellites will be built or launched, and no multibillion dollar programs will be undertaken. Only the technical feasibility and economic viability of doing so will be assessed. At the same time, the possible environmental effects such as those from microwave beams will be determined, with ample opportunity to develop needed safeguards or discard the concept if environmental problems cannot be overcome, if that is what the feasibility studies conclude should be done.

There are several aspects of this legislation which I find particularly beneficial. First, the solar power satellite concept can help erase our balance-of-payments deficit by making our Nation an energy exporter, rather than an importer. Our economy is seriously threatened by the growing balance-of-payments deficit, and we must do everything we can to improve it. Investigation of a possible major source of energy such as solar power satellites is consistent with this need.

In addition, if solar power satellites are commercially produced, we may derive further benefits from the program through an increase in our knowledge of advanced technologies. This knowledge is critical if the United States is to maintain its place as a leader in the scientific community. The return from investments in high technologies can help cure the other ills affecting our Nation. Finally, the production of solar power satellites will create a variety of jobs and strengthen the employment picture. Engineers and production line workers will be needed to develop and produce these systems for sale not only in the United

States, but also to other nations which seek to satisfy their energy demands. Thus, the benefits from encouraging the development of these systems are significant.

Mr. Chairman, I see no alternative for our Nation in solving our energy problem other than pursuing all possible energy options. The solar power satellite program shows enough promise to warrant further consideration. I believe that it is essential that we reaffirm our commitment to become energy independent. H.R. 12505 takes a step toward satisfying this commitment. I believe that we must take that step. Therefore, I urge support of this legislation.●

● Mr. FLOWERS. Mr. Chairman, the crisis of energy is a national concern which demands the action of Congress to seek realistic solutions which will provide answers for the future. Our national policy cannot be successful if we ignore the advances which can be made through our Nation's technology. Investigations into alternative energy sources require the resources of Government and the commitment of the Congress to see that they are fully explored. Short-range solutions will not be the ultimate answers to our national needs. The crisis only grows more severe as fossil fuel supplies become depleted and more expensive.

Solar energy is a hopeful approach to meeting the energy needs of the people of our Nation and the world. What we must now determine is the best means to collect solar energy in a usable and cost-efficient manner. A program to determine the economic and environmental soundness of solar power satellites is the type of forward-looking program which needs to be speeded up.

The Science and Technology Committee, on which I serve, has carefully considered solar power satellites among the many vital elements of our energy policy. Extensive hearings have pointed to the need for this legislation. My colleague from Alabama, RONNIE FLIPPO, has recognized the promise of solar power satellites and has offered the bill we considered here today. Congressman FLIPPO has my support for this measure along with all the other subcommittee chairmen of the committee. A majority of the members of the Science and Technology Committee are cosponsors including Chairman TEAGUE and the ranking minority member, Mr. WYDLER. The support of the committee is apparent from the 30-to-1 vote reporting this bill. The committee is not looking at a pie-in-the-sky proposal. Rather we are endorsing a logical step-by-step approach to technology verification.

The bill before us here today will not commit us to a decision on whether or not to launch a solar power satellite. It will enable us to do more than just dream about solar power. By adopting this measure we can provide the leadership in the solar power area and get on with the job of determining the environmental and economic soundness of solar power satellite. The technology is there for our Nation to take advantage of to help in meeting our growing energy needs.

We need to look at the facts of the solar power satellite program and not hysterical fears. We were not afraid to go to the Moon and made the many advances through our space program. It is now time to reap the benefits of our space program. It is now time to reap the benefits of our space program by putting it to work for us as a means to collect the nondepletable energy of the Sun.

The work which has been done up to now is incomplete and inconclusive. That is why this measure is so vital. We need to know how much the program will cost and how this compares to other energy technologies. The research and experimentation on environmental effects is inadequate and needs to be funded. No one knows what the environmental consequences of solar power satellites will be until this work is done. We can never adequately reach our goal of solving energy problems if we only look at how we may fail and do not look to our science and technology to achieve successes. We need to move beyond guesswork and find the answers to solar power satellities as an important alternative source of inexhaustible energy.●

● Mr. BOLAND. Mr. Chairman, I rise in support of H.R. 12505, which authorizes a comprehensive demonstration program designed to determine whether a solar power satellite is truly feasible.

The answer to that question is vitally important. This could be one of the most exciting and rewarding space projects that this Nation ever undertakes. We are talking about the possibility of generating substantial amounts of electric power by converting the Sun's energy in space for use here on Earth. The problem is that we have had considerable difficulty in getting even very small amounts of money available to test whether this energy option is viable. But unless we get on with spending some money to find out the answer to that question—and to find out the answer to the question of whether it is environmentally safe—we are never going to know in time to make some kind of intelligent choice between a solar power satellite—or between ground-based solar power—or fusion—or nuclear fission—or whatever.

The subcommittee of the Appropriations Committee which I chair has added money above the budget request for the past 3 fiscal years for this program. In fiscal year 1977, we gave NASA an additional $5 million for a solar power satellite system. In fiscal year 1978, we added $3 million to the NASA budget, and in this year's bill we have included another $3 million to continue these important studies.

I recognize that some here have questioned both the environmental and economic viability of this project. I do not quarrel with those kinds of questions—but I do quarrel with us not spending some seed money to determine if a solar power satellite is a genuine, workable, and potentially efficient energy option.●

● Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978. This legislation would instruct the Secretary of Energy to carry out research and development to initially resolve the major technical problems of a solar satellite. This effort would require coordination with NASA, universities, and the private sector.

As evidenced by the impressive outpour of support shown throughout the Nation on Sun Day, there is tremendous hope and expectation that the wise and extensive use of the Sun as another source of power will advance us further down the road to energy self-sufficiency.

It is important, Mr. Chairman, that prior to our committing ourselves to a full-fledged solar satellite building program, an exhaustive and thorough analysis of all environmental and cost-recovery aspects be made. I believe that this legislation has the necessary safeguards to insure that our final decision will be a responsible one, arrived after full discussion of all the aspects involved.

Mr. Chairman, I am pleased to join the supporters of this legislation in their commitment to this bill and I look forward to the progress which will ensue from the work called for in its provisions.●

● Mr. McCLORY. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Act of 1978, which has been reported with the overwhelming support of the Committee on Science and Technology. I hope my colleagues will join in the realization that the future welfare of our Nation is critically linked to this vital piece of legislation.

Mr. Chairman, I have cosponsored this legislation in the firm belief that solar energy represents one of the few feasible options to meet the long-term energy demands of our country. And among the many methods of solar radiation collection, the solar power satellite appears to be the most viable means of obtaining the nonpolluting renewable energy provided by the rays of the Sun.

This legislation embodies provisions which direct the Department of Energy and NASA to commence a program of study that will determine the precise environmental and fiscal implications of the solar power satellite concept. The bill does not authorize a new space program. Rather it provides for an intelligent inquiry into the potential of the solar power satellite and allows us to make further use of the knowledge and technology we have already developed under the space effort begun in the early sixties. I might add that this plan includes a series of decision points which will allow the Congress the opportunity to assess the results of the program and to determine if it merits further funding.

In concluding, Mr. Chairman, I call upon my colleagues to exercise vision and foresight and thereby to support this legislation which would embark our Nation upon a rational and constructive attempt to meet its future energy needs.●

● Mr. TEAGUE. Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Act of 1978.

The solar power satellite concept appears to offer an attractive, enexhaust-

ible source of energy. Over the last several years there have been a number of paper studies on systems definition, environmental issues, and economics for the solar power satellite concept. However, the technical, environmental, economic, and other issues cannot be resolved without an adequate technology verification program. Studies to date have not identified any barriers with regard to technical feasibility. Although solar power satellites represent a large engineering endeavor, I am told by a number of respected scientists and engineers that there are no scientific breakthroughs required.

There are economic, environmental, technical, and other issues which require technology verification for resolution. As reflected by the bill, there is no attempt at this time to commit the Nation to construction of full-scale commercial solar power satellites. The thrust of this bill is to establish a research and development program within the Department of Energy; to require a comprehensive program plan which identifies the basic elements of the program, establishes a program schedule, and identifies a series of decision points to evaluate further program commitments; and finally the bill would authorize $25 million for the program in fiscal year 1979.

I would like to commend the gentleman from Alabama (Mr. FLIPPO) for his initiative in introducing the original bill and his continued effort with other members of the committee in perfecting this legislation. The gentleman from Florida (Mr. FUQUA) and the gentleman from Washington (Mr. MCCORMACK) are to be congratulated for their leadership in guiding the bill in subcommittee.

I urge the support of my colleagues for this legislation.●

Mr. FUQUA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. WINN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

H.R. 12505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Solar Power Satellite Research, Development, and Demonstration Program Act of 1978".

FINDINGS AND POLICY

SEC. 2. (a) The Congress finds that—

(1) the United States is faced with an unparalleled increase in the consumption as well as the cost of energy;

(2) the current imbalance between domestic supply and domestic demand for fuels and energy is likely to persist;

(3) dependence on nonrenewable energy resources cannot continue indefinitely at the current rates of consumption;

(4) it is in the interest of the United States to expedite the long-term development of renewable and nonpolluting energy resources such as the Sun;

(5) to date, this Nation's effort in research, development, and demonstration activities relating to the utilization of solar energy has focused on ground-based equipment;

(6) many studies indicate that a satellite-based energy system would be a vastly superior method of utilizing solar energy, but such a system has not been adequately investigated;

(7) the average citizen is being adversely affected, both economically and ecologically, by the depletion of fossil fuels;

(8) with the increasing dependence of the United States on foreign energy supplies, a solar power satellite system would enable the United States to rely to a lesser extent on foreign countries to satisfy our essential energy needs, and would help eliminate a balance-of-payments deficit and the threat that such a deficit imposes;

(9) the construction of a solar power satellite system would provide economic stimulation in the form of jobs throughout all the States of this Nation; and

(10) the technology and the trained technical community to support a solar power satellite research, development, and demonstration program are available, and the Space Shuttle and other relevant technology already under development provide a substantial impetus to accomplish such a program.

(b) The Congress declares that it is the policy of the United States—

(1) to pursue a vigorous research and development program on solar power satellites as a major source of energy to satisfy our national energy needs, and

(2) to provide for the development and demonstration of practicable means to employ solar power satellites.

ESTABLISHMENT OF PROGRAM

SEC. 3. (a) There is established a Solar Power Satellite Research, Development, and Demonstration Program (hereinafter referred to as the "Program") to carry out the policy expressed in section 2(b).

(b) There is established within the Department of Energy an office to manage the Program.

(c) Funding requests for the Program shall be specifically identified.

INITIAL RESEARCH AND DEVELOPMENT

SEC. 4. (a) The Secretary of Energy (hereinafter referred to as the "Secretary") and the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Administrator") shall initiate the Program by carrying out research and development for the purpose of resolving the major technical problems regarding the viability of the solar power satellite concept.

(b) In connection with or as part of such research and development, the Secretary and the Administrator shall—

(1) carry out systems definition studies, space-related technology, health, safety, and environmental studies, socioeconomic studies, and a comparative evaluation of the solar power satellite concept and the terrestrial alternatives to such concept to provide a basis for research, development, and demonstration planning and phasing; and

(2) perform or cause to be performed comparative technology assessments of a solar power satellite concept and terrestrial alternatives to such concept, including, but not limited to—

(A) photovoltaic concepts,

(B) solar thermal (Closed Brayton Cycle, thermionic conversion, cascaded system) concepts, and

(C) nuclear (Closed Brayton Cycle and thermionic conversion) concepts.

CONDUCT OF THE PROGRAM

SEC. 5. To implement and carry out the Program—

(1) the Secretary shall—

(A) contract with the Administrator to conduct and coordinate all space-related research, development, and demonstration projects and activities which are necessary or appropriate under the Program,

(B) coordinate with appropriate power distribution agencies in evaluating the ground portion of the Program, and provide a report on the Program's potential impact on the power network, and

(C) take such other actions as may be necessary or appropriate for the effective conduct and administration of the Program; and

(2) the Administrator shall—

(A) carry out the space-related research, development, and demonstration projects and activities provided for in the contract or contracts entered into pursuant to paragraph (1)(A),

(B) utilize to the maximum extent possible the existing technology, facilities, and expertise of the National Aeronautics and Space Administration,

(C) utilize to the maximum extent possible the technology and resources of the universities and private sector, and

(D) coordinate with the Secretary and the power distribution agencies the application of space and energy technology developed under the Program.

COMPREHENSIVE PLANNING AND PROGRAMING

SEC. 6. The Secretary, after consultation with the Administrator, shall transmit to the Congress on or before January 3, 1979, a comprehensive plan for the Program and for continuing research on a solar power satellite, which plan shall be designed (consistently with the provisions and requirements of this Act)—

(1) to provide for the conduct of definitive studies and ground-based research leading to a solar power satellite total system definition and the placing of a demonstration satellite unit or units into orbit to determine the economic viability of collecting and transmiting solar energy for commercial purposes; and

(2) to identify (A) the basic elements of the Program, (B) the Program schedule, (C) a series of decision points within the Program to evaluate the major technological achievements and uncertainties and justify further program commitments (including the decision point for commitment to construction of a demonstration satellite), and (D) the funding required to carry out each major element of the Program.

APPROPRIATIONS

SEC. 7. (a) There is authorized to be appropriated, to carry out this Act, the sum of $25,000,000 for the fiscal year ending September 30, 1979, and such sums as may hereafter be authorized by law for subsequent fiscal years.

(b) Notwithstanding any other provision of this Act, no authorization to make payment or to enter into contracts under this Act shall be effective except to such extent or in such amounts as are provided in advance in appropriation Acts.

Mr. FUQUA (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. MC CORMACK

Mr. MCCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCCORMACK: On page 5, line 3, strike the comma after the word "concepts", and insert a period therefor.

Strike lines 4, 5, and 6.

Mr. MCCORMACK. Mr. Chairman, this is the amendment which I announced during general debate that I would offer,

in agreement with the gentleman from New York (Mr. OTTINGER). It simply strikes out any reference to nuclear facilities in space.

There is some ambiguity in this particular section, and I would like to state that sections (A) and (B) should be referring to methods of converting sunlight to energy in space for transmission to earth, and that they should be compared to all terrestrial technologies and alternatives. So, we want to state clearly that we are not putting any nuclear facilities in space.

Mr. OTTINGER. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I would wholeheartedly support the amendment.

Mr. McCORMACK. I thank the gentleman.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Chairman, I would like to say that we certainly have no objection to the amendment. We think it clarifies what could be an ambiguity in the bill. I thank the gentleman for offering it.

Mr. McCORMACK. I thank the gentleman.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kansas.

Mr. WINN. Mr. Chairman, I am not going to make a big deal of it, but in reading line 22, page 4, it seems to me that the wording is a little awkward where we say, "perform or cause to be performed comparative technology assessments * * *".

I will go along with the gentleman's amendment, but it looks as though we are asking the Secretary and the Administrator of DOE only to perform comparative technology assessments of our satellite concepts.

Mr. McCORMACK. I think the gentleman is correct in that the wording is a bit clumsy, but if we all understand what we are saying to the Secretary, that he should compare satellite solar energy technologies and environmental impact with all terrestial alternatives, then the wording may be understood.

Mr. WINN. I agree, but it says, "including, but not limited to * * *".

Mr. McCORMACK. I agree with the gentleman. The wording of the bill is a bit clumsy at that point, but as long as we understand it, and state our intent clearly in the record, perhaps it will be cleaned up in the Senate.

Mr. WINN. I think I understand the gentleman's amendment, and I appreciate his bringing it over so that we could study it a little.

Mr. Chairman, we accept the amendment of the gentleman from Washington.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. McCORMACK).

The amendment was agreed to.

Mr. WEAVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to H.R. 12505. This bill would prematurely commit this Nation to an unduly expensive approach to our solar energy future. I commend the Chairman and members of the Science and Technology Committee and the gentleman from Alabama for their well-intentioned endeavor but hope they place emphasis, as I understand they are doing, on the solar heating and photovoltaic programs.

Mr. Chairman, I am a longstanding proponent of prompt and widespread development of solar energy. The attractive features of solar energy are too obvious and numerous to list. But solar satellite development is a classic example of taking a good thing too far, of taking a simple solution and unduly complicating it, of making it an exotic technological project when the beauty of solar energy is its simplicity.

The solar satellite resembles in going too far in technology—farther than we need to go—the SST. A solar satellite program could cost the taxpayer $40 to $80 billion for research alone. The cost of implementing such a program could be in the trillions of dollars.

And, every dollar spent on solar satellites will not be spent on terrestrial solar research and commercialization. And commercialization is exactly what is now needed.

We are now on the edge of an era of widespread commercialization of small-scale, dispersed solar equipment. Solar space and water heating and cooling and even small, onsite photovoltaic electricity production can soon begin to meet substantial portions of this Nation's energy needs. Every dollar we spend to promote such technologies will more quickly take us off the OPEC hook and help reduce inflation. We should not forgo such promising developments by spending our precious few dollars on extravagant research programs.

H.R. 12505 declares it to be national policy to provide for the demonstration of solar power satellites. It further establishes a full-fledged program and office within the Department of Energy to carry out such a policy. H.R. 12505 is the first step toward giving DOE and NASA yet another high-technology extravagance. It is $25 million this year; it will be more next year and more the year after that. No high-technology program such as this one is ever temporary; none examines a concept, finds it wanting, and dies.

Mr. Chairman, solar energy development is crucial to our economic and energy future, but it should not be misdirected through the use of solar satellites. I submit that one solar technology on Earth is worth far more than two solar satellites in space. Let's take advantage of the promising solar technology we are now developing. I urge my colleagues to reject H.R. 12505.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I commend the gentleman from Oregon for a very well-thought-out statement.

I remember several years ago when we sent up a rocket, we sent up a probe to Mars, and it blew up before it ever got into orbit. They had a talk show interview and called some lady. I listened to it on the radio. They asked what she thought about it. She said:

> They do not need $80 million to blow up a rocket. They do not need it on Mars. We need that right here.

I would say that applies even more so to this program. We do not need solar panels up 25,000 miles. We can do it a lot cheaper by doing it right here.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, I wonder if the gentleman can tell me this. I have heard him speak so eloquently about solar energy. I wonder if the gentleman's home is heated by solar energy?

Mr. WEAVER. It is on order now and I not only intend to do that, but also I intend to go into wind and wood energy, what have you. I intend to make my farm entirely energy independent.

Mr. WYDLER. But it is not now?

Mr. WEAVER. I am in the Congress. If I were at home, it would have been done years ago.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. WEAVER) has expired.

(On request of Mr. SEIBERLING, and by unanimous consent, Mr. WEAVER was allowed to proceed for 1 additional minute.)

Mr. SEIBERLING. Mr. Chairman, if the gentleman will yield further, I would like to point out one other thing. The distinguished chairman of the subcommittee was the founder of the first House Energy Subcommittee, and I sat on it with him in the first year of its existence. We had testimony on this and also we had testimony on photovoltaic materials. If they ever get a photovoltaic material that is cheap enough to make this thing a workable process, then it will be cheap enough to heat every single home and provide electricity in this country, and we will not need to send it up 25,000 miles and build a very expensive space shuttle to do that job.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Kansas.

Mr. WINN. Mr. Chairman, I appreciate the gentleman yielding to me. I know the gentleman would be very pleased to know that we already have a photovoltaic program of $125 million that has already come out of the committee. It has not come to the floor yet, but it is on its way.

Mr. WEAVER. I commend the committee for its action.

Mr. WYDLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think I should be very happy today, I suppose, because I have seen coming to pass what I predicted would come to pass on the floor of the House of Representatives, and I predicted this a number of years ago. That is, when the day actually came that we really had some solar energy legislation that was meaningful before this body, those people that were putting it forth to the American public as the solution to all of our energy problems would rise to oppose it and would probably rise to oppose it on environmental grounds. And that is exactly what has come to pass.

So I say to the American people: You had better listen to what they are saying. They are telling you do not bother with oil because it is no good, it is too dirty and do not bother with gas because it costs too much and do not bother with coal, and do not bother with nuclear because it will harm the environment, but use solar energy. But when the day comes and when we are really going to try to use solar energy, then they are up here trying to tell you not to use solar energy from one source but to use solar energy from another source.

I am going to predict to the members of the committee right now that if the day comes when we do have solar energy systems, or when any of these other programs come to the floor of the House, that these same people will be up here telling us not to use that one but to use some other approach that is not developed yet.

They never seem to have an answer for the problem but let me say that if we keep turning our backs on the answers then our Nation is going to end up on the international junkpile because all of the nations of the world are moving ahead of us in technology. And if there is one thing that is true of our country and that is the one thing that can set it apart in maintaining our standard of living, it is our technology.

So I say, Mr. Chairman, let us not close our eyes to a way to do this; it is a chance, it is a long chance; but it is worth the small amount that the House is being asked to pay. But let us not hear any more from the "nay" sayers because we have heard enough of it. Let us get on with the energy problem.

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I yield to the gentleman from Maine.

Mr. EMERY. Mr. Chairman, I would like to associate myself with the gentleman's remarks. As an engineer, let me say that one of the problems we face in developing solar energy, as the gentleman from New York (Mr. WYDLER) knows, is that we have to use the maximum amount of energy that it is possible to produce, and a solar power satellite basis is the one means by which you can concentrate massive amounts of solar energy to the Earth and transfer it into electricity. It is only through this means that we can have the maximum amount of energy that is needed to generate the large amounts of electricity such as are needed for a city like New York City. And that can be produced through solar energy.

Therefore, Mr. Chairman, it is necessary that we develop our technology to its very maximum in order to take full advantage of solar energy. We must find a way of concentrating that energy and focusing the power back to Earth and transferring it into electricity. And if that is done on Earth, or in space, or through some other means yet unknown to the minds of men, we must develop it to the maximum.

But unless we try to study the feasibilities of doing this, when the day comes when we need that solar energy, so that we can use it to the maximum, instead of just being able to heat our hot water tank to 90 degrees, which is not enough, then we must proceed with our technology.

I am very proud to say that I believe this is a very important step that the Congress can work on and I fully support the gentleman in this legislation.

Mr. WYDLER. I thank the gentleman.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I thank the gentleman for yielding to me and first I would like to say to him that I rise as an unreconstructed solar power advocate and I rise in support of the Solar Power Satellite Demonstration Program Act of 1978.

I repeat, Mr. Chairman, I rise in support of H.R. 12505, the Solar Power Satellite Research, Development, and Demonstration Program Act of 1978. This bill provides for a research, development and demonstration program plan to determine the feasibility of collecting in space solar energy to be transmitted to Earth. This plan will establish a program schedule for building solar power satellites and identify the critical decision points facing the development of these satellites. In the past solar power satellites have been considered visionary, but we now believe that the technological, social, and environmental barriers to this concept can be overcome. While the solar power satellite represents a huge financial undertaking by any standard, I would like to point out that this bill only authorizes $25 million to determine if we should pursue this particular application of solar energy. The benefits which may accompany the production of solar power satellites are tremendous and for this reason, the amount authorized in this bill is well worth the investment. If we should ever decide to build solar power satellites on a large scale, it will only be after detailed evaluation of their economics, and after it is clear that this concept would be more cost effective than other means of generating electricity.

I am particularly pleased that we continue to explore the potential of alternative renewable sources of energy for meeting our future energy needs. Solar energy offers us an unlimited resource of energy, and this particular application of solar energy has the potential to meet our global energy demands in a socially and environmentally acceptable manner. As our country works on the development of a comprehensive energy policy, I believe that we must stress the development of our energy sources in an environmentally sound manner. In the solar power satellite, we may have a viable alternative to the construction of a large number of additional nuclear and fossil-fueled plants, with their attendant resource and environmental problems. For this reason, I believe that we must strenuously pursue this particular solar concept. The program established by H.R. 12505 will attempt to see if the solar power satellite concept is indeed a desirable alternative. It will supplement those studies conducted by the Department of Energy and NASA with a technology verification program.

Mr. Chairman, we must now answer the many questions surrounding solar power satellites. Our Nation anxiously awaits to see if we can harness the full potential of the Sun. We cannot afford to wait any longer if we wish to reach our goal of energy independence.

As do my colleagues, I recognize that certain programs may have inherent limitations or drawbacks and at this stage solar power satellites are certainly no exception. Nevertheless, I believe that we must still investigate these approaches and determine the extent of the barriers to their implementation if we are to formulate a rational energy policy. I, therefore, urge support of this bill.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. WYDLER. I am happy to yield to the distinguished gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Chairman, in 1835 Alexis de Toqueville described America as a land of wonders, and characterized our outlook this way:

> No natural boundary seems to be set to the efforts of man; and in his eyes what is not yet done is only what he has not yet attempted to do.

The bill we are considering today envisions stretching our earthbound boundaries to the limitless potential of space. We all know that our most heavily used energy resources on Earth are finite. Growing population and technological advances demand more and more energy.

The Sun has been the source of life since the Earth was formed. Man has been aware of the tremendous power of the Sun, but unable to tap this virtually inexhaustible source of heat energy on a large scale.

H.R. 12505 is a beginning of a serious efforts to harness the Sun. The Chinese philosophers said that every journey of a thousand miles begins with a single step. We want to begin studies to determine the feasibility of gathering Sunpower in space and beaming it down to Earth.

The problems are mind-boggling. Yet, in this wonderous age of scientific breakthroughs, they loom as more challenge

than mysteries. We must proceed with cautious speed. This bill authorizes $25 million for fiscal year 1979 for the Department of Energy to set up an orderly development plan for construction of a demonstration solar power satellite.

One of the undeniable economic facts of life today is that the golden age of cheap energy is past. Energy, from whatever source we take it, will cost more. Since the Sun is a reliable source, with unlimited potential supply, we must make an effort to determine the feasibility of large-scale utilization of solar energy. This bill lays the groundwork for a pilot project, but does not commit us to building an actual sunpower space station.

The Energy Department would work with NASA in preparation of a feasibility report, which is due for submission to Congress by January 3, 1979.

Any concept embracing the magnitude of a 35-square-mile solar collector stirs up cost estimates that fly off into orbit. What we want to find out is whether or not the space station can be constructed, what it would cost in comparison to development of alternative power sources, in other words whether or not building a working collector is practical.

There are problems of getting 80,000 metric tons of materials into space, which involves new lift vehicles. There are environmental concerns involving microwave transmission.

The most recent Harris public opinion survey, released yesterday, revealed that by an overwhelming 94- to 2-percent ratio the American people want to see work on solar energy expanded. The SPS would not supplant ground-based solar energy development, but would enhance our maximizing the energy potential of solar radiation.

This bill challenges the vision of this Congress, its ability to foresee future needs and to act responsibly. By taking the first step now, we will be on our way toward utilizing our most nondepletable resource. I urge my colleagues to support H.R. 12505, and help launch America into leadership as we move into the era of the Sun.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words.

I would like to say, first, to my friend, the gentleman from Maine (Mr. EMERY) that there is no assurance at all with respect to the reliability of energy from a solar satellite. It has been estimated by scientists that micrometeorites will cause as much as 6 percent loss in the power cells. Proton radiation can cause a 16-percent power loss, and solar storms are very likely to damage the cells themselves, which would require new people up in space to go and repair the things.

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Maine.

Mr. EMERY. I thank the gentleman for yielding.

All I can say is that in my State there is a hydroelectric powerplant called Dickey-Lincoln and the loss in the electric lines from northern Maine to New York City is at least 35 percent.

Mr. OTTINGER. I do not propose the Dickey-Lincoln as an answer to our problems.

In conclusion, I would like to say to my friends who consider themselves conservative—and I think it is virtually the entire body at this point who consider themselves economic conservatives—it is remarkable to hear the leaders of economic conservatism such as my friend, the gentleman from New York, and the minority leader, calling upon the Government to embark on a program which the proponents say is going to involve us from $40 billion to $80 billion just for research and development.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. Those are Federal dollars. That is before we put up a $2.5 trillion complex.

I yield to the gentleman from New York.

Mr. WYDLER. I thank the gentleman for yielding.

The gentleman certainly is aware that that is a large sum of money, and I am aware of it, too, but the gentleman is also aware of the fact that each and every year our country is paying about $40 billion to the Arab nations for oil. The gentleman knows that, does he not, each and every year—and each and every year it is going to get more and more.

Mr. OTTINGER. I will reclaim my time, and I do have great appreciation of that.

I have called on the President to put on import quotas, to take severe conservation measures, including gas rationing, to resolve that problem, and to accelerate development of solar energy that is dispersed in terrestrial space as a major part of the solution.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Washington.

Mr. McCORMACK. I thank the gentleman for yielding.

I would like to point out that when we talk about dispersed solar energy, such as providing residential heating and cooling and hot water, we must understand the potential and the costs. The President suggests that we convert 2½ million houses to solar heating. If we were to place 15 million houses, that is, every fifth house, apartment, and condominium on solar energy for solar heating and solar hot water and solar air-conditioning, if we had a solar air-conditioner for residences, it would cost $150 billion and would provide 2 percent of our energy requirements. This is simple mathematics.

Mr. OTTINGER. I will reclaim my time. That is a low amount compared to $2.5 trillion to institute this program. These are just the estimates from the industry. We know about the estimates from the space industry. There is nothing that they propose that does not end up being two to three times more expensive than their estimates. So from the point of view of economic conservatism, from the point of view of severe environmental problems not having been resolved yet, as the proponents admit—the point is we are just not ready to make the kind of commitment that this $25 million represents for actual demonstration programs.

I urge defeat of this legislation.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the chair, Mr. VOLKMER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12505) to provide for a research, development, and demonstration program to determine the feasibility of collecting in space solar energy to be transmitted to Earth and to generate electricity for domestic purposes pursuant to House Resolution 1215, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. OTTINGER. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 267, nays 96, answered "present" 1, not voting 69, as follows:

[Roll No. 486]

YEAS—267

Abdnor	Bolling	Collins, Ill.
Addabbo	Bonker	Conte
Akaka	Brademas	Corcoran
Alexander	Breaux	Corman
Ambro	Breckinridge	Cornwell
Anderson, Calif.	Brinkley	Cotter
	Brooks	Coughlin
Andrews, N.C.	Broomfield	D'Amours
Andrews, N. Dak.	Broyhill	Daniel, Dan
	Buchanan	Daniel, R. W.
Annunzio	Burgener	Danielson
Applegate	Burke, Calif.	Davis
Archer	Burke, Fla.	de la Garza
Aspin	Burke, Mass.	Derwinski
Badham	Burlison, Mo.	Devine
Bafalis	Byron	Dickinson
Baldus	Carney	Dicks
Baucus	Carr	Diggs
Beard, R.I.	Carter	Dingell
Beard, Tenn.	Cavanaugh	Dornan
Benjamin	Cederberg	Duncan, Oreg.
Bennett	Chappell	Duncan, Tenn.
Bevill	Clausen, Don H.	Eckhardt
Blanchard		Edwards, Ala.
Boggs	Clay	Eilberg
Boland	Coleman	Emery

English	Leggett	Rinaldo
Ertel	Lent	Risenhoover
Evans, Colo.	Levitas	Roberts
Evans, Del.	Livingston	Robinson
Evans, Ind.	Lloyd, Tenn.	Roe
Fary	Long, La.	Rogers
Fascell	Lujan	Rooney
Fish	McClory	Rose
Fisher	McCloskey	Rostenkowski
Fithian	McCormack	Rousselot
Flippo	McDade	Roybal
Flood	McEwen	Ruppe
Flynt	McFall	Scheuer
Foley	McHugh	Schroeder
Ford, Mich.	McKay	Schulze
Ford, Tenn.	Madigan	Sharp
Forsythe	Mahon	Shuster
Fountain	Mann	Sikes
Fuqua	Marks	Sisk
Gammage	Martin	Skelton
Gaydos	Mathis	Skubitz
Gephardt	Mazzoli	Slack
Giaimo	Meeds	Smith, Iowa
Gibbons	Meyner	Smith, Nebr.
Gilman	Michel	Snyder
Ginn	Mikulski	Spellman
Glickman	Miller, Ohio	Spence
Goldwater	Minish	Staggers
Gonzalez	Mitchell, Md.	Stangeland
Gore	Mitchell, N.Y.	Stanton
Gudger	Mollohan	Steed
Hagedorn	Moore	Steers
Hamilton	Moorhead, Calif.	Stockman
Hammer-schmidt	Moorhead, Pa.	Stratton
Hannaford	Mottl	Stump
Harkin	Murphy, N.Y.	Taylor
Harris	Murphy, Pa.	Thompson
Harsha	Murtha	Thornton
Hawkins	Myers, Gary	Treen
Hefner	Myers, Michael	Trible
Heftel	Natcher	Ullman
Hightower	Neal	Volkmer
Hollenbeck	Nedzi	Waggonner
Holt	Nowak	Walgren
Horton	Oakar	Walker
Howard	Oberstar	Walsh
Hubbard	Panetta	Wampler
Hughes	Patten	Watkins
Ichord	Patterson	White
Ireland	Pattison	Whitehurst
Jenkins	Pepper	Whitley
Johnson, Calif.	Perkins	Wiggins
Johnson, Colo.	Pettis	Wilson, Bob
Jones, N.C.	Pike	Wilson, Tex.
Jones, Okla.	Poage	Winn
Jones, Tenn.	Pressler	Wirth
Kazen	Price	Wolff
Kemp	Pursell	Wright
Kildee	Quayle	Wydler
Kindness	Quillen	Yatron
Krebs	Rahall	Young, Fla.
Lagomarsino	Railsback	Young, Mo.
Leach	Regula	Young, Tex.
Lederer	Rhodes	Zablocki

NAYS—96

Ammerman	Erlenborn	Mikva
Anderson, Ill.	Evans, Ga.	Miller, Calif.
Armstrong	Fenwick	Mineta
Ashley	Florio	Moakley
AuCoin	Garcia	Montgomery
Bauman	Goodling	Moss
Bedell	Gradison	Murphy, Ill.
Bellenson	Grassley	Nolan
Biaggi	Green	O'Brien
Bingham	Hall	Obey
Blouin	Hansen	Ottinger
Bonior	Hillis	Pease
Brodhead	Holtzman	Preyer
Brown, Calif.	Hyde	Rangel
Brown, Mich.	Jacobs	Reuss
Burleson, Tex.	Jeffords	Richmond
Burton, Phillip	Jordan	Rosenthal
Chisholm	Kastenmeier	Russo
Clawson, Del	Kelly	Satterfield
Cochran	Keys	Sebelius
Collins, Tex.	Kostmayer	Seiberling
Conable	LaFalce	Solarz
Cornell	Latta	Stark
Crane	Lehman	Steiger
Delaney	Long, Md.	Stokes
Derrick	Lott	Studds
Downey	Lundine	Udall
Drinan	McDonald	Van Deerlin
Early	McKinney	Vento
Edgar	Maguire	Weaver
Edwards, Calif.	Marlenee	Wylie
Edwards, Okla.	Mattox	Yates

ANSWERED "PRESENT"—1

Lloyd, Calif.

NOT VOTING—69

Ashbrook	Heckler	Runnels
Barnard	Holland	Ryan
Bowen	Huckaby	Santini
Brown, Ohio	Jenrette	Sarasin
Burton, John	Kasten	Sawyer
Butler	Ketchum	Shipley
Caputo	Krueger	Simon
Cleveland	Le Fante	St Germain
Cohen	Luken	Symms
Conyers	Markey	Teague
Cunningham	Marriott	Thone
Dellums	Metcalfe	Traxler
Dent	Milford	Tsongas
Dodd	Moffett	Tucker
Findley	Myers, John	Vander Jagt
Flowers	Nichols	Vanik
Fowler	Nix	Waxman
Fraser	Pickle	Weiss
Frenzel	Pritchard	Whalen
Frey	Quie	Whitten
Guyer	Rodino	Wilson, C. H.
Hanley	Roncalio	Young, Alaska
Harrington	Rudd	Zeferetti

The Clerk announced the following pairs:

On this vote:

Mr. Lloyd of California for, with Mr. Ryan against.

Mr. Jenrette for, with Mr. Weiss against.

Until further notice:

Mr. Le Fante with Mr. Dent.
Mr. Hanley with Mr. Ashbrook.
Mr. Moakley with Mr. Milford.
Mr. Waxman with Mr. Nix.
Mr. Shipley with Mr. Pritchard.
Mr. Simon with Mr. Whalen.
Mr. Charles H. Wilson of California with Mr. Vander Jagt.
Mr. Krueger with Mr. Butler.
Mr. Traxler with Mr. Fowler.
Mr. Nichols with Mr. Guyer.
Mr. Bowen with Mr. Frenzel.
Mr. Flowers with Mr. Quie.
Mr. Pickle with Mr. Holland.
Mr. Fraser with Mr. Kasten.
Mr. John L. Burton with Mr. Brown of Ohio.
Mr. Dodd with Mr. Sawyer.
Mr. Harrington with Mr. Runnels.
Mr. Huckaby with Mr. Tucker.
Mr. Luken with Mr. Moffett.
Mr. Metcalfe with Mr. Roncalio.
Mr. Santini with Mr. Vanik.
Mr. St Germain with Mr. Whitten.
Mr. Tsongas with Mr. Dellums.
Mr. Zeferetti with Mr. Bonior.
Mr. Conyers with Mr. Caputo.
Mr. Teague with Mr. Cleveland.
Mr. Cunningham with Mr. Cohen.
Mr. Findley with Mr. Frey.
Mrs. Heckler with Mr. Ketchum.
Mr. Marriott with Mr. John T. Myers.
Mr. Sarasin with Mr. Rudd.
Mr. Symms with Mr. Thone.

Messrs. RUSSO, ARMSTRONG, and EDWARDS of Oklahoma changed their vote from "yea" to "nay."

Mr. GILMAN changed his vote from "nay" to "yea."

Mr LLOYD of California. Mr. Speaker, I have a live pair with the gentleman from California (Mr. RYAN). Had he been present, he would have voted "nay." I voted "yea."

I withdraw my vote and vote "present."

Mr. LLOYD of California changed his vote from "yea" to "present."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AND PROVIDING CERTAIN PROCEDURES DURING CONSIDERATION OF H.R. 12931, FOREIGN ASSISTANCE PPROPRIATIONS

Mr. BOLLING, from the Committee on Rules, submitted a privileged report (Rept. No. 95–1318) in the resolution (H. Res. 1247) waiving certain points of order and providing certain procedures during consideration of the bill (H.R. 12931) making appropriations for foreign assistance and related programs for the fiscal year ending September 30, 1979, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PATRICIA HEARST: "VICTIM TREATED AS A CRIMINAL"

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, the complex legal and political issues surrounding the Patty Hearst case tend to obscure some issues of elemental fairness. Subjected to weeks of terrorism and humiliation, Miss Hearst joined sides with her captors. Since then, her status as victim has steadily changed to that of criminal. The following letter to the editor of the New York Times raises some serious issues about her treatment in our legal system.

PATRICIA HEARST: "VICTIM TREATED AS A CRIMINAL"

To the Editor:

During the last six years pilots of more than 100 commercial airliners have bowed to the threats of terrorists and allowed their planes to be hijacked.

No pilot has been prosecuted.

In the past four years more than 10,000 bank robberies have occurred in the United States.

Many tellers cooperated with the terrorists to the extent of handing over cash and failing to sound alarms.

No teller has been prosecuted.

Last October, Hajime Fukuda, Japan's Justice Minister, paid revolutionaries $6 million for the release of hostages.

The Minister was not prosecuted.

Last month, Italian statesman, Aldo Moro, wrote his Government seeking release of 13 criminal revolutionaries in exchange for his freedom.

The Italian Government refused. Moro was killed by his abductors. He is now mourned as a valiant martyr.

Moro's memory is not stained by the truth that he joined his barbaric abductors in asking his Government to break the law and release a motley crew of killers to prey on the public.

These pilots, tellers and government officials were never subjected to more than a fraction of the barbaric brutality suffered by Patricia Hearst.

Abducted by revolutionaries in February 1974, she was caged and blindfolded in a black void of a tiny closet for more than six weeks. She was terrorized with death threats a hundred times. She was raped repeatedly and subjected to endless obscenities.

Patricia, just 20 and weighing 90 pounds, finally broke. For survival, she joined her evil abductors.

She did cooperate in a bank robbery, but only in the sense that a pilot cooperates with terrorists when he flies his plane to Cuba.

Patricia's trial was a travesty of justice. Her imprisonment is a tragedy of truth and fairness.

When will crusading newspapers, the A.C.L.U., the American Bar Association and all who are committed to personal rights, personal dignity and fair play launch campaigns in behalf of this victim, who is treated as a criminal.

CHARLES L. GOULD.

SAN FRANCISCO, *June 7, 1978.*

(The writer is executive director of the Hearst Foundation.)

VIGIL FOR FREEDOM

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. GILMAN. Mr. Speaker, as part of the continuing "vigil for freedom," I rise to call to the attention of my colleagues the plight of Mark Nashpitz, a "prisoner of conscience," now exiled from his home in Moscow to Siberia by order of the Soviet Government.

After having been refused permission to emigrate on the most specious grounds, Mark Nashpitz received a 5-year term in exile for having the temerity to openly though peacefully—in front of a Moscow library on a Sunday—demonstrate his desire to leave Russia for Israel.

I "adopted" Mark more than 2 years ago and although I have written to him many times, there is no evidence that he has received any of my letters. This is a part of what seems to be a larger Soviet scheme to impede the flow of mail from the United States to the Soviet Union, particularly mail addressed to Soviet dissidents. I have taken this violation of the Helsinki accords up with the Soviet authorities, by letter, by a legal brief and orally, but have not received any response from them.

Mr. Speaker, I submit at this point in the RECORD a copy of my letter to the Soviet authorities asking for the release of Mark Nashpitz and my latest letter to Mark. I urge my colleagues to join with me in this effort to release all Soviet "prisoners of conscience."

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 20, 1978.

Mr. MARK NASHPITZ,
Selo Tupik, Tungiro-Olekminsky Rayon, Chitinskaya Oblast, SFS, USSR.

DEAR MARK: I am writing to advise you of my latest efforts to have your sentence of exile remitted and your wish to rejoin your family in Israel granted.

I have today written on your behalf to the Ambassador of the U.S.S.R. to the United States, Anatoly Dobrynin, and to the Soviet Delegate to the Belgrade Conference on Cooperation and Security in Europe, Yuli Vorontsov, who I met when I was a member of the American Delegation to the Conference. I have taken up your situation with both of these men, but received no concrete responses to my requests for information and relief. Nevertheless, I am contacting them once again, indicating my belief that the Helsinki Accord may be judged useless by Americans if it does not result in a sufficient level of regard for the human rights of all citizens of the signatory nations.

On June 22, 1978, I will speak on the floor of the House of Representatives to call your situation to the attention of my colleagues.

I trust that these efforts, and the efforts of many other Americans, taken on your behalf will give you hope in the struggle you are carrying on to exercise your human right of emigration.

I hope that you are in good health and that your material needs are being met, and that you are able to receive letters from your relatives and many friends.

My prayers and those of my family continue to be with you.

Permit us to wish you an early "Happy New Year—"L'Shana Tovah Tikateyvu—L'Shana Haba B'Yirushalayim!"

BENJAMIN A. GILMAN,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 20, 1978.

His Excellency ANATOLY F. DOBRYNIN,
Embassy of the Union of Soviet Socialist Republics, Washington, D.C.

DEAR AMBASSADOR DOBRYNIN: For a number of years, ever since his trial and exile—which I consider to be unjust and illegal—I have been interested in the case of Mark Nashpitz, Chitinskaya Oblast, Tungiro-Olekminsky Rayon, Selo Tupik.

I have presented legal briefs outlining Nashpitz's case to you and to Soviet officials at the Belgrade Conference on Cooperation and Security in Europe.

I have also been in touch with you and other Soviet authorities concerning the interruption of mail sent from the United States to the Soviet Union. I presented detailed information on this subject to the appropriate Soviet officials. The Soviet actions appear to be in violation of the Universal Postal Union Convention—a serious breach of the principles of friendly and cooperative relations between nations.

Aside from the perfunctory acknowledgement of some of my messages, no detailed responses have been received from you or the other Soviet officials I have contacted. No remission of sentence has been granted to Nashpitz, and he is still prevented from leaving the Soviet Union, in violation of his rights under the Universal Declaration of Human Rights and the responsibilities undertaken by the Soviet Union in the Helsinki Final Act. No noticeable improvement in Soviet delivery of mail originating in the United States has occurred.

The Helsinki accords are among the principle bases of my interest in the Nashpitz case, and indeed, of the interest of many Americans in the plight of individuals who are, or seem to be, denied their human rights in the USSR. We consider it our right and duty to call to the attention of the Soviet authorities what we consider to be lapses in the responsibilities it undertook when it acceeded to the Helsinki Final Act.

It occurs to me, as a member of the House Committee on International Relations, that since the allegations of violations of human rights that I and others make are receiving so little in the way of a response, further U.S. concessions in political or military areas might not be warranted. In fact, the whole Helsinki arrangement might better be terminated. You must remember, Mr. Ambassador, that stronger protections for the human rights of citizens of signatory nations were, in the eyes of the American people, important benefits to be gained in exchange for our accession to the Helsinki accord. If such protections are not forthcoming, and if contacts throught the mails in accordance with numerous treaties and agreements cannot be maintained, American quid pro quos might well be withdrawn. In these times of increasing tension between the United States and the Soviet Union, unnecessary contributions to those tensions must be avoided.

In conclusion, Mr. Ambassador, I again request that you do all you can to call the attention of the appropriate Soviet authorities my interest, and the interest of many other Americans in the case of Mark Nashpitz and in the continuation of open and unimpeded mail flow between our two nations. Those officials should be urged, out of respect for legal and human rights, and out of concern for the future of U.S.-USSR relations to favorably review the case of Mark Nashpitz and the cases of similarly situated individuals, and to bend their efforts towards the re-establishment of open mail flow between the United States and the Soviet Union.

Please notify me, at your earliest opportunity, of the results of your efforts.

Cordially,

BENJAMIN A. GILMAN,
Member of Congress.

STATUS OF ASIAN/PACIFIC HERITAGE PROCLAMATION

(Mr. HORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HORTON. Mr. Speaker, on Wednesday, the House Post Office and Civil Service Committee approved House Joint Resolution 1007—formerly House Joint Resolution 540—a resolution authorizing the President of the United States to proclaim a week during the first 10 days of May in 1979 to honor the contributions of Americans of Asian/Pacific heritage. At the same time, the Senate Judiciary reported a similar bill for floor action.

I want to take this opportunity to thank the 230 cosponsors who joined with Representative NORM MINETA and me in supporting this resolution. Under the rules of the Post Office and Civil Service Committee, 218 cosponsors were required. That was not an easy task and I wish to express our gratitude to all of the Members who joined with us in sponsoring this resolution.

The resolution which the Post Office and Civil Service Committee reported out was changed in three minor aspects: The first was to replace the term "Pacific/Asian" with "Asian/Pacific." This was done to conform the term with what is now used by the Bureau of the Census in defining ethnic groups in the United States.

The second modification was to authorize the proclamation for the year 1979 instead of leaving it undefined. This was done to comply with the existing rules of the Post Office and Civil Service Committee which limit such resolutions to 1 year. Rather than to seek yearly, the necessary 218 cosponsors of this bill, the supporters urge the President to recognize and proclaim such a commemoration each year.

Finally, the resolution was modified to require that the dates proclaimed include the 7th and 10th day of May. These dates represent special accomplishments

of Americans of Asian/Pacific heritage. It was thought that they should be included.

May 7, 1979, will be the 136th anniversary of the first Japanese who came to America.

May 10, 1979, will be the 110th anniversary of Golden Spike Day, signifying the contribution of Chinese to the building of the railroad of this country.

I am also including the complete list of cosponsors for the resolution.

I understand that House Joint Resolution 1007 will be considered on the Suspension Calendar on Monday, June 26, 1978.

CO-SPONSORS (ASIAN/PACIFIC AMERICAN HERITAGE WEEK JOINT RESOLUTION)

(As of June 23, 1978)

Frank Horton (R-NY), Norman Y. Mineta (D-Calif.).

ALABAMA

Tom Bevill.

ALASKA

None.

ARIZONA

None.

ARKANSAS

None.

CALIFORNIA

Glenn M. Anderson, Robert E. Badham, Anthony C. Beilenson, George E. Brown, Jr., Clair W. Burgener, Yvonne Burke, John L. Burton, Phillip Burton, James C. Corman, George E. Danielson, Ronald V. Dellums, Don Edwards, Mark W. Hannaford, Augustus F. Hawkins, William M. Ketchum, John Krebs, Robert J. Lagomarsino, Robert L. Leggett, Paul N. McCloskey, Jr., John J. McFall, Leon E. Panetta, Jerry M. Patterson, Shirley N. Pettis, Edward R. Roybal, Leo J. Ryan, B. F. Sisk, Fortney H. Stark, Lionel Van Deerlin, Henry A. Waxman, Bob Wilson, Charles H. Wilson, Jim Lloyd, Harold Johnson, Charles Wiggins, Del Clawson, John Moss, Don Clausen, Barry Goldwater, Jr.

COLORADO

Frank E. Evans.

CONNECTICUT

Christopher Dodd, Ronald Sarasin, Robert Giaimo.

DELAWARE

None.

FLORIDA

J. Herbert Burke, Paul Rogers, Richard Kelly, Don Fuqua, Bill Chappell, Jr.

GEORGIA

Wyche Fowler, Jr., Larry McDonald, Elliott H. Levitas, Dawson Mathis.

HAWAII

Daniel K. Akaka, Cecil Heftel.

IDAHO

George Hansen.

ILLINOIS

Tom Corcoran, Robert McClory, Tom Railsback, Paul Simon, Sidney R. Yates, John Fary, Abner Mikva, Ralph Metcalfe, Henry Hyde, John Anderson, Morgan Murphy, Melvin Price, Paul Findley, Frank Annunzio, Cardiss Collins, John Erlenborn, Marty Russo.

INDIANA

Andy Jacobs, Elwood Hillis, John Myers.

IOWA

Jim Leach.

KANSAS

Martha Keys, Larry Winn, Jr., Joe Skubitz.

KENTUCKY

John B. Breckinridge, Carroll Hubbard, William Natcher, Carl Perkins.

LOUISIANA

Henson Moore, Lindy Boggs, Gillis W. Long.

MAINE

William S. Cohen.

MARYLAND

Marjorie S. Holt, Barbara A. Mikulski, Parren J. Mitchell, Gladys Noon Spellman, Newton I. Steers, Jr., Goodloe E. Bryon.

MASSACHUSETTS

Joe Moakley, Silvio Conte, James Burke, Paul Tsongas, Margaret Heckler.

MICHIGAN

Lucien N. Nedzi, William Ford, Dave Bonior, Carl Pursell, John Conyers, Bill Brodhead, Robert Carr, William S. Broomfield, Garry Brown, Dale Kildee, Charles Diggs.

MINNESOTA

Bruce F. Vento, Bill Frenzel, Arlan Stangeland.

MISSISSIPPI

David Bowen, Trent Lott, Thad Cochran.

MISSOURI

Robert A. Young, William Clay, Gene Taylor.

MONTANA

None.

NEBRASKA

Charles Thone.

NEVADA

None.

NEW HAMPSHIRE

None.

NEW JERSEY

Millicent Fenwick, Harold C. Hollenbeck, James J. Howard, William J. Hughes, Joseph A. Le Fante, Peter W. Rodino, Jr., Robert A. Roe, Joseph Minish, Edwin B. Forsythe.

NEW MEXICO

Manuel Lujan, Jr.

NEW YORK

Herman Badillo, Shirley Chisholm, Barber B. Conable, Jr., James J. Delaney, Elizabeth Holtzman, Jack F. Kemp, Hamilton Fish, Jr., Edward I. Koch, Donald J. Mitchell, John M. Murphy, Henry J. Nowak, Otis G. Pike, Charles B. Rangel, Frederick W. Richmond, Samuel Stratton, William F. Walsh, Lester L. Wolff, Leo C. Zeferetti, Matthew McHugh, Ben Rosenthal, James Hanley, John LaFalce, Joe Addabbo, Stephen Solarz, Ben Gilman, Richard Ottinger, Tom Downey, John Wydler, Ted Weiss, Mario Biaggi, Bill Green, Robert Garcia, Norman Lent, Jonathan Bingham, James Scheuer, Stanley Lundine, Robert C. McEwen, Jerome A. Ambro.

NORTH CAROLINA

L. H. Fountain.

NORTH DAKOTA

None.

OHIO

Clarence J. Brown, Willis D. Gradison, Jr., Thomas A. Luken, Charles W. Whalen, Jr., Louis Stokes, Tennyson Guyer, Thomas L. Ashley, Mary Rose Oakar, J. William Stanton, William Harsha, Chalmers Wylie, Thomas Kindness, Samuel Devine, Ronald Mottl.

OKLAHOMA

James R. Jones.

OREGON

Les AuCoin, Robert Duncan, Al Ullman, James Weaver.

PENNSYLVANIA

Joshua Eilberg, Allen E. Ertel, Peter H. Kostmayer, Robert N. C. Nix, William F. Lederer, Gus Yatron, William S. Moorhead, Lawrence Coughlin, Marc Marks, Joseph McDade, Fred Rooney, Robert S. Walker, Joseph Gaydos

RHODE ISLAND

None.

SOUTH CAROLINA

James Mann, John Jenrette.

SOUTH DAKOTA

None.

TENNESSEE

John Duncan.

TEXAS

Charles Wilson, W. R. Poage, J. J. Pickle, Henry Gonzalez, James Collins, Jack Brooks.

UTAH

Dan Marriott.

VERMONT

None.

VIRGINIA

Dave Satterfield, Bob Daniel, Joseph Fisher, Herbert E. Harris, G. William Whitehurst.

WASHINGTON

Jack Cunningham, Norman D. Dicks, Mike McCormack, Lloyd Meeds, Joel Pritchard.

WEST VIRGINIA

John M. Slack.

WISCONSIN

Robert W. Kasten, Jr., Robert W. Kastenmeier, Clement Zablocki, Henry Reuss, Alvin Baldus, Les Aspin, Robert Cornell, William Steiger.

WYOMING

None.

DISTRICT OF COLUMBIA

Walter Fauntroy.

GUAM

Antonio Borja Won Pat.

PUERTO RICO

Baltasar Corrada.

VIRGIN ISLANDS

Ron DeLugo.

THE LATE HONORABLE LUTHER W. YOUNGDAHL

(Mr. VENTO asked and was given permission to address the House for 1 minute.)

Mr. VENTO. Mr. Speaker, one of Minnesota's greatest sons, Luther W. Youngdahl, died here in Washington yesterday.

He was a man of towering integrity, remembered in Minnesota for a distinguished career as a lawyer and a judge and then as the Governor who brought about reform in the mental institutions of the State. His intolerance of wrongdoing led him into his forays against "rackets" in Minnesota.

Luther Youngdahl became a national figure shortly after his appointment as a Federal district judge for the District of Columbia when he dismissed as unconstitutional the major parts of the Federal Government's case against Owen Lattimore, who was the main target of Senator Joseph McCarthy's attacks on State Department officials. This, and the subsequent throwing out of charges against Owen Lattimore, helped to stem the flood of McCarthyism which engulfed the country in an unwarranted fear of subversion.

Luther Youngdahl was justifiably proud of his part in the Lattimore case. Our Nation owes him a great debt for his unshakable defense of its Constitution.

We all mourn the loss of this stalwart man.

SLEPAK AND NUDEL JOIN THE RANKS OF SOVIET POC'S

The SPEAKER pro tempore, Under a previous order of the House, the gentlewoman from New Jersey (Mrs. FENWICK) is recognized for 5 minutes.

● Mrs. FENWICK. Mr. Speaker, yet two more courageous participants in the human rights movement in the Soviet Union have been forced out of active service to that cause. Yesterday, Vladimir Slepak and Ida Nudel were sentenced to 5 and 4 years, respectively, of internal exile under article 206 of the REFSR Criminal Code, "malicious hooliganism" for the "crime" of organizing demonstrations calling for free emigration from the U.S.S.R., a right guaranteed by several international agreements, including the Helsinki Final Act, to which the Soviet Government is a signatory.

Slepak, for the past 8 years, and Nudel for 7 years, have sought permisison to leave the Soviet Union to join close relatives in Israel. But they recognized that their personal emigration problems were shared by many Soviet Jews, and dedicated themselves to fostering the emigration movement as a whole, rather than restrict their efforts to promotion of their private cases. Slepak's apartment served as a veritable clearinghouse for Soviet Jews seeking to emigrate and for concerned foreigners who had an interest in helping Soviet citizens to emigrate. Nudel is highly respected for the work she has done to ease the plight of Jewist Prisoners of Conscience through publication of their cases and the provision of moral and material support.

Realizing that the Jewish emigration issue is an integral part of the human rights problem as a whole in the Soviet Union, Slepak became an energetic member of the Moscow Public Group to Promote Observance of the Helsinki Agreements, thus compounding the Soviet authorities' antagonism against him.

The recent arrests of Slepak and Nudel are the climax of a campaign of deliberate persecution by the Soviet Government. In the past both have been fired from jobs, followed, and searched. Both had their telephones disconnected and their apartments bugged, and before their present sentencing were taken into custody countless times for periods ranging from 10 to 15 days. Slepak was beaten on one occasion, and on March 5, 1972 an Izvestiya article accused him of treason because of his Helsinki Watch activities.

By sentencing Slepak and Nudel to long terms of internal exile, the Soviet authorities hope to paralyze the dissident movement in the U.S.S.R. It is certainly true that the absence of Slepak and Nudel will be keenly felt by the Soviet Jewish community and by human rights activists in that country. But, the Soviet Government's plan will surely backfire. Other men and women of conscience in the Soviet Union will carry on the work of Slepak and Nudel. Justice in the Soviet Government has received another blow. World public opinion will in the Soviet Government has received another blow. World public opinion will take note.●

FRIENDSHIP FROM GENERATION TO GENERATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY), is recognized for 5 minutes.

● Mr. FINDLEY. Mr. Speaker, last month the Ambassador of the People's Republic of China gave the commencement address at Illinois College in Jacksonville, Ill. Ambassador Han Hsu, his wife, and two aides journeyed to Illinois, visited the major Lincoln shrines, participated in a ladies night program at the Rotary Club meeting in Springfield, and met hundreds of Americans. Good will was evident everywhere, especially in the Ambassador's address. His message was one of friendship and hope and it provides reassurance that relations between our two countries will continue to improve.

The address at Illinois College had special significance, because it was the very first time an official of the People's Republic has addressed a U.S. audience. Ambassador Han is the acting chief of the U.S. Liaison Office of the PRC.

The exercises were attended by a record crowd of 2,500 and the Ambassador's speech received warm applause.

Early the same day the Chinese attended an informal breakfast at Virginia, Ill., a small county-seat community near Jacksonville. The following morning Ambassador Han was guest of honor at a breakfast hosted by Jacksonville Mayor Milton Hocking, after which he responded to question.

Text of Ambassador Han's commencement address:

THE FRIENDSHIP WILL LAST FROM GENERATION TO GENERATION

(Address by Han Hsu, Acting Chief of the Liaison Office of the People's Republic of China at Illinois College commencement, May 21, 1978)

Mr. President, friends, ladies and gentlemen:

It is a great pleasure for me to have this opportunity to attend the 144th commencement at your college today. First of all, on behalf of my wife and my colleagues, I would like to express our heartfelt thanks for President Mundinger's kind invitation and warm congratulations to all of you. For the young people, graduation from college is a turning point in life, marking the end of their school days, their entry into society, where they will display their talents and make their contributions. Here I wish you success in your future work and happiness in life.

For the sake of training one new generation after another, the faculty members of your college have devoted the most conscientious labor, I wish to extend my salute to them.

As is known to all, China is at once a great country of civilization and a young developing socialist country. Since the founding of New China under the leadership of Chairman Mao Tsetung, we have changed the old social system and initially done away with economic and technical backwardness. Our agriculture feeds a population which exceeds one-fifth of the world's total although our cultivated acreage accounts for less than 7 per cent of the world's total. In 28 years our industry developed as much as many capitalist countries did in more than half a century. However, our socialist revolution and socialist construction were seriously affected by the interference and sabotage from Liu Shao-chi, Lin Piao, and particularly from the "gang of four". In October 1976 our wise leader Chairman Hua Kuo-feng smashed the "gang of four" at one blow, thus removing the obstacles to continuous progress of Chinese revolution. In the past one year and a half, a number of important conferences of historical significance such as the Fifth National People's Congress were called. The Chinese people will realize the modernization of agriculture, industry, national defense and science and technology by the end of the century, building China into a powerful socialist country. This is a behest of our great leader and teacher Chairman Mao Tsetung and our beloved Premier Chou En-lai as well as a sacred task entrusted by history. In international relations, we will, as always, carry out Chairman Mao's revolutionary line in foreign affairs, firmly stand on the side of the people of all countries and live in amity with them. We will not seek hegemony or become a superpower, neither today nor in the future, when we have become a powerful and modernized socialist country. Over 40 years ago, Chairman Mao led the Chinese workers' and peasants' Red-army in making the world famous Long March, laying down the foundation for the Chinese people's liberation cause. Now under the leadership of the Central Committee of the Chinese Communist Party headed by Chairman Hua, the Chinese people of all nationalities have started a new Long March.

Here I would like to give a brief account of China's science and education, in which the students and friends here might be interested. Education and science and technology are closely bound up with the grand objective of the four modernizations, because the crux of the four modernizations is the mastery of modern science and technology. Without modern science and technology it is impossible to build modern agriculture, modern industry or modern national defense. The training of personnel plays a most prominent role in realizing the modernization of science and technology. And the achievement of this is based on education. So education is again an important issue that bears the brunt.

Since the founding of New China, the scientific and educational work, like the work in other fields, has scored outstanding achievements. Guided by Chairman Mao's policy that "education must serve proletarian politics and be combined with productive labor" and that it "must enable everyone who receives an education to develop morally intellectually and physically and become a worker with both socialist consiousness and culture," we have basically made junior high school education universal in the cities and elementary school education in rural areas. Now the number of institutions of higher learning in China is well over 400 as against some 200 in the early post-liberation days. A large number of personnel both red (politically aware) and expert have been trained for our country. However, for many years Lin Piao and the "gang of four" sabotaged and interfered with the work of science and technology. They dished up many counter-revolutionary fallacies and trampled on the Party's principles and policies in education. They distorted the orientation of educational revolution and damaged the revolutionary movement of scientific experiments. Serious sabotage by the "gang of four" wrought havoc with China's science and education. Large numbers of universities, colleges and scientific research institutes were disbanded. The gap between China's level of science and technology and the world's advanced levels has widened. The quality of education has declined sharply. Science and technology are lagging so far behind that they are seriously hindering the realization of the modernization of agriculture, industry, national defense and science and technology. The victory of the smashing of the "gang of four" by Chairman Hua has also brought about a new liberation for science and education.

Chairman Hua and the Party Central Committee are paying great attention to the development of science and education, and have made a series of major decisions, taken many forceful measures and mapped out programmes for the development of our country's science and education. We plan to make high school education universal in the cities and junior high school education in rural areas by the end of 1985, to do a good job of running all types of schools at various levels, and to make great efforts to develop spare-time education and on-the-job technical training for workers. It is expected that in a few years all the skilled workers in the major trades and services will have gone through a period of training in modern technology in the respective fields. We will open all kinds of channels for study and create conditions for bringing up large numbers of technical personnel. Not long ago we held the National Science Conference. A series of effective measures have been taken to help the development of science and technology in our country as quickly as possible. For example, consolidate the scientific research institutions, open broad avenues to able people and recruit them without overstressing qualifications, institute and complete regulations, uphold the policy of letting a hundred schools of thought contend, learn advanced science and technology from other countries and increase international academic exchanges, ensure adequate work hours for scientific research, strive to modernize laboratory facilities, effect close cooperation with an appropriate division of labor, speed up popularization and application of scientific and technical achievements and new techniques and make big efforts to popularize science. The main purpose of all these is to build a contingent of first-rate scientists and technicians of the world's level by the end of the century, to have the most advanced scientific research facilities, to make outstanding theoretical contributions and important technical inventions and, in the key branches of science and technology, to approach, reach or exceed the world's advanced levels, and make great efforts to realize the four modernizations. Of course, to raise China's scientific and technological level we must rely on our own efforts, develop our own inventions, and adhere to the policy of independence and self-reliance. But independence does not mean shutting the door on the world nor does self-reliance mean blind opposition to everything foreign. Science and technology are the common treasure of mankind. Each country and nation has its own strong points and characteristics. Exchanges between countries help them learn from each other and make new inventions, and facilitate the development of science and technology. Your country has advanced science and technology in many fields and we should learn from you.

China and the United States are two great countries on either sides of the Pacific Ocean. With regard to the Sino-U.S. relationship, Premier Hua Kuo-feng pointed out in his report on the work of the government delivered at the First Session of the Fifth National People's Congress: "China and the United States differ in social system and ideology, and there are fundamental differences between them. Yet the two countries have quite a few points in common on some issues in the present international situation. The Sino-United States Shanghai Communique issued in 1972 has brought a new turn in the relations between the two countries. These relations will continue to improve provided the principles laid down in the Communique are seriously carried out. At present, the attitude of the U.S. Government towards the question of Taiwan is the obstacle to the normalization of Sino-U.S. relations. The Chinese people are determined to liberate Taiwan. When and how is entirely China's internal affair, an internal affair which brooks no foreign interference whatsoever. If the relations between the two countries are to be normalized, the United States must sever its so-called diplomatic relations with Chiang clique, withdraw all its armed forces and military installations from Taiwan and the Taiwan Straits area and abrogate its so-called 'mutual defense treaty' with the Chiang clique. This is the unswerving stand of the Chinese Government. The people of China and the United States have always been friendly to each other. We are willing to increase contacts between the people of our two countries and promote mutual understanding and friendship."

The Chinese people and American people are both great people. There has been traditional friendship between the people of our two countries. Exchanges between our two peoples started long ago. As you all know, many Chinese came to the western part of the United States a long time ago and, together with the American people, they contributed to the building of that area. During the Second World War the Chinese people and American people fought together against the German, Japanese and Italian fascists. George Washington, the first U.S. President whom the American people called the Father of the country, and Abraham Lincoln, the President who played a progressive role in fighting against slavery are both household names to the Chinese people. President Lincoln stood for the abolition of slave system and promulgated the "Emancipation Proclamation". He represented the American people's spirit for freedom and emancipation, therefore he enjoyed the trust and support of the American people.

We are honored to have this opportunity to come to Jacksonville and Springfield, the second hometown of President Lincoln, where we have acquainted ourselves with the people of Lincoln's hometown, have been accorded a friendly reception and have experienced the friendly sentiments of the American people towards the Chinese people. I wish to express once again our thanks to you all.

The Chinese people and American people have always been friendly to each other. But owing to reasons known to all, contacts between the two peoples were suspended for over 20 years, and there was an unpleasant period of history in the relations between our two countries. As of today there are still problems. In 1972 President Nixon paid a visit to China. The Chinese and U.S. sides issued the famous Shanghai Communique. A new page was opened in the relations between our two countries on the basis of the Communique. This is in conformity with the common desire of the Chinese and American people, is also well received by the people of the world. The prospects for exchanges between our two peoples are very broad. To take tourism for instance, the number of American tourists visiting China this year will reach over 10,000, greatly exceeding that of the past few years. Since we came to Washington, D.C. and established the Liaison Office in 1973, we have been well received by many Americans, some of whom have become old friends. Among them is Congressman Findley, who has visited China twice, and has made contributions to promote understanding and friendship between the Chinese and American people on each visit. He has also introduced to us many American friends, especially friends from Illinois, such as President and Mrs. Mundinger. Today we have got acquainted with many young friends from Illinois College. It is my belief that we will make more and more friends with the increasing exchanges between our two peoples. The friendship between our two peoples will last from generation to generation.

Thank you.●

NINTH CONGRESSIONAL DISTRICT OF NEW JERSEY QUESTIONNAIRE RESULTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HOLLENBECK) is recognized for 10 minutes.

● Mr. HOLLENBECK. Mr. Speaker, I am proud to submit the responses of my constituents to the questionnaire I sent them earlier this year. The tabulation was long and difficult due to the tremendous outpouring of views over the past 3 months.

Even at a glance, Mr. Speaker, one can see the concern of the people of the Ninth District of New Jersey with inflation and spending and their impact on our lives. This concern was expressed during a period before the well-publicized proposition 13 vote; thus, California voters were not the first to express their sensitivity.

The concern of the people over the energy and fuel problems is clearly shown as well. One message is clear—the public wants action and foresight in the areas of planning and development. I hope others in the House will react to this message as I have.

NINTH CONGRESSIONAL DISTRICT OF NEW JERSEY QUESTIONNAIRE RESULTS

[In percent]

How would you describe the dwelling in which you live? Single family unit, 65; apartment, 19; multi-family house, 13; other, 3.

What type of energy is used as the primary source of heating in that unit? Oil, 45; gas, 49; coal, 1; electricity, 3; other, 2.

How serious do you feel the energy crisis is? Extremely serious, 50; serious, but not very, 36; not very serious, 7; not at all serious, 5; no answer, 2.

If a sudden new energy problem were to come up and differing reasons for its cause were given by businesses, by environmentalists and by the government, which of these three groups would you be MOST likely to believe? Business, 31; environmentalists, 37; government, 24; no answer 8.

For each of the statements listed below, would you please indicate the degree of your agreement or disagreement.

A. The government should increase taxes on gasoline to discourage driving and conserve energy: Strongly agree, 12; mildly agree, 17; no opinion, 3; mildly disagree, 17; strongly disagree, 51.

B. The government should increase taxes on new cars that get low miles-per-gallon. Strongly agree, 51; mildly agree, 17; no opinion, 4; mildly disagree, 6; strongly disagree, 22.

C. The government should ration gasoline. Strongly agree, 6; mildly agree, 9; no opinion, 9; mildly disagree, 13; strongly disagree 63.

D. Clean air standards should be relaxed so that industries can convert to coal as their energy source more quickly. Strongly agree, 29; mildly agree, 30; no opinion, 7; mildly disagree, 14; strongly disagree, 20.

E. More nuclear power plants should be built right now. Strongly agree, 48; mildly agree, 20; no opinion, 9; mildly disagree, 8; strongly disagree, 15.

F. We should develop more off-shore drilling sites along the Atlantic coast immediately. Strongly agree, 52; mildly agree, 21; no opinion, 10; mildly disagree, 10; strongly disagree, 7.

G. The prices charged by the producers of oil and natural gas should no longer be regulated by the government. Strongly agree, 24;

mildly agree, 16; no opinion, 9; mildly disagree, 18; strongly disagree, 33.

H. We should increase Federal spending for developing new energy sources. Strongly agree, 55; mildly agree, 24; no opinion, 5; mildly disagree, 5; strongly disagree, 10.

I. We should build better public transportation systems of commuter trains, buses, subways and other means. Strongly agree, 66; mildly agree, 23; no opinion, 4; mildly disagree, 3; strongly disagree, 4.

J. We should reduce parking spaces and increase parking fees in urban areas. Strongly agree, 11; mildly agree, 13; no opinion, 10; mildly disagree, 21; strongly disagree, 45.

K. We should strictly enforce the 55 mile per hour speed. Strongly agree, 54; mildly agree, 19; no opinion, 6; mildly disagree, 12; strongly disagree, 9.

L. We should give a tax credit to encourage homeowners to insulate their homes. Strongly agree, 58; mildly agree, 21; no opinion, 5; mildly disagree, 7; strongly disagree 9.

M. We should give a tax credit to families who install solar energy equipment. Strongly agree 51; mildly agree 23; no opinion 8; mildly disagree 8; strongly disagree 10.

N. Legislation should be introduced to require major oil companies to sell one or more of their production, refinery, distribution or retail components. Strongly agree 18; mildly agree 12; no opinion 25; mildly disagree 13; strongly disagree 32.

O. Legislation should be introduced to require major oil companies to sell one or more of their holdings in other energy fields like uranium, coal and natural gas. Strongly agree 27; mildly agree 15; no opinion 17; mildly disagree 13; strongly disagree 28.

THE ECONOMY AND JOBS

A. Monopoly is growing in the United States. Strongly agree 43; mildly agree 24; no opinion 14; mildly disagree 11; strongly disagree 8.

B. The government should set a limit on the amount of profit any company can make. Strongly agree 15; mildly agree 12; no opinion 7; mildly disagree 16; strongly disagree 50.

C. Cost to taxpayers of regulating business is well worth it. Strongly agree 15; mildly agree 18; no opinion 16; mildly disagree 18; strongly disagree 33.

D. The more government regulation there is, the LESS efficiency companies can operate. Strongly agree 42; mildly agree 23; no opinion 9; mildly disagree 15; strongly disagree 11.

E. Large companies have a major influence on the government agencies regulating them. Strongly agree 50; mildly agree 29; no opinion 8; mildly disagree 7; strongly disagree 6.

F. Government regulation is the best way to ensure safe products. Strongly agree 30; mildly agree 34; no opinion 6; mildly disagree 14; strongly disagree 16.

G. Government regulation is needed to maintain safe working conditions. Strongly agree 41; mildly agree 31; no opinion 5; mildly disagree 14; strongly disagree 9.

H. Keeping inflation under control is necessary even if it results in higher unemployment. Strongly agree 37; mildly agree 28; no opinion 12; mildly disagree 12; strongly disagree 11.

I. A new federal agency should be set up to be the "voice of the consumer." Strongly agree 39; mildly agree 13; no opinion 9; mildly disagree 12; strongly disagree 27.

J. A balanced federal budget is essential, even if it means lower government benefits or higher taxes. Strongly agree 34; mildly agree 25; no opinion 12; mildly disagree 16; strongly disagree 9.

K. The government should require the ultimate in product safety standards, regardless of the cost to the consumer. Strongly agree 22; mildly agree 24; no opinion 7; mildly disagree 24; strongly disagree 23.

L. Business is mostly to blame for inflation. Strongly agree 14; mildly agree 17; no opinion 12; mildly disagree 20; strongly disagree 37.

M. Government is mostly to blame for inflation. Strongly agree 35; mildly agree 29; no opinion 14; mildly disagree 15; strongly disagree 7.

N. Labor Unions are mostly to blame for inflation. Strongly agree 34; mildly agree 35; no opinion 10; mildly disagree 12; strongly disagree 9.

O. The general public is mostly to blame for inflation. Strongly agree 7; mildly agree 22; no opinion 17; mildly disagree 22; strongly disagree 32.

P. Business and government should increase efforts to end discrimination against women in employment, training and promotions. Strongly agree 42; midly agree 26; no opinion 11; mildly disagree 13; strongly disagree 8.

Q. Business and government should increase effort to end discrimination against minorities in employment, training and promotions. Strongly agree 35; mildly agree 25; no opinion 10; mildly disagree 15; strongly disagree 15.

R. The federal government should make it easier for unions to organize workers. Strongly agree 9; mildly agree 8; no opinion 12; mildly disagree 21; strongly disagree 50.

S. Where a company has a union, it is all right if new workers are required to join the union to keep their jobs. Strongly agree 13; mildly agree 14; no opinion 6; mildly disagree 16; strongly disagree 51.

Do you favor or oppose?

A general tax cut to help spur the economy? Favor 58; oppose 24; undecided 18.

Decreasing business taxes to stimulate the economy and generate jobs? Favor 61; oppose 23; undecided 16.

A federal program to pay partial salaries to provide jobs in the private sector? Favor 24; oppose 61; undecided 15.

Creation of a permanent CCC–WPA type job program to act as employer of last resort? Favor 59; oppose 27; undecided 14.

Eliminating federal programs for health, education and welfare, and turning program and tax responsibility over to state and local governments? Favor 29; oppose 55; undecided 16.

Wage and price controls? Favor 29; oppose 52; undecided 19.

Price controls on key commodities like oil and steel? Favor 48; oppose 39; undecided 13.

Extending and improving anti-trust laws to require competition in concentrated industries? Favor 63; oppose 21; undecided 16.

The Social Security Financing Amendments of 1977 saved the system from collapse and its beneficiaries from having to seek welfare. However, this legislation also demonstrated the enormous burden of the regressive payroll tax and its negative impact on employment. Therefore, Congress is giving consideration to new methods of financing current Social Security programs.

In general, would you favor funding the system through:

Increased tax rates and higher wage base, as passed last year, 18.

Partial funding of the system through general tax revenues, 32.

Transferring some current programs, such as Medicare, from payroll tax to general revenue funding, 25.

Other, 25.

Of all the areas in your life in which the federal government has an impact, which do you believe serves the best purpose? Defense, 16; social security, 17; Health Education and Welfare, 4; regulation of business, 1; Food and Drug Administration, 3; Internal Revenue Service, 1; law and order, 1; Postal Service, 1; parks, 1; miscellaneous, 14; and no comment, 41.

Of all the areas in your life in which the federal government has an impact, which do you believe serves the least purpose? Wasteful projects, 8; welfare, 4; foreign aid, 3; unfair taxes, 4; wasteful defense spending, 1; inefficiency, 3; over regulation, 8; junket, Congressional privileges, 2; miscellaneous 24; and no comment, 43.

I heartily and sincerely thank all the people who answered, for their interest and response and for the time they took to play a role in their Government. Thank you, Mr. Speaker.●

ALAN COURTNEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BURKE) is recognized for 10 minutes.

● Mr. BURKE of Florida. Mr. Speaker, I want today to pay tribute to a great American and a great newscaster. Alan Courtney, who for 29 years served as a radio commentator and talk show host in Miami, Fla. Alan Courtney retired from broadcasting earlier this month due to a prolonged bout with hepatitis which will require long recuperation.

I, like so many of Alan's friends and listeners are praying for his recovery. I have thought a great deal about him lately. He was one of the first people I met when I moved to Florida. I still remember the day he interviewed me at Young Circle in Hollywood, although it has been more than 25 years. There are few people with a provocative telecast as he had that would maintain public eminence for 29 years. Those who do have to have something special. My friend Alan Courtney, definitely is special. His audience knew this and followed him from radio station to radio station over the years. His ratings were always high, and his listeners depended on him for information.

Always when I returned to Florida, I put the radio next to the bed and turned on his program. They were fun, and they were meaty. He did not avoid controversy. He enjoyed it, and he enjoyed people voicing their differences. It was good entertainment, and it was educational. Although I do have the pleasure of knowing Alan personally, people on the street who have never met him, talk like he is one of the family. To many people he was a familiar friend who brought interesting people to them during the quiet evening hours when they were alone.

Alan loves people and whenever possible he involves himself in trying to make the world a better place for all of us to live. I can think of two examples when I became involved with him in these efforts.

Back in 1973, Alan became incensed by the earnings limitation on social security recipients. He printed up petitions and circulated them to thousands of south Florida citizens urging Chairman Wilbur Mills, of the House Ways and Means Committee to repeal this unfair provision of the law. The petitions were delivered to my office, and I redelivered them to the chairman who had an office just down

the hall from mine in the Longworth Building.

In 1977, Alan came up with another idea for elderly people. He and his lovely wife Bernice set up an organization—CROG—Civil Rights of Grandparents. One of the goals of CROG is to have the President proclaim the first Sunday in September following Labor Day each year as National Grandparents Day. The Senate passed this legislation, Senate Joint Resolution 24, in May 1977. I introduced a bill, House Joint Resolution 628, for the same purpose and it is pending in the Committee on Post Office and Civil Service.

It feels like losing an old friend not to hear Alan's voice on the radio when I am in Florida. I miss his sharp wit, and quick insight and I trust his health will soon return. Perhaps these few words of thanks for the many hours of pleasant listening that I have enjoyed tuned to his radio program will cheer him with the knowledge that thousands of listeners feel as I do, several of whom serve in this body, deeply grateful for his contribution to our lives.●

AN EXTRAORDINARY NEW MUSEUM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

● Mr. McDADE. Mr. Speaker, recently I had the opportunity to be present at one of the official events celebrating the opening of the new east wing of the National Gallery of Art.

This new addition to the mall can be summed up in one word: magnificent.

I was truly impressed by the configuration of this new building, which is contemporary but comfortable in its dual role of blending into the Smithsonian complex area while standing imposingly along historic Pennsylvania Avenue.

The edifice itself is a work of art, sculpted by the noted architect I. M. Pei with the collaboration of National Gallery Director J. Carter Brown and east wing benefactor Paul Mellon.

Pei displays his design genius through the clever positioning of a geometrically shaped structure into the awkwardly shaped site across from the original National Gallery of Art. The effect is stupendous. And I must admit that I was among those who may have been a touch bit skeptical on first review of the sketches and models of the proposed art museum. The questions about how this new monument, quite alien in style in comparison to others in the Capital City, would fit into the Pennsylvania Avenue restoration plan remained in the minds of some. But with the Capitol as a backdrop, the angular yet lofty east wing proves its value. It is more than a new museum in our Nation's Capital. It is a splendid jewel in one of our Nation's most sacred areas.

Inside, the new gallery is just as spectacular. The interior court, with its greenery and specially commissioned pieces by renowned artists, is airy and inviting. The eyes lift upward to the huge, centrally located Calder mobile and to the skylights connecting the gallery and its adjacent Center for Advanced Study in Visual Arts. But the building retains a human dimension and makes one feel at home among its varied exhibits.

Throughout the design and construction phase, the project was ably guided by National Gallery Director J. Carter Brown and by its prime benefactor Paul Mellon. No detail was spared in their attempt to provide the country with a new national repository for art.

Our special gratitude, however, must be extended to Paul Mellon, who along with his sister, the late Ailsa Mellon Bruce, provided total financial backing for the east wing. The Mellons are unprecedented in their patronage of the arts in the United States, for Paul and Ailsa's father, Andrew, personally sponsored the original National Gallery of Art.

Truly, Paul Mellon's gift to the Nation is staggering in scope. Mr. Mellon has been most lavish, yet exacting, in his desire to give our Nation's Capital a new showplace for art, which will include his own renowned collection. He has accomplished this task impeccably.

I urge all of you who have yet to do so to visit our new museum, for I think you will agree that it is a most extraordinary, in fact, breathtaking structure.●

GROWING SUPPORT FOR KEMP-ROTH PERMANENT TAX RATE REDUCTION ACT: INFLATION ARGUMENTS REBUTTED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

● Mr. KEMP. Mr. Speaker, I want to address myself this afternoon, to three issues, each and all relating to assuring the enactment of permanent tax rate reductions this year.

It is unfathomable to me that in this year in which the clearest message being sent to public officials by their constituents is the necessity of reducing the burden of taxes upon them, that Congress drags its feet on providing for substantial tax rate reductions. It would also be unconscionable in economic and social terms.

The first matter is my reintroduction today of the Tax Reduction Act, the Kemp-Roth act. This legislation provides for permanent tax rate reductions for individuals of approximately 30-percent over the next 3 years, for a permanent reduction in corporate income tax from 48- to 45-percent over that same time frame, and for a permanent increase in the corporate surtax exemption for smaller business to $100,000. This brings to 151 the number of cosponsors in the House and to 25 the number in the Senate.

The second matter is the "Dear Colleague" letter of June 9, circulated by our colleagues from Ohio (Mr. VANIK) and from Texas (Mr. PICKLE). That letter announced their intention to introduce a bill tomorrow, June 23, which would all but abandon hope this year for substantive tax reduction this year by simply continuing the temporary measures due to expire on December 31 for another year.

The third matter is th spat of opposition to the Tax Reduction Act which has surfaced in the past few days, based on the erroneous assumption that the act would produce inflation-causing deficits. The assumption is in error because increases in savings and retained earnings will more than offset any additional deficts, meaning the Federal Reserve will have to buy no Treasury notes, thereby increasing the money supply, which is the real cause of inflation. I will return to this point too.

WHAT IS WRONG WITH VANIK-PICKLE PROPOSAL

The "Dear Colleague" letter of June 9 offered the House the following course of action, and I quote:

> On Thursday, June 22, we expect to introduce a tax bill which drops all reforms and tax cuts and simply extends four tax measures which would expire at the year's end. These measures include the $35 per person tax credit, the earned income credit, the small business surtax exemption, and the jobs credit. Our proposal is necessary to prevent a seven percent across-the-board tax increase. It would leave the tax structure basically unchanged.
>
> Prudent decisions on either tax reform or tax cuts are not likely to be made in the time frame for action this year. In substance, our proposal defers these decisions until next year.
>
> This tax plan will result in a $25 to $30 billion slash in the 1979 deficit, reducing it to $36 billion. No other federal action this year can address itself so directly to the inflation problem which supercedes all others. A tax cut is necessary, but it should not be funded through deficit borrowing.

Let us take a look at what is wrong with that approach.

What this suggests is that we give up on major tax legislation this year, and that we simply extend existing provisions to maintain the status quo. This approach assumes we are on a steady course. It is blind to the fact that the status quo is an out-of-control upward surge in tax rates, and an impending reduction in the gross national product, jobs and real wages.

Current law will raise taxes as a share of GNP above present levels by $26 billion by 1979, $47 billion by 1980, and so on up to $98 billion in 1983. Very, very few forecasters believe that the economy can sustain such a shock without plunging into a recession. These tax increases were never meant to go uncompensated.

No recession in history has led to a balanced budget. Every recession has widened the deficit, restricted both the current supply of goods and the future capacity, and paved the way for renewed inflation and bottlenecks in the next expansion.

The status quo will not slash the deficit by $25 billion, as our colleagues suggest. It will bring on a recession in which prices and the deficit will rise as production collapses.

This chart shows clearly what is wrong with the Vanik-Pickle approach:

PENDING AND PROPOSED TAX INCREASES [1]

[In billions of dollars]

	Fiscal year—					
	1979 [2]	1980	1981	1982	1983	Total
Pending tax increases:						
Social security	9.5	12.7	24.2	32.6	35.3	114.3
Inflation [3]	13.4	22.4	32.8	44.9	58.7	172.2
Energy taxes [4]	2.9	12.3	15.4	7.7	4.2	42.5
Total	25.8	47.4	72.4	85.2	98.2	323.0
Carter tax package:						
Tax cuts	30.4	37.1	41.9	46.4	52.4	208.2
Tax increases	5.3	10.4	13.2	15.6	17.5	62.0
Total	25.0	26.6	28.6	30.8	34.9	145.9
Pending increases minus Carter net tax cuts:						
Tax increase	25.8	47.4	72.4	85.2	98.2	------
Tax cut	25.0	26.6	28.6	30.8	34.9	------
Total tax increase	.8	20.8	43.8	54.4	63.1	------

[1] Prepared by the staff of the Joint Committee on Taxation.
[2] Includes fiscal 1978 increase of $7,200,000,000 and fiscal 1979 impact of $18,600,000,000.
[3] Estimate based on 5 to 6 percent inflation rate.
[4] Based on energy tax bill passed by House.

To avoid both recession and inflation, we need substantive and permanent across-the-board tax rate reductions aimed at more savings and incentive, more jobs, and more production.

The Kemp-Roth tax rate cut, in contrast to the Vanik-Pickle proposal, the administration bill, or most of the bill which is probably going to emerge from the Committee on Ways and Means, is a true growth bill. By lowering the marginal tax rates, the ones which govern the value to every taxpayer of the added wages, interest, and income, the Kemp-Roth bill will produce a surge in production and economic growth that will reduce unemployment, increase the supply of goods and services, and lower consumer prices. Added savings will flow into both Federal and corporate bonds, reducing interest rates and making it unnecessary for the Federal Reserve to step in with additional money creation. I will return to this point in my discussion of two recent editorials.

WHAT THE NEW YORK TIMES AND WASHINGTON POST ARTICLE DID NOT UNDERSTAND

On Monday of this week, the New York Times editorialized on the Kemp-Roth bill and the Laffer curve implicit in it. That editorial articulated only one reason for opposing the Kemp-Roth bill. It was that the bill ran a risk of inflation-causing deficits, and the last thing we need is more inflation.

I quote from that editorial:

Unfortunately, with inflation running close to 10 percent, the Federal Government cannot afford to cut taxes while merely hoping for the promised incentive effects. The Federal deficit must also be weighed. If an increase in the deficit, no matter how temporary, is ill-timed, it could press the economy against its productive limits, worsen inflation and generate a recession. Of course, an oversized deficit could be handled another way if the Laffer Curve doesn't work: by cuts in spending, which is what some tax cutters really mean to achieve.

Thus, the budding tax rebellion has not simplified policy-making at all. The tax cutters would do better to offer their ideas about incentives as an embellishment to the old Keynesian thinking about fiscal policy, not as a substitute for it. At the present level of economic knowledge, modesty is becoming on all sides.

I could not agree more that the last thing we need is more inflation, and I am glad to see that the New York Times editorial writers have decided that is the fundamental problem with the economy—the basic problem which has caused both higher taxes and the revolt against them—but that they have also seen that the funding of deficits is the cause of inflation, too much new money chasing too few goods. That is a major victory in itself.

On the following day, Tueday, Robert J. Samuelson, writing in the Washington Post made similar observations about the Kemp-Roth bill. In discussing the deficit potential and the inflationary problem, Samuelson concludes:

And that's the Achilles' heel of this proposal. Without offsetting cuts in federal expenditures, such huge tax reductions would risk creating an enormous surge in spending that would lead either to a dangerous acceleration of inflation or a crippling credit crunch.

The New York Times and the Post article, as well as the Vanik-Pickle letter, are wrong in what they have said, clearly wrong. And there are three ways to show this: An intuitive approach, based on logic; an empirical approach, based on observation of prior experiences in this country and elsewhere; and, an econometric study approach, based on computer runs against different economic behavior prediction formulae.

INTUITIVE APPROACH SHOWS INCREASES IN REVENUE

Mr. Speaker, there are always two tax rates that yield the same revenues: 100 percent and 0 percent. When the tax rate is 100 percent, all production ceases in the money economy (as distinct from the barter, subterranean economy), for people will not work if all the fruits of their labors are confiscated by the Government. The revenues are thus zero. On the other hand, if the tax rate is zero, people keep 100 percent of what they produce and Government receives zero.

Our focus this afternoon, as well as the focus of the Kemp-Roth bill, is in between these extremes. There is a point at which revenues and production are maximized. This is the point at which the electorate desires to be taxed. Above that point is the prohibitive range where rates are unnecessarily high and can be reduced with gains in both output and revenue. This is what this amendment seeks to do.

If we reduce the rates, segments of the barter economy will be able to gain enough efficiencies in the money economy that after-tax production will exceed that of the barter economy. Therefore, economic activity outside the money economy and outside the tax system is brought back in. Production will increase, and revenues will flow into the government treasury at all levels. We are not cutting tax rates just to stimulate demand, rather to stimulate supply, production, output, and economic growth.

We also know that if we increase the reward, which is a larger percentage of gross income as after-tax income remaining, people will do more of the activity which produces that reward: Work, savings, investment, entrepreneurship.

THE EMPIRICAL APPROACH SHOWS INCREASES IN REVENUE FAR IN EXCESS OF PREDICTIONS

The Kemp-Roth bill does not reflect a new approach to taxes, to revenue raising in general, to economic stimulation. It has been tried a number of times before, both in the United States and abroad.

Let me deal first with two incidents from this century: The first during the 1920's, the second during the 1960's.

Congress reduced tax rates every year from 1921 to 1925, lowering the highest personal rate from 63 to 25 percent and the lowest rate from 4 to 1.5 percent.

What happened? It gave the country the economic boom of the 1920's. There was no inflation. And there was even a reduction in the national debt, because of the increase in revenues used to retire such debt.

Congress also reduced tax rates in the early 1960's as a result of Kennedy administration initiatives.

In 1962, Congress passed the investment tax credit and changed the depreciation guidelines.

In 1964 it enacted reductions in personal income taxes and reductions in corporate income taxes.

In 1965, it enacted a reduction in excise taxes.

What happened?

It gave the country the economic boom of the 1960's, bringing to an end the prolonged recession which started in 1958.

From 1963 through 1968, Federal revenues climbed by $54 billion. That was in contrast with Treasury Department predictions that the tax cuts would produce losses of $89 billion. Here are the figures year by year:

FEDERAL REVENUE GAINS FROM TAX RATE REDUCTION, 1963-68

[In billions of dollars]

	1963	1964	1965	1966	1967	1968	Total
U.S. Treasury estimated revenue losses	−2.4	−5.2	−13.3	−20.0	−23.7	−24.4	−89
Actual revenue gains	+7.0	+6.0	+4.0	+14.0	+19.0	+4.0	+54

Unemployment dropped, particularly among minority workers. Unemployment for all workers dropped from 6.7 percent to 3.8 percent from 1961 to 1966. Unemployment among blacks dropped from 12.4 percent to 7.3 percent, and unemployment among blacks 20 years of age or more, it dropped from 11.7 percent to 4.9 percent. Please note that this occurred prior to the Vietnam war buildup and was not a part or a product of that buildup.

Savings soared upward, making it unnecessary for the Federal Reserve to

buy Treasury notes, thereby contributing to inflation. Look at the dramatic increases in savings as a result of the Kennedy tax cuts:

INCREASE IN SAVINGS RESULTING FROM KENNEDY TAX CUTS

Year	Total individual savings [1] (billions)	Increase over preceding year	
		Dollars (billions)	Percent
1960	$34.900	−$2.472	−6.61
1961	34.693	−.207	−.59
1962	40.243	+5.550	+16.00
1963	45.232	+4.989	+12.40
1964	54.901	+9.669	+21.38
1965	62.028	+7.127	+12.98
1966	72.003	+9.975	+16.08
1967	72.726	+.723	+1.00
1968	78.028	+5.302	+7.29
1969	69.563	−8.465	−10.85

[1] Increase in financial assets, plus net increase in tangible assets, less debt.

What do those figures on savings show us, Mr. Speaker? That confidence in the economy started upward early in the Kennedy administration. That the tax cuts which started in 1962 produced immediate savings result, and I emphasize immediate. That savings continued upward during the years of the tax cuts—from 1962 through 1965—and thereafter—1965 through 1968—and collapsed only when it was apparent that there would be no new tax cuts, that the tax burden was going to remain steady or be increased.

In summary, there is no doubt but that savings increased subtantially during the period of the Kennedy tax cuts.

Of equal interest, the amount of tax revenues from persons enaged in their own businesses quickly increased as people took the initiative to start their own businesses.

Mr. Speaker, the success of tax rate reductions in revitalizing an economy is not confined to the United States. There are other examples as well: West Germany following World War II, Japan after the war, France during the 1920s, Italy following World War I, Great Britain following the Napoleonic wars.

THE ECONOMETRIC STUDY APPROACH SHOWS INCREASES IN SAVINGS AND REVENUES AND NO INFLATION

Economic models attempt to predict the outcome of tax reforms and tax reductions, as well as other changes in the economy. Each model is based on a formula designed to predict future behavior from past experience. The conclusions derived from these models vary according to the formula used.

The Kemp-Roth bill has been the subject, for example, of detailed econometric studies by Chase Econometric Associates, Inc., Data Resources, Inc., Norman B. Ture, Inc., as well as economic analyses derived from such studies by the Economics Division of the Congressional Research Service at the Library of Congress and the Congressional Budget Office.

Interest with respect to economic activity which would be expected to occur, as a result of the enactment of the Kemp-Roth bill, has focused on two of these studies, the one by Norman B. Ture, Inc., and the one by Chase Econometric Associates, Inc. The Ture study uses a non-Keynesian model and shows significant gains in gross national product, savings, investment, jobs, and revenue. But since the Chase Econometric Associates' study is based on a Keynesian model and the reasoning in both the New York Times editorial and the Washington Post article is Keynesian, let's look at that in detail. For the Chase study disproves the points raised in the Times and Post.

Let's look at how and why.

In order to judge a tax cut's impact on growth and on inflation, we have to know what the cut will do to GNP and saving.

To finance itself without causing inflation, a tax cut can do four things:

First, it can increase GNP, which is the tax base, and get back revenues to offset some or all of the initial cut.

Second, if it reduces marginal tax rates, it can cause existing savings and investment funds to switch out of tax shelters and nontaxable uses into taxable uses, raising the tax base and revenue. This probably also raises GNP by shifting savings and investment from low yield but sheltered projects into straightforward high yield activities.

Third, by reducing tax rates, the tax cut makes saving more rewarding after taxes, and raises the total amount of saving being done. Chase Econometrics, the most reliable of the econometric studies done, forecasts sharp rises in saving if tax rates are reduced. Some of this saving will go to buy the bonds the Treasury will sell to cover any deficit remaining from the tax cut. Any excess will be used to increase net investment and growth.

As long as revenues rise to offset the tax cut, or as long as savings rise by enough to cover any added debt, the Federal Reserve does not have to buy even one additional Treasury bill, and does not have to add 1 cent to the money supply.

In fact, Chase Econometrics, using a Keynesian formula, estmates that savings will rise enough from the tax rate reductions found in the Kemp-Roth bill to cover any added deficit and to still leave enough saving to increase net investment by well over one-half, delivering an enormous boost to real growth.

Chase Econometrics offers convincing proof of this:

INCREASE IN SAVINGS AND RETAINED EARNINGS OVER INCREASES IN FEDERAL DEFICITS

	1979	1980	1981	1982	1983
Sum of increases in savings and retained earnings	$28	$49	$62	$71	$76
Increase in deficit from Kemp-Roth over what would otherwise have been	25	38	33	33	36
Increase in savings and retained earnings, less increase in deficits	+3	+11	+29	+38	+40

Thus, Kemp-Roth is not inflationary because the increase in savings exceeds the additional deficit, permitting all borrowing for that deficit to come from existing savings rather than the increase in money supply resulting from the Fed buying more Treasury notes.

Critics of Kemp-Roth have forgotten what causes inflation and have not distinguished between a tax cut which alters incentives, reduces the use of tax shelters, and stimulates savings and investment—the Kemp-Roth bill, this amendment, and one which simply cuts Federal revenues and forces the Federal Reserve to create money to buy Treasury debt—the administration bill.

Mr. Speaker, I cannot overemphasize the importance of the Chase findings and the conclusions which flow from them.

They decimate the arguments of the New York Times, the Post, and others who have taken similar tacts.

They undo the opposition to Kemp-Roth—on budgetary, deficit or inflation bases—as was voiced in the House during the consideration of the Quie-Kemp amendment to H.R. 50, the Humphrey-Hawkins bill, by our colleagues from Texas (Mr. WRIGHT) and from Illinois (Mr. SIMON).

They undo the arguments in the Vanik-Pickle "Dear Colleague" letter and that approach.

But most important of all, they remove the last remaining obstacles to the enactment of this legislation this year.

It is for that reason that more and more Members are cosponsoring the Kemp-Roth bill and articulating it to their constituents.

TODAY'S REINTRODUCTION OF THE KEMP-ROTH BILL

As I indicated at the outset, I have today reintroduced the Kemp-Roth Tax Reduction Act, bringing to 151 the House cosponsors. There are 25 in the Senate.

A list of the House cosponsors now are:

Mr. Kemp of New York.
Mr. Abdnor of South Dakota.
Mr. Anderson of Illinois.
Mr. Andrews of North Dakota.
Mr. Archer of Texas.
Mr. Armstrong of Colorado.
Mr. Ashbrook of Ohio.
Mr. Badham of California.
Mr. Bafalis of Florida.
Mr. Bauman of Maryland.
Mr. Beard of Tennessee.
Mr. Bowen of Mississippi.
Mr. Brown of Michigan.
Mr. Brown of Ohio.
Mr. Broyhill of North Carolina.
Mr. Buchanan of Alabama.
Mr. Burgener of California.
Mr. Burke of Florida.
Mr. Butler of Virginia.
Mr. Caputo of New York.
Mr. Carter of Kentucky.
Mr. Cederberg of Michigan.
Mr. Chappell of Florida.
Mr. Clausen of California.
Mr. Clawson of California.
Mr. Cleveland of New Hampshire.
Mr. Cochran of Mississippi.
Mr. Cohen of Maine.
Mr. Coleman of Missouri.
Mr. Collins of Texas.
Mr. Conable of New York.
Mr. Conte of Massachusetts.
Mr. Corcoran of Illinois.
Mr. Coughlin of Pennsylvania.
Mr. Crane of Illinois.
Mr. Cunningham of Washington.
Mr. Bob Daniel of Virginia.
Mr. Dan Daniel of Virginia.
Mr. Derwinski of Illinois.
Mr. Devine of Ohio.
Mr. Dickinson of Alabama.
Mr. Dornan of California.
Mr. Duncan of Tennessee.
Mr. Edwards of Alabama.
Mr. Edwards of Oklahoma.

Mr. Emery of Maine.
Mr. Erlenborn of Illinois.
Mr. Evans of Delaware.
Ms. Fenwick of New Jersey.
Mr. Fish of New York.
Mr. Forsythe of New Jersey.
Mr. Frenzel of Minnesota.
Mr. Frey of Florida.
Mr. Gilman of New York.
Mr. Glickman of Kansas.
Mr. Goldwater of California.
Mr. Goodling of Pennsylvania.
Mr. Gradison of Ohio.
Mr. Grassley of Iowa.
Mr. Guyer of Ohio.
Mr. Hagedorn of Minnesota.
Mr. Hammerschmidt of Arkansas.
Mr. Hansen of Idaho.
Mr. Harsha of Ohio.
Mrs. Heckler of Massachusetts.
Mr. Hillis of Indiana.
Mr. Hollenbeck of New Jersey.
Mrs. Holt of Maryland.
Mr. Horton of New York.
Mr. Hyde of Illinois.
Mr. Jeffords of Vermont.
Mr. Johnson of Colorado.
Mr. Kasten of Wisconsin.
Mr. Kelly of Florida.
Mr. Ketchum of California.
Mr. Kindness of Ohio.
Mr. Lagomarsino of California.
Mr. Latta of Ohio.
Mr. Leach of Iowa.
Mr. Lent of New York.
Mr. Levitas of Georgia.
Mr. Livingston of Louisiana.
Mr. Lloyd of California.
Mrs. Lloyd of Tennessee.
Mr. Lott of Mississippi.
Mr. Lujan of New Mexico.
Mr. McClory of Illinois.
Mr. McDade of Pennsylvania.
Mr. McEwen of New York.
Mr. McKinney of Connecticut.
Mr. Madigan of Illinois.
Mr. Marks of Pennsylvania.
Mr. Marlenee of Montana.
Mr. Marriott of Utah.
Mr. Martin of North Carolina.
Mr. Michel of Illinois.
Mr. Miller of Ohio.
Mr. Mitchell of New York.
Mr. Moore of Louisiana.
Mr. Moorehead of California.
Mr. Mottl of Ohio.
Mr. Murphy of Pennsylvania.
Mr. Gary Myers of Pennsylvania.
Mrs. O'Brien of Illinois.
Mrs. Pettis of California.
Mr. Pressler of South Dakota.
Mr. Pritchard of Washington.
Mr. Pursell of Michigan.
Mr. Quayle of Indiana.
Mr. Quie of Minnesota.
Mr. Quillen of Tennessee.
Mr. Railsback of Illinois.
Mr. Regula of Ohio.
Mr. Rhodes of Arizona.
Mr. Rinaldo of New Jersey.
Mr. Robinson of Virginia.
Mr. Roe of New Jersey.
Mr. Rousselot of California.
Mr. Rudd of Arizona.
Mr. Runnels of New Mexico.
Mr. Russo of Illinois.
Mr. Sarasin of Connecticut.
Mr. Schulze of Pennsylvania.
Mr. Sebelius of Kansas.
Mr. Shuster of Pennsylvania.
Mr. Skubitz of Kansas.
Mrs. Smith of Nebraska.
Mr. Spence of South Carolina.
Mr. Stangeland of Minnesota.
Mr. Stanton of Ohio.
Mr. Steers of Maryland.
Mr. Steiger of Wisconsin.
Mr. Stockman of Michigan.
Mr. Stump of Arizona.
Mr. Sykes of Florida.
Mr. Symms of Idaho.
Mr. Taylor of Missouri.
Mr. Thone of Nebraska.
Mr. Treen of Louisiana.
Mr. Trible of Virginia.
Mr. Vander Jagt of Michigan.
Mr. Walker of Michigan.
Mr. Walsh of New York.
Mr. Wampler of Virginia.
Mr. Whitehurst of Virginia.
Mr. Bob Wilson of California.
Mr. Winn of Kansas.
Mr. Wydler of New York.
Mr. Yatron of Pennsylvania.
Mr. Young of Florida.
Mr. Young of Alaska.

Mr. Speaker, that is 150 Members from every region of this country. From every political persuasion—liberal, moderate, conservative. And from both political parties. It is broad support, and it is growing daily.

I will reintroduce the Tax Reduction Act again on the last day before we go out for the July 4 recess, on June 30. I invite every Member of the House, every colleague, who is not now a cosponsor of this bill to join in its introduction and the push toward its enactment.

The workers and savers of this country want lower taxes. The workers and savers of this country are demanding them, and they shall have them sooner or later. This is a movement and a cause whose time has truly come and the sooner the better.

"When this inspiration through the workers blood shall run,
There shall be no greater power under the sun." ●

SERBIAN-AMERICANS COMMEMORATE THE BATTLE OF KOSOVO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, June 28 is the day Americans of Serbian descent and Serbs all over the world commemorate the heroism of their countrymen who sacrificed their lives at the Battle of Kosovo in 1389, in defense of their religion and their national existence. Celebrated on June 28 under the Gregorian calendar, the Battle of Kosovo resulted in the subjugation of Serbia by Moslem Turkey.

Though under the domination of Turkey for the next 345 years, the Serbian people maintained their cultural integrity and remained dedicated to the liberation of their land. Throughout those long and difficult centuries, thousands of Serbs always volunteered to fight in the armies of other nations allied against the Turks. Serbian heroism at the Battle of Kosovo was immortalized in a cycle of national songs, because it was during this battle that both the Serbian tsar and the Turkish sultan were slain. The Serbian knight, or voyvode, Milosh Obilich, who killed the sultan, is celebrated as a legendary figure to this day.

During the many centuries of domination by more powerful neighbors, the Serbs continued to assert their national identity. As late as 1804 many of the foremost leaders of the country were massacred, and it was not until after the Russo-Turkish War of 1877–78 that the Serbian nation became independent.

In 1918, the Kingdom of Serbs, Croats, and Slovenes was formed, headed by the Serbian royal dynasty, and in 1929, the name of the state was changed to Yugoslavia.

When the Communists came to power in 1945, after the devastating war, the observance of the anniversary of the Battle of Kosovo was officially abolished. Nevertheless, the noble ideals embodied in this historic battle for freedom remain alive in the hearts of Serbs everywhere.

Mr. Speaker, the spirit of Kosovo, the spirit to persevere and to overcome tremendous odds, serves to strengthen the resolve of the heroic Serbian people to achieve self-determination, just as it has preserved their culture throughout the centuries. Americans of Serbian heritage have perpetuated this spirit through their unwavering support for the ideals of freedom and human dignity and have contributed their talents to the strength and greatness of America.

I extend my greetings to Serbian-Americans in my own 11th District of Illinois, which I am honored to represent, in the city of Chicago, and all over the Nation as they commemorate the Battle of Kosovo, and I salute them as they continue to inspire the world with the grand and noble ideals of the spirit of Kosovo. ●

EXAMINATION OF ADMINISTRATIVE INFLATION NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MCFALL) is recognized for 10 minutes.

● Mr. MCFALL. Mr. Speaker, inflation continues to haunt our economy, and in our efforts to control it, we must utilize every appropriate and effective tool available to us. I do not believe that across-the-board price and wage controls are an effective alternative, but others do exist. My concern today relates to a possible tool that I believe offers hope for reducing the inflationary pressures affecting our economy.

Along these lines, I recently met with the eminent economist, Dr. Gardiner Means. We discussed the factors currently exerting inflationary pressures on the American economy. Dr. Means advised me of a proposal he recently transmitted to President Carter's Adviser on Science and Technology, Dr. Frank Press. Dr. Means proposed that a major study be undertaken to examine the new type of inflation which has developed since World War II.

This new type, which Dr. Means calls administrative inflation, can occur during recessions and in the presence of stagnation. It can also occur when there is full employment but no excess in demand. It arises where competition is among the few, and pricing decisions of individual firms dominate the market.

Traditional economic theory cannot explain inflation in the presence of sub-

stantial idle resources of industrial capacity and manpower. Nor has traditional theory ever shown what Government policies would allow an economy that is predominantly made up of big business enterprises to achieve and maintain reasonably full employment without serious inflation. Dr. Means believes that a suitable study could disclose this objective in a manner consistent with the free market system and a free society. At the same time, he believes that economists are so steeped in traditional theory that for such a study to be successful it should have the crucial questions posed and answers viewed by a panel of professionals, such as scientists, outside the economics profession.

Dr. Means advises me that this study should focus on the variety of pricing techniques actually used in setting prices in market areas dominated by a few large enterprises. The study would analyze each formula and seek to discover which are inherently inflationary and which are not. The study would then recommend ways in which enterprises could be induced to avoid those pricing techniques which are inherently inflationary, and adopt those which in the long run could be equally profitable but would not generate inflationary inflation.

In Dr. Means view, the new type of inflation presents much the same kind of problem which appeared with the advent of the automobile. The automobile was so powerful that new rules of the road had to be developed and limits placed on excessive speeds. Likewise, market power can be so great where competition is among a few big enterprises that it can generate administrative inflation, and new rules of the road are needed to minimize the use of inflationary pricing techniques.

It might well be that education on preferred pricing techniques and a minimum of price monitoring would serve the purpose of containing administrative inflation. Whether additional restraints are needed should be addressed in the study Dr. Means proposes. Then with the cooperation of labor, and suitable monetary and fiscal policies, Dr. Means believes a reasonably full and stable economy can be achieved.

Mr. Speaker, I believe Dr. Means' proposal offers a new perspective on inflation, and that it should not be overlooked. I support his call for a major examination of the pricing techniques that contribute to administrative inflation. I have written to several of the administration's leading officials concerned with inflation and encouraged them to initiate the study Dr. Means has outlined. Anyone concerned about reducing inflation and providing for a stable economy cannot afford to disregard the inflationary contributions made by administrative inflation.●

JET MAGAZINE REPORTS ON CBC INTERNATIONAL EFFORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

● Mr. DIGGS. Mr. Speaker, in the issue of Jet magazine dated June 22, 1978, that distinguished national publication takes note of the recent activities of the Congressional Black Caucus in international affairs. Among those activities, the caucus has met in recent weeks with the President of Gambia and has publicly called on President Carter to clarify his administration's policies toward Africa. The two articles, entitled "Caucus, Gambia's Leader Discuss Sahel Program" and a "Black Caucus Questions Carter's Policy on Africa," are further indications of the growing involvement by African-Americans in the evolution and directions of American policy toward Africa, and I commend them to my colleagues:

CAUCUS, GAMBIA'S LEADER DISCUSS SAHEL PROGRAM

Hoping to contribute to Black progress throughout West Africa, members of the Congressional Black Caucus met with President Kairaba Jawara of Gambia, in Washington, D.C., recently to discuss the Sahel Development Program.

The program, which incorporates Black countries in West Africa, is designed to economically coordinate development of the industrial, agricultural and cultural potential of the region.

Following that meeting, Jawara, who heads the program, met privately with Black Caucus member Sen. Edward W. Brooke of Massachusetts who indicated he wanted to increase the U.S. contribution to the program.

Originally, the U.S. intended to contribute $150 million to the program in fiscal year 1979, but the administration cut the amount to $90 million, now the House Operations Subcommittee wants to cut the amount to $60 million, according to Brooke.

BLACK CAUCUS QUESTIONS CARTER'S POLICY ON AFRICA

Has the Carter administration lost touch with the "real" issues facing Black Africa?

The Congressional Black Caucus charged that U.S. foreign policy is now "tougher" toward the Soviet Union and Cuba on African affairs as a "ploy used to revive cold war attitudes." Citing the recent invasion in Zaire, the Caucus contended that the administration "should not" divert its attention from the "paramount" issues of majority rule in southern Africa and the quest for economic development for millions of Black Africans.

Rep. Charles Diggs (D., Mich.), chairman of the House subcommittee on Africa, called for President Carter to "clarify" his administration's stance on Cuban and Soviet involvement in Africa. The veteran lawmaker just recently returned from an African trip.

When the Caucus met with African leaders, including Nigeria's Lt. Gen. Olusegun Obasanjo and Zambian President Kenneth Kaunda, during state visits to the U.S., it was widely felt the African nations themselves should decide whether foreign countries are allowed to participate in that continent's growth and not "outsiders" deciding for them, said Rep. Parren Mitchell (D., Md.), chairman of the Black Caucus.

Others attending the D. C. press conference were Reps. Shirley Chisholm (D., N.Y.), Harold Ford (D., Tenn.) and Charles Rangel (D., N.Y.).●

BALLOONING GOVERNMENT: CAN IT BE CHECKED?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 15 minutes.

● Mr. ALEXANDER. Mr. Speaker, recently the Christian Science Monitor ran a series of articles written by John Dillin that examine the growth of the Federal bureaucracy. At a time when Congress is deliberating on the size of the Federal budget, sunset laws, and a legislative veto of agency regulations, I think these articles of interest and wish to share the series with my colleagues. The first article is entitled "Ballooning Government: Can It Be Checked?"

[From the Christian Science Monitor, May 15, 1978]

BALLOONING GOVERNMENT: CAN IT BE CHECKED?

(By John Dillin)

WASHINGTON.—In the 16 months since Jimmy Carter became President, big government in America has ballooned even larger.

The Washington bureaucracy grew by more than 15,000 employees.

Federal spending climbed by 13 percent—or an additional $213 million in every working day.

Thousands of new rules, regulations, and official notices filling a record-breaking 80,000 pages in the Federal Register were issued by agencies like the Occupational Safety and Health Administration.

State and local government employment stimulated liberally with federal money, soared by 427,000.

Today, government has become America's major growth industry. In sprawling bureaucracies take the Department of Health, Education, and Welfare, and in tiny communities across the land, government civilian employment has mushroomed to more than 15 million people.

Another two million men and women are members of the U.S. armed forces. They push total government employment—state, local, federal—to more than 17 million.

Even that tells only part of the story. Nearly 2 million people, for example, work in the private sector under military contracts to make everything from Trident submarines to army boots.

Further, thousands of other privately employed workers spend full time just trying to meet federal mandates. General Motors, the nation's largest industrial corporation, estimates that it budgets more than $1 billion a year to hire 25,000 employees required to comply with federal regulations.

Nearly one employee out of every five in America works for government, with millions more dependent directly or indirectly on government for their jobs.

Taxpayers—convinced in growing numbers that overweight government in adding to inflation—threaten retaliation at the polls. Politicians promise frugality. But money, expands its payrolls, and churns out more regulations governing American life.

President Carter, who as a presidential candidate pledged from Maine to California to do something about the federal octopus, finds himself battling a bureaucracy that is deeply entrenched and defended by special interests of the right, left, and center. His staff grumbles unhappily about slow progress.

Dr. Milton Friedman, the Nobel prize-winning conservative economist, warns: "If we continue on our present road, we will all become slaves. We shall become a collectivist, centralized, controlled state."

Traditional liberals also lament government gone amok. Democratic Sen. Edmund S. Muskie of Maine, who more than once has championed big government causes in the past, says today:

"Over the last 15 years, Congress has created an array of programs so complex that

government cannot deliver the very services we've enacted into law."

The Senator worries about mounting public frustration. This disenchantment, he suggests, is the result of "a government grown so large and ineffective that it is suffocating the very goals it seeks to achieve."

Students of public opinion say it isn't just big government that people don't like—it's ineffective government, poor schools, dirty streets corrupt medicaid programs, cost overruns in defense projects, slow service at the neighborhood post office.

Pollster Louis Harris, testifying recently before the Senate Budget Committee, says his surveys show "71 perecnt of the American people feel that they do not get good value for their money from their tax dollars."

Mr. Harris calls the situation "a crisis of confidence that has existed for several years now." He sums it up this way:

"The American people are roundly fed up with the old pressure-group method of hitting up government for one special interest after another."

One of the most important—but often overlooked—areas of government growth relates to regulation.

Federal rules tell truckers what routes to drive, and what to carry; they tell airlines what routes to fly, and how much to charge; they tell automakers what the chemical composition of the exhaust gases from their cars must be, and how to build bumpers; they regulate the airwaves, the waterways, and the railroads; they fix the price of natural gas; and they keep a regulatory eye on everything from ice cream to jet aircraft noise.

Anyone who thinks all this is of modest cost to the consumer should go back to his pocket calculator.

Back in the 1960s, for instance, when Washington began telling Detroit how to build cars, the impact was minimal. Putting seat belts in a car and a pollution control valve on its engine to reduce pollution cost only $27.51.

Today, car price tags are up sharply, and that increase includes $665.87 for federally mandated parts ranging from head restraints to catalytic converters.

A study by Murray L. Weidenbaum of Washington University in St. Louis estimates that these federal rules add $7 billion a year to the cost of buying new cars. Add to that another $3 billion because the complicated emissions controls make the engines less efficient and add that much to fuel costs each year.

Dr. Weidenbaum, who conducted his study for the Joint Economic Committee of Congress, also ran cost studies for other sectors of the economy.

Businessmen are confronted with 4,400 different forms from the government this year, he found. These forms take more than 143 million man-hours to fill out, and, according to the Federal Paperwork Commission, cost private industry from $25 billion to $32 billion in added expenses. The consumer, of course, ultimately pays.

Homeowners shell out an extra $1,500 to $2,000 to buy a house because of state, local, and federal rules, which are becoming more numerous. Home fire alarms are required in some communities now, for example.

Taxpayers feel the bite, too. Cost of operating 41 federal regulatory agencies is outpacing the economy, and in fiscal 1979 will be an estimated $4.8 billion.

Overall, Dr. Weidenbaum estimates that the total cost of regulation in the United States in the coming year will be $102.7 billion—or more than $470 for each man, woman, and child in America.

This thick layer of rules, which tangles private enterprise in legalistic mumbo jumbo, adds between one-half of 1 percent and 1 percent to the nation's inflation rate each year, private studies estimate.

For all its size, big government is fairly new in America—though it may appear to be a permanent feature to younger voters.

Back in 1936, when bureaucracy started assembling each day's new federal rules and regulations in the Federal Register, the whole year's output came to just 2,619 pages. Even as late as 1960, it amounted to just over 14,400 pages.

But last year the Federal Register was a fat 65,603 pages—enough new rules, regulations, and notices to keep an army of clerks busy.

In 1929, government at all levels in the United States also took a lot less of the average paycheck—just 12 cents out of every dollar of income.

Today, government spends 42 cents out of every dollar earned in the United States.

What's happening here is happening in other places, too. Government is getting fat and sassy just about everywhere.

A study by G. Warren Nutter, professor of economics at the University of Virginia, found that during the past quarter century, governments throughout Europe experienced rapid growth. The small governments have gotten big, and the big have gotten bigger, he says.

In West Germany, where large bureaucracies are the norm, spending by government took nearly 40 percent of national income in 1950. Today it is 54 percent.

In Denmark, where government was more limited in the past, spending totaled only 23 percent of national income in 1950. Today that has zoomed to 59 percent.

Yet more and more, there are doubts that government is working the way it was supposed to. "Bigger is better" is being seriously questioned at all levels.●

FOR INEXPENSIVE FIRST-CLASS LETTERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

● Mr. FORD of Michigan. Mr. Speaker, on May 24, I reintroduced an improved version of my bill, the Citizens' Postal Rate Relief Act, to establish a lower first-class postage rate for individual citizens. Forty-five cosponsors from both parties have already joined me in expressing disapproval of the actions taken by the Rate Commission in rejecting Postal Service and administration requests for a citizens' rate. Senator JOHN GLENN'S recently introduced legislation shows both Houses of Congress to be interested in giving the individual citizen protection against sharply rising mail costs.

Hearings on H.R. 12844, originally scheduled for June 27 before the Subcommittee on Postal Operations and Services, have been moved to shortly after the July 4th recess due to work being done on the Civil Service Reform Act.

The following editorial, "For Inexpensive First-Class Letters," from the April 26, 1978, Chicago Tribune, points out the vital need for my bill.

[From the Chicago Tribune, Apr. 26, 1978]

FOR INEXPENSIVE FIRST-CLASS LETTERS

By a vote of 3 to 1, the Postal Rate Commission has rejected an administration-sponsored proposals for two-tier rates for first-class letters, a 16-cent business rate and a 13-cent "citizen rate." The commission has tentatively approved a 15-cent rate for all letters, possibly effective as early as next month.

The contention that a differential would be unfair to business has been rebutted by pointing out that postage is a business expense for corporate income tax purposes, so the net outlay per letter could still be less for business than for individuals even if there were a lower "citizen rate." Enforcement? With the postage paid shown on every letter, cheaters could hardly expect to remain unreported for long.

It took 71 years for the letter rate to rise from 2 to 4 cents, but only seven years ago the charge was 8 cents. It is high time that the accountants with an impact on postal rates were joined by people aware of the social value mail.

An inscription over the main entance of the Washington Post Office well states some of the functions of the first class personal letter: "Messenger of sympathy and love; Servant of parted friends; consoler of the lonely; bond of the scattered family; enlarger of the common life." Not only that, but inexpensive access to the mail is critically necessary to the free exercise of the freedoms of expression and petition guaranteed by the First Amendment.

We need not be rich enough to hire a hall to express ourselves in spoken words; we have protected rights to mount soap boxes or to carry a placard down a sidewalk. Freedom of written expression also should be low in cost. If sending a letter continues indefinitely to become even more expensive, freedom of expression will indeed suffer.

Civilized governments have long recognized convenient and inexpensive access to mail service as both a citizen's right and socially desirable. It is a service that cannot be left to private enterprise; if it were, residents of areas of low population density would inevitably be cut off. It is almost certainly as impractical to expect the Postal Service to balance its books through over the counter sales as to expect mass transit to make it solely out of the fare box.

Postal Service is too essential for society to allow it either to evaporate in low-density areas or to get priced out of sight. Of the Postal Service's many functions, none is more essential than the delivery, inexpensively, of the personal first-class letter.●

LIMITING U.S. INVESTMENT IN SOUTH AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 10 minutes.

● Mr. BINGHAM. Mr. Speaker, along with the gentleman from Michigan (Mr. DIGGS), I am today introducing a bill to amend the International Emergency Economic Powers Act to direct the President to issue regulations prohibiting investment in South Africa except in certain circumstances.

This bill is designed to provide an alternative approach to H.R. 12463, introduced by my colleague from New York, Mr. SOLARZ, and to serve as a basis for discussion in hearings of the Subcommittees on Africa and on International Economic Policy and Trade which, as I announced previously, will begin on June 27.

The principal differences between this bill and the Solarz bill are as follows: First, the Solarz bill amends the Export Administration Act, which provides for export controls to be administered by the Commerce Department. The Bingham bill, on the other hand, amends the International Emergency Economic Powers Act, under which the Treasury Department can be given authority to control transactions, not limited to exports.

Given the nature of the prohibitions contained in the two bills, transaction controls would appear to be the logical mechanism for enforcement.

Second. The Solarz bill prohibits all new investment in South Africa (except for reinvestment in an existing enterprise of earnings derived from that enterprise), and penalizes investment in existing enterprises which engage in unfair employment practices. The penalties would include denial of export licenses, Government contracts, tax credits, and Export-Import Bank facilities. The Bingham bill takes a more positive approach. It contains the same basic prohibition on investment as the Solarz bill (excluding reinvestment in an existing enterprise of earnings derived from that enterprise), but it would not bar investment in an existing enterprise which does not engage in unfair employment practices, and it would not bar investment in a new enterprise as to which the President receives assurances that the concern will not engage in unfair employment practices. My hope is that this formulation would provide a positive incentive for those enterprises interested in investing in South Africa to end discriminatory practices, and would keep U.S. companies from being caught in an intolerable conflict between United States and South African laws.

For the information of my colleagues and interested parties, I insert a copy of the bill and a section-by-section summary.

H.R. 13262

A bill to amend the International Emergency Economic Powers Act directing the President to issue regulations prohibiting investment in South Africa except in certain enterprises

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the International Emergency Economic Powers Act is amended by inserting immediately after the title heading the following:

"PART I—PRESIDENTIAL NATIONAL EMERGENCIES"

(b) The International Emergency Economic Powers Act is amended by adding at the end thereof the following new part:

"PART II—INVESTMENT IN SOUTH AFRICA

"PROHIBITION ON INVESTMENT

"SEC. 221. Notwithstanding any provision of part I of this title, the President shall, using such authorities contained in section 203 of this Act as he considers necessary, issue regulations prohibiting any United States person from making any investment in South Africa, other than (1) an investment which consists solely of earnings derived from an existing enterprise of a United States person in South Africa and which is made in such enterprise, or (2) an investment in any other enterprise if (A) as determined on a periodic basis under regulations issued by the President, no person in conducting such enterprise engages in an unfair employment practice, or (B) in the case of a new enterprise, the United States person making the investment gives the President satisfactory assurances that no person, in conducting such enterprise, will engage in an unfair employment practice.

"PRESIDENTIAL AUTHORITIES

"SEC. 222. (a) In carrying out the provisions of section 221, the President shall establish mechanisms to monitor compliance with any regulation, license, or order issued under such section. The President may, in carrying out the provisions of this part, hold hearings, issue subpenas, administer oaths, examine witnesses, receive evidence, take depositions, and require by subpena the attendance and testimony of witnesses and production of all books, papers, and documents relating to any matter under investigation.

"PENALTIES

"SEC. 223. (a) Any United States person that violates any regulation, license, or order issued under this part shall be subject to a civil penalty of not more than $5,000.

"(b) Any United States person that willfully violates any regulation, license, or order issued under this part shall, upon conviction, be fined not more than $10,000, or, if an individual, imprisoned for not more than five years," or both.

"(c) Any United States person, other than an individual, that makes an investment in South Africa in violation of regulations issued by the President pursunt to section 221 shall, upon conviction, be punished by a fine of not more than $1,000,000.

"(d) Whenever a United States person is found guilty of a violation referred to in subsection (b) or (c)—

"(1) any officer, director, or employee of such United States person, or any natural person in control of such United States person, who willfully ordered, authorized, acquiesced in, or carried out the act or practice constituting such violation; and

"(2) any agent of such United States person who willfully carried out such act or practice.

shall, upon conviction, be fined not more than $10,000 or imprisoned for not more than five years, or both.

"(e) The penalties set forth in subsections (e) and (b) shall not apply in the case of any violation referred to in subsection (c) of this section.

"(f) Whenever a fine is imposed under this part upon any officer, director, employee, or agent of a United States person, or upon any natural person in control of such United States person, such fine shall not be paid, directly or indirectly, by such United States person.

"Sec. 224. For purposes of this part—

"(1) the term 'investment' includes a loan made by a public or private banking institution;

"(2) the term 'United States person' means United States person as defined in section 11(2) of the Export Administration Act of 1969; and

"(3) the term 'unfair employment practice' means—

"(A) any unlawful employment practice by an employer as set forth in sections 700 and 704 of the Civil Rights Act of 1964 (notwithstanding the definition of employer contained in such Act);

"(B) any failure to take affirmative action to the same extent that such action is required of a Government contractor in section 202 of Executive Order 11246 (dated September 24, 1965); and

"(C) refusal to allow employees to organize, bargain collectively through representatives of their own choosing, or engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

"SEC. 225. The provisions of the National Emergencies Act shall not apply to the exercise of authorities under this part.".

SECTION-BY-SECTION SUMMARY OF BINGHAM BILL

Sec. 1(a) amends the International Emergency Economic Powers Act by designating the existing Act as Part I.

Sec. 1(b) adds a new Part II to the International Emergency Economic Powers Act pertaining to investment in South Africa. This Part contains five new sections as follows.

Sec. 221 directs the President, using the asset control authorities of section 203, to issue regulations prohibiting new investment in South Africa. All investment is prohibited except (1) reinvestment in an existing enterprise of earnings derived solely from that enterprise, and (2) other investment in an existing enterprise which does not engage in unfair employment practices, or in a new enterprise which the President receives assurances will not engage in unfair employment practices.

Sec. 222 authorizes the President to establish mechanisms to monitor compliance, hold hearings, issue subpoenas, administer oaths, examine witnesses, receive evidence, take depositions, etc.

Sec. 223 sets penalties for violations as follows: (a) civil penalty of $5,000 for violation of any regulation; (b) criminal penalty of $10,000 and/or five years for violation of any regulation (same as Foreign Corrupt Practices Act); (c) corporate penalty of $1,000,000 for illegal investment in South Africa (same as Foreign Corrupt Practices Act); (d) criminal penalty of $10,000 and/or five years for officer, director, employee, or agent of such corporation willfully involved in such investment; (e) fine referred to in (d) may not be paid by corporation.

Sec. 224: (1) defines "investment" as including a loan made by a public or private banking institution; (2) defines "United States person" as in the Export Administration Act definition, which definition includes foreign subsidiaries controlled in fact by a domestic concern; (3) defines "unfair employment practice" in terms of civil rights, affirmative action, and the right to organize and engage in collective bargaining, as defined in relevant statutes.

Sec. 225 specifies that the provisions of the National Emergencies Act shall not apply to this Part II, as they do to Part I.●

HEARINGS ON NEWS MEDIA SEARCH WARRANTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. PREYER) is recognized for 5 minutes.

● Mr. PREYER. Mr. Speaker, a number of Members have expressed concern in recent days about the effects on news organizations and other persons of the recent Supreme Court decision in Zurcher against the Stanford Daily.

The Government Operations Subcommittee on Government Information and Individual Rights, which I chair, will receive testimony this coming Monday from news executives, the Justice Department, and local law enforcement officials concerning their respective policies in light of this Court decision.

Critics of the decision say it opens the way for police to rummage through confidential files of news organizations and other people not implicated in a crime. A search warrant, in contrast to a subpena ordering the production of materials, cannot normally be challenged in court before the action takes place.

A number of bills have been introduced to modify the effect of the Stanford Daily decision. This hearing, however, will focus on immediate policy and procedural steps which might be taken both by the Justice Department and to influence State and local agencies.

John C. Keeney, Acting Assistant Attorney General who is in charge of the Criminal Division, will testify for the Department of Justice. The Department already has regulations which require

various cautionary steps plus the approval of the Attorney General before a subpena can be issued to a news organization or reporter. He is expected to discuss the expansion of this policy to cover search warrants.

One of the local law enforcement officials who will testify directed the use of a search warrant at the Helena, Mont., office of the Associated Press in April. He is Charles A. Gravely, county attorney for Lewis and Clark County, Mont. That warrant was quashed by a local judge after officers serving the warrant agreed to wait while newsmen at the AP office, AP executives in New York, and lawyers in both cities engaged in long-distance consultation. That action, however, came before the Stanford Daily decision was handed down.

Other local law enforcement representatives scheduled to testify are Robert F. Leonard, president of the National District Attorneys Association and prosecutor for Genessee County, Mich.; and Glen D. King, executive director, International Association of Chiefs of Police, who is a former newsman and assistant chief of police of Dallas, Tex.

Discussing the effects of the Stanford Daily decision as perceived by the news media will be Robert L. Healy, executive editor of the Boston Globe; William J. Small, senior vice president and director of news for CBS News, and Louis D. Boccardi, vice president and executive editor of the Associated Press, which was the target of the Helena search warrant.

The hearing will begin at 10 a.m. on Monday, June 26, in room 2154 of the Rayburn Building (the Government Operations Committee hearing room).●

WHITE HOUSE CONFERENCE ON FOREIGN TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. MEYNER) is recognized for 5 minutes.

● Mrs. MEYNER. Mr. Speaker, it is becoming increasingly clear that trade is an integral part of our economic difficulties and the solution to those difficulties. Our current trade situation is a series of paradoxes and dilemmas.

We now import half of the oil we consume. The bill for those imports is largely responsible for our record trade deficit. That deficit feeds inflation and erodes confidence in the dollar. However, virtually all proposals that would reduce our dependence on foreign oil would mean large government expenditures and more inflation just at the time that we are trying to restrain both.

Foreign competition severely threatens many domestic industries. At the same time, most economists say that new protectionist barriers would only exacerbate our severe inflation problem and retard the sluggish recovery of the world economy. The Multilateral Trade Negotiations in Geneva are expected to conclude an overall trade agreement this summer that will generally lower trade barriers.

The United States has a long history as a commercial nation of the first rank. It has been estimated that one out of eight American workers owe their jobs to the export trade. On the other hand, only 8 percent of American manufacturing firms produce goods for export. Trade currently constitutes a lower percentage of our gross national product than it does for any other major industrial country.

We are at a critical juncture in our trade policy. As a part of his anti-inflation program, President Carter appointed an interagency Task Force on Export Policy. That task force is expected to make its recommendations for a new national export policy this month. The Multilateral Trade Negotiations in Geneva are expected to conclude a new trade agreement next month.

I believe that it is time for a comprehensive national debate on all aspects of foreign trade. I believe that the debate should be conducted at the highest level and with the widest possible participation. Therefore, I am today introducing a concurrent resolution requesting the President to convene a White House Conference on Foreign Trade. I urge my colleagues to join me in this request.●

FOREIGN OWNERSHIP OF AMERICAN FARMLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. KREBS) is recognized for 5 minutes.

AGRICULTURAL LAND: OUR NATION'S MOST VALUABLE RESOURCE

● Mr. KREBS. Mr. Speaker, more than ever, present decisions regarding land ownership have the capacity to shape our society and determine our Nation's productive capacity for generations to come. Daniel Webster once said:

> Let us never forget that the cultivation of the earth is the most important labor of man.

It is in this spirit that we today discuss the future care of our Nation's most valuable resource, agricultural land.

The control of this resource has been at the heart of the world's great revolutions, and in this country, has led to tremendous controversy throughout our history, from the land rushes of the 18th century to the current debate over reclamation law. Most likely, land controversies will only intensify as the true value of farmland is realized and as our Nation increases its reliance on the agricultural system to supply essential commodities for domestic consumption and international trade.

In Illinois there are 12,000 acres, 10,000 acres in Texas, 23,000 acres in Wyoming, and 5,500 acres in California—these are but a few of the much-publicized sales of farmland to foreign interests that have filled our newspapers recently and heralded new controversy over agricultural land. While hard data is difficult to obtain, some real estate sales people in California now estimate that 40 percent or more of their sales are being made to foreigners. In the San Joaquin Valley's Delta region, over 17,000 acres of farmland have been purchased by foreign buyers since June 1976.

These include purchases of 5,500 acres for $6.8 million by French interests and 5,000 acres for $12 million by Italian investors. In the latter case, the purchase price was around $2,400 per acre, generally considered to be some $600 to $800 above the market price. This works out to a 25 to 50 percent increase over current market rates. Surely, such sales prices have contributed to the 13 percent overall increase in the price of California farmland which occurred during the past year.

Are these isolated cases of foreign investment in our Nation's 340 million acres of farmland? Or, do they represent only the most visible signals of a significant shift now occurring in the control of a vital resource? As those most familiar with the issue will probably admit, there is no definitive answer to these questions.

IMPACT OF FOREIGN INVESTMENT ON AGRICULTURE

Even more perplexing, however, is the possible impact such investment may have on American agriculture. Some argue that foreign investment is beneficial since it provides new sources of capital for the expansion of farm operations, helps reduce the U.S. balance of payments problem, and allows for the creation of a true world economic order.

Others contend such investment poses several serious problems for farmers and rural communities. The question of increasing land prices immediately comes to mind. On one hand, agricultural land is a limited resource, with only 3 percent of the total coming onto the market every year. At the same time, foreign buyers, often assisted by tax breaks and attracted by relatively high rates of return on a secure investment, are willing to pay prices above market rates. The result? Inflated land prices that fuel the existing trend of ever increasing farmland values.

In turn, these prices force sharply higher property taxes and reduce the ability of young farmers to purchase farmland and existing family farm operations to expand. These factors are bound to disrupt the traditional owner-operator relationship which has been such an integral part of our family farms. As land prices escalate, farm ownership will be replaced by leasing. This will increase the danger of absentee land ownership and contribute to even more concentrated farm operations in the hands of the few.

There are additional dangers as foreign ownership increases. The fiber of rural communities will necessarily suffer as rents from land ownership leave this country. Also, foreign investors would most likely have little incentive to participate in land conservation programs, so essential to the long-term productivity of our soils.

Finally, there is a real danger that concentrated investment could permit foreign interests to have a controlling voice in the production and marketing of specialized crops with a small geographical growing range and limited production, such as raisins, walnuts, olives, and almonds. One study, conducted by USDA agricultural economist Charles V. Moore, indicated that a foreign investment fund of only $100 million could buy 41 percent of all California farm-

land in one year. Thus, the implications for certain commodities are indeed ominous.

Certainly, these arguments raise serious and complex questions that require sophisticated analysis. However, our ability to proceed with such an analysis is based upon one key input Reliable data on the ownership of farmland by foreign interests.

INFORMATION GAP

As the title of the June 12, 1978, General Accounting Office Report indicates, "Foreign Ownership of U.S. Farmland—Much Concern, Little Data," there is a significant lack of information concerning foreign investment in American agricultural land. Unfortunately, every existing source of information on foreign ownership provides data that is either unreliable, inadequate, or untimely.

Supposedly, the most useful data may be found in county land records. An investigation of these records in numerous States has indicated that this information source is misleading, difficult to interpret, inaccessible, and noncomprehensive. First, even though nearly all land purchasers presently have their property transfers recorded, the laws of most States do not require them to do so. Second, since county land records do not require purchasers to reveal their citizenship, such information is generally not included in the records. Third, sales prices are usually not recorded on the property deeds, thereby making it difficult to determine property values. Fourth, the documents generally do not show the names, addresses, or residences of stockholders or beneficiaries, information which is essential in determining foreign ownership. Worse still, the local land records can even be misleading as to the actual owner of the land. For example, in the case of a corporation that has been taken over by another entity, the original name would remain since those maintaining the county records would have no reason or means to identify and record such changes unless specific notification were given.

Even if the information supplied by county land records were reliable, it would still be quite inaccessible, being locked up in each county courthouse throughout the Nation. Furthermore, the GAO has commented that if it were not for the tips received from other sources, it would have been nearly impossible to identify foreign sales in the nearly overwhelming mass of county records. For all these reasons, the GAO concluded that checking the county records to determine foreign ownership "was not a feasible or productive approach."

Other sources of information, such as tax assessors, Agricultural Stabilization and Conservation Service, Federal Land Banks, private agencies and corporate reports all possessed information on foreign ownership that was deficient and undependable. There are a few States which do have reporting requirements providing data on foreign interests, but various definitions of foreign ownership are used and, as the GAO reported, "there is little or no assurance that the data is complete and reliable.".

At the Federal level, the Agricultural Census conducted every 5 years does not seem suitable as a timely reporting instrument since results take several years to be tabulated and many farmers simply refuse to supply requested information. Finally, there are several foreign investment surveys being conducted by both the Department of Agriculture and Commerce Department. However, the USDA admits that its sampling is quite limited and the Commerce Department has not been willing to isolate agricultural land for special study or specifically analyze the impact of foreign investment on farmland.

It is, therefore, quite understandable that following its investigation of existing reporting systems, the GAO concluded that:

> There is virtually unanimous agreement among persons at all levels of government and in the private sector that, currently, there is no reliable data on the amount of U.S. farmland owned by nonresident aliens or on recent trends of such ownership.

NECESSITY OF A NEW APPROACH: NATIONAL REGISTRATION

Clearly, there is a need for a comprehensive, reliable, inexpensive reporting system if we are to fully understand the degree of foreign investment in agricultural land. Consequently, Representatives NOLAN, GRASSLEY, and myself have sponsored a bill which will meet these goals. H.R. 13128 and H.R. 13132 (identical bills) establish a nationwide registration system for foreign owners of U.S. agricultural land. I was pleased to note that the GAO has recently completed an investigation of alternative reporting systems and has concluded that such a system would be "the most feasible and simplest approach" in obtaining much-needed data on foreign investment in agricultural land.

Essentially, the bill would require that all nonresident aliens, or "foreign persons," who hold, acquire, or transfer interests in American farmland to file a report with the Secretary of Agriculture within 90 days of purchase, sale, or transfer. "Foreign persons" would include foreign individuals, governments, and corporations, as well as American corporations which are "substantially controlled" by foreign interests. Also, any foreign investor holding an interest in agricultural land on the day before the date of enactment of the legislation would have 6 months to submit a report to the Secretary of Agriculture. Consequently, we will have data on all foreign land ownership, from the date this legislation is enacted and into the future.

Rather than requiring annual land ownership reports, the legislation reduces redtape by requiring that a report only be submitted if ownership of the land is transferred. The filed document would include the legal name, citizenship, and address of the landholder, the nature of the interest held, the location and price paid for the land, and any other information the Secretary of Agriculture determines necessary. In addition, the legislation empowers the Secretary of Agriculture to go beyond the veil of corporate control to seek detailed information on the actual ownership by foreign interests.

Failure of foreign interests to report land ownership would result in stiff penalties of up to 25 percent of the fair market value of the interest held in the property. These percentage penalties would provide strong incentives for both small and large foreign landholders to register.

Finally, the legislation requires the Secretary of Agriculture to submit annual reports to the Congress which would provide data on land ownership by foreigners as well as an analysis of the impact of such ownership on our Nation's farms and rural communities. In addition, an interim report will be required 9 months after enactment of the legislation, thereby providing an immediate picture of foreign control of agricultural land.

I believe this bill will establish a low-cost, comprehensive system of reporting that will not require an expensive Federal bureaucracy to administer. No burden will be placed on local governments and the Secretary of Agriculture will be given discretion to make decisions in several significant areas. Furthermore, the system is flexible enough to be coordinated with results obtained from the USDA feasibility study of alternative methods for collecting nationwide data on landownership, as well as the Commerce Department's current survey of foreign investment.

In conclusion, I believe this legislation will provide the hard data needed to make the difficult policy decisions regarding the future of our agricultural land.

Mr. Speaker, I include at this point in the RECORD the legislation to which I have just referred:

H.R. 13128 AND H.R. 13132

A bill to require foreign persons who acquire, transfer, or hold interest in agricultural land to report such transactions and holdings to the Secretary of Agriculture and to direct the Secretary to analyze information contained in such reports and determine the effects such transactions and holdings have, particularly on family farms and rural communities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Agricultural Foreign Investment Disclosure Act of 1978".

REPORTING REQUIREMENTS

SEC. 2. (a) Any foreign person who acquires or transfers any interest, other than a security interest, in agricultural land shall submit a report to the Secretary of Agriculture not later than 90 days after the date of such acquisition or transfer. Such report shall be submitted in such form and in accordance with such procedures as the Secretary may require and shall contain—

(1) the legal name and the address of such foreign person;

(2) in any case in which such foreign person is an individual, the citizenship of such foreign person;

(3) in any case in which such foreign person is not an individual or a government, the country in which such foreign person is created or organized and the principal place of business of such foreign person;

(4) the type of interest in agricultural land which such foreign person acquired or transferred;

(5) a legal description of such agricultural land;

(6) the purchase price paid for, or any other consideration given for, such interest;

(7) in any case in which such foreign person transfers such interest, the legal name and the address of the person to whom such interest is transferred and—

(A) in any case in which such transferee is an individual, the citizenship of such transferee; and

(B) in any case in which such transferee is not an individual or a government, the country in which such transferee is created or organized and the principal place of business of such transferee; and

(8) such other information as the Secretary may require by regulation.

(b) Any foreign person who holds any interest, other than a security interest, in agricultural land on the day before the date of the enactment of this Act shall submit a report to the Secretary not later than 180 days after the date of the enactment of this Act. Such report shall be submitted in such form and in accordance with such procedures as the Secretary may require and shall contain—

(1) the legal name and the address of such foreign person;

(2) in any case in which such foreign person is an individual, the citizenship of such foreign person;

(3) in any case in which such foreign person is not an individual or a government, the country in which such foreign person is created or organized and the principal place of business of such foreign person;

(4) the type of interest in agricultural land which is held by such foreign person;

(5) a legal description of such agricultural land;

(6) the purchase price paid for, or any other consideration given for, such interest; and

(7) such other information as the Secretary may require by regulation.

(c)(1) With respect to any foreign person, other than an individual or a government, who is required to submit a report by subsection (a) or (b), the Secretary may, in addition, require such foreign person to submit a report to the Secretary containing—

(A) the legal name and the address of each person who holds any interest in such foreign person;

(B) in any case in which the holder of such interest is an individual, the citizenship of such holder; and

(C) in any case in which the holder of such interest is not an individual or a government, the country in which such holder is created or organized and the principal place of business of such holder.

(2) With respect to any person whose legal name is contained in any report submitted under paragraph (1), the Secretary may take such actions as the Secretary considers necessary to determine—

(A) the legal name and the address of any person who holds any interest in any person whose legal name is contained in such report;

(B) in any case in which the holder of such interest is an individual, the citizenship of such holder; and

(C) in any case in which the holder of such interest is not an individual or a government, the country in which such holder is created or organized and the principal place of business of such holder.

(3)(A) The Secretary shall not require any foreign person to submit any information in any report under paragraph (1) if the submission of such information is prohibited by the laws of the country involved.

(B) the Secretary shall not take any action under paragraph (2) if such action is prohibited by the laws of the country involved.

CIVIL PENALTY

SEC. 3. (a) Whoever violates any provision of section 2(a), 2(b), 2(c)(1) of this Act shall be subject to a civil penalty imposed by the Secretary. The amount of any such civil penalty shall be determined in accordance with the provisions of subsection (b) of this section. Any such civil penalty shall be recoverable in a civil action brought by the Attorney General of the United States in an appropriate district court of the United States.

(b) With respect to any person who violates any provision of section 2(a), 2(b), or 2(c)(1), any civil penalty imposed by the Secretary shall not exceed 25 percent of the fair market value, on the date of the assessment of such penalty, of the interest in agricultural land with respect to which such violation occurred.

REPORTS

SEC. 4. (a) In accordance with the schedule set forth in subsection (b), the Secretary shall—

(1) with respect to each period set forth in such subsection, analyze information obtained by the Secretary under section 2 and determine the effects of foreign persons' acquiring, transferring, and holding agricultural land, particularly the effects of such acquisitions, transfers, and holdings on family farms and rural communities; and

(2) transmit to the President and each House findings and conclusions regarding each analysis and determination made under paragraph (1).

(b) An analysis and determination shall be made, and a report on the Secretary's findings and conclusions regarding such analysis and determination transmitted, pursuant to subsection (a)—

(1) with respect to information obtained by the Secretary under section 2 during the 6-month period following the date of the enactment of this Act, within 9 months after such date of enactment;

(2) with respect to information obtained by the Secretary under section 2 during the 12-month period following the date of the enactment of this Act, within 15 months after such date of enactment; and

(3) with respect to each calendar year following the 12-month period referred to in paragraph (2), within 90 days after end of such calendar year.

DEFINITIONS

SEC. 5. For purposes of this Act—

(1) the term "agricultural land" means any land used for agricultural purposes as determined by the Secretary under regulations to be prescribed, by the Secretary;

(2) the term "foreign country" means any country other than the United States;

(3) the term "foreign person" means—

(A) any individual who is not a citizen of the United States or who has not been lawfully admitted for permanent residence under the Immigration and Nationality Act;

(B) any person, other than an individual or a government, which is created or organized under the laws of a foreign country or which has its principal place of business in a foreign country;

(C) any person, other than an individual or a government, which is created or organized under the laws of a State of the United States, the District of Columbia, or a territory, possession, or commonwealth of the United States and which, as determined by the Secretary under regulations to be prescribed by the Secretary, is substantially controlled by any foreign person; and

(D) any government of a foreign country;

(4) the term "person" includes any individual, corporation, company, association, firm, partnership, society, joint stock company, trust, estate, or any other similar organization;

(5) the term "Secretary" means the Secretary of Agriculture; and

(6) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SARASIN) is recognized for 5 minutes.

● Mr. SARASIN. Mr. Speaker, on June 19, 1978, I was absent from the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 473: H.R. 12936: HUD-independent agencies appropriations. The House passed the measure making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979, "yes."

Mr. Speaker, on June 21, 1978, I was absent for part of the legislative session of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 478: H.R. 12932: Interior appropriations. The House passed the measure making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1979, "yes"; and

Rollcall No. 479: H.R. 11493: Amtrak Improvement Act. The House agreed to the rule (H. Res. 1212) under which the bill was considered, "yes." ●

NATIONAL JOURNAL SAYS THE "ROTH-KEMP" TAX CUT PROPOSAL HAS AN ACHILLES' HEEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

● Mr. VANIK. Mr. Speaker, the Washington Post of June 20 carried on its business pages an article written for the National Journal by economist Robert J. Samuelson. The article addresses the politically popular but completely unproven Roth-Kemp tax cut bill.

The Roth-Kemp tax cut bills would cut personal Federal income taxes by about a third, reduce the statutory corporate tax rate of 48 percent to 45 percent, and raise the corporate surtax exemption from $50,000 to $100,000. The costs of such a measure in revenue foregone would obviously be staggering, not counting the so-called feedback effects of the cuts. The authors of the bill argue, though, that the huge cuts would spur huge new investments and thereby improve the economy. Then, they allege, the improved economy would result in higher Federal revenues. They do not say what would happen if their extremely expensive theory is wrong. If we should blunder in taking the Roth-Kemp approach, the fiscal damage could not be repaired.

The authors rely on a study done by a Washington economist that shows their proposal would accomplish several amazing feats, such as increasing employment by 2 million in the first year and capital investment by $113 billion. The Na-

tional Journal's Samuelson says these projections "strain credibility."

The Roth-Kemp proposal also relies strongly on a misreading of the effects of the Kennedy tax cuts enacted in 1964. In those cuts, say KEMP and ROTH, the Federal Government predicted only that large amounts of Federal dollars would be lost. ROTH and KEMP imply that the Federal Government expected absolutely no response to the cuts or hoped for any "feedback effect" increases in Federal revenues. That assumption is wrong and I am sure that Messrs. ROTH and KEMP know that those tax cuts were enacted to cause the economic improvements they say were unexpected.

The Washington Post-National Journal article makes the point that Roth-Kemp is mistaken because they do not realize that their enormous "supply-side" tax reductions would lead to (demand) inflation. This inflation would be in addition to massive Federal losses in tax revenues. The combination would surely cause absolute havoc in our national economy.

I would like to insert the text of the National Journal article, as reprinted by the Washington Post, in the CONGRESSIONAL RECORD for the benefit of my colleagues. It follows:

[From the Washington Post, June 20, 1978]

ROTH-KEMP PROPOSAL HAS AN ACHILLES' HEEL

(By Robert J. Samuelson)

Is Roth-Kemp the successor to Proposition 13?

Roth-Kemp, in case you haven't heard, is legislation introduced by Sen. William V. Roth Jr. (R-Del.) and Rep. Jack F. Kemp, (R-N.Y.) that would reduce personal income tax rates by about a third, lower the corporate tax rate from 48 percent to 45 percent and increase the floor for the maximum corporate rate to $100,000 (it's now $50,000. The tax reduction would be phased in over three years and would result in a staggering cut of about $80 billion in tax revenues (in constant 1978 dollars).

Though Roth-Kemp has been around for awhile, it bears a striking similarity to Proposition 13.

Like California's Proposition 13, Roth-Kemp is often described as outlandish, irresponsible and demagogic. Like Proposition 13, it is simple, direct and capable of being understood by the average voter. A family making $20,000, for example, would have its federal income taxes reduced from $2,480 to about $1,600. Even when the effect of inflation (which kicks people into higher brackets) and higher Social Security taxes are counted, this reduction represents a sizable real tax cut.

No one can tell, of course, whether Roth-Kemp will duplicate Proposition 13's success. As a political issue, it certainly doesn't have national recognition now. Checks with both Republicans and Democrats indicate that it has surfaced in only a handful of congressional races. But the Republicans seem eager to exploit it, and the sponsors are almost fanatical in their advocacy.

It's not hard to understand why. For, if the measure's economics leave considerable room for skepticism, its political attraction are undeniable.

A good political issue, by definition captures and channels people's random emotions. It gives them a sense of belonging to something bigger than themselves, of having opinions—fears, hopes—that are seen as respectable and responsible. It succeeds in identifying vague feelings with a specific idea, movement or political figure.

Proposition 13 did this because it responded directly to a pervasive mood of mistrust. Although Big Business, Big Labor and Big Government—along with various other giant institutions—have fallen in public esteem, they are not really today's popular villians. After all, somewhere along the line, almost everyone belongs to or benefits from Big Business, Big Labor or Big Government.

Today's villians are the elusive "them": distant authority figures. It doesn't matter whether they are politicians, bureaucrats, academics, newspaper reporters, television commentators or business executives. If they presume to tell people what to think or do, they are resented. In a country that exalts freedom, people want to feel in control.

Proposition 13 caught this anger, just as Jimmy Carter caught it with his anti-Washington crusade and George C. Wallace caught it with his shirt-sleeves populism. The more Proposition 13 flouted the conventional wisdom, the more popular it became. The more it defied the experts—politicians, economists, labor leaders and business executives—the more popular it became.

Proposition 13 is unabashedly and unashamedly selfish. Californians voted for it not only because they are squeezed by inflation, but also because they have been told so often that individual selfishness is socially irresponsible. In effect, they reasserted their individuality by reclaiming their taxes.

Whether Roth-Kemp can tap this popular vein remains to be seen, but it's worth pointing out that the measure is not the economic panacea its sponsors say it is.

Basically, they have adopted the argument that President Kennedy used when he urged a broad tax cut in 1963: lower taxes will stimulate the economy, create more jobs and, in the end, produce more government revenues. However, their reasoning is different. Kennedy's economists argued that the tax cut was needed to stimulate demand. The sponsors of Roth-Kemp contend that high tax rates have discouraged people from working harder and business from investing more.

Allow people and companies to keep more of their earnings, the argument runs, and folks will work harder or longer, firms will invest more and the economy will grow faster. Economist Arthur B. Laffer coined this idea in the so-called Laffer Curve, and former Wall Street Journal editorial writer Judge Wanniski is attempting to popularize it in a book, "The Way the World Works" (Basic Books, 1978).

As common sense, there's nothing wrong with this notion. Obviously, at some point, taxes become suffocating. Many economists think Great Britain passed that point long ago. The same thing may have happened in the United States.

No one really knows, but Roth-Kemp supporters almost certainly have overestimated the immediate benefits of their proposal and seriously underestimated its inflationary potential. Norman B. Ture, a Washington economist, did the estimates of Roth-Kemp's impact. In the first year, his economic model predicted, tax revenues actually would increase over the revenues raised by current law, gross national product would rise $170 billion, "full-time" jobs would increase about 2 million and capital investment would jump $113 billion.

Some of these estimates strain credibility. A $113 billion increase in investment, for example, would be more than 30 per cent in "real" dollars (adjusted for inflation). That's slightly more than the increase in investment levels between 1965 and 1972. This would be an investment boom without precedent. Even if business wanted to increase investment that much, shortages in supplies of the needed machinery and materials almost certainly would arise.

And that's the Achilles' heel of this proposal. Without offsetting cuts in federal expenditures, such huge tax reductions would risk creating an enormous surge in spending that would lead either to a dangerous acceleration of inflation or a crippling credit crunch. The Republicans have talked in generalities about reducing spending, but have yet to write a laundry list. And because so much of federal spending involves defense or Social Security, any list of substantial cuts is bound to be unpopular.

But in elections, details count for less than slogans. And the Republicans may push this one for all it's worth.●

A TRIBUTE TO NETTIE SCHULBERG

(Mr. HORTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. HORTON. Mr. Speaker, I would like to take a moment to pay tribute to an old friend, Nettie Schulberg. Nettie, whose husband Hilliard worked on the Commission on Federal Paperwork which I served as chairman, has for many years been a devoted civic and community minded citizen of Montgomery County, Md. For 5 years, Nettie contributed of her time, ability, and effort to the welfare of the residents of the Hebrew Home of Greater Washington. Her faithful service to the residents received the recognition due when she was honored at a meeting held at the home on Monday, May 15. On behalf of the administration of the home, Samuel Roberts, executive director, presented Nettie with a scroll of appreciation. She also received a certificate from more than 20 of the residents, and the government of Montgomery County, Md. I wish her well in her future endeavors.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ADDABBO, for June 23, on account of official business.

Mr. BROWN of Ohio (at the request of Mr. WRIGHT), for June 23 and next week, on account of official business as designated U.S. observer at SALT talks.

Mr. CUNNINGHAM (at the request of Mr. RHODES), after 4:15 p.m. today and tomorrow, on account of official business.

Mr. DELLUMS (at the request of Mr. WRIGHT), after 3 p.m. today and for tomorrow, on account of official business.

Mr. MARRIOTT (at the request of Mr. RHODES), after 4:15 p.m. today and tomorrow, on account of official business.

Mr. MILFORD (at the request of Mr. WRIGHT), for June 21 and 22, on account of illness.

Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STOCKMAN) to revise and extend their remarks and include extraneous material:)

Mrs. FENWICK, for 5 minutes, today.
Mr. FINDLEY, for 5 minutes, today.
Mr. HOLLENBECK, for 10 minutes, today.
Mr. BURKE of Florida, for 10 minutes, today.
Mr. MCDADE, for 5 minutes, today.
Mr. KEMP, for 15 minutes, today.
Mr. SARASIN, for 5 minutes, today.
(The following Members at the request of Mr. GORE) and to revise and extend their remarks and include extraneous matter:)
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. MCFALL, for 10 minutes, today.
Mr. DIGGS, for 10 minutes, today.
Mr. ALEXANDER, for 15 minutes, today.
Mr. FORD of Michigan, for 5 minutes, today.
Mr. METCALFE, for 10 minutes, today.
Mr. BINGHAM, for 10 minutes, today.
Mr. MINETA, for 5 minutes, today.
Mr. PREYER, for 5 minutes, today.
Mr. FORD of Tennessee, for 5 minutes, today.
Mrs. MEYNER, for 5 minutes, today.
Mr. KREBS, for 5 minutes, today.
Mr. CORRADA, for 10 minutes, on June 29.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FORD of Tennessee, immediately following the vote on the Symms amendment to H.R. 13125 in the Committee of the Whole today.

Mr. GORE, to revise and extend his remarks at the conclusion of debate on title I of H.R. 13125 in the Committee of the Whole today.

(The following Members (at the request of Mr. STOCKMAN) and to include extraneous matter:)
Mr. GILMAN.
Mr. HILLIS.
Mr. GRASSLEY in two instances.
Mr. HOLLENBECK.
Mr. WALSH.
Mr. KEMP.
Mr. SARASIN.
Mr. SAWYER.
Mr. THONE.
Mr. SHUSTER.
Mr. DORNAN in two instances.
Mr. STEERS.
Mr. LEACH.
Mr. LAGOMARSINO.
Mr. MOORE.
Mr. BROYHILL.
Mr. CRANE in two instances.

(The following Members (at the request of Mr. GORE) and to include extraneous material:)
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. ROSE.
Mr. HUCKABY.
Mr. SIMON.
Mr. EDGAR in two instances.
Mr. ADDABBO in two instances.
Mr. FRASER in two instances.
Mr. MOTTL.
Mr. WEISS in three instances.
Mr. KILDEE.
Mr. LAFALCE.
Mr. FORD of Tennessee.
Mr. LEHMAN.
Mr. RISENHOOVER.
Mr. WRIGHT.
Mr. MURPHY of New York.
Mr. SANTINI.
Mr. TSONGAS.
Mr. CONYERS.
Mr. DANIELSON.
Mrs. MEYNER.
Mr. MCDONALD in five instances.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2033. An act to provide for conveyance of certain lands in the Wenatchee National Forest, Wash., by the Secretary of Agriculture; and

S. 2973. An act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

ADJOURNMENT

Mr. GORE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at 5 o'clock and 51 minutes p.m., the House adjourned until tomorrow, Friday, June 23, 1978, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4418. A letter from the Acting Comptroller General of the United States, transmitting his review of the rescission and deferrals and the revised deferrals of budget authority contained in the message from the President dated June 5, 1978 (H. Doc. No. 95–346), pursuant to section 1014 of Public Law 93–344 (H. Doc. No. 95–362); to the Committee on Appropriations and ordered to be printed.

4419. A letter from the Secretary of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize certain Senior Level positions in the Department of Defense; to the Committee on Armed Services.

4420. A letter from the president and chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction exceeding $60 million with Sonatrach, an Algerian corporation, pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

4421. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 2–202, "To amend section 6 of District of Columbia Regulation 70-29, Establishing the Eligibility Requirement for Aid to Families with Dependent Children Program," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

4422. A letter from the Acting Comptroller General of the United States, transmitting a report on the storage conditions and film maintenance programs of several agencies (LCD–78–113, June 19, 1978); to the Committee on Government Operations.

4423. A letter from the Chairman of the Board, Pennsylvania Avenue Development Corporation, transmitting the annual report of the Corporation for the year ended January 31, 1978, pursuant to section 11 of Public Law 92–578, as amended; to the Committee on Interior and Insular Affairs.

4424. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Thomas David Boyatt, Ambassador-designate to Upper Volta, and by members of his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

4425. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Geraldine M. Joseph, Ambassador-designate to the Netherlands, and by members of her family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

4426. A letter from the Secretary of Health, Education, and Welfare, transmitting his annual report on administration of the Fair Packaging and Labeling Act, covering fiscal year 1977, pursuant to section 8 of the act (Public Law 89–755); to the Committee on Interstate and Foreign Commerce.

4427. A letter from the Chairman, Securities and Exchange Commission, transmitting the seventh annual report of the Securities Investor Protection Corporation, covering calendar year 1977, pursuant to section 7(c)(2) of Public Law 91–598; to the Committee on Interstate and Foreign Commerce.

4428. A letter from the Assistant Attorney General for Legislative Affairs, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act to improve the efficiency of the Immigration and Naturalization Service, and for other purposes; to the Committee on the Judiciary.

4429. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting copies of the opinion of the Review Panel and of the Trial Commissioner, including findings of fact, in Congressional Reference Case No. 1–76, *Estelle M. Fass* v. *The United States*, pursuant to 28 U.S.C. 2509; to the Committee on the Judiciary.

4430. A letter from the Acting Comptroller General of the United States, transmitting a report on the progress made by the Inter-American Development Bank in establishing an independent review and evaluation system for its programs and activities (ID–78–21, June 22, 1978); jointly, to the Committees on Government Operations, and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 or rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. Report on allocation of budget totals by program (Rept. No. 95–1316). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Select Committee on Congressional Operations. Report on General Accounting Office services to Congress (Rept. No. 95–1317). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 1247. Resolution waiving certain points of order against H.R. 12931. A bill making appropriations for Foreign Assistance and related programs for the fiscal year ending September 30, 1979, and for other purposes (Rept. No. 95–1318). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 13238. A bill to amend the Public Works and Economic Development Act of 1965 to authorize a program of research, development, and demonstration of guayule rubber production and manufacture as an economic development opportunity for the Southwestern States; jointly, to the Committees on Agriculture, and Science and Technology.

By Mr. CARTER (for himself and Mr. LEACH):

H.R. 13239. A bill to amend the Internal Revenue Code of 1954 to clarify the exclusion from gross income of National Research Service Awards made under section 472 of the Public Health Service Act by providing that such awards shall be excludable from gross income to the same extent as other scholarships and fellowship grants; to the Committee on Ways and Means.

By Mr. DUNCAN of Tennessee:

H.R. 13240. A bill to amend the Internal Revenue Code of 1954 to reduce individual and corporate taxes on capital gains; to the Committee on Ways and Means.

By Mr. EMERY (for himself, Mr. ANDREWS of North Dakota, Mr. CARTER, Mr. COHEN, Mr. CONYERS, Mr. EDGAR, Mr. EDWARDS of California, Mr. FINDLEY, Mr. FITHIAN, Mr. FORSYTHE, Mr. FRASER, Mr. GEPHARDT, Mr. GLICKMAN, Mr. GOODLING, Mr. HARRINGTON, Mr. HUGHES, Mr. JEFFORDS, Mr. JENRETTE, Mr. KINDNESS, Mr. LENT, Mr. MARLENEE, Mr. MCCLORY, Mr. MOORHEAD of California, Mr. MURPHY of Illinois, and Mr. NEAL):

H.R. 13241. A bill to amend the Internal Revenue Code of 1954 to encourage the use of alcohol as an alternative fuel for motor vehicles by allowing the rapid amortization of facilities producing alcohol for use as such a fuel and by providing that fuels which are at least 10-percent alcohol will not be subject to the Federal excise taxes; to the Committee on Ways and Means.

By Mr. EMERY (for himself, Mr. PATTISON of New York, Mr. PRESSLER, Mr. PRITCHARD, Mr. SEBELIUS, Mr. SNYDER, Mr. VANDER JAGT, and Mr. WHITEHURST):

H.R. 13242. A bill to amend the Internal Revenue Code of 1954 to encourage the use of alcohol as an alternative fuel for motor vehicles by allowing the rapid amortization of facilities producing alcohol for use as such a fuel and by providing that fuels which are at least 10-percent alcohol will not be subject to the Federal excise taxes; to the Committee on Ways and Means.

By Mr. FAUNTROY (for himself, Mr. DIGGS, Mr. MCKINNEY, and Mr. DELLUMS):

H.R. 13243. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to authorize the Council of the District of Columbia to delegate its authority to issue revenue bonds for undertakings in the area of housing to any housing finance agency established by it and to provide that payments of such bonds may be made without further approval; to the Committee on the District of Columbia.

By Mr. FORD of Michigan (for himself, Mr. CLAY, Mr. SOLARZ, Mrs. SPELLMAN, Mr. BLANCHARD, Mr. BRODHEAD, Mr. KILDEE, Mr. CARR, Mr. MOTTL, Mr. GUYER, Mr. MATHIS, Mr. MINISH, Mr. MURPHY of Pennsylvania, Mr. PEPPER, Mr. YATRON, Mr. LONG of Maryland, Mrs. LLOYD of Tennessee, Mr. PATTEN, Mr. WEAVER, Mr. BRECKINRIDGE, Mr. MOAKLEY, Mr. LEDERER, Mr. ST GERMAIN, Mr. OTTINGER, and Mr. MITCHELL of Maryland):

H.R. 13244. A bill to amend title 39, United States Code, to establish a reduced rate of postage for certain mail matter of private individuals; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan (for himself, Mr. THOMPSON, Mr. D'AMOURS, Mr. JOHN L. BURTON, Mr. VENTO, Mr. CORRADA, Mr. MILLER of California, Mr. MADIGAN, Mr. AKAKA, Mr. DOWNEY, Mr. HOLLENBECK, Mr. DUNCAN of Tennessee, Mr. LLOYD of California, Mr. EDWARDS of California, Mr. PERKINS, Mr. WATKINS, Mr. MCCORMACK, Mr. EILBERG, Mr. HYDE, Mr. HARRINGTON, Mr. AUCOIN, Mrs. COLLINS of Illinois):

H.R. 13245. A bill to amend title 39, United States Code, to establish a reduced rate of postage for certain mail matter of private individuals; to the Committee on Post Office and Civil Service.

By Mr. KEMP (for himself, Mr. BOWEN, Mr. CHAPPELL, Mr. JOHNSON of Colorado, Mr. SIKES, and Mr. RINALDO):

H.R. 13246. A bill to provide for permanent tax rate reductions for individuals and businesses; to the Committee on Ways and Means.

By Mr. HARRIS (for himself, Mr. MIKVA, and Mr. FORSYTHE):

H.R. 13247. A bill to amend the Immigration and Nationality Act to facilitate the admission into the United States of more than two adopted children, and to provide for the expeditious naturalization of adopted children; to the Committee on the Judiciary.

By Ms. KEYS:

H.R. 13248. A bill to amend title XVIII of the Social Security Act to provide coverage, under the supplementary medical insurance program, of certain lenses and illuminations aids for individuals suffering from severe limitation of central visual acuity and of the services of an optometrist in prescribing such lenses and aids; jointly, to the Committees on Ways and Means and Interstate and Foreign Commerce.

By Mr. LEDERER:

H.R. 13249. A bill to provide mandatory social security coverage for Members of Congress, and for the President and Vice President; to the Committee on Ways and Means.

By Mr. LEGGETT:

H.R. 13250. A bill to improve the Suisun Marsh; to the Committee on Interior and Insular Affairs.

By Mr. MICHEL (for himself, Mrs. BURKE of California, Mr. CEDERBERG, Mr. COUGHLIN, Mr. DOWNEY, Mr. FARY, Mr. GARCIA, Mr. GOODLING, Mr. HOLLENBECK, Mr. LIVINGSTON, Mr. MOORHEAD of Pennsylvania, Mr. RAHALL, Mr. RANGEL, Mr. ROONEY, Mr. SOLARZ, Mrs. SPELLMAN, Mr. TRAXLER, Mr. YOUNG of Alaska, and Mr. ZEFERETTI):

H.R. 13251. A bill to promote and coordinate amateur athletic activity in the United States, to recognize certain rights for U.S. amateur athletes, to provide for the resolution of disputes involving national governing bodies, and for other purposes; to the Committee on the Judiciary.

By Mr. MURPHY of Illinois:

H.R. 13252. A bill to amend the Internal Revenue Code of 1954 to provide that individual income tax rates and the deductions for personal exemptions shall be adjusted annually to reflect increases in the cost of living; to the Committee on Ways and Means.

By Mr. NIX (for himself, Mr. EILBERG, Mr. LEDERER, and Mr. MICHAEL O. MYERS):

H.R. 13253. A bill to direct the Secretary of the Interior to enter into a cooperative agreement with the Franklin Institute of Philadelphia, Pa., to aid in the preservation and use of the Benjamin Franklin National Memorial; to the Committee on Interior and Insular Affairs.

By Mr. PATTISON of New York (for himself and Mr. ZEFERETTI):

H.R. 13254. A bill to establish a Commission on the Humane Treatment of Animals; to the Committee on Agriculture.

By Mr. PRICE (for himself and Mr. BOB WILSON) (by request):

H.R. 13255. A bill to approve the sale of certain naval vessels and for other purposes; to the Committee on Armed Services.

By Mr. RISENHOOVER:

H.R. 13256. A bill to provide for permanent tax rate reductions for individuals and businesses; to the Committee on Ways and Means.

By Mr. RYAN:

H.R. 13257. A bill to amend the Atomic Energy Act of 1954, as amended, to require the maintenance of financial protection by nuclear power reactor permittees and licensees; to the Committee on Interior and Insular Affairs.

H.R. 13258. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for the consideration of renewable energy and energy conservation alternatives, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Interstate and Foreign Commerce.

H.R. 13259. A bill to amend the Atomic Energy Act of 1954, as amended, to provide for a proceeding by the Nuclear Regulatory Commission to determine whether radioactive wastes can be safely contained, whether a plan for such containment exists, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Interstate and Foreign Commerce.

By Mr. STEIGER (for himself, Mr. CLEVELAND, and Mr. SARASIN):

H.R. 13260. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for certain amounts paid to product liability loss reserve accounts; to the Committee on Ways and Means.

By Mr. ANDERSON of California (for himself, Mr. JOHNSON of California, Mr. HARSHA, Mr. SNYDER, Mr. ROE, Mr. STANGELAND, Mr. FARY, Mr. WHITEHURST, Mr. CUNNINGHAM, Mr. CORCORAN of Illinois, Mr. WINN, Mr. MOTTL, Mr. LEHMAN, Mr. VENTO, Mr. KEMP, Mr. BURGENER, Mr. LOTT, Mr. SISK, Mr. BEVILL, Mr. COTTER, Mr. DERWINSKI, and Mr. LLOYD of California):

H.R. 13261. A bill to amend the Federal Aviation Act of 1958, relating to aircraft piracy, to provide a method for combating terrorism, and for other purposes; jointly, to the Committees on International Relations, the Judiciary, Public Works and Transportation, and Ways and Means.

By Mr. BINGHAM (for himself and Mr. DIGGS):

H.R. 13262. A bill to amend the International Emergency Economic Powers Act directing the President to issue regulations prohibiting investment in South Africa except in certain enterprises; jointly, to the Committees on International Relations, and Interstate and Foreign Commerce.

By Mr. MCEWEN (for himself, Mrs. BURKE of California, Mr. RANGEL, Mr. PHILLIP BURTON, Mr. WYDLER, Mr. FLOOD, Mr. LLOYD of California, Mr. MOAKLEY, Mr. EILBERG, Mr. ARCHER, Mr. MITCHELL of New York, Mr. MARKS, Mr. BINGHAM, Mr. HORTON, Mr. OTTINGER, Mrs. CHISHOLM, Mr. SCHEUER, Mr. SOLARZ, Mr. GILMAN, Mr. MCHUGH, Mr. MURPHY of New York, Mr. ROYBAL, Mr. PATTISON of New York, and Mr. FISH):

H.R. 13263. A bill to provide for the striking of national medals to commemorate the XIII Olympic Winter Games to be held in Lake Placid, N.Y., in 1980; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MONTGOMERY (for himself and Mr. FLOOD):

H.R. 13264. A bill to amend title 38, United States Code, to improve the pension programs for veterans, and survivors of veterans, of the Mexican border period, World War I, World War II, the Korean conflict,

and the Vietnam era, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROE (for himself and Mr. JOHNSON of California) (by request):

H.R. 13265. A bill to establish a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and private sector investment in areas with high unemployment, lagging economic growth and low income levels, and for other purposes; jointly, to the Committees on Banking, Finance, and Urban Affairs, and Public Works and Transportation.

By Mr. ROGERS:

H.R. 13266. A bill to amend the Public Health Service Act to revise and extend the program of assistance under that act for health maintenance organizations; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES WILSON of Texas (for himself, Mr. HUCKABY, and Mr. SYMMS):

H.R. 13267. A bill to amend the Occupational Safety and Health Act of 1970 to prohibit restrictions on work rules in locations in which there is hunting, recreational fishing, or recreational sport shooting, and for other purposes; to the Committee on Education and Labor.

By Mr. WRIGHT (for himself, Mr. RHODES, Mr. ROSENTHAL, and Mr. VANDER JAGT):

H.J. Res. 1014. Joint resolution designating April 28 and 29 of 1979 as "Days of Remembrance of Victims of the Holocaust"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. BAFALIS, Mr. BALDUS, Mr. BONIOR, Mr. BRADEMAS, Mr. BRODHEAD, Mr. CARTER, Mr. CLEVELAND, Mr. D'AMOURS, Mr. DRINAN, Mr. EILBERG, Mr. FARY, Ms. FENWICK, Mr. FLOOD, Mr. FLORIO, Mr. FRENZEL, Mr. GRADISON, Mr. GUYER, Mr. HEFTEL, Mr. KEMP, Mr. KETCHUM, and Ms. KEYS):

H.J. Res. 1015. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. KREBS, Mr. LAGOMARSINO, Mr. LEDERER, Mr. LE FANTE, Mr. LLOYD of California, Mr. LUKEN, Mr. MCHUGH, Mr. MADIGAN, Mr. MAZZOLI, Mrs. MEYNER, Mr. MITCHELL of Maryland, Mr. Mr. MURPHY of Illinois, Mr. RANGEL, Mr. RODINO, Mr. ROE, Mr. STOCKMAN, Mr. WAXMAN, Mr. WEISS, Mr. WHITEHURST, and Mr. WINN):

H.J. Res. 1016. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. JOHNSON of Colorado, Mrs. SPELLMAN, Mr. JONES of North Carolina, Mr. JOHN T. MYERS, Mr. MICHEL, Mr. BURKE of Massachusetts, Mr. THONE, Mr. MEEDS, Mr. CORMAN, Mr. MOORHEAD of California, Mr. ROYBAL, Mr. GRASSLEY, Mr. BAUMAN, Mr. WAMPLER, Mr. STEED, Mr. PANETTA, Mr. VOLKMER, Mr. FOLEY, Mr. ERLENBORN, Mr. LENT, Mr. ANDERSON of Illinois, Mr. EDWARDS of California, Mr. DELLUMS, and Mr. TRIBLE):

H.J. Res. 1017. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. GREEN, Mr. ANNUNZIO, Mr. FISH, Mr. EMERY, Mr. WOLFF, Mr. ADDABBO, Mr. STANTON, Mr. EDWARDS of Alabama, Mr. DODD, Mr. RUSSO, Mr. RICHMOND, Mr. MCCLOSKEY, Mr. STRATTON, Mr. CEDERBERG, Mr. DORNAN, Mr. PURSELL, Mr. HORTON, Mr. MOSS, Mr. BROOMFIELD, Mr. PREYER, Mr. MINISH, Mrs. HECKLER, Mr. RINALDO, and Mr. HOWARD):

H.J. Res. 1018. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. VENTO, Mr. FINDLEY, Mr. CARNEY, Mr. GORE, Mr. DOWNEY, Mr. BURKE of Florida, Mr. ANDREWS of North Dakota, Mr. ALEXANDER, Mr. FISHER, Mr. MIKVA, Mr. CORNELL, Mr. HARKIN, Mr. KOSTMAYER, Mr. EDGAR, Mr. COHEN, Mr. HOLLENBECK, Mr. EARLY, Mr. PICKLE, Mr. YATES, Mr. DUNCAN of Oregon, Mr. QUAYLE, Mr. SARASIN, Ms. HOLTZMAN, and Mr. SCHEUER):

H.J. Res. 1019. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, and Mr. LEHMAN, and Mr. GILMAN):

H.J. Res. 1020. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhod Day"; to the Committee on Post Office and Civil Service.

By Mr. McDADE (for himself, Mr. BRADEMAS, Mrs. BURKE of California, Mr. EVANS of Delaware, Mr. GEPHARDT, Mr. GOODLING, Mr. GREEN, Mr. KRUEGER, Mr. OTTINGER, Mr. PATTERSON of California, Mr. STEERS, Mr. WALKER, and Mr. WOLFF):

H.J. Res. 1021. Joint resolution designating September 10 through September 17, 1978, as "National Rehabilitation Week"; to the Committee on Post Office and Civil Service.

By Mr. MURPHY of New York (for himself, Mr. AMBRO, Mr. AMMERMAN, Mr. BENNETT, Mr. CAPUTO, Mr. COHEN, Mr. COUGHLIN, Mr. DIGGS, Mr. GONZALEZ, Mr. HARRIS, Mr. HUBBARD, Mr. JEFFORDS, Mr. KRUEGER, Mr. LUJAN, Mr. MCDONALD, Mr. MCHUGH, Mr. MICHEL, Mr. MONTGOMERY, Mr. NOLAN, Mr. RAILSBACK, Mrs. SPELLMAN, Mr. STEIGER, Mr. VENTO, Mr. WHITLEY, and Mr. YOUNG of Texas):

H.J. Res. 1022. Joint resolution authorizing and requesting the President of the United States to issue a proclamation designating the 7 calendar days beginning September 17, 1978, as "National Pork Week"; to the Committee on Post Office and Civil Service.

By Mr. MURPHY of New York (for himself, Mrs. CHISHOLM, Mr. DODD, Mr. PEASE, Mr. TEAGUE and Mr. TSONGAS):

H.J. Res. 1023. Joint resolution authorizing and requesting the President of the United States to issue a proclamation designating the 7 calendar days beginning September 17, 1978, as "National Port Week"; to the Committee on Post Office and Civil Service.

By Mrs. MEYNER (for herself, Mr. BAFALIS, Mr. BENJAMIN, Mr. BLANCHARD, Mr. BRADEMAS, Mr. BRODHEAD, Mr. CONTE, Mr. COTTER, Mr. D'AMOURS, Mr. DODD, Mr. DOWNEY, Mr. DRINAN, Mr. DUNCAN of Tennessee, Mr. EILBERG, Mrs. FENWICK, Mr. FISH, Mr. FLORIO, Mr. FREY, Mr. GEPHARDT, Mr. GIAIMO, Mr. GILMAN, Mr. GUYER, Mr. HUGHES, Mr. HYDE, and Mr. JEFFORDS):

H. Con. Res. 648. Concurrent resolution denouncing the planned American Nazi Party march in Skokie, Ill., to the Committee on Post Office and Civil Service.

By Mrs. MEYNER (for herself, Mr. LE FANTE, Mr. LEDERER, Mr. LEHMAN, Mr. LENT, Mr. LUKEN, Mr. MARRIOTT, Mr. MCHUGH, Ms. MIKULSKI, Mr. MITCHELL of Maryland, Mr. MOORHEAD of Pennsylvania, Mr. OBEY, Mr. O'BRIEN, Mr. PANETTA, Mr. PEPPER, Mr. PURSELL, Mr. RANGEL, Mr. RODINO, Mr. ROE, Mr. SEIBERLING, Mr. STEERS, Mr. TRAXLER, Mr. UDALL, Mr. WAXMAN, and Mr. WHITEHURST):

H. Con. Res. 649. Concurrent resolution denouncing the planned American Nazi Party march in Skokie, Ill., to the Committee on Post Office and Civil Service.

By Mrs. MEYNER (for herself, Mr. HARRINGTON, Mr. KEMP, Mr. OTTINGER, and Mr. CHARLES WILSON of Texas):

H. Con. Res. 650. Concurrent resolution denouncing the planned American Nazi Party march in Skokie, Ill.; to the Committee on Post Office and Civil Service.

By Mrs. MEYNER:

H. Con. Res. 651. Concurrent resolution requesting the President to convene a White House Conference on Foreign Trade; jointly, to the Committees on International Relations and Ways and Means.

By Mr. PATTISON of New York (for himself, Mr. CHARLES WILSON of Texas, Mrs. SPELLMAN, Mr. GARCIA, and Mr. LEHMAN):

H. Res. 1248. Resolution to authorize each Member of the House of Representatives to hire two additional Lyndon Baines Johnson congressional interns and to authorize payment of additional compensation for such interns from the Clerk hire allowance; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MURPHY of New York introduced a bill (H.R. 13268) to authorize the appointment of Lloyd Leslie Burke, Colonel, U.S. Army, to the grade of brigadier general, which was referred to the Committee on Armed Services.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10285

By Mr. MIKVA:

—Page 8, lines 18 and 19, strike out "an option on a physical commodity" and insert in lieu thereof "options on physical commodities".

Page 8, line 20, strike out "that commodity" and insert in lieu thereof "physical commodities".

Page 8, line 21, strike out "that commodity" and insert in lieu thereof "physical commodities".

H.R. 12433

By Mr. PANETTA:

—Page 24, after line 16, insert the following:

DEMONSTRATION PROGRAM

SEC. 204. The Secretary of Housing and Urban Development shall conduct a demonstration program for the purpose of determining new methods by which the program established by section 8 of the United States Housing Act of 1937 can be improved in order to encourage more owners of new, substantially rehabilitated, and existing housing to utilize such program and thereby provide additional housing for low-income families, particularly families which have more than two children and which reside in market areas with a low-vacancy rate in rental housing. In carrying out this section, the Secretary may utilize the additional authority to enter into contracts for annual contributions provided on October 1, 1978, and approved in appropriate Acts, under section 5(c) of the United States Housing Act of 1937.

H.R. 12433

By Mr. RUSSO:

—Page 42, after line 18, insert the following:

COUNSELING

SEC. 324. (a) Section 106(a)(2) of the Housing and Urban Development Act of 1968 is amended by striking out "may" and all that follows in the first sentence and inserting in lieu thereof the following: "shall, to the extent approved in appropriation Acts, provide such services to any other owner of a single-family dwelling unit insured under title II of the National Housing Act if such other owner was not a homeowner at any time prior to purchasing such dwelling unit.".

(b) The amendment made by this section shall become effective on October 1, 1978.

H.R. 12931

By Mr. YOUNG of Florida:

—On page 23, after line 19 insert the following new section:

SEC. 510. The President shall direct the United States Governor of the International Bank for Reconstruction and Development, the United States Governor of the International Finance Corporation, the United States Governor of the International Development Association, the United States Governor of the Inter-American Development Bank, the United States Governor of the Asian Development Bank, and the United States Governor of the African Development Fund, to propose and seek adoption of an amendment to the Articles of Agreement for their respective institutions to establish human rights standards to be considered in connection with each application for assistance.

EXTENSIONS OF REMARKS

WHERE WE STAND ON DISARMAMENT

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. SIMON. Mr. Speaker, it was my pleasure to be named by the leadership of the House and by the President to serve as one of the delegates to the United Nations Special Session on Disarmament.

One of the most impressive talks at this session has been made by Ambassador T. T. B. Koh of the Republic of Singapore.

I am inserting it in the RECORD at this point and hope my colleagues in both the House and the Senate will take the time to read it.

It is a good summary of where we stand.

STATEMENT OF THE CHAIRMAN OF THE SINGAPORE DELEGATION, MR. T. T. B. KOH

The representatives of the 96 States who have spoken before me have been unanimous in condemning the arms race. If all of us are against the arms race, then the question is who are responsible for the arms race? Each of the two super powers seeks to put the blame on the other. The member States of the Warsaw Pact seek to put the blame on NATO members and vice versa. The representatives of developing countries seek to put the blame on the two super powers and on the other industrialized countries.

The first point I want to make is that the arms race is a universal phenomenon. It is not confined to the United States and the Soviet Union. It is not confined to NATO and the Warsaw Pact. The truth is that with very few exceptions, all of us are part of the arms race and are therefore responsible, to varying degrees, for its continuity.

By now we are familiar with the fact that the world is spending approximately $400 billion annually on military expenditures. Of this amount, approximately half is accounted for by the United States and the Soviet Union. The two superpowers, together with the other industrialised countries, account for approximately 77% of the world's total military expenditures. The Third World's share of global military expenditures has been on the increase. It has grown from 15% to 23% during the last decade. Over half of the developing countries devote more than 10% of their public spending on military expenditures. A quarter of the developing countries devote more than 25% of their public spending on military expenditures. Despite severe food shortages, developing countries use five times as much foreign exchange for the import of arms as for agricultural machinery.

I have therefore come to the following conclusions. First, the arms race is a universal phenomenon although half the world's total military expenditures is accounted for by the United States and the Soviet Union alone. Second, we are all responsible, though of course to different degrees, for the arms race. Third, if we are to reduce the arms race, we must all examine our own conduct critically, and not merely seek to put the blame and the responsibility on others.

Mr. President, we must ask ourselves why nations arm themselves. We must try to understand the reasons which promote and perpetuate the arms race. Nations arm themselves principally because they fear that other nations would attack them by force of arms. Are nations justified in harbouring such fears? If we examine the record since the end of the Second World War and the establishment of the United Nations, we are driven to conclude that such fears are justified.

In the period since 1945, 133 wars have been fought, involving 80 countries and killing 24 million people. Have the two superpowers deployed their armed forces in combat outside their territory since 1945? Yes, they have. Have the other three permanent members of the Security Council deployed their armed forces in combat since 1945? Yes. Have the countries of the Third World taken up arms against one another? Yes. As the Prime Minister of Canada said to us, the other day, "violence within and between States is a regrettable fact of life".

As long as violence within and between States remains a fact of life, how can we possibly expect nations not to acquire arms in pursuit of their right of individual and collective self-defence?

The United Nations was established primarily for the purpose of maintaining international peace and security. This is clearly set out in the preamble of the Charter, in Articles 1 and 2, which lay down the principles and purposes of our organization, and in the provisions defining the powers and responsibilities of the Security Council and of the General Assembly.

The system for maintaining international peace and security, envisaged by the United Nations Charter, comprises several elements. First, the member States are obliged, morally and legally, to respect certain principles. These include the principle that member States are to refrain in their international relations from the threat or use of force, the principle that member States are to settle their international disputes by peaceful means, and the principle of non-intervention in the domestic affairs of States. Secondly, the Charter sets forth a number of ways for dealing with specific threats to international peace and security. The Charter confers on the Security Council the primary responsibility in this area. Thirdly, the Charter lays down a number of procedures for the peaceful settlement of international disputes.

A perusal of the United Nations' record during the past 32 years shows that all three elements of the UN system for maintaining international peace and security have failed to work effectively. Concerning the first element, I wish only to observe that numerous member States have broken their obligation to refrain from the threat or use of force. They have failed to live up to their obligation to settle their disputes by peaceful means. They have interfered in the domestic affairs of other States.

As for the second element, I have come to the regrettable conclusion that the Security Council has seldom been able to discharge its responsibility for the maintenance of international peace and security and to deal with threats thereto. What has gone wrong with the Security Council? First, the Security Council can only work when there is a congruence of national interests among the five permanent members of the Security Council. In our divided world, it is very rare for the five major powers to have such a congruence of interests. Secondly, the Security Council is sometimes unable to impose sanctions against those who violate the principles of the Charter and threaten international peace because the offenders are the permanent members of the Security Council or their allies or friends. Thirdly, the 15 members of the Security Council are not the impartial guardians of international peace and security. They are the representatives of the Governments of States and they are motivated largely by their short-term national self-interests rather than by the interests of the international community.

As for the third element, it is sufficient for me to say that of the 149 member States of the United Nations, only 45 have accepted the compulsory jurisdiction of the International Court of Justice. At the present the Court has not a single case before it. The reluctance of U.N. members to refer their disputes to the Court stands in sharp contrast to their readiness to resort to force to settle their disputes.

Mr. President, I have sought to establish that we live in a violent world in which States have resorted and continue to resort, to force in their international relations. Second, I have sought to establish that the system, envisaged by the United Nations charter, for maintaining international peace and security has failed. This then brings me to the question what can we realistically expect to achieve in the field of arms control and disarmament? In 1961, the United Nations embraced the goal of general and complete disarmament. Is this a realistic goal? The ideal of general and complete disarmament can only be realised under two circumstances. First, when men lose their proclivity for violence. Second, when we have a world government and nation States are

disarmed. The only arms allowed will then be in the possession of the world government. Neither event is likely to come to pass in the foreseeable future. Therefore, although I will continue to dream of a world without arms, I will strive for a less lofty goal. My goal is to reduce the arms race and to make the world a safer place for all of us.

I turn first to the nuclear arms race. The nuclear arms race has five participants, China, France, United States, Soviet Union and the United Kingdom. There is, however, a race within the race. The inner race is run by only two participants, the U.S. and the Soviet Union who are running neck to neck. Between them, they possess 14,000 nuclear warheads, sufficient to destroy every city in the world seven times over. And yet, they are augmenting their nuclear arsenals by three bombs a day. Because a nuclear war would threaten the whole of mankind, every one of us therefore has a right to speak out against the nuclear arms race. We have a right to demand that the two superpowers should speedily conclude their second Strategic Arms Limitation Treaty. We have a right to demand that they should proceed thereafter to negotiate and conclude the third Strategic Arms Limitation Treaty which should actually reduce their existing arsenals of nuclear weapons and delivery vehicles. In the meantime, the two superpowers should agree to limit and to reduce progressively their military spending on new strategic nuclear weapon systems and should agree to stop the flight-testing of all new strategic delivery vehicles. We hope that the current negotiations between the United States, the Soviet Union and the United Kingdom will produce a Comprehensive Test Ban Treaty and we hope that all the nuclear-weapon States will respect such a treaty.

Turning to other weapons of mass destruction, we support the proposals for a treaty to ban radiological weapons, a treaty to ban chemical weapons and a treaty to ban napalm and other incendiary weapons.

Mr. President, I said earlier that we must all examine our own conduct critically. We must ask ourselves what we can do for arms control and disarmament. What can the Third World do for arms control and for disarmament? There are a number of specific actions which we the countries of the Third World can take. First, I observe that no member of the Third World has acquired or acknowledged that it has acquired nuclear weapons. As we are all agreed that nuclear weapons are evil and threaten the very survival of mankind, the Third World should maintain a moral consensus against any of its members acquiring such weapons. A country which acquires nuclear weapons should be condemned and not be rewarded. Second, the countries of Asia and Africa should emulate their colleagues of Latin America who have created the first nuclear-weapon-free zone through the Treaty of Tlateloco. The developing countries of Asia and Africa should consider the establishment of nuclear-weapon-free zones either on a regional basis or, where appropriate, on a sub-regional basis.

Third, the developing countries should take positive and constructive steps to reduce the conventional arms race taking place amongst them. In this regard, the example of eight Latin American countries is worthy of study.

In December 1974, Argentina, Bolivia, Chile, Colombia, Ecuador, Panama, Peru and Venezuela adopted the Declaration of Ayacucho. In the Declaration, they expressed their desire to create "conditions which will make possible the effective limitation of arms and put an end to their acquisition for purposes of war". President Perez of Venezuela has recently invited the eight signatories of the Declaration of Ayacucho to meet informally in New York during this Special Session in order to find out whether all the countries of Latin America are prepared to enter into a commitment in respect of conventional weapons. I hope that this Latin American initiative to check the conventional arms race will yield results. I hope that developing countries in Asia and Africa will examine the possibility of negotiating regional or subregional agreements to check the conventional arms race.

Finally, the countries of the Third World should take heed of what was said by the Foreign Minister of Indonesia the other day. Minister Mochtar Kusumaatmadja said, "questions of regional stability and security . . . . depend, first and foremost, on the States in the region concerned. If they can exert concerted efforts to generate a climate of cooperation and devise institutions for the peaceful resolution of disputes, the stability and security of the region will be strengthened." Minister Mochtar went on to speak about the Association of South East Asian Nations (ASEAN) which has been engaged for the past 11 years in regional cooperation in the economic and in other non-military fields. He said that "ASEAN has been able to attain a degree of cohesion among its members by simultaneously pursuing the goals of preventing interference by external powers and of containing intra-regional differences."

The Third World's contribution to the cause of arms control and disarmament should not be confined to delivering moral sermons to the two super powers and to the other nuclear-weapon States. The Third World should take resolute action to keep itself free of nuclear weapons. The Third World should exert strong moral pressure against any of its members who may be attempted, or are preparing, to acquire nuclear weapons.

The Third World should also promote regional or sub-regional agreements to halt or to reduce the conventional arms race. The pre-conditions for such agreements are mutual trust and confidence. Unfortunately, conditions of mutual trust and confidence do not exist in many parts of the Third World. The Third World today is riven by conflicts and disputes, based upon conflicting territorial claims, racial, tribal, religious, linguistic and ideological differences. We, the countries of the Third World, must learn to settle our disputes by peaceful means. We must try to live peacefully and amicably with our neighbours. We must build regional and sub-regional institutions for economic cooperation and for the pacific settlement of disputes.

Mr. President, we must not allow this Special Session on Disarmament to become yet another UN exercise in propaganda and collective hypocrisy. Representatives of States are in the habit of saying one thing at the UN and doing the opposite at home. The general debate on Disarmament has been marred by this duplicity and by a tendency to put the blame on others. We must be realistic in our approach but we should not accept the present reality as immutable. We must neither give way to cynicism nor be swept away by romantic fantasies. We must face the reality that we live in an imperfect world in which violence is a fact of life. We must face the fact that the UN has failed to provide Nation States with a degree of security which would allow them to dispense with arms. The road to disarmament must pass through world-wide detente. We need detente between the United States and the Soviet Union. We need detente between NATO and the Warsaw Pact. We also need detente among the developing countries of Africa, Asia and Latin America for the unfortunate fact is that all the actual armed conflicts taking place in the world today occur in the Third World.●

FEDERAL REGULATIONS AND THE ONONDAGA COUNTY WATER AUTHORITY

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. WALSH. Mr. Speaker, there have been many sincere attempts by the Congress and by the regulatory agencies of this Nation to better inform and protect the citizens in this country. Many of them have been badly needed and have helped to safeguard the citizens from disease, injury, and other calamities.

Unfortunately, in our eagerness to protect and to have an informed populace, we pass some pretty ridiculous laws that merely impede our efforts to achieve important goals.

These laws are then passed on to the regulating agencies who in their eagerness to make these laws as stringent and as meaningful as possible, draft regulations that frequently go far beyond the intent of the original legislation.

A case in point is Public Law 93–523, which requires public notification when the turbidity maximum contaminant level for a supply of drinking water is over five turbidity units for a monthly average or a 2 consecutive day average.

This can occur in lakes used for drinking supplies when an exceptionally heavy runoff occurs, generally in the spring in my area, and comes about as a result of heavy rains and melting and thawing snow.

When this occurs, the water company is required in addition to the notice to newspapers, radio, and television stations made at the time, to notify the customers in the first set of water bills issued after such failure.

As an example of how ridiculous the procedure is, I cite the case of the Onondaga County Water Authority (OCWA) when such a condition occurred in its source of supply March 22–25 and March 28–29, 1978, when the average slightly exceeded the levels for these brief periods. The water was not contaminated; merely slightly more cloudy and chlorination was increased as a safeguard.

OCWA was required to send out in its bills, 12,000 notices to its customers to meet the requirements of the law, even though the occurrence had been thoroughly explained and discussed in all of the local news media.

The total reaction to the news and to the 12,000 notices was 2 letters received by OCWA complaining of the condition weeks after the condition occurred, and no longer existed. This was engendered only by the notices in the customers' bills.

The attached article, from Water and Sewage Works, a professional publication in this field, by a well-known consulting engineer supports my point of view that such expensive and ridiculous requirements deserve our attention and should be abolished.

The article follows:

PUBLIC LAW 93-523: PUBLIC NOTIFICATION?
(By Henry J. Graeser)

Before EPA was born, and EDS became interested, AWWA was earnestly pleading for public recognition that "cleaning the streams" for fish was a far cry from creating streams from which people could drink. With despair, we saw the scientific community, the trained professional sanitary engineers, biologists and chemical engineers, diverted to a short-sighted effort which had as its primary goal, recreation and wildlife. Worthwhile, but shortsighted.

When popular attention was focused on the drinking water problem, however, the result again was overreaction, over-legislation and over-regulation. The public notification provision of the Safe Drinking Water Act (PL 93-523) is an example of excess in all these areas. AWWA and many water utility officials have been criticized for opposing the public notification provisions of this law. It is inferred that we want to cover something up.

Let me state at once—AWWA believes in an informed public. I believe in an informed public, but I don't believe in a needlessly alarmed public. The Public Law in its zeal for sunshine, makes even minor infractions of the neede dand desirable primary drinking water standards a reason for equally alarming statements to the press, television and, via the Water Bill, the mails.

There is no provision for degrees of concern or substitution of action and correction for notification. No one, even the state or EPA, is allowed to apply judgment. A biological violation, or for that matter, a violation of a turbidity standard, doesn't mean the public health is in danger, unless it continues to happen.

Even more so, this is true of the long term health effects of minute levels of heavy hidden metals or organics. Yet, the federal bureaucracy saw an opportunity for self-enforcement, and so recommended to the Congress that the local utility must notify the public of any infraction, however minor, of the primary standards maximum contaminant level, and thus self-regulate. Little concern is shown to the damage of public relations of the utility or the creation of distrust and disharmony at the local level.

Gaining trust and maintaining it is a long term investment of time and sincere effort—once lost, it is doubly difficult to regain. Certainly the Congress, who gets the lowest vote of confidence of all the levels of government, should be sympathetic here.

I favor intelligent public notification. We have had public notification in most states since the 1930s—at the state and local regulatory bodies responsible for public health. I believe in and have worked for federal drinking water standards and authority for the federal agency responsible for drinking water safety, and authority to notify the public and declare an emergency, and exercise inconjuctive powers, where state and local officials do not exercise proper legally authorized power to protect the public health.

I opposed, and still do so, any law and regulation requiring the operator to cry "wolf" indiscriminately without the exercise of considered and professional judgment concerning the severity of the problem and its effect on the public health.●

DAYS OF REMEMBRANCE OF VICTIMS OF THE HOLOCAUST

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. WRIGHT. Mr. Speaker, on behalf of myself, Mr. RHODES, Mr. ROSENTHAL and Mr. VANDER JAGT, I am introducing today House Joint Resolution 1014, which seeks to designate the weekend of April 28-29, as the Days of Remembrance of Victims of the Holocaust.

The dates chosen relate to the days in 1945 when the Dachau concentration camp was liberated by U.S. Armed Forces.

It is our hope that most Members will wish to join us in cosponsoring this resolution in order that it may be taken up by the Committee on Post Office and Civil Service under the rules it has adopted for considering such memorial resolutions.

Human nature being what it is, there is a tendency to blot out unpleasant memories. The extermination of 6 million Jews at the hands of the Nazis during World War II is one of the most unpleasant memories any generation has ever had to bear. It is natural that people would want to let it slip into oblivion.

Yet what occurred to the Jews of Europe less than 40 years ago is something we cannot afford to forget. Our own country bears at least a part of the guilt for our failure to provide a refuge for these people before the Holocaust began. To forget these events is to set the stage of a recurrence at some future time.

The world cannot tolerate a recurrence of such atrocities against any people. We must remind ourselves, in an age of presumed enlightenment.

After all, it is not as though bigotry died with Hitler. It existed at least to some degree in our own country and elsewhere at the same time that it reached its ultimate expression in the Nazi regime. It still exists today, a sore on the body politic that must not be allowed to spread.

Mr. Speaker, I believe it is altogether fitting that such an observance be made, together with Mr. RHODES, Mr. ROSENTHAL, and Mr. VANDER JAGT I urge my colleagues to join us in cosponsoring the resolution.●

STATEMENT OF HON. JOHN M. MURPHY IN SUPPORT OF THE COL. LLOYD L. BURKE BILL

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. MURPHY of New York. Mr. Speaker, I am introducing a bill that recommends to the President of the United States the promotion of Col. Lloyd L. Burke to the rank of brigadier general in the U.S. Army upon his retirement on the last day of this month, June 30, 1978.

Before I proceed I should point out that I have taken this step without consulting with Colonel Burke. He was not aware of my plans until a week ago on June 13, when I first made mention of it in the CONGRESSIONAL RECORD on page 17517. I am certain he would have disapproved. Nor would I thrust upon him benefits or emoluments he did not earn, for he would not accept them. I cannot emphasize too strongly that my proposal will cost the taxpayers no money, no discomfort, no burden. Nor will it set a precedent that will be costly to our Government or subject to abuse in the future.

Colonel Burke is one of our last three-war heroes. His 34 years of service, which will come to a close this month, began as a raw recruit in 1943 when he saw battle in the mountains of Italy. It extends through the bitter days of the Korean war, when as a young lieutenant, his almost superhuman achievements in battle earned him the Medal of Honor. His selfless leadership and heroics under fire were far beyond the call of duty. He was the commander of the famed Rangers in the Vietnam defensive action, and for the last 10 years he has been deputy and then chief of Army liaison for the House of Representatives.

Respected and revered by the men under his command throughout his career, his dedication, judgment, and expertise was also acknowledged by his superiors. Recently a ranking officer had this to say of Col. "Scooter" Burke:

In addition to his brilliant performance as chief of the House Liaison Division Colonel Burke has consistently and flawlessly performed in an immense variety of duties in locations throughout the world during a carreer spanning three and a half decades and three major armed conflicts. In the field, or in staff positions at the highest levels, his influence upon the lives and careers of those with whom he has been associated cannot be overstated . . .

Colonel Burke is one of the last of the Army's three-war soldiers. His skill and professionalism, personal conduct, diligence, initiative, and devotion to duty have been beyond reproach during his entire thirty-four years of distinguished service and have earned for him the respect and admiration of all those with whom he has come in contact. His outstanding performance reflects great credit upon himself and the United States Army.

Mr. Speaker, it is because Colonel Burke is the embodiment of that rare individual to whom America owes so much that I am introducing today a resolution that will convey to this distinguished American some small part of the gratitude many of his countrymen feel for the service he has rendered to this Nation, indeed much of it above and beyond the call of duty. The legislation would confer on him—in title only—a rank he never actively sought on his own.

My bill recommends that immediately after his retirement on June 30, 1978, the President promote Colonel Burke to brigadier general of the Army, but with only those compensations and benefits which he has earned as a colonel during more than three decades of service to the American people.

I believe it is an honor which a grateful America can well afford to confer on that rare breed of man whose character and courage are the bricks and mortar that have made this Nation a bastion of freedom. It would be an honorable and civilized way for a grateful nation to say thank you.

I believe this would be an appropriate recognition for a genuine hero who has dedicated a lifetime of selfless service to a nation when his help was needed most, and a fitting reminder to our youth that

their efforts on behalf of this Nation will not go unrecognized.

Mr. Speaker, in view of the Rules of the House of Representatives which do not allow cosponsors on a bill such as this, I would like to add to my remarks a list of 71 other Members of Congress who have indicated that they join with me in their desire to recommend to the President this course of action. I am certain that each Member of Congress shares the sentiments expressed in support of the recognition of a true American hero:

SUPPORTERS OF THE COL. LLOYD L. BURKE RESOLUTION

1. Mathis, Dawson, Georgia.
2. Hanley, James M., New York.
3. Devine, Samuel L., Ohio.
4. Wilson, Charles H., California.
5. Bafalis, L. A., Florida.
6. Collins, James M., Texas.
7. Ashley, Thomas L., Ohio.
8. Stanton, William J., Ohio.
9. Burleson, Omar, Texas.
10. Poage, W. R., Texas.
11. Wampler, William C., Virginia.
12. Hefner, W. G., North Carolina.
13. Mitchell, Donald J., New York.
14. Boland, Edward P., Massachusetts.
15. Lagomarsino, Robert J., Calif.
16. Teague, Olin E., Texas.
17. Duncan, John J., Tennessee.
18. Young, Don, Alaska.
19. Traxler, Bob, Michigan.
20. Yatron, Gus, Pennsylvania.
21. Clay, William, Missouri.
22. Myers, John T., Indiana.
23. Dickinson, William, Alabama.
24. O'Brien, George, Illinois.
25. Patten, Edward J., New Jersey.
26. Ichord, Richard H., Missouri.
27. Carter, Tim Lee, Kentucky.
28. Lehman, William, Florida.
29. Steiger, William S., Wisconsin.
30. Daniel, Dan, Virginia.
31. Risenhoover, Ted, Oklahoma.
32. Howard, James J., New Jersey.
33. Sebelius Keith G., Kansas.
34. Derrick, Butler, South Carolina.
35. Bevill, Tom, Alabama.
36. Pickle, J. J., Texas.
37. Bowen, David R., Mississippi.
38. McEwen, Robert C., New York.
39. Winn, Larry, Kansas.
40. Eilberg, Joshua, Pennsylvania.
41. Downey, Thomas J., New York.
42. Nichols, Bill, Alabama.
43. Murphy, Morgan F., Illinois.
44. Flood, Daniel J., Pennsylvania.
45. Flynt, John J., Georgia.
46. Stratton, Samuel S., New York.
47. Price, Melvin, Illinois.
48. Wilson, Bob, California.
49. Emery, David, Maine.
50. Trible, Paul S., Jr., Virginia.
51. Pepper, Claude, Florida.
52. Addabbo, Joseph, New York.
53. Rooney, Fred, Pennsylvania.
54. Beard, Robin, Tennessee.
55. de Lugo, Ron, Virgin Islands.
56. Akaka, Daniel, Hawaii.
57. Hammerschmidt, John, Arkansas.
58. Bonker, Don, Washington.
59. Spence, Floyd, South Carolina.
60. Breaux, John, Louisiana.
61. Rostenkowski, Dan, Illinois.
62. Hubbard, Carroll, Jr., Kentucky.
63. AuCoin, Les, Oregon.
64. McDonald, Larry, Georgia.
65. Brown, Clarence, Ohio.
66. Buchanan, John, Alabama.
67. McFall, John, California.
68. Won Pat, Antonio Borja, Guam.
69. Baucus, Max, Montana.
70. Fuqua, Don, Florida.
71. Fountain, L. H., North Carolina.●

HUMAN RIGHTS IN PARAGUAY—PART I

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. FRASER. Mr. Speaker, a week ago Sunday, a hunger strike was begun by 16 prisoners at the Emboscada jail in Paraguay. On June 14, 3 days after the strike began, the Government released 14 prisoners. Reliable sources reported that the released prisoners were informed that three more women were scheduled to be released, but were not since they participated in the hunger strike. Three men have been removed from Emboscada, and each sent to a different precinct jail; they are being held incommunicado, as punishment for allegedly being instigators in the strike. The three men are: Severo Acosta Aranda, Virgilio Bareiro, and Carlo Jose Salaberry. The release of 14 prisoners leaves approximately 50 to 60 prisoners in Emboscada, which represents substantially fewer numbers than the 600 political detainees which the Government transferred there in September 1976.

The above incidents, on one hand showing a positive trend and on the other giving cause for concern, reflects to some degree the mixed nature of recent developments in Paraguay. The General Assembly of the Organization of American States is scheduled to meet this week in Washington, D.C. Its agenda includes the situation in Paraguay.

Below is a report on Paraguay which provides some useful background on the recent history of human rights in that country. I would like to share this information with my colleagues:

THE STATE OF SIEGE

In February 1978, a Paraguayan paper reported:

"The National Government extended the state of siege in the capital city and in the Central, Itapua and Alto Parana Departments, for the period of 90 days. The disposition was adopted by decree No. 36,982.

The document also indicates that during the state of siege the guarantee of personal freedom of those accused of the acts expressed in this decree is suspended.

"The whereas of the document expresses that "there exist international organizations whose principal objectives are the subversion of the legitimate order and the use of violent means for destroying the fundamental bases of our society . . ."

A "state of siege" has been in effect without interruption in Paraguay since 1947, renewed every 90 days. Established in articles 79 and 181 of the 1967 Constitution, the state of siege "may only be applied in case of international conflict or war, foreign invasion, internal commotion, or the grave threat of one of these." The Constitution also requires parliamentary oversight of the state of siege; despite occasional protests from the opposition, Parliament has never enacted the appropriate legislation.

It is ironical for a president whose banner has been "24 years of peace and programs", to routinely announce every quarter an internal state of siege.

"When then the continued state of siege?" asked Stephansky and Helfeld after their 1977 visit to Paraguay. Their report responds:

"Habit is one possible answer, convenience another. Convenience is precisely the word used by the Supreme Court in its 1975 decision [in which the state of siege was cited to deny habeas corpus to prisoners detained in areas not covered by its provisions]: it is convenient for executive authority to be able to take preventive measures. Unaccountability is also highly convenient. Under a state of siege men and women may be seized, with or without evidence of guilt or complicity, held incommunicado and detained indefinitely. At no time need executive or police officials explain or justify the detentions. When it becomes convenient . . . those detained may be given their liberty.

"Recently this state of siege has been lifted in the interest of the country, leaving it only in the capital, Ascuncion. However, in practice it is where the prisoner is held and not where the action took place that determines whether a detainee is covered by the state of siege provisions."

THE LAW OF POLICE PREVENTION

To supplement the state of siege provisions, the police use decree-law No. 11,321 1945), the Law of Police Prevention. With the ostensible purpose of expediting the trial process, this decree permits the police to initiate the judicial questioning of suspects; prisoners are held under the Police Prevention Law for weeks or months until their court hearings, at which time the judge decrees "the conversion of preventive detention into imprisonment."

Paraguayan lawyers charge that this is contrary to article 199 of the Constitution, which establishes that "in no case may the Congress, nor the President of the Republic, nor Ministers, nor other officials claim judicial attributes which are not expressly established in this Constitution . . . nor intervene in decisions in any way." The law does require preventive detention cases to be communicated to the judge on duty within 24 hours. Not a single case is known, however, in which this has been done when an alleged political crime is at issue.

LAW 209

In the 24 years of General Stroessner's presidency, thousands of political prisoners have been held for months or years without official charges. Since 1975, however, a total of 98 (see Appendix) have been charged under Law 209, the "Defense of the Public Peace and the Freedom of Persons," a 1970 act characterized by imprecise definitions and inconsistent penalties. First applied in 1975 against 13 people identified with the opposing Febrerista Party, it has been used since to justify the arrest and interrogation of participants in virtually every institution not directly controlled by the Colorado Party. (The government party.)

Law 209 prohibits instigation to crime (1 month to 4 years' imprisonment), justification of a crime or criminal (1 month to 3 years), "preaching hatred among Paraguayans or the destruction of social classes" (1–6 years), and "membership in an illicit association (3–6 years, 4–8 for the leaders). The penalty for calumny against government leaders is 3–6 years; for membership in a communist or subversive organization, 1–5 years; the same for providing support—even renting space—to such an organization. The maximum sanction for kidnapping is only 3 years; 5 if the victim is a public official, 12 if it is the President or a foreign diplomat, or if ransom is involved. "Provoking tumult" is punishable with 1 month to 3 years, "public intimidation" or terrorist threats, 2–4 years.

The law serves as an instrument of repression in two ways. The first is its effect on freedom of expression and association; this is particularly pronounced in a society that has had no experience with democratic institutions, in which the majority are inclined to accept vague official definitions of "illicit association" and "preaching hatred". Ex-prisoners and prisoners' families are ostrasized by neighbors and friends who fear

that they too will become suspect if seen in the company of alleged subversives.

It also serves as a "fishing license" for police investigation: given the absence of clear definitions, any type of written materials may be entered into evidence, and any personal or professional relationship with a suspect may be used in the interrogation of other detainees.[1]

ABUSIVE TREATMENT

Four types of cruel and unusual punishment are common in Paraguay: beatings, torture, psychological cruelty and abusive confinement.

From the moment of detention "some police are like wild beasts," says one exprisoner; "they derive pleasure from the sheer physical contact of a beating." Prisoners are regularly thrown around, punched in the stomach and groin and beaten around the face and head, with fists, feet or any implement that comes to hand. A favorite club used in the Department of Investigations was referred to by jailers as "the National Constitution".

Chartrain and Corneveaux, who visited Paraguay at the height of the 1976 repression, reported that "beatings, with sticks, feet or fists are considered as maltreatment and not as torture. Sometimes they are not even considered as maltreatment."[2]

The following methods of torture, apart from beatings, have been documented by Amnesty International: el sargento, a cat-of-nine-tails with lead balls at the tip of each thong; submersion in a bath of water or human excrement called *la pileta;* application of electric shock to sensitive parts of the body, and burning sensitive parts of the body with cigarettes and hot iron bars.[3] Said Stephansky and Alexander: "The purpose of torture does not seem to have been, in general, to acquire information, but rather to force those being submitted to it to confess . . . regardless of whether those confessions represented realities or fiction."[4]

The most common form of psychological cruelty involves threats of renewed torture or death, alternated with promises of freedom or privileged treatment. Parents are tortured in the presence of their children, or vice versa; friends and coworkers are called into the torture chamber to observe the interrogation of other prisoners.

A typical form of abusive confinement is the calabozo, a solitary cell just large enough for a prisoner to stay in a reclining position. Prisoners are also chained to one another or to the wall of their cell; Dr. Agustin Goiburu, kidnapped from Argentina in February 1977, was reportedly seen six months later chained to the wall, apparently unbathed and unshaven since his detention.

There are occasional reports of attempts by jailers to take sexual advantage of women prisoners. One woman who refused such an advance commented that in her experience and that of friends, the attempts are rarely followed through with force. "If you insult them, they'll find another way to get back at you. I think they're afraid to push too far with political prisoners, afraid of being denounced. With the 'common' prisoners, that's a different story."

EMBOSCADA PRISON

In response to diplomatic pressures, in September 1976 the government transferred about 600 political detainees to a prison camp near the village of Emboscada. Recent detainees were encouraged by the move, since there is no torture chamber and the facility contains a courtyard where they can take limited exercise. But it made family visits difficult.

Apart from a chronic water shortage, Emboscada represents a clear improvement over previous detention conditions.

Prisoners may, however, be returned to local police stations at any time, for punishment or re-interrogation: each new wave of arrests since 1976 has been accompanied by the transfer of Emboscada inmates for renewed questioning in Investigations headquarters. And not all prisoners are taken to Emboscada even after their interrogation; out of 20–30 people estimated by the press to have been arrested in January and February 1978, only four were reassigned to the facility and officially acknowledged as political prisoners.

A NETWORK OF INFORMERS

Several hundred full time informers are said to be employed by the Department of Investigations and other branches of government. The greatest threat to freedom of expression comes, however, from the many voluntary, part time pyragues; they may be government employees, peasants who have received or aspire to land allotments, businessmen expecting special privileges, domestic servants who need to supplement their low wages—and, of course, the neighborhood gossip.

Like the mythic figure from whom the name is drived, the pyrague influences daily activity even when he is not there. The conversation that suddenly stops at the next table in an Asuncion bar may not mean that someone has started listening to you; the government employee on your agency's board of directors may not be planning to report tomorrow the debate surrounding this evening's decisions; the waiter at dinner may be attentive just because he's hoping for a generous tip—the monetary kind. But then, it is always safer not to say what you were thinking.

Churches are a major hunting ground for informers; one section of the Department of Investigations is exclusively charged with identifying communist tendencies in the churches, Protestant and Catholic. It was the Italian caretaker of the Salesian retreat center at Ypacarai who called in police to arrest participants in a December 1977 meeting of rural and urban labor leaders. When two executives of the Christian Church (Disciples of Christ) arrived in 1976 to protest the arrest of several of their employees, government officials explained that they were doing the church a favor by identifying the dangerous tendencies within their program.

Another favorite hunting ground is the workplace. During the January 1978 roundup of alleged subversives, Chief of Investigations Pastor Coronel appealed through the press to commercial, industrial and banking executives to report any absences on the part of employees. Even homes are not inviolate; Coronel also asked parents of adolescents to "safeguard their children from the pressures and threats of the most radicalized elements of the subversive groups" by turning them in.[5]

Intellectuals and university students are among the principal targets of the information network. In the School of Medicine, where students recently protested the appointment of a notoriously corrupt doctor as principal despite the recommendation of another candidate by the duly constituted faculty committee, a group of student pyragues is reported to be informing on and offering bribes to fellow students,[6] and a similar situation exists throughout the country's universities and professional organizations.

The most defenseless victims of this network, however, are small farmers and landless peasants. In the early 1970's at the height of repression against the Christian Agrarian Leagues, one U.S. observer reported that it was common to imprison a League leader in order "to identify his companions who will surface by rallying around"; peasants were paid to destroy the leaders' property and animals; the possession of literature interpreting Catholic social doctrine was damning in and of itself. "The government in this way plays upon the fears of other campesinos with such words as 'communist' and 'subversive' and informs them to report this anti-national activity and steer clear of it for one's personal safety as one would automatically be deemed an enemy of the State."[7]●

[1] A love letter written years ago by a 1977 detainee to the woman he later married, referring to their commitment to social change, was held in evidence against him although article 69 of the Constitution expressly forbids the seizure without warrant of personal correspondence. In early 1978 a psychiatrist and a gynecologist were brutally tortured because in past years they had given professional attention to a fugitive, Nidia Gonzalez Talavera.

[2] Francois Chartrain and Alain Corneveaux, in Convergence (International Movement of Catholic Students), No. 3–4, 1976, p. 9.

[3] Amnesty International Briefing: Paraguay, July, 1976, p. 8.

[4] Stephansky and Alexander, report p. 186.

[5] ABC Color, January 18, 1978.

[6] El Pueblo, weekly newspaper of the Febrerista Party, first week of April, 1978.

[7] Kevin J. Healy, "Agrarian structure and peasant resistance in Paraguay," unpublished paper presented at Cornell University, 1974.

MONEY HAS A NEW MEANING TODAY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. McDONALD. Mr. Speaker, one seldom hears the phrase "sound as a dollar" anymore. Today, some say it with a sneer or chuckle. Prof. James Green, in a recent column, explains in simple terms just what these pieces of paper that we fold carefully and put in our wallet or pocketbook do and do not mean. He also explains why this paper money, backed by nothing but faith, constitutes embezzlement by the Congress and the policy underlying the printing of ever expanding supplies of this paper fuels the fires of inflation. The article by Professor Green, of the University of Georgia, as it appeared in the Atlanta Sunday Journal and Constitution of May 14, 1978 follows:

[From the Atlanta Journal and Constitution, May 14, 1978]

MONEY HAS A NEW MEANING TODAY

(By James Green)

Today we work for and spend money. Right? No, wrong! Money in its traditional meaning is gone. Too many Americans don't really understand this. They don't recognize who has been fooling around with their money nor what has happened to it and to them.

The Federal Reserve creates what we now call money based on the government's promise to pay (IOU's). Commercial banks create money based on private promises to pay (IOU's). Monetized debt, then, is what we now call money.

Look carefully at any bill in your wallet. This is a Federal Reserve note.

Stated on it is "This note is legal tender." But "tender" for what? An IOU? If it is tender for nothing more than a promise to give another piece of paper just like it, is it really a legal and binding contractual obligation?

Originally the Federal Reserve note was not designated as legal tender nor was it law-

ful money. Why? Because it was not redeemable for anything of value. It still isn't.

Honest money was defined by Locke as "some lasting thing that men might keep without spoiling, and that by mutual consent men would take in exchange for truly useful, but perishable supports of life."

Good representative money, the gold and silver certificates which circulated widely a few years ago stated: "Will pay to the bearer on demand gold (silver) or lawful money at any Federal Reserve Bank." These certificates were substitute (representative) money and were redeemable. When the government revoked redeemability the floodgates to economic instability, persistent inflation and capital confiscation were open wide.

ROOSEVELT DEVALUED DOLLAR

President Franklin Roosevelt devalued the dollar by 40 percent Jan. 31, 1934, raising the price of gold from $20.64 to $35 an ounce. Suits were filed charging confiscation of property without due process of law when American citizens were no longer allowed to hold gold as a private possession. The Supreme Court, however, sustained the seizure of gold and the abrogation of gold contracts. In legal jargon, the court ruled that "the issue of money is a political question to be determined by Congress." Here lies the answer as to "who has been fooling with your money." Now let's see what has been done to it and to you.

In its wisdom Congress has changed the basic essence of money. We have been moved from hard, commodity money which had intrinsic value in itself to substitute money which was redeemable into good money to fiat paper money with neither redeemability nor intrinsic worth.

Given worthless pieces of paper called money, your savings have been confiscated. Since 1939 Americans have saved some $4,430 billion (in 1972 dollars) in savings accounts, insurance and pension funds, trusts, bonds of all kinds and mortgages. Of this, inflation has destroyed $2,078 billion of your saved-up purchasing power.

DISCIPLINE IS GONE

In the first 192 years of our nation's growth to 1967, we created $350 billion of more or less good mony to grease the wheels of our economic expansion. In just 10 years we have more than doubled the supply of worthless fiat money. The broad measure of money supply now stands at $820 billion . . . up $470 billion. This is irresponsible. Monetary discipline is gone.

In 10 years, consumer prices have doubled. Housing prices have doubled. Medical care cost has doubled. The purchasing power of your dollar has been cut in half.

Worthless paper money without intrinsic value spawns inflation, debases the nation's currency and confiscates your capital. Webster defines what the Congress is doing to us as embezzlement, theft and fraud. Webster is right.●

SOVIET DISSIDENTS CONVICTED

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. KILDEE. Mr. Speaker, I would like to take this opportunity to express my dismay and deep concern over the conviction of two Jewish activists in the Soviet Union yesterday. In separate, closed trials, Vladimir Slepak and Ida Nudel were found guilty of "malicious hooliganism" and sentenced to internal exile—Slepak for 5 years and Nudel for 4 years. This action can only be condemned as one further example of the Soviet Union's disregard for basic human rights, and their refusal to abide by provisions of the Universal Declaration of Human Rights with which they agreed to conform in signing the 1975 agreements in Helsinki.

Prior to their arrest and conviction, both Vladimir Slepak and Ida Nudel had been attempting for more than 7 years to obtain Soviet exit visas. Slepak's lengthy struggle had attracted worldwide attention and since the arrest of such prominent dissidents as Alexander Ginsberg and Anatoli Scharansky, he has become the focal point of much Jewish activism both in Moscow and in the West. Ida Nudel is also well known for her activities in the Soviet Jewish emigration movement. I have a personal interest in the case of Ida Nudel. On January 23, 1978, I joined 48 of my colleagues in contacting Ambassador Anatoly Dobrynin to request that he intervene on Mrs. Nudel's behalf and assist her in her efforts to get permission to rejoin her husband and sister in Israel. Yesterday's tragic action was our response.●

THE JERSEY PINE BARRENS

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. HOLLENBECK. Mr. Speaker, during the 95th Congress, we have seen a growing awareness of the importance of preserving large wilderness areas. The preservation of large wilderness areas is necessary if future generations are to enjoy the beauty of this great country. In my State of New Jersey we are particularly attuned to the need for preservation. We have the most densely populated State in the Nation yet two-thirds of our land is vacant.

The attempt to preserve the New Jersey pinelands represents an important step in maintaining an important resource both to the people of our State and to people throughout the Nation.

The value of these resources cannot completely be expressed, though, through the abstract debate and discussions that take place in Congress. Sometimes a letter from a constituent does more to express the importance of preservation than all the abstract theories one hears.

The following is an excerpt from a constituent letter concerning the Pine Barrens which so well conveys the image and aura of that area:

EXCERPT

Sunday I canoed in the Jersey Pine Barrens. For six delightful hours I was in another world, a natural world. There were no roads, no cars, no trucks, no buildings of any kind, no telephone lines or power lines, not even a transistor radio. There were no power boats. Power boats and fallen logs are incompatible. Canoes are different. It was fun to duck under a log only 14 inches above the water's surface or pull and lift the canoe over the logs that couldn't be ducked. While on the river I saw no one except my fellow paddlers.

We paddled quietly on the narrow, winding, coffee-brown stream. Sunlight filtered through the branches overhead. Patches of wild blue iris appeared where there were breaks in the vegetation overflowing the banks. Blueberry bushes loaded with ripening fruit leaned out over the water. Yellow water lilies were in bloom. In mid-afternoon we found an inviting spot and stopped for a swim.

A trip in the Pine Barrens is to my life what yeast is to bread making. It transforms the quality of the whole. And it makes me aware of the importance of preserving wilderness areas not only in our own Pine Barrens but also in far away places where I have never been. For the opportunity to experience wilderness is a necessity in any life concept that sees people as more than cogs in the big economic machine.

Not everyone will choose to get away from pavement and transistor radios for a day. Not everyone will visit the great wilderness areas of Alaska or go canoeing in the Boundary Waters Canoe Area of Minnesota. But if such areas don't exist, if they are not protected from development there will be no choice. The staff of life will have lost its leaven.

Although I may never hear the cry of a loon on a Minnesota lake or the song of a wolf in Alaska, I will have a choice. And so will my children and children yet unborn.

Mr. Speaker, nothing more need be said.●

INSURANCE REDLINING IN QUEENS

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. ADDABBO. Mr. Speaker, tomorrow we are taking up the Community Development bill. Before we begin debate, I would like to point out the existence and extent of insurance redlining in Queens, N.Y., where my district is located.

A study recently released by the Department of Housing and Urban Development concludes that throughout the Nation insurance redlining is widely practiced by insurers. Redlining is the refusal of private insurance underwriters to insure buildings in certain neighborhoods, or even in entire cities. Moreover, mortgage redlining is linked to insurance redlining, in that the inability to purchase insurance in the voluntary market is used as a reason to deny loans. In combination, mortgage and insurance redlining spread urban blight. An area designated by the private sector as being in transition is discriminated against in the insurance industry. Thus, the continuation of its transition until the area becomes an urban wasteland is guaranteed.

Many decent risks, who are denied access to insurance in the voluntary market and so must seek protection under the Fair Access to Insurance Requirements—the so-called FAIR plans. are treated as second-class consumers. In New York State, FAIR plans cost from 3 to 5 times the cost of insurance in the voluntary market. As the cost of this protection is so high, many inner-city property owners buy insufficient coverage or buy no protection at all. In the event of fire, chances are slim that their buildings will be restored. Losses

under the FAIR plans of some States are adjusted on the basis of market value, rather than replacement cost. Given appraisal practices and the unavailability of mortgage loans in the inner city, the market value of inner-city property has nosedived. Thus, claims payments under the FAIR plans are often insufficient to rebuild after losses. As a result of these conditions, the odds are that a building lost to fire will be abandoned, rather than restored.

Redlining has a definite racial component. In Queens, N.Y., the FAIR plan policies are concentrated in the southern neighborhoods of the borough, which also have the largest nonwhite populations. The percentage of residential buildings in the entire borough which are insured under the New York State FAIR plan is 2 percent. St. Albans is a black middle-class neighborhood in which 6.9 percent of all residential structures fall under the FAIR plan. This area of Queen is 95 percent nonwhite, and in 1969 it had a median income of $11,282. In contrast, Cambria Heights is a racially integrated middle-class neighborhood also in Queens. In 1969 this neighborhood had a median income of $12,960 and was 43 percent nonwhite. The level of FAIR plan writing in Cambria Heights is less than 2 percent. Another black neighborhood in the borough of Queens is South Jamaica. This once-vibrant community is now deteriorating rapidly. The rate of FAIR plan underwriting in South Jamaica is 12 percent. In the totally white middle-class areas of Middle Village and Douglaston-Little Neck, the rate of FAIR plan coverage is negligible.

The Federal Insurance Administration conducted an underwriting survey in St. Albans, Queens, in February 1978. The method of the survey included personally visiting the neighborhood and interviewing the local civic association and various insurance agencies. The examiners reported that St. Albans, a 95-percent nonwhite area, was a better than average neighborhood, in spite of the fact that the percentage of FAIR plan coverage was over three times the average for the entire borough. I quote from the report:

> The properties were well-maintained with very few vacant or unoccupied risks. The examiners drove up and down virtually every street in these areas and found only two fire damaged properties—one dwelling and one commercial.
>
> The vacant risks which the examiners observed were scattered throughout these areas and were found to be secured (not open to trespass) and to be well-maintained. . .
>
> The examiners found no underwriting basis for the insurance industry's reluctance to provide fire insurance coverage in the areas surveyed. They did not find any physical aspects of the properties viewed that would render them unacceptable from "normal prudent" underwriting standards.

In spite of the good condition of the neighborhood, face-to-face interviews with local insurance agencies revealed that the area is experiencing a withdrawal of the standard voluntary insurance market at least half of the agents disclosed that as much as 40 percent of their current writings go either to nonstandard markets or to the FAIR plan. The agents predicted that the cancer would spread. They predicted that the matter would get worse, not better, over the next few years.

If property owners in St. Albans are not able to buy insurance, they will not be eligible for loans to improve or maintain their structures. Prospective buyers will avoid the area, as they will be unable to mortgage homes. Businesses will leave the neighborhood for failure to protect their premises. If property owners are unable to buy insurance, the future for St. Albans is grim.

Since World War II the social history of the United States has been a history of the flight of the middle class from the inner city to the surrounding suburbs. The result is that, except for the commercial districts, our once great urban cores have deteriorated to the point at which they have become the back alleys of America.

Redlining is a major villain in the deterioration of urban America. Redlining is illegal because it violates the liberal, rational values upon which America stands. Those values state that each person should be judged upon his individual worth, not upon some external criterion which is irrelevant to the contribution he can give to society. Yet insurance companies redline by means of ZIP codes. As a result, risks are rejected not on the basis of objective underwriting standards, but on the highly subjective perception of risk assumed for a general geographic location.

America has a job to do in the years ahead. We must rebuild the back alleys of America, our once-great inner cities. At the same time, we must prevent the deterioration of our presently healthy urban neighborhoods. I will not let the redliners turn St. Albans into a slum. As the Department of Housing and Urban Development prepares its assault on redlining, I hope the entire Congress joins me in giving it my utmost support. Let us hope that HUD attacks this cancer in American society with a program strong enough to be effective.●

JEWISH LEDGER'S ANNIVERSARY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. SARASIN. Mr. Speaker, the long-cherished freedom of the press has always been a pinnacle among the achievements of our society. The result has been the publication of diverse material representing and reflecting upon all aspects of American life. One area which has been the focus of numerous periodicals is that of our various ethnic-religious backgrounds. I would like to take this opportunity to recognize one of Connecticut's foremost such periodicals.

The Connecticut Jewish Ledger celebrated its 49th anniversary in its June 15, 1978 edition. This weekly paper is a paragon of ethno-religious journalism and has long been the voice of Connecticut Jewry. It diligently reports events and issues of concern to its relevant audience; strives to educate and entertain; comments on current events; and endeavors to develop and maintain a sense of community among its readers. Furthermore, it has often served as a liaison between Connecticut's Jewish community and the community at large.

Any truly beneficial institution must prove itself in the test of time, and the Connecticut Jewish Ledger's celebration of its 49th anniversary is a testimony to its success. I congratulate the Ledger on its accomplishments and look forward to many more years of its astute and enjoyable publications.●

NEW PROGRAM: CRIME VICTIMS SUING THEIR ATTACKERS

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. GRASSLEY. Mr. Speaker, the public has long believed that the victim of violence has little or no recourse against the criminal. But the Washington Legal Foundation is attempting to change this.

To aid certain victims of violence sue their attackers, this conservative-supported Washington Legal Foundation is offering the free services of lawyers. It is essential that the victim's rights, as well as the rights of the criminal, are recognized and protected. Already many suits have been filed on behalf of victims, with damages collected.

I would like to call the following two articles to the attention of my colleagues, the first from the Philadelphia Inquirer, and the second from the Salt Lake Tribune:

[From the Philadelphia Inquirer, June 2, 1978]

LAWSUITS USED TO FIGHT CRIMINALS

(By Aaron Epstein)

WASHINGTON.—The Washington Legal Foundation (WLF) is beginning to use the weapon of the noncriminal lawyer, a lawsuit for damages, to teach violent criminals that crime does not pay.

In what it believes is the first legal project of its kind in the nation, the WLF is offering lawyers' services free to help victims of violence sue their attackers.

The foundation, a tax-exempt organization supported primarily by contributions from conservatives, has been using its resources to fight government regulation.

Now it is branching out in an effort to popularize the idea of suing criminals.

"The big fallacy in public thinking about this is that violent criminals are judgment-proof, that they are too poor to collect damages from," said WLF's general counsel, Daniel Popeo.

"This is not true. He often has assets—real estate, a car, an inheritance. Even if he goes to jail, poor, when he gets out and takes a job, his wages can be attached. Most state laws allow damages to be collected for as long as 20 years.

"I'm trying to make some good precedents and publish a manual that will encourage victims of crime around the country to say, 'I'm going to sue the SOB!' "

Popeo, 27, who was a Justice Department lawyer during the Nixon and Ford administrations, said WLF would accept as clients the most frequent victims of violent crime—

elderly citizens, teachers, policemen and sexually assaulted women.

Popeo began last week by filing suits here on behalf of two victims of seemingly unprovoked attacks. One of the victims may have suffered brain damage.

"I read in a bar journal that the average mugger makes $11,000 a year," Popeo said. "That's outrageous. Too often the victims of crimes think they have to settle for plea bargains, probation and short sentences."

Some states compensate certain victims of crime, and individual victims have collected damages from their assailants. Popeo, however, wants to instigate "a wave litigation" that will become "as popular as suing for medical malpractice or for auto accidents."

"Our board of directors thinks that civil litigation for crime victims could become one of the strongest deterrents that the American judicial system provides," he said.

[From the Salt Lake Tribune, June 1, 1978]

NEW CRIME FIGHT: SUE CRIMINALS

(By Aaron Epstein)

WASHINGTON.—The Washington Legal Foundation is beginning to use the weapon of the non-criminal lawyer—a lawsuit for damages—to teach violent criminals that crime does not pay.

In what it believes is the first legal project of its kind in the nation, the foundation is offering free services of lawyers to help selected victims of violence sue their attackers—and collect.

WLF a tax-example organization primarily by contributions from conservatives, has been using its resources to fight government regulation.

Now it is branching out in an effort to popularize the idea of suing criminals.

"The big fallacy in public thinking about this," said WLF's general counsel, Daniel Popeo, "is that violent criminals are judgment-proof, that they are too poor to collect damages from.

"This is not true. He often has assets—real estate, a car, an inheritance. Even if he goes to jail poor when he gets out and takes a job, his wages can be attached. Most state laws allow damages to be collected for as long as 20 years.

Popeo, 27, a former Justice Department lawyer during the Nixon and Ford administrations, said WLF will accept as clients the most frequent victims of violent crime—senior citizens, teachers, policemen and sexually assaulted women.

Popeo began last week by filing two suits here on behalf of two victims of seemingly unprovoked attacks. One of the victims may have suffered brain damage.

"I read in a bar journal that the average mugger makes $11,000 a year," Popeo said. "That's outrageous. Too often the victims of crimes think they have to settle for plea-bargains, probation and short sentences." ●

A SALUTE TO CLEVELAND'S GRANDE DAME

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. MOTTL. Mr. Speaker, it is with great pleasure that I take time today to extend birthday wishes to Cleveland television commentator Dorothy Fuldheim.

Miss Fuldheim is the grande dame of northern Ohio.

Politicians from across the State have cringed under her stinging reproaches and basked in her equally eloquent praise.

Her battles for the little man and her ongoing campaign against bureaucracy and waste in government have earned her the reputation of "Greater Cleveland's conscience."

Her national reputation has been enhanced by frequent appearances on the Johnny Carson Tonight Show. Johnny has described Miss Fuldheim as one of his most delightful guests.

As Miss Fuldheim marks her 85th birthday Monday, June 26, this House should thank her for making all public officials a little more responsive.

The country is better off because of her.●

THE TEACHER'S VITAL ROLE

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. HUCKABY. Mr. Speaker, because of the national concern over the quality of education our children are receiving today, the dedication of our school teachers is often forgotten. Therefore, I commend to my colleagues the following discussion of the teacher's vital role, written by C. B. Germany of Jonesville, La., a public school administrator:

ANOTHER ENDANGERED SPECIES

(By C. B. Germany)

It may very well be that "teachers are born—not made." Be that as it may, be they genetic or synthetic, they are indeed a unique breed.

Unlike most of the lower animals, man comes into this world knowing next to nothing and must be taught from a very early age. There is a great maxim which says "As the twig is bent, so the tree will grow." The first and by far the most influential "teachers" of all are one's parents—in particular Mothers. And the informal training we receive at our mother's knee may well be the most significant learning of our entire lives. Yet, early in life children are "committed to their formal education in the classrooms of our schools." We all expect a great deal from our schools and teachers and rightfully so. But often we are quick to criticize our teachers not really understanding their plight.

Teachers must warrant the respect of their students, their associates, their profession and their community. Competence alone is not sufficient. The sum total of innumerable lesser attributes may be equally important. Dedication, sincerity, personal concern for and interest in their students, appearance, manner, attitude, philosophy and a sound sense of values are basic to all good teachers. If teachers want their classes to be enthusiastic about learning, they must be enthusiastic about teaching. They should plan their lessons so that they are relevant to the needs of their students, are challenging yet realistically achievable and are rewarding and meaningful experiences. They should continually evaluate their work and never be fully satisfied. They must know that they could have and should have done better and should always plan with that in mind. They may never all be great teachers but in making the great effort they all can become better teachers. Teachers may rest assured that their students will hear them but they cannot be sure that they will understand them. Too often the teacher is accused of "talking over the heads" of his students. This may come about when the teacher subconsciously endeavors to impress the class with his expertise. "Egos have ravenous appetites!"

Teachers should accentuate the positive and think in terms of varying degrees of success rather than failure. Teachers teach far more than subject matter. They are setting examples for better or for worse. The teacher should be compassionate, be fair, be polite, be kind but should not be "used." Students will find the teacher's "Achilles' Heel" and take advantage of him—given the opportunity. This may be attributable in part to overt manifestations of covert apprehension, anxieties and fears, the need of the individual to prove to himself and to his peers that he is not afraid to confront authority irrespective of the consequences. (The psychologist would say this is in reality a sign of insecurity of the individual.)

The teacher cannot tolerate disrespect or insolence or be intimidated but must not react unwittingly and make a bad situation worse. A teacher should never embarrass a student in front of his peers but should take him outside of the class or talk to him after class. The student is then given the opportunity to "save face" and then there will be at least some chance of salvage, otherwise the damage may be irreversible.

The teacher to survive must be an optimist, a mother, a friend, a diplomat, a referee, an encyclopedia, a confidant, have a sense of humor, be long suffering, have an ample supply of aspirin and antiacid tablets and last but not least, be a little bit eccentric. (It is expected of him.)

The real miracle that occurs daily in the classroom is that notwithstanding multitudes of adversities and diversities, learning still takes place. Scientists tell us that "seeing takes place in the mind, not the eye." Likewise, learning takes place in the mind, not the classroom, thank goodness. How often the teacher says to the student, "Think!" as if upon command certain mental processes will be stimulated and the desired results will be forthcoming, instantaneously. Would that it were so!

In most every classroom we find one or more individuals who are there for reasons other than learning. They are constantly in competition with the teacher for the attention of the learners. They are the source of many of the disciplinary problems and yet they are indulged and tolerated. All teachers face this dilemma, yet manage to meet the challenge, rise above it and maintain effectiveness in the classroom.

Too often teachers see, but do not see, hear but do not hear, for perhaps many reasons. Might it be to keep from becoming involved? Cheating takes place and the teacher rationalizes: "They are only hurting themselves." It is so common place at any and all levels that it must not even be considered immoral by most students. Debauchery and immorality are taught—by default.

There seems to be an awakening in the classrooms of America to the realization that there is a need to return to the basics of reading, writing and arithmetic. Hopefully, there will be a return to such basics as honor, virtue, decency, respect, reverence and truth.

Through the ages man's destiny has been shaped in great part by his teachers. What an awesome responsibility! Teaching, a most noble profession, is, like virtue, its own reward! ●

LET THERE BE STABLE PRICES, AND LET IT BEGIN WITH ME

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. EDGAR. Mr. Speaker, Mr. Steven Zats, a constituent of mine from Broom-

all, Pa., has offered an excellent suggestion for beginning the Congress attack on inflation. I endorse his suggestion as a good first step.

Often, Members of Congress give long-winded speeches about the problems we face, such as worker safety, discrimination in employment, and inflation. A law is enacted and the press releases go out. Yet in the fine print, there often appears an exemption for the Congress. The inflation problem is no exception. At the same time we call for sacrifices on wage settlements, we insulate ourselves from inflation with generous pay raises and cost-of-living increments.

Mr. Speaker, I say that it is time that our colleagues set an example. Mr. Zats has done research which indicates that certain pay cuts would add up to more than small change. Perhaps our example could snowball; millions of dollars in savings would become billions of dollars.

I would like to share an excerpt of Mr. Zat's letter and table on cost savings because I believe it merits the attention of the Congress:

Congressman Robert Edgar,
Cannon House Office Building,
Washington, D.C.

Dear Congressman Edgar: With double-digit inflation coming upon us, some drastic acts need be, and are being, taken. Somebody, I believe it was Ralph Nader, suggested that President Carter take a cut in pay to set an example for the businesses that Carter was asking to take cuts in pay. I, too, feel the same way. I have proposed a pay cut scale for members of the Federal Government which could cut the expenses of the taxpayers by more than $13 million. Some of the pay cuts are rather drastic so I also feel that the limit on outside earnings for House and Senate members be dropped since, in my opinion, this is an obstruction of one of the basic freedoms that our forefathers bequeathed us in the Constitution. I realize that you gave your additional earnings after the last pay raise to charity. However, this does not stop inflation, even though it was a very generous thing to do. Enclosed please find my proposal for the three branches of government. For most of the different occupations, I listed the amount of people employed under that particular occupation and calculated the amount of money to be saved. Other jobs I did not know the employment level and thus could only propose a pay cut but not a total savings. Please examine this carefully. I realize that there are many more important things going on at this time.

Yours truly,

Mr. Steven Zats.

PAY CUT PROPOSAL BY STEVE ZATS

Occupation	Number employed	Present pay	Proposed pay	Total
President	1	$200,000	$160,000	$40,000
Vice President	1	75,000	58,000	17,000
Cabinet members	12	66,000	50,000	192,000
Cabinet-level members	5	66,000	50,000	80,000
Other top executive positions:				
Level I		66,000	50,000	
Level II		60,000	48,000	
Level III		57,000	45,000	
Level IV		53,000	42,000	
Level V		49,000	40,000	
Total executive branch savings				329,000
Speaker of the House	1	75,000	58,000	17,000
President pro tempore	1	65,000	50,000	15,000
Majority/minority leaders	4	65,000	50,000	60,000
Members of Congress	535	57,500	45,000	6,687,500
Comptroller General	1	60,000	48,000	12,000
Head's of other legislative agencies		53,000	42,000	
Total legislative branch savings				6,791,500
Chief Justice	1	75,000	58,000	17,000
Associate Justices	8	72,000	55,000	136,000
U.S. Court of Customs and Patent Appeals	5	57,500	45,000	62,500
U.S. Court of Claims	6	57,500	45,000	75,000
U.S. Customs Court	9	54,500	43,000	103,500
U.S. Tax Court	15	54,500	43,000	172,500
U.S. Court of Appeals	88	57,500	45,000	1,100,000
U.S. district courts	379	54,500	43,000	4,358,500
U.S. territorial district courts	6	54,500	43,000	69,000
Total judicial branch savings				6,094,000
Grand total				13,214,500

IMPRESSIONS OF U.N. SPECIAL SESSION ON DISARMAMENT

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. HILLIS. Mr. Speaker, yesterday I had the opportunity to visit the U.N.'s Special Session on Disarmament for the second time in as many weeks. The impressions I have gained during my visit might be of interest to my colleagues; therefore, I would like to take this opportunity to share them.

All of the participants I had an opportunity to visit with share the opinion that the SSOD will provide little real immediate movement toward world disarmament. However, they all agreed that the SSOD is providing an excellent opportunity for Third World nations to experience firsthand the difficulties involved in negotiations of this type.

One of the main feelings Third World nations have expressed at the SSOD is frustration over the slow speed of the United States-U.S.S.R. SALT negotiations and the limited scope of those talks. Since it is obvious that in order for the SALT negotiations to be successful, they must remain on a bilateral basis. There is little hope that other nations will ever be invited to join in the negotiations. While the basic frustrations of the Third World nations over the SALT negotiations will remain, they are learning through participation in the SSOD the extreme difficulty involved in any such negotiations. Hopefully, this new knowledge will lead to a new understanding of the problems facing the United States and the U.S.S.R. in reaching a SALT agreement.

There was some discussion at the SSOD that another special session should be scheduled some time in the future, perhaps 3 or 4 years from now. This second special session would serve the dual purpose of reviewing the progress made since the first session and possibly further efforts toward world disarmament. I believe such a move would be useful in order to continue the advances made at the U.N. in the last 5 weeks.

It is too early to determine the quality of any final document to be produced through the SSOD. However, I do not think it is too early to proclaim that the SSOD, while perhaps not everything every participant desired at the beginning of the session, has been a success overall. The governments of the world have been forced to focus on the problems of disarmament. Through this process new ideas and thoughts have emerged, as well as new understandings of special problems facing individual nations. New friendships have been formed by delegations to the SSOD which will assist in any future diplomatic relations between their nations.

One cannot make a thousand-mile march until he has taken the first step. Perhaps years from now our children can look back to the U.N.'s Special Session on Disarmament as the first step in the long process of, if not total disarmament, at least a beginning of the end to the arms race. I remain optimistic that someday all nations will be able to live peacefully with their neighboring countries. If mankind is to ever know the meaning of lasting world peace, we must develop better understanding of our adversaries. To that end the SSOD has been a success.●

PROPOSITION 13 ALREADY HELPING CONSUMERS

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. SHUSTER. Mr. Speaker, today's Wall Street Journal reports that:

Proposition 13 passage in California is beginning to have some noteworthy effects. Bank of San Pedro reduced all of its consumer loan rates by ¼ percentage point. It said the cuts will about equal future savings for the bank on its property taxes, which were reduced by the proposition.

Is it not amazing, that when Government's burden is eased off the backs of the people, the benefits to the people begin popping up in wondrous and unexpected ways?●

CURB GOVERNMENT INVOLVEMENT IN FREE MARKET SYSTEM

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. GRASSLEY. Mr. Speaker, throughout our country there are many advocates of the free market system in agriculture who are continually working to curb unnecessary and costly Government regulations which threaten a viable agricultural sector. One such individual is Dean Kleckner, president of the Iowa Farm Bureau. I have known Dean for many years, and his dedication to promoting "what's best for agriculture" is unparalleled.

I would like to share with my colleagues a news account of a recent speech given by Dean at the Farm Bureau's midyear conference at Des Moines. The news account follows:

[From the Iowa Farm Bureau Spokesman, June 10, 1978]

KLECKNER CRITICAL OF GOVERNMENT INVOLVEMENT IN FREE MARKET SYSTEM

Iowa Farm Bureau Pres. Dean Kleckner was critical last week of attempts during recent months to get the government involved again in the free market system.

Kleckner told county Farm Bureau voting delegates, presidents and vice presidents at the Midyear Conference in Des Moines that Farm Bureau sympathized with the American Agriculture Movement (AAM) in that farmers needed higher prices for their products.

However, he said Farm Bureau does not agree with their belief that government should guarantee higher agricultural prices through 100 percent of parity, a formula for comparing prices of agricultural products.

"There are really only two areas we can work in to get higher prices—producing less and selling excess stocks. We don't need and we can't stand government accumulation of surpluses, which we're building back to now," he said.

Farmers, he said, generally agree that government-held stocks depress prices. But one aspect that is not generally recognized is that high price supports help build government stocks, not higher prices.

"Government guaranteed prices at profitable levels will inevitably mean production controls because we will over-produce." he stated.

Kleckner noted that the United States has the capacity to produce too much and is therefore dependent on exports to deplete surplus stocks. But he said there is another aspect to consider.

"When we support prices at a high level, what we're doing is putting an umbrella over other countries' production. They can then sell their products at a price just under ours. They've done it before and they'll do it again.

"That's why international commodity agreements never work. Other countries don't live up to the agreement."

Kleckner recalled that several years ago the soybean support price was lowered from $2.50 to $2.25 per bushel. The move, he said, told foreign countries that the U.S. was going to sell soybeans and that they would have to compete with soybeans at $2.25.

"They couldn't and from that point on soybeans have been the miracle crop," he noted.

PARITY

Kleckner quoted Gene Hamilton, staff economist with the American Farm Bureau, who says "The parity formula has developed as a statistical device for use in comparing prices and not as a formula for fixing prices.

"In effect, the computation of parity prices reflects an effort to project the price relationships of another era (1910–14) on a mechanical basis with little regard for the changes that have taken place in agriculture in the world."

Kleckner said the parity price concept does not make adjustments for changes in technology, output per farm workers and yield per acre.

The pressure exists today to move agriculture back toward fixing prices through government controls, he said. "I would hope that as Farm Bureau leaders in the county and state we will carefully review our farm policy recommendations this year," he said.

Kleckner stressed the importance of continued unrestricted access to foreign markets and government's role in providing agricultural research, market information, educational assistance and credit programs, among a few.●

SCIENCE, TECHNOLOGY, AND AMERICAN DIPLOMACY AT STATE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. FRASER. Mr. Speaker, on May 31, 1978, the House adopted H.R. 12598, the Foreign Relations Authorization Act for fiscal year 1979. Title V of this act contains legislation on science, technology, and American diplomacy originally introduced as H.R. 11548 by Chairman ZABLOCKI and several cosponsors, including myself. The intent of the legislation is to encourage the use of science and technology in our Nation's bilateral relations as well as in our policy toward international organizations. The Committee on International Relations in recommending title V did not intend that the State Department should be able to veto proposed activities of other agencies. Indeed, nothing in title V gives State the right to veto such programs. Rather the committee intended that State advise those agencies involved in international scientific or technical programs of their international implications so those programs would be consistent with overall foreign policy. If an agency did not want to accept State's advice, State could appeal to the White House, but this is no different than current practice.

A recent article by John Walsh in Science magazine provides a useful commentary on the current state of affairs in the Department concerning international, scientific, and technological cooperation. Walsh also provides several insights into title V. He properly emphasizes the committee's interest in having the State Department coordinate and oversee activities undertaken pursuant to such agreements. The committee felt that the technological sophistication of the Foreign Service needed to be improved and that the Department's external research program needed to be upgraded so as to improve long-range planning for applying science and technology to foreign policy problems. State needs to assess the opportunities and threats implicit in technological change. But I do not believe the committee ever intended that the State Department should assume responsibility for research and development in technical areas such as energy, communications, communicable diseases, arid lands research, agriculture, and ocean matters as some have inferred. Rather, the committee report (No. 95–1160) speaks of the need for State to rely on other agencies to manage and operate programs called for under these agreements.

The article by John Walsh is a useful discussion of the current state of affairs in the Department in international, scientific, and technological cooperation and of the ways title V intends to improve that situation. I commend it to all Members' attention:

IS PROBLEM OF SUCCESSION SETTLED FOR SCIENCE OFFICE AT STATE?

The State Department has picked an insider to be Assistant Secretary of State for Oceans and International Environmental Affairs (OES) to replace Patsy T. Mink who resigned in April. Although not yet announced by the White House, the choice is reliably reported to be Thomas R. Pickering, a career foreign service officer (FSO) who is now ambassador to Jordan.

The selection of Pickering is said to reflect a considered decision by Secretary of State Cyrus R. Vance that what OES needs is a leader who knows the State Department system well and can work effectively within it. The nomination lays to rest, at least for the time being, a protracted insider-vs.-outsider debate over whether the head of the science bureau should be recruited outside to bring strong scientific credentials and reputation to the job or should be a State Department career officer with proven management skills.

Two recent occupants of the OES post, Mink a former congresswoman, and Dixy Lee Ray, who came to State from the chairmanship of the Atomic Energy Commission, resigned after relatively short, unhappy periods in office (*Science*, 19 May). In a 1974 reorganization, responsibility for a number of matters, including fisheries, environment, nuclear energy, and population were consolidated in the science office. The reorganization was designed to strengthen OES, but the bureau has been repeatedly bypassed by top State officials on important policy issues involving science and technology, ignored by the regional bureaus, and consistently been the loser in internal bureaucratic bouts.

It is generally assumed that Pickering would not have taken the OES job unless Vance had given firm assurances that OES would be brought into the policy mainstream and given resources to operate more effectively.

The weakness of OES has long been a worry to a constituency in government, universities, and private foundations concerned with the role of science and technology in international affairs. Among members of that constituency who were consulted or informed about the Pickering appointment, the first reaction seems to have been dismay at the choice of a career officer with no science in his cv. However, Pickering's reputation as a comer in the department and the strong impression he made when going the rounds in Washington to discuss the job appears to have won him wide approval. There now seems to be more general support than ever before of the view that the status of the OES bureau chief among his peers is an essential factor in the standing of the bureau. As one knowledgeable university-based observer put it, "When the foreign service corps looks at this [appointment], it could change the ball game."

OES prospects for a stronger position in the department could be enhanced by legislation recently reported to the House by the

Committee on International Relations. The State Department authorization bill (H.R. 12598) this year includes a section (Title V) sponsored by the committee's chairman, Representative Clement J. Zablocki (D-Wis.), designed to require and assist the State Department to make more effective use of science and technology in its operations.

A key provision mandates that the State Department coordinate all science and technology activities overseas. The bill says the Secretary of State "shall have primary responsibility for coordination and oversight with respect to all science or science and technology agreements and activities between the United States and foreign countries, international organizations, or commissions of which the United States and one or more foreign countries are members."

The Administration has not yet taken a formal position on the proposed legislation, and the Department of Defense (DOD) and Central Intelligence Agency (CIA) have expressed strong reservations that State Department coordination could adversely affect their activties affecting science and technology abroad. Negotiations with committee staff on the matter resulted in the inclusion of language in the committee report designed to deal with DOD and CIA objections, but at this point it is not clear how strong or effective the opposition will be.

The legislation is a product of a massive study conducted over a period of 7 years on the interactions of science and technology with United States Foreign policy at the behest of Zablocki. The study, carried out for the committee by the Congressional Research Service and directed by Franklin P. Huddle for CRS, culminated last year in publication of a three-volume, 2000-plus page compilation of analysis and recommendations on the subject.*

The Zablocki initiative is the most vigorous and extended expression to date of a growing concern in Congress about the importance of science and technology in international affairs and of vexation with the State Department for its relatively indifferent behavior on the subject.

The House Science and Technology Committee has been active on a number of international science issues and its chairman, Representative Olin E. Teague (D-Tex.), was consulted on the Zablocki legislation. In the Senate, the chairman of the Commerce Committee's science, technology and space subcommittee, Senator Adlai E. Stevenson (D-Ill.) is showing a particular interest in international economic implications of technology transfer. Most relevant for OES is the attitude of Senator Claiborne Pell (D-R.I.), chairman of the Foreign Relations Committee's subcommittee on Arms Control, Oceans and International Environment, who was author of the OES reorganization measure.

The OES post requires Senate confirmation and Pell's subcommittee would hold the confirmation hearings. Pickering touched base with Pell and apparently made a favorable impression. Pell is said to have come around to the view that an outsider in the top job at OES will inevitably run afoul of the system and that the best bet for OES is to have an insider with a mandate to build up the bureau.

Pickering, 47, seems to fill the bill very well. He has no scientific or technical background, and, except for serving in the Arms Control and Disarmament Agency in the early 1960's in his first assignment after joining the Foreign Service, he has had no real opportunity to learn science on the job. His career, otherwise, could be a textbook case of an FSO on the fast track of early promotion and assignments that cause State Department careers to prosper. By 1967 he was deputy chief of mission in Dar es Salaam, Tanzania. He then returned to Washington to be deputy director of the Bureau of Political and Military Affairs from 1969 to 1973 and then a special assistant to the Secretary of State until 1974 when he went to Amman as ambassador. Pickering is said to be tough minded and very bright and seems to have made a positive impression on key officials he will be working with, including the President's Science Adviser Frank Press.

Hill observers say that Secretary Vance's choice of Pickering gratifies another constituency. Foreign service regulars were aggrieved at the beginning of the Carter Administration by appointments of outsiders to a number of top posts in the department. They complained bitterly to Vance that career officers were being cut off from these top jobs with a consequent serious effect on morale. These observers say that Vance more or less committed himself to appointing qualified FSO's when high-level vacancies occurred. The Pickering nomination is seen as making good on that commitment.

The Pickering appointment is a major step in the effort to bolster the position of OES, but only a step. As a long succession of analysts and advocates have agreed, what is needed is not only astute leadership and stronger resources in OES, but the diffusion of sophistication about science and technology throughout the department (*Science*, 8 April 1977). The troubles of OES have tended to restrict the focus of the discussion to the bureau.

The conversion of FSO's at large into a corps of true believers in the place of science and technology in diplomacy will not be easy, but recently there have been signs of recognition at State that such a conversion is required. State Department officials have never argued about the importance of science and technology in principle, but now embarrassing and even threatening events are forcing them to take science and technology seriously in practice.

Two major examples make the point. U.S. foreign policy on nuclear matters, particularly as related to proliferation issues in the 1970's, has been woefully inept and inadequate. The State Department appeared to recognize the issue too late to deal with it effectively. Relations with less developed countries are profoundly affected by technology-transfer and economic development issues which have a heavy science-and-technology component. U.S. tardiness in getting preparations under way for the U.N. Conference on Science and Technology for Development, schdeuled for next summer, is a characteristic example of U.S. failure to come to grips with a set of potentially explosive issues highly important to this country's interests.

The Zablocki legislation takes the broad dimensions of the problem into account. The bill says that the government should consult with industry, the universities, and other research institutions concerned with modern technology in formulating and carrying out technological foreign policy. To do this and to assess the opportunities and threats implicit in technological change, the bill authorizes the department to make a variety of arrangements for research and consultation with individuals and other institutions, governmental and nongovernmental.

To carry out its coordinating role in science and technology activities, the bill foresees the department undertaking an ambitious program of training both internally and by providing opportunities for detached service for department personnel for graduate study in colleges and universities.

The bill would leave the details to the department by delaying implementation for a year, and requiring the Secretary to spell out by 20 January 1979 budgetary and personnel requirements to carry out the objectives of the bill.

Prospects for the bill will be clearer when the Office of Management and Budget comes forth with the Administration's formal position. The military and intelligence agencies have not commented publicly on the proposal, but are said to fear that the "oversight" function given State might be construed as a "management" responsibility. Congressional sources insist that the committee was generally satisfied with present coordination arrangements between State and DOD and CIA; the legislative history of the bill, both hearings and report, make clear that the aim of the section is to achieve better coordination of the science and technology activities of civilian agencies such as the departments of Commerce, Agriculture, and Energy.

The Office of Science and Technology Policy attitude currently is a cautious approval of the general principle of the bill but no comment on the specifics. Much the same is true at State but the department is concerned about the burden of extra work the bill requires of it, and has not yet fully assessed what the implications of carrying out the new duties would be.

On Capitol Hill, the State authorization bill is expected to be acted on in the House by early June. No equivalent of Title V is in the Senate version of the bill. Zablocki and Pell have discussed Zablocki's Title V, and backers of the measure hope that the Senate will accept it substantially intact in the House-Senate conference on the bill.

Whatever the immediate fate of the bill, proponents of science and technology at State have reason to take heart. The problem of the succession at OFS seems at last to have been settled. And the signal from the Secretary's office may mean that, on the subject of science and technology, the education of the State Department is under way.●

* *Science, Technology, and American Diplomacy*, three volumes. For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

A NATIONAL FOOD RESERVE PROGRAM

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. ADDABBO. Mr. Speaker, global agricultural production walks a precarious tightrope between a little surplus on the one hand and little shortage on the other. The vagaries of man—war, trade policies—and the vagaries of nature—adverse weather and pest infestations—make predictions of future marketable grain supplies an impossible task. However, the demand for agricultural commodities is growing but is basically inelastic. As the United States is the major grain producer in the world, the unpredictability of the world market leads to economic instability and price and income uncertainty at home.

As long as the United States attempts to operate in an essentially free market economy with respect to agricultural commodities, farm incomes and food prices will ride the unstable roller coaster of unpredictable world grain production. Any major disturbance or series of disturbances in the global supply of agricultural commodities would have a direct and immediate impact on the domestic market. Whenever supplies become a little short, the world experiences a scramble for supplies which skyrockets prices;

whenever supplies become a little long, farm prices drop just as precipitously, causing an agricultural recession.

Since 1975, total world grain stocks have increased from 126 to 183 million metric tons. Wheat stocks have climbed from 62.5 million tons to 100 million tons. As the demand for grains is largely inelastic, the increased stocks have resulted in a decrease in price. The price of wheat has decreased from $6 a bushel in the shortage years of the mid-1970's to the $2 range in 1977.

The United States must develop an agricultural policy which would enable it to sustain and expand its exports, at the same time insulating itself from the shocks of a totally free market situation. A well-managed reserve stock program is the most effective way of maintaining a reasonably stable price level which would be acceptable to both the producer and consumer elements of society. Consumers would be guaranteed an adequate supply of food at a reasonable and predictable price, while farmers would be protected against precipitous declines in income.

A secondary, but no less important function of the grain stock reserve would be the maintenance of adequate supplies to meet famine or other relief requirements, as determined by the President.

Agricultural production in the Third and fourth worlds has barely kept pace with the growth in population, which is greater than 2 percent per year. As a group, these countries consume barely 400 pounds of cereals per person per year, mostly in the form of cereal, rather than of meat. A complicating factor is the fact that increasing affluence causes increasing demand for protein rich diets—thus further increasing the demand for food. However, per capita consumption has been relatively stable for the past decade. This means that improving diets for some has meant worsening diets for others.

Most of the developing nations tend to be close to self-sufficiency in agriculture, as they do not have the foreign exchange to finance heavy food imports. Thus, bad crops in these areas of the world means starvation to the millions of poor people who live on subsistence diets during years of plenty. When these countries do go into the world market to buy food, the wide swings in prices are especially destructive to their economies.

Directed toward famine conditions, emergency food relief would save lives and insure the viability of the local community. Rather than act as a disincentive to local production, the aid would give local governments the opportunity to implement policies designed to increase food production.

The United States would find it advantageous to encourage other countries to develop effective reserve stock programs. As the industrial nations can afford to specialize in agricultural production, they constitute the major exporters and importers of agricultural commodities. A well-coordinated international system of reserve programs would go a long way toward stabilization of the prices of grains and related commodities. Furthermore, if other major exporters and importers maintained reserve programs, the cost and size of a domestic reserve stock program would be reduced.

Since 1974, it has been the policy of the United States to support a world food reserve. The U.N. World Food Conference held in Rome in 1974 recommended that a world food reserve be established to prevent recurrence of the food shortages and highly volatile price situation of the early 1970's. The United States supported this proposal. Again in 1975, at the International Wheat Conference, the United States reaffirmed its commitment to a system of world food reserves. Later, at the 1975 meeting of the Ministerial Council of the Organization for Economic Cooperation and Development, the United States outlined a proposal for an international system of reserves.

The United States must develop a food and agricultural policy which would enable the country to profit from its position as the major supplier of grain to the world market, while avoiding the disadvantages of global market forces. H.R. 9573 would provide just such a policy. As the bill does not require the establishment of publicly held grain reserves, waste can be avoided through privately held, frequently rotated reserves. The bill encourages the President to enter into negotiations to establish an international network of reserves. Stable prices will encourage grain exports and, thereby, increase U.S. income.

Regarding the use of a food reserve as a means of disaster relief, we must take this opportunity to act unilaterally and provide an example for the rest of the world. The Third World will see this as an affirmation of our commitment to world peace and human rights. For the right to food is the fundamental human right, as it constitutes the right to life itself.●

TURKISH ARMS EMBARGO

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. EDGAR. Mr. Speaker, today I am inserting in the RECORD a resolution enacted on June 6 by the Council of the Township of Upper Darby, the largest community in my congressional district. This resolution calls upon the President and the Congress to maintain the embargo on arms to Turkey pending the outcome of good faith negotiations for settlement of the Cyprus conflict.

By lifting the embargo now, we would be giving the Turkish Government a clear signal that the Cyprus issue is not important enough to interfere with our military and other ties to Turkey. At a recent White House briefing on the Cyprus impasse, my office asked what incentives we could give the Turks to reach a just settlement of the Cyprus conflict once we lift the embargo. The administration responded that once the embargo is lifted, the United States still could withhold security assistance if progress is not made in the Cyprus talks. On follow-up questioning, the administration affirmed its willingness to withhold future aid if the Cyprus impasse is not resolved. If this is the case, then the Cyprus issue is, in fact, important enough to warrant an interruption of our normal relationship with Turkey. If it is logical to claim that we should withhold aid next year from Turkey if progress is not made on Cyprus, it is logical to withhold aid this year. Accordingly, I urge my colleagues to support the maintenance of the embargo and I commend the attention of my colleagues to the following resolution:

RESOLUTION

Whereas, Greece has been a friend and ally in combat of the United States for over sixty years, through two World Wars, an intense civil war to hold back communism in the Balkan Peninsula, the Korean Conflict, and is now an indispensable ally and the symbol of democratic government in Eastern Europe; and

Whereas, Greece is essential to the security of the United States and the Free World in the Mediterranean area and is essential for the safeguarding of the Sixth Fleet in the Mediterranean; and

Whereas, Turkey has attacked, seized and continues to occupy forty percent of the independent island nation of Cyprus, by illegal use of American supplied military weapons in violation of the United States Foreign Military Assistance and Sales Acts, and in violation of the NATO Charter and in repeated and flagrant violation of four United Nation Resolutions; and

Whereas, The humanitarian crisis on Cyprus, involving over two hundred thousand Cypriots, now refugees in their own country, grows increasingly more desperate, as the prospects for a negotiated settlement wane and United States foreign policy waivers in the face of Turkey's truculent blackmail tactics; and

Whereas, President Carter has declared that the United States foreign policy shall be committed to the protection of human rights, and he has proceeded to withdraw United States aid from nations which have persisted in violations of human rights, such as Turkey has committed, and is continuing to commit, against the people of the sovereign nation of Cyprus;

Now, therefore, be it resolved:

That the Mayor and the Council of the Township of Upper Darby urge the President and the Congress of the United States to exert their best efforts toward a just resolution of the Cyprus conflict, to apply the principles of human rights and self-determination to the sovereign island nation of Cyprus, to bring about the removal of all foreign troops from Cyprus, to restore the over two hundred thousand displaced and suffering Cypriot refugees to their home, and to restore to the people of Cyprus the right of self-determination; and

Be it further resolved:

That the Mayor and the Council of the Township of Upper Darby urge the President and the Congress of the United States to give generous support to the Cypriot refugees, to continue to support Greece by annual aid authorizations and to continue the embargo on arms to Turkey until such time as Turkey acts affirmatively to resolve the Cyprus conflict by withdrawing its armies from occupied Cyprus and enters into good faith negotiations for a permanent peace treaty; and

Be it further resolved:

That copies of this Resolution be transmitted to the President of the United States, to the presiding officer of each House of Congress of the United States, and to each Senator and Representative from Pennsylvania in the Congress of the United States.●

POLL SHOWS NEW YORKERS NOT IN FAVOR OF TAX CUT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. WEISS. Mr. Speaker, ever since the passage of California's Proposition 13, it has been assumed that taxpayers everywhere are in favor of lower taxes regardless of the impact these cuts would have on public services. A recent New York Daily News opinion poll shows that this is not true. New Yorkers, much to their credit, are well aware of the consequences of an irresponsible tax cut. Perhaps the most encouraging finding of the random sample of 1,200 adults is that 62 percent believe that it is more important to improve the physical condition of the city than it is to lower taxes. A mere 28 percent prefer a tax cut under these conditions. The results of the poll, reprinted in full below, reveal commonsense optimism, and willingness to sacrifice that is commendable and worth emulating.

Poll follows:

[From the Daily News, June 19, 1978]

THEY SAY: BETTER TO FIX CITY THAN CUT TAX

New Yorkers are overwhelmingly concerned about the deterioration of the city's facilities such as schools, bridges and trucks and feel it is more important to fix them up than to cut taxes or embark on major new projects.

But they generally are optimistic that the city will be able to solve its problems—with outside help—and that the quality of life here won't get any worse in the next five years.

These conclusions are based on a in-depth random telephone survey of 1,200 adults in the metropolitan area during April, May and June by the Daily News Opinion Poll. Each respondent was asked a dozen questions about the city's problems and its future.

Nearly nine out of 10 of those polled feel that the city has allowed its equipment and physical facilities to deteriorate during the fiscal crises of the last few years. This concern is felt about bridges, schools, parks, streets and heavy equipment.

And despite the tax revolt sweeping the nation, six out of 10 say it is more important to improve the physical condition of the city than to cut their taxes.

By the same six-out-of-10 majority, they feel it is more important to improve the city's physical plant than to give municipal employes the pay raises that they have not had for several years.

An even bigger majority—eight out of 10—think that the city should use its money in fixing up what it has instead of building new facilities such as a convention center. In addition, they feel it is much more important to improve mass transit than to build Westway, the West Side superhighway project.

More than half of the respondents think that New York will solve its problems, but three fourths agree that the city can't do it on its own and some sort of outside help will be required.

Somewhat surprisingly, the older persons polled—those over 50—are more optimistic than those under 35 about the city's future. The older respondents are more inclined to believe that New York will be a better place in which to live by 1984.

Blacks and Hispanics are less hopeful than whites about improving the quality of life in the city, and are much more worried about the breakdown of facilities or equipment.

For example, 67% of the blacks and 78% of the Hispanics but only 41% of the whites said they worried about elevators not working. And 83% of the blacks and 90% of the Hispanics—compared with 61% of the whites—worry about parks not being clean and burning benches to sit on.

MOST IN THE BRONX

This concern about equipment and facilities being inadequate is much more prevalent in the Bronx than any of the city's other boroughs.

Six out of 10 respondents also said they worry about bridges being safe, a concern strongly supported in a report being drafted by the city controller's office. This report says normal maintenance has been almost nonexistent and there is a "strong possibility of structural failure" on many of the city's bridges.

Broken down by boroughs, the feeling that New York will find the answers to its problems is strongest in Manhattan and weakest on Staten Island.

Similarly, residents of Manhattan are more convinced than those in other boroughs that life in the city will get better by 1984 or at least remain the same. Staten Island residents are the ones most likely to think the city will be a worse place in which to live by then.

Manhattanites also are the most willing to put improvement of the city's facilities ahead of a tax cut, by a ratio of 71% to 19%. Strongest sentiment for fixing up facilities ahead of a city employees' pay raise is the 73% in Brooklyn.

Respondents over 50—some of whom may be paying higher taxes than younger persons—are more inclined than those under 35 to think that a tax cut is more important than repairing facilities. But a majority in each group thinks the facilities should come first.

KOCH IS FAVORED

More New Yorkers feel that the Koch administration will help to improve the city than will either President Carter or Gov. Carey. But only about half say they now think that even Koch will succeed in that undertaking.

The Daily News poll covered persons 18 or older in the five boroughs and Nassau, Suffolk, Westchester, and Rockland Counties. Richard F. Link of Artronics Information Systems Inc. was the consultant and helped to analyze the results.

Following are the exact questions put to all of the 1,200 respondents and their choice of replies, broken down by percentages:

In general, do you think the city has allowed its equipment and physical facilities, such as trucks, bridges and schools, to deteriorate during the fiscal crisis of the past few years?

	Percent
Yes	86
No	6
Don't Know	8

When you are in New York City do you worry about elevators not working?

	Percent
Yes	46
No	50
Don't Know	4

Parks not being clean with benches to sit on:

	Percent
Yes	65
No	31
Don't Know	4

Bridges being safe:

	Percent
Yes	61
No	54
Don't Know	5

Being tied up in traffic because of street closings:

	Percent
Yes	61
No	33
Don't Know	6

Do you think the city should embark on new projects to improve its facilities such as a new convention center or should it use its money in fixing up what it has?

	Percent
Get new facilities	16
Fix up what it has	80
Don't Know	4

Is it more important to you to give city employes a raise which they have not had for several years, or to improve the physical conditions around the city?

	Percent
Give raise	32
Improve physical conditions	60
Don't Know	8

Is it more important to you to cut taxes in the city or to improve the physical condition of the city?

	Percent
Cut taxes	28
Improve physical conditions	62
Don't Know	10

Is it more important to you to build Westway, or to improve mass transit?

	Percent
Build Westway	21
Improve mass transit	66
Don't Know	13

Generally, do you think that New York City will solve its problems?

	Percent
Yes	53
No	34
Don't Know	13

By 1984 do you think that the city will be a better place place to live, about the same, or a worse place to live?

	Percent
Better place to live	31
About the same	26
Worse place to live	30
Don't Know	13

Do you think that the city can do all that has to be done on its own or do you think that some sort of outside aid is required?

	Percent
Can do on own	17
Outside aid is required	77
Don't Know	6

Do you think the Koch administration will help improve the city?

	Percent
Yes	48
No	29
Don't Know	23

Do you think that the Carey administration will help improve the city?

	Percent
Yes	24
No	56
Don't Know	20

Do you think that the Carter administration will help improve the city?

	Percent
Yes	34
No	21
Don't Know	21

BORO BREAKDOWN

Generally do you think that New York City will solve its problems?

Manhattan: Yes, 61 percent; no, 27 percent; don't know, 12 percent.

Bronx: Yes, 55 percent; no, 29 percent; don't know, 16 percent.

Brooklyn: Yes, 53 percent; no, 37 percent, don't know, 10 percent.

Queens: Yes, 54 percent; no, 28 percent; don't know, 18 percent.

Staten Island: Yes, 39 percent; no, 47 percent; don't know, 14 percent.●

ECONOMIC DEVELOPMENT IN NEW YORK CITY

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. MURPHY of New York. Mr. Speaker, the House of Representatives and the Senate Banking Committee have both recently passed legislation which provides financial assistance to New York City in the form of bond guarantees. The margin of passage was considerable, and shows that both Houses of Congress are sympathetic to the ills which can befall any major city in these times of enormous inflation and an overall shaky economy.

The city of New York has made some major sacrifices to accommodate the conditions set by the Federal assistance in the past and in the current legislation, and we have made some additional giant steps toward setting our financial house in order for the day when outside assistance will no longer be required.

Robert J. Milano, formerly the deputy mayor for economic development of the city of New York, recently spoke before the New School for Social Research of the center for New York City affairs, and outlined some of the courses of action, some of which are already underway, and some which bear the seeds of new and vital programs to stabilize the city's economy.

I commend his remarks to my colleagues who would like to be better informed about the economic problems and solutions in the Nation's largest city:

REMARKS BY ROBERT J. MILANO AT DEAN'S LUNCHEON SEMINAR CENTER FOR NEW YORK CITY AFFAIRS NEW SCHOOL FOR SOCIAL RESEARCH

The Honorable Eugene Keogh recently asserted that a distinction exists between a former Deputy Mayor and an ex Deputy Mayor. I disagreed. Unequivocally, I can state that, just like the Gold Dust Twins, there is no difference at all. Whether a former or ex Deputy Mayor, he has doffed the trappings of office and is alive and kicking.

Upon assuming the duties of Deputy Mayor for Economic Development, I discovered that my assignment was fraught with policy questions and few, if any, answers. For a business man relegated to his own devices, however, the work cut out was clear. I would start by viewing the City of New York as an ailing but not helpless conglomerate in dire need of a strategy designed to cope with its weaknesses and reinforce its strengths. Also, I would try to bridge the lessons of the past into the schemes of the present and the future.

Without comparable balance sheets and profit and loss statements, how would one go about the business of making an estimate of the situation.

On one side of a broad brush, the city has been plagued by financial crises stemming from unbalanced budgets; a neglected plant in desperate demand for repair and maintenance; a hideous level of unemployment, especially amongst blacks and Puerto Ricans, that feeds on welfare and gnaws away at pride; debilitating taxes; exorbitant energy and insurance costs; inadequate incentives to breed entrepreneurs for small and medium sized ventures; prohibitive prices for Government owned land crying for utilization; decayed or declining neighborhoods; obstacle courses in the way of initiating ideas and implementing projects; deficient mechanisms to identify and tap Federal grants; and a disenchantment spurred by discouragement and doubts that the City's government really cares.

On the other side, we could be consoled by mounting signs of economic revival. Whether this upswing can be ascribed to the cyclical healing qualities of an indomitable Metropolis gradually nursing itself back to mental and physical health is a matter of conjecture. Or could it be that Adam Smith's "invisible hand" of self interest is at work despite years of misguided intervention?

The fact is that tourists are flocking to the city; hotels are full; retailers are enjoying the best sales in years; Broadway is in the midst of a record season; restaurants are thriving; commercial rentals are in demand; new construction, reconstruction and remodeling are becoming visible; and employment is stabilizing after a loss of over 600,000 jobs in less than 10 years.

Nonetheless, a businessman must understand that the city's economic base rests on the vitality of its preponderant consumer market; incomparable financial; commercial, business and communications net-work; significant manufacturing and construction industries; matchless inventory of management, technical and labor skills; precious educational, cultural and health care institutions; comprehensive transportation, distribution and waterfront facilities; and industrial parks and other usable areas principally in the Bronx, Brooklyn, Queens and Staten Island.

These are massive assets of immense value and scope far more than ample to sustain a thriving New York and a forceful impact throughout the world. What can be done to accelerate the thrust behind the deployment of these assets? How do we help seed more abundant crops of business and jobs?

The infusion of private capital is the backbone of our economy and the key to long term growth. Witness, as shining examples, the investments announced for the Fisher Brothers, I.B.M. and Chrysler office buildings, as well as the Palace and Commodore Hotels. But while we rejoice in these accomplishments that loom on Manhattan's skyline, the urgency to spread a sense of revival to the other four boroughs weighs even more heavily on our shoulders. Our sights can't be set on anything less than the whole city.

If, then, the application of private resources is circumscribed for whatever the reason, any other conceivable source of capital to fill the gap must be sought and brought into play. This means Federal and State funds and guarantees as well as conduits such as the Port Authority, the Urban Development Corp, the Industrial Development Agency and the TRTA Authority. The mandate is to bring together ingredients, including public-private partnerships, needed to propel profitable, job producing enterprises.

In charting courses toward economic development, what about priorities? At this point in time, the candidates—controversial or not—are mass transit; Westway; the Convention Center; South Bronx; Waste Resource Recovery; Port Authority development of industrial parks; the Battery Park housing project; reductions in business taxes and insurance costs; incentives and tax abatements; consolidation of the City's development components; cutting red tape; business crime prevention; an energy policy; assistance for small business; and the Business Marketing Corporation.

Sixteen priorities? Does this boggle the mind? Remember that New York's ravenous appetite begs for a big bowl instead of a plate; and that the fruits to be borne may take years and even skip a generation. How do they stand?

Mass transit, the sensitive spine of economic stability, must be required and maintained, not expanded, while holding the line on its fare. There is talk in Washington of changing highway and mass transit formulas in favor of older urban areas. This could bring more than $360 million a year to add to the improvement of our subways and buses. The announcement from Albany last week that conjured up another $800 million of Federal, State and Port Authority money for mass transit improvements on top of a pledge to preserve the 50 cent fare until 1981 is as endearing as it is perplexing. Let's keep our fingers crossed while we take a look at this gift horse in the mouth.

Until last Wednesday, Westway was in the lap of the Gods. With the stamp of approval it has received, the overwhelming question is when Westway can be expected to pollinate the City with the jobs and potentially beneficial investments sorely needed to stimulate our economy.

The Convention Center is moving to size resolution with 34th Street as the likely site. Financing should be imminent.

South Bronx Redevelopment plans at long last were unveiled with Washington's still flimsy stakes for this gamble motivated by despair. The economic development portion was first in place. On March 10th it was ready for initial step implementation. If predictions are muted it is because South Bronx is an acid test of what the City's recovery will be all about.

Waste Resource Recovery is an exciting concept whose time has come. If the economics of commercial operations prove acceptable, garbage, instead of a disposal problem, could transform itself into a cost-saving energy and valuable by-product resource.

The Port Authority's proposal for industrial park development in New York City signifies a new, desirable path of direction. The availability of prime industrial property at competitive prices is an indispensible objective. Enabling legislation is in process.

The housing project for Battery Park City awaiting F.H.A. loan guarantee approval tests the old adage about a bird in the hand being worth two in the bush. The issue is whether the City would be willing to trade a "down the road" calculated risk for construction ready to go now. Look around. The City is loaded with birds in the bushes.

A package of business tax proposals was submitted for consideration in January. It called for reductions of $145 million beginning fiscal 1979 and ascending to $257 million in 1982 but ran into conflict with the City's Four Year Plan. The tax burdens imposed on business are flagrantly counterproductive and remedies should be pressed even before budgetary constraints permit. In its time, a business restrictive tax dollar seemingly lost will come back to roost many times over.

Testimony was prepared and presented in February to the State Senate Committee on Insurance urging the legislature to amend the Fair Plan in the interest of lower costs and broader coverage. Discussions are in progress with the State Superintendent of Insurance.

Comprehensive recommendations to expand and liberalize incentives and tax abatements, with insights on depressed areas, were put forward in March. The progressive performance of the ICIB and IDA provides compelling reasons for affirmative action in extending inducements without which the initiative for business formations and growth would not occur.

In February, as an initial step, directives to knit together the City's seven fragmented development activities were promulgated. Central control is necessary to insure ac-

countability and maximize results in exploiting industrial and commercial development opportunities of any size. Additionally, executive orders were recommended requesting all City Agencies to refer economic development matters to the Office of Economic Development for coordination, to appoint a liaison officer for this purpose and to treat inquiries originating from any client courteously and promptly.

The Office of Economic Development provides one stop services to anyone interested in dealing with the City. This not only saves time but also assures appropriate consideration by responsible officials. Red-tape is so ingrained in the system, however, that in early March a Business Improvement Panel was proposed to identify and correct procedures and practices of City Agencies that impede legitimate business activity. To insure a top-level input for sustained effort to effect changes, the Panel should be headed by the Deputy Mayor for Management and composed of the Comptroller, City Council President, Director of Operations, Director of OMB and Director of OED. An illustration is the New York Airways' application for a temporary permit to maintain helicopter service to and from Battery Park. Over 30 days of countless man hours involving five City agencies were consumed in frantically rushing to resolve a request that should have taken less than one-tenth the time. And all this was happening while decisions to close down permanently and reduce employment were hanging by a thread.

Business crime prevention is as essential as it is frustrating. In conjunction with the Deputy Mayor for Criminal Justice, 42nd Street West of Times Square has been chosen as a test target area for police and economic development involvement. Crime prevention grants for merchant associations also are in the works.

Because of injurious costs to business, an energy policy for New York is long overdue. A top-level Committee of City/Business/Labor representatives should be appointed and convened to start drafting it without delay.

When one realizes that of the 193,000 firms in the City 173,000 are classified as small business establishments, the importance of programatic assistance becomes overwhelming. Aside from red-tape cutting, this OED service ranges from locating finances and structuring loans to aiding companies damaged by foreign imports. A thriving small business sector is basic to the City's economy. Every effort should be exerted to recognize its problems and fortify its ability to survive and profit.

The Business Marketing Corporation, a private, non-profit organization, performs as the marketing arm of the OED. This embryonic, national and international sales force has the responsibility for encouraging companies to remain and expand as well as for attracting new business to New York.

After a prospect that his needs have been identified, the service facilities of OED, if adequately staffed to take over, must guide the potential transaction through a maze of steps endemic to packaging a deal. A sale without the capability to deliver is the drumbeat of futility.

There is no doubt but that New York needs a better "mouse trap" to compete with its "friendly" neighbors. As this is being built, a redirected BMC, properly supported by tax levies and private funding, should be out there spreading the Gospel.

These objectives are apparent. But there is an abundance of other less visible, but pregnant, economic development opportunities that have been asking for and receiving attention.

Let's pick some at random.

Commercial shopping areas; merchant groups; critical target industries such as apparel and garment, motion picture, printing, toys, communications, plastics and plating; manpower training and prospective job-marketing; contract procurement guidance and technical assistance for minority businesses; tourism and conventions; City owned, i.e. James J. Lyons, Spring Creek, Brooklyn Navy Yard, College Point, Staten Island, Industrial Park development; and waterfront, a largely dormant resource, revitalization.

Ongoing initiatives include: corporate retention and expansion projects such as the American Stock Exchange, Pan Am, Ebasco, Ideal Toy, Lane Bryant, Rheingold Brewing, Farberware, Gourmet Poultry, Barnes Press and Comfort Printing; Industrial Free Trade Zone expansion; Red Hook and Howland Hook container Terminals; a space bank for ready client reference to available sites; and Urban Development Action Grants for Zerega Avenue Industrial Park, Brooklyn Army Terminal, Bronx Woolworth Building, Portman Hotel and cogeneration facilities for industries that would be driven out of New York without energy cost reductions.

Others lurking in the wings; Hunts Point Trucking Terminal; offshore drilling support bases; Fordham Shopping Plaza; Pathmark Shopping Center; Coney Island Urban renewal; Astoria Motion Picture Center and SBA 502 Local Development Corporation to increase and expedite loans to small businesses.

Some imaginative ideas? Quincy (Massachusetts) Plan markets for each borough; a study to determine the manpower economics for financing a flannel shirt factory in the South Bronx; a transplanted garment manufacturing center; income for advertising in elevators of City owned buildings: 42nd Street, East River to Hudson River electrict trolley; a distribution/trucking facility to ease traffic and costs and, mind you, a Tivoli Gardens.

The business community does not speak always with one voice and should close ranks. Yet, advocacy and policy formulation provide platforms in support of issues of concern or special interest. Some that have been researched: "three martini" luncheons; J-51 loft conversions; tax free banking, State constitutional amendments eliminating prohibitions against gift and loans for job development; the proposed "returnable bottles" law; preferential bidding for local firms; electricity submetering of commercial buildings especially in the garment district; the Music Hall; the National Securities Market—Rule 390; and a National Urban Policy. Economic impact statements tracing the effect of proposed governmental actions, programs or laws on the economy of depressed urban areas should become standard operating procedure.

All this may sound to some as an ambitious undertaking. Considering the City's enormous problems, I regarded it as the framework of an ongoing movement that was being pursued and taken in stride as it was being organized. There is no substitute for energy applied on a broad enough front in sufficient doses in building momentum.

What about the capabilities and resources of the Office of Economic Development to carry forward missions essentially directed toward retaining and expanding employment in the private sector, while promoting an hospitable and encouraging climate for increasing business activity?

My reckoning, for the time being at least, was that the agency staffed, by and large, by competent, conscientious public servants, principally professionals, was prepared to handle the flow of requests for a wide variety of business, financial and development services emanating from the segments of the City's economy. Interestingly enough, this demand spurted with the advent of the new administration apparently because of heightened hopes and aspirations.

As for resources, I estimated the office could effectively carry out its functions and business outreach for fiscal 1979 with an appropriation of slightly more than 1/20th of 1 percent of the City's budget. This represented an amount 1/3 less than that urged in December by the Mayor-Elect's Task Force on Economic Development. It included recommended funding for the Business Market Corporation, the Convention and Visitors Bureau and the first professionally staffed unit to be organized specifically to search for and take full advantage of accessible Federal funds.

And now, one comment about the status of Deputy Mayor for Economic Development. He should serve as advisor to the Mayor and administrator of the Office of Economic Development. Policy formulation and execution go hand in hand. One without the other would obscure the vision of both.

The polices and actions of the Federal and State governments are bound to play an overbearing role in the future of New York. It is for this and other compelling reasons that we must strive to help ourselves by mustering the means to determine at least a decent portion of our own destiny.

It would be unreasonable to attempt to evaluate the results of economic development in terms of return on investment. However, in the long run, if not short, there can be no lingering doubt but that the benefits will far outweigh the cost.

Unlike politicians, economic development should not be elected every four years. Instead, it should be conceived, structured, supported and institutionalized as an evolving and cohesive process dedicated to the well-being of al walks of the City's life.●

EXPLANATION OF VOTE ON H.R. 13125

HON. W. HENSON MOORE

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. MOORE. Mr. Speaker, the food for peace program should not be used as a vehicle of convenience to force a foreign government to comply with a properly motivated directive for a foreign official to appear before a committee of Congress. Under the Wright amendment, the $56 million in food for peace funds programed for Korea during fiscal year 1979 would be jeopardized unless former Korean Ambassador Kim Dong Jo appears before the Korean investigation by the Committee on Standards of Official Conduct. This is the wrong means to achieve a proper goal.

On May 10 of this year during consideration of the first concurrent resolution on the budget for fiscal year 1979 an amendment to deny Korea $56 million in food for peace funds was rejected by a 254-to-146 margin. I voted against the amendment and I find the renewed threat within the Wright amendment equally ill-advised. On May 31, I again voted against a similar measure, House Resolution 1194.

The food for peace program is aimed not at foreign governments, but rather to people in countries where food and fiber are not sufficient. Our farmers are paid in full for crops sent abroad under title I of this program and some of the crops involved for shipment to Korea are grown by Louisiana farmers. It is with their interest in mind that agriculture exports should be continued without undue interference.

Last year I voted to authorize the Korean investigation by supporting House Resolution 252 and I voted to encourage

full disclosure by Korean officials by voting for House Resolution 868. I continue to support the Korean investigation and encourage full cooperation by the Korean Government. If it does not comply with our requests, attention should be given to cutting aid given directly to that government and not punish the people of Korea. Congress needs to find an appropriate mechanism to get full cooperation, but that goal will not be advanced by hurting people who have been our allies or our farmers who will lose these sales to another foreign supplier.●

ARROGANCE OF CLAMSHELL ALLIANCE ORGANIZERS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. McDONALD. Mr. Speaker, on May 1, 1977, 1,414 demonstrators organized by the Clamshell Alliance were arrested during an illegal occupation of the site of the future Seabrook nuclear powered electrical generating plant in New Hampshire. The demonstrators, who were charged with criminal trespass, spent several uncomfortable days in five National Guard armories until being processed by the courts. This year, the New Hampshire Public Service Co. owner of the Seabrook nuclear plant, and officials of the State of New Hampshire offered to negotiate with the Clamshell Alliance activists by providing them with 18 acres of land outside the construction site area on which to have a "camp-in" and demonstration. The Clamshell Alliance gang took this as a sign of weakness on the part of the authorities and have increased their demands.

Manchester Union Leader Publisher William Loeb wrote the following editorial outlining the result of the conciliation effort on the part of the company and State officials. I highly commend Mr. Loeb's column to my colleagues who will doubtless also see an analogy between New Hampshire's efforts at conciliation with the Clamshell Alliance and negotiations in other spheres. Mr. Loeb's editorial originally appeared in the June 14 edition of the Manchester Union Leader:

THE ARROGANT CLAMS

While arrogance would seem to be a contradiction when applied to clams, considering their generally flaccid appearance, nevertheless the Clamshell Alliance apparently has found a way to make clams arrogant.

Their so-called "acceptance" of the so-called Rath proposal actually amounts to a counter-proposal couched in the most arrogant possible terms.

The Clamshell Alliance's press release starts by saying, "The proposal by the state and the Public Service Company of New Hampshire is a clear recognition of the growing strength of the anti-nuclear movement."

Here are just a few of the demands enclosed in their counter-proposal:

1. Flexibility to use land in addition to the 18 acres that is outside the construction zone;

2. Assistance and cooperation for marches and parades onto the 18 acres;

3. Parking assistance from the company and the state;

4. Toilets and other assistance mentioned in the press release;

5. Port Authority assistance for boats.

In other words, what the Clamshell Alliance wants is for the state and the Public Service Company to run a demonstration for them!

Of course, this is ridiculous. As this newspaper has said from the beginning, you cannot talk sense to people who insist on saying that the activities of the Public Service Company at Seabrook are "illegal," when the record is perfectly clear that the construction at Seabrook is in accord with all federal and state regulations.

As this newspaper has said many times before, the people composing the Clamshell Alliance are fanatics. They are not interested in the rule of the majority, nor will they abide by the votes of the majority. They feel that they—and they alone—can determine what is right and what should be done and what is good for the rest of us.

In conjunction with these political facts of life and the ever-present potential for violence when mobs of fanatics assemble, be sure to read today's thoughtful commentary at the top of our back page by Columnist John Metzler.

It was a mistake for Attorney General Rath and the Public Service Company ever to make any gesture towards these people. They did it in good faith, but they obviously do not understand the nature of the people who make up the Clamshell Alliance. Good faith is something that the latter do not accept, and reason and common sense are completely alien to their thinking.

This newspaper most sincerely hopes that Attorney General Rath and the Public Service Company will now reject this proposal by the Clamshell Alliance as completely unacceptable.

It is time to get all this silliness behind us and to get back to work to complete the Seabrook facility as soon as possible, so that the electric bills of all of us can drop when the nuclear plant starts producing power.

WILLIAM LOEB,
Publisher.●

TRIBUTE TO BEN RUIZ

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. DANIELSON. Mr. Speaker, on Thursday, June 29, 1978, my longtime and good friend, Benjamin Ruiz, of South El Monte, Calif., will be honored at a special luncheon.

The occasion in his honor will be sponsored jointly by the Mid-Valley Manpower Consortium and the Mid-Valley Community Mental Health Council, and will be held at the Shamus O'Brien Restaurant in South El Monte.

I am proud to know Ben Ruiz, an outstanding citizen and civic leader in the 30th Congressional District, which I am privileged to represent. In elective office, Ben served with distinction on the South El Monte City Council from 1970 to 1978, including two terms each as mayor and vice mayor. Constituent concerns and community betterment were important priorities to him during this period, as they still are.

His numerous other community service activities include executive capacities in the Boys Club of San Gabriel Valley, We TIP—a program to turn in drug pushers—United States/Mexico Sister Cities Association, the Mid-Valley Community Health Council, and the Mid-Valley Manpower Consortium.

He is also an active member of the South El Monte Sister City Association. These are just a few of the many organizations to which Ben Ruiz has devoted his time, energy, and considerable talents to help bring about a better community for all citizens.

I know from my long friendship with Ben Ruiz how very much he cares about his community and country. Citizens like Ben are the backbone of our great Nation, the source from which we draw our collective strength, stability, and progress.

Mr. Speaker, I ask you and my colleagues to join me in this tribute to Ben Ruiz, and to send him, his devoted wife, Connie, and his family our very best wishes on June 29, when he will be a most deserving honoree.●

BORROWING AGAINST YOUR LIFE INSURANCE POLICY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. LAFALCE. Mr. Speaker, an often ignored feature of many life insurance policies is the right to borrow against the accumulated cash values. Historically, interest on these borrowings is charged at a very low rate—approximately 5 percent per annum. A recent article appearing in the New York Times (June 10, 1978) notes the advantages in such borrowing, as it is possible "to scalp 3 points or more by reinvesting the proceeds of a life insurance loan in treasury bonds at about 8.4 percent, or top investment grade Bell System bonds paying close to 9 percent."

Naturally, all good things must come to an end. The industry has put on a determined and highly successful lobbying effort to increase the cost of borrowing. New York, for example, gave insurers permission to raise the cost from 5 percent to 8 percent. Nevertheless, the borrowing rate is determined at the time the policy is issued. Ninety-five percent of all coverage presently carries the old rate, so that it will be years before the change makes an significant impact.

The article follows:

INSURERS GIRD FOR LENDING

(By Richard Phalon)

Life insurance companies are bracing for a new round of borrowing from policyholders hoping to turn a profit on interest spreads. "There definitely could be some pressure for borrowing," said a spokesman for the American Council of Life Insurance. In most states, it is still possible for most policyholders to borrow against the accumulated cash values of their insurance policies at the very low rate of 5 percent a year.

There is plenty of incentive to do so. Interest rates are at the highest level in three years. It is possible to scalp three points or more by reinvesting the proceeds of a life insurance loan in Treasury bonds at about 8.4 percent, or in top investment grade Bell System bonds paying close to 9 percent. Even so conservative an alternative as long-term savings certificates are returning more than 8 percent.

The pattern is familiar enough. In 1974, when interest rates reached a peak, loans

against the accumulated cash value of ordinary life insurance climbed to 8.7 percent of the industry's assets.

That was the highest level since the Depression year of 1935, when borrowings reached a record 15.2 percent of assets. The economy was in such desperate straits then that people were borrowing to keep bread on the table, or because doing so was the only way they could raise money to pay the premiums on their policies.

Now, as in 1974, much of the borrowing seems to be a pure interest play. Yields are still well under the 1974 peaks, but they have moved up to the point where arbitraging policy loans has once again become attractive. The prime appeal appears to be to individuals in high-income brackets, the spokesman for the insurance council said. Interest payments on the loans—as with any kind of borrowing—are tax deductible.

The effective cost of policy loans, according to Walter Cohen, head of the New York Insurance Department's Life Insurance Bureau, can be cut to 4.8 percent if the interest is paid in advance. On participating policies, which pay dividends, the effective cost is even lower. In most instances, it is possible to borrow 90 percent or more of the cash value of the policy.

At the moment, the loan ratio is hovering near 8 percent of industry assets, or a total of $27.6 billion, about the same as at the end of last year. In general, policy loans tend to move in tandem with the interest cycle. That generalization, however, does not take into account the borrowing generated by minimum-deposit insurance, a hybrid form of coverage also designed to appeal to the high-income individual.

Unlike most ordinary life policies, where the cash buildup is comparatively slow in the early years, minimum-deposit coverage offers a quick scale-up. The cash values are systematically stripped from the policy in the form of loans that help to pay the premiums. The interest payments, of course, are tax deductible.

The industry has put a lot of sales effort into the tax-deductible loan benefits of minimum-deposit insurance, despite some limitations that have been clamped on the tax aspect by the Internal Revenue Service. Most companies until fairly recently had also made a selling point of the low-cost borrowing feature of the traditional ordinary life policy.

Borrowing on life insurance, however, seems likely to generate less consumer enthusiasm in the future than it has in the past because the industry has put on a determined and highly successful lobbying effort to make the cost of borrowing more expensive.

The New York State Legislature, for example, gave the insurers permission to raise th charge from 5 percent to 8 percent, effective last Jan. 1. Between now and next Jan. 1, according to the insurance council, at least 45 other states and the District of Columbia will have given companies in their jurisdictions the same right.

The right to raise rates, though, is permissive, not mandatory. It applies only to policies written after the effective date of the legislation. The higher rates aply only to new policyholders and not to those who bought their coverage during the palmy period of 5 percent money.

"Ninety-five percent of the coverage out there is stuff that carries the old rate," said the insurance council spokesman. "It's going to take years before the change really makes itself felt."

It is hard to tell at this point how many companies will go along with the change. In New York so far, according to the State Insurance Department, only about 75 companies have filed the new policy forms required to activate the higher rate. Most of those companies have gone to the full 8 percent, but some have raised the rate to only 6 percent. "It's a competitive sort of thing," said the Insurance Department's Mr. Cohen.●

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS—VII

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. SAWYER. Mr. Speaker, in recent weeks I have been pleading the case of Ms. Jo Ann McDaniel and Ms. Katherine Zenz, two young American girls imprisoned in Turkey. The girls are serving long sentences for their alleged possession of hashish. They have now served 5 years.

My efforts, I am happy to report, have not been without reward as I have received heartwarming correspondence from concerned individuals throughout the country. The Turkish Government has contacted me, also, and indirect negotiations are now being conducted in hopes of formulating a prisoner exchange treaty that is acceptable to both nations.

The State Department and the Library of Congress are now in the process of studying both the U.S. treaty with Mexico and Canada and the Turkish Convention with the European Council regarding prisoner exchanges. An evaluation will be made of the provisions, and differences will be determined. From this information, hopefully we will be able to establish a common ground from which to quickly secure the release, into the custody of the U.S. Government, of Katherine and Jo Ann.

A recent article in the Grand Rapids Press, which I am including in the RECORD, sums up my efforts on this matter to June 14, 1978. Please keep in mind that further progress has been made and that I will continue to inform you on this pressing concern.

The article follows:

[From the Grand Rapids Press, June 14, 1978]

SAWYER SEEKS TO PRY U.S. PAIR FROM TURK JAIL IN EMBARGO FIGHT

(By Tom Limmer)

WASHINGTON.—Concern over the plight of two American women in a Turkish prison may prompt Congressman Harold S. Sawyer to challenge the proposed repeal of a U.S. arms embargo against that country.

Sawyer, R-Mich., said Tuesday the prohibition should be lifted only if Congress is assured that a prisoner exchange treaty between Turkey and the United States is included in the deal.

Sawyer called for the negotiation of such a treaty in a speech Tuesday on the House floor, and Thursday he will deliver that same message personnally to President Carter and Defense Secretary Harold Brown at the White House.

Sawyer, said he is concerned about the fate of Americans detained in Turkey, particularly two women who are serving 24-year prison terms after being convicted of conspiring to smuggle 264 pounds of hashish into that country in late 1972.

Joann McDaniel, 33, of Coos Bay, Ore., and Katherine Zenz, 32, of Lancaster, Wis., are "experiencing deplorable conditions with no hope for review of their sentences," he said.

The two women say they are innocent of the charges. Their claims were backed up in a statement to police by Robert E. Hubbard, who was convicted with the women and in whose minibus they were riding when arrested.

The women first contacted the Grand Rapids Republican and other congressmen in November of 1977 when a House judiciary subcommittee on international law began negotiating a prisoner exchange treaty with Mexico.

A member of that subcommittee, Sawyer said he initially contacted the State Department to see whether the Carter administration could negotiate a return of the women to this country.

But, he said, State Department officials have proven to be "at least responsive of all the bureaucrats in the federal government." Nothing has been accomplished since, he said.

The debate over ending the arms embargo against Turkey, which Congress imposed three years ago in reaction to that country's invasion of Cyprus with American-supplied weapons, has given Sawyer the opportunity for which he has been looking.

"At a time when the plea of human rights has become the cornerstone of our foreign policy, I firmly believe it is imperative for the United States to receive strong assurances by the Turkish government that a prisoner exchange treaty will be negotiated and acted upon before any reconsideration of the present arms embargo," he said on the House floor Tuesday.

The embargo has become a major issue because of Turkey's involvement in the NATO alliance. Carter believes it has weakened NATO's southern line of defense.

The Carter administration favors a repeal of the embargo, but intense lobbying by Greek-Americans—angered by Turkey's invasion of Cyprus—has left members of both the House and Senate split on the issue.

Carter has scheduled a series of briefings and meeting with key members of Congress to argue the case for appeal. Sawyer will be part of a 30-member delegation invited to the White House Thursday morning.

Although the prisoner exchange treaty is not on the agenda, Sawyer said he will bring it to the president's attention for discussion.

If Carter doesn't warm up to the idea of linking the two issues, Sawyer said he will offer an amendment on the House floor to do it.

Sawyer's speech in the House came on the second day of live radio broadcasts of the House proceedings.●

BIG TIME BUSINESS IN SMALL TOWN NEVADA

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. SANTINI. Mr. Speaker, life in American society has been greatly affected by the tremendous growth of Government programs and their attendant bureaucracies. The effects that the burgeoning size and less than personal nature of our Government have produced are in turn becoming increasingly apparent. The following article by Jack Mabley provides a humorous commentary on the type of situation that can arise as a result of this massive and seemingly uncontrolled bureaucracy.

Jack Mabley's story in the Chicago Tribune stresses the need for greater control of Government programs and of

the bureaucracy which implements these programs. Government programs can provide great benefits for the American public. But if they are not well-supervised and conscientiously implemented, these programs are likely to simply become ever-larger money guzzlers whose benefits never reach the American public.

The article follows:

NEVADA TOWN SELLS UNITED STATES A PIG IN A POKE

(By Jack Mabley)

Waterhole Ike, of Golconda, Nev., Social Security No. 530-80-4623, has a $19 tax rebate coming. He doesn't mind the wait. He's drunk as a pig after 10 o'clock every morning.

This is a kind of report to 1,500 stockholders around the country who have a financial stake in Waterhole Ike.

"It all started as a joke," related Mark Cowley, 49, owner of Waterhole No. 1, a saloon in Golconda.

"This is a small town . . . only 45 or 50 people. In our little bar we talk about everything that's going on. We have to create our own entertainment.

"One day eight of us were talking about unions. I told them we should start our own union. I collected $5 from each guy to start Waterhole Loco No. 3. They made me promise not to bet it on a football game.

"Well, I bought some chickens and rabbits and pretty soon I'd built the $40 into $60. Then we read about how the race horse Secretariat was syndicated. I decided to syndicate a pig. I sold shares for $1 apiece and we bought a young pig and named him Waterhole Ike.

"Word got around and I had to print up 300 stock certificates. The stock was selling so fast I called a meeting to elect officers. I nominated myself president and seconded the nomination with a proxy of a guy who was too drunk to know what I was doing.

"The money got to be too much for the cigar box we kept it in, so I opened a bank account in Waterhole Ike's name. The bank wanted a Social Security number so they could report the interest to the government.

"So we applied for a card for Waterhole Ike and HEW sent one. I have it in the vault here—530-80-4623.

"Then another bank wrote Ike a letter offering higher interest, so we switched. Later they sent him a letter saying he was eligible to borrow up to $25,000.

"I checked with Social Security and told them I had a friend who was an alcoholic. He really is, you know. I pour all the beer that people leave in their glasses into a big bucket. We have to breed him early in the morning because by 10:30 he's had 2 or 3 gallons of beer and is in pig heaven. The curl even goes out of his tail.

"Anyway, Social Security said my friend was entitled to help. All I had to do was sign the papers. Then I checked with welfare. I said I had a friend who was out of work and had 10 dependents. They said he was entitled to $633 a month plus food stamps.

"But I didn't apply for either program. Ike doesn't want any government handouts. He's not that kind of pig. He can take care of himself. He's kind of a middle-class pig.

"This is the first year he's had to file a tax return. In '76 he earned $400. But in '77 he earned about $1,200. He actually made more than that, but he had a lot of expenses. He's got a pretty fancy red, white, and blue pen.

"He's had to sign a lot of forms lately. He signs them and I sign as a witness. We just had a notary public out here. We put a pen in Ike's foot and he makes a sort of X.

"On the forms that ask his race, I fill in black and white. That's what he is, a black and white pig.

"He didn't actually pay any taxes this year. We went to an accountant and he said Ike was eligible for a credit of $71 in his Social Security account and a cash rebate of $19. He filed as self-employed and an unmarried head of a household.

"Besides the stock sales, he gets an income from stud fees. He's a pretty good stud. He had 25 sows last year. He gets $25 or the pick of the litter.

"We're having a lot of fun with him. I don't know what will happen next. Even though people want his stock for souvenirs, it might turn out to pay better than General Motors. [Ed. note: What happens next is he'll probably hear from the Securities and Exchange Commission].

"We might come out with a Waterhole Ike T-shirt. Or, if we sell enough stock, we might start a Waterhole Ike bacon factory.

"Unfortunately, all 45 people in town are mad at me because they're afraid Ike will make Golconda so popular that property taxes will go up. My wife Mary thinks I'm crazy but she helps me out a lot."

Cowley insists he isn't trying to satirize society, but he says it with a little lilt in his voice, laying on that country "Gee, I don't know what you mean . . ." ●

LEV BLITSHTEIN: A GUILTLESS PRISONER OF THE SOVIET UNION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. KEMP. Mr. Speaker, I would like to once again bring to the attention of my colleagues the unfortunate situation of Mr. Lev Blitshtein, who has encountered repeated and unjustified barriers in his attempts to obtain a visa which would allow him to emigrate from the Soviet Union. There should be no controversy surrounding Mr. Blitshtein's application for an exit visa, yet Soviet officials continue to violate his rights by holding this man, just as they do many others like him, an unwilling resident. Not only is this a clear breach of the Helsinki Agreement in which the Soviets pledged to assist in the reunification of families, but it is also a deterrent to the United States' efforts to fulfill our end of the commitment made at Helsinki.

I have recently had the pleasure of meeting with Lev Blitshtein's son, Boris, who emigrated with his mother and sister in October 1975. He informed me of the history of his family's struggle to obtain visas from the Soviet Government, a struggle which has yet to be won.

In August of 1974, the Blitshteins applied to the OVIR for exit visas. After an unusual 6-month wait, they were notified that their application had been rejected for unspecified reasons.

Mr. Blitshtein, whose former position had been that of a chief administrator in the Ministry of Meat and Dairy, began a letter campaign to many different Russian officials in an effort to discover the reason for this refusal. The answer he received was a direct threat from the KGB to cease his letter writing before it became necessary to have him repressed.

His next effort in his endeavor to obtain permission to leave Russia was to request that his family be allowed to apply separately from him. This request was also refused by the OVIR until Mr. and Mrs. Blitshtein agreed to get a divorce.

After this forced separation, visas for the other family members were granted, and Boris, his mother, and later his sister emigrated to New York.

OVIR officials have recently refused Lev Blitshtein's latest request for an exit visa and have warned him not to reapply for at least another year. This is an outright violation of the U.S.S.R.'s stated policy that the OVIR will review each visa case every 6 months.

Boris Blitshtein is diligently working in the United States and abroad to expedite his family's reunion. In the interest of human rights, we must assist him in this struggle and I ask for your continued help with this cause by writing strongly worded letters to the appropriate Soviet authorities requesting that an exit visa be issued to Lev Blitshtein immediately so that he can resume his life with his family. Mr. Brezhnev should be made aware that we are cognizant of this violation of the Helsinki Agreement, and that we intend to pursue his cooperation in this particular case, as well as in others which are brought to our attention. I also urge you to write to Col. Vladimir Obidin, chief of the OVIR, to demonstrate your concern for this family and to seek his cooperation in approving Lev Blitshtein's application for an exit visa. I would be glad to provide you with more information about the Blitshtein family, and I hope you will keep me informed of your efforts in this regard.

Your cooperation in this case may well result in the Blitshtein reunification, and I know that the whole family would be deeply grateful for any support you can afford them.●

"LID ON FEDERAL SPENDING"

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. THONE. Mr. Speaker, it has long been my contention that there are exceptions to be sure, but locally elected officials are usually the ones who are most careful with the taxpayers' money. In contrast, the Federal Government is without question the most wasteful and careless with the hard-earned money that has been extracted from American workers.

An Associated Press-NBC News opinion survey asked, "Are you getting your money's worth from tax dollars?" The highest percentage of "No" answers was given concerning Federal tax dollars, with the lowest percentage concerning local taxes, while the percentage concerning State tax dollars was inbetween.

It just may be necessary to clamp spending lids on local and State government to effectively send the fiscal sanity message to Washington. But citizens would most like to put a lid on Federal spending. They strongly feel that the majority in Congress is unresponsive to their wishes.

I have introduced H.R. 13026. It would put a 1-year freeze on total Federal spending, followed by 3 years in which total Federal spending could increase no more than 5 percent annually. I urge other Members to join me in cosponsoring this bill that would put a lid where

it is most needed—on Federal Government spending.

Two editorials in newspapers published in Nebraska's First Congressional District make strong cases, with excellent reasoning, for enacting spending limitations at the Federal level. Mr. Speaker, I include both editorials in the CONGRESSIONAL RECORD.

The first was written by George W. Schock, publisher and editor of the Falls City Journal.

The groundswell which has developed on governmental spending at all levels, and for which the vote favoring Proposition 13 last week in California served as a natural catalyst, appears to be taking a rapid turn toward Washington. And we agree with the turn.

If any lid is placed on spending, in our opinion it ought to start with the federal government, where a million dollars anymore is "chickenfeed." Millions here, millions there, with little or no regard for John Q. Public, who has to pay the freight. Although the federal bureaucracy operates like every day is Christmas, taxpayers can quickly tell the bureaucrats that it really isn't so.

The popular expression which handles the situation is "there is no such thing as a free lunch." And it's true.

A state government spending lid would be next in line, in our book, and local governmental subdivisions would bring up the rear—if at all.

After observing city councils, county boards and boards of education in action through the years, we have come to the conclusion that, generally speaking, they are capable watchdogs of the taxpayers' money.

And we figure there are three good reasons:

1. They are responsible citizens sincere in their efforts to provide efficient, economical services.

2. Excess spending hits them directly in the pocketbook, as it does their next-door neighbor.

3. They must meet their fellow citizens every day face to face on a downtown street, or in their place of business or wherever. And they have to answer directly to these fellow citizens for their actions.

That does make a difference. Washington is far removed from the front-line give and take. The irate taxpayer may compose a letter and fire it off to his senator or to his representative. But his chance of buttonholing the politician on his main street generally is remote. And the cutting edge tends to get pretty dull when time and distance intervene.

So let the spending lid start in the nation's capital—where the spending pot bubbleth over and where the inflationary spiral is fueled and fueled and fueled.

The second editorial was written by Don Gillen, editor and manager of the York News-Times.

It has been pointed out in this space more than once that if a spending lid is needed, it is needed at the federal and state levels rather than at the local level.

Various tries at making the federal government hold to a reasonable increase in spending have failed, despite campaign promises by a variety of presidential and other candidates.

While there is no reason to believe this space had anything to do with it (I strongly suspect the passage of Proposition 13 in California as the determining factor), First Dist. Rep. Charles Thone is asking all Congressmen to join him in cosponsoring a bill to put a lid on federal spending.

Thone's proposal would freeze total federal spending at the current level for one year and allow no more than a 5-percent annual increase for the next three years.

He said past efforts to put a ceiling on federal spending have always fallen short of enactment but he's hopeful "that the mood of the country now will scare reluctant members of Congress into approving a cap on federal spending."

Thone called President Carter's anti-inflation program "a joke." He pointed out that it was ridiculous for the Administration to be jawboning management and labor to join in the fight against inflation when the federal government's policies are the main causes of the nation's spiraling costs.

Should Congress pass and the President sign into law Thone's bill, known as the Federal Spending Discipline Act of 1978, the American public might really be convinced that the federal government is going to fight inflation. Once the federal government takes a firm stand, the private sectors of the economy will be able to feel firm in following anti-inflationary policies themselves.

"Nothing is as powerful as an idea whose time has come," Thone said. "The time is now for a lid on federal spending."

We agree. The lid should start at the top—not at the bottom.●

SIXTEENTH ANNUAL QUESTIONNAIRE RESULTS

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. BROYHILL. Mr. Speaker, I am pleased to take this opportunity to share the results of the 16th annual public opinion poll which has been conducted over the past couple of months in the 10th Congressional District of North Carolina. In my first campaign for the U.S. House of Representatives in 1962, I promised to solicit the opinion of my constituents, and I have done so on an annual basis since that first campaign. I have always found this grassroots opinion to be very helpful to me, and I hope that it will be of interest to my colleagues in the House.

This year I utilized a different format which asked nine questions and gave a brief discussion on both sides of each issue. I hoped that this would result in more interest and more informed answers to the questions. I also felt this format would help my constituents to see that there are usually no easy answers to the complex problems which are faced in the Congress. Nearly 14,000 of my constituents took the time to answer my request for their views and many of them also wrote down reasons for their answers. Others let me know of their problems with the Federal Government.

The strongest sentiment in the 10th District was expressed on the questions involving Federal financing of congressional elections and on the controversial Panama Canal treaties. I might add that the overwhelming majority of our questionnaires were returned to me before the Senate took final action on the treaties.

Eighty-six percent opposed the use of Federal dollars to finance campaign elections. Nearly 82 percent opposed the passage of the Panama Canal treaties. This was not surprising based on the content of the letters which I received and the conversations which I have had with residents of my district during the past year.

Opposition to the right of public employees to strike was also strong in my district with 79 percent of the respondents being against their right to strike and 18 percent supporting it.

I was very much interested in the replies to the question of extending the period for the ratification of the Equal Rights Amendment. Seventy-two percent opposed the idea that Congress should extend the deadline past March, 1979. North Carolina's General Assembly has turned down the ERA in the past, but it is expected to come before the legislature again early next year.

Of equal interest was the complex question of abortion. We gave the respondents several alternatives. Fifty-six percent said abortions were a personal decision. Twenty-five percent favored an amendment to the Constitution which would prohibit abortions. Nearly 5 percent said it should be left up to the States, while 10 percent picked none of the alternatives. Four percent did not answer. These responses indicate the wide difference of opinion which exists on this controversial issue.

The proposal by the Federal Trade Commission to ban certain television advertising which is aimed at children was the most closely contested with 49.8 percent supporting the ban and 46 per cent opposing it.

How additional financial assistance for educational expenses should be handled also received a variety of responses. Sixty-one percent supported the tax credit while 19 percent said no further Federal action in this area is needed. Fourteen percent support the President's position which is to expand the existing Federal grant program. The highest number of "no responses" were received on this question with nearly 7 percent offering no opinion.

Nearly two-thirds—62 percent—opposed increasing the 55 miles per hour speed limit while 35 percent want it raised an undetermined number of miles per hour. A large number commented that they wanted it raised 5 miles per hour on interstate only.

The question of mandatory retirement revealed considerable difference of opinion in the district. Fifty-four percent favor eliminating mandatory retirement while 41 percent want it retained in the law.

The responses and the comments to the 9 questions which I included on this year's survey will be of great assistance to me as I continue to study the important issues before this Congress.

The detailed results of the poll are as follows:

(1) The much-debated Equal Rights constitutional amendment, which proponents say would guarantee equality of treatment between the sexes, must be ratified by three-fourths of the states by March 22, 1979. A proposal is pending before the Congress to extend the deadline for another seven years, because an insufficient number of states have ratified the amendment and some believe more time is needed to gain support for the E.R.A. Opponents argue, however, that the seven-year ratification period is sufficient. Should the ratification period be extended for another seven years—where do you stand?

	Percent
Yes	25.17
No	72.18
No response	2.63

(2) A. Some have argued there is a need for a constitutional amendment to prohibit abortions to protect the rights of the unborn. B. Others argue that the abortion controversy should be decided by each state. C. Still others believe that this is a personal question which must be left up to each individual. Where do you stand?

	Percent
A	24.82
B	4.89
C	56.18
D. None of the above	10.10
No response	3.99

(3) In order to remove the influence of "special interest groups" over the electoral process, some believe that federal tax funds should be used to finance congressional elections. Others, however, argue that public financing of elections would constitute an expensive use of taxpayer dollars, that it would foster the majority viewpoint, and that it would force some taxpayers to support candidates with views opposing their own personal beliefs. Should Federal tax dollars be used to finance the campaigns of Members of Congress—where do you stand?

	Percent
Yes	11.15
No	86.09
No response	2.74

(4) Some argue that because of the special nature of their employment, certain public employees such as teachers, police and firefighters, do not have the right to strike. Others believe that the right to strike should be enjoyed by all workers. Should public employees be given the right to strike—Where do you stand?

	Percent
Yes	18.01
No	79.04
No response	2.93

(5) News reports increasingly highlight the fact that students from middle income families are being left out of student aid programs. Some believe that these programs only aid the poor, while the wealthy can afford to pay the tuition expenses. President Carter has recently asked for an expanded direct federal assistance program to aid middle income families with students. Others have argued that a tax credit, or tax deduction for college tuition (up to $500 per year) would get relief for financially-pressed families in a much fairer and less bureaucratic way.—Where do you stand?

	Percent
A. Tax credit for educational expenses	60.92
B. Direct Federal grants	13.81
C. No action needed	18.78
D. No response	6.76

(6) President Carter has negotiated a treaty with the government of Panama which would relinquish U.S. control over the Canal by the year 2000. The President has argued that the country of Panama can now best manage the Canal, and that such a treaty is necessary to foster better relations between the U.S. and Latin America. Many Americans feel the Canal is a U.S. territory which has been built and maintained with taxpayers' funds and that relinquishing control over the Canal would jeopardize the future national security of the U.S. Should the proposed Panama Canal Treaty be approved—Where do you stand?

	Percent
Yes	14.46
No	81.77
No response	3.76

(7) In 1974, a law was enacted which established a mandatory 55 mph maximum speed limit on all highways throughout the United States. Although this measure was intended to save energy during the fuel crisis, it was later found that the 55 mph speed limit has the added bonus of increased highway traffic safety. Some feel, though, that the 55 mph speed limit is unreasonable, that it is not being obeyed by drivers, and that it places an unfair burden on truck drivers and others who must drive for a living. Should the 55 mph speed limit be increased—where do you stand?

	Percent
Yes	34.83
No	62.92
No response	2.24

(8) The House has passed a bill which exempts federal workers from mandatory retirement, and which raises the mandatory retirement age for most private sector employees to age 70. Proponents of eliminating mandatory retirement argue that mandatory retirement is arbitrary, discriminatory and does not allow individuals to be judged on their individual capabilities. Opponents of mandatory retirement argue that it would allow older workers to take jobs from younger workers, and that it might lead to the eligibility ages for social security and other retirement insurance programs being raised, thus denying those who wish to retire at 65 those benefits. Should mandatory retirement be eliminated—where do you stand?

	Percent
Yes	54.40
No	41.40
No response	4.18

(9) The Staff of the Federal Trade Commission has recommended that television advertising aimed at children should be restricted, due to its great influence over younger viewers. Others argue, though, that in light of the freedom of speech and freedom of choice that Americans enjoy, it is not appropriate that the Federal government intervene in such a matter. Should the Federal Government ban TV advertising aimed at children—where do you stand?

	Percent
Yes	49.85
No	46.12
No response	4.02

WHEN A NATION'S WILL DIES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. McDONALD. Mr. Speaker, the question of whether or not the United States of America wishes to remain a first class power in the world is a function of our will. We have the means to do so, if we care to. It accomplishes nothing for our national leaders to make stirring speeches about the resolve of America if no tangible action follows. In the past few years, it is evident that most of the leadership in this Nation has decided that we have lost our national will. Nationwide polls contradict this and indicate that a return to basic American values with forthright and dedicated leadership would restore this situation. Needless to say, our adversary, the Soviet Union, has not ignored this trend and is exploiting it every day, principally in Africa. If this situation is not reversed, we are headed to second class power status. Mr. Thomas Sowell, a professor of economics at UCLA, recently pointed out the dangers of this development in a thoughtful "Point of View" item in the Washington Star for May 6, 1978. The article follows:

WHEN A NATION'S WILL DIES

(By Thomas Sowell)

The barbarian armies that finally overran the Roman Empire were smaller than other barbarian armies that had been turned back and cut to pieces by the Roman legions in earlier centuries. The Barbarians weren't stronger. Rome was weaker—and it was self-weakened. Each Roman legion was smaller than before, less heavily armed and armored, and less disciplined. The Roman aristocracy no longer provided officers for the legions. Emperors no longer led them in battle. Roman youths increasingly evaded military service. Rome's enemies could destroy it only after it lost the will to resist.

America's will to resist has also been visibly declining. We have abandoned the defense of American vessels seized on the high seas—both fishing boats and U.S. Navy craft. We have let our once superior military power deteriorate to what we now hope is "parity," as more and more of the military share of the federal budget has been diverted to welfare spending. Rome did that too—it makes politicians popular in the short run. Finally, we have advertised to the world our declining will to resist by turning over the Panama Canal under threat of violence.

A flood of political rhetoric about our "generous" or even "courageous" act cannot conceal the brutal fact of surrender to threats—a fact made plain by Panamanian dictator Torrijos, who went on television immediately after the treaty vote to announce that he would have begun sabotaging the canal within 24 hours if the Senate had not given it to him. We cannot grandly soar above all this on grounds that "of course" the United States could defeat Panama militarily if we wanted to. The question is not our ability; the question is our will. Lack of will defeated Rome, and it nearly destroyed the Western democracies when Hitler began his rampage through Europe in the 1930's.

Numerous probes of the will to resist preceded the onslaught on Rome and the Nazi blitzkrieg. Some of these probes were by small powers seeking small concessions, but what was ultimately crucial were the soft spots discovered by these probes. If we think that the Soviets were looking the other way while we paid ransom to South American countries who seized American fishing boats, while Idi Amin made Carter back down and eat crow, or while we crawled to get the Pueblo crewmen back, we are just kidding ourselves. Perhaps even more revealing was the denunciation and derision that greeted President Ford's attempt to reverse this trend by using troops to rescue the crew of the Mayaguez. Our sophisticates howled down this square man and his square decision, in terms reminiscent of the Western sophisticates of the 1930's who asked, "Why die for Danzig?"

The Senate has said, in effect, that we are not about to send American boys off to die over the Panama Canal. Perhaps that is just as well, if we really don't have the determination to back them up and see it through. It may even be courageous and patriotic for a Senator to put his political life on the line by opposing public opinion, if the public itself will not be willing to pay the price of its desire to keep the canal. But if that is where we are, we need to be told that loud and clear, like a danger signal in the night.

Instead, all sorts of efforts are made to conceal it, with verbal sleight-of-hand about our generosity or anti-colonialism or other such drivel. If our leaders' diagnosis of the public's will is wrong, we need to correct it at the next

election. And if the diagnosis is right, we need to realize that far more formidable adversaries than Torrijos are likely to know it, and that the ultimate cost may be far higher than the Panama Canal.

A post-Vietnam unwillingness to get involved militarily overseas is understandable, as a short run swing of the pendulum. A similar sense of the futility of war overwhelmed a whole generation disillusioned by the carnage of World War I. Young men in the 1930's openly took the "Oxford pledge" never to fight for their country. But once they saw the bombs falling on their homes, this generation vindicated themselves in the skies over Britain and on the beaches at Normandy. But a terrible price was paid by the whole world in the meantime—and it was almost too late. The timetable of a nuclear war may not permit second thoughts.

Once we have traded away enough military technology for social programs, giving the Soviets a decisive advantage, it may no longer be possible to decide that we have gone too far and turn back. If the Soviets ever get the same overwhelming military advantage over the United States that America once had over them, they can unilaterally forbid our development of the needed technology by declaring that to be an act of war. Just as they had to back down in the Cuban missile crisis, we would have to back down or face annihilation.

Mutual nuclear overkill can be oversold as a deterrent to international blackmail. Does a policeman have "overkill" whenever he faces five criminals single-handedly, just because he has six bullets in his revolver? It is problematical whether he can fire them at all, much less fire all of them with deadly accuracy. Nuclear delivery and defense systems, and their ever-changing technology, make the question much more complicated than whether our arsenal could theoretically kill every Russian five times over. Maybe the Maginot Line could have killed every Nazi soldier if World War II had been fought differently, but such numerical calculations would have been small consolation to a defeated France.

Even where mutual over kill is maintained—and the neutron bomb decision (or vacillation) makes that questionable—there is mutual deterrence only as long as both sides have the will to resist, not when one side is repeatedly advertising its willingness to capitulate.●

THE SOVIET UNION IS THE MALICIOUS HOOLIGAN

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. STEERS. Mr. Speaker, the Soviet Union has once again demonstrated that it has little intention of living up to the Helsinki Accords signed in 1975 by the Soviet Union and several other countries. Yesterday, after a closed, kangaroo-type proceeding, Vladimir Slepak and Ida Nudel were sentenced to extremely harsh sentences for the "crime" of trying to leave the Soviet Union to be reunited with their families.

According to Soviet law, their crime was malicious hooliganism. Webster's Third International Dictionary defines a hooligan as either a "ruffian" or "a person that as a representative of some special interest (as a political or racial philosophy) attempts to override the legal and human rights of other people." I think these definitions accurately describe the Soviet Government whose actions seem bent on subjecting Jews in the Soviet Union to relentless oppression. Who other than a hooligan would pour boiling water on the wife of Vladimir Slepak (who will go on "trial" in the near future) while she and her husband courageously hung a banner outside their window that said simply, "Let us out to our son in Israel." This hooligan act was committed by Soviet internal security agents.

The irony of this situation is far outweighed by the personal suffering of the Slepaks and Ida Nudel, and all the refuseniks in Russia. These people have applied to emigrate from the Soviet Union and have been refused. As a result of their actions, these people lose their jobs, often their housing, and they become social outcasts under the surveillance of Soviet KGB agents. The Soviets claim that they are attempting to discourage emigration, although Soviet policies actually motivate increased emigration by the same people whose emigration is prohibited. If the Soviet Union can approach the matter of human dignity and basic human rights in such a callous and pernicious manner, with total disregard for an international agreement, it reflects poorly on the entire spectrum of United States-Soviet relations. In order to establish the necessary international climate for a peaceful world, there must be a feeling of mutual understanding, at least at a basic level. This vicious official state act would seem to indicate that at the present time, this basic level cannot be reached.●

UNITED STATES-CHINA RELATIONS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. CRANE. Mr. Speaker, the recent visit of Presidential Security Adviser Zbigniew Brzezinski to Peking marks a low-water mark in United States-China relations. That visit, taking place on May 20, coincided exactly with the inauguration in Taipei of His Excellency, Chiang Ching-Kuo, as the third President of the Republic of China. There can be no mistake of the affront we have delivered to our friends and allies on Taiwan; the failure of this administration to appoint a special representative to attend the inauguration has only compounded the slight.

I fear that the Republic of China is being dealt with by the administration as a liability rather than an asset, and as a tarbaby to be discarded as quickly as possible, rather than as a bastion of progress and freedom in the Asian region. Too often, in pursuit of the near-term tactical advantage, have we ignored the specific long-term interests and the tremendous moral, political, and economic investment which the United States has developed in the Republic of China over a 30-year period. At this point I would like to introduce into the RECORD a recent news release of the Chinese Information Service, which contains the text of a cable sent by the American Chamber of Commerce in the ROC to Dr. Brzezinski on the occasion of his mainland visit. It clearly outlines the stakes involved in maintaining our relationship with the Republic of China, and for this reason I strongly recommend it to the Members' attention:

BUSINESSMEN REMINDS DR. BRZEZINSKI OF U.S. INTERESTS IN TAIWAN

TAIPEI, May 12.—A group of U.S. businessmen in the Republic of China today reminded Dr. Zbigniew Brzezinski, President Carter's national security adviser, not to forget the U.S. interests in Taiwan in his forthcoming visit to the Chinese mainland.

In its cable addressed to Dr. Brzezinski, the American Chamber of Commerce in the Republic of China said that normalizing relations with the Chinese Communists "should not proceed unless it is clearly advantageous to the United States, and not at the expense of the Republic of China on Taiwan."

"We believe that these objectives, including the guarantee of adequate protection of U.S. economic interests in Taiwan, can be obtained through effective negotiations," the cable said.

Members of the business organization further believe that Communist China "has more to gain from normalization than the United States, and our negotiators should not hesitate to use this to our advantage."

Full text of the chamber's cable to Dr. Brzezinski is as follows:

"In view of your upcoming visit to Peiping, we would like to express the deep concern of American citizens in Taiwan on the issue of normalization of relations with the People's Republic of China. Even though it has been explicitly stated that the purpose of your visit is not for negotiating reasons, we are disturbed to learn that nevertheless this visit is part of the overall process of moving toward normalization within the framework of the Shanghai Communique. The only thing which gives us some comfort is that your past pragmatic position on normalization indicates that you are not in a big hurry to upgrade relations with the PRC. We feel this is something which should put you in a stronger bargaining posture, should the issue of normalization be discussed. And because we think that it will be impossible to avoid the subject of normalization, we would like you to have a fresh reminder of the view of American citizens doing business in and with Taiwan.

"First let us give you our position on the normalization issue. We believe that normalization with the PRC should not proceed unless it is clearly advantageous to the United States, and not at the expense of the Republic of China on Taiwan. We believe that these objectives, including the guarantee of adequate protection of U.S. economic interests in Taiwan, can be obtained through effective negotiations. We believe that the PRC has more to gain from normalization than the United States, and our negotiators should not hesitate to use this to our advantage. Finally, we believe that the current diplomatic situation with the two Chinas, although admittedly not too tidy, has served and protected our economic interests well, which should restrain our government from setting early deadlines and pushing to a settlement of dubious value.

"We further believe that the mutual defense treaty is of fundamental importance to our economic survival on Taiwan. In one word, the mutual defense treaty symbolizes stability, the stability we need to grow profitably in our business operations. We submit several points to support this position.

"First, if the defense treaty were to be abrogated, we would be deeply concerned

about the psychological impact on the people of Taiwan. As we withdraw their cornerstone, we would seriously hurt their confidence, possibly cause political divisions, and create a general sense of abandonment.

"Second, the abrogation of the defense treaty would set clear precedent on abrogation of at least 58 other treaties the United States has with the Republic of China. These treaties and agreements concern such areas as shoe and textile quotas, aviation landing rights, tariffs on imports and exports, guarantees of American investments of private capital, safeguards of nuclear material, and protection of American citizens. It is quite apparent that all these are directly related to our ability to do business and survive economically on Taiwan. And any unilateral expressions by the United States stating its wishes or oppositions on these lapsed agreements would not hold water with pragmatic businessmen.

"Third, there is bound to be a regional effect. Japan, with its 'Japanese solution' which recognizes the PRC diplomatically but still deals effectively with Taiwan on trade and investment matters, is strongly opposed to sharing this solution with the United States. It seems that our mutual defense treaty provides them with the stability they require to do business with Taiwan. And the South Koreans feel now no less sanguine about an American military withdrawal from Taiwan and the effect it might have on their own precarious position with the Carter Administration.

"And fourth, what about the Asian view of our national integrity? Again, we believe that Asian stability is dependent upon the American presence there. We already have eroded our credibility through the Vietnam conflict. If we now sell out a long-term ally like the Republic of China, this would be considered to be a deplorable act on the part of the United States. Moreover, other Asian countries would have good reason to doubt our national integrity in any dealings we might have with them in the future.

"Would not an 'informal' type of defense agreement take care of all our concerns? Could we not persuade the Chinese Communists to promise the United States that they will not resort to the use of force in the Taiwan Straits? We merely call your attention to a very recent statement by a high level PRC representative, Mr. Wu Hsiu-chuan, who told a group of Japanese military affairs experts that the PRC prefers to take over Taiwan peacefully, but is prepared to use force if necessary. In addition, we call your attention to a recent addition to the Constitution of the PRC, which now states that, 'We are determined to liberate Taiwan.' The choice of the word liberate certainly does imply the use of force.

"One final observation. We regret that your visit to Peiping falls on the same day when Premier Chiang Ching-kuo is to be inaugurated as the new President of the Republic of China.

"We need not tell you what this signals to the people of Taiwan. We thank you for your attention to our cable and hope you will consider it in your deliberations." ●

CONCERN OVER ESCALATION OF VIOLENCE IN NORTHERN IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. BIAGGI. Mr. Speaker, as chairman of the Ad Hoc Congressional Committee on Irish Affairs I am deeply concerned over the escalation of violence in Northern Ireland.

There is much culpability in this escalation, from the IRA to the UDA to the British troops. The kidnapping of a priest by Protestant extremists was unfortunate but their releasing him unharmed was praiseworthy. However the senseless kidnap/murder of a police officer by the IRA merits the strongest possible censure. Equally as reprehensible was yesterday's killing of three suspected IRA members by British forces, who in their ambush also killed an innocent bystander.

This new wave of violence must be halted before it inundates Northern Ireland with blood. Progress toward peace must be permitted to continue, without the impediment of violence. I call upon all sides to cease all acts of violence. It is a discouraging development which I fervently hope is short lived. ●

MUST DIRTY DOZEN REPORT HONOR AS CONTRIBUTION?

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. RISENHOOVER. Mr. Speaker, winning national awards is not without its drawbacks and dangers.

Along with 11 other of my distinguished colleagues, I was named to the Dirty Dozen list by a—in their own words—"bunch of kooks (that) has named a total of 41 people to the Dirty Dozen and, during the campaigns, has defeated a total of 22."

In studying Environmental Action magazine, which heralded the honors, I find that the article is "a paid political advertisement of Environmental Action's Dirty Dozen Campaign Committee."

I have asked the Federal Election Commission if that is an inkind contribution which must be reported by my campaign committee. Frankly, that campaign committee failed to officially notify me of my share of the contribution.

Is that not dirty politics? Have these "kooks" trapped innocent incumbents into such illegalities which led to defeat of 22? Those questions occurred to me. Therefore, I have written the following letter which I call to the particular attention of my fellow Dirty Dozeners:

WASHINGTON, D.C.,
June 22, 1978.

Hon. THOMAS E. HARRIS,
Chairman Federal Election Commission,

DEAR MR. CHAIRMAN: The June issue of Environmental Action magazine carried an article described as "a paid political advertisement of Environmental Action's Dirty Dozen Campaign Committee."

I was not asked by this committee if I wanted this good publicity and, to date, my campaign committee has not been advised of the cost and/or the value of the advertisement. I have written the enclosed letter to the editors inquiring about the cost of the advertisement which, in this case, would be presumably charged off at one-twelfth to my campaign committee.

My questions are these:

(1) Is my campaign committee required to report this in-kind contribution?

(2) How is my share of the advertisement determined, if the editors supply me with the costs?

(3) What if that contribution exceeds the legal limits of a multi-candidate committee? Is the violation theirs or mine, since I did not solicit the ad, regardless of how grateful I may be.

Sincerely,

TED RISENHOOVER,
Member of Congress.

WASHINGTON, D.C.,
June 22, 1978.

DEBORAH BALDWIN, DEBBIE GALANT, AND GAIL ROBINSON,
Editors, Environmental Action, Washington, D.C.

DEAR MESDAMES EDITORS: I noticed in your June 17th issue a "paid political advertisement of Environmental Action's Dirty Dozen Campaign Committee" which included valuable and helpful information about me.

As I understand the Federal Election laws, my campaign committee is required by law to report in-kind contributions. I have written the FEC directly in this matter.

Since, after publication, a renewed interest in my re-election was noted with good increases in unsolicited contributions, I need to know the cost of my share of the advertisement for the Risenhoover for Congress committee's report of July 10th.

Additionally, my campaign committee would be interested in buying extra copies of this magazine for distribution to my constituents. Would you please quote the prices in multiples of 1,000.

Sincerely,

TED RISENHOOVER,
Member of Congress. ●

SENTENCING OF SLEPAKS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. WEISS. Mr. Speaker, I wish to express my outrage at the recent sentencing by the Soviet courts of Vladimar and Mariya Slepak and Ida Nudel.

The Slepaks were among the original founders of the unofficial group of Soviet citizens monitoring Soviet compliance to the Helsinki accords. In addition they have courageously led public protests of the repressive policies of the current Soviet regime.

As a result of their activism the Slepaks have been an outstanding symbol for a just human rights policy and religious freedom—in particular Jewish self-expression.

Ida Nudel has been equally vehement and vocal in opposing the Soviet policy. She bravely refused to enter the courtroom yesterday without her friends and had to be forcibly brought into the proceedings.

All three of these individuals have applied for some time to join members of their families in Israel. The Helsinki Final Agreement clearly states that reuniting families is of prime importance:

The participating States will deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family . . .

That they have been repeatedly denied this inherent right in addition to being prosecuted for openly expressing protest is a travesty and an outrage that should not go without a vigorous statement of disapproval from our country.

I am sending the following letter to President Carter urging him to communicate U.S. opposition to yesterday's treatment of the Slepaks and Nudel to President Brezhnev.

HOUSE OF REPRESENTATIVES,
June 22, 1978.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Yesterday the Soviet courts sentenced three outspoken Jewish citizens, Vladimir and Mariya Slepak and Ida Nudel to exile in Siberia.

I know that you must share my own deep personal sense of outrage at this sentencing. These individuals, who were jailed on charges of so-called hooliganism, in reality have been important voices within the Soviet Union for religious self-expression and individual human rights.

The Slepaks were among those who originally found the unofficial Helsinki Agreement monitoring committee and have been on the forefront with Anatoly Sharansky and Alexander Ginzburg in the "refusenik" movement and openly and courageously displayed their opposition to the Soviet's unfair policies. Ida Nudel has pursued a similar course.

In your telegram to Vladimir Slepak during the Presidential campaign you stated: "I want you to know of my deep personal interest in the treatment that you and your colleagues receive."

I urge you to further voice this personal concern now by formally protesting the treatment of these activists to Chairman Brezhnev.

Sincerely,

TED WEISS,
Member of Congress.●

SHARING THE BURDENS AND BENEFITS OF GOVERNMENT: ONE MEANING OF PROPOSITION 13

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. CONYERS. Mr. Speaker, there are two sides to the equation of Government: who obtains the benefits; and who shares in the burdens. The Federal budget—the direct expenditure budget—is the principal vehicle for the first; the Federal tax expenditure budget, the tax code, as well as State and local taxes, are the major instruments of the latter.

Proposition 13 in California—the property tax reduction referendum that has sent shock-waves throughout the country—is going to perform one very important service, in addition to its disservices—namely, to raise with particular force the question of how the burdens and responsibilities of Government are being distributed, among social classes, between individuals and corporations, and across the Federal, State, and local levels of government. At the Federal level during the last few decades we have permitted privileges of all sorts to pile up, inequities in the tax system to deepen and fester, and local burdens to grow to a point where local tax revolts became inevitable. On example drives home the point. In 1967 the tax expenditure budget amounted to $37 billion; 10 years later it grew to $114 billion. Today it stands at nearly $135 billion. This is the budget that allocates the tax credits, exemptions, deductions, preferential rates—namely, the loopholes and shelters—that severely overburden certain groups to the advantage of privileged ones.

Three articles have come to my attention on what is happening in California in the aftermath of proposition 13, that illustrate how unfairly the burdens of Government have been distributed. They appeared in two recent issues of In These Times, a new weekly newspaper published in Chicago which is committeed to the reporting and examining of news that affects the working class, the disadvantaged, and minorities, and from a perspective that reflects faithfully their needs and concerns. I highly recommend to my colleagues the three articles that follow:

CALIFORNIA IN CHAOS IN WAKE OF PASSAGE OF JARVIS-GANN

(By Eve Pell)

"Stop the politicians from going to Paris and Hawaii!" "The politicians put Propositon 8 on the ballot. The People put Proposition 13 on the ballot. Who do you trust?" With slogans like these, fueled by resentment of ever-escalating property taxes, California voters, 60 percent of whom are home owners, swept Proposition 13 to victory and narrowly defeated Proposition 8, a compromise tax relief initiative belatedly devised by a liberal Republican Senator.

Jarvis-Gann will cut property taxes on all real property in California from 4 percent of assessed value to 1 percent. Value will be assessed on the basis of 1975–76 prices. Since some property has increased in value at 20 percent a year, the roll-back means a dramatic additional reduction. When property is sold, it will be reassessed at 25 percent of the actual sale price. State taxes cannot be raised without a two-thirds vote of the state legislature.

THE AFTERMATH

In the aftermath of Proposition 13 chaos reigns. No one can answer the important questions: How many jobs will be lost? Which services will close? What does the vote mean?

Day and night meetings go on up and down the state: administrators wonder how to cut their budgets; unions fight to retain jobs and wages; workers debate whether to accept salary cuts in order to hold onto jobs.

The governor and the legislature must complete a plan for allocation of the state's estimated $5.8 billion surplus by July 1, the date Proposition 13 goes into effect. "It's complete pandemonium in Sacramento," says Cary Lowe of the California Public Policy Center. "You can't even talk to anyone up there."

It is possible that Howard Jarvis' initiative will be declared unconstitutional. Five lawsuits were filed almost immediately after the measure's two-to-one victory by teachers' unions, school districts and officials, eight counties, and two Sacramento residents.

Among the lawsuits' claims: Proposition 13 denies equal protection of the laws because homeowners who buy property after 1976 will pay more for the same services than those who bought before. Also, the suits claim the proposition is an illegal revision of the constitution, not an amendment, and that it covers more than one subject, which is against California law.

Attorney General Evelle Younger, who won the Republican gubernatorial primary, considers Proposition 13 constitutional and will defend it. The California Supreme Court is expected to act speedily, within a few months. No less than four justices must face the voters in November; their votes will be subject to careful scrutiny by the electorate.

In the meantime, layoff notices keep coming. "Each of you must appear personally to pick up and sign for your pay check on Friday. In exchange, you must sign for and pick up the official layoff notice," says the letter sent to the staff of the Santa Clara County Public Defender's office. In other offices, employees search for their names on computer-printed lists posted on bulletin boards.

Generally, affirmative action has given way to seniority. A Los Angeles survey showed that about 62 percent of some 8,300 laid-off workers there are minority members; about 28 percent women.

While the total rendered jobless by the Jarvis-Gann initiative will probably not approach the 450,000 predicted before the election by management experts at UCLA, the numbers grow daily. Assembly Speaker Leo McCarthy expects at least 75,000 local government employees to be laid off in the next few months.

Services too are shutting down: summer schools in most areas, health centers, new admissions to city hospitals. Freezes on overtime have reduced the hours some public facilities remain open, and the deputies available to staff jails.

San Francisco declared a state of fiscal emergency June 12, giving the mayor and department heads special powers to reduce expenses.

Many community groups that provide health care, legal services and counseling in poor and minority communities must also cut back severely because they depend on federally funded CETA workers hired through county-administered contracts. With the end of county funding, the groups lose their eligibility for CETA workers. Thus Centro Legal de la Raza in Oakland's Fruitvale area will lose seven people, and must reduce the number of cases it can take per month by about 100.

DID VOTERS WANT SERVICES CUT?

Was this what the voters wanted? No one can say for sure, but two differing strains of opinion emerge. According to a *Los Angeles Times* poll, 71 percent of voters for Proposition 13 did not intend to vote for a cut in county services.

"The voters thought they'd have more control over their government and that it would cut out new cars for supervisors and trips to the Bahamas for the mayor," says a nurse recently laid off from San Francisco General Hospital.

But the second view holds that voters really had it in for public employees and welfare recipients.

"The message wasn't just tax reform; they didn't like the public servants," says Emalie Ortega, a lawyer in the Santa Clara County public defender's office. "It hurts that they went to the polls with such vindictiveness. As a single parent with three kids, I'll be hit pretty hard."

Whatever the motivation of the voters, desperate workers faced with layoffs are reacting in different ways to salvage as much as possible.

Some are meeting to discuss the possibility of taking cuts in salary, job-sharing, or shorter work weeks in order to minimize the number of layoffs.

Some want their full pay and normal hours at the expense of others, like the deputies at the San Francisco jails who think social services for inmates can be dispensed with.

Others appeal to the public: 48 hours after Los Angeles mayor Tom Bradley announced

that 1,000 police would be cut, the Police Protective League ran a full-page newspaper ad depicting the aftermath of a mugging and asking, "Where will the police be when you need them?"

Still others want to proceed at full staff on full salary with no cuts and run the offices until the money runs out, then simply close the doors.

It appears that non-unionized workers like public defender staffs, county counsel staffs, and county parole administrators tend more toward the voluntary salary cut and shorter work week method of keeping as many jobs as possible. Unionized workers seem less likely to go that route.

An eligibility worker in the Contra Costa County welfare office and member of Service Employees International Union (SEIU), explains her reasoning. Five years ago, she said, when a financial crunch threatened the staff with layoffs, they all agreed to accept lowered salaries. However, full funding unexpectedly came in at the last minute. "Then," she fumes, "management hired additional people, gave themselves an 8 percent raise plus a 5 percent management differential and a huge insurance policy. We remained at the 'crisis' wage. We have no reason to think that would not happen again. We don't trust them."

Workers in her office are demanding that no line staff be laid off, that rules be relaxed so those who wish leaves of absence or part-time work can be accommodated, and that if the pay is reduced, the hours be reduced proportionately. "There are a lot of ways to cut budgets without cutting people," she concludes.

WAIT AND SEE ATTITUDE

Tim Nesbitt of SEIU Local 616 in Oakland says that counties should not act on layoffs until they know what they will be getting from the state surplus. "The Jarvis forces told people that there was enough money at the state level to bail out essential services," he says. "We should keep all our programs going right along full budget in anticipation of the county's share of the surplus."

Nesbitt adds that in the meantime people should press for progressive tax reform.

Frank Gold, a high school teacher in Mill Valley, reflects the position of the California Federation of Teachers; voters protested bureaucratic waste and highly paid managers, he says, but not the cop on the corner or the teacher in the class room. Therefore, a major effort must be made to trim such items as travel and expenses for administrators, consultant fees, and other similar outlays while maintaining essential services. If, after those things are done, there is insufficient funding to pay for teachers' salaries and run the schools, the schools should not open in the fall until the money is made available.

As response to Proposition 13 develops some coalitions between community groups and unions are being formed in Los Angeles and Alameda County.

Women's crisis centers, health clinics, groups of disabled and elderly as well as those that provide legal and youth services in Alameda County, for instance, have joined with SEIU to form the Labor-Community Coalition for Jobs and Community Services.

Members have pledged that no one organization will compete with any other, and that the community groups will not be pitted against county workers. They have asked for a 90-day moratorium on layoffs, and for the county supervisors to declare human services the top priority for allocation of funds. A demonstration June 13 drew 500 people, who cheered speakers demanding that corporations be taxed to make up for revenue losses. The county supervisors, scheduled to begin budget hearings that day, postponed their session.

School board leaders and labor leaders have proposed a ballot measure in November that would cancel Proposition 13's benefits for business and landlords, but Gov. Jerry Brown opposes it.

Says SEIU's Nesbitt, "We should have had our own tax relief bill on the ballot before; everybody realizes that now. We made a total mistake in California."

SUPPORT GROWS FOR OVERALL TAX LIMIT

(By Mary Ellen Leary)

Efforts to slash property taxes in other states are sure to ride on the wave of victory sparked by the "Taxpayers' Revolt" in California, where Proposition 13—the Jarvis-Gann initiative—won in the June 6 primary by a margin of two to one.

The initiative, which cuts property taxes statewide by an estimated 57 percent and sets new standards for the legislature in implementing it, is being viewed as a "new mandate against politicians and insensitive bureaucrats whose philosophy is 'spend, spend, spend, tax, tax, tax,' " Howard Jarvis said in an election night victory speech.

Jarvis, who with Paul Gann sponsored the measure, said the win was the beginning of a "national campaign against property taxes . . . . I am going to do everything within my ability to help people [in other states] get started."

Before the victory, however, organized efforts to ride the tax revolt were under way in at least 30 states. And the man behind much of that movement is Lewis K. Uhler, president of the National Tax Limitation Committee and an side to Ronald Reagan when he was California governor.

Uhler views the acceptance of the Jarvis-Gann initiative as support for his campaign of several years to reform taxes. "California's response to Proposition 13 has given the tax-cut movement an explosive push . . . Voter power has become a reality overnight. People see they can do something effective after all: They can control government.

"This is just what we hoped for, to make people understand and support our program," he says. The emotional charge from Jarvis-Gann is bringing into Uhler's organization "key political figures with powers in their own states to draft and enact laws." Currently, he says, the National Tax Limitation Committee is involved in tax-reducing moves in about half the states.

In mid-May the committee held its first convention in Chicago. Thirty-eight states were represented and 50 legislators were present. Not only was there a universal commitment to halt the growth of local governments, Uhler says, there also was a consensus that the federal government's tax bite also must be muzzled.

"A new phenomenon has simply burst out, all across the country. A lot of folks will run with the same drive that fueled the Jarvis-Gann campaign here—the same anger at unjust tax burdens, the same annoyance at declining public service, the same frustration at a government that is so big it can no longer be contained."

The Jarvis-Gann style of simplistic slash and roll-back is not, however, the National Tax Limitation Committee's concept of the way to control over-taxation, Uhler says. A far tighter curb on the politicians can be devised with less disruptive immediate consequences. His group aims to fashion a better-structured, long-range mechanism to stop the jack-in-the-beannstalk growth government has exhibited the past two or three years.

Uhler backed the Jarvis-Gann measure as "the only game in town." But he is critical of its broad sweep and its aim at only property taxes. His committee seeks to put a cap on all taxes by holding government revenues, or government spending, at a fixed ratio of total capital in the public's hands.

In general, the aim is to hold government about where it is in proportion to government's rake-off from the money the total public earns. The committee estimates that all taxes today pluck in the aggregate about 40 percent of America's earnings. Other economists fix the sum lower at around 35 percent.

Restraint over future government growth can be achieved, Uhler contends, by fixing a formula into the Constitution.

Such a plan was proposed in California's Proposition 8, the Behr bill, which was rejected by a close margin.

Uhler's committee's hope of implementing something akin to the Behr bill limitations has not been deterred by the Proposition's 13 victory. In fact Uhler expects to work in California in coming weeks to help bring about some new form of restraint on state taxes—perhaps as early as the November ballot.

"It is clear that some clean-up kind of legislation will be needed, once the dust settles and emotions are reduced," Uhler says.

"Oddly enough," he says, "our ideas, which shocked the state and got defeated when proposed in 1973, look pretty conservative today in the context of the Jarvis-Gann hatchet-job. We think there will be a lot of new interest in our plan to curb state government, perhaps in exchange for easing some of the problems caused by Jarvis-Gann."

Coincidentally, some business leaders are eyeing a measure for the November ballot that might tie a government spending curb similar to the Behr plan to a split property tax roll. In exchange for a constitutional limitation on future state tax collections it has been reported that some business leaders would accept a split property assessment roll that would levy higher rates on business and commercial property than on homes.

Were taxes on commercial real estate to be set at, say, twice the rate of homes, the additional money for local governments would ease the gap Proposition 13 created.

Businessmen are studying the move in anticipation of political outcry once it is realized that the larger share of benefits from Jarvis-Gann goes to corporations rather than home-owners.

An analysis by the legislature's budget adviser, William G. Hamm, showed that in the aggregate homeowners would receive about 36 percent of the total tax reductions, and renters about 19 percent, but commercial and agricultural properties (which change hands less often) eventually would reap a total of 45 percent.

Uhler says he believes that a long-range state revenue limitation written into the California constitution might be bartered for new taxes on business property—a politically acceptable exchange if tied to a promise that no new state taxes would come along later to hit business.

It will be weeks before such maneuvers sort themselves out, but the feeling is strong in many quarters that the concept of an overall tax limitation is not dead.

[From the In These Times, May 31–June 6, 1978]

JARVIS-GANN SMASHES THE STATE

(An editorial)

While many on the left talk about "smashing the state," California rightwingers with considerable mass support are doing something about it. Not by barricades in the streets but by aiming ballots at the power of the purse. The intent of the Jarvis-Gann property tax limitation initiative to be submitted as Proposition 13 to California voters June 6 is to dismantle large sectors of the state apparatus by limiting the tax power and forcing cutbacks on government spending, services, and employment. (See story, page 3.)

It would be a mistake to view Proposition 13 as simply a "right-wing" issue. In addressing itself to lowering taxes and raising income, it involves a popular issue on which the right has adroitly cashed in.

For the left, the Jarvis initiative presents endless ironies, not the least of which involve seeing the right make political hay out of issues the left has long been raising but without anything like the right's boldness and current success.

The left has argued again and again the regressive nature of the property tax.

It has emphasized the inequalities, as between richer and poorer communities, resulting from substantial funding of essential services from that tax.

It has pointed to the fact that tenants (accounting for over half of California's population) in effect pay landlord's and utilities' property taxes through the rents and rates they pay, just as they pay other business taxes through prices.

The left has attacked private speculation and "development" schemes that drive up land and real estate prices (hence property taxes) and squeeze out small farmers and homeowners.

The left has drawn attention to the tax exempt income accruing to banks and insurance companies holding municipal and "redevelopment" bonds, funded substantially by property taxes.

It has pointed to corporate aversion to reducing the property tax for fear of seeing bond values decline and taxes shifted to levies on the income of corporations and higher-income individuals.

The left has been first in raising all these issues, but now watches flat-footed as the right picks them up, runs away with popular support and scores big. But perhaps the supreme irony is that after years of hard work in building an anti-corporate coalition in the movement for Economic Democracy, the California left finds itself aligned with the corporate and liberal political establishments in an eleventh hour effort to defeat the Jarvis initiative.

The left, like most of the people, finds itself caught between the right, which promises lower taxes through cutting back on public services essential to working people, especially the poorest, and the corporate-liberals, who promise to maintain these services but only through rising taxes and eroding working class incomes.

The Jarvis initiative brings home the urgency of the left's formulating a distinctive program of its own that can combine the quest for greater democracy with effective measures for reducing taxes and stabilizing or improving the real income of the majority.

Short of the commitment to building a popular movement for socialism—public enterprise and social control over the price and investment system—there can be no such distinctive left program.

The crushing burden of the property tax on people with low, moderate or fixed incomes comes not from tax rate itself but from the rising values dictated by the workings of the private market, which raises the tax bill whatever the rate.

Maintaining and improving essential services, and the salaries and wages involved in delivering them, require public revenues. But as long as private interests own virtually all productive and profitable enterprise, the revenues must come from taxes. If the attempt is made to shift the tax burden to the corporations and the rich, they will either pass the taxes on in higher prices or take their capital elsewhere. The result must be a mix of rising prices, further income erosion, unemployment, and lower public revenues.

The left can and does match the right in having the courage of its convictions, but more than the right it must have the courage to face up to the *implications* of its convictions. As long as the left shrinks from explicit advocacy of and organizing around a socialist alternative addressed to such issues of immediate concern to the people like taxes and prices, it will, as the Jarvis initiative demonstrates, remain outflanked by the right and co-opted by corporate power.●

SOVIET COMPLIANCE WITH THE HELSINKI ACCORDS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. CRANE. Mr. Speaker, the Soviet Union has accomplished a rather interesting feat recently. They have acted in such a consistent and persuasive manner in handling Russian human rights activists that the press seems to have lost interest in the subject. But then so has President Carter lost interest in the subject or at least as far as Communist countries are concerned. The coverage of the recent trial and conviction of one activist seems to have represented the peak in journalistic interest. Meanwhile, any Soviet citizen interested in taking advantage of the encouragements provided by the humanitarian provisions of the Helsinki accords is immediately arrested and jailed. Special attention and handling is accorded to those attempting to monitor Soviet compliance with those provisions. With emigration severely restricted, those who apply for permission to do so are harassed. If permission is refused and the applicants demonstrate in public they are arrested and locked up for "malicious hooliganism." I mention all of this because I believe it casts doubt on the value of the Soviet signature, and raises some question about the value of President Carter's promise actively to pursue the issue of human rights.

All of this became important when, in August 1975, the Soviet Union and 33 other nations signed the Final Act of the Conference on Security and Cooperation in Europe. The Helsinki accords or agreement, as it is popularly known, took 3 years to negotiate and is voluminous and complex. Article 7 of the first section is entitled "Respect for Human Rights and Fundamental Freedoms. It is this provision which the Soviet Union has violated in spirit if not in principle by numerous actions, but especially by the arrest, in early 1977, and sustained detention incommunicado of three key Russian human rights activists. All were involved with the Helsinki Monitoring Group, a unit set up to scrutinize Soviet compliance with the human rights provisions of the accord.

On May 18, 1978, Yuri Orlov, noted nuclear physicist and organizer of the monitoring group, incarcerated since his arrest in February 1977, was convicted in a hostile and kangaroo-style Soviet court. He was sentenced to 7 years in prison and 5 years of external exile in Siberia. He is the first of the three to be tried. His crime was to send reports of the Soviet abuses concerning denial to emigrate, forced emigration, religious discrimination, and psychiatric hospital detention to Western journalists and governments. Also charged and awaiting trial are Alexandr Ginsburg, director of a relief fund for political prisoners, and Anatoly Scharansky, computer specialist and spokesman for Soviet Jews wishing to emigrate to Israel. Scharansky is charged with treason because a onetime roommate had confirmed connections with the Central Intelligence Agency. His trial is thought to be a test case for associating dissent with the capital crime of treason. If this linkage is effected, a precedent of considerably sinister import will have been made. The treatment of these and other Soviet citizens constitutes a slap in the face to the United States and the other free world nations who signed the Helsinki accords. The Soviets believe that they can take liberal advantage of any agreement they make for the only action the West ever takes is to issue mild verbiage.

How can anyone say that the Soviet totalitarian regime does not have a brutal grip on its citizens? There seems little question but that they have institutionalized anti-Semitism to a fare-thee-well and have planned, set, and sprung a cruel trap on Russians believing in their government's word and signature. Is there any question how very different the United States is compared to the Soviet Union?

On June 5, 1978, I introduced a resolution and statement which addressed this issue. The New York Times carried a column by William Safire on May 29, 1978, that supports my actions. I ask that the article be inserted at this point in the RECORD and recommend it to my colleagues.

[From the New York Times, May 29, 1978]

RESCIND HELSINKI

(By William Safire)

WASHINGTON.—"Okay, so our African policy has turned out to be a disaster," says a Carter supporter heatedly. "And okay, we look a little desperate blaming Congress now for constraints that we supported all along. But what do you want us to do to discourage the Russians in Africa—send in U.S. troops? Break off the SALT talks? Blockade Cuba?"

American diplomats who would like to find a way to penalize Soviet expansionism without resort to brinkmanship might consider a proposal that is beginning to be discussed in hard-line circles: the renunciation of U.S. approval of the 1975 Helsinki Agreement.

That misbegotten 35-nation accord, which does not have the force or status of a treaty ratified by the U.S. Senate, marked the high-water mark of Brezhnev diplomacy. The Helsinki "final act" fulfilled a generation-long dream of Soviet leaders: to have the Western nations ratify and implicitly endorse the Soviet conquest of Eastern Europe. The U.S. was roped into the negotiations leading to this Soviet triumph during the heyday of detente. In 1972, we agreed to negotiate toward a European Security Conference in return for a Soviet promise to negotiate toward a Mutual and Balanced Force Reduction (MBFR) agreement, which we believed would have lessened the danger of war in Europe.

Both negotiations began, as agreed. But as the Soviets planned, the MBFR negotiations led nowhere—they are still dragging on hopelessly—but the border-fixing negotiations that the Soviets wanted to succeed were crowned with success.

After conservatives in the U.S. began to wonder about the wisdom of giving the Soviets the border-approval they wanted in return for nothing, the Ford Administration—in need of a summit—came up with a reason to go to Helsinki: "Basket Three," an addition to the accord that promised human rights to the oppressed, human dignity to the dissidents, and a new openness in communication across the Iron Curtain.

Some accommodationists swallowed this line; when hardliners gagged at the empty promises, a final sweetener was put in the deal to convince conservatives that the Soviets would be held to account: a follow-up conference was to be held in Belgrade in 1977 in which progress on the human rights "basket" was to be carefully reviewed.

The Soviet Union began ignoring their human rights promises the day after the Helsinki agreement was signed. Immigration was restricted; refuseniks were harassed; dissidents were jailed in a new crackdown.

The Belgrade review conference which ended a few months ago was a mockery; U.S. representatives whimpered a bit for the record, but the Carter human rights crusade turned out not to apply to Communist countries. Our Executive-Congressional commission fretted and then voted itself a new junket in a few years so the newly hired staffers can fret some more.

What did we get for agreeing to negotiate the agreement the Soviets wanted so badly? Nothing. What did we get for our pains in writing in human-rights guarantees? A horse laugh from Moscow. And what are we doing to retaliate? Just going along with what the Soviets wanted, recognizing the inviolability of their European borders.

We are not required by international law to go along with this charade. Since the Helsinki Agreement is a "declaration of intent" and not a treaty, what a stroke of the Ford pen has done can be undone with a stroke of the Carter pen.

Would this be going back on our "word?" Just the opposite: it would be assessing, as we had promised, Soviet performance on human rights. They have broken their word; therefore, we should notify the world that the U.S. signature is nullified.

A resolution of the Congress asking the President to consider this action would surely cause consternation in the Kremlin. Informal discussions of this idea among NATO diplomats now in Washington might induce a couple of our allies to stop complaining about lack of U.S. leadership and to follow our lead.

The hard-liners know that serious discussion of formal rejection of the Helsinki "final act" would be a bargaining chip itself. Previous U.S. Presidents were able to use the Mansfield Amendment (calling for the return of U.S. troops from Europe) as a lever in getting our European allies to share more fairly in their own defense; in the same way, this President could use a "rescind-Helsinki" action to dramatize to the Soviets that adventurism has specific diplomatic costs.

This is no parlor game: Mr. Brezhnev is proud of the pledge to honor Soviet conquests extorted from the West at Helsinki. And Kissingerians will react contemptuously to a move to rectify their blunder.

But a move to cancel our approval of the agreement that the Soviets have already broken would be legal, nonbelligerent and cost-free. It would send a message to the Kremlin that their continued duplicity will make the "final act" no act at all.●

TAXATION OF NATIONAL RESEARCH SERVICE AWARDS

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. LEACH. Mr. Speaker, today I am sponsoring legislation with Representative TIM LEE CARTER which will amend and clarify current tax law to provide for a permanent tax exclusion for money received in the form of National Research Service Awards. These are awards given by the Federal Government to recognize and support achievement and training in biomedical and behavioral research, operating at both predoctoral and postdoctoral levels. These awards, which are authorized under section 472 of the Public Health Service Act, by title I of Public Law 93–348, represent almost 50 years of congressional support for research training.

The provisions of this program direct the Secretary of Health, Education, and Welfare to make awards to individuals and to institutions training such individuals. In 1977, approximately 9,000 people received such awards, totaling about $114,000,000 in allocated funds. In return for the funds, recipients are required to engage in 1 year of research or training.

Traditionally, recipients of the awards who were candidates for doctorate degrees have been permitted the exclusion of their awards from their taxable incomes, and persons with doctorate degrees were allowed to exclude received funds to the limit of $300 for 36 months as a maximum. However, a September, 1977 ruling by the Internal Revenue Service held that all funds allocated under the National Research Service Awards Act of 1974 were and are fully taxable income, which imposes tax liability presently and ex post facto from 1974.

The effect of this ruling is to severely diminish the attractiveness and usefulness of the National Research Service Awards, and to cause approximately 11,500 recipients to pay unexpected retroactive taxes, burdening all past and future recipients of the awards.

It is doubtful that Congress intended the National Research Service Awards to be included as taxable income when the program was established. The IRS ruling puts the Federal Government in a position of giving awards to support research and training and then taxing them away.

This legislation treats the National Research Service Awards as tax-free scholarships or fellowships under section 117 of the Internal Revenue Code of 1954, which excludes such amounts from taxation. Thus, predoctoral award recipients will be permitted to exclude all allocated funds under the National Research Service Awards, and postdoctoral award recipients will be allowed to exclude a maximum of $300 per month for 36 months. It is the intent of this legislation that all past, present, and future recipients, will be exempted from paying taxes on the above specified amounts.

The National Research Service Awards were established by Congress to aid in furthering research in the biomedical and behavioral sciences. I urge adoption of this legislation in order to demonstrate properly and effectively that commitment.●

THE DOCTOR'S FEE: THE TRUTH ABOUT PHYSICIANS' FEES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. McDONALD. Mr. Speaker, much of the talk about the rising costs of health care center on the charges by doctors for their services. In a recent article in Private Practice magazine (June 1978), Hans Sennholz, the noted economist, pointed out that doctor's fees really are a function of the marketplace. Doctors deliver a relatively scarce and needed product to society so that their prices are a direct function of supply and demand. However, as creatures of the marketplace in a highly skilled profession, they are also subject to consumer choice based upon their fees and skill as perceived by the public. Thus, there is a self-adjusting mechanism in the equation. A massive infusion of Government regulation, via a national health plan, could control prices, but would not improve the quality or speedy delivery of health services one whit, in fact, it would do just the opposite. The article by Mr. Sennholz follows:

THE TRUTH ABOUT PHYSICIAN'S FEES

(By Hans Sennholz, Ph. D.)

The hue and cry about doctors' fees conceals a basic economic problem: what determines individual income? What is the exchange value of services we render to others? These questions have puzzled men since the beginning of time.

Throughout the long history of medicine, rulers readily provided the answers and enforced them ruthlessly. They fixed prices and wages, and regulated the rewards and penalties of their medical men. At the dawn of recorded history, King Hammurabi of Babylon imposed his code and inflicted his punishment. The Roman emperors built hospitals and appointed public physicians whose fees were fixed by law. In modern times, the kings and princes of Europe often intervened in the care of the sick in times of public crisis. The absolute state, like the Roman state, assumed major responsibility for public health, and claimed the right to determine individual compensation for medical care.

Only during the 19th century, when political authority retreated from regulating every aspect of economic life, was the physician left free to practice his noble profession.

Contemporary discussion differs little from that of the past. Political authority has returned again to nearly all economic pursuits, and once again is claiming the right to guide and direct the medical profession. The limitation of doctors' fees and income is merely one aspect of the basic issue of our time: the shrinking margin of individual freedom and the growing role of the provider state.

Most people have lost faith in the benefits of freedom. They are convinced that the private property order deprives less produc-

tive people of what is rightfully theirs. The state is the embodiment of morality, which government must impart to economic and social life. Pointing at some real or assumed conditions of poverty, which they misinterpret completely, they are eager to return to the oldest system of all: the command order. They put their faith in political wisdom and rely on legislation and regulation. Government is called upon to meet all the important needs of life.

If government is called upon to subsidize medical services, it must have a voice in the allocation of its funds. The hospital that seeks and accepts public funds cannot seriously object to the wishes and conditions imposed by the donor. The doctor who favors and accepts government funds cannot logically object to bureaucratic attempts at managing those funds. He may argue with government officials about the wisdom and desirability of this or that regulation, but cannot deny them the right to impose their conditions. Similarly, the doctor who readily accepted and benefited from public funds during his years of training cannot be surprised at the public expectation, upon completion of that training, to be favored in return. He owes the public some consideration for the rest of his natural life.

Without consistency there can be no moral strength. The physician must choose between professional freedom with all its ramifications of independence and self-reliance, and the command order with all its implications. In matters of remuneration, he faces the choice between compensation according to contract without government favors and supplements, and the pay allotted according to political merit.

The American system of medical care reflects the fierce struggle between the two economic and social orders. It suffers from all the syndromes of transition from which one or the other order must emerge. The ideological battle rages over such issues as the rising costs of medical services, the soaring costs of Medicare and Medicaid, the rising incomes of physicians and dentists, the different prices charged for the same service, and many others.

In defense of their rising incomes, doctors are quick to point to the costs of the medical service they render. It takes many years of schooling and training to become a doctor. Therefore, so they argue, their fees should be high enough to compensate them for the lean years of schooling and their great investment in time and money.

Unfortunately, the costs of a service never determine its price. If this were the case, other professional groups with more years of training would command higher incomes. The philosopher with five academic degrees, the scientist in a research laboratory, even the college professor with a PhD that took ten years to earn, incurred higher costs of schooling than the physician. And yet they generally earn much lower incomes.

If production costs determined price and income, all businessmen would enjoy stable returns on their investments. But many fail and go bankrupt because the yield does not cover the costs. Costs do not determine the value of a service; it is the significance or usefulness it possesses for an individual that affords economic value. When usefulness is paired with scarcity relative to the demand for the service, we arrive at a certain price.

Let us assume an isolated exchange between one doctor and one patient. The doctor's fee can then be anywhere within a range of value. The upper limit is the patient's valuation of the medical service, the lower limit is the doctor's valuation of his own time and effort. This range usually leaves a wide margin for bargaining. The fee may be higher or lower, depending on which of the two exhibits the greater inclination to bargain.

In reality there is competition on both sides, among doctors and patients. In a competitive situation the fee is established at a point within a narrow range of valuation by all the participants. A uniform or "market price" emerges as a result of countless subjective valuations in a zone where supply and demand are quantitatively in exact equilibrium. Or if we use the traditional and vague catchwords, the price of all goods and services is determined by the relation between supply and demand.

Expenditures for private medical care in the United States rose from under $4 billion in 1929 to more than $70 billion in 1977. The earlier amount was about four percent of personal spending, while the 1977 amount represents almost seven percent. There can be no doubt that the American people chose to purchase an ever-increasing amount of medical services. It was this rising demand that caused doctors' fees and incomes to rise.

The supply tends to adjust to changing demand. But it takes several years for the rising demand to effect higher prices and fees, which in turn then tend to induce an influx of additional labor. Schooling and training of young physicians takes time, especially in highly specialized fields. Medicare, which greatly boosted the demand for medical services, came into existence in July 1966. By 1970 Medicare spending was accelerating and doctors' fees were rising accordingly. By now, in 1978, the number of young physicians emerging from medical schools is rising rapidly.

Some doctors are charging different prices for essentially the same service to different patients. Realizing that the amount people are willing to pay for medical care is directly related to income, they are charging higher prices to patients with higher incomes, and lower prices to patients with lower incomes. Wealthier members of society reportedly pay "from five to thirty times the average fee."

Whatever the motivation for such price discrimination, to maximize income or to favor the poor, it is a dubious practice that can damage the physician's reputation in the community. After all, the affluent businessman cannot charge different prices for identical products and services. It would not occur to him to double or triple the price of his merchandise when a physician enters the store. He cannot charge more for his furniture, automobiles, or groceries, for fear of instantly losing his customers The physician himself, who may be an affluent member of his community, would soon resist such discrimination and seek other suppliers.

We suspect that price discrimination causes doctors to lose more patients than dissatisfaction with their medical services. The intended victims, the more productive people with higher incomes, usually are very quick to detect the discrimination and react to it by patronizing another physician. The discriminator may soon earn the reputation, perhaps undeservedly that he is motivated by financial gain, crudely charging "whatever the traffic will bear." Under that cloud of suspicion, it is difficult to pursue any profession, especially the healing arts.

There are several other objections to price discrimination according to patient income and wealth. Even if it were a sound professional practice, the doctor is prone to make many mistakes. He is not equipped to conduct a "means test." Appearance is deceiving, and reputation may be undeserved. A "pauper" in the doctor's office may actually be a millionaire, and a well-known merchant seeking the doctor's help may face foreclosure. To build a fee schedule on such data is to invite resentment and hostility.

Of course, this is not to deny that there are times and places where price discrimination is in order. As mentioned above, the lower limit of a fee schedule is the doctor's valuation of his own time and effort. The value he himself attaches to his service does change according to his own circumstances and conditions. His fee should change accordingly.

Money that buys health can never be ill spent, nor our labors in defense of freedom for this noble profession.●

JANE BRENNAN SPEAKS FOR NURSES ON MEDICARE AMENDMENTS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. FORD of Tennessee. Mr. Speaker, as a member of the House Ways and Means Committee and its Subcommittee on Health I was very pleased to have one of my constituents, Miss Jane Brennan, testify today before the subcommittee's hearings on medicare improvement. Miss Brennan is executive director of the Visiting Nurse Association of Memphis, which is a certified home health agency that was established long before the medicare program.

Miss Brennan also serves as president of the Tennessee Association for Home Health Agencies and is chairperson of the National League of Nursing's Council of Home Health Agencies and Community Health Services. This council serves as the spokesman for 1,500-member agencies, performs an educational function, and attempts to upgrade standards.

As a strong advocate of improved home health care under medicare I would like to share with my colleagues in the House Miss Brennan's statements on behalf of the National League of Nursing and on behalf of the Visiting Nurse Association of Memphis. The statements follow:

STATEMENT OF THE COUNCIL OF HOME HEALTH AGENCIES AND COMMUNITY HEALTH SERVICES NATIONAL LEAGUE FOR NURSING

MEDICARE AMENDMENTS

Mr. Chairman and members of the Committee, I am Jane Brennan, Executive Director of the Visiting Nurse Association, Memphis, Tennessee. I appear before you today in behalf of the Council of Home Health Agencies and Community Health Services, a national organization representing 1,500 Medicare-certified home health agencies. Accompanying me is Leah Brock who coordinates the Council's government relations program.

The Council commends the subcommittee for holding these hearings and for recognizing the need for improvements in the Medicare program. We believe that the improvements cited by the subcommittee will go a long way to eliminate some of the barriers to the delivery of health services which exist in the Medicare program.

We have confined our testimony to five of the issues outlined in the subcommittee's news release, all of which affect the home health benefit provided under Medicare.

ELIMINATION OF THE 3-DAY PRIOR HOSPITALIZATION REQUIREMENT

The Council supports this recommendation as a cost effective measure.

The mounting costs of health care are well documented and foremost among these is the cost of inpatient hospitalization.

Home health services can eliminate or diminish the need for admission or re-admission to hospitals, or reduce the number of hospital days through early discharge.

The current requirement forces patients who do not have Part B coverage to be admitted to a hospital in order to be eligible for home health benefits. In some areas of the country this can mean utilizing a $250 per day service for three days to establish eligibility for a $25 per day service.

This requirement is restrictive in another way. The home health services provided under Part A are limited to those services directly related to an illness that required hospitalization and precludes reimbursement to a home health agency for care not directly related to that condition. An example is a diabetic who is hospitalized for a broken hip, and was subsequently admitted to a home health agency. Only home health care related to the broken hip is reimbursable. Medicare reimbursement for care related to the diabetes must wait until the patient regresses to the point where hospitalization is required.

ELIMINATION OF THE 100-VISIT LIMITATION UNDER PARTS A AND B

The Council supports this recommendation as another cost effective measure.

The current 100-visit limitations affect a very small proportion of the Medicare population. Indeed, a November 1977 DHEW report entitled "Medicare: Utilization of Home Health Services, 1974" shows that:

The average number of visits per persons served was 20.6;

Less than one percent of the beneficiaries using Part B services exhausted the 100 visits;

Less than two percent of those using Part A services received more than 100 visits (notwithstanding the fact that an individual could receive more than 100 Part A visits in a year if there was more than one benefit period).

We believe these statistics are proof enough that eliminating the current limits will not open the floodgates of home health utilization. In fact, it may keep the small percentage of individuals who need the additional care out of costly institutions.

ADDITION OF AN EVALUATION VISIT BEFORE TRANSFER FROM AN INSTITUTION

We support this concept as a quality assurance measure.

The experienced professional nurse from the home health agency has the expertise to recognize and interpret the variables of providing care in diverse home and community settings.

Through a pre-discharge encounter the professional nurse from the home health agency is able to evaluate with a high degree of accuracy:

1. the abilities of the patient, family, friends to cope with managing illness at home;

2. the home as a safe, appropriate environment for continued care;

3. the adequacy of the resources of the home health agency to meet the care needs of the individual;

4. the availability and extent of other community services supportive to maintaining an individual at home.

Determination of the setting for the pre-discharge visit—hospital or home—should be made by the agency.

While the evaluation visit will go a long way in assuring the efficacy of home health services, it does not address a larger problem—that is, who is in the hospital, and with what degree of expertise, identifies patients as potential home health care candidates. We would like to see hospitals employ discharge planners who are professional nurses with home health agency experience. These discharge planners will have the ability to make sound and accurate initial judgments about the appropriateness of home care.

Lack of or inappropriate planning has frequently resulted in service that is untimely, fragmented, or incomplete.

ELIMINATION OF THE LICENSING REQUIREMENT FOR PROPRIETARY HOME HEALTH AGENCIES

We support this recommendation when coupled with a national certificate of need requirement and an upgrading of the current Conditions of Participation for home health agencies.

The Council has a long standing position in favor of certificate of need for all newly established agencies and all proposals for extensions of services. There are those who argue that certificate of need stifles the competition needed to lower costs. We would argue that the health care industry is immune to traditional economic theories and that the result of competition in this field is costly duplication and fragmentation of services. Comparing costs of Medicare-certified providers with non Medicare-certified providers is not valid. Certified home health agencies must maintain a higher level of supervision and qualified health professionals—undoubtedly incurring higher costs to provide the service.

We have supported state licensure as long as it is the only acceptable method for certifying propriety agencies. However, we have always tied licensure to a certificate of need requirement for home health agencies.

There is no evidence that licensure has enriched or reinforced Medicare certification. Rather, it may have had the negative effect of decreasing emphasis on much needed improvements in the certification process.

CHHA/CHS promotes the Medicare certification requirement as a uniform national test of legal compliance for home health agencies and will continue to work for the improvement of sanctions and upgrading of provisions in the certification process.

We have been working with HEW to upgrade the Conditions of Participation as part of the study mandated by Section 18 of P.L. 95-142. Some of the suggestions to upgrade the Conditions are:

The agency administrator shall be an individual with training and one year of experience or an individual with one year supervisory or administrative experience in home health care and must be a full-time employee of the agency;

All agencies must determine the range of other services available in the community and must endeavor to provide or arrange for such services for patients as needed;

All ownership interests must be disclosed. At least one-third of the governing body must be outside members having no financial, family or operational relationships with the agency. No member may vote on matters in which that member has a direct financial interest;

Governing body has responsibility for professional review conducted pursuant to Section 405.1222;

All personnel must be paid the minimum hourly wage;

The locus of responsibility for coordination of services between two agencies must be clearly defined;

Home health aides should have satisfactorily completed a basic generic curriculum which is recognized by HEW;

An annual report of agency's activities including the names of the governing body shall be published and made available upon request.

We also believe that the Provider Reimbursement Manual should indicate tighter fiscal controls, that these controls should be consistent from region to region, from intermediary to intermediary and that they should be applied equally to all types of agencies. We believe that application of new regulations, guidelines, and rulings must be implemented on a prospective basis with sufficient lead time for agencies to come into compliance. We do not equate nonprofit with good and proprietary with bad. We think the rules should be the same for everyone and that decisions should be based on these rules and standards.

Considering that the Conditions of Participation and other regulations apply to all agencies, they must by their nature be minimal, base-line requirements. For those agencies voluntarily seeking a higher quality evaluation, the NLN/APHA Accreditation Program is available. This program operates from a base of predetermined, nationally accepted standards.

The program has applied to HEW for "deemed status", that is, to have the accreditation process accepted in lieu of the Medicare recertification process.

We and agencies that have gone through both processes are convinced that the accreditation program not only assesses all variables that Medicare does but assesses them at a higher level. The accreditation program also provides many incentives for continued agency growth.

It seems to us that agencies that voluntarily choose to become accredited because of the value they place on such a high quality process, should not also have to be resurveyed by Medicare. To go through both processes is time consuming and expensive. Agencies should be free to choose the process which more closely meets their needs since accreditation encompasses the Medicare requirements.

HEW has deferred action on this request until it completes the study of home health that was mandated by the Medicare anti-fraud and abuse amendments.

We recommend that any action on the licensure issue be deferred until all home health agencies are covered by a national certificate of need and after the results of the HEW study are made public.

ELIMINATION OF THE PRESUMED COVERAGE PROVISION FOR SERVICES PROVIDED BY HOME HEALTH AGENCIES

We support the elimination of this provision which has served little purpose while at the same time has added administrative costs to both the provider and the fiscal intermediary.

In testimony presented in 1970, we recommended to the Senate Finance Committee that procedures be developed for advance approval for home health benefits which would be sufficiently flexible to permit coverage for patients who continue to need care beyond the initially approved period.

Eight years later we are here to speak in opposition to this provision. The intent of the law—to do away with the uncertainty about determinations of eligibility of care—has not been served by this provision. Instead, a costly mechanism has been created which sets fixed maximums rather than guaranteed minimums of reimbursable home health visits to Part A Medicare beneficiaries.

SUMMARY

We have limited our remarks to those issues outlined in your press release. We believe, however, that the elimination of the prior hospitalization requirement and the visit limitations are just starting points in abolishing the barriers to utilization of home health care. We urge you to give careful consideration to three other changes which will provide for effective delivery of home health services. They are to more broadly define what is meant by the requirement that beneficiaries be homebound to be eligible for services, and to add homemaker/chore services to the home health benefit.

The third change refers to Section 1122 of the Social Security Act. While we do not believe this supplants the need for certificate of need for home health agencies, we do be-

lieve a major stride would be made by expanding this section to include home health agencies without regard to a specific capital expenditure amount. We recognize that many institutions or facilities are granted exceptions to the 1122 process and we urge that any service created as a result of such exception be deemed ineligible for federal reimbursement. We see this applying to all home health agencies—free standing or institutional based.

The Council of Home Health Agencies and Community Health Services appreciates the opportunity to present our views.

STATEMENT OF MISS JANE BRENNAN, EXECUTIVE DIRECTOR, VISITING NURSE ASSOCIATION OF MEMPHIS, TENN.

The Memphis Visiting Nurse Association is a voluntary, non-profit home health care agency which has been serving the community since 1953 (before Medicare). We have always been partially funded by our local United Way. Our philosophy has always been to provide care on the basis of need, rather than on the basis of the individual's ability to pay. However, there is a limit to community funds—especially when they have to be distributed to forty plus agencies.

I would like to cite a few examples from our agency which relate to the proposals being discussed here today.

Mr. B. was admitted to VNA service in October last year. He had Medicare A coverage only and he had not had a prior hospital stay. Therefore he was not eligible for Medicare home health benefits. His elderly wife was able to maintain their home, but was physically not able to provide the care he needed and there were no other family members in the city. The patient was not a candidate for a nursing home as he did not require that much care. Additionally and understandably, the couple wanted to remain together. From the time the patient was admitted to VNA service until he entered the hospital in early May, at which time he had a nephrectomy, we provided 16 visits by the R.N. and 28 visits by the home health aide. The financial arrangement reached with the family was that they would pay $5.00 for each nursing visit—compared to our fee of $30.00 per visit. We provided the home health aide care free.

The cost to our agency for providing this service was $400 for nursing care and $420 for home health aide care—a total of $820. If Mr. B. had been in an ICF during this time, the cost would have been $4,410 (this figure is based on the Tennessee Medicaid, ICF reimbursement rate of $21.00 per day which is too low for most Memphis ICF's). The saving of home care during this time was $3,590. Because he had only Part A coverage without a qualifying hospital stay, I'm sure Mr. B would have been placed in an ICF if VNA had not been able to provide care. He has now been discharged from the hospital and we are providing care under Part A of Medicare and I might point out that we are providing the same level of care as we were prior to his hospitalization.

I can think of five stabilized chronically ill patients to whom we have been providing care for a number of years. Each of these patients requires skilled care, but their condition seldom changes and they have not been hospitalized. Therefore, only Part B coverage applies to them. Each requires approximately 138 visits per year (care by the home health aide twice weekly and care by the nurse once every two to three weeks). Obviously, each of these patients exceeds the 100 visit limit. If the 100 visit limit were removed, it would cost only an additional $660 per patient per year or $3,300 for the five patients. VNA is currently using community money to subsidize this yearly deficit. If these five patients were in ICF's the yearly cost would be $38,325. Home health care costs for these five are $12,300 or a savings of $26,010.

My last example is our classic, Mrs. P. We have had Mrs. P. as a patient for twenty years and will, I'm sure have her until the day she dies. She has had a nephrostomy tube in each kidney and the dressings around the tube must be changed three times a week. It does require the skill of a nurse to change the dressings as they are sterile and the nephrostomy tubes could be dislodged very easily.

Mrs. P., while she is essentially homebound can be maintained in her own home with our three weekly nursing visits and once or twice weekly visit from a homemaker supplied by another agency. Her children see that she has groceries, medicines and etc.

Mrs. P. became eligible for Medicare this past October. She, too, was only eligible for Part B benefits as she has not been hospitalized for several years. She requires about 150 visits per year. This means the community is subsidizing $1,500 of her care each year (In the past the subsidy was $2,700 because prior to October Mrs. P. had been on Medicaid and in Tennessee, Medicaid pays for only 60 visits a year).

The total cost of home health care for one year for Mrs. P. is $4,500—$3,000 paid by Medicare and $1,500 subsidized by the community. The cost of caring for Mrs. P. in an ICF for one year would be $7,665, so home health care represents a saving of $3,165 per year.

However, Mrs. P. does not belong in an ICF; she does not require that kind of care. Additionally, she would create havoc in any kind of group setting in which she was placed because she is undoubtedly the most objectionable person I have ever met.●

WHY WORRY ABOUT AFRICA?

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. LAGOMARSINO. Mr. Speaker, I woud like to bring to the attention of my colleagues the following editorial by William Randolph Hearst, Jr. on Africa:

WHY WORRY ABOUT AFRICA?

(By William Randolph Hearst, Jr.)

NEW YORK.—President Carter has been getting a lot of flack this week for worrying about Russians and Cubans in Africa, and expressing his worries with straight talk about threats to the security of the world. He doesn't deserve the abuse.

One newspaper columnist became so hysterical he resorted to regional name-calling, saying our leader from Georgia was developing a reputation as a "southern fried Jerry Ford." The point, insofar as there is one, is that the Democratic president is as preoccupied as his Republican predecessor with the growth of communist influence in such faraway places as Africa, Afghanistan and Iraq. Carter's critics, who know he is right, claim to believe his concern is exaggerated.

Americans of good conscience always have been troubled by stereotyped labels like "isolationists" and "interventionists." The first word is used to describe those who view the rest of the world as none of our business, the second to brand those who would have us put out fires anywhere in foreign lands, no matter what the costs or consequences.

If Americans have learned anything in the last half century, it is that neither extreme is consistently sound. A strict policy of isolation would have given Adolph Hitler all of Europe on a silver platter. On the other hand, the role of an international policeman would bring us dishonor as a meddling nation, and lead to certain bankruptcy.

To use a trite but true phrase, the truth lies somewhere in between. It would be morally wrong and militarily unwise for the United States to declare war every time we think the Soviet Union or Cuba has crossed a border. It would be equally stupid, however, to wear blinders and make believe, as Sen. George McGovern apparently does, that communist expansion is the result of the "will of the people," and therefore should not be cause for concern.

The point is that the lengthening communist shadow over Africa cannot be dismissed as irrelevant to American interests. It is, and will affect the lives of us all. Geographical isolation from Africa does not mean political insulation from its troubles and future.

After World War II the United States inherited from Great Britain the role of global leadership we cannot ignore. It is not a commitment to shape other nations in our own image, but rather an obligation to be an active participant in the Free World, and a shareholder in its destinies.

A fellow journalist recently scoffed at those who get upset about troubled times in places we have trouble pronouncing, like Bujjumbura, Zimbabwe, and Botswana. This is a red herring, of course, as the degree of familiarity with names of foreign lands has nothing to do with America's obligations to track the course of totalitarianism, and to formulate policies accordingly.

Pearl Harbor wasn't exactly a household word when something sudden and frightening happened there.

I wish it could be said today that events in Africa are not worth worrying about. Life would be far simpler for President Carter and those of us who value objectivity in our newspaper columns.

Unfortunately, news from Africa gives us no such comfort.

For instance, a look at the map shows the Soviet Union's influence implanted in five strategic areas: two in the north (Libya and Ethiopia), two in the south (Angola and Mozambique), and one in the center (Uganda).

These are five good reasons why Africa cannot be written off as of little concern to the Free World. These are good reasons not to sneer at a toughening policy toward a little known part of the global landscape just because it is dotted with tongue-twisters like Lumbumbashi and Okovanggo.

We are told not to get excited when Cuban-backed terrorists blow up a hamlet here or murder a few Rhodesians there. Well, no one knows when little wars will become big wars, but it has happened. While Senator McGovern still spoke glowingly of his visit with Fidel Castro and minimized the significance of Cuban troops in Africa, Joshua K. Nkomo was admitting that a Cuban cadre was training Zambian rebels to invade Rhodesia. What makes all this possible is Soviet financial assistance, which at the latest reckoning amounted to about $9 billion since 1961.

Nothing I saw on my recent trip to Africa, or have observed in the press since, suggests any lessening of this build-up. On the contrary, the trend is in the other direction.

In 1975, the then secretary of defense, James Schlesinger, spoke as follows about the relative defense postures of the United States and the Soviet Union:

". . . We have been engaged in the rather peculiar process of reducing our defense budget in real terms, while the Soviets have been raising theirs. . . . The Soviets are spending more than $100 billion a year on the military, and their allocations are growing at the rate of four to five percent a year."

Three years later, in January of 1978, the chairman of the U.S. Joint Chiefs of Staff, Gen. George S. Brown, gave his opinion of the relative military strengths of the two powers:

". . . In light of the extensive growth in the military capabilities of the Soviet Union, it is questionable whether what has been done is enough to assure the security and well being of our country in the coming years."

This is a sobering reminder for those who seek world peace. It should be a sobering reminder for those who believe the recent communist conquest of Afghanistan is too remote a rebellion to plague the thoughts of Americans on these pleasant June days. It should be must reading for those who believe Cubans in Africa are part of a good-will mission to "stabilize" (to use Ambassador Andrew Young's word) the disjointed societies of a developing continent.

Today's liberals, who talk of the Cubans and Russians as "stabilizers," used to sell the idea in this country that the Communist Chinese were merely "agrarian reforms" bent only on the peaceful tilling of the soil.

That was the Communists' name for themselves, and the same type of person with the same soft feelings towards communism is now busily spreading the idea that Americans concerned over the spread of communism's stabilizing influence are "panicking."

There are those in this country who actually sympathize with the professed goals of communism. Some may naively believe that communism represents no threat to our free way of life.

Others are, in my book, not at all naive but merely communist sympathizers. Their present plan is to play down the global importance of Russia's activities in Africa. Be on the lookout for them on radio, television and in newspapers.

In Cuba, we are dealing with a government whose premier told President Kennedy there were not Soviet missiles in his country. In the Soviet Union we are dealing with a government whose foreign minister told J.F.K. the same lie at the same time and which recently sentenced a noted physicist, Yuri F. Orlov, to 12 years in prison and exile for telling the truth about Moscow's breaking its word on the Helsinki accords.

These examples of deviousness say a lot about the problems arising in Africa, and spilling in all directions as Moscow and Havana stake new claims of politicial influence. Everyone concerned with human rights and freedoms in that part of the world cannot in good faith look the other way.

The African continent is suddenly closer than we think.●

NGO's SPEAK OUT FOR DISARMAMENT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. LEHMAN. Mr. Speaker, I recently had the opportunity to attend the U.N. Special Session on Disarmament now being held in New York. During that brief visit, I spoke with various representatives from nongovernmental organizations, and I was greatly impressed by their strong commitment to disarmament.

The United Nations has recognized the important contributions such organizations can make during the deliberations on how to reduce the threat of nuclear war in the world. Without the constraints of governmental policies, the NGO's can appeal to the common humanity of all people of all nations and speak out on the urgency of ending senseless arms competitions.

On June 12, the General Assembly of the United Nations set aside time for these organizations to address the member states. I would like to share some of these speeches with my colleagues in Congress.

Today, I am including in the RECORD the introductory remarks of the chairman of the Ad Hoc Committee of the Special Session, Mr. Ortiz de Rozas of Argentina, and the speech of Ms. Salome Nolega of the Friends World Committee for Consultation:

INTRODUCTION

The Chairman (interpretation from Spanish): This meeting being held today by the Ad Hoc Committee could very well be considered a landmark in the history of the United Nations. By unanimous decision the General Assembly adopted the recommendation of the Preparatory Committee of the Special Session devoted to Disarmament to assign a special day to hear statements from 25 representatives of non-governmental organizations. When it considered this question in depth, the Preparatory Committee bore in mind the great interest and concern shown by the organizations in the various aspects of disarmament and the constructive contribution that they would be able to make to our work.

Disarmament is not the province of governments alone. It concerns directly all the peoples of the world and world public opinion, some of whose sectors will be represented by the speakers coming to the rostrum today. The General Assembly wished in this way to show that disarmament is a common undertaking in which everyone should be engaged.

With great good sense and a sense of history, the non-governmental organizations have thus been given a unique opportunity. It is now up to these organizations to show, with a sense of responsibility, that they can respond to the trust placed in them as they deal with the tasks before the General Assembly. I believe I am reflecting the feelings of all representatives here present when I express the hope that the non-governmental organizations will be able to be equal to the task, and that their submissions will promote greater understanding and co-operation among Member States in the United Nations. In other words, far from arousing potential confrontations, we hope that they will be a positive factor in cementing a climate of confidence and understanding on the basis of which it will be possible only to make real progress to curb the arms race and begin the stage of genuine disarmament.

Regrettably, limitations imposed by time and the procedure adopted have not made it possible for other organizations, which submitted requests after these 25 organizations were designated, to take part. I would like to thank them for the interest that they have shown, and we would like to assure them that while they are not with us in these deliberations, that certainly does not prejudge their competence or their authority when they present their valuable points of view on the subject of disarmament. I am confident that they will have this opportunity in the future when a meeting similar to the present one is convened.

The representatives of non-governmental organizations have been duly informed that they have a maximum of 12 minutes for their statements. I would request them to abide by that limit strictly. We will be listening very closely to their statements.

FRIENDS WORLD COMMITTEE FOR CONSULTATION

Ms. Molega (Friends World Committee for Consultation): Within the past year delegations of Quakers have gone to their Governments in the German Democratic Republic, the United Kingdom, the Netherlands, Cuba, New Zealand and elsewhere to urge support for disarmament; United States Quakers have protested at Rocky Flats, Colorado, where detonators for nuclear weapons are made; African Quakers have met in Botswana to study non-violence; and Quaker-sponsored programmes in education, agriculture and health care have gone forward in Mali, Kenya and Senegal; in Boliva, Guatemala and Mexico; in Bangladesh, India and Laos; on the West Bank and in Gaza; and in other places around the world. All this activity grows from a fundamental belief in the value of every human being in the sight of God. Throughout its 300-year history the Religious Society of Friends, called Quakers, has sought to give witness to that belief by consistently working for peace and human dignity and against war and preparation for it.

It is with gratitude and hope, therefore, that we come to this special session on disarmament. We are grateful for the initiative of the non-aligned countries that brought it about, for the conscientious preliminary work of the Preparatory Committee and for the British proposal that gave non-governmental organizations a voice here.

Our hope is inspired by the presence of representatives of the whole human family. Together the world's people have been granted stewardship over the earth to enjoy it briefly and then to surrender it to succeeding generations for them to enjoy and to become stewards for still succeeding generations. The earth is not a possession but a trust. Those dramatic photographs from the moon showed us all what is ours to care for—a green and blue jewel shining in the blackness of space. What steward would risk turning such a gem into a radio-active cinder?

Yet that is the dreadful future that the present arms race offers. And widespread is the nightmare image of pin-striped, well-fed negotiators in airconditioned halls balancing billion-dollar missiles, while desperate poor go shoeless and homeless and the world rushes towards nuclear oblivion. From such a future, from such images, the nations of the world must turn decisively away. They must heed the pleas of the thousands who marched these New York streets and of the hundreds of Japanese who travelled half way around the globe bearing the signatures of millions of their fellow-citizens. Self-destruction is not the intended end of humanity.

There are urgent steps to be taken, however. Disputes and conflicts will not end. Nations will disagree; at times their disputes may be beyond their own capacities to resolve. Let the Members of the United Nations expand imaginatively the resources of this Organization for the peaceful settlement of such disputes.

An interdependent world requires acceptance of mandatory measures for conflict resolution. Just as no person may exercise freedom to the peril of his community, no nation should have unrestricted freedom to imperil the world. There is potential value in many current suggestions, such as the several proposals made here for regional conciliation and arbitration units; the proposals for a permanent United Nations force for peace-keeping and police roles. Member States could strengthen significantly the influence of the International Court of Justice. Other important options surely will be found within the United Nations system if they are earnestly sought.

Equally urgent is a realistic recognition of the nature of security. The justification always given for the arms race is national security. While acknowledging legitimate

concern for secure national boundaries and national structures, Quakers insist that security must mean first of all the security of persons. Too often we see the unsavory spectacle of Governments abusing their own citizens to protect the security of the Government, not the security of the person. Governments change, at best by peaceful means, but the security needs of persons remain the same.

The major threats to the security of the people of the world know no national boundaries. They include hunger, population, disease, pollution, desertification, lack of pure water, lack of energy. To address these problems requires equitable sharing of the world's resources and opportunities. The global economy should not be designed primarily to promote economic growth for the already affluent. Growth should be the goal and the reality for the poor. The gaps between rich and poor should cease to be the denials of our common humanity that they now are. No persons in even the poorest country should be without hope for themselves and their children. Efforts for greater economic and social justice must be redoubled in all the work of the United Nations.

Perhaps the most serious threat to security, however, is the arms race itself. It has bred world-wide inflation, which persistently throttles development growth. It increases insecurity, not security. No citizen of either of the super-Powers has yet been injured by the billions of dollars of armaments of the other super-Power. But the citizens of both super-Powers have been grievously injured by the weapons their own Governments have purchased at the cost of their social needs. The growing arms purchases of some third world States are being made at the cost of the security of the people of those States, whose educational, health, housing, nutritional and other needs are sacrificed to military hardware. Nations must recognize that only in peace is there security for people.

For the arms race to end, nations must make a real commitment to disarmament, demonstrated by imaginative disarmament proposals and strong national initiatives. Any nation, no matter how large or how small, can take such initiatives. We Friends are encouraged by China's readiness to become a full partner in the search for disarmament, by France's proposals for a disarmament fund for development. It is heartening to have Japan reaffirm its rejection of nuclear capabilities, to have Venezuela summon a regional commitment to conventional disarmament, and to hear Nigeria call for educating public officials in disarmament. There have been many such important proposals and initiatives already taken here. Much as we applaud them, however, they are not enough.

There must be some real disarmament, starting with this special session. The entire world would rejoice if only all 149 Members nations stood in this hall and proclaimed an end to all military forces except essential domestic police and service forces. General and complete disarmament—that is the goal. Genuine commitment to that goal will unleash, creative, problem-solving energies yet unimagined.

Let the nations act together for disarmament then, with universal participation. First priority must go to the problems of nuclear disamament. Let nuclear-free-zones and other regional agreements be extended to create islands of peace as models for the rest the world. Let there be force reductions and budget reductions based on full and precise information. The readiness of Australia and others to provide such information to the United Nations is a confidence-building act to be universally imitated. Let the United Nations create the world disarmament authority proposed by Sri Lanka to monitor progress and to prod for more. It may help some nations to resist the persistent tendency to see disarmament as an East-West issue and to see all conflicts as East-West conflicts, without regard to the real interests of the parties involved. Let the voices of the world's people increasingly be heard in disarmament discussions. They speak urgently through marches and demonstrations, through individual acts of conscience, through petitioning their Governments and through non-governmental organizations. The will of the people for peace must not be frustrated by the failures of Governments.

The Secretary-General has pointed out the vast discrepancy between what the nations spend on weapons and what they spend on disarmament. Nearly half of all the world's intellectual power for research and development goes into weapons. Let that power be used instead for research on disarmament and for development of measures for peaceful resolution of conflicts. Genuine commitment to disarmament would make such a shift possible.

We Quakers confidently assert the possibility of a world where all people may live creative lives, where none shall need to be afraid. It is our experience that the spirit of truth, of love, of compassion, which we identify as the spirit of God, is at work in all persons, of every nation and culture, of every faith and of no faith. We urge all representatives, with the heavy responsibilities they bear, to consult that spirit at work in them, to respond with the best that they find within themselves. We do not doubt that then they will here successfully begin the process of disarmament and of turning human energies and resources to building a hopeful future for generations now threatened with no future at all.●

ISRAEL'S PROPOSALS ON THE WEST BANK ARE NOT UNREASONABLE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. KEMP. Mr. Speaker, I have followed with interest the unfortunate reaction of not only American Government officials, but some of Israel's traditional supporters in the Congress denounce the plan proposed by Israel for a resolution of the dispute over ultimate sovereignty over the West Bank of the Jordan. Once again, the Carter administration is contributing to a buildup of pressure on Israel to force them to accept a settlement which represents a potential threat to Israel's security.

The Carter's administration appears content to overlook the fact that there have been three wars in the Middle East over the past decade: The 6-day war in 1967, the war of attrition in the early 1970's, and the Yom Kippur war in 1973. Under the circumstances, Israel's statement issued on June 18 is entirely reasonable and positive; namely that it will reconsider and agree upon the future of the disputed territory after a period of 5 years has elapsed. The latter point is crucial: Israel is now committed to a final resolution of the question after a period of time has elapsed sufficient to test the willingness of the contiguous Arab States to live in peace with Israel.

Israel and Egypt should be encouraged to reach an interim settlement of the dispute, not the pressuring of one of the parties to settle on terms which it believes to be contrary to its vital security interests.●

CONSUMERS WILL PAY FOR AIRCRAFT NOISE REDUCTION

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. WEISS. Mr. Speaker, I rise to urge my colleagues to vote against H.R. 8729, the Airport and Aircraft Noise Reduction Act, and H.R. 11986, the Noisy Aircraft Revenue and Credit Act. These two companion bills would, under the guise of dealing with aircraft noise reduction, effectively set up a massive new corporate welfare plan for the sole benefit of the airline industry, at the expense of the consumer.

In brief, these two bills would establish several new consumer excise taxes which would be used to pay for a substantial percentage of the costs incurred by airline operators in bringing their planes into compliance with already established FAA noise standards. The income from these taxes, estimated at $2.4 billion over the next 5 years, would be used by the airlines to help retrofit, reengine, or entirely replace their current planes.

Passage of this bill would mean nothing less than a huge handout of money to an industry fully able to pay its own way. The airline companies have grossly exaggerated the amount of money that they need in order to bring their fleets into compliance with the FAA standards by the 1985 deadline. Their present claim is $7 to $8 billion, but this represents the cost of fully replacing substantial parts of their fleets. In actuality, the airline industry could bring their planes into compliance simply by retrofitting their engines, a process which would, by their own figures, cost no more than $950 million.

The airlines are perfectly capable of meeting the above expense by 1985. In addition to being allowed to depreciate fully a plane with a life of 20 years in only 9.5 years, the airlines have been granted such extensive tax benefits that in 1976 three lines were able to pay no taxes at all and three more paid less than 12 percent of their income. These two provisions helped the airline industry to make profits of over $1.2 billion in the last 2 years. The money to meet the FAA noise rules could easily come out of these or future earnings. It is just that the airlines would rather that someone else pay.

The new taxes, in addition to being an unneeded handout for the airline industry, are a disaster for the consumer. The legislation provides for a 2-percent surcharge on all domestic passenger tickets—a surcharge that goes directly to the airlines. In order to keep tickets at

the same price and to keep furor to a minimum, the current 8-percent tax, which goes into the airport trust fund for airport safety improvements, has also been cut by 2 percent. This means that, although passengers are still being taxed at the same rate, they are being short-changed on safety at a time when many pressing airport needs are unmet. Clearly, safety is being sacrificed to the airlines' profits.

Finally, this legislation sets an extremely dangerous precedent. If Congress enacts these bills, it will be an open invitation for every other industry to come before us and demand a similar excise tax to meet those federally established environmental, safety, or health standards that apply to them. The only way to prevent a massive corporate line-up from starting is to vote down this outlandish request by the airlines for Federal aid to meet FAA standards. There is absolutely no reason why this self-sufficient industry should not be required to meet these standards on their own, without this fraudulent ripoff of airline passengers.●

MR. BUCKLEY AT NOTRE DAME

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. DORNAN. Mr. Speaker, Thomas Jefferson once observed that every society, no matter how democratic in its political order, is graced with a natural aristocracy of virtue and talent. When I listen to his wise counsels and read his crisp, finely balanced prose, I imagine that William F. Buckley, the esteemed editor of National Review, is the kind of man that the brilliant Jefferson had in mind.

I know that a minority (but growing number) of Members in this House are in sympathy with the sentiments of the editor of the National Review. But I entertain the hope—or is it fancy?—that somehow, someday, the ideas transported in his rich language will turn the tide in this skeptical deliberative body so that a "new" majority will flower, rooted in a love of individual liberty. For Mr. Buckley's wisdom does, indeed, match his wisely acclaimed eloquence.

Mr. Speaker, recently Mr. Buckley was honored by an invitation to speak to the 1978 graduating class of the University of Notre Dame. In reading his address, one can readily discern that he is a man who yet loves academia, and appreciates the special mission of the university in training young men and women in the higher life of the mind and civic virtue.

His remarks were not, if anything, the standard graduation fare. He did not bore the graduates with platitudinous exhortations to build a better society, though he charged them with that duty. Rather, he used the occasion to tell them about the recurrent trials and tribulations of the human condition. He talked about the particular miseries that afflict this world, including the dehumanization of men and women in Cambodia, China, and Soviet Russia, about lost vision and lost hopes, and most importantly about the weariness which is bound to come to young men and women whose optimism is constanly dashed against the hard rocks of history. Most moving was his description of the plight of Whittaker Chambers * * * his silent suffering * * * one who had known intimately the force of evil and the temptation of despair.

Mr. Speaker, as always, Bill Buckley rises to the occasion. While he warned his young listeners to beware of extravagant optimism, he reminded them, once again, no matter the darkness of this world, despair is still a sin, a grievous offense against Him who once agonized in the garden, supernaturally conscious of the evils of this world.

Perhaps we are yet far from another Periclean Age. If so, all the better it is for us to take heart in our own faith, and know that we have a destiny greater than the lilies of the field.

I commend Mr. Buckley's speech to my colleagues:

COMMENCEMENT EXERCISES, NOTRE DAME

(By William F. Buckley)

Father Hesburgh, ladies and gentlemen of the graduating class.

Today is a happy event, a witness to your achievement; and, in this, we share your pleasure, even while recognizing that today's formality is less than sacramental in meaning. It is, rather, an academic episode, with civil overtones. You began your learning a long while ago. You will continue to learn after you have left Notre Dame. Before today you became aware of the mysteries of history and the keennesses of the human experience. After today your perceptions will continue to sharpen, and, even while enjoying bread, wine, love, poetry, the air we breathe, and the season's changes, gradually you will begin to understand why it is that so many men grow weary. "History hit us with a freight train," Whittaker Chambers wrote me, one month before he died . . . "We" —he continued "—my general breed—tried to put ourselves together again. But at a price—weariness." Life, he is telling us, goes on. "People tend to leave Oedipus, shrieking with the blood running down his cheeks—but I was about 23 when I discovered, rather by chance, that Oedipus went on to Colonnus. Camus must have been about nine while I sat reading the Oedipus at Colonnus. But each of us, according to his lights, was arrested in time by the same line—the one in which Oedipus, looking out from precarious sanctuary after long flight, sums up: 'Because of my great age, and the nobility of my mind, I feel that all will be well.' One cannot"—said Chambers about himself, even though few men qualified more conspicuously than he, "pretend to live at that height. And yet to reach it even at times is something . . . [But] there remains the price—the weariness I mentioned which none of us complain about, but should take good care not to inflict on other people's lives."

So why inflict it on you? As a gentle, not to say penitential, demurral from the words uttered from this space one year ago, when the speaker said to your graduating predecessors, as if the struggle was won, that, I quote him, ". . . we have found our way back to our own principles and values, and we have regained our lost confidence."

Where is the evidence?

Earlier in his address the speaker had said that, "being confident of our own future, we are now free of that inordinate fear of Communism which led us to embrace any dictator who joined us in our fear." If we are so confident of our own future, why does he still tell us that life and death await the results of our SALT negotiations? The President of the United States went on to say that "for too many years we have been willing to adopt the flawed principles and tactics of our adversaries, sometimes abandoning our values for theirs. We fought fire with fire, never thinking that fire is better fought with water. This approach failed, with Vietnam the best example of its intellectual and moral poverty."

Herewith a few observations:

1. In August of 1973 Lord Home, opening the great conference on European Security at Helsinki, spoke these words to the assembly: "If your conference is essentially about people and about trust, then it is essential that we should do something to remove the barriers which inhibit the movement of people, the exchange of information and ideas." Elaborating on these sentiments one month later before the General Assembly of the United Nations, Lord Home said. "I trust that the Communist countries will be able to prove that they are for the basic freedom of people everywhere."

Two years later the Helsinki Accords were promulgated.

Last week Yuri Orlov, a Soviet citizen who undertook to monitor Soviet compliance with the terms of accord the Soviet government had initiated, and then signed, was sentenced to seven years of hard labor, to be followed by five years of exile in Siberia. He was not allowed independent counsel, was not permitted to question his accusers, was held incommunicado for the 15 months preceding his conviction. He was tried in a courtroom in which the words of Lord Home were mocked, and from which the press, charged with expediting the "exchange of information" of which Lord Home had sung at Helsinki, was matter-of-factly excluded. To be sure, the family were present. The wife of Yuri Orlov was in the courtroom. On Thursday, leaving the chamber, she was stripped naked by three Soviet women officials in the presence of three male Soviet officials, and searched. Perhaps she was suspected of carrying the text of the Helsinki Accords in her underpants. May we suppose that Yuri Orlov's fear of Communism has not proved to be inordinate?

2. A week ago Saturday, the New York Times published an extensive dispatch collating information, gathered from numerous observers, on recent doings in Cambodia. There in Cambodia in recent months there have been aggravated shortages. Of the usual things—food, fuel, shelter, medicine; to be sure. But most pressing, it appears, has been the shortage of ammunition with which to kill Cambodian civilians. Accordingly, on orders of the government, headed by Cambodia's ruler Pol Pot, the Cambodia militia has shown great economic ingenuity. Instead of wasting precious ammunition, tens of thousands of men and women suspected of having been related in some way—perhaps they had gone to school together, or grown up in the same hamlet—to men who had resisted the Khmer Rouge, tens of thousands have been clubbed to death while standing, arms tied behind their backs, in ditches they have thoughtfully dug out to receive their imminent remains. The younger children of these men and women, we are informed, are bounced about playfully on the bayonets of the soldiers until they are dead, or almost dead, upon which they are tossed into the common ditches. Pol Pot does not devote the whole of his time to overseeing this enterprise in population control. He is otherwise engaged, at least one part of the time, for instance, as guest of honor recently in Peking at a banquet tendered by the rulers of the People's Republic of China who, now

that we have got over our inordinate fear of Communism and our corollary addiction to dictators, we are finally ready to embrace.

Who, contemplating Cambodian hell alongside official optimism, can get by without feeling the cold wind of weariness?

3. In the period since the Class of 1977 was informed that we are now "confident of our own future," having "found our way back to our own principles and values"; enabling us therefore to eschew the use of fire against fire, our ideals repristinated by the pledge to use only water, we have diluted the Voice of America, which no longer fires the libertarian spirits of the Yuri Orlovs; instead, in the spirit of detente, dousing them with water, cold cold water. We have watered the little Cuban garden in Africa, and now its blooms decorate much of the continent. In Europe, by way of expressing our confidence, we have risen above the vulgar attractions of enhanced radiation technology, having previously soared above even the stratospheric reaches of the B-1 bomber. And we have given concrete form to our contempt for anti-Communist dictators by embracing the democratic leaders of Poland, Rumania, and Yugoslavia, and hailing our purposes in common.

In the groves of quiet thought we tell ourselves—quietly—that we care about all this. Care about poor Orlov, about the new holocaust in Cambodia, about the creeping hegemony of Communist thought and techniques in both hemispheres. But ours is a fugitive solicitude, whose expression is damped by the prevailing rhetoric, which is one part evanelistic, one part pharisaic, one part anaesthetic. Our foreign policy is bad enough. The rhetoric of our foreign policy is, if not the efficient cause of, then the sufficient reason for, the three-martini lunch.

Ladies and gentlemen, I can give you on this feast day—like Our Lady's Juggler—only that little I have to offer. It is, at this juncture in history, the settled view that we have traveled further—much further—than ever we really intended to go when we began our retreat from the Wilsonian idea. Two hundred years ago we proclaimed the universality of those truths we hold about the nature of man. One hundred and fifty years ago President John Quincy Adams cooled a burgeoning national idealism with the astringent observation that though the American people are friends of liberty everywhere, they are custodians only of their own. The most explicit modern expression of Wilsonianism was quite recently uttered—during your infancy—by John F. Kennedy, at his inaugural, when he cried out to the world that we Americans will "pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty." This was an objective commitment by a chief executive.

But surely he acknowledged the awful weight of that commitment?

On the contrary: "In the long history of the world," he continued, "only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility—I welcome it."

Well then, instead of going forward burdened down by a great weight, our mission transports us. Will our idealism prove contagious?

There was no hesitation on the morning of the 20th of January, 1961: "The energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it—and the glow from that fire can truly light the world."

Looking back, it is as if the glow from that fire had been routinely blacked out by the Department of Energy. Granted, it is everywhere agreed nowadays that our Marines cannot be made available to axe down anti-democratic growths in the halls of Montezuma. But neither are our short-wave facilities available to transmit the record of non-compliance with the Helsinki Accords. In our retreat, there were those who thought to modify our idealism by suggesting practical alternatives. Senator William Fulbright, during the most despondent period of the Vietnam War, articulated a useful distinction when he said that the American Government has no proper quarrel with any country in the world, no matter how obnoxious its domestic doctrines, so long as that country does not seek to export them. Under the Fulbright mandate, we are charged to contain Cuba, while ignoring Haiti. Contain Cuba where?

Our immobility, our incoherence, is more, merely, than the consequence of strategic indecisiveness and rhetorical confusion. What happened, during the Johnson-Nixon years, was a great seizure of self-disgust which fused handily with the new-found exigencies of our foreign policy. Even as, a generation earlier, during a brief period when it was politically convenient to do so, we had looked tolerantly on "old Joe," the grand engineer of Gulag for whom President Truman publicly confessed a certain fondness, this time we discovered, far more profoundly, the great society of Mao Tse-tung, concerning whose material achievements there may be differences of opinion, but concerning one achievement, none at all. Under Mao the Chinese achieved the total suppression of every liberty catalogued in our own Bill of Rights; none to practice one's religion, to speak out, to read, to educate oneself, to travel, to own land or a home, to trial by due process. But our wise men traveled there, poets, priests, and piccolo players, returning with expressions of undiluted praise: Richard Nixon, John Kenneth Galbraith, Seymour Topping, Harrison Salisbury, Barbara Tuchman, Shirley MacLaine. My favorite of the lot is James Reston, who perfectly expressed the veneration of the new by means of the rejection of the old. He wrote, "I am a Scotch Calvinist. I believe in the redemption of the human spirit and the improvement of man. Maybe it's because I believe that, or I want to believe it, that I was struck by the tremendous effort [in the China of Mao Tse-tung] to bring out what is best in men, what makes them good, what makes them cooperate with one another and be considerate and not beastly to one another." Those words were spoken in 1971, even before the Cultural Revolution could be said to have ended.

So that our retreat has been not only from the practical evangelism of Wilson, but even from a metaphorical commitment to Wilsonianism, as witness the reluctance of the President to speak about human rights where they are most systematically suppressed—in China. Slowly, disillusionment comes, and for those who have charged so often up the mountain, only to come down again, weariness is experienced. The fire that John Kennedy shouted out would illuminate the whole world, flickers here at home. Not only shall we withdraw our troops from Southeast Asia, we shall look if not quite benignly, at least the other way, as the societies we abandon get down to the business of transforming men, according to the vision of James Reston and the Bishop of Cuernavaca, who proposed the canonization of Chou En-lai. On odd days, the State Department or the White House will issue demurrals, often self-described as "strong protests." But mostly our talk is an endless extension of the homily with which Lord Home launched the Helsinki conference. Our leaders wish to say to the oppressors of this world that they must not continue in their oppression. Because if they do?—our statesmen will have nothing to talk about at Commencement addresses.

This, I think, is the demon that made Whittaker Chambers weary, this dialectic helplessness: you see what ought to be done, you shrink from the exertions required to do it, you compensate by elevating your rhetoric, whose inevitable hollowness subverts the very ideals that animated you. This experience, Sisyphean in our time, brought Chambers to predict that that weariness would almost certainly in due course strike out at his more sensitive countrymen.

But in your case, not yet; not nearly yet. It isn't only that you are young, and properly hopeful. Your education has been touched by those intimations of purpose, divine and irreversible, that make hope natural, and despair sinful. "And I heard a great voice from the throne saying, 'Behold, the dwelling of God is with men, He will dwell with them, and they shall be His people, and God himself will be with them; He will wipe away every tear from their eyes. . . .' " Whatever the reasons for objective concern, the imperative continues. In the first month that I knew Whittaker Chambers he wrote me that "it is idle to talk about preventing the wreck of Western civilization. It is already a wreck from within. That is why we can hope to do little more now than snatch a fingernail of a saint from the rack or a handful of ashes from the faggots, and bury them secretly in a flowerpot against the day, ages hence, when a few men begin again to dare to believe that there was once something else, that something else is thinkable, and need some evidence of what it was, and the fortifying knowledge that there were those who, at the great nightfall, took loving thought to preserve the tokens of hope and truth."

Seven years later, the final paragraph of his final letter—after he confessed his weariness from which, before the month was out, he would be forever reprieved, was a sharp reproach, which I pass along to those of you who flirt with melancholy. "Something quite different which struck me," he wrote "—what seems to have been your desolation [Malraux's novel] Man's Fate. But Hemmelrich goes back (supreme tenderness) to close the door left too hastily open on the bodies of his murdered wife and son. Tchen, about to throw himself and [the] bomb under the automobile, believes that Pei (spared to life because Tchen acts alone) will be able to write more meaningfully by reason of Tchen's act. Kyo takes the cyanide with the sense that the concept of man's dignity enjoins control over his own death. Katow, surrendering even that ultimate, divides his cyanide with those less able to bear man's fate; and walks toward the locomotive [into whose furnace he will, by his executioners, be dropped alive] through a hall of bodies from which comes something like an unutterable sob—the strangled cry. It may also be phrased: 'And the morning stars sang together for joy.' It may also be phrased: 'Il faut supposer Katow heureux,' "—One must assume that Katow was a happy man; even as [Camus concluded], " 'Il faut supposer Sisiphe heureux' "—one must assume that Sisyphus was a happy man. "For each age," Chambers concluded, "finds its own language for an eternal meaning."

You will contribute to the formulation of your own idiom for our times. Make room in it—for the love of God—for the love of God; for the love of our fragile and embattled and wonderful country; and for this university, which has cared so deeply for you.●

"NATIONAL PORT WEEK"

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. MURPHY of New York. Mr. Speaker, it is my pleasure to announce that with the following Members listed below we have surpassed the required 218 cosponsors for the House joint resolution which authorizes the President to

proclaim the week of September 17–23 as, "National Port Week." So many aspects of our Nation's history have been influenced by our ocean and inland ports. Collectively this Nation's ports comprise the largest port system in the world.

Today, the United States is first in world trade. Of this trade 98 percent is comprised of waterborne imports and exports. Through this trade, our ports provide employment for 1,046,800 Americans. They stimulate a direct dollar income to the local and regional communities around which they serve. On the national level our ports are responsible for an annual personal income of $19.1 billion. They supply some $30 billion to the Nation's GNP, and thereby have a direct favorable impact on our balance of payments.

In addition to the vital importance that our four seacoasts and inland waterways have played in linking our urban centers of trade, our ports stand ready as a vital asset to our national defense by serving as a basic link to our transportation system. In the event of war or other national emergency it will be the ports' efficient operation and utilization of facilities which will determine the result of such action.

"National Port Week" will acknowledge the past, present and potential contributions of our ports to the welfare and vitality of our American way of life. I wish to thank all my colleagues listed below for acknowledging the recognition that our ports rightly deserve. I invite them and all Americans to join in celebrating "National Port Week."

The following Members are cosponsors of these two joint resolutions: Mr. AMBRO, Mr. AMMERMAN, Mr. BENNETT, Mr. CAPUTO, Mrs. CHISHOLM, Mr. COHEN, Mr. COUGHLIN, Mr. DIGGS, Mr. DODD, Mr. GONZALEZ, Mr. HARRIS, Mr. HUBBARD, Mr. JEFFORDS, Mr. KRUEGER, Mr. LUJAN, Mr. MCDONALD, Mr. MCHUGH, Mr. MICHEL, Mr. MONTGOMERY, Mr. NOLAN, Mr. PEASE, Mr. RAILSBACK, Mrs. SPELLMAN, Mr. STEIGER, Mr. TEAGUE, Mr. TSONGAS, Mr. VENTO, Mr. WHITLEY, and Mr. YOUNG of Texas.

A list of all 222 Members, by State, who have cosponsored "National Port Week" resolutions follows:

SPONSORS OF "NATIONAL PORT WEEK" BY STATE

ALABAMA

Tom Bevill, Jack Edwards.

ALASKA

Don Young.

ARKANSAS

Bill Alexander.

CALIFORNIA

Glenn M. Anderson, Clair W. Burgener, John L. Burton, Phillip Burton, Don H. Clausen, Del Clawson, James C. Corman, Robert K. Dornan, Barry M. Goldwater, Jr., Mark W. Hannaford, Augustus F. Hawkins, Harold T. Johnson, William M. Ketchum, Robert J. Lagomarsino, Robert L. Leggett, Jim Lloyd, John J. McFall, George Miller, John E. Moss, Jerry M. Patterson, Leo J. Ryan, B. F. Sisk, Fortney H. (Pete) Stark, Lionel Van Deerlin, Henry A. Waxman, Bob Wilson, Charles H. Wilson.

CONNECTICUT

William R. Cotter, Christopher J. Dodd, Robert N. Giaimo.

DELAWARE

Thomas B. Evans, Jr.

FLORIDA

L. A. (Skip) Bafalis, Charles E. Bennett, J. Herbert Burke, Bill Chappell, Jr., Louis Frey, Jr., Andy Ireland, Claude Pepper, Paul G. Rogers, Robert L. F. Sikes.

GEORGIA

John J. Flynt, Jr., Bo Ginn, Larry McDonald, Dawson Mathis.

HAWAII

Daniel K. Akaka, Cecil (Cec) Heftel.

ILLINOIS

Frank Annunzio, Tom Corcoran, John G. Fary, Henry J. Hyde, Ralph H. Metcalfe, Robert H. Michel, Morgan F. Murphy, Melvin Price, Tom Railsback, Dan Rostenkowski, Marty Russo, Paul Simon.

INDIANA

Adam Benjamin, Jr., David L. Cornwell, Floyd J. Fithian, John T. Myers.

KENTUCKY

Tim Lee Carter, Carroll Hubbard, Jr., Gene Snyder.

LOUISIANA

Lindy (Mrs. Hale) Boggs, John B. Breaux, Bob Livingston, Gillis W. Long, David C. Treen, Joe D. Waggonner, Jr.

MAINE

David F. Emery, William S. Cohen.

MARYLAND

Goodloe E. Byron, Marjorie S. Holt, Clarence D. Long, Barbara A. Mikulski, Parren J. Mitchell, Gladys Noon Spellman.

MASSACHUSETTS

James A. Burke, Silvio O. Conte, Joseph D. Early, Edward J. Markey, Joe Moakley, Paul E. Tsongas.

MICHIGAN

James J. Blanchard, David E. Bonior, Charles C. Diggs, Jr., John J. Dingell, Carl D. Pursell, Philip E. Ruppe, Guy Vander Jagt.

MINNESOTA

Richard Nolan, James L. Oberstar, Albert H. Quie, Bruce F. Vento.

MISSISSIPPI

David R. Bowen, Trent Lott, G. V. (Sonny) Montgomery.

MISSOURI

William (Bill) Clay, Richard A. Gephardt, Robert A. Young.

MONTANA

Max Baucus.

NEVADA

Jim Santini.

NEW HAMPSHIRE

Norman E. D'Amours.

NEW JERSEY

Edwin B. Forsythe, James J. Florio, Harold C. Hollenbeck, James J. Howard, William J. Hughes, Joseph A. Le Fante, Joseph G. Minish, Edward J. Patten, Matthew J. Rinaldo, Peter W. Rodino, Jr., Robert A. Roe, Frank Thompson, Jr.

NEW MEXICO

Manuel Lujan, Jr.

NEW YORK

Joseph P. Addabbo, Jerome A. Ambro, Mario Biaggi, Jonathan B. Bingham, Bruce F. Caputo, Shirley Chisholm, Thomas J. Downey, Robert Garcia, Benjamin A. Gilman, S. William Green, James M. Hanley, Elizabeth Holtzman, Jack F. Kemp, John J. LaFalce, Norman F. Lent, Matthew F. McHugh, John M. Murphy, Henry J. Nowak, Charles B. Rangel, Frederick W. Richmond, Benjamin S. Rosenthal, Stephen J. Solarz, Samuel S. Stratton, Ted Weiss, Lester L. Wolff, Leo C. Zeferetti.

NORTH CAROLINA

Charles Rose, Charles Whitley.

OHIO

Thomas L. Ashley, Charles J. Carney, William H. Harsha, Ronald M. Mottl, Mary Rose Oakar, Donald J. Pease, J. William Stanton, Louis Stokes, Charles A. Vanik.

OKLAHOMA

James R. Jones, Ted Risenhoover.

OREGON

Les AuCoin, Robert Duncan, Al Ullman, James Weaver.

PENNSYLVANIA

Joseph S. Ammerman, Lawrence Coughlin, John H. Dent, Joshua Eilberg, Allen E. Ertel, Daniel J. Flood, Peter H. Kostmayer, Raymond F. Lederer, Joseph M. McDade, Marc L. Marks, William S. Moorhead, Austin J. Murphy, Michael O. Myers, Robert N. C. Nix, Fred B. Rooney, Doug Walgren, Gus Yatron.

RHODE ISLAND

Fernand J. St Germain.

SOUTH CAROLINA

Mendel J. Davis, Butler Derrick, John W. Jenrette, Jr., James R. Mann, Floyd Spence.

TENNESSEE

Robin L. Beard, John J. Duncan, Harold E. Ford.

TEXAS

Jack Brooks, Omar Burleson, E de la Garza, Bob Eckhardt, Bob Gammage, Henry B. Gonzalez, James M. Jeffords, Abraham Kazen, Jr., Robert Krueger, Ray Roberts,

VIRGINIA

Robert W. Daniel, Jr., Herbert E. Harris II, J. Kenneth Robinson, Paul S. Trible, Jr., G. William Whitehurst.

WASHINGTON

Don Bonker, John E. (Jack) Cunningham, Norman D. Dicks, Mike McCormack, Lloyd Meeds, Joel Pritchard.

WEST VIRGINIA

Nick Joe Rahall II.

WISCONSIN

Robert J. Cornell, Henry S. Reuss, William A. Steiger.

WYOMING

Teno Roncalio.

PUERTO RICO

Baltasar Corrada.

GUAM

Antonio Borja Won Pat.

VIRGIN ISLANDS

Ron de Lugo.

VERMONT

Olin E. Teague, John Young.●

EFFECTIVE CONTROL OF HIJACKING

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. ANDERSON of California. Mr. Speaker, today I am introducing a bill to provide more effective methods of dealing with the grave problem of international terrorism.

The threat of terrorism remains very high. In a recent report to Congress, FAA Administrator Langhorne Bond indicated that there were 30 hijackings of scheduled air carrier flights in 1977 (5 United States, 25 foreign)—more than in any year since 1972. According to

the report the high visibility of civil aviation will continue to make it an attractive target for these criminal acts.

The bill is designed to deal in a comprehensive way with the threat terrorism poses to Americans both at home and abroad. It will aid law enforcement officials in preventing terrorists acts and bringing to justice the perpetrators of such acts. It will give the President the tools necessary to deal with threats and acts of terrorism and to work toward closer international cooperation in bringing the curtain down on terrorists.

I realize there is little time to consider such an important measure in this session. However, due to the nature of the subject matter I believe it is imperative that we act this year to provide a means for our Government to deal more effectively and promptly with terrorism. In this regard, the Aviation Subcommittee, which I chair, will hold hearings on this bill in July.

I am introducing this bill along with my colleagues, Chairman "BIZZ" JOHNSON of the Public Works and Transportation Committee, and Mr. HARSHA, ranking minority member of the committee, and Mr. SNYDER, ranking minority member of the Aviation Subcommittee. It incorporates what we believe is an informed and constructive approach to the problem. We have worked jointly on the bill, and with your assistance, Mr. Speaker, we hope to move this bill expeditiously through committee and to the floor this session.●

PRESIDENT OPENS NEW ERA FOR THE PANAMA CANAL AND THE HEMISPHERE

HON. RALPH H. METCALFE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. METCALFE. Mr. Speaker, on June 16, 1978, a major event in the history of the foreign relations of this country occurred—the United States and the Republic of Panama exchanged the instruments of ratification of the Panama Canal Treaty and the Treaty Concerning the Permanent Operation and Neutrality of the Panama Canal.

I had the great honor and privilege to accompany President Carter on this mission to Panama and to witness the ceremonies.

The President of the United States, Jimmy Carter, did not send an emissary to make the exchange. His presence, which he determined was necessary despite possible criticism, gave additional visible proof of this President's genuine commitment to bringing about a new era of understanding and cooperation with our neighbors in this hemisphere.

I found it particularly illustrative of this President's mettle that during his visit to the Isthmus of Panama, he took the time to address residents of the Canal Zone, many of whom deeply resent the impending change of living under the jurisdiction of another country. The President brought home two key themes in his message—that the United States appreciates the loyal service of canal employees, and that the United States cares about the future of the canal's workers. He told the Canal Zone's residents:

First, the American people and I appreciate what you are doing here, and, second, the American people and I care what happens to you.

Moreover, the President supported his assertions by pointing out some specific examples of the rights and benefits of canal workers that would be protected. He said:

For example, we have tried to preserve during the life of the treaty as many as possible of the civil liberties that Americans cherish to ensure that they will be respected. I discussed them with the Panamanian officials yesterday and told them of the importance that we attach to these basic and important rights.

In addition to assuring U.S. canal employees of the good faith of their Government, the President's message was important because it was a call of responsibility and for responsibility.

The President took full responsibility for the policy of forging the new treaty relationship with Panama—a treaty relationship which has had a political baptism of fire. The President called upon canal workers to respond to the change in a responsible way—to carry out their duties as diligently and efficiently as they always have. In this day when the premium on great leadership is so high, President Carter has shown us the responsible character that has made our Nation a great moral as well as military power.

The importance of the President's visit to Panama did not relate to the canal alone. The visit had important ramifications for the conduct of our hemispheric relations. That was recognized by the participation of the elected leaders of Colombia, Venezuela, Costa Rica, Mexico, and Jamaica in the United States-Panamanian exchange.

In his call for a commitment to the principles of mutual cooperation and peace, the President appealed to the highest human values. He asked that the principles of peace, nonintervention, mutual respect, and cooperation be applied to the settlement of territorial disputes, the development of new treaties, advancement of human rights, and social justice.

Many of President Carter's statements in Panama are reminiscent of the policy of President Franklin Delano Roosevelt. Roosevelt declared, in opening the Inter-American Conference for the Maintenance of Peace in Buenos Aires, Argentina, on December 1, 1936:

Peace comes from the spirit and must be grounded in faith. In seeking peace, perhaps we can best begin by proudly affirming the faith in freedom and its fulfillment which has proved a mighty fortress beyond reach of successful attack in half of the world.

That faith arises from a common hope and a common design given us by our fathers in differing form but with a single aim—freedom and security of the individual, which has become the foundation of our peace.

We do not know whether the complex and divisive world problems that beset us can be solved, but it is clear that they will not be solved unless the nations recognize that they must appeal to our highest ideals, as President Carter has done.

President Carter's trip should be recognized for its importance. I believe the President should be commended for his understanding that the first operational requirement of the canal is a dedicated and loyal workforce. He should be commended for his willingness to make the hard points. He should be commended for emphasizing a foreign policy of justice and fairness that has made the United States the great hope of the world.

The Congress of the United States has the responsibility of implementing the new Panama Canal Treaty relationship. The successful conclusion of the new relationship is particularly dependent upon wise legislation. Despite the stormy politics that have attended the canal issue to this time; despite the deep-seated and sometimes emotional national sentiment aroused over the canal; despite these, the Members of this Chamber must exhibit the same seriousness of purpose, sincerity, appeal to high ideals, and commitment as has the President.

For the benefit of my colleagues and the public, I wish to spread on the RECORD at this time the President's addresses in the Republic of Panama and the Canal Zone. I would also like to point out that the distinguished chairman of the Senate Foreign Relations Committee spread on the RECORD on June 19, 1978, page 18121, the full texts of the instruments of ratification:

TEXT OF PRESIDENT CARTER'S SPEECH DELIVERED AT PANAMA CANAL TREATY RATIFICATIONS CEREMONIES IN THE NEW SPORTS COLISEUM, JUNE 16, 1978

"General Torrijos, President Lakas, President Perez, President Lopez Michelsen, President Lopez Portillo, President Carazo, Prime Minister Manley, distinguished guests and friends."

"I want to thank General Torrijos and President Lakas for their invitation to participate in this ceremony. I came to Panama and accepted it because I want to dramatize my appreciation for this achievement—a firmer, more productive friendship between the United States of America and Panama, and, more broadly, a gain for the causes of peace and cooperation among all nations."

"We are honored by the presence of the leaders of the five democratic countries who gave encouragement to us and advice to both nations during the final treaty negotiations. I am grateful to them—not only for the serious and helpful role they played in those final days and weeks, but also for their continuing leadership in dealing with such crucial matters as world peace, nuclear non-proliferation, the status of human rights and democratic government, and better relationships between the developed nations and the developing countries."

"It is now three-quarters of a century since the first spade of earth was turned in the building of the Panama Canal. This 'path between two seas' remains one of the greatest and more benevolent creations ever wrought by human labor and by human ingenuity. As a neutral artery for the ships of all nations, the canal has contributed im-

mensely to the peaceful work of the world. The treaties we solemnize today will help perpetuate that peaceful work for many generations to come."

"Under the treaties, our two governments agree to maintain the neutrality and security of the canal. At the same time, we reaffirm our commitment to honor national sovereignty and the principle of non-intervention. These principles are enshrined in the charters of the organization of American States and the United States.

"During the long and difficult negotiations, both sides held to a vision of friendship and goodwill. Both sides were determined to build a new relationship of mutual respect, fairness, and equity. Because of that vision, because of that determination, we were finally able to reach agreement."

"Now—after fourteen years on opposite sides of the bargaining table—we are equally committed to putting into practice the agreements we have forged."

"During the period of transition which lies ahead, the United States and Panama will be working closely together. Both our countries want that transition to be smooth and effective. Under the treaties, both nations are committed to safeguarding the interests of those Americans and Panamanians who have operated the canal so efficiently and so expertly during its period of American stewardship."

"Together, our two countries have set an example for peaceful and successful negotiation that had few parallels in history. We have demonstrated our mutual sincerity and goodwill. In the face of disagreements, not only between the two nations, but within the nations themselves, disagreements, that were initially very deep, in the face of our vast disparity in size and power, we dealt with each other in good faith as equals, and with equal determination to overcome our difference."

"During the years ahead we will work as partners to make the promise of the treaties a reality. We, the people of the United States and you, the people of Panama, still have history to make together."

TEXT OF PRESIDENT CARTER'S SPEECH AT A RALLY FOLLOWING THE EXCHANGE OF INSTRUMENTS OF RATIFICATION, JUNE 16, 1978

This day marks the beginning of a new partnership between Panama and the United States. The new treaties embody our mutual commitment to work together to assure that the Panama Canal shall always remain open, secure and accessible to the vessels of all nations.

With the help of the five great American democracies whose leaders are with us today, Panama and the United States reached agreement. In the process, we breathed new life into old principles—principles of peace, nonintervention, mutual respect and cooperation.

It is easy to honor these principles in theory. What our two countries have done is much harder, and much more meaningful: we have made them the basis for action. We have shown that even great changes in international relations—changes that involve deep emotions and powerful material interests—can be accomplished through putting these principles to work.

That is why the significance of our joint achievement goes far beyond the special concerns of the United States and Panama; that is why I believe that we stand on the threshold of a new era of Inter-American understanding and cooperation.

Let us now apply these principles to the overriding concerns of our hemisphere—peace, human rights and dignity, and economic development.

Let us resolve anew to settle the remaining territorial disputes in our hemisphere through peaceful negotiation.

Let us work together to bring into effect the Treaty of Tlatelolco, which bans nuclear weapons from Latin America.

Let us advance the cause of human dignity and build a hemisphere in which citizens of every country are free from torture and arbitrary arrest, free to speak and write as they please, free to participate in the determination of their own destiny.

Let us build a fairer, more cooperative international economy—one which fosters social justice and helps the world's poor lift themselves out of misery.

As we move toward these goals, we will need not new slogans, but a new spirit. In the peaceful process of negotiating the treaties, we have shown the world a spirit which recognizes and respects the rights of others and seeks to help all people to fulfill their legitimate aspirations with confidence and dignity.

That spirit must continue to bind us together in the years to come—the people of Panama and the United States and the people of all the Americas who are working to bring into being a hemisphere free from war, free from want and free from any oppression of human liberty.

TEXT OF PRESIDENT CARTER'S SPEECH DELIVERED TO THE AMERICAN COMMUNITY AT FORT CLAYTON, JUNE 17, 1978

"Distinguished officials who have operated and defended the canal, who have performed superb service for our government, who are an integral and admired part of the American community:

I come here with a sense of history, a sense of appreciation for what you have accomplished and are accomplishing for our country; a sense of gratitude to you.

A few months ago as I was visiting with David McCulloch, who wrote the book "The Path Between The Seas," I began to sense and to feel the enthusiasm for the extraordinary engineering achievement that the canal represents.

I have just returned from a flight over the canal to see the beautiful operation of it. I have been looking forward to a chance to visit Fort Clayton, Miraflores locks, so that I could see first-hand the professionalism and the dedication that makes this canal work and which keeps the canal secure.

I am very proud of those of you who belong to the various military components of the southern command. (Cheers) I was in the Navy for 11 years. And as you well know, we depended on the army to take care of the canal so that we could go from—(applause)

Through a long and difficult period you have maintained a very high level of preparedness for the defense of the canal and for the protection of American lives and property and for the representation of the spirit and character of the United States in the most superb way.

It is your effort and your training that have kept Americans assured of our strength and our security here and I thank you for it. (Cheers and applause)

Those of you who are civilian, both Americans and Panamanians, have contributed immeasurably to the operation of the canal.

My life would be easier if every government employee showed the same consistent combination of efficiency and talent as your group does and we all appreciate the superb performance. You always do your job and you do this well. (Cheers and applause)

For many years, the legal arrangements governing the Panama Canal and the zone have been a source of contention and argument and dispute between the United States and Panama. Most people who looked at the situation agreed that some change, of some kind, was called for. I think most of you who live in the canal zone agree with that statement. We disagreed not about whether there should be changes, but what those changes ought to be.

As you know, my predecessors in the White House, President Ford, President Nixon, President Johnson, President Kennedy, understood that some changes had to be made. I know each of you has known you were defending American interests here in the Canal Zone, and I respect your convictions and your spirit and your loyalty to your country, even though we did not always agree about the best course to take.

The Senate of the United States has acted, and the treaties are now a fact. I am not here to justify them, or to suggest that if you understood the treaties better that you would because for you, they are not just a distant and impersonal foreign policy abstraction, but something that alters your lives in a direct and immediate way.

You know, as I do, that a great deal will change as a result of these treaties. A few of you will be leaving the only place on earth you have ever called home. That is a hard and a painful thing to do. The adjustments and uncertainties that you now face will not be easy.

I understand that. I understand, too, why you love this place. Seventy-five years ago, Americans came here as builders. In quiet ways, often unrecognized, often unappreciated, we have been builders ever since. For all the rest of your lives, every one of you will be proud, and justifiably so, to have been part of this canal, proud of what you have built and protected and loved.

That is evident, not only from what you say, but what you do. The care and affection which you continue to show in the operation of the canal is clear evidence of the deep feeling which you and the American people have for the canal. So I come here today not to win you over to the decision made by me and the American Congress, but because there are two things that I want very much to say.

First, the American people and I appreciate what you are doing here and, second, the American people and I care what happens to you.

In the millions of words spoken and written about the treaties, our appreciation and our concern have not been clearly expressed.

We have tried to demonstrate these sentiments in the treaties as well as in the separate agreements and the annexes.

The rights of American workers will be protected. The treaties guarantee to employees:

First, in general, terms and conditions of employees which are no less favorable than they are now; nothing will be done to decrease the quality of your status as employees; secondly, the right to collective bargaining and, as you know, for the next 22 years, the entity with which you will bargain will be a part of the United States Government; third, optional early retirement for those who desire it.

We hope that as you understand clearly the conditions under which you will be working and living, that you will decide to stay on as a constructive and a helpful and a dependable employee. But if there should be individual instances where you find this not to be true, then earlier retirement benefits will be made available to you so that you will not suffer under any circumstances.

The United States Government will be responsible to you for implementing the treaty provisions fully and fairly. We will continue to do so in the enabling legislation which the Congress will begin to consider later this year and next year.

We will see to it that this enabling legislation ensures government-wide job placement, and liberalized retirement benefits, better than those that you have now. To the

limit of our ability in an international agreement, our negotiations with Panama have sought to secure your rights and your welfare and your safety and your peace of mind.

For example, we have tried to preserve during the life of the treaty as many as possible of the civil liberties that Americans cherish to ensure that they will be respected. I discussed them with the Panamanian officials yesterday and told them of the importance that we attach to these basic and important rights.

Everyone understands that we want to enter upon a new era of harmonious cooperation and good will between the people of Panama and the Americans associated with the canal and that there is no room for bad faith in that relationship.

It requires a hospitable and a cordial attitude only on our part, but on Panama's as well. I think all of you may have observed yesterday the tremendous outpouring of appreciation and friendship expressed by the Panamanian people. The largest crowd that I have ever seen came out in a spirit of appreciation and commitment to a good partnership in the future, based on mutual respect, a desire for peace and a realization that the operation of the canal without interruption is important not only to our two countries and our people, but to the rest of the world.

We know that Panama will show strict regard for all its responsibilities toward you.

We have also tried to carry out our obligation to you by ensuring that the terms and conditions of your employment will generally stay the same when the treaty goes into effect. We know that the circumstances under which you work matter a great deal, as do good schools, medical care, and other services. These have not been neglected in the long negotiations over the last 14 years.

According to the treaties, the canal will increasingly be a place of Panamanian employment. Some of you might leave very soon; others will remain for many, many years. I am relying on all of you to help make this transaction as smooth as possible. That is your duty, your responsibility, and the people of both nations expect nothing less. You have never disappointed our country in the past. I am sure you will not do so in the future.

We are trying and we hope that you will help us to succeed to bring a successful new chapter in the history of the canal that you have managed and cared for so long. You have brought credit to yourselves and to your country by operating the canal efficiently, honestly, and honorably for the benefit of all nations.

The time when this was America's job alone is now coming to an end. The treaties reflect that time, and in so doing, they help guarantee that the rest of the world will recognize our essential fairness and decency as a people.

The future of this waterway will depend upon the cooperation and the understanding of both Panamanians and Americans. I know that some day we will join in looking back, with admiration, and respect, at the dedication and devotion of the thousands of employees, American and Panamanian, who made and continue to make the canal one of the supreme human achievements of all time.

That is part of the history of our great country. That is part of the future of our great country. In this time of change, as President of the United States, you can consider me to be a partner of yours. (Applause)

I have instructed all the officials, both military and civilian, in this canal zone, to contact me directly to alleviate any concerns, any maladministration, any differences between ourselves and the people of Panama as these changing times approach.

And to close my statement to you, I would like to repeat again that as the leader of our great nation, the greatest on earth, I am proud of what you have done in the past and what you are doing today and I have complete confidence that you will continue to represent our nation in the finest spirit of dedication, of competence and of good will in the years to come.

Thank you everyone. God bless you.●

DAVID HALSTEAD—TORRANCE DISTINGUISHED CITIZEN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. ANDERSON of California. Mr. Speaker, each year the Torrance Area Chamber of Commerce confers its "Distinguished Citizen Award" on the man or woman who has exemplified the highest standards of community service. This year's award winner is truly deserving of his award, for few individuals have contributed as much to the growth of a community as has David Halstead to the city of Torrance.

For 18 years—16 of them as chairman—David served as a member of the Torrance Planning Commission during a time when Torrance underwent a period of tremendous growth. A contractor by trade, David Halstead was a guiding force not only in seeing that development served the best interests of the people of Torrance, but in the evolution of the Torrance Planning Department into the highly efficient, professional unit it is today.

Born in San Francisco on October 1, 1918, David moved to the Los Angeles area at the tender age of 2, and graduated from Hollywood High School in 1938 after playing guard on the school's football team. He entered the contracting business in 1940, and during the Second World War worked as a civilian employee at the Pearl Harbor Naval Base.

He returned to California following the war, and reentered the contracting business in partnership in the firm of Spraker Halstead. In 1956 he moved with his family to the Hollywood Riviera section of Torrance.

It was in 1959 that David Halstead was appointed to the Torrance Planning Commission. At that time, the planning department consisted of three employees, and the commission members volunteered their time, as they do now. After 2 years, Dave became chairman of the commission, a post he held until his retirement from the position last year.

Dave Halstead brought energy, leadership, integrity, and a professional knowledge of the problems influencing a community's growth and development to the commission. It came at a critical time in the development of Torrance into the third largest city in Los Angeles County. In 1962, a year after he became chairman of the commission, Torrance led all cities in the United States in terms of percentage growth.

One of Dave's first priorities was the hiring of a professional planning staff to help the commission in its decision-making process. He helped not only to train the staff, but to encourage them to make independent judgments for the commission's consideration. Dave also initiated field tours of proposed developments, and asked for citizen's advisory recommendations to insure public input.

David's leadership on the commission was outstanding, and his background as a developer enabled him to operate as a professional on behalf of the people of Torrance. With his direction, the planning commission and the city council adopted stricter parking, density, landscaping, signing and procedural requirements—and made sure they were followed. The beauty, utility, and vitality of Torrance today is due in no small measure to David Halstead's foresight and leadership.

However, David Halstead's contributions to the Torrance community were not limited to his outstanding work on the planning commission. He is a member of the Torrance Kiawanis Club, the Elk's Lodge of Redondo Beach, and has long been an active force in the Riviera Homeowners Association. In the latter capacity, he was responsible for setting up parks and recreational facilities for the residents of his neighborhood

Dave was active in the Girl Scouts of America while his daughters, Phyllis and Debora, belonged to that organization. He has always been concerned with education, and was very active in a local school bond election in 1963 and the tax override in 1964. In addition, he has long been a supporter of Little League activities, and has sponsored a team for many years.

Mr. Speaker, few people have left their mark on a community in such a positive fashion as David Halstead has in Torrance. His retirement from the planning commission in August 1977, marked the end of an exciting era in Torrance development, but the high standards of professionalism and concern for community betterment he gave the commission will stand as his heritage.

My wife, Lee, joins me in congratulating David Halstead on being selected the "Distinguished Citizen," and also in commending the Torrance Area Chamber of Commerce in their deserving choice. We would also like to extend our best to Dave's lovely wife, Mildred, and their two daughters, Phyllis and Debora.●

MR. SOLZHENITSYN AND THE POST

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1978

● Mr. DORNAN. Mr. Speaker, is not it annoying to read an editorial that is so far off the mark that it screams out for rebuttal? Pomposity and platitudes, misplaced piety and shallow thoughts were the twists and turns of the pathetic, Washington Post editorial rejecting the Harvard commencement address of Alexandr Solzhenitsyn.

Perhaps I find many Post editorials tiresome, because I harbor a deep sus-

picion that the editorialists of the Post, too, are tired. They rarely surprise me—or for that matter anybody else—with their daily pontifications on problems foreign and domestic. One wonders whether the once vast reservoirs of the liberal imagination have dried up, or whether the writers, saying the same things year in and year out, are intellectually bored with their own prescriptions.

If anything, the Post is a true bastion of a flaccid, trendy, superannuated establishment liberalism. I do not think that we will read many Earth shattering editorials emanating from this powerful paper in the foreseeable future. The reason for this was advanced some years ago by Prof. Richard M. Weaver, a brilliant member of the department of English at the University of Chicago:

If Liberalism stemmed out of some deeply anchored and coherent philosophy of life, if it expressed some compelling vision of existence, we might not apply the term complacency to its habit of mind. But with its non-committal attitude toward all the positive issues of life, it cannot rise to the dignity of a philosophy which might unify an epoch and provide ground for constructive creations.

What would the defenders of Post World War II liberalism do if, indeed, they were presented with a challenger who posited a coherent pholosophy of life, deeply anchored in a strong and enduring intellectual tradition?

Mr. Speaker, we received an answer to that question in the June 11, 1978, editorial on Alexandr Solzhenitsyn's commencement address at Harvard University: "Solzhenitsyn as Witness." The editoiral begins:

Alexandr Solzhenitsyn's personal credentials—as one who suffered and survived to bear witness to the suffering of others—compel the closest attention to his public utterances.

One cannot but agree. And one is likewise compelled to pay the closest attention to the editorials of the Post.

Let us consider the several points the Post raises.

The Post correctly observes that Solzhenitsyn has made a discomforting historical analysis of the intellectual trends prevailing since the collapse of medieval European unit. With the coming of the Rennaissance, he tells us, and continuing into that period termed "The Enlightenment," man lost his vision of God. Man turned his attentions almost exclusively toward self. The material life was exalted at the expense of the spiritual life—a reaction to the excessive spiritualism of the Middle Ages. This transition in thought and feeling was not without its practical significance. The triumph of this secularistic world view was an hierarchical perversion, and was at the bottom of a whole series of modern intellectual, moral, and spiritual crises that plague us to this very day.

In speaking to the graduating class of Harvard University, Solzhenitsyn told them that we in the West have abandoned a vast tradition of learning and the rich, spiritual heritage that defines, and gives vitality to, the culture of the Judeo-Christian West. And for that reason, a resurrected Russia could not expect to follow our lead. His exact words:

No; I could not recommend your society in its present state as an ideal for the transformation of ours.

Note well, my friends, Mr. Solzhenitsyn speaks in the present tense. He does not say that our essential principles, our fundamental convictions, rooted in the Judeo-Christian religious tradition and in the venerable Greco-Roman legal and political experience, are wrong. Not at all. He only tells us that we have deviated from ancient and enduring principles, as well as standards of excellence, and this deviation has resulted in a multidimensional decline in our art, our literature, our music, and our statesmanship. I emphasize, Mr. Speaker, that Solzhenitsyn is only speaking in the present tense. He is a Christian and, by that fact alone, he knows that no man, no people, is irretrievably lost.

That, in essence, is his thesis.

Consider the Post's response.

First. "Yet he launches his critique from a position betraying a gross misunderstanding of Western society, which has chosen to organize its political and social and cultural affairs on the basis of a respect for the differences among men." The Post resorts here to an invalid subterfuge, an argumentum ad hominem. There is no attempt, not even a paragraph, to debate or challenge the substance of what the great Russian author has to say. No; the Post is content to brand a Nobel Prize winning author as simply ignorant. By logical implication, men with a correct understanding of Western society would not say such things. They would say other things, the kind of things uttered in Post editorials. What unmitigated low-grade baloney.

Mr. Speaker, what we have here is simply a refusal to join issues. Also, I agree that much of what Mr. Solzhenitsyn has to say is unpleasant, but no adult has the right to act like a child, or rather a petulant little brat who responds to sober criticism by sneering and sticking out his tongue.

The editorial continues:

But his views remain very Russian: they arise from particular religious and political strains remote from modern Western experience.

This statement is a combination of error and oversimplification. That Solzhenitsyn speaks for a venerable, intellectual, and spiritual tradition that is Russian is obvious enough; but that is no reason for overlooking the equally obvious, and more important fact, that his views are also Christian, and, contrary to the Post's observation, wish, or desire, far from remote to the modern Western experience.

The truth is that Solzhenitsyn's social and political views are similar to those held by numerous Western writers and philosophers dead and alive. Scholars, writers, essayists, and religious leaders have been saying many of the same things found in Solzhenitsyn's speech for a very long time. The problem is that we entertain a tendency to dismiss those who disagree with liberal assumptions, rather than join in serious argument. As the American philosopher, George Santayana remarked in his 1937 work "Character and Opinion in the United States";

We do not nowadays refute our predecessors, we pleasantly bid them good-bye.

Mr. Speaker, the Founders of the American Republic were steeped in a strong Judeo-Christian tradition. They believed that the politics of the society must be governed by morals, and not morals by politics. The authors of the Federalist Papers, Hamilton, Madison, and Jay, knew well what far too many politicians fail to realize: That a political system is not merely a set of legal relationships, but must rest solidly, not only on the wisdom, but on the virtue of a self-disciplined and upright people. Montesquieu, a venerable teacher of the founders, also reminded them that the danger to republics comes not from poverty or adversity, but from luxury and affluence.

Solzhenitsyn told his Harvard audience:

The constant desire to have still more "things" and a still better life and the struggle to obtain "them" imprints many Western faces with worry and even depression, though it is customary to conceal such feelings. Active and tense competition permeates all human thoughts without opening a way to free spiritual development.

Consider a related observation made a little over 100 years ago by Orestes Brownson, a great American political theorist, author of "The American Republic," a brilliant and profoundly patriotic commentary on the American Constitution:

Liberalism, taken in its practical workings in a society, with weak faith, a movable religion, and no loyalty, tends to develop wants which it is impossible to satisfy, because the wants it develops all demand their satisfaction from the material order. But the multiplication of wants which can be satisfied only with material or sensible goods, is not a good, but an evil.

So much for the exclusive "Russianness" of Solzhenitsyn's views. But—but after declaring Solzhenitsyn an ignorant Russian, the Post levels a more serious charge: Solzhenitsyn, from his comfortable vantage point in the West, in a society of tolerance and diversity, uses "tolerance and diversity, that are the splendors of the West, to attack tolerance and diversity."

Mr. Speaker, I leave it for philosophers and historians to debate whether or not "tolerance and diversity" are the "splendors of the West." However, I have pored over the Russian author's speech in order to find an attack on tolerance and diversity, and lo, I cannot find it. I can only conclude that the charge is not only erroneous, but false. In fact, to the contrary, I discern a clear and unambiguous fear on the part of the great Russian for the protection of diversity and the preservation of tolerance within mass democracy. He fears for the integrity of the individual, especially the gifted artist or writer, the man who is unfashionable or different. So he writes, ". . . what is not fashionable will hardly ever find its way into periodicals or books or be heard in colleges." He fears that the perceived need ". . . to match

mass standards frequently prevents independent people from giving their contribution to public life."

Mr. Speaker, the Post is setting up a strawman. It is not, by resorting to such a strategem, doing anything to enlighten the public mind. It is resorting to the old demagogic ruse of the stump orator: When in trouble, confuse the issue.

Then we come to foreign policy. From arguments ad hominem, childish carping, and cant, the Post takes us to the nether depths of hypocrisy. Note the editorialist's lofty tone:

> For the West, respect for diversity has an international dimension as well as an individual one. If Mr. Solzhenitsyn understands this, he does not accept it. He speaks for boundless cold war.

Mr. Speaker, Mr. Solzhenitsyn understands it very well. And so does the Post—though it seems to make it pompous observations from very high altitudes, on very special occasions, and on very selective topics.

The fact that Solzhenitsyn respects international diversity is borne out by the very fact that he believes that our own, Western, industrial society, is not, at least in its present condition—a fit model for a future Russia. He realizes that one cannot blithely superimpose one set of political, cultural, and social institutions on another, grounded in a radically different historical experience. The fact that he says this is proof enough, and, in itself, a refutation of the Post's 180° distortion of meaning.

But what does the Post really mean when it speaks of international "diversity." What kind of "international diversity" does—or rather, following the prescriptions of the Post—should, the West respect? The key phrase—what makes the Pavlovian dogs of "détente" slobber—is, according to the Post, "boundless cold war." Our respect for international diversity should extend then, to Soviet totalitarianism, the Eastern bloc, and others. But, judging from past Post editorials, it does not seem to stretch to South Africa, Chile, Rhodesia, or South Korea. There are, after all, limits to the virtues of "tolerance and diversity." Those "splendors of the West" ought not to be squandered, but held in reserve for the right causes, that is, causes that tap the liberal imagination, rather than any rigorously logical and universally applicable standard of justice.

Mr. Speaker, I do not know whether hypocrisy is born of intellectual bankruptcy or the reverse. But I think I do know the cause of anguish among Solzhenitsyn's critics: He scored a direct hit on modern liberalism. And they know it. Solzhenitsyn's target is a West infected by modern liberalism, not the West of the classical and Christian tradition. A relativistic, secularistic, and materialistic culture is morally and intellectually bankrupt. And the premises of modern liberalism are unquestionably relativistic, secularistic, and materialistic.

Again, Mr. Speaker, our cause is a great cause. Our duty is to recover our intellectual, moral, and political heritage. We must fire the imagination of the Western world, as we did once before. But we must take stock of ourselves, and not allow ourselves to fall victim to a complacency that will prevent us from realizing our destiny. As Professor Weaver, whom I quoted earlier, reminds us:

> Man's very reality depends upon his carrying the past into the present through the power of memory. If he does not want identity, if he has actually come to hate himself, it is natural for him to try to get rid of memory's baggage. He will travel light.

Let us remember who we are.

A footnote: Mrs. Rosalyn Carter's supershallow remarks in response to Alexandr Solzhenitsyn's ringing words of challenge are really too banal to be analyzed. One obvious point for the Carters to deeply ponder. In the preholocaust Nazi Germany of the early thirties there were lots and lots of volunteers working in the hospitals, soup kitchens, and orphanages, you dig? * * * God help the West.●

SENATE—*Friday, June 23, 1978*

(Legislative day of Wednesday, May 17, 1978)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by Hon. KANEASTER HODGES, JR., a Senator from the State of Arkansas.

PRAYER

The Reverend C. Keith Elliot, pastor, the First Christian Church of Miami, Fla., offered the following prayer:

Let us pray.

Eternal God, quick to still the restless wave yet slow to chastise the impatience of Thy creation, we humbly seek Thy grace. We come, wishing only to serve Thee, bringing nothing in our hands, waiting in contrition for the strength of Thy love.

Forgive us if we rely only on our own devices and provide us a vision of Your purpose in the midst of our decision-making. Grant us hope when the way seems unclear. Stir our imagination when our choices seem limited.

Walk with our President, that he be inspired by Thy presence. Shower upon the Members of this Senate Thy wisdom and courage as they seek to worthily fulfill the trust placed in them by You and their constituents. In all ways, as always, guide this Nation. "Grant us wisdom, grant us courage, that we fail not man nor Thee." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 23, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KANEASTER HODGES, JR., a Senator from the State of Arkansas, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. HODGES thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

THE JOURNAL

Mr. CLARK. Mr. President, I ask unanimous consent that the Journal be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. CLARK. Mr. President, I yield to the distinguished acting minority leader.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, I ask unanimous consent that Robin Keuhl and Dennis Fradley, of my staff, be granted privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I yield to the Senator from California.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mr. HAYAKAWA. Mr. President, I ask unanimous consent that Dr. John Backer, of my staff, be granted privilege of the floor during the discussion of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AGRICULTURAL EXPORT EFFORTS

Mr. CLARK. Mr. President, on Wednesday the Foreign Agricultural Policy Subcommittee of the Senate Committee on Agriculture, Nutrition, and Forestry gave tentative approval to legislation intended to upgrade and improve our agricultural export efforts. The bill is based primarily on S. 2968, legislation which I introduced

on April 20. It would create a new program of intermediate term credit for foreign purchasers of U.S. farm commodities, upgrade the rank of U.S. Department of Agriculture personnel stationed overseas, and authorize the establishment of 24 new agricultural trade offices in other countries.

Final subcommittee approval of the legislation is pending resolution of a question raised by several subcommittee members regarding the feasibility of adding language that would grant intermediate term credit eligibility to nonmarket nations—such as China—which are currently denied certain U.S. credit opportunities because of their stand on human rights. We hope to be able to agree whether or not to include such a provision in this bill very shortly.

I think that this is important legislation, and I commend the subcommittee for its work. However, I want to take this opportunity to express my dismay and concern at the lack of support from the administration on this issue.

Last spring when the Congress was considering emergency farm legislation, I went to President Carter to propose a modest increase in target prices for wheat, feedgrains, and cotton for 1978. In the course of that conversation, the President told me that he could not support the increases I was proposing. He said that he did favor approaches that would concentrate on increasing exports instead.

Within a few days of that conversation, the Foreign Agricultural Policy Subcommittee met to hear testimony on several bills, including my own proposal, S. 2968. The witnesses agreed almost unanimously that the proposals would increase exports, and that they would benefit farmers and the U.S. balance of trade—except for administration witnesses who simply took the position that the proposals before the subcommittee were not needed.

That same day, I wrote the President that I found the administration's position at the hearings inconsistent with his comments made personally to me earlier, and I asked for a reevaluation of the administration position, and for support for my proposals.

I was assured by later correspondence with high officials in the administration that a reconsideration was underway, and in fact the letters from the administration concerning proposals for foreign agricultural trade expansion shifted from absolutely negative to mildly encouraging—but with particular attention to restrictions that they wanted put on various parts of the bills.

Mr. President, I find the administration's efforts on this extremely important matter to be entirely unsatisfactory. There are three general proposals embodied in bills now before both the House and the Senate. All have the same purpose; to increase agricultural exports. Of the three proposals, the administration has grudgingly agreed to support the provisions that would increase the amount of intermediate credit available to purchasers of U.S. commodities. But, even on this issue, the administration has been unable to say more than that it feels that there is a need for such a program, but that it must be carefully restricted lest our efforts spark a trade war with some of our neighbors and competitors.

In that regard, Mr. President, I regret that our friends and neighbors are not so sensitive to our wishes and needs. If they were, perhaps we would not have such serious balance-of-payments problems as we have. My conclusion from watching this process is that the State Department is more concerned about the well-being of our competitors than it is about our farmers. That conclusion has only strengthened my resolve to do all that can be done to insure that we pass the strongest possible bill to improve our market development program for agricultural products.

The administration has lent no support at all for the other important provisions in the bill, one establishing additional agricultural trade offices in a number of foreign locations, and the other to elevate the agricultural attaché at key posts to a more appropriate rank of agricultural counselor. I have reviewed the objections put forward to these proposals and do not find them convincing. I strongly support the objectives sought in these two proposals and believe that the arguments on their behalf are strong and conclusive.

The primary purpose for establishing additional agricultural trade offices is to enhance the opportunity to make foreign sales of U.S. farm products. Presently, we maintain only one such office overseas—in London. Offices in other countries would serve to greatly help develop and sustain foreign markets for American farmers. These offices could be set up in locations convenient to potential business clients and with the necessary staff and facilities to provide sufficient support for American agricultural marketing efforts.

The State Department has objected to this arrangement as outside the normal channels and supervision of the Ambassador. This conclusion rests on a misunderstanding and misreading of this proposal. In fact, this would not be the case at all. The agricultural trade officer in charge would report to the agricultural attaché and serve as a member of his staff. The attaché, who serves as the representative of the Secretary of Agriculture overseas, also serves as a member of the Ambassador's team and as such comes under the review of the Ambassador. The effective working relationship that has been established with agricultural attachés would be extended to include the agricultural trade offices.

It makes sense to locate trade offices outside our embassies. The centers of government, where our Embassies are located, are not always centers of commerce. Hamburg and Rotterdam are both good examples of cities where an agricultural trade office would enhance the commercial presence of U.S. agriculture far beyond what could be accomplished in the capitol cities of Bonn or The Hague.

In addition, it is apparent that a nonembassy setting can be more conducive to trade and commercial discussions than the more restrictive atmosphere of U.S. Embassies. It is now necessary in many Embassies for foreign visitors to undergo fairly extensive and often intimidating security procedures before being admitted to the working areas where agricultural attachés' offices are located. Trade offices outside the Embassy would provide greater ease of access with the business community.

By being located outside of the main Embassy compounds, the agricultural trade offices also can serve as headquarters for the U.S. producer and trade associations which associate with the Department in foreign marketing efforts. USDA works closely with these nonprofit trade associations in its market development efforts. More than 60 groups now work with the Foreign Agricultural Service on market development programs, usually on a commodity basis. Many of these groups have overseas offices. If USDA had well located trade offices, many of these groups' offices could be located in the same place so that the agricultural attaché and the Foreign Agricultural Service could be better able to serve the joint interests of these groups. Coordination of work and resources would in itself prove to be a big bonus in this proposal.

Consolidation of these market development efforts would permit one-stop servicing for U.S. trade and farm officials who are engaged in overseas market surveys or special promotion ventures.

Too often our farm groups are unable to find suitable facilities for meeting with their counterparts overseas. Foreign buyers similarly would be more interested in stopping by a trade office that includes the other major representatives of American agriculture promotion programs in his city.

Finally this proposal needs to be understood against the background of the competition the American farmer faces for world markets. The United States is nearly unique in that no U.S. agency sells U.S. farm products abroad. Individual farmers or firms sell our grain, and no U.S. official is empowered to sign contracts for U.S. growers. Even after a government official completes negotiations to improve access by foreigners to U.S. markets, he has no authority to actually agree to a sale. I have no enthusiasm for a government marketing board. But we are in competition with such agencies and we must insure that our farmers receive every advantage and support that we can provide them within the context of a government program that undergirds their own aggressive effort.

The agricultural trade offices would provide the visibility and support that American farmers need to reach foreign customers. With farm income dependent to an important extent upon the return from cash sales overseas, and U.S. foreign policy now heavily dependent on U.S. farm exports to improve our balance of trade this proposal should receive the full backing of all concerned with foreign farm trade.

Unfortunately, this support has not been forthcoming. The State Department, in concluding its argument against the present proposal, states that current authority is sufficient to establish trade offices if this is indeed a priority item. They make no mention of the neglect that characterizes their approach to the important farm export goals of this administration and previous administrations. The Department of State has not demonstrated that either the agricultural export goals of this administration or agricultural expertise are considered in its overseas staff level deliberations.

For example, despite State Department instructions to ambassadors last year, that reductions in overseas staffs concentrate on large agencies, some 12 ambassadors took the easy way out of avoiding a hard examination of their own large staffs and recommended in favor of reducing or totally eliminating already small agricultural attaché posts. This does not lend confidence to the idea that the development of agricultural trade offices has been given serious attention by the Department of State. For another example, USDA says that for more than 2 years it has sought to establish representation in the lucrative Middle East market and that all State Department responses have been negative, despite the promise of increased sales of farm products. U.S. competitors are now growing faster in that market than we are. I believe that firm guidance must be provided to insure that agricultural trade offices in fact are established, and that they receive the proper staffing.

Similarly the proposal in my bill to upgrade the rank of agricultural attachés serving in key overseas posts has not received serious consideration by the State Department. Again, State Department has based its objection to this proposal on a misreading of it. The Department suggests that conferring the title of agricultural counselors on all agricultural attachés "without regard to the criteria established for this internationally recognized diplomatic title * * *" would be most inappropriate. I did not suggest that the title of agricultural counselor be conferred on all agricultural attachés. I do think this title is appropriate for some well qualified persons in our most important agricultural posts.

The United States is the world's leading agricultural exporter. We also are the world's leading importer for a number of important items. In recognition of this, 11 countries, including the U.S.S.R., Australia and Argentina, have assigned agricultural counselors to their Washington embassies. The senior agricultural representatives of nine other countries have the title of counselor.

The same pattern is seen overseas. In nations where the United States is competing with other suppliers for the market, our agricultural attachés are vying against agricultural counselors from those other supplying countries in many cases. A partial listing shows that 14 nations are using this title in crucial posts, with some 81 officials assigned at this level worldwide. It is my contention that this gives other supplying countries a competitive advantage. Officials and customers in other nations cannot help but assume that counselors have more status and can make more important decisions than attachés, and this may often affect their own decisions on trade transactions.

State Department has found this argument convincing in making new counselor positions for itself. A cursory examination by my staff has turned up some 72 State Department counselors and another 6 minister counselors serving overseas for an average of 5 per post. These include administrative and consular counselors as well as economic, commercial, and political counselors. There also are several scientific counselors, a labor counselor, and in AID-type countries a number of senior AID employees have counselor titles.

The issue here is that agricultural representatives should be entitled to receive every reasonable advantage possible to enhance their efficiency and effectiveness on behalf of the American producer. This is not gamesmanship among executive departments; this is a reasonable proposal to assist in a serious and important aspect of U.S. policy.

Mr. President, I believe that the administration's objections to the proposals in this bill are based on misunderstanding and on bureaucratic concerns about turf. I believe that there is strong support for these proposals in the Agriculture Committee, and in the Senate.

I would hope that the Agriculture Committee can complete work on the bill during the next few weeks, and report it to the Senate for consideration. At that time, I hope the administration will reconsider its earlier objections and support the passage of this important bill.

ORDER OF BUSINESS

Mr. CLARK. Mr. President, I yield whatever time the Senator from Wisconsin may desire.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I thank the leader.

S. 3233—NATIONAL DEVELOPMENT BANK ACT OF 1978

Mr. PROXMIRE. Mr. President, at the request of the administration, I am introducing the National Development Bank Act of 1978. This legislation would set up a National Development Bank for the purpose of encouraging business firms to locate and remain in economically distressed areas. It is the centerpiece of the President's urban initiative program. In view of the importance of this proposal, I intend to schedule early hearings in the Banking, Housing, and Urban Affairs Committee on the legislation so that its impact can be adequately assessed by the Congress.

Mr. President, I ask unanimous consent that the letter transmitting this proposal together with other explanatory material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECRETARY OF THE TREASURY,
Washington, D.C., June 20, 1978.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I have the privilege to transmit to you herewith a draft bill to establish a National Development Bank. The National Development Bank is one of several elements included in the President's urban policy initiatives which are designed to ameliorate the plight of economically distressed urban and rural areas.

The Bank would provide financial incentives to private businesses to remain, expand or locate in economically distressed areas and would seek to augment the flow of private financing to those areas. Its objective is to increase the permanent private sector employment opportunities in those areas and to strengthen their fiscal and economic condition.

The Bank would be authorized to provide five types of incentives related to loans by private financial institutions to finance qualified capital investment in facilities in those areas: loan guarantees; interest rate subsidies on guaranteed loans; grants; interest rate subsidies on non-guaranteed loans; and loan purchases to provide liquidity in order to make additional private credit available for such projects.

These programs require, to the extent practicable, credit decisions by private financial institutions and others concerning the viability of the projects and the creditworthiness of borrowers. They include provisions which protect the Government's interests. The Bank's activities would be coordinated with other Federal economic development activities to avoid duplication of staff and function.

Local authorities would play a central role in all elements of the Bank. The Bank's projects will be sponsored by local development authorities and must be consistent with their local development programs.

The draft bill would authorize for the fiscal years 1979, 1980 and 1981, a total of $8 billion of loan guarantees; $3.795 billion of obligational authority for interest subsidies on guaranteed debt; $1.65 billion in grants; $934 million of obligational authority for interest subsidies on non-guaranteed debt; and $3 billion for loan purchases.

I would appreciate it if you would lay the enclosed draft bill before the Senate. An identical draft bill has been submitted to the Speaker of the House of Representatives.

The Office of Management and Budget has informed us that there is no objection to the submission of this legislative proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

W. MICHAEL BLUMENTHAL.

NATIONAL DEVELOPMENT BANK, GUARANTEE AND BUDGET AUTHORITY, OUTLAYS

[Dollars millions]

	1979	1980	1981
Formation of Bank, initial organizing expenses and operating expenses:			
Budget authority	$25	$25	$25
Outlay	5	17	23
Loan guarantee authority pursuant to title VII—subject to appropriations control	(2,175)	(2,900)	(2,900)
Reserve for contingencies to honor guarantees, pursuant to sec. 706:			
Budget authority	543.75	725	725
Outlay[1]	46	166	272
Interest rate subsidies for guaranteed loans pursuant to sec. 801:			
Budget authority	1,035	1,380	1,380
Outlay	9	73	144
Interest rate subsidies for long-term debt (taxable development bonds) pursuant to sec. 802:			
Budget authority	234	324	376
Outlay	2	21	43
Title IX of the Public Works and Economic Development Act, as amended, for grants pursuant to title IX:			
Budget authority	275	275	275
Outlay	43	182.5	237.5
Title I of the Housing and Community Development Act, as amended for grants pursuant to title IX:			
Budget authority	275	275	275
Outlay	43	182.5	237.5
Loan purchases to carry out the purposes of title X:			
Budget authority	810	1,095	1,095
Outlay	0	0	0
Reserve for contingencies to honor guarantees, pursuant to sec. 1009:			
Budget authority	202.5	273.75	273.75
Outlay	18	65	104
Less: Recoveries	−11	−47	−83
Net outlay effect	7	18	21
Total:			
Budget authority	3,400.25	4,372.75	4,424.75
Outlay	166	707	1,061
Less: Recoveries	−11	−47	−83
Net outlay effect	155	660	978

[1] These amounts do not include recoveries from loans that default.

National Development Bank

Brief summary of the proposal

Need for the National Development Bank

Despite the overall increase in national economic activity, many urban and rural areas are experiencing chronic economic decline and an erosion of their private sector employment base. Related is the high level of structural unemployment and underemployment experienced by certain groups—the disadvantaged, minority, youth and unskilled workers, and a large proportion reside in declining areas, unable to move.

Assistance provided by the bank

The Bank is part of a long range economic development strategy to rebuild the private sector economies of distressed areas and "pockets of poverty". Its key objectives are to help create permanent jobs and to improve the fiscal and economic base of these areas.

The Bank will offer the following assistance:

Guarantees of loans made to finance the capital costs of plant and certain equipment. The amount guaranteed may not exceed 75 percent of the portion of the capital costs of the project that is financed by long-term debt. In no event may the amount guaranteed for any one project exceed $15 million. Eight billion dollars in guarantees over three years is proposed.

Interest rate subsidies on long-term debt that is guaranteed by the Bank. These subsidies may reduce the interest rate on the guaranteed portion of the project's debt to as low as 2.5 percent. Obligational authority of $3.8 billion over three years is proposed.

Grants to fund up to 15 percent of the capital costs of the project, but not more than $3 million for each project. Grants will be made available from the proposed $275 million annual increases in each of the Urban Development Action Grant and EDA Title IX programs, totaling $1.65 billion over three years.

Taxable development bonds to finance up to $20 million of the capital cost of projects that do not receive the Bank's guarantees. These bonds will not be subject to the capital expenditure limitation applicable to industrial revenue bonds under the Internal Revenue Code. The subsidy will be initially 35 percent, and then 40 percent of the interest. Obligational authority of $934 million over three years is proposed.

A liquidity facility to purchase up to $1 billion per year of loans made to private sector businesses in distressed areas by private financial institutions.

Eligible areas

An area will be eligible for assistance if it meets three of four of the following criteria:

(1) a five-year average rate of unemployment greater than the national average;

(2) a five-year rate of growth in employment that is less than the national average;

(3) a five-year rate of growth in population that is less than the national average; and

(4) a five-year absolute dollar change in per capita income that is less than the national average.

No community, however, will be eligible if the per capita income of its residents exceeds 125 percent of the national average. Separate "national averages" will be computed for urban and rural areas.

Eligible areas with populations in excess of 10,000 can apply directly to the Bank for assistance. Smaller areas must apply jointly.

If an area does not qualify on the basis of the eligibility criteria, it still may receive assistance under the "pockets of poverty" provision of the legislation. Ten percent of the Bank's funds will be set aside for "pockets of poverty" that are located in areas that, taken as a whole, do not meet the Bank's eligibility criteria.

Eligible projects

The Bank will assist economically viable businesses—small, medium, and large—that will provide permanent private sector jobs in economically distressed areas. Project approval will be based on a finding that financial assistance is required to induce the firm to undertake the project. In selecting among projects, the Bank will give primary consideration to two factors:

(1) The extent to which the project provides employment opportunities; and

(2) The extent to which the project makes a contribution to the economic and tax base of the elegible area, including the extent to which the project provides employment opportunities to the residents of the eligible area, particularly the long-term unemployed or low-income residents.

The Bank also will consider additional factors, including, but not limited to:

(1) The extent to which the project provides opportunities to expand minority business; and

(2) The extent to which the local government and the related local development authority have undertaken related actions to encourage economic development in the eligible area and the extent to which the proposed project can be accommodated by the area's labor force and public facilities and services.

Structure of the bank

The Bank will be an interagency institution, governed by a Board composed of the Secretaries of the Department of Housing and Urban Development, Commerce and Treasury. The Bank's President and Executive Vice President will be appointed by the President of the U.S.

Role of local development entities

The chief elected officials of the eligible area will designate a local development entity which will actively package and prioritize eligible projects and then submit its project applications and recommendations directly to the Bank. This entity may be a municipal, county or state agency or nonprofit development authority.

Summary of Major Provisions of the National Development Bank Legislation

The need

Despite the overall increase in national economic activity, many urban and rural areas are experiencing chronic economic decline due to the erosion of their private sector employment base. The results of economic decline are unemployment, shrinking tax revenues, under-utilized public infrastructure, and greater public expenditures at all levels of government for welfare, health, social services, and unemployment compensation.

In his Urban Policy message on March 27, 1978, the President proposed a coordinated set of actions to deal with distressed areas. Among the most important was the establishment of a National Development Bank. An interagency task force involving staff from the Treasury Department, the Department of Housing and Urban Development, the Commerce Department, the Domestic Policy Staff and the Office of Management and Budget were responsible for the development of the Bank proposal. The Treasury Department has drafted legislation that reflects the policy decisions made by the task force.

Purposes of the bank

The principal purposes of the Bank are to increase the number of new permanent, private sector employment opportunities available in economically distressed urban and rural areas and to strengthen the fiscal and economic condition of those areas. To achieve these purposes, the Bank will offer financial incentives to private sector businesses to remain, expand or locate in economically distressed areas and will seek to increase the flow of private financing to those areas. The Bank will also cooperate with other Federal,

state and local agencies that are concerned with economic development.

ESTABLISHMENT AND MANAGEMENT OF THE BANK

The Bank will be an independent agency in the Executive Branch under the direction of the President of the United States. It will possess the powers normally available to independent governmental entities.

The Board of the Bank is to be composed of the Secretary of Housing and Urban Development, the Secretary of Commerce and the Secretary of the Treasury. The Secretary of HUD and the Secretary of Commerce will alternate as Chairperson, each serving one-year terms. The Board will have the power to exercise all of the powers granted to the Bank, including the power to issue regulations, fix policy and review investments. It can delegate appropriate functions to its staff.

The Bank is designed to provide a project financing capability that does not presently exist in HUD and Commerce, and to provide a mechanism for those departments to coordinate their existing economic development activities. It will not duplicate their existing field staffs.

There will be a President and an Executive Vice President of the Bank, each appointed by the President of the United States with the advice and consent of the Senate. They will serve at his pleasure.

The Bank also will have a nine-member Advisory Committee composed of individuals generally knowledgeable in and/or representative of State and local government, commerce, finance, labor, community development, economic development, environmental protection, and community and consumer interests. Two members of the Advisory Committee may be Federal government officials. The Advisory Committee will advise the Bank Board and staff on methods for improving the operations and effectiveness of the Bank.

The Bank will be subject to audit by the General Accounting Office, and it will submit annual reports to the President of the United States and the Congress.

SUMMARY OF FINANCIAL ASSISTANCE PROVIDED BY BANK

The Bank will be authorized to provide the following financial assistance to create or retain jobs and to strengthen the fiscal and economic base of economically distressed areas:

Guarantees of loans made to finance the capital costs of plant and certain equipment. The amount guaranteed may not exceed 75 percent of the long-term debt incurred to finance the capital costs of the project. In no event may the amount guaranteed for any one project exceed $15 million.

Interest rate subsidies on long-term debt that is guaranteed by the Bank. These subsidies may reduce the interest rate on the guaranteed portion of the project's debt to as low as 2.5 percent.

Grants to fund up to 15 percent of the capital costs of the project, but not more than $3 million for each project. Grants will be made available from the proposed $275 million annual increases in each of the Department of Housing and Urban Development's UDAG and Commerce's EDA Title IX programs.

Interest rate subsidies on taxable development bonds to finance the capital cost of projects that do not receive the Bank's guarantees. These bonds will not be subject to the capital expenditure limitation applicable to industrial revenue bonds under the Internal Revenue Code. The subsidy will be initially 35 percent, and then 40 percent, of the interest cost. The principal amount of tax-exempt and taxable development bonds that one firm can have outstanding to finance projects in any one economically distressed area will be limited to $20 million.

A liquidity facility to purchase loans made to private sector businesses in distressed areas by private financial institutions.

LOCAL DEVELOPMENT AUTHORITIES

The National Development Bank legislation requires local development authorities to play an important role in formulating projects. Applications for all forms of Bank assistance, with the exception of the liquidity facility, must be submitted by a local development authority. The local development authority will be responsible for ensuring that the project is consistent with the area's economic and community development policies and for assessing the economic value of the project to the community. The local development authority must also concur in the purchase of any loans by the liquidity facility.

A local development authority could be any of the following:

(1) The municipality or the unit of local government responsible for governing the economically distressed area (*e.g.*, a City Economic Development Department);

(2) A unit of local government or an entity with areawide responsibilities (*e.g.*, a County Development Authority or an Economic Development District);

(3) A State or any of its agencies (*e.g.*, a State Development Authority); or

(4) An independent local authority that could act in behalf of the local government (*e.g.*, a City Development Authority).

Only one local development authority will be designated in each area. Units of State or local government with wider responsibilities (i.e., counties and States), however, can carry out specific projects in the economically distressed area, even if the State or county is not the designated authority, with the concurrence of the elected officials of the economically distressed area. If the municipality itself does not act as the local development authority, then the municipality must renew the designation every two years.

CRITERIA FOR SELECTING ELIGIBLE AREAS

The Bank's financial assistance will be available only in areas that meet the Bank's eligibility criteria. To be eligible an area must meet three of the following four criteria:

(1) An unemployment rate above the national average for the most recent five-year period (1972–1977). The unemployment rate data is provided by the Bureau of Labor Statistics. (Comparable five-year data will be available later this year).

(2) A growth rate (percentage change) in population below the national average for the most recent five-year period (1970–1975). This data is provided by the Bureau of the Census.

(3) A growth rate (percentage change) in total employment below the national average for the most recent five-year period (1972–1977). This data is provided by the Bureau of Labor Statistics.

(4) Growth (dollar amount of the increase) in per capita income below the national average for the most recent five-year period (1969–1974). This data is provided by the Bureau of the Census.

Areas that have per capita incomes which exceed the national average by more than 125 percent will not be eligible. Separate national averages have been developed for "SMSA" and "non-SMSA" areas. This feature permits urban areas to be judged against other urban areas in competing for eligibility, and rural areas to be compared to other rural areas.

Eligible areas with populations in excess of 10,000 can apply directly to the Bank for assistance. Smaller areas must apply with the concurrence of the other eligible areas.

If an area does not qualify on the basis of the eligibility criteria, it still may receive assistance under the "pockets-of-poverty" provision of the legislation. Under this provision, 10 percent of the Bank's funds will be set aside for "pockets-of-poverty" that are located in areas that, taken as a whole, are experiencing greater economic prosperity. These smaller areas will be designated by the Bank upon application by the appropriate local development authority.

The Bank will publish a list of the eligible areas each year. Once the Bank makes a determination that an area is eligible, it may agree to provide financial assistance during any time in the next two years, even if the Bank determines in the following year that the area is ineligible.

CRITERIA FOR SELECTING PROJECTS

In the case of each project that receives financial assistance, the Bank must find that the facility financed would not have remained, or been expanded or located in the eligible area unless the Bank provided financial assistance. This finding by the Bank, and the reasons justifying it, will be set forth in writing and subject to audit.

In selecting among projects, the Bank will give primary consideration to two factors:

(1) the extent to which the project provides employment opportunities; and

(2) the extent to which the project makes a contribution to the economic and tax base of the eligible area, including the extent to which the project provides employment opportunities to the residents of the eligible area, particularly the long-term unemployed or low-income residents.

The Bank also will consider additional factors, including, but not limited to:

(1) the extent to which the project provides opportunities to expand minority business; and

(2) the extent to which the local government and the related local development authority have undertaken or agree to undertake other related actions to encourage economic development in the Distressed Area and the appropriateness of the proposed Project in view of the area's labor force and public facilities and services.

NO "PIRATING"

The Bank will not provide financial assistance to any Project intended to facilitate the relocation of a physical facility or private sector employment opportunities from one area to another area, unless the Bank finds that such relocation does not significantly and adversely affect the employment or economic base of the area from which such physical facility or employment opportunities are to be relocated.

LOAN GUARANTEES

The Bank is authorized to guarantee up to 75 percent of long-term loans made to private sector businesses in order to create jobs and improve the fiscal and economic base of distressed areas. The guarantees for each project may not exceed $15 million. The guarantees will apply only to loans made to finance the capital costs of projects in economically distressed areas.

The Bank will provide a guarantee only after it has determined that an independent private financial institution will provide a firm commitment to finance the remaining 25 percent of the long-term debt (or that the 25 percent remaining is to be financed in a bona fide public offering of debt securities). This requirement will insure that an independent credit judgment is made on the project. The guaranteed loan will be treated on a generally equal basis with the private sector loan with respect to maturity, security and other terms.

Guarantees will be provided only when there is a reasonable prospect of repayment.

The interest rate on the guaranteed loans will be determined by the Bank, with the concurrence of the Secretary of the Treasury, and will be related to the average market yield on Treasury obligations of comparable maturity.

A total of $8 billion of loan guarantees is proposed for fiscal years 1979, 1980, and 1981.

INTEREST RATE SUBSIDIES

The Bank will have the authority to subsidize the interest rate on the guaranteed portion of an eligible project's long term debt. Whether an interest subsidy is provided, and the amount of that subsidy, will be determined by the Bank on the basis of the criteria listed above. The Bank will have the authority to subsidize the interest rate down to an effective rate of 2.5 percent per annum.

A total of $3.795 billion in budget authority is proposed for interest subsidy obligational authority in fiscal years 1979, 1980, and 1981.

GRANTS

The Bank will provide grants to be used for qualifying projects undertaken by private businesses. Ordinarily, grants will be made through local development authorities in connection with loans guaranteed by the Bank or development bonds (both tax-exempt and taxable). Grants, like guarantees and interest subsidies, will be made on the basis of the criteria listed above. In no instance will the amount of the grant exceed 15 percent of the capital costs of the project. or $3 million, whichever is less.

Funding for the grants will be provided from the proposed $275 million annual increases in each of HUD's Urban Development Action Grant Program (UDAG) and Commerce's Economic Development Administration (EDA) Title IX program. These increases in funding are to be used solely on projects of the National Development Bank.

A total of $1.65 billion in budget authority is proposed for UDAG and Title IX specifically for Bank projects in Fiscal Years 1979, 1980 and 1981.

DEVELOPMENT BONDS

The Bank will also provide subsidies for the interest payable on the first $20 million of nonguaranteed development bonds issued to finance projects in an economically distressed area. These bonds will be taxable and will carry with them an interest rate subsidy of 35 percent in Fiscal Years 1979 and 1980, and 40 percent thereafter. The bonds will not be subject to the capital expenditure limitation in the Internal Revenue Code applicable to tax exempt industrial revenue bonds. The principal amount subsidized will be reduced by the amount of tax-exempt (and taxable bond option) industrial revenue bonds issued to benefit the same ultimate borrower in the same area.

Development bonds can be used only to finance the capital costs of eligible projects in economically distressed areas. In selecting among applications, the same criteria will be applied as in the other programs.

A total of $934 million of obligational authority is proposed for Fiscal Years 1979, 1980 and 1981.

LIQUIDITY FACILITY

The Bank is authorized to purchase long-term loans (other than those guaranteed by the bank) made by private financial institutions in economically distressed areas. The purchase is subject to the concurrence of the local development authority. The private financial institutions will use the proceeds from the Bank's purchase to make new loans to private businesses to finance capital improvements in economically distressed areas.

The Bank will have the power to purchase loans at a premium created by the difference between the interest rate on the loans and the Federal borrowing rate.

The private financial institution will remain liable on the loans purchased. Its obligation may be secured by collateral. In the event of a default, it will repurchase the loans and forfeit all or part of the premium.

A total of $3 billion is proposed for this purpose for Fiscal Years 1979, 1980 and 1981.

NATIONAL DEVELOPMENT BANK ACT OF 1978—SECTION-BY-SECTION ANALYSIS

The Bill establishes a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and investment in areas with high unemployment, lagging economic growth and low income.

The Bill has 13 Titles:

I. Congressional Findings and Statement of Purpose.
II. Definitions.
III. Establishment of Bank.
IV. Powers.
V. Role of Local Development Authorities.
VI. Restrictions on Financial Assistance.
VII. Guarantees.
VIII. Interest Rates Subsidies.
IX. Grants.
X. Liquidity Facility.
XI. Designation of Eligible Areas.
XII. Appropriations.
XIII. Miscellaneous.

TITLE I. CONGRESSIONAL FINDINGS AND STATEMENT OF PURPOSE

The first Section is an unnumbered paragraph which establishes the Act's formal title as the "National Development Bank Act of 1978".

Section 102—Findings. The findings focus on the importance to the nation of the economic well-being of local economies. The persistence in certain urban and rural areas of high unemployment, lagging economic growth and low income cause economic burdens which fall upon their populace, the State and local governments, and the nation as a whole. These burdens result in reduced tax revenues and increased service burdens. These factors can be ameliorated by stimulating private sector business activity. But private businesses have been unable to raise necessary funds through conventional means and upon reasonable terms and are deterred by the relatively higher cost of operating in those areas. The Bank will seek to address the impediments to private investment by making available to private businesses several types of financial assistance, including the facilitation of long-term financing, for the construction of new facilities and the acquisition and rehabilitation of existing facilities on reasonable terms, as well as other financial assistance in order to offset the higher costs of operation.

Section 103—Statement of Purprose. It is the intention of Congress to establish a National Development Bank to provide long-term financial incentives and assistance to encourage businesses to remain, expand, or locate in distressed areas and to provide a liquidity facility to encourage the flow of private credit to such areas. In doing so, the Bank will cooperate with other Federal agencies involved in economic and community development activities and, where appropriate, help coordinate such activities.

TITLE II. DEFINITIONS

Section 201—Definitions. This Section establishes the basic definitions used throughout the Act. Definitions of other terms are provided in other titles as relevant. The more important definitions are set forth below.

A "Distressed Area" is one in which projects undertaken may qualify for the Bank's aid programs. To be designated as such an area by the Bank, the area must satisfy the requirements of Title XI, which compares the area's rates of unemployment, growth in employment, per capita income, and growth in population to the national average. A Distressed Area is the geographical area encompassed by a "Local Government", but also includes Puerto Rico, the Virgin Islands and certain territories. This concept also includes certain areas under the sovereignty or governance of Indian tribes, Eskimos and other specified groups, and certain "pockets of poverty" within jurisdictions which are not themselves distressed.

An "Eligible Company" is the private sector owner or operator of a qualified capital investment project. It may take any legal form.

An "Eligible Project" is a capital investment project in a Distressed Area for which aid is available. The project must be the construction of new facilities or the acquisition, rehabilitation or improvement of existing ones. For a project to qualify for Financial Assistance, the Bank must make a finding under Section 601 that assistance at the level requested is required to induce the Eligible Company to undertake the project, or is a dominant factor in its decision to do so.

"Financial Assistance" is the direct aid provided under the programs of the Act in the form of guarantees, grants, and interest subsidiaries.

"Local Development Authority" is an entity which qualifies under Section 504 to sponsor or otherwise encourage Eligible Projects. It assures local involvement in the Bank's projects, an essential part of the Act's programs.

"Local Government" is defined as (1) a municipality, township, or other political subdivision of a State (other than a county) which is a unit of general government (determined under usual principles applied by the Bureau of Census), including the District of Columbia; and (2) so much of a county or, in the case of Alaska, a census division, as not such a unit of general government. It also means the Virgin Islands, certain territories, areas under the sovereignty of Indians and other groups, and "pockets of poverty."

"Long-Term Debt" means any indebtedness for borrowed money (or a portion thereof) owed and privately-placed or publicly-distributed securities which matures between one year and 30 years from the date of the Bank's determination. That portion of a loan or securities that are guaranteed by the Bank must be extended or purchased by a Private Financial Institution or through a public distribution in order to assure private sector credit standards. For those limited refinancings of existing debt allowed in the definition of costs eligible for Bank-assisted financing, only debt and securities not previously outstanding are eligible.

"Plant" means the facilities in which the capital investment is made. It includes real estate, buildings, improvements and machinery and equipment to the extent they constitute fixtures. Equipment that can be removed from the site is not included.

"Private Financial Institution" means any bank, trust company, savings and loan association, industrial bank or loan company, credit union, building and loan association, insurance company, mortgage company, and any other company engaged in the business of providing long-term financing.

"Project Cost" defines the costs eligible for Bank-assisted financing. It means the aggregate of the reasonable and necessary costs incurred for the construction, acquisition, rehabilitation, or improvement of a facility by the Eligible Company. It includes costs of access and utilities, and certain construction period and start-up expenses. Under limited circumstances, a portion of the Long-Term Debt may be represented by a refinancing of existing debt.

TITLE III. ESTABLISHMENT OF THE BANK

Title III contains seven Sections which provide for the establishment and governance of the Bank, and for annual reports on its activities, including an explicit assessment of the effectiveness of its programs.

Section 301—Establishment. The Bank is an instrumentality and agency of the United States under the direction of the President of the United States. The Bank will

have no office in any jurisdiction other than the District of Columbia, where it is to be resident for civil suits against it.

Section 302—Purpose. The purpose of the Bank is to encourage and assist private businesses to locate, expand, or maintain Eligible Projects in Distressed Areas by providing the aid authorized by the Act.

Section 303—Board. The Bank will have a three-member Board composed of the Secretaries of Commerce, Housing and Urban Development and Treasury. The chairperson of the Board will alternate annually between the Secretaries of Commerce and HUD. The President of the United States will select the initial chairperson. Each Secretary may designate in writing up to two alternates (officeholders in the respective Departments appointed with the advice and consent of the Senate) as members.

The Board will hold regular meetings no less than quarterly. Special meetings can be held on the call of any member. Action by the Board requires the affirmative vote of two members at a meeting or the unanimous written consent of all three without a meeting.

The Board is responsible for the management of the Bank and the establishment of policies to carry out the Bank's statutory responsibilities. It has the power to review and approve all decisions to extend aid under the Act. It will adopt regulations as necessary or convenient for the functioning of the Bank. The Board may exercise all of the powers granted to the Bank, and can delegate functions to its staff (including the powers to make findings and give approvals as required) as it thinks appropriate.

Section 304—President and Executive Vice President. The president and executive vice president of the Bank are appointed by the President of the United States with the advice and consent of the Senate. The president is the chief executive officer, and subject to Board direction, is to manage and supervise the Board's affairs and perform other functions prescribed by the Board. The executive vice president performs the duties of the president upon the absence or disability, or a vacancy in the office of the president, and, at other times, the functions prescribed by the Board and the president. The Bank's president is to be compensated at the Executive Level III salary level, and the executive vice president at the Level V.

Section 305—Advisory Committee. There is a nine-member advisory committee for the Bank which will meet at least three times each year on the call of the Bank's president. The members will be appointed by the President of the United States. They are to be persons who are generally knowledgeable in and/or representative of the areas of State and local government, commerce, finance, labor, community development, economic development, environmental protection, and consumer and community interests. Two members may be officers or employees of the Federal Government.

The nongovernmental members will be compensated for each day spent in travel or at meetings at a rate not in excess of the GS–18 level, and may be reimbursed for travel expenses.

Section 306—Confidential Material. This Section provides for the confidentiality of certain records, materials or data received by the Bank in connection with an application for financial assistance. To the extent the Bank finds consistent with the principles of the Freedom of Information Act and the Sunshine Act, trade secrets or commercial or financial information contained therein will constitute "privileged or confidential" information exempt from disclosure under those laws. Any portion of a Board or Advisory Committee meeting involving the discussion or consideration of such protected information is to be held in executive session closed to the public.

Section 307—Reports. The Bank must submit to the President and the Congress within 90 days of the end of each fiscal year, a report of its operations and accomplishments during that year. The report is to include specific information covering the Bank's receipts and expenditures during, and assets and liabilities at the end of, the year. The Bank is also to provide other specific information, including schedules of the assistance it has provided and committed during the year under its programs, the amounts which are outstanding, the operation of the liquidity facility, and the number of assisted projects and firms. The Bank is required to report on its impact both by estimating the number and type of jobs created or retained and the State and local revenues generated, and by assessing its effectiveness at increasing the flow of capital to Eligible Projects that would not have remained, expanded or located in Eligible Areas without the Bank's assistance.

TITLE IV. POWERS

Section 401—General Powers. This Section provides the Bank those broad general powers necessary for it to operate under the Act and normally available to independent governmental agencies. The Bank is empowered to do all acts and things necessary or incidental to the conduct of its business and the exercise of all the rights and powers granted to it by the Act, and to establish rules and regulations to do so. It can employ and fix the compensation of those who provide services to it, subject to the civil service laws and other Federal laws which govern compensation. The Bank can utilize the services of other agencies or instrumentalities on a reimbursable basis and the mails on the same basis as the executive departments of the Government. Other normal and necessary powers are also specified.

TITLE V. ROLE OF LOCAL DEVELOPMENT AUTHORITIES

This Title contains eight Sections which establish the important function of the local authorities in developing projects and otherwise implementing the direct assistance programs of the Bank. Local authorities have a primary role in assuring coordination of the Bank's actions with local economic and community development policies and programs. This role recognizes the necessity of utilizing the knowledge and judgment of the local authorities in assessing the economic value of a project to the community.

Section 501—Applications. Only the appropriate Local Development Authority can submit an application for Financial Assistance. It is principally responsible for negotiating the terms of Financial Assistance with the Bank on behalf of the Eligible Company. An application must be for a Distressed Area with a population of at least 10,000 persons or an area governed by an Indian tribe or Eskimo or other specified group, or be concurred in by Local Development Authorities for contiguous Distressed Areas having populations which, together with that of the Distressed Area to which the application relates, aggregate at least that number. Each applicant must describe the project to be assisted and demonstrate how the proposal fulfills the objectives and requirements of the Act and any regulations issued thereunder. To help limit the risk of conflicts of interest, each application must list in detail each equity and other investor in the Eligible Company, unless there are more than 150 investors (in which case the burdens of obtaining the information exceed the benefit of disclosure). In all cases, all holders of ownership interests which equal or exceed 5 percent must be listed. The Board is to establish regulations for other potential conflicts of interest.

Section 502—Review and Reporting. The Bank will enter contractual arrangements with the applicable Local Development Authority to review periodically any project which the Bank has agreed to provide Financial Assistance in order to assure that the employment and other economic benefits to the area contemplated by the application are being realized. These will include written reports to the Bank at least every third year during any guarantee or interest subsidy as to the status and use of the Plant, the continued satisfaction of the terms of Financial Assistance and any other information requested by the Bank. The applicable Local Development Authority is also to review the reinvestment in qualified projects of the proceeds from the Bank's liquidity facility.

Section 503—Ownership of Property. Assisted projects, or any part thereof, may be owned by either the participating Local Development Authority or the Eligible Company. The Local Development Authority, if owner, will pay amounts in lieu of taxes, unless exempted or waived by the appropriate taxing authority. No payment will exceed the amount of tax that would be paid by a private owner of the Project.

Section 504—Designation. The Local Development Authority must be either the Local Government that governs the area or be designated by that government. In the latter case, it must be redesignated every two years. There will be only one Local Development Authority for each Distressed Area, but separate authorities may be appointed for specific projects.

Section 505—Conflicts of Interest. Under this Section, no conflict of interest is deemed to result from the affiliation with a Local Development Authority of a person who has an interest in or or other association to the Eligible Project or Eligible Company so long as the person (1) files a statement of such interest or association with the Local Development Authority and the Bank, and (2) does not participate in any deliberation, action or vote by the Local Development Authority with respect to such Eligible Company or Eligible Project. No assistance can be provided where such an interest or association raises a significant issue concerning the independence of the Authority's collective judgment or its freedom from domination by such common interests.

Section 506—Audit. Each Local Development Authority must submit its books and records to Bank audit during the term of any Financial Assistance provided by the Bank.

Section 507—Coordination. The Bank will cooperate with Local Development Authorities in Distressed Areas in developing Eligible Projects which meet the standards of the Act. The Bank is authorized to consult with any person, including other private or public organizations or agencies with purposes similar to its own.

Section 508—Limitation on Aid to "Pockets of Poverty". The Bank will adopt procedures to assure that the portion of each type of Financial Assistance available to assist projects in areas which qualify under the "pockets of poverty" exception to the definition of Distressed Area is limited to 10 percent of the total amount of that type of assistance actually provided during the respective fiscal year. In deciding among applications under this exception, the Bank will take into account, in addition to all other factors (a) the degree of economic distress in the full area encompassed by the applicable Local Government, and (b) the extent to which the proposed Project will benefit residents of the Distressed Area.

TITLE VI. RESTRICTIONS ON FINANCIAL ASSISTANCE

Title VI contains four Sections which focus the Bank's aid on projects in Distressed Areas, and set forth the factors to be considered by the Bank in allocating its resources among applications.

Section 601—Required Finding. This is the central finding in the Financial Assistance

process. The Bank may not grant Financial Assistance to any project unless it finds that aid at the level to be granted is a necessary or dominant factor in inducing the firm to undertake the project. The Bank is required to document the reasons which support its finding; and this documentation will be subject to review by the General Accounting Office in connection with any audit it may undertake.

Section 602—Award of Assistance. In deciding among competing applications, the Bank must give primary consideration to (1) the project's provision of private sector employment opportunities and (2) its contribution to the economic and fiscal base of the Distressed Area (including the extent private sector employment opportunities would be provided in the Distressed Area, particularly for long-term unemployed or low-income residents). Other factors which the Bank will consider include, but are not limited to, the extent to which (a) the project would provide opportunities to expand minority business, and (b) (i) the Local Government and the related Local Government Authority have undertaken or agree to undertake other related actions by encouraging economic development and the provision of employment opportunities in the Distressed Area, and (ii) the appropriateness of the project in view of the area's labor force and public facilities and services.

Section 603—Competing Distressed Areas. This Section seeks to prevent damage which might result from Bank aid which causes relocations from one area to another. No Financial Assistance can be provided or loan purchased with respect to any project intended to facilitate the relocation of a facility or employment opportunities unless the Bank finds that the relocation does not signficantly and adversely affect the employment or economic base of the area from which relocation is to occur. In providing Financial Assistance, the Bank shall also consider the Project's impact upon proximate Distressed Areas.

Section 604—Development Policies. The Local Development Authority must agree that the proposed project is consistent with the economic and community development policies of the Local Government for the Distressed Area. The Bank will also consider the existing economic and community development policies of other Federal agencies for the Distressed Area.

TITLE VII. GUARANTEES

This Title contains seven Sections which authorize the Bank to guarantee long-term loans of up to $15,000,000 per project to finance the capital costs of projects in Distressed Areas. An essential element of each transaction is the existence of a nonguaranteed loan by an unrelated private financial institution representing at least 25 percent of the total Long-Term Debt. This assures a private sector credit decision, thus limiting the Bank's assistance to viable projects.

Section 701—Authorization. The Bank may guarantee the principal and interest of a portion of the Long-Term Debt (other than publicly-distributed securities and tax-exempt industrial development or other municipal bonds) for any Eligible Project in a Distressed Area under terms and conditions prescribed by the Bank, and subject to compliance with Section 702.

Section 702—Restrictions. Subsection (1) limits the amount of loans which may be guaranteed to no more than 75 percent of the Long-Term Debt and sets a maximum ceiling of $15 million on the amount guaranteed for each project. This assures private nonguaranteed for each project. This assures private nonguaranteed participation for at least 25 percent of the Long-Term Debt, providing a private sector credit decision on the creditworthiness of the borrower and viability of the project.

Subsection (2) conditions the extension of a guarantee upon contractual arrangements among the Bank, the Eligible Company, all persons (or their representatives) which have extended Long-Term Loans for the project (whether or not guaranteed) and, if it is to own any of the Plant or otherwise be a party to the transaction, the appropriate Local Development Authority, to assure (a) that the proceeds of the financing will be applied to the Project Cost and in the manner proposed in the application, and (b) that all repayments of all Long-Term Loans for the project will be applied to the guaranteed and nonguaranteed portions in such a manner that the ratio of guaranteed to total Long-Term Debt never exceeds the ratio which existed upon original guarantee.

Subsection (3) requires the terms and conditions of the guaranteed Long-Term Debt to be at least as favorable in all respects to the lender of such Debt as those applicable to the nonguaranteed Long-Term Debt for the project. These shall in no respect subordinate the Bank to the holders of such nonguaranteed Long-Term Debt. Its purpose is both to assure the usefulness to the Bank of private credit decision and to prevent the Bank's relative position from deteriorating over time.

Subsection (4) precludes the Bank from guaranteeing industrial development bonds or other municipal debt on which the interest is exempt from taxation under Section 103 of the Internal Revenue Code.

Subsection (5) limits the interest rate (exclusive of guarantee fees and service charges) on guaranteed loans to a rate related to the current average market yield on bonds of comparable maturity guaranteed by the United States as determined by the Bank after consultation with the Secretary of the Treasury. Because it is supported by the full faith and credit of the United States, the guaranteed portion should bear a risk-free rate no higher than that applicable to other loans guaranteed by the United States.

Subsection (6) conditions guarantee of any loan upon a finding by the Bank that any lender extending such loan is responsible, and that adequate provision has been made for servicing the loan on reasonable terms and protecting the financial interests of the United States.

Subsection (7) conditions guarantee of any loan upon a finding by the Bank that there is reasonable assurance of repayment of principal and interest.

Section 703—Resale of Guaranteed Debt. The Bank may impose conditions, including consent requirements, which limit the resale of loans which it guarantees. The Bank's guarantee becomes null and void if the guaranteed debt is sold without the consent of, or on different terms from, those stipulated by the Bank. Its purpose is to permit the Bank to coordinate its transactions with the debt management activities of the United States pursuant to Section 707.

Section 704—Resale of Nonguaranteed Debt. All lenders on the nonguaranteed portion of the Long-Term Debt (other than holders of publicly distributed debt securities) will be required to agree with the Bank not to sell or otherwise dispose of such portion other than to Private Financial Institutions or through public distributions. This is to prevent preplanned resales to the respective Local Government or Local Development Authority which would effectively eliminate a valid private sector credit decision.

Section 705—Restrictions on Nonguaranteed Debt. The nonguaranteed portions of the Long-Term Debt for a project must bear interest at reasonable rates. In order to assure the existence of a true private credit decision, the nonguaranteed portion may not be guaranteed by, or otherwise assisted by, any governmental program other than the tax exemption for interest on industrial development bonds, and the subsidies available under the taxable bond option in the Internal Revenue Code and under Section 802 of this Act.

Section 706—Reserve for Contingencies. The Bank may derive from its appropriations up to 25 percent of the outstanding guaranteed loans under this Title as a reserve to honor its guarantee commitments. This is to facilitate appropriations pursuant to the Act's authorizations. The specified percentage is not intended to represent an estimate of losses, but is merely a maximum intended to assure private lenders of the ready availability of funds to honor the Bank's obligations.

TITLE VIII. INTEREST RATE SUBSIDIES

This Title contains three Sections authorizing interest rate subsidies.

Section 801—Subsidies for Guaranteed Loans. The Bank is authorized to subsidize a portion of each interest payment on the portion of Long-Term Debt guaranteed by it. The Bank will determine the amount of subsidy necessary to induce the Eligible Company to undertake the project, but cannot reduce the borrower's effective annual interest cost below 2½ percent. The Bank's maximum subsidy in each year will be fixed at the time it agrees to provide the subsidy.

Section 802—Subsidies for Other Loans. The Bank is also authorized to provide interest subsidies for Long-Term Debt not guaranteed by it incurred to finance the cost of Eligible Projects in Distressed Areas. Section 802 sets the subsidy paid in any year at 35 percent of the interest cost for such year for loans made in 1979 and 1980, and 40 percent for loans made thereafter. The same criteria as in the guarantee program will be applied in selecting among applications.

Section 803—Conditions. There are four restrictions on subsidies for nonguaranteed loans. Subsection (1) recognizes the relationship between this subsidy and the proposed taxable bond option in the Internal Revenue Code. The principal amount of Long-Term Debt subsidized, plus the aggregate principal amount of all outstanding industrial development bonds eligible for tax-exempt status that were issued by the Eligible Company or related persons to finance projects in the same Distressed Area cannot exceed $20 million. These development loans are not subject to the capital expenditure limitation applied by the Internal Revenue Code to exempt industrial revenue bonds.

Subsection (2) prohibits subsidies for tax-exempt industrial development bonds or other Long-Term Debt that is guaranteed, subsidized or otherwise assisted by any Federal, State or municipal government entity.

Subsection (3) terminates the Bank's responsibility to make subsidy payments if the Eligible Company defaults in the payment of the underlying interest obligation.

Subsection (4) prohibits subsidizing interest payable to affiliates of the Eligible Company except in the case of publicly-issued debt securities. Such securities must be underwritten in a firm commitment underwriting in which at least 40 percent of the face amount is acquired by unaffiliated persons. This restriction helps assure an independent private credit decision.

TITLE IX. GRANTS

This Title authorizes the Bank to make grants as part of its array of Financial Assistance tools.

Section 901—Authorization. Subsection (1) authorizes the Bank to provide grants to assist Eligible Projects in Distressed Areas for which it has extended a guarantee or provided an interest subsidy, or in connection with which a local development entity has issued tax-exempt industrial development bonds. The grants are to be made from funds appropriated specifically for use by the Bank under Title IX of the Public Works and Economic Development Act of

1965 and under Title I of the Housing and Community Development Act of 1974. Grants are to be made to the Local Development Authority unless it is precluded by law from participating in the grant process, in which case they will be made to the Local Government or the Eligible Company.

Subsection (2) requires the Bank to submit a copy of any application for a grant to the Departments of Commerce and HUD; to give those Departments an opportunity to participate fully in consideration of the application; and, in deciding upon any application, to consider their views as to whether the proposed project is consistent with other Federal economic and community development activities in the Distressed Area in which the project is to be located.

Section 902—Restrictions. Subsection (1)(a) limits any grant to the lesser of $3 million or 15 percent of the applicable Project Cost.

Subsection (1)(b) limits grants to projects which the Bank finds consistent with the statute through which the funds are appropriated.

Subsection (1)(c) precludes any grant unless there are firm contractual arrangements among the Bank, the Eligible Company, the Local Government, and the Local Development Authority which condition the grant upon (i) the prior or simultaneous consummation of the related debt transaction or (ii) the agreement to refund the grant to the Bank if the transaction does not take place. This limits the risk of grants to projects which fail to reach fruition.

Subsection (2) authorizes the Secretaries of Commerce and HUD, depending upon the statute from which the funds are drawn, to waive the requirements otherwise applicable under those statutes in specific cases so as to (a) permit grants to be made and redistributed to private, profit-making corporations and other private parties; and (b) permit delegation to the appropriate Local Development Authority of responsibilities for environmental review, decisionmaking and action pursuant to specified environmental protection laws and other requirements. The respective Secretary is also authorized to waive any other requirement of the statutes governing these grant programs which such Secretary and the Bank acting together determine in writing would be inconsistent with the specific terms and provisions of this Act. This waiver authority is intended to permit achievement of the purposes of this Act within the framework of the other grant programs as interpreted by the appropriate Department.

TITLE X. LIQUIDITY FACILITY

This Title contains nine Sections which govern the Bank's ability to purchase loans to provide additional liquidity to induce private financial institutions to finance new capital improvements and otherwise increase the general flow of capital to Distressed Areas. The loans may be made in connection with a Bank-assisted project or otherwise.

Section 1001—Generally. The Bank may purchase, pledge, sell, service or otherwise deal with qualified loans, for the purposes indicated above. This authority may be exercised only with the concurrence of the appropriate Local Development Authority.

Section 1002—Qualified Debt. Loans qualified for purchase by the Bank are limited to those long-term loans made by Private Financial Institutions to Eligible Companies (particularly small and medium-sized businesses) to finance projects in Distressed Areas.

The Bank may not purchase any part of a loan that is either guaranteed or subsidized under this Act; tax-exempt under Section 103 of the Internal Revenue Code; or extended, guaranteed or subsidized by, or any Federal, State or municipal government entity.

Section 1003—Financial Arrangements. The seller must assign to the Bank all its rights under the loan. The sale is made with full recourse to the seller in the event of default. The seller must agree to repurchase the loan upon default at a price equal to the total of the unpaid principal and accrued and unpaid interest, any charges on overdue payments, and the unamortized portion of any premium received on its sale to the Bank. It may be required to secure this obligation in whole or in part with other marketable debt securities, and agree to maintain the value throughout the term of the loan by the pledge of additional securities.

Section 1004—Use of Proceeds. The seller must agree to reinvest the proceeds of a purchase by the Bank in new loans, approved by the Local Development Authority, for projects in Distressed Areas within 6 months. The initial maturity of the new loans must be at least five years; and their aggregate principal amount must at least equal that of the loan purchased by the Bank. The Local Development Authority must also certify that the project being financed is consistent with the objectives of providing new private sector employment opportunities and contributing to the economic and fiscal base of the Distressed Area.

Section 1005—Obligation to Reinvest. Subsection (1) requires the seller to agree to provide the Bank evidence periodically to confirm that the proceeds have been reinvested as agreed. Subsection (2) requires the seller to agree to perfect the Bank's security interests in the purchased loans and any related collateral. Subsection (3) requires the seller to agree that, upon its failure to perform, it will repurchase the loans from the Bank and forfeit as a penalty the entire premium received on its sale to the Bank.

Section 1006—Price. The Bank may purchase loans at a premium, allowing the sellers a profit to encourage reinvestment in Distressed Areas. The maximum purchase price, however, is the price at which the Bank expects to resell the loans to the Federal Financing Bank. That price is based on the average rate for comparable government securities.

Section 1007—Servicing. The Bank may arrange for the seller or any other financial institution to service any loan purchased and have custody of the loan and related collateral. It may also perform such services itself. The Bank is authorized to pay reasonable fees for such services, both to reimburse the costs and to provide an additional incentive for the seller to make the loan. It may also charge fees for rendering such services.

Section 1008—Sale of Qualified Loans. The Bank may finance its purchases by reselling the loans to the Federal Financing Bank and, to the extent it does, will guarantee payment of principal and interest thereon. In the event of a default, the Bank would pay the Federal Financing Bank, if necessary using its appropriations on an interim basis until it receives payment upon resale of the loan to the seller and liquidation of the related collateral.

Section 1009—Reserve for Contingencies. The Bank may derive from its appropriations up to 25 percent of the amount of the outstanding guaranteed borrowings from the Federal Financing Bank. This permits the Bank to bridge any temporary delay while the Bank collects on the obligations and collateral of its sellers, and facilitates the appropriation process. Like the comparable provision applicable to guaranteed private loans, the percentage specified is not intended to represent estimated losses.

TITLE XI. DESIGNATION OF ELIGIBLE AREAS

Title XI establishes the procedure and criteria for designating Distressed Areas. As indicated, an area may receive assistance under the "pocket of poverty" exceptions even if it would not otherwise qualify because it is located in a jurisdiction that, taken as a whole, is experiencing greater economic prosperity.

Section 1101—Annual Designation. The Bank will determine and designate Distressed Areas within four months after enactment of the Act and annually thereafter, and will publish such designations in the Federal Register. Each such designation, as well as each designation of a "pocket of poverty", remains effective for one year. The Bank is authorized to enter agreements to assist projects in designated areas during that one-year period and the subsequent year, even if the area is not redesignated for the second year.

Section 1102—Method to Determination. A Distressed Area is the geographical area encompassed by a Local Government, which is characterized by at least three of four specific conditions. These conditions compare the characteristics of the locality (usually for the most recent five-year period) to the national averages and are the following:

(a) an above-average unemployment rate;

(b) a below-average rate of growth rate in employment;

(c) a below-average absolute growth rate in per capita income; and

(d) a below-average growth rate in population.

No area may be designated if its per capita income during the most recent year for which data are available exceeds the national average by more than 125 percent. The method for computing each rate is specified in Section 1104.

Separate national averages will be computed and used for areas that are part of Standard Metropolitan Statistical Area and those that are not, permitting urban areas to be compared to urban areas and rural areas to rural areas.

Section 1103—Statistical Grouping. This provision defines a "Statistical Grouping" to mean either all Standard Metropolitan Statistical Areas (SMSA) considered as a group, or all areas outside SMSA's considered as a group. A Local Government belongs to the grouping comprised of all SMSA's if any part of it is located within an SMSA area; and, otherwise, it belongs to the grouping of all non-SMSA's.

Section 1104—Determination of Rates. Subsection (1) defines "unemployment rate" as the average rate of unemployment during the most recent 20 calendar quarters for which data are available by reference to data determined by the Bureau of Labor Statistics.

Subsection (2) defines "rate of growth in employment" by reference to data determined by the Bureau of Labor Statistics.

Subsections (3) and (4) define the "absolute change in per capita income" and "rate of growth population" similarly by reference to data determined by the Bureau of the Census.

Where data is not available for the earlier period, Subsection (5) authorizes the Secretary of Commerce or Labor, as the case may be, to determine the appropriate local rate on the basis of data for the period as close to 20 calendar quarters or five years, as the case may be, as the Secretary determines to be most appropriate.

Where an unemployment rate or rate of growth in unemployment cannot be determined, Subsection (6) assigns the rate for the smallest unit of Local Government or appropriate area for which a local rate has been determined which is within the jurisdiction or area of the Local Government. It also authorizes the Secretary of Labor to apply a rate provided by the Governor of the State in which the Local Government is located where the Secretary determines the rate was developed in a manner consistent with the procedures used by his Department.

Subsection (7) provides that the computations for that part of a county or census division which is not a unit of government is by reference to the county data excluding that related to areas which are units of government.

Section 1105—Responsibility for Determining Rates. The Secretaries of Labor and Commerce will determine the data required of them under Section 1104, and report it to the Bank's president annually.

Section 1106—Other Distressed Areas. This Section provides a special rule for "pockets of poverty" in areas of Local Government with a population of at least 50,000 persons which do not themselves qualify as Distressed Areas under the foregoing criteria. Any of these may qualify as a Distressed Area if, on the application of the appropriate Local Development Authority, the Bank finds that the area (1) is composed of contiguous territory and has a population of at least 10,000 persons, and (2) would itself qualify if it were itself encompassed by a Local Government.

TITLE XII. APPROPRIATIONS

This Title limits the Bank's authority to provide assistance to that specified in appropriation Acts, authorizes the relevant appropriations, and amends the related Commerce and HUD statutes from which grants are to be drawn to provide the Bank full authority over the respective funds.

Section 1201—Limitations to Appropriations Acts. This provision limits the Bank's authority to provide Financial Assistance or to purchase loans in any fiscal year to those amounts specified in appropriations Acts.

Section 1202—Authorizations of Appropriations. This provision establishes the authorizations for Fiscal Years 1979, 1980, and 1981.

Subsection (1)(a)(i) authorizes $25 million each year for the Bank's initial organizing and operating expenses.

Subsection (1)(a)(ii) authorizes $810 million, $1,095 million, and $1,095 million respectively for bond purchases by the secondary facility.

Subsection (1)(a)(iii) authorizes $1,035 million, $1,380 million, and $1,380 million respectively for interest subsidies on the guaranteed loans.

Subsection (1)(a)(iv) authorizes $234 million, $324 million, and $376 million respectively for interest subsidies on other loans.

Subsections (1)(b) through (1)(f) authorize a total of $550 million in each year for the grant program to be provided equally from the EDA and UDAG programs. These subsections amend the other governing statutes to add the authorization to each program and to technically permit the Bank to make the grants under them.

Subsection (2) authorizes the Bank to guarantee loans pursuant to Title VII up to $2,175 million, $2,900 million, and $2,900 million respectively.

Subsection (3) authorizes the Bank to purchase loans for resale to the Federal Financing Bank pursuant to the liquidity facility of Title X, in the amounts authorized above.

TITLE XIII. MISCELLANEOUS

Section 1301—Fees. The Bank may assess such fees and charges as it deems appropriate and reasonable to reimburse it for the administrative and servicing expenses it incurs in providing Financial Assistance under the Act.

Section 1302—Incontestability. The Bank's guarantee or subsidy is conclusive on the eligibility for aid of the related debt. The validity of the Bank's obligations are incontestable in the hands of a holder except for fraud or material misrepresentation on the part of the holder.

Section 1303—Priorities and Security Interests. Subsection (1) authorizes the Bank to waive, wholly or partially, the special priority accorded generally to claims of the Government, with respect to any debt to or claim of the Bank arising, or pursuant to any assistance provided, under the Act. The Bank may waive that special priority only to the extent it concludes necessary to facilitate achievement of the purposes of the Act. However, the Bank may not subordinate its claims to those of any other creditor. This waiver authority is to prevent the disincentive to private creditors which might otherwise result. The Bank's claims related to its aid programs are to stand on a generally equal footing with those of private creditors.

Subsection (2) performs a similar function by eliminating the "circular lien" problem under which the priority of the Government could persist against other creditors on Long-Term Debt, due to the Government's priority over State and local tax claims which have priorly over those private creditors.

Subsection (3) establishes a priority position for the Bank in loans purchased and claims held under the Act and for perfection of its security interests, all without regard to State law. However, as indicated, these claims are subject to the Bank's waiver of any special priority over the claims of other creditors.

Section 1304—Exemption from Taxation. The Bank, its assets, mortgages, security holdings, income and transactions are exempt from all State and local taxation.

Section 1305—Federal Jurisdiction. In addition to any applicable State court jurisdiction, the Federal district courts shall have jurisdiction over any action brought by the Bank with respect to its claims on Financial Assistance provided or loans purchased under the Act. The Bank may also remove actions brought against it in the State courts to the Federal courts.

Section 1306—Actions by the Attorney General. At the Bank's request, the Attorney General is to take appropriate action to enforce any claim or right of the Bank with respect to Financial Assistance or loans purchased. The Bank may also utilize the services of its own or outside counsel as it finds appropriate.

JUNE GOLDEN FLEECE AWARD GOES TO FEDERAL HIGHWAY ADMINISTRATION

Mr. PROXMIRE. Mr. President, I am giving the Golden Fleece of the Month Award for June to the Federal Highway Administration for spending $222,000 to study "Motorist Attitudes Toward Large Trucks." Among the detailed questions proposed to be asked of 2,430 drivers at nine sites (rest stops, parking garages, turnpike exists,and so forth) in three States are:

Do you consider that large trucks—
(a) Contribute to traffic congestion?
(b) Block a driver's vision?
(c) Travel too fast on highways?
(d) Travel too slow going up hills? or
(e) Do you consider that side splash from trucks on wet roads is a problem? or
(f) That the smoke and fumes from these trucks might be a problem?

Mr. President, the study further inquires as to how serious the party interviewed believes the problem is.

Let the record show that I am willing to donate my small car to the Federal Highway Administration for experimental purposes if the answer to these questions is not a resounding yes. In fact when interviewed motorists find out how much is being spent on the survey, their anger at the Federal Highway Administration will exceed that toward the big trucks.

This study cannot be justified on grounds of safety or how drivers actually behave when confronted by big trucks. Instead, it centers on motorists' "attitudes" and is in addition to a companion $1 million study of "The Effect of Truck Size and Weight on Accident Experience and Traffic Operations" and a $297,633 study of "The Effects of Truck Size on Driver Behavior."

While there have been a number of previous studies on large trucks, this study is justified in the supporting statement because of the "* * * dearth of information specifically on motorists attitudes toward large trucks." The justification states:

In examining questions of commercial vehicle/passenger car interactions, the research focus has been on the aerodynamic and human factors aspects. The thrust of these studies was on the physics of the interaction and the psycho-physical performance of drivers. Rarely were questions relating to social perception, cognition or affect ever addressed. The cognitive or mentally evaluative dimension of such vehicular interactions or potential interactions was lost in error variance or not considered at all in formulations of aerodynamic disturbance functions and driver performance factors.

So much for previous studies and their possible duplication. And so much, too, for the English language.

The original prospectus was also replete with the jargon of social science behavioral research. The hard pressed American taxpayer will be delighted to know that the contractor "* * * will be expected to develop a multidimensional attitude measurement device" to "* * * collect sufficient behavioral data to relate each attitude dimension to its associated behavioral correlates" and to "* * * define in detail the experimental design including statistical analysis paradigms."

It is one thing to "Keep on Truckin'," but does it have to be done with taxpayers' dollars?

This is a ridiculous study. It is not a study to determine safety matters. There are other studies that do that that cost a great deal of money, too. This is to determine attitudes. We know what the answer is going to be. In all cases, it is going to be "yes," that they think the trucks go too fast or too slowly uphill.

To spend $222,000 of the taxpayers' money for this purpose is, in my judgment, an outrage.

STANDBY LETTERS OF CREDIT

Mr. PROXMIRE. Mr. President, I wish to bring to the attention of my colleagues an article appearing in the Wall Street Journal recently entitled "Banks Plunge Into Performance Bonding of Overseas Projects, Spurring Concern."

Billions of dollars in guarantees have been issued overseas in the past few years by American banks. This has increased the risk exposure of the banking system. Such guarantees take the form of a standby letter of credit which provides the issuing bank with less protection in the case of default than does a normal performance bond guarantee.

In August of last year the Senate passed legislation which contained a section controlling and limiting the issuance of standby letters of credit by banks. One of our principal concerns at that time was the adverse impact that standby letters of credit have on domestic commercial paper markets. This legislation is now pending in the House. The

Wall Street Journal article indicates that the bill passed by the Senate was on the right track. I commend this article to my colleagues, and I ask unanimous consent it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BANKS PLUNGE INTO PERFORMANCE BONDING OF OVERSEAS PROJECTS, SPURRING CONCERN

(By Edward P. Foldessy)

NEW YORK.—The nation's banking industry is plunging deeply into a growing, and some say, risky, business abroad: insuring the performance of contractors in large development projects, such as the installation of telephone networks in the Middle East and the building of hydroelectric dams in South America.

No one knows the precise exposure of U.S. banks, but specialists say that billions of dollars of such business has been written in the past three years or so.

Insurance companies have long been involved in that type of operation domestically. But analysts warn that banks operate under greater constraints than insurers in providing the service. Moreover, they claim, banks aren't being compensated enough for their risks.

"The risks seem quite high and the return appears to be much too low when compared with the manner in which the 'professionals,' the surety bonding companies, operate," states Leo H. Garman, a senior vice president of First National Bank of Chicago. "Do we really know what we're doing?" he asks.

Banks generally accomplish their "performance bonding" activities through the use of a standby letter of credit, which is in essence a promise to extend a loan under certain conditions.

In a performance guarantee, for example, the letter would be issued for the benefit of the owner of a project under construction. Should the contractor fail to live up to his obligations, the owner notifies the bank, which then turns over the funds to the owner. The line of credit thus becomes a loan to the contractor, who must repay the bank.

LESS FLEXIBILITY

This approach gives banks less flexibility than insurance companies. When an insurer issues a bond, it has the right to carefully monitor the progress of the construction. Should the owner claim the contractor isn't doing a proper job, the insurer could dispute the claim, or rectify the problem. If the contractor has totally mismanaged the project, the insurer, furthermore, could go in and take over the completion.

By contrast, under banking rules, a bank can't dispute an owner that has filed claim of a performance failure, whether or not there has been an actual failure. The bank can't take over the construction. It simply becomes a creditor to the contractor.

That in itself isn't a problem as long as the bank has thoroughly researched the owner and contractor. A contractor with good credit standing and a good track record for completing projects should provide few worries for a bank. "We never expect to pay out on a performance bond," states one New York banker who requested anonymity.

John G. Heiman, U.S. Comptroller of the Currency, doesn't see an intrinsic problem with the concept of banks issuing performance guarantees. But in a recent interview he expressed concern that banks, in a competitive rush to do business, might not properly investigate the contractors.

CHARGE FOR SERVICE

Others say the more immediate problem is that banks simply don't charge enough for the service. In the U.S., for example, an insurance company would charge about $250,000 to bond a $50 million construction project. Because of the right to dispute claims and oversee construction, the surety company rarely would be risking more than 10% to 20% of the total cost of the project, it's generally believed.

In bank bonding, usually only 10% or so of the project amount is insured. The maximum banks usually charge for the standby letter of credit is one percentage point a year, with most at ½ point or lower. At a half point the insurance for the $50 million project would be only $25,000 a year.

According to one source, a recent telephone construction project in Saudi Arabia, whose total cost could reach $4 billion, was insured for a fee of only ¼ point a year.

"I don't think the pricing is right" on many transactions, laments Mr. Garman of Chicago's First National Bank. He adds: "It's the same thing as lending and we aren't getting the return. Some bankers don't understand the instrument.

"The risks are greater than many banks perceive," Mr. Garman states. "It's like insuring the $100 deductible on auto insurance policies." He suggests that banks charge one to two points on most guarantees with a ½ point rate reserved only for large lines where there is an unquestionable credit.

Under law, banks essentially can't make loans to an individual entity of more than 10% of its own net worth. And performance guarantees are considered loans for that purpose. Thus a bank heavily involved in such operations to an individual company or government agency could find itself up against the legal lending limit should it want to make an outright loan to the entity. And outright loans have generally been more profitable, yielding gross profits ranging from about ¾ point to more than two points.

ENDING GENOCIDE IN CAMBODIA

Mr. PROXMIRE. Mr. President, last week the Senator from Idaho (Mr. CHURCH) spoke on the floor of the Senate about one of the most extensive and brutal slaughters of human populations in recorded history.

Senator CHURCH was not recounting the horrors of the Nazi concentration camps or Soviet prisons. He was not asking us to recall the massacre of Armenians at the beginning of this century or the Biafrans in Nigeria 10 years ago. Senator CHURCH expressed his outrage at the murder of as many as 2 million in Cambodia during the last 3 years.

The facts are familiar. Every major newspaper in this country has printed stories of this crime against humanity. Every day the slaughter continues and America looks on.

I ask, can we sit by and watch idly as atrocities are committed against fellow human beings in far away places on the globe? Must we wait until the executions end before we take action? Can we allow thousands more to die?

Mr. President, we can not.

Are we helpless to make a difference where so many lives are at stake?

No, we are not.

Senator CHURCH suggests that we act to support Cambodian refugees and that we express our anger at the perpetrators of this horrible massacre. The actions which Mr. CHURCH suggests are noble. But, Mr. President, we are closing the barn door after the horse.

The world has witnessed thousands of examples of genocide. We must put an end to these crimes before they begin. We need an international means of deterring the crime of genocide.

In fact, the means exist. There is an international treaty to prevent and punish the crime of genocide. Yet, we have not signed.

The treaty is not something new. It was not written in response to the atrocities committed in Cambodia. The treaty was drafted 30 years ago when another horror was fresh in our minds—the Nazi attempt to wipe out the Jews. The document was a first step to abolish genocide. It was an effort to make certain that mass murder on any scale would perish from the Earth.

Now again, we are witnesses to massacres on the same scale as the Nazi murders. Let us act to ratify the Genocide Convention now before there are any more victims.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from Alaska is recognized.

CHANGE IN ANALYSIS OF POLL ON THE ALASKA LANDS ISSUE

Mr. STEVENS. Mr. President, Tuesday, a survey on the Alaska d–2 lands issue was released by the National Center For Telephone Research, a division of Lou Harris Associates. The original analysis of the survey showed us that the American people supported the Alaska position that a balanced d–2 bill be passed by the Senate.

Based upon that original analysis, and relying upon the interpretation issued by Lou Harris Associates, I made a speech on the Senate floor relative to the survey. I circulated it to the other Members of the Senate, and yesterday participated in a press conference with my Alaskan colleague and our Governor regarding the results of that survey.

Following the press conference yesterday, I was informed that Mr. Harris was changing the analysis, based upon the original data, to reach the conclusion that a majority of the people surveyed favored the approach of the House-passed bill, H.R. 39.

My first reaction to that new revelation was that the survey now would be worthless, and I felt compelled to take the floor today to tell the Senate that, through no fault of my own, I had misled the Senate and the Members of the Senate as to the interpretation of that survey.

Last evening I had intended to apologize to the Senate for my remarks based upon that original analysis. Since then, there have been some other developments.

The press in Alaska has reported that a Harris executive has stated that the poll was being altered after discussions between Mr. Harris and high-ranking officials of the Department of the Interior. My staff has been informed that a reliable source within the Department was leaking the news of the change in the Harris analysis to the press and invited the press to phone Mr. Harris on his private line. That is not just a leak.

That is broadcasting something that has not yet occurred.

Considering all that, I began to wonder why the administration and the defenders of H.R. 39 were afraid that the survey's results might discredit their efforts and why they were making such an effort to discredit the survey.

The reports of the alteration and its surrounding circumstances raise serious questions of Government interference and ethics in a special portion of the press which I feel Americans have come to rely upon, and that is the polling community, which we rely upon to determine how Americans actually feel on an issue. So I asked my staff to talk with Mr. Harris, to find out what was being changed.

Mr. Harris told my staff yesterday that the revised analysis had not yet been written. He stated to my staff that he had been too busy to rewrite the analysis, because of responding to calls from the press concerning the revision.

If these reports to my staff are true, it appears to me that Mr. Harris is a victim of a rather intense pressure campaign from the well-heeled, well-financed proponents of the ill thought out legislation which is H.R. 39.

I believe there is an area here that the press should look into. It should inquire whether the Interior Department persuaded or cajoled Mr. Harris into changing his analysis based upon the original statistics.

I would like to find out whether and why the Interior Department told the press to call Mr. Harris to find out about a revised analysis which we were informed last night had not yet been written.

My staff was told that the analysis would be changed to reflect the answers to a question in the survey regarding those who knew of H.R. 39 and how they felt about it.

An additional change would reflect the attitude of these people after having the legislation explained to them and a reanalysis of the raw data concerning the development of trails, way stations, rough vehicle roads, and other visitor facilities.

According to the statements to my staff, Mr. Harris has stated that no raw data has been changed and that parts of the analysis I relied upon have not been changed. If it turns out that they have been, I will do what I originally intended last night, and that is to apologize to the Senate.

I relied upon the conclusions of the analysis that the American people believe that wilderness designation should be restricted only to the highest scenic and wildlife areas—to those of highest values. The House bill does not do that. It provides a blanket designation for nearly 100 percent of the 42 million acres of parks established in that bill, as well as significant portions of the refuges and forests designated in that bill; and we believe, from the original analysis, that the American public does not agree with this wholesale designation of wilderness, and neither do Alaskans.

Second, we feel that Americans believe that Federal lands should be surveyed for their mineral values before any classification to prohibit mining. Alaskans agree with that, also.

Third, the analysis showed that Americans believe that a pipeline can and should be built across park and refuge lands, with proper environmental protection. Alaskans agree with that and believe that we must have access to and the right of exit from the lands that are valuable for oil and gas and mineral development, if we are to meet the national interests with respect to those resources in our State.

Fourth, the analysis showed that Americans believe that new parks must be easily accessible to the American public by conventional means, including surface transportation. We agree with that, also.

According to the original analysis, Americans believe that Federal and State lands of similar character and value should be subject to cooperative management. That is the Alaskan position.

Mr. Harris assured my staff that I will receive a copy of the revised analysis as soon as it has been written. I am disturbed about this analysis, and particularly the reanalysis of the original data.

I want to make certain the record is clear that I do not believe any amount of arm twisting could get Mr. Harris to change the raw data. He has a national reputation, and I believe he could not stay in business if the data were changed. But I am just as disturbed about the change in the analysis of the original data.

I think Americans want a balanced bill, as do Alaskans, and I hope the efforts to discredit the original survey will not work.

I urge the Senate to enact the type of legislation Americans want, following the Alaskan approach, to help us work for a balanced bill.

Mr. President, I hope that we in the Senate are entitled to rely upon national research and polling organizations and to rely upon the fact that when we get a release based upon raw polling data, that analysis is the final analysis.

I am embarrassed, because I have sent that original analysis to every Member of the Senate. Now I must follow up and send them whatever reanalysis is made by Mr. Harris and his associates. To me, that is unfortunate.

I believe that every Member of Congress should be able to rely upon an analysis of a national pollster in the first instance and not have to wait and ask, "Is this the final analysis, based upon your poll?"

ORDER FOR CONSIDERATION OF H.R. 12933, APPROPRIATIONS FOR DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the United Kingdom Treaty today, the Senate return to legislative session and proceed to the consideration of H.R. 12933, which has been cleared for action on both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

TAX CONVENTION WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND—EXECUTIVE K, 94TH CONGRESS, 2D SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now go into executive session to resume its consideration of the United Kingdom Treaty.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The treaty will be stated by title.

The assistant legislative clerk read as follows:

Executive K, 94th Congress, 2d Session, the tax convention with the United Kingdom of Great Britain and Northern Ireland.

Mr. PELL. Mr. President, I ask unanimous consent that Mr. George Christiansen, of my staff, have the privilege of the floor during the consideration of the United Kingdom Tax Treaty.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield 20 minutes to the distinguished Senator from California (Mr. HAYAKAWA).

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HAYAKAWA. I yield.

Mr. SPARKMAN. Mr. President, I wonder whether the majority leader would announce the voting schedule for today, in order that we may have it clear in mind.

Mr. ROBERT C. BYRD. Yes.

Beginning at 11:30 a.m. today a vote will occur on the reservation by Mr. CHURCH, and that will be a 10-minute rollcall vote. Following that vote, a vote will occur, if ordered, on the reservation offered by Mr. KENNEDY, and that will be a 10-minute rollcall vote. Following the disposition of the Kennedy reservation the vote on the treaty with protocols en bloc will occur, and that will be a 10-minute rollcall vote. In the event there is no vote on the Kennedy reservation the vote on the treaty and the protocol will be moved up.

Following the disposition of the treaty the Senate will proceed to the consideration of the transportation appropriations bill. Rollcall votes are expected.

I thank the distinguished chairman and ranking member.

The ACTING PRESIDENT pro tempore. The first vote is scheduled for 11:25 a.m. and not 11:30 a.m.

Mr. ROBERT C. BYRD. The Chair is correct, and that is a 15-minute rollcall vote.

The ACTING PRESIDENT pro tempore. The Senator is correct.

The Senator from New York.

Mr. JAVITS. Mr. President, I now yield 20 minutes to Senator HAYAKAWA.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mr. HAYAKAWA. I thank the assistant minority leader.

Mr. President, I rise today in support of the United States-United Kingdom Tax Treaty which is now before the Senate.

Some of my colleagues in this Chamber may not be aware that I was one of the early supporters of this treaty. Actually I supported it at a time when not only my senior colleague from California but also Governor Brown of California opposed this treaty. I am happy to see today that both gentlemen in the meantime have changed their position and are now supporting the treaty.

The initial opposition of my State to the tax treaty was based on a statement by the Franchise Tax Board of California that its implementation would entail an annual tax loss of $120 million. This is an argument that never convinced me.

As it turned out the figure itself was exaggerated. Moreover, the tax board chose to disregard the obvious; namely, that a more reasonable tax would act as a powerful incentive for foreign-owned multinational corporations to invest in California or to expand their existing investments. To put it in simple terms, the California Franchise Tax Board was million-wise and billion-foolish. It disregarded the tremendous economic uplift to California in the form of increased investments, payrolls, purchasing power, and therefore taxes which an influx of foreign-owned companies would provide for California. Unfortunately, the Franchise Tax Board's arguments neglected long-term considerations.

My emphasis on the opportunities which the unitary tax system eliminates is based on considerable evidence. Naturally I did not have the possibility of conducting a worldwide survey. But I had numerous talks with the Japanese-American Trade Council which strongly supports my point of view. Moreover, the California First Bank, which is the California branch of the Bank of Tokyo, had the following to say on the subject:

Your support of Article 9, Paragraph 4 of the pending US–UK Tax Treaty, will substantially assist the many California firms, such as California First Bank, which are presently being unduly burdened by the combined reporting (unitary) method of tax assessment as presently administered by the California Franchise Tax Board.

Should you have the opportunity to represent the interests of the State of California, you may feel free to bring to the Senate's attention a significant point relative to California First Bank, the State's eighth-largest bank.

Arbitrary administration of the assessment method may jeopardize the interests of our some 3,000 plus minority shareholders in the U.S., whose equity may be reduced by assessments based not on our California income, but on the worldwide income of our parent bank in Japan.

I also received a supportive letter from the Japan Traders' Club of Los Angeles, which explains the position of the Japanese business community:

In behalf of Japan Traders' Club of Los Angeles, a nonprofit California corporation consisting of 280 United States subsidiaries, branches, and representative offices of major Japanese corporations, I would like to express my grave concern about Unitary Taxation in the State of California.

As you know, many Japanese corporations have already invested substantial amounts of funds in California. At the time, our member corporations were not aware of their intention to apply the Unitary concept to such a degree

I strongly feel that Japanese investment in the United States should increase in order to create more employment in this country and, at the same time, help to offset a part of the trade imbalance between the United States and Japan.

We are willing to pay our fair share of corporate tax that relates directly to our United States operations. However, under this Unitary Taxation, world wide operations of the entire corporate group of companies both in and outside the United States are taken into account The impact of this method of taxation on our member firms especially as it is exerted retroactively for 4 years is indeed severe.

If this state, which is geographically advantageous as a part of the Pacific economic basin of Japan, continues to practice the concept of Unitary Taxation, it will result in the impeding of Japanese investment in the United States at her gateway.

We are hopeful that through your good offices you will be able to emphasize to the policy and lawmakers in the Federal and State governments that such a taxation method should be eliminated.

I wish to add that this matter of a trade imbalance between the United States and Japan is a matter of great concern to Japanese businessmen, both those in Japan and those Japanese businessmen doing business in the United States, I, as my colleagues know, was in Japan and I heard this both from the Japanese people themselves and representatives of the Government and also from businessmen in California. They are very, very eager to redress this matter of trade imbalance.

In Japan, incidentally, firms like Nissan Motors, which manufactures the Datsun automobile, Toyota, Sony Electronics, the Honda Motor Co.—these are all companies that either are contemplating enlarging their present facilities in California, as in the case of Sony, or in the case of Honda, Nissan, and Toyota seriously considering putting in assembly plants in California.

These are all people who in one way or another will be doing business in the United States, and the unitary tax system is a formidable barrier to them, as told to me personally by the heads of these organizations.

Mr. President, I shall make some brief comments about the so-called unitary tax system itself. It is covered in article 9(4) of the treaty.

It is well established that in appropriate cases the business of a single corporation may be treated as unitary in nature and that the total income of such a corporation may properly be apportioned under a formula that fairly attributes a proportionate part of the corporation's income to a particular State.

When applied in a multicorporate setting, however, the "unitary business" doctrine of combined reporting requires that a corporation with a business location in the State includes in its apportionable tax base not only the entire income of such corporation within the State, but also the income of such of its worldwide affiliates as are found by the State to participate with the corporation in a single business unit.

This broad approach to corporate taxation can in effect result in taxation by a State of the income of corporations that have no real contact or connection with the State. Since this tax is not applied by all States, the "unitary business" concept can result in more than 100 percent of a company's income being subjected to State taxation or can result in a company paying tax on an allocable portion of the entire income of another corporation, even though there is not complete unity of ownership between the two corporations, for an example, the subsidiary is only 51-percent owned. Suppose the Japanese firm or the British firm is 100-percent owned by the Japanese or Britain but the subsidiary is only 51-percent owned and the other 49 percent is being owned by American investors. This is the kind of illogical situation that results.

Finally, as it has been interpreted by a few States, such as California, the "unitary business" concept results in the apportionable tax base of a corporation with a business location in the State, even though the activities in the State in no way contribute to the earning of such foreign income.

As indicated, I am opposed to the application of this unitary business doctrine to multinational corporations. In my opinion, it impinges on the foreign relations of the United States.

Opponents of the treaty argue that the provisions in the proposed treaty are a flagrant usurpation of—the State's—legislative powers. In reply I cite the Foreign Relations Law of the United States, which in paragraph 117, dealing with the scope of international agreements, has the following to say:

(1) The United States has the power under the Constitution to make an international agreement if

(a) The matter is of international concern, and

(b) The agreement does not contravene any of the limitation of the Constitution applicable to all powers of the United States.

I also would like to cite from the remarks of the eminent lawyer Charles Evans Hughes when he spoke in 1929 before the American Society of International Law.

I take the view which I understand to be that of the Supreme Court that this is a sovereign nation; that the states, in relation to foreign affairs, are not sovereign states; that if this nation exercised its sovereign power in regulations to other nations it must be done through the exercise of the treaty-making power and in that relation there are no states, there is but one country.

In the past, there were some cases when the treaty-making powers of the United States were challenged by individual States, but the Supreme Court ruled in favor of the United States.

Mr. President, my final comments pertain to article 10—dividends—and article 23—elimination of double taxation—of the proposed treaty. There can be no doubt that if article 9(4) should be eliminated, the United Kingdom would insist on renegotiation of the treaty. Like many treaties the document before the Senate is based on the principle of "Give and Take." The dividend provision of the United States-United Kingdom Tax

Treaty reflects a major concession by Great Britain. If article 9(4) fails, the dividend provision undoubtedly will also be eliminated. Let me explain.

In 1973 the United Kingdom introduced a partially integrated system under which a portion of the tax collected at the corporate level is treated—with respect to distributed profits—as having been paid on behalf of resident individual shareholders.

Under the United Kingdom system, United Kingdom corporations are subject to an initial corporate tax liability of 52 percent. When a dividend is paid, a tax called the Advance Corporation Tax—or act—is levied. This act is equal to 35/65 of the net dividend and it is credited against the corporation's regular yearend tax liability.

An individual U.K. resident shareholder pays tax not only on the dividend but also on the act paid with respect to the dividend. However, he may claim a credit against his own income tax liability for the act. If he is a "standard rate" taxpayer subject to a 35 percent rate, the credit will exactly offset his tax on the dividend income. If he is subject to tax below the standard rate, he will receive a refund of the excess of the act credit over his tax due. Thus, for a U.K. resident, the act is clearly a prepayment at the corporate level of the shareholder's tax.

However, when the shareholder is a nonresident alien, the situation is quite different. British law provides that the act must be paid upon any distribution, but there is no credit or refund allowed to the nonresident shareholder—corporate or individual.

This treatment discriminates against U.S. investors in the U.K., since for U.K. shareholders the effective underlying corporate tax rate with respect to distributed profits is just over 26 percent while, in the absence of this treaty, for nonresident shareholders the rate remains at 52 percent. This discrimination is potentially of significant dollar magnitude, and must be viewed as a serious problem. The U.S. Treasury concluded that an income tax treaty is probably the only appropriate vehicle for mitigating the discrimination.

The new U.K. system is not a unique or isolated phenomenon, but rather is likely to be the prototype for European tax systems generally. A June 1975 draft directive of the Commission of the European Economic Community calls for adoption of similar integrated corporate/shareholder tax systems by all Common Market countries. Such a system has been in place in France for some time, and the new tax law in West Germany follows a similar approach. It is therefore, obvious that a precedent must be established early if the United States is to deal effectively in subsequent negotiations with other countries employing integrated systems.

Under the rules of article 10—dividends—and article 23—elimination of double taxation—of the proposed treaty, the discrimination is substantially reduced. For U.S. portfolio shareholders, the treaty provides the same credit as that available to a United Kingdom shareholder. The United States-United Kingdom Tax Treaty which is before the Senate—if ratified—will establish the necessary and terribly important precedent. In sum then, Mr. President, the economic interests of the United States clearly demand that this treaty be promptly ratified. I therefore urge my colleagues to rally in support of the treaty.

I thank the Chair.

Mr. JAVITS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. JAVITS. Mr. President, I yield myself 1 minute.

Mr. President, I am very grateful to Senator HAYAKAWA for this presentation: first, for the excellence of the text which has been developed and which makes a very strong case for the treaty; and, second, because the presentation is quite indicative of the man.

The State of California started, Mr. President, by being in opposition to this treaty and, indeed, the distinguished Senator from Idaho, who is sponsoring the reservation we are now debating, cited the State tax commission of California as still being opposed to it.

But, Mr. President, both Senators from California and the Governor are for the treaty, thus I think it is fair to say the State as such supports the treaty.

Senator HAYAKAWA came to his decision after much deliberation. When we first began consideration of the treaty, even before committee hearings, he was doubtful about whether he should support this treaty as being in the interests of his State. He quickly decided to support the treaty. As in my own life, I consider the words "I am persuaded" the proudest words that I can utter, because I am not persuaded easily.

I pay tribute to him because that is what happened in this case, and it is a real confirmation, that Senator HAYAKAWA's views have been a tremendous lateral support to me in my conviction that support for the treaty was the right way to go, and I am very grateful to him for more reasons than just the normal thanks to a colleague who supports another.

I yield.

Mr. HAYAKAWA. I thank the distinguished Senator from New York for those kind words.

I might add Governor Brown underwent a similar change of heart. He visited Japan without knowing about the United States-United Kingdom tax code, and it was only after he got to Japan that he learned that many Japanese companies were unwilling to come to California for that reason, and he gradually changed his mind on the subject.

Mr. JAVITS. I thank my colleague very much.

I yield myself 5 minutes.

While we are on the problem of Treasury consultation with the States on the treaty, I would like to remind my colleagues that the State Taxing Commission of California had made a very proper complaint to the Treasury about a particular provision of the treaty in which it said it would not only protect against imposition through the misuse of the unitary tax system United Kingdom corporations, but the protection would also be extended to U.S.-controlled companies which had affiliates in the United Kingdom.

The Treasury recognized the propriety of that particular objection and, hence, negotiated a protocol, which is also before us, and which will be voted on this morning, and that protocol corrects the very objection made by the California taxing authority.

Now, the California Franchise Board is still, as Senator CHURCH of Idaho has said, opposed. But I wish to point out that both for the substantive reasons Senator HAYAKAWA has set forth and because of the Treasury's responsiveness to their complaint which resulted in an amendment to the treaty in a protocol arrived at by agreement in 1976 there was a real and reasonable effort, I think a good-faith effort, to meet the views of California, and I think that is a very important argument in favor of the treaty.

Now, Governors generally, contrary to the impression sought to be created here, have expressed approval of the treaty.

I have before me a letter from Governor Carey of New York, and I ask unanimous consent that it may be included in the RECORD. It is dated June 16, 1978, and it is addressed to me, and it is as follows:

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, June 16, 1978.

Hon. JACOB K. JAVITS,
Senate Office Building,
Washington, D.C.

DEAR JACK: I understand that the Senate will consider for ratification the proposed US-UK Income Tax Treaty at the conclusion of the Labor Law Reform legislation. I also understand that you were instrumental in moving the proposed treaty to its present stage. Since it is my hope that the proposed treaty will improve the climate for investment and new jobs by multi-national firms in New York, I wish to express my appreciation for your efforts thus far.

Recently, I expressed my endorsement of the proposed treaty without the article 9(4) reservation in a response to a solicitation for my support from Secretary of the Treasury W. Michael Blumenthal.

You will have my continued support for the proposed treaty as it is brought to the Senate floor for ratification.

Best regards.

Sincerely,

HUGH L. CAREY.

Mr. President, I ask unanimous consent that a letter from Gov. John D. Rockefeller IV, of West Virginia, dated March 3, 1978, may be made part of my remarks. I read that letter, which is addressed to our beloved and distinguished chairman, Senator SPARKMAN:

STATE OF WEST VIRGINIA,
OFFICE OF THE GOVERNOR,
Charleston, March 3, 1978.

DEAR SENATOR SPARKMAN: The proposed income tax treaty with the United Kingdom was signed December 31, 1975 and is presently pending ratification by the United States Supreme Court.

In earlier correspondence to both the President and your Committee, the State of West Virginia had taken the position of opposing ratification of the treaty. This view was based primarily on an analysis of Article 2, Paragraph (2)(c) and Article 9, Paragraphs (4)

and (5) which led us to originally conclude that the treaty would not be in the long term best interests of West Virginia.

After an extensive review and further evaluation of the treaty's provisions, I am now convinced that the treaty is deserving of my support. This change in position is attributable to the following:

(1) West Virginia was originally deeply concerned that certain treaty provisions would be expanded in the future either by treaty or legislation. The primary reason for West Virginia's opposition was that a trend toward greater federal intervention in the tax practices of the states would develop. The Treasury Department, however, recently has informed us that they have no intention of expanding the scope of the treaty in the future.

(2) We estimate that the treaty prohibition on the use of the unitary tax system would reduce corporate tax revenues by approximately $300,000 annually. However, in reviewing the aggregate impact of the treaty, I am now confident that the tax gains to West Virginia by reason of the treaty should more than offset this loss.

(3) I believe the treaty will bring needed equity in the tax treatment of United States corporations conducting business abroad.

(4) Initially, we were also concerned over our ability to vigorously enforce the arm's length standard to arrive at the taxable income of separate corporations since the treaty prohibits the use of the unitary tax system. The Internal Revenue Service has recently informed us that data they have developed on arm's length pricing would be made available to state tax administrators and this should solve our problems.

It is for these reasons that I wish to state my support for the treaty and respectfully encourage you and your distinguished colleagues in the United States Senate to vote for its ratification.

Sincerely,

JOHN D. ROCKEFELLER IV.

Now that, Mr. President, is again one of the major arguments for this treaty, to wit, the need to create a better climate for the investment of funds in the United States and to improve the basis for industrial development here by other countries.

So we are putting our feet on the right road in terms of foreign investment in the United States which, in view of the terrible imbalance which we have in our payments, is extremely desirable and in the interests of our Nation.

Mr. President, unless Senator SPARKMAN wishes to yield some time, I am prepared to yield to Senator PERCY.

I yield 5 minutes to the Senator from Illinois.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague.

I would first like to say that I think we all owe a debt of gratitude to Senator JAVITS for the persistence with which he has worked with the leadership to see that this treaty goes forward, and I wish to express appreciation also to our distinguished chairman, Senator SPARKMAN, for his leadership in this regard.

Mr. President, as the poor managers of the treaty know, I strongly supported the treaty pending before us in the Committee on Foregn Relations. We did have some opposition from the Illinois Department of Revenue and, I think, some degree of misunderstanding by some other people. I would like to state my support again at this time. I believe the treaty will bring highly favorable benefits to the United States.

The treaty will bring significant capital flows into the United States at a time when large foreign holdings of dollars are putting pressure on the value of our currency in foreign exchange markets. It is estimated that there will be an immediate payment of approximately $375 million in U.K tax refunds to Americans, and additional substantial refunds after that.

Furthermore, the dividend provisions in the treaty are a major favorable development in our Government's efforts to overcome the discrimination against Americans investing in the United Kingdom and in our other major trading partners who use a so-called integrated tax system similar to that of the United Kingdom.

I am aware that there has been a great deal of protest about the restriction in article 9(4) of the treaty on the application of the unitary apportionment tax system. Senator Church is sponsoring a reservation which would effectively cancel this provision. I would point out that the treaty does not prohibit the use of the unitary taxation formula per se. It does not prevent the States from using the unitary taxation method to tax U.S. corporations. Nor does it affect unitary taxation of U.S. corporations, nor does it affect either foreign corporations controlled by U.S. persons or foreign corporations controlled by persons from countries other than the United Kingdom.

Finally, the treaty does not prevent the application of the unitary formula to the operations of foreign corporations doing business in several States in our country.

What it does restrict, Mr. President, is the taxation of income of foreign affiliates with no business in the taxing State. It just says that a State may not take into account the operations of a foreign corporation not doing business in the State if the corporate group in question is controlled in the United Kingdom. As a former businessman, I can attest to the justification in the claim that this application of the unitary taxation formula is grossly unfair.

On another issue, Mr. President, I want to comment on the concern which has been expressed by some parties about the effect of this treaty on foreign investment in U.S. farmland. The fear which has been expressed is that article 9(4) will encourage foreign investment by giving foreign investors an unfairly advantageous tax position. This is certainly a serious concern in Illinois, and I am pleased that the Department of the Treasury has done a good job of setting the record straight in a statement submitted to the Senate in May of this year in behalf of the Secretary of the Treasury:

The proposed treaty does not in any way create a tax preference for foreign ownership of U.S. farmland. The proposed treaty contains no provisions specifically addressed to the taxation of farmland. The treaty does provide in Article 6 that all U.S. real property income is taxable in the United States under normal Federal tax rules. This would include income derived from farmland. The treaty most certainly would not prevent the states from taxing farm income.

There are a few limited situations where, pursuant to Article 9(4) of the proposed treaty, states may not use the so-called unitary method in taxing profits. At present, only three states would be affected by Article 9(4)—California, Alaska and Oregon. In the limited situations where the unitary method of taxation may not be used, the states are allowed under the treaty to use the arm's length method of controlling prices in transactions between related parties. There is a wide market for agricultural products and it is, therefore, very easy to obtain arm's length prices and to avoid any possible shifting of profits. Moreover, Federal audit information is available to state tax authorities for the purpose of determining an arm's length price. Thus, the limited restriction on use of the unitary tax method should not permit foreign corporations to escape state taxation on U.S. farm income through artificial pricing practices.

The ACTING PRESIDENT pro tempore. The Senator's 5 minutes have expired.

Mr. JAVITS. I yield the Senator 5 more minutes.

The ACTING PRESIDENT pro tempore. An additional 5 minutes is yielded the Senator from Illinois.

Mr. PERCY. Mr. President, I urge my colleagues to support the proposed treaty and to vote against attaching a reservation to article 9(4). It is beneficial to the United States, it encourages the free flow of trade and investment, and is an important contribution to our Government's policy of promoting international economic cooperation.

Mr. JAVITS. Mr. President, I thank Senator PERCY. He is a man highly experienced in business. This tax treaty is essentially a business stimulant, and his support for it is extremely valuable.

I would also like to add this: I heard with great interest and with great respect Senator CHURCH say last night that this was a treaty for the interests of the rich people.

Well, Mr. President, we have 90 million people employed in this country; 90 percent of them are employed by American business enterprises. I fail to see how populism can fail to include the employers as well as the employed. That is the only way that jobs can be created.

I value Senator PERCY's support for this treaty. With all respect, I think he is just as populist minded, and his area of the country is just as populist minded, as our distinguished colleague from Idaho and his region. But he has business experience and he knows what makes the merry-go-round. I value very much, therefore, his support of the treaty.

Mr. SPARKMAN. Mr. President, I yield such time as the Senator from Rhode Island may require.

Mr. PELL. Mr. President, I believe the question of the attitude of the farmers and the impact upon farms was raised by the Senator from Illinois. In this regard, I have been told that Mr. W. E. Hamilton, chief economist of the American Farm Bureau Federation, the largest farmer organization in America, has informed the various federation offices that while the federation has taken no position on the U.K. Tax Treaty, he

found nothing in the treaty with which he could take exception. I thought this viewpoint of the American Farm Bureau should be put into the record as they are the largest representative of the farming industry.

Mr. SPARKMAN. Mr. President, I want to suggest the absence of a quorum, but before doing that I want to ask unanimous consent that the time not be charged to either side.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, who is controlling time on this side?

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. JAVITS. Mr. President, I yield 5 minutes to the Senator from Alaska.

Mr. STEVENS. I appreciate that, Mr. President.

Mr. President, at this point in the debate on the United States-United Kingdom Tax Treaty, I should like to provide for the record resolutions calling for a reservation of article 9(4) of this treaty, the reservation proposed by the Senator from Idaho. The resolutions were passed by the Western Governors Conference, the National Association of Tax Administrators, the National Conference of State Legislators, and the National Association of Attorneys General. I have also received letters and telegrams expressing opposition to article 9(4) unless it is subject to a reservation such as we support here. These letters and telegrams have come from the Multistate Tax Commission, the AFL–CIO, the Consumer Federation of America; the Service Employees International Union; the American Federation of State, County and Municipal Employees; the Oil, Chemical, and Atomic Workers; the International Association of Machinists; Ralph Nader's Tax Reform Research Group, the Energy Policy Tax Force; Common Cause; and the Ohio Public Interest Campaign.

Mr. President, since I have served in the Senate I have never seen an issue in which the spectrum is so broad to protect States' rights. To have Mr. Nader's Reform Research Group together with the Consumer Federation of America and the Multisate Tax Commission, all of these union organizations, together with the national conference of all the legislators of all the State legislatures of the Nation, expressing opposition to this tax treaty unless article 9(4) is subject to this reservation, I think, ought to make other Members of the Senate think twice before they support this treaty without the reservation.

Mr. President, I ask unanimous consent that these resolutions and items be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. These resolutions state categorically the position of those who are most familiar with State taxation in this country.

In particular, I call the attention of the Senate to the National Association of Tax Administrators and their meeting held in Atlanta, Ga., in June of 1976, where they expressed their total opposition to this unprecedented action of the executive branch wherein the U.S. Government has, in secret bargaining with a foreign country, sought to limit our sovereign States' taxing powers.

They have sought to do so in a way that benefits foreign multinational corporations. Our domestic multinational corporations, as exemplified by Exxon, have taken the position that the action of 42 States and the District of Columbia is acceptable to our domestic international corporations. This tax treaty is designed to give solace to foreign international corporations which do business in this country.

The National Association of Tax Administrators has announced its opposition not only to this treaty but to the action of the Federal Government with respect to these foreign multinational taxpayers and urge that the State legislatures take action to express their opposition, also.

As a result of that request, in September of 1976, the president of the National Conference of State Legislatures, who is also the president of the Colorado State Senate, sent to the Foreign Relations Committee a very thoughtful letter, which contained as an enclosure the policy position of the National Conference of State Legislatures. That national conference urged Congress to delete from this treaty the provisions which would infringe upon the separate tax systems of the States and governmental units and urged us to place reservations on the treaty that would forbid the States from utilizing the unitary taxation system.

That was followed, Mr. President, by action of all the attorneys general of the States of our Union when they met in Baltimore in September 1977. I am informed that the National Association of Attorneys General unanimously opposed the provision of this treaty which would impinge upon State taxation and the rights of States to determine their own State tax policy. That, too, was followed by the action of the Western Governors of the United States when they passed the resolution which I have asked to have printed in the RECORD. They passed it at their meeting in September of 1977.

We in Alaska and, particularly, those in the West, developed the unitary tax method as being the best way to apportion income among foreign multinational corporations that do business in several States of the Union. This reservation today ought to be given support by the Senate because, if we permit the United Kingdom Treaty to be used as a first vehicle for the adoption of restraints upon States' taxing power through the use of the treaty power of the executive branch, I believe the ultimate net result will be, that Canada, Germany, and Japan, in particular, will ask for similar treatment.

When that day comes, those people who have indicated their support here on the floor for this treaty, because of the little quid pro quo of returning the stockholders' impounded dividends from the British Empire to the United States, will suddenly find themselves staring at the question of whether or not we will discriminate against our major trade partners and not give the multinational foreign corporations that originate in Canada, or in Germany, or in Japan, the same treatment we have agreed to give those that originate in the United Kingdom.

I again, Mr. President, call attention of the Senate to the broad spectrum of opposition throughout the United States as expressed by the Attorneys General, the Multistate Tax Commission, the Consumer Federation of America, the employees unions of the Government, the local governments, and in particular those that are related to the public interest task force concept that deal with taxation, Ralph Nader's group, the Energy Policy Tax Force and Common Cause.

With all of those organizations uniting in opposition to this treaty without reservation I hope that the Senate will think twice before it votes on the Church amendment.

I thank the Senator from New York.

EXHIBIT 1

RESOLUTION UNANIMOUSLY ADOPTED AT THE FORTY-FOURTH ANNUAL MEETING OF THE NATIONAL ASSOCIATION OF TAX ADMINISTRATORS, HELD IN ATLANTA, GA., JUNE 13–17, 1976

RESOLUTION EIGHT

Whereas, both the Executive and Legislative Branches of the Federal Government have under consideration seperate proposals which would override state taxing powers and methods, and

Whereas, the Executive Branch, in total secrecy, took the unprecedented action of negotiating and executing a treaty with the United Kingdom which restricts state taxing methods, and substantially reduces the corporate tax revenues for some states for the benefit of multinational corporations, and

Whereas, the United States House Ways and Means Task Force on Foreign Source Income is considering a proposal by Representative Jones to limit states in determining the amount of income derived from state sources to the federal tax base, thereby permitting multinational corporations to manipulate their income and defer the payment of income taxes by the corporate form through which their activities are conducted, and the geographical areas through which their activities are conducted, and

Whereas, such actions completely disregard and undermine the continuing efforts of the several states to develop a uniform approach to the taxation of multistate and multinational corporations, now, therefore, be it

Resolved, by the National Association of Tax Administrators as follows:

1. That it opposes the unprecedented action adopted by the Executive Branch in secretly bargaining away the states' taxing powers, and in particular because such action benefits only the world's largest multinational corporations which have never es-

tablished that they are exposed to tax on all of their income, nor that their effective tax rate is comparable to the tax rate imposed on local corporations.

2. That the National Association of Tax Administrators continues to oppose restrictive federal tax legislation with respect to multistate or multinational taxpayers; and if such legislation is mandated it should not provide preferential tax treatment for multinational corporations, nor permit such corporations to alter tax consequences by the corporate form through which they conduct their activities.

3. That each member state of the National Association of Tax Administrators request their state legislatures to enact appropriate Resolutions urging that the treaty provisions relating to state taxes be reserved, and that Congress not approve any restrictive federal interstate tax legislation.

4. That copies of the Resolution be sent to the following:

(a) President of the United States;
(b) Governor of each state;
(c) U.S. State Department;
(d) U.S. Treasury Department, International Tax Section;
(e) U.S. Senate Committee on Foreign Relations;
(f) U.S. House Commitee on Ways and Means;
(g) U.S. Senate Finance Committee;
(h) U.S. Joint Committee on Internal Revenue Taxation; and
(i) U.S. House of Representatives Ways and Means Task Force on Foreign Source Income.

5. That the Executive Secretary request permission to attend any public meetings regarding the pending treaty and the task force proposal or similar proposals which may be considered by the House Ways and Means Committee, Senate Finance Committee, or the Senate Foreign Relations Committee, and urge that the parts of the treaty relating to state taxes be reserved, and that any task force or Senate Finance Committee proposal to limit state taxes or state taxing methods be rejected.

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, D.C., September 9, 1977.

Hon. JOHN J. SPARKMAN,
Chairman, Senate Foreign Relations Committee, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR SPARKMAN: As President of the National Conference of State Legislatures, I am writing to inform you of our recently adopted position on the United States-United Kingdom tax treaty. The National Conference of State Legislatures is the non-partisan organization representing the nation's 7,600 state legislators and staff.

We would like to encourage you and the Foreign Relations Committee to place reservations on those sections of this treaty which would infringe upon the separate tax systems of the states. With a majority of the states utilizing the unitary tax method to some degree, our Conference unanimously adopted this position calling on the U.S. Senate to delete these restrictions from the treaty. I think it is important to point out that many states are concerned with this issue as evidenced by the support for our position by elected state legislators from all parts of the country.

We do not feel that this treaty should forbid the use of the unitary taxation method by the states. This unprecedented action by the treaty negotiators to intrude into the constitutionally separate tax systems of the states is the basic issue. We do not feel that the proper method of modifying state tax laws should be through the adoption of a treaty by the federal government. The state legislators who are responsible for writing state tax laws are willing to engage in a full examination of the tax laws of both the state and federal governments in order to develop improvements to the methods of taxation of multi-national corporations.

Although the arms-length method of taxation has been proposed by some as the only method states could use to tax multi-national corporations, the experience in many states which use this method have pointed out some major problems. Those states which utilize the arms-length approach have not had the necessary cooperation from the Treasury Department to make this an effective approach. Careful study by state legislators, governors, and state tax administrators of taxation methods must take place before we should even consider such a radical step to simply outlaw the unitary tax method.

I thank you in advance for your careful consideration of an issue which raises fundamental constitutional questions. If you or your staff should have any questions, please contact Jeffrey Esser in our Washington Office of State-Federal Relations.

Sincerely,
FRED E. ANDERSON,
President, National Conference of State Legislatures.

NATIONAL CONFERENCE OF STATE LEGISLATURES POLICY POSITION

UNITED STATES-UNITED KINGDOM TAX TREATY

The National Conference of State Legislatures urges Congress to delete provisions from the United States-United Kingdom Tax Treaty which will infringe upon the separate tax systems of the states and other governmental units. In adopting this treaty, the U.S. Senate should place reservations on the tax treaty articles that forbid the states from utilizing the "unitary taxation system."

Adopted at the Annual Meeting of NCSL, August 5, 1977, Detroit, Michigan.

RESOLUTION: UNITED STATES-UNITED KINGDOM TREATY AS ADOPTED BY THE EXECUTIVE COMMITTEE OF THE NATIONAL ASSOCIATION OF ATTORNEYS GENERAL EXECUTIVE COMMITTEE MEETING

Whereas, the United States Senate will consider a tax treaty with the United Kingdom which would preempt state taxing power and methods; and

Whereas, adoption of such a treaty would substantially reduce actual and potential tax revenues to the benefit of multinational corporations;

Therefore, be it resolved that:

1. the Executive Committee of this Association opposes provisions in this treaty which represent an unwarranted intrusion of the federal government in tax matters of state concern; and

2. the Executive Committee of the National Association of Attorneys General urges Congress to delete provisions from the United States-United Kingdom Tax Treaty which restrict state taxing methods; and

3. the Washington Counsel of the National Association of Attorneys General is authorized to communicate the position of the Executive Committee to the appropriate members of Congress and the Administration.

FEDERAL INTERFERENCE WITH STATE TAXING POWER

A. ISSUE

Deletion of paragraph 4 of Article IX of the United States-United Kingdom Tax Treaty, regarding the Western states' rights to use the unitary tax method of apportioning taxable income.

B. GOVERNORS' POLICY STATEMENT

The United States Senate Foreign Relations Committee is requested to recommend to the full U.S. Senate that the United States-United Kingdom Tax Treaty not be ratified so long as paragraph 4 of Article IX remains a part of the treaty and restricts the states' power to use the unitary tax concept.

The Governors also feel that such federal interference with state taxing powers is not warranted and contrary to the sovereign interests of all states.

C. FOLLOW-UP ACTION REQUESTED

1. Transmit resolution to the United States Senate Foreign Relations Committee.
2. Transmit the resolution to the Secretary of Treasury.
3. Transmit resolution to the Western Congressional Delegation.

D. BACKGROUND

A tax treaty was negotiated between the United States and the United Kingdom that restricted in paragraph 4 of Article IX, the powers of the states to use the unitary tax method. The restriction on the unitary method prevents the states from using the world-wide combination method of allocating income between states. Three states (California, Oregon and Alaska) currently use the worldwide combination of unitary income method and it is estimated that the passage of the treaty as it presently stands would cost these states an estimated $150 million a year. Several other Western states are contemplating adopting the new concept of tax allocation.

The Federal government attempt to restrict state taxing powers comes at a time when the Western states are making great strides in adoping common practices and uniform regulations in the administration of interstate taxation through the Multi-State Tax Commission.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

If Senator STEVENS will give me his attention, Mr. President, I happen to be a fan of Alaska. I think I have done many things. I hope, in my lifetime and here in the Senate I may do many more to aid our outpost State in order to develop its fantastic potential.

I would not for a moment try to overween the Senator by countering his arguments in some confrontational way. But I would like to point out a number of things which could be helpful. That is the reason I express them.

First, Alaska is an enormous area that needs enoromous investment. Not that I am trying to convince the Senator, but I simply wish to commend to the Senator, who is probably the most patriotic advocate one could find of his State, the experience and study made by both the Governor of California and the Governor of West Virginia. I think before the Senator was in the Chamber this morning I read Mr. Rockefeller's letter respecting West Virginia, and it was very instructive as to what he said. West Virginia started out against it and ended up for this treaty.

I would like to reread, if I may, that paragraph. It has gone into the RECORD:

> We estimate that the treaty prohibition on the use of the unitary tax system would reduce corporate tax revenues by approximately $300,000 annually. However, in reviewing the aggregate impact of the treaty, I am now confident that the tax gains to West Virginia by reason of the treaty should more than offset this loss.

Comparable experience is interestingly reported by Governor Brown of Califor-

nia. Again, I would like to refer to the telegram which Governor Brown sent, joined in by Senator CRANSTON. This morning Senator HAYAKAWA spoke to exactly the same point. The telegram said:

Furthermore, it is the judgment of California's Business and Transportation Secretary, Richard Silberman, and the State Director of Finance, Roy Bell, that ratification of the treaty will have a positive net economic impact on California.

I would like to give the Senator an example of this point.

The Hong Kong and Shanghai Banking Corporation had an interest in a California branch. One of the horror stories about the applications of the unitary tax system by California was to this Hong Kong and Shanghai Banking Corporation holding. Apparently, the State of California taxes them more than their capital because of the unitary system. I understand that now that they have acquired an important interest, perhaps as much as a controlling interest, in the Marine Midland Bank, they are more than happy to sell their interest in their California holding.

Now, in addition, this treaty, as the Senator knows, is heavily supported by business interests which do very broad-scale investing.

Finally, the Senator is right about the fact that the United States expects that the countries of the European economic community, will be adopting the same tax integration system that the United Kingdom has already adopted and hence that we can expect that there will be an extension of this principle in other treaties, undoubtedly, with France, the German Federal Republic, and possibly Canada.

Finally and very importantly, the Treasury, and I now make this part of the record and legislative history.

The Treasury has sought to put to rest the fear that article 9(4) is merely a first step toward greater Federal restrictions on State taxing authority, particularly that a provision like article 9(4) will be included in other treaties and that future treaties will go beyond the limited scope of article 9(4) to impose greater restrictions on State taxation.

With regard to the second point, Treasury has no intention of limiting State taxation in future treaties, beyond the type of restrictions provided in article 9(4).

Now, the second point is that future treaties will go beyond the limitations of 9(4). So they negate that.

With respect to the first point, that a provision like 9(4) will be included in other treaties, Treasury has taken the position in discussions with other countries that a provision like article 9(4) cannot be considered until the Senate has acted on the United Kingdom Treaty.

If the treaty is approved, Treasury will consider the inclusion of similar provisions in other treaties, but only in return for commensurate concessions on the other side.

The Treasury does not want to expand the concept beyond these limitations, and I think that is an important commitment to a State like Alaska.

If the reservation is rejected, which I hope is done—and I shall do my utmost to bring it about—I hope the State of Alaska, one, will hold the Treasury to this promise—and I will help the State of Alaska, and I think the Senate will; and, two, that the State will do its utmost to take advantage of a new climate for investment to attract rather than repel foreign investment.

Mr. STEVENS. Mr. President, will the Senator yield me additional time?

Mr. JAVITS. How much time does the Senator want?

Mr. JAVITS. I yield.

Mr. STEVENS. Mr. President, I am indebted to the Senator from New York for that statement, and I believe the record is improved by that statement being in the RECORD.

I say to the Senator from New York that the problem is not solely with this treaty. The problem is that the prospect he mentions, that this concept of using the treaty power to limit the exercise of the rights of sovereign states, will be extended to Canada, to Germany, to Japan, to our trading partners.

We have the strange situation that in my State, we will not affect domestic international corporations, multinational corporations, and their activities. They still will be subject to the unitary method of apportionment. It is only those corporations that originate and have their home offices, so to speak, in the United Kingdom that will get this umbrella of protection from State taxation. That discrimination, in my opinion, violates the equal protection concept of our Constitution.

I do not understand why the treaty power should be used by the executive branch in a manner that Congress could not legislate. We, as Congress, could not tell the sovereign states that they could not tax the United Kingdom corporations in this manner but that they could continue to tax those which originate in every other nation of the world.

The net result of the treaty power is to bring about a unique form of tax discrimination. As the Boston Globe points out, it is really taxing State taxation through the use of the treaty power.

I hope the Members of the Senate are not misled by the action taken by our colleagues from California and the Governor of California.

I have a letter from the comptroller of the State of California, dated June 9, in which he states:

Many questions have been raised concerning the contradictory positions taken by the California Franchise Tax Board and Governor Brown as to the Treaty. The Franchise Tax Board is by statute an independent department governed by a three-member board. I, as the Chairman, am also the elected Controller of the State of California.

Another member of the Board is the Chairman of the State Board of Equalization who is also elected by the people of California. The third member is the Director of Finance who is appointed by the Governor.

The Franchise Tax Board is charged with the effective and equitable administration of the California Corporate Franchise and Income Tax Law and the Personal Income Tax Law. The Board's opposition to the treaty is based upon its duty to insure that these taxes are effectively and equitably administered as to all taxpayers.

Our decision in respect to Article 9(4) is based solely on our desire to preserve the integrity of the tax systems of California and other states and to insure that no organization, either foreign or domestic, has an advantage over another due to the structure of the tax system. Passage of the treaty without a reservation as to Article 9(4) would, of course, place U.K. based corporations in a preferred position.

On July 19–20, 1977, I opposed the treaty when it was heard by the Senate Foreign Relations Committee. The California Franchise Tax Board has consistently opposed the treaty—its opposition has never waivered. The enclosure summarizes the department's views as to why state taxes should not be secretly dealt away by the Treasury Department. I or other members of my staff would be happy to discuss with you the reasons why the treaty should not be approved unless Article 9(4) is reserved.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks, the letter to which I have referred, together with attachments.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 2.)

Mr. STEVENS. I also point out to the Senator from New York that the Congressional Budget Office has informed the Foreign Relations Committee of the tax loss that would be brought about by the approval of this treaty. If it is not in the RECORD—and I do not believe it is—I ask unanimous consent that the letter of April 8, from Alice Rivlin, director of the Congressional Budget Office, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., April 18, 1978.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with Section 403 of the Budget Act, the Congressional Budget Office has examined the proposed income tax treaty with the United Kingdom. The proposed treaty would replace the existing treaty between the two countries. It is intended to take account of changes in the tax system, particularly the enactment by the British of the Advance Corporation Tax (ACT) and the Petroleum Revenue Tax (PRT).

The treaty would not provide any new budget authority or any new or increased tax expenditures.

The Congressional Budget Office estimates that the five-year cost of the treaty provisions, other than those related to the ACT and the PRT, in millions of dollars would be:

Fiscal year:	*Revenue loss*
1978	$100
1979	28
1980	31
1981	35
1982	40
1983	45

While the proposed treaty would make clear that the ACT and the PRT qualify for the foreign tax credit under United States law, the resulting gain or loss in federal revenues would depend on the resolution of other legal questions, including, for example, whether taxes imposed by some other foreign coun-

tries also qualify for the foreign tax credit. Because there is this degree of uncertainty, no estimate for the effect on budget receipts of the provisions relating to these taxes has been made.

Sincerely,

ALICE M. RIVLIN,
Director.

Mr. STEVENS. This RECORD should contain our own Budget Office estimate of the cost of the treaty provisions.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. JAVITS. I yield the Senator an additional 5 minutes.

Mr. STEVENS. The Budget Office of Congress indicates that the 1978 revenue loss, not counting those related to ACT and the PRT, is $100 million.

It goes on this analysis to show that in 1983, there will be a loss of $45 million. That is a revenue loss to the United States. It does not deal with the revenue loss to the individual States. That is what worries me.

What are we going to do? Are we going to find that the United Kingdom now is going to be a haven for corporations that deal with Western States that have the unitary method? Is it going to become the Delaware of the world, where corporations are going to organize so that they can have the impact of this tax haven that the executive branch secretly negotiated away, in violation of the Constitution?

I think the Senate should wake up. This is the first use, to my knowledge, of the treaty power to invade the taxation rights of the sovereign states. It is a foot in the door. The result is going to be—and I hope the Senator from New York is listening—that my State is going to change its taxation methods.

In addition, I hope my State will challenge the constitutionality of this treaty, because I do not think the executive branch should be able to evade the equal protection rights of every corporation that will be discriminated against because of this treaty.

The domestic multinational corporations, the domestic national corporations, and corporations doing business solely in my State will have to bear an increased amount of the burden of taxation because those originating in the U.K. get preferred treatment. It will become literally an island of preference due to the United States-United Kingdom Tax Treaty.

I believe that is wrong. Particularly, I abhor the thought that it is going to happen with respect to corporations coming from our neighbor to the south. It is your neighbor to the north; it is our neighbor to the south. The effect of this will be that corporations coming into my State from Canada will have immunity. They will not face the same kind of apportionment of their worldwide income. They will have advantage over the corporations that come from the State of Washington, for example. Those are foreign corporations to us, in terms of our State law. They are not corporations that originate in Alaska.

This treaty says that foreign multinational corporations coming in from the British Isles cannot be taxed the same way as corporations are that come from the State of Washington. If the Government follows the procedure that I believe the Senator from New York anticipated—and as I anticipate—that we will extend this kind of haven to corporations originating in Canada, it will mean that the Canadian corporations can come up and do business and bid, and we cannot exclude them. They will come up and do business and outbid the corporations that come from the South 48, to be involved in building such things as Alaska pipelines, drilling for oil and gas, developing our minerals. Then we will give the same haven to those that originate in Japan.

The Senator says we need to attract capital. We need to generate capital within our own country. We have had no problem getting foreign capital to come into my State. The Japanese have been turned down two or three times recently in their bid to buy almost all the hotels in the State. As I pointed out yesterday, they own, as the Senator from Washington knows, more than 50 percent of the shore-based fishing facilities in my State, and the foreign ventures are trying to come in and ruin the impact of our 200-mile limit bill.

EXHIBIT 2

CONTROLLER OF THE
STATE OF CALIFORNIA,
Sacramento, Calif., June 9, 1978.

Hon. TED STEVENS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR STEVENS: Enclosed is a copy of the California Franchise Tax Board's response to the paper furnished you by the Department of Commerce.

Many questions have been raised concerning the contradictory positions taken by the California Franchise Tax Board and Governor Brown as to the Treaty. The Franchise Tax Board is by statute an independent department governed by a three member board. I, as the Chairman, am also the elected Controller of the State of California.

Another member of the Board is Chairman of the State Board of Equalization who is also elected by the people of California. The third member is the Director of Finance who is appointed by the Governor.

The Franchise Tax Board is charged with the effective and equitable administration of the California Corporate Franchise and Income Tax Law and the Personal Income Tax Law. The Board's opposition to the treaty is based upon its duty to insure that these taxes are effectively and equitably administered as to all taxpayers.

Our decision in respect to Article 9(4) is based solely on our desire to preserve the integrity of the tax systems of California and other states and to insure that no organization, either foreign or domestic, has an advantage over another due to the structure of the tax system. Passage of the treaty without a reservation as to Article 9(4) would, of course, place U.K. based corporations in a preferred position.

On July 19–20, 1977, I opposed the treaty when it was heard by the Senate Foreign Relations Committee. The California Franchise Tax Board has consistently opposed the treaty—its opposition has never waivered. The enclosure summarizes the department's views as to why state taxes should not be secretly dealt away by the Treasury Department. I or other members of my staff would be happy to discuss with you the reasons why the treaty should not be approved unless Article 9(4) is reserved.

Sincerely,

KENNETH CORY.

CALIFORNIA FRANCHISE TAX BOARD REBUTTAL OF U.S. DEPARTMENT OF COMMERCE PAPER ON THE U.S. INCOME TAX TREATY WITH THE UNITED KINGDOM

This is a rebuttal to the Department of Commerce April 1978 paper about the supposed benefits of the pending U.S.-U.K. Tax Treaty. That paper contains numerous misstatements of fact and shows an almost complete lack of understanding of the unitary method of computing the income subject to taxation.

The U.S.-U.K. Tax Treaty is the *first* in the nation's history which directly limits the states' most fundamental attribute of sovereigny, i.e., taxing powers. The secretly negotiated treaty has been vigorously supported by the multinational corporations, the Treasury, and, now, the Department of Commerce.

It is difficult to perceive why a very modest state tax on net income would be of such concern to the U.S. Government, unless it fears its archaic method for determining income of multinational corporations will come under Congressional scrutiny, and multinational corporations, like other taxpayers, will be called upon to pay their fair share of taxes. It is even more difficult to understand the apparent great concern shown by the supporters of this treaty for foreign multinational corporations since in practically all cases foreign countries either exempt from taxation the income of their multinational corporations earned outside of their own country or, if income is taxed, a credit is allowed for all foreign taxes paid, both state and national. Thus, when a state is prohibited from determining income of a multinational corporation in a realistic manner one of two things occurs: Either the income is exempt from all income taxes or the country of domicile of foreign corporations receives a subsidy since it will not be required to allow a tax credit.

If the Department of Commerce were truly interested in protecting American businesses it would evaluate the tax privileges multinational corporations now enjoy and determine if they are receiving tax breaks which are not available to local, and to a lesser extent, interstate businesses.

To date, no one, including Congress, has obtained an evaluation of the merits of the separate accounting-unitary concepts from the Internal Revenue Service's auditors who conduct international audits. Although the paper suggests that the unitary concept can result in overtaxation, the plain truth is that overtaxation does not occur. If Congress has any doubt, state and local tax returns of multinational corporations could be subpoenaed and evaluations made as to the amount of income which is in fact reported to the taxing authorities. In fact, Congressman Vanik's yearly analyses of the effective tax rate on multinational corporations show clearly the multinationals are not paying their fair share of the tax burden.

Any fair discussion of the unitary-separate accounting concepts should include an evaluation of the two methods, including the opportunity under each method for the diversion of income to tax havens, the concealment of income by use of accounting gimmicks, and the ability to affect income merely by changing corporate form. (These subjects are discussed in the Position Paper California filed with the Senate Foreign Relations Committee at its hearing on the treaty on July 19 and 20, 1977. (See Attachment 1, pages 1–9, and Attachment 2, pages 1–12.)

The "evaluation" in the Commerce study is neither objective nor accurate. It is obvious that those preparing the "evaluation" lacked a substantive understanding of the unitary concept. The nine points made in opposition to the unitary method will now be considered.

1. The Treaty is a "package" that confers on U.S. taxpayers and the 50 states significant benefits which are costly to the United Kingdom. Failure to ratify the treaty complete with those provisions which are beneficial to the U.K. multinationals would place the whole treaty in jeopardy.

Page i of the Summary clearly establishes that most of the benefit for the rebate of the Advanced Corporation Tax (ACT) is for the benefit of United States-based corporations. (1975–78 $245 million and $60 million thereafter. For individuals the rebate for 1973–78 is $136 million with $25 million thereafter.)

The States and California in particular would not benefit from the refund provided for the ACT tax. Most corporations are domiciled in states which do not tax dividend income. Therefore large amounts of such income are currently exempt from tax and the credit given these corporations under the treaty will generate no additional tax for the States. Furthermore when the income of related corporations is included in a combined report and taxed under the unitary method as is the case with California, dividend income is excluded from the tax base. It is the operating results of all the entities which is taxed, not the dividend income which flows between them. Therefore, the additional state tax imposed on corporations as a result of the rebate of ACT will be minimal. In California's case the only corporations which will pay a greater tax as a result of this credit are those which are domiciled in California and which have United Kingdom subsidiaries which are conducting a business which is unrelated to the general business carried on by the corporation.

As for individuals, there is no information as to where they are located nor is there any information as to the amount of foreign dividend income reported by U.S. investors. Accordingly, the additional state revenue attributable to individuals is at best speculative, and, in any case, of no great significance.

The petroleum revenue tax which the treaty makes creditable will have no impact on the States but will be utilized solely as a reduction of federal income tax.

2. State application of unitary apportionment to the business enterprises of foreign countries is a disruptive factor in the foreign relations of the U.S. Government.

The premise is not acceptable. States, in applying their tax laws to private, profit-making corporations, are not interfering with foreign relations. It is true that since the owners of such companies are near governments in themselves they can immediately bring their concerns to their governments. Undoubtedly many foreign corporations are dismayed when they find their income is determined by a specified formula, and under circumstances where there is no opportunity for back-door dealing. What is involved surely is not a matter of significant foreign policy, it is only the application of a time-tested and judicially approved concept for determining income. What is detested is the simple fact that the unitary concept exposes income to tax in a fair and equitable manner.

The assertion that the states have refused to make any accommodations when foreign governments' complaints have been transmitted is simply not true. The only time a problem with respect to foreign corporations was called to California's attention was in 1968. The problem involved detrimental foreign taxes imposed upon certain U.S. air and shipping corporations because of California's imposition of a tax on the foreign lines. As a result California added Section 24320 to the California Revenue and Taxation Code, which exempts on a reciprocal basis the income of foreign sea and air carriers.

In the California Franchise Tax Board's view, there is a considerable difference between a problem and protectionism. The Board is willing to approach any problem with an open mind. It, however, applies its laws in an even-handed manner, and does not back off in the application of its laws merely because some multinational corporations are unhappy with the result.

The commentators tipped their hand as to why they want to destroy the unitary concept on page 16 of the report which stated:

The structure of international tax relations developed betwen the U.S. Government and the governments of foreign countries has made no provision for this situation, which is new and threatens to spread unless steps are taken to bring State practice into line with standard international tax practice.

Undoubtedly, the unitary concept, which has been used for over fifty years, will spread because it is workable and prevents tax evasion by manipulation of corporate forms. Its use would be greatly accelerated if the U.S. Government would adopt the Treasury Department's staff recommendation of it adoption for federal taxation.

The last paragraph of point two overlooks history. Unlike most governments, our federal government is one which had its powers delegated to it. It does little if any violence in the case of most foreign countries when national governments deal with all taxes. The same cannot be said for the United States because unless the states retain their taxing powers their sovereignty is irrevocably subordinated to whoever for the moment is negotiating treaties for the federal government.

3. The U.S. Government should not engage in or permit a tax practice that if adopted by other countries would be harmful to the U.S. economy. The adoption abroad of the unitary apportionment system of taxing income could be very harmful to the U.S. economy.

It is absurd to conclude that subjecting U.S. corporations abroad to the same taxing systems used by most of the states would cause any significant compliance problems. In reality compliance would be far easier than is now the case if foreign countries could or would subject intercompany transactions to an arm's-length audit. The facts are that foreign countries and the Internal Revenue Service give only lip service to an arm's-length adjustment, and in the very few occasions when an adjustment is proposed, a skilled attorney has no great difficulty in negotiating a favorable settlement.

We are not aware of any leaks of trade secrets by state taxing authorities. The reason is that trade secrets are not required for tax purposes. What is required is financial information of the kind included in reports required by the Securities and Exchange Commission.

The Treasury Department itself has recognized that accounting and translation problems discussed are grossly overstated.

In its justification to support the President's 1978 Tax Program to eliminate the deferral of foreign source income, treasury said, on page 291:

Administrative problems that have been surmountable in these cases will likewise be surmountable when deferral is terminated.

The Commerce paper advances the proposition that use of the unitary method by other countries would prove harmful to U.S. multinationals. This argument perhaps is true with respect to removing the use of tax haven jurisdictions because under a formula method which reflects the activities of a business which actually give rise to income, little or no income would be allocated to paper corporations domiciled in these tax havens. Furthermore, the Commerce Department has completely ignored many of the arguments which are currently advanced against the use of the unitary method by the states. These arguments take the position that the formula results in the over-allocation of income to the states rather than an under-allocation. As long as similar formulas and similar methods are used it is hard to see how this formula which results in an over-allocation of income to the states could also result in an over-allocation of income to foreign countries.

4. Cases of truly unitary operation of related business entities which often make unitary apportionment of multistate business income more practical than a separate accounting of income earned within the State occur much less frequently in the context of multinational business headquartered abroad.

This discussion is a defense of the indefensible. Essentially it is an argument that if we trust the multinationals, their corporate form, and their self-serving accounting records, they will pay the correct amount of tax. California's experience hardly bears out these conclusions. The ease with which corporate accounting records can be manipulated is demonstrated in the Position Paper California filed in connection with the hearings on the treaty. (See Attachment 3, pages 1–26.)

Some of the more recent cases in California currently in litigation involving additional assessments as the result of unitary apportionment and the amounts involved are:

	Million
United States Steel Corporation, filed 5–13–77	$4.3
Mobil Oil Corporation, filed 6–3–77	12.6
Gulf Oil Corporation, filed 4–6–78	26.4
Alcan Aluminum, filed 4–15–78	1.7

We agree that U.S. state boundaries are irrelevant in the operation of a unitary business. They are equally irrelevant in the case of a multinational corporation regardless of where it is headquartered. All one has to do is go shopping or read the advertisements in any newspaper or magazine to realize that there is truly a worldwide market. For example, who knows where the crude oil was produced that is delivered at the local pumps, or where the various components of any manufactured product were produced? Despite the assertion that a subsidiary paper shield makes an activity separate, such conclusion is merely exalting form over substance.

Although the income assigned by separate accounting records may differ from that determined by an apportionment formula, are the corporate managers or shareholders concerned about which of their various activities is more profitable? Or is their real concern whether the operations in total produce income? An obvious example of a cost operation which may be vital to the long-range success of a business is research. Should this activity be isolated or shown as a loss operation even though it develops products which enable a business to grow and prosper?

The Commerce Department paper also fails to realize that the unitary method is a two-way street. In some circumstances the jurisdiction applying the method will increase its revenue, but in other circumstances there will be an actual decrease in the amount of tax assessed by the state. There have been several court cases which demonstrate that this does in fact occur. In California in 1962 two cases were decided, Honolulu Oil Corporation v. Franchise Tax Board, 60 Cal. 2d 417, 386 Pac.2d 40 (1963) and Superior Corporation v. Franchise Tax Board 60 Cal.2d.

406, 386 Pac.2d 33 (1963) which sustained the use of the unitary method when requested by the corporations resulted in a substantial reduction of tax. Recently there has been a decision in Ohio where the Commissioner was required to use the unitary method to compute the income of a corporation doing business within that state. This case involved Beau Brummell Ties, Inc. v. Lindley Ohio Board of Tax Appeals, No. E–1898, March 14, 1978.

The discussion as to invalid apportionment formulas is irrelevant. What is under consideration is not an arbitrary apportionment formula, but one which has been tested by time and repeatedly approved by the United States Supreme Court.

The "arm's-length" method which is so vigorously defended is not workable. In fact, the Internal Revenue Service itself in most cases, according to a noted commentator, uses the unitary concept.

To further demonstrate the unreliability of separate accounting, in January of 1977 Professor Jerome Zeifman, Chief of Staff and General Counsel to the House Judiciary Committee 1973–74, and general counsel to several House subcommittees for fifteen years prior thereto, made a study for the State of Alaska.

In part (p. 24) Professor Zeifman found:

The use by large, vertically-integrated petroleum companies of separate accounting techniques for tax avoidance purposes in Alaska was demonstrated above by Table VIII. In general, this table shows that during 1973, 1974, and 1975, when seven of the largest oil companies operating in Alaska used separate accounting to determine their Alaska taxable income, in no case was any income assigned to Alaska. Instead, each separate accounting was asserted (by the taxpayer) to have demonstrated that the Alaskan operations were being conducted at a loss.

The finding that oil companies are reporting on a separate accounting basis is ridiculous when they themselves describe their business as unitary. See page 1817 of Hearings before the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary United States Senate Re S. 2387 and Related Bills. In connection with a request for the clarification of financial data, Exxon Corportaion said, in part:

As we indicated in our December 16 response and in response to other committees, the FTC's Line of Business and Corporate Patterns reports, and to the FASB's proposal for segment reporting, the petroleum business is unitary in nature.

Finally the Commerce Department study takes the position that the states are applying the unitary method to corporations which are not unitary. Clearly if a foreign corporation or any corporation can demonstrate that its activities do not constitute a single unitary business, that is, that the activities are not interrelated, dependent upon or contribute to each other, than the state tax authorities will not be able to apply the unitary concept. If in fact foreign multinational corporations are less unitary than their United States counterparts, the state tax officials would not be able to apply the unitary concept to them.

5. The unitary apportionment system is difficult to administer and an inaccurate method of apportioning the income of multinational business among taxing jurisdictions.

This discussion demonstrates a lack of understanding of both separate accounting and the unitary concept. Undoubtedly the cost of a few fungible goods can be determined by separate accounting. However, how is an arm's-length determination made with a patented product, a product based on a trade secret, or any complex finished product? To cite only a few examples: What is the fair market price for a soft drink? a new drug? or an automobile? These, obviously, are only a few of the items that tax administrators must deal with.

The second paragraph beginning on page 24 mentions reasons why the writer thinks a unitary determination is not workable. A cursory reading clearly demonstrates that in activities as described an arms-length determination is impossible. Finally, if the unitary concept is difficult to administer, why the oft-expressed concern that its use may spread?

Turning to the further points.

(A) The Unitary Group:

First, the information required for a unitary computation is far less than would be required if a meaningful arm's-length analysis is made. Next, it is financial information, most of which is in the public realm, which is required, not business secrets.

The fact that some companies have prevailed upon their countries of domicile like Great Britain to pass laws restricting their furnishing financial data should never be accepted as an excuse for allowing a private profit-making corporation from ignoring a state's tax laws. After all, businesses are aware of the state's requirements when they enter.

(B) World Income of the Unitary Group:

It has never been demonstrated that foreign corporations do not have the ability to determine their worldwide income. In many cases their accountants and tax managers have been trained in United States universities, and, of necessity, they follow United States accounting methods for their internal control purposes.

The report seems to assume that the various segments of a unitary business operate in a vacuum. Are we to actually believe that the parent company executives responsible for the worldwide operations of a multinational corporation are not aware of what is going on in their several branches, divisions, and subsidiaries? Are we to further believe that the results of operations are not continuously and instantly available, and in a form which, if made available, would permit the preparation of a combined report?

The exact opposite, of course, is true.

There was a discussion of arbitrary tax assessments. Such are used sparingly, and even then in most cases they are based on published financial information. Also if a business chooses to cooperate, invariably its income and factors can be determined quickly and at minimum expense If they choose not to cooperate, a provisional assessment is the only alternative.

(C) Apportionment of Taxable Income to the State:

The only substantive complaint about a three-factor formula is that in many cases the income apportioned differs from the income assigned by self-serving accounting records. In many cases, as demonstrated above, the tax change is immense.

Subpoints (1) to (4) attempt to demonstrate the errors of an apportionment formula.

Subpoint (1) suggests that if production takes place in one country and sales in another, there may be a mismatching of income because the profit relationship may vary. This conclusion misses the basic reason for formulary apportionment. As the California District Court of Appeals noted in *Chase Brass & Copper Co.* v. *Franchise Tax Board*, 70 C.A. 457 at 473 (1977):

Generally, Chase's contentions overlook the fact that *a unitary business is one in which all parts contribute to the total profits in unmeasurable amounts. Thus, if the profits* of any portion of the unitary business are separated from the rest, the base is necessarily inaccurate as the profits from any segment cannot be determined with certainty. (Emphasis added.)

Subpoint (2) suggests wage rates may cause distortion. The United States no longer pays the highest wages. Furthermore, the unitary concept reflects business reality. Under the unitary concept the factors reflect the owner's judgment that manufacturing facilities are located and the wages paid are those which, from a business standpoint, are the most profitable to it. Also, when fringe benefits of the kind which would constitute taxable income under U.S. concepts are included in the payroll factor, California has yet to find a case where substantial distortion has been documented.

Subpoint (3) suggests that distortion may occur because profit margins differ. This may occur, but it overlooks the fact that if a business activity is unitary, taxing jurisdictions share in the fate of the total unitary business regardless of profit margins as reflected by separate accounting records.

Subpoint (4) repeats the old story of administrative difficulties, but as Treasury itself noted in justifying a portion of the President's tax reform proposals of 1978, these administrative problems are far from insurmountable.

The Commerce Department study suggests that the three-factor formula will reach an unreasonable and unfair result. This is not the case. The courts have recognized for years the fairness of the three-factor formula. Those cases in which they have found a formula to be unfair have usually involved the application of a single formula. Also it should be noted that under the Uniform Division of Income for Tax Purposes Act the state tax commissioner is empowered to exercise his discretion to delete factors from the formula, add additional factors to the formula or to use any other means which is appropriate to fairly reflect a taxpayer's business activities within the state. Given the discretionary power which state tax commissioners hold under the Uniform Act, a question of unfairness, if it existed under the three-factor formula, would certainly be subject to judicial review.

6. Use of the unitary apportionment method may result in the State taxing income of the multinational enterprise that is not derived from or substantially related to the operations of the enterprise in the taxing State.

The opening paragraph overstates the problem because the unitary income includes only income of a commonly owned business when the operation of a portion of the business done without a state is dependent upon or contributes to the operation of the business without the state. Thus, common ownership alone is not a basis for unitary apportionment.

The next paragraph simply rejects the realities of a unitary business. It accurately describes certain unitary activities and indicates why there should be no geographical limitations with respect to unitary activities.

In noting the limited application of the treaty, it should be noted that the treaty permits apportionment when branch activities are operated in the U.S. What this means is that if the U.K. parent's operations are unprofitable, business will be conducted through branch operations. If the U.S. operations are unprofitable, business will be conducted through a subsidiary. Therefore, the treaty provides the U.K. corporations with the ability to control their income subject to state tax by the corporate form by which they conduct their activities.

It should also be noted that the authors do not mention that the treaty limitation runs only against U.S. taxing authorities. It is possible that under the language used in the treaty that a U.K. multinational can utilize the unitary concept if it wishes to do so.

It should also be realized that the multinational business may often operate at a loss in a particular jurisdiction in order to obtain a competitive advantage over local businesses. By that means the large multinational corporation can use its income in

our jurisdiction to drive out its competitors in another jurisdiction and in this way discriminate against small business operations. Certainly the charges which have been brought against the Japanese steel companies and television manufacturers involving dumping in the United States' market demonstrate that this is a real threat. While the operations within a particular jurisdiction may actually create a loss, these operations can contribute to the maximum efficient usage of plant and capacity in another jurisdiction which thereby gives rise to the largest overall profit which the business can realize. Only the unitary method deals with these problems in a realistic manner.

As for the unsolicited concern for the States, it is suggested that their business climate and tax policy is a matter of their concern. In fact, there is no empirical evidence which demonstrates that the business climate of any individual State has been significantly affected by the use of the unitary method of taxation. California, which is perhaps the primary proponent of the unitary method, has consistently ranked as one of the most attractive jurisdictions for foreign businesses.

Furthermore, the unitary system does not, as suggested, tax out-of-State income. It is only a more accurate method for determining income from local sources. If the States were taxing income over which they did not have nexus, such action would be quickly stopped by application of Constitutional principles. Such is not the case; and that is why the multinational corporations are seeking to sneak in through the back door by way of a treaty.

7. Prohibiting States from using the unitary method to tax multinational businesses need not cause the States to lose revenue to which they are legitimately entitled.

The dividend income has been previously discussed. Its impact is minimal. The revenue which is at risk for California (about 10 percent of its corporate base, $125 million as of 1974) is real. The risk is far greater because the treaty will be used as a lever to upset the whole unitary concept. If this occurs, the collective loss to the States will be staggering. As to Section 482, if it cannot be adequately enforced with the Internal Revenue Service with its large and competent staff, is it realistic to assume States with their meager resources and staffs will enjoy any success? The Joint Committee on Internal Revenue Taxation concluded that they would not.

8. The argument that using a tax treaty to address the unitary apportionment problem bypasses the House of Representatives and is an unfair "end run" taken without notice to the States is not supported by the facts.

What this argument overlooks is that the Executive Branch dealt away state taxing powers. It did so without consulting the states, and even without a full awareness of the impact of such action.

The article suggests that the British negotiators have no legal access to Congress. This ignores reality. The tax considerations of Article 9, Section 4, do not even arise unless there is British corporate activity in the U.S. It is absurd to suggest that persons engaged in business in this country cannot communicate with Congress.

And certainly no such restriction was apparent during the July 20, 1977 Senate Foreign Relations Committee hearing on the treaty when the statement of Mr. John S. Nolan, speaking on behalf of the British National Committee of the International Chamber of Commerce and the Confederation of British Industry, was received by the Committee.

The article also suggests that states are entitled to no more consideration than private interests, even when their powers and revenue are given away. As for the 1978 Senate Hearings, in which California participated, there was no indication whatsoever that California's application of the unitary concept caused concern to the Senators who attended the hearings.

9. Placing limits on State use of unitary apportionment for foreign based enterprises by means of a tax treaty benefits the United States more than achieving this result by Congressional passage of a generally applicable law to the same effect.

The difficulty of a quid pro quo is that the consideration should flow from the principals. The states undoubtedly could negotiate very favorable unitary treaties if they could trade off Federal taxes. It is, of course, an easy bargain when one is trading off rights of another which is not a party to the negotiations.

The principal benefit which results from dealing with the unitary method in a treaty is that it will permanently engraft into the law of the United States a protection for foreign multinational corporations and will make it that much easier for domestic multinationals to obtain the same benefits for themselves under the guise that they are being discriminated against. Clearly this must be the intention of the U.S.-based multinationals or why would they otherwise support a provision in a tax treaty which can only place them at a competitive disadvantage to their foreign counterparts.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. MAGNUSON. This would apply disastrously to our fishing and to our attempt to keep fisheries for American fishermen. They are starting to come in now, and the Senator from Alaska and I have had a difficult time trying to keep them out. have we not?

Mr. STEVENS. We certainly have, I say to the Senator from Washington.

Mr. MAGNUSON. To the jeopardy of American corporations.

Mr. STEVENS. The net result will be that any corporation that comes from the British Isles, from the United Kingdom, and owns vessels that are beyond the 3-mile limit or worse, are within the 3-mile limit, will have a preference over vessels from my State or the Senator's State, and the net effect of it is to bring the foreign vessels closer to our shores.

I do not understand why we cannot have the right to tax as we choose. The courts have held that the unitary method is a fair way to apportion income of multinational corporations.

The PRESIDING OFFICER (Mr. PAUL G. HATFIELD). The Senator's time has expired.

Who yields time?

Mr. JAVITS. I yield 2 additional minutes to the Senator.

Mr. STEVENS. I thank the Senator very much.

I shall end my comments now, and I hope to have comments later.

I will ask the Members of the Senate to look at the record. The record shows that our own Congressional Budget Office shows the loss to the Federal Government of the adoption of this treaty.

The record shows that the national organizations that are involved with tax policy, both those of a public interest nature and those that deal with State legislatures themselves, the attorneys general, the tax commissions of the 50 States, oppose this treaty unless this reservation is adopted.

I just cannot understand why the Senate should feel compelled to approve a secret deal, negotiated by an executive branch, that Congress would be forbidden to do under the Constitution if we were to address this matter with national legislation.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. I yield myself 5 minutes.

Mr. President, one thing I have learned in the last 10 minutes is the voice of sweet reason does not work, which is what I tried to talk with my colleague about.

Now, I do not want my colleague misrepresenting this to the Senate, because I have been reasonable. For one, what is secret about a treaty signed in 1975 and pending here since then without attention by the Senate.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. STEVENS. The Senator asked me a question. I hope he will let me answer it.

Mr. JAVITS. I certainly will.

Mr. STEVENS. Not one State was contacted before this deal with the United Kingdom, not one. Our State was never contacted before this treaty was signed. It was released publicly after the deal was signed. We were told exactly the same thing as we were told on the Panama Canal Treaty; that we cannot change it because it will mean it will have to go back to the United Kingdom, for acceptance of a reservation.

I say to the Senator it was a secret deal. My State never knew about it. The executive branch negotiated away our rights without ever contacting us. Every State that looks at it has reacted the same way.

Mr. JAVITS. That is not true, because I just read two letters from two Governors who do not react the same way.

A resolution was presented to the Governors' Conference this very year to go with the Senator from Alaska and disapprove article 9(4). It was not acted on.

Mr. STEVENS. No.

Mr. JAVITS. You could not get the Governors to act on it.

One other thing I wish the Senator to answer——

Mr. STEVENS. May I answer that first one now?

Mr. JAVITS. All right.

Mr. STEVENS. Who speaks for tax policy for the State? Is it Governor Brown or is it the California Franchise Tax Board? They are duly elected statewide officials, two of them.

Mr. JAVITS. So is the Governor. He is a duly elected statewide official.

Mr. STEVENS. The attorney general enforces the tax laws. The attorney general and the Franchise Tax Board of California. And as a matter of fact, the attorney general of the Senator's State was there at the time the Attorney General of the United States took the position opposed to this treaty.

Mr. JAVITS. The attorney general of my State is not against this treaty. Is the Senator quoting him? He was there.

Mr. STEVENS. At that meeting.

Mr. JAVITS. The Senator is here now and if he loses does that mean it is wrong?

Mr. STEVENS. He was at that meeting. The attorney general is on record against this treaty.

Mr. JAVITS. So what? Suppose he was at the meeting. Does the Senator quote him?

Mr. STEVENS. Who is he? Who sets the State's tax policy?

Mr. JAVITS. The Governor.

One other thing.

Mr. STEVENS. Ask him why he did not object to this resolution in September.

Mr. JAVITS. I ask my dear friend, Is it now the law in the United States that if you do not object you approve? What kind of jurisprudence or fairness is that? What kind of childishness is that. The fact a Member does not speak here, does that embarrass him when he then votes "nay"? What kind of world are we running?

Now on another point, Mr. President.

Mr. STEVENS. How about the State legislature of the Senator's State? They were at the National Conference of State Legislators; were they not? Where were they?

Mr. JAVITS. Why does the Senator not poll the people and have a plebiscite and take a vote on that of 17½ million New Yorkers?

Mr. STEVENS. If we had had a plebiscite on other treaties, like the Panama Canal Treaty, they would never be ratified. I can tell the Senator that.

Mr. JAVITS. Both Senators of California, have started where the Senator is, have changed, with the Governor.

And one other thing: The Senator is quoting something which I have to challenge and challenge very seriously. He quoted the Congressional Budget Office.

Mr. STEVENS. I put the letter in the RECORD.

Mr. JAVITS. I know the Senator did. I am going to argue from it.

Mr. STEVENS. All right.

Mr. JAVITS. The letter said:

> The Congressional Budget Office estimates that the 5-year cost of the treaty provisions other than those related to the ACT and PRT in millions of dollars will be—

Now the ACT is the payback. We are getting over $375 million back, and that is going to be taxed and it is going to be taxed retroactively, and in addition we are getting $85 million a year which will also be taxed. The Senator did not say anything about those offsets.

Then let us read on from column 1 which says:

> Fiscal year 1978 revenues loss, $100 milion.

Then it takes a precipitous drop in 1979 to $28 million; in 1980 to $31 million; in 1981 to $35 million; in 1982 to $40 million; and in 1983 to $45 million. If anything it is a washout. With what is coming back under ACT and the other advantages of the treaty it has been enough to convince two-thirds of the Foreign Relations Committee and to bring onto the floor only those Senators, I wish to point out, who represent States that wish to use the unitary tax system.

Now, let me pay my respects to the fisheries and the farmlands and all the other dust that is thrown in the air. As a matter of fact, you can make any tax you please upon any corporation, U.K. corporation, which does business in your community, any tax you please, even confiscatory, unless you are stopped under the Constitution. There is nothing to prevent you from taxing their business for fishing vessels, their business for farmlands, and their property in the State. Under the treaty, the States will not be able, as some have done now under the unitary tax system, to reach out and tax them for property they have and business they do all over the world by an arbitrary proportion of whatever they do in your State, whether there is property there, business, or anything else.

That is the reason why the British and other industrialized nations properly protest against this unitary taxing system.

The United States has negotiated a treaty. It has negotiated many others affecting taxation.

Senator PELL cited one on shipping, reference to which will be found here at page 187 of the record, of the Foreign Relations Committee hearings on the treaty. Our existing Treaty of Friendship, Commerce, and Navigation with France specifically provides that French companies cannot be taxed by our States except with respect to property located in such State, income or property derived from activities within that State, or business which the French companies do in that State.

That is, in essence, a nondiscrimination article, and we have those in every tax treaty. So there is no discrimination and you are not making a tax haven. You can tax them any way you please, but you have to tax them realistically; you have to tax them on property or business done in that particular State.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. JAVITS. I will yield in a minute.

The objection which is made by the British, and I think quite a legitimate one to the unitary other taxing system that you use is that it simply reaches out arbitrarily to operations everywhere without regard to what is done in your particular State, and that is unfair.

I yield.

Mr. STEVENS. I hope that the Senator realizes that British Petroleum is one of the owners of the right to develop our North Slope oil and BP is partially owned by the Crown. As a matter of fact, 49 percent of it is owned by the Crown.

Yesterday in answer to my colleague's first comment, the Senator from Idaho distributed to other Members of the Senate a letter which contains this statement.

With regard to its first point about the budget office, Senator CHURCH says:

> The Budget Office made no estimate of the potential revenue loss to the U.S. from making creditable, dollar for dollar, against U.S. tax, Britain's Advance Corporation Tax (ACT) or the Petroleum Revenue Tax (PRT). The Revenue Effect section of the Foreign Relations Committee Report on the U.K. Treaty indicates that by making those taxes creditable, the potential loss from the ACT is "somewhere between $50 million and $100 million for the 1975–1978 period, and $15 to $25 million a year thereafter." The potential revenue loss from the PRT ranges between $300 million to $600 million per year by 1983.

Second, let me point out to my friend, I put in the RECORD yesterday the statement published by Exxon throughout the United States from November 1977 through April 1978. That statement was entitled "Let's Talk . . . About 'Equalizing' taxes," The question was asked:

> Q. How does the State determine how much of a multistate company's income is taxable in Alaska?
>
> A. Under current law, a multistate or multinational corporation's total worldwide income is apportioned to Alaska by an equally weighted three-factor formula based on the percentage of the company's total property, payroll and sales in the state. For instance, if the company has 25 percent of its total property, payroll and sales in Alaska, the company pays Alaska corporate income taxes on 25 percent of its total federal taxable income—at the corporate tax rate of 9.4 percent. Variations of this same formula are used in 42 other states and the District of Columbia in calculating income to attribute to multistate companies.

Again, let me answer my colleague's inquiry, "Where is the haven?" The haven is that now Exxon will pay that tax but BP will not even though they develop the same oil and gas in Prudhoe, Alaska. Under this treaty BP has a tax haven and it gets it for the quid pro quo of returning those stockholders' impounded funds that the Senator has mentioned.

When you really look at it, what we are doing is we are impeding my State's sovereign rights to tax equally the partners who are developing the Prudhoe gas and oil reserves. The domestic multinational corporations will continue to pay our tax. The foreign United Kingdom multinational corporations, half of it almost owned by the British Government itself, will now have a tax haven and it will have a windfall because it will not be able to be taxed on the same method.

I call the Senator's attention to the fact that resource-producing States that deal with countries such as Japan totally wash out any value of the product that they are developing in the United States. Take timber, for instance; they keep the price of the timber below actual cost as they sell it to their own corporations in Japan. They produce the pulp in Alaska and they sell it to Japan. We can never get any income tax out of it because they sell it at a loss so what we do is we apportion, based upon their activities in Alaska, their total worldwide income based upon this three-factor formula weighted to property, payrolls, and sales to the State.

That is a very fair method, as a matter of fact, in dealing with the Japanese because they still end up by paying less than if they were a Delaware corporation. I emphasize that—less because they are selling to themselves. Under our system we have to sell at arm's length, and there is a profit factor involved. We are

not dealing as BP is with a Government-owned corporation. I shudder to think what is going to happen if the Senator from New York tells me that ultimately we are going to extend this same privilege to Russia. How are we ever going to deal with Russia?

Mr. JAVITS. The Senator from New York has not told the Senator that.

Mr. STEVENS. We have Russian corporations.

Mr. JAVITS. The Senator from New York has not told the Senator that. Why does he insist on assuming something and setting up a point and then arguing against it? Has the Senator from New York mentioned the Soviet Union in this debate?

Mr. STEVENS. No, I have not said that. I will yield to the Senator if I still have the time.

I say I shudder to think what would happen if the Senator told me that. He told me it is going to Canada. He has told me it is going to go to the United Kingdom. What is going to happen when it goes to a country that deals with a government-owned corporate activity in my State? The Russians do have processing ships off our shores. The Russians are entering into joint ventures with our fishermen. How are we going to tax them fairly as compared to the fishermen who come from the State of Washington?

Again, whether it is Russian or not, will the Senator tell me if this principle is going to be extended to government-owned foreign corporations anywhere, even including the United Kingdom?

Mr. JAVITS. The Senator is a lawyer and he never answers questions which say, "Have you stopped beating your wife?" The Senator did not mention the Soviet Union and the Senator did not intend to mention Uganda or Burundi or Cambodia. The Senator can call a list of 104 nations and say I did not mention them. What does that prove?

Mr. STEVENS. Let me get to Canada.

Mr. JAVITS. I am going to just answer the Senator.

Mr. STEVENS. The Senator mentioned Canada. Tell me about PetroCan that is owned by the Canadian Government. Can it come into my State with a tax haven if we go to Canada with a similar treaty provision?

Mr. JAVITS. Let us stick to the Soviet Union which the Senator raised.

Mr. STEVENS. The Senator mentioned Canada. I want to talk about government-owned corporations.

Mr. JAVITS. We will get to Canada in a minute. The Senator mentioned the Soviet Union, and that is typical of his argument. He is assuming that the arms-length tax method is unfair and that is why we need the unitary tax system because the Senator is unwilling to tax——

Mr. STEVENS. Mr. President——

Mr. JAVITS. If I may just finish—you are unwilling to tax only upon business done or property owned in your State.

And now about Canada. I said, if I may just finish—and by the way we have to stop because of other Members.

Mr. STEVENS. I say to the Senator I think we should quit. I hope he will not let the record stand that I made such a concession.

Mr. JAVITS. OK.

Mr. STEVENS. I will close by saying to the Senator from New York that all of the corporations that originate in New York that come to my State will pay the tax according to the unitary method; all the corporations that come to my State from the United Kingdom will not. Let the Senator explain that to his corporations. I can explain to my State what I am doing.

Mr. JAVITS. I will explain it very well to my corporations, and the quid pro quo was more than worth it. I would like to remind you that Alaska can reach any piece of property or any business done that I wish under a system which is fully allowed to you; and as to Canada, if I may finish, that treaty will be here if it is ever made. If we do not like it, we can turn it down. That goes for treaties with Germany, France, and any other country.

I yield to the Senator from Oregon 5 minutes—I think I had better make it 3.

Mr. KENNEDY. Mr. President, will the Senator yield for just a question, 30 seconds, just a parliamentary inquiry?

Mr. JAVITS. Yes.

Mr. KENNEDY. Under the consent agreement we were going to vote on my reservation after 9(4), and I think we can resolve that issue if we had 4 or 5 minutes prior to the time of the vote. If we can gain that just before the vote, then it would not necessitate a vote.

Mr. JAVITS. I thank my colleague. I yielded only 3 minutes here.

Mr. KENNEDY. I thank the Senator from Oregon.

Mr. PACKWOOD. I thank the Senator from New York.

I join the Senator from Alaska in opposition to this whole treaty, and especially, 9(4).

This is not a new issue. Several years ago the senior Senator from Georgia (Mr. TALMADGE) introduced a bill that was referred to the Committee on Finance that would have done exactly the same thing in terms of prohibiting the unitary system of taxation that this treaty does.

At my request the Senator from Georgia did not pursue that bill because I told him if it were enacted it would cost the state of Oregon 10 percent of all of its corporate income tax revenue because that bill, of course, would have applied to all corporations, not just from the United Kingdom.

The executive branch, seeing they were not going to be able to pursue their whims through the legislative process and through the committees in both Houses, then attempted to go about it through the back door with this treaty.

I am not saying it is a secret treaty. They just know they cannot get legislation of this nature passed through both Houses of Congress.

What this is going to do, and it is not just the United Kingdom, because if it were just the United Kingdom, it would cost Oregon a very slight amount of money, but this is simply the first in a series of efforts being made by multinational corporations to have Congress extend these treaties to other countries. Example: One of the principal pulp and paper wood industry companies of this country came to me and asked me to support this treaty. I said to them, "Why on earth do you have any interest in this? You do not have any plant in the United Kingdom and I doubt that you have any forestry interests in the United Kingdom or pulp interests."

They said, "Oh, no, of course not. But when it is extended to Canada"—just like that—"when it is extended to Canada, it will mean a great deal to us," and, conversely, will mean a great loss to Oregon.

So I join with the others who object to the U.S. Government trying to tell the State of Oregon we cannot use a unitary method of taxation, one that has been tested in the courts, one that has been tested and found constitutional, one that has been tested and found fair.

Mr. SPARKMAN. Mr. President, will the Senator yield long enough for me to ask for the yeas and nays?

Mr. PACKWOOD. Yes.

Mr. SPARKMAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, does this mean on the vote on the reservation? If not, I ask for the yeas and nays on it also.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PACKWOOD. I object to the State of Oregon——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PACKWOOD. May I finish in 30 seconds?

Mr. JAVITS. I yield the Senator 30 seconds.

Mr. PACKWOOD. I object to the State of Oregon being prevented from using a system of taxation that has been found constitutionally sound, fair, and equitable, that is inexpensive for the State to administer, as opposed to the apportionment method of taxation, where we will have to investigate every corporation that has some business in the State of Oregon.

In conclusion, Mr. President, I seriously object to the executive branch trying to go through the back door via a treaty for what they cannot get through legislation.

Mr. SPARKMAN. I yield the remainder of my time to the Senator from Massachusetts (Mr. KENNEDY).

Mr. HODGES. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. KENNEDY. I yield.

Mr. HODGES. I ask unanimous consent that Lynn Boyd of my staff have the privilege of the floor during the consideration of this treaty and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. I make the same request in behalf of John Colvin of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP RESERVATION NO. EXEC. 41

Mr. KENNEDY. Mr. President, in my statement yesterday, I gave my strong support to the reservation proposed by Senator CHURCH. I also want to associate myself with the able and effective arguments made in favor of the reservation this morning by our distinguished colleague from Alaska, Senator STEVENS. I believe that article 9(4) unfairly deprives the States of a workable and effective method of taxing multinational corporations, and I hope that the reservation will be approved.

Mr. President, in an editorial last Sunday, the Boston Globe strongly endorsed the reservation. I have placed a copy on Senators' desks, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, June 18, 1978]

TAXING STATE TAXATION

The advantages of lowering trade barriers and fostering international commerce have been much heralded. So too has the necessity of strengthening the ability of American states to meet the challenges within their borders. Those two objectives have come onto conflict in a treaty embodying a U.S.-United Kingdom tax agreement due to come before the Senate soon.

The treaty offers much to American investors—primarily multinationals—that invest in the United Kingdom, including a $375 million tax refund for the years 1973–78 and about $85 million a year thereafter. The refunds would be derived by granting U.S. investors there tax credits to offset the double taxation of business income, as both corporate earnings and dividends, that are now granted British investors in their own country. But while American investors would benefit by the terms of the treaty, American states could suffer.

Embodied in the treaty is a prohibition against states employing a simplified method of deriving the taxes due them from British corporations operating within their borders. Instead, they would be compelled to utilize a cumbersome accounting practice that even with the promised assistance of the U.S. Treasury might be beyond their capacities. There have been wide-ranging estimates of the potential revenue losses to the states. Ultimately, the effect will depend upon whether the United Kingdom accord becomes a model for other U.S. tax treaties with other nations.

But whatever the impact—and Treasury argues that the net result could be an increase in revenues for some states—the effect of the accord would be to embody in a treaty, which neither the states themselves nor their representatives in the House had any role in drafting, a limitation on state taxing policies and prerogatives.

Foreign investors in the United States have every right to demand that they are taxed fairly by the states, that taxing formulas are not jiggered from place to place and time to time. Yet the states clearly have the right to establish their own fair procedures or, at the least, to participate fully if Washington constricts that right.

In light of these considerations, there is a strong movement afoot in the Senate to attach a reservation to the United Kingdom tax treaty voiding the section dealing with state taxing policies. It has the support of Massachusetts tax officials, as well as those in numerous other states, and it is a reasonable course.

Mr. KENNEDY. Mr. President, there remain 3 minutes under the consent agreement before we vote on the reservation. What I intend to do now is ask unanimous consent that the pending reservation may be temporarily laid aside, so that I may call up and dispose of briefly my reservation to article 23. We can probably dispose of this reservation in a few minutes, and I am confident that we can avoid the rollcall vote scheduled on it under the consent agreement.

Mr. SPARKMAN. Mr. President, if the Senator will yield, I ask unanimous consent that Steven Emerson of the Foreign Relations Committee staff have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Will the Senator from Massachusetts send his reservation to the desk?

Mr. KENNEDY. Yes. Mr. President, I send the reservation to the desk on behalf of myself and Mr. PROXMIRE.

The PRESIDING OFFICER. The clerk will report the reservation.

The assistant legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an unprinted reservation numbered Executive 41.

The reservation is as follows:

Before the period at the end of the resolution of ratification insert a comma and the following: "subject to the reservation that, for purposes of the tax laws of the United States, the United States shall allow a credit against tax for any Petroleum Revenue Tax attributable to oil and gas extraction income from sources within the United Kingdom and paid to the United Kingdom by any resident or national of the United States, or by any United States corporation owning at least 10 percent of the voting stock of a corporation which is a resident of the United Kingdom, only to the extent that the United States tax attributable to such income for which such resident or national or such corporation is otherwise liable exceeds any credit allowable by the United States for other United Kingdom tax on such income".

Mr. KENNEDY. Mr. President, I ask unanimous consent that the vote on the Church resolution occur at 11:27.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, my reservation would limit the scope of the foreign tax credit for oil contained in the treaty.

The reservation affects a provision of the treaty which, in its current form, is clearly undesirable as a matter of our national energy policy.

That provision is article 23, which would make Britain's petroleum revenue tax—the so-called PRT—eligible for "foreign tax credit" treatment under the U.S. income tax laws. The result of the provision is to offer a potential $500 million a year windfall to U.S. multinational oil firms drilling in both the North Sea and in OPEC countries.

In 1975, the Internal Revenue Service informed the Treasury that it regarded the PRT as a form of royalty or excise tax, not an income tax. Under this interpretation, the PRT would not qualify for the foreign tax credit. Instead, it would be a deduction from income, not a credit against taxes.

Article 23 was included in the treaty as a device to neutralize the IRS interpretation and to reward firms drilling for oil in the North Sea with the more lucrative U.S. tax treatment available under the foreign tax credit provisions.

The principal U.S. firms operating in the British sector of the North Sea are major oil companies like Exxon, Mobil, and Texaco, and independent companies like Occidental, Getty, and Allied Chemical. It is these firms which would be the primary beneficiaries of this treaty provision.

Article 23, however, is seriously flawed, because it does not limit the benefits of the foreign tax credit to oil produced in the United Kingdom. Instead, the article is open ended, and will allow oil companies to shelter oil income from U.S. taxes whatever the source of the oil—even if, for example, the oil is produced in the OPEC countries.

The end result of article 23, therefore, may well be to subsidize oil firms for their OPEC drilling and development—precisely contrary to the intended purpose of article 23 as an incentive for North Sea drilling.

The reason the multinational oil companies are anxious to have article 23 has little to do with the PRT and a great deal to do with the politics of OPEC oil.

In addition to the PRT, U.S. firms drilling in the North Sea pay Britain's normal corporate income tax, which is eligible for the foreign tax credit. Therefore, even if the foreign tax credit is denied for the PRT, U.S. firms will owe only small amounts of U.S. tax on North Sea oil. In large part, the effect of article 23 will be to enable the firms to store up excess foreign tax credits to reduce their U.S. taxes on oil income from other sources.

At the present time, payments to OPEC countries are claimed as eligible for the foreign tax credit, so that the firms have little or no current use for excess tax credits generated from North Sea oil.

What the oil firms fear, however, is a successful challenge by the IRS to the eligibility of their OPEC payments for the foreign tax credit. In recent years, under pressure from Congress, the IRS has begun to reexamine the status of oil payments traditionally allowed as foreign taxes, but which in reality are royalties. In actions affecting payments to Saudi Arabia and Libya, for example, the IRS has recently denied tax credits for such payments. In effect, the oil firms want article 23 as a hedge against these IRS challenges.

Equally undesirable is the disincentive effect of article 23 for U.S. oil production, which is subject to U.S. tax. To the extent that firms are encouraged by tax breaks like article 23 to drill in OPEC countries and other foreign locations, they may forego efforts to expand drilling and development of oil reserves in the United States.

The Treasury claims that the revenue loss from article 23 will be negligible. But this claim is based on a variety of assertions—either: First, that OPEC

payments will continue to be treated as taxes for purposes of the foreign tax credit, or second, that the OPEC countries will be willing to restructure the payments to make them eligible for the credit, or third, that the oil firms will be able to tie up the IRS in litigation over the issue for the foreseeable future.

In fact, it is estimated that PRT payments will total over $1 billion a year in the early 1980's, which represents a potential revenue loss of about $500 million a year if PRT payments are fully shifted into foreign tax credits. By contrast, if these credits are limited to British source oil, it is estimated that the potential revenue loss will be no more than $75 million.

The defect in article 23 can be easily remedied by a reservation to the treaty that limits PRT tax credits to British oil income, instead of allowing such credits for all foreign oil income. It is hardly appropriate for the Treasury, in a treaty negotiation with Great Britain, to accept provisions that may have an impact far beyond the two countries involved. It is equally inappropriate, in taking the dubious step of transforming a garden variety tax deduction into a tax credit, to go beyond the per-country application of such a credit.

The reservation I have proposed will achieve the goal of properly limiting the new tax credit, and I hope that it will be approved by the Senate.

Mr. PELL. Mr. President, I appreciate the remarks of the Senator from Massachusetts, and am glad to say that his thoughts must have considerable cogency, because I have a letter here from the Department of the Treasury dated June 22, addressed to me, saying:

> The Treasury very recently discussed with the British Senator Kennedy's suggestion that the creditability of the U.K. Petroleum Revenue Tax (PRT) under the proposed income tax treaty be limited to income from the United Kingdom.
>
> In those discussions, the British indicated that, unlike the provisions of Article 9(4) in the treaty, they have little concern over the specific mechanics which the United States applies to the PRT credit. Thus, the British have agreed to go forward with discussions of a protocol to the proposed treaty which will accomplish the objective suggested by Senator Kennedy.
>
> The Treasury also stands ready to go forward with such a protocol and we hope that in this manner the proposed treaty can be ratified in its present form.
>
> Sincerely,
>
> DONALD C. LUBICK,
> *Assistant Secretary-Designate*
> *for Tax Policy.*

So I congratulate the Senator on the objectives he seeks to achieve by this reservation.

Mr. KENNEDY. Mr. President, on the basis of this indication by the Treasury of the positive response of the British Government and the cooperation of the Treasury in seeking a protocol to deal with this problem, I withdraw my reservation, and I thank the Senator from Rhode Island.

Mr. JAVITS. Mr. President, I thank the Senator very much for the intelligent and wise way in which he has handled this matter.

The PRESIDING OFFICER. Under the previous order——

Mr. PELL. Mr. President——

Mr. JAVITS. Mr. President, I ask unanimous consent that Senator PELL be permitted to make a unanimous-consent request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that Ira Nordlicht of Senator CHURCH's staff and Bob Paquin of Senator LEAHY's staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that the name of John Haddow of my staff be added to that list.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. CHURCH. Mr. President, I requested Jerome M. Zeifman, professor of law at the University of Santa Clara, Calif., and director of the National Institute of Law and Economics, to comment on the proposed U.K. Tax Treaty and in particular on article 9(4). Professor Zeifman served as chief of staff and general counsel of the House Judiciary Committee, and as chief counsel of the Subcommittee on State Taxation of Interstate Commerce. He has also been a consultant to the State of Alaska on the taxation of multinational petroleum companies and conducted an investigation for that State of the application of the corporate income tax.

He specifically notes that article 9(4) of the U.K. Treaty "embodies a tax policy which is inconsistent with the unanimous findings and recommendations of the House Judiciary Committee." Further, he states that the support material prepared by both the Treasury and Department of Commerce "totally ignores the fact that the House Judiciary Committee recommended that a separate accounting system of taxation based on an arms-length standard be entirely prohibited for State tax purposes. This recommendation by the House Judiciary Committee was based on a unanimous finding that separate accounting was an arbitrary and unworkable method and was beyond the capacity of the States to enforce."

Professor Zeifman points out that article 9(4) should have no effect in encouraging U.K. investment in the United States because under the laws of the United Kingdom, British corporations operating enterprises in the States of the United States are permitted a full credit against the U.K. tax for income taxes paid to the States as well as income taxes to the U.S. Government.

I ask that Professor Zeifman's letter to me, an interview with Professor Zeifman in the publication TaxBACKTalk, and an analysis he prepared entitled "The Taxation by California of the Income of Multi-National Corporations," be printed in the RECORD.

The material follows:

THE UNIVERSITY OF SANTA CLARA,
June 15, 1978.

Senator FRANK CHURCH,
Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CHURCH: I have your letter of June 2nd, 1978 concerning the proposed United Kingdom Tax Treaty, and appreciate your concern with Article 9(4) which would prohibit our states from employing a "unitary" method to determine the taxable income of a United States enterprise controlled by a United Kingdom corporation.

As you know, during my years of service as Chief of Staff and General Counsel of the House Judiciary Committee, and as Chief Counsel of the Subcommittee on State Taxation of Interstate Commerce, I had the opportunity to investigate the corporate income tax systems of all of the states in great depth. After leaving the House Judiciary Committee in 1975 I became a Professor of Law at the University of Santa Clara, where I regularly teach a course in State and Local Taxation. In 1975 I also became a consultant to the State of Alaska on the taxation of multinational petroleum companies and conducted an investigation for that State of the application of the corporate income tax in particular. In providing you with my personal views on the proposed treaty, I am pleased to have the opportunity to draw on these past experiences.

At the outset, let me express my dismay in observing that Article 9(4) of the proposed treaty embodies a tax policy which is inconsistent with the unanimous findings and recommendations of the House Judiciary Committee and which were set forth in that Committee's "Report of the Special Subcommittee on State Taxation of the Interstate Commerce." In that regard, it is especially noteworthy that the material supporting the treaty prepared both by Treasury and by the United States Department of Commerce, totally ignores the fact that the House Judiciary Committee recommended that a separate accounting system of taxation based on an arms-length standard be entirely prohibited for State tax purposes. This recommendation by the House Judiciary Committee was based on a unanimous finding that separate accounting was an arbitrary and unworkable method and was beyond the capacity of the States to enforce.

During the seven-year period from 1961 to 1968 when the House Judiciary Committee was actively concerned with these issues, many of the world's largest multinational corporations, which are now members of the Committee on State Taxation of the Council of State Chambers of Commerce, lobbied vigorously for federal legislation prohibiting the unitary method and requiring the states to use separate accountings. Since the Judiciary Committee totally resisted those efforts, and instead endorsed the unitary method, serious doubts now arise as to the appropriateness of the treaty device being used in a manner that places the states at the mercy of multinational corporations.

In more recent years, I have had occasion again to reexamine and reevaluate the findings and recommendations of the House Judiciary Committee. As part of my investigation on behalf of the State of Alaska in 1975, I examined the income tax liability of the thirteen largest petroleum companies operating in that State. I ascertained that during the period 1973 through 1975 seven of those companies operating in Alaska used separate accounting to determine their Alaska taxable income, and that in not one of those cases was any income assigned by those companies to Alaska for tax purposes. Instead, each separate accounting was asserted by the multinational corporation to have demonstrated that the Alaskan opera-

tions were being conducted at a loss. Under the circumstances, it seems clear to me that because of its arbitrary nature, the use of separate accounting by large multinational corporations affords those corporations the opportunity for wide-scale tax avoidance. The findings in Alaska are set forth on page 42 of the enclosed report which was prepared by me and Professor Kenneth Ainsworth for the Alaska Legisiture and the Alaska Department of Revenue.

In evaluating the effects of the proposed treaty, let me urge that the Senate not only consider the fact that separate accounting is an unworkable and undesirable tax policy for the states, but that it also embodies administrative policies which have an enormous potential for political corruption. Since, in many cases, there are in fact no arms-length transactions which can be used as an administrative standard, both the tax administrator and the taxpayer are afforded the opportunity to use unbridled discretion in determining the taxpayer's ultimate liabi'ity. At the same time, since tax returns are shrouded in confidentiality, no adequate devices are available to assure that individual corporations are in fact required to pay their fair share of tax. For this reason a'one I strongly urge that the Senate reject Article 9(4).

In further evaluating the material prepared by Treasury and the Department of Commerce, I believe it is also noteworthy that under the laws of the United Kingdom, British corporations operating enterprises in States of the United States are permitted a full credit against the United Kingdom's tax for income taxes paid to the States as well as income taxes paid to the United States Government. Under the circumstances, the unitary system of taxation currently employed by the states does not increase or affect the ultimate tax liability of British corporations. As a result, Article 9(4) ought properly to have no effect in encouraging British investments in the United States. That being the case, a principal argument in favor of the treaty is obviously totally without merit.

In closing, let me again thank you for the opportunity to present my views concerning these important matters. I recognize that a more detailed and more technical analysis of Article 9(4) than is possible in this brief letter might be of further assistance. As a result, I am also enclosing an analysis which I prepared for the California Tax Reform Association as well as the Alaska study and a copy of my prepared testimeny at a recent hearing of the California Assembly Committee on Revenue and Taxation.

If I can be of further assistance, please let me know.

Sincerely,

JEROME M. ZEIFMAN,
Professor of Law.

TAXING MULTINATIONALS—A CTRA FOUNDATION ANALYSIS

For some time, state and federal legislators and government officials have been considering changes in the system of taxing multinational corporations. At issue is whether or not these companies should be taxed on a percentage of their worldwide profits (the "unitary" method), or only on the profits of their subsidiaries in any given state.

On the federal level, the Senate Foreign Relations Committee last fall considered a treaty between the U.S. and the United Kingdom which would prohibit states from using the unitary method in taxing British-based multinationals, but indefinitely delayed acting on the treaty.

Governor Brown, once a supporter of the unitary method, now proposes to abolish it in California for all foreign-based conglomerates not engaged in the energy business. The Brown turnabout coincided with reports that the major impediment to Japanese corporate expansion in California is the unitary method.

In an effort to answer some basic questions about the unitary method as opposed to alternative "separate accounting" methods of taxation, TaxBackTalk recently interviewed Jerome M. Zeifman, Professor of Law at the University of Santa Clara.

Zeifman served as Chief of Staff and General Counsel to the House Judiciary Committee in 1973–74, and as general counsel to several House subcommittees in the past 15 years. In 1975 he was consultant to the State of Alaska on taxation of multinational petroleum companies.

TaxBackTalk: Professor Ziefman, there is currently a great deal of discussion and debate regarding multi-corporate income taxation in California. What do you feel the real issues are in this debate?

Zeifman: The broad ramifications of this subject have something to do with antitrust laws. It is interesting to me that the California Franchise Tax Board is one of the few bodies in the world that looks at multinational corporations in terms of the whole picture—though one of the things that the multinational firms have been successful in doing is to divide the world's governments and conquer them.

There is no regulatory body that regulates multinational corporations as the single entities which they really are, in an economic sense. Because of the multi-corporate form of multinational corporations there has developed in the tax field widespread interjurisdictional loopholes. As a result, those of us who live almost totally within one jurisdiction end up being taxed on 100 per cent of our incomes, whereas the multijurisdictional corporations, through these loopholes, are able to avoid paying their fair share. We pay more and more; they pay less and less.

TBT: What does the unitary apportionment approach to corporate income taxation mean in contrast to the "separate accounting" approach?

Zeifman: By applying the unitary apportionment method of corporate taxation, the Franchise Tax Board assesses the net taxable income of Mobil or Exxon or General Motors based on the percentage of the company's property, payroll or sales in California. Hence, it treats each of these companies, with its many subsidiaries, as a single business for tax purposes. Taxable income is determined by multiplying the taxpayer's entire income by a fraction which is the average of the ratios of California-to-total property, payroll and sales.

Under a system of separate accounting, tax liability is determined by each taxpayer assessing its own level of profitability for each of its operating units in the state.

TBT: What do you feel the effect will be upon corporate tax receipts of abandoning the unitary approach and adopting an "arms length" method of determining tax liability?

Zeifman: In order to conduct a proper audit based on separate accounting when you are dealing with companies the size of Mobil Oil, General Motors, Eastman Kodak or Sony, in theory, all intercorporate transactions have to be examined and be computed on an "arms length" basis. This means that if a Japanese corporation charged its subsidiary in California five million dollars for certain services, separate accounting would compel the tax administrator to determine how much the California subsidiary would pay for these services in an open market in which there was free competition.

In the world of multinational corporations there is no arms length market price available, especially on large-dollar items. The tax administration is forced to engage in the most expensive and burdensome type of audit, the so-called cost accounting analysis of all the corporation's services. I don't believe that the state is capable of conducting an adequate cost accounting of Mobil Oil and its worldwide operations.

To undo the unitary method with respect to multinational corporations would result in substantially limiting the state's power to effectively raise revenue in the corporate income tax area for multinational corporations. In my view, for California to return to a non-unitary method of taxation would be, in the state tax field, a return to the stone age of taxation.

TBT: Specifically, what is the major problem with the separate accounting method?

Zeifman: The separate accounting method allows each multinational corporation to determine for itself, based on its own separate accounting, the level of profitability for each of its California subsidiaries. This is, therefore, an artificial level of profitability. In brief, it would be easily possible for a corporation based in New York, or Japan or England, through easily arranged intercorporation transfers, to charge the California subsidiary a higher price for its services, arrange such things as intercorporate loans, so there would be a low level of income based on the separate accounts. In some cases the creation of artificial losses with respect to the California operation could be arranged.

TBT: How does the unitary approach amend that problem?

Zeifman: The unitary approach avoids what I call the "corporate shell game," which exists so long as we allow each corporation to operate under its own shell for tax purposes. The unitary approach simply corresponds to economic reality. I would argue that Mobil Oil, for example, is and ought to be viewed as a single unitary type of operation. It is really one business. Any kind of multicorporate firm, subsidiaries and affiliates, which are controlled by a single parent firm or holding corporation ought to be viewed as a single economic entity for tax purposes.

TBT: If California were to abandon the unitary approach, what do you feel the effect would be upon individual taxpayers and small businesses in the state?

Zeifman: The more the state engages in tax giveaway programs, and the more the state engages in eroding its own revenue base with respect to multinational corporations the more the burdens of supporting state government are shifted to individuals who are taxed entirely. Relatively small-sized businesses which do not have the advantage of operating across state lines are in the same boat. So, in a sense, the Brown proposal to at least partially abolish the unitary method is a way of offering gigantic tax subsidies to non-California businesses at the expense of California businesses and individual taxpayers.

TBT: How do you respond to the claim that the unitary approach causes double taxation?

Zeifman: When the FTB applies a unitary approach to a corporation like Mobil, it is not purporting to tax Mobil's non-California income. All the FTB is saying is that it regards Mobil as a single business, and in determining how much of its income is to be attributed to California for tax purposes the FTB will look at the whole picture and determine how much of Mobil's property, payroll and sales are in California as compared to its worldwide property, payroll and sales.

There is a widely-used device in the law called "piercing the corporate veil:" looking behind corporate shells and asking who really owns the corporation. The unitary approach is simply one which says we are not going to tax corporations on the basis of mere corporate shells. We are going to look at the whole picture and look behind the corporate veil.

TBT: What do you think of the current

apportionment method of unitary taxation in California, and how would you change it-

Zeifman: If I have a criticism of the California unitary system, it is that it is not unitary enough because the unitary method has historically evolved, to a large extent through the courts. The legislature has never fully addressed itself to the subject.

Under the decisions of the California Supreme Court the unitary method is applied on the basis of a threefold test. The Courts look for a "unity of ownership, unity of operation and unity of management." Thus, it is possible under the judicial test for one corporation to have a wholly owned subsidiary which would not be unitary under the court's test. In this case the Franchise Tax Board would be required to make a determination as to what piece of the California subsidiary was unitary with the parent. That requires an exercise with a certain amount of administrative discretion.

I advocate taking the approach which the House Judiciary Commitee took some years ago: lay down a rule that says if there is more than 50 per cent common ownership, affiliated corporations would be treated as unitary.

I would recommend to the California legislature, as I did in Alaska, that the test for unitariness be prescribed by statute simply to be one of common ownership and control.

TBT: It has been said that reverting to separate accounting opens the way for excessive administrative discretion and possible corruption. Could you comment on this observation?

Zeifman: I would be the last one to ever level the charge of corruption against the California Franchise Tax Board, and I am not saying that the undoing of the unitary tax would corrupt the FTB. However, I would regard the undoing of the unitary method as a corrupting force on tax administration in general. The use of a separate accounting method of taxation allows for an enormous amount of discretion to be exercised by both the tax administrator and the taxpayer in determining what the income subject to the tax will be.

I think it goes without saying that unbridled administrative discretion has a potential for corruption. What can make the system even more corrupt is that, in the income tax area, because of a view which is widespread in the U.S. that income tax returns are sacrosanct and shrouded with confidentiality, we now have the two cancer-producing elements in government: unbridled administrative discretion coupled with secrecy.

One thing which adversely affects the business climate is that if a tax administrator is able to exercise unbridled discretion in secret, then even though he treats me fairly, I have no way of knowing whether he has bestowed upon you any special benefits which have not been made available to me. That is not an atmosphere in which to run a railroad.

Politically in this state, I see a movement afoot to remove some of the independence of the Tax Board. Hence I would add to my observations about corruption in government a third cancer-producing element which is the politicization of law enforcement. A system based on discretion, in secret, lends itself to politicization.

Although I am sympathetic to the Governor's concern for getting companies to move to California, when a connection exists between the tax administration or any law enforcement agency and the political fortunes of the governor then the tendency would be to favor those corporations in a manner which would be most favorable to the governor's fortunes, and to correspondingly hit harder at those companies which were adverse to the governor. The separate accounting system fosters this unhealthy connection.

THE TAXATION BY CALIFORNIA OF THE INCOME OF MULTI-NATIONAL CORPORATIONS

(By Jerome M. Zeifman)

Mr. Chairman and distinguished members of the Committee on Revenue and Taxation, let me first express my appreciation for giving me the opportunity to share my views on the taxation by California of the income of multi-national corporations.

More than ten years ago I appeared before this same Committee in a different capacity. At that time I was a resident of the District of Columbia and was Counsel to the Subcommittee on State Taxation of the Judiciary Committee of the United States House of Representatives. The Subcommittee, had conducted a comprehensive investigation of the taxing systems of California and of each of the other forty-nine states. I appeared here in California as a spokesman for that Subcommittee, which was then called the "Willis" Subcommittee and later became known as the "Rodino" Subcommittee.

Today I am pleased to be here in a different capacity. I recently resigned my position as Chief of Staff and General Counsel of the House Judiciary Committee and have become a Professor of Law at the University of Santa Clara. Since I now enjoy the benefits and privileges of being a new Californian I am delighted to present my views simply as a fellow resident and fellow taxpayer.

Although I have only recently become a taxpayer my associations with the California Franchise Tax Board now go back to 1961 when the House Judiciary Committee first began our investigation of that agency. Since that time I have also participated in a wide variety of other investigations of government agencies and government officials conducted by the Judiciary Committee of the Congress. I am especially pleased to tell you today that there is no government agency, federal or state, for which I have a higher regard than for the California Franchise Tax Board.

It is because I believe that both the effectiveness and integrity of the Franchise Tax Board will be greatly impaired, if not destroyed, by the legislation before you that I would like to urge you to reject any proposal which would undo the present unitary method of taxing foreign and multi-national corporations. Expressed conversely, let me also urge you to reject any proposal which permits any foreign corporation to use a separate accounting method of taxation under circumstances in which separate accounting is currently prohibited.

My support for the unitary concept and opposition to separate accounting falls into three inter-related areas which I would like to review for you briefly.

First, as the courts have long recognized, affiliated corporations which are commonly owned and managed, and which engage in a common enterprise, should be treated as a unitary enterprise for tax purposes. To do otherwise would do violence to economic reality and permit the inequitable distribution of tax burdens. In this regard it is especially noteworthy that not only the Supreme Court of California but the Supreme Court of the United States has for a number of years now been rejecting the use of separate accounting in favor of the unitary approach.

Second, the use of separate accounting would permit multinational corporations to engage in wide scale tax avoidance schemes which would be beyond the capacity of the state to control. The inevitable result would be inestimable losses of revenue. This is because the separate accounting method would allow the foreign corporation to determine for itself, based on its own separate accounting, the level of profitability for tax purposes of its California subsidiaries.

In brief, it would be easily possible for a corporation based outside of California to charge the California subsidiary a higher price for its services and a higher price for products, and to arrange such things as intercorporate loans, all in such a way that there would be a low level of taxable income attributed to California.

With respect to the tax avoidance aspects of separate accounting, let me call to your attention, for example, the recent investigation which I conducted for the State of Alaska last year. My investigations revealed that, in the case of the thirteen largest petroleum companies operating in Alaska, whenever a tax return was filed with the state on a separate accounting basis, the corporation reported no income whatsoever to the State for tax purposes. In this regard, let me further point out that any revenue losses to the State of California engendered by the use of separate accounting, would presumably have to be made up through the taxation of local corporations and local businesses which are located wholly within the state.

Third, under a separate accounting system of taxation, the enforcement of the franchise tax would be so severely impaired as to be in serious danger of being exposed to extreme politicization, or corruption, or both. This is because the use of separate accounting method of taxation allows for an enormous amount of discretion to be exercised by both the tax administrator and the taxpayer in determining what the income subject to tax will be. In theory, for example, all intercorporate transactions have to be examined and recomputed on a so-called "arms length" basis. Yet, in the world of multinational corporations, there is in fact often no arms length market price available which the administrator is able to use as a standard. The administrator is thus left almost entirely to the exercise of his discretion.

Mr. Chairman, and members of this Committee, I believe that each of the three reasons I have cited for opposing the use of separate accounting ought in itself to suffice as a grounds for rejecting the legislation before you, but in closing let me give special emphasis to the matter of the use of broad administrative discretion in a taxing system. I think it goes without saying the unbridled administrative discretion has a potential for corruption. At the same time, it is important to note that when we talk of the exercise of administrative discretion in the income tax area, we must also consider the fact that we are dealing with government powers that are exercised in secret, since income tax returns and income tax audits are shielded from public view. Thus we are now dealing with two cancer-producing elements in government: unbridled administrative discretion coupled with secrecy.

Under the circumstances, since separate accounting is both a bad tax policy and embodies the worst features of bad government, as taxpayer and a citizen I would like to urge you to reject the proposals before you in their entirety.●

● Mr. DOLE. Mr. President, the pending tax treaty for the United Kingdom has generated a great deal of controversy. It has been almost a year since the Senate Foreign Relations Committee held hearings on the treaty and it has been several months since the committee reported the treaty to the full Senate.

Mr. President, our economic and social relations with the United Kingdom are close and extensive. At the present time the United States has over $14 billion in direct investment in the United Kingdom. Over $1 billion in dividends, interest, and royalties from this investment is received by U.S. investors every year.

ARTICLE 9(4)

Most of the controversy about the United States-United Kingdom Tax Treaty has been generated by article 9(4) of the treaty. Article 9(4) provides that States will not tax the income of a United Kingdom corporation, determined by treaty standards, which is controlled by United Kingdom residents and is not now doing business in the United States. The treaty contemplates, however, that the States would enforce, with Federal cooperation, on arms length standards of all intercompany transactions to assure that no income properly attributable to a State could escape State tax. States that employ the unitary tax system such as California and Alaska have been strong opponents of this treaty. However, it is interesting to note that both the Senators from California and the Governors are supporting treaty ratification.

U.S. FARMLAND

In addition, treaty opponents state that the Treasury of the United States will lose millions of dollars in revenue. There have been charges that the treaty discriminates against individuals and will have an adverse effect on the capital and securities market in the United States. There have been some farm groups which believe that the United States-United Kingdom Tax Treaty will send the price of U.S. farmland skyrocketing.

Mr. President, I am concerned as much as any Senator in this Chamber about the effect of this treaty on U.S. farmland. However, I can find no supportable evidence that the proposed treaty would create a tax preference of foreign owned farmland and prevent States from regulating the ownership of farmland.

ADMINISTRATION RESPONSE

Mr. President, when the Senator from Kansas heard the charges that the treaty would have an adverse effect on our agricultural industry, I inquired at the Department of Treasury to specifically address this point. Subsequently, I believe all Senators have received a letter from Donald C. Lubick, Assistant Secretary-Designate for Tax Policy. In the case of the United States-United Kingdom Tax Treaty I am inclined to support the administration. I shall ask that a copy of the letter be inserted in the RECORD following my remarks.

Mr. President, the United States-United Kingdom Tax Treaty obligates the United Kingdom to make substantial refunds of taxes estimated to be near $400 million to American investors in the United Kingdom corporations. The transfer of this amount of money, from a foreign country to the United States can only be beneficial when our balance of payments is running at a severe deficit. The transfer of this money could help the value of the dollar in foreign currency markets.

Mr. President, proponents of the treaty have charged that the treaty is usurping the prerogative of the Congress to legislate. As a member of the Senate Finance Committee dealing with tax matters I find the treaty appropriate, in this instance, to settle this matter.

OVERALL BENEFICIAL

Mr. President, the controversy over article 9(4) has been the subject of considerable misunderstanding. From the viewpoint of the United States, article 9(4) represents a relatively minor concession in relation to the overall benefits of the treaty. The Senator from Kansas believes the treaty restriction on the so-called unitary tax system will not have a serious impact on State revenue if there is any adverse impact at all. There is a reasonable basis to believe that the other parts of the treaty, especially those requiring repatriation of money to the United States will in fact, increase State revenues.

My decision about the United States-United Kingdom Tax Treaty has not come easy. It is my judgment that the ratification of the treaty without the Church reservation is in the best interest of the United States. This does not mean that I will automatically support the ratification of similar treaties. The Senator from Kansas believes that each subsequent treaty must be individually examined and assessed.

The letter follows:

DEPARTMENT OF THE TREASURY,
Washington, D.C., May 3, 1978.

Hon. ROBERT DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: The Senate will soon consider a proposed new income tax treaty between the United States and the United Kingdom. Secretary Blumenthal has just written you urging you to vote for the treaty and explaining its benefits to the United States. Since that letter was written it has come to our attention that two new and related arguments are being made against the proposed treaty—that the proposed treaty would create a tax preference for foreign owned farmland and prevent states from regulating the ownership of farmland. As I explain below, both arguments are unfounded.

The proposed treaty does not in any way create a tax preference for foreign ownership of U.S. farmland. The proposed treaty contains no provisions specifically addressed to the taxation of farmland. The treaty does provide in Article 6 that all U.S. real property income is taxable in the United States under normal Federal tax rules. This would include income derived from farmland. The treaty most certainly would not prevent the states from taxing farm income.

As explained in Secretary Blumenthal's letter, there are a few limited situations where pursuant to Article 9(4) of the proposed treaty states may not use the so-called unitary method in taxing profits. At the present, there are only three states that would be affected by Article 9(4)—California, Alaska and Oregon. In the limited situations where the unitary method of taxation may not be used, the states are allowed under the treaty to use the arm's length method of controlling prices in transactions between related parties. There is a wide market for agricultural products and it is, therefor, very easy to obtain arm's length prices and to avoid any possible shifting of profits. Moreover, Federal audit information is available to state tax authorities for the purpose of determining an arm's length price.

We understand that the concern with respect to the taxation of farming profits is primarily directed at Japanese interests and not the United Kingdom. Of course, the proposed treaty with the United Kingdom does not in any way relate to Japanese investment.

Another argument with respect to the treaty's impact on farmland is that the treaty would somehow prevent the states from requiring that farmland be owned by domestic corporations or domestic persons. This argument is totally incorrect. The proposed treaty does not contain any rules affecting state laws with respect to the rights of foreign persons to own U.S. farmland or any other type of land. Although there is a non-discrimination article in the proopsed treaty is this article only applies to Federal and state laws with respect to *taxation*. The non-discrimination article in the proposed treaty is the same in this respect as non-discrimination articles already contained in our current treaty with the United Kingdom and sixteen other U.S. tax treaties. None of those treaties require the states to alter any rules with respect to land ownership.

I hope that this letter eases any concern you might have had about the farmland question. I would be pleased if you would share the contents of this letter with those of your colleagues who are concerned about this issue.

Sincerely,

DONALD C. LUBICK,
Assistant Secretary-Designate
(Tax Policy).

● Mr. GLENN. Mr. President, I wish to add my support for the United States-United Kingdom Tax Treaty which the Senate is presently debating.

The proposed tax treaty with the United Kingdom contains certain provisions which would be highly beneficial to U.S. based corporate and individual investors. The most significant of these provisions is the refund to U.S. investors of the U.K. advance corporation tax (ACT). The United Kingdom has eliminated double taxation by taxing corporate profits only at the corporate level. A portion of the tax collected at the corporate level is refunded to U.K. shareholders in order to satisfy the shareholder's tax liability on the dividend distribution. Under the tax treaty, U.S. shareholders would also receive this credit so as to put them on an equal footing with the U.K. shareholders. U.S. portfolio investors, those owning less than 10 percent of the U.K. corporation, would be refunded the full ACT. U.S. direct investors, those owning 10 percent or more of the U.K. corporation, would only get a 50-percent U.K. ACT refund but would receive a U.S. foreign tax credit for the nonrefunded portion.

Including U.S. shareholders within the United Kingdom integrated tax system would eliminate the inequitable situation which presently exists. The U.S. Treasury Department believes that combining the U.S. tax system with the integrated U.K. system is a significant step which could provide a precedent in the development of future tax treaties with other countries which also use the integrated tax system. Estimates are that ACT refunds, to be made retroactive, would total $375 million initially to U.S. investors in U.K. companies and amount to approximately $85 million annually thereafter.

Another significant provision in the proposed treaty would remove a disincentive which presently exists to further U.K. investments in the United States. Section 9(4) would restrict the ability of a State to use the unitary apportionment method in assessing the State income tax

liability of a U.K. corporation or one which is controlled by a U.K. corporation. The unitary method of taxation is a means by which several States determine corporate income for purposes of taxation by calculating the percentage of the corporation's worldwide income which can be apportioned to the State. The controversial feature of the unitary method is the extraterritoriality of its scope. The apportionment calculation is applied not simply to the corporation which is doing business within the State, but also to affiliated corporations which may not be doing any business in the State or in the United States for that matter. This extension of State taxing power through the unitary method to foreign corporations not doing business in the State or the United States could subject them to double taxation, and, therefore, has caused concern.

Section 9(4) would constitute only a minor limitation on State taxing power while reassuring U.K. corporations that the United States has a favorable investment climate by restricting the application of an undesirable taxing method. Moreover, concern has been expressed that if a reservation is applied to section 9(4) of the treaty it is likely that the United Kingdom will seek to renegotiate the treaty and the favorable ACT refunding provision may be substantially modified or lost.

During the Senate Foreign Relation Committee consideration of the United States-United Kingdom Tax Treaty, I opposed a reservation to section 9(4) and voted in favor of reporting the bill, as proposed, to the full Senate. I intend to maintain my support for the treaty including section 9(4) during the present Senate consideration.●

CALIFORNIA AND THE U.S.-U.K. TAX TREATY

● Mr. CRANSTON. Mr. President, the effect of the United States-United Kingdom Tax Treaty on the finances of the State of California has been widely discussed both in my State and in the Senate.

It has been urged upon me by a number of persons that I reconsider my stand in support of the treaty in the light of the passage of proposition 13.

My answer has been and continues to be to support the treaty without reservation to article 9(4).

Now more than ever California needs more revenues and the U.K. Tax Treaty is an opportunity to increase State income not by raising taxes, but by attracting more businesses to the State.

California's economy last year outperformed that of every one of the 15 leading industrial States—including all the States of the Southwest Sun Belt—by adding new jobs at a rate faster than the rate of expansion of the labor force. My State must continue that high level of economic performance if we are to meet the expectations of the more than 22 million Californians and the thousands of new daily arrivals many of whom seek to find work in California.

Few in the East are aware that California has replaced New York as the principal destination of immigrants to this country. Over 1 million aliens admitted for permanent residence live in California. Many undocumented workers live and work in our State contributing both to the strength of our economy and, unwittingly, to the potential for social conflict.

Only a highly productive and expanding company can successfully sustain tht rapidly growing population of California.

On balance, I feel that ratification of the United States-United Kingdom Tax Treaty will produce substantial economic benefits for California and for the Nation.

Mr. President, it has been stated frequently on the floor of the Senate that the treaty will cost California over $125 million in lost revenues due to the limitations prescribed on the unitary tax method of assessing the corporate income tax. Some have claimed the figure "would be at least $150 million."

Mr. President, last night Governor Brown's Secretary of Business and Transportation Richard Silberman totally refuted these outsized claims of revenue loss to the State. Mr. Silberman reports that a study done for Governor Brown by the State Franchise Tax Board, under the direction of its Executive Director, Martin Huff, places the revenue loss at $10 million and not more than $15 million.

Mr. President, $10 million is a lot of money. But it is far off the mark of the $125 million and $150 million figures so casually quoted on the floor of the Senate.

In addition, the $10 million would be a barely measureable impact on the more than $1.8 billion in corporate taxes collected by the State.

The limitation imposed on California by article 9(4) simply requires that the State not apply the unitary tax method so as to tax the income of non-California related operations of the United Kingdom parent corporation.

That is an eminently fair principle of taxation and I support it.

The California Franchise Tax Board is the most efficient tax collection agency of any State. Politically, the board is more independent than the IRS. As a former Comptroller of the State of California, I have profound respect for the integrity and ability of the board and its employees. The amount of money involved in the corporate income tax collections by California substantial and well worth the effort of the board to levy and collect. I have great confidence that the franchise tax board will be as effective under article 9(4) in collecting revenues from U.K. subsidiaries as the board is today without the treaty.

The treaty deserves support and ratification. It is good policy for both California and the Nation.●

Mr. MATSUNAGA. Mr. President, both the proponents and opponents of the Church reservation have forcefully presented their views.

At first I was inclined to vote against the Church reservation, but after deeper consideration of all the implications of article 9(4), I am convinced that the Church reservation deserves the support of every Member of the legislative branch of our great Federal system.

It is true that the tax convention with the United Kingdom provides large British concessions for U.S.-owned firms who are heavily taxed in Britain. Obviously, article 9(4) banning the unitary method of taxation is a quid pro quo for the British concessions. It has been contended that the British may not be as generous if article 9(4) is deleted. Nonetheless, I believe they will make some concession to end what is universally recognized as a discriminatory tax treatment of American companies in the United Kingdom.

Article 9(4), in my considered opinion, invokes an unwarranted intrusion on Federal and State taxing authority. The Constitution vests the power to tax in the two Houses of Congress. Also, the power of States to levy taxes is uncontestable. Only recently, the U.S. Supreme Court upheld the Iowa corporate tax apportionment formula on the ground that the Federal Constitution requires such formula be reasonable in approximating income derived from the State and does not invalidate any formula which taxes income from outside the State.

Now that the State authority has been confirmed by judicial opinion, this treaty seeks to curb that power by treaty negotiation—not by constitutional amendment and not by an act of Congress.

I cannot support such unwarranted extension of the Executive's power, and must vote for the Church reservation on article 9(4).

The PRESIDING OFFICER. Under the previous order, the hour of 11:27 having arrived, the Senate will now proceed to vote on the reservation (No. Ex-1) by the Senator from Idaho (Mr. CHURCH).

Mr. JAVITS. Mr. President, will the Senate grant unanimous consent for Alison Rosenberg of Senator PERCY's staff to have the privilege of the floor?

The PRESIDING OFFICER. Without objection, it is so ordered.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. (After having voted in the affirmative) Mr. President, on this vote on the Church reservation, Mr. BENTSEN cannot be present. If he were present and voting, he would vote "nay," against the reservation. I have voted "aye." I have this live pair with Mr. BENTSEN. I. therefore, withdraw my vote.

Mr. SPARKMAN (after having voted in the negative). On this vote, I have a live pair with the Senator from North Dakota (Mr. BURDICK), who cannot be present for this vote. If he were present and voting, he would vote "aye." I have voted "nay." I therefore withdraw my vote.

Mr. MATSUNAGA (after having voted in the affirmative). Mr. President, on this vote, I voted "aye." Senator LONG of Louisiana, if he were present, would vote "nay." I ask that I be paired with Senator LONG, and I withdraw my vote.

Mr. ABOUREZK. Mr. President, on this reservation, I have a pair with the Senator from North Carolina (Mr. MORGAN).

If I were at liberty to vote, I would vote "aye"; if Senator MORGAN of North Carolina were present and voting, he would vote "nay." Since he cannot be here today, I give him a live pair. I withhold my vote.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from North Carolina (Mr. MORGAN), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Texas (Mr. BENTSEN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. ANDERSON) would vote "yea."

Mr. STEVENS, I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from Michigan (Mr. GRIFFIN) would vote "nay."

The result was announced—yeas 34, nays 44, as follows:

[Rollcall Vote No. 169 Ex.]

YEAS—34

Allen	Hatfield, Paul G.	Metzenbaum
Cannon	Helms	Muskie
Church	Hodges	Packwood
Clark	Humphrey	Proxmire
Culver	Kennedy	Riegle
DeConcini	Laxalt	Sarbanes
Domenici	Leahy	Schmitt
Durkin	Magnuson	Scott
Garn	McClure	Stevens
Gravel	McGovern	Zorinsky
Hart	McIntyre	
Hatfield, Mark O.	Melcher	

NAYS—44

Bartlett	Glenn	Pell
Bayh	Goldwater	Percy
Biden	Hansen	Randolph
Bumpers	Hatch	Ribicoff
Byrd, Harry F., Jr.	Hayakawa	Roth
Case	Heinz	Sasser
Chafee	Hollings	Schweiker
Chiles	Huddleston	Stafford
Cranston	Jackson	Stevenson
Curtis	Javits	Stone
Danforth	Lugar	Talmadge
Dole	Moynihan	Thurmond
Eagleton	Nelson	Tower
Eastland	Nunn	Weicker
	Pearson	Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—4

Robert C. Byrd, for.
Sparkman, against.
Abourezk, for.
Matsunaga, for.

NOT VOTING—18

Anderson	Ford	Long
Baker	Griffin	Mathias
Bellmon	Haskell	Morgan
Bentsen	Hathaway	Stennis
Brooke	Inouye	Wallop
Burdick	Johnston	Young

So, Reservation No. Ex.-1 was rejected.

Mr. JAVITS. Mr. President, the vote now occurs on the treaty, which requires a two-thirds affirmative vote, does it not?

The PRESIDING OFFICER. The Senator is correct.

Under the previous order, the question is on agreeing to the resolution of ratification of Executives K, Q, and J, 94th Congress, 2d session. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. May we have order in the Senate?

The PRESIDING OFFICER. There will be order. The clerk will suspend until the well is cleared.

Mr. STEVENS. Mr. President, has there been an answer? I had hoped he might tell us what is going to happen after this vote.

Mr. ROBERT C. BYRD. Mr. President, no debate is allowed on a rollcall vote, but I urge Senators not to leave because we expect further rollcall votes today.

Mr. MUSKIE (after having voted in the negative). On this vote I have voted "nay." Senator BENTSEN and Senator LONG, if present and voting, would vote "aye." I, therefore, withdraw my vote.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from Hawaii (Mr. INOUYE), the Senators from Louisiana (Mr. JOHNSTON and Mr. LONG) the Senator from North Carolina (Mr. MORGAN), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Texas (Mr. BENTSEN) is absent on official business.

I further announce that, if present and voting, the Senator from North Dakota (Mr. BURDICK) would vote "nay."

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG), are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee (Mr. BAKER), and Senator from Michigan (Mr. GRIFFIN) would each vote "yea."

The result was announced—yeas 49, nays 32, as follows:

[Rollcall Vote No. 170 Ex.]

YEAS—49

Allen	Curtis	Helms
Bartlett	Danforth	Hollings
Bayh	Dole	Huddleston
Biden	Eagleton	Jackson
Bumpers	Eastland	Javits
Byrd, Harry F., Jr.	Glenn	Leahy
Case	Gravel	Lugar
Chafee	Hansen	Matsunaga
Chiles	Hatch	McGovern
Cranston	Hayakawa	Moynihan
	Heinz	Nelson
Nunn	Roth	Talmadge
Pearson	Schweiker	Thurmond
Pell	Sparkman	Tower
Percy	Stafford	Weicker
Randolph	Stevenson	Williams
Ribicoff	Stone	

NAYS—32

Abourezk	Hatfield, Mark O.	Metzenbaum
Byrd, Robert C.	Hatfield, Paul G.	Packwood
Cannon	Hodges	Proxmire
Church	Humphrey	Riegle
Clark	Kennedy	Sarbanes
Culver	Laxalt	Sasser
DeConcini	Magnuson	Schmitt
Domenici	McClure	Scott
Durkin	McIntyre	Stevens
Garn	Melcher	Zorinsky
Goldwater		
Hart		

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Muskie, against.

NOT VOTING—18

Anderson	Ford	Long
Baker	Griffin	Mathias
Bellmon	Haskell	Morgan
Bentsen	Hathaway	Stennis
Brooke	Inouye	Wallop
Burdick	Johnston	Young

The PRESIDING OFFICER (Mr. ZORINSKY). Two-thirds of the Senators present not having concurred, the Senate does not advise and consent to the resolution of ratification.

LEGISLATIVE SESSION

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1979

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. STEVENS. Mr. President, may we have order in the Senate, so that we can hear the Chair's statement?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats and cease conversation.

Under the previous order, the Senate will now return to legislative session, and the clerk will report H.R. 12933.

The assistant legislative clerk read as follows:

A bill (H.R. 12933) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. ROBERT C. BYRD. Mr. President, the Senate cannot proceed to action on this bill until the ranking manager on the other side is here. He will be here in 15 minutes.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. STEVENS. For the information of the Senate, there is a time agreement on this matter, is there not?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time agreement be as follows: 1 hour on the bill, to be equally divided between and controlled by Mr. BAYH and Mr. CASE; 30 minutes on any amendments; 15 minutes on any debatable motion, appeal, or point of order that is submitted to the Senate; and that the divi-

sion and control of time be in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I shall ask unanimous consent that for the next 15 minutes the Senate proceed with morning business and that Senators be allowed to speak for not to exceed 5 minutes each.

Mr. STEVENS. Mr. President, reserving the right to object—and I shall not object—the manager of the bill is here. I inquire of the manager of the bill, the chairman of the committee, whether he intends to ask for a rollcall vote on final passage of this measure.

Mr. BAYH. Mr. President, I have discussed this matter with the majority leader, and he does not feel that we need a rollcall vote. I do not seen any reason for a rollcall vote.

Mr. MAGNUSON. I do not see any particuar reason for a rollcall vote, unless it be on some contested amendment.

Mr. STEVENS. I am just asking about final passage.

Mr. MAGNUSON. The committee has done yeoman work, and I think everyone is in agreement. One or two amendments may be controversial.

Mr. BAYH. I say to the Senator from Washington that a great deal of work has been done, and there seems to be agreement on this measure. I do not know of any controversial amendments to be proposed. There was one in the offing, but I think agreement has been reached between the major proponent and the opponent of the amendment, who is not here today.

Mr. McCLURE. Mr. President, it seems to me, as one Senator, that the tradition in this body always has been to ask for and to receive a rollcall vote on major appropriations items. There may be some reason not to do so today, but it runs in my mind that that is not a bad precedent for us to follow.

Mr. ROBERT C. BYRD. What is that?

Mr. McCLURE. To have a rollcall vote on final passage of major appropriations items.

Mr. ROBERT C. BYRD. If the Senator wants to ask for a rollcall vote, it is within his right. I do not see any particular magic to having a rollcall vote or not having it. It is the action of the Senate, whether by voice vote, by division, or by rollcall vote. If the Senator wants a rollcall vote, he is within his rights.

Mr. MAGNUSON. If a Senator wishes to vote "no," he can just announce that if there had been a rollcall vote, he would vote "no."

Mr. McCLURE. Mr. President, I ask for a rollcall vote on final passage.

Mr. ROBERT C. BYRD. Does the Senator make that request now?

Mr. McCLURE. I make that request now.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I repeat my unanimous-consent request, that for the next 15 minutes there be routine morning business, with Senators permitted to speak within that period for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXCHANGE STABILIZATION FUND

Mr. STEVENSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2093.

The PRESIDING CFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2093) entitled "An Act to provide that the Exchange Stabilization Fund shall not be available for payment of administrative expenses; and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert: That section 10(b) of the Gold Reserve Act of 1934 (31 U.S.C. 822a(b)) is amended by—

(1) striking out "with the Treasurer of the United States" in the first sentence and inserting lieu thereof "in the United States Treasury";

(2) striking out the second and third sentences; and

(3) amending the fourth sentence to read as follows: "The fund shall be available for expenditure, under the direction of the Secretary of the Treasury and in his discretion, for any purpose in connection with carrying out the provisions of this section, including the investment and reinvestment in direct obligations of the United States of any portions of the fund which the Secretary of the Treasury, with the approval of the President, may from time to time determine are not currently required for the purposes prescribed by this section: *Provided*, That the fund shall not be available for the payment of administrative expenses.".

SEC. 2. Section 10 ofthe Gold Reserve Act of 1934 is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of the Treasury may, under such rules and regulations as he may prescribe, provide to personnel performing the international affairs functions of the Department of the Treasury allowances and benefits comparable to those provided by title IX of the Foreign Service Act of 1946, as amended.".

SEC. 3. (a)(1) Subject to the provisions of chapter 51 of title 5, United States Code, but notwithstanding the last two sentences of section 5108(a) of such title, the Secretary may place at GS–16, GS–17, and GS–18, no more than 61 positions of the positions subject to the limitation of the first sentence of section 5108(a) of such title.

(2) A person may be appointed to a position placed at GS–16, GS–17, or GS–18 under the authority of paragraph (1) only if such person, immediately before the effective date of this Act, held a position or has reemployment rights to a position—

(A) the duties of which were comparable to those of the position to which he is to be appointed; and

(B) for which the compensation derived from the stabilization fund established under section 10 of the Gold Reserve Act of 1934 (31 U.S.C. 822a).

Appointments made under this paragraph may be made without regard to the provisions of section 3324 of title 5, United States Code, relating to the approval by the Civil Service Commission of appointments to GS–16, GS–17, and GS–18.

(3) The Secretary's authority under this subsection with respect to any position shall cease when the person first appointed to such position under paragraph (2) leaves such position.

(b) The first sentence of section 5108(a) of title 5, United States Code, is amended by striking out "3301" and inserting in lieu thereof "3362".

(c) For purposes of determining the aggregate number of positions which may be placed in GS–16, GS–17, or GS–18 under sections 5108(a) of title 5, United States Code, a position established under subsection (a) shall be deemed a GS–16 position.

SEC. 4. Section 51 of the Act of December 30, 1970 (84 Stat. 1659; 22 U.S.C. 276c–2), is amended by—

(1) amending the first sentence to read: "Notwithstanding the provisions of any other law, the Executive Directors and Directors and their alternates, representing the United States in the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Fund, shall, if they are citizens of the United States, in the discretion of the Secretary of the Treasury, each be eligible on the basis of such service and the total compensation received therefor, for all employee benefits afforded employees in the civil service of the United States.";

(2) striking from the second sentence the words "the fund established pursuant to section 10(a) of the Gold Reserve Act of 1934 (31 U.S.C. 822a(a))" and inserting in lieu thereof "funds appropriated to the Department of the Treasury"; and

(3) striking out the last sentence of the section.

SEC. 5. There are authorized to be appropriated not to exceed $23,000,000 and such additional amounts as may be necessary for increases in salary, retirement, other employee benefits authorized by law, and other nondiscretionary costs for fiscal year 1979, including sums for official functions and receptions and representation expenses, to carry out the international affairs functions of the Department of the Treasury.

SEC. 6. Section 10(b) of the Gold Reserve Act of 1934 (31 U.S.C. 822a(b)) is amended by inserting "(1)" immediately after "(b)" and by inserting at the end thereof the following:

"(2) Within fourteen days after the close of each calendar month beginning after the date of enactment of this paragraph, the Secretary of the Treasury shall transmit to the chairman (and the ranking minority member) of the Committee on Banking, Finance and Urban Affairs (and the chairman (and the ranking minority member) of the appropriate subcommittee thereof) of the House of Representatives and the chairman (and the ranking minority member) of the Committee on Banking, Housing, and Urban Affairs (and the chairman (and the ranking minority member) of the appropriate subcommittee thereof) of the Senate a detailed financial statement of the fund respecting all agreements entered into or renewed, all transactions occurring during such month, and all liabilities projected to occur.".

SEC. 7. This Act shall take effect on October 1, 1978, or on such later date as funds are made available pursuant to appropriations Acts authorized by section 5 of this Act, except that the amendments made by section 6 shall take effect on the date of enactment of this Act.

Mr. STEVENSON. Mr. President, this matter has been discussed on all sides, and there is no objection to its consideration and action on it now.

I move that the Senate concur in the House amendment with amendments which I send to the desk.

UP AMENDMENT NO. 1335

The PRESIDING OFFICER. Will the Senator from Illinois send the amendments to the desk?

Mr. STEVENSON. I send amendments to the desk.

The PRESIDING OFFICER. Does the Senator from Illinois ask that the amendments be considered en bloc?

Mr. STEVENSON. I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Illinois (Mr. STEVENSON) proposes unprinted amendment numbered 1335.

Mr. STEVENSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(1) Beginning with page 2, line 14 of the House engrossed amendment, strike out all through page 3, line 21, and insert:

SEC. 3. (a) The Secretary of the Treasury is authorized, without regard to the standards and procedures of section 3324 and chapter 51 of title 5, United States Code, to fill a total of 61 positions in the Department of the Treasury (in addition to any positions which may be allocated to the Department of the Treasury presently or in the future at the discretion of the Civil Service Commission from those authorized under section 5108 (a) of title 5, United States Code) at GS–16, GS–17, and GS–18, to carry out the international affairs functions of the Department of the Treasury: *Provided, however,* That a person may be appointed to a position placed at GS–16, GS–17 or GS–18 under the authority of this subsection only if such person, immediately before the effective date of this Act, held a position or had remployments rights to a position the duties of which were comparable to those of the position to which he is to be appointed and for which the compensation was derived from the fund established under section 10 of the Gold Reserve Act of 1934 (31 U.S.C. 822a).

(b) If no individual held or had reemployment rights to a position provided for in subsection (a) of this section, or the person who has first filled such a position leaves such position, the standards and procedures of section 3324 and subchapter 51 of title 5, United States Code, shall be applied in filling the position.

(c) For the purpose of this section, the aggregate number of positions authorized to be established by section 5108 (a) of title 5, United States Code, shall be increased to reflect the 61 positions created by this section.

(2) Beginning with page 4, line 17 of the House engrossed amendment, strike out all through page 5, line 18, and insert:

SEC. 5. There are authorized to be appropriated not to exceed $24,000,000 for fiscal year 1979, including sums for official functions and reception and representation expenses, to carry out the international affairs functions of the Department of the Treasury.

SEC. 6. Section 10 (b) of the Gold Reserve Act of 1934 (31 U.S.C. 822a (b)) is amended by inserting "(1)" immediately after "(b)" and by adding at the end thereof the following.

"(2) Within 38 days after the close of each calendar months beginning after the effective date of this paragraph, the Secretary of the Treasury shall provide to the Committee on Banking, Finance, and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a detailed financial statement of the fund respecting all agreements entered into or renewed, all transactions occurring during such month, and all liabilities projected to occur."

(3) On page 5, of the House engrossed amendment, strike out the comma on line 21, and strike out lines 22 and 23, and insert in lieu thereof a period.

Mr. STEVENSON. Mr. President, S. 2093 would place on budget the administrative expenses associated with the Department of the Treasury's international functions. Such expenses are presently paid from the Exchange Stabilization Fund. The bill would require such expenses to be covered by appropriations, would authorize an appropriation for fiscal year 1979 for that purpose and make other necessary conforming changes.

The Exchange Stabilization Fund is used to: Account for U.S. participation in the International Monetary Fund, finance intervention in exchange markets in order to counter disorderly conditions, and extend emergency short-term loans to foreign governments for balance-of-payments purposes. As the administration acknowledged when it submitted this legislation, the ESP should not be used to pay salaries and other expenses of Treasury personnel, but should be reserved for international payments purposes.

S. 2093 passed the Senate without objection. The House adopted an amendment to the Senate bill which would: First, require all supergrade positions held by international affairs personnel in Treasury to be placed in the Government-wide civil service pool, require Treasury to file monthly financial statements on the ESF with the Banking Committees, authorize an appropriation of $23 million for fiscal year 1979, plus such amounts as may be necessary to cover nondiscretionary cost increases.

The amendments I have proposed to the House amendment would do the following: Authorize Treasury to retain the supergrade positions presently paid through the ESF and not require all such positions to be placed in the civil service pool when vacated; make a minor amendment to the reporting requirement contained in the bill; amend the authorizing provision to delete the reference to nondiscretionary expenses but instead authorize a larger total appropriation, up to $24 million, for fiscal year 1979 for Treasury's international administrative expenses; and set a uniform date for the proposed statute to take effect. The amendments have the administration's support.

The Treasury Department is particularly concerned about the provision contained in the House amendment which would require all supergrade positions associated with Treasury's international affairs functions to be placed in the civil service pool once vacated. Treasury notes that it would be compelled to compete with other agencies to retain such positions, whereas comparable positions in other agencies are not in the civil service pool. Only a modest fraction of supergrade positions in the Government are pooled; yet, Treasury's entire international affairs function would be subject to pooling. The larger issue of whether to require all supergrade positions to be pooled cannot be settled by this bill, and the issue should not be tackled piecemeal. The President intends to submit comprehensive reform proposals for the executive level positions. Congress will have ample opportunity to address the question in a comprehensive fashion.

I urge the Senate to adopt the amendment which I have offered to the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

DIPLOMATIC RELATIONS WITH ANGOLA MUST WAIT CUBAN WITHDRAWAL

Mr. DOLE. Mr. President, the State Department has dispatched a senior diplomat from our mission to the United Nations to Angola, to discuss certain issues affecting the Southwestern area of Africa. Press reports indicate that the American diplomat, Donald McHenry, will discuss methods for reducing border conflicts between Angola and neighboring Zaire, and also methods of transfer to majority rule in nearby Namibia. Direct communication of this type between the U.S. Government and the Marxist Government in Angola, which came to power following considerable civil strife in 1975, is unprecedented. It raises many questions about our overall policy strategy toward Angola, and toward all of Southern Africa.

Unfortunately, this latest diplomatic move seems yet another isolated policy effort that bears no direct relationship to any clear administration strategy in the area. During the past several weeks, the United States has been engaged in transporting peacekeeping troops into neighboring Zaire, where Angolan-based Katangese rebels have incited death and destruction. Only 7 weeks ago, the Central Intelligence Agency, acting on instructions from a committee of the National Security Council, was quietly making inquiries on Capitol Hill about a plan to aid Angolan rebels still fighting against the Marxist regime governing the country.

Is there a consistent, coherent strategy for Southern Africa into which all of these diverse policy plans fit? Or is it all part of a "hit-or-miss" approach that develops on a day-to-day basis, in reaction to events in Africa? These are the central questions which the American people are asking as the Carter administration proceeds with contradictory moves in the region.

CUBAN TROOPS BAR DIPLOMATIC RELATIONS

Mr. President, I certainly do not object to unofficial discussions with the Angolan Government on ways to reduce conflict in the area—particularly that which is incited by Angolan-Cuban aggression. But I would object, and I suspect the majority of the American people would also object, if any efforts are made to establish formal diplomatic relations with the Marxist Angolan Government while 20,000 Cuban troops remain in that country. Accordingly I intend to propose an amendment to the Foreign Relations Authorization Act, when it reaches the Senate floor, to bar establishment of diplomatic relations with Angola until Castro has withdrawn his forces from that nation. Only 2 years ago, the present

Marxist regime came to power through a combination of support from Cuban troops and Soviet-supplied weapons. To date, the regime can claim control over only about two-thirds of the national territory, as anti-Marxist guerilla forces continue to struggle against the regime. According to our administration, Cuban troops in Angola have trained and equipped Katangese rebels who last month attacked the Shaba province in southern Zaire. Under these circumstances, it would seem ill-advised to even consider establishing diplomatic relations with Angola until all Cuban troops in that nation have been withdrawn.

Cuban President Fidel Castro says that Cuban troops are in Angola at the express invitation of that regime. If this is true, then it should be a relatively simple matter for the Angolan regime to ask them to leave if Angola is truly interested in closer relation with the United States, and it would be a test of the real mandate for Cuban presence in Angola.

In addition, withdrawal of all Cuban troops would clearly be a test of whether the Angolan regime is strong enough to stand on its own—to prove that it is in fact a sovereign regime worthy of diplomatic recognition.

Finally, it would make little sense to establish relations with a nation harboring 20,000 Cuban soldiers, and which seem to rely upon them for its continued existence, when we do not have relations with Cuba itself. It is this Senator's understanding that Cuban provocations on the African Continent are one of the main reasons why this administration has not yet moved to formally recognize the Castro regime in Cuba. Can we then, with any logic, formalize relations with a nation such as Angola which came into being, and continues to survive through the presence of Cuban aggressors? I think not.

It may be premature to suspect that the administration intends to move in the direction of formal relations with Angola. But the unpredictable, contradictory policies of this administration—particularly with respect to Africa—are a continuing cause for concern here in the United States. The President refuses to recognize the reasonable, peaceful Rhodesian internal settlement plan, which would lead to majority rule by the end of this year. He continues to denounce Cuba for training and equipping rebels stationed in Angola. It, therefore, seems inconsistent to formally recognize the Marxist Angolan Government, particularly as long as Cuban troops remain. I hope the administration will refrain from any such initiative, and that these concerns can be put to rest. In any case, a clear statement of congressional objections to formal relations at this time, by means of a floor amendment, would discourage any plans of this type which may be developing within the administration.

THE CRUISE MISSILE AND SALT II NEGOTIATIONS

Mr. HATCH. Mr. President, all of us who are interested in foreign affairs have learned the first basic law of international relations. This law holds that more often than not in international politics, the image is as important as the reality. In 1962, when our Nation withstood the direct Soviet challenge of missiles in Cuba, it was as much the firm resolve and image of determination by our leadership, as the superior strategic arsenal backing such resolve, which forced the removal of threatening enemy missiles 90 miles from our shoreline.

Now as then, America is being challenged. We are being challenged everywhere, especially at the Strategic Arms Limitation Conference being convened in Geneva. And it is crucial that our policy statements and negotiating posture not be compromised by irresolution and self-doubt, that our international image not be tarnished by the naivete of unilateral concessions offered the Soviet side by our eager negotiating team.

I am particularly concerned about the dangers of this in light of the continued, meandering State Department signals being transmitted on the fate of the cruise missile. The strategic importance of the cruise missile as part of America's defense arsenal is a fact of universal consensus within our country's field of defense experts. Despite this, the Carter administration continues to imply that this proposed strategic item may be a negotiable chip at the SALT talks, that we will literally leave it up for "grabs" despite warnings by defense experts that our fragile strategic balance cannot withstand such a possibility.

For these reasons and more, I believe that the Senate has a responsibility to carefully weigh this question of whether or not the administration is well advised to allow the fate of the cruise missile to continue hanging in limbo. A study just released by the Council for Inter-American Security (CIS), an independent research and information service based in the Nation's Capital, concludes that including the cruise missile as an item for bargaining at the SALT talks is a strategic and political mistake. Dr. Robert Emmett Moffit, who studied at the Institute for East European Studies at the University of Friebourg in Switzerland and a member of the CIS Board, contends that—

> . . . The deployment of a cruise missile could have a stabilizing, rather than a destabilizing effect on arms developments on two counts by reinforcing the American deterrence and by encouraging a Soviet shift from offensive to defensive weapons systems.

The Soviet Union is presently pressuring the United States to agree to a prohibition on the transfer of our cruise missile technology to our West European allies. This Soviet pressure certainly works to directly undermine the U.S.-NATO relationship. That the Soviets apply such pressure is not surprising, and in fact complements other testimony supporting the importance of the cruise missile. What is surprising, however, is the apparently amenable attitude by the Carter administration to take these Soviet suggestions seriously.

In order to shed further light on this whole area, I ask unanimous consent that the CIS study on the cruise missile and the SALT II negotiations, part I, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CRUISE MISSILE AND SALT II NEGOTIATIONS

PART ONE

The Cruise Missile and SALT

The cruise missile is one of the most revolutionary developments in modern weaponry. Few other military devices hold greater promise of effectively countering the continuing, massive Soviet strategic buildup, protecting Western Europe from a possible Soviet conventional attack, or enhancing the deterrence value of United States strategic forces. Air, land, and sea-based versions of the cruise missile presently available or now under development, with effective carriers and strategic ranges, will surely penetrate formidable Soviet air defenses well into the 1980s.[1]

Precisely the revolutionary character of the cruise missile, its special technical characteristics and the strategic possibilities, renders its inclusion in the current SALT treaty negotiations especially problematic. This is because the cruise missile may very well represent the first phase in the development of a new set of small, precisely accurate strategic weapons which are highly mobile, easy to conceal and extremely difficult, if not impossible to monitor, according to the conventional processes of arms control verification.

Because the United States has a significant advantage in cruise missile technology, especially in the guidance system, arbitrary limitations on the new missile without corresponding concessions on the part of the Soviet Union may seriously jeopardize the strategic balance. The object of an arms control agreement, such as SALT II, is, of course, just the opposite. It is well to remember that within the general context of other strategic weapons systems, especially ICBM's and bombers, the American lead has either diminished or disappeared. Therefore, a diplomatic failure in Geneva would pave the way for imposition of unprecedented psychological and political pressures, Soviet initiatives detrimental to the national security of the United States and her allies.

General characteristics

A physically small drone aircraft, the present generation of United States cruise missiles is powered by a lightweight turbofanjet engine. The result of numerous research and development programs, the weapon itself is highly cost-effective, not only in terms of initial development, but also of deployment and maintenance. The missile is easily adaptable to already extant launching platforms. Cost estimates for defense programs are often risky, but there is a strong consensus that the weapon will emerge as the least costly investment in the entire national arsenal. It has been estimated that, at full production, each copy of the cruise missle would cost approximately $500,000.[2] It can therefore be produced in great quantities.

The concept of the cruise missile is hardly novel. The notion goes as far back as 1918.[3] Early versions of the weapon were in operation during and after World War II with a limited degree of military success. Nazi Germany employed a relatively crude variety of cruise missile, the V1, sometimes known as the "Buzz Bomb", against Great Britain during World War II. The United States and Air Force research and development teams experimented with the idea of the cruise missile, eventually deploying a group of weapons with bizzare and colorful names: "Regulus", "Snark", "Hound Dog", and so on. During the 1950s and 1960s these weapons fell into desuetude. They were

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never serious strategic options because of their short-range, low cost-effectiveness, and relative inaccuracy. Defense planners placed greater confidence in the then new ICBMs to accomplish the mission of assuring American deterrence.

A combination of technical and diplomatic developments revitalized the missile. During the Vietnam War, U.S. military authorities were intrigued by the effectiveness of discriminatory, high precision weapons, such as the "smart bombs", and supported research and development efforts to advance precision technologies. The perfection of guidance technologies and the miniaturization of electronic instruments revived military and diplomatic interest in the notion of a strategic cruise missile. In the aftermath of SALT I accords (1972), President Nixon's Secretary of Defense, Melvin Laird, saw great value in the weapon, and, with the support of the Joint Chiefs of Staff, urged its development.[4] Secretary Laird's decision was timely. Congressional critics of the SALT I agreement viewed the cruise missile as a possible counter-balance to the quantitative superiority of Soviet strategic weapons codified by the accord. Primarily for diplomatic reasons, Secretary of State Henry Kissinger likewise supported cruise missile development. The Secretary of State envisioned the new weapon as a "bargaining chip" in future SALT agreements[5] a tangible threat to Soviet negotiators if they failed to come to terms with reasonable diplomatic initiatives. Kissinger believed that threatened deployment of cruise missiles en masse would serve to encourage Soviet acceptance of a new arms control agreement.

Mr. Laird's successor in the Ford Administration, Secretary of Defense James R. Schlesinger, also strongly favored the production and wide-spread deployment of cruise missiles. Going beyond the issues of strategic balance and their possible diplomatic value, Secretary Schlesinger saw the new weapon as a vital element in a changing strategic scenario. For Secretary Schlesinger and those of like mind, the cruise missile is congruent with the evolution of an American "counterforce" strategy.

In particular, Schlesinger believes that reliance upon a threatened retaliation against Soviet cities or population centers is in itself an insufficient deterrent. Moreover, the threat against Soviet population centers continues to decrease as Soviet defense planners increase their efforts to provide a strong civil defense program. Retaliatory strikes, therefore, ought to be directed against those objects for which the Soviet leadership has special affection—the military installations that undergird the vast military and political power of the USSR.[6]

There are two further benefits to be derived from incorporating the cruise missile into a counterforce strategy. First, the United States would have the option and the military ability to inflict limited damage against Soviet targets without resorting to a full-scale nuclear attack. No human behaviour is inevitable, especially under crisis conditions. During and after a limited counter-attack, the Soviet leadership would at least have reasonable time to ponder their options, communicate them to the West, and the world might be saved from a nuclear holocaust. Second, by deploying weapons designed to strike Soviet weapon's systems, rather than population centers, the United States spares not only the Soviet population. but also directly protects its own. By eliminating or reducing the Soviet ability to strike, the United States will more effectively be able to defend itself. The effectiveness of a "counterforce" strategy requires the deployment of precise, high penetration, strategic weapons. Few weapons are more compatible with this strategic orientation than the new cruise missiles.

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Proponents of the cruise missile point to the tremendous versatility of the weapon. The cruise can be employed in both a short-range or tactical military operation or in long-range or strategic operations, with either conventional or nuclear warheads. European military authorities are especially impressed with the capabilities of the new weapon, viewing it as an excellent means to discourage Soviet military ambitions or thwart a Soviet thrust into Western Europe.

Following a Gaullist proclivity to remain politically independent, France has already announced her decision to proceed with research and development to provide her with a force of cruise missiles. The French decision may signal new efforts on the part of other European powers to initiate independent cruise missile programs, no matter what agreements are reached between the United States and the Soviet Union in Geneva on the issue of cruise missile technology transference.

The ranges of the present generation of cruise missiles run between 300 and 3000 miles.[7] The range flexibility of cruise missiles is a function of the character of the engine and the weight of the payload, fuel volume, the range and flight profile, and speed. For example, a turbo-fanjet engine, propelling a cruise missile at high subsonic speeds (e.g., 500 mph) could easily be replaced by a ramjet, or rocket engine, enabling it to home-in on its target at supersonic speeds.[8] This would reduce the range while increasing the speed.

Cruise missile ranges can also be extended by dividing the missile into stages, as ballistic missiles, each of which would be jettisoned automatically as its fuel is consumed in flight.[9] As a result, the size of the cruise missile would be continually smaller as it approached its target and would eventually present a diminutive radar signature to Soviet air defense. While such rocket-like stages do not characterize current models of United States cruise missiles, they are highly feasible.

Contributing to the strategic value of the cruise missile system is the high degree of flexibility in its launching patterns.

The present generation of weapons can be profitably employed at sea, either on surface ships or nuclear attack submarines. Serving as an anti-ship weapon, the short-range or long-range cruise missile could rectify to some degree the growing imbalance between Soviet and United States naval power.

On land, it can be placed on either fixed or mobile launch platforms; in the air, on manned bombers.

The new missile could easily serve both tactical and strategic purposes. In a possible European theater conflict, it can play a devastating role in severing enemy supply lines, destroying military depots, and killing enemy tank or truck convoys. The sea-based cruise missile, deployed on submarines, can be used to strike enemy ships or convoys, securing control over vital sea lanes.

The effect of the cruise missile on the strategic triad of the United States is to enhance the killing capability of land, seas, and air forces.

It lends itself to a variety of strategic missions: penetrating enemy air defense, serving as a "counter-force" weapon in a second strike, or bolstering the "counter-value" options of the United States, as a retaliatory measure.

The standard air launched cruise missile (ALCM), fourteen feet in length and 25 inches in diameter, presents air defense radar with a very poor target. With ease the cruise missile can be fitted into the arsenal of the United States manned-bomber force; the older B–52s, the FB–111, or the proposed B–1. A modified combat version of the huge 747 could also easily carry a devastating payload of cruise missiles. Of course, the payload capabilities are not the same for each bomber. As presently modified, the older B–52 could carry a complement of 20 air-launched cruise missiles, installed under its wings and in its bomb bay.[10] It is estimated that the overall weapons payload of the proposed B–1 bomber would be twice that of the B–52; the new bomber, if deployed, could carry as many as 24 cruise missiles internally.[11] A combat version of the Boeing 747 could carry as many as 71 missiles, making it a formidable threat in a stand-off mode.[12] Whether the bomber-cruise missile attack pattern is undertaken in a high penetrating or "standoff" launch mode, the short-term threat to Soviet air defense would be formidable. The question that cannot be answered with a high degree of certainty is whether the current B–52 bomber-cruise missile combination will be able to continuously meet improvements in Soviet Air Defense.

Ground and sea-launched cruise missiles provide the United States and its allies with a slightly different defensive option. The 2000-pound Navh "Tomahawk" (BGM 109) is 18 feet long, and designed as a submarine launched cruise missile. Emplaced in the torpedo tubes of nuclear attack submarines, the "Tomahawk" can be launched at a considerable distance from the Soviet defense perimeters, making it an ideal strategic weapon. Its strength as a "second strike" strategic weapon becomes greater with increases in range and accuracy. Soviet defensive difficulties are directly proportional to cruise missile range increases. Therefore, the range limitations on air, ground, or sea-launched cruise missiles proposed in the current SALT negotiations must be carefully scrutinized. At stake is the strategic utility of these weapons.

II.—Strategic Utility

It is not within the scope of this report to resolve the question as to whether military technology dictates military strategy or the reverse. But it is safe to say that the unique technical characteristics of the cruise missile open up a series of new strategic options for the United States and its Western allies, and impose a new set of strategic problems on our Soviet adversaries. The strength of the modern cruise missile as a strategic weapon is fourfold; its high mobility or launch flexibility; its unique, sophisticated guidance system; its ability to fly at extremely low altitudes; and its unprecedented accuracy. Together these technical advantages render the cruise missile an excellent strategic addition to the American defensive triad of land-based ICBM's, submarine-launched ballistic missiles, and manned bombers.

The high mobility of the cruise missile makes it an almost impossible target for a potential Soviet "first strike" against United States' strategic systems. The weapon is easy to conceal and transport, it can be quickly launched from a number of conveyances; surface ships, fast-attack submarines, ground vehicles, or manned-bombers. These elusive launch bases seriously complicate, or even negate, even the most advanced Soviet capability to launch a devastating first strike, especially if the cruise missile is deployed in great numbers in combat readiness.

It is a common mistake to view a possible general nuclear war solely in terms of massive nuclear exchanges. In Soviet strategic thinking no such illusion exists. The Soviets believe in the importance of combined conventional and nuclear military operations in a future war. They do not neglect the role of massed armies and highly mechanized divisions as integral to the prosecution of general hostilities until military victory is achieved. It is essential, therefore, that the United States be able to strike deeply into Soviet territory, destroying not only the Soviet Union's reserve nuclear forces threat-

ening Western population centers, but also reserve conventional forces. If such an eventuality should ever come to pass, cruise missiles can be expected to play a vital role. As T. K. Jones, former Science Advisor to the United States SALT negotiating team, observed: "Cruise missiles, because of their high accuracy, could decimate Soviet reserve forces, thereby cutting in half the Soviet post-war advantage."[13] The mass development and deployment of the weapon assures a powerful punitive response.

The high penetration capability of the Cruise missile is assured by its ability to fly at extremely low altitudes. The new cruise missile guidance technologies enable the missile to "cruise" at altitudes as low as 50 to 100 feet above the surface of the earth for hundreds of miles. The small radar profile and the low altitude trajectory of the missile frustrates detection by enemy air defenses. At such low altitudes, it is extremely difficult, if not impossible, for Soviet air defense monitors to distinguish or isolate the incoming missile from ordinary "treetop" level radar static or "ground clutter".[14]

Because they are cheaply produced, the United States could literally "flood" Soviet defenses with cruise missiles, creating insuperable problems for Soviet commanders. Thousands of such missiles, presuming adequate air carriers, could assure massive destruction of military targets far behind Soviet defensive perimeters. Moreover, it is unlikely, if not impossible, for even the most advanced and costly Soviet air defense system to cope with a concentrated, mass attack by cruise missiles on one sector of the Soviet defensive perimeter. Suppressing or exhausting Soviet air defense resources, manned bombers, or even more cruise missiles, could enter the breach and penetrate even more deeply into the Soviet interior.

Soviet difficulties are confounded because the long established structure of their air defense system, a tremendously expensive apparatus, is geared toward countering high-flying manned-bombers, and not the low trajectory cruise missile.

The Soviet hardware to achieve this objective is singularly impressive. Soviet air defense components include 6000 radar systems, including new mobile systems, 2600 fighter-interceptor aircraft, and 12,000 surface-to-air missiles. But the difficulty of countering a large, high-flying manned bomber like the B–52 is not the same as thwarting an attack by numerous cruise missiles. The problem for Soviet air defense is not simply one of locating incoming cruise missiles, but of tracking and killing them before they reach their targets. Unlike the large B–52 bombers, cruise missiles emit little heat or exhaust fumes, and are therefore relatively free from the threat of Soviet heat-seeking surface-to-air missiles (SAMs).[15]

Estimates as to what it would cost Soviet defense planners to refurnish or modernize their radar or surveillance instruments in order to detect and kill cruise missiles vary. The Soviet problem is not so much one of initiating a full-scale research and development program in new detection technologies, but of liberally installing the new technologies over vast areas of the Soviet Union.

Confronted with U.S. cruise deployment, the Soviets would have little choice but to embark upon an expensive new air defense program. Nothing less than a restructuring of Soviet defense to grapple with an entirely new kind of threat would be required.

Foreign policy analysts Robert Pfaltzgraff and Jacquelyn Davis estimate a total cost to Soviet defense planners of between $10 and $15 billion.[16] Estimates of Pentagon planners range as high as $50 billion.[17] In any case, as Dr. Malcolm Currie, Director of Defense Research and Engineering for the Department of Defense, remarked, the deployment of the cruise system will cost the Soviet Union many billions of dollars. United States Department of Defense officials believe that even with a "crash program" initiated in 1978, the new countermeasures against the cruise would not near completion for another eight years.[18] In the interim, the United States could continually improve the speed of the weapons, constantly reducing the effectiveness of Soviet air defense preparation.

The projected cost to Soviet defense planners is a major reason why the United States ought to take advantage of its superiority in cruise missile technology. Cruise missile deployment will probably force a shift in Soviet spending from offensive to defensive weapons systems. Fewer funds will be available for the improvement or deployment of heavy Russian SS 16s, SS 18s, and "Backfire" bombers, if the major threat to the Soviet homeland is the relatively inexpensive little drone aircraft. Deployed around Soviet defense perimeters in great numbers, such a positive reorientation of Soviet defense efforts and the subsequent military and economic reallocations, would make the possibility of a Soviet "first strike", no matter how unlikely under the most optimistic assessments, yet even more remote.

Perhaps the greatest single contribution of the cruise missile to the strategic posture of the United States is the precision accuracy of its remarkable guidance system.

An electronic package weighing no more than ninety pounds, the guidance apparatus of the drone is the key to its dramatic success as a weapons system. Perfected in the aftermath of the Vietnam War, the "terrain contour matching" system ("tercom") enables the craft to cruise at extremely low altitudes over a pre-ordained course. Gathered by the Defense Mapping Agency, the appropriate information is stored in an "on-board" computer memory bank. The radar altimeter measures the altitude of the missile in flight, and automatically compares the reading with the predetermined course pattern set in the computer. If the missile should stray from its proper course, the electronic readings will immediately reveal the disparity and the drone will automatically adjust to the correct flight pattern. The altimeter enables the craft to climb higher or lower, depending upon the contour of the terrain, negotiating tree tops, hills and mountains with a facility akin to a manned vehicle guided by a highly skilled pilot.

If the "tercom" system should fail under combat conditions the missile will continue to function on a standard guidance system. Transition from "tercom" to an inertial guidance system will enable the missile to continue its mission, but it will do so with lower levels of accuracy.[19]

Potential Soviet air defense jamming of the "tercom" system is reduced because of the low altitude trajectory of the cruise.[20] Conscious of possible Soviet efforts to advance air defense jamming capabilities, Department of Defense officials have undertaken a program to improve the radar altimeter, making it immune to the threat of Soviet "jamming".[21]

This special guidance system enables the cruise missile to strike its targets with an unprecedented accuracy among the current family of strategic weapons. Preliminary testing demonstrated a precision that went beyond even the most optimistic expectations of Department of Defense planners. Strong positive results were registered in the recent testing of the Navy's "Tomahawk" cruise missile off San Clemente Island in California. In the 1977 San Clemente, California tests, the "Tomahawk" secured a success ratio of 18 out of 22 flight-test firings.[22]

The United States is presently the sole possessor of the special guidance technology for the new generation of cruise missiles. While both the United States and the Soviet Union have been experimenting with cruise missiles since World War II, only the United States in the past three years has been able to make dramatic breakthroughs in the necessary miniaturization, radar altimeter, and on-board computer systems which make the craft's low trajectory, high maneuverability, and precision accuracy a reality. A Soviet counter-part to the "Tomahawk" is entirely feasible, especially through espionage or the concentration of its considerable military-scientific energies on the problem. But defense experts generally believe that a Soviet weapon comparable to the "Tomahawk" is at least a few years away.

While the exact margins of error are classified, it has been reliably estimated that the cruise missile's "circular error probability" (CEP) is approximately 40 feet.[23] It is worth noting that the United States is only in the first stages of developing such high precision weapons. Given the likely improvement of military technology, perfect or near perfect accuracy is within the realm of possibility in the near future. The restraints on such a development are political, not technological. New guidance technologies for the cruise missiles are constantly being refined, and could reduce the margin of error for a cruise to a radius of less than 10 feet.[24]

This combination of low altitude, high penetration trajectory, a unique and highly sophisticated guidance system, and precision accuracy assures the United States a viable counter to recent Soviet weapons developments. This is not to argue for the cruise as an exclusive system; there are other strategic options. Different weapons perform different missions, posing different military threats. In combination with various other weapons systems, such as the B–1 bomber, the effective deployment of the cruise missile makes possible at least "parity," if not outright military "superiority," over the U.S.S.R. The deployment of the cruise will serve to bolster the American deterrence and broaden the counterforce options available to the United States and her NATO allies, thus reducing the chances of a general nuclear exchange.

III.—The Cruise Missile and Deterrence

On the particular question of deterrence, it might be suggested that the cruise's contribution is vitiated by its slow subsonic speed (500 to 550 mph). The cruise may take 2 to 3 hours to reach its target. It cannot possibly retaliate against such "time sensitive" Soviet targets such as ICBM silos, which, in the combat conditions of a general nuclear war, must be struck within 25 or 30 minutes.

This possible objection overlooks the specific mission of the missile. Cruise missiles are not intended to strike such "time-sensitive" targets, but to supplement the United States' realiatory capabilities. The cruise is not intended to replace submarine-launched ballistic missiles, American ICBMs or even manned-bombers. It is a weapon to be employed against the Soviet military infrastructure, nuclear and conventional reserve forces, industrial sites, depots, communication centers, and various bases of military operations. There are approximately 40,000 such targets in the Soviet "envelope". Precisely because of its range and accuracy, the cruise threatens these areas of the Soviet war machine.[25]

Moreover, the alleged weakness of the cruise missile as a strategic weapon against "time sensitive" targets is exaggerated. The same objections raised against the cruise missile can also be raised against the manned bomber, especially the aging B–52. As Professor Colin S. Gray of the Hudson Institute recently observed, Western defense analysts tend to neglect the likelihood of the reloading of hardened Soviet ICBM silos, under the conditions of an all out nuclear war, in preparation for a second, third, or possibly even a fourth strike against West-

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ern military targets and population centers.[26] The deadly accurate cruise missile, retaliating in great numbers, could severely reduce or eliminate the chances of a successful Soviet reloading of its ICBM silos during a nuclear war.

In any case, the advantage of the present generation of cruise missiles, with an initial operation capability in 1980, rests not with the speed at which they strike their targets but with the sureness, the accuracy and the numerical strength of their attack.

A strong deterrence rests on two interconnected pillars; the capability and the credibility of the deterring agent. The elements of deterrence are thus physical and psychological, the perceived ability and the willingness to inflict a level of unacceptable damage against a potential adversary. In this respect, as a supplementary strategic weapon, equipped with sophisticated guidance technologies, eluding or blasting through Soviet air defenses, the cruise missile virtually assures warhead delivery. Because of the near inevitability of its assault the weapon is capable of inflicting "unacceptable levels of damage" on various military and industrial targets throughout the length and breadth of the U.S.S.R. It thus fulfills the physical requirements of strategic deterrence.

On the psychological level, the credibility of the weapon is as strong, if not stronger, than that of any other military device in the American national arsenal. Effectiveness depends on a combination of yield and accuracy; high-accuracy enables the attacker to employ low-yields; low-accuracy is an incentive for the attacker to employ high-yield nuclear weapons. The precision of the accuracy of the cruise missile renders the use of high-yield nuclear warheads militarily unnecessary. With the Cruise the United States can conceivably launch a devastating attack on military targets, reducing collateral damage and loss of life in Soviet urban and population centers in the surrounding territory. In this respect, the cruise missile, along with the similar "precision-guided" weapons, reintroduces the possibility of resurrecting the venerable distinction between combatants and noncombatants, long-established in classical international law. It is indiscriminate bombing, indiscriminate retaliation, the employment of clumsy weapons of mass destruction with an impact far beyond the exigencies of legitimate military necessity that served to break down that precious distinction.

The cruise missile, because of its precise guidance, enables military commanders to launch discriminatory attacks, proportional to specific military objectives. It is a curious paradox, but the cruise missile may be the first, among a series of related modern weapons developments, to make possible the restoration of chivalry and a sense of humanity to modern warfare.

Indeed, it is far easier for Soviet leaders to believe that the United States would launch a "high-precision" weapon, such as the cruise missile, against military targets than unleash a massive nuclear retaliation against millions of helpless civilians. Given the fact that a flexible "counterforce" nuclear strategy has attained more support within the American defense community, the credibility of a controlled (cruise missile) option is simply greater. As noted earlier, it may also raise rather than lower the nuclear threshold. "The tendency for a nuclear exchange to escalate once begun might be decreased by the surgical nature of a cruise missile strike.[27]

The slow subsonic speed of a cruise missile, when viewed from the broader perspective of national strategy and war-deterrence, is indeed a positive factor in its favor. It strains credibility to affirm that Soviet leaders could realistically appraise such a slow missile, a weapon that may take as long as four hours to reach its target, as anything other than a "second strike"—or purely retaliatory—system. The present generation of cruise missile could be transformed into high speed, supersonic weapons by changing the engine and fuel systems, but only at the expense of significant range reductions.[28] Such internal structural alterations would eliminate its value as a long-range strategic weapon for assault against the Soviet homeland.

There is no reason to believe that the deployment of the cruise missile will provoke the Soviet Union into a preventive war. On the contrary, the deployment of cruise missiles would have a stabilizing, rather than a destabilizating effect on arms developments on two counts; the reinforcement of the American deterrence and the encouragement of a Soviet shift from offensive to defensive weapons systems.

IV. The Soviet Reaction

Soviet arms negotiators have been especially sensitive to the United States' development of cruise missiles and to the transference of cruise missile technologies to NATO allies. Cruise missiles were characterized as one of the "main obstacles" to a new Strategic Arms Limitation agreement. On February 7, 1977, the Soviet news agency TASS declared, before Secretary Cyrus Vance delivered the first Carter Administration proposals to Moscow, that the "program for building the so-called cruise missiles, which is being promoted by the Pentagon and the military industrial complex, is not only in the way of a Soviet-American agreement on strategic arms limitations, but is fraught with considerable complications at future negotiations between the two countries in the field." [29]

The Presidential recision of funds for the testing of the new American B–1 bomber was universally treated in the Soviet press, not as any indication of American "moderation" or restraint, but as the pretext for going ahead with the extensive development and deployment of a dangerous new weapon system.

Recognizing the potential of the cruise missile, the Soviets consistently argued that cruise missile deployment was limited by the Vladivostok Arms Agreement of 1974, and that the number of missiles was to be included in the total limit of 2400 launchers allowed for each side. Naturally, the Soviets viewed United States progress toward deployment of the missile as a breach of the Vladivostok accord. As the Novosti Press Agency reported on June 10, 1977, "The Soviet Union has always favored strict limitations rules concerning long-range cruise missiles, and between the Soviet Union and the United States, not only had agreement been reached in principle to drastically limit cruise missiles, but the parties had also jointly formulated specific variations of such limitations in 1975–76." [30]

Linkage of the cruise missile to the Vladivostok accords is an exemplary exercise of official Soviet prevarication. The fact is that the cruise missiles were not even discussed at Vladivostok. The United States charged that the proposed Soviet limitations were tantamount to changing the rules in the middle of the game, for the Vladivostok accord dealt with only ballistic missiles, which the cruise missile manifestly is not.

On the question of sharing cruise missile technologies with Western European allies, the Soviets have been equally adamant. On June 10, 1977, Novosti reported: "The cruise missiles, which President Carter is trying to keep out of the agreement on the limitation of strategic offensive weapons, could very well prove to be the means by which the United States will draw Europe into the arms race in the sphere of strategic weapons. It is difficult to envisage all the consequences something like this could have." [31] To assure that such grave consequences would not materialize, Novosti declared, "In a possible future agreement on the limitation of strategic offensive weapons, the Soviet Union will deem it very important that no possible loopholes whatsoever be kept open with which to circumvent the agreement, for example, by supplying strategic weapons to third countries." [32]

The early official United States response to Soviet calls for unilateral limitations on the development and deployment of cruise missiles was just as adamant. In March 1977, President Carter declared: "We are not prepared to accept a unilateral prohibition against the development and deployment of the cruise missile absent some equivalent response from the Soviet Union, including the Backfire bomber." [33] Confronting the awesome strides made by the Soviet military establishment in recent years, the President's remarks on the cruise missile issue fit well with his initial approach to the new round of arms agreements, observing that his position was to "hang tough" in the negotiations.

The Soviet refusal to advance the course of arms talks in March 1977 was the first official step by the Soviets to consolidate their strategic position during the SALT II Negotiations. The cruise missile remained the chief obstacle. In an October 3, 1977 Radio Moscow address, Soviet Foreign Minister, Andrei Gromyko once again made it clear that the progress, if not the future, of the SALT II negotiations depended upon American concessions on the cruise missile. From that point onwards, the cruise missile has become the center of contention between Soviet and American negotiators, and the major victim of Soviet-American agreements.

The recurrent debate over military hardware, while important in its own right, ought not to obscure the larger ideological and political dimensions of the arms agreements. Soviet spokesmen have persistently argued that the new "correlation of forces," a national complex of political, economic, psychological, and military variables prevailing in the world, favors the "socialist camp." The course of world history moves inexorably upward and onward toward the climatic victory of "socialism." Marxist-Leninist doctrine excludes any other possibility.

This ideological frame of reference does not lock Soviet policy-makers into political or diplomatic rigidity; no one truly familiar with the ideology of Marxism-Leninism would predict that posture. To the contrary, Soviet policy is infinitely flexible, a response to ever-changing conditions, the protean "objective factors" that are of paramount importance in the international system. But, Marxism-Leninism does serve as an invariable framework, a point of reference, animating Soviet policy-makers in general diplomacy, including arms negotiations.

This enormous disparity in thought patterns between Soviet and American or other Western negotiators must be grasped in order to realistically comprehend the dynamics of Soviet diplomacy. In the Soviet view, movement toward disarmament must take place in accordance with the inevitable historical trends—patterns favoring the increasing strength of the Soviet bloc. Disarmament, then, must proportionately reflect these historical realities, and naturally, the movement toward disarmament must accord with them. As research analysts at the University of Miami Center for Advanced International Studies observe: "The Soviet position, often bluntly stated, is that progress toward disarmament depends entirely on concessions by the U.S. In fact, Soviet proposals are being openly used as the measure of judging whether progress is or is not being made." [34] It is within this ideological context that Soviet SALT II negotiators have been pressing for American concessions on the cruise missile, as well as other systems under discussion.

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PART II

The cruise missile in current SALT negotiations

President Carter had wished not to have cruise missiles considered in the first round of the SALT II negotiations. The very first American concession on the cruise missile question, therefore, was the accession to Soviet demands that its status be included in the preliminary Geneva talks.

In a lengthy April 14, 1977 editorial, "Limiting Strategic Armaments: A Problem Which Can and Must Be Solved," Pravda declared: "The promise to consider the problem of cruise missiles afterwards—at subsequent talks—is just an ineffective pretext. Unless an argument to block that new and dangerous channel of the strategic arms race is reached now, when the cruise missiles are not yet being manufactured, it would be far more difficult to do than after their manufacture is launched. This is borne out convincingly by the whole experience of disarmament talks." [35]

It was widely believed among proponents of the cruise missile in the American defense community that if the Soviets could not force a freeze on the development of the new missile, they would press for severe range limitations, negating its strategic importance, especially in its land and sea launched version.

According to available unclassified information, one must conclude that the Soviets were able to secure their objectives through the SALT negotiations process in 1976 and 1977. The American proposals and Soviet counter-proposals achieved an end result detrimental to the overall strategic potential of the U.S. cruise missile.

In January 1976, the United States SALT negotiating team offered the Soviets a compromise on the cruise missile issue by tying deployment of the precision-guided drone to the deployment of the new Soviet "Backfire" bomber. According to the American proposal, the U.S.S.R. would be permitted to develop and deploy 250 of its new bombers between 1977 and 1982. After 1982, the Americans provided for the development and deployment of even more of such bombers. In return, the United States offered to limit its deployment of the cruise missile. No more than 10 missiles with a range of 600 km. could be deployed on no more than 25 surface ships—a total of 250 cruise missiles.[36]

Tying the cruise missile deployment to Soviet Backfire bombers has been a sore point for both Soviet and U.S. critics of the tentative SALT II agreements. The Soviets claimed that the Backfire bomber was not an intercontinental strategic weapon, while the cruise missile certainly was strategically capable of hitting Soviet targets in the Soviet homeland. American critics likewise challenged the precarious assumption that there was some kind of equivalence between cruise missiles and the Soviet bomber. The numerical equality contained in the compromise of 250 bombers for 250 cruise missiles was simply a distortion of the vast disparities in range and firepower between the missile and the bomber. As foreign policy research analysts Pfaltzgraff and Davis have observed, a force of 250 Soviet "Backfire" bombers could themselves carry as many as 5000 Soviet-style air launched cruise missiles.[37]

The proposed compromise on Backfire was not really a compromise at all, but a gratuitous concession. Moreover, the United States' proposal was proffered at a time when American officials were being told by their intelligence community that the Backfire bomber's range was a little more than half of what it, in fact, was. The 1976 CIA estimates on the range of the bomber were dangerously erroneous. It has recently been disclosed that the Soviet bomber has a range of 6200 miles, making it one of the most advanced intercontinental strategic weapons in existence.[38] Of course, the Kremlin insisted that the new bomber was an "intermediate" range weapon, and stoutly rejected the original proposed limitations on its development and deployment.

The United States' January, 1976 proposals were "restrictive" and "liberal" on submarine-launched and air-launched cruise missiles, respectively. Submarines could carry cruise missiles with a range of no more than 600 km. and air-launched cruise missiles with a range of 2500 km. were to be numerically unlimited. These limitations of range proved to be pivotal errors by the American delegation. Another limitation on the air-launched cruise missile was that its manned bomber carrier, the B–52 or any other heavy bomber, would have to be included in the launcher ceiling of 1320 "mirved" launchers agreed upon at Vladivostok in 1974.

The Soviets were dissatisfied with the American proposals, and countered with a series of their own. The object was, of course, to secure even more stringent regulations on the development and deployment of all cruise missiles, land, sea, and air. The Soviet 1976 package included a range limitation of 1000 miles on all cruise missiles carried by American B–52 bombers.[39] They viewed the 500-mile range reduction on the ALCMs as a considerable improvement over the American compromise, and coupled this restriction with the original American agreement to include the bomber carriers under the Vladivostok ceiling of 1320 launchers. To assure that the cruise missile force of the United States would be locked into a secondary strategic position, far below its potential, the Russians proposed that all other cruise missiles, ground and sea launched, were to have a range limitation of 600 kilometers. The Americans had already conceded a range limitation on submarine-launched cruise missiles in January, 1976. Insistence on the 600 km. range limitation on submarine- and ground-launched cruise missiles thereafter became a centerpiece of the Soviets' SALT II negotiations posture.

The next major round of proposals came in March, 1977. President Carter instructed his Secretary of State, Cyrus Vance, to present the Kremlin with a comprehensive set of disarmament proposals. The Carter-Vance proposals were far reaching, and aimed at substantial reductions in the number of strategic launchers previously agreed upon at Vladivostok in 1974, reductions in ICBM development and deployment, improvements in ICBM technologies, and flight testing. The March, 1977 American proposal also included a ban on all cruise missiles with a range greater than 2500 km.

Viewing the United States comprehensive proposal as an attempt to undermine the strength of their missile forces, the Soviets promptly rejected it. The cruise missile limitations were totally unacceptable, as were American attempts to tie cruise missile discussions in with determination of the status of the Backfire bomber. The Soviets responded by again declaring that all ground- and sea-launched cruise missiles with a range exceeding 600 km. should be banned.

Continued negotiations brought about a series of compromises. In the Fall of 1977, it was revealed that cruise missiles would be dealt with in a three year Protocol to the new Strategic Arms Limitation Treaty. The United States would be allowed to deploy no more than 120 manned bombers with cruise missiles.[40] In October, 1977 United States and Soviet negotiators in Geneva agreed to retain the Vladivostok ceiling of 1320 for strategic launchers with nuclear warheads. Of these, there would be a ceiling for ICBMs of 1200, excluding manned bombers. Thus, the United States would be able to employ 120 bombers with air-launched cruise missiles. The air-launched cruise missiles were to be held distinct from ground-launched and sea-launched cruise missiles.

Under the terms of the proposed three year Protocol, the United States would be allowed a range of 2500 km. (1550 miles) on air-launched cruise missiles and a range of 600 km. (373 miles) on ground- and sea-launched cruise missiles. In return for the range limitations, the United States would receive only the assurance of the Soviet Union that the Backfire bomber would not be deployed as a strategic weapon threatening the United States. The U.S.S.R. further declared it would limit backfire production to no more than two per month. The tentative agreements, which are currently the foundation of the SALT II accord, do not include a formal agreement on the Backfire bomber limitation.

President Carter's national security advisor Zbigniew Brzezinski quickly hailed the agreement as a step toward disarmament because it limited the number of nuclear systems, restricted qualitative as well as quantitative weapons improvements and accommodated the mutual concerns of the Soviet Union and the United States over the thorny issues of ICBMs and cruise missiles.

Aside from the question as to whether any assurances with the Soviet Union on the new, heavy bomber are in themselves worthwhile, the range limitations, as envisioned in the new treaty, are fraught with considerable dangers.

The greatest difficulty appears to be the limitation on submarine-launched cruise missiles. In analyzing a 600 km. limitation, defense analysts Robert L. Pfaltzgraff and Jacquelyn Davis . . . "(it) would effectively kill the land-attack sea-launched version of the cruise missile and thereby rid the Soviet Union of one of the most potential threats to the development of a Soviet first strike capability against highly accurate strategic systems." [41]

Precise estimates on comparative Soviet and American strategic advantages resulting from such a range limitation arrangement naturally vary, but there is no question that if such range limitations become permanent fixtures in Soviet-American arms agreements, Soviet Russia would benefit enormously. According to a study by the Congressional Research Service, such a range limitation would render only 5 percent of the Soviet urban-industrial and population centers vulnerable to a United States cruise missile attack, while 50 percent of comparable U.S. targets would be subject to a Soviet cruise missile assault.[42]

Considering Soviet seapower, Pfaltzgraff and Davis are even more pessimistic. They envision the frightful possibility of Soviet submarines, patrolling close to American shores, unleashing a massive cruise missile assault against United States' coastal cities. From the 100 fathom curve, according to their calculations, a Soviet submarine-launched cruise missile attack could endanger 69 percent of the U.S. population and virtually all of the large population centers of Western Europe and Japan. Given the geographic and demographic disparities, Soviet cities such as Kiev, Leningrad, and Moscow would obviously survive a comparable cruise missile attack; only 15 percent of the Soviet population and 3 percent of Soviet defense and industrial sites would fall within the 600 km. range.[43] As these respected defense analysts observe, Soviet strategic targets are situated deep in the Soviet heartland. Equal range limitations are, in fact, arbitrary, when one national power enjoys a greater depth of geographic protection and a more extensive demographic dispersal.

Thus far the tentative Soviet-American agreements on cruise missile range limitations have served Soviet objectives. The 600 km. limitation on ground- and sea-launched cruise missiles serves the double purpose of freezing the American technological ad-

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vantage in cruise missile development while securing capabilities of Soviet versions of short-range submarine versions of the missile. The U.S.S.R. possesses a total of 14 different types of cruise missiles in her current arsenal. All of them are geared toward short-range attacks against stationary targets, and are relatively inferior to the current generation of American land, air, and sea-based cruise missiles in terms of guidance sophistication and precision accuracy.

It is widely believed that the Soviets could compensate for their technological inferiority in sea-launched versions of the cruise missile by installing them in great numbers within their already formidable submarine force. The combination of nuclear and conventional submarines, totaling 351, makes the Soviet submarine fleet the largest in the world's history. It is interesting to note that Soviet practice has been the installation of the most advanced cruise missiles, those with the longest range, on their more numerous, older, conventional submarines.[44]

In April, 1970 the United States Department of Defense highlighted the potential danger of a Soviet submarine attack by revealing that the then new Soviet Y class submarines, similar to our Polaris, carrying 16 SLBMs, were patrolling off the Atlantic seaboard. While generally thought to be a direct threat to the United States manned-bomber force, there is every reason to believe that newer Delta class submarines, armed with cruise missiles, could threaten devastation of U.S. population centers as well. The most advanced of the Soviet cruise missiles, the 40-foot Shaddock SS n 3, has a range of 550 nautical miles. Originally designed as an anti-ship weapon, the nuclear tipped "Shaddock" could easily be modified to strike U.S. coastal cities in lightning attacks from submarines cruising close to shore. Pfaltzgraff and Davis note that through alterations in its conventional fuel load and trajectory, the submarine-launched "Shaddock" could hit New York City 11 minutes after launch, "leaving little time for warning, reaction and interception." [45]

The dangers of a Soviet-launched cruise missile attack are increased when one adds the enormous possibility that the Soviets, in the event of an all out nuclear war, might prefer not to abide by the 600 km. SALT limitation! The transition to long-range cruise missile capability aboard a submarine can be accomplished in a short period of time, certainly in the hours of preparation before a nuclear attack. John Lehman, former Deputy Director of the Arms Control and Disarmament Agency, observes that either the SS N 3 or the SS N 12, currently deployed on Soviet submarines can easily be changed from short-range to long-range cruise missiles through decreasing the 1000 pound warheads and replacing the displaced warhead volume with a proportionate increase in fuel volume. Says Lehman, "Such a tradeoff in either missile could double or triple the current range depending on profile." [46]

A full scale Soviet deployment of submarine-based cruise missiles, in accordance with the current levels of Soviet cruise missile technology and the 600 km. range limitations envisioned in the proposed SALT II agreement would present the United States with an awesome strategic problem. Sea-based Soviet attacks could be launched in minutes, decimating the American population and destroying or disrupting transportation, communications, and industrial centers. The adoption of a 600 km. range limitation would minimize Soviet inferiority in guidance and range and penalize American superiority in guidance, accuracy, and range. The proposed range limitations weaken the United States potential retaliatory threat against a possible Soviet first strike, while directly accommodating Soviet technological inferiority in cruise missile development.

The range effectiveness of the air-launched cruise missile is dependent upon a number of dynamic variables, most importantly, actual and potential Soviet air defense capabilities or the penetration abilities of the carrier bomber. According to the terms outlined during September, 1977 SALT negotiations at Geneva, the Soviet Union and the U.S. mutually approved of a 2500 km. range.

What is the impact of such a limitation on the strategic viability of the air-launched cruise missile? Soviet acceptance of an "apparently" liberal range of 2500 km. for ALCMs may indicate a high degree of confidence in future Russian air defense capabilities. Though liberal in comparison to the ground- and sea-launched cruise missile range limitations, this ALCM range proposal is itself problematic. First, it is considerably below the actual or (desirable) potential of air-launched cruise missiles, Second, Defense Department officials, during the process of Congressional inquiries on military budgetary requirements, were apparently divided over adequacy of such a range. Congressional probers expressed considerable concern over the likelihood of the cruise missile fulfilling its mission under the 2500 km. range limitation.

Expert testimony before the House Appropriations Subcommittee on the Department of Defense in July, 1977 indicates that a range of 2500 km. would enable the bomber-cruise missile combination to hit a "majority" of Soviet targets from the Soviet defense perimeters. Given a "stand-off" mode, Secretary Harold Brown has described the proposed 2500 km. range as "adequate" for striking the "great bulk" of targets from outside Soviet air defenses. But Secretary Brown also made it clear that this "adequacy" could easily be transformed into a more formidable barrier in the near future. "Our concern," said Secretary Brown, "is that the Soviets might gradually push out their ability to intercept and for that we need a longer range." [47]

A less reassuring observation came from Dr. William Perry, Director of Defense Research and Engineering for the Department of Defense. In his testimony before the Subcommittee on the Department of Defense, Dr. Perry noted that the air-launched cruise missile's range effectivenes depends upon whether one is speaking of an "operational" or a "straight line," point-to-point range. The Soviets have agreed to the 2500 km. range as a "straight line" range. Given the premise that the cruise would have to be launched in a stand-off mode by B-52 bombers, or some other aircraft in the national arsenal, Dr. Perry concluded that a "straight line," point-to-point range of 2500 km. was not a "realistic" option for the air-launched cruise missile.[48]

The question as to whether the United States will accede to a point-to-point, or "straight line" ALCM limitation is yet unclear. In April 1978, Secretary of State Cyrus Vance once again traveled to Moscow with another set of SALT II proposals, including an agreement to limit the range of the ALCM to 2500 km. from "point-to-point". The origin of the new range problem is astonishing. According to a defense analyst with the prestigious technical journal Aviation Week and Space Technology, Clarence Robinson, "Whether or not evasive maneuvering will be permitted as part of the aerodynamic range limit is still unresolved. The problem in this area is not an objection by the U.S.S.R., but instead is pressure from the U.S. Arms Control and Disarmament Agency." [49]

The range issue cannot be separated from the cruise missile carrier problem. It must yet be determined whether or not the cruise missile carrier option is to be open-ended or restricted to the aging B-52 bombers. The U.S.S.R. wants to restrict all cruise missile carriers to so-called "heavy bombers", and to exclude the FB 111H or a "wide-bodied" commercial carrier such as the 747, from carrying air launched cruise missiles. As of this writing, the United States wants to be able to include a variety of aircraft as cruise missile carriers, in accordance with the agreed upon limit on nuclear delivery systems.[50] Of course, the Soviet Union is interested in easing the problems for its air defense, which is already geared toward countering the B-52 bomber.

It is questionable whether a "stand-off" mode of attack will be workable in light of continuous improvements in Soviet air defense. The currently proposed SALT II range limitation only aggravates the military difficulties. As noted in a recent editorial in Strategic Review, "There is no question but that a range limitation, even one seemingly as liberal as 1500 miles, would penalize the air-launched cruise missile by forcing its platform carrier (by this formula the B-52) to penetrate Soviet air space if high value targets in the Soviet Union are to be engaged." [51] Presumably, a low-altitude high-penetration bomber, such as the B-1, capable of transcending the envisioned "stand-off" mode of cruise missile attack, could more easily engage Soviet targets within the 1550 mile range specified by the tentative SALT II agreements. The B-1 would doubtless best serve the strategic purposes of the drone aircraft.

The range problem will be addressed by the Senate as one of the most serious issues in the SALT debate. In any case, it is clear that (a) the 600 km. (373 mile) range limitation on ground-launched and sea-launched cruise missiles is a sacrifice that gives the Soviet Union lopsided strategic advantages; and (b) that there is some serious question as to whether the 2500 km. (1550 miles) limitation on air-launched cruise missiles will allow adequate or effective penetration of Soviet air defense perimeters by the present generation of manned U.S. bombers.

Administration proponents of the tentative SALT II provisions argue that the cruise missile limitations are only to be included in a three year Protocol to the Treaty, and that the short term restrictions would in no case have any serious impact on the long-range cruise missile program. The major problem with this position is that the Soviet Union doesn't view the issue that simply. The Soviet Union has already clearly indicated that it would consider a failure to extend the provisions of the Protocol as subversive of the spirit of the SALT accord. Given the past series of U.S. concessions on the cruise missile issue, the United States would have to break dramatically with its previous patterns of negotiation with the Soviet Union on arms control provisions. The question is this; if the Protocol does not really limit American options on the cruise missile, what is the point of Soviet persistence and American agreement? If the United States intends to go all out in pushing it's long-range cruise missile program after the three year Protocol, it is only inviting a showdown three years hence. What is the value of a diplomatic confrontation with the Soviet Union three years hence when the Soviet Union will be militarily stronger? Why not settle the matter in 1978 and be done with it?

The range issue is unlikely to be resolved in favor of the United States unless American negotiators press for concessions from the Soviet leadership on related problems. Chief among these is the status of Soviet air

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defense, including ground missile and fighter interceptor capabilities. In the wake of news concerning the mutual acceptance of range limitations on ALCMs, there were further revelations concerning the Soviet development of a new interceptor aircraft, the "Mig 29," equipped with a "look-down shoot-down" capacity, possibly effective against the slow moving air-launched cruise missile. A similar threat to the cruise missile is posed by the development of a new Soviet surface-to-air missile, by SA 10. Though its widespread development along the defensive perimeters of the U.S.S.R. would be costly, its development attests once again to Soviet determination to thwart retaliatory penetration. Curiously enough, Soviet air defense is currently not an issue in the SALT II negotiations even though the very question of U.S. cruise missile range effectiveness is directly related to the competence of the Soviet air defense.

PART III

The transference of cruise missile technology

In April, 1978, Secretary of State Cyrus Vance carried to Moscow a proposal that would allow the United States to deploy conventionally armed cruise missiles in Western Europe. But the larger question of providing the European Allies the technology to counter the massive Soviet threat along the Eastern front, including the deployment of Soviet SS 20 missiles, remains unresolved.

Throughout the SALT II negotiations, the Soviet Union has continually pressured the United States to agree to a provision prohibiting the transfer of its cruise missile technology to Western European allies. In February 1978, Pravda unleashed a scathing editorial declaring that the Soviet Union would make no further concessions on then-existing provisions of a new SALT treaty. In particular, the Soviets were unwilling to yield on the issue of a cruise missile technology transfers by the United States to Western European nations.

Europeans fear that the United States will unilaterally agree to a technology restriction that directly affects their collective security. Chief U.S. SALT Negotiator Paul Warnke personally favors such a restriction. That the United States may be willing to agree to such a proposal is an indication of the divergent perceptions between the United States and the NATO Allies on the nature and function of the North Atlantic Treaty Alliance.

The United States' proposals on cruise missile limitations were put forward in terms of a corresponding concessions on the part of the U.S.S.R. on the Backfire Bomber. Both the cruise missiles and the Backfire bombers, Soviet denials notwithstanding, are intercontinental strategic weapons systems. A strategic weapon for the United States is necessarily a strategic weapon for the Western European allies by virtue of range and payload. But a tactical weapon for the United States, geographically separated from the European continent by 3000 miles of ocean, may be a strategic weapon for the European allies. The tying of long-range Backfire bombers to a cruise missile concession simply demonstrates American unwillingness to consider the larger diplomatic, political, and strategic implications of the SALT provisions.

The range limitation of 600 km. likewise demonstrates American narrowmindedness, and a failure to consider the larger consequences for the NATO Alliance. As Mr. Paul Nitze remarked in his statements to the press on November 1, 1977: "The fact that cruise missiles with a range greater than 600 kilometers are to be limited in SALT favors the Soviet side, it supports the erroneous Soviet claim that weapons with ranges up to 5500 kilometers are not 'strategic' if in Soviet hands while those over 600 kilometers in range are strategic if in NATO hands." [52]

Europeans are already concerned that the overall strategic balance emerging from the SALT II negotiations favors the Soviet Union. If the United States cannot adequately protect itself in the future from a Soviet first strike, then it follows that United States commitments to the European Alliance are worthless. NATO is a political-military unit, and this fact has been neglected by the American negotiators in Geneva. If the United States were to concede range and deployment limitations on the cruise missile, then it ought to do so in light of Soviet strategic weapons that threaten NATO allies, such as the SS 20 intermediate range ballistic missiles, as well as Backfire bombers. Force balances in the European theater ought to take into account direct Soviet military threats in the area.

It is understandable, in light of the unilateral mind-set of the American team in Geneva, that the issue of cruise missile technology transfers causes further grave anxieties among European allies.

American reassurances have not assuaged European uneasiness. British, French, and German diplomats fear that U.S. accession to long-standing Soviet demands to inhibit cruise missile technology transference in the three year SALT II Protocol will abort any possible strategic value of the weapon in the long-run. Specifically, the Europeans are concerned that the "temporary" three year protocol covering the cruise missile will become permanent, and increasingly difficult to renounce, for political reasons, after their expiration.[53]

NATO wariness is understandably reinforced by the fact that forces of the Warsaw Pact continue a relentless build-up in both quantitative and qualitative terms, creating an overall strategic imbalance by roughly 2 to 1. NATO is outnumbered in troop strength; possesses only a third of the tank force of the Pact; and barely one-half of the tactical aircraft capability of the Communist forces in Eastern Europe.

The preponderance of raw military force is not the only concern.

Soviet military doctrine, as it is to be applied in the European theater, emphasizes an offensive strategy of quick, powerful thrusts, crushing front line resistance and ensuring the rapid advance of massed armored and infantry divisions. The Soviet European theater strategy is reminiscent of the German blitzkrieg or "lightning war" concept employed at the outset of World War II. In fact, V. T. Sovkin, one of Soviet Russia's military theorists has recently remarked that, in the conditions of a future European war, "surprise blitzkriegs with nuclear weapons, aviation and tank groupings may be irresistable." [54]

The chances of a Soviet success in Europe will be determined by the speed and effectiveness of the assault within the first few days. According to a New York Times report on the subject, "A sustained advance of no less than 70 miles a day is required in Soviet plans if the offensive is to reach its objectives. In Western Europe, such a pace would put Russian forces on the Rhine River in 48 hours and in the English Channel ports within a week.[55]

According to official current estimates of the United States, the chances of initial Soviet successes are extremely good. Military affairs reporter Richard Burt of the New York Times reveals that a recently circulated interagency government assessment of the relative capabilities of the Western allies to absorb and counter a Soviet military thrust are rather pessimistic. According to the official assessments, the chances of the United States and her NATO allies of halting a rapid conventional Soviet advance without considerable losses of territory are rather "remote." [56]

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Costs in human lives and damage to the Western European homeland in the event of such a catastrophe vary. According to United States Department of Defense Studies, the casualty estimates in a new European war would vary between 2 and 20 million under the most favorable conditions. If the Soviet high command decided to resort to nuclear strikes against Western European cities, probably in a selective fashion, the casualties could run as high as 100 million.[57]

The Soviets' use of massive, indiscriminate nuclear strikes in the initial stages of a European war is unlikely; for the Soviets have little to gain by conquering territories and cities reduced to radioactive rubble. Soviet political and economic control would be meaningless under such conditions, or reduced in effectiveness given the economic and social disorganization of the unconquered populations. There would be few, if any, economic benefits to be derived from such a military conquest, such as the WW II-style transportation of whole industrial units back to the Soviet homeland.

A more likely threat to NATO is a massive conventional assault, supported by tactical or discriminate nuclear strikes, geared toward the quick elimination of opposition military forces. Racing across the North German plain, toward the English Channel, threatening Great Britain with devastating nuclear assaults in the process, the Soviet objective would appear to be best obtained by repeating an ancient Russian military practice; mass military assaults designed to overrun or overwhelm the opponents. A massing of troops and a concentration of armament and material have been the tradition of Soviet military practice.

Such a massive conventional assault would have to rely upon an enormous infrastructure, a military-industrial complex of communications and transportation networks providing the necessary logistical support. But, such a massive conventional assault would precisely be the most vulnerable to a precision guided weapons retaliation, such as a cruise missile attack. Mass and concentration would raise the damage levels to be borne by Soviet high command. "An aggressor would not be certain of his ability to cope with all counterattacks before or even after his forces seized territory. Massing for an invasion would be more perilous for attackers and, hence, less feasible than at present, since their large, massed forces would provide excellent targets for a defender. Small units possessing highly destructive, accurate weapons will be able to move more rapidly and hide more easily than larger forces." [58]

Employment of cruise missiles in the European theater hold considerable promise of slowing down, disrupting, or possibly even stopping a Soviet attack. According to Robert Pfaltzgraff and Jacquelyn Davis, "Deployed with a nonnuclear warhead, cruise missiles are said to have the potential to 'destroy in an hour 75 percent or more of the rail lines, supply dumps, and electric power the Soviets need to sustain a conventional assault against Western Europe.' Albeit with much less confidence, they could strike moving targets, such as tanks and armored infantry vehicles, and thereby help to redress the quantitative superiority of Warsaw Pact forces.[59]

The Soviet high command would have to contend with a higher degree of uncertainty, a factor raising the strength of the Western deterrence. For a cruise missile attack could be launched from any direction; from NATO land vehicles in open fields or forests; from submarines in the North Sea or the Mediterranean; or from light American or European medium range bombers. Such an attack could come at any time before, during, or after the Russian mobilization, and at any

stage during the hostilities. Quick, hard, devastating strikes from concealed and mobile launch sites could easily demoralize and confuse an attacker, disorganizing his rear and disrupting the execution of his plans. The psychological difficulties of coping with such a retaliatory threat are enormous, and these, alone, may serve to inhibit Soviet advances. "The present Soviet leadership is mostly old, careful and conservative; the next generation of military leaders may inherit the deep-seated caution of its forbears. The deployment and skillful application of new technologies by NATO forces could serve to perpetuate and reinforce the inherent caution of Soviet military planners." [60]

The tremendous military value of cruise missiles, and similar precision-guided weapons, in the European theater is clearly demonstrable. Their extensive deployment can restore the balance of military power. The accession to Soviet demands to limit cruise missile technology transference will only codify existing force imbalances in Europe, inviting a future war. For this reason alone, accession to Soviet demands must be resisted.

Such resistance is entirely equitable. The SALT II Treaty is a bilateral agreement between the United States and the Soviet Union. If the Soviet Union wishes to undertake individual arms control agreements with various NATO nations on the question of cruise missile range or technology, that is her diplomatic prerogative. Soviet Russia has always made it a cornerstone of her foreign policy to respect the sovereignty of "nations" and "peoples". Diplomatic problems encountered between the Soviet Union and other European nations on the cruise missile program need not be a diplomatic concern of the United States.

On the other hand, the United States has a direct interest in seeing to it that the Europeans support their own defense. Aside from the political and diplomatic benefits of such an arrangement, the expansion of technical military capabilities by European members of the NATO alliance would foster a more efficient division of labor, relieving the United States of added defense burdens in Europe. The military and political health of the NATO alliance is a direct concern of the United States. It is a relationship which protects and fosters the liberal civilization of the West, and no agreements with the despotic Soviet empire ought to jeopardize that relationship.

Whatever agreements on the limitation of strategic arms the United States concludes with the U.S.S.R., it must acknowledge not only its just national interests, but also its sacred treaty obligations with its European allies. It must recognize the seriousness of its commitment to the NATO alliance, and ensure that no action interferes with the common defense. In bilateral negotiations with the Soviet Union, to secure bilateral objectives, the United States is not entitled, legally or morally, to acquiesce to Soviet initiatives that would effectively compromise the security or sovereignty of its European allies. As the prestigious London Economist recently remarked, the accession to Soviet demands to prohibit the transference of cruise missile technology directly undermines the United States NATO relationship. If the United States accedes to Soviet demands, while belittling legitimate European concerns, the United States may unilaterally achieve a major, long-term Soviet objective; the disruption of the NATO alliance.

PART IV

The cruise missile verification problem and policy options

Some proponents of arms control argue that in the dangerous conditions of the nuclear any *any* arms limitation agreement is better than none. A wiser rule is that an arms agreement without adequate verification procedures is more dangerous than no arms agreement at all. It cannot be overemphasized that arms control is not an end in itself. It is a means to an end; peace and military stability in the international system. If an agreement codifies the advantages of one power at the expense of the security of the other, then the agreement contradicts the very purpose for which it is drafted. In the precarious conditions of the nuclear age, diplomatic failure to secure a safe arms control treaty could end in a military disaster of unprecedented dimensions.

The cruise missile presents a special set of verification problems, going beyond the conventional capabilities of the technologically advanced nations to monitor compliance and detect treaty violations. Large, heavy weapons systems, submarine bases, missile silos, aircraft and naval installations are difficult enough to observe even with the most advanced intelligence technologies currently available. The small, flexible cruise missile can be easily concealed, stored in great quantities, installed quickly on various launchers, and secretly tested in wind tunnels with ease and dispatch.

Cruise missile range and warhead capabilities are a function of fuel volume, engine type, and payload weight. From a purely technical standpoint, possible trade-offs among these variables can be effected quickly and easily. It is no great problem to alter the mission of the cruise missile from that of a tactical to a strategic weapon, without any considerable external modifications, or to changing the warhead from conventional to nuclear. It has been estimated that range and warhead modifications can be effected in an extremely short period of time. The technical characteristics of the weapon and the speed at which it can be modified has led Professor Harold Molineu of Ohio University to observe: "The maintenance of tactical or even conventionally-armed cruise missiles is conceivably consistent with stability, but, if they can be made 'nuclear' and strategic at a moment's notice, verification is almost impossible." [61]

How does one know that a short-range cruise missile with a "conventional" warhead is not a long-range cruise missile with a nuclear payload? The generally serious problem of arms control verification is not uniform for all cruise missiles. As John Lehman, former Deputy Director of the Arms Control and Disarmament Agency, observes, the longer the agreed-upon range, the more confidence a monitor has in the capabilities of the weapon: "It is known that most of the volume of the missile is fuel just to get to that range and there is not a great deal of room for the surreptitious adding of fuel." [62]

In other words, curiously enough, the more liberal the range agreement in an arms control treaty, the more "knowable" and "controllable" the cruise missile becomes. The greatest difficulty is to be found in fixing and verifying ranges for short-range cruise missiles: "The reason is that at lower range limits it is easy to redesign the internal layout of a given size missile to increase fuel and hence range at the expense of the size of the warhead." [63]

In light of these observations, it is clear that the tentative Soviet-American SALT provisions imposing a 600 km. limitation on ground- and sea-launched cruise missiles only exacerbate the already difficult problems of cruise missile verification. Aside from codifying a freeze on United States technological advantages in the field of long-range cruise missiles, the special difficulties of verification in the field of short-range missiles would directly accrue to the advantage of the Soviet Union. Soviet SS N 3 and SS N 12 cruise missiles can be deployed on submarines, threatening not only coastal cities, but also population centers in the American interior. Needless to say, securing adequate procedures for verification of range and warhead capabilities aboard Soviet submarines will require some unprecedented diplomatic creativity. But without some diplomatic boldness, the tentative agreements limiting cruise missiles will only serve to penalize the United States and secure current and probably future Soviet strategic advantages in the field of cruise missile weaponry.

Policy options

Given the immense technical difficulties in assuring adequate verification of the cruise missile, American policy-makers should consider at least three possible policy options other than the proposed Geneva range "freeze."

1. Combining cruise missile range limitations with corresponding freezes on the modernization and upgrading of Soviet air defense systems.

The strategic rationale behind the Carter Administration's decision to tie the status of the cruise missile to the Soviet Backfire bomber is unclear. Certainly, the fact that they are "new" weapons systems is not enough. There is little or no strategic equivalence between these weapons. The new long-range Soviet bomber could carry many times the fire power of the cruise missile, and the proferring of such an "equivalence" to the Soviet Union is in itself nothing less than a gratuitous concession. The Backfire-cruise missile package becomes more painful in light of the President's decision to scrap the B–1 bomber and accept Soviet pledges to unilaterally limit development and strategic deployment of the Backfire bomber.

It would be a far better trade-off to press for Backfire bomber restrictions, using the B–1 bomber as the premier bargaining chip. The Soviets would have to agree to the production of a number of B–1 bombers equal to those new Backfires currently deployed in the Soviet Union, assuring a new, heavy bomber parity.

A more direct relationship is found between the cruise missile, especially in its air-launched version, and Soviet air defense capabilities. The range effectiveness of the cruise missile, whether carried by an aging B–52 or the new B–1 bomber, is and will remain a function of the modernization, and the qualitative and quantitative advances in Soviet defense. This direct relationship is critical to the future of the cruise missile. "Unfashionable though it may be to say this," Professor Colin S. Gray warns, "It is almost certainly true that unless Soviet air defenses are suppressed rather comprehensively in advance, LRCMs in the mid to late 1980's could fail catastrophically in an attempt to penetrate the Soviet Union." [64] It would be worthwhile forging an arms control agreement suppressing them in advance. If there is to be concession on cruise missile range, then it is encumbent upon American policy-makers to insist upon limitations on Soviet air defense systems. Such mutual concessions will contribute to strategic stability.

There are two further grounds of negotiation that could be proposed in SALT II trade-offs with the Soviet Union on American cruise missiles; Soviet cruise missile development and deployment and the mobile SS 20 in Eastern Europe. It is indeed curious that American negotiators have not taken the initiative in making the development, deployment and modernization of Soviet cruise missiles an issue in SALT II. Based on submarines, or carried in the new Backfire bomber, Soviet versions of the cruise missile could present the United States with serious threats to its national security. Moreover, while the United States has been negotiating restrictions on its ground and sea launched versions of the cruise, the newest major missile threat to Western Europe, the Soviet SS 20, is not even an issue in current discussions. Both Soviet systems ought to be placed on the SALT agenda.

Footnotes at end of article.

2. The adoption of clear, rigorous, and ambiguous verification standards to be enforced by "on-site" inspection.

The acceptance of the first option is a necessary, but not a sufficient condition for a new arms control agreement. Mutually agreed upon procedures for on-site verification are essential. Without such verification, no arms agreement ought to be concluded with the Soviet Union. No American President, no member of the United States Senate, has the moral right to entrust the lives and liberties of over 200 million Americans to the good will and beneficence of the Kremlin leadership.

SALT I, in spite of the best intentions of its proponents, was the classic example of a bad arms control agreement. Verification procedures were sloppy. And the results were disappointing. Contemptible Soviet violations of the SALT I accords, recently revealed by former Defense Secretary Melvin Laird, provides us with a painful lesson in the dark Machiavellian arts of Soviet diplomacy; there can be no arms control agreements without controls.

The concept of "on-site" arms control inspection originally found strong support in the Administration of President Dwight D. Eisenhower. In conjunction with a military strategy of "massive retaliation" against Soviet aggression, the President went so far as to promote an "open skies" policy. The notion of on-site inspection as part of a comprehensive arms control agreement was abandoned ten years ago as a bargaining point in Soviet-American negotiations. The Russians have regularly denounced the idea in stale, ideological, and, characteristically, abusive rhetoric.

The special verification problems with the cruise missile, as well as other modern weapons systems, now naturally invites such an equitable remedy. It can be persuasively argued that on-site inspection is no guarantee of agreements reached on cruise missiles precisely because of their small size, and their special technical characteristics. But then, again, on-site inspection is better than none at all: There is simply no alternative.

It may be objected that the resurrection of the Eisenhower approach to modern arms control agreements is unrealistic, and that the Soviets would never accept it. If such is the case, then the very idea of a new strategic arms control agreement with the Soviet Union is itself unrealistic. For there is nothing more unrealistic or dangerous than to propose or support an agreement that will not, or cannot, be enforced.

The proposal of such an option as the condition of a new arms control agreement, even if it is rejected by the Soviet Union, would have enormous psychological and political potential. It is official Soviet policy, regularly enunciated in solemn tones at Party conclaves, that the Soviet Union is to take the lead among the nations of the world in securing curbs on weapons of "mass destruction" and a general disarmament. A comprehensive United States proposal setting forth elaborate procedures of regular "on-site" inspection would present a clear, direct political challenge to Soviet propaganda. Aside from scoring a great psychological victory by taking the "high ground" in SALT negotiations, the initiative could result in either acquiescence or embarrassment on the part of the Soviet Union. Soviet rejection would only further erode the U.S.S.R.'s credibility as a champion of arms control measures.

3. Exclude cruise missiles from any new arms agreement.

The exclusion of cruise missiles from a new arms control agreement is perhaps the most realistic option. The inclusion of provisions for cruise missiles can only hurt any future SALT agreement. The verification problem surrounding cruise missiles will probably spill over into other areas. The facility with which either side can engage in cheating in this field is an added incentive to carry on deception in other areas. The irresistable temptations to engage in surreptitious violations, and the resultant collapse of trust, will only serve to subvert the arms control agreement itself. By removing the occasions of sin, so to speak, one can concentrate on those treaty provisions that can be preserved with greater confidence through the conventional processes of arms control verification.

Cruise limitations violate the American national interest. An accession to cruise missile limitations will once again freeze a system resulting from superior American technology, which promises to assure the American deterrence. Mass deployment of the cruise missile will effectively counter Soviet advantages in ICBM throweight and numbers, as well as the conventional superiority of Warsaw Pact general forces in Europe. In the European theater unlimited cruise missile deployment could strongly offset the formidable deployment of Soviet SS 20 intermediate range ballistic missiles, so threatening to the European strategic balance.

The adoption of a policy of what some arms control specialists call "laissez faire" has much to recommend it. As Professor Colin Gray observes, the option is supremely equitable; for both the United States and the Soviet Union would be equally free to develop and improve cruise missiles to the limit of their technological and financial capabilities. To be sure, the Soviets are not enthusiastic about the prospect of the "laissez faire" approach. As Pravda remarked: ". . . it (the Soviet Union) is, in principle, opposed to the opening of that new channel of the strategic arms race and the colossal expenditure involved.[65] Roughly translated: We find it far more convenient to freeze American development and deployment of cruise missiles, to forego the needless expense of modernizing and improving our air defenses, and to spend enormous sums of money on a new generation of offensive heavy missiles.

The object of any arms control agreement is to secure world peace and international military stability. According to the current "theology of arms control," stability is achieved through strategic parity, or an equivalent balance of weapons systems. The stability is maintained when neither power believes it can initiate strategic military action against the other with impunity.

The predominant American perspective on the necessary and sufficient conditions of arms control in the nuclear age includes a further corollary. A central imperative in the maintenance of the strategic balance, it is argued, is usually the freezing of new strategic military technologies. New technological developments are viewed as inherently destabilizing, and fraught with fearsome consequences. The power that possesses them might, in an international crisis, be tempted to resolve that crisis to its satisfaction by risking general war, taking initiatives it would not otherwise consider if those technologies were absent from the national arsenal. A clear technological superiority, transcending whatever quantitative capabilities an opponent might possess, may lead the national high command to believe, mistakenly or otherwise, that it can successfully prosecute a major war.

The difficulty with this position is that it over-simplifies the problem. All technological innovations cannot be lumped into a single category; one cannot tacitly assume that all military technologies have, or can have, a similar impact on the strategic balance. Some may favor international stability; others may undermine the power balance. In any case, it is important to avoid a common confusion which identifies arms control agreements as ends in themselves rather than as means to an end.

There is good reason to believe that the cruise missile, and a related family of small, flexible precision-guided weapons, will, if fully developed, have no negative impact on strategic ability. To the contrary, the cruise missile may very well be a stabilizing rather than a destabilizing force in the international system. The "laissez faire" approach to cruise missiles may, itself, secure the very object of arms control negotiations; mutual security and the prevention of a nuclear holocaust. As Professor Edward Luttwak of the Georgetown University Center for Strategic and International Studies has observed:

The qualities of the cruise missile which subvert the procedures of negotiated limitations are precisely the qualities which also achieve the substantive purposes of arms control. Because cruise missiles are small, inherently mobile, and therefore easily concealed, it is a hopeless task to devise any treaty to limit them that would rest on any serious assurance of verification. But their small size is also the reason that cruise missiles are relatively cheap. Further, since these small and easily concealed weapons are not vulnerable to disarming counter-force attacks, rival cruise missiles forces should be quite stable; neither side could hope to disarm the other in a surprise attack, so that both sides can be secure. Thus, not only the costs, but also the risks generated by these weapons, are inherently smaller than those of the fixed-site ballistic missiles now deployed. It follows that as far as cruise missiles are concerned, the best form of arms control may be no control at all.[66]

If the United States cannot secure an agreement to curb Soviet air defense capabilities and ensure effective on-site inspection procedures, then the case for a "laissez faire" approach to cruise missile development and deployment is compelling. Justice does not require the United States to accede to Soviet demands to cut its technological advantages in the field of modern weaponry, while the U.S.S.R. solemnly declares that its mountainous quantitative nuclear and conventional superiority is dictated by the objective Marxian laws of historical development.

During the past thirty years when the U.S.S.R. was clearly in a position of strategic inferiority relative to the United States, the Soviet leadership was nevertheless testing American resolve. In the face of overwhelming American military might, the Kremlin fomented crisis after crisis in Berlin, Korea, the Middle East, and Cuba. With the achievement of strategic parity, Soviet Russia launched a "blue-water" Navy threatening vital sea lanes, and has launched an ambitious foreign policy in Africa. Is there any reason to believe that Soviet behavior would be more restrained with an achievement of a clear, undisputed strategic superiority?

The prospects are foreboding. With a clear strategic superiority, the Kremlin high command may react to a crisis situation with overconfidence. An optimistic miscalculation on the capability of the United States and its allies to resist could very easily plunge the world into a devastating nuclear war. U.S. calculations of Soviet strength or Soviet intentions cannot be based on optimistic assumptions or on wishful thinking. An arms control agreement based upon such assumptions is simply not worth the risk.

FOOTNOTES

[1] Penetration will depend upon the strength of the cruise missile carrier. On this point, Dr. William Perry, Director of Defense Research and Engineering for the Department of Defense is optimistic: "We believe with high confidence that the present generation missile will be capable of penetrating the Soviet air defenses as they now exist and as we project them through the mid 1980's." Testimony of Dr. William Perry, Hearings, *Department of Defense Appropriations for 1978—part 7*, House Appropriations Subcommittee on the Department of De-

fense, Ninety Fifth Congress, First Session, July 1977, p. 278.

[2] See Robert L. Pfaltzgraff and Jacquelyn K. Davis, *The Cruise Missile: Bargaining Chip or Defense Bargain?* (Cambridge, Massachusetts: Institute for Foreign Policy Analysis, 1977), p. 15; Captain William T. Hancock, "The Case in Favor of Cruise Missiles", *Military Review*, Vol. LVIII, No. 10 (October 1977); Ralph Kinney Bennet, "The Missile the Russians Fear Most", *Readers Digest*, (August 1977).

[3] See A. A. Tinajero, *Cruise Missiles: U.S. Sea Launched and Air Launched*, Issue Brief No. 11376018, Library of Congress, Congressional Research Service, March 18, 1976; revised July 30, 1976.

[4] Pfaltzgraff and Davis, *The Cruise Missile*, p. 5.

[5] *Ibid.*, p. 7.

[6] Captain William T. Hancock, "The Case in Favor of Cruise Missiles", *Military Review*, Vol. LVIII, No. 10 (October 1977), p. 21.

[7] *Washington Post*, October 12, 1977.

[8] Pfaltzgraff and Davis, *The Cruise Missile*, p. 11.

[9] Aviation Week and Space Technology, December 5, 1977, p.

[10] Testimony of Secretary Harold Brown, Hearings, *Department of Defense Appropriations for 1977—Part 7*, House Appropriations Subcommittee on the Department of Defense, Ninety Fifth Congress, First Session, July 1977, p. 165.

[11] Robert Pfaltzgraff and Jacquelyn Davis, *SALT II: Promise or Precipice?* (Washington: University of Miami Center for Advanced International Studies, 1976), p. 12.

[12] Hancock, *Op. Cit.*, p. 22.

[13] T. K. Jones, "U.S. Soviet Strategic Balance: Options and Non-Options, *Journal of International Relations*, Vol. 2, No. 3 (Fall, 1977) p. 271.

[14] Pfaltzgraff and Davis, *The Cruise Missile*, p. 9, fn. 10.

[15] *Ibid.*, p. 10.

[16] *Idem.*

[17] Bernard Weinraub, "Pentagon Aides Call Cruise Missile Able to Penetrate Soviet", *New York Times*, November 2, 1977.

[18] *Idem.*

[19] Testimony of Dr. William Perry, Hearings, *Department of Defense Appropriations for 1978—Part 7*, House Appropriations Subcommittee on the Department of Defense, Ninety Fifth Congress, First Session, July 1977, p. 274.

[20] Testimony of Captain Walter Locke, *Ibid.*, p. 270.

[21] *Idem.*

[22] *Ibid.*, p. 276.

[23] Pfaltzgraff and Davis, *The Cruise Missile*, p. 12.

[24] *Ibid.*, 13.

[25] See Ralph Kinney Bennet, "The Missile The Russians Fear Most", *Readers Digest*, (August 1977).

[26] Colin Gray, "Who's Afraid of The Cruise Missile?", *Orbis*, Vol. 21, No. 3 (Fall 1977), p. 258.

[27] Hancock, *Op. Cit.*, p. 18.

[28] Pfaltzgraff and Davis, *SALT II*, p. 16.

[29] *Soviet World Outlook*, February 15, 1977.

[30] *Soviet World Outlook*, July 15, 1977.

[31] *Idem.*

[32] *Idem.*

[33] *U.S. News and World Report*, November 14, 1977, p. 30.

[34] *Soviet World Outlook*, July 15, 1977.

[35] Taken from the Appendix, Paul Nitze, *et al, The Carter Disarmament Proposals: Some Basic Questions and Cautions* (Washington: University of Miami Center for Advanced International Studies, 1977) pp. 35–43.

[36] Pfaltzgraff and Davis, *SALT II*, p. 18.

[37] *Ibid.*, p. 19.

[38] Rowland Evans and Robert Novak, "The Backfire Concession", *Washington Post*, October 12, 1977.

[39] Pfaltzgraff and Davis, *SALT II*, p. 22.

[40] Drew Middleton, *Baltimore Sun*, October 18, 1977.

[41] Pfaltzgraff and Davis, *The Cruise Missile*, p. 49.

[42] See A. A. Tinajero, *Cruise Missiles: U.S. Sea Launched and Air Launched*, Issue Brief 1B76018, Library of Congress, Congressional Research Service, March 18, 1976.

[43] Pfaltzgraff and Davis, *SALT II*, p. 24.

[44] Hancock, *Op. Cit.*, p. 19.

[45] Pfaltzgraff and Davis, *The Cruise Missile*, p. 46.

[46] John Lehman, "The Carter Comprehensive SALT Proposal: Verification and Gray Area Systems", in Paul Nitze, *et al, The Carter Disarmament Proposals: Some Basic Questions and Cautions* (Washington: University of Miami Center for Advanced International Studies, 1977), p. 21.

[47] Testimony of Secretary Harold Brown, *Op Cit.*, p. 176.

[48] Testimony of Dr. William Perry, *Ibid.*, p. 307.

[49] Clarence Robinson, "SALT Stance Allows New Missile", *Aviation Week and Space Technology*, April 24, 1978, p. 16.

[50] *Ibid.*, p. 19.

[51] Jacquelyn K. Davis, "SALT and The Carter Compromise", *Strategic Review*, Vol. V, No. 4 (Fall, 1977), p. 7.

[52] Mr. Paul Nitze, Press Statement, November 1, 1977, released by The Committee on The Present Danger.

[53] *New York Times*, December 6, 1977.

[54] *New York Times*, November 24, 1977.

[55] *Idem.*

[56] *New York Times*, January 6, 1978.

[57] *New York Times*, November 24, 1977.

[58] John H Morse, "New Weapons Technologies: Implications for NATO", *Orbis*, Vol. XXI, No. 2 (Summer, 1975), p. 503.

[59] Pfaltzgraff and Davis, *SALT II*, p. 13.

[60] Morse, *Op. Cit.*, p. 502.

[61] Professor Harold Molineu, "The Impact of Strategic and Technological Innovations on Nuclear Deterrence", *Military Review*, Vol. LXVIII, No. 1 (January, 1978), p. 13.

[62] John Lehman, *Op. Cit.*, p. 21.

[63] *Idem.*

[64] Colin Gray, *Op. Cit.*, p. 531.

[65] Appendix, Paul Nitze, *et al, The Carter Disarmanent Proposals*, p. 41.

[66] Edward N. Luttwak, "Why Arms Control Has Failed", *Commentary*, Vol. 65, No. 1 (January 1978), p. 21.

THE DEFENSE OF THE WEST: WHERE IS IT?

Mr. HATCH. Mr. President, I wonder if anywhere in history there is another case of a government like that of the United States that so successfully advanced the cause of its opponent, while destroying the morale of its own allies and the inclination of its own people to resist the advances of its aggressive opponent. It is remarkable that in spite of the universal bad name of the Soviet system, in spite of its heavy hand upon its own people and others, in spite of its many failures, it has essentially overcome an alliance of prosperous and free people who could have marshaled against it an overwhelming economic and military power.

Nothing better illustrates our helplessness than the way our primary opponents the Soviet Union and Castro, manipulate American public opinion and influence our foreign policy through our own press. It is striking that when the President of the United States points out the complicity of the Cubans in the invasion of Zaire and massacre of Europeans by troops based in Cuban dominated Angola, Castro's denials are given respectful front page coverage by major American newspapers. David Binder and the New York Times, instead of questioning Castro's machinations, questioned the veracity of President Carter. Wrote Mr. Binder in the New York Times:

> The statement attributed to Mr. Castro raised new questions about President Carter's assertion eight days later, on May 25, that Cuba "obviously did nothing" to hold back the invasion by 2,000 or more Katangan insurgents operating from Angola..

Notice also Mr. Binder's euphemism, "Katangan insurgents."

Mr. President, as the Senate knows, I have many disagreements with President Carter, but I would never align with our external opponents against the President of our country. Many charges have been made that there are American newsmen who have been, and are, in the pay of the CIA.

However, the predilection of an important component of our press to always find the enemy in the right, as in the news coverage of the Vietnam war, the Tet offensive, and what the press called the American invasion of Cambodia, as well as the recent coverage of events in Africa, suggests that if American newsmen are in the pay of intelligent services, they are foreign ones and not our own. If newsmen can be bought, why should the KGB pay less than the CIA?

The incredible ease with which our opponents abroad can get their view across in our press makes the question of relative military strengths subsidiary. When the President and his national security adviser attempt to call public attention to Soviet and Cuban activities in Africa, they are accused by members of their own party of trying to revive the "cold war." According to Don Oberdorfer in the Washington Post on June 12,

> Senior members of the House International Relations Committee have expressed concern to President Carter about an apparent shift in U.S. policy on the Soviet Union . . . The lawmakers expressed particular concern about recent statements by national security affairs adviser Zbigniew Brzezinski, saying that "we do not understand the meaning or intention" of his strong stands about Soviet activities.

Mr. President, Alexandr Solzhenitsyn recently spoke at Harvard University where he accused us of a loss of courage. Perhaps it is fear that causes some people to respond to President Carter's efforts to call our attention to aggressive Soviet activities by accusing him of endangering peace. People who have lost their courage might well think that as long as we go along with the Soviets, they will leave us for last. Whatever the reason why, an incentive structure has developed that discourages political leaders from calling attention to Soviet threats to our interest. President Carter tried to deliver a warning to the Soviets in his Annapolis speech, and the result was that he came under attack at home. That obviously tells the Russians that they can discount his warning, and it tells the President that he would do better politically to go along with the pre-

tense that the Russians are not really in Africa and that everything is fine, except that we have too many weapons.

I will be criticized for making this speech. I will be called a hawk, a cold warrior, someone who wants to blow up the world. On the other hand, if I did not make this speech, no one would criticise me for not having done so. This is why as Soviet military power and dominance in world affairs grows, less is said about it. There is no doubt that a lot of American patriots are demoralized by our predicament.

So are our allies. The Soviet presence is now so strongly felt in Europe that it is bringing people out of their anesthetised euphoria. On May 30, 1978, the London Daily Telegraph carried a remarkable article by R.H.C. Steed, called "The Intimidation of Europe." Mr. Steed states that the NATO alliance "is now disintegrating before our eyes." Mr. Steed goes on to discuss how European political leaders are responding, "according to their geographical situation, political colour and own domestic situations, with varying degrees of deference, compliance or subservience to the deliberate intimidation exercised by Russia through the political projection of her military superiority." Loss of faith in the United States, he says, has greatly accelerated this process.

On June 2, 1978, The Times of London in an editorial titled "Signals of Weakness," severely criticized the cowardice and stupidity of the British Prime Minister for the signals of weakness that he was sending to the Soviet Union. Said the Times:

> The danger to world peace is not that the West will be too tough with the Russians, but that signals of western weakness will tempt the Russians to go too far.

In an editorial on May 30, "The Western Sickness," the Daily Telegraph said that the feeling of guilt that Western intellectuals, political leaders, and news media have cultivated in their societies "is in fact frivolous self-indulgence." As for our famous Vietnam guilt, which some members of the U.S. Senate helped to make popular, The Daily Telegraph had this to say:

> And if guilt there be for Vietnam, it could be less for having resisted aggression and tyranny there than for resisting ineffectively.

This remarkable editorial goes on to point to another terrible sickness that has afflicted even some U.S. Senators. I quote:

> We may further note among the young and among their intellectual mentors, who should know better, a coarse, slipshod and undiscriminating tendency to lump all societies together as more or less unfree and thus to equate like with unlike. Tyranny there is in Russia, most concede; but tyranny here too, many add, the more evil and insidious for being disguised as its opposite. This slovenly indifference may lead to, or be caused by, an incredible and culpable ignorance of Russia, of her society and intentions, which are widely regarded with a shrug as much like our own.

The editorial closes on these words:

> America's faltering should lead us in Europe and in Britain itself to look urgently to our own defences. And we here in Britain can set an example by choosing next time a Government sensible, provident and patriotic.

And patriotic! If Soviet power continues to grow rapidly and unopposed, European newspapers will not be able much longer to use that word. Patriotism will become a nonword like treason has become. The only thing worse than a leading newspaper feeling ar obligation to call for the election of a patriotic government is to feel the obligation and know that it must remain silent.

Judging from the pressures that have been brought to bear upon President Carter and his national security advisor as a result of the President's Annapolis speech, it would seem that remaining silent has become more attractive than ever. A front page story in the June 19 Washington Post emphasizes that the "Kremlin Focuses on Confrontation in Reply to Carter." According to the Post's writer, this "poses the administration a dilemma: how can it speak publicly to the Kremlin about its concerns?" The answer, I fear, is that the administration cannot speak publicly about its concerns unless it is willing to pay a high cost, because the Kremlin can rely on the House International Relations Committee, American news media, academic experts, and the U.S. Department of State to put pressure on the administration. The Post's writer goes on to say that:

> Some diplomats here have been saying for several weeks that their job, as they see it, is to try to "limit the damage," from the President's speech and the Kremlin's response.

How can a President be firm with an adversary when his diplomats are twittering about the problems that the President's national security advisor is causing them? How can Zbigniew Brzezinski be so uncouth and bring unpleasantnesses to the President's attention that worsen Soviet-American relations? After all our hard work to get along with the Kremlin, cannot we just overlook Africa and Europe and South America? And do we have to keep arresting all of these Soviet spies? Why do we have to undermine détente after so much hard work?

Mr. President, our military strategy and international diplomacy have been guided for more than a decade by nothing more than naive, idealistic, wistful hope. As Solzhenitsyn said recently at Harvard University, Kremlin officials laugh at American political wizards for their naivete in world politics. I am sure that they do. And Solzhenitsyn could have added only a few days after his speech that the Kremlin now shows its open contempt of the President of the United States by describing him as a "reactionary peanut politician." Of course, they afterwards deleted part of the statement, but they first made it—and that shows their own confidence in their power. It also sends a message to the world that the Kremlin feels quite secure in any confrontation with the United States.

Mr. President, who led us to this humiliation, this degradation? I could not name them all, but the point is that they are the same people who are still influential in the academic world, the State Department, the news media, and here in the Senate. When I listen to some of my colleagues, I am reminded, to borrow a phrase from Lewis Lapham, the editor of Harper's, of—

> The French aristocrats in the late eighteenth century who so sympathetically discussed the books and pamphlets that supplied the social theory for the guillotine.

At his remarkable Harvard address, where he was greeted by some of our future leaders with some hisses and some signs suggesting that he is a Fascist, Solzhenitsyn said that a decline in courage is the most striking feature of the spiritual exhaustion of the West. To defend oneself, he said, one must also be ready to die, but there is little such readiness in American society. He characterized very succinctly the unreality that engulfs us all:

> The forces of evil have begun their decisive offensive, you can feel their pressure, and yet your screens and publications are full of prescribed smiles and raised glasses. What is the joy about?

Our every response is one of weakness. As the British newspaper, the Manchester Guardian, said in an editorial on June 11 on the neutron bomb:

> It is here that Mr. Carter has made the least well-judged decision of his presidency. The military answer to the Russian tanks, which means the best possible deterrent against their use, is the neutron bomb. It is no less and no more horrific than the other nuclear weapons on which western Europe has relied for its defence for nearly thirty years. But by making it appear different, and by public agonising about its deployment, Mr. Carter gave the Russians an excellent rhetorical advantage which they have fully used. Hence, NATO is without it. For Mr. Carter to change his mind now and put the weapon into production would regrettably be taken as a hawkish change of policy, "threatening détente." But it would be a mighty encouragement to the Russians to think seriously about the reduction of conventional arms—and they are the main threat—in central Europe if he were to make it unmistakably clear that the one is linked with the other. Fewer tanks: less need for the ultimate antitank weapon.

We do not only respond to threats to our allies' security with weakness, we also respond to threats to our own security with weakness. Earlier this month, about June 10, the British aerospace magazine, Flight, reported that the Soviet Union has developed a missile system capable of destroying at least three-quarters of our ICBM's in their silos. The magazine said that the missiles were developed 3 to 5 years faster than expected. A couple of days later Bernard Weinraub wrote in the New York Times that:

> The Carter Administration, worried about the high costs and potential vulnerability of a proposed intercontinental ballistic missile and its mobile launching system, has substantially slowed the weapons program and left its future uncertain.

Mr. President, if a mobile system that we do not even have is vulnerable, what must be the case with the fixed site system that we have?

I notice, also, Mr. President, that the Soviets manage to acquire every weapons system "3 to 5 years faster than expected." The projected qualitative leads

that we have based our security upon, from MIRVs to accurate missiles, have proved to be nothing but wistful hopes.

Mr. President, it is unclear to me how President Carter can offer the Soviets "confrontation or cooperation" when we do not even have a strategy for dealing with the Soviets, militarily or diplomatically. We could not even confront North Vietnam. As Solzhenitsyn said, "That small Vietnam had been a warning and an occasion to mobilize the nation's courage," but as a result of the support the Communists found in our finest universities, news media, and the Congress, we "would up being involved in the betrayal of Far Eastern nations, in a genocide and in the suffering today imposed on 30 million people there." The Soviets know that President Carter cannot offer them confrontation. That is why they chose that alternative in their response to his Annapolis speech. As the Washington Post reports on June 19, "Kremlin Focuses on Confrontation in Reply to Carter."

It is unclear to me for what purpose we have a military budget when our President cannot even rattle words, much less sabers or missiles, without being denounced by the Kremlin as a "reactionary peanut politician" and criticized by congressional members of his own party and his own diplomats. It is not clear to me how we can defend ourselves, our allies, lead the free world, or do anything but go along with the Kremlin. Unless there is some change in attitude, our position must further deteriorate.

The people of whom Solzhenitsyn speaks, people "with prescribed smiles and raised glasses" have a quite different view. They see only great progress in overcoming anticommunism and hostility toward, and suspicion of, the Soviet Union. This greatly reduces the cost to the Soviets of their aggressive actions, because anyone who attempts to call attention to their actions runs into their forward wall and is accused of trying to revive anticommunism and the "cold war."

At some point, however, people do see the bayonets. This has happened to the major British newspapers, which now denounce the Soviet Union and the cowardice of British politicians in the same "cold war" terms that they derived a decade ago. I ask unanimous consent to have printed in the RECORD some of the articles from the British press that I have mentioned in my speech, together with an excerpt from an article published in the Baltimore News American. Perhaps it is possible for some Americans to see the Soviet bayonets through the eyes of the British.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Daily Telegraph, May 30, 1978]

THE INTIMIDATION OF EUROPE

(By R. H. C. Steed)

Whether Turkey's semidefection will prove the last straw for that Nato camel's overstrained but hitherto acrobatic flexible back I cannot say. I do feel bound, however, to to point out that the alliance, after years of accelerating erosion, is now disintegrating before our eyes.

This is already preventing Western reaction to Russian expansion, which is becoming daily more daring as a result. It is also causing an alarming decline in Nato's morale and prestige, and to increasing submission, both inside and outside the alliance, to Soviet intimidation. The effects—military, political, and psychological—of long years of neglect are now apparent.

They weigh heavily on Governments, on populations, and on the under-paid, under-equipped and under-esteemed armed forces themselves. Familiar cosy official assurances that the Warsaw Pact's huge numerical superiority is offset by the superior quality of Nato's troops and equipment have for long been misleading. The over-all balance in quality—not only in weapons and efficiency but also in the morale of troops—has moved to the other side. To this must be added the enormous assets of central position, central command by Russia, standardisation of equipment and economic self-sufficiency.

The peoples of the Nato countries, anaesthetised rather than led by their Governments, had been taught not to bother about the military balance. In so far as they were aware of any adverse conventional balance they assumed that the American nuclear umbrella provided sure protection against it on the cheap, old-fashioned ideas about military power being necessary not only for immediate self-defence but for the safeguarding of national interests farther afield were unpopular and smacked of "gunboat diplomacy."

Misgivings were dispelled by "détente," the great habit-forming tranquilliser produced in Moscow and purchased at a very high price by Western Governments for distribution to their eager populations.

But Nato Governments were only too well aware of the increasingly adverse military balance, and disturbed both by Russia's lack of co-operation on disarmament and by the "political impossibility" of stimulating defence-consciousness among their electorates.

They responded, according to their geographical situation, political colour and own domestic situations with varying degrees of deference, compliance or subservience to the deliberate intimidation exercised by Russia through the political projection of her military superiority. Loss of faith in Mr. Carter greatly accelerated this process.

For me the shock of realising the extent to which Europe was influenced by Russian intimidation came with the row over the neutron weapons. This was the made-to-measure answer, provided by America, to the threat from Russia's four-to-one superiority in tanks and artillery.

There were no technical, financial or political problems on the American side, and the assumption was that the Europeans would gratefully accept the weapon, as in five preceding years of military-political discussions within Nato they had expressed every intention of doing.

The Russians then unleashed a brilliantly concerted campaign of propaganda and diplomatic bullying against the neutron weapon Public opinions were widely and deeply affected. Governments began to weaken. Some caved in.

One era of popular self-deception had come to an end—namely belief in painless salvation through American nuclear weapons. Another had already succeeded it; blind uncritical acceptance of "detente," in which fear of Russia, self-deception about her motives and rejection of any risk of war for any reason were inextricably compounded.

The implications of Russia's achievement of nuclear parity with America on top of a crushing conventional superiority in Europe at last dawned on European public opinions. Hitherto the Europeans had persuaded themselves that although the over-strained American nuclear shield was increasingly less credible to *them*, it would somehow remain *credible to the Russians*, who would sportingly continue to be deterred by it. Suddenly, however, the horrifying reality and the corresponding risks became clear when they were told that the neutron weapon, while stopping the Soviet tank hordes through unpleasant effects on the drivers, would have similar effects on a few hundreds or thousands of unfortunate civilians a time.

They were not consoled when it was explained to them that NATO's existing tactical nuclear weapons would kill ten or a hundred times as many civilians in even more horrible ways, cause incomparably greater devastation and be militarily less effective. Somehow these familiar neighborhood tactical nukes, although real to the Russians, had never been real to *them*. Now both tanks and nuclear weapons, clean or dirty, had become real, and public opinion was deeply disturbed, often almost panic-stricken.

Mr. Carter naturally asked for assurances, before actually producing the neutron weapons, that they could be stationed in Europe—mainly, of course, in Germany. But the issue had already been prejudiced beyond satisfactory repair by attacks on the weapon by Herr Egon Bahr, significantly the main figure behind Herr Brandt's *Ostpolitik*, now secretary-general of the German Social Democrat party, of which Herr Brandt is president.

After nine months of argument Mr. Carter postponed the production of the weapon pending disarmament negotiations with the Russians. If these failed to achieve equivalent concessions from the Russians, production of the neutron weapon would go ahead.

Herr Schmidt agreed that if, *two years after that*, there was still no adequate Russian response, the weapon could be stationed on German soil. It is only fair to state that the Belgians, Dutch, Danes and Norwegians were even more strongly opposed to the neutron weapon than the Germans.

The neutron incident revealed an alarming degree of European submission to Russian intimidation. A weapon that is essential for Europe's defence against an outrageous assembly of Russian aggressive forces has been as good as abandoned without any prospect of compensation. There is an obvious implication of "chickening out" about all this.

Turkey's position needs more comment. Its army, the largest in NATO Europe, for years increasingly out-classed in equipment by the Warsaw Pact, is now in chaos as a result of four years of the American arms ban after the Cyprus invasion.

Mr. Ecevit told the NATO leaders last week that there is now no serious threat from Russia, so he was re-deploying his army to maintain a balance between East and West. He is indignant that the Senate vetoed the efforts by Mr. Carter—who is increasingly concerned about the situation in the Middle East and Mediterranean, especially after the Communist coup in Afghanistan—to lift the arms ban.

Mr. Ecevit is playing ducks and drakes, and Russia is making the most of the opportunities it offers her. Even if the Cyprus question is settled soon—of which there seems little hope—Turkey's position in NATO will never be the same again. If it is not, her drift towards non-alignment will presumably continue.

Another Nato casualty of the Cyprus war is Greece, which, like France, has withdrawn from the integrated command while still subscribing to the treaty. At this week's Nato summit Greece will be absent as well as France. Mr. Ecevit, while attending, has refused to subscribe to a demonstrative general "rededication" to Nato, with which Mr. Carter hoped to stiffen morale, and which accordingly has had to be postponed.

Only a few of the milestones in the decline can be mentioned here. Nato members failed to realize from the start that the geopolitical dice were heavily loaded against them, and that eternal vigilance and effort on their part, combined with ever increas-

ing unity, were essential for sheer survival.

A fateful political and military handicap was the division of Germany and the isolation of West Berlin, the safeguarding of which logically called for an offensive superiority on the part of the Western Powers instead of the defensive inferiority which they were content to accept.

A major political and psychological crack came when the Russians were allowed to get away with the building of the Berlin Wall in 1961. A stunning blow of another kind came when Gen. de Gaulle withdrew France from the integrated organisation and kicked out Nato's entire command headquarters and logistical infrastructure.

Pusillanimous acceptance of the second rape of Czechoslovakia in 1968 had far-reaching moral and military consequencies. The Ostpolitik agreements of 1970–73 were a one-sided bargain.

The degree of freedom of movement they achieved could have been got by the West These agreements were a monumental act of appeasement by the West, under pressure for a much less dangerous political price. from Herr Brandt, in the growing shadow of Russian military superiority. They cleared the way for the bogus détente on Russian terms, and prepared the table for Russia to play her trump card of German re-unification.

More will be heard on this subject when the Russians consider the time ripe, which may well be sooner than most people think. The Social Democratic party's powerful Left wing, and some important personalities not normally associated with it, are giving increasing signs of being interested. The hard-headed Herr Schmidt is scarcely the man to have any illusions, but he must take account of general pressures from the Left, as he did over the neutron weapon.

Partly for this reason, but also no doubt under the impact of weakness in Washington, he was much more careful during Mr. Brezhnev's recent visit than he has been in the past not to say anything that might displease his mighty guest. Mr. Brezhnev extracted from him repeated total and unquestioning dedications to "détente" and then proceeded with the conquest of Africa and the crushing of the dissidents—as if given a special dispensation to do so.

"Détente" is the current coinage of appeasement. It is strategic, political, economic, financial and technological Danegeld paid to Russia on the understanding that in return she will abstain from turning on the heat in Berlin or anywhere else in Europe—just yet.

The longer appeasement goes on, the worse it gets. The longer the turn around is left, the harder it becomes. We all know at what cost it was achieved against Hitler.

Then we could fight for time to mobilise our resources. In the nuclear age there is no time. The issue will be decided, by stronger nerves backed up by adequate strength, in hours or days—or, more likely, in advance by the long-term political exercise of military strength.

Of course, we have to deal as much as possible with the mighty, tyrannical, aggressive, militarist Moscow régime when it is to our advantage to do so. But not as if it were a civilised, humane, well-meaning Government like so many others. Not in such a way as to build up its grossly excessive strength and reduce our own already inadequate defences. Not in such a way as to further its own aggressive designs against us and others.

[From the Daily Telegraph, May 30, 1978]

THE WESTERN SICKNESS

It is almost impossible to read Mr. Steed's sombre article alongside without speculating gloomily on what has caused the slow but horrifying collapse of Western nerve, will-power and morale which it vividly describes. Some of the reasons for this Mr. Steed himself supplies or hints at. Others, like sloth, greed and lack of forethought for the morrow, are constantly and proverbially part of human nature. Yet such vices, universal as they are, do not dominate statecraft except in periods of decadence or when reinforced by other factors. A few of these, all interlinked, are tentatively listed below. The reader may add better.

We may note first that sense of guilt from which, in one form or another, no Western country is free. Guilt for colonialism, for racism; guilt for being relatively rich; guilt for Fascism, Nazism and militarism; guilt for the gas chambers; the new and potent guilt for Vietnam. A sense of guilt is constructive only where it involves genuine repentance for genuine sins; only where it does not engender the ignoble torpor of despair, regarded by Christians as among the very worst of sins; only where shame at past crimes, real or imaginary, does not lead the citizens of a free society to imagine that, because that society was and is imperfect, it is therefore in no way worth defending. Yet much of the West's guilt is in fact frivolous self-indulgence. There is no shame in being well off if it is not acquired at another's expense; and the West has demonstrably enriched others as much as itself. And if guilt there be for Vietnam, it could be less for having resisted aggression and tyranny there than for resisting ineffectively.

The guilt for Fascism, Nazism and militarism, moreover, has brought into unjust and dangerous disrepute, especially among the young, the indispensable qualities and virtues of which those 'isms were hideous parodies—patriotism, comradeship, discipline, the readiness to serve and to resist force with force, where lawful and necessary. Because the Nazis preferred guns to butter we tend to think it wrong to have guns at all. Have we forgotten that Nazism was first resisted and finally defeated not with butter but with guns?

We may further note among the young and among their intellectual mentors, who should know better, a coarse, slipshod and undiscriminating tendency to lump all societies together as more or less unfree and thus to equate like with unlike. Tyranny there is in Russia, most concede; but tyranny here too, many add, the more evil and insidious for being disguised as its opposite. This slovenly indifference may lead to, or be caused by, an incredible and culpable ignorance of Russia, of her society and intentions, which are widely regarded with a shrug as much like our own.

Nothing readily conceivable could in fact justify such an error. Yet it must be conceded that the gross mismanagement of most Western economies has shaken our societies to their very foundations, reduced the faith of peoples in their Governments, clouded people's expectations for the future and thus spread improvidence far and wide. It has also lent a certain spurious charm to societies like Russia which are supposed to be immune from such evils. In fact those evils are there all right, but concealed along with other evils unnumbered, many of them the terrible price of that concealment. It is tempting in dark times to barter freedom for security and prosperity. A fool's bargain, for, when freedom goes, prosperity goes with it.

And where this ignorance of Russia does not prevail, a worse illusion still may replace it. This is that Soviet Russia is indeed vast, wicked and menacing, yes—but also irresistible. Why then bother to prepare and man the defences? Saner to eat, drink and be merry.

It is widely thought that the totalitarian nature of the Soviet regime, the absence of any restraints on it, whether from public opinion or law or what you please, gives it an unassailable advantage over the free world. How then can we match her without forfeiting our own freedom? Thus throwing out baby with bathwater? In fact we could most effectively match her by devoting to defence a much smaller proportion than she does of our much greater productive resources. And is it not shameful to suggest that a country so rich and populous, for instance, as our own, and which wastes so much on rank follies, cannot afford to defend itself or even to make its due contribution to the common cause? And is it not shameful also, while maximising our own weaknesses and defects, to ignore Russia's, arising as they mostly do from a vast and unquiet empire of slaves, not *her* friends, but ours?

The relative good fortune of the so-called Euro-Communists must have puzzled many decent thoughtful observers. Why should so many people, they may ask, support parties associated by name, by subsidy or by presumed purpose with barren cruelty? May not dark fears and unworthy hopes explain much: the desire of base or frightened people to purchase in advance immunity from persecution, perhaps even the power to persecute others, under the tyranny of which the coming seems to them inevitable?

It is not inevitable. Nothing is, this least of all, if free citizens are true to themselves. This does not mean railing at America, who has so far borne more than her fair share of the burden, who has received little thanks for it and whose present Government, feeble by her standards, if not by ours, can grow. No, America's faltering should lead us rather, in Europe and in Britain itself, to look urgently to our own defences. And we here in Britain can set an example by choosing next time a Government sensible, provident and patriotic.

[From the London Times, June 2, 1978]

SIGNALS OF WEAKNESS

When protests were made in the House of Commons about the Orlov trial the Prime Minister replied: "While I am strongly in favour of individual groups and individual MPs like Mr. Janner making their passionate distaste and dislike of this sort of thing clear, we must not cut off relations with the Soviet Union." At the time this seemed an odd argument for the Prime Minister to use. As he admitted, no one had suggested that Britain should cut off diplomatic relations with the Soviet Union as a protest against the Orlov trial. Mr. Callaghan's remarks would naturally be interpreted in the Soviet Union as a signal that the British Government acquiesced—if reluctantly—in the Orlov trial and were keen to offer a reassurance which would take the sting out of any protest they made.

Had he been dealing with a domestic problem the Prime Minister would not have dreamed of behaving in such a way. If he wanted to use his influence to prevent a strike—or to enforce his pay policy—he would not have said that he did not approve of what was being done, but that he recognized that the interest concerned was very powerful and that it would be wrong to try to do anything about it. Mr. Callaghan is far too experienced a politician, and uses his bargaining power far too shrewdly, not to know the effect of accompanying a protest with a simultaneous declaration that no action will follow.

ERROR REPEATED

The situation with the Soviet Union is no different. What the Prime Minister said in the House of Commons was bound to have been taken as an encouragement to those people in the Soviet Union who are mounting the attack on the dissidents. Britain's influence is in any case limited, but it was regrettable that the Prime Minister aborted the British pressure even before verdict or

sentence. He certainly did nothing to help Mr. Orlov.

We did not make too much of the Orlov incident at the time because it seemed an isolated aberration and because the point the Prime Minister was making, though extremely clumsy and inopportune, has indeed a limited validity. The pressures that can be brought to bear on the Soviet Union in respect of their treatment of their own citizens are mainly pressures of opinion and only to a limited extent pressures of action. Governments do have to balance considerations of benefit and cannot use all the sanctions available to them even in very serious personal cases.

The Prime Minister's remarks at his Press Conference in Washington remind one again of his error over Orlov. What he said was not wholly unreasonable—indeed it is quite close to the views of the doves in the State Department—but it fell far short of being a firm expression of concern at the use of Soviet military power in Africa. Again the signal to the Kremlin was "we don't like it, but we won't do anything to stop it." Such a signal is an encouragement to the expansionist faction. He did say that "their adventurism in Africa is a very real factor", but he pooh-poohed the "number of new Columbuses", he advocated a Carter-Brezhnev summit in order to protect the Salt agreement, he minimized the significance of Soviet expansion relative to other African problems. "We haven't just discovered it as a 1978 fashionable political trend." In the NATO meeting he led the opposition to the creation of an African force to help stabilize Zaire, but suggested no alternative to it.

The Prime Minister also committed the cardinal mistake of being offensive to a senior foreign official in his own capital. The Prime Minister's remarks at his press conference were generally taken as an intervention in the dispute between the State Department and Mr. Brzezinski. His patronizing contrast between British experience and American lack of experience in Africa was condescending to Mr. Brzezinsky. That is silly in two ways. Mr. Brzezinsky remains the highly influential foreign policy adviser to President Carter, and it is no part of Britain's interest to alienate him. In any case Mr. Brzezinsky knows a great deal about international affairs—at least as much as Mr. Callaghan—and to patronize him is absurd.

The argument that the Prime Minister used is again not so much wholly incorrect as misleading. The essence of his argument is that African disputes have to be understood in terms of tribal traditions and conflicts and not in terms of Russian expansion. The truth of the matter is that the Soviet Union has recently been expanding its influence and power in Africa by all possible means, but chiefly by using traditional tribal antagonisms and by exploiting them in its own interests. There is no conflict at all between the idea that Africa is riven with tribal disputes—which has always been true—and the idea that the Soviet Union is trying to increase its power in Africa and is doing so with considerable success. It is the tribal disputes which give the Soviet Union its chance, just as they opened Africa to European empires in the nineteenth century or to the European and Arab slave traders of earlier centuries. They are not new, but deliberate and major Russian military exploitation of them is new, is very important and is very dangerous.

WRONG ADVICE

One of the reasons for the Soviet success has been that the United States since Vietnam have been extremely reluctant to become involved, to whatever degree, in foreign disputes. This has left the field open to the Soviet Union, and but for the courage of the President of France would have left the field almost entirely free. Now that the Americans are seeing the consequences of their virtually complete withdrawal American policy is moving towards at least an active concern. The crucial question is the Russian use of military force; many of the African States are weak and most African armies have very low defence capacity. Small Cuban forces and small groups of Russian or Cuban advisers, and even quite small quantities of arms, can have a disproportionate effect.

There is certainly a need to help African states to resist incursions. The more difficult question is whether Soviet expansion in Africa should be resisted by policy in Africa only or by linking it to other questions including disarmament and détente. The West wants to continue détente, and no one wants to throw away the potential benefits of disarmament. Yet linkage is not so much a diplomatic question, as a question of the impact of events on policy. Soviet policy in Africa has already damaged Salt; no diplomacy could stop that.

There is a limit, now nearly reached, to the degree of Soviet expansion in Africa which the West will accept. If the expansion of Soviet influence in Africa continues, and has still more success, then détente will die. The interests that are involved are too great. From the point of view of America, Soviet domination of Africa—supposing that could be achieved—would be a catastrophic global defeat. This would cause a radical change in American attitudes towards their own security and would inevitably bring back conditions of cold and hostile relationship between the super powers. If by playing down the Soviet threat in Africa, or discouraging a determined American response, Mr. Callaghan encourages the Russians to continue their African expansionism, he is encouraging them to take risks they ought not to take for their own sake and for the sake of world peace. The danger to world peace is not that the West will be too tough with the Russians, but that signals of western weakness will tempt the Russians to go too far.

GREAT GAINS

The Prime Minister's advice is also wrong for the United States if the United States is not prepared to render effective aid to countries threatened by troops based on areas of Russian or Cuban influence or control, then African politicians, all of whom have survived in an extremely dangerous world by being masters of African reality, must be expected to turn towards the rising power. The gains that the Soviet Union has made in the last three years in Africa have already made that a serious danger. They have been made partly because the Russians were prepared to take action and the Americans were not. When the Prime Minister says that the western allies should "act sensibly" and not "out of frustration", his advice is a truism. No one should act merely out of frustration. But he will be interpreted as meaning that the western allies should not act at all.

If the Soviet Union did become the predominant power in Africa, then the Soviet Union would make three great gains in the world balance. Vitally important would be the control of Africa's raw material resources, essential as those are. Even more important would be the subordination to Soviet control of the greater part of a whole further continent, with all the impact that will have on the imagination of the rest of the world.

The most dangerous point of all is that the Middle East would be outflanked. The United States and Western Europe are absolutely dependent upon Middle Eastern oil; there is no way in which that dependence could be overcome in fewer than ten years even with the most intensive investment in higher cost fuels. The stronger the Soviet position is in Africa the more the American position in the Middle East will be threatened. It is therefore essential from the point of view of the United States, of NATO and of Western Europe that African regimes under communist pressure should be supported. How best to support relatively weak regimes against well-planned military pressures is indeed a difficult question. But when Washington is waking up to the vital character of the Soviet threat in Africa, it is a tragic blunder that the Prime Minister should drop clumsily into the debate, and on the wrong side. Britain does not want the United States to leave the future of Africa to Soviet influence and power.

[From the Baltimore News American, June 15, 1978]

SKY-SPY GETS GOODS ON CUBANS

(By John P. Wallach)

WASHINGTON.—The United States possesses satellite photographs that prove large numbers of Cubans were involved for more than three months in training the Katangese rebels who invaded Zaire's Shaba province senior White House officials disclosed today

They revealed that this is the "firm proof" President Carter spoke of in a nationally-televised news conference Wednesday. They said it had been made available in secret testimony to both the Senate and House leadership.

"We even have photographs of Cuban cigars on the ground," a key policymaker said. He added that "We think Castro knew as early as June 1977 of the planning for the second invasion" of Zaire's former Katanga Province, and waited until four days after it was launched (May 17) to notify U.S. officials.

This represents the first administration claim of actual proof that would repudiate the repeated assertions by Premier Fidel Castro that Cuba had nothing to do with training or equipping the invaders and in fact tried to stop them.

The White House officials also revealed that U.S. intelligence reports show the Cubans actually accompanied the rebels from five base camps in northeast Angola to the border of Zambia on the way to Zaire's copper-rich southern province.

President Carter told newsmen Wednesday that Castro indeed had ample time to stop the invasion from taking place. "The fact is that Castro could have done much more," Carter said. "He could have interceded with the raiders themselves . . . and notified the world at large" of the imminent attack.

Castro Tuesday denounced the administration's claims as "absolute, complete total lies" and accused Zbigniew Brzezinski, the president's national security adviser, of having deliberately deceived Carter "in manufacturing a new Tonkin Gulf incident."

Asked if he thought Castro had lied about Cuban involvement, Carter said: "I don't really desire to get into a public dispute with Mr. Castro through the news media." But, he said, "In Angola, the Cuba government has more than 20,000 troops."

ISRAEL AND SOLAR ENERGY

Mr. PERCY. Mr. President, America is not the leader in the development and utilization of solar energy. Israel is. One in every five Israeli families reportedly heats its water with solar energy, saving the country an estimated 100,000 barrels of imported oil each year. Israeli engineers are in the forefront of researching new ways to use this safe, clean, and endlessly renewable resource.

If the United States made the kind of commitment to solar energy that Israel has, our oil import problems would be much less severe than they are now. As it stands, though, Israel is a ground breaker in the mass use of solar tech-

nologies. Where they are treading now, we will sooner or later follow.

I encourage those of my colleagues who are skeptical that solar energy can satisfy a substantial portion of our energy needs to look carefully at Israel's success. And I encourage all of my colleagues to read a short article on Israel and solar energy in the current issue of the Jewish Veteran.

Mr. President, I ask unanimous consent that the article, entitled "What's New Under the Sun," by Lili Eylon, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT'S NEW UNDER THE SUN

(By Lili Eylon)

Israelis are waking up to the value of the sun, and with the ingenious uses being found here for solar power, the rest of the energy-hungry world is beginning to open its eyes to the benefits of the sun's rays.

Solar energy, according to a prominent Israeli scientist, might in the not too distant future, cool our refrigerators, wash our laundry, even cook our food. Professor Gershon Grossman of The Technion, the country's technological university, has been working in the field of solar energy since 1973. Together with Professor Frank Kreith of the University of Colorado, he has developed a new solar device to collect the sun's rays. He believes that this new system is capable in the near future of producing enough power to run home appliances at prices competitive with conventional fuel.

COOLING WITH THE SUN

Grossman is presently concentrating on getting his new spherical-shaped solar collector to perform other wonders: to heat a house in winter and air-condition it in summer. In fact, his model, which measures two-and-a-half meters, is already heating the library of the Faculty of Mechanical Engineering of The Technion in Haifa, where Professor Grossman and his colleagues do research. By the summer of 1978 the library will enjoy air-conditioning from the same source as the winter's heat.

And the hotter the sun, the cooler will be the library.

Energy for cooling and heating is transmitted from Grossman's solar collector on the roof of the engineering building, which collects the sun's rays from dawn to dusk by means of a simple device which follows the sun all day. The collector is capable of heating fluids to temperatures of more than 200° centigrade, allowing man to exploit solar energy much more efficiently and economically than the conventional solar collector-cumtanks which already decorate thousands of Israeli rooftops.

NEW BREED OF SCIENTIST

As the new state of Israel developed, young Gershon Grossman grew up. It was in Haifa that he received his education, earning a master's degree in mechanical engineering, specializing in desalination of water. "I switched from water to the sun in 1973," he explains, "because of the sudden energy crisis."

The new solar collector is a result of a joint project between Professor Grossman and Kreith who met several years ago at an international conference on solar energy in Colorado. Professor Kreith, a professor of chemical engineering, and an author of several books on heating and energy systems, dealt with the theoretical side of the project, while engineer Grossman created the design and carried out the construction and experimentation.

Grossman estimates that the cost of a collector to accommodate an average three-bedroom house—including the mirror, absorber and tracking device—would run from $30 to $40 per square meter.

Rights to the production of the device have already been bought by an Israeli company which hopes to put it on the market in the larger, nonexperimental format of 10 meters in diameter by autumn, 1978.

ENERGY FROM THE DEAD SEA

Another scientific breakthrough in Israel utilizing sun-manufactured energy revolves around the Dead Sea, the inland lake heavy with salt and minerals which lies at the lowest point on earth. Scientists, in fact, are planning to turn the Dead Sea into a huge power reservoir and to construct artificial salt-water ponds which will "catch sunlight" and in addition, store the concentrated sun energy for later use. A new 200-room hotel is being planned for the Dead Sea region which will rely entirely on the sun for its hot water, heating and air-conditioning.

Another luxury hotel which has been using the sun for more than a solarium is located in the resort town of Eilat on the shores of the Red Sea. Its central-solar-fueled system has been covering the hotel's hot water requirements for the past two years. The new Shaare Zedek Hospital in Jerusalem, scheduled for completion in the fall of 1978, will be using energy initially to provide hot water and to heat its rooms. At a later stage, solar power will provide air-conditioning.

ISRAELIS MAKE BEST USE OF SUN SO FAR

In fact, Israel is probably the greatest per capita user of power-converted sunrays in the world. One in every five Israeli families heats its water with solar energy, saving the country an estimated 100,000 barrels of imported fuel oil each year.

So popular is the use of the sun for water heating here, that an entire village on the Mediterranean coast has "gone solar." All 523 families of Ganei Hadarom, a cooperative farm settlement, have had solar boilers installed in their concrete single unit dwellings; the actual tanks concealed from view beneath the roofs for aesthetic reasons. It is estimated that the village families will amortize the cost of the solar heating installations within three years through savings in electricity, and will enjoy unlimited supplies of hot water.

GETTING THE JUMP

Israel is not only one of the greatest users of the sun, it is also one of the first countries to take notice of it as a practical energy source. Leading manufacturers of solar energy equipment have been meeting with growing success in selling their products abroad. They are currently exporting the solar water heater, based on the use of flat, black absorbers that face the sun, to some two dozen countries ranging from Norway to Australia.

Long before the energy crisis hit the headlines, an Israeli solar energy team as an alternative source of power. Heading the team was Dr. Harry Zvi Tabor, head of the Scientific Research Foundation in Jerusalem, and the man who more than any one in Israel is responsible for the research and development of solar energy.

An applied scientist of international reputation, Dr. Tabor has received numerous citations and prizes for his work, culminating in the 1975 Energy Award of the prestigious Royal Society of Great Britain. His team of researchers began their work as far back as 1955, interrupting it later because, as he says, "we couldn't compete with cheap fuel." Well, fuel isn't so cheap these days, and Tabor and his colleagues are behind the project of utilizing salt ponds to collect solar energy at the Dead Sea.

In light of sky-rocketing fuel prices and oil as a political weapon, other Israeli scientists are back in the race to come up with feasible methods of utilizing the sun.

"Solar energy has infinite possibilities," says Professor Grossman, one of the many energetic young scientists who have grown up with Israel and are looking for a way to contribute their skills to the 30-year-old state. "And in sunny Israel, it's a natural."

PROBLEMS FACING AMERICAN HISPANIC COMMUNITY

Mr. PERCY. Mr. President, the American Hispanic community faces a crushing array of problems. One of the most important of these is employment discrimination. President Carter has the opportunity to take a concrete step toward resolving his problem—a step which is important not only to the 11 million Hispanics in the United States but to all of us who are committed to equal opportunity. For many months there have been two vacancies on the Equal Employment Opportunity Commission. I strongly urge the President to fill these positions without delay, and to nominate an Hispanic to one of these posts.

The EEOC is crucial to the enforcement of civil rights laws respecting employment. Although serious administrative problems had nearly crippled the Commission, Chairwoman Eleanor Holmes Norton has instituted new procedures which are already bringing the EEOC back on track. In addition, reorganization plan No. 1 of 1978 will consolidate in the Commission several aspects of EEO enforcement for Federal employees.

If the EEOC is to be truly effective, however, it must begin with equal opportunity in its own ranks. During recent hearings before the Governmental Affairs Committe, it came to my attention that the EEOC had given inadequate emphasis to the needs of the Hispanic community. Since that time, I know that Chairwoman Norton has made a conscientious effort to resolve this problem. In a recent speech before the national Hispanic organization IMAGE, Chairwoman Norton outlined the positive steps which are now underway at the EEOC, including a nationwide recruitment drive. She also announced that she would hold regular meetings with the national Hispanic leadership. These steps are very encouraging, and Chairwoman Norton should be commended for her efforts. But the best way to insure that the needs of the Hispanic community receive high priority on a continuing basis is to insure direct Hispanic representation at the highest policy levels within the EEOC.

As Chairwoman Norton noted, the United States has grown accustomed to seeing problems in black and white, and it has been too easy to ignore the grinding problems of Spanish-speaking people. There has not been a Hispanic commissioner at the EEOC for nearly 3 years, with the result that the second largest minority group in the country has been denied the representation which it needs and deserves. The time for action is now, and I urge President Carter to nominate a Hispanic to the EEOC without delay.

POISONING OF MARIHUANA WITH PARAQUAT CONTINUES IN THE FACE OF HEALTH RISKS AND PUBLIC CONCERN

Mr. PERCY. Mr. President, it has been more than a full year since I first contacted Secretary of State Cyrus Vance concerning the U.S. involvement in the spraying of the toxic herbicide, paraquat, on Mexican marihuana. Since that time, there has been a major interagency study completed that confirmed my initial suspicions: paraquat-contaminated marihuana is coming into this country in alarmingly high volume, creating a serious risk of irreparable lung damage to regular users.

Since Secretary Califano's appropriate warning in March of this year concerning the serious health risk of smoking paraquat-tainted marihuana, laboratories that test for contamination have sprung up all over the country and are inundated with marihuana samples from concerned and frightened users. Students are protesting U.S. involvement in the spraying operations. An alarming percentage of U.S. Armed Force personnel who use marihuana have cause for concern. Editorials urging a halt to the program have appeared in major newspapers across the country. The Michigan Legislature overwhelmingly passed a resolution condemning the U.S. support of the paraquat program. And numerous youths, whose usage habits vary, report shortness of breath, raw throats, and the coughing up of blood.

Yet the U.S.-assisted spraying program for Mexican marihuana continues in full force virtually unaffected by the turmoil and concern evidenced here at home. Even though possession of marihuana is illegal, the facts of life are that an estimated 13 to 15 million Americans use it regularly, according to Government estimates. A recent University of Michigan study indicates that 1 out of every 11 high school seniors smokes marihuana daily. In view of the degree of risk involved, I firmly believe that the U.S. Government has not fulfilled its responsibility to stop the poisoning of our own citizens, especially young people.

Knowing what we now know about paraquat, as a government we have a clear duty to warn the users of the danger, HEW Secretary Califano has done that. But we also have a duty, having provided the means and wherewithal for Mexico's spraying program, to urge Mexican officials to halt the spraying for the time being, while accelerating our own efforts to find a safer herbicide. I recently discussed this with a group of leaders of the Mexican Parliament and they are anxious to work out the problems in a satisfactory manner.

Although the provisions of the National Environmental Protection Act required that an environmental impact statement be prepared before this program became operable, one was never processed or submitted. Now, after 2½ years of noncompliance and considerable pressure from outside groups, the State Department has just begun work on an environmental impact statement on the domestic effects of this program and an environmental assessment of its effects in Mexico. Had NEPA's procedural requirements been followed from the start, we probably would not be faced with a current dilemma. Yet, even now, as the environmental impact statement is finally being prepared, the spraying of paraquat continues.

I have been informed by the State Department that they have initiated an experimental program in Mexico to spray marihuana with a compound of paraquat mixed with the red dye, Rhodamine-B. If successful, any tained marihuana entering this country would be recognizable. This seems to be a step in the right direction. However, at the present time, officials do not know whether this red dye can be washed off the contaminated marihuana by devious traffickers and then ultimately peddled, undetected. Also, apparently no tests have been done to determine the health risks that the inhalation of Rhodamine-B may involve. Until these questions are answered, red dye does not constitute an adequate solution to this problem.

A year ago, the paraquat spraying program was merely a bureaucratic dilemma. Now, in the face of a proven health risk to millions of Americans, the U.S. failure to urge the Mexican Government to halt this program has become a moral issue: We are using a weed killer to produce a killer weed, presumably on the basis of a distorted logic that we are out to protect young people.

Such a policy is utterly inconsistent with the avowed purpose of our drug eradication program. This program is designed to protect the health of American citizens, not to damage it further. The U.S.-assisted poppy-eradication program in Mexico, to its credit, has met this goal by significantly decreasing the amount of heroin entering this country. However, the continued involvement of the United States in the paraquat-spraying of marihuana, however direct or indirect, can only generate deep distrust on the part of young persons for our public health programs as well as undermine the faith of all our citizens in the ability of this administration to govern wisely.

We cannot afford to wait another year, or another several months, before responsible action is taken. The adverse effects of paraquat poisoning are cumulative, both to the health of millions of American citizens and to the morale of even more Americans who watch in disbelief as responsible officials in this country refuse to take action to urge understanding and a positive response on the part of the Mexican Government.

Mr. President, I ask unanimous consent that Ellen Goodman's syndicated column on this subject, appearing in the Washington Post of April 22, 1978 and editorials from the New York Times of March 18, 1978, the Chicago Sun-Times of March 29, the Boston Globe of April 3, the Pittsburgh Post Gazette of April 22, the San Francisco Examiner of April 22, the Northern Virginia Sun of March 29, the Tacoma News Tribune of April 11, the Sacramento Bee of April 2, and from Rolling Stone magazine of June 29 be printed in the RECORD at this point. I also ask that there be printed in the RECORD an illuminating article by R. Jeffrey Smith, apearing in Science magazine on April 28, 1978, and updating his earlier inquiry into the paraquat problem; along with a copy of the May 4 Michigan legislature's resolution; the April 18 California legislators' letter to President Carter; an April 27 letter from Congressman GEORGE MILLER (D-Calif.), cosigned by 31 House colleagues, to President Carter on this same subject; and finally a truly outstanding delineation by Congressman HENRY WAXMAN (D-Calif.), of the critical health and ethical considerations involved, printed as an op-ed feature in the Los Angeles Times of April 30, 1978, entitled "Paraquat Program Reaps A Sinister Harvest."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 22, 1978]

MARIJUANA OUTRAGE

(By Ellen Goodman)

BOSTON.—Talk about Reefer Madness.

The first issue to stir up the leaden oatmeal of college campus indignation in years is the news of the paraquat poisoning of marijuana.

From Fred Harris' freshman government class at the University of New Mexico to graduate biophysics seminars at M.I.T., the students are angry again. As one jaundiced assistant professor put it: "It's the only thing I've seen them protest in three years—outside of a low grade."

Students everywhere are outraged that "their government" financed the pesticide spraying of Mexican marijuana plants. It has turned into a melting pot (forgive the pun) issue among young people today, into which they've thrown a lot of anger, cynicism and a strong dose of irony.

The irony is simply this: The government that failed over many decades to convince the public that marijuana is dangerous finally has helped to make it dangerous.

In 1975, the Nixon administration gave Mexico $40 million to buy planes and train people to spray herbicides on poppy fields in order to kill off a major supply of heroin. On their own initiative, the Mexicans went on to more fertile fields and sprayed marijuana with the deadly chemical paraquat.

The idea was that paraquat would kill off the plants, the way it helped defoliate Vietnam. But each season, the enterprising Mexican farmers harvest the stuff before it dies, and ship it north.

Since about 50 to 60 percent of the pot smoked in this country comes from Mexico, it is assumed that for the past two or three years, a large number of the 15 million regular marijuana smokers have inhaled a substance that has a slow, cumulative effect on their lungs. Is there any wonder why the Bumper Sticker of the Moment in California reads: "Buy Colombian"?

The question is now whether the Carter administration, which has taken a stance in favor of decriminalization of marijuana, feels any responsibility about the Mexican program. And the answer is mixed. On March 12, HEW did issue a warning about paraquat to "consumers." But on March 28, the spraying was begun on the spring crop, with our money.

Dr. Peter Bourne, the president's special assistant on health, states the government's position this way: "People are asking the federal government to protect them in a patently illegal act. If it's against the law, the responsibility of the government to protect its quality doesn't exist."

But no one is actually asking the government to roll up 12 neat joints and put them

in an FDA-inspected cellophane package. They are complaining that the government is poisoning the stuff.

Bourne makes a second analogy, saying that "the whole area is filled with ambiguity; it gets into questions like 'Should we offer health care to someone who gets into an accident going over 65 miles an hour?' " But, should we, on the other hand, give government grants to manufacture a brake system that fails at 65 miles an hour?

The National Organization for the Reform of Marijuana Laws (NORML) has filed a suit against the government, and a hearing is scheduled for April 26, although it may be postponed again. In the meantime, the people doing a boffo biz are the ones running test labs on all the vials of marijuana being sent in by all the worried users.

For once, NORML is raising the health issues of smoking marijuana. As George Franham, the assistant director, put it: "This is total role-reversal."

But the fact is that there are currently 45 million Americans who have smoked marijuana. Right now nine states—inhabited by a third of the population—have decriminalized it. Furthermore, in the latest Gallup polls, 70 percent of the population of those under 30 and those with a college education are in favor of decriminalizing it.

Marijuana has become a gray area of the law and an issue of debate on and off the college campus. But who is in favor of poisoning marijuana smokers? This paraquat punishment just doesn't fit the "crime."

[From the New York Times, Mar. 18, 1978]

REEFER MADNESS

The Federal Government has finally stumbled on a way to persuade marijuana users that pot is dangerous.

It began several years ago with a Federal program aimed at heroin. The United States gave Mexico $40 million to buy aircraft and train personnel to spray killer chemicals on the poppy fields, the source of much of the heroin that enters the United States. Apparently on their own initiative, the Mexicans, assisted by American advisers and equipment, went on to spray marijuana fields.

The trouble is, the herbicide the Mexicans chose to use against marijuana is paraquat, a substance so toxic, according to the label, that "one swallow can kill." Paraquat is supposed to break down quickly when it hits the soil and present no long-term danger. But it takes two or three days in bright sunlight to kill the plant. The resourceful Mexican farmers now rush to harvest their crops on the day they are sprayed, with the toxic herbicide still on the leaves. Past Federal warnings of the danger of marijuana have been based on slim evidence. But now the Government has fulfilled its own prophecy: The Department of Health, Education, and Welfare warns that permanent lung damage could result from smoking three to five heavily contaminated cigarettes a day for several months. Thus, a program designed to protect people from the supposedly harmful effects of marijuana has succeeded in putting them at far greater risk.

To demands for an end to this Government-sponsored "poisoning," the State Department responds that the Mexicans control the spray program, buy the herbicides with their own money, and might resent outside interference. Moreover, some State Department officials see no reason to protect Americans who are using a contraband substance. Just the other day, one of them questioned "whether our Administration has a responsibility to provide an illicit drug in clean, completely healthy condition."

But, in fact, the United States is helping to add a poison to the drug. Fortunately there are signs that the State Department, under pressure from other agencies, Congress and pro-marijuana groups, will communicate the latest health findings to Mexico and perhaps urge the use of other herbicides. Even State would have to admit that this cure has been worse than the disease.

[From the Chicago Sun-Times, Mar. 29, 1978]

UNCLE SAM'S "KILLER WEED"

War has bitter ironies, and the U.S. government's war on marijuana is no exception:

Weed killer may have finally made "killer weed" live up to its deadly nickname.

Under a misguided U.S. drug-eradication program, pot-smokers are being exposed to Paraquat, a chemical that can cause severe and irreversible lung damage.

The issue has nothing to do with the decriminalization of marijuana. Rather, it centers on whether the U.S. government, wittingly or not, is helping poison U.S. citizens.

And the evidence makes it clear: It's past time for the spraying program—and the resultant health peril—to stop.

The problem arises from a $13-million-a year heroin and marijuana control effort under which the United States gives the Mexican government aid in spraying herbicides on drug crops south of the border.

U.S. drug officials have estimated that 30,000 to 40,000 Mexican pot fields were sprayed with the plant-killer Paraquat in 1976 and 1977. But there's a dangerous hitch.

Mexico marijuana farmers, fearing the loss of their cash crop, harvest the plants before the herbicide goes to work. Then they sell it on the usual drug market.

Who buys? One federal study late last year found contamination in 9 of 45 samples of Mexican pot seized in California and Arizona. And the danger appears to be spreading: Recent studies have found as much as 50 per cent of some West Coast shipments tainted.

Drug-testing labs in Chicago have found none of the contaminated weed—so far. Yet concern, sometimes panic, persists. The Health, Education and Welfare Department has even issued warnings about the danger.

The government should take one further step: a complete halt to programs that promote the application of highly toxic chemicals to drugs that are likely to end up here. The National Organization for the Reform of Marijuana Laws has taken legal action to enforce just such a ban.

Citizens concerned about justice—and the long-term effects of chemical poisons—should hope the ban is put into effect.

Discouraging the use of marijuana is one thing; poisoning the supply is another.

Consider the analogy: If "revenooers" find a moonshine still, do they secretly add cyanide to its product?

[From the Boston Globe, April 3, 1978]

GETTING HIGH ANXIETY

For members of the laid-back generation, marijuana was a product to be trusted like spring water, herbal tea and crunchy granola. It was a way to leave concern behind without damage to brain or liver cells. Users argued that marijuana was nature's way to relieve stress and that it even contained certain medicinal properties. Like raw carrots, marijuana was said to be good for the eyes; like raw clams, marijuana was a spur to the appetite.

But, now, alas, marijuana users find themselves pinned to the edge of the chair, with as much reason for worry as the middle-aged businessman accustomed to three-martini lunches.

The Mexican government, prodded by the Nixon Administration to crack down on drugs, did precisely that. Among other steps, it began spraying marijuana fields with the weed-killer paraquat. The chemical is highly effective in killing marijuana—if the plants are left in the sunshine for two full days after being contaminated. But if they are harvested before that time, the leaves can be salvaged, sold—and smoked. Enterprising Mexican hemp producers, rather than throw away the tainted weeds, simply harvested them before the chemical took visible effect.

The result is that a certain amount of the contaminated weed is now circulating in the pot-smoking world, which is unprepared emotionally as well as technologically to cope with it. In New England, for example, no laboratories are available to the pot smoker. He can't run out and have his cache easily analyzed. He must either abstain, or smoke in the hope that if his marijuana comes from Mexico it is free of paraquat, which can have a devastating impact on human health.

Whether the threat is real or exaggerated seems to be anyone's guess. No one, including Secretary of Health, Education and Welfare Joseph Califano, who warned against heavy use of the Mexican weeds, seems to know for sure.

What is certain is that a significant number of Americans, perhaps as much as 10 percent of the population, smokes marijuana, and that percentage is significantly higher among young people.

It misses the point to argue, as did one Massachusetts official, that people shouldn't be smoking in the first place because marijuana is illegal. Whether legal or illegal, marijuana is widely used and widely accepted. The possibility that its users could be placing themselves in peril should be a matter of public concern rather than an occasion for moralizing.

[From the Pittsburgh Post-Gazette, Apr. 22, 1978]

POISONING POT

Advocates of marijuana decriminalization—a group that includes President Carter—have gradually convinced most rational Americans that smoking marijuana should not lead to arrest and criminal penalties. Over at the Department of State, however, some officials apparently believe that jail is too good for marijuana users. Their alternative penalty is a lifetime of serious lung disease.

Lung disease—specifically, fibrosis, a massive hemorrhaging followed by the formation of scar tissue—is what results when a marijuana user smokes pot which has been treated with the herbicide paraquat. Using funds supplied by the United States, and with the aid of American advisers and equipment, the Mexican government has sprayed more than 30,000 marijuana fields with the toxic chemical.

Although the Mexicans apparently hoped to destroy the marijuana crops, Mexican farmers have been harvesting paraquat-sprayed marijuana plants before they die.

Rather than moving to cut off American participation in the Mexican spraying operation, some State Department officials have taken a "so what?" attitude about health hazards to millions of American marijuana smokers. The implication of their unconcern is that marijuana's illegality justifies something very much like germ warfare. It doesn't—and President Carter ought to move quickly to end the American involvement in the Mexican form of reefer madness.

[From the San Francisco Examiner, Apr. 22, 1978]

THE SPRAYING OF MEXICO

About 20 percent of the marijuana in the United States is contaminated with paraquat, a defoliant, thanks to a Mexican eradication program sponsored in part by our government.

Scientists disagree over whether smoking the contaminated pot is dangerous. The National Institute on Drug Abuse announced that it is. The National Organization for the Reform of Marijuana Laws agrees, and has filed suit to stop the U.S. government's participation.

We're concerned that the government is helping to make an illegal drug more dangerous. But we're more concerned about what

the spraying may be doing to Mexicans and their ecology.

A State Department spokesman said spraying marijuana and poppy plants has been going on for four or five years. (State administers the grant to Mexico for the program.) "Thousands and thousands" of acres have been sprayed, he said. That's a lot of chemicals to pollute the atmosphere.

If, as tests seem to indicate, the chemical is harmful when inhaled on pot, it must be dangerous if breathed directly. Tests seem to show that the paraquat mostly breaks down into a harmless chemical when burned. But what does paraquat do to the people who breathe it as it is sprayed? What does it do to other plants in the area? Paraquat, widely used as a weed killer on California citrus ranches, is under investigation as a probable health hazard to growers and farm workers.

Estrogen, not paraquat, is sprayed on poppy plants. That accelerates their growth so that they die quickly. Paraquat dries up marijuana plants in about 48 hours.

Drug growers have learned that if they harvest pot immediately after the spraying paraquat's effects are retarded. Then they mix the contaminated pot with uncontaminated pot and ship it out.

The State Department says it is concerned primarily with heroin poppies. If it were to ask Mexico not to spray pot with paraquat, the poppy program could be endangered, it said. Mexico considers pot more dangerous to its society than heroin, according to the Department of State.

We don't want to hinder any efforts that can reduce the heroin that enters the country. But we wonder whether that spraying, too, could be dangerous to the ecology. Often chemical effects remain hidden for years—until, as with DDT, people notice that birds can't lay eggs with hard enough shells to survive until they hatch.

Our advice to pot smokers is that they have their stash tested for contamination before smoking.

Our advice to the U.S. government is that it reconsider the questionable contribution it is making to Mexico's environment, not to mention to America's lungs. Whatever the harm of pot-smoking, the pot-spraying may be a cure worse than the disease.

[From the Northern Virginia Sun, March 29, 1978]

IT'S A CRIME

Well, the latest word from the non-profit PharmChem marijuana testing laboratory in Palo Alto, Cal., is that about 20 percent of the 300 marijuana samples it receives each day, from all over the United States, show evidence of poisoning with Paraquat, the weed-killer which Mexico is spraying on its most popular illicit crop, reportedly with the aid and advice of the United States State Department and the U.S. Drug Enforcement Administration.

There is even some evidence that Mexico may have been talked into the Paraquat program in return for U.S. trade concessions. It certainly would make no economic sense for them otherwise.

The U.S. government estimates there are 13 million marijuana smokers in the country, and the Department of Health, Education, and Welfare says they could sustain permanent lung damage within months, without knowing it, by consuming contaminated marijuana at the relatively light rate of one to three joints a day.

The DEA, never known for either its realism or its humanitarian instincts, probably figures Americans are going to throw away all the tons of pot they have been paying $40 an ounce for, of late.

We figure otherwise. We figure the eventual claims against the DEA, could make the Thalidomide tragedy look like a picnic in the park.

Thalidomide, that analgesic for the pregnant and crippler of the unborn, was technically illegal, too, you'll remember.

We hope we won't be accused of self-incrimination if we say the whole thing makes us sick.

There was once a time when it seemed like merely a foolish affectation for the government to deprive depressed Latin American farmers, and tax collectors, of legitimate agricultural income, and to place otherwise law-abiding Americans in a position where they were better off shooting an inquisitive cop than admitting they smoked a weed less dangerous than tobacco. The moral issues then seemed more or less theoretical, except for an unfortunate few.

The DEA has succeeded in taking the matter out of the realm of theory.

[From the Sacramento Bee, Apr. 22, 1978]

PARAQUAT AND MARIJUANA

Most authorities, including the government's own experts, have come to agree that, smoked in moderate amounts, marijuana is a relatively harmless plant. In the past two years, however, the federal government's attempts to curb drug traffic from Mexico have turned marijuana into a truly dangerous substance. The State Department, through its section on International Narcotics Matters, has been encouraging and subsidizing a Mexican spraying program that employs paraquat, a powerful herbicide which, according to a number of studies, can cause irreversible fibrosis and other serious damage to the lungs.

Although the government's own estimates indicate that 20 percent of the Mexican marijuana in this country is paraquat-contaminated; although several cases of marijuana-related lung damage have recently been identified (all of them, incidentally, in California); and although the Department of Health, Education and Welfare has issued an official health warning about paraquat, the U.S.-supported spraying program continues. The State Department's attitude is that since marijuana is an illegal substance, it has no official responsibility for the damage its program inflicts. In any case, said a State Department official, the United States cannot control the herbicides the Mexican government uses in its spraying program.

The department's fatuous explanation simply ignores the fact that it was the United States which helped inspire the spraying program in the first place, that it provides most of the planes and helicopters which spot the growing plants and apread the chemical, that it provides technical advisers, and that what it supports it can also stop or modify. But what we find more disturbing and irresponsible is the attitude itself. Spraying marijuana with poisonous chemicals is a dangerous, nearsighted and pernicious practice. The whole point of drug control is to protect health, not to damage it further.

[From the Rolling Stone, June 29, 1978]

PARAQUAT MUST GO

(By Jann S. Wenner)

Fifteen months ago, President Carter's adviser on drug policy, Dr. Peter Bourne, was informed that marijuana brought in from Mexico was tainted by the chemical paraquat. Thirteen months, later the Carter administration decided to warn the more than 15 million Americans who smoke the stuff that they may soon be suffering irreversible lung damage for their sins. It is no small irony that an administration that has made reasonable efforts to keep marijuana smokers out of jail has decided that it can tolerate poisoning the same people.

The Carter administration's continued refusal to stop contamination of marijuana is symptomatic of what National Organization for the Reform of Marijuana Laws director Keith Stroup has called their "moral confusion." It was only last year that poor women in need of abortions in America were informed by the president that "life isn't fair." Now this fundamental truth has been extended to high school students, blacks and anyone else who can't afford more expensive Colombian pot. It is worth noting that the paraquat punishment is something that tends to affect less-important Americans. We can all guess what the political ramifications would be it it were discovered that the fifty-dollar-an-ounce grass that people close to Jimmy Carter smoke were also treated with dangerous chemicals.

The calloused justifications of the spraying spewed out by Peter Bourne, a man previously thought to be enlightened on the subject of drug use, are ludicrous in light of the cruel and unusual punishment to which he's subjecting millions of Americans. Bourne has said that since pot is against the law, the government has no legal responsibility to protect people who smoke it.

Bourne also has contended that to halt the spraying would have implications for international relations. The Mexican government is said to have the State Department over a barrel; they demand paraquat in return for Mexican efforts to control heroin production. There is even conjecture that paraquat spraying is part of an agreement to stop Mexican growers from trafficking arms to Central and South American revolutionaries. Are we now expected to accept that the United States government is allowing Americans to ingest poison in the name of "national security"?

Bourne's recent proposal that paraquat be replaced by the herbicide 2,4–D suggests a trade-off of possible fibrosis of the lungs for possible eye damage or birth defects—yet another morally damnable indication of bureaucratic insensitivity. If the White House can't stand up against the State Department in the defense of the health and welfare of millions of Americans, then a change is due. If such change requires Bourne's resignation, then this should occur immediately.

By backing a project that clearly an evil relic of the Nixon administration, Jimmy Carter has asked us to see him as little better than the moral equivalent of his recent predecessors.

[From the Science Magazine, Apr. 28, 1978]

POISONED POT BECOMES BURNING ISSUE IN HIGH PLACES

(By R. Jeffery Smith)

Following a discovery that Mexican marijuana contaminated with the herbicide paraquat constitutes a major health hazard for pot smokers in the United States, the State Department recently sent a delegation to Mexico City to discuss the issue with Mexican attorney general Oscar Florez.

The visit came on the heels of a warning by the U .S. Secretary of Health, Education, and Welfare (HEW) that the herbicide persists in the smoke of a contaminated marijuana cigarette and may be inhaled by the smoker. The paraquat contamination is so serious that those who smoke as few as one to three contaminated cigarettes daily for several months risk irreversible lung damage.

Members of the U.S. delegation did not—as some American critics have sought—ask the Mexican government to cease the herbicide spraying program, which is aimed at eradicating illicitly grown marijuana and heroin. The program is overseen and heavily financed by the U.S. government (*Science*, 28 February). "We just wanted to inform them of the dimensions of this problem in the U.S.," said Richard Arellano, a deputy assistant secretary at the State Department.

A major topic of discussion at the meeting, in addition to the health hazards, was a lawsuit recently brought by the National Organization for the Reform of Marijuana Laws (NORML) to force the State Department to stop funding of the spraying until

it files an environmental impact statement. Several well-informed officials told *Science* that the department is extremely nervous about the suit, which is regarded as likely to succeed. If it does, the precedent would destroy the department's claim that projects it funds in other countries are exempt from the impact-statement requirements. "The State Department regards this as the worst case that could come up," said one source, "because the spraying program is having an obvious impact here at home."

At the meeting in Mexico City on 30 March, American officials had a difficult time persuading the Mexicans that the lawsuit could prevent continued U.S. funding for the herbicide program. "The Mexicans couldn't understand how our judicial system could even entertain the suit, considering that marijuana is already an illegal substance," said Arellano.

A team of U.S. scientists is searching for an alternative to paraquat, but the federal court suit will probably be resolved before they are successful. In particular, they have been looking at formulations of the herbicides 2,4-D and glyphosate, but each possibility is said to require additional safety testing that could delay the substitution for months.

Initially, officials of the National Institute on Drug Abuse reported that paraquat posed no particular hazard, because it was thought to be converted entirely into another chemical, bypiridine, when a contaminated cigarette was burned. Bypiridine exists commonly in smoke from a tobacco cigarette and is not considered to be particularly hazardous. Recently, however, scientists at the Research Triangle Institute in North Carolina were able to analyze the smoke from a contaminated marijuana cigarette with a mass spectrometer. They discovered that roughly 5 percent of the paraquat remains in pure form after burning. Coupled with the discovery that recent samples of marijuana entering the United States from Mexico contained a concentration of paraquat as high as 2264 parts per million, this evidence was alarming. Tests showed, for example, that in a cigarette with a contamination of 1000 parts per million, 0.26 microgram of the herbicide is likely to be inhaled by the user.

An estimate of the dangers to humans of inhaling such an amount was extrapolated from laboratory studies with rats, because most cases of paraquat poisoning in humans have been caused by ingestion, not inhalation, of the chemical. The laboratory studies demonstrated that when an exceedingly small amount of the herbicide was placed directly on the rats' lungs, it caused fibrosis, or a scarring that inhibits the ability of the lung to absorb oxygen. At the low doses in contaminated marijuana, the scarring in humans would build up slowly, and it would be some time before the only probable symptom—extreme shortness of breath—would be noticed.

As yet, no instances of fibrosis attributed to the poisoned marijuana have been reported. However, doctors at the Center for Disease Control (CDC) in Atlanta, which is attempting to serve as a clearinghouse for physicians with patients who have been smoking the poisoned pot, have received reports of other ailments that may be related to the contamination. Specifically, physicians in Georgia, Iowa, and California have reported that several of their patients—who apparently had been smoking paraquat-laden marijuana—have experienced uncomfortable breathing and have been spitting up blood. Both the CDC and the doctors themselves are cautious about attributing the symptoms to paraquat, however, apparently because corroborating tests have not been devised.

Whether or not any poisoning has occurred thus far, users of marijuana appear to be increasingly aware of the potential risks. Charles Becker, a physician associated with the Haight-Asbury Free Clinic in San Francisco, told Science that the center has received hundreds of calls from smokers reporting adverse effects potentially related to the herbicide. Testing laboratories in Palo Alto, California, and North Miami, Florida, which guarantee anonymity for their clients, have been doing a brisk business in chromatography (contamination) tests of marijuana samples mailed in from all over the country. G. D. Searle, a pharmaceutical manufacturer, recently organized a testing program—the only free one—in Chicago, Illinois, and found that 39 of the first 40 samples tested were contaminated by paraquat. As the entire affair has received wider publication, the backlog of samples at each testing center has become substantial.

Meanwhile, officials in Washington have remained reluctant to express strong concern over the issue. No formal attempts have been made to seek Mexican cooperation in suspending the spraying. Lee Dogoloff, an official in the Office of Drug Abuse Policy in the White House, noted that "the government does feel some responsibility to smokers, but individuals do have some responsibility and choice in the matter—they don't have to smoke." Secretary of State Cyrus Vance, in a letter to Senator Charles Percy (R–Ill.), said that he personally shared Percy's concern about the problem and "will do everything possible to resolve it," but this seems to extend only to notifying the Mexicans of the health hazards and then waiting until a safe alternative to paraquat can be identified.

In a recent statement on the Senate floor, Percy—who has been following the issue closely—expressed his belief that more could be done. "To wait any length of time before [a safer herbicide] is identified—without in the interim doing anything to urge Mexico to suspend its current paraquat spraying program," Percy said, "could needlessly endanger a large segment of our population." Whichever side is correct will undoubtedly become clear as events continue to unfold.

SENATE RESOLUTION NO. 504

Whereas, It has recently been revealed that, as part of a joint United States-Mexico effort to destroy opium poppy crops used in making heroin, marijuana fields in Mexico have been sprayed with paraquat and other highly dangerous and toxic herbicides. As a result, an alarmingly high percentage of marijuana entering the United States is contaminated and constitutes a very grievous health hazard to our citizens; and

Whereas, The concern of many high federal authorities in health and government reflects a crucial fact in this case, that at issue is not the decriminalization of a substance, but the protection of the health and welfare of people. The potential ruination of the lungs and other vital organs of American citizens is at stake—not the continued haranguing over a controversial issue; and

Whereas, In samples tested in our own State, results have shown paraquat contamination at levels up to 220 parts per million (ppm), far exceeding the Environmental Protection Agency's tolerance level of paraquat at 0.05 ppm in any substance. Compounding the tremendous risk is the fact that evidence of this debilitating substance (used as a defoliant in Vietnam) is virtually undetectable without detailed scientific analysis; and

Whereas, Clearly this program to reduce drug supplies could not have been intended to have these terrible effects, now, therefore be it

Resolved by the Senate, That this legislative body hereby memorialize the Congress of the United States to withdraw its support of the spraying of dangerous herbicides on marijuana crops in Mexico; and be it further

Resolved, That Congress and the United States Department of State do their utmost to get the cooperation of the Mexican government to cease this program; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Michigan delegation to Congress and to the United States Department of State for transmittal to the government of Mexico.

Adopted by the Senate, May 4, 1978.

BILLIE S. FARNUM,
Secretary of the Senate.

ASSEMBLY,
CALIFORNIA LEGISLATURE,
April 18, 1978.

Hon. JIMMY CARTER,
The White House,
Washington, D.C.

DEAR PRESIDENT CARTER: We, the undersigned members of the California State Legislature, call upon you to take all appropriate steps to immediately terminate American funding and support for the spraying of Mexican marijuana fields with paraquat and toxic herbicides. The widespread spraying of toxic herbicides on Mexican marijuana fields has raised many serious environmental and health concerns which cast serious doubt on the wisdom of continuing this program.

The purpose of the defoliation program—reducing the flow of illicit drugs into the United States—is an admirable one, especially pertaining to heroin. It appears, however, that the herbicide program as it pertains to marijuana has clearly not accomplished that goal. Rather, the spraying program is responsible for the influx of large quantities of contaminated marijuana into this country, creating an entirely new domestic drug problem which outweighs any positive effects of the herbicide operation. Samples of marijuana seized and analyzed by the U.S. Government as well as samples submitted to the PharmChem Research Foundation in Palo Alto, California, indicate that approximately 20% of the marijuana entering this country from Mexico has been contaminated wtih paraquat. Since 60% of the estimated 5,000 tons of marijuana entering the U.S. annually comes from Mexico, the amount that is contaminated is alarming. As a result, millions of Americans may be subjecting themselves to health risks far greater than the casual use of marijuana.

We are worried about the public health implications of the widespread use of marijuana contaminated with paraquat, particularly the possibility of long-term lung damage. Indeed, on March 12, Health, Education and Welfare Secretary Joseph Califano, Jr., issued a public statement warning that "marijuana contaminated with the herbicide paraquat could lead to permanent lung damage for regular and heavy users of marijuana, and conceivable for other users as well." Though this warning was based on preliminary research, it is disturbing enough to warrant immediate cessation of continued American support for the herbicide program.

We are particularly concerned about the health risks posed to youthful marijuana users. Despite the efforts of those of us in government to discourage the use of marijuana and other drugs, marijuana use is common among minors as well as adults. Many young marijuana users are either unaware of the potential danger posed by paraquat contamination or they do not believe it is real. Illicit drug sellers in California are reported to be representing the marijuana they sell as uncontaminated or "non-Mexican" and youthful consumers have no practical way of testing their marijuana to be sure. One reported effect of the paraquat revelations in California has been the large drop in the price of Mexican marijuana, and as a result young people, along with poor

people and minorities in general, are running a greater risk of consuming contaminated marijuana than persons who can afford the more expensive, and presumably pure, marijuana.

Besides the serious health hazards paraquat-contaminated marijuana presents to American marijuana users, we are concerned about the adverse environmental impact the spraying program is having on Mexico. It has been reported, for example, that paraquat and other herbicides are being sprayed at levels in excess of what would be legally permissible in the United States, thereby threatening substantial health and environmental damage to the ecology and people of Mexico. Until environmental and health studies are completed, the U.S. Government should not be assisting and funding the herbicide spraying operation.

Discouraging the use of marijuana is an appropriate public policy; funding a program which subjects marijuana users to greater potential harm than the mere use of marijuana itself is something else altogether. In this instance, it appears that the marijuana spraying program is causing more harm than good and it should be stopped.

Though the Mexican government may be carrying out the spraying program, it was the U.S. Government which initiated it and the responsibility of our government cannot be avoided.

We respectfully urge you to call on the Mexican government to end this misguided program and to cease American funding and support for it. Our federal drug enforcement efforts should be aimed at more serious problems and priorities than marijuana defoliation. Thank you very much.

Sincerely,

Thomas H. Bates, Member of the Assembly, Senator Alan Sieroty, Assemblyman Bill Lockyer, Assemblyman Mike Gage, Senator David A. Roberti, Assemblyman Vic Fazio, Assemblyman Art Torres, Charles R. Imbrecht, Assemblyman, Assemblyman Willie Brown, Jr., Howard Berman, Majority Floor Leader, Assembly, Julian Dixon, Assemblyman, Assemblyman Art Agnos, Assemblyman Richard Hayden, Assemblyman Peter Chacon, Assemblyman Jim Klysor, Assemblyman Lawrence Kapiloff, Assemblyman Richard Alatorre, Assemblyman Bill McVittie, Assemblyman Mel Levine, Assemblyman Herschel Rosenthal, Assemblyman Michael Wornum, Assemblyman Bruce Young, Assemblyman John Vasconcellos, Senator Peter H. Behr, Assemblyman Mike Roos, Assemblywoman Maxine Waters, Senator Bob Wilson, Assemblyman Richard Lehman, Assemblywoman Marilyn Ryan, Assemblyman Terry Goggin, Assemblyman Richard Robinson, Assemblywoman Leona Egeland, Assemblyman Bruce Nestande, Assemblyman Eugene Gualco, Assemblyman John E. Thurman, and Assemblywoman Teresa P. Hughes.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 27, 1978.

President JIMMY CARTER,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As members of the United States Congress, we urge you to call an immediate moratorium on all U.S. aid and assistance for the use of paraquat and other dangerous herbicides on marijuana fields in Mexico, and to undertake a thorough analysis of the environmental and health-related consequences of this program.

The U.S. government, principally through the Department of State and the Drug Enforcement Administration, has supported the large-scale spraying of paraquat in the program in Mexico since late 1975. To date, the U.S. has supplied the Mexican government more than $35 million to help pay for the program, including the 76 aircraft involved and the complex technical expertise required in so large an effort.

After two years of spraying, involving more than 30,000 marijuana fields in Mexico, the National Institute on Drug Abuse has released figures showing that more than 20% of the Mexican marijuana entering this country is contaminated with paraquat. A preliminary report released by HEW Secretary Califano on March 10, 1978, shows that persons smoking paraquat-contaminated marijuana run the risk of developing fibrosis, an irreversible condition that results from massive hemorrhaging in the lungs and the subsequent formation of scar tissue.

The United States has a responsibility to protect the health of all its citizens, including even consumers of marijuana, from the unintended consequences of any major federal actions. That is the purpose of the National Environmental Policy Act of 1969, which mandates a thorough environmental impact statement in advance of the start of the program. It is unconscionable, now that the potentially serious health implications of the current program are realized, for the spraying of paraquat on Mexican marijuana fields to continue. We urge you to withdraw U.S. support from this program until the proper environmental assessments have been completed.

Sincerely.

GEORGE MILLER,
[*And 31 cosigners*].

[From the Los Angeles Times, Apr. 30, 1978]

PARAQUAT PROGRAM REAPS A SINISTER HARVEST—U.S. HERBICIDE, USED ON MEXICAN MARIJUANA, RAISES PROFOUND ETHICAL QUESTIONS

(By Henry A. Waxman)

The federal government spends millions of dollars each year to stop illegal drug trafficking. Why? To protect public health, particularly the health of our teen-agers.

Why then has the United States supported spraying Mexican marijuana with the highly toxic herbicide paraquat, which now exposes millions of Americans to the risk of permanent lung damage?

The paraquat program, now entering its third year, has cost American taxpayers more than $35 million. The State Department has provided Mexico with 76 aircraft and trained pilots. It has provided technical experts to locate the marijuana fields and then run the spraying equipment that is used to defoliate them and thus, presumably, cut down on the importation of marijuana to this country.

But all these efforts made by our government have resulted in a sinister harvest. Now 20% of the marijuana crossing the border from Mexico to the United States is contaminated with paraquat. Health, Education and Welfare Secretary Joseph A. Califano Jr. warned that U.S. marijuana smokers currently face a serious health threat—permanent lung damage from the chemical. Paraquat poisoning may lead to coughing up blood, difficulty in breathing, or other respiratory discomforts.

The State Department's attitude has been that it has no official responsibility for the lung damage its program inflicts because marijuana is an illegal substance. Yet surely ethical questions must be asked when our government cavalierly disregards the health of 15 million of our people who choose regularly to use this substance. Our own government should never be involved in a program that creates or increases a health risk to American citizens or to citizens of other countries, for that matter.

Federal health policy should be guided by the same Hippocratic Oath that binds physicians—which calls, at the least, for no damage to be done. To substitute for this something as base as an attitude that "it serves pot smokers right," is to ignore the moral questions involved. Impersonal bureaucracies like the State Department need reminding that many of these users are our children.

In effect, the paraquat program shows the United States using taxpayers' money to poison the lungs of some of those very same taxpayers. This is reminiscent of a paradox revealed at hearings on HEW's new anti-smoking campaign: At least $70 million in federal monies will go for tobacco subsidies even while $23 million is allocated to discourage Americans from smoking.

When the federal government knowingly exposes millions of citizens to needless health risks, this leads to deep distrust of our public-health program.

Marijuana users, of course, in common with other smokers, do expose themselves to known health risks associated with inhaling, whether what they inhale is tobacco or "grass." They have chosen to do so. However, the federal government cannot use this to justify the invisible contamination of marijuana, thus exposing users to risks they wouldn't knowingly assume.

It is ironic that the federal government would abandon good sense in an attempt to destroy marijuana just as abundant signs are appearing that marijuana is verging on legitimacy—if not legalization—in the United States. Last November, both the American Bar Assn. and the American Medical Assn. called for liberalizing federal and state marijuana laws. In 10 states, possessors of small amounts of marijuana no longer face criminal charges. Further, the White House has started a major lobbying effort to persuade the National Cancer Institute to make marijuana widely available to alleviate the effects of cancer treatment. (Research during the last three years has shown almost conclusively that marijuana reduces the extreme discomfort caused by chemotherapy in treating cancer.)

An FDA spokesman recently speculated that marijuana will be reclassified as a prescription drug on a par with narcotics such as morphine. Indeed, earlier this month Dr. Peter G. Bourne, President Carter's health adviser, announced that marijuana will be made available to cancer researchers "within weeks."

Why is the federal government supporting the paraquat program at the same time it is considering making marijuana a prescription drug? Put simply, this contradiction suggests a bureaucracy careening through public-health issues without a clear sense of purpose.

To use the jargon of law enforcement, the possession and use of an ounce of common sense is long overdue. When the federal government" pushes" paraquat spraying of marijuana, it undermines public faith in its own ability to govern wisely. When our State Department spends $35 million in American taxes on paraquat, then turns around and claims that the program is an internal affair of the Mexican government, it is about as credible as a street pusher shrugging and telling a judge "Who me?"

President Carter should call forthwith for a moratorium on any further U.S. support for, or involvement in, toxic herbicide programs in foreign countries. As Carter himself said in his Aug 2, 1977, message to Congress: "Penalties against possessing a drug should not be more damaging to the individual than the use of the drug itself."

APPROPRIATE TECHNOLOGY AND THE THIRD WORLD

Mr. PERCY. Mr. President, several days ago I wrote to Mr. Gilbert Gude, director of the Congressional Research Service, requesting that CRS examine the international appropriate technology

(AT) programs in the Federal Government. The purpose of this request is to determine the effectiveness of our present international AT programs, if they can be strengthened and their coordination improved, and in what ways domestic programs can be utilized in our international AT efforts.

Historically, developed nations have sought to help developing ones by the direct transfer of highly sophisticated, capital intensive technology. For a number of reasons, however, this process is not always successful. Developed in response to other cultures' needs and resources, these technologies often fail to address the most fundamental and pressing problems faced by the Third World—severe food shortages, contaminated water supplies, and lack of adequate housing. These problems are acute in urban and rural areas alike throughout the developing world.

Appropriate technologies, defined as technologies developed, adapted or chosen to meet indigenous resources, technical skills and needs, can provide a solution to these problems. Nor are Third World nations unaware of the benefits of appropriate technology. Over the past two decades, many of these nations have established indigenous voluntary development programs, known as domestic development services. These programs mobilize students, technicians, and community members, to work in villages and urban slums to help people meet their most rudimentary needs. Fundamental to these self-help initiatives is the utilization of appropriate technology.

In order to strengthen these self-help programs, I offered an amendment to the Peace Corps authorization for fiscal year 1979 which allows the Peace Corps to use its funds and expertise to assist these programs. With the support of my colleagues on the Senate Foreign Relations Committee, this amendment was incorporated into the Senate Peace Corps authorization for fiscal year 1979.

Mr. President, appropriate technology will not solve all the problems or meet all the needs of developing countries. Large-scale, capital intensive technologies are still indispensable to build sound and enduring economic infrastructures in Third World countries. However, appropriate technology can do much to help solve the problems of abject poverty, starvation and deprivation which plague many less developed countries.

Mr. President, I ask unanimous consent that my letter to Gilbert Gude be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 9, 1978.

Mr. GILBERT GUDE,
Director, Congressional Research Service, Library of Congress, Washington, D.C.

DEAR GIL: The developing countries are faced with establishing a pattern of growth in an increasingly complex and technologically sophisticated world. In doing so, they have traditionally looked to the West as both a model for industrialization and as a source of technology. However, the conditions under which the United States became an industrialized nation were far different than those the LDCs now face. Thus, the transfer of "high" technology is not sufficient to insure modernization in many areas of the world. In recognition of this, the concept of appropriate technology (AT) is receiving attention as one approach to encouraging and promoting economic development and growth in the developing nations.

Appropriate technologies are those technologies developed, adapted, or chosen to match the indigenous resources, the technical skills, and the specific needs of the less developed nations. Given the fact that the majority of the LDCs have a large, unemployed, and unskilled labor force, scarce capital assets, and limited innovative capabilities, the technologies considered appropriate are usually low cost and labor-intensive. However, basic to the concept of AT is the idea of choice. All technologies deserve examination within the individual country context.

The Congress has recognized appropriate technology as a viable concept for consideration in our foreign development programs. Public Law 94–161, the International Development and Food Assistance Act of 1975, mandated a program of appropriate technology within the Agency for International Development. As a consequence, Appropriate Technology International was created to assist LDCs in adapting and utilizing appropriate technologies and in building a scientific and technological infrastructure. The International Development and Food Assistance act of 1977 (P.L. 95–88) authorized funding for research and development programs in small-scale energy technologies using renewable resources. Similarly, the Nuclear Non-proliferation Act of 1978 (P.L. 95–242) mandated assistance to the developing nations in nonnuclear technologies consistent with economic factors and available resources. Other legislation promoting consideration of AT has been passed or is pending. The concept of appropriate technology is also one of the major focal points for the United States' initiatives at the forthcoming United Nations Confeernce on Science and Technology for Development.

In light of this Congressional interest, I would like to request the Congressional Research Service to study the appropriate technology programs of the Federal departments and agencies as they relate to the developing nations. Continuing along the line of issues delineated in a CRS memo to my office, by Wendy H. Schacht of the Science Policy Research Division concerning alternative energy technologies, we would like the study to address the following:

(1) To what extent can and should the international appropriate technology programs in the Federal departments and agencies be strengthened? What incentives will be necessary to increase the emphasis on AT?

(2) How can domestic programs be utilized in our international AT efforts?

(3) What is the status of present coordination of programs relating to appropriate technology in the LDCs? What improvements are needed? How could these be accomplished? What are the options?

If feasible, a second section of the study may consider the commercialization of appropriate technologies developed and produced in the United States, as well as the development of markets for these products in the LDCs.

Initial discussions on this project have been held between Ms. Schacht and Chris Palmer of my staff. It is my hope that we can continue this productive interaction.

Thank you very much for your assistance and cooperation.

Sincerely,

CHARLES H. PERCY,
United States Senator.

COMPUTER CRIMES: 19TH CENTURY STATUTES INCAPABLE OF DEALING WITH 20TH CENTURY CRIMES

Mr. PERCY. Mr. President, I am pleased to see that Congress is taking a giant step forward in insuring that our laws reflect the phenomenal growth in modern technology. Yesterday, hearings were held before the Senate Judiciary Subcommittee on Criminal Laws and Procedures on S. 1766, the Federal Computer Systems Protection Act. Senator RIBICOFF and I were privileged to testify in support of this important measure, which we introduced almost a year ago along with Senators JACKSON, KENNEDY, THURMOND, GRIFFIN, DOMENICI, HEINZ, JAVITS, and MATSUNAGA. As the distinguished subcommittee chairman, Senator BIDEN, put it, S. 1766 is "an important first step in gaining control over the computer as an accomplice in white collar crime."

S. 1766 is the first Federal criminal legislation that would specifically prohibit misuse of the computer. It would impose heavy prison terms of up to 15 years, and stiff fines of as much as $50,000. It prohibits the theft, destruction or fraudulent use of data from computers owned or used by the U.S. Government, or by financial institutions or entities operating in interstate commerce. In addition to facilitating the prosecution of computer crimes, it will serve as a badly needed focus for increased law enforcement efforts that have been to date woefully inadequate.

The computer is the essence of our technological age. We shout its praises for saving us incredible amounts of time and effort, accomplishing in a few minutes complex, tedious calculations that would take months or even years to complete without it. But, we also fear its potential for invading our privacy and destroying our freedom by collecting and storing vast amounts of personal data. Like any tool of man, it can be both used and misused. But unlike most other tools, its potential benefits, as well as its potential harm, are almost unlimited.

As business and government have grown increasingly dependent upon the computer, so, too, they have become increasingly vulnerable to computer crime. According to the U.S. Chamber of Commerce, computer thefts amount to $100 million a year; others estimate it to be as high as $300 million. These figures may be too small. A recent report by the Commerce Department noted that:

> It is estimated that for every detected computer crime, there are 100 undetected crimes in progress. Furthermore, another estimate indicated that for every five computer-related crimes detected, four go unreported.

The past chairman of the Federal Bar Association Subcommittee on White Collar Crime, August Bequai, has written that:

> The likelihood of being convicted of a computer crime is one in five hundred and of going to jail one in a thousand. The odds for avoiding a stiff sentence are even more favorable.

These are extremely good odds for the criminal; but, for the American public, they are appalling.

White collar crime is a serious threat to our society. The American consumer

ultimately shoulders the burden of the mammoth thefts, which may run in the millions of dollars, perpetrated by these criminals. Most white collar crimes involve hundreds, or even thousands, of victims. Our laws must reflect the interests of this nameless group and take a firm stance against white collar crime.

The pervasiveness of white collar crime was revealed in 3 years of hearings from 1971 to 1974, before the Permanent Subcommittee on Investigations on the problem of stolen and counterfeit securities. At that time, it was estimated that a staggering amount—some $50 billion—of stolen or counterfeit securities were circulating in our financial system. To combat this problem, the securities industry has moved commendably toward "immobilization" of paper certificates. Trade in securities is increasingly being done electronically while the actual certificates are held in a central depository, safe from theft. However, as the securities industry becomes more reliant on computers in its day to day functioning, it also becomes more vulnerable to computer theft. Computer manipulation of securities offers even greater "rewards" for the computer criminal.

The subcommittee hearings revealed that organized crime was deeply involved in this highly profitable theft of securities. Indeed, whenever large amounts of money are to be had, organized crime seems to be lurking in the shadows. Clearly, protection against securities fraud and computer crime go hand in hand. Last November, I introduced the Securities Protection Act, S. 2323, along with Senators RIBICOFF, THURMOND, JACKSON, NUNN, JAVITS, and the late Senator John McClellan, that would strengthen Federal criminal laws on stolen and counterfeit securities. I was extremely pleased to hear in yesterday's hearing Senator BIDEN express his desire to move swiftly on both these pieces of legislation.

The potential amounts involved in the crimes are also "inviting." While the average bank robbery results in a loss of $10,000, bank theft by means of a computer averages $193,000 per heist. The average loss for corporations is a whopping $621,000 per incident.

Tales of computer crime have a certain fascination about them. The schemes are ingenious yet oftentimes extremely simple—a few buttons are pressed, or a new computer program written, and, like magic, the computer can be used to steal thousands or even millions of dollars.

One famous incident involved 217 boxcars owned by the Penn Central Railroad. The railroad's computers were manipulated to send the cars to a lonely stretch of railroad tracks 100 miles west of Chicago. When finally discovered by the authorities, the boxcars had been emptied of their contents.

In New Jersey, oil was diverted by a crooked computer operator. He sent $20 million worth of oil from Exxon's Linden refinery to a barge waiting nearby.

An extensive knowledge of computers is not always necessary to be successful in a highly profitable computer crime. A head teller in a bank, who had no experience with computers except, the training he had received to operate his terminal in the bank, managed to embezzle $1.5 million from the Union Dime Savings Bank in New York between 1970 and 1973. Using the computer, he juggled money from one customer's account to another; the books continued to appear to be in perfect order. Eventually, his scheme was discovered, but not by the bank's other tellers or through the bank's elaborate auditing system.

It was uncovered as a result of a police raid on a bookmaking operation. The teller was noted in the bookmaker's records as betting up to $30,000 a day. Police investigated this big-time customer and found him to be the head teller at Union Dime Savings Bank with a salary of $11,000 per year. His gambling habit had been solely supported by the $1.5 million that he had stolen from the bank. The bank's books were in seemingly perfect order; the losses were undetected by the bank's auditors.

Perhaps the most amazing computer crime of all was the Equity Funding fraud. This was a scheme perpetrated by the management of the corporation itself. From the mid-1960's to 1973, when the fraud was finally discovered, the Equity Funding Corp. was one of the fastest growing insurance companies in America. Its stock was considered one of the best, skyrocketing in value due to its mammoth business. Unbeknownst to Equity's customers or Wall Street traders, Equity's management put in overtime dreaming up imaginary policyholders. Its computers printed out thousands of fake insurance policies, which were resold to reinsurers. The money received from bogus claims on these fake policies was funneled back into the company and into the pockets of some of Equity's top executives. When this fraud was finally revealed by a former employee of the corporation, the computer registered $185 million of nonexistent assets. Tens of thousands of genuine policyholders and investors were the victims of this mammoth scam.

But computer crime is not confined just to private enterprise. The average "take" from State and local governments is $329,000. GAO reported in 1976 some 69 instances of improper use of computers in the Federal Government. Those resulted in losses of some $2 million.

GAO also indicated that this may be just the tip of the iceberg. For instance, HEW alone has computers transacting a minimum of $84 billion in public fund payments. A Governmental Affairs Committee staff study completed in February 1977 illustrated glaring gaps in computer security in civilian agencies. As the Government undertakes to tighten its computer security through new auditing and identification procedures, it is important that the Federal criminal laws also be tightened to provide for the swift prosecution of computer criminals.

S. 1766 would make it a Federal crime to "access" a computer, that is, to gain entry into a computer system, for fraudulent purposes such as theft, sabotage, or embezzlement. The bill prohibits four major categories of computer crime:

First, tampering with the input system by programing fraudulent data into the computer bank;

Second, using computer facilities for illegal purposes;

Third, altering or destroying vital data within the computer system; and

Fourth, stealing money, property or confidential information through the manipulation of the computer output process.

The problems in bringing computer criminals to trial are numerous. Victims are reluctant to report such crimes. Banks and corporations fear that adverse publicity of massive thefts may generate public mistrust and lack of confidence.

Once the crimes are reported, the problems only increase. Law enforcement officials are often untrained in this area, and lack the expertise to investigate complex computerized transactions. Prosecutors, judges, and juries have only scant knowledge of computer operations.

Because no statutes presently exist prohibiting computer crimes, prosecutors must try to "shoe horn" the prosecution under a statute that may have been violated in the process. This has resulted in severe procedural and evidentiary handicaps.

Nineteenth century statutes are oftentimes incapable of dealing with 20th century crimes. The Federal Computer Systems Protection Act will eliminate much of the frustration with confusion when dealing with the complex manipulations involved in computer crime.

As with other instances of white collar crime, computer criminals, often white and middle class, have been treated with great leniency by the courts. One individual programed the computer of Pacific Telephone and Telegraph to ship him an estimated $1 million in telephone equipment, which he subsequently sold. He was sentenced to 60 days in jail. He was sentenced to 60 days in jail. He served 40 days and was released

S. 1766 calls for stiff prison terms and fines. We cannot afford to treat the computer thief as someone special in the annals of crime. The electronic burglar who steals a million dollars is no less a criminal than the common thief. Just as the Permanent Subcommittee on Investigations found in 3 years of hearings on stolen and counterfeit securities, there are too many loopholes in the laws for the white collar criminal.

The increased penalties will serve to deter the computer criminal, and make it clear that the Congress views white collar crime as a serious threat to our society.

In January of this year, the Senate passed S. 1437, the new Federal criminal code. That legislation went a long way toward streamlining and updating our criminal law. But our laws must acknowledge that computer crime—once termed "a crime of the future"—is happening today.

INFLATION IN ONE LESSON

Mr. HELMS. Mr. President, for as long as some of our Nation's leaders believe the myth that inflation is caused by wages or business profits or oil prices or the price of agricultural goods, and not the result of excessive Government spending and excessive creation of money by the Federal Reserve Banks, we will continue to have proposals to limit infla-

tion by treating the symptoms while ignoring the real cause—excessive money supply.

Most recently, Mr. Henry Hazlitt, the author of "Economics in One Lesson" wrote an outstanding short article entitled "Inflation in One Page." It was published in "The Freeman", the chief publication of the Foundation for Economic Education. FEE is one of our Nation's most important educational institutions and one of the best sources of information on economics. It is run by Leonard Read, himself a brilliant economist and charismatic educator.

Mr. President, I ask unanimous consent that "Inflation in One Page" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INFLATION IN ONE PAGE

1. Inflation is an increase in the quantity of money and credit. Its chief consequence is soaring prices. Therefore inflation—if we misuse the term to mean the rising prices themselves—is caused solely by printing more money. For this the government's monetary policies are entirely responsible.

2. The most frequent reason for printing more money is the existence of an unbalanced budget. Unbalanced budgets are caused by extravagant expenditures which the government is unwilling or unable to pay for by raising corresponding tax revenues. The excessive expenditures are mainly the result of government efforts to redistribute wealth and income—in short, to force the productive to support the unproductive. This erodes the working incentives of both the productive and the unproductive.

3. The causes of inflation are not, as so often said, "multiple and complex," but simply the result of printing too much money. There is no such thing as "cost-push" inflation. If, without an increase in the stock of money, wage or other costs are forced up, and producers try to pass these costs along by raising their selling prices, most of them will merely sell fewer goods. The result will be reduced output and loss of jobs. Higher costs can only be passed along in higher selling prices when consumers have more money to pay the higher prices.

4. Price controls cannot stop or slow down inflation. They always do harm. Price controls simply squeeze or wipe out profit margins, disrupt production, and lead to bottlenecks and shortages. All government price and wage control, or even "monitoring," is merely an attempt by the politicians to shift the blame for inflation on to producers and sellers instead of their own monetary policies.

5. Prolonged inflation never "stimulates" the economy. On the contrary, it unbalances, disrupts, and misdirects production and employment. Unemployment is mainly caused by excessive wage rates in some industries, brought about either by extortionate union demands, by minimum wage laws (which keep teenagers and the unskilled out of jobs), or by prolonged and over-generous unemployment insurance.

6. To avoid irreparable damage, the budget must be balanced at the earliest possible moment, and not in some sweet by-and-by. Balance must be brought about by slashing reckless spending, and not by increasing a tax burden that is already undermining incentives and production.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be closed, so that we may proceed now with the appropriation bill.

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1979

The Senate continued with the consideration of H.R. 12933.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. Mr. President, the Transportation Subcommittee held extensive hearings on the fiscal 1979 budget of the Department of Transportation and the related agencies which come under the subcommittee's jurisdiction and which budget is now before the Senate. I express my appreciation to the members of the subcommittee for their active participation throughout the hearings and markup of this bill. I especially thank the ranking Republican member of the subcommittee, Senator CASE, for his excellent cooperation and assistance on not only this year's appropriation bill but throughout the past 4 years that we have shared responsibilities as chairman and ranking member of the DOT Subcommittee. He has always been most helpful and has contributed a great deal toward the development of a sound and fiscally responsible Transportation budget.

Mr. President, the subcommittee considered budget estimates totaling $9.27 billion in new budget authority and $9.95 billion to liquidate contract authorizations. The committee's recommendations total $18.2 billion, of which $8.57 billion is new budget authority and $9.62 billion is liquidating cash. That puts us at $702 million below the budget in new budget authority and $320 million below the budget in liquidating cash. That represents a substantial reduction in each category, but I wish to point out that our deliberations on the bill have convinced us that these reductions can be undertaken without undue harm to any of the very important transportation programs funded under the bill. Additionally, in various areas of the bill relative to the Coast Guard, transit, highways, Amtrak, and Washington's Metro construction program, we have indicated in our report that supplemental appropriations will be considered later in the fiscal year.

Mr. President, the committee report which accompanies the bill contains a summary of major recommendations on pages 1 through 6 and I invite the Senate's attention to these recommendations and I do not feel it necessary to repeat them all at this time. I think it is important, though, to highlight some of them:

MAJOR APPROPRIATIONS OF NEW BUDGET AUTHORITY

First. For FAA's operation personnel, an appropriation of $1,981,400,000. That is the same as the House bill and $27.5 million below the budget.

Second. For the Coast Guard's personnel, $966,118,000, which is $1,600,000 above the House bill and $9,598,000 over the budget. That increase covers the additional personnel we feel are needed in the pollution abatement response program.

Third. For the Coast Guard's acquisition, construction, and improvement program, we recommend $286,617,000. That is $7.4 million over the budget, but here again we felt that they need additional pollution response vehicles and equipment. GAO told us that as much as one-third of the damages caused from past spills could have been prevented if Coast Guard had responded faster with better equipment and more highly trained personnel. So it seems to the committee this is just a good investment.

Fourth. For the Federal Railroad Administration, we have included the full budget requests of $660 million for Amtrak and $455 million for the Northeast Corridor improvement program. That appropriation for Amtrak includes only $510 million for operating deficits. That is not enough, and we realize that it is not. We can appropriate more in a supplemental. Meanwhile, we intend for Amtrak to keep the present system running during the hearing process that is currently underway on DOT's proposed reductions in the route structure of Amtrak.

I just say to my colleagues, as I said in the hearings, we are determined that Amtrak get its house in order. If we are going to continue to pay these deficits for operating we want to know where we are going and how much it is going to cost us to get there. Hopefully, as a result of the new plan and the hearings that are now taking place throughout the country we will have a better idea and we will be able to act with a higher degree of fiscal responsibility as far as Amtrak is concerned.

For the Northeast Corridor, in addition to the allowance of the full $455 million requested, we included another $45 million for rail crossings in the Northeast Corridor in the highway portions of the bill. That is where those crossings have been funded in the past and where the Senate highway bill authorizes them for fiscal 1979. So, that has the effect of increasing the amount that will be spent on the improvement program by $45 million over the House bill.

Fifth. For rail rehabilitation and improvement funds for ailing railroads, we recommend cutting the House allowance from $250 million down to $120 million. That is a $130 million cut, but we received testimony from DOT that the unobligated balance in that program from previous appropriations is over $278 million. That, plus this $120 million, will cover all pending applications.

Sixth. For the programs of the Urban Mass Transportation Administration, we provided the full budget requests for their capital grants program—$1,250 million—as well as the full authorization level and budget request for operating grants to the States. We funded that operating grant program under the contract authority portion of the bill, which explains why we are below the budget in new budget authority for UMTA by a little more than that amount.

Seventh. Finally, for ConRail, we have included the same amount as the House, $300 million for the purchase of ConRail securities.

There has been no budget request for that amount. But we took testimony from

ConRail officials who say that amount will be needed between now and next spring so we have appropriated it. Of course, we are hopeful that the administration will send a budget request on that amount. The alternative is to let ConRail close down, and I do not think anybody is supporting that position.

IN OBLIGATION CEILINGS ON CONTRACT AUTHORITY PROGRAMS

First. For Federal-aid highways construction, the full $7.8 billion requested obligation ceiling is included in the bill. That is $300 million below the House bill. We have made it clear in the report that we do not want any funding constraints placed on highway construction and that supplemental estimates will be considered if this level proves inadequate.

Second. For UMTA's operating grant ceiling, we allow the $850 million in contract authority provided in current transit appropriations. We can consider additional amounts after the authorizing committees complete their conference, if that proves to be necessary.

Third. For airport development grants, we have included $675 million, of which $50 million would be for general aviation discretionary grants. This is $100 million over the budget, but there is over $2 billion in the Airport and Airway Trust Fund and this amount is authorized. Letters from all over the country indicate that at least this amount of increase is needed to insure that effective and safety-related improvements are going to go forward during fiscal 1979.

In liquidating cash appropriations, which will be used for payment of obligations incurred under the contract authority program, the major appropriations are:

Federal-aid highways	$6,950,000,000
UMTA grants	1,850,000,000
Airport development grants	550,000,000
NHTSA highway safety grants	166,000,000

For the Office of the Secretary of Transportation, we recommend appropriations totaling $44,500,000. Of this amount, $33,050,000 is for the salaries and expenses of that office, including funding for 731 personnel. The other $11,450,000 will be provided for this year's transportation planning, research, and development programs conducted by the Office of the Secretary. We have included language in our report indicating that we want DOT to carry out its proper role of oversight of ConRail. At the same time, we want their efforts in this area to be coordinated with those of the U.S. Railway Association and the Interstate Commerce Commission.

COAST GUARD

For the Coast Guard, the bill contains appropriations totaling $1,509,220,096. Of that amount, $966,118,000 is for the operating expenses of the Coast Guard. Under that appropriation, we have provided funding for 38,019 military and 5,565 civilian positions. This is an increase of 193 positions over the budget and 163 above the House allowance. Our report on page 9 gives a breakdown of where those additional positions would be utilized, a substantial number of which would go toward beefing up the Coast Guard's pollution response capability. The committee felt that these people are essential in light of the GAO report that indicated that the budgeted number of personnel and equipment for pollution response were inadequate to do the job properly.

For the acquisition, construction, and improvements program of the Coast Guard, an appropriation of $286,617,000 is included in the bill. This amount will fully fund the budget request for aircraft procurement—$115,086,000—of which $100,817,000 is for this year's procurement of an additional 12 medium-range surveillance aircraft.

The full budget requests for alteration of bridges, retired pay, and reserve training are provided. For research, development, test, and evaluation, we recommend $23,300,000. This is $3,300,000 over the budget and House allowance. That add-on is to be used for increasing the R. & D. program in marine environmental protection, primarily to accelerate testing and evaluation of an airborne all-weather pollution surveillance system. Finally, for the Coast Guard's State boating safety assistance program, we recommend an appropriation of $6 million rather than the $3 million budget request or the $4 million provided by the House. Testimony indicates that this program has been very effective in promoting safe boating practices throughout the country.

FEDERAL AVIATION ADMINISTRATION

For the programs of the Federal Aviation Administration, the bill includes appropriations totaling $2,401,025,000. Of this amount, $1,981,400,000 will fund the operations activities of the Federal Aviation Administration. We have provided authority in the report enabling FAA to employ the full number of air traffic control personnel requested, as well as 10 air traffic specialists over the budget request and 25 positions over the budget for environmental review. Indications from the field are that FAA is having a difficult time in meeting its responsibilities under the National Environmental Policy Act with the number of personnel requested in this area of the budget.

For facilities and equipment, the bill includes an appropriation of $282,297,000 for fiscal 1979, plus an additional $54,363,000 by transfer from the fiscal year 1976 appropriation that has not been obligated but which would expire if not incuded in this year's bill. Programs funded under this activity include: $33,317,000 for air traffic control centers, $102,107,600 for airport control facilities, $15,722,000 for flight service stations, $113,279,900 for air navigation facilities, and $17,870,000 for miscellaneous facilities and equipment. The committee has provided the FAA the necessary authority in the report to proceed with the full VOR/VORTAC replacement program. This provides just over $30 million for that program rather than the $15 million provided in the House bill. While we agree that the long-range interagency plan is needed in this area, we are persuaded that the shorter-range plan of replacement of outdated VOR/VORTAC equipment is worthwhile and cost effective.

For airport grants-in-aid, we have provided for obligations of not to exceed $675 million, of which $50 million is for general aviation discretionary grants. That is an increase of $100 million over the obligation ceiling requested in the budget, but we received substantial testimony from around the country that this increase is necessary in order to insure that these safety-related improvement programs proceed during fiscal year 1979 at an adequate level.

FEDERAL HIGHWAY ADMINISTRATION

For the Federal Highway Administration, we provide appropriations totaling $255,386,000 in new budget authority. Additionally, we have included in the general provisions of the bill authority for FHWA to incur obligations of not to exceed $7,800 billion for Federal-aid highway programs. This is the full budget request, but $300 million below the House allowance. We have indicated in the report that we want no funding constraints placed on this program and that supplemental requests will be considered if such are necessary later in the year for Federal-aid highway construction.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

For the National Highway Traffic Safety Administration, we included appropriations totaling $86,460,000 in the bill for NHTSA's traffic and highway safety programs. This is $2 million over the budget request and $6,250,000 above the House allowance. We have included as add-ons over the budget $2 million for the purchase of GSA vehicles equipped with passive restraints, as well as $1 million each for auto defects work and NHTSA's data center. Testimony before the committee brought out the need for these increases.

For highway-related safety grants and State and community highway safety grants, we have included the $200 million obligation ceiling requested in the budget, but have stated in the report that we would prefer to see a separate authorization for the stepped-up efforts in 55-miles-per-hour enforcement rather than funding that program entirely from within existing authorizations.

FEDERAL RAILROAD ADMINISTRATION

For the programs of the Federal Railroad Administration we include appropriations totaling $1,413,890,000. Within that amount, the full budget requests of $660 million for Amtrak and $455 million for the Northeast Corridor improvement program are funded. We have noted in the report that a supplemental for Amtrak is likely to be needed later in the year after the hearing process on the DOT route analysis is completed and the final recommendations are received concerning the future Amtrak system. Additionally, for the NECIP, we have funded an additional $45 million in the highway portions of the bill for rail-highway crossings in the Northeast, rather than taking that amount from the $455 million, as DOT would have us do.

For rail safety programs the bill includes $23,655,000 and authority for employment of 475 people, including 50 additional field inspectors above the House allowance. We also direct FRA in the report to examine the grant-in-aid program with the idea of making it more

effective and reporting to Congress on that.

For the redeemable preference share program, which provides financial assistance to ailing railroads, we have reduced that request from $250 million provided in the House bill to $120 million. Testimony indicated that over $278 million remains unobligated from previous appropriations for this program. That amount, plus this $120 million, will fund all existing applications for RPS funding. Additionally, up to $600 million in federally guaranteed loans may be outstanding at any one time during fiscal year 1979 under the provisions of the bill.

Finally, for the rail service assistance programs authorized under the Quad-R Act, we recommend $85,710,000. This includes the full request of $67 million for rail service continuation payments to the States. That amount is supplemented by a $5 million carryover from previous appropriations according to DOT. Also, the full amount for the Minority Business Resource Center is recommended, $10,600,000, including $5.5 million for additional venture capital funding.

URBAN MASS TRANSPORTATION ADMINISTRATION

For the programs of the Urban Mass Transportation Administration, the bill includes appropriations totaling $2,211,600,000. Additionally, we have provided for obligations of not to exceed $850 million for operating subsidies. That is equal to the budget request and currently authorized level. We will consider additional funding later in the year for any newly authorized operating subsidy programs.

For the capital grant program of UMTA, we have provided the full budget request. We have also indicated in the report that UMTA should consider any qualified applicants for DPM capital grants as well as for urban transportation facilities. Yet, since UMTA could not provide an expected level of funding that might be required for these efforts, we direct them to submit reprograming requests, if necessary, to fund those applications for these new programs.

For R. & D., we provide $63.5 million, the same as the House bill. That amount will enable UMTA to continue all worthwhile projects at the full levels requested in the budget.

RESEARCH AND SPECIAL PROGRAMS DIRECTORATE

For the newly established research and special programs directorate, we have included $25,420,000 in the bill. That directorate was established from functions previously funded under the Office of the Secretary, the Transportation Systems Center, and the Materials Transportation Bureau.

For the St. Lawrence Seaway, the full limitation on administrative expenses requested, $1,280,000, is included in the bill.

RELATED AGENCIES

For the related agencies which receive their funding under the Transportation Subcommittee's jurisdiction, we have included substantially the full requests in each area—they include the Interstate Commerce Commission, the National Transportation Safety Board, the Civil Aeronautics Board, the Panama Canal, the U.S. Railway Association, and the Washington Metropolitan Area Transit Authority.

Included under the appropriation for USRA is a $300 million appropriation for purchase by that agency of ConRail securities. We did not receive a budget request for this appropriation, but testimony from ConRail officials was that this amount will be required in order for ConRail to keep rolling for the rest of this year. We included language in the report indicating that Congress needs reports from USRA at regular intervals throughout the period that ConRail is receiving substantial amounts of Federal funding in order to carry out its oversight responsibilities. Such information will be forthcoming on a quarterly basis in the future.

For WMATA, we recommend an appropriation of $38,142,000. That amount will enable Metro to meet its January 1, 1979 debt service requirements of its federally backed bonds. Additionally, we have indicated in the report that a supplemental request is expected later this year for approximately $275 million pursuant to an interstate substitution request that is pending. We understand that the present analysis by Metro as to future capital and operating costs that will be necessary and the ways that such can be funded is going forward on schedule and will be forwarded to DOT by August 31, 1978. We expect DOT to subsequently approve the substitution and send up its recommendations for the full system in an expeditious manner.

I will say to my colleagues this represents, in my judgment, a well-balanced budget for fiscal year 1979 for the Department of Transportation and related agencies, which is, as I mentioned earlier, below the House figure and below the administration figure. But it also is below the budget of the subcommittee's allocation under the congressional budget resolution. So we are within the confines that we put on ourselves in the budgetary process.

Before yielding the floor, let me express my gratitude for the manner in which the distinguished chairman of the Appropriations Committee, Senator MAGNUSON, has carried out his responsibilities this year. He has done a remarkable job in seeing that the hearings, markups, and so forth of appropriations bills are conducted in a manner that enables the appropriations process to meet the many deadlines and schedules that are set for us.

Mr. President, I want to once again reiterate the debt of gratitude the subcommittee owes not only to the full committee chairman but to the ranking member, Senator CASE. Unfortunately, Senator CASE will not be with us next year, but the good work he has done will linger not only in this body but throughout the country for a long period of time.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CASE. Mr. President, I thank my distinguished colleague, Senator BAYH, for the effort he has put into this legislation and for his leadership in bringing it to the floor.

Since he has summarized the contents of this bill, I shall merely highlight some of its provisions that I consider particularly important. In the urban mass transit area, the committee has included $1.25 billion for urban discretionary grants. The committee intends that $200 million of these funds be used for bus procurement grants, $760 million for rail modernization, system extension, and the purchase of rolling stock, and $265 million for new system construction. In doing this, the committee recognizes the importance of modernizing the existing rail systems in northern New Jersey, New York City, Philadelphia, Chicago, Pittsburgh, Boston, Cleveland, and San Francisco. For some time, I have believed that a greater commitment should be made to the renovation and modernization of existing systems in order to maintain and increase ridership in densely populated regions. The Nation has a considerable stake in the maintenance of these systems from a mobility, energy, and environmental standpoint.

For urban formula grant subsidies, the committee is recommending $850 million or $250 million less than the House. The committee recognizes that the $850 million will not be sufficient to provide the type of subsidy envisioned by either the House bill—H.R. 11733 or the Senate transit legislation—S. 2441. However, the uncertainty as to which, if either, of these legislative programs will emerge from conference has caused the committee to recommend the level requested by the administration in the fiscal year 1979 budget and not the amounts anticipated under the new legislation. I believe that we will have to consider seriously the amount recommended by the House in our conference when the authorizing committees have resolved the major differences between their bills.

Also in the rail area, the bill provides an additional $300 million for ConRail. Testimony presented to our subcommittee indicated that ConRail will not become financially viable through the infusion of $2.026 billion of Federal funds, as originally envisioned. Estimates received by this committee indicate that the amount may be as high as $3.8 billion, and in fact, some uncertainty exists as to whether even that amount will assure ConRail's future. In order to provide Congress with the best possible information on ConRail's progress, the committee has directed the Secretary to continue his ConRail monitoring activities and has instructed the U.S. Railway Association to step up its ConRail monitoring efforts. I note at this point that ConRail provides an important commuter service for many State and local communities and we must not ignore this function when evaluating whether the Federal investment in ConRail is being efficiently managed.

Another rail passenger service item contained in the bill is the annual appropriations for Amtrak. This year the committee has provided the full budget request of $660 milliion for the National Railroad Passenger Corporation of which $510 million is earmarked for operating subsidies. In our report, the committee recognizes that the $510 million is not sufficient for Amtrak to continue oper-

ation of its existing system through all of fiscal year 1979. The Secretary of Transportation has estimated, in his route restructuring study submitted to this committee, that it will require approximately $575 million to operate Amtrak's route system during fiscal year 1979. Consequently, the committee has directed DOT to make apportionments to Amtrak to preclude a funding shortage during the first three quarters during which time the committee expects to receive and act on supplemental appropriations for Amtrak.

The final rail matter that I shall mention deals with the Northeast Corridor improvement project. Our subcommittee held extensive hearings on the Northeast Corridor project and several members of the subcommittee have joined me in requesting a GAO study of the management of this project to date. Information received by the committee indicated that an obligational level of approximately $600 million could be effectively utilized during fiscal year 1979, rather than the $455 million recommended in the administration's budget. In order to provide these funds, the committee has appropriated an additional $45 million to the Federal Highway Administration for the elimination of railroad grade crossings on the corridor. The original intent of this committee and the authorizing committees was that the grade crossing program would be conducted by Federal highways. Therefore, the committee has rejected the administration's request to reprogram funds from the Northeast Corridor project for this purpose. In a related issue, the committee has included language under the Northeast Corridor account that would provide indemnification against tort liability claims for the contractors participating in the Northeast Corridor program. The administration had taken the position that $100 million of previously appropriated funds should be set aside for potential liability claims. This bill specifically qualifies the Northeast Corridor improvement project for inclusion under the Government liability provisions of Public Law 85–804. The report specifically states that the committee "intends that the $100 million previously set aside be made available for obligation during fiscal year 1979 * * *" and further states that the claim coverage provided by Public Law 85–804 shall be available "without the necessity of any determination by the Secretary of Transportation." These newly available funds, plus the $45 million for highway grade crossing elimination, plus the $455 million recommended by the administration, brings the total available for the Northeast Corridor project to the $600 million level, as required.

For the Coast Guard we have provided additional personnel, equipment, and R. & D. funds, above that provided in the House, to permit the Coast Guard to carry out its responsibilities for oil pollution control and cleanup. This action of the committee reflects the findings of a GAO study prepared at the direction of the committee and titled "Coast Guard Response to Oil Spills—Trying To Do Too Much With Too Little." The committee has also provided direction to the Coast Guard as to ways of improving its pollution response capability. Also under the Coast Guard account, the Senate has provided an additional $2 million for State boating programs. In view of the success of these programs, this hardly appears to be the time to cut them back or phase them out, as the administration intended to do.

In the area of hazardous materials transportation, the committee has included an additional $365,000 for the National Transportation Safety Board to study the causes and remedies of rail hazardous material accidents. The purpose of this study is to identify ways of reducing the number and consequence of such accidents. In providing these funds, the committee recognizes the national nature of this problem and the lack of leadership provided by the Federal Railroad Administration in this area.

In the auto safety area, the committee has recommended the inclusion of an additional $2 million for the National Highway Traffic Safety Administration to equip new GSA vehicles with airbags and passive restraints in advance of the mandated phase-in dates. The committee has also provided an additional $1 million to study the effectiveness of these devices and has directed the Safety Administration to develop an evaluation plan to assess passive restraint effectiveness in model year 1982 and later vehicles. In providing these funds, the committee recognizes that Federal mandates are not, in and of themselves, sufficient to assure that the passive restraint systems incorporated in the initial fleet will be the best available. The committee, therefore, intends that the Safety Administration shall develop techniques to monitor the effectiveness of these passive restraints so that immediate remedial action can be recommended in the event that it is required. Because of the great potential of passive restraints, the committee has also deleted the restrictions imposed by the House on the use of fiscal year 1979 funds relative to the development and implementation of airbag standards.

In the aviation, we have supplied additional personnel to the Federal Aviation Administration to perform its vital functions in safely controlling air traffic. In addition, we have included full funding for the VORTAC air navigational system in this bill. The restoration of full funding for this navigational system is essential if we are to upgrade the existing antiquated system and realize the savings of millions of dollars in future maintenance costs.

Finally, the committee has included funds and language for the Safety Administration and the Civil Aeronautics Board in order that those organizations might encourage citizen participation in Federal rulemaking procedures. It was the intent of the committee that these funds be used by individuals who could not afford to pay for the travel and incidental costs necessary for participation in Federal hearings.

Mr. President, I believe we have reported a responsible bill which reflects the current state of transportation needs in this country and is based on careful consideration of the relative priorities of each transportation program.

● Mr. MUSKIE. Mr. President, the Senate has before it H.R. 12933, the transportation and related agencies appropriation bill for fiscal 1979.

I would like to comment on the relationship between this bill and the first budget resolution. But first, I want to say that I support this bill. It represents an admirable example of proper appropriations restraint in a situation in which numerous programs—some of which could prove controversial—have not yet been authorized.

Under section 302(b) of the Budget Act, the Appropriations Committee divides among its subcommittees the total budget authority and outlays allocated to it under the budget resolution. This bill is under the subcommittee's section 302(b) allocation, and is consistent with the first budget resolution targets.

The Transportation Subcommittee's allocation under section 302(b) of the Budget Act amounts to $10.8 billion in budget authority and $17.0 billion in outlays. In comparison, H.R. 12933 provides budget authority of only $8.6 billion, and outlays associated with the bill total only $15.7 billion, including $10.7 billion from prior year authority. In addition, legislative actions concluded in prior years that are included in the transportation subcommittee's allocation amount to just $0.1 billion in budget authority and $0.4 billion in outlays. Enactment of H.R. 12933 as reported therefore would leave $2.0 billion in budget authority and $1.0 billion in outlays available within the subcommittee's allocation.

There are a number of sizable potential claims on this remaining allocation which could produce supplemental appropriations. The most sizable is a possible appropriation of $850 million to replace existing UMTA contract authority with new appropriated budget authority. There could also be additional requirements totaling as much as $1.1 billion in budget authority and $1.0 billion in outlays for further investment in Con-Rail, additional mass transit operating subsidies, District of Columbia Metro construction, Amtrak operating subsidies, highway programs, and other transportation programs. However, the first budget resolution anticipated that there would be additional requirements, and therefore it is not expected that they will result in a breach of the budget resolution targets.

Finally, Mr. President, I am pleased to note that the reported bill includes responsible obligation ceilings for the highway and airport development programs funded through trust funds. These are valuable programs and it is important that they be adequately funded to satisfy our transportation needs. But it is also important that the Congress apply some practical limitations on program growth in any one year. If it did not, then there would be little protection against an unexpected temporary upsurge in new program commitments that could threaten our budget resolution outlays and deficit targets.

I wish to thank the distinguished chairman of the subcommittee, Senator BAYH, for his support of the budget

process, and to commend him and the other members of the Appropriations Committee for reporting a bill that is consistent with the first budget resolution. The American public is letting it be known that it expects the Congress to scrutinize spending programs more carefully before it funds them, and I feel certain that that public will approve of the careful and deliberate approach being undertaken by the Senate in this bill.

I urge all Senators to join with me in voting for passage of H.R. 12933.●

Mr. BAYH. Mr. President, at this time I would like to recognize the people who have done a great deal of the actual work. We, as Senators, are blessed by a good staff or cursed by those who are not so good. I have been fortunate, and Senator CASE has been fortunate, to be well-served by outstanding people, highly competent and very dedicated to the job they have done and are doing.

I would like to specifically point out the debt we owe and the Senate owes to Mr. Jim English, Mr. Wally Burger, and Mr. Tim Leeth, of the subcommittee staff, for the exceptional job they have done.

Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded for purposes of amendment as original text, provided that no point of order shall have been considered to have been waived if the request is agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered. The committee amendments are as follows:

On page 2, beginning with line 16, strike through and including line 23;

On page 3, line 6, strike "$964,518,000" and insert "$966,118,000";

On page 3, line 13, strike "(INCLUDING TRANSFER OF FUNDS)";

On page 3, beginning with line 18, strike through and including line 19, and insert "$286,617,000.";

On page 4, line 15, strike "$20,000,000" and insert "$23,300,000";

On page 5, line 2, strike "$4,000,000" and insert "$6,000,000";

On page 5, line 20, beginning with the semicolon, strike through and including page 6, line 3, and insert a period;

On page 7, line 14, strike "$321,338,000" and insert "$336,660,000";

On page 11, line 2, beginning with the comma, strike through and include line 3 and insert a period;

On page 11, beginning with line 13, insert the following:

DARIEN GAP HIGHWAY

For necessary expenses for construction of the Darien Gap Highway in accordance with the provisions of section 216 of title 23 of the United States Code, $20,000,000, including the purchase of not to exceed two passenger motor vehicles, to remain available until expended.

On page 12, beginning with line 3, insert the following:

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS

For necessary expenses of railroad-highway crossings demonstration projects, as authorized by section 163 of the Federal-Aid Highway Act of 1973, as amended, and title III of the National Mass Transportation Assistance Act of 1974, to remain available until expended, $55,000,000, of which $36,666,667 shall be derived from the Highway Trust Fund.

On page 12, beginning with line 12, strike through and including line 18;

On page 13, beginning with line 9, strike through and including line 12;

On page 13, line 22, strike "$3,800,000" and insert "$5,300,000";

On page 14, line 18, strike "$87,100,000" and insert "$44,000,000";

On page 15, beginning with line 8, insert the following:

RAIL CROSSINGS—DEMONSTRATION PROJECTS

For necessary expenses in carrying out the provisions of 23 U.S.C. 322, to remain available until expended; $45,000,000: Provided, That the Secretary may waive the provisions of 23 U.S.C. 322 (c) and (d) if he determines such action would serve a public purpose.

On page 15, beginning with line 14, insert the following:

ALASKA HIGHWAY

For necessary expenses to carry out the provisions of section 218 of title 23, United States Code, $15,000,000, to remain available until expended.

On page 15, line 24, strike "$78,495,000" and insert "$84,745,000";

On page 15, line 25, strike "$25,700,000" and insert "$26,050,000";

On page 16, line 2, strike "$34,565,000" and insert "$38,865,000";

On page 16, line 3, strike "$8,077,000" and insert "$8,427,000";

On page 17, line 8, strike "$74,970,000" and insert "$75,110,000";

On page 17, line 9, strike "$8,060,000" and insert "$10,600,000";

On page 17, line 15, after "expended" insert a semicolon and *"Provided*, That notwithstanding any other provisions of law, the provisions of Public Law 85–804 shall apply to the Northeast Corridor Improvement Program";

On page 19, line 14, strike "$3,000,000" and insert "$9,300,000";

On page 19, line 24, strike "$250,000,000" and insert "$120,000,000";

On page 21, beginning with line 12, strike through and including line 16;

On page 21, line 20, strike "$1,225,000,000" and insert "$1,250,000,000";

On page 22, line 5, strike "$75,000,000" and insert "$76,500,000";

On page 22, line 9, strike "$550,000,000" and insert "$403,500,000";

On page 23, beginning with line 1, strike through and including line 5;

On page 24, line 18, strike "$23,100,000" and insert "$25,420,000";

On page 24, line 19, strike "$10,000,000" and insert "$11,910,000";

On page 24, line 22, strike "$2,800,000" and insert "$2,840,000";

On page 25, line 11, strike "$15,600,000" and insert "$15,965,000";

On page 26, line 7, strike "$1,500,000" and insert "$2,200,000";

On page 27, beginning with line 5, insert the following:

CAPITAL OUTLAY

For acquisition of land and land under water and acquisition, construction, and replacement of improvements, facilities, structures, and equipment, as authorized by law (2 C.Z. Code, sec. 2; 2 C.Z. Code, sec. 371), including the purchase of not to exceed twenty passenger motor vehicles of which eighteen are for replacement only; improving facilities of other Government agencies in the Canal Zone for Canal Zone Government use; and expenses incident to the retirement of such assets; $1,035,000, to remain available until expended.

On page 28, line 19, strike "$250,000,000" and insert "$120,000,000";

On page 29, line 6, beginning with the semicolon, strike through and including line 11, and insert a period;

On page 29, line 16, after "costs of" insert "debt service assistance and";

On page 29, line 18, strike "$19,374,000" and insert "$38,142,000";

On page 30, line 6, strike "$24,980,000" and insert "$50,000,000";

On page 30, line 11, strike "$561,300,000" and insert "$625,000,000";

On page 34, line 21, strike "$8,100,000,000" and insert "$7,800,000,000";

On page 34, line 24, after the semicolon, insert "Provided further, for replacement of the West Seattle bridge in the State of Washington, $50,000,000 to be made available from obligations authorized by 23 U.S.C. 125 on the date of enactment of this proviso:";

On page 35, beginning with line 21, strike through and including page 36, line 3.

Mr. BAYH. Mr. President, I now yield to my distinguished colleague.

UP AMENDMENT NO. 1336

Mr. PEARSON. Mr. President, I thank the Senator. On behalf of myself and the junior Senator from Kansas (Mr. DOLE) I call up an unprinted amendment at the desk.

The PRESIDING OFFICER. The Clerk will report.

The legislative clerk read as follows:

The Senator from Kansas (Mr. PEARSON) for himself and Mr. DOLE proposes an unprinted amendment numbered 1336.

Mr. PEARSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, line 22, strike out "$5,300,000" and insert in lieu thereof "$7,900,000".

Mr. PEARSON. Mr. President, this is an amendment that provides funds for the Clinton Reservoir access. This amendment has been considered in the committee in the original appropriation for reservoir roads, access roads, and I think it is an amendment which has been cleared with the chairman of the committee and the ranking Republican on that subcommittee. The chairman will indicate whether or not I have correctly stated that this amendment has been cleared with the committee and the ranking member.

Mr. BAYH. The Senator from Kansas is correct. There are other similar projects in the bill, and I think the project is worthwhile. I recall the figure as $2.6 million. There is no need for spending all of these millions of dollars to fill reservoirs if you cannot get in to them. The purpose of this is to make it possible for that reservoir to be more readily accessible to the people who want to take advantage of the money already spent. I would urge my colleagues to support it.

Mr. DOLE. Mr. President, I thank my distinguished colleague.

I fully endorse this request for an additional $2.6 million, to complete construction of the Clinton Parkway project in Kansas. This vital roadway will run from Lawrence to the new Clinton Lake, and is expected to carry as many as 1 million persons annually by 1980.

Construction was begun 2 years ago, with transportation appropriations for

fiscal year 1976. The project is now near completion. However, normal inflationary impacts have driven the total cost beyond the original anticipated Federal share of $4.13 million. There has been ample mandate from both Houses of Congress during the past 4 years for completion of this parkway, and I join with my colleague, Senator PEARSON, in urging that this final increment of funding be approved so that Clinton Parkway can at last become a reality.

Mr. PEARSON. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. Mr. President, does the Senator from Montana have an amendment he would like to offer?

Mr. MELCHER. I do, Mr. President.

The PRESIDING OFICER. The Senator from Montana.

AMENDMENT NO. 3036

Mr. MELCHER. Mr. President, I have a printed amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes a printed amendment numbered 3036:

On page 8, line 6, strike the period and add the following: *: Provided further,* That no part of the foregoing appropriation shall be available to reduce hours of service at Flight Service Stations.

Mr. MELCHER. Mr. President, I ask unanimous consent that Mr. STEVENS, of Alaska; Mr. YOUNG, of North Dakota; Mr. HATFIELD, of Montana; Mr. BURDICK; Mr. HANSEN; and Mr. WALLOP be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, for the past several years there has been a l g-islative moratorium to prevent the decommissioning and closing of flight service stations by the FAA. Recently the FAA has part-timed flight service stations in the Midwest and the mountainous States. In fact, two stations have been part-timed in Montana.

I am sure we all agree that for reasons of safety the FAA should prove that the consolidation of flight service stations and airway modification programs will sufficiently maintain the necessary level of flight safety for general aviation and airline aircraft before embarking on a program to part-time flight service stations.

My amendment to this bill would place a moratorium on part-timing of flight service stations until adequate assurance is given and the process of complete testing of the systems that the highest level of aviation safety will be maintained.

It is a very simple and easy-to-understand amendment. I understand there is a chance that the manager of the bill might accept it.

Mr. BAYH. Yes. I will say to my colleague from Montana that I have a great deal of sympathy for him in the problem and I support his efforts to try to resolve it.

After receiving his letter I did make inquiry of the Administrator of the FAA and was advised that that was the policy they were going to follow. So I think we are ultimately confident they will. If the Senator desires to be more certain and put it in the bill I have no objection and I would accept that amendment.

Mr. MELCHER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Virginia (Mr. HARRY F. BYRD, JR.) have control of 5 minutes of time before the final passage of the bill. This is a matter which I inadvertently overlooked in my original unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I would like to make a couple of comments on this matter. Whose time are we on here?

The PRESIDING OFFICER. The time is controlled by the Senator from New Jersey and the Senator from Indiana.

Mr. CHAFEE. I wonder if the Senator from New Jersey will yield me 2 minutes.

Mr. CASE. I yield the Senator from Rhode Island such time as he may require.

Mr. CHAFEE. I have listened to the colloquy here, but I did note, on the front page of this report, that the appropriation for this department goes up $2.3 billion over last year, which seems to me to be a rather significant amount. I listened carefully while the Senator from Indiana went through the various programs. Are the increases generally scattered through the programs, or is there one significant amount that makes it come up so drastically from what the appropriation was last year?

Mr. BAYH. It is a good point that our colleague from Rhode Island raises. I would call his attention to the urban mass transit administration program, where we have $3.065 billion, which is now budget authority, which prior to this year were backdoor expenditures which were not contained in the budget.

Mr. CHAFEE. Will the Senator give me a page number on that?

Mr. BAYH. Well, it is the first page as you open it. On page 3. It will now be new budget authority.

Mr. CHAFEE. I see.

Mr. BAYH. It was not budget authority under past authorizing bills, and thus would not have been included in the figures that the Senator from Rhode Island expressed concern over on page 1 of the bill.

Mr. CHAFEE. I would just like to say, Mr. President, that it seems to me we have to do everything we can to hold the spending down. I know the Senator from Indiana is conscious of that.

I just take a little minor item here, State boating safety assistance, on page 12. Here the budget estimate was $3 million, the House allowance was $4 million, and the Senate came in with $6 million. Now, we are all for every such program that comes before Congress, but I just wanted to indicate some concern that these programs always, inevitably, seem to have to go up. I have just chosen that as a minor item. I will admit that $3 million is not going to change the course of Government; we just appropriated more than $2 million for a road for the State of Kansas, on a voice vote, a few minutes ago.

Mr. BAYH. I would ask that the Senator turn to page 3 and look at the last figure in the lower right-hand corner, which I think most accurately reflects the committee's concern for fiscal integrity, where the Senator will find we are $1,015,228,000 below the budget figure. We came in below the House and below the President. If the Senator is concerned with the specific question, I can deal with that. We got unanimous testimony from all the witnesses who wanted to be heard, and most of this testimony came from the States. That money is sent back to the States for boating safety. It was convincing testimony, at least to me and the majority of the committee, that we were saving a lot of lives and preventing accidents by spending a relatively small amount of money.

Mr. CHAFEE. I appreciate that. I can remember when this Safe Boating Act went in, I was in the State government of my State at the time. The only point I would like to make is that it is like all programs, that once they start, we never seem to be able to get rid of them. With the States operating with surpluses, I would hope that at some point down the line we would determine that this is a program the States should handle by themselves, including raising the money for it.

I am delighted that we are under the budget. I also am aware that the budget itself is some $50 billion in deficit, so we are not exactly home free. I hope we can make continued progress. I congratulate the Senator that we are under the budget on this item, and I hope most of the measures that come before us will be under the budget.

Mr. DOLE. Mr. President, will the Senator from Indiana yield for a question?

Mr. BAYH. Certainly.

Mr. DOLE. I think there is a great deal of concern about the air traffic controller's slowdown around the country. I cannot say whether it is justified, but I know a great many Americans have been inconvenienced by as much as 2 or 3 or 4 hours. It would seem that rightly or wrongly, the air traffic controllers have the American public by the throat.

I know in the House bill there was a restriction authored, I think, by Congressman MARTIN of North Carolina, which appeared on page 5, stating:

That none of the funds appropriated by this act shall be available to approve liaison or familiarization travel by any air traffic control specialist if the time during which travel is to be accomplished includes either annual leave, compensatory leave, or a national holiday.

I note that that language is not presently in the bill. Is there any reason why that could not be included, or any reason why it was stricken? I would like the Senator's comment on that.

Mr. BAYH. I will be glad to comment on that, because I have been on some of those planes, as I am sure the Senator from Kansas has.

Mr. DOLE. I have not been on one, but——

Mr. BAYH. I know many of my constituents who have been, and it is a very frustrating thing.

But honestly, the matter which is the subject of dispute between the controllers and Pan American and TWA is a part of the contract which presently exists between the controllers and the FAA, and those two airlines are not willing to go ahead with what is presently a part of the contract. All the other airlines have, and are.

I honestly believe that if we try to resolve that dispute by getting involved in the contractual relationship between the corporation and the people who work for it, we will have some real problems on our hands. That is why we struck that language out, because we figured it was opening up a lot larger can of worms than we were capping. Where it would lead I do not know.

Mr. DOLE. Were any funds under this act to be available to any air traffic control specialists? Did that language itself have any impact on the air traffic controllers, or is it just a suggestion by Congress to the air traffic controllers? It seems to me there ought to be some limit on how far they would go to make a point.

Mr. BAYH. The whole program of familiarization flights has been pretty well accepted, that this is a positive aspect as far as safety is concerned. In fact, Representative MARTIN, who offered the amendment, said he had no objections to the familiarization flights, but he did not want them taken during vacation, or as part of a vacation.

What that means is that then the Government is going to have to pay for those familiarization flights. The way it works now, the controllers take the familiarization flights to familiarize themselves with the workings of the cockpit, and then, when they get to wherever they are going, are able to take a vacation with no added cost to the Government. If, on the other hand, we are going to have to put that in a nonvacation period, we are going to have to put it in a period where we are paying the controller to take the familiarization flights. Now we do not, because it is a part of his vacation.

Mr. RANDOLPH. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. RANDOLPH. Will the Senator yield to me?

Mr. BAYH. Yes.

Mr. RANDOLPH. I think it is a major matter of concern that the airlines—I say to the able chairman handling this transportation appropriation bill that I am asking now for information. We have a large body of general aviation that is moving in and out of our airport system in this country. And now, the general aviation, we must remember, was also delayed by the air traffic controllers' actions at many airports in this country. I personally was involved with such a delay. I will not say where I was going in West Virginia; it was an important assignment I had with several hundred people involved, and because of the delay we arrived 40 minutes late.

I am not going to try to make it a personal matter, but I am going to ask very pointedly, forgetting the airlines, forgetting the scheduled carriers, what about the body of general aviation, those planes that are chartered, that move into the flight pattern just the same as do the scheduled aircraft?

They are not a part of the scheduled airlines' agreement, of one company or many companies, with the air traffic controllers. This is a considerable body of flights.

Mr. BAYH. The Senator is correct, plus, as I said a moment ago, also affected are all of the commercial flights where there is no disagreement. We have two airlines that are unable or unwilling to go ahead and conform to what the contract says they should as far as familiarization flights are concerned.

They not only hold up general aviation but they hold up all the rest of the commercial companies that have agreed to the familiarization flights. I do not like that situation.

Mr. RANDOLPH. The Senator does not approve of it, does he?

Mr. BAYH. I do not approve it. I do not condone it. But neither do I think this response, which would have the effect of doing away with the familiarization program, which everybody, including the author, Mr. MARTIN, refers to, is correct. Even he understands the validity of these familiarization flights as far as safety is concerned. The FAA and CAB and all the airlines say, too, that it is a good program. Two airlines are opposed to it and have a rhubarb with the controllers and everybody is suffering.

Mr. RANDOLPH. I believe the familiarization program is good. I know something about it, personally. I was an airline official for 11-plus years. I do know these programs have value. I am only saying this perhaps is not the time and not the place, but we do have to realize that when we are attempting to talk about the scheduled air carriers of this country, general aviation is moving more flights in and out of an airport than are the scheduled airlines moving in and out of an airport over a 24-hour period. We must not forget the impact of what has taken place.

Mr. BAYH. The Senator is right. There are a lot of innocent parties, and I use that word innocent in a broad sense, who are affected by the disagreement between the controllers and the two airlines.

I yield to the Senator from Kansas.

Mr. DOLE. As I understand, and I do not want to belabor the point, there is not any way that the Congress can effectively enter into this dispute. Maybe we should not do anything. Does the Senator from Indiana have any thoughts or any ideas we might pursue to stop what I consider—and I know they are only going by the book—what would seem to be an abuse of the power they have because of the organization they have and the control they have over airplanes? There are hundreds of thousands of travelers who are inconvenienced, put to great expense, and miss their connections because of the actions of very few. That is one way to bring the other side to their knees and maybe it is a fair labor practice. Maybe they should have that much power. But it seems to this Senator—and I have not been on any slowed-down flights—that it is an area that we should address if we can help urge someone to be reasonable.

Mr. BAYH. I might come dangerously close to repeating what I said once or twice before. This is a matter which concerns all of us. None of us like what is going on. We always frown on legislating in an appropriations bill. It seems to me this is really a good example not only of not being able to solve the problem but probably making the matter worse.

It is my understanding, and I say this to the Senator from Kansas as one who is equally concerned, who has been following this in an intimate way as chairman of the subcommittee, that the parties have been involved in some very intense negotiations and there is a good possibility that this matter can be resolved the way it should have been resolved before it inconvenienced a lot of people.

I might suggest to the Senator that if he would concur that the committee's judgment is right, that we should strike this out, it would still be a matter of discussion in the conference and we could collectively watch the matter. If it is not resolved we could put some language in there which would bring the focus of attention to this problem without destroying the familiarization flight program, which the language in question would.

Mr. DOLE. I think that is a good approach. I certainly have full confidence in the distinguished Senator from Indiana and the distinguished Senator from New Jersey. I just wanted to raise the point to let my colleagues know that there is a great deal of concern about this. We are getting a lot of mail on it. A lot of people have been inconvenienced and they are not all Members of Congress. They are other people who travel from time to time, who have to meet connections and commitments. They find it rather frustrating when this happens. I certainly hope something can be done. Of course, we hope it is settled in the meantime.

Mr. BAYH. Mr. President, is there further discussion? I think the Senator from Montana had one other item he wanted to bring to our attention.

Mr. MELCHER. I thank the Senator from Indiana. I will have the language available in just a moment or two.

Mr. HELMS. Mr. President, will the Senator yield for a question while we await the arrival of the distinguished Senator from Virginia?

Mr. BAYH. I yield.

Mr. HELMS. The Senator mentioned backdoor spending with respect to the urban mass transit authorization. I wonder if he would describe or make clear, in his judgment, why this item is necessary.

Mr. BAYH. The mass transit financing mechanism was a backdoor kind of vehicle that was used to obligate money but it was done in such a manner that it was not listed through the budget. Do not pin me down as to how that happened because it has been a while back, but that was the impact of existing UMTA authorizations. They were obligating the money, but they were not ac-

countable by having it itemized in the budget. The new administration said:

We are going to stop that. If we are going to spend the money, let us spend it on top of the table. If it comes out of the Urban Mass Transportation fund, that is all right, but it ought to be itemized in the budget along with everything else.

Mr. HELMS. The budget authority for fiscal year 1978 is $1,637,600,000; is that correct?

Mr. BAYH. Pardon me?

Mr. HELMS. The budget authority for fiscal 1978 is $1,637,600,000.

Mr. BAYH. That is not correct. It was $574 million last year.

Mr. HELMS. So what the Senator is saying is that if this line item were not included in this bill, then there would be a continuation of what he referred to earlier as backdoor spending of at least $2,211,600,000; is that correct?

Mr. BAYH. The Senator is correct. I want to make sure that I did not mislead the Senator. When this whole program was structured, the result was not really what we would call a trust fund but it was treated that way. Now it will be treated the way all other expenditures are treated. It should have been treated that way from the beginning but it was not. Why it was not, I do not know.

Mr. HELMS. I confess that I am a bit intrigued about the origin of the money that came from this trust fund, or whatever. What was the origin of it? It was not in the Highway Trust Fund itself, was it?

Mr. BAYH. No; it was not like the Highway Trust Fund. The legal formula that permitted appropriation moneys to be funded in a trust fund manner through the back door was set up. I was not responsible for that process at that time. I must confess I was a Member of the Senate, but I was not familiar with it until I got around to finding out how these moneys were being accounted for as far as bookkeeping was concerned. That is when I found out about this.

Mr. HELMS. Perhaps the Senator from Indiana can advise the Senator from North Carolina how much money of this sort was involved last fiscal year, for example.

Mr. BAYH. The way this worked was that UMTA was permitted to obligate funds, to go out and undertake the construction and purchases necessary to run their programs. We are now paying those obligations of up to $1.850 billion. That is what is happening. They went out and spent this money and wrote the checks but they have not reached the bank yet. That is the backdoor aspect of it. Now they have reached the bank and we are paying them here.

Mr. HELMS. In effect, we are paying for a past sin, then, or the taxpayer is.

Mr. BAYH. To specifically answer the Senator's question, the commitments last year were for $2.415 billion.

Mr. HELMS. This is money that was, in effect, borrowed?

Mr. BAYH. Yes.

Mr. HELMS. And without any approval by Congress?

Mr. BAYH. Well, Congress knew what was happening.

Mr. HELMS. But the Senate did not vote on that proposition.

Mr. BAYH. Not on this particular proposition, but did on the mass transit authorizing bills that set up this procedure.

Mr. HELMS. What we are doing is bailing out these folks who operated independently and unilaterally.

Mr. BAYH. This was agreed to by the House and Senate and the President in the authorizing legislation. This is not something that UMTA went out and manufactured themselves. This is part of the authorizing legislation that gave them the authority to do it. Once they had gone ahead and done it, then the question is how they pay for it.

Some of these contracts are of long-term duration, where you authorize the obligation long in advance and then the bills start trickling in. That is why we have the $1.850 billion left that we are still paying the obligations on.

Mr. HELMS. I thank the Senator.

UP AMENDMENT NO. 1337

Mr. LUGAR. Mr. President, I have a proposed unprinted amendment that I ask to have considered.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Indiana (Mr. LUGAR) proposes an unprinted amendment numbered 1337.

On page 21, line 21, strike out $1,250,000,000 and insert $1,080,000,000.

Mr. LUGAR. Mr. President, I propose this amendment which is directed to page 21, line 21, of the bill, specifically the urban discretionary grant section. I am suggesting a reduction of the amount from $1.25 billion to $1.08 billion; in essence, a $170 million reduction. My reasoning is twofold.

I argue, first of all, that this is an appropriate reduction in that specific area. But, Mr. President, I argue also that $170 million, which is the total amount of reduction, the cut that I am proposing, also represents approximately 2 percent of the total bill, the total bill being roughly $8.5 billion, 2 percent of that being $170 million.

It seems to me very important that, at some point in the first stage of the appropriation process in which we are now involved, we begin to take a look at amounts and at the trend of expenditures and, I submit, at the overall philosophy that we are going to pursue.

It appears to me, Mr. President, that, by and large, this body is being characterized as having a "business as usual" feeling about the appropriation process. Throughout the debate of the past few weeks, there has been some attention given to proposition 13, some thought that there is a wave of conservative feeling in the country about cutting appropriations.

But, indeed, the very first one that we take a look at indicates, for reasons that have been explained by the floor leader and the distinguished minority manager of the bill, that this appropriation is about $2.3 billion more than last year, not less. I suggest, Mr. President, that this is an important test at the outset as to whether we are serious about paring the budget, about moving toward a balanced budget, about doing anything about a proposed $51 billion deficit, minus any action that we might take in this series of bills.

Mr. McCLURE. Would my colleague yield before moving into the specific area?

Mr. LUGAR. I am happy to yield to the distinguished Senator from Idaho.

Mr. McCLURE. I thank my friend for yielding, because I think the point he is making is important for everybody in this body to understand and to focus on for a moment. That is the reason that, earlier, I had asked that we have a roll-call vote on final passage of this matter rather than allowing it to be passed by voice vote, as some were suggesting should be done. I think it would have been taken by the American people as a direct abrogation of our responsibility had we, on the first major appropriation item that we confronted that has gone up by over $2 billion since last year, had we then avoided being on record as for or against that appropriation measure. I think if there is a message to be gotten out of the taxpayers' revolt, it is that they intend for us to be more responsive than we have been in the past.

I commend the Senator from Indiana for the statement that he is making and the action he is taking.

Mr. LUGAR. I appreciate the commendation and, likewise, the support of the distinguished Senator from Idaho.

Mr. President, let me say very specifically that I have suggested the cuts in the urban discretionary grant area so that my amendment cannot be characterized as an irresponsible attempt simply to pass the burden back to the committee or that it be left to chance. I have heard, as a member of the Committee on Banking, Housing, and Urban Affairs, testimony about various discretionary projects, about the various things that UMTA may do. This is at least one area of this particular bill in which I feel that I have had some experience.

I simply say that the grants that are being called for here are very substantial indeed. A good case can be made for them, and I appreciate that. But I simply say, Mr. President, the overwhelming case is that this body show some responsibility and fiscal integrity from the very beginning of the appropriation process. That is the overriding issue.

The committee could have been much less generous in the overall bill before us; $8.5 billion is a lot of money. I am suggesting that $170 million needs to be cut. I have offered specifically where that needs to occur.

Mr. President, I am hopeful that my amendment will be adopted. At this point, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Will the Senator yield?

Mr. LUGAR. I am happy to yield the floor.

Mr. HELMS. Mr. President, I, too, commend the Senator. As a matter of fact, I was working on my yellow pad at my desk to propose an even more substantial cut along the lines the Senator has suggested. I am delighted that he has proposed the amendment. Instead of

proposing one myself, I ask that he make me a cosponsor of his.

Mr. LUGAR. Mr. President, I ask unanimous consent that the distinguished Senator from North Carolina (Mr. HELMS) be made a cosponsor of my amendment.

Mr. HATCH. Will the Senator add my name, also?

Mr. LUGAR. I ask unanimous consent that the Senator from Utah (Mr. HATCH) be added as a cosponsor, also.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Mr. SASSER assumed the chair.)

Mr. BAYH. Mr. President, I must say I have listened to my colleague and I share his concern for efficiency. I am not too sure we are talking about the same bill.

When he talks about the runaway spending involved in this bill, we are $1 billion below the budget on the DOT portions of this matter. Even in the very area that he is cutting, suggesting that we are spending too much money there, we are $200 million below where we were last year.

What has happened—and I understand how easy it is to be confused. We have a whole batch of different grants and there was a disagreement between the administration and the authorizing body in the Congress as to which financing method we ought to use.

It is easy to look down here on page 31 and say the budget estimate last year was $840 million and the Senate allowance came up with $1,250,000,000, thus, we are runaway spenders.

But I invite attention over to the following page, on page 32 for urban formula grants, where this year the budget estimate was $1,735,000,000 and we have only allotted $403 million.

So we have cut $1.3 billion out of that figure. If we add those up we find this bill is below the budget and it is below the House figure.

We can quibble about whether we are going to spend it through urban formula grants or whether we are going to spend it through the discretionary grants. But I do not feel that if we are concerned, as I know my colleague is, as a former mayor of one of our great national cities that happens to be our capital city, about transportation, I do not see how we can take part of this budget and cut it and ignore the fact that another part has already been significantly cut, and yet not be willing to stand by the results that money is going back to the local communities for bus transportation systems, for intermodal systems like we are trying to develop in South Bend.

They are seriously deficient. Thus, I regret being in a position to do this, but I must ask my colleagues to oppose this.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Who yields time to the Senator from Utah?

Mr. CASE. I suppose the Senator who supports the amendment will probably have to yield time.

Mr. LUGAR. I am happy to yield time.

Mr. HATCH. Mr. President, one of the things that bothers me about this particular bill, as I have been reading it, is that a number of the provisions provide for special payments for matters in Panama.

I have been very upset about that because I thought we were only going to provide assistance to Panama to the extent of the Panama Canal treaties.

Now, admittedly, I am somewhat in the dark with regard to why these particular provisions are in here and why the American people are being called upon to pay this type of money.

I cite with particularity on page 11 of the bill the Darien Gap Highway where it says:

For necessary expenses for construction of the Darien Gap Highway in accordance with the provisions of section 216 of title 23 of the United States Code, $20,000,000, including the purchase of not to exceed two passenger motor vehicles, to remain available until expended.

I can see the two passenger motor vehicles, but I have difficulty seeing $20 million, unless we have already been referred to that. That may be the case, but I do not believe it is.

With regard to page 26, and with particular reference to the Panama Canal, we provide that under that subject entitled "Canal Zone Government Operating Expenses," it looks to me as though most of this is probably necessary. But I see on lines 20, 21, 22 and 23 where it says:

Expenses incident to conducting hearings on the Isthmus; expenses of special training of employees of the Canal Zone Government as authorized by 5 U.S.C. 4101–4118, contingencies of the Governor, et cetera.

On some of that, I wonder if that should be in here. That is some $74 million.

For acquisition of land and land under water and acquisition, construction, and replacement of improvements, facilities, structures, and equipment, as authorized by law (2 C.Z. Code, sec. 2; 2 C.Z. Code, sec. 371), including the purchase of not to exceed twenty passenger motor vehicles of which eighteen are for replacement only; et cetera.

One million, thirty-five thousand. This is a committee amendemnt, which is not in the House bill. That is on page 27.

Also on page 27 is the Panama Canal Company and then it lists Corporation.

We were told the moneys for Panama would not come from our treasuries. Yet, here we have the moneys in an appropriation bill. It says:

The Panama Canal Company is hereby authorized to make such expenditures within the limits of funds and borrowing authority available to it and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation, including maintaining and improving facilities of other Government agencies in the Canal Zone for Panama Canal Company use.

On page 28, where it is entitled Limitation on General and Administrative Expenses:

Not to exceed $27,580,000 of the funds available to the Panama Canal Company shall be available for obligation during the current fiscal year for general and administrative expense of the Company, including operation of tourist vessels and guide services.

It goes on and on. I raise these objections because I feel that the American people should not have to pay them.

Under section 308, page 31:

The Governor of the Canal Zone is authorized to employ services as authorized by 5 U.S.C. 3109, in an amount not exceeding $150,000.

Page 32, section 309:

Funds appropriated for operating expenses of the Canal Zone Government may be apportioned notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law which are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the Government in comparable positions.

This again seems to permit raises beyond the statutory limitations for certain grants of employees.

Again, the thing that bothers me is that it appears we are burdening the American taxpayers with payments that are put into this bill after guaranteeing to them during the Panama Canal Treaty debates that the American taxpayer would not be called upon to pay any more than what was listed in the treaties themselves.

Either I have misunderstood this—I will be happy to have someone explain it to me—or I have to vote against this bill, not only because it is $2 billion over what it really should be, but because I think the American people are being taken here.

I think it is about time they know about it, and it is so soon after the debate itself where they were promised they would not be taken that it bothers me.

Unless somebody can explain it better than I have had it explained up to now, I think this bill ought to be rejected and the American people ought to understand that they are not being treated in accordance with what was promised them.

Mr. HELMS. Will the Senator yield?

Mr. HATCH. I am delighted to yield the floor.

Mr. HELMS. It is not necessary to yield the floor.

Mr. HATCH. Well, I will be delighted to yield without losing my right to the floor.

Mr. HELMS. On page 18 of the committee report, there is discussion of the Darien Gap Highway, $20 million.

We have to look very closely to the fine print to find this is a highway in Panama.

Mr. HATCH. That is right. It is a highway in Panama, and what we are doing is building a highway at the American taxpayer's expense.

Mr. HELMS. They used to talk about the "Road to Rio." Now it is the "Highway for Torrijos."

A $20 million for something this Senate just recently gave away and the Pres-

ident went down and signed the treaty.

I commend the Senator for his comments.

Mr. HATCH. The thing that bothers me is that, unless somebody can explain this to me, it seems to me we are not being fair to the American people. It is one thing to ratify the treaties. I accepted that because the requisite number of Senators did so and, as far as I am concerned, we are going to stand by that, of course.

But then they did so under the specific representations that the American people would not be called upon to pay anything more than was stated in those treaties and the documents attached to them, and in accordance with implementation legislation yet to come, I take it.

However, all of a sudden we find that these matters, if not hidden in this particular bill, certainly are in the bill in not too carefully expressed language, so that people would not really know what is happening.

I cite with particularity the Darien Gap Highway, for which we are going to call upon the American taxpayers to pay $20 million. Maybe that would be the thing to do if we were going to manage the canal and were not going to turn it over to the Panamanian people and if we promised the American people we would not do it.

It seems to me that this bill should be voted against for this reason, if for no other reason.

The PRESIDING OFFICER. All time of the proponents has expired. The Senator from Indiana has 12 minutes.

Mr. BAYH. Mr. President, that was one of the most perceptive discussions of mass transit construction I have ever heard, I say in jest to the Senator from Utah.

We sort of got our mass transit operations and our Panama Canal operations mixed, which is easy to do in this bill, because it is a cats and dogs kind of bill that has a little of everything in it.

I will explain to the Senator from Utah—not that he need agree with me—but I will tell him why that measure is in there. Traditionally, the way the Panama Canal has been funded has been for moneys to be appropriated. Thus, if he looks back through the years, he will find every year a line item of the kind of appropriations the Senator is concerned about, and then the tolls that are collected are put into the Treasury.

Although the figure that the Senator cites in the budget is correct, we really will collect more tolls than we are paying out in the budget—not by a great deal, but by a small amount. So we really are not talking about any negative figure in the long run.

I also point out that we have ratified the treaty, but we all knew at the time that there was going to be implementing legislation that would be coming forward. That has not reached us. We are still operating the same way. So it seems to me that the only prudent way to do it would be to go ahead and finance it the way we have been, since we have not implemented the new mechanism.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. HATCH. As I understand it, the Treasury is in a deficit position now, and it is a great deal of money to this country. If I understand the Senator's argument, it is that these funds should not have to be paid except out of tolls. If that is so, I would be interested if the Senator is advancing that as an argument. We told the American people during the debates that we would not be called upon to pay Federal tax revenues pursuant to these ratified treaties.

Mr. BAYH. The Senator knows that once a treaty is ratified it is a long time before we get it implemented into legislation. We are operating now during the hiatus period, when the legislation has not been sent up yet to implement the treaty. I recall having a disagreement with the Senator from Utah as to what this was going to mean. But we all knew at that time that the implementing legislation was going to come up. It is not here yet. To suggest that we change the financing of the Panama Canal until we determine by law how we are going to implement it means that we are going to shut down the canal. We are not putting any Federal net dollars in it. We are appropriating money in this bill, and then we are taking all the tolls and putting it in the Treasury Department.

Mr. HATCH. Is it not true that we are operating in a deficit situation there now and do not have any money from tolls to put into it, that the $20 million for the Darien Gap Highway is for a highway in Panama?

Mr. BAYH. We are not operating in a deficit position now. The Governor told us he had recommended that the tolls be increased so that we would keep in a situation of being plus instead of minus.

Mr. HATCH. Will the Senator acknowledge that if we are operating in a deficit situation down there right now, this is improper—to saddle the American people with this?

Mr. BAYH. I would not acknowledge that we are operating in a deficit position.

Mr. HATCH. But if we were, would the Senator's position be that he would be shocked by these provisions in calling upon the American people to pay for them?

Mr. BAYH. I would expect the Governor to do what he said. The Governor came up and testified; and we can see what the projected costs and projected revenues of the canal are; that in the next year or two there will have to be an increase, as I recall—do not hold me to this, because it is a ball park figure—of 16 to 19 percent in tolls, in order to be in the black the year after next. Right now, we are in the black.

Mr. METZENBAUM. Mr. President, will the Senator from Indiana yield for a question?

Mr. HATCH. I believe the Senator yielded to me.

Mr. METZENBAUM. Since the time is running out rapidly and the Senator from Utah has used all his time, I would like to have a question answered.

Mr. HATCH. I will ask one more question, and then I will stop.

I would like to know why we are building a highway in Panama, called the Darien Gap Highway, after having ratified the Panama Canal Treaties and having told the American people that they are not going to have to use taxpayer dollars to pay for development in Panama beyond what is in the treaties; also, since we have operated, as I recall, at a deficit for the last 3 years. That bothers me, and I think the question should be raised.

Mr. BAYH. I would like to see any evidence the Senator has that we have been operating at a deficit the last 3 years. That is not the information that has been given to the Senator who has been handling this matter.

The Darien Gap question is a very legitimate question. I ask it myself.

Mr. METZENBAUM. Mr. President, will the Senator yield for a question?

Mr. BAYH. May I finish answering this question first?

The specific answer is that the law says we are supposed to build the Darien Gap Highway. We have the subbase laid down, the terrain is bulldozed, and this $20 million is to put the top on the earth so that it does not all wash out the first time the big rains come.

Since the law says we have to build that highway, and since we have it mostly built, it makes sense to me that we appropriate, the $20 million. I share the Senator's concern.

Mr. METZENBAUM. In order that there may be no misunderstanding, will the Senator from Indiana be good enough to advise me whether or not it is not the fact that the pending business is an amendment of the Senator from Indiana, who has moved to delete $170 million from the urban discretionary grants; that the entire colloquy which has taken place with respect to the Panama Canal Zone has absolutely nothing to do with the pending amendment, because it has to do with a completely separate portion of the bill?

Mr. BAYH. The Senator is correct. That does not mean he cannot talk on another section of the bill. It has nothing to do with the amendment of the Senator from Indiana.

I hope the Senator will look at that whole list, because I know he is an advocate of mass transit. In fact, the bill that came out of their committee, S. 2441, authorized $1.4 billion, which is $150 million more than the Senator from Indiana has appropriated. So my colleague from Indiana, Mr. LUGAR, has voted for a higher authorization than we have in this bill since we only appropriate $1.25 billion. The thrust of Senator LUGAR is to cut the overall amount.

Frankly, I am opposed to that, because we are already below authorization, the budget, and the House in mass transit appropriations. This DOT budget already is a billion dollars below the budget requests. We are $200 million below the back-door spending that was going on last year, and I am not prepared to say to our cities and towns that we are going to spend even less money on transportation this year than last year.

Mr. METZENBAUM. Mr. President, will the Senator yield 2 minutes?

Mr. CASE. Mr. President, will the Senator yield?

Mr. BAYH. I yield to the Senator from New Jersey, and then I yield to the Senator from Ohio.

Mr. CASE. I wish to emphasize that we are not increasing the amount for mass transit over amounts previously spent or over the budget because of the transfer of this authority from one method of financing to another. Therefore, it is wrong to compare the figures as the Senator from Indiana (Mr. LUGAR) has done.

I hope we are not going to cut down mass transit financing by an amount of this sort. I hope the amendment will be defeated.

The PRESIDING OFFICER. Who yields time?

Mr. BAYH. I yield to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think the issue is a simple one having to do with $170 million cut in the discretionary funds for urban areas. We should not be confused in the Chamber in this discussion that took place with respect to the Panama Canal Zone because there are strong feelings on that subject. This subject on which there is going to be a rollcall vote, as I understand it, has nothing at all to do with the Panama Canal Zone.

I am a little bit disturbed and concerned as to why the former mayor of the City of Indianapolis is proposing a cut in this dimension of urban discretionary funds when certainly the urban areas of this country are so much in need of assistance.

Mr. LUGAR. Mr. President, will the Senator yield for a moment?

Mr. METZENBAUM. I do not have the floor. I believe there is only 1 minute remaining in total time.

Is that correct?

Mr. LUGAR. May I respond to the Senator's question?

The PRESIDING OFFICER. There are 2 minutes remaining.

Mr. METZENBAUM. In 30 seconds.

Mr. LUGAR. Mr. President, I appreciate the Senator from Ohio yielding.

Let me simply respond by saying there are three areas involved in this. It does not involve all the cities and towns of America necessarily. There are bus systems, fixed-rail systems that are old, and new construction.

My guess is, although I have given full discretion to this amendment, that UMTA would probably reduce the subsidies of fixed-rail systems in the very large cities of America, although they can do other things with it. But I have heard the debate in the banking committee. I did vote against the sums of money there. I clearly believe $170 million must be cut because of fiscal integrity generally and the 2 percent that it represents of $8.5 billion of the total bill.

Mr. BAYH. Mr. President, since I have the floor, I say to my friend from Indianapolis that subsidies are in an entirely different section of the bill. It is a different program that we are talking about right here. It seems to me that, I say to my colleague and friend, who serves on the authorizing committee and knows all about this and has voted for authorizing legislation significantly higher than the Senator, his colleague, came up with in this bill now, without any letters or previous expression of interest so we could try to tailor make this, suddenly we get hit by an amendment that frankly is going to do what the Senator from Ohio says. It is going to cut back bus services. It is going to cut back intermodal terminals. I do not care whether it is Union Station in Indianapolis or the intermodal terminal in South Bend or wherever. I happen to feel especially about those because those are in my State. But it is true of other States, also. It seems to me at a time when we want to be energy efficient, at a time when we want to keep from closing down Indianapolis because there are too many cars there and we have too much pollution, the last thing we should be doing is to send less money back to Indianapolis and other communities for buses.

We really should be sending more. We should be sending money back to create the environment in which people could use mass transit instead of cutting it.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. BAYH. I ask my colleague to forgive me if my voice rose. I had a smile on my face all the time.

Mr. CASE. Vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Montana (Mr. HATFIELD), the Senator from Maine (Mr. HATHAWAY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), the Senator from Georgia (Mr. NUNN), the Senator from Rhode Island (Mr. PELL), the Senator from Mississippi (Mr. STENNIS), and the Senator from New Hampshire (Mr. MCINTYRE) are necessarily absent.

I also announce that the Senator from Texas (Mr. BENTSEN) is absent on official business.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Maryland (Mr. MATHIAS), the Senator from Virginia (Mr. SCOTT), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), the Senator from Wyoming (Mr. WALLOP), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "yea."

The result was announced—yeas 26, nays 44, as follows:

[Rollcall Vote No. 171 Leg.]

YEAS—26

Allen	Domenici	McClure
Bartlett	Garn	Pearson
Biden	Goldwater	Proxmire
Byrd, Harry F., Jr.	Hansen	Roth
Chafee	Hatch	Sasser
Curtis	Hayakawa	Schmitt
Danforth	Helms	Stone
DeConcini	Laxalt	Talmadge
	Lugar	Zorinsky

NAYS—44

Bayh	Heinz	Packwood
Bumpers	Hodges	Percy
Byrd, Robert C.	Hollings	Randolph
Case	Huddleston	Ribicoff
Chiles	Humphrey	Riegle
Church	Jackson	Sarbanes
Clark	Javits	Schweiker
Cranston	Kennedy	Sparkman
Culver	Leahy	Stafford
Dole	Magnuson	Stevens
Durkin	Matsunaga	Stevenson
Eagleton	McGovern	Weicker
Glenn	Melcher	Williams
Gravel	Metzenbaum	
Hatfield, Mark O.	Moynihan	
	Muskie	

NOT VOTING—30

Abourezk	Hart	Nelson
Anderson	Haskell	Nunn
Baker	Hatfield, Paul G.	Pell
Bellmon	Hathaway	Scott
Bentsen	Inouye	Stennis
Brooke	Johnston	Thurmond
Burdick	Long	Tower
Cannon	Mathias	Wallop
Eastland	McIntyre	Young
Ford	Morgan	
Griffin		

So Mr. LUGAR's amendment No. 1337 was rejected.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DURKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I yield to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator has no time to yield.

UP AMENDMENT NO. 1338

(Purpose: To require Department of Transportation to prevent the spread of hoof and mouth disease in construction of Darien Gap highway)

Mr. MELCHER. Mr. President, I call up an unprinted amendment which I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) offers an unprinted amendment numbered 1338:

On page 11, line 18, insert the following: Strike the period, insert a comma and add the following: : *Provided*, That the Department of Transportation, in construction of the highway, shall provide facilities and regulations deemed necessary by the Joint Panama-American Commission on Hoof and Mouth Disease to prevent the spread of that disease by use of the highway.

Mr. MAGNUSON. Now will the Senator from Montana yield to the Senator from West Virginia?

Mr. MELCHER. I yield to the Senator from West Virginia for a unanimous-consent request.

Mr. RANDOLPH. I appreciate the able Senator from Montana yielding to me.

ERDA AUTHORIZATIONS, 1979

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 11302.

The PRESIDING OFFICER (Mr. SASSER) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 11302) to authorize appropriations for environmental research, development, and demonstrations for the fiscal year 1979, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RANDOLPH. Mr. President, I move that the Senate insist on its amendments to H.R. 11302 and agree to the request of the House of Representatives for a conference on the disagreeing votes of the two Houses, and that the Presiding Officer be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CULVER, Mr. MUSKIE, Mr. HART, Mr. WALLOP, and Mr. MCCLURE conferees on the part of the Senate.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1979

The Senate continued with the consideration of H.R. 12933.

UP AMENDMENT NO. 1338

Mr. MELCHER. Mr. President, in the bill, on page 11, there is an appropriation of $20 million for the Department of Transportation to build a Darien Gap Highway in Panama, as a part of the Inter-American Highway. The Darien Gap Highway will provide a link that will unite North America with South America, but it also poses a problem in the fact that South American countries have hoof-and-mouth disease, whereas Panama and the countries to the north do not.

We have a joint Panama-American Commission on hoof-and-mouth disease that works together to try to prevent the spread of the disease. The amendment is very simple: It provides that the Department of Transportation, in constructing this portion of the highway across Darien Gap, will provide the facilities and regulations deemed necessary by the Commission to prevent the spread of hoof-and-mouth disease. I hope the manager of the bill is prepared to accept the amendment.

Mr. BAYH. Mr. President, I think the ideas expressed by the Senator from Montana are sound. Any of us who have any familiarity with and a feeling in our hearts for rural America want to do everything we can to fight hoof-and-mouth disease. I think it would be well taken if the Senate would accept the amendment of the Senator from Montana.

Mr. MELCHER. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. MELCHER. Mr. President, I urge that the Senate accept the amendment.

The PRESIDING OFFICER. Is all time on the amendment yielded back?

Mr. MELCHER. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Indiana yield back his time?

Mr. BAYH. I am glad to yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment was agreed to.

Mr. MUSKIE. Mr. President, I would like at this point to take just a few moments of the Senate's time.

The PRESIDING OFFICER. The Senator from Maine.

SENATOR WARREN G. MAGNUSON

Mr. MUSKIE. Mr. President, today the Senate will soon pass the first regular appropriation bill for fiscal year 1979. Now is an appropriate time to pause in our deliberations and note that this is also the first regular appropriation bill to be passed under the chairmanship of our good friend and colleague, Senator WARREN MAGNUSON, who became chairman of the Appropriations Committee just 5 months ago.

The ascendency of the distinguished senior Senator from Washington to the chairmanship of the powerful and prestigious Appropriations Committee signals a new era of leadership in the fight to put Federal spending under control. With the same talents he has displayed as chairman of the Commerce Committee, Senator MAGNUSON has now responded to this new challenge by approaching his tasks with a vigorous sense of duty and responsibility.

I would like to commend the distinguished chairman for the achievements he has made to date:

Because of his forceful guidance, the Appropriations Committee thus far has been able to hold to a strict schedule in timely reporting the spending bills for fiscal year 1979, despite pressures caused by extended floor debates on the Panama Canal treaties, the Mideast arms sales legislation, and the labor law reform bill;

Because of his desire to impose new discipline and order on the congressional spending process, appropriations for programs which have not been authorized have been discouraged, particularly if those programs were in any way controversial.

The distinguished Senator from Washington has set stringent guidelines which the authorizing committees must follow for all programs in requiring "authorizations before appropriations." And he has not exempted his own, Labor/HEW Subcommittee programs from the new standards. Such impartial application of the new standards can only serve to enhance the good reputation of the Committee on Appropriations and its chairman.

Because of his deep commitment to holding the line on Federal spending, it already seems predictable that all 13 of the regular appropriations bills reported for fiscal year 1979 will be at or below the spending targets assumed for them in the congressional budget. Indeed, Mr. President, in a colloquy on the floor of the Senate during consideration of the budget resolution conference report, the distinguished chairman of the Appropriations Committee stated to me his intention to reduce the budget totals even further through the appropriations process. He is to be commended and congratulated for making every effort to do just that.

Mr. President, the Senate's consideration of this first regular appropriation bill for fiscal year 1979 marks the beginning of a new era of leadership in the congressional spending process. The manner in which the distinguished senior Senator from Washington has conducted his committee's business thus far has established the theme for his chairmanship and an excellent example for the Congress: strict control, tempered by fairness and flexibility.

It pleases me to note that the impact of Senator MAGNUSON's leadership of the Appropriations Committee has not gone unnoticed by the news media. An article in this week's Business Week commented at length upon his influence on the Appropriations Committee and on Federal spending in general. It noted his "remarkable commitment to committee business," and spoke with favor of his intention "to impose new discipline on appropriations," which could become "a battleground in the spending war."

Mr. President, I predict that the Congress and the country are going to enjoy a new sense of control and responsibility over Federal spending. And if my prediction proves correct, it will be due in large part to the outstanding leadership and fiscal responsibility of the senior Senator from the State of Washington.

He has set as his objectives holding down the size of the Federal Government, further reducing the totals of the congressional budget, and containing inflation by controlling Federal spending and reducing the deficit. With his continued strong direction at the helm of the Appropriations Committee, I am convinced that the Senate, the Congress, and the country, can and will achieve these objectives.

It is a pleasure, Mr. President, to be working with him in this connection.

Mr. BAYH. Mr. President, I compliment the Senator from Maine for recognizing our chairman. As the subcommittee chairman, when I was presenting this bill I pointed out to the Senate that the Senator from Washington has indeed assumed the reins of the Appropriations Committee without losing a step and has brought his significant expertise and experience to bear in a way which is obvious from the fact that the first bill presented is some $700 million below the President's budget.

Mr. MAGNUSON. Mr. President, I thank both the Senator from Indiana and the Senator from Maine.

Mr. MELCHER. Will the Senator from Indiana yield for a unanimous-consent request?

Mr. BAYH. I yield.

Mr. MELCHER. Mr. President, I ask unanimous consent that Mr. PAUL HATFIELD and Mr. KANEASTER HODGES be shown as cosponsors of the last amendment just agreed to.

Mr. McCLURE. Will the Senator yield?

Mr. MELCHER. I yield.

Mr. McCLURE. Will the Senator add the junior Senator from Idaho as a cosponsor of the amendment?

Mr. MELCHER. I will be glad to. Mr. President, I ask unanimous consent that that may be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. And I would also like to include Mr. BAYH, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Will the Senator yield to the Senator from Idaho?

Mr. BAYH. I yield.

Mr. McCLURE. Mr. President, I was called from the floor earlier during the discussion on this bill, but I understand there was some discussion concerning the air traffic controllers' current slowdown, and the effect of that action on a great many travelers.

The House had put in some language which sought to deal with the direct problem. I think that the language appears on the bottom of page 5 and the top of page 6 of the bill. The Senate committee has removed that language.

As I understood from the reports which came to me of the conversation earlier, it was indicated by the Senator from Indiana that perhaps this matter is being settled and this might not be the right time to insert the language, but that if, as a matter of fact, it was not settled by the time we reach a conference between the House and the Senate, the Senator from Indiana would consider it further at that time. Am I correct in that understanding?

Mr. BAYH. Yes. It would be a matter of disagreement between the House and the Senate and certainly an appropriate subject for consideration by the conference and in the conference report.

Mr. McCLURE. Mr. President, I might note that it is not simply the matter that the Senator from Idaho has had to sit in airports along with thousands of other air travelers, but it seems to me that there is a fundamental wrong being perpetrated upon the American people over a very minor dispute, where a few people are slightly disadvantaged in a fringe benefit which they perhaps have enjoyed or at least seek to continue to enjoy. They impose a great inconvenience upon thousands of air travelers, and they impose hundreds of thousands of dollars in cost or losses upon the air travel industry. It seems to me that very strong action ought to be taken against the air traffic controllers for doing what everyone knows they are doing.

We keep trying to set it aside as though we cannot admit that it is happening, that we dare not admit that it is happening. I think we ought to confront it. I think we ought to say loudly and clearly that whatever good will the air traffic controllers have in this body is being dissipated not only here but in good will with the American people over tactics of this kind, over an issue of this kind.

I know that a great many travelers sit for hours in terminals as a result of a very minor dispute involving just a very few people on a very questionable fringe benefit.

Mr. GOLDWATER. Will the Senator yield?

Mr. McCLURE. I am happy to yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am very happy that the Senator has brought up this matter. I would hope that the chairman handling this bill would put the House language back into the bill.

I cannot speak with authority, and maybe I should not even be saying this, but I have within the hour talked with people who have told me that this has been settled; that the traffic controllers have agreed that the organization was wrong in telling their controllers to slow down over the dispute which has arisen over whether or not they can fly whenever they want to with their families to foreign countries.

This type of an agreement was reached, to my understanding, without any writing in the last contracts, and I do not see anything wrong with it. I think a controller should be required to travel when he can. I do not think it should be on Government time. I think it should be when he can do it.

If it is true that this has been settled, then we might say we do not need further language, but I believe we have to have some indication that we are not going to allow the American public to be put at a disadvantage because of the whims of a handful of controllers.

I know of the losses for one airline, and I will not mention the name, which are $1 million involved in these slowdowns, where sometimes the traffic controllers will not even accept landing times. I had this experience the other night in trying to file a flight plan from Cheyenne, Wyo. I was told by the controllers in Washington that they did not have any slots.

Well, they can handle quite a few slots per hour and after a little arguing I got my time.

Mr. STONE. Will the Senator yield?

The PRESIDING OFFICER. All time has expired.

Mr. McCLURE. Is there time remaining on the bill?

Mr. HARRY F. BYRD, JR. Mr. President——

The PRESIDING OFFICER. The Senator from Virginia has 5 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, I yield my 5 minutes to the Senator from Idaho.

Mr. McCLURE. I thank the Senator for his courtesy, and I yield to the Senator from Arizona.

Mr. GOLDWATER. I thank the Senator. I believe we have to put language in here that will tell the controllers that we realize they are probably the hardest working people in the Federal Government. They have more stress put on their brains and their physical being than any other employees of the Government I know. But we cannot allow them, at their whim, to say to an airliner, "You are going to hold at" such-and-such an intersection, hold them up there for an hour or two, and discommode the people who are traveling.

I would hope that the chairman would put this language back in even though either the court has ruled or the traffic controllers have agreed that this will stop and it will not happen again in the future.

I yield to the Senator from Florida.

Mr. STONE. I thank the Senator for yielding.

The Senator from Florida knows that the slowdown was not settled last night because after our last vote the Senator from Florida went out to the Washington airport to take a flight scheduled to arrive in West Palm Beach in time to address a convention and return this morning.

The scheduled flight, which had nothing to do with the two airline companies in dispute with the controllers—nothing whatever to do with them—was delayed an hour and a half, almost 2 hours, leaving New York. An additional nonweather, nonmechanical, noncongestion delay was anticipated at Washington of another half hour, and a further one down in Florida. It was impossible to make that flight, in perfect weather, with good equipment, the flight ready to go in every way, and the Senator from Florida had to cancel it.

That is really not only wrong in terms of the passengers who are scheduled, but in terms of the airline company, which had absolutely no dispute at all with Government employees. I certainly know that, even if the dispute is settled, or better still, this legislation will not contain the regulated language.

Mr. GOLDWATER. The information I relayed to the Senator came to me second hand, but a pretty darn good second hand, that just a few hours ago, agreement or settlement was reached with the traffic control organization and the airline. I should not want to make that as an absolute, definite statement, but I know they have been working on it. At least two men, whom I do not want to identify because I may not be right, assured me that the matter has been cleared up and that the traffic control organization has promised, as they have always promised before, never to issue orders to the controllers to slow down. I do not think, in this case, it was a matter of controllers themselves, in the towers or at the control centers, taking it on themselves to slow down. I think it came from on top. We ought to make sure that there is a penalty for it if it ever happens again.

Mr. McCLURE. Mr. President, it has been argued by them in this slowdown, as in previous ones, that they are simply going by the book. We all know that either the book is wrong or that they are abusing the book to be able to impose these kinds of delay upon the air traffic industry and the people who travel.

My understanding of what the Senator from Indiana has told me is that this may not be the time to try to resolve it, therefore, leave the language out so that there will be a matter in conference that can be solved in the conference and that

there will be a good-faith look at that question if, as a matter of fact, it has not been solved by the time we get to conference. I understand that he would prefer to do it that way than reinstate the language at this time, therefore leaving nothing for the conference to settle. Is that correct?

Mr. BAYH. The Senator from Idaho is exactly right. I am hopeful that there will be nothing to do, that there will be an agreement signed, sealed, and delivered and we shall not have to worry about it. I have said we create a difficult, complicated situation when we interject ourselves into a collecitve bargaining agreement and when a practice which is being followed—namely, the familiarization flight—that everybody thinks is a good idea.

I think we need to walk very delicately on this. As I have said, I hope it will disappear as an issue through the negotiations that I hope are continuing. I think the Senator from Arizona is in a unique position to have good intelligence sources. I hope they are accurate.

Mr. McCLURE. Mr. President, in view of the present situation and the developing situation that the Senator from Arizona has described, the Senator from Idaho will not insist on adding language at this time, or putting it back. But I do believe that the air traffic controllers ought to know that if they persist in this kind of tactic, there is certainly going to be some kind of legislative response. The air travelling public should not have to put up with the inconvenience that they are imposing over so little—so much inconvenience at such a great expense to so many over a very slight inconvenience to a very few.

Mr. GOLDWATER. Will the Senator yield?

Mr. McCLURE. Of course.

Mr. GOLDWATER. I wrote a letter the other day to the editor of the Air Traffic Control magazine. I have a very deep personal interest in this system. I have flown since before we had a system. I have always stood up for them, argued for them. I have told them that they were going to lose a lot of good friends over here in Congress if they did not stop the practices they were engaged in.

The PRESIDING OFFICER (Mr. RIEGLE). The time of the Senator from Idaho has expired.

Mr. McCLURE. I thank the Chair. I thank my colleagues.

Mr. MAGNUSON. Mr. President, I commend the chairman of our Subcommittee on Transportation, Mr. BAYH, on doing an excellent job of carefully reviewing the President's budget prior to recommending to the full Appropriations Committee and the Senate a bill containing appropriations for transportation for the fiscal year 1979. I believe it is a good bill and that it has been carefully examined by the committee before being reported. It would actually be below the President's budget were it not for the fact that the administration has not yet sent up its budget request for additional purchase of ConRail securities, which it will be doing shortly and which is essential.

Mr. President, there is one amendment that I sponsored to this bill in the committee which, while it does not actually add to the amount of funds that are appropriated in the bill, is nonetheless essential to replacing a vital bridge which was recently knocked out of service when it was hit by a ship. Section 315 of the bill is intended to deal with an emergency situation that has just developed in my State of Washington. Only several days ago, a large ocean going ship smashed into the West Seattle Bridge in Seattle, which is an essential part of the second most heavily traveled corridor in the entire State of Washington. The emergency created when the north span of this bridge was hit by a ship must be alleviated immediately; one span of this structure has been completely eliminated from service, and in fact the entire 1922 bridge is badly in need of replacement. Because the bridge needed to be replaced anyway, the city and the State have funds available to do part of the job; together they have approximately $27.5 million in local funds.

Furthermore, once a safer and higher bridge is built, the Port of Seattle is prepared to expend approximately $10 million to widen and deepen the channel which will both prevent future collisions and will also add to the development of the port. In other words, replacement of the west Seattle bridge is going to occur with a substantial amount of local participation—a greater degree of participation than occurs in most "normal" bridge replacements. The bill will direct the Secretary of Transportation to make available, from funds that are not otherwise allocated, $50 million from the highway trust fund under the authority of section 125 of title 23. These funds, from fiscal years 1978 and 1979, will be supplemented by fiscal year 1980 funds from the same source to complete this project. This will enable replacement of both spans of the bridge with a safer and higher bridge that will actually eliminate the need to open it for the vast majority of waterborne traffic transiting the Duwamish Waterway.

Mr. President, I am pleased that the Senate Public Works Committee has approved of the solution to this most pressing problem. As the distinguished chairman of that committee (Mr. RANDOLPH) knows, there is a proposed program of bridge replacement in the highway bill which is pending in both the House and the Senate. Unfortunately, that bill is not yet law, and if the House and Senate committees involved in that legislation do not come to a closer accord on their respective views as to what that bill should look like, it may indeed be some time before a new highway bill is enacted. Because there is no other choice, we must move now to replace the west Seattle bridge from funds under section 1125. If a bridge replacement program is ultimately enacted, I can assure the Senate that I would be willing to consider amending the relevant appropriations bills to continue the replacement funding of the west Seattle bridge under that program.

Indeed, it could well be that the local share under such a new program would be less than the city and the State will contribute in this situation. In any case, the language makes clear that both spans of this bridge will be replaced by funding from section 125. If a more appropriate program is subsequently enacted into law, and if funding under that program is made available in such a manner as not to disadvantage the replacement of the west seattle bridge, I would have no objection to switching over to the new program.

Mr. President, I appreciate the cooperation my colleagues have shown in helping fashion a quick and apropriate legislative response to this emergency situation. It was fortunate that the Appropriations Committee happened to have such an appropriate legislative vehicle ready to respond to this emergency.

● Mr. KENNEDY. Mr. President, I want to first thank Senator BAYH and his committee for the fine work they have done on this appropriations bill. Overall, it represents the continued commitment of Congress to an efficient and balanced transportation system.

I have a number of points that I would like to raise for the record concerning the fiscal year 1979 Transportation appropriations. First, we must continue to keep in mind the critical importance of revitalizing the rail transportation system of this country. Our railroads move over 37 percent of the intercity freight in a manner which is energy efficient and environmentally sound.

It is, therefore, essential that we give priority attention to the need to protect and upgrade local rail freight branchline service. These lines continue to provide a vital link to local businesses which could not otherwise continue to operate. Loss of such lines have a serious adverse effect on local and regional economies.

I am pleased to note that the committee has recommended an increase in rail service assistance of $1.5 million over the administration's request. However, I am compelled to point out that the $67 million to be used for payments to the States under the rail service continuation subsidy program does not sufficiently address the need. NCSRO has surveyed the States, and estimates the need to be some $130 million in fiscal year 1979.

I am hopeful that the committee will continue to carefully evaluate this program, and consider possible increases in this program in subsequent supplemental appropriations.

I also note that the committee report makes mention of the studies currently being conducted on the New England railway system. The fact that the Federal Railroad Administration has refused to cooperate with the USRA and the New England Regional Commission will only lead to wasteful duplication. I am pleased to see that the committee directs the FRA to consult with USRA and NERCOM in order to minimize such duplication.

Finally, I want to comment on the Northeast Corridor. I am frankly dismayed by the lack of significant progress on this vitally important project. It is now clear that the project will not be completed by 1981 as mandated by Congress, and it is equally clear that the authorized funding level of $1.75 billion will not be sufficient to complete the program. I anxiously await the in-house

DOT review of this program due to be released in July. I hope that it addresses a couple of important components of the project.

First, improvements to the inland route would be especially appropriate now. The route could thus accommodate trains diverted from the New Haven-Boston shoreline during Northeast Corridor improvement project periods of heavy construction. Service disruption between New York and Boston could otherwise be most severe since the shoreline is the only two-track section of the corridor. Furthermore, these improvements, which are necessary to allow satisfactory passenger train operation on this key ConRail freight route, will aid the Montrealer and the Lake Shore Limited both of which use segments of the inland route. Both trains would become permanent in the Amtrak system under Secretary Adams' recent recommendations.

Additionally, the improvements would facilitate operation of regular Boston-New York trains serving Framingham, Worcester, and Springfield, Mass., and Hartford, Conn. This route is one of Amtrak's largest untapped routes and is given further support in Secretary Adams' recent report. Of course, improvements would also benefit freight train operations.

Second, installation of the flyovers at Harold and New Rochelle, N.Y., offer important benefits to corridor service. These facilities, which are now planned for post—NECIP installation, will relieve congestion and conflict between heavy density commuter train operation and high speed Northeast Corridor trains operating between Boston and New York. This benefits both intercity and local passengers and will greatly increase the reliability of Northeast Corridor trains while reducing their running time. Given the importance of on-time reliability to marketing train service and the construction delays in the NECIP, it is important to do these projects as soon as possible.

Third, 3 hour running times between Boston and New York are essential if the corridor is to truly succeed. This goal was relaxed by Congress to 3 hours and 40 minutes only to avoid President Ford's veto. Thus, it is important that any construction now not preclude the economical and efficient upgrading to faster times when that commitment is made, as it surely must be. Thus, curves should be straightened wherever possible and rights-of-way purchased for future straightening. Track spacings, bridges, electrification, and signal systems should be built for higher speeds to avoid costly and very disruptive changes later.

It is especially important to program these measures for installation now to avoid the high cost and severe service deterioration that would result if they were to be done after the currently planned construction disruptions. This is doubly important since the project is so far behind schedule.

All of these issues should be addressed by corridor project, and in a timely fashion. In the likely event that Congress will have to provide additional authorizations for this program, I am hopeful that these items will be given careful consideration.●

The PRESIDING OFFICER. Are there further amendments? If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Minnesota (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Nevada (Mr. CANNON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Colorado (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), the Senator from Georgia (Mr. NUNN), the Senator from Rhode Island (Mr. PELL), the Senator from Mississippi (Mr. STENNIS), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I also announce that the Senator from Texas (Mr. BENTSEN) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from North Carolina (Mr. MORGAN), and the Senator from Minnesota (Mr. ANDERSON) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Missouri (Mr. DANFORTH), the Senator from Michigan (Mr. GRIFFIN), the Senator from Maryland (Mr. MATHIAS), the Senator from Virginia (Mr. SCOTT), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the Senator from North Dakota (Mr. YOUNG), are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 55, nays 15, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—55

Bayh	Cranston	Gravel
Bumpers	Culver	Hatfield,
Byrd, Robert C.	Curtis	Mark O.
Case	DeConcini	Hatfield,
Chafee	Dole	Paul G.
Chiles	Domenici	Heinz
Church	Eagleton	Hodges
Clark	Glenn	Hollings
Huddleston	Metzenbaum	Schmitt
Humphrey	Moynihan	Schweiker
Jackson	Muskie	Sparkman
Javits	Packwood	Stafford
Kennedy	Pearson	Stevens
Laxalt	Percy	Stone
Leahy	Randolph	Talmadge
Magnuson	Ribicoff	Wallop
Matsunaga	Riegle	Weicker
McGovern	Sarbanes	Williams
Melcher	Sasser	Zorinsky

NAYS—15

Allen	Garn	Lugar
Bartlett	Goldwater	McClure
Biden	Hansen	Proxmire
Byrd, Harry F., Jr.	Hatch	Roth
Durkin	Hayakawa	
	Helms	

NOT VOTING—30

Abourezk	Ford	Morgan
Anderson	Griffin	Nelson
Baker	Hart	Nunn
Bellmon	Haskell	Pell
Bentsen	Hathaway	Scott
Brooke	Inouye	Stennis
Burdick	Johnston	Stevenson
Cannon	Long	Thurmond
Danforth	Mathias	Tower
Eastland	McIntyre	Young

So the bill (H.R. 12933), as amended, was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAYH. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the following conferees on the part of the Senate: Mr. BAYH, Mr. MAGNUSON, Mr. STENNIS, Mr. ROBERT C. BYRD, Mr. EAGLETON, Mr. JOHNSTON, Mr. CASE, Mr. YOUNG, Mr. MATHIAS, and Mr. WEICKER.

The PRESIDING OFFICER. Without objection, the Chair appoints the Senators mentioned by the Senator from Indiana as conferees on the part of the Senate.

TAX CONVENTION WITH THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND—EXECUTIVE K, 94TH CONGRESS, 2D SESSION

Mr. ROBERT C. BYRD. Mr. President, I wish that both cloakrooms would indicate to Senators on our respective sides that I am prepared to move to reconsider the vote by which the United Kingdom Treaty was rejected, I being a Senator who am qualified to make that motion; and that if I do that, I also will move to reconsider the vote by which the Church reservation was rejected.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I am trying to recall how the vote came out. I was on the prevailing side, so I would qualify. I am prepared to move to reconsider that vote.

I also am eligible to move to reconsider the vote on the Church reservation. The reason is that I am advised—if I may have the attention of the distinguished Senator from Idaho (Mr. CHURCH)——

The PRESIDING OFFICER (Mr. RIEGLE). Will the Senator suspend?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. Mr. President, I am advised that the administration, in view of the fact that the treaty was rejected, is willing to have the treaty with the Church reservation included. I am looking at the distinguished Senator from Idaho, and I hope I have been advised correctly. If that is the case, I will be ready shortly to move to reconsider, but I thought Senators should be put on notice.

Mr. CHURCH. Mr. President, I was just looking for the distinguished chairman of the Committee on Foreign Relations in order to convey to him a conversation I had moments ago with the Secretary of the Treasury, Mr. Blumenthal. Mr. Blumenthal told me that he thought it would be better, all things considered, if the treaty were ratified subject to the reservation.

Since this article was the only objection to the treaty, I hope it would be possible for us to agree to the reservation which strikes article 9(4) from the treaty, and proceed then to a vote of ratification on the treaty itself. It may be that we could agree to have that vote at a time certain, the first of the week, if there is any problem at this hour on Friday, with absentee Senators. But we would want to lock in the reservation at this time; and if we proceed with that understanding, I will be amenable to it.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. Mr. President, I initiated this matter with the Secretary of the Treasury because I thought he should have the decision as to whether he wanted the treaty instead of an international incident, if we rejected a United States-United Kingdom Treaty on Friday afternoon. He apparently has opted—and he told me the same thing—to have the treaty with the reservation.

I make the following suggestion: It seems to me, in the interest of comity with the United Kingdom, that if we are going to do this, we should do it all. I am advised by Senator STEVENS and Senator PACKWOOD, who also initiated this matter with me, that they are agreeable.

I believe that if the news goes out, it should go out that the treaty has been approved with a reservation, rather than leaving it hanging.

Maybe we still have enough Members here to do it on a rollcall vote, but I am informed by the Parliamentarian that a rollcall vote is not necessary. Therefore, I suggest respectfully to the majority leader and to the acting minority leader, Senator STEVENS, that we have a quorum call because Members will now have been informed that at the end of that quorum we will endeavor to consummate the whole matter unless someone wants to have a rollcall vote.

Mr. ROBERT C. BYRD. Mr. President, I must say I am very reluctant to have a voice vote on a treaty, that requires two-thirds affirmative vote under the Constitution, a treaty which has been rejected today by the Senate on a rollcall vote. I am very reluctant now to turn around and approve that treaty on a voice vote.

I am going to vote for the treaty if the Church reservation is included, and I am willing to make the motion to reconsider. But I very much hesitate to vote a treaty here that has been a controversial treaty and to vote on it on a voice vote.

I respect the Senator from New York on his reasoning in the matter.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. In the first place, I said if anyone wants a rollcall, of course. Second, may I make this inquiry? Have Members been advised that the last vote was the last one so they have a right to scatter?

Mr. STEVENS. Yes.

Mr. ROBERT C. BYRD. They have not advised to that effect on this side of the aisle.

Mr. STEVENS. Mr. President, if the Senator will yield, they have not been advised that it was for sure, but they have been advised on this side of the aisle that so far as we could determine that was the last business that would come before the Senate which would require rollcall today and we would do our best to have any rollcalls which might come up carried over until Monday. We made no assurances. I can give the majority leader that assurance. But as now when we originally started talking about this particular issue, it was on the basis that we will do everything we could here today short of a rollcall and have the rollcall on Monday, and that was conveyed to Senators who inquired on this. The word started passing that we might reconsider the treaty. I indicated it was my understanding after talking to the distinguished Senator from Idaho that we would be willing to have the rollcall vote take place on Monday. But we have not assured anyone, I say to my good friend from West Virginia. I think there has sort of been a gentlemen's interpretation here that it was highly unlikely that there would be a controversial vote take place here this afternoon.

Mr. ROBERT C. BYRD. Mr. President, in the future, may I say, in all good spirit to my friend—and he is my friend—from Alaska, that I hope—it is not my attempt to presume to control the minority side or what is being said over there—but I hope that in the future before word is given to Senators that there is not likely to be any rollcall votes on a given date that at least I be given the courtesy of an inquiry because I may know something or may have some information that would be helpful to the minority in making that judgment and we may get into a situation on a day when I would have to proceed in any event and I do not want to do anything that would embarrass the minority or embarrass any Member of the minority or the majority. But I hope that in the future—and I say this most respectfully—at least the majority leader of the Senate would at least be contacted to ask if in his judgment there is likely to be any other rollcall votes today.

Mr. STEVENS. I accept the guidance.

Mr. ROBERT C. BYRD. If I say in my judgment there will not be, then I will take the responsibility for whatever happens.

Mr. STEVENS. I accept the guidance from my distinguished friend and I will in the future tell them that my crystal ball is more cloudy than I thought it was today. I just read the crystal ball. Again we gave no assurances, but I read the circumstances as I saw them, I say to my friend, and I thought that that was proper. I accept the guidance and apologize to the majority leader if I have indicated we have gone further than we should in that regard. I really believe, though, as the Senator from New York, that we should not after having voted on this now have a rollcall vote which would not give an opportunity to those Senators who left, and we knew some left right after the vote, and not give them an opportunity now to vote for the treaty with article 9(4) deleted because many Senators took the position that they would vote for the treaty but for article 9(4) and they stood with the Senator from Idaho, as I did, and I think they now should have the opportunity to vote for the treaty with the reservation as they originally intended to do.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, will the majority leader yield to me briefly?

Mr. ROBERT C. BYRD. I yield.

Mr. SPARKMAN. I wish to say to the majority leader that I am perfectly willing to go along with that kind of an arrangement. I think it is very good. Let me add just a personal note. This is twice I have been caught in a jam on this very thing. In the committee I voted to report the reservation to the Senate because I felt it was something that the Senate should debate and should know about even though I was not in favor of it finally, and I find myself again in a position of endorsing something that I am not too strongly for. Nevertheless, we are seeking not only to get a peaceful settlement between the two nations, but we want to keep peace here in the Senate. I will be very glad to accede to the arrangement.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Alabama, the chairman of the committee.

Mr. President, I ask unanimous consent that the colloquy thus far be as in executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. Of course, I did not suggest a voice vote until we had a quorum and no one wanted a rollcall.

Mr. ROBERT C. BYRD. Sure.

Mr. JAVITS. If anyone wanted a rollcall, I thoroughly agree with Senator STEVENS and Senator SPARKMAN.

Mr. SPARKMAN. I wanted to say this: I have always felt that a treaty should receive a rollcall vote.

Mr. ROBERT C. BYRD. I have that feeling also.

I hesitate for the press stories to go out that only three Senators were on the floor.

Mr. JAVITS. Absolutely.

Mr. ROBERT C. BYRD. That is not the case now. But that approval of the resolution of ratification of the treaty was adopted by two-thirds vote of the Senate when seven Senators were on the floor.

So I agree with the chairman. There should be a rollcall vote.

Mr. CHURCH. Mr. President, will the Senator yield for 1 minute?

Mr. ROBERT C. BYRD. I yield.

Mr. CHURCH. At the same time, it seems to me that the distinguished Senator from New York has made a very good point, that in the national interests it would be better for us to wrap this up at once so that the wrong message does not go out.

Mr. JAVITS. The Senator is exactly right.

Mr. CHURCH. And that misgivings are not created pending a final vote in the Senate next week. So I hope there is a way that we might do it today.

Mr. ROBERT C. BYRD. Very well.

Mr. MAGNUSON addressed the Chair.

Mr. ROBERT C. BYRD. Mr. President, I say to the distinguished Senator from Idaho, the distinguished Senator from New York, and the distinguished Senator from Alabama I shall ask unanimous consent in a moment to proceed in a way that will put the vote on the treaty over until Monday at a given time, and it will be late in the day. But my question is: Do you want the reservation to be adopted today by unanimous consent?

Mr. JAVITS. That I could not agree to because I wish to put both over and I wish to confine the whole proceedings to the reservation and the vote on the treaty so we have nothing else.

Mr. ROBERT C. BYRD. And back to back.

Mr. JAVITS. Right.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to the Senator from Idaho.

Mr. CHURCH. Mr. President, as to the understanding that I reached, my understanding, and I believe it was the understanding of the Senator from Alaska, was that we would settle the matter of the reservation that everyone was agreeable to accepting, so I do not see why that must be made the subject of a Senate vote. That is a basis on which we are trying to reach an agreement.

Mr. JAVITS. May I tell the Senator why?

Mr. CHURCH. I cannot agree to that. Going over until next Monday and then having a vote on it is quite a different thing than having an understanding that we are going to do it.

Mr. JAVITS. If I may just tell the Senator why, the treaty may be turned down again. Why should we have it turned down again if the reservation is in? In other words, if I may just finish, our understanding is that there will be the reservation and the treaty and that the treaty will be approved. They should be done together because other Members may get other ideas on this, that, or something else.

Mr. ROBERT C. BYRD. Mr. President, may I offer this suggestion, and I think it will get us out of this wrangle.

I would ask unanimous consent that the vote on the——Mr. President, may we have order? It is a little difficult for a Senator who has a one-track mind and who tries to concentrate on that one track to carry on a conversation with the Chair and a number of Senators in a serious way when there are so many conversations going on around the Chamber. I wonder if I might proceed in an orderly fashion with the Chair's protection.

I thank the Chair.

UNANIMOUS-CONSENT REQUEST

Mr. President, I ask unanimous consent, as in executive session, that on Monday at the hour of 6 p.m.—5:30 p.m.—I have a number of Senators who want votes late—all right, let us make it Tuesday then—that on Tuesday at the hour of 10 a.m. a vote occur on the Church reservation to the treaty; that if the vote on the Church reservation is in the affirmative, then the Senate proceed to vote immediately on the resolution of ratification of the treaty and protocols en bloc.

In the alternative, if the vote on the Church reservation is in the negative, that no vote occur, no further vote occur, on the treaty, and that the vote stand as was given today. That protects the Senator from Idaho and it protects the Senator from New York.

Mr. JAVITS. It sounds all right to me, but no other amendment——

Mr. SPARKMAN. Mr. President, I want to ask a question there. Why separate the reservation and the treaty rather than having it as one vote, because any part of it, if it is to be turned down, I think it is a defect in the ratification of the treaty.

Mr. ROBERT C. BYRD. Well, the chairman has proposed another approach. I ask unanimous consent that at 10 o'clock on next Tuesday morning a vote occur on the Church reservation and the treaty with protocols en bloc. In that way if the Church reservation falls everything falls. If the Church reservation carries, if that vote carries, it carries everything with it.

Mr. STEVENS. Mr. President, will the Senator yield for just one moment? There is one difficulty and that is the treaty and protocols would have to carry by two-thirds whereas we only need a majority vote to carry the Church reservation, and I hope we understand what we are doing. I am not going to object. I just want to make sure everybody understands.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. STEVENS. Yes.

Mr. JAVITS. As a practical matter that is exactly what happened now. You really need the two-thirds either way no matter how you look at it. The treaty can always be turned down if a number of us should turn against it. We can turn it down. So I think the suggestion of the chairman protects everyone.

Mr. STEVENS. I just want the Senator from New York to understand he has to vote for the Church reservation in order to vote for the treaty.

Mr. JAVITS. I will vote for the whole treaty as well as the reservation.

Mr. ROBERT C. BYRD. Mr. President, the Senator from Alaska is preeminently correct, but the Senator from New York also has preeminently analyzed the practical situation. If we pass the treaty you have to have two-thirds. So, if you get a two-thirds vote, then the Church reservation which only required a majority vote got a two-thirds vote. But the treaty which has to have two-thirds vote has it also.

Mr. CHURCH. In other words, on Tuesday at the designated time the Senate will, in effect, vote again on the resolution of ratification of the treaty subject to the Church reservation.

Mr. STEVENS. Vote en bloc. Both items will be before the Senate at the same time.

Mr. CHURCH. Both items will be before the Senate at the same time and will stand or fall together.

Mr. ROBERT C. BYRD. May I say, Mr. President, if the Senator will allow me, that I much prefer the earlier request to this one. I much prefer to vote on the Church reservation which requires only a majority vote, and then on the basis of the outcome, vote on the treaty back-to-back. I much prefer that.

Mr. CHURCH. I prefer that.

Mr. ROBERT C. BYRD. That does not require that a reservation have a two-thirds vote, and it is just as simple as that. All the difference is that we will be having two rollcall votes back-to-back.

Mr. CHURCH. I much prefer the formulation of the majority leader, too.

Mr. SPARKMAN. May I say to the leader, Mr. President, that I have that point in mind and I was going to ask if the reservation would only require a majority vote whereas the treaty requires a two-thirds vote, that therefore the vote probably should be separate. I will cut out the "probably."

Mr. ROBERT C. BYRD. It was on the chairman's recommendation that we are about to tie them together. I am glad he has changed his viewpoint.

Mr. SPARKMAN. I do not mean to necessarily tie the votes together but the time they would come up.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. ROBERT. C. BYRD. Yes.

Mr. JAVITS. We are all on the same wicket and we are only trying to do what is best. Let us remember that the Church amendment was defeated by a majority and, hence, you are asking Members to change their votes on the Church reservation; whereas if you adopt the chairman's suggestion and the slight risk which is involved—it is not great because you can always turn down the treaty as you gentlemen have shown—if you adopt the chairman's suggestion you do not require Members to stultify themselves.

I will vote for the treaty with the Church reservation incorporated in it. I cannot vote for the Church reservation. I am not a fool; I opposed it. I think it is wrong. But on balance if I have got a treaty and that is the price of it I am going to pay it. So I really hope that is the route we will go. You also protect yourselves. You have got plenty of votes to turn it down. Then it

is a tabula rasa. That is where we are right now.

Mr. CHURCH. I would like, if I might, Mr. President, to put a question to the distinguished majority leader. Is it possible by unanimous consent simply to agree to vote on Tuesday on the ratification of the treaty subject to the Church reservation?

Mr. ROBERT C. BYRD. Yes.

Mr. MATSUNAGA. As amended.

Mr. CHURCH. So the Senate is faced with the treaty subject to the reservation, and then it either votes for it or votes against it, even though the Senate has not independently acted by a majority vote to adopt the Church reservation.

Mr. ROBERT C. BYRD. Yes.

Mr. CHURCH. Very well. I think that is the best way to proceed. Let us understand the treaty is subject to the reservation, this by unanimous consent, and to proceed to a vote on the treaty in that form on Tuesday.

Mr. ROBERT C. BYRD. We only have one vote.

Mr. JAVITS. One vote, and no other amendments or debate will be in order; is that correct, Mr. Leader?

Mr. ROBERT C. BYRD. Right.

Mr. SPARKMAN. I would like to ask a parliamentary question, Mr. President.

Mr. ROBERT C. BYRD. I yield for that purpose.

Mr. SPARKMAN. Can the reservation be adopted by majority vote separate and apart from the treaty itself?

Mr. ROBERT C. BYRD. The answer is yes.

Mr. STEVENS. May I say to the chairman that the effect of the suggestion of the Senator from Idaho is that the unanimous-consent request is going to adopt it right now.

Mr. CHURCH. That is right.

Mr. STEVENS. That is my understanding. What we are doing is we are saying in the unanimous-consent request that the treaty is going to be before us subject to the Church reservation which deletes article 9(4) so the only vote we will have is on the treaty without article 9(4).

Mr. CHURCH. That is right.

Mr. SPARKMAN. Mr. Leader, we will have a rollcall vote?

Mr. ROBERT C. BYRD. Yes.

Mr. SPARKMAN. I think all treaties should have a rollcall vote.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now go into executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, has the Chair ruled on that unanimous-consent request?

The PRESIDING OFFICER. The Chair is advised that the request has not been ruled on.

Mr. ROBERT C. BYRD. On what request?

Mr. JAVITS. The unanimous-consent request the majority leader just made.

Mr. ROBERT C. BYRD. I did not make any.

Mr. JAVITS. Very well, that takes care of that.

Mr. ROBERT C. BYRD. I merely was exploring.

Mr. MAGNUSON. Mr. President, will the Senator yield for a minute?

Mr. ROBERT C. BYRD. Yes.

Mr. MAGNUSON. I have been listening very thoughtfully here, and I wish you people would make up your minds one way or the other. I understood we were going to bring up a very important supplemental appropriation bill this afternoon, and my question is, are we going to do that today?

Mr. ROBERT C. BYRD. Will the Senator repeat that question? I beg his pardon. I was distracted.

Mr. MAGNUSON. Are we going to bring up the supplemental appropriation bill this afternoon, or continue this discussion?

Mr. ROBERT C. BYRD. Well, I would hope the discussion is just about over.

Mr. MAGNUSON. Well, when it is over, are we going to bring up the supplemental?

Mr. ROBERT C. BYRD. Is it ready to be brought up?

Mr. MAGNUSON. It is very important. It includes mandatory black lung benefits. I do not think there will be much controversy. We can get it out of the way.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote by which the Resolution of Ratification to the treaty was rejected be reconsidered, and that the vote for such reconsideration be considered as being in the affirmative; that the vote, then, on the reservation by Mr. CHURCH, by which the reservation was rejected, be reconsidered; and that a vote occur on Tuesday morning next, at the hour of 10 o'clock a.m., without further debate, motion, reservation, amendment, et cetera, on the United Kingdom Treaty with the proviso that the Church reservation is considered included therein.

The PRESIDING OFFICER. Is there objection?

Mr. CRANSTON. Mr. President, reserving the right to object, my colleague, Senator HAYAKAWA, and I have been conferring on this matter. Our State is one of those with a particular interest in the matter.

We would prefer that there be a separate vote on the Church reservation.

Mr. CHURCH. No, we cannot do that.

Mr. CRANSTON. Let me finish my remarks. We would prefer that there be a separate vote on the Church reservation, because we would like to register our opposition to the Church reservation. However, we realize that if we prevailed, that would sink the treaty.

We think, all in all, although it does not have much impact on California with the Church reservation attached to it, it is better to permit the United Kingdom Treaty to go through. Therefore, we will not object, much as we are tempted to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. PACKWOOD. Mr. President, I voted today in favor of the Church reservation to the United States-United Kingdom Tax Treaty. This reservation would have preserved Oregon's right to apply the unitary method of accounting in determining the tax liability of British corporations doing business in Oregon. Unfortunately, the Senate defeated this reservation by a vote of 34–44.

Since the Senate failed to approve the Church reservation, I voted against the treaty. So did 32 other Senators. As a result, the Senate failed to ratify the treaty by a vote of 49–32.

This result was better than ratifying the treaty without the reservation.

However, several of us who participated in the debate believe that if the Senate reconsiders the vote by which the Church reservation was defeated, and if that reservation is approved, the vote by which the treaty was rejected should be reconsidered.

I believe such a vote would be favorable to treaty objectives. This would protect Oregon's and other States' right to apply the unitary method of accounting to British corporations. It would also give the British Government the opportunity to accept or reject the treaty with the Church reservation, with the hope of saving the other treaty provisions.

Apparently this is acceptable to the parties involved. As a result, the Senate will reconsider the treaty next Tuesday at 10 a.m. By unanimous consent, the form of the treaty under consideration at that time will include the Church reservation.

I appreciate the cooperation of Senators JAVITS, STEVENS, CHURCH, SPARKMAN and BYRD, and the Department of the Treasury in helping to bring about this more constructive result.●

Mr. MAGNUSON. Mr. President——

Mr. ROBERT C. BYRD. Mr. President, I still have the floor, if the Senator from Washington will allow me a moment. I am going to call up his matter in just a minute.

NOMINATIONS

Mr. President, I ask unanimous consent, before concluding the executive session, that the Senate proceed to the consideration of nominations on the Executive Calendar, beginning with the Harry S. Truman Scholarship Foundation.

Mr. STEVENS. Mr. President, reserving the right to object, it is my understanding that we are dealing with Calendar No. 181 and subsequent nominations; is that correct?

Mr. ROBERT C. BYRD. Yes.

Mr. STEVENS. I have no objection. Those nominations have been cleared on this side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the first nomination.

The second assistant legislative clerk proceeded to read the nominations.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all of the nominations be considered and confirmed en bloc.

Mr. DOMENICI. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. Mr. President, I reserve the right to object to my own request.

Mr. DOMENICI. I ask the majority leader if I may have 10 seconds to make a statement regarding the nomination of R. E. Thompson to be U.S. attorney in my State.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 191 first.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will state the nomination.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Rufus E. Thompson, of New Mexico, to be U.S. attorney for the district of New Mexico for a term of 4 years.

Mr. DOMENICI. Mr. President, today the Senate will consider the nomination of R. E. Thompson of Roswell, N. Mex., to become the new U.S. Attorney for New Mexico. I rise to discuss this nomination.

Mr. Thompson is a highly qualified able attorney of the highest integrity. He was selected by the New Mexico Federal Judicial Selection Commission, which my colleague Senator SCHMITT and I, working with the New Mexico bar, established last year in order to insure that only individuals of excellent qualifications would be nominated for the posts of U.S. attorney, Federal district judge, and U.S. marshal for New Mexico. The fact that he survived the rigors of close examination by this nine-member panel, composed of lawyers and laymen, shows that both his peers and the general public recognize his ability.

In this regard, Mr. President, I would be remiss if I failed to mention that the Federal Judicial Selection Commission established in New Mexico was created with the active support of Common Cause of New Mexico and in cooperation with the New Mexico Bar Association. I believe that we have shown that Federal attorneys and judges can be chosen on the basis of merit, with impartial and rigorous scrutiny, and that the elements of partisanship that have led too often to the appointment of less-than-qualified individuals as "political payoffs" can be largely eliminated from this process.

In addition, I must praise Attorney General Griffin Bell and President Carter, both of whom have endorsed and abided by the choices of, the New Mexico Federal Judicial Selection Commission. The support of the administration in this effort to make such appointments for our State a matter of merit, not politics, bodes well for restoring the confidence of the people in their Government.

Mr. President, I wish to praise the 8 years of dedicated service that the outgoing U.S. attorney in New Mexico, Victor Ortega, has given New Mexicans and the Nation. Mr. Ortega has been a fair, able and honest prosecutor who exemplifies the best in public service. Everyone who has dealt with him has come away acknowledging that Mr. Ortega has done an outstanding job. In my personal relationship with him, I have always found him to be eminently fair, accurate, and dedicated. New Mexicans will miss him greatly.

I believe that Mr. Thompson, the nominee before us, will carry on the tradition of service in the public interest that Mr. Ortega has established. He has many of the same qualities of judgment, ability, and commitment that his predecessor, Mr. Ortega, showed so often. Therefore, Mr. President, I recommend strongly that Mr. Thompson be confirmed by the Senate for the position of U.S. attorney for the district of New Mexico.

The PRESIDING OFFICER. The question is on the confirmation of the nomination.

The nomination was considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the remaining nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

Anita M. Miller, of California, to be a member of the Board of Trustees.

DEPARTMENT OF STATE

Adolph Dubs, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States to Afghanistan.

Frederic L. Chapin, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States to Ethiopia.

William H. Gleysteen, Jr., of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Republic of Korea.

Morton I. Abramowitz, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States to Thailand.

OVERSEAS PRIVATE INVESTMENT CORPORATION

James M. Friedman, of Ohio, to be a member of the Board of Directors.

Richard R. Swann, of Florida, to be a member of the Board of Directors.

Edward L. Marcus, of Connecticut, to be a member of the Board of Directors.

THE JUDICIARY

Mary Johnson Lowe, of New York, to be U.S. district judge for the southern district of New York.

Shane Devine, of New Hampshire, to be U.S. district judge for the district of New Hampshire.

DEPARTMENT OF JUSTICE

Philip B. Heymann, of Massachusetts, to be an Assistant Attorney General.

Paul F. Murray, of Rhode Island, to be U.S. attorney for the district of Rhode Island.

DEPARTMENT OF THE TREASURY

Donald Cyril Lubick, of Maryland, to be an Assistant Secretary of the Treasury.

● Mr. MUSKIE. Mr. President, I am pleased to support the nomination of Paul F. Murray to be U.S. district attorney for Rhode Island. Paul Murray is a native of Bangor, Maine, and is a member of a distinguished family of that town.

Mr. President, over the years, many of our most talented young people have left for lack of job opportunities in Maine. Some return when they are able. Others find their places in their adopted States. Paul Murray found his place in Rhode Island and has established himself as a respected member of the bar. So, Maine's loss has been Rhode Island's gain.

In any case, the President has made an excellent choice who will serve his State and country well. Perhaps, one day Paul will return to Maine. If so, we will be pleased to welcome a native son who has, to use a Maine phrase, "done us proud."●

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move, en bloc, to reconsider the votes by which the nominations were confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I make that motion.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

BLACK LUNG URGENT SUPPLEMENTAL APPROPRIATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, on behalf of the Senator from Washington (Mr. MAGNUSON), that the Senate proceed to the consideration of Calendar Order No. 871.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 945) making an urgent supplemental appropriation for the black lung program of the Department of Labor for the fiscal year ending September 30, 1978.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the joint resolution.

The Senate proceeded to consider the joint resolution, which had been reported from the Committee on Appropriations with amendments as follows:

On page 3, beginning with line 1, insert the following:

RAILROAD RETIREMENT BOARD

REGIONAL RAIL TRANSPORTATION PROTECTIVE ACCOUNT

For an additional amount for payment of benefits under Section 509 of the Rail Organization Act of 1973, to remain available until expended, $43,500,000.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

EDUCATION DIVISION

EMERGENCY SCHOOL AID

For an additional amount for carrying out section 708(a) of the Emergency School Aid Act, $50,000,000: *Provided*, That the application deadline for funds provided under this section shall be extended to July 1, 1978.

Mr. MAGNUSON. Mr. President, this measure is of an urgent nature. There are three important sections to it. It provides $181.7 million to implement new black lung legislation enacted by Congress earlier this year—the same as the House allowance. Direct benefit payments total $162.7 million, with the balance of $17.8 million for administrative costs.

During the next year, 300,000 disabled coal miners and survivors of deceased coal miners are expected to file claims. Prior to passage of this new law, only 14,000 claims were expected to be filed during 1978. In order to process this huge workload increase, the bill includes 564 new claims examiner positions requested by the President. Most of these jobs—453—are term positions, limited to a maximum of 4 years, since the black lung workload is expected to decline rapidly after processing the initial high volume of claims.

It is important to note that financing black lung benefits will no longer come from general tax revenues; instead, trust fund revenues from an excise tax on coal will be used.

In addition to these mandatory black lung benefits, the Senate bill also includes $43.5 million for mandatory railroad retirement benefit payments. Benefit costs have been far above anticipated levels in recent months, primarily due to last winter's severe weather and the effect of the strike. Without this urgent supplemental, the regional rail transportation protective account would run out of funds during June.

Finaly, the Senate bill includes $50,000,000 for emergency special projects under the Emergency School Aid Act. Many school districts currently implementing voluntary and court-ordered desegregation programs are in urgent need of additional funds prior to the start of the 1978–1979 school year, because they are required by court orders to do this.

These funds would assist at least 15 large school districts in carrying out these high-priority desegregation programs. They have to get at them now, in preparation for the school year which will begin in September, and there is not sufficient money to provide these priority, quality applications under the current appropriation unless we make a special appropriation for that purpose. These districts' funding applications have been approved by the Office of Education; however, as I say, there is not sufficient money to fund these high quality applications under current appropriations.

Mr. President, I urge the adoption of this urgent supplemental.

There are two amendments, however, that I send to the desk. One is on behalf of the Senator from South Carolina (Mr. HOLLINGS) and the other is on behalf of the Senator from Arizona (Mr. DECONCINI). I ask unanimous consent that statements concerning the amendments be printed in the RECORD.

The PRESIDING OFFICER. The Chair is advised that amendments are not in order until the committee amendments are agreed to.

Mr. MAGNUSON. I move that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of further amendment.

Mr. CHAFEE. Mr. President, I would like to address the Senate on the supplemental appropriations; not on the amendment, I do not know what the amendment is, but on the measure we are considering today. Is it in order that I say a few words at this time?

The PRESIDING OFFICER. If the Senator from Washington yields the floor.

Mr. MAGNUSON. I would like to get the amendments adopted, then I will yield to the Senator from Rhode Island. I now send to the desk two other amendments.

The PRESIDING OFFICER. The Chair is advised that first we must act on the committee amendments.

Mr. MAGNUSON. I told you I did move the adoption of the committee amendments.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

Mr. CHAFEE. Mr. President, that is where I want to speak. When you say "agreeing to the committee amendments," what are the committee amendments? That is where I want to be able to have my say, if I might.

Mr. MAGNUSON. The amendments to the black lung legislation——

Mr. CHAFEE. Yes, I would appreciate that.

Mr. MAGNUSON. One amendment provides $50,000,000 for Emergency School Aid, and the other provides $43,500,000 for mandatory railroad retirement benefit payments.

Mr. CHAFEE. Mr. President, I would like to be heard on this subject, and I think now is the proper time. The motion is for agreeing to the committee amendments.

Mr. MAGNUSON. Which one does the Senator want to speak to?

Mr. CHAFEE. To the disability trust fund.

Mr. MAGNUSON. I will yield such time as the Senator needs to speak to that portion.

Mr. CHAFEE. I thank the Senator.

Mr. President, I would like to say that we are having to come home to roost now with this minor resolution which requests $181 million, not a very significant sum in terms of this body to some of the measures that we pass, amending the black lung program of last year.

As Senators will recall, that black lung program came forward and there were several points of dispute in that measure. One of the key points of dispute was whether the Government readers were going to have a chance to read the X-rays that were taken and received from the mine fields. The argument in favor of not having the Government readers read those X-rays—Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. CHAFEE. Mr. President, as I was saying, the argument in favor of not permitting the Government, who is paying the bill, by the way—this is $181 million of it—not giving them the chance to read the X-rays that came from the mine fields, was that in about 60 percent of the cases the readers found that black lung disease did not exist.

That may well be an indication that the black lung disease in fact did not exist. But those Senators from the areas affected said, "Oh, no, it showed that there were delays." They presented a resolution which came out of the Human Resources Committee which said that the Government would have no chance to read the X-rays. We fought that, as the Senator will remember, on the floor. We had some very close votes. Finally it was decided that for those miners who had served less than 25 years, yes, the Government could read the X-rays.

That went to conference and it was diluted to a considerable degree.

The point I am making, and the point I wish to get across, is that every time we dicker around with one of these Government programs and liberalize it to such an extent that the chickens come home to roost, we have to pay for it.

Senators will not the committee report which has been submitted. I will quote from the bottom of the first page:

> The new legislation expands the definition of miner coverage which greatly enlarges the number of potential claimants.

You bet your life it enlarges the number of potential claimants.

An estimated 300,000 claims are expected to be filed during the first year compared to the previously expected level of 14,000. From 14,000 to 300,000, and this is not the end of it.

Mr. President, this is a program that goes way beyond that which was envisioned, namely taking care of those who have black lung disease. This takes care of everybody who has seen a coal mine.

This program provides that if you work in a mine and you are killed by a rock falling on your head your widow gets black lung payments. What is the rationale for that? The rationale is if the rock had not fallen on your head and if you had lived you might have caught black lung disease and, therefore, why should your widow be done out of the payments? This is about the most fallacious reasoning I have ever seen. I am not laying that at the feet of the Appropriations Committee. They are merely reaping where others have sown.

The people I really blame in connection with this, Mr. President, are in the administration. When we debated this bill on the floor and when we considered it in the committee, the administration was completely wishy-washy about doing anything about controlling the outgo of funds under this program. No longer is it a program that benefits those who need it, those who suffer from black lung. It is a program providing entitlements for anybody who has ever been near a coal mine.

Furthermore, Mr. President, this program is no longer one that comes up for review every 2 or 3 years. It has come to be what we know in the Federal jargon as an entitlement program. It is like social security, veterans' benefits, and pensions. It moves into a locked program with no termination date.

Again, Mr. President, the people who are to blame are in the administration. We had no support whatever from the Labor Department, which administers this program, nor from the administration in any category. They were completely wishy-washy. Now this is coming home.

We all bemoan the fact that this Federal Government is running at a tremendous deficit. Everybody complains about inflation, yet we all know that inflation stems from excessive Government spending; it is a $55 billion deficit and maybe it will get to $51 billion, if we are lucky. That inflation comes from programs just like this. Nobody objects to people receiving a benefit who are entitled to it, but when a program is enlarged to the extent that this black lung program is, it is a national disgrace, in my judgment. That is why this country is now reaping the whirlwind of inflation and it is affecting every man, woman, and child in this country. Until we are willing to tackle some of these programs, we are not going to get anywhere with inflation.

Thank you very much, Mr. President.

Mr. MAGNUSON. Mr. President, the Senator from Rhode Island should direct his criticism or his suggestion to the legislative committee that passed the bill. We are only funding the legislation with an appropriation. It is our understanding, and I did not attend the hearings on this supplemental which Senator SCHWEIKER from Pennsylvania held—that the staffing required to administer this program will start to cut back beginning in 1981.

I have some questions about it, as the Senator from Rhode Island has, that maybe we are going too far, too fast. But an appropriations committee can only work on the legislation where the Congress directs them to appropriate money. This was the case. This was the rock-bottom amount that all the testimony suggested should be appropriated, and for which the President requested an urgent supplemental.

Mr. CHAFEE. I appreciate the remarks of the chairman, Mr. President. In my remarks I mentioned that the villain is not the Appropriations Committee, because this program has now become an entitlement program. There is nothing that can be done about it. Each year the Appropriations Committee will be presented with the bill and they have to come up with the money just as with veterans benefits or pensions, whatever it might be.

The message I would like to get across, and hopefully somebody on Pennsylvania Avenue is listening, is that the administration just has to take a stronger part in the deliberations of this body and the bills which move through the various committees. When their representatives sit on the sidelines like meek lambs and never raise their voices, and at the same time say they are concerned about the deficit and inflation being run by this Government, they are talking out of both sides of their mouth.

It is shameful the way the Department of Labor behaved in this matter. They had a third stringer sitting in the back of the Human Resources Committee who never raised his voice, and, when asked, meekly suggested that it might be expensive. Of course it is expensive.

Then we came to the conference committee and the representative of the administration sat way back in the third row and made no helpful contributions whatsoever, even when called upon. Now the Nation is stuck with a bad program, a program that goes way beyond helping those who need it.

There is nothing much we can do. I suppose if we disapproved of this appropriation that those entitled to the funds under it could sue the Federal Government and receive those funds. So here we are, confronted with a fait accompli. There is nothing we can do. I do not know why it comes before us for a vote.

These are the figures and the corporation really had very little choice in doing what they are doing here. I have the same fears that he has about this program. I hope it turns out the way it has been suggested.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. MAGNUSON. Do we have the committee amendments finally approved now?

The PRESIDING OFFICER. The Chair can report the committee amendments have just been approved.

UP AMENDMENT 1339

Mr. MAGNUSON. Mr. President, I send to the desk an amendment in behalf of the Senator from South Carolina.

The PRESIDING OFFICER. The clerk will state the first amendment of the Senator from Washington.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON), for Mr. HOLLINGS, proposes unprinted amendment numbered 1339:

At the end of the Joint Resolution insert the following new section:

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ASSISTANCE

Economic Development Administration

Local Public Works Program

For administrative expenses, including expenses for program evaluation by the Secretary of Commerce, necessary to carry out title I of the Public Works Employment Act of 1976 (Public Law 94–369), $3,788,000.

● Mr. HOLLINGS. Mr. President, today I am submitting an amendment to House Joint Resolution 945 that makes an urgent supplemental appropriation for the black lung program. My amendment would provide a supplemental appropriation of $3,788,000 for the local public works program of the Department of Commerce and is critically needed to avoid the unnecessary layoff of the 400 employees of the Economic Development Administration monitoring this $4 billion program.

By way of explanation let me indicate that the $15 million we included in last year's Economic Stimulus Appropriation Act for the administration of LPW was based on experience of the earlier $2 billion appropriated for Round I of the local public works program. Several factors drastically affected this estimate. The legislation was changed after the budget was developed and enlarged the staffing requirements; for example, the 10-percent minority business set-aside provision that has given more business to the minority firms of my State than they received over all the years of SBA's 8(a) program. Also encountered was the fact that the smaller size of the projects submitted resulted in 8,554 projects being approved instead of the 4,000 originally projected. Accordingly EDA had to maintain a greater level of processing and monitoring manpower than was expected. Ordinarily the Department would solve this type of situation by stretching out the processing of the projects. However, the Senate will recall that this legislation included a mandate to approve the projects within 90 days after the appropriation was enacted so this procedure was not possible.

I ask to have printed in the RECORD at this point a letter dated June 8, 1978, from the Assistant Secretary of Commerce for Administration that more fully describes the necessity for this supplemental appropriation.

The letter follows:

WASHINGTON, D.C.,
June 8, 1978.

HON. ERNEST F. HOLLINGS,
Chairman, Subcommittee on State, Justice, and Commerce, the Judiciary, and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The President's budget, as presented to the Congress in January, requested supplemental funding of $3,788,000 for FY 1978 and $10,607,000 for FY 1979 for administration of the Local Public Works (LPW) program.

The House Committee did not approve the $10,607,000 requested for FY 1979, stating in its report that, "While the Committee is not opposed to the monitoring and evaluation of grants made under this program, the amount requested is not authorized for fiscal year 1979." The supplemental request has not been considered officially as yet, although earlier hearings did cover both the FY 1978 and FY 1979 proposals.

The Administration has now proposed legislation which would provide authorization for the amounts requested so that a supplemental appropriation for FY 1978 could be enacted and funds made available to meet the critical needs for executing the program in a manner consistent with the intents of the Congress.

There are two major factors which came into play after the original appropriations were made which make it necessary to request additional funds. The first consideration is that in Round I approximately 2,000 projects had been approved; the assumption was made during the initial consideration of Round II that approximately 4,000 projects would be approved under the second phase of the program. The actual number of projects approved in Round II was 8,554. The workload impact of this increase has been most dramatic.

The second major reason why the administrative costs of carrying out the LPW program successfully have risen, is that the Round II authorizing legislation contained a number of special provisions which require a significant increase in our monitoring effort. While the nature of these provisions was known at the time the initial administrative funding estimates were made, the true magnitude of the monitoring workload was not fully recognized.

At this point, when the prospects for the success of the LPW program are so good, it is more important than ever that the personnel be available to maintain the total effort that has characterized the LPW program to date.

Because of the urgency of initiating and maintaining a major level of effort from the beginning of the fiscal year, this has meant that staffing support and other costs have been incurred at a rate which is greater than had been budgeted originally; hence, the urgency of obtaining supplemental funding for FY 1978 ($3,788,000) and additional funding in FY 1979 ($10,607,000).

Without supplemental funding, it will be necessary to release all LPW employees and cease all operations other than simply processing the letter of credit drawdowns by July. Even with supplemental funding, we plan to continue to decrease the LPW employment level until the end of FY 1978. We started the year at 506, now have approximately 470 employees on board, and expect to reach a level of 370 by September 30.

Because of the immediate need for additional funds to enable us to continue effective monitoring and evaluation of the LPW program, I urge that you consider initiating an "Urgent Supplemental" or seeking other means of making funds available to the Department for this critical activity. We will be happy to provide any additional information you may require.

Sincerely,

ELSA A. PORTER,
Assistant Secretary for Administration.

LOCAL PUBLIC WORKS PROGRAMS—ADMINISTRATIVE COSTS

[Dollar amounts rounded to thousands]

	End of month employment	Personnel costs	Support costs	Other costs [1]	Total costs	Cumulative by fiscal year
September	506					
Fiscal year 1978:						
October	503	$733	$178		$911	$911
November	499	769	158		927	1,838
December	515	743	183		926	2,764
January	509	744	179		923	3,687
February	517	759	179		938	4,625
March	506	735	335	$782	1,852	6,477
April	497	670	415	500	1,585	8,062
May	497	670	296	[3] 3,099	4,065	[3] 12,127
June	480	543	296		839	12,966
July	400	449	171		620	13,586
August	370	421	170		591	14,177
September	370	416	170	1,152	1,738	15,915
Total, fiscal year 1978		7,652	2,730	5,533	15,915	
Fiscal year 1979:						
October	370	441	110		551	551
November	370	441	110		551	1,102
December	370	441	110	[4] 1,290	1,841	2,943
January	370	441	110		551	3,494
February	370	441	110		551	4,045
March	370	440	110	[4] 1,290	1,840	5,885
April	320	411	103		514	6,399
May	270	349	87		436	6,835
June	228	284	71	[4] 1,290	1,645	8,480
July	170	212	67		279	8,759
August	170	212	67		279	9,038
September	170	212	67	[4] 1,290	1,569	10,607
Total, fiscal year 1979		4,325	1,122	5,160 +	10,607	

[1] Includes major support costs from other agencies, and from contractors for support of the program evaluation.
[2] These are amounts owed. Payroll expenses can be covered for a longer period by deferring payment of these bills.
[3] This is equal to the total now available.
[4] Evaluation and other support costs are simply prorated by quarter.

ECONOMIC DEVELOPMENT ADMINISTRATION, LPW ADMINISTRATIVE COST ESTIMATES

[Amounts in thousands]

	Fiscal year— 1978	1979
I. Funds available:		
Carried forward from previous year	$12,127	
Budget Requested		$10,607
Total	12,127	10,607
II. Current apportionment	12,127	
III. Estimated EDA costs:		
Salaries and general support	9,107	5,447
Department of Labor for data		
Department evaluation and staff support	80	
SBA for bonding	563	
Sec. 110 evaluation	500	
EDA evaluation	2,000	2,000
OMBE support	1,000	
OMBE evaluation	150	
Total costs	13,400	7,447
IV. Departmental auditors	2,515	3,160
Total costs	15,915	10,706
V. Current funding request	3,788	10,607
VI. Staffing levels (end-year strength)		
Total EDA	370	170
Total auditors	124	94
VII. Project activity: A total of 10,616 projects were processed in fiscal year 1977 (round I: 2,062 projects; round II: 8,554 projects).		

● Mr. HOLLINGS. Mr. President, as this letter indicates, this appropriation while budgeted, is not yet authorized. However, I have spoken to the distinguished chairman of the Committee on Environment and Public Works, Mr. RANDOLPH, and he is apprised of the need for this emergency action and is fully supportive of this amendment.●

Mr. MAGNUSON. Mr. President, this amendment with this money was rejected in the beginning by the Committee on Appropriations on the basis that the program had not been authorized. Since we have reported the bill, the authorizing committees have held hearings on it and are authorizing this amount of money. It is a worthy program and it keeps the EDA going. They will run out of money themselves, because the number of applications far surpasses the number that they have anticipated. It will seriously cripple the whole EDA program.

Now that it is being authorized, I recommend that it be passed.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

UP AMENDMENT 1340

Mr. MAGNUSON. Have we passed the DeConcini amendment yet?

The PRESIDING OFFICER. The clerk will state the DeConcini amendment.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. MAGNUSON), for Mr. DECONCINI, proposes an unprinted amendment numbered 1340.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 12, delete "the application" and all that follows through page 3, line 13, and insert in lieu thereof, "the deadline for application under the program for which appropriation is made under this paragraph shall be extended until August 1, 1978 for any district in which there has been a change in circumstances which precluded such district from making application in conformity with the regular application cycle."

Mr. MAGNUSON. Mr. President, the amendment of the Senator from Arizona (Mr. DECONCINI) extends the time of emergency school aid in applications from July 1 to August 1.

● Mr. EAGLETON. Mr. President, the amendment approved in committee extended the deadline for applications under this bill until July 1, 1978, from the regular deadline of May 22. The amendment which has been proposed seeks to extend this deadline until August 1, 1978, in order to allow districts sufficient time to complete the application process. Mr. Chairman, I have no trouble in adopting this additional 1-month extension with the following language:

The deadline for application under the program for which appropriation is made under this paragraph shall be extended until August 1, 1978 for any district in which there has been a change in circumstances which precluded such district from making application in conformity with the regular application cycle.

I would also like to emphasize the committee's intent that for those districts which have already been approved under

this program, the Office of Education could begin expending funds immediately upon enactment. Clearly the Office of Education would have to reserve some funds for the few districts which might be approved as a result of the deadline extension, but extension of the deadline would not halt initial funding for districts already determined eligible.●

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments?

Mr. MAGNUSON. I move passage of the resolution.

● Mr. RANDOLPH. Mr. President, we have before us House Joint Resolution 945, a measure to make a supplemental appropriation for the payment of benefits authorized by the Black Lung Benefits Reform Act of 1977. We are aware of the anxiety suffered by thousands of miners and widows of miners who have sought benefits under this program. It is imperative that we act quickly to appropriate the funds provided for in this resolution so as to assure that claimants currently seeking benefits are not similarly disappointed by delays.

Indicative of the problems associated with the program was the recent untimely death of Anise Floyd, a lifelong resident of West Virginia. She was a selfless person, who, as a nurse, had given a great part of 57 years to work with and for those who suffered from coal workers' pneumoconiosis. Her life ended when a 72-year-old disabled miner, said to be misguided and deranged from a failure to obtain benefits under the program, took her life. Let us act today to appropriate this urgently needed funding with the hope that Anise Floyd will be the last unafflicted victim of pneumoconiosis.●

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time. The joint resolution (H.J. Res. 945) was read a third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

The joint resolution (H.J. Res. 945), as amended, was passed. The title was amended so as to read:

Joint resolution making an urgent appropriation for the black lung program of the Department of Labor, and for other purposes, for the fiscal year ending September 30, 1978.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the Senate insist upon its amendments to the joint resolution and request a conference with the House of Representatives on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

The Motion was agreed to and the Chair appointed Mr. MAGNUSON, Mr. ROBERT C. BYRD, Mr. PROXMIRE, Mr. HOLLINGS, Mr. EAGLETON, Mr. YOUNG, Mr. BROOKE, and Mr. WEICKER conferees on the part of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I take this oportunity to thank the chairman of the Appropriations Committee, Mr. MAGNUSON, for his expert handling of the resolution just adopted and for the expedition with which he moves bills through that committee and to the floor once they come over from the House of Representatives. Last year, the bills advanced to the floor expeditiously and in a very orderly fashion.

The subcommittees, may I say, have already conducted hearings on the bills and had already conducted hearings on all the appropriations bills and proceeded with the bills up to the point of markup before the other body sent them over to the Senate. So the Appropriations Committee is acting with diligence and in a very, very fine way under the chairmanship of Mr. MAGNUSON.

I can assure the country, on behalf of Mr. MAGNUSON and my colleagues, that if any appropriations bills get bogged down, it will not be because the Senate Appropriations Committee has not given attention to them in timely fashion. I commend him on his leadership and I commend the ranking member of that committee, Mr. YOUNG, on his cooperation always and his dedication to purpose which are characteristic of him.

I also want to compliment Mr. BAYH and Mr. CASE, the floor managers of the transportation appropriation bill, which was adopted by the Senate earlier today. In their usual fine way, they have cooperated to bring to the floor a bill and have expectly managed it and gotten it passed and now sent to conference.

Mr. President, the Senate is moving and will continue to do so in timely fashion on the appropriations measures.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the following Calendar Orders numbered 874, 877, 879, 880, and 882.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today, for the information of the two cloakrooms.

Mr. STEVENS. Reserving the right to object, I shall not object. I understand no amendments have been ordered to any of those measures.

NATIONAL GOOD NEIGHBOR DAY

The joint resolution (S.J. Res. 133) to authorize and request the President to issue a proclamation designating September 24, 1978, as "National Good Neighbor Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating September 24, 1978, as "National Good Neighbor Day", and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the Senate joint resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

A LEGISLATIVE HISTORY OF THE WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972

The concurrent resolution (S. Con. Res. 90) authorizing the printing of additional copies of volumes 1 and 2 of the committee print entitled "A Legislative History of the Water Pollution Control Act Amendments of 1972," was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Environment and Public Works one thousand additional copies each of volumes 1 and 2 of its committee print of the Ninety-third Congress entitled "A Legislative History of the Water Pollution Control Act Amendments of 1972".

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the Senate concurrent resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NEW PERSPECTIVES IN HEALTH CARE FOR OLDER AMERICANS

The concurrent resolution (H. Con. Res. 441) providing for the printing of the report "New Perspectives in Health Care for Older Americans" was considered and agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95–947), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The Committee on Rules and Administration, to which was referred the concurrent resolution (H. Con. Res. 441) providing for the printing of the report entitled "New Perspectives in Health Care for Older Americans," having considered the same, reports favorably thereon without amendment and recommends that the concurrent resolution be agreed to.

House Concurrent Resolution 441 would authorize the printing for the use of the House Select Committee on Aging of 1,500 additional copies of its report of the 94th Congress entitled "New Perspectives in Health Care for Older Americans."

The printing-cost estimate on House Concurrent Resolution 441, as agreed to by the House of Representatives, is as follows:

Printing-cost estimate

Back to press, first 1,000 copies	$1,448.85
500 additional copies, at $335.31 per thousand	167.66
Total estimated cost, House Concurrent Resolution 441	1,616.51

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the House concurrent resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE U.S. CAPITOL

The concurrent resolution (H. Con. Res. 561) authorizing the printing as a House document the folder "The United States Capitol" was considered and agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the House concurrent resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BUDGET ACT WAIVER

The resolution (S. Res. 474) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2635, was considered and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 2635, a bill to authorize the appropriation of funds for the acquisition of stockpile materials and to authorize the disposal of eleven excess stockpile materials.

Such a waiver is necessary because section 402(a) of the Congressional Budget Act of 1974 provides that it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

It was impossible for the Committee on Armed Services to properly review and give adequate consideration to S. 2635 before the May 15, 1978, deadline due to the press of other priority legislation, namely, S. 2571—the annual military procurement authorization bill, and S. 3079—the military construction authorization bill. Further, the Committee on Armed Services considered, and on May 15, 1978, reported, H.R. 4895 which completely revises the Strategic and Critical Materials Stock Piling Act and requires for the first time authorization for appropriations for stockpile acquisitions; this revision (H.R. 4895), which represents a major initiative by the Legislative Branch, logically required consideration and action before implementing legislation (S. 2635) on specific commodities could be acted on.

For the foregoing reasons, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to S. 2635 as reported by the Committee on Armed Services.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TIME-LIMITATION AGREEMENT—H.R. 12930

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, at such time as Calendar Order No. 873, H.R. 12930, the Treasury-Post Office appropriations bill, is called up and made the pending business before the Senate, there be the following time agreement: 2 hours of debate equally divided and controlled by Mr. CHILES and Mr. WEICKER; 1 hour on any amendment, 20 minutes on any debatable motion or appeal, or point of order, if such is submitted to the Senate for its consideration, and that the division and control of time be in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Reserving the right to object, what was the limitation on amendments?

Mr. ROBERT C. BYRD. One hour.

Mr. STEVENS. I have no objection.

Mr. MATSUNAGA. Mr. President, would the distinguished majority leader yield for a unanimous-consent request?

Mr. ROBERT C. BYRD. Yes, if I may ask unanimous consent, also, that amendments in the second degree be limited to 30 minutes, equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection to the request?

Mr. ROBERT C. BYRD. Unless it is an amendment to a committee amendment, which I would exclude from that.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. May I explain that until committee amendments are adopted, an amendment to a committee amendment is considered as an amendment in the second degree.

Is that not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. So, for that reason, I would not want to limit such amendments to 30 minutes.

I realize that usually the committee amendments are adopted first, before amendments from the floor are in order, but if unanimous consent were given to offer an amendment from the floor to a committee amendment, then that amendment would be an amendment in the second degree.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. And in that case, not limited to 30 minutes.

Mr. President, I ask unanimous consent that the Senator from Virginia (Mr. HARRY F. BYRD, JR.) be allowed 5 minutes under his control before the final vote on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of H.R. 12930 (Order No. 873), an act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1979, and for other purposes, debate on any amendment in the first degree and any amendment to a committee amendment shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment in the second degree shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee.

Order further, That on the question of final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Florida (Mr. Chiles) and the Senator from Connecticut (Mr. Weicker): *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

Ordered further, That the Senator from Virginia (Mr. Harry F. Byrd) be recognized for 5 minutes on the bill prior to the vote on final passage.

TIME-LIMITATION AGREEMENT—S. 2450

Mr. ROBERT C. BYRD. Mr President, I ask unanimous consent that at such time as it is made the pending business before the Senate, there be a time agreement on Calendar Order No. 769, S. 2450, the community mental health centers bill, as follows: 1 hour on the bill, equally divided between Mr. KENNEDY and Mr. SCHWEIKER; 30 minutes on any amendment; and 20 minutes on any debatable motion or appeal, or point of order, if such is submitted to the Senate for its consideration, and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of S. 2450 (Order No. 769), a bill to extend the assistance programs for community mental health centers and for biomedical research, and for other purposes, debate on any amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Senator from Massachusetts (Mr. Kennedy) and the Senator from Pennsylvania (Mr. SCHWEIKER): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration or any amendment, debatable motion, appeal, or point of order.

TIME-LIMITATION AGREEMENT—S. 2579

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as Calendar Order No. 783, S. 2579, the bill for the protection of human subjects of biomedical and behavioral research, is called up and made the pending business before the Senate, there be a time agreement thereon as follows: 2 hours on the bill to be equally divided between Mr. KENNEDY and Mr. SCHWEIKER, 1 hour on any amendment in the first degree, 30 minutes on any amendment in the second degree, 20 minutes on any debatable motion or appeal, or point of order, if such is submitted to the Senate, and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of S. 2579 (Order No. 783), a bill to amend the Public Health Service Act to establish the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, and for other purposes, debate on any amendment in the first degree shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment in the second degree shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Massachusetts (Mr. Kennedy) and the Senator from Pennsylvania (Mr. Schweiker): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

TIME-LIMITATION AGREEMENT—S. 2466

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as it is called up and made the pending business before the Senate, there be a time agreement on Calendar Order No. 770, S. 2466, assistance programs for health services research, as follows: 2 hours on the bill to be equally divided between Mr. KENNEDY and Mr. SCHWEIKER, 1 hour on any amendment in the first degree, 30 minutes on any amendment in the second degree, 20 minutes on any debatable motion or appeal, or point of order, if such is submitted to the Senate, and that the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of S. 2466 (Order No. 770), a bill to amend the Public Health Service Act to establish the National Institutes of Health Care Research; to extend and revise the assistance programs for health services research and health statistics; to establish the National Center for the Evaluation of Medical Technology; and for other purposes, debate on any amendment in the first degree shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment in the second degree shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Massachusetts (Mr. Kennedy) and the Senator from Pennsylvania (Mr. Schweiker): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

TIME-LIMITATION AGREEMENT—S. 2549

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the following agreement be applied to the bill, S. 2549, Calendar Order No. 782, authorization for National Science Foundation, at such time as it is called up and made the pending question before the Senate: 2 hours on the bill, equally divided between Mr. KENNEDY and Mr. SCHWEIKER, 1 hour on any amendment in the first degree, 30 minutes on any amendment in the second degree, 20 minutes on any debatable motion or appeal, or point of order, if such is submitted to the Senate, and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of S. 2549 (Order No. 782), a bill to authorize appropriations for the activities of the National Science Foundation, and for other purposes, debate on any amendment in the first degree shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill; debate on any amendment in the second degree shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill; and debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Pennsylvania (Mr. SCHWEIKER): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

ORDER FOR TREATY VOTE AT 10 A.M. ON TUESDAY, JUNE 27, 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday morning next the Senate go into executive session at 10 o'clock a.m. and immediately proceed to the vote which has already been scheduled for that morning, and that upon the disposition of that matter the Senate return to legislative session.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

TIME FOR CONVENING OF THE SENATE NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today and Monday, Tuesday, Wednesday, and Thursday of next week, it stand in recess until 9 a.m. on Monday, Tuesday, Wednesday, Thursday, and Friday, respectively.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, reserving the right to object, which I do not have the right to do, the message is there: We will be here Friday.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Alaska is reading the legislative radar screen very accurately.

UNANIMOUS-CONSENT AGREEMENT—CONSIDERATION OF VARIOUS MEASURES NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that beginning on Monday, following the recognition of the two leaders under the standing order, the Senate proceed to the consideration of Calendar No. 783, S. 2579.

The PRESIDING OFFICER (Mr. MOYNIHAN). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of Calendar No. 783, the Senate proceed to the consideration of Calendar No. 769, S. 2450; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar No. 770, S. 2466; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar No. 873, H.R. 12930; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar No. 733, S. 419; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar Order No. 771, S. 3074; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar No. 773, S. 3076; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar Order No. 782, S. 2549; that upon the disposition of that measure, the Senate proceed to the consideration of the New York City aid bill, with the following provisos:

Whether or not the Senate has completed action on Calendar No. 770, S. 2466, by Tuesday morning next, following recognition of the two leaders or their designees under the standing order, the Senate proceed to the consideration of Calendar Order No. 873, H.R. 12930, the Treasury appropriation bill, without prejudice to Calendar No. 770 if it is pending at that time; that upon the disposition of the United Kingdom Treaty and the return to legislative session, the Senate continue its consideration of Calendar No. 873, if that measure has not been disposed of by that time; that upon the disposition of that measure, the Senate then return to the consideration of Calendar No. 770, if that measure has not yet been disposed of at that point.

Provided, further, that the Senate proceed with the consideration of the New York City aid bill no later than Friday morning of next week.

Mr. STEVENS. Mr. President, reserving the right to object, with regard to the last item, the New York City aid bill, I regret to inform my distinguished friend that we have been unable to secure the final clearance of that, as had been indicated previously to the majority leader. For that reason, I ask that the request on the New York City aid bill be carried over until Monday, if that is possible.

With regard to the remainder of the Senator from Virginia's request——

Mr. ROBERT C. BYRD. The Senator wants to remain my friend, I am sure.

Mr. STEVENS. I do want to remain his friend.

This has not yet been brought to the attention of the Senator from West Virginia, but I have a request for a special order on Tuesday and Wednesday of next week, at the beginning of the session, if he would accord me that privilege.

Mr. ROBERT C. BYRD. Yes, indeed.

Mr. President, the distinguished acting Republican leader has raised a question with respect to the New York City aid bill. Does his question go to the proviso that I added—to wit, that the New York City aid bill, in any event, would not await further consideration as of the beginning of next Friday's session, or did it go to my linking that measure in the lineup?

Mr. STEVENS. I say to the distinguished majority leader that it goes to both. It is my understanding that we have been requested not to agree to any unanimous-consent request on the New York City aid bill until one Senator has been informed of the nature of the agreement. It is not a total objection. It is information as to the nature of the agreement. We believe we can respond to the majority leader's request on Monday. So I have lodged an objection solely against the New York City aid bill.

The remainder of the majority leader's request is acceptable, subject to the consideration of my personal request for a special order on Tuesday and Wednesday.

ORDER FOR RECOGNITION OF LEADERSHIP NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time of the two leaders daily next week be limited to 4 minutes, to be equally divided between the two leaders.

The PRESIDING OFFICER. Without objection.

Mr. ROBERT C. BYRD. Instead of the usual 20 minutes to be equally divided.

SPECIAL ORDERS FOR TUESDAY AND WEDNESDAY OF NEXT WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday morning and Wednesday morning of next week, after the two leaders have been recognized under the orders for next week, Mr. STEVENS be recognized for 10 minutes on each day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, while my request is pending.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I temporarily withdraw my request and yield to the distinguished Senator from Tennessee (Mr. SASSER).

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I thank the distinguished majority leader.

THE DEATH OF REPRESENTATIVE CLIFFORD R. ALLEN, OF TENNESSEE

Mr. SASSER. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 490) relative to the death of Representative Clifford R. Allen of Tennessee.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. SASSER. Mr. President, I pay tribute today to the Honorable Clifford Allen. Until his tragic passing last Sunday, he served as the Representative from Tennessee's Fifth Congressional District in Congress, which is my home district.

Clifford Allen was a true public servant. For over 30 years, he dedicated his life to improving the quality of life for all people. In everything he did, Clifford Allen was a champion of working people; he was a champion of the "Little Man." His untiring efforts to provide a fair deal for consumers earned him the respect of people across the country, and this was not confined simply to his congressional district nor to his native State.

But, I think most of all, the gift that Clifford Allen gave to people was the gift of hope. The people who knew him felt assured that he was a man of courage and integrity who looked after their concerns no matter what the political costs. The people he represented knew that Clifford Allen would go to the mat and would go to the mat for them as often as necessary. Time and time again, he earned his reputation as the champion of all the people.

But apart from that, my friend, Clifford, was a gentleman, a personable, human, considerate, and kind man who was a pleasure and a joy to know. We in the Tennessee delegation will miss him, Mr. President.

And I know that I speak for the people of the Fifth Congressional District when I say that they are also going to miss this remarkable man.

I extend for myself and for the people of Tennessee our sympathy to his widow Louise and their children and say that his passing leaves a void which will be difficult to fill for all of us.

Mr. President, I yield.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 490) was agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Honorable Clifford R. Allen, late a Representative from the State of Tennessee.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I revise my unanimous-request consent as follows:

I ask unanimous consent that following the disposition of Calendar Order No. 783, S. 2579, which has been ordered already for Monday, the Senate proceed to the consideration of Calendar Order No. 769, S. 2450; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar Order No. 770, S. 2466; that upon the disposition of that measure, the Senate proceed to the consideration of Calendar Order No. 873, H.R. 12930; and that upon disposition of that measure, the Senate proceed to the consideration of Calendar Order No. 733, S. 419, on which measures time agreements have been entered, with the following proviso, that if Calendar Order No. 873, H.R. 12930, the Treasury appropriations bill, has not been disposed of prior to that time, the Senate proceed immediately, upon the conclusion of the special order that has been entered for the recognition of Mr. STEVENS on Tuesday, with the consideration of Calendar Order No. 873, H.R. 12930 without prejudice to Calendar Order No. 770, S. 2466, in the event that measure has not yet been disposed of at that time; that the Treasury appropriations bill be laid aside without prejudice if need be for the vote which will occur in executive session on the United Kingdom Treaty, as amended; and that upon the disposition of the treaty and a return to legislative session, the Senate then resume its consideration of the Treasury appropriations bill at that time, or whatever bill in the lineup of measures I have set forth, is the otherwise pending business before the Senate at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes on Monday before—Mr. President, I withdraw my request at this point with respect to the delaying of votes on Monday.

It appears at the moment I cannot get an agreement.

AUTHORIZING PRODUCTION OF CERTAIN MATERIALS

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. SPARKMAN I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

S. Res. 491

Authorizing the production of certain materials and the giving of testimony in the cases of *United States* v. *Robert Berrellez* and *United States* v. *Edward J. Gerrity, Jr.*

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to its immediate consideration and that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the resolution.

● Mr. SPARKMAN. Mr. President, on April 28 the Committee on Foreign Relations received a letter from Benjamin R. Civiletti, then Assistant Attorney General, Criminal Division, requesting authorization of the Senate for certain assistance in connection with U.S. against Gerrity and U.S. against Berrellez. That letter follows:

DEPARTMENT OF JUSTICE,
Washington, D.C., April 25, 1978.

Hon. JOHN SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On March 20, 1978, the Department of Justice filed two separate multi-count informations charging International Telephone and Telegraph Corporation officials Edward J. Gerrity, Jr. and Robert Berrellez each with six federal felony violations. A copy of each of those informations is attached at Tab A.

During the course of the investigation which preceded the filing of the informations, the Committee on Foreign Relations and its Subcommittee on Foreign Economic Policy, formerly the Subcommittee on Multinational Corporations, assisted the Department of Justice by sending it copies of various Committee and Subcommittee documents, allowing its investigators to review certain materials of the Committee and its Subcommittee, and facilitating various interviews. Now that this matter is in the trial preparation stage we again need the assistance of the Committee and its Subcommittee. Rule 16 of the Federal Rules of Criminal Procedure provides that upon request of the defendant the government must permit him to inspect and copy documents which are within the possession, custody or control of the government, and which are material to the preparation of his defense or are intended for use by the government as evidence in chief at the trial. Rule 16(a)(1)(C), Fed. R. Crim. P. Not every document sent to us by the Committee and its Subcommittee need be disclosed to the instant defendants under the Rule, but we may find it to be in the best interests of the government to show the defendants all of the materials on the list at Tab B. Hence, we request your assistance with obtaining the authorization of the Senate for us to permit the defendants to inspect and copy those materials.

It may be necessary to use some or all of the originals of the materials on the list at Tab B at the trials of Messrs. Gerrity and Berrellez. Hence, we further request your assistance in obtaining the authorization of the Senate for the custodians of the materials to produce the originals, if available, or otherwise to produce the best available copy before and/or at trial.

The testimony of the following individuals will probably be needed at the trials: Senator Frank Church; former Senator J. William Fulbright; former employee of the Committee on Foreign Relations, Pat Holt; former employees of the Subcommittee on Multinational Corporations, Jerome Levinson and Jack Blum; the reporter who reported the testimony in question, Benjamin H. Firshein; the transcribers of Mr. Firshein's notes, Maudie Haynesworth, Dorothy Nash and Ruth Hardin; and the custodian of the materials. Hence, we request your assistance with obtaining the authorization of the Senate for those Senators and individuals employed or formerly employed by the Senate to appear and testify in the case of the *United States* v. *Robert Berrellez* (No. CR–78–00120) and in the case of the *United States* v. *Edward J. Gerrity, Jr.* (No. CR–78–00121) at such time and place as may be required.

During the investigative stage of this matter, the following items could not be found.

1. The original notes of Mr. Firshein of the testimony of Edward J. Gerrity, Jr. on March 22, 1973 before the Subcommittee on Multinational Corporations, and the original transcript based on those notes.

2. The original notes of Mr. Firshein of the testimony of Edward J. Gerrity, Jr. on April 2, 1973 before the Subcommittee on Multinational Corporations, and the original transcript based on those notes.

3. The original notes of Mr. Firshein of the testimony of Robert Berrellez on March 21, 1973 before the Subcommittee on Multinational Corporations, and the original transcript based on those notes.

4. The original notes of the interviews on February 1, 1973 by the staff of the Subcommittee on Multinational Corporations of Messrs. Berrellez, Gerrity and Harold V. Hendrix, and the original memorandum or memoranda based on those notes.

5. The original notes of the interviews referred to in items 17, 18, 20, 22, 24, and 25 on the list at Tab B.

It is requested that another search be made for those materials and, that they, if found, be made available to us as soon as practicable and be included in the applicable authorizations mentioned above.

Since the discovery has already been requested by one of the defendants, a prompt disposition is most important. Please let me know if I may be of any assistance to you.

Very truly yours,

BENJAMIN R. CIVILETTI,
Assistant Attorney General Criminal Division.

Mr. President, I believe that the Senate should cooperate in the manner requested, as it has traditionally cooperated on such matters in the past. I am today introducing a resolution which will authorize such cooperation. I would hope that the Senate will proceed expeditiously to adopt it.●

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the preamble is agreed to.

The resolution (S. Res. 491), together with its preamble, is as follows:

Whereas, in the cases of United States v. *Robert Berrellez* (No. CR–78–00120) and *United States* v. *Edward J. Gerrity, Jr.* (No. CR–78–00121), both pending in the United States District Court for the District of Columbia, the Assistant Attorney General, Criminal Division, has requested that certain documents, papers, and records of the Senate be furnished and that permission be granted for a Senator, a former Senator, and certain former employees of the Senate to give testimony: Now, therefore, be it

Resolved, That by the privileges of the Senate of the United States no evidence under the control and in the possession of the Senate can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by permission of the Senate.

SEC. 2. By the privileges of the Senate and by rule XXX of the Standing Rules of the Senate, no Senator or employee of the Senate is authorized to produce documents, papers, or records of the Senate but by order of the Senate, and no Senator or employee of the Senate, or former Senator or former employee of the Senate, may give testimony with respect to information secured in the performance of his official duties without the consent of the Senate.

SEC. 3. When it appears that testimony of a Senator or employee of the Senate, or former Senator or employee of the Senate, is needful for use in any court for the promotion of

justice and, further, that such testimony may involve documents, papers, or records under the control of or in the possession of the Senate and communications, conversations, and matters related thereto, the Senate will take such order thereon as will promote the ends of justice consistently with the privileges and rights of the Senate.

SEC. 4. (a) Norvill Jones, Chief of Staff of the Committee on Foreign Relations, is authorized to furnish to the Department of Justice copies of all materials enumerated or referred to in the letter from the Assistant Attorney General, Criminal Division, to the Chairman of the Committee on Foreign Relations, dated April 25, 1978, for use in the cases of *United States* v. *Robert Perrellez* and *United States* v. *Edward J. Gerrity, Jr.*, including pretrial proceedings. If any of such materials are in the possession or under the control of any employee of the Senate other than Norvill Jones, that employee is authorized to furnish copies thereof for such use.

(b) If the Attorney General certifies to the Chairman of the Committee on Foreign Relations that the original of any of the materials described in subsection (a) is required for use in either or both of such cases, including pretrial proceedings, and gives assurances satisfactory to the Chairman that such original will be returned to the Senate, then such original may be furnished for such use, but an authenticated copy thereof shall be retained in the files of the Committee on Foreign Relations.

SEC. 5. Senator Frank Church, former Senator J. William Fulbright, and Pat Holt, Jerome Levinson, and Jack Blum, all former employees of the Senate, are authorized to appear and testify in the cases of *United States* v. *Robert Berrellez* and *United States* v. *Edward J. Gerrity, Jr.*, including pretrial proceedings, with respect to information secured in the performance of their official duties.

SEC. 6. The Secretary of the Senate shall transmit copies of this resolution to the Attorney General of the United States and the United States District Court for the District of Columbia.

DESIGNATING SUNDAY, JUNE 25, 1978, AS "NATIONAL BROTHERHOOD DAY"

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 995.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives on House Joint Resolution 995.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 995) designating Sunday, June 25, 1978, as "National Brotherhood Day."

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read twice by its title.

There being no objection, the Senate proceeded to consider the joint resolution.

● Mr. STEVENSON. Mr. President, the resolution to designate Sunday as "National Brotherhood Day" reaffirms the deep commitment of the American people to religious freedom and to the spirit of brotherhood that accommodates the diversity of ways in which Americans express their beliefs.

In recent weeks the Federal courts and the Illinois Supreme Court have upheld challenges to ordinances which would have banned the planned march of the National Socialist Party in Skokie, Ill. That organization has now announced its intention to conduct a demonstration in Chicago tomorrow and a further march in July. I had hoped that the courts would not find that the Constitution protects such deliberately provocative parading of the symbols and creed of Nazi bigotry and tyranny.

The choice of the village of Skokie as a target was not accidental. Many members of that community bore horrible witness to the outrage that was Nazi Germany. The intent and aim of the Nazis is clear. It is not freely to speak ideas, but to revile, provoke, and inflame. I have urged the people of Illinois to avoid the response of violence and confrontation that these people seek.

Mr. President, I believe that it would be appropriate and helpful for the Congress to reaffirm the American devotion to religious freedom and brotherhood at this time. I, therefore, urge the adoption of the resolution.●

● Mr. PERCY. Mr. President, I think it is very timely to designate June 25, 1978, as National Brotherhood Day to emphasize our continuing adherence to the principle of freedom of religious thought at a time when a small group in Chicago has sought to promote religious prejudice by offensive public demonstrations. I ask the support of my colleagues for this resolution.●

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (H.J. Res. 995) was passed.

The preamble was agreed to.

JOHN L. McCLELLAN HOSPITAL

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2351.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2351) entitled "An Act to name the new Veterans' Administration Hospital in Little Rock, Arkansas, the John L. McClellan Hospital" do pass with the following amendments:

Strike out all after the enacting clause and insert: That the proposed new Veterans' Administration hospital in Little Rock, Arkansas, shall hereafter be known and designated as the "John L. McClellan Memorial Veterans' Hospital". Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the John L. McClellan Memorial Hospital.

SEC. 2. The Administrator of Veterans' Affairs is authorized to provide such memorial at the above-named hospital as he may deem suitable to preserve the remembrance of the late John L. McClellan.

Amend the title to read: "An Act to designate the proposed new Veterans' Administration hospital in Little Rock, Arkansas, as the 'John L. McClellan Memorial Veterans' Hospital', and for other purposes."

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I call this up at the request of Mr. BUMPERS and Mr. HODGES. I yield to the distinguished Senator from Arkansas (Mr. BUMPERS).

Mr. BUMPERS. Mr. President, I move that the Senate concur in the House amendments to S. 2351.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

Mr. BUMPERS. Mr. President, I originally introduced this bill in the Senate and then it was sent to the House where it was amended slightly, but it meets with the approval of Senator HODGES and myself. I am very pleased that this great memorial to a great Senator, John McClellan, is being approved by both Houses and will be communicated upon passage to his lovely wife, Norma.

Senator HODGES is here and he may wish to comment on this bill also.

Mr. HODGES. Mr. President, will the Senator yield? I thank the Senator for yielding. Of course, I have the great honor and privilege of succeeding the late Senator McClellan. It is not possible to fill those shoes but simply to be here in his place. He was a great Senator for the State of Arkansas and the Nation, I take particular pride in holding the seat which he occupied for so long.

I am particularly pleased that the senior Senator from Arkansas has allowed me to join him in this measure, and it is with great pride that I do so and I hope the Senate will approve it. I thank the Senator and I thank the Senator for yielding.

HOUSE JOINT RESOLUTION 1007 AND H.R. 12988 HELD AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as they are received from the other body House Joint Resolution 1007 and H.R. 12988 be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, there is nothing pending before the Senate at this time, is there?

The PRESIDING OFFICER. There is nothing pending before the Senate at this time.

Mr. ROBERT C. BYRD. So the Senator from West Virginia is out of order if he continues to speak, is that correct, with nothing pending before the Senate?

The PRESIDING OFFICER. The Senator is as always technically correct.

Mr. ROBERT C. BYRD. I thank the Chair.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with Senators permit-

ted to speak for at least 5 minutes for a period not to extend beyond 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

REPORT ON A NEGOTIATED SETTLEMENT ON CYPRUS—MESSAGE FROM THE PRESIDENT—PM 187

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

As required by Public Law 94–104, this report describes the progress that has been made during the past sixty days towards a negotiated settlement on Cyprus.

On April 13 representatives of the Turkish Cypriot community presented to U.N. Secretary General Waldheim a description of the proposals that they intend to put on the table once the Cyprus intercommunal talks, in recess since April 1977, are reconvened. After examining these proposals, the Secretary General issued a public statement characterizing them as "concrete and substantial" yet cautioning at the same time that he had reached no judgment on their merits. On April 19 the Secretary General travelled to Nicosia, where he explained the new Turkish Cypriot proposals to the Government of Cyprus. Later that day President Kyprianou declared to a press conference that the proposals mere "entirely inadmissible" and totally inadequate as a basis for resuming intercommunal negotiations. At the same time, however, he did not completely close the door to a new round of talks.

These new Turkish Cypriot proposals represent a limited advance over the positions that the Turkish Cypriots have assumed in previous negotiating sessions. Reflecting earlier ideas, the new constitutional proposal stresses substantial self-government for each of the two zones and the concept of equality of representation for the two communities in the future central government of Cyprus. Yet it is substantially more developed and detailed than the brief and sketchy paper tabled by the Turkish Cypriot representative at the last round of talks in Vienna in April 1977. Our understanding, moreover, is that the Turkish Cypriots have in fact prepared an entire draft constitution for consideration once negotiations commence. As far as the territorial issue is concerned, the Turkish Cypriots have designated six general areas in the vicinity of the present demarcation line whose transfer to Greek administration they would be prepared to negotiate, and they have not ruled out discussing other areas that the Greek Cypriots may wish to raise. The Turkish Cypriots refrained from specifying the percentage of territory that they would be prepared to transfer to the Greek Cypriot side on the grounds that this would deprive them of the negotiating flexibility they were seeking to preserve. While this territorial proposal is not as concrete as some would have hoped, it does represent an advance in that for the first time the Turkish Cypriots have clearly agreed to sit at the table and discuss territorial concessions. In a separate proposal on Varosha (New Famagusta), the Turkish Cypriots indicated that they would be prepared to permit Greek Cypriot inhabitants to return to their homes and properties in the city, which is now almost totally uninhabited but behind the Turkish line.

The Government of Cyprus has justified its rejection of the Turkish Cypriot proposals on the grounds that they provide not for the creation of a federation, as called for in the Makarios-Denktash understanding of February 1977, but rather for partition of the island into two separate states. Clearly there is a broad conceptual gap between the two sides on the constitutional issue. A second Greek Cypriot contention is that the April 13 proposals envisage the return of only a very small portion of the territory of the Republic of Cyprus to Greek Cypriot control and that Greek Cypriot resettlement of Varosha under Turkish Cypriot administration would be unacceptable.

The Turks and Turkish Cypriots have repeatedly stressed both in public and in private that they are fully prepared to be flexible and to negotiate in earnest once the talks are reconvened. They have underscored that the April 13 proposals represent only a starting-point and should not be construed as the final Turkish Cypriot position. Recently, more substantial indications of Turkish flexibility have emerged. In a press conference in Bonn on May 11 Prime Minister Ecevit gave assurances that the political framework of Varosha is open to negotiation; the Turks have authoritatively stated that as many as 35,000 Greek Cypriots will be allowed to return to Varosha; and they have specified that this return can commence as soon as the talks are resumed. At the same time, however, the Turkish side has made it clear that no new proposals will be developed in advance of actual negotiations, which they have called upon Secretary General Waldheim to schedule without further delay.

On May 2 Secretary General Waldheim issued a statement noting that a significant gap continued to exist between the two Cypriot parties and announcing his intention to hold further consultations in order to clarify their positions regarding a resumption of the negotiating process. The Secretary General has recently met with President Kyprianou and Turkish Cypriot leader Denktash as well as with Prime Ministers Ecevit and Caramanlis. We understand that Special United Nations Representative on Cyprus Galindo Pohl will be undertaking further consultations in the area.

On May 22 Turkish Cypriot leader Denktash issued a statement which clarified and to a certain extent reformulated the Turkish Cypriot position on resumption of the intercommunal talks. This was in many respects a positive and encouraging statement. First, Mr. Denktash reaffirmed Turkish Cypriot readiness to enter into "sustained, intensive good-faith negotiations" with the Greek Cypriots, and he noted that he had made a commitment to Secretary General Waldheim to enter into these negotiations "with an open mind and in a spirit of conciliation and flexibility." Second, with respect to the territorial issue, Mr. Denktash declared that he was prepared to consider "significant geographical readjustments" which would enable "a considerable number of Greek Cypriots to resettle." Third, Mr. Denktash spoke of important concessions on Varosha, including the return of some 35,000 Greek Cypriot inhabitants in the course of negotiations. And fourth, Mr. Denktash stated that the Turkish Cypriots were eager to discuss with the Greek Cypriots other steps for healing the wounds of the past, such as the reopening of Nicosia airport and joint economic projects. It should be possible to build on these ideas, and on the proposals put forward by the two sides, to move towards an early resolution of the Cyprus problem.

In his May 24 address to the U.N. Special Session on Disarmament, President Kyprianou put forward a proposal for the complete demilitarization of Cyprus and for the creation of a mixed Greek Cypriot-Turkish Cypriot police force, in proportion to population, under the guidance and supervision of the United Nations.

The Administration has fully supported the efforts of the Secretary General to reconvene productive intercommunal negotiations. We will continue to do so. It is our conviction that this is a crucial moment in the history of Cyprus. If talks are not resumed at an early date, opportunities for progress on the issue may well be delayed for some time to come, and as a consequence the unfortunate *de facto* division of the island could further solidify. It is for this reason that every effort must now be made to bring the parties together for sustained, good-faith, and productive negotiations.

JIMMY CARTER.

THE WHITE HOUSE, *June 23, 1978.*

MESSAGES FROM THE HOUSE

At 1:24 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the following joint resolution in which it requests the concurrence of the Senate:

H.J. Res. 995. A joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day".

At 3:50 p.m., a message from the House of Representatives delivered by Mr. Hackney, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 12505. An act to provide for a research, development, and demonstration program to determine the feasibility of collecting in space solar energy to be transmitted to Earth and to generate electricity for domestic purposes; and

H.R. 13125. An act making appropriations for Agriculture, Rural Development, and related agencies programs for the fiscal year ending September 30, 1979, and for other purposes.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 12505. An act to provide for a research, development, and demonstration program to determine the feasibility of collecting in space solar energy to be transmitted to Earth and to generate electricity for domestic purposes; to the Committee on Energy and Natural Resources.

H.R. 13125. An act making appropriations for Agriculture, Rural Development, and related agencies programs for the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 1978, he presented to the President of the United States the following enrolled bills:

S. 2033. An act to provide for conveyance of certain lands in the Wenatchee National Forest, Wash., by the Secretary of Agriculture; and

S. 2973. An act authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes.

JOINT REFERRAL OF S. 2236

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. SPARKMAN, I ask unanimous consent that the unanimous-consent agreement respecting referral of S. 2236 entered into on October 25, 1977, as modified on December 7, 1977, be amended to provide that S. 2236 be referred jointly to the Committee on Foreign Relations and the Committee on Commerce, Science, and Transportation for a period not to extend beyond July 10, 1978, and at the conclusion of this period, that the bill be referred to the Select Committee on Intelligence under the provisions of Senate Resolution 400 (94th Cong., 2d sess.).

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF S. 3229

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a bill introduced yesterday by Senator GLENN amending the Postal Service Act be referred jointly to the Committees on Governmental Affairs and Commerce, Science, and Transportation, with the latter committee to consider only section 10, and if and when the Committee on Governmental Affairs orders the measure reported, the Committee on Commerce, Science, and Transportation must also report the measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT REFERRAL OF S. 3230

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that a bill introduced yesterday by Senator HUMPHREY, on behalf of herself and Senator BAYH, relative to Spousal Retirement and Survivors' Benefits Rights Act, be jointly referred to the Committees on Governmental Affairs and Foreign Relations.

S. 2920—TRADE ACT AMENDMENT—STAR PRINT

Mr. HOLLINGS. Mr. President, I ask unanimous consent that on the star print of my bill, S. 2920, the names of the late Senator from Alabama, Mr. Allen, and of the Senator from Arizona (Mr. DECONCINI) be omitted as cosponsors. The untimely death of Senator James B. Allen took from us a champion of the textile workers of America, but I am happy to report that the new Senator from Alabama (Mrs. ALLEN) is also cosponsoring this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Senator from Texas (Mr. TOWER) be added as a cosponsor of my bill, S. 2920, a measure to amend the Trade Act of 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the star print of my bill, which I have discussed with the Printer, be printed, with the changes noted therein and listing the cosponsors of the measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS

The PRESIDING OFFICER laid before the Senate the following communications, together with accompanying reports, documents, and papers, which were referred as indicated:

EC–3827. A communication from the Secretary of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize certain Senior Level positions in the Department of Defense; to the Committee on Armed Services.

EC–3828. A confidential communication from the Director, Defense Security Assistance Agency, transmitting, pursuant to law, information concerning the Department of the Army's proposed Letter of Offer to the Federal Republic of Germany for Defense Articles estimated to cost in excess of $25 million; to the Committee on Armed Services.

EC–3829. A communication from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, on 16 construction projects to be undertaken by the Army National Guard; to the Committee on Armed Services.

EC–3830. A communication from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on the operation of the special pay program for medical officers of the Commissioned Corps of the Public Health Service; to the Committee on Armed Services.

EC–3831. A communication from the Secretary of the Navy, transmitting a draft of proposed legislation to amend Titles 10 and 37, United States Code, relating to temporary promotion of Navy lieutenants; to the Committee on Armed Services.

EC–3832. A communication from the Chairman, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the sixty-fourth annual report of the Board of Governors of the Federal Reserve System; to the Committee on Banking, Housing, and Urban Affairs.

EC–3833. A communication from the President and Chairman, Export-Import Bank, transmitting, pursuant to law, a statement with respect to a transaction involving U.S. exports to Algeria; to the Committee on Banking, Housing, and Urban Affairs.

EC–3834. A communication from the President and Chairman, Export-Import Bank, reporting, pursuant to law, on loan, guarantee, and insurance transactions supported by Eximbank during May 1978 to Communist countries (as defined in section 620(f) of the Foreign Assistance Act of 1961, as amended); to the Committee on Banking, Housing, and Urban Affairs.

EC–3835. A communication from the Secretary of the Treasury, transmitting a draft of proposed legislation to establish a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and private sector investment in areas with high unemployment, lagging economic growth and low income levels, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC–3836. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the Maritime Administration for fiscal year 1977; to the Committee on Commerce, Science, and Transportation.

EC–3837. A communication from the Secretary of Energy, transmitting proposed amendments to a bill to authorize appropriations to the Department of Energy in accordance with section 660 of the Department of Energy Organization Act, and for other purposes which was transmitting by the Department on February 16, 1978; to the Committee on Energy and Natural Resources.

EC–3838. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of October 23, 1972 (86 Stat. 1066), to establish the Cumberland Island National Seashore in the State of Georgia, and for other purposes; to the Committee on Energy and Natural Resources.

EC–3839. A communication from the Administrator, General Services Administration, transmitting, pursuant to law, a prospectus which proposes a succeeding lease for space presently occupied at 801 North Randolph Street, Arlington, Va.; to the Committee on Environment and Public Works.

EC–3840. A communication from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on research activities of relevance to the Clean Air Act; to the Committee on Environment and Public Works.

EC–3841. A communication from the General Counsel of the Treasury, reporting, pursuant to law, with respect to certain fish from Canada; to the Committee on Finance.

EC–3842. A communication from the Assistant Secretary (Legislative Affairs), Department of the Treasury, transmitting, pursuant to law, reports by the International Bank for Reconstruction and Development (IBRD), Group of Controllers' evaluation reports by the Inter-American Development Bank (IDB), and post-evaluation reports by the Asian Development Bank (ADB); to the Committee on Foreign Relations.

EC–3843. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the

United States within sixty days after the execution thereof; to the Committee on Foreign Relations.

EC–3844. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, an act adopted by the Council on May 16, 1978, which would amend section 6 of the District of Columbia Regulation 70–29, Establishing the Eligibility Requirement for Aid to Families with Dependent Children Program (Act 2–202); to the Committee on Governmental Affairs.

EC–3845. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Waste Disposal Practices—A Threat to Health and the Nation's Water Supply," June 16, 1978; to the Committee on Governmental Affairs.

EC–3846. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Are Neighborhood Health Centers Providing Services Efficiently and to the Most Needy?" June 20, 1978; to the Committee on Governmental Affairs.

EC–3847. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Valuable Government-Owned Motion Picture Films are Rapidly Deteriorating," June 19, 1978; to the Committee on Governmental Affairs.

EC–3848. A communication from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on administration of the Indian Health Care Improvement Act; to the Select Committee on Indian Affairs.

EC–3849. A communication from the Assistant Attorney General, Department of Justice, transmiting a draft of proposed legislation to amend the Immigration and Nationality Act to improve the efficiency of the Immigration and Naturalization Service, and for other purposes; to the Committee on the Judiciary.

PETITIONS

The PRESIDING OFFICER laid before the Senate the following petitions and memorials, which were referred as indicated:

POM–693. A resolution adopted by the Legislature of the Commonwealth of Puerto Rico; laid on the table:

RESOLUTION 693

"Whereas: The Senate of the United States will consider this week Senate Bill S–2467, entitled the Labor Reform Act, to expedite and accelerate the procedures before the National Labor Relations Board, particularly in regard to calendars of representative elections of workers, grievance procedures, collective bargaining processes, and the imposition of penalties for violations of the law.

"Whereas: This legislation should be approved since it will be of great benefit to help preserve the peace in the labor-management sector, and improve relations between labor and management, conducive to economic growth.

"Whereas: The National Labor Relations Act extends its coverage to the Commonwealth of Puerto Rico, and to most of our Puerto Rican workers and their employers.

"Therefore, be it resolved by the Senate of Puerto Rico:

"Section 1.—To exhort the Senate of the United States to approve Senate Bill S–2467, entitled the Labor Reform Act, as soon as possible.

"Section 2.—That a copy of this Resolution be sent to the Senate of the United States immediately, by the speediest possible means of communication and copies shall also be sent to the communications media for general diffusion."

POM–694. A petition from a person of displaced person status relating to his citizenship status; to the Committee on the Judiciary.

POM–695. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Human Resources:

"HOUSE CONCURRENT RESOLUTION NO. 688

"Whereas, Apart from issues of equity and fairness, there are solid economic reasons to support the notion that the amount of economic dislocation associated with the untrammeled working of the 'free market' is excessive. The magnitude of the human and nonhuman resources which are idled or discarded as a result of economic dislocation immeasurably complicates the enormously difficult task of achieving a full employment economy; and

"Whereas, It is a widely recognized principle of economics that unilateral corporate decisions made solely with regard to the narrow private consideration of profit or loss do not take adequate account of external social consequences; and

"Whereas, The question of whether society should exercise minimal control over corporate decisions with far-reaching social consequences is not a narrow regional issue. There is presently a mutually disadvantageous and ruinous competition between every state and municipality for business and jobs. This competition erodes the local tax base, causing cutbacks of sorely needed public services, without creating any net gain of jobs for the nation as a whole. With corporations free to 'shop around' for the most lucrative subsidies and concessions, it is extremely difficult for any individual state or locality to resist, underscoring the importance of a comprehensive federal approach to the economic dislocation problem; and

"Whereas, The primary goal should be to assure continuity of employment in the affected community wherever possible, and utilization of available plant and equipment. It is recognized that attainment of this primary objective will not always be feasible. In such instances, financial and other forms of assistance must be made available to the innocent victims of economic dislocation, both to compensate for their loss, and to facilitate adjustment to the change in their economic circumstances. Comprehensive federal economic dislocation legislation, dealing with all major aspects of this many-faceted problem, including plant closings and relocations, shifts in military spending, effect of international trade, energy policy, and the regulation of environmental quality should be a priority part of that goal; and

"Whereas, Congress and the Administration will have to fashion this policy, it is a conviction that any solution to the problem must rest upon the following four basic principles: (1) adequate advance notification of impending dislocation; (2) prevention or modification of socially unjustified dislocation, in order to assure protection of threatened workers and communities; (3) orderly and planned conversion of potentially idled human and nonhuman resources to alternative productive use wherever feasible, and (4) comprehensive adjustment assistance for adversely affected workers and communities, as a 'backstop' measure in those instances when prevention or conversion are infeasible; now, therefore, be it

"Resolved by the House of Representatives (the Senate concurring), That pending enactment of such comprehensive legislation, we call upon the Congress and the President to undertake interim measures. For example, the President should improve the effectiveness of all of the administrative resources at his disposal which could be applied to the prevention of economic dislocation, and amelioration of its adverse effects. These administrative tools include, but are not limited to, government procurement policy and the use of existing programs to direct federal resources in the form of loans, loan guarantees, technical assistance, etc., to 'converting' corporations and to other corporations which are adversely affected by economic dislocation. Communities impacted by economic dislocation should receive preferential treatment in the receipt of discretionary federal funds, while the administration of existing federal employee benefit programs affecting the victims of economic displacement should be liberalized. Long range measures Congress and the President should explore should include development of a national workers' compensation policy, a national unemployment benefits policy, and a national welfare policy; and be it further,

"Resolved, That the Michigan Legislature call upon the President to issue forthwith an executive order requiring 'employment' impact statements prior to implementation of any administrative decision, detailing the likely impact of the decision upon employees, corporations (including suppliers and customer), and communities, as well as listing options for conversion and adjustment; and be it further

"Resolved, That a copy of this resolution be transmitted to President Jimmy Carter, the President of the Senate, the Speaker of the House, and the Michigan Congressional delegation."

POM–696. A resolution adopted by the Joint Interim Task Force on Forestry Policy, Salem, Oregon, relating to forestry policy; to the Committee on Agriculture, Nutrition, and Forestry.

POM–697. A resolution adopted by the Joint Interim Task Force on Forestry Policy, Salem, Oregon, relating to forestry policy; to the Committee on Agriculture, Nutrition, and Forestry.

POM–698. A resolution adopted by the Joint Interim Task Force on Forestry Policy, Salem, Oregon, relating to forestry policy; to the Committee on Agriculture, Nutrition, and Forestry.

POM–699. A resolution adopted by the Legislature of the State of Massachusetts; to the Committee on Foreign Relations:

"RESOLUTION 699

"*Whereas*, The nations of the world are meeting this month at the United Nations Special Session on Disarmament to seek a formula for lessening international tensions, promoting world trust and seeking a tangible reduction of armaments on a path toward world peace and security for all nations; and

"*Whereas*, The success of the quest for world peace depends on a new era of international cooperation and understanding; and

"*Whereas*, There is an urgent need for all nations to find a formula for diverting resources from destructive arms toward pressing human needs; and

"*Whereas*, There is being presented to the United Nations Special Session on Disarmament a petition signed by twenty million Japanese citizens representing almost every family in the whole nation of Japan beseeching that nuclear weapons be banned by the nations of the world; and

"*Whereas*, This petition of twenty million signatures is being personally delivered to the United Nations by a group of five hundred prominent Japanese physicists, scientists, doctors and religious leaders representing the Japanese Non-Governmental Delegation to the United Nations Special

Session on Disarmament and the entire Japanese people; and

"*Whereas,* Representatives of this delegation for peace are meeting with Americans throughout the nation at the conclusion of their United Nations meeting in their search for universal brotherhood; now therefore, be it

"*Resolved,* That the Massachusetts Senate recognizes the thoughtful and significant initiative of twenty million persons representing the entire nation of Japan in their quest for the ideal of peace; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, the Secretary General of the United Nations, the Prime Minister of Japan, to the presiding officer of each branch of the Congress of the United States and to each member thereof from this commonwealth."

POM–700. A memorial adopted by the Legislature of the State of Arizona; to the Committee on Energy and Natural Resources:

"HOUSE MEMORIAL 2003

"Whereas, the Alaska Native Claims Settlement Act of 1971, Section 19(d)(2), specified that the Secretary of the Interior may withdraw up to, but not to exceed, eighty million acres of unreserved public land in the State of Alaska for possible addition to the national park, forest, wildlife refuge, and wild and scenic river systems; and

"Whereas, the U.S. Congress is addressing this issue during the current session; and

"Whereas, a careful inventory of the mineral potential of the land that may be included in a management category, which would foreclose mineral exploration and development, should be undertaken and completed before its designation into a management category; and

"Whereas, large blocks of land with identifiable agricultural potential should be included in management systems which would allow for future agricultural development; and

"Whereas, cooperative federal-state procedures or institutions should be established to make future recommendations or designations on policy, planning and management of Alaska's federal and state land; and

"Whereas, municipalities in the state oppose any legislation that would create instant land-use classifications severely restricting land and resources without consideration for other land-use potential; and

"Whereas, passage of this bill without a careful mineral inventory and guaranteed access provisions, traditional environmental and economic impact studies, provisions for future agricultural development, creation of new national forests in the interior of Alaska, completion of the selection process of the state and natives, state game management as guaranteed under the Statehood Act and cooperative federal-state planning and development would be against the best interests of the citizens of the State of Alaska and nation alike.

"Wherefore your memorialist, the House of Representatives of the State of Arizona prays:

"1. That Congress consider and incorporate in the Alaska National Interest Lands Act the desires and needs of Alaskan citizens.

"2. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the House of Representatives of the United States, each Member of the Arizona Congressional Delegation, each Member of the Senate Energy and Natural Resources Committee and each Member of the House Interior and Insular Affairs Committee."

POM–701. A resolution adopted by the Legislature of the State of Massachusetts; to the Committee on Banking, Housing, and Urban Affairs:

"RESOLUTION 701

"*Whereas,* Abigail Adams, wife of the second President of the United States, John Adams, and mother of the sixth President, John Quincy Adams, is the only American woman to be the wife of one President and the mother of another; and

"*Whereas,* Abigail Adams accomplished a great deal for early American womanhood by her prolific and incisive letter writing, which documented an important part of the Revolutionary War and early period of our Republic; and

"*Whereas,* Abigail Adams was a charming, intelligent, and dignified representative of American womanhood during her period as First Lady of the United States; and

"*Whereas,* Abigail Adams was an early feminist and exponent of freedom and equality of all women, particularly equal educational opportunities; now therefore be it

"*Resolved,* That the Massachusetts Senate urges the President and Congress of the United States to take whatever steps are necessary to place the profile of this outstanding woman of American history and Massachusetts native, Abigail Adams, on the new dollar-size coin to be issued next year, representing all American women; and be it further

"*Resolved,* That a copy of these resolutions be transmitted by the Clerk of the Senate to the President of the United States and each member of the Massachusetts Congressional delegation."

POM–702. A resolution adopted by the Legislature of the State of Massachusetts; to the Committee on Governmental Affairs:

"RESOLUTION 702

"*Whereas,* Severe social and economic consequences are the result of corporate decisions to close or relocate businesses or to lay off significant numbers of employees; and

"*Whereas,* We in Massachusetts are familiar with the devastating consequences of such announcements and are aware that other states have experienced the same; and

"*Whereas,* The magnitude of human and nonhuman resources which are idled or dislocated as a result of economic dislocation created by business closings, relocations or layoffs complicates the difficult task of achieving a full employment economy; and

"*Whereas,* There is a need for appropriate government action at the state and federal level to prevent or at least cushion the impact of these kinds of announcements; and

"*Whereas,* Federal legislation is needed to deal with the problem of business closings, relocations and large scale layoffs and this legislation must include provisions for adequate advance notification of impending closings, relocations or layoffs; a mechanism for government action to attempt to head off such economic dislocation; an orderly and planned conversion of potentially idled human and nonhuman resources to alternative productive use if such dislocation does take place; and comprehensive adjustment assistance for adversely affected workers and communities in cases where preventive measures or conversion are infeasible; now, therefore be it

"*Resolved,* That the Massachusetts Senate urges the Congress of the United States to enact comprehensive economic dislocation legislation along these lines and further urges that until such legislation is enacted the President of the United States and the Governor of the Commonwealth use all the administrative resources at their disposal, such as government procurement policies, loans and technical assistance to combat the adverse impacts of business closings, relocations and large scale layoffs; and be it further

"*Resolved,* That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the presiding officers of each branch of the Congress of the United States and to each member of Congress from this Commonwealth."

POM–703. A joint resolution adopted by the Legislature of the State of California; to the Committee on Energy and Natural Resources:

"SENATE JOINT RESOLUTION NO. 33

"Whereas, The Department of the Interior has been ordered by a federal district court to issue written rules and regulations on policies and procedures to be used by the Bureau of Reclamation in administering the acreage limitation and other provisions of federal reclamation law; and

"Whereas, The Department of the Interior has issued proposed rules and regulations; and

"Whereas, Such proposed regulations constitute a substantial change in enforcement procedures which have been practiced by the Bureau of Reclamation; and

"Whereas, The Department of Interior was subsequently ordered by a federal district court to prepare an environmental impact statement prior to implementing such rules and regulations; and

"Whereas, The Department of Interior has determined not to appeal such court order and will thus prepare an environmental impact statement, which will effectively establish a moratorium on implementation of such rules and regulations; and

"Whereas, Farming practices and agricultural conditions presently prevailing in the American West have changed substantially since the practices and conditions prevalent at the time of the enactment of the Reclamation Law of 1902; now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California, jointly,* That the Legislature of the State of California concurs that an environmental impact statement should be prepared on the proposed rules and regulations pursuant to the National Environmental Policy Act; and be it further

"*Resolved,* That the Legislature of the State of California respectfully requests the Department of the Interior to continue its effective moratorium on the implementation of proposed rules and regulations; and be it further

"*Resolved,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to amend the Reclamation Act of 1902 to ensure that the federal reclamation law is meaningful and realistic in relation to present day agricultural conditions and to the original intent of reclamation law to provide opportunities for family farmers; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM–704. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations:

"SENATE JOINT RESOLUTION NO. 45

"Whereas, The United States and Greece have been steadfast friends and allies since the widespread support and encouragement given by Americans to the Greek Revolution against the Ottoman Empire in 1821; and

"Whereas, This history of friendship was strengthened through our active alliance in two world wars in which Greece was a fighting ally and friend of the United States; and

"Whereas, Greece is now an indispensable ally and beacon of democratic government in Eastern Europe; and

"Whereas, Greece and the United States are essential to each other for their mutual security and for the security of the Free World in the Mediterranean area, and their continued amicable relationship is essen-

tial for the safeguarding of the American Sixth Fleet in the Mediterranean; and

"Whereas, By illegal use of United States supplied military weapons in violation of the United States Foreign Military Assistance and Sales Acts, and in violation of the Charter of the North Atlantic Treaty Organization and in repeated and flagrant violation of four United Nations resolutions, Turkey has attacked, seized, and continues to occupy the independent island nation of Cyprus; and

"Whereas, The humanitarian crisis on Cyprus, involving two hundred thousand Cypriot refugees, grows increasingly more desperate as the prospects for a negotiated settlement dim; and

"Whereas, President Carter has declared that United States foreign policy shall be committed to the protection of human rights; and

"Whereas, Turkey continues its long standing policy of suppression of its ethnic minorities, depriving them of their right to freely practice their religions and to maintain their languages, distinctive cultures, and basic human needs, particularly those of the Armenian survivors of the Massacre of 1915, the Kurds, and the Greeks; now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly*, That the Legislature of the State of California urges the President and the Congress of the United States to exert their best efforts to effectuate a removal of all foreign troops from Cyprus, to restore the two hundred thousand suffering Cypriot refugees to their homes and businesses, to restore to the people of Cyprus the right of self-determination, and to exert their best efforts towards a just resolution of the Cyprus conflict; and be it further

"*Resolved*, That the Members urge the President and the Congress of the United States to give generous support to the Cypriot refugees, and to continue to support Greece by annual aid authorizations and to continue the embargo on arms to Turkey until such time as Turkey acts to withdraw its troops from Cyprus; and be it further

"*Resolved*, That the Members urge the President and the Congress of the United States to review the current policies of Turkey regarding its treatment of the ethnic and religious minorities residing in Turkey, in the light of President Carter's repeated expressions of concern for human rights; and be it further

"*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President of the United States, to the presiding officer of each House of Congress of the United States, and to each Senator and Representative from California in the Congress of the United States."

POM-705. A resolution adopted by the Southern Conference of the Council of State Governments, Atlanta, Georgia, relating to the distribution of Federal Aid; to the Committee on Governmental Affairs.

POM-706. A resolution adopted by the Southern Conference of the Council of State Governments, Atlanta, Georgia, relating to Congressional Review of Proposed Regulations; to the Committee on Commerce, Science, and Transportation.

POM-707. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on the Judiciary:

"Whereas, all human life is entitled to the protection of laws which may not be abridged by the decision of any court which interprets the Constitution of the United States or any other laws or by any act of any legislatures; and

"Whereas, by virtue of the actions of many legislative and judicial bodies in this nation which recognized abortions as being legal, human life has been placed in jeopardy by reason of age, biologic development, or other reasons; and

"Whereas, the United States Supreme Court has nullified the laws of various states, including Louisiana, concerning abortion and has interpreted the United States Constitution in a way which permits the destruction of unborn human life.

"Therefore, be it resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring herein, that the Louisiana Legislature does hereby respectfully urge and request the Congress of the United States to propose a resolution for the purpose of proposing the following article of amendment to the Constitution of the United States:

"Article —

"Section 1. With respect to the right to life, the word person as used in this Article and in the Fifth and Fourteenth Articles of amendment to the Constitution of the United States applies to all human beings irrespective of age, health, function, or condition of dependency, including their unborn offspring at every stage of their biologic development.

"Section 2. No unborn person shall be deprived of life by any person: provided, however, that nothing in this Article shall prohibit a law permitting only those medical procedures required to prevent the death of the mother.

"Section 3. The Congress and the several states shall have power to enforce this Article by appropriate legislation."

"Be it further resolved that a copy of this Resolution shall be transmitted to the President of the United States Senate and to the Speaker of the House of Representatives of the United States Congress, and to each member of the delegation of the state of Louisiana in the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

H.R. 12426. An Act to authorize the Secretary of the Treasury to provide financial assistance for the city of New York (together with additional views) (Rept. No. 95-952).

Mr. PROXMIRE. Mr. President, from the Committee on Banking, Housing and Urban Affairs, I report a bill, H.R. 12426, with an amendment, to authorize the Secretary of the Treasury to provide financial assistance to the city of New York, and I ask that the bill and the report, together with additional views, be submitted for printing at the close of business today.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. SASSER, from the Committee on Governmental Affairs, with an amendment:

S. Res. 244. A resolution expressing the sense of the Senate that the Secretary of the Treasury conduct a study of the major Federal retirement systems (Rept. No. 95-953).

By Mr. MAGNUSON, from the Committee on Appropriations:

Special Report on "Allocation to Subcommittees of Budget Totals from the First Concurrent Resolution for Fiscal Year 1979" (Rept. No. 95-954).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RANDOLPH, from the Committee on Environment and Public Works:

James Williams Yancey, of Arkansas, to be a member of the Mississippi River Commission.

(The above nomination from the Committee on Environment and Public Works was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PROXMIRE (by request):

S. 3233. A bill to establish a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and private sector investment in areas with high unemployment, lagging economic growth and low income levels, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. TOWER:

S. 3234. A bill for the relief of Virgilio C. Carandang, M.D., his wife Cecilia Tanedo Carandang, and his son Colin Carandang; to the Committee on the Judiciary.

By Mr. SASSER:

S. 3235. A bill for the relief of Rosita N. Pacto; to the Committee on the Judiciary.

By Mr. TOWER:

S. 3236. A bill to amend title 38 of the United States Code to provide that the survivors of a veteran who was rated totally and permanently service-connected disabled for a period of at least ten years would be entitled to dependency and indemnity compensation as though the veteran had died from a service-connected disability; to the Committee on Veterans' Affairs.

By Mr. PERCY:

S. 3237. A bill entitled the Energy Planning Act of 1978; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA:

S. 3238. A bill for the relief of Feliciana Usita Barroga; to the Committee on the Judiciary.

S. 3239. A bill to amend the Internal Revenue Code of 1954 to provide that the holding period for a new principal residence which replaces a principal residence involuntarily converted may be increased by the holding period of the involuntarily converted residence for purposes of section 121; to the Committee on Finance.

By Mr. GLENN (for himself, Mr. PERCY, and Mr. RIBICOFF):

S. 3240. A bill to improve the quality of Federal regulatory appointments, to clarify the independent status of the independent commissions, to eliminate undue influence and conflicts of interest in Federal regulation, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ROBERT C. BYRD (for Mr. LONG):

S. 3241. A bill to amend the Internal Revenue Code of 1954, and the Tax Reduction Act of 1975, with respect to employee stock ownership plans; to the Committee on Finance.

By Mr. ROBERT C. BYRD (for Mr ANDERSON) (for himself and Mrs. HUMPHREY):

S. 3242. A bill to designate the Boundary Waters Canoe Area Wilderness, to establish the Boundary Waters Canoe Area Mining Protection Area, and for other purposes; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE (by request):

S. 3233. A bill to establish a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and private sector investment in areas with high unemployment, lagging economic growth, and low-income levels, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

(The remarks of Mr. PROXMIRE when he introduced the bill appear elsewhere in today's proceedings.)

By Mr. TOWER:

S. 3236. A bill to amend title 38 of the United States Code to provide that the survivors of a veteran who was rated totally and permanently service-connected disabled for a period of at least 10 years would be entitled to dependency and indemnity compensation as though the veteran had died from a service-connected disability; to the Committee on Veterans' Affairs.

● Mr. TOWER. Mr. President, I am today introducing a bill to provide long overdue assistance to the survivors of a veteran who is totally disabled from service-connected disease or injury but whose death is not the direct result of such disease or injury.

I am concerned over the hardships that are visited upon the survivors of veterans who are totally disabled from service-connected causes but whose deaths, despite their permanent and total disability ratings due to service connection, are not the direct result of those causes.

Under my bill, these survivors would be entitled to dependency and indemnity compensation benefits.

My bill would provide entitlement in these cases provided the veteran had a permanent and total disability rating in existence at the time of death for at least 10 years or continuously since discharge; and provided it was the result of natural causes.

In addition, my bill would authorize the Veterans' Administration to extend such benefits to the spouse of a veteran who is covered under this act provided she meets the minimum years-of-marriage requirements similarly established by the Veterans' Administration for any other existing survivors' benefits programs.

I recognize and appreciate the concerns that have been expressed by those who fear the possibility of abuse of these important benefit entitlements if, in fact, additional years-of-marriage requirements are not imposed upon the spouses of these veterans.

It is my strong view, nonetheless, that the possibility of future abuses by spouses of veterans who become eligible for DIC benefits under this act neither outweighs nor fully justifies the inequities that would be imposed upon spouses by these added and unnecessary requirements. Moreover, such added conditions reflect an undue suspicion toward spouses, particularly where spouses are also women, that is unwarranted in my opinion.

We need instead to be more concerned and sensitive to the undeniable hardships that are visited upon these survivors; and my bill offers us the opportunity to translate that concern into action and results.

Mr. President, the veterans of my State, indeed of our country, understand and support this special concern for the needs of the survivors of their proud and patriotic comrades-in-arms, with whom they stood shoulder to shoulder in defense of this Nation's liberty and freedom.

I welcome my colleagues to join with me as cosponsors of this important legislation, and I look forward to the prompt consideration and earliest approval possible of this legislation to assist the deserving survivors of America's veterans.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3236

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 410 of title 38, United States Code, is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection (b):

"(b) Notwithstanding the provisions of subsection (a) of this section, when any veteran dies from natural causes and was in receipt of or entitled to receive compensation at the time of death for a service-connected disability permanently and totally disabling and so rated for ten or more years immediately preceding death or continuously from the time of discharge, the Administrator shall pay dependency and indemnity compensation to such veteran's surviving spouse, children, and parents in the same manner as if the cause of death were service-connected.

SEC. 2. This Act shall take effect on October 1, 1978.●

By Mr. PERCY:

S. 3237. A bill entitled the Energy Planning Act of 1978; to the Committee on Energy and Natural Resources.

Mr. PERCY. Mr. President, I am today introducing a very simple, very direct, and potentiallly very important piece of legislation. The President is now mandated, and under title VIII of the Department of Energy Organization Act, to submit National Energy Policy Plans for periods of 5 and 10 years once every 2 years.

Mr. President, 10 years is not a long enough period to look forward if energy planning is effectively going to help us through the complex energy transition ahead. Therefore, I am introducing this bill, the Energy Planning Act of 1978, to amend the Department of Energy Organization Act to lengthen the planning period to 50 years. Since a 50-year plan would be more inclusive, and would require more work than a 10-year plan, this legislation also amends the President's requirement so that only one plan every 4 years must be submitted to the Nation.

The need for energy planning is well established. Such was the sense of the Congress when we debated the Department of Energy Organization Act over a year ago. The risk of economic disaster is too great, and the market's ability to react to future shortages too slow, to proceed without some vision of the future.

Having decided this, though, we did not adequately investigate the planning dimensions. Ten years sounded like the longest period for which reliable forecasts could be made, so 10 years became the limit of our long range energy planning. However, when dealing with energy issues, 10 years is not long range. If planning is really going to help us aim our present energy policy at solutions to the unavoidable questions of energy transition, it should look out 50 years.

America derives 75 percent of its energy today from oil and natural gas. By the 1990's according to even the most optimistic forecasts, demand for these fuels will exceed supply, driving prices higher than our economy may be able to bear. By the early 2000's, oil and gas may be luxury items. Clearly, a transition to some other energy base will be necessary.

But such transitions take time. It takes approximately 10 years to replace the American automobile fleet. With today's 10-year national energy policy plans, a problem that would require changes in the automobile fleet—say on impending critical shortage in liquid fuels—could be addressed in time to encourage and give incentives to the auto manufacturers and the public to make those changes and avoid a crisis. But it may take as long as 50 years to replace or renovate our building stock. If we anticipate an impending crisis in heating fuels by only 10 years, we will be 30 to 40 years too late to avoid it. In short, since solutions to energy problems will require massive changes in capital plant, we should plan at least as far into the future as it will take to make those changes.

Planning is nothing but taking full responsibility for our actions. Energy decisions made today will have profound effects on the structure of society 50 years hence, whether we anticipate them or not. We must make decisions today that we will not regret later.

The effects of decisions made today may not even show for many years. For example, the possible harmful effects of increased atmospheric CO_2 levels resulting from heavy dependence on fossil fuels may not be significant for 30 years. But if we wait until the harmful effects are confirmed empirically, it will be too late to do anything about the problem. Better to look ahead 50 years, and direct our present policy and research toward the solution of this problem.

Fifty-year planning is, of course, a very inexact science. No one would expect the President to set down precise 50-year energy goals, together with legislation and regulations forcing the country in that direction. Rather, general 50-year objectives based on long-range predictions should be established, and shorter term plans should be oriented toward those objectives.

This bill in no way removes our society from the healthy forces of the market-

place. It merely increases the dimensions of national energy policy plans—that would have been drawn up anyway—to a time period more appropriate to the complexities of the subject. Energy planning may even strengthen the free market. One very knowledgeable expert, Mr. Thornton Bradshaw, president of Atlantic Richfield Co., argued that position in a Fortune magazine article last year:

Since so many government regulations are nothing more than stopgap efforts to compensate for failure to plan, it follows that government planning . . . would reduce the amount of government regulation with which we have to contend. I advocate such national planning as a means of saving the very market system so often considered to be inconsonant with it.

This bill would require no new bureaucrats and no additional funding. Those assigned by the President to do two 5- and 10-year national energy policy plans every 4 years would be able to do one 5-, 10-, 25- and 50-year plan. The Congressional Budget Office has assured me that "no additional cost to the government would be incurred as a result of enactment of this bill in its present form."

The bill's effect, though, could be immense. For the first time, the President would base his recommendations for today's energy policy on a strategy to see us through the entire period of energy transition. The Department of Energy would be unified in a common direction.

Energy policy should be based on making that transition as smooth as possible. Short of nuclear war, nothing is likely to cause more disruption and suffering than abrupt energy shortages or other energy crises stemming from lack of foresight and preparation. Mandated to confront the energy transition in its entirety, the President's energy analysts would be more likely to do their best to find strategies to see us through it smoothly.

I have been working closely on this issue with Representatives HOLLENBECK and TSONGAS. They introduced the House companion to this bill. I urge my colleagues in the Senate to approve this expanded requirement for a national energy policy plan as quickly as possible.

Mr. President, I ask that the text of the Energy Planning Act of 1978 be printed in the RECORD, together with the article by Mr. Thornton Bradshaw that I quoted from earlier. I encourage my colleagues to read through this thoughtful and very responsible statement.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 3237

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Planning Act of 1978.".

FINDINGS

SEC. 2. The Congress finds that—

(1) energy production, distribution and use, and the wastes and byproducts that result, have pervasive effects on the lives of every American, on the life of this nation as a whole, and on the natural environment;

(2) energy only constitutes a means to an end, and must be used efficiently and judiciously to minimize adverse effects on the economy and the environment, to minimize the depletion of non-renewable resources, and to maximize efficiency in energy use;

(3) renewable energy forms should be utilized to the fullest extent economically feasible over the life-cycle of the facilities using such forms of energy;

(4) the nation's energy policy must be planned and carried out with full regard for the availability of energy resources to present and future generations;

(5) the nation's energy policy must be planned and carried out with the best possible foreknowledge of the effects of energy use;

(6) the nation's energy policy must be planned and carried out in concert with the energy policy and plans of other nations;

(7) decisions with regard to energy presently made will have implications on the structure of society at least fifty years hence;

(8) the Congress and the President have recognized the need for energy planning in title VIII of the Department of Energy Organization Act;

(9) because of the complexity of the infrastructure supporting today's energy system and the time required to effect changes in it, effective energy planning requires 50-year objectives and 25-year plans;

(10) fifty-year objectives should be established with particular attention to overall goals of economic and social development, including the achievement of individual, regional, and national aspirations, and the maintenance of the systematic integrity of the natural environment;

(11) twenty-five and ten-year energy plans should be established consistent with and supportive of the rate of change and type of economic, social, and educational investments in energy production, distribution, consumption, and waste disposal, necessary to attain the 50-year objectives;

(12) five-year contingency energy plans should be established to consider and attempt to mitigate the variability of social and economic well-being that is a consequence of unforeseen natural events and catastrophes and of imperfect knowledge about the operation of the national and international economy, as these factors affect energy supply, production, and use; and

(13) energy planning involves national values and choices which transcend the mission of any one Federal agency.

AMENDMENTS

SEC. 3. (a) The first sentence of section 801(b) of the Department of Energy Organization Act (42 U.S.C. 7321) is amended to read as follows: "Not later than April 1, 1981, and not later than April 1 every four years thereafter, the President shall transmit to the Congress the proposed Plan.".

(b) Section 801(b)(1) of such Act is amended to read as follows:

"(1) consider and establish energy production, utilization, and conservation objectives, for periods of five, ten, twenty-five and fifty years, necessary to satisfy projected energy needs of the United States to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation, paying particular attention to the needs for full employment, price stability, energy security, economic growth, environmental protection, nuclear non-proliferation, special regional needs, and the efficient utilization of public and private resources;".

(c) Section 801(d) of such Act is amended to read as follows: "The President shall insure that Energy consumers, producers, processors and distributors, small businesses, and a wide range of other interests, including those of individual citizens who have no financial interest in the energy industry, are consulted in the development of the Plan.".

IMPLEMENTATION

SEC. 4. Not later than one year after the date of enactment of this Act, the President shall report to the Congress with regard to the establishment of appropriate institutions and facilities within the executive branch for carrying out the provisions of this Act.

CONFORMING AMENDMENTS

SEC. 5. (a) Section 205(a)(2) of the Department of Energy Organization Act is amended by adding at the end thereof the following new sentence: "All information and data collected as well as all analyses performed under the provisions of this paragraph shall be available to the President and to the Secretary, upon their request, for for carrying out the provisions of this Act. fied by title VIII of this Act.".

(b) Section 657 of such Act is amended by—

(1) inserting "(a)" after "Sec. 657.";

(2) adding at the end thereof:

"(b) All data, analyses, reports, and evaluations required by paragraphs (1) through (6) of subsection (a) shall, commencing on June 1, 1981, be reported quadrenially as part of the report required by section 801(c). The Secretary shall include notice of any significant changes or departures from the content of such quadrennial report in the required annual report.".

(d) Section 6(b)(2) of the Federal Non-Nuclear Research and Development Act of 1974 is amended to read as follows:

"(2) The program shall be designed to achieve solutions to the energy supply and associated environmental problems in the immediate and short-term (up to and including five years after the approval of any National Energy Policy Plan), middle-term (commencing six and ending forty-nine years after the approval of any National Energy Policy Plan); and long-term (commencing fifty years after the approval of any National Energy Policy Plan) time intervals. In formulating such program, the Administrator shall evaluate the economic environmental, and technological merits of each aspect of the program."

MY CASE FOR NATIONAL PLANNING

(By Thornton Bradshaw)

Free enterprise, the doctrine so eloquently espoused by Adam Smith in the eighteenth century—and by some business and academic theorists even today—is generally defined as the theory that a capitalist economy can regulate itself in a freely competitive market with a minimum of government intervention. That such a system ever existed anywhere in pure form is open to question. Certainly our "capitalist" economy, though widely thought of as a bastion of free enterprise, is not today regulating itself in a freely competitive market. Government intervention and regulation could hardly be described as "minimal."

Still, the myth of American free enterprise persists. Those who pay homage to it tend to attribute every ill to government intervention, which is pictured as an aberration in an otherwise stable, free-market environment. "If the government would only get off our backs," they say, "we could really go places." The subscribers to this sentiment include businessmen who have in historic fact relied at least in part on government intervention for the operation of their own enterprises.

I think it is time to look at our economic system realistically. My own premise is that business does not now operate in a free-enterprise system, but rather as part of a unique mix of private and government forces. In that mix the government role cannot and should not be denigrated. The tasks ahead of us are so serious that we dare not misunderstand the necessary role of government as arbiter of our national purpose and procedure. I recognize that a tempestuous re-

lationship between Big Government and Big Business has in the past had its positive aspects. To no small extent, that adversary relationship, comparable in many respects to that between the press and government, has sparked our economic progress. But for reasons that I will cite here, I believe we are now past the stage where we can start the fires of progress by rubbing societal sectors together, like sticks for a campfire.

We should not strive to bring about more government intervention in economic matters, but we surely need to make the intervention more *rational*. Since so many government regulations are nothing more than stopgap efforts to compensate for failure to plan, it follows that government economic planning of a high order—including, especially, the setting of specific goals and plans for achieving them—would *reduce* the amount of government regulation with which we have to contend. I advocate such national planning as a means of saving the very market system so often considered to be inconsonant with it.

I am not calling for a planned economy, nor am I subscribing—except in general principle—to the specific proposal for national planning put forward in 1975 by economists such as Nobel prize winner Wassily Leontief and John Kenneth Galbraith. Nor do I subscribe to the unfortunate Humphrey-Hawkins full-employment bill that grew out of such proposals. I think of national planning as a process for assessing our economic condition and prospects, setting national goals and priorities, and then letting market forces work.

I realize that national planning is a "dirty" phrase, especially among businessmen. Yet business leaders themselves plan, in considerable detail, the actions they deem best to achieve specific goals for their companies. Indeed, business planning has itself become a pillar of the American system. And goal setting—the cornerstone of planning—is not a new role for our government. Take World War II, for example. The government quickly set the general goal—victory—and the sub-goals: so many troops, so many aircraft, so many tanks, trucks, guns, etc. Government also defined the means necessary to achieve these goals. Our people, our industry responded. Our plants produced, and the war was won.

THREE YEARS DOWNHILL

Today we face a crisis that in many respects is as grave as war, although not as dramatically apparent. I refer to the energy crisis, whose resolution is essential not only to my own business but to the advancement of our entire economy. Today, this crisis is more critical by far than it was at the outset of the Arab oil embargo. I cite three points for consideration:

First, the U.S. is producing one million fewer barrels of oil a day than in 1973 and importing a million more. Consumption will increase at the rate of 3 to 4 percent a year. We have no strategic reserve to fall back on in the event of further embargoes or prohibitive hoists in the price of foreign oil. And in thirty years or so all known oil resources anywhere on earth will be dwindling.

Second, our balance-of-payments position is rapidly becoming precarious. Next year our oil bill to foreign nations will come to perhaps $40 billion—an unprecedented sum that could strain our financial structure.

Third, the oil problem has thrown our foreign policy into confusion. We have no agreed-upon policy for dealing with the price increases that OPEC can—and does—levy with impunity. We supply arms to Middle East nations even though we are gravely apprehensive about what those sales may lead to. We cannot act forthrightly in the matter of the Arab embargo of Israel, so we penalize our own businessmen instead.

Why have we failed to deal with this crisis, which even before the oil embargo, was as obvious as the pyramids? The easy answer, often heard, is: "It's the government's fault." The conventional reasoning is that government controls and interference have so obliterated incentives that the energy industry is incapable of responding to the problem. Remove the controls and we'll do the job.

As an oil executive, I have much sympathy with that point of view. Controls are, to say the least, an expensive nuisance. Atlantic Richfield has spent $18 million responding to the Federal Energy Administration's requirements in one year, and one way or another that cost—like the equivalent costs sustained by other companies—is added to the consumer's bill. Controls have twisted the responses of the energy companies and aborted many investments. They have operated directly against our reaching what should be the prime objective of the industry and the nation—energy security, if not total energy independence. A case in point has been the extraordinarily self-defeating attempt to control the price of natural gas. Rather than stimulating new production, the controls have in effect curtailed exploration and brought us to the brink of complete depletion of known reserves.

On top of that, we hear glib recommendations for breaking up the oil companies. The air is filled with various oil-divestiture plans, some serious, some not; some "horizontal" and others "vertical." Combine these with knowledge of the finite nature of world oil resources and it is easy to see why oil companies reach to diversify—Atlantic Richfield by acquiring Anaconda, for example.

And yet, neither the removal of most controls, much as I like that solution, nor the adoption of "divestiture" schemes, much though I resist them, would deal with the fundamental problem—the need for a national energy plan. These are my reasons:

A free market for crude oil does not exist. OPEC controls the price, and we have no assurance that it will exercise that control in the interest of the consumer nations.

Developing new sources of energy that can be in place when the oil age approaches its end is far beyond the capability of industry, under any market assumptions. Some sources of energy—oil from shale or coal, for example—are not economic in today's pricing structure. These sources may be needed. The existing market system offers no means of bringing them out on time.

In the most basic sense, our national energy goal is obvious: less dependence on foreign oil. And there is no way the "free" market can direct industry to accomplish that goal. What we need is a comprehensive national energy policy—and this means national planning by the only instrument that represents all sectors of society and is capable of developing such a policy.

The federal government must set a clear-cut, explicit goal. For example, by 1990, the U.S. should depend on outside sources for no more than X percent of its total energy supplies, compared with Y percent in 1976. By the year 2000, the country should have improved its energy position further, once again by a specific percentage.

Determining such goals and developing the means of achieving them will be a complicated process, involving questions that touch virtually every aspect of American society. What will demand be over a fixed period—say ten years? How much of this demand can be met, and where are the energy supplies to come from: oil, coal, shale, nuclear energy, the sun? How can demand be reduced so that reasonable estimates of need can be met by the various sources of supply? How can wild fluctuations in supply and demand be controlled so as to guarantee an orderly market? Finally, after the turn of the century, when petroleum supplies are being depleted so fast that the end of the oil age is upon us, where will we turn for our energy sources?

Decisions of such magnitude can only be made at the highest level of government, with the imprimatur of the President. They will raise bitter controversies: environmental, geographical, political, and philosophical. If they are not made with the power and authority of the government fully behind them, the goal of energy security will never be attained.

INHIBITING DEMAND

Suppose, for example, that we anticipate, at present rates of consumption, a 3.5 percent annual increase in demand over the next ten years. But suppose that in order to achieve our goal we must restrict ourselves to a 2 or 2.5 percent increase each year. What do we do?

Obviously, the government must establish incentives and disincentives to reduce demand. We have already taken some sporadic steps along these lines—with automobile speed limits, for example. It is quite remarkable that, given the general American indisposition toward it, the fifty-five-mile-per-hour speed limit on our highways has resulted in calculable savings. We can expect additional savings from the pending mileage requirements for new cars, and we might well consider taxing horsepower as well as gasoline. We can further subsidize and encourage mass transit. We can, as has already been proposed in some communities, grant subsidies to homeowners to encourage them to insulate their homes and improve their heating plants.

Such incentives and disincentives, especially in the form of taxes, are in the American tradition. They are part of our legislative structure. But they exist now only as bits and pieces, unrelated to achieving a long-range goal. Without an overall goal, there is no enduring rationale for any of the government's efforts, no matter how well designed. Taxes relating to energy exert little hold on the popular will because they are not related to a grand effort in which people can participate. Other efforts, such as price controls, are counterproductive.

Now consider the incentives needed to draw forth the supply to match the estimated demand. For the short-term future, we do have large amounts of energy that can be developed. More oil and gas surely can be found, although with more difficulty and with greater expense than in the past. We have vast amounts of coal waiting to be mined. We probably have enough uranium for the rest of this century. So how do we draw on these supplies to accomplish our goal?

First, as indicated above, the government must determine the amount of energy needed from each source: How much oil? Coal? Nuclear?

Second, the government must develop a means of balancing energy needs against environmental requirements. I do not underestimate the importance of ecological considerations. I fully agree that preservation of the environment must have a high priority. But too many controversies over presumed environmental hazards have been unduly protracted. I cite, for example, the time required for approval and construction of the Alaskan oil pipeline and the interminable lawsuits and legislative filibusters that have held up development of western coal, nuclear-plant construction, and offshore drilling. Such controversies are unavoidable and, indeed, useful, but something must be done to speed up their resolution.

FINDING AN ALTERNATIVE TO LITIGATION

It is noteworthy in this connection that when environmentalists and industrialists meet dispassionately on the issue, they often find themselves in agreement as to basic approaches. At a recent conference sponsored by the Sierra Club Foundation and the Aspen Institute for Humanistic Studies, rep-

resentatives of industry, environmental groups, labor, agriculture, and state governments signed a petition to the outgoing and incoming Presidents in which they noted the excessive time spent in litigation on energy and the environment. They appealed for an alternative process that would generate both an evenhanded policy and the momentum to make the policy work.

I believe that an accepted national energy goal would concentrate our minds on the need for early compromise on environmental issues, and that a national energy plan could mandate a more efficient means of coming to an acceptable trade-off between environmental protection and economic development.

Third, the government must ameliorate the conflicts that arise between various regions of the country over energy policy. Many of the difficulties in arriving at a national policy have their roots in one basic fact: 95 percent of the oil and gas in our country is produced in states west of the Mississippi for consumption mainly in the more populous states east of the Mississippi. A national plan must rise above regional interests. New England should not block development of a national oil program by demanding oil at a price lower than cost, nor should California hold the rest of the nation hostage by imposing its own quite possibly short-lived standards to block the transshipment of Alaskan oil.

Fourth, the government must provide incentives to industry to produce energy in appropriate amounts. The basic incentive is profit. The "right" price attracts capital and emboldens management to take the risks. That is the spring that starts the whole mechanism ticking. And how do you wind the spring? Well, to set the basic crude-oil piece, we can depend on the marketplace, on OPEC, or on the federal government.

The first choice is impossible. The free-market mechanism never has worked for oil because there has always been too much oil or too little. In a period of world glut, a free market does not provide the incentive to search for future supplies. If there were a free market today (including for OPEC oil), the newly posted price of crude would fall from $12.09 per barrel to $3 or $4. Every drilling rig in the world would be stacked because oil cannot be found and produced profitably at that price.

When the glut turned to scarcity ten years from now, we would start searching again—provided we had maintained our organizations and kept our rigs. Ten or fifteen years thereafter—if the industrial world still existed—we might be able to provide enough oil to restart the engines. The world has always been able to avoid such a situation by managing the price, sometimes by voluntary restrictive action on the part of the producers and more often by government intervention.

Consider a bit of history. For a brief period in the late 1920's the price of crude was set by a "free market" on the Gulf Coast of the U.S.—at that time the world's principal oil field. Then, in 1930, the East Texas field was discovered. The price of oil declined from $1.10 to 10 cents a barrel; a large glut seemed inevitable, threatening to put a halt to any efforts to explore for more. First, voluntary restrictive action on production was tried. Then the government stepped in and, through the producing states, managed the flow of oil and the price to provide for an "orderly market."

Around 1957, a flood of cheap foreign crude began to threaten the price structure. Again, voluntary action was tried and failed. The federal government stepped in with the Mandatory Import Control Program and regained control over the U.S. price. In 1973, OPEC took over the management of crude-oil prices, and there it essentially rests today.

SEIZING THE PRICE INITIATIVE

The second alternative, letting OPEC set U.S. oil prices, is tantamount to handing over control of our national future to other nations. It is obvious that OPEC's objectives can never be the same as our own.

Therefore, I am reluctantly drawn to the third alternative—the permanent management of crude-oil prices by the U.S. government. Under such a plan, the government would first set a goal for crude-oil production and then set a price that makes it possible to meet that goal. To be sure, the government is setting crude-oil prices now (under the Energy Policy and Conservation Act of 1975), but it is doing so in reaction to Middle Eastern maneuvers. I believe that both oil policy and the price implied by that policy should be set in this country. We should raise or lower prices on our own initiative, based on what is needed to nurture production incentives rather than simply to cope with the actions of OPEC or others.

I propose, at the outset, that this new kind of price fixing be applied only to "new" oil and not to "old" or existing stocks, but after a while, it seems to me, the difference between the two could be eliminated. The government would then set a uniform price for all crude.

I hasten to add that neither oil-product prices nor natural-gas prices need to be controlled. These would, in the marketplace, merely rise to acceptable levels through industrial efficiency and competition. In fact, given responsible crude-oil price setting in pursuit of an accepted goal, most of the present onerous, expensive, and counter-productive controls could be abolished.

But we must also begin to prepare now for that day, not so very distant, when the world's reserves of crude oil begin to run out. The market mechanism fails even more completely when it comes to promoting development of fuels, now considered "exotic," that should be the commonplaces of the twenty-first century.

For example, vast supplies of oil are locked in the fossil-formed shale that is abundant in the West, but market signals haven't brought forth a single barrel of that oil, nor will they any time soon. If the government in its goal-setting phase should determine that a certain amount of synthetic oil is needed by 1990, then it is obvious that incentives must be provided that the market doesn't offer. These incentives could take the form of guaranteed loans to help build the first few plants, or subsidies to compensate for high production costs, or contracts for the purchase of shale oil at a negotiated price. These various devices, none of them particularly new in concept or practice, are the ways in which the public and private sectors can together bridge that enormous gulf between the research-and-development stage and commercial-scale production.

A LONG FRUITION TIME

Or consider nuclear and solar energy, beacons of so many hopes and expectations. The government is spending sizable amounts on research in each area, and industry is doing the same. But far larger sums will be needed and the time to fruition is long. Moving from fission to fusion plants, or from small solar installations to large ones, represents an insuperable gap between what the government can or should undertake and what can be expected of the private sector. No individual company—or likely combination of companies—can finance the massive research programs needed to make the crucial breakthroughs in nuclear fusion or large-scale solar energy. Industry can hardly ask its shareholders to wait decades for a financial return while the research is proved out. The enterprise system simply doesn't allow for investment on such a scale and on so long a term. The answer, inevitably, is to bring the talents and resources of both government and industry fully to bear.

That is my case for national planning in the energy field. Although it might seem heretical, especially coming from an oil-company executive, I doubt that I have said anything all that new. What may be new is the picture I have drawn by putting all the familiar pieces together.

We have for many years struggled to find an optimal balance between the market economy and the public sector. The balance we have found, though far from optimal, has brought forth the most dynamic industrial system that the world has known. But we must recognize the reality of what we have developed in our two-hundred-year history. If we examine our mixed economy carefully and realistically, we must concede that we have long been engaged in national planning. We have been doing it inadequately. It deserves to be done better.

By Mr. MATSUNAGA:

S. 3239. A bill to amend the Internal Revenue Code of 1954 to provide that the holding period for a new principal residence which replaces a principal residence involuntarily converted may be increased by the holding period of the involuntarily converted residence for purposes of section 121; to the Committee on Finance.

● Mr. MATSUNAGA. Mr. President, today I am introducing a bill to extend the benefits of section 121 of the Internal Revenue Code to elderly people who have had their principal residence replaced through an involuntary conversion. Under section 121 of the Internal Revenue Code, an individual who is 65 years of age or older may exclude from gross income any capital gains attributable to the first $35,000 of the price realized on the sale of his or her personal residence. This favorable tax treatment is provided to the elderly, in recognition of the financial hardship that accompanies old age. Frequently, elderly people may find their principal residence too expensive to maintain and also find themselves in need of additional income to pay for extraordinary medical expenses or even regular living expenses. To prevent such individuals from being further burdened with the tax on the sale of their house, section 121 exempts a modest amount from taxation. To qualify for this special treatment, the elderly person must have owned and used the property as his or her principal residence for at least 5 years during the 8-year period preceding the sale.

In line with the restriction on the amount excludable and the restriction limiting this treatment to one residence per lifetime, the 5-year rule apparently seeks to insure favorable tax treatment only for bona fide residences of the elderly. However, in drafting this limitation, Congress overlooked the possibility that the principal residence may have been changed during the preceding 5-year period through an involuntary conversion. If an elderly person had changed his or her principal residence because of such conversion, they would no longer qualify for benefits under section 121.

This omission clearly contradicts the purpose behind the involuntary conver-

sion provision embodied in section 1033 of the Internal Revenue Code, An involuntary conversion comes about because of destruction, theft, seizure, requisition, or condemnation of the property. In such situations, the owner has no determination in the exchange of the property as it is involuntarily converted. Section 1033 of the Code recognizes the hardship if such involuntary conversion were to constitute a taxable event. Consequently, under this provision, the gain is not recognized if reinvested in property similar or related in service or use to the property involuntarily converted. In addition, section 1223 of the Code tacks on the holding period of the old property, and thus the holding period of the newly acquired property includes the holding period of the property exchanged.

I believe the same rationale should be extended to the holding period required under section 121. Therefore, the bill which I am introducing permits the holding period for a principal residence which has been involuntarily converted as described in section 1223 to be added on to the holding period of the replacement property for purposes of section 121.

Passage of my bill would provide relief to a deserving sector of our population.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3239

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (4) of section 121(d) of the Internal Revenue Code of 1954 (relating to involuntary conversions) is amended to read as follows:

"(4) Involuntary conversions.—For purposes of this section—

"(A) The destruction, theft, seizure, requisition, or condemnation of property shall be treated as the sale of such property.

"(B) At the election of the taxpayer, the period for which the taxpayer owns and uses a property as his principal residence which was acquired to replace his preceding principal residence may be increased by all or a portion of the period the taxpayer owned and used such preceding principal residence if the preceding residence was involuntarily converted and is treated as sold under subparagraph (A).".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to taxable years beginning after December 31, 1978.●

By Mr. GLENN (for himself, Mr. PERCY, and Mr. RIBICOFF):

S. 3240. A bill to improve the quality of Federal regulatory appointments, to clarify the independent status of the independent Commissions, to eliminate undue influence and conflicts of interest in Federal regulation, and for other purposes; to the Committee on Governmental Affairs.

INDEPENDENT REGULATORY COMMISSION ACT

Mr. GLENN. Mr. President, today we offer for the Senate's consideration legislation which will, in my opinion, significantly improve the quality and effectiveness of Federal regulation.

Like many people, I am concerned that Federal regulation may have become more of a burden than a benefit. It has certainly grown by leaps and bounds in recent times. What that has meant is more redtape, more rules, more gobbledygook, and more confusion for citizens who must deal with the regulatory agencies. The cost of those regulatory programs has, of course, also increased at an alarming rate. To a greater extent than ever before, Federal regulation is touching the daily lives of people. I am concerned, because the trend toward bigger Government shows little likelihood of being reversed in any fundamental way. People do expect more of Government and Government is doing more for people.

More agencies and more money are certainly not the best answers for regulatory problems. Instead, what can and should be done is to make what now exists more effective, and more responsive to public needs. And that is the underlying purpose of the legislation which Senator PERCY, Senator RIBICOFF and I introduce today.

A major portion of Federal regulatory programs is the responsibility of a class of agencies known as independent regulatory Commissions. Twelve such Commissions exist, each with its own congressionally defined regulatory mission. To a significant extent, those agencies implement and enforce national policies regarding transportation, communications, banking, health and safety, energy, and commercial transactions as well as certain business practices, such as the antimonopoly law. Obviously, the actions of those independent Commissions have a very real and substantial impact on the economic wellbeing of this country.

I am pleased that President Carter has very recently indicated his support of the principles of agency independence. On March 23, 1978, before signing the new executive order on improving Federal regulations, the President stated that regulatory "independence should be preserved." For that reason, it was decided that the requirements of the executive order should not be applied unilaterally to those independent Commissions. President Carter instead requested that those agencies voluntarily comply with the terms of the order.

Mr. President, I fully agree that the independent status of the regulatory Commissions should be preserved. These agencies are "independent" for a very important reason. Insulation from partisan politics was—and is—a major justification for independent status. Congress intended that regulatory decisions of these Commissions should not be subject to control and supervision by the executive branch.

The Commissions are not completely independent; nor are they unaccountable. Congress adopted the laws that created the agencies and defined their mandate. Congress passes on their appropriations, and conducts regular oversight of their actions. The President reviews their budget requests and recommends an appropriation for each of those agencies. With the advice and consent of the Senate, the President appoints the Commission leadership. The President is also authorized to remove Commissioners from office for cause. In addition, the Commissions are accountable to the courts, which are responsible for judicial review of agency actions.

Over the years the proper independent status of the Commissions has been eroded—not through explicit congressional action, but instead by executive action sometimes not based on statute. Several provisions of the bill we introduce today concern executive oversight which has no statutory basis and which is instead a result of tradition or custom. For example, today some independent agency communications which are intended for Congress must first be reviewed and approved by the Office of Management and Budget. This procedure, which is not authorized by statute, creates delay by adding an additional layer of review and also tends to screen or censor agency opinions on pending legislation. Thus, Congress is deprived of a full and forthright exchange of opinion with the agencies on legislative matters. This bill is intended to restore independent status, in keeping with the congressional intent in creating these Commissions.

A major problem addressed by this legislation, is the confusion, inconsistency and uncertainty that characterizes the present status of those bodies. In a patchwork, even haphazard fashion, certain independent regulatory Commissions have been excepted, sometimes only for specific purposes, from certain requirements of central coordination.

Indeed, the situation is so confusing that it required a detailed study by the Governmental Affairs Committee to determine which agencies are subject to what requirements and to what extent. For example, some Commissions submit their budget requests at the same time to both Congress and OMB, while others must make the submission only to OMB and, after OMB has revised that request, are required by law to support the OMB revision in subsequent testimony before Congress. The same situation prevails concerning clearance of legislative communications. Certain agencies are subject to the OMB clearance process, some are not, and still others may transmit the communication directly to Congress only if it is indicated that the viewpoints do not necessarily represent those of the administration. I submit that there is no logical justification for this variant treatment of the independent Commissions. The bill we introduce today would require all Commission budgetary requests which are submitted to OMB to be concurrently submitted to the Congress and would require other legislative recommendations and related material to be concurrently submitted if requested by any Member of committee of Congress.

Nowhere is the confusion regarding independent status more serious and apparent than in the area of litigating

authority. The Governmental Affairs Committee recently reviewed the situation in that regard in volume V of its regulatory reform study. The OMB Reorganization Project also has concluded a similar review. What the committee found was that the ability to control and conduct court cases varied widely from agency to agency. A minority of the Commissions have clear authority to initiate lawsuits, more than half may participate in appeals from agency decisions, but very few have the power to argue and conduct cases before the Supreme Court. To one degree or another, all of the agencies must rely on the Department of Justice to handle litigation. Once again, those distinctions do not appear to have any rational basis.

Litigating authority is very important, because it is closely related to an agency's regulatory mission as established by Congress. As our committee study concluded—

> Regulatory responsibility is necessarily diminished if an agency cannot, on its own initiative, seek court enforcement of its orders, or injunctions against violations of its statutes and rules. The same is true if a commission is precluded from full participation in judicial proceedings challenging agency actions or authority. In those situations the agency stands powerless to act, awaiting the judgment and inclination of an entirely separate body; or looks on in an advisory capacity, while lawyers beyond its control manage the litigation—deciding what to do and when to do it.

Decisions made in the course of litigation do have an impact on the regulatory policy. As much as any other form of executive branch coordination, control of litigation may directly affect the development and implementation of specific regulatory policies.

For that reason, this legislation would authorize the agencies to conduct their own litigation in all cases other than those before the Supreme Court.

I believe the process provided by the bill would be a vast improvement over current Government litigation practices. Under the current system, much regulatory litigation now involves two sets of Federal Government lawyers, one set for the Justice Department and another for the individual agency. That situation, in my opinion, encourages duplication, increases paperwork, and fosters delay, Allowing the agency to go directly into court without involving the Justice Department can be expected to significantly reduce those problems. Under the bill, the Justice Department would not be prohibited from entering a case if it saw fit, but primary responsibility for the conduct of the case would rest with the agency which was the subject of that litigation.

This proposal can be expected to reduce the total number of lawyers serving the Federal Government. While individual agency staffs would have to be supplemented to some degree to carry out their additional litigation responsibilities, this increase should be more than offset by a reduction in Justice Department litigators. The reduction in sets of lawyers from 2 to 1 in a typical agency litigation is bound to reduce the total number of man-hours required and accordingly the need for Goverment-hired legal personnel.

This legislation is also concerned with agency independence from private interests subject to regulation. In the past, many people have felt that Federal regulators are too often selected for reasons other than ability, that they swing back and forth a "revolving door" between Government and industry, that they are unduly influenced by the private sector, and that they do not often act with vision in the public interest.

In those matters, there has been much progress in the past year or so. The high caliber of President Carter's appointments to the major independent regulatory Commissions have, in my opinion, made a very significant difference in the outlook and vitality of those agencies. The President has also made a serious commitment to eliminating conflicts of interest in Federal regulatory agencies. I commend those efforts.

This legislation supports the President's initiatives, by establishing standards for selection of regulatory Commissioners; by increasing their status in the Federal hierachy, so as to attract more qualified persons to appointment; by applying employment restrictions to those Commissioners who fail to complete the terms to which they were appointed; and by imposing a 1 year "cooling-off," no contact provision on subsequent activities by former regulators.

I am convinced that those provisions will not have the effect of discouraging outstanding persons from service in the Federal Government. It is noteworthy that the policy committee of the Business Roundtable. just several weeks ago, recommended that Congress establish qualification standards for appointment, increase the executive levels of Federal regulators, and impose a 1-year, "cooling off" restriction—all of which are identical to the provisions in the bill. The Business Roundtable endorsement of the postemployment restriction is particularly significant, because it indicates that the Roundtable does not believe that the proposal would have an adverse impact on attracting qualified persons to Federal service. I agree that the restriction is both necessary and reasonable.

Mr. President, it should be noted that during committee consideration conforming and technical amendments will be added to the bill to indicate the effect of those provisions on existing law.

In summary, Mr. President, I am convinced that the bill we introduce today will significantly improve an important segment of Federal regulation.

Mr. President, I ask unanimous consent that the text of the Independent Regulatory Commission Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Independent Regulatory Commission Act".

FINDING AND PURPOSES

SEC. 2. The Congress finds and declares that—

(a) standards should be established to encourage the selection of outstanding men and women for membership on the independent regulatory commissions;

(b) the independent nature of the Federal regulatory commissions should be restored, in keeping with the intent of Congress;

(c) the independent status of these commissions should be clarified to eliminate the confusion and inconsistency that exists at present in that regard; and

(d) these commissions should be insulated from inappropriate influence by the Executive Branch or by private interests subject to regulation.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "independent regulatory commission" means—

(1) the Board of Governors of the Federal Reserve System;

(2) the Civil Aeronautics Board;

(3) the Commodity Futures Trading Commission;

(4) the Consumer Product Safety Commission;

(5) the Federal Communications Commission;

(6) the Federal Energy Regulatory Commission;

(7) the Federal Maritime Commission;

(8) the Federal Trade Commission;

(9) the Interstate Commerce Commission;

(10) National Labor Relations Board;

(11) the Nuclear Regulatory Commission; and

(12) the Securities and Exchange Commission.

(b) The term "member" means any individual who is appointed by the President, by and with the advice and consent of the Senate, to be a member of an independent regulatory commission.

QUALIFICATIONS AND BALANCE

SEC. 4. The President shall nominate for membership on an independent regulatory commission individuals who by reason of training, education, or experience are qualified to carry out the functions of such commission pursuant to law. In nominating individuals for membership on an independent regulatory commission, the President shall insure that commission membership is well balanced with a broad representation of various talents, backgrounds, occupations, and experience appropriate to the functions of such commission.

SENATE ADVICE AND CONSENT FOR COMMISSION CHAIRMEN

SEC. 5. (a) The chairman of an independent regulatory commission shall be appointed by the President, by and with the advice and consent of the Senate. An individual may be appointed a member of an independent regulatory commission at the same time as he is appointed as chairman.

(b) The chairman of an independent regulatory commission shall be its chief officer, and shall exercise executive and administrative functions of the commission with respect to—

(1) the appointment and employment of hearing examiners in accordance with the provisions of title 5, United States Code;

(2) the selection, appointment, and fixing of the compensation of such personnel as he deems necessary, including an executive director;

(3) the supervision of personnel employed by or assigned to the commission, except that each member of the commission may select and supervise personnel for his or her personal staff;

(4) the distribution of business among personnel and among administrative units of the commission; and

(5) the procurement of services of experts and consultants in accordance with section 3109 of title 5, United States Code.

CONDITIONS FOR REMOVAL

SEC. 6. A member of an independent regulatory commission may be removed from office by the President for inefficiency, neglect of duty, or malfeasance in office, but for no other cause.

CONCURRENT SUBMISSION OF BUDGET INFORMATION

SEC. 7. Whenever an independent regulatory commission submits any budget estimate, request, or information to the President or the Office of Management and Budget, it shall concurrently transmit a copy of such budget estimate, request, or information to the Congress; and the original budget requests of the commissions shall be set forth in the budget recommendations submitted to Congress by the President.

CONGRESSIONAL ACCESS TO COMMISSION RECOMMENDATIONS

SEC. 8. No officer or agency of the United States shall have any authority to require an independent regulatory commission, or any member thereof, to submit any legislative recommendations, or testimony, or comments on legislation, to that officer or agency or any other officer or agency of the United States for approval, comments, or review, prior to submission of such recommendations, testimony, or comments to the Congress. Whenever an independent regulatory commission, or any member thereof, submits any written legislative recommendations, or testimony, or comments on legislation, intended for Congress, to an office or official of the Executive Branch, a copy thereof shall be concurrently transmitted to the Congress, on the initiative of the commission or member as the case may be or on the request of any Member of Congress.

LITIGATION AUTHORITY

SEC. 9. (a) Notwithstanding any other provision of law and except as provided in subsection (b) of this section, attorneys designated by the chairman of an independent regulatory commission may appear for and represent such commission in any civil action brought in connection with any function carried out by the commission pursuant to law.

(b) Subsection (a) of this section shall not apply to litigation before the Supreme Court, as provided in section 518 of title 28, United States Code, except as it may be modified by section 2350 of title 28, United States Code.

NO EXECUTIVE BRANCH CLEARANCE FOR TOP COMMISSION STAFF

SEC. 10. The appointment or removal of any officer (other than a member) or employee of an independent regulatory commission shall not be subject, directly or indirectly, to review or approval by any officer or entity within the Executive Branch, except by the Civil Service Commission.

RESTRICTION ON EMPLOYMENT PRIOR TO COMPLETION OF TERM

SEC. 11. (a) A member of an independent regulatory commission who resigns before the expiration of his or her term of office shall not, during the remainder of the term to which such member was appointed, accept any employment or compensation, either directly or indirectly, from any firm, company or association (other than the United States) directly and significantly affected by regulation by such commission during his or her service as a member. This subsection shall not apply to any member—

(1) who serves for a total number of years equal to one full term for a member of such commission; or

(2) who resigns on account of ill-health.

(b) An independent regulatory commission shall prescribe rules or regulations to insure that a member who resigns prior to the expiration of his or her term of office reports any employment or compensation for the period during which, subsection (a) applies.

RESTRICTION ON POST-SERVICE ACTIVITIES

SEC. 12. No individual who is appointed as a member of an independent regulatory commission after the date of the enactment of this Act, and no officer or employee of any such commission holding a position classified as GS–16 or higher under chapter 51 of title 5, United States Code, shall, for a period of one year beginning on the last day of service as such member or employee—

(1) make any appearance before; or

(2) make any written or oral communication to such commission, or any member or employee thereof, on behalf of any person (other than the United States) on any matter which is before such commission. This section shall not apply to any matter of an exclusively personal and individual nature.

EFFECTIVE DATES

SEC. 13. (a) Except as provided in this section, the provisions of this Act shall take effect on the date of its enactment.

(b) Section 4 shall apply with respect to individuals nominated for membership on an independent regulatory commission after the date of the enactment of this Act.

(c) Subsection (a) of section 5 shall apply with respect to each independent regulatory commission on the day on which the first vacancy occurs after the date of the enactment of this Act in the chairmanship of such commission.●

Mr. PERCY. Mr. President, I am pleased to be joining my distinguished colleagues, Senator JOHN GLENN and Senator ABE RIBICOFF, in introducing the Independent Regulatory Commission Act. This legislation is an important contribution to the area of regulatory reform. Its provisions address many of the problems cited in the comprehensive regulatory reform study conducted over the past 3 years, pursuant to Senate Resolution 71, by the Senate Committee on Governmental Affairs.

This bill is designed to clarify and restore the independent status of 11 commissions that regulate interstate commerce. These commissions are the Board of Governors of the Federal Reserve System, the Civil Aeronautics Board, the Commodity Futures Trading Commission, the Consumer Product Safety Commission, the Federal Communications Commission, the Federal Maritime Commission, the Federal Energy Regulatory Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Nuclear Regulatory Commission, and the Securities and Exchange Commission.

The legislation provides for appropriate insulation of these commissions from undue influence by the executive branch or by private interests subject to regulation. When Congress established these commissions, they were intended to regulate interstate commerce independent of partisan politics or private interests. They were designed to serve the American people through the exercise of quasi-judicial functions.

In order to do this justly, independence is a necessary prerequisite. Regulatory decisions which involve the balancing of delicate economic and health and safety considerations should not be subject to control and supervision by the White House, which is itself subject to all kinds of political pressures.

Over the years, however, much of the commissions' autonomy has eroded. This erosion is not due to explicit congressional action but instead to executive actions, often not based upon any statute. Over time, these executive actions have become customary procedure. It is time now to wipe away the intrusions on timely and judicious decisionmaking that too frequently have caused some of these regulatory commissions to be less than distinguished in their membership, inconsistent in their rulings, and needlessly burdensome in their operations. We must reaffirm the Congress original intent to insure truly independent regulatory commissions, deciding matters in an expeditious, thoroughly professional and disinterested manner.

Currently, the Congress is reviewing S. 600, the Regulatory Reform Act of 1977, introduced by Majority Leader ROBERT BYRD, Governmental Affairs Committee Chairman ABE RIBICOFF, and myself. This measure is aimed at revitalizing the entire Federal regulatory system by setting an agenda and a discipline for reviewing the greater part of Federal regulatory activity over an 8-year period. In the meantime, that system is in a state of confusion which can be helped, in part, by certain administrative and procedural changes relating to independence, conflicts of interest, professionalism, and the like.

Especially relevant to today's introduction of this legislation is the appearance of a just completed position paper, prepared by the Business Roundtable, on the subject of regulatory appointments. In a letter accompanying the report, Ralph Lazarus, chairman of the Board of the Federated Department Stores, makes the very timely point that—

It is essential that regulatory commissions be comprised of individuals with a balance of educational and professional backgrounds to assure that all parties to their deliberations are treated fairly. Also, we think that regulatory commissioners who have completed their full terms of service should be granted a three-month period at full pay after they have completed their terms.

Additionally, the statement calls for clearer criteria for selecting members of regulatory agencies and suggests certain procedures which will make it easier for the President to select eligible people for agencies and for the Senate to evaluate their qualifications. The statement goes on to suggest standards and rules governing conflict of interest and ethics for regulators, then concludes with suggestions regarding compensation and job-relocation procedures intended to help regulators concentrate full-time on their jobs while they are in office.

Mr. Lazarus has been generously giving of his time and energies while serving as chairman of the Quality of Regulators Committee of the Business Roundtable's task force on regulation. That task force is under the overall direction of one of the most respected business leaders in this country, my good friend, Frank T. Cary, chairman of the board of the IBM Corp. Its work, to date, has been

uniformly outstanding in its coverage and completeness, and this latest position paper follows in that vein.

I ask unanimous consent, in view of the pertinence of the Business Roundtable's "Statement on Regulatory Appointments" that it be included in the RECORD at the close of my remarks together with the above-mentioned letter from Mr. Lazarus which puts the report in proper context.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Today's measure delineates specific means of making regulatory agencies more independent of executive branch control, while at the same time establishing general standards of excellence and balance for membership on an independent regulatory commission. In general, it takes some of the best legislative features which now apply to one or a few such Commissions, and would apply those provisions to all.

The bill does away with White House political clearance of top officials of these Commissions. It requires advice and consent of the Senate on the President's designation of persons to serve as Commission Chairmen. The President's power to dismiss Commissioners is clarified by appropriately limiting dismissal reasons to "inefficiency, neglect of duty, or malfeasance in office." The bill also encourages Commissioners to complete the set term to which they are appointed by placing reasonable postemployment restrictions on Commissioners who resign before the end of their term.

In order to increase independence of actions within these regulatory agencies, the legislation delegates needed administrative authority to the Chairman. Commission budgets and testimony would be concurrently submitted to the Congress at the same time as they are submitted to the Office of Management and Budget. Of particular importance, the bill uniformly grants to all the Commissions—as some of them now have—authority to conduct their own litigation, except in cases before the Supreme Court, without having to depend on the whims and priorities of lawyers from the Department of Justice, nor on the unfamiliarity with agency law and precedent of Justice Department stand-ins.

Overall, the provisions would assist in preventing conflicts of interest on the part of Commission Chairmen and members, upgrade the quality of the Federal regulators, improve the conduct of agency litigation, and clarify the independent status of the regulatory Commissions.

It is, therefore, with great pleasure that I join with Senator GLENN and RIBICOFF in introducing this legislation. I see it as a necessary step toward making the regulatory system more efficient and more effective.

EXHIBIT 1

FEDERATED DEPARTMENT STORES, INC.,
Cincinnati, Ohio, June 19, 1978.

HON. CHARLES PERCY,
Dirksen Senate Office Building, U.S. Senate, Washington, D.C.

DEAR SENATOR PERCY: As ranking minority member of the Governmental Affairs Committee, you no doubt share the concern of many business people about the quality of the men and women who are appointed to regulatory agencies. All agree on the importance of finding and keeping outstanding regulators. But, as you know, that does not always happen.

It is in hopes of helping with that problem that I am writing you today. For the past year I have served as the Chairman of the Business Roundtable Committee on the Quality of Regulators. This Committee is part of the Task Force on Regulations, headed by Frank Cary of IBM. The Committee conducted hundreds of interviews with White House officials, legislative staffs, agency representatives, and experts in the regulatory reform movement. The results of that study are contained in the enclosed Statement on Regulatory Appointments.

The statement contains eleven specific suggestions designed to improve the appointments process along with the overall quality of regulators and the commissions on which they serve. It also attacks the problem of conflict of interest with which we are all concerned.

All of the recommendations are sound, but two are particularly innovative. We think it is essential that regulatory commissions be comprised of individuals with a balance of educational and professional backgrounds to assure that all parties to their deliberations are treated fairly. Also, we think that regulatory commissioners who have completed their full terms of service should be granted a three-month period at full pay after they have completed their terms.

Additionally, the statement calls for clearer criteria for selecting members of regulatory agencies and suggests certain procedures which will make it easier for the President to select eligible people for agencies and for the Senate to evaluate their qualifications. The statement goes on to suggest standards and rules governing conflict of interest and ethics for regulators, then concludes with suggestions regarding compensation and job relocation procedures intended to help regulators concentrate full-time on their jobs while they are in office.

I hope you will find this study useful, and that in studying various measures for regulatory reform coming before the Congress, you will give full consideration to the Business Roundtable's findings. We believe that business and government can work together for the common good, and it is in that belief that I have written you today. Thank you for your interest and attention.

Sincerely,

RALPH LAZARUS.

THE BUSINESS ROUNDTABLE: STATEMENT ON REGULATORY REFORM

SUMMARY

Government regulation of business could be improved if Congress would sharpen conflict-of-business laws, amend rules that now often discourage the best candidates from serving and require that only properly qualified persons can be nominated by the President, the Business Roundtable says in a new report.

The Business Roundtable, made up of chief executive officers of some 120 leading corporations, has sent to members of Congress and the Administration its report on a year-long study led by Ralph Lazarus, Chairman of Federated Department Stores. Lazarus' Quality of Regulators Committee is part of the Business Roundtable's Task Force on Regulation headed by Frank T. Cary, Chairman of IBM.

The committee report, while noting that "there is no substitute for the vigilance and determination of the President to make the best appointments possible with the advice and consent of the Senate," sets forth 11 specific recommendations to improve the overall quality of regulatory commissions.

The committee found that current statutes generally do not even require evidence of competence and suitability for regulatory commissions, except in very broad terms, and recommends Congress require that nominees be qualified by training, education or experience.

To make that recommendation "meaningful," it further urges that the President "be required to forward to the Senate, with the nomination, an explicit statement indicating how the training, education or experience of the nominee qualifies the nominee for a particular commission."

The committee notes that "currently, the only general requirement for balance on the regulatory commissions is a political one," but what is "even more important than partisan balance . . . is having a proper balance of backgrounds" including minority representation, public interest groups and representation from pertinent professions such as business, law, economics, engineering and science.

"To counter a widespread public distrust of government officials," the report says, "it is essential that the financial and ethical integrity of regulatory commissioners be assured by the selection process."

"There are three areas in which standards should be improved: conflict of interest, financial disclosure and post-service employment and activity."

The Roundtable recommends that full disclosure of finances should be required of nominees, provided that safeguards as to the use of financial reports also are enacted. It says standards should be created "for the establishment of blind trusts that are truly blind and independent of the office-holder" to avoid conflicts of interest and permit individuals to participate in public service "when divestiture (of assets) would be too financially onerous."

Where individuals may have to divest some assets which have appreciated, they are often forced to make heavy financial sacrifices, the report notes, and "we recommend a special roll-over provision which would defer the recognition of capital gain if the proceeds are invested in other securities (bonds or stocks not on the prohibited list of the agency involved) within a prescribed period of time, such as by the end of the following calendar year."

The Roundtable also recommends an Office of Ethics be created within the Civil Service Commission to provide uniform guidance to agencies and to centralize executive branch responsibility for ethics enforcement.

In this connection, the report cautions against excessively rigid definitions of conflict of interest which could "lead, logically but absurdly, to the conclusion that experience in a field automatically disqualifies an individual for appointment." The public will be best served, the report says, by commissions made up of "a mix of ideology and relevant experience and should reflect divergent points of view."

At the same time, the report says the public should not be disturbed by the fact that service on regulatory commissions enhances the opportunities for professional advancement following this experience. Much attention has been given to individuals moving from commissions to lucrative jobs in industry or with private law firms, but experience on these bodies is also personally beneficial to academicians and—most recently—members of public interest groups. "Far from being a problem," the report says, "such enhancement of value is a benefit in that it may increase the attraction of public service to outstanding individuals."

But the report recommends that persons leaving regulatory commissions to return to private life should be banned from ever dealing with their former commissions "on specific cases in which he/she was personally and substantially involved while in government service." The report further recom-

mends a one-year "cooling-off period" during which a former top-level official could have no contact on any matter with his former agency.

"The worst manifestation of the revolving-door problem is for commissioners still in office to negotiate employment with firms affected by government regulation," the report says, "but it is demeaning and unfair to expect departing commissioners to make no arrangements for employment and to cast about as best they can after leaving the government."

To solve that problem, the Roundtable suggests that exiting commissioners be given a "relocation period" of up to three months at full pay to find new positions in private life, providing they served out the full term of their government appointments.

The report also recommends a permanent White House personnel function to systematize the selection procedure, maintain a "talent bank" and anticipate openings in the future.

Finally, to increase the incentive to serve, the report recommends that the salary level of regulatory commissioners be increased from Executive Level IV ($50,000) to Executive Level III ($52,500) and commission chairmen from Executive Level III to Executive Level II ($57,500).

STATEMENT OF THE BUSINESS ROUNDTABLE ON REGULATORY APPOINTMENTS

SUMMARY OF RECOMMENDATIONS

1. Require that nominees to a regulatory commission be persons qualified by training, education or experience to serve on that specific commission.

2. Require the President to send to the Senate with any nomination a statement of the qualifications of the nominee for that specific position.

3. Regulatory commissions should contain a broader mix of commissioners than they do now, with a balance of educational and professional backgrounds.

4. Salary levels of commissioners should be raised.

5. A more systematic personnel process for regulatory appointments should be established as a permanent White House function.

6. An Office of Ethics should be established within the Civil Service Commission.

7. Standards should be set for the creation of blind trusts that are truly blind and independent of the officeholder.

8. When assets are required to be sold to comply with conflict of interest standards, a special roll-over tax treatment should permit recognition of capital gain to be deferred if proceeds are invested in other securities within a prescribed period of time.

9. Full disclosure of finances should be required, provided that safeguards as to the use of financial reports are also enacted.

10. Restrictions on the subsequent activities of government officials should be enacted that require: (a) a ban on a former official's ever acting on specific cases in which he/she was personally and substantially involved while in government service; and (b) a one-year cooling-off period during which a top official will have no contact with his/her former agency.

11. To prevent the necessity of job-hunting while still in office, exiting commissioners should have a three-months relocation period at full pay after leaving office.

The problem of securing the services of competent and dedicated officials for federal regulatory agencies has been particularly acute and has been recognized by every major study of the agencies. For example, the Hoover Commission in 1949 found that members of the regulatory commissions were "sometimes below desirable standards." More recently, a comprehensive study of the subject by the Senate Committee on Governmental Affairs confirmed that the situation has not improved.

Indeed, the seriousness of the problem has been underlined by a Congressional Research Service survey of attorneys who practice before the regulatory commissions. These attorneys rated the questionable quality of regulators second only to delay as the most important problem with the regulatory agencies. The attorneys surveyed would not recommend the reappointment of about half the present commissioners of the major independent regulatory agencies; the Securities and Exchange Commissioners were their sole exception. Of course, there have been many commissioners of exceptional ability and dedication. But too often, according to the Senate Governmental Affairs Committee Study, "the (appointments) process has not consistently resulted in the appointment of people best equipped to handle regulatory responsibilities."

This paper is concerned with Presidential appointments to the major federal independent regulatory commissions. These are the Civil Aeronautics Board, the Consumer Product Safety Commission, the Federal Communications Commission, the Federal Energy Regulatory Commission, the Federal Maritime Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Nuclear Regulatory Commission, and the Securities and Exchange Commission. These agencies are multi-member commissions in which the commissioners are appointed by the President and, with the exception of the CPSC, their chairmen serve at the pleasure of the President.

THE QUALITY OF REGULATORS

Above all, regulatory agencies need commissioners of demonstrated excellence. Despite press and political campaign charges of "revolving door" appointments and conflict of interest, scholarly and governmental studies have pointed to competence rather than integrity as the central problem of regulatory appointments.

Two factors bear upon the quality of regulatory commissioners as individuals. The first is the adequacy of the law regarding their selection. The second is the broader question of the qualities and range of talents required in today's regulatory commissioners.

Need for Statutory Guidance. Beyond age and citizenship requirements, current statutes generally do not provide criteria for regulatory commission appointments. Even those statutes that pose some qualifications do so in very general terms. For example, the FAA Act requires that the Administrator "shall be a civilian and shall have experience in a field directly related to aviation." Yet, even this general language has often been ignored—including the straightforward provision that the Administrator be a civilian.

While it is unwise to be too rigid in specifying the qualifications of a regulatory commissioner, the enabling statutes of the various agencies should require some evidence of competence and suitability for a particular position. For example, the statute creating the Occupational Safety and Health Review Commission requires appointments "from among persons who by reason of training, education, or experience are qualified to carry out the functions of the Commission under this chapter." We recommend that the enabling acts of all the regulatory agencies be amended by similar language. While such language is necessarily broad and is more exhortatory than ironclad, we believe it puts a needed emphasis on background qualifications.

In order to make this provision more meaningful, we further recommend that the President be required to forward to the Senate, with the nomination, an explicit statement indicating how the training, education or experience of the nominee qualifies the nominee for a particular commission. Coupled with a more systematic White House appointments process (to be discussed below), such a requirement should provide considerably greater impetus to nominate the most qualified individuals. At the very least, such a requirement would aid the President in resisting political pressures on behalf of some individuals who are manifestly unqualified.

General Qualities. Beyond an appropriate background, a commissioner or agency chairman needs certain individual qualities. We should require the same exceptional intelligence, creativity and diligence that make for a productive executive or professional in business, law, government or any other complex endeavor. The nominee should also be of unquestioned integrity and have the strength of character to be able to withstand any extraneous pressures, political or otherwise, that would compromise his or her decision-making independence. Moreover, while the nominee need not necessarily agree with all the policies of an agency, he should be committed to the mission of the agency and in agreement with its fundamental goals.

Finally, we must get regulators with a sense of accountability—people aware of the implications and results of their actions. For example, a commission on air safety could make a strong case that no airplane should leave the ground. But its job is to make the system work. Regulators must be capable of positive development as well as critical analysis.

Balance Among Commissioners. Currently, the only general requirement for balance on the regulatory commissions is a political one—no more than a simple majority on a commission can be members of a single political party. This is a worthwhile requirement, and we urge that the spirit of the law be heeded more than in the past.

Even more important than partisan balance, however, is having a proper balance of backgrounds.

We strongly believe that effective regulation in the public interest needs an improved mix of commissioners. Just as the commissions should not be composed exclusively of those *with* experience in business, regulated or otherwise, they should not be composed exclusively of those *without* direct expertise. It is essential to have the business viewpoint represented on the commissions to protect the legitimate interests of business. Business representation also helps to insure that cost and efficiency considerations become a part of the decision-making process.

Depending on the jurisdiction of a particular commission, there should also be representation by economists, accountants, engineers, scientists, lawyers and consumer or public interest groups. There should be more appointments from among women and minorities. We recommend that the Presidential statement accompanying each regulatory nomination be required to include how the nomination relates to the overall balance among the current commissioners.

Placing persons of sufficiently diverse backgrounds on commissions has been hindered by a needless extension of the conflict of interest principle. A school of thought has developed which assumes that a person coming from a regulated industry necessarily has a conflict of interest because of past interests and contacts, even though he may have severed all financial connections with the industry. If it is assumed that a person with an industrial background is disqualified by virtue of his or her views or "connections," then it should be equally true that anyone whose background is in the consumer, environmental, or public interests law movements, as

well as anyone with an academic specialty in the field in which he or she is being appointed, ought similarly to be disqualified because he or she will bring to the job certain established ideas and friendships that may affect on-the-job performance. Such an approach would lead, logically but absurdly, to the conclusion that experience in a field automatically disqualifies an individual for appointment.

We insist, on the contrary, that experience in a field is a desirable qualification for an appointee; as a consequence, we feel strongly that the only conflict of interest that matters is an actual or potential financial conflict. It is wholly appropriate for the appointing and confirming authorities to insist that individuals sever their connections with the institutions with which they formerly worked, that they divest themselves of (or place in an acceptable trust arrangement) all significant financial interest that could conceivably be affected by their decisions as public officials, that they have no written or informal understandings with anyone regarding future employment, and that they undertake to perform their public duties wholly on the basis of their best judgment as to the public interest under standards contained in the appropriate statutes. Beyond this, we hold to the view that regulatory commissions. should have a mix of ideology and relevant experience and should reflect divergent points of view. We believe that such a mix is healthy.

Compensation. According to the Commission on Executive, Legislative and Judicial Salaries (Peterson Commission), one of the major obstacles to attracting individuals of high calibre from the private sector to government is that executive-level government salaries have not kept pace with the increased cost of living and are not commensurate with the responsibilities of high-ranking officials. While we concur with the Peterson Commission's conclusion that salary cannot and should not be the primary inducement to government service, it should not be a bar to such service either. While executive level salaries were finally increased in 1977, after a six-year freeze, still more adjustments are necessary. We recommend that the salary level of regulatory commissioners be increased from Executive Level IV ($50,000) to Executive Level III ($52,500) and that of chairmen be increased from Executive Level III ($52,500) to Level II ($57,500). This would occasion a small increase in salary but, equally important, would more accurately reflect the importance of those positions to the nation's economy and to the public health and welfare. This recommendation accords with the recommendation of the Senate Governmental Affairs Committee Study on Federal Regulation.

White House Selection Process. A systematic selection procedure would help in achieving a good balance of regulators. A recent Senate study stated: "Often the (selection) process has been set up with little or no thought and then relegated to middle-level status in the White House; criteria, either on a specific selection or even of a general nature, are rarely enunciated; and Presidents have frequently not insisted upon the most able appointees." A more orderly and systematic process would not only improve the quality of regulatory appointments, but would also improve the balance on commissions, while still preserving Presidential prerogatives and flexibility.

Accordingly, we recommend a personnel system for regulatory appointments:

First, it would keep systematic data on jobs to be filled. Job descriptions should include education and experience requirements. Because the goal should be to achieve well-balanced commissions, the job files should indicate a variety of backgrounds appropriate for particular commissions.

Second, a continually updated talent bank should be maintained that would list specific individuals, across political party lines, with relevant descriptions of their backgrounds. Ideally, this talent bank should be computerized for easy and comprehensive retrieval. It should be prepared to propose three or four qualified candidates for any position that becomes vacant.

Third, the system should be anticipatory. It should contain reliable data on expiring terms and the probability of each incumbent's availability for reappointment. It should anticipate the simple question: Does the President wish to reappoint the incumbent? It should also be prepared for the unexpected and short-notice resignation that so often results in protracted leadership gaps.

Fourth, the White House should consider retired professionals—executives, lawyers, academicians, and the like—as an especially useful group from which to choose commissioners. Aside from their experience, their freedom from long-range career needs could relieve them from some of the difficulties with which this report is concerned.

FINANCIAL AND ETHICAL CONSIDERATIONS

To counter a widespread public distrust of government officials, it is essential that the financial and ethical integrity of regulatory commissioners be assured by the selection process. Although a report on the regulatory appointments process by the Senate Governmental Affairs Committee shows little actual conflict of interest at the top levels of the regulatory commissions, the public needs strong assurances that such conflict will not occur. Scrutiny by the White House and the Senate confirmation process has prevented any widespread abuse, but the standards involved need to be further clarified and improved. The standards must be strict but reasonable, or capable and experienced persons may be discouraged from accepting regulatory positions. There are three areas in which standards should be improved: conflict of interest, financial disclosure, and post-service employment and activity.

Conflict of Interest. Conflict of interest exists when a government official has a financial interest that might be affected by the exercise of the official's public duty. This definition does not presuppose that the official will actually be influenced by his financial interest; it merely acknowledges the existence of the potential for such influence and the concomitant appearance of impropriety. Current standards of conduct and requirements for financial disclosure are governed by Executive Order 11222, issued in 1965. That Order prohibits government employees from having financial interests that conflict substantially, or appear to conflict substantially, with their official responsibilities.

In a 1976 report, the General Accounting Office criticized the existing procedures used by the various agencies and the Civil Service Commission to implement conflict of interest standards. The GAO found that, first, there was inadequate interpretation of standard of conduct regulations. Second, the procedures to insure collection, review and control of statements were inadequate. Third, the resolution of conflicts of interest was ineffective and untimely. To remedy these problems, GAO recommended the establishment of a centralized Office of Ethics in the executive branch. President Carter also proposed such an office, and the Senate has passed legislation to establish within the Civil Service Commission an Office of Ethics that will provide uniform guidance to the various agencies and will centralize executive branch responsibility for enforcement. Although the President's proposed civil service reform package does not address where the Office of Ethics would be included organizationally, the office could logically be located either as part of the Office of Personnel Management or as part of the Special Counsel's Office of the Merit Protection Board. No matter its placement, we fully support the creation of this office.

One difficult conflict of interest problem pertains to individuals who have extensive and varied financial holdings that cannot readily be disposed of or transferred without great financial sacrifice. The traditional solution to this problem has been the blind trust, but in the past such trusts have been ad hoc arrangements without uniform procedures or standards. Blind trusts deal indirectly with the conflict of interest problem by insuring that the official is unaware of any financial interest he has that might be affected by matters under his jurisdiction. Rather than removing a conflict, they remove the possibility of an official's knowing of or being influenced by such conflict. The advantage of the blind trust is that it allows wealthy individuals to participate in public service when divestiture would be too financially onerous. The blind trust represents a good compromise to enhance public confidence in official integrity, and we recommend its usage.

Whether assets are in a blind trust or initially divested, one major problem concerns their tax treatment when sold. The required sale of assets which may have appreciated substantially would greatly increase the financial sacrifice made by individuals accepting high political appointments.

We recommend a special rollover provision which would defer the recognition of capital gain if the proceeds are invested in other securities (bonds or stocks not on the prohibited list of the agency involved) within a prescribed period of time, such as by the end of the following calendar year.

Financial Disclosure. Complete and public financial disclosure has become an essential component of conflict of interest standards. Congress has recently imposed codes of ethics on itself requiring comprehensive disclosure of outside income. The Senate has already passed, and the House is considering, legislation mandating full and public financial disclosure for members of Congress and their principal aides, the federal judiciary, and appointed and career executive branch officials. In reporting out the legislation, the Senate Governmental Affairs Committee set forth some of the reasons for requiring public disclosure. First, it will increase public confidence in the government. Second, it will demonstrate the high level of integrity of the vast majority of government officials. Third, it will deter conflicts of interest from arising. Fourth, it will deter some persons whose finances would not bear public scrutiny from entering public service. Finally, it will better enable the public to judge the performance of public officials.

Although the Senate Committee Report implied that only those with something to hide would decline public service in the face of public disclosure, we believe the matter is more complicated than that. Individuals have privacy rights even when they do not have anything illicit to hide. Therefore, as a minimum, we strongly recommend that safeguards be established to prevent financial disclosure reports from being used for any commercial or unlawful purpose. Also, the name and organizational affiliation of anyone who inspects or receives a financial disclosure report must be made available to the reporting official and to the public.

Subsequent Employment and Activities. In the midst of discussion about the "revolving door" issue, the subject of employment and other activities of regulatory officials after leaving office has assumed considerable importance. Unfortunately, this issue has been clouded by political rhetoric and sensation-

alism. There are actually two, quite separate aspects to this issue. One concerns the purely personal situation of the individual leaving high government office. The other concerns the governmental and public interest impact. On an individual level, regulatory commissioners, as well as other high officials, often increase their value in the marketplace as a result of their government position and have lucrative career opportunities upon leaving government as lawyers or business executives whose positions are somewhat related to the matters under their purview as commissioners. Ex-commissioners may also move on to enhanced positions in universities or may write books or articles drawing from their governmental experience. And given the recent influx of regulatory officials from public interest groups, it is reasonable to expect that some of them may return to citizen groups with an enhanced value resulting from their regulatory experience. Far from being a problem, such enhancement of value is a benefit in that it may increase the attraction of public service to outstanding individuals.

The second issue concerns an official's relationship with his former agency after leaving the government and the potential conflict of interest problems that may arise. It is essential that former agency officials do not gain unfair or improper advantage in dealing with their former agencies. While it is inevitable that a former official will gain substantial expertise in the workings of an agency, there is still a fine line between that expertise and an improper exploitation of inside knowledge and personal contacts. Even the appearance that an official worked to the special advantage of a future private employer must be avoided.

The simplest safeguard in this situation is to regulate contacts with an official's former agency. As a practical matter, however, a total ban on such contacts is both impractical and unwise. It would be difficult, if not impossible, to obtain the services of outstanding individuals, particularly lawyers in mid-career, if government service were to deprive them of their best opportunity to pursue a career in the area of their greatest interest and specialization. As noted by SEC Enforcement Director Stanley Sporkin, if high-level staff members were to be banned from agency-related work in the private sector, they would be much more dependent on their agency for their livelihood. A staff member's knowledge that he/she can readily obtain employment outside an agency may be the best guarantee of his/her independent exercise of judgment—an essential component of regulatory vigor and integrity.

We believe it is sound public policy to design safeguards relating to the subsequent activities of regulatory commissioners and other regulatory officials. But those safeguards should apply to the individual, not to the institution with which he chooses to associate, and they should extend only as far as is necessary to prevent the abuse of public trust for personal profit. Please note that we have described the problem as "abuse . . . for personal profit" rather than as "abuse . . . for private profit." The problem to which the safeguards ought to be addressed is the misuse of public position for individual gain. An individual who takes unethical advantage of a former position in government to increase his or her earning power ought to be censured regardless of whether he or she is working for a profit or nonprofit institution. If, as we shall suggest, a former official is to be barred for life from acting on specific cases in which he/she was personally and substantially involved, that bar ought to apply whether the former official goes to work in industry or in the environmental movement, whether he/she engages in private law practice or joins a public interest law firm. The principle is that income is income; the source of the income should not be the controlling consideration.

Accordingly, we recommend two separate restrictions. First, a former official is barred for life from acting on cases in which he/she was personally and substantially involved while in government service. With regard to those matters, the former official cannot represent or assist any private party in connection with a particular court or agency proceeding in which the government has a substantial interest and which was directly in the former official's charge. This restriction applies to consultants and expert witnesses, as well as to lawyers or those representing only themselves. Even informally aiding or consulting private parties on matters personally considered while in office should be prohibited.

This restriction is purposely narrow because it applies to particular judicial proceedings, and not to general rulemaking. For example, if an official with the ICC worked on Greyhound's request to raise fares, this would mean that once he/she left the agency, he/she could not represent Greyhound as a lawyer on matters dealing with that specific request for a fare increase. He/she could represent Greyhound on any other rate increase request (even if it dealt with policy arising out of the earlier rate decision) or any other matter such as route structures.

The lifetime ban is primarily designed to prevent real, overt conflicts of interest. We must emphasize though that a judicial proceeding has a limited lifetime and, once a case has been settled, it no longer poses a potential conflict of interest.

Second, we recommend a one-year cooling-off period during which a former top-level official may have no contact on any matter with his former agency, although he may assist and consult, provided there is no direct contact with the agency.

We also believe it is desirable to go beyond the prohibition of certain activities by former regulators and to have a more positive and affirmative approach to post-employment problems. Because regulatory commissioners are appointed for fixed terms, the final months of service of commissioners who are not being reappointed or retiring pose delicate problems. A natural field of future employment would involve direct or indirect work for regulated industries, but discussions about potential job opportunities may involve a conflict of interest—particularly in agencies with broad jurisdictions such as the FTC or SEC.

The worst manifestation of the revolving door problem is for commissioners still in office to negotiate employment with firms affected by government regulation. At the very least, it gives the appearance that the transfer from government to private industry is tinged with impropriety. But, it is demeaning and unfair to expect department commissioners to make no arrangements for employment and to cast about as best they can after leaving the government. Currently, there is little statutory guidance, and questions arising in particular cases tend to be handled on an ad hoc basis.

Commissioners should devote their full energies and attention to their duties to the very end of their term of office. In order to enable them to do so, we recommend that the government provide exiting commissioners with a relocation period of up to three months at full pay during which time they could seek future employment. This proposal removes any need for regulators to spend their last months in office job-hunting. It therefore minimizes conflict of interest problems while being fair to individuals. Of course, in order to prevent misunderstandings or abuse, there should be some restrictions on the use of this period. First, since this proposal is not designed to facilitate premature job-hopping, the relocation period should be available only to commissioners who have served out the full terms to which they were appointed. Second, government pay would terminate upon an individual's beginning a new job or no later than two weeks after accepting a new position. Finally, a commissioner would be free to decline the pay or terminate the relocation period for any reason.

CONCLUSION

Assuring the highest standards of competence and integrity of regulatory commissioners is an indispensable component of regulatory reform. While there is no substitute for the vigilance and determination of the President to make the best appointments possible with the advice and consent of the Senate, we believe that the recommendations we have made with regard to the appointments process and the conditions of service would establish a framework that would substantially improve the appointments process.

● Mr. RIBICOFF. Mr. President, the legislation which Senator GLENN, Senator PERCY, and myself are today proposing addresses several very important issues in the area of regulatory reform: The quality of regulatory appointments; the independent status of the Federal regulatory Commissions; and improper influences on those regulatory bodies, either by the executive branch or private interests subject to regulation.

Independent regulatory agencies are today an important part of Government in America. Yet they are known by the public only vaguely, if at all. To most Americans the independent Commissions are part and parcel of a seemingly impenetrable and vast national bureaucracy. Yet these Commissions regulate major aspects of the economy affecting interstate commerce—including airlines, banking, business practices, communications, consumer products, energy and natural gas, securities, shipping, and trucking. They implement national economic policies of critical importance to industry and citizens generally.

The Governmental Affairs Committee is very familiar with these issues. The independent status of the Federal Commissions was a matter of major concern to the late Senator Metcalf. Senator Metcalf introduced on several occasions legislation very similar to the present bill. The issues have been the subject of lengthy hearings and consideration by our committee in the past.

In addition, all of the bill's provisions reflect recommendations, already approved by the committee, in various volumes of our "Study on Federal Regulation." The proposals have been carefully reviewed as part of that study. Thus the bill we introduce today is further implementation of our regulatory reform study, and a further indication of our committee's commitment to improving the Federal regulatory process.

We believe that the provisions of this bill are in keeping with the President's attitude toward these Commissions. President Carter has demonstrated a keen commitment to improving the quality of regulatory appointments, and to eliminating conflicts of interest and undue influence in Federal regulation. Moreover, President Carter, in signing the recent Executive Order on Improv-

ing Government Regulations, stated that "regulatory independence should be preserved."

I agree. This bill will, in my opinion, achieve that objective.●

By Mr. ROBERT C. BYRD (for Mr. LONG):

S. 3241. A bill to amend the Internal Revenue Code of 1954, and the Tax Reduction Act of 1975, with respect to employee stock ownership plans; to the Committee on Finance.

EXPANDED EMPLOYEE STOCK OWNERSHIP ACT OF 1978

Mr. ROBERT C. BYRD. Mr. President, I introduce and send to the desk a bill on behalf of Mr. LONG and I ask unanimous consent that a statement by him be printed in the RECORD, together with the text of the bill.

There being no objection, the statement and bill were ordered to be printed in the RECORD, as follows:

EXPANDED EMPLOYEE STOCK OWNERSHIP ACT OF 1978

I am introducing today a bill (S. 3241) which by expanding the use of Employee Stock Ownership Plans (ESOPs), will help to alleviate some serious economic and social problems facing our country today.

As I pointed out in my December 15, 1977 remarks in the Senate, we face the problem of a serious shortage of capital in the United States. It has been estimated that we will require over $1.5 trillion of new capital formation in the next decade. At the same time, we must solve a great disparity in stock ownership among our citizens; a Department of Commerce publication entitled, "Survey of Current Business" reflected that the top one percent of the wealth-holders in the United States in 1971 directly owned more than 50 percent of the outstanding stock value in the country. On the other hand, the bottom eighty-five percent own none at all. I feel that continued growth of the ESOP concept will help us resolve these economic problems.

However, expansion of the ESOP concept will go further than simply alleviating these economic problems. To me it is clear that the concentration of wealth and capital ownership in a relatively few individuals has created a feeling of alienation among the general public and our national labor force. This is an emerging social problem with which we must deal.

This past winter, we endured a strike by the coal workers which lasted over three and one-half months. I don't need to tell Senators of the problems created by that strike. The news media carried daily reports of the economic and social hardships it caused, both to the striking miners and the consuming public.

This is not to criticize organized labor; as a matter of fact, I understand their problem. Like most wage-earners today, they have no access to corporate ownership, no way to truly share in the corporate profits which their labor produces. In order to maintain parity with the cost-of-living in an inflationary period, labor must insist on higher and higher wages.

This repeated bargaining for increased wages has two effects. In the first place, as pointed out recently by the Administration's Council on Wage and Price Stability, continued demand for higher wages only feeds the inflation which produces it; more important, is the fact that it can produce a situation in which an entire industry can become noncompetitive on a worldwide basis because of its labor costs or it can lead to strikes which could potentially cripple the entire country.

The average citizen also seems to feel this lack of communion with business. A recent article in *Saturday Review* stated that "Corporations are beginning to take over from government the dark role as public enemy No. 1."

While this trend has many causes, I feel that it is partly the product of a general feeling among our citizens that corporations all belong to "someone else," the small group of individuals and institutions which comprise its shareholder base. It is far easier to condemn or criticize something which belongs to someone else and with which one feels no affinity. If we were to expand this shareholder base to include the country at large, this antipathy might be lessened.

These are social problems which, along with the need for capital formation and excessive concentration of wealth, I feel can be partially alleviated by the expanded use of ESOPs, Mr. President. By providing each worker a share in the ownership of a corporation, we are giving him a share in its future. It no longer is "somebody else's" company; now it becomes "my" company. This broadening of ownership, this recognition of a unity of interests, cannot help but reduce the antagonism between labor and employers and some of the apparent wide-spread negativism toward corporations which is felt by the general public.

How does this bill accomplish these objectives? Very simply, by increasing the desirability of adopting and funding an ESOP by each employer. We do not live in an eleemosynary society; very few of us will voluntarily share our property and assets with others purely out of the goodness of our hearts. There must be an incentive for this sharing, this broadening of access to capital ownership.

We have already taken steps in this direction. In five pieces of legislation over the past five years, Congress has expressed its commitment to the ESOP concept as a means of providing employees with access to stock ownership in their company. These are as follows:

First. The Regional Rail Reorganization Act of 1973 (Pub. L. 93–236) which would have permitted ConRail to utilize an ESOP as part of its financing program, thereby enabling it to repay at least a portion of its indebtedness with pretax dollars;

Second. The Employee Retirement Income Security Act of 1974 (Pub. L. 93–406) which formally recognized ESOP as an employee benefit plan and established criteria for its adoption and administration;

Third. The Trade Act of 1974 (Pub. L. 93–618) which as part of the relief package being established for companies that are members of foreign trade-impacted industries, provided that some preference would be given for assistance to such companies which adopt an ESOP;

Fourth. The Tax Reduction Act of 1975 (Pub. L. 94–12); and

Fifth. The Tax Reform Act of 1976 (Pub. L. 94–455) which established, and expanded, the availability of an investment tax credit for employers that adopt an ESOP and which are otherwise eligible for the investment tax credit.

Under these five pieces of legislation, ESOP has grown and expanded; employees of hundreds of companies throughout the United States are beginning to acquire an ownership interest.

The bill I introduce today would increase the available investment tax credit to 2 percent, provided that an equivalent ESOP contribution is made. At the same time, the bill will permit employers who have already adopted ESOPs to allow their employees to discontinue the one-half percent matching contribution to the ESOP. The one-half percent matching contribution was adopted in 1976 on a compromise between the 2 percent investment tax credit I was suggesting and the one percent investment tax credit which existed at that time. The one-half percent matching contribution provision has not been very successful and I believe that we should discard ideas which do not work.

Since we must also be concerned about capital formation, the bill requires that an amount equal to one-half the additional investment tax credit claimed must consist of newly-issued shares of employer stock.

At the same time, the bill will make ESOP attractive to labor-intensive employers which have not been able to utilize the investment tax credit. These employers make their investment in salaries and wages, and accordingly the bill will give them a tax credit for a portion of the wages paid each year provided that an equivalent amount is contributed to an ESOP. As with the ESOP contribution which corresponds to the investment tax credit, one-half of this amount must represent newly-issued employer stock.

The bill also addresses certain anomalies which has arisen regarding ESOPs and attempts to correct certain problems regarding employment retirement benefits.

I ask that the bill be printed in the RECORD.

S. 3241

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Expanded Employee Stock Ownership Act of 1978".

SECTION 1. CREDIT FOR ESTABLISHING EMPLOYEE STOCK OWNERSHIP PLAN.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowed) is amended by inserting after section 44B the following new section:

"SEC. 44C. EMPLOYEE STOCK OWNERSHIP PLAN CONTRIBUTIONS.

"(a) GENERAL RULE.—In the case of a corporation which meets the requirements of section 416, there is allowed as a credit against the tax imposed by this chapter for the taxable year, an amount equal to the greater of—

"(1) 2 percent of the qualified investment (as determined under subsections (c) and (d) of section 46) of the taxpayer for the taxable year, or

"(2) One percent of the aggregate participants' compensation (as defined in section 415(c)(3)) paid by the corporation during the taxable year.

"(b) TRANSFER OF NEW EMPLOYER SECURITIES REQUIRED.—The credit allowable under subsection (a) for any taxable year shall not be allowed unless, in meeting the requirements of such section for such taxable year, at least half of the value of the employer securities transferred to the trust for that taxable year is represented by new employer securities. For purposes of this subsection, the term 'new employer securities' means employer securities (as defined in section 416(a)(9)) not previously issued.

"(c) LIMITATION BASED ON TAX LIABILITY; CARRYOVER OF EXCESS CREDIT.—

"(1) LIMITATION.—The amount of the credit allowed under subsection (a) for the taxable year shall not exceed the liability of the taxpayer for tax under this chapter for the taxable year.

"(2) CARRYOVER OF EXCESS CREDIT.—If the amount of the credit determined under subsection (a) for the taxable year exceeds the amount of the limitation imposed by paragraph (1) for such taxable year (hereinafter

in this paragraph referred to as the 'unused credit year'), such excess shall be a credit carryover to the taxable year following the unused credit year, and, subject to the limitation imposed by paragraph (1), shall be taken into account under subsection (a) in such following taxable year.

"(d) LIMITATION WITH RESPECT TO CERTAIN COMPANIES.—In the case of a regulated public utility, no credit shall be allowed by subsection (a) if the taxpayer's cost of service for ratemaking purposes is reduced by reason of any portion of the credit allowable by subsection (a) (determined without regard to this subsection), or if the base to which the taxpayer's rate of return for ratemaking purposes is applied is reduced by any reason of any portion of the credit allowed by subsection (a) (determined without regard to this subsection).".

(b) Subpart B of part I of subchapter D of chapter 1 of such Code is amended by adding at the end thereof the following new section:

"SEC. 416. SPECIAL EMPLOYEE STOCK OWNERSHIP PLANS.

"(a) PLAN REQUIREMENTS FOR TAXPAYERS CLAIMING SECTION 44C CREDIT.—In order to meet the requirements of this subsection—

"(1) Except as expressly provided in subsections (b) and (c), a corporation (hereinafter in this subsection referred to as the 'employer') shall establish an employee stock ownership plan (described in paragraph (2)) which is funded by transfers of employer securities in accordance with the provisions of paragraph (6) and which meets all other requirements of this subsection.

"(2) The plan referred to in paragraph (1) shall be a defined contribution plan established in writing which—

"(A) is a stock bonus plan, a stock bonus and a money purchase pension plan, or a profit-sharing plan,

"(B) is designed to investment primarily in employer securities, and

"(C) meets such other requirements (similar to requirements applicable to employee stock ownership plans as defined in section 4975(e)(7)) as the Secretary may prescribe.

"(3) The plan shall provide for the allocation of all employer securities transferred to it or purchased by it (because of the requirements of section 44C) to the account of each participant (who is an employee of the employer at the close of the plan year) as of the close of each plan year in an amount which bears substantially the same proportion to the amount of all such securities allocable to all participants in the plan for that plan year as the amount of compensation paid to such participant (disregarding any compensation in excess of the first $100,000 per year) bears to the compensation paid to all such participants during that year (disregarding any compensation in excess of the first $100,000 with respect to any participant). Notwithstanding the preceding sentence, the allocation to participants' accounts may be extended over whatever period may be necessary to comply with the requirements of section 415. For purposes of this paragraph, the amount of compensation paid to a participant for a year is the amount of such participant's compensation within the meaning of section 415(s)(8) for such year.

"(4) The plan must provide that each participant has a non-forfeitable right to any stock allocated to his account under paragraph (3), and that no stock allocated to a participant's account may be distributed from that account before the end of the eighty-fourth month beginning after the month in which the stock is allocated to the account except in the case of separation from the service, death, or disability.

"(5) The plan must provide that, in the case of securities issued by an employer which has a class of securities registered under section 12 of the Securities Exchange Act of 1934, or which would be required to be so registered except for the exemption from registration provided in subsection (g)(2)(8) or (g)(2)(9) of that section, each participant is entitled to direct the plan as to the manner in which any employer securities which are allocated to the account of the participant are to be voted.

"(6) On making a claim for credit under section 44C, the employer shall state in such claim that it agrees, as a condition of receiving any such credit—

"(A) to transfer employer securities to the plan having a value at the time of the claim equal to the amount of the credit claimed under section 44C for the taxable year of which at least one-half (in value) shall consist of new employer securities (as defined in section 44C(b)),

"(B) except as provided in subparagraph (C), to effect the transfer not later than 30 days after the time (including extensions) for filing its income tax return for a taxable year, and

"(C) in the case of an employer whose credit (as determined under section 44C (a)) for a taxable year, exceeds the limitations of subsection (c) of such section to effect that portion of the transfer allocable to credit carryovers of such excess credit at the time required under subparagraph (b) for the taxable year to which such portion is carried over.

For purposes of meeting the requirements of this paragraph, a transfer of cash shall be treated as a transfer of employer securities if the cash is, under the plan, used to purchase employer securities.

"(7) Notwithstanding any other provision of law to the contrary, if the plan does not meet the requirements of section 401—

"(A) stock transferred under paragraph (6) and allocated to the account of any participant under paragraph (3) and dividends thereon shall not be considered income of the participant or his beneficiary under this chapter until actually distributed or made available to the participant or his beneficiary and, at such time, shall be taxable under section 72 (treating the participant or his beneficiary as having a basis of zero in the contract),

"(B) no amount shall be allocated to any participant in excess of the amount which might be allocated if the plan met the requirements of section 401, and

"(c) the plan must meet the requirements of sections 410 and 415.

"(8)(A) Except as provided in subparagraph (B)(iii), if the amount of the credit determined under section 46 is recaptured or redetermined in accordance with the provisions of section 47 and the amount of the credit claimed under section 44C for the taxable year to which such recapture or redetermination relates was computed under paragraph (1) of section 44C(a), the amounts transferred to the plan under this subsection in subsection (e) and allocated under the plan shall remain in the plan or in participant accounts, as the case may be and continue to be allocated in accordance with the plan.

"(B) If the amount of the credit determined under section 46 for a taxable year is recaptured in accordance with the provisions of section 47 and the amount of the credit claimed under section 44C for the taxable year to which such recapture relates was computed under paragraph (1) of section 44C(a)—

"(i) the employer may reduce the amount required to be transferred to the plan under paragraph (6) of this subsection, or under paragraph (3) of subsection (e), for the current taxable year or any succeeding taxable years by the portion of the amount so recaptured which is attributable to reduction in the qualified investment (as determined under section 46 (c) and (d) of the employer,

"(ii) notwithstanding the provisions of paragraph (12), the employer may deduct such portion, subject to the limitations of section 404 (relating to deductions for contributions to an employees' trust or plan), or

"(iii) if the requirements of subsection (c)(1) are met, the employer may withdraw from the plan an amount not in excess of such portion.

"(C) If the amount of the credit claimed by an employer for a prior taxable year under section 38 is reduced because of a redetermination of the qualified investment for such prior taxable year which becomes final during the taxable year, and the employer transferred amounts to a plan which were taken into account for purposes of this subsection for that prior taxable year, then—

"(i) the employer may reduce the amount it is required to transfer to the plan under paragraph (6) of this subsection, or under paragraph (3) of subsection (e), for the taxable year or any succeeding taxable year by the portion of the amount of such reduction in the credit or increase in tax which is attributable to the contribution to such plan, or

"(ii) notwithstanding the provisions of paragraph (12), the employer may deduct such portion subject to the limitations of section 404.

"(9) For purposes of this subsection—

"(A) EMPLOYER SECURITIES.—The term 'employer securities' means common stock issued by the employer or a corporation which is a member of a controlled group of corporations which includes the employer (within the meaning of section 1563 (a), determined without regard to section 1563 (a)(4) and (e)(3)(C)) with voting power and dividend rights no less favorable than the voting power and dividend rights of other common stock issued by the employer or such controlling corporation, or securities issued by the employer or such controlling corporation, convertible into such stock, and

"(B) VALUE.—The term 'value' means the average of closing prices of the employer's securities, as reported by a national exchange on which securities are listed, for the 20 consecutive trading days immediately preceding the date of transfer or allocation of such securities or, in the case of securities not listed on a national exchange, the fair market value as determined in good faith and in accordance with the regulations issued by the Secretary.

"(10) The Secreary shall prescribe such regulations and require such reports as may be necessary to carry out the provisions of this section.

"(11) If the employer fails to meet any requirement imposed under this section or under any obligation undertaken to comply with a requirement of this section, he is liable to the United States for a civil penalty of an amount equal to the amount involved in such failure. The preceding sentence shall not apply if the taxpayer corrects such failure (as determined by the Secretary) within 90 days after notice thereof. For purposes of this paragraph, the term 'amount involved' means an amount determined by the Secretary, but not in excess of the amount of the credit claimed by the taxpayer for the taxable year under section 44C(a) and not less than the product of one-half of one percent of such amount multiplied by the number of months (or parts thereof) during which such failure continues. The amount of such penalty may be collected by the Secretary in the same manner in which a deficiency in the payment of Federal income tax may be collected.

"(12) Notwithstanding any provision of this title to the contrary, no deduction shall

be allowed under section 162, 212, or 404 for amounts transferred to an employee stock ownership plan and taken into account under this subsection.

"(13) (A) As reimbursement for the expense of establishing the plan, the employer may withhold from amounts due the plan for the taxable year which the plan is established, or the plan may pay, so much of the amounts paid or incurred in connection with the establishment of the plan as does not exceed the sum of 10 percent of the first $100,000 that the employer is required to transfer to the plan for that taxable year under paragraph (6) (including any amounts transferred under subsection (e)(3)) and 5 percent of any amount in excess of the first $100,000 of such amount.

"(B) As reimbursement for the expense of administering the plan, the employer may withhold from amounts due the plan, or the plan may pay, so much of the amounts paid or incurred during the taxable year as expenses of administering the plan as does not exceed the smaller of—

"(i) the sum of 10 percent of the first $100,000 and 5 percent of any amount in excess of $100,000 of the income from dividends paid to the plan with respect to stock of the employer during the plan year ending with or within the empoyer's taxable year, or

"(ii) $100,000.

"(14) The return of a contribution made by an employer to an employee stock ownership plan designed to satisfy the requirements of this subsection or subsection (b) (or a provision for such a return) does not fail to satisfy the requirements of this subsection (b), section 401(a), or section 403(c)(1) of the Employee Retirement Income Security Act of 1974 if—

"(A) the contribution is conditioned under the plan upon determination by the Secretary that such plan meets the applicable requirements of this subsection, subsection (b), or section 401(a),

"(B) the application for such a determination is filed with the Secretary not later than 90 days after the date on which the credit under section 44C is allowed, and

"(C) the contribution is returned within one year after the date on which the Secretary issues notice to the employer that such plan does not satisfy the requirements of this subsection, subsection (b), or section 401(a).

"(15) Notwithstanding any provision of this title to the contrary, employees who are included in a unit of employees covered by a collective bargaining agreement between an employee representative and one or more employers and who satisfy the minimum age and service requirements, if any, established by the plan shall not be excluded from eligibility under the plan, unless the employee representative declines coverage for employees in the unit. Where the employee representative declines coverage, section 410(b)(2)(A) shall apply.

"(b) ADDITIONAL PLAN REQUIREMENTS.—

"(1) The employer may not make participation in the plan a condition of employment and the plan may not require matching employee contributions as a condition of participation in the plan.

"(2) Employee contributions (if any) under the plan must meet the requirements of section 401(a)(4) (relating to contributions).

"(c) RECAPTURE.—

"(1) GENERAL RULE.—Amounts transferred to a plan under subsection (a)(6) may be withdrawn from the plan by the employer if the plan provides that while subject to recapture—

"(A) amounts so transferred with respect to a taxable year are segregated from other plan assets, and

"(B) separate accounts are maintained for participants on whose behalf amounts so transferred have been allocated for a taxable year.

"(2) COORDINATION WITH OTHER LAW.—Notwithstanding any other law or rule of law, an amount withdrawn by the employer will neither fail to be considered to be nonforfeitable nor fail to be for the exclusive benefit of participants or their beneficiaries merely because of the withdrawal from the plan of amounts described in paragraph (1), nor will the withdrawal of any such amount be considered to violate the provisions of section 403(c)(1) of the Employee Retirement Income Security Act of 1974.

"(d) EFFECT OF RECAPTURE PROVISIONS ON DISTRIBUTION TO A PARTICIPANT (OR HIS BENEFICIARY).—A distribution to a participant (or his beneficiary) which otherwise satisfies the requirements of subsection (e)(4)(A) of section 402 shall be treated as a lump sum distribution for purposes of section 402, notwithstanding the fact that a portion of the amount allocated to the participant's account under the plan as provided in this section is retained in the plan following the distribution to him in order to permit an amount previously transferred to the plan to be withdrawn by his employer under subsection (a)(8)(B) of this section. Any portion of this amount retained in the plan which is not withdrawn by the employer and which is subsequently distributed to the participant (or his beneficiary) shall not be treated as a lump sum distribution.".

(c) CONFORMING CHANGES.—

(1) Paragraph (2) of section 46(a) of such Code (relating to amount of credit for current taxable year) is amended—

(A) by striking out "Except as otherwise provided in subparagraph (B), in the case of property described in subparagraph (D)," and inserting in lieu thereof the following: "In the case of property described in subparagraph (C),",

(B) by striking out subparagraph (B) and redesignating subparagraphs (C) and (D) as (B) and (C), respectively,

(C) by striking out "subparagraph (D)," in subparagraph (B) (as so redesignated) and inserting in lieu thereof "subparagraph (C)",

(D) by striking out "subparagraphs (A) and (B)" in subparagraph (C) (as so redesignated) and inserting in lieu thereof "subparagraph (A)", and

(E) by striking out the last sentence of subparagraph (C) (as so redesignated).

(2) Subparagraph (A) of section 46(c)(3) of such Code (relating to public utility property) is amended by striking out "subsection (a)(2)(C)" and inserting in lieu thereof "subsection (a)(2)(B)".

(3) Paragraph (9) of section 46(f) of such Code (relating to limitation in case of certain regulated companies) is amended—

(A) by striking out "makes an election under subparagraph (B) of subsection (a)(2)," and inserting in lieu thereof "claims the credit allowed by section 44C,",

(B) by striking out "then, notwithstanding the prior paragraphs of this subsection, no credit shall be allowed by section 38 in excess of the amount which would be allowed without regard to the provisions of subparagraph (B) of subsection (a)(2)" and inserting in lieu thereof "then no credit shall be allowed by such section".

(d) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting immediately after the item relating to section 44B the following new item:

"Sec. 44C. Employee Stock Ownership Plan Contributions.".

(2) The table of sections for subpart B of part I of subchapter D of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 416. Special employee stock ownership plans.".

SEC. 2. TREATMENT OF ESOP ANNUITIES FOR ESTATE TAX PURPOSES.

Subsection (c) of section 2039 of such Code (relating to exemption of annuities under certain trusts and plans) is amended—

(1) by striking out "(other than a lump sum distribution described in section 402(e)(4), determined without regard to the next to the last sentence of section 402(e)(4)(A))" and inserting in lieu thereof "(other than an amount which the taxpayer elected, under section 402(e)(4)(B), to treat as a lump sum distribution)", and

(2) by inserting after "section 401(a)" in paragraph (1) the following: ", or under an employee stock ownership plan".

SEC. 3. RETIREMENT SAVINGS BY ESOP PARTICIPANTS.

(a) AMENDMENT OF SECTION 219.—Paragraph (4) of section 219(c) of such Code (relating to participation in governmental plans by certain individuals) is amended—

(1) by inserting "; participation in certain employee stock ownership plans" after "individuals" in the caption of such paragraph, and

(2) by adding at the end thereof the following new subparagraph:

"(C) CERTAIN EMPLOYEE STOCK OWNERSHIP PLANS.—A participant in an employee stock ownership plan described in section 416 is not considered to be an active participant in a plan described in subsection (b)(2) solely because of his participation in the employee stock ownership plan.".

(b) AMENDMENT OF SECTION 220.—Paragraph (5) of section 220(c) of such Code (relating to participation in governmental plans by certain individuals) is amended—

(1) by inserting "; participation in certain employee stock ownership plans" after "individuals" in the caption of such paragraph, and

(2) by adding at the end thereof the following new sentence: "A participant in an employee stock ownership plan which meets the requirements of section 416 is not considered to be an active participant in a plan described in subsection (b)(3) solely because of his participation in the employee stock ownership plan.".

SEC. 4. ROLLOVER OF ESOP INTO IRA.

Paragraph (6) of section 402(a) of the Internal Revenue Code of 1954 (relating to special rollover rules) is amended by adding at the end thereof the following new subparagraph:

"(C) CASH IN LIEU OF EMPLOYER SECURITIES.—For purposes of paragraph (5), the transfer of all money received in lieu of a distribution of employer securities (as defined in section 416(a)(9)(A)) or of the proceeds from the sale of a distribution of employer securities to the employer or to the trust or plan maintained by the employer, shall be treated as a transfer of a distribution of such securities.".

SEC. 5. PUT-OPTION REQUIREMENT FOR CERTAIN ESOP CONTRIBUTIONS.

"Notwithstanding any other provision of law, an employee stock ownership plan (as defined in section 416 or 4975(e)(7) of the Internal Revenue Code of 1954) which permits a participant to elect to receive cash in lieu of a distribution of employer securities shall not be required to provide a put option for any securities distributed from the plan, nor shall the provision of such an election be deemed to be an offering of a security to the participant for purposes of Federal and State securities laws.".

SEC. 6. ELECTION WITH RESPECT TO UNREALIZED APPRECIATION OF EMPLOYER SECURITIES.

Subparagraph (J) of section 402(e)(4) of such Code (relating to unrealized appreciation of employer securities) is amended by inserting after "there shall be excluded" the following: ", at the election of the taxpayer (made at such time and in such manner as the Secretary may prescribe by regulation),".

SEC. 7. DEDUCTIBILITY OF CERTAIN ESOP CONTRIBUTIONS, BEQUEST, ETC.

(a) DIVIDENDS PAID DEDUCTION.—In addition to the deductions provided under section 404(a) of the Internal Revenue Code of 1954, there shall be allowed as a deduction to an employer the amount of any dividend paid by that employer during the taxable year with respect to employer securities (as defined in section 416(a)(9) of such Code) if—

(1) the employer securities were held on the record date for the dividend by an employee stock ownership plan, and

(2) the dividend received by the plan—

(A) is distributed, not later than 60 days after the close of the plan year in which it is received, to the employees participating in the plan, in accordance with the plan provisions.

(b) BEQUESTS; CHARITABLE CONTRIBUTIONS, ETC.—For purposes of sections 170(b)(1), 642(c), 2055(a) and 2522 of the Internal Revenue Code of 1954, a contribution, bequest, or similar transfer of employer securities or other property to an employee stock ownership plan (described in section 416 of such Code) shall be deemed a charitable contribution to an organization described in section 170(b)(1)(A)(vi) of such Code, if—

(A) such contribution, bequest, or transfer is allocated, pursuant to the terms of such plan, to the employees participating under the plan in a manner consistent with section 401(a)(4) of such Code;

(B) no part of such contribution, bequest or transfer is allocated under the plan for the benefit of the taxpayer (or decedent), or any person related to the taxpayer (or decedent) under the provisions of section 267(b) of such Code, or any other person who owns more than 25 percent in value of any class of outstanding employer securities (as defined in section 416(a)(9) of such Code) under the provisions of section 318(a) of such Code; and

(C) such contribution, bequest, or transfer is made only with the express approval of such employee stock ownership plan.

SEC. 8. ELIMINATION OF MINIMUM TAX ON EMPLOYEE STOCK OWNERSHIP PLAN CONTRIBUTIONS

In determining the regular tax deductions under section 56(c) of the Internal Revenue Code of 1954, the taxes imposed by Chapter 1 of such Code shall not be reduced—

(A) In the case of a taxable year ending after December 31, 1974 and beginning before January 1, 1978, by the excess, if any, of the credit determined pursuant to section 46(a)(2)(B) of such Code over the credit which would have been determined pursuant to section 46(a)(2)(A) of such Code, or

(B) In the case of a taxable year beginning after December 31, 1977, by the amount of credit determined pursuant to section 44C of such Code.

SEC. 9. EFFECTIVE DATE.

Except as provided in Sec. 8, the amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1977.

By Mr. ROBERT C. BYRD (for Mr. ANDERSON) (for himself and Mrs. HUMPHREY):

S. 3242. A bill to designate the Boundary Waters Canoe Area Wilderness, to establish the Boundary Waters Canoe Area Mining Protection Area, and for other purposes; to the Committee on Energy and Natural Resources.

BOUNDARY WATERS CANOE AREA WILDERNESS ACT

Mr. ROBERT C. BYRD. Mr. President, I introduce a bill on behalf of the Senator from Minnesota (Mr. ANDERSON) for himself and Mrs. HUMPHREY, and I ask unanimous consent that a statement by Senator ANDERSON be printed in the RECORD, together with the text of the bill and other material.

There being no objection, the statement and material were ordered to be printed in the RECORD, as follows:

BOUNDARY WATERS CANOE AREA WILDERNESS ACT

Senator Humphrey and I are today introducing S. 3242, our proposal for the future management of one million seventy-seven thousand acres of wilderness in Northeastern Minnesota.

There is no more sensitive and divisive issue in Minnesota today than the management of the Boundary Waters Canoe Area. Those divisions cut across economic, geographic and political lines.

Despite disagreements on how the Boundary Waters should be managed, there is, we think, a clear and general consensus in Minnesota that the Congress should act this year to resolve the issue, and protect this precious wilderness forever.

Senator Humphrey and I will work for the passage of S. 3242, the Boundary Waters Canoe Area Wilderness Act, this session. We recognize the heavy legislative schedule facing the Energy and Natural Resources Committee and the Senate as a whole. Senator Jackson has assured me that the Energy and Natural Resources Committee can consider this legislation yet this year if the supporters of a bill to protect the BWCA act responsibly.

The BWCA is a treasure which belongs not just to Minnesotans, but to all Americans. All of us have a responsibility to preserve its unique recreational and wilderness character for our children and for generations to come, and I believe S. 3242 does that.

On June 5, 1978, the House of Representatives passed H.R. 12250, thereby completing extensive House consideration of BWCA legislation that began with public hearings nearly one year ago. S. 3242 is comparable to H.R. 12250 in many important respects, but differs significantly in one critical aspect—the use of small motorboats for fishing trips and snowmobiles in limited portions of the BWCA.

This issue is not, and should not be emotionally characterized, as a fight between preservationists and exploiters. There is agreement that those uses most destructive of the BWCA—mining and logging—have no place there. The question for the Senate rather is what kinds of recreational use to permit to maintain the BWCA as a lakeland wilderness. The dispute now is clearly between users of canoes and motorboats, and, snowmobiles and cross-county skis.

And, for many people, understandably, that is a critical issue. It is important in this context to understand why the Minnesota Congressional delegation divided on the key amendment to H.R. 12250 on the House floor and to appreciate why the Governor of Minnesota and the state's conservation agency, the Minnesota Department of Natural Resources, do not support H.R. 12250.

It is equally important to correctly interpret opinion polls that show a majority of Minnesotans favoring greater protection for the BWCA and to react fairly to the residents of Northeastern Minnesota who strenuously oppose H.R. 12250.

To appreciate these aspects of the BWCA dispute in Minnesota, one must be familiar with the history of the BWCA, and particularly the implications of its inclusion in the 1964 Wilderness Act. Following my remarks I will submit for the RECORD a history of federal and state actions taken during the past century to protect the BWCA.

The 1964 Wilderness Act provided national recognition that some federal lands should be managed to maintain their wild and natural qualities for generations to come. The Boundary Waters Canoe Area had the unique distinction of being the sole area in the nation established instantly as an official wilderness area—the only one of its kind—through its specific inclusion in the 1964 Wilderness Act. But it was included as a wilderness area with certain non-wilderness characteristics and that has often been lost sight of in recent months in Minnesota.

So that the people of Minnesota may be reminded and so that my colleagues may understand, I quote now from the law, citing the directions given to the Secretary of Agriculture in the 1964 Wilderness Act in managing this lakeland canoe wilderness:

(U.S.C. 16 § 1133 Ch. 23) Management of Boundary Waters Canoe Area, Superior National Forest, Minnesota; motorboats:

(5) Other provisions of this chapter to the contrary notwithstanding, the management of the Boundary Waters Canoe Area, formerly designated as the Superior, Little Indian Sioux, and Caribou Roadless Areas, in the Superior National Forest, Minnesota, shall be in accordance with regulations, established by the Secretary of Agriculture in accordance with the general purpose of maintaining, *without unnecessary restrictions on other uses, including that of timber, the primitive character of the area,* particularly in the vicinity of lakes, streams, and portages: *Provided, that nothing in this chapter shall preclude the continuance within the area of any already established use of motorboats.* (emphasis added)

If, in 1964, the language that permitted continued motorized uses in parts of the BWCA had not been included in the Wilderness Act, the BWCA itself would not have been included in that legislation. Likewise, without permission for continued timber harvesting in certain sections of the BWCA, the area would not have been included in the Wilderness Act.

Hubert Humphrey was the main Senate sponsor of that 1964 legislation, and before his death, he assured me that was so. John Blatnik, a crucial member of the House on that legislation, has confirmed that. Both Senator Humphrey and Representative Blatnik worked for several years prior to 1964 to strike an acceptable balance in Minnesota between desires for special protection of the BWCA and for continuation of motorized recreation in parts of the area. Their efforts culminated in the special language in the Wilderness Act.

The residents of Northeastern Minnesota supported wilderness designation of the BWCA on that basis, and conservationists recognized the necessity of the special language on the BWCA in the Wilderness Act.

So, in 1964, the Congress added the BWCA to the nation's wilderness system, protection it richly deserved. But with the explicit caveat that the existing and long-accepted use of parts of the area by motorboats for fishing would continue and that certain portions of the area could be logged with the permission of the U.S. Forest Service.

In 1976, after federal judicial rulings that logging could continue in the BWCA, and, continuing concern that applicable federal statutes might not absolutely protect the BWCA from mining exploration and development, supporters of additional protection for the BWCA turned to Congress.

I should add that as Governor of Minnesota, I acted to protect the unique topography and high quality fishing of the BWCA on several occasions.

Of particular concern to me, the Department of Natural Resources, and to many of the same groups and individuals who now differ with me on the issue of recreational use, was the protection of the BWCA from irreversible destruction and pollution from mining and logging.

I believe it is a fair statement that the impetus behind the present congressional review of the management of the BWCA, and properly so, was to protect the area from exploitation from any mining and to clarify where logging could take place, if at all, in the BWCA. Further restrictions on the long-accepted use of motorboats was a secondary objective. It is ironic, then, that while the House bill bans both mining and logging, and S. 3242 accomplishes the same result, that the BWCA dispute in Minnesota is now focused on the issue of recreational uses. It is not an environmental debate at all, but one of what kinds of people with what kinds of recreational desires can continue to use some of the lakes in the BWCA in the summer for fishing and in the winter for snowmobiles.

I believe in an area comprised of over a thousand lakes, many greater than a thousand acres, that it is possible for motorboater and canoeists to co-exist. They have to date. This equally is not a dispute over whether to "open up" the BWCA as a water-skiing pleasure boat-infested playground. It should be clear to everyone that any bill the Congress passes will restrict the present use of motorboats.

The fact is that in 1964, the Congress told the people of Northern Minnesota and the thousands of Americans who visited the BWCA each year, who had always enjoyed the BWCA for fishing trips, that they could continue to use some of the lakes with their motorboats. Thereafter, the Forest Service issued regulations opening 124 lakes along 19 routes permanently to motorboats. While admittedly the use of the BWCA by canoeists each year has increased, every year residents of the area, their guests, and visitors from all over the U.S. come to the BWCA for a trip by motorboat to fish. Some of these people physically cannot use a canoe, many more just prefer not to. A viable resort industry developed around this use of the BWCA and today, with few exceptions, depends upon guests who plan to fish from motorboats in the BWCA.

The BWCA and its sister area on the Canadian side of the border, the Quetico Provincial Park, are together larger than Yellowstone National Park. Many Americans could never enjoy the beauty and expanse of this area unless assisted in their travels by a small motor, particularly on the larger lakes where weather conditions can make travel by a canoe dangerous.

Senator Humphrey and I seek to enhance the recreational opportunities of all who choose to visit the BWCA. We seek to preserve to as great an extent as possible the wilderness qualities of the area.

S. 3242 essentially agrees with the House passed bill on three major issues: the size of the area, the prohibition on mining, and the prohibition on timber harvesting.

Congressman Oberstars' original bill divided the BWCA into a 700,000 acre wilderness area and a 400,000 acre National Recreation Area. I supported maintaining the BWCA as a single wilderness unit of 1,033,000 acres. During House consideration of the BWCA bills, several small parcels of land included in the U.S. Forest Service RARE II review were included in the BWCA and the acreage of the wilderness area was increased by 47,000 acres. I support those additions to the area and have included them in S. 3242. Congressman Burton has subsequently requested that I consider further boundary adjustments to both make available additional acreage for timber in Northeastern Minnesota.

My desire to introduce S. 3242 as expeditiously as possible prevented me from reaching a final decision on Chairman Burton's proposals, however, I may recommend further acreage adjustments in markup.

Today, 6 valid timber sales are located in the BWCA. Last year, Congressman Oberstar negotiated with the timber companies a moratorium on these 6 sales and then had that moratorium extended until September 1. Without Congressman Oberstar's efforts, cutting of timber would be proceeding today. And, one of the principal reasons why the Congress must resolve the BWCA issue this year is to settle the timber issue.

Both the Forest Service and the State of Minnesota have pledged increased timber yields from the forested areas outside the BWCA. I am convinced that replacement timber exists outside the wilderness area on state and federal land and can be made available to offset any adverse impact from removing timber sales in the BWCA. I have, therefore, included as part of S. 3242 a ban on all future timber harvesting, but have included a cord-for-cord substitute of like timber for those quantities lost in the BWCA and have increased the funds for forest management and the development of state timber lands from $40 million in H.R. 12250 to $170 million in S. 3242.

The possibility of mineral development in the BWCA was, for many years, the major threat to the environmental quality of the area since the rock formations underlying the BWCA potentially are rich in minerals. In 1976, as Governor of Minnesota, I signed a law prohibiting mining exploration or the issuance of any state permits for mining within the BWCA. I am hopeful that the language included in S. 3342 which is identical to the language in H.R. 12250, will close forever the possibility of mineral development within this wilderness area.

As a further protection against the impact of mineral development on the BWCA, S. 3242 includes a concept included in the House passed bill. A 222,000 acre buffer zone around the southern border of the BWCA is established where mineral development will be prohibited. The water quality of the area demands special protection. The creation of a Mining Protection Zone will greatly assist in mitigating any adverse tailings run-off outside the BWCA from contaminating the BWCA watershed.

The principal remaining disagreement is over the allowable recreational uses in the BWCA and the impact of restricting present uses on local businesses.

At present, 124 of 1060 lakes are open to motorized recreation, although these lakes comprise 61 percent of the surface water area in the BWCA. Many lakes have no limit imposed as to the size of the motor.

These 124 lakes have never been closed to motorboats. Unfortunately, some people in Minnesota believe that the BWCA at present is off limits to motors, and, of course that has never been the case. Use of motorboats for fishing is a long-accepted use of BWCA lakes and, again, clearly mandated to continue in the 1964 Wilderness Act.

The bill we are introducing today decreases the number of lakes that will be open to motorboats from 124 to 92 but permits the continued use of portions of the area by motored transportation, with limitations on the size of the motors on all lakes. These 92 lakes represent 58 percent of the water surface area in the BWCA.

This section of S. 3242 will not be supported by everyone. The House bill limits motorboats initially to 16 lakes, or 17 percent of the water surface area and after 30 years to 11 lakes or 5 percent of the water surface area. The effort by Congressman Oberstar on the House floor to continue most of the present use of motorboats, was defeated 141 to 213.

Senator Humphrey and I recognize there is substantial support in the House and in Minnesota, to radically restrict the present use of motorboats as the House has done. But on this management question, we suggest again a recreational use issue not an environmental issue—we stand with those who desire continued use of the BWCA by people of all kinds of recreational desires, of all ages and physical capabilities, whether from Ely, Duluth or the Twin Cities or as a guest from another state.

The BWCA is a large area with 1060 lakes and thousands of acres of water surface. Under our proposal 9 out of 10 lakes and nearly 42 percent of the water surface area would be available for canoes only. On the remaining lakes, including the bigger lakes that many suggest are not as conducive for canoeing or safe for canoeists, we believe canoeists and people with small boats with fishing motors can continue to share this magnificent resource, as they have always done.

The House bill, in the final analysis, excludes most of the motorboats in favor of the canoes. It effectively repeals the commitment given the people and resorters of Northeastern Minnesota by the Congress in 1964 that the area they know and love will no longer be available to them as they have used it and cared for it for generations.

Senator Humphrey and I, despite the protestations and rhetoric of some in Minnesota to the contrary, agree with those who ask the 95th Congress to keep the word of the 88th Congress and to continue to permit local residents, resorters, tourists, the elderly, or the non-canoeists to use the beautiful lakes of the BWCA to do a little fishing during the day. Our position on motorboats is not a popular one in Minnesota right now, but we firmly believe it is the right one and we look forward to explaining the reasoning behind our position to our colleagues.

By 1976, snowmobiling was a major winter recreational pursuit in the BWCA. Of the 14,000 winter use days in 1975–1976 in the BWCA, 80 percent of those uses were snowmobiles. There were 21 snowmobile routes in the BWCA utilizing most of the 124 lakes where motorboats were premitted in the summer until 1976 when the Forest Service banned snowmobiles in the BWCA.

H.R. 12250 permits snowmobiles on only 2 access points to Canada, while Congressman Oberstar proposed snowmobiles be authorized on all lakes where motorboats were permitted, or on 92 lakes. S. 3242 would permit snowmobiles on the 8 most popular and widely used routes prior to the 1976 ban. Since snowmobiles were not being used in the BWCA when the 1964 Wilderness Act was passed and it is a policy of the Congress to restrict snowmobile use in wilderness areas, I do not favor a complete reintroduction of snowmobiles into the area. However, the use of snowmobiles for winter recreation in the BWCA on routes by 1976 was extraordinary. And, there is little evidence to suggest that the use of a snowmobile on a frozen lake has any environmental impact. As such, S. 3242 does provide for the use of snowmobiles on these very limited portions of the BWCA.

The House bill wisely provides assistance to local businesses adversely affected by the House's restrictions on motorboat and snowmobile use in the BWCA. While our bill would have little impact on the present 47 resorts that depend in large part on BWCA visitors for income, some number will be affected and we recognize that some compromise on the final number of lakes may be necessary with the House. S. 3242 consequently does adopt most of the House language on this issue, with the following amendments I believe will improve the section.

First, the period of time where an affected resort can be sold to the U.S. government is extended from 5 to 10 years. Second, the definition of resort is broadened to include other businesses, such as tow-boat operators, that could be affected by further restrictions on motorized uses. Third, at the suggestion of Congressman Burton, the price a resort owner is paid by the government at some future date by the government must be adjusted to reflect increases in the Consumer Price Index (CPI) to insure that an owner is justly compensated for his property and insulated from inflation.

The final issue dealt with in the House BWCA bill is the jurisdiction over the surface water in the BWCA. Present law permits the State of Minnesota to exercise jurisdiction over water surface use. The U.S. government regulates motorboat use in the BWCA through jurisdiction over the portages. The issue of jurisdiction was a particularly sensitive one in the House because the State of Minnesota justifiably feared the loss of jurisdiction it has long-held in the BWCA and the Interior Committee was concerned about continuing the state's jurisdiction when the number of lakes available to motorboat was to be substantially reduced. H.R. 12250 provides that the State of Minnesota can exercise jurisdiction over water surface use only by enacting more stringent regulations than the federal government.

As a former Governor, I am inclined on federal-state jurisdiction disputes to side with the state. Moreover, on June 15, 1978, I received a letter from Minnesota Commissioner of Natural Resources-Designate Joe Alexander on the issue of state jurisdiction. Mr. Alexander detailed the problems the State of Minnesota has with the extension of federal jurisdiction in the BWCA to water, the implications of diminishing state jurisdiction over waters and the relationship of the State of Minnesota's efforts to prevent mineral exploration in the BWCA with the state's present jurisdiction over water. The letter concludes that the jurisdiction provision in the House bill "is ill-conceived, and short-sighted at best, is disastrous at worst and should not be supported by the State of Minnesota."

The Minnesota objections to the jurisdiction section concern me greatly. I respect the extensive analysis made by the House Interior Committee on this issue and have included in S. 3242 the language of H.R. 12250 on jurisdiction. However, I will request the State to testify at the July public hearings on this issue and reserve the right to offer amendments in markup on this matter.

I ask that the text of S. 3242, the Boundary Waters Canoe Wilderness Area Protection Act, a section-by-section summary of S. 3242 compared to H.R. 12250 and present law, and a summary of the history of the BWCA be printed in the RECORD.

S. 3242

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress finds that it is necessary to provide for the orderly management of the lakes, waterways, and associated forested areas known (before the date of enactment of this Act) as the Boundary Waters Canoe Area, so as to provide for the public use and enjoyment of that area, primarily as wilderness and to assure protection of the area's primitive character as a natural forest-lakeland wilderness ecosystem of major esthetic, cultural, scientific and educational value to the Nation.

PURPOSES

SEC. 2. It is the purpose of this Act to provide for such measures respecting the area designated by this Act as the Boundary Waters Canoe Area Wilderness as will—

(1) maintain the high water quality in the area;

(2) provide for the protection and management of the fish and wildlife of the wilderness and enhance the recreational enjoyment such resources, including fishing and hunting;

(3) protect and enhance the natural values and environmental quality of the lakes, streams, shorelines, and associated forest areas of the wilderness;

(4) enhance the enjoyment of the area by all Americans, including senior citizens and the handicapped;

(5) prevent the exploitation of mineral resources throughout the area;

(6) prevent further road and commercial development and restore the natural conditions to existing temporary roads in the wilderness;

(7) provide for the orderly and equitable transition from motorized recreational uses to non-motorized recreational uses on those lakes, streams, and portages in the wilderness not designated in this Act for the continued motorized use.

BOUNDARY WATERS CANOE AREA WILDERNESS DESIGNATION AND MAP

SEC. 3. The areas generally depicted as wilderness on the map entitled "Boundary Waters Canoe Area Wilderness and Boundary Waters Canoe Area National Recreation Area" dated June, 1978, comprising approximately one million and seventy-seven thousand acres, are hereby designated as the Boundary Waters Canoe Area Wilderness (hereinafter referred to as the "wilderness"). Such designation shall supersede the designation of the Boundary Waters Canoe Area under section 3(a) of the Wilderness Act (78 Stat. 890) and such map shall supersede the map on file pursuant to such section. The map of the wilderness shall be on file and available for public inspection in the offices of the Supervisor of the Superior National Forest and of the Chief, United States Forest Service. The Secretary of Agriculture (hereinafter referred to as the Secretary) shall, as soon as practicable but in no event later than one year after the date of enactment of this Act, publish a detailed legal description and map showing the boundaries of the wilderness in the Federal Register. Such map and description shall be filed with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Such map and description shall have the same force and effect as if included in this Act. Correction of clerical and typographical errors in such legal description and map may be made.

ADMINISTRATION

SEC. 4. (a) The Secretary shall administer the wilderness under the provisions of this Act, the Act of January 3, 1975 (88 Stat. 2096; 16 U.S.C. 1132 note), the Wilderness Act of 1964 (78 Stat. 890; 16 U.S.C. 1131–1136), and in accordance with other laws, rules and regulations generally applicable to areas designated as wilderness.

(b) Paragraph (5) of section 4(d) of the Wilderness Act of 1964 is hereby repealed and paragraphs (6), (7), and (8) of such section 4(d) are hereby redesignated as paragraphs (5), (6), and (7).

(c) The use of motorboats shall be permitted by the Secretary in the areas within the BWCA designated for such use on the map entitled "Motor Recreation Zones—Boundary Waters Canoe Area" dated June, 1978. The use of motorboats under this subsection shall be subject to such reasonable rules and regulations as the Secretary deems necessary to carry out the purposes of this Act.

(d) In administering the areas in which the use of motorboats is permitted under subsection (a), the Secretary shall not impose any horsepower limitation on outboard motors which are ten horsepower or less except that in the case of the following lakes the Secretary shall impose no horsepower limitation on outboard motors which are twenty-five horsepower or less:

Trout.
Lac La Croix.
Fall.
Newton.
Brasswood.
Moose.
Newfound.
Birch.
Sucker.
Snowbank.
Saganaga.
Seagull.
Brule.
East Bearskin.
Clearwater.
Pine.

(e) Nothing in this section shall be construed to provide that mechanical portages necessary to serve motor routes permitted in the BWCA shall not be permitted to remain in operation.

(f) In establishing limitation on outboard motors used on canoe towboats and utility boats, the Secretary shall consider—

(1) the size of any lake on which any such boat primarily will be used, and

(2) the size of any motor necessary to provide towing or utility service.

(g) No provision of this Act shall be deemed to limit, prohibit, or in any way affect any motorized use on the following lakes adjacent to the wilderness designated by this Act:

Vermilion, St. Louis County.
Crane, St. Louis County.
Sand Point, St. Louis County.
Big, St. Louis County.
Burntside, St. Louis County.
Farm, Lake County (except South Farm).
Ball Club, Cook County.
West Bearskin, Cook County.
North, Cook County.
Gunflint, Cook County.
Birch, Cook County.
Poplar, Cook County.
Flour, Cook County.
McFarland, Cook County.

(h) On the following routes snowmobiles not exceeding forty inches in width may be used:

Moose Lake to Saganaga.
Vermilion Lake to Trout Lake.
Poplar Lake to Brule Lake.
Snowbank Lake.
Fall Lake to Newton and Basswood Lake.
Crane Lake to Little Vermilion Lake in Canada
Clearwater to Mountain Lake.
Gunflint Lake to Saganaga.

RESORTS

SEC. 5. (a) The owner of a resort or a commercial recreational enterprise in operation during 1975, 1976, or 1977 and located on land riparian to any of the lakes listed below may require purchase of that resort or commercial recreational enterprise, including land and buildings appurtenant thereto, by written notice to the Secretary prior to September 30, 1988. The value of such resort or commercial recreational enterprise for purposes of such sale shall be based upon its fair market value of July 1, 1978, plus an adjustment to increase said value at a rate equivalent to the change in the Consumer Price Index from said date until the date of the written notice, or as of the date of said written notice, whichever is greater, without regard to restrictions imposed by this Act:

Fall, Lake County.
Moose, Lake County.
Snowbank, Lake County.
Lake One, Lake County.
Sawbill, Cook County.
Brule, Cook County.
East Bearskin, Cook County.
Clearwater, Cook County.

Saganaga, Cook County.
Sea Gull, Cook County.
McFarland, Cook County.
North Fowl, Cook County.
South Fowl, Cook County.

An owner requiring purchase of a resort under this provision may elect to retain one or more appropriate buildings and lands not exceeding three acres, for personal use as a residence: *Provided*, That the purchase price to the Government for a resort shall be reduced by the fair market value of such buildings and lands, with the same valuation procedures outlined above.

With respect to any privately owned lands and interests in lands riparian to the lakes listed above, said lands shall not be sold without first being offered for sale to the Secretary who shall be given a period of one hundred days after the date of each such offer within which to purchase such lands. No such lands shall be sold at a price below the price at which they have been offered for sale to the Secretary, and if such lands are reoffered for sale they shall first be reoffered to the Secretary: *Provided*, That, this right of first refusal shall not apply to a change in ownership of a property within an immediate family.

(b) There are authorized to be appropriated such sums as may be necessary for the acquisition of lands and interests therein as provided by this section.

TIMBER SALE CONTRACTS

SEC. 6. (a) The Secretary is directed to terminate, as of the date of enactment of this Act, all timber harvesting in the BWCA whether under contracts in effect on the date of the enactment of this Act or otherwise. Immediately following the date of the enactment of this Act the Secretary shall act expeditiously to remove from the BWCA all structures, bridges, culverts, debris and other human impacts associated with logging and take such similar ameliorative measures as he may deem necessary in order to facilitate the reforestation of cutover areas, the obliteration of roads, and other disturbed areas.

(b) (1) The Secretary and the Secretary of the Interior are directed to replace the soft wood timber withdrawn from production under subsection (a) with softwood timber sale contracts on other Federal lands in Minnesota which are available for timber harvesting, at competitive prices, and comparable in species, species mix, volume, accessibility and economic operability. The substitute timber shall be located within the eighteen Minnesota counties of Aitkin, Becker, Beltrami, Carlton, Cass, Clearwater, Cook, Crow Wing, Hubbard, Itasca, Koochiching, Lake, Lake of the Woods, Mahnomen, Pine, Roseau, Saint Louis, and Wadena. For purposes of this Act, the annual allowable softwood yield of lands withdrawn from timber production under subsection (a) shall be deemed to be forty-seven thousand cords, not to include more than five thousand five hundred cords balsam fir.

(2) The United States shall pay just compensation for any timber contracts terminated under subsection (a), consistent with amendment V of the Constitution of the United States. Losses due to costs incurred in directly fulfilling the terms of such contracts shall be paid by the United States. Any action for the recovery from the United States of costs as provided above shall be brought in a court of competent jurisdiction. Any such judgments shall be paid from the claims and judgments fund (31 U.S.C. 724a) no later than one year after the filing of such judgments.

(c) (1) The Secretary and the Secretary of the Interior, in consultation and cooperation with the State of Minnesota, are authorized and directed to implement a program of intensive forest management within the Superior National Forest and on other Federal lands available for timber production within the eighteen counties referred to in subsection (b) (1) for the purpose of replacing softwood timber withdrawn from production under subsection (a), consistent with the existing applicable laws and regulations.

(2) The forty-seven thousand cords amount referred to in paragraph (b) (1) may be reduced in any year by an amount equal to the number of cords of softwood timber which is—

(A) available in such year at competitive prices, in comparable species, species mix, volume, accessibility, and economic operability from lands owned by the State of Minnesota, and

(B) in excess of the 1976 annual timber production from lands owned by the State of Minnesota.

(d) In administering the Superior National Forest, the Secretary is authorized and directed to engage in planting, direct seeding, natural regeneration, release, site conversion, and site preparation.

(e) The Secretary is authorized to employ twenty additional employees (including not less than one hardwood utilization and marketing expert) at levels on the General Schedule not in excess of level 16 and not below level 5 for purposes of administration of the Superior National Forest.

(f) (1) There is authorized to be appropriated $12,000,000 for each of the ten fiscal years beginning after the date of the enactment of this Act for the purpose of fulfilling the requirements of subsection (c) as it relates to lands in the Superior National Forest in Minnesota. Of such amount, not less than $2,000,000 shall be used for road development for each such fiscal year, not less than $1,000,000 shall be used for timber stand improvement (including release, thinning, and pruning) for each such fiscal year, and not less than $1,000,000 shall be used for reforestation for each such fiscal year. Any of the amounts specified in this paragraph not appropriated in any fiscal year shall remain available for appropriation in subsequent fiscal years.

(2) In addition to amounts authorized under paragraph (1), there is authorized to be appropriated $5,000,000 for each of the ten fiscal years beginning after the date of the enactment of this Act to be used for grants to the State of Minnesota for the development of the commercial softwood timber base on State lands in Cook, Lake, Koochiching, Saint Louis, and Carlton counties in the State of Minnesota. Not more than 80 per centum of the cost of such development shall be paid from amounts made available under this subsection. The State of Minnesota is authorized to use any portion of the amounts available from the United States under this subsection for assistance to such counties to assist such counties in the development of commerical softwood timber production on lands owned by such counties.

BOUNDARY WATERS CANOE AREA MINING PROTECTION AREA ESTABLISHMENT

SEC. 7. In order to protect existing natural values and high standards of environmental quality from the adverse impacts associated with mineral development, there is hereby established the Boundary Waters Canoe Area Mining Protection Area (hereinafter in this Act referred to as the "mining protection area"), comprising approximately two hundred and twenty-two thousand acres.

LAWS APPLICABLE TO CERTAIN LANDS AND WATERS IN THE SUPERIOR NATIONAL FOREST

SEC. 8. (a) The provisions of the Acts listed in paragraph (b) of this section shall continue to apply to lands and waters specified in such Acts notwithstanding the inclusion of any such lands and waters in the wilderness or mining protection area designated under this Act. For lands and waters to which such Acts listed in paragraph (b) apply which are also within the wilderness or mining protection area designated under this Act, any withdrawal, prohibition, or restriction contained in such Acts listed in paragraph (b) shall be in addition to any withdrawal, prohibition, or restriction otherwise applicable to such wilderness or mining protection area under any other law.

(b) The Acts referred to in paragraph (a) are as follows:

(1) The Act of July 10, 1930 (46 Stat. 1020; 16 U.S.C. 577a, 577b), herein referred to as the "Shipstead-Nolan Act".

(2) The Act of June 22, 1948 (62 Stat. 568, as amended, 16 U.S.C. 577c–577h), herein referred to as the "Thye-Blatnik Act".

(c) The provisions of the Shipstead-Nolan Act are hereby extended and made applicable to all lands and waters not otherwise subject to such Act which are within the wilderness designated under this Act.

(d) (1) The authorities contained in the Thye-Blatnik Act are hereby extended and made applicable to all lands and waters not otherwise subject to such Act which are within the wilderness designated under this Act.

(2) In applying the second proviso of section 5 of such Thye-Blatnik Act to the areas to which such Act is extended and made applicable under this subsection, the phrase "fiscal year 1979" shall be substituted for the phrase "the first full fiscal year after the approval of this Act" in such proviso.

(3) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of the Thye-Blatnik Act with respect to the lands and waters within the wilderness designated under this Act. Such sums may be used for the payment of court judgments in condemnation actions brought under the terms of the Thye-Blatnik Act without regard to the date such condemnation actions were initially instituted. Funds appropriated from the Land and Water Conservation Fund may be used for the acquisition of any lands and waters, or interests therein within such wilderness.

EXISTING AIRSPACE RESERVATION

SEC. 9. The provisions of Executive Order 10092 as made applicable to the Boundary Waters Canoe Area established by the Wilderness Act of 1964 shall be deemed incorporated into this Act.

MINING AND MINERAL LEASING IN THE WILDERNESS AND MINING PROTECTION AREA

SEC. 10. (a) In addition to any other applicable prohibition or withdrawal from entry or appropriation under any provision of the Wilderness Act or under any other provision of law, no permit, lease, or other authorization may be issued by any agency or authority of the United States for—

(1) exploration for, or mining of, minerals owned by the United States within the Boundary Waters Canoe Area Wilderness and Boundary Waters Canoe Area Mining Protection Area or

(2) exploration for, or mining of minerals within such areas if such activities may affect navigable waters in any way, or

(3) the use of property owned by the United States in relation to any mining or exploration for minerals in such areas which may materially impair the wilderness qualities of the wilderness area on which may materially impair the natural values and environmental quality of the mining protection area.

The prohibitions contained in this subsection and any withdrawal from entry or appropriation for mining or exploration for minerals applicable to the Boundary Waters Canoe Area Wilderness and Boundary Waters Canoe Area Mining Protection Area shall not apply to the extent specifically provided in legislation enacted by the United States after the date of enactment of this Act

pursuant to a national emergency declared by the President.

(b)(1) Consistent with the prohibitions and other requirements in subsection (a) of this section, no permit, lease, or other authorization shall be issued unless and until—

(A) the Secretary shall have approved a plan that details how mining will be conducted consistent with this Act and with other Federal, State and local requirements, and that details how the area will be restored to its original condition or to a substantially equivalent condition, including the estimated cost thereof;

(B) the applicant has posted a bond for performance payable to the United States in an amount determined by the Secretary to be sufficient to assure completion of the reclamation plan if the work had to be performed by the United States;

(C) the applicant shall have obtained all permits, licenses, certifications and approvals required by Federal, State or local law;

(D) the Secretary has determined that no permanent facility will be constructed nor alteration will occur that could render the area incapable of reverting to its original condition or to a substantially equivalent condition.

(2) The provisions of paragraphs (2) and (3) of section 4(d) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1133(d)(2) and 16 U.S.C. 1133(d)(3)) shall not apply to the areas designated herein as the Boundary Waters Canoe Area Wilderness and the Boundary Waters Canoe Area Mining Protection Area.

(c) The Secretary is authorized to acquire any minerals or mineral rights within the wilderness and mining protection area alleged to be owned by persons other than the Federal or State governments in the following manner—

(1) The Secretary first may seek to acquire these minerals or mineral rights by donation. In seeking a donation, the Secretary shall inform the person alleging the ownership interest of the procedures and limitations to be followed in acquisition by purchase as set forth in paragraph (2) below.

(2) If the person alleging the ownership interest does not donate his minerals or mineral rights to either the Federal or State Governments, the Secretary shall acquire the rights by purchase, within the limits of funds appropriated for property acquisition in the Superior National Forest, and in an amount appropriately discounted for the following factors if existent in relation to the particular mineral interest.

(A) The original patenting from the Federal public domain was fraudulent. The patenting of lands in the Boundary Waters Canoe Area Wilderness and Boundary Waters Canoe Area Mining Protection Area is prima facie fraudulent if (1) the Act under which the patent was issued was one of the Acts intended to put settlers on the land, such as, but without limitation, the Cash Purchase Act of 1820 (chapter LI, Act of April 24, 1820, 3 U.S. Stat. 566, 567, as amended); the Preemption Act of 1830 (chapter CCVIII, Act of May 29, 1830, 4 U.S. Stat. 420, 421, as amended), the Homestead Act of 1862 (chapter LXXV, Act of May 20, 1862, 12 U.S. Stat. 392–394 as amended); and the Timber and Stone Act (chapter 150, Act of June 3, 1878, 20 U.S. Stat. 88, 89, as amended, particularly by chapter 375, Act of August 4, 1892, 27 U.S. Stat. 348); and (2) the land was patented after 1875 and before the establishment of the Superior National Forest by proclamation on February 13, 1909. The Secretary also shall consider any other evidence of fraud when determining the value of the minerals such as (1) the transfer by the entryman or patentee of whole or partial interests in the property during the patenting process or soon thereafter, (2) the appearance in the chain of title of persons known to have participated in land speculation as land brokers, entrymen, or in other capacities.

(B) The date of separation of the mineral or mineral rights from the surface interest, if the separation occurred after 1927, the year when the courts have determined that the roadless policy was established by the Secretary for the area.

(C) Any other factor, such as restrictions on mining within the area imposed by State or local government, or by operation of treaty.

(D) In the event any legal action or proceeding is instituted by or against the United States in relation to minerals or mineral rights where the patenting is prima facie fraudulent as described in subsection (c) of this section, the Attorney General of the United States shall assert the public equitable right to constructive or public trusts, or to recover or offset damages including but not limited to those based on the value of land fraudulently acquired plus interest at six per cent per annum.

(E) Notwithstanding any requirement of this section, the Secretary shall have authority to acquire within the wilderness or mining protection area designated by this Act, existing mineral interests by donation, purchase, exchange, or through exercise of the power of eminent domain.

(F) There is authorized to be appropriated to the Secretary such sums as may be required to carry out the purposes of this section, to be available until expended.

SEC. 11. If any provision of this Act is declared to be invalid, such declaration shall not affect the validity of any other provision thereof.

EXISTING STRUCTURES

SEC. 12. Nothing in this Act or the Wilderness Act shall be construed to prohibit the maintenance of the Prairie Portage Dam (on the international boundary chain between Birch and Basswood Lakes), and the Secretary is authorized to perform such maintenance work as may be required to keep that dam functional at its present height and width.

JURISDICTION OVER FISH AND WILDLIFE

SEC. 13. Nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State with respect to fish and wildlife in the BWCA.

JURISDICTION OVER WATERS

SEC. 14. The Secretary is authorized to promulgate and enforce regulations that limit or prohibit the use of motorized equipment on or relating to waters located within the wilderness: *Provided*, That nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State with respect to such waters except to the extent that the exercise of such jurisdiction is less stringent than the Secretary's regulations promulgated pursuant to this section: *Provided further*, That any regulations adopted pursuant to this Act shall be complementary to, and not in derogation of regulations issued by the United States Coast Guard.

The Secretary is authorized to enter into cooperative agreements with the State of Minnesota with respect to enforcement of Federal and State regulations affecting the wilderness and the mining protection area.

COOPERATION WITH STATE

SEC. 15. (a) Nothing in this title shall deprive the State of Minnesota or any political subdivision thereof its right to exercise civil and criminal jurisdiction within the wilderness and environmental health standards on non-Federal areas within the wilderness, or of its right to tax persons, corporations, franchises, or other non-Federal property, including mineral or other interests, in or on lands or waters within the wilderness.

(b) The Secretary shall also consult with the State of Minnesota in an effort to enhance the multiple use benefits to be derived from both state and national forest lands.

TREATIES

SEC. 16. Nothing in this Act shall affect the provisions of any treaty now applicable to lands and waters which are included in the wilderness and in the mining protection area. The Secretary is authorized to limit, restrict, or close any of the routes or lakes within the wilderness for reasons of public safety.

EXPANSION OF RECREATION PROGRAMS

SEC. 17. (a) The Secretary is authorized and directed to expedite and intensify the program of dispersed outdoor recreation development on the Superior National Forest outside the Boundary Waters Canoe Area Wilderness, as designated by this Act. The Secretary shall consider in such new program developments the need for the following: additional snowmobile trails, particularly those now planned or under construction; remote campsites on lightly developed lakes; and lake access sites and parking facilities to provide motorized recreation experiences similar to those previously available in the Boundary Waters Canoe Area.

(b) The Secretary, consistent with the Wilderness Act of 1964 and with this Act, is authorized to construct a system of new hiking and backpacking trails within the Boundary Waters Canoe Area Wilderness as designated by this Act, and on appropriate adjacent lands outside the wilderness. In constructing such a trail system, consideration should be given to locating portions of the system near existing resorts on the perimeter of the wilderness to provide additional outdoor recreation opportunities for resort guests.

(c) The Secretary is authorized and directed to develop an educational program for the recreational users of the wilderness which will assist them to understand the purpose, value, and appropriate use of wilderness lands and the functioning of natural ecosystems in wilderness.

(d) The Secretary, consistent with the purposes of this Act, is authorized and directed to develop a program providing opportunities for a wide range of outdoor experiences for disabled persons.

(e) There are authorized to be appropriated such sums as may be necessary for the Secretary to carry out the purposes of this section.

SEC. 19. (a) The Secretary, in cooperation with other appropriate executive agencies, is authorized and directed to develop a cooperative program of technical and financial assistance to resorts in commercial operation in 1975, 1976, and 1977, and outfitters in commercial operation in 1977 which are located within the mining protection area or which are located on land adjacent to any of the lakes listed in section 5 of this Act. There are authorized to be appropriated such sums as may be necessary for the purposes of this subsection.

(b) There are authorized to be appropriated to the Secretary funds to be made available as grants to the Agricultural Extension Service, University of Minnesota, to provide over a three-year period educational and technical assistance to business and communities adjacent to the Boundary Waters Canoe Area Wilderness in order to improve economic opportunities for tourism and recreation-related businesses in a manner which is complementary to the management of the wilderness.

MANAGEMENT STUDY

SEC. 20. The Secretary, acting through the Chief, United States Forest Service, shall, not later than October 1, 1981, submit to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, a comprehensive management plan setting forth the specific management

procedures to implement the objectives of this Act. An interim report setting forth public involvement procedures, management alternatives, and a timetable for the remaining study actions, shall be submitted within one year from the date of enactment of this Act. The construction, maintenance, repair, or replacement of any water level control structures within the wilderness is hereby prohibited, except as provided in section 13 of this Act. The Secretary is authorized to take such measures as may be necessary for the orderly removal of water control structures located within the wilderness.

LIMITATIONS OF AUTHORIZATIONS

SEC. 21. All authorizations for funds to be appropriated under the terms of this Act shall not be effective until October 1, 1978. Notwithstanding any other provision of this Act, authority to enter into agreements or to make payments under this Act shall be effective only to the extent or in such amounts as are provided in advance in appropriation Acts.

THE HISTORY OF THE BOUNDARY WATERS CANOE AREA

BACKGROUND

The presently designated Boundary Waters Canoe Area runs for 110 miles along the Minnesota-Canada border. At 1,030,000 acres, it is the largest unit of the National Wilderness Preservation System east of the Rocky Mountains and the second largest in the entire system. It is the nation's only lakeland canoe wilderness—a network of more than 1,000 lakes linked by hundreds of miles of streams and short portages which served as the highway of fur traders who followed water routes pioneered by Sioux and Chippewa Indians. It is the most heavily visited unit of the entire wilderness system, drawing people from throughout the country.

Despite extensive logging, the BWCA still contains 540,000 acres of virgin forests, by far the largest such area in the eastern United States. It is the home of a remarkable variety of wildlife, including moose, deer, beaver, snowshoe hare, porcupine, eastern timber wolf, pine marten, fisher, lynx, and bald eagle. The area is a valuable educational and scientific resource; it has been the focal point of research in wildlife behavior, forest ecology, nutrient cycles, lake systems, and vegetation history.

For almost three-quarters of a century, battles have been fought to protect the wilderness qualities of this environment. The history of Federal involvement began with the setting aside of approximately 1 million acres of land as a Federal "forest reservation" in 1902, 1905, and 1908. Eight subsequent actions stand out.

First, in 1909 Teddy Roosevelt established by proclamation the Superior National Forest.

Second, in 1926 Secretary of Agriculture Jardine responded to controversy over Forest Service road-building by creating the first "Superior Wilderness Area." Jardine pledged that the Forest Service would build no additional roads in 1,000 square miles of the best canoe country.

Third, in 1930 Congress passed the Shipstead-Newton-Nolan Act which prohibits logging within 400 feet of lakeshores and forbids dam building.

Fourth, in 1948 Congress passed the Thye-Blatnik Act which created the authority for the Forest Service to remove private inholdings scattered throughout the BWCA. Congress has appropriated $9 million for the implementation of this Act in subsequent actions: the Humphrey-Thye-Blatnik-Anderson Act of 1956, Public Law 87-351 of 1961, and Public Law 94-565 of 1976. Over 40 resorts and 115 homes and cabins have been acquired under these authorities.

Fifth, in 1948 the Forest Service authorized road construction and pulpwood timber sales in large areas that Secretary Jardine had promised to keep free of roads.

Sixth, in 1949 President Truman established a 4,000 foot airspace reservation over the area to prevent floatplanes from landing on wilderness lakes.

Seventh, in 1960 Congress passed the Wilderness Act, including the BWCA in the new Wilderness Preservation System. The Act contained a paragraph that has permitted logging and motorboating to continue in the BWCA; paragraph 4(d)(5) says:

"Other provisions of this Act to the contrary notwithstanding, the management of the Boundary Waters Canoe Area shall be in accordance with regulations established by the Secretary of Agriculture in accordance with the general purpose of maintaining, without unnecessary restrictions of other uses, including that of timber, the primitive character of the area, particularly in the vicinity of lakes, streams, and portages; Provided that nothing in this Act shall preclude the continuance within the area of any already established use of motorboats."

Eighth, in 1965 Secretary of Agriculture Freeman promulgated a management plan for the BWCA. Given broad discretion by the Wilderness Act, the Secretary designated 19 routes, including well over 100 lakes and covering 60 percent of the area's water surface for motorboat and snowmobile use. He also divided the BWCA into a 600,000 acre Interior Zone closed to logging and a 400,000 acres Portal Zone open to logging.

The fourteen years since the passage of the Wilderness Act have witnessed a steadily intensifying public debate about what uses and activities should be allowed in the BWCA. Court suits have been brought to block mining, logging, and snowmobiling; the State of Minnesota considered legislation in its 1976 session to more tightly control its land holdings in the BWCA; and public concern has escalated as visitor pressures on the area have increased and as public awareness of the scarcity of wilderness areas has grown.

COMPARISON OF ANDERSON/HUMPHREY BWCA BILL AND H.R. 12250 AS PASSED BY HOUSE

PRESENT MANAGEMENT	ANDERSON/HUMPHREY	H.R. 12250 AS PASSED BY HOUSE
Acreage	*Acreage*	*Acreage*
1,030,000 acres.	Increases the size of the present wilderness area by 47,000 acres by including approximately 18 parcels of land, ⅓ of which was studied by the Forest Service under the RARE II review. The majority of these additions are federal lands. Boundary Waters Canoe Area Wilderness will be 1,077,000 acres.	Same as Anderson/Humphrey.
Mining development in the BWCA	*Mining development in the BWCA*	*Mining development in the BWCA*
Minnesota statute passed in 1975 prohibits the use of State waters or property for mining exploration in the BWCA. Federal law does not clearly prohibit mining in the BWCA.	Prohibits all mining and exploration in the BWCA.	Same as Anderson/Humphrey.
Mining protection area	*Mining protection area*	*Mining protection area*
Does not exist.	Establishes a 222,000 acre Mining Protection Area bordering on the wilderness where all mineral development would be prohibited. This area is established to preserve the water quality of the BWCA from impacts of mining adjacent to the BWCA.	Same as Anderson/Humphrey.
Timber development	*Timber development*	*Timber development*
A moratorium negotiated by Congressman Oberstar and due to expire Sept. 1, 1978, exists for 6 contracts on 2,683 acres inside the present BWCA boundaries. Federal judicial decisions allow logging in BWCA.	Terminates timber contracts effective upon enactment. Provides cord-for-cord substitute of like timber. $12 million annual authorization for 10 years for a Forest Service program of intensified forest management. $5 million annual authorization for 10 years for 80-20 grants to the State of Minnesota for development of State timber lands.	Terminates timber contracts within one year. Substitute timber is to be provided for those persons affected by the termination who are left with less than a two year supply of timber under Superior National Forest sales. $8 million annual authorization for 5 years for intensified forest management.
Jurisdiction over water	*Jurisdiction over water*	*Jurisdiction over water*
State of Minnesota has jurisdiction over water surface use. Federal government regulates motorboat use through jurisdiction over portages.	State of Minnesota could exercise jurisdiction by enacting more stringent regulations than the Federal government.*	Same as Anderson/Humphrey.

*Senator Anderson will request the State of Minnesota to present testimony at the July public hearings on the issue of State jurisdiction, as a result of Commissioner-Designate Joe Alexander's letter of June 15, 1978 to Senator Anderson. The Senator may propose an amendment in markup on this issue.

Motorboat use	*Motorboat use*	*Motorboat use*
Language in the 1964 Wilderness Act required the Secretary of Agriculture to continue any already established use of motorboats. The Secretary has interpreted this to mean that 124 out of 1060 BWCA lakes should be opened to motorboats, or 60% of the water surface; most of these lakes do not presently have a horsepower restriction.	Allows for use of limited size of motorboats on 92 lakes which comprise 58% of the water surface. On each of these lakes motorboats are presently in use. These lakes are identical to those proposed for inclusion under amendment offered in the nature of a substitute for H.R. 12250 by Congressman Oberstar during House consideration of BWCA legislation.	Prohibited on all but 16 lakes after Jan. 1, 1979. Initially this keeps 16% of the water surface open. With the phase-out provisions this drops to 12% of the water surface opened permanently. A. 25 h.p. limit: Fall, Moose, Snowbank, East Bearskin, South Farm, Magnetic. B. 10 h.p. limit: Brule, Clearwater, Island River east of Lake Isabella, North Fowl, South Fowl. C. Sea Gull, east of Threemile Island 10 h.p. Sea Gull, west of Threemile Island 10 h.p. until Jan. 1984—then closed to motors. D. Saganaga, along a direct route on the eastern shore to Canadian customs—25 h.p. West of that route open to 25 h.p. motors until Jan. 2010. E. Newton and Basswood (Pipestone and Jackson Bay only) open for 10 h.p. until Jan. 2000 but closed for July and August.
Snowmobiles	*Snowmobiles*	*Snowmobiles*
Prior to 1976, permitted on 21 routes in BWCA; banned since 1976.	Snowmobiles not greater than 40" in width would be permitted on the following routes: (1) Moose Lake through Knife Lake to Saganaga Lake. (2) Vermilion Lake to Troute Lake, St. Louis County. (3) Poplar Lake to Brule Lake. (4) Snowbank Lake. (5) Fall Lake to Newton and Basswood. (6) Crane Lake to Little Vermilion Lake in Canada. (7) Clearwater to Mountain Lake. (8) Gunflint Lake to Saganaga Lake.	Prohibited except on two access corridors to Canada.
Assistance to mitigate local impacts	*Assistance to mitigate local impacts*	*Assistance to mitigate local impacts*
Not presently available.	Mandates increased recreational opportunities in the Superior National Forest. Authorizes new hiking and backpacking trails in BWCA. Provides a 3 year assistance program to local business to improve recreational opportunities. Local businesses adversely affected by the new management plan can offer their business for sale to the Federal government for fair market value for a 10 year period adjusted for increases in the consumer price index.	Same as Anderson/Humphrey except the buy out provision is only applicable for 5 years and can only reflect fair market as of date of enactment or written notice to the Secretary, whichever is greater.

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. MUSKIE, the Senator from Michigan (Mr. GRIFFIN) was added as a cosponsor of S. 2, a bill to require authorizations of new budget authority for Government programs at least every 5 years, to provide for review of Government programs every 5 years, and for other purposes.

S. 508

At the request of Mr. CHURCH, the Senators from Maine (Mr. MUSKIE and Mr. HATHAWAY) were added as cosponsors of S. 508, a bill to prohibit trading in potato futures on commodity exchanges.

S. 1967

At the request of Mr. ROBERT C. BYRD, the Senator from Florida (Mr. CHILES), the Senator from Nevada (Mr. LAXALT), the Senator from North Dakota (Mr. BURDICK), and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 1967, to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis.

S. 2132

At the request of Mr. EAGLETON, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 2132, a bill to amend title I of the Higher Education Act of 1965 to establish a system of grants for urban universities.

S. 2757

At the request of Mr. MAGNUSON, the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2757, the National Agricultural Lands Policy Act.

S. 2858

At the request of Mr. MELCHER, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 2858, a bill to amend section 2040 of the Internal Revenue Code of 1954 to provide that a spouse's services shall be taken into account in determining whether that spouse furnished adequate consideration for jointly held property for purposes of qualifying for an exclusion from the Federal estate tax.

S. 2920

At the request of Mr. HOLLINGS, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 2920, a bill to amend the Trade Act of 1974.

At the request of Mr. HOLLINGS, the name of the late Senator from Alabama (Mr. ALLEN), and the name of the Senator from Arizona (Mr. DECONCINI) were withdrawn as cosponsors of S. 2920, a bill to amend the Trade Act of 1974.

S. 3007

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 3007, a bill to disregard certain changes since 1975 with treatment to individuals as employers.

S. 3050

At the request of Mr. MAGNUSON, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 3050, a bill to provide for the regulation of foreign fish processing vessels in the fishery conservation zone, and for other purposes.

S. 3124

At the request of Mr. MUSKIE, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of S. 3124, a bill for the relief of Douglas Jagdish Degenhardt.

S. 3192

At the request of Mr. LAXALT, the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 3192, the Public Lands Conveyance Act of 1978.

S. 3222

At the request of Mr. DOLE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 3222, a bill to secure and protect the freedom of individuals from unwarranted

intrusions by persons acting under color of law.

AMENDMENT NO. 3036

At the request of Mr. MELCHER, the Senator from Alaska (Mr. STEVENS), the Senator from North Dakota (Mr. YOUNG), the Senator from Montana (Mr. PAUL G. HATFIELD), the Senator from North Dakota (Mr. BURDICK), and the Senator from WYOMING (Mr. HANSEN) were added as cosponsors of amendment No. 3036, proposed to H.R. 12933, the Department of Transportation appropriations to prevent the reduction of hours of service at flight service stations.

AMENDMENTS SUBMITTED FOR PRINTING

MILITARY PROCUREMENT AUTHORIZATION—S. 2571

AMENDMENT NO. 3068

(Ordered to be printed and to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to S. 2571, a bill to authorize appropriations during the fiscal year 1979, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, to authorize the military training student loads, and to authorize appropriations for civil defense, and for other purposes.

REGULATORY FLEXIBILITY ACT—S. 1974

AMENDMENT NO. 3069

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. PEARSON (for himself and Mr. HATHAWAY) submitted an amendment intended to be proposed by them, jointly, to amendment No. 849 intended to be proposed to S. 1974, a bill to amend section 553 of title 5, United States Code, to improve Federal rulemaking practice by creating procedures for regulatory issuance in two or more parts.

● Mr. PEARSON. Mr. President, I take this opportunity to submit amendments to S. 1974, a proposal introduced by Senators NELSON and CULVER, known as the Regulatory Flexibility Act. This is a most laudatory proposal aimed at improving the Federal regulatory system.

Mr. President, all of us are familiar with the "regulatory problem" which daily perplexes American businessmen, workers, and city and State governments. The Federal Government administers more than 1,000 Federal regulatory programs using over 100,000 workers in some 80 regulatory agencies. More than 10,000 regulations are issued every year.

And, as you and I know, Mr. President, there is a great deal of discontent on the part of those of our citizens who have to comply with those regulations. I receive daily—and I am sure this is true of my colleagues—many letters expressing the frustration of trying to interpret a nearly incomprehensible regulation that, once deciphered, appears to have been drafted with little thought to the practical consequences of its application.

The problem has become so pervasive it has become a national political issue—one which many believe helped propel Jimmy Carter into the White House, and one which will undobutedly continue to capture a great deal of attention in this election year.

As a result, steps are being taken to attack the problem. The President has signed an executive order which would address the problem on three fronts. It requires agencies to promulgate regulations written in "plain English." It encourages greater input from State and local governments. And it requires bureaucrats to assess the economic impact that a proposed regulation would have—both locally and nationally.

Senators NELSON and CULVER have gone a step further and drafted legislation, S. 1974, which recognizes a discrete problem of the Federal regulatory and reporting requirements—that they often impose inequitable demands and burdens on individuals of limited means and on small businesses and organizations.

Their proposal recognizes that a regulatory dilemma has developed in which efforts to protect the Nation's health, safety, and economic welfare have created a burden of required legal, accounting, and consulting services which is causing economic harm to individuals and organizations of limited resources, and is adversely affecting competition in the marketplace. The bill acknowledges that the public, aware of this burden, also feels that the costly regulations are failing to correct key national problems.

Therefore, Mr. President, the bill declares as its purpose—

To establish as a principle of regulatory issuance that regulatory and informational requirements fit the scale of those being regulated.

That—

fewer, simpler requirements be made of individuals, small organizations and small businesses.

And that—

to achieve these ends agencies be empowered and encouraged to issue regulations which apply differently to different segments of regulated populations, industries and activities.

This is a fine piece of legislation. However, I believe it fails to take into account one related and important aspect of the "regulatory problem," the "anti-rural" bias that characterizes many of our Federal regulations.

Let me say at once that I do not believe this bias is deliberate. I am not one of those who believes that Federal bureaucrats sit in their offices deviously composing regulations to make things more difficult for governments, institutions, and businesses in small communities. However, I do believe that is often the unintended result. This flows rather naturally from the fact that ours is a society dominated by big cities, big institutions, and big business. Federal regulations must deal with that reality. But regulations which can be easily handled by New York City may be very disruptive to Newton, Kans.

For example, it may be relatively easy for large nursing homes in a city with a population of 250,000 to meet standards imposed by new Federal regulations, but a 10-bed operation in a town of 1,000 may find it impossible. Air and water pollution regulations may work well in a large city that has the necessary technical staff to interpret and implement them, but cause serious problems in a city which has three or four full-time employees.

I believe we can do more to encourage the regulators to recognize and to take into account the essential differences between urban and rural institutions. For the most part, these differences flow from the size of scale of institutions and variations in the density of population. And I believe it is possible to take these differences into account in the writing of regulations without violating the intent of the national goals set by Federal statute.

Therefore, Mr. President, I am today submitting amendments to the Nelson-Culver proposal which would recognize this aspect of the regulatory problem. It also makes explicit the concern over the difficulties that small governmental units, for example, a rural school district, a small rural town, or a small rural water district, have in dealing with complex Federal regulations.

Mr. President, I believe these amendments would improve the Nelson-Culver proposal; they are motivated by essentially the same intent expressed in that bill: to adapt regulation to the size of entity regulated.

In closing, Mr. President, I want to make clear one thing that this legislation does not do, either in the form proposed by Senators NELSON and CULVER or as it would be if my amendments are adopted: it exempts no individual, rural government, small business, or organization from Federal regulation. It does nothing to disturb the principle that the national goals set by Federal legislation must be met at all levels of our society.

What this legislation does do, Mr. President, is see to it that those goals are attained through a Federal regulatory system that is less burdensome and more meaningful to Americans.●

PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH ACT OF 1978—S. 2579

AMENDMENTS NOS. 3070 THROUGH 3075

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted six amendments intended to be proposed by him to S. 2579, a bill to amend the Public Health Service Act to establish the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research and for other purposes.

DEPARTMENT OF JUSTICE AUTHORIZATIONS, 1979—S. 3151

AMENDMENT NO. 3076

(Ordered to be printed and to lie on the table.)

Mr. GLENN (for himself, Mr. MATHIAS, Mr. CHAFEE, Mr. DURKIN, Mr. LUGAR, and Mr. MATSUNAGA) submitted an amendment intended to be proposed by him to S. 3151, a bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1979, and for other purposes.

● Mr. GLENN. Mr. President, today I am pleased to submit an amendment to S. 3151, the Department of Justice fiscal year 1979 authorization bill. I believe that my amendment will contribute significantly to the Federal effort to combat the growing arson-for-profit menace. This amendment is essentially S. 1882, the Arson Control Assistance Act, a bill that was introduced last year to combat the alarming increase in the vicious crime of arson for profit.

My amendment would by legislative edict, require the Attorney General to classify arson as a "part 1" or "major" crime under the FBI's uniform crime reports system. At present, arson is not considered a major or "part 1" crime for purposes of the FBI statistical crime index. Murder, forcible rape, robbery, assault, burglary, larceny, and auto theft are so classified and arson is not, even though human and property losses from arson often exceed those of other major crimes. Arson is not considered a "major crime" for purposes of our primary source of statistical information or criminal activity even though our best estimates tell us that arson has increased over 400 percent over the past decade. An estimated 1,000 people, including 45 firefighters, die each year in arson fires, 10,000 people are injured annually. Annual total damage estimates are as high as $15 billion. Insurance losses exceed $3 billion.

Why is arson not now considered a "major crime"? Why is it listed with such offenses as vagrancy, public intoxication, and violating a curfew as a "part 2" crime, not required to be reported by the 11,000 jurisdictions that report, jurisdictions that contain 94 percent of the U.S. population? Why?

Mr. President, I asked that question to our witnesses throughout 2 full days of hearings that I chaired of the Senate Governmental Affairs Committee's Subcommittee on Intergovernmental Relations on the impact of arson-for-profit on States and localities. The answer that I received was surprising to say the least. It seems that in 1928 a procedure was set up whereby the International Association of Chiefs of Police, by vote, at their annual meeting, determine what crimes are to be considered as major crimes for the purpose of FBI statistics reports. For 50 years, despite enormous changes in circumstance and the proliferation of newer, more sophisticated crime, no additions have been made to the "major crime" category. Repeated votes by the police chiefs have resisted inclusion of arson as a major crime.

Mr. President, whatever the original intention, our crime reporting system is now viewed as a major social indicator. The quarterly FBI crime reports have become vital to public and governmental perceptions of criminal activity. These figures are widely used to measure progress, or the lack of it, in crime fighting. Resource deployment flows from this awareness. Virtually every witness at our hearings and every private and public study on the arson problem has concluded that including arson as a part 1 "major" crime would surely increase public awareness and prod law enforcement officials into stronger action. The fact is that at present every quarterly FBI report on the status of crime in the United States paints a picture that omits the crime that is called the fastest growing crime in America. It is no accident that a recent GAO report categorized the Federal antiarson effort as uncoordinated and lacking in information. My amendment would begin to correct this situation. I hope to explore this at greater length when the Senate considers S. 3151.●

PUBLIC ASSISTANCE AMENDMENTS OF 1977—H.R. 7200

AMENDMENT NO. 3077

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL (for himself, Mr. DOLE, Mr. ANDERSON, Mr. CRANSTON, Mr. DURKIN, Mr. HATHAWAY, Mrs. HUMPHREY, Mr. JOHNSTON, Mr. MATSUNAGA, Mr. PERCY, Mr. RANDOLPH, Mr. RIEGLE, and Mr. SARBANES) submitted an amendment intended to be proposed by them, jointly, to H.R. 7200, an act to amend the Social Security Act to make needed improvements in the programs of supplemental security income benefits, aid to families with dependent children, child welfare services, and social services, and for other purposes.

TITLE XX FUNDING INCREASE

Mr. GRAVEL. Mr. President, Senator DOLE and I are submitting legislation today that will raise the funding ceiling on title XX of the Social Security Act over the next 3 years. I am pleased to announce that we have a distinguished list of cosponsors, including the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Michigan (Mr. RIEGLE), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Maine (Mr. HATHAWAY), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Maryland (Mr. SARBANES), the Senator from California (Mr. CRANSTON), the Senator from Minnesota (Mr. ANDERSON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New Hampshire (Mr. DURKIN), and the Senator from Illinois (Mr. PERCY).

Title XX is a noncategorical program administered by States that provides a broad mix of services to the low income and the exploited intended to meet specific individual needs. In practice, the program has substantially removed the threat of dependence on the welfare system and institutionalization. For example, elderly people who require assistance with household maintenance or minor repairs can obtain homemaker services through title XX thus eliminating the option of institutionalization.

In addition, title XX-funded day activity centers offer mentally retarded children the special environment that will assist them in learning to function independently. Title XX also funds emergency intervention services and day care facilities for abused or neglected children, while providing special counseling for abusive parents. This same service is part of broad supportive services for families which in many cases prevents the dissolution of the family.

Mr. President, in 1972 in response to the rapidly rising Federal expenditures for social service programs, Congress passed a $2.5 billion ceiling on social service spending. At that time, six States were allocated the maximum amount of social service funding they could expect until the ceiling was lifted. Six years later, we have a majority of States at their funding ceiling. The Department of Health, Education, and Welfare estimates that by the close of fiscal year 1979 nearly every State will reach their funding ceiling.

The funding ceiling problem was aggravated, Mr. President, by the enactment of title XX of the Social Security Act in 1975. Although it made eminent sense to consolidate the social service programs under one title, the new mandate for increased services and a broader eligible population placed considerable strains on the State programs since it was not accompanied by a funding adjustment.

Thus, the ability of the States to offer innovative services to enable recipients to live productive, self-sufficient lives has been seriously curtailed. Congressman DONALD FRASER sent a letter to all State social service directors requesting their assessment of the impact of the $2.5 billion ceiling on their program. A majority of the respondents stated that they had requested increased State or local expenditures above the required match in order to maintain the level of services when the State reached its ceiling. Yet, even when increased funding was available many of the States responded to inflation, cost of living, minimum wage, social security payments and deductions by cutting back on their programs.

The program streamlining consisted of restricted eligibility criteria to limit the number of participants and elimination of specific services. The planning component which was designed in title XX to provide considerable citizen input and long-range, comprehensive planning has never been realized due to lack of funding. In most States the only creativity involved in the planning process is how to stretch scarce dollars among the many social service demands. In addition, demonstration projects have been totally eliminated among the States reaching their title XX ceiling.

There is a crisis with the title XX program. The Consumer Price Index (CPI) has increased 44.9 percent since the ceiling was imposed in 1972. The $2.5 billion ceiling purchased only $1.7

billion in services in 1977. Ironically, the increasing incidence of divorce and the high rate of unemployment has spotlighted the demand for a flexible program designed to meet individual needs. Yet, this need is unmet by the 6-year-old title XX budget ceiling.

The amendment Senator DOLE and I and others are submitting today would provide a $200 million increase in title XX funding in fiscal year 1979, $250 million in fiscal year 1980, and $300 million in fiscal year 1981. These reasonable increases would help to offset the stagnation in social services caused by inflation and would provide for modest program expansion, including a greater compliance with the mandates of title XX eligibility and service requirements. It would also afford an opportunity for community-based planning and innovative demonstration projects.

I want to point out, Mr. President, that similar legislation was introduced in the House of Representatives by Congressman DONALD FRASER and Congresswoman MARTHA KEYS with approximately 120 cosponsors. That legislation has recently been favorably reported by the Ways and Means Committee. In addition, the funding increase we recommend has received the endorsement of the National Governors Association, the National Association of Counties, the National Conference of State Legislatures, the National Association of Social Workers, the National Association of Retarded Citizens, the National Council on Aging, the AFL–CIO, Goodwill Industries, Epilepsy Foundation of America, the Appalachian Child Development Advocates, the National Association of Retired Persons, the League of Women Voters, the Easter Seal Society, and many others.●

NOTICES OF HEARINGS

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. PROXMIRE. Mr. President, I would like to announce that the Committee on Banking, Housing, and Urban Affairs will hold a 2-day hearing, on July 10 and July 11, 1978, on S. 3209, the State Community Conservation and Development Act of 1978, S. 3210, the Livable Cities Act of 1978, and S. 3211, the National Self-Help Development Act of 1978. These bills are designed to carry out the President's recently announced urban initiatives.

The hearing will begin at 10 each morning and will be held in room 5302, Dirksen Senate Office Building.

The committee would welcome statements for inclusion in the hearing record.

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

● Mr. MUSKIE. Mr. President, the Subcommittee on Intergovernmental Relations of the Governmental Affairs Committee will hold hearings on S. 3209, the State Community Conservation and Development Act of 1978. The hearings will be held on Tuesday, June 27 and Wednesday, June 28. Both days of hearings will be held in Room 6202 of the Dirksen Senate Office Building and will begin at 10 a.m.●

COMMITTEE ON GOVERNMENTAL AFFAIRS

● Mr. EAGLETON. Mr. President, the Senate Committee on Governmental Affairs will hold hearings on June 29 on S. 517 and S. 518 and H.R. 7814 and H.R. 10126, legislation dealing with flexible work hours and increased part-time employment opportunities in the Federal Government. The hearings will begin at 9:30 a.m., in room 3302, Dirksen Senate Office Building.●

COMMITTEE ON HUMAN RESOURCES

● Mr. WILLIAMS. Mr. President, on behalf of the Committee on Human Resources, I announce hearings on H.R. 8410, the Labor Law Reform Act, and on the Byrd substitute amendment thereto (No. 2445). These hearings will be held on Wednesday, June 28, and Thursday, June 29, 1978 in room 4232 of the Dirksen Senate Office Building, commencing each day at 9:30 a.m. These hearings are for the purpose of receiving testimony of Senators on this legislation, and Senators who wish to testify are invited to contact Stephen J. Paradise, staff director and chief counsel to the committee, at 224-7663.

Mr. President, the Senate has recommitted the labor law reform bill to the Committee on Human Resources, with the instruction that the committee reconsider this legislation and report back to the Senate no sooner than July 15, 1978.

The committee takes this responsibility seriously. During the 19 days of Senate debate on labor law reform, many Senators raised well-reasoned objections to several of the bill's provisions. Senators have offered constructive suggestions for improving the bill and have offered amendments which reflect their concerns and suggestions.

The managers of H.R. 8410 wish to reach reasonable accommodations and compromises. Unfortunately, we were frustrated in this effort by the filibuster which prevented the Senate from considering amendments. However, the recommittal of H.R. 8410 will give the Committee on Human Resources the opportunity for consideration of all constructive suggestions.

Our committee will therefore conduct hearings on June 28 and June 29, at which time all Senators will have the opportunity to express their views. In my opinion, these hearings will be the first step toward fulfilling the committee's responsibility to reconsider this legislation.

I invite all Senators who wish to express their views the opportunity to testify at these hearings, and assist the Human Resources Committee in its task. I, for one, remain convinced that essential reforms in the administration and enforcement of our labor laws are necessary if we are to allow America's working men and women to choose whether they wish to collectively bargain with their employers.●

COMMITTEE ON ENERGY AND NATURAL RESOURCES

● Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public hearing before the Committee on Energy and Natural Resources on the nomination of Ms. Omi Gail Walden to be Assistant Secretary for Energy Conservation and Solar Applications of the Department of Energy.

The hearing is scheduled for Thursday, June 29, beginning at 10 a.m., in room 3110 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Committee on Energy and Natural Resources, room 3106, Dirksen Senate Office Building, Washington, D.C. 20510. For further information regarding the hearing, you may wish to contact Patricia Chapman of the committee staff on extension 47151.●

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

● Mr. TALMADGE. Mr. President, I wish to announce that the Senate Committee on Agriculture, Nutrition and Forestry will meet Wednesday, June 28, at 10 a.m. The committee has asked David Gartner, a Commissioner of the Commodity Futures Trading Commission, to be present in order to answer questions from committee members. Anyone wishing further information should contact the committee staff at 224–2035.●

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION AND FEDERAL SERVICES

● Mr. GLENN. Mr. President, the hearing scheduled for Thursday, June 29, 1978, on S. 3229 and H.R. 7700, by the Subcommittee on Energy, Nuclear Proliferation and Federal Services has been moved to room 357, Russell Senate Office Building.●

ADDITIONAL STATEMENTS

OUR AFRICAN POLICY

● Mr. CHURCH. Mr. President, this past Sunday, Sanford Ungar, Managing Director of Foreign Policy Magazine, described, as the title of his article states, "The Real Reasons for our African Role." He says that:

> The African furor . . . actually has less to do with Africa than with global superpower competition as viewed from the National Security Council and with concern over the President's political standing at home.

I call the article to your attention and ask that it be printed in the RECORD.

The article follows:

[From the Washington Post, June 18, 1978]

THE REAL REASONS FOR OUR AFRICAN ROLE

(By Sanford J. Ungar)

The Carter administration has treated the American people in recent weeks to a torrent of alarming declarations about events in Africa—but without ever stopping to explain adequately what is at stake for the United States on that vast continent.

The reason for this is disturbing. The African furor—some in the government even call it hysteria—actually has less to do with Africa than with global superpower competition as viewed from the National Security Council and with concern over the president's political standing at home.

Discussions with government policymakers indicate that the crisis over the presence of Soviets and Cubans in Africa grows in part out of such non-African issues as the propaganda battle over the neutron bomb and the pro-Soviet coup in Afghanistan in April.

Indeed, the verbal offensive—which intensified after the second annual invasion of Zaire's Shaba province by Katangan exiles from Angola last month—is meant largely to convey strength in both international and domestic political arenas, rather than to signal concrete steps the administration intends to take.

As a result, the tactic may well backfire. It could do serious damage to genuine American interests in Africa by raising the suspicion that the United States cares more about East-West competition there than about solving the complex and explosive problems of southern Africa. This, in turn, could create opportunities for more, rather than less, Soviet and Cuban influence over black liberation movements. At the same time, the uproar may increase the price to the administration of getting a nuclear arms control treaty with the Soviet Union through the Senate.

In short, the problem now appears to be the opposite of what the administration says it is: Instead of Communist activities in Africa interfering with the SALT negotiations and U.S.-Soviet detente, it is the White House focus on East-West tensions that undermines American policy in Africa.

Already the African furor has attracted unwanted admirers in white-ruled South Africa, while sending influential leaders of black Africa running in the other direction. It has exaggerated the American embrace of one of the most corrupt and repressive leaders in Africa, Zairian President Mobutu Sese Seko. And it has led conservatives on Capitol Hill to offer to clear the way for the president to take interventionist steps in Africa that he has no intention of taking.

Far from being seen as a sign of strength, the misconceived offensive may well be viewed at home and abroad as an indication that the administration is—on yet one more issue—weak, divided and insecure.

BRZEZINSKI'S ROLE

The chief architect of the Carter administration's verbal assault, as widely noted, was White House national security adviser Zbigniew Brzezinski. Brzezinski genuinely believes in the need to confront Soviet ambitions everywhere, and he viewed the presence of the Soviets and Cubans in Africa as a provocation. He always had some difficulty swallowing the African policy pressed on Carter by Andrew Young, his ambassador to the United Nations, and like-minded friends at the State Department—a policy that placed a priority on the search for majority rule in southern Africa and downplayed superpower competition on the continent. Brzezinski found Young's conciliatory statements about the "stabilizing" role of Cubans in Angola particularly galling. But he was apparently willing to sit back quietly so long as the policy seemed to be winning influence for the United States in southern Africa and in Nigeria, one of black Africa's new powers.

What first set Brzezinski off, according to White House sources, was the massive influx of Communist troops and arms into Ethiopia late last year to help the Marxist government of Mengitsu Haile-Mariam repel the invasion of the Ogaden by Somalia. That was when the administration—egged on by Saudi Arabia and others concerned about the prospect of Communist control of the Red Sea—began issuing warnings linking events in the Horn of Africa to the negotiations for a SALT treaty.

WHAT TIPPED THE BALANCE

Intelligence reports also indicated that the Soviets were pressing black guerrillas to escalate their struggles in Zimabwe (Rhodesia) and Namibia (Southwest Africa), rather than cooperate with efforts for peaceful solutions there sponsored by the United States and other western powers. In those same reports, word came to the NSC that the Soviets and Cubans were telling their African friends, as one White House official paraphrased it, "Don't worry about the Americans; they're not in the game anymore."

Yet the balance was really tipped, and the White House decision made to take a harder line on Africa, only as a result of global concerns played out far from that continent. According to one official close to the events, Brzezinski was particularly angered by what he viewed as Soviet-inspired agitation in Europe against American deployment of the neutron bomb, and he was startled by the coup in Afghanistan. That Asian country had been seen for decades as a possible Soviet target-of-opportunity, but why did Moscow move now?

The White House concern was that with Soviet President Leonid Brezhnev's health slipping, new and aggressive factions within the Soviet leadership were showing their hand and taking advantage of the United States. A growing number of administration officials seemed to agree with Brzezinski's belief that a tough response was required; the costs to the Russians, and to what are assumed to be their Cuban surrogates, had to be raised in Africa.

It was a conclusion convenient to Carter's domestic political advisers, who increasingly were being included in strategy sessions on foreign policy. The polls indicated that the president was perceived as weak on defense issues, and they wanted to improve his image.

Almost every foreign policy move the president had made seemed to upset one faction or another. The political counselors are reluctant now to talk about their input. But White House press secretary Jody Powell probably sums up their attitude when he complains that, on African matters, "everybody races around wanting something done, as long as it doesn't cost anybody anything ever . . . You're going to be damned for any sort of reasonable policy."

The White House had caught trouble from the right when it failed to do "something" in the Ogaden, and more recently the left became angry when the administration appeared willing to do too much to prop up Mobutu. Brzezinski and company advanced a new line to satisfy the perceived need for the president to talk tough to the Soviets without requiring him to do very much to back it up.

In the wilderness, a few voices noted a lack of specific facts to justify the administration's alarm and said they saw no substantive evidence of Soviet or Cuban strategic gains in Africa or of serious damage to western interests there.

But those voices, mostly in the State Department and on Capitol Hill, were soon drowned out in a hard-line cacophony. Even Vice President Walter Mondale surprised the U.S. delegation to the United Nations special session on disarmament when he joined them in New York and delivered a tough anti-Soviet speech.

The western press played a role in fanning the hysteria. First it took at face value Mobutu's exaggerated statements about the number of whites killed during the Shaba invasion, initially ignoring the extensive black fatalities. Then it overplayed Brzezinski's thunderings. Finally, it jumped to the hasty conclusion that the Cold War had returned.

Quicker than you could say "Foreign Legion," the French were working on plans for a western-oriented and organized pan-African defense force. Leopold Sedar Senghor, the president of Senegal, a man widely respected in the West, visited Washington and, both publicly and in the Oval Office itself, warned in effect that the Russians were coming—to North America via western Europe via Africa.

Overall, the administration conjured up a vision of a Soviet-Cuban-controlled swath that spans the African continent from Angola in the southwest to Ethiopia in the northeast and threatens to spread even further. Nothing could be further from the truth.

Because of their mishandling of events in the Horn, the Soviets have lost their base at Berbera on the Somali coast. They have been thrown out of the Sudan (not to mention Egypt), and now Guinea on the West African coast has cut back drastically on the amount of Soviet naval and air activity it will permit to originate from its territory. In Ethiopia, both the Cubans and the Soviets have developed problems because of their reluctance to transfer their forces from the Ogaden to help Mengistu finish off the separatists in Eritrea, who have previously enjoyed Communist support. (Because of the help they have provided to Ethiopia, the Russians have encountered serious problems in other spheres of influence, including Iraq, which is sympathetic with the Moslem Eritreans.)

In Angola, the Cubans are largely tied down, because of all the vital support services they provide to the government of Agostinho Neto. There, and possibly elsewhere, it is not entirely clear that the Cubans are in every respect surrogates for the Russians; for instance, the Cubans backed Neto last year during an attempted coup from within his party that was apparently supported by the Soviets.

The Carter team may also have taken the latest Katangan march into Shaba out of perspective. The Katangans are not dedicated Communists but separatists who have accepted help over the years wherever they could find it (including from the Belgians and from the Portuguese, when Angola was still their colony). Angola, by harboring the Katangans, is doing nothing more than at least a dozen other African countries that have exiles from neighboring states living temporarily (or permanently) in their borders. There are Ugandans in Tanzania, Ethiopians in the Sudan and Equatorial Guineans in the Cameroon, to name a few. And, of course, there are also Angolans in Zaire, who have been permitted—and even encouraged—by Mobutu to use that country as a staging ground for raids (the most recent last March) that threaten the Angolan government's security.

THE POLICY DISSENTERS

The most agonized groans over the new tough African line have come from the State Department and Capitol Hill, where those long concerned about American interests in Africa now see them threatened, not so much by Soviets or Cubans as by the administration's own pyrotechnics.

Only a year ago the Carter administration was speaking eloquently but calmly about Africa. In fact, perhaps because the American public is generally so unfamiliar with Africa, that was one of the few areas of the world where the new president seemed able to get away with a dramatic change in foreign policy. Making a clear break with former Secretary of State Henry Kissinger's preference for privileged communication with the white regimes of the south, the Carter team insisted early on that it recognized the great variety of political situations in Africa and that it would press for "a progressive transformation of South African society."

Whenever possible, the State Department still invokes what it considers the seminal text of Carter administration policy in Africa, a speech delivered by Secretary of State Cyrus R. Vance on July 1, 1977, to the annual convention of the NAACP in St. Louis. That speech asserted that "if we try to impose American solutions for African problems, we may sow divisions among the Africans and undermine their ability to oppose efforts at domination by others."

What the Bureau of African Affairs at State realizes, but others may not, is that for the most part African leaders—with the exception of Senghor and a few of his counterparts, primarily in other French-speaking states of West Africa—simply do not feel panicked by the presence of Soviets and Cubans on their continent, particularly in Angola. The argument is that they are as entitled as any other foreigners to be in Africa so long as they have been invited in by legally constituted governments. "If you have too much to say about the Russians and the Cubans," one high State Department official points out, "it makes you suspect. It seems like you are more concerned about the Cubans than about racism in Rhodesia and South Africa."

Indeed, who was quick to arrive at the sidelines applauding the West's, and especially the United States, "new realism" toward the communist threat in Africa, but South African Prime Minister John Vorster. "They said we saw ghosts behind every bush," Vorster crowed; "it took Angola, the Horn of Africa and Shaba to wake them up."

Equally disturbing to the State Department was the reaction of Julius Nyerere, the influential president of Tanzania. Calling the diplomatic corps in Dar es Salaam to his office, Nyerere denounced Carter, previously his friend, for now paying more attention to "confrontation with the Soviet Union and defense of capitalism in Africa" than to the issue of majority rule in the south.

The small band of senators and congressmen who pay careful attention to Africa are also unhappy. Mostly liberal Democrats, they were never eager for a clear test on Capitol Hill of the Carter administration's original African policy; they feared conservatives would shoot it down and call for a return to close ties with the white minority regimes of southern Africa. Now they anticipate pressures—from conservative Democrats, from Republicans or, worse yet, from constituents—to put some substance behind the administration's rhetoric, something that the White House itself is distinctly loath to do.

On Capitol Hill, the administration is blamed for preaching a whole new self-fulfilling prophecy of gloom and defeat. "In the last few weeks, we have made the Cubans into the third superpower," complains Sen. Dick Clark (D-Iowa), chairman of the African subcommittee of the Senate Foreign Relations Committee; "after we've built them up as such a threat, they look nine feet tall." The only "victories" the Soviets and the Cubans have had in Africa, Clark says, are "the ones we've assigned them."

AMERICA'S INTERESTS

What are the true American interests in Africa that must be taken into account when any short- or long-range policy is formulated? The various factions within the U.S. government seem to agree on several elements:

Economic Interests: Africa is blessed with an incomparably rich supply of natural resources, many of which have not yet even been discovered, let alone developed. White-ruled South Africa has long argued that it was needed by the West because of its strategic minerals, including uranium, chrome and cobalt, not to mention gold and diamonds. But the West has now also discovered that many important materials are available in black Africa—including Nigeria, which has become the second-largest supplier of crude oil to the United States.

As it develops, Africa is also a growing natural market for goods and technology from the rest of the world. Inevitably, there will be competition among outsiders for both African resources and African markets; and African choices about how to resolve the competition are bound to be based in part on political factors—perceptions of where other nations stood on the struggles in southern Africa.

For the moment, the economic questions are more important to western Europe, which has billions of dollars worth of investments in Africa, than to the United States. But it has recently dawned on some American policymakers that one way to insure future western access to minerals in South Africa, for example, may not be to side with the current white minority regime, but rather to identify with the majority of the people who are eventually bound to come to power and control the resources.

Human Rights: If the declared policies of the Carter administration are taken at face value, human rights is a critical American interest in Africa. Young has repeatedly said so. The warnings against communist domination, then, are motivated in part by concern for the ability of Africans to express themselves personally and politically, rather than being dominated by leaders loyal to foreign powers and ideologies. The problem is that human rights are severely threatened in many countries of black Africa, as well as in the white-dominated south, and it is a delicate political matter how to maintain credibility on all sides.

One of the most obvious targets for human rights concern, in fact, is Zaire, where Mobutu may treat his opponents almost as brutally as does the Soviet-supported Idi Amin in Uganda. Although the Carter administration has tried to keep its distance from Mobutu, the latest joint effort with France and Belgium to help him in Shaba has only given Washington new identification with his regime. That identification, too, has repercussions elsewhere. If Mobutu is the West's best friend in Africa, before long it may not have many at all.

Diplomatic interests.—If the United States wants to maintain credibility in the Third World, it must be identified with the aspirations of the majority peoples of southern Africa. That is a prerequisite for the establishment of any zones of influence—political, economic or whatever—in Africa and other emerging parts of the world; such zones are as much an American goal as a Soviet one. Obviously, Washington greatly prefers that the changes in southern Africa be peaceful and democratic, with safeguards for the rights of white minorities. But, if, when change does come, whether by peaceful or violent means, the United States is perceived as having resisted rather than promoted it, America's ability to have good relations and maneuverability anywhere in Africa will be profoundly damaged. It was this recognition that lay at the heart of Carter's original African policy.

Another interest that is separate from, but related to, all of the others is the military and strategic one. It is the one that the ruling white South Africans are fondest of invoking. They have long talked about the importance of the sea route around the Cape of Good Hope, for example, to preserving trade opportunities for the West.

"Geography does come into play," acknowledges one White House source close to the president. "Let's face it: Africa is a strategic piece of property, and we would like the people there to be friendly to us." This does not necessarily mean that the United States, like the Soviet Union, wants to seek out African bases, but it does imply the availability of ports, overflight rights and such.

But if Brzezinski and his supporters put the strategic interest toward the top of their list, his detractors in the highest ranks of the State Department and on Capitol Hill disagree. Africa has virtually no military importance to the United States for the foreseeable future, they argue. And even if it does, it may be an acceptable risk in the short run to tolerate a presence in some parts of the continent by foreign powers hostile to the United States in order to achieve more important long-range political objectives.

WORDS, NOT ACTIONS

Are any concrete actions envisaged by the White House to implement the new confrontation with the Soviet Union and Cuba over Africa?

Apparently not. Powell is the first to insist proudly that there has been more in the way of words than actions, that the administration has actually been "very restrained" in its reaction to the latest Shaba invasion. Although this year's help to Mobutu involved using more aircraft for more hours to bring in supplies and to transport African and European troops, the nature of American involvement was just as limited as during last year's episode. Nor is the White House rhetoric matched by proposals for bold gestures anywhere else in Africa. As Powell puts it, "Nobody in his right mind in the administration has any idea of sending American boys to Africa."

From various quarters in the administration, however, comes the assertion that something has been accomplished—that the Angolans and the Cubans will "think twice" before encouraging or condoning another Shaba invasion.

Yet another question is raised: To what extent will the United States be held responsible for any reprisals taken by an emboldened Mobutu? He has already said that he would like to seek revenge by helping Neto's enemies invade Angola; if they use, or obtain any advantage from, the millions of dollars of American arms supplied to Zaire over the years, could not the United States then be held culpable, in much the same way that Cuba is being blamed for Shaba?

CIA Director Stansfield Turner was asked much the same question during a recent closed session of the Senate Foreign Relations Committee, and he was unable to explain the distinction. Sen. Frank Church (D-Idaho) suggested at the time that this was simply an example of the double standard that often governs American foreign policy: Washington is prepared to castigate others for actions that it seems perfectly willing to justify on its own behalf. (The issue is all the more relevant, given the fact that a few weeks earlier Turner had been on Capitol Hill asking senators to sign on to a plan to reinvolve the United States in covert assistance to opponents of the Angolan government, especially a faction that also has the support of the South Africans.)

Officially, administration spokesmen say, African policy has not changed a bit since Vance's speech in St. Louis last July; the president himself apparently feels deeply committed to the search for majority rule in southern Africa.

But officials at State concede privately that they are worried. As one in the African bureau put it, the recent furor "can complicate things in the longer term. . . . These statements about the Soviets and the Cubans set up new political cross-currents, both here and in Africa."

Clark was more direct: "The president wants to do both things at the same time, have a progressive policy and be tough about the Soviet and Cuban presence. But in a way, they are mutually contradictory. He can't have it both ways."

Why should credibility be so difficult for the United States to establish and maintain in black Africa? Because of the American record in the colonial and immediately post-colonial period, when Washington was generally perceived to be on the wrong, or minority, side for too long—as indeed it was in South Africa, in the Portuguese colonies and even in Ethiopia during Haile Selassie's long reign.

For more than a year, the administration had seemed to make progress, by convincing Nigeria and others that it did understand African nationalism and it did appreciate that the vast variety of situations and circumstances on the continent required flexible-altitudes and responses. Now, with the Vorster and Nyerere reactions on the record and more bound to come, it may very well seem as if the United States has returned to its old instincts. The African situation may be dangerously polarized. As a State Department expert posed the fear, "Will we now be required to oppose the Cubans wherever they are in Africa and whatever position they take? How about when we really agree with them, as we may come to do in Rhodesia?"

A little quiet will probably help. But it may already be too late for Carter to back off his linkage of the Soviet and Cuban presence in Africa to a SALT agreement, a linkage with profound domestic political consequences. There may well be times when that presence is an appropriate cause for alarm, but it should be up to the Africans to decide for themselves when and what to do about it. Africans are not about to throw out Cubans who they feel are helping them, just to appease some conservative members of the U.S. Senate, nor are the Soviets and Cubans about to lose face by packing up their bags in the face of an unsubstantiated threat from the American president.

If that is the case, then Jimmy Carter will have done exactly the opposite of what he said he intended: He will have failed to seal Africa off from the tense overall East-West competition.●

SOVIET SENTENCES

● Mr. CASE. Mr. President, in Moscow on June 21, 1978, Soviet "justice" again acted against those who sought to emigrate. Vladimir Slepak was sentenced to 5 years of internal exile in Siberia and Ida Nudel to 4 years.

They were charged with "malicious hooliganism" because they had made public demonstrations to protest the continued refusal of the Soviet officials to allow them to emigrate to Israel. Nudel has been waiting for 7 years to go to Israel to join her husband there. Slepak has been refused permission to emigrate since 1970. Both Slepak and Nudel have been arrested, detained, questioned, and harassed countless times.

In addition to his role as a Jewish activit in the U.S.S.R., Mr. Slepak has long been an active member of the Moscow group to promote observance of the Helinski accords in the U.S.S.R. As Anatoly Scharansky did, Slepak has therefore incurred the intense wrath of the Soviet authorities.

In sentencing these two brave people to exile in the East, rather than giving them permission to emigrate to the West, the judges have indicted their own legal system far more harshly than they have the so-called hooligans.

I ask to have printed in the RECORD press reports on their situation.

The material follows:

[From the Baltimore Sun, June 22, 1978]

TWO DISSIDENTS SENTENCED TO INTERNAL EXILE IN SOVIET

Moscow.—Soviet courts yesterday ordered two of Moscow's most prominent Jewish activists into exile in remote parts of the Soviet Union as punishment for protesting the government's refusal to let them emigrate to Israel, the defendants' friends and relatives said.

Vladimir Slepak, 50, and Ida Nudel, 47, went on trial in separate, closed Moscow courts yesterday morning on charges of "malicious hooliganism." They were convicted and sentenced by midafternoon, the dissident sources said.

United States Embassy observers and Western correspondents were barred from the trials, as were relatives and friends of the defendants.

As Mr. Slepak was taken away by police, someone on the courthouse grounds turned a high-pressure hose on reporters and dissidents talking outside the court. The group was soaked but no one was hurt.

Jewish sources said Miss Nudel, who is married but uses her maiden name, was exiled for four years. An economist, she first applied for an exit visa in 1971 but was turned down on national security grounds. She says her work involved no defense or security matters.

Her husband, Yuli Brind, was allowed to emigrate in 1975.

Zinovy Rashkovsky, Mr. Slepak's brother-in-law, said the radio electronics engineer—who has waited eight years for an exit visa—was banished for five years.

They could have received maximum terms of five years at hard labor. There was no immediate word on when or where they would be sent.

In 1976, then presidential candidate Jimmy Carter sent Mr. Slepak a telegram of support, an apparent precursor of the human rights campaign he launched when he entered the White House in 1977.

In Washington, the State Department denounced the sentences as "unduly harsh." It said it had raised the case on numerous occasions with Soviet authorities and added that the U.S. Embassy in Moscow did so again yesterday on instructions from Washington.

"We regret the decision of the Soviet government to put Slepak and Nudel on trial for openly expressing their desire to emigrate," the statement said.

The "malicious hooliganism" charges were based on separate incidents in which Mr. Slepak and Miss Nudel hung banners outside their Moscow apartments to protest government refusal to grant exit visas.

In both cases, authorities told friends and relatives to return this morning to hear details of the trials, presumably including word on where the defendants would be sent.

Mr. Slepak and Miss Nudel have 10 days in which to appeal, and friends said they expected to exercise that option.

Mr. Slepak's wife, Mariya, arrested with her husband June 1, was being treated for an ulcer at a Moscow hospital and her trial has been postponed, friends said.

The son of a Bolshevik revolutionary, Mr. Slepak has one son who married an American and emigrated, and another who is now in hiding to avoid the Soviet draft.

Mr. Slepak was a mainstay of Moscow's Jewish community and headed a group that aids Jews seeking to emigrate. He also was one of the last remaining active members of the decimated "Helsinki" human rights group, which has monitored Soviet compliance with the 1975 accord on East-West relations.

[From the New York Times, June 22, 1978]

SOVIET SENTENCES TWO JEWISH ACTIVISTS TO EXILE IN SIBERIA

Moscow, June 21.—Soviet courts sentenced two Jewish dissidents today to long terms of exile in Siberia for hanging banners from their Moscow apartments pleading for permission to emigrate to Israel.

Vladimir Slepak, a 50-year-old engineer who was active in the small dissident human rights movement here, was convicted after a short trial at which no defense witnesses were allowed to appear and sentenced to spend five years in exile in a remote area. His brother-in-law, Zinovy Rashkovsky, was allowed into the courtroom only to hear the verdict.

Ida Nudel, a 47-year-old economist, was convicted on the same charge, "malicious hooliganism," in a separate trial and sentenced to four years in exile.

Mr. Slepak's wife, Mariya, was charged with her husband after they locked themselves into their downtown Moscow apartment on June 1 and briefly hung a banner from the balcony saying "Let us join our son in Israel." Mrs. Slepak is in a hospital with a bleeding ulcer and her case was severed from her husband's.

SON IS IN ISRAEL

Mr. Slepak has been trying to emigrate since 1970, and has been without work since he applied. One son did emigrate to Israel; the other is now a fugitive from the draft and is in hiding in the Soviet Union. "And so that is how they plan to finish off the Slepak family," Mrs. Slepak said just before she was hospitalized a week ago.

Miss Nudel, who hung a sign from her balcony, also on June 1, saying, "K.G.B., give me my visa," was tried in another court today. She has been seeking permission to leave for Israel since 1971.

At both trials, plainclothes police agents or informers kept friends and relatives of the defendants and reporters under surveillance. All were barred from attendance, as were representatives sent by the American Embassy.

Jewish friends and reporters whom Miss Nudel tried to invite into the courtroom were forcibly ejected by the police, who then literally carried her off to face trial.

Outside the court where Mr. Slepak was tried, a water hose was briefly turned on the small crowd that gathered on the sidewalk after Mr. Rashkovsky was summoned to hear the verdict. There were 10 prosecution witnesses. Mr. Slepak was not permitted to call any in his defense and he refused the services of a court-appointed lawyer.

BLOW TO DISSIDENT GROUP

The exile of Mr. Slepak will deal a heavy blow to the small and fragmented group of Jewish "refuseniks" here. "We're afraid that now the K.G.B. thinks that they can do this to every one of us," said one, Irina Brailovsky. "Vladimir was active for all the last eight years," she said, "and only now they have done what they wanted to do. 'Human rights' are just words now."

Despite the tension it causes in relations with the United States, Moscow seems determined to show no clemency in its treatment of those who have sought to expose what they see as violations of human rights here.

After the trial and harsh seven-year prison term imposed on Yuri F. Orlov last month for "anti-Soviet agitation," the authorities seem about to begin a second major trial of a dissident, Aleksandr I. Ginzburg. According to his wife, Mr. Ginzburg, who was imprisoned in February 1977 for administering an illegal fund for Soviet political prisoners with foreign currency, is now ill with tuberculosis in a prison in Kaluga, 110 miles south of Moscow. But she expects his case to be heard any day.

The case most damaging to Soviet-American relations is expected to be that of Anatoly F. Scharansky, a dissident who has been accused of spying for the Central Intelligence Agency, a charge President Carter has personally denied.

[From the New York Times, June 22, 1978]

RELATIVE OF SLEPAKS GETS WORD AT WAILING WALL

(By Christopher S. Wren)

JERUSALEM, June 21.—Genrietta Orlovsky unsteadily observed her fourth day of an outdoor hunger strike today near the Wail-

ing Wall in east Jerusalem. A hand-lettered sign pinned to her makeshift tent pleaded: "Save the Slepak family—my sister Mariya, her husband Vladimir and their son Leonid—from a Soviet prison."

A friend pushed through a sympathetic cluster of Soviet Jewish immigrants to break the news that had been announced on the radio. Vladimir Slepak had just been sentenced in Moscow to five years of internal exile on charges of malicious hooliganism.

The frail Mrs. Orlovsky, supporting herself on a blanket-covered cot, hid her haggard face and burst into sobs. "He wasn't a hooligan," she cried out in Russian. "It was concocted by the K.G.B."

The small crowd pressed forward, but no one spoke. As if reading their minds, Mrs. Orlovsky said, "If we weren't able to do anything before, I don't know what can happen now."

"IT'S A NEW POLICY"

A young woman with a small child in her arms remarked: "Slepak was Slepak. They didn't touch him for nine years, and now this. It's a new policy they have adopted for Jewish refuseniks."

Mr. Slepak, who has been trying to get permission to move to Israel with his family for eight years, was arrested on June 1 after he hung a banner from his central Moscow apartment demanding that he be allowed to leave. His wife, Mariya, who is Mrs. Orlovsky's sister, also faces trial on the charge of malicious hooliganism. She is now hospitalized in Moscow with a bleeding ulcer.

"A VERY BAD SIGN"

Though Mr. Slepak will not go to prison, his supporters here found the sentence of internal exile excessively severe. An older man said that the sentence dashed any hopes for the Slepaks' emigrating. Others blamed the United States and Israel for not being tougher with the Soviet Union.

A woman remarked softly that the sentence was "a very bad sign" for Mr. Slepak's friend, Anatoly F. Shcharansky, who has been in jail for 15 months awaiting trial on charges of spying for the United States Central Intelligence Agency.

The crowd, as if at a wake, turned to reminiscences of the Slepaks. One woman, Rivka Aleksandrovich, who moved to Israel from Latvia in 1971, told the others: "When we used to come to Moscow for our demonstrations, we had no place to stay, but their doors were always open. You knew that the Slepaks would give you something to eat or find you a place to sleep. Why should they be punished so severely?"

Passers-by gathered around the tent as Mrs. Orlovsky explained in Hebrew what internal exile meant in the Soviet Union. "They usually send them very, very far away," she said.●

PROHIBITION ON TRADING IN POTATO FUTURES

● Mr. HATHAWAY. Mr. President, I am pleased to be listed today as a cosponsor to Senator CHURCH's bill S. 508, which would prohibit trading in potato futures on commodity exchanges.

I take this step at this time primarily at the request of the Maine Potato Council, whose referendum on this issue this spring has demonstrated that a substantial group of Maine potato farmers want to prohibit trading in Maine potato futures.

In the 91st and 92d Congresses, when I was a Member of the House of Representatives, I sponsored similar legislation on behalf of the potato farmers in Maine.

The issue of potato futures has emerged again in recent years, and since the infamous "May Default" in May 1976, a further decline in confidence in the fortunes of Maine futures contracts may have taken place.

But I would stress that there are people in Maine on each side of the issue. Some farmers favor potato futures trading.

My purpose in cosponsoring this bill is to lend my weight to a resolution of this issue which at times threatens to divide Maine's potato community.

What is needed first is the input of both the pro-futures and anti-futures groups so that, based upon the wisdom and experience of each, a reasoned decision can be made.

I will not at this time attempt to describe all of the arguments for and against this proposition. Instead, I shall insert in the RECORD documents which show the different points of view.

The bottom line in this matter is that it is important to the potato industry and to many lives bound up in it that we move carefully and with a good understanding of what is at stake.

Mr. President, in order to show the complexity of this issue, I ask that letters from the Maine Potato Council and from Carl Moskowitz be printed in the RECORD.

The material follows:

MAINE POTATO COUNCIL,
Presque Isle, Maine, April 25, 1978.

Hon. WILLIAM D. HATHAWAY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HATHAWAY: The balloting on the referendum of Maine potato growers regarding elimination of futures trading of Maine potatoes on the New York Mercantile Exchange was finalized on Friday, April 21st.

Thirteen hundred ballots were mailed and a total of 811 were returned before the deadline. This was a 62 percent return. Of the 811 returned 50 reported they were no longer farming thus their votes were not counted.

Of the remaining 761 voting, 616 voted for elimination while 145 voted to retain futures trading on potatoes.

This shows that 81 percent of those voting favor elimination while 19 percent favor continuation of trading.

The Maine Potato Council feels the ballot return was better than normal as most surveys do well at a 30 percent return.

On the results of this referendum the Maine Potato Council urges you to support the Church Bill calling for elimination of all futures trading of potatoes.

Sincerely,

DOROTHY P. KELLEY,
Executive Vice President.

MAINE POTATO SALES ASSOCIATION,
Presque Isle, Maine, March 10, 1978.

Hon. WILLIAM D. HATHAWAY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HATHAWAY: The purpose of this letter is to advise you that there is considerable opposition in the Maine Potato Industry to a Bill (S. 508) which Senator Church of Idaho introduced in the Senate on January 28, 1977, to prohibit trading in potato futures on Commodity Exchanges.

In behalf of Maine Potato Sales Association, I would like to inform you briefly why Senator Church's Bill should be defeated.

Approximately 95 percent of the total Maine potato crop is produced in Aroostock County, Maine. The potato crop is produced under a one cash crop economy wherein potatoes account for about 90 percent of the total cash receipts from all farm products sold by the potato producer. This means that unless more than the cost of production is received by the producer for his potatoes he can not exist. In other potato growing areas several crops are produced by the potato farmers so that in the event potatoes are not profitable, chances are good that other federally price supported crops will provide supplement income to cover losses in potatoes. In order to lock in a profit margin most of the successful potato producers in Maine have been using the practice of hedging. This practice helps to protect them against erratic markets while they search for the best actual price.

Most hedgers do not want to deliver potatoes and most speculative buyers do not want to take delivery. The process of using the futures market should not be considered a delivery or merchandising vehicle. The grower uses the hedge to protect the price of his crop until he can lift his hedge and sell it on the cash market. As long as he is capable of making delivery in the event delivery is necessary he has successfully used the futures market. Usually fluctuations in the futures and cash markets follow similar courses so that any loss from actual sales can be recovered on the futures transaction and vice versa. This reduces the risk of adverse price changes to producers, wholesalers, and processors by allowing them to fix their prices and cost for product and make commitments for orders.

The cost of producing and storing one acre of potatoes in Aroostook County is now in the area of $800. This increasingly high cost of potato production in a one crop economy system makes it vital that we have available as many avenues as possible to convert our potatoes to cash. There is no question in the minds of those of us most closely involved in the process of converting potatoes to cash that the New York potato futures contract for trading Maine potatoes has allowed us in most years to establish a price for our potatoes which was above production cost months in advance. We have watched many knowledgeable and successful growers protect a price on their crops and reduce the risk of loss from a decline in the market price by proper use of the futures contract. Without this valuable price protection tool it is my opinion that Maine farmers would not consistently receive a higher price per hundredweight of potatoes produced than any other fall potato producing state nearly every year.

Commodity Futures Trading Commission member Gary Seevers, speaking in London, England, recently, pointed out steady increases in hedging activity with most futures contracts. Using CFTC hedging records, he said Maine potato hedging increased by more than 400 percent over the past five years. Mr. Seevers said futures contracts help the economy, helping farmers to transfer some of their price risks.

We, in Maine, are at a loss to understand why Senator Church of Idaho was motivated to introduce a Bill to prevent the trading of all potato futures. We recognize that large processors, such as Mr. Simplot of Idaho and Mr. Taggares, are interested in purchasing potatoes from producers at the lowest possible price and, therefore, would like to eliminate any price choice which might exist. It would seem that if the Idaho potato industry wants to discontinue allowing their potatoes to be traded they should confine legislation to Idaho potatoes and not attempt to include potatoes in other areas.

Only 21 percent of the Idaho crop is sold as fresh. There has been continued speculation over the past few years on the "declining importance" of fresh marketing to the

Idaho potato industry. (See the enclosed report given by Mr. Anderson at the United Fruit and Vegetable Convention in February.) Maine sells approximately 50 percent of its production in fresh form. The fresh market is the most important market to us and the use of futures trading has been a valuable price protection tool in our fresh marketing procedures. Idaho processors use 60 percent of the Idaho production while in Maine 33 percent is processed. In Maine we need the alternative, competitive and public prices of the New York Mercantile Exchange as another option to growing potatoes for processor contracts.

Maine potatoes have been traded on the Commodity Exchange in much greater volume than Idaho potatoes in past years. I would like to submit the following U.S.D.A. figures showing comparative returns to producers per hundredweight of potatoes produced during recent years. Without the futures market Maine potato producers would undoubtedly not have compared as well as these U.S.D.A. figures indicate.

Average price to grower per hundredweight potatoes produced

MAINE	
1976	$3.70
1975	6.05
1974	2.90
1973	7.50
1972	4.10
Average	4.85
NORTH DAKOTA	
1976	$2.60
1975	4.20
1974	3.15
1973	4.60
1972	2.75
Average	3.46
MINNESOTA	
1976	$2.70
1975	4.32
1974	3.23
1973	3.95
1972	2.85
Average	3.41
IDAHO	
1976	$2.90
1975	3.75
1974	3.80
1973	3.85
1972	2.45
Average	3.35
WASHINGTON	
1976	$2.50
1975	3.15
1974	3.65
1973	2.90
1972	2.09
Average	2.86

The cost per hundredweight for producing potatoes in Maine is approximately $3.45. In our one crop economy Maine producers must receive top price in order to earn their livelihood. Without a futures market the only price visible would be the processing contracts which are usually no higher than the cost of production. Price negotiations between a producer and a processor, or buyer, are much more favorable to the producer when a futures price exists as a choice.

Members of our Maine Potato Sales Association have the function of converting most of the Maine crop sold in fresh form to cash. By maintaining a close relationship between the grower-hedger, the local bankers, and others involved we have seen the practice of hedging rapidly gain acceptance in the Maine potato industry as a modern and highly effective money management tool. It is noteworthy that most members of our Associations are sizable producers themselves as well as being in the business of selling for others. They understand and use the futures market to advantage. They would hate to be without the financial advanage of a hedging program in their own farming operations.

In regards to defaults or failures to pay under futures transactions it should be recognized that past experience has established that payments under a futures contract are more certain than payments by processors or fresh market buyers. Recent changes in the trading rules, truck delivery, and establishment of a Commodity Futures Trading Commission have all been positive steps to improve the usefulness of Commodity Futures Trading.

Senator Church and his constituents do not suffer year after year from the economic immorality under which their farmers may recover profit from federal price supported crops sufficient to more than offset any losses they may sustain on potatoes. Not only do they not suffer under this economically immoral situation, they take advantage and profit from it as do most potato producing areas other than Maine. In addition Maine producers get taxed to support so called "water conservation" programs which are really irrigation projects to produce more potatoes to compete with us. Further, Maine producers even get taxed to support "land reclamation" projects which in practice end up in the production of more potatoes to compete with us.

In view of the above reasons, I urge, in behalf of members of Maine Potato Sales Association and the large number of Main potato producers who depend on the practice of hedging to protect a profit, that you take every step available to oppose Senator Church's Bill S. 508 which will, if passed, prohibit trading of Maine potato futures. Such a bill would be very damaging to the future of the Maine Potato Industry.

Very truly yours,

CARL MOSKOWITZ,
President.●

A SPEECH BY FTC COMMISSIONER, ELIZABETH HANFORD DOLE

● Mr. DOMENICI. Mr. President, I would like to share with my colleagues a speech made by Commissioner Elizabeth Hanford Dole of the Federal Trade Commission. This speech, entitled, "Consumer Problems of the Aging: A Call for Action," was delivered by Commissioner Dole at the Annual International Convention of the General Federation of Women's Clubs on June 8 of this year.

In this speech, Commissioner Dole expresses her longstanding and continuing concern about the problems besetting many of our older citizens. Her speech details the plight of older Americans in the areas of income, housing, health care, food, and transportation. It calls upon both Government and private organizations to improve both the quality and quantity of their services to the elderly. In particular, the Commissioner stresses the vital role which volunteer groups can play in providing services that enable the elderly to remain within their own homes, as independent members of their community. As the ranking minority member of the Special Committee on Aging, the problems which she addresses have long been of concern to me.

I believe that this address provides valuable insights on timely and important issues, and I ask, Mr. President, that it be printed in the RECORD.

The material follows:

CONSUMER PROBLEMS OF THE AGING: A CALL FOR ACTION

It is a great honor to be with you at this International Convention of the General Federation of Women's Clubs. I was pleased to learn that your themes for the next two years will be Family Life and the Free Enterprise System, and that one of your action plans calls for providing services to the aging within the community. We must be on the same wave length, as they say, for these themes are precisely what I have come to speak with you about today. I would also like to take this opportunity to commend you for having reaffirmed the 1969 resolution on retired persons, urging your member clubs to cooperate with government, business, educational, religious, and civic groups in providing older Americans with valuable and meaningful services.

Throughout human history, many cultures have revered and respected their elders. In Plato's time, the young were expected to put all their wealth at their parents' disposal. In Confucius' time, the entire Chinese household obeyed the oldest man. More primitive cultures sometimes deified their elders—both men and women achieved the status of gods.

On the other hand, in feudal society the old became beggars. In migrating societies, such as tribes in Siberia or Bolivia, those too old to move on were simply left to perish. Treatment of the old has ranged from humane to inhuman. In our culture, we tend to consider them irrelevant, and "retire" them; we have relegated them to odd corners of our society.

The agency I represent, the Federal Trade Commission, has a deep concern, as have I personally, for the older citizen faced with a multitude of problems. I will briefly discuss today these problems and some possible solutions in the fervent hope that you and the organizations you represent will be moved to help. Not just altruism, but common sense and self-interest, demand that we all cooperate to make life better for our older citizens. Margaret Mead, the eminent anthropologist, reminds us that the measure of a society may well lie in the treatment it accords its older members.

Perhaps we should start with a definition of aging—but of course we all fit that category; each of us ages every day. And have you noticed how the line defining "old" recedes as we approach it? Remember how ancient your parents seemed, when you were 16?

Aging varies tremendously with genetic inheritance and environmental conditions, with health, and with state of mind. There are those who say that age IS a state of mind; certainly the perception of age, the national stereotype of "old," affects us from the appearance of that first gray hair. The perception of old as feeble and eccentric is changing, but slowly, and we must help to hasten the change.

Until we developed a cult of youth-worship, this negative image did not exist. In early America there was a place for the old: helping with business or farm, taking care of children, being needed for the smooth functioning of the family unit. With the technological revolution, greater mobility, and the separation of family members, that place disappeared for many. The old not only were not needed, they constituted a financial and psychological burden. In the most affluent society the world has even known, many aged people were shunted off to "the poor farm."

In the thirties, Americans recognized that the country as a whole should help to provide for those who, after all, had pioneered in building the nation. The Social Security Act of 1935 and subsequent government programs recognized that need. These programs were and are essential—but in one way, they

enabled younger Americans to forget the old. "They have their Social Security checks," is a common phrase, uttered with little understanding that Social Security provides a bare minimum of money to sustain life, and nothing at all to sustain the spirit.

It is true that the scientific and technical knowledge possessed by our children renders obsolete much of our parents' specialized knowledge, and even much of our own. But the human knowledge, the wisdom, that comes from living through several decades cannot be simulated by computer. It is this knowledge, this wisdom, that we lose when we put the old "out to pasture."

So how shall we define the old? For they are as different as we are here—perhaps more so, since we at least have the common bond of interest in this association and its concerns.

Social Security defines it as 65 years. Mandatory retirement age has just been changed for most workers from 65 to 70 and consideration is being given to abolishing it entirely. This latter change is one indication of a social phenomenon that will soon be affecting every area of our national life—that is, the graying of America; the increase in the population of persons over 65. Let's take 65 as our dividing line.

In 1776, 2% of Americans were 65 and over—that was about every fiftieth American. Today, there are 23.8 million Americans—one in every nine—over 65 years of age. The sharp decline in the American birth rate, along with increasing longevity, forecasts a society with more and more older people and fewer young people. If the trend continues, the Census Bureau expects that one in every six Americans—17% of our population—will be over 65 by the year 2030.

The needs of our senior citizens are many but can be roughly categorized as income, housing, health care, food, transportation, and activity—with companionship. Beyond these basic needs, there is the need for recognition as individuals, with a place in society.

INCOME

The chief balm to ease the pain of growing old in America is money—and that's what many of our senior citizens don't have. In addition to the ability to buy necessities and luxuries, money gives a sense of status—even an identity. Many of the old are ashamed of being poor—too ashamed to admit that they badly need help. Having once been proud and productive workers, parents feel embarrassed to be in need. They do not want to, and sometimes cannot, call upon children or relatives for help.

One-seventh of the elderly—3.3 million people—are below the official poverty line. Their chief sources of income are Social Security and its complement, Supplemental Security Income plus private pension, usually small. As consumers, their money is spent on essentials: housing first at 32%, then food (25%), transportation (15%) and medical care (10%). Families headed by persons 65 or over have median incomes about half those for all families: $5,053 compared to $9,867 in 1970. The median for elderly black families was only $3,000.

The suddenness of this cut in income—usually about half to three-quarters of their former income—and the changes entailed, including limitations on productive outlets, are so severe that we have a well-recognized retirement syndrome.

Many a sudden-senior has to adjust to a new concept of himself, as do his family and friends. He can no longer afford the luxury of trips, restaurant dinners, even gifts and movies. Shall he continue subscribing to a newspaper—or just pick it up in the trash room? This is not the role he had in mind in his vigorous, hard-working days. Nor is it the role we have in mind for ourselves.

Furthermore, the current battle in Congress over financing the Social Security system can only grow more intense as the eligible population grows larger. There are now 31 Social Security beneficiaries for every 100 workers. By 2030, it is estimated, the figure will rise to 50 beneficiaries for each 100 workers—and Social Security taxes around 20% of the taxable payroll could be required to pay benefits.

Although the Social Security deduction seems enormous to the person paying the taxes, the recipient's income is meagre. The average monthly payment for singles is about $254.00. The average payment for a retired couple of 65 is $433.

It is especially important to remember that when we speak of the elderly, we're talking mostly about women. When we speak of poverty—we're speaking mostly of women. It is a triple burden to be female, old, and poor.

Women continue to outlive men by an average of almost eight years. Women 65 and older are much more likely to be widowed than married and a sizable proportion of them live alone, according to the Census Bureau. When a formerly married woman becomes single, she is at a disadvantage because often she has spent a lifetime in homemaking. If she once had a marketable skill, it is usually rusty. And until recently, her home-making skills counted for nothing.

Most of these women not only want but need jobs—and as we all know, every wrinkle makes it harder for a woman to find work. In a recent Louis Harris study, 14% of women, as against 5% of men, aged 55–65, are listed as unemployed. After 65, the disparity increases to eight times as many females unemployed as males. Thirty-one percent of those living alone—mostly women—were below the poverty line.

There are some bright spots, however.

Life experience and volunteer work are becoming generally accepted as qualifications for higher education and for jobs. Universities offer re-entry courses for women who wish to go back to work after years of absence.

Perhaps most important, a recent change in the Social Security law entitles a divorcee to apply for a portion of her husband's benefits if the marriage lasted 10 years. Until now, the period was 20 years.

Another happy note is the inclusion in the Comprehensive Employment Training Act bill of a provision to help the "Displaced Homemaker." Titles 2 and 3 provide employment, training, counseling, placement, and support services for middle-aged and older women. Several states already have centers for these purposes, and other state programs are pending.

HOUSING

To move from one's home and to lose a spouse are said to be two of the most traumatic events in anyone's life; yet often they happen simultaneously. The death of a spouse or a divorce means that the old habits of living, the old neighborhood, are forever gone. At the same time, the cost of housing has risen so drastically across the nation that many grow desperate—especially older folk on fixed incomes.

Contrary to public impressions, only about 5 percent of persons over 65 live in institutions. The majority of men live in family settings (83 percent) while a large minority (42 percent) of women live alone with nonrelatives.

Thirty-two percent of the older American's budget goes for housing. It is predicted that this figure will increase in the future, due to the trend of steadily increasing rents.

Most people are familiar with the low-income housing projects maintained by the Department of Housing & Urban Development. Less widely known is HUD's "Section 8" program, established in 1974, which seeks to lower housing costs for eligible families and individuals through direct rent supplements. A low-income family, or a single person who is over 62, disabled, or displaced by such action as urban renewal, may rent suitable housing, without paying more than 25 percent of monthly income. This enables many older renters, whose income has been suddenly lowered, to remain in apartments they have long occupied, among familiar surroundings.

Housing requirements are also being addressed by private organizations. Non-profit groups such as churches are making significant efforts to build residences that combine independent living units with intermediate and nursing care units, often with innovative designs, cheerful colors, and modern furnishings.

Even more important, it seems to me, are those efforts being made to prevent isolation of older people. In Brussels, for example, some apartment complexes reserve the first floor for aging persons and upper floors for younger. In this country, there is an effort to locate housing for the elderly in familiar neighborhoods characterized by families with persons from all generations. Recently, Margaret Mead suggested that retirement homes should be built on portions of college campuses, so that there might be interchange between the generations as well as a handy source of enrichment for young and old alike. In fact, some colleges and universities faced with declining enrollments are converting empty dormitories into housing for older people, thus bringing the generations together. These concepts would facilitate the young turning to their seniors not just for memories but for new ideas.

And the aging benefit, too. "Age is contagious," said a man in his sixties, living in a retirement home. "The depression of those most afflicted wears off on others—and without exposure to children, to young, active people, one begins to think of life itself as misery and pain."

HEALTH

Contrary to the stereotype, again, most older people are not falling apart. Repeated studies have shown that older workers lose less time from illness than younger workers. Thousands of older people enjoy creative, active lives, including sports, travel, art, and music. But many aging people do have some medical problems, which become more severe over the years.

Upon reaching age 65, most people are entitled to Medicare, the medical insurance coverage offered by Social Security. Many young people have the impression that this takes care of everything. It does not. In 1976, Medicare benefits paid only 43 percent of all the health expenses of the elderly. Deducting premium payments and co-charges, Medicare paid for only 38 percent. If the individual cannot afford to pay the required medical expenses, he or she may be eligible for Medicaid, which paid an additional 16 percent of health care expenses in 1976. Moreover, Senator Lawton Chiles stated at a hearing of the Senate Special Committee on Aging: "Five years after the 1971 Conference on Aging where so much was said about the need for alternatives, we can even ask whether we are making any real progress . . . Medicare and Medicaid give scant encouragement to development of noninstitutional care. . . ."

The irony is that the bulk of money spent in Fiscal 1976 for long-term medical services went to nursing homes or sheltered living facilities: about $15 billion, plus $3 billion to long-term hospitals, while ambulatory care or home health services received only about $1.3 billion. Irony lies in the fact that only 5 percent of the population over 65 is institutionalized and many of these need not be. The real need is for in-home care. If I leave you with just one message today, it should be that we must make a far stronger effort to establish services for the elderly in

their homes—and that we here today can play an important role in that effort.

Basic problems with current government health programs are that they involve fragmented funding, seemingly illogical eligibility requirements, and much confusion. To bring it down to cases, think of the 60-year old woman who finds it almost impossible to continue working when her husband is disabled, because of her fear for his safety; he may try to walk, and fall; he may set the house afire, and so on. If she could receive even a small amount to stay home and care for him, she would gladly do so. But Federal guidelines for Medicaid specify which relatives may receive personal care aid and which may not. For example, a woman may receive financial aid to care for her aunt—but not for her husband, or her mother. This, despite the fact that the most usual dependent relationship is that of spouse or mother-daughter.

A study by the General Accounting Office in 1977 reported: "Until older people become greatly or extremely impaired, the cost for home services, including the large portion provided by families and friends, is less than the cost of putting these people into institutions."

Other studies have indicated that some of these institutions may be taking unfair advantage of those entrusted to their care. The Federal Trade Commission, which is mandated by Congress to protect consumers from unfair and deceptive practices and to promote free and honest competition, is currently conducting an investigation of nursing homes. A number of problem areas are being examined. One is the alleged lack of clear and complete information available to consumers prior to admission. It appears that many items of important information are generally not disclosed in contracts or otherwise, such as supplemental charges which are levied against patients each month in addition to their monthly or per diem rates, and the nursing home's termination and refund policies. We are assessing whether the commonplace provisions in admission agreements waiving the home's responsibility for its patient's health, safety, or property are unfair. Also under consideration are life-care contracts which require a resident to turn over to the facility all assets, in exchange for the promise of care for the remainder of life. Other types of practices being examined for possible unfairness are the failure of some nursing homes to itemize patient's bills at the end of each month, and mishandling of patient's money and valuables.

I should also point out that the Federal Trade Commission engages in actions which have an impact upon the aging in their role as consumers of health products. On May 25 of this year, the Commission issued a final rule which permits the advertising of eyeglasses, contact lenses, and eye examinations, despite the restrictions on advertising established by state or local law and by private associations. The rule requires no one to advertise, but it clears the way for any eyewear seller who wishes to do so. In addition, the rule requires that consumers be provided with copies of their prescriptions after they have their eyes examined. Studies indicated that the average price for eyeglasses in states with restrictions on advertising was 25% higher than in states where advertising was permitted. The average costs for eyeglasses differed by more than 100% between the most restrictive states and the least restrictive states. By permitting consumers to receive price and other information about prescription eyewear and eye examinations, and by guaranteeing their right to their own prescriptions, this rule will greatly facilitate comparison shopping for the best price and quality and should, in addition, promote competition among members of the industry. This rule should be especially beneficial for persons over 65, 93% of whom wear eyeglasses.

Another proposed FTC rule would give buyers of hearing aids a 30-day trial period within which to cancel the purchase and get most of their money refunded; further, every ad for a hearing aid would have to disclose that many persons with hearing loss will receive no significant benefit from a hearing aid.

A third rule would ban, in the advertising of over-the-counter drugs, any claim which the Food and Drug Administration would not permit on the product's label. And another, focuses on whether warnings on the labels should also be included in the advertising.

FOOD

The very mention of food prices is depressing for all of us—but what must it be for some senior citizens who reportedly are living on dog food?

One government effort designed to help is the food stamp program. The stamps can be used to buy groceries, to pay for meals served in a central place, or for home-delivered meals.

Many older people have no idea that they are eligible for food stamps. Still others are ashamed to admit to their neighborhood grocer that they are now compelled to seek aid. Further, the purchase of stamps has heretofore involved a prohibitive outlay of cash. Under legislation introduced by my favorite legislator, Senator Dole, and his colleague, Senator McGovern, however, the cash purchase requirement was eliminated. According to the U.S.D.A., the implementing regulations should become effective later this year. Those eligible under a new standard deduction will simply be given the stamps.

For those unable to shop and cook, as well as those who hate to eat alone, nutrition programs authorized under the Older Americans Act have enabled hundreds of communities to serve one hot meal a day for at least 5 days a week. There is no means test and people pay whatever they can afford. The meals are served in churches, school lunchrooms, senior centers—wherever there are facilities. Sometimes, transportation to the dining hall is included.

For the frail aging or the convalescing, meals are home-delivered, with the aid of volunteers. I imagine that many here today have been instrumental in the success of these programs. Charges are based on ability to pay; needy older people pay nothing.

TRANSPORTATION

One of the first realities of aging, one which hits very hard, is the loss of mobility. In this society, rightly or wrongly, our automobiles are extensions of our bodies, and with scarcely a thought, we go where we want to go.

Many older people stop driving because of failing eyesight or other disability or because they can no longer afford a car, thus adding to their isolation. Taxis are expensive and in many cities, hard to get. To help compensate older people for the inability to drive, the federal government, in partnership with local agencies, has taken a number of actions. The Urban Mass Transit Act of 1974 stipulates that any system receiving federal funds must charge half-fare or less for the elderly and recent legislation mandates barrier-free access for wheelchairs in all government buildings. The Department of Transportation can make grants to public agencies and non-profit organizations for rural and urban transportation programs for the elderly.

There are many gaps in transportation services, however. Most operate only for limited hours (10 to 2, or 9 to 4), on week days, for specific purposes. They exist to take certain groups to certain places: e.g., to take the residents of a particular senior community to shop for groceries. There is almost no transportation for weekend activities, nor for individual needs such as visiting relatives. It should also be noted buses and subways involve walking, standing, and stair-climbing that most of us take for granted—until we are no longer able to cope with it. The senior citizen feels trapped by four walls.

The FTC tries to protect the home-bound shopper who furnishes a captive audience for door-to-door salesmen or mail order firms. The Commission has promulgated a final rule which permits the buyer in a door-to-door sale to cancel the transaction within 3 business days, with no penalty or obligation. The buyer need not physically return the goods, but simply make it available to the seller. In mail orders, the seller must notify the buyer of any delay and must give the buyer an opportunity to cancel. Without such protection, many elder citizens would be at the mercy of the unscrupulous.

SO WHAT'S THE PROBLEM?

With the proliferation of services I have outlined, you may well ask, what's the problem? The answer was supplied by hearings before the House Select Committee on Aging in April, 1977. Rep. Claude Pepper, chairing the hearings, remarked: "The only point of Government programs is to help the people," he said, "but there often seems to be more confusion than assistance. . . . What the older person confronts is a bewildering maze of bureaucracy, which shuffles him from office to office, often without the person ever even finding out what benefits he qualifies for. . . . The basic problem . . . is that each Federal program treats one part of the elderly person's needs." The better approach, of course, is to treat the older person as a whole.

Members learned that the 134 programs that benefit the elderly, according to the GAO, are administered by 7 executive departments and 5 independent agencies. In addition, there are a multiplicity of state and private agencies administering their own programs.

RECOMMENDATIONS FOR GOVERNMENT SERVICES

Among the hundreds of recommendations that have been made for improvement is one which in itself, I believe, would end much of the chaotic fragmentation which currently exists in delivery of services. This is a concept which is now being tested in the Denver area. Rather than the many duplicative application forms, a recipient would fill out something called SPAARS—a Single Purpose Application with Automatic Referral System. Just as it says, this system would automatically refer applicants to all assistance programs for which they might be eligible. Now isn't that sensible?

Understandably, this idea originated with the Commission on Federal Paperwork, which says that SPAARS and SAVE together could possibly save huge sums now wasted in multiple applications and verifications. SAVE is a Single Application Verifying Eligibility—which further spares applicants the frustration and humiliation of repeated questioning.

VOLUNTEER SERVICES

Thus far I have stressed the role of government; now let's look for a moment at volunteer services—how they intermesh, what is offered, what is needed. Since you are involved in programs for community betterment, I am sure that you have already discovered that a very rich source of volunteers are the "sudden seniors"—those just retired, who at 60, 62, 65 or whatever age, still have much to give. Such programs as Foster Grandparents and RSVP—Retired Senior Volunteer Program—help to fill their need for outlets, meaningful work, contacts beyond the shuffle board.

The Foster Grandparent program pays a stipend of $32 per week, a transportation allowance, hot meals, and insurance, to low income, healthy men and women over 60 who can provide love and attention to handicapped children in and out of institutions. They serve four hours a day, 5 days a week, playing games, reading stories, helping perhaps with physical therapy. Obviously, it is a very rewarding experience for both the children and the older people.

Out of pocket expenses only are paid by RSVP—the Retired Senior Volunteer Program. Here, men and women 60 and over serve in such varied locations as courts, schools, libraries, daycare centers, hospitals, nursing homes, and others.

The Service Corps of Retired Executives links retired business people who have management expertise with the owners and managers of small businesses and community organizations that need management counseling. Since SCORE began in 1964, it has responded to more than 300,000 requests for assistance. It is sponsored by the Small Business Administration. Your clubs could help to establish such programs in your communities, and could help to make sure that retired women executives are included.

Gaps exist in even the best of services and in some communities many services do not yet exist. Your organizations, so closely in touch with America's communities, can be of great help in identifying need and filling it—with tact and compassion. Obviously there are many elderly who neither need or want to participate in public or private programs. But for many others there is an urgent need for their services. And some in need may have no idea of the services which are available to them.

The Meals on Wheels, for example, is literally a lifesaver to many old and disabled people. But—in most communities, it's offered only five days a week. What is the elderly invalid to do on Saturday and Sunday? The easy assumption is that some working relative or friend will take over on weekends. But many people have no relative or anyone willing to sacrifice weekends for such attention. Consider just one crippled, arthritic woman of eighty, whose eyesight is too poor to trust using a stove; nor is she able to get to a store and push a shopping cart through the aisles. What can she do? Some save scraps through the week; others just don't eat. Your organization can play a vital role in making Meals on Wheels a fully sufficient service in your area. The same is true of many weekday home-maker helper programs.

This is where you can help to identify and fill needs that government never can or should. The government in general is not and cannot practically be structured to relate one-to-one with each individual. But the elderly need individual attention. The older we get, the more we lean on one-to-one relationships to soothe loneliness and fear.

Six years ago, the pastor of Central United Methodist Church in Kansas City, Missouri, Dr. Elbert Cole, was asked how elderly people could be helped to remain in their own homes. In response, he established the Good Shepherd program, attempting to keep in close touch with elderly people in the community in order to identify and serve their needs. For the first 3 years, federal funding was received for start up purposes, but the program has been independent for the last 3 years. Funding for the Shepherd program has been made possible by the community acknowledging its responsibility to provide service to its own. There is recognition in the community that this is important work to be done. From a budget of $57,000 a year, it has been possible to involve 4,000 aging people, many of whom receive compensation for assistance in the program. One-fifth of the cost comes from the recipient, one fifth from churches, one fifth from organizations like Rotary and Kiwanis Clubs, one fifth from businesses, and one fifth solicitation letters.

Almost every need of the aging resident is met, right in the community:

Escorts are provided for those who need help with shopping.

Meals on Wheels are delivered to anyone, regardless of age, who is unable to prepare food. Recipients pay $1.25 per meal; delivery is free.

Persons skilled at various trades make minor repairs on the homes of the elderly and are paid directly, at $4 per hour.

Highly selected individuals are assigned as companions for persons who need less than nursing care. The companions provide shopping, housekeeping, cooking, and assistance in making decisions. The assignments are made by volunteers who know the workers who are available and the homes which need the service. This is typical of the entire Shepherd operation—providing individualized, personalized attention.

Volunteers visit those who have been victims of crime, to provide reassurance and education on preventative techniques. The community reimburses many of those who have been robbed.

A women's organization makes regular calls to elderly persons who are isolated; when necessary, an emergency team goes into action through a 24 hour switchboard.

"Wheels that Care" provides transportation on an individual basis for urgent needs, such as visits to a doctor. Further, the city has been persuaded to subsidize taxis for older persons—50¢ anywhere in the city.

"A "Care Twenty" program identifies persons who qualify for low-income assistance and helps them with applications.

So contagious is the enthusiasm of the participants that they have drawn visitors from around the world. CBS has available a 30-minute documentary on Shepherd, entitled, "Volunteer and Live." There is no reason why other communities cannot establish similar programs. The only requirements are dedication, enthusiasm, imagination, and initiative of the kind you can supply.

I would be remiss if I failed to mention "Project Independence," operated by the National Council on Aging. It is a highly successful demonstration of cooperation between state, local, and national services. It encourages local affiliates of national organizations to work together in surveying the needs and resources of their communities to enable aging persons to maintain themselves in their homes. Often, as its officials point out, some simple service can make the difference between a life of dignity and independence in one's own home, or premature, sometimes unnecessary, institutionalization.

Doubtless, a good many of these services have been launched on the initiative of your organizations. For future efforts, a guidebook for local communities, giving step by step advice on procedures, may be obtained from the National Council on Aging. I highly recommend this Guidebook.

If your organization already has a local program or wishes to become involved, I suggest that you contact the State Agency on Aging in your state capital to obtain the address of the nearest Area Agency on Aging. You may be able to qualify for financial assistance through these agencies.

Through my work with the FTC and over the years in the consumer field, I have become committed to helping to resolve problems of the elderly. Today I urge you to make them your priority. In America we are committed to the proposition that each individual counts—but too often we fail to carry out that promise to the elderly. We will have an easier conscience when we can see that they are able to enjoy the fullness of their years.

And, after all, the aging are not only our parents, but ourselves, and our children. When we discuss the elderly in the years 2025—we are discussing today's high school seniors!

I should like to conclude by acknowledging the observation made by noted sociologists Matilda Riley and Joan Waring that we are entering a new era in aging. As they have pointed out, the problems of aging have been taken for granted as immutable or wholly attributable to biology. Currently, however, these problems are being recognized as social phenomena: molded by human beings, rooted in human history, and susceptible to social intervention and change. To understand their social character is to open all the possibilities for directing social change to improve the quality of life for people at every age.

The challenge and responsibility in this endeavor belong to all of us. There is no higher endeavor than service to improve family and community life. As Woodrow Wilson once remarked as he called his fellow citizens to community service: "Some day when we are all dead, men will come and point at the distant upland with a great shout of joy and triumph and thank God that there were men and women who undertook to lead in the struggle. What difference does it make if we ourselves do not reach the uplands? We have given our lives to the enterprise. The world is made happier and humankind better because we have lived."

Thank you.●

DRUG ABUSE AND THE ELDERLY

● Mr. BIDEN. Mr. President, recently, a fine article appeared in the Wilmington Evening Journal calling attention to the very serious problem of drug abuse among the elderly.

In our haste to find solutions to illegal drug use among this Nation's youth, we have almost completely overlooked the misuse of legal medications by our senior citizens.

Many of our senior citizens do not exercise enough care when following directions on medications. Worse still, many doctors are ill-informed about potential side effects of prescription drugs.

I am pleased to note that the Select Committee on Narcotics Abuse and Control is holding hearings on this subject, and I look forward to reviewing their recommendations.

I ask that the text of the attached article be printed in the RECORD.

The article follows:

SENIOR CITIZENS, TOO, ARE MISUSING DRUGS

(By Carol R. Richards)

WASHINGTON.—In between the spaced-out teen-agers and the hard-bitten junkies visiting drug treatment centers these days, counselors are seeing a new category of clients—senior citizens.

At Thee Door drug counseling center in Kissimmee, Fla., an arthritic 90-year-old was brought in recently by his frightened son. Dad was suffering from hallucinations.

Aged folks with similar problems also are showing up at hospitals.

In Boston, Mass., a suicidal old man, being treated with anti-depressant drugs, was rushed to the hospital because he had become confused, had developed a high fever and was unable to pass urine.

In Clearwater, Fla., a once-sprightly 80-year-old black woman awoke in the hospital after emergency surgery acting "spaced out." She could neither recognize her relatives nor remember who or where she was.

Senility?

No. All three are victims of some form of drug misuse.

And all three are lucky; Specialists traced their problems to drugs. Elderly people with similar problems are often dismissed as senile and left to spend the rest of their days in desperate confusion.

"Ironically, drug-induced illness (of the elderly) may go unperceived because it often mimics stereotypes, associated with old age—forgetfulness, weakness, confusion, tremor, loss of appetite and anxiety," said Dr. Robert E. Vestal, a prominent researcher in geriatric medicine at the Veterans Administration Hospital in Boise.

"The commonest cause of reversible intellectual impairment among the elderly is drug intoxication," added Dr. Richard Besdine, who teaches at Harvard Medical School and treats elderly patients at Boston's Beth Israel Hospital.

But "the elderly are not out smoking pot, shooting up or snorting coke," said Bunny Stalpes, director of the Center for Human Service's federally funded drugs and aging project. "They suffer instead from problems induced by the legal prescription and over-the-counter medicines used to maintain their health.

"Though only 10 percent of the population, the elderly receive and pay for approximately 25 percent of the nation's $10.6 billion in prescription drugs," said Stalpes.

"That the elderly should be large users of drugs is not surprising. The use of drugs on a regular basis is a contributary factor in many people's actually reaching old age."

But, she said, "Today's elderly American was well into middle age when the family physician system was superseded by the specialist system of medicine. Only in their later years have the elderly been forced to call on a series of strangers for medical advice. The specialist rarely knows the patient as a whole person . . ."

Many older people have more than one chronic problem, and therefore see more than one doctor and take more than one prescription drug routinely. And in the past 30 years a "pharmaceutical revolution" has provided physicians with over 10,000 different products in 14,250 different dosage forms to prescribe.

So with multiple doctors prescribing a bewildering variety of drugs to a single patient, there is a good chance that there will be severe problems, Stalpes said in her office here.

These problems include:

Interaction of prescription drugs. Two examples: Tricyclic anti-depressants like Sinequan, when taken with potent blood pressure medication like Aldoclor, can throw a patient's blood pressure completely out of control. Major tranquilizers like Mellaril, if taken with the diuretic type of blood pressure medication like Diuril, can cause shock.

Interaction of prescription drugs with over-the-counter drugs or alcohol. Aspirin taken in the presence of an anti-coagulant can lead to massive hemorrhaging. Many non-prescription cough medicines are largely alcohol, and when taken with tranquilizer Valium, the combination "potentiates the impact by 10," experts say.

Misuse of drugs by the elderly themselves. In Osceola County, Fla., 43 percent of senior citizens surveyed admitted they swap drugs among themselves. In a 1962 New York Hospital study, 59 percent of people over 60 made one or more errors in taking drugs (usually forgetting to take them), and 26 percent made potentially serious errors.

In appropriate dosage by the doctor. Besdine said this was the main problem. "I'm talking about drug intoxication that occurs when a person goes to the doctor, the doctor orders medication, and the prescribed taking of the drug results in confusion and even toxicity to the brain," he said. "Often doctors are not aware that the standard dosage is excessive for an aged person."

Experts agree that older people tend to be smaller, having less body fluid and more fat than younger people, and that therefore drugs act differently on them than on the young.

Often drugs have a heightened effect on the old, but sometimes the impact is paradoxical. For example, Ritalin, a stimulant, acts as a depressant on old people, one expert said. Vestal said that the response to barbiturates "in a significant proportion of elderly patients may vary from mild restlessness to frank psychosis."

Besdine said he had a "suitcase full" of cases involving inappropriate dosages. One is the suicidal old man mentioned above.

"He had had a depressive illness and had been put on a tricyclic anti-depressant which takes one to five weeks to have onset of action. But by the 12th day he had fever, confusion, urinary retention. Old men have big prostates and borderline urinary function." The tricyclic drug worsened the urinary problem, and "he almost died," said Besdine. Fortunately, the drug was found to be the culprit and its use was halted.

The 90-year-old who was brought into Thee Door with hallucinations turned out, according to counselor Mary Steele, to have been misusing his arthritis medicine. Instead of following the regimen spelled out by the doctor, the old man had been taking the medicine haphazardly, whenever he felt he needed it.

Steele called his doctor, who changed the prescription and also lectured the old man about following instructions. "We've seen so many cases where senility was misdiagnosed," Steele said. This could have been one of them.

Aspirin was the villain in the case of an elderly woman cited by Vestal and Peter P. Lamy in their 1975 article. "Drug Prescribing for the Elderly," which appeared in Hospital Practice magazine:

"Subject to severe arthritic episodes and incontinence, she medicated herself heavily with aspirin. Embarrassment over having to be helped to the bathroom led her to take the aspirin with very little water. Gastrointestinal bleeding resulted. Since the patient's major complaint remained the arthritis, the physician prescribed increased aspirin.

"Within two weeks she was unable to leave her chair. Her weakness was dismissed as 'aging' until her bleeding problem was belatedly discovered."

The problem of the sprightly black woman from Clearwater who ended up "spaced out" after surgery could stem from drug interaction, drug overdosing or personal drug misuse or a combination of them all. Her problem was detected only because her visiting nephew happened to be a drug abuse specialist from New York City, Dr. Beny J. Primm, executive director of the Addiction Research and Treatment Corp.

The woman, agile and active, had not very wisely tried to cure an undiagnosed ulcer with multiple doses of very harsh laxative, so when she was finally rushed to the hospital she was in very bad shape indeed. Primm said she came through surgery fine, but when she awoke "she was completely disoriented." Time passed and no improvement. Finally, Primm said, "I asked to see her chart."

"They were giving her 100 milligrams of Demerol every four hours for pain and a baribiturate to help her sleep. I said to the doctor, 'Did she ask for anything for pain?' He said, 'No.' 'Did she ask for anything to help her sleep?' He said, 'No.' So I said, 'Then why the hell did you give it to her and at that dosage?' " The drugs were taken away, "and now she's back home working in her garden.

"I think geriatric training ought to be mandated by the federal government," Primm added. "Too often, physicians don't keep up with geriatric dosages."

How serious is the problem?

Examples are many, but no one has counted the number of elderly drug abuse cases in the nation—probably because the whole issue has come to light only in the past several years. About the best numbers available come from Vestal, who says that when hospital admissions for drug-induced illness are grouped by age, the admission rate among those 61 and over is about one-and-a-half times that of younger persons.

The problem has become serious enough to catch the eye of Congress. The Select Committee on Narcotics has scheduled a hearing tomorrow on the misuse of legal drugs by the elderly—a sure sign that the problem will soon be viewed as a national concern.●

SENATOR JAMES B. ALLEN

● Mr. SASSER. Mr. President, we were all shocked by the unexpected and untimely passing of Senator James B. Allen, an outstanding Member of this body. Our distinguished colleague will be sorely missed.

Through 40 years of public service, Jim Allen demonstrated his dedication to the people of Alabama and to the citizens of the United States. He was a man of great personal integrity; he was a man of principle; he was a man of courage and tenacity.

During his 10 years in this body, Jim Allen proved himself to be an articulate and masterful orator. He used this skill to promote the causes in which he deeply believed. Jim Allen's knowledge of the rules of the Senate was superb. He was one of the greatest parliamentarians in the long history of the Senate.

Throughout extended periods of intense and heated debate, Jim Allen was always a gentleman. Even in the most intensive discussions, he displayed the courtesy that was so much a part of his character.

Jim Allen's courage, spiritual leadership, and personable manner will not soon be forgotten. He made his mark in the United States Senate.

The people of Alabama and the Nation will miss his leadership, but his contributions to the national interest will be remembered as his legacy. Jim Allen was a great and good man.●

SURVIVORS OF THE HOLOCAUST

● Mr. HOLLINGS. Mr. President, millions of Americans watched in horror only a few weeks ago as television brought to the home viewing screen the sickening and tragic story of the extermination of more than 6 million Jews by Hitler's Nazis.

"Holocaust" was many things to many people. For the young, it was a glimpse of the triumph of evil over good, a shocking first exposure to a monumental crime. For others, it was a reminder of a terrible history which we lived first hand. For others, the survivors, it was a jolting return to the past.

But, despite its impact, the television showing of "Holocaust" was a somewhat

narrow and superficial treatment of an overwhelming story. The magnitude of the crime cannot be condensed, because it involved millions of separate, individual human beings.

To my mind, the most touching accounts of this period of history continue to be the first person stories by the survivors of the holocaust. They have appeared in magazines and newspapers across the country in the wake of the television drama. They are the most poignant, the most eloquent statements that will ever be made about that colossal iniquity.

One such account, in the words of Henry and Paula Popowski, Charles and Gucia Markowitz, Pincus and Renee Kollender and Guta Weintraub of Charleston, S.C., appeared in a recent edition of the News and Courier there.

If we are to stand guard against a future "holocaust," whether it involves one man or millions, then it seems to me that the words of these survivors—their descriptions of terror, pain and human degradation—must be read and reread. For they warn all of us of the possibilities that exist for man to mistreat his fellow man.

I ask that the article in the News and Courier be printed in the RECORD.

The article follows:

MEMORIAL SERVICE HELD

(By Edward C. Fennell)

The horror—the terror—the agony of 6 million Jews slaughtered at the hands of Hitler's Nazis.

Could it ever be forgotten?

Seven Polish-American Jews who lost most of their families and friends during the Nazi reign of terror over Europe and who now live in Charleston could not forget the holocaust if they wanted to.

And Jews everywhere vow they will never forget.

A Yom Hashoah Service in memory of the 6 million who died and the millions more who suffered in those terrible times was held Thursday night at the Jewish Community Center.

More than 200 persons, not all of them Jewish, came to pray and observe a Yartzeit candle lighting ceremony and to sing Ani Maamin (I believe).

The service is held each year on the 27th day of the Jewish calendar month of Nison. "We as the Jewish Community of Charleston recognize on this day the holocaust, the events, the results and the fact that we are alive today with a homeland and with our freedoms," Rabbi Allan Cohen told the assembly.

Rabbi David Radinsky said "mankind has within it the seeds of great evil. The good within humanity should be unleashed so that evil will never again triumph, not even for a minute."

Prayers in remembrance were said in both Hebrew and English. Six students from area schools lit six candles, each representing 1 million of those who were put to death at Hitler's hands.

While the young at the service vowed to remember the holocaust so that it may never happen again, to at least seven persons present the service was a personal remembrance of the days when evil triumphed.

"We lost everybody," summarized Henry Popowski, who joined a Warsaw, Poland, uprising against the Germans and lived through the war by "miracle." After the war Popowski found that of the friends and family he had in Europe before the war, only two brothers who lived in the Soviet Union survived.

Eager to start a new life, he married a girl who survived the Nazi years by changing her identity. "I became a Polish girl and lived three years as a Catholic," said Paula Popowski. She was assisted in her charade by non-Jewish friends who risked their lives to save her from death.

Charles Markowitz was "a very poor physical specimen" when American forces freed him from the concentration camp at Dachau. He and his wife, another survivor, Gucia Markowitz, now run a local furniture store.

Pincus Kollender, who attended the services with his wife, Renee, was spared death when Allied forces bombed a train in which he was being transported to a concentration camp.

Also in attendance Thursday was Guta Weintraub, also from Poland and a survivor of the holocaust.

How does one go on after losing so many close friends and family?

Paula Popowski, who admits the nightmares of her past have never stopped, looks at her present happiness and the future of her family.

"I've got such nice children. We came here and started a new life, now we have four grown children. I'm very happy to be here. America is the best country."

But still she remembers her parents, who 33 years ago were expelled from their city and killed.●

SHOULD CONGRESS INVESTIGATE THE TREASURY'S FUNDING OF ABORTION?

● Mr. GARN. Mr. President, Prof. John T. Noonan of the University of California at Berkeley is a distinguished constitutional scholar whose research and analyses have been turned on occasion to defending the right to life. Professor Noonan's latest article on what is ostensibly a right to life topic appears in the spring 1978, edition of the very excellent journal of scholarship and opinion, the Human Life Review.

I say Noonan's article is ostensibly about the issues raised by prenatal life and abortion, because it is really about so much more, and particularly because it raises serious questions regarding separation of powers and what has come to be known as the imperial judiciary.

Article I, section 9, clause 7 of the Constitution of the United States provides:

No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; . . .

I urge my colleagues to pay serious attention to Professor Noonan's analysis of the manner in which the emotion of abortion has blinded many to the clear language and meaning of the Constitution. Members of the legislative branch must be particularly wary of assaults on the Congress from other branches of the Federal Government.

I ask that Professor Noonan's article be printed in the RECORD.

The article follows:

SHOULD CONGRESS INVESTIGATE THE TREASURY'S FUNDING OF ABORTION?

(By John T. Noonan, Jr.)

In 1976 Congress enacted an appropriations act for the Department of Health, Education, and Welfare, specifically not appropriating money to pay for elective abortions as part of Medicaid. A single federal judge ruled that, nonetheless, the Secretary of HEW must announce his willingness to pay for all abortions sought by Medicaid-eligible applicants. Following that ruling in October 1976 the Treasury paid out money to cover elective abortions obtained through Medicaid and continued to do so until late in 1977.

These simple facts do not point to the commission of a crime. They do point to the commission of possibly unlawful acts by the Treasury and to possible conduct by higher officials of the government inconsistent with their sworn duty to uphold the laws and Constitution of the United States. These simple facts point to the possibility of other facts whose existence can be established only by the process of a congressional investigation. Already enough is available to suggest that the Ford Administration was guilty of sabotaging the law on abortion funding and that the Carter Administration, while better, did not move quickly to repair the damage. Already enough is known to say that the funding of elective abortion during 1976–1977 occurred in breach of the Constitution itself.

THE CONSTITUTIONAL PROVISION

The part of the Constitution violated is part of the organic law of the nation, that is, part of the Constitution which establishes the basic division of powers between the Executive, the Legislature, and the Judiciary, and gives the power of the purse to the elected representative of the People. Article I, section 9, clause 7 reads, "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law." In those few and effective words control over federal expenditures is vested in Congress. Unless Congress makes a law appropriating money, no one has authority to draw money from the Treasury, and the Treasury has no authority to pay. Money can be drawn from the Treasury only in consequence of a bill appropriating the money.

The meaning and importance of Article I, section 9, clause 7 have been repeatedly affirmed in a long line of decisions by the Supreme Court. The classic case is the 1850 decision of *Reeside v. Walker*, in which the widow of a post office contractor presented a case claiming she was owed money by the United States. No appropriations act had been passed to pay her. The courts declared themselves powerless to give her a remedy. For a unanimous Supreme Court, Justice Levi Woodbury wrote, "However much money may be in the Treasury at any one time, not a dollar of it can be used in payment of anything not thus previously sanctioned."[1] No appropriation meant no payment.

As recently as 1962 in *Glidden Co. v. Zdanak* Justice John Harlan, speaking for the Court, had occasion to reiterate the meaning of the constitutional provision. He wrote, "Article I, section 9, clause 7 vests exclusive responsibility for appropriations in Congress, and the Court early held that no execution may issue to the Secretary of the Treasury unless such an appropriation has been made."[2] In other words, no court had power to order the Treasury to pay what had not been appropriated.

The case which came closest to encroaching on this basic division of powers, but which ended in its vindication, was *Lovett v. United States*, decided by the Supreme Court in 1946. Robert Lovett, Executive Assistant to the Governor of the Virgin Islands, and two other government employees were suspected by the Un-American Activities Committee, and when the government refused to fire them, Congress in a deficiency appropriation act in 1943, barred payment of their salaries. The three continued to work for a short time and then sued for their compensation, claiming, respectively, $1996,

Footnotes at end of article.

$101, and $59. The Court of Claims determined that they were owed the money, but left to Congress the decision whether money would now be appropriated to pay them.[3] Affirming this judgment, the Supreme Court held that the salary prohibition had been an unconstitutional Bill of Attainder, forbidden by another clause of the same Article I, section 9 of the Constitution which forbids payment by the Treasury except in consequence of an appropriation. The Supreme Court held the prohibition invalid, but it did not attempt to appropriate the money itself. It followed the Court of Claims in leaving to the decision of Congress whether money would now be appropriated.[4] The Supreme Court stopped at the limit of the constitutional power of the judiciary and did not cross it. *Lovett* became another case standing for the principle that the Treasury can only pay from an appropriation and only Congress can appropriate.

How seriously this constitutional distribution of powers has been taken in the past may be illustrated by *Stitzel-Weller Distillery v. Wickward*, decided by the Court of Appeals for the District of Columbia in 1941. In the belief that the Agricultural Adjustment Act was constitutional, Stitzel-Weller paid over $1,000,000 into the Treasury to be administered by the Secretary of Agriculture as part of the AAA. When the Act was declared unconstitutional, the distillery wanted its money back from the Treasury. It was a trust fund, the company claimed; the Treasury was a trustee; and when the trust failed, the money should be returned to its donor. The court thought the company had equity on its side, but the court also said it was helpless. It could do nothing to order the Treasury to pay because of the "constitutional rule, that 'No Money shall be drawn from the Treasury but in Consequence of Appropriations made by Law.'"[5]

THE HYDE AMENDMENT

It was against the background of this unquestioned authority of Congress over the purse that the Hyde Amendment to the 1976–1977 appropriations act for HEW was enacted. The Amendment provided, "None of the funds contained in this act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term."[6] As this language formed part of the appropriating act, it effected a non-appropriation of money for elective abortion.

The Hyde Amendment was offered pursuant to House Rule XXI, "the Holman Rule," which permits amendments to appropriations bills on two conditions: (1) that the amendment be germane to the subject matter of the bill; and (2) that it "retrench expenditures."[7] The Hyde Amendment qualified on both counts. It was obviously germane to the purposes of the Medicaid part of the HEW appropriations. It retrenched expenditures by eliminating the money that would be paid for elective abortions.

In dozens of rulings on amendments offered under the Holman Rule, the House for over a century has taken the position that amendments so offered become, if accepted, part of the appropriations act.[8] They are not separate substantive legislation. If they are voted in, the appropriations act is limited by the words of amendment. When the amendments says "None of the funds contained in this act shall be used . . .," the appropriation act no longer contains an appropriation for the purpose for which "none of the funds" can be used. The formula used in a Holman Rule amendment is an explicit declaration that Congress is not appropriating for a use that might otherwise be thought to fall within the appropriation. After such an amendment has been accepted, no law exists by which an appropriation for this use has been made.

JUDGE SIRICA'S RULING

The appropriations act containing the language of the Hyde Amendment became law on September 30, 1976. At once there was a rush by the pro-abortion party to the courts to have Hyde declared unconstitutional and to have the federal government commanded to continue paying for abortions. At the time the Supreme Court had not ruled on the question of abortion funding, and all the lower federal courts which had considered the question had held that a State was under a constitutional obligation to fund elective abortions for the indigent as part of the State's Medicaid program.[9] It was not unreasonable for the pro-abortion party to expect a similar judicial response when it was a matter of federal rather than state funding.

There were, however, two obstacles to ordering the federal government to fund, neither of which was present when a State was the defendant. One was the explicit division of powers effected by Article I, section 9, setting a limit on the authority of the Executive and the Judiciary over the federal purse. The other was the ordinary requirement of equity jurisdiction. For an injunction to be issued immediately by a court, ordering someone to do or not to do something, there must be a finding by the court that "irreparable injury" will result to the party asking for the injunction unless the injunction is given. In other words, a court will not anticipate the result of a trial and order a defendant to act before the trial has been held unless such an order is necessary to preserve the status quo and prevent the injustice of the defendant causing injury to the plaintiff which cannot be remedied by an order entered after the trial.

In the case of abortion funding, "irreparable injury" was hard to show. Medicaid is a program in which the States and the federal government play a part. The States have the primary obligation of funding medical treatment. If the medical treatment is of a kind which falls within a federally-approved category, the federal government reimburses a percentage of the State's share. But a State's duty to provide medical services does not depend on federal reimbursement. If the federal government failed to reimburse a State for elective abortions, the State would still be in a position to pay for the abortions and, if there had been a constitutional duty to pay for them, that duty would have had to be discharged by the State. If the States did turn out to have some constitutional claim to reimbursement from the federal government, that intra-governmental claim could be settled after the litigation. No one would be denied an abortion because of the absence of instant federal reimbursement of a State.

The absence of irreparable injury was all the more conspicuous because of the way HEW financed Medicaid. Instead of reimbursing a State after the State had paid the bill, HEW "reimbursed" by paying three months in advance what it thought would cover the expenses of the State, with adjustments then being made in the light of what the State actually spent.[10] When the Hyde Amendment went into effect, the States already had in hand three months' advance funding for elective abortions.

The pro-abortion party sought an order from the federal District Court in Washington, D.C. requiring the Secretary of HEW to continue paying for elective abortions while the constitutionality of Hyde was determined. The case was heard by the Chief Judge of the District Court, John Sirica. He found no evidence of irreparable injury and dismissed the request for an injunction.[11]

JUDGE BIUNNO'S RULING

Simultaneously with the suit in Washington, the Planned Parenthood Association of Hudson County, certain doctors and one "Jane Doe" sued the Secretary of HEW in the federal District Court for New Jersey, also asking for an injunction against the enforcement of the Hyde Amendment. The case was heard by Judge Vincent Biunno.

Judge Biunno at once observed that the State of New Jersey was already under a federal injunction to pay for elective abortions. Whether the federal government reimbursed it or not, the State had been ordered to pay. Consequently, no showing of irreparable injury had been made, and for that reason alone Planned Parenthood's case failed.[12]

Judge Biunno also made the more fundamental observation that the Constitution prevented the Treasury from paying out money which had not been appropriated. Congress had not appropriated money for elective abortions. Even if a federal judge were to hold Hyde unconstitutional and enjoin the Secretary of HEW from enforcing it, "the Secretary of the Treasury would remain bound to observe the Hyde Amendment and to refuse to draw any moneys out of the Treasury for payment of a federal share to a Medicaid State on account of elective abortions."[13] Judge Biunno had penetrated to the core the constitutional question. He saw that the federal judiciary had no power to appropriate money from the Treasury, and the Treasury had no power to pay money without an appropriation.

JUDGE DOOLING'S RULING

A third suit was launched by the pro-abortion party against the Secretary of HEW in the federal District Court for the Eastern District of New York, in Brooklyn. The plaintiffs here were Planned Parenthood of America, the American Civil Liberties Union, the New York Health and Hospitals Corp., one indigent woman and one doctor. Harriet Pilpel, who was both a vice president of the ACLU and the general counsel of Planned Parenthood and had represented the Planned Parenthood affiliate in New Jersey, also represented Planned Parenthood here. The judge was John Dooling.

Judge Dooling did not make a final ruling on the merits of Planned Parenthood's case, but he gave an opinion that the plaintiffs seeking to enjoin the operation of the Hyde Amendment would probably prevail on the ground that the Amendment would be held unconstitutional. Judge Dooling adopted the argument of Planned Parenthood that, as the morality of abortion was disputed by "Godfearing people," the government would be required to be neutral. And "neutrality" meant the government should be on Planned Parenthood's side and pay for abortions! He ordered a trial on the merits of Planned Parenthood's case. In the meantime, he issued an order requiring the Secretary of HEW not to carry out the Hyde Amendment and to announce his willingness to "provide reimbursement provided to all Medicaid-eligible women by certified Medicaid-providers."[14]

Judge Dooling's order jumped over the two obstacles that had detained Judge Sirica and Judge Biunno. The State of New York, like New Jersey, was under a federal injunction to pay for elective abortions—an injunction issued by the same Brooklyn court on which Judge Dooling sat.[15] There was no way this obligation depended on federal reimbursement. Judge Dooling closed his eyes to this point.

Even more startling, his order operated on the Secretary of HEW throughout the United States, although no showing had been made, except as to the State of New Mexico, that the States would not pay for the abortions the federal government did not pay. He did not attempt to explain how he could enter such an injunction for the entire country without such a showing of irreparable injury throughout the country.

Footnotes at end of article.

On the fundamental constitutional issue of the division of powers between the courts and Congress, Judge Dooling cited *Lovett*, but either he had misread *Lovett* or counsel had miscited it to him. He wrote:

"The language of the Act makes clear that Congress had appropriated what it judges sufficient money for carrying out Title XIX and that it has sought only to restrict the circumstances in which the funds could be used to pay providers of lawful abortion services. If that prohibition of use transgresses constitutional rights, it cannot be given effect. Payment of funds will follow, but not by an act equivalent to an appropriation."

He then cited *Lovett* as authority for setting aside "a section of an appropriations act." [16]

In short, Judge Dooling, in direct conflict with Judge Biunno, thought the money for elective abortions had actually been appropriated but that the "use" of this money had been restrained by the Hyde Amendment. When the Amendemnt was set aside, the appropriated money could be touched. Mistakenly, he believed that *Lovett* had similarly set aside one section of an appropriations act and reached sums already appropriated. Mistakenly, he ignored the House's own understanding of its legislative process: that a vote for an amendment to an appropriations act, forbidding use of appropriated funds for a given purpose, was a vote not to appropriate for that purpose.

The triumph of Planned Parenthood and its allies appeared to be complete. They had obtained from this single federal judge in Brooklyn an order binding on the Secretary of HEW throughout the land effectually thwarting the expressed will of Congress. What two federal judges had denied, a third had granted. Above all, they had gained what was precious where an appropriations act lasting only a year was concerned—time. They had the order preventing HEW from carrying out the act. As long as it stayed in force, time was on their side.

THE ACTION OF THE FORD ADMINISTRATION'S LAWYERS

The litigation involving Hyde took place in October 1976, the month preceding the presidential election. Gerald Ford, it will be recalled, was vocal in his campaign in his opposition to abortion, seeking to distinguish himself from Jimmy Carter by his support of a constitutional amendment directed against abortion. It might have been supposed from the presidential rhetoric that the Ford Administration would have taken vigorous steps to see Judge Dooling's order was reversed. In fact, the Administration engaged in what can only be described as sabotage of Hyde.

What was imperative for the Administration to do—with time such a precious commodity—was to ask a higher court to stay Judge Dooling's order. There were three grounds on which a stay could have been sought. First, there had been no showing of irreparable injury to the plaintiffs. Second, Judge Dooling had misinterpreted the Constitution. And third, his order and findings were in direct conflict with those of Judge Sirica and Judge Biunno. In particular, Judge Biunno's opinion had informed the Secretary of HEW that a federal court had no authority to order the Treasury to pay out unappropiated money and that no money had been appropriated for elective abortions. Judge Dooling's order required the Secretary of HEW to act as if the appropriation had been made. Caught between two different lower courts, the Secretary of HEW had every reason to ask a higher court to resolve his dilemma and to do so quickly.

Instead of asking for a stay, however, the Administration's lawyers opposed granting one! Senator James Buckley had intervened in the case and, after Judge Dooling's ruling, had promptly appealed to the Supreme Court to stay the order. Robert Bork, the Solicitor General and William H. Taft IV, the General Counsel of HEW, filed a joint memorandum opposing Senator Buckley's request.[17]

Bork and Taft did tell the Supreme Court that they believed Judge Dooling's order was "erroneous," and they did note the two cases holding that no irreparable injury had been shown by the plaintiffs. But, astonishingly, they failed to raise the constitutional barrier to Judge Dooling's order, and they failed to inform the Supreme Court that Judge Biunno's decision had rested in part on the Constitution. As Judge Biunno's opinion was not yet in print, this failure to apprise the Court of its content was a serious act of noncommunication.

These omissions pailed to insignificance compared with what Bork and Taft stated affirmatively. They declared in their written memorandum that they could think of no irreparable injury that would come to the intervenors from a denial of their request for a stay.[18] But the true issue was, What was the injury to the United States if the stay was not granted? Each day that Judge Dooling's order was in effect, elective abortions were federally financed. It was this evil to which the Hyde Amendment had been directed. It was this evil which was the irreparable injury of the United States, which the counsel of the United States ignored.

In a footnote Bork and Taft did discuss the interest of the United States, but only to quote and make their own a principal argument of the opponents of Hyde. They observed that any money spent in funding elective abortions "may be offset at least partially by the savings of monies that would otherwise have been expended for childbirth and post-natal care if women were to carry unwanted pregnancies to term".[19] Here were the government's own lawyers making their own the argument of the opponents of the legislation they were supposed to be defending. It was this dollars and cents, cost/benefit, kind of reasoning that Hyde had rejected in the cause of saving human life. But thinking in the language of Planned Parenthood, Bork and Taft could not imagine that federal participation in taking human life was an irreparable injury to the government; they could only offer an economic calculation. Instead of making their own vigorous effort to correct John Dooling, they joined Planned Parenthood, their nominal opponent, in persuading the Supreme Court to leave his order in effect.

Adopting this do-nothing position, the government lawyers appeared tacitly to agree to this proposition: You may sue us in any federal court in the country. If you lose, try another judge. If you lose again, try again. Somewhere, you will find a federal judge who agrees with you. When you find him, we will be bound everywhere, no matter how many times we have won before. One judge's will will bind us; and we will let his order run as long as possible.

Indeed it was not until the Carter Administration had taken office that the federal lawyers even filed an appeal from Judge Dooling's order. The appeal was filed on February 11, 1977. And even then, no stay was asked for. The result was that Judge Dooling's order remained in effect.

On June 20, 1977, the Supreme Court decided that the States were under no constitutional obligation to pay for elective abortions.[20] The decision removed the premises of Judge Dooling's order without directly reversing him. With a feet-dragging slowness that formed a sharp contrast to the speed with which the injunction had been obtained, Judge Dooling on August 4, 1977 lifted the injunction in open court.

From October 22, 1976 to August 4, 1977, for over 10 months out of the normal 12 months of the life of an appropriations act, the quick decision of a federal judge in Brooklyn had ruled the entire country with the force of law, commanding that Hyde not be observed. A considerable share of the responsibility for this situation must be assigned to the government's lawyers.

THE ACTION OF THE TREASURY

Judge Dooling's order ran against the Secretary of HEW. It did not in words touch the Secretary of the Treasury, who was not before his court. If the Secretary of the Treasury knew the Constitution, he knew he had no authority to pay out money not appropriated by Congress. If he was familiar with the language of appropriations acts, he knew that Congress had appropriated nothing for elective abortions. If he needed judicial confirmation of his understanding of the law, he had the opinion of Judge Biunno that he was obliged to observe the Hyde Amendment.

When the Hyde Amendment went into effect on September 30, 1976, the Treasury had already made the three month advance payment to the States for elective abortion. The Treasury was faced with the question whether it should keep on making such advances. Under both the Ford and Carter Administrations, the Treasury continued to make the advances in disregard of the appropriations act and the Constitution.

WHAT A CONGRESSIONAL INVESTIGATION MIGHT LEARN

The facts that set out above establish a *prima facie* case of failure on the part of the Executive to obey the law and to uphold the Constitution. A congressional investigation should establish who were the persons primarily responsible for this failure. Who made the decision to oppose the request of a stay of Judge Dooling's order? Who made the decision not to ask for a stay on the part of the United States? Who made the decision that the Treasury should continue to pay despite the Constitution, the appropriations act, the New Jersey case? At what level of the Ford Administration were these decisions made? What reconsiderations of these decisions was undertaken by the Carter Administration?

Congress would be investigating here a fundamental subject, the obligation of the Executive to carry out the law and to observe the Constitution. It would be examining how a determined bureaucracy can frustrate congressional intention. It would be looking at the President's sworn duty "faithfully" to "preserve, protect and defend the Constitution of the United States." [21]

The action of the bureaucracy was affected by Judge Dooling's order, but erroneous and even abusive of power as it was, that order did not itself require the Treasury to make payments; and a proper respect for the judicial function would keep Congress from calling Judge Dooling himself. It would, however, be appropriate for Congress to take note of the particular zeal the federal courts have shown in furthering the pro-abortion cause. A remedy for that partisanship could be found in legislation regulating or limiting the jurisdiction of federal courts in abortion cases. Such legislation was found to be necessary as to labor injunctions when the federal courts were seen as anti-union. A comparable body of cases now suggests that these courts are pro-abortion, and a remedy like the Norris-La Guardia Act may be necessary.

The most fundamental question which a congressional investigation must address is, How shall Article I, section 9, clause 7 be enforced? The Executive and the Treasury in particular are expected to read the Constitution and follow it; but if they don't what follows? To make the Treasury officials personally liable for paying out unappro-

Footnotes at end of article.

priated money seems to be a harsh and chimerical solution. Is it necessary that criminal penalties be added to the teaching of the Constitution? Is there a sufficient remedy in requiring the recipients of the illegally-paid moneys to make restitution? These questions are within the province of Congress to answer.

The issue of federal financing of killing human beings is as grave an issue as any government will have to face. The gravity of the issue is immeasurably compounded when the solution democratically reached by the People's elected representatives has been contaminated by the action of the Judiciary and the Executive. In examining how this contamination occurred Congress will be reasserting its commitment to the preservation of human life and undertaking the defense of its most basic constitutional power.

FOOTNOTES

[1] 11 How. 271, 290 (1850).
[2] 370 U.S. 530, 570 (1962).
[3] 104 Ct. Claims 557 (1945).
[4] 328 U.S. 303 (1946).
[5] 118 F.2d 19 (D.C. App. 1941).
[6] Text in *McRae* v. *Mathews* 421 F. Supp. 533 (E.D.N.Y. 1976).
[7] Lewis Deschler, ed., *The Constitution, Jefferson's Manual and Rules of the House of Representatives*, sec. 835.
[8] Cannon's *Precedents of the House of Representatives*, 7, sec. 1643.
[9] E.g. *Roe* v. *Norton* 408 F. Supp. 660 (D. Conn. 1975).
[10] See William H. Taft IV and Robert H. Bork, *Memorandum for the Secretary of Health, Education, and Welfare in Opposition to the Application for a Stay Pending Appeal*, November 1976, filed in the Supreme Court in *Buckley* v. *McRae*, 91 S.Ct. 347 (1976).
[11] *Doe* v. *Mathews* D.D.C. Civil No. 76-1835, decided October 2, 1976.
[12] *Doe* v. *Mathews* 420 F. Supp. 865 (D.N.J. 1976).
[13] *Ibid.* at 871.
[14] 421 F. Supp. at 535.
[15] *Klein* v. *Nassau County Medical Center* 409 F. Supp. 731 (E.D.N.Y.).
[16] 421 F. Supp. at 541.
[17] Memo cited at note 10, *supra*, p. 10.
[18] *Ibid.*
[19] *Ibid.*, footnote 9.
[20] *Maher* v. *Roe* 45 *U.S. Law Week* 4787 (1977).
[21] Constitution of the United States, Article II, sec. 8.●

THE LABOR LAW REFORM BILL

● Mr. WILLIAMS. Mr. President, today's New York Times contained an editorial entitled "The Death of Labor Law Reform." The editorial was right in one respect and wrong in one respect.

The editorial said that after six attempts to break the filibuster, the bill died in the Senate. The Times said that this was too bad—that the bill was "not the pro-union blockbuster that business interests claimed." The editorial concluded that the biggest defeat was for the workers of our Nation who want only the freedom to bargain collectively. The Times concluded that—

The Wagner Act promised that right 43 years ago; for many, the promise remains unfilled.

In these comments, the Times editorial is absolutely correct. The bill never was "the pro-union blockbuster" the opponents claimed—and the real losers, if this bill does not become law, will be the workers of our Nation, for whom the promise of the Wagner Act does remain largely unfulfilled.

I do not intend to let this happen, and in that respect, the Times was wrong in its assertion that the recommittal of the bill to the Human Resources Committee marks the death of this legislation in the 95th Congress. Nothing could be further from the truth. The committee sees the recommittal as the opportunity to fashion a bill which will be true to the basic objectives of H.R. 8410, while it accommodates the legitimate concerns raised by many Senators during the debate.

I fully intend to use this opportunity to fashion a bill which will win the support of a majority of the Senate, and which will be enacted into law during the 95th Congress. The hearings of the Human Resources Committee which I have announced today are the first step in this process—the process which will end in enactment of this labor law reform bill—and the assurance of fairness and justice to America's workers.●

GARTNER APPOINTMENT TO THE COMMODITIES FUTURES TRADING COMMISSION

Mr. HATCH. Mr. President, since raising the issues of the David Gartner appointment, a number of distinguished newspapers and journalists have written some excellent investigative articles, especially James P. Herzog and Tim Wyngaard of the Scripps-Howard newspapers. These articles are worthy of citation and should be noted and read by all Americans. Particular notice should be given to the Pittsburgh Press article "U.S. Moves Against Commodity Firm." All of these articles, I believe, are accurate and indeed revelatory. I ask that these articles be printed in the RECORD.

The articles follow:

GARTNER APPOINTMENT

(By Gene Goldenberg and Tim Wyngard)

WASHINGTON, MAY 19.—Vice President Walter F. Mondale personally intervened to assure quick Senate confirmation of a commodities industry regulator even though the man had accepted $72,000 for his children from a Minneapolis millionaire with deep involvement in commodities trading.

David Gartner, a long-time aide to the late Sen. Hubert H. Humphrey, D-Minn., was unanimously confirmed by the Senate for a seat on the Commodity Futures Trading Commission only hours after he told the Senate Agriculture Committee that he accepted gifts of stock for his children from Dwayne O. Andreas.

Andreas is chairman of Archer-Daniel-Midland Co., a major grain and soybean processor. ADM is so closely tied to the main commodities markets that it operates its own subsidiary company registered as a commodities broker on the Chicago Board of Trade.

Andreas for years was one of Humphrey's major financial backers in his Senate and Presidential races. The Senate Watergate Committee reported that funds donated by Andreas in 1972 to President Nixon's campaign were used without Andreas' knowledge to finance the Watergate burglary squad.

The Watergate committee also found that $86,000 in ADM stock was placed in a personal trust for Humphrey by Andreas and friends following Humphrey's unsuccessful 1972 presidential bid.

Gartner's nomination by President Carter to be a $50,000-a-year commissioner on the CFTC, which oversees the $900 billion-a-year commodities industry, was processed with unusual lack of fanfare and was rushed through the Senate without dissent.

The nomination was sent to the Senate May 10. The Agriculture Committee held brief hearings and unanimously approved the nomination without a formal vote Wednesday morning. Gartner was the only witness. The full Senate confirmed the nomination without objection hours later.

When Republicans on the panel raised questions about the ADM stock, which was contributed to trust funds set up for Gartner's four children in 1975, Gartner claimed the gifts from Andreas and his daughter—Gartner's former secretary—were the result of "a long and close personal friendship" with the Andreas family.

Sen. Robert Dole, R-Kan., ranking Republican on the panel, told Scripps-Howard News Service that he considered asking that Gartner's confirmation be held up pending further investigation of the Andreas gift, but Mondale intervened.

"Mondale said he needed it confirmed by Friday. He wanted it rushed through," Dole said through a spokesman. Members of the committee staff also said that Mondale sought quick action on Gartner's behalf.

Gartner confirmed that he wanted his nomination approved by today because Mondale would be in town and would be able to swear him in at a White House ceremony scheduled this morning.

Under questioning by Sen. Henry Bellmon, R-Okla., Gartner agreed to ask the trustee who administers the children's trusts to sell the ADM stock. Gartner said Thursday in an interview that he did make the request and the trustee told him it would be sold immediately.

While Gartner promised the Senate committee he would disqualify himself from any CFIC matters with "direct impact" on ADM or Andreas, officials at the commission said this would be a difficult task.

"ADM is a major user of the commodities marketplace," one CFTC commissioner said in an interview. "If I were David Gartner I wouldn't have said I would withdraw from decisions affecting ADM because that could include just about everything we do over here."

Gartner qualified his promise in an interview Thursday. He said he would not take part in any CFTC matter "specifically involving ADM or Dwayne Andreas or his family." But he said he would participate in "general" matters affecting the overall grain and soybean markets in which ADM is deeply involved.

"If I were inclined toward favoritism, the issue of the propriety of the gifts (from Andreas) would be academic because of the long-time closeness of our relationship," Gartner told Scripps-Howard.

"If I were to do anything for them I'd do it irrespective of the gifts, but I have no intention of playing any favorites," he said.

Michael Cardoza, the White House lawyer who handles conflict of interest questions, said the White House felt that because of the "pre-existing" nature of the trusts, the independence of the trustee and the fact that the trusts are "irrevocable," there was "enough insulation to protect against possible conflicts."

Gartner is in line to become chairman of the CFTC as soon as legislation is passed giving the president authority to fire the current chairman, California Republican William T. Bagley.

Gartner will replace retiring CFTC Vice Chairman John V. Rainbolt II, a Democrat

and supporter of Gartner's nomination. But even Rainbolt admitted the Senate was quick to overlook a matter that could have at least the appearance of a conflict.

Republicans on the Agriculture Committee go along with Senate traditions and they liked Humphrey, Rainbolt said.

"The Senate takes care of its own," he said.

WASHINGTON, May 23.—A Republican senator has demanded that the newest member of the Commodity Futures Trading Commission be called back as a Senate witness to explain $72,000 in stock gifts he accepted for his children from a major commodities dealer.

Sen. Orrin G. Hatch, R-Utah, says he is urging the Senate GOP leadership to reopen hearings regarding David G. Gartner's affairs because the gifts—and Vice President Walter F. Mondale's efforts to push the nomination through the Senate without controversy last week—"smell."

Gartner has admitted accepting, in 1975, $72,000 in stock for his children from Dwayne O. Andreas, long-time Democratic financial donor and close personal friend of the late Sen. Hubert H. Humphrey, D-Minn. At the time he accepted the stock, placed in an "irrevocable" trust for his children, Gartner was Humphrey's top Senate aide. Humphrey was then a member of the Senate Agriculture Committee.

Gartner said Andreas gave his children the stock because he was a close personal friend and because Andreas' daughter had worked for him for several years as a secretary.

Andreas for years was one of Humphrey's major financial backers in his Senate and presidential races. The Senate Watergate Committee reported that funds donated by Andreas in 1972 to President Nixon's campaign were used without Andreas' knowledge to help finance the Watergate burglary squad.

After he was questioned briefly about the stock gifts last week prior to a unanimous Senate confirmation vote, Gartner said he would have the trustee sell the stock. In an interview with Scripps-Howard News Service following the confirmation vote, Gartner said he "believed" the sale had taken place.

Hatch said Monday it is his understanding that Gartner kept the money from the stock in his children's trust account, rather than return it to Andreas. And he questions the "irrevocable" nature of the trust if Gartner can order stock sold from the portfolio.

Hatch said Mondale, a protege of Humphrey, "greased the skids" to get the Gartner nomination rushed through the Senate so no one would investigate the gift.

"If my administrative assistant accepted $72,000 in gifts for his bids from someone in the oil industry and then got appointed to the Federal Power Commission, all hell would break loose around here," said Hatch. A "double standard" exists for Democrats, he suggested in a speech on the Senate floor Monday.

Hatch said he considered Humphrey "a dear friend", but said the questions have to be raised in light of the power of the CFTC in regulating the $900 billion-a-year commodities industry.

"That's bigger than all the other stock exchanges combined," he said.

Andreas is a Minneapolis millionaire and chairman of Archer-Daniel-Midland Co., a major grain and soybean processor. ADM is so closely tied to the main commodities markets that it operates its own subsidiary company registered as a commodities broker on the Chicago Board of Trade.

The gifts from Andreas were in ADM stock.

Gartner told Scripps-Howard he would not take part in CFTC decisions regarding enforcement actions against ADM. But a CFTC source said that firm is so big virtually every CFTC action of any kind affects the company.

Hatch said Andreas earlier had given Humphrey $100,000 in ADM stock, $86,000 of which ended up in a trust for the Minnesota senator after his unsuccessful 1972 presidential bid. The rest of the stock helped finance that race, said Hatch.

President Carter nominated Gartner to the $50,000-a-year job on the CFTC May 10. On May 17, the Senate Agriculture Committee held confirmation hearings at which Gartner was the only witness. Gartner offered to sell the stock when a question about it came up at the hearing.

Hours later that day, Gartner won Senate confirmation after Mondale told key Senators the vote had to be pushed. Mondale wanted to preside at Gartner's oath-taking ceremony two days later, the only time he was sure he would be in town, he told lawmakers.

"We were talked to about it. They didn't clear it with us, but they talked to us ahead of time," a CFTC source said of White House arrangements regarding the Gartner nomination. "We're told informally that it was Mondale's appointment, and that was that," said the source.

Hatch says he has appealed to Senate Republican leader Howard H. Baker of Tennessee and Sen. Robert J. Dole, R.-Kansas, top Republican on the agriculture committee, to pressure Democrats to reopen hearings on the Gartner affair.

Similar pressure last year led to the reopening of hearings on Carter administration budget Director Bert Lance's business affairs, and led to his eventual resignation.

WASHINGTON, May 24.—Senate Republican Leader Howard H. Baker is joining a move to call David Gartner back before the Senate Agriculture Committee to explain $72,000 in stock gifts to Gartner's children from Minneapolis millionaire Dwayne O. Andreas.

Baker said Tuesday he will push Senate Democratic Leader Robert C. Byrd to recall Gartner, whose appointment to a seat on the Commodity Futures Trading Commission was confirmed by the Senate last week.

Andreas is an important dealer in commodities, a $900 billion-a-year market regulated by the CFTC. He is chairman of Archer-Daniel Midland Co. a major grain and soybean processor. The firm is so large it has its own subsidiary registered as a commodities broker on the Chicago Board of Trade.

Gartner was a long-time aide to the late Sen. Hubert H. Humphrey, D-Minn., and Andreas was one of Humphrey's major financial backers in his Senate and presidential races.

Andreas was acquitted in 1974 of federal charges that he had made $100,000 in illegal corporate contributions to Humphrey's 1968 presidential campaign. The Senate Watergate Committee reported that it was a $25,000 contribution from Andreas to President Nixon's campaign that financed, without Andreas' knowledge, the Watergate burglary squad.

In 1976 ADM was found guilty and given a maximum $10,000 fine by a federal judge after pleading no contest to charges of systematic thefts and misgrading of grain.

Gartner was nominated by President Carter May 10. Confirmation hearings at which Gartner was the only witness were held by the Agriculture Committee May 17, and the full Senate confirmed the appointment unanimously that same day.

While some Republican senators did raise the Andreas matter in the May 17 hearing, Vice President Walter F. Mondale asked them privately to speed the nomination to the floor.

Both Mondale and Gartner contend the request was made because Mondale wanted to swear Gartner—an old friend—into his new job, and was only available for the ceremony on May 19.

A transcript shows that at the May 17 hearing, Sen. Robert J. Dole, R-Kansas, the top Republican on the panel, gently questioned Gartner about the ADM stock gifts from Andreas to Gartner's four children. But Dole then praised Gartner, saying that in the past while working for Humphrey he had been "cooperative, helpful and totally objective."

Sen. Henry L. Bellmon, R-Okla., suggested that Gartner would be subject to a conflict of interest if his children retained the ADM stock, held in what Gartner termed an "irrevocable" trust.

Bellmon said "the danger of conflict really troubles me. I'm afraid of the precedent we might set." Gartner immediately offered to have the stock sold by the trustee.

Gartner said the stock gifts from Andreas and Andreas' daughter were due to a "long-time, close friendship" between them.

Sen. Orrin G. Hatch, R-Utah, triggered the belated Republican protest of Gartner's confirmation Monday by pointing out that the conflict may continue because the trust retained the proceeds from the stock sale, and that its "irrevocable" nature must be questioned if Gartner can order stock sold.

WASHINGTON, May 25.—The General Accounting Office has found that the personal financial holdings of 10 percent of the top employees of the Commodity Futures Trading Commission may involve conflicts of interest.

In a new report, the GAO, the investigative arm of Congress, says the holdings of 18 high-ranking employees may violate the commission's own conflict of interest rules.

The financial holdings criticized by the GAO are not unlike those of David C. Gartner, whose confirmation as one of five members of the commission was rushed through the Senate last week.

Under pressure from Sen. Henry L. Bellmon, R-Okla., Gartner sold $72,000 worth of commodities stock given to his children by Minneapolis millionaire Dwayne O. Andreas who has substantial dealings in the commodities market.

But Gartner's wife holds 550 shares in Borden, Inc., that are worth about $15,950. Borden, a diversified corporation, is heavily involved in food and dairy products—an area that the general counsel of the CFTC says may represent a conflict of interest.

Gartner, a long-time aide of the late Sen. Hubert H. Humphrey, said Wednesday that his wife won't sell the stock unless the general counsel specifically tells him that she must do so.

It was only after Bellmon voiced objections to Gartner's nomination to the $50,000-a-year job that Gartner said the family's stock in Archer-Daniel-Midland Co. would be sold. The company, headed by Andreas, is a major grain and soybean processor that reports to the CFTC.

The Commodity Futures Trading Commission has broad powers to regulate the $900 billion-a-year commodities market—a market larger than all the nation's stock markets combined.

CFTC regulations prohibit commission members and employees from having "a beneficial interest through ownership of securities or otherwise in any person regulated by the commission." The regulations, which the GAO says must "insure that employees adhere to the highest standards of ethical conduct," also cover holdings of wives and children.

Although top employees are required to file financial disclosures before taking their jobs, commissioners aren't under the same obligation.

In reviewing financial disclosures filed by the agency's five commissioners in 1977, the GAO said the holdings of two are questionable.

Without naming the commissioners, the GAO criticized "three financial interests in securities held by one and . . . property

interest held by another commissioner." The GAO asked the federal Civil Service Commission to review the commissioners' holdings.

In its review, the GAO found that eight employees had failed to file required financial statements. Seven of the eight quit the commission without filing statements. The eighth complied with the reporting requirement, according to the GAO.

The GAO report, which was issued May 17, said a review finished earlier this year shows that 26 financial holdings of 18 employees provide possible conflicts of interest. The CFTC general counsel was reported to be reviewing the findings.

In addition, GAO questioned the property holdings, including farms and ranches, of six employees; the outside employment of three employees; and debts of two employees.

The name of one-time Capitol Hill aide David Gartner to a key federal regulatory post points up much that is tawdry about government in Washington—cronyism, corner-cutting, double standards. In other words, old-style politics as usual.

President Carter named Gartner, ex-aide to the late Sen. Hubert E. Humphrey, D-Minn., to a $50,000-a-year post as a member of the Commodity Futures Trading Commission, which oversees the turbulent business of speculating in the future price of farm goods and minerals.

At a hurry-up Senate hearing, Gartner admitted that between 1975 and 1977 he accepted $72,000 in stock for his children as a gift from a Minneapolis grain and soybeans magnate, Dwayne Andreas, whose pockets run deep in support of Humphrey.

What we have here is the appointment to a top government post of someone personally beholden to a man with an overpowering interest in what that government agency does.

In ordinary times, that's called a potential conflict of interest. But not this time. In zip-bang fashion, the Senate Agriculture Committee OK'd Gartner, and he was confirmed that day by the full Senate without a murmur. Vice President Walter F. Mondale, a Minnesotan pressured his ex-Senate colleagues to whip the nomination through, and they did.

Gartner said later he would disqualify himself from ruling on any question which had a "direct impact" on Andreas or Andreas' firm. Nonsense. Everything the CFTC does has an impact, measurable if not necessarily "direct," on a grain and soybean processing company.

Some questions:

If the Carter administration felt it had to find a place on the public payroll for an ex-Humphrey aide, why did it have to be a job that raised this sort of conflict-of-interest question?

Why was this question not seriously pressed at the Senate "hearing?" Was it because there is one set of standards for nominees from private life and another set altogether for ex-Senate aides?

And why was the vice president so intent on speedy confirmation? To head off embarrassing press coverage of Gartner's "Andreas problem" until after the nominee was safely confirmed and sworn into office?

Sen. Orrin G. Hatch, R-Utah, has called on the Senate leadership to summon Gartner back to Capitol Hill so these and other questions can get the attention and answers they deserve. Hatch is quite right. Now it is up to the leadership to determine whether we will get the light of day—or another coverup.

WASHINGTON, May 27.—David Gartner, the newest member of the Commodity Futures Trading Commission, last summer supervised the drafting of sugar price support legislation that benefited Dwayne O. Andreas, the Minneapolis industrialist who earlier had given $72,000 to Gartner's children.

As a key aide to the late Sen. Hubert H. Humphrey, D-Minn., Gartner helped work out an amendment to last year's farm bill to boost badly-sagging domestic sugar prices—which then stood at about 6 cents a pound—to 13.5 cents a pound.

That legislation was pushed by Andreas and his huge Archer-Daniels-Midland Co. because the firm's $80 million investment in plants making corn fructose syrup, a direct competitor of sugar, was endangered by low sugar prices.

ADM, whose subsidiary ADM Corn Sweeteners operates plants in Cedar Rapids, Iowa, and Decatur, Ill., is one of only seven firms making the corn fructose sweetener. Whenever the price of natural sugar rises, those companies have a significant competitive edge over firms selling refined sugar.

The higher sugar prices were so important to Andreas that he hired Tadco Enterprises, a Washington consulting firm headed by former Humphrey aide Herbert H. Waters, to lobby for the measure in Congress.

The U.S. Department of Agriculture predicts that as a result of the higher sugar prices, corn fructose syrup production this year will be almost double the level of two years ago. Industry experts said ADM probably is either first or second in fructose production.

Gartner's nomination to the CFTC, which regulates the $900-billion-a-year commodities industry, was unanimously approved last week by the Senate after Vice President Walter F. Mondale induced Republicans on the Senate Agriculture Committee not to make an issue of Gartner's ties to Andreas.

Since then, however, Senate Republican Leader Howard H. Baker, Jr. has asked that Gartner be called back before the committee to further explain $72,000 in ADM stock that Andreas gave to Gartner's four children between 1975 and 1977. The stock was put in trust funds set up for each child's education.

Claiming the stock gifts from Andreas and his daughter, who once was Gartner's secretary, were the result of a "long and close personal friendship" with the Andreas family, Gartner promised to ask the trustee for his children to sell the ADM stock. He said this was done.

No questions about the sugar price bill were raised during Gartner's brief confirmation hearing.

Gartner acknowledged that he played a role in working out the sugar bill amendment, a compromise that was introduced by Humphrey. But he denied that he or the senator was motivated to help Andreas, who was one of Humphrey's major financial backers in his Senate and presidential races.

I know they (ADM) have a fructose plant, but I don't know anything about their business operations," Gartner told Scripps-Howard News Service.

He claimed Humphrey got involved in the sugar price dispute to help sugar beet growers and processors in Minnesota who were being hurt by low-price imported sugar which was then flooding the U.S. market.

I must say that just as an economic fact, it (higher sugar prices) is also to the advantage of the fructose manufacturer," Gartner said in an interview.

The issue is still alive in Congress. Sugar cane and beet producers have once again joined forces with corn processors, including ADM, to lobby for higher sugar price supports. Committees in the Senate and House are considering legislation to raise the domestic price to more than 17 cents a pound by imposing strict import quotas and higher import fees.

The Carter administration opposes the measures as inflationary.

Tadco Enterprises is lobbying for the bill on behalf of Andreas and ADM, according to Senate sources.

Waters, who heads Tadco Enterprises, served on Humphrey's Senate staff from 1953 to 1961 when he was named by President Kennedy to a top post at the Agency for International Development.

ADM has also enlisted the help of Joseph Karth, a Minnesota Democrat and former labor leader who retired from the House of Representatives in 1977, and Robert A. Best, formerly on the staff of Senate Finance Committee Chairman Russell Long, D-La.

The sugar price bill is being considered by the finance committee.

WASHINGTON, May 31.—Dwayne O. Andreas is the fabulously wealthy chief of an agricultural commodities empire, a 60-year-old man whose influence has reached the highest levels of the Democratic and Republican parties.

David C. Gartner is a "little guy," a 42-year-old Capitol Hill bureaucrat whose 14 years as the late Sen. Hubert H. Humphrey's largely unseen assistant have been rewarded with an appointment to the Commodity Futures Trading Commission.

The two men's long association, capped by a gift by the Andreas family of $72,000 worth of commodities stock to Gartner's children, became the subject of controversy after Gartner's appointment as a $50,000-a-year commodities regulator was whisked through the Senate on May 17.

The Gartner appointment, which gives Andreas another well-placed political friend, underscores the pervasive influence of a man once considered Humphrey's most important financial angel.

Andreas and his brother, Lowell, have given away about 364,000 shares of stock in their Archer-Daniel-Midland Co. commodities empire in recent years. Around 1 percent of $6 million worth of stock gifts went to Gartner's four children.

There is no public accounting of where the stock has gone, and none is required by law.

Gartner testified during his Senate confirmation that the "relatives and close friends" of the Andreas family were the beneficiaries of stock gifts. He later told Scripps-Howard News Service that he doesn't know exactly who has received the stock and doesn't think that information is any of his business.

Members of the family, meanwhile, aren't talking. The senior Andreas couldn't be reached for comment and a daughter involved in the Gartner gifts said she "resented" questions about who may have received other gifts.

This much, however, is known:

From 1965 through 1974, the tax-exempt Andreas Foundation owned about 14 acres of the 18-acre Humphrey retreat in Waverly, Minn. The lake-front land with a guest cottage was rented to Humphrey for a fee—often less than $1,000 a year. It was Dwayne Andreas who bought the land for the foundation.

In 1976, Humphery contributed $94,000 worth of Archer-Daniel-Midland stock to a tax-exempt foundation created in his name. Whether Humphrey purchased or was given the stock is not known.

Andreas was found innocent in 1974 of charges of making an illegal corporate contribution of $100,000 to Humphrey's 1968 presidential campaign. The government contended that Andreas dipped into corporate coffers, but Andreas maintained that he had merely borrowed the money from the corporation.

Andreas contributed $25,000 to President Nixon's 1972 re-election campaign that was ultimately used to finance the Watergate

break-in. Andreas was not accused of knowing how the money would be used.

Andreas, meanwhile, has done remarkably well in some of his dealings with the federal government. His successes:

A federal bank charter in the early 1960s to start the first new bank in downtown Minneapolis in over 40 years. The National City Bank of Minneapolis is now an element of the Archer-Daniel-Midland Co.

A federal bank charter in 1972 for the Ridgedale National Bank in a Minneapolis suburb. Responding to accusations made in 1972, the controller of the currency said no influence was exerted in obtaining the charter.

A compromise sugar price support measure pushed through the Senate by Humphrey that benefited Andreas' corporation. ADM's $80 million investment in plants making corn fructos syrup had been endangered by the low sugar prices. The legislation raised the price of sugar.

There has been one rough spot for ADM. The company was found guilty two years ago of federal charges of systematic thefts and misgrading of grain. ADM was fined $10,000 by a federal judge in New Orleans.

Associates like National City Bank official Paul Thatcher praise the generosity of Andreas and say he does not seek a quid pro quo for his gifts.

Thatcher, also treasurer of the Andreas Foundation, said: "The Andreases are enormously generous people . . . Andreas is the finest gentleman a person could ever meet. He's kind, thoughtful, considerate and generous to a fault."

Gartner, whose four children each received ADM stock in 1975, 1976 and 1977, told the Senate Agriculture Committee that the gifts were "based strictly on a very long and close friendship."

Half the stock was given to the children by Andreas' daughter, Mrs. Sandra McMurtrie, and half by Andreas.

Mrs. McMurtrie, who was Gartner's secretary when both worked for Vice President Humphrey, said she wouldn't add to Gartner's explanation of the gift.

"My relationship and my husband's with Mr. Gartner is known by everyone in this city," she said.

"Andreas was a very close friend of Sen. Humphrey, and I met him in 1961 when I went to work for Sen. Humphrey," Gartner said in an interview. "He subsequently became a very close friend of mine."

"To me the issue is friendship not one of stock," said Gartner. "If I was inclined to do something for Andreas, I'd do it for him stock or no stock. (But) I'm not inclined to do it. I wouldn't do it. I never have."

Gartner's muscle comes as one of five commissioners charged by Congress with responsibility for regulating the $900 billion-a-year commodities market in the United States.

Although he was Humphrey's top aide for several years, Gartner disclaims knowledge of Humphrey's finances. He said he knew nothing of the Andreas Foundation ownership of the principal acreage of the Humphrey Waverly estate for nine years.

"I'm not familiar with any of Humphrey's business affairs," said Gartner. "It was all handled by others."

The Waverly land was purchased from a church camp in 1965 by Andreas and the foundation and rented to Humphrey for half as much as the current property taxes.

Wright County, Minn., records show that Dwayne Andreas and the National City Bank of Minneapolis bought the property from the foundation for $82,000 in 1974. Andreas Foundation treasurer Thatcher said Andreas and the bank were acting as trustees for Humphrey's blind trusts and used the senator's own assets to buy the land for him.

The land was put in Humphrey's name in 1976, according to records in Wright County.

WASHINGTON, June 7.—Disturbed by an apparent conflict of interest, Democrats of a key House committee are seriously questioning the appointment of David C. Gartner to the Commodity Futures Trading Commission.

One of the Democrats, Rep. Berkley Bedell of Iowa, said the White House "blundered" by naming Gartner a $52,000-a-year member of the commission that regulates the $900 billion-a-year commodities industry. The White House was aware that between 1975 and 1977 Gartner's children had been given $72,000 worth of commodities stock by commodities magnate Dwayne O. Andreas.

Another Democrat, Rep. Floyd J. Fithian of Indiana, charged that Gartner won Senate confirmation last month because of the "clubbiness" of that body. For 14 years Gartner was a top aide of the late Sen. Hubert H. Humphrey, D-Minn., and was endorsed by Sen. Muriel Humphrey as having "served my husband loyally and effectively."

Despite questions about the gifts of stock in Archer-Daniels-Midland Co.—a firm controlled by the Andreas family—Gartner's nomination slipped through the Senate Agriculture Committee and full Senate with unusual speed. The House has no say in presidential nominations, and Gartner went to work as a commissioner late last month.

A series of Scripps-Howard News Service stories raised the question of a conflict of interest and explored the relationships of Andreas, Gartner and Humphrey.

Five Democrats on the Conservation and Credit subcommittee that oversees the operations of the Commodity Futures Trading Commission met privately with Gartner last Wednesday, and most of them came away still unhappy about his appointment.

Among the five is Rep. Ed Jones, a Tennessee Democrat who is chairman of the panel—a subcommittee of the House Agriculture Committee. House sources said Jones fired hard questions at Gartner about the gifts and was dissatisfied with the answers.

The five Democrats have scheduled another private session among themselves for Thursday. They are to decide whether to call for Gartner's resignation.

"Some of us feel Gartner should not have been appointed to that commission," Bedell said.

Gartner gave advance warning to both the White House and the Senate Agriculture Committee that each of his four children had been given $18,000 worth of stock by Andreas and his daughter, Mrs. Sandra McMurtrie. The influential Andreas was both a close friend and financial backer of Humphrey, and Mrs. McMurtrie worked as Gartner's secretary when Humphrey was vice president.

Since the White House knew of the stock gift, said Bedell, "we just can't imagine why they would have gone ahead. Gartner has no particularly great qualifications for the job, and there are plenty of places where they could have put him."

"ADM and Dwayne Andreas have interests in what happens in the commodities market," Bedell said. "When supposedly there's an effort to clean up things, we just don't know why the devil they would do this."

In the post-Watergate era there have been efforts to eliminate apparent conflicts of interest at all levels of the federal government. The Commodity Futures Trading Commission, in particular, has been criticized because of conflicts involving top employees.

Fithian said he left the meeting with Gartner increasingly concerned about "the propriety of the appointment and confirmation of Mr. Gartner."

The Gartner children's ADM stock was sold after Sen. Henry L. Bellmon, R-Okla., made that action a condition of voting for the nomination.

Gartner said that the gifts were the result of a "long-time, close friendship" and told the Senate committee that he would not take part in cases directly affecting ADM.

"I'm just deeply troubled," said Fithian.

The Gartner appointment, he said, does not meet the goals of "a strong commission that has credibility and clout."

"There isn't any overriding reason why this guy ought to be a commissioner, let alone a possible chairman," Fithian said. Gartner could move up to chairman later this year.

"By raising enough of a ruckus, we might prevent him from becoming chairman and put the White House on notice that we are disturbed," the Indiana Democrat said.

WASHINGTON, June 8.—The Carter administration is bobbing and weaving as criticism mounts regarding the appointment of David G. Gartner to the Commodity Futures Trading Commission.

A spokesman for Vice President Walter F. Mondale said Wednesday that the vice president never would have pushed the controversial nomination if he had known of an apparent conflict of interest involving Gartner.

Less than an hour later, Mondale spokesman Al Eisele said he "misspoke." He said the vice president had instructed him to say that Mondale "is in no position to make a judgment about it now."

The Mondale flap came as two senators—Orrin G. Hatch, R-Utah, and Howard M. Metzenbaum, D-Ohio—took the Senate floor to criticize the Gartner nomination that was hurried through the Senate May 17 by Mondale.

Eisele was emphatic in his initial comments

"Hell, no, the vice president didn't know about it," Eisele said about $72,000 in stock gifts to Gartner's children from Dwayne O. Andreas, a millionaire commodities dealer.

"You can safely assume he would never have supported him if he had known," Eisele told Scripps-Howard News service. Eisele later said Mondale termed it a "hypothetical situation" and would not comment.

The stock was in Archer-Daniels-Midland, one of the nation's largest commodity operations which is headed by Andreas. After criticism during the Senate confirmation hearing Gartner had the stock sold. The proceeds remain in the trust. In his initial comment, Eisele said that Gartner did not tell Mondale about the stock gift until the day before the Senate vote, long after Mondale became involved in pushing Gartner's nomination.

Gartner, former top aide to the late Sen. Hubert H. Humphrey, accepted the gifts in 1975, 1976, and 1977, while Humphrey served on the Senate Agriculture Committee. Half the stock was given by Andreas and half by Andreas' daughter, who had worked as Gartner's secretary when Humphrey was vice president.

As a member of the CFTC, Gartner will be in a position to take part in decisions that could directly affect the Andreas company.

Although Gartner has said he would excuse himself from participating in any decision regarding Archer-Daniels-Midland, experts say that nearly anything the CFTC does has an impact on the company.

Hatch accused Gartner of "a blatant conflict of interest" and called on President Carter to "reconsider" the appointment of Gartner to the $50,000-a-year-post.

Hatch said it is "a travesty" that Gartner may be in line for the chairmanship of the agency that regulates the $900-billion-a-year commodities market in which Andreas is a major figure.

Hatch picked up support from Metzenbaum, who told the Senate that he could not defend the Gartner appointment in a Democratic administration. Metzenbaum said he shares Hatch's concern.

Metzenbaum later said that "these kinds of things to me are reprehensible and the kinds of acts that bring criticism to all of us who hold public office."

Metzenbaum said appointments like Gartner's damage efforts "to rebuild confidence in those who serve in government."

WASHINGTON, June 9.—Key House Agriculture Committee Democrats are telling President Carter he must obtain the resignation of David G. Gartner from the Commodity Futures Trading Commission.

Carter's nomination of Gartner to the agency last month in the face of an apparent conflict of interest threatens the credibility of the CFTC, the congressmen said in a letter delivered to the White House today.

Gartner's acceptance of $72,000 in stock gifts for his children from Dwayne O. Andreas, a millionaire commodities dealer, made Carter's selection of Gartner "an unfortunate appointment" that can be corrected only by Gartner's resignation, they said.

The agriculture committee has jurisdiction over legislation affecting the CFTC.

The letter was signed by about seven members of the subcommittee handling CFTC legislation, committee sources said.

The conflict of interest allegation against Gartner arises from his acceptance in 1975, 1976 and 1977 of Archer-Daniels-Midland stock for his children from Andreas and Andreas' daughter. Gartner was top aide to the late Sen. Hubert H. Humphrey in those years and Andreas' daughter was Gartner's secretary when Humphrey was vice president.

Andreas is chairman of ADM, one of the nation's largest commodity firms. It is regulated by rulings of the CFTC, which supervises the $900 billion-a-year commodities market.

At the time of his appointment, Gartner was said to be in line to take over the chairmanship of the CFTC next year.

In an effort to head off opposition, Gartner met with members of the House subcommittee last week. He was asked Thursday to meet with them again and refused.

Referring to two of his severest House critics, Reps. Berkley E. Bedell, D-Iowa, and Floyd J. Fithian, D-Ind., Gartner reportedly said:

"I'm not going to resign, and you can tell Fithian and Bedell that."

Later, however, he did speak with subcommittee members by telephone and was warned by Fithian that opposition was "snowballing."

Fithian told Gartner that he should resign for the good of the CFTC. Gartner again refused, a Fithian aide said.

Gartner was nominated by Carter on May 10. Gartner told the White House at that time about his ties to Andreas through the stock gifts to his children. The Carter administration has taken the position that there is no conflict of interest because the stock had been placed in an irrevocable trust.

On May 17, after brief confirmation hearings and heavy lobbying by Vice President Walter F. Mondale for quick approval, the Senate voted unanimously to confirm Gartner.

The next day, because of questions raised at the confirmation hearing, Gartner ordered the ADM stock sold. But the money from the stock sale was retained in his children's trust account.

Mondale apparently became involved in helping Gartner because Humphrey had long been his mentor in Minnesota politics.

Mondale's press secretary has said the vice president did not know about the stock gifts from Andreas until the day before Gartner's confirmation hearing, after Mondale was already engaged in promoting Gartner's appointment.

After Scripps-Howard News Service raised questions about the Gartner-Andreas relationship, Senate Republicans led by Orrin G. Hatch of Utah began demanding Gartner return to Capital Hill for further questioning. Hatch has also called on Carter to ask Gartner to resign.

WASHINGTON, June 14.—White House counsel Robert J. Lipshutz insists there is no conflict of interest in David C. Gartner serving on a federal commission that regulates commodities even though Gartner accepted a $72,000 gift for his children from a commodities dealer.

Lipshutz said in an interview Tuesday that he and other lawyers in the White House looked into the Gartner matter "very carefully and thoroughly" before President Carter announced the nomination in May.

His comments signaled White House determination to stand by Gartner despite conflict-of-interest questions being raised by Democrats on the House subcommittee with legislative oversight on the commission.

Gartner, 41, who was administrative assistant to the late Sen. Hubert H. Humphrey, D-Minn., was named a $50,000-a-year member of the Commodity Futures Trading Commission, which regulates the $900 billion-a-year commodities industry.

Prior to Senate confirmation hearings, Gartner disclosed that in 1975, 1976 and 1977 his four minor children received a total of $72,000 in stock from Dwayne O. Andreas of Minnesota, principal owner of Archer-Daniels-Midland Co., and Andreas' daughter.

Lipshutz said there was no conflict of interest for two reasons:

—Gartner and Andreas and Andreas' daughter had been "close personal friends" for years.

—Gartner said he would disqualify himself from being involved in any matter dealing "directly" with the Andreas company.

The White House lawyer said it would not be practical for Gartner to disqualify himself from matters dealing "indirectly" with the huge Archer-Daniels-Midland firm because that would disqualify him from virtually all commission business.

Carter's code of ethics states that he would only appoint "only persons of high ability who will carry out their duties without fear or favor and with an equal hand, unfettered by any actual or apparent conflicts of interest."

Lipshutz said Gartner's acceptance of the substantial gift from Andreas gives the "appearance" of conflict of interest only if looked at "superficially." When examined "in depth," he said, even the appearance of conflict is absent.

The president's counsel said the size of the gift made no difference, as long as it was based on a personal relationship. He said there was "no distinction" between a "gift of $100 or a bicycle and a millionaire giving $6,000" a year for three years to each of the four children.

Lipshutz said that at the time the gifts were made there was no law or congressional code of ethics making the gift improper or illegal. Since then, the Senate has barred the acceptance of any gift of $100 or more by any senator or Senate employee from someone with direct interest in legislation.

An additional point Lipshutz cited as being in Gartner's favor was the fact that the appointee's net worth was in excess of $350,000.

"It's not as if he was worth $50,000," Lipshutz said.

Although the gifts were to Gartner's children, Lipshutz conceded that on conflict-of-interest matters a gift to a spouse or minor child is the same as a gift to a government employee. He noted that the Gartners had divested themselves of the stock before he joined the commission.

Andreas was a longtime friend and campaign benefactor of Humphrey during his service in the Senate and as vice president.

While the Gartner appointment has been criticized by most Democrats on the House Agriculture Committee's subcommittee on conservation and credit which monitors the CFTC, the ranking Republican on the subcommittee defends Gartner.

Rep. Edward R. Madigan, R-Ill., said that Gartner has answered his questions about the stock gift, leaving Madigan with "no objection to his serving on the commission."

Madigan said that as he understands the stock gifts, "I don't think that impacts on Mr. Gartner's honesty or independence." He said Gartner told him that he feels "no special obligation" to Andreas.

While backing up the Democratic appointee, Madigan said he personally has not and would not accept campaign contributions from persons like Andreas who have an interest in matters before his subcommittee. The headquarters of Archer-Daniels-Midland, in fact, is in Madigan's Illinois Congressional district.

Democrats on Madigan's subcommittee have sent President Carter a letter telling the president that Gartner should be forced to resign. The Democrats say the "unfortunate appointment" threatens the credibility of the commission.

WASHINGTON, June 15.—President Carter says he didn't know that David Gartner's children had been given $72,000 in stock by a major commodities dealer when he named Gartner to the Commodity Futures Trading Commission.

At his televised news conference Wednesday, Carter defended his appointment of Gartner, saying that the gift of stock in a grain and soybean processing company neither created a conflict of interest nor the appearance of a conflict of interest.

Later, Jody Powell, Carter's press secretary, indicated there were no administration plans to replace Gartner on the CFTC despite a demand for his resignation from House Agriculture Committee Democrats. They wrote to Carter Monday, saying that Gartner must be removed because of the appearance of conflict of interest in his acceptance of gifts.

Gartner, for 14 years an assistant of the late Sen. Hubert H. Humphrey, D-Minn., was named by Carter May 12 to the commission that regulates the $900 billion a year commodities industry. On May 17, at the urging of Vice President Walter F. Mondale, Gartner's nomination was whisked through the Senate Agriculture Committee and the full Senate in less than a day.

At his brief confirmation hearing before the Senate committee, Gartner revealed that his four children received gifts of stock in the Archer-Daniels-Midland Co. in 1975, 1976 and 1977.

Half of the stock was given by Dwayne Andreas, the chairman of ADM and Humphrey's most faithful financial backer. The other half came from Andreas' daughter, Mrs. Sandra McMurtrie. When Humphrey was vice president, Mrs. McMurtrie was Gartner's secretary.

Gartner, who told the Senate Agriculture Committee that the gift was "based strictly on a very long and close friendship," sold the stock after questions were raised at the confirmation hearings. The money from the sale, however, was retained in a trust fund for Gartner's children. Gartner told the committee that the "White House did not consider it to be a conflict of interest."

Asked by Scripps-Howard News Service about the Gartner appointment, Carter said

that while he did not have information about the stock gift when he made the nomination, "I believe the Senate committee and the full Senate did have this information before they decided that Mr. Gartner was qualified."

Carter said he believes no conflict of interest exists because of "the circumstances (of the gift) and the fact that it had been made known thoroughly so far as I'm able to tell."

Gartner has promised to disqualify himself from participating in any commission matter with "a direct impact" on Archer-Daniels-Midland. Carter twice referred to this pledge, saying that Gartner will not "become involved in any matter that related to that particular company."

Every action of the Commodity Futures Trading Commission has a potential impact on a company as large and as diversified as ADM, others on the five-member board say. Gartner can, however, avoid voting on disciplinary actions directly affecting ADM.

"Although I didn't know about it (the gift) before I submitted his name, we knew about this before the Senate committee and Senate at large considered his appointment," Carter said.

Before taking office, Carter issued a conflict-of-interest policy that said the new administration's objective was "to avoid any conflict which could in any way influence any government officer. . . ."

The administration's goal was to appoint persons "unfettered by any actual or apparent conflicts of interest."

Four Democratic members of a House Agriculture subcommittee that oversees the CFTC told Carter in a letter they feel that Gartner's appointment is tarnished by the appearance of a conflict of interest. They said his continued service threatens the integrity of the agency and asked for Gartner's resignation.

Rep. Berkley Bedell, an Iowa Democrat who was one of the four signers, said, "I just simply disagree with the president. It still will be perceived as a conflict of interest."

In the Senate, Orrin G. Hatch, R-Utah, and Howard M. Metzenbaum, D-Ohio, have attacked the Gartner appointment. Metzenbaum called the nomination "reprehensible."

On May 17, when the Senate gave unanimous approval to the Gartner nomination, few senators knew of the stock gift. No report of the matter was made to the full Senate on the hearing held a few hours before.

Mondale played a key role in pushing the nomination through, but a spokesman later said that the vice president had learned of the stock only the day before the Senate hearing, long after Mondale became involved in promoting the appointment.

The spokesman, Al Eisele, said Mondale would not have pushed the nomination if the vice president had known of the gift beforehand. Later, Eisele said that he "misspoke" and that Mondale had no comment on the appointment.

Andreas has long been involved in politics and has made large, controversial political contributions to both Democrats and Republicans.

Andreas was acquitted in 1974 of having made an illegal corporate contribution of $100,000 to Humphrey's 1968 presidential campaign.

Andreas contributed $25,000 to President Nixon's 1972 re-election campaign and the money ultimately helped finance the Watergate break-in. Andreas was not accused of knowing how the money would be used.

Andreas has obtained two national bank charters from the federal government during Democratic and Republican administrations. One of the charters was to establish the first national bank in Minneapolis in over 40 years.

Gartner said he met Andreas after going to work for Humphrey in the early 1960s. Humphrey's friendship with Andreas was such that the tax-exempt Andreas Foundation owned 14 acres of Humphrey's Waverly, Minn., estate and for 10 years rented the land to Humphrey for a small fee.

Last summer, Gartner, as Humphrey's top assistant, supervised the drafting of sugar price-support legislation, that rescued the sagging domestic sugar industry and helped Andreas' company.

ADM had invested heavily in plants making corn fructose syrup, a direct competitor of sugar. When sugar prices fell, the price of corn fructose syrup was endangered.

U.S. MOVES AGAINST COMMODITY FIRM

(By James P. Herzog and Tim Wyngaard)

WASHINGTON—A federal agency has moved to bar the giant Archer-Daniels-Midland commodities firm from selling to the U.S. "Food for Peace" program because of allegations of bid-rigging.

The company is headed by Dwayne O. Andreas, whose gifts of $72,000 in ADM stock to the children of David G. Gartner has led to calls for Gartner's resignation from the Commodity Futures Trading Commission.

ADM is one of three firms under indictment in U.S. District Court in Kansas City, Kan., on charges of "collusive . . . rigging" of bids on $220 million worth of food for sale to the government.

As a result of the indictment, the Commodity Credit Corp., a division of the U.S. Department of Agriculture, has begun proceedings to block all three companies from selling to the agency for three years. It will be months before final orders are issued in the case.

The CCC handles the "Food for Peace" program which distributes U.S. commodities overseas. It also handles bulk grain purchases for the Agriculture Department.

ADM is accused of conspiring with the Krause Milling Co. of Milwaukee to rig bids from late 1974 to late 1976 on soy-fortified sorghum grits, a protein powder used particularly in relief efforts following disasters.

ADM pleaded not guilty to the criminal charge and said it will file objections to proposed action barring the corporation from selling to the CCC.

Also indicted was Charles Krause, head of the Milwaukee-based milling firm. The companies could face a possible maximum fine of $1 million each, and Krause could get a maximum fine of $120,000 or three years in prison if convicted. No officials of ADM were indicted. The trial is due to begin in October.

Indicted on a second count with the Krause company was the Lauhoff Grain Co. of Danville, Ill.

Gartner is under fire for having accepted the ADM stock for his children in 1975, 1976 and 1977 from Andreas and Andreas' daughter, Mrs. Sandra McMurtrie. At the time, Gartner was a top aide of the late Sen. Hubert H. Humphrey, D-Minn.

Gartner, who was appointed to the CFTC in May by President Carter, has defended the gifts as "based strictly on a very long and close friendship."

Andreas for years was Humphrey's major financial supporter in his Senate and presidential campaigns.

Criticism of Gartner's appointment has widened in the month since his confirmation May 17 because of the stock. Latest to call for Gartner's resignation is Senate Republican Leader Howard H. Baker Jr., of Tennessee. Gartner faces a June 28 hearing before the Senate Agriculture Committee about the gifts.

In a letter to President Carter, Baker said yesterday that Gartner's appointment to the CFTC "poses a serious and, in my view, insurmountable conflict of interest."

The indictment against ADM marks the second time federal charges have been brought against the firm. In 1976, the company was fined $10,000 by a federal judge in New Orleans after pleading no contest to charges of systematic thefts and misgrading of grain destined for foreign shipment.

In addition, Andreas was acquitted in 1974 of having made an illegal corporate contribution of $100,000 to Humphrey's 1968 presidential campaign.●

TITLE XX: SOCIAL SERVICES

● Mrs. HUMPHREY. Mr. President, I am pleased to join with Senator GRAVEL in offering an amendment to H.R. 7200, the Public Assistance Amendments of 1977, which would raise the Federal spending ceiling on social services under title XX.

Title XX provides block grants on a 75/25 matched basis to States for their social service programs. A major strength of title XX is that States are provided with the flexibility they need to cut across traditional program lines to identify the needs of people and then develop the service mix that best meets those needs.

Under title XX States provide a broad range of social services aimed at improving the self-sufficiency of low-income people. The comprehensive social services programs funded by title XX include: Family planning, day activity centers for mentally retarded children, protective services for abused children and counseling for abusive parents, homemaker services for the elderly or handicapped, and day care for working poor families.

In 1972, Congress imposed a $2.5 billion ceiling on social services spending. The Federal spending ceiling has had a major negative impact on State administration and provision of title XX programs. Inflation has reduced the real purchasing power of the $2.5 billion to $1.8 billion. Minnesota has lost $6.7 million in purchasing power since it reached its $46 million ceiling in 1975. In 1972, only six States were spending up to their State allocation levels; HEW anticipates 48 States will have effectively reached their ceilings in fiscal year 1979.

Higher unemployment rates over the past 6 years have strained all human service programs. And in 1975, Congress increased the eligible population for federally funded social services to include the working poor and persons in need of protection from abuse or neglect. These and other factors have slowed the initiation of new services or seriously threatened the quality of existing programs.

The commissioner of the Minnesota Department of Public Welfare, Mr. Edward J. Dirkswager, believes the imposition of the Federal ceiling, and the allotment of funds to States on the basis of population, have worked a severe hardship on Minnesota social service

programs. As Minnesota's social services programs and eligibility criteria expanded and expenditures increased, local funding had to be substantially increased to maintain the level of services needed by the citizens. The county share has increased from 25 percent to about 50 percent over the past 4 years. The commissioner believes that soon the local agencies will no longer be able to bear the increasing costs.

In addition, the ceiling on title XX funds has impeded Minnesota's social services planning capability. The current focus of title XX planning has been finding new ways to maintain present levels of service or to plan for curtailment of services to stay within funding limits. There has been little opportunity to plan for expanded or innovative services.

If the States are to continue to provide these invaluable social services which enable recipients to live productive, self-sufficient lives without the threat of institutionalization or total dependence on the welfare system, I believe the entitlement for title XX must be increased.●

THE SITUATION IN THE MIDDLE EAST

● Mr. CASE. Mr. President, how have we gotten into such a mess that reasonable people, like Senator JAVITS, cannot open their mouths without getting into trouble? The suspicions between the Israeli and the United States Governments have reached an all time high. So has the concern of the American Jewish community, not only about Israel's future but even about their own status in America. Why?

One hesitates to venture into a situation like this unless he feels he has something to contribute. I hope I have.

It seems to me that a major cause of these difficulties has been the increasing effort of the United States to shape the actual terms of a final settlement in the Middle East, contrary to our long standing position and to the dictates of wise statesmanship.

We had better drop this approach and start again. That means we leave such matters to the parties directly involved and insist only that negotiations take place between the parties without preconditions of any kind.

Israel should not be pressed to state what its ultimate positions are. The Arab countries should not be pressed to do so either. We should insist only that both of them, without preconditions, get to work on the practical questions that can be discussed and dealt with.

Shall the borders between Israel and the West Bank and Gaza remain open borders? Will thousands of Palestinians be permitted to continue to earn their living working in Israel but living in the West Bank and Gaza Strip? Will Israelis be allowed to travel and live on the West Bank and if so under what rules? Will the border between Jordan and the West Bank remain open, and if so who will control the border? Will Israel be permitted to keep a strategic presence in the area, and if so for how long and under what conditions? How will threats of terrorism be controlled and who will have responsibility for it? How will the different groups cooperate and what will be the ground rules?

By finding answers to these questions, the larger issues may be far easier to resolve.

However the Israelis may differ among themselves on details, no Israeli Government is going to make concessions that would prevent it from defending itself so long as hostile forces demand Israel's extinction. It is futile to demand from Israel or from the Arabs for that matter immediate solutions to the question of the Palestinians, or their ultimate destiny. It does no good to proclaim that the United States would not press for a Palestinian state on the borders of Israel if the practical result of the concessions the United States currently demands of Israel could result in nothing less. We must neither press Israel for concessions she cannot make without self-destruction nor the Arabs for concessions no moderate Arab can presently make and survive.

Let us drop the search for ultimates and concentrate on practical issues that can be dealt with now.●

AMERICAN PUBLIC OPINION FAVORS A SALT II AGREEMENT

● Mr. CRANSTON. Mr. President, in his Annapolis speech President Carter noted that the choice in United States-Soviet relations between "cooperation" and "confrontation" lay with the Russians. But this is not an "either/or" choice because our relationship with the Soviets has many dimensions. In some areas we may be able to cooperate and to achieve workable relationships; in other areas we will have sharp differences, which hopefully may be resolved by peaceful economic and political competition and not by direct military confrontation.

Because of the capacity of the United States and Soviets for mutual military annihilation, nowhere is it more necessary that we seek to resolve our differences by cooperation rather than confrontation than in the area of controlling the nuclear arms race. Indeed, the sharper our differences with the Russians over human rights, Africa, the Middle East, free emigration, free trade and other matters, the more we need an enforceable, verifiable, balanced and mutually beneficial SALT II agreement.

Mr. President, the American people are aware that we live in a complex, contradictory, and confused world. And the American people realize that we must differ with the Russians in some areas and cooperate with them in other areas for our national interest and survival. I always have admired the practicality and realism of the American people, and nowhere has this distinctive American trait been more apparent than in the consistent and increasing public support for a new SALT agreement limiting the nuclear arms race. As quoted by both a May 22, 1978 Harris survey and a June 9, 1978 ABC News-Harris poll, the percentage of Americans favoring the SALT negotiations has risen steadily from 59 percent in 1976 and 66 percent in 1977 to an overwhelming 75 percent in 1978.

While we are all concerned about the Soviet's military build-up—indeed, the world's military build-up—the poll demonstrates that the majority of Americans hold the view that "it is possible to relieve tensions in nuclear arms control while at the same time facing up to dealing with Russian military adventures * * *."

Mr. President, I am heartened by the realistic attitude of the American people regarding the on-going SALT negotiations. Their support for the SALT process increases the chances that the United States will be able successfully to negotiate a treaty which will protect U.S. national security interests, while at the same time protecting and advancing U.S. interests in other areas of either cooperation or divergence with the Russians. These public opinion surveys also demonstrate that the claims now being raised by some—before the SALT II negotiations are even concluded—that the American public does not support SALT II are false.

Mr. President, because of their timeliness and definitive conclusions, I ask that the full texts of the Harris survey and the ABC-Harris poll be printed in the RECORD.

The survey and poll follow:

HARRIS POLL ON UNITED STATES-SOVIET RELATIONS

In a just-completed ABC News-Harris Poll, by 68–20%, a big majority of the American people opt clearly for an American policy that would both agree to a new SALT arms control agreement with the Soviet Union and at the same time being tough with the Cubans and Russians about their expanding military activity in Africa. By 53–35%, a majority believe it is possible to pursue both policies at the same time.

If the public had to choose between a SALT accord or getting tough over communist military activity in Africa, by 48–42%, a plurality would give SALT a priority. A substantial 69–19% of the country favors detente—"the U.S. and Russia working out areas of agreement and cooperation." Specifically, a 72–17% majority favors "the U.S. and Russia coming to a new SALT arms control agreement."

At the same time, a clear majority of 55% of the public feels that the Cuban and Russian military actions in Africa are "very serious." And, by 51–37%, a majority endorse the recent suggestion of the President that the U.S. ought to "persuade NATO countries to organize a military force to defend African countries threatened militarily by Russian and Cuban-led troops, with U.S. cargo planes used to carry NATO troops and U.S. military supplies into Africa." Significantly, by 53–40%, a majority also favor "sending U.S. military advisors to countries in Africa threatened by Cuban and Russian military operations." This is the first time since Vietnam that a majority of Americans has favored sending U.S. military advisors into any actual or potential war zone.

It is evident that the American people want the U.S. to be tough in its response to Cuban and Soviet incursions in Africa. But, at the same time, the desire for reaching basic accords with the Soviets on arms control also runs even deeper.

The single most important finding from this poll is that the American people are far more sophisticated in their views on American-Soviet relations than the country's leaders apparently realize. Above all else, this poll demonstrates that the public does not buy linkage as a predication for dealing with Russia. A sizable majority holds the view that the canvas of U.S.-Soviet problems

covers a wide assortment of areas, and that it is possible to relieve tensions in nuclear arms control while at the same time facing up to dealing with Russian military adventures in Africa with tough counter-measures.

It is also clear that the public is seriously at odds with the President in his Annapolis speech when he laid down the gauntlet to the Kremlin that it must choose between "cooperation and confrontation."

Thus, the bottom line: when asked to rate President Carter's "handling of relations with Russia," he receives a 65–25% negative rating, the lowest he has been given on any dimension of his performance to date. This contrasts sharply with the 42–38% positive standing accorded him by the public on relations with Russia last July.

It could well be that President Carter is seriously misreading public opinion, which is in anything but an "either-or" mood in its attitudes toward how to deal with the Soviet Union. It is apparent that most people believe the President is making linkage the cornerstone of his policy, despite his protestations that he is not.

UNITED STATES-SOVIET RELATIONS

(By Louis Harris)

Reports that Americans have become less favorable toward detente and have cooled on their desire to see the United States and the Soviet Union agree on strategic arms limitations simply have no basis in fact. To the contrary, there appear to be sizable majorities of the public who deeply hope that agreements between the world's two leading superpowers can be achieved.

Despite rather widespread claims to the contrary, a recent Harris Survey of 1,563 adults nationwide has found:

—A 71–15 percent majority favors "detente—that is, the United States and Russia seeking out areas of agreement and cooperation." A year ago a slightly higher 75–10 percent majority supported detente, while in 1976 a 73–16 percent majority held the same view. By any standard, support for reaching key agreements between the two countries is substantial and overwhelming.

—Specifically, a 75–12 percent majority favors the United States and Russia coming to a new SALT arms control agreement that would limit the number of nuclear warheads and missiles they can deploy. Just a year ago, the margin was 66–8 percent. In the past 14 months, support for SALT has gone up 9 points. Recently, Secretary of State Cyrus Vance and chief arms negotiator Paul Warnke reported that real progress had been made on SALT negotiations and that final agreement might be only a matter of weeks away. It has been suggested that Soviet Chairman Leonid Brezhnev might well be invited to visit President Carter in Washington this summer for a summit meeting, at which new SALT agreements would be announced.

On three other key areas of potential U.S.-Soviet agreement, massive majorities are favorable:

On "increasing trade between the U.S. and Russia," a 70–18 percent majority nationwide registers approval, up slightly from the 66–16 percent majority who felt the same way in 1977.

An agreement between the United States and the Soviet Union to "end all nuclear weapons testing" meets with 74–17 percent approval by Americans. A year ago, a slightly larger 75–12 percent majority favored such an agreement.

By 63–21 percent, a sizable majority also favors the United States granting Russia "the same trading rights with us as most other nations have." This would mean giving the Soviets the "most favored nation" rights enjoyed by other countries with whom we conduct trade.

It is clear from these findings that there is still a favorable climate for detente in this country. Large majorities feel that in a nuclear era, confrontations between the two leading nations in the world must be avoided. This means finding areas of agreement, which might then ease tensions.

At the same time, according to recent Harris Surveys, Americans are uneasy about Soviet and Cuban military activities in Africa, as well as about violations of human rights within the Soivet Union. And the public seems to feel that the United States should not hesitate to make forceful representations to the Kremlin on these matters.

However, Americans do not want the progress of the SALT talks and the prospects for increased trade linked too closely with these other issues. The public believes that a policy of pluralism must be a cornerstone of U.S.-Soviet relations in this advanced nuclear age.

For the Carter administration, agreements on SALT and trade with the Russians could well turn around the dismal 63–29 percent negative rating that Americans give the President on his conduct of foreign policy. At the heart of this judgment is the feeling that President Carter has not handled relations with Russia very well. Indeed, Americans give him a lower rating on this score than any president in the last 15 years.

What a solid majority wants to see is progress in negotiations, patiently and effectively worked out, with no danger to America's security. And a 71–15 percent majority believes that objective can be achieved by pursuing the policy of detente.

TABLES

Between Apr. 29 and May 6, the Harris survey asked the cross ection in in-person interviews:

"Do you favor or oppose détente—that is, the United States and Russia seeking out areas of agreement and cooperation?"

DÉTENTE WITH RUSSIA

[In percent]

	1978	1977	1976	1975
Favor	71	75	73	62
Oppose	15	10	16	15
Not sure	14	15	11	23

"Would you favor or oppose (read list)?"

AGREEMENTS WITH RUSSIA

[In percent]

	1978	1977	1975
The United States and Russia coming to a new SALT arms control agreement:			
Favor	75	66	69
Oppose	12	8	14
Not sure	13	26	27
The United States and Russia agreeing to end all nuclear weapons testing:			
Favor	74	75	(1)
Oppose	17	12	(1)
Not sure	9	13	(1)
The United States and Russia increasing trade with each other:			
Favor	70	66	52
Oppose	18	16	25
Not sure	12	18	23
Russia being given the same trading rights with us as most other nations have:			
Favor	63	61	55
Oppose	21	19	23
Not sure	16	20	22

1 Not asked.

TAX REFORM: SENSE AND NONSENSE

● Mr. BARTLETT. Mr. President, in 1976, the Congress made drastic revisions in the tax laws—section 9911 of the Tax Code—bearing on the tax treatment of American nationals at work overseas. Those revisions combined with far stricter interpretations of the tax codes by the IRS, threaten to remove many sectors of U.S. industry from competition for substantial foreign markets.

With monthly deficits in our balance-of-trade account running at between $2 billion and $3 billion a month for an estimated total deficit in excess of $60 billion a month for 1977 and 1978 combined, we cannot afford any tax policies that will hinder U.S. industry's performance in the international markets.

Senator JAMES A. MCCLURE made an excellent statement on the subject at the 1978 Engineers Public Affairs Forum of the National Society of Professional Engineers on June 21, 1978. I agree fully with what he had to say, and I request that his remarks be printed in the RECORD.

The remarks follow:

TAX REFORM: SENSE AND NONSENSE

It's a special pleasure to talk to professional engineers. Yours is a down-to-earth, tough, no-nonsense profession where the proofs of performance are very exacting indeed. The quality of our engineering is one of the greatest strengths of our nation, and I think that those of us who are in my profession need to work with you as closely as possible to make sure that that remains so.

I know that you've been grappling with a number of problems during the course of your forum—vital problems such as the need to improve productivity and the need for more basic research to maintain our technological lead. And I understand that a number of you will be on Capital Hill this afternoon to discuss some of the problems.

I can assure you that all of us on the Hill value what you have to say. I don't say that just routinely. The fact of the matter is that our work on the Hill is a constant process of education. We need all of the insights and knowledge you can give us. We don't like to make mistakes in our profession any more than you do in yours. Knowledge and understanding is our best defense against them.

Even so, from time to time, we do make mistakes. I want to take a few minutes to talk about one of those mistakes—a tax reform that's started to produce some results that were not foreseen and that threaten our nation's capacity to compete effectively in international markets. I want to make the point that any tax reform that doesn't properly take into account considerations of economic competition, growth and productivity—not to mention, social behavior—is bound to be a mistake. We can't treat tax reform in isolation.

In 1976, the tax incentives for Americans to work overseas were drastically reduced, as you know, to the point where they are virtually meaningless; and IRS interpretations on the taxability of certain employer contributions to off-set extraordinary costs of living overseas were broadened beyond all reason. Those changes were a profound mistake.

No one really knows just how much business—and jobs—our domestic economy has lost because of our blindsided new tax policies. I've seen enough data—I believe you call them horror stories—to convince me that just the anticipation of the 1976 revisions has had an extremely adverse impact. Your industry, of course, has had to make bids for new work on the assumption that the 1976 revisions would come into full force. I shudder to think what the full impact would be across the board in all sectors of our economy, if the 1976 revisions were allowed to stand.

I think you know that I'm strongly supporting legislation to restore common sense to the tax treatment of overseas Americans.

I'm the first to recognize that our proposed legislation remedies do not sit well with many tax theorists and tax purists. Well, I think the time is plainly at hand for less theory and a great deal more realism.

The reality is that American industry overseas—especially the manpower-intensive engineering and construction industry—is in head-on competition with other industrial nations. None of those nations impose taxes on their citizens at work in foreign markets.

We can't change that reality. We can't write the tax laws for the competing industrial nations.

Neither can we ignore the reality when we write our own tax laws. Yet that's essentially what we did in 1976 when we virtually gutted Section 911 of the Tax Code. The theory was—in the spirit of the time—that we were closing a tax loophole. The fact was that we were putting a strangle-hold on U.S. competition for overseas markets. In effect, we imposed a huge new price-premium on Americans overseas that works very much like a tax tariff on many of our own goods and services that might otherwise be exported.

The timing couldn't have been worse. We were already facing deficits in our balance of trade accounts. Those have now grown to the point where we're projecting—as you undoubtedly know—a more than $60 billion deficit for 1977 and 1978 combined.

I'm not suggesting that the shifts in the tax treatment of overseas Americans accounts for all of that deficit. But it's certainly a significant factor.

In a few minutes, Bob Gants, of the U.S. & Overseas Employees Tax Fairness Committee, is going to show you the impacts on the U.S. engineering and construction industry overseas. So, I'm not going to get into the data which he will present.

But I am going to say that it's absolutely vital that our industry remain competitive overseas—and that we must take whatever steps are needed, including a hard nosed and realistic reassessment of our tax policies, in order to assure that end.

Our economic strength depends on it. Right now, between one-in-six and one-in-eight jobs in our domestic economy is tied to our export trade. If we lose our share of the international market—as we have been doing for too many months now—we're going to have fewer jobs to go around in our domestic economy.

We'll continue to lose our share of the overseas markets unless we can encourage more Americans to accept jobs overseas where they can direct more business—more sales—back to our own economy.

Last summer, during a visit to the Middle East, I saw just how essential that is. I saw huge projects in progress under contract to American firms. I saw the huge quantities of U.S. manufactured goods that were going into those projects. And I saw, too, that Americans on the jobs in the Middle East were living under rugged conditions.

More recently, I've watched developments in Zaire with particular interest and concern. Morrison-Knudsen International, which is based in Idaho, is one of a number of American firms involved in large-scale engineering and construction in Zaire. I'm sure you read about the firm's breathtaking rescue of its people from its work camp outside of Kolwezi when the Shaba Province came under attack by rebel forces.

Well, that episode reminded me, once again, that most Americans overseas live under often intolerable conditions, often at considerable risk, with privations we'd not accept at home. They merit our support. The vast majority of Americans at work overseas—certainly in the engineering and construction industry—are working in the developing nations because that's where the growth is and, so, that's where the markets are.

I doubt that many of my constituents back home would willingly give up the particular joys and conveniences of life in Idaho for the privations of life in the growing nations of our world without meaningful incentives to do so. It wouldn't make sense.

So we've got to be realistic. Incentives are the key. As matters stand now, our policies serve as very strong disincentives. In some extreme cases Americans are now subject to a higher tax bill than their entire actual annual earnings. That's clearly a ridiculous situation.

Who's going to go overseas under such circumstances? And what foreign client is going to pay such exorbitant added tax costs—a tax tribute to the U.S., if you will—for American nationals?

We can't afford to stifle American enterprise overseas. We need those markets. Our growth depends on those markets in too many vital ways. Government policy must be based on a recognition of that basic fact.

It's not only a matter of economic security. It's a matter of national security as well: we've already seen the effects a sudden shift in oil prices overseas. It's induced major changes since 1973, not only in our economy, but also in our global influence.

Oil is not the only resource that our nation must now import in substantial quantities. Many of the critical raw materials, minerals and alloys we use in machine tools, jet engines and marine engines, commercial power plants, chemical processing plants, industrial furnaces and a host of other industrial products must be imported in substantial quantities from overseas. Currently, 100% of the columbium, 98% of the cobalt, 91% of the chromium, 71% of the nickel, 54% of the tungsten, 85% of the aluminum ore, and 100% of the tantalum used in various industrial products at home must be brought in from abroad. We could not build the machine tools to build our automobiles or build the jet engines to power our jet aircraft without the import of certain basic raw materials and minerals.

Most of those raw materials come from the developing nations. Zaire, for example, produces 55% of the world's tantalum and, with Zambia, 50% of the world's high grade cobalt.

The point is that the time may come—if it has not already arrived—when a relatively small developing country could bring a substantial portion of our domestic industry to a virtual standstill either by an intolerable price increase in its raw materials or minerals or by an outright political or economic boycott.

That could happen unless our role in the growing economies of the world—through the export of our expertise and manufactured goods—is as vital to them as their resources are to us. The economies of this world are increasingly interdependent, whether we like it or not. We can't isolate ourselves.

One of the greatest assets we have for export is our engineering and construction know-how and expertise. The developing countries need it. If we do not provide it, the competing industrial nations will provide it. And that would make us more vulnerable—diminishing our capacity to influence stability in our highly interdependent world.

I don't think we can count on our rapidly depreciating dollar, as some economists argue, to make us more competitive overseas.

That's not the way to go.

I just don't think we want to let our dollar sink that low. How low, in fact, would it have to sink in order for our goods and services—with all the added taxes—to compete with the goods and services of other industrial nations with no added tax burden? Does it make sense to let the purchasing power of our dollar continue to decline when we must buy so much oil and natural resources abroad? Is that the way to fight inflation?

It's my belief that the strength of our economy is built on direct competition. When we stop competing, our inventiveness, our innovation and technology suffers. Our productivity falls off.

There's no incentive.

So, while the economist argue this theory or that about what's happening to cause the huge deficits we're building up and the downward spiral of our currency, I think the rest of us should roll up our sleeves and get on about the business of going after our share of the global market with every fair competitive practice we can muster.

It's not fair to our export industry and to all of the workers who depend upon it for jobs to impose what amounts to a tax tariff on ourselves so that the competing industrial nations can march off with our markets.

I suspect you agree. I hope at least that the majority of my colleagues will agree. They certainly should—as Bob Gants is about to demonstrate with some hard data and some much needed common sense.●

STATE AND LOCAL GOVERNMENT PERSPECTIVES ON A LANDSAT INFORMATION SYSTEM

● Mr. STEVENSON. Mr. President, LANDSATS—the remote sensing Earth resources satellites developed by the National Aeronautics and Space Administration—are supplying valuable data and information about the Earth to a large variety of users, including many State and local governments. To understand more clearly the needs of State and local governments for LANDSAT data, Dr. Frank Press, the Director of the Office of Science and Technology Policy, requested a task force of the Intergovernmental Science, Engineering, and Technology Advisory Panel to provide the administration with an analysis of the experience to date and with recommendations on future policy.

The result of this effort is an important and useful report entitled, "State and Local Government Perspectives on a Landsat Information System." The members of the task force were: Gov. Richard D. Lamb of Colorado, chairman; Gov. George Busbie of Georgia; State Representative Thomas Anderson of Michigan; and Mr. Picut Floyd, administrator of Hillsboro County, Fla. I commend the task force for their perceptive and helpful report.

An executive summary to the report describes: First, the need for natural resource data; second, the value of LAND SAT data; third, the use of LANDSAT data; fourth, constraints to the utilization of LANDSAT data; and fifth, recommendations. Mr. President, I ask that the executive survey be printed in the RECORD.

The report emphasizes the need for an operational LANDSAT-type Earth data and information system. The Federal Government should make a firm commitment to insure LANDSAT data continuity and compatability. I heartily concur in this recommendation.

Mr. President, the issues raised in this

report are part of a much broader question about the future of the U.S. civilian space program. I am hopeful that President Carter will provide Congress and the people with his recommendations. Congress must be prepared to act in any event. We will soon begin the era of the space shuttle. Extraordinary opportunities for useful and beneficial activities in space will be within reach. The United States should take full advantage of these opportunities.

The work of the ISETAP task force on Earth resources satellites is an important contribution to understanding these opportunities in relation to the needs of States, regions, and local governments.

The survey follows:

EXECUTIVE SUMMARY

I. FINDINGS AND OBSERVATIONS

1. Need for natural resource data

In response to the nation's natural resource and environmental problems, both state and Federal legislation and regulations have increased the authority and responsibility of state and local governments and regional agencies to better plan and manage natural resources. To successfully execute these responsibilities within their limited budgets, state and local officials need spatially oriented data which are comprehensive, timely, and can be acquired at a reasonable cost on a repetitive basis. Conventional data collection techniques are often too costly or incapable of meeting many of these needs.

The Federal government has developed and demonstrated a new technology (Landsat) which can play an important role in providing the required data in a cost effective manner. However, for state and local governments to realize the full social and economic value of Landsat, an operational Landsat information system must be established.

In June 1977, the Intergovernmental Science, Engineering, and Technology Advisory Panel (ISETAP) Natural Resource and Environment Task Force identified Landsat as an important issue. In March, 1978, the President's Science and Technology Advisor, Dr. Frank Press, asked the Task Force to provide the Administration with information and policy recommendations on remote sensing/Landsat from the perspective of state and local governments and regional agencies.

The Task Force addresed the following issues:

1. For what purposes and to what extent is Landsat being used by state governments?
2. What commitments have states made to using Landsat?
3. Are there constraints which have prevented states from utilizing Landsat more fully, and what actions can be taken to ameliorate these constraints?
4. How can the local Landsat system be structured to be more useful to state and local governments?
5. What types of assistance do state and local governments need to achieve operational capabilities?
6. What roles should the Federal, state and local governments have?
7. What should be the pricing policy for Landsat?

The Task Force study included requests to the fifty governors for their views on Landsat, a workshop of state Landsat experts, site visits to state, regional and local Landsat users and NASA Regional Remote Sensing Applications Centers, a telephone survey of the fifty states, and meetings with NASA, Interior (EROS) and EPA officials.

Because of the global view of an earth orbiting sensor, the data acquired are of interest to many nations and sub-national units of government. Landsat data are useful to many Federal and state agencies concerned with land cover, agriculture, water resources, forestry, rangeland, geology, and coastal zone management. A Landsat information system would involve international as well as national issues, and requires a private and public sector team effort that is multidisciplinary, intergovernmental, and multi-institutional.

In this report, Landsat Information System (LIS) is used to refer to the totality of systems and activities required for acquiring, preprocessing, archiving, disseminating and providing technical assistance for the analysis of Landsat data.

Landsat technology has been demonstrated to be a useful tool in the service of mankind. Whether the benefits from practical uses of Landsat will ever approach full realization depends on our ability as a nation to organize ourselves to capitalize on these new capabilities.

2. Value of Landsat to State and local governments

The Task Force considers Landsat to be an important technology that is presently making and can continue to make significant, often unique contributions to the information base required for state and local government's management of natural resources.

State and local governments have found Landsat to be valuable principally because of the following characteristics:

For many uses, Landsat provides the only feasible means for conducting natural resource inventories. The cost, time and manpower involved in the use of conventional techniques is often prohibitive.

The repetitive coverage of Landsat permits state and local users to monitor frequently the changes occurring over time in large areas.

The multi-spectral and synoptic characteristics of Landsat provide a totally new means of viewing the environment, providing information virtually impossible to acquire with conventional techniques.

Landsat provides uniform standardized data in all digital format which is easily incorporated into computerized information systems.

The Task Force has concluded that Landsat is now cost effective for a number of applications and will become more cost effective in an increasing number of applications. Twenty-three of the states responding to the survey stated that they were utilizing Landsat because it is more cost effective than other techniques.

The social and economic value of an LIS arises from the variety of ways this more effective and timely information may be utilized, such as water quality planning, drought mitigation and agricultural disease and pest monitoring. Many of these values are difficult or impossible to quantify; the beneficiaries are often the public at large or the general national and state interests.

The increased spatial and spectral resolution and the improved data distribution system planned for Landsat-3 and -D will likely result in a significant increase in the overall use and number of applications of Landsat in both urban and rural areas.

3. Landsat use by State, regional and local agencies

From a capability development perspective, seven states are considered to have independent, on-going operational Landsat analysis and application capabilities. Three of the seven states are extensively utilizing Landsat in the planning and management of their natural resources. Twelve states have completed (or nearly completed) demonstration projects and are close to deciding the applicability of Landsat to their ongoing data requirements. Of these, nine are likely to have operational programs underway within the next several years. Sixteen states are in the early phases of demonstration programs to assess the applicability of Landsat to their needs. In fifteen states, no significant Landsat activities are underway in state agencies.

From a project standpoint, thirty-five states have used Landsat in 157 applications in the planning and management of natural resources. Many of these projects, however, have been one-time applications. The major uses of Landsat in the states are:

Land cover inventory for resource management, 18 states.

Water quality assessment and planning, 16 states.

Wildlife habitat inventory, 9 states.

Lineament mapping, 9 states.

Surface water inventory, 7 states.

Flood control, mapping and damage assessment, 7 states.

Crop inventory, 7 states.

Geologic mapping, 6 states.

Forest inventory, 6 states.

State Commitments: Thirty-three states have institutional mechanisms which could facilitate Landsat use. Ten states have purchased, budgeted, or ordered analysis equipment. Twelve states have Landsat programs which are legislatively recognized by enabling legislation, specific appropriations or by resolution. Over 9 million dollars of state funds and nearly 380 person-years of staff time have been invested in Landsat technology. Nearly 8.5 million dollars in state controlled Federally provided funds (e.g., EPA "208", HUD "701") have also been invested by the states. At least 1,500 state personnel have had some basic training in the use of Landsat data. The Task Force identified 76 local governments and regional agencies in 29 states and the District of Columbia that have utilized Landsat data.

The Task Force has found that a Federal commitment to data continuity is necessary in order for state and local governments to significantly increase their use of Landsat data.

4. Constraints to the utilization of Landsat by State and local governments

Significant constraints to the utilization of Landsat by state and local governments are:

Lack of a Federal Commitment to Data Continuity and Compatibility: Until an operational LIS is established by the Federal government, states will hesitate to invest in the development of Landsat capabilities and will delay the incorporation of Landsat data into management programs and decision-making, regardless of technological achievements.

Data Timeliness: Delays and uncertainty in obtaining data from the ground system have often precluded Landsat from use.

Inadequate Federal Technology Transfer: The lack of a coordinated and structured Federal technology transfer effort has constrained the states' use of Landsat. Generally, state, regional and local agencies do not have sufficient technical capacity or specific expertise in remote sensing and digital analysis techniques to utilize a new and sophisticated technology like Landsat. They need technical assistance to develop an initial capability and continuing assistance to stay abreast of technological developments. A number of state, regional, and local agencies have been unable to obtain the quantity of technical assistance they require to utilize Landsat technology. One of the reasons for this is the lack of a clear mandate supported by adequate funding for a Federal agency(s) to provide systematic and ongoing transfer of Landsat technology.

Ill-defined Federal Agency Responsibilities: Lack of coordination among Federal agencies and ill-defined responsibilities for the Landsat system have led to less than optimal services to state and local governments.

Failure of Federal Agencies to Use and Encourage Landsat Use: A large number of Federally mandated programs carried out by state and local agencies impose great demands for new data. However, there have been times when Federal agencies have not permitted states to use Federally provided funds for Landsat processing to meet program requirements.

Lack of State Involvement in Landsat Decision-making: The Landsat system has been planned and operated for the Federal and international sectors with little input from state and local governments.

Lack of Federal Understanding of State and Local Governments: Federal agencies have not recognized the purely operational nature of state and local agencies and the unique technical and institutional setting of each government.

State Constraints to the Use of Landsat: The fragmentation of natural resource responsibilities and the attendant difficulty of coordination, the lack of trained staff, bureaucratic inertia, and difficulties in obtaining funding for new programs have constrained the use of Landsat.

II. RECOMMENDATIONS

The major recommendations of the Task Force are as follows:

1. Federal Commitment to Data Continuity and Compatibility:

The Federal government should make a firm commitment to assure Landsat data continuity and compatibility. In making such a commitment, it is not necessary to define the optimal earth resources information system or to freeze technology.

The functioning satellites, Landsat-2 and -3, and the planned Landsat-D provide the most reasonable basis for establishing a Landsat Information System (LIS). These satellites (with the addition of a backup satellite equipped with a Thematic Mapper and a Multi-spectral Scanner), the all digital data preprocessing system now being installed, and the planned telecommunications links should provide a reasonable capability for rapid repetitive data acquisition and dissemination capable of supporting a wide range of applications, and are therefore appropriate for the initial configuration of the LIS.

2. Federally Supported Landsat Information System:

The issue of Landsat data cost is an obvious concern to state, regional, and local agencies. No matter how well the satellite performs its job, agencies will use the data only if it can be obtained at a reasonable cost.

The establishment and operation of an operational Landsat Information System should be considered in the same context as census, cartographic, geological, and meteorological data which are provided as a public service of the Federal government. In establishing a pricing policy, no attempt should be made to recover the research and development cost of the experimental earth resources satellite programs (including Landsat-D) nor the costs of building, launching, and maintaining an operational system. All data acquisition, preprocessing and storing should be considered a Federal data expense. The Task Force recommends that the price of Landsat data be limited to the cost of data reproduction and distribution. However, state and local users recognize the appropriateness of paying a somewhat higher cost for corrected data. Thirty-three of the states responding to the survey indicated that a five fold increase in the price of Landsat data would have a great impact on their use. It should be noted that the current cost to the states of purchasing the raw data is relatively inexpensive. But the processing and interpretation of this data into a usable product, which is usually borne by state and local governments, is very expensive.

State governments are presently beginning to apply Landsat data to their problems. However, the Task Force is certain that state and local government usage of this demonstrably valuable technology will be severely inhibited if the Federal Government adopts a policy of attempting to have state and local governments share in the development and operating costs of Landsat.

The Task Force feels that nearly the entire technology transfer program will need to be Federally supported in order for State and local governments to participate. However, state and local governments can and should be required to commit staff time for demonstration projects. The states feel that after they have had some experience with Landsat and decide to acquire their own internal analysis capability, such hardware should be purchased at state expense.

3. Define Federal Agency Responsibilities:

The Federal government should clearly define Federal agency responsibilities for the Landsat Information System. It is essential that the Federal government designate a lead agency for the LIS. The lead Federal agency must have overall fiscal and policy responsibility for the space sytsem, data processing and distribution, training, technology transfer, planning and management, and should be budgeted directly for its functions. A policy level review and coordinating mechanism should be established to coordinate Federal agency Landsat activities and resolve or provide advice on the resolution of Federal interagency policy issues.

4. Federal Commitment to Involve States:

The Federal government should make the commitment to prior consultation with state and local governments and regional agencies in Federal LIS decisions. The Federal lead agency should develop a structured process for the continual involvement of state and local governments in Federal remote sensing plans and programs.

5. Comprehensive and Continuing Technology Transfer Program:

The Federal government should make a strong commitment to a systematic and ongoing technology transfer program, as a public service, to help state, regional and local agencies develop the capability for using Landsat.

The key elements of the needed technology transfer program are:

User awareness and comprehensive training.

Technical assistance and consultation.

Continued research, demonstration and validation.

Communication with and among users (user networks).

Development and dissemination of software.

Cooperative regional assistance centers.

The technology transfer program should also involve state legislative and executive decision-makers. The merging of Landsat data with data from other sources should be encouraged.

6. Improved Data Processing and Delivery System:

A data preprocessing and distribution system meeting the following criteria should be established at the earliest possible time:

Raw and corrected (uncategorized) digital data within 14 days of satellite acquisition.

A governor-activated emergency data system to provide Landsat data within 24-28 hours to assist in disaster assessment.

An all digital data transmission and processing system for Landsat-D Thematic Mapper data.

Uncategorized (corrected and uncorrected) data as the standard digital products.

THE NATIONAL COMMISSION FOR BEHAVIORAL RESEARCH

● Mr. JAVITS. Mr. President, 4 years ago, we established the National Commission for the protection of Human Subjects of Biomedical and Behavioral Research to deal with the inhumane experimental situations which were disclosed at that time and the total disregard of individuals' dignities and rights which were so commonplace in this Nation's prisons, mental institutions, and nursing homes.

This Commission has done an outstanding job over the past 4 years and has demonstrated that we can effectively incorporate ethical considerations into our research policy without, as some had said, shutting down our research effort.

This Commission's life will expire soon, unless we pass a bill, pending floor action, to breathe life back into it.

This past Sunday, the New York Times ran an editorial praising the work of the Commission and recommending that we continue its existence. I ask the editorial be printed in the RECORD.

The editorial follows:

KEEPING SCIENTISTS HUMANE

Congress created a national commission four years ago to protect people who serve as subjects of experimental research. There had been reports over the years of patients denied treatment so that researchers could observe the effects of their diseases, drugs being tested on unwitting subjects, mental patients undergoing brain surgery who might have been treated by conventional therapies. Most often the victims were poor and uneducated. So the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research—composed of scientists, doctors, lawyers, theologians and others—was given the job of designing a more humane research policy.

The commission has performed splendidly. Its guidelines for the conduct of research on fetuses, children, prisoners and hospitalized mental patients have shaped research practices and have often been incorporated into Government regulations. Fears that the commission would block valuable research have proved largely unwarranted.

But soon the commission will expire. Some think it should be allowed to die because its work will be carried on by ethical advisory boards that have proliferated in Government agencies and research institutions. But Senator Kennedy introduced a bill, now awaiting a Senate vote, that would revamp the group as a Presidential commission with jurisdiction over all agencies, including the Department of Defense and the Central Intelligence Agency, which have been responsible for some of the most flagrant abuses. The new commission would have no regulatory authority; as now, it would simply issue recommendations and agency heads would have to respond. After four years, it would go out of business. The bill should be passed. The commission has done an outstanding job and should be allowed to continue.●

SECRETARY ANDRUS ON ALASKA

● Mr. CHURCH. Mr. President, in a recent speech before the Outdoor Writers Association in Virginia Beach, Secretary of the Interior Cecil Andrus described why wilderness designation for large

portions of Alaska is necessary to protect that State's magnificent fish and wildlife populations. He also described what the administration's proposal would mean for future access to these Federal lands or future hunting and fishing on them.

Andrus said:

Wilderness does not block access by light plane or small mortorboat in Alaska. The 1964 Wilderness Act is clear on this, and any one who has spent any time in Alaska knows that planes and boats are not only the customary means of access, they are the only means.

Wilderness does not block hunting and fishing. I think that as the road network expands in Alaska it will be only in the wilderness areas that you will be able to find the trophy animals and fish that used to be so common in Alaska. But sportsmen will have to work for them. The days are gone when Alaskans could go to the outskirts of Anchorage or Fairbanks, shoot their winter moose or caribou and be back home for lunch.

Mr. President, the Secretary's speech describes in great detail how the administration's proposals for Alaska were developed. It tells of the compromises and deletions which were made in order to pare the bill down to "the bare bones." Because it answers many commonly asked questions about what this legislation would and would not do, I bring it to the attention of my colleagues and ask that it be printed in the RECORD.

The speech follows:

REMARKS OF THE HONORABLE CECIL D. ANDRUS

Thank you for inviting me here today to give you a progress report on that exciting, complicated and politically charged issue we call "D-2."

"D-2", of course, is verbal shorthand for Section 17(D)2 of the Alaska Native Claims Act of 1971 which directs the Secretary of the Interior to nominate land in Alaska for inclusion in the four national conservation systems—parks, refuges, wild rivers and forests. In the same section Congress gave itelf until December 18 of this year to act on those nominations.

Those concerned about the outdoors—whether for hunting, fishing, hiking, camping, birdwatching, canoeing, whitewater boating, photography or simply for the sake of knowing that open lands still exist—should know that what happens in regard to Alaska during the next few months is crucial to the future of conservation in our country.

The Carter Administration met its obligations under the Act last September with a balanced proposal calling for 92 million acres of new conservation areas in Alaska.

Last month Congress took a giant step toward meeting its part of the bargain when the House passed the Alaska National Interest Lands Conservation Act by the overwhelming margin of 277 to 31.

By the end of the month Senator Jackson hopes to report a bill out to the Senate and we are hopeful that the Senate will act favorably before it adjourns this year. More on the status of the bill later.

First, I want to put the issue into context, tell you how we developed our proposals and describe some of what the professional planners call the "values"—scenery, wildlife, natural areas—that make these proposals so exciting.

Congressional action on the proposals is the final phase of an historic process that began 20 years ago with Alaska Statehood. Before 1958 Alaska really was a vast wilderness with a scattering of villages, a few small towns and one small city. Its total population would have fit into just one of the bedroom suburbs that surround our large cities.

Following statehood, the State government began choosing more than 103 million acres of Federal land that it received as an economic base.

With the discovery of oil on the North Slope in 1968, Alaska's Native people began to enforce their aboriginal claims with threats to block construction of the proposed trans-Alaska Pipeline. Ultimately the Native claims were settled by Congress with 44 million acres of land and a nearly $1 billion cash award.

These legal events set in motion a process—still continuing—of carving the State into smaller and smaller units. They have changed Alaska forever.

There is an appealing and romantic vision we have of a homesteader carving a life for himself out of the wilderness with just an ax and a rifle to support his courage and stamina. A few hardy souls do still manage such an "Alaskan lifestyle," and it is likely that there will always be a few such individuals. But the days when any number of people could simply disappear into the deep wilderness to live that way are fast fading.

It is ironic, but the unfettered rural Alaskan lifestyle could well become a victim of events that began with Alaska Statehood.

It is a politically charged issue because the State's richness brings into sharp focus our ongoing national debate over the use and development of natural resources. Alaska may have the country's largest undiscovered oil and gas reservoirs. It definitely has the country's largest reservoirs of wildlands and wildlife. Alaska forces us to make some tough national choices. Such choices, of course, always hold both the opportunity for greatness and the opportunity for failure.

President Carter and I feel that we have proposed a balance between the competing uses of Alaska lands that will protect the essence of Alaska's wild heritage and permit development of resources that are necessary for our national strength and well being.

We have asked Congress to establish 29 additions to, or expansions of, the national park, wildlife refuge, and national forest systems and 33 new wild and scenic rivers. These proposals cover 92.5 million acres of land already under Federal jurisdiction. It already belongs to the American people—to you and the people you write for.

It is inevitable that proposals of this scale will conflict with some other potential land uses. I am convinced, however, that overall they are the most studied, best developed group of conservation proposals any Secretary of the Interior has ever sponsored.

Every one of our proposals was nominated because it protected some natural value—a herd, a flock, a landform, a stream—that is nationally significant.

I am confident that every land use decision we made in our recommendations to Congress was the right one. Our recommendations represent absolutely the minimum acreage covering the fewest areas necessary to protect the essence of the Alaskan wilds. Fewer acres or less stringent protection than we recommend will not do the job.

Perhaps the most controversial recommendation we made was wilderness designation for the spectacular Arctic Wildlife Range. Spectacular is a relative term in Alaska—much of our country's most dramatic remaining natural areas are simply the norm in Alaska. Please keep that in mind.

Additions to the existing Arctic National Wildlife Range would create an Arctic National Wildlife Refuge of more than 17 million acres. This would be the only full cross section of our Arctic region under complete protection. The southern boundaries of the refuge would stretch below the Brooks Range to our northern tree line where a spruce sapling may be 50 years old. The northern boundary would be the Arctic Ocean. The Arctic Refuge is home for much of the year to this Nation's largest remaining herd of free roaming animals—the Porcupine River Caribou Herd. These caribou calve on the Arctic Refuge coastal plain and drift through the Brooks Range passes in their annual migration. This herd is a national treasure and it is an international responsibility.

Also at home in the Arctic Refuge at Musk Oxen, Barren Ground Grizzly Bears, Dall Sheep, Polar Bears and 16 species of fish. During much of the summer millions of waterfowl and shorebirds depend on Arctic refuge areas for breeding, feeding and migration staging areas.

It might be useful to put the size of the refuge in scale at this point. A square mile, as you will all remember, is 640 acres. A Barren Ground Grizzly Bear in the Arctic needs about 100 square miles of territory. The 120,000 caribou in the Porcupine River herd migrate over millions of acres in their annual travels. That's not really very many animals in a very big area—the Arctic is not a feedlot.

Ironically, the Arctic Refuge with perhaps the most unique and most fragile values of all our proposals is also the one which is under the greatest pressure for other uses.

Geologists have identified features near the caribou calving grounds that they say are promising for oil and gas. We took those identifications into account last summer when we were preparing our recommendations for Congress. The potential for oil and gas in the range was the subject of debates at the highest levels in both my Department and in the Administration. Ultimately President Carter personally decided that the known values in the range outweigh the possible values of a petroleum strike there. The highest and best use of this land is not exploitation of its finite resources. The best use of this land is perpetuation of its renewable resources.

We analyzed the geological data and we analyzed the biological data. We considered that some of the promising Alaskan oil areas—such as the Gulf of Alaska—have been disappointing so far. And finally, we decided that if we are ever so in need of oil that we are consciously prepared to sacrifice the refuge's natural values, we can do so. Until then, these natural values exceed the value of the oil that may or may not be there.

The Eskimos say that "no one knows the way of the wind and the caribou," and we certainly don't pretend to. We do know, though, that if the herd is dispersed or broken up by exploration activity it may never regroup again. This is a chance we decided not to take.

Some geologists and mining engineers tell us that we have to leave areas open to exploration because "minerals are where you find them." I say we have to balance those activities with protection for natural values because "a caribou herd is only where you find it." Unlike oil or minerals, we know exactly where the caribou are.

In some places, such as the Arctic Refuge, the wildlife and natural values are so magnificent and so enduring that they transcend the value of any mineral that might lie beneath the surface. Such minerals are finite. Production inevitably means changes whose impacts will be measured in geologic time in order to gain marginal benefits that may last a few years.

Too often we try to impose our standards and values on nature. We seek compromise and tradeoffs. But in the Arctic Refuge and many other parts of Alaska the network of life is already stretched as far as it will go. In the high latitudes there is no room left for tradeoffs—nature doesn't bend, it breaks.

Recent studies by the U.S. Geological Survey appear to reaffirm our judgment. The Survey now says that while there may be oil in the Arctic Range, it is probably scattered in a number of medium-sized reservoirs rather than in one "supergiant" reservoir such as Prudhoe Bay. This means that exploration in the Range would be more widespread and have a greater impact. And it means production, if it is possible, would be more costly and difficult.

At this point, I want to say a few words about wilderness. The bill passed by the House calls for 66 million acres of wilderness, our proposals call for about 47 million acres. Wilderness is an important part of the Alaska National Interest Lands proposals. It protects both the land and the rights of all who wish to use the land in a non-destructive way.

Wilderness puts man back on his feet.

Wilderness encourages the real pioneer spirit.

Wilderness protects the most fragile areas against trauma which might not be noticed or might quickly heal over in other places.

Wilderness does not block access by light plane or small motorboat in Alaska. The 1964 Wilderness Act is clear on this, and anyone who has spent any time in Alaska knows that planes and boats are not only the customary means of access, they are the only means.

Wilderness does not block hunting and fishing. I think that as the road network expands in Alaska it will be only in the wilderness areas that you will be able to find the trophy animals and fish that used to be so common in Alaska. But sportsmen will have to work for them. The days are gone when Alaskans could go to the outskirts of Anchorage or Fairbanks, shoot their winter moose or caribou and be back home for lunch.

It should be noted here that if our proposals are adopted by Congress only about 10 percent of Alaska would be closed to hunting.

Sportsmen should remember, however, that the carrying capacity of the north is low—it takes a long time to produce a trophy animal. The fabled hunting and fishing of Alaska was until recent times hunting in a land that knew few guns and fishing in water that had never seen a dry fly or spinner.

But all that is changing.

Let me give you an example. The magnificent Wrangell Mountains include some of the best sheep hunting country in the world. In 1968 Chitina Valley saw 34 hunters. In 1976 the number had jumped to 160—an increase of 370 percent in hunting pressure over eight years.

If the sheep were reproducing at the same rate they were being harvested you would expect the trophy rams to keep coming out of that valley. But in fact the average horn length of rams killed in the entire southeast Wrangell Mountains has decreased by one to two inches and the number of rams with 40 inch curls has dropped from an average of 23 to an average of eight per year at the same time hunting pressure has increased so dramatically.

These numbers should be sobering for anyone who loves the outdoors. They are not isolated. It is the same with sheep in the central and western Brooks Range and with Alaska Brown Bears on the Alaska Peninsula.

The truth is simply that Alaska's chilly climate and short growing season do not produce as many high quality animals as we would like.

Outdoorsmen should not be inhibited from hunting and fishing in Alaska—the wilds will always produce. But they should also consider the need for conservation.

The 10 percent of Alaska that would be in national parks, without hunting pressure, will be genetic reservoirs protecting populations of animals and assuring sportsmen that they will always have the opportunity to hunt and fish in Alaska.

All wilderness designation does is protect the land from roads and commercial development.

Wilderness means that when we want to go fishing there will be clear water; when we want to go hunting there will be game; when we want to go camping there will be undisturbed land. And all wilderness asks from us, once we turn off the outboard or climb out of the plane, is that we use the two feet God gave us. That's a small price to pay for all those benefits.

If our proposals for Alaska are enacted as we recommend them, there will be enough of the State's 375 million acres open to development to keep the builders and drillers and miners busy for many years to come. Here is a quick rundown of the Alaska land situation if all our proposals, including wilderness proposals, are adopted:

103 million acres to the State, selected mostly for economic value;

44 million acres to Alaska's Native citizens, often selected for economic value;

and multiple use Federal land about 100 million acres.

Two hundred forty-seven million acres of Alaska is a big chunk of land—about 2½ times the size of California—and that is what will be open to development if the State and private landholders agree.

In addition, offshore areas of Alaska—tidelands and outer continental shelf basins—total some 358 million acres most of which will be open to multiple uses ranging from fishing to oil and gas development.

And finally, non-wilderness areas of the Wildlife Refuges would be open under Secretarial discretion to petroleum exploration and development.

If there is as much development in Alaska as some Alaskans predict, those same Alaskans will be coming to us in 10 to 20 years and thanking us for protecting the wilds that now seem so abundant.

If there is less development, then the reservoir of public and private lands open to development will still remain available for the future.

I think it might be useful for you to know something about how we made our recommendations.

Based on studies over the years, we knew where the prime wildlife and scenic areas were located.

The Brooks Range, Alaska's Arctic backbone, was named after a pioneer Alaska geologist for the U.S. Geological Survey. The Gates of the Arctic, the centerpiece of our proposed Brooks Range park, was explored by Bob Marshall in the 1930s. Conservationists and dedicated Park Service officials have been pressing for its inclusion in the National Park system ever since.

The Department prepared a 28 volume environmental impact statement covering the areas included in our proposals. The collected volumes fill an entire bookshelf. We had no doubt where the important areas were.

There was also no doubt that if we were to avoid the mistakes of the redwoods, the Everglades and Indiana Dunes, we had to devise park and refuge boundaries that offered real protection to the resources we sought to conserve.

Our guiding principle was the protection of the entire ecosystems or watersheds. This is a sound principle first employed in Alaska at Afognak Island back in the 1890s, but a principle we have seldom had an opportunity to utilize since.

Last summer Assistant Secretary Bob Herbst came to me with a 122-million-acre Alaska four system proposal.

Keeping the guiding principle in mind, staff people and policy advisors at all levels examined the proposals for conflicts with other ongoing projects, previous laws and other land uses. At the end of the process we had reduced the 122 million to 92.5 million acres and felt we had reached "bare bones"—the Best of the Best. Nothing more could go without doing irreparable violence to the concept that makes the Alaska proposals so exciting—the opportunity to shape a conservation proposal in which conservation is the first option for land, not the last. It was an opportunity to do what we knew was right for all the right reasons and we seized it.

But as I've said, there were—and are—conflicts and we sought to minmize those conflicts wherever we could be reducing the size of our proposals. Every acre cut leaves those remaining that much more important.

In order to justify our cuts on conservation grounds we had to be able to assure ourselves that the essential resources were still protected. And that meant tailoring the managment systems to the areas and the resources they will protect. When an area was proposed for a wildlife refuge, a national park or a wilderness area in one of the four systems, there was always a specific reason for that proposal. The recommendations the Administration delivered to the Congress last September 15 were an integrated package. A change in management affects the acreage needs. A change in designation from a refuge for example, to a forest might require a wilderness overlay and additional acres to offer the same level of protection.

This was the only way we could produce a proposal as small—relatively—as ours without sacrificing its conservation goals. We stand by our recommendations.

In past years conservation proposals have tended to come in the teeth of a crisis—a dam about to be built, vital wetlands drained. Proposals were usually limited both in scope and in vision. The people and groups working to save some small piece of our natural heritage were often so involved during the battle and so exhausted after it that they were simply unable to look beyond the inevitable next skirmish. The result, unfortunately, is that conservation is often seen as an environmental salvage effort—a fight to save the last swamp, the last nesting ground, the last or next to the last of what was once so abundant.

Of course, even in Alaska, we sometimes have to take what we can get. One of our proposals—the Noatak National Ecological Preserve—includes virtually the entire drainage of the last large river in the United States which is still untouched by industrial activity. The biggest machine in the river basin in a floatplane. The most common machine is a 20-horsepower outboard motor. Both are transitory and leave virtually no sign of their passing. This six-million-acre proposal would give scientists the opportunity to watch a whole river system operate with no interference from modern man.

So in essence this, too, is a salvage operation, but a salvage operation with magnificent potential.

Before concluding my remarks, I will take a moment to discuss the status of the legislation. The bill passed by the House of Representatives last month is slightly more ambitious than the Administration proposals—it protects 102 million acres, for example—but it is quite similar overall.

Representatives Morris Udall and John Seiberling deserve the thanks of all Americans who care about open space and the outdoors for their work in shepherding the bill through the House.

Now the measure is before the Senate Energy and Natural Resources Committee. Chairman Henry Jackson intends to start marking up the bill next week and plans to report it out to the Senate floor around the Fourth of July.

Senator Jackson is working against a tight Senate schedule in this election year, but he

has promised to report out a good bill. So he needs all the help we can give him.

In the past we have always been able to say that we didn't understand how our natural systems worked; that we had no idea we would use land so quickly; or we had some similar excuse. Today we have the examples of the Lower 48 to show what may lie in store for Alaska if we fail to act. We have run out of excuses.

It is only in Alaska that we still have the scenery and the wildlife and the open space that are our first choices. Most of these places don't yet need to be managed—they just need to be protected and allowed to remain wild.

We have the crown jewels of the Alaskan wilds—really the crown jewels of all our American wilds—at stake in the next few months. Let's make sure that when we meet next we can congratulate ourselves as a Nation for having the vision and courage to protect these very special places.●

TITLE XX FUNDING

● Mr. DOLE. Mr. President, the Senator from Kansas is pleased to join the Senator from Alaska (Mr. GRAVEL) in introducing an amendment to H.R. 7200, the Public Assistance Amendments of 1977. Our amendment is being cosponsored by Senators HUMPHREY, RIEGLE, MATSUNAGA, HATHAWAY, RANDOLPH, ANDERSON, SARBANES, CRANSTON, JOHNSTON, PERCY, and DURKIN.

The amendment we are introducing provides for a 3-year increase in the funding ceiling for title XX of the Social Security Act. As established in H.R. 7200, the ceiling is $2.7 billion. Our amendment would raise the ceiling to $2.9 billion in fiscal year 1979; $3.15 billion in fiscal year 1980; and $3.45 billion in fiscal year 1981.

DESCRIPTION

Title XX has proven to be popular with the States, for it is unique in that it does not have an abundance of Federal strings attached. Other than the 75-to-25 match, there are no requirements which States have to meet before qualifying for the money. It goes directly to the State government to be distributed as it sees fit.

Money under this program benefits children, senior citizens, the handicapped, and families. It offers day care, protective services for abused children, training opportunities for the handicapped, transportation assistance, meals-on-wheels, and homemaker help for senior citizens, and family planning and counseling services.

From individuals who have written me about programs operated under title XX, I know that the money is reaching the intended recipients.

Since the time when the ceiling was imposed, the consumer price index has increased 45.7 percent. Had title XX been indexed to the CPI, its ceiling would now be $3.64 billion. By maintaining the old ceiling, we are in effect cutting back on services. Our amendment would address this situation and, although our allowances are not as sizable as the effects of inflation, I think the ceiling we set represents a fair and responsible funding level.

HISTORY

Prior to 1972, funding for social services was open ended. Although there was a 25-percent State match requirement, the program was loosely regulated and States found it easy to tap Federal sources. Because State programs were growing so fast, estimates were made in the early seventies which predicted a cost of $6 billion by fiscal year 1974.

To circumvent this possibility, the Congress imposed a $2.5 billion ceiling on authorizations in 1972. In 1975, the present title XX was created to provide some structure to the array of Federal and State social service programs. The ceiling was left at the 1972 level, even though eligibility for services was extended to the working poor and neglected or abused persons for the first time.

In 1976—4 years after the ceiling was imposed—an additional $200 million was made temporarily available to States to be used for child care services. This new money was to be used during fiscal year 1977 and fiscal year 1978, and had no match requirement. When H.R. 7200 was considered last year by the Finance Committee, it was recommended that the $200 million become permanent, thereby raising the title XX ceiling to $2.7 billion. The bill also provided that, after 1 year, the money would no longer be limited to day care services, but could be spent at the States' discretion. At that time, the new money would become available on a 75-to-25 match.

BUDGET

When budget recommendations were being made for fiscal year 1979, the finance committee requested a funding level of $2.9 billion for social services under title XX. The first concurrent budget resolution allows for title XX to be funded at $2.9 billion for fiscal year 1979, so there is good congressional support for title XX. I think this indicates that the programs run with title XX funds are working as intended.

SUPPORT

I have received letters of support from such organizations as the Kansas association of Retired Citizens; the Easter Seals Society; the American Congress of Rehabilitative Medicine; the Kansas Elks Training Center for the Handicapped; the University of Kansas Social Welfare Department; the National Governors' Association; the National Association of Counties, and others. Goodwill Industries; the National Association of Retired Persons; and the League of Women Voters have also voiced their backing of this increase.

I hope that my colleagues will give serious consideration to this amendment, for I believe increased funding for title XX is justified and should be enacted.●

MORE SOVIET PRISONERS OF CONSCIENCE

● Mr. PELL. Mr. President, yet two more courageous participants in the human rights movement in the Soviet Union have been forced out of active service to that cause. Today, Vladimir Slepak and Ida Nudel were sentenced to 5 and 4 years, respectively, of internal exile under article 206 of the RSFSR Criminal Code, "malicious hooliganism" for the "crime" of organizing demonstrations calling for free emigration from the U.S.S.R., a right guaranteed by several international agreements, including the Helsinki Final Act, to which the Soviet Government is a signatory.

Slepak (for 8 years) and Nudel (for 7) have personally sought permission to leave the Soviet Union to join close relatives in Israel. But they recognized that their personal emigration problems were shared by many Soviet Jews, and dedicated themselves to fostering the emigration movement as a whole, rather than to restrict their efforts to promoting their private cases. Slepak's apartment served as a veritable clearing house for Soviet Jews seeking to emigrate and for concerned foreigners that had an interest in helping Soviet citizens come West. Nudel is highly respected for the work she has done to ease the plight of Jewish Prisoners of Conscience through publicizing their cases and providing them moral and material support.

Realizing that the Jewish emigration issue is an integral part of the human rights problem as a whole in the Soviet Union, Slepak became an energetic member of the Moscow Public Group to Promote Observance of the Helsinki Agreements, thus compounding the Soviet authorities' antagonism against him.

The recent arrests of Slepak and Nudel cap off a campaign of deliberate persecution of them on the part of the Soviet Government. In the past both have been fired from jobs, tailed, searched, had their telephones disconnected and their apartments bugged, and previously to their present incarceration, they have been taken into custody countless times for periods ranging from 10 to 15 days. Slepak was beaten on one occasion, and on March 5, 1972, an Izvestiya article accused him of treason because of his Helsinki watch activities.

By sentencing Slepak and Nudel to long terms of internal exile, the Soviet authorities hope to paralyze the dissident movement in the U.S.S.R. It is certainly true that the absence of Slepak and Nudel will be keenly felt by the Soviet Jewish community and by human rights activists in that country. But, the Soviet Government's plan will not succeed. Instead it will surely backfire, because other men and women of conscience in the Soviet Union will carry on for Slepak and Nudel and the integrity of the Soviet Government will be sullied in the eyes of world public opinion.●

TRENDS IN EDUCATIONAL PUBLISHING

● Mr. JAVITS. Mr. President, in an address before the annual meeting of the Association of American Publishers, Lawrence Jackel, president of Litton Educational Publishing of New York, and chairman of the association's school division, spoke of the current crisis in American education and the need for remedies.

I request that the address be printed in the RECORD.

The text of Mr. Jackel's address follows:

ADDRESS BY LAWRENCE JACKEL

I have been asked to speak to you today on the trends in educational publishing.

Let's face reality. If we can't teach kids not only how to read, but how to enjoy reading, the entire industry is in trouble.

For generations, the great American dream was for parents to see their children getting a better education than they did so that they could be more successful than they were. For many, unfortunately, this dream has been shattered as this generation appears to be getting less education than previous ones. The implications of this are too dreadful to contemplate.

The first point that I would like to make is that schools are extremely important. Schools have the power of life and death over the children that attend. When school is good, we see children that are alive and maturing; and when school is bad, we see children unhappy and stagnating.

Other points follow:

Are our schools in trouble? Undoubtedly yes.

Have they always been in trouble? Yes.

Is the criticism stronger now than ever before? Yes.

Is confidence in our schools at an all-time low? Yes. Our major polls back this up.

Are more tax levies and bond issues failing now than ever before? Yes.

In 1965 the acceptance rate for bond issues was 75%.

In 1975 the acceptance rate was down to an amazingly low 47%.

Are SAT scores for college entrance declining? Yes.

This obviously leads us to the next question: Why is the quality of education declining? Before you get over-optimistic that I am going to tell you why at this meeting, when no one else has been able to adequately explain the causes, let me tell you that I don't know why. There are no simple solutions to complex problems.

We have the most expensive system of public education in the world, with a per capita expense of over $1500, producing a shocking number of illiterates. With all this money being spent on education, the U.S. lags in book buying per capita behind such countries as West Germany, Switzerland and others.

If we ask the educational community, i.e. teachers, administrators, and suprvisors, what's wrong, we could summarize their statements as follows:

a. The statistics are wrong.

b. We can't control television.

c. More kids are living in single parent homes.

d. There are racial tensions.

e. Drug abuse is at an all-time high.

f. Alcohol consumption among kids is rampant.

g. There is an abundance of V.D., child abuse, and suicide.

h. We have more students who can't speak English.

i. We need more money and smaller classes.

It's not our fault!

If we were to ask Federal and State legislators, they would say that they are providing more money than ever before for more programs than ever before. They have encouraged bilingual education, education for the handicapped, funds for busing, provided an impetus for overcoming racial and sexist stereotyping, and are trying to make everyone more accountable.

Since 1971, we have spent more money on education than we have on defense. Public education is the largest activity of state and local governments. 63 million people (1 out of 4) in this country are involved.

It can't be our fault!

If we were to ask parents what's wrong, the summary might sound like:

1. They don't give the kids homework anymore.

2. The curriculum is watered down.

3 There is no discipline in schools anymore.

4. The kids get promoted no matter what.

5. The teachers don't care—all they want is higher pay and shorter hours.

6. My husband and I have to work to make ends meet so we can't stay as close to our child's homework as we would like.

It can't be our fault!

And, if we were to ask school publishers what's wrong, the arguments might sound like:

1. We provide materials that the market dictates. Our materials are thoroughly researched and field tested, and written by the leading educators in the country.

2. We can't be to blame if the teachers don't use the materials properly. Everyone knows that we can't be held accountable for misuse. We provide in-service training and consultants, but we can only go so far.

3. We're only getting 0.7% of the school budget, which is half of what it used to be. If they spent more money on textbooks, results would be better. How can we be blamed when we are such a small part of the total budgetary process?

4. We've eliminated all prejudicies and stereotypes from our materials; women, minorities, handicapped, etc.

5. The changes in directions made by educators and the complex rules of the game that we have to play by, are undermining the economic stability of the industry. El-hi profit ratios are down and unit sales declining. The population is dwindling, and the schools want more color in the books and an unlimited warranty on how long they will last.

6. Parents and teachers need to get more involved.

7. More money is spent on vandalism repairs than on textbooks. What good is it if we take the time and money to improve materials when they are squeezed out of the budget and the children are using decade-old books.

It can't be our fault!

As you can see, it doesn't appear as if anyone is to blame for the dilemma we're in. However, if we ask the kids, they'll tell us: We're all to blame because the problem is not an imaginary one.

That our children are not getting value for their time in school should be obvious. We only have to look at the proliferation of remedial courses, falling test scores, and the number of dropouts to confirm this.

For example, 45% of the entering freshmen at University of California failed to pass the Entrance Examination Board Competency exam. This is really shocking in view of the fact that the entering University of California students represent the top 12% of their high school class.

Remedial Courses are widespread. As a colleague of mine suggested, we no longer have the 3 R's of Reading, 'Riting, and 'Rithmetic, but we now have the 6 R's: Remedial Reading, Remedial 'Riting, Remedial 'Rithmetic.

The money spent on remediation is not cost effective. If we learned to do it right the first time, the time and energy and money spent on remediation could be used more effectively elsewhere.

Using a definition of exclusion as being out of school for 45 days per year, the Census Bureau reports that 2 million children were out of school in 1970. That amounts to 4–8% of the children in school in each state; with more non-whites out of school compared to whites by a ratio of 2 to 1.

One of the reasons our school system is not working effectively, in my opinion, is that we seem to have lost sight of what education is all about. It seems to me that the main objective is to teach people HOW to learn as well as WHAT to learn; to create a thirst for knowledge.

Since everyone in this room is affected by the successes or failures of those who participate in educational activities, let's look at some of the positive things that appear to be happening; because there are positive things occurring.

The tax structure that supports most of public education is being reexamined today as a result of several court decisions and public outcry. The inequities caused by the property tax system will be coming to an end. These inequities result in an ever-widening gulf in available education between affluent and poor communities. While this process of changing the tax structure may be damaging to our economic situation in the short run, it harbingers great opportunities for the future. This may be the end of de facto segregation.

At all levels of the school systems, people are beginning to be held accountable for results.

Students are being held accountable through minimum competency tests in many states to achieve certain predetermined standards. It means the end of automatic promotions. While this movement has a set of dangers attached to it, in general, it must be viewed as a healthy movement if teachers can avoid "teaching the test." At this point, it is too early to tell whether lasting improvement can be made through this mechanism.

There are also attempts being made to hold publishers accountable through "learner verification" and, of course, teachers will also be more accountable for results in the future.

Better budgeting techniques are being forced on school districts by the Federal government, concerned education boards and parents. We are beginning to see the beginnings of concerned citizenry questioning how the money is being spent by specific category of educational expenditures. The examination of the allocation of resources should eliminate some of the waste and duplication of effort currently going on.

The back-to-basics movement, with its emphasis on teaching basic skills, must be viewed in the long run as a healthy process. The re-evaluation of the curriculum that is going on should result in a better curriculum 10 years from now. People are now re-asking and re-thinking the question of what our schools should be responsible for. The amazing discovery has been made (or remade) that raising the level of expectation is one way to get students to learn more.

The near future should see some major changes caused by technology.

Some part of video, disc or cassette system at affordable prices for schools is inevitable. The lap or desk-top personal computer could affect the entire curriculum. How books will fare in the face of the new technologies can't be predicted with certainty but the first hint of an answer will come in educational publishing. In that regard, we're the advance guard for the industry. I suspect that the book will hold up quite well.

As you can see from the points just mentioned, there are some early signs that some progress toward better quality education is beginning. This is extremely important to the future of this country and, of course, all publishers. There is no doubt that the quality of education would improve if we, the public, would no longer tolerate shoddy, below par performance.

What can this group do? As the purveyors of our culture and the most visible evidence of our literate society, I believe that we all have a special responsibility to speak out and promote better education in this country. Not only should the School Division of the Association be talking about improving the system, but all of us should be.

I personally believe that the reason we are still grappling with so many basic ques-

tions in Education today is that very little scientific research has been done. The Education industry doesn't have a Brookhaven Laboratory, a Cape Kennedy, a Rockefeller Institute, or a Kettering Institute. Its equivalent is sorely needed. Let's start a real campaign to get one established. We in the School Division have made this a high priority item for 1978. Unless quality research is undertaken, we will continue to use the trial and error method in our schools forever. This is costly and terribly inefficient.

Unless we raise the educational standards in this country and encourage literacy, all of our book sales will ultimately go down.

Speak out and join the fight—it's your bread and butter.●

JUDGE LUTHER YOUNGDAHL

● Mrs. HUMPHREY. Mr. President, the following words are those of a fellow Minnesotan, a dear friend, and a great public servant, Judge Luther Youngdahl:

The First Amendment protects an individual in expression of ideas though they are repugnant to the orthodox. When public excitement runs high as to alien ideologies is the time when we must be particularly alert not to impair the ancient landmark set up in the Bill of Rights.

I am deeply saddened by Judge Youngdahl's passing. Hubert and I always regarded him as a close and personal friend over the last 30 years.

Luther W. Youngdahl was born on May 29, 1896. After serving as assistant city attorney in his native Minneapolis, he served 3 years as Governor of Minnesota. His term was called racketbusting by many. He argued for stiffer and more uniform sentences for persons convicted of crimes; initiated reforms in the State's mental institutions; enforced Minnesota liquor laws; and outlawed gambling in our State.

Luther Youngdahl subsequently served as a judge in the municipal court of Minneapolis, in the district court of Hennepin County, and as associate justice in the Supreme Court of Minnesota. He then was appointed by President Truman as a judge of the U.S. District Court for the District of Columbia, where he served for 15 years.

He was nationally known for three famous rulings that ran against the tide of anticommunism in our country in the 1950's, by affirming the protection of an individual's civil rights. And, he is remembered for his "high-minded fairness," his regard for constitutional liberties, and his toughness.

Mr. President, today we remember Judge Youngdahl's honesty, integrity, and his service to the public. His grasp of constitutional law, his compassion for fellow citizens, and his ability to relate law to justice, were characteristics which more of us would do well to emulate.

America will miss Luther Youngdahl; Minnesota will miss Luther Youngdahl; but none as keenly and as personally as his family. I take this opportunity to express my deep sympathy to Mrs. Youngdahl and her children.●

TIT-FOR-TAT ARMS MADNESS

● Mr. PERCY. Mr. President, I would like to share with my colleagues an outstanding article written by Majorie Craig Benton, of Evanston, Ill., who is now serving as a U.S. delegate to the U.N. Special Session on Disarmament. The article appeared in the June 18 edition of the Chicago Sun Times.

The special session has sensitized us to the legitimate concerns of our world neighbors and drawn public attention to the most serious problem facing world civilization—the proliferation in the quantity and quality of nuclear weapons and number of nations possessing nuclear weapon technology. I ask that Marjorie Benton's excellent article entitled "We Must Try To Stop Tit-for-Tat Arms Madness" be printed in the RECORD.

The article follows:

[From the Chicago Sun-Times, June 18, 1978]

WE MUST TRY TO STOP TIT-FOR-TAT ARMS MADNESS

(By Marjorie Craig Benton)

The United Nations Special Session on Disarmament was called a year and a half ago at the instigation of underdeveloped countries who have little voice, but a lot at stake, in world disarmament. Nations spend $1 billion a day on arms that most hope they will never have to use. The United States and the Soviet Union account for over half this amount.

Most of our world neighbors have two concerns:

They fear these preparations will lead to a war that none will survive.

They see such spending robbing all ordinary citizens of scarce financial resources for development—food, medical care, schools, industrial equipment and technology.

Our actions in response to what we see as Soviet aggressive intentions only stimulate Soviet preparations which we interpret as further evidence of aggressive behavior. I believe their policymakers act and respond the same way. That is why I am serving on the U.S. delegation to this conference. I believe we must try to stop this madness before we destroy ourselves.

Do I oppose a strong national defense? Of course not. No responsible citizen wants to sacrifice our security. But what is security in the nuclear age? Are we or the Russians more secure than we were 10 or 20 years ago at lower levels of armaments? Are other nations more secure? I don't think so.

Those who say we are becoming weaker than the Russians are absurd. Who among the SALT critics would trade the U.S. Navy or Air Force for the Soviets'? What U.S. general would trade our Army for theirs? We both have so much destructive power that one nuclear submarine armed with its multiple warheaded missiles could devastate the population centers of the other side. It's time to stop increasing these capabilities.

Yet I'm afraid our national response in the disarmament session has not been good enough. What most of the nations want is for the nuclear powers to assure them that they will not be attacked with nuclear weapons. The Soviets gave such assurances, but until this week the United States had refused. How could we have expected the 100 or so countries to live up to their solemn obligations in signing the 1970 nonproliferation treaty, in which they agree not to acquire nuclear weapons, if we wouldn't even guarantee them that we wouldn't use our nuclear weapons against them?

I think we can break out of the action-reaction pattern of U.S.-Soviet military preparations. To start, we should:

Undercut the arguments of those who say we are weaker than our adversaries. The truth is we are both so powerful that our strength is our weakness.

Show our outrage at the diversion of resources that military spending takes from your pockets and mine (the average American will give 4 years of his income to the arms race), and from the social and human needs of our neighbors in this country and around the world.

Continually restate the argument to our political leaders that our military spending is not buying us greater national security but less, and that there are alternative roads to security that involve mutual, verifiable reductions in our nuclear arsenals.

Learn to de-couple our arms control and disarmament efforts, which are worthwhile in themselves, from our other political and ideological conflicts with the Soviet Union.

Start thinking in terms of the horrors of a war fought with nuclear weapons, and express our outrage at their possible use. This will require fundamental changes in military strategy as we move from greater to less reliance on nuclear arms.

Begin conversion to a less military-oriented economy. There should be a blue-ribbon panel appointed by the President to chart our course toward alleviating possible dislocations in the arms industries so that these can enter the productive life of our economy and that of world markets for nonmilitary goods.●

FOOD AND ENERGY

● Mr. HOLLINGS. Mr. President, recently His Excellency Ardeshir Zahedi, Ambassador of Iran to the United States, journeyed to the Montana College of Mineral Science and Technology to deliver the commencement address. The theme of Ambassador Zahedi's address was the interdependence of the modern world, and the necessity for cooperative action between nations to narrow the gaps which divide economies and which divide the hearts and minds of men. As a staunch believer in the need to cultivate interdependence, Ambassador Zahedi discussed what his nation and ours can do to lift mankind into the sunlight of a bright new future.

The Ambassador said:

Surely we can leave no more brilliant heritage than the knowledge that we saw the needs of our fellow man and worked to save him from disease, poverty and starvation.

The Ambassador's address reflects his keen discernment of the ties that bind his nation and ours as well as of the divisions and problems that separate the developed nations from those in the world which are underdeveloped.

Mr. President, this address is eloquent, constructive, and merits the widest possible attention. It encourages the kind of dialog which is so imperative if we are to progress on the road to bringing people and nations closer together.

Let me congratulate Ambassador Zahedi on a fine speech, which is really a summons to action. I also wish to congratulate him for the honorary doctorate which he received on this occasion. Commendation is due this distinguished institution of learning, the Montana College of Mineral Science and Technology, for its excellent judgment in conferring its degree on a gentleman of such ability and vision.

I ask that the text of Ambassador Zahedi's address be printed in the RECORD.

The material follows:

FOOD AND ENERGY

It is a great honour and a pleasure for me to be here today to address this graduating class.

A distinguished graduate of this university that great American legislator and my close friend, former Senator and now Ambassador Mike Mansfield, has spoken to me many times of his alma mater, and I am honoured to be selected as an honorary member of your university.

I come to Montana for the first time today, and I come both as a diplomat and as a pilgrim.

As Iran's Ambassador to the United States, I always welcome any opportunity to discover more of this country and to promote understanding and cooperation between our two peoples.

And as an ardent admirer of Mike Mansfield, I come to pay homage to all the fine virtues which this great statesman represents.

I do not think I will offend any of you when I say that your representatives in the Senate are rarely in agreement on any matter.

In June, 1970, however, they were for once unanimous in their tributes to Mike as he achieved the longest tenure ever as Majority Leader.

If I may, I would like to quote now, as one of them did then, from the writings of Alexander Pope:

"Statesman, yet friend to truth: of soul
sincere
in action faithful, and in honour clear;
who broke no promise, serv'd no private end,
who gained no title, and who lost no friend."

Mike is a truly wonderful and an exceptional man who is respected and admired not only in the United States but throughout the world. He is dedicated, honest and patriotic.

I am honoured today to follow in his footsteps.

When I first considered my address, an obvious topic came to mind.

The reputation of Montana College of Mineral Science and Technology is known around the world.

And the mineral sciences, of course, have been of importance to Iran since the dawn of history.

Iron, bronze, and copper artifacts that have been discovered in my country indicate that mining and smelting were carried on there as long as 7,000 years ago.

But then, as I began to put my thoughts together, I also found myself recalling the changes that have taken place in the world since my own graduation.

And I decided that a mere description of the development of my country's mineral resources would leave too much unsaid.

I was a student when the world was just beginning to recover from the devastation of World War II.

Everywhere, fear and despair were giving way to hope and courage, as nations went about the task of rebuilding their future.

Today, however, much of this optimism has been replaced by uncertainty and even despair, as we have discovered that economic crises, every bit as much as political conflicts, can threaten world peace and stability.

Today the world is divided between rich and poor as 20% of the population enjoys 66% of its riches while 30% is left with only 3% of the wealth.

We are now faced by two major international crises of massive proportions, namely the food and energy crises.

Food and energy constitute the very basis of our existence.

Without food, we cannot survive and without energy, our economies cannot function.

And yet we still have not found the means to feed the world's hungry who today number some 1.29 billion.

In November 1974, the late Senator Hubert Humphrey, made the following statement:

"The great central problem of our time is hunger. There may yet be time to devise a truly cooperative and coordinated international program for the production, distribution, conservation and pooling of existing foods and for the development of new food sources.

"But time is not on our side, and we cannot afford the bickering of the past.

"Millions of human lives are at stake.

"We must be responsive and responsible in our deliberations."

At that time, Senator Humphrey was on his way to the First World Food Conference in Rome.

The Conference marked a growing recognition of the acute nature of the world food supply and distribution problem.

Since then the debate has continued and some progress has been made but much remains to be done.

The effects of malnutrition, of disease, of famine and of drought continue to plague the poor of the world.

Even today, in Northwest Africa, the outer limits of the Sahel Desert are advancing by some thirty miles each year.

And it was only six months ago that Secretary of Agriculture Bergland made the following statement, again in Rome, at the 19th Session of the Food and Agriculture Organization:

"Despite increased production, the number of malnourished people remains intolerably large, and little progress has been made toward the goal of eliminating malnourishment in the poorest developing countries."

We have also permitted industrialized society to rely so heavily on exhaustible resources to fuel their economies and their life styles that demand is overtaking available supplies.

In both these areas we are courting disaster.

The magnitude of the rich-poor problem in general and the food and energy crises in particular, transcends national boundaries and ideological differences and serves to emphasize our ever-growing interdependence.

No one nation can cope with these complex issues alone.

They require a total effort on the part of all nations for it is only through such an effort that we can alleviate the threats to our well-being and our future.

As Pope John the Twenty Third once pointed out, "Development is the new name for peace."

But for each nation to be able to contribute effectively to this total effort, it must first put its own house in order, within the limits of its capabilities and natural endowment.

In Iran, we have the good fortune to enjoy a generous share of the world's natural resources.

And in recent decades, we have been blessed with the enlightened and far-sighted leadership of His Imperial Majesty.

Iran, with a population of 35.2 million people and a land area of about one fifth the size of the United States, borders on the Soviet Union in the North, Afghanistan and Pakistan in the East, Turkey and Iraq in the West and Northwest and the Persian Gulf in the South.

Our 1,250 mile long border with the Soviet Union is second only to that of China.

Iran is a land of Aryans and not Arabs.

At the same time however, we enjoy good relations with them.

The location and strategic importance of Iran have long been recognized.

In the old days, it served as the bridge between East and West, being part of the silk route between China and Europe.

Throughout its long history, Iran has evolved into a center for scholarship, science and culture, and is often referred to as "The Cradle of Civilization."

We have tried to implement a development policy which will improve the economic lot of our citizens while safeguarding their spiritual and social well-being.

The achievements of our economy are well known and I will not bore you with too many facts and figures.

It suffices to say that in 1961, Iran was an aid recipient from the United States.

In 1974, Iran became an aid donor.

To date, we have committed nearly 12 billion dollars in loans and grants to countries throughout the world, of which over 7 billion dollars have already been disbursed.

In 1951, the per capita income in Iran was less than 60 dollars.

Today, I am proud to tell you that it exceeds 2,200 dollars.

It is fashionable these days to raise the question of human rights and to point out the inequities that exist in various societies.

But let me be candid with you.

Societies differ and so do their needs.

In Iran, we have always aimed to protect human dignity and justice.

As a matter of fact, as we know from the Bible, more than 2500 years ago, Cyrus, the great Persian King, freed Daniel and decreed that those who threw Jews into the mouths of lions would themselves be thrown to the lions.

Cyrus the Great established freedom of religion and worship in Iran and our present constitution provides for that same essential freedom.

As a matter of fact, our parliament today includes representatives of the Jewish, Armenian and Assyrian peoples, a situation which is unique in our part of the world.

At the same time, however, we firmly believe that it is through economic development that we can finally guarantee social justice.

In this regard, I should just like to mention certain reforms which we have introduced in Iran.

In the area of education, we have succeeded in reducing the illiteracy rate from 90% in 1950 to 50% in 1977.

In 1950, we had only 350,000 students. Today, they number over eight and a half million.

In the field of health, we have extended free medical care to every Iranian, while increasing the number of hospitals and clinics throughout the country.

Recognizing the crisis proportions of world wide food shortages and in an effort to increase domestic agricultural production, we have given priority to agricultural investment and research.

We have executed an extensive Land Reform Program whereby ownership of Land has been transferred to the peasants. And the success of this program has been unequalled in the world, even among the socialist countries.

In the industrial sector, we have introduced profit-sharing schemes.

And finally, we have succeeded in bringing Iranian women into the mainstream of our national life.

Women in Iran now have the right to vote and to be elected to public office.

At the present time, we have 20 women serving as Deputies in the Majlis, or lower house, and 2 women Senators.

The success of our domestic programs in changing Iran from a backward society to a modern industrialized nation owes much to the proper utilization of our oil revenues.

However, being the fourth largest producer and the second largest exporter of petroleum in the world has not made us complacent.

Should 1975 production rates continue, Iranian proven reserves of some 70 billion barrels will only last for some 25 to 30 years.

Faced with this reality, we aim to create and have in place within the next three decades, a non-oil based economy with self-sustaining characteristics.

And we have embarked upon an energy policy designed to make an efficient use of national energy resources in order to provide better opportunities for future generations.

This policy is an extension of my beloved Sovereign's view that oil with its 70,000 odd by-products is too precious to be used as a fuel.

Actually, he called it a "noble commodity."

Our energy policy aims at the following:

1. The maximum possible reduction in the use of petroleum as fuel and an increase in its use as a base in the petrochemical industries.

2. The optimum use of atomic energy for the generation of electricity to meet part of our domestic needs.

3. The maximum use of natural gas as a substitute for other fuels in commercial and residential uses.

4. Research and development in the fields of solar and geothermal energy.

By 1993, atomic energy will provide 23,000 megawatts or close to one third of the total installed electric generating capacity.

With 18 per cent of the world's proven natural gas reserves, we have increased the share of natural gas in the domestic energy market from 1.5 per cent in 1970 to 15.2 percent in 1977, and by 1982, it will reach 22.7 percent.

Given the performance of the various energy sectors, by 1990, the petroleum share of the market will decline from 70 percent to 40 percent.

We are also using the price mechanism to discourage wasteful domestic consumption of gasoline by increasing the prices approximately 11 cents per gallon annually over a five year period which began in 1976 and will end in 1981.

At the present time, the prices of regular and premium gasoline in Iran are 53.8 and 64.6 cents a gallon respectively.

Furthermore, it is a matter of Iran's national policy never to use oil as a political weapon.

Oil, like bread and water, is indispensible and no one should be denied its use.

Not only did we not participate in but we also opposed the oil embargoes of 1967 and 1973.

In 1976, we voiced strong disapproval of the "non-aligned" nations' decision in Sri Lanka to impose new embargoes against France and Israel.

I think by now you are probably beginning to appreciate why I felt a simple description of our natural resources would be an inadequate subject for my talk.

Oil and gas have provided stimulus for our domestic economy and helped us to raise living standards at home.

They have enabled us to assist some countries and have caused us to seek assistance, of a technological nature, from others.

They have involved us in political issues with world-wide implications.

In sum, our experience in dealing with our energy resources has led us above all to a recognition of the fact that we live in an interdependent world.

This is why I say to you now that it is only through joint, cooperative action that we can hope to solve the energy crisis which confronts us today.

Every effort must be made to develop alternative sources of energy.

The United States has the means and the resources to play a leading role here.

And as the largest consumer of oil in the world, you have the important responsibility not to allow oil to be used unnecessarily as a fuel, when there are other possible sources.

I am happy to note that you are beginning to realize the importance of conserving oil.

Your country is a great nation.

You are the most powerful nation in the world, economically, militarily and politically.

You have responsibilities not only to your selves but to your allies and friends as well.

This is why you should become self-sufficient in the field of energy, in order to maintain your strength.

In a recent interview, His Imperial Majesty declared Iran's willingness to join with oil producing countries in a joint investment pool to help American technology develop alternative sources of energy.

This could involve billions of dollars of investment in the development of solar and nuclear energy, and would further recycle petrodollars back into the United States.

In the same way, man's age-old quest for food will only be satisfied if we pursue determined, cooperative policies.

It is estimated that, if the world's population continues to grow at present rates, food production would need to double by the end of the century merely to maintain the present inadequate level of supply.

Recognizing the extreme urgency of this situation, Iran, together with other members of OPEC, has committed 437 million dollars to the newly-created International Fund for Agricultural Development.

This fund provides assistance to developing countries, particularly those with a per capita income of 500 dollars or less.

In the United States, such legislation as the International Development and Food Assistance Act of 1975, together with your very active support of the FAO and the IFAD, provide clear testimony to a profound determination to invest adequately in all areas of agricultural development.

A great challenge lies ahead for all of us.

In Iran, we are certain that we can reach our goals.

The gains of the recent three decades have given us the will, the confidence and the capabilities.

Our confidence and determination are also based on the strong ties we have with the United States.

Mutual active cooperation could shape a world system in which we can all live in peace.

In virtually all the important spheres of national interest, Iran and the United States have developed policies that, on the whole, work to the mutual benefit of our two countries.

From a geopolitical point of view, the partnership and a common outlook have evolved through the years, gaining strength in the process.

From an economic standpoint, Iran and the United States share the same awareness and knowledge that we live in an interdependent world.

The Marshall Plan and the Point Four Program gave recognition to this.

The Marshall Plan offered aid and assistance to a world recovering from the most far reaching man-made destruction in history.

Just a few years later, President Truman initiated the Point Four Program.

I am proud to say that, in recent years, we too have been involved in massive projects of bilateral and multilateral assistance.

The commonality of our interests transcends our national borders in promoting international peace and prosperity.

But we have to recognize that peace and prosperity must embrace all the people of this world, not just half of them.

We must therefore work towards narrowing the gap between the rich and poor if we, as mankind, want a future at all.

This can only be achieved through a system that is firmly based on security, fairness and opportunity for all.

It must include all if it is to be supported by all

The first major step in this direction requires a serious effort on the part of the industrialized nations.

And here the challenge faces you in particular, for you have the know-how, the capacity and the will to lead the rest of the world in this effort which can very well determine the future of global peace and progress.

It is here, where you, the future decision-makers of this nation, can make the greatest contribution.

You must recognize the absolute necessity of interdependence and cooperation.

I can leave no more important message with you today than this.

We cannot continue to live in a world where a few are rich and the rest are poor.

Surely we can leave no more brilliant heritage than the knowledge that we saw the needs of our fellow man and worked to save him from disease, poverty and starvation.

Some of you will leave here to go abroad to lands where customs are different and the language unfamiliar.

Perhaps your lives will take you to Iran where you will find a warm welcome and a great deal to keep you busy.

But no matter which country you may be in, I urge you to carry with you American standards and ideals, and to respect and care about the needs of others.

For us, America has always symbolized right and justice.

In closing, I would like to leave with you a remark that His Majesty the Shah made on the occasion of the American Bicentennial and I quote:

"The name of America has always conjured in our minds the respect for, and the championship of, human values and right and justice, and it is these very principles that you must safeguard and preserve with the greatest care and concern for the benefit of yourselves and that of all mankind." ●

GIFTED AND TALENTED CHILDREN

● Mr. JAVITS. Mr. President, on May 15, the Human Resources Committee reported S. 1753 to the Senate. This measure deals with Federal elementary and secondary education programs. S. 1753 contains major provisions, which I authored, to expand and improve the Federal role in the education of our gifted and talented children. These children represent one of our Nation's most precious resources. The New York Daily News has published, in the past months, a series of articles, written by Merrie Spaeth, on the needs of these children, their potential, and some of the problems which prevent them from reaching that potential. I am grateful to Ms. Spaeth for her indepth research and skillful reporting of the factors affecting our gifted children.

As I believe that my colleagues will find these stories most instructive as they consider S. 1753, I ask that these articles be printed in the RECORD.

The stories follow:

SUPERKIDS: THE SMARTEST CLASS IN TOWN

(By Merrie Spaeth)

John talked at 10 months. Charles read fluently at 2 years. Mark learned mathematics at 3. Wendy composed at 7. Eric entered college at 11. Joel became a chess master at 13. And, at 16, Jonathan built a robot that pours cocktails.

These are the Superkids. The gifted the extraordinary. The ones they call prodigies because, like 7-year old Charles Kim, they are compared with virtuoso Yascha Heifetz or, like Joel Benjamin, 13, their chess talents

are compared with the championship skills of Bobby Fischer.

Other call them other things. Weirdos. Egg heads. Mad scientists, Misfits.

"Whatever the new calculator was called, that was my nickname," says Ancil Bethelmy, 18, a senior at Bronx Science High School. "The Bo Mar Brain, that's what I grew up with."

Classmate Kevin Williams nods. "In elementary school," he says, "it was okay to get 90s, but if you got 95s regularly, you were nuts.

That attitude—that smart kids were "nuts"—was one reason that New York educators, parents and nearly everyone else ignored gifted youngsters. And still do in many respects. Grace Lacy, the director of the State Office of Gifted and Talented here, calls it a national disgrace.

The federal government opened a similar office here in 1971. It was located in the Office of the Handicapped.

"Sure, these kids are handicapped," said Max Fogel, the research director for MENSA, the society for people with unusually high intelligence. "They're different."

"The prevalent idea in our society has been that whenever someone's head is above the rest, you knock 'em down," says Bernard Miller, the director of the Hunter Campus schools for the intellectually gifted.

The government has a broader definition. "Gifted and talented children" it says, "are those identified by professionally qualified persons who, by virtue of outstanding abilities, are capable of high performances."

One of the reasons that defining a Superkid is so hard is that children can excel in one subject (say math or music) and remain average or below in another subject.

Another barrier to definition—and an important one in New York City—is that minority groups have long feared that the methods used to test children for special talents were set up to exclude minority children. (Experts agree that some of those fears were justified because of the way that tests were evaluated).

Are kids from one ethnic group or another, in fact, less "smart?"

Miller and every other expert agrees that no ethnic group has a monopoly on brains or talents. Of a theory in the '60s that black children were inherently less intelligent, Miller said, "That's the big lie."

Depending on what definition the experts use, between 2% and 7% of all children are gifted. Many of them become bored and drop out (one study said that one of every five high school dropouts were gifted youngsters).

Others are ignored, teased or exploited. Sometimes, it is petty. Mark Gelernt, 17, remembers that his homework was stolen. "I did my homework," he said, "then everyone else did my homework." Sometimes, it is more damaging. "I slept through first grade and was bored out of my skull for eight years," says Karin Rabe. "Nothing is worse than that."

There are all sorts of factors in identifying the gifted child, but experts agree that spotting them early is extremely important.

Sometimes a child like Ancil Bethelmy turns up. He read his first book at age 4 (" 'The Odyssey', by Homer, it was terrific"). He did not have books around him again until he was 11 years old, "when I came to this country."

Some experts think that Ancil, a gifted black, is unusual because one theory is that unused gifts wither. That a brilliant 3-year old may become just a smart 6-year old. That a smart 3-year-old may become just an average teenager.

In other words, most parents never know if their child was superbright or supergifted. One way to find out is through testing, but there is a lot of confusion and controversy about intelligence testing.

Testing is becoming more accurate—and personalized—but experts warn that lower scores do not necessarily mean that a child is not gifted. That is especially true when judging creative talents.

"The best way to judge something like artistic ability is to bring in acknowledged experts and let them look," says Grace Lacy.

That's how Charles Kim got into the Julliard school of music. His parents started him playing violin at 4, so that he could accompany his older brother (who plays piano) on duets. At 6, some family friends heard Charles, recognized his potential and recommended teachers in New York City.

However, even if a child is special—and experts say that there are several hundred thousand unrecognized superkids in New York City alone—there is only one chance in five of placing him or her in a special program.

For example, Hunter elementary school has 1,000 applicants for the 50 or so places in kindergarten. At the seventh grade level, 2,500 children are tested for the 200 available places.

"They take the top 200," says Bernard Miller, "but the next 500 are just as good."

The same situation is true for Bronx Science High School, which has a reputation for creative programs and brilliant children. Principal Milton Kopelman, like Miller, oversees special programs to discover gifted but disadvantaged children.

Then there is Virginia Ehrlich, the creator of the Astor Program, the foundation-funded demonstration program that operates on a limited basis within the city's public school system. "I have files bulging with applications," she says. "This city could use 200 programs for the gifted."

It all comes down to money. Grace Lacy says that it would cost "a pittance" to educate gifted children—if city, state and federal officials would compare the cost with programs for other special groups, like the retarded and disabled.

"I'm ashamed to tell you," she says, "that New York State has not given us one penny for this education." Her office does receive a $45,000 grant from the federal government, but it is mostly earmarked for conferences and information.

In Albany, legislators often dislike anything that would give gifted children too much flexibility, that is, letting superkids work at their own pace and level. The thinking generally is that by taking bright kids out of the class routine, the other kids will suffer academically or will feel unfairly treated. "Terrific," says Mark Gelernt of Bronx Science. "That means I'm useful as a tool. Don't I have a right to help myself?"

It's a real problem. Julian Stanley of the John Hopkins University program for Mathematically Precocious Youths says that some gifted kids just give up when their special needs are ignored.

"Some of them," he says, "are so fed up by the end of high school that they don't even go to college."

SUPERKID MYTHS—AND FACTS

True or false?

Gifted children do not need special help. They can take care of themselves.

False. They need special stimulation, challenge and opportunity—or their abilities may wither.

Gifted children are "weird," inferior socially and athletically.

False. They are like all other children and are, in fact, often stronger—if they are not isolated or ridiculed.

Teachers love smart children.

False. Teachers often neglect these children, because they believe that gifted children need no special attention or because they feel threatened.

Gifted children excel at every thing.

False. They may display extraordinary ability in one area, or in a cluster of areas, but they may be average in other things.

Gifted children grow up to become unhappy adults.

False. They stand a greater chance of happiness and good adjustment.

There is no relationship between intelligence and achievement.

False. Many factors contribute to success, but the gifted individual contributes and achieves more by any standard.

Gifted children stand out.

False. Gifted children may suffer from shyness so acute that blinds other people to their abilities.

CHARLES KIM, 7

Two things to remember in meeting Charles Kim. Do not call him "Chuck" and do not tell him that he is cute (although he is).

"My name is Charles," he said when he met a reporter at the Julliard school of music, where at age 7, he is in his second year—and is the youngest child ever admitted to the school's pre-college program.

"My brain is much older than that of a 7 year old," Charles said, "and I want people to treat me as an older boy."

He has an IQ of 169, which experts say is about as high as the test can measure. He excels in mathematics and science, speaks French and Korean, and is in the fourth grade.

"Don't tell my mother," he says, "but I also have learned my brother's work. (His brother is in the fifth grade).

But what makes the serious little Bronxville boy so very different is his musicianship. He spends eight hours each Saturday at Julliard because he and his one-quarter size violin produce sounds that remind listeners of Yascha Heifetz.

"We hesitate to use the word genius," says Olegna Fuschi, the director of the Julliard program, "but everyone around here is very excited."

Charles is not excited. "When I came here," he says, "I discovered everyone was twice as old as I was. I hated it. Now, though, I have some friends."

Despite his musical talents, Charles is not sure what he will do when he grows up, although he is "seriously" considering becoming a doctor like his father.

"In Korea," he explains, "they have tables spread with rice and things, and they take a newborn baby to it. My brother picked up money to play with and my mother said he was destined to become a millionaire. I picked paper and pencil, so she thinks I will become an author."

He knows about the comparisons with Heifetz, and he hates them. "I may never be as good as Heifetz," he says, "and anyway, I will never be exactly like him."

Charles is intense, and so self-critical and anxious that his teacher, Louise Berrin, thinks that he should relax a little. "After all," she said, "that mind is locked up inside a 7-year old boy."

JOEL BENJAMIN, 13

"I like to play chess," says Joel Benjamin, an attractive and modest ninth grader at Marine Park junior high school in Brooklyn. Indeed he does.

He also plays like a whiz. Two months ago, he beat Haiku Westerinen, grandmaster from Finland, in an international tournament. Chess experts describe him as a total professional—"cool, disciplined, perfect in all the etiquette, an unyielding competitor with a sense of strategy."

There are only about 100 master level players in the country, and Joel became one when he was 13 years and 3 months old. Bobby Fischer reached that level when he was 13 years and five months old.

Joel is, without doubt, a chess prodigy. But

he does not like the inevitable comparison with Fischer. "He did a lot for American chess," Joel says, "but he did a lot to spoil it, too. He's kind of nuts."

Although he has accumulated 2,200 points in rigorous tournament play (the requirement for a master's rating), Joel is a realist about the game. "I doubt that I'll play professionally, because there is very little money in it," he says. "It could happen, but I have a long way to go."

Joel is much more than just a chess whiz. He played first base on a town Little League baseball team until he was barred by age. He still plays basketball, football and every other sport that neighborhood kids play.

When he wants to relax, he stretches out in front of the television set. His favorite programs: any sports, comedies, and quiz shows.

At school, where he skipped the eighth grade, Joel is a member of the math team and a contributor to the literary magazine. He is not sure yet what he wants to do later in life.

He is the youngest of three children; brother Steven is 17, sister Rochelle is 15. Both are described as bright but not exceptional by their mother.

His parents never need to prod Joel to do his homework. "The only thing he doesn't like to do," Mrs. Benjamin said, "is taking out the garbage."

SUPERPARENTS, THEY UNDERSTAND

(By Merrie Spaeth)

When he was 18 months old, Jonathan Kaplan began using his kiddie record player as a launcher—he wanted to see how long it took various objects to fly off the spinning turntable.

His mother, Dr. Flora Kaplan, an anthropology professor at New York University, remembers it well. "He was also taking the panel off the motor on the washing machine," she recalled. "He was smart enough not to touch it; he just wanted to watch the engine."

Jon never lost his fascination with watching the way things worked and he grew up playing with real tools. Recently, the 16-year old East Sider built a robot that can perform 256 functions—among them, mixing cocktails. Some experts have described him as a natural engineer, as promising as young Thomas Edison or Eli Whitney.

Jon is a superkid, one of the estimated hundreds of thousands of recognized—or, alas, overlooked—unusually gifted children in New York City.

Many of these talented kids are subjected to taunts, teasing and the envy or hostility of classmates, teachers and specialists. Many of them go unnoticed until it is too late. Some drop out through boredom. Some talents wither (from brilliant to merely "smart") because someone somewhere discouraged or ignored their quest for excellence.

That "someone" is sometimes a parent.

Other talented kids are luckier. Like Jonathan Kaplan. Or like Astrid Schween, a 13-year old with a rare gift for playing the cello. Their parents recognized their talents—and did something about it.

"We took her to a concert at Tanglewood when she was three," said Mrs. Peter Schween, "and she came home wanting a cello."

Astrid did not get a cello until she was eight because her parents did not realize that cellos come in smaller sizes. Astrid now spends about 10 hours a week at the Juilliard School of Music. Her ambition is to become a concert performer, and experts say that her chances are excellent.

Parents count most in recognizing gifted offspring. But unless the parents act, experts say that the chances of developing the child's gifts shrink dramatically.

"Children will give you signals," says Dr. Max Fogel, the research director of the MENSA Society for extraordinarily intelligent people. "Learn to listen to them."

What signals? Experts list some of them as:

Speaking sentences of several words at age one.

Putting together puzzles of 20 pieces at 20 months.

Beginning to read at age two or three.

Showing a strong interest in time, and asking questions about the differences between yesterday, today and tomorrow by ages two to three.

Expressing strong affection for letters and symbols (like maps) at ages two to four.

Speaking in paragraphs or stringing together sentences with the word "because" at ages two to four.

"These children reach their full potential only if they are stretched," Fogel says.

Some parents are embarrassed or frightened by supersmart youngsters. Some ignore or ridicule budding superkids—the most damaging thing of all to do.

"Relax, there is no magic about it," advises Dr. Wendy Roedell, an associate in an unusual program in Seattle, Wash., where gifted children are first helped at ages two and three.

In some cases, the signal to parents comes with one dramatic incident. Joel Benjamin was turned on to chess in 1972 while watching the championship match between Bobby Fischer and Boris Spassky on television. "He just took off from there," said Mrs. Alan Benjamin.

And how. When he was 13 years and two months old, Joel became one of the 100 or so persons in the country to reach the Master level.

Some parents admit that they push their bright kids too hard.

"We used to push him too far," says Mrs. Jae Kyung Kim, the mother of 7-year-old Charles Kim, a violin prodigy whose potential reminds many experts of Jascha Heifetz. "Now we allow him more leg room."

Charles, the youngest child ever admitted to the Juilliard precollege program, excels not only in violin but in math, science, and French. His parents want him to develop all his talents. But teachers warn against pressing gifted children too hard, especially in music.

"Children of this caliber need to practice at least three hours a day in peace and quiet," says Charles' teacher, Louise Berrin. "And they need time to grow up."

It is very confusing to parents who do not want to force their gifted children. Dr. Julian Stanley, the director of the Mathematically Precocious Youth Program at Johns Hopkins University, does not want parents to push children. But he adds, "There is nothing wrong with encouraging a child to live up to his or her potential."

It leaves parents with a thin line to walk. What to do?

"You go along by guess and by golly," said Mrs. Benjamin.

Or parents can arrange tests for their children. The experts recommend it. Trouble is, most parents do not like and do not trust tests very much.

Alexander Goldowsky, a brilliant 15-year-old who has written a newspaper column since he was 11 years old, was tested several times. His mother does not remember his scores. "I've forgotten, I think because I disapprove of those tests."

"We had Astrid tested at 18 or 19 months," said Mrs. Schween, "but my husband and I don't put much faith in those tests. I knew she was gifted." (Incidentally, the experts say that parents are right many times when they decide their kids are extra smart, because after all they see more of the child than anyone else).

Attorney Leonard Garment, a former Nixon aide, does not remember if his son Paul, an especially talented clarinetist at 16, ever took a test. "I don't care if he did or did not," Garment said. "I think he's gifted."

Max Fogel understands that attitude, but he warns that parents who neglect or disregard testing run the risk of allowing their talented children to delay the start of necessary special training. "Frequently," he says, "their special gifts don't turn up until the kids are in elementary or junior high school."

He thinks that that's too late. "Turn on the faucet of intelligence early," Fogel says, "and it keeps running."

To Fogel, and to many other experts, that means limiting distractions. And this mainly means television (one recent study showed that the average home has the TV set on for nine hours a day).

Most of the superkids watch television when they have time—but for most of them, there are other important educational and or entertainment tools. Concerts, libraries and museums are among the big ones.

One problem for parents. In time, the gifted child outgrows their ability to teach. Then, the experts say, it is time to provide proper teachers or tutors.

Take the case of Eric Jablow, a Brooklyn teenager described by Julian Stanley as the most brilliant and precocious mind that he has ever seen.

Eric skipped all of high school to enter college at 11. At 15, he entered Princeton graduate school. He read "aimlessly" (because no one at his school could direct his fabulous mind) until his parents took matters into their own hands.

They went to Brooklyn College for help, when Eric was in the sixth grade, Stanley recommended that he go directly to college.

There is a danger that a child who is pushed too far too fast will become anxious and overly self-critical—and may even suffer a breakdown. They may require counseling (along with their parents). But the outlook for straightening out troubled superkids is considered good.

For parents, there is an extra fear—that their gifted child will become a social misfit if pushed too hard. For the gifted child, the fear often is that peers will ridicule him or her.

Both things happen at times, but more often, the fears are groundless. Charles Kim, for example, is afraid that people will laugh at his extraordinary musical talent.

In fact, instructors and fellow students at Juilliard are awed by him—and they adore him.

THEY SAID HE WOULD NEVER WRITE WELL

As a child, Alexander Goldowsky suffered from dyslexia, an impairment that caused letters to appear reversed and upside down in the brain.

"Fortunately," his mother says, "we caught it and found someone skilled with young children. Since I was told he was not able to learn to spell and would not write correctly, I never asked him to."

Later, during a visit to the Metropolitan Museum, he became fascinated with the Egyptian hieroglyphics there. "He started writing them everywhere," Mrs. Goldowsky said. "We got tons of shelf paper and let him go at it."

By fifth grade, Alex had outgrown the dyslexia.

He is now 15 years old and is, by any measure, an unusually gifted teenager.

As a writer, his style is so clear and so aggressively logical that his local newspaper, the East Hampton Star, has published a column by him since he was 11. Until recently, the editor did not know Alex's age.

He cares deeply about nature and regrets only one thing. "My writing doesn't arouse enough controversy," he says. "No one writes impassioned letters against my opinions."

He may give up the column. "The purpose of any column," he says, "is achieving action.

I often feel there is a lot more talk than action. That's the problem with writing. It's only talk."

He likes to write about "alternate technology," and he slips easily into explanations of the balance of oxygen and carbon dioxide and its implications for human life.

Alex believes in the adaptation of science to meet human needs and his writings follow that theme into subjects as varied as architecture and housing, politics and education.

"I have many views," he says. "I suppose this is colored by my own experience. In public schools if you are bright in any subject, you get bored and frustrated. They never give you a question to think about."

His own days include tutoring in a local elementary school on English and other subjects ("There," he says, "they don't think I'm crazy").

Alex is not sure what will happen to him, but he sometimes talks about becoming an architect and working with solar energy.

DO'S AND DON'TS FOR SUPERPARENTS

What to do:

Leave materials around that will encourage the child in many ways.

Stress reading, no matter what the child's special gift and keep books around that are slightly more advanced than the child's present level.

Allow the child to take things apart (it is a significant sign of curiosity).

Have the child tested where it will receive individual attention.

Feel that you can encourage the child to live up to its potential.

What not to do:

Discourage constant questioning or demands for information.

Feel threatened by the child (fathers, especially take note with sons).

Worry if the child appears to go off on tangents.

Use television as a reward or a babysitter. In fact, limit television watching in any case.

Set standards that cause guilt or tension in the child.

SUPERTEACHER, THE BRAINS RACE

(By Merrie Spaeth)

(Superkids love games. Like these: O T T F F S S.

(What's the next letter in the sequence?)

(A snail at the bottom of a well 30 feet deep can crawl upward three feet a day, but it slips back two feet at night. How long does it take the snail to crawl out of the well?)

The parent of a superkid says, "In the first grade, all they did was give him a second-grade math book. Finally, we had to get private tutors."

One of the Superkids says, "I would ask questions about particle physics and my teacher wouldn't know the answers, but he would always have something for me to look at or read."

Teaching the Superkid: It is one of education's most difficult tasks for many reasons, the most obvious being that the gifted child is so smart and often so far ahead of his or her classmates.

In New York City, there also is the question of money. It is hard enough to find enough money for regular programs, let alone special teaching for the special kids.

And finally, there are widely different opinions on what programs work best for the exceptionally bright, to keep them from becoming bored or frustrated.

Can this city, in its present financial shape, provide the kind of teachers the Superkids need? Are there enough programs to meet their needs?

The answer to both questions is a qualified yes, despite what critics contend. Whether the city can afford to seek out the unrecognized bright youngsters, is another question with a different answer.

There are several schools of thought about the education of brilliant students.

One is that bright children should remain in regular schools with a range of "normal" children and then receive "enriched" or "advanced placement" courses, to count as college credits, when they are older.

Another is that gifted children learn so much from each other (more than from teachers, according to Milton Kopelman, principal of the Bronx High School of Science) that they should be concentrated together in one class.

And another is that schools should simply speed gifted children through classes until he or she is on par with intellectual equals, no matter what his or her age.

There are parents, of "average" children, who oppose all special programs on grounds that it is somehow unfair that gifted kids are so smart in the first place—that somehow, when no one was looking, the Superkid was given some extra advantage.

Mark Gelernt, 17, a senior at Bronx Science, supports special programs. "We deserve an environment that's good for us," he said. "There's nothing wrong with meritocracy based on ability."

For some gifted kids, that means Bronx Science, where entry is based on special examination and where gifted students are all together. For others, it means the precollege program at Juilliard School of Music, where prodigies spend as much as 13 hours each Saturday in intensive instruction, then go back to regular school.

Finally, for others it means the Hunter Campus schools, another special entry school with a requirement that students work out in the community.

There is no "right" way to educate the Superkid, according to Bernard Miller, the director of the Hunter schools. "Of course," he adds, "in the best of all possible worlds, it is best to have youngsters with their peers and still challenged."

This is not the best of all possible worlds. It is New York City—with its incredible variety of possibilities, equipment and cultural facilities offset by a school system beset by budget cuts, bureaucratic snarls, too-large classes, crime and rigid union rules.

The Board of Education has made Virginia Ehrlirch's experimental program part of the budget this year (to train teachers to handle gifted children). "We could use ten times more," she says.

Clearly, only a handful of Superkids will get into Bronx Science, Brooklyn Tech, Hunter and the few other schools that understand the gifted and deal most effectively with them.

But no matter what the type of program or where, two things are critically important—how the teacher handles the gifted child, and how much flexibility the teacher exercises or allows.

Many teachers are criticized by the extra bright, for everything from expressing ridicule to deliberate neglect. But many other teachers get high grades from the gifted.

"He talks with us during his own lunch hour," one student says. "She'll stay after school to help me," another says. "She'll come in at 8 a.m. to help with my science project," a third says.

"See," says Kopelman triumphantly, "I knew it. These kids turn on teachers. The teachers care; they don't have to do any of these things."

Were any of the gifted students at Bronx Science ever bored? "Once, when I was in social studies," volunteers Oliver Attle, 12, who is so bright in math that Hunter is looking for a college teacher to tutor him. Others disagreed. Finally, Scott Kuo, the school's No. 1 ranking student, said, "It all depends on the individual student."

The kids at Juilliard certainly don't worry about boredom. Olegna Fuschi, the director of their programs, says that they already are following a "very adult" practice schedule.

Astrid Schween says that she practices five hours a day on the cello. "Five hours?" fellow student Peter Wyric asks. "Well, maybe four and a half hours," Astrid replies.

Some regular schools will not allow the gifted children time to practice, engage in nonschool competitions or pursue special noncurricular activities. Others do.

Joel Benjamin, a 13-year-old chess whiz who is rated one of the country's 100 or so top players, gets out of written assignments to compete in special tournaments. But he also does hours of reading on his own at night.

On the other hand, a prestigious school on Manhattan's upper East Side recently gave an ultimatum to Alexander Whyte, whose father William wrote "The Organization Man" and whose mother is designer Jenny Bell. The ultimatum: Stop spending so much time dancing or go elsewhere.

"Her dancing was taking hours out of each day," her mother says. "Now she's at Nightengale, where they like it if the kids do something outside."

Then there was the case of Jonathan Kaplan, who while still in elementary school built a machine that responded to voice commands. "At that point," his mother recalls, "the teacher let him design projects and report to the class on his own."

Some teachers are frank about their limitations. One at Hunter shrugged and said, "Look, I'm 32 years old and they're just 13. I can stay ahead of them—if I'm on my toes."

Do special schools shelter the Superkids? Most say no.

Do they appreciate the special attention? Again, most say yes. Mark Adelson, 17, a math whiz at Bronx Science, says, "My mind would have vegged out if I hadn't made it here."

FINDING HELP FOR SUPERKID

Where to go for help for a gifted child:

Council for Exceptional Children (also: Educational Resources Information Clearinghouse). 1920 Association Drive, Reston, Va. 22080.

Federal Office of the Gifted. 7th and D Sts., S.W., Washington, D.C. 20202.

Gifted Child Society, 59 Glen Gray Road, Oakland, N.J., 07436.

Gifted Children's Resource Center, 3923 Berryman Ave., Los Angeles, Calif. 90066.

National Association for Gifted Children, 217 Gregory Drive, Hot Springs, Ark., 71901.

State Programs for the Gifted, 2 World Trade Center, New York, N.Y., 10047.

Mensa, 1701 W. Third St., Brooklyn, N.Y., 11223.

Gifted Children's Resource Center, 300 W. 55th St., Suite 4–W, New York, N.Y., 10013.

Leadership training Institute, 316 W. Second St., Los Angeles, Calif., 90012.

Study of Mathematically Precocious Youth, Department of Psychology, Johns Hopkins University, 127 Ames Hall, Baltimore, Md., 21218.

(Oh yes, the answers:

(The letter E. The sequence is the first letter of the words One, Two, Three, Four, Five, Six, Seven and, of course, Eight.)

(It takes the snail 28 days. It reaches the top on that day and does not slip back.

(There's a whole book of these riddles and conundrums, "Games for the Super Gifted," by James Fixx and published by Doubleday and Co.) ●

TRADING OF POTATO FUTURES

● Mr. MUSKIE. Mr. President, last year Senator CHURCH introduced legislation to eliminate the trading of potato futures. Today I am joining as a cosponsor of that bill.

Many Maine farmers have for years said that futures trading has been subject to manipulation and has created a market which does not accurately reflect actual supply and demand.

Problems have occurred in past years. For example, there was manipulation of the price of May 1971 potato futures on the Chicago Mercantile Exchange. But in the years that followed, producer opposition to trading abated due to a more consistently favorable market. And suspicion of manipulation of the market fell off.

Then in May 1976, serious violations of the rules of the exchange occurred along with violations of the Commodity Exchange Act. Many of the worst suspicions of Maine farmers were confirmed, and the situation renewed interest in a ban on trading.

Equally discouraging has been the severe economic difficulties the farmers face as a result of extremely low prices.

Combined, these factors have persuaded the majority of farmers that futures trading does not serve their best interests, and other market systems ought to be considered.

They have stated their wish through the Maine Potato Council. The National Potato Council also supported abolition of futures trading.

Under these circumstances, I am pleased to support his legislation. This bill will provide a useful vehicle to examine the impact of futures trading on the market and will give those on both sides of the question an opportunity to present their views and discuss alternatives.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. STEVENSON. Mr. President, it is required by paragraph 4 of rule 43 that I place in the RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee on Ethics has received a request for a determination under rule 43 which would permit Ms. Ruth Claveloux, legislative assistant to Senator MCGOVERN, to participate in a program sponsored by a foreign educational organization, the German Marshall Fund of the Federal Republic of Germany, June 10–25, 1978.

It has been determined that participation of Ms. Claveloux in the program in West Germany, Sweden, and the United Kingdom at the expense of the German Marshall Fund to discuss economic dislocation policies and practices is in the interest of the Senate and the United States.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. STEVENSON. Mr. President, it is required by paragraph 4 of rule 43 that I place in the RECORD this notice of a Senator who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by the foreign government or organization.

The Select Committee on Ethics has received a request for a determination under rule 43 which would permit Senator JAKE GARN, to participate in a program sponsored by a foreign educational organization, the Foundation for the Study of Applied Sociology, of Madrid, Spain, from June 12 to 16, 1978.

It has been determined that participation of Senator GARN in the program in Spain, at the expense of the Foundation to discuss "Challenges in Modernizing the Business Sector in the Service of a Market Economy Society" is in the interest of the Senate and the United States.●

THE AMERICAN TEMPER SOLZHENITSYN MISSES

● Mr. CHURCH. Mr. President, although many have tried their hand, no one has written a better response to Alexandr Solzhenitsyn's recent Harvard address than the distinguished American poet-educator, Archibald MacLeish.

Any attempt on my part to characterize his superb reply, which appeared in yesterday's edition of the Washington Star, would be gilding the lily. Accordingly, without further comment on my part, I ask the MacLeish article be printed in the RECORD.

The article follows:

THE AMERICAN TEMPER SOLZHENITSYN MISSES

(By Archibald MacLeish)

Ever since Tom Paine, the American people have had the counsel and advice of friends from abroad in the long American debate about the purpose of the Republic. Was our Revolution, as Jefferson believed to his life's end, a "signal of arousing men to burst the chains," or was it simply a War of Independence, as John Adams kept saying? Tom Paine was on Jefferson's side in that. Was it "the Union" we were struggling to preserve, as Webster thought, in the years before the Civil War, or was Mr. Lincoln right at Gettysburg? Scores of English writers told us what to think about that issue. And now that we are a great power, leader of the free world in its confrontation with the most powerful and repressive police state in modern history, the debate goes on and the counsel and advice go with it. Are we responsible for the revolution of mankind which our Revolution launched? Solzhenitsyn spoke to us of that at Harvard at a great commencement under crimson banners in the June rain.

Solzhenitsyn is one of the most admirable men alive—a fine novelist, which means a trained and disciplined observer of the realities of human life—a man of noble spirit and unrivaled courage—a truly heroic figure who has suffered something close to martyrdom for his convictions. But Solzhenitsyn, unlike many of his predecessors in earlier generations, knows little of our American lives or of ourselves. His concern, understandably, is with his native country in its agony. He is an exile from the state police, an exile of the human spirit.

And he judges the Republic as such an exile would. Are we prepared, he asks, to oppose the tyranny which now rules Holy Russia and all the East of Europe? Are we prepared to risk our lives in such a struggle? Have we the courage? Or are we so softened by our generation of affluence, by our secular indifference to the human spirit, that we dare not fight? But though he asks these daring questions here—at Harvard—in a village in Vermont where he now lives—he is not truly here to ask them.

He sees few Americans, speaks little English, and what he knows of the Republic he knows not from human witnesses but from television programs, which present their depressing parody of American life to him as they present it also to us but with this difference—that we know the parody for what it is.

He reproves us for faults which would not be faults if he could talk to his neighbors in Vermont, to his fellow writers, his fellow men. We are irresponsible, he tells us. We put our freedom first, before our responsibility. But if he could talk to us, he would realize that we put our freedom first before our responsibility because we are a free people—because a free people is a people that rules itself—because it must decide for itself what its responsibilities are—because there is no one else to decide this for us—neither the state police nor a state church nor anyone.

If he could talk to us—if he had talked to us—he would know that we are not irresponsible, that we establish our responsibili for ourselves, seriously, painfully often.

And the same thing is true of our national will, which Solzhenitsyn talked to us about at Harvard on that June day in the cool rain. We have lost it, he told us, as though he had questioned us and knew our minds. But he had not questioned us and he did not know our minds. It is less than 40 years since the Second World War faced us with an issue which would have torn us apart had we not been free and so answerable to ourselves and to each other. We resolved that issue. We reached an agreement with each other about what we had to do. We did it. We reached the highest point in our history. And we have not changed. We have not changed in that one generation and will not change in another or another.

If Solzhenitsyn had talked to us—to a few of his neighbors in that village in Vermont—three or four of those who respect and admire him throughout the country—he would not have spoken those sentences at Harvard. He would have learned that we know who we are and what we have to become. He would have learned that we have not lost our will as a people—that it is precisely our will as a people which makes us true believers in that human spirit for which he means to speak.●

DOROTHY FULDHEIM: TV'S FIRST LADY

● Mr. GLENN. Mr. President, Monday is a very special day to all who know Dorothy Fuldheim. For about three decades—almost from television's inception—Miss Fuldheim has been a premier TV journalist with WEWS in Cleveland.

Monday marks Dorothy's 85th birthday, and at a time when most individuals have left work far behind, her pace continues unabated.

Dorothy Fuldheim's life has been so full and her contributions to society so great that I want to use this occasion to honor her personally and also on behalf of the many millions of my constituents who depend on her strong sense of honesty and integrity for daily commentaries.

The list of those she has interviewed reads like a "Who's Who" of modern history, from Hitler to Churchill to Carter. Kings and Presidents and dictators alike have been exposed to her incisive mind.

At a time when women were not often seen on camera, Dorothy Fuldheim rose to the top through her talent, perseverance and courage.

I have had the privilege of knowing Dorothy for over a decade. Every time we visit I come away renewed with her strong sense of intellectual concern about the world. She is one of the most profoundly thoughtful people I know, and this strong sense of intellectual interest combines with her commanding presence and the experience of decades in journalism. The end product is commentary of the highest quality. Even those who do not always agree with Dorothy Fuldheim share the greatest respect for her thoughtfulness, forcefulness, personality and, above all else, for her honesty.

Recently she has visited the west coast to be on NBC's Tonight Show, and her exchanges with Johnny Carson entertained the entire Nation. Through such programs, citizens far beyond northeast Ohio have come to realize anew that Dorothy Fuldheim, perhaps more than any active TV journalist today, has known and interviewed men and women of history whose actions influenced the lives of all Americans.

In my opinion, Mr. President, she is the first lady of television. Dorothy Fuldheim's example and her writings have motivated young people in their journalistic careers, and those of us who have the privilege of knowing her look forward to many more commentaries flowing from that corner office at WEWS.

Dorothy Fuldheim, to put it succinctly, is wise beyond her years.

She has taken Heywood Broun's words to heart:

I see no wisdom in saving up indignation for a rainy day.

Dorothy Fuldheim's indignation is constructive, respected, and full of life. May there never be a rainy day for Miss Fuldheim.

Mr. President, the spring 1978 edition of "Matrix," published by Women in Communications, Inc., included an excellent article on Miss Fuldheim, and I ask that it be printed in the RECORD.

The material follows:

CAREERS IN COMMUNICATIONS: TV CAREER LAUNCHED AT 54

Two generations of Clevelanders have been reared on Dorothy Fuldheim's commentaries on WEWS.

At 84, Fuldheim presents editorial comment live on WEWS 6:00 p.m. news, records for the 11 p.m. news and is an interviewer on the noon news. She's published four books and is a popular lecturer and book reviewer. "They just pour out to see what I'm like," she says.

Retirement? "I've told them at 98 I've got to quit."

To Clevelanders, Fuldheim is a television celebrity, an advisor and friend. Her listeners often express their affection with gifts of flowers and candy, but her commentary sometimes evokes violent reaction. When she editorialized about the "murders" on the Kent State campus in the 1970 shooting, she had to have police protection.

"I have the courage to say what I believe," she says. "I feel deeply and passionately and I convey that to my listeners."

Fuldheim was born Dorothy Violet Snell to poor parents in Passaic, New Jersey. She graduated from Milwaukee College, taught elementary school and later became an actress.

After seeing Fuldheim in a play, Jane Addams of Hull House in Chicago talked her into speaking at a Peace rally. That speech was the beginning of a lecture tour that led to Germany and Italy where she interviewed Hitler and Mussolini. She called Hitler a "fanatic with an evil soul," and Mussolini "a jackass" and lost her welcome in both countries.

In 1948, when she was 54, Fuldheim went to work for WEWS as a one-person news staff. "I just gathered the news," she recalls. She began the job handicapped by a sponsor who was leery of a woman newscaster. But the sponsor was won over and stayed with her for 18 years.

Among the thousands of television interviews Fuldheim has conducted, one of the most memorable was with Jerry Rubin of the Chicago Seven, which she never completed. She threw him off the show in midstream. "His manner, his attitude, his indictment of everything that was decent and disciplined made me sick," she wrote later in one of her books.

Fuldheim is now one of a large news staff at WEWS but functions autonomously. She reads nine newspapers daily for ideas and does her own research. The hard part, she says, is boiling down her commentaries to fit the two and half minute time limit.

She won't discuss job offers she's turned down, but there have been many. She's happy in Cleveland: "I've been here for fifty years. The city and the people have been very kind to me. And the awards! I have hundreds of them."

She was a national WICI Headliner in 1967. She received Cleveland's Academy Oscar, the Ohio Senate award and was honored by Cleveland on Dorothy Fuldheim Day. She was a guest on the Johnny Carson show in February.

Not one to take her accomplishments too seriously, Fuldheim explains them away with something about her "unique but unimportant talent." She says, "I do news and commentaries in a fashion simple enough to be understood. I think it's all nonsense that issues have to be complex."

Fuldheim is fond of saying that she can tell how much people make by the cost of their shoes. She wears $60 shoes. Her salary is more than $60,000 annually.●

ENRICHED URANIUM

● Mr. SPARKMAN. Mr. President, on April 20, the Nuclear Regulatory Commission, in a two-to-two vote, failed to approve the application for a license to export 7,683 kilograms of enriched uranium to India for the continued fueling of the Tarapur reactors.

Under the provisions of the Nuclear Non-Proliferation Act of 1978, the President may approve an export if the Nuclear Regulatory Commission fails to do so. On April 27, the President signed an Executive order approving the export. Under the act, the export cannot occur if, within 60 days of continuous session, Congress passes a concurrent resolution of disapproval. No such resolution has been introduced in the Senate.

At hearings on May 22 and 24, the Subcommittee on Arms Control, Oceans, and International Environment of the Committee on Foreign Relations received testimony from the four Nuclear Regulatory Commissioners and representatives of the Central Intelligence Agency and the Department of State. The Subcommittee also heard the Senator from Idaho (Mr. MCCLURE), and two non-governmental witnesses.

At its meeting on June 20, the committee considered the proposed shipment. Upon the motion of the Senator from Ohio (Mr. GLENN), the committee requested that I write to the President to communicate certain views in regard to the sale.

Mr. President, I ask that the text of my letter be printed in the RECORD following my remarks.

The letter follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., June 21, 1978.

THE PRESIDENT
The White House.

DEAR MR. PRESIDENT: The Committee on Foreign Relations has recently reviewed the proposed export of enriched uranium for continued fueling of India's Tarapur reactors pursuant to the provisions of the Nuclear Non-Proliferation Act of 1978 regarding congressional review of presidential determinations.

At hearings on May 22 and 24, the Subcommittee on Arms Control, Oceans and International Environment of the Committee on Foreign Relations received testimony from the four Nuclear Regulatory Commissioners and representatives of the Central Intelligence Agency and the Department of State. The Subcommittee also heard Senator McClure and two non-governmental witnesses.

The Committee discussed the proposed export on June 20. Upon the motion of Senator Glenn, the Committee requested that I write to you to communicate the following views of the Committee:

Substantial progress at an early date toward placing all peaceful nuclear activities in India under international safeguards is of critical importance. The executive branch should make a vigorous effort to secure Indian agreement to full-scope safeguards within 18 months of the enactment of the Nuclear Non-Proliferation Act of 1978. The executive branch and the Indian government should base their discussions on the anticipation that, if full-scope safeguards are not achieved, it is highly unlikely that a waiver allowing continued exports would be acceptable.

The President should make every effort to obtain from the Government of India agreement to the transfer of an amount of heavy water to the inventory of a safeguarded facility equal to all previous transfers of heavy water from the United states to India. In addition, the United States and India should seek to ensure that any additional heavy water shipments will result directly in increasing safeguards coverage.

The United States should also actively seek an arrangement with India ensuring that no spent fuel of United States origin could be used at any time for explosive purposes. Such agreement might provide for the United States to exercise its right to repurchase spent fuel should it desire to do so or to

maintain veto rights as to the future disposition of the fuel. It may not be necessary for the United States to have physical control of the fuel so long as the fuel will be assuredly under international safeguards and will not be handled in a manner unacceptable to the United States.

India and other nations have linked their acceptance of strong non-proliferation controls to success in achieving a comprehensive test ban and agreement on nuclear arms reduction. While success in other arms control endeavors cannot be a precondition for mutual agreement on nuclear safeguards, the administration should appreciate the concerns of such nations as India and should strive vigorously to achieve further arms control measures.

The Committee intends to follow closely the negotiating process and nuclear supply arrangements with India during the period before full-scope safeguards are specified in the Non-Proliferation Act.

Sincerely,

JOHN SPARKMAN,
Chairman.●

THE SOUTHERN CRESCENT

● Mr. HOLLINGS. Mr. President, on May 24, 1978, the South Carolina General Assembly passed a concurrent resolution to request the board of directors of Amtrak to operate the Southern Crescent passenger train between Washington, D.C. and New Orleans, La.

On behalf of the senior Senator from South Carolina (Mr. THURMOND) and myself, I ask that this resolution be printed in the RECORD.

The resolution follows:

RESOLUTION

Whereas, it has come to the attention of the members of the General Assembly that the Southern Crescent passenger train between Washington, D. C. and New Orleans, Louisiana has been losing money for several years; and

Whereas, Southern Railway, has filed an application with the Interstate Commerce Commission to discontinue the Southern Crescent; and

Whereas, passengers in the Piedmont area of South Carolina and particularly in Spartanburg, Greenville and Clemson would be adversely affected by its discontinuance; and

Whereas, Amtrak, under Congressional mandate, operates a national system of government-supported rail passenger service. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the Board of Directors of Amtrak is hereby requested to assume the contract agreed to by its management and Southern Railway to operate the Southern Crescent between Washington, D. C. and New Orleans, Louisiana.

Be it further resolved that copies of this resolution be forwarded to the President of the United States, to the United States Secretary of Transportation, the Interstate Commerce Commission, to Governor James B. Edwards, to each United States Senator from South Carolina and to each member of the House of Representatives of Congress from South Carolina.●

THE NATIONAL COMMISSION ON AIR QUALITY

● Mr. RANDOLPH. Mr. President, section 313 of the Clean Air Act Amendments of 1977 (Public Law 95–95), established a National Commission on Air Quality to study and report to the Congress on a variety of issues relating to air pollution and its abatement.

The act directs that the Commission will have 11 members including the chairman and ranking minority members of the Senate Committee on Environment and Public Works and the House Committee on Interstate and Foreign Commerce or their designees.

Mr. President, the Commission has been given an important mandate. Its findings will tell us much about the progress achieved in controlling air pollution and it can delineate what yet is to be accomplished and how we may more realistically achieve the goals of the Clean Air Act. I anticipate that membership on the Commission will require personal commitment of considerable time by its members. In examining the expected workload of the Committee on Environment and Public Works and my own Senatorial responsibilities, I do not believe that I will be able to commit the necessary time to the Air Quality Commission. Therefore, Mr. President, I have designated Senator GARY HART to serve in my place as the majority member from the Committee on Environment and Public Works. Senator HART was active in the development of last year's Clean Air Act and I know that he will bring to the Commission a knowledge and concern that will contribute greatly to the success of this work.

Mr. President, I ask that my letter to Senator HART be printed in the RECORD.

The letter follows:

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Washington, D.C., January 31, 1978.

Hon. GARY HART,
U.S. Senate,
Washington, D.C.

DEAR GARY: Your interest in serving on the National Commission on Air Quality, as indicated in your recent letter, demonstrates again your concern with our environmental efforts.

The public members of the Commission have not been named and I am informed that it may be several weeks before that action is taken and the Commission can be organized. I expect to have a very busy schedule during the coming year and do not believe that I will have the time to devote to the membership on the Commission that is required to make a real contribution to its work. At the proper time, I will be pleased to designate you to serve in my place.

It is a continuing pleasure to work with you as a Member of the Committee on Environment and Public Works and I look forward to counseling with you on the important issues we will face during the Second Session.

With best personal regards.

Truly,

JENNINGS RANDOLPH,
Chairman.●

U.S. POPULATION

● Mr. PACKWOOD. Mr. President, I wish to report that, according to U.S. Census Bureau approximations, the total population of the United States as of June 1, 1978, is 218,760,565. In spite of widely publicized reductions in our fertility levels, this represents an increase of 1,702,815 since June 1 of last year. It also represents an increase of 107,076 since May 1, 1978.

Over the year, therefore, we have added more than enough people to fill the city of Detroit, Mich. And in just 1 month, our population has grown enough to more than fill the city of Allentown, Pa.●

ORDER OF BUSINESS

(At the request of Mr. ROBERT C. BYRD the following statements were ordered to be printed in the RECORD:)

LOUISIANAN TO HEAD MEDICAL SOCIETY

Mr. LONG. Mr. President I am proud to call your attention to the fact that one of my constituents, Adele Spence, Ph. D., of New Orleans, Louisiana, will be installed as President of the American Society for Medical Technology (ASMT) at the close of its Annual Meeting in Denver, Colorado, on June 16, 1978.

Currently the Society's President-Elect, Dr. Spence has been extremely active during the many years she has served her profession. She has been both a leader in the advancement of medical technology education programs and with numerous activities concerned with the improvement of quality health care services in the nation's clinical laboratories. In my own state of Louisiana, Dr. Spence has been a prominent and active member of the Louisiana State Society for Medical Technology (LSSMT).

In addition to her position as Course Director in Dental Hygiene Microbiology and Laboratory Instructor in Immunology and Microbiology at Lousiana State University Medical Center in New Orleans, Dr. Spence has been an active participant in numerous medical technology workshops, seminars and conferences and has had papers published in many medical and scientific journals.

Dr. Spence is a certified microbiologist and received her Ph. D. in 1971 from Louisiana State University Medical Center, New Orleans, Louisiana. Dr. Spence has received numerous awards for scientific research including the prestigious Kimble Medical Technology Research Award in 1963, and was listed among Who's Who in American Men and Women in Science in 1975.

Mr. President, I would like to extend to Dr. Spence our best wishes for a productive year as she provides the outstanding leadership necessary for her profession and for the entire health care field.

BEEF IMPORT QUOTAS

Mr. ANDERSON. On Monday, June 19, I was honored to be added as a cosponsor to Senate Resolution 477, a resolution expressing this body's disapproval of President Carter's decision to suspend the beef import quota for the remainder of 1978.

On June 13, 1978, I sent a telegram to the President expressing the severe and unnecessary effects this decision will have on family farmers and ranchers, as well as every beef consumer in the nation. This decision, made in an effort to reduce inflation, will actually result in an increase in the long run inflation rate.

Mr. President, I would like to share this telegram with my colleagues. I request that it be printed in the RECORD.

Minnesota beef producers are sinking deeper and deeper into debt. Many will lose the farms they have worked so very hard to keep. I am sure this same story can be told of beef producers throughout the country. I urge my colleagues who have not already done so, to join in cosponsoring this resolution and to support attempts to have this decision reversed.

The telegram follows:

DEAR MR. PRESIDENT:

Your decision to allow beef imports to rise 15% will have a devastating effect for many cattlemen who have finally managed to re-

stock their herds and establish a sound business after five years of struggling with low prices. And though prices are now fair, it would still take an added 10¢ a pound increase if cattlemen are to break even.

The claim that added imports will stabilize prices and benefit the consumer is mistaken. Rather than being stabilized, beef prices will be severely depressed, and will, as a result, force thousands of livestock farmers—burdened by all-time record debts—out of business.

There will be few, if any, immediate benefits to the consumer in the form of a price relief at the retail meat counter. In the long run, the consumer will have to pay for this mistake because the low prices will force another cut-back in domestic production.

The drop in prices, as a result of the proposed additional imports, represents a loss in value on an annual basis for 1978 of 46.1 million dollars to Minnesota livestock producers. And now the decision is final, the domestic beef cattle prices can be expected to drop drastically. Further, the decision insures an added five billion dollar trade deficit which neither our national economy, consumers nor domestic agriculture can afford. This step is not one to take in an attempt to curb inflation; rather, we risk that the U.S. dollar will drop even further, and the measure could be inflationary worldwide.

It is clear that one part of the agriculture economy cannot be touched without effects on all other aspects. It is essential that we do not tamper with the free market economy when it is working to give a fair return to producers and stabilize prices for consumers. Manipulation of beef prices means manipulation of grain prices as well, and everyone involved in the agriculture business gets hurt.

I believe your action is too drastic and too soon. I urge you to reconsider your decision to allow higher quota imports.

Respectfully,

WENDELL R. ANDERSON,
U. S. Senator.

SENIOR CITIZENS RIGHTS AND PROGRAMS

Mr. ANDERSON. Mr. President, the 95th Congress has been a critical two-year period for development and expansion of senior citizens' rights and programs.

Most recently, Congress has approved legislation prohibiting mandatory retirement before the age of 70, an important bill for working seniors. Last year's enactment of legislation raising the Social Security earnings limitation to $4,000 in 1979, to $4,500 in 1980 and to $5,000 in 1981 was also a significant gain for active, productive seniors who choose to stay in the job market.

Human services for the elderly will be bolstered by legislation extending the Older Americans Act, which, since its adoption 12 years ago, has provided a wide range of services to the elderly through senior centers, nutrition sites, model projects and an employment program. Services under consideration for addition to the Act include legal services for the elderly, nursing home ombudsman services and community long-term care.

This progress, long overdue as it is, underscores a new, more sensitized Congressional commitment to senior citizens. Several measures which will benefit seniors are making encouraging advances in Congress. One would limit the hospital costs which fall so heavily on the elderly, and another would provide nutritious, home-delivered meals for homebound seniors including approximately 56,000 Minnesotans. Legislation I cosponsored in the Senate to extend Medicare coverage to rural health clinics that do not have full-time doctors was enacted into law in March.

I request that the following summary of programs and legislation for senior citizens be inserted in the RECORD.

The material follows:

FEDERAL PROGRAMS FOR SENIOR CITIZENS

Many Senior Citizens are unaware of federal programs that can help provide jobs, income, food, and medical care.

INCOME SUPPLEMENTS AND JOBS

Two forms of supplemental income are available to persons 62 years of age and older. Social Security benefits are available to persons who have been employed in jobs covered by Social Security for a specified period. Supplemental Security Income (SSI) programs also cover certain persons aged 65 and older, as well as blind and disabled people with limited income and resources.

FOOD AND NUTRITION

The National Nutrition Program for Older Americans provides low-cost meals for persons aged 60 and older and their spouses. Although some meals can be home-delivered, most meals are provided in community centers, schools, churches, and public housing.

Also, many low-income, senior citizens can receive food stamps to supplement their food budget.

Economically disadvantaged persons 55 years and older are eligible for employment through the Department of Labor's Senior Community Service Employment Program (SCSEP) under Title IX of the Older Americans Act. Through this program, senior citizens are placed in part-time community service jobs which pay an average of $2.50 per hour.

Participants in the SCSEP program work in day-care centers, schools, hospitals, facilities for the handicapped, conservation and restoration projects. Workers under this program also receive yearly physical examinations, personal and job-related counseling, job training, and, in some cases, placement in unsubsidized jobs.

Three other jobs programs are available to Minnesotans. The Green Thumb program is set up by the Farmers Union to employ senior citizens in farm-related fields. Senior Aid is a program under the auspices of the National Council of Senior Citizens. And, the U.S. Forest Service operates a senior citizens' program.

HEALTH AND MEDICAL CARE

Medicare and Medicaid programs help senior citizens with medical bills. Nearly all persons 65 years of age and older are eligible for Medicare benefits. Over-65 persons who are entitled to social security or railroad retirement benefits are automatically covered under Medicare's basic hospital insurance plan. For further information on Medicare coverage, contact your local Social Security Administration office.

Medicaid may pay for a variety of hospital and medical services for low-income elderly not eligible for Medicare benefits and for services not covered by Medicare. For elderly persons already covered by Medicare, Medicaid may pay for necessities like eyeglasses, dental care, prescribed drugs, and long-term nursing home care.

Information on these programs can be obtained from your local Social Security Administration or County Welfare office or the Governor's Manpower Office in St. Paul.

OLDER AMERICANS ACT

The Older Americans Act was originally enacted in 1965 and significantly restructured and expanded in 1973. This legislation, which instituted a wide variety of programs for the elderly, has been a cornerstone in efforts to provide senior citizens with the basic services they need to live independently.

In addition to providing for continuation of programs like home health care, homemakers services, escorts and shopping services, information and referral, congregate meals, and gerontology training and research, this year's amendments to the Older Americans Act include new provisions to support home-delivered meals for the elderly, long-term care ombudsman services, legal services, and a 1981 White House Conference on Aging.

The amendments were reported by the Committee on Human Resources on May 15th, and favorable action by the full Senate is expected in the near future.

MANDATORY RETIREMENT

In April legislaiton prohibiting mandatory retirement before age 70 was signed into law.

Although supporters of the legislation had hoped that the mandatory retirement age would be lifted altogether, the age 70 cutoff compromise was developed so that the impact on pensions and the labor force could be assessed. The age 70 ceiling applies to private-sector employees only; the mandatory retirement age for federal employees has been completely eliminated—a very positive step.

Enactment of this legislation was an important move toward recognition of the contributions senior citizens can make in the work force and in society as a whole. It makes no sense to squander the talents and experience of aging citizens by imposing an arbitrary limit on the number of years they can work.

REDUCE AIRFARES

This legislation provides an opportunity for individuals 65 years of age or older and handicapped persons to become eligible for reduced airline rates on a space-available basis. This bill, S. 884, was incorporated into Public Law 95–163 on November 9, 1977.

PROPERTY TAX RELIEF

This legislation provides federal funds for state programs which provide payments on behalf of senior citizen homeowners for the purpose of paying real property taxes. The heavy burden of property taxes on the homes of the senior citizen of this country has become a critical problem in the last several decades because of the rapid increase in local property taxes. This bill, S. 2138, is an attempt to provide senior citizen homeowners with a method, on a strictly voluntary basis, to take advantage of the inflated value of their homes, to remain living in them, and to continue to hold full legal title to their homes.

The system authorized in S. 2138 would work as follows: A senior citizen would apply to a state agency to have the state annually pay the property taxes on his home for him. In return, the senior citizen would agree to keep the home in repair and to repay the state the property taxes on the home if it is sold. If the senior citizen dies, the contract would then become due, and the state agency would be repaid from the estate of the homeowner.

S. 2138 is one method for state governments to relieve senior citizen homeowners from the increasing burden of local property taxes. It is not a substitute for direct property tax relief programs or an excuse for government not to control spending so to limit property tax increases. S. 2138 is pending before the Committee on Banking, Housing and Urban Affairs.

LIFELINE FOR THE ELDERLY

This bill, S. 1364, requires the Public Utility Commission to establish a "subsistence" level of electricity necessary for cooking, heating, food refrigeration, lighting, cooling, medical and other essential services. The rate charged for this electricity would be equivalent to the lowest rate charged to any customer of the utility at the time of enactment of the bill.

As you may know, large bulk users of electricity are charged rates lower than residential customers. This lifeline for the elderly would be a reasonable interim solution until the entire electric utility rate structure is reformed.

This legislation passed the Senate as part of the Omnibus Energy Plan and is pending before the Senate-House Energy Conference Committee.

MINNESOTA SURVEY

Mr. ANDERSON. I recently mailed a 35-question opinion survey to Minnesotans. More than 22,000 returned the survey. I think that my colleague will find the results interesting and useful.

I request that the results of my survey be printed in the RECORD.

The survey follows:

Economic issues

	Yes	No
Do you favor a comprehensive national health insurance plan?	56	44
Do you favor a tuition tax credit for parents with children in private schools or colleges?	49	51
Should mail delivery be kept at 6 days per week?	74	26
Do you favor requiring able-bodied persons who are receiving welfare to take a private or public job if offered?	97	3
The President recently announced his proposal to reform the Federal Civil Service. Do you favor:		
a. Limiting the priority given to to veterans in hiring to a ten-year period?	73	27
b. Ending "double dipping"? (Drawing a government salary and pension at the same time.)	84	16
More than 6 million people are now out of work. To solve this problem, do you favor:		
a. The federal government doing nothing?	16	84
b. Putting federal funds into Public Works projects?	67	33
c. Providing federal funds to state and local governments for public service jobs?	68	32
d. Cutting individual income taxes to stimulate consumer demand?	78	22
e. Cutting business taxes to raise profits and stimulate investment?	50	50

Energy issues

Should the government provide funds for developing gasohol from grain?	76.5	23.5
Are you in favor of developing Minnesota's vast peat reserves as an energy source?	80	20
Do you favor deregulating (removing price controls from) natural gas?	24	76
Would you favor gasoline rationing as a means of conserving energy?	46	54
Do you favor tax credits for installing energy-saving devices in your home?	76	24
Do you think residential and industrial users should be charged at the same rate for the electricity they use?	50	50
Do you approve of President Carter's action invoking the Taft-Hartley Act to end the coal strike?	80	20
Should the U.S. do more to develop and utilize its domestic coal resources?	91	9
Do you favor the construction of additional nuclear power plants in Minnesota?	52	48
Should the U.S. sell Alaskan oil to foreign governments?	13	87
Would you favor federal legislation that would permit power lines to be installed along existing highway right-of-ways wherever possible?	91	9
Do you believe that more research should be done on the uses of solar energy?	95	5

Agricultural issues

Should farmers be guaranteed 100 percent of parity prices for their products?	24	76
Or, should farmers be guaranteed only their cost of production?	60	40
Do you feel the federal government should make a greater effort to sell surplus agricultural goods overseas?	83	17
Do you support the farmers' strike to gain higher prices?	50	50
Would you be willing to pay somewhat higher prices for your food to preserve the family farm?	80	20
Would you support legislation limiting the amount of agricultural land that could be sold to foreign investors?	92	8
Should the U.S. have a more restrictive policy for the importation of foreign agricultural products?	79	21

Environmental issues

Do you favor banning all "non-returnable" beverage containers?	64	36
Do you feel that the new Canadian power plant at Atikokan, Ontario, is a hazard to the quality of air in Northern Minnesota?	43	57
As more and more power plants are converting to coal, are you willing to pay more for your electricity to pay for air pollution control equipment that would maintain clean air?	58	42
Which of the following is closest to your position on the use of snowmobiles and motorboats in the BWCA? (Check one)		
32a. No snowmobiles or motorboats.		
59b. Allow some snowmobile trails and motorboat routes.		
9c. Unlimited use of snowmobiles and motorboats.		

General issues

Would you favor a Constitutional amendment to abolish the electoral college and provide for the direct election of the President?	81	19
Would you favor federal legislation that would restrict sex and violence on television?	72	28
Should crime victims receive federal aid?	58	42
Would you support legislation that would impose penalties on employers who hire foreign nationals who enter the U.S. illegally?	86	14
Current U.S. policy requires that we provide Japan's military protection free of charge. Check the statement that is closest to your position.		
4a. Continue this policy. It is worth it to keep Japan from rearming.		
69b. The Japanese should compensate the U.S. for providing military protection either through direct payments or trade concessions.		
27c. The Japanese should pay for their own defense and build up their armed forces.		

SENATOR McINTYRE AND THE SMALL BUSINESS ENERGY LOAN ACT

Mr. ROBERT C. BYRD. A key to the solution of our Nation's energy problems lies in the development and use of alternative power sources. While we recognize that such energy sources as solar or wind power cannot replace fossil fuels in all cases and in all regions of the country, they can and will play an important role in meeting our future energy needs.

The Small Business Energy Loan Act, which was recently approved by Congress, will provide small businesses with loans or loan guarantees to manufacture and market energy conservation and renewable energy products and services, such as solar energy equipment.

This important piece of legislation represents a significant contribution on the part of its sponsor, the distinguished Senator from New Hampshire, Mr. McINTYRE.

Representing a State which has been heavily dependent upon imported oil, Senator McINTYRE has been a leading advocate of the development of solar and other forms of alternative energy. He has become widely recognized for his knowledge of and interest in alternative energy sources, and the Small Business Energy Loan Act is evidence of his efforts in this field.

Senator McINTYRE is a leader in the solar coalition, a bipartisan group of Senators and Representatives who seek to promote alternative sources of energy. His work in this area resulted in his being presented with an award of recognition by the Solar Energy Industries Association for "his continued support of emerging solar energy industries."

In addition, Senator McINTYRE has extensive experience on the Select Committee on Small Business and has become an authoritative voice on matters affecting small business. He has been honored by a number of organizations for his outstanding contribution in this area, including his efforts to ease the Federal paperwork burden on small businesses.

Senator McINTYRE consistently demonstrates his concern with the problems affecting the small business community. Small business is the backbone of our economy, and it is the entreprenurial spirit of small business that provides an innovative spur to the marketplace by generating new ideas and approaches. Given a fair opportunity, small business firms produce goods and services of high quality. However, smaller companies are often foreclosed from the capital markets. Innovation usually means risk, and obtaining capital for small business projects can be extremely difficult.

The Small Business Energy Loan Act both encourages the development of small businesses and addresses the national energy problem. This dual-purpose bill also represents action on two fronts in which TOM McINTYRE has been particularly active and on two matters of special importance to his constituents—energy and small business.

The Small Business Energy Loan Act will assist small buusinesses in obtaining the necessary capital for the produc-

tion and marketing of alternative energy and energy conservation devices. The act has solid underpinnings; it recognizes that the risks may be high in this area, and that the loans or loan guarantees must be provided only to those concerns which demonstrate sound business practices. The act authorizes the Small Business Administration to provide an individual or a small business with a loan guarantee of up to $500,000, or a direct loan of up to $350,000 in order to introduce new energy products into the market. These are among the provisions of the act that will insure that the dual objectives of promoting growth in small business and in the field of alternative energy will be met at minimal expense to the Government.

The Small Business Energy Loan Act is a tribute to the persistent efforts of Senator McINTYRE, who introduced this bill in February 1977, and then guided it through the legislative process. Firmly believing the merits of the bill and the benefits it would provide, Senator McINTYRE was a strong advocate of this measure and it is to his credit that it will be enacted.

Energy and small business are but two of the areas in which Senator McINTYRE has made a significant contribution. He serves with distinction on the Committee on Armed Services, where he is chairman of the Research and Development Subcommittee. He is acknowledged as a premier expert in the field of military research and development.

In addition, as a member of the Committee on Banking, Housing, and Urban Affairs, Senator McINTYRE presides over the Financial Institutions Subcommittee, where he has led the fight for nationwide NOW accounts.

The vitality of our Nation's small business enterprises and the resolution of our national energy problems are issues that affect all Americans. They are matters of particular interest to the people of New Hampshire, but they also are vital to the people of West Virginia and our entire Nation. Senator McINTYRE has persevered in working for the passage of the Small Business Energy Loan Act, as he has done with other important legislative measures, and he deserves our commendation for his valuable contribution to the U.S. Senate and to the United States of America.

VALDEZ TO LONG BEACH

Mr. STEVENS. Mr. President, Members of the Senate are well aware of the complexity of the trans-Alaska pipeline system. The 789-mile pipeline running from Prudhoe Bay to the Port of Valdez was built under very difficult conditions and received a great deal of coverage in the national press during its construction. One phase of the oil transportation system which has not received as much attention is the tanker traffic between Valdez and the west coast of the United States. A recent article in Time magazine entitled, "In Alaska: An Oil Tanker Sails," recounts the story of a voyage from Valdez to Long Beach. Oil shipment by tanker is a complicated business demanding great skill and very careful work. I encourage the Members of the Senate to review this article to understand the important role Alaska does play as a supplier of energy to the "lower 48."

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Time magazine, June 19, 1978]

IN ALASKA: AN OIL TANKER SAILS

At night from the summit overlooking the harbor, there is a stunning view of cold, moonlit mountains bending down to a deep bowl of dark water: Valdez Harbor, Alaska, the end of the endlessly fought-over trans-Alaska pipeline. Far below sits a cluster of saucer-shaped storage tanks. Pairs of fat aluminum pipes stretch toward shipping berths 500 yds. out from shore at the tip of long, brightly lit piers. At one berth, the black shape of a tanker lies like a beached whale being fed intravenously. The tanker is hooked to four hydraulically powered feeder lines. All night long it will suck crude oil out of these cold mountains for the lamps and fires and engines of America.

The ship is named the S.S. *Arco Anchorage*, and it leaves at dawn for Long Beach, Calif., carrying 120,000 tons of oil. Outside the harbor's "narrows," a glitter of orange lights signals the impatience of the 800-ft.-long, 71,500-ton Exxon *New Orleans*, waiting its turn at the spigot. Though they are less than half as big as the Ultra-Large Carriers (ULCCs), both ships are leviathans of 20th century technology: supersized carriers of an increasingly scarce resource. They are also dinosaurs. When the oil is gone, or is replaced as an energy source, these tankers will follow it into history's technological dustbin. Thereafter, nothing to be carried between continents in the foreseeable future seems likely to require supertankers.

Daylight breaks early this time of year. Shortly after 3 a.m., wintry light quickly overtakes the fishing village of Valdez. On Good Friday of 1964, an 8.4-scale earthquake killed 31 people and forced the town to relocate. Then came a cultural and economic upheaval caused by the pipeline. Nearly 4,000 construction workers and $150-per-hour prostitutes swiftly turned Valdez into a rollicking boomtown. Life is calmer now. The construction workers have left, and the tanker trade has created lucrative permanent jobs. Valdez has a modern high school to show for its troubles and a small, gleaming new hospital to serve its 4,500 inhabitants. Doubtless in response to environmentalists' protest, the eight-member consortium that runs the terminal takes great care to maintain a freshly scrubbed, spill-conscious image. Sea lions play in the water alongside the piers, salmon and herring run in season, and 24-hour emergency crews stand by to contain spills with floating booms, chemicals and scooping devices. Since tankers began arriving last year, about 20 bbl. of oil have been spilled. Two hundred fifty million bbl. have been shipped out. Still, nature and technology do collide here. No one questions that.

As daylight spreads through the harbor's amphitheater, Captain Tom DeTemple, 62, the flinty master of *Anchorage*, is fretting to be gone. Her chief mate, Harvey Portz, 28, is wrestling with a trimming problem. "She starts to list a little, I pinch down on it," he says in an amiable nasal twang, propping his boots on a big console overgrown with gauges and dials in the ship's cargo-control room. "She's trim by the stern now, but I'll have the draft more forward when we leave. Out to sea, I'll pull in the ballast, and she'll be flat." Translation: Portz is monitoring the 106,000-bbl.-per-hour rush of crude oil into 13 separate storage tanks, some big enough for full-court basketball. The ship must settle on an even keel, yet the tanks cannot be filled simultaneously because it could lead to spills. Portz has to route, or "pinch," the flow back and forth to maintain a rough equilibrium. "Right now you've got to avoid having everything top off at once," he concludes in mixed landlubber jargon. "It's like filling a lot of bathtubs. You have to keep them from running over."

As the 7 a.m. departure approaches, 33 crew members on deck and below are beginning their duties. The surprisingly clean engine room, below and aft, is bigger than the devil's furnace in a fevered imagination. Ship's engineers are checking giant boilers and huge cooling systems that support the 23,500-h.p. turning of a 64-ton propeller. In the galley, blonde, green-eyed Karen Honold, 20, an assistant cook who looks like a movie starlet and makes $906 a month (not counting overtime), is baking a chocolate cake. On the bridge, Captain DeTemple is stalking about in conventional irritation at having to share his command with Harbor Pilot Jim Hurd, the curly-headed Alaskan in charge of maneuvering *Anchorage* through the narrows. With a tug's help we get under way. Thirty minutes out Hurd calls for a hard left turn, followed by mildly tricky navigation past a needle-shaped island named Middle Rock. The channel is close to a half-mile wide, one of the safest in the world. But even so there is obvious danger as the icy gauntlet of mountains seems to close in around us. "You want to be lined up right," Hurd explains with a smile, "or you get all bent out of shape." Translation: if the helmsman is not careful, the tanker's enormous weight and inertia will make it keep on turning long after it should have straightened out on a new course.

At sea *Anchorage's* keel rides 52 ft. below the surface like the bottom of a rogue iceberg. Imagine a seven-story office building a block long filled with crude oil, and a sense of the economic and environmental impact of an average supertanker comes clear. A single trip south is worth $11 million to Arco. Refined, this one load could fuel 20,000 cars and heat 6,000 average-size houses for a year. If spilled, it would foul hundreds of miles of coastal beach, kill unbelievable amounts of sea life. Either way, the stakes are high.

When the weather is good, the days at sea are soon as alike as shuffled cards. The ship's engines throb. Work and sleep are punctuated by overstuffed meals, paperback novels and video tapes of old movies, shown in the crew lounge. Each morning half a dozen sleek brown albatrosses cruise behind *Anchorage*. At a certain place near the bow, the muffled, somehow threatening roar of oil moving in its underwater caves comes to the ear. Always, the ship's bridge is where to be. Nesting several stories above the deck, the size of a Manhattan penthouse, Tom DeTemple's working headquarters is a place of polished wood, shined brasswork, studded with radar and sonar devices, charts, gyroscopes an a coffeepot perking away near a portside window. The vast flat deck stretches out before it like an abstract canvas. Gray pipelines crisscross its surface like giant pencil strokes. Darker intrusions of color are provided by pump terminals, winches and a spare propeller strapped to the deck like a small flying saucer.

But Alaskan sea weather is notoriously perverse: gala winds, huge swells are common south of Valdez, and when they begin, as they always do, the ship's roll can pitch sailors out of beds and chairs. Al Scara, 26, a young maritime-school graduate from New Jersey, instructs me in coping: "You put one side of your mattress against the bulkhead. Your life preserver props up the other. Then you jump in the middle like a hot dog in a roll." On a previous run, a seven-month-

old kitten named Scuttlebutt was playing in a doorway when *Anchorage* rolled heavily and the door slammed like a guillotine, slicing off its tail. The tail has been preserved for observation in a desk drawer.

On the second night, the waves crest to 40 ft. The winds reach 80 m.p.h. In our cabin a rollaway cot gets loose and careens back and forth for hours, giving my cabinmate a severe case of "porcelain worship"—what the *Anchorage* crew calls seasickness. The tanker is rocking like a huge cradle. Spray explodes over the deck in big phosphorescent clouds. Each time the ship hits a strong swell head on, a perceptible shudder passes through its hull. And each time sailors at work and play are reminded that tankers do break up. "When you see the bow waving at you," intoned Seaman Frank Kelley, 23, "you worry."

The waters are calmer next day. The crew's TV set is picking up reassuring local news and Johnny Carson's monologues from stations in Oregon and northern California. We reach Long Beach on a sunny, fool's-gold Friday morning six days out of Valdez. On an ebbing tide *Anchorage's* massive hull clears the harbor entrance by just 15 ft. We are back in the industrial world that requires supertankers: dirty waterways filled with shoulder-to-shoulder freighters and loading docks; land crowded with gasoline pumps, warehouses and waiting trucks. Those icy mountains reflected in the surface of Valdez Harbor seem very far away.

—JAMES WILLWERTH.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. BUMPERS). Is there further morning business? If not, morning business is closed.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on Monday the Senate will come in at 9 o'clock a.m. May I ask the Chair, are there any orders for the recognition of Senators on Monday?

The PRESIDING OFFICER. Only the orders for recognition of the two leaders, for 2 minutes each.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, after the two leaders have been recognized, I believe the order has been entered for the Senate to proceed to the consideration of Calendar Order No. 783; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, on Monday, the Senate, having come in at 9 o'clock a.m., will shortly thereafter proceed to the consideration of Calendar Order No. 783, I would say about 10 minutes after 9 o'clock.

Calendar Order No. 783 is a bill (S. 2579) to amend the Public Health Service Act to establish the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research. There is a time agreement on that bill.

Upon the disposition of that bill—and it is expected that it will be disposed of on Monday—the Senate will proceed to the consideration of Calendar Order No. 769, S. 2450, a bill to extend the assistance programs for community mental health centers and for biomedical research. And, Mr. President, I should think that with the time agreement on that bill which the Senate has entered into, that bill should be disposed of on Monday likewise.

Upon the disposition of that measure, the Senate will proceed to Calendar Order No. 770, S. 2466, a bill to amend the Public Health Service Act to establish the National Institutes of Health Care Research; to extend and revise the assistance programs for health services research and health statistics; to establish the National Center for the Evaluation of Medical Technology; and for other purposes. There is a time agreement thereon. It is possible that the Senate will dispose of that bill on Monday also.

I have already attempted to get a unanimous-consent request agreed to that would provide that no votes occur before 5:30 p.m. on Monday, but there is an objection to that request. The very best I can do would be that there be no votes prior to 3 or 4 o'clock. I am in no position to proceed further with that request at this time.

I should say, then, that on Tuesday the Senate will again come in at 9 o'clock a.m. After Mr. STEVENS has been recognized under the order previously entered, the Senate will take up Calendar Order No. 873, H.R. 12930, the Treasury appropriation bill.

At 10 o'clock a.m., the Senate will go into executive session and will proceed immediately, without intervening motion or debate or amendment of any kind, to vote on the resolution of ratification of the United Kingdom Treaty, which will include the reservation by Mr. CHURCH. That, of course, will be a rollcall vote.

The Senate then, without further intervening debate or motion, will go back into legislative session and will continue its consideration of the Treasury appropriation bill, if that bill has not been disposed of at that time, and upon the disposition of the Treasury appropriation bill the Senate then will resume its consideration of any one of the measures which have been mentioned as having a sequence prior to that time, S. 783, S. 769, S. 770, whichever may be the case.

Upon the disposition of the Treasury appropriation bill, and if Calendar Orders Nos. 783, 769, and 770 have been dispensed with at that time, the Senate will proceed to the consideration of Calendar Order 733, S. 419, the oil shale bill, on which there is a time agreement.

By the way, there is a time agreement also on the Treasury appropriation bill.

All that is to say that we have plenty of business to carry us through Monday and probably Tuesday, and as I have already secured an order to come in early, that speaks for itself. The Senate will be staying in late in the evenings. There is no question but that the recent skirmish over the so-called labor reform bill—and it was a skirmish, it was not the end of the battle, the end of the fight—did cause some legislation to get piled up.

With the holiday coming up, which will mark the anniversary of the independence of our country, in the words of Robert Frost:

The woods are lovely, dark and deep.
But I have promises to keep,
And there are miles to go before I sleep.

So we have legislative miles to go before we sleep, hopefully, during a part of the holiday. Senators should be prepared for rollcall votes every day—Monday, Tuesday, Wednesday, Thursday, and Friday.

Now, having said that, it will be my intention to call up the New York City aid bill no later than next Thursday. I hope that between now and then we can reach an amiable agreement whereby the bill will be called up and maybe with a time agreement thereon. But if there be no time agreement thereon, we still will hope to proceed with the consideration of the bill. I would have every expectance of being able to work matters out so that we can dispose of that bill before the Senate goes out for that Independence Day holiday.

Mr. MOYNIHAN. Will the distinguished majority leader yield?

Mr. ROBERT C. BYRD. Yes.

Mr. MOYNIHAN. I thank the majority leader and also my good friend the acting minority leader for their thoughtfulness in this matter. There is a specific situation, which is that the Seasonal Loan Act, under which New York City is now operating, expires on the 30th of June. Without the prospect of a long-term loan as proposed by the President, New York City does face a technical possibility of bankruptcy over the Fourth of July weekend, such that if some of our distinguished colleagues might wish to be in New York City during that period they might find the city closed, which we would not want to have happen.

It is my understanding that if the Senate has acted, even though a conference committee has not been able to meet and legislation is not final, interim financing arrangements for the first few days in July will be possible and all will be well.

As the majority leader knows, this measure passed by a very resounding vote in the House and has been reported by the Banking Committee by a 12-to-3 vote. The bill will be managed on the floor by the distinguished chairman of the Banking Committee, who does very much hope it can be disposed of. I thank the majority leader for his cooperation.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from New York (Mr. MOYNIHAN), who has, on many occasions, come to my office to

talk to me about this legislation. It is because of the urgency which he has so well expressed that I am going to do everything I possibly can to see that the Senate considers this measure and disposes of it before it goes out for the holiday.

Mr. MOYNIHAN. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the Senator.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO 4 P.M. MONDAY, JUNE 26, 1978

After having conferred with the distinguished acting minority leader, Mr. President, I ask unanimous consent that no rollcall votes occur on Monday prior to the hour of 4 o'clock p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Presiding Officer (Mr. BUMPERS), who presides over this Senate with a degree of dignity, efficiency, and skill as rare as a day in June. May I say that Plato thanked the gods for having lived in the age of Socrates. I thank the gods for having lived in the age in which I could serve with the distinguished Senator from Arkansas (Mr. BUMPERS), who presides over the Senate at the moment, and serve with the distinguished Senator from Alaska, who is always my friend and always at my side when we consider Interior appropriations bills together, who is diligent, dignified, decorous, and darned efficient. Four d's. How is that?

Mr. STEVENS. Mr. President, should the Senator from Alaska speak for the Chair and himself and thank the distinguished majority leader for his comments and urge him to consider that perhaps history would be better served if we just recessed?

Mr. ROBERT C. BYRD. I wish we all kept in mind at all times in the Senate how history could be best served.

RECESS UNTIL 9 A.M., MONDAY, JUNE 26, 1978

Mr. ROBERT C. BYRD. In response and in acquiescence to the suggestion of the distinguished Senator from Alaska, whose heart is as stout as the Irish oak and as pure as the Lakes of Killarney, I move, in accordance with the order previously entered, and in accordance with Senate Resolution 490, as a further mark of respect to the memory of the deceased Honorable Clifford R. Allen, late a Representative from the State of Tennessee, that the Senate stand in recess until the hour of 9 o'clock a.m. on Monday next.

The motion was agreed to; and, at 4:19 p.m., the Senate recessed until Monday, June 26, 1978, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23, 1978:

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

Anita M. Miller, of California, to be a member of the Board of Trustees of the Harry S. Truman Scholarship Foundation for a term expiring December 10, 1983.

DEPARTMENT OF STATE

Adolph Dubs, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Afghanistan.

Frederic L. Chapin, of New Jersey, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

William H. Gleysteen, Jr., of Pennsylvania, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

Morton I. Abramowitz, of Massachusetts, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Thailand.

OVERSEAS PRIVATE INVESTMENT CORPORATION

The following-named persons to be members of the Board of Directors of the Overseas Private Investment Corporation for terms expiring December 17, 1979:

James M. Friendman, of Ohio.

Richard R. Swann, of Florida.

Edward L. Marcus, of Connecticut, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1980.

DEPARTMENT OF JUSTICE

Philip B. Heymann, of Massachusetts, to be an Assistant Attorney General.

Rufus E. Thompson, of New Mexico, to be U.S. attorney for the district of New Mexico for the term of 4 years.

Paul F. Murray, of Rhode Island, to be U.S. attorney for the district of Rhode Island for the term of 4 years.

DEPARTMENT OF THE TREASURY

Donald Cyril Lubick, of Maryland, to be an Assistant Secretary of the Treasury.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Mary Johnson Lowe, of New York, to be U.S. district judge for the southern district of New York.

Shane Devine, of New Hampshire, to be U.S. district judge for the district of New Hampshire.

HOUSE OF REPRESENTATIVES—*Friday, June 23, 1978*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Depart from evil and do good; seek peace and pursue it.—Psalms 34:14.

Eternal God, who art the Father of us all, come Thou anew into our hearts with Thy gentle love and Thy gracious forgiveness and lead us as we seek to work together for the best interests of our beloved Nation. Deliver us from hardness of heart and selfishness of spirit. Fill us with lasting love and full faith that we may work together for the greater good of our country and the best interests of the people on our planet. Keep Thy Spirit alive within us and walk with us until our eyes are open, our hearts receptive and our minds responsive to Thee that the miracle of a new day for our Nation and our world may be opened before us: for Thy name's sake. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate insists upon its amendments to the bill (H.R. 8149) entitled "An act to provide customs procedural reform, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. TALMADGE, Mr. RIBICOFF, Mr. HARRY F. BYRD, JR., Mr. NELSON, Mr. MOYNIHAN, Mr. CURTIS, Mr. HANSEN, Mr. PACKWOOD, and Mr. ROTH to be the conferees on the part of the Senate.

CALL OF THE HOUSE

Mr. FOLEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 487]

Abdnor	Davis	Jeffords
Addabbo	Dellums	Jenrette
Ambro	Dent	Jordan
Andrews, N.C.	Diggs	Kasten
Archer	Dingell	Ketchum
Armstrong	Early	Krueger
Ashbrook	Eckhardt	Le Fante
Ashley	Edwards, Calif.	Lent
AuCoin	Edwards, Okla.	Lloyd, Calif.
Bafalis	Evans, Colo.	Long, La.
Baldus	Fish	Luken
Barnard	Fithian	McClory
Baucus	Flowers	McCloskey
Beard, Tenn.	Ford, Mich.	McCormack
Bellenson	Fowler	McDonald
Biaggi	Fraser	McEwen
Bingham	Frenzel	McKay
Bonior	Frey	McKinney
Bowen	Gammage	Maguire
Brooks	Garcia	Mann
Brown, Calif.	Gaydos	Marriott
Brown, Ohio	Gephardt	Martin
Burgener	Giaimo	Mathis
Burke, Calif.	Gibbons	Meeds
Burton, John	Goldwater	Metcalfe
Butler	Hall	Meyner
Caputo	Hammer-schmidt	Mikva
Chisholm		Milford
Cleveland	Hanley	Moakley
Cohen	Harrington	Moffett
Collins, Ill.	Harris	Mottl
Conyers	Harsha	Murphy, Ill.
Corman	Heckler	Murphy, N.Y.
Cornwell	Holland	Nichols
Cotter	Hollenbeck	Nix
Crane	Huckaby	Ottinger
Cunningham	Ichord	Panetta
D'Amours	Ireland	Patterson

Pepper	Sarasin	Tucker
Perkins	Sawyer	Ullman
Pickle	Scheuer	Vander Jagt
Pike	Seiberling	Walker
Pressler	Shipley	Walsh
Pritchard	Simon	Weiss
Quie	Skubitz	Whalen
Rangel	Solarz	Whitten
Reuss	Spellman	Wiggins
Richmond	St Germain	Wilson, C. H.
Rodino	Stangeland	Wilson, Tex.
Rogers	Stark	Winn
Roncalio	Stokes	Wolff
Rostenkowski	Symms	Wright
Rousselot	Teague	Wydler
Rudd	Thone	Young, Alaska
Runnels	Thornton	Zablocki
Ryan	Traxler	Zeferetti
Santini	Tsongas	

The SPEAKER pro tempore (Mr. GONZALEZ). On this rollcall 264 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ATTORNEY GENERAL GRIFFIN BELL PARTICIPATES IN MEETING OF UNITED STATES AND MEXICAN LEGISLATORS

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I take this opportunity to inform the House of a couple of instances I have had in recent days to deal with the Office of the Attorney General of the United States and with Judge Griffin Bell personally.

The first was an invitation to him to appear before the United States-Mexico Parliamentary Group which was meeting here in Washington. He not only appeared, but made such a forceful presentation, that it contributed greatly to the success of said meeting. As chairman of the House delegation to said meeting, I wish to publicly express my gratitude and appreciation to Judge Bell.

The second was, when as a member of the Hispanic Caucus, we met with him personally to discuss our concern of recent events dealing with abuse of police powers throughout the United States. We were informed of all the activities of the Justice Department in this area.

I am satisfied that his positive approach and forceful intervention where necessary will clearly send the message that any such abuses will not be tolerated.

I wish to personally commend Judge Griffin Bell for his diligence, his courage, and fortitude in dealing with such a sensitive issue.

MARIJA JURGUTIS, OF VILNIUS, LITHUANIA, DENIED EXIT VISA BY SOVIET UNION

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I would like to bring to the attention of this House, Marija Jurgutis, of Vilnius, Lithuania, wife of Aloyzas Jurgutis, of Chicago, denied an exit visa by the Soviet Union. This is the case of another individual—not famous—not a writer, nor a scientist known worldwide, but just a woman, a wife who wants to rejoin her husband. Through the final act signed at Helsinki we have not only the right but the duty to ask, "Why not?"

SECRETARY VANCE GIVES DE FACTO LEGITIMACY TO CUBAN TROOPS IN AFRICA

(Mr. KEMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

● Mr. KEMP. Mr. Speaker, Secretary of State Vance recently announced his intention to seek better relations with Angola. This announcement reverses previous administration policy to avoid attempts to improve relations with Angola until it insisted on the withdrawal of Cuban troops garrisoned there. The Cuban beachhead in Angola has provided the basis for the support of other Cuban ventures in Africa including Ethiopia, and most likely Zaire, plus more than a dozen other nations in Africa where Cuban forces are now deployed.

Forcing the withdrawal of Cuban forces from Angola is the sine qua non of diminishing Soviet influence in Africa and inhibiting the momentum of Communist takeovers of indigenous governments. The failure of the Secretary to stick to our policy of nonsupport of Angola so long as the Cuban forces are deployed there indicates that the United States is now willing to "live with" the presence of Cuban forces, and will not insist upon any diplomatic sanctions for such a presence.

Our posture is an open invitation to the continuation of the deployment of Cuban forces in Africa, and will make ever more difficult the task of preventing Africa from becoming an arena for superpower political-military competition. I urge the President to reverse the policy announced by his Secretary of State, and insist that the removal of Cuban troops from Angola be a necessary precondition to normal relations.●

AMTRAK IMPROVEMENT ACT OF 1978

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11493) to amend the Rail Passenger Service Act to extend the authorization of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. ROONEY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11493, with Mr. GONZALEZ in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, June 21, 1978, all time for general debate had expired. The bill had been considered as having been read and open to amendment at any point, and pending was an amendment offered by the gentleman from Wisconsin (Mr. STEIGER).

The question is on the amendment offered by the gentleman from Wisconsin (Mr. STEIGER).

The question was taken; and on a division (demanded by Mr. STEIGER) there were—ayes 28, noes 29.

RECORDED VOTE

Mr. STEIGER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 93, noes 207, not voting 133, as follows:

[Roll No. 488]

AYES—93

Anderson, Ill.	Forsythe	Mineta
Andrews, N. Dak.	Gore	Moffett
Archer	Gradison	Moss
Badham	Green	Neal
Bingham	Hagedorn	O'Brien
Blouin	Hannaford	Obey
Boggs	Harris	Pattison
Bolling	Holtzman	Pease
Breckinridge	Hyde	Pettis
Broomfield	Jacobs	Quayle
Brown, Mich.	Johnson, Colo.	Railsback
Burke, Fla.	Jones, Okla.	Rhodes
Burleson, Tex.	Kastenmeier	Ruppe
Burton, Phillip	Kelly	Scheuer
Carr	Kemp	Sebelius
Cavanaugh	Keys	Sisk
Cederberg	Kostmayer	Smith, Iowa
Clawson, Del	Krebs	Smith, Nebr.
Cochran	LaFalce	Steers
Collins, Tex.	Lagomarsino	Steiger
Conable	Leach	Stockman
Corcoran	Lehman	Stump
Cornell	Long, Md.	Udall
Dornan	McCloskey	Van Deerlin
Downey	McHugh	Vanik
Erlenborn	Madigan	Waggonner
Fenwick	Maguire	Whitehurst
Findley	Mattox	Wirth
Fish	Mazzoli	Wylie
Fisher	Meyner	Yates
Ford, Tenn.	Michel	
	Mikva	

NOES—207

Akaka	Clausen, Don H.	Evans, Del.
Alexander	Clay	Evans, Ga.
Ammerman	Coleman	Evans, Ind.
Anderson, Calif.	Collins, Ill.	Fary
Annunzio	Conte	Fascell
Applegate	Coughlin	Flippo
Aspin	Daniel, Dan	Flood
Bauman	Daniel, R. W.	Florio
Beard, R.I.	Danielson	Flynt
Beard, Tenn.	Davis	Foley
Bedell	de la Garza	Ford, Mich.
Benjamin	Delaney	Fountain
Bennett	Derrick	Fuqua
Bevill	Derwinski	Gaydos
Blanchard	Devine	Gephardt
Boland	Dickinson	Gilman
Bonior	Dicks	Ginn
Bonker	Diggs	Glickman
Brademas	Dingell	Gonzalez
Breaux	Dodd	Goodling
Brinkley	Drinan	Grassley
Brodhead	Duncan, Oreg.	Gudger
Broyhill	Duncan, Tenn.	Guyer
Buchanan	Edgar	Hamilton
Burke, Calif.	Edwards, Ala.	Hansen
Burke, Mass.	Edwards, Calif.	Harkin
Burlison, Mo.	Edwards, Okla.	Hawkins
Byron	Eilberg	Heckler
Carney	Emery	Hefner
Carter	English	Heftel
Chappell	Ertel	Hightower
Chisholm	Evans, Colo.	Hillis
		Hollenbeck

Holt	Mollohan	Satterfield
Horton	Montgomery	Schroeder
Howard	Calif.	Schulze
Hubbard	Moorhead, Pa.	Seiberling
Hughes	Moore	Sharp
Jenkins	Moorhead,	Shuster
Johnson, Calif.	Murphy, Pa.	Sikes
Jones, N.C.	Murtha	Skelton
Jones, Tenn.	Myers, Gary	Skubitz
Kazen	Myers, John	Slack
Kildee	Myers, Michael	Snyder
Kindness	Natcher	Solarz
Latta	Nedzi	Spellman
Lederer	Nolan	Spence
Leggett	Nowak	Staggers
Levitas	Oakar	Stanton
Livingston	Oberstar	Steed
Lloyd, Calif.	Patten	Stratton
Lloyd, Tenn.	Patterson	Studds
Lott	Poage	Taylor
Lujan	Pressler	Thompson
Lundine	Preyer	Treen
McCormack	Price	Trible
McDade	Pursell	Vento
McFall	Quillen	Volkmer
McKay	Rahall	Walgren
McKinney	Regula	Wampler
Mahon	Rinaldo	Watkins
Markey	Risenhoover	Weaver
Marks	Roberts	White
Marlenee	Robinson	Whitley
Martin	Roe	Wilson, Bob
Mikulski	Roncalio	Yatron
Miller, Ohio	Rooney	Young, Fla.
Minish	Rosenthal	Young, Mo.
Mitchell, Md.	Roybal	Young, Tex.
Mitchell, N.Y.	Russo	Zablocki

NOT VOTING—133

Abdnor	Goldwater	Rangel
Addabbo	Hall	Reuss
Ambro	Hammer-	Richmond
Andrews, N.C.	schmidt	Rodino
Armstrong	Hanley	Rogers
Ashbrook	Harrington	Rose
Ashley	Harsha	Rostenkowski
AuCoin	Holland	Rousselot
Bafalis	Huckaby	Rudd
Baldus	Ichord	Runnels
Barnard	Ireland	Ryan
Baucus	Jeffords	Santini
Bellenson	Jenrette	Sarasin
Biaggi	Jordan	Sawyer
Bowen	Kasten	Shipley
Brooks	Ketchum	Simon
Brown, Calif.	Krueger	St Germain
Brown, Ohio	Le Fante	Stangeland
Burgener	Lent	Stark
Burton, John	Long, La.	Stokes
Butler	Luken	Symms
Caputo	McClory	Teague
Cleveland	McDonald	Thone
Cohen	McEwen	Thornton
Conyers	Mann	Traxler
Corman	Marriott	Tsongas
Cornwell	Mathis	Tucker
Cotter	Meeds	Ullman
Crane	Metcalfe	Vander Jagt
Cunningham	Milford	Walker
D'Amours	Miller, Calif.	Walsh
Dellums	Moakley	Waxman
Dent	Mottl	Weiss
Early	Murphy, Ill.	Whalen
Eckhardt	Murphy, N.Y.	Whitten
Fithian	Nichols	Wiggins
Flowers	Nix	Wilson, C. H.
Fowler	Ottinger	Wilson, Tex.
Fraser	Panetta	Winn
Frenzel	Pepper	Wolff
Frey	Perkins	Wright
Gammage	Pickle	Wydler
Garcia	Pike	Young, Alaska
Giaimo	Pritchard	Zeferetti
Gibbons	Quie	

The Clerk announced the following pairs:

On this vote:

Mr. Frenzel for, with Mr. Cunningham against.

Mr. McClory for, with Mr. Addabbo against.

Mr. Walker for, with Mr. Moakley against.

Mr. Rousselot for, with Mr. Gammage against.

Mr. Wolff for, with Mr. Marriott against.

Mr. LATTA and Mr. JONES of Tennessee changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. PEPPER. Mr. Chairman, I wish to make a statement about a vote.

Mr. Chairman, I was unavoidably absent this morning when the rollcall 488 was had. If I had been here I would have voted "no."

AMENDMENT OFFERED BY MR. MADIGAN

Mr. MADIGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MADIGAN: Page 30, immediately after line 24, insert the following new section:

"SEC. 17. Section 404 of the Rail Passenger Service Act (45 U.S.C. 564) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding subsection (c) of this section, the Corporation shall conduct a discontinuance hearing within 60 days for any passenger train for which the average Government subsidy per revenue passenger exceeds $100 averaged over any successive three-month period. Such train shall be discontinued if there are other common carrier means of inter-city passenger service. This provision shall not affect the Corporation's power to initiate new service for any segments of the route previously served by a a train discontinued pursuant to this section."

Mr. MADIGAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADIGAN. Mr. Chairman, it has been pointed out repeatedly that the Federal subsidy for Amtrak has been growing by leaps and bounds. The primary reason for this is that Amtrak for one reason or another is not able to discontinue a passenger train no matter how bad its losses are.

In 1976, we in Congress directed Amtrak to develop route criteria and discontinuance procedures. The criteria and discontinuance procedures were promulgated by Amtrak and Congress had 30 days in which to disapprove the criteria. Since neither House of Congress acted, the discontinuance procedures went into effect over 2 years ago. Not one train has been discontinued under those procedures.

The GAO study on Amtrak points out, "The route criteria and procedures have not been effectively implemented because of the time-consuming processes involved and the political and public opposition to any hint that a particular route might be discontinued. The ineffectiveness of these procedures, combined with the continued operation of certain highly unprofitable routes, has contributed to the mounting concern over Amtrak's operating cost."

Mr. Chairman, it is impossible for Amtrak to behave as a well-run business because, under the present circumstances, it cannot take a train off for fear of the political repercussions such an action might have. We must begin to take some of the politics out of Amtrak.

My amendment is a step in that direction. The amendment provides an objective standard for determining the discontinuance of a train. That objective standard is based on two factors. First, a train would have to lose $100 or more per passenger over a 12-month period before my amendment would become operative. Second, even if the Federal subsidy was $100 or more per passenger, the train would not be discontinued unless there were an alternative means of common carrier transportation for the public to use.

I think the time has come to provide an objective standard for curtailing the Federal expenditures for Amtrak. The adoption of the amendment would give the public an opportunity to use Amtrak long distance train service or lose it. Two decades ago, the Congress was forced to adopt a similar standard with respect to supplemental air carriers. The time has now come to provide a fair and reasonable, but workable standard for eliminating trains which lose tens of millions of dollars.

I should also point out that under my amendment, Amtrak could still initiate service over some of the same points now serviced on long distance routes. The new service would be permitted to continue if the losses could be cut below the $100 per passenger figure.

Mr. Chairman, we have put Amtrak management in an impossible situation by adding train after train and not permitting them to use business judgment in eliminating those trains. The time has now come to put a reasonable standard into the law which will give Amtrak an opportunity to succeed. As I have pointed out, I am convinced Amtrak provides an essential service for millions of Americans. If we force Amtrak to operate trains which make absolutely no economic sense, we run the risk of causing Amtrak to be in trouble even where it provides an essential public service. I urge adoption of my amendment and respectfully suggest that it is ridiculous to be running three trains which no one is riding while at the same time we are cutting hundreds of millions of dollars from health and education. Unless we adopt this amendment, reasonable citizens should question our priorities.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield for a question?

Mr. MADIGAN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman from Illinois for yielding. My suggestion is this. Could the gentleman at this time indicate to us what routes would possibly be affected if this amendment were adopted?

Mr. MADIGAN. There are 3 of the 35 routes that would be affected; they represent about one-third of the operating loss for all 35 trains.

The trains that will be affected are New York to Florida; and two trains originating in the State of the gentleman from Illinois and myself, originating in Chicago and traveling to Florida and the other one to California.

Mr. ANDERSON of Illinois. Mr. Chairman, I thank the gentleman.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman is on the right approach here; but I hope the gentleman will be receptive to an amendment to get a message from Congress to Amtrak that we intend for them to do the things that need to be done to make these routes profitable, or at least not so deeply in debt.

I speak specifically of the route of the Floridian. For some strange reason unknown to any of us who are affected by that particular route, this train avoids some of the largest passenger producing areas in the southeastern part of the United States.

Mr. Chairman, I hope the gentleman will be receptive to an amendment that will give us some time to convey the message that has been repeated time after time on the floor of Congress during the debate on this bill and the debate on the transportation appropriation bill to change these routes so that they can provide a service where the volume of passenger traffic can be created.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MADIGAN) has expired.

(On request of Mr SKUBITZ), and by unanimous consent, Mr. MADIGAN was allowed to proceed for 2 additional minutes.)

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I would like to ask my colleague in the well if I understand him correctly: That he has changed the period from 3 months to 12 months. Is that correct?

Mr. MADIGAN. Mr. Chairman, I will state to the gentleman from Kansas (Mr. SKUBITZ) that I had asked that change be made in the amendment. However, I noticed, when the Clerk read the amendment, that the change was not made, so a unanimous-consent request will have to be made if we wish to have the amendment read in that fashion.

Mr. SKUBITZ. Mr. Chairman, would the gentleman be willing to make a unanimous-consent request to give effect to this addition: We have to have a definite starting point for the 12-month period or the 3-month period, and then we should add to the first part of the gentleman's amendment: "Effective after the date of the enactment of this section."

Mr. MADIGAN. I would support such a unanimous-consent request.

Mr. SKUBITZ. And we would change the period from 3 months to 12 months. I would be very happy to support the gentleman's amendment if those changes were made.

Mr. MADIGAN. I would be very happy to support such a unanimous-consent request.

The CHAIRMAN. Does the gentleman from Illinois (Mr. MADIGAN) make a unanimous-consent request that his amendment be modified?

Mr. BLOUIN. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The Chair will state that the gentleman from Illinois (Mr. MADIGAN) has not actually made the request. The Chair was inquiring of the gentleman if he is at this point desirous of making such a unanimous-consent request.

Mr. MADIGAN. Mr. Chairman, I think that the gentleman from Kansas (Mr. SKUBITZ) can offer an amendment to my amendment making the changes he has described, and I would say to the House that I would be happy to accept his amendment to that effect.

Mr. SKUBITZ. Mr. Chairman, I will make such a unanimous-consent request.

Mr. BLOUIN. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The Chair will state the gentleman from Kansas (Mr. SKUBITZ) has not been recognized for that purpose of a unanimous-consent request.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, may I ask, does the gentleman's amendment have the effect of amending the procedures of Amtrak presently in effect?

Mr. MADIGAN. Mr. Chairman, if the gentleman will allow me to recite some history, the Congress had asked Amtrak to establish criteria. Amtrak did that.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MADIGAN) has again expired.

(On request of Mr. EDWARDS of Alabama, and by unanimous consent, Mr. MADIGAN was allowed to proceed for 2 additional minutes.)

Mr. MADIGAN. Mr. Chairman, if I may continue, here in Congress we have asked Amtrak to establish criteria for trains. They established the criteria. Under that criteria, trains could have been discontinued. None have been discontinued.

The Committee on Appropriations last year asked the Secretary of Transportation to establish certain scenarios that would accomplish different kinds of impacts upon Amtrak. That procedure is now ongoing.

This bill, if it is now changed, has the practical effect of rendering impotent those things that the Committee on Appropriations and the House did last year, because this House requested the Department of Transportation to tell us what to do with some of these routes. This bill as it is written would say that the transportation study and those recommendations cannot take effect unless both Houses of this Congress agree to them through an affirmative action.

My amendment is separate from those things and says that we will establish the criteria of a $100 threshold, providing that when a train loses more than $100 per passenger per ride, that train will be discontinued.

Mr. EDWARDS of Alabama. Mr. Chairman, if the gentleman will yield further, I commend the gentleman from Illinois (Mr. MADIGAN) for offering his amendment.

I think this is one of the defects in the bill. We are fast approaching $1 billion in appropriations to carry Amtrak on the backs of the taxpayers. The reason that we find ourselves in this posture is that every time Amtrak proposes to cut back here or cut back there, the political realities of life came to the forefront and it does not happen.

I think it is ridiculous to continue Amtrak in its present posture. My own view is that the gentleman's amendment does not go far enough, but I think at least we are starting in the right direction.

So, Mr. Chairman, I support the gentleman's amendment, and I plead with my colleagues to make it easier for Amtrak to operate efficiently and as a good passenger-carrying service, rather than making it more difficult because of political considerations.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. MADIGAN) has once again expired.

(On request of Mr. KREBS, and by unanimous consent, Mr. MADIGAN was allowed to proceed for 2 additional minutes.)

Mr. KREBS. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from California.

Mr. KREBS. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman be kind enough to tell us which train he is talking about when he talks about the Chicago to California train?

Mr. MADIGAN. I believe it is San Francisco.

Mr. KREBS. That is the train that then makes connection from San Francisco south to Los Angeles, is that correct, the San Joaquin Valley?

Mr. MADIGAN. I do not have any idea. I cannot respond to the gentleman's question.

Mr. KREBS. It is the only train from Chicago to San Francisco; is that correct?

Mr. MADIGAN. I believe that is correct.

Mr. KREBS. I thank the gentleman.

AMENDMENT OFFERED BY MR. GORE TO THE AMENDMENT OFFERED BY MR. MADIGAN

Mr. GORE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GORE to the amendment offered by Mr. MADIGAN:

At the end of the new subsection (d) added by the amendment, insert the following: "In the case of a route designated by the Board for restructuring prior to January 1, 1978 and for which the average government subsidy per passanger exceeds $100, averaged over any successive three month period, the Corporation shall, following the hearing required under this section institute service over the restructured route in accordance with the recommendations of the Board.".

Mr. GORE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GORE. Mr. Chairman, the amendment offered by the gentleman from Illinois basically hits at three long-haul routes and I oppose it. This amendment to the amendment is designed to safeguard the Floridian, which would be eliminated by the threshold established by the gentleman from Illinois under his

amendment but which would be way under that threshold if it ran on the new route which was voted by Amtrak prior to January 1, 1978.

This amendment to the amendment, if adopted, would direct the Amtrak Board to proceed with the rerouting of the Floridian, which everyone has agreed would increase ridership and reduce the subsidy of that particular train. Rather than eliminating it before the rerouting could be put into effect, it would direct them to proceed with the rerouting.

Mr. Chairman, I would ask for the support of this amendment to the amendment.

Mr. BEARD of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the gentleman from Tennessee.

Mr. BEARD of Tennessee. I thank the gentleman for yielding.

Mr. Chairman, I would like to take this opportunity to urge support of the amendment offered by the gentleman from Tennessee (Mr. GORE) to the amendment. I think it is a very legitimate request to give this route an opportunity to prove itself. I commend the gentleman for offering this amendment to the amendment. I urge the acceptance of the amendment offered by the gentleman from Illinois (Mr. MADIGAN) and the amendment offered by the gentleman from Tennessee (Mr. GORE) to the amendment.

Mr. GORE. Mr. Chairman, I thank my friend, the gentleman from Tennessee, for his comments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee (Mr. GORE) to the amendment offered by the gentleman from Illinois (Mr. MADIGAN).

The amendment to the amendment was agreed to.

AMENDMENT OFFERED BY MR. SKUBITZ TO THE AMENDMENT OFFERED BY MR. MADIGAN, AS AMENDED

Mr. SKUBITZ. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. SKUBITZ to the amendment offered by Mr. MADIGAN, as amended: In subsection (d), as proposed to be added by the amendment offered by Mr. MADIGAN, strike out "three month period," and insert in lieu thereof "12-month period beginning after the state of enactment of this subsection.".

Mr. SKUBITZ. Mr. Chairman, this amendment does not affect the amendment offered by the gentleman from Tennessee (Mr. GORE) to the amendment offered by the gentleman from Illinois (Mr. MADIGAN). All my amendment to the Madigan amendment does is to provide that 12 months rather than 3 months be used for the base period to establish the average loss and to have the subsection become effective upon enactment.

I wonder if the gentleman from Illinois (Mr. MADIGAN) would accept those amendments.

Mr. MADIGAN. Mr. Chairman, if the gentleman will yield, the changes which the gentleman described are changes I had hoped would be effected in my amendment before I offered it. Unfortunately, because of the confusion going on, that was not done; but I think the amendment being offered by the gentleman from Kansas (Mr. SKUBITZ) is very constructive; and I would certainly urge that the committee adopt it.

Mr. SKUBITZ. Mr. Chairman, will the chairman of the subcommittee accept the amendment?

Mr. ROONEY. If the gentleman will yield, the chairman of the subcommittee is opposed to the entire amendment.

Mr. SKUBITZ. He is opposed to the entire amendment?

Mr. ROONEY. Yes, and I intend to speak in opposition to it.

Mr. SKUBITZ. Then, Mr. Chairman, I ask for a vote on my amendment.

I would like to make one point clear, Mr. Chairman. The railroad to which the gentleman from Illinois (Mr. MADIGAN) speaks does not go through Kansas; it goes through Kansas City, Mo.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to both amendments.

I am not going to take the 5 minutes.

The amendment affects three trains. They are long trains. They are trains that are needed for transportation; and if we do not have them, we are going to have more automobiles traveling those long distances. They at the present time are losing some revenue, but Amtrak has a new president. Let us give him the opportunity to make constructive changes.

Mr. Chairman, I just believe that all three trains ought to be given a chance, under this new president, to be improved.

Therefore, Mr. Chairman, I say that both amendments ought to be defeated, and let us leave the bill as it is now, which would be to continue the present system until October 1, 1979.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Pennsylvania.

Mr. ROONEY. Mr. Chairman, I rise in opposition to this amendment.

This amendment would establish a criteria for discontinuing trains, which has not had the consideration or been deliberated by the subcommittee, the committee, or the executive branch.

As we all know, the Secretary is proceeding with a study of Amtrak's route structure which will be submitted in its final form by December 31. Most of the provisions in the bill we are considering today are based on the realization that this study is in progress. For example, the money that is being granted is based on the fact that there will be no discontinuances until the study is completed. This being the case, it is not reasonable to insert a criteria for the discontinuances of trains which conceivably would discontinue different trains than the ones recommended in the Department's study. Again, as in the case of other amendments, I recommend that we take no precipitous action of this nature and await the outcome of the study, which will then be thoroughly considered by this Congress.

Mr. STAGGERS. Mr. Chairman, I would like to say further that the public hearings have not been held. They start on June 27 and go all across America and will take several months.

However, to drop trains without the benefit of the study and the Secretary's recommendations is foolish. Let us allow the study to be made, taking the recommendations as they come, and then Congress can take appropriate action. However, let us not take this approach that would tie Amtrak's hands and say, "You are going to do this and you are going to do that."

Politically, Mr. Chairman, this does not affect my district a bit, but it cuts out all the service to Florida and to Chicago and to the west coast.

Mr. Chairman, again, let us wait until the study is done. That is the only reasonable thing to do, and then the Congress will have a chance to study it, to receive recommendations and to review them over thoroughly.

Mr. Chairman, I think both amendments should be defeated now.

Mr. SKUBITZ. Mr. Chairman, if the gentleman will yield, I am trying to help the gentleman.

Mr. STAGGERS. I know the gentleman from Kansas is.

Mr. SKUBITZ. What I am trying to do is to say that the bill will become effective 12 months after the effective date of this act rather than in 90 days.

Does the gentleman want to do otherwise?

Mr. STAGGERS. That, to me, is like a man who goes out and buys a pair of shoelaces even though he does not own a pair of shoes.

The gentleman wants to perfect something that is bad. Let us get something good to perfect and make it a little better.

Mr. Chairman, October 1, 1979, is the time we set after which routes can be altered; and it ought to be that date. It came out of committee that way, and changes may be made after we have had hearings all across America. Recommendations will be submitted to the Congress. The October 1 date is the end of the fiscal year.

Mr. Chairman, I hope both amendments will be defeated.

Mr. SKUBITZ. Mr. Chairman, if the gentleman will yield further, is he willing to gamble and take a chance on 90 days rather than to have a 12-month proviso rather than accept a reasonable provision?

Mr. STAGGERS. Mr. Chairman, we have to have these hearings all across America and a national system in which trains run all across America.

Mr. MADIGAN. Mr. Chairman, I move to strike the last word, and I rise in support of the Skubitz amendment.

If I may respond to the very distinguished chairman of the Committee on Interstate and Foreign Commerce, I want to point out that if the Skubitz amendment is adopted, my amendment, as I have offered it, would not take effect and could not take effect until after the route reevaluation procedure and hearings which the gentleman from West Virginia (Mr. STAGGERS) describes has taken place. Whatever recommendations the Department of Transportation was going to make would be made, and the Congress of the United States would have an opportunity to act on those recommendations before my amendment, as amended by the Skubitz amendment, would take effect.

Mr. Chairman, I think it is absolutely ridiculous to have the kind of situation in which the Congress of the United States is cutting $1 billion out of such items as health and education.

It is ridiculous for the United States to be in a position where our soldiers stationed in the NATO countries are not able to test their weapons because the NATO countries, along with the United States, cannot afford to have them test their weapons. An article to that effect was in the newspapers a week ago. We have this sophisticated weaponry in Western Europe, and we cannot afford to have the troops practice with it because it would cost so much money.

We cut $1 billion out of the Health and Education appropriation a week ago, and then come in here and say that we are going to run passenger trains where they lose more than $100 every time somebody gets on the train. I think that is absolutely ridiculous. A responsible Congress will begin to address that problem. It is well done in the amendment, as amended by the amendment offered by Mr. SKUBITZ.

Mr. EVANS of Delaware. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the full 5 minutes because I know Members are ready to go home, and so am I. But, I stand here in the well probably as one who loves railroads as much as anyone in this House; who as a young boy used to stand along the tracks in Tennessee and watch the PanAmerican go by.

I also probably ride the Amtrak rail system more than any other Member of the House of Representatives. I clearly recognize the need for rail service in the United States. But, I just as clearly recognize that the resources we have available to us, that is, the taxpayers' dollars, are limited, and we have a responsibility to utilize these limited resources in the most efficient and effective manner possible.

We have a responsibility in the Congress since we are spending the taxpayers' dollars, to make sure that these routes we establish serve the legitimate transportation needs of people. Rail service in densely populated areas like the Northeast makes sense. The number of passengers for each mile traveled is high and it is vastly more economical in areas like the Northeast Corridor than some of the long distance routes that require high subsidies.

I think the gentleman from Illinois (Mr. MADIGAN) has a very responsible amendment. It merely eliminates those routes that are subsidized in excess of $100 per passenger. On some of these routes I think the Government could provide first class air passage for less than it is subsidizing some of these routes. I think it gives the Amtrak officials the authority and the flexibility to meet the legitimate transportation needs of people wihout picking the taxpayers' pockets. I am terribly afraid that in an effort to provide rail transportation in some areas requiring unreasonably high subsidies, we are going to jeopardize the entire system.

Mr. BLOUIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to these amendments.

Mr. Chairman, I will be brief also. I had not intended to speak until the last comments were made by the gentleman from Delaware.

I just wonder how economy minded the gentleman who preceded me would be if it was his route that was being struck, and his connection with the railroad network of this country. I have been a supporter of Amtrak for the years I have been in Congress simply because it is a national system and an effort to serve the country. This amendment is an effort to dismantle that national system. It is an effort, unintentionally or otherwise, that I think will play havoc with the congressional decision process we are involved in here. It will cut off several States from the system, cut the west coast out of it, and be totally unfair to those parts of the country that are picking up as much of the bill for the east coast as the east coast is for its own system.

I think it is unfair. I think it is a mistake to go ahead until the process we have entered into has had a chance to work.

Mr. EVANS of Delaware. Mr. Chairman, will the gentleman yield, since he referred to me?

Mr. BLOUIN. I yield to the gentleman from Delaware if I can reclaim some of my time.

Mr. EVANS of Delaware. I thank the gentleman from Iowa for yielding.

The question was whether or not I, being from Delaware, would vote to cut out funds for rail service or any transportation service serving the State of Delaware and my constituents. It would be very difficult to do that, as the gentleman well knows. But I also recognize that sometimes it is necessary to vote in the best interests of the entire country and we have had transportation service cuts in Delaware. For example, Eastern Airlines and Allegheny Airlines served the area from Wilmington to Washington. It was a route I used to ride a great deal. As a matter of fact, it made my life a great deal easier than Amtrak does because it was faster. On a normal day the number of passengers on that route was very low and consequently uneconomical. So we have to be in a position of acting responsibly and not pressing for something that would be nice to have but just plain costs too much money.

Mr. BLOUIN. The choice is easy to make when the gentleman has an area which has several modes of transportation available. But when we move into this rural area where we are playing with one or two airlines, it is a different matter. The Amtrak does not go through my area, it goes through an area south of mine, and it goes through there at an ungodly hour. It is one of the best of the bad lines, as Brock Adams has said. Just imagine what it would be like if it was going through there at a decent hour.

I have a further point, if the gentleman will permit me.

Mr. EVANS of Delaware. The gentleman has the time and he has reclaimed it.

Mr. BLOUIN. I thank the gentleman.

It seems to me the object of Amtrak is one of service and not of profit. It is my understanding if we filled every seat of every train in Amtrak in the country under present operating conditions, they would lose 8 cents per seat per mile. And under that premise of this economic discussion, we ought to cancel the whole of the Amtrak system.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the chairman of the committee.

Mr. STAGGERS. Mr. Chairman, I would just like to say, if this amendment is adopted, we have several trains which are right on the borderline. The next thing we will be doing is going right across the country to cut trains massively. There are four trains on the borderline. The four are those which run from Chicago to Los Angeles, from Chicago to New York, from Chicago to Seattle (north route), and from Chicago to Seattle (south route), and from Los Angeles to New Orleans. If we catch the first three the gentleman is talking about, we will get to those other four and more soon after.

Amtrak is supposed to be a national system. There were four States that did not have Amtrak, and we rectified that. Those States are paying taxes and they deserve that. Amtrak serves rural areas where alternate service is often not available. Elderly people and handicapped people in particular benefit. They need this rail service.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. SKUBITZ) to the amendment offered by the gentleman from Illinois (Mr. MADIGAN), as amended.

The amendment to the amendment, as amended, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MADIGAN), as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BLOUIN. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2 of rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand by the gentleman

from Iowa (Mr. BLOUIN) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 119, noes 186, not voting 128, as follows:

[Roll No. 489]

AYES—119

Anderson, Calif.	Findley	Moorhead, Calif.
Anderson, Ill.	Fish	Myers, Gary
Andrews, N.C.	Flynt	Myers, John
Archer	Forsythe	Neal
Badham	Fountain	O'Brien
Bauman	Gephardt	Pettis
Beard, Tenn.	Glickman	Pursell
Boland	Goodling	Quayle
Breaux	Gradison	Quillen
Brinkley	Green	Railsback
Broomfield	Gudger	Regula
Brown, Mich.	Guyer	Rhodes
Broyhill	Hagedorn	Risenhoover
Burke, Fla.	Hall	Roberts
Burleson, Tex.	Hefner	Robinson
Cederberg	Heftel	Satterfield
Clausen, Don H.	Hillis	Schulze
Clawson, Del	Holt	Sebelius
Collins, Tex.	Hyde	Shuster
Conable	Jacobs	Skubitz
Conte	Johnson, Colo.	Spence
Corcoran	Jones, Okla.	Stanton
Coughlin	Kelly	Steed
Daniel, Dan	Kindness	Steers
Daniel, R. W.	Lagomarsino	Steiger
Davis	Latta	Stockman
de la Garza	Livingston	Stump
Derwinski	Long, Md.	Taylor
Devine	Lott	Treen
Dickinson	Lujan	Trible
Dornan	McCloskey	Van Deerlin
Duncan, Tenn.	McDonald	Volkmer
Edwards, Ala.	Madigan	Waggonner
Edwards, Okla.	Mahon	Walgren
Emery	Marks	Wampler
Erlenborn	Martin	Watkins
Ertel	Michel	Whitehurst
Evans, Del.	Mikva	Whitley
Fenwick	Miller, Ohio	Wylie
	Montgomery	
	Moore	

NOES—186

Akaka	Derrick	Jenkins
Alexander	Dicks	Johnson, Calif.
Ammerman	Diggs	Jones, N.C.
Andrews, N. Dak.	Dingell	Jones, Tenn.
Annunzio	Dodd	Kastenmeier
Applegate	Downey	Kazen
Ashley	Drinan	Kemp
Aspin	Duncan, Oreg.	Keys
AuCoin	Edgar	Kildee
Beard, R.I.	Edwards, Calif.	Kostmayer
Bedell	Eilberg	Krebs
Bellenson	English	LaFalce
Benjamin	Evans, Colo.	Leach
Bennett	Evans, Ga.	Lederer
Bevill	Evans, Ind.	Leggett
Bingham	Fary	Lehman
Blanchard	Fascell	Levitas
Blouin	Fisher	Lloyd, Calif.
Boggs	Flippo	Lloyd, Tenn.
Bolling	Flood	Lundine
Bonior	Florio	McCormack
Bonker	Foley	McFall
Brademas	Ford, Mich.	McHugh
Breckinridge	Ford, Tenn.	McKay
Brodhead	Fuqua	McKinney
Buchanan	Gaydos	Maguire
Burke, Calif.	Gilman	Markey
Burke, Mass.	Ginn	Marlenee
Burlison, Mo.	Gonzalez	Mattox
Burton, Phillip	Gore	Mazzoli
Byron	Grassley	Meeds
Carney	Hamilton	Meyner
Carr	Hannaford	Mikulski
Carter	Hansen	Mineta
Cavanaugh	Harkin	Minish
Chappell	Harris	Mitchell, Md.
Chisholm	Hawkins	Mitchell, N.Y.
Clay	Hightower	Moffett
Cochran	Hollenbeck	Mollohan
Coleman	Holtzman	Moorhead, Pa.
Cornell	Horton	Moss
Danielson	Howard	Murphy, Pa.
Delaney	Hubbard	Murtha
	Hughes	Myers, Michael
	Natcher	Rooney
	Nedzi	Rose
	Nolan	Rosenthal
	Nowak	Roybal
	Oakar	Russo
	Oberstar	Scheuer
	Obey	Schroeder
	Patten	Seiberling
	Patterson	Sharp
	Pattison	Sikes
	Pease	Sisk
	Pepper	Skelton
	Poage	Slack
	Preyer	Smith, Iowa
	Price	Smith, Nebr.
	Rahall	Snyder
	Rinaldo	Solarz
	Roe	Spellman
	Roncalio	Staggers
		Stratton
		Studds
		Thompson
		Udall
		Vanik
		Vento
		Waxman
		Weaver
		White
		Wilson, Bob
		Wirth
		Yates
		Yatron
		Young, Fla.
		Young, Mo.
		Young, Tex.
		Zablocki

NOT VOTING—128

Abdnor	Hammer-schmidt	Rangel
Addabbo	Hanley	Reuss
Ambro	Harrington	Richmond
Armstrong	Harsha	Rodino
Ashbrook	Heckler	Rogers
Bafalis	Holland	Rostenkowski
Baldus	Huckaby	Rousselot
Barnard	Ichord	Rudd
Baucus	Ireland	Runnels
Biaggi	Jeffords	Ruppe
Bowen	Jenrette	Ryan
Brooks	Jordan	Santini
Brown, Calif.	Kasten	Sarasin
Brown, Ohio	Ketchum	Sawyer
Burgener	Krueger	Shipley
Burton, John	Le Fante	Simon
Butler	Lent	St Germain
Caputo	Long, La.	Stangeland
Cleveland	Luken	Stark
Cohen	McClory	Stokes
Collins, Ill.	McDade	Symms
Conyers	McEwen	Teague
Corman	Mann	Thone
Cornwell	Marriott	Thornton
Cotter	Mathis	Traxler
Crane	Metcalfe	Tsongas
Cunningham	Milford	Tucker
D'Amours	Miller, Calif.	Ullman
Dellums	Moakley	Vander Jagt
Dent	Mottl	Walker
Early	Murphy, Ill.	Walsh
Eckhardt	Murphy, N.Y.	Weiss
Fithian	Nichols	Whalen
Flowers	Nix	Whitten
Fowler	Ottinger	Wiggins
Fraser	Panetta	Wilson, C. H.
Frenzel	Perkins	Wilson, Tex.
Frey	Pickle	Winn
Gammage	Pike	Wolff
Garcia	Pressler	Wright
Giaimo	Pritchard	Wydler
Gibbons	Quie	Young, Alaska
Goldwater		Zeferetti

The Clerk announced the following pairs:

On this vote:

Mr. Panetta for, with Mr. Jenette against.

Mr. Mottl for, with Mr. Hanley against.

Mr. Nichols for, with Mr. Addabbo against.

Mr. Teague for, with Mr. Moakley against.

Mr. Runnels for, with Mr. Harrington against.

Mr. Carter for, with Mr. Gammage against.

Mr. Whitten for, with Mr. Murphy of Illinois against.

Mr. Ashbrook for, with Mr. Sarasin against.

Mr. Burgener for, with Mr. Symms against.

Mr. Butler for, with Mr. Thone against.

Mr. Crane for, with Mr. Krueger against.

Mr. Goldwater for, with Mr. Baucus against.

Mr. Marriott for, with Mr. Richmond against.

Mr. McClory for, with Mr. Rangel against.

Mr. Rousselot for, with Mr. Wolff against.

Mr. Ruppe for, with Mr. St Germain against.

Mr. Young of Alaska for, with Mr. Stokes against.

Messrs. GLICKMAN, VOLKMER, and GEPHARDT changed their vote from "no" to "aye."

Mr. SKELTON changed his vote from "aye" to "no."

So the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

Amendment offered by Mr. SKUBITZ:

Mr. SKUBITZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

new section:

Page 30, after line 24, add the following

AMENDMENT OFFERED BY MR. SKUBITZ

"SEC. 18. The National Rail Passenger Service Corporation shall utilize all feasible means—including taking into account the needs of the Postal Service in establishing schedules—to attract and service the bulk mail needs of the U.S. Postal Service."

Mr. SKUBITZ. Mr. Chairman, one of the ironies of government is that sometimes we undo with one hand what we are trying to do with the other.

Traditionally, railroads which were in the passenger business made money from hauling the Nation's mail. Amtrak does carry some mail for the Postal Service. In my judgment, the amount of mail carried by Amtrak is far less than it should be.

H.R. 11493, as introduced, contained a provision which would have required the Postal Service to give preference to Amtrak when it was selecting parties to carry its mail. We were unable to proceed with that provision because the Postal Service is not within the jurisdiction of the Interstate and Foreign Commerce Committee.

My amendment differs from that original provision because it does not change the law with respect to the Postal Service. The amendment simply gives Amtrak an incentive to do all in its power to pick up more of the business that the Postal Service has to offer.

Mr. Chairman, while that is the technical effect of my amendment, let me make it clear that I for one believe that the Postal Service should be making greater use of Amtrak. There is no excuse in my mind for one Government agency not to give preferential treatment to another Government agency unless the second agency cannot do the job. Amtrak goes to most of the major cities in the United States. I am convinced that they could handle three times as much mail business as they now handle. As a matter of fact, I would encourage Amtrak and the Postal Service to explore the possibilities of putting bulk mail shipments on Amtrak. Someone has to carry the mail from city to city and it seems to me that we could, in effect, kill two birds with one stone by having Amtrak carry more of the mail.

I urge the adoption of my amendment which simply directs Amtrak to exert a greater effort to get more of the mail business, thereby reducing its operating deficit.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Pennsylvania.

Mr. ROONEY. Mr. Chairman, I have had an opportunity to review this

amendment, and have discussed it with the gentleman from Kansas (Mr. SKUBITZ).

I think it is a good amendment, and the committee will accept it.

Mr. SKUBITZ. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas (Mr. SKUBITZ).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. NEAL

Mr. NEAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NEAL: Page 26, line 6, after the public interest strike out the semicolon and insert "as determined by the Special Trade Representative".

Mr. NEAL. Mr. Chairman, I think that by refusing to adopt the Steiger amendment, which would have stricken this Buy America section, we have begun traveling down a very dangerous road for this country. I would like to point out to the Members that the Buy America section serves a very tiny purpose. I have been told that Amtrak only bought 1.4 percent of its total purchases from abroad last year. I would be happy to have the subcommittee chairman correct me if I am wrong. The point I am trying to make is this: At this time our special trade representative is negotiating with other countries, urging them to end exactly this sort of protectionist activity so we can continue on this road that we have traveled for some 40 years toward freer, more open trade among countries; toward less protectionism.

I think this section in the bill torpedoes his efforts, and that my modification to the bill would help a little—not much, but some.

Mr. Chairman, during debate on the Steiger amendment the other night several Members said that the Smoot-Hawley Tariff Act had nothing to do with the Depression, or with prolonging the Depression. Mr. Chairman, that is simply inaccurate. The Smoot-Hawley Tariff Act, it is true, was not passed until 1930, after the stock market crash of 1929, but it was anticipated that it would pass at that time, and that was one of the major reasons for the stock market crash of 1929, and without question the Smoot-Hawley Tariff Act prolonged and deepened the Great Depression. We are headed down that road again with this kind of protectionist language.

I do not see the gentleman who was speaking the other night concerning the number of jobs this kind of legislation would protect, but I would like to point out to the Members that something like one in seven manufacturing jobs in this country are for export; something like $1 in $3 of corporate profits in this country come from exports, or are earned abroad; something like 1 in 3 acres of agricultural production is for exports. We also are dependent on imports for some of our most critical raw materials, oil being the most obvious example. There are many others.

The fact of the matter is, if we do not allow imports, we cannot export. And, if we cannot export, what is going to happen, Mr. Chairman, to those one out of seven jobs in this country that are dependent on exports?

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Pennsylvania.

Mr. ROONEY. Mr. Chairman, I come from an area that is steel oriented. I believe in free trade, but I do not believe in dumping American markets with foreign goods. Twenty percent of the steel used in this country today is imported from Germany and Japan. This importation has a disastrous effect on American steel producers. It has been disastrous to Johnstown where 5,500 workers lost their jobs. It was also disastrous to Youngstown, Ohio. We are trying to correct this problem and I urge defeat of this amendment.

Mr. NEAL. I understand what the gentleman is trying to correct. What I am trying to suggest is that his is a very short-term approach. Let me point out that by 1933 U.S. industrial exports had decreased by 73 percent, and agricultural exports were down by 67 percent.

All this was in response to this Smoot-Hawley Tariff Act, and that is precisely the kind of thing we have got built into this bill now. All my amendment does—and I do not think it is a perfect answer—is to say we should bring in our special trade representative and get his approval before we do something that I am sure he will tell us would be very damaging to our country.

Mr. BURKE of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. I wonder if the gentleman realizes we might face a $45 billion trade deficit this year?

Mr. NEAL. I am very much aware of that, and the main reason for that is we are importing too much oil and not exporting enough of other things, and we are not going to reverse that situation by instigating these kinds of protectionist measures. We will deepen the problem.

Mr. BURKE of Massachusetts. We have been listening to these free trade arguments for quite a while. I was for free trade in 1962. I used to be for free trade. Then I saw 115 shoe factories close in the Northeast section of this country. Then I saw steelworkers get laid off. Then I saw auto workers suffering the same thing.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. NEAL) has expired.

(On request of Mr. DOWNEY, and by unanimous consent, Mr. NEAL was allowed to proceed for 2 additional minutes.)

Mr. BURKE of Massachusetts. Mr. Chairman, if the gentleman will yield further, then we saw unemployment for those in the auto industry rise 17 percent.

What are we going to do? Are we going to listen to this free trade philosophy all the time? This philosophy is as dead as last week's newspaper. The gentleman has been licked and he should not try to get in through the back door again.

Mr. NEAL. It is important for our country that we get in through the back door.

Mr. BURKE of Massachusetts. These are American dollars that are being spent. We want them to buy American. Does the gentleman want the Japanese bus lobby to prevail on this floor today and to let those unsafe buses come here?

Mr. NEAL. Mr. Chairman, I reclaim my time.

We are talking about endangering one of seven industrial jobs or one of 3 acres of agricultural production in return for saving 1.4 percent of the total purchases of Amtrak. Does that sound like a good bargain to the gentleman?

Mr. BURKE of Massachusetts. The gentleman has asked a question. I will answer it.

Mr. NEAL. I will get back to the gentleman in a moment.

Here is what happened when we had this experience before. For a short time we protected a few jobs and a few profits and a little agriculture. But let me repeat, the result was that 3 years after this act was passed our industrial exports decreased by 73 percent and agricultural production was down 67 percent. Those are the long-term consequences of this sort of protectionist activity.

Mr. DOWNEY. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, first of all I commend the gentleman from North Carolina for his statement and his amendment.

I rise with some hesitancy because I know the Japanese bus lobby is waiting for me outside.

Mr. NEAL. We will protect the gentleman.

Mr. DOWNEY. The problem is, as I heard the gentleman articulate, a long-term problem. We have a similar problem in dealing with the NATO Alliance. We would like to build all the defensive materiel in this country and provide jobs here. But the reality is that we have an alliance and we have trading partners, and unless there is some give and take on our part we will be in an ever-worsening economic situation, and as far as the NATO Alliance we will be in even a more dangerous situation with respect to the NATO Alliance.

Mr. NEAL. The gentleman from New York is absolutely correct.

Mr. RISENHOOVER. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Oklahoma.

Mr. RISENHOOVER. Mr. Chairman, I understand how the gentleman feels and I respect his opinion. He is very correct about this trade deficit that exists, but the best way to deal with this tremendous deficit in my opinion, as far as OPEC is concerned, is to deregulate oil and gas in this country, and until we do that we will not really solve this trade deficit problem.

In the twenties, if the gentleman has been studying some of the things that happened economically there, the agricultural sector of our economy became depressed and that triggered the changes.

The CHAIRMAN. The time of the gen-

tleman from North Carolina has again expired.

(On request of Mr. RISENHOOVER and by unanimous consent, Mr. NEAL was allowed to proceed for 2 additional minutes.)

Mr. RISENHOOVER. Mr. Chairman, if the gentleman will continue to yield, after the collapse of the agricultural sector of our economy, that set off a chain of events that led us into the Great Depression of the thirties.

We are heading that way again. Our Special Trade Negotiator that the gentleman mentioned, who is from our part of the country, and for whom I have great respect, is involved in working with an administration that has just allowed another 15 percent increase in imported beef allotments. This is going to further depress the agricultural sector of our economy and not help the consumers one iota.

I do not have much confidence in some of the decisions coming out of that administration that are affecting the gentleman's part of the country which is largely agricultural like mine is. If we are going to get the American taxpayers to subsidize Amtrak at a cost of a billion dollars a year, then we ought to make sure that those tax dollars will provide assistance to the American economy and provide Americans with jobs.

Mr. NEAL. I am trying to say to the gentleman from Oklahoma (Mr. RISENHOOVER) that I want the same things that he does.

Mr. RISENHOOVER. I am sure of that.

Mr. NEAL. But the point I am trying to make is that we have to look a little beyond the next 6 months, the next year and the next couple of years. That is what I am trying to talk about.

We have a history of experience with this kind of activity and we have some knowledge about it. We have gone through this experience before. All I am trying to point out here is that this kind of protectionist language is going to invite retaliation and maybe we will not see it in the next few months, but in the long haul it will be damaging to our country.

As the gentleman from New York (Mr. DOWNEY) pointed out, this is more than an economic question, it is also a national security question.

Mr. RISENHOOVER. I agree with what the gentleman is saying but what I would like to accomplish in the long run is to see that some of these countries who are trying to do business here to see if we can get them to relax some of their restrictions against American goods, and then maybe we can get along.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. RISENHOOVER, and by unanimous consent, Mr. NEAL was allowed to proceed for 4 additional minutes.)

Mr. NEAL. Mr. Chairman, let me say that our special trade representative is at this time trying to negotiate a reduction in some of these protectionist tactics on the part of other countries. I am very much aware of the kind of predatory financial tactics we are finding in the world's economy and the kind of trading tactics and nontariff barriers that exist, but he is trying to end that kind of activity and this kind of language in a bill passed by the Congress will just cut the floor from under him in his attempt to bring about an orderly world trading situation.

Mr. STOCKMAN. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Michigan (Mr. STOCKMAN).

Mr. STOCKMAN. Mr. Chairman, I thank the gentleman for yielding, and I want to strongly support this amendment.

I also want to say that in connection with this matter we have been hearing the same protectionist arguments for years, about the damage they have done to our economy and the loss of jobs that has occurred because of this based upon the loss of our textile markets, the shoe industry and other commercial establishments, but I want to say that if that were the whole story, it would mean that the loss of jobs would be such that there would virtually be an industrial disaster in this country whereas the fact is, and the statistics bring this out, that since 1962 we have created 26 million new jobs and in the last year we have created 4 million, and there was a $45 billion trade deficit, so that our economy has adjusted, and as one sector has declined, another sector has expanded. There are whole new industries such as the electronic and the computer industries that did not exist years ago and they have generated a large number of jobs. This very large negative balance of payments is due partially to the fact that our economy has been growing at a more rapid rate than that of our trading partners and because we are importing more than we are exporting. But only 18 months ago we had a positive rate because the economies were reversed. I want to suggest that in a year or two we really can turn around if we stay on the correct course and adopt some better economic policies domestically.

So again I say that I strongly support the amendment offered by the gentleman from North Carolina (Mr. NEAL).

Mr. NEAL. Mr. Chairman, just let me repeat that this is a very simple amendment, it does not go nearly as far as the Steiger amendment did. It just requires the advice of the special trade representative on questions that affect the well-being of all the people of this country and in an area that he knows much more about than do the people at Amtrak or the Secretary of Transportation. I urge adoption of the amendment.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say that I rise in opposition to the amendment offered by the gentleman from North Carolina (Mr. NEAL).

Mr. Chairman, the only thing wrong with the language in the bill amending section 305 is that it does not go far enough—it does not impose an absolute buy American requirement and it does not require the application of not less than a 50-percent differential. But the bill's language is a vast improvement over what we have now.

As the ranking minority member of the Appropriations Subcommittee on Transportation I have watched with alarm and dismay as we have allowed our transportation related business to be shipped overseas, as we have allowed our technology to be shipped overseas, as we have allowed our jobs to be shipped overseas.

This problem is hardly minor. It has reached crisis proportions. As I pointed out time and again at our transportation appropriations hearings, over the last 18 months. More than half of some $438 million in U.S. transit orders went to foreign suppliers. And this was UMTA money being used, taxpayers money. We have been using the tax dollars of job holders to threaten, if not destroy, their jobs. I say; this House should say; the Congress must say, "This has got to stop."

Just last December, the Massachusetts Bay Transit Authority, using Federal funds, awarded a contract for a complete overhaul of its electrical system—for subways and buses—to Hitachi of Japan. Over $23 million worth of work that could have gone to American workers—American taxpayers—went to Japan. And to really frost the cake, we found out that Hitachi had never in its history performed this kind of work. I do not want to see this kind of stupidity repeated by Amtrak.

I was almost sickened as I sat here Wednesday night and listened to those who supported the Steiger amendment. Did you hear what they said? They admitted that our foreign competitors have "buy national" policies; but, they said, we must not have or enforce one of our own, because that might discourage them from giving up their own unfair and often illegal practices, "baloney!"

I am disgusted with arguments against "Buy American" based on some kind of misguided advocacy of "free trade." I submit, Mr. Chairman, that these advocates are living in a vacuum. We do not have to worry about the threat of parallel discrimination, because discrimination against our products already exists among our so-called trading partners.

I hate to admit it, but the only thing "free" about trade today is the "give-away" of American jobs, American business, and American technology. We give and they get. Now we are told that we must keep giving if we want them to stop taking.

Well, just try to go back home and give that argument to the taxpayers—or to people who once had an income on which to pay taxes. Try giving it to people who work—or who once worked—in the footwear industry, the textile industry, the electronics industry, the steel industry, the electrical equipment industry, or the transportation industry.

Is it not time, in our trade negotiation, to follow Teddy Roosevelt's advice:

Walk softly, but carry a big stick.

We are not walking softly today. We are crawling, on our hands and knees, begging. We do not have a big stick. The boys in the striped pants have traded it away for a wet noodle.

I urge an overwhelming defeat of this amendment.

Mr. BURKE of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Carolina (Mr. NEAL).

I want to point out to the gentlemen here since they are all using the name of Bob Strauss, as though they are in personal association with him, but I just want to point out that 24 hours ago Bob Strauss threatened to resign because of the fact of the protectionist attitude in Japan.

So what you are doing here is that you are opening the door to Japan to let those buses come in that are so very unsafe for our young children.

They are trying to open the doors for them to ship in buses to glut the market. We have a $8 billion trade deficit from Japan. We buy no oil from Japan, but we are carrying their oil deficit on top of our own. Let us have a little bit of commonsense here and defeat this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. NEAL).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 23, noes 19.

Mr. CARNEY. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Ohio (Mr. CARNEY) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 121, noes 178, not voting 134, as follows:

[Roll No. 490]

AYES—121

Akaka	Aspin	Bonior
Anderson, Calif.	AuCoin	Bonker
	Badham	Bowen
Anderson, Ill.	Beard, Tenn.	Brinkley
Andrews, N.C.	Bellenson	Brodhead
Andrews, N. Dak.	Bingham	Broomfield
	Blanchard	Brown, Mich.
Archer	Blouin	Broyhill
Ashley	Bolling	Burleson, Tex.
Burton, Phillip	Hightower	Moss
Carr	Holtzman	Neal
Cederberg	Hyde	Nedzi
Clawson, Del	Jacobs	O'Brien
Cochran	Jones, Okla.	Obey
Collins, Tex.	Kastenmeier	Pattison
Conable	Kazen	Pettis
Corcoran	Kemp	Pursell
Cornell	Keys	Quayle
de la Garza	Kildee	Railsback
Dicks	Krebs	Rose
Diggs	LaFalce	Satterfield
Downey	Lagomarsino	Scheuer
Duncan, Oreg.	Leach	Sisk
Edwards, Calif.	Lehman	Smith, Iowa
Erlenborn	Levitas	Spellman
Evans, Colo.	Lujan	Stanton
Fenwick	McCloskey	Steers
Findley	McCormack	Steiger
Fish	McDonald	Stockman
Fisher	McHugh	Stump
Foley	Madigan	Udall
Forsythe	Maguire	Vanik
Fountain	Marlenee	Waggonner
Gore	Martin	Waxman
Gradison	Mattox	Wiggins
Green	Mazzoli	Wilson, Bob
Hagedorn	Meyner	Wirth
Hall	Mikva	Wylie
Hannaford	Mineta	Yates
Harkin	Moffett	Young, Fla.
Harris	Moorhead, Pa.	Young, Tex.

NOES—178

Ammerman	Ford, Tenn.	Myers, John
Annunzio	Fuqua	Myers, Michael
Applegate	Gaydos	Natcher
Bauman	Gephardt	Nolan
Beard, R.I.	Gilman	Nowak
Bedell	Ginn	Oakar
Benjamin	Glickman	Oberstar
Bennett	Gonzalez	Patten
Bevill	Goodling	Patterson
Boland	Grassley	Pease
Brademas	Gudger	Pepper
Breckinridge	Guyer	Poage
Buchanan	Hamilton	Preyer
Burke, Calif.	Hansen	Price
Burke, Fla.	Hawkins	Quillen
Burke, Mass.	Hefner	Rahall
Burlison, Mo.	Heftel	Regula
Byron	Hillis	Rhodes
Carney	Hollenbeck	Rinaldo
Carter	Holt	Risenhoover
Cavanaugh	Horton	Roberts
Chappell	Howard	Robinson
Chisholm	Hubbard	Roe
Clausen, Don H.	Hughes	Roncalio
	Jenkins	Rooney
Clay	Johnson, Calif.	Rosenthal
Coleman	Johnson, Colo.	Roybal
Collins, Ill.	Jones, N.C.	Russo
Conte	Jones, Tenn.	Schroeder
Coughlin	Kelly	Schulze
Daniel, Dan	Kindness	Sebelius
Daniel, R. W.	Kostmayer	Seiberling
Danielson	Latta	Sharp
Davis	Lederer	Shuster
Delaney	Leggett	Sikes
Derrick	Livingston	Skelton
Derwinski	Lloyd, Calif.	Skubitz
Devine	Lloyd, Tenn.	Slack
Dickinson	Long, Md.	Smith, Nebr.
Dingell	Lott	Snyder
Dodd	Lundine	Spence
Dornan	McFall	Staggers
Drinan	McKay	Steed
Duncan, Tenn.	McKinney	Stratton
Edgar	Mahon	Studds
Edwards, Ala.	Markey	Taylor
Edwards, Okla.	Marks	Thompson
Eilberg	Mikulski	Trible
Emery	Miller, Ohio	Vento
English	Minish	Volkmer
Ertel	Mitchell, Md.	Walgren
Evans, Del.	Mitchell, N.Y.	Wampler
Evans, Ind.	Mollohan	Watkins
Fary	Montgomery	Weaver
Fascell	Moore	White
Flippo	Moorhead, Calif.	Whitehurst
Flood		Whitley
Florio	Murphy, Pa.	Yatron
Flynt	Murtha	Young, Mo.
Ford, Mich.	Myers, Gary	Zablocki

NOT VOTING—134

Abdnor	Bafalis	Breaux
Addabbo	Baldus	Brooks
Alexander	Barnard	Brown, Calif.
Ambro	Baucus	Brown, Ohio
Armstrong	Biaggi	Burgener
Ashbrook	Boggs	Burton, John
Butler	Jordan	Rousselot
Caputo	Kasten	Rudd
Cleveland	Ketchum	Runnels
Cohen	Krueger	Ruppe
Conyers	Le Fante	Ryan
Corman	Lent	Santini
Cornwell	Long, La.	Sarasin
Cotter	Luken	Sawyer
Crane	McClory	Shipley
Cunningham	McDade	Simon
D'Amours	McEwen	Solarz
Dellums	Mann	St Germain
Dent	Marriott	Stangeland
Early	Mathis	Stark
Eckhardt	Meeds	Stokes
Evans, Ga.	Metcalfe	Symms
Fithian	Michel	Teague
Flowers	Milford	Thone
Fowler	Miller, Calif.	Thornton
Fraser	Moakley	Traxler
Frenzel	Mottl	Treen
Frey	Murphy, Ill.	Tsongas
Gammage	Murphy, N.Y.	Tucker
Garcia	Nichols	Ullman
Giaimo	Nix	Van Deerlin
Gibbons	Ottinger	Vander Jagt
Goldwater	Panetta	Walker
Hammer-schmidt	Perkins	Walsh
	Pickle	Weiss
Hanley	Pike	Whalen
Harrington	Pressler	Whitten
Harsha	Pritchard	Wilson, C. H.
Heckler	Quie	Wilson, Tex.
Holland	Rangel	Winn
Huckaby	Reuss	Wolff
Ichord	Richmond	Wright
Ireland	Rodino	Wydler
Jeffords	Rogers	Young, Alaska
Jenrette	Rostenkowski	Zeferetti

Mr. BOWEN, Mr. KASTENMEIER, and Mrs. SPELLMAN changed their vote from "no" to "aye."

Mr. LONG of Maryland changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

● Mr. TRAXLER. Mr. Chairman, I appreciate this opportunity to speak in support of the Amtrak Improvement Act of 1979. I rise in support of this legislation not because I am pleased with the job Amtrak has done in providing rail passenger service, but because it places greater congressional control over the various Amtrak operations.

We have all seen the colorful ads that Amtrak has had on television for the past several months. They boast that they have "been working on the railroad," and perhaps they have.

However, Amtrak has a long way to go before convincing the people that I represent in the Eighth Congressional District of Michigan that they know what they are doing. Let me provide you with my most recent experience with Amtrak.

Several weeks ago, I was contacted by Mr. Lloyd Stoyer, the editor of the Lapeer County Press, in Lapeer, Mich. He had been trying to put together a weekend trip from Lapeer to Chicago for a group of 180 people. You would expect that Amtrak would jump at the chance to provide such group service on its regularly scheduled train between these two points. But you would not believe it, because of what followed.

Mr. Stoyer could not get written confirmation from Amtrak for the transportation of 180 people. He could not get confirmation that Amtrak would provide its regular Amfleet equipment so that this group would have a baggage car on the train. The Port Huron to Chicago run uses some of the new turbo equipment, and believe it or not, the turbo train does not have a baggage car.

You can only put baggage in the racks over the seats.

Amtrak officials assured him that all matters would be resolved. After several phone calls from my office to the Detroit and Chicago offices of Amtrak, all that my staff could learn was, yes, Amtrak admitted that there was a problem and they were working on it, but Amtrak could not provide the needed confirmations, because the operations department was not in the habit of confirming the use of certain equipment. My staff was also promised that a letter confirming the transportation of 180 people would be sent.

After another week passed, Amtrak never advised my office or Mr. Stoyer of any of the progress being made. I finally requested the assistance of our good colleague, JOHN MCFALL, chairman of the Transportation Subcommittee of the House Appropriations Committee. His staff contacted Amtrak on behalf of my constituents, and 2 days later we discovered another chapter in this saga.

Amtrak had solved the problems of the equipment before I asked for Chairman MCFALL's assistance, but had never bothered to let me know that the matter was settled. They wasted my time, Mr. MCFALL's time, my constituent's time, and their own.

What did Amtrak learn from this story? The day the group was supposed to leave Lapeer, the train arrived 1 hour late. There had been a derailment of a freight train a few days earlier, and track condition warranted slow orders. At the train station, Amtrak officials reversed previously agreed upon plans for spotting a baggage car and getting the passengers on board, after all of the baggage had been unloaded in the originally agreed upon place. They now had to move everything to the other side of the station.

The train finally left Lapeer, but had to sit outside of Lansing for an hour as a broken rail had to be repaired on the track ahead.

The group finally got to Chicago 2 hours and 35 minutes late, only to find that their chartered bus transportation had left, because of the delay of the train, and other arrangements for transportation had to be made.

On the way back, the story was different. It seemed as if every Amtrak official in the Chicago regional office not only met the group at the train, but rode back with them all the way to Lapeer. They wanted to be sure that everyone was happy, and to the extent that Amtrak had given the group problems prior to the trip, Amtrak now decided to overkill them with kindness on the way back.

One of the Amtrak officials politely asked Editor Stoyer if he was planning to write a story on his adventures with Amtrak. Mr. Stoyer said that he probably would not, but would come to Washington to testify at Amtrak's appropriations hearings instead next year.

Amtrak is paid for with our taxpayer's money, and it is losing our taxpayer's money. If Amtrak wants to show that its officials can run a railroad, they better get to work. Amtrak may be "working on the railroad," but if they are, it certainly is not in my congressional district.

In fairness to Amtrak, Mr. Stoyer did tell me that the train crew provided congenial service during the duration of the trip. The Amtrak personnel that have the most contact with the public are doing a good job, but it is doubtful if that can be said for the Amtrak office personnel.

I have also been informed by Amtrak's governmental affairs office that this Lapeer saga has been relayed to Amtrak officials in efforts to see to it that this series of events never happens to a charter group again. However, I think it is important that this incident be made part of our record here today, so that Amtrak can see that it still has a way to go.

We need to be sure that Amtrak is working to improve itself. If this bill provides the Congress with greater oversight of Amtrak's operations, then I support it. Amtrak has shown to many people that it cannot make these policy decisions on its own, because if this comedy of errors happened to the group from Lapeer, Mich., it probably has happened to many more in other parts of the Amtrak system.

I think that there was one comment on the train back from Chicago which sums up the situation. When one of the passengers was asked by an Amtrak official what he thought about the trip, he responded by saying that he had seen billboards suggesting that people "rediscover the adventure of railroading." He went on to say, "After this trip, I know what that sign means." ●

The CHAIRMAN. There being no further amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BRADEMAS) having assumed the Chair, Mr. GONZALEZ, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11493) to amend the Rail Passenger Service Act to extend the authorization of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes pursuant to House Resolution 1212, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. STEIGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 204, nays 89, not voting 140, as follows:

[Roll No. 491]

YEAS—204

Akaka	Fisher	Mollohan
Ammerman	Flood	Moorhead, Pa.
Anderson, Calif.	Florio	Moss
	Foley	Murphy, Pa.
Anderson, Ill.	Ford, Mich.	Murtha
Andrews, N. Dak.	Ford, Tenn.	Myers, John
	Fuqua	Myers, Michael
Annunzio	Gaydos	Natcher
Applegate	Gilman	Nolan
Ashley	Ginn	Nowak
Aspin	Glickman	O'Brien
AuCoin	Gonzalez	Oakar
Bauman	Goodling	Oberstar
Beard, R.I.	Gore	Patten
Beard, Tenn.	Green	Patterson
Beilenson	Guyer	Pattison
Benjamin	Hamilton	Pease
Bennett	Hannaford	Pepper
Bingham	Harkin	Pettis
Blanchard	Harris	Preyer
Blouin	Heftel	Price
Boland	Hightower	Pursell
Bolling	Hillis	Rahall
Bonior	Hollenbeck	Railsback
Bonker	Holtzman	Regula
Brademas	Horton	Rhodes
Brinkley	Howard	Rinaldo
Brodhead	Hubbard	Roe
Brown, Mich.	Hughes	Rogers
Buchanan	Hyde	Roncalio
Burke, Calif.	Johnson, Calif.	Rooney
Burke, Fla.	Johnson, Colo.	Rose
Burke, Mass.	Jones, Tenn.	Rosenthal
Burlison, Mo.	Kastenmeier	Roybal
Burton, Phillip	Kazen	Scheuer
Byron	Keys	Schulze
Carney	Kildee	Seiberling
Carr	Kindness	Sharp
Carter	Kostmayer	Skubitz
Cavanaugh	Krebs	Slack
Chappell	LaFalce	Smith, Iowa
Chisholm	Leach	Smith, Nebr.
Clausen, Don H.	Lederer	Solarz
	Lehman	Spellman
Clay	Lloyd, Calif.	Spence
Cochran	Lloyd, Tenn.	Staggers
Collins, Ill.	Long, Md.	Stanton
Conte	Lujan	Steed
Corcoran	Lundine	Steers
Coughlin	McCloskey	Stratton
Danielson	McCormack	Studds
Davis	McFall	Thompson
Delaney	McHugh	Udall
Derwinski	McKay	Van Deerlin
Dicks	McKinney	Vanik
Diggs	Madigan	Vento
Dodd	Maguire	Walgren
Downey	Markey	Wampler
Drinan	Marks	Waxman
Edgar	Marlenee	White
Edwards, Calif.	Mattox	Wilson, Bob
Eilberg	Mazzoli	Wirth
Emery	Meyner	Wylie
Ertel	Mikulski	Yates
Evans, Colo.	Mineta	Yatron
Evans, Del.	Minish	Young, Fla.
Evans, Ind.	Mitchell, Md.	Young, Mo.
Fary	Mitchell, N.Y.	Young, Tex.
Fish	Moffett	Zablocki

NAYS—89

Andrews, N.C.	Daniel, Dan	Findley
Archer	Daniel, R. W.	Flippo
Badham	de la Garza	Flynt
Bedell	Derrick	Forsythe
Bevill	Devine	Fountain
Bowen	Dickinson	Gephardt
Broomfield	Dornan	Gradison
Broyhill	Duncan, Oreg.	Grassley
Burleson, Tex.	Duncan, Tenn.	Gudger
Cederberg	Edwards, Ala.	Hagedorn
Clawson, Del	Edwards, Okla.	Hansen
Coleman	English	Hefner
Collins, Tex.	Erlenborn	Holt
Conable	Fascell	Jacobs
Cornell	Fenwick	Jenkins

Jones, N.C.	Moore	Skelton
Jones, Okla.	Moorhead, Calif.	Snyder
Kelly	Myers, Gary	Steiger
Kemp	Neal	Stump
Lagomarsino	Obey	Taylor
Latta	Poage	Trible
Levitas	Quayle	Volkmer
Livingston	Quillen	Sebelius
Lott	Risenhoover	Shuster
McDonald	Roberts	Sikes
Mahon	Robinson	Waggonner
Martin	Russo	Watkins
Mikva	Satterfield	Whitehurst
Miller, Ohio	Schroeder	Whitley
Montgomery		Wiggins

NOT VOTING—140

Abdnor	Hall	Pritchard
Addabbo	Hammer-schmidt	Quie
Alexander	Hanley	Rangel
Ambro	Harrington	Reuss
Armstrong	Harsha	Richmond
Ashbrook	Hawkins	Rodino
Bafalis	Heckler	Rostenkowski
Baldus	Holland	Rousselot
Barnard	Huckaby	Rudd
Baucus	Ichord	Runnels
Biaggi	Ireland	Ruppe
Boggs	Jeffords	Ryan
Breaux	Jenrette	Santini
Breckinridge	Jordan	Sarasin
Brooks	Kasten	Sawyer
Brown, Calif.	Ketchum	Shipley
Brown, Ohio	Krueger	Simon
Burgener	Le Fante	Sisk
Burton, John	Leggett	St Germain
Butler	Lent	Stangeland
Caputo	Long, La.	Stark
Cleveland	Luken	Stockman
Cohen	McClory	Stokes
Conyers	McDade	Symms
Corman	McEwen	Teague
Cornwell	Mann	Thone
Cotter	Marriott	Thornton
Crane	Mathis	Traxler
Cunningham	Meeds	Treen
D'Amours	Metcalfe	Tsongas
Dellums	Michel	Tucker
Dent	Milford	Ullman
Dingell	Miller, Calif.	Vander Jagt
Early	Moakley	Walker
Eckhardt	Motti	Walsh
Evans, Ga.	Murphy, Ill.	Weaver
Fithian	Murphy, N.Y.	Weiss
Flowers	Nedzi	Whalen
Fowler	Nichols	Whitten
Fraser	Nix	Wilson, C. H.
Frenzel	Ottinger	Wilson, Tex.
Frey	Panetta	Winn
Gammage	Perkins	Wolff
Garcia	Pickle	Wright
Giaimo	Pike	Wydler
Gibbons	Pressler	Young, Alaska
Goldwater	Zeferetti	

The Clerk announced the following pairs:

On this vote:

Mr. Cunningham for, with Mr. Walker against.

Mrs. Heckler for, with Mr. Thone against.

Mr. Marriott for, with Mr. Symms against.

Mr. Pritchard for, with Mr. Rousselot against.

Mr. Sawyer for, with Mr. Ashbrook against.

Mr. Stangeland for, with Mr. Frenzel against.

Until further notice:

Mr. Addabbo with Mr. Young of Georgia.
Mr. Baucus with Mr. Dent.
Mr. Hanley with Mr. Abdnor.
Mr. Biaggi with Mr. Goldwater.
Mr. Corman with Mr. Stockman.
Mrs. Boggs with Mr. Armstrong.
Mr. Luken with Mr. Treen.
Mr. Gammage with Mr. Harsha.
Mr. Rangel with Mr. Whalen.
Mr. Richmond with Mr. Frey.
Mr. Cotter with Mr. Bafalis.
Mr. D'Amours with Mr. Wydler.
Mr. Krueger with Mr. Cohen.
Mr. Harrington with Mr. Hammerschmidt.
Mr. Ireland with Mr. Brown of Ohio.
Mr. Jenrette with Mr. Walsh.
Mr. Moakley with Mr. Crane.
Mr. Murphy of Illinois with Mr. Winn.
Mr. Shipley with Mr. Sarasin.
Mr. Santini with Mr. Ruppe.
Mr. Stokes with Mr. Burgener.
Mr. Rostenkowski with Mr. Quie.
Mr. Brooks with Mr. Milford.
Mr. Conyers with Mr. Jeffords.
Mr. Dellums with Mr. Rudd.
Mr. Meeds with Mr. Butler.
Mr. Mottl with Mr. Kasten.
Mr. Nix with Mr. McClory.
Mr. Panetta with Mr. Pressler.
Mr. Pickle with Mr. Ketchum.
Mr. Flowers with Mr. Caputo.
Mr. Garcia with Mr. Lent.
Mr. Metcalfe with Mr. McDade.
Mr. Mathis with Mr. Cleveland.
Mr. Le Fante with Mr. Michel.
Mr. Mann with Mr. McEwen.
Mr. Reuss with Mr. Breckinridge.
Mr. Ambro with Mr. Eckhardt.
Mr. Breaux with Mr. Fithian.
Mr. John L. Burton with Mr. Vander Jagt.
Mr. Barnard with Mr. Thornton.
Mr. Cornwell with Mr. Brown of California.
Mr. Giaimo with Mr. Ullman.
Mr. Alexander with Mr. Evans of Georgia.
Mr. Gibbons with Mr. Tucker.
Mr. Dingell with Mr. Fowler.
Mr. Early with Mr. Whitten.
Mr. Weaver with Mr. Wright.
Mr. Fraser with Mr. Leggett.
Mr. Stark with Miss Jordan.
Mr. Simon with Mr. Ichord.
Mr. Sisk with Mr. Charles Wilson of Texas.
Mr. Tsongas with Mr. Holland.
Mr. Traxler with Mr. Hall.
Mr. St Germain with Mr. Nedzi.
Mr. Nichols with Mr. Ryan.
Mr. Weiss with Mr. Charles H. Wilson of California.
Mr. Wolff with Mr. Pritchard.
Mr. Long of Louisiana with Mr. Miller of California.
Mr. Pike with Mr. Ottinger.
Mr. Zeferetti with Mr. Teague.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 1212, the Committee on Interstate and Foreign Commerce is discharged from the further consideration of the Senate bill (S. 3040) to amend the Rail Passenger Service Act to extend the authorizations of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. GORE

Mr. GORE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. GORE moves to strike out all after the enacting clause of the Senate bill (S. 3040) and to insert in lieu thereof the provisions of the bill H.R. 11493, as passed by the House, as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Amtrak Improvement Act of 1978".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) Section 601(a)(1) of the Rail Passenger Service Act (45 U.S.C. 601(a)(1)) is amended—

(1) in clause (1) thereof (A) by striking out "except for" and all that follows through "sentence" and inserting in lieu thereof "including the payment of the additional operating expenses of the Corporation which result from the operation and maintenance of the Northeast corridor pursuant to title VII of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 851 et seq.)", (B) by striking out "and" immediately after "1977,", and (C) by inserting ", and not to exceed $600,000,000 for the fiscal year ending September 30, 1979" immediately after "1978";

(2) in clause (2) thereof (A) by striking out "and" immediately after "1977,", and (B) by striking out "1978;" and inserting in lieu thereof "1978, and not to exceed $130,000,000 for the fiscal year ending September 30, 1979, which shall include funds for expenditures for compatible equipment under section 703(5) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 853(5)); and";

(3) by striking out clause (3) and redesignating clause (4), and all references thereto, as clause (3); and

(4) in clause (3) thereof, as so redesignated, by inserting ", and not to exceed $25,000,000 for the fiscal year ending September 30, 1979" immediately after "1978".

(b)(1) Section 601(a)(2) of such Act (45 U.S.C. 601(a)(2)) is amended by striking out "subsection (a)(4)" and inserting in lieu thereof "subsection (a)(3)".

(2) Section 602(d) of such Act (45 U.S.C. 602(d)) is amended by striking out "clause (4)" and inserting in lieu thereof "clause (3)"

BUDGET ESTIMATES

SEC. 3. Subsection (b) of section 601 of the Rail Passenger Service Act (45 U.S.C. 601(b)) is repealed.

ROUTE REEXAMINATION

SEC. 4. (a) The Secretary of Transportation (hereinafter in this section referred to as the "Secretary"), in cooperation with the National Railroad Passenger Corporation (hereinafter in this section referred to as the "Corporation"), shall immediately develop preliminary recommendations for a route structure for the Corporation which will provide an optimal intercity railroad passenger system, based upon current and future market and population requirements, including where appropriate portions of the Corporation's existing route structure. In developing such recommendations, the Secretary shall consider—

(1) any unique characteristics and advantages of rail service as compared to other modes of transportation;

(2) the role that rail passenger service can play in helping meet the Nation's transportation needs while furthering national energy conservation efforts;

(3) the relationship of benefits of given services to the cost of providing such services, computing the costs in loss or profit per passenger mile rather than total loss or profit per route.

(4) the transportation needs of areas lacking adequate alternative forms of transportation; and

(5) frequency alternatives and the impact of such alternatives on ridership, revenues, and expenses of rail passenger service.

(b) The Secretary shall, no later than May 1, 1978, develop and publish the preliminary recommendations described in subsection (a) of this section and submit a copy of such recommendations to the Rail Services Planning Office and to both Houses of the Congress. The Secretary shall at that time also provide copies of the preliminary recommendations to the Corporation, the Office of Rail Public Counsel, the Interstate Commerce Commission, the Secretary of Energy, the Governors, Departments of Transportation, and Public Utilities Commissions of each State in which rail passenger service is proposed to be modified, the railroads affected by such recommendations, the labor organizations authorized under the Railway Labor Act to represent railroad employees, and the United States Postal Service. In addition, copies of the preliminary recommenda-

tions shall be made available by the Secretary to interested persons at a reasonable cost. Such recommendations shall include—

(1) a recommended route system by end points and principal intermediate points to be served;

(2) quality and type of service recommended for each route, including frequency, speed, and classes of services offered;

(3) ranges of projected operating expenses, ridership, and revenues, by route, including a measure calculated by loss or profit per passenger mile and separated for non-State supported routes and State supported routes;

(4) an estimate of the equipment and facilities necessary to support the recommended system;

(5) a recommendation for coordinating passenger rail service at points on the system with other modes of transportation serving such points; and

(6) based upon the route level projections, an estimate of operating and capital appropriations required to operate the system for fiscal years 1980 through 1984.

(c) During the period beginning May 1, 1978, and ending August 31, 1978, the Rail Services Planning Office shall conduct public hearings on the preliminary recommendations developed by the Secretary under this section. Such public hearings shall be held in such places and at such times as the Office determines will afford the affected States and communities the greatest opportunity to participate. During such period, in addition to holding public hearings, the Office shall invite comment on such recommendations from the Corporation, the Interstate Commerce Commission, the Secretary of Energy, the Governors, Departments of Transportation, and Public Utilities of each State in which rail passenger service is proposed to be modified, the railroads affected by such recommendations, the labor organizations authorized under the Railway Labor Act to represent railroad employees, interested citizens groups, and the United States Postal Service.

(d) The Rail Service Planning Office shall, no later than September 30, 1978, submit to the Secretary a summary and analysis of the evidence received in the course of its proceedings conducted under subsection (c) of this section, together with its critique and evaluation of the preliminary recommendations of the Secretary. The Secretary shall thoroughly consider the material submitted by the Office with respect to such recommendations and, based on such consideration (and further evaluations of the Secretary), develop final recommendations for a route structure for the Corporation as he deems appropriate. In developing such final recommendations, the Secretary shall also consider the impact of such recommendations upon existing tourism markets and the potential for future tourism in areas to be served by the recommended route system. Such final recommendations shall include a summary of the significant recommendations received, together with the reasons for adopting or not adopting any such recommendation.

(e)(1) The Secretary shall, no later than December 31, 1978, submit the final recommendations designating the basic route system, together with supporting and explanatory material, to both Houses of the Congress and to the Committee on Appropriations and the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Appropriations and the Committee on Commerce, Science, and Transportation of the Senate. The final recommendations shall be deemed approved and shall take effect only upon the adoption by both the House of Representatives and the Senate of a resolution approving such final recommendations. If, following submission of the final recommendations by the Secretary, either House of the Congress passes a resolution disapproving such recommendations, the Secretary shall prepare revised final recommendations. All such revised final recommendations shall be submitted to both Houses of the Congress and the Committees referred to in this paragraph for approval in accordance with this subsection.

(2) Pending approval of the final recommendations developed by the Secretary under this section and notwithstanding any other provision of law, the route system of the Corporation in effect on January 1, 1978, shall not be modified or restructured prior to October 1, 1979, except with respect to those routes initiated by the Corporation subsequent to January 1, 1978, pursuant to section 404(a) of the Rail Passenger Service Act (45 U.S.C. 564(a)). Nothing in this paragraph shall be construed by the Corporation as precluding the rerouting of existing rail passenger service, or construed as requiring the Corporation to maintain service provided under an agreement with a State pursuant to section 403(b) of the Rail Passenger Service Act if such State fails to meet its share of the costs of such service or requests discontinuance of such service.

(3) Immediately upon approval of the final recommendations of the Secretary, the Corporation shall implement the basic route system designated in such recommendations and shall complete such implementation as soon thereafter as possible.

(f) The provisions of section 404(c)(1) of the Rail Passenger Service Act (45 U.S.C. 564(c)(1)), including the criteria and procedures developed under such section, shall not apply to the preliminary or final recommendations developed by the Secretary under this section. After the effective date of the basic system designated in the final recommendations of the Secretary, any additions, deletions, or modifications in such basic system may be made by the Corporation in accordance with the criteria and procedures developed under such section 404(c)(1). The basic system designated in the final recommendations of the Secretary shall supersede any other system or route previously in effect.

(g) The Rail Services Planning Office shall, in the course of the hearings conducted under subsection (c) of this section, conduct an evaluation of alternatives to the existing organizational structure of the Corporation and of the relationship of the Corporation to the Federal Government, including its relationship to the Office of Management and Budget, the Secretary of Transportation, and the Congress.

RAIL PASSENGER SERVICE REPORT

Sec. 5. Section 703(2) of the Railroad Revitalization and Regulatory Reform Act of 1978 (45 U.S.C. 853(2)) is amended—

(1) by inserting "(A)" immediately after "Transportation.—"; and

(2) by adding at the end thereof the following new subparagraph:

"(B) The submission by the Secretary of the Congress of the following report on the conflict between the needs of commuter rail passenger service in the Northeast Corridor:

"(i) Within one year after the date of enactment of this subparagraph, a report on the allocation of access rights to the key Northeast Corridor terminals, especially Pennsylvania Station in New York, New York.".

STUDY OF RELATIONSHIP OF AMTRAK FARE STRUCTURE TO THE INTERCITY BUS INDUSTRY

Sec. 6. The Comptroller General shall, in consultation with the Secretary of Transportation and the Interstate Commerce Commission, conduct a study of the economic relationship of the fare structure of the National Railroad Passenger Corporation to the intercity bus industry. The Comptroller General shall, no later than December 31, 1978, submit a report to the Congress setting forth the results of such study.

HEARINGS ON UNFAIR OR PREDATORY PRACTICES

Sec. 7. Notwithstanding the provisions of section 306 of the Rail Passenger Service Act, the Interstate Commerce Commission shall have, upon the application of any aggrieved motor carrier, jurisdiction under any applicable provision of part 1 of the Interstate Commerce Act over any rate, fare, charge, or marketing practice of the National Railroad Passenger Corporation with respect to any route or service which operates at a loss for the purpose of hearing the complaint over an unfair or predatory practice.

NORTHEAST CORRIDOR

Sec. 8. Section 703 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 853) is amended—

(1) in paragraph (1)(A)(i) thereof, by inserting "at most" immediately before "a 3-hour-and-40-minute" and "a 2-hour-and-40-minute", respectively;

(2) in paragraph (1)(B) thereof, by inserting "or other responsible parties" immediately after "(or local or regional transportation authorities)"; and

(3) by adding at the end thereof the following new paragraph:

"(5) COMPATIBLE EQUIPMENT.—The Secretary shall develop economical and reliable rolling stock and related equipment designed to be compatible with the track, operating, and marketing characteristics of the Northeast Corridor at and after the completion of the Northeast Corridor improvement project, including the capability to reliably meet the trip times set forth in paragraph (1)(E) of this section in regularly scheduled revenue service in the Northeast Corridor. The Secretary shall consult with the Corporation in the development of such equipment. The Corporation shall submit requests for authorization of appropriations for the production of such equipment and shall, together with the Secretary, include equipment planning in the reports required by paragraph (1)(E) of this section.".

EXPENSES OF ELECTRIFICATION CONVERSION

Sec. 9. Section 704(a)(1) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 854(a)(1)) is amended by inserting immediately before the semicolon at the end theerof the following: ", of which not less than $27,000,000 shall be available to finance the cost of the equipment modification and replacement which States (or local or regional transportation authorities) will be required to bear as a result of the electrification conversion system of the Northeast Corridor pursuant to this title.".

PURCHASES OF DOMESTIC ARTICLES, MATERIALS, AND SUPPLIES

Sec. 10. Section 305 of the Rail Passenger Service Act (45 U.S.C. 545) is amended by adding at the end thereof the following new subsection:

"(j)(1) Except as provided in paragraph (2) or (3) of this subsection, the Corporation, in carrying out its activities under this Act, shall purchase only—

"(A) unmanufactured articles, materials, and supplies which have been mined or produced in the United States; and

"(B) manufactured articles, materials, and supplies which have been manufactured in the United States substantially from articles, materials, and supplies mined, produced, or manufactured, as the case may be, in the United States.

"(2) The Secretary may, upon application of the Corporation, exempt the Corporation from the requirements of paragraph (1) of this subsection with respect to the purchase of particular articles, materials, or supplies, if the Secretary determines that—

"(A) imposing such requirements with respect to such articles, materials, or supplies is inconsistent with the public interest;

"(B) the cost of imposing such require-

ments with respect to such articles, materials, or supplies in unreasonable; or

"(C) such articles, materials, or supplies or the articles, materials, or supplies from which they are manufactured are not mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.

"(3) The provisions of this subsection shall not apply—

"(A) in any case in which the cost of the articles, materials, or supplies purchased is less than $100,000; or

"(B) in the case of articles, materials, or supplies purchased pursuant to a contract entered into before the date of enactment of this subsection.

"(4) For purposes of this subsection, the term 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.".

FOR-PROFIT STATUS OF AMTRAK

SEC. 11. The second sentence of section 301 of the Rail Passenger Service Act (45 U.S.C. 541) is amended by inserting "operated and managed as" immediately before "a for profit corporation".

COMMON STOCK OWNERSHIP

SEC. 12. The Secretary of Transportation shall evaluate the common stock ownership of the National Railroad Passenger Corporation and shall, no later than December 31, 1978, submit a report to the Congress setting forth his recommendations with respect to retention, retirement, or conversion of such common stock. In making such recommendations, the Secretary shall consider the best interests of the United States.

RAILROAD SAFETY SYSTEM PROGRAM

SEC. 13. Title VIII of the Rail Passenger Service Act (45 U.S.C. 641 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 807. RAILROAD SAFETY SYSTEM PROGRAM.

"(a) No later than January 1, 1979, the Corporation shall, in consultation with railroad labor organizations, develop and implement a Rail Safety System Program for employees working on property owned by the Corporation. Such program shall be designed to serve as a model for other railroads to use in developing safety programs.

"(b) The Railroad Safety System Program required under this section shall include but not be limited to—

"(1) a periodic analysis of accident data, including primary and secondary causes, if known;

"(2) a periodic evaluation of the activities undertaken under the program, particularly the specific steps taken in response to accident causes;

"(3) a periodic identification of the expenditures for occupational health and safety activities included in the program;

"(4) a periodic identification of the reduction of costs, fatalities, and casualties resulting from accident prevention under the program;

"(5) a periodic identification of direct accident costs, including claims arising out of such accidents; and

"(6) an identification and evaluation of such other information or data as the Corporation considers necessary or appropriate.

"(c) There is authorized to be appropriated to carry out the provisions of this section not to exceed $250,000.".

CONVERSION OF RAILROAD TERMINALS

SEC. 14. Paragraphs (2), (3), and (4) of section 4(i) of the Department of Transportation Act (49 U.S.C. 1653(i) (2), (3), and (4)) are amended by striking out "60 per centum" each place it appears and inserting in lieu thereof "80 per centum".

REIMBURSEMENT FOR STAFF SERVICES

SEC. 15. Section 403(b)(1) of the Rail Passenger Service Act (45 U.S.C. 563(b)(1)) is amended by adding at the end thereof the following new sentence: "The State or agency shall be entitled to reimbursement for staff services in an amount equal to 3 per centum of the Corporation's share of operating losses and associated capital costs.".

PETITIONS TO THE INTERSTATE COMMERCE COMMISSION

SEC. 16. Section 403(b) of the Rail Passenger Service Act (45 U.S.C. 563(b)) is amended—

(1) by redesignating paragraphs (2) and (3), and all references thereto, as paragraphs (3) and (4), respectively; and

(2) by inserting immediately after paragraph (1) the following new paragraph:

"(2) Whenever a State, regional, or local agency requests the Corporation to institute service pursuant to this subsection, or to enter into a contract or other agreement or modify an existing contract or agreement relating to rates, fares, charges, scheduling, marketing, or operations of service provided pursuant to this subsection, and the Corporation fails to institute such service or to enter into or modify such contract or agreement, as the case may be, such State, regional, or local agency may petition the Commission for an order directing the Corporation to comply with its request. If the Commission determines, upon receipt of such a petition and after notice and an opportunity for a hearing, that the request which is the subject of such petition is consistent with the public interest and the purposes of this subsection, the Commission may enter an order directing the Corporation to comply with such request or to take such other action as the Commission considers appropriate.".

ADDITIONAL SERVICE

SEC. 17. Section 403 of the Rail Passenger Service Act (45 U.S.C. 563) is amended by adding at the end thereof the following new subsection:

"(d) The Corporation is authorized to operate commuter rail passenger service under an agreement with a State (or local or regional transportation agency) if such State or agency agrees to reimburse the Corporation for the avoidable cost of operating such commuter rail passenger service. For purposes of this subsection, the term 'commuter rail passenger service' means rail passenger service operated in metropolitan and suburban areas, usually characterized by reduced fare, multiple-ride, and commutation tickets, and by morning and evening peak period operations.".

EFFECTIVE DATE

SEC. 18. (a) Except as provided in subsection (b) of this section, the provisions of this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) The amendments made by section 9 and section 15 of this Act shall take effect on October 1, 1978.

SEC. 19. The National Rail Passenger Service Corporation shall utilize all feasible means—including taking into account the needs of the Postal Service in establishing schedules to attract and service the bulk mail needs of the U.S. Postal Service.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, a motion to reconsider was laid on the table.

A similar House bill (H.R. 11493) was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO S. 3040

Mr. GORE. Mr. Speaker, I ask unanimous consent that the Clerk may be authorized to correct section numbers, punctuation marks, and cross-references to reflect the actions of the House in the engrossment of the amendment of the House to the Senate bill (S. 3040).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

GENERAL LEAVE

Mr. GORE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the Senate bill (S. 3040), just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries.

DESIGNATING SUNDAY, JUNE 25, 1978, AS "NATIONAL BROTHERHOOD DAY"

Mr. LEHMAN. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 995) to designate Sunday, June 25, 1978, as "National Brotherhood Day," and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 995

Whereas this Nation was founded on the principle of freedom of religious thought;

Whereas the practice of this freedom continues today in the expression of many philosophies and beliefs;

Whereas the American people have—or their ancestors have—come to this country for many reasons, among them the freedom from persecution for these beliefs; and

Whereas a deep kinship and true brotherhood exists among the various national, religious, and racial groups making up this great Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Sunday, June 25, 1978, is hereby designated as "National Brotherhood Day".

SEC. 2. The President is authorized and requested to issue a proclamation calling upon the people of the United States to commemorate National Brotherhood Day with appropriate celebrations and observances.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Speaker, this joint resolution proclaims June 15, 1978, as "National Brotherhood Day." The joint resolution has been cosponsored by 224 Members.

Mr. Speaker, I urge adoption of the joint resolution.

● Mr. CONTE. Mr. Speaker, this bill seeks to designate Sunday, June 25, as National Brotherhood Day.

Although this resolution was originally introduced as a response to the march of a bunch of hooligans through the streets of Skokie, Ill., its purpose is much greater. It serves to remind not only the world, but also ourselves that this Naion was founded on the principle of religious thought and toleration. In this great melting pot there does and should exist a brotherhood between all races, creeds, and nationalities.

Some say that this toleration should extend to those who will goosestep through the streets of Chicago this Saturday. They declare that just as the Constitution guarantees freedom of religious practice it provides for freedom of speech and freedom of assembly. And so it does.

But with the doctrine of freedom of speech comes a responsibility, an obligation, to speak the truth when others offer lies, to give support when others persecute. To not act is to condone the actions that are taken and the words that are spoken by those who practice prejudice and hate.

To allow all to air their ideas and views does not mean that all ideas and views are equal. They are not. Some are plainly better and more just than others. Our Founding Fathers by providing for the right of freedom of speech demonstrated their belief that the citizens of this Nation could distinguish those views that are constructive from those that are destructive. If the American people are to live up to the Founders' expectations, they must speak out now. Two hundred twenty-three Members of this House have spoken by cosponsoring this resolution. Let 200 million voices speak—proclaim this Sunday "National Brotherhood Day!" ●

● Mr. GILMAN. Mr. Speaker, I rise in support of the resolution, of which I am a cosponsor, offered by my distinguished colleague, the gentleman from Massachusetts (Mr. CONTE) proclaiming June 25, 1978 as "National Brotherhood Day."

The purpose of this resolution is to underscore a basic principle upon which this Nation is founded: A "deep kinship and true brotherhood exists among the various national, religious, and racial groups making up the great Nation."

It is a principal which has weathered periods of turmoil and which has served this Nation exceedingly well as we consider our heritage and we endeavor to chart our future.

Mr. Speaker, there could hardly be a more appropriate time for Congress to endorse the concept of National Brotherhood for this weekend when a band of neo-Nazis plan for the self-admitted purposes of "agitation" alone, a demonstration and march in Illinois. Originally planned for Skokie, Ill., it is now unclear whether the Nazis will march in that Illinois community or in Chicago.

I do not argue the constitutionally protected right to peaceful assembly. It is such a right which has enabled responsible minority groups in our country to articulate their thoughts in a rational manner when other forms are unavailable for such purposes.

I do, however, condemn in the most unequivocal fashion the hateful principles which this Nazi group espouses. They have even before their planned march succeeded in capturing media attention and widely publicizing the base inhumane doctrine to which they adhere.

It is for this purpose, Mr. Speaker, because the vile philosophy of this misanthropic band has gained so much attention that the resolution endorsing National Brotherhood Day should be enacted to offset the disruptive tactics of but a miniscule group which wishes to parade its Nazi swastikas, and brandish the despised paraphernalia of the brown-shirted Nazi storm troopers.

The Nazis have earned the vilification of all who remember the Holocaust in which millions of Jews and other minorities were subjected to barbarous deaths and inhuman depravities at the hands of Hitler's maniacal underlings.

Mr. Speaker, there is no amount of contempt too great to heap upon this group. I urge my colleagues to condemn the hateful group and their inhuman tradition of slaughter and oppression and to vote for this resolution. ●

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEHMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

AUTHORIZING A STAR PRINT OF HOUSE REPORT 95-1214

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that a star print of House Report 95-1214 be authorized.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Georgia could explain this.

Mr. FLYNT. Mr. Speaker, I would be glad to, if the gentleman will yield.

Mr. BAUMAN. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Speaker, the purpose of authorizing this House report to be star printed is to correct, first, certain typographical and technical errors, and, second and perhaps more important, to include certain pages of opinions, which certain pages were inadvertently omitted from the original printing.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, could the gentleman tell us the topic of the report?

Mr. FLYNT. Yes, I will be glad to. The topic of the report, as stated on the printed report, on the printed incorrect report of 95-1214, is entitled "Proceeding Against Hanco C. Kim." These are contempt proceedings voted by the Committee on Standards of Official Conduct against the witness, who declined and refused to answer.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ORLANDO LETELIER ASSASSINATION

(Mr. HARKIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARKIN. Mr. Speaker, just a little over an hour ago the White House announced that the President was taking two actions with regard to our relations with the nation of Chile.

No. 1, the President is recalling our Ambassador to Chile, Mr. Landau, for further consultations on the matter of the assassination of Orlando Letelier.

Second, the President has announced that he is withholding a shipment of bomb fins and other material that is now in the pipeline to Chile.

I am sure the Members have read about the recent action of Longshoremen's Local No. 10 in San Francisco that halted the loading of these bomb fins last week.

Mr. Speaker, I want to commend the President for this action. I believe that the investigation into the killing of Orlando Letelier and Ronnie Moffitt must be completed and that those guilty of this heinous crime must be held accountable. Also, Chile ought not to be able to get around the will of Congress by continuing to receive arms shipments 2 years after Congress cut off military aid to that country.

PROVIDING FOR CONSIDERATION OF H.R. 12433, HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1214 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1214

Resolved, That upon the adoption of this resolution it shall be in order to move, sections 401(a) and 402(a) of the Congressional Budget Act of 1974 (Public Law 93–344) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12433) to amend and extend certain Federal laws relating to housing, community and neighborhood development and preservation, and related programs, and for other purposes, and all points of order against said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. It shall be in order to consider the amendments recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill, and all points of order against said amendments for failure to comply with the provisions of clause 5, rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. BRADEMAS). The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, the waivers in the bill on the Budget Act and on the appropriations in an authorizing bill are, in effect, technical.

I know of no opposition to the bill. which will have 2 hours of general debate and which will be read by titles instead of by sections.

Therefore, Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there was no objection to the rule in the Committee on Rules. The able gentleman from Missouri (Mr. BOLLING) has correctly stated the situation.

Mr. Speaker, I have no requests for time, and I urge the adoption of the resolution.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DAVIS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays 5, not voting 146, as follows:

[Roll No. 492]

YEAS—282

Akaka	Fary	Miller, Ohio
Ambro	Fascell	Mineta
Ammerman	Fenwick	Minish
Anderson, Calif.	Findley	Mitchell, Md.
	Fish	Mitchell, N.Y.
Andrews, N.C.	Fisher	Moffett
Andrews, N. Dak.	Flippo	Mollohan
	Flood	Montgomery
Annunzio	Florio	Moore
Applegate	Flynt	Moorhead, Calif.
Archer	Foley	
Ashley	Ford, Mich.	Moorhead, Pa.
Aspin	Ford, Tenn.	Moss
AuCoin	Forsythe	Murtha
Badham	Fountain	Myers, Gary
Beard, R.I.	Gaydos	Myers, John
Beard, Tenn.	Gephardt	Myers, Michael
Bedell	Gilman	Natcher
Beilenson	Ginn	Neal
Benjamin	Glickman	Nolan
Bennett	Gonzalez	Nowak
Bevill	Goodling	O'Brien
Bingham	Gore	Oakar
Blanchard	Gradison	Oberstar
Blouin	Grassley	Obey
Boland	Green	Patten
Bolling	Gudger	Patterson
Bonker	Guyer	Pattison
Bowen	Hagedorn	Pease
Brademas	Hall	Pepper
Breckinridge	Hamilton	Pettis
Brinkley	Hannaford	Poage
Brodhead	Harkin	Preyer
Broomfield	Harris	Price
Brown, Mich.	Hefner	Pursell
Broyhill	Heftel	Quayle
Buchanan	Hightower	Quillen
Burke, Calif.	Hillis	Railsback
Burke, Fla.	Hollenbeck	Regula
Burke, Mass.	Holt	Rhodes
Burleson, Tex.	Holtzman	Rinaldo
Burlison, Mo.	Horton	Risenhoover
Burton, Phillip	Howard	Roberts
Byron	Hubbard	Robinson
Carney	Hughes	Roe
Carr	Hyde	Rogers
Carter	Jacobs	Roncalio
Cavanaugh	Jenkins	Rooney
Cederberg	Johnson, Calif.	Rose
Chappell	Johnson, Colo.	Rosenthal
Chisholm	Jones, N.C.	Roybal
Clausen, Don H.	Jones, Okla.	Russo
	Jones, Tenn.	Satterfield
Clawson, Del	Kastenmeier	Scheuer
Clay	Kazen	Schroeder
Cochran	Kelly	Schulze
Coleman	Kemp	Sebelius
Collins, Ill.	Keys	Seiberling
Conable	Kildee	Sharp
Conte	Kindness	Shuster
Corcoran	Kostmayer	Sikes
Cornell	Krebs	Skelton
Coughlin	LaFalce	Slack
Daniel, Dan	Lagomarsino	Smith, Iowa
Daniel, R. W.	Latta	Smith, Nebr.
Danielson	Leach	Snyder
Davis	Lederer	Solarz
de la Garza	Lehman	Spellman
Delaney	Levitas	Spence
Derrick	Livingston	Staggers
Derwinski	Lloyd, Calif.	Stanton
Devine	Lloyd, Tenn.	Steed
Dickinson	Long, Md.	Steers
Dicks	Lott	Steiger
Dingell	Lujan	Stratton
Dodd	Lundine	Studds
Dornan	McCloskey	Stump
Downey	McCormack	Taylor
Drinan	McFall	Thompson
Duncan, Oreg.	McHugh	Trible
Duncan, Tenn.	McKay	Udall
Edgar	McKinney	Vanik
Edwards, Ala.	Maguire	Vento
Edwards, Calif.	Mahon	Volkmer
Edwards, Okla.	Markey	Waggonner
Eilberg	Marks	Walgren
Emery	Marlenee	Wampler
English	Martin	Watkins
Erlenborn	Mazzoli	Waxman
Ertel	Meyner	White
Evans, Colo.	Mikulski	Whitehurst
Evans, Del.	Mikva	Whitley
Wiggins	Yates	Young, Tex.
Wilson, Bob	Yatron	Zablocki
Wirth	Young, Fla.	
Wylie	Young, Mo.	

NAYS—5

Bauman	Hansen	Murphy, Pa.
Collins, Tex.	McDonald	

NOT VOTING—146

Abdnor	Hammer-schmidt	Quie
Addabbo	Hanley	Rahall
Alexander	Harrington	Rangel
Anderson, Ill.	Harsha	Reuss
Armstrong	Hawkins	Richmond
Ashbrook	Heckler	Rodino
Bafalis	Holland	Rostenkowski
Baldus	Huckaby	Rousselot
Barnard	Ichord	Rudd
Baucus	Ireland	Runnels
Biaggi	Jeffords	Ruppe
Boggs	Jenrette	Ryan
Bonior	Jordan	Santini
Breaux	Kasten	Sarasin
Brooks	Ketchum	Sawyer
Brown, Calif.	Krueger	Shipley
Brown, Ohio	Le Fante	Simon
Burgener	Leggett	Sisk
Burton, John	Lent	Skubitz
Butler	Long, La.	St Germain
Caputo	Luken	Stangeland
Cleveland	McClory	Stark
Cohen	McDade	Stockman
Conyers	McEwen	Stokes
Corman	Madigan	Symms
Cornwell	Mann	Teague
Cotter	Marriott	Thone
Crane	Mathis	Thornton
Cunningham	Mattox	Traxler
D'Amours	Meeds	Treen
Dellums	Metcalfe	Tsongas
Dent	Michel	Tucker
Diggs	Milford	Ullman
Early	Miller, Calif.	Van Deerlin
Eckhardt	Moakley	Vander Jagt
Evans, Ga.	Motti	Walker
Evans, Ind.	Murphy, Ill.	Walsh
Fithian	Murphy, N.Y.	Weaver
Flowers	Nedzi	Weiss
Fowler	Nichols	Whalen
Fraser	Nix	Whitten
Frenzel	Ottinger	Wilson, C. H.
Frey	Panetta	Wilson, Tex.
Fuqua	Perkins	Winn
Gammage	Pickle	Wolff
Garcia	Pike	Wright
Giaimo	Pressler	Wydler
Gibbons	Pritchard	Young, Alaska
Goldwater		Zeferetti

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Young of Alaska.
Mr. Jenrette with Mr. Abdnor.
Mr. Baucus with Mr. Hammerschmidt.
Mr. Luken with Mr. Rousselot.
Mr. Stokes with Mr. Wydler.
Mr. Dellums with Mr. Sarasin.
Mr. Conyers with Mr. Lent.
Mr. Metcalfe with Mr. Bafalis.
Mr. Moakley with Mr. Ashbrook.
Mr. Murphy of Illinois with Mr. Anderson of Illinois.
Mr. Nichols with Mr. Kasten.
Mr. Penetta with Mr. Ketchum.
Mr. Wolff with Mr. Madigan.
Mr. Zeferetti with Mr. Butler.
Mr. Le Fante with Mr. Brown of Ohio.
Mr. Ireland with Mr. Cunningham.
Mr. Hawkins with Mr. Frey.
Mr. Hanley with Mr. Pressler.
Mr. Biaggi with Mr. Quie.
Mrs. Boggs with Mr. Goldwater.
Mr. John L. Burton with Mr. Barnard.
Mr. Cotter with Mr. Marriott.
Mr. Early with Mr. Caputo.
Mr. Fuqua with Mr. Mattox.
Mr. Gammage with Mr. Cleveland.
Mr. Garcia with Mr. McClory.
Mr. Murphy of New York with Mr. Treen.
Mr. Weiss with Mr. Walker.
Mr. Wright with Mr. Cohen.
Mr. Mathis with Mr. McDade.
Mr. Krueger with Mr. Vander Jagt.
Mr. Harrington with Mr. Wynn.

Mr. Rangel with Mr. Michel.
Mr. Richmond with Mr. Crane.
Mr. Rostenkowski with Mr. Evans of Georgia.
Mr. Shipley with Mr. Leggett.
Mr. Holland with Mrs. Heckler.
Mr. Corman with Mr. Rudd.
Mr. Bonior with Mr. Runnels.
Mr. Breaux with Mr. Skubitz.
Mr. Mann with Mr. Symms.
Mr. Meeds with Mr. Thone.
Mr. Brooks with Mr. Tucker.
Mr. Brown of California with Mr. Thornton.
Mr. D'Amours with Mr. Walsh.
Mr. Eckhardt with Mr. Whalen.
Mr. Evans of Indiana with Mr. Sisk.
Mr. Mottl with Mr. Ruppe.
Mr. Pickle with Mr. Sawyer.
Mr. Charles H. Wilson of California with Mr. Jeffords.
Mr. Weaver with Mr. Harsha.
Mr. Fithian with Mr. Ryan.
Mr. Frazier with Mr. Pritchard.
Mr. Giaimo with Mr. Stangeland.
Mr. Gibbons with Mr. Teague.
Mr. Long of Louisiana with Mr. Whitten.
Mr. Ichord with Mr. Ottinger.
Mr. Huckaby with Mr. Nix.
Mr. Pike with Mr. Flowers.
Mr. Van Deerlin with Mr. Diggs.
Mr. Charles Wilson of Texas with Mr. Dent.
Mr. Nedzi with Mr. Cornwell.
Mr. Perkins with Mr. Burgener.
Mr. Miller of California with Mr. Armstrong.
Miss Jordan with Mr. Frenzel.
Mr. Rahall with Mr. Tsongas.
Mr. Reuss with Mr. Milford.
Mr. Traxler with Mr. Stockman.
Mr. Simon with Mr. Stark.
Mr. St Germain with Mr. McEwen.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks, and to include extraneous matter on the bill H.R. 12433, about to be considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978

Mr. ASHLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12433) to amend and extend Federal laws relating to housing, community and neighborhood development and preservation, and related programs, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. ASHLEY).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12433, with Mr. BENNETT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Ohio (Mr. ASHLEY) will be recognized for 1 hour, and the gentleman from Michigan (Mr. BROWN) will be recognized for 1 hour.

The Chair recognizes the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 12433 represents the first step of a major effort by the Committee on Banking, Finance and Urban Affairs to refine and strengthen the Nation's housing and community development programs. This effort has as its goals the rejuvenation of our cities, both large and small, and the assurance that every American family will be able to have decent and affordable shelter. Though these goals can be simply stated, their achievement is a complex and difficult task. It is a task, however, to which this body and the Congress as a whole, starting with the Housing Act of 1949, has dedicated itself. In the past 30 years we have accomplished much, but there is much left to do. The committee is committed to the achievement of these goals in the most efficient and effective way possible, and it is this commitment which has prompted the committee to propose the legislation before us today.

This effort has been enhanced by the great cooperation and assistance of the distinguished chairman of our committee (Mr. REUSS), and I would be remiss if I did not commend the ranking minority member of the committee, the distinguished member from Ohio (Mr. STANTON), for his continuing interest and help. And as always I am grateful to Mr. BROWN of Michigan, whose efforts are invaluable.

This legislation builds on several themes which have consistently received support in this Chamber. One significant theme is the commitment to the restoration and preservation of the existing housing stock. To this end, the bill expands the 312 loan program which aids in the rehabilitation of homes of low- and moderate-income families and also revises the section 203(k) rehabilitation loan insurance program to facilitate investment in the rehabilitation of homes by more affluent families. The institutionalization of the successful urban reinvestment task force in the form of the Neighborhood Reinvestment Corporation demonstrates further our commitment to neighborhood revitalization.

A second primary theme that runs through this bill is the continued recognition of the needs of our elderly and handicapped citizens. In order to assist these citizens to continue living independently in a noninstitutional setting, the bill permits the Secretary of HUD to make grants to provide services to elderly and handicapped residents of congregate housing facilities operated by public housing agencies or nonprofit owners of section 202 projects. In addition, the section 232 mortgage insurance program would be expanded to cover intermediate care facilities which would offer daytime services to nonresident elderly persons. The bill would also provide that a minimum of $50 million of section 202 lending authority be used annually to construct housing designed to meet the specific needs of the handicapped.

A third significant theme found throughout this bill is a concern with improving the management and program operations of the Department of Housing and Urban Development and of the Farmers Home Administration, particularly in those programs designed to address the housing needs of low-income persons. The bill makes specific refinements to existing programs, authorizes a new program to aid troubled FHA-insured and assisted multifamily properties and authorizes a new farmers home program aimed at providing homeownership opportunities for families not presently served by existing programs.

The bill contains other refinements to existing Federal housing and community development programs. Title I, in addition to authorizing $245 million for the section 312 Rehabilitation Loan Fund, gives HUD the authority to adjust interest rates above 3 percent up to 6 percent for applicants whose incomes exceed 95 percent of the median income for the area. Twenty-five million dollars is authorized for the urban homesteading program. Some aspects of the community development block grant program have also been clarified.

Title II focuses on the provision of decent and affordable shelter for our low-income, elderly, and handicapped citizens. Seventy-four million dollars is authorized for a new program designed to improve the management of existing multifamily housing projects which receive assistance under sections 236, 221(d)(3), or rent supplement programs and which are in serious financial difficulty. Authorized for public housing and section 8 rent subsidies is $1.2 billion—enough to support almost 400,000 additional units. Section 8 rental assistance is extended to mobile homeowners who rent their lots, $729 million is authorized for public housing operating subsidies.

Title III extends and amends various insuring authorities including the basic FHA programs, the urban property and crime insurance (FAIR plans), national flood insurance, and condominium mortgage insurance. The bill also extends HUD's authority to make new community planning grants, allows GSA to transfer surplus land to HUD for low or moderate income housing, increases the maximum amount of mortgages that GNMA may purchase and permits approved mortgage lenders to sell loans directly to the Federal Home Loan Mortgage Corporation.

Title IV provides a number of increased authorizations and extensions for rural housing and farm assistance programs designed to make decent and affordable shelter available to families of varying income levels; $440 million is authorized to create a new subsidy program to help poor rural families purchase homes by contributing 25 percent of their income.

Title V authorizes HUD to establish a new congregate services program de-

signed to provide an integrated package of supportive services which will enable low-income handicapped and elderly persons residing in congregate housing facilities to continue to live independently and to avoid premature institutionalization. A total of $80 million is authorized over the next 3 years.

Finally, title VI creates the Neighborhood Reinvestment Corporation, and independent corporation which will continue and expand the urban homeownership and community revitalization programs initiated by the urban reinvestment task force. A sum of $8.5 million is authorized for 1979.

Mr. Chairman, we have before us today a carefully balanced piece of legislation which amends existing programs in order to increase their effectiveness and efficiency and proposes several new programs to meet well-defined needs. It is a responsible approach to meeting our national housing and community revitalization goals. I strongly urge the adoption of this bill, H.R. 12433, the Housing and Community Development Amendments of 1978.

Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. I thank the subcommittee chairman, the gentleman from Ohio (Mr. ASHLEY), for yielding.

Mr. Chairman, I rise in support of H.R. 12433, the Housing Community and Development Act of 1978. I want to commend Chairman Ashley of the Housing Subcommittee for the outstanding work he and his colleagues on that panel have done in developing this year's amendments to the basic housing laws of our Nation.

Title I contains greatly increased funding for the section 312 rehabilitation loan program, a revised FHA authority to insure rehabilitation loans and a number of changes to the community development block grant program to clarify congressional intent with regard to the expected to reside requirement and a clarification that the three main purposes of the community development block grant program are to be considered coequal and that no application can be denied because a community addresses one of these purposes to a greater or lesser degree than the other.

Title II would establish a new program designed to improve management and lower the operating costs of certain troubled multifamily rental projects in order to restore the financial stability and maintain the low- and moderate-income character of the project. Fiscal year 1979 funding for assisted housing programs are contained in this title.

I was pleased that the Banking Committee decided to make the troubled projects subsidy available to section 236 housing project which are financed by the State as well as those that are insured by the Federal Government. In my opinion, there is no justification for treating State-financed and federally insured projects differently. Both types of housing face the same inflationary forces and both are federally assisted to the same extent.

Title III would extend for one additional fiscal year the authority of the Secretary of HUD to insure under the various provisions of the National Housing Act. Additional fiscal year authorizations for various HUD programs and extensions of the Federal urban riot reinsurance, crime insurance, and flood insurance programs for an additional fiscal year are also contained in this title.

The committee did see fit to approve my amendment to increase the maximum amount of money available for a federally insurance home improvement loan. These increases apply to two- to five-family structures and would be available to finance both major and minor improvements, alterations, and repairs.

Title IV provides additional authorizations and extensions of authority under the various provisions of title V of the Housing Act of 1949 regarding the rural housing programs administered by the Farmers Home Administration. This title would authorize a new deep subsidy homeownership program for persons of very low income who could not afford existing housing assistance programs.

Title V would create a new program by providing funding over the next 3 years for the Secretary of HUD to contract with public housing agencies and sponsors of section 202 elderly housing for a term of 3 to 5 years to provide congregate services programs for handicapped persons or temporarily disabled elderly living in these projects.

Title VI would create a public corporation, the National Neighborhood Reinvestment Corporation, to implement and expand demonstration activities carried out by the Urban Reinvestment Task Force.

Mr. Chairman, in line with our desire to hold down the Federal deficit and growth of spending, this legislation does not provide for any unreasonable increases in funding for the HUD programs.

I urge my colleagues to approve the legislation without crippling amendment.

Mr. BROWN of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. STANTON).

Mr. STANTON. Mr. Chairman, I am pleased to rise in general support of H.R. 12433, the Housing and Community Development Amendments of 1978. The bill contains several provisions which reaffirm the congressional intent of the community development block grant program. By this legislation, the House again recognizes the primary importance of local determinations in the administration of the program, and tries to minimize any room HUD might have to second-guess those determinations. The bill achieves this purpose by first, reaffirming that all three purposes of the community development block grant program are of equal importance. These purposes are, to benefit low- and moderate-income persons, to prevent or eliminate slums or blight and to meet urgent needs. Second, the bill clarifies that the House, in the 1974 act, did not intend that communities be forced to participate in a fair-share housing plan as a prerequisite to receiving block grant funding. Thus, the legislation reiterates that local officials, not HUD, have the responsibility for assessing local needs and designing appropriate strategies to meet those needs. The experiences of communities in my district have strengthened my belief that local initiative and planning are crucial ingredients to community revitalization.

In addition to clarifying the congressional intent of the block grant program. I am pleased to see that the bill contains a homeownership assistance program to meet the needs of rural Americans. On Tuesday, an article appeared in the Wall Street Journal detailing the difficulties low-income residents of one rural town have encountered in obtaining adequate housing. As a Representative from a predominantly rural district, I am aware that many of the available housing programs do not adequately address my constituency's needs. The home ownership assistance program is an innovative and far-reaching approach which should provide housing for rural Americans. I would hope, however, that the committee monitors this program closely, to insure that it does not duplicate the failures of past programs.

Since our urban communities also have housing needs, it is encouraging to see that the committee has substantially increased the authorization for the 312 rehabilitation loan program. This program will enable many individual homeowners to upgrade and conserve their homes and, at the same time, help cities revitalize and restore their older neighborhoods. Fortunately, the committee has also decided to correct a deficiency of the program. In calendar year 1977, over 33 percent of the funds went to homeowners earning over $15,000 a year. An amendment to the bill authorizes a sliding-scale interest rate on loans to individuals earning over 95 percent of the median income. Thus, we would no longer be subsidizing those homeowners who can afford the market interest rate.

Finally, Mr. Chairman, I would like to say that this is a good bill. Not only will it send a much needed message to the Department of Housing and Urban Development, but will also enhance our efforts to address the Nation's housing needs.

Mr. BROWN of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, 4 years ago Congress overwhelmingly passed the Housing and Community Development Act of 1974.

It was described at the time as a landmark piece of legislation, because it altered significantly the relationship that existed between the Federal Government and local units of government.

Passage occurred in the midst of unparalleled political turmoil, and yet, it was approved by a vote of 377 to 21 in the House.

Such a development could come about only because Congress was reacting to the desire of the people to get the Federal Government off their backs.

After years of oppressive involvement and second-guessing by Washington

bureaucrats, the voters demanded a change.

They wanted less Federal intervention and an opportunity for State and local governments to make the decisions.

Two years ago President Carter took his campaign to the people and told them he favored less government.

He said that we were overregulated and overgoverned at the Federal level.

In a speech to the National Governors Conference on July 6, 1976, he pledged, and I quote.

We will have a government structure that encourages rather than stifles local flexibility.

Such a promise was in full accord with the 1974 act.

I have provided this historical setting because I find myself rising in support of this legislation, not so much for what's in it that is new, but for what's in it that is old.

By old, I mean those provisions which restore the intent of the 1974 act.

That alone, Mr. Chairman, is disturbing.

Congress should not be forced to reenact the same legislation every year simply because the executive branch does not agree with the law as it is written.

Our job should be to fashion new legislation when it is necessary, not to fight to retain what we have already passed.

This repetitious task is forced on us because the present leadership at HUD has perfected the technique of legislating through regulation.

It is a very simple technique.

It starts with the premise that, if Congress has not specifically mentioned something, or has not specifically prohibited something, then HUD is free to do whatever it wants.

Next, HUD determines what it wants and promulgates regulations to achieve that end.

It then administers the program in light of the regulations and in spite of what the original legislation intended.

I must admit, the Department's method of changing the law is much faster and less cumbersome than the traditional method outlined in the Constitution.

They do not have to have hearings, they do not have to have subcommittee and committee markups and they do not have to get it past two Houses of Congress.

First of all, let me give you two examples of what I am talking about, and two reasons why I am supporting H.R 12433.

The 1974 act included a provision stating that when a community assesses its housing needs for submission to HUD as part of a community development block grant application, it must consider the needs of low- and moderate-income persons who are "expected to reside" in the community as a result of existing or projected employment opportunities.

The intent was clear in the beginning, and until this year HUD administered the act as it was intended.

Now, a new Secretary has taken over the Department, and HUD has changed its philosophy as to what goals the Department would pursue.

HUD wanted a mandatory fair-share housing plan.

Did they send up proposed legislation to accomplish his goal?

Of course not; no sense in having elected Members of Congress involved in lawmaking.

No, Mr. Chairman, they simply reinterpreted the "expected to reside" language and issued new regulations.

Under the new regulations, any community applying for block grant funds has to reflect, as its own needs, a number of units for low- and moderate-income persons proportionate to the number of low- and moderate-income persons in the whole SMSA without regard to, or despite the community's valid determinations of need for such units.

This clearly was not the intent of the 1974 act.

This was pointed out to the Department.

They persisted in their interpretation.

Together with my colleague from Michigan, Mr. BLANCHARD, I offered an amendment in subcommittee spelling out more specifically what is meant by "expected to reside."

It is in this bill and, because it is, I believe we have reestablished the intent of the 1974 legislation.

The second remedial amendment was forced by an even more blatant disregard of Congress.

It has to do with the primary purposes of the Community Development Block Grant program.

You are familiar with the issue because it has been debated and decided before.

Many of you have also been subjected to an erroneous and questionable lobbying effort initiated by the Department to overturn the amendment.

HUD has, contrary to congressional intent, raised one of the primary purposes of the block grant program above the others.

Mr. Chairman, the act clearly sets forth that the Secretary shall approve an application unless there is a finding: First, that the community's description of its needs and objectives is plainly inconsistent with the facts and data generally available; second, that the activities to be undertaken are plainly inappropriate to meeting those needs and objectives; or, third, that the application does not comply with the requirements of the act or other applicable laws, with specific regard to "the primary purposes of principally benefiting persons of low and moderate income or aiding in the prevention or elimination of slums or blight or meeting other community development needs having a particular urgency."

The reason for the giving of equal priority to all purposes and objectives can best be shown by an example. Let us assume a city may have several severely blighted pockets of poverty in what is otherwise a viable, reasonably affluent community not suffering deterioration in its other neighborhoods. This city should use most if not all of its funds to eliminate the blighted areas—in short, to directly benefit the poor.

Another city may have only one such blighted area but may have several severely deteriorating neighborhoods which if not helped will tomorrow become severely blighted and poverty-ridden areas.

This city would be grossly irresponsible if it spent all, or 75 percent, or maybe even 51 percent of its CD funds on its single, limited, blighted area while doing relatively little for its severely deteriorating areas.

It was this lack of uniformity of city problems that prompted the adoption of the tri-purpose flexible, qualifying criteria. In hearings, mark-up sessions and throughout the course of the enactment of the 1974 law, it was regularly pointed out that the CD block grant program was not intended only to help distressed cities but it was to help cities from becoming distressed.

Mr. Chairman, these three purposes have always been considered co-equal, and it was never intended that the Secretary disapprove an application because it addressed any one of the primary purposes to a greater or lesser degree than any other.

In determining whether the objectives of the program were being met, emphasis has always been on postaudit procedures.

The 1974 Housing and Community Development Act and subsequent regulations provided that HUD accept certifications from applicants covering a number of areas.

The certification system, and the provision for later monitoring by the cities and HUD that complements it, was deliberately established by the Congress to place responsibility on the local governments rather than the Federal Government.

In fact, the House report pointed out that since Federal application review requirements were being simplified to such a great extent, the postaudit and review requirements would serve as the "basic assurance that block grant funds were being used properly to achieve the bill's objectives."

The new HUD decided to ignore this limited approach to Federal involvement and instead reverted to the outdated application or "up front" review.

The Department proposed regulations requiring that 75 percent of a community's block grant funds be used to principally benefit low and moderate income persons.

After intensely strong opposition from Congress and local government officials, HUD dropped the proposed requirement and issued regulations instituting a 51 percent requirement and strong "encouragement" for the spending of 75 percent of the funds to benefit low and moderate income persons.

This "encouragement" comes through HUD's notice to the communities that if they do not certify that they will use 75 percent of the funds for this purpose, their applications will be subjected to a "detailed review" prior approval.

Mr. Chairman, what is most interesting is that in the subcommittee, the debate on my amendment did not center on its merits.

Virtually every Member agreed that it reflected the original intent of the legislation.

The question was whether it was necessary to "clarify" what was considered to be clear already, or whether report language would suffice.

In light of the Department's attitude on this matter, it was rightly believed that a statutory remedy was required.

Beyond that, what irritates me most about this entire matter is that HUD tried to single out the low and moderate income provision in last year's legislation and lost.

An attempt was made in committee to do this and the amendment failed.

A floor amendment was offered to the 1977 bill and it lost.

When the Senate version of the 1977 act attempted to emphasize that CDBG funds were to be used to principally benefit persons of low and moderate income, the question had to be resolved in conference.

HUD and the Senate lost again and the final version listed all three purposes as co-equal and HUD's veto authority over an application was kept limited to the statutory tests of "plainly inconsistent" or "plainly inappropriate."

The conference report even listed prevention or elimination of slums and blight first when the purposes were enumerated.

Now when you try three times to change the law, and three times the end result is exactly opposite of what you attempted, it should not take a Supreme Court Justice to figure out legislative intent.

In case the Department is still in doubt, however, this amendment should help HUD's bewildered lawyers to understand what Congress means.

Because the charge has been made that this amendment would destroy the block grant program, I want to emphasize that nothing in this amendment prevents a community from deciding to utilize all of its community development block grant funds to benefit low and moderate income persons.

This was permitted under the original act, and is permitted under the amendment.

The amendment does, however, reiterate that local officials, not HUD have the responsibility for developing a program designed to address their particular local needs.

By specifying that the primary purposes of the Act are "coequal," and expressly providing that an application cannot be disapproved because it addresses one primary purpose to a greater or lesser degree than another, the amendment merely clarifies the law.

It does not change the law; it reaffirms what it has always meant.

Mr. Chairman, I realize I have spent a generous portion of my time explaining only two amendments—both of which seem relatively obvious and are simply designed to return decisionmaking authority to local governments.

There is a reason. I want to help the President.

You see, during the 1976 campaign, President Carter made several speeches about the relationship of the Federal Government to the States and localities.

For example, when he spoke to the U.S. Conference of Mayors in Milwaukee on June 29, 1976, he said:

> A balanced national partnership must, to the greatest degree possible, grant to the local governments the administrative freedom needed for innovative, creative programming.

Likewise, when he spoke to the Nation's Governors on July 6, 1976, he said:

> I believe it is time that the Federal Government recognized that States and localities retain a special knowledge of local problems, and that responsive and flexible State and local leadership is essential to representative government in this Nation.

Finally, in Warm Spring, Ga., on September 6, 1976, he said:

> If there's a choice among governments, we should assign the authority and responsibility to the level of government closest to the individual citizen.

He generally would add "and that's a promise."

Well, I want to help the President keep that promise—even if his Cabinet officers do not—and these amendments will go a long way toward achieving that goal.

Mr. Chairman, I do not want to leave the impression that all the remedial amendments adopted in committee are meritorious.

On the contrary, the subcommittee draft included the so-called Holtzman amendment regarding FAIR Plan insurance rates.

This amendment was included in the draft for "discussion purposes," but unfortunately, it is still in H.R. 12433.

I believe this Federal intrusion into what has traditionally been a State matter is wrong, and I hope we will be able to rectify the committee's action.

In conclusion, let me say there are some other features of H.R. 12433 I support and some I believe can be strengthened with amendments.

The fact that there will be some amendments should not come as a surprise to my distinguished colleague and chairman of our subcommittee.

At the Rules Committee hearing, in response to a question as to whether the ranking minority member might have some floor amendments, he responded, "He usually does."

May I remind my good friend that legislation is subject to the same observations that Victor Hugo made about women.

He said, "There are many lovely women, but no perfect ones."

Mr. ASHLEY. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. LUNDINE).

Mr. LUNDINE. Mr. Chairman, I rise in support of H.R. 12433, the Housing and Community Development Amendments of 1978. This legislation is the product of many hours and weeks of deliberation, incorporating the best judgments and expertise of housing professionals throughout the country. This bill represents a significant refinement and improvement of existing housing and community development programs. Rather than discarding old programs for new ones, this bill recognizes the importance of building on the strengths of our existing programs and streamlining our delivery systems.

Through increased and extended authorizations, in combination with provisions to perfect our existing programs, H.R. 12433 will make money and resources available to communities with incentives for self-help. While providing encouragement for the private sector to become aggressively involved in the betterment of local communities, this legislation reaffirms our commitment to target our limited resources to the areas of greatest need.

This bill also contains some exciting new programs that will enable us to move forward toward accomplishing our shared goals of providing each of our citizens with the opportunity to obtain safe, adequate, and affordable housing. I wish to commend the efforts of my fellow subcommittee members and to express my appreciation and respect for the distinguished chairman of the Housing Subcommittee, Mr. ASHLEY, for his skill and patience in guiding this legislation through the committee process.

I would like to take just a few minutes to review some of the important provisions of this bill, each of which reflects the interest and dedication of many organizations and individuals toward improving the quality of the communities in which we live.

INSURANCE AVAILABILITY: FAIR PLANS

Section 307(b) of H.R. 12433 requires that rates in FAIR plans—State pools which provide property insurance to those who do not have access to insurance in the conventional market—be no higher than rates in the private market. This section confirms the congressional intent in passing the Urban Riot Reinsurance Act of 1968, which created FAIR plans to assure that "essential lines of property insurance are available at reasonable cost" to those who have been denied insurance in the private market.

The need for this important provision has been well-documented. Despite the clear congressional intent in the language of the 1968 act, some States have raised FAIR plan rates to such exorbitant levels that insurance is unaffordable and therefore unavailable. Ten States—Connecticut, Delaware, Illinois, Iowa, Kansas, Minnesota, Missouri, New York, Virginia, and Wisconsin—have FAIR plan rates exceeding those in the voluntary insurance market. In my own State of New York, FAIR plan rates are three to five times the rates in the private market. Within the last year, FAIR plan rate increases have been sought in Illinois, Kentucky, Maryland, Massachusetts, Pennsylvania, and Rhode Island.

Not only do excessive FAIR plan rates place unreasonable burdens on many homeowners, but they may also be generating additional costs to the Federal Government. At hearings in January of 1978, the Department of Housing and Urban Development received testimony that the Federal Government is often picking up the tab for these skyrocketing FAIR plan rates since owners of redlined section 8 housing are passing the increased insurance costs on to the Government in the form of higher subsidized rents.

The problem is spreading to rural areas as well, where insurance companies are refusing to write policies on homes with low market values, thereby forcing rural consumers either to go without insurance or to use high-priced FAIR plans.

An amendment virtually identical to section 307(b), which I offered last year, passed the House as part of the 1977 Housing Amendments. This year, the section was subject to extensive debate in both the Housing Subcommittee and the full Banking Committee. A move to delete section 307(b) was defeated overwhelmingly on a bipartisan vote in the Banking Committee.

When the majority of my fellow conferees on the 1977 Housing Act voted to delete the provision similar to section 307(b), HUD was directed to study the redlining problem and report back with legislative recommendations. The HUD report, "Insurance Crisis in Urban America," was released last month. After documenting the widespread extent of insurance company redlining and its "undeniable racial component," the report concluded that "affordable property insurance must be guaranteed to all genuinely insurable risks" for any urban policy to have meaning. Without access to insurance, the report pointed out, mortgage financing is unobtainable and people cannot buy or expand homes or businesses.

I commend the diligent efforts of my colleague, Congresswoman ELIZABETH HOLTZMAN, in working for the enactment of section 307(b) and I urge my colleagues to resist any efforts to delete this important provision.

RURAL HOMEOWNERSHIP ASSISTANCE PROGRAM

Title IV of the Housing and Community Development Amendments contains a number of programs that are of substantial importance to rural America. I am especially pleased that the homeownership assistance program has been included in this legislation.

We are all acutely aware of the corrosive effect of inflation on our lives. Nowhere has this been more true than in its effect on single-family homeownership opportunities for low- and moderate-income persons. The level of income which can be served by the FmHA 502 homeownership program has been moving steadily upward with no alternative available for others. In some sections of the country, the impact of inflation, combined with skyrocketing costs of utilities and taxes, have made it almost impossible to serve any family with an adjusted income under $9,000. Under these circumstances, it is impossible for the FmHA to meet its legislative mandate to serve the housing needs of low income families.

The homeownership assistance program, which broadens the authorities of the existing section 502 homeownership program, will authorize the Farmers Home Administration to pay the difference between 25 percent of the family's adjusted income and all homeownership costs, including mortgage payment, property taxes, insurance, utilities, and maintenance.

In realization that homes steadily appreciate, this program allows FmHA to recapture its investment when a profitable sale of an FmHA-financed home is made, and then to recycle those funds to assist other families in the program. Because of this recapture provision, the program can be carried out with less burden to the taxpayer than rental subsidy assistance.

The opportunity to own a home is particularly important in rural areas of this Nation where it is difficult to provide adequate rental housing. There is little incentive for the private sector to construct rental housing in rural areas where it is difficult to aggregate enough units for their investment to be profitable. The Farmers Home Administration does not build rental units outside of established communities with adequate water and sewer system availability. This new program will enable thousands of families in rural areas to own their own home, and it will mean new development in each community it reaches. Given the chance to own their own home, eligible participants in this program will take more personal pride in home maintenance and in their neighborhoods and their communities.

My colleague from Oregon, Congressman LES AUCOIN, and I originally proposed this program in the Rural Housing Act of 1977. The administration recognized the critical need for this kind of assistance for rural families by including the homeownership assistance program in the legislation they presented to the Congress earlier this year. I am grateful to my colleagues on the Housing Subcommittee for their support of this important program.

OTHER RURAL PROVISIONS

I would like to briefly mention several other important rural provisions contained in title IV of this bill. The increased authorizations for the section 504 rehabilitation loan and grant program, the section 516 farm labor housing grant program, and the section 523 mutual and self-help housing program, as well as the increased limit on loan volume in the section 514 domestic farm labor program, are extremely important in FmHA's efforts to provide needed assistance to a broader range of eligible applicants. In addition, the increased authorization for the section 525 counseling and technical assistance programs will aid in reducing mortgage delinquencies and minimizing foreclosures.

Title IV contains an especially important $10 million authorization for rural housing research. My colleague, Les AUCOIN, and I requested this increase in the Rural Housing Act of 1978 which we introduced earlier this year. Those attempting to deal with the problems of housing in rural areas are always confronted with a serious lack of information about alternative methods of providing for rural housing needs. This section directs the Farmers Home Administration to perform specific research directed toward the needs of the elderly, handicapped, farmworkers, and Indians; the impact of rural growth patterns; and the provision of economically and environmentally sound rural community facilities. I am convinced that an active research program within the FmHA will result in far-reaching benefits to rural communities throughout the country.

Finally, title IV includes important clarifications in the rural rental assistance program, and it directs the Secretary of Agriculture to study the extent of problems faced by families who own land in rural areas subject to remote title claims.

CONGREGATE SERVICES

Title V of this bill establishes a long-overdue program to provide congregate services for elderly and handicapped people living in public housing and in section 202 housing for the elderly and handicapped. It was in 1963 when President John F. Kennedy first proposed group residential facilities, with housekeeping assistance, central food service, and minor nursing care. Although we have witnessed an increasing effort toward providing congregate housing, today—15 years after President Kennedy's "Message on Aid to Elderly Citizens," the Federal commitment toward this approach is still woefully inadequate.

At a time when there is much talk about so-called alternatives to institutionalization, it would seem that congregate housing should rank high. At a time when the Federal share of nursing home expenditures exceeds $4 billion annually, the need for less costly alternatives becomes even more obviously urgent. Not until 1970, and again in 1974, did Congress enact legislation authorizing "congregate" units and facilities in federally assisted public housing. And not until now, in 1978, do we have a measure on the floor of the U.S. House of Representatives that can make those commitments a reality.

Primary among the reasons for this incredibly slow response to the overwhelming evidence in favor of congregate facilities is the failure of the Federal Government to facilitate the integration of basic housing programs with supportive social services programs. In my own home town of Jamestown, N.Y., and in communities throughout the country, local efforts to secure adequate Federal assistance for congregate services through multiple layers of redtape and a variety of mismatched programs have ended in frustration and despair.

Housing sponsors cannot commandeer long-term funding of service elements from HEW programs because of differing funding and planning schedules, as well as a bewildering array of legislative and regulatory requirements for the various programs. Title XX of the Social Security Act has certain statutory restrictions which limits its applicability to congregate housing. For example, funds cannot be used to support a full meals program for more than 6 months. In addition, the section 202 sponsor considering building a congregate facility cannot get the long-term guarantee he or she needs that the State, through its Annual Services Program Plan, will continue to fund these services. A mechanism that ensures the funding of the needed supportive services must be provided so that sponsors of 202 projects can design facilities that will be responsive to future needs.

Nationwide, it is estimated that approximately 3.5 million elderly suffer

some degree of mobility limitation and about 2.4 million could be helped in a residential congregate setting with services. Studies of nursing home populations indicate that one-third to one-half of the residents would be able to function in less intensive care settings if they existed. The National Center for Health Statistics found, in its 1977 national survey of nursing homes, that 11.6 percent of nursing home residents were there for social, economic and behavioral reasons; people who could have avoided institutionalization if adequate alternatives existed. In addition, the study found that the average stay in a nursing home is 18 months at an average cost of $669 per month—an average total cost in excess of $12,000 per patient.

This legislation authorizes an appropriation of $80 million over the next 3 years. The annual cost of care under this congregate services program for each participant is estimated to be about $1,000. According to the Social Security Administration, the Federal share alone of maintaining an individual in an institution is about $5,500 a year! And we cannot begin to evaluate the benefits of this congregate services program in terms of human dignity and quality of life for the thousands of individuals who will be eligible to participate.

Title V of H.R. 12433 enables the development of congregate services by addressing the problem of social service availability. It authorizes the Department of Housing and Urban Development to enter into 3-to-5-year contracts with local public housing agencies and section 202 project sponsors to provide funds for the social services that these agencies furnish to their elderly and handicapped residents. I believe the evidence in favor of this program is compelling and I urge the support of my colleagues in maintaining this vitally needed program.

SECTION 202 HOUSING FOR THE ELDERLY

I am certain that my colleagues share my strong interest in the section 202 housing for the elderly program which has provided needed housing opportunities for senior citizens throughout the country. I am pleased by the actions taken by the committee which further refine and strengthen this valuable housing program.

Of special interest to me is a provision contained in this legislation which will strengthen the authority of the corporations which are established to oversee the development of section 202 housing projects. This provision simply requires that the governing boards of these corporations are selected in a manner which assures that there is significant representation of the views of the particular community in which the project is located.

Fundamental to the success of any federally mandated housing program is the degree to which community involvement and community decisionmaking is enhanced. Based on my own experience with a section 202-funded project in my own congressional district, I cannot emphasize strongly enough the importance of relying on the judgments of a community responsive board in achieving a successful section 202 housing project. While national sponsors of senior citizen housing should exercise responsible participation in the decisions of their locally based counterparts, it is the commitment and energies of local people in their home communities that will insure the success of these projects and foster important on-going linkages with the surrounding neighborhoods.

Another valuable provision in title II of this bill will allow furniture and equipment that is necessary for the operation of a section 202 housing project, to be paid from section 202 mortgage loan proceeds. There is no increase in loan amounts provided in this section, as it is only necessary for HUD to broaden the allowable uses for these funds which are already authorized. The costs for these items are allowed in insured programs to provide housing for the elderly, and I am certain that there was never any intent to discriminate against nonprofit sponsors simply because they were provided a direct loan rather than mortgage insurance.

OTHER PROVISIONS

H.R. 12433 contains a number of other valuable improvements to our housing and community development statutes. I will mention just two others today that are of special importance to many of the people I represent in the southern tier of New York State. The section 312 rehabilitation loan program is among the most popular and successful Federal programs currently available. This bill offers a substantially expanded and refined section 312 loan program to aid in the rehabilitation of the homes of low- and moderate-income families. It recognizes the far-reaching benefits that can be achieved through neighborhood rehabilitation by providing an authorization of $245 million in fiscal year 1979 for the rehabilitation loan fund. In addition, I believe that the revisions that have been made in the rehabilitation loan insurance program reflect the committee's interest in encouraging private capital investment. I enthusiastically support the directive contained in this legislation which instructs the Secretary of HUD to review the method by which section 312 loans are serviced and report to the committee on measures being taken by the Department to improve the administration of this program.

I support the provisions in title II of this bill which are designed to aid troubled assisted housing projects and return them to a point of stability from which they can operate efficiently and effectively. I am particularly pleased that the bill before us today provides flexible subsidy assistance to uninsured State agency financed 236 projects, as well as to FHA-insured 236 projects. Those States which responded to HUD's call for States to come into the program and develop housing in a "partnership"—on an uninsured basis, with section 236 assistance from HUD—should not be excluded from this program. These State agency section 236 projects are subject to the same inflationary pressures and national trends as the FHA insured projects, and H.R. 12433 appropriately provides operating assistance to all of these troubled housing projects.

We have before us today a bill that recognizes the pressing need for revitalizing our cities and rehabilitating our neighborhoods. It addresses the critical housing needs of the poor and the elderly, whether they live in rural communities or in urban centers. This legislation demonstrates a Federal commitment toward achieving adequate housing opportunities for all of our citizens, and it strengthens the capacity of communities to achieve their own development goals. I ask not only for your support of the provisions I have just described, but for your vote for this important housing and community development package.

Mr. BROWN of Michigan. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. GRASSLEY).

Mr. GRASSLEY. Mr. Chairman, last year, Congressman WATKINS and I offered an amendment to the Housing and Community Development Act to set aside 25 percent of those funds for the UDAG program for communities of under 50,000. Despite opposition by HUD and the majority of the House Banking Committee, the majority here on the floor saw that without this amendment, smaller communities would have gotten a raw deal. Indeed, smaller communities are getting a fair share of UDAG funds now. Unfortunately, however, they continue to get a raw deal from HUD in other ways.

HUD continues to frustrate attempts by smaller communities to participate fully in the "community development programs." In regulations for the action grant program, for the small communities program, for the loan guarantee program, HUD's regulations have consistently imposed tougher criteria for eligibility on smaller communities than on larger ones. There is little doubt that HUD is attempting to discourage many of these communities from applying for, or participating fully in their programs. Unfortunately, I have yet to see HUD seriously try to help such communities participate in their programs, or draft regulations which take into account the particular needs and problems of such communities. That is why this bill must be amended. At the very least, we must insure that smaller communities have a fair chance and accessibility to these programs.

Congressman WATKINS and I will offer an amendment to insure that the access of smaller communities to CD funds is not frustrated by regulations which seek to limit or exclude that access simply on the basis of size. I hope that every Member will recognize the importance of this amendment to smaller communities and will support our effort to see that they get a fair shake.

Mr. ASHLEY. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I rise in strong support of the bill. Obviously, I am not happy with all sections of it, but I think the committee, under the able leadership of the gentleman from Ohio, has done well in fashioning a bill that we can support and support enthusiastically.

As an indication of the kind of degree of consensus that has been achieved in the committee in fashioning this bill, we who are urbanites were in strong support of the rural housing program, because that is the proper thing to do. I suppose some of the delightful things about working on this particular subcommittee is the fact that both the chairman and the ranking minority member are low-keyed, slow-to-anger members who are characterized by extreme patience. This has made it a perfectly delightful experience working with them.

Mr. Chairman, in all seriousness, let me indicate that there will be some amendments that I think we will have to vigorously oppose.

There will be some amendments offered that, in my opinion, are violative of the Constitution of the United States. Therefore, I would urge the Members of the House to scrutinize all amendments very carefully when they are offered.

Mr. Chairman, I do thank the gentleman from Ohio (Mr. ASHLEY) for permitting me to be a part of this legislative process and to have the chance to work with him.

Mr. BROWN of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. GREEN).

Mr. GREEN. Mr. Chairman, I join in the support which has been expressed for this bill. I think it is a constructive bill.

I will be looking with particular interest at the new deep subsidy rural housing program that the bill contains to see whether, in fact, it is possible to run such a subsidy program in a rural setting without running into the same problems that the section 235 program did in urbanized areas.

There is one area which does concern me about the bill, and that is the fact that the only major initiative in terms of urban housing is a very substantial increase in the authorization for the section 312 rehabilitation loan program. I have no quarrel with that increase in funding. The program has been a very successful one in terms of rehabilitating small homes. However, the experience with that program has shown that it has not been useful to date as a major tool in dealing with rehabilitation of apartment buildings. When one turns to the funding that could be useful for apartment buildings, one turns to the section 8 program.

There, although ostensibly the program is continued at a 400,000-unit-a-year level as proposed by the administration, in fact we learn from the report of the Committee on Appropriations that inflation is eroding the program. The report of the Committee on Appropriations says that the funding that this bill authorizes will produce approximately 380,000 units.

Mr. Chairman, I must say, after examining the allocation of funds to my own city, New York City, in the current fiscal year, that I feel even that figure is an exaggeration, and that inflation has cut even more deeply into the section 8 program.

I am deeply concerned that the President's urban message on March 27 contains such a weak housing element. While I concur with the President that economic development is the number one priority for our cities, I think an urban program should have a significant housing element. However, I shall support this bill because of its other features, which I do think are useful in terms of improving the 1974 act.

Mr. ASHLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. GONZALEZ).

Mr. GONZALEZ. Mr. Chairman, I thank the distinguished gentleman from Ohio (Mr. ASHLEY), the chairman of the subcommittee, for yielding to me.

I take this opportunity to congratulate him for his excellent leadership and his expertise which he has long provided the Subcommittee on Housing and Urban Development of the Committee on Banking, Finance and Urban Affairs.

Mr. Chairman, I have had the privilege of serving on this committee since I first came to the Congress 16½ years ago; and it was with a great deal of dismay that I found, in December of 1972, the then President, just reelected in November, froze all of the low-income and moderate-income, single-dwelling housing programs that had been in existence since the innovation and main thrust of the Housing Act of 1965 and the subsequent amendment.

Since then, we have not had an out-and-out revival of the new housing program for the low- and moderate-income families of this Nation, although we were promised at the time that these programs were frozen that an alternative suggestion would be made.

Finally, Mr. Chairman, after all these years and in the intervening time, the gentleman from Ohio (Mr. ASHLEY) primarily and the members of the subcommittee did the best they could to provide substitute programs, the biggest accomplishment being the block grant program known as the community development grant aspects of housing.

These really have been the handiwork of the distinguished chairman, the gentleman from Ohio (Mr. ASHLEY). However, this bill, though it is not publicized too much, to me represents a very solid accomplishment and achievement along very significant lines, not only from the aspect that the President has emphasized on urban housing an needs, but from the fact that it does recognize the very acute needs in rural housing. No one can deny that there is continuing aggravation in the situation of rural-living families.

It does realistically provide authorization for what we call the section 312 program, Housing and Rehabilitation. For the first time, it has a real good, realistic authorization, thereby showing the emphasis and the direction in which we really have been going in the last few years, which has been toward rehabilitation, particularly in the urban dense areas.

So that, that plus other factors, such as the recognition for the first time in about 9 years of a proper level of attention to public housing programs, which I have always considered to be vital to our total housing program and needs in this country. All in all, I think this is an extremely important bit of legislation. It does reflect intense work on the part of the subcommittee.

We have had many, many hearings. We had a good cross-section of people, organizations, and officials who are directly and intimately involved in the question of housing in our country during hearings of the subcommittee. So, I wish to say that, though there will be amendments of consequence offered, I trust that the main body of this bill as presented to the House by the committee will be overwhelmingly approved by the House.

Mr. BROWN of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, I rise in general support of H.R. 12433, the Housing and Community Development Amendments of 1978. With housing costs now rising faster than incomes, I believe it is imperative that assistance be granted to homeowners and renters alike. The American dream of homeownership is still an intrinsic part of our way of life. But vital steps must be taken now to insure the preservation of this dream.

I would like to call particular attention to the portion of this bill providing section 8 rental assistance to mobile home owners, who rent the space on which their homes are located. This is essentially identical to H.R. 9145, which I have introduced with a number of my colleagues.

Currently, those renting mobile homes may qualify for section 8 assistance. But mobile homeowners, a large number of whom are senior citizens living on fixed incomes, are not entitled to such assistance, although their incomes are often low enough to merit aid. Faced with this dilemma, many senior citizens and low-income families must sell their homes, unable to absorb continual rent increases.

This amendment is designed to aid these senior citizens and others who purchased mobile homes as an economical solution to their retirement or to avoid rising property taxes, only to find themselves unable to meet spiraling rental space costs.

Mr. Chairman, I strongly urge the House to favorably consider this bill.

Mr. BROWN of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico (Mr. LUJAN).

Mr. LUJAN. Mr. Chairman, there has been some discussion about an amendment that will be offered next week when the bill is taken up. I want to make the committee aware of what the problem is, although I am sure that most Members do know.

Senator SCHMITT in the other body introduced an amendment prohibiting HUD from going ahead with the consolidation of many offices. This was brought about because a GAO report criticized HUD for consolidating some of these offices. Let me say that one of the reasons that HUD has given for consolidation is that there would be a savings to industry.

As a matter of fact, I do not believe there is, because in Albuquerque some builders brought suit against HUD for doing so. If it was to their advantage,

they certainly would not have brought suit to prevent it. It is going to be more costly for them to do business.

Second, they say it will be more efficient to monitor multifamily housing units. I fail to see how monitoring them from 500 or 600 miles away would be more efficient than monitoring them right on the locality where it is located.

The final thing they say is, there will be a savings of some $2 million because people will not move and therefore they will not have to pay the salaries during the time they are gearing up again. If that is the case and they are prepared to accept that, it means they are overstaffed at the moment, and maybe we ought to take a look at it.

So I would urge the Members of the House to take a look at the General Accounting Office report, which strongly criticizes the move on the part of HUD. After the Members read it, I am sure they would all support an amendment which would prohibit HUD from making the consolidation until the Congress has had time to look at it and comment on it.

● Mr. REUSS. Mr. Chairman, I rise in support of H.R. 12433, the Housing and Community Development Amendments of 1978. The bill was reported out of the Committee on Banking, Finance and Urban Affairs by an overwhelming vote of 40 ayes to 4 nayes. This bill represents the excellent work of the Subcommittee on Housing and Community Development, chaired by our distinguished colleague from Ohio, LUD ASHLEY, along with the distinguished ranking minority member, our colleague from Michigan, GARRY BROWN.

I am greatly encouraged with one of the major thrusts of this bill, the provision which increases funding for housing rehabilitation. This bill triples the amount authorized for the section 312 rehabilitation loan program, which is the HUD program of direct 3-percent loans for housing rehabilitation. The $245 million funding level was requested by the President in his urban message. This rehabilitation effort also is enhanced by a provision that would revise an existing FHA insuring authority to provide for a mortgage insurance program for rehabilitation at market rate interest. The current insuring authorities do not provide adequate coverage to encourage private lenders to use FHA mortgage insurance.

Mr. Chairman, in authorizing the funds for our section 8 assisted housing program, the bill contemplates the use of section 8 funds to substantially rehabilitate some 75,000 apartment units, as well as some 39,000 units of moderate rehabilitation.

H.R. 12433 provides a new program for improving the management and operations of troubled FHA-insured and assisted multifamily properties. The bill authorizes $1.2 billion in contract authority for public housing and section 8 rent subsidies and $729 million for public housing operating subsidies.

Mr. Chairman, I am pleased with the efforts contained in this bill to provide additional assistance for elderly and handicapped citizens. This bill contains a new program that for the first time would direct the secretary of HUD to make grants to provide services to elderly and handicapped residents in congregate housing facilities operated by public housing agencies by nonprofit owners in section 202 elderly housing projects. This new program would greatly assist many of our senior citizens to continue living in noninstitutional care facilities by providing certain services, such as nutritionally adequate meals and personal services.

Based on the excellent work of the neighborhood reinvestment task force, the bill creates an independent corporation to be called the Neighborhood Reinvestment Corporation, which hopefully will continue and expand the urban home ownership and community revitalization programs developed by the task force.

Finally, the bill provides for a 1-year extension of the authority of the Secretary of HUD under the National Housing Act and for the various rural housing authorities provided for under title V of the Housing Act of 1949.

Mr. Chairman, I would urge prompt and favorable action by the House on this bill.●

● Mr. ROYBAL. Mr. Chairman, I rise in support of H.R. 12433, the Housing and Community Development Amendments of 1978.

This will be a brief statement, since I have previously expressed my elation on several other occasions over the inclusion of the Congregate Housing Services Act of 1978 (title V) in this legislation. In fact, Congressman ST GERMAIN and I introduced the original congregate housing legislation which became the impetus for this portion of the bill.

During my tenure as chairman of the Housing and Consumer Interests Subcommittee of the Select Committee on Aging, I have had the opportunity to listen to a wide range of individuals, including public officials, service providers, members of the academic community, and most importantly, senior citizens themselves, who presented testimony how the Federal Government can best address the unique housing problems and needs of senior citizens. Time and time again my colleagues and I were advised that what the frail elderly need and desire is to live independently, in their own residences, while at the same time having easy access to such essential services as nutritional, health, housekeeping, transportation, social, and other supportive services. Yet we know that the elderly, many of whom must live and cope with inflation on limited, fixed incomes, cannot afford to pay for these services, should they indeed be so fortunate as to locate housing with such a congregate environment.

The Federal Government, through the Department of Housing and Urban Development, provides housing for the elderly with such programs as public housing and section 202, and the Department of Health, Education, and Welfare provides health and social services through medicare, title XX of the Social Security Act and the Older Americans Act. However, for various reasons, of which the most obvious are lack of coordination and cooperation and scarce dollars, the Federal Government, thus far, has not succeeded in integrating congregate services with elderly housing. Title V of H.R. 12433 is landmark legislation in that for the first time, Congress is authorizing the Secretary of the Department of Housing and Urban Development to provide contract authority for the provision of congregate services in public and section 202 housing for the elderly. By providing funds through HUD, we should be able to bypass the jurisdictional bickering among departments and the claims of insufficient funds, which have plagued previous attempts to develop congregate housing and which the elderly, unfortunately, hear all too often.

Title V is initial evidence of Congress commitment to solving the housing problems faced by the steadily increasing number of frail elderly. We can no longer approach the problem with the mentality that those elderly who cannot maintain their complete independence belong in nursing homes. This perspective is grossly unfair, not only to the elderly whose dignity, self-respect, and sense of well-being are threatened but, in addition, support of those elderly in institutions who really do not need to be in them and who could function just as well or better in a semi-independent environment, imposes an unnecessary financial burden on the Federal coffer. Therefore, it is imperative that we begin exploring alternatives such as congregate housing which promise to provide a more economical, cost-effective solution to the housing problems of this Nation's elderly.●

Mr. ASHLEY. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BROWN of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would be remiss if I did not take this opportunity to commend the gentleman from Ohio (Mr. ASHLEY) for his continuing and very able, competent, and cooperative work with the subcommittee.

As has been indicated by another Member, the gentleman from Ohio (Mr. ASHLEY) and I like to think that to a certain extent we were pretty much the authors of the 1974 act. I think the fact that the act has been renewed without substantial change is certainly a commendation of our work. I have never had the opportunity in the Congress to work with someone I enjoyed working with more, and I commend the gentleman from Ohio today.

The CHAIRMAN. The gentleman from Ohio (Mr. ASHLEY) having yielded back his time and the gentleman from Michigan (Mr. BROWN) having yielded back his time, the Clerk will read the bill by titles.

The Clerk read as follows:

H.R. 12433

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Housing and Community Development Amendments of 1978".

Mr. ASHLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BRADEMAS) having assumed the chair, Mr. BENNETT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12433) to amend and extend certain Federal laws relating to housing, community and neighborhood development and presevation, and related programs, and for other purposes, had come to no resolution thereon.

LEGISLATIVE PROGRAM FOR WEEK OF JUNE 26, 1978

(Mr. DEL CLAWSON asked and was given permission to address the House for 1 minute.)

Mr. DEL CLAWSON. Mr. Speaker, I take this time in order to inquire of the acting majority leader the program for the balance of the week, if any, and the program for next week.

Mr. WATKINS. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I am pleased to yield to the acting majority leader.

Mr. WATKINS. Mr. Speaker, when we adjourn today, we will be through for the week.

The agenda for next week is as follows:

On Monday, the House meets at noon.

There are no District bills.

We will have four suspensions. The votes on those suspensions will be postponed until the end of all suspensions. The suspensions are:

H.R. 11797, Reserve Survivors' Benefits Act;

H.R. 10341, Army and Air Force retirement amendments;

H.R. 10342, military retirement pay revisions; and

S. 666, early retirement for non-Indian employees of BIA.

Also on Monday we will have consideration of:

H.R. 12536, National Parks and Recreation Act of 1978, under an open rule with 1 hour of debate, and we will take the rule and general debate only; and

H.R. 12432, the Civil Rights Commission Act of 1978, under an open rule with 1 hour of debate, and we will take the rule and general debate only.

On Tuesday the House will meet again at noon and consider six suspensions. The votes on the suspensions will be postponed until the end of all suspensions. The suspensions are:

H.R. 11886, Veterans Disability and Survivor Benefits Act;

H.R. 11888, increase compensation for disabled veterans;

H.R. 10173, Veterans and Survivor Pensions Improvement Act;

H.R. 12841, prohibit regulations on fringe benefits taxes;

H.R. 12589, International Investment Survey Act amendments; and

H.R. 12874, Solar Photovoltaic Energy Research, Development and Demonstration Act of 1978.

Also we will have H.R. 12433, Housing and Community Development Act amendments, which we had under consideration today and we will complete consideration of that legislation.

Then we will take up H.R. 12536, the National Parks and Recreation Act of 1978 and complete consideration of that legislation. And also H.R. 12432, Civil Rights Commission Act of 1978, we will complete consideration of that.

On Wednesday, the House will meet at 10 a.m. and will take up H.R. 12163, DOE authorizations, fiscal year 1979 and H.R. 11392, DOE authorizations, fiscal year 1979 subject to a rule being granted.

On Thursday, the House will meet at 10 a.m. and will take up H.R. 8099, Water Rights for Ak-Chin Indians, under an open rule with 1 hour of debate.

Then H.R. 12005, Justice Department authorizations, under an open rule with 1 hour of debate.

And H.R. 10587, improving range conditions for grazing lands, also under an open rule with 1 hour of debate.

On Friday the House will not be in session.

The House will adjourn by 5:30 p.m. on all days except Wednesday. Conference reports may be brought up at any time and any further program will be announced later.

Mr. DEL CLAWSON. I thank the gentleman.

May I ask one thing further?

Monday is District Day and there are no bills for the District of Columbia. Then on Tuesday on H.R. 12432, the Civil Rights Commission Act of 1978, is that going to carry over from Monday?

Mr. WATKINS. Mr. Speaker, I appreciate the gentleman's inquiry, and let me say that on Monday we will consider H.R. 12432, the Civil Rights Commission Act of 1978 under an open rule with 1 hour of debate and we will consider the rule and general debate only on Monday and complete consideration of it on Tuesday.

Also, as the gentleman mentioned, on Monday there will be no business to be considered under the District of Columbia Calendar.

Mr. DEL CLAWSON. Then, further, on Wednesday both bills listed, H.R. 12163 and H.R. 11392, as I understand, are subject to a rule; is that not the case?

Mr. WATKINS. That is correct.

Mr. DEL CLAWSON. I thank the gentleman.

Then can we depend on the Wednesday calendar? Or, if we fail to complete the calendar schedules for Monday and Tuesday, will they be carried over until Wednesday?

Mr. WATKINS. It is hoped at this time that the DOE authorizing legislation will be the first thing taken up on Wednesday and, of course, it will depend on how long that takes.

Mr. DEL CLAWSON. I thank the gentleman.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. DEL CLAWSON. I am happy to yield to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, many of the Members have been notified of a retirement parade for Brig. Gen. Dorsey J. Bartlett.

Dorsey J. Bartlett is actually Joe Bartlett, the minority clerk in the House, and the parade will be at 9 a.m. Wednesday morning and not 9 p.m. For those Members who want to observe the retirement parade of one of the greatest military figures in the history of the U.S. Marines, they may call the Navy Liaison Office who is arranging bus transportation to transport them to the parade and to bring them back in time for the morning session.

Further, Mr. Speaker, it is my understanding that there was a great sigh of relief in Moscow when they were notified that Brig. Gen. Dorsey Joseph Bartlett was retiring. So it is a loss for our country but a boost for the Reds.

Mr. DEL CLAWSON. I thank the gentleman from Illinois (Mr. DERWINSKI) for calling this worthy event to our attention. If there are Members in the House who do not recognize the great general, I would suggest that he might raise his hand so that all may know who he is.

I am sure he appreciates the applause.

Again I thank the gentleman from Illinois (Mr. DERWINSKI) for bringing to our attention and I yield back the balance of my time.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADJOURNMENT TO MONDAY, JUNE 26, 1978

Mr. WATKINS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

REPORT ON PROGRESS TOWARD NEGOTIATED SETTLEMENT ON CYPRUS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 95-363)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by Public Law 94-104, this report describes the progress that has been made during the past sixty days

towards a negotiated settlement on Cyprus.

On April 13 representatives of the Turkish Cypriot community presented to U.N. Secretary General Waldheim a description of the proposals that they intend to put on the table once the Cyprus intercommunal talks, in recess since April 1977, are reconvened. After examining these proposals, the Secretary General issued a public statement characterizing them as "concrete and substantial" yet cautioning at the same time that he had reached no judgment on their merits. On April 19 the Secretary General travelled to Nicosia, where he explained the new Turkish Cypriot proposals to the Government of Cyprus. Later that day President Kyprianou declared to a press conference that the proposals were "entirely inadmissible" and totally inadequate as a basis for resuming intercommunal negotiations. At the same time, however, he did not completely close the door to a new round of talks.

These new Turkish Cypriot proposals represent a limited advance over the positions that the Turkish Cypriots have assumed in previous negotiating sessions. Reflecting earlier ideas, the new constitutional proposal stresses susbtantial self-government for each of the two zones and the concept of equality of representation for the two communities in the future central government of Cyprus. Yet it is substantially more developed and detailed than the brief and sketchy paper tabled by the Turkish Cypriot representative at the last round of talks in Vienna in April 1977. Our understanding, moreover, is that the Turkish Cypriots have in fact prepared an entire draft constitution for consideration once negotiations commence. As far as the territorial issue is concerned, the Turkish Cypriots have designated six general areas in the vicinity of the present demarcation line whose transfer to Greek administration they would be prepared to negotiate, and they have not ruled out discussing other areas that the Greek Cypriots may wish to raise. The Turkish Cypriots refrained from specifying the percentage of territory that they would be prepared to transfer to the Greek Cypriot side on the grounds that this would deprive them of the negotiating flexibility they were seeking to preserve. While this territorial proposal is not as concrete as some would have hoped, it does represent an advance in that for the first time the Turkish Cypriots have clearly agreed to sit at the table and discuss territorial concessions. In a separate proposal on Varosha (New Famagusta), the Turkish Cypriots indicated that they would be prepared to permit Greek Cypriot inhabitants to return to their homes and properties in the city, which is now almost totally uninhabited but behind the Turkish line.

The Government of Cyprus has justified its rejection of the Turkish Cypriot proposals on the grounds that they provide not for the creation of a federation, as called for in the Makarios-Denktash understanding of February 1977, but rather for partition of the island into two separate states. Clearly there is a broad conceptual gap between the two sides on the constitutional issue. A second Greek Cypriot contention is that the April 13 proposals envisage the return of only a very small portion of the territory of the Republic of Cyprus to Greek Cypriot control and that Greek Cypriot resettlement of Varosha under Turkish Cypriot administration would be unacceptable.

The Turks and Turkish Cypriots have repeatedly stressed both in public and in private that they are fully prepared to be flexible and to negotiate in earnest once the talks are reconvened. They have underscored that the April 13 proposals represent only a starting-point and should not be construed as the final Turkish Cypriot position. Recently, more substantial indications of Turkish flexibility have emerged. In a press conference in Bonn on May 11, Prime Minister Ecevit gave assurances that the political framework of Varosha is open to negotiation; the Turks have authoritatively stated that as many as 35,000 Greek Cypriots will be allowed to return to Varosha; and they have specified that this return can commence as soon as the talks are resumed. At the same time, however, the Turkish side has made it clear that no new proposals will be developed in advance of actual negotiations, which they have called upon Secretary General Waldheim to schedule without further delay.

On May 2 Secretary General Waldheim issued a statement noting that a significant gap continued to exist between the two Cypriot parties and announcing his intention to hold further consultations in order to clarify their positions regarding a resumption of the negotiating process. The Secretary General has recently met with President Kyprianou and Turkish Cypriot leader Denktash, as well as with Prime Ministers Ecevit and Caramanlis. We understand that Special United Nations Representative on Cyprus Galindo Pohl will be undertaking further consultations in the area.

On May 22 Turkish Cypriot leader Denktash issued a statement which clarified and to a certain extent reformulated the Turkish Cypriot position on resumption of the intercommunal talks. This was in many respects a positive and encouraging statement. First, Mr. Denktash reaffirmed Turkish Cypriot readiness to enter into "sustained, intensive good-faith negotiations" with the Greek Cypriots, and he noted that he had made a commitment to Secretary General Waldheim to enter into these negotiations "with an open mind and in a spirit of conciliation and flexibility."

Second, with respect to the territorial issue, Mr. Denktash declared that he was prepared to consider "significant geographical readjustments" which would enable "a considerable number of Greek Cypriots to resettle." Third, Mr. Denktash spoke of important concessions on Varosha, including the return of some 35,000 Greek Cypriot inhabitants in the course of negotiations. And fourth, Mr. Denktash stated that the Turkish Cypriots were eager to discuss with the Greek Cypriots other steps for healing the wounds of the past, such as the reopening of Nicosia airport and joint economic projects. It should be possible to build on these ideas, and on the proposals put forward by the two sides, to move towards an early resolution of the Cyprus problem.

In his May 24 address to the U.N. Special Session on Disarmament, President Kyprianou put forward a proposal for the complete demilitarization of Cyprus and for the creation of a mixed Greek Cypriot-Turkish Cypriot police force, in proportion to population, under the guidance and supervision of the United Nations.

The Administration has fully supported the efforts of the Secretary General to reconvene productive intercommunal negotiations. We will continue to do so. It is our conviction that this is a crucial moment in the history of Cyprus. If talks are not resumed at an early date, opportunities for progress on the issue may well be delayed for some time to come, and as a consequence the unfortunate *de facto* division of the island could further solidify. It is for this reason that every effort must now be made to bring the parties together for sustained, good-faith, and productive negotiations.

JIMMY CARTER.

THE WHITE HOUSE, *June 23, 1978.*

GOVERNMENT GUARANTEES EVERYTHING

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COLLINS of Texas. Mr. Speaker, as I watch Congress every day in action, I wonder when we are going to realize that we cannot guarantee everything for everybody.

In 1976 Congress passed by a vote of 250 to 83 the swine flu legislation. This provided that swine flu vaccination would be available for everyone. The pharmaceutical houses said there were inherent dangers as some people may be allergic, so the Government guaranteed everybody against any danger and took all of the liability.

As it turns out, the cry was wolf, wolf as there was no swine flu epidemic.

At that time I said in the Health Committee that this bill was a preposterous way to legislate. If people want to take the swine shot they should have the option. But the Government had no business insisting on them taking the shot and assuming full responsibility. I did not take a shot because I saw no signs of an epidemic and do not believe in medicine if you do not need it. Now from Secretary of HEW Joseph A. Califano we hear that HEW has $365 million in Guillain-Barre disease damage cases pending from 439 men, women, and children. Furthermore, we hear that there are $411 million more in claims by 1,044 people who say they were injured by the flu shots in ways other than Guillain-Barre disease.

Vaccine experts tell us the Guillain-Barre disease is a kind of paralysis which many incur during any mass inoculation. Now the Government takes the position

that claimants need not prove negligence, which is an admission of guilt by the Government.

Congress authorized an expenditure of $135 million for available shots for interested Americans. As a result, 40 million people took the swine shot.

Now people are suing for everything from dizzy spells to becoming blind and deaf. There are cases of people taking a shot, fainting and suffering skull or brain damage. This inoculation program may provide immunities but it could also have adverse physical reactions.

When the swine shot program was rushed through Congress, the statement was made that this provides a glorious example of socialized medicine in action. I trust we learned from this dismal experience and we have no more socialized medicine in America.

Frankly, I am also getting tired of everybody suing the Government. I sometimes wonder about those people that sue hospitals, doctors, their neighbors, policemen, and the school system.

When a person gets something for nothing, as they did in this swine flu case, how does the Government incur a position of liability? The Health Department acted in good faith to provide vaccine for these voluntary guinea pigs who chose to get their shot. It was a matter of independent choice on whether they took it or not. What justification is there for all of this litigation?

Everytime America has one of these law suits and another claim is paid, it means that the taxes and the cost of Government goes up that much more for all of the rest of us to pay.

INTRODUCTION OF THE SUGAR ACT OF 1978

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VANIK. Mr. Speaker, today, I have at the request of the administration introduced legislation entitled the "Sugar Act of 1978." The introduction of this bill will place before the various committees of the House for purposes of analysis and debate the Government's proposals for the implementation of the International Sugar Agreement and the import adjustments proposed as necessary for a domestic sugar program.

The Trade Subcommittee of the Committee on Ways and Means has announced a 1-day public hearing on this legislation and on the various other sugar proposals which have been introduced. The hearing is scheduled for June 28, at 10 a.m. in the main Ways and Means Committee hearing room.

To date, the House Agriculture Committee and the Senate Finance Committee have held extensive hearings on various sugar proposals, notably the bills introduced by our colleagues Representative DE LA GARZA, Representative LEDERER, Representative SYMMS, and others. The introduction of the administration's bill will complete the range of proposals and enable the Ways and Means Committee and others to focus on the issues involved and the differences between the various bills.

The first section of the bill I am introducing provides for the implementation of the International Sugar Agreement (ISA), a major international commodity agreement negotiated between most of the world's sugar exporting and importing nations. The ISA is designed to reduce the destructive boom and bust cycle in world sugar prices which has periodically hurt the consumers of importing nations and the producers in many of the world's developing, low-income nations.

The second section of the bill provides, in essence, for a domestic sugar income support program. This is the area where the administration's bill differs most dramatically from most of the other proposals. First, the administration's bill would have a much smaller impact on the consumer and food inflation than most of the other proposals—but it would achieve this by providing a relatively low level of support for domestic producers, a level which many believe may be below the cost of production for many growers. In addition, while some of the other proposals provide for a higher domestic price price of sugar through quotas and import fees, the administration's bill provides for direct support payments to producers. To insure that producers participate in the sugar program, no limitation is placed on the amount of payments to any one grower, since the administration argues that such a "cap" would destroy the effectiveness of the program. This will surely be one of the most controversial issues in the administration bill. During the years that the Sugar Act was in force, I was one of those frequently critical of that program and supported the concept of payment limitations. I believe that the Congress will clearly want to weigh the economic gains and losses of reinstituting any farm payment program that does not contain a "cap."

The administration bill contains a number of labor provisions which seek to protect the rights of those who work in the sugarfields.

The members of the subcommittee, myself, and public witnesses will undoubtedly have numerous questions about the administration's proposal and the other sugar bills before the House. The introduction of this legislation will enable us to debate the provisions of the proposal on a section-by-section and line-by-line basis.

WATCH TOPSY GROW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

● Mr. ALEXANDER. Mr. Speaker, I would like to share with my colleagues the second in a series of articles written by John Dillin, of the Christian Science Monitor. I believe this series is illustrative of just how large the Federal Government has become and points out the critical need to reverse the trend of reliance on Washington to cure all ills.

The article follows:

[From the Christian Science Monitor, May 16, 1978]

WATCH TOPSY GROW

(By John Dillin)

BALTIMORE—Maryland officials are irritated with Uncle Sam. It seems the federal bureaucrats in Washington think they know how to do things better than the state bureaucrats in Baltimore. Here's what has happened.

Eight years ago, Maryland launched a pilot project to track down parents who had left home and were refusing to pay child support. These wayward fathers, and sometimes mothers, were forcing state and federal welfare agencies to pick up the costs of raising their children.

By mid-1975, Maryland's enforcement effort was collecting about $6 million a year from absent parents. The program, with a staff of 29, had expenses of just over $1 million—which meant there was a $6 return for each dollar invested.

Then Washington bureaucrats rewrote the rules. Congress laid down 19 criteria for states on how to run child support enforcement programs. Federal lawmakers felt too many states were not doing a good job in this important area.

The result? Maryland will collect an estimated $9 million this year, but expenses have soared to $5 million—which means less than $2 will be collected for each dollar spent, officials here say. Struggling to cope with mandated federal red tape, the Maryland staff has mushroomed to 276, program chief John M. Williams says.

Further, federal investigators have just informed Maryland that it may be fined $800,000 for an infraction of the federal rules. The state also is threatened with the loss of $4 million more for other lapses.

Maryland's experience, as described by officials here, shows how local and state governments often grow larger—and frequently less efficient—under the prodding of lawmakers and bureaucrats in Washington.

Federal officials insist, however, that the experiences described in Maryland are not typical. They say most states have profited by the toughened federal approach (most did not even have a program until Congress cracked down) and they add that the benefit-cost ratio is running close to 3 to 1 nationwide.

Louis B. Hays, deputy director of the federal Office of Child Support, an enforcement bureau in Washington, disputes the Maryland figures. He suggests Maryland's expenses were higher than reported before federal intervention, because local governments were picking up some expenses that were not included.

"We feel the program in Maryland isn't less cost-effective today," he told the Monitor. And nationwide, collections are up sharply under the new federal law, he points out.

This may be true, Maryland officials say, but they stress that benefit ratios could be higher and the programs more effective if the states were left alone.

Roger P. Winter, assistant secretary for administration in Maryland's Department of Human Resources, puts it this way:

"Federal inspectors who checked our program didn't care if we had collected a penny so long as we operated in line with criteria laid down by Congress. . . . The whole thing demonstrates the problem of form over substance—they want to know if you met the requirement on a piece of paper."

Like state and local officeholders elsewhere Maryland officials have become painfully aware of what seems to be the "golden rule" of government: "He who supplies the gold makes the rule."

Using its vast financial resources, the federal government has steadily expanded its influence in state capitols and city halls—but with uncertain consequences for governmental efficiency. Often it has meant rapid increases in local bureaucracies, even as real power was slipping from local hands.

A few examples will illustrate the magnitude of recent change:

Twenty years ago, federal aid to Buffalo, New York, amounted to only 1 cent for every dollar the city raised on its own through taxes, licenses, etc. Today, Washington provides 76 cents for every dollar raised in Buffalo.

Twenty years ago, states provided the nation's largest cities with aid amounting to $16 per capita annually. Washington gave only $2.33 per capita. Today, states give $122—up nearly eightfold. But federal aid has ballooned to $172—more than 70 times the earlier level.

Federal aid to states and localities will top $80 billion this year; such aid increased by $13.4 billion last year alone—an increase greater than the total federal aid program amounted to as late as 1965.

But although states seem confused by the plethora of federal programs and annoyed by federal rules, they are also hooked on federal money.

John Shannon, assistant director of the Advisory Commission on Intergovernmental Relations, suggests that if Washington pulled back from its heavy support of local and state governments, "many Northeast central cities would go through the fiscal windshield."

Cities, states, and Washington seem indissolubly wed, for better or for worse, in a partnership that has financed a huge expansion of the local and state governments.

But this transfer of resources to the states has also masked the growing centralization of authority in Washington.

Federal officials, for instance, often observe that growth of the Washington bureaucracy has been slight since World War II. Today, with 2.8 million civilian workers, Washington has about the same number of bureaucrats it had a decade ago, and only 400,000 more than in 1951.

That is highly misleading, however, many observers say. States and localities, acting as "agents" for Washington, have added millions of employees to carry out expanded federal welfare, education, elderly, and other programs initiated in Congress and the White House.

Maryland illustrates the trend.

Ten years ago, the state received just $210 million from Washington. That is up to $1.1 billion today, or more than a fivefold increase. Meanwhile, Maryland's own internal revenues have risen less than threefold.

The state, which had 260 state and local employees for each 10,000 population 20 years ago, saw that climb to a whopping 509 employees by 1976.

The same was experienced elsewhere. Over the past two decades New York climbed from 350 to 508 for every 10,000 residents; Michigan, from 279 to 461; Illinois from 253 to 436; Florida, from 309 to 387; Texas, from 264 to 485; California, from 334 to 493.

But even as their size has grown, power has slipped from these governments closest to the people.

The Advisory Commission on Intergovernmental Relations, which monitors the workings of the federal system, observes that a typical federal aid program comes with "at least 33 crosscutting regulations routinely . . . attached." Washington may tell local governments how much to pay workers in the program, what steps to take to protect the environment as the program is carried out, and how to involve citizens in the programs—all in addition to specific requirements for the program itself.

The Advisory Commission, in a recent report, observes that in the early 1970s there was a definite effort to decentralize power away from Washington back toward the states.

But in the past couple of years, that seems to have turned around again. A considerable amount of recent aid, for instance, leapfrogs state government and goes directly to cities under the Carter administration's fiscal stimulus program.

Today, commission experts say in a report on the growing "tilt toward Washington," there is an increasing tendency to define national interest "to include virtually any activity that was at one time the exclusive domain of state or local governments." President Carter, through programs proposed so far, has strengthened that trend, the commission indicates.

Thus, students of government observe that states have rapidly rising payrolls, beautiful new office buildings, and expanded programs—even as real power flows evermore to Washington. Lobbying in Washington for more funds has become as important for state and local officials as selling the citizenry on the need for a local tax increase or bond issue.

What does all this mean for government and the citizenry?

The picture is not clear. While ordinarily one might expect federal power to continue growing, the fiscal picture could slow or even halt that trend. Washington is running out of money, its deficits growing, its priorities becoming more crowded around the federal money tree.

At the same time, most state governments are showing a healthy surplus.

Yet, the next big federal power grab some believe, could be insurance regulation—long the province of state government.

Douglas J. Colton, a special assistant in the Antitrust Division of the Department of Justice, told an audience of insurance officials in Atlanta recently:

"I sense in Washington a growing feeling that, in one way or another, the insurance industry is going to find itself involved with the feds. . . . I cannot expect you to learn to love federal involvement with your business, but I strongly suggest that you reconcile yourself to living with it."

Watch out, Maryland—here they come, again.●

BACK TO BASICS IN AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 10 minutes.

● Mr. DIGGS. Mr. Speaker, Secretary of State Cyrus Vance has, in the past few days, provided the clearest, most concise outline and clarification of the Carter administration's policies toward Africa that has thus far been evinced. In his public appearance and his testimony and discussions with the Congress, he has provided thoughtful analysis of the ongoing situations in African nations, and the U.S. policy implications therein.

I commend to my colleagues this morning's New York Times editorial that addresses the recent initiatives by Secretary Vance:

BACK TO BASICS IN AFRICA

Keeping your head when all about you are losing theirs: No phrase better describes Secretary of State Vance, as he showed again this week in a much-needed restatement of the Carter Administration's policies toward Africa. Elsewhere, both here and abroad, many usually calm heads have become rattled by visions of Africa as the new and great theater of confrontation between East and West.

Mr. Vance took the right view of the threat to Africa posed by Cuban troops and Soviet arms. Their propping up of weak governments in Angola and Ethiopia may violate Western and some African sensibilities, but nearly all African governments defend the right of others to invite support from any quarter. And while Havana and Moscow support guerrilla movements against white-dominated regimes in southern Africa, the West also regards the present rulers of Rhodesia and Namibia as illegitimate, even if it draws back from endorsing armed struggle against them.

Although Mr. Vance set no limits to what he would regard as tolerable intervention in Africa, he left no doubt that in the American view there are bounds. Even so, however, he would assign the primary responsibility for defense to those African states and to their Organization of African Unity.

The focus of American policy belongs where the Secretary placed it: on efforts to resolve the problems that "create the excuse for external intervention." The most important are the conflicts of southern Africa. Mr. Vance wisely resisted the advice of those who would recognize Ian Smith's "internal settlement" in Rhodesia merely to counter the Cuban and Soviet support of the Patriotic Front guerrillas. Endorsing either side, as he put it, would only inflame the conflict. And as he further indicated, that American policy should not change even if the Rhodesian civil war intensifies. Otherwise Mr. Smith and his present partners would have no incentive to negotiate the settlement that alone can end the bloodshed.

Regarding Namibia the Secretary also reaffirmed the Administration's policy. There it is the guerrillas who still reject Western proposals for United Nations-sponsored elections. If they continue to reject them, the West can do little to prevent South Africa from imposing its own version of majority rule.

As for South Africa's vexing problems, Mr. Vance made clear that the Administration would propose no blueprint or timetable for major changes in relations among the races. He only warned again that the failure of the white Government "to begin to make genuine progress" toward racial justice would inevitably result in a deterioration of relations with Washington.

Mr. Vance's address was thus notable not for any new policy directions but for the affirmation that the United States intends to continue to rely on trade, aid and diplomacy to help African states achieve greater self-reliance. Even as he spoke, a senior American diplomat was on his way to Angola, whose Government the United States has not recognized, to discuss ways in which its Marxist regime might resolve a long-standing dispute with Zaire and help in negotiating a settlement in neighboring Namibia.

That was the Administration's effective—and encouraging—answer to those who argue for clandestine or military aid to the Angolan regime's domestic enemies. Instead of driving the pre-eminent Angolan leader, Agostinho Neto, into still further dependence on the Cubans and Russians, the United States will belatedly seek to exert a constructive influence of its own. To those who shrink in alarm from such diplomacy because of Angola's present Marxist coloration, Mr. Vance gave a reply that epitomizes the judicious nature of his—and, we trust, the President's—approach to African problems: "We have not been preoccupied with labels or categories," he said, "for these are particularly misleading in the African context."●

AGRICULTURE APPROPRIATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from Connecticut (Mr. DODD) is recognized for 5 minutes.

● Mr. DODD. Mr. Speaker, yesterday the House agreed to an amendment to the Agriculture Appropriations bill prohibiting the use of funds to finance assistance to the Republic of Korea under the Food for Peace program. The purpose of the amendment was to pressure the Korean Government to bring forward Kim Dong Jo, formerly the South Korean Ambassador to the United States, to give testimony to congressional committees investigating the Korean bribery scandal.

I cast my vote against the amendment as I voted against the House resolution 3 weeks ago which expressed the sense of the House that unless Kim Dong Jo was made available for testimony, the United States would cut off nonmilitary aid to the Republic of Korea.

Mr. Speaker, I would like to take this opportunity to outline the reasons for my opposition to these two measures.

First, I believe that the act of cutting off Food for Peace aid because of Korea's reluctance to allow a former ambassador to give testimony to congressional investigators creates an unfortunate precedent that the House, I predict, will later regret. As my colleagues know, article 39(2) of the Vienna Convention on Diplomatic Relations gives diplomatic immunity to embassy personnel from being questioned about their official activities unless that immunity is waived by the sending State. The provision for diplomatic immunity obviously works both ways. I do not think that it takes much of a stretch of the imagination to see that other nations may someday demand to question our diplomats or, even worse, our intelligence personnel about their official activities in those countries. By passing this amendment, the House has created a disasterous precedent. No one in this House would relish the thought of legislative bodies in Chile or Vietnam, or any other nation for that matter, demanding that we turn over former Secretaries of State, ambassadors, or directors of the CIA to be publicly cross-examined. Yet by passing this amendment, we have indeed created such a precedent and we have invited reciprocal action by other countries.

I might point out that if investigating the unlawful attempt to influence political activity in a country is the basis for our action, then our own hands are not necessarily clean in that regard. I can well imagine the outraged reaction of the House of Representatives if Chile took action against American citizens in an attempt to force us to hand over U.S. diplomatic or intelligence agency personnel during an investigation of the fall of Salvador Allende's regime. Will we simply say that the United States can use that kind of strong-arm diplomacy, but other nations cannot?

Second, I wonder what the actual effect of our action will be? I seriously doubt that any sovereign nation, even an ally like the Republic of Korea, would yield to the sort of tactics the House has instituted. The South Korean Government would subject itself to ridicule and humiliation if it capitulated to our overbearing public pressure. The amendment will simply be counterproductive. South Korea might have eventually allowed Kim Dong Jo to testify if we continued the process of quiet diplomacy. But now we have given them no choice. If they accede to our demands, it would look like a humiliating capitulation to U.S. pressure. No sovereign nation wants to be seen as someone's lackey.

Denying $56 million of Food for Peace aid will only really hurt one group of South Koreans: the poor and hungry. We are punishing the poor of a country because of the transgressions of their political leaders. Why should they bear the brunt of our vindictiveness? They certainly cannot be held responsible for the illegal actions of their government.

Finally, I regret to see us first legislate a naked threat to an important ally and then try to blackmail that ally by cutting off food aid unless they give in to our demands. Relations between the United States and South Korea have already been put under great strain; I see no need to uselessly exacerbate our relationship further.

The investigation of the Korean influence buying scandal must proceed until we have learned the whole truth. And we must not hesitate to punish present or former Members of Congress found guilty of accepting bribes or other wrongdoing. But naked threats and vindictive legislation will not gain us the cooperation of South Korea. The evidence to date suggests that our actions have been counterproductive.

My votes against the House resolution and against the amendment to the Agriculture appropriation reflect my belief that these measures are not only counterproductive, they set precedents which the United States will later regret.●

A CONSTITUTIONAL AMENDMENT TO PROVIDE THAT GOVERNMENT APPROPRIATIONS NOT EXCEED GOVERNMENT REVENUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. DE LA GARZA) is recognized for 5 minutes.

Mr. DE LA GARZA. Mr. Speaker, it is said that all good things come to those who wait. Well, I and all who share my deep concern for the fiscal integrity of our beloved Nation have waited a long time indeed. After working toward this end for so long, now our time has come.

Recent events have indicated that the people have had enough of reckless local and State government spending programs and taxes with ever-upward-spiraling costs that are driving up inflation to where it is oppressive to everyone who works for a living—and even those who do not. The same would apply to the Federal Government.

Although throughout my career I have never been a spender, neither have I been an irresponsible budget-cutter for publicity's sake. I believe, as a Member of this House, that I have used a discerning eye and exercised considerable prudence in reaching final judgment on every program, proposal, or appropriations measure to come before me. So as I applaud the actions of so many I also caution them in their rush to judgment. The scalpel, not the meat axe, should be employed with skill.

But the sentiment to which the people themselves are now giving expression throughout the country was very much on my own mind way back in 1965, when, on January 4—my very first day in Congress—I introduced the first of seven joint resolutions—spanning a period of 14 years—that called for the balancing of the Government's books. I could not get cosponsors, or hearings, many of my colleagues laughed, but we continued our efforts.

Though then a lonely voice in the wilderness, I had determined that only an amendment to the Constitution, mandating pay-as-you-go Government—such as we have in the State of Texas—would serve to bring Federal spending under control. And so I introduced in the House a resolution proposing a constitutional amendment to provide that Government appropriations shall not exceed Government revenues, except in time of war or national emergency.

In the years that followed, other voices were raised, and in each succeeding Congress, they grew louder in their plea for national fiscal sanity. Now dozens of similar congressional resolutions stand beside mine, and the roll grows longer.

On January 4, 1977, I introduced House Joint Resolution 51. It is direct and it is simple. It provides that for each fiscal year the President shall determine and proclaim the estimated total revenues of the U.S. Government, the figures to be revised quarterly. Congress would be prohibited from authorizing the withdrawal of Treasury funds in excess of the total amount of revenues. Outlays, for whatever purpose, could not be greater than income. A budget imbalance would occur only in time of war or grave national emergency.

Mr. Speaker, I urge that this Congress now consider a proposal whose time clearly has come. In the present climate, three-fourths of our sovereign States should have no trouble at all in transforming an income-outgo resolution into the next amendment to the Constitution of the United States. I welcome my colleagues who now join me. It is not so lonely any more.

THIRTY-FIFTH ANNIVERSARY REUNION OF THE U.S.S. "WASP" PERSONNEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 10 minutes.

● Mr. BURKE of Massachusetts. Mr. Speaker, tomorrow, Saturday, the 24th of June, former personnel of the aircraft carrier, U.S.S. *Wasp* (CVS 18), are holding a 35th anniversary reunion in Randolph, Mass. The vessel was constructed and, subsequently, commissioned on November 13, 1943, in nearby Quincy.

The *Wasp*, the ninth ship to carry the distinguished name, has a proud and glorious history. The carrier participated in the Pacific campaigns throughout World War II. March 19, 1945 marked

a particularly heroic yet tragic day for the *Wasp*. Two Japanese bombers attacked the ship, leaving 102 men dead and 269 others injured. Still, the ship was underway within an hour, ready to confront the enemy challenge.

In subsequent conflict during that week, the *Wasp* was credited with damaging numerous enemy craft, sinking a submarine and disabling 20 Japanese aircraft.

After an overhaul in 1951, the *Wasp* took part in the evacuation of the Tachen Islands. She was later converted to an antisubmarine vessel and attached to Boston, Mass. After participation in the Marine force action in Lebanon, the *Wasp* was designated flagship for the antisubmarine task force in the Atlantic.

Additional action in the sixties found the *Wasp* supporting the UN airlift to the Congo and participating in the Cuban Quarantine in 1962.

The *Wasp* also served as the recovery ship for the Mercury and Gemini space ships. Decommissioned in 1972, the *Wasp* had earned some 23 gold stars and one silver star.

The brave and loyal officers and crew members have served the "Stinger" and our country well. We can be proud of their service and selfless efforts on our behalf.

I extend my congratulations and warmest thanks to those men. And we should never forget to thank them, for as a result of their work, along with that of their fellow servicemen, our country today is free and prospering.●

THE ART MUSEUM AS EDUCATOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

● Mr. BRADEMAS. Mr. Speaker, all our institutions—especially those that claim to be serving the public's purposes—need to be put to the test of having those purposes, and the functions that flow from them, periodically reviewed. Are our institutions doing what we want them to do? Are they doing it well? Can their performance be improved?

Such questions apply to our schools, our corporations, our agencies of Government, and all other institutions of modern life. The questions are especially pertinent in an era when we know we must get our money's worth from the organizations and activities that continually ask for our support.

With this in mind, Mr. Speaker, it is significant, I believe, that the art museum has recently received a thorough and objective evaluation of its role as an educational institution. The results have just been published by the University of California press in a weighty, impressive, and, I am glad to say, highly readable volume entitled "The Art Museum as Educator."

Editors of the volume, which was published under the auspices of the Council on Museums and Education in the Visual Arts, are Barbara Y. Newsom and Adele Z. Silver.

With the backing of the National Endowments for the Arts and Humanities and three of our major foundations—Ford, Edward John Noble, and the Rockefeller Brothers Fund—the study has documented 100 education programs in more than 70 museums and related institutions around the United States. The Art Museum as Educator will be invaluable as a reference work for many years to come.

Mr. Speaker, although the art museum originated in a desire to preserve and present great works of art to successive generations of Americans, this institution increasingly sees its justification for existence in its efforts to help the museum-going public understand and enjoy these rich collections. The new study covers all phases of art museum activities in education—its programs and educational exhibitions for the general public; for schoolchildren and their teachers; for colleges, universities, art students, and professional artists; and for museum staffs themselves whose professional growth has so far been provided largely within the museum community. The range of effort that art museums have made in their attempts to educate the public is spelled out in this volume in great detail.

Mr. Speaker, I commend "The Art Museum as Educator" to my colleagues in Congress who have an interest in the cultural life of our country and to other institutions for which the art museums have offered here a model of self-examination.●

PROPOSED AMENDMENT TO H.R. 12163

(Mr. FUQUA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. FUQUA. Mr. Speaker, today on behalf of the Committee on Science and Technology, I am placing in the RECORD at this point an amendment which reflects the agreement reached for the text of the Science and Technology Committee bill, H.R. 12163, prior to its consideration on the House floor. The purpose of the amendment is to represent decisions reached with the other committees who felt that they had some claim to the jurisdiction for programs which the Science and Technology Committee has singularly authorized in the past.

Mr. Speaker, I am pleased to report that with the full cooperation of the chairman of the Committee on Interstate and Foreign Commerce, Committee on Interior and Insular Affairs, and the Committee on Armed Services and their staffs, we have reached a solution for handling the jurisdictional issues in disagreement and have reached agreement on the way to proceed with the fiscal year 1979 authorization for the Department of Energy. Part of that agreement is reflected in the language that I am putting in the RECORD today; the balance is contained in the proposed amendment to H.R. 11392.

Our committee feels that research and development is exclusively within its jurisdiction but welcomes and invites the interest and comment of other committees in these research and development programs geared toward providing energy supply in the years ahead.

On the one hand, having the two bills to work with has been somewhat complicated, but it has also been helpful in providing an alternative for consideration of jurisdictional matters.

In exchange, the other committees concerned have better understood the Department of Energy's research and development program requests and the actions of the Science and Technology Committee and have agreed not to make jurisdictional claims over the items in H.R. 12163.●

SOVIET CONVICTION OF VLADIMIR SLEPAK AND IDA NUDEL

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD.)

● Mr. MIKVA. Mr. Speaker, the stories about Soviet mistreatment of citizens trying to exercise such basic human freedoms as the right to emigrate have become so numerous that it is sometimes difficult to distinguish degrees of ill-treatment and heavyhandedness.

The other day, however, the Soviet Government acted in a way that is so reprehensible and so cruel that no one will be unable to remember the incident as among the most infamous of all Soviet actions. On that day, Vladimir Slepak and Ida Nudel were convicted of malicious hooliganism and sentenced to 5 and 4 years, respectively, of internal exile. The trial was held in secret and the verdict hushed up because even the Soviet Government must have been ashamed of its conduct. The only way that word of the conviction was able to reach the House is because it was smuggled out of the Soviet Union by close friends of Vladimir Slepak and Ida Nudel.

Mr. Slepak and his wife, Maria, have been trying for years to obtain exit visas to visit their son in Israel. They have been denied the visa repeatedly, and for their effrontery in continuing to seek a visa, they have been fired from their jobs and harassed unmercifully by Soviet officials. All of this has occurred merely because the Slepaks wished to be reunited with their son, and exercise the basic right of reunification guaranteed by the Helsinki accords. Their courage and devotion has become a symbol to all Soviet citizens interested in human rights. But apparently, the Soviet Government was not satisfied with its campaign of harassment and intimidation. Because they recognized that the Slepaks had become leaders of the Soviet refusedniks and the Jewish community, and because they were frightened by Vladimir Slepak's role as a member of the Hel-

sinki Monitoring Commission, they have now taken the final step of trial and conviction.

If the punishment was not so severe, the Soviet charges of malicious hooliganism would be almost ludicrous. Mr. Slepak is being punished for holding a sign out of the balcony of his apartment requesting the reunification of his family. Ms. Nudel is being punished for having supported him.

Mr. Speaker, I would like to call upon the Members of the House of Representatives to make known their anger and revulsion at this latest act of Soviet inhumanity. It is an insult to all cosigners to the Helsinki accords and a stain on the face of civilized society.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. CORMAN (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. LE FANTE (at the request of Mr. WRIGHT), for an indefinite period, on account of medical reasons.

Mr. JEFFORDS (at the request of Mr. RHODES), for today, on account of official business.

Mr. PANETTA (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. RANGEL (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

Mr. WALKER (at the request of Mr. MICHEL), for today, Friday, June 23, on account of official business attending hearings in California of the House Committee on Government Operations.

Mr. YOUNG of Alaska (at the request of Mr. RHODES), on June 22 and 23, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. EVANS of Delaware), to revise and extend their remarks, and to include extraneous matter to:)

Mr. KEMP, for 10 minutes, today.

Mr. GRASSLEY, for 10 minutes, today.

(The following Members (at the request of Mr. WATKINS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ALEXANDER, for 30 minutes, today.

Mr. DIGGS, for 10 minutes, today.

Mr. DODD, for 5 minutes, today.

Mr. DE LA GARZA, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. JONES of Tennessee, for 60 minutes, on June 27.

Mr. BURKE of Massachusetts, for 10 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. EVANS of Delaware), and to include extraneous matter:)

Mr. CRANE.

Mr. ARCHER.

Mr. RUPPE.

Mr. MICHEL.

Mr. DERWINSKI

Mr. GRADISON.

Mr. SAWYER.

Mr. HANSEN in five instances.

Mr. MILLER of Ohio.

(The following Members (at the request of Mr. WATKINS) and to include extraneous matter:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. MOORHEAD of Pennsylvania.

Mr. ALEXANDER.

Mr. SISK.

Mr. STARK.

Mr. MOAKLEY.

Mr. JONES of Tennessee.

Mr. MCHUGH.

Mr. LAFALCE.

Mr. BRODHEAD.

ADJOURNMENT

Mr. WATKINS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 12 minutes p.m.), under its previous order, the House adjourned until Monday, June 26, 1978, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4431. A letter from the Director, Defense Security Assistance Agency, transmitting a quarterly report on foreign military sales as of March 31, 1978, pursuant to section 36(a) of the Arms Export Control Act; to the Committee on International Relations.

4432. A letter from the Director, Defense Security Assistance Agency, transmitting addenda to the quarterly report on foreign military sales as of March 31, 1978, pursuant to section 36(a) of the Arms Export Control Act; to the Committee on International Relations.

4433. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of December 31, 1977, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

4434. A letter from the Secretary of Energy, transmitting a revised draft of proposed legislation to authorize appropriations to the Department of Energy in accordance with section 660 of the Department of Energy Organization Act, and for other purposes; jointly, to the Committees on Armed Services, Interior and Insular Affairs, Interstate and Foreign Commerce, and Science and Technology.

4435. A letter from the Acting Comptroller General of the United States, transmitting a report on the effectiveness of the F-15 as a weapon system (PSAD-78-93, June 23, 1978); jointly, to the Committees on Government Operations, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG of Louisiana: Committee on Rules. H.R. 11253. A bill to amend title 13, United States Code, to provide for the review of Federal authority for the collection of statistical information, to require certain information to be included in committee reports accompanying legislation in which there is provided Federal authority for the collection of information, and for other purposes; with amendment (Report No. 95-1201, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS: Committee on Veterans' Affairs. Report pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 95-1319). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Finance and Urban Affairs. H.R. 13087. A bill to authorize the issuance of substitute Treasury checks without undertakings of indemnity, except as the Secretary of the Treasury may require (Rept. No. 95-1320). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEARD of Tennessee:

H.R. 13269. A bill to amend the Endangered Species Act of 1973 to establish an Endangered Species Interagency Committee to review certain actions to determine whether exemptions from certain requirements of that act should be granted for such actions; to the Committee on Merchant Marine and Fisheries.

By Mr. CONABLE (for himself and Mr. GIBBONS):

H.R. 13270. A bill to amend the Antidumping Act, 1921, the Tariff Act of 1930, section 801 of the Revenue Act of 1916, and for other purposes; to the Committee on Ways and Means.

By Mr. CORMAN (for himself, Mr. EVANS of Indiana, and Mr. KASTEN):

H.R. 13271. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. DEVINE (for himself, Mr. BURLESON of Texas, Mr. RHODES, Mr. KETCHUM, Mr. CARTER, Mr. RUDD, Mr. BADHAM, Mr. WHITEHURST, Mr. RINALDO, and Mr. KELLY):

H.R. 13272. A bill to amend the Freedom of Information Act to improve the handling of classified information and investigatory records, to revise the deadlines for agency action, and for other purposes; to the Committee on Government Operations.

By Mr. DIGGS (for himself, Mr. NIX, and Mr. MITCHELL of Maryland):

H.R. 13273. A bill directing the President to exercise authorities contained in the International Emergency Economic Powers Act to issue regulations prohibiting investment in South Africa; jointly, to the Committees on International Relations and Interstate and Foreign Commerce.

By Mr. GEPHARDT (for himself, Mr. WHITEHURST, Mr. STOCKMAN, Mr. JENKINS, Mr. PATTERSON of California, Mr. GLICKMAN, Mr. QUIE, Mr. YOUNG of Missouri, Mr. THONE, Mr. HEFTEL, and Mr. JACOBS):

H.R. 13274. A bill to amend the Internal Revenue Code of 1954 to clarify standards for determining status of individuals for employment tax purposes; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself, Mr. HOLLAND, Mr. MADIGAN, Mr. HAGEDORN, Mr. PATTERSON of California, Mr. BALDUS, Mr. VENTO, Mr. FRENZEL, Mr. WEISS, and Mr. AMMERMAN):

H.R. 13275. A bill to provide that future Federal employees will be covered by social security and may elect not to be covered by the applicable Federal employees retirement system, that current Federal employees may elect to be covered by social security and if they so elect may elect to discontinue being covered by a retirement system for Federal employees and have retirement credits under any such system transferred to social security; to the Committee on Ways and Means.

By Mr. HYDE (for himself and Mr. FINDLEY):

H.R. 13276. A bill to amend title 18, United States Code, relating to the production of false documents or papers of the United States, and the use of false information in obtaining official documents and paper of the United States, involving an element of identification; to the Committee on the Judiciary.

By Mr. McCLOSKEY:

H.R. 13277. A bill to provide assistance to States for the preservation of natural game fish streams; to the Committee on Merchant Marine and Fisheries.

By Mr. PATTEN:

H.R. 13278. A bill to promote public health and welfare by preventing unwanted conceptions and reducing the need for abortions among all women, especially teenagers, through improved and expanded family planning services and population research activities by the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTEN (for himself and Mr. ROE):

H.R. 13279. A bill to establish in the Smithsonian Institution the Thomas A. Edison Centennial Commission, to establish a grant program to assist the collecting, compiling, editing, and publishing of The Papers of Thomas A. Edison, and for other purposes; to the Committee on House Administration.

By Mr. RUPPE:

H.R. 13280. A bill to amend the Endangered Species Act of 1973 to establish an Endangered Species Committee to review certain actions to determine whether exemptions from certain requirements of that act should be granted for such actions; to the Committee on Merchant Marine and Fisheries.

By Mr. VANIK:

H.R. 13281. A bill to carry out the obligations of the United States under the International Sugar Agreement 1977, to protect the welfare of consumers of sugar and of those engaged in the domestic sugar industry, and for other purposes; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. MAHON:

H.J. Res. 1024. Joint resolution making urgent supplemental appropriations for the Department of Agriculture, Agricultural Stabilization and Conservation Service, and for other purposes for the fiscal year ending September 30, 1978; to the Committee on Appropriations.

By Mr. ANDERSON of California (for himself, Mr. GEPHARDT, Mr. GILMAN, Mr. MILLER of Ohio, and Mr. STARK):

H.J. Res. 1025. Joint resolution to provide for the designation of a week as "National Lupus Week"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. CORCORAN of Illinois, Mr. LEGGETT, Mr. MOAKLEY, Mr. BEDELL, Mr. ST GERMAIN, Mr. BENJAMIN, Mr. AMBRO, Mr. PRICE, Mr. ROUSSELOT, Mr. ROBERT W. DANIEL, JR., Mr. PATTEN, Mr. FREY, Mr. BROWN of Ohio, Mr. NIX, Mr. MURTHA, Mr. MINETA, Mr. CLAY, Mr. EDWARDS of Oklahoma, Mr. RONCALIO, Mr. NOLAN, Mr. COLLINS of Texas, Mr. McFALL, and Mr. RAILSBACK):

H.J. Res. 1026. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. EVANS of Delaware, Mr. DERWINSKI, Mr. DEL CLAWSON, Mr. BUCHANAN, Mr. YOUNG of Florida, Mr. BINGHAM, Mr. WALSH, Mr. HAMMERSCHMIDT, Mr. QUIE, Mr. ASHLEY, Mr. FAUNTROY, Mr. AUCOIN, Mr. COUGHLIN, Mr. MOTTL, Mr. FASCELL, Mr. MOORHEAD of Pennsylvania, Mr. DENT, Mr. ZEFERETTI, Mrs. BURKE of California, Mr. STOKES, Mr. CHARLES H. WILSON of California, Mr. CHARLES WILSON of Texas, Mr. MARKEY, and Mr. BROWN of Michigan):

H.J. Res. 1027. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. MATTOX, Mr. SHARP, Mrs. PETTIS, Mr. DE LA GARZA, Ms. MIKULSKI, Mr. HILLIS, Mr. ROBINSON, Mr. DON H. CLAUSEN, Mr. MITCHELL of New York, Mr. KASTENMEIER, Mrs. SMITH of Iowa, Mr. THOMPSON, Mr. JACOBS, Mr. NEDZI, Mr. RUPPE, Mr. MARKS, Mr. DAN DANIEL, Mr. GAYDOS, and Mr. ANDERSON of California):

H.J. Res. 1028. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. MARRIOTT, Mr. CUNNINGHAM, Mr. CONABLE, Mr. McDADE, Mr. McCLORY, Mr. BEARD of Tennessee, Mr. STEERS, Mr. LOTT, Mr. JEFFORDS, Mr. DICKS, Mr. LONG of Maryland, Mr. GOODLING, Mr. CAVANAUGH, Mr. MOFFETT, Mr. PERKINS, Mr. McKINNEY, Mr. REUSS, Mr. O'BRIEN, Mr. BIAGGI, Mr. DIGGS, Mr. SHUSTER, Mr. FORD of Michigan, Mr. SEIBERLING, and Mr. UDALL):

H.J. Res. 1029. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. BOLAND, Mr. BROYHILL, Mr. STAGGERS, Mr. GIAIMO, Mr. ROONEY, Mr. HARRINGTON, Mr. STUDDS, Mr. OBEY, Mrs. BOGGS, Mr. HYDE, Mr. DAVIS, Mr. OTTINGER, and Mr. YATRON):

H.J. Res. 1030. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. BRECKINRIDGE, Mr. ROSENTHAL, Mr. TAYLOR, and Mr. TREEN):

H.J. Res. 1031. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day"; to the Committee on Post Office and Civil Service.

By Mr. DODD (for himself, Mr. AKAKA, Mr. ALEXANDER, Mr. AMBRO, Mr. BAFALIS, Mr. BENJAMIN, Mr. BURKE of Florida, Mr. BONIOR, Mr. BURGENER, Mr. CONTE, Mr. CORRADA, Mr. COTTER, Mr. DERWINSKI, Mr. DUNCAN of Tennessee, Mr. EVANS of Georgia, Mr. EILBERG, Mr. FARY, Mr. FLOOD, Mr. GILMAN, Mr. GORE, Mr. GRASSLEY, Mr. GUYER, Ms. HOLTZMAN, and Mr. HOWARD):

H.J. Res. 1032. Joint resolution authorizing the President to proclaim the third week in June 1979 as "National Veterans' Hospital Week"; to the Committee on Post Office and Civil Service.

By Mr. DODD (for himself, Mr. HORTON, Ms. KEYS, Mr. KREBS, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEDERER, Mrs. LLOYD of Tennessee, Ms. MIKULSKI, Mr. McDADE, Mr. MOAKLEY, Mr. NICHOLS, Mr. PATTERSON of California, Mr. PERKINS, Mr. PRICE, Mr. QUIE, Mr. RAHALL, Mr. RANGEL, Mr. RODINO, Mr. ROE, and Mr. STANGELAND):

H.J. Res. 1033. Joint resolution authorizing the President to proclaim the third week in June 1979 as "National Veterans' Hospital Week"; to the Committee on Post Office and Civil Service.

By Mr. DODD (for himself, Mr. SOLARZ, Mr. VAN DEERLIN, Mr. WALKER, Mr. WATKINS, Mr. WAXMAN, Mr. WEAVER, Mr. WINN, and Mr. WON PAT):

H.J. Res. 1034. Joint resolution authorizing the President to proclaim the third week in June 1979 as "National Veterans' Hospital Week"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

441. The SPEAKER presented a memorial of the Legislature of the State of Louisiana, relative to allowing a Federal income tax deduction for individuals who maintain senior citizens in their homes without remuneration; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 15

By Mr. ASHBROOK:

—Page 32, strike line 24 through line 3, page 33, and amend to read as follows:

"(B) the number of low income children counted under section 11(c) in the school districts of local educational agencies in such county exceeds the percentage which 5,000 low income students is to the total number of students aged five to seventeen in the 50 most populous counties in the country in the previous fiscal year."

H.R. 15

By Mr. GLICKMAN:

—On page 40, section 33(c) is amended by deleting the period after "year" on line 15 and adding thereafter the following: "or any school year in which that child is considered educationally deprived."

H.R. 11392

By Mr. STAGGERS:

—Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Department of Energy Civilian Programs Authorization Act for Fiscal Year 1979".

TITLE I—ENERGY USE, APPLICATION, CONSERVATION, AND REGULATION

STATEMENT OF PURPOSE

SEC. 101. (a) The purpose of this title is to authorize appropriations to the Department of Energy and the Federal Energy Regulatory Commission for fiscal year 1979, pursuant to section 660 of the Department of Energy Organization Act, to carry out functions under—

(1) the Federal Energy Administration Act of 1974, the Energy Policy and Conservation Act, the Energy Conservation and Production Act, the Energy Supply and Environmental Coordination Act of 1974, the Federal Power Act, and the Natural Gas Act, and

(2) other laws relating to petroleum and natural gas, the regulation of interstate transmission of power, the regulation of facilities of, and the use and application of, nuclear and nonnuclear energy sources and resources, including renewable sources of energy.

(b) Nothing in this title shall be construed to authorize the appropriation or use of funds for research and development purposes or for the testing or production of atomic weapons or any other nuclear weapons activity.

APPROPRIATIONS AUTHORIZATION

SEC. 102. There are authorized to be appropriated to the Department of Energy for the fiscal year ending September 30, 1979, to carry out the functions assigned to—

(1) the Federal Energy Regulatory Commission, not to exceed—

(A) $22,065,000 for gas regulation and oil functions, of which not to exceed $3,790,000, is to be available for the purpose of improving administrative procedures and taking other actions to reduce and prevent any backlog within the Commission of filings, cases, and other matters;

(B) $15,406,000 for hydroelectric regulation functions; and

(C) $18,929,000 for electric utility regulation, and compliance, enforcement, and policy and management functions;

(2) the Economic Regulatory Administration, not to exceed—

(A) $3,500,000 for coal and alternate fuels utilization functions;

(B) $8,853,000 for conservation functions;

(C) $7,590,000 for energy emergency preparedness functions;

(D) $60,050,000 for oil pricing and allocation, compliance, and administrative proceedings and review functions, and policy and management functions relating thereto; and

(E) $8,775,000 for policy and management functions under subparagraphs (A), (B), and (C);

(3) the Energy Information Administration, not to exceed $56,436,000, of which not more than $36,000,000 shall be available for contracts and cooperative agreements;

(4) the Assistant Secretary for Conservation and Solar Applications, not to exceed—

(A) in the case of residential and commercial conservation functions—

(i) $3,750,000 for mandatory appliance conservation; and

(ii) $500,000 for commercial and small business conservation education;

(B) $300,000 for industrial monitoring and analysis;

(C) $1,200,000 for transportation conservation functions;

(D) $700,000 for Federal conservation functions;

(E) $57,800,000 for State and local conservation functions;

(F) $480,000 for market survey and analysis functions; and

(G) $6,010,000 for policy and management functions;

(5) the Assistant Secretary for Resource Applications, not to exceed, in the case of—

(A) the Strategic Petroleum Reserve Plan functions—

(i) $4,129,280,000 for petroleum acquisition and transportation; and

(ii) $115,490,000 for fill and leach operations, standby operational storage, planning, site design, construction, and acquisition;

(B) $1,000,000 for alternative fuels demonstration program functions;

(C) $2,119,000 for program analysis functions; and

(D) $10,020,000 for policy and management functions;

(6) the Office of Consumer Affairs and Competition, established by title II of this Act, not to exceed—

(A) $2,500,000 for consumer affairs and competition functions; and

(B) $1,400,000 for policy and management functions;

(7) the Office of the Secretary, not to exceed $1,000,000 for the Task Force on Regulatory Reform, established by the Department of Energy on January 31, 1978; and

(8) the Assistant Secretary for Energy Technology, not to exceed $300,000 for industrial cogeneration functions.

VANPOOL VEHICLE PURCHASE RESTRICTION

SEC. 103. The Secretary may not use any funds appropriated to the Department of Energy for the fiscal year ending September 30, 1979, for the purchase (or lease) of vehicles for use by Federal employees in vanpooling arrangements (as defined in section 381(b)(2)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6361)), unless such purchase (or lease) and use is specifically authorized by a statute enacted after the date of the enactment of this Act.

LIMITATION ON REPROGRAMING OF FUNDS

SEC. 104. (a) Subject to the limitations of sections 101(b) and 103 of this title, no amount appropriated pursuant to this title may be used for any function in excess of the amount expressly authorized to be appropriated for that function by this title, nor may the amount available for any function from sums appropriated pursuant to this title be reduced by more than 5 percent of the total of the sums appropriated pursuant to this title for such functions, unless—

(1) a period of 30 calendar days (not including any day in which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain or an adjournment sine die) has passed after the receipt by the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate of notice given by the Secretary or the Federal Energy Regulatory Commission, as the case may be, containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or

(2) each such committee before the expiration of such period has transmitted to the Secretary or the Federal Energy Regulatory Commission, as the case may be, written notice stating in substance that such committee has no objection to the proposed action.

(b) In the case of any office or unit within the Department to which funds are authorized to be appropriated without reference to a particular function, subsection (a) of this section shall be applied to such office or unit as if the references in such subsection to "function" were to that office or unit.

(c) The Department shall provide, on a periodic basis, a report of all reprograming of funds appropriated pursuant to this title to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

LIMITATION ON USE OF FUNDS FOR MIDDLE DISTILLATE OR MOTOR GASOLINE MONITORING

SEC. 105. No amount authorized to be appropriated pursuant to this Act may be used to maintain the middle distillate monitoring system at the independent wholesale and retail levels established in connection with Energy Actions numbered 3 and 4, or any comparable monitoring system which establishes, or has the effect of establishing, margin controls or trigger prices at such levels regarding middle distillates or motor gasoline, except that this section shall not be construed to preclude the use of funds for collecting and analyzing information concerning such distillates or motor gasoline under the Department's data-gathering authorities or to preclude the use of funds by the Department in taking any action concerning regulation of such products to the extent consistent with applicable law.

LIMITATION ON USE OF FUNDS IN ADMINISTERING CERTAIN REGULATIONS

SEC. 106 (a) No funds authorized to be appropriated pursuant to this Act may be expended to enforce any regulation of the Department of Energy regarding the supplier-purchaser relationship between crude oil producers and purchasers of crude oil (10 C.F.R. 211.63) which has not been reviewed by the Department within 60 days after the date of the enactment of this Act and modified, as the Secretary of Energy determines necessary, by a proposed rule, to remove aspects of such regulation which eliminate competition, unless such aspect of such regulation is necessary to protect the supply of crude oil to small refiners or is essential to implementation of crude oil pricing regulations, as determined by the Secretary of Energy.

(b) No funds authorized to be appropriated pursuant to this Act may be expended to supply standards for the granting of adjustments to prevent hardship, inequity, or unfair distribution of burdens, including any exemption or exception from any rule or regulation of the Department of Energy which discriminate between—

(1) the treatment of management or administrative expenses of publicly held corporations, and

(2) the treatment of reasonable expenses for compensation for personal services actually performed for management or administration paid by any privately held corporation, unincorporated association, partnership, or sole proprietorship to any shareholder of such corporation, member of such association, partner of such partnership, or such sole proprietor, respectively, or any family member of any of the foregoing.

TITLE II—AMENDMENTS TO ENERGY CONSERVATION AND PRODUCTION ACT AND CERTAIN OTHER ENERGY-RELATED ACTS

TRANSFER OF FUNCTIONS RELATING TO COMPETITION AND CONSUMER AFFAIRS

SEC. 201. (a). The Energy Conservation and Production Act (15 U.S.C. 761, et seq.) is amended by adding at the end thereof the following new title:

"TITLE V—OFFICE OF COMPETITION AND CONSUMER AFFAIRS

"OFFICE OF COMPETITION AND CONSUMER AFFAIRS

"SEC. 501. (a) There shall be within the Department of Energy an Office of Competition and Consumer Affairs (hereinafter in this section referred to as the 'Office') to be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The Director shall be a person who, by demon-

strated ability, background, training, or experience, is specially qualified to assess energy policies as they relate to competition in the energy industry and the needs and concerns of competition and consumers.

"(b) There is hereby transferred to and vested in the Office the functions assigned to Assistant Secretaries under section 203 (a)(7) of the Department of Energy Organization Act (as in effect before the date of the enactment of this title). Such functions include—

"(1) advising and making recommendations to the Secretary of Energy relating to the promotion of competition in the energy industry and the protection of the consuming public in the energy policymaking process of the Department of Energy and in the formulation and analysis of policies, rules, regulations, procedures, and legislation relating to, or affecting, competition and consumer affairs, and

"(2) monitoring the programs and activities of the Department of Energy in order to advise the Secretary of Energy relating to the impact of such programs and activities on competition and consumers and making recommendations, consistent with other policies of the Department of Energy, for reasonably avoiding or mitigating any adverse effects.

On the request of the Federal Energy Regulatory Commission, the Director may advise the Federal Energy Regulatory Commission on matters relating to, or affecting, competition or consumers.".

(b) Section 203(a) of the Department of Energy Organization Act (42 U.S.C. 7133(a)) is amended by striking out paragraph (7) and by redesignating paragraphs (8) through (11) as paragraphs (7) through (10), respectively.

(c) The table of contents for the Energy Conservation and Production Act is amended by adding at the end thereof the following new items:

"TITLE V—OFFICE OF COMPETITION AND CONSUMER AFFAIRS

"Sec. 501. Office of Competition and Consumer Affairs.".

(d) Section 5315 of title 5, United States Code, is amended by adding at the end of such section the following new paragraph:

"(122) Director, Office of Competition and Consumer Affairs, Department of Energy.".

(e) The amendments made by this section shall take effect on October 1, 1978.

EXTENSION OF ENERGY SUPPLY AND ENVIRONMENTAL COORDINATION ACT OF 1974

SEC. 202. Section 2(f)(1) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 792(f)(1)) is amended by striking out "December 31, 1978" and inserting in lieu thereof "December 31, 1979".

AMENDMENTS TO DEPARTMENT OF ENERGY ORGANIZATION ACT

SEC. 203. (a)(1) Section 205(g) of the Department of Energy Organization Act (42 U.S.C. 7135(g)) is amended by striking out the period at the end thereof and inserting in lieu thereof: "; and, notwithstanding any other provision of law, the provisions of such section 11(d) shall apply with respect to any information obtained by the Administrator under any provision of law (other than under such section 17). In applying such section 11(d) for such purposes, if any information is disclosed to any agency under paragraph (2) of such section 11(d), then any determination under section 11(d) of confidentiality by the Secretary (as well as the provisions of section 1905 of title 18, United States Code) shall apply with respect to any subsequent disclosure by such agency, other than a disclosure of such information in connection with a proceeding in which such agency is a party and such disclosure is determined by the head of such agency to be essential to the effective participation of such agency in that proceeding.".

(2) Section 205 of such Act (42 U.S.C. 7135) is amended—

(A) in paragraph (1) of subsection (h) thereof, by striking out "(A)" and by striking out subparagraph (B), and

(B) by adding at the end of such section the following new subsection:

"(i) In acquiring or collecting information under this section, the Administrator shall—

"(1) utilize, to the maximum extent practicable, consistent with the faithful execution of his responsibilities under this Act, or under any other law, reliable statistical sampling techniques; and

"(2) otherwise give priority to the minimization of the reporting of energy information by small business.".

(b)(1) Section 402(f) of such Act (42 U.S.C. 7172(f)) is amended by adding at the end thereof the following new sentence: "The preceding sentence does not apply with respect to functions transferred to the Commission under subsection (a) which relate to the rates and charges for the transmission and sale of electric energy or for the transportation and sale of natural gas, other than the function of determining the price at the point of importation or exportation.".

(2) Section 402(a)(1)(C) of such Act is amended by inserting "3," after "1,".

(c) Section 401(c) of such Act (42 U.S.C. 7171(c)) is amended by adding at the end thereof the following new sentence: "The Chairman may exercise his appointment authority under functions described in paragraph (1) of this subsection in the case of not to exceed twenty-five positions of the positions subject to the statutory numerical limitation in the provisions referred to in such paragraph".

(d) Section 401 of such Act (42 U.S.C. 7171) is amended by inserting at the end thereof the following new subsection:

"(k) The provisions of sections 32 and 33 of the Federal Energy Administration Act of 1974 shall apply to the Commission. For purposes of applying such provisions, references therein to 'Administrator' and 'Administration' shall be considered to refer to the Commission.".

(e) Section 501 of such Act (42 U.S.C. 7191) is amended by adding at the end thereof the following new subsection:

"(h)(1) Not later than 180 days after the date of the enactment of this subsection, the Secretary shall, by rule, prescribe procedures under which any person may obtain, after an appropriate application (together with all necessary information, as determined by the Secretary) has been submitted to the Secretary, an advisory opinion as to whether or not crude oil to be produced by such person—

"(A) is stripper well crude oil for purposes of the Emergency Petroleum Allocation Act of 1973, or

"(B) is otherwise within a specified classification of crude oil established under such Act.

"(2) The Secretary shall provide such opinion as promptly as possible after such application and all such information have been submitted to the Secretary.

"(3) Nothing in this section shall be construed to affect the obligation of such person to comply with the provisions of law and regulations applicable with respect to such crude oil.".

(f) Section 503 of such Act (42 U.S.C. 7183) is amended by adding at the end thereof the following new subsection:

"(g) With respect to any person whose sole petroleum industry operation relates to the marketing of petroleum products, the Secretary or his delegate may not exercise discretion to maintain a civil action (other than an action for injunctive relief) or issue a remedial order against such person for any violation of any rule or regulation if—

"(1) such civil action or order is based upon a retroactive application of such rule or regulation or is based upon a retroactive interpretation of such rule or regulation; and

"(2) such person relied in good faith upon rules, regulations, or rulings in effect on the date of the violation interpreting such rules or regulations.".

NOTICE OF RATE FILINGS

SEC. 204. Section 6 of the Interstate Commerce Act (49 U.S.C. 6) is amended in paragraph (3) by inserting after "thirty days' notice" the following: "(or in the case of rates and charges for the transportation of oil by pipeline, sixty days' notice)".

PROCEDURES FOR FORMS, QUESTIONNAIRES, ETC.

SEC. 205. (a) The issuance of any new form by any officer, employee, or component of the Department of Energy under any funds appropriated pursuant to this Act shall be in accordance with the procedures under subsection (b)(1) of section 501 of the Department of Energy Organization Act applicable to any proposed rule, regulation, or order described in subsection (a) of such section.

(b) For purposes of this section "new form" means any written report form, application form, schedule, questionnaire, or other similar method—

(1) calling either for answers to identical questions from ten or more persons other than agencies, instrumentalities, or employees of the United States or for answers to questions from agencies, instrumentalities, or employees of the United States which are to be used for statistical compilations of general public interest, and

(2) to be adopted or revised during the fiscal year ending September 30, 1979.

LIMITATION

SEC. 206. Nothing in this title shall be construed to authorize the appropriation or use of funds for research and development purposes or for the testing or production of atomic weapons or any other nuclear weapons activity.

TITLE III—POWER MARKETING ADMINISTRATIONS; RESOURCES DEVELOPMENT

STATEMENT OF PURPOSE

SEC. 301. (a) The purpose of this title is to authorize appropriations to the Department of Energy for fiscal year 1979 pursuant to section 660 of the Department of Energy Organization Act to carry out the functions transferred to the Secretary of Energy pursuant to sections 302, 303, and 307 of such Act.

(b) Nothing in this title shall be construed to authorize the use of funds for research and development purposes or for the testing or production of atomic weapons or other nuclear weapons activity.

SUBTITLE A—POWER MARKETING ADMINISTRATIONS

SEC. 311. (a) There is hereby authorized to be appropriated to the Department of Energy for fiscal year 1979 the sums set forth in this section which may be made available until expended:

(1) for the Alaska Power Administration, including expenses for engineering and economic investigation to promote the development and utilization of the water, power, and related resources of Alaska, $2,614,000;

(2) for the Western Area Power Administration, $101,252,000 for construction, rehabilitation, operation, and maintenance of electric power transmission facilities, and power marketing activities, of which $90,007,000 shall be derived from the reclamation fund;

(3) for the Western Area Power Administration, $200,000 for the Emergency Fund

established pursuant to section 502 of title 43, United States Code, to assure continuous operations during unusual or emergency conditions, all of which shall be derived from the reclamation fund;

(4) for the Western Area Power Administration for continued work on the transmission system of the Upper Colorado River Storage Project, authorized by section 1(1) of the Act of April 11, 1956 (Public Law 485 of the Eighty-fourth Congress; 70 Stat. 105) and legislation supplementary thereto, including the Act of August 10, 1972 (Public Law 93-370), $2,286,000;

(5) for the Southwestern Power Administration, $36,009,000; and

(6) for the Southeastern Power Administration, $1,212,000.

(b)(1) No amount appropriated pursuant to this subtitle may be used for any program in excess of either (1) 120 per centum of the amount authorized for that program by this Act, or (2) $5,000,000 more than the amount authorized for that program by this Act, whichever is the lesser, and

(2) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress,

unless (1) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the appropriate committees of the House of Representatives and the Senate of notice given by the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (2) each such committee, before the expiration of such period has transmitted to the Secretary written notice waiving the remainder of such thirty day notice period.

SUBTITLE B—RESOURCE DEVELOPMENT

RESOURCE DEVELOPMENT

SEC. 321. There is authorized to be appropriated to the Department of Energy for the Assistant Secretary for Resource Applications for the fiscal year ending September 30, 1979, for policy and management, such sums as may be necessary.

SUBTITLE C—INFORMATION

SEC. 331. There is authorized to be appropriated to the Department of Energy for the Energy Information Administration for the fiscal year ending September 30, 1979, to carry out the provisions of paragraphs (1) and (3) of section 302(d) of the Department of Energy Organization Act not to exceed $2,850,000.

SUBTITLE D—GENERAL PROVISIONS

LIMITATION ON REPROGRAMING OF FUNDS

SEC. 341. (a) Subject to the limitation of section 301(b) of this title, no amount appropriated pursuant to subtitles B and C of this title may be used for any function in excess of the amount expressly authorized to be appropriated for that function by this title, nor may the amount available for any function from sums appropriated pursuant to this title be reduced by more than 5 percent of the total of the sums appropriated pursuant to this title for such function, unless—

(1) a period of 30 calendar days (not including any day in which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain or an adjournment sine die) has passed after the receipt by the Committee on Interstate and Foreign Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate of notice given by the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or

(2) each such committee before the expiration of such period has transmitted to the Secretary, written notice stating in substance that such committee has no objection to the proposed action.

(b) In the case of any office or unit within the Department to which funds are authorized to be appropriated without reference to a particular function, subsection (a) of this section shall be applied to such office or unit as if the references in such subsections to "function" were to that office or unit.

(c) The Department shall provide, on a periodic basis, a report of all reprograming of funds appropriated pursuant to this title to the Committee on Interstate and Foreign Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

TITLE IV—URANIUM MANAGEMENT AND USE OF NUCLEAR ENERGY

STATEMENT OF PURPOSE

SEC. 401. (a) The purpose of this title is to authorize appropriations to the Department of Energy pursuant to section 660 of the Department of Energy Organization Act to carry out functions under the Atomic Energy Act of 1954 relating to the use, transmission in interstate commerce, and regulation of power and related facilities, and the management, assessment, and use of uranium.

(b) Except as provided in section 402(2), nothing in this title shall be construed to authorize the appropriation or use of funds for research and development purposes or for testing or production of atomic weapons or any other nuclear weapons activity.

APPROPRIATIONS AUTHORIZATION

SEC. 402. There are authorized to be appropriated to the Department of Energy for the fiscal year ending September 30, 1979, to carry out the functions assigned to the Assistant Secretary for Environment, not to exceed—

(1) $3,000,000 for remedial activities at inactive mill tailings sites; except that no such funds shall be available until there is in effect a statute specifically authorizing the Secretary of Energy to enter into cooperative arrangements to contain and reduce potential radiation exposure from inactive materials; and

(2) $10,000,000 for construction, operation, and capital equipment for loss-of-fluid test facility functions of which not to exceed—

(i) $3,000,000 for Project 79-1-j, reactivation of radioactive material laboratory and hot cell annex, National Engineering Laboratory, Idaho.

(ii) $6,500,000 for operating expenses, and

(iii) $500,000 for capital equipment.

INTERIM STORAGE OF SPENT NUCLEAR FUEL

SEC. 403. (a)(1) For the purpose of providing for the temporary storage of spent fuel withdrawn from the core of any thermal nuclear power reactor licensed by the Nuclear Regulatory Commission and from any Government test reactors and, where appropriate and consistent with applicable law, foreign commercial thermal nuclear reactors, the Secretary of Energy shall conduct a study regarding such storage, select sites for such storage, and construct facilities at away-from-reactor spent fuel storage sites in accordance with the provisions of this section. There is authorized to be appropriated to the Secretary of Energy for the fiscal year ending September 30, 1979, not to exceed $3,000,000 for such study and site selection. The study shall include—

(A) a determination of the size and number of interim spent fuel storage sites which should be established and in operation by January 1, 1984, to accommodate the temporary storage of any such spent fuel generated on or before that date and for which away-from-reactor storage is appropriate;

(B) a determination of whether additional interim spent fuel storage sites may be needed by January 1, 1996, to accommodate the temporary storage of any spent fuel generated between January 1, 1984, and January 1, 1996, and for which away-from-reactor storage is appropriate; and

(C) an evaluation of the time it will take to establish interim spent fuel storage facilities at away-from-reactor sites using available designs and technology, and the estimated costs thereof, as compared to the time and costs associated with expanding existing storage facilities at reactor sites.

(2) In conducting such study, the Secretary shall take into consideration—

(A) the capability of existing or potential reactor storage sites, with or without modification, to store such spent fuel adequately during such interim period,

(B) any available conclusions, findings, and recommendations developed by any Department or interagency study of such storage, and

(C) such other factors as he and other participants in the study shall identify.

(3) Within 3 months after the date of the enactment of this section, the Secretary shall—

(A) issue a report of the results of the study under this subsection, including his recommendations and a statement of reasons for each recommendation contained in the report;

(B) publish in the Federal Register a brief summary of the report and a statement of its availability to the public; and

(C) submit a copy of the report to the President, each House of the Congress, and the Governor of any State in which any potential site (as identified in the report under this subsection) of an away-from-reactor spent fuel storage facility may be located.

(b)(1) The Secretary shall identify the location of—

(A) one or more potential away-from-reactor spent fuel storage sites, as may be appropriate, which are suitable for licensing by the Nuclear Regulatory Commission and which should be considered for such purpose, and

(B) such existing or potential reactor sites which should continue to be used, to the fullest extent possible, with or without modification, for such purpose,

and state the period for which each such site will be needed for such temporary storage and the capacity of each.

(2) In identifying sites under paragraph (1), the Secretary shall take into consideration—

(A) the problems associated with transporting such spent fuels to away-from-reactor storage sites,

(B) the location of nuclear powerplants using such sites,

(C) the safety and environmental factors associated with the transportation and storage of such spent fuel on an interim basis at such sites,

(D) any Federal, State, or local laws affecting the establishment and operation of such sites, including section 107 of the Department of Energy Act of 1978—Civilian Applications, and

(E) any other factors as may be appropriate, including the results of the study required by subsection (a) of this section.

(3) The Secretary shall hold public hearings in each State in which any site of an away-from-reactor interim spent fuel storage facility may be located, based on his preliminary identfication of such sites, whch shall be made within 3 months after the date of the enactment of this Act, as well as in such other places as he deems appropriate. In each such State such hearings shall be held in the vicinity of the potential site. The Secretary shall provide

for adequate notice of such hearings. In the case of hearings near an identified site, such notice shall be printed in each newspaper which serves a substantial number of residents within a 100-mile radius of such an away-from-reactor potential site. The Secretary shall give notice of any such hearing to the Governor of the State in which it is to be held. The Secretary shall give the Governor so notified (or his designee) and other interested persons an opportunity for the written and oral presentation of data, views, and arguments and shall provide an adequate opportunity for the oral or written submission of rebuttal and supplementary information. There shall be a written transcript of each such hearing which shall be available to the public and may be copied at a reasonable cost of reproduction.

(c) Not later than 90 days after the date all such hearings are completed and after consideration of all relevant matter presented during such public comment period and any other factors he identifies and determines are relevant, the Secretary shall issue a final report which contains the information described in subsection (b) of this section and designates one or more away-from-reactor sites for interim storage of spent fuel, as well as reactor sites that should continue to be used, with or without modification, for such storage. The final report shall include a statement of reasons for each designation and recommendation contained in such report. The Secretary shall publish in the Federal Register a brief summary of the report and a statement of its availability to the public, and shall submit a copy of the report to the President, each House of the Congress, and the Governor of any State in which there is located a site of a spent fuel storage facility, as designated in such report. Each report shall include the views and comments, if any, of the other Federal participants in the study.

(d) The Secretary of Energy shall initiate preparation of any environmental impact statement which may be required pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 whenever he begins to identify away-from-reactor sites and he shall issue any such statement at the same time he issues the final report required by subsection (c) of this section. In preparing any such statement, the Secretary of Energy shall, to the maximum extent practicable—

(1) utilize appropriate data, analyses, conclusions, findings, and decisions regarding environmental impacts of the disposal of spent fuel developed or made by any Federal or State agency, including the Department of Energy, and

(2) identify subjects for study——

(A) which are not directly related to the matters required by this section to be included in any final report under subsection (e) of this section, or

(B) which are adequately covered in other environmental impact statements; and

(3) not include any subject identified in paragraph (2) in any final environmental impact statement issued with the report required by subsection (c) of this section.

(c) On or before January 31, 1979, the Secretary of Energy shall prepare and transmit to the President and to the appropriate authorizing committees of the Congress a report and recommendations respecting——

(1) how any interim spent fuel storage facilities should be constructed and by whom such facilities should be operated;

(2) the estimated construction, maintenance, and operating costs of any such facility and the decontamination and decommissioning costs thereof;

(3) the persons to be eligible to make use of such a facility;

(4) the charges to be made to cover the full costs of construction, maintenance, and operation of such facilities, including all costs associated with the decontamination and decommissioning of any such facility;

(5) the appropriate methods and periods for paying for such costs by persons using or proposing to use such facility;

(6) the ownership of such spent fuels; and

(7) such other matters as he deems appropriate.

(f) The Secretary of Energy shall construct, in accordance with any standards established by the Nuclear Regulatory Commission and subject to the authorization of appropriations for such construction, interim spent fuel storage facilities on away-from-reactor sites designated for such facility under the final report issued under subsection (c) of this section. At least one such facility shall be in operation by January 1, 1984, and the construction of any other spent fuel storage facility shall proceed in accordance with the construction schedule recommended in such report.

(g) Nothing in this Act shall be construed to preclude the Secretary of Energy from entering into negotiations, after the reports required by subsections (c) and (e) of this section are transmitted to the Congress—

(1) for the transfer of spent fuel to any interim spent fuel storage facility designated under this section, and

(2) with respect to other related matters, including the payment of the full costs of the construction, maintenance, and operation of such facility, including the costs associated with the decontamination and decommissioning of any such facility.

except that no agreement regarding any such transfer or related matter shall be executed prior to the authorization and appropriation of funds to construct such facility.

(h) The Secretary of Transportation, the Secretary of State, the Council on Environmental Quality, and the Administrator of the Environmental Protection Agency shall participate in the study and selection of sites and subsequent hearings and in the development of the reports and recommendations under this section.

(i)(1) Paragraph (3) of section 202 of the Energy Reorganization Act of 1974 is amended to read as follows:

"(3) Facilities used for the receipt and storage of high-level radioactive wastes, spent fuel, and transuranic wastes, resulting from activities licensed under such Act and such wastes from any other test or commercial activities.".

(2) Such section 202 is further amended by inserting after "administration" the first place it appears the following: "(and facilities described in paragraph (3))".

LIMITATION ON REPROGRAMING OF FUNDS

SEC. 404. (a) Subject to the limitation of section 401(b) of this title, no amount appropriated pursuant to this title may be used for any function in excess of the amount expressly authorized to be appropriated for that function by this title, nor may the amount available for any function from sums appropriated pursuant to this title be reduced by more than 5 percent of the total of the sums appropriated pursuant to this title for such function, unless—

(1) a period of 30 calendar days (not including any day in which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain or an adjournment sine die) has passed after the receipt by the Committee on Interstate and Foreign Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate of notice given by the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or

(2) each such committee before the expiration of such period has transmitted to the Secretary, written notice stating in substance that such committee has no objection to the proposed action.

(b) In the case of any office or unit within the Department to which funds are authorized to be appropriated without reference to a particular function, subsection (a) of this section shall be applied to such office or unit as if the references in such subsection to "function" were to that office or unit.

(c) The Department shall provide, on a periodic basis, a report of all reprograming of funds appropriated pursuant to this title to the Committee on Interstate and Foreign Commerce and the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

TITLE V—CHARGE FOR URANIUM ENRICHMENT SERVICES

BASIS FOR GOVERNMENT CHARGE FOR URANIUM ENRICHMENT SERVICES

SEC. 501. (a) Subsection v. of section 161 of the Atomic Energy Act of 1954, as amended, is amended—

(1) by striking out "Commission" each time it appears and inserting in lieu thereof "Secretary of Energy" or Department of Energy", as appropriate; and

(2) by striking out the third proviso in such subsection and inserting in lieu thereof the following: "*Provided*, That before the Secretary of Energy establishes or revises such criteria, the Secretary of Energy shall publish the criteria in the Federal Register, provide a period of at least forty-five days for written comments on such criteria, and, after the expiration of such comment period, transmit the proposed criteria to the appropriate committees of the Congress and allow a period of forty-five days to elapse (not including any day in which either House of Congress is not in session because of adjournment of more than three days), unless before the expiration of such period each such committee has transmitted to the Secretary of Energy written notice stating in substance that such committee has no objection to the proposed action.".

(b)(1) The Secretary of Energy shall conduct a study of—

(A) the prices established by the Secretary for enrichment services; and

(B) the need for increasing such prices, including the need for increasing such prices to recover, in addition to all of the Government's costs, the amounts attributable to providing such services, such as ordinary and necessary business expenses, taxes, and return on equity, which would normally be included in a commercial organization's charges for such services.

(2) The study under paragraph (1) shall—

(A) identify, on an annual basis, all costs incurred, and revenues received, by the Government with respect to the uranium enrichment services program since such program began, including annual appropriations therefor;

(B) project the costs and revenues under such program, and under any proposal for recovering such commercial-type costs, through the fiscal year 2000;

(C) consider the need for additional enrichment capacity, the estimated cost thereof, and the impact of the new adjustable fixed commitment contracts on such need and costs;

(D) project the electric generation demand through fiscal year 2000 and the demand for separative work units through such period;

(E) consider the cost of nuclear fuel compared to the costs of other fuels for electric generation, and identify any subsidy for nuclear fuel as a result of the uranium enrichment services provided by the Government;

(F) identify any payments-in-lieu-of-taxes made to communities by the Government, associated with Federal uranium enrichment

services and provide an estimate of such payments through fiscal year 2000; and if such payments-in-lieu-of-taxes are not included as costs to the Government for which a charge is made, state the reasons therefor;

(G) consider the purposes for which additional revenues would be available that would derive from increasing charges for the recovery of costs which a commercial organization would recover;

(H) consider the impact of such additional revenues, projected over a 10-year period, (i) on all known foreign and domestic enrichment customers and on the ratepayers of domestic electric utilities (including the Tennessee Valley Authority), and (ii) on the Nation's nonproliferation goals;

(I) consider and identify the criteria for establishing such additional charges and the assumptions on which the criteria are based; and

(J) consider such other information as may be appropriate.

(3) The Secretary shall encourage public participation in conducting the study under paragraph (1).

(4) Not later than the date on which the Secretary transmits to the Congress legislation authorizing appropriations for the Department of Energy for fiscal year 1980, the Secretary shall transmit to the President and the Speaker of the House of Representatives and the President of the Senate a report of the results of the study under paragraph (1), including such legislative recommendations as he deems appropriate for any changes in prices for enrichment services and the criteria to be applied for making such changes.

TITLE VI—AMENDMENTS TO TITLE V OF THE NATIONAL ENERGY EXTENSION SERVICE ACT

AMENDMENTS

SEC. 601. (a) Section 506(a) of the National Energy Extension Service Act (42 U.S.C. 7005) is amended by striking out the following: ", but not later than October 1, 1978,".

(b) Section 512(c) of the National Energy Extension Service Act (42 U.S.C. 7009(c)) is amended by striking out from paragraph (2)(ii) the following: "(determined on the basis of the most recent decennial census)" and "(as so determined)".

(c) Subsections (b) and (c)(2) of section 512 of the National Energy Extension Service Act (42 U.S.C. 7009(b) and (c)(2) are each amended by striking out "pursuant to subsection (a)" and inserting "to carry out this Act" in lieu thereof.

TITLE VII—PROGRAM DIRECTION

STATEMENT OF PURPOSE

SEC. 701. The purpose of this title is to authorize appropriations for fiscal year 1979 to the Department of Energy pursuant to section 660 of the Department of Energy Organization Act for the administration, management, support, program activities, and commercialization functions of the Department of Energy.

APPROPRIATIONS AUTHORIZATION

SEC. 702. There are authorized to be appropriated to the Department of Energy for the fiscal year ending September 30, 1979, to carry out the functions identified as assigned, as of March 1, 1978, to—

(1) the Secretary, including the Office of the Executive Secretariat, not to exceed $1,580,000;

(2) the Assistant Secretary for Intergovernmental and Institutional Relations, not to exceed—

(A) $25,000,000 for energy extension service functions;

(B) $17, 087,000 for institutional relations functions;

(C) $2,570,000 for public awareness functions;

(D) $900,000 for capital equipment not related to construction; and

(E) $14,210,000 for policy and management functions;

(3) the Assistant Secretary for Policy and Evaluation, not to exceed—

(A) $17,786,000 for program analysis and general systems studies functions; and

(B) $5,175,000 for policy and management functions;

(4) the Assistant Secretary for International Affairs, not to exceed—

(A) $3,250,000 for international cooperation in nonnuclear technology functions;

(B) $4,000,000 for activities, including contracts and policy and management, under title V of the Nuclear Nonproliferation Act of 1978; and

(C) $3,985,000 for policy and management functions;

(5) the Assistant Secretary for Conservation and Solar Applications, not to exceed—

(A) $9,000,000 for solar commercialization;

(B) $4,000,000 for a solar heating and cooling information center;

(C) $15,000,000 for solar heating and cooling demonstration support functions (including the development of instrumentation, codes, data, and markets); and

(D) $317,000 for policy and management functions;

(6) the Assistant Secretary for Environment, not to exceed—

(A) $500,000 for policy and management functions;

(B) $7,000,000 for environmental policy and analysis relating to the activities of the Department of Energy including those functions authorized by title I of this Act (other than the functions of the Federal Energy Regulatory Commission);

(7) the Assistant Secretary for Resource Applications, not to exceed—

(A) $6,000,000 for grants for general studies and assessments concerning the development of small hydroelectric power projects in connection with existing dams which are not being used to generate electric power;

(B) $904,100,000 for uranium enrichment functions;

(C) $80,500,000 for nuclear fuels resources assessment functions;

(D) $2,500,000 for capital equipment, not related to construction, for nuclear fuels resources assessment functions;

(E) $21,700,000 for capital equipment, not related to construction, for uranium enrichment functions;

(F) for construction projects for uranium enrichment functions—

(i) $70,000,000 for Project 71-1-f, process equipment modifications, various locations (for a total project authorization as of the date of enactment of this Act of $900,000,000);

(ii) $1,100,000 for Project 78-14-b, the process control modifications, gaseous diffusion plants (for a total project authorization as of the date of enactment of this Act of $18,500,000);

(iii) $11,000,000 for Project 79-2-a, UF_6 tails cylinders and storage yards, various locations;

(iv) $2,300,000 for Project 79-2-b, coal-and-ash handling modifications, Portsmouth, Ohio;

(v) $3,600,000 for Project 79-2-c, upgrade uranium recovery, Portsmouth, Ohio;

(vi) $220,000,000 for Project 76-8-g, the enriched uranium production facilities, gas centrifuge, for a total project authorization as of the date of the enactment of this Act of $582,630,000;

(vii) $15,000,000, for Project 79-6 (U.E.) general plant projects for nuclear fuels resource assessment activities;

(viii) $1,500,000 79-6 (U.R.A.) general plant projects for nuclear fuels resource assessment activities;

(G) $2,655,000 for policy and management functions;

(8) the Assistant Secretary for Energy Technology, not to exceed $1,000,000 for interagency policy review of nuclear waste management;

(9) the Administrator, Office of Administration, established by title VIII of this Act, not to exceed—

(A) $16,690,000 for program direction and management support, including policy and management, functions;

(B) $3,600,000 for management of in-house energy conservation functions; and

(C) $4,033,000 for capital equipment not related to construction;

(10) the Office of Controller, not to exceed—

(A) $23,971,000 for management and support functions;

(B) $8,050,000 for policy and management functions; and

(C) $105,991,000 for funding for temporary employment, personnel benefit payments, and other personnel related payments, transportation costs, communication services, rents and utilities, supplies and materials, printing, and other services;

(11) the Office of General Counsel, not to exceed $8,000,000;

(12) the Office of Inspector General, not to exceed $2,625,000;

(13) the Office of Equal Employment Opportunity, not to exceed $5,902,000;

(14) the Offices of Procurement and Contracts Management and Board of Appeals, not to exceed $5,675,000; and

(15) the Office of Secretary for Field Offices, not to exceed—

(A) $6,960,000 for Regional Representatives; and

(B) $3,912,000 for other field offices.

LIMITATION ON REPROGRAMING OF FUNDS

SEC. 703. (a) No amount appropriated pursuant to this title may be used for any function in excess of the amount expressly authorized to be appropriated for that function by this title, nor may the amount available for any function from sums appropriated pursuant to this title be reduced by more than 5 percent of the total of the sums appropriated pursuant to this title for such functions, unless—

(1) a period of 30 calendar days (not including any day in which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain or an adjournment sine die) has passed after the receipt by the appropriate authorizing committees of the House of Representatives and of the Senate of notice given by the Secretary containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or

(2) each such committee before the expiration of such period has transmitted to the Secretary written notice stating in substance that such committee has no objection to the proposed action.

(b) In the case of any office or unit within the Department to which funds are authorized to be appropriated without reference to a particular function, subsection (a) of this section shall be applied to such office or unit as if the references in such subsection to "function" were to that office or unit.

(c) The Department shall provide, on a periodic basis, a report of all reprograming of funds appropriated pursuant to this title to the appropriate committees of the House of Representatives and of the Senate.

AUTHORIZATION OF APPROPRIATIONS FOR ALTERNATIVE FUEL COMMERCIALIZATION PROJECTS

SEC. 704. (a) There is authorized to be appropriated to the Department of Energy, in accordance with the limitations of this section and other applicable provisions of law administered by the Department of Energy, for the fiscal year ending September 30, 1979, not to exceed $75,000,000. Such funds shall be available for more than one coal-based

alternate fuel commercialization project to be carried out through the Assistant Secretary for Resource Applications. Not more than 60 percent of the funds appropriated pursuant to this section shall, subject to the provisions of this section, be available for the Federal share of any such project.

(b) None of the funds appropriated to the Department pursuant to this Act shall be available to the Department of Energy for purposes of providing the Federal share of the procurement of equipment, construction, operation, or maintenance of, or land acquisition for, any such project, unless—

(1) the Department prepares a report on the proposed project, including information on—

(A) financial, patent, and other arrangements with any person for the development and operation of such project,

(B) the total estimated costs of the project,

(C) the estimated Federal share of such costs, including all existing or reasonably foreseeable overuns,

(D) the identity of any person proposing to participate financially in such project and the extent, timing, and method of such participation,

(E) the form of management of all aspects of the project,

(F) the economic, environmental, energy, and other impacts of the project,

(G) the estimated energy benefits of the project,

(H) the estimated cost of the fuel produced by the project,

(I) the plans for the use or disposal of all such fuel and project assets, and

(J) such other information as may be appropriate;

(2) the Department gives notice of such report to the public, publishes a summary thereof in the Federal Register, and invites written comments thereon (for a period of not less than 30 calendar days);

(3) upon completion of such public comment period, the Department provides copies of such report, together with a copy of all written comments thereon, to the Speaker of the House of Representatives and the President of the Senate; and

(4) the use of such funds for such purposes is specifically authorized by a statute enacted after the date of the enactment of this title.

(c) None of the funds appropriated pursuant to this section shall be available for the Federal share of any project the primary product of which is synthetic gas the Btu content of which is equal to, or greater than, the Btu content of pipeline quality natural gas, unless such project is specifically authorized by a statute enacted after the date of the enactment of this title. None of the funds appropriated pursuant to this section shall be used for carrying out paragraph (4) or (7) of section 7(a) of the Federal Nonnuclear Energy Research and Development Act of 1974, and assistance under such paragraphs shall not be available for any project for which assistance is provided under this section.

(d) Nothing in this section shall be construed as affecting the obligation of any person receiving financial assistance pursuant to this section—

(1) to comply with Federal and State environmental, land use, water, and health and safety laws and regulations, or

(2) to obtain applicable Federal and State permits, licenses, and certificates.

(e)(1) Recipients of finanical assistance under this section shall keep such records and other pertinent documents as the Secretary shall prescribe by regulation, including records which fully disclose the disposition of the proceeds of such assistance, the cost of any facility, the total cost of the provision of public facilities for which assistance was used, and such other records as the Secretary may require to facilitate an effective audit and evaluation. The Secretary and the Comptroller General of the United States, and their duly authorized representative, shall have access, for the purpose of audit and evaluation, to such records and other pertinent documents.

(2) Within 12 months after the date of the enactment of this section, and at periodic intervals thereafter, the Comptroller General of the United States shall make an audit and evaluation of the recipients of financial assistance under this section. The Comptroller General may prescribe such regulations as he deems necessary to carry out this paragraph.

(f) Nothing in this section shall be construed to prevent the Department of Energy—

(1) from proceeding with the preliminary negotiation of any agreement before submitting a report required by subsection (b) of this section to the Congress in accordance with other provisions of law applicable to such project and subject to the appropriation of funds for such project, or

(2) taking such action as may be appropriate to comply with the provisions of the National Environmental Policy Act of 1969.

TITLE VIII—GENERAL PROVISIONS

OFFICE OF ADMINISTRATION; DEPARTMENT OF ENERGY

SEC. 801. (a) Title II of the Department of Energy Organization Act is amended by adding at the end thereof the following new section:

"OFFICE OF ADMINISTRATION

"SEC. 211. (a) There shall be within the Department an Office of Administration to be headed by an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Administrator shall be a person who, by demonstrated ability, background, training, or experience, is specially qualified to carry out the duties and responsibilities of the Office.

"(b) It shall be the duty and responsibility of the Administrator to carry out the functions of the Department which were assigned as of March 1, 1978, to the Director of Administration and all such functions shall be transferred to such office.".

(b) Section 5316 of title 5, United States Code, is amended by striking out "(14)" in paragraph (136) and inserting in lieu thereof "(13)", and by adding at the end of such section the following new paragraph:

"(144) Administrator, Office of Administration, Department of Energy.".

(c) The table of sections for the Department of Energy Organization Act is amended by inserting after the item relating to section 210 the following new item:

"Sec. 211. Office of Administration.".

(d) The amendments made by this section shall take effect October 1, 1978.

ADDITIONAL AUTHORIZATIONS

SEC. 802. (a) Appropriations authorized by this Act for salary, pay, retirement, or other benefits for Federal employees may be increased in the fiscal year ending September 30, 1979, by such additional or supplemental amounts as may be necessary for increases authorized by law.

(b) Section 660 of the Department of Energy Organization Act is amended by inserting "(a)" after "SEC. 660." and by adding at the end thereof the following new subsection:

"(b) There is authorized to be appropriated annually to the Department not to exceed $35,000 for official entertainment, reception, and representation expenses of the Department. Not to exceed $1,500 of the sums appropriated annually pursuant to this subsection shall be available to the Commission.".

USE OF REIMBURSED FUNDS

SEC. 803.(a) Part C of title VI of the Department of Energy Organization Act is amended by adding at the end thereof the following new section:

"USE OF REIMBURSED FUNDS

"SEC. 661. (a) Subject to subsection (b), when so specified in appropriations Acts, any moneys received by any fiscal year by the Department from uranium enrichment and other reimbursable programs may be retained and used, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), by the Department; except that any revenue received by the Department from the enrichment of uranium shall be retained and used solely for the specific purpose of offsetting any costs incurred by the Department in conducting uranium enrichment service activities. Revenues from other reimbursable programs shall not be available for such activities.

"(b) Amounts received in any fiscal year by the Department in excess of the costs incurred by the Department in providing uranium enrichment service activities in such fiscal year shall, not later than 90 days after the close of such year, be deposited in the Treasury of the United States as miscellaneous receipts in accordance with section 3617 of the Revised Statutes (31 U.S.C. 484).

"(c) Not later than 90 days after the close of a fiscal year, the Secretary shall prepare and transmit to the Congress a report on—

"(1) revenues received during such fiscal year from enrichment and other reimbursable programs, and

"(2) the costs incurred in such year in providing uranium enrichment services.".

(b)(1) Section 111 of the Energy Reorganization Act of 1974 is amended by striking out subsection (h) and by redesignating subsection (i) as subsection (h).

(2) The table of sections for the Department of Energy Organization Act is amended by inserting after the item relating to section 660 the following new item:

"Sec. 661. Use of reimbursed funds.".

(c) The amendments made by this section do not apply to the power marketing functions of the Department of Engery.

DISPOSITION OF CERTAIN RECEIPTS

SEC. 804. Except as otherwise provided by the amendment made by section 803(a) of this Act or as specifically provided by any other law, receipts of the Secretary of Energy and the Federal Energy Regulatory Commission, including any payment received because of overcharges by persons under the jurisdiction of the Secretary or the Commission, shall in fiscal year 1979 and thereafter be deposited in the Treasury of the United States as miscellaneous receipts in accordance with section 3617 of the Revised Statutes (31 U.S.C. 484).

LIMITATION OF FUNDS FOR FACILITIES FOR DEPARTMENT OF ENERGY

SEC. 805. No funds authorized to be appropriated by this Act may be used for the renovation, furnishing, or repair of facilities to provide temporary or permanent space for personnel relocated as a result of the establishment and activation of the Department of Energy and for which funds were appropriated by chapter V of title I of the Supplemental Appropriations Act, 1978.

LIMITATION ON CONTRACTING

SEC. 806. Authority under this Act to enter into contracts obligating the United States to make outlays may be exercised only to the extent as may be provided in advance in appropriation Acts.

FUND AVAILABILITY

SEC. 807. Except funds authorized to be appropriated for salaries and other personnel expenses in titles I, III, IV, and VII of this Act, and other policy and management and support functions appropriated pursuant to section 702 (8), (9), and (14) of this Act, funds authorized to be appropriated by this Act shall remain available until expended.

MILITARY APPLICATIONS

SEC. 808. (a) Nothing in this Act shall apply with respect to any authorization for appropriations for any military application of nuclear energy, for research and development in support of the armed forces, or for the common defense and security of the United States.

(b) For purposes of subsection (a)—

(1) The term "military application" means any activity authorized or permitted by chapter 9 of the Atomic Energy Act of 1954, as amended (Public Law 83–703, as amended; 42 U.S.C. 2121, 2122).

(2) The term "research and development", as used in this section, as defined by section 11 x. of the Atomic Energy Act of 1954, as amended (Public Law 83–703, as amended; 42 U.S.C. 2014).

(3) The term "common defense and security" means the common defense and security of the United States as used in the Atomic Energy Act of 1954, as amended (Public Law 83–703, as amended).

CONTRACT APPROVALS

SEC. 809. (a) Part C of title VI of the Department of Energy Organization Act, as amended by this Act, is further amended by adding after the new section 661 at the end thereof the following new section:

"CONTRACT APPROVALS

"SEC. 662. (a) Any primary contract which provides for obligation of Federal funds in excess of $5,000,000 (or any related contracts which in the aggregate provide for the obligation of Federal funds in excess of $5,000,000) may not be awarded without the prior approval of an officer of tht Department appointed by the President by and with the advice and consent of the Senate.

"(b) Any primary contract involving funds which provides for obligation of Federal funds in excess of $25,000,000 (or any related contracts which in the aggregate provide for the obligation of Federal funds in excess of $25,000,000) may not be awarded without the prior approval of the Secretary of Energy or the Deputy or Under Secretary of Energy.

"(c) The preceding provisions of this section shall not apply in the case of—

"(1) any contract awarded by the Commission or by any officer or employee thereof, or

"(2) any contract for military applications.".

(b) The table of sections for the Department of Energy Organization Act is amended by inserting after the new item relating to section 660 the following new item:

"Sec. 662. Contract approvals.".

SUNSET PROVISION

SEC. 810. (a) Title X of the Department of Energy Organization Act (42 U.S.C. 7351) is amended by redesignating sections 1001 and 1002 as sections 1002 and 1003, respectively, and by inserting before section 1002 (as redesignated) the following new section:

"SUNSET PROVISION

"SEC. 1001. The provisions of this Act (including the amendments made by this Act) shall cease to have effect after December 31, 1982.".

(b) The table of sections for such Act is amended by striking out the items relating to sections 1001 and 1002 and inserting in lieu thereof the following:

"Sec. 1001. Sunset provision.
"Sec. 1002. Submission of comprehensive review.
"Sec. 1003. Contents of review.".

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By Mr. FUQUA:

—Strike all after the enacting clause and insert in lieu thereof the following:

That, in accordance with section 261 of the Atomic Energy Act of 1954 (42 U.S.C. 2017), section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5915), and section 660 of the Department of Energy hereby authorized to be appropriated to the Organization Act (42 U.S.C. 7270), there is hereby authorized to be appropriated to the Department of Energy for fiscal year 1979, for energy research and development and related activities, the sum of the following amounts:

TITLE I—ADVANCED ENERGY TECHNOLOGIES AND ENERGY CONSERVATION RESEARCH AND DEVELOPMENT, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 101. For "Operating Expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(A) Energy supply:

(1) Solar energy, $375,300,000, including $23,000,000 for heating and cooling demonstrations, and operating expenses for the following projects:

(a) 150 kilowatt irrigation system, Coolidge, Arizona, $500,000;

(b) Solar thermal electric project, Large Scale Experiment No. 1, Fort Hood, Killeen, Texas, $3,800,000;

(c) Solar thermal electric project, Large Scale Experiment No. 2, Shenandoah, Georgia, $6,230,000;

(d) Small power experimental station No. 1, $5,000,000;

(e) Total energy photovoltaics conversion system, Mississippi Community College, $500,000;

(f) MOD 2—megawatt scale wind system, 90 meter diameter, $10,600,000;

(g) MOD 3—megawatt scale wind system, design and development, $2,800,000;

(h) MOD 4—kilowatt scale wind system, design and development, $1,300,000;

(2) Fuels from biomass, $44,300,000, and operating expenses for the following projects:

(a) Biomass utilization system, 50 MW wood-fueled generating plant, Lincoln, Maine, $5,000,000;

(b) Biomass silviculture experiment, $800,000;

(c) Advanced system experiment for thermochemical gasification of biomass, $2,000,000;

(3) Geothermal energy, $119,675,000, and operating expenses for the following projects;

(a) 40 MW thermal loop/pilot plant, Raft River Idaho, $2,400,000;

(b) Geothermal loop experimental facility, Niland, California, $2,000,000;

(c) Liquid dominated electrical power demonstration plant, 50 MWe, design and long lead procurement, $7,500,000;

(d) Wellhead generator, design fabrication and installation, Geothermal Project Development Group, Hawaii, $1,300,000;

(e) Direct application of geothermal heat to industrial processes and space conditioning, several projects, $9,825,000;

(4) Hydroelectric power, $6,000,000;

(5) Basic energy sciences, $151,200,000.

(B) Energy conservation, $382,768,000, including $15,700,000 for industrial cogeneration related to new technologies and applications, and operating expenses for the following projects:

(1) 4.8 MW fuel cell power plant, design, develop, and fabricate, $5,500,000;

(2) Fluid bed combustor for urban waste, $300,000;

(3) Activated carbon sludge digestion pilot plant, $345,000;

(4) Waste oil refining facility, Bartlesville, Oklahoma, $1,200,000;

(5) Fuel cell feasibility demonstration for electric power generation and cogeneration of usable steam and electric power (subject to section 103), $25,000,000.

(C) High energy physics, $191,595,000, and operating expenses for the following projects:

(1) Zero Gradient Synchrotron, decommissioning, Argonne National Laboratory, $1,300,000;

(2) Modifications to 5 meter bubble chamber, high voltage distribution, cryogenics, beam controls and additional shielding, Fermi Laboratory, $5,050,000;

(3) Upgrading Alternating Gradient Synchrotron, Brookhaven National Laboratory, $1,055,000.

(D) Nuclear physics, $74,900,000.

(E) Advanced technology and assessment projects, $10,500,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. For "Plant and Capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(a) FISCAL YEAR 1979 PROJECTS.—

(1) Solar:

(A) Project 79–1–m, engineering test facility vessel modifications, $24,200,000.

(B) Project 79–1–n, tropic ocean grazing pilot plant (A–E only), $10,000,000.

(2) Basic Energy Sciences:

(A) Project 79–1–k, intense pulsed neutron source-I, Argonne National Laboratory, Illinois, $6,400,000.

(3) High Energy Physics:

(A) Project 79–9–a, Hadron bubble chamber facility. Fermilab, Illinois, $2,200,000.

(B) Project 79–9–b, energy saver/doubler, Fermilab, Illinois, $50,000,000.

(C) Project 79–9–c, fire protection improvements, Brookhaven National Laboratory, $1,300,000.

(D) Project 79–9–d, accelerator improvements and modifications, various locations, $4,500,000.

(4) Nuclear Physics:

(A) Project 79–9–e, accelerator improvements and modifications, various locations, $1,500,000.

(b) PRIOR YEAR AUTHORIZATIONS.—

(1) There is authorized an additional sum of $24,250,000 for the ten megawatt central receiver solar thermal pilot plant, Barstow, California (project 76–2–b), authorized by section 101(b)(2) of Public Law 94–187 (for a total project authorization of $71,500,000).

(2) There is authorized an additional sum of $10,600,000 for the program support facility, Argonne National Laboratory (project 78–19–a), authorized by section 102(a)(12)(C) of Public Law 95–238 (for a total project authorization of $15,600,000).

(3) There is authorized an additional sum of $92,000,000 for the proton-proton intersecting storage facility, Brookhaven National Laboratory (project 78–10–b), authorized by section 102(a)(8)(B) of Public Law 95–238 (for a total project authorization of $102,500,000).

(c) Capital equipment not related to construction, $77,800,000.

SEC. 103. (a) The amount authorized for a fuel cell feasibility demonstration for cogeneration of steam and electric power under section 101(B)(5)—

(1) shall not be available for such demonstration until, (A) the Secretary of Energy has delivered to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, no later than ninety days following the enactment of this Act, a plan for the feasibility demonstration of fuel cell technology, and (B) each such committee has found such plan to be acceptable and in accord with the requirements of subsection (b); and

(2) the authorization of such sums shall be terminated, and no further obligation of the funds appropriated pursuant thereto shall be entered into (except for necessary termination costs), if twelve months following the enactment of this Act, the establish-

ment of a broad based utility commitment to the feasibility demonstration, such commitment being either by cost sharing or procuring a substantial (for example, 500 megawatts) aggregate megawatts for the demonstration, has not been legally documented. The Secretary of Energy is responsible for the certification of this commitment and will report such certification of the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Such committees will have thirty days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) to reject this certification; otherwise it is to be considered accepted.

(b) To be found acceptable under section (a) the feasibility demonstration plan—

(1) must contain recognition that cogeneration is a major part of the feasibility demonstration and preference shall be given to a company, industry, industrial group, utility, or State willing to demonstrate the cogeneration of electric power and steam rather than electric power alone;

(2) must include demonstration alternatives representing different levels of Federal cost sharing and the establishment of a single management authority for the demonstration;

(3) must provide for, in addition to major cost sharing by all parties of interest, an approach to reducing the Federal share of the demonstration cost as utility, industrial, or State aggregate participation is increased above the 500 megawatt level;

(4) must contain a requirement for the establishment of a well documented financial base line so that an audit basis will be available to indicate past utility, industrial, and Federal contributions to fuel cell technology development, including current depreciated status of fuel cell capital equipment; and

(5) must call for a series of studies which examine the following:

(A) the cost and benefit of first generation fuel cells using petroleum fuels against remote generation and power transmission,

(B) the market for first and second generation fuel cells, and

(C) the data needs from the demonstration for all parties including public information on the fuel-cell demonstration.

(c) The Fuel Cell Feasibility Demonstration Plan for cogeneration of steam and electric power, which accepted according to subsection (a) and (b), shall be considered as basic guidance for the demonstration contracts when written.

TITLE II—FOSSIL AND NUCLEAR ENERGY RESEARCH AND DEVELOPMENT, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 201. For "Operating Expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(a) Fossil energy:

(1) Coal, $543,177,000: Provided, That at least 5 per centum of the amount appropriated for magnetohydrodynamics shall be expended for closed cycle technology.

(2) Oil and gas, $111,450,000.

(3) Oil shale, $29,350,000.

(b) Nuclear energy:

(1) Light water reactors:

(A) Light water reactor technology, $23,900,000 of which $4,000,000 of the funds appropriated under this subparagraph shall be available for safety enhancement.

(B) Other programs, $50,191,000.

(2) Civilian waste management and spent fuel disposition, $158,100,000.

(3) Liquid metal fast breeder reactor, $465,301,000.

(4) Other advanced reactor concepts:

(A) Gas cooled thermal reactors, $37,000,000.

(B) Nuclear Energy Assessment, $6,300,000.

(C) Other programs, $67,900,000.

(5) Alternate fuel cycle concepts, $66,850,000.

(6) Magnetic fusion, $240,900,000.

(7) Inertial confinement fusion (civilian applications), $8,800,000.

(8) Nuclear science, $28,400,000.

(9) Space nuclear applications, $39,400,000.

(10) Advanced technology and assessment projects, $10,500,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 202. For "Plant and Capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(a) Fiscal year 1979 projects:

(1) COAL.—

(A) Project 79–1–a, Morgantown Energy Research warehouse building, Morgantown, West Virginia, $350,000.

(2) BREEDER REACTOR DEVELOPMENT.—

(A) Project 79–1–b, modifications to reactors, $4,000,000.

(B) Project 79–1–c, security improvements, Richland, Washington, $12,000,000.

(C) Project 79–1–d, second power tie line, Idaho National Engineering Laboratory, $2,600,000.

(D) Project 79–1–e, fire protection improvements, various locations, $3,100,000.

(E) Project 79–1–f, radioactive waste treatment facility, Idaho National Engineering Laboratory, $2,000,000.

(F) Project 79–1–g, test area north radioactive storage and transfer system, Idaho National Engineering Laboratory, $1,000,000.

(G) Project 79–1–h, maintenance and storage facility, Richland, Washington, $16,700,000.

(3) PROGRAM MANAGEMENT AND SUPPORT.—

(A) Project 79–4–b, heating, ventilating and air-conditioning heat recovery, Richland, Washington, $4,000,000.

(b) Prior Year Authorizations:

(1) There is authorized an additional sum of $19,000,000 for the low British thermal unit fuel gas small industrial demonstration plants, sites undetermined (project 78–2–c), authorized by section 102(a)(2)(C) of Public Law 95–238 (for a total project authorization of $25,000,000).

(2) There is authorized an additional sum of $40,000,000 for the high British thermal unit synthetic pipeline gas demonstration plant (project 76–1–b), authorized by section 101(b)(1) of Public Law 94–187 (for a total project authorization of $95,000,000).

(3) There is authorized an additional sum of $12,400,000 for the breeder reactor integrated prototype equipment test facility, Oak Ridge National Laboratory, Tennessee (project 78–5–b), authorized by section 102 (a)(4)(B) of Public Law 95–238 (for a total project authorization of $15,400,000).

(4) There is authorized an additional sum of $45,000,000 for the facilities for the national waste terminal storage program, site undetermined (project 78–5–a), authorized by section 102(a)(4)(A) of Public Law 95–238 (for a total project authorization of $55,000,000).

(5) There is authorized an additional sum of $4,000,000 for the safety research experimental facility, Idaho National Engineering Laboratory, Idaho (A–E and long-lead procurement only) (project 78–6–c), authorized by section 102(a)(5)(C) of Public Law 95–238 (for a total project authorization of $24,100,000).

(6) There is authorized an additional sum of $5,000,000 for the experimental breeder reactor II modification, Idaho Falls, Idaho (A–E and selected long-lead procurement only) (project 78–6–d), authorized by section 102(a)(5)(D) of Public Law 95–238, (for a total project authorization of $8,100,000).

(7) There is authorized an additional sum of $5,600,000 for the liquid metal engineering center facility modifications, Santa Susana, California (project 78–6–e), authorized by section 102(a)(5)(E) of Public Law 95–238 (for a total project authorization of $9,600,000).

(8) There is authorized an additional sum of $5,000,000 for the high performance fuel laboratory, Richland, Washington (A–E and long-lead procurement only) (project 77–4–c), authorized by Public Law 95–39 (for a total project authorization of $11,500,000).

(c) Project 79–6, general plant projects, $43,235,000.

(d) Capital equipment not related to construction, $112,701,000.

SEC. 203. Public Law 95–39 is amended by striking out all the authorization for project 77–1–b (for a high Btu pipeline gas demonstration plant, $10,000,000) contained in section 102(a)(1)(B).

SEC. 204. (a) In order to redirect and reorient the Nation's breeder program by evaluating designs for a larger advanced fission facility through conceptual planning, conceptual studies, systems studies, and systems design, and to give the program the direction needed to maintain a strong breeder option, the Secretary shall conduct a study examining in detail variants of the uranium/plutonium cycle (including the CIVEX process) and the uranium/thorium cycle, with planning for each of these cycles taking into consideration both the pool and loop designs as well as a system involving aspects of both pool and loop design, and with adequate support facilities permitting the development and testing of components geared toward an advanced fission facility: *Provided*, That the Secretary shall furnish to the House Committee on Science and Technology and the Senate Committee on Energy and Natural Resources a progress report on this study commencing one year after the date of the enactment of this section and each succeeding six months thereafter, with the final report by the Secretary on this study being transmitted to such committees no later than March 31, 1981.

(b) There is hereby authorized to be appropriated for the fiscal year 1979 the sum of $35,000,000 to carry out subsection (a).

TITLE III—ENVIRONMENT RESEARCH AND DEVELOPMENT, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 301. For "Operating Expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(1) Overview and assessment, $60,000,000, of which $1,000,000 shall be made available for the Water Resources Council to carry out the provisions of section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5912).

(2) Environmental research, $143,498,000.

(3) Life sciences research, $39,700,000.

(4) Decommissioning and decontamination, research and development, $14,990,000.

(5) Funds to carry out provisions of section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5910), in the amount of $500,000 for the Environmental Protection Agency.

PLANT AND CAPITAL EQUIPMENT

SEC. 302. For "Plant and Capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) ENVIRONMENTAL RESEARCH AND DEVELOPMENT.—

(a) Fiscal year 1979 projects:

(A) Project 79-3-a, modifications and additions to environmental research facilities, various locations, $4,000,000.

(B) Project 79-3-b, modification to pion biomedical facility of the Clinton P. Anderson Mason Physics Facility, Los Alamos Scientific Laboratory, $440,000.

(C) Project 79-3-c, environmental and energy technology facility, Pacific Northwest Laboratory, Richland, Washington, $2,000,000.

(b) Capital equipment not related to construction, $16,450,000.

TITLE IV—OTHER ENERGY RESEARCH AND DEVELOPMENT, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 401. For "Operating Expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

(A) ADVANCED ENERGY TECHNOLOGIES AND ENERGY CONSERVATION.—

(1) Energy Supply:

(a) Solar Energy:

Solar heating initiatives (passive and active systems), $18,000,000.

(2) Energy Conservation:

(a) Building systems performance standards, $10,000,000.

(b) Community energy utilization implementation, $2,052,000,

(c) Oil heat efficiency improvement (field testing and marketing), $2,000,000,

(d) Technology of insulating materials for buildings, $315,000.

(e) Buildings and community systems analysis and technology transfer, $2,800,000.

(f) Appropriate technology small grants program, $10,000,000.

(B) FOSSIL AND NUCLEAR ENERGY.—

(a) Nuclear Energy:

(1) Light water reactors:

(i) U-235 process development, $72,300,000,

(C) ENVIRONMENT.—

(1) Decommissioning and decontamination remedial action $8,510,000.

(D) ALL OTHER PROGRAMS—

There is authorized to be appropriated for policy and management functions a sum of dollars equal to the following amounts:

(1) The Assistant Secretary for Energy Technology, $29,365,000;

(2) The Assistant Secretary for Conservation and Solar Applications, $6,395,000;

(3) The Assistant Secretary for Environment, $7,560,000;

(4) Department of Energy Operations Offices, $42,180,000;

(5) Department of Energy Special Project Offices, $3,108,000;

(6) Office of Energy Research, $3,630,000;

(7) Section 91 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2391), $9,057,500.

(8) Special foreign currency, $2,000,000;

(9) Energy Inventions Evaluation, $2,200,000;

(10) Management and Support, Office of the Comptroller, including $10,000,000 for Project 79-5, $43,942,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 402. For "Plant and Capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(a) FISCAL YEAR 1979 PROJECTS.—

(1) Uranium Enrichment:

(A) Project 79-2-d, technology test facilities, various locations (A-E and long-lead procurement), $7,000,000.

(2) All Other Programs:

(A) Project 79-4-a, modification for energy management, various locations, $25,000,000.

(b) Capital equipment not related to construction:

(1) process development, $4,700,000.

(2) decontamination and decommissioning, $500,000.

SEC. 403. The Administration is authorized to start any civilian research and development project set forth in section 402(a) only if at the time the project is started the then currently estimated cost does not exceed by more than 25 per centum the estimated cost set forth for that project; and the total cost of any such project shall not exceed the estimated cost set forth for that project by more than 25 per centum (if such estimated cost was $5,000,000 or more) unless and until appropriations covering such excess are authorized.

TITLE V—GENERAL PROVISIONS

SEC. 501. (a) The Administration is authorized to start any project set forth in sections 102(a), 202(a), and 302, only if at the time the project is started the then currently estimated cost does not exceed by more than 25 per centum the estimated cost set forth for that project; and the total cost of any such project shall not exceed the estimated cost set forth for that project by more than 25 per centum (if such estimated cost was $5,000,000 or more) unless and until appropriations covering such excess are authorized.

(b) The Administration is authorized to start any project under section 202(d) only if the maximum currently estimated cost of such project does not exceed $750,000 and the then maximum currently estimated cost of any building included in the project does not exceed $300,000; and the total cost of all projects undertaken under such section shall not exceed the estimated cost set forth in such section by more than 10 per centum.

SEC. 502. Section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 is amended by adding at the end thereof the following new subsection:

"(d) In order to expedite development of the comprehensive plan mandated under subsection (a), the Assistant Secretary for Environment shall collect all appropriate information concerning federally sponsored energy-related environmental, health, and safety research for inclusion in the Inventory of Federal Energy-Related Environment and Safety Research. All Federal agencies shall provide the requested information.".

SEC. 503. (a)(1) Section 11(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577) is amended—

(A) by striking out "and" at the end of paragraph (1);

(B) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and "; and

(C) by adding at the end thereof the following new paragraph:

"(3) the adequacy, applicability, and effectiveness of the environmental control technology development and research programs in meeting environmental standards and regulations administered by the Environmental Protection Agency.".

(2) Section 11 of such Act is amended by adding at the end thereof the following new subsections:

"(e) The Administrator of the Environmental Protection Agency shall prepare and submit an annual report to the Congress concerning his findings under subsection (a)(3) along with recommendations for improvements in the management and conduct of research, development, and demonstration related thereto, and a priority listing of additional needed research.

"(f) For the purpose of implementing this section, the Secretary of Energy shall actively make available to the Administrator of the Environmental Protection Agency all information on the environmental control technology research and development activities and programs of the Department.".

(3) Section 11 of such Act is further amended by striking out "Council on Environmental Quality" each place it appears and inserting in lieu thereof "Administrator of the Environmental Protection Agency", and by striking out "the Administrator" in subsection (d) and inserting in lieu thereof "the Secretary of Energy".

(b) The Secretary of Energy shall annually review the research activities of the Environmental Protection Agency. Such annual review shall evaluate the adequacy, applicability, and priority of such Environmental Protection Agency research activities in relation to the environmental control technology research, development, and demonstration needs of the Department of Energy, and recommend improvements in the management and conduct of such activities as they relate to the energy research, development, and demonstration responsibilities of the Department. Such review shall be consistent with the goals and principles of the Federal Nonnuclear Energy Research and Development Act of 1974. Such review shall be transmitted to the Congress, as part of the annual report pursuant to section 15 of the Federal Nonnuclear Energy Research and Development Act of 1974, and made available to the Environmental Protection Agency.

SEC. 504. (a) Section 111 of the Energy Reorganization Act of 1974 is amended by adding at the end thereof the following new subsection:

"(j)(1) Beginning with fiscal year 1980 with respect to Department of Energy civilian research and development programs, for purposes of the President's annual budget submission and of related sports submitted by the Secretary of Energy to the House Committee on Science and Technology and to the Senate Committee on Energy and Natural Resources each plant and capital equipment construction project shall be assigned or reassigned to one of the following categories:

"(A) Category I: All construction projects having a total estimated cost of $5,000,000 or more. Each such project shall be set forth by name, location, total estimated cost, and outlays for pertinent fiscal years. Appropriate documentation shall also be provided.

"(B) Category II: All construction projects having a total estimated cost between $1,000,000 and $5,000,000. These projects may be combined into one item. Accompanying documentation shall include the name, location, description, and total estimated cost of each project. By October 31 of each year, the Secretary shall issue a report to the Committee describing all changes in funding among these projects.

"(C) Category III: All general plant construction projects having a total estimated cost up to $1,000,000. These projects may be consolidated into one item.

"(D) Category IV: The architect and engineering phase for construction projects may be combined into one item. Accompanying documentation shall include description by subprogram of the effect, purpose, and estimated cost of such planning and design.

"(2) The following definitions shall apply for purposes of this subsection:

"(A) 'Total estimated cost' of a construction project is defined as the most current estimate of the cost which will be borne by the United States Government of all activities ultimately constituting a part of the total construction project.

"(B) 'Construction project' is defined as the planning, design, construction, or modification of Department of Energy civilian research and demonstration facilities including buildings, test facilities, pilot and demonstration plants, wells (other than for test purposes), processing and reprocessing plants, and pipelines plus related grounds and improvements. Facilities uniquely related to a larger construction project may be combined

with that project. Furthermore, for categories II and III, construction projects combined into one item must be a complete project including all collateral equipment.

"(C) 'Plant and capital equipment' shall include all construction projects: *Provided*, That those construction projects having a total estimated cost of $500,000 or less may be funded from operating expenses. However, operating expenses may not be used to supplement active plant and capital equipment construction projects.".

(b) Section 111(d) of such Act is amended by adding at the end thereof the following new paragraph:

"(3) As used in this subsection, the term 'program' includes any of the categories listed in subsection (j)(1), and any construction project included in category I as described in subparagraph (A) of such subsection: *Provided*, That if the current total estimated cost of any construction project in category I exceeds the estimated cost set forth in the project by more than 25 per centum, such funds may be acquired from other category I projects upon written notice to the House Committee on Science and Technology and to the Senate Energy and Natural Resources Committee."

SEC. 505. (a) In carrying out the programs for civilian energy research and development, the Secretary shall provide a realistic and adequate opportunity for small business concerns to participate in such programs to the optimum extent feasible consistent with the size and nature of the project and activities involved.

(b) At least once every six months, or upon request, the Secretary shall submit to the appropriate committees of the House of Representatives and the Senate a full report on the actions taken in carrying out subsection (a) during the preceding six months, including the extent to which small business concerns are participating in the programs involved and in projects and activities of various types and sizes within each such program, and indicating the steps currently being taken to assure such participation in the future.

SEC. 506. Nothing in titles I, II, and III of this Act shall be construed to authorize the appropriation or use of funds for any purpose other than energy research and development.

TITLE VI—AMENDMENTS TO THE SOLAR HEATING AND COOLING DEMONSTRATION ACT OF 1974

SEC. 601. Section 2(b) of the Solar Heating and Cooling Demonstration Act of 1974 is amended by striking out "development and demonstration within a five-year period" and inserting in lieu thereof "development and demonstration within an eight-year period".

SEC. 602. Section 19(c) of the Solar Heating and Cooling Demonstration Act of 1974 is amended by inserting after "aggregate" the following: "and for the three succeeding fiscal years such sums as may hereafter be authorized in annual authorization Acts,".

SEC. 603. The Secretary of Energy and the Secretary of Housing and Urban Development shall make such modifications in the comprehensive program plan prepared and transmitted under section 7 of the Solar Heating and Cooling Demonstration Act of 1974 as may be necessary or appropriate to reflect the amendment made by the first section of this title, and shall transmit the plan with such modifications to the President and to each House of Congress within one hundred and twenty days after the date of the enactment of this title.

H.R. 12433

By Mrs. COLLINS of Illinois:

—On page 24, after line 13 insert new paragraph:

(f) The Congress instructs the Secretary of the Department of Housing and Urban Development to seek to remove section 8 new construction authorization for the City of Chicago from the placement formula developed in the case of Gautreaux *vs.* Hills, either through agreement with other parties before the Federal District Court, or through appeal to the Circuit Court of Appeals. Redesignate paragraph (f) as paragraph (g).

H.R. 12433

By Mr. GRASSLEY:

—Page 9 after line 2 "Insert the following new subsection at the end of section 103 of the bill:

(e) Title I of such Act is amended by adding the following new section at the end thereof:

FAIR ACCESS FOR SMALLER COMMUNITIES

SEC. 120. The Secretary shall not establish requirements that limit or exclude the access of any community from assistance under this title on the basis of the population of such community except as expressly authorized by statute.

H.R. 12433

By Mr. GREEN:

—Page 42, after line 18, insert the following new section:

MORTGAGE LIMITS UNDER SECTION 221(D)(3)

Sec. 324. Section 221(d)(3)(ii) of the National Housing Act is amended—

(1) by striking out "$16,860", "$18,648", "$22,356", "$28,152", and "$31,884" and inserting in lieu thereof "$18,450", "$20,625", "$24,630", "$29,640", and "$34,846", respectively; and

(2) by striking out "$19,680", "$22,356", "$26,496", "$33,120", and "$38,400" and inserting in lieu thereof "$20,962", "$24,030", "$29,220", "$37,800", and "$41,494", respectively.

H.R. 12433

By Mr. WATKINS:

—Page 9 after line 2 "Insert the following new subsection at the end of section 103 of the bill:

(e) Title I of such Act is amended by adding the following new section at the end thereof:

FAIR ACCESS FOR SMALLER COMMUNITIES

SEC. 120. The Secretary shall not establish requirements that limit or exclude the access of any community from assistance under this title on the basis of the population of such community except as expressly authorized by statute.

EXTENSIONS OF REMARKS

SOLAR ENERGY

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. JONES of Tennessee. Mr. Speaker, I want to bring to your attention an article written by our colleague, JAMES M. JEFFORDS, for the Christian Science Monitor, regarding some of the obstacles in the way of the development of solar energy. I found the article most perceptive and encourage all my colleagues to read it.

A related item I would like to mention is that included in the Food and Agriculture Act of 1977 was an agricultural solar energy and research development program, sponsored by Representative GEORGE BROWN, JR., which was one of the first pieces of solar legislation to pass this Congress. This program would provide for research into the application for solar energy with respect to farm buildings, farm homes, farm machinery, including equipment to dry and cure crops and for irrigation. It would provide for model solar farms, demonstration projects, information and education programs and loans through the Farmers Home Administration for solar purposes. At this point, even though we are told the administration has a great deal of interest in energy matters, it has not seen fit to implement the agriculture solar program in any significant way. I think, without a doubt, solar energy can make one of its greatest contributions in the area of agricultural production and processing and that this program should be fully implemented at the earliest possible date. If bottlenecks have developed within the Department of Agriculture, or at OMB, or with the Department of Energy, I would encourage the officials involved to take whatever steps are appropriate including coming back to the Hill for additional legislation in order to get this program off the ground.

The following article by Representative JEFFORDS, cochairman of the Environmental Study Conference, is very instructive on the problems facing solar development and I am sure my colleagues respect his opinion as highly as I do.

The article follows:

GET SOLAR ENERGY OFF THE GROUND

(By James M. Jeffords)

Judging by the enthusiastic crowds and shining statement by public officials which marked the recent Sun Day observances, one could easily get the impression that America's transition to a solar society is well on its way.

Indeed, there is a growing body of official documentation showing the feasibility and clear desirability of such a transition. Within the past two months reports have been issued by the President's Council on Environmental Quality, the Department of Energy, and the Office of Technology Assessment which lead to only one possible conclusion. Failure to make an all-out national commitment to solar energy would be sheer insanity.

Beyond that, politically, solar energy has become one of those issues like civil rights or world peace which everybody supports in their public statements. Any opposition to any solar initiative is now routinely preceded by the phrase, "I'm all for solar energy, but..."

So by all appearances, the solar bandwagon is rolling along an open highway with little traffic.

Statements or insertions which are not spoken by the Member on the floor will be identified by the use of a "bullet" symbol, i.e., ●

Unfortunately, the appearances are deceptive for two reasons.

1. The transition to a solar society will require a substantial commitment, of the magnitude of this country's previous commitments to fossil and nuclear fuels. Such a commitment does not yet exist.

2. The energy bureaucracy, from Secretary Schlesinger on down, is peopled with individuals who have built their careers and reputations upon the thesis that the peaceful atom provides not only an answer, but the answer to our energy problems. Although solar and nuclear could exist side by side, along with coal and other energy sources, a great many decisionmakers in government and industry view solar energy as a serious threat to an important article of faith.

A solar transition will require hundreds, indeed thousands of separate actions. Markets for mass production of solar technology must be created, to bring down prices, through federal procurements and through cooperative programs with other nations where a transition can occur earlier because traditional energy sources are more expensive than in the U.S. Some technologies need further research and development. Energy subsidies which were structured in a pre-solar era must be rewritten to encourage, rather than discourage, renewable technologies. Demonstration programs are needed to help businessmen, farmers, and consumers determine which technologies are best suited to their needs. Standards must be set to protect the public from incompetent or unscrupulous solar energy dealers. Complex changes will be needed in utility laws and other bodies of law which affect the energy infrastructure. All of this will require active, positive decisions and efforts at all levels of government and industry.

I would not suggest for a moment that there is a giant conspiracy against solar energy in government and industry. The recent government reports, showing a solar potential far greater than even dreamers dared to speak of a few years ago, would most certainly have been quashed by any self-respecting conspiracy.

But the point is this: a lot of very positive things are going to have to be done with the active participation and cooperation of a great many people in government and industry who have become accustomed, through long practice, to scoffing at solar energy. As strong as the impetus for solar energy may be, most of it is still coming from outside of the decisionmaking process. And most of the remaining resistance is on the inside.

The various government reports I referred to above indicate that renewable energy sources based on the sun can reasonably account for a quarter of our energy needs by the year 2000 and half by 2020; that solar sources will actually be cost-competitive for 40 percent of our needs by 1985; and that California could be run totally on solar sources by 2025.

But the effort to realize that potential is just beginning to get off the ground. Despite the base of factual information demonstrating the wisdom of this effort, and despite the mass of public support for it, success will only come with substantial, sustained public pressure. If the enthusiasm which was generated on Sun Day can be maintained, the observance will have been historically significant. Otherwise, it will be remembered as little more than a pleasant fling.●

LITHUANIA WANTS FREEDOM

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. MOAKLEY. Mr. Speaker, recent Soviet activities have led to a total reevaluation of United States-U.S.S.R. relations and I firmly believe that in the course of this reevaluation, we must not forget the brave people of Lithuania who resist Soviet domination.

For since 1940, the Soviet Union, through military occupation, has sought to destroy the strong nationalistic and religious feelings in Lithuania but no amount of harassment or intimidation can silence the true believers of Lithuanian freedom.

This resistence has brought many prisoners of conscience and at this time I would like to share with my colleagues two such cases.

Balys Gajauskas was first arrested in 1948 at the age of 21 and sentenced to 25 years in Soviet labor camps. Upon his release in 1973, he was denied validation of his internal passport and, notwithstanding, constant Soviet harassment, Gajauskas distributed money to Lithuanian political prisoners and their families from the Solzhenitzyn fund.

On April 14, 1978, Gajauskas, after 1 year of pretrial detention was sentenced to 10 years in a Soviet special regime labor camp and 5 years of exile for alleged anti-Soviet agitation and propoganda.

Another case is that of Sarunas Zukauskas, who at age 27 has grown up under Soviet domination but still yearns for Lithuanian freedom and independence.

Zukauskas was an excellent student at Kaunas Medical Institute and while in school joined the dissident movement. Just prior to graduation, he was betrayed by one of his classmates and placed under arrest.

In 1973, Zukauskas was convicted and sentenced to 6 years in a strict regime labor camp. His family has been constantly harassed and discriminated against since then. After 5 years of imprisonment, Zukauskas is in poor health and has been denied the right to family visits and correspondence.

In a country such as ours where freedom flourishes, we often take for granted basic human rights but these two cases give evidence that the people of Lithuania want freedom. There are thousands of others who through their resistance have risked their lives and their desire for freedom should serve as an example to not only Lithuanians but to all oppressed peoples.

The resistance movement will go on. We in the United States should never lose sight of our long struggle for independence and support the Lithuania cause of liberty and justice.●

THE FUTURE OF INSURANCE REGULATION

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. LaFALCE. Mr. Speaker, on June 2 the National Underwriter carried an article dealing with the insurance industry and the question of future regulation of that multibillion-dollar industry.

My Small Business Subcommittee on Capital, Investment, and Business Opportunities has uncovered a number of abuses and questionable activities within this industry during our investigation of the product liability insurance crisis. I believe that what we found fully justifies my conclusion that this massive economic force remains effectively unregulated, unlike other comparable industries.

And I am convinced that a much greater role by the Federal Government is the only way to proceed. We must establish broad national guidelines within which State regulation can really work.

I commend the National Underwriter article to your attention and to the attention of our colleagues. It follows:

JIMENEZ TO INDUSTRY: OLD ANSWERS WON'T DO

Federal Insurance Administrator Gloria Jimenez told the insurance industry to get with it—and respond constructively to concerns receiving attention in Washington, during the annual conference of the Insurance Accounting & Statistical Assn. in San Francisco.

LIVELY SESSION

Mrs. Jimenez appeared as a panelist at a session that went beyond its titled "Property-Liability Insurance Regulation—1978 And The Future." The conclave drew an attentive—and responsive—audience, and touched upon such concerns as national health insurance, the McCarran-Ferguson Act, dual regulation, the recently introduced LaFalce Bill (H.R. 11788) to provide for a Federal commission to supervise state regulation (particularly in the area of product liability) and no-fault.

And there were some predictions of what's ahead for the industry by the panelists who included, in addition to Mrs. Jimenez, Chief Examiner Christy P. Armstrong of the California department; State Sen. Daniel Foley (D.-Mass.); and James Faulstich, vice president, National Assn. of Independent Insurers. The moderator was T. Patrick Duggan of Coopers & Lybrand.

In introductory remarks, Mrs. Jimenez noted that several insurance matters are gaining attention in the nation's capital. She said the McCarran-Ferguson Act has been getting a good deal of attention—and a White House "blue ribbon" panel will be studying the legislation. She also mentioned:

Auto no-fault. "Some days it looks like it's going to make it, other days it looks like it's not. But it's still very much a topic of conversation."

National health insurance. "The President has indicated that he is going to go forward with a national health insurance bill."

She also mentioned the LaFalce Bill, and asked: "Does that (matters she cited) mean that the trend in regulation of insurance is toward Washington? Indications are that the answer to that question is yes, but that the form this expanding Washington role will have is wholly undetermined.

"Certainly," she continued, "no single all-state or all-Federal solution will surface; probably some middle ground will emerge."

The Federal Insurance Administrator said that there are a number of forms that the Federal role in insurance might take. For example, she said, one role could be a working arrangement with the states. "It's obvious that the Federal Government has the ability to collect data," she noted. One possibility cited was the states retaining state regulation and the Federal Government supplying the data. Another scenario she painted would include Federal standards for state regulation.

POSSIBLE ROLES

"The possible roles of Federal Government are infinite and limited only by the imagination of the Congressmen, Senators and bureaucrats who are working on these issues," she told the audience.

The trend, reiterated Mrs. Jimenez, is toward Washington—"and assuring markets that are affordable for personal lines." She said that Congress, the White House "and all the others" are just beginning to awaken to the need for integrating their insurance responsibilities in proposals for reform.

"I believe there's a trend for consolidation of insurance functions at the Federal level," she emphasized. Then, focusing directly on the industry, she said:

"It's imperative that the industry respond constructively to these concerns that are receiving so much attention in Washington. The future, I believe, belongs to those who understand the present and carefully consider the short- and long-term ramifications of positions taken today.

"Those who opt for the status quo, ignoring the legitimate demands of society, will be the big losers in shaping that future. Since FIA is the only agency with general expertise in insurance, it is not unusual for Congress and other agencies to call on it for assistance in insurance problems.

"We attempt to oblige within our staff limitations. That's why it's very important that I understand your position on these pressing matters. I hope you'll not hesitate to give me your thoughts."

In her prepared remarks, Mrs. Jimenez said, "If I leave you with one thought, let it be that the old answers will not do. It is incumbent upon you to creatively respond to the pressures which have led to all the activity in Washington—pressures created by very real problems facing American insurers."

Sen. Foley agreed with Mrs. Jimenez that "we probably will have insurance regulation in both forms (state and Federal)" and suggested "we might as well adapt to living with both."

The senator from Worcester also offered the opinion that there's a strong possibility that the McCarran-Ferguson Act will be appealed or amended. He also offered what he termed a "constructive observation."

"The property-casualty business is not organized at all well to deal with the Federal Government." Thus, he suggested, this particular segment of the industry should concentrate on improving its posture in this regard.

Mr. Armstrong cited what he considers new directions and trends in the industry. "One of the most important," he said, "is giving the insurance commissioners the power to send examiners into insurance companies." In the future, he said, there will be greater emphasis on appraising what insurance companies are doing.

"It's become clear that the failures in property-casualty have been mostly the result of poor management," said the California department spokesman. Thus, he believes that new techniques will be developed to deal with management. For example:

"The examination process. Examiners will be brought into the process to see how competent they (the companies) are." He noted that commissioners have taken steps to make sure examiners are properly trained.

"I also think you'll see an increased use of electronic data processing in the examination process. You can't deal with physical records any more."

Mr. Armstrong also believes there will be a greater emphasis on selection of examiners, with the hiring of more minority group members in that field.

He further sees an emphasis on problem companies, "rather than what we call good companies." This will involve, he believes, a continuing trend to see how companies are faring in the market. This would include a "coming theme" on the collection of data on complaints registered against insurance companies.

Mr. Faulstich said one of the most startling changes in personnel that he's noted is the "increased smartness in insurance regulators: 10 years ago, they weren't as bright as today." Before, he said, many insurance commissioners hid behind some form of jargon.

The vice president of NAII (and former insurance commissioner of Oregon) also said that there's now a much more greater awareness of insurance regulations. He recalled a poll taken in Oregon a few years ago that reported less than 10% of those surveyed knew insurance was under any regulation.

Mr. Faulstich then offered the opinion that the controversial Herbert Denenberg, former insurance commissioner of Pennsylvania, "can't be criticized for the visibility he brought to regulators." Insurance regulators can't do their job unless people know there is regulation, he added.

The NAII spokesman also informed his audience of what he sees as a major trend: the development of insurance-like products and services that are not regulated.

Concerning affordability and availability, Mr. Duggan asked the panel if insurers should be moving in the direction of the redistribution of wealth. "The answer is no," replied Mr. Faulstich. "I wouldn't like insurance companies determining how to distribute someone's wealth." Added Mrs. Jimenez:

"The whole issue is subsidy. What's happened is that the whole concept of spreading the risk has been limited." She added that she would like to see the industry come in with some ideas on the subject.

"SOCIAL CONCEPT"

Mrs. Jimenez later offered the opinion that insurance is a social concept, an "when society demands, you (the industry) shouldn't dig in your heels."

Regarding national health insurance, Sen. Foley said: "The industry now, more than ever, should become involved in the national health care issue." Noting that Sen. Edward Kennedy (D.-Mass.), has stepped back from earlier national health insurance proposals, Sen. Foley said it's time for "the industry to get its act together" on national health and other issues.

Asked by Mr. Duggan what else the industry can do to "put its act together," Sen. Foley replied: "You (the industry) can no longer step back and say, 'leave us alone'." ●

BROTHERHOOD IN AMERICA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. ANDERSON of California. Mr. Speaker, our Nation is based on a set of freedoms which we all cherish. These freedoms are corollary to our belief that all people are equal. People of all races are equal, as are individuals of all nationalities. And these same freedoms assure everybody the right to worship, or not to worship, in any manner that they wish.

I suppose that if there is a single premise upon which our Nation is based, it is the dignity of man. This is not a quality that our country bestows upon its individuals. It is not something that one person, or people together as a Nation, can give to another person. Rather, it is just a basic assumption that all individuals are worthy. And we are worthy in equal measure. Dignity is not divisible. It does not exist by degree.

In Orwell's "Animal Farm," some pigs were more equal than others. His point, of course, was to illustrate the fallacy in the belief that "equal" can be a proximate term. He correctly asserts that it is a precise one. We are all precisely equal.

There are those who do not recognize this. They do not merely say they are more equal, they say they are superior. And they disgust most of us. They disgust those who lived through Hitler's death camps, those of us who were shocked to learn of them some 30 years ago, and those only old enough to have heard of them since.

They disgust those of us who look around and see discrimination and hatred based on the differences that exist between people. For just as we are all equal, so are we all different. We have different color hair, different color eyes, different color skin, and worship differently. And some of these differences make some individuals targets of the hatred of other individuals. Yet, we are all equal.

In remarks I made recently to this body, praising the telecast of "The Holocaust," I said that we must not congratulate ourselves on being personally free of bigotry and prejudice; that we must address these vices wherever they can be found. This weekend, they will be flaunted before us in Illinois. Although the Nazis have, apparently, decided to cancel their march through the streets of Skokie, their demonstration in downtown Chicago is still scheduled to take place.

So long as the violence of their fascist ideas does not explode into the realm of physical action, our response should not be a physical one. We must rather simply state the ideals on which our Nation is proudly based. To this end, I am cosponsoring a resolution designating Sunday, June 25, as National Brotherhood Day.

It is up to thoughtful Americans everywhere, those who know we are all equal, yet appreciate the differences that exist among us, to demonstrate our belief in the dignity of man. We must exhibit the brotherhood that binds mankind together, not the hatred that would tear us apart.●

SMALL BUSINESSMAN FINDS CARTER TAX PROPOSALS REVOLTING

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. ARCHER. Mr. Speaker, with so much attention being focused on the recent proposition 13 decision in California and the so-called "tax revolt," I would like to take this opportunity to share a copy of a letter to President Carter that I received from a constituent in my congressional district, Mr. George E. Neel, Jr. He very succinctly expresses the

necessity for true tax relief and an end to our Federal Government's fiscal irresponsibility.

The letter follows.

JUNE 15, 1978.

President JIMMY CARTER,
White House,
Washington, D.C.

DEAR PRESIDENT CARTER: Because a new tax law is in progress, I feel that it is my duty as the owner of a small business to write you concerning this tax law.

From newspaper reports, it appears that rather than actually passing a bill that cuts taxes straight across, you advocate a tax reform bill—one that eliminates the tax loopholes for the so-called rich taxpayers and gives relief to the middle class and poor taxpayers, who you say are paying most of the taxes. This line of thought is completely opposite to Tax Foundation Computations based on Internal Revenue Services' Statistics of Income as published in the June Nation's Business Magazine.

According to these statistics, the top ten percent of income earners paid almost 50 percent of personal income taxes collected in 1975. The top 50 percent of income earners paid 92.9 percent of the total tax bill. In contrast, the bottom 50 percent of taxpayers paid only 7.1 percent of the 1975 tax. I am sure that when 1978 figures are available, they will reveal an even wider gap. In addition, the Tax Foundation reports that "several million taxpayers disappeared from the tax rolls altogether as a result of legislative changes benefitting those with lower incomes during the period of 1970–75."

One of the loopholes you apparently want to eliminate from the new tax bill is to tax all capital gains at full ordinary-income rates rather than follow our present capital gains tax of taxing only half the gains. According to the article in Nation's Business, the government feels that taxing capital gains as ordinary income would bring in $6.9 billion in additional revenues. A recent study by Data Resources, Inc. shows that to tax capital gains as ordinary income would reduce federal tax revenues $25 billion over the next five years. It would also add 1.5 million people to the ranks of the unemployed and reduce gross national product $115 billion. Possibly more important, at least from my standpoint, it would eliminate one of the last incentives in the business world. These incentives have suffered enough just by the high tax rates placed on those of us who have tried to better ourslves.

The whole idea seems to be to tax those who have managed to make decent sums of money as hard as possible, without actually running them out of business. Because of my father's ill health, I took over this business in 1956. It had eight employees and covered two south Texas counties. By borrowing every step of the way, with no help from the federal government in any form or fashion, I increased our coverage to five counties with 30 employees, where we now make abstracts and issue land title insurance. After 22 years, I have paid off the last abstract plant I bought, and would like to say I am debt free and can take pride in what I have acquired. However, with the income tax I must pay now, it makes me wonder if it was all really worth it. For you see, I am in that group of people who you say pay very little taxes who have actually ended up paying 50 percent of all personal income tax. I must work over 7 months each year before I realize one nickel of profit from the business I worked hard just to acquire. I no longer worry about what the profit will be from the business. My main concern now is will I be able to pay the next quarterly income tax payment.

I realize I am certainly not by myself, but all the more reason that I should be writing you. Some I know in my category have actually quit working or gone out of business because it is no longer worth the effort to them. I will not assume this attitude. For one thing, I am too fighting mad to continue to take this treatment lying down. I am sick of the waste and wild deficit spending by my government.

In a recent report from the inspector general of HEW, I note that he says that this department alone wastes $6 billion of our hard earned tax dollars annually. There are federal grants available for everything imaginable. Some of these grants are so ridiculous that it hurts me to think about our money being spent so foolishly. Yet, I seldom hear anyone ask if we really need the project or not. More commonly the statement is made that these federal funds must be used or some one else will use them. It is as if there is something magical about federal funds, as if they drop from the sky. Perhaps, if they were correctly labeled taxpayers dollars, there would be a different attitude. I cannot understand any of this in view of a possible $60 billion federal deficit. In the business world, if we cannot afford a piece of equipment or project, we wait until we can afford it. Why should the government be run any differently? As business men, if we followed the deficit spending policy of our government, we would no longer be in business.

I am asking that our federal income tax be reduced by a large sum for all taxpayers—not tax reform that punishes those who still pay most of the taxes. In addition, I would like to see a just limit by law on the amount any one individual can be taxed. If this is not done soon, we will see the complete disintegration of our free enterprise system.

I feel that the prime cause of our present inflation is deficit spending by our own government. I notice that great attention is being placed on holding down prices and salaries as the answer to inflation. How in the world can this be done when the wage earner is obviously going to have to pay more taxes in order to support a government already spending more than is being taken in?

I want to see our country have a balanced budget, and I know that it can be done. If it takes a moratorium on all federal grants and a reduction in half of the services offered by HEW to accomplish this balanced budget, we will still be better off.

There are those who say this will cause a recession. I, for one, am willing to take my chances, because with the present income tax, I am already in a recession.

Yours very truly,

GEORGE E. NEEL, JR.●

CAMBODIA'S HOLOCAUST

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. CRANE. Mr. Speaker, recent television and press coverage have recalled to our memories the horrors of the Nazi holocaust in Europe. By reminding us of this tragedy, the media sponsors hope to prevent a reoccurrence. Yet today, the same pattern of senseless slaughter has begun again in Cambodia and the world community remains silent. Lack of publicity seems to be responsible for this gross disregard of infringements on human rights. In an effort to increase my colleagues awareness and to spur them into action to halt these mass killings, I would like to share with them a recent comprehensive column, "The Need to Bear Witness to Cambodia's Holocaust," written by Mr. Smith Hempstone:

THE NEED TO BEAR WITNESS TO CAMBODIA'S HOLOCAUST

(By Smith Hempstone)

An estimated 120 million Americans recently spent 9½ hours watching a four-part NBC "docudrama" detailing the inhuman persecution of Europe's Jews by the Nazis.

A haunting theme running through the portrayal was the indifference of men of good will elsewhere to the fate of the Jews. Some who knew or suspected what was happening didn't care; others simply refused to believe the evidence.

The question on many lips after "Holocaust" was this: Could the extermination of a helpless people take place again without the world rising up in righteous indignation? The answer demonstrably is that it could. Indeed, while we drink our Sunday coffee, another holocaust is taking place today, this time in Cambodia. But it is not chic to be Cambodian, there is no Khmer lobby in Washington, and the public outcry against this policy of genocide is not, shall we say, deafening.

Not a dissident sparrow can fall in Chile, Brazil, South Korea, Iran or South Africa—all ruled by right-wing authoritarian regimes—without touching off a cacophony of indignant accusation and ideological handwringing. But hundreds of thousands of Cambodians can be murdered by a faceless Marxist regime, or simply worked to death in the paddies, without eliciting so much as a peep of disapproval from the Rev. William Sloane Coffin or Jane Fonda.

The campuses of America roiled with protest in 1970 when U.S. troops, at the invitation of the Cambodian government, attacked North Vietnamese units using that country as a sanctuary and staging area. But the draft is a thing of the past, and there are no chanting demonstrators to protest the autogenocide of the Cambodian people by Communist Party leader Pol Pot, who makes Caligula look Jeffersonian when it comes to concern for human rights.

It is true that President Carter on April 21, three years after the fall of Phnom Penh and nearly 16 months after his inauguration, finally got around to castigating Cambodia as "the worst violator of human rights in the world today."

But where was the president for the previous year, when Cambodians were dying by the tens of thousands? Did it really take him that long to learn of "abuses that include mass killings, inhuman treatment of the supporters of the previous government . . . the total suppression of recognized political and religious freedoms, as well as deprivation of food and health care"? Or did he have to see "Holocaust" to be reminded of the "obligation of every member of the international community to protest the policies of this or any nation which cruelly and systematically violates the right of its people to enjoy life and basic human dignities"?

And is that where it stops? Will the president say no more? Will the Congress do nothing? Will we not try to persuade those with influence over Cambodia, particularly the Chinese, to urge the Cambodians to alleviate the slaughter?

Nobody, including Mr. Carter, knows how many people have died since Phnom Penh abandoned to its fate by its U.S. allies, fell to the Communist Khmer Rouge on April 17, 1975.

Western newsmen are not allowed into the death camp known as "Democratic Kampuchea". Cambodia permits only nine nations (eight of them Marxist; the exception is Egypt) to maintain embassies in Phnom Penh. And diplomats assigned to these missions, with the sole exception of the Chinese, are virtually prisoners in their embassies. They are not allowed to travel or to speak to nongovernment Khmers, and their meals are brought to them by truck every day.

It is nearly as difficult and far more dangerous to try to leave Cambodia than to enter it. Border areas have been depopulated to a depth of 25 miles and mined, with patrols shooting on sight anyone found near the frontier. Charles H. Twining Jr., the State Department's principal Cambodia-watcher, estimates that only 1 out of every 5 Cambodians who try to flee survives.

In such a closed society, projections about the number who have died necessarily are based largely on reports by the 15,000 refugees and defectors who have managed to reach Thailand. Refugee accounts always have to be treated with caution: By definition, refugees are prejudiced against the regime, and can only have known what went on in a specific place at a certain time (by the same token and for the same reason, some Americans in the 1930s refused to believe what Jews who escaped Nazi Germany said was going on there).

But the pattern and dimensions of this tragedy are reasonably clear. It appears certain that between 500,000 and 2 million Cambodians, out of a total population of 7 million, have been executed, starved or worked to death, died of disease or been killed while trying to flee over the past three years (600,000 others died during the war, many of them victims of American bombing).

Let us be more charitable to Pol Pot than he deserves. Let us assume the refugees' tales are exaggerated. Take the low figure of 500,000 dead. That means 1 out of every 14 Cambodians has lost his life over the past three years.

If one day Cambodia should again become free, and some Khmer should ask why so many remained silent in the face of this act of genocide, it will not be good enough to say, as some did about the extermination of the European Jews, "I never knew".

In the days immediately after the fall of Phnom Penh, before the curtain of silence over Cambodia, Sydney Schanberg of The New York Times wrote a gripping, eyewitness account of the expulsion of "perhaps 4 million" Cambodians from the cities into the countryside. Neither the sick, the halt, the lame nor the blind were spared this death march, wrote Schanberg, whose account later was confirmed by another eyewitness, the Rev. Francois Ponchaud, author of "Cambodia, Year Zero":

"No one has been excluded. Even the very old, the very young, the sick and the wounded have been forced onto the roads. Some clearly will not be strong enough to survive.

"Hospitals jammed with wounded were emptied, right down to the last patient. They went limping, crawling on crutches, carried on relatives' backs wheeled on their hospital beds."

Like the Jews of "Holocaust," the people of Phnom Penh, its population down from 2 million to 20,000 after the exodus, were not being marched off for delousing and a shower. Their Via Dolorosa led into the jungle, where they were to be put to work without tools, medicine or supplies, carving out new collective farms. Those who could not keep up were clubbed to death by their guards, or left to die of hunger and thirst beside the trail.

Those who survived the death marches found a life of endless toil on low rations awaiting them, with death the penalty for deviation. It was not just Lon Nol's officer corps and their families, the plutocracy, the intelligentsia or even the bourgeoisie who were murdered, athough these, of course, were the first to go. It was anyone who had had the slightest connection with the previous regime, down to the rank of private, anyone who was too old, young or frail to be of service to the state, anyone with enough backbone to protest or question what was happening.

Some Americans find it difficult to believe the enormity of the Cambodian disaster because it seems to have so little logic behind it. What is to be gained by murdering simple people guilty of no crime other than that of having been at the wrong place at the wrong time?

Pol Pot and Deputy Prime Minister Ieng Sary, who are married to sisters, are French-educated Marxists, xenophobes with an abiding hatred for everything Western and everyone associated with the royal or republican regimes, millennialists who seek to create a new, purified Khmerman, freed of the taint of capitalist corruption. And if a million or two people have to die in the process of making human reality conform to their own distorted abstraction, so be it. After all, they have the examples of China and the Soviet Union to guide them in such matters.

Some Americans who are prepared to concede that something unpleasant has been going on in Cambodia these past three years excuse their lack of protest on the ground that nothing can be done to prevent it.

It is true that neither the United States in particular nor the West in general has much influence with Pol Pot's regime, which refuses to accept even humanitarian aid. But Peking does have a certain amount of leverage in Phnom Penh, and the Chinese ought to be publicly urged to use it to ease the reign of terror.

Beyond this, there is the matter of bearing witness. One may not be able to triumph over evil, but one need not remain silent in its presence. President Carter might speak up more than once on the subject. He might instruct Andrew Young to walk out of the United Nations General Assembly whenever the representative of "Democratic Kampuchea" rises to speak. At every time and in every available forum, those who speak for the United States could call on the conscience of the world to condemn those who commit such atrocities. Finally, Congress, as the Canadian House of Commons already has done, might adopt a motion of protest against the policies of this Southeast Asian tryanny.

Perhaps none of this would save lives. But if we do not do something, if we do not try, it will be stark evidence that we still have not learned the lessons of the Holocaust.

As Mr. Hempstone graphically informs us, Democratic Kampuchea has almost totally cut itself off from the outside world since the 1975 Communist takeover. Cambodians welcomed new rulers with expectations of improvements following the war. Instead, the faceless Angkar have overturned Cambodian society in a few short years. Urban centers, the market system, the media, and systems of education, religion, and class have been wiped out. Possibly 2 of the total 7 million population have been murdered ruthlessly in the attempt to rebuild Cambodian society. In addition to these senseless killings, thousands of Cambodians continue to die in border skirmishes with the Vietnamese and the Thais.

I commend my colleagues for their unanimous passage of House Concurrent Resolution 573 on April 25, 1978. In a three-point approach, Congress joined with the President in his condemnation of Cambodia, called on the President to use his influence with foreign countries having diplomatic relations with Cambodia to pressure the Cambodian Government to end these atrocities, and encouraged the President's cooperation with international organs such as the United Nations to halt this disregard for human rights. The recent efforts of Amnesty International to obtain an accounting of activities from the Cambodian Government, Norway, who hosted an international hearing on Cambodia's human rights violations, and CBS, which aired the documentary, "What's Happened to Cambodia?" should also be applauded.

Congress has embarked feverously on a path to end the horrors in Cambodia. This aggressive initiative must not die. I urge my colleagues to remember the lesson of the holocaust and to step up their activities for increased public awareness and all actions within their powers to end this tragedy.●

RENEGOTIATION BOARD STOPS LOOKING FOR MISSING CHICKEN TRACKS; GAO CLAIMS BOARD USED THE WRONG METHODOLOGY AND CLEARS LOCKHEED OF IRRESPONSIBLE CHARGES

HON. CHARLES E. GRASSLEY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

Mr. GRASSLEY. Mr. Speaker, many of my colleagues may recall the banner headlines and sensationalism created by the announcement of the chairman of the Renegotiation Board, Goodwin Chase, before rolling cameras in the Senate Banking Committee that the Lockheed Corp. cheated the Government by overcharging $8 million for steel which was never used to construct warships.

The release of this misinformation was cleverly timed to bolster the Board's request for additional powers and a further extension of the Renegotiation Act. I surmise that Mr. Chase felt that the Lockheed Corp. disclosure of cheating had good press possibilities and the corporation was fair game because of prior difficulties. As my colleagues are aware, the damage to Lockheed's reputation in the intervening 10 months between Chase's allegation and issuance of the GAO report clearing Lockheed is irreparable. The headlines never seem to be as large when the newspapers correct an error, and many people will never know that Lockheed was exonerated.

This is not the first time nor will it be the last that an agency has attempted to manipulate the Congress and the press to increase its powers. But I want my colleagues to remember the denigrating conduct of the Renegotiation Board and its Chairman when the legislation to extend the life of the Board another 3 years is presented to the House for its approval. As ranking minority member of the Oversight and Renegotiation Subcommittee of House Banking, I will assume the responsibility of reminding you.

The text of the Washington Post article follows:

GAO SHIP INQUIRY FINDS LOCKHEED DIDN'T OVERCHARGE

(By Peter Barnes)

The General Accounting Office has concluded that allegations saying, Lockheed Shipbuilding and Construction Co. over-

charged the government about $8 million for steel used to build seven war vessels were "unfounded."

The GAO findings came in a letter to Sen. William Proxmire (D-Wis.), who had asked the GAO to investigate after Goodwin Chase, chairman of the Renegotiation Board, made the allegations a year ago.

Renegotiation Board officials yesterday disputed the GAO finding, insisting that the company a subsidiary of Lockheed Corp., had failed to account for all the steel it claimed was used in the project.

But Bob Stephens, an auditor for GAO, said the Renegotiation Board had used faulty methodology in making its charges.

He also said the amount of steel used in the projects was not a factor in determining the validity of the claims.

The dispute arose over a contract for seven amphibious transport docks ships Lockheed constructed for the Navy. After completing the ships, Lockheed presented claims for an additional $62 million in compensation.

The Renegotiation Board disputed the claim, saying in part that Lockheed had charged the Navy for more steel than it could possibly have used.

In its original claim, Lockheed did not cite a figure for the amount of steel used. But the board concluded through its own calculations that the company had charged as much as 208 million pounds of steel to the Navy project, at a cost of $18.1 million.

Timothy Driscoll, a special assistant for the Renegotiation Board, said the Navy had calculated that the completed ships weighed about 84 million pounds. Allowing for scrap during construction, the project could have required 90 million to 100 million pounds of steel, according to Driscoll. On the basis of those figures, the Renegotiation Board concluded that there was a discrepancy of as much as 117 million pounds.

Lockheed later said it had used roughly 130 million pounds of steel. In its letter to Proxmire, the GAO said it had concluded that the company used approximately 134 million pounds, at a cost of $10.8 million.

"We took the 117-million-pound discrepancy the Renegotiation Board said was unaccounted for and essentially worked it down to nothing," the GAO's Stephens said.

Renegotiation Board officials, however, said yesterday that GAO had failed to examine their complaint properly.

"Even if we use the GAO figure of 134 million pounds, there are 40 million pounds of steel being wasted," Driscoll said. "We know Lockheed bought the steel, but where it went, well, there's no chicken tracks."

Driscoll said the GAO audited Lockheed's purchases, while the Renegotiation Board examined the Lockheed claims. The board's chairman Chase said in a prepared statement, "The GAO audited one set of figures while the board used another."

But Stephens dismissed the criticism.

"We discussed the figures with the Renegotiation Board, but simply found that their methodology was not valid," he said. "We gave them full consideration."

Proxmire said he believes the GAO report is "probably correct."

"The GAO is very careful about things and they are usually right. The board just made a mistake."

Roy Anderson, chairman of the Lockheed Corp., issued a statement saying, "We are extremely pleased that the thorough investigation conducted by the GAO has cleared the air and confirmed the company's positions and the findings of our own internal auditors. We consider the matter closed."

Reluctantly, the Renegotiation Board officials agreed that the matter was closed. "As far as I am concerned, that's it." Chase said. "I don't know what else there is to do. I feel no differently than I did last August, but there is nothing else for us to do."

A similar investigation by the FBI, begun in April 1975, is continuing, however. The GAO told Proxmire that one reason the inquiry took so long was that it had to obtain access to work by the FBI.

FBI information officer Steve Gladis confirmed that the FBI investigation into Lockheed was continuing, but gave no indication when it might be completed.

THE WORLD BANK IN DANGER (I)

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. McHUGH. Mr. Speaker, the Washington Post carried the first of two editorials this morning on the World Bank. Although the foreign assistance appropriations bill is no longer scheduled for consideration next week, it is important for all of us to better understand the work being done by the World Bank and the other international financial institutions.

At the same time, because several Members of the House have already indicated that they plan to offer amendments to reduce funding or to impose various restrictions on our contributions, it is also important for us to understand the basic issues posed by such amendments.

For the benefit of my colleagues who may not have seen this editorial, I am including a copy of it at this point in the RECORD:

THE WORLD BANK IN DANGER (I)

In Mexico, loans from the World Bank are putting tens of thousands of acres of farm land under irrigation to help feed a rapidly growing population. The loans are bringing electricity and safe drinking water, for the first time, to hundreds of impoverished villages. These loans are not, incidentally, charity. They carry an interest rate that covers the cost at which the World Bank itself borrows.

In Cameroon, on the west coast of Africa, a small loan from the World Bank is increasing rice production for some 3,400 families whose income currently averages around $70 a year. The loan is bringing in a controlled water supply, improved seed, fertilizer and—like most World Bank loans—technical advice. This one is a soft loan, which means a minimal interest rate and deferred payments.

In Indonesia, a World Bank loan is buying safe-water supplies for the steamy slums of Jakarta. Over the last generation the city's population has shot from half a million up to 4.5 million, most of it having no sewage service whatever. The loan is also building communal toilets, paved footpaths and schools.

The World Bank is now the main conduit of development aid from the rich countries to the poor. Because the World Bank is a tough and careful lender—none of its loans has ever been defaulted—it is also a catalyst for large loans from multinational commercial banks. The North-South relationship, measured in the actual flow of cash, runs through the World Bank's massive building at 18th and H Streets NW. It now lends $8.5 billion a year—compared, for example with the United States' annual outlay of some $1.2 billion a year in direct country-to-country development aid.

Most of the bank's money comes from the bonds that it sells in financial centers like New York. It can borrow more cheaply and surely than poor countries with shaky currencies. But like any other bank, it requires a basic fund of capital that is the lever for all the rest. The capital is contributed by the governments of the rich countries, of which the largest, and the leader, is the United States. This country now provides only one-quarter of the annual capital requirement. But if it defaults on this commitment, the whole World Bank structure may well collapse.

The United States' contribution this year is in great danger. President Carter asked Congress in January for $3.5 billion for the World Bank and the smaller regional development banks. The House Appropriations Committee has cut it to $2.6 billion. Next week the bill is scheduled to come to the House floor, where there will be a series of attempts either to cut it further or to attach crippling political conditions to it. The bill's prospects were uncertain even before the California tax referendum threw Congress into its present panic. But it would be squalid for a country with an average family income of $18,000 a year to cut its taxes by eliminating aid to countries where the average is a few hundred dollars.

Beyond the obvious moral issues, there is the sharpest American self-interest in keeping the World Bank in business. The dilemmas of a rich country bordered by poor ones are illustrated by the steady stream of illegal immigration into the United States. Americans know that it cannot be stopped without resort to unacceptable police methods. Americans also understand that the real remedy is greater opportunity for poor Latin Americans in their own countries. The principal means of providing that opportunity is the World Bank.

Americans also know that their foreign-trade deficit is getting steadily worse. Part of the solution lies in expanding exports to the developing countries—but the rate at which they buy American goods depends on the rate at which they develop. U.S. exports to Latin America have nearly doubled over the past four years, but it takes capital to keep that process going. The case for development aid rests not only on the needs of the poor countries, but on those of the rich as well.

(This is the first of two editorials on the plight of the multinational lending institutions.) ●

AMERICAN SUBCONTRACTORS ASSOCIATION

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. BRODHEAD. Mr. Speaker, next week, members of the American Subcontractors Association of Michigan will be celebrating the 10th anniversary of the founding of this fine organization. I salute them on this landmark occasion.

The construction industry is an integral part of our national economy, and subcontractors comprise a vital part of the industry. There are about 90,000 people employed in Michigan's construction trades. Some 80 percent of these skilled craftsmen are employed by subcontractors. In addition, subcontractors are responsible for completing about 80 percent of the construction work in the country.

In light of the major contributions that are made by subcontractors, I hope that my colleagues will join me in honoring this group as it begins its second decade of service.●

SUPPORT FOR THE NEIGHBORHOOD REINVESTMENT CORP.

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. GRADISON. Mr. Speaker, I want to express my support for the Neighborhood Reinvestment Corp. and to share with you some of my personal experiences with NHS of Madisonville, a Cincinnati neighborhood.

Madisonville NHS has been in operation for approximately 4 years and during that period it has done an outstanding job of turning around the Madisonville neighborhood and making it a community which all of its residents will be proud of.

The cooperation of the residents, lenders, and the city, coordinated through the efforts of the Madisonville Housing Services, Inc., resulted in an improvement of the quality of life in Madisonville. For example, 3 years after the establishment of the Neighborhood Housing Services, Madisonville issued $3 million in building permits for home improvements compared to only $300,000 worth of permits issued 3 years prior to the Neighborhood Housing Services formation. In addition, other notable improvements included a significant reduction of crime, better quality of schools, and acceptance of uniform door-to-door code inspection, which resulted in less fire-prone homes. An even more dramatic effect of the Madisonville project was that for the first time in Cincinnati history, a unique partnership between financial institutions and the public and private sectors worked to achieve the common goal of community improvement. This was made possible by the Neighborhood Housing Services concept.

As a result of NHS—and the hard work of Madisonville residents—Madisonville has become one of the most desirable communities in the city.

Based on my obesrvations and experiences, I believe that these results can be replicated elsewhere by the commitment of additional funds, so long as the neighborhoods are selected with care and the local community is actively involved.

The bill recognizes that the present informal, voluntary association has worked well during its 3 years of experimental operation; however, that continued expansion of the task force's activities beyond the current demonstration funding requires an outgoing organizational framework and a long-term funding mechanism.

The Neighborhood Reinvestment Corp. will provide for the development of NHS programs without any sacrifice in program quality, while also permitting the continuation of the task force's work in the discovery and replication of neighborhood preservation projects.●

IRONTON MEMORIAL PARADE ONE OF NATION'S OLDEST

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. MILLER of Ohio. Mr. Speaker, I would like to bring a significant matter to the attention of the House of Representatives that relates to the Memorial Day this Nation has just observed.

For several years, I have had the honor and privilege to participate in the Ironton, Ohio, Memorial Day ceremony and parade—a parade which, in 1978 was held for the 110th consecutive year.

I am bringing this particular parade to the attention of the Congress because it is believed to be the oldest continuing Memorial Day parade in the Nation. As such, it deserves special recognition.

Shortly after the close of the Civil War, the widow of a Confederate officer suggested that a day be set aside to place flowers on the graves of soldiers who had died in battle. In 1868, Gen. John A. Logan, national commander of the Grand Army, issued an order establishing May 30 as Memorial Day. On that day in 1868 citizens of Ironton upheld the order and included a parade in honor of the Civil War dead as part of Memorial Day ceremonies. The parade has continued ever since, marked by excellent cooperation by civic organizations and community leaders whose combined efforts have made the day's ceremonies one of the most memorable and moving in Ohio.

It would be impossible, of course, to give proper recognition to all who labor to make this parade a success. It is apparent that a variety of community clubs, civic organizations, military units and public service organizations cooperate annually to assure the continuation of the parade. I would like to thank all those on the parade committee and the trustees who have kindly included us in the Ironton Memorial Day observance.

It is gratifying to know that for more than a century Ironton has placed a high priority on honoring those who have fought for America in wars spanning the globe. We owe those who have served a debt of gratitude. Ironton has not forgotten, and it is only fitting that we not forget a city which annually remembers others.

The grand marshals who have presided over the Ironton Memorial Day parade over the past 50 years include:

1929—Jim Hunter.
1930—Frank B. Pratt.
1931—Dr. G. G. Hunter.
1932—Fred D. Davis.
1933—Dr. G. G. Hunter.
1934—T. J. Miller.
1935—J. O. Swain.
1936—Dr. G. G. Hunter.
1937—Leo Brumberg.
1938—Lester Trumbo.
1939—Henry Woolum.
1940—John F. McGowan.
1941—Carson Minard.
1942—C. E. Mayne.
1943—(None Available).
1944—F. B. Davis.
1945—Ralph Mittendorf.
1946—John Boll.
1947—Dr. C. A. Casey.
1948—Earl Kesterson.
1949—Fred Dennin.
1950—Lewis Bryant.
1951—Charles Collett.
1952—Albert Keys.
1953—Carlton Davidson.
1954—John R. Davis.
1955—Forrest Everhart.
1956—Don Mayne.
1957—Gene Smith.
1958—Chester Spicer.
1959—Robert Ridgeway.
1960—Joseph Banker.
1961—Doyle DeMarco.
1962—John Tordiff.
1963—Harold Cox.
1964—Roy Henry.
1965—Lloyd Moore.
1966—M. D. Fortune.
1967—Reynold Green.
1968—Harold Spears.
1969—William Douglas.
1970—E. J. Deere.
1971—Robert Crockrel.
1972—Walter Kesterson.
1973—Fred Hamra.
1974—Hugh Irwin.
1975—Verl L. Smith.
1976—Robert Griffith.
1977—J/Sgt. Ret. Norm McComas.
1978—Connie Gearhart Smith.●

DAN COLLINS, LA PALMA CIVIC LEADER

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. PATTERSON of California. Mr. Speaker, the city of La Palma, Calif. has chosen Mr. Daniel Collins as its Outstanding Citizen for 1978 and will honor him on July 2, 1978.

Dan served on the La Palma City Council from 1972 to 1976. He has also served on La Palma's Development Committee, the City Central Park Land and Acquisition Committee, La Palma Chamber of Commerce, Orange County Vector Control District Property and Building Committee, Orange County Intergovernmental Coordinating Council, Orange County League of Cities, and the Orange County Criminal Justice Council.

Dan has not limited his involvement to city and county government projects. He has been a driving force in the Kiwanis Club, the La Palma Homeowners Association, and the La Palma Bicentennial Committee.

Dan was born in San Antonio, Tex., in 1932 and moved to southern California in 1956, after serving 7 years with a U.S. Navy construction battalion. The Sea-Bees, known for their motto of "Can Do" when confronted with a difficult problem, provided Dan with the optimism and enthusiastic attitude that has guided his

life. No job has been too large or odds too insurmountable for Dan Collins. Nor has any job been too small to merit Dan's attention and assistance.

Dan has been my friend for many years as well as a friend to many Orange Countians. I urge my colleagues to join me in recognizing and congratulating Daniel Collins as La Palma's Outstanding Citizen for 1978.●

A LIBERAL

HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. SISK. Mr. Speaker, many times, people who fancy themselves as being "liberals" in the political spectrum appear to feel that they must vote against business interests on every matter where there is some kind of a conservationist or social issue involved. I believe this is unfortunate, because this leaves the impression that you cannot be a liberal and still vote for business. A doctrinaire attitude toward business and the free enterprise system—which recognizes that the profit motive is the driving force which makes the American machine run—can only work to the long-term detriment of the country.

This week, an interesting statement along these lines was printed on the editorial page of the Washington Post. It was a quotation from Jack Valenti, a friend of many here and a man whose pedigree as a liberal is beyond question. Because of the importance of what Mr. Valenti had to say, I insert his statement in the RECORD:

A LIBERAL

(From the remarks by Jack Valenti, president of the Motion Picture Association before the Harvard Business School Club.)

My experience tells me that an elected authority whose objectives are the same as Isaiah's creed would come closer to enlightened governance than anything else: "Learn to do well, relieve the oppressed, seek judgment, care for the fatherless, plead for the widow."

As a specific example, the only way to truly correct the offensive and humiliating problem of black teen-age unemployment is through the private-business sector and not government-ordered jobs. Simply designing incentives to businessmen to make it useful and profitable for them to encourage, train and employ the hard-core unemployables will do more . . . than anything to be dreamed up in the endless corridors of official power.

I am neither a Republican nor anti-government nor stagnant cynic. I am a liberal Democrat who believes devoutly in the worth and common sense of the individual. In my judgment the largest asset of America is the very one that is so easily squandered. It is the enterprising entrepreneur, the risk-taker, the competitive antagonist, the builder of plants and factories, the creator of new enterprises and the expander of old ones, the people who make better mousetraps, cheaper and faster.

If our economy is not strong, we will have neither the zest nor the vitality for other adventures, however useful and attractive they may be. Our economy is strong only if there is work to be done and jobs to be filled. And there is work available only if some men and women have the zeal and courage to risk their imagination, their energy—and their capital—in the marketplace.●

ENDANGERED SPECIES ACT

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. RUPPE. Mr. Speaker, on June 15, 1978, the Supreme Court resolved the so-called snail darter controversy in favor of the 3-inch variety of perch. Specifically, the Court in TVA against Hill declared that once a species has been determined to be endangered, the Endangered Species Act requires that such species' critical habitat be protected at the expense of all other Federal projects. No matter that a Federal project may have been started years ago, or that the Congress has appropriated funds, subsequent to the listing of the species in question as endangered, or that stoppage of the project will result in many millions of taxpayer dollars being wasted.

I do not quarrel with the Court's interpretation of the law. Indeed, it is difficult to envision any other result when one takes the time and effort to closely examine the statutory language. I do, however, take issue with the underlying law. I believe that where an irreconcilable conflict between the habitat of endangered species and a Federal project is found to exist, there should be room for public consideration. Since the Congress is responsible for the writing of the Endangered Species Act, I believe it should take the initiative to amend that law.

Therefore, I am introducing legislation, which is modeled somewhat after a measure sponsored by Senators BAKER and CULVER, to amend the act. My bill would establish an Endangered Species Committee, composed of the Secretary of the Smithsonian Institute as chairman, and the heads of the Council on Environmental Quality and the Environmental Protection Agency as members. The Secretary of the Smithsonian is designated chairman because of that agency's scientific resources and quasi-independent status. This committee would be authorized to grant exemptions to Federal projects from the strictures of the Endangered Species Act in very limited circumstances.

An exemption would be granted only if (i) there is no reasonable and prudent alternative to the project; (ii) the project is of regional or national significance; (iii) the benefits of the project clearly outweigh the benefits of alternative courses of action that are consistent with conserving the species or the habitat; and (iv) the project is in the public interest. Finally, in order to insure that the exemption authority will be exercised sparingly, there must be unanimity among the committee members.

I ask my colleagues to support this balanced legislation.●

MY VISIT TO CHINA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. MICHEL. Mr. Speaker, a little more than a month ago I made a trip to mainland China, the first time I have ever visited that nation. In a period of 2 weeks even the most observant traveler can learn a fraction of what should be known about that vast land and its people. I was therefore delighted to read the recent series of articles concerning China appearing in the Peoria Journal Star. Mr. C. L. Dancey, that newspaper's editor also traveled to China for a 2-week visit and his impressions are vividly and memorably reported.

I know that reading Dancey's dispatches helped me to better understand incidents and events I myself had experienced while in China and gave me the chance to see China once more, this time through the eyes of a disciplined and trained journalist. I found the articles informative and enlightening and I want to place each of them in the RECORD during the next week or so.

At this time I would like to insert in the RECORD, the first installment of "Journey to China" by C. L. Dancey, Peoria Journal Star, June 11, 1978, and the editorial "The Weakness of Words":

THE WEAKNESS OF WORDS

A trip to China reminds one of an important fact of life, and one we need to keep at the top of our consciousness in trying to deal with the problems of the world—or the town. That is the simple fact that words are inadequate

I had read more than 35 books about China, old and new. (That's not many. It's the shortest bookshelf I have. It's my business to learn as much as I can about as many places and things as I can—and there is less available about China than most.)

But 35 books or 350—I really didn't know anything about China.

What possible difference could two weeks make, then?

Not much. But it does bring the books to life.

I have never travelled to find "news." I have travelled to discover the basic background and the frame-of-reference upon which any reliable book study must be based.

Words are fuzzy things, with generalized and imprecise meanings.

All the clear concepts we draw from words are filled out and made clear by our built-in computer system. It fills them out, however, according to the data previously programmed. And that base data was collected from our own personal past experience.

If we speak of The Car, it is specific because we know The Car, specifically—faded color, every dent, and just how it responds (or doesn't) to each button, pedal, shift bar and the wheel. But when we speak of "cars" by description only, color, manufacturer, model and all the rest still leave us nothing as precise as The Car We Know.

Then, consider how shaky our understanding would be when only faced with a description if we had never seen a car. What odd ideas we might form from a background only of knowledge of a wagon, a stagecoach, or a surrey?

One has to learn to shift gears mentally into a different basic background to comprehend what many of the words we read actually mean when they are about other peoples, other systems, past history, and widely dif-

ferent situations in our own society. For it is in the even fuzzier matter of human society that our short-cut—words—can be misunderstood and translated into our own images instead of those the writer actually had in mind.

Yet, this short cut is critical to cope with the incredible assortment of subjects with which we are confronted in the modern world.

So, what the heck. You do the best you can—but it is a little better if you just remember the basic handicap, if you, at least, try to recognize this thing called a "frame-of-reference"—the particular window from which we happen to get our view of the passing scene.

The angle of sight makes a difference in what he think we see.

If you can find the other guy's paradigm, you will understand him better and learn from his more accurately, and drift less far out on your own sea.

That is why "a little learning is a dangerous thing."

So, as you read the news of the world—and editorials about it—remember the need to question the meaning of words that you might otherwise take for granted.

The ability to fill in the gaps in our own way permits us to believe just about anything we want to believe . . . but if we want to believe the truth whatever it turns out to be, we must discipline ourselves to seek out the other guy's intentions—his concept of those words and their meanings—his frame of reference.

The most frustrating thing in editorial writing is recognizing that one can only try to make this point—with weak words.

JOURNEY TO CHINA

(NOTE.—Journal Star Editor Charles L. Dancey and wife, Nina, have just returned from a two-week tour with the first group of general tourists to enter the People's Republic of China. Here is the first in a series of stories on what they found there.)

This time, instead of traveling "free" I went on a regular organized tour, for once,—and it started out on a slightly ominous note.

In the Peninsula Hotel on Kowloon in the British Crown Colony of Hong Kong, the tour director advised our newly mustered group that this was a "test tour." None of the people running it had been over the ground before, nor had they gleaned much from attempts to consult with the Red Chinese travel officials.

"We really don't know what to expect," he said. "Everything is up in the air and in the hands of the Chinese. We don't know where we are going, by what means or what hotels we'll be in. It's totally unpredictable."

The only thing they knew for sure was that China is opening up a good bit this year. Pan American World Airways made a deal to bring in 2,000 Americans and was just starting (two days behind us) to haul in its Clipper Club members in very large tour groups.

Special groups—doctors, journalists, business people—have been going for some time with specialists in their own field as guides to their own special places. Northwest Orient was also invited by the Chinese to open some traffic.

We were their first group, and it was a different experiment—simply tourists—from all walks of life and all over the country. A kind of "All-American" tour group of just 47 people.

Nina and I had latched onto that one We had somebody who would know something about everything we might see—a doctor to look knowledgably at Chinese medical practice, a couple of farmers, Vic Traenkenschuh from Caterpillar who would know what he was seeing in heavy industry plants, a couple of school teachers, including Doris Stone (Mrs. Billy) from Illinois Central College, etc.

One journalist.

A word about that later.

There were five of us from Central Illinois, Doris Stone, the Traenkenschuhs, Nina and I—nearly a record. There were three couples from New York. Overall, we came from New York, Detroit, St. Louis, Minneapolis, Spokane and Chicago, and we came from places like Paw Paw, Mich., Waterloo, Iowa, from Kalamazoo, from Goshen, Indiana, from Tyler, Texas—and five from Peoria . . two of whom were really going from Pekin to Peking.

Just before we set out to take the short train ride to the border, and walk across the bridge into Red China, an official of the airline called me aside.

"I don't want to alarm you," he said, "but I think I ought to tell you that in the liaison meetings with the Chinese regarding bringing this group in, their first order of business was to go straight to your name on the list—and your profession—and to question us about your presence."

He shrugged.

"I thought I'd better tell you. You might get a little extra attention, of one kind or another."

Things didn't get much more promising as we were bundled onto a train at Shumchun and rolled across country to Canton, where we got a fast bus ride through the city, and plunked promptly onto a China Air DC-something and were flown to Peking—where we had a late evening meal while officials huddled to find us a hotel.

It was a little disconcerting to find that they had no space reserved. We had already heard about some Chinese hotels.

Late that night, a bunch of tired travelers landed at the "Friendship Hotel" which was really the former compound for Russian technicians in the days when Moscow and Red China were buddy-buddy.

The accommodations were said to be very primitive. I don't know. Nina and I and a handful of others were in the "overflow" from the hotel, which meant a small walk in the rain, but ended up in a comfortable suite of rooms instead of the cramped quarters others complained of—with a thermos of hot water and the makings for tea, fruit, and warm beer awaiting us in the rooms. We had a decent bathtub, oversized, and with that rusty discoloration—but all very clean, and on the whole rather charming in an old colonial way

There was a study complete with a large desk, a large sitting room and a large bedroom.

In the morning we found it a very large compound, indeed, with many buildings. It looked like a campus—except that it was surrounded by a ten-to-twelve-foot brick wall. It had heavy gates and a young man in a People's Liberation Army uniform, complete with pistol, standing outside a guard room at the gate.

We rose early, naturally, eager for what the day would bring. Nina and I immediately saw folks exercising in the "quadrangle" in the center of the "campus." There was Chinese shadow-boxing, the slow motion exercise called Tai-chai, or something like that. There was an odd mixture of those practicing the ancient Chinese art slowly and gracefully and the "modern" group jogging around the inner court, with a little bit of about everything in between.

That part stimulated us—but on the whole, the early stages were less than promising in many ways. For that reason, especially, much of what followed came in a series of exhilarating surprises.

What struck me first was that signs were often in both Chinese and English. This proved to be true throughout our stay, wherever we went—and *no other languages*. These included signs such as "Bicycle Park" and others clearly not for the convenience of tourists.

It reminded one that English is the nearest thing to a universal language this planet has—even for the convenience of a Communist China that had no relations with us for a generation.

What struck us all was the friendliness of the Chinese—official and unofficial and spontaneous. They were not just polite. There was real warmth wherever we turned, quick smiles, helpfulness, humor and a relaxed attitude.

Most of us had been to Russia and tended to make a quick comparison. Here the guides and officials were relaxed, had a sense of humor, and did not get up-tight at wild American tourist photography of questions.

The real extremes of "people on the street" reactions were still to come, but the first quick burst of warmth for Nina and I came with the discovery that we came from a town in Illinois named Pekin.

Besides Miss Chang, the interpreter, two officials of China Travel joined us—Mr. Hsieh and Madame Chin. All three were Peking-based, and they laughed aloud at the discovery of an American Pekin that still uses the Imperial Dragon (not exactly a popular symbol these days in the People's Republic) on its police cars, police patches, and city flag.

"We are all Pekinese!" announced Madama Chin.

And that's the way they treated us—but the people of the streets and especially of the provinces we were later to visit treated us like something else—visiting royalty, or Pandas from the zoo!

We were to travel hundreds of miles by train and bus across the unbelievable Chinese countryside with its armies (and sometimes its Regular Army) of people doing backbreaking labor in the fields, its fortress communes, factories, and villages.

We were to be mobbed in the streets of Tayuan, the capital of what was described as China's "wild west" a few years ago—Shansi Province—and visit schools, clinics, a major hospital (of the Army, itself!), a neighborhood commune, workshops, a heavy industry factory, a cotton mill, a farm commune, department stores, food markets.

We were to see Chinese basketball, play ping pong with Chinese kids, attempt to put on a Frisbee demonstration in Shichichuang, see Chinese comic opera and movies—and, of course, to see the Forbidden City and the Great Wall and the Summer Palace and the Ming tombs.

It was two weeks of "total immersion"—and lasted two days more than the original "contract" . . because we had difficulty getting air space to leave.

We collected an incredible amount of misinformation partly because we asked "absolute" questions and they obliged usually with absolute answers. Some were sometimes totally contradictory as to such simple facts as "Sunday off." I am certain that in a land of 900,000,000 people there are very few absolutes, in fact.

But what we saw, we saw. And what happened to us, happened.

That's the part I will try to tell, one special atmosphere and activity at a time.

FROM PEKIN TO PEKING

(By Nina Dancey)

Since Chuck and I returned from Red China, the first question friends have asked, of course, is "Did you have a good time?" And of course, I answer . . . "Yes. Yes, indeed."

But my answer covers a different kind of "good" than when I have answered that about any other trip. Not only did we travel half-way around the world, we travelled into

a different time-slot—into an old fashioned modest time—a different attitude toward life.

But before this visit with you is begun, I need to make it clear that I am not a writer. My efforts here will simply be to tell you as openly as I can how things over there stuck me . . . how they struck my eyes, and, of course, my ears, my taste buds, my stomach—and nose—my mind, too—sometimes, my heart.

Since each of us approachs every experience through our own personal door, our either "half-full" or "half-empty" approach to life itself, what I say may differ greatly from what another person on this same tour might report about the very same incident. Remember that, please, as you read my "notes."

The next most common question has been: "Weren't you afraid to go?" Never. Truly, never once did I have a moment's feeling of fear about the trip. I think the only thing I dreaded was that 14-hour flight from San Francisco to Hong Kong. That's a long time to be "confined."

But, you know, even that worked out in a helpful way. We left San Francisco at 4:30 p.m. on Wednesday, May 10, and we flew for 14 solid hours and landed (by my watch) in Hong Kong (or Kowloon, really) on Thursday morning, May 11, at 6:35 a.m. Pacific Daylight Time.

But no, it was actually 9:35 p.m. Thursday. We had lost a day crossing the International Date Line. It was a blessing. It afforded us two consecutive nights—a restless one on the plane and one in a lovely bed in the beautiful Peninsula hotel in Kowloon.

We left for the border on Sunday morning at 8:32 on a train from Kowloon to Lo Wu. We walked across the brdige into (Red) China at 9:55 a.m., but it wasn't until after our passports were inspected that we passed through the gate in the People's Republic of China at 10:16 a.m.

In a large railway station at the border, we were served tea after receiving a warm washcloth to wipe our hands and faces. As we then walked from our waiting room, we passed many small waiting rooms in which tea was being served and in which linen covers were on the tables.

One room, filled with soldiers, had a beautiful embroidered linen cloth on the large table. In a railway station! We waited in the largest room, and there, again, lace doilies on everything—lace curtains blowing in the breeze on the high windows, and tea was served to us on coffee (or tea?) tables in front of each couch.

The cups were unusual in that they were larger than the normal teacup we know—almost mugs—and yet they were not heavy and each had a graceful lid to steep and keep the tea hot. Many of us tried to purchase such lovely covered teacups to bring some home but couldn't find them anywhere.

Many of us took advantage of the restrooms in the station as soon as we arrived. In the ladies' room which had modern fixtures, there was a sign in English on one door—"The toilet is repairing." (It was obvious the toilet could only read Chinese.)

Our first serious bout with chopsticks was in the railroad station where we were served our first truly Chinese dinner at tables of ten in a large private dining room.

It's funny now to remember how embarrassed and foolish most of us seemed to feel at that first chopsticks dinner. They really are tricky, you know, if you've never used them. But, before many days passed, we were picking up those chopsticks and using them without even thinking about it. Oh, I never got good at it, but you really don't give it a thought. If you asked for western service, of course, they would bring you a knife and fork.

We left the border for Canton at 1 p.m.

I haven't ridden on a train at home in a long time, but I know we don't have lace doilies on the backs of the seats, and lace curtains on the windows, any more. They do in China.

Music was piped into our car which had two ceiling fans that made it very comfortable. During the ride we were served tea—there were gallons more of it to come—in those charming covered cups.

We travelled through the most beautiful, planted countryside I've ever seen. One needs to be a real writer to find the words to describe this southwestern garden part of China. The rice was being planted. What a backbreaking job that must be!

Every bit of flat land is planted, and when the ground isn't flat—the Chinese make it so, terracing it—little tiny scraps of land planted in neat rows. The beautiful fields kept us oohing and ahing as each mile brought new beauty and the little lids on our tea cups tinkled a little tune as we slid smoothly through this giant Chinese garden on our way to Canton.

AN INDEPENDENT THINKER

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. STARK. Mr. Speaker, how refreshing it is to hear from an independent thinker. A person who is not afraid to speak his mind, who is willing to take positions which are not always in his own personal best interest, who challenges his peers to think, who is the converse of the "me-firsters." I would like to share with Members of Congress a letter I recently received from such a person. I might not always agree with him but surely this letter is worthy of the attention of the Members:

DEAR MR. STARK: I have just received my copy of the National Treasury Employees Union Bulletin urging me to write to Congress and to oppose "Civil Service Reform."

On the contrary I support it. I doubt that any employee really doing his or her job needs to be concerned. From my own 30 years experience I would say reform is badly needed. It takes too long and too much red tape to fire an incompetent. No matter what system is devised, there will always be a certain amount of cronyism.

They are asking for full collective bargaining rights for Federal Employees as set forth in H.R. 9094. I am against it. The State Legislature permitted some public service employee groups modified bargaining rights several years ago. I have been appalled at their behavior. I have always felt working in the public sector a privilege, not a right. You hear public employee groups complaining at times they are being treated as second-class citizens. This is verbal garbage. In essence, they want the best of all possible worlds. I am for education but these tax credits you have passed is another bad move. Our national debt is a scandal and becoming worse. There are far too many in Congress using laws as a cover to promote their dogma and religious self-interest.

Another area of concern to me is the public pension systems. The City of San Leandro takes one-third of the Revenue Sharing money it receives each year to plug the deficit in the city pension system. They need to increase the employees contribution or reduce the benefits to make it fiscally sound. I feel the Federal Civil Service Retirement System should be merged with Social Security. The employee groups are going to fight every change. If you give in to them, we are lost. What was once a homogeneous society now seems to be breaking up into many parts. Parts of the problem to me is the failure to recognize one of the worst of human vices, greed.

I know you did not agree with the voting last Tuesday. I do feel the people will support all moves to make us fiscally sound. It might be advisable for the Congress to find out why, according to today's Gallup Poll, they are at the bottom of the totem poll in public opinion.●

SECOND ENSHRINEMENT OF NOMINEES IN THE GALLERY OF DISTINGUISHED BLACK NEWSPAPER PUBLISHERS AT HOWARD UNIVERSITY IN OBSERVANCE OF THE 151ST ANNIVERSARY OF FREEDOM'S JOURNAL

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. MITCHELL of Maryland. Mr. Speaker, the Black Press of America is now in its 151st year of existence. Since Freedom's Journal, the first newspaper to be published by men of African descent in the United States, appeared on March 16, 1827, blacks have made exceptionally outstanding contributions to the field of journalism.

It is my pleasure to share with you and my other distinguished colleagues the remarks of Mr. William O. Walker, editor-publisher of the Cleveland Call and Post and the acknowledged "Dean of the Black Press of America," delivered March 17, 1978, to the National Newspaper Publishers Association at the National Press Club, Washington, D.C. The occasion was that of the second enshrinement of nominees in the gallery of distinguished black newspaper publishers at Howard University and in observance of the 151st anniversary of Freedom's Journal. The tribute to this Nation's black press is one of the many ongoing public and community services generated by the Delta Phi Delta Journalists Roundtable, an organization of former officers and members of Delta Phi Delta Journalistic Society (an intercollegiate society of student journalists, organized at Morehouse College, Atlanta, Ga., 1937). The text of Mr. Walker's comments follow:

Mr. Chairman, distinguished guests at the head table, members of NNPA, and friends of the Black Press of America: My visit to Washington today is a nostalgic one for me. I have many fond memories of my publishing experiences here, beginning in 1921.

Perhaps that is why I have selected the topic of my talk:

"Don't Order The Coffin Yet—

The Corpse Is Still Alive."

The Black press is alive and crusading today, although, in these 151 years, it has died a thousand times, but never interred. It is the most durable, unpredictable element in Black life. Its greatest strength, is in times of crisis. It has been the incubator of Black writing talent; the spawning

ground for distinguished public careers; the work horse of the civil rights movement; and one of the most respected and dependable tools in our flight for freedom and justice. In our flight for freedom, the Negro press is always at the point of the wedge.

The North did not outright embrace slavery, but, with few exceptions, it denied the Black man all the essential ingredients of human rights and real freedom.

John Franklin Hope, noted Black historian, in his Jefferson Lecture in the Humanities, in San Francisco, 1976, made these observations: "For three centuries the people of this country have been greatly absorbed with questions related in one way or another to racial equality. . . . It is difficult to imagine or to assess what experience of three centuries of inequality has done to Negro Americans . . ." Dr. Franklin then pointed out that: "For the entire life of this nation an effort has been made to divided equality—to create a social order in which equality was to be enjoyed by some on the basis of race and denied to others because they did not belong to that race; and it has not worked."

Against this kind of racist background, John B. Russwurm and other associates, realized that the Negro had to have a voice. A cutting tool. So, on March 16, 1827, Freedom's Journal was born in New York City. From that day on, the Black press has been the step-child of American journalism. Every foot of progress we have made in these 151 years, have been over the hostility and discouragement of our white brother publishers no matter how liberal they have pretended to be.

In his first editorial, Russwurm said: "We wish to plead OUR Cause. Too long have others spoken for us. Too long has the public been deceived by misrepresentation in things which concern us dearly."

Then, with prophetic wisdom, he said: "The civil rights of a people being of the greatest value, it shall ever be our duty to vindicate our brethren when oppressed; and to lay the case before the public."

These two great principles have been the foundation stones of the Black press ever since.

It is true, the white public, including most of the white news media, over the 151 years, have deliberately tried at times to ignore, and at other times, to destroy the Black press.

The late Chief Justice Charles Evans Hughes said: "The people cannot judge wisely without being informed . . . and misinformation is the public's worst enemy."

Despite the efforts of the Black press during all of these 151 years, the white world is still badly misinformed about us.

It seems as if white America thinks that, if they ignore the Black press, it will just go away. But here we are—151 years of struggling against great odds.

Frederick Douglass, in starting his newspaper in 1849, said: "In my judgement, a tolerably well conducted press in the hands of persons of the despised race, would, by calling out and making them acquainted with their own latent powers; by enkindling their hope of a future and, developing their moral force, prove a most powerful means of removing prejudice and awakening an interest in them."

Martin B. Delaney, one of the pioneer editors we enshrined last year, gave this direction in 1874 to the Black press: "I do not intend to lower my standard of manhood in regard to the claims of my race one single step. I do not intend to recede from the rights that have been given us by a just Congress one single hairbreadth; but I do intend to demand the same equal rights and justice to every citizen, black and white—and upon this line I will fight it out if it takes all winter."

At a later year, further directions were given the Black press by Dean Kelly Miller of Howard University, who said: "The people who fail to produce their own spokesman can hardly convince the world that they feel a deep-seated sense of injustice and wrong. The man who feels the wound must utter the cry."

Down through the years each succeeding generation of Black publishers have reechoed the sainted words of Russwurm: "We wish to plead our cause. And, this is exactly what the Negro publishers are doing today. This is why every attempt to kill our press, has failed. Each Black paper crushed to the ground, sprouted new roots and arose again and again, growing stronger with each resurrection."

Frederick Douglas once said: "Negro freedom was born in the tempest and whirlwind of war, and has lived in a storm of violence and blood."

Well, we can say the same of the Negro press.

Delaney said there was "all kinds of power. There was the power in the vote, power in the muzzle of a gun—and there was the power in the printed word." In America, we have opted for the printed word.

This is why perhaps Robert T. Kerlin, in his book: "The Voice of the Negro," said: "Those who would honestly seek to know the Negro must read his papers. It is in them the Negro speaks out with freedom and sincerity, with justice to himself, for there he speaks as a Negro to Negroes, and he is aware that the white people do not so much as know of the existence of his papers."

Thousands of budding, hopeful and adventuresome editors have started Negro newspapers only to find it a rocky, turbulent and costly venture. More than once Douglass' plant was threatened by mobs. For those of you who think that all the dangers of publishing a Negro newspaper ended in the pre-Civil War era, let me remind you that this was not so.

In North Carolina, in the city of Wilmington, in 1878, at a meeting of "Red Shirts," the day after the elections, a resolution was passed to employ white labor; to banish the Negro editor of The North Carolina Record, and to destroy the Record's printing plant. More than a dozen Negroes were killed out of hand that very night and, before the fury had spent itself the following day, 23 Black men, women and children were shot, stabbed and beaten to death.

In 1917, in Pine Bluff, Ark., Chancellor John E. Elliott issued an injunction restraining John D. Young, Jr., Negro, and any other parties from circulating The Chicago Defender in Pine Bluff, or Jefferson County. In Athens, Ga., in the twenties, John Lee Eberhardt, a writer for The Philadelphia American, was arrested on the pretext that he was connected with the murder of a white woman. He was taken out of jail by a mob and burned at the stake. It was agreed that the real reason was a warning against selling Negro newspapers. In Somerville, Tenn., during the same period, the white people issued an order that no colored newspaper could be circulated in the town, but, that every "darky," the petition read, must read The Falcon, a local white paper edited by a Confederate veteran.

There are many instances of shipped papers never delivered, of interference with the selling, editing and publishing of Negro newspapers that I could recite. Daisy Bates, with her newspaper was the hero of Little Rock despite all the violence leveled at her plant and home. Suffice it to say, all persons opposd to Negro rights and freedom, are also violently opposed to the Negro press.

Once given the opportunity of expressing themselves in print, Negro talent began to emerge from the dark night of oppression. Gunnar Myrdal said: ". . . the Negro press is far more than a mere expression of the Negro protest."

Yes, the Negro press offers our people opportunities for expressing themselves in public print. The North Star gave Douglass an opportunity to write. Back in 1883, in the little town of Great Barrington, Mass., a shy Negro boy of 15, who attended an integrated school in his community, wrote a news dispatch to the New York Globe, a Negro newspaper. He followed this up with other dispatches, and soon he was a regular correspondent for the paper. This lad of 15 with this budding talent, was named Willie DuBois. He is remembered today as the great scholar W. E. B. DuBois.

The names of those who got their first big opportunities in the Negro press, or, who found in the Negro press the aid and protection they needed for their expressions, would be a veritable who's who of Negro leaders. James Weldon Johnson, Claude McKay, Langston Hughes, Zora Neale Thurston, Booker T. Washington, Roy Wilkins, A. Philip Randolph, Adam Clayton Powell are but a few. Five elected Black Congressmen were journalists. Here in Washington, when I edited the Tribune, Charles H. Houston, the noted lawyer, who was the father of our civil rights legal defense, was a columnist for me.

To our thoughtless critics whose timidity make them charge that the Negro press is too militant, let me refer you to a statement made by one of the race's greatest friends, Thaddeus Stevens, who once said: "It is not by trembling and trimming in compromise that great nations are sustained." The same applies to the Blacks in America.

Despite the great history of the Negro press; despite all the fights the Negro press has unselfishly waged for our freedom; without the Negro press, there would be no NAACP, or other militant Black organizations. The desegregation fight; the integration fight; the fight to get the vote for Blacks, all of these depended upon the Black press for sustaining support.

To the so-called Negro intelligentsia who finds all manner of fault with Black newspapers; I direct this question: Where would you be if there were no Negro newspaper? Where would our present day crop of Black Athletes with their fabulous salaries be had it not been for the Black press? To all who criticize the Black press, I ask: What substitute do you have if we go out of business?

We can delude ourselves with the opiates of magazines that publish beautiful pictures and pollyanna articles, but, the more we seek to fool ourselves in this manner, the more difficult we are making our fight for our civil rights. The Negro press recognized this in 1827; the Negro press recognizes this now.

Some of the severest critics of the Black press, have been new generation Blacks employed by the white media: electronic and printed. Yet, if it were not for the Black press, very few, if any of these Blacks would have their jobs. And, if the Black press is ever lowered into a grave, practically all of these Blacks in white media would lose their jobs. Therefore, the survival of the Black press is their best guarantee for their jobs.

As long as white America keeps the Black press lean and hungry, the Black press will continue to be militant, aggressive and alive. The greatest danger to our continued, militant existence would be abundant prosperity.

Earlier I mentioned that coming back to Washington was nostalgic for me. For the past month, I have been reviewing the microfilm of The Washington Tribune, a newspaper I founded here in May 1921, in a partnership with the Murry Brothers printing Co., which is still in business here. We published a militant newspaper that blasted down many racial barriers and, kept up a running battle with such bigoted Congressmen as Senator Cole Blease, Senator Tom Heflin and others of their like.

In 1921, we joined the fight with the Black druggists and broke up racial discrimination at the White House Easter Egg Rolling. We worked with three Black clergymen and broke up the jim-crow service in the dining room at Union Station. We fought every effort by southern Congressmen to segregate the street cars in Washington. We fought the effort of Col. Sherrill of the Harding administration to put segregation signs in Rock Creek Park and, his effort to set up separate bathing beaches on the Tidal Basin.

I interviewed Clarence Darrow right across the street in the Willard Hotel when they didn't want me to ride up in the passenger elevator.

For those of you who now enjoy the liberty of Washington, let me tell you that when Oscar DePriest, the first Black Congressman in this century came here to take his seat, he was the only one in his office who could eat in the dining rooms in the Capital. The only public place his staff could sit down and eat, was over at Union Station which in Sept. 1925, our newspaper had helped desegregate. Many times when I visited his office, I saw some of the top Negro leaders there eating sandwiches because they could not eat in any public facilities on Capitol Hill.

In October 1927, when the Rules Committee of the House was investigating the Ku Klux Klan, one of our reporters, J. A. G. LuValle who was very light, sat with the members of the Klan and we published all the intimate sayings that went on between Klan members and Congressmen. You would be surprised at some of them.

Although miles away, we led the fight against the segregated government hospital at Tuskegee. In 1922 we revealed the discrimination of Negroes at the dedication of the Lincoln Memorial. We got a letter later from Chief Justice Taft apologizing for it.

The Washington Tribune fought the battle of racism here because it was the only voice of the Negro crying out in the wilderness of bigotry and segregation for Justice and freedom.

After I joined the Call & Post in Cleveland, I returned here in 1936 for a National Youth Administration meeting called by Mrs. Mary McLeod Bethune. Harold Ickes, the supposed liberal Secretary of the Interior, maintained white only eating facilities in his department. We had to meet in the Labor Department, headed by Mrs. Francis Perkins who was the only Roosevelt cabinet member to have unsegregated eating facilities.

On Dec. 7, 1941, the day after Pearl Harbour, the Black press met here with Civilian Director William H. Hastie in the Navy building then on Constitution Ave., to begin a fight to desegregate our Armed forces. General George Marshall, Secretary Stimson, Secretary Knox and other high government officials met with us that morning until they had to leave to go to the Capitol for the declaration of war against Japan.

Despite the war, the Black press pursued its fight. Grudgingly we won one skirmish after another until today, we are near total victory.

In 1956 NNPA sponsored a Summit Conference of Black leaders here in Washington. It was the largest gathering up to that time for the sole purpose of addressing itself to the problems of Black people in America. It was addressed by President Dwight D. Eisenhower. The findings of that Summit meeting are still valuable blueprints for racial unity and intelligent action. The nut-shell objective of the conference possibly was summed up in these words from my opening speech:

"The Negro is no taller in America than he can reach in Mississippi. Our freedom must not be measured in Ohio, but in South Carolina. The level of justice is not what it is in Illinois, but what the gage shows in Georgia. Our education must be evaluated by Alabama standards and not those of Pennsylvania."

Those who would bury the Black press, are ignorant of the important part this press has played in constantly pricking the consciousness of America, reminding this nation that equality is not divisable by race.

Last year, we enshrined five Black, pioneering editors in our Gallery of Distinguished Black Newspaper Publishers at Howard University.

Today, we will enshrine five more. Four men, one woman. Each of these enrollees played an important part in the foundation upon which the present day Black press is constructing the super structure for our future.

Each of these venerable publishers played their part in breaking down racial barriers so that we have a little larger degree of freedom today than they had.

It was my privilege to know three of these distinguished publishers. John C. Mithcell, Jr., of the Richmond Planet. He was a fighter all the way. In 1921, he led a political revolt in Virginia. In September, he ran for governor of Virginia with an all Black ticket for all top state offices.

John H. Murphy, Sr., the grand old man of the Afro-American newspapers. He put together not only a great newspaper, but a great family. I am sure that some day another Murphy will follow him into the Gallery of Distinguished Black Publishers.

Christopher James Perry, of The Philadelphia Tribune. I first met him at a publishers' meeting here in Washington in the early twenties. As a young journalist, I treasured the counsel of these great men. All of these enrollees we enshrine today, deserve even more than the honors we do them. The benefits of their contributions go beyond the Blacks they served, but even to all the people of this nation.

In America, the Negro is running like hell just to stand still. In the New York Times two weeks ago, they did a feature story on: "10 Years After the Kerner Report." Its conclusions were, that, after ten years, "division between Blacks and whites still exists."

That no appreciable progress has been made in eliminating the vicious racism that completely envelops this nation is not surprising.

Dr. Kelly Miller said: "The value of doctrine does not depend upon its intrepretation by the one who first uttered it, but rather upon the meaning which it suggests and the response which it evokes in the minds of those who receive it."

The response of the American people to the Kerner report was in the form of "so what?"

This has been true of every document ever issued by this government that in any way touched on human rights. And, this includes the Constitution of the United States.

President Madison said: "There are more instances of the abridgement of the Freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpation."

The Negro in America has suffered from this kind of encroachment upon his freedom since the English established human slavery in Virginia.

During all of his years in this country, the Negro has bitterly fought these encroachments but with little success. As fast as we make progress in one sector, we lose ground in another. And, then it takes us years of fighting just to gain back the ground we lost.

As an example: From 1870 to 1900, we elected to the United States Congress, 22 Blacks. From 1900 to 1928, we had no Black elected Congressmen. From 1928 to 1978, we have elected 23 Black Congressmen.

It then has taken us fifty years (1928–1978) to regain the progress we made in the thirty years of the Reconstruction period.

We migrated North to escape separate schools and ghetto housing, only to now find ourselves fighting both of these in the North.

Congressman Adam Clayton Powell bitterly cried out against these conditions when he said: "The Black man's soul is trying to burst its prison of second-class citizenship while the fires of segregation burn our hopes for a better tomorrow."

In 1953, Frederick Douglass, in a speech in Rochester, said: "We would not lay our burdens upon the other men's shoulders; but we do ask in the name of all that is just and magnanimous among men, to be freed from all the unnatural burdens and impediments with which American customs and American legislation have hindered our progress and improvements. . . . We ask that the doors of the school house, the workshop, the church, the college, shall be thrown open as freely to our children as to the children of other members of the community."

So you see today, we are still fighting against the same kind of conditions that existed 125 years ago.

Joseph Ross, in a speech said: "The true struggle which is occuring in America is not between the white man and the Negro, but between the white man and his own conscience."

These are the battles in this nation that the Negro press is fighting. They are the battles all Negroes in America must fight.

If the Negro press has become the voice of the Negro, it is because it is the only clear warning our ship of fate can hear through the thick fog of uncertainty and racism that shrouds our quest for freedom.

Robert S. Abbott, founder of The Chicago Defender, once said: "A good newspaper is one of the best instruments of service and some of the strongest weapons ever to be used in defense of a race which is deprived of its citizenship."

Freedom for minorities and subjugated people always comes high. If the Negro thinks he can purchase his freedom from segregation and poverty in America at a bargain, cut-rate price, he is going to be sadly mistaken.

The Negro press wants to and, will lead the way to freedom, but, we can only do this if we have followers and, are backed up by the unity and cooperation of all Negroes and, by all the liberty loving people of the United States.

No, don't order the coffin yet. We still have unfinished business to complete. This we will do whatever the odds or obstacles. Through our years of travail and struggle, we have been hurt enough to cry, the question now is, are we mad enough to fight.

With these words of Frederick Douglass ringing in our ears: "Power concedes nothing without a struggle. It never has and never will." We say this prayer, published in a Black paper in Boston:

THE PRAYER OF THE RACE THAT GOD MADE BLACK

(By Lucius Watkins)

We would be peaceful, Father—but when we must,
Help us to thunder hard the blow that's just!
We would be prayerful: Lord, when we have prayed
Let us arise courageous, unafraid!
We would be manly—proving well our worth.
Then would not cringe to any God on Earth!
We would be loving and forgiving, thus
To love our neighbor as thou lovest us.
We would be faithful, loyal to the Right,
Ne'er doubting that the day will follow Night.
We would be all Thou hast meant for man,
Up through the ages, since the world began.
God: save us in thy Heaven, where all is well—
We come slow—struggling up the hills of Hell.●

JOINT AGREEMENT OF DEPARTMENT OF ENERGY AUTHORIZATION (H.R. 11392)

HON. HARLEY O. STAGGERS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. STAGGERS. Mr. Speaker, after several days' discussions between representatives of the Committees on Interior and Insular Affairs, Science, and Technology, and Interstate and Foreign Commerce, we believe that we have reached agreement on those provisions of H.R. 11392 and H.R. 12163—the Department of Energy civilian authorization bills—where there were overlapping jurisdictional and substantive issues. The results of these discussions, which included representatives of the minority, are reflected in two committee prints. I will include one related to H.R. 11392 in today's RECORD.

I want also to stress that the committee print on H.R. 11392 includes changes requested by the chairman of the Armed Services Committees in a letter to Chairmen STAGGERS and UDALL. It is my understanding that we have met all of that committee's objections and that Chairman PRICE has no objection to the bill, as amended. Additionally, it includes two technical changes suggested by the staff of the Budget Committee.

The other committee chairman and I, with the support of our minority, plan to request a rule making in order consideration of these committee prints as original text and we expect to print sufficient numbers to allow Members to offer amendments. We believe that these agreements are reasonable and will facilitate the work of the House in considering these bills. I want to stress that, in large part, these agreements are aimed at, first, eliminating duplicative provisions in the bills and placing them in one or the other two bills, second, providing a clear delineation of the purposes for which the funds are authorized, and third, transferring some provisions within and between the two bills. In only a few cases were compromises in dollar amounts reported by the committees required to be changed in order to reach agreements.

Mr. Speaker, I want to commend my colleagues on both sides of the aisle from these committees and subcommittees, and their staffs, for their efforts in working out these disputed matters. I particularly commend Chairmen TEAGUE and UDALL, and our subcommittee chairman and ranking minority member, Congressmen DINGELL and BROWN of Ohio. None of the committee obtained all that they wanted, but I believe we have developed better bills in each case while recognizing that the committees have very broad oversight jurisdiction over these disputed matters and, where appropriate, are expected to exercise vigorous review. At the same time, I want to stress that, in my judgment, the primary cause of this dispute was the mission-oriented budget contained in the DOE bill submitted by the the Department of Energy to Congress early this year. I hope that the Department of Energy and the Office of Management and Budget have gotten the message from the various authorization and appropriation committees regarding this budget and the inadequate explanation of it and will not repeat this performance for fiscal year 1980.

In order to assist Members in understanding the committee print, I will try to provide a brief explanation of the changes from H.R. 11392, as reported.

TITLE I OF H.R. 11392

The agreement transfers $9 million for solar commercialization from title I to title VII of the bill.

The policy and management authorization for the Assistant Secretary for Environment is transferred from title I to title VII. At the same time, the agreement reduces the amount set forth for overview and assessment from $3 million to about $1.5 million and transfers it to title VII. That sum, together with about $5.5 million from the overview and assessment item in title III of H.R. 12163, will provide $7 million for Department of Energy environmental policy and analysis under NEPA, including the environmental aspects of regulatory programs administered by the Department of Energy, other than FERC.

Added to title I is $330,000 for industrial cogeneration that had been included in H.R. 12163.

There is also reduction in funds for policy and management for the Assistant Secretary for Conservation and Solar Application.

There are no other changes in title I of H.R. 11392.

TITLES II AND III OF H.R. 11392

There are no substantive changes in these titles.

TITLE IV

The $10 million authorized for construction, operation, and equipment for loss-of-fluid test facility functions is to remain in this title and to be administered by the Assistant Secretary for the Environment. That same item is deleted from H.R. 12163.

The decontamination and decommissioning provisions of the bill are as follows:

Title III of H.R. 12163—$14,990,000.
Title IV of H.R. 12163—$8,710,000.
Title IV of H.R. 11392—$3,000,000.

The last item is subject to enactment of pending mill tailings legislation. All duplication of these funds is eliminated.

The funds for lightwater reactor technology are retained in title II of H.R. 12163 with the provision that at least $4 million of this sum will be available for safety enhancement and deleted from H.R. 11392.

Funds for nuclear energy assessments are also retained in title II of H.R. 12163 as part of the advanced reactor concepts and deleted from H.R. 11392.

The policy and management authorizations for the Assistant Secretary for Energy Technology and for the Assistant Secretary for Resource Applications are transferred to title IV of H.R. 12163 and title VII of H.R. 11392, respectively.

The amounts authorized for uranium enrichment functions, other than the U–235 process development, are transferred to title VII of H.R. 11392 and deleted from H.R. 12163. This includes $324.5 million in construction funds, including funds for Portsmouth. The U–235 process and the remaining construction funds are retained in title IV of H.R. 12163 and are deleted from H.R. 11392. There are no other substantive changes in title IV.

TITLE V OF H.R. 11392

This title is changed to make it clear that the report required will come to the Speaker and the President of the Senate for distribution to the appropriate committees.

TITLE VI OF H.R. 11392

There is no change.

TITLE VII

The study added by the Interior Committee to this title is deleted, since it has been covered in title V.

The funds for the extension service are increased from $15 million to $25 million and the $35 million authorized in H.R. 12163 is deleted from that bill.

All policy and management funds for the Assistant Secretary for Resource Application appear in H.R. 11392. All such funds for the Assistant Secretary for Energy Technology appear in title IV of H.R. 12163, except for $1 million for interagency policy review of nuclear waste management.

The small grants for appropriate technology funds of $10 million are in H.R. 12163 and deleted from H.R. 11392.

The authorization for solar heating and cooling commercial demonstration, residential and commercial conservation, and cogeneration are deleted from H.R. 11392, but have been retained in H.R. 12163. Funds for solar information and solar demonstration support functions remain in H.R. 11392 and have been deleted from H.R. 12163.

The authorization for commercialization of existing high-efficiency energy conversion functions remains in H.R. 12163 and is deleted from H.R. 11392.

Foreign currency funds in the amount of $2 million will appear in H.R. 12163.

There are some revisions in funds for the Offices of Administration and Controller, and the field offices, as suggested by the Armed Services Committee. Those funds, plus the Office of Defense programs safeguards funds, are included in the Department of Energy authorization bill—military.

Title VII of H.R. 11392 retains $6 million for small hydroelectric projects at existing dams, but makes it clear that such funds are for grants for non-R. & D. purposes. This amount is deleted from title IV of H.R. 12163. Title I of H.R. 12163 retains $6 million for hydroelectric power R. & D.

TITLE VIII OF H.R. 11392

There are only minor technical changes in section 803(a).

Mr. Speaker, I also want to stress that there are provisions in both bills that were not amended by any of the committees, such as titles VIII of H.R. 11392 and title V of H.R. 12163, which are merely restated in this print without any endorsement by any of us. However, as to the matters which I have just discussed,

we all stand firm in our full support of this agreement.

The committee print of the proposed amendment to H.R. 11392 representing our joint agreement appears elsewhere in the RECORD. The chairman of the Subcommittee on Energy and Power, Mr. DINGELL, assures me that the subcommittee staff will try to provide any technical assistance a Member may need to insure that amendments are placed where the Member wants in the committee print. Just call extension 51300 and a staff person will try to help.●

SENIOR CITIZENS INTERNSHIP PROGRAM

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. LEHMAN. Mr. Speaker, I would like to commend the excellence of the senior citizens internship program, which was in its sixth year of operation this past May. I am very proud to be a cosponsor of the resolution to fund this program. My colleague, Congressman ELWOOD HILLIS, and his staff aide, Ms. Donna Norton, are to also be commended for the overall success of this program, by providing such well-structured and informative programing.

Our office had the exceedingly good fortune to have as its intern for 1978 Mr. Irving Ackerman from North Miami Beach, Fla. I would now like to have inserted into the CONGRESSIONAL RECORD excerpts from Mr. Ackerman's report to me which expresses some of the real interests and concerns of our senior citizens:

JUNE 16, 1978.

DEAR CONGRESSMAN: Attending the Senior Citizen's Program from May 8th to May 19th, 1978 was for me a memorable experience. I want to take this opportunity to thank you for inviting me as your Senior Intern. Anne and I appreciated the many kindnesses you and your entire staff extended to us.

Ms. Donna Norton of Congressman Hillis' staff deserves every possible credit for the way every seminar was planned, timed and conducted. I'm sure that she used many personal hours as well as business hours to make the programs fruitful and our stay pleasant.

My voice is added to the many that believe this program should be continued as an annual Congressional Project. Spreading the gospel of what Congress is doing by word of mouth to the millions that never see how Congress works is well worth the effort and expense it takes to make sure that those attending these Intern Programs take back to their communities at least a small view of what their government is all about.

Since my return home over a month ago from the most informative series of seminars that I ever attended, I've been thinking about the form and contents that this report should take.

The many Federal Programs designed to help those categorically called Senior Citizens is mind boggling. They have a great impact on almost all phases of the Senior Citizen's lives. This is especially true of those in the poverty or below poverty level and those that make up the great American Middle Class.

For two weeks our Seminars were conducted by able Administrators and Department Heads of the important Departments that dealt with the problems of the Older American. They were well informed and very capable of projecting the information of the areas of their competency.

We learned that the major categories of the Federal Programs that benefited the Elderly were the following which are not necessarily listed in the order of their importance: (1) Social Service Programs; (2) Health Care; (3) Housing; (4) Transportation; (5) Income Maintenance; (6) Employment and Volunteer; (7) Training and Research.

However, it was confusing for those attending to learn that the different programs and different phases of the same programs were under the jurisdiction of different departments. For example, Social Services and Health Care was under the jurisdiction of Health, Education and Welfare while Transportation came under the jurisdiction of the Urban Mass Transportation Administration, and Housing was the responsibility of the Housing and Urban Development Department (H.U.D.).

Confusion existed because several phases of the Social Service programs were handled by other departments then H.E.W. The same was true of Health Care. From the seminars we learned that the programs of some departments *did not* require a means test for the Older American to receive the program benefits. Yet where H.E.W. funds were used to finance the program or a portion of it, a means test was required. Therefore only those in the poverty level could take advantage of what was offered.

As an example:—An aged American would like to go to a Senior Center for a hot meal and a social program. He would like to use whatever system is provided in his community by the Urban Mass Transportation Administration U.M.T.A. to take him to the Center. UMTA has no means test and therefore since he is above the poverty level he can still use the transport facility. However if H.E.W. had anything to do with furnishing funds directly or indirectly to UMTA then this Senior Citizen would be ineligible to use the transport facility. This particular discussion was held with Mr. Larry Bruno, on Monday, May 15th. He is from the office of UMTA, D.O.T.

Is there always a means test where H.E.W. provides funds and has jurisdiction?

From the opinions expressed by almost all of the 146 Interns who attended and spoke, the most important and gravest problem facing the Elderly all over the United States is the horrible specter of facing family bankruptcy and loss of dignity due to the insurmountable financial burdens acquired because of a serious illness that requires long term nursing or custodial care. Picture if you will, the case of a hard working middle income American couple, proud of their heritage and of the fact that with dignity they reached what should be their Golden Retirement Years. With their struggle, in raising a family and meeting the daily exigencies of life, they managed to have a paid up home and $30,000 or $$40,000 in other assets. One of them becomes sick with an illness that requires constant attention perhaps because of the patient's inability to control body functions. This patient cannot receive benefits under any Federal program because they are not under the poverty level. Yet Medicare will not cover any expenses for either hospital or convalescent care or custodial care because this person does not meet the definition of a Medicare patient. The average custodial care facility charges at least $1000 per month for care of this patient. How long would the accumulated nest egg last in the example I refer to? On the other hand if the family was at or below the poverty level Medicaid would pay the cost for this patient's care. Does a Country as great as ours require a family to lose all its resources, dignity and reputation as well as face a future of despair before they can be helped? I hope not.

I repeat that there were 146 Senior Interns attending these sessions and they came from all over the country. Urban and rural areas, Large and small cities and communities and from a multitude of educational and working backgrounds. It is important to repeat this because irrespective of the subject matter being discussed, sooner or later we would be speaking about this problem or some phase of it.

At the start of the seminars we were told that our input at the conclusion of the sessions would be most welcome, therefore, I am taking the liberty of making some suggestions that you might consider as having merit.

(1) Since the cost of providing health care has reached astronomical heights Congress should pass as soon as possible:

(a) Catastrophic illness legislation.

(i) With a fair amount of deductible so that a family in any age bracket will not be in debt for the rest of their lives because of an expensive, extended or custodial illness.

(ii) Finance it through a nominal payroll tax for those employed through an income tax charge when filing form 1040.

(b) Remove the means test so that the benefits similar to Medicaid can be available to everyone.

(i) If it is necessary to reduce the family assets to a minimum let us at least permit the family to retain their home without the necessity of selling it or placing a lien on it thereby preserving the dignity of the family and the sanctity of their home.

(2) The Department of Health, Education and Welfare should issue clear cut definitions as to which and under what conditions Older Americans are entitled to the various services they fund.

(a) These should be distributed with Social Security Checks to everyone entitled to benefits.

(b) These rules and regulations should also be posted in Senior Centers, Social Security offices, Senior Housing facilities, etc.

(3) There have been Senate discussions on combining the operations of Social Services, Title III; Senior Centers, Title V; and Nutrition, Title VII, under one Title III. It has not yet been done. I believe that millions of dollars can be saved by the elimination of overlapping agencies that provide the same type or similar services. This is not easy to do. The subject of overlapping was brought up by an Intern at one session and the speaker stated that no Department head likes to see or talk himself out of a job. This is understandable but no one need lose their job because of a consolidation of departments. Normal attrition with no additional hiring will in time reduce the payroll tremendously.

(4) Medicare and Medicaid Fraud has received much public attention. Especially where I live at Point East. This type of fraud usually exists because of collusion between the person receiving the service and the one providing the service. In a Doctor-patient relationship this can occur when the doctor tells the patient to sign a blank Medicare Claim form and don't worry about paying any fee. The Doctor then charges Medicare for services that may not have been rendered.

(a) Therefore the recipient of the services should bear some of the responsibilities for creating and condoning the fraud.

(i) As a deterrent, I believe the Medicare Claim form should have a warning and a statement just above the signature line advising him that signing a statement that lists services which he did not receive constitutes a crime that is punishable by fine or jail.

(ii) The same kind of a statement can be printed on the back of a Medicare Claim check just above the space usually reserved for the signature of the claimant. I'm sure this would not be a cure all but it would undoubtedly cause some people who can afford to pay for their medical services above what Medicare allows, pay for them without seeking a bargain rate and knowing that there is a penalty that with publicity and shame for getting caught is not worth it.

(b) I have been told that another area of Medicare collusion exists between some patients and optometrists following cataract operations. It appears that Medicare will pay the entire cost of eyeglasses, several pairs of them, and optometrists tell patients to order them even though they may not need them. This should be looked into.

(5) On May 16th, during the session entitled "Consumer Problems and the Elderly" we were addressed by Ms. Midge Shubow, Press Secretary to Mrs. Esther Peterson, Consumer Advisor to the President. Her discussion was excellent. One of the most important points raised by her had to do with *generic packaging*. This would certainly go a long way in stretching the food dollar. It refers to packing foods in simple non-decorative packages listing the product and the FDA required list of ingredients. My daughters "JEWEL" grocer in Chicago sells Generic Packaged foods and they are approximately 20 percent less expensive than the advertised brands.

(a) Perhaps the F.T.C. or the F.D.A. can encourage food chains to go in for Generic Packaging.

I sincerely trust that this long report will prove to be of some help to you.

Cordially yours,

IRVING ACKERMAN.

NORTH MIAMI BEACH, FLA.●

SHUT UP, FIDEL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. DERWINSKI. Mr. Speaker, the dictator of Cuba, Fidel Castro, must rank with Idi Amin as being among the most unsavory characters on the international scene. Castro's regime has brought nothing but suffering and disappointment to the people of Cuba.

His continuous meddling is very appropriately discussed in an editorial in the Chicago Sun-Times of June 22, which I wish to insert at this time:

SHUT UP, FIDEL

Fidel Castro can get very tiresome.

On network TV last weekend, he once again ripped the Carter administration for telling a "total lie" about Cuban aid in the invasion of Zaire.

Castro denigrated Jimmy Carter's intelligence, implying that the President's cranial capacity was too limited to perceive the "dangerous adventurism" of his national security adviser, Zbigniew Brzezinski.

Scarcely had Castro finished tearing Carter to shreds when the Cuban shifted his roar to a soft purr. Castro said that Carter, viewed apart from the dark deeds of his advisers, is "honest ... a man of conviction (who) made proper gestures towards Cuba."

"If you asked me, I would wish that Carter be re-elected President," he said.

Fidel, nobody asked you.

It's one thing for Americans to argue about the wisdom or efficacy of any administration. It's another matter for a Communist head of state to brand our President with an unsolicited endorsement. Was he trying to help Carter, or hurt him?

And Castro's meddling in our electoral politics rings hollow, coming from a revolutionary who, after gaining power, exposed as a "total lie" his pledge for free elections in his own country.●

NGO'S SPEAK OUT FOR DISARMAMENT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. LEHMAN. Mr. Speaker, today I am inserting into the RECORD two more of the statements which were delivered by representatives of nongovernmental organizations at the U.N. Special Session on Disarmament. I urge my colleagues to pay close attention to the message of the Women's International League for Peace and Freedom and the Pugwash Conferences on Science and World Affairs:

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM

Mrs. Ballantyne (Women's International League for Peace and Freedom): It is a privilege to address this Assembly, in response to the recognition by Governments of the efforts that non-governmental organizations are exerting towards the achievement of world disarmament. We look forward to ever closer links with the United Nations organs dealing with the question of disarmament.

I speak on behalf of an organization two of whose leaders have received the Nobel Peace Prize and I speak in the place of the widow of another Nobel Peace Prize laureate, Mrs. Coretta Scott King, who is unable to be here today because of unavoidable personal circumstances.

The Women's International League for Peace and Freedom since 1915 has consistently pressed for total and universal disarmament and for peace. We appreciate the opportunity to voice our concerns here and hope that this special session will heed our urgent appeal and that of people everywhere for concrete steps toward world disarmament.

The women of the world are inequitably represented in the councils of government and, therefore, in this United Nations special session. We in the Women's International League for Peace and Freedom therefore are endeavouring to speak for women and other under-represented people of the world whose eyes are upon you and whose fate is in your hands: the children so often overlooked, the poor so often neglected by Governments which have chosen armament before nutriment. We speak for the afflicted majority, many millions of whom suffer, starve, die—victims of the arms race, deprived by its costs, threatened by its dangers, oppressed by its injustices and offended by its immorality.

The arms race disproportionately victimizes women. Households are the first affected by the militarily-induced inflation. Women have trouble finding and keeping jobs because military production is capital-rather than labour-intensive. The social deficit attributable to excessive military expenditure includes the fact that the world's illiterate adult women number 49 per cent more than men. Women who are the water-carriers of the world see little hope of clean or piped water systems while the world's spending priorities are so gravely distorted.

We believe that war is premeditated, cold-blooded mass murder. It is a man-made phenomenon and therefore can and must be renounced by man. The women of the world deeply desire peace. We know that there can be no peace without disarmament. The goals nations have set in the Programme of Action for the United Nations Decade for Women and for the International Year of the Child cannot be met without peace and disarmament. The new international economic order, so crucial to the lives of the vast majority of the world's population, cannot be implemented while the world's resources go into the wasteful and dangerous arms race.

The people's cry for a halt to the arms race and for general and complete disarmament is loud and clear. It is expressed in the recent message to the special session from the International Non-Governmental Organization Disarmament Conference held in Geneva this spring, through which millions of people the world over were heard. They concluded that:

"The qualitative arms race must be ended; the quantity of arms must be reduced; military budgets must be cut and the use of nuclear weapons must be banned."

It is expressed in the message to this session from more than 80 representatives of mass organization in 21 countries from all continents assembled in a Women's World Disarmament Seminar in Vienna in April of this year which asks the special session.

"* * * to commit itself to a programme of action that will ensure general and complete disarmament within a limited time."

It is expressed in the rising tide of mass demonstrations and meetings held in many parts of the world.

What are the obstacles impeding the decision to disarm? Among them is certainly the "enemy" image fostered and perpetuated by the cold war. Profound differences exist and are likely to continue between the major economic and ideological systems, but war and threats of war will not resolve them, nor are they morally acceptable means of trying to settle political disputes. We believe that nations must be free to change and develop their economic and political systems to systems that best respond to meeting the needs and aspirations of the majority of their population and that ensure their political and economic independence. Acceptance of that reality will go a long way towards eliminating tensions and paving the way for general and complete disarmament. The crucial political decision to live together on this beautiful earth, to compete and co-operate in peaceful economic, social and cultural endeavours, must now be made.

This critical moment in history demands that there result from this special session devoted to disarmament a signal to the world that the arms race is ending. Specifically, the world waits for an agreement to stop all testing of nuclear weapons, an agreement to outlaw the use of nuclear weapons, an agreement to proceed immediately with negotiations on a treaty prohibiting the development and production of all new weapons and weapons-systems of mass destruction.

That would constitute a brake to the arms race, a first step towards disarmament measures. We recognize that together with those decisions there must be the early conclusion of an agreement on strategic arms limitations. We endorse all efforts to limit the transfer of conventional weapons. We urge initiatives and above all agreements that could cut off or cut back the production of arms and military budgets. We support measures to improve the effectiveness of the disarmament negotiating machinery and its closer integration with the United Nations. Proposals for strengthening procedures for the peaceful settlement of disputes need to be implemented. Those are immediate, necessary measures.

More important, however, the special session must adopt procedures for the outlining of a comprehensive plan for general and complete disarmament and to see that it is implemented within a specific time frame. We urge the convening of a world disarmament conference to bring such a plan to a conclusion before, at the latest, the end of another decade.

Those decisions are absolutely essential for the implementation of the New International Economic Order and for the solution of the many global crises such as hunger, unemployment, inflation, pollution and the waste and depletion of our precious resources.

Disarmament is possible. Hundreds of millions of women and men look to this Assembly for precisely such decisions. We trust that you will not fail them.

PUGWASH CONFERENCES ON SCIENCE AND WORLD AFFAIRS

Mr. Feld (Pugwash Conferences on Sciences and World Affairs): Twenty-one years ago, in the Canadian village of Pugwash, a small band of scientists and scholars from 10 countries met to consider how to avert nuclear war. This was the beginning of the Pugwash Movement, which now comprises thousands of scientists from all over the world—east and west, north and south.

It is more than two decades since the famous appeal by Albert Einstein, Bertrand Russell and their distinguished colleagues which warned us that mankind had reached the stage where "we must face a stark, dreadful and inescapable choice between the renunciation of nuclear weapons (and of war itself) and the future continuation of the human race". Today, as I speak to you on behalf of the Pugwash Movement, the danger is even greater than it was then.

The great majority of people alive today were not even yet born 33 years ago when two atomic bombs, in each case a single bomb dropped by a lone aircraft, completely annihilated two Japanese cities together with their inhabitants. Most people, and indeed most nations of the world, now think, when they think about the problem at all, that nuclear war is not possible, that Hiroshima and Nagasaki could never happen again.

We pray they may be right. But what is the real situation? Today, in 1978, six nations have already demonstrated their ability to wage nuclear war. The United States and the Soviet Union alone, the two so-called super-powers, together possess more than 50,000 nuclear bombs having an explosive power ranging from a fraction of the destructive force of the Hiroshima and Nagasaki weapons up to bombs of more than 1,000 times the explosive intensity of those horrible but primitive instruments of death.

An all-out nuclear war today between the two super-powers would annihilate the populations and destroy the treasure of both nations—and this is irrefutably true, irrespective of any measures, offensive, protective or otherwise, that either of the two giants is able to take. Both countries would for all practical purposes cease to exist. But that is far from the whole story. The lethal radioactivity, carried by the prevailing winds well beyond the borders of the victim nations, would take a toll of many tens of millions of innocents throughout the northern hemisphere. And yet the devastation would not be confined to the countries of the northern hemisphere alone.

Radioactivity, spread throughout the globe by stratospheric air currents, would eventually rain down on all peoples, everywhere, from the arctic tundra to the vast continent of the Antarctic, not intense enough to be lethal to all, it is true, but enough to claim a vast toll through radiation-connected diseases in this generation, and incalculable damage to future generations in hereditary malformity and lethal mutations. Not enough is known about the effect of such a large genetic load to be able to say at this time whether the survival of the species would thus be placed at risk, but there is no doubt that the sufferings would be fantastic and the risk very great indeed.

Yet what to me at least is even more frightening is that the current and anticipated rates of accumulation of materials capable of being made into nuclear weapons—through peaceful nuclear fission energy programs in addition to military programmes—are such that by the end of this century, enough weapons material will be available, and perhaps a sufficient number of weapons as well, for their use in an all-out nuclear war to guarantee the elimination of the human species from the entire earth.

Admittedly, I have presented an extreme picture. It is difficult to believe that we, the human race, could be so short-sighted, so stupid as to put ourselves knowingly into the kind of jeopardy I have just described. But humankind has got itself into serious trouble before—through pride, through misplaced national chauvinistic sentiments, through greed, through thoughtlessness, through accident, through stupidity and through the madness of false prophets. If the weapons are around, the danger of their being used, no matter how small, is too large a danger for us to tolerate.

But it is not enough just to talk about disarmament, nuclear disarmament or any other kind. We have been talking nuclear disarmament for 30 years, and the stockpiles continue to grow and the weapons continue to proliferate.

A journey of a thousand miles, desperately as that journey may be needed, still must begin with single steps. We of the Pugwash movement believe that such steps, so long as they move us resolutely in the right direction, are not only essential, they are also possible. We have been presenting and pushing for such steps for many years with small success, but with success. Pugwash conferences were the first to introduce the concept of the test ban, and we hope that soon that test ban will become comprehensive and universal. The cut-off of the production of fissile materials for nuclear-weapons use is another step which is long overdue, as is the limitation of budgets. The Non-Proliferation Treaty, which we helped to introduce, must be strengthened. A recent example of the kind of small step which could help the move towards disarmament is the idea first introduced in the Pugwash conferences a few years ago and brought to the attention of the special session of this Assembly by the President of the Republic of France is that of using modern satellite technology to monitor and improve disarmament prospects and verification possibilities.

Thus the proposals that we have already presented to the Preparatory Committee for this session, and which we hope will at least be looked at, considered, and perhaps discussed, even if no definite conclusions are reached before its deliberations are adjourned, are relatively modest, but we believe that they are of far-reaching significance.

We draw our inspiration on this occasion from the fact that the one really successful disarmament measure of this century, relating to the elimination of a weapon of mass destruction, took almost 50 years of patient but steady effort. I refer to the treaty banning the production, stockpiling and use of biological weapons, the lineal descendent of the Geneva Protocol of 1925. The next step, incidentially, that of the banning of chemical weapons, is well within our grasp: one of the Pugwash proposals before this session now, which we have circulated to the Preparatory Committee, relates to the final and, we hope, imminent achievement of that goal.

With respect to the elimination of nuclear weapons, a goal which we all desire and which we all of course must work for, the aim of our proposal which we placed before the Preparatory Committee is to build up and to reinforce the universal acceptance of an obviously new tenet of international morality, that such weapons can never again be used. To us, the important barrier on which world survival depends is not between good and bad nuclear weapons—they are all bad; not between small and large nuclear weapons—there is no small nuclear weapon; but between the use and the non-use of nuclear weapons, between any nuclear weapon and none ever again.

The purpose of our proposed convention for the renunciation of nuclear weapons, then, is to begin the essential process of building, strengthening and reinforcing this barrier to the point that any use of a nuclear weapon will become unthinkable to all sane and civilized human beings and their Governments.

To accomplish that end, our proposed convention draws simultaneously on a number of precedents: the nuclear-free zone concept, the pledge of non-use or threat of use of nuclear weapons against nations adhering to the convention, and the concept of mutual security guarantees for non-belligerent States already embodied in the original idea of the United Nations. Primarily, our convention attempts to establish a distinct security advantage in the adoption of and the adherence to the status of membership in a club of non-nuclear-weapons States.

Unfortunately, I have not enough time on this occasion to explain the details of our proposed convention for the renunciation of nuclear weapons, but the idea is simple and straightforward, and for those who have not yet had the opportunity to read and study the proposal, copies of it are available through the Secretariat.

Allow me to end by recalling a few more of the immortal words from the manifesto of Albert Einstein and Bertrand Russell that started our Pugwash movement:

"There lies before us, if we choose, continual progress in happiness, knowledge, and wisdom. Shall we, instead, choose death, because we cannot forget our quarrels? We appeal, as human beings to human beings: remember your humanity, and forget the rest. If you can do so, the way lies open to a new Paradise; if you cannot, there lies before you the risk of universal death."●

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS—VIII

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. SAWYER. Mr. Speaker, increasingly, during the past weeks, we have seen the present administration reaffirm its dedication to the cause of human rights. On June 19, 1978 the Secretary of State, Cyrus Vance, testified before the House International Relations Committee. In his prepared statement, Secretary Vance quoted a line from President Carter's Inaugural Address. The quote was:

Because we are free, we cannot be indifferent to the fate of freedom elsewhere.

Vance went on to say that—

The United States will continue to use the mix of both public and private diplomacy that, in our judgment, will be most effective in helping to foster respect for individual human rights around the world.

I applaud the administration's stand on this matter and would like to take the

opportunity to point out to my colleagues a situation in which Congress can use its power to achieve practical results in the area of human rights. I am speaking of the case of JoAnn McDaniel and Katherine Zenz, two American girls who are serving 24-year nonparolable sentences in Turkey. The goal would be to have established a reciprocal prisoner exchange treaty between the United States and Turkey. A treaty which would, of course, be in the best interest of both nations.

Colleagues, I urge your attention to this matter of pressing concern.●

DAVE MAHONEY OF NORTON SIMON, INC., CALLS FOR EQUAL RIGHTS FOR THE FREE ENTERPRISE SYSTEM AS WELL AS CONCOMITANT RESPONSIBILITIES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. KEMP. Mr. Speaker, the chairman and chief executive officer of Norton Simon, Inc., David J. Mahoney, has issued a call for more decisive leadership on the economic issues confronting our country.

In an address before the annual meeting of the American Association of Advertising Agencies, he declared:

> The task of dealing with the government is . . . complex and worrisome. We must be more aggressive in our approach. To win this battle, business will have to meet the phenomenon of government head on, much more aggressively than before. But don't go to Washington as supplicants or advocates—go as militants demanding equal rights for the free enterprise system.

His point is well made. David Mahoney is not calling for business, as a representative of that free enterprise system, having an upper hand. He is not calling for business control of the decisions of Government. What he is calling for is that business, as the source of the vast majority of jobs and income in this country, be given an opportunity to be heard, to be understood. He is calling for a return to the rule of reason in the legislative and regulatory processes, a rule of reason which would help hold down ruinous inflation, bring down the unacceptably high levels of unemployment, and reduce the burdens of unnecessarily high taxation which keep business from expanding and creating jobs, in the process adding to our national economic growth individual opportunity.

Mr. Mahoney's call is for more decisive leadership on national issues. He is a man who can provide much of that himself. Dave Mahoney stands out as one of the few modern day giants of private industry. He rose to the top of the profession through his own ingenuinity and creativeness, his dogged determination to make the companies with which he has been associated prosper, his articulation of a value system rooted in the free enterprise system and individual achievement. In short, he is an entrepreneur in an age of vast threats to the whole concept of entrepreneurship.

Fairness is an American tradition. It was at the root of our Republic's formation. That is really what Dave Mahoney is seeking that advocates of the free enterprise system be treated fairly by legislators and regulators. And I think his plea is worthy of the attention of every Member of this House:

NATIONAL ISSUES AND CONSUMER ATTITUDES: A TIME FOR BUSINESS LEADERSHIP

(By David J. Mahoney)

I'd like to begin by sharing some of my thoughts with you on issues that will face all of us in business for the foreseeable future.

The major issue concerning everyone today is inflation, it is the single most pervasive and difficult problem to handle, not only here, but throughout the world. Just in the last few months, inflation has begun to heat up again, and as a result, inflation psychology has spurred consumer buying—because the consumer believes the dollar is going to shrink in value. So far, the government has said that we can have lower inflation rates at the expense of higher unemployment. These, to me, are unacceptable, manipulative options. I think we can win both wars, and have lower inflation and less unemployment.

A second major trend is the rising power of the special interest groups. Government's decisions are shaped increasingly by organized special interest forces representing business, labor, farmers, environmentalists, consumers, and other major forces. Legislators face strong pressure from these special constituencies. As a result, in today's Washington, government has a difficult time doing anything but coming up with ineffective policies and programs.

This leads me to my third major concern, government regulation. One recent study revealed that annually the private sector—which is the business sector—must fill out more than 4,400 different Federal forms that burn up a total of 143 million man-hours. The cost of that paperwork, according to the recently disbanded Federal Paperwork Commission, ranges from $25 billion to $30 billion a year, and the costs of complying with government regulations will cost an estimated $98 billion this fiscal year alone. The outlook, according to everyone I've talked to, is for more of the same. The regulators' attitude seems to be that "everything I have is mine and everything you have is negotiable." It's going to be tough to cut the size and cost of government, facing that kind of thinking in the Federal Government.

Last on my list is the problem of the presidency. The legacy of the last 15 years of political and economic stress has weakened the Office of the President and resulted in the rise in power of Congress and the special interest groups I mentioned before. So far, this trend has neutralized the presidency, and we have not been able to get the strong, effective direction that this nation needs from the White House. Yet, we seem more concerned about whether or not the incumbent president is going to be a one-term president. Let's worry about that at election time—in 1980. Right now. I'm more concerned with getting this nation back on a straight course for economic, political, and social progress.

CONSUMER ATTITUDES IN THE 60S AND 70S

Through the 1960s and into the 70s, we struggled through Vietnam, Watergate, assassinations, the oil embargo, two serious recessions, the energy crisis, double-digit inflation, high unemployment, two brutal winters and, most recently, the decline of the dollar.

Right now, we seem to be in a transition stage from a turbulent past to an uncertain future. I don't think anyone is sure where we are headed, but I am very concerned with what has happened to public opinion.

Consumer attitudes really seemed to sour toward the end of 1977. As our economy began to stutter, and the dollar was battered on international currency markets, the Administration came under attack from just about every constituency because of its policies or lack of policy.

During the winter of '77, the mood of the country grew more negative. A severe winter and the coal strike early in the year compounded the American consumer's disillusionment. Gallup reported that as we began '78 our nation was decidedly less optimistic about the economy than it had been a year earlier. Another expert commented: "1978 may be signaling a second round of malaise based on the economy, resurgent political scandals, and public disillusionment." But whatever the reason, this spreading pessimism could have serious consequences unless it is soon reversed.

"NOBODY BELIEVES ANYMORE"

So one thing seems certain: we have a problem. Nobody believes anymore. The people don't believe government, business, the press—and they're not even sure about their religious leaders. One study found that people ranked their ministers a weak third in occupational prestige, below doctors and scientists. Incidentally businessmen ranked ninth, one percentage point above politicians.

Up to 1975, the consumer behaved in a predictable pattern: consumer confidence was very closely related to the nation's economic health and its political stability.

But since 1975 and the brutal impact of two recessions, you will find remarkable sluggishness—almost a regression in consumer confidence and spending patterns. Even though the economy has improved, the consumer has been pretty reluctant to invest or spend money at a comparable scale, until the recent spurt of buying due to inflation psychology, or a "last hurrah" syndrome.

The fact is that consumer confidence has not moved back to where it was in the 60s and early 70s. No one out there believes anymore—if you can believe the research. We've become a nation of cynics.

That leaves you and me with a lot of work to do. We all have something to sell—products, philosophies, services, companies, ideas. Ever since Moses came down the Mount with those tablets, someone has had to do the selling. The difference is that we seem to have lost our audience—or a good part of it.

CONSUMER ATTITUDES DECLINE

After a generally depressing 10 years that included improper payments scandals and a variety of economic crises, we find:

The percentage of people who are optimistic about our country over the long term has declined from 75 percent in the mid-60s to 30 percent of the population in 1977.

The percentage of people who are optimistic about their own lives has also fallen dramatically—from 75 percent in '64 to 48 percent in 1977.

When assessing this situation, we should keep in mind that 50 percent of consumers today feel they get a worse deal in the marketplace than they did 10 years ago. The major concerns of the consumer are: high prices, the poor quality of many products, and the failure of many companies to live up to their advertising claims.

The study also revealed a deep mistrust of advertising and claims made by companies. Accordingly, "46 percent of the public think that most or all of television advertising is seriously misleading and 28 percent hold similar views about print media advertising." Is this why people favor magazines? Twice as many people believe in print media

Looked at another way, in TV, half of our audience doesn't believe us before we even get to the message!

From my point of view, if over half of America's consumers are suspicious about advertising, then this client could be getting only 50 percent of his dollar's worth. As the head of a company that spends about $130 million a year in advertising dollars through Avis, Hunt-Wesson, Max Factor, Canada Dry, and Somerset Importers, that erosion of efficiency makes me extremely unhappy.

ECONOMICS AND CONSUMER ATTITUDES

There is an even more basic economic problem related to these consumer attitudes. Every one of us has to be sensitive to the impact of economic change on the American people. Obviously, the effect of skyrocketing energy costs, escalating food prices, a gyrating stock market, and high unemployment—plus the threat of double-digit inflation hanging over our heads—has definitely contributed to consumer disenchantment. Regardless of what we tell him, the consumer feels he's not living as well as he used to.

In one poll, more than three-quarters of the public indicated that they are worried "a great deal" about the higher prices of many products. In another recent study that represented 65 million U.S. households, 46 percent of the audience said that controlling inflation is essential, even if it means higher unemployment.

But our politicians and our economists are giving us unacceptable choices—inflation or unemployment. As I said earlier, that's an unacceptable premise so far as I'm concerned. This nation is big enough to solve both problems.

Inflation has become an economic cancer gnawing at the vital organs of every American. Even if we hold inflation to an annual rate of 6 percent, a 30-year-old will see the dollar worth about a dime by the time he reaches 65. He'll have a difficult time staying ahead of inflation and its impact on his pension and savings . . . and he is very aware of the trend, if not the arithmetic.

All of this affects consumer spending, which, in turn, has an impact on our economy and long-term growth. Vermont Royster summed it up in a *Wall Street Journal* article on inflation last month when he said: . . . "Everyone who has trusted the U.S. dollar—be he foreigner, pensioner or ordinary citizen-saver—feels cheated. That takes the mystery out of many things, from the stock market to the foreign exchange markets." At current inflation levels, the Dow Jones Industrial Average is selling not far from where it first sold in 1963; adjusted for inflation, the DJ today would be about 400, close to the peak reached in 1929. That's not a lot of progress in almost 50 years.

As a result, according to a recent report from the University of Michigan: "Confidence and trust in the ability of government, big business and experts in general to slow down the inflation have been severely weakened.

NO MORE REGULATION

So long as inflation is with us, the consumer will continue to harbor negative attitudes and will remain disillusioned and discontented. If these attitudes persist, we will surely enter a period when the vacuum is filled by increasing government penetration into the private sector—in other words, more government regulation by the same group that brought you the Post Office! I wonder how much more our economy can stand. In this fiscal year alone, it will cost the American people $4.8 billion to run 41 federal agencies. And the estimated costs to the private sector of meeting all government compliance requirements will be almost $98 billion in this fiscal year. The outlook is for more of the same.

I read with dismay a few weeks ago that a Senate Subcommittee has launched an investigation into corporate advertising on controversial issues. They've started on four oil companies and their ad agencies. Meanwhile, they have deducted "image" ads as a cost of business. What's next?

I don't believe we can afford or should allow these trends to continue unabated. But to do the job, we must fight to win back the public's confidence.

Fortunately, we have something to work with. The American people unquestionably believe in the free enterprise system. Yankelovich in a speech some months ago said that their surveys revealed time and again that people are not resentful of large profits—if they are perceived as a result of rendering a real service.

COMPETITION IS BEST

One major Harris study determinned that "most Americans recognize the benefits of competition, and most people believe competition is the best way to keep prices down and the best way to ensure better quality products, and the best way to make sure products are safe."

If these surveys are right—and if the public really believes in the free enterprise system and its fundamental values of achievement and reward—we should be able to restore confidence in the business community and its products and services.

But, we will have to do a more effective job in responding to criticism and accusations from government.

The populace has a one-sided view of business—and it's negative. We have to balance the scales in the minds of the public by being more aggressive about our position on key issues—backed by facts, figures, and well-reasoned analyses and position papers. Too often, we are defensive and reactive, and by the time we respond to criticism, it's too late—the public has already made up its mind.

COMMUNICATING OUR POINT OF VIEW

My final observation: It is essential that we become more forceful and direct in communicating our points of view. There is no magic formula to getting the job done—just consistent, continual two-way communications efforts with both the consumer and government.

If we are to win back consumers, we will have to convince them that our long-term, basic interests really serve their long-term interests—delivering the best possible products and services at an equitable price; that's what keeps all of us in business and that's what keeps our economy and nation strong. I believe we can win that battle.

But, the task of dealing with the government is much more complex and worrisome. We must be more aggressive in our approach. In that arena, not only do we have to deal with Washington and the federal bureaucracy but we also have to face the burgeoning role of state government. At the state level alone, this year over 250,000 bills will be introduced and 10 percent will pass through the legislatures and become law.

To win this battle, business will have to meet the phenomenon of government head on, much more aggressively than before. First, we will have to use the channels already available—such as communication with customers, employees, stockholders, and suppliers. There is nothing more effective in dealing with government officials than the power of communications from constituents back home—the voters.

A MILITANT ROLE

Another major force for dealing with government officials is the special interest group, such as this organization. The 4 A's can be an important tool for the free enterprise system by representing not only the advertising and marketing industry but the entire business point of view, in general, in Washington and in the state capitals throughout the country. But don't go to Washington as supplicants or advocates—go as militants demanding equal rights for the free enterprise system. I know you already have some major programs under way here, but I urge you to keep your attention focused on the critical arena.

I have one more thought that will put my remarks in perspective. It's a quote from Malcolm Muggeridge, the British writer and social critic, who once said, "There is no such thing as darkness; only the failure to see." We in the business community are playing not to lose, instead of playing to win. Let's play to win.●

POW–MIA RECOGNITION DAY

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent to have the following excellent article from the Pittsburgh Press included in the RECORD. Entitled "Former POWs Still Captives of Trauma, Indifference" and written by Tom Tiede, this article details the medical problems that many of our former POWs—in this case from World War II—continue to have as a direct result of their imprisonment. Unfortunately, Mr. Tiede further reports the often less than charitable way that our Government responds to these problems.

Mr. Speaker, it is experiences such as those noted by Mr. Tiede that makes one wonder whether America has indeed forgotten about the special sacrifices made by her POWs and about the debt America owes them. Mr. Tiede reports that "some POWs say the Government does not care." I hope it is not true that the Government—and the Nation—is unconcerned. It is because of the kinds of attitudes reflected in this article—feelings of neglect, ingratitude, resentment—that I feel it is necessary that the Nation recognize and reconfirm America's obligation to her POWs.

Accordingly, Mr. Speaker, I have recently introduced legislation which would establish July 18, 1979, as "National POW-MIA Recognition Day," which would honor the POWs and MIAs from all of the wars. House Joint Resolution 963 has received over 130 cosponsors in 1 week and I am very grateful for this. Nonetheless, because the Post Office and Civil Service Committee requires 218 cosponsors in order to report out such resolutions, further support is required. If you have an interest in cosponsoring this legislation please call Norm Shapiro of my staff at 52301. With your help, House Joint Resolution 963 will get the necessary cosponsorship and become enacted. Thank you.

The article follows:

FORMER POWS STILL CAPTIVES OF TRAUMA, INDIFFERENCE

(By Tom Tiede)

WASHINGTON.—Ever since the end of World War II George Tomecko has, in his own words, "not been quite right."

Small wonder. He fought the battle in the most difficult of ways, from inside a series of concentration camps; he spent more than

three wretched years as a Japanese prisoner of war.

Tomecko suffered severely during internment. For example, he recalls the time he and others were stuffed in railroad boxcars for a sadistic trip between prisons. Standing room only. Miles of agony. No place to vomit. Those who died, says Tomecko, had to be held up by the living until the end of the ride.

Then when the train stopped, the POWs were immediately ordered on a forced march. "Some of us could not even stand, much less walk. But that was too bad. I saw the Japs go up to one man who fell, and kill him with a bayonet. Another man was clubbed to death. If you didn't walk, you were murdered."

Tomecko protested in the only way he could. He became a troublemaker. He antagonized the captors, he broke the rules, and for this he paid dearly. He was beaten routinely, almost daily. On one occasion he was called out of a lineup so that a Japanese captain could hit him with a sword for 30 minutes.

So it is that the former soldier, now a resident of Connecticut, has never been the same. As a POW he contacted beriberi, pellagra, dysentery, teeth rot—"and my nerves were shot." Since then he has regularly dreamed of the horrors, waking up at times to the sound of his own desperate screams.

Tomecko was forced to quit his job and forfeit his future. Now 56, he lives inactively, sometimes uncomfortably, on a minimum income. He is moody, irritable and periodically depressed. He worries that a nightmare may kill him. In a real and disturbing way, Tomecko is still in 1978 a prisoner of war.

And he is apparently not alone in his misfortune. Reportedly, there are a growing number of former POWs who are experiencing delayed health problems.

Dr. Elvin Powelit, a Kentucky physician who took part in the infamous Bataan Death March of 1942, says the health of former prisoners often depends on where they were incarcerated. "POWs in Europe had comparatively better food and treatment; so those captured in the Pacific, or in Korea, are now much worse off."

Some POWs say the government doesn't care.

One reason is the reluctance of government to admit that ex-POWs, as a group, have special problems that require special attention.

Stan Sommers, of a group called American Ex-Prisoners of War, says the Veterans Administration looks equally on the supply clerk who served at Fort Dix during Korea, and the POW who was tortured all the while in Pyongyang. "It's ridiculous."

Ex-prisoners say it is particularly ridiculous when they try to collect for disabilities they say are related to incarceration. Tomecko says "battling with the VA over disability is worse than fighting the Japs." Tomecko says it's embarrassing, time consuming, often futile; "In my case, they flatly called me a liar."

According to Public Law 91-376, the VA is required to give ex-prisoners the benefit of the doubt in all disability claims. Instead, claimants say the agency proceeds "on the assumption we are freeloaders." The red tape requirements are so complex that some ailing ex-prisoners have died while waiting for decisions.

The problem is proof. The VA demands irrefutable evidence that a former prisoner's disability is related to his incarceration. That means, in some cases, lost records have to be found, and old POW buddies have to be located. Some former prisoners have spent thousands of dollars just to research their claims.

What is rightful assistance? Rep. Ray Roberts, D-Texas, believes anyone who has served six months or more as a prisoner of war should be presumed to be physically and mentally scarred. Therefore he's introduced a bill which would grant such men lifelong compensation according to rank.●

EXPLANATION

HON. PAUL E. TSONGAS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 23, 1978

● Mr. TSONGAS. Mr. Speaker, I was unavoidably absent for the vote on the Stokes amendment to the 1978 Labor-HEW appropriations bill. Had I been present, I would have voted for the amendment so that poor women would not be unfairly discriminated against in regard to the access to abortions.●

HOUSE OF REPRESENTATIVES—*Monday, June 26, 1978*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. WRIGHT.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
June 26, 1978.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore for today.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Cast all your anxieties upon Him, for He careth about you.—I Peter 5: 7.

Eternal God, our Father, as we enter a new week and face the tasks ahead of us, we turn to Thee seeking the assurance of Thy presence and the guidance of Thy spirit. We acknowledge before Thee that we are anxious about our tasks and are tempted to feel that we are not strong enough to face the questions that trouble us, the difficulties that frighten us, and the future which concerns us.

Grant unto us a faith great enough for these days, great enough to lift the burden of loneliness and the weight of worry, great enough to keep us adequate for our tasks, and great enough to make us equal to our experiences and ready for our responsibilities. With Thee may we walk with firm faith, unashamed and unafraid.

We pause a moment in Thy presence to thank Thee for the memory of our beloved comrade, WILLIAM M. KETCHUM. We are grateful for his presence in our midst, for the work he did, and for so ably representing his district in Congress. Comfort his wife and children with Thy presence and give them strength to live through the coming days.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment joint and concurrent resolutions of the House of the following titles:

H.J. Res. 995. Joint resolution to designate Sunday, June 25, 1978, as "National Brotherhood Day";

H. Con. Res. 441. Concurrent resolution providing for the printing of the report "New Perspectives in Health Care for Older Americans"; and

H. Con. Res. 561. Concurrent resolution authorizing the printing as a House document the folder "The United States Capitol".

The message also announced that the Senate had passed a resolution of the following title:

S. RES. 490

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Honorable Clifford R. Allen, late a Representative from the State of Tennessee.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2351. An act to name the new Veterans' Administration Hospital in Little Rock, Ark., the John L. McClellan Hospital.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill and joint resolution of the House of the following titles:

H.R. 12933. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979, and for other purposes; and

H.J. Res. 945. Joint resolution making an urgent supplemental appropriation for the black lung program of the Department of Labor for the fiscal year ending September 30, 1978.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 12933) entitled "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAYH, Mr. MAGNUSON, Mr. STENNIS, Mr. ROBERT C. BYRD, Mr. EAGLETON, Mr. JOHNSTON, Mr. CASE, Mr. YOUNG, Mr. MATHIAS, and Mr. WEICKER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 945) entitled "An act making an urgent supplemental appropriation for the black lung program of the Department of Labor for the fiscal year ending September 30, 1978," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. ROBERT C. BYRD, Mr. PROXMIRE, Mr. HOLLINGS, Mr. EAGLETON, Mr. YOUNG, Mr. BROOKE, and Mr. WEICKER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11302) entitled "An act to authorize appropriations for environmental research, development, and demonstrations for the fiscal year 1979, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CULVER, Mr. MUSKIE, Mr. HART, Mr. WALLOP, and Mr. MCCLURE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title:

S. 2093. An act to provide that the Exchange Stabilization Fund shall not be available for payment of administrative expenses; and for other purposes.

The message also announced that the Senate had passed a joint and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. J. Res. 133. Joint resolution to authorize and request the President to issue a proclamation designating September 24, 1978, as "National Good Neighbor Day"; and

S. Con. Res. 90. Concurrent resolution authorizing the printing of additional copies of volumes 1 and 2 of the committee print entitled "A Legislative History of the Water Pollution Control Act Amendments of 1972."

THE LATE HONORABLE WILLIAM M. KETCHUM

(Mr. BOB WILSON asked and was given permission to address the House for 1 minute.)

Mr. BOB WILSON. Mr. Speaker, it is my sad mission to announce the death of our colleague, the late Honorable WILLIAM M. KETCHUM, Representative of the 18th District of California, who passed away on Saturday evening at his home in Bakersfield.

The gentleman from California had led a very full and active life. As a matter of fact, he played tennis Saturday morning and again in the afternoon.

All of us who are Members of the California delegation are going to miss him greatly.

Bill had been here a relatively short time but quickly became a leader in our midst, and we had put our hopes in him for future leadership. But that will not be, unfortunately.

All of us, I am sure, extend our condolences today to his wife, Lola, to his two children and four grandchildren.

The Speaker of the House announced that tomorrow we will not be in session. The funeral will be held tomorrow in Bakersfield.

Mr. Speaker, I yield to the dean of the California delegation, the Honorable JOHN MOSS, for details about the funeral.

Mr. MOSS. I thank the gentleman for yielding.

Mr. Speaker, I want to join my colleague, the gentleman from California (Mr. BOB WILSON), in expressing our very deep sense of shock at the untimely death of BILL KETCHUM. While he was with us here in the House for only 6 years, those of us from California knew him because of his service in our State assembly for 6 years preceding his coming to Washington. The respect for BILL KETCHUM was universal in this House. The affection for him in the delegation knew no center aisle. It is with a keen sense of loss that each Californian views this passing of a highly respected colleague.

Mr. Speaker, tomorrow morning, I have been informed by the Sergeant at Arms, transportation will leave the steps of the Capitol, on the House side, at 7:30, and arrive at Bakersfield, Calif., for services at 11:30 tomorrow morning, Pacific time. The plane will return to Washington by 9 o'clock tomorrow evening. Members of the delegation, members of the committee and Members of the House are, in most instances, going to be accommodated, and there will be room for the wives of some of the Members. I would suggest that Members desiring to go to California with the funeral party contact the Sergeant at Arms immediately so that final planning can be carried forward.

Mr. BOB WILSON. Mr. Speaker, I wonder if the gentleman from California (Mr. Moss) could give additional details such as the family requesting no flowers.

Mr. MOSS. Yes. I think it is very important to be announced that the family has requested that no flowers be sent and that contributions may be made to the Kern County Heart Association, rather than the sending of flowers.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. I yield to the gentleman from New York.

Mr. CONABLE. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask if an appropriate time will be set aside for tributes to our fine colleague, whom we will all miss a great deal.

Mr. BOB WILSON. Yes. At a later time I will announce a special order in which Members may make a statement.

Mr. CONABLE. Mr. Speaker, we all learned with shock and sorrow of the passing Saturday of our friend and colleague, WILLIAM KETCHUM of California. He was a vigorous man, with a vigorous mind. He was an honest politician who saw no contradiction in those terms because he did not compromise the principles he happily brought to the political fray. His was a precise mind, and his inquisitive nature quickly made him expert far beyond the average in such technical fields as welfare and unemployment insurance. He was a national asset, a most valuable member of this body, for these and other reasons. We will miss his counsel immediately and over a long period. Speaking for the close circle of his associates among the members of the Ways and Means Committee, where his participation was admired and exemplary, we send our love and our sorrow to his family.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. I yield to the gentleman from Arizona.

Mr. RHODES. I thank the gentleman for yielding.

Mr. Speaker, it is with great sadness that I join my colleagues from California in noting the untimely passing of our dear friend and beloved colleague. He was indeed a very valuable Member of this House, a good friend, and he will be deeply missed.

Mr. Speaker, he was a man of principle, a holder of strong and definite views on the issues that face our Nation, and a fighter for what he believed was right. He was a forceful and active man who served the Nation well on the Ways and Means Committee, and his constituents well in the 18th District of California.

As a rancher himself, he understood the unique problems of agriculture and the cycles of the cattle business.

As minority leader I have been pleased and proud to have had BILL KETCHUM as a Member of our House contingent. He was a fine gentleman, a dedicated Congressman, and he will be missed by his host of friends on both sides of the political aisle.

I join my colleagues in expressing our condolences to his wife Lola and to his children.

Mr. BOB WILSON. I thank the gentleman for his remarks.

Mr. Speaker, I will repeat again the details. The bus will leave for the plane at 7:30 from the Capitol tomorrow. It will leave from Andrews Air Force Base at 8:30, will go to Bakersfield for the funeral, and will be back at Andrews at 8:30 tomorrow night.

THE LATE HONORABLE WILLIAM M. KETCHUM

(Mr. RONCALIO asked and was granted permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I would like to pay respect to our departed friend. I served as one of the majority on the Committee on Interior and Insular Affairs, where he sat for the first of his terms here. He was a shrewd, articulate, accomplished lawmaker. There were occasions for disagreement often in our markup session. But they were always at the highest level of lawmaking, and I was delighted that he always had the courtesy to thank his adversaries when matters were concluded.

He was very gracious when the Interior Committee, which was chaired by BIZZ JOHNSON of the Subcommittee on Water and Power, visited his area several years ago.

His death leaves a large gap in the House, and this Nation has lost a good, tough, dedicated lawmaker.

Mr. Speaker, I indeed will miss him very, very much. He was a fine lawmaker.

Mr. FUQUA. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Speaker, I appreciate the gentleman's yielding.

Mr. Speaker, I know my colleagues share with me the feeling of great loss with the untimely death of an outstanding American, Representative WILLIAM M. KETCHUM.

BILL was a close friend who had an unswerving dedication to the responsibilities of his office. I got to know him well when he served on the Science and Technology Committee, of which I am a member, and on the Space Science and Applications Subcommittee, which I chair. His contributions, wisdom, and guidance which he brought to these positions, earned him a solid reputation as a devoted and distinguished Representative.

I have had the opportunity to visit his district. His dedication to public service and specifically to his constituents was unequaled. He had a probing and perceptive insight for the desires and needs of the people he served and pursued these goals with vigor.

Mrs. Fuqua and I would like to extend our deepest, heartfelt sympathy to his lovely wife and family. Indeed, theirs is a deep personal loss.

But the Congress and the Nation shares in this loss. We have lost a great American.

APPOINTMENT OF CONFEREES ON H.R. 12933, TRANSPORTATION AND RELATED AGENCIES APPROPRIATION ACT, 1979

Mr. McFALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12933) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none, and, without objection, appoints the following conferees: Messrs. MCFALL, STEED, DUNCAN of Oregon, BENJAMIN, SMITH of Iowa, ADDABBO, YATES, EVANS of Colorado, MAHON, CONTE, EDWARDS of Alabama, O'BRIEN, and CEDERBERG.

There was no objection.

A REASONABLE TAX BILL SHOULD HAVE HIGHEST PRIORITY BEFORE 95TH CONGRESS COMPLETES ITS WORK

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, I am sure it is a matter of concern to all Members of the House that the Ways and Means Committee has not been meeting on the President's tax proposals ever since the markup was suspended on April 24. Even before the proposition 13 vote in California, there are few here who would not have given the highest priority to passage of a reasonable tax bill before the 95th Congress completes its work. The decision has been made, incorrectly in my opinion, not to roll back the tremendous jump in social security taxes scheduled for January 1, 1979. On that same day, $9 billion in temporary income tax cuts expire under terms of the 1976 Tax Reform Act, unless some prior action has been taken. We all know that since the beginning of 1977, total income tax revenue has increased by a sum in excess of $30 billion by interaction of inflation and the graduated rate of our tax. We have watched with concern as the President's tax cut goals have been reduced from a starting net of $25 billion to $19 billion and now, according to press statements, to $15 billion.

Ways and Means deliberations were suspended, not because we were insensitive to these problems, but because the administration feared we would be too sensitive to them. Our tentative decisions reflected the public concern rather than the President's view that tax reform involves tax increases and that the state of the economy requires more Government tax revenue than he originally thought even if it results in bigger government.

Mr. Speaker, the most sensitive point is the dispute between the majority of the committee and the administration over a reduction in the rate of tax on long-term capital gain. A majority of the committee favors at least a modified Steiger amendment, feeling that such a rate reduction would help our economic system function better by encouragement of capital transactions and investment in risk capital, without adversely affecting Government revenues. The administration's objection to this course appears primarily ideological, and administration leaders have persuaded our patient and accommodating chairman to give them until the middle of July to try to design and lobby an alternative to the Steiger amendment. Time is running short, and so is the temper of the people who expect their Representatives to be logical and helpful on the issue of taxes, rather than stubbornly ideological.

WATERGATE REVISITED?

(Mr. LEACH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEACH. Mr. Speaker, normally it is inappropriate for Members of Congress to comment on issues being litigated before Federal courts, but I should like to bring to the attention of the House what appears to be a scandal of staggering magnitude unfolding in U.S. District Court for the Southern District of Iowa.

All of us are familiar with the difficulties of establishing a national sugar policy and the implication of congressional action last August in passage of the de la Garza amendment to the Agricultural Act of 1977. Today the National Corn Growers Association and the Corn Refiners Association are suing principals of the USDA and the Commodity Credit Corporation arguing that the administration refused to implement the de la Garza amendment, causing substantial profit to large sugar users, such as the Atlanta-based Coca Cola Co., and attendant losses to producers of sugar beets, sugar cane, and core sweeteners.

In furtherance of their case, the plaintiffs requested, under court sanction, documents from the Department of Agriculture. In March plaintiffs were informed that approximately 20 unidentified documents were removed from the files of the USDA and transferred to the White House, without copies being maintained at the USDA, for possible claims of executive privilege.

Since mid-March the Corn Growers Association and the Corn Refiners Association have repeatedly urged the Justice Department to obtain an executive determination as to the status of the White House documents. Justice lawyers informed the plaintiffs that the documents were under review by a member of the White House legal staff, and that every effort was being made to procure an early decision on the question of privilege.

Incredibly, on June 19, Justice Department counsel informed the plaintiffs that the White House documents have disappeared and that the White House staff is unable to account for them.

Legitimate arguments exist on each side of the sugar issue, but it appears that the law of the land has been flagrantly disobeyed by the administration. It also appears that an administration dedicated to openness has forgotten the 18½ minute tape gap of a prior administration. Three questions cry for answer:

Who is the Rose Mary Woods of this administration?

Who caused the documents to be lost?

What did they contain?

THE SUDDEN AND UNTIMELY DEATH OF HON. WILLIAM M. KETCHUM

(Mrs. PETTIS asked and was given permission to address the House for 1

minute and to revise and extend her remarks.)

Mrs. PETTIS. Mr. Speaker, the sudden and untimely death of our colleague, BILL KETCHUM, was a terrible blow—my heart goes out to his wife, Lola, and the children. They were a close and happy family and BILL was one of my dearest friends in the House.

I will always remember that when Jerry, my late husband, died, BILL was the first of his colleagues to lend me support, and when I took over Jerry's seat he was right there, counseling, encouraging, guiding, seeing me through the shock of my own great loss.

BILL assumed Jerry's place on the House Ways and Means Committee, and fought the good fight against fiscal irresponsibility, against wasteful spending, against extravagant programs.

The House of Representatives, the 18th Congressional District in California, and our country have lost a wise and reasonable and masterly voice.

ADJOURNMENT UNTIL 10 A.M. WEDNESDAY, JUNE 28, 1978

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. Wednesday, June 28, 1978.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. LEVITAS. Mr. Speaker, reserving the right to object, and of course, I will not object, I would like to inquire whether the majority leader knows what the schedule will be for the remainder of this week. There are Members who have amendments and who are interested in certain pieces of legislation, and they may be affected by this.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. LEVITAS. I will be happy to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I am not quite sure that the schedule has been completely worked out. I do have a unanimous-consent request to present which would ask that the suspension bills that are scheduled for tomorrow be brought up Wednesday. I will ask unanimous consent that the suspension bills be brought up on Wednesday.

Mr. LEVITAS. Further reserving the right to object, Mr. Speaker, in particular this gentleman would like to inquire whether it is anticipated that the bills relating to the Department of Energy, Department of Housing and Urban Development, and the Department of Justice are still planned for consideration this week.

Mr. MONTGOMERY. If the gentleman will yield further, as I understand it the Housing and Community Development Act amendments will be taken up and it will be completed, and then we will complete action on the Department of Energy authorization bill. Those two bills have priority, as I understand it.

Mr. LEVITAS. Am I correct that the House will not be in session on Friday?

Mr. MONTGOMERY. On Friday the House will not be in session. The House will not be in session tomorrow.

Mr. LEVITAS. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. When the House adjourns today, it will adjourn out of respect for the late Honorable WILLIAM KETCHUM, to reconvene at 10 a.m. on Wednesday.

AUTHORIZING THE SPEAKER TO ENTERTAIN MOTIONS TO SUSPEND RULES ON WEDNESDAY, JUNE 28, 1978

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that on Wednesday, June 28, 1978, it shall be in order for the Speaker to entertain motions to suspend the rules, notwithstanding the provisions of clause 1, rule XXVII.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, do I understand from the gentleman's statement that the only suspensions that will be brought up will be those already scheduled?

Mr. MONTGOMERY. That is correct.

Mr. BAUMAN. I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

THE LATE HONORABLE WILLIAM M. KETCHUM

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I too would like to address the House concerning the loss of our dear colleague, the gentleman from California, Mr. KETCHUM. I do not know that anyone can combine, as he did, the sturdy principles and the kindly humor that are going to be lost with his passing.

There was something so genuine, so deep, in his convictions, and so fair and kindly in his dissent, combined with a sense of humor and compassion. He will be sorely missed.

THE LATE HONORABLE WILLIAM M. KETCHUM

(Mr. JOHN L. BURTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHN L. BURTON. Mr. Speaker, I just want to join our colleagues in lamenting the passing of my very dear friend, BILL KETCHUM. We served in the State legislature for many years. We were seatmates. In the State legislature in California we used to vote by electronic light switches, and Bill always said he was responsible for about 60 percent of my votes because I never had the ability to sit in one place very long.

The Congress is going to miss him. I know I am going to miss him. And the elderly people of the State of California had no greater champion than this so-called conservative, BILL KETCHUM.

I just want to extend my condolences to his wife Lola and to their children. I just wish he were here with us today. I know wherever he is, he is going to be raising the same kind of hell that he did on this floor and in the State legislature.

BILL KETCHUM was always his own man. He was not afraid to look Republican Governor Reagan in the eye on issues dealing with the rights of the elderly and tell the Governor that his programs were wrong. We had many occasions to team up as an urban liberal and rural conservative to pass meaningful legislation in the State of California dealing with the rights of the elderly. As the only urban member of the Assembly Agriculture Committee, I was also in a position to work with BILL KETCHUM to provide help for the people he represented who were small producers fighting against the great distributors and conglomerates. I never failed to remind BILL that I was responsible for his legislation to create a table grape commission in the State of California that was of great importance to his district. He was a great person and a great legislator and I am proud that he was my friend.

THE LATE HONORABLE WILLIAM M. KETCHUM

(Mr. MIKVA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MIKVA. Mr. Speaker, I wish to add my sentiments and I would like to join those of my colleagues who have spoken about the deep sense of loss we all feel on the untimely death of our colleague, the gentleman from California, BILL KETCHUM. This was an honest and decent Tory, the likes of which this body may not see again for a long time and I know every Member deeply feels the loss of our great colleague.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Today is the day for the call of bills under suspension of the rules.

Pursuant to the provisions of clause 3(b) of rule XXVII. The Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motion to suspend the rules have been entertained and debated and after those motions, to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

RESERVE SURVIVORS' BENEFITS ACT OF 1978

Mr. NICHOLS. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 11797) to amend title 10, United States Code, to grant survivors of Reserves who retire for nonregular service and die before becoming entitled to retired pay eligibility for certain survivor benefits, as amended.

The Clerk read as follows:

H.R. 11797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Reserve Survivors' Benefits Act of 1978".

TITLE I—ANNUITIES UNDER SURVIVOR BENEFIT PLAN

DEFINITION OF BASE AMOUNT

SEC. 101. Section 1447(2) of title 10, United States Code, is amended to read as follows:

"(2) 'Base amount' means—

"(A) in the case of a person who dies after becoming entitled to retired or retainer pay, the amount of monthly retired or retainer pay to which the person—

"(i) was entitled when he became eligible for that pay, or

"(ii) later became entitled by being advanced on the retired list, performing active duty, or being transferred from the temporary disability retired list to the permanent disability retired list;

"(B) in the case of a person who would have become eligible for retired pay under chapter 67 of this title but for the fact that he died before becoming sixty years of age, the amount of retired pay for which the person would have been eligible—

"(i) if he had been sixty years of age on the date of his death, for purposes of an annuity to become effective on the day after his death in accordance with a designation made under section 1448(e) of this title, or

"(ii) upon becoming sixty years of age (if he had lived to that age), for purposes of an annuity to become effective on the sixtieth anniversary of his birth in accordance with a designation made under section 1448(e) of this title; or

"(C) any amount which is less than the amount otherwise applicable under clause (A) or (B) with respect to an annuity provided under the Plan and which is designated by the person providing the annuity on or before (i) the first day for which he becomes eligible for retired or retainer pay, in the case of a person providing the annuity under eligibility to provide an annuity under section 1448(a)(1)(A) of this title, or (ii) the end of the three-month period beginning on the date on which he receives the notification required by section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title, in the case of a person providing the annuity under eligibility to provide an annuity under section $300;

as increased from time to time under section 1401a of this title.".

APPLICATION OF SURVIVOR BENEFIT PLAN

SEC. 102. (a) Subsection (a) of section 1448 of title 10, United States Code, is amended to read as follows:

"(a)(1) The program established by this subchapter shall be known as the Survivor Benefit Plan. The following persons are eligible to participate in the Plan:

"(A) Persons entitled to retired or retainer pay.

"(B) Persons who would be eligible for retired pay under chapter 67 of this title but for the fact that they are under sixty years of age.

"(2) The Plan applies—

"(A) to a person who is eligible to participate in the Plan under paragraph (1)(A) and who is married or has a dependent child when he becomes entitled to retired or retainer pay, unless he elects not to participate in the Plan before the first day for which he is eligible for that pay, and

"(B) to a person who (i) is eligible to participate in the Plan under paragraph (1)(B), (ii) is married or has a dependent child when he is notified under section 1331(d) of this title that he has completed the years of service required for eligibility for retired pay under chapter 67 of this title, and (iii) elects to participate in the Plan (and makes an election under subsection (e)), before the end of the three-month period beginning on the date he receives such notification.

A person described in subclauses (i) and (ii) of clause (B) who does not elect to participate in the Plan before the end of the three-month period referred to in such clause shall remain eligible, upon reaching sixty years of age and otherwise becoming entitled to retired pay, to participate in the Plan in accordance with eligibility under paragraph (1)(A).

"(3)(A) If a person who is eligible under paragraph (1)(A) to participate in the Plan and who is married elects not to participate in the Plan at the maximum level, or elects to provide an annuity for a dependent child but not for his spouse, that person's spouse shall be notified of that election.

"(B) If a person who is eligible under paragraph (1)(B) to participate in the Plan and who is married does not elect to participate in the Plan at the maximum level, or elects to provide an annuity for a dependent child but not for his spouse, that person's spouse shall be notified of that action.

"(4)(A) An election under paragraph (2)(A) not to participate in the Plan is irrevocable if not revoked before the date on which the person first becomes entitled to retired or retainer pay.

(B) An election under paragraph (2)(B) to participate in the Plan is irrevocable if not revoked before the end of the three-month period referred to in such paragraph.

"(5) A person who is not married when he becomes eligible to participate in the Plan but who later marries or acquires a dependent child, may elect to participate in the Plan, but his election must be written, signed by him, and received by the Secretary concerned within one year after he marries or acquires that dependent child. Such an election may not be revoked. His election is effective as of the first day of the month after his election is received by the Secretary concerned. In the case of a person who is eligible to participate in the Plan under paragraph (1)(B), such and election shall include a designation under subsection (e).".

(b) Subsection (b) of such section is amended—

(1) by striking out "entitled to retired or retainer pay" and inserting in lieu thereof "eligible to participate in the Plan"; and

(2) by adding at the end thereof the following new sentence: "In the case of a person who is eligible to participate in the Plan under subsection (a)(1)(B), such an election shall include a designation under subsection (e)".

(c) Such section is further amended by adding at the end thereof the following new section:

"(e) With respect to any election to participate in the Plan which is required under subsection (a)(2)(B), (a)(5), or (b) to include a designation under this subsection, the person making the election shall designate whether, in the event he dies before becoming sixty years of age, the annuity provided shall become effective on the day after the date of his death or on the sixtieth anniversary of his birth.".

PAYMENT OF ANNUITY

SEC. 103. Section 1450 of title 10, United States Code, is amended—

(1) by inserting "(or on such other day as he may be provided under subsection (j))" in subsection (a) after "of this title applies"; and

(2) by adding at the end thereof the following new subsection:

"(j) An annuity provided under eligibility to provide an annuity under section 1448(a)(1)(B) of this title shall be effective in accordance with the designation of the person providing the annuity under section 1448(e) of this title.".

AMOUNT OF ANNUITY

SEC. 104. (a) The first sentence of subsection (a) of section 1451 of title 10, United States Code, is amended to read as follows: "The monthly annuity payable to a widow, widower, or dependent child who is entitled under section 1450(a) of this title to an annuity shall be—

"(1) 55 percent of the base amount, if the annuity is provided under eligibility to provide an annuity under section 1448(a)(1)(A) of this title, or

"(2) a lesser percentage (determined by the Secretary of Defense in accordance with subsection (d)) of the base amount, if the annuity is provided under eligibility to provide an annuity under section 1448(a)(1)(B) of this title.".

(b) Subsection (b) of such section is amended to read as follows:

"(b) The monthly annuity payable under section 1450(a)(4) of this title shall be—

"(1) 55 percent of the retired or retainer pay of the person who elected to provide that annuity after the reduction in such pay in accordance with section 1452 (c) of this title, if the annuity is provided under eligibility to provide an annuity under section 1448(a)(1)(A) of this title, or

"(2) a lesser percentage (determined by the Secretary of Defense in accordance with subsection (d)) of the retired pay of the person who elected to provide that annuity after the reduction in such pay in accordance with section 1452(C) of this title, if the annuity is provided under eligibility to provide an annuity under section 1448(a)(1)(B) of this title."

A person who provides an annuity which is determined in accordance with clause (2) and who dies before becoming sixty years of age and otherwise entitled to retired pay shall be considered to have been entitled to retired pay, for the purpose of such clause, at the time of his death, and the retired pay of such person for the purpose of such clause shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity is to become effective in accordance with the designation of such person under section 1448(e) of this title.".

(c) Such section is further amended by adding at the end thereof the following new subsection:

"(d) The percentage to be applied by the Secretary of Defense in determining the amount of an annuity under subsection (a)(2) or (b)(2) shall be 55 percent reduced by such amount as the Secretary shall by regulation prescribe, taking into consideration the age of the person electing to provide the annuity at the time of such election, the difference in age between such person and the beneficiary of the annuity, whether such person provided for the annuity to become effective (in the event he died before becoming sixty years of age) on the day after his death or on the sixtieth anniversary of his birth, appropriate group annuity tables, and such other factors as the Secretary considers relevant.".

REDUCTION IN RETIRED PAY

SEC. 105. (a) The first sentence of subsection (a) of section 1452 of title 10, United States Code, is amended by striking out "shall be reduced each month" and all that follows in such sentence and inserting in lieu thereof "shall be reduced each month—

"(1) by an amount equal to 2½ percent of the first $300 of the base amount plus 10 percent of the remainder of the base amount if the person is providing an annuity under

eligibility to provide an annuity under section 1448(a)(1)(A) of this title; or

"(2) by an amount prescribed under regulations of the Secretary of Defense, if the person is providing an annuity under eligibility to provide an annuity under section 1448(a)(1)(B) of this title.".

(b) Subsection (c) of such section is amended to read as follows:

"(c) The retired or retainer pay of a person who has elected to provide an annuity to a person designated by him under section 1450(a)(4) of this title shall be reduced—

"(1) in the case of a person providing the annuity under eligibility to provide an annuity under section 1448(a)(1)(A) of this title, by 10 percent plus 5 percent for each full five years the individual designated is younger than that person; or

"(2) in the case of a person providing the annuity under eligibility to provide an annuity under section 1448(a)(1)(B) of this title, by an amount prescribed under regulations of the Secretary of Defense.

However, the total reduction under clause (1) may not exceed 40 percent. The reduction in retired or retainer pay prescribed by this section shall continue during the life of the individual designated under section 1450(a)(4) of this title or until the person receiving retired or retainer pay changes his election under section 1450(f) of this title.".

NOTIFICATION

SEC. 106. Section 1331(d) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "Such notice shall include notification of the elections available to such person under the Survivor Benefit Plan established under subchapter II of chapter 73 of this title and the effects of such elections.".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 107. (a) The first sentence of section 1449 of title 10, United States Code, is amended by striking out "the first sentence of subsection (a), or subsection (b)," and inserting in lieu thereof "subsection (a)(2) or (b)".

(b) Section 1450(d) of such title is amended by striking out "section 8339(i)" and inserting in lieu thereof "section 8339(j)".

(c) Section 1450(f) of such title is amended by striking out "the last three sentences of this section 1448(a)" and inserting in lieu thereof "section 1448(a)(5)".

TRANSITION

SEC.108. With respect to any individual (1) who on the date of the enactment of this Act is eligible for retired pay under chapter 67 title 10, United States Code, but for the fact that he is under sixty years of age, or (2) who before the end of the nine-month period beginning on the date of the enactment of this Act, receives a notification under section 1331(d) of such title that he has completed the years of service required for eligibility for such retired pay, the three-month period provided in section 1447(2)(C) of title 10, United States Code (as amended by section 101 of this Act), and in sections 1448(a)(2) and 1448(a)(4)(b) of title 10, United States Code (as amended by section 102(a) of this Act), shall be considered to the end of the one-year period beginning on the date of the enactment of this Act.

EFFECTIVE DATES

SEC. 109. (a) Except as provided by subsection (b), the amendments made by this title shall take effect on October 1, 1978, or the date of the enactment of this Act, whichever is later, and shall apply to annuities payable by virtue of such amendments for months beginning on or after such date.

(b) The amendment made by section 106 shall apply to notifications under section 1331(d) of title 10, United States Code, after the date of the enactment of this Act.

TITLE II—MEDICAL AND DENTAL CARE

SEC. 201. Subsection (b) of section 1076 of title 10, United States Code, relating to medical and dental care for dependents of retired members of the uniformed services, is amended to read as follows:

"(b) Under regulations to be prescribed jointly by the Secretary of Defense and the Secretary of Health, Education, and Welfare, a dependent of a member or former member who—

"(1) is, or was at the time of his death, entitled to retired or retainer pay, or equivalent pay, or

"(2) at the time of his death, (A) would have been eligible for retired pay under chapter 67 of this title but for the fact that he was under sixty years of age, and (B) had elected to provide an annuity under the Survivor Benefit Plan established under subchapter II of chapter 73 of this title,

may, upon request, be given the medical and dental care prescribed by section 1077 of this title in facilities of the uniformed services, subject to the availability of space and facilities and the capabilities of the medical and dental staff, except that a dependent of a member or former member described in clause (2) may not be given such medical or dental care until the effective date of the annuity provided under the Survivor Benefit Plan.".

SEC. 202. The amendment made by section 201 shall apply to medical and dental care provided after September 30, 1978, or the date of the enactment of this Act, whichever is later.

The SPEAKER pro tempore. Is a second demanded?

Mr. MITCHELL of New York. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama (Mr. NICHOLS) will be recognized for 20 minutes, and the gentleman from New York (Mr. MITCHELL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, we are considering today a bill significantly benefiting our career Reserves and National Guard personnel while at the same time resulting in no additional long-range costs to the Government. The benefit to our Reserve personnel is great because the need is great. The program results in no additional long-range costs to the Government because the additional cost of the new benefit is borne entirely by those reservists and their survivors who will potentially benefit from the coverage.

PRESENT SITUATION

Reservist lives to age 60: Presently, a reservist who reaches age 60 may elect to participate in the survivor benefit plan for military retirees on the same basis as any other retiree entitled to retired pay. In other words, if the member elects to provide survivor coverage after age 60, his monthly retired pay is reduced by 2½ percent of the first $300 plus 10 percent of any portion over $300. The member must make the election to participate at the time he begins to draw his retired pay. The survivor benefit payable at the time of his death is 55 percent of retired pay.

Reservist dies before age 60: Should the reservist die before reaching age 60, however, the survivor is not eligible for any benefit from the survivor benefit plan. This is true even though the reservist had completed 20 years of satisfactory service and had become "vested" in the Reserve retirement system.

It is to this group that potential changes are addressed.

A SURVIVOR BENEFIT PLAN FOR RESERVES

H.R. 11797 is designed to extend survivor protection to the spouse, spouse and children, children alone, or persons with an insurable interests, of reservists who have completed 20 years of satisfactory Federal service but who have not yet reached age 60.

OPTIONS PROPOSED

Compared to the current survivor benefit plan, the survivor benefit plan for reservists provides two additional options for coverage. Each reservist will be required to make an election upon completing 20 years of creditable service. Reservists will be notified of the options available to them under the survivor benefit plan at that time. They will have 3 months from receipt of notification to elect in writing one of the three options available to them.

The retirement-eligible Reserve member can make one of the following elections:

Elect no change from the current survivor benefit plan: The member can decline to make an election for or against survivor benefit plan coverage until attaining age 60. Consequently, there would be no coverage in the years between becoming retirement eligible and attaining 60 years of age. Coverage beyond age 60 would remain subject to the retiree's election upon attaining age 60. At that time, the provisions of the survivor benefit plan as they currently exist would apply.

Elect the first new option: A survivor annuity would be payable on the date the member would have attained age 60 if he dies before age 60, or on the date of his death if he dies on or after that date.

Elect the second new option: A survivor annuity would be payable on the date of the member's death whether before or after age 60.

ELECTION TO PARTICIPATE

A positive election in writing is required if the reservist wishes coverage under either of the two new options. If no election is made by the reservist within the 3 months following notification, the member is presumed to have elected not to make an election until age 60. The election to participate under either of the new options is irrevocable as long as an eligible beneficiary remains.

COSTS TO PARTICIPANTS

The "cost" of providing this additional coverage before age 60 is shared entirely by those individuals potentially benefiting from the coverage.

The cost to the retiree will be in the form of an additional reduction (above the standard contribution of 2½ percent of the first $300 of retired pay plus 10 percent of the remainder). The cost to the retiree is only incurred if the

member lives to age 60, of course. The cost to the survivor will be in the form of a reduction applied to the 55 percent of the retired pay normally received. These reductions, in total, will insure that the extended coverage afforded under H.R. 11797 is provided at no additional cost to the Government. By sharing the total cost between the surviving retirees electing coverage and the spouses who received coverage, the cost to individuals in either category is not overly burdensome.

The amount of these reductions will be based on actuarial culculation using a specified group annuity table and discount rate, the member's age at election, the difference in age and sex of the survivor, and the option elected.

SURVIVOR BENEFIT

The survivor benefit for those electing the early coverage would be equal to 55 percent of the reservist's retired pay reduced by the actuarial charge.

As under the current survivor benefit plan, the survivor annuity would be adjusted by the CPI from the date of receipt, and offsets would be taken for social security and dependency and indemnity compensation (DIC) where applicable.

CONCLUSION

I would conclude, Mr. Speaker, by saying that the genesis of the plan I have outlined came primarily from two sources.

Our distinguished colleague from Mississippi (Mr. MONTGOMERY), a stalwart supporter of the Reserve and National Guard, has, over a number of years, introduced a bill that would have extended survivor benefit coverage to reservists who have not yet reached age 60. For this effort, a debt of gratitude is owed to the gentleman.

Second, the basic provisions of the plan contained in H.R. 11797 were developed in the Department of Defense under the close guidance of former Assistant Secretary of Defense for Reserve Affairs, Will Hill Tankersley. For this he, also, deserves the lasting appreciation of the Reserves and National Guard personnel.

Mr. Speaker, I urge all Members to strongly support H.R. 11797.

Mr. MITCHELL of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to add my strong support to this urgently needed bill. Approximately 1,100 Reserve and National Guard personnel who have completed 20 years of service but who have not yet reached age 60 die each year and leave survivors. Presently, these survivors receive no benefit based on the Reserve retired pay that had become vested to the member. Yet these same survivors are the widows and children of the members who gave up their evenings, weekends and vacations with the family to participate in Reserve activities in order to earn that retired pay.

The plan proposed by H.R. 11797 would correct this grievous inequity; and further, it would do this at no long range cost to the Government.

The first option, under the bill, available to the reservist is to wait until age 60 to join the survivor benefit plan. This is, of course, his only option today. If he dies before reaching age 60, no benefit is paid. If he lives to age 60 and joins the plan, his retired pay is reduced by the present contribution formula; and when he dies, his survivor would receive 55 percent of his retired pay.

The two new options under the bill allow the member to elect coverage upon completing 20 years of service. The first of these would provide an annuity to the survivor at the time the reservist would have reached age 60 if the reservist dies before age 60. The amount of the survivor annuity would be 55 percent of retired pay—reduced by an actuarial charge. If the member reaches age 60, his retired pay is reduced by the present contribution, plus an actuarial charge; and the survivor benefit when paid would be 55 percent of retired pay reduced by an actuarial charge. The second of the new options would provide an annuity to the survivor immediately upon the death of the reservist. The annuity would be 55 percent of retired pay—reduced by an actuarial charge. If the member lives to age 60, his retired pay would be reduced by the present contribution plus an actuarial charge.

The actuarial charge would be greater for the reservist and the survivor who received coverage providing for an immediate annuity than for the reservist and survivor who received coverage providing for an annuity payable when the member would have reached age 60. And, of course, the actuarial charge under either of the new options would be larger the younger a reservist is when he completes 20 years of creditable service.

COSTS

As indicated above, because of the additional charge levied against the retired pay and survivor benefits of those who elect the extended coverage, there is no long-range cost associated with the proposal. However, there will be additional outlays immediately after enactment required to pay benefits to survivors who would not, under the current plan, receive benefits. Additional savings will eventually offset these costs when reduced retired pay and survivor benefits are paid.

For example, in the first year the additional cost of the bill would be $1.9 million, rising to $11.0 million by the fifth year. However, in the long run, because of the actuarial charges levied against the retired pay and annuities of those who benefit, there will be no additional cost to the Government.

IRREVOCABLE PROVISION

H.R. 11797 permits the reservist to drop out of the plan should there no longer be an eligible beneficiary. This is similar to the provision in the current survivor benefit plan.

In addition, if the member's original beneficiary becomes ineligible and a second beneficiary is obtained, the member would be permitted to rejoin the plan within a year. The costs under the plan would be revised to reflect this most recent election. A member with no beneficiaries upon completion of 20 years of service, who later obtains a beneficiary, would be given a year to join the plan.

ANCILLARY BENEFITS

H.R. 11797 authorizes medical benefits to a survivor of a reservist commencing at the same time as the survivor annuity. It is envisioned that Defense regulations would be revised to confer eligibility for commissary and exchange benefits at that same time.

PRESENT RETIREES AND SURVIVORS

Reservists who have completed 20 years of creditable service before the bill is enacted would be given a year in which to elect into the plan.

The bill does not propose to extend eligibility to survivors of members who die before the date of enactment. The principal reason for this restriction is to keep within the general premise of a plan that represents no long range cost to the Government. The first-year cost of covering present widows is estimated to be $42 million.

Mr. Speaker, the change is urgently needed; it can be accomplished at no long range cost to the Government. I urge all members to support the motion of the gentleman from Alabama (Mr. NICHOLS).

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL of New York. I yield to the gentleman from New York.

Mr. CONABLE. I am grateful to the gentleman for yielding. I would like to thank the committee for having worked out this difficult problem. I am one of those who would benefit by this bill since I am under 60, have 20 years for pay purposes with the Marine Corps Reserve, and have a young wife. I will vote "present" because of my special interest in this measure, but I do consider it a needed filling of a gap in the retirement system for reservists, and I think it will greatly improve the situation in the Reserve to have this type of legislation on the books. This bill appears to be a very sound way of handling the problem because it is actuarially sound and will not involve in the long term any additional cost to the government.

I am particularly grateful to the committee for having worked this problem out.

Mr. MITCHELL of New York. I thank the gentleman for his remarks.

Mr. Speaker, I have no further requests for time, and I yield back the remainder of my time.

Mr. NICHOLS. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Speaker, I am extremely pleased that we are taking up today a bill which will close a crucial survivor benefit gap for members of the National Guard and Reserve. I want to thank Chairman NICHOLS and the other members of the subcommittee for their action on this measure which is of special interest to me. I have for some years now introduced a similar bill to the one which we are considering now; however, in past years, no action on these bills was taken. Again on the first day of the 95th Congress, I introduced the survivors benefit bill and requested that it bear the same number as in the past—H.R. 97. This

year, after subcommittee action was taken and a clean bill reported, the gentleman from Alabama (Mr. NICHOLS), went to the trouble to request a number for the clean bill which bears the same two digits of my original bill and permitted me to cosponsor this new bill, H.R. 11797. I appreciate the consideration of the subcommittee and full Armed Services Committee in acting on this bill in a favorable manner and for giving us an opportunity to vote on it at this time.

Specifically H.R. 11797 addresses the existing lack of coverage and would provide an annuity for a survivor whose Guard/Reserve spouse died after having completed the qualifying 20 years of service but before monthly retired payments commence at age 60.

Currently these widows are not eligible for an annuity unless their spouses reach the age of 60 and then make an election at that time. If, however, the member dies before that age, and before making an election, his widow is not eligible for survivors' benefits. The widow of the active duty member is never placed in this predicament. If a member has been on active duty for 20 or more years and dies, his widow is guaranteed 55 percent of her husband's retired pay.

Certainly the widow of a reservist with 20 years of qualifying service is entitled to equal protection. The legislation you are now considering would provide that protection and give the reservist's family the same long-range protection that the active duty member's family already enjoys.

Under H.R. 11797, survivors would receive an immediate annuity equal to 55 percent of the retired pay the member would be entitled to receive if he or she had been 60 years old at the time of death. It would be further reduced if the member was between 50 and 55 when he died and if the widow elected an immediate annuity. In that case, the base would be reduced by one-sixth of 1 percent per month for each month between the member's age at death and 55 years of age.

Under this new plan, a positive election after 20 years of service is required if the reservist wishes coverage. If he makes no election within 3 months after notification, he is presumed to have made no election until age 60. However, once the election is made, it is irrevocable as long as there is an eligible beneficiary.

The cost of providing this additional coverage before age 60 is shared by those persons who will benefit from its coverage. The retiree will pay in the form of an additional reduction from retired pay and the cost to the survivor will be in the form of a reduction applied to the 55 percent of the retired pay normally received. This will insure that the additional coverage contemplated will be at no long-range cost to the Federal Government and at a small cost to the guardsman/reservist or his spouse.

I feel sure you will agree that survivors of reservists who have established qualification for retirement benefits should have similar consideration to that accorded members of the active services. Seldom has Congress had an opportunity to provide so much, to such a deserving group, for little or no cost, as it has under the bill now before you. I appreciate the opportunity you have given me to speak in support of this legislation and urge you to approve it. In addition, I encourage you to follow through on this legislation by expressing your interest in it and encouraging favorable action in the Senate.

Mr. NICHOLS. Mr. Speaker, as I said previously, the committee and reserve forces are certainly indebted to the gentleman from Mississippi for his perseverance in this idea that he has had for many, many years. We are most appreciative of the gentleman's efforts. He is a cosponsor of the bill.

● Mrs. HOLT. Mr. Speaker, I urge strong support of H.R. 11797 which I have cosponsored. I commend the gentleman from Alabama (Mr. NICHOLS) for his leadership in introducing and shepherding this urgently needed legislation through the House Armed Services Committee and in bringing it to the House floor.

Ever since I came to Congress, I have felt that the Reserves and the National Guard are very cost effective. In the total force, the Reserve components indeed have a highly significant role to play in the defense of our country and the free world. In the event of a major war, they are among the first to be deployed overseas—augmenting the Active Forces. Yet, the survivors' benefits for reservists and guardsmen—in contrast to those available to the active forces—are woefully inadequate and grossly inequitable.

For example, a reservist with 20 years of vested service for entitlement to retired pay at age 60 has no protection whatsoever for his survivors should he die before reaching age 60. Under H.R. 11797, survivors' benefits will be provided if a member makes an election in two steps: first, upon completion of 20 years of creditable service; and second, upon reaching age 60. Participation is optional. Nonetheless, the key point is that the bill will provide a much needed income security for the survivors if the principal member of the Reserve component chooses to take part in the program.

Should he or she elect to participate in the program at step 1 and the member predeceases the survivors before age 60, the survivors will be entitled to benefits at the time that the member would have become 60 years old.

For those electing to participate at step 2, upon reaching age 60, the survivors would be entitled to benefits immediately upon the death of the member concerned.

As the gentleman from Alabama (Mr. NICHOLS) pointed out, the program will incur no additional long-range cost to the Federal Government because the additional cost resulting from the survivors' benefits will be paid for by a 2½ percentage reduction of the first $300 of retired pay; and a further 10-percent reduction of the portion of retired pay above $300.

Mr. Speaker, I urge my colleagues to support the passage of this bill under suspension.●

Mr. Speaker, I have no further requests for time and I yield back the remainder of my time.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the motion offered by the gentleman from Alabama (Mr. NICHOLS) that the House suspend the rules and pass the bill H.R. 11797, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ARMY AND AIR FORCE RETIREMENT AMENDMENTS

Mr. NICHOLS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10341) to amend title 10, United States Code, to authorize reserve enlisted members of the Army and the Air Force to retire with 20 years of service.

The Clerk read as follows:

H.R. 10341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3914 of title 10, United States Code, is amended to read as follows:

"§ 3914. Twenty to thirty years: enlisted members

"Under regulations to be prescribed by the Secretary of the Army, an enlisted member of the Army who has at least 20, but less than 30, years of service computed under section 3925 of this title may, upon his request, be retired. A regular enlisted member then becomes a Reserve of the Army. A member retired under this section shall perform such active duty as may be prescribed under law, until his service computed under section 3925 of this title plus his inactive service as a Reserve of the Army equals 30 years.".

(b) Section 3925 of title 10, United States Code, relating to the computation of years of service of enlisted members of the Army in determining eligibility for voluntary retirement, is amended—

(1) by striking out "a regular" in subsection (a) and inserting in lieu thereof "an"; and

(2) by striking out "regular" in the section heading.

(c) The items relating to sections 3914 and 3925 in the table of sections at the beginning of chapter 367 of title 10, United States Code, are amended by striking out "regular".

SEC. 2. (a) Section 8914 of title 10, United States Code, is amended to read as follows:

"§ 8914. Twenty to thirty years: enlisted members

"Under regulations to be prescribed by the Secretary of the Air Force, an enlisted member of the Air Force who has at least 20, but less than 30, years of service computed under section 8925 of this title may, upon his request, be retired. A regular enlisted member then becomes a Reserve of the Air Force. A member retired under this section shall perform such active duty as may be prescribed under law, until his service computed under section 8925 of this title, plus his inactive service as a Reserve of the Air Force, equals 30 years.".

(b) Section 8925 of title 10, United States Code, relating to the computation of years of service of enlisted members of the Air Force in determining eligibility for voluntary retirement, is amended—

(1) by striking out "a regular" in subsection (a) and inserting in lieu thereof "an"; and

(2) by striking out "regular" in the section heading.

(c) The items relating to section 8914 and 8925 in the table of sections at the beginning of chapter 867 of title 10, United States Code, are amended by striking out "regular".

SEC. 3. The amendments made by this Act shall apply with respect to retired pay payable for months beginning after September 30, 1978, or the date of the enactment of this Act, whichever is later.

The SPEAKER pro tempore. Is a second demanded?

Mr. MITCHELL of New York. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama (Mr. NICHOLS) will be recognized for 20 minutes, and the gentleman from New York (Mr. MITCHELL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 10341 will remedy an unintended situation in which an individual who has completed over 20 years of service on active duty is denied retired pay solely because he is a reservist.

Under current law, as a general rule, a member of the uniformed services who has served on active duty for 20 years may apply for retirement. If his application is approved by the Secretary of the Department concerned, he is entitled to receive retired pay. That privilege is available to commissioner officers and warrant officers, both Regular and Reserve, and to Regular enlisted members of the Army, Navy, Air Force, and Marine Corps. Reserve enlisted members of the Navy and Marine Corps, also, can now retire after 20 years active duty. The only members of the uniformed services who are not entitled to retire after completion of more than 20 years of active service are enlisted members of the Reserve components of the Army and the Air Force.

In the normal course of events, it would be highly unusual for an enlisted member of the Reserve to serve on active duty for a sufficient period of time to complete 20 years of active service. Usually an individual who is motivated toward a career in the Armed Forces would be assimilated into a Regular component. However, in recent years there have been a number of individuals who have been enlisted in Reserve components for active duty with the Reserve components, who have completed—or in the near future will complete—20 years of active service. Most of the cases which have come to our attention involve persons who were engaged in recruiting positions for the Reserve components. Many of these individuals had previously served on active duty as Regular enlisted men for extended periods of time. They were ideally qualified by background and training for recruiting duty. These individuals undoubtedly assumed that, like officers and their Regular enlisted counterparts, they would be eligible for retirement after 20 years of active service.

Very simply, in the interest of equity for the individuals concerned and to assist the services in assigning highly qualified individuals to recruiting duties, H.R. 10341 should be enacted. It will authorize a limited number of Reserve enlisted men to retire when they have completed 20 years of active service.

The first year cost is estimated at $503,000; the cost in fiscal year 1983 is estimated at $1.6 million.

Mr. Speaker, I urge my colleagues to support this bill.

Mr. MITCHELL of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to join the chairman of the Military Compensation Subcommittee of the Armed Services Committee in urging support of H.R. 10341.

I was greatly surprised about a year or so ago to hear of a case in which an enlisted man had served 20 years on active duty in the Army but was not eligible to be retired. On further inquiry I found that the individual concerned was a Reserve enlisted man.

We ordinarily think of reservists as being the citizen soldier who trains 1 or more weekends a month and 2 weeks during the summer. Certainly that is the usual situation. However, with the advent of the All-Volunteer Force and the increased reliance on an Active Combat Ready Reserve, the Department of Defense has found it helpful to have a few Reserve enlisted men on continuous active duty to perform certain types of duties such as recruiting for the Reserves. In the majority of instances the enlisted men in question have formerly been in the Regular component and completed a substantial period of active duty as a Regular before joining the Reserves.

H.R. 10341 will merely authorize these Reserve enlisted men the same privilege with regard to retirement as their Regular counterparts.

Mr. Speaker, I strongly favor H.R. 10341 and urge my colleagues to support its enactment.

Mr. NICHOLS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Mississippi (Mr. MONTGOMERY), a member of the committee.

Mr. MONTGOMERY. Mr. Speaker, the bill before us at this time, H.R. 10341, is a measure which is necessary to equalize treatment between members of the several services. It is also a bill which I have supported for some time and which, in fact, I introduced on the first day of this 95th Congress as H.R. 100. Since that time, the Armed Services Committee has considered the measure and on January 24 reported it without opposition.

Our position here in the Congress—and in the Armed Services Committee—has always been to provide similar treatment or distribution of benefits when service conditions are the same. The issue at hand is a perfect example of a situation where service members are not treated comparably with regard to their service commitment.

Current law provides for the retirement with pay after 20 years of active military service, or a combination of 20 years of active duty and active duty for training, for officers, commissioned and warrant, Regular and Reserve of all the armed services. Regular enlisted members of all the armed services are likewise provided for under current law.

Title 10 of the United States Code authorized the retirement with pay of members of the Naval Reserve and Marine Corps Reserve after 20 years of active service (active duty and active duty for training) in the Armed Forces. However, enlisted members of the Army or Air Force Reserve are not eligible to retire utilizing a combination of active duty and active duty for training.

There are instances in which Regular Army and Air Force members are discharged after 16 or 17 years of service and reenlist in the Army National Guard or Reserve, the Air National Guard or the Air Force Reserve. In some cases, they have performed sufficient active duty or active duty for training to bring their total number of years to 20. However, because sections 3914 and 8914 of title 10 United States Code allow entitlements for Regular enlisted Members only, enlisted members of the Reserve components are ineligible.

This is such an obvious inconsistency that it is surprising action rectifying the situation has not been taken before now. In view of our efforts to strengthen the Reserve components and in consonance with the total force policy, we should assure equitable treatment of both enlisted men and officers, Reserve and Regular.

H.R. 10341 would remedy the existing inequity by treating enlisted reservists of the Army and Air Force like enlisted members of the Naval Reserve and Marine Corps Reserve and like officers and warrant officers of all components and Armed Forces, for the purpose of retirement after 20 years of service.

In addition, the bill would give Regular enlisted members of the Army and Air Force—who are now required to complete the balance of 30 years in the Army Reserve or Air Force Reserve—the option of serving out all or a part of that time in the Army National Guard or Air National Guard. It is a simple matter of correcting an existing inequity and I urge your approval of the measure.

Mr. NICHOLS. Mr. Speaker, I have no further requests for time.

Mr. MITCHELL of New York. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. NICHOLS) that the House suspend the rules and pass the bill, H.R. 10341.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

MILITARY RETIREMENT PAY REVISIONS

Mr. NICHOLS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R.

10342) to revise the rule for recalculation of military retired or retainer pay to reflect later active duty with respect to later active duty performed between October 1, 1963, and October 1, 1973.

The Clerk read as follows:

H.R. 10342

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the second sentence of footnote 1 of the table contained in section 1402 (a) of title 10, United States Code, in the case of a member of an armed force who (1) was called or ordered to active duty after October 1, 1963, (2) was at the time of such call or order entitled to retired pay or retainer pay, (3) served on such active duty for a continuous period of at least two years, and (4) was released from such active duty before October 1, 1973, the monthly basic pay of such Member shall for the purposes of such section be computed under the rates of basic pay in effect upon that release from active duty.

SEC. 2. No person shall receive less retired pay or retainer pay by reason of the enactment of this Act.

SEC. 3. This Act shall apply with respect to retired pay and retainer pay payable for months beginning after September 30, 1978, or the date of the enactment of this Act, whichever is later.

The SPEAKER pro tempore. Is a second demanded?

Mr. MITCHELL of New York. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama (Mr. NICHOLS) will be recognized for 20 minutes, and the gentleman from New York (Mr. MITCHELL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 10342 will authorize retired members of the Armed Forces who were recalled to active duty during the period October 1, 1963 through September 30, 1973, and who served on such active duty for 2 or more years to calculate their retired pay based on the rates of pay in effect at the time of their subsequent release from that tour of duty.

Under the normal rules, when a military member is initially retired, he computes his retired pay based on the rates of basic pay in effect at the time of his retirement. In the case of a retired member who is recalled to active duty, the law now provides that when he is released from active duty he can compute his retired pay on the basis of the rates in effect when he is released only if he has served on active duty for 2 years or more and then only if those rates of basic pay had been in effect for at least 2 years. The requirement that the same rates of pay must have been in effect for at least 2 years has effectively barred any person—when released—from using the rates of pay in effect at the time of release. This is so because since 1963 there have been annual increases in basic pay.

The purpose of the 2-year requirement when it was enacted in 1963 was to insure that when retired members were recalled to active duty they could only recalculate their retired pay if they had served on active duty for a substantial period of time. Before 1963 the usual interval between basic pay increases had been 5 years.

During the Vietnam war a number of retired Navy personnel with skills needed in connection with the Vietnam war were asked to volunteer for recall to active duty. A number of these retirees were erroneously assured that if they came on active duty and served for 2 or more years they would be entitled to calculate their retired pay on the basis of the rates of basic pay in effect when released from duty. Those assurances could not be fulfilled.

H.R. 10342 will correct that situation with respect to those retired persons who came on active duty for 2 or more years during the period from October 1963 through September 1973.

I strongly urge my colleagues to support this bill.

Mr. MITCHELL of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues to support H.R. 10342. This bill will permit any retired member of the Armed Forces who was called to active duty for 2 or more years during the period October 1, 1963, to October 1, 1973—which of course embraces the period of the Vietnam hostilities—to calculate his retired pay based on the pay rates in effect at the time of his release from active duty. In effect it treats such a member in the same fashion as a member who was initially being retired from the service.

This bill is a matter of simple equity. Some of these retired persons came back on active duty with the assurance that if they volunteered for recall to active duty for 2 or more years they could calculate their subsequent retired pay based on the pay rates applicable at the time they reverted to the retired rolls.

This is not a change in permanent law. It merely permits those who came back on active duty from retirement during the period in question to calculate their retired pay in the same way as members who initially retired during that period.

Accordingly, Mr. Speaker, I urge the House to pass H.R. 10342.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. NICHOLS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. NICHOLS) that the House suspend the rules and pass the bill, H.R. 10342.

The question was taken.

Mr. MOTTL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks with respect to the bills H.R. 11797, H.R. 10341, and H.R. 10342.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EARLY RETIREMENT FOR NON-INDIAN EMPLOYEES OF BIA

Mrs. SPELLMAN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 666), to allow Federal employment preference to certain employees of the Bureau of Indian Affairs, and to certain employees of the Indian Health Service, who are not entitled to the benefits of, or who have been adversely affected by the application of, certain Federal laws allowing employment preference to Indians, and for other purposes, as amended.

The Clerk read as follows:

S. 666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8336 of title 5, United States Code, is amended by redesignating subsections (g) and (h) as subsections (h) and (i), respectively, and inserting after subsection (f) the following new subsection:

"(g)(1) Except as provided in paragraph (3), an employee is entitled to an annuity if he—

"(A)(i) is separated from the service after completing 25 years of service or after becoming 50 years of age and completing 20 years of service, or

"(ii) is involuntarily separated, except by removal for cause on charges of misconduct or delinquency, during the 2-year period before the date on which he would meet the years of service and age requirements under clause (i),

"(B) was employed in the Bureau of Indian Affairs, the Indian Health Service, a tribal organization (to the extent provided in paragraph (2)), or any combination thereof, continuously from June 17, 1974, to the date of his separation, and

"(C) is not entitled to preference under the Indian preference laws, or entitled to receive lands and benefits under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.; 85 Stat. 688).

"(2) Employment in a tribal organization may be considered for purposes of paragraph (1)(B) of this subsection only if—

"(A) the employee was employed by the tribal organization after January 4, 1975, and immediately before such employment he was an employee of the Bureau of Indian Affairs or the Indian Health Service, and

"(B) at the time of such employment such employee and the tribal organization were eligible to elect, and elected, to have the employee retain the coverage, rights, and benefits of this chapter under section 105(e)(2) of the Indian Self-Determination Act (25 U.S.C. 450i(a)(2); 88 Stat. 2209).

"(3)(A) The provisions of paragraph (1) of this subsection shall not apply with respect to any separation of any employee which occurs after the earlier of the following dates:

"(i) December 31, 1985; or

"(ii) the date 5 years after the date such employee first meets the years of service and age requirements of paragraph (1)(A)(i) (or

5 years after the date of the enactment of this paragraph if he met such requirements before such date of enactment).

"(B) For purposes of applying this paragraph with respect to any employee of the Bureau of Indian Affairs in the Department of the Interior or of the Indian Health Service in the Department of Health, Education, and Welfare, the Secretary of the Department involved may postpone the date otherwise applicable under subparagraph (A) if—

"(i) such employee consents to such postponement, and

"(ii) the Secretary finds that such postponement is necessary for the continued effective operation of the agency.

The period of any postponement under this subparagraph shall not exceed 12 months and the total period of all postponements with respect to any employee shall not exceed 5 years.

"(4) For the purpose of this subsection—

"(A) 'Bureau of Indian Affairs' means (i) the Bureau of Indian Affairs and (ii) all other organizational units in the Department of the Interior directly and primarily related to providing services to Indians and in which positions are filled in accordance with the Indian preference laws.

"(B) 'Indian preference laws' means section 12 of the Act of June 18, 1934 (25 U.S.C. 472; 48 Stat. 986), or any other provision of law granting a preference to Indians in promotions or other personnel actions.".

(b)(1) Section 8339(d) of title 5, United States Code, is amended by striking out "8336(c)" and inserting in lieu thereof "8336 (c) or (g)".

(2) Section 8339(h) of title 5, United States Code, is amended by striking out "section 8336(g)" and inserting in lieu thereof "section 8336(h)".

(c)(1) The amendments made by this section shall take effect October 1, 1978.

(2) In the case of an employee who separated from service on or after January 1, 1978, and before October 1, 1978, the amendments made by this section shall apply with respect to such separation to the same extent and in the same manner as if such amendments had been in effect at the time of such separation, but only if application therefor is made to the Civil Service Commission within 1 year after the effective date of such amendments.

(3) No amount of annuity accruing by reason of such amendments shall be payable for any period before October 1, 1978.

SEC. 2. (a) For purposes of applying reduction in force procedures under subsection (a) of section 3502 of title 5, United States Code, with respect to positions within the Bureau of Indian Affairs and the Indian Health Service, the competitive and excepted service retention registers shall be combined, and any employee entitled to Indian preference who is within a retention category established under regulations prescribed under such subsection to provide due effect to military preference shall be entitled to be retained in preference to other employees not entitled to Indian preference who are within such retention category.

(b)(1) The Indian preference laws shall not apply in the case of any reassignment within the Bureau of Indian Affairs or within the Indian Health Service (other than to a position in a higher grade) of an employee not entitled to Indian preference if it is determined that under the circumstances such reassignment is necessary—

(A) to assure the health or safety of the employee or of any member of the employee's household;

(B) to avoid the displacement of an Indian by such employee during a reduction in force, but only if, immediately before such reassignment, the grade of such Indian's position is not lower than 2 grades below the grade of such employee's position; or

(C) because the employee's working relationship with a tribe has so deteriorated that the employee cannot provide effective service for such tribe or the Federal Government.

(2) The authority to make any determination under subparagraph (A), (B), or (C) of paragraph (1) is vested in the Secretary of the Interior with respect to the Bureau of Indian Affairs and the Secretary of Health, Education, and Welfare with respect to the Indian Health Service, and, notwithstanding any other provision of law, the Secretary involved may not delegate such authority to any individual other than an Under Secretary or Assistant Secretary of the respective department.

(c)(1) Notwithstanding any provision of the Indian preference laws, such laws shall not apply in the case of any personnel action respecting an employee not entitled to Indian preference if each tribal organization concerned grants, in writing, a waiver of the application of such laws with respect to such personnel action.

(2) The provisions of section 8336(g) of title 5, United States Code (as added by the first section of this Act) shall not apply to any individual who has accepted a waiver with respect to a personnel action pursuant to paragraph (1) of this subsection.

(d) The Secretaries of Interior and Health, Education, and Welfare shall each submit to the Congress a report following the close of each fiscal year with respect to the actions which they took in such fiscal year to recruit and train Indians to qualify such Indians for positions which are subject to preference under the Indian preference laws. Such report shall also include information as to the grade levels and occupational classifications of Indian and non-Indian employees in the Bureau of Indian Affairs and the Indian Health Service.

(e)(1) The Civil Service Commission shall provide all appropriate assistance to the Bureau of Indian Affairs and the Indian Health Service in placing non-Indian employees of such agencies in other Federal positions. All other Federal agencies shall cooperate to the fullest extent possible in such placement efforts.

(2) The Secretaries of Interior and Health, Education, and Welfare, and the Chairman of the Civil Service Commission shall each submit a report to Congress following the close of each fiscal year with respect to the actions which they took in such fiscal year to place non-Indian employees of the Bureau of Indian Affairs and the Indian Health Service in other Federal positions.

(f) For purposes of this section—

(1) The term "tribal organization" means—

(A) the recognized governing body of any Indian tribe, band, nation, pueblo, or other organized community, including a Native village (as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c); 85 Stat. 688)); or

(B) in connection with any personnel action referred to in subsection (c)(1) of this section, any legally established organization of Indians which is controlled, sanctioned, or chartered by a governing body referred to in subparagraph (A) of this paragraph and which has been delegated by such governing body the authority to grant a waiver under such subsection with respect to such personnel action.

(2) The term "Indian preference laws" means section 12 of the Act of June 18, 1934 (25 U.S.C. 472; 48 Stat. 986) or any other provision of law granting a preference to Indians in promotions and other personnel actions, except that such term shall not be considered to include section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e(b); 88 Stat. 2205).

(3) The term "Bureau of Indian Affairs" means (A) the Bureau of Indian Affairs and (B) all other organizational units in the Department of the Interior directly and primarily related to providing services to Indians and in which positions are filled in accordance with the Indian preference laws.

The SPEAKER pro tempore. Is a second demanded?

Mr. LEACH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Maryland (Mrs. SPELLMAN) will be recognized for 20 minutes, and the gentleman from Iowa (Mr. LEACH) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Maryland (Mrs. SPELLMAN).

Mrs. SPELLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 666 is virtually identical in substance to H.R. 9603. The provision under the Indian preference laws, which resulted in this legislation, is based on section 12 of the Indian Reorganization Act of 1934, which provides:

> The Secretary of the Interior is directed to establish standards of health, age, character, experience, knowledge, and ability for Indians who may be appointed without regard to civil service laws, to the various positions maintained, now or hereafter, by the Indian office, in the administration of functions or services affecting any Indian tribe. Such qualified Indians shall hereafter have the preference to appointment to vacancies in any such position.

Prior to 1972, the Indian preference provision was administered by the Bureau of Indian Affairs as applying only to initial appointments and not to subsequent reassignments or promotions. In 1972, the Bureau of Indian Affairs policy was changed to extend the preference to promotions, transfers from outside the BIA, and reassignments within the agency which improved promotional prospects. The 1972 policy provided for the Commissioner of Indian Affairs to grant exceptions to Indian preference by approving the selection and appointment of non-Indians when he considered such action to be in the best interest of the Bureau. The 1972 policy did not extend Indian preference to purely lateral reassignments which did not improve promotional prospects. Indian preference was also utilized in establishing employee retention registers for use in reduction-in-force situations.

Three recent court decisions have upheld the validity of section 12 of the Indian Reorganization Act and its application to initial hires, promotions, transfers and reassignments.

On April 25, 1974, the U.S. Court of Appeals for the District of Columbia in *Freeman* v. *Morton*, 499 F. 2d 494, upheld an unreported district court decision in a suit brought by four Indian BIA employees. The court held that under the 1934 Indian preference provisions, Indian preference applies to the filling of all vacancies in the BIA, including initial hires, promotions, lateral transfers, and reassignments in the Bureau, and that no exceptions are possible where there is at least a minimally qualified candidate who is eligible for Indian preference.

On June 17, 1974, the U.S. Supreme Court, in an 8–0 decision (*Morton* v. *Mancari*, 417 U.S. 535), reversed the decision of a three-judge district court for the District of New Mexico which had held, in a suit by a group of non-Indian BIA employees, that the 1934 Indian preference provisions (25 U.S.C. 472) had been impliedly repealed by enactment of section 11 of the Equal Employment Opportunity Act of 1972 (86 Stat. 111; 42 U.S.C. 2000 e–16), prohibiting discrimination in most Federal employment on the basis of race.

The Supreme Court held that Indian preference was not a racial preference, but rather, it was an employment criterion reasonably designed to further the cause of Indian self-government and to make the BIA more responsive to the needs of its constituent groups.

The effect of the Supreme Court and other decisions described above on employees in the Indian service agencies who are not entitled to Indian preference has been dramatic. Also as a direct result of the inconsistencies in enforcement of the Indian preference laws, the promotion and reassignment prospects of many Indian and non-Indian employees in the BIA and the IHS have been seriously impaired. Understandably this situation has caused serious morale and management problems which have limited the efficient operation of these two agencies and the delivery of vital services to Indian people.

A central issue involves the Federal Government's good faith treatment of this group of adversely affected employees who were given assurances at the time of hire that they would be able to compete equally with Indians and all other groups of employees for career advancement. Since the Morton against Mancari decision, they have seen this entire system changed. Their careers have been aborted. The Indian service agencies are no longer able to honor their assurances of free and open competition based on merit factors alone.

The Department of the Interior attempted a placement assistance program for the affected employees. This program did not go into effect until December 1975, even though the Morton against Mancari decision was issued in June 1974, and the Bureau of Indian Affairs had been implementing an expanded Indian preference policy since 1972. Testimony before the subcommittee and information contained in numerous letters to the subcommittee indicate that there was little success in this program. The Department of Health, Education, and Welfare has not attempted a placement assistance program for IHS employees.

The position of the non-Indians presently within the Indian service agencies is truly unique and most unfortunate. No other group of Federal employees is subjected to such legally sanctioned discrimination. Testimony before the subcommittee revealed that almost none of these non-Indian employees question the propriety of Indian preference. They have dedicated their lives and careers to the service of the Indian people and they understand the desirability of Indian self-determination. They do not object to being replaced by Indians providing they have somewhere to go or may retire.

S. 666 provides special retirement authority until December 31, 1985, for BIA and IHS employees not entitled to Indian preference who have been employed by those agencies continuously since prior to the Morton against Mancari decision. The provisions are comparable to those now provided for law enforcement officers and firefighters.

S. 666 also essentially reinstates the long-standing administrative practice of applying Indian preference in reduction-in-force situations while authorizing limited and carefully defined exceptions to Indian preference for the placement of non-Indian employees in vacancies in certain circumstances. These provisions are necessary to provide consistent Indian preference policies, provide for the needs of management, and to provide relief for non-Indian employees in hardship situations.

Under S. 666, voluntary movements of non-Indians out of the Indian service agencies will be facilitated for those who wish to leave.

S. 666 will benefit Indians as well as non-Indians. As the non-Indians are able to leave the Indian service agencies via the bill's retirement authority or placement assistance program, qualified Indians will be able to assume their positions, often through promotion. Non-Indians leaving the agencies will result in more Indians being employed and retained within.

The Civil Service Commission and the Departments of Interior and Health, Education, and Welfare support S. 666 in its present form. The bill incorporates a number of provisions based on recommendations by those agencies, and I urge my colleagues to support this bill.

Mr. LEACH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 666. Similar legislation was the subject of several hearings before our Subcommittee on Compensation and Employee Benefits, and S. 666 was unanimously reported by our full committee on May 10, 1978. As has been explained in detail by the gentlelady from Maryland (Mrs. SPELLMAN) this legislation has certain problems but on balance is appropriate because of recent court decisions which reaffirmed Indian preference not only in hiring but also in promotions, reassignments, and assignments to training programs. Accordingly, certain non-Indian employees in the Bureau of Indian Affairs and Indian Health Service are denied fair opportunity for promotions and transfers.

This bill is designed to alleviate this loss of competitive status by providing early retirement benefits for those employees who qualify. It is, I believe, a fair and reasonable solution to an especially difficult problem.

Mr. Speaker, I am aware of the arguments of using the civil service retirement system to effect personnel actions. They are sound and persuasive arguments. However, I believe we have a truly unique situation which adversely impacts on over 3,000 career employees who through no fault of their own, but rather because of court decisions on Indian preference laws, have lost fair opportunity for employment advancement. Also, testimony before our committee showed that because of many of the unique job responsibilities of employees in the Bureau of Indian Affairs and the Indian Health Service, assignment and transfer of these skills to other agencies in the Federal Government proved difficult to accomplish.

It is for these reasons, I believe, preferential retirement benefits as provided in S. 666 to non-Indian employees in the Bureau of Indian Affairs and the Indian Health Service are justified and provide a compassionate solution to this problem.

I urge my colleagues to approve this legislation.

Mrs. SPELLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma (Mr. STEED).

Mr. STEED. Mr. Speaker, first let me say that on behalf of those of us who have Indian constituencies, we want to express our gratitude and appreciation to the gentlewoman from Maryland (Mrs. SPELLMAN) and her subcommittee for the very dedicated and very fine job they have performed in bringing this legislation here today. It has been a very difficult matter to get resolved. They have done an outstanding job, and I know all the people in the areas which have Indian citizens will appreciate what they have done.

Mr. Speaker, I want to emphasize that the problem we are trying to solve here today would not have existed had the original legislation understood what the courts would have ruled. The costs that are mentioned here as part of this bill were contemplated in the original law, so we have merely restored what the Congress thought it was doing in the first place when we passed this bill.

Mr. Speaker, I want to emphasize that in areas such as mine, where I have 13 Indian tribes and an area Indian office in my district, we have many qualified Indians who desire to work in this service, and who will not have that opportunity until and unless those non-Indian employees who were already in when this act was first passed are able to retire or to place themselves in other employment. This bill will stimulate that, and also create a policy that Congress thought it was creating in the first place when the bill was originally passed.

So, for both reasons, for the fact that it becomes fair to those non-Indian employees who are the victims of this error, and for the sake of the Indians who want to have their careers in the Indian Service, I urge my colleagues to support this bill and back this committee, and make this correction.

Mrs. SPELLMAN. Mr. Speaker, I yield 3 minutes to my colleague, the gentleman from Oklahoma (Mr. RISENHOOVER).

Mr. RISENHOOVER. Mr. Speaker, I rise in support of S. 666 and note that it is similar to H.R. 5601, which I introduced March 24, 1977.

I guess I represent more Indians than any other Member of the House.

I salute the Committee on Post Office and Civil Service for moving ahead to correct the injustice which this bill will overcome and commend the gentlelady from Marylaind for her expert guidance of this important and sensitive legislation.

The Wheeler-Howard Act of 1934 gave Indians preference in hiring at the Indian Health Service and Bureau of Indian Affairs. This was something Indian people had wanted and, whenever possible, Indians were hired. However, from time to time, the agencies were required to hire non-Indians for certain jobs and these people started careers serving Indians.

Two court decisions have now held that Indian preference is required not only in hiring, but in promotions. This is hurting non-Indian employees' career chances and many feel they deserve special relief through early retirement. I share that belief.

In simple terms, this legislation allows these employees to retire sooner than civil servants but with recalculated benefits. I share a concern about the increased liability to the Federal Government.

However, this is one of the prices that appears inevitable if we are to allow preference for Indian employees who are employed by the two agencies concerned with Indian matters.

I urge my colleagues to support this important bill and I am grateful that we have found an equitable solution to a very difficult problem. Thank you.

Mr. LEACH. Mr. Speaker, I yield 3 minutes to the distinguished ranking minority member of the committee, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, this is a classic example of special interest legislation, that by congressional sleight of hand sets the unfortunate and dangerous precedent of using the civil service retirement system to solve what are essentially administrative personnel problems.

In attempting to resolve problems raised by one set of preference laws, in this case employment preference for Indians, this measure would have us create another set of preferences for some 3.000 non-Indians by extending special retirement benefits that will cost the American taxpayers around $143 million over the next 30 years.

Although this bill is designed to increase employment opportunities for Indians by providing special compensation to non-Indian employees in the Bureau of Indian Affairs and the Indian Health Service, it does so by authorizing extraordinary retirement benefits under certain conditions to non-Indian employees who retire before 1985—benefits more liberal than those available to any other groups of Federal employees under the civil service retirement system.

I believe this approach will result in inequities and added costs that far exceed the problem it is attempting to solve.

S. 666 would provide special retirement benefits to a number of non-Indian employees, and both the remaining Indian employees and other non-Indian employees would not receive these benefits. The eligible employees are not in danger of losing their jobs. Because they may face a limited outlook for promotion, the bill would pay these employees costly annuities even though they had completed substantially less than a full career.

It is a poor solution to a problem that arises from our long standing Indian employment preference laws.

The bill provides optional retirement after 25 years of service, or after attainment of age 50 and completion of 20 years of service for those non-Indian employees who have been employed in BIA or IHS since June 17, 1974, who will complete such years of service before December 31, 1985—the cutoff date for this option.

Payments could be made at age 50 after only 20 years of Federal service, of which as little as 11 years need be in the Indian Agency service. Their annuities would be equivalent to the benefits it would take the average Federal employee until age 60 and 27 years of service to earn.

In its comments, the Civil Service Commission said it did not believe the present situation justifies granting such liberalized retirement benefits to non-Indian employees, and the special computation formula, would, in effect, be a reward for non-Indian employees who remain employed right up until the last date eligible for the increased benefit.

The administrative personnel problems within the agencies result from a Supreme Court decision that held that Indian preference laws must be applied not only to initial hiring, but also to promotions, lateral transfers, reassignments within the two agencies.

The agencies attempted to provide an administrative solution by assisting in placement to other jobs, but not too many employees availed themselves of this opportunity. They now seek some sort of legislative guarantee for early retirement.

Although this bill might encourage these non-Indian employees to retire earlier than they otherwise would, it also encourages those eligible to continue working to enhance their retirement annuity computation at such time as they would voluntarily decide to retire—so long as they retired before December 31, 1985.

The measure will increase the unfunded liability of the civil service retirement system by an estimated $142.9 million and will require an annual appropriation of $8.9 million over the next 30 years to amortize the liability.

Congress should explore other methods of resolving problems of competing preferences, but we should avoid using the civil service retirement system in such a discriminatory and costly manner.

The committee report makes reference to the "serious morale and management problems which have limited the efficient operation of these two agencies" because of the inconsistencies in enforcement of the Indian preference laws.

Yet the report makes no mention of what I believe will be a greater "morale and management" problem in the future, if we allow Indians to gain control of the Bureau of Indian Affairs and the Indian Health Service.

We invite administrative chaos by creating a "fox in the chicken coop" situation.

We are seeing a new wave of Indian militancy all across the Nation, and I fear that this bill invites an Indian takeover of these agencies. Protected as they will be by civil service rules and regulations, the more militant Indians could do great harm to these two agencies.

The Bureau of Indian Affairs could suffer from an overstaffing of Indians, who will lack the objectivity to administer Federal programs in a proper manner and who may seek to serve their narrow special interests. The Indian Health Service could likewise suffer, from employment of Indians moving into these jobs this bill seeks to open up through preferential retirement for non-Indian employees.

President Ford vetoed similar legislation in September 1976. The Carter Civil Service Commission did not oppose the bill in either the House or Senate committees, but wanted several changes which were not made. Since the suggested changes were not adopted, it is my understanding that the Carter administration is unhappy with the bill.

Mr. Speaker, if I may have the attention of the chairwoman of the subcommittee, the gentlewoman from Maryland (Mrs. SPELLMAN), I was wondering for the record if we could clear up what seems to be a minor difference of interpretation between us. My understanding is that the Civil Service Commission does not support this bill. The gentlewoman I think implied they did. I am wondering which of us may be properly or accurately informed.

Mrs. SPELLMAN. The Civil Service Commission offered amendments and we took many of their amendments. It is our understanding that they do support the bill as it presently is before us.

Mr. DERWINSKI. Have they given us a recent report of their position?

Mrs. SPELLMAN. Not recently.

Mr. DERWINSKI. I thank the gentlewoman.

Mrs. SPELLMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to comment to my colleague, the gentleman from Illinois, and to others who may be concerned about what appears to be special interest legislation, that these people are in a very unique position. There are no others who are being discriminated against legally, positively, definitely, and with predetermination as are these people because of the Court decisions. I would wish that were not the case. I would wish that all Americans could be treated equally and fairly. These people are not being treated equitably. Their eligibility for this special treatment is based on what we call the "but for" test. But for the fact that they had been promised on employment that they would be able to move ahead and would be eligible for promotion, they would not have taken these jobs in the first place. So we are giving them the same oppor-

tunity we give those who have lost their jobs in RIF situations.

I want to point out that the figure that was given us of $143 million would apply only if everyone took advantage of this which, of course we know will not be the case. There will be some people who will be able to transfer. The situation in the program so far, which started in December 1975, is that it has assigned only three people. Why are they assigning so few people? Because there are not many agencies in our Government who need teachers to teach Indian to little children. They are in a very unique and a very special positions. We know that a good many of these people are going to stay on whether they will ever get promoted or not because promotion is not as important to them as is their dedication to the Indian children. The $143 million figure is so outside a figure as not to have a great deal of validity.

Mr. LEACH. Mr. Speaker, I yield 5 minutes to the gentleman from Washington (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, I thank the gentleman very much for yielding to me at this time and I rise in opposition to the bill, not because I do not share with the committee the concern about Bureau of Indian Affairs employees who are being discriminated against, and that is really what this whole thing is about. We are not looking at the fulfilling of our constitutional requirements because we are going to continue to specify that there be two classes of U.S. citizens living in the United States.

Let us see how we got into this position. First of all, back in 1934 Congress determined it would establish an Indian preference policy for the promotion of Indians in the agencies that administer them.

There is something to be said about that. There is nothing wrong with the concept but now, as a result of that policy, the Supreme Court in 1974, being challenged by activists, has said that Indians now have a special class of U.S. citizenship, a special right over other U.S. citizens.

Now, Mr. Speaker, I have taken this well many times when we get to this special class of U.S. citizens for native Americans and I am concerned that Congress will some day, in its wisdom, going to have to undo that which it has inadvertently done. You can look at the figure of $80 million as to the expense of the pensions, or the $149 million, be that as it may, regardless of the cost, you must look at the fact that once again there is the contention that a U.S. citizen who happens to be a treaty American has a special class of citizenship over another U.S. citizen and that I do not feel is right.

Even the Commission itself admits that there are many within the Bureau of Indian Affairs that are more qualified than some of the Indians that are going to have to be hired. This certainly is not fair, but now, in light of the Supreme Court ruling, they are obligated to set them aside and put in, by their own admission, less qualified people.

Instead of going back and really addressing what the problem is and how the native American Indians got to where they are today, looking at the almost $4 billion that this Government is spending to try and provide an existence for them, what do we have for them? We have 38 percent of them living below the poverty level, and putting a few native Americans in here at the expense of other U.S. citizens is not going to address that problem in the long run. I would hope that in the wisdom of this Congress—because while there were seven amendments offered in committee, only five were accepted, to the best of my knowledge. This body should under suspension reject this bill, and if the Members consider it worthy, if they are not concerned about the discrimination aspect of it, then bring it back under a regular calendar and let the body work its will.

Mr. LEACH. Mr. Speaker, I have no further requests for time.

Mrs. SPELLMAN. Mr. Speaker, I yield myself such time as I may consume. I would just like to comment.

The gentleman from Washington addressed a question that was not before the House. If we were talking about the full Indian preference laws, we might possibly agree with him. But that is not our choice today. We are faced with fact—the fact that this is the law that the Supreme Court has upheld The Supreme Court ruled that the administration of the law did not go far enough. Now we have a group of American citizens who have been squeezed out of any opportunity for promotion. We are attempting to give those people the kind of treatment that every American deserves. This is not a unique situation. We have provided the same kind of early retirement program for firemen and policemen.

Mr. Speaker, I yield back the remainder of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Maryland (Mrs. SPELLMAN) that the House suspend the rules and pass the Senate bill S. 666, as amended.

The question was taken.

Mr. CUNNINGHAM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3, rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. SPELLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the Senate bill, S. 666.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules. Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed in the order on which that motion was entertained. Votes will be taken in the following order: H.R. 10341, H.R. 10342, and S. 666.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

ARMY AND AIR FORCE RETIREMENT AMENDMENTS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 10341.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. NICHOLS) that the House suspend the rules and pass the bill H.R. 10341, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 283, nays 35, not voting 114, as follows:

[Roll No. 493]

YEAS—283

Abdnor	Cunningham	Hollenbeck
Akaka	D'Amours	Holt
Alexander	Daniel, R. W.	Horton
Ambro	Danielson	Hubbard
Ammerman	de la Garza	Huckaby
Andrews, N.C.	Delaney	Hughes
Annunzio	Devine	Hyde
Applegate	Dickinson	Ireland
Archer	Diggs	Jeffords
Ashbrook	Dingell	Jenkins
Ashley	Dornan	Johnson, Calif.
Aspin	Downey	Jones, N.C.
AuCoin	Drinan	Jones, Okla.
Badham	Duncan, Tenn.	Jones, Tenn.
Bafalis	Edwards, Ala.	Jordan
Baldus	Edwards, Calif.	Kazen
Barnard	Edwards, Okla.	Kelly
Baucus	Eilberg	Kemp
Bauman	English	Kildee
Beard, R.I.	Erlenborn	Kostmayer
Bennett	Ertel	Krueger
Bevill	Evans, Colo.	LaFalce
Biaggi	Evans, Del.	Lagomarsino
Bingham	Evans, Ind.	Latta
Blouin	Fary	Leach
Boggs	Fascell	Lederer
Boland	Fenwick	Lehman
Bolling	Findley	Lent
Bonior	Fish	Levitas
Bonker	Fisher	Livingston
Brademas	Flood	Lloyd, Calif.
Breaux	Florio	Lloyd, Tenn.
Breckinridge	Foley	Long, La.
Brinkley	Forsythe	Long, Md.
Brooks	Fountain	Lott
Broomfield	Frenzel	Luken
Buchanan	Fuqua	McClory
Burke, Fla.	Gammage	McCormack
Burke, Mass.	Gilman	McEwen
Burleson, Tex.	Ginn	McHugh
Burlison, Mo.	Glickman	McKinney
Burton, John	Goldwater	Madigan
Burton, Phillip	Gonzalez	Mahon
Butler	Goodling	Markey
Byron	Gradison	Marks
Carney	Grassley	Marlenee
Carter	Gudger	Marriott
Cavanaugh	Guyer	Martin
Cederberg	Hall	Mathis
Chappell	Hamilton	Mazzoli
Chisholm	Hammer-schmidt	Metcalfe
Clausen, Don H.	Hanley	Meyner
Clawson, Del	Hannaford	Mikulski
Cleveland	Hansen	Miller, Ohio
Coleman	Harkin	Mineta
Collins, Ill.	Harrington	Minish
Collins, Tex.	Harris	Mitchell, Md.
Conable	Hawkins	Mitchell, N.Y.
Corcoran	Heckler	Mollohan
Corman	Heftel	Montgomery
Cornell	Hightower	Moore
Coughlin	Hillis	Moorhead, Calif.

Moss	Roberts	Stokes
Mottl	Robinson	Stratton
Murphy, Ill.	Roe	Studds
Murphy, Pa.	Roncalio	Symms
Murtha	Rooney	Taylor
Myers, Gary	Rose	Thone
Myers, John	Rousselot	Thornton
Myers, Michael	Rudd	Treen
Natcher	Santini	Trible
Nedzi	Satterfield	Ullman
Nichols	Schroeder	Van Deerlin
Nolan	Sebelius	Vanik
Oakar	Seiberling	Waggonner
Oberstar	Sharp	Walgren
Obey	Shuster	Walsh
Ottinger	Sikes	Wampler
Panetta	Sisk	Watkins
Patten	Skelton	Weaver
Patterson	Skubitz	Weiss
Perkins	Slack	White
Pettis	Smith, Iowa	Whitehurst
Pike	Smith, Nebr.	Wilson, Bob
Poage	Snyder	Winn
Preyer	Spellman	Wright
Price	Spence	Wydler
Quillen	St Germain	Yatron
Rahall	Staggers	Young, Alaska
Regula	Stangeland	Young, Fla.
Reuss	Stanton	Young, Mo.
Rhodes	Steed	Young, Tex.
Richmond	Steers	Zablocki
Rinaldo	Steiger	
Risenhoover	Stockman	

NAYS—35

Bedell	Edgar	Mikva
Beilenson	Gaydos	Miller, Calif.
Benjamin	Gore	O'Brien
Blanchard	Green	Rangel
Brodhead	Jacobs	Rosenthal
Carr	Kastenmeier	Roybal
Dellums	Keys	Stark
Derrick	Kindness	Tucker
Derwinski	Krebs	Vento
Dodd	Lujan	Volkmer
Duncan, Oreg.	Maguire	Yates
Early	Mattox	

NOT VOTING—114

Addabbo	Frey	Pritchard
Anderson, Calif.	Garcia	Pursell
	Gephardt	Quayle
Anderson, Ill.	Giaimo	Quie
Andrews, N. Dak.	Gibbons	Railsback
	Hagedorn	Rodino
Armstrong	Harsha	Rogers
Beard, Tenn.	Hefner	Rostenkowski
Bowen	Holland	Runnels
Brown, Calif.	Holtzman	Ruppe
Brown, Mich.	Howard	Russo
Brown, Ohio	Ichord	Ryan
Broyhill	Jenrette	Sarasin
Burgener	Johnson, Colo.	Sawyer
Burke, Calif.	Kasten	Scheuer
Caputo	Le Fante	Schulze
Clay	Leggett	Shipley
Cochran	Lundine	Simon
Cohen	McCloskey	Solarz
Conte	McDade	Stump
Conyers	McDonald	Teague
Cornwell	McFall	Thompson
Cotter	McKay	Traxler
Crane	Mann	Tsongas
Daniel, Dan	Meeds	Udall
Davis	Michel	Vander Jagt
Dent	Milford	Walker
Dicks	Moakley	Waxman
Eckhardt	Moffett	Whalen
Emery	Moorhead, Pa.	Whitley
Evans, Ga.	Murphy, N.Y.	Whitten
Fithian	Neal	Wiggins
Flippo	Nix	Wilson, C. H.
Flowers	Nowak	Wilson, Tex.
Flynt	Pattison	Wirth
Ford, Mich.	Pease	Wolff
Ford, Tenn.	Pepper	Wylie
Fowler	Pickle	Zeferetti
Fraser	Pressler	

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Wirth.

Mr. Thompson with Mr. Anderson of Illinois.

Mr. Jenrette with Mr. Hagedorn.

Mr. Zeferetti with Mr. Harsha.

Mr. Moakley with Mr. Pritchard.

Mr. Moorhead of Pennsylvania with Mr. Quayle.

Mr. Pepper with Mr. Brown of Michigan.

Mr. Wolff with Mr. Quie.

Mr. Shipley with Mr. Whalen.

Mrs. Burke of California with Mr. Broyhill.

Mr. Rostenkowski with Mr. Sarasin.

Mr. Cotter with Mr. Walker.

Mr. Dan Daniel with Mr. Burgener.

Mr. Flippo with Mr. Caputo.

Mr. Ford of Tennessee with Mr. Wiggins.

Mr. Garcia with Mr. Wylie.

Mr. Giaimo with Mr. Beard of Tennessee.

Ms. Holtzman with Mr. Johnson of Colorado.

Mr. Howard with Mr. Armstrong.

Mr. Le Fante with Mr. Cochran of Mississippi.

Mr. McDonald with Mr. Kasten.

Mr. Charles H. Wilson of California with Mr. McCloskey.

Mr. Udall with Mr. Cohen.

Mr. Russo with Mr. Vander Jagt.

Mr. Waxman with Mr. Conte.

Mr. Ford of Michigan with Mr. Crane.

Mr. Solarz with Mr. McDade.

Mr. Rogers with Mr. Michel.

Mr. Hefner with Mr. Emery.

Mr. Murphy of New York with Mr. Evans of Georgia.

Mr. Nowak with Mr. Frey.

Mr. Pickle with Mr. Gephardt.

Mr. Brown of California with Mr. Holland.

Mr. Bowen with Mr. Milford.

Mr. Gibbons with Mr. Pursell.

Mr. Conyers with Mr. Railsback.

Mr. Cornwell with Mr. Anderson of California.

Mr. Dicks with Mr. Andrews of North Dakota.

Mr. Ichord with Mr. Brown of Ohio.

Mr. Mann with Mr. Dent.

Mr. Ryan with Mr. Eckhardt.

Mr. Davis with Mr. Fowler.

Mr. Fithian with Mr. Fraser.

Mr. Flowers with Mr. Leggett.

Mr. Flynt with Mr. Lundine.

Mr. Nix with Mr. McKay.

Mr. Pattison of New York with Mr. Meeds.

Mr. Pease with Mr. Whitley.

Mr. Simon with Mr. Charles Wilson of Texas.

Mr. Teague with Mr. Ruppe.

Mr. Moffett with Mr. Scheuer.

Mr. Traxler with Mr. Schulze.

Mr. Pressler with Mr. Tsongas.

Mr. Stump with Mr. Whitten.

Mr. Neal with Mr. McFall.

Mr. Clay with Mr. Runnels.

Messrs. SKUBITZ, SEIBERLING and KILDEE changed their vote from "nay" to "yea."

Mr. DELLUMS and Mr. RANGEL changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to make an announcement. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motions to suspend the rules on which the Chair has postponed further proceedings.

MILITARY RETIREMENT PAY REVISIONS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 10342.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. NICHOLS) that the House suspend the rules and pass the bill H.R. 10342, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 292, nays 30, not voting 110, as follows:

[Roll No. 494]

YEAS—292

Abdnor	Dickinson	Kindness
Akaka	Diggs	Kostmayer
Alexander	Dingell	Krueger
Ambro	Dodd	LaFalce
Ammerman	Dornan	Lagomarsino
Andrews, N.C.	Downey	Latta
Annunzio	Drinan	Leach
Applegate	Duncan, Oreg.	Lehman
Archer	Duncan, Tenn.	Lent
Ashbrook	Edwards, Ala.	Levitas
Ashley	Edwards, Calif.	Livingston
Aspin	Edwards, Okla.	Lloyd, Calif.
AuCoin	Eilberg	Lloyd, Tenn.
Badham	English	Long, La.
Bafalis	Erlenborn	Long, Md.
Baldus	Ertel	Lott
Barnard	Evans, Colo.	Lujan
Baucus	Evans, Del.	Luken
Bauman	Evans, Ind.	McClory
Beard, R.I.	Fary	McCormack
Beilenson	Fascell	McEwen
Bennett	Fenwick	McFall
Bevill	Findley	McHugh
Biaggi	Fish	McKinney
Bingham	Fisher	Madigan
Blanchard	Flood	Mahon
Blouin	Florio	Markey
Boggs	Foley	Marks
Boland	Forsythe	Marlenee
Bolling	Fountain	Marriott
Bonior	Frenzel	Martin
Bonker	Fuqua	Mathis
Brademas	Gammage	Mattox
Breaux	Gilman	Mazzoli
Breckinridge	Ginn	Metcalfe
Brinkley	Glickman	Meyner
Brodhead	Goldwater	Mikulski
Brooks	Gonzalez	Miller, Calif.
Broomfield	Goodling	Miller, Ohio
Buchanan	Gore	Mineta
Burke, Fla.	Gradison	Minish
Burke, Mass.	Grassley	Mitchell, Md.
Burleson, Tex.	Gudger	Mitchell, N.Y.
Burlison, Mo.	Guyer	Mollohan
Burton, John	Hall	Montgomery
Burton, Phillip	Hamilton	Moore
Butler	Hammer-schmidt	Moorhead, Calif.
Byron	Hanley	Moss
Carney	Hannaford	Murphy, Ill.
Carter	Hansen	Murtha
Cavanaugh	Harris	Myers, Gary
Cederberg	Hawkins	Myers, John
Chappell	Heckler	Natcher
Chisholm	Heftel	Neal
Clausen, Don H.	Hightower	Nedzi
Clawson, Del	Hillis	Nichols
Clay	Hollenbeck	Nolan
Cleveland	Holt	O'Brien
Coleman	Horton	Oakar
Collins, Ill.	Hubbard	Oberstar
Collins, Tex.	Huckaby	Ottinger
Conable	Hughes	Panetta
Corcoran	Hyde	Patten
Corman	Ireland	Patterson
Cornell	Jacobs	Perkins
Coughlin	Jeffords	Pettis
Cunningham	Jenkins	Poage
D'Amours	Johnson, Calif.	Preyer
Daniel, R. W.	Jones, N.C.	Price
Danielson	Jones, Okla.	Quillen
de la Garza	Jones, Tenn.	Rahall
Delaney	Jordan	Regula
Derrick	Kazen	Reuss
Derwinski	Kemp	Rhodes
Devine	Kildee	Richmond

Rinaldo	Slack	Tucker
Risenhoover	Smith, Iowa	Ullman
Roberts	Smith, Nebr.	Van Deerlin
Robinson	Snyder	Vanik
Roe	Spellman	Volkmer
Roncalio	Spence	Waggonner
Rooney	St Germain	Walsh
Rose	Staggers	Wampler
Rosenthal	Stangeland	Watkins
Rousselot	Stanton	Weaver
Roybal	Steed	Weiss
Rudd	Steers	White
Runnels	Steiger	Whitehurst
Santini	Stockman	Wilson, Bob
Satterfield	Stokes	Winn
Schroeder	Stratton	Wright
Sebelius	Studds	Young, Alaska
Sharp	Symms	Young, Fla.
Shuster	Taylor	Young, Mo.
Sikes	Thone	Young, Tex.
Sisk	Thornton	Zablocki
Skelton	Treen	
Skubitz	Trible	

NAYS—30

Bedell	Kastenmeier	Obey
Benjamin	Kelly	Pike
Carr	Keys	Rangel
Dellums	Krebs	Seiberling
Early	Lederer	Stark
Edgar	Maguire	Vento
Gaydos	Mikva	Walgren
Green	Mottl	Wydler
Harkin	Murphy, Pa.	Yates
Harrington	Myers, Michael	Yatron

NOT VOTING—110

Addabbo	Frey	Pursell
Anderson, Calif.	Garcia	Quayle
Anderson, Ill.	Gephardt	Quie
Andrews, N. Dak.	Giaimo	Railsback
Armstrong	Gibbons	Rodino
Beard, Tenn.	Hagedorn	Rogers
Bowen	Harsha	Rostenkowski
Brown, Calif.	Hefner	Ruppe
Brown, Mich.	Holland	Russo
Brown, Ohio	Holtzman	Ryan
Broyhill	Howard	Sarasin
Burgener	Ichord	Sawyer
Burke, Calif.	Jenrette	Scheuer
Caputo	Johnson, Colo.	Schulze
Cochran	Kasten	Shipley
Cohen	Le Fante	Simon
Conte	Leggett	Solarz
Conyers	Lundine	Stump
Cornwell	McCloskey	Teague
Cotter	McDade	Thompson
Crane	McDonald	Traxler
Daniel, Dan	McKay	Tsongas
Davis	Mann	Udall
Dent	Meeds	Vander Jagt
Dicks	Michel	Walker
Eckhardt	Milford	Waxman
Emery	Moakley	Whalen
Evans, Ga.	Moffett	Whitley
Fithian	Moorhead, Pa.	Whitten
Flippo	Murphy, N.Y.	Wiggins
Flowers	Nix	Wilson, C. H.
Flynt	Nowak	Wilson, Tex.
Ford, Mich.	Pattison	Wirth
Ford, Tenn.	Pease	Wolff
Fowler	Pepper	Wylie
Fraser	Pickle	Zeferetti
	Pressler	
	Pritchard	

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Wirth.

Mr. Thompson with Mr. Anderson of Illinois.

Mr. Jenrette with Mr. Hagedorn.

Mr. Zeferetti with Mr. Harsha.

Mr. Moakley with Mr. Pritchard.

Mr. Moorhead of Pennsylvania with Mr. Quayle.

Mr. Pepper with Mr. Brown of Michigan.

Mr. Wolff with Mr. Quie.

Mr. Shipley with Mr. Whalen.

Mrs. Burke of California with Mr. Broyhill.

Mr. Rostenkowski with Mr. Sarasin.

Mr. Cotter with Mr. Walker.

Mr. Dan Daniel with Mr. Burgener.

Mr. Flippo with Mr. Caputo.

Mr. Ford of Tennessee with Mr. Wiggins.

Mr. Garcia with Mr. Wylie.

Mr. Giaimo with Mr. Beard of Tennessee.

Ms. Holtzman with Mr. Johnson of Colorado.

Mr. Howard with Mr. Armstrong.

Mr. Le Fante with Mr. Cochran of Mississippi.

Mr. McDonald with Mr. Kasten.

Mr. Charles H. Wilson of California with Mr. McCloskey.

Mr. Udall with Mr. Cohen.

Mr. Russo with Mr. Vander Jagt.

Mr. Waxman with Mr. Conte.

Mr. Ford of Michigan with Mr. Crane.

Mr. Solarz with Mr. McDade.

Mr. Rogers with Mr. Michel.

Mr. Hefner with Mr. Emery.

Mr. Murphy of New York with Mr. Evans of Georgia.

Mr. Nowak with Mr. Frey.

Mr. Pickle with Mr. Gephardt.

Mr. Brown of California with Mr. Holland.

Mr. Bowen with Mr. Milford.

Mr. Gibbons with Mr. Pursell.

Mr. Conyers with Mr. Railsback.

Mr. Cornwell with Mr. Anderson of California.

Mr. Dicks with Mr. Andrews of North Dakota.

Mr. Ichord with Mr. Brown of Ohio.

Mr. Mann with Mr. Dent.

Mr. Ryan with Mr. Eckhardt.

Mr. Davis with Mr. Fowler.

Mr. Fithian with Mr. Fraser.

Mr. Flowers with Mr. Leggett.

Mr. Flynt with Mr. Lundine.

Mr. Nix with Mr. McKay.

Mr. Pattison of New York with Mr. Meeds.

Mr. Pease with Mr. Whitley.

Mr. Simon with Mr. Charles Wilson of Texas.

Mr. Teague with Mr. Ruppe.

Mr. Moffett with Mr. Scheuer.

Mr. Traxler with Mr. Schulze.

Mr. Pressler with Mr. Tsongas.

Mr. Stump with Mr. Whitten.

So two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EARLY RETIREMENT FOR NON-INDIAN EMPLOYEES OF BIA

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill S. 666, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Maryland (Mrs. SPELLMAN) that the House suspend the rules and pass the Senate bill S. 666, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 118, nays 204, not voting 110, as follows:

[Roll No. 495]

YEAS—118

Abdnor	Burke, Mass.	Dickinson
Akaka	Burton, John	Diggs
Alexander	Burton, Phillip	Duncan, Oreg.
Ambro	Carney	Edgar
Applegate	Carr	Edwards, Calif.
Aspin	Carter	Edwards, Okla.
Baldus	Cavanaugh	Eilberg
Baucus	Chisholm	English
Bellenson	Clausen, Don H.	Erlenborn
Bingham	Clay	Fascell
Blanchard	Collins, Ill.	Fisher
Blouin	Corman	Flood
Boland	Cornell	Frenzel
Bolling	de la Garza	Ginn
Bonior	Dellums	Gonzalez
Bonker		Goodling
Gore	Meyner	Rosenthal
Gudger	Mikulski	Roybal
Hammer-schmidt	Mineta	Rudd
Hanley	Mitchell, Md.	Runnels
Harrington	Montgomery	Schroeder
Harris	Murtha	Sebelius
Hightower	Myers, Gary	Smith, Nebr.
Horton	Myers, John	Spellman
Johnson, Calif.	Nolan	Stangeland
Jones, N.C.	Oakar	Steed
Jones, Okla.	Oberstar	Steers
Kazen	Obey	Steiger
Kostmayer	Patten	Stokes
Leach	Preyer	Thone
Lloyd, Calif.	Price	Thornton
Lott	Quillen	Ullman
Lujan	Rahall	Van Deerlin
McCormack	Rangel	Wampler
McFall	Rhodes	Watkins
McHugh	Richmond	White
Markey	Risenhoover	Wilson, Bob
Marlenee	Roncalio	Young, Alaska
Metcalfe	Rooney	Young, Tex.
	Rose	Zablocki

NAYS—204

Ammerman	Gammage	Moorhead, Calif.
Andrews, N.C.	Gaydos	Moss
Annunzio	Gilman	Mottl
Archer	Glickman	Murphy, Ill.
Ashbrook	Goldwater	Murphy, Pa.
Ashley	Gradison	Myers, Michael
AuCoin	Grassley	Natcher
Badham	Green	Neal
Bafalis	Guyer	Nedzi
Barnard	Hall	Nichols
Bauman	Hamilton	O'Brien
Beard, R.I.	Hannaford	Ottinger
Bedell	Hansen	Panetta
Benjamin	Harkin	Patterson
Bennett	Heckler	Perkins
Bevill	Heftel	Pettis
Biaggi	Hillis	Pike
Boggs	Hollenbeck	Poage
Brademas	Holt	Regula
Breaux	Hubbard	Reuss
Breckinridge	Huckaby	Rinaldo
Brinkley	Hughes	Roberts
Brodhead	Hyde	Robinson
Brooks	Ichord	Roe
Broomfield	Ireland	Rousselot
Buchanan	Jacobs	Santini
Burke, Fla.	Jeffords	Satterfield
Burleson, Tex.	Jenkins	Seiberling
Burlison, Mo.	Jones, Tenn.	Sharp
Butler	Jordan	Shuster
Byron	Kastenmeier	Sikes
Cederberg	Kelly	Sisk
Chappell	Kemp	Skelton
Clawson, Del	Keys	Skubitz
Cleveland	Kildee	Slack
Coleman	Kindness	Smith, Iowa
Collins, Tex.	Krebs	Snyder
Conable	Krueger	Spence
Corcoran	LaFalce	St Germain
Coughlin	Lagomarsino	Staggers
Cunningham	Latta	Stanton
D'Amours	Lederer	Stark
Daniel, R. W.	Lehman	Stockman
Danielson	Lent	Stratton
Delaney	Levitas	Studds
Derrick	Livingston	Symms
Derwinski	Lloyd, Tenn.	Taylor
Devine	Long, La.	Treen
Dingell	Long, Md.	Trible
Dodd	Luken	Tucker
Dornan	McClory	Vanik
Downey	McEwen	Vento
Drinan	McKinney	Volkmer
Duncan, Tenn.	Madigan	Waggonner
Early	Maguire	Walgren
Edwards, Ala.	Mahon	Walsh
Ertel	Marks	Weaver
Evans, Colo.	Marriott	Weiss
Evans, Del.	Martin	Whitehurst
Evans, Ind.	Mathis	Winn
Fary	Mattox	Wright
Fenwick	Mazzoli	Wydler
Findley	Mikva	Yates
Fish	Miller, Calif.	Yatron
Florio	Miller, Ohio	Young, Fla.
Foley	Minish	Young, Mo.
Forsythe	Mitchell, N.Y.	
Fountain	Mollohan	
Fuqua	Moore	

NOT VOTING—110

Addabbo	Andrews, N. Dak.	Bowen
Anderson, Calif.	Armstrong	Brown, Calif.
Anderson, Ill.	Beard, Tenn.	Brown, Mich.
		Brown, Ohio

Broyhill	Hefner	Rodino
Burgener	Holland	Rogers
Burke, Calif.	Holtzman	Rostenkowski
Caputo	Howard	Ruppe
Cochran	Jenrette	Russo
Cohen	Johnson, Colo.	Ryan
Conte	Kasten	Sarasin
Conyers	Le Fante	Sawyer
Cornwell	Leggett	Scheuer
Cotter	Lundine	Schulze
Crane	McCloskey	Shipley
Daniel, Dan	McDade	Simon
Davis	McDonald	Solarz
Dent	McKay	Stump
Dicks	Mann	Teague
Eckhardt	Meeds	Thompson
Emery	Michel	Traxler
Evans, Ga.	Milford	Tsongas
Fithian	Moakley	Udall
Flippo	Moffett	Vander Jagt
Flowers	Moorhead, Pa.	Walker
Flynt	Murphy, N.Y.	Waxman
Ford, Mich.	Nix	Whalen
Ford, Tenn.	Nowak	Whitley
Fowler	Pattison	Whitten
Fraser	Pease	Wiggins
Frey	Pepper	Wilson, C. H.
Garcia	Pickle	Wilson, Tex.
Gephardt	Pressler	Wirth
Giaimo	Pritchard	Wolff
Gibbons	Pursell	Wylie
Hagedorn	Quayle	Zeferetti
Harsha	Quie	
Hawkins	Railsback	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Whitley.
Mr. Addabbo with Mr. Andrews of North Dakota.
Mr. Le Fante with Mr. Armstrong.
Mr. Moakley with Mr. Holland.
Mr. Howard with Mr. Hagedorn.
Mr. Giaimo with Mr. Railsback.
Mr. Jenrette with Mr. Quie.
Mr. Meads with Mr. Wiggins.
Mr. Murphy of New York with Mr. Whalen.
Mr. Moorhead of Pennsylvania with Mr. Milford.
Mr. Wolff with Mr. McDade.
Mr. Wirth with Mr. McCloskey.
Mr. Zefferetti with Mr. Brown of Michigan.
Mr. Pepper with Mr. Eckhardt.
Mr. Ford of Michigan with Mr. Frey.
Mr. Flynt with Mr. Gephardt.
Ms. Holtzman with Mr. Harsha.
Mrs. Burke of California with Mr. Johnson of Colorado.
Mr. Conyers with Mr. Kasten.
Mr. Cotter with Mr. Sawyer.
Mr. Hawkins with Mr. Sarasin.
Mr. Rogers with Mr. Stump.
Mr. Rostenkowski with Mr. Vander Jagt.
Mr. Russo with Mr. Walker.
Mr. Shipley with Mr. Wiley.
Mr. Simon with Mr. Pritchard.
Mr. Traxler with Mr. Pressler.
Mr. Charles H. Wilson of California with Mr. Crane.
Mr. Pickel with Mr. Conte.
Mr. Moffett with Mr. Cohen.
Mr. Fithian with Mr. Evans of Georgia.
Mr. Flippo with Mr. Caputo.
Mr. Lundine with Mr. Cochran of Mississippi.
Mr. Pattison of New York with Mr. Broyhill.
Mr. Teague with Mr. Pursell.
Mr. Udall with Mr. Quayle.
Mr. Anderson of California with Mr. McKay.
Mr. Bowen with Mr. Dent.
Mr. Dan Daniel with Mr. Pease.
Mr. Ford of Tennessee with Mr. Fraser.
Mr. Brown of California with Mr. Whitten.
Mr. Charles Wilson of Texas with Mr. Tsongas.
Mr. Solarz with Mr. Schulze.
Mr. Ryan with Mr. Scheuer.
Mr. Davis with Mr. Burgener.
Mr. Dicks with Mr. Brown of Ohio.
Mr. Flowers with Mr. Gibbons.
Mr. Garcia with Mr. Mann.
Mr. Cornwell with Mr. Fowler.
Mr. Hefner with Mr. Leggett.
Mr. Michel with Mr. Ruppe.
Mr. McDonald with Mr. Emery.
Mr. Nix with Mr. Nowak.
Mr. Anderson of Illinois with Mr. Beard of Tennessee.

Mr. ASHLEY, Mrs. LLOYD of Tennessee, Mr. PERKINS, and Mr. SKUBITZ changed their vote from "yea" to "nay."

So (two-thirds not having voted in favor thereof), the motion was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT OF STEEL CAUCUS MEETING

(Mr. CARNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARNEY. Mr. Speaker, for those who are not going to the funeral of the gentleman from California (Mr. BILL KETCHUM) tomorrow, I would like to announce that there will be a meeting of the full membership of the Steel Caucus tomorrow morning at 10:30 a.m. in room 2257 of the Rayburn Building. The Members are all invited.

PROVIDING FOR REINSTATEMENT OF CIVIL SERVICE RETIREMENT SURVIVOR ANNUITIES

Mrs. SPELLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3755) to provide for the reinstatement of civil service retirement survivor annuities for certain widows and widowers whose remarriages occurred before July 18, 1966, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, line 13, strike out "1977," and insert "1978,".

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentlewoman please explain to us why it is necessary to do it this way?

Mrs. SPELLMAN. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentlewoman.

Mrs. SPELLMAN. I thank the gentleman for yielding.

The bill passed here under suspension and went to the Senate. We need to change the date. The effective date at that time was 1977. The effective date has to be 1978.

Mr. ROUSSELOT. So the gentlewoman can assure us the only change from the bill that passed the House is the date?

Mrs. SPELLMAN. Just the date.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentlewoman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

A motion to reconsider was laid on the table.

GRANTING RIGHT TO ANNUITANT TO ENTITLE NEW SPOUSE TO SURVIVOR ANNUITY

Mrs. SPELLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3447) to amend chapter 83 of title 5, United States Code, to grant an annuitant the right to elect within 1 year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, line 15, strike out "1977," and insert "1978,".

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

A motion to reconsider was laid on the table.

DESIGNATING JULY 1, 1978, AS FREE ENTERPRISE DAY

Mr. LEHMAN. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 128) to designate July 1, 1978, as Free Enterprise Day, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. MOORE. Reserving the right to object, Mr. Speaker, I take this time—and I do intend to object—to thank the Committee on Post Office and Civil Service and the gentleman from Florida (Mr. LEHMAN), the chairman of the subcommittee, for bringing this matter forward at this time. I am the principal sponsor of the companion House resolution (H.J. Res. 870) which has 235 cosponsors and the exact same language as Senate Joint Resolution 128.

House Joint Resolution 870, the House version, was reported by the Committee on Post Office and Civil Service on June 21, 1978 and I hope today no Member will object to allowing the Senate version to be passed and to get to the President in time to declare Free Enterprise Day on July 1, 1978.

Mr. Speaker, I feel very strongly that free enterprise today is in jeopardy by excessive taxation, regulation, deficit spending and, most of all, ignorance.

The designation of July 1, 1978, as Free Enterprise Day will help us begin to overcome the greatest enemy of free enterprise, that of ignorance.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida (Mr. LEHMAN)?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 128

Whereas the rapid development of America's economy is a result of the interaction of the free enterprise of our people and the abundant natural resources of our land; and

Whereas the present great prosperity of the United States is based upon free enterprise; and

Whereas the principles of free enterprise are inexorably bound with our principles of individual political freedom; and

Whereas the belief of Americans in the essential justice of free enterprise is being increasingly challenged throughout the world.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating July 1, 1978, as "Free Enterprise Day" and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEHMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution (S.J. Res. 128), just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 12536, NATIONAL PARKS RECREATION ACT OF 1978

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1243 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1243

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12536) to provide for increases in appropriations ceilings, development ceilings, land acquisition, and boundary changes in certain Federal park and recreation areas, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and said substitute shall be read for amendment by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from Connecticut (Mr. DODD) is recognized for 1 hour.

Mr. DODD. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON) for the purpose of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1243 provides for the consideration of H.R. 12536, the National Parks and Recreation Act of 1978. This resolution provides for an open rule with 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs. This resolution, in addition, provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule, and said substitute shall be read for amendment by titles instead of by sections. This resolution also provides for one motion to recommit with or without instructions.

Mr. Speaker, this bill incorporates a number of items affecting national parks and recreation areas that have been pending for a long time. It authorizes appropriations to provide increases in development and acquisition ceilings and boundary changes for parks in all parts of the country. In addition, it designates new wilderness areas, new national trails and several new wild and scenic rivers.

The comprehensive approach adopted in H.R. 12536 allows a number of park projects to be before the House at the same time. This should facilitate the consideration of these important changes in and additions to our national park and recreation systems.

Mr. Speaker, I request that we adopt House Resolution 1243, so that we may proceed to the consideration of this bill.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1243 is a 1-hour open rule making in order the consideration of the bill H.R. 12536, the "National Park and Recreation Act of 1978." Following the hour of general debate, the bill will be read for amendment under the 5-minute rule, by titles instead of by sections, and the committee amendment in the nature of a substitute will be considered as an original bill for the purpose of amendment. I would point out that this rule contains no waivers of points of order—an increasingly rare occurrence in recent months.

Mr. Speaker, the bill this rule makes in order is an omnibus parks and recreation bill which authorizes appoximately $1.6 billion though fiscal year 1983 for increases in appropriations ceilings, development ceilings, and land acquisition and boundary changes in certain Federal park and recreation areas. All told, the bill involves some 150 projects in 44 States. I am informed that some 200 congressional districts are involved here which perhaps help to explain why this is referred to in some quarters as a "park barrel bill." I just want to commend the Interior Committee on doing a fine job in pulling all these projects together in one bill so we can get a better overview of how all our park money is spent, instead of nickel and diming us to death with individual bills for all these projects. This bill does have the blessing of the environmental groups as well as of at least 200 of our colleagues. It contains most of the administration's environment program. The bill was reported from the Interior Committee by unanimous voice vote, and this rule was reported from the Rules Committee by voice vote. I urge its adoption.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. DODD. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 311, nays 2, not voting 119, as follows:

[Roll No. 496]

YEAS—311

Abdnor	Bolling	Conable
Akaka	Bonior	Corcoran
Alexander	Bonker	Corman
Ambro	Brademas	Cornell
Ammerman	Breckinridge	Coughlin
Anderson, Ill.	Brinkley	Cunningham
Annunzio	Brodhead	D'Amours
Applegate	Brooks	Daniel, R. W.
Archer	Broomfield	Danielson
Ashbrook	Buchanan	de la Garza
Ashley	Burke, Fla.	Delaney
Aspin	Burke, Mass.	Dellums
AuCoin	Burleson, Tex.	Derrick
Badham	Burlison, Mo.	Derwinski
Bafalis	Burton, John	Devine
Baldus	Burton, Phillip	Dickinson
Barnard	Butler	Dodd
Baucus	Byron	Dornan
Bauman	Carney	Downey
Beard, R.I.	Carr	Drinan
Bedell	Carter	Duncan, Oreg.
Beilenson	Cavanaugh	Duncan, Tenn.
Benjamin	Chappell	Early
Bennett	Clausen, Don H.	Edgar
Bevill	Clawson, Del	Edwards, Ala.
Biaggi	Clay	Edwards, Calif.
Bingham	Cleveland	Edwards, Okla.
Blanchard	Coleman	Eilberg
Blouin	Collins, Ill.	Emery
Boggs	Collins, Tex.	English
Boland		Erlenborn

Ertel	Lent	Roberts
Evans, Colo.	Levitas	Robinson
Evans, Del.	Livingston	Roe
Evans, Ind.	Lloyd, Calif.	Roncalio
Fary	Lloyd, Tenn.	Rooney
Fascell	Long, La.	Rose
Fenwick	Long, Md.	Rosenthal
Findley	Lott	Rousselot
Fish	Lujan	Roybal
Fisher	Luken	Rudd
Flood	McClory	Runnels
Florio	McCormack	Santini
Foley	McEwen	Satterfield
Forsythe	McFall	Schroeder
Fountain	McHugh	Sebelius
Frenzel	McKinney	Seiberling
Fuqua	Madigan	Sharp
Gammage	Maguire	Shuster
Gaydos	Mahon	Sikes
Gilman	Markey	Sisk
Ginn	Marks	Skelton
Glickman	Marlenee	Skubitz
Goldwater	Marriott	Slack
Gonzalez	Martin	Smith, Iowa
Gore	Mattox	Smith, Nebr.
Gradison	Mazzoli	Snyder
Grassley	Metcalfe	Spellman
Green	Meyner	Spence
Gudger	Mikulski	St Germain
Guyer	Mikva	Staggers
Hall	Miller, Calif.	Stangeland
Hamilton	Miller, Ohio	Stanton
Hammer-schmidt	Mineta	Stark
	Minish	Steed
Hanley	Mitchell, Md.	Steers
Hannaford	Mitchell, N.Y.	Steiger
Hansen	Mollohan	Stockman
Harkin	Moore	Stokes
Harris	Moorhead, Calif.	Stratton
Heckler		Studds
Heftel	Moss	Symms
Hightower	Mottl	Taylor
Hillis	Murphy, Ill.	Thone
Hollenbeck	Murphy, Pa.	Thornton
Holt	Murtha	Treen
Hubbard	Myers, Gary	Trible
Huckaby	Myers, John	Tucker
Hughes	Myers, Michael	Ullman
Hyde	Natcher	Van Deerlin
Ichord	Neal	Vanik
Ireland	Nedzi	Vento
Jacobs	Nichols	Volkmer
Jeffords	Nix	Waggonner
Jenkins	Nowak	Walgren
Johnson, Calif.	O'Brien	Walsh
Jones, N.C.	Oakar	Wampler
Jones, Okla.	Ottinger	Watkins
Jones, Tenn.	Panetta	Waxman
Jordan	Patten	Weaver
Kastenmeier	Patterson	Weiss
Kazen	Perkins	White
Kelly	Pettis	Whitehurst
Kemp	Pike	Wilson, Bob
Keys	Poage	Winn
Kildee	Preyer	Wright
Kindness	Price	Wydler
Kostmayer	Quillen	Yates
Krebs	Rahall	Yatron
Krueger	Regula	Young, Alaska
LaFalce	Reuss	Young, Fla.
Lagomarsino	Rhodes	Young, Mo.
Latta	Richmond	Young, Tex.
Leach	Rinaldo	Zablocki
Lederer	Risenhoover	

NAYS—2

McDonald	Oberstar

NOT VOTING—119

Addabbo	Conyers	Gephardt
Anderson, Calif.	Cornwell	Giaimo
	Cotter	Gibbons
Andrews, N.C.	Crane	Goodling
Andrews, N. Dak.	Daniel, Dan	Hagedorn
	Davis	Harrington
Armstrong	Dent	Harsha
Beard, Tenn.	Dicks	Hawkins
Bowen	Diggs	Hefner
Breaux	Dingell	Holland
Brown, Calif.	Eckhardt	Holtzman
Brown, Mich.	Evans, Ga.	Horton
Brown, Ohio	Fithian	Howard
Broyhill	Flippo	Jenrette
Burgener	Flowers	Johnson, Colo.
Burke, Calif.	Flynt	Kasten
Caputo	Ford, Mich.	Le Fante
Cederberg	Ford, Tenn.	Leggett
Chisholm	Fowler	Lehman
Cochran	Fraser	Lundine
Cohen	Frey	McCloskey
Conte	Garcia	McDade
McKay	Pursell	Teague
Mann	Quayle	Thompson
Mathis	Quie	Traxler
Meeds	Railsback	Tsongas
Michel	Rangel	Udall
Milford	Rodino	Vander Jagt
Moakley	Rogers	Walker
Moffett	Rostenkowski	Whalen
Montgomery	Ruppe	Whitley
Moorhead, Pa.	Russo	Whitten
Murphy, N.Y.	Ryan	Wiggins
Nolan	Sarasin	Wilson, C. H.
Obey	Sawyer	Wilson, Tex.
Pattison	Scheuer	Wirth
Pease	Schulze	Wolff
Pepper	Shipley	Wylie
Pickle	Simon	Zeferetti
Pressler	Solarz	
Pritchard	Stump	

The Clerk announced the following pairs:

Mr. Thompson with Mr. Whitley.

Mr. Addabbo with Mr. Andrews of North Dakota.

Mr. La Fante with Mr. Armstrong.

Mr. Moakley with Mr. Holland.

Mr. Howard with Mr. Hagedorn.

Mr. Giaimo with Mr. Railsback.

Mr. Jenrette with Mr. Quie.

Mr. Meeds with Mr. Wiggins.

Mr. Murphy of New York with Mr. Whalen.

Mr. Moorhead of Pennsylvania with Mr. Milford.

Mr. Wolff with Mr. McDade.

Mr. Wirth with Mr. McCloskey.

Mr. Zeferetti with Mr. Brown of Michigan.

Mr. Pepper with Mr. Echardt.

Mr. Ford of Michigan with Mr. Frey.

Mr. Flynt with Mr. Gephardt.

Ms. Holtzman with Mr. Harsha.

Mrs. Burke of California with Mr. Johnson of Colorado.

Mr. Conyers with Mr. Kasten.

Mr. Cotter with Mr. Sawyer.

Mr. Hawkins with Mr. Sarasin.

Mr. Rogers with Mr. Stump.

Mr. Rostenkowski with Mr. Vander Jagt.

Mr. Russo with Mr. Walker.

Mr. Shipley with Mr. Wiley.

Mr. Simon with Mr. Pritchard.

Mr. Traxler with Mr. Pressler.

Mr. Charles H. Wilson of California with Mr. Crane.

Mr. Pickle with Mr. Conti.

Mr. Moffett with Mr. Cohen.

Mr. Fithian with Mr. Evans of Georgia.

Mr. Flippo with Mr. Caputo.

Mr. Lundine with Mr. Cochran of Mississippi.

Mr. Pattison of New York with Mr. Broyhill.

Mr. Udall with Mr. Quayle.

Mr. Teague with Mr. Pursell.

Mr. Anderson of California with Mr. McKay.

Mr. Bowen with Mr. Harrington.

Mr. Dan Daniel with Mr. Pease.

Mr. Ford of Tennessee with Mr. Fraser.

Mr. Brown of California with Mr. Whitten.

Mr. Charles Wilson of Texas with Mr. Tsongas.

Mr. Solarz with Mr. Schulze.

Mr. Ryan with Mr. Scheuer.

Mr. Davis with Mr. Burgener.

Mr. Dicks with Mr. Brown of Ohio.

Mr. Flowers with Mr. Gibbons.

Mr. Garcia with Mr. Mann.

Mr. Cornwell with Mr. Fowler.

Mr. Hefner with Mr. Leggett.

Mr. Michel with Mr. Ruppe.

Mr. Diggs with Mr. Cederberg.

Mr. Breaux with Mr. Andrews of North Carolina.

Mrs. Chisholm with Mr. Dingell.

Mr. Rangell with Mr. Montgomery.

Mr. Obey with Mr. Horton.

Mr. Nolan with Mr. Goodling.

Mr. Mathis with Mr. Lehman.

Mr. OBERSTAR changed his vote from "yea" to "nay".

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 12432, CIVIL RIGHTS COMMISSION ACT OF 1978

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1235 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1235

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12432) to extend the Commission on Civil Rights for five years, to authorize appropriations for the Commission, to effect certain technical changes to comply with changes in the law, and for other purposes, and all points of order against section 3(a) of said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gen- recognized for 1 hour.

tleman from Connecticut (Mr. DODD) is

Mr. DODD. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1235 provides for the consideration of H.R. 12432, the Civil Rights Commission Act of 1978. This resolution provides for an open rule with 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. The resolution, in addition, waives all points of order against section 3(a) of the bill for failure to comply with the provisions of clause 5, rule XXI. This waiver is necessary because, if this bill is enacted before the end of the fiscal year, section 3(a) provides for the use of outstanding funds for a new purpose.

Mr. Speaker, the primary purpose of this bill is to extend the life of the Commission on Civil Rights for 5 years until 1983. Furthermore, H.R. 12432 authorizes appropriations for the Commission for 2 years; and expands the jurisdiction of the Commission to include discrimination based on age and handicap status. This bill also amends the 1957 Civil Rights Act by mandating that each State establish one State advisory committee, composed of citizens of that State in order to insure that the Commission continues to receive input from the local level.

As the national clearinghouse for civil rights information, the Commission, for

the last 20 years, has been responsible for disseminating information regarding denial of equal protection of the laws because of race, color, sex, religion or national origin, including but not limited to discrimination in voting education, housing, employment, the use of public facilities and transportation and the administration of justice. With the enactment of the legislation we are considering today, the Commission will be given the authority to investigate the infringement of the civil rights of two new groups—the elderly and the handicapped. In recent years, we have seen more and more examples of how our society discriminates against our Nation's 23 million elderly and 35 million handicapped citizens.

While the Commission has no enforcement powers and is authorized only to make reports, findings and recommendations to the President and the Congress, its contribution to the development of the important civil rights legislation of the last two decades is well known.

Mr. Speaker, I request that we adopt House Resolution 1235, so that we may proceed to the consideration of this important bill.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a 1 hour, open rule providing for the consideration of H.R. 12432, the Civil Rights Commission Act of 1978. Section 3(a) of the bill, which expands the Commission's jurisdiction, fails to comply with clause 5 of rule XXI—appropriations in legislation. Consequently, the resolution waives this rule.

The purpose of this bill is to extend the authorization of the U.S. Civil Rights Commission for 5 years and to expand its jurisdiction to include discrimination based on age and handicapped status. The measure authorizes $12,752,000 in fiscal year 1979 and $14,000,000 in fiscal year 1980.

It is my understanding that by 1980 the Commission's authorization will have doubled in just 5 years. In view of the fact that over the last 3 years it has spent over $1½ million just to produce a recently published 112-page report, this agency should be a prime candidate for close scrutiny by its authorizing and oversight committee.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Speaker, I rise with some mixed feelings about this bill. I served on the New Jersey committee for the U.S. Commission on Civil Rights since the legislation was passed in 1958. In fact, for a long time I was vice chairman of that committee.

But I am opposed to the extension of the jurisdiction of the committee and I would like to bring to the attention of the committee that has oversight jurisdiction, the change that has taken place in that Commission over the years.

It has changed from being a Commission which was indeed somewhat, although not entirely, open to suggestion from its State committees. The Commission came to New Jersey in 1962 when Mr. Hanna was chairman, and we had a most useful meeting in Newark at that time, concerning equal employment opportunity and other such matters.

But what happened subsequently—and I am being blunt about it, is that it was taken over by the staff. Before I resigned from the committee, the chairman was in the position of having meetings called by the staff without his even knowing about it. The situation was totally out of hand and the committee was controlled by the staff in Washington.

I do not think that it is fruitful to continue the ways which now have become the practice of the Commission, according to my experience.

I spoke to Father Hesburgh about this change following my letter of resignation.

I do not know how we are going to correct this. It is one of the evils of bureaucracy. But the work of the Commission covering civil rights and human rights was, as I understand the term "civil rights" extremely valuable.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. LOTT. I yield 1 additional minute to the gentlewoman from New Jersey.

Mrs. FENWICK. I think it is unwise to extend the Commission's jurisdiction and to vote for a 5-year extension. We must know how this Commission is operating and whether or not it will pay any attention to the chairmen of the State committees and their members.

We were overridden in the matter, for example, of the education of our deprived children and their right to an equal opportunity in education—we hoped to report on that but we were overridden and ordered to do housing. So we gave up education and took up housing because the Commission felt that housing was more important. I was co-chairman of that subcommittee, and we turned in a full report although little attention was paid to it. We wrote other reports, too—first voting, and then employment, then housing and others. But no matter how hard we worked we could not get the Commission in Washington to pay any attention to the State committee, nor would the staff pay any attention to the State chairman, therefore, I would strongly recommend that this not be set up for a full 5 years.

Mr. LOTT. Mr. Speaker, I appreciate the remarks made by the gentlewoman from New Jersey (Mrs. FENWICK). I would only add that this is an open rule, but it waives all points of order against section 3(a) of the bill on the expansion of this jurisdiction.

Mr. Speaker, I have no further requests for time.

Mr. DODD. Mr. Speaker, I have no further requests for time and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DEVINE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 303, nays 16, not voting 113, as follows:

[Roll No. 497]

YEAS—303

Abdnor	Evans, Colo.	Maguire
Akaka	Evans, Del.	Mahon
Alexander	Evans, Ind.	Markey
Ambro	Fary	Marks
Ammerman	Fascell	Marlenee
Anderson, Ill.	Fenwick	Marriott
Annunzio	Findley	Martin
Applegate	Fish	Mattox
Archer	Fisher	Mazzoli
Ashley	Flood	Metcalfe
Aspin	Florio	Meyner
AuCoin	Foley	Mikulski
Badham	Fountain	Mikva
Bafalis	Frenzel	Miller, Calif.
Baldus	Fuqua	Miller, Ohio
Barnard	Gammage	Mineta
Baucus	Gaydos	Minish
Beard, R.I.	Gilman	Mitchell, Md.
Bedell	Ginn	Mitchell, N.Y.
Beilenson	Glickman	Mollohan
Benjamin	Goldwater	Moore
Bennett	Gonzalez	Moorhead, Calif.
Bevill	Gore	Motti
Biaggi	Gradison	Murphy, Ill.
Bingham	Grassley	Murphy, Pa.
Blanchard	Green	Murtha
Blouin	Gudger	Myers, Gary
Boggs	Guyer	Myers, John
Boland	Hall	Myers, Michael
Bolling	Hamilton	Natcher
Bonior	Hammer-schmidt	Neal
Bonker	Hanley	Nedzi
Brademas	Hannaford	Nichols
Breaux	Harkin	Nix
Breckinridge	Harris	Nolan
Brinkley	Heckler	Nowak
Brodhead	Heftel	O'Brien
Brooks	Hightower	Oakar
Broomfield	Hillis	Oberstar
Buchanan	Holland	Ottinger
Burke, Fla.	Hollenbeck	Panetta
Burke, Mass.	Holt	Patten
Burleson, Tex.	Horton	Patterson
Burlison, Mo.	Hubbard	Perkins
Burton, John	Huckaby	Pettis
Burton, Phillip	Hughes	Pike
Butler	Hyde	Preyer
Byron	Ichord	Price
Carney	Ireland	Quillen
Carr	Jacobs	Rahall
Carter	Jeffords	Rangel
Cavanaugh	Jenkins	Regula
Chappell	Johnson, Calif.	Reuss
Clausen, Don H.	Jones, N.C.	Rhodes
Clay	Jones, Okla.	Richmond
Cleveland	Jones, Tenn.	Rinaldo
Collins, Ill.	Jordan	Risenhoover
Conable	Kastenmeier	Roberts
Corcoran	Kazen	Robinson
Corman	Kemp	Roe
Cornell	Keys	Roncalio
Coughlin	Kildee	Rooney
Cunningham	Kindness	Rose
D'Amours	Kostmayer	Rosenthal
Daniel, R. W.	Krebs	Roybal
Danielson	Krueger	Runnels
de la Garza	LaFalce	Santini
Delaney	Lagomarsino	Schroeder
Dellums	Latta	Sebelius
Derrick	Leach	Seiberling
Derwinski	Lederer	Sharp
Dickinson	Lehman	Shuster
Dingell	Lent	Sikes
Dodd	Levitas	Skelton
Dornan	Livingston	Skubitz
Downey	Lloyd, Calif.	Slack
Drinan	Lloyd, Tenn.	Smith, Iowa
Duncan, Oreg.	Long, La.	Smith, Nebr.
Duncan, Tenn.	Long, Md.	Snyder
Early	Lott	Spellman
Edgar	Lujan	Spence
Edwards, Ala.	Luken	St Germain
Edwards, Calif.	McClory	Staggers
Edwards, Okla.	McCormack	Stangeland
Eilberg	McEwen	Stanton
Emery	McFall	Stark
English	McHugh	Steed
Erlenborn	McKay	Steers
Ertel	McKinney	Stockman

Stokes	Vento	Wilson, Bob
Stratton	Volkmer	Winn
Studds	Waggonner	Wolff
Taylor	Walgren	Wright
Thone	Walsh	Wydler
Thornton	Wampler	Yates
Treen	Watkins	Yatron
Trible	Waxman	Young, Alaska
Tucker	Weaver	Young, Fla.
Ullman	Weiss	Young, Mo.
Van Deerlin	White	Young, Tex.
Vanik	Whitehurst	Zablocki

NAYS—16

Ashbrook	Forsythe	Rudd
Bauman	Hansen	Satterfield
Clawson, Del	Kelly	Steiger
Coleman	McDonald	Symms
Collins, Tex.	Poage	
Devine	Rousselot	

NOT VOTING—113

Addabbo	Fraser	Pressler
Anderson, Calif.	Frey	Pritchard
Andrews, N.C.	Garcia	Pursell
Andrews, N. Dak.	Gephardt	Quayle
Armstrong	Giaimo	Quie
Beard, Tenn.	Gibbons	Railsback
Bowen	Goodling	Rodino
Brown, Calif.	Hagedorn	Rogers
Brown, Mich.	Harrington	Rostenkowski
Brown, Ohio	Harsha	Ruppe
Broyhill	Hawkins	Russo
Burgener	Hefner	Ryan
Burke, Calif.	Holtzman	Sarasin
Caputo	Howard	Sawyer
Cederberg	Jenrette	Scheuer
Chisholm	Johnson, Colo.	Schulze
Cochran	Kasten	Shipley
Cohen	Le Fante	Simon
Conte	Leggett	Sisk
Conyers	Lundine	Solarz
Cornwell	McCloskey	Stump
Cotter	McDade	Teague
Crane	Madigan	Thompson
Daniel, Dan	Mann	Traxler
Davis	Mathis	Tsongas
Dent	Meeds	Udall
Dicks	Michel	Vander Jagt
Diggs	Milford	Walker
Eckhardt	Moakley	Whalen
Evans, Ga.	Moffett	Whitley
Fithian	Montgomery	Whitten
Flippo	Moorhead, Pa.	Wiggins
Flowers	Moss	Wilson, C. H.
Flynt	Murphy, N.Y.	Wilson, Tex.
Ford, Mich.	Obey	Wirth
Ford, Tenn.	Pattison	Wylie
Fowler	Pease	Zeferetti
	Pepper	
	Pickle	

The Clerk announced the following pairs:

Mr. Moakley with Mr. Gibbons.
Mr. Thompson with Mr. Andrews of North Carolina.
Mr. Addabbo with Mr. Frey.
Mr. Jenrette with Mr. Pressler.
Mr. Le Fante with Mr. Andrews of North Dakota.
Mr. Obey with Mr. Goodling.
Mr. Pepper with Mr. Railsback.
Mr. Zeferetti with Mr. Kasten.
Mr. Dan Daniel with Mr. Madigan.
Mr. Flippo with Mr. McCloskey.
Mr. Ford of Tennessee with Mr. Vander Jagt.
Mr. Howard with Mr. Whalen.
Ms. Holtzman with Mr. Eckhardt.
Mr. Hawkins with Mr. Crane.
Mrs. Burke of California with Mr. Harsha.
Mr. Bowen with Mr. Conte.
Mr. Davis with Mr. McDade.
Mr. Pickle with Mr. Wiggins.
Mr. Murphy of New York with Mr. Cohen.
Mr. Moorhead of Pennsylvania with Mr. Hagedorn.
Mr. Wirth with Mr. Cochran of Mississippi.
Mr. Lundine with Mr. Sarasin.
Mr. Harrington with Mr. Sawyer.
Mr. Garcia with Mr. Caputo.
Mr. Giaimo with Mr. Burgener.
Mr. Rogers with Mr. Michel.
Mr. Rostenkowski with Mr. Milford.
Mr. Russo with Mr. Fraser.
Mr. Shipley with Mr. Evans of Georgia.
Mr. Simon with Mr. Diggs.
Mr. Traxler with Mr. Dent.
Mr. Moffet with Mr. Dicks.
Mr. Cotter with Mr. Cederberg.
Mr. Cornwell with Mr. Broyhill.
Mrs. Chisholm with Mr. Armstrong.
Mr. Brown of California with Mr. Beard of Tennessee.
Mr. Mathis with Mr. Brown of Michigan.
Mr. Brown of Ohio with Mr. Stump.
Mr. Mann with Mr. Hefner.
Mr. Conyers with Mr. Gephardt.
Mr. Ryan with Mr. Ruppe.
Mr. Solarz with Mr. Pritchard.
Mr. Sisk with Mr. Quie.
Mr. Fithian with Mr. Pursell.
Mr. Flowers with Mr. Quayle.
Mr. Flynt with Mr. Wiley.
Mr. Pattison of New York with Mr. Whitley.
Mr. Charles H. Wilson of California with Mr. Whitten.
Mr. Udall with Mr. Teague.
Mr. Ford of Michigan with Mr. Fowler.
Mr. Meeds with Mr. Leggett.
Mr. Charles Wilson of Texas with Mr. Moss.
Mr. Tsongas with Mr. Walker.
Mr. Scheuer with Mr. Schulze.
Mr. Montgomery with Mr. Johnson of Colorado.
Mr. Anderson of California with Mr. Pease.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PHILLIP BURTON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks, and to include extraneous matter, with reference to the bill, H.R. 12536.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE EFFECT OF TAX-CUT BORROWING ON INTEREST RATES AND THE DOLLAR

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, on Wednesday, the U.S. Treasury will be selling 15 year Treasury bonds with a yield between 8½ percent to 8¾ percent, almost the highest interest rates in our history.

If Congress should adopt the Steiger amendment to roll back capital gains taxation, the interest rate should rise much higher as the Government struggles to finance an incredible deficit.

If Congress in its folly should adopt the Roth-Kemp proposal—you should warn your constituents that the Federal Government interest rate might reach 15 percent as we pack $80 billion on the deficit in the next several years in order to pay for the tax cut.

Tax rates are important—but what matters more—is the value of our dollars after taxes. The Roth-Kemp proposal will leave us with shylock interest rates and funny money.

These are very serious and critical times, and we ought to be mindful as to what effect extensive borrowing for tax cuts is going to have on the value of the dollar. What is important to us is not what the taxes are or what the tax rate is; what is important to the American people is what they can buy with the dollars they have left after taxes.

NATIONAL PARKS AND RECREATION ACT OF 1978

Mr. PHILLIP BURTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12536), to provide for increases in appropriations ceilings, development ceilings, land acquisition, and boundary changes in certain Federal park and recreation areas, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. PHILLIP BURTON).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12536, with Mr. THORNTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. PHILLIP BURTON) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. SEBELIUS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the legislation before us reflects countless hundreds of hours of work by members of our subcommittee, the full committee, our staffs, the Department of the Interior, and countless other locally concerned citizens, who felt that the utilization of one comprehensive proposal to treat many of the minor, a number of the longstanding, and a few of the contentious issues confronting the American people and the use of its land and resources was an idea whose time has come.

Mr. Chairman, I would like to commend all members of our subcommittee, particularly the ranking minority member, the gentleman from Kansas (Mr. SEBELIUS), and all of our staffs for this modest proposal that is great in scope and magnificent in quality.

Without unnecessarily oversimplifying the items before us, I think, essentially, that this bill has about four categories. One category reflects the efforts earlier made last year by the distinguished ranking minority member of the full committee, the gentleman from Kansas (Mr. SKUBITZ), who felt there were a great number of needed increases in the development ceilings for previously authorized projects, and in the interest of saving the time of the Congress and, ultimately, the cost to the taxpayers, that these items should be treated in one package. We have done that.

Second, in the last Congress we did increase our commitment to the land and water conservation fund. It is from that fund that most of the moneys already

authorized by this Congress shall be specifically targeted for land acquisitions well within the land and water conservation fund ceilings already authorized by overwhelming vote by the Congress of the United States.

Third, we have a number of miscellaneous provisions which treat individual problems that have been confronting the managers of our resources; and we treat them with definite and limited, but effective process.

Finally, the item which represents about 50 percent of the total cost of the bill is an administration proposal which purports to represent an authorization of 5 years, at the rate of $150 million a year for purposes of treating the problems of urban America and its recreational systems.

In summary, Mr. Chairman, this proposal provides for increases in the development ceilings for some 34 national monuments, historic sites, seashores, parks, and battlegrounds; land acquisition ceiling increases for some half dozen sites; boundary changes, additions, and adjustments to some 36 similar sites; the creation of something more than 3 million acres of wilderness in approximately a dozen areas; and the creation of 11 new national parks, historic sites, seashores, and recreation areas, with 4 new national trails and 8 new additions to the Wild and Scenic Rivers System.

It also proposes studies of some 18 or so river segments for possible wild and scenic river designation and 5 funding authorizations for already existing wild and scenic rivers.

Mr. Chairman, it was at an earlier time in this session that the gentleman from Arizona (Mr. UDALL), our distinguished chairman of the full committee, stood in this well and stated that the vote on the Alaska lands bill so ably managed by the gentleman from Ohio (Mr. SEIBERLING) would be the environmentalist vote of the century.

I cannot quarrel with that, but I feel perfectly confident in the assertion that if that were the environmentalist vote of the century, leaving that issue aside, this matter before us and the content of the proposal of our committee will rank as the environmentalist vote of this decade. I think it a rare tribute to the Congress and to the legislative process that we have been able to construct a proposal so broad in scope, agreed upon by all that each and every element of this proposal is thoughtfully constructed. Of necessity, when we are dealing with policy matters, one might expect that there will be some differences of opinion or some questions; but it is a rare tribute to our committee, in my view, that we have been able to sufficiently reconcile those differences so that all who have been involved know and stipulate to the reasonableness of the product.

Mr. Chairman, there is one final note. There have been some matters forwarded to the other body by this committee and this House, and I am in consultation with the members of the minority, to the end that some of the matters that have not yet been processed by the Senate will also be added to this legislation.

With that, Mr. Chairman, I reserve the balance of my time.

Mr. SEBELIUS. Mr. Chairman, I yield such time as he may consume to the ranking minority member of the full committee, the gentleman from Kansas (Mr. SKUBITZ).

Mr. SKUBITZ. Mr. Chairman, I thank my colleague for yielding to me.

Last October I introduced a measure, H.R. 9630, which coincided with title I of H.R. 12536. My bill authorized increases in development ceilings for 37 different areas at a total cost of $80 million, as compared with $96 million in title I of this bill. The idea of consolidating the many needed developments as well as making various boundary changes and additions to the parks is a good one. But this bill has taken gigantic proportions. The gentleman from California (Mr. PHILLIP BURTON) and my colleague from Kansas (Mr. SEBELIUS) have worked hard on this legislation, and deserve high praise.

Mr. Chairman, I am sure that anyone who studies the bill knows that we have added a number of projects, but in the words of our former colleague, Sam Friedel:

> I am hopeful, with a few technical members and minor changes, we are able to make this bill acceptable to this body.

Mr. SEBELIUS. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, I would like to commend my colleague, the gentleman from California and chairman of the National Parks Subcommittee for his tireless efforts on this bill. The gentleman from Kansas (Mr. SEBELIUS) also deserves high praise for his diligent work. It has been a pleasure, as a member of the Parks Subcommittee, to work with these two gentlemen as well as the many other members who have made worthwhile contributions.

Notwithstanding these finc efforts, I would like to associate myself with the remarks of the ranking member of the full committee (Mr. SKUBITZ) which indicate that this bill is not perfect. Not all the items included have received the proper consideration. In this regard, I think it is especially important that we carefully consider all amendments which are offered and pay particularly close attention to the remarks of the Members whose districts are affected. They are the ones closest to the people most directly affected and their viewpoint should be given great weight.

I have made this point before in debate on other bills, but my advice has not always been heeded. That is why there is a development ceiling increase in this bill for the Redwood National Park—to offset some of the adverse effects that have resulted from legislation passed earlier this year. If my voice had been heeded then, this money might not have been needed now.

My point takes on added significance now that some members have just recently become more concerned about being fiscally responsible. The known costs of this bill are estimated at $1.5 billion. There are also unknown costs of administration, maintenance, and operation of new additions. There are also unknown dollar costs associated with not heeding the advice of affected Members who can best predict the effect on local economics and labor.

I urge my colleagues to consider this bill and the amendments offered carefully. Responsible spending on worthwhile, needed additions and improvements to units of our National Park System is a laudable goal which I support.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. DON H. CLAUSEN. I yield to my colleague from California.

Mr. PHILLIP BURTON. Mr. Chairman, there is one portion of my statement that I failed to include in my remarks. With appropriate discussion with the distinguished ranking minority member, for the purposes of the Insular Affairs part of our jurisdiction, the gentleman from California (Mr. DON H. CLAUSEN) as well as in consultation with other members of the subcommittee, including the gentleman from California (Mr. LAGOMARSINO), we felt it not only appropriate but imperative, when we reached the amending process, that some appropriate recognition be extended to the noble efforts of our dear personal friend and colleague, the gentleman from California, Mr. KETCHUM.

More particularly, we envision mandating the Department of the Interior to see that Congressman's KETCHUM's role in terms of all the insular areas, his role with reference to the Pacific Trust Territories, and his role with the other insular areas to see that all of our fellow Americans were extended equitable treatment, his role during World War II with reference to Guam, and his leadership in the achievement of bringing to successful fruition the Northern Marianas' Covenant, that for all of these enormous and invaluable contributions of our distinguished colleague, that some appropriate recognition on Guam and on the American Park in Saipan be noted for posterity with reference to the efforts of this dear man.

We choose not to, and have not been, frivolous in this determination, but it is only just and fitting that generations to come understand his role.

Mr. DON H. CLAUSEN. I thank the gentleman for what I think is a very timely and very commendable suggestion. I would look forward to working with him to develop that proper vehicle, hopefully in this legislation. Certainly, BILL KETCHUM did indeed put forth many, many hours, not only in the committee, but also with visitations to the area. He also served with such great distinction in the Guam area during the war. It would be more than fitting, and I commend the gentleman for making that suggestion. I look forward to working with him on it.

Mr. SEBELIUS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am almost certain that this is the biggest and most comprehensive omnibus bill ever brought to the floor of the House relative to parks and other items related to outdoor recreation. It is also no doubt the most expensive.

I want to commend the subcommittee chairman (Mr. PHILLIP BURTON) for his

imagination, ingenuity, and determination in bringing this bill forward. It certainly constitutes a landmark in legislation dealing with parks and outdoor recreation, and there can be no doubt but what the Nation and our environment will benefit in superior fashion from this type of legislation.

There are a number of comments I would like to make on an assortment of items in this bill and problems with the Department.

MINERAL KING

This is a superlative area which has long warranted being added to the surrounding Sequoia National Park. I want to urge the Secretary to not misinterpret this legislation and the required general management plan preparation as mandating such a specific focus on this area that something outstandingly special must be done with it. On the contrary, if something extra special were deemed appropriate, it would likely have not been made a part of the national park by this bill. While the management planning should consider various alternatives, nearly any alternative constituting increased development, access or use would of necessity entail considerable improvement of the access road. Nearly any such action would undoubtedly create significant adverse impact on the existing park resources through which the present road now passes, and that kind of impact would be most objectionable. The National Park Service should basically plan to manage Mineral King as a backcountry trail head, with perhaps some limited primitive auto campground facilities at well chosen locations.

Considering that the Forest Service's compromise development scheme recommended a significant amount of instant wilderness designation in the high elevation parts of the area, the National Park Service should seriously consider this type of land classification designation in the development of the management plan for the area, and make appropriate recommendations to the Congress regarding wilderness at the time of submission of the general management plan.

WILDERNESS

The National Park Service is not very consistent in its practices and policy application regarding permitted technological intrusion into wilderness. Many of the areas included in this bill currently have such intrusions which are designed to accommodate visitors use. While some plausible arguments can be made for their need in specific and occasionally unique situations—such as campsite platforms and toilets at Everglades—it is more difficult to answer the questions of how many such developments you permit and how you control that number from proliferating, or the facilities being made more elaborate through time. Occasionally too, technological provision—as with containerized toilets—spurs the need for further technological provision—motorized equipment to service the containerized toilets—and soon an escalating spiral of intensifying technological intrusion into the wilderness is well underway, and the very purpose for which wilderness is designated becomes threatened and ultimately defeated. The National Park Service must seriously begin to think about establishing a basic wilderness philosophy and policy which permits users to meet the wilderness on its own terms, unaided by advance technological, on-site management preparation, and dovetail such an approach with the identification of physical and social carrying capacities for these areas. The provision of technological remedies, usually in the form of on-site facilities, can easily heighten the carrying capacity of the resource and permit more people to use it. But the problem is, this violates the concept of wilderness. Carrying capacities must be identified, adopted, and adhered to on the basis of the resource, unfettered by the developments of man and his activities. The committee intends that the National Park Service begin to seriously look at the carrying capacity of these wilderness areas, and legislative mandate for doing so is included in section 607(2) of this bill, in context with the preparation of general management plans.

NEW AREA STUDIES

Section 607(1) of this bill authorizes specific funding for the National Park Service to better implement section 8 of Public Law 91–383. When section 8 of this law was instituted in late 1976, it understandably took some time for the National Park Service to get moving to get the first list compiled, and get studies fully completed to back up the list. I am most dismayed to learn, however, that in the 9 months which have followed that first submission, follow-up effort to update and complete the initially submitted studies has been less than satisfactory. I am concerned that the new area studies program, which was initiated and designed by the Congress to help both the Interior Department and the Congress do a more professional and responsible job of identifying prospective new park areas, is not receiving the attention, priority, and leadership it deserves. I hope that both the Secretary and the Director of the National Park Service will make a strong effort to pull this activity out of the doldrums.

NEW PARK AREAS

The area of greatest concern that I have with this bill deals with the new units of the national park system which we create. Many of these areas have not been subjected to complete hearings or sufficient-in-depth scrutiny by the committee, and I am fearful that numerous of the provisions are not as adequate, proper or complete as they might be.

Moreover, several of the very areas themselves are of questionable merit. For example, I am not sure in my mind that the Santa Monica Mountains language is well constructed and workable. The area appears to entail very numerous and significant private inholdings, which could make the area difficult to administer, and might also contribute to significant problems for the inholders too, as time goes on. A very different formula to address the needs here would, in my mind, have constituted a far superior approach.

GENERAL MANAGEMENT PLANS

Section 607(2) of the bill changes the procedure for the preparation and disposition of general management plans by the National Park Service. Beginning on the date of approval of this act, the National Park Service is to assure that all newly developed and revised general management plans address a number of basic features enumerated in this legislation, and an annual status report for all general management plans is to be submitted to the overseeing committees of the House and Senate. This provision should constitute a mandate to the National Park Service to review its entire general management plan procedure, and try to get it more organized. The committee was recently greatly disturbed to find that general management plans, many of which by law have stated submission dates, are many years behind in being submitted when due. This is an unacceptable situation which must be promptly rectified, and the director of the National Park Service should inform the committee of what steps he will institute to rectify this problem.

Similarly, the Heritage Conservation and Recreation Service has been unable to submit in a reasonably timely fashion, its first annual Land and Water Conservation Fund accomplishments report, as required by law. Section 610 of this bill provides statutory submission dates for these reports.

Mr. Chairman, this completes the remarks I want to make on this bill at this time.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I would like to ask the chairman of the subcommittee a question. In the opinion of the subcommittee, does the gentleman not think that if 95 to 98 percent of the projects we have here were brought out in the old process of having them one at a time, that they would all be passed by this body anyway?

Mr. PHILLIP BURTON. Mr. Chairman, if the gentleman will yield, absolutely.

Mr. SKUBITZ. What we tried to do was to lump them all together so that this body might act once in a few hours rather than spend days and weeks on these projects.

Mr. PHILLIP BURTON. The gentleman is absolutely correct.

Mr. GOLDWATER. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this bill. I particularly want to compliment the subcommittee chairman, Mr. BURTON, and the full committee on the unique, comprehensive approach in addressing many concerns and problems in one bill.

These issues have been pending for many years. They have been needing attention. This bill contains a very opportune and unique approach.

In addition, Mr. Chairman, there is a section of this bill that directly impacts upon the area I represent. That area is the Santa Monica Mountains, which stretches from downtown Los Angeles into rural Ventura County, and which in-

cludes a significant portion of the greater Los Angeles coastline.

The struggle to preserve and protect significant portions of this last undeveloped resource that reaches into the heart of the Los Angeles urban area has been going on for over 20 years. When I first came to the Congress in 1969, our late colleague, Congressman Chuck Teague, recognized the problem and had introduced legislation—to my knowledge the first—to preserve significant portions of the mountains and seashore for open space and recreational opportunities.

I supported his proposal then and have continued to sponsor and support proposals that would balance the various interests in the mountain area. Legislation that I individually sponsored or authored jointly with my colleague and member of the House Interior Committee, BOB LAGOMARSINO, sought to preserve a large but reasonable amount of open space while at the same time protecting the property rights of local landowners. The proposals also recognized that additional development in the mountain and seashore area is not, and does not have to be, incompatible with protection and preservation of significant and environmentally or esthetically important areas.

The proposals Congressman LAGOMARSINO and I worked on and introduced also placed maximum emphasis on involving citizens and their interest groups in the entire park study, planning, and creation process. That is why our bills repeatedly included appointive positions made up of local citizens and why these proposals made every effort to have all interests and concerns accounted for and given their due.

Our colleague, TONY BEILENSON, became convinced that the area merited national park designation. Thus, he introduced bills that called for the creation of a Santa Monica Mountains and Seashore National Park.

What we shared in common was a commitment to preserve and protect the valuable resource of the mountains and coastal area. In the beginning, we had serious disagreements on what approach was best.

Beginning early this year, and in part assisted by the encouragement of our colleague PHIL BURTON, we began working on a joint approach which to the maximum extent possible met the basic concerns and desires of we three Members and our constituents.

The result is section 510 of this bill which creates the Santa Monica Mountains National Recreation Area.

This section designates the park that will be created as an element of the national recreation system. As such, it will in practical effect be an element of the national park system. It will be federally acquired and administered.

The bill authorizes a total funding of $150 million for land acquisition. A portion of the funds, $30 million, are specifically earmarked for application to local grants to encourage local government, as well as the State, to compatibly zone contiguous and adjacent areas so as to complement the recreation area.

The bill designates a target acquisition area of approximately 80,000 acres and looks to a total land acquisition area of some 40,000 to 50,000 acres.

The work of the current Santa Monica Mountains Comprehensive Planning Commission will be utilized. The bill creates a new park commission which will have members appointed from the local area. Thus, the current proposal continues the element of maximizing local citizen involvement.

Significantly, the bill also provides that except where continued private ownership is clearly incompatible with the proposed park, no private land will be condemned and acquired.

Of equal importance is the presence in the bill of the idea that this will be a park and recreation area that connects the urban center of Los Angeles and the San Fernando area to the coastline and the sea.

Before concluding my remarks, two additional points must be made. First, all of the Congressmen involved in the drafting of this unique approach to parks legislation—BOB LAGOMARSINO, TONY BEILENSON, and myself—have made every effort to involve local citizens in the drafting of our proposal. For my own part, over the last 4 years alone I have discussed the need for a park and the way to go about it with individuals and citizens' groups throughout the area. As my proposals have grown and been modified my congressional district newsletters have discussed them. Thus, while not every concern or interest has been heard from I sincerely believe that the approach contained in this bill represents a fair, reasonable, and balanced approach given the legislative need for a joint effort here in the Congress. Additional delays in getting this legislation passed may well kill any chance of getting protective park coverage for any portion of the mountains.

Second, the approach contained in this bill is unique in Federal park legislation. Its degree of local citizen involvement, its premise that private land use and residences are not by definition incompatible with the park, its insistence that fair market value be given for land and dwellings, and its attempt to provide a valuable environmental and recreational asset for a major urban area can and should serve as a model for future park approaches.

This approach deserves the support of the Congress and I urge my colleagues to support it.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Chairman, I would certainly like to join the chairman in paying tribute to our late colleague BILL KETCHUM, and I think it is very appropriate that we are able to do so in this bill. BILL was a real leader in this area and particularly with regard to the offshore areas. Although he was not a member of our committee in the last couple of years, he certainly had a lot of influence with us. We talked to him and we listened to his counsel and advice. It was always good, by the way. So I am grateful that we are able to pay some real practical respect to his memory in this very meaningful way.

Also, I would like to compliment the subcommittee chairman, the gentleman from California (Mr. PHILLIP BURTON). I referred to Mr. BURTON's handling of this measure in subcommittee one day as that of a benevolent steam roller. I think that is accurate in a way. Mr. PHILLIP BURTON set his eyes on the goal and accomplished it.

However, although this is a major piece of legislation, a very comprehensive one, a true omnibus bill, every item in it has been worked over very carefully with the people involved.

In a number of areas where there probably was a very good argument for legislation, for doing something, the subcommittee deferred to the Congressman from that district if he had serious problems with it. So, even though this is a major piece of legislation, it does respect, I think, the feelings of the majority of the Members of the House.

Also I believe that certainly the subcommittee ranking minority member, the gentleman from Kansas (Mr. SEBELIUS), deserves a lot of respect for his work on this legislation.

I would like to join my colleague, the gentleman from California (Mr. GOLDWATER), in particularly describing and in urging support for section 510 of this bill relating to the Santa Monica Mountains.

Again, although as I say, this would be a major piece of legislation in and of itself, I think it is important to consider with this bill that we have worked out the bill in what I believe to be pretty good fashion. To begin with, we had some wide differences of position. The gentleman from California (Mr. GOLDWATER) and I had a bill and the gentleman from California (Mr. BEILENSON) had a bill. I think we were able to sit down and greatly improve upon the legislation and come up with legislation that I think will not only serve the needs and desires of the people of southern California, but the people of our Nation as a whole.

So again I want to thank all of the Members who had a part to play with this legislation and urge my colleagues to support the bill.

In addition, let me say this, Mr. Chairman, I rise in support of H.R. 12536, the National Parks and Recreation Act of 1978. This legislation, as you know, is an "omnibus" bill in the true sense of the word—containing over 130 items. I would, therefore, like to confine my comments to section 510 to establish the Santa Monica Mountains National Recreation Area in California.

Efforts to save the Santa Monica Mountains from development and urban encroachment stretch back many years. The Santa Monica Mountains are unique, rising some 3,000 feet from the Pacific Ocean and stretching 54 miles from the Mugu Lagoon to Griffith Park and downtown Los Angeles. Clearly the Santa Monica Mountains merit inclusion in the National Park System. The mountains provide a welcome and unique stretch of open space, scenic vistas and healthy air for the almost 10 million residents of the Los Angeles basin.

State and local governments have already demonstrated their extensive commitment to the preservation of the Santa Monica Mountains. To date, they have invested over $85 million to acquire land for open space and park purposes. This effort has resulted in the preserva-

tion of some 35,000 acres, including substantial portions of the beaches. State and local governments have done an outstanding job so far and should be commended for their efforts. Yet the preservation of the mountains is not completed—much still remains to be done necessitating Federal assistance as set forth in the legislation now before us. Without direct Federal assistance the State and local governments simply cannot do the job and a major portion of this valuable resource will be lost forever.

The language contained in H.R. 12536 is a compromise proposal which will provide an adequate level of Federal assistance for acquisition and management while at the same time involving the State and local governments in a meaningful way. It is a coordinated approach to the mountains which insures major Federal involvement to begin acquisition of valuable resources and recognizing that local governments have a vital role to play in the protection and utilization of the recreation area and the lands that surround it.

Mr. Chairman, I urge adoption of section 510 and the bill now before us.

Mr. PHILLIP BURTON. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. FLORIO), a most important member of our subcommittee.

Mr. FLORIO. Mr. Chairman, I rise to speak in strong support of this very significant piece of legislation but first I too would like to commend the chairman of the subcommittee, the gentleman from California (Mr. PHILLIP BURTON), for the sensitivity and the strong consideration he has shown in guiding this piece of legislation through the legislative process.

Mr. Chairman, the House has considered many worthy legislative issues of national and regional concern during its sessions in the 95th Congress, but none of more concern and importance to the State of New Jersey than section 503 of the National Parks and Recreation Act of 1978.

As a citizen and Representative of the Nation's most densely populated State, I believe that one of the most critical needs is to renew the commitment of the Federal Government to help insure a safe, healthful, and humane living environment for our urban populations. Enactment of section 503 of this bill would be a major step forward toward insuring the protection and conservation of the Pine Barrens Area of New Jersey consisting of approximately 970,000 acres located within 30 miles of Philadelphia and 50 miles of New York City.

Mr. Chairman, the Pine Barrens of New Jersey are anything but barren; they are a national treasure in imminent danger of obliteration. The very fact of their continued existence in such proximity to "Megalopolis" is all the more reason for considering their conservation.

National attention is now focusing on the Pine Barrens because its ecological, cultural and scientific resources transcend the merely local. How can one measure this objectively—as if the mere existence of a 1,500-square-mile undeveloped tract adjacent to both Philadelphia and New York were not enough? The route chosen by a 1976 Department of the Interior task force was to apply the criteria the National Park Service uses to determine if an area is eligible for inclusion in the National Park Service system of natural areas. Meeting any one single criterion qualifies an area, so it was decided to test the present-day Pine Barrens against those criteria. Seven were found to meet the national significance test, as follows:

First. Outstanding geological formations or features significantly illustrating geologic processes.

Second. An ecological community significantly illustrating characteristics of a physiographic province or biome.

Third. A biota of relative stability maintaining itself under prevailing natural conditions, such as a climatic climax community.

Fourth. An ecological community significantly illustrating the process of succession and restoration to natural conditions following disruptive change.

Fifth. A habitat supporting a rare, vanishing or restricted species.

Sixth. A relic flora or fauna persisting from an earlier period.

Seventh. A seasonal haven for concentrations of native animals, or a vantage point for observing concentrated populations, such as a constricted migration route.

In addition to these specific criteria, an area, in order to attain national significance, must also reflect integrity—it must present a true, accurate, essentially unspoiled natural example of the category under consideration. Further, the Pine Barrens meet at least four criteria for establishment of a National Historical Park.

Mr. Chairman, through section 503 of this bill, we are not proposing to "lock up" the land as though in a museum, but instead to use it as an ecological reserve where appropriate growth and change can be accommodated. Through enactment of this provision, we will be taking a significant step toward creating a living landscape where people can enjoy and benefit from one of the few remaining pristine natural resources. It is a step long overdue, Mr. Chairman, and for the sake of the single most extraordinary natural area in the entire northeastern quadrant of this Nation, I call upon all of my colleagues here today to support section 503 of the bill.

Mr. PHILLIP BURTON. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I thank the distinguished chairman of the subcommittee, the gentleman from California (Mr. PHILLIP BURTON), for yielding to me. I am not on the Subcommittee on National Parks and Insular Affairs in this Congress although I served on it in previous Congresses. However, I want to extend my congratulations and commendations to the entire subcommittee for the absolutely monumental achievement represented by this bill, and in particular the chairman of that subcommittee, the gentleman from California (Mr. PHILLIP BURTON), who, to my mind, has created the national parks and recreation bill of the century.

The people of our country have come to realize that unless we act now and act with dispatch to set aside in all parts of our land those particular areas that are of national park quality and wilderness significance, we will have lost that opportunity for all time.

I personally think that one of the most important philosophies embodied in this bill is that of putting the parks where the people are. I not only feel that way because the Cuyahoga Valley National Recreation Area is in this bill, but because of some of the other urban recreation areas that this bill deals with. At the same time, the bill would also protect such magnificent wild and scenic places as Mineral King Valley, many of which are threatened by developments that could destroy their unique beauty. Although not in urban areas, they will serve millions of people over the years to come.

Mr. Chairman, with respect to the Cuyahoga Valley National Recreation Area, the committee report, on pages 69 and 70, notes that the National Park Service has not yet acquired any scenic easements on improved property, although the original act intended that maximum use be made of this device in order to minimize the costs to the Government and the dislocation of the inhabitants of the area. The committee report goes on to reiterate that fee title to improved properties should not be acquired except where such acquisition is considered essential to the purposes of the recreation area. I strongly agree with that policy.

Last Saturday, June 24, I met with Mr. William Birdsell, superintendent of the Cuyahoga Valley National Recreation Area, Mr. John Wright, chief of lands, of the midwest region of the National Park Service, and members of their respective staffs. Also in attendance was Ms. Loretta Neumann, of the staff of the Subcommittee on General Oversight and Alaska Lands, of which I am chairman. The purpose of the meeting was to go over the status of the acquisition program in the Cuyahoga and discuss any major problems. As a result of the meeting, I am gratified to report that the Park Service representatives made an excellent explanation as to why they have delayed acquiring scenic easements. They pointed out that real estate in northeastern Ohio is currently appreciating at the rate of 10 to 12 percent a year and that the approximate fair market value of a scenic or preservation easement on improved residential property represents only 10 to 15 percent of its fee value. Therefore, they have concluded that the dollar value of easement appreciation will be but a small fraction of the dollars of fee value appreciation. In this situation, it is logical to conclude that concentrating on fee acquisition first will result in the greatest savings to the taxpayers. I must say that their rationale appears to be sound.

The National Park Service representatives also agreed that, wherever it will result in a significant savings to the taxpayers, the Park Service intends to emphasize scenic easement rather

than fee acquisition, unless acquisition of the fee is clearly necessary to carry out the purposes of the national recreation area. As a specific example, we discussed improved properties in the proposed addition that lies on both sides of Tinkers Creek Road. Mr. Birdsell reiterated his assurance that the Park Service does not intend to acquire in fee any of the improved properties along that road but will only acquire in fee the areas of open land surrounding the improved properties. The improved properties will be covered by scenic easements.

Mr. Chairman, I again want to commend the subcommittee and the gentleman from California (Mr. BURTON) for approving the additions and deletions to Cuyahoga recommended by the National Park Service.

The 2,670 acres of land that would be added by the bill are necessary to maintain visual continuity and to advert the possibility of incompatible commercial development in the valley. At the same time, the bill would remove 230 acres of nonessential areas of high development whose acquisition cost would far exceed any return benefits as far as resource protection is concerned.

I would also commend the subcommittee for authorizing funds to meet the short-range development objectives of the park. Since the Park Service budget for development purposes is on a 3-year basis, if these funds are not authorized now, in all likelihood even the most basic development of the recreation area will be delayed for another 3 years. Since the Park Service has already published its general management plan for the Cuyahoga Valley, it will be able to proceed promptly to implement the development plan as soon as the funds are appropriated.

Mr. Chairman, last Saturday and Sunday I drove up and down the Cuyahoga Valley several times. After the unusually harsh winter we have been through, the valley seemed even more of a miracle of lush, green beauty. Hundreds of joggers, bicyclists, and hikers were using the roads, as well as many hundreds of automobiles. The Cuyahoga Valley antique steam train disembarked its passengers on schedule. These and many other uses are increasing spontaneously even though there has been no development by the Park Service so far. Obviously, since the public demand is there, we must start soon to provide bike trails and hiking trails and the many other facilities needed to meet the demand. I wish to thank personally all the members of the committee for their thoughtfulness in making a start on the development of this magnificent addition to our National Park System.

Mr. PHILLIP BURTON. Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the Committee on Ways and Means, the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. I thank the gentleman for yielding.

Mr. Chairman, I would like to express my sincere appreciation to subcommittee Chairman BURTON for his fine leadership in developing the Omnibus Parks and Recreation Act of 1978. The package includes many proposals which have been studied and restudied for a number of years. Several of these proposals affect areas in Oregon and have my full support.

Two provisions of the bill, however, do merit additional clarification. First, section 761 explains that Federal agencies can expend funds to administer and manage Federal lands along State-administered rivers. It is my understanding that this section is intended to eliminate the Interior Department's objections to the inclusion of certain Oregon rivers into the National System as State-administered rivers.

Mr. PHILLIP BURTON. That is correct. In 1971, the Governor of Oregon requested that the Department of the Interior accept certain rivers into the National System as State-administered rivers. The Department rejected the request, claiming that too much land along the river was in Federal ownership. The Department argued that section 2(a) of the Wild and Scenic Rivers Act prohibited the Department from expending funds along State-administered rivers, even for the management of its own lands. Thus, a substantial number of acres of Federal land could not be managed at all. Section 761 of the omnibus bill is intended to eliminate objections of this nature. The section explains that expenditures may be made for the administration and management of federally owned lands along State-administered rivers.

Mr. ULLMAN. Thank you, Mr. Chairman. My second question concerns the language of section 762. The section requires Federal agencies managing land along wild and scenic rivers to take all actions necessary to protect such rivers in accordance with the purposes of the Wild and Scenic Rivers Act. It is my understanding that this broad directive is not intended to authorize Federal land acquisition and use restrictions on non-Federal land and along State-administered rivers. The powers of condemnation and land use restriction are the essence of management and control and rightly belong to the State along State-administered rivers.

Mr. PHILLIP BURTON. The gentleman from Oregon is correct. The language of section 762 is intended to apply the broad protections of the act to all rivers in the National System, including those administered by the States. For example, the section 7 prohibition on the licensing of dams that would adversely impact a designated river and the restrictions on public and mineral entry in sections 8 and 9 would apply to Federal activities along State-administered rivers. The gentleman is correct, however, in assuming that the Federal condemnation and use-restriction provisions of section 6 would not apply to State-administered rivers. It is the intention of the committee that these powers—which epitomize management and control—remain with the States in the case of rivers accepted into the System as State-administered rivers.

Mr. ULLMAN. I thank the gentleman from California for clarifying these two provisions. Again, I commend the chairman's leadership on this proposal and urge all of my colleagues to give the bill their full support.

Mr. PHILLIP BURTON. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. KREBS), a distinguished member of the full committee and the subcommittee, who is without peer in terms of his diligence and effort and attendance on our committee.

Mr. KREBS. Mr. Chairman, I thank the subcommittee chairman for yielding. Before going any further, I, too, would like to join my colleagues who have already expressed themselves in commendation of the chairman of the subcommittee, the distinguished gentleman from California (Mr. PHILLIP BURTON), for his leadership and I would say tenacity in putting this legislation together.

I would also like to express my appreciation to the ranking Republican member, the gentleman from Kansas (Mr. SEBELIUS), for his courtesies and his leadership in promulgating and bringing about this legislation.

Mr. Chairman, I would like to address myself very briefly, if I may, to one section of the bill, section 314, which provides for the incorporation of the Mineral King Valley into the Sequoia National Park. Let me say that the Mineral King Valley, for those who may not be familiar with it, is probably one of the most beautiful alpine valleys anywhere in this country. It is located in the eastern part of Tulare County in my congressional district. It has been the subject of legislation for a number of years. I think it is important to point out that the first Member of this House to carry a bill analogous to the one that is now being incorporated into the legislation before us was carried by the distinguished chairman, the gentleman from California (Mr. PHILLIP BURTON).

It was subsequently carried by our former colleague, the distinguished gentleman from California, Mr. Jerome Waldie, then by our colleague, the gentleman from California, Mr. GEORGE MILLER, and ultimately by myself. Similar legislation is before the Senate, authored by the senior Senator from California (Mr. CRANSTON).

Passage of this legislation would indeed be an historic occasion. The Mineral King Valley because of its beauty desperately needs preservation. When I talk about preservation, I do not mean locking it up for anybody. Under the terms of our legislation, the Park Service is instructed to come up with a plan within 2 years following enactment of this legislation for additional recreational opportunities, to make more recreational opportunities available to people from all parts of California and, for that matter, from all parts of the United States.

Mr. Chairman, let me specifically touch on a concern that I know is in the minds of some people in the State of California, namely, the possibility or likelihood of a ski development in the Mineral King Valley. Under the terms of our legislation, we are not telling the

Park Service what to do up there. We are asking the Park Service to prepare a plan with maximum public input. In that connection it should be pointed out that we have a letter from the Assistant Secretary of the Interior which specifically provides that downhill skiing is going to be one of the alternatives to be considered in the promulgation of this plan.

In closing, Mr. Chairman, I would again like to express my appreciation to the gentleman from Kansas (Mr. SEBELIUS), the gentleman from California (Mr. PHILLIP BURTON), as well as to the members of the subcommittee.

Mr. PHILLIP BURTON. Mr. Chairman, I yield 3 minutes to the distinguished member of our committee, the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Chairman, let me at the very beginning pay my compliments to the distinguished chairman of the subcommittee and to the ranking member, the gentleman from Kansas (Mr. SEBELIUS).

I particularly want to call the attention of the committee to the tremendous job done by the chairman of the subcommittee, the gentleman from California (Mr. PHILLIP BURTON), for the gentleman's leadership and above all the gentleman's tenacity in insisting that a bill of this nature be passed during this session. The gentleman has done a masterful job of maneuvering, let us say, and getting all factions and all Members that had an interest in this bill together.

I think that the whole country will owe a tremendous debt of gratitude to this man for the work the gentleman has done on this bill. It will save countless days and possibly weeks by having been architecturally formed in the manner in which it comes to the floor today.

Mr. Chairman, I rise to voice my strong support for H.R. 12536, of which I am coauthor, and particularly section 505, which is of great interest to me and the Southwest. That section creates the San Antonio Missions National Historical Park. This project would protect and preserve four Spanish missions and related structures, built by heroic and determined Spanish priests and natives of the area early in the 18th century.

The Spanish occupation of Texas began in 1690 in response to French intrusions into the area. The missions played a major role in the imperial rivalry of that era long before Texas was an independent nation and then a part of the United States.

I believe there is no disagreement with the contention that the missions and related structures are unique monuments, so located that they provide the greatest concentration of successful missionary enterprises in our Nation. Even as they provide a bridge from a significant period of our early development, they continue in constant use.

I believe you should know that the National Park Service gave careful study to five alternative plans for the Missions Park and that every element of the San Antonio community agreed on the proposal contained in the Senate and House legislation. This proposal would link four missions, the historic Espada Aqueduct and Dam, into a single administrative unit linked by ribbons of scenic paths along the San Antonio River.

The Park Service study said that—

This alternative would enable the Park Service to protect and maintain the historical integrity of the missions and acequias through implementation of the service's historic preservation policies.

The report also says:

More than in any of the previous alternatives, this broad-scope proposal satisfies the criteria for development of new parks within the national park system.

We have since reduced even further the area which was the subject of the proposal, and now have included only a barebones request. Mr. Chairman, with our latest revision to the proposal as included in this bill, we have more than met the criteria to create a national park and limited the cost of the project.

I wish to testify that there is need for action on this legislation now. The historic structures, built on huge stones laid in place before mechanical assistance was available, are deteriorating rapidly. There are no local funds to save them, and once they are gone, they are gone forever.

Yet this is more than a local or community interest. These old structures, still in use, are monuments to the courage, the energy, and the determination of early settlers. They are living monuments not only to people but to values that can inspire those who see them preserved.

We of south Texas have great reverence for another mission popularly known as the Alamo, used by a gallant band of Texans as a fort when they fought superior Mexican forces. Yet these other missions, Concepcion, San Jose, Espada and San Juan, were also bastions of faith and valor that should not be denied their historic importance by neglect.

I, therefore, urge my colleagues to support and vote for H.R. 12536.

Mr. PHILLIP BURTON. Mr. Chairman, I wish to yield time to a distinguished former member of our subcommittee and full committee, a member who got promoted by being given an assignment on the Committee on Appropriations. I say the gentleman got promoted, although the members of our committee think, considering the quality of our service and in spite of the powerful repute of the Committee on Appropriations, that any member leaving us and going elsewhere is demoted rather than promoted.

Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Chairman, I rise in support of this legislation and to commend the gentleman from California (Mr. PHILLIP BURTON) and his subcommittee for including in this bill section 705, which would designate under the Wild and Scenic Rivers Act about 75 miles of the Upper Delaware River between Hancock and Sparrow Bush, N.Y.

In 1968, when Congress passed this act to provide protection for our Nation's most precious water resources, the Upper Delaware River was identified for study by the Department of Interior and for possible designation at a later date. Section 705 is a culmination of that study. If enacted, it would assure that this beautiful river which serves as the boundary between New York and Pennsylvania would be protected.

Designation of the river is supported by the Department's years of study, by the President, who recommended designation in May of last year, and of course by the committee itself. Everyone agrees that the time for study is over, and the need for Federal protection is clear and compelling. The issue now is not whether the Upper Delaware should be designated, but the conditions under which designation should take place.

In my judgment, Mr. Chairman, section 705 will accomplish designation in a manner which strikes just the right balance between our interest in preserving the resource and the vital interests of those who now live and work along the river. This is not a minor concern in my congressional district, which includes the towns located along the New York side of the river.

Most people who live along the Upper Delaware do not want the Federal Government to purchase large tracts of land. Therefore, an important feature of section 705 is a limitation on the authority of the Secretary of Interior to purchase land and interests in land. It is this kind of authority which local residents most fear. Moreover, in this case such authority is not necessary to provide for the river's protection.

In the decade since the Wild and Scenic Rivers Act was passed, experience has taught us much about the acquisition necessary to protect our natural resources. In 1968, Congress apparently believed that broad acquisition power was essential to adequately protect designated rivers. However, in the intervening years we have learned that in some cases protection can be afforded through local action consistent with a management plan which has been thoughtfully developed. This approach not only has the benefit of keeping property in private hands, but it costs the Federal Government substantially less than outright acquisition.

Accordingly, section 705 strictly limits the Secretary's initial authority to acquire property. Only if a particular town failed to implement the management plan would the Secretary have the acquisition authority provided under the 1968 legislation, and then only in that town. We have every expectation that the local citizens and their local governments will make that kind of acquisition unnecessary.

Another major feature of section 705 is the guarantee it provides to local residents that they can participate in developing the plan under which the river and its corridor will be managed. Clearly, this management plan will have its greatest impact on those who live and work along the river. As in the case of acquisition, these people fear that the

Federal Government might, through the management plan, regulate the use of their land in an arbitrary manner; that some impersonal bureaucracy could be insensitive to their basic concerns. In fairness to them, and to assure their participation in the process, section 705 provides for a citizens advisory council which would participate fully in the development of the management plan. This council, comprised primarily of local people, would not have the last word on management, but would contribute to the development of the plan. It would provide an important means by which local residents could themselves share in the responsibility of management.

Mr. Chairman, the years of study have amply demonstrated the need for inclusion of the Upper Delaware in the Federal system. Its scenic wonders are a reminder of how increasingly precious such resources have become during the last decade. I believe we have also come to appreciate how fragile such resources are. I can also say with some pride that the Upper Delaware River, together with the Catskill Mountains, is one of our region's most important economic resources. The recreation and tourist industry is a major factor in our area's economy, and the river is an important component in this respect. As one of the last great free-flowing rivers in the Northeast, it provides a fishery which is the delight of countless fishermen, as well as unsurpassed opportunities for sport canoeing. Since this magnificent river is less than 2 hours' drive from New York City, its unique value to our region is matched only by the threat to it without adequate and effective protection.

Throughout our abundant land, there are other rivers like the Upper Delaware, free flowing and majestic in their natural state, but frequently threatened or victimized by ignorance, misuse or greed. Many a river has been polluted through lack of respect for its fragile ecosystem. Many others have been forever diminished through reckless overdevelopment by those for whom a river's irreplaceable character is less important than short-term economic gain. Mr. Chairman, I believe that with the passage of this legislation, it will not happen to the Upper Delaware River.

Mr. PHILLIP BURTON. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Chairman, I rise in support of H.R. 12536 and commend the Committee on Interior and Insular Affairs for its work on this measure. The bill includes boundary adjustments for two areas which affect my congressional district: Point Reyes National Seashore and Golden Gate National Recreation Area and was originally a result of the Marin County Board of Supervisors.

The boundary adjustments for these two units will enable the National Park Service to better protect the natural and scenic features of important lands associated with these two areas. The committee report notes the need for the National Park Service to be sensitive in its management of these lands to protect their pastoral qualities. I support this concept and I wish to further explain several additional points.

First, it should be noted that the Haggerty Gulch Area should be treated as a special resource area with particular attention given to protecting its fragile biological resources. While access to an area of this sort must of necessity be limited, I am certain it will prove an invaluable asset to the national seashore. In conjunction with this tract, the Orthodox Church in this area should continue in its present use and occupancy as long as religious use of the site continues. Also, the water supply for certain properties which are severed by this expansion of the area should not be interfered with.

Second, I am pleased to see that certain additional tracts belonging to the Audubon Canyon Ranch have been included within the boundaries. The National Park Service should develop a cooperative management agreement for the Bear Valley Marsh with the Audubon Canyon Ranch.

Third, there has been some confusion in my area as to exactly what changes are to be made in the boundaries of these two areas.

The maps referenced in H.R. 12536 with respect to Point Reyes and Golden Gate are the customary small-scale boundary maps used by the National Park Service. I wish to note that there are detailed working drawings in the National Park Service offices in San Francisco and I encourage the National Park Service to make these specific boundary adjustments available for public inspection.

Fourth, I support the technical amendment to be offered by the manager of the legislation which will correct the cutoff date for qualifying improved properties in the Golden Gate National Recreation Area additions. This agrees with our intent that those property owners of GGNRA who are in the process of constructing residences will be covered by the retained use and occupancy provisions of this act.

Fifth, a technical amendment to be offered by the manager to the Point Reyes text will clarify our intent that the Secretary is only to cooperate with the Bolinas Public Utility District with respect to the lands newly added to the national seashore.

Finally, I should like to note that the provisions regarding the leases and easements with respect to these areas should be sensitively administered by the National Park Service. As the committee report notes, the existing leases for the Commonweal Corp. in the Bolinas area will be honored. The existing county and coastal commission permits shall also be respected.

Agricultural easements as well as leases should be made available in administering this provision. In the case of existing agricultural properties, if neither the former owner nor leaseholder of agricultural lands chooses to lease such properties, the Secretary should offer to lease these lands to other interested parties, consistent with the purposes of this legislation. Furthermore, if there is a person renting argricultural lands, that person should be given an opportunity for an agricultural lease if neither the former owner nor lessee so chooses.

Mr. Chairman, Point Reyes National Seashore and Golden Gate National Recreation Area are currently serving many thousands of visitors each month. The action of the 95th Congress in H.R. 12536 will better protect these areas and enhance their value to future generations.

I urge my colleagues to support this legislation.

Mr. Chairman, I ask the distinguished chairman of the subcommittee, the gentleman from California (Mr. PHILLIP BURTON) if that is not the intent of the subcommittee.

Mr. PHILLIP BURTON. Mr. Chairman, if the gentleman will yield, I fully concur in all of the remarks made by my distinguished colleague.

Mr. JOHN L. BURTON. Mr. Chairman, I would like to thank the chairman and the members of the subcommittee for the fine work they have done on this bill. It is tough for a stranger to get any help from that subcommittee, but I was fortunate in having a friend, the gentleman from Kansas (Mr. SEBELIUS), who was fortunate enough to get the job done.

Mr. SEBELIUS. Mr. Chairman, I yield 3 minutes to the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Chairman, I, too, would like to add my praise for the fine work the subcommittee has done and to single out the subcommittee chairman, the gentleman from California (Mr. PHILLIP BURTON), and the ranking Republican member, the gentleman from Kansas (Mr. SEBELIUS), for the excellent document they have here. I wish to especially thank them for the consideration they gave those of us who had some concern about particular areas of the bill.

Mr. Chairman, it is with a great deal of pleasure that I call to the attention of my colleagues section 708 of H.R. 12536, which designates a 59-mile stretch of the Missouri River as a national recreation river under the Wild and Scenic Rivers Act.

The language of this section represents a compromise in the finest sense of the word. It was developed in close consultation with officials of the Corps of Engineers and the U.S. Fish and Wildlife Service as well as the Interior Committee staff.

My good friends and colleagues from Nebraska, Mrs. SMITH and Mr. THONE, and I were instrumental in developing the specific language which appears in the bill; and I would like to take a few moments to make certain there is no misunderstanding as to what it says.

First of all, there are two primary, coequal, related, and yet distinct purposes to be served. They are: First, preservation and enhancement of the river for esthetic and recreational enjoyment as

well as maintenance of the natural ecosystem; and second, completion of structures to arrest erosion and prevent further loss of streambank soil and vegetation. Both purposes will be addressed under this legislation, and without each the other would not have been included in H.R. 12536.

Other important features include a prohibition on the acquisition of any property in fee title without the consent of the owner. A limitation of 5 per centum of the land covered by the plan for the river is also imposed upon the acquisition by condemnation of lesser interests in land, such as scenic or recreational easements. Even this authority is expressly limited to accommodate the wishes of local landowners and is only to be exercised in case of obvious and urgent threat of action contrary to the purposes of the recreational river.

The 5 per centum amounts to a total of no more than about 960 acres on which easements may be taken without the consent of the owner. On the other hand, no limit is placed upon the number of acres which may be acquired from willing sellers or which may be leased for recreational purposes or protected by easements acquired by mutual agreement.

This legislation expressly allows the withdrawal of water from the river in sufficient quantities to serve the needs of communities and individuals. No purpose for which water may be needed is excluded as long as it does not jeopardize the river for the purposes the recreational river designation is given. Specifically, the purposes for which water may be withdrawn include but are not limited to rural, municipal, and livestock water supplies, irrigation, and fish and wildlife enhancement.

Finally, it is intended that the recreational river designation shall in no way interfere with the present and future plans of communities, such as Yankton, S. Dak., to develop industrial sites in proximity to their current boundaries.

With rapid completion of the streambank stabilization works and enlightened administration of the recreational river designation, the Missouri National Recreation River will be a boon to the citizens of the area, a credit to the Nation, and a vital step in helping to preserve an invaluable natural ecosystem.

Mr. SEBELIUS. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, an important part of the bill is section 704, which adds part of the Upper Mississippi River area to the wild rivers part of our law.

Originally, I was a coauthor of this, at least of the bill that became a component part of this omnibus bill. There were, in connection with this particular section of river, administrative hearings held by the agency of the Interior Department. The hearings, however, were poorly attended.

It was my anticipation, when I became a coauthor of this bill, that the Congress would hold some hearings on this subject so that the local people might be heard.

Unfortunately, Mr. Chairman, so far as I am aware, there were no congressional hearings on this matter. As a result of the possibility of taking of land in the area, the citizens, I think, are naturally upset about the use of eminent domain against their property.

Their unrest is exacerbated by the fact that we have had some difficulty in our State with the St. Croix River, where there has been more concern about eminent domain. That St. Croix precedent, I think, makes our people deeply nervous.

The affected area is not within my district. However, I have some constituents who are property owners in the area. They feel they ought to know what the plan is before Congress gives condemnation authority to the Interior Department.

According to the Fish and Wildlife Service, the plan is yet to be drawn. We do not know how much land is owned by the Government there. There may be a taking of additional lands. There may be only a taking of access lands. There may be a recommendation to waive section 6(b). Nobody knows.

Because of that unrest, Mr. Chairman, I intend to offer an amendment to eliminate this section from the bill when the time is parliamentarily correct tomorrow. Without hearings I think it is unwise to include this section.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California, the distinguished subcommittte chairman.

Mr. PHILLIP BURTON. Mr. Chairman, I am not sure that the statement of fact will sustain scrutiny, but I believe it will.

This is a proposal by the administration, and I am led to believe that the study draft has been available for a couple of years.

Therefore, the gentleman may want to correct his remarks in the record because I think my assertion with respect to that is correct.

Mr. FRENZEL. Mr. Chairman, I wonder whether the gentleman would repeat that statement. I did not hear it.

What was incorrect?

Mr. PHILLIP BURTON. I was led to believe that the gentleman has left the impression that no one knew that this study was going on or that the proposal was.

To the extent that the gentleman makes that representation, I am under the impression that the study draft has been available to anyone who has had an interest in this for a couple of years; and the proposal itself has been available for a year or better. The administration definitely recommends this proposal.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. FRENZEL) has expired.

Mr. SEBELIUS. Mr. Chairman, I yield 2 additional minutes to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman from California (Mr. PHILLIP BURTON) for his comment.

I would say that I thought that was true, too, when I cosponsored the bill. But my constituents thought otherwise so I took my problem to my distinguished colleague on the committee, the gentleman from Minnesota (Mr. VENTO) and he and I discussed it. He wrote to the Assistant Secretary for Fish and Wildlife and Parks, who wrote back to the gentleman from Minnesota (Mr. VENTO), who furnished a copy of the letter to me saying the following:

> The legislative proposal now being considered provides that such plan be prepared within two years of the date of enactment. During the preparation of this plan, the detailed boundaries of the area will be established and the current ownership of lands determined as well as the plan for the river's development and use. If public ownership within the river corridor does exceed 50 percent, and if the management plan for the river finds that additional lands are necessary to provide for adequate visitor use and resource protection, we would consider recommending an exemption from subsection 6(b) of the Act as it applies to the Upper Mississippi.

As I said, Mr. Chairman, as yet, there is no plan. We do not know how much land is publicly owned there, and we do not know what access land may be taken.

With the history that we have had recently in St. Croix, it seems to me that there is good reason for unrest.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield further?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I am advised that the detailed plans are never done until the Congress designates the area. I am further advised that there were public hearings in the area, and I am not sure which office has a better understanding as to the state of fact, but I am representing that which I am led to believe is the state of fact.

Mr. FRENZEL. I thank the chairman, and I thank him for his careful work on this piece of legislation.

However, I think the mood of the general public now, Mr. Chairman, is that people do not want to be told that the bureaucrats will draw the plan later. They want to know now, before the authority is granted, what the plan is.

Mr. Chairman, I think they ought to know, before eminent domain is used, what the situation is. No hearings and no plan for poor basis for legislation.

Mr. PHILLIP BURTON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. KOSTMAYER).

Mr. KOSTMAYER. Mr. Chairman, I want to commend the gentleman from California (Mr. PHILLIP BURTON), the chairman of the subcommittee, for the outstanding job he has done.

This is truly a monumental piece of environmental legislation, I think one of the most important pieces of legislation to come before this Congress.

Mr. Chairman, I am particularly gratified that there is a provision in the omnibus bill which will designate the so-called Middle Delaware as a wild and scenic river.

It is my understanding that an amendment will be offered to delete this pro-

vision in the bill. I hope the amendment will be defeated. The Middle Delaware should be delegated wild and scenic. The subcommittee approved it, the full committee approved it, and I hope that the full House will approve it as well.

Mr. PHILLIP BURTON. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Chairman, I rise in support of this legislation.

Mr. PHILLIP BURTON. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BEILENSON).

Mr. BEILENSON. Mr. Chairman, I rise to draw to the attention of the Members the remarkable opportunity they will have to vote for the preservation of the Santa Monica Mountains and Seashore. Despite the popular image of Los Angeles as a smoggy, sprawling urban center, it is the only major city in the country containing a rugged mountain range. The Santa Monicas rise in the heart of the Nation's second largest city, and they stretch for 50 miles to the sea. This bill will create a magnificent recreation area to serve the more than 10 million residents of the area, and the more than 8 million visitors we have each year.

Bills to add the Santa Monicas to the national park system have long had the support of both Republicans and Democrats from the time the first bill to create the Toyon National Urban Park was introduced by former Representative Charles Teague in 1970. Numerous other bills were introduced in subsequent years by former Congressmen Alphonzo Bell and Tom Rees and by our colleagues, CHARLES WILSON, GLENN ANDERSON, JIM CORMAN, and BARRY GOLDWATER. This will be the first time the full House has had the opportunity to vote on any Santa Monica Mountains proposal. The bill before you today incorporates the ideas and language from my bill, H.R. 7264, which many of you cosponsored, and the bills of Congressmen GOLDWATER and BOB LAGOMARSINO.

The national recreation area created by the bill will contain approximately 80,000 contiguous acres of coastal canyons and ridges, bluffs and beaches, and an additional 10,000 acres of prime recreation land in the inland mountains, including ancient oak groves and important ecological and archeological sites.

Over one-third of the 90,000 acres in the recreation area are already protected State and local public parkland and beaches. The State has agreed to transfer some or all of its existing parkland (purchased at a cost of $65 million) to the National Park Service. Now, we have the opportunity to tie together the 35,000 acres of existing public parkland to create a 50-mile hiking and horseback riding trail from the heart of Los Angeles to the sea, and to provide an "airshed" free of heavy automobile use where clean ocean breezes can sweep into the center of the polluted city. The $150 million which this bill would allocate for the national recreation area, an amount close to the $125 million which the Office of Management and Budget has approved for Federal acquisition in the Santa Monicas, is a bargain for a wilderness area situated in the midst of an urban metropolis.

If we do not purchase a significant portion of the remaining undeveloped land, we will be asked instead to spend Federal funds for sewers, water supply, and roads to provide an infrastructure for development in the mountains. Without Government action, the human population in the mountains will double in less than 20 years. Three large, already proposed, developments alone would add 12,000 inhabitants. The tops of ridges would be bulldozed flat to make level pads for new housing tracts. Additional Federal dollars will have to be spent to protect new, expensive homes from fires, floods, and earthquakes. The cost of purchasing an additional 45,000 acres of parkland and easements to 5,000 additional acres including access to the beaches and lateral access along the beaches, will be greatly offset by the savings of Federal dollars not spent for development and protection of exclusive subdivisions in the mountains and canyons.

The mountains and seashore provide relief from the noisy, stressful, polluted city surrounding them. They contain more than 600 archeological sites which reveal the history and culture of California's earliest inhabitants, the ancient Chumash people, and provide a wealth of information on other Indian peoples as well. The hillsides of chaparral vegetation and the deep canyons with yearround streams are home to mountain lions, bobcats, golden eagles, osprey, and the few remaining California condors. A variety of sea birds nest in the coastal bluffs and lagoons. Thus, substantial recreational, scenic, historic, cultural, and ecological returns will be realized from this investment in preservation of the Santa Monica Mountains and Seashore, as well as benefits to the physical and psychological health of the surrounding populace.

Not all the land in the mountains will need to be acquired, as much can be protected by local land use regulations and zoning laws compatible with parkland use. The California Coastal Commission's jurisdiction in the Santa Monicas extends 5 miles inland from the sea and includes most of the area in which the National Recreation Area will be established. Two regional coastal commissions have permit power over all development in this coastal portion of the Santa Monicas, and they should be able to provide sufficient protection to buffer the acquired parkland.

To protect the inland portion of the mountains, the State established a Santa Monica Mountains Comprehensive Planning Commission which, although it has no permit powers, is required to create a comprehensive plan which will designate uses of public and private land which would not diminish the recreational, scenic, and natural benefits of the mountains. H.R. 12536 provides strong incentive for local and State governments to implement the plan created by that commission through a $30 million grant program. The grant program will enable local and State governments to acquire additional parkland outside the recreation area after they have enacted the necessary land use protections for the entire Santa Monica Mountains zone. Thus, without intruding on the jurisdiction of local and State governments, the bill provides a very strong impetus for them to protect the newly created National Recreation Area.

Many of the provisions in this national parks and recreation bill are long overdue, and I applaud Mr. BURTON and his committee for their strong commitment to preserving the environment and meeting our Nation's need for parkland in urban areas. Our wild and natural areas can shrink, but they cannot grow. We can never recreate wilderness in any of the nationally significant places to be preserved by this bill, and I believe passage of H.R. 12536 is one of the most important actions we will have the opportunity to take this year, and one we will all be proud of.

The CHAIRMAN. All time of the gentleman from California (Mr. PHILLIP BURTON) has expired.

Mr. SEBELIUS. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Chairman, first I would like to commend the gentlemen from California (Mr. BEILENSON, Mr. LAGOMARSINO, and Mr. GOLDWATER) for their effective and statesperson-like work to reconcile their respective views with reference to this vital question. I think because of their experienced insight we are going to see, before this Congress runs its course, that the Santa Monica Mountains in all essential respects are going to be preserved for posterity.

Mr. SEBELIUS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. LEDERER).

Mr. LEDERER. Mr. Chairman, I rise to bring tc the attention of my colleagues very serious consequences portions of the National Parks and Recreation Act would have on the water supply and plans of the Delaware River Basin Area covering four States. Section 706 would designate the middle portion of the Delware River as wild and scenic thereby ending studies and plans for the proposed Tocks Island water reservoir project in that area of the river or indeed any such water project.

The Delaware River is crucial to the health and well-being of million of citizens in eastern Pennsylvania and New Jersey. It provides two-thirds of the water supply of Philadelphia and adjacent communities; all of the water supply of the city of Trenton, the city of Burlington, and a host of other municipalities and industrial enterprises on

the lower river. By diversion, the city of New York obtains half of its municipal supply from the headwaters of the Delaware. The State of New Jersey uses 70 million gallons a day for diversion for municipalities and industry in central New Jersey. These water rights are defined by a Supreme Court decree of 1954. The decree, in turn, is part of the Delaware River basin compact, a solemn agreement between the States of Pennsylvania, New York, New Jersey, and Delaware and the United States of America. Together, these parties form the Delaware River Basin Commission, speaking for the four States, endorsed the designation of the "Upper River" in the Wild and Scenic Systems. However, they specifically recommended that the "Middle River" not be included in the Wild and Scenic System, because it would effectively terminate the Tocks Island reservoir project.

Mr. Chairman, there has been great controversy over the Tocks Island project. There are differences of view on it among the Governors of the compact States, but they are united in their opinion that the Tocks Island project ought to rise or fall on its own merits, and that it not be legislated out of existence by having the reservoir site placed in the Wild and Scenic System.

If this legislation is not deleted the decisions and planning for the four-State water supply will be taken out of the hands of the Governors and their designers. The States will have to resolve their water supply arrangement without total planning flexibility. Governor Shapp of Pennsylvania has told me that unless suitable water diversion agreements can be reached, Pennsylvania would have to let the courts resolve the problems created by the legislation first proposed in H.R. 12536.

I devoutly hope that court action will not be necesary so I appeal on behalf of Governor Shapp and our people to your sense of equity and fair play. I appeal particularly to Secretary Andrus to reverse the judgment of his Department before it becomes necessary to involve Interior and three State governments in what could be a long, bitter court action. I think it particularly inappropriate, Mr. Chairman, that Secretary Andrus has, by his unilateral action in endorsing the "Middle River" designation, violated the letter and the spirit of the Delaware River basin compact. The compact was designed to resolve controversies among the signatory parties, not to create them.

At the appropriate time, Mr. Chairman, an amendment will be offered to H.R. 12536 that will strike the "Middle River" designation and all conforming language. I urge my colleagues, as strongly as it is in my power to do so, to acquaint themselves with the facts of this situation so that we may avoid destruction of the Delaware River basin compact and the comity that has existed between Pennsylvania and her sister States for the past two decades.

Mr. SEBELIUS. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Chairman, I thank the gentleman for yielding to me. I just wanted to ask the chairman of the subcommittee a question or two about two provisions in the bill. If I could ask my friend from California, with reference to section 403, which is on page 217, the section says:

All lands which represent potential wilderness additions, upon publication in the Federal Register of a notice by the Secretary that all uses thereon prohibited by the Wilderness Act have ceased, shall thereby be designated wilderness. Lands designated as potential wilderness additions shall be managed by the Secretary in so far as practicable as wilderness until such time as said lands are designated as wilderness.

As I understand it from talking to the gentleman and the staff, "potential wilderness addition" is a work of art, and they have to be designated by law. Is that correct?

Mr. PHILLIP BURTON. The gentleman is correct. Potential wilderness additions referred to in the bill are listed in this category in descriptions in the legislation in each park. These consist of lands within the boundaries of these parks which are of wilderness character, but which have some restriction, such as grazing permits, which preclude wilderness designations at this time.

When the nonconforming use terminates, section 403 simply permits the designation to be changed from potential to wilderness. But, the gentleman is correct. With reference to the other section, as I indicated to the gentleman, if the gentleman prepares the proper amendments so that they can be cleared with the minority, the majority is prepared to accept them.

Mr. McFALL. Mr. Chairman, I would like to describe briefly what I am talking about. Page 330, section 4, at the bottom of the page provides for inclusion in the National Wild and Scenic Rivers System areas that have been determined by the Secretary. In order to get those out of the Scenic River System after the designation, it is required to pass a joint resolution of disapproval. I will have some legislation prepared on that later.

● Mr. THONE. Mr. Chairman, I would like to take this opportunity to focus attention on section 708 of H.R. 12536, the National Parks and Recreation Act of 1978, which designates the 59-mile reach of the Missouri River from Yankton, S. Dak., to Ponca, Nebr. as a national recreational river under the Wild and Scenic Rivers System.

It is particularly gratifying for me to have been involved, along with my colleagues Congresswoman SMITH of Nebraska and Congressman ABDNOR of South Dakota, in the effort to include designation of this portion of the Missouri River as a recreational river in the National Parks and Recreation Act of 1978, not only because it will preserve the natural beauty of a portion of our environment, but most importantly because of the spirit of cooperation among the citizens of the area, local groups, the U.S. Corps of Engineers and the U.S. Fish and Wildlife Service, which made it possible. Through continued discussion and compromise an agreement has been reached which is satisfactory to the landowners of the area and to the Federal agencies involved.

Section 708 of H.R. 12536 is unique, because it addresses two equally important but distinct concerns. First of all, this legislation will preserve and protect the environment and beauty of the area while at the same time promoting the recreational aspects of this portion of the Missouri River. Second, it will continue and further bank stabilization efforts along this section of the river and assist in preventing further soil erosion and vegetation loss along the riverbanks. Both of these factors were essential to this designation and exclusion of either one would have made it impossible.

An important feature of the bill is that it severely restricts the Federal Government's authority to acquire land for the recreational river by condemnation, a provision on which local landowners insisted. Under the bill, the Federal Government could acquire easements only from willing sellers to carry out the plan, unless a private owner's actions posed a "serious damage or threat to the integrity of the river corridor."

Another key aspect of the bill is that it establishes a recreational river advisory group to participate in administering and developing the plan. Through this body, local landowners, State officials, as well as representatives of Federal agencies, will play a role in carrying out the details of the recreational river designation.

Designation of the stretch of the Missouri River from Yankton, S. Dak. to Ponca, Nebr., as a recreational river will be of real benefit to the area, a fine addition to the National Wild and Scenic Rivers System, and a lasting example of what can be achieved between local concerns and the Federal Government through cooperation and compromise.●

● Mr. BURKE of Massachusetts. Mr. Chairman, included in the omnibus park bill which we are considering today, is language that will designate the John Adams and John Quincy Adams birthplaces as part of the National Park Service.

These homes are unique in that they are the only adjacent presidential birthplaces. They are also the oldest presidential birthplaces in the country.

The city of Quincy, Mass., has owned the Adams homes since 1940. The cost of preserving the residences has risen over the years making it increasingly difficult for the city to maintain them properly. As time goes on, the homes will require closer attention and a larger financial commitment, one that the city of Quincy can no longer shoulder. A recent architectural study estimates that the homes need $500,000 worth of structural repair work, most importantly of which is a new roof on one of the buildings which is in a critical state of deterioration.

In recognition of the national educational and historical importance which these two homes represent, they were designated national landmarks in 1963. The residents and officials of Quincy are fully aware of this national resource and have done an admirable job as its benevolent caretaker. At this time, the city, cognizant of its limited resources, has offered to transfer the homes to the National Park Service. This conveyance would avail the unique birthplaces of the greater resources of the Federal Government and insure that their preservation and upkeep will not have to be sacrificed.

I applaud the efforts of Congressmen BURTON and UDALL to incorporate the Adams homes in the park service. Their close attention and firm support is certainly appreciated by the city of Quincy and will allow future generations of Americans to enjoy the legacy which the Adams family has provided us.

I urge my colleagues to join with me in supporting the transfer of the Adams birthplaces to the National Park Service.●

● Mr. VENTO. Mr. Chairman, I rise in support of H.R. 12536, the National Parks and Recreation Act of 1978. This legislation is a needed proposal that will greatly enhance our Nation's conservation system.

All too often, small proposals, such as those contained in this bill, are shunted aside as Congress deals with the larger and more attractive conservation proposals. However, the proposals contained in this bill are worthy of our consideration and support and will make valuable assets in our system of parks, monuments, national trails, and wild and scenic rivers. Indeed, because of the location of these proposals throughout the country and because of their unique qualities and recreational opportunities, these areas will serve a wide portion of our American society.

With the growing public demand for outdoor recreational opportunities, the proposals contained in this bill will help to satisfy that need and the protection offered by this act will insure that future generations of Americans will have an opportunity to use these areas.

One example of the benefits of this act is the proposed designation of the Upper Mississippi as a wild and scenic river. The Upper Mississippi is a relatively undeveloped river that possesses a wide variety of geologic formations and botanic species and is rich in fish, wildlife, and waterfowls. The Upper Mississippi offers a wide range of recreational opportunities. Fishing, canoeing, hiking, boating, and hunting are all possible along this river and their continued practice will be protected under this bill. Most importantly, the scenic qualities of the river will be preserved for man's ever growing development by H.R. 12536.

I believe that the concerns of the local population over the proposed designation have been adequately resolved.

Local citizens were concerned that they would have no input in the development of the river's master plan. In a letter of June 2, Assistant Interior Secretary Robert Herbst affirmed that—

The principle of public involvement, and will continue to be, an essential part of the planning process for the Upper Mississippi.

In passing the original Wild and Scenic Rivers Act, Congress intended that the public fully participate in the decisionmaking process. For this reason the process was divided into two separate segments which would both allow for public input. During the study process, the public would be able to discuss the merits of congressional designation and would have a voice in whether a specific river would be worthy of such designation. Following positive congressional action, the public then has an input into the development of a master plan for the management of the river. This process has proven successful for the 1,700 miles on 19 stretches of rivers now designated under this act and to amend the existing process is unnecessary and unwise.

The principal concern of the local population was that their homes and lands would be condemned under this act. Such condemnation will not occur under this act. The Organic Wild and Scenic Rivers Act contains a provision that the Department of Interior's condemnation is suspended if 50 percent or more of the land along the proposed designation is public ownership. As Secretary Herbst stated in his letter:

Public lands comprise more than 50 percent of the lands within the boundaries of the Upper Mississippi River as set forth in the conceptual plan for designation and management of the river area. Under these circumstances, condemnation could be used only to clear title or for the acquistion of easements necessary to give the public access to the river and to assure public rights to traverse the area.

At this time, I would like to submit for my colleagues' attention my correspondence with Assistant Secretary Herbst:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 26, 1978.

ROBERT L. HERBST,
Assistant Secretary for Fish, Wildlife and Parks, Department of Interior, Washington, D.C.

DEAR BOB: I am writing with regards to the inclusion of the Upper Mississippi as a Wild and Scenic River in H.R. 12536.

At the time H.R. 12536 was approved by the full Interior Committee, I stated my understanding that over 50 per cent of the acreage along the proposed designated area was already public lands and that therefore no further lands could be condemned under this proposal. I also expressed my belief that in developing the Master Plan, the Department should encourage local participation and that this local input should play a meaningful role. Since that time, significant concern has been expressed by some of my Colleagues and there may be an effort to delete the section regarding the Upper Mississippi. I fully support the designation of the Upper Mississippi as a Wild and Scenic River and hope that you will be able to help dispell the ungrounded fears surrounding this proposal.

What hearings were held by the Department on the proposal to designate the Upper Mississippi as a Wild and Scenic River? What type of publicity was given to these hearings? What mechanisms were available for public input?

Under the proposed management plan for the Upper Mississippi, what is to be the principal means of land control? How much of the acreage along the proposed designation is currently public land? If this figure is over 50 per cent, is it not true that the Department will be prohibited from condemning any more land except in those cases where the integrity of the land and river is threatened? If the Department would desire to condemn more land for access, rest areas and management purposes, would not a Congressionally approved exemption be required?

In the development of the Master Plan for the Upper Mississippi, the involvement of local citizens could provide meaningful and valuable assistance to the Department. In what ways will the Department seek local input? Will the opinions and advice of local residents play a significant role in the development of a management plan? Will local input play a continuing role in the management of the Upper Mississippi after the implementation of the Master Plan?

I agree with the Administration's position that the Upper Mississippi is one of the most beautiful rivers in our country and that through designation of the river as a Wild and Scenic River will protect its quality. I am hopeful that a prompt response will insure that this river will remain included in H. R. 12536.

Thank you for your prompt attention to this matter.

Warm regards.

Sincerely yours,

BRUCE F. VENTO,
Member of Congress.

WASHINGTON, D.C., *June 2, 1978.*

In reply refer to: L58(170) ES–37118.

Hon. BRUCE F. VENTO,
House of Representatives,
Washington, D.C.

DEAR MR. VENTO: I am taking this occasion to respond to your two letters, dated May 4 and May 26 respectively, concerning the designation of the Upper Mississippi River as a component of the National Wild and Scenic Rivers System.

With respect to the matter of condemnation along the Upper Mississippi, you are correct in your understanding of the types of activities and land acquisition authorities in the Wild and Scenic Rivers Act. Public lands comprise more than 50 per cent of the lands within the boundaries of the Upper Mississippi River as set forth in the conceptual plan for designation and management of the river area. Under these circumstances, condemnation could be used only to clear title or for the acquisition of easements necessary to give the public access to the river and to assure public rights to traverse the area. Activities which were compatible with the proposed designation and classification would be permitted to continue under such easements.

As soon as a river is designated as a component of the National Wild and Scenic Rivers System, the managing agency initiates preparation of a management plan for the area as provided for in section 3(b) of the Wild and Scenic Rivers Act. The legislative proposal now being considered provides that such plan be prepared within two years of the date of enactment. During the preparation of this plan, the detailed boundaries of the area will be established and the current ownership of lands determined as well as the plan for the river's development and use. If public ownership within the river corridor does exceed 50 percent, and if the management plan for the river finds that additional lands are necessary to provide for adequate visitor use and resource protection, we would consider recommending an exemption from subsection 6(b) of the Act as it applies to the Upper Mississippi.

The principle of public involvement was and will continue to be, an essential part of the planning process for the Upper Mississippi. In the initial study of the Upper Mis-

sissippi, intended to evaluate the river's suitability for Wild and Scenic River status, opinions and ideas expressed by people, both within and outside the Upper Mississippi River basin, were solicited in an attempt to understand all relevant points of view. In addition to meeting with various groups and individuals during the conduct of the study, five public information meetings were held to solicit the views of concerned and interested people regarding placing the river in the National System, alternative means of protection, and administrative options. The meetings were held during the week of December 8 1975, in Bemidji, Grand Rapids, Brainerd, St. Cloud, and St. Paul, Minnesota. Although the meetings were well covered by the local media and 1,500 brochures reporting study progress were distributed, the total attendance was only 235 persons, or an average of less than 50 people per meeting. Response forms recording the opinion on planning alternatives were filled out by one-half of the attendees and their tally showed the following: 70 per cent preferred that some or all of the river be placed within the National Wild and Scenic Rivers System, 49 per cent indicated that the river corridor should be protected via fee title and scenic easements, and 46 per cent preferred a combination of Federal and State administration.

Efforts to encourage and utilize public participation will be continued throughout the remainder of the planning process that follows designation of the Upper Mississippi Wild Scenic River. Public workshops, meetings, and planning documents will be announced in the Federal Register, regional newspapers, and the public media. As part of the planning process, an assessment of alternatives will be developed. An opportunity for public review of the assessment will be provided so that they may evaluate the various alternatives considered during the planning process up to that point, present other alternatives for consideration, and uncover discussion issues of existing or potential conflict.

Upon completion of the management plan, an accompanying draft environmental statement will be prepared. The public will have an opportunity to provide written comments on the draft to which the managing agency, in this case the National Park Service, will respond in writing. Changes made in the plan and its draft environmental impact statement will be made as appropriate in light of public comments. The draft environmental statement will be available for public review, according to departmental regulations, for a period of no less than 45 days prior to a public meeting administrative decision. After adoption of the management plan in its final form, any further planning or policy changes of major significance will be similarly conducted with the assistance of public participation. Beyond these more formal procedures, however, I want to emphasize that no matter how small a particular issue might be, we are always anxious and willing to consider any citizen's suggestion or criticism as to the administration of our Nation's Wild and Scenic Rivers System.

We hope these comments prove helpful to the consideration of the Upper Mississippi Wild and Scenic River proposal. Please let us know if we can provide any further assistance to you in this regard or any other.

Sincerely yours,

BOB,
Assistant Secretary for Fish and Wildlife and Parks.

Mr. Chairman, man's development is constantly expanding. The time to preserve areas of natural qualities for our and future Americans' benefit and enjoyment rapidly elapsing. The areas contained in this bill are worthy of protection and preservation. They will be valuable additions to our conservation system and uncounted Americans will enjoy the opportunities offered by them. For these reasons, I urge my colleagues to support H. R. 12536.●

● Mr. PATTERSON. Mr. Chairman, I rise in support of H.R. 12536, the National Parks and Recreation Act of 1978, and I would like to take this opportunity to commend the chairman, the gentleman from California (Mr. BURTON) for his efforts in getting this important legislation to the floor in such a timely manner. I would also like to extend my appreciation to my colleagues on the Interior Committee for their hard work on this bill. This legislation encompasses a number of national parks issues that have been hanging over the head of Congress for a long time.

Included in H.R. 12536 is a provision which calls upon the Park Service to conduct a 6-month study of an area in my home State of California, known as the Irvine Coast-Laguna Greenbelt. I applaud the escorts of the committee to include this provision in 12536. It was at my urging that the committee consider the merits of a Park Service study of this unique open space area. I wish to thank the committee for their efforts in this regard.

Under section 613 of H.R. 12536, the National Park Service would be required to do a study of the Irvine Coast-Laguna Greenbelt, in southern California, in order to determine the feasibility and the desirability of establishing such an area as a unit of the National Park System. The Secretary would be required to make his recommendations to the President and the Congress within 6 months after the enactment of the legislation. In addition, the bill would require that the Secretary must consult with appropriate State and local officials and bodies involved and coordinate it with applicable State and local plans and planning activities.

The Irvine Coast-Laguna study includes approximately 17,000 acres and is the only existing open space area between Los Angeles and San Diego. Its location, its unique ecology and topography, its watershed area and marine environment should be considered by the Federal Government for protection. In addition its location and accessability make it ideal for open space and recreational purposes for urban city dwellers.

The State of California and the county of Orange have been actively pursuing efforts to preserve parts of the area. The State is currently negotiating with the Irvine Co., the largest land owner in the area, for a $22.8 million open space purchase for the prime land along the Irvine coast. The county of Orange has allocated $2.8 million for the purchase of a portion of the Laguna Greenbelt. In light of the State and local interest in this area, I think it is appropriate that the Federal Government look seriously into the possibility of supplementing these efforts.

I might add, Mr. Chairman, that the California Coastal Commission has recognized the open space potential of this area and will be making recommendations in the coming months to limit development, to preserve much of the land and require that large sections of land be available to the public.

It is worth while to note, that in September 1977, the Heritage Conservation and Recreation Service and the National Park Service released the National Urban Recreation Study. The study listed the Irvine Coast-Laguna Greenbelt as "one of the most significant open space and recreational resources—in the Los Angeles area—which should be preserved and developed for recreational use." The report, however, was clear in stating that the findings were "preliminary only" and the Department of Interior would "not develop a position on any area identified in the report without further study". Section 613 of this bill is the vehicle by which the Park Service can complete its work on this subject.

Mr. Chairman, I do have one concern with section 613. It provides for an authorization of $250,000 to conduct the study. I plan to offer an amendment to the bill which reduces that amount to $50,000. At the time of committee consideration of the amendment, I recommended to be authorized such sums as may be necessary to carry out the provisions of the section; $250,000 is an excessive amount, in light of the fact that the area has been extensively studied at the State and local level. The higher figure in the bill was the initial recommendation by the Park Service, but since H.R. 12536 was reported, they have determined that $50,000 is an adequate sum. I also plan to offer an amendment to reduce the boundaries of the study area by approximately 3,000 acres.

Mr. Chairman, I urge your support of my amendments and I hope my colleagues will recognize the need to enact the provisions of H.R. 12536.●

● Mrs. SMITH of Nebraska. Mr. Chairman, included in the bill, H.R. 12536, is a section designating a 59-mile stretch of the Missouri River as a national recreation river under the authority of the Wild and Scenic Rivers Act. The exact location and other specific information relating to the designation is contained in section 708 of the bill before us.

I would like to take a few moments to point out some of the unique aspects of this designation and congratulate all of those—especially Earl Rowland, of Newcastle, Nebr., president of the Missouri River Bank Stabilization Association—who worked long and hard to bring about this designation.

In brief, this section provides for preservation and enhancement of part of the Missouri River to be used for recreational and other related purposes. This is one of the most beautiful segments of the Missouri and the protection of the river and surrounding riverbank area is of utmost importance.

Equally important is the need to stabilize the banks of the river in this same area so the beauty and usefulness of this stream will not be lost to the persistent forces of erosion.

This section of the bill provides that preservation and streambank stabilization go together hand-in-hand to bene-

fit the public. While the designation will insure that the recreational aspects of the Missouri will continue to be available, it also insures that the streambanks, which support the trees, wildlife shelter and other growth will not be eaten away by the streamflow. It also will help save the land of private and Government owners, which is now being lost to the river at an alarming rate.

For several years now there has been a bank stabilization program administered by the Army Corps of Engineers. However, this is a demonstration program which will soon expire and it provides for the protection of only limited areas. The provisions of section 708 of this bill are much more comprehensive and valuable.

It should be pointed out that this section severely restricts the power of the Government to condemn land to carry out the purpose of the act. It was felt by all interests—Government and private—that the spirit of cooperation and mutual benefit would prevail negating the need for this "ultimate weapon." I believe it will foster a feeling of good faith on all sides and make this designation even more beneficial. It should be a signal to the entire country that laws are most successful when they are reasonably administered and derive their force from direct consent of the people.

The Wild and Scenic Rivers Act provides that the Secretary of the Interior administer the program which is set out in section 708. However, it is written in the law that the Secretary of the Army through the Corps of Engineers play a prime role in the preservation and bank stabilization work authorized by this legislation. Since the Corps of Engineers already has legal responsibility for many programs on and involving the Missouri River, it is the intent of those who negotiated this agreement that the Corps take primary responsibility for the administration of the designated river segment.

Mr. Chairman, this designation, when it is finally realized, will present an exciting challenge to all involved and will present an opportunity for Government and private interests to work together to realize the goal of a better river.●

Mr. SEBELIUS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the Clerk will now read by titles the substitute committee amendment recommended by the Committee on Interior and Insular Affairs now printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 12536

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "National Parks and Recreation Act of 1978".

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DEFINITION

SEC. 2. As used in this Act, except as otherwise specifically provided, the term "Secretary" means the Secretary of the Interior.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. Authorizations of moneys to be appropriated under this Act shall be effective on October 1, 1978. Notwithstanding any other provision of this Act, authority to enter into contracts, to incur obligations, or to make payments under this Act shall be effective only to the extent, and in such amounts, as are provided in advance in appropriation Acts.

TITLE I—DEVELOPMENT CEILING INCREASES

SPECIFIC INCREASES

SEC. 101. The limitations on funds for development within certain units of the National Park System and affiliated areas are amended as follows:

(1) Agate Fossil Beds National Monument, Nebraska: Section 4 of the Act of June 5, 1965 (79 Stat. 123), is amended by changing "$1,842,000" to "$2,012,000".

(2) Andersonville National Historic Site, Georgia: Section 4 of the Act of October 16, 1970 (84 Stat. 989), is amended by changing "$1,605,000" to "$2,205,000", and by changing "(March 1969 prices)" to "(October 1978 prices)".

(3) Andrew Johnson National Historic Site, Tennessee: Section 3 of the Act of December 11, 1963 (77 Stat. 350) is amended by changing "$266,000" to "$286,000".

(4) Biscayne National Monument, Florida: Section 5 of the Act of October 18, 1968 (82 Stat. 1188), is amended by changing "$2,900,000" to "$6,565,000".

(5) Canaveral National Seashore, Florida: Section 9(b) of the Act of January 3, 1975 (88 Stat. 2121, 2125) is amended by changing "$500,000" to '$1,900,000".

(6) Cape Lookout National Seashore, North Carolina: Section 8 of the Act of March 10, 1966 (80 Stat. 33) as amended by the Act of October 26, 1974 (88 Stat. 1445) is amended by changing "$2,935,000" to "$4,935,000".

(7) Capitol Reef National Park, Utah: Section 7 of the Act of December 18, 1971 (85 Stat. 739), is amended by changing "$1,052,700 (April 1970 prices)" to "$1,373,000 (October 1978 prices)".

(8) Carl Sandburg Home National Historic Site, North Carolina: Section 3 of the Act of October 17, 1968 (82 Stat. 1154), is amended by changing "$952,000" to "$1,962,000".

(9) Channel Islands National Monument, California: Section 201(1) of the Act of October 26, 1974 (88 Stat. 1445, 1446) is amended by changing "$5,452,000" to "$6,332,000".

(10) Cowpens National Battleground Site, South Carolina: Section 402 of the Act of April 11, 1972 (86 Stat. 120), is amended by changing "$3,108,000" to "$5,108,000".

(11) De Soto National Memorial, Florida: Section 3 of the Act of March 11, 1948 (62 Stat. 78), as amended, is further amended by changing "$175,000" to "$292,000".

(12) Fort Bowie National Historic Site, Arizona: Section 4 of the Act of August 30, 1964 (78 Stat. 681), is amended by deleting "$550,000 to carry out the purposes of this Act.", and inserting in lieu thereof: "$85,000 for land acquisition and $1,043,000 for development".

(13) Frederick Douglass Home, District of Columbia: Section 4 of the Act of September 5, 1962 (76 Stat. 435), is amended by changing "$413,000" to "$1,350,000".

(14) Grant Kohrs Ranch National Historic Site, Montana: Section 4 of the Act of August 25, 1972 (86 Stat. 632), is amended by changing "$1,800,000 (July 1971 prices)" to "$2,075,000 (October 1978 prices)".

(15) Guadalupe Mountains National Park, Texas: Section 6 of the Act of October 15, 1966 (80 Stat. 920), is amended by changing "$10,362,000" to "$24,715,000".

(16) Gulf Islands National Seashore, Florida-Mississippi: Section 11 of the Act of January 8, 1971 (84 Stat. 1967), is amended by changing "$17,774,000" to "$25,224,000", and by deleting the phrase "(June 1970 prices)" and inserting in lieu thereof "(October 1978 prices)".

(17) Harper's Ferry National Historical Park, Maryland-West Virginia: Section 4 of the Act of June 30, 1944 (58 Stat. 645), is amended further by changing "$8,690,000" to "$14,385,000".

(18) Hubbell Trading Post National Historic Site, Arizona: Section 3 of the Act of August 28, 1965 (79 Stat. 584), is amended by changing "$952,000" to "$977,000".

(19) Indiana Dunes National Lakeshore, Indiana: Section 10 of the Act of November 5, 1966 (80 Stat. 1312), is amended by changing "$8,500,000" to "$9,440,000".

(20) John Muir National Historic Site, California: Section 3 of the Act of August 31, 1964 (78 Stat. 753), is amended by striking out "$300,000 for land acquisition and restoration of the buildings thereon." and inserting in lieu thereof "$224,000 for land acquisition and $2,185,000 for development".

(21) To commemorate certain historical events in the State of Kansas: Section 4 of the Act of August 31, 1965 (79 Stat. 588), is amended by changing "$2,000,000" to "$2,750,000".

(22) For the preservation and protection of certain lands in Prince Georges and Charles Counties, Maryland: Section 4 of the joint resolution of October 4, 1961 (75 Stat. 783) is amended by inserting "(a)" after "SEC. 4." and by adding the following new subsection (b) at the end thereof:

"(b) In addition to such other sums as have been appropriated for such purposes, there is authorized $2,000,000 for development."

(23) Longfellow National Historic Site, Massachusetts: Section 4 of the Act of October 9, 1972 (86 Stat. 791), is amended by changing "$586,000 (May 1971 prices)" to "$682,000 (October 1978 prices)".

(24) Pecos National Monument, New Mexico: Section 3 of the Act of June 28, 1965 (79 Stat. 195), is amended by changing "$500,000" to "$2,375,000".

(25) Perry's Victory and International Peace Memorial, Ohio: Section 4 of the Act of October 26, 1972 (86 Stat. 1181), is amended by changing "$5,177,000" to "$9,327,000".

(26) Redwood National Park, California: Section 10 of the Act of October 2, 1968 (82 Stat. 934), is amended by adding the following at the end thereof: "There are hereby authorized to be appropriated $5,000,000 for development of the park established under this Act; such amount shall be in addition to other amounts available for such purposes.".

(27) San Juan Island National Historical Park, Washington: Section 4 of the Act of September 9, 1966 (80 Stat. 737), is amended by changing "$3,542,000" to "$5,575,000".

(28) Sitka National Monument, Alaska: Section 3 of the Act of October 18, 1972 (86 Stat. 904), is amended by changing $691,000 (June 1971 prices)" to "$1,571,000 (October 1978 prices)".

(29) Statue of Liberty National Monument, New York-New Jersey: Section 1 of the joint resolution of August 17, 1965 (79 Stat. 543),

is amended by changing "$6,000,000" to "$34,000,000".

(30) Thaddeus Kosciuszko Home National Historic Site, Pennsylvania: Section 3 of the Act of October 21, 1972 (86 Stat. 1046), is amended by changing "$592,000" to "$742,000".

(31) Tuskegee Institute National Historic Site, Alabama: Section 104(e) of the Act of October 26, 1974 (88 Stat. 1463), is amended by changing "$2,722,000" to "$2,862,000".

(32) Whiskeytown-Shasta-Trinity National Recreation Area, California: Section 10 of the Act of November 8, 1965 (79 Stat. 1295), is amended by changing "$22,700,000" to "$24,649,000".

(33) William Howard Taft National Historic Site, Ohio: Section 3 of the Act of December 2, 1969 (83 Stat. 273), is amended by changing "$318,000" to "$1,888,000".

(34) Wilson's Creek National Battlefield, Missouri: Section 3 of the Act of December 16, 1970 (84 Stat. 1441), is amended by changing "$2,285,000 (March 1969 prices)" to "$5,640,000 (October 1978 prices)".

Mr. PHILLIP BURTON (during the reading). Mr. Chairman, I ask unanimous consent that the introduction and title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIP BURTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MURTHA) having assumed the chair, Mr. THORNTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12536) to provide for increases in appropriations ceilings, development ceilings, land acquisition, and boundary changes in certain Federal park and recreation areas, and for other purposes, had come to no resolution thereon.

CIVIL RIGHTS COMMISSION ACT OF 1978

Mr. EDWARDS of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12432) to extend the Commission on Civil Rights for 5 years, to authorize appropriations for the Commission, to effect certain technical changes to comply with changes in the law, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. EDWARDS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12432, with Mr. DE LA GARZA in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. EDWARDS) will be recognized for 30 minutes, and the gentleman from Virginia (Mr. BUTLER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I am indeed, pleased to bring this bill before you today. The Commission is an independent, fact-finding, bipartisan agency created by the Congress under the Civil Rights Act of 1957. In 1972, its life was extended through fiscal year 1978. H.R. 12432 would extend the life of the Commission for 5 years, authorize appropriations for the Commission for 2 years, mandate one advisory committee for each State, direct the Commission to study discrimination based on age and handicap status, and make technical and substantive changes in its charter.

For more than two decades, the Commission has played a key role in advancing civil rights through objective and comprehensive investigation, research and analysis of issues vital to this Nation. Its contribution is a matter of public record; its studies and findings have been useful to and are frequently cited by each branch of our Government. Its recommendations have been influential in the passage of every civil rights founding.

The Commission serves a unique function among the Federal departments and agencies: it has become our national conscience—pointing out our strengths and weaknesses in our effort to meet the goal of equality of rights for all. Its ability to heighten our awareness is due, in large part, to its area of review and to the input of its State advisory committees—no other Government agency is authorized to consider such a broad range of issues and no other Government agency has such a grassroots network of volunteer members of the 51 State advisory committees.

Consistent with our broadened definition and awareness of civil rights violations, the Commission's jurisdiction has been expanded over the years. In 1964, it was authorized to serve as a national clearinghouse for civil rights information, and its jurisdiction was extended to denials of the equal protection of the law in the administration of justice. In 1972, its substantive jurisdiction was expanded to include sex discrimination.

The most significant achievement of the Commission under its Federal evaluation mandate has been the publication of a series of reports entitled "The Federal Civil Rights Enforcement Effort—1974" which have provided the Congress, the President, and the American people with the detailed evaluations of the manner in which various executive departments and agencies carry out their duty to enforce nondiscrimination laws, regulations, and Executive orders in such important areas as housing, education, employment, and revenue sharing. In addition, the reports set out specific recommendations for improving the enforcement of laws designed to guarantee nondiscrimination and equal opportunity.

The Commission is well respected in the civil rights community and throughout Government. It is because of this reputation that advocates representing persons discriminated against on the basis of age and handicap status, urged my subcommittee to extend the Commission's authority to review such issues. They are confident the Commission can begin analysis of these areas without sacrificing continued review of issues within its current jurisdiction.

To those who argue the Commission's work can be adequately or more effectively performed by other agencies or departments, let me assure you that is not the case. It is often difficult for those agencies charged with enforcing civil rights laws to police their own enforcement efforts effectively, and objectively. The Commission has consistently provided a reasoned and objective view, untainted by self-interest.

This bill makes certain technical and substantive changes in the Commission's charter. Sections 2, 4, and 6, contain technical amendments to conform the act to existing law. Section 3(a) expands the jurisdiction of the Commission to review discrimination on the basis of age and handicap status. Section 3(b) extends the statutory life of the Commission for 5 years. Section 5 makes mandatory the creation of at least one advisory committee in each of the 50 States and District of Columbia. Section 7 authorizes a ceiling amount for fiscal years 1979 and 1980 of $12,752,000 and $14 million, respectively. These sums will enable the Commission to carry out its mandate under current law and to carry forth its expanded jurisdiction to review discrimination on the basis of age and handicap status.

The Subcommittee on Civil and Constitutional Rights held 4 days of hearings and took testimony from 19 witnesses. We believe the Commission serves a unique function and its important work must continue.

Mr. BUTLER. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, we are told by the strong proponents of H.R. 12432, that its purpose is to extend the life of the U.S. Commission on Civil Rights for an additional 5 years. Indeed, section 3(b) of this bill would mandate just that—by requiring the Commission to submit its final report to the President and the Congress no later than September 30, 1983, instead of the final day of fiscal year 1978.

However, the legislation seeks much more. In addition, to awarding the Commission 5 more years to continue its work, H.R. 12432 provides that it will be mandatory instead of optional for the Commission to establish an advisory committee on each State.

Moreover, H.R. 12432 expands the Commission's jurisdiction to include authority to study and collect information on discrimination and denials of equal protection of the laws against the aged and the handicapped.

Finally, once again, this year we are asked to increase the Commission's authorization for appropriations for the next 2 fiscal years.

Of course, each of the changes we examined and debated during 4 days of hearings held by the Judiciary Subcommittee on Civil and Constitutional Rights. Other issues—many of which surfaced last year during hearings on a 1-year reauthorization for the Commission—were discussed by the subcommittee. Each of the changes to existing law and the issues relating to the Commission's performance, work product, and budget should be discussed in some detail.

5-YEAR EXTENSION

The U.S. Commission on Civil Rights is a temporary, bipartisan agency established in the executive branch by Congress for a 2-year period pursuant to the Civil Rights Act of 1957, 42 U.S.C. 1975, et seq. Congress has extended the Commission's existence six times. The most recent extension authorized in 1972, pursuant to Public Law 92-496, sets the Commission's expiration at the end of fiscal year 1978—September 30, 1978.

The Commission performs five primary functions: First, to investigate allegations that citizens are being deprived of their right to vote as a result of their race, religion, sex, or national origin; second, to collect and subsequently study information concerning legal developments which would constitute a denial of equal protection of laws under the Constitution; third, to appraise Federal laws and policies with respect to equal protection under the Constitution; fourth, to serve as a national clearinghouse for information in respect to denials of equal protection of the laws; and fifth, to submit reports, findings, and recommendations to the President, and the Congress. (See 42 U.S.C. 1975c(a)).

The Commission's jurisdiction and duties have been expanded considerably over the past 20 years. In 1964, it was authorized to serve as a national clearinghouse for civil rights information, and its jurisdiction was extended to denials of the equal protection of the law in the administration of justice. In 1972, its substantive jurisdiction was expanded to include sex discrimination. In 1975, Congress authorized the Commission to conduct a special study of age discrimination in the delivery of services supported by Federal funds.

As long as the Subcommittee on Civil and Constitutional Rights continues to exercise its oversight jurisdiction during this period; 5 years, which has been the traditional period of extension, will afford the Commission a reasonable timeframe for the planning of activities and budgetary considerations.

STATE ADVISORY COMMITTEES

As a part of its much-touted efforts to reduce the size of Government pursuant to President Carter's instructions, the administration decided to regionalize the State Advisory Committees. Currently, the Commission has established 51 such committees, all manned by volunteers who receive compensation for travel and expenses only. Primarily, these committees have been optional, but H.R. 12432 would require that the Commission continue their existence.

Witnesses in our hearings, who were not particularly enamored with the performance of the Commission, did acknowledge that some of the Commission's best work was performed by these State committees.

Moreover, OMB testified, that the regionalization would not save any money and could even cost the taxpayer more, due to the increased travel expenses of the participants.

EXPANDED JURISDICTION

Currently, the Commission is assigned to study and report on denials of equal protection of the laws based on several criteria. Now they wish to hold two more areas—age and handicapped status.

Two factors make this idea questionable. First, the Congress and the executive branch already have produced numerous studies on the problems faced by persons in these groups. Almost every conceivable aspect of life in our society for these people has been studied at one time or another. I am concerned that the Commission would not add much to these already well-studied topics.

Second, the Commission has not performed adequately within its current jurisdictional mandate. During the subcommittee hearings one of the witnesses made this fact abundantly clear. The Commission has virtually ignored its duty to study discrimination based on religion and national origin. Since 1970, the Commission has not prepared one report on the denial of equal protection of the laws on account of religion, or national origin. The witness provided the subcommittee with the attached chart reflecting a breakdown of the subject matter of the Commission's reports since 1970. I insert it in the RECORD at this point:

REPORTS OF THE U.S. CIVIL RIGHTS COMMISSION AND ADVISORY COMMITTEES

	Race/color[1]	Sex/women's issues	Prisons	National origin	Religion
1977	38	9	0	0	0
1976	20	4	6	0	0
1975	15	6	3	0	0
1974	14	2	5	0	0
1973	17	0	0	0	0
1972	3	0	0	0	0
1971	6	0	1	0	0
1970	11	0	0	0	0

[1] Includes blacks, Asian-Americans, American Indians, persons of Spanish origin and other nonwhite minorities.

The addition of two more areas for the Commission to study will minimize the attention which the Commission will be able to devote to the problem it was originally asked to review.

OTHER CONCERNS

At least three other concerns about the Commission's performance were examined and discussed by the subcommittee.

First the subcommittee took a close look at the Commission's rapidly escalating expenses. For the first fourteen years of its existence, the Commission cost the taxpayers no more than $4 million per annum to produce several major studies and reports. In fact, as recently as 1975, this group operated for less than $7 million per year. Over the last 3 years, Congress has authorized funding increases totaling over 30 percent. The use of outside experts and consultants, which has likewise proliferated, costs the taxpayers well over $100,000 during each of the last few fiscal years.

This year, we are reauthorizing the Commission for 2 years at sums totaling $12,752,000 for fiscal year 1979, and up to $14 million for fiscal year 1980. I would have preferred a 1-year reauthorization which would insure that the subcommittee would continue to exercise oversight.

Once again, this year, some concern was expressed about the relationship of the Commission's projects and reports to its congressionally mandated jurisdiction. The subcommittee found that such projects as studying forcible rape against women, domestic violence, and coerced sterilization were duplicative of work performed by other Federal agencies and peripheral to the Commission's jurisdiction. This deviation from its mandate, shortchanges the groups which the Commission was originally established to help for what appears to be an attempt to secure notoriety. The Subcommittee on Civil and Constitutional Rights will continue to oversee the work of this Commission to help keep its work on track.

Finally, testimony in the hearings revealed that the Commission's employees have been rather outspoken on particular issues which were quite controversial. One witness alleged that the Commission staff has been engaged in lobbying State legislatures regarding abortion and the Equal Rights Amendment. Whether or not this allegation is true, I believe that a specific prohibition against this authority should be included in the Commission's statute. Such a provision would in no way restrict the Commission from responding to an inquiry from a Member of Congress or the President; it would simply let all Commission employees know that the Congress will not condone this conduct.

CONCLUSION

The concerns over the recent performance and activity of the Commission should not be regarded as an expression of displeasure with much of the Commission's past work.

During its early years, the Commission concentrated primarily on racial discrimination against black Americans. In the past, I have taken issue with some of the conclusions reached and recommendations proposed in Commission reports. The reports and studies, however, have usually appeared to represent a factual, professional analysis, prepared as a result of nonpartisan research.

Many of the civil rights laws enacted over the past 18 years have incorporated Commission recommendations. In fact, the Commission has provided assistance to the Judiciary Committee on such complicated issues as voting rights, fair housing and school desegregation. These concerns are expressly provided for as an appropriate subject area for the Com-

mission to study in the Civil Rights Act of 1957.

With a close watch over the Commission's spending and diligent oversight over Commission projects and reports, we will be able to insure that the Commission continues to perform as the Congress intended.

Mr. EDWARDS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. DRINAN), a very valued member of the subcommittee.

Mr. DRINAN. Mr. Chairman, I want to commend the chairman and the ranking minority Member for all that they have done to make certain that we give to the U.S. Commission adequate funding and adequate direction.

It seems to me, Mr. Chairman, that one of the aspects of the U.S. Commission that we do not touch on enough is that of the work of the 50-State Advisory Committee. In Texas, in California, in the North and in the South, all over this country, these groups of volunteers do fantastic work to educate, to give counsel to the U.S. Commission and to mediate disputes.

If I may speak out of personal experience, I was for some 7 years in the sixties the chairman of the State Advisory Committee for the State of Massachusetts. I saw this group of volunteers come together without a single per diem compensation to mediate disputes, educate the people of Boston and Massachusetts, and perhaps most importantly, give counsel, recommendations and information to the members of the U.S. Commission in several respects.

It may be, Mr. Chairman, that history will record that the most important work of the U. S. Commission on Civil Rights is actually done in the prairies and the plains of the grass roots with these State advisory committees mediating disputes and carrying on the work of informing and educating, which is the mission of the U.S. Commission on Civil Rights.

Mr. Chairman, I am very happy that in this bill two elements are being added. The U.S. Commission on Civil Rights will now be mandated to study discrimination based upon aging and discrimination based upon handicapped status.

As a Member of the Select Committee on Aging of the House, I can guarantee to the Members that the work that the Commission will do under this bill with respect to discrimination based on aging will not duplicate the work of the Select Committee on Aging of the House of Representatives.

I know also from a wide variety of sources that the handicapped status has never been thoroughly investigated by any Federal agency. It seems to me we need a body of opinion in that area, because we are called upon very often to study the handicapped status and to face the very difficult question as to how many millions of dollars we are prepared to spend so that any person who is physically handicapped will in fact have access to all public places and public buildings.

I agree with the distinguished ranking minority member, the gentleman from Virginia (Mr. BUTLER), who says that the Commission should investigate discrimination based upon religion and national origin. In our oversight hearings in the future we will call the attention of the U.S. Commission to the fact, which is apparently verified, that in the 21 years of its existence it has not investigated discrimination based upon religion or national origin. One would hope that discrimination does not exist in those two areas, but I think it would be illusory of us to dream that that is the situation.

Since 1957 the U.S. Commission has done so many things and omitted doing so many things that it is bound to be criticized. Mr. Chairman, I do not think we should be dissuaded or persuaded by the criticism in such a way that we should try to alter the course of the U.S. Commission on Civil Rights. It is a testament to its vitality that some people say it is too timid and other people say it is too bold. Some people will say that it is neglectful of certain areas while others will say its activities are too comprehensive. All these criticisms are sometimes made by the same people, showing that they are not in agreement as to where the U.S. Commission should be going.

However, I think, because of the diligent oversight conducted by this subcommittee under the very able chairmanship of the gentleman from California (Mr. EDWARDS), that this Congress does know where the U.S. Commission is going. It is the one voice that has been a sound and consistent voice of rationality in our dealings with the question of racism.

Mr. Chairman, we in the Congress and the people of the country owe a great deal to the U.S. Commission on Civil Rights, and I hope that this bill passes the House overwhelmingly in an unamended form.

Mr. BUTLER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. MCCLORY).

Mr. MCCLORY. Mr. Chairman, I have always been proud of the fact that I have been an outspoken leader on the Republican side of the aisle for continued diligence by the Congress to insure that all Americans enjoy equal protection of the laws and a life free from discrimination. I was a leading proponent of the Landmark civil rights legislation which the House Judiciary Committee successfully brought to the floor of this House and seen enacted into law.

At the same time, I have supported the basic mission and most of the work product of the U.S. Commission on Civil Rights. The Commission has been most helpful to the Congress and particularly to our committee in our efforts to secure passage of this historic legislation.

Over the last few years, however, I have become a "friendly critic" of the Commission's work. Recently, the Commission has strayed from its congressionally mandated jurisdiction. More and more we are seeing Commission projects and reports concentrating on such tangential issues as sterilization of women, police brutality, and forcible rape. While these are certainly topics of concern to most of us, I do not believe that these topics represent appropriate areas of study for the Civil Rights Commission.

First, the Department of Health, Education, and Welfare and the LEAA have spent millions of dollars to studying these particular topics. Second, study of these issues seems to generate a great deal of publicity for the Commission without contributing much to solve the problems. Elaborate and expensive hearings and consultations on these tangential issues keep the Commission in the limelight but accomplishes little else. These topics simply do not constitute proper areas of study for a commission designed to report on discrimination based on race, religion, sex, and national origin.

Not only am I concerned with the Commission's apparent decision to concentrate on the issues that attract the attention of the media but I am disappointed that the Commision rarely discusses the successes in civil rights which this country has realized over the past 20 years. Those of us, who remember the deplorable conditions which existed for blacks and other racial minority Americans in the 1950's, must agree that this country has indeed progressed at an encouraging rate. However, the Commission continues to dwell on the somewhat isolated examples of discrimination in our society without noting these tremendous successes.

All in all, the Commission provides a vital and useful service to the Congress and the executive branch. I support the extension of its existence for an additional 5 years, as long as the Commission returns to a commitment to concentrate on the broad areas of preventing discrimination in our society. I intend to insure that the Subcommittee on Civil and Constitutional Rights continue the oversight we have begun during the past 2 years.

It may well be proper for the Commission to have the authority to study discrimination and denials of equal protection of the laws based on age and handicapped status. However, I would not wish to see the Commission spend an inordinate amount of time and money on these two areas. While these topics do deserve study concentrating on the aspects of discrimination against these groups, several other Federal agencies and committees of the Congress are well versed with the problems experienced by the aged and handicapped.

All of us would be better served if the Commission could return to its original mandate and adhere strictly to an examination of both the gains and areas where improvement is still needed in our civil rights effort.

Mr. BUTLER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time .

Mr. EDWARDS of California. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 12432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Rights Commission Act of 1978".

SEC. 2. (a) Section 103(a) of the Civil Rights Act of 1957 (42 U.S.C. 1975b(a)) is amended by striking out "section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b–2; 60 Stat. 808)." and inserting in lieu thereof the following: "section 5703 of title 5 of the United States Code.".

(b) Section 103(b) of the Civil Rights Act of 1957 (42 U.S.C. 1975b(b)) is amended by striking out "the provisions of the Travel Expenses Act of 1949, as amended (5 U.S.C. 835–42; 63 Stat. 166)" and inserting in lieu thereof the following: "subchapter I of chapter 57 of title 5 of the United States Code".

SEC. 3. (a) Section 104 of the Civil Rights Act of 1957 (42 U.S.C. 1975c) is amended—

(1) in each of subsections (a)(1) and (a)(2), by inserting "age, handicap," after "sex,";

(2) in each of subsections (a)(3) and (a)(4), by inserting ", age, handicap," after "sex";

(3) in subsection (a)(2) by inserting "discrimination or" before "a denial";

(4) in each of subsections (a)(3) and (a)(4), by inserting "discrimination or" before "denials";

(5) by redesignating paragraph (6) of subsection (a) as subsection (b);

(6) by redesignating subsections (b) and (c) as (c) and (d), respectively; and

(7) by adding at the end the following:

"(e) As used in this section, the term 'handicap' means, with respect to an individual, a circumstance that would make that individual a handicapped individual as defined in the second sentence of section 7(6) of the Rehabilitation Act of 1973 (29 U.S.C. 706(6))."

(b) Subsection (b) (which is redesignated as subsection (c) by this Act) of section 104 of the Civil Rights Act of 1957 (42 U.S.C. 1975c(b)) is amended by striking out "fiscal year 1978" and inserting in lieu thereof "the fiscal year ending September 30, 1983".

SEC. 4. Section 105(a) of the Civil Rights Act of 1957 (42 U.S.C. 1975d(a)) is amended by striking out "and who shall receive compensation at a rate, to be fixed by the President, not in excess of $22,500 a year".

SEC. 5. Section 105(c) of the Civil Rights Act of 1957 (42 U.S.C. 1975d(c)) is amended—

(1) by striking out "may constitute such advisory committees within States" and inserting in lieu thereof the following: "shall constitute an advisory committee within each State"; and

(2) by striking out "and may consult" and inserting in lieu thereof the following: ", The Commission may consult".

SEC. 6. Section 105(d) of the Civil Rights Act of 1957 (42 U.S.C. 1975(d)) is amended by striking out "sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99)" and inserting in lieu thereof the following: "sections 203, 205, 207, 208, and 209 of title 18 of the United States Code".

SEC. 7. Section 106 of the Civil Rights Act of 1957 (42 U.S.C. 1975e) is amended to read as follows:

AUTHORIZATION OF APPROPRIATIONS

"SEC. 106. There are authorized to be appropriated not to exceed $12,752,000 for the fiscal year ending September 30, 1979, and not to exceed $14,000,000 for the fiscal year ending September 30, 1980, to carry out the provisions of this Act.".

Mr. EDWARDS of California (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. EDWARDS of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. LEDERER) having assumed the chair, Mr. DE LA GARZA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12432), to extend the Commission on Civil Rights for 5 years, to authorize appropriations for the Commission, to effect certain technical changes to comply with changes in the law, and for other purpose, had come to no resolution thereon.

AMERICAN FARMERS ARE FRUSTRATED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. GLICKMAN) is recognized for 5 minutes.

● Mr. GLICKMAN. Mr. Speaker, none of us here can question the fact that American farmers are frustrated, and when we recognize the facts of their situation we cannot help but realize that their frustration is warranted.

In the decade from 1966 to 1976 USDA reports show that the expenses involved in agricultural production in this country more than doubled. Every item in the farmer's budget has gone speedily upward—except his income. And a study prepared earlier this year by the USDA indicates, not to my surprise, that those cost increases are expected to continue. On the other hand, the return he receives on his investment has certainly not kept pace. In fact, between 1973 and 1977, the real value of farm income dropped by more than one-third. In short, farmers are caught in a severe cost-price squeeze and many are farming at a loss. That has led to a 63-percent increase in agricultural debt in just 5 years.

The frustration which farmers feel—evidenced by the numbers of them who have spent time here over the last 6 months trying to get some changes in our farm programs—is perfectly legitimate. It is complicated by the fact that they feel a sense of lack of control over their own destinies. The atomistic nature of the farming business makes it nearly impossible for them to effectively organize. The presence of several sizable farm organizations—with different perspectives—makes that task even more difficult. And we all recognize that farmers are directly subjected to the ravages of weather which can destroy their entire crops.

On top of that, the emergency farm bill we enacted earlier this year gives the Secretary of Agriculture virtually complete flexibility in setting loan rates and target prices. While I voted for the bill, this legislation does contribute to farmers' feelings that they are completely subject to the whims of nature and the Federal Government. Can you imagine how we would feel if the source of our livelihoods was largely outside our own control? There is no doubt that we would try to do something about it.

That is what I am trying to help farmers do through legislation I introduced this afternoon with 11 of our colleagues here in the House: Representatives BAUCUS, PRESSLER, WHITLEY, KEYS, WINN, MATHIS, JEFFORDS, FOUNTAIN, JONES of North Carolina, HEFNER, and NEAL. The intent of my bill is to give active farmers a means of effective input into the formulations of those figures, determined by the Department of Agriculture, which are supposed to show the costs of production of each of our major agricultural commodities, and which correspondingly determine the amount of support prices and subsidy to which farmers become eligible. The legislation would establish a 15-member Agricultural Cost of Production Board, to be comprised nearly entirely of active farmers, to review Department of Agriculture cost-of-production figures and formulas to determine if they accurately reflect the real total expense involved in producing food and fiber in the United States.

Those figures are critical to calculations used by USDA in determining price levels of our agricultural products. But the cost-of-production figures are now determined by bureaucrats and economists, not by farmers who have to pay the bills—all too often with borrowed money—to keep their farms operating. If we want our farm programs to work—to really provide for a stable, viable farm economy—it only makes sense to bring farmers fully into the process so we can be sure that those figures are accurate and that they reflect variation by crop and geographic location. The Board I propose in this legislation would do just that.

Furthermore, by requiring the Board to report annually to the House and the Senate Agriculture Committees on its activities—and specifically on the Secretary's actions in response to its recommendations, this legislation provides an effective oversight mechanism. We will be able to look at the specific recommendations for changes submitted by the Board and at what actions the Secretary takes in response to those recommendations. On that basis, if we in the Congress determine that the Secretary's actions in any instance were not adequate, we could take necessary steps to see that appropriate changes are made.

The bill I introduced today is not a panacea. It will not, by itself, put the farm economy back on sound footing. But it will strengthen the framework already in place. There are a considerable number of proposals before the Congress to significantly revamp our agricultural programs. We should look at them closely and judge their merits. But looking at the experience of the past year as we have worked to strengthen the 1977 farm bill, it is clear that any significant revision

will, at a minimum, require a considerable amount of time. We should not wait. Without ruling out the possibility of such massive revisions in our farm programs, we need to move promptly to make our present program work as effectively as possible. It is my hope that the bill I introduced today will help do that.

A companion bill will be introduced in the Senate tomorrow by Senator ROBERT MORGAN of North Carolina and eight cosponsors. Both in that body and this, we will be working to move this legislation along. I would welcome your support. Cosponsorship of this legislation will show farmers that we understand their frustration, and that we recognize that they should have input into the development of programs which govern their livelihood. This legislation would recognize the fact that farmers want some meaningful control over their destiny, and it would respond to that legitimate desire.●

THE HOUSING AND COMMUNITY DEVELOPMENT AMENDMENTS OF 1978

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHLEY) is recognized for 5 minutes.

● Mr. ASHLEY. Mr. Speaker, when H.R. 12433, the Housing and Community Development Amendments of 1978, is again before the House under the 5-minute rule, it is my understanding that an amendment will be offered which would require HUD to reverse its reorganization and consolidation of its area office activities. For the benefit of the Members, I am inserting a letter into the RECORD today from the Director of the Office of Management and Budget, James T. McIntyre, Jr., expressing the administration's strong opposition to this amendment.

Secretary Harris is to be congratulated on her efforts at making the Department's field operations more manageable and more responsive to the goals that the Congress has set forth. This proposed amendment is a irresponsible congressional bludgeoning of the Department. I would ask all Members to carefully consider the objections offered by OMB and vote against the amendment when proposed.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., June 21, 1978.

HON. THOMAS L. ASHLEY,
Chairman, Housing and Community Development Subcommittee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It has come to my attention that an amendment may be offered on the Floor of the House of Representatives to the Housing and Community Development Amendments of 1978, H.R. 12433, for the purpose of requiring the Department of Housing and Urban Development (HUD) to reverse the reorganization of its multifamily housing and community planning and development functions which is currently in process, and to restore the organizational structure which existed prior to the development of the present reorganization.

The Office of Management and Budget (OMB) is firmly opposed to such an amendment for several reasons:

From a practical standpoint, the reorganization is already well underway in several regions and the Department informs me that it will have completed the reorganization in all regions by July 1, 1978. Since those served by HUD, as well as HUD employees, have already made or have begun making adjustments, another change would impose serious dislocation problems on HUD's field operations and unnecessary personal hardships on HUD employees and individuals and businesses served by or working with the Department.

HUD's proposed reorganization was reviewed and supported by the OMB as a means of (1) improving the delivery of HUD programs by removing unnecessary layers of supervision and concentrating critical skills in key field locations and (2) reducing the costs of delivering those services by cutting operation and overhead costs in marginal field offices. The proposed amendment would be a definite and undesirable step backward towards a less efficient and more costly organizational structure.

Finally, I am deeply concerned about the implication of this amendment for the President's Government-wide efforts to increase Government efficiency through reorganization and the elimination of inefficient delivery systems. The Administration must be granted the necessary flexibility to implement carefully developed, thoroughly examined and approved internal organizational changes intended to streamline Government operations. While we welcome congressional review of our actions, that review should reflect a careful evaluation of the impact of these changes on program delivery and costs and not prejudge that impact before it has had a sufficient opportunity to operate.

I am certain the Congress shares the Administration's concern for improving the efficiency of Government operations. I believe we both can meet this objective working together cooperatively in the future and, hopefully, avoid precipitous attempts to reverse necessary and desirable internal organizational changes.

Sincerely,

JAMES T. MCINTYRE, Jr.,
Director.●

A TRIBUTE TO THE LATE HONORABLE WILLIAM KETCHUM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SISK) is recognized for 5 minutes.

● Mr. SISK. Mr. Speaker, I join today with others to pay tribute to a devoted public servant and close personal friend, the Honorable WILLIAM KETCHUM, who has served the people of the 18th Congressional District of California for the past 5 years.

His constructive views and tireless efforts are well known in these Halls and in the California Legislature where he served for 6 years as an assemblyman. While serving in the assembly, he chaired the agriculture committee where his experiences as a cattleman and farmer were well utilized.

His absence from the House will be severely felt. His was a well reasoned voice in the Committee on Ways and Means where he served on the Subcommittee on Social Security and the Subcommittee on Public Assistance and Unemployment Compensation.

Personally, I will greatly miss BILL and his support of issues which transcended both politics and district lines. Oftentimes in the best interests of all of California's farmers, we were able to speak with a single voice.

Water, the very lifeblood of both our districts, was an area where we had a special common bond.

Reta and I extend our deepest sympathies to Lola Ketchum, their two children, and the three grandchildren.●

NO EXILE TO FREEDOM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, it is with sorrow and deep pity that I would like to comment today on the present fate of Mrs. Ida Nudel and Vladimir Slepak, two would-be emigrants from the Soviet Union, so-called worker's paradise, which in its blissful neglect of human opinion and dignity brought dignity and eloquence out in these two exemplary people, whose desire for freedom would not allow them to shy away from repression and fear. It is my wish that in the following years their spirit can continue to grow and sustain itself, because the repression they suffer shows no signs of alleviation.

I am saddened on seeing that their impulse to leave that country of fear, expressed 8 years ago, in the case of Vladimir Slepak, has been denied and that repeated expressions of that wish were taken as a criminal act deserving sentencing to 5 years in Siberian exile.

Aside from the innocent fact that these two have close relatives already living abroad, whom they would understandably like to be with, it is a crime to force them to remain in a nation choosing to engender misery, chaining its citizens into that misery, and then blaming them for being miserable.

In the spirit of the Helsinki Accords, signed by the Soviet Union, though violated in this and other instances, according to the letter of that component of peaceful international law, I urge the members of the Soviet Government to search their hearts and minds to correct that hideous logic of terror, denial, aggression and cruel acts as they have visited upon Ida Nudel, Vladimir Slepak and others.

If ever we are to gain a world of greater peace, of tolerance and of dignity, of common prosperity and trust arising out of the enlightened self-interest of people seeking peace and the fruits of their own labor free to administer within their chosen society, then no one can now afford to tolerate the ravages to the human spirit of such intolerance and twisted acts.●

SCHEDULE OF PUBLIC HEARINGS OF SELECT COMMITTEE ON ASSASSINATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STOKES) is recognized for 10 minutes.

Mr. STOKES. Mr. Speaker, the Select Committee on Assassinations is still pursuing its investigation into the assassinations of Dr. Martin Luther King and President John F. Kennedy. Nevertheless, our work has reached the stage where it is appropriate to announce our

tentative schedule for the public hearings, later this summer and in the fall, in which the committee intends to examine the evidence it has uncovered in both investigations.

The schedule now contemplates holding approximately 20 days of hearings into each assassination. The first 5 days of public hearings planned are on the assassination of Dr. King. These hearings will commence on the 14th of August. The committee will sit each day from 9 a.m. to approximately noon. The hearings will be concerned with Dr. King's activities in Memphis in 1968, his assassination and the involvement, if any, of Mr. James Earl Ray in the assassination. An effort will be made to secure the testimony of Mr. Ray in the public session at that time.

The next set of public hearings will begin on September 7, 1978, and will continue each weekday during the month of September. Each of these hearings is also scheduled to run from at least 9 a.m. to noon. The hearings for the month of September will take up the evidence uncovered by the Select Committee on the Assassination of President John F. Kennedy.

After the conclusion of the Kennedy hearings, the committee will resume its public hearings on the King investigation on Thursday, November 9, 1978, and continue, except for a short break for Thanksgiving, through the entire month of November.

Commencing on December 12, 1978, and for approximately the next 4 days, the committee will meet in public session to discuss and resolve the issues that have been presented to it on the investigations into each assassination. Needless to say, Mr. Speaker, this schedule is tentative and subject to change as needs and developments in the investigations require it. The committee also wishes to emphasize that the field investigation will continue up to and indeed throughout the public hearings. I also add that the committee's decision to sit from 9 a.m. until noon each day has been made so that the Members will be available for their other House duties for the remainder of the day, during this important time at the end of the session. Nevertheless, if the requirements of the investigation warrant it, the committee is prepared to sit longer each day or even on weekends. Similarly, it is possible that a few of the scheduled dates of hearings will be eliminated if investigative developments warrant it.

SCHEDULE OF PUBLIC HEARINGS

August 1978

Monday, August 14.
Tuesday, August 15.
Wednesday, August 16.
Thursday, August 17.
Friday, August 18.

September 1978

Wednesday, September 6.
Thursday, September 7.
Friday, September 8.
Monday, September 11.
Tuesday, September 12.
Wednesday, September 13.
Thursday, September 14.
Friday, September 15.
Monday, September 18.
Tuesday, September 19.
Wednesday, September 20.
Thursday, September 21.
Friday, September 22.
Monday, September 25.
Tuesday, September 26.
Wednesday, September 27.
Thursday, September 28.
Friday, September 29.

November 1978

Thursday, November 9.
Friday, November 10.
Monday, November 13.
Tuesday, November 14.
Wednesday, November 15.
Thursday, November 16.
Friday, November 17.
Monday, November 20.
Tuesday, November 21.
Monday, November 27.
Tuesday, November 28.
Wednesday, November 29.
Thursday, November 30.

December 1978

Friday, December 1.

SCHEDULE OF PUBLIC MEETINGS

December 1978

Tuesday, December 12.
Wednesday, December 13.
Thursday, December 14.
Friday, December 15.

PERSONAL STATEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WEISS) is recognized for 5 minutes.

● Mr. WEISS. Mr. Speaker, the following states how I would have voted on certain recorded votes, which I missed, had I been present:

Rollcall No. 486, a vote on the final passage of H.R. 12505, which establishes a solar power satellite program. This bill passed by a vote of 267 to 96. I was paired against the passage of this bill and would have voted against it.

Rollcall No. 488, a vote on an amendment to H.R. 11493, the Amtrak Improvement Act, which sought to strike language requiring Amtrak to buy American products for any purchase exceeding $100,000. This amendment was rejected by a vote of 207 to 93. I would have voted against this amendment.

Rollcall No. 489, a vote on an amendment to H.R. 11493, which sought to require a discontinuance hearing for any passenger train where the Federal subsidy exceeds $100 per passenger. This amendment was rejected by a vote of 186 to 119. I would have voted against this amendment.

Rollcall No. 490, a vote on an amendment to H.R. 11493, which sought to have the U.S. Special Trade Representative advise the Secretary of Transportation whenever he thought it would not be in the public interest to require Amtrak to buy American products. This amendment was defeated by a vote of 178 to 121. I would have voted against this amendment.

Rollcall No. 491, a vote on the final passage of H.R. 11493. This bill passed by a vote of 204 to 89. I was paired on this vote and would have voted for the bill.

Rollcall No. 492, a vote on the rule permitting H.R. 12433, the Housing and Community Development Amendments of 1978, to be considered by the House. This rule passed by a vote of 282 to 5. I was paired on this vote and would have voted in favor of the rule.●

TRIBUTE TO FEDERAL DISTRICT JUDGE TERRY SHELL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

● Mr. ALEXANDER. Mr. Speaker, last evening one of Arkansas' leading public servants and foremost legal minds, U.S. District Judge Terry L. Shell, passed away.

Terry Shell assumed the Federal bench in September 1975 and had served in that capacity with distinction. His selection to the U.S. district court was hailed by all segments of the Arkansas legal community.

Shell was a 1939 graduate of Jonesboro, Ark., High School. He graduated from Arkansas State University in 1946 with a bachelor of science degree in education, attended the University of Texas Law School and graduated in 1949 from the University of Arkansas Law School.

He enlisted in the Army in 1942 and was captured by German troops during the Battle of the Bulge.

From 1949 until 1960, Shell was in private law practice with the late Edward L. Westbrooke, Jr., of Jonesboro. He served as State representative from Craighead County during 1953 and 1954; as prosecuting attorney from 1955 until 1960; and as chancellor from 1961 until his appointment to the Federal bench.

Judge Shell was active in the Craighead, Northeast Arkansas, Arkansas and American Bar Association. A native of Franklin, Shell leaves his mother, Mrs. Roxie Shell of Jonesboro; his wife, the former Sarah McCutcheon of Hooks, Tex.; and two daughters, Mrs. Larry Churchill of Jonesboro and Jeannie Shell, a student at Arkansas State University and Ouachita Baptist University.

Terry Shell was a personal friend. I shall miss his wise counsel and friendship, as will all of Arkansas.●

PRESIDENT CARTER'S FOREIGN POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 5 minutes.

● Mr. ZABLOCKI. Mr. Speaker, members of an ad hoc group of the International Relations Committee wrote to the President recently expressing various concerns in regard to important foreign policy issues and seeking information on these matters. The President promptly replied with an assurance of continued administration cooperation with the committee. The Secretary of State met with the committee shortly thereafter to answer our questions, in a session which lasted nearly 4 hours.

Mr. Speaker, the President should be commended for his willingness and desire to cooperate with the Congress on foreign affairs matters in which both the

President and the Congress have responsibilities. The example I have just cited is only one of many efforts he has been making to consult and work together with us on international relations issues.

The President also is to be commended for the improvements in the administration's presentation of American foreign policy on certain vital issues such as our relationships with the Soviet Union and concerning Africa. Secretary Vance did an excellent job last Monday explaining these policies before our committee, and again in his Africa policy speech in Atlantic City last week. What comes through from these statements is a coherent, positive picture of U.S. position on these important matters.

Of course, in foreign affairs, there are so many complex issues, and so many problems beyond exclusive U.S. control, that it is impossible for any President to avoid criticisms, no matter what he does. But in my opinion, President Carter is doing the job under trying circumstances. He needs and deserves our full support in facing the problems ahead.●

PERSONAL EXPLANATION

(Mr. DANIELSON asked and was given permission to extend his remarks at this point in the RECORD.)

● Mr. DANIELSON. Mr. Speaker, due to pressing business of the Judiciary Committee, I was compelled to be absent from the floor of the House of Representatives during rollcall No. 479 on Wednesday, June 21, 1978, and during rollcall No. 481 on Thursday, June 22, 1978, and would like to announce how I would have voted had I been present.

Rollcall No. 479. The House passed, by a vote of 375 yeas to 25 nays, House Resolution 1212, the rule under which H.R. 11493, Amtrak Improvement Act of 1978, is being considered. I would have voted "yea."

Rollcall No. 481. The House, by a vote of 369 yeas to 5 nays, agreed to resolve itself into the Committee of the Whole. I would have voted "yea." ●

PERSONAL EXPLANATION

(Mr. DANIELSON asked and was given permission to extend his remarks at this point in the RECORD.)

● Mr. DANIELSON. Mr. Speaker, because of a dental emergency, I was unable to be present in the House of Representatives on Friday morning, June 9, 1978, and was therefore unable to cast my vote on rolls Nos. 434 and 435. On Monday, June 19, 1978, I was attending to official business in my district and therefore could not vote on rolls Nos. 469, 470, 471, 472, and 473. If present, I would have voted as follows:

FRIDAY, JUNE 9, 1978

Rollcall No. 434. The House passed, by a vote of 237 yeas to 72 nays, House Joint Resolution 945, making an urgent supplemental appropriation for the black lung program of the Department of Labor for the fiscal year ending September 30, 1978. I would have voted "yea."

Rollcall No. 435. The House passed, by a vote of 309 yeas to 16 nays, House Resolution 1219, the rule waiving certain points of order against H.R. 12933, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979. I would have voted "yea."

MONDAY, JUNE 19, 1978

Rollcall No. 469. The House, by a vote of 347 yeas to 4 nays, agreed to resolve itself into the Committee of the Whole. I would have voted "yea."

Rollcall No. 470 was a quorum call. I would have voted "present."

Rollcall No. 471. The House rejected, by a vote of 173 ayes to 211 noes, an amendment to H.R. 12936, HUD appropriations for fiscal year 1979, that sought to decrease appropriations for EPA abatement and control activities by $114.6 million and EPA enforcement activities by $18.9 million. I would have voted "no."

Rollcall No. 472. The House, by a vote of 156 yeas to 222 nays, rejected a motion to recommit the bill to the Committee on Appropriations with instructions to report it back forthwith containing an amendment to reduce total appropriations not required by law by 2 percent. I would have voted "nay."

Rollcall No. 473. The House, by a vote of 332 yeas to 47 nays, passed H.R. 12936, making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1979. I would have voted "yea." ●

LEAVE OF ABSENCE

(By unanimous consent, leave of absence was granted as follows to:)

Mr. PEPPER (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. DENT (at the request of Mr. WRIGHT), for this week, on account of medical reasons.

Mr. MILFORD (at the request of Mr. WRIGHT), for this week, on account of medical reasons.

Mr. RODINO (at the request of Mr. WRIGHT), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. GRADISON) to revise and extend his remarks and include extraneous material:)

Mr. WHALEN, for 5 minutes, on Wednesday, June 28, 1978.

(The following Members (at the request of Mr. EDWARDS of California) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. ASHLEY, for 5 minutes, today.
Mr. SISK, for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. STOKES, for 10 minutes, today.
Mr. ZABLOCKI, for 5 minutes, today.
Mr. ALEXANDER, for 5 minutes, today.
Mr. WEISS, for 5 minutes, today.
Mr. JONES of Tennessee, for 60 minutes, June 29, 1978.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BUTLER, to include extraneous matter with his remarks in the Committee of the Whole today on H.R. 12432.

Mr. JOHN L. BURTON, has 1 minute, to follow the remarks of Mrs. FENWICK.

Mr. YATES, and to include extraneous matter.

(The following Members (at the request of Mr. GRADISON), and to include extraneous matter:)

Mr. FREY.
Mr. GUYER.
Mr. BADHAM.
Mr. KEMP.
Mr. VANDER JAGT.
Mr. STOCKMAN.
Mr. MICHEL.
Mr. MCKINNEY.
Mr. SAWYER.

(The following Members (at the request of Mr. EDWARDS of California) and to include extraneous matter:)

Mr. ANNUNZIO in six instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. BROWN of California in 10 instances.
Mr. SOLARZ in four instances.
Mr. MCHUGH.
Mr. VENTO in two instances.
Mr. HANNAFORD.
Mr. MURPHY. of Pennsylvania.
Mr. LEDERER.
Mr. DRINAN.
Mr. ROGERS in five instances.
Mr. ROYBAL.
Mr. FORD of Michigan.
Ms. MIKULSKI.
Mr. VANIK.
Mr. CLAY.
Mr. MCCORMACK.
Mr. FASCELL.
Mr. ROE.
Mr. PEASE in two instances.
Mr. LEHMAN.
Mr. TEAGUE.
Mr. LAFALCE.
Mr. KASTENMEIER.
Mr. STOKES.
Mr. BURKE of Massachusetts.

SENATE JOINT AND CONCURRENT RESOLUTIONS REFERRED

A joint and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 133. Joint resolution to authorize and request the President to issue a proclamation designating September 24, 1978, as "National Good Neighbor Day"; to Joint Committee on Post Office and Civil Service; and

S. Con. Res. 90. Concurrent resolution authorizing the printing of additional copies of volumes 1 and 2 of the committee print entitled "A Legislative History of the Water Pollution Control Act Amendments of 1972"; to the Committee on House Administration.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMPSON, from the Committee on House Administration, reported that that committee did on June 23, 1978, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.J. Res. 944. Making urgent grain inspection supplemental appropriations for the Department of Agriculture, Federal Grain Inspection Service, for the fiscal year ending September 30, 1978;

H.R. 11713. To create a solar energy and energy conservation loan program within the Small Business Administration, and for other purposes;

H.R. 11777. To authorize the Secretary of Agriculture to provide cooperative forestry assistance to States and others, and for other purposes;

H.R. 11778. To direct the Secretary of Agriculture to carry out forest and rangeland renewable resources research, and for other purposes; and

H.R. 11779. To provide for an expanded and comprehensive extension program for forest and rangeland renewable resources.

THE LATE HONORABLE WILLIAM M. KETCHUM

Mr. MOSS. Mr. Speaker, I offer a resolution (H. Res. 1249) on the death of the Honorable WILLIAM M. KETCHUM.

The Clerk read the resolution, as follows:

IN THE U.S. HOUSE OF REPRESENTATIVES

Resolved, That the House has heard with profound sorrow of the death of the Honorable William M. Ketchum, a Representative from the State of California.

Resolved, That a committee of 65 Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolutions were agreed to.

The SPEAKER pro tempore. On behalf of the Speaker and without objection, the Chair appoints as members of the Funeral Committee the following Members on the part of the House:

Mr. Moss of California;
Mr. RHODES of Arizona;
Mr. BOB WILSON of California;
Mr. SISK of California;
Mr. MCFALL of California;
Mr. JOHNSON of California;
Mr. CORMAN of California;
Mr. EDWARDS of California;
Mr. HAWKINS of California;
Mr. LEGGETT of California;
Mr. ROYBAL of California;
Mr. VAN DEERLIN of California;
Mr. CHARLES WILSON of California;
Mr. DON CLAUSEN of California;
Mr. DEL CLAWSON of California;
Mr. PHILLIP BURTON of California;
Mr. WIGGINS of California;
Mr. MCCLOSKEY of California;
Mr. ANDERSON of California;
Mr. GOLDWATER of California;
Mr. ROUSSELOT of California;
Mr. DANIELSON of California;
Mr. DELLUMS of California;
Mr. BROWN of California;
Mr. BURGENER of California;
Ms. BURKE of California;
Mr. MOORHEAD of California;
Mr. RYAN of California;
Mr. STARK of California;
Mr. LAGOMARSINO of California;
Mr. JOHN BURTON of California;
Mr. HANNAFORD of California;
Mr. KREBS of California;
Mr. LLOYD of California;
Mr. MILLER of California;
Mr. MINETA of California;
Mr. PATTERSON of California;
Mr. WAXMAN of California;
Mrs. PETTIS of California;
Mr. BADHAM of California;
Mr. BEILENSON of California;
Mr. DORNAN of California; and
Mr. PANETTA of California.
Mr. ULLMAN of Oregon;
Mr. PICKLE of Texas;
Mr. CONABLE of New York;
Mr. DICKINSON of Alabama;
Mr. ERLENBORN of Illinois;
Mr. SNYDER of Kentucky;
Mr. MYERS of Indiana;
Mr. WINN of Kansas;
Mr. CRANE of Illinois;
Mr. FRENZEL of Minnesota;
Mr. HILLIS of Indiana;
Mr. ROBINSON of Virginia;
Mr. BAFALIS of Florida;
Mrs. HOLT of Maryland;
Mr. MARTIN of North Carolina;
Mr. O'BRIEN of Illinois;
Mr. PRITCHARD of Washington;
Mr. SHUSTER of Pennsylvania;
Mr. SYMMS of Idaho;
Mr. GRADISON of Ohio;
Mr. HAGEDORN of Minnesota; and
Mr. SCHULZE of Pennsylvania.

The Clerk will report the remaining resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 4 o'clock and 19 minutes p.m.) pursuant to House Resolution 1249 and under its previous order, the House adjourned until Wednesday, June 28, 1978, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4436. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend title 10, United States Code, to provide for the temporary promotion of warrant officers of the Navy and Marine Corps, ensigns of the Navy and second lieutenants of the Marine Corps, under appointments which may be made by the President alone, and for other purposes; to the Committee on Armed Services.

4437. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense equipment to Ecuador (transmittal No. 78–57), pursuant to section 813 of Public Law 94–106; to the Committee on Armed Services.

4438. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Navy's proposed sale of certain defense equipment to the Republic of China (transmittal No. 78–58), pursuant to section 813 of Public Law 94–106; to the Committee on Armed Services.

4439. A letter from the Acting Comptroller General of the United States, transmitting a report on the contractiing methods used by the General Services Administration to obtain maintenance and cleaning services for Federal buildings (PSAD–78–115, June 14, 1978); to the Committee on Government Operations.

4440. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of Iran for permission to certain U.S.-origin defense services to the Government of Jordan, pursuant to section 3(a) of the Arms Export Control Act; to the Committee on International Relations.

4441. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of the Republic of Korea for permission to transfer certain U.S.-origin defense articles to the Government of Kuwait, pursuant to section 3(a) of the Arms Export Control Act; to the Committee on International Relations.

4442. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of the Republic of Korea for permission to transfer certain U.S.-origin defense articles to the Royal Thai Government, pursuant to section 3(a) of the Arms Export Control Act; to the Committee on International Relations.

4443. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

4444. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment to Ecuador (transmittal No. 78-57), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

4445. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense equipment to the Republic of China (transmittal No. 78–58), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

4446. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense equipment to Tunisia (transmittal No. 78–59), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

4447. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell cetrain defense equipment to Spain (transmittal No. 78–60), pursuant to section 36(b)

of the Arms Export Control Act; to the Committee on International Relations.

4448. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense equipment to Spain (trans-No. 78–61), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on International Relations.

4449. A letter from the vice president for Government Affairs, National Railroad Passenger Corporation, transmitting the financial report of the Corporation for the month of February 1978, pursuant to section 308 (a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

4450. A letter from the vice president for Government Affairs, National Railroad Passenger Corporation, transmitting reports covering the months of January, February, March, and April 1978, on the average number of passengers per day on board each train operated, and the on-time performance at the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

4451. A letter from the Secretary of Commerce, transmitting the annual report on the national sea grant program for fiscal year 1977, pursuant to section 211 of the Marine Resources and Engineering Development Act of 1966, as amended (90 Stat. 1968); to the Committee on Merchant Marine and Fisheries.

4452. A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend chapter 19 of title 38, United States Code, to permit the unrestricted assignment of a beneficiary's interest in the proceeds of a Government life insurance policy in cases involving contested claims, and to increase the amount an attorney may receive for representing a claimant in such cases; to authorize the Administrator to use a flexible interest rate in cases where the beneficiary of Government life insurance receives the proceeds of such insurance under certain settlement options; and for other purposes; to the Committee on Veterans' Affairs.

4453. A letter from the Comptroller General of the United States, transmitting a report on the effects of the expansion of motor carriers commercial zones (CED–78–124, June 26, 1978); jointly, to the Committees on Government Operations, and Public Works and Transportation.

4454. A letter from the Secretary of the Interior, transmitting a consolidated report covering calendar year 1977, on the public disclosure of certain financial interests by officers and employees of the Department of the Interior performing functions under the Energy Policy and Conservation Act, the Mining in the Parks Act, and the Federal Land Policy and Management Act, pursuant to sections 522(b)(2), 13(b)(2), and 313(b)(2) of the respective acts; jointly, to the Committees on Interstate and Foreign Commerce, and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 12349. A bill to provide for the DuNoir Basin addition to the Washakie Wilderness; with amendment (Rept. No. 95–1321). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California (by request):

H.R. 13282. A bill to establish the Mojave National Park in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DON H. CLAUSEN (for himself, Mr. ROE, Mr. TREEN, Mr. WHITEHURST, Mr. LAGOMARSINO, Mr. HOLLENBECK, Mr. LIVINGSTON, Mr. BROOKHEAD, Mr. EMERY, Mr. PATTEN, Mr. CEDERBERG, Mr. MCCORMACK, Mr. EILBERG, Mr. CORRADA Mr. CUNNINGHAM, Mr. BEVILL, Mr. SANTINI, and Mr. GUYER):

H.R. 13283. A bill to strengthen Federal policies and programs and international cooperation to combat international terrorism; jointly, to the Committees on Intrenational Relations, the Judiciary, and Public Works and Transpotration.

By Mr. DRINAN (for himself, Mr. BEDELL, Mr. BONIOR, Ms. COLLINS of Illinois, Mr. EILBERG, Mr. FRASER, Mr. FREY, Mr. GLICKMAN, Mr. HANLEY, Mr. HANSEN, Mr. HARRINGTON, Mr. HAWKINS, Mr. KILDEE, Mr. LEDERER, Mr. LUNDINE, Mr. MCHUGH, Mr. MADIGAN, Mr. MARKEY, Mr. MARLENEE, Mr. METCALFE, Ms. MEYNER, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. MOFFETT, and Mr. NOLAN):

H.R. 13284. A bill to secure and protect the freedom of the press from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. OTTINGER, Mr. PATTISON of New York, Mr. PEASE, Mr. PRESSLER, Mr. RANGEL, Mr. REUSS, Mr. RICHMOND, Mr. SEIBERLING, Ms. SPELLMAN, Mr. STARK, Mr. STUDDS, Mr. THOMPSON, Mr. TSONGAS, Mr. UDALL, Mr. VAN DEERLIN, Mr. VENTO, Mr. WAXMAN, Mr. WEISS, Mr. WON PAT, and Mr. YOUNG of Missouri):

H.R. 13285. A bill to secure and protect the freedom of the press from unwarranted intrusions by persons acting under color of law; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 13286. A bill to require authorizations of new budget authority for Government programs at least every 6 years, to provide for review of Government programs every 6 years, and for other purposes; jointly, to the Committees on Rules, and Government Operations.

By Mr. GLICKMAN (for himself, Mr. PRESSLER, Mr. WHITLEY, Ms. KEYS, Mr. WINN, Mr. MATHIS, Mr. JEFFORDS, Mr. FOUNTAIN, Mr. JONES of North Carolina, Mr. HEFNER, Mr. BAUCUS, and Mr. NEAL):

H.R. 13287. A bill to provide for the establishment of a National Agricultural Cost of Production Board; to the Committee on Agriculture.

By Mr. JACOBS:

H.R. 13288. A bill to prohibit payments of retirement benefits to those who are not retired; to the Committee on Post Office and Civil Service

By Mr. LEDERER:

H.R. 13289. A bill to amend title II of the Social Security Act to reduce insured status requirements for the blind, and to liberalize the test for determining whether blind individuals are able to engage in substantial gainful activity; to the Committee on Ways and Means.

By Mr. LEGGETT (for himself, Mr. MURPHY of New York, Mr. FORSYTHE, Mr. HOLLENBECK, Mr. RANGEL, Mr. HARRINGTON, Mr. ROE, Mr. HOWARD, Mr. CORNWELL, and Mrs. SPELLMAN):

H.R. 13290. A bill to amend the Dingell-Johnson Sport Fish Restoration Act in order to deny benefits under that act to any State which does not extend certain reciprocal fishing privileges to nonresident individuals who have attained age 62 and hold valid fishing licenses issued by the State of their residency; to the Committee on Merchant Marine and Fisheries.

By Mr. LIVINGSTON:

H.R. 13291. A bill to direct the Secretary of the Army to replace the seawall located at Mandeville, St. Tammany Parish, La.; to the Committee on Public Works and Transportation.

By Mr. MCCLOSKEY (for himself and Mr. DON H. CLAUSEN):

H.R. 13292. A bill to provide assistance to States for the preservation of natural game fish streams; to the Committee on Merchant Marine and Fisheries.

By Mr. MAGUIRE:

H.R. 13293. A bill to establish a Commission on National Primary Health Care Needs and to amend the Public Health Service Act to establish hospital-affiliated primary care centers and to provide for research and demonstration projects in primary health care; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of Pennsylvania (for himself, and Mr. LEDERER):

H.R. 13294. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of a transfer of proven oil or gas properties by an individual to a wholly owned corporation; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. JOHNSON of California, Mr. REUSS, and Mr. Moorhead of Pennsylvania) (by request):

H.R. 13295. A bill to establish a National Development Bank to encourage and assist the retention and development of permanent private sector employment opportunities and private sector investment in areas with high unemployment, lagging economic growth and low income levels, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, and Public Works and Transportation.

By Mr. SKUBITZ (for himself and Mr. FRENZEL):

H.R. 13296. A bill to amend the Occupational Safety and Health Act of 1970 to exempt employers of 10 or fewer regular employees, to require the issuance of warnings to employers of 25 or fewer regular employees for the first instance violations, and bar the assessment of penalties where fewer than 10 violations are cited; to the Committee on Education and Labor.

By Mr. SYMMS (for himself, Mr. EVANS of Georgia, Mr. MCDONALD, Mr. DEVINE, Mr. GEPHARDT, Mr. KEMP, and Mr. EDWARDS of Oklahoma:

H.R. 13297. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide that drugs will be regulated under the act solely to assure their safety, to promote the efficient and fair treatment of new drug applications, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TRIBLE (for himself, Mr. BLANCHARD, Mr. CORNWELL, Mr. EDGAR, and Mr. LENT):

H.R. 13298. A bill to amend the Internal Revenue Code of 1954 to allow individuals to compute the amount of the deduction for payments into retirement savings on the basis of the compensation of their spouses,

and for other purposes; to the Committee on Ways and Means.

By Mr. REUSS (for himself, Mr. RODINO, Mr. LEDERER, Mr. NIX, Mr. WAXMAN, Mr. DENT, Mr. CORRADA, Ms. HOLTZMAN, Mr. MITCHELL of Maryland, Mr. EDGAR, Mr. EDWARDS of California, Mr. BEDELL, Mr. SEIBERLING, Mr. DRINAN, Mr. EILBERG, Mr. RANGEL, Mr. BALDUS, Mr. SOLARZ, Mr. RICHMOND, Mr. PATTERSON of California, Mr. BONIOR, Mrs. COLLINS of Illinois, Mr. VENTO, and Mr. MANN):

H. Con. Res. 652. Concurrent resolution expressing the sense of Congress that the President should include environmental and safety and health standards among the international fair labor standards whose adoption is sought under section 121(a)(4) of the Trade Act of 1974; to the Committee on Ways and Means.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

482. By the SPEAKER: Petition of the Township Committee, Township of Washington, Turnersville, N.J., relative to State and local taxation of nonresident income; to the Committee on the Judiciary.

483. Also, petition of the Western New York Conference of the United Methodist Church, West Seneca, N.Y., relative to treaties with American Indians; jointly, to the Committees on Interior and Insular Affairs, the Judiciary, and Merchant Marine and Fisheries.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 12536

By Mr. FRENZEL:
—Page 301, strike out line 23 and all that follows down through line 5 on page 303, redesignate the following sections accordingly, and make the necessary conforming changes in the table of contents.

H.R. 12536

By Mr. THOMPSON:
—Page 194, strike out line 8 and all that follows down through line 17 on page 196, renumber the following sections accordingly, and make the necessary conforming changes in the table of contents.

—Page 313, strike out line 22 and all that follows down through line 19 on page 314, renumber the following sections accordingly, and make the necessary conforming changes in the table of contents.

H.R. 12536

By Mr. VANDER JAGT:
—Page 297, in line 24 thereof, after the phrase "referred to in this paragraph" insert the following: "Any plan prepared pursuant to subsection (b) shall include provisions for information and education to river users, and regulation of recreational use of the river as required to protect its esthetic, scenic, historic, archeologic, and scientific features.".

SENATE—*Monday, June 26, 1978*

(Legislative day of Wednesday, May 17, 1978)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. DENNIS DECONCINI, a Senator from the State of Arizona.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray.

Almighty God, in whose righteous will all things are created, Thou hast gathered the people of many races and tongues into this great Nation and prospered the work of our hands, our heads, and our hearts. Give us wisdom and grace now to build upon the sure foundation laid by the Founding Fathers. Deepen the roots of our life in pure religion and refined patriotism. Make us equal to our high trust, reverent in the use of freedom, just in the exercise of power, and generous in the protection of the weak. Make us prudent in the use of money and our valued natural resources. May wisdom and knowledge be the stability of our times, and our deepest trust be in Thee, the Lord of nations and the King of Kings. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 26, 1978.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DENNIS DECONCINI, a Senator from the State of Arizona, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. DECONCINI thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is recognized.

JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have no further need for my time.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

Mr. STEVENS. Mr. President, I yield to the Senator from Utah.

PRIVILEGE OF THE FLOOR

Mr. HATCH. Mr. President, I ask unanimous consent that Ron Docksai of my office be accorded the privilege of the floor during consideration of all these bills.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I have no further use for the time on this side. I yield it back.

PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORIAL RESEARCH ACT OF 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 2579, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 2579) to amend the Public Health Service Act to establish the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Human Resources with amendments.

The ACTING PRESIDENT pro tempore. Time for debate on this bill is limited to 2 hours, to be equally controlled by the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Pennsylvania (Mr. SCHWEIKER) with 1 hour on any amendment in the first degree; 30 minutes on any amendment in the second degree; and 20 minutes on any debatable motion, appeal, or point of order.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time be equally charged to either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, As I understand, the pending business is S. 2579. Am I correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and, as agreed, be considered original text for the purpose of further amendment.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 3, line 1, after "physical," insert "and";

On page 3, line 2, strike "and social";

On page 3, line 16, strike "the appointment of an individual as";

On page 3, line 17, after "Commission," insert "having access to any information which is classified or deemed to be classified for any purpose (including national security by any department or agency)";

On page 3, line 20, strike "individual shall receive" and insert "member must have qualified for";

On page 3, line 23, after "any" insert "such";

On page 3, line 23, strike "which is classified or deemed to be classified for any purpose (including national security by any department or agency)";

On page 4, line 7, after "information" insert "or information protected from unauthorized disclosure by statute";

On page 5, line 3, strike "be a researcher" and insert "be chosen from among the members appointed pursuant to paragraph (1) of subsection (b)";

On page 5, line 5, strike "researchers" and insert "chosen from among such members";

On page 7, line 5 after "(a)" insert "to the President,";

On page 7, line 23, after "reports" insert "to the President,";

On page 9, line 3, after "report" insert "to the President,";

On page 10, line 12, strike "assess" and insert "access";

On page 11, line 1, after "reports" insert "to the President,";

On page 11, line 15, strike "appointments" and insert "appointment and removal";

On page 11, line 22, strike "advisable, without regard" and insert "advisable, subject";

On page 12, beginning with line 16, insert the following:

"(4) Any persons appointed or employed under this subsection by the Commission must have qualified for any necessary security clearances before being granted access to classified information or information protected from unauthorized disclosure by statute, and are subject to the same restrictions on release of information as set forth in section 1807(c).

On page 13, line 1, after "appropriate" insert "consistent with the requirements of section 1807";

On page 14, beginning with line 21, strike through and including line 22, and insert in lieu thereof the following:

The Commission shall be subject to the Federal Advisory Committee Act (Public Law 92-463) except that under the provisions of section 14(a)(1)(B) of such Act the Commission shall continue in existence until four years after the date of enactment of the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research Act of 1978.

On page 16, beginning with line 16, insert the following:

"(c) The Commission shall not disclose any information collected or maintained by it pursuant to this title which is properly classified or is protected from unauthorized disclosure by statute.

On page 16, beginning with line 20, strike through and including page 17, line 5;

On page 17, line 7, strike "1809" and insert "1808";

On page 17, line 10, after "another" insert "department or";

On page 17, line 21, strike "1810" and insert "1809";

On page 18, beginning with line 2, insert the following:

SEC. 3. (a) Part A of title II of the National Research Act (42 U.S.C. 2891-1) is amended by adding at the end thereof the following new section:

"FOLLOWUP OF WORK OF THE COMMISSION BY THE PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"SEC. 206. The President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research shall complete any of the duties of the Commission set forth in section 202 that remain unfinished when the Commission ceases to exist and, where appropriate, conduct additional studies and investigations on any of the matters set forth in section 202 with respect to any and all departments and agencies of the Government of the United States (but excluding the Congress, the courts of the United States, the governments of the territories or possessions of the United States and the government of the District of Columbia) whether or not such departments and agencies are subject to review by another department or agency.".

On page 18, line 22, strike "SEC. 3. (a)" and insert "(b)";

On page 18, line 23, strike "2891" and insert "2891-1";

On page 18, line 23, after "repealed" insert "except for section 206 added by subsection (a)";

On page 19, line 1, strike "(b)" and insert "(c)";

On page 19, line 3, strike "(c)" and insert "(d)";

Mr. KENNEDY. Mr. President, I ask unanimous consent that the following staff members have the privilege of the floor during the consideration of and any vote on S. 2579, S. 2466, and S. 2450: Mr. Horowitz, Mr. Wenger, Mr. Blumenthal, Mr. Shapiro, Ms. Beauregard, Ms. Ringewalt, and Mr. Rubin.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCHWEIKER. Mr. President, on behalf of Senator DOLE I ask unanimous consent that Barry Leshowitz, Marsha Stanhope, and Shelia Burke be given the privilege of the floor during debate and votes on S. 2466, S. 2450, and S. 2579.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, S. 2579 is one of the most significant pieces of health legislation ever debated in this Chamber.

Congress is used to debates on bills which increase support for biomedical and behavioral research. In fact, the Federal effort in this area has created a biomedical and behavioral research capability second to none. We have all been touched by, and have all profited from, the fruits of biomedical and behavioral research.

Today, however, we are debating legislation that would establish a Presidential commission for the protection of human subjects of biomedical and behavioral research.

It is a sad, but true, fact that biomedical research progress has too often been achieved at the expense of individual rights—of free choice, of informed consent.

Mr. President, the Health Subcommittee has documented the wide range of abuses in 17 days of hearings since 1973. They are a blight on the otherwise proud record of American science and medicine.

We have seen:

How treatment was withheld from syphilis victims for years after an appropriate therapy had been developed;

The use of an experimental supercoil intrauterine device, without informed consent, result in grievous harm to unsuspecting subjects;

The use of depoprovera, at that time an experimental, long-term injectable contraceptive with profound side effects, on thousands of women throughout the State of Tennessee without informed consent;

The use of that same product on the mentally retarded, without informed consent;

The abuse and misuse of psychosurgery on children;

The sterilization of two retarded teenage girls without the consent or knowledge of their parents;

The testing of experimental drugs in "locked" nursing homes, without consent, without proper medical supervision, without proper recordkeeping;

The testing of drugs on prisoners without following appropriate ethical safeguards;

The testing of respiratory depressants during labor with consent obtained under duress and posing unjustifiable risks to the newborn infant;

The inconsistent and ineffective record of university-based institutional review boards in protecting human research subjects;

Widespread abuses in the human research programs of the Department of Defense;

The inexcusable, intolerable abuses of human rights by the Central Intelligence Agency's testing of hallucinogenic drugs on unwitting Americans on both coasts, of all social classes;

The death of a CIA employee after he was given an hallucinogenic drug without his knowledge;

The use of prostitutes by the CIA to lure Americans to safehouses where they became the unwitting subjects of drug experimentation.

The list is endless. It covers abuses from 1922 to 1978.

In 1974, in response to what was known at that time, the Congress enacted legislation establishing the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research. Its jurisdiction at that time was limited to programs within the jurisdiction of the Department of HEW. That was truly landmark legislation for two reasons:

First, it marked the first time the country established an independent group to be primarily concerned with the protection of human research subjects;

Second, it marked the first time that an interdisciplinary group of professionals—doctors, lawyers, ethicists, theologians—were given a mandate to work together and try to give the society guidance on some of the most difficult, complex, ethical, and moral problems of our time.

The legislation recognized the new challenges and dilemmas posed by the continuing expansion and development of biomedical knowledge and technology. It provided a forum where ideas and issues could be debated and analyzed—always in public, but outside the political arena. And the result has been some of

the most important analyses of ethical issues ever developed—on fetal research, on psychosurgery, on research on prisoners, children, and the mentally retarded.

These reports have, by and large, earned this commission the respect and appreciation of the scientific community, the medical profession, the pharmaceutical industry, consumer groups, ethicists and theologians. Its reputation is impeccable. Its work is of high quality.

Mr. President, in this era of abundant regulation, it is interesting to note that this commission has had a profound effect on public policy without a shred of regulatory authority. Where they have had impact, it has been because of the force of their ideas and their powers of persuasion. The quality of their work has determined the fate of their recommendations.

Mr. President, the commission was structured to make recommendations to the Secretary of HEW. The Secretary has to publish them, and respond to them, but not accept them unless persuaded to do so.

The Commission has affected the Department's policies. It has significantly raised the standards for the protection of human research subjects. It has helped formulate policy in difficult ethical areas. And it has done so solely on the basis of the merit and quality of its work.

Mr. President, we all know that commissions come and go; that our shelves are cluttered with unread reports that make no difference. This Commission's reports are living documents. They have made and continue to make a difference.

But their work today remains unfinished. Their mandate expires in October. But the need for the Commission is as great today as it ever was. The Senate Health Subcommittee believes it would be unconscionable to let this Commission die—in view of its record, in view of the continuing need.

It would be a major step backward to eliminate the only independent focus on protecting human research subjects at a time when our clinical research budgets are expanding to break all records—in Government and in the private sector.

Mr. President, S. 2579 would extend the life of the Commission and expand its mandate. As currently constituted, the national commission can only address issues raised by the human subject research activities of the Department of Health, Education and Welfare. It can only address the adequacy of rules to protect human subjects as promulgated by that Department. But we all know that many agencies of the Federal Government conduct experimentation on human subjects. We all know that abuses have been documented in all of these programs.

Most importantly, we all know that it makes no difference to the human subject of biomedical or behavioral research whether the funds supporting the experiment come from the Defense Department, the CIA, the Department of Health, Education, and Welfare, or the Veterans' Administration. The risk is the same regardless of the funding source. I believe the protection for the human subject must be the same regardless of the funding source.

S. 2579 gives the Commission the authority to review the adequacy of the guidelines for the protection of human subjects of all agencies that conduct research on human subjects. Because it is not limited to the Department of Health, Education, and Welfare, the Commission is removed from that Department and made a Presidential Commission, with members appointed by the President.

Its composition would be the same as the current Commission—11 members, 5 of whom are, or have been, engaged in biomedical or behavioral research involving human subjects, and 6 who have not conducted such research, but who are distinguished in the fields of medicine, law, ethics, theology, philosophy, humanities, health administration, government, and public affairs, as well as the biological, physical, and behavioral sciences, the Chairman of the Commission will be subject to the advice and consent of the Senate. If the Chairman is a scientist, the Vice Chairman may not be, and vice versa. Each commissioner will be limited to a term of 4 years, and no one may serve more than two terms. The Secretaries of the relative departments are designated as ex officio advisers to the Commission.

Because the commissioners are intended to have purview over all human research, special requirements are included for the handling of classified information.

The mandate of this Commission is one that is modeled after the current Commission. Every 2 years, a report will be issued on the adequacy of the protection of human subjects of biomedical and behavioral research in programs under the Commission's purview. In order to prepare the report, the Commission is to periodically review the rules, policies, guidelines, and regulations of each department or agency involved in biomedical and behavioral research on human subjects to determine their adequacy. When necessary, the Commission may review the adequacy of the implementation of human subject research policies.

The Presidential Commission will have the same mandate as the current Commission with regard to an evaluation of the ethical, social, and legal implications of advances in biomedical or behavioral research and technology.

Specifically, they will be asked to conduct an analysis and evaluation of scientific and technological advances in past, present and projected biomedical and behavioral research services, as well as an analysis and evaluation of the implications of those advances, both for individuals and for society. The Commission will also analyze and evaluate laws and moral and ethical principles governing the use of technology in medical practice.

As in the current law, the Commission is mandated to conduct several special studies. These include:

First. A study to identify the requirements for informed consent by patients before they receive medical treatment. The purpose is to define when informed consent is necessary and appropriate, outside of a research setting, as part of the normal provision of medical care.

Second. A study on the ethical, moral, social, legal, and medical considerations involved in the development of a definition of death. This study is to include an analysis of the pros and cons of developing a uniform definition of death for the Nation. This study is particularly relevant to the mandate of the Commission. The rapid advance in technology, particularly life-sustaining equipment, has created daily dilemmas, both for physicians and for patients' families.

Third. A study of the ethical, moral, social, and legal implications of voluntary testing, counseling, and information and education programs with respect to genetic diseases.

Fourth. A study to assess and evaluate the adequacy of current procedures and mechanisms designed to safeguard the privacy of research subjects.

The Commission is given the authority to conduct studies on its own initiative, or to do them at the request of a Department head or Member of Congress, but the Commission is allowed to set its own priorities for the order in which studies are to be carried out.

I think it is very important to point out that this Commission, as is the case with the current Commission, will have no regulatory authority. It cannot develop and implement policies. It can only review, analyze, comment upon, and make recommendations. The recommendations are never binding. The appropriate Department or Agency must publish the Commission's findings in the Federal Register. Within 180 days of that publication, that Department must publish its own analysis of the recommendations, stating where it agrees, where it disagrees, and why. Once a year, each Department will submit to the Congress a list of all the recommendations made to it by the Commission, with a summary of which recommendations were followed, which were not followed, and why.

The Commission will sunset after 4 years, and shall have an appropriation of $6 million for each of those years.

Mr. President, the Senate passed legislation quite similar to this in the last Congress by unanimous consent. The need is no less now than it was then. It is the goal of this legislation to establish a system for the protection of human subjects of biomedical and behavioral research second to none. The current national Commission has taken us a long way toward achieving that goal. S. 2579 will make that goal a reality.

Mr. President, in these opening remarks, I wish to pay tribute to my colleague, the ranking Republican member of the Health Subcommittee, Senator SCHWEIKER, who was enormously interested and invaluable in the shaping and formulating of this legislation. He recommended that we review the areas of human experimentation by the Central Intelligence Agency as well as the DOD. When we reviewed in some detail the experimentation that was being conducted by those agencies, we found the same types of abuses that we had seen

in the ones funded by HEW. I must say, to the credit of Mr. Turner and Secretary Brown, both of those individuals strongly support this legislation and have committed and pledged themselves to it. I think this legislation is a significant enhancement of the work of the present Commission.

I thank the Senator from Pennsylvania for his strong contributions to the work.

Mr. SCHWEIKER. Mr. President, I yield myself such time as I may use.

Mr. President, I urge my colleagues to join me in supporting S. 2579, the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research Act.

This bill would establish a Presidential Commission for the Protection of Human Subjects of Biomedical and Behavioral Research composed of five researchers and six nonresearchers. The Commission would be responsible for ongoing review of Federal policies toward questions of biomedical ethics involving the protection of human subjects. It would have access to information maintained by any Federal Department or agency relating to human experimentation programs and the authority to make recommendations to any department or agency to safeguard the rights of human subjects of research. Safeguards to insure the protection of the privacy of research subjects and prohibit the disclosure of confidential and properly classified information are clearly provided for in S. 2579.

The Commission's recommendations would be published in the Federal Register, and if the agency involved decided not to implement them as expeditiously as possible, the agency would also have to publish its reasons for rejecting the Commission's reports.

In addition, as the successor to the present National Commission for the Protection of Human Subjects, the new Commission would also undertake special studies on major ethical issues in the research and health fields.

I hasten to add, Mr. President, that this bill would not create a new major Federal bureaucracy. The Commission established in the bill would replace the existing National Commission, which now only has the authority to make recommendations to the Department of Health, Education, and Welfare. A successor to the National Commission is already provided for in existing law (section 217(f) of the Public Health Service Act, which would be repealed by this bill); however, that body would also have been limited in its mandate to dealing with the activities of the Department of Health, Education, and Welfare. As I am sure my colleagues are well aware, many other Federal agencies—notably the Department of Defense, the Central Intelligence Agency, the Veterans' Administration, and the National Science Foundation—have also conducted and supported research involving human experimentation. I believe that it is vital that the Commission for the Protection of Human Subjects have an expanded mandate to span all Federal programs.

Mr. President, through my work as the ranking Republican member of the Senate Health and Scientific Research Subcommittee and a former member of the Senate Select Committee on Intelligence Activities, I was shocked by disclosures of flagrant abuse of the rights of human subjects, some of whom were unwittingly used in bizarre drug experiments with unknown consequences, as part of research conducted and supported by the Federal Government with taxpayers' dollars. Although in the current atmosphere it may appear unlikely that abuses like those documented in our past health subcommittee hearings will reappear, we cannot afford to relax our efforts to insure the fullest possible protection of the rights of human research subjects. In the area of human experimentation, we can allow nothing short of the highest ethical standards.

As many of my colleagues know, legislation very similar to S. 2579 passed the Senate by a voice vote during the last Congress, but died when the House of Representatives failed to complete action on a bill before the close of the session. The provisions of S. 2579 as reported by the Human Resources Committee last month have received wide approval in the academic and private industrial research community. I believe the bill demonstrates both our continuing commitment to the protection of the rights of human subjects of biomedical and behavioral research and our sincere desire not to impose overly burdensome requirements on researchers. In addition, as a strong supporter of the concept of sunset legislation, I am glad that a specific sunset clause has been included in S. 2579 as reported. For all these reasons, I urge passage of the bill.

I particularly commend the chairman of our Health and Scientific Research Subcommittee, Senator KENNEDY for his work and his leadership in this area.

I reserve the remainder of my time.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Who yields time?

Mr. HATCH. Mr. President, I wonder if the distinguished Senator from Pennsylvania would yield some time to me?

Mr. SCHWEIKER. How much time does the Senator wish?

Mr. HATCH. I would think somewhat in the neighborhood of 10 minutes.

Mr. SCHWEIKER. I yield the Senator 10 minutes.

Mr. HATCH. Or less.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 10 minutes.

Mr. HATCH. Mr. President, conscience compels me to object to specific provisions of the bill we are now asked to consider, S. 2579. Certainly, I have no quarrel with the legislation's pronounced high purposes. These purposes charge a Presidential Commission as reauthorized with the mission of finding new ways to protect individuals subject to scientific experimentation. The experimentation is intended to be conducted for the benefit of us all, and I pay additional tribute to the noble intent of the primary legislative sponsor, my colleague on the Human Resources Committee, the distinguished Senator from Massachusetts (Mr. KENNEDY) and the ranking member of the subcommittee, my friend from Pennsylvania (Mr. SCHWEIKER).

However, the practical side effects of this bill transcend its more modestly stated purpose. Specifically, I am concerned with page 9, line 22, of the bill, S. 2579. It is the section authorizing the Commission to study and then propose a new definition of death, or as death is to be legally understood.

I contend that such a study as here authorized is no mere research activity. It is no mere academic exercise. Once formulated, the definition will probably carry with it the force of law.

In the past, the recommendations of this Presidential Commission later became the basis of Federal statute at the behest of the Department of Health, Education, and Welfare. A recent example of this was the end result of the Supreme Court's most recent abortion decisions. The highest court in the land ruled that the human fetus is not a human being and, therefore, not guaranteed any legal protection. The Court based its decisions against the right to life on the basis of interpreting the legislative intent of the Congress. This legislative intent was not predicated on any votes we took or on any specific pronouncements by any of the elected representatives of the people so much as on the research findings of the Presidential Commission's definitions formulated during its fetal research.

Now, surely, there is no prevailing consensus on the matter of abortion or euthanasia, or better, what role if any the Federal Government should have in their regulation or prohibition. If such a consensus exists here on the Senate floor, it has yet to be revealed in the form of a vote or any other democratic expression. I believe that until it does, and until we are certain we can assuredly decide on the matter, we ought not to leave the matter to the discretion of any commission, Presidential or otherwise. We ought not to let any group of researchers decide such controversial legal questions when they are to be decided by unelected and. therefore, unrepresentative, unresponsive and unaccountable individuals.

The definition of death is the center. It is the keystone on which the right to life, euthanasia and similar sanctity of life questions are determined. It would seem to me the most insensitive moment in a cynical age if we allow this section of the bill to remain in tact; if we delegate to an appointed select few the giant responsibility which is ours and ours alone.

As one who supports the right to life, I realize that aborting a human fetus is one of many presently permitted practices within our legal system. Despite democratic mandates to stem if not abolish such practices, the popular will is often thwarted because of judicial in-

terpretation. The prevailing legal definition of death as "brain death" and its corollary as a basis for determining life have been used by courts to render their decisions on abortion, euthanasia and other sensitive areas. If it is again to be defined, and to be defined in such a way as to further rationalize the taking of human life, then I am against any process, any law or any Presidential Commission which would lend itself to this.

There are ethical and legal considerations which ought to be carefully weighed by anyone in any responsible position of authority. Dr. Dennis J. Horan, vice chairman of the American Bar Association's committee on medicine and law, has done an exemplary job in laying out the basic issues. I respectfully request unanimous consent that his paper on this subject, one which was delivered before the last meeting of the New York Academy of Sciences Conference, be printed in the RECORD for the benefit of my colleagues.

There being no objection, the Article was ordered to be printed in the RECORD, as follows:

EUTHANASIA AND BRAIN DEATH: ETHICAL AND LEGAL CONSIDERATIONS

(By Dennis J. Horan)

I.

For many years the problem of defining death was basically one of a simple medical judgment, a diagnosis, made by a physician at the deathbed in a home or in a hospital.[1] The criteria for determining when death occurred were medical criteria easily applied by physicians and seldom, if ever, questioned by the public. There existed no statutory definitions of death, and the common law considered the issue only in relation to the distribution of property or in determining whether a person who had been the victim of an assault died within a year and a day.[2] The common law defined death as a moment when life had cease, "defined by physicians as a total stoppage of the circulation of the blood and a cessation of the animal and vital functions consequent therein, such as respiration, pulsation, etc."[3] Any more was not necessary, and so no more was undertaken.

Then two advancing areas of medicine converged on the deathbed to create one of our current problems. The first of these was the increasing ability of medicine to resuscitate dying patients and to maintain those patients on sophisticated machinery. The second was the ability of medicine to transplant organs from one person to another. Both of these advances depended upon a myriad of factors too complicated to discuss here, but were related to the tremendous growth in medical technology of recent years.

In response to the problems of resuscitation and the modern use of respirators, several states passed new laws redefining death in two ways.[4] One definition is used when the death occurred in the hospital where resuscitative methods were being used. This definition brought in the relatively recent requirement of "brain death". The other definition of death was applicable when resuscitative means were not involved. This definition continued to rely on the traditional grounds of cessation of heartbeat and respiration.

My concern here today is the ethical and legal considerations for society in adopting brain death as a basis for a diagnosis of death. I did not say *the* basis for such a diagnosis since I presume that no one intends but that brain death should be an additional way—albeit, the "sole" way—of determining in a given case.[5] That is to say, where mechanical support is not in use or transplantation is not in issue, we would not have the problem since the diagnosis would be a matter of clinical judgment by the attending physician. Obviously, brain death is also a matter of clinical judgment, but is only too seldom discussed in those terms. We are not per se discussing a statutory definition of death but rather two other questions; one, a broad philosophical, moral, ethical and legal question; and the other, a narrow technical medical problem. These questions are:

(1) Is a person who is brain-dead really dead? If the answer is yes, then

(2) What means of proof is acceptable to society that brain death has occurred?

Many of the sections of this conference are concerned with the second question. Even though I have labeled that a technical medical question, there indeed can be ethical-legal problems associated with that question also, but those problems are not my purpose today. My concern is with the first question—is a person who is brain dead really dead? This is similar to the question we ask when we ask whether brain death be a statutory criterion for defining death. However, to say we are defining death is really incorrect. What we mean to say is what are the criteria on which the medical diagnosis of death may be made. We cannot really define death since it is the absence of life which we can only describe.

II.

If the determination of death is a diagnosis made by a physician and a person is dead when their brain is dead, then why can't a physician make such a diagnosis and declare the brain-dead person to be dead? Why does he need a statute? In short, what are we doing here? Why are statutes being created to give a physician a "right" (to declare a brain dead person dead) he presumptively has?

In my opinion, the answer to those questions is two-fold: 1) The public and public policy makers lag behind the physician in understanding these concepts; and 2) some persons, indeed some physicians, have used the concept of brain death in a socially unacceptable way. The first answer means that more and better ways of reaching the public and to inform public opinion on these issues must be found as presumably this conference is doing. The second we must discuss further to illustrate my point.

I do not wish to set up a straw man, but in order to clearly delineate the nature of the legal-ethical problem I am about to discuss I wish to choose as an example a medical article published in the *Baylor Law Review* entitled "Medical Death".[6] In that article Sheff D. Olinger, M.D., who is the Director of the Department of Neurology and the Director of the Stroke Unit and EEG Department of the Baylor University Medical School in Dallas, took great care to make a distinction in the issue of brain death, which distinction, in my opinion, is at the heart of the problem as to why some public policy makers have refused (and rightly so) to accept brain death as an alternative means of defining death. In that paper, Dr. Olinger stated:

"I would like to distinguish the term cerebral death from brain death. The brain is composed of several parts, including the medulla, cerebellum, mid-brain, and cerebrum. We are concerned here with the cerebrum. The other portions of the brain may function to produce spontaneous circulation and respiration in the absence of the cerebrum without consciousness or awareness. When all the brain has lost its function, there is no spontaneous respiration, and usually no effective circulation. I would emphasize again that cerebral death and brain death are different things and that the term cerebral death expresses the medical concept which is equated with death of the individual person." [7]

After discussing the Harvard criterion and criticizing it because it is highly technical and incapable of lay understanding and, more importantly, because the Harvard criteria "do not recognize the cerebral quality of human life, [since] the cerebrum might be totally destroyed without hope of recovery, although circulation and respiration could persist or be supported indefinitely",[8] Dr. Olinger then proceeds to put his finger on the heart of the matter:

"Having defined medical or scientific death as death of the cerebrum, it must be pointed out that this definition is not usually used in ascertainment of death by physicians." [9]

Dr. Olinger's last statement presents two problems, the discussion of which is important for us today. 1) Is that definition (death of the cerebrum) not used because there is a lag in the knowledge necessary to make a determination of death based on brain death, or 2) is it not used because the concept of brain death as cerebral death is not (as I asked previously) really death?

Death of the cerebrum alone has not been accepted as real death in our society.[10] Those who push this definition of death, whether they realize it or not, are asking for a change in the current homicide laws and asking for the introduction of euthanasia, which creates for each of us susbstantial ethical problems as well.

Although the American Medical Association has not opted for any definition of death, a two-part article recently published in the *Journal of the American Medical Association* has reviewed the concept of brain death and has reported on the current status of these medical and ethical considerations. Throughout this two-part article continued reference is made to brain death as the *complete* destruction of brain function or the irreversible cessation of *all* brain function. The authors review the current ethical positions and conclude that only destruction of the *entire* brain constitutes an acceptable definition of death. Consistently throughout this article such language is used as this:

"Patients with irreversible total destruction of the brain fulfill this definition, even if heart action and circulation are artificially maintained." [12]

The American Bar Association in its Resolution voted and approved by the House of Delegates on 2/24/75 accepted as a definition of brain death the irreversible cessation of total brain function. However, it is important in considering that definition that the thrust of the entire Resolution be understood. The preamble to that Resolution recites that the concern of the Medicine and Law Committee, which formulated the Resolution after extensive research and investigation, was the necessity to cease all artificial life support when someone has died and to maintain the best cellular condition of a donor's organs.

The Resolution in full reads as follows:

"Whereas, it is to the well being of the public to cease all artificial life supports, respiratory and circulatory, after a human body is dead; and

Whereas, it is currently medically established that irreversible cessation of brain function is determinative of death; and

Whereas, in the current technology of organ transplants it is vital that the donor's gift be in the best cellular condition,

Therefore, be it resolved: that the American Bar Association offers a Current Definition of Death as follows:

For all legal purposes, a human body with irreversible cessation of total brain function, according to usual and customary standards of medical practice, shall be considered dead."

The preamble is important to keep in mind because it limits and explains the applicabil-

Footnotes at end of article.

ity of the resolution. The ABA definition is intended for those occasions when artificial means of life support are in use or organ donation is contemplated. Even though the definition includes the words "for all legal purposes" the definition is not intended to supplant a physician's use of his clinical judgment when he declares a person dead. The intent of the resolution is to aid him in the specific area of artificial life supports where clinical judgment, it is said, has become tentative and confused.

Consequently, the ABA definition does not mean that a person who has spontaneous respiration and circulation, but has a brain lesion which makes him comatose can be declared dead. So too, the hydranencephalic child cannot be declared brain-dead under the ABA test because he probably has a thalmus and upper brain stem. The anencephalic child is another question, but even this child if it has voluntary respiration or circulation is not brain-dead under the ABA definition. In any event anencephaly is incompatible with life and such a child will not live more than a few hours. However, even that child is a person under our law and is protected by the full panoply of legal and constitutional rights.

In addition to the preamble to that Resolution, which is frequently forgotten in discussing the nature of the ABA's position on brain death, the advantages of such a definition, as published in the American Bar Association's report when it accepted this definition, are the following reasons in support of or as "advantages of the definition":

1. Permits judicial determination of the *ultimate* fact of death;
2. Permits medical determination of the *evidentiary* fact of death;
3. Avoids religious determination of *any* facts;
4. Avoids *prescribing* the medical criteria;
5. Enhances *changing* medical criteria;
6. Enhances *local* medical practice tests;
7. Covers the *three known tests* (brain, beat and breath deaths);
8. Covers death as a process (medical preference);
9. Covers death as a *point in time* (legal preference);
10. Avoids *passive* euthanasia;
11. Avoids *active* euthanasia;
12. Covers current American and European *medical practices;*
13. Covers both *civil* law and *criminal* law;
14. Covers current American *judicial decisions;*
15. Avoids *non-physical* sciences.

A fair reading of the articles concerning the medical, legal and ethical aspects of brain death which appeared in the October issue of the *Journal of the American Medical Association* clearly indicates support of the American Bar Association Resolution on brain death. The importance of that resolution for our discussion is its explicit rejection of the notion that cerebral or partial brain death are satisfactory definitions. As one author stated: "Thus, destruction of the entire brain or brain death, and only that is consonant with biblical pronouncements on what constitutes an acceptable definition of death. . . ." [13] The article concluded that total brain death is acceptable as a definition of death to most Jewish, Roman Catholic and Protestant scholars. I would agree.

So also, in a recent review of European practices concerning brain death it was said:

The term "cerebral death" is too ambiguous to be adequate for use in any serious discussion of death because linguistically and medically the term means the death of only the cerebrum and not of the entire brain, even though colloquially it encompasses both senses of the word. The author knows of no proof nor unanimous opinion that the total and irreversible cessation of function of only the cerebrum guarantees or proves total and irreversible cessation of all perceptions. Therefore, proof of the death of the cerebrum does not prove that the person is dead (as person is defined in this article)". [14]

This article states that there is no general agreement or proof that all levels and forms of psychic activity are produced exclusively by the cortex. [15] A number of German doctors state that brain stem activity may be able to produce primitive psychic activity. Consequently, only the *total* and irreversible cessation of all brain function guarantee that all perception has totally and irreversibly ceased and that the person is medically and legally dead. This author then defines death as:

". . . death of the person occurs exclusively if and when brain death occurs, that is when total and irreversible cessation of all neuronal function in all parts of the brain occurs." [16]

In my opinion, the irreversible cessation of total brain function is an ethically acceptable, as well as adequate legal and medical definition of death. However, death of only the cerebrum is not.

III.

What then are the legal and ethical implications of the distinction between cerebral brain death and total brain death? In discussing this question we should first indicate that we are not speaking about when it may be proper to cease treatment in a terminal case, even if that treatment is a Bennett respirator, such as was involved in the Quinlan case. My own position on that issue is that a physician is authorized under the standards of medical practice to discontinue a form of therapy which in his medical judgment is useless. He is not mandated by the law to render useless treatment, nor does the standard of medical care require useless treatment. Under those circumstances, if the treating physicians have determined that continued use of a respirator is useless, then they may decide to discontinue it without fear of civil or criminal liability. By useless is meant that the continued use of the therapy cannot and does not improve the prognosis for recovery. Even if the therapy is necessary to maintain stability, such therapy should not be mandatory where the ultimate prognosis is hopeless. This does not mean that ordinary means of life support, such as food and drink can be discontinued merely because the ultimate prognosis is hopeless. In addition, we will reserve for some other time the discussion of whether or not IVs may be discontinued even under those circumstances. My own position is that they may not. By hopeless is meant that the prognosis for life (not meaningful life) is very poor. The fact that someone may or may not return to "sapient or cognitive life" may or may not fulfill the requirement depending upon other medical factors, but in and of itself it does not. [17] The Supreme Court of West Germany put this idea very succinctly in its recent opinion on the abortion issue:

"Where human life exists, human dignity is present to it; it is not decisive that the bearer of this dignity himself be conscious of it and knows personally how to preserve it." [18]

Nor are we discussing the equally difficult legal-ethical question of whether and, if so, when, orders not to resuscitate may be given. Such orders, in my opinion, should be given only when based on good medical judgment that the ultimate prognosis for recovery is hopeless and when informed consents have been obtained from the patient and/or the patient's family (if the patient can't consent). The order should be in writing and signed by the attending physician. Some hospitals, as has been recently suggested, may want this done by a committee. Some physicians are willing to give such an order, but balk at writing it in the record. This attitude solves little, but perhaps as an accommodation to this problem the physician's order could be a separate record, such as a sterilization consent form that does not become a part of the patient's bedside record.

As is typical when discussing these emerging issues concerning death and dying, I've spent considerable time telling you what the issue is not. What then is the issue? The issue in my perception of the problem of brain death is that total brain death is an acceptable legal and medical manner of declaring persons dead. Cerebral death is not an acceptable legal, ethical, medical or moral manner of declaring persons dead. Cerebral death is akin to euthanasia, which is morally and legally unacceptable.

IV.

Percy Foreman has said that euthanasia is a highfalutin word for murder. [19] Under our law euthanasia is a homicide. [20] Even though the one who commits euthanasia bears no ill will towards his victim and believes his act to be morally justified, he nonetheless acts with malice in the eyes of the law if he is able to comprehend that society prohibits this act regardless of his personal belief. The motive of the perpetrator of the euthanasia is rejected as an ameliorative fact in American law. If the facts establish that the killing was done wilfully, that is with intent and as a result of premeditation and deliberation, our law calls it murder in the first degree regardless of what the defendant's motive may have been. [21]

Even if the homicide is committed at the request of the decedent it still constitutes a homicide since, as our courts have indicated, murder is no less murder because it is committed at the desire of the victim. "He who kills another upon the other's desire or command is in the judgment of the law as much a murderer as if he had done it merely from his own volition." [22]

All nations consider euthanasia the crime of homicide, although it frequently indicated that Uruguay may be the one exception. [23] In a number of countries such as Germany, Norway, Switzerland, etc. a compassionate motive or homicide on request will operate to reduce the penalty, but the crime remains the same—homicide. Homicide is no less homicide because the victim is aged, senile, or near death. [24] The criminal law has as great a respect for the young and hearty as the old and aged. The law teaches that mankind has not supported euthanasia. It is considered a homicide by all nations and societies.

For the medical profession our discussion of euthanasia has particular importance. Already our society has legalized abortion and has made the killing of the unborn an option between the mother and her physician. It is significant that that decision—to abort—must be a matter of medical judgment as well as the mother's wish. At least it was such in the eyes of the U.S. Supreme Court, but, as we have all seen, the majority of cases, if not well in excess of 98% of the cases, no medical reasons exist to support the abortion. [25]

From the point of view of the physician who has been trained to preserve life, the legalization of homicide at the request of the actor is of very great significance primarily because the actor would be the physician. To understand euthanasia you must understand that we are focusing not on the conduct of the person dying, but on the conduct of the person who will participate in the act of killing that person either voluntarily or involuntarily. Make no mistake about it, that person would be a physician.

Suicide is not considered a crime and assisting at suicide is a crime in only a small number of jurisdictions. [26] Although euthanasia is frequently equated with assisted sui-

Footnotes at end of article.

cide,[27] it is really something very different from the point of view of the physician.[28] The legalization of euthanasia is always sought on the basis that the physician would be the one who would assist in the killing. Under current arguments for legalization, it is the physician who is being asked to kill the person involved. In determining whether or not euthanasia should be legalized, society must focus on the act of the physician or the person administering the euthanasia to understand the nature of euthanasia under both our law and our medical-ethical concepts of what euthanasia is. Do we wish to legalize killing? In his famous article[29] Prof. Yale Kamisar answered that question "no", arguing from purely non-religious grounds against mercy killing legislation that for the good of society there should be no exception to our universal societal expectations that we will not kill nor will be killed. Any breach in that absolute he sees as the beginning of a slippery slope, the danger of which is the creation of "legal machinery initially designed to kill those who are a nuisance to others".

Those who would legalize euthanasia want it to be legalized so that a physician can kill someone who is desirous of euthanasia. This fact should not be glossed over or eliminated from any discussion of this important issue, especially by physicians. The legalization of euthanasia will make death an option or a treatment of choice in some circumstances. Will the ideology of cost containment one day make it mandatory? Before answering these questions we must understand that there is a vital distinction between killing and letting die.[30]

All men will one day be hopeless in the face of death. Any thing we say or do in this conference is not going to alter that fact. We shall all die. The vital distinction is whether we shall die as a result of being allowed to die, or whether we shall die as a result of ourselves or others.

Where there is no obligation to treat because treatment is not beneficial and is, therefore, useless, treatment may be ceased and the patient may be allowed to die. Whether or not such a state has been reached by the patient is a medical judgment to be made by the attending physician. Direct intervention to end life is never licit. It is neither legal nor ethical. The use of drugs to alleviate pain and suffering in terminal patients is not only licit, but is a desired medical intervention to avoid unnecessary suffering. The distinction, however, between the positive act of killing and allowing patients to die as a result of the natural disease which is killing them is of vital importance and should be understood by all.

The distinction is really no different in the law than in moral or ethical matters. Where there is no duty to act there is no mandate to act and the physician and health personnel are excused from acting under those circumstances. The law only requires that a physician or nurse possess and exercise the skill and judgment of an ordinarily well-qualified physician or nurse in the same locale and under similar circumstances. Neither the means nor the ability are required to be extraordinary or heroic. It is not necessary that all available means be used to prolong life to its ultimate. Good medical judgment can be the basis for termination of treatment when that treatment is no longer beneficial to the patient.

So too the patient may reject medical treatment.[31] The cessation of medical treatment because it is useless or the rejection of medical treatment by a competent adult has never been considered to be suicide or assisted suicide, either medically, legally or ethically.[32]

Those who would opt for the legalization of euthanasia are very prone to confuse these necessary ethical and legal distinctions. For example, Joseph Fletcher is fond of saying that the omission of extraordinary or heroic means is just as much a decision to kill as is the positive act of euthanasia.[33] True, the distinction between killing and letting die may be fine "but so are many other lines that men must draw in their fallible perception and limited wisdom".[34] The kinds of distinction and judgment that a physician makes when he determines that heroic means are no longer proper and necessary are the same kinds of distinctions and judgments that he makes daily during the course of his medical practice. The fact that he is making these decisions with regard to a terminal patient should not deter him from making such judgments. There is nothing mysterious or extraordinary happening in his practice when handling a terminal patient than when handling any other type of patient. Obviously this distinction between extraordinary and ordinary means of medical practice is difficult to ascertain and changing from day to day. In my opinion, a physician is better guided by determining whether or not the treatment will be beneficial to life, rather than in trying to determine whether it is heroic or extraordinary. The importance of the heroic or extraordinary aspect is that consideration of the problem in those terms allows consideration of familial difficulties, such as inability to pay for the proffered treatment.

If cerebral brain death is not really death, then the use of cerebral brain death as a criterion for letting die would be legally unjustified. There are few cases to guide us in this area. In the California case of *People* v. *Lyons*[35] the jury was confronted with determining whether the bullet from a defendant's gun caused the death of the victim, or whether the death occurred as a result of the removal of organs from the deceased's body by the physicians. This case was not appealed and consequently there is no opinion of precedential value. However, the trial court used the following instruction to the jury:

"Death is the cessation of life. A person may be pronounced dead if, based on the usual and customary standards of medical practice, it has been determined that the person has suffered an irreversible cessation of brain function . . . and since that the deceased, Samuel Moore, was dead before the removal of his heart there was no issue of fact as to the cause of death."[36]

The trial court relied on the medical testimony of two physicians of the California Medical Transplant Center. I am unable to determine whether or not the words "brain function" as understood by the physicians and the court meant only cerebral function or total brain function. In another *nisi prius* case, *Tucker* v. *Lower*,[37] similar issues were involved and the court instructed the jury on both the traditional definition of death as contained in *Black's Law Dictionary* and as an alternative "the loss of brain function test". The Tucker case was not appealed and consequently no written opinion of precedential value exists.

There is an issue concerning medical judgment which must be faced. If the physicians agree that total brain death is equivalent with being really dead, then society will eventually come to that position also. However, the concept of cerebral brain death is objectionable because traditionally it has not been accepted, either medically, ethically or legally. In addition, it cannot properly be applied to otherwise comatose people who have spontaneous respiration and circulation, but who are in some stage of deep coma. Ceasing to treat these people because the treatment is extraordinary does not resolve the question as to whether or not they are alive or dead. I think that no one disagrees that those people are alive as we understand it. They are neither dead nor brain-dead.

Ethically our understanding of this problem must be based upon our understanding of respect for persons. Each person is a unique entity not only in the eyes of God, but in the eyes of the United States Constitution and the criminal law of all our states. A dying person is no less a person in the eyes of the law. Ethically he not only continues to be a person of infinite moral worth and humanity, he now has a greater claim on us and on our humanity because he is ill and helpless. Even more so, he has his claim upon the practitioner of the healing arts raised to a higher level because of his illness. Indeed, some courts have found the relationship between a physician and his patient to be of the highest legal relationship—that of a fiduciary.

Each one of us deserves from each other the respect we all feel is due ourselves. That respect for a person means that we should be treated as an end in ourselves and never as a means towards an end. In addition, as each of us exists in this society we depend upon the covenant that each of us has with each other, that certain rules of the game—certain unspoken promises we have made to one another—will be followed by all of us. One of those rules or promises is that we will not kill one another.

Such a burden rests even more heavily on the shoulders of the physician who, in addition to his moral role as an individual in this covenantial society, has opted to be the healer of those who need a practitioner of the healing arts. He, therefore, has a double duty to respect the individuality of the persons he is treating and to see in those persons the same degree of respect he would wish for himself were he in a similar circumstance. He must, in short, see persons as an end in themselves and never as a means towards an end. Acting thus he will do no harm.

Arthur Dyck, Saltonstall Professor of Population Ethics at Harvard, has coined a new word to try to clarify the ethical debate about euthanasia.[38] Those who opt for euthanasia in our society, such as Marvin Kohl,[39] use terminology such as beneficent euthanasia. Dyck, in order to distinguish a true death with dignity from mercy killing, uses the term benemortasia. Confining the words mercy killing and euthanasia as referring only to the deliberate inducement of a quick and painless death, Dyck coins the word benemortasia to signify an ethic which rests on certain presuppositions about human dignity. Those who support mercy killing justify it when it is done out of a sense of kindness in order to obtain relief of suffering.[40] They wish to uphold the general prohibition against killing and limit its use only to relieve suffering in instances where suffering serves no useful purpose. Dyck argues that the desire and obligation to be merciful or kind does not commit us to a policy of euthanasia and that, indeed, such a policy has widespread effects which are not intended, but are foreseeable. Although there are deep philosophical and religious differences which divide people on this issue, the injunction not to kill and the promise we have made one to the other that we will not kill does not invite of that type of division. For doctors that sense of divisiveness between themselves and their patients should be a crucial factor in determining whether or not they would opt for mercy killing as an alternative treatment of choice. In my opinion, that option undermines the relationship between physician and patient and will create a sense of distrust which will undermine not only the patient's sense of rapport with his physician, but the physician's own sense of rapport with his professionalism and his profession.

Dyck argues compellingly that the point of the wedge argument is very simple when applied to the euthanasia debate. Killing is generally wrong and should be kept to as narrow a range of exceptions as possible. But

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beneficient euthanasia or mercy killing applies logically to a wide range of cases depending upon the ideology of the cost containment over ever escalating health costs which looms in the horizon. In my opinion, there is no way to limit the application of beneficent euthanasia or mercy killing to a narrow range of cases definitely circumscribed and carefully controlled. As in the case of abortion, to open the door and legalize mercy killing in one case is to legalize it in a full range of cases that are never contemplated by the progenitors of the policy. For these reasons even what appears as a small inroad into the creation of this policy, namely cerebral brain death, it must be opposed. However, if the irreversible cessation of total brain function is really death, which it appears to me and to most observers that it is, then such a concept can be supported without creating the dangers of which I have spoken.

FOOTNOTES

[1] Capron and Kass, "A Statutory Definition of the Standards for Determining Human Death: An Appraisal and a Proposal", *Univ. of Penn. Law Review*, Vol. 121:87, 1972, pp. 87–118.

[2] Friloux, "Death When Does it Occur?", *Baylor Law Review*, Vol. 27, 1975, pp. 10–21.

[3] *Black's Law Dictionary*, p. 488, Ed. 1959.

[4] Sec. 77–202, Kan. Stat. Annon. (1973); Ch. 19.2, Sec. 32–364, 3:1 Vir. Ann. Code (1974); Ark. 43, Sec. 54 F; Md. Ann. Code (1974), Ch. 3.7; Ca. Code, Sec. 7180, et seq. (1974).

[5] Almost all the statutes add brain death as a separate but new criterion for determining death.

[6] Olinger, "Medical Death", *Baylor Law Review*, Vol. 27, Winter, 1975, No. 1, pp. 22–26. The entire issue of this law review is devoted to the issue of euthanasia.

[7] Ibid, p. 24.

[8] Ibid, p. 25.

[9] Idem.

[10] Veith, et al., "Brain Death", *Journal of the American Medical Association*, Vol. 238, No. 15, 10–10–77, pp. 1651–1655 at p. 1655.

[11] Idem.

[12] Ibid, p. 1654.

[13] Ibid, p. 1655.

[14] Van Till, "Diagnosis of Death in Comatose Patients under Resuscitation Treatment: A Critical Review of the Harvard Report", *American Journal of Law and Medicine*, Vol. 2, Summer, 1976, No. 1, pp. 1–40 at p. 10.

[15] Ibid. pp. 8–9.

[16] Ibid, p. 9.

[17] Horan, "The Quinlan Case", *"The Linacre Quarterly*, Vol. 44, No. 2, pp. 168–176, Jan., 1976; Published also in *Death, Dying and Euthanasia*, University Publications of America, 820 pp. edited by Horan and Mall, Washington, D.C., at pp. 525–534.

[18] Gorby, "West German Abortion Decision: A Contrast to *Roc* v. *Wade*" in *The John Marshall Journal of Practice and Procedure*. Vol. 9, No. 3, Spring, 1976, pp. 551–684 at p. 559, 560.

[19] Foreman, "The Physician's Criminal Liability for the Practice of Euthanasia", *Baylor Law Review*, Vol. 27, 1975, pp. 54–61 at p. 54.

[20] Kamisar, "Some Non-Religious Views Against Proposed Mercy Killing Legislation" in *Death, Dying and Euthanasia*, op. cit. pp. 406–479 at p. 407.

[21] *People* v. *Conley*, 49 Cal. Rptr. 815, 822, 411 P.2d 911, 918 (1966).

[22] *State* v. *Ehler*, 98 N.J.L. 236, 240 (1922).

[23] Kamisar, op. cit. at p. 407.

[24] Horan, "Euthanasia as Medical Management" in *Death, Dying and Euthanasia*, op. cit. at p. 209.

[25] Testimony of plaintiff's expert witness in *McCrae* v. *Matthews*, U.S. District Court, Eastern District of New York. No. 76–C–1804 and 76–C–1805.

[26] Byrn, "Compulsory Life Saving Treatment for the Competent Adult" in *Death, Dying and Euthanasia*, op. cit. pp. 706–741.

[27] Lebacqz and Engelhardt, "Suicide" in *Death, Dying and Euthanasia*, op. cit. pp. 669–705.

[28] Byrn, op. cit.

[29] Kamisar, op. cit.

[30] For an excellent discussion of this distinction see Louisell David, "Euthanasia and Biathanasia: On Dying and Killing" in *Death, Dying and Euthanasia*, op. cit. pp. 383–405.

[31] Not supplied.

[32] Grisez, "Suicide and Euthanasia" in *Death, Dying and Euthanasia*, pp. 742–817.

[33] Fletcher, "Ethics and Euthanasia" in *Death, Dying and Euthanasia*, op. cit. pp. 293–304.

[34] Louisell, op. cit.

[35] Cal. Sup. Cit., Oakland, Cal., 5–21–74.

[36] Friloux, op. cit.

[37] See *San Diego Law Review*, March, 1975, Vol. 12, No. 2, pp. 424–435.

[38] Dyck, "Beneficent Euthanasia and Benemortasia: Alternative Views of Mercy" in *Death, Dying and Euthanasia*, op. cit. pp. 348–361.

[39] Kohl., Marvin (ed.) 1975, *Beneficient Euthanasia, Buffalo*, New York, Prometheus Books.

[40] Kohl Idem.

Mr. HATCH. The thing that bothers me is that we have a commission, which may or may not be representative of the people and the diverging points of view in this very critical area, in the position of determining what really ethical, moral, legal and social considerations should be determined and become law in this society.

I think it is an abdication of the duties of all Senators for us to turn over this responsibility to a commission which is geared primarily to the study of health and behavioral matters in the study of the protection of human subjects of biomedical and behavorial research.

I think that to allow this commission to make recommendations in sensitive areas such as these is a mistake on our part and an abdication of our responsibility to be the representatives of the people, and especially in this area where there is so much discontent on both sides or on the respective sides throughout this country.

There are those who sincerely believe that the right to life should be held inviolate, and yet the past commission findings, of course, have not honored that or those particular people or their beliefs.

There are many of us on the floor of the Senate who believe that that should be the case. Yet we can see that as a practical matter this commission can bypass the really righteous needs of our constituents.

In short, the most morally indefensible position in a federally supported health care system is the imposition of dominant social or moral views on a disadvantaged segment of the population under the guise of determining how to provide necessary services. Once the Government decides to provide such services or benefits, it should provide them without regard to any considerations other than health care needs and the economic adjustments necessary for providing the best level of care with the amount of available resources to the population in need. In determining the amount of funds to allocate to a particular program, the goal should be to provide services comparable to those available to persons who are able to pay for their own care.

These are words of the Department of Health, Education, and Welfare, and they come directly from the report and recommendations entitled "Ethical Guidelines for the Delivery of Health Services by the Department of Health, Education, and Welfare," by the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research.

I think that these aspects of the bill ought properly to be stricken, and that we as representatives of the people ought to see that such is done, in order to protect all viewpoints, and not allow a special blue ribbon panel, commission, or group to determine what are ethical, social, legal, and moral standards for our society, with the final determination by the Congress of the United States.

Any time remaining to me I yield back to the distinguisher Senator from Pennsylvania.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PAUL G. HATFIELD). Without objection, it is so ordered.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that the quorum call that preceded by intervention be equally divided between both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHWEIKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3071

(Purpose: To eliminate study of ethical implications of testing and counseling with regard to genetic disease)

Mr. HELMS. Mr. President, I call up amendment No. 3071, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes amendment numbered 3071.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, strike lines 3 through 7.

On page 10, line 8, strike "(4)" and substitute "(3)".

On page 10, line 19, strike "(5)" and substitute "(4)".

Mr. HELMS. Mr. President, not long ago the New England Journal of Medicine reported that 43 defective or handicapped infants had been allowed to die from starvation at the Yale-New Haven Medical Center. Health professionals with the responsibility of saving life had purposefully withheld ordinary medical attention and even nourishment until these children died.

Equally as shocking was the defense of these acts by members of the Yale Medical Center staff which appeared in the New England Journal of Medicine.

They argued that such "management decisions" concerning handicapped infants was entirely permissible; that recent advances in medical technology now required that the "sanctity-of-life ethic * * * should be revised"; and that if allowing mentally handicapped infants to die "is in violation of the law, we believe (said the writers) that the law should be changed."

What is essential to these cases is the fact that many of the infants allowed to die would not even have required to be institutionalized if allowed to live.

All that was necessary to keep these children alive was an operation which has a 98-percent success rate and normal newborn infant care. Certainly this care would never have been denied to healthy infants, but in the case of these mentally retarded infants, they were allowed to die.

Elsewhere the denial of surgery and forced starvation of children with Down's syndrome has been described as the "conservative management" of these children's problem.

The starvation instead of surgery policy of the Yale Center is not an isolated development. For example, Joseph Fletcher, professor of biomedical ethics at the University of Virginia, "not only advocates abortion of viable defective children after diagnosis by amniocentesis, but also advocates eliminating traditional restraints against euthanasia for defective infants." His reasoning is that "if one would perform abortions based on prenatal diagnosis, we should actively end the lives of infants born with the same condition."

It is not difficult to predict how someone with this moral disposition would resolve the ethical and medical questions regarding testing and counseling with respect to genetic diseases and conditions.

Prof. John Robertson, writing in the Stanford Law Review, outlines the criminal liability under existing laws for acts such as occurred at the Yale Center:

Although the courts have not yet ruled directly on the criminal liability of person who refuse ordinary lifesaving medical care for defective infants, under traditional principles of criminal law the omission of such care by parents, physicians, and nurses creates criminal liability. The crimes committed may include murder, involuntary manslaughter conspiracy, and child abuse or neglect.

* * * Generally a person is criminally liable for homicide by omission if:

(1) He has a legal duty to protect another;

(2) With knowledge or gross negligence he fails to act; and

(3) Such failure proximately causes the death of the other.

If the omission is intentional the person can be prosecuted for first- or second-degree murder depending on the extent of his premeditation and deliberation.

* * * to refuse consent to a medical or surgical procedure necessary to maintain the life of a defective infant quite clearly falls within the bounds of homicide by omission.

After extensively reviewing recent medical practice and the applicable legal guidelines, Professor Robertson concluded that—

The pervasive practice of withholding ordinary medical care from defective newborns demonstrates that we have embarked on a widespread program of involuntary euthanasia. This practice has not resulted from a careful consideration of public policy alternatives, nor has it been arrived at by a public or collective decision. Formal public policy, in fact, condemns the practice, and until recently, the medical profession rarely acknowledged its existence. But now, as a result of new-found technological skills and perhaps changing attitudes toward social-utility assessments of human life, the practice has come to be accepted in the interstices of medical and legal practice. Given this situation, the crucial question is whether nontreatment of defective neonates is the opening wedge in expanding involuntary euthanasia. * * *

Mr. President, the important questions involved in the issue of testing and counseling regarding genetic diseases should not be left to an appointed advisory commission. Especially when past experience has shown that the past recommendations of the commission have been incorporated into Federal law by bureaucratic rulemaking.

These are public policy issues which should be resolved by the elected representatives of the public.

For that reason I urge the adoption of the present amendment.

Mr. President, I ask unanimous consent that excerpts of an essay entitled "The Deformed Child's Right to Life" by Dr. Eugene Diamond from the book "Death, Dying and Euthanasia" be printed in the RECORD. Dr. Diamond is the assistant chairman of the Department of Pediatrics at the Stritch School of Medicine in Chicago and a distinguished physician. I commend his essay to my colleagues.

Mr. President, I also ask unanimous consent that excerpts from an article which appeared in the April 29, 1973, issue of the New York Times magazine, entitled "Better As Is Than Not At All" by Alvin Shuster be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DEFORMED CHILD'S RIGHT TO LIFE

(By Eugene F. Diamond, M.D.)

This paper will consider the medical and moral issues concerning euthanasia in the special care nursery. For purposes of this analysis, we will consider the following case:

CASE DISCUSSION

A two-day-old full term male infant, second-born to a married middle-class, middle-income Protestant couple in their twenties, who have a normal 2-year-old girl. The pregnancy was uneventful except for excess amniotic fluid accumulation. Delivery was normal. Greenish vomiting began shortly after birth. There was slight abdominal distension and moderate dehydration. There was no evidence of cardiac abnormalities. The infant had mongoloid facies and features. X-ray of the abdomen showed intestinal obstruction. The clinical impression was Down's Syndrome and Duodenal Atresia.

After discussion with the parents, a decision was made not to operate to repair the obstruction due to the Duodenal Atresia. All feeding and fluids were withheld and the child eventually died, after fifteen days, from starvation and dehydration.

This case report is that of an actual case from Johns Hopkins hospital and has been dramatized in a movie by the Kennedy Foundation. As if to further desensitize the public to the occurrence of such management in medical circles, the Yale-New Haven Medical Center reported a series of 43 similar cases on their newborn service, in the *New England Journal of Medicine.*

It is important to examine the rationalization involved in such medical management in order to understand the implication of this new development in medical ethics and its significance for the profession and the society as a whole. The rationale is not easy to understand and a short 10 years ago would have been considered monstrous and unacceptable. Perhaps we can begin to understand if we break the elements of the physical problem down.

1. Patients with Neither Down's Syndrome nor Duodenal Atresia. Obviously the physician cannot kill the child and the nursery personnel cannot fail to feed it.

2. No Down's Syndrome but Duodenal Atresia. Here we are talking about a defect which can be corrected by an operative procedure with about a 98% survival rate. The mortality of acute appendicitis in the newborn period is higher than that of duodenal atresia. The surgeon cannot fail to operate in such a case and cannot fail to recommend an operation. Parents who refuse to consent to such an operation would almost certainly be compelled to do so by legal action.

3. Down's Syndrome Without Duodenal Atresia. Here most would agree that medical personnel would certainly be obligated to nourish and treat the child. Indeed if nurses or physicians were to concur in a decision of the parents not to feed such a child, they would be guilty of active participation in a killing act and not just an omission.

4. *Both Down's Syndrome and Duodenal Atresia.* Here for some reason, there is a change in the rules and a physician's duty is also said to change. The physician's duty obviously derives from the physician-patient relationship. Traditional medical ethics has obviously had exquisite difficulty in making a distinction between one's duty to a retarded child and one's duty to a normal child. It has held, if anything, that there was a greater obligation to the retarded. If I have the obligation to care for a child without Down's Syndrome, out of the physician-patient relationship, how can I avoid my obligation to the child with Down's Syndrome. If I had a clear obligation to care for the child with Down's Syndrome, does not that obligation compel me not to omit a duty which I am physically capable of performing. In this case, I am not obligated not to omit a virtually risk-free operation. These would seem like rhetorical questions expecting the answer "yes" and yet, as I listen, I do not hear a strong affirmative reply from my profession, and I wonder why. Is it because of a judgment that I have passed on the child with Down's Syndrome which places him in a disadvantaged position as

he tries to incur my obligation to him? If so, then I should ask, first, "who is the Mongoloid child" and secondly "what are his rights."

The incidence of Down's Syndrome is about 1 per 600 live births.

Mongoloid childen would typically fall into the Trainable Mentally Handicapped category and could be expected to fit into settings where they could be taught socialization and self-help. Indeed some can be taught simple industrial disciplines and can become somewhat self-supporting. In the Zurich sheltered workshop, for example, Mongoloid children are employed repairing telephone equipment. Children with Down's Syndrome do far better at home and only a small percentage should ever be institutionalized. It costs about $12,000 per bed per year to institutionalize a child. This means that if all of the 5,000 children with Down's Syndrome who were born last year were institutionalized, we would be spending each year on their care about 1/10 of what we spend as a nation on dogfood.

What are the rights of the child with Down's Syndrome? If there was ever a doubt that the retarded have equal rights those doubts have been categorically removed. A French-sponsored resolution in the U.N. General Assembly on December 20, 1971 stated that "The mentally retarded person has to the maximum degree of feasibility the same rights as other human beings" i.e. the right to proper medical care, economic security, legal safeguards, a meaningful occupation, freedom from abuse or abridgement and all other assistance to enable him to develop to his maximum potential. A series of United States court decisions in recent years have underscored the need for a "bill of rights" for the retarded in this country.

How is it possible, then, that these rights were so clearly violated and abridged in this case. What were the factors which conditioned public acceptance of the fact that medical personnel chose to starve this baby to death rather than to go to court to compel restorative surgery?

1. The most important, to my mind, has been the development of large amniocentesis programs.

The recognition of chromosomal disorders during prenatal life has had the effect of the establishment of a "free-fire zone" during the late-middle and last trimester. There are no restrictions on aborting Mongoloid children even after viability.

Just as the sacrifice of new born infants with Down's Syndrome is the logical extension of the abortion of viable infants with Down's Syndrome, the rationalization of withholding care for newborns establishes a precedent for neglecting older children with Down's Syndrome. In the Florida state legislature, Representative Sackett, who is also a physician, introduced a Death with Dignity bill (H.B. 407) ostensibly aimed at allowing individuals to execute a "living will." Representative Sackett, however, in his testimony before Senator Church's U.S. Senate Select Committee on Aging, betrayed an underlying motive in proposing his bill. This motive was what he described as "a major change in American law." He disclosed that the "first step" of allowing individuals to execute their own living wills was to be followed by a "second step" of allowing next of kin to execute living wills on behalf of individuals and a "third step" of allowing physicians to execute the "living will" when next of kin were not available. He suggested that as many as 90 percent of institutionalized mental defectives in Florida might qualify for elimination under the provisions of steps two and three. One might, for example, withhold therapy of a Down's Syndrome child with pneumonia in a state institution, allowing the pneumonia to become fatal by omission. The American Civil Liberties Union and the Florida Medical Society remained strangely silent about this horrible proposal but the Florida Association for Retarded Children recognized his intentions. The Association unanimously adopted a resolution at its September 15, 1973 meeting which read as follows:

Whereas, there has been introduced into the Florida Legislature and espoused throughout the United States a proposed law entitled "Death With Dignity," and;

Whereas, in truth and fact the proposed law does not propose death with dignity, but instead proposes the intentional ending of life of persons who are disabled, physically and/or mentally and who are limited in their ability to function,

Therefore, the Florida Association for Retarded Children, at its September 1973 Annual Meeting, does resolve as follows:

(1) It condemns the proposed law which is deceitfully entitled "Death With Dignity";

The second factor of importance is the attempt to substitute the "quality of life" ethic for the "sanctity of life" ethic in medimine.

It is quite possible that this alleged compassion for the handicapped may be entirely misplaced. There is no evidence that the handicapped child would rather not go on living. As a matter of fact, handicapped persons commit suicide far less often than normal persons.

3. A third important factor is the intrusion of government economists into medical care and planning, and their preoccupation with cost-benefit analysis. A recurring theme is the notion of "the finite health dollar." One is told that if we could only divert the money spent on the custodial care of retarded children into research and nutrition, that we would soon have both a cure for cancer and sirloin for every family in the inner city. Caring for retarded children and research and nutrition are not mutually exclusive. Who says, that in a trillion dollar economy, we can not do all three by shifting our priorities? We can probably do, as a country, whatever we want to do as the space program amply indicates.

4. We are listening to the wrong "experts." I have taken my own poll on this case and have come up with some interesting statistics. When left with the choice between surgery and starvation, the parents, grandparents, and siblings of children with Down's Syndrome vote overwhelmingly for surgery as do pediatricians who subspecialize in the care of the retarded. Nurses and other primary physicians cast a majority vote for surgery and only surgeons and educators are unsure. One surgeon described the withholding of food and water for two weeks as "conservative management."

Make no mistake about what effect a case like this has on the medical profession or our relationship with the public. Every time we let something like this happen, we all lose something.

The failure to feed a child is not merely a civil misdemeanor but rather a criminal act. Since the starvation is intended in these cases, it possesses malice and the criminal act is probably murder.

Not to operate on any child with Duodenal Atresia is probably both malpractice and murder. The engagement in pedantic discussions about the alleged "appropriateness" of starving such a child becomes incredible against this background.

A recent trend in the evaluation of care in the newborn nursery has been a suggestion that all should withdraw except the parents and the physician (9). Everyone else would be consigned to the peculiar isolation of "outsiders" since only the parents and the attending neonatologist could claim real insight into a particular situation. Shaw (10) describes such a situation:

"When surgery is denied, (the doctor) must try to keep the inwant from suffering while natural forces sap the baby's life. As a surgeon whose natural inclination is to use the scalpel to fight off death, standing by and watching a salvagable baby die is the most emotionally exhausting experience I know. It is easy at a conference, in a theoretical discussion, to decide that such infants should be allowed to die. It is altogether different to stand by in the nursery and watch as dehydration and infection wither a tiny being over hours and days. This is a terrible ordeal for me and the hospital staff, much more so than for the parents who never set foot in the nursery."

One would never guess from the foregoing that starvation was a terrible ordeal for the infant who is being starved. I would suggest that most Down's Syndrome children obliged to watch a surgeon starve would feel sorry for the surgeon and not for themselves. The infant who is the victim of starvation needs other advocates in the nursery beside the doctors and the parents, since such decision-making terms have demonstrated a willingness and even a propensity to decide for starvation.

BETTER AS IS THAN NOT AT ALL

(By Alvin Shuster)

LONDON.—In 1960, two years after their marriage, Barbara and Michael Spanswick found themselves depressed over their problems in starting a family. A baby boy born to Barbara died three days after birth that year. Subsequently, Barbara had a miscarriage. Nervous and upset, she obtained a prescription from her doctor for a tranquilizer, which was dispensed free of charge under Britain's National Health Service.

Can be given with comlete safety to pregnant women and nursing mothers without adverse effect on mother or child—that was the reassuring description of the drug provided by its British makers. Barbara became pregnant again, late in 1961, and, in view of her continufng anxiety, her doctor suggested she continue taking the pills.

Happy and excited at the prospect of finally starting a family, Mrs. Spanswick went to Nuffield Maternity Hospital in Oxford. There, on May 2, 1962, she gave birth to Philip, and—like more than 400 other mothers in Britain who had been using the same "safe" drug—she suffered a tragedy. Philip was a thalidomide baby.

Sitting up in her hospital bed, Barbara was a little puzzled when the nurses first brought in her new son. "Oh, don't worry," said a young doctor, "his arms are a little bit shorter than they should be." But Barbara's husband, Michael, knew more. He had gone home after the baby was born, assuming all was well, only to be recalled urgently to the hospital.

"I didn't know what the problem was when I got back that night," he said. "I soon found out. I can see the nurse now, holding Philip. I saw the little arms and knew there was trouble. There was no explaining to do. It was there. I thought it was all handled a little too abruptly at the time, but looking back, I can see why she did it. It saved a lot of explanations, a lot of complications. I can remember going back to the house and having a good old cry on the green near the house in the early hours of the morning with the dog beside me. I kept thinking of our bad luck."

Today, their son, Philip, approaching his 11th birthday, is an active, if sometimes moody, member of a family of five. After he was born, the Spanswicks adopted another boy, Paul, now 8, and then had a daughter, Beverley, now 18 months. They live in a $6,000 house in Newbury, some 50 miles west of London in Berkshire, where Barbara devotes full time to her children, and Michael works as the manager of a butcher shop. The house also holds two dogs, 29 canaries, 20 tropical fish, one cockatoo, one cat named Smokey, nine caterpillars, one magpie, 15 zebra finches, one wagtail and other assorted birds.

Philip, whose brown hair is cut to fall in bangs just above his often-sad brown eyes, watches television (Tom and Jerry cartoons are his favorites); tries to raise butterflies in the special breeding box he got for Christmas; attempts to keep his favorite toy automobiles from his younger sister; sometimes fights with Paul; plays on a go-cart with David Pratt, his best friend; leans over his typewriter and punches away with the fingers on his stunted arms; and dreams of the day when he can have a bicycle, which his mother is not certain he could pedal anyway

For the drug also left Philip a cripple. His left leg is 5 inches shorter than his right. He had no left hip, a deformed left thigh bone, three fingers on his left hand and four fingers on his right. There is only one bone in each of his hands, which extend from truncated arms attached to his deformed shoulders.

"We try to treat Phil the same as a normal child," said Barbara, a pleasant, 37-year-old redhead who admits to losing every time she tackles her weight problem. "I mean, he gets his share of smacks. He can be very stubborn, but you do have to make some allowances for him. For instance, I would never allow a child to kick, but in Philip's case, it's his only means of defense.

"We do love old Phil. I'd rather have him as he is, than not have him at all."

Philip is one of those living reminders of what is generally called Britain's national tragedy. In some ways, he is better off than some thalidomide children, worse off than others.

. . . Philip himself is clearly a sensitive lad who is shy with strangers, turns down invitations to parties with children he doesn't know well, hates it when people stare at him and likes to do as many things as he can himself. Despite his deformed hands, he has learned to crochet and knit, to play "By Bonnie" on his small electric organ in the upstairs bedroom he shares with Paul, to peck away with some speed on his typewriter, to write and eat.

He goes to regular school, St. Nicholas Primary in Newbury, where teachers' report cards show he is holding his own: "Philip has worked hard, especially in composition and projects. His math has improved. It is wonderful how he fits into everything. . . ." And: "Philip tries very hard and is always cheerful. He willingly tries to overcome any difficulties in his work. . . ." And: "Philip is a great favorite and admirable person." The report prepared by a doctor in aid of his compensation claim provides a somewhat different picture. To the question of whether he is suffering any psychological disabilities, the doctor wrote: "Yes, emotional distress which he cannot express."

Moreover, from 7:45 in the morning when he gets up for school, until bedtime, Philip needs special help and attention. Sometimes he can dress himself, but usually not. Pullover shirts are difficult. And, because he cannot reach his trouser zippers, he requires help whenever he goes to the toilet.

"That's one reason why he comes home from school every day at lunch," said his mother. "If it weren't for the problem of the toilet, I would probably insist he stay in school. He has other problems, too, of course. He can't walk very far, but he's not bad enough to have a wheelchair.

"The other day we went to a pantomine in London. We parked the car at Hyde Park and we went on the underground. It was a long walk from the tube to the Coliseum and he really began to feel it, and I had to put him on my back while my husband had to carry Beverly.

"You know, too, that Philip likes football. But the trouble with that is that he sometimes tends to kick himself in the teeth. You see he hasn't got a proper joint in his hip, and so he swings his leg like you would an artificial leg, and then once it's swinging it can't be stopped from going up."

Philip, who usually responds to questions with one- or two-word answers, is rarely asked these days about his crippled leg and short arms. Because he has lived all his life in the same working-class neighborhood and in the same house—with its flowered wallpaper, Constable print, embroidered map of Oxford and the animals and birds that inhabit the living room, dining room and backyard—his neighbors all know him, and the children at school treat him as they would any other pupil.

When he was 4 years old, he sat on the wall of the park just down the narrow street from the yellow door of his house and a new boy came up and asked where his arms were. "I cut them off and buried them," he said. It is the kind of question Philip does not get often in his small world—and one that he can do without. He rarely talks about his problems, although one day he did look up and ask his mother whether he would ever grow arms like her.

"I said, 'No, I'm afraid you won't,' " recalled Barbara. "I told him they would grow longer than they are, but they would never grow the same length as ours are. He does brood occasionally, and he does have times when he's very quiet and he doesn't bring it out. I think the hospital business is upsetting him."

The "hospital business" is the future plan to try to lengthen Philip's shortened leg in a complicated series of operations. It will be Philip's fourth visit to the hospital, where he spent more than three months when he was less than a year old because of a dislocated right hip. Then, when he was 4, he fell and cracked the hip bone and remained off his feet for several weeks. And, last August, he required an operation on his left ankle in preparation for the "leg-stretching" operations to come.

All such operations, of course, cost the Spanswicks nothing because of Britain's National Health Service. The local education authority pays for the taxi which carries Philip back and forth from school at lunch. And the family—like others—has received generous help from Lady Hoare, the wife of the former Lord Mayor of London, who has raised more than $1 million in the past 10 years to help thalidomide families.

Among the grants from Lady Hoare's organization has been $12 every three months for Philip's shoes. One foot is a full size larger than the other, and so Barbara must buy Philip two pairs, each of a different size. Moreover, Lady Hoare, who operates the charity from her home in Northwest London, has given the family $12 to buy Trixie, Philip's black Pomeranian; $100 for replacement of the worn red carpet in the living room; and some small amounts for fixing up Philip's bedroom. "She really has been marvelous," said Barbara. "She knows the problems, she's sympathetic and she's not just a do-gooder figurehead, she's a real help."

Every bit counts for the Spanswicks, whether it be money from Lady Hoare or the salary increase Michael has now received along with his promotion in the butcher shop. The family's means are limited: Michael brings home about $72 a week and this soon disappears on housing, food, the eight-year-old car and other needs. yet they are a relatively satisfied family. They count their blessings and make few material demands.

Since Philip was born, the family has never taken a vacation, except for one five-day visit to Crewe in Cheshire to see Barbara's sister. Last year, they drove to Leeds so Philip could have a special examination to supply a necessary part of the mass of paperwork needed to support their compensation claim. To save money, the Spanswicks slept overnight in their car.

"We're not bothered about not taking vacations," said Michael, who works about 54 hours a week, including overtime. "It's not just the money. With my new salary, I've never been so well off in my life. Anyway, we're rather tied down with all the animals. Philip does like car rides, and we occasionally take him out. Last year, we had a nice day at West Wittering on the South Coast."

Their needs and tastes are undemanding. A night out for Barbara and Michael comes about twice a month, when the local bird club meets. They keep a close watch on their spending, with every payment accounted for, from the $10 a week for the mortgage, to the $4 a week to feed and care for the birds they are so proud of. "At the moment we have nothing left over each week," said Barbara, "because Michael is busy redecorating the house."

In their quiet moments come the thoughts of Philip's future. "I just don't know about marriage," said Barbara, picking up little blond-haired Beverly. "I would like to think he would get married. Otherwise, I would like to think that one of these two would take him in after we're gone. I would hate to think of him going into a home. Even if you had 10 children, there's no guarantee that one of them would take him in, and that's what I keep impressing on him when he's nasty to his brother or sister.

"I tell him that one of these days he might need Paul, so he must not be nasty to him. I say to him we won't be here all the time and one of these days he might need someone. I don't like it when he asks for something as if it's his right. I try to impress him that if he wants something he should ask nicely.

"Just what he'll do, I don't know. One thing we know. He'll never be a butcher like his dad."

Mr. KENNEDY. Mr. President, the Senator has correctly stated that in the legislation under "special studies" there is a provision which states that as the third in a series of studies:

The Commission shall conduct an investigation and study respecting the ethical, moral, social and legal implications of voluntary testing, counseling and information and education programs with respect to genetic diseases and conditions.

During the time that I have been chairman of the Health Subcommittee we have seen a number of examples of various genetic diseases which have caused enormous anguish, pain, and suffering for members of families and communities.

There are in excess of 20 different genetic diseases, about which our information and knowledge is extremely limited. It is not because there have not been distinguished scientists and researchers who have been concerned about it, but rather that it is one of the most complex and difficult health issues that we face. We do not really understand the reasons for these various diseases. We do not understand why the genetic problems of Tay-Sachs are particularly a problem to those of the Jewish background, why Cooley's anemia primarily affects those who live in the Mediterranean basin, or why Huntington's disease, which is a real tragedy, usually first emerges when a person is in mid-life, probably 30 or 35 years of age. This is a complex, involved issue.

We believe that there probably will

soon be, judging from our present rate of progress, the ability to identify a particular gene that is suspect. It may be a diseased or a vulnerable gene.

If we can change one particular gene that may be diseased, then there are going to be very significant and important questions as to what really is a disease and what is an injured gene.

And there are some very, very profound questions in this area as well which, Lord only knows, not only Congress but the kind of group that we have assembled here comprising medical, ethical, and legal professions have not really interacted closely enough to give society the benefits of its views.

It may get to the point where a particular medical group will want to change genes that they do not like, and this whole area of genetic engineering poses enormous implications for society. With both the immediate problem and the future problem to deal with, we need to get ahead of the game with this kind of a study, it is a study respecting the ethical, moral, social, and legal implications of voluntary testing, counseling, and information as well as education programs that could be useful, advisable, and available. As we have seen from other studies that have been done by the Commission, it will have important implications for the future.

Mr. President, this particular study, I think, is of value and is worthwhile. That is the reason I am reluctant to accept the amendment of the Senator from North Carolina. I respect the reasons for his offering the amendment, and I indicate that we have no less interest in the types of concerns that the Senator from North Carolina has, but it does seem to me to be an important area both presently and for the future. We need the most thoughtful and considered examination of this type of issue which will be of value to us as a society. So, therefore, I hope the amendment will be defeated.

Mr. HELMS. Mr. President, I ask unanimous consent that Mr. Carl Anderson, of my staff, be accorded the privilege of the floor during consideration of S. 2579 and any vote thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from Utah (Mr. HATCH) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I also ask unanimous consent that Mr. HATCH be listed as a cosponsor of amendment No. 3072, which I shall call up shortly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I am willing to yield back the remainder of my time if the able Senator from Massachusetts is willing to yield back the remainder of his time.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back the remainder of his time?

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from North Carolina.

(Putting the question). The nays appear to have it. The nays do have it.

The amendment is rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. JAVITS. Mr. President, my relationship to the pending measure, S. 2579, goes back to the 92d Congress. At that time I introduced legislation to respond to the moral, legal, and ethical dilemmas posed by the rapid advances of modern science and medical technology. The pending bill is an historic milestone in my legislative efforts to safeguard the rights and welfare of human subjects involved in research.

As the author of the provision in S. 2579 which authorizes the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research to conduct a study on the ethical, social, and legal implications of voluntary testing, counseling, and information and education programs with respect to genetic diseases, I am concerned that those who raise the specter of abortion fail to recognize that genetic counseling is the newest breakthrough in preventive medicine and integral to reducing the risk of genetic disease.

The intention and purpose of such study is to recognize the tragic statistics of genetic disease in the United States, to wit:

One hundred thousand miscarriages each year are caused by gross genetic defects.

Forty percent of infant mortality results from genetic factors.

One-third of pediatric ward patients are there for genetic reasons.

And the need for a responsible and thoughtful body to provide us with information regarding the moral, legal, and ethical issues related thereto.

I believe Congress has a responsibility to assure meaningful legal controls of research involving human subjects, and in fact authored the informed patient consent amendment to the Food, Drug and Cosmetic Act to achieve that end.

At the same time we must understand that when we consider biomedical research it is imperative that we maintain a constant vigil lest the zeal which first motivated and then impelled man forward in his never-ending quest for enlightenment be like the sorcerer's apprentice, exceeding its bounds and unfettered cause us to outdistance our own capacity for commonsense and decency.

Thus, the provision I authored would provide the Congress with the necessary information respecting the moral, legal, and ethical implications of genetic counseling to allow us to legislate in the future with knowledge and not in a practical, ethical, or legal vacuum.

My deep personal concern about this subject caused me in 1973 to sponsor with the Human Resources Committee Chairman Senator WILLIAMS; the ranking minority member of the Health Subcommittee, Senator SCHWEIKER, and the chairman of the Health Subcommiittee, Senator KENNEDY, a special congressional briefing session about the advances in biomedical science as it relates to genetic issues and their important consequences for the future of mankind generally and for our country in particular. New developments have profound ethical and legislative implications, and so require understanding on our part as legislators if they are to be used for maximum benefit to our people.

If we are to overcome ignorance respecting genetic disease we must assure that our scientific inquiry is constantly blended with judgment, compassion, and sympathy, the true synthesis of humaneness and humanity.

That is the true purpose of the provision in the bill requiring the Commission to study the moral, ethical, and legal issues respecting genetics.

Thus, while I see no necessity for the amendment proposed, to the effect that such study shall evidence concern for the essential equality of all human beings, born and unborn, I, at the same time see no need to oppose the amendment.

The amendment I believe, reflects that author's personal concerns regarding the unborn. In my view that would in any event be a factor in the Commission's consideration.●

AMENDMENT NO. 3072

(Purpose: To revise Commission's authority with regard to study of ethical implications of testing and counseling regarding genetic diseases)

Mr. HELMS. Mr. President, I call up amendment No. 3072 and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS), for himself and Mr. HATCH, proposes an amendment numbered 3072.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 10, line 7, insert the following after the period: "Such study shall evidence concern for the essential equality of all human beings, born and unborn.".

Mr. HELMS. Mr. President, I yield myself such time as I may require.

Mr. President, as my remarks on the preceding amendment indicate, there are substantial ethical and public policy questions involved in the issue of genetic counseling. There are so-called experts who counsel us that the right to life and the equal protection of the laws should be denied handicapped or deformed children. They advocate sacrificing the interests of innocent human beings to some supposed social need.

This amendment, the pending amendment, guards against this potential danger arising in the study of genetic counseling by requiring that the commission's "study shall evidence concern for the es-

sential equality of all human beings, born and unborn."

I urge the adoption of the amendment and I reserve the remainder of my time.

Mr. SCHWEIKER. Mr. President, I want to say I think this amendment has a lot of merit. The Senator from North Carolina and I have fought many of these battles together on the same side. When this bill was drafted I certainly considered the views that he and I philosophically believe in with respect to this issue, and I think the intent of the bill, and certainly my intent in sponsoring it, is consistent with our shared views. This amendment states very specifically my views and my feelings.

I commend the Senator from North Carolina for offering this amendment, and I hope the distinguished chairman of our subcommittee will give consideration to accepting it.

Mr. HELMS. I thank the Senator.

Mr. KENNEDY. Mr. President, I yield myself such time as I may use.

It has always been my sense that the Commission itself has in the past indicated a strong concern for the value of human beings and the essential quality of human beings, born and unborn, and I have no objection to the amendment. I would urge its adoption.

I yield back the remainder of my time.

Mr. HELMS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from North Carolina.

The amendment was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HELMS. Equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ZORINSKY). Without objection, it is so ordered.

AMENDMENT NO. 3074

(Purpose: to eliminate the study to define death)

Mr. HELMS. Mr. President, I call up amendment No. 3074, which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment numbered 3074: Beginning on line 22—

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on line 22, page 9, strike out through line 2, page 10.

On page 10, line 3, strike "(3)" and substitute "(2)".

On page 10, line 8, strike "(4)" and substitute "(3)".

On page 10, line 19, strike "(5)" and substitute "(4)".

Mr. HELMS. I yield myself such time as I may require.

Mr. President, my amendment would strike the provision of S. 2579 which would authorize the President's Commission to undertake a study of the definition of death. A new Federal study would be redundant, unnecessary, and could preempt the important work which has already taken place.

Dozens of medical, legal and scientific committees and panels and individual scholars have already studied the issue of when death occurs. Aside from the articles which have been published in law reviews and medical journals by individuals over the past 10 years, the Harvard Medical School ad hoc committee to examine the definition of brain death has issued what many regard to be the definitive work in this field.

My point is not that the Harvard study is definitive or free from controversy. Rather, it is simple that before we mandate the expenditure of more taxpayers' money for one more Government study, we should be very clear as to the reasons why the substantial work which has already been done in this area is inadequate.

According to the National Conference of Commissioners on Uniform State Laws, 18 States have already enacted statutes between 1970 and 1978 dealing with the definition of death. For the remaining 32 States, a draft of a model definition of death statute will undergo its second and final reading in the meeting of the uniform State law committee being held in New York this summer.

Minnesota State senator, Jack Davies, who is chairman of the committee which drafted that model statute has stated that "any additional intellectual labors" such as the one which this bill today poses "are unnecessary."

I agree.

However, while such a new study may be unnecessary, it may greatly increase the medical, legal, and moral controversies surrounding this question.

Mr. President, the assertion that the activity of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research is noncontroversial is not entirely accurate. Three years ago, the Commission issued a report entitled "Report and Recommendations: Research on the Fetus." The recommendations proposed by the Commission in that report were substantially accepted by the Department of Health, Education, and Welfare and in 1976 were partially codified in Federal law. The Commission's action concerning research on the fetus sanctioned the manipulation of human beings in a fashion which millions of Americans find morally abhorrent. One member of the Commission, the late David W. Louisell, former professor of law at the University of California at Berkley, was moved by the Commission's action to enter a lengthy criticism of the Commission report as a minority report to its recommendations.

Professor Louisell's essential disagreement with the Commission's recommendations was that "they succumb to the error of sacrificing the interests of innocent human life to a postulated social need."

If the Commission maintains this mentality regarding such basic life and death questions, it is entirely possible it will recommend a definition of death which will for the first time legalize acts which up to now have been considered homicides under criminal law.

Mr. President, in a moment I will ask that Professor Louisell's report by printed in the RECORD. Since the bill we are presently considering authorizes the Commission to undertake a study and to develop a definition of death, I believe it appropriate that we review what the Commission has done regarding the beginnings of human life.

Mr. President, the increasing ability of medicine to resuscitate dying patients, to maintain the life of patients by means of sophisticated, new machinery, and to transplant the organs of one person into the body of another have advanced a new interest in the definition of death. It is nonetheless interesting that this new interest in attempting to determine when death occurs should intersect a continuing interest to promote national health insurance. It is obvious to anyone familiar with the operation of the medicaid and medicare programs that a substantial proportion of the resources allotted to any national health insurance program will be devoted to the medical needs of the elderly and the intensely sick or injured. My colleagues here may remember the furor caused when the public learned the contents of an in-house memorandum prepared for the Secretary of Health, Education, and Welfare in which it was suggested that the Department promote so-called "death with dignity" measures as means to reduce rising health costs. Certainly any definition of death established by the President's Commission proposed today cannot be isolated from questions involving procedures for resuscitation, maintenance, or organ transplants under a national health insurance plan.

Mr. President, the American Medical Association has not accepted any particular, official definition of death. The American Bar Association has only recently accepted a definition of death to be used in limited circumstances. As a matter of criminal law, a definition of death has been substantially left to the jurisdiction of State courts and legislatures. Many State legal, medical, and scientific organizations are presently studying the traditional definition of death as it relates to modern advancements in medical and scientific technology. The preemption of those continuing discussions by the imposition of a definition of death proposed by a na-

tional commission on the Federal level would not serve the best interests of American society.

Mr. President, the authorizing legislation we are presently considering specifies that the President's Commission will be subject to the provisions of the Federal Advisory Committee Act. That act stipulates that commissions such as this one which seek to advise the President or Congress on policy matters be composed of members who fairly represent various points of view on these issues. I hope that the sponsors of this legislation will seek to do all they can to insure that the membership of the President's Commission consists of people who represent a balancing of viewpoints and concerns.

Mr. President, earlier I mentioned the proposed definition of death involving brain death which was proposed by the Harvard Medical School ad hoc committee. Many public policymakers have refused to accept brain death as an alternative means of defining death, since some people now propose that merely cerebral death be used as the definition.

Mr. Dennis Horan, chairman of a special American Bar Association committee to study this problem observes the following:

> Death of the cerebrum alone has not been accepted as real death in our society. Those who push this definition of death, whether they realize it or not, are asking for a change in the current homicide laws and asking for the introduction of euthanasia . . .

Such life-and-death issues should not be resolved by the efforts of a special advisory committee whose recommendations may then be codified into Federal law through administrative procedures without ever seeking congressional review. In the past the Commission's findings have been treated in this fashion.

These are issues which affect essential public policies and should be resolved not by bureaucrats or Presidentially appointed specialists, but by the people's elected representatives.

Mr. President, last November Mr. Dennis J. Horan undertook to discuss many of the problems involved in attempts to arrive at a definition of death in a speech before the New York Academy of Sciences Conference on Brain Death. Mr. Horan is a lecturer in law at the University of Chicago Law School; chairman of the American Bar Association Committee on the Right to Live-Right to Die; and vice chairman of the American Bar Association Committee on Medicine and Law. Mr. Horan is also the coauthor of a new book entitled "Death, Dying and Euthanasia."

Mr. President, I ask unanimous consent that excerpts from Mr. Horan's speech before the New York Academy of Sciences entitled "Euthanasia and Brain Death: Ethical and Legal Considerations" be printed at this point in the RECORD, to be followed by Prof. David Louisell's dissenting minority view of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, "Report and Recommendations: Research on the Fetus."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EUTHANASIA AND BRAIN DEATH: ETHICAL AND LEGAL CONSIDERATIONS

(By Dennis J. Horan)

For many years the problem of defining death was basically one of a simple medical judgment, a diagnosis, made by a physician at the deathbed in a home or in a hospital.[1] The criteria for determining when death occurred were medical criteria easily applied by physicians and seldom, if even, questioned by the public. There existed no statutory definitions of death, and the common law considered the issue only in relation to the distribution of property or in determining whether a person who had been the victim of an assault died within a year and a day.[2] The common law defined death as a moment when life had ceased, "defined by physicians as a total stoppage of the circulation of the blood and a cessation of the animal and vital functions consequent therein, such as respiration, pulsation etc."[3] Any more was not necessary, and so no more was undertaken . . .

My concern here today is the ethical and legal considerations for society in adopting brain death as a basis for a diagnosis of death. I did not say the basis for such a diagnosis since I presume that no one intends but that brain death should be an additional way—albeit, the "sole" way—of determining death in a given case.[5] That is to say, where mechanical support is not in use or transplantation is not in issue, we would not have the problem since the diagnosis would be a matter of clinical judgment by the attending physician. Obviously, brain death is also a matter of clinical judgment, but is only too seldom discussed in those terms. We are not per se discussing a statutory definition of death but rather two other questions; one, a broad philosophical, moral, ethical and legal question; and the other, a narrow technical medical problem. These questions are:

(1) Is a person who is brain-dead really dead? If the answer is yes, then

(2) What means of proof is acceptable to society that brain death has occurred? . . .

If the determination of death is a diagnosis made by a physician and a person is dead when their brain is dead, then why can't a physician make such a diagnosis and declare the brain-dead person to be dead? Why does he need a statute? In short, what are we doing here? Why are statutes being created to give a physician a "right" (to declare a brain dead person dead) he presumptively has?

In my opinion, the answer to those questions is two-fold: 1) The public and public policy makers lag behind the physician in understanding these concepts; and 2) some persons, indeed some physicians, have used the concept of brain death in a socially unacceptable way. The first answer means that more and better ways of reaching the public and to inform public opinion on these issues must be found as presumably this conference is doing. The second we must discuss further to illustrate my point.

I do not wish to set up a straw man, but in order to clearly delineate the nature of the legal-ethical problem I am about to discuss I wish to choose as an example a medical article published in the *Baylor Law Review* entitled "Medical Death".[6] In that article Sheff D. Olinger, M.D., who is the Director of the Department of Neurology and the Director of the Stroke Unit and EEG Department of the Baylor University Medical School in Dallas, took great care to make a distinction in the issue of brain death, which distinction, in my opinion, is at the heart of the problem as to why some public policy makers have refused (and rightly so) to accept brain death as an alternative means of defining death. In that paper, Dr. Olinger stated:

"I would like to distinguish the term cerebral death from brain death. The brain is composed of several parts, including the medulla, cerebellum, mid-brain, and cerebrum. We are concerned here with the cerebrum. The other portions of the brain may function to produce spontaneous circulation and respiration in the absence of the cerebrum without consciousness or awareness. When all the brain has lost its function, there is no spontaneous respiration, and usually no effective circulation. I would emphasize again that cerebral death and brain death are different things and that the term cerebral death expresses the medical concept which is equated with death of the individual person." [7]

After discussing the Harvard criterion and criticizing it because it is highly technical and incapable of lay understanding and, more importantly, because the Harvard criteria "do not recognize the cerebral quality of human life, [since] the cerebrum might be totally destroyed without hope of recovery, although circulation and respiration could persist or be supported indefinitely",[8] Dr. Olinger then proceeds to put his finger on the heart of the matter:

"Having defined medical or scientific death as death of the cerebrum, it must be pointed out that this definition is not usually used in ascertainment of death by physicians." [9]

Dr. Olinger's last statement presents two problems, the discussion of which is important for us today. 1) Is that definition (death of the cerebrum not used because there is a lag in the knowledge necessary to make a determination of death based on brain death, or 2) is it not used because the concept of brain death as cerebral death is not (as I asked previously) really death?

Death of the cerebrum alone has not been accepted as real death in our society.[10] Those who push this definition of death, whether they realize it or not, are asking for a change in the current homicide laws and asking for the introduction of euthanasia, which creates for each of us substantial ethical problems as well.

Although American Medical Association has not opted for any definition of death, a two part article recently published in the *Journal of the American Medical Association* has reviewed the concept of brain death and has reported on the current status of these medical and ethical considerations. Throughout this two-part article continued reference is made to brain death as the *complete* destruction of brain function or the irreversible cessation of *all* brain function. The authors review the current ethical positions and conclude that only destruction of the *entire* brain constitutes an acceptable definition of death. Consistently through this article such language is used as this:

"Patients with irreversible total destruction of the brain fulfill this definition, even if heart action and circulation are artificially maintained." [12]

The American Bar Association in its Resolution voted and approved by the House of Delegates on 2/24/75 accepted as a definition of brain death the irreversible cessation of total brain function. However, it is important in considering that definition that the thrust of the entire Resolution be understood. The preamble to that Resolution recites that the concern of the Medicine and Law Committee, which formulated the Resolution after extensive research and investigation, was the necessity to cease all artificial life support when someone has died and to maintain the best cellular condition of a donor's organs.

The Resolution in full reads as follows:

"Whereas, it is to the well being of the public to cease all artificial life supports, respiratory and circulatory, after a human body is dead; and

Whereas, it is currently medically established that irreversible cessation of brain function is determinative of death; and

Whereas, in the current technology of organ transplants it is vital that the donor's gift be in the best cellular condition,

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Footnotes at end of article.

Therefore, be it resolved: that the American Bar Association offers a Current Definition of Death as follows:

For all legal purposes, a human body with irreversible cessation of total brain function, according to usual and customary standards of medical practice, shall be considered dead."

The preamble is important to keep in mind because it limits and explains the applicability of the resolution. The ABA definition is intended for those occasions when artificial means of life support are in use or organ donation is contemplated. Even though the definition includes the words "for all legal purposes" the definition is not intended to supplant a physician's use of his clinical judgment when he declares a person dead. The intent of the resolution is to aid him in the specific area of artificial life supports where clinical judgment, it is said, has become tentative and confused.

Consequently, the ABA definition does not mean that a person who has spontaneous respiration and circulation, but has a brain lesion which makes him comatose can be declared dead . . .

In addition to the preamble to that Resolution, which is frequently forgotten in discussing the nature of the ABA's position on brain death, the advantages of such a definition, as published in the American Bar Association's report when it accepted this definition, are the following reasons in support of or as "advantages of the definition":

1. Permits judicial determination of the ultimate fact of death;
2. Permits medical determination of the evidentiary fact of death;
3. Avoids religious determination of any facts;
4. Avoids prescribing the medical criteria;
5. Enhances changing medical criteria;
6. Enhances local medical practice tests;
7. Covers the three known tests (brain, beat and breath deaths);
8. Covers death as a process (medical preference);
9. Covers death as a point in time (legal
10. Avoids passive euthanasia;
11. Avoids active euthanasia;
12. Covers current American and European medical practices;
13. Covers both civil law and criminal law;
14. Covers current American judicial decisions;
15. Avoids non-physical sciences.

A fair reading of the articles concerning the medical, legal and ethical aspects of brain death which appeared in the October issue of the Journal of the American Medical Association clearly indicate support of the American Bar Association Resolution on brain death. . .

In my opinion, the irreversible cessation of total brain function is an ethically acceptable, as well as adequate legal and medical definition of death. However, death of only the cerebrum is not.

What then are the legal and ethical implications of the distinction between cerebral brain death and total brain death? In discussing this question we should first indicate that we are not speaking about when it may be proper to cease treatment in a terminal case, even if that treatment is a Bennett respirator, such as was involved in the Quinlan case. My own position on that issue is that a physician is authorized under the standards of medical practice to discontinue a form of therapy which in his medical judgment is useless. He is not mandated by the law to render useless treatment, nor does the standard of medical care require useless treatment. Under those circumstances, if the treating physicians have determined that continued use of a respirator is useless, then they may decide to discontinue it without fear of civil or criminal liability. By useless is meant that the continued use of the therapy cannot and does not improve the prognosis for recovery. Even if the therapy is necessary to maintain stability, such therapy should not be mandatory where the ultimate prognosis is hopeless.

This does not mean that ordinary means of life support, such as food and drink can be discontinued merely because the ultimate prognosis is hopeless. In addition, we will reserve for some other time the discussion of whether or not IVs may be discontinued even under those circumstances. My own position is that they may not. By hopeless is meant that the prognosis for life (not meaningful life) is very poor. The fact that someone may or may not return to "sapient or cognitive life" may or may not fulfill the requirement depending upon other medical factors, but in and of itself it does not.[17] The The Supreme Court of West Germany put this idea very succinctly in its recent opinion on the abortion issue:

"Where human life exists, human dignity is present to it; it is not decisive that the bearer of this dignity himself be conscious of it and knows personally how to preserve it." [18]

The issue in my perception of the problem of brain death is that total brain death is an acceptable legal and medical manner of declaring persons dead. Cerebral death is not an acceptable legal, ethical, medical or moral manner of declaring persons dead. Cerebral death is akin to euthanasia, which is morally and legally unacceptable.

Percy Foreman has said that euthanasia is a highfalutin word for murder.[19] Under our law euthanasia is a homicide.[20] Even though the one who commits euthanasia bears no ill will towards his victim and believes his act to be morally justified, he nonetheless acts with malice in the eyes of the law if he is able to comprehend that society prohibits this act regardless of his personal belief. The motive of the perpetrator of the euthanasia is rejected as an ameliorative fact in American law. If the facts establish that the killing was done willfully, that is with intent and as a result of premeditation and deliberation, our law calls it murder in the first degree regardless of what the defendant's motive may have been.[21]

Even if the homicide is committed at the request of the decedent it still constitutes a homicide since, as our courts have indicated, murder is no less murder because it is committed at the desire of the victim. "He who kills another upon the other's desire or command is in the judgment of the law as much a murderer as if he had done it merely from his own volition." [22]

All nations consider euthanasia the crime of homicide, although it is frequently indicated that Uruguay may be the one exception.[23] In a number of countries such as Germany, Norway, Switzerland, etc. a compassionate motive or homicide on request will operate to reduce the penalty, but the crime remains the same—homicide. Homicide is no less homicide because the victim is aged, senile or near death.[24] The criminal law has as great a respect for the young and hearty as the old and aged. The law teaches that mankind has not supported euthanasia. It is considered a homicide by all nations and societies.

For the medical profession our discussion of euthanasia has particular importance. Already our society has legalized abortion and has made the killing of the unborn an option between the mother and her physician. It is significant that that decision—to abort—must be a matter of medical judgment as well as the mother's wish. At least it was such in the eyes of the U.S. Supreme Court, but, as we have all seen, the majority of cases, if not well in excess of 98% of the cases, no medical reasons exist to support the abortion.[25]

From the point of view of the physician who has been trained to preserve life, the legalization of homicide at the request of the actor is of very great significance primarily because the actor would be the physician. To understand euthanasia you must understand that we are focusing not on the conduct of the person dying, but on the conduct of the person who will participate in the act of killing that person either voluntarily or involuntarily. Make no mistake about it, that person would be a physician.

. . . Do we wish to legalize killing? In his famous article [29] Prof. Yale Kamisar answered that question "no", arguing from purely non-religious grounds against mercy killing legislation that for the good of society there should be no exception to our universal societal expectations that we will not kill nor will be killed. Any breach in that absolute he sees as the beginning of a slippery slope, the danger of which is the creation of "legal machinery initially designed to kill those who are a nuisance to others".

Those who would legalize euthanasia want it to be legalized so that a physician can kill someone who is desirous of euthanasia. This fact should not be glossed over or eliminated from any discussion of this important issue, especially by physicians. The legalization of euthanasia will make death an option or a treatment of choice in some circumstances. Will the ideology of cost containment one day make it mandatory? Before answering these questions we must understand that there is a vital distinction between killing and letting die.[30]

All men will one day be hopeless in the face of death. Any thing we say or do in this conference is not going to alter that fact. We shall all die. The vital distinction is whether we shall die as a result of being allowed to die, or whether we shall die as a result of ourselves or others. . . .

There is an issue concerning medical judgment which must be faced. If the physicians agree that total brain death is equivalent with being really dead, then society will eventually come to that position also. However, the concept of cerebral brain death is objectional because traditionally it has not been accepted, either medically, ethically or legally. In addition, it cannot properly be applied to otherwise comatose people who have spontaneous respiration and circulation, but who are in some stage of deep coma. Ceasing to treat these people because the treatment is extraordinary does not resolve the question as to whether or not they are alive or dead. I think that no one disagrees that those people are alive as we understand it. They are neither dead nor brain-dead.

Ethically our understanding of this problem must be based upon our understanding of respect for persons. Each person is a unique entity not only in the eyes of God, but in the eyes of the United States Constitution and the criminal law of all our states. A dying person is no less a person in the eyes of the law. Ethically he not only continues to be a person of infinite moral worth and humanity, he now has a greater claim on us and on our humanity because he is ill and helpless. Even more so, he has his claim upon the practitioner of the healing arts raised to a higher level because of his illness. Indeed, some courts have found the relationship between a physician and his patient to be of the highest legal relationship—that of a fiduciary. . . .

Arthur Dyck, Saltonstall Professor of Population Ethics at Harvard, . . . argues that the desire and obligation to be merciful or kind does not commit us to a policy of euthanasia and that, indeed, such a policy has widespread effects which are not intended, but are foreseeable. Although there are deep philosophical and religious differences which divide people on this issue, the injunction not to kill and the promise we

Footnotes at end of article.

have made one to the other that we will not kill does not invite of that type of division. For doctors that sense of divisiveness between themselves and their patients should be a crucial factor in determining whether or not they would opt for mercy killing as an alternative treatment of choice. In my opinion, that option undermines the relationship between phyisician and patient and will create a sense of distrust which will undermine not only the patient's sense of rapport with his physician, but the physician's own sense of rapport with his professionalism and his profession.

Dyck argues compellingly that the point of the wedge argument is very simple when applied to the euthanasia debate. Killing is generally wrong and should be kept to as narrow a range of exceptions as possible. But beneficent euthanasia or mercy killing applies logically to a wide range of cases depending upon who is making the application and, in particular, depending upon the ideology of the cost containment over ever escalating health costs which looms in the horizon. In my opinion, there is no way to limit the application of beneficient euthanasia or mercy killing to a narrow range of cases definitely circumscribed and carefully controlled. As in the case of abortion, to open the door and legalize mercy killing in one case is to legalize it in a full range of cases that are never contemplated by the progenitors of the policy. For these reasons even what appears as a small inroad into the creation of this policy, namely cerebral brain death, it must be opposed. However, if the irreversible cessation of total brain function is really death, which it appears to me and to most observers that it is, then such a concept can be supported without creating the dangers of which I have spoken.

Thank you.

FOOTNOTES

[1] Capron and Kass, "A Statutory Definition of the Standards for Determining Human Death: An Appraisal and a Proposal", *Univ. of Penn. Law Review*, Vol. 121:87, 1972, pp. 87–118.

[2] Friloux, "Death When Does It Occur?", *Baylor Law Review*, Vol. 27, 1975, pp. 10–21.

[3] *Black's Law Dictionary*, p. 488, 4th Ed. 1959.

[5] Almost all the statutes add brain death as a separate but new criterion for determining death.

[6] Olinger, "Medical Death", *Baylor Law Review*, Vol. 27, Winter, 1975, No. 1, pp. 22–26. The entire issue of this law review is devoted to the issue of euthanasia.

[7] Ibid, p. 24.

[8] Ibid, p. 25.

[9] Idem.

[10] Veith, et al., "Brain Death", *Journal of the American Medical Association*, Vol. 238, No. 15, 10–10–77, pp. 1651–1655 at p. 1655.

[11] Idem.

[12] Ibid, p. 1654.

[17] Horan, "The Quinlan Case", *The Linacre Quarterly*, Vol. 44, No. 2, pp. 168–176, Jan., 1976; Published also in *Death, Dying and Euthanasia*, University Publications of America, 820 pp. edited by Horan and Mall, Washington, D.C., at pp. 525–534.

[18] Gorby, "West German Abortion Decision: A Contrast to *Roe* v. *Wade*" in *The John Marshall Journal of Practice and Procedure*, Vol. 9, No. 3, Spring, 1976, pp. 551–684 at p. 559, 560.

[19] Foreman, "The Physicians's Criminal Liability for the Practice of Euthanasia", *Baylor Law Review*, Vol. 27, 1975, pp. 54–61 at p. 54.

[20] Kamisar, "Some Non-Religious Views Against Proposed Mercy Killing Legislation" in *Death, Dying and Euthanasia*, op. cit. pp. 406–479 at p. 407.

[21] *People* v. *Conley*, 49 Cal. Rptr. 815, 822, 411 P.2d 911, 918 (1966).

[22] *State* v. *Ehler*, 98 N.J.L. 236, 240 (1922).

[23] Kamisar, op. cit. at p. 407.

[24] Horan, "Euthanasia as Medical Management" in *Death, Dying and Euthanasia*, op. cit. at p. 209.

[25] Testimony of plaintiff's expert in *McCrae* v. *Matthews*, U.S. District Court, Eastern District of New York, No. 76–C 1804 and 76–C 1805.

[29] Kamisar, op. cit.

[30] For an excellent discussion of this distinction see Louisell, David, "Euthanasia and Biathanasia: On Dying and Killing" in *Death, Dying and Euthanasia*, op. cit. 383–405.

[39] Kohl, Marvin (ed.) 1975, *Beneficent Euthanasia*, Buffalo, New York, Promethus Books.

[40] Kohl, Idem.

RESEARCH ON THE FETUS

DISSENTING STATEMENT OF COMMISSIONER DAVID W. LOUISELL

I am compelled to disagree with the Commissin's Recommendations (and the reasoning and definitions on which they are based) insofar as they succumb to the error of sacrificing the interests of innocent human life to a postulated social need. I fear this is the inevitable result of Recommendations (5) and (6). These would permit nontherapeutic research on the fetus in anticipation of abortion and during the abortion procedure, and in a living infant after abortion when the infant is considered nonviable, even though such research is precluded by recognized norms governing human research in general. Although the Commission uses adroit language to minimize the appearance of violating standard norms, no facile verbal formula can avoid the reality that under these Recommendations the fetus and nonviable infant will be subjected to nontherapeutic research from which other humans are protected.

I disagree with regret, not only because of the Commission's zealous efforts but also because there is significant good in its Report especially its showing that much of the research in this area is therapeutic for the individuals involved, both born and unborn, and hence of unquestioned morality when based on prudent medical judgment. The Report also makes clear that some research, even though nontherapeutic, is merely observational or otherwise without significant risk to the subject, and therefore is within standard human research norms and as unexceptional morally as it is useful scientifically.

But the good is much of the Report cannot blind me to its departure from our society's most basic moral commitment: the essential equality of all human beings. For me the lessons of history are too poignant, and those of this century too fresh, to ignore another violation of human integrity and autonomy by subjecting unconsenting human beings, whether or not viable, to harmful research even for laudable scientific purposes.

Admittedly, the Supreme Court's rationale in its abortion decisions of 1973—Roe v. Wade and Doe v. Bolton, 310 U.S. 113, 179—has given this Commission an all but impossible task. For many see in that rationale a total negation of fetal rights, absolutely so for the first two trimesters and substantially so for the third. The confusion is understandable, rooted as it is in the Court's invocation of the specially constructed legal fiction of "potential" human life, its acceptance of the notion that human life must be "meaningful" in order to be deserving of legal protection; and its resuscitation of the concept of partial human personhood, which had been thought dead in American society since the demise of the Dredd Scott decision. Little wonder that intelligent people are asking: how can one who has no right to life itself have the lesser right of precluding experimentation on his or her person?

It seems to me that there are at least two compelling answers to the notion that Roe and Doe have placed fetal experimentation, and experimentation on nonviable infants, altogether outside the established protections for human experimentation. First, while we must abide the Court's mandate in a particular case on the issues actually decided even though the decision is wrong and in fact only an exercise of "raw judicial power" (White, J., dissenting in Roe and Doe), this does not mean we should extend an erroneous rationale to other situations. To the contrary, while seeking to have the wrong corrected by the Court itself, or by the public, the citizen should resist its extension to other contexts. As Abraham Lincoln, discussing the Dredd Scott decision, put it:

"(T)he candid citizen must confess that if the policy of the government upon vital questions affecting the whole people, is to be irrevocably fixed by decisions of the Supreme Court, the instant that they are made, in ordinary litigation between parties in personal actions, the people will have ceased to be their own rulers, having, to that extent, practically resigned their government, into the hands of that eminent tribunal." (4 Basler, The Collected Works of Abraham Lincoln 262, 268 (1963).)

Thus even if the Court had intended by its Roe and Doe rationale to exclude the unborn, and newly born nonviable infants, from all legal protection including that against harmful experimentation, I can see no legal principle which would justify, let alone require, passive submission to such a breach of our moral tradition and commitment.

Secondly, the Court in Roe and Doe did not have before it, and presumably did not intend to pass upon and did not in fact pass upon, the question of experimentation on the fetus or born infant. Certainly that question was not directly involved in those cases. Granting the fullest intendment to those decisions possibly arguable, it seems to me that the woman's new-found constitutional right of privacy is fulfilled upon having the fetus aborted. If an infant survives the abortion, there is hardly an additional right of privacy to then have him or her killed or harmed in any way, including harm by experimentation impermissible under standard norms. At last Roe and Doe should not be assumed to recognize such a right. And while the Court's unfortunate language respecting "potential" and "meaningful" life is thought by some to imply a total abandonment of *in utero* life for all legal purposes, at least for the first two trimesters, such a conclusion would so starkly confront our social, legal, and moral traditions that I think we should not assume it. To the contrary we should assume that the language was limited by the abortion context in which used and was not intended to effect a departure from the limits on human experimentation universally recognized at least in principle.

A shorthand way, developed during the Commission's deliberations, of stating the principle that would adhere to recognized human experimentation norms and that should be recommended in place of Recommendation (5) is: No research should be permitted on a fetus-to-be-aborted that would not be permitted on one to go to term. This principle is essential if all of the unborn are to have the protection of recognized limits on human experimentation. Any lesser protection violates the autonomy and integrity of the fetus, and even a decision to have an abortion cannot justify ignoring this fact. There is not only the practical problem of a possible change of mind by the pregnant woman. For me, the chief vice of recommendation (5) is that it permits an escape hatch from human experimentation principles merely by decision of a national ethical review body. No principled basis for an exception has been, nor in my judgment

can be, formulated. The argument that the fetus-to-be-aborted "will die anyway" proves too much. All of us "will die anyway." A woman's decision to have an abortion, however protected by Roe and Doe in the interests of her privacy or freedom of her own body, does not change the nature or quality of fetal life.

Recommendation (6) concerns what is now called the "nonviable fetus exutero" but which up to now has been known by the law, and I think by society generally, as an infant, however premature. This Recommendation is unacceptable to me because, on approval of a national review body, it makes certain infants up to five months gestational age potential research material, provided the mother who has of course consented to the abortion, also consents to the experimentation and the father has not objected. In my judgment all infants, however, premature or inevitable their death, are within the norms governing human experimentation generally. We do not subject the aged dying to unconsented experimentation, nor should we the youthful dying.

Both Recommendations (5) and (6) have the additional vice of giving the researcher a vested interest in the actual effectuation of a particular abortion, and society a vested interest in the actual effectuation of a particular abortion, and society a vested interest in permissive abortion in general.

I would, therefore, turn aside any approval, even in science's name, that would by euphemism or other verbal device, subject any unconsenting human being, born or unborn, to harmful research, even that intended to be good for society. Scientific purposes might be served by nontherapeutic research on retarded children, or brain dissection of the old who have ceased to lead "meaningful" lives, but such research is not proposed—at least not yet. As George Bernard Shaw put it in The Doctor's Dilemma: "No man is allowed to put his mother in the stove because he desires to know how long an adult woman will survive in the temperature of 500 degrees Fahrenheit, no matter how important or interesting that particular addition to the store of human knowledge may be." Is it the mere youth of the fetus that is thought to foreclose the full protection of established human experimentation norms? Such reasoning would imply that a child is less deserving of protection than an adult. But reason, our tradition, and the U.N. Declaration of Human Rights all speak to the contrary emphasizing the need of special protection for the young.

Even if I were to approach my task as a Commissioner from a utilitarian viewpoint only, I would have to say that on the record here I am not convinced that an adequate showing has been made of the necessity for nontherapeutic fetal experimentation in the scientific or social interest. The Commission's reliance is on the Battelle Report and its reliance is misplaced. The relevant Congressional mandate was to conduct an investigation and study of the alternative means for achieving the purposes of fetal research. (P.L. 93-348, July 12, 1974, Sec. 202(b); National Research Act).

As Commissioner Robert E. Cooke, M.D., who is sophisticated in research procedures, pointed out in his Critique of the Battelle Report: "The only true objective approach question, since scientists make [the analysis of the necessity for nontherapeutic fetal research], is to collect information and analyze past research accomplishments with the intention of disproving, not proving the hypothesis that research utilizing the living human fetus nonbeneficially is necessary." The Battelle Report seems to me not in accord with the Congressional intention in that it proceeds from a viewpoint opposite to that quoted, and is really an effort to prove the indispensability of nontherapeutic research. In any event, if that is its purpose, it fails to achieve it, for most of what it claims to have been necessary could be justified as therapeutic research or at least as noninvasive of the fetus (e.g., probably aminocentesis). In view of haste with which this statement must be prepared if it is to accompany the Commission's report, rather than enlarge upon these views now I refer both to the Cooke Critique and the Battelle Report itself both of which I am informed will be a part of or appended to the Commission's Report.

An emotional plea was made at the Commission's hearings not to acknowledge limitations on experimentation that would inhibit the court-granted permissive abortion. However, until its last meeting, I think the Commission for the most part admirably resisted the temptation to distort its purpose by pro-abortion advocacy. But at the last meeting, without prior preparation or discussion, it adopted Recommendation (12) promotive of research on abortion techniques. This I feel is not germane to our task, is imprudent and certainly was not adequately considered.

Finally, I do not think that the Commission should urge lifting the moratorium on fetal research as stated in Recommendation (16). To the extent that duration of the moratorium is controlled by Section 213 of the National Research Act, the subject is beyond our control and we ought not assume authority that is not ours. This is matter not for us and not, ultimately, for any administrative official, but for Congress. If the American people as a democratic society really intend to withdraw from the fetus and nonviable infant the protection of the established principles governing human experimentation, that action I feel should come from the Congress of the United States, in the absence of a practical way to have a national vote. Assuming that any representative voice is adequate to bespeak so basic and drastic a change in the public philosophy of the United States, it could only be the voice of Congress. Of course there is no reason why the Secretary of DHEW cannot immediately make clear that no researcher need stand in fear of therapeutic research.

As noted at the outset, the Commission's work has achieved some good results in reducing the possibilities of manifest abuses and thereby according a measure of protection to humans at risk by reason of research. That it has not been more successful is in my judgment not due so much to the Commission's failings as to the harsh and pervasive reality that American society is itself at risk—the risk of losing its dedication "to the proposition that all men are created equal." We may have to learn once again that when the bell tolls for the lost rights of any human being, even the politically weakest, it tolls for all.

Mr. HELMS. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, the Senator has again quite clearly stated that one of the special studies that would be done would deal with the ethical, moral, social, and medical considerations involved in establishing a definition of death, and would include a study of the advisability of developing a uniform definition of death.

It may very well be that this commission will recommend that there should be no single or uniform definition; but we do not know where the commission would come out. The point that I would make here, Mr. President, is that, first of all, the study that the Senator from North Carolina referred to, done by Harvard College, was done in 1968. There has been enormous development in terms of technology since 1968. Moreover, that study was basically directed toward the narrow, specific question of when death occurs; and there still has not really been a thorough consideration of the ethical implications surrounding the definition of death.

If the 1968 study was so clear, why did those involved in the Karen Quinlan case, a great tragedy for the family, the hospital, the doctors, and the public generally, face such enormous moral, ethical, and legal issues, which continue to be faced today by those in the medical professions?

That is at least a part of the reason for this type of study, whose only power will be in the thoughtfulness with which the study addresses the issue of death.

It is important to recognize, as we mentioned in our opening statement, that there is no regulatory power for this commission. If the study has any impact, it will have to be on the basis of the power of persuasion and the quality of the study.

For example, what are the ethical issues involved between a person that is brought into an emergency room, precariously balanced between life and death, and someone who needs a kidney transplant and is also on the borderline of life and death?

I have absolutely no suggestions or ideas other than that these difficult issues should be addressed in a thoughtful manner. And I am not sure that this panel will make recommendations that will be the definitive word.

But we do know that this is an area which this society is going to be addressing in the future. It is getting increasingly complex at the present time. Different States have different standards. The practice of medicine leans increasingly toward the concept of brain death and is often at odds with legal death, which specifies presence of vital signs. The dilemma created by life sustaining technology has caused great anguish. When is turning off the respirator the acknowledgement of death and not the cause of it?

Who is going to be able to respond to that or give us some kinds of answers?

What are the implications of transplant technology where the risk of taking a dying person's kidney for a transplant may be in conflict with the right to full treatment?

Today in 18 States a doctor can take a patient off a respirator if there is no brain activity. In other States he can be tried for murder.

These are the types of issues that cause enormous anguish to families and loved ones, to those within the medical profession who are trying to act in the best interests of patients, and to religious groups as well.

Again, the point is to try and ventilate these kinds of issues and questions, to bring them out to the public, bringing together the medical professions, researchers, and theologians to at least try and air it in a thoughtful, compassionate, and sensitive way.

These are profound questions for society. They will become more so as we go into more extensive technology with farther reaching implications.

I do not anticipate what the conclusions are going to be, but I do not fear them either. I believe the questions should be asked, and they must be asked. I think that this is basic to a society that believes strongly in freedom of inquiry. It is important that we do not ban studies for fear of how they may or may not come out or what might be right or what might not be right.

I think it is a study and a subject which is of enormous concern to the people of this country, and has very powerful implications. These issues ought to be thought about in a constructive and positive way by people who have the time and the background to give special consideration to them.

For that reason, Mr. President, I am opposed to the amendment.

Mr. HELMS. Mr. President, I suggest the absence of a quorum, with the time to be charged to me.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I yield back the remainder of my time on the amendment.

Mr. KENNEDY. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment was rejected.

Mr. KENNEDY. I move to reconsider the vote by which the amendment was rejected.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1341

Mr. SCHWEIKER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SCHWEIKER) proposes unprinted amendment No. 1341:

On page 11, between lines 5 and 6, insert the following:

"Sec. 1805A. Any special study the Commission undertakes shall not be considered as representative of the views of the Congress or any committee of the Congress or the executive branch. Any conclusions or recommendations by the Commission shall not be considered part of the legislative record and/or history. Any recommendation developed by the Commission shall not be binding on any department or agency of the Government.

Mr. SCHWEIKER. Mr. President, this amendment is sponsored not only by myself, but also by the distinguished Senator from North Carolina (Mr. HELMS) and the distinguished Senator from Utah (Mr. HATCH).

Mr. President, we have heard this morning some concerns, very articulately and very effectively presented by the Senator from North Carolina and the Senator from Utah, about what role this body would have in relation to the responsibilities of the Congress and the executive branch. This amendment very specifically makes it clear that whatever study it comes up with the Commission does not speak for the Congress, it does not speak for the executive branch; that any conclusions or recommendations shall not be considered part of the legislative record or history of the Congress and the recommendations developed by the Commission cannot be binding on any department or agency.

The setup that we are establishing here through the Commission does not in any way usurp the powers of or speak for the Congress or for the executive branch of Government. I think this amendment makes that very clear. I think that was the intent of our bill originally—certainly, it was my intent, I believe it was the chairman's intent.

This amendment spells out in statutory language exactly what that relationship, what the role of the Commission is. Any study the Commission undertakes or any recommendation it makes is its own recommendation, and the studies and recommendations stand or fall on their merits or demerits, completely apart from what Congress does.

We in Congress have the right to decide our own policy, to go our own way, to make our own case, and the two are completely separate. I think this is the bill's intent. That was certainly my intent in the initial bill, but I think this amendment spells it out more explicitly, more clearly, more specifically, and more effectively. I think it does what the Senator from Utah and the Senator from North Carolina wanted to see accomplished, and I think it is a reasonable way to proceed.

Mr. KENNEDY. Mr. President, the Senator from Pennsylvania has explained very clearly and concisely that the Commission does not serve a regulatory function, that, as he stated, the power of this Commission will rest solely on the thoughtfulness of its observations. So I have no objection to the amendment. I think what the amendment does is to make this fact, which I consider to be implicit, explicit.

I have no objection to this clarification. I urge the Senate to approve the amendment itself. I am prepared to yield back the remainder of my time.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that the Senator from Kansas (Mr. DOLE) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHWEIKER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1342

Mr. HELMS. Mr. President, I send to the desk an unprinted amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment No. 1342:

On page 2, line 10, insert the following after the words "appointed by the President,":

"The membership of the Commission shall be balanced fairly in terms of the points of view represented and the functions to be performed."

Mr. HELMS. Mr. President, the amendment speaks for itself. I ask unanimous consent that the distinguished Senator from Pennsylvania be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Ellen Axst and Craig Polhemus of the Committee on Human Resources staff may be permitted access to the floor during consideration of these three pieces of legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Obviously, for any commission to have credibility, it has to be balanced and it has to be representative.

I think the present Commission is so structured. I think that has been part of its strength.

I certainly expect that the appointment of these members would be balanced and reflective of varying viewpoints and I have no objection to the amendment.

Mr. President, I yield back the remainder of my time.

Mr. HELMS. I yield back the remainder of my time.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SCHWEIKER. I yield time on the bill.

Mr. CHAFEE. Mr. President, I ask unanimous consent that Fran Paris of my staff be granted privilege of the floor during consideration of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, it is my understanding that the opponents of this bill are in support of the amendment. Basically, it says that they shall be fairly selected, representing varied points of view in a fair manner.

Mr. HELMS. That is correct.

Mr. CHAFEE. I thank the Senator.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to amendment No. UP 1342.

The amendment was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, as I mentioned this morning, our responsibility to the taxpayers requires that before we

spend more of their tax dollars for more expensive Government studies, we should be very clear as to why the substantial work already accomplished in this area is inadequate. It is simply not good enough to say that these are interesting subject to study when the cost to the taxpayers is $6 million a year.

Additionally, the studies which this bill authorizes the Commission to undertake pose substantial questions of public policy. For example, the homicide, laws of each of the fifty States and the Federal Government, rest upon the definition of death one may adopt. The Commission's study of such a definition and its proposals cannot help but affect Federal medical programs involving the resuscitation of dying patients; the maintenance of patients by means of sophisticated machinery; and the transplanation of organs from the body of one person to that of another. Certainly the Commission's studies regarding the definition of death and genetic conditions will affect the consideration of national health insurance proposals.

Since its establishment in 1974, the National Commission has undertaken a number of studies regarding testing and experimentation on human beings. Its first study and recommendations concerned research on the fetus. Those recommendations have since been adopted as Federal regulations by the Department of Health, Education, and Welfare. Similarly, the Commission's report and recommendations on the use of prisoners as research subjects have served as the basis for proposed regulation by HEW. Issues such as these affect essential public policies and should be resolved not by bureaucrats or presidentially appointed specialists, but by the people's elected representatives.

Although I believe the amendments which were passed this morning will strengthen the work of the Commission, I do not believe that the Congress should bypass its responsibility in deciding these important questions of public policy.

Mr. WILLIAMS. Mr. President, as chairman of the Committee on Human Resources, I am pleased to join with Senator KENNEDY and others in recommending passage of S. 2579, the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research Act of 1978.

It is a source of pride for all Americans that the United States is the undisputed world leader in biomedical and behavioral research. Yet, evidence collected by the Subcommittee on Health and Scientific Research over the last 5 years indicates that our research efforts are not always conducted in a manner that assures the protection of human subjects involved in research.

Initial subcommittee investigation in 1973 revealed that a number of unethical research and medical practices were being carried out in programs funded by the Department of Health, Education, and Welfare. The Congress responded in 1974 with legislation establishing a National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research.

The Commission was charged with reviewing the Department's policies for the protection of human research subjects and making recommendations to improve those policies. In addition, it was required to study areas of special concern to the Congress, including fetal research, psychosurgery, and research conducted on children, prisoners, and the mentally retarded.

The Commission has done an outstanding job in carrying out its mandated studies and in issuing recommendations regarding the use of human subjects programs funded by HEW.

Since the creation of the Commission, however, further investigations by the subcommittee have revealed other research activities, by other agencies of the Federal Government, in which human subjects are inadequately protected.

Certainly, any person who participates in biomedical or behavioral research programs under the auspices of any Federal agency deserves protection. For that reason, the committee recomments passage today of legislation, S. 2579, to create a Presidential Commission for the Protection of Human Subjects of Biomedical and Behavioral Research.

The duties of the new Presidential Commission would be similar to those of the existing Commission, except that it would review the policies and activities of all Federal agencies involved in research on human subjects. The new Commission would periodically issue reports on the protection of human subjects of biomedical and behavioral research. Policies of all Federal departments and agencies conducting biomedical and behavioral research would be reviewed to determine whether such policies adequately protect the human rights of individuals involved in the research. Recommendations for administrative or legislative action may be included in the reports. In addition, the Commission would undertake general studies of the ethical, social, and legal implications of advances in biomedical and behavioral research and technology and of resource allocation decisions concerning health care research and delivery. Special studies would be done on specific issues of concern to the Congress at the present time.

It is important to stress that the Commission is not regulatory in nature. The Commission's role is to bring Government activities to public attention so that the democratic process, which is designed to guarantee the human rights of all Americans, will work as intended.

Mr. KENNEDY. Mr. President, I know of no other amendments by the members of the committee.

As I indicated, we had virtually gotten this through on the Unanimous Consent Calendar previously.

Mr. President, I am prepared to go to third reading and I yield back the remainder of time.

Mr. SCHWEIKER. I yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

A bill was ordered to be engrossed for a third reading and was read the third time.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent that we lay aside this legislation, S. 2579.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNITY MENTAL HEALTH CENTERS EXTENSION AND THE BIOMEDICAL RESEARCH EXTENSION ACT OF 1978

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 2450.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A BILL (S. 2450) TO EXTEND THE ASSISTANCE PROGRAMS FOR COMMUNITY MENTAL HEALTH CENTERS AND FOR BIOMEDICAL RESEARCH

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Human Resources with an amendment to strike all after the enacting clause and insert the following:

TITLE I—COMMUNITY MENTAL HEALTH CENTERS EXTENSION

SEC. 101. (a) This title may be cited as the "Community Mental Health Centers Extension Act of 1978".

(b) Whenever in this title an amendment is expressed in terms of an amendment to a section of other provision, the reference shall be considered to be made to a section or other provision of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

SEC. 102. (a) Section 202(d) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $1,930,000 for the fiscal year ending September 30, 1979".

(b) Section 203(d)(1) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $38,890,000 for the fiscal year ending September 30, 1979".

(c) Section 203(d)(2) is amended by (1) striking "1978" and inserting in lieu thereof "1979" and (2) striking "or the next two fiscal years" and inserting in lieu thereof "or the next three fiscal years".

(d) Section 204(c) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $15,000,000 for the fiscal year ending September 30, 1979".

(e) Section 205(c) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $25,000,000 for the fiscal year ending September 30, 1979".

(f) Section 213 is amended by (1) striking "and" after "1977,", and inserting after "1978" the following: ", and $13,500,000 for the fiscal year ending September 30, 1979".

(g) Section 228 is amended by (1) striking "and" after "1977,", and (2) inserting after

"1978" the following: ", and $2,500,000 for the fiscal year ending September 30, 1979".

(h) Section 231(d) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $7,880,000 for the fiscal year ending September 30, 1979".

SEC. 103. (a) Section 203(e)(1)(A)(i) is amended by striking "three grants" and inserting in lieu thereof "four grants".

(b) Section 206(c) is amended by adding the following paragraph at the end thereof:

"(7) If a grant made under this part is renewed, unexpended funds may be carried forward to the subsequent grant period without being deducted from the subsequent grant award.".

(c) Section 225 is amended by inserting after "under this part" the following: "or part A of this title as in effect before enactment of the Community Mental Health Centers Amendments of 1975"

TITLE II—BIOMEDICAL RESEARCH EXTENSION

SEC. 201. (a) This title may be cited as the "Biomedical Research Extension Act of 1978".

(b) Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 202. (a) Section 301(b) is amended by inserting ", research chemicals, and research animals" after "Service".

(b) Section 321(a) is amended by striking ", and tobacco".

SEC. 203. (a) The first sentence of section 383(a) is amended by striking "the President, by and with the advice and consent of the Senate" and inserting in lieu thereof "the Secretary".

(b) Section 390(c) is amended by (1) striking "and" after "1976," and (2) inserting after "1978" the following: ", $15,000,000 for the fiscal year ending September 30, 1979, $17,000,000 for the fiscal year ending September 30, 1980, and $20,000,000 for the fiscal year ending September 30, 1981".

SEC. 204. (a) Section 408(a) is amended by inserting "basic or" before "clinical research".

(b) The first sentence of section 408(b) is amended by inserting "basic or" before "clinical research".

SEC. 205. (a) Section 409(b) is amended by (1) striking "and" after "1977," and (2) inserting after "1978" the following: ", and $85,000,000 for the fiscal year ending September 30, 1979".

(b) Section 410C is amended by (1) striking "and" after "1977;" and (2) inserting after "1978" the following: "; and $925,000,000 for the fiscal year ending September 30, 1979".

SEC. 206. (a) Section 410(a)(1) is amended by inserting after "qualifications" the following: ". Such experts or consultants shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a)(1), 5724a(a)(3), and 5726(c) of title 5, United States Code".

(b) Section 413(c)(1) is amended by inserting after "qualifications" the following: ". Such experts or consultants shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with section 5724, 5724a(1), 5724a(a)(3), and 5726(c) of title 5, United States Code".

SEC. 207. (a) Section 414(b) is amended by (1) striking "and" after "1977," and (2) inserting after "1978" the following: ", and $40,000,000 for the fiscal year ending September 30, 1979".

(b) Section 419B is amended by (1) striking "and" after "1977," and (2) inserting after "1978" the following: ", and $470,000,000 for the fiscal year ending September 30, 1979".

SEC. 208. The last sentence of section 439(g) is deleted in its entirety.

SEC. 209. (a) Section 472(b)(2) is amended by striking "subsection (a)" and inserting in lieu thereof "subsection (a)(1)(B)".

(b) Section 472(b)(5) is amended by inserting "and cost of living increase allowances" after "dependency allowances".

(c) Section 472(c)(1)(B) is amended by (1) inserting "or" after "Corps" in clause (i), (2) striking clause (ii) in its entirety, and (3) redesignating clause (iii) as clause (ii).

(d) Section 472(c)(2)(B) is amended by striking "twenty months" and inserting in lieu thereof "twelve months".

(e) Section 472(c)(4)(A) is amended by striking "$A=\phi\ (t-\frac{1}{2}s)"/(t)$ and inserting in lieu thereof "$A=\phi\ (t-s)"/(t)$.

(f) Section 472(d) is amended by (1) striking "and" after "1977" in the first sentence thereof, (2) inserting after "1978" in the first sentence thereof the following: ", $175,000,000 for the fiscal year ending September 30, 1979, $180,000,000 for the fiscal year ending September 30, 1980, and $185,000,000 for the fiscal year ending September 30, 1981", (3) striking "25" in the second sentence thereof and inserting in lieu thereof "15", and (4) inserting before the period at the end thereof the following: "and not less than 50 per centum shall be made available for payments under National Research Service Awards provided by the Secretary under subsection (a)(1)(B)".

SEC. 210. Title IV is amended by adding at the end thereof the following new section:

"EXPERTS AND CONSULTANTS

"SEC. 477. In the fiscal year ending September 30, 1979, the Director of the National Institutes of Health may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the number of days or the period of service) the services of not more than one hundred experts and consultants who have scientific or professional qualifications for the National Institutes of Health and for each of the research institutes (other than the National Cancer Institute and the National Heart, Lung, and Blood Institute).".

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. KENNEDY. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I yield such time as I may need.

Mr. President, I am here today to ask for swift passage of the "Biomedical Research and Mental Health Services Extension Acts of 1978." This bill will extend, without major substantive revisions, the Community Mental Health Centers Act and a variety of biomedical research authorities, including the National Cancer Act; the National Heart, Lung, and Blood Diseases Act; the Medical Library Assistance Act; and the National Research Service Award.

Mr. President, I introduced this important legislation on January 27, 1978, with my distinguished colleagues, Senators SCHWEIKER, WILLIAMS, JAVITS, and HATHAWAY as cosponsors. The bill was referred to the Committee on Human Resources. On February 8, 1978, the Subcommittee on Health and Scientific Research held a hearing on this legislation. Testimony was received from the Department of Health, Education, and Welfare. Witnesses from the Department were Julius B. Richmond, M.D., Assistant Secretary for Health, Surgeon General of the Public Health Service; Gerald R. Klerman, M.D., Administrator, Alcohol, Drug Abuse, and Mental Health Administration; and Donald S. Fredricksen, M.D., Director of the National Institutes of Health.

In addition statements were supplied for the record by the following organizations and individuals:

The National Council of Community Mental Health Centers, Inc.; Regional Mental Health Complex; National Association of State Mental Health Program Directors; American Hospital Association; The Candlelighters; American Hospital Association; The Fox Chase Cancer Center; Association of Community Cancer Centers; American Library Association; Roswell Park Memorial Institute; Association of American Medical Colleges; Medical Library Association; American College of Cardiology; Cystic Fibrosis Foundation; American College of Chest Physicians; and Association of Community Centers.

By and large the testimony received from the administration and the other witnesses were supportive of the legistion. The legislation was subsequently considered in open executive session by the Subcommittee on Health and Scientific Research on April 3, 1978, at which time the bill was ordered favorably reported to the Committee on Human Resources. The bill was considered in open executive session on April 28, 1978, and unanimously ordered reported favorably to the Senate.

I would now like to explain the rationale behind this proposal, first in the case of mental health services, and then for the biomedical research authorities.

The Community Mental Health Centers Act has, in its current form, been in effect for 3 years. During this period advantages and disadvantages in the legislation have surfaced, and I believe strongly that a thorough, thoughtful review of the program and its legislation is warranted. As chairman of the Subcommittee on Health and Scientific Research, I intend to undertake such a review. Our legislative oversight will be assisted by the report of the President's Commission on Mental Health. I will consider their recommendations with great care.

In order to provide time for that assessment, while continuing the overall goal of providing comprehensive mental health services to all in need, the bill provides for a 1-year extension of funding support of the Community Mental Health Centers Act with appropriate technical amendments that will insure the operating continuity of the program—a program initiated under President Kennedy's leadership to provide comprehensive mental health services to the American people.

We have made great progress since CMHC's were first conceived in 1963 as a community out-patient alternative to State in-patient mental health care, and the federally funded community mental health centers program is nearly half-

way to the goal of providing total national coverage of comprehensive community-based mental health services. Since the program was first conceived in 1963, the Federal Government has spent roughly $1.75 billion to assist in the initiation of 675 CMHC's, 592 of which are fully operational. Those centers make a broad range of clinical, preventive, and consultation services available to the residents of their catchment areas—more than 95 million people or of 44 percent of the Nation's population. The Federal community mental health centers investment has generated well over double the amount of Federal expenditures in State and local funds and receipts for service. In 1977, 2 million people, representing 30 percent of all patient care episodes of the mentally ill in the United States, were seen in CMHC's. It is expected that direct services will be provided to over 2.3 million persons in fiscal year 1978, as the total of federally assisted centers reached an estimated 704 and the number of fully operational centers approximates 64 percent.

With less than half the Nation covered valid criticism and concern exists. The Community Mental Health Centers Act in its current form has been in effect for 3 years, and the complexities of the act as amended in 1975 have created some problems for those administering the program at the local, State, regional, and national levels. Questions have been raised regarding the structure and financing of the programs as well as program operations in terms of the range and quality of services offered. I strongly believe these issues need review and expect to undertake such a review in the next year. One area which will certainly receive attention is the future role of States in the operation of the program. As I have indicated our legislative oversight will be assisted by the recently completed report of the President's Commission on Mental Health.

Although I am proposing with the assistance of the Commission's report to review the CMHC program, the decision to launch such a comprehensive review should not be interpreted as an expression of dissatisfaction with the direction of the CMHC effort and does not mean that I believe that there should be a moratorium on new projects. The key elements of the CMHC program are as relevant today as they were when President Kennedy proposed the program in 1963. These concepts include first, the center's acceptance of responsibility for meeting the mental health needs of the population of a specific geographic area—the catchment area; second, the need to insure availability of comprehensive mental health services to all who need them through the center; third, accessibility of center services—which calls for public knowledge, geographic convenience and economic accessibility in the provision of mental health services; and fourth, responsiveness to community needs through citizen involvement in the planning, development and operation of CMHC programs. Building upon these basic concepts, the review over the coming year should provide the thrust to complete a nationwide network making comprehensive mental health services available to all persons in need.

I expect that the philosophy of the mental health centers will continue to be the provision of mental health services in the least restrictive and most appropriate setting with the emphasis on programs designed to help maintain the individual's dignity, and whenever possible, remain a functioning and contributing part of the community. The existing Community Mental Health Centers Act has strengthened the expectation that citizens, through a representative governance structure, will manage and provide direction for each center. Another strength of the act is the requirement that each CMCH develop and maintain a program designed to assess the quality, efficiency, and effectiveness of services provided. This is contributing significantly to sound program design, management, and cost consciousness.

During the consideration of this legislation, it was noted that many community mental health centers would lose their Federal grant support in the next fiscal year as their 8 years of support comes to an end, and that 173 centers were already "graduated" in Federal funding during fiscal years 1976–78. On questioning, the Department of Health, Education, and Welfare indicated that "during that period only one CMHC actually 'failed,' to the extent of terminating all services and closing its doors, and lack of financial support was clearly not the sole reason." The Committee on Human Resources discussed this issue and realized that medicare, medicaid, and other third party payors have not lived up to the expectation of reimbursement that was intended when the law was drafted and amended. The committee, when it reported the bill, did not intend that any quality CMCH discontinue services for lack of funds. The law currently provides for financial distress grants for centers needing funds, and the committee's bill provides adequate authorizations to assist these centers in need of such financial help.

I intend to address the question of funding beyond the eighth year of operation when the committee undertakes its detailed review of the legislation. I believe that it would be inappropriate to make a substantial change in the funding of the CMCH program in the absence of a comprehensive review of the program.

The committee was aware that questions have been raised regarding the number of services which CMHC's should be required to provide within catchment areas and other requirements placed on the centers as part of the 1975 CMHC Act amendments. These issues, like others, deserve serious examination. In the meantime, the committee does not wish to harm existing grantees who first received CMHC funds before the 1975 amendments were enacted. For this reason, the committee bill includes provisions to extend the time period for compliance with new 1975 provisions by 1 additional year.

Earlier in this Congress, Senator INOUYE introduced S. 2373, a bill which would establish a Division of Minority Mental Health Programs within the National Institute of Mental Health. Senator MATHIAS introduced S. 2565, a bill to provide for further research and services with regard to victims of rape, and Senator HUMPHREY introduced S. 2722, a bill to establish State mental health advocacy programs.

These bills have many excellent features, and I anticipate, as chairman of the Subcommittee on Health, holding hearings on these bills, as well as other mental health programs, when our committee reviews the broad area of mental health policy in the future.

As I have indicated, the congressional deadline of May 15 for the reporting of authorizing legislation would have allowed too little time for Congress to thoughtfully and thoroughly review and study the recommendations of the President's Commission on Mental Health and include them in legislation. The 1-year extension included in S. 2450 will allow Congress, the President and the Department of Health, Education, and Welfare a greater opportunity to review the work of the Commission and at the same time insure an additional year of operation of the community mental health centers program.

However, as I indicated earlier, a number of administrative and technical difficulties that have worked to the disadvantage of the program can and should be addressed in the simple 1-year extension. They are:

First, a provision to allow both free standing part F and staffing grantees 4 years instead of 3 to phase in the various services required by section 201(b)(1) and to allow part F grantees (only) 4 years to meet the other requirements of section 201;

Second, a provision to allow a grantee to carry over unexpended grant funds to the next fiscal year;

Third, a provision to permit the explicit recovery of construction award funds which are now being utilized illegally.

I understand that while the 1-year extension may have the disadvantage of continuing some of the complexities of the Community Mental Health Centers Act, it will have the very important advantage of not changing the law for only a brief period and thus assure that Department of Health, Education, and Welfare officials and staff, applicants and grantees will remain familiar with the program, and the administration and support of the program will not be disrupted.

Mr. President, because the program has not been substantially altered by this legislation, the committee, in reporting this bill, indicated that it would be inappropriate to make any revisions at this time in the authorization for appropriation levels of the program. However, the committee anticipates that the community mental health centers program will be funded at a level consistent with the previous years which will not disrupt program continuity or momentum.

Mr. President, I am deeply committed to the concept of community based mental health centers, and when we undertake the review of this program, I will be looking to ways that the pro-

gram can be strengthened and simultaneously integrated into the mainstream of the health care system.

Let me turn now, Mr. President, to the Biomedical Research Extension Act of 1978, title II of this bill.

TITLE II: BIOMEDICAL RESEARCH EXTENSION

The primary purposes of title II of this legislation are to extend certain biomedical research authorities that would otherwise expire at the end of the current fiscal year, and to make certain other amendments to the Public Health Service Act (PHSA). In particular, this title is necessary to extend the appropriations authority for the National Cancer Institute (NCI) and for the National Heart, Lung, and Blood Institute (NHLBI). Together, these two institutes comprise nearly half of the total National Institutes of Health (NIH) budget authority.

Title II is also essential to continue the authority for the National Research Service Award Act (NRSA Act), which provides for research training conducted by the NIH, the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA), and the Division of Nursing of the Health Resources Administration (HRA). This particular authority would be extended for a 3-year period (fiscal years 1979, 1980 and 1981) by the bill. It is hoped that such a 3-year extension would provide for greater stability and consistency for the programs funded under this authority.

There are certain other amendments to the Public Health Service Act provided for in this legislation relating to the authority and administration of the National Library of Medicine, as well as to certain programs under other existing NIH authorities. These are considered to be essentially noncontroversial in nature, and are included because they are not related to the more basic biomedical research issues that will be taken up in next year's more extensive revisions of NIH authority.

This title of the bill, then, is intended as an interim measure to correct inequities and minor problems that exist in the PHSA as it is currently amended, and to extend the specific biomedical research authorities that would otherwise expire this fiscal year.

The Subcommittee on Health and Scientific Research is currently in the midst of a comprehensive review of biomedical and behavioral research policy. It has held 9 days of hearings on this subject, and has completed approximately half of its planned program of oversight. Over the next 6 to 9 months, the subcommittee will continue its extensive policy review, with particular attention to the major programs of the National Institutes of Health.

S. 2450 provides a 1-year extension of appropriations authorizations for the National Cancer Institute at a total level of $1,010 million for fiscal year 1979. Of that amount, $85 million is authorized for control programs and $25 million for the remainder of NCI's research program. While this represents only a slight increase over the total 1978 authorization of $1,008.2 million, it is substantially higher than the Institute's 1978 appropriation of $853.1 million (exclusive of National Research Service Awards). In our view, these sums will permit the Institute to continue its efforts aimed at improved understanding—and ultimately, it is hoped, prevention—of this most feared of all diseases.

The committee bill would also extend appropriations authorizations for the National Heart, Lung, and Blood Institute for 1 year at a total level of $510 million for fiscal year 1979. This amount includes $40 million for prevention, education, and control and $470 million for research and the remainder of the Institute's programs. These authorizations represent increases over 1978 funding, which authorized $456.3 million and appropriated $425.5 million (excluding National Research Service Awards).

S. 2450 also proposes some limited but significant modifications in the National Research Service Awards program, which supports much of the training of young scientists for careers in biomedical and behavioral research.

The National Research Service Award Act was enacted in 1974 to maintain the research training programs of the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration (and later the Division of Nursing of the Health Resources Administration) and to help assure that competent, excellently trained biomedical and behavioral research scientists would continue to enter the ranks of our health research community.

The 1974 authority codified in section 472 of the Public Health Service Act contained several features not present in previous research training support authorities. One of the most salient of these was the provision that recipients of awards for pre- and post-doctoral studies be obligated to engage in research, teaching, or other health-related service activities upon completion of their training. Those who did not would be required to monetarily pay back the amount they received as NRSA awards.

The committee wishes to reaffirm its commitment to and confidence in the research training programs carried out by NIH, ADAMHA, and the Division of Nursing under the NRSA authority. We recognize that the Federal Government has an important and appropriate role in offering this support to promising scientists both through awards to worthy individuals and through grants to institutions to design and maintain excellent research training environments for biomedical and behavioral research trainees and fellows.

Four years have now elapsed, and we are generally pleased with the manner in which the 1974 statute has functioned. In particular, the committee remains committed to the principle that researchers who receive public moneys to further their scientific training should be required to make use of that training for some period of time, or else to serve the public in some alternative way. The current law provides recipients of Research Service Awards a number of options for "paying back" their Federal support, and for the most part, these payback provisions have proved a reasonable and appropriate way for the Federal Government to recapture some part of the taxpayers investment in the training of researchers.

Nevertheless, we recognize that current provisions may need refinement as time passes. The committee is particularly concerned with the recent decline in the number of physicians who are receiving research training under the National Research Service Awards. This phenomenon has been noted in academic medical centers, at the NIH and by the National Research Council, which continues to do excellent work in keeping the Congress informed on issues relevant to research manpower. The National Research Council is currently initiating a major review of the causes of this trend.

In addition, we are now proposing some relatively minor changes in the 1974 statute based on experience with the NRSA program to date. In proposing these changes, the committee has intended to do two things: To minimize possible inequities or unnecessary hardships which could arise for individual NRSA recipients, and to make the administration of the program more efficient.

S. 2450 modifies section 472(c) of the Public Health Service Act to provide that the length of the service obligation for all recipients be 12 months' service for 12 months of support received. The present law imposes a penalty on those who satisfy their service requirement through alternative forms of service (for example, in a health-related activity as opposed to a research or teaching position) even though the choice may not be their own. The current law provides for the researchers and teachers to pay back 12 months of service for every 12 months of NRSA support, while those "paying back" in some health-related service are required to give 20 months for every 12 months of support. This legislation would therefore correct such inequities in the NRSA Act, by providing for a straight one-for-one service payback requirement, regardless of the form such service takes.

S. 2450 changes the formula for calculating the monetary debt incurred by an individual who has only partially fulfilled the service obligation. The present formula for computing the monetary payback (in cases where service payback is not completed) is drafted so as to severely penalize the person who only partially fulfills the service requirement. The provision does not give proportional credit for that service which has been performed. The new legislation would change the payback formula to enable proportional credit to be given for partial service.

S. 2450 deletes the provision which permits award recipients to fulfill the service requirement by entering private clinical practice in their specialty in an area designated by the Secretary as underrepresented in that specialty. This service payback option has never been used, and it is, in effect, impossible to administer because the Department of HEW does not define medically underserved areas in terms of medical specialties.

In addition to amending provisions related to NRSA payback obligations, S. 2450 makes several other changes which the committee feels are important to the vitality of the program.

Stipend levels for NRSA recipients were set in 1974 and, despite significant rises in the cost of living, have not been adjusted upward since that time. They remain at $3,900 for predoctoral awards and an average of $12,000 for postdoctoral awards. We recognize there are numerous technical questions involved in determining an appropriate upward adjustment. At the same time, we feel that reasonable increases in stipends are long overdue. For these reasons, S. 2450 contains a provision stating that adding cost-of-living increases should be one of the considerations which the Secretary should take into account in setting stipend levels for NRSA's.

Section 472(d) of the NRSA currently contains a requirement that at least 25 percent of the funds obligated under NRSA authority be used for awards to individuals. S. 2450 would amend this requirement to state that at least 15 percent of the funds appropriated for NRSA's be used for individual awards, and that at least 50 percent for institutional awards. The committee proposes these changes for two reasons. First, the extant 25 percent "quota" for individuals presupposes that the numbers of superior applications for individual awards will remain constant every year. This may not be true. The committee understands that the requirement to fund a 25-percent quota in individual awards becomes a particular problem when highly meritorious institutional awards must go unfunded in order to meet the quota.

By lowering the percentage to 15 percent for individual awards, we do not intend that this figure be used as a ceiling to limit the number of individual awards. Rather, the committee wishes to guard against problems created by year-to-year fluctuations in the number of highly meritorious applications for individual awards.

Second, and perhaps more important, the addition of the 50-percent requirement for institutional awards is intended to evidence our firm conviction that institutional awards continue to be a vital and significant part of the NRSA programs. We understand that questions have been raised about the necessity or wisdom of providing support for biomedical and behavioral research training through institutions as opposed to directly supporting individual fellows. The committee cannot state too strongly its intention that the institutional award mechanism continue to be used. These awards enable institutions to develop and maintain research training environments and special programs vital to the training of excellent research scientists.

The last major provision of S. 2450 is a proposed 3-year extension of the Medical Libraries Assistance Act, administered by the Library of Medicine.

S. 2450 would extend appropriation authorizations for medical library assistance programs for 3 years at levels of $15 million, $17 million, and $20 million for fiscal years 1979, 1980, and 1981, respectively. Viewed against a 1978 appropriation of $8 million, these amounts provide for substantial growth as the National Library of Medicine expands its research support for information transfer activities and moves ahead in training health professionals in the computer applications of medicine.

Mr. President, title II of S. 2450 contains a number of other minor amendments to our biomedical research authorities. These are necessary to insure the smooth functioning of the NIH during the final stages of our comprehensive overview of biomedical and behavioral research authorities in this country. I will not detail all these remaining changes, but I will conclude by saying that, taken together, I think that the provisions of S. 2450 provide a firm basis for the continuation of our vital national research activities during this transitional period.

Just one last comment, with respect to the Cancer Institute, Mr. President. The subcommittee holds the line on increases in its budget. We did provide a 15 percent increase over the appropriations of last year. Basically, that is just about what was authorized for 1978. Our 1979 authorization is therefore, almost unchanged from the previous year.

We have heard criticism but also strong support for the cancer program, and it is premature to cut back on the cancer budget before the Subcommittee on Health and Scientific Research has completed its biomedical research review.

Nutrition and prevention are clearly important areas, and we are going to work closely with the Agriculture Committee. I was a member of the Nutrition Committee, and we will continue to work closely with Senator McGOVERN, Senator DOLE, and other members of the Agriculture Committee to provide an appropriate nutritional allocation in the future.

We have increased by approximately $40 million the authorization for the National Heart, Lung and Blood Institute. Our research effort in the area of the heart is a model for all research programs. Heart attack death rates have fallen 13 percent over the last decade, and stroke death rates have fallen 20 percent since 1970; and we have made major inroads against hypertension. We still have much to learn with respect to preventing disease in this area and improving the quality of life.

Mr. President, those are basically the elements of this legislation.

With respect to biomedical research, we will do as we outlined: a short-term authorization with respect to cancer and heart, extended authorizations with respect to the Library Assistance Act and the research service award. The Library Assistance Act has been an enormous positive resource for information, not only for this country but for countries all over the world as well.

In the research programs, we wanted to be able to give a degree of predictability with respect to the future; and I think this tuning we have done in connection with the extension of this legislation this year makes a great deal of sense and has broad support among the research community.

I will be glad to go into greater detail, if any Member wishes. It is pretty straightforward, and I believe it is well understood by the Members of the Senate.

Again, I am enormously grateful for the yeoman work done by the Senator from Pennsylvania, the ranking Republican member, who has worked closely on this measure, as he has done on all the others.

Mr. SCHWEIKER. Mr. President, I yield myself 5 minutes.

As the ranking Republican member of the Health Subcommittee and cosponsor of S. 2450, I rise in support of the Community Mental Health Centers and Biomedical Research Extension Act.

This bill extends with minor modifications some of our important biomedical research programs and the Community Mental Health Centers program.

Some of the health activities provided for in the biomedical research title of S. 2450 are already working well, such as our programs of assistance to medical libraries and the National Research Service Awards, so S. 2450 proposes to extend them for 3 years at relatively stable authorization levels. Other programs scheduled to expire at the end of this fiscal year are still being reviewed by the Health Subcommittee with an eye toward more substantive changes as a part of a comprehensive biomedical research policy initiative. In the meantime, however, they cannot be allowed to lapse. Therefore, the bill would extend for one year the important research and control work of the National Cancer Institute and the National Heart, Lung, and Blood Institute.

S. 2450's modifications in the payback requirements of the National Research Service Awards program will make obligations of award recipients more equitable, by allowing proportional credit for service rendered under the program's provisions. In addition, it has come to our attention that the administration would like to eliminate institutional National Research Service Awards, which in the past have represented about 75 percent of the program. Many researchers prefer the institutional grant framework, and, based on hearings before the authorizing Health Subcommittee and the Labor-HEW Appropriations Subcommittee as well as contacts with the research community, I have come to the conclusion that the institutional mechanism is a valuable one which should not be abandoned. Therefore, I am pleased to note that S. 2450 contains a requirement that at least 50 percent of NRSA funds be devoted to institutional awards, while a minimum of 15 percent will be reserved for individual awards.

I would like to point out one other provision of the Biomedical Research Extension Act, which would allow Institutes of the National Institutes of Health other than the Cancer and Heart Institutes to benefit from the use of expert consultants. The NCI and NHLBI have had independent authorities to hire expert consultants for some time, while the other

Institutes have not. Experience at NCI and NHLBI has shown that very good use can be made of this kind of personnel. I am glad we are finally acting to correct this inequity to some degree and allow the other Institutes to benefit from the use of expert consultants as well. Although I had originally proposed that up to 300 consultants be authorized and their appointments not be limited to any fiscal year, I know that Senator KENNEDY, as chairman of the Health Subcommittee, wants to look at the use of this type of personnel throughout NIH more carefully in the context of the subcommittee's overall review of biomedical research activities. Still, I do not think it would be right to let the current inequity persist for another year, that is, giving something to the Heart and Cancer Institutes that the other institutes do not have. I appreciate the willingness of Senator KENNEDY and my other colleagues on the Human Resources Committee to allow the appointment of up to 100 consultants in fiscal year 1979, with the understanding that the committee will review the issue again next year.

Among the other provisions of S. 2450 of particular concern to me is the fate of the community mental health centers programs.

I believe that the CMHC Act badly needs a thorough reevaluation by our Health Subcommittee. Substantive changes in CMHC legislation were last enacted in 1975. Since then, many proposals for major modifications have been advanced by groups within the mental health community. Criticisms of the value of the program have also been voiced. The President's Commission on Mental Health has issued a report we will want to consider. I do not believe that we should act hastily, but we should examine proposals for change very carefully and give all sides an opportunity for a full and fair hearing. For this reason, I am supporting S. 2450's 1-year extension of current law, at the same authorization levels as fiscal year 1978 and with a few technical modifications. My support is definitely not to be interpreted as a commitment to the status quo, and I will be pushing for a comprehensive review of the CMHC Act in the near future.

In summary, I believe this measure is an appropriate way of insuring program continuity during the coming fiscal year and I urge my fellow Senators to join me in supporting S. 2450.

I commend again the leadership and cooperation of Senator KENNEDY, the chairman of our Health Subcommittee, in working up this legislation.

UP AMENDMENT NO. 1343

(Purpose: To amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act to give greater emphasis to treatment of families)

Mr. HATCH. Mr. President, I call up my unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) for himself and Mr. HATHAWAY and Mr. WILLIAMS, proposes unprinted amendment numbered 1343.

Mr. HATCH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, after line 6, insert the following new section:

SEC. —(a) Subsection (a) of section 2 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended as follows:

(1) by striking out "and" at the end of subsection (5);

(2) by adding after subsection (5) the following new subsection (a)(6):

"(6) alcohol abuse has a substantial impact on the families of alcohol abusers and alcoholics; and"; and

(3) by redesignating subsection (6) as subsection (7).

(b) Subsection 303(a)(4)(B) of such Act is amended to read as follows:

"(B) include in the survey conducted pursuant to subparagraph (A) an identification of the need for prevention and treatment of alcohol abuse and alcoholism by women and by individuals under the age of eighteen and for education, counseling, and treatment of the families of alcohol abusers and alcoholics and provide assurance that programs within the State will be designed to meet such need;".

(c) Section 311 (a) of such Act is amended as follows:

(1) by adding after subsection (2) the following new subsection (3):

"(3) to provide education, counseling and treatment for the families of alcohol abusers and alcoholics"; and

(2) by redesignating subsection (3) as subsection (4);

(3) by redesignating subsection (4) as subsection (5);

(4) by amending subsection (5) (as redesignated) by adding at the end thereof: "and for the benefit of the families of alcohol abusers and alcoholics,".

(d) Section 501 (a) of such Act is amended by adding at the end thereof: "Where appropriate, special emphasis shall be placed on the impact of alcohol abuse and alcoholism on the family.".

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HATCH. I am delighted to yield to the distinguished majority leader.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Utah for his courtesy in yielding.

ORDER AUTHORIZING CALLING UP OF H.R. 12426

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the majority leader be authorized to call up at any time, beginning on Wednesday and keep before the Senate until it is disposed of, the bill H.R. 12426, an act to authorize the Secretary of the Treasury to provide financial assistance for the city of New York.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HATCH. Mr. President, on behalf of our colleague I have to object. Our colleague is Senator HARRY F. BYRD, JR., of Virginia.

Mr. ROBERT C. BYRD, Senator HARRY F. BYRD, JR., of Virginia, is interested in not having a time agreement on the measure itself. I can proceed by motion to call it up.

Mr. HATCH. My point is, is this permissible with him? That is the only thing he asked.

Mr. ROBERT C. BYRD. I beg pardon?

Mr. HATCH. Has this been cleared with Senator HARRY F. BYRD, JR., of Virginia?

Mr. ROBERT C. BYRD. It has been cleared by the people on my side of the aisle. Senator HARRY F. BYRD, JR., of Virginia, has written to me. He wanted no agreements on the bill and so I am not attempting to get an agreement. I promised him I will give him an agreement on that. He did not ask that bringing the matter up be cleared with him.

Mr. HATCH. I withdraw the objection.

Mr. STEVENS. Mr. President, reserving the right to object, my understanding is that this concept of the majority leader has no objection on this side and there is no time agreement on the bill itself as yet.

Mr. ROBERT C. BYRD. The Senator is correct.

I have not proceeded in that fashion without clearing it with Senator HARRY F. BYRD, JR., of Virginia.

Mr. STEVENS. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the Senator from Alaska and I thank Mr. HATCH.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNITY MENTAL HEALTH CENTERS EXTENSION AND THE BIOMEDICAL RESEARCH EXTENSION ACT OF 1978

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, on behalf of the chairman of the Alcoholism and Drug Abuse Subcommittee, Senator HATHAWAY and the chairman of the full Human Resources Committee, Senator WILLIAMS, I am privileged to offer an amendment to S. 2450, which is the text of S. 2295, the Families with Alcoholism Assistance Act of 1977, S. 2295 is cosponsored in the Senate by Senators GRAVEL, CRANSTON, and MARK O. HATFIELD, as well as the sponsors of this amendment which I have already referred to.

Mr. President, the effects of alcoholism on a family are devastating. This assertion is not my opinion it is a fact. Recently the Alcohol and Drug Abuse Subcommittee, of which I am the ranking minority member, held a hearing in Salt Lake City where the debilitating effects of alcoholism on the family unit were amply and vividly demonstrated. I want to make it clear that we are talking about a crisis in our society which exists in every community regardless of size or locale—which in many circumstances is monumental and incalculable. Therefore, it is appropriate and necessary for the Federal Government to help to treat alcoholism as a family illness and a social

disorder if we are to help the alcoholic and the other victims of alcoholism. This bill is a step in this direction, and I will explain its rationale later in my remarks.

The magnitude of family problems associated with alcoholism is immense. The overwhelming majority of persons affected by alcoholism do not have a drinking problem, per se. But when alcoholism strikes a family member, the alcoholic is not the sole victim. It is undeniably a family affair. A minimum of four other persons are directly affected; that is, husbands, wives, children, et cetera, and countless others are indirectly touched. Its devastating nature reaches into schools, industry, family courts, criminal courts, hospitals, and many other segments of our society who now cry out for some Federal Government leadership in an area where it can show initiative and expertise.

To give my colleagues some dimension on this problem let me cite some current research data. New research indicates that—

More than 28 million children of alcoholic parents are affected by parental alcoholism.

At least half of the juvenile delinquents have family members with drinking problems.

Almost 50 percent of all divorce cases show excessive use of alcohol as a major causative factor.

A correlation exists between battered wives, child neglect and abuse, and alcohol abuse.

But these statistics, as alarming as they are, do not describe the human tragedy which the other victims experience. Countless personal stories were revealed to the subcommittee in both its SLC and Bangor, Maine, hearings and they are only the tip of the iceberg.

These glimpses at the personal problems faced by other alcohol victims is repeated by the thousands throughout our society. It is my judgment that the Federal Government must now show an initiative to alleviate these problems. My amendment fills that goal by creating a statutory priority within the National Institute on Alcohol Abuse and Alcoholism for programs which address the needs of families of alcoholics by amending the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to provide emphasis within the National Institute on Alcohol Abuse and Alcoholism for families of alcohol abusers and alcoholics. Specifically, it requires the States to identify the need for education, counseling, and treatment of these families and provide assurances that this need will be met. In addition, it authorizes Federal assistance for projects to provide education, counseling, and treatment for families of alcoholics. It also encourages research on the impact of alcohol abuse and alcoholism on the family.

It is my hope that this approach, embodied in my legislative proposal, will go a long way to try to help the family affected by an alcoholic situation get well for its own sake, and, in turn, to help the alcoholic recover from this dread disease.

Mr. President, I urge the adoption of my amendment on this bill at this point because we have completed ample hearings justifying it before our subcommittee, and because the Comprehensive Act is not up for renewal until next year. It is my judgment that a greater Federal commitment to address this problem be made now, and I believe the dinstinguished managers of this bill on the floor of the Senate will take this amendment and will help to preserve it through the conference.

At this point I ask unanimous consent that the remarks of the distinguished Senator from Maine (Mr. HATHAWAY), my colleague and chairman of the subcommittee, upon which I am ranking member, be incorporated in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR HATHAWAY

● As Chairman of the Subcommittee on Alcoholism and Drug Abuse, I am pleased to join my distinguished colleague, Senator Hatch, in offering S. 2295, the Families With Alcoholism Assistance Act, as an amendment to S. 2450.

Mr. HATCH has taken a deep interest in the work of the subcommittee, and this bill is a reflection of that concern. He is dedicated, committed and, indeed, a welcome voice on the subcommittee.

The Families With Alcoholism Assistance Act amends the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to provide emphasis within the National Institute on Alcohol Abuse and Alcoholism for families of alcohol abusers and alcoholics. Specifically, it requires the States to identify the need for education, counsel, and treatment of these families and provide assurances that this need will be met. In addition, it authorizes Federal assistance for projects to provide education, counseling, and treatment for families of alcoholics. It also encourages research on the impact of alcohol abuse and alcholism on the family.

That an emphasis on alcoholism and the family is warranted became clear last summer when the subcommittee held hearings on this issue in Salt Lake City. At that time witnesses outlined the widespread detrimental effects of alcoholism on the family unit and its individual members. For every alcoholic, an additional four people are affected. These are the "other victims" of alcoholism, and there are some 40 million in our country. Alcoholism is a contributing factor to our high divorce rate, to the physical and sexual abuse of children, to the incidence of battered spouses, and to the number of runaway children. At least 50 percent of juvenile delinquents have family members with drinking problems. Children of alcoholics—estimated as high as 28 million—run a high risk of becoming alcoholics themselves. And children of alcoholic mothers who drink during pregnancy may be deformed or mentally retarded. The picture is not very pretty.

While alcoholism can indeed have a detrimental effect on the family and its members. the family can be a strong positive factor in the treatment and rehabilitation of the alcoholic. At the hearings, witnesses emphasized the importance of the family in the recovery of the alcoholic. With family involvement, the road back is much less difficult. But to assist in the recovery of a loved one, families first need to know what alcoholism really is and where help can be found. Information must be made available; educational and counseling services are essential

On the basis of the hearings in Utah, we concluded that a greater Federal commitment to addressing the problem of alcoholism and the family is imperative. Senator HATCH has given life to that commitment. I urge my colleagues to approve this measure.●

Mr. HATCH. I would like to ask my distinguished colleagues if they would consider taking this amendment, because I think this would be an appropriate amendment.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I intend to urge the Senate to accept the amendment of the distinguished Senator from Utah and the distinguished Senator from Maine. Basically, this is a conforming amendment, which as was so very eloquently stated by the Senator from Utah, would permit the NIAAA to address the impact of alcoholism and alcohol abuse on family life. Testimony demonstrated the higher incidence of battered children, battered spouses, runaway children, alcoholism in children, divorce, and sexual abuse in a family with an alcoholic member.

This is basically a conforming amendment that we are debating today. What it does is recognize the effect of alcoholism on the family generally. It seems to me to be a wise amendment to the basic legislation that was passed in 1970, and I think the quicker this type of language is included in the basic language the more effective the program can be in dealing with the problems of alcoholism.

So I just want to commend Senator HATHAWAY, the distinguished chairman of the Subcommittee on Alcoholism and the Senator from Utah and other members of the committee for what I consider to be a constructive change in the law, and I will be glad to urge the committee to accept it.

Mr. HATCH. I thank the distinguished Senator from Massachusetts.

Mr. SCHWEIKER. Mr. President, I certainly commend the Senator from Utah, as ranking Republican on the Alcohol and Drug Abuse Subcommittee. I think he has done a great service in his work there, and I think this is a very constructive approach. I strongly support it. I used to serve in his position, and I think this is a very important policy change. It is badly needed, and I urge its adoption.

Mr. HATCH. I thank the distinguished Senator from Pennsylvania, who is my very dear friend.

The PRESIDING OFFICER (Mr. BUMPERS). The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 1344

(Purpose: To amend S. 2450 to add as a new Title III "The President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research")

Mr. KENNEDY. Mr. President, I send an amendment to the desk, an unprinted amendment, on behalf of myself and the Senator from Pennsylvania.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachuetts (Mr. KENNEDY) for himself and Mr. SCHWEIKER proposes an unprinted amendment numbered 1344.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end thereof add the following title:

TITLE III—THE PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

SEC. 301. This title may be cited as the President's Commission for the Protection of Human Subjects or Biomedical and Behavioral Research Act of 1978".

SEC. 302. The Public Health Service Act is amended by adding after title XVII the following new title:

"TITLE XVIII—PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"ESTABLISHMENT OF COMMISSION

"SEC. 1801. (a) There is established a Commission to be known as the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (hereinafter in this title referred to as the 'Commission').

"(b) The Commission shall be composed of eleven members appointed by the President. The membership of the Commission shall be balanced fairly in terms of the points of view represented and the functions to be performed. The President shall appoint—

"(1) five (and no more than five) members of the Commission from individuals—

"(A) who are or have been engaged in biomedical or behavioral research involving human subjects, and

"(B) who are especially qualified to serve on the Commission by virtue of their training, experience, or background; and

"(2) six members of the Commission from individuals—

"(A) who are not and have not been engaged in biomedical or behavioral research involving human subjects, and

"(B) who are distinguished in the fields of medicine, law, ethics, theology, the biological, physical, and behavioral sciences, philosophy, humanities, health administration, government, and public affairs.

"(c) No individual who is a full-time employee of the United States may be appointed as a member of the Commission.

"(d) The Secretary of Health, Education, and Welfare, the Secretary of Defense, the Director of Central Intelligence, the Director of the Office of Science and Technology policy (established under the Presidential Science and Technology Advisory Organization Act of 1976), the Administrator of Veterans' Affairs, and the Director of the National Science Foundation shall each designate an individual to serve as a nonvoting, ex officio adviser to the Commission.

"(e) Prior to a member of the Commission having access to any information which is classified or deemed to be classified for any purpose (including national security by any department or agency), each such member must have qualified for all department and agency security clearances necessary to assure such individual's access, as a member of the Commission, to any such information.

"(f) Until such time as the President acts to appoint members of the Commission under subsection (b), those members of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, who are serving upon the date of enactment of this title, are deemed members of the Commission: *Provided*, That no classified information or information protected from unauthorized disclosure by statute shall be made available to such members through a request of the Commission until appropriate security clearances are obtained.

"(g) The term of office of each member of the Commission shall be four years; except that—

"(1) the terms of office of members first taking office shall begin on the date of appointment and shall expire, as designated at the time of their appointment, four at the end of two years, four at the end of three years, and three at the end of four years;

"(2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(3) a member whose term has expired may serve until his successor has been appointed.

"(h)(1) The President shall choose a Chairman (who shall be appointed by and with the advice and consent of the Senate) and one Vice Chairman from among the members of the Commission. Either the Chairman or Vice Chairman may be chosen from among the members appointed pursuant to paragraph (1) of subsection (b); however both shall not be chosen from among such members. No individual may serve as Chairman or Vice Chairman for more than four years.

"(2) Seven members or the Commission shall constitute a quorum for business, but a lesser number may conduct hearings.

"(3) The Commission shall meet at the call of the Chairman or at the call of a majority of its members.

"(4) No individual may be appointed to serve as a member of the Commission, if such individual has served for two terms of four years each.

"(5) Four or less vacancies on the Commission shall not affect the authority or activities of the Commission.

"(i) Members of the Commission shall receive compensation at a rate not to exceed for any day (including traveltime) the daily equivalent of the effective rate for GS–18 of the General Schedule while engaged in the actual performance of the duties vested in the Commission. While away from their homes or regular places of business in the performance of duties of the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"DUTIES AND FUNCTIONS OF THE COMMISSION

"Report on Protection of Human Subjects of Biomedical and Behavioral Research

"SEC. 1802. (a) The Commission shall issue a report every two years on the protection of human subjects of biomedical and behavioral research.

"(b) In preparing such report, the Commission—

"(1) shall periodically review the rules, policies, guidelines, and regulations of each department or agency (including the Department of Defense and the Central Intelligence Agency) concerning the conduct of biomedical and behavioral research to determine whether the human subjects involved in such research would be adequately protected if such rules, policies, guidelines, and regulations were followed;

"(2) may review in detail any program of any department or agency (including the Department of Defense and the Central Intelligence Agency) to determine whether the human subjects of any biomedical or behavioral research involved in such program are adequately protected; and

"(3) shall take any other action that it deems necessary to collect the information to adequately prepare such report.

"(c) The Commission shall simultaneously issue copies of the report prepared pursuant to subsection (a) to the President, to all departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such report recommendations for administrative or legislative action.

"FOLLOWUP OF WORK OF NATIONAL COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"SEC. 1803. (a) The Commission shall complete any of the duties of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research set forth in section 202 of Public Law 93–348 that remain unfinished on the date of enactment of this title and, where appropriate, conduct additional studies and investigations (with respect to any and all departments and agencies) on any of the matters set forth in such section 202.

"(b) The Commission shall periodically issue reports on its work pursuant to subsection (a). The Commission shall simultaneously submit copies of its reports to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission shall, as it deems appropriate, include in such report recommendations for administrative or legislative action.

"GENERAL STUDIES

"SEC. 1804. (a) The Commission shall undertake studies of the ethical, social, and legal implications of—

"(1) advances in biomedical and behavioral research and technology which shall include—

"(A) an analysis and evaluation of scientific and technological advances in past, present, and projected biomedical and behavioral research and services;

"(B) an analysis and evaluation of the implications of such advances, both for individuals and for society, and of public understanding of and attitudes toward such implications;

"(C) an analysis and evaluation of laws and moral and ethical principles governing the use of technology in medical practice, and of public understanding of and attitudes toward such laws and principles; and

"(D) an analysis and evaluation of implications for public policy of such findings as are made by the Commission with respect to advances in biomedical and behavioral research and technology and public attitudes toward such advances; and

"(2) resource allocation decisions concerning health care research and delivery.

"(b) The Commission shall issue a report on its studies pursuant to subsection (a) every three years. The Commission shall simultaneously submit copies of its report to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such report recommendations for administrative or legislative action.

"SPECIAL STUDIES

"SEC. 1805. (a)(1) The Commission shall undertake a study to identify the requirements for informed consent by patients before they receive any medical treatment (regardless of the setting of such treatment) including but not limited to the information that should be given to patients or their legal

representatives concerning the purpose of such treatment, whether or not such treatment will be provided in connection with clinical research, the identification of the individuals who will be involved and their respective roles, the description of the procedures to be used, the potential risks and anticipated benefits from such treatment, and the freedom of the patient or his legal representative to make a choice for or against such treatment.

"(2) The Commission shall conduct an investigation and study of the matter of defining death including the advisability of developing a uniform definition of death. In making such an investigation and study, the Commission shall take into account ethical, moral, social, legal, and medical considerations.

"(3) The Commission shall conduct an investigation and study respecting the ethical, moral, social and legal implications of voluntary testing, counseling, and information and education programs with respect to genetic diseases and conditions. Such study shall evidence concern for the essential equality of all human beings, born and unborn.

"(4) The Commission shall undertake a study to assess and evaluate current procedures and mechanisms designed to safeguard the privacy of research subjects, to ensure confidentiality of patient records, and to ensure appropriate access to information contained in such records by such patients. In making such a study, the Commission shall specifically take into account the recommendations developed by the Privacy Protection Study Commission established pursuant to Public Law 93-579 in its report of July 1977, respecting medical records and participants in research studies.

"(5) The Commission may conduct an investigation or study of any other appropriate matter consistent with the purposes of this title on its own initiative, at the request of the head of a department or agency, or at the request of a committe of the Congress.

"(b) The Commission shall issue reports on the studies set forth in subsection (a) upon their completion. The Commission shall simultaneously submit copies of such reports to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such reports recommendations for administrative or legislative action.

"SEC. 1805A. Any special study the Commission undertakes shall not be considered as representative of the views of the Congress or any committee of the Congress or the executive branch. Any conclusions or recommendations by the Commission shall not be considered part of the legislative record and/or history. Any recommendation developed by the Commission shall not be binding on any department or agency of the government.

"ADMINISTRATIVE PROVISIONS

"SEC. 1806. (a) The Commission may for the purpose of carrying out its duties hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems advisable.

"(b)(1) The Commission may appoint and compensate, at a rate not to exceed the annual rate of basic pay in effect for grade GS-18 of the General Schedule, an executive director, without regard to the provisions of title 5, United States Code governing appointment and removal in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, who shall administer full time the daily activities of the Commission.

"(2) The Commission may appoint and fix the compensation of such personnel as it deems advisable, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

"(3) The Commission may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission, but not exceeding for any day (including traveltime) the daily equivalent of the effective rate for grade GS-18 of the General Schedule. While away from his home or regular place of business in the performance of services for the Commission, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

"(4) Any persons appointed or employed under this subsection by the Commission must have qualified for any necessary security clearances before being granted access to classified information or information protected from unauthorized disclosure by statute, and are subject to the same restrictions on release of information as set forth in section 1807(c).

"(c) The Commission may, at any time, publish and disseminate to the public such reports, information, recommendations, and other material relating to its functions, activities, and studies as it deems appropriate consistent with the requirements of section 1807.

"(d) Upon the request of the Chairman or a majority of the members of the Commission, each department or agency shall furnish all information requested by the Commission which the Commission determines is necessary to enable it to carry out its duties and functions under this title.

"(e)(1) Within sixty days of the receipt of any recommendation made by the Commission under this title, the appropriate department or agency shall publish it in the Federal Register and provide opportunity for interested persons to submit written data, views, and arguments with respect to such recommendation. Within one hundred and eighty days of the date of the publication in the Federal Register of such recommendation, the appropriate department or agency shall (1) determine whether the administrative or other action proposed by such recommendation is appropriate, and (2) if it determines that such action is not appropriate publish in the Federal Register such determination together with an adequate statement of the reasons for its determination. If the appropriate department or agency determines that the administrative action recommended by the Commission should be undertaken, it shall undertake such action as expeditiously as is feasible.

"(2) On November 1 of each year, each department and agency shall submit a report simultaneously to the President and to the appropriate committees of Congress which shall include with respect to the previous fiscal year—

"(A) a complete list of all recommendations made to such department or agency by the Commission;

"(B) in those situations where such department or agency accepted a recommendation, a description of the policies, procedures, guidelines, or regulations that were implemented, and any other administrative actions that were taken by such department or agency to comply with such recommendation; and

"(C) in those situations where such department or agency failed to accept, in whole or in part, a recommendation, a description of the reasons for such failure.

"(f) The Commission shall determine the priority and order of the duties and functions to be performed under this title.

"(g) The Commission, in performing its duties and functions under this title, may enter into contracts with appropriate public or nonprofit entities.

"(h) The Commission shall be subject to the Federal Advisory Committee Act (Public Law 92-463) except that under the provisions of section 14(a)(1)(B) of such Act the Commission shall continue in existence until four years after the date of enactment of the Community Mental Health Centers Extension and the Biomedical Research Extension Acts of 1978.

"CONFIDENTIALITY

"SEC. 1807. (a) The Commission shall not disclose any information reported to or otherwise obtained by it pursuant to this title which is exempt from disclosure pursuant to subsection (a) of section 552 of title 5, United States Code, by reason of subsection (b)(4) of such section.

"(b)(1) The Commission shall in securing and maintaining any record of individually identifiable personal data (hereinafter in this subsection referred to as 'personal data') for purposes of this title—

"(A) inform any individual who is asked to supply personal data (i) whether he is legally required, or may refuse, to supply such data and (ii) of any specific consequences known to the Commission of providing or not providing such data;

"(B) upon request, (i) inform any individual if he is the subject of personal data secured or maintained by the Commission and (ii) make the data available to him in a readily understandable form;

"(C) assure that no use is made of personal data which is not within the purposes of this title unless an informed consent has been obtained from the individual who is the subject of such data; and

"(D) upon request, inform any individual (i) of the use being made of personal data respecting such individual and (ii) of the identity of the persons who will use the data and their relationship to the Commission;

"(2) Notwithstanding any other provision of law, personal data collected or maintained by the Commission, pursuant to this title, may not be made available or disclosed by the Commission to any person other than the individual who is the subject of such data without such individual's informed consent. No Federal, State, or local civil, criminal, administrative, legislative or other proceeding many require the disclosure of such personal data.

"(c) The Commission shall not disclose any information collected or maintained by it pursuant to this title which is properly classified or is protected from unauthorized disclosure by statute.

"DEFINITIONS

"SEC. 1808. (a) As used in this title, the terms 'department or agency' and 'department and agency' mean each authority of the Government of the United States, whether or not it is within or subject to review by another department or agency but does not include—

"(1) the Congress;

"(2) the courts of the United States;

"(3) the governments of the territories or possessions of the United States; and

"(4) the government of the District of Columbia.

"(b) As used in this title, the term 'protection of human subjects' includes, among other things, protection of their health and safety and protection of their privacy.

"AUTHORIZATIONS FOR APPROPRIATIONS

"SEC. 1809. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1979 and

for each of the next three fiscal years thereafter.".

SEC. 303. (a) Part A of title II of the National Research Act (42 U.S.C. 2891–1) is amended by adding at the end thereof the following new section:

"FOLLOWUP OF WORK OF THE COMMISSION BY THE PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"SEC. 206. The President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research shall complete any of the duties of the Commission set forth in section 202 that remain unfinished when the Commission ceases to exist and, where appropriate, conduct additional studies and investigations on any of the matters set forth in section 202 with respect to any and all departments and agencies of the Government of the United States (but excluding the Congress, the courts of the United States, the governments of the territories or possessions of the United States and the government of the District of Columbia) whether or not such departments and agencies are subject to review by another department or agency.".

(b) Part A of title II of the National Research Act (42 U.S.C. 2891–1) is repealed except for section 206 added by subsection (a).

(c) Sections 211 and 213 of the National Research Act are repealed.

(d) Subsection (f) of section 217 of the Public Health Service Act (42 U.S.C. 218 (f)) is repealed.

Mr. KENNEDY. Mr. President, this takes the previous bill, as amended by the Senator from North Carolina (Mr. HELMS) and adds it as a new title to this legislation so that we will have the matter before the conference with the House of Representatives on this subject.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. DOLE. Mr. President, I would like to comment on title II of S. 2450, a bill calling for an extension of the country's biomedical research activities.

WHY SO LITTLE PREVENTION?

First let me say I am glad to see the single 1-year extension for funding to the National Cancer Institute, at a time when many are questioning the course and direction of NCI's research activities. Just 2 weeks ago today, Monday, June 11, I and other members of the Senate Nutrition subcommittee heard five key witnesses express their views on the research programs and priorities at NCI. One can only conclude from their testimony that the Federal Government is not adequately responding to public outcry for more and better information about the role of diet in the prevention and cure of the dreadful disease cancer.

The witnesses spoke of the wide gap between what is already known and well-documented about nutrition and cancer, but has not yet been put into clinical practice. The director of nutrition support services at the New England Deaconess Hospital's Cancer Research Institute, Dr. George Blabckburn, cited a pattern observed in his terminally ill patients, lingering with this bedridden illness, as definitely malnutrition—depression, weakness, and mean weight losses of 18 percent. He questioned why there is so little research emphasis on just how to keep patients from starving to death.

A senior social scientist from the Rand Corp., Dr. Richard Rettig, charged that justification for our expanded cancer effort since the National Cancer Act of 1971, has been based upon inflated public expectations about the progress that could take place. He feels our research thrust since that 1971 act is still similar to activities taking place prior to the act's passage. Dr. Rettig and others have also charged that most of the concerns for environmental causes of cancer have been raised by research centers outside our own national cancer program.

I think these comments were made based on the fact that we have spent billions and billions of dollars in the past 7 years and really do not have a great deal to show for it insofar as a prevention is concerned, and, of course, still not much to show as far as cure is concerned.

Research in the preparation of the hearings revealed alarming statistics about the diet-cancer relationships:

Forty percent of the cancer in men and 60 percent in women are nutrition related;

Although NCI's budget has grown from $200 million to almost $900 million this current fiscal year, the Institute continues to address the same areas of research: Immunology, virology, and chemotherapy; and

The Institute is spending only 1 percent of its total budget on the role of diet in cancer.

Dr. Theodore Cooper, now the dean of Cornell University's Medical College summed up the half day of testimony when he stated:

Why, after seven years have our magnificent efforts not conquered those fearful diseases that we call cancer? Why have we spent such a small percentage of our resources on nutritional and environmental activities? Why so little on prevention?

WHY SO LITTLE RETHINKING OF PRIORITIES?

Mr. President, too often we hear charges:

That Congress must give the signal;

That Congress must make the initial commitment;

That Congress must do more to motivate agencies to act; and

That Congress must provide more money.

Well, from where I stand the U.S. Congress has already done that—and more. We have provided both the money and the mandate. And I think we deserve more now, in terms of returns for that money and mandate.

The real charges should read:

What have the responsible agencies done in the past?

What are the responsible agencies going to do now?

What are these same agencies planning for the immediate future to bring more visibility and credibility to the American public about the issue of diet and nutrition's role in cancer prevention, treatment and rehabilitation, and maintenance?

It appears to me that:

Enough time has been passed since the 1971 act to warrant better answers to the questions the public is asking;

Enough money has been appropriated to warrant more and better research for prevention-oriented research like diet and nutrition; and

Enough shortsightedness has taken place during the appropriations process to now warrant better accountability of the funding to date.

WHY SO LITTLE PREVENTION INFORMATION FOR CONSTITUENTS

Since our hearings and broadcasts news programs following the hearings my office has received dozens of letters commending the subcommittee members for their oversight into Federal funding for cancer research. I am glad to see that Dr. Arthur Upton, the Director of NCI, on record as acknowledging that more money ought to be spent on preventing cancer by changing the environment, especially diet, and less on unproved hypotheses such as the idea that many cancers are caused by viruses.

This past June 16 I wrote Dr. Upton a letter suggesting to him several things which might be done immediately to lend credibility to this statement, and let the public know that something will be done and done immediately. Three such actions he can perform are: Filling the terms of this year's five cancer advisory board members with persons holding educational backgrounds in nutrition; awarding more research grants in the applied nutrition field; and developing and distributing to the public materials describing the relationships we know documented to date about diet and cancer.

As a public official entrusted with the leadership of the Institute, certainly these are actions he can implement immediately. They can help us better address the need for more and better information to the public about nutrition's role in cancer prevention, rehabilitation, and maintenance.

I again congratulate the Human Resources Committee for limiting this extension to 1 year. This year will provide us with ample opportunity to review the activities of the National Cancer Institute and in doing so, design for the future a program more responsive to the needs of our citizens. I trust we will find that an increased emphasis on the issues I have raised today will be appropriate.

Finally, Mr. President, it seems to me that Congress cannot avoid some of the responsibility and some of the criticism. Far too often, since the Conquest of Cancer Act was passed, we have simply stood by and appropriated more and more money on the theory that one way to accomplish the conquest of this dread disease is by appropriating more and more Federal dollars. I think we must confess that Congress as a whole and those committees charged with responsibility, whether it be authorizing committees or appropriating committees, have done little more than pay lipservice to what is going on at NCI and NIH, the agencies which have general responsibility for this program. How many billions of dollars should the American taxpayers spend? Is it being spent properly? Should there be more oversight,

more review by Congress? Have we done enough in Congress to respond to the American public?

It seems to me that the American public has a right to know what has happened and what has not happened and what progress has been made. I suggest that, after all the billions of dollars have been spent, I do not know of one single pamphlet, one single piece of information, that has gone to the American public about how to prevent cancer, how it may be prevented through diet or through nutrition. It seems to me that, rather than doing that, we are trying to figure out how to spend less than 1 percent of the budget; that is almost $1 billion.

I hope that those at NCI, NIH, and others who have the responsibility, and the Congress will make certain that next year and the years following, they will be more attentive to a problem that I think deserves a great deal of consideration. I know the bill has been passed on a voice vote, and I commend the committee and the leadership of that committee for limiting the extension to 1 year.

Mr. WILLIAMS. Mr. President, the Senate will be making several important decisions when we vote on the passage of S. 2450, the Community Mental Health Centers Extension and the Biomedical Research Extension Acts of 1978.

S. 2450 would extend the Community Mental Health Centers Act, the National Cancer Act, and the Heart, Lung, and Blood Act for 1 year with only minor revisions in existing law. The bill also provides for a 3-year extension, with minor changes, of the Medical Library Assistance Act and the National Research Service Award Act.

When the community mental health centers program was first conceived in 1963, Congress envisioned that Federal assistance would stimulate the growth of community-based treatment centers for those with mental health problems. We hoped that these programs would reduce the practice of institutionalizing mentally ill individuals which separates them from their families and other bases of support in the community.

Despite the fact that the Federal Government has spent over $1.7 billion in creating 675 community mental health centers throughout the Nation, over 50 percent of our citizens do not have access to such services. For those centers that do exist, the complexities of current law have created problems for those administering the programs at the local, State, regional, and Federal levels. And difficult questions have been raised regarding the structure and financing of the centers, as well as the range and quality of delivered services.

Given this situation, members of the Committee on Human Resources and I believe that the Congress should proceed carefully in revising the community mental health centers program. Thus, a 1-year extension of the existing act has been included in S. 2450. Such an extension would also permit the committee to take fully into account the important recommendations recently made to the President by his Commission on Mental Health.

The committee has recommended a 1-year extension of the National Cancer Act and the Heart, Lung, and Blood Act for similar reasons. Our Subcommittee on Health and Scientific Research is in the midst of a comprehensive review of biomedical and behavioral research policy, with particular attention to the national cancer program and other major programs of the National Institutes of Health. Therefore, the committee plans to defer any major amendments or long-term extensions of current authorities until we complete our study of the National Institutes of Health early next year.

Because the committee feels that it is important not to disrupt program continuity or momentum, authorization levels have been specified for the Community Mental Health Centers, the cancer, heart, lung, and blood programs, which would permit them to continue their demonstrated achievements during the upcoming fiscal year. These 1-year extensions, in combination with the 3-year extensions of the Medical Library Assistance Act and National Research Service Award Act, are needed to maintain Federal involvement in essential health care delivery and research activities. Therefore, I recommend immediate passage of S. 2450 by my colleagues.

Mr. HATCH. Mr. President, will the Senator yield for a unanimous-consent request? I ask unanimous consent that Hargrave McElroy and Sally Rogers, of Senator THURMOND's staff; Pat Jones, of Senator STEVENS' staff; and Jeannie Ebey, of Senator HAYAKAWA's staff, be accorded the privileges of the floor throughout the pendency of these bills and the votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Are there further amendments?

Mr. KENNEDY. I know of no further amendments, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and to be read a third time. The bill was read a third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (S. 2450) was passed as follows:

S. 2450

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—COMMUNITY MENTAL HEALTH CENTERS EXTENSION

SEC. 101. (a) This title may be cited as the "Community Mental Health Centers Extension Act of 1978".

(b) Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

SEC. 102. (a) Section 202(d) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $1,930,000 for the fiscal year ending September 30, 1979".

(b) Section 203(d)(1) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $38,890,000 for the fiscal year ending September 30, 1979".

(c) Section 203(d)(2) is amended by (1) striking "1978" and inserting in lieu thereof "1979" and (2) striking "or the next two fiscal years" and inserting in lieu thereof "or the next three fiscal years".

(d) Section 204(c) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $15,000,000 for the fiscal year ending September 30, 1979".

(e) Section 205(c) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $25,000,000 for the fiscal year ending September 30, 1979".

(f) Section 213 is amended by (1) striking "and" after "1977,", and inserting after "1978" the following: ", and $13,500,000 for the fiscal year ending September 30, 1979".

(g) Section 228 is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $2,500,000 for the fiscal year ending September 30, 1979".

(h) Section 231(d) is amended by (1) striking "and" after "1977,", and (2) inserting after "1978" the following: ", and $7,880,000 for the fiscal year ending September 30, 1979".

SEC. 103. (a) Section 203(e)(1)(A)(i) is amended by striking "three grants" and inserting in lieu thereof "four grants".

(b) Section 206(c) is amended by adding the following paragraph at the end thereof:

"(7) If a grant made under this part is renewed, unexpended funds may be carried forward to the subsequent grant period without being deducted from the subsequent grant award.".

(c) Section 225 is amended by inserting after "under this part" the following: "or part A of this title as in effect before enactment of the Community Mental Health Centers Amendments of 1975".

TITLE II—BIOMEDICAL RESEARCH EXTENSION

SEC. 201. (a) This title may be cited as the "Biomedical Research Extension Act of 1978".

(b) Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference share be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 202. (a) Section 301(b) is amended by inserting ", research chemicals, and research animals" after "Service".

(b) Section 321(a) is amended by striking ", and tobacco".

SEC. 203. (a) The first sentence of section 383(a) is amended by striking "the President, by and with the advice and consent of the Senate" and inserting in lieu thereof "the Secretary".

(b) Section 390(c) is amended by (1) striking "and" after "1976," and (2) inserting after "1978" the following: ", $15,000,000 for the fiscal year ending September 30, 1979, $17,000,000 for the fiscal year ending September 30, 1980, and $20,000,000 for the fiscal year ending September 30, 1981".

SEC. 204. (a) Section 408(a) is amended by inserting "basic or" before "clinical research".

(b) The first sentence of section 408(b) is amended by inserting "basic or" before "clinical research".

SEC. 205. (a) Section 409(b) is amended by (1) striking "and" after "1977," and (2) inserting after "1978" the following: ", and $85,000,000 for the fiscal year ending September 30, 1979".

(b) Section 410C is amended by (1) striking "and" after "1977;" and (2) inserting after "1978" the following: "; and $925,000,000 for the fiscal year ending September 30, 1979".

SEC. 206. (a) Section 410(a)(1) is amended by inserting after "qualifications" the following: ". Such experts or consultants shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a)(1), 5724a(a)(3), and 5726(c) of title 5, United States Code".

(b) Section 413(c)(1) is amended by inserting after "qualifications" the following: ". Such experts or consultants shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a)(1), 5724a(a)(3), and 5726(c) of title 5, United States Code'".

SEC. 207. (a) Section 414(b) is amended by (1) striking "and" after "1977," and (2) inserting after "1978" the following: ", and $40,000,000 for the fiscal year ending September 30, 1979".

(b) Section 419B is amended by (1) striking "and" after "1977," and (2) inserting after "1978" the following: ", and $470,000,000 for the fiscal year ending September 30, 1979".

SEC. 208. The last sentence of section 439(g) is deleted in its entirety.

SEC. 209. (a) Section 472(b)(2) is amended by striking 'subsection (a)" and inserting in lieu thereof "subsection (a)(1)(B)".

(b) Section 472(b)(5) is amended by inserting "and cost of living increase allowances" after "dependency allowances".

(c) Section 472(c)(1)(B) is amended by (1) inserting "or" after "Corps," in clause (i), (2) striking clause (ii) in its entirety, and (3) redesignating clause (iii) as clause (ii).

(d) Section 472(c)(2)(B) is amended by striking "twenty months" and inserting in lieu thereof "twelve months".

(e) Section 472(c)(4)(A) is amended by striking "$A=\phi(t-\frac{1}{2}s)$"/(t) and inserting in lieu thereof "$A=\phi(t-s)$"/(t).

(f) Section 472(d) is amended by (1) striking "and" after "1977" in the first sentence thereof, (2) inserting after "1978" in the first sentence thereof the following: ", $175,000,000 for the fiscal year ending September 30, 1979, $180,000,000 for the fiscal year ending September 30, 1980, and $185,000,000 for the fiscal year ending September 30, 1981", (3) striking "25" in the second sentence thereof and inserting in lieu thereof "15", and (4) inserting before the period at the end thereof the following: "and not less than 50 per centum shall be made available for payments under National Research Service Awards provided by the Secretary under subsection (a)(1)(B)".

SEC. 210. Title IV is amended by adding at the end thereof the following new section:

"EXPERTS AND CONSULTANTS

"SEC. 477. In the fiscal year ending September 30, 1979, the Director of the National Institutes of Health may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the number of days or the period of service) the services of not more than one hundred experts and consultants who have scientific or professional qualifications for the National Institutes of Health and for each of the research institutes (other than the National Cancer Institute and the National Heart, Lung, and Blood Institute).".

TITLE III—ALCOHOL ABUSE AND ALCOHOLISM PREVENTION, TREATMENT, AND REHABILITATION

SEC. 301. (a) Subsection (a) of section 2 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended as follows:

(1) by striking out "and" at the end of subsection (5);

(2) by adding after subsection (5) the following new subsection (a)(6):

"(6) alcohol abuse has a substantial impact on the families of alcohol abusers and alcoholics; and", and

(3) by redesigning subsection (6) as subsection (7).

(b) Subsection 303(a)(4)(B) of such Act is amended to read as follows:

"(B) include in the survey conducted pursuant to subparagraph (A) an identification of the need for prevention and treatment of alcohol abuse and alcoholism by women and by individuals under the age of eighteen and for education, counseling, and treatment of the families of alcohol abusers and alcoholics and provide assurance that programs within the State will be designed to meet such need;".

(c) Section 311(a) of such Act is amended as follows:

(1) by adding after subsection (2) the following new subsection (3):

"(3) to provide education, counseling and treatment for the families of alcohol abusers and alcoholics"; and

(2) by redesignating subsection (3) as subsection (4);

(3) by redesignating subsection (4) as subsection (5);

(4) by amending subsection (5) (as redesignated) by adding at the end thereof: "and for the benefit of the families of alcohol abusers and alcoholics,".

(d) Section 501(a) of such Act is amended by adding at the end thereof: "Where appropriate, special emphasis shall be placed on the impact of alcohol abuse and alcoholism on the family.".

TITLE IV—THE PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

SEC. 401. This title may be cited as the "President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research Act of 1978".

SEC. 402. The Public Health Service Act is amended by adding after title XVII the following new title:

"TITLE XVIII—PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"ESTABLISHMENT OF COMMISSION

"SEC. 1801. (a) There is established a Commission to be known as the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (hereinafter in this title referred to as the 'Commission').

"(b) The Commission shall be composed of eleven members appointed by the President. The membership of the Commission shall be balanced fairly in terms of the points of view represented and the functions to be performed. The President shall appoint—

"(1) five (and no more than five) members of the Commission from individuals—

"(A) who are or have been engaged in biomedical or behavioral research involving human subjects, and

"(B) who are especially qualified to serve on the Commission by virtue of their training, experience, or background; and

"(2) six members of the Commission from individuals—

"(A) who are not and have not been engaged in biomedical or behavioral research involving human subjects, and

"(B) who are distinguished in the fields of medicine, law, ethics, theology, the biological, physical, and behavioral sciences, philosophy, humanities, health administration, government, and public affairs.

"(c) No individual who is a full-time employee of the United States may be appointed as a member of the Commission.

"(d) The Secretary of Health, Education, and Welfare, the Secretary of Defense, the Director of Central Intelligence, the Director of the Office of Science and Technology Policy (established under the Presidential Science and Technology Advisory Organization Act of 1976), the Administrator of Veterans' Affairs, and the Director of the National Science Foundation shall each designate an individual to serve as a nonvoting, ex officio adviser to the Commission.

"(e) Prior to a member of the Commission having access to any information which is classified or deemed to be classified for any purpose (including national security by any department or agency), each such member must have qualified for all department and agency security clearances necessary to assure such individual's access, as a member of the Commission, to any such information.

"(f) Until such time as the President acts to appoint members of the Commission under subsection (b), those members of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, who are serving upon the date of enactment of this title, are deemed members of the Commission: *Provided*, That no classified information or information protected from unauthorized disclosure by statute shall be made available to such members through a request of the Commission until appropriate security clearances are obtained.

"(g) The term of office of each member of the Commission shall be four years; except that—

"(1) the terms of office of members first taking office shall begin on the date of appointment and shall expire, as designated at the time of their appointment, four at the end of two years, four at the end of three years, and three at the end of four years;

"(2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(3) a member whose term has expired may serve until his successor has been appointed.

"(h)(1) The President shall choose a Chairman (who shall be appointed by and with the advice and consent of the Senate) and one Vice Chairman from among the members of the Commission. Either the Chairman or Vice Chairman may be chosen from among the members appointed pursuant to paragraph (1) of subsection (b); however both shall not be chosen from among such members. No individual may serve as Chairman or Vice Chairman for more than four years.

"(2) Seven members of the Commission shall constitute a quorum for business, but a lesser number may conduct hearings.

"(3) The Commission shall meet at the call of the Chairman or at the call of a majority of its members.

"(4) No individual may be appointed to serve as a member of the Commission, if such individual has served for two terms of four years each.

"(5) Four or less vacancies on the Commission shall not affect the authority or activities of the Commission.

"(i) Members of the Commission shall receive compensation at a rate not to exceed for any day (including traveltime) the daily equivalent of the effective rate for GS–18 of the General Schedule while engaged in the actual performance of the duties vested in the Commission. While away from their homes or regular places of business in the performance of duties of the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as per-

sons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"DUTIES AND FUNCTIONS OF THE COMMISSION

"Report on Protection of Human Subjects of Biomedical and Behavioral Research

"SEC. 1802. (a) The Commission shall issue a report every two years on the protection of human subjects of biomedical and behavioral research.

"(b) In preparing such report, the Commission—

"(1) shall periodically review the rules, policies, guidelines, and regulations of each department or agency (including the Department of Defense and the Central Intelligence Agency) concerning the conduct of biomedical and behavioral research to determine whether the human subjects involved in such research would be adequately protected if such rules, policies, guidelines, and regulations were followed;

"(2) may review in detail any program of any department or agency (including the Department of Defense and the Central Intelligence Agency) to determine whether the human subjects of any biomedical or behavioral research involved in such program are adequately protected; and

"(3) shall take any other action that it deems necessary to collect the information to adequately prepare such report.

"(c) The Commission shall simultaneously issue copies of the report prepared pursuant to subsection (a) to the President, to all departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such report recommendations for administrative or legislative action.

"FOLLOWUP OF WORK OF NATIONAL COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"SEC. 1803. (a) The Commission shall complete any of the duties of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research set forth in section 202 of Public Law 93-348 that remain unfinished on the date of enactment of this title and, where appropriate, conduct additional studies and investigations (with respect to any and all departments and agencies) on any of the matters set forth in such section 202.

"(b) The Commission shall periodically issue reports on its work pursuant to subsection (a). The Commission shall simultaneously submit copies of its reports to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission shall, as it deems appropriate, include in such reports recommendations for administrative or legislative action.

"GENERAL STUDIES

"SEC. 1804. (a) The Commission shall undertake studies of the ethical, social, and legal implications of—

"(1) advances in biomedical and behavioral research and technology which shall include—

"(A) an analysis and evaluation of scientific and technological advances in past, present, and projected biomedical and behavioral research and services;

"(B) an analysis and evaluation of the implications of such advances, both for individuals and for society, and of public understanding of and attitudes toward such implications;

"(C) an analysis and evaluation of laws and moral and ethical principles governing the use of technology in medical practice, and of public understanding of and attitudes toward such laws and principles; and

"(D) an analysis and evaluation of implications for public policy of such findings as are made by the Commission with respect to advances in biomedical and behavioral research and technology and public attitudes toward such advances; and

"(2) resource allocation decisions concerning health care research and delivery.

"(b) The Commission shall issue a report on its studies pursuant to subsection (a) every three years. The Commission shall simultaneously submit copies of its report to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such report recommendations for administrative or legislative action.

"SPECIAL STUDIES

"SEC. 1805. (a)(1) The Commission shall undertake a study to identify the requirements for informed consent by patients before they receive any medical treatment (regardless of the setting of such treatment) including but not limited to the information that should be given to patients or their legal representatives concerning the purpose of such treatment, whether or not such treatment will be provided in connection with clinical research, the identification of the individuals who will be involved and their respective roles, the description of the procedures to be used, the potential risks and anticipated benefits from such treatment, and the freedom of the patient or his legal representative to make a choice for or against such treatment.

"(2) The Commission shall conduct an investigation and study of the matter of defining death including the advisability of developing a uniform definition of death. In making such an investigation and study, the Commission shall take into account ethical, moral, social, legal, and medical considerations.

"(3) The Commission shall conduct an investigation and study respecting the ethical, moral, social and legal implications of voluntary testing, counseling, and information and education programs with respect to genetic diseases and conditions. Such study shall evidence concern for the essential equality of all human beings, born and unborn.

"(4) The Commission shall undertake a study to assess and evaluate current procedures and mechanisms designed to safeguard the privacy of research subjects, to ensure confidentiality of patient records, and to ensure appropriate access to information contained in such records by such patients. In making such a study, the Commission shall specifically take into account the recommendations developed by the Privacy Protection Study Commission established pursuant to Public Law 93-579 in its report of July 1977, respecting medical records and participants in research studies.

"(5) The Commission may conduct an investigation or study of any other appropriate matter consistent with the purposes of this title on its own initiative, at the request of the head of a department or agency, or at the request of a committee of the Congress.

"(b) The Commission shall issue reports on the studies set forth in subsection (a) upon their completion. The Commission shall simultaneously submit copies of such reports to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such reports recommendations for administrative or legislative action.

"SPECIAL STUDIES, BINDING AND STATUS OF

"SEC. 1805A. Any special study the Commission undertakes shall not be considered as representative of the views of the Congress or any Committee of the Congress or the Executive Branch. Any conclusions or recommendations by the Commission shall not be considered part of the legislative record and/or history. Any recommendation developed by the Commission shall not be binding on any department or agency of the Government.

"ADMINISTRATIVE PROVISIONS

"SEC. 1806. (a) The Commission may for the purpose of carrying out its duties hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems advisable.

"(b)(1) The Commission may appoint and compensate, at a rate not to exceed the annual rate of basic pay in effect for grade GS-18 of the General Schedule, an executive director, without regard to the provisions of title 5, United States Code, governing appointment and removal in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, who shall administer full time the daily activities of the Commission.

"(2) The Commission may appoint and fix the compensation of such personnel as it deems advisable, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

"(3) The Commission may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission, but not exceeding for any day (including traveltime) the daily equivalent of the effective rate for grade GS-18 of the General Schedule. While away from his home or regular place of business in the performance of services for the Commission, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

"(4) Any persons appointed or employed under this subsection by the Commission must have qualified for any necessary security clearances before being granted access to classified information or information protected from unauthorized disclosure by statute, and are subject to the same restrictions on release of information as set forth in section 1807(c).

"(c) The Commission may, at any time, publish and disseminate to the public such reports, information, recommendations, and other material relating to its functions, activities, and studies as it deems appropriate consistent with the requirements of section 1807.

"(d) Upon the request of the Chairman or a majority of the members of the Comission, each department or agency shall furnish all information requested by the Commission which the Commission determines is necessary to enable it to carry out its duties and functions under this title.

"(e)(1) Within sixty days of the receipt of any recommendation made by the Commission under this title, the appropriate department or agency shall publish it in the Federal Register and provide opportunity for interested persons to submit written data, views, and arguments with respect to such recommendations. Within one hundred and eighty days of the date of the publication in the Federal Register of such recommendation, the appropriate department or agency shall (1) determine whether the administrative or other action proposed by such recommendation is appropriate, and (2) if it determines that such action is not appro-

priate publish in the Federal Register such determination together with an adequate statement of the reasons for its determination. If the appropriate department or agency determines that the administrative action recommended by the Commission should be undertaken, it shall undertake such action as expeditiously as is feasible.

"(2) On November 1 of each year, each department and agency shall submit a report simultaneously to the President and to the appropriate committees of Congress which shall include with respect to the previous fiscal year—

"(A) a complete list of all recommendations made to such department or agency by the Commission;

"(B) in those situations where such department or agency accepted a recommendation, a description of the policies, procedures, guidelines, or regulations that were implemented, and any other administrative actions that were taken by such department or agency to comply with such recommendation; and

"(C) in those situations where such department or agency failed to accept, in whole or in part, a recommendation, a description of the reasons for such failure.

"(f) The Commission shall determine the priority and order of the duties and functions to be performed under this title.

"(g) The Commission, in performing its duties and functions under this title, may enter into contracts with appropriate public or nonprofit entities.

"(h) The Commission shall be subject to the Federal Advisory Committee Act (Public Law 92-463) except that under the provisions of section 14(a)(1)(B) of such Act the Commission shall continue in existence until four years after the date of enactment of the Community Mental Health Centers Extension and the Biomedical Research Extension Acts of 1978.

"CONFIDENTIALITY

"SEC. 1807. (a) The Commission shall not disclose any information reported to or otherwise obtained by it pursuant to this title which is exempt from disclosure pursuant to subsection (a) of section 552 of title 5, United States Code, by reason of subsection (b)(4) of such section.

"(b)(1) The Commission shall in securing and maintaining any record of individually identifiable personal data (hereinafter in this subsection referred to as 'personal data') for purposes of this title—

"(A) inform any individual who is asked to supply personal data (i) whether he is legally required, or may refuse, to supply such data and (ii) of any specific consequences known to the Commission of providing or not providing such data;

"(B) upon request, (i) inform any individual if he is the subject of personal data secured or maintained by the Commission and (ii) make the data available to him in a readily understandable form;

"(C) assure that no use is made of personal data which is not within the purposes of this title unless an informed consent has been obtained from the individual who is the subject of such data; and

"(D) upon request, inform any individual (i) of the use being made of personal data respecting such individual and (ii) of the identity of the persons who will use the data and their relationship to the Commission;

"(2) Notwithstanding any other provision of law, personal data collected or maintained by the Commission, pursuant to this title, may not be made available or disclosed by the Commission to any person other than the individual who is the subject of such data without such individual's informed consent. No Federal, State, or local civil, criminal, administrative, legislative or other proceeding may require the disclosure of such personal data.

"(c) The Commission shall not disclose any information collected or maintained by it pursuant to this title which is properly classified or is protected from unauthorized disclosure by statute.

"DEFINITIONS

"SEC. 1808. (a) As used in this title, the terms 'department or agency' and 'department and agency' mean each authority of the Government of the United States, whether or not it is within or subject to review by another department or agency, but does not include—

"(1) the Congress;

"(2) the courts of the United States;

"(3) the governments of the territories or possessions of the United States; and

"(4) the government of the District of Columbia.

"(b) As used in this title, the term 'protection of human subjects' includes, among other things, protection of their health and safety and protection of their privacy.

"AUTHORIZATIONS FOR APPROPRIATIONS

"SEC. 1809. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1979 and for each of the next three fiscal years thereafter.".

SEC. 403. (a) Part A of title II of the National Research Act (42 U.S.C. 2891-1) is amended by adding at the end thereof the following new section:

"FOLLOWUP OF WORK OF THE COMMISSION BY THE PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"SEC. 206. The President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research shall complete any of the duties of the Commission set forth in section 202 that remain unfinished when the Commission ceases to exist and, where appropriate, conduct additional studies and investigations on any of the matters set forth in section 202 with respect to any and all departments and agencies of the Government of the United States (but excluding the Congress, the courts of the United States, the governments of the territories or possessions of the United States and the government of the District of Columbia) whether or not such departments and agencies are subject to review by another department or agency.".

(b) Part A of title II of the National Research Act (42 U.S.C. 2891-1) is repealed except for section 206 added by subsection (a).

(c) Sections 211 and 213 of the National Research Act are repealed.

(d) Subsection (f) of section 217 of the Public Health Service Act (42 U.S.C. 218(f)) is repealed.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SCHWEIKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH ACT OF 1978

The Senate continued with the consideration of S. 2579.

The PRESIDING OFFICER. The question recurs on S. 2579.

Mr. KENNEDY. Mr. President, I ask unanimous consent to further defer action on that one and I move to call up S. 2466.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

NATIONAL INSTITUTES OF HEALTH CARE RESEARCH ACT OF 1978

Mr. KENNEDY. Mr. President, I move that the Senate proceed to the consideration of S. 2466.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

Calendar 770, S. 2466, a bill to amend the Public Health Service Act to establish the National Institutes of Health Care Research; to extend and revise the assistance programs for health services research and health statistics; to establish the National Center for the Evaluation of Medical Technology, and for other purposes.

The motion was agreed to and the Senate proceeded to consider the bill which had been reported from the Committee on Human Resources with an amendment to strike all after the enacting clause and insert the following:

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the "National Institutes of Health Care Research Act of 1978".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SEC. 101. Section 304 and the heading thereto are amended to read as follows:

"NATIONAL INSTITUTES OF HEALTH CARE RESEARCH

"SEC. 304. (a) The Secretary shall establish, in the Department of Health, Education, and Welfare, the National Institutes of Health Care Research (hereinafter in this section referred to as the "Institutes"). The Institutes shall be headed by a Director appointed by the President, by and with the advice and consent of the Senate. The Director, with the approval of the Secretary, may appoint a Deputy Director and may employ and prescribe the functions of such officers and employees as are necessary to administer the activities to be carried out through the Institutes.

"(b)(1) The Secretary, acting through the Institutes, shall conduct and support research, demonstrations, evaluations, and statistical and epidemiological activities for the purpose of improving the effectiveness, efficiency, and quality of health services in the United States.

"(2) In carrying out paragraph (1), the Secretary, acting through the Institutes, shall give appropriate emphasis to research, demonstrations, evaluations, and statistical and epidemiological activities respecting—

"(A) the accessibility, acceptability, planning, organization, distribution, utilization, and financing of systems for the delivery of health care,

"(B) alternative methods for measuring and evaluating the quality of systems for the delivery of health care,

"(C) the collection, analysis, and dissemination of health related statistics,

"(D) alternative methods to improve and promote health statistical and epidemiological activities,

"(E) the safety, efficacy, effectiveness, cost effectiveness, and social, economic, and ethical impacts of medical technologies,

"(F) alternative methods for disseminating knowledge concerning health and health related activities, and

"(G) the prevention of illness, disability, and premature deaths in the United States.

"(3) The Secretary, acting through the Institutes, shall (through National Research Service Awards) undertake and support manpower training programs to provide for an expanded and continuing supply of individuals qualified to perform the research, evaluation, and demonstration projects as set forth in sections 305, 306, and 306A.

"(4) The Secretary, acting through the Institutes, shall supervise the administration and operation of the National Institute for Health Policy Research, the National Institute for Health Statistics and Epidemiology, and the National Center for the Evaluation of Medical Technology in order to assure that (A) the programs carried out through each such Institute and Center receive appropriate and equitable support, and (B) there is cooperation among the Institutes and the Center in the implementation of such programs.

"(c) To implement subsection (b), the Secretary may, in addition to any other authority which under other provisions of this Act or any other law may be used by him to implement such subsection, do the following:

"(1) utilize personnel and equipment, facilities, and other physical resources of the Department of Health, Education, and Welfare, permit appropriate (as determined by the Secretary) entities and indiyiduals to utilize the physical resources of such Department, provide technical assistance and advice, make grants to public and nonprofit entities and individuals, and, when appropriate, enter into contracts with public and private entities and individuals;

"(2) secure, from time to time and for such periods as the Secretary deems advisable, the assistance and advice of experts and consultants from the United States or abroad. In addition, the Director of the National Institute for Health Policy Research and the Director of the National Institute for Statistics and Epidemiology, in order to assist each of them in carrying out the functions set forth in sections 305 and 306, respectively, and without regard to any other provision of this Act, are each authorized to obtain the services of not more than fifteen experts or consultants who have appropriate scientific or professional qualifications; and

"(3) acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary; and acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia.

"(d) The Secretary shall coordinate all research, evaluation, demonstration, and statistical and epidemiological activities referred to in subsection (b) undertaken and supported through units of the Department of Health, Education, and Welfare. Such coordination shall be carried out through the Institutes.

"(e) The Director of the Institutes shall submit a report to the Secretary for simultaneous transmittal, not later than October 30 of each year, to the President and to the Committee on Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives setting forth the program accomplishments of the Institutes in the preceding fiscal year and the objectives and priorities for the current fiscal year.".

SEC. 102. (a) The heading for section 305 is amended to read as follows:

"NATIONAL INSTITUTE FOR HEALTH POLICY RESEARCH".

(b) Section 305(a) is amended to read as follows:

"(a) There is established in the National Institutes of Health Care Research the National Institute for Health Policy Research (hereinafter in this section referred to as the 'Institute') which shall be under the direction of a Director who shall be appointed by the Secretary and supervised by the Director of the National Institutes of Health Care Research.".

(c) Section 305(b) is amended by—

(1) striking "304(a)" and inserting in lieu thereof "304(b)";

(2) Striking "Center" and inserting in lieu thereof "Institute";

(3) striking "may undertake" and inserting in lieu thereof "shall undertake";

(4) striking "and" after "evaluation," and inserting in lieu thereof "and/or";

(5) striking "technology," in paragraph (1);

(6) striking "and" after "manpower;" in paragraph (2);

(7) striking the period in paragraph (3) and inserting in lieu therof ", and"; and

(8) adding at the end thereof the following new paragraph:

"(4) the uses of computer science in health services delivery and medical information system.".

(d) Section 305(c) is amended by striking "Center" and inserting in lieu thereof "Institute".

(e) Sections 305(d)(1) and 305(d)(2)(A) are amended by inserting ", acting through the Institute," after "Secretary" each place it occurs.

(f) Subsection (e) of section 305 is amended by striking "304(b)" and inserting in lieu thereof "304(c)".

SEC. 103. (a) The heading to section 306 is amended to read as follows:

"NATIONAL INSTITUTE FOR HEALTH STATISTICS AND EPIDEMIOLOGY".

(b) Section 306(a) is amended to read as follows:

"(a) There is established in the National Institutes of Health Care Research the National Institute for Health Statistics and Epidemiology (hereinafter in this section referred to as the 'Institute') which shall be under the direction of a Director who shall be appointed by the Secretary and supervised by the Director of the National Institutes of Health Care Research.".

(c) Section 306(b) is amended by—

(1) striking "304(a)" and inserting in lieu thereof "304(b)";

(2) striking "Center" and inserting in lieu thereof "Institute";

(3) striking "may" and inserting in lieu thereof "shall";

(4) striking "and" after "dissolution" in paragraph (1)(H);

(5) inserting "or both" after "contract" in paragraph (2);

(6) striking "and" after "demonstration," in paragraph (2) and inserting in lieu thereof "and/or"; and

(7) adding at the end thereof the following new paragraph:

"(3) undertake and support (by grant or contract or both) epidemiological research, demonstrations, and evaluations on the matters referred to in paragraph (1).".

(d) Section 306(c) is amended by—

(1) striking "Center" and inserting in lieu thereof "Institute";

(2) inserting "and epidemiological" after "statistical" each place it occurs; and

(3) striking "Labor and Public Welfare" and inserting in lieu thereof "Human Resources".

(e) Section 306(d) is amended by striking "Center" and inserting in lieu thereof "Institute".

(f) Section 306(e) is amended by—

(1) inserting ", through the Institute," after "Secretary";

(2) inserting "to be known as the Cooperative Health Statistics System" after "levels" in paragraph (1);

(3) striking "such cooperative system" each place it occurs and inserting in lieu thereof "such System";

(4) inserting "or both" after "contract" in paragraph (3).

(g) The first sentence of section 306(f) is amended by inserting ", through the Institute," after "Secretary".

(h) Section 306(g) is amended by inserting ", through the Institute," after "health data, the Secretary".

(i) Section 306(i)(1) is amended by striking "United States".

(j) Section 306 is amended by adding at the end thereof the following new subsection:

"(j) In carrying out the requirements of sections 304(d) and paragraph (2) of subsection (e), the Secretary, acting through the Institute, shall coordinate health statistical and epidemiological activities of the Department of Health, Education, and Welfare by—

"(1) developing in consultation with the National Committee on Vital and Health Statistics, promulgating by regulation, and maintaining the minimum sets of data needed on a continuing basis to fulfill the collection requirements of subsection (b)(1),

"(2) after consultation with the National Committee on Vital and Health Statistics, establishing, by regulation, standards to assure the quality of health statistical and epidemiological data collection, processing, and analysis,

"(3) reviewing periodically all existing health statistical data collections of the Department that were previously approved pursuant to the Federal Reports Act of 1942 to determine whether such collections conform with the minimum sets of data and the standards promulgated pursuant to paragraphs (1) and (2). If any such collections are found not to be in conformance, the Secretary shall take the necessary action to assure that any future collections (effective ninety days after the review) are in conformance,

"(4) reviewing all proposed health statistical data collections of the Department that require approval pursuant to the Federal Reports Act of 1942 to determine whether such proposed collections conform with the minimum sets of data and the standards promulgated pursuant to paragraphs (1) and (2). If any such proposed collections are found not to be in conformance, the Secretary shall take the necessary action to bring them into conformance before such proposed collections are initiated.".

SEC. 104. Title III is amended by adding after section 306 the following new heading and section:

"NATIONAL CENTER FOR THE EVALUATION OF MEDICAL TECHNOLOGY

"SEC. 306A. (a) There is established in the National Institutes of Health Care Research the National Center for the Evaluation of Medical Technology (hereinafter in this section referred to as the 'Center') which shall be under the direction of a Director who shall be appointed by the Secretary and supervised by the Director of the National Institutes of Health Care Research.

"(b) The Secretary, acting through the Center, shall—

"(1) establish, in consultation with the Council for the Evaluation of Medical Technology, priorities for research, demonstrations, and evaluations of medical technologies as prescribed by paragraph (2)(A). In establishing such priorities, particular emphasis should be placed on—

"(A) the actual or potential risks and the

actual or potential benefits to patients associated with the use of the medical technology,

"(B) per use and/or aggregate cost of the medical technology,

"(C) the rate of utilization of the medical technology, and

"(D) the stage of development of the medical technology; and

"(2) undertake and support (by grant or contract or both) research, demonstrations, and evaluations concerning—

"(A) the safety, efficacy, effectiveness, cost effectiveness, and social, ethical, and economic impact of particular medical technologies;

"(B) the factors that affect the utilization of medical technologies throughout the United States;

"(C) alternative methods for disseminating information on medical technologies to health professionals;

"(D) alternative methods for measuring the quality of health services; and

"(E) the effectiveness, administration, and enforcement of quality assurance programs.

"(c) To assist in carrying out this section, the Secretary, acting through the Center, shall cooperate and consult with the National Institutes of Health, the Veterans' Administration and any other interested Federal departments or agencies and with State and local health departments and agencies.

"(d)(1) The Secretary, acting through the Center, shall, by grants or contracts, or both, assist public and/or private nonprofit entities in meeting the costs of planning and establishing new centers, and operating existing and new centers for multidisciplinary research, evaluations, and demonstrations respecting the matters referred to in paragraph (2) of subsection (b). To the extent practicable, the Secretary shall take such actions, in accordance with the requirements of this subsection and section 308, to assure that three such centers shall be operational by September 1, 1981.

"(2)(A) No grant or contract may be made under this subsection for planning and establishing a center unless the Secretary, acting through the Center, determines that when it is operational it will meet the requirements listed in subparagraph (B), and no payment shall be made under a grant or contract for operation of a center unless the center meets such requirements.

"(B) Each center shall meet the following requirements:

"(i) there shall be a full-time director of the center who possesses a demonstrated capacity for sustained productivity and leadership in research, demonstrations, and evaluations respecting the matters referred to in paragraph (2) of subsection (b), and there shall be such additional professional staff as may be appropriate;

"(ii) the staff of the center shall have expertise in the various disciplines needed to conduct multidisciplinary research, evaluations and demonstrations respecting the matters referred to in paragraph (2) of subsection (b);

"(iii) the center shall be located within an established academic or research institution with departments and resources appropriate to the programs of the center; and

"(iv) each center shall meet such additional requirements as the Secretary may by regulation prescribe.

"(e) (1) There is established in the Center a National Council for the Evaluation of Medical Technology (hereinafter in this subsection referred to as the 'Council') to be composed as follows:

"(A) The Surgeon General, the Director of the National Institutes of Health, the Chief Medical Director of the Veterans' Administration, the Assistant Secretary of Defense for Health Affairs, the Chairman of the National Professional Standards Review Council (or their designees), and three other employees of the Department of Health, Education, and Welfare (or their designees) appointed by the Secretary, shall be ex officio members of the Council.

"(B) Eighteen members appointed by the Secretary. Six of the appointed members shall be selected from among leading medical or scientific authorities; two of the appointed members shall be practicing physicians; two of the appointed members shall be practicing hospital administrators; two of the appointed members shall be selected from members of the general public who are leaders in the field of economics; two of the appointed members shall be selected from members of the general public who are leaders in the field of law; and four of the appointed members shall be selected from outstanding members of the general public who, based on their interests, disciplines, and/or expertise, would be appropriate members of the Council.

"(2)(A) Each appointed member of the Council shall be appointed for a term of four years, except that—

"(i) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(ii) of the members first appointed after the effective date of this section, five shall be appointed for a term of four years, five shall be appointed for a term of three years, five shall be appointed for a term of two years, and three shall be appointed for a term of one year, as designated by the Secretary at the time of appointment.

Appointed members may serve after the expiration of their terms until their successors have taken office.

"(B) A vacancy in the Council shall not affect its activities, and twelve members of the Council shall constitute a quorum.

"(C) Members of the Council who are not officers or employees of the United States shall receive for each day they are engaged in the performance of the functions of the Council compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(3) The Council shall annually elect one of its appointed members to serve as Chairman until the next election.

"(4) The Director of the Center shall (1) designate a member of the staff of the Center to act as Executive Secretary of the Council, and (2) make available to the Council such staff, information, and other assistance as it may require to carry out its functions.

"(5) The Council shall meet at the call of the Chairman, but not less often than four times a year.

"(6) The Council is authorized to—

"(A) advise, consult with, and make recommendations to the Secretary, the Director of the National Institutes of Health Care Research, and the Director of the Center with respect to carrying out the provisions of this section;

"(B) after consultation with appropriate public and private entities, advise the Secretary concerning the safety, efficacy, effectiveness, cost effectiveness, and the social and economic impact of particular medical technologies;

"(C) after consultation with appropriate public and private entities, develop, when appropriate and to the extent practicable, exemplary standards, norms, and criteria concerning the utilization of particular medical technologies;

"(D) publish, make available and disseminate, through the National Library of Medicine, promptly in understandable form and as widely as possible, but, at a minimum, to each of the National Institutes of Health, to the Food and Drug Administration, to the Indian Health Service, and the Bureau of Medical Services of the United States Public Health Services, to all health systems agencies, to all Professional Standards Review Organizations, to all medical schools, professional associations, State and local departments of public health, and to the Department of Medicine and Surgery of the Veterans' Administration and the Assistant Secretary of Defense for Health Affairs, the standards, norms, and criteria developed pursuant to paragraph (C); and

"(E) review and approve any grant that the Center proposes to make and any contract the Center proposes to enter pursuant to this section if such grant or contract is in an amount exceeding $35,000 of direct costs.

"(f) For purposes of this section, medical technology means any discrete and identifiable medical or surgical regimen or modality used to diagnose or treat illness, prevent disease, support life, or maintain patient well-being.".

SEC. 105. (a) The heading to section 308 is amended by striking "304, 305, 306, AND 307" and inserting in lieu thereof "304, 305, 306, 306A, AND 307."

(b) Section 308(a)(1) is repealed.

(c) Section 308(a)(2) is amended by (1) redesignating it as section 308(a) (1), and (3) striking "the National Center for Health Services Research and the National Center for Health Statistics" and inserting in lieu thereof "the National Institutes of Health Care Research".

(d) Section 308(a)(3) is redesignated as section 308(a)(2).

(e) Section 308(b)(1) is amended by inserting "306A," after "306".

(f) Section 308(d) is amended by (1) inserting "306A," before "or 307" and (2) by inserting "or epidemiological" after "statistical" in paragraph (1).

(g) Section 308(e) is amended by inserting "306A," after "306" each place it occurs.

(h) Section 308(f) is amended by striking "or 306" and inserting in lieu thereof "306, or 306A".

(i) Section 308(g)(2) is amended by striking "and 306" and inserting in lieu thereof "306, and 306A".

(j) Section 308(h)(1) is amended by striking "or 306" each place it occurs and inserting in lieu thereof "306 or 306A".

(k) Section 308(i)(1) is amended to read as follows:

"(i)(1) For health services research, evaluation, and demonstration activities undertaken or supported under section 304 or 305, there are authorized to be appropriated $40,000,000 for the fiscal year ending September 30, 1979; $45,000,000 for the fiscal year ending September 30, 1980; and $50,000,000 for the fiscal year ending September 30, 1981. Of the funds appropriated under this paragraph for any fiscal year, at least 15 per centum of such funds or $6,000,000, whichever is less, shall be available only for health services research, evaluation, and demonstration activities directly undertaken by the National Institute for Health Policy Research and a least 5 per centum of such funds or $1,00,000, whichever is less, shall be available only for dissemination activities directly undertaken by the Center.".

(l) Section 308(i)(2) is amended to read as follows:

"(i)(2) For health statistical and epide-

miological activities undertaken or supported under section 304 or 306, there are authorized to be appropriated $60,000,000 for the fiscal year ending September 30, 1979, $65,000,000 for the fiscal year ending September 30, 1980, and $70,000,000 for the fiscal year ending September 30, 1981. Of the funds appropriated under this paragraph for any fiscal year commencing after September 30, 1978, at least 15 per centum of such funds shall be available only for health statistical and epidemiological activities directly undertaken by the National Institute for Health Statistics and Epidemiology.".

(m) Section 308(i) is amended by adding at the end thereof the following new paragraph:

"(3) For medical technology research, evaluation, and demonstration activities undertaken or supported under section 304 or 306A, there are authorized to be appropriated $25,000,000 for the fiscal year ending September 30, 1979, $35,000,000 for the fiscal year ending September 30, 1980, and $50,000,000 for the fiscal year ending September 30, 1981. Of the funds appropriated under this paragraph for any fiscal year commencing after September 30, 1980, at least 15 per centum of such funds shall be available only for medical technology research, evaluation, and demonstration activities directly undertaken by the National Center for the Evaluation of Medical Technology.".

SEC. 106. (a) Section 472(a)(1)(A) is amended by—

(1) striking "and" after "private institutions," in clause (iii);

(2) redesignating clause (iv) as clause (vii); and

(3) inserting after clause (iii) the following:

"(iv) research at the National Institutes of Health Care Research,

"(v) training at the National Institutes of Health Care Research to undertake such research,

"(vi) research on the matters set forth in section 304(b)(2) at public institutions and at nonprofit private institutions, and".

(b) The last sentence of section 472(a)(1) is amended by inserting ", National Institutes of Health Care Research," after "National Institutes of Health".

SEC. 107. Part K of title III is repealed in its entirety.

SEC. 108. Title IV is amended by adding at the end thereof the following new section:

"SEC. 477. The Director of the National Institutes of Health shall make available annually to the National Center for the Evaluation of Medical Technology and the Council for the Evaluation of Medical Technology a list of all technologies (as defined in section 306A(g)) of which he is aware that are under development and that appear likely to be used in medical practice in the near future.".

SEC. 109. The Secretary, acting through the National Institute for Health Policy Research, shall arrange for the conduct of a study to evaluate the impact upon the utilization of health services by and the health status of members of the United Mine Workers and their dependents as a result of changes in the United Mine Workers' collective-bargaining agreements of March 1978, that require copayments for health services. Such study and a report thereon shall be completed and submitted to the Secretary, the Committee on Human Resources, the Committee on Appriations, and the Committee on Finance of the Senate, and the Committee on Ways and Means, the Committee on Appropriations, and the Committee on Interstate and Foreign Commerce of the House of Representatives no later than thirty months after the date of enactment of this section. Not more than $1,000,000 of the sums authorized to be appropriated for health services research, evaluation and demonstration activities by section 308(i)(1) of the Public Health Service Act as amended by section 105 of this Act shall be made available for such study.

SEC. 110. (a) The Secretary, acting through the National Institutes for Health Care Research, in cooperation with the Secretary of Labor and the Administrator of the Environmental Protection Agency, shall develop a plan for the collection and coordination of statistical and epidemiological data on the effects of the environment on health. Such plan shall include, but not be limited to, a review of the data now available on health effects, deficiencies in such data, and methods by which existing data deficiencies can be corrected. The plan shall be submitted to Congress not later than October 1, 1979.

(b) In carrying out the provisions of subsection (a), the Secretary, the Secretary of Labor, and the Administrator of the Environmental Protection Agency shall consult with the Committee on Human Resources and other appropriate committees of the Senate and the Committee on Interstate and Foreign Commerce and other appropriate committees of the House of Representatives.

Mr. KENNEDY. Mr. President, I would like to make a few comments on S. 2466, the National Institutes of Health Care Research Act of 1978, as the Senate moves to consider this legislation. I introduced S. 2466 on January 30, 1978 with the cosponsorship of Senators SCHWEIKER, WILLIAMS, and JAVITS. The purpose of this proposed legislation is to give focus, strength, and vitality to a series of research and statistical activities aimed at improving the quality, efficiency, and effectiveness of health services in the United States. I urge my colleagues to give favorable consideration to this proposal.

Americans have an abiding faith that new knowledge can improve their lives. I share this belief. I am proud that our country has had the wisdom to invest generously over the last 30 years in biomedical and behavorial research aimed at the conquest of disease. Hard as it is to believe now, there was a time when these research areas were neglected and undeveloped. It took a combination of unstinting public funding and careful institution building to bring them to the point they are today. That national effort is now paying generous dividends.

This history of Federal involvement in the biomedical and behavioral research offers important lessons for the Congress and the American people. For despite our Nation's commitment to health research, some areas of health related inquiry are still neglected. These activities include:

First. Health services research and development.

Second. Health statistics.

Third. Epidemiology.

Fourth. Technology evaluation.

These research activities have made major contributions to our understanding of health care trends in the Nation. They have provided a factual backdrop for many important decisions in the health field in the areas of cost containment, quality of care, the distribution of health services, and the control of toxic substances. They have done so despite inadequate funding. In addition, where funds are available for such research activities, they are often fragmented haphazardly among uncoordinated and competitive programs. As a result, valuable opportunities to effect improvements in the Nation's health care system and the health of Americans have been lost.

The committee believes that we cannot expect research investments to pay off unless we provide the disciplines involved with the necessary support. The committee feels that the research activities described above need better funding. But just as much as more money, they need a defined institutional home and a more hospitable organizational climate.

Since they are related but distinct disciplines, these research activities need to be coordinated, but at the same time given enough room to follow separate leads. They must have public accountability. They need policy guidance. But they must be insulated from ever-fluctuating political pressure. Otherwise, they will not be able to pursue excellence in their respective fields.

For the traditional biomedical sciences, the NIH fulfills these institutional requirements. It is time, Mr. President, that we provided the same advantages to health services research and the other, related health science disciplines which we have traditionally neglected in this country.

It is for this purpose, Mr. President, that the Committee on Human Resources has reported S. 2466, the National Institutes of Health Care Research Act of 1978, to the Senate floor. This bill would provide an institutional home for health care research and related activities, an advantage which the biomedical sciences have enjoyed for decades. It would provide increased authority and direction for the Department to draw together scattered programs in the areas of statistics and health services research. It would provide moderate increases in funding for these activities. It would give HEW money and authority to expand and systemize its work in the area of evaluating health technologies. And it would provide an institutional umbrella which could be expanded to include other research missions as appropriate. These could include, for example, selected areas related to disease prevention and control.

Specifically, the bill would accomplish the following:

First. It would create a National Institutes of Health Care Research modeled upon and parallel to the National Institutes of Health. This umbrella organization would provide overall policy guidance and coordination for its component institutions.

Second. It would create a National Center for the Evaluation of Medical Technologies, a new agency located in the National Institutes of Health Care Research. The purpose of this new Center would be to assess the cost and effectiveness of medical practices and procedures.

Third. It would expand, redirect and rename the National Center for Health Statistics. This agency would take on important new functions in the conduct

of epidemiologic research and in the coordination of health statistics work. It would become a component institute of the National Institutes of Health Care Research.

Fourth. Finally, S. 2466 would expand, redirect and rename the National Center for Health Services Research. This agency would also become a component institute of the National Institutes of Health Care Research.

Under the new law, the NIHCR would be charged with the responsibility of supporting research, demonstrations, evaluations, and statistical and epidemiological activities which examine—

First. The accessibility, acceptability, planning, organization, distribution, utilization and financing of systems for the the delivery of health care;

Second. Alternative methods for measuring and evaluating the quality of systems for the delivery of health care;

Third. The collection, analysis, and dissemination of health-related statistics;

Fourth. Alternative methods to improve and promote health statistical and epidemiological activities;

Fifth. The safety, efficacy, effectiveness, cost effectiveness, and social, economic, and ethical impacts of medical technologies; and

Sixth. Alternative methods for disseminating knowledge concerning health and health related activities.

The committee is aware of the concerns expressed in some quarters that the strong coordinating mandate of the proposed NIHCR will interfere with the ability of various programs in the Department to perform their missions effectively. The committee recognizes that multiple PHS and HCFA agencies have ongoing and important activities in the gathering of health statistics, the conduct of epidemiology, the evaluation of clinical procedures and the conduct of health services research. It is not the committee's intent to centralize all these functions in one agency, or to frustrate the mission-oriented work of the various agencies.

However, the committee also feels strongly that some agency in the Department must be given responsibility for making certain that the activities of these various bureaucratic entities are molded, to the maximum extent practical, into a coordinated and comprehensive plan for health research and development. The current situation, bordering on administrative chaos, cannot be permitted to persist. It wastes the scarce resources of research disciplines which have been historically underfunded and neglected. It creates a situation in which research and data which are potentially useful to many Department agencies cannot serve multiple purposes. It further discredits research activities which, though very important, have never been sufficiently appreciated within the Federal Government.

The balance between central planning and agency freedom is difficult to set in any substantive area. In the past, because of lack of administration interest and intense bureaucratic rivalries, the pendulum in the research areas we are discussing has swung dramatically toward decentralization. The committee feels that strong corrective measures are in order.

Mr. President, let me comment now on some of the specific provisions of S. 2466.

The proposed legislation would establish a National Institute for Health Policy Research whose functions would incorporate and expand current activities at the National Center for Health Services Research. The legislation would authorize an increase in appropriations for health services research, from $28.6 million in 1978 to $40 million in 1979, $45 million in 1980, and $50 million in 1981.

The new National Institute for Health Policy Research would be required specifically to undertake and support research, evaluation, and/or demonstration projects which examine—

First. The accessibility, acceptability, planning, organization, distribution, utilization, quality, and financing of health services and systems;

Second. The supply and distribution, education and training, quality, utilization, organization, and costs of health manpower;

Third. The design, construction, utilization, organization, and cost of facilities and equipment; and

Fourth. The use of computer science in health services delivery and medical information systems.

This last directive grows out of a comprehensive Office of Technology Assessment study which illustrated the pressing need for work on medical information systems, particularly as they employ computer technologies.

The committee believes that despite the many accomplishments of the National Center for Health Services Research since 1974, the need for reform in the National Center's mandate and functioning is clear. The National Center has had a number of problems during these years of accomplishment, but it is not clear that these problems reflect exclusively a failing of the Center. And in no way do these difficulties imply that health services research is anything less than vital and indispensable. The committee believes that the creation of a National Institute for Health Policy Research would lay the necessary institutional groundwork for a revitalized and strengthened health services research facility.

By transforming the National Center for Health Services Research into the National Institute for Health Policy Research, the committee has been guided by the following objectives and intentions:

First, health services research must be regarded as a research discipline, not simply a short-term aid to policy formation.

Second, health services research must be protected to the extent possible from political pressures so that excellent research may be conducted and so that talented personnel may be recruited.

Third, health services research must remain relevant to policy needs—thus the Institute for "Health Policy Research"—but the time frame for its accomplishments must be reasonable.

The committee also proposes to establish as a component part of the National Institutes of Health Care Research a National Institute for Health Statistics and Epidemiology which would incorporate the mission of the National Center for Health Statistics and add two crucial new functions to the Center's activities. The new National Institute will continue the Center's excellent and widely respected health surveys and monitoring activities which have provided detailed information on such crucial matters as the prevalence and incidence of various diseases in the Nation, infant mortality rates, the frequency of visits to physician offices, utilization of hospital beds, and the levels of expenditures for various health services.

The committee has mandated for the new National Institute two additional functions which the Center never fully addressed or implemented. First, it will become by law the Secretary's instrument for coordinating health data collection in the Department of Health, Education, and Welfare and for eliminating overlap, duplication and lack of standardization in data gathering. Second, the National Institute will assume major new responsibilities intended by the committee to strengthen the Nation's capability to perform epidemiological work.

The need for improved coordination of the Department's health statistical activities has long been recognized by both the administration and the Congress. The Center, under its mandate to establish the cooperative health statistical system, has made progress recently in achieving coordination of data gathering activities within the Public Health Service. However, progress has been slow and the committee has noted the substantial and persistent problems which have impeded cooperation between the Health Care Financing Administration and the Public Health Service. There is evident a pressing need to revise authorities which permit the same data to be gathered twice, which allow agencies to refuse to share data, and which provide individual agencies with an opportunity to define unique standards for data collection, with the result that statistics are frequently not comparable from one agency to another.

With regard to the National Institute's new epidemiological responsibilities, the committee proposes that the Institute undertake an expanded program of intramural and extramural epidemiology and data analysis. The committee believes that the National Institute could make a major contribution in explaining trends in the health status of the population (for example, the cause of the dramatic recent decline in deaths from heart disease), and in perfecting the methodology of statistical work in epidemiology. Currently, the National Center for Health Statistics funds original research at a level of less than $300,000 out of a budget of $36 million.

Consistent with this expanded mandate, the legislation provides the National Institute for Health Statistics and Epidemiology with an authorization of $60 million for fiscal year 1979, $65 mil-

lion for fiscal year 1980, and $70 million for fiscal year 1981. It should be noted that the committee has increased authorizations at these levels for the additional reason of permitting the National Institute to expand substantially the cooperative health statistics system. Such authorizations should permit the National Institute to arrange for three components of the system to be in place in all 50 States by the end of 1979. By 1983, if the sums suggested become available, the cooperative health statistics system should be fully installed throughout the United States.

The legislation proposes to establish a new agency, the National Center for the Evaluation of Medical Technology, which would be a component part of the National Institutes of Health Care Research. The new National Center would be charged with the responsibility of supporting evaluations of new and existing medical technologies. The committee believes that such evaluations are absolutely critical if the cost of medical care is to be reduced and quality of care is to be improved. Currently no Federal agency has clear responsibility for this task.

The Nation has witnessed in recent years an unprecedented explosion in our understanding of biology and of disease. The research community is often criticized for failing to transfer this new knowledge rapidly enough from bench to bedside, from laboratory abstraction to practical application. This is a problem of "technology transfer" with which the Congress and this committee has been especially concerned recently.

This alleged lag in the translation of knowledge from bench to bedside is one part of the technology transfer problem. There is another side to the problem, a dimension which also has its roots in the productivity of the research establishment. While some new medical technologies lag in their translation from bench to bedside, others are applied too quickly. With the quickening pace of biomedical research, there has been a proliferation in the number and kinds of health practices and procedures to which patients are subjected. Some of these new technologies and practices have found their way into widespread use before their efficacy and safety have been established by thorough scientific testing.

It has been estimated by some experts that as much as one-half of the annual increase in the cost of a day of hospital care can be attributed to the use of more technology in medical practice. This estimate would mean that between 1966 and 1976 expenditures for medical technology added $8 to $12 billion to the Nation's hospital bill, which totaled $55 billion in 1977. At subcommittee hearings last summer, testimony was presented on the cost and effectiveness of surgery for coronary artery disease. Each such operation costs from $10,000 to $12,500, and national expenditures for coronary artery surgery alone have approached $1 billion a year. This new surgical procedure was in widespread use before any comprehensive studies had been done to establish its efficiency and effectiveness. The result has been a growing consensus that it is overutilized, with substantial adverse consequences for the health of some patients and the costs of medical care generally.

For these several reasons, the committee proposes to establish a National Center for the Evaluation of Medical Technology. Specifically, the National Center would be required to undertake and support research, demonstrations, and evaluations concerning—

First, the safety, efficacy, effectiveness, cost effectiveness, and social, ethical, and economic impact of particular medical technologies;

Second, the factors that affect the utilization of medical technologies throughout the United States;

Third, alternative methods for disseminating information on medical technologies to health professionals;

Fourth, alternative methods for measuring the quality of health services; and

Fifth, the effectiveness, administration, and enforcement of quality assurance programs.

The committee sees a number of special roles for the National Center which are not and cannot be fulfilled by other agencies. First, the committee hopes the Center will provide valuable assistance to the Department in setting priorities for the study of medical practice and procedures. This priority setting process must take into account multiple views and perspectives, including those of clinicians, scientists, Federal regulatory decisionmakers, hospital administrators and others. The proposed membership of the Council is carefully designed to provide the necessary input for this Department-wide function. No other agency currently has this capacity.

Second, the Center's mandate permits it to study some medical practices and procedures for which no governmental agency currently has special responsibility. Examples of these are surgical procedures and regimens which involve drugs, devices and procedures in a coordinated protocol. It is expected that the Food and Drug Administration would continue to be chiefly responsible in the Federal Government for collecting and evaluating information on the safety and efficacy of individual drugs and devices.

Third, the National Center would be the only Federal agency with the talents and the mandate to consider the costs of procedures and practices, as well as their safety and efficiency, in formulating model norms and standards.

Finally, with the creation of the National Center for the Evaluation of Medical Technologies, the Department would at last have a single agency with responsibility for surveying all on-going evaluations of medical technologies, for recommending where important gaps exist, and for providing early warning when important new practices and procedures are coming into use without appropriate testing for safety, cost and efficacy.

In order to undertake these important and unique activities, the committee has provided the National Center for the Evaluation of Medical Technologies with an authorization of $25 million for fiscal year 1979, $35 million for fiscal year 1980, and $50 million for fiscal year 1981.

Mr. President, I think the various provisions of S. 2466, taken together, will go a long way toward revitalizing and strengthening a series of research disciplines which hold major promise for improving the efficiency, effectiveness and quality of our Nation's health care services. I am pleased to convey again the unanimous opinion of the Committee on Human Resources that the legislation deserves favorable consideration from the Senate.

Again, Mr. President, I wish to express my appreciation to the members of the committee, and to my colleague and principal minority sponsor of this legislation, the Senator from Pennsylvania (Mr. SCHWEIKER).

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SCHWEIKER. Mr. President, I rise in support of S. 2466, the National Institutes of Health Care Research Act. This legislation will reorganize health services research, health statistics, and epidemiological activities within the Department of Health, Education, and Welfare and create a new National Center for the Evaluation of Medical Technologies.

The Subcommittee on Health and Scientific Research, of which I am the ranking Republican member, has conducted a series of hearings on federally supported research activities over the past year. In the course of these hearings, it has become clear that not enough research in the area of health services delivery is now being done. I have concluded that the current governmental research entities in many cases could not, and in other instances, would not, give this area the priority it deserves.

I want to stress that this bill does not envision the centralization of the functions of all existing Public Health Service and Health Care Financing Administration efforts into one superagency. I recognize that the Center for Disease Control has developed expertise in the field of epidemiology related to the control of infectious disease and the investigation of disease incidence and outbreaks, for example, and should retain its capabilities in such areas, and that the National Institutes of Health should continue its important epidemiological work in the disease-oriented institutes. The mandate in this bill is for clearer coordination, not the elimination of functions performed well and with great expertise by responsible existing agencies.

I do not in any way wish to suggest that the research currently being conducted is undesirable or unnecessary, but I am convinced that greater attention to health services research, epidemiological studies, and the assessment of medical technologies is warranted. In addition, current statistical activities supported by various agencies within HEW have at times proved to be less useful than they could have been, due to problems of coordination and comparability of data. Perhaps as much as $200 million could be saved if statistical and data gathering

activities could be effectively coordinated and duplication eliminated, according to one estimate.

I hope that the bill before us today will go a long way toward improving statistical and epidemiological activities by strengthening the mandate of the present National Cancer for Health Statistics, forming a National Institute of Health Statistics and Epidemiology. This Institute, along with the National Institute for Health Policy Research (which will succeed the present National Center for Health Services Research) and the Center for the Evaluation of Medical Technology, will comprise the National Institutes for Health Care Research, according to the terms of S. 2466.

It is not my intention in supporting a new National Center for the Evaluation of Medical Technologies to create a Federal agency which will regulate medical technology or medical practice. Rather, I seek to establish a national center to serve as a focal point for medical technology assessment activities, to evaluate appropriate technologies for safety and effectiveness and share the result of these evaluations with the appropriate public and private entities.

The Center will be advised in the discharge of its functions by a National Council for the Evaluation of Medical Technologies. I believe it is critical that representatives of the private health care community be involved in the Council's work, and I am pleased that the bill as reported by the committee specifically provides for representation on the Council of leading medical and scientific authorities, practicing hospital administrators and practicing physicians.

One other aspect of the bill which I would like to highlight is the provision I introduced to require the Institute for Health Policy Research to conduct a study of the impact of the new United Mine Workers' collective-bargaining agreement, which requires copayment for health services, upon the utilization of health services and the health status of the mine workers and their families. It has been suggested by a number of very distinguished health experts that copayment would reduce utilization without adversely affecting health status. The new agreement ratified by the mine workers provides a unique opportunity for study which should not be lost. I am glad that my colleagues in the committee have agreed to this provision and concur with the need for the study. I think the results will be very useful as we continue to search for ways to control costs while assuring quality health care.

I believe S. 2466 will represent a positive step toward better performance and better coordination of federally supported health services research, technology assessment, and statistic collection and evaluation efforts and I urge my colleagues in the Senate to join me in support of this important legislation.

Mr. President, I yield myself 3 additional minutes.

Mr. President, I think it is important to point out that the United Mine Workers agreement gives us the opportunity to study and to put to rest the argument once and for all about what copayment does. We all have opinions. We have all seen projections, but we have a prime case here that we can study to see what exactly the introduction of copayments in the mine workers health plan does in terms of holding down costs or not the same quantity or quality of health status, delivering health services at the same rate as before, or not delivering the same quantity or quality of health services to the mine worker families as before.

We have a unique experiment going on in this country. We ought to evaluate it and interpret what it means for our future health programs. I think that is a reasonable and a very pragmatic way to get some insight and to also utilize that insight for health economies in the future.

Here is another point I would like to make: As confusing as it may sound, we are actually just shifting three basic entities from the present setup into the National Institutes of Health Care Research. So we are not creating three new entities, and I think it is important to say that but we are taking three present entities and transferring them to a National Institutes of Health Care Research.

For example, the National Center for Health Statistics becomes the National Institute for Health Statistics and Epidemiology. That is an old center that becomes a new institute.

The National Center for Health Services Research becomes the National Institute of Health Policy Research, again an old agency with a new name and purpose.

Third, within the Office of the Assistant Secretary for Health there is now an Office for Evaluation of Medical Technology. That is now in existence. Under the proposed bill we are setting that up as a National Center for Evaluation of Medical Technology.

So all these three centers and offices currently exist. We are simply putting them into a National Institute of Health Care Research framework where they will not be kicked around or be stepchildren, as they have been before; where they will not be so subject to political influence; and wherever duplicate assessments of information or technologies are proposed that fact can be quickly ascertained and the duplication eliminated with one overall administrator who will be looking at the whole picture of HEW research and data gathering in the fields. This was not true before. I think it is going to lead to more efficient collection, and assessment of our statistics, epidemidogical data, and health services research, as well as assessments of medical technologies.

The PRESIDING OFFICER. Who yields time?

Mr. SCHWEIKER. How much time does the Senator from Kansas wish?

Mr. DOLE. Fifteen minutes.

Mr. SCHWEIKER. Mr. President, I yield 15 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 15 minutes.

Mr. DOLE. Mr. President, I wish to speak on S. 2466, which has not been passed and which I think perhaps needs some attention.

In an effort to improve health care research programs, the present bill proposes replacement of an existing agency in HEW with a new and expanded agency. By providing the new bureaucracy with a spanking new name, "The National Institute of Health Care Research," and by upgrading two of the three component agencies from "centers" to "institutes," we are led to believe in the committee report that new life and vitality will be instilled in the two older agencies. While such a "public relations" ploy may serve as a temporary palliative, I am not hopeful that any meaningful improvement in performance will result from passage of the present legislation.

The committee report sheds remarkably little light on why an institute of health care research is needed at this time. Instead of pinpointing the specific accomplishments of the old centers or the bold new initiatives to be assigned to the new institutes, we are given lame excuses as to why the previous performance of the centers has been so mediocre. Consider for example the following statement in the report:

> But just as much as more money, they (the institutes) need a defined institutional home and a more hospitable organizational climate . . . they must have public accountability. They need policy guidance. But they must be insulated from ever fluctuating political pressure. Otherwise, they will not be able to pursue excellence in their respective fields.

These vague generalizations and "good words" hardly provide the basis for the tremendous increase in funds authorized in the bill. Relative to present funding levels, a 100-percent increase is requested, bringing the total outlay to $125 million. If past experience is a reliable guide, I predict that this will mark the beginning of a vast bureaucratic entity.

Perhaps my strongest objection to the bill is that it will worsen the problem of overlapping authority which are rampant in HEW. To illustrate the duplication of effort, consider the fact that the center for disease control, the NIH, and the Health Care Financing Administration all have significant programs devoted to health care statistics. Yet, we are asked to increase funding substantially for still another bureaucracy so that the various programs in HEW can be better coordinated. I suggest that a more efficient and much less costly approach would be to coordinate this work through administrative means within the Office of the Assistant Secretary for Health.

In addition to the elevation of two centers to the status of institute, the bill creates an entirely new agency, the National Center for the Evaluation of Medical Technology. Amongst several other responsibilities, the center is required to support research concerning safety, efficacy, effectiveness, cost effectiveness, and social ethical, and economic impact of particular medical technologies. In addition to advising the various research and health-care delivery

agencies, the center is assigned the task of issuing standards—which, we are told, are not regulations—for the use of medical technologies.

It is certainly premature to reach any final conclusions about the relationship between technology and rising health care costs. Conventional wisdom of many health care professions indicates that technology is an important factor in determining health care costs and therefore should be monitored closely. What does concern me is that in our desire to hold down health care costs we not abandon our attempts to improve the health care system through vigorous research and development of medical technology.

I would also caution the committee that over-regulation of the development of medical technology could have a disastrous impact on the entire climate for innovation in the medical sciences. I suggest we pay close attention to advice offered by the eminent scientist, Edward David, who served as the President's science advisor in the last administration and now is the director of research at Exxon. Dr. David observed that "technology assessment can easily become technology arrestment," depending on the point of view of the persons conducting the assessment. If the present bill is enacted, we may soon find bureaucrats demanding that the laboratory scientist submit an "impact statement" before being given permission to initiate a scientific investigation. Only in totalitarian states is there a precedent for this kind of interference with generation of knowledge.

In evaluating the merits of the present bill, I urge the Members of the Senate to consider carefully the comments of Joseph Kraft which appeared in the Washington Post yesterday. Commenting on the passage of proposition 13 in California, Mr. Kraft noted:

> In fact almost all recent legislation—whether in health, housing, urban affairs, race, welfare, poverty, education, or communication—has been initiated and designed and lobbied and administered by the government professionals rather than by the private interests.

According to Mr. Kraft, the passage of proposition 13 indicates that the voters no longer support policies contrived exclusively by Government. With this in mind, I question whether there exists a constituency in the private sector that supports the present legislation.

In fact, I wonder if anybody supports the present legislation, if the administration supports the present legislation.

Recently, I have observed statements attempting to interpret the meaning of the passage in California of Proposition 13. We have been suggesting more effective ways to cut the fraud and fat and waste in public programs, and we understand it is not going to be easy to do that. Many of us have long been advocates of this kind of fiscal responsibility.

It seems to me, and perhaps I do not fully understand the proposed legislation we are being asked to create a new agency and spend more money in the hope of solving a problem. I doubt the wisdom of the proposed approach. Earlier we cited what happens in cancer research, where billions of dollars have been spent in the past 7 years. Perhaps the results are there, but for some reason we have not been informed of the results.

With respect to the present bill, it seems to me that all we are doing is expanding a bureaucracy where there is very little justification.

Finally, this bill has been well stated by the manager of the bill.

The National Center for Health Services Research will become the National Institute for Health Policy Research.

The National Center for Health Statistics to become National Institute for Health Statistics and Epidemiology.

To establish a new National Center for the evaluation of Medical Technology.

We are going to increase funding from $66 million to $125 million for fiscal year 1979.

It seems to me we now have in HEW some agencies that already carry out these activities. Maybe not. Maybe the Senator from Kansas does not fully understand the purpose of the bill.

I just cannot quite comprehend how we can create another bureaucracy within HEW, which is already overrun with bureaucracy and bureaucratic redtape, with a $182 billion total budget, and Secretary Califano himself said there was probably $7 billion in waste and fraud in HEW. How many more dollars do we have to send to HEW. When is a bargain no longer a bargain. Is this bill a bargain?

Let me give an illustration.

The Center for Disease Control, the NIH, and the Health Care financing Administration all have significant programs devoted to health care statistics, which is the mission of the new Institute for Health Statistics. The NIH, the Center for Disease Control, and the Food and Drug Administration all have statutory authority for monitoring medical technology, as will the new Institute for the Evaluation of Medical Technology.

So it seems to me that all we are doing is upgrading and adding more names, calling them institutes, and increasing funding and saying that this is a solution.

In the report, the committee acknowledges that the missions of the two Centers "have been repeatedly frustrated—primarily by the nature of the bureaucracy."

The committee also admits "that the Department relies heavily on personal ties between key administrators * * *" Also the committee continues to see evidence of destructive competition and poor coordination in the areas of health services research and health statistics.

Having said that, I fail to understand how the committee reaches the conclusion "that placing the two existing Centers in NIHCR will promote the long-term development of these two Centers * * *" This is another example of "shuffling and expanding the bureaucracy that the Senator from Kansas fails to understand.

The authority to issue standards for medical technology to the new Center for the Evaluation of Medical Technology may well result in overregulation of the development of useful medical technology. We are involved in overregulation all across America today. We must consider what regulation costs the American taxpayer and of what we are deprived as a result of overregulation.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. DOLE. May I have 5 additional minutes?

Mr. SCHWEIKER. I yield 5 additional minutes to the Senator.

Mr. DOLE. Mr. President, the report states that "the committee is aware of the concerns expressed by certain groups that the Center for the Evaluation of Medical Technology may become a regulatory agency * * *"

I will repeat what Dr. David said:

> Technology assessment can easily become technology arrestment.

I would hope that is not the case. I appreciate the comments made by the distinguished Senator from Pennsylvania in suggesting that this is clearly not the case. By my evaluation of the bill is that I am not certain. I do not see how we are streamlining or increasing the responsiveness of government. By putting in money, creating a new agency, and doubling the funding, what will we accomplish?

Maybe there is something of value in this bill that has missed the attention of the Senator from Kansas. But I would hope those who vote for this bill might look at it very carefully and then make the determination of whether or not it should be approved.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. KENNEDY. On our time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3006, AS MODIFIED

(Purpose: To assure health care needs for low income and minority persons)

Mr. SCHWEIKER. Mr. President, I call up amendment No. 3006, sponsored by my distinguished colleague from Pennsylvania (Mr. HEINZ), and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Pennsylvania (Mr. SCHWEIKER), on behalf of Mr. HEINZ, proposes an amendment numbered 3006:
>
> On page 24, line 7, strike "and".
>
> On page 24, insert the following between lines 7 and 8: "(G) the special health needs of low income and minority individuals to insure that these needs are assessed not less than annually,".
>
> On page 24, line 8, strike out "(G)" and substitute "(H)".

Mr. SCHWEIKER. Mr. President, I send to the desk a modification of the amendment offered by Senator HEINZ, as a substitute.

The PRESIDING OFFICER. The modified amendment will be stated.

The legislative clerk read as follows:

On page 24, line 7, strike "and".

On page 24, insert the following between lines 7 and 8:

"(G) the "health problems of low-income and minority groups and the elderly to insure that these problems are assessed on a regular, periodic basis.".

On page 24, line 8, strike out "(G)" and substitute "(H)".

Mr. SCHWEIKER. Mr. President, I understand that this amendment by my colleague from Pennsylvania, Senator HEINZ, as modified, is acceptable to the distinguished floor manager of the bill, and I urge its adoption. The adoption of this amendment certainly will strengthen and enhance the bill now before the Senate.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Senator HEINZ which discusses the amendment in detail.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR HEINZ

Amendment No. 3006 proposed to S. 2466 the National Institutes of Health Care Research Act of 1978, is an important modification to a significant bill. S. 2466 would establish in the Department of Health, Education, and Welfare a National Institutes of Health Care Research. The institutes would be responsible for conducting and supporting research, demonstrations, evaluations and statistical and epidemiological activities in order to improve the effectiveness, efficiency, and quality of health services in this country.

S. 2466 would also change the name of the National Center for Health Services Research to the National Institute for Health Policy Research, and this institute would become a component of the National Institutes of Health Care Research. Further, the National Center for Health Statistics would be renamed the National Institute for Health Statistics and Epidemiology and would also become a part of the National Institutes of Health Care Research. A new National Center for the Evaluation of Medical Technology would be established within the National Institutes of Health Care Research to assess the cost and effectiveness of medical practice and procedures. Finally, S. 2466 would provide authorizations of appropriations for the activities of the National Institutes of Health Care Research for 3 years.

I believe that it is essential for the new institutes to place emphasis on the severe problems in delivery of health services experienced by low-income and minority groups in this Nation. My amendment would insure that such a focus is established and reported on a regular, periodic basis.

Of special significance is a report published last September by the Department of Health, Education and Welfare which brought to our attention the massive need for attention to the health of the disadvantaged population in the United States. The report revealed the following disturbing facts:

Although the life expectancy gap between whites and minorities has decreased since 1900, minorities today have a life expectancy that is 6 years less than that of whites;

Geographically, the lowest life expectancy rate is found in the South, which has the highest percentage of low income and minority population;

The mortality rate of minorities is 40 percent higher than that of whites, and the mortality rate of minority males in 1970 was equal to that of white males in 1935;

Infant mortality rates for blacks and native Americans were significantly higher than for whites. During the period after birth—postnatal—mortality rates were twice as high for native Americans as for all races, and more than twice as high for blacks and native Americans as for whites;

Residents of poverty areas experienced a 50 percent greater infant mortality rate than those residents in nonpoverty areas;

A mother who happens to be black or Hispanic or native American has a four times greater chance of dying in childbirth than a white mother;

The prevalence of hypertension was approximately 66 percent greater for blacks than for whites; and this difference increases as age increases; and

Low income and minority persons visit the doctor less and have more severe problems than whites.

The list goes on and on and by all indices, disparity is greater for low-income and minority persons. Whether for number of days of disability, length of hospital stay, or nonaging institutional care, the message is the same. From a health standpoint, low-income and minority persons are worse off.

The evidence is overwhelming. We must take care, therefore, to insure that when this Congress moves to create a comprehensive approach to conducting research, demonstrations, evaluations, and statistical and epidemiological activities to improve the effectiveness, efficiency, and quality of health services in America, those most vulnerable should be given high-priority attention.

It is for this reason that I offer my amendment: to insure that the special health problems of low-income and minority groups are not submerged or subordinated, but instead are highlighted and addressed by the National Institutes of Health Care Research.

I urge my colleagues to give favorable consideration to this amendment and to the bill.

Mr. SCHWEIKER. Mr. President, I yield back the remainder of my time on this amendment.

Mr. KENNEDY. Mr. President, I have no objection to the amendment. As I understand, it includes the health problems of low-income minority groups as well as the elderly. That certainly will be a subject of concern before this institute.

I urge the Senate to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. KENNEDY. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on S. 2570 and S. 2466 at the appropriate time, after third reading.

The PRESIDING OFFICER. With a single show of hands on both?

Mr. KENNEDY. With a single show of hands.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered on both bills.

Who yields time?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum, on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask for a third reading on S. 2466.

The PRESIDING OFFICER. The bill is open to further amendment, if there be no further amendment, the question is on agreeing to the committee amendments in the nature of a substitute.

The committee amendments in the nature of a substitute were agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. WILLIAMS. Mr. President, I am pleased to join with Senator KENNEDY and other members of the Committee on Human Resources in recommending passage of S. 2466, the National Institutes of Health Care Research Act of 1978.

Over the past year, oversight hearings reviewing federally supported research efforts have indicated that a number of research and related activities, which are needed to improve our Nation's health care delivery system, are being neglected. These include collection and analysis of health statistics, epidemiological research, health services research, and evaluation of medical technologies.

S. 2466 responds to the need by giving these activities a new institutional home within the Department of Health, Education, and Welfare and higher authorized levels of funding. Specifically, the bill would establish a seventh agency in the Public Health Service named the National Institutes of Health Care Research. Expiring authorities for the National Center for Health Statistics and the National Center for Health Services Research would be revised by renaming the Centers and granting them institute status. In addition, a new National Center would be created for the evaluation of medical technologies. This new Center and the two institutes would be grouped together in the new National Institutes of Health Care Research. And, perhaps most important from an institutional perspective, the new institutes would be parallel in structure to the National Institutes of Health.

It is widely recognized that we have invested much more as a Nation in biomedical research than we have on translating biomedical research findings into practical applications. S. 2466 has been designed to remedy this situation.

The overall intent of the legislation is to give new visibility, direction, and prestige to health statistics and epidemiology, health services research, and evaluation of medical technologies.

The provisions of S. 2466 would give us a base upon which to develop all of the elements necessary to our Nation's health research capacity and to improve the quality, efficiency, and effectiveness of health services for all Americans.

Mr. BELLMON. Mr. President, I must reluctantly oppose S. 2466, the National Institute of Health Care Research Act. I share many of the concerns of my colleagues regarding the need for sound research and evaluation of health practices and new technology. Certainly, research and statistics are essential for policy discussions and for responsible allocation of scarce health resources. This need is becoming even more critical as new technology drives up spiraling health care costs and raises disturbing ethical questions about "who shall live." Choices will have to be made which will require highly reliable research concerning those alternatives which are most cost-effective in promoting the health of all citizens.

Thus, Mr. President, although I support the objectives of this legislation, I feel that it is premature at this time. It is my understanding that the administration does not support S. 2466 in its present form. Dr. Richmond, Assistant Secretary for Health, has outlined a comprehensive program to strengthen health care research which should achieve the objectives contained in S. 2466. The following is a list of some of the new initiatives announced by Dr. Richmond:

The National Center for Health Statistics (NCHS) and the National Center for Health Services Research (NCHSR) will be moved into the office of the Assistant Secretary. This will provide for program coordination and reduce the problem of fragmentation which has characterized health care research in the past.

The Assistant Secretary proposes to establish a PHS Committee for coordination of health statistics systems chaired by the Director of NCHS.

A health data advisory committee will be established.

Finally, a new Office of Health Technology will be established to develop and initiate a strategy for evaluating health technology in the Office of the Assistant Secretary for Health.

Mr. President, considerable progress has already made in improving health statistics, epidemiology, and health technology assessment research. For example, new techniques have been developed for mapping infant mortality and a national death index is being established which can be used to greatly improve mortality studies, especially mortality related to environmental factors. In addition, the Assistant Secretary has announced an expanded technology research program for fiscal year 1979 including some transfer of funds from existing programs to strengthen this effort.

In view of the reorganization currently underway, Mr. President, it would appear to be premature and disruptive to carry out a major restructuring of NCHS and NCHSR at this time. We should give the Secretary time to evaluate these new initiatives and determine if a new institute is really necessary. If the proposed reorganization is not effective in improving the coordination and quality of health care research, a more drastic reorganization may be considered at a later time.

The House bill, H.R. 12584, is more realistic and essentially extends the current authorization for the NCHS and NCHSR with minor changes to give greater focus to high priority areas such as cost of illness studies. I urge that if S. 2466 is adopted by the Senate, efforts be made in conference to resist the establishment of a new Institute at this time.

Finally, Mr. President, I call attention to the fact that health care expenditures are increasing at an alarming rate. Since 1970, outlays for function 550; health, have increased from $13.1 to $44.2 billion. The first budget resolution for fiscal year 1979 contains increases of $5.3 billion or about 14 percent in outlays over fiscal year 1978 spending levels. There are strong pressures to increase spending for the National Institutes of Health, especially for high priority basic research. The House fiscal year 1979 appropriations bill proposes increases for biomedical research of approximately 12 percent or $318 million over fiscal year 1978. Thus, it is imperative that we resist any major new initiatives which are not clearly essential to the national safety and welfare. The administration has proposed a strategy to address the problem of improved health care research. We should resist the temptation to establish a new bureaucracy at least until this new initiative has been adequately evaluated.

Mr. KENNEDY. Mr. President, as I understand the situation, we have had third reading on S. 2466 and S. 2579; and, under the previous agreement, no rollcall votes will occur until 4 o'clock this afternoon.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Votes on those measures will occur at that time. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. MELCHER). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, has the pending bill been ordered to third reading?

The PRESIDING OFFICER. Yes, it has.

Mr. ROBERT C. BYRD. And it is ready for passage?

The PRESIDING OFFICER. Yes.

INTERNATIONAL DEVELOPMENT ASSISTANCE ACT OF 1978

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 771.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

Calendar Order No. 771, S. 3074 to amend the Foreign Assistance Act of 1961 to authorize development assistance programs for fiscal year 1979, and for other purposes.

The Senate proceeded to consider the bill.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the following persons from the staff of the Committee on Foreign Relations have the privilege of the floor during consideration and voting on S. 3074: Norvill Jones, Richard McCall, Rudolph Rousseau, Joel Johnson, and Gerald Decker.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. SPARKMAN. I yield.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that Mr. Chris Lehman, of my staff, be granted the privileges of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, will the Senator yield for a similar unanimous-consent request?

Mr. SPARKMAN. I yield.

Mr. CASE. I ask unanimous consent that Michael Kraft, of my staff, and Jacques Gorlin, of Senator JAVITS' staff, be accorded the privileges of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, S. 3074, the International Development Assistance Act of 1978, authorizes appropriations of $1,860,504,000 for bilateral assistance programs, operating expenses for the U.S. Agency for International Development, voluntary contributions to international organizations, disaster relief, and other programs. In addition, the bill includes a number of substantive amendments to the Foreign Assistance Act of 1961.

The largest share of funds authorized by the bill is for bilateral assistance programs administered by AID. The bill includes $665 million for agricultural and rural development programs, $225 million for population planning, $144 million for health programs, $98 million for education and human resources development, and $126 million for a variety of development activities, including projects in energy, environment, appropriate technology, and central funding for private and voluntary organizations and cooperatives which conduct programs supportive of U.S. development goals.

The bill also authorizes $291 million for voluntary contributions to international organizations, of which the largest shares would support the United Nations Development Program, UNICEF, and the U.N. Relief and Works Agency for Palestine Refugees. Expenditure of up to $25 million is authorized for disaster relief,

and another $25 million for American schools and hospitals abroad.

S. 3074 does more, however, than provide funds for fiscal year 1979 programs. It also goes a considerable way toward revising and streamlining the Foreign Assistance Act of 1961. Much of the language in the current act is over two decades old, as the 1961 act itself was simply grafted onto older legislation. The act constantly amended over the years, is now a rather cumbersome law with many outdated and redundant provisions.

Senator Hubert Humphrey, who was, of course, chairman of the Subcommittee on Foreign Assistance, believed strongly that, in an interdependent world, wealthy countries such as the United States had a responsibility to assist the poorer countries in their development efforts. The last piece of legislation on which Senator Humphrey labored before his death was a new development bill which would reform current legislation and the administration of assistance programs. Senator Humphrey completed a draft bill before his death, which was introduced in both Houses. While the press of business this year, particularly the Panama Canal Treaty debate, precluded the kind of in-depth study which we would have needed to deal with the administrative provisions of the bill, both S. 3074 and H.R. 12222, the companion House bill, do incorporate many of the policy provisions originally included in the Humphrey bill.

Senator Humphrey's leadership in the field of development assistance will be sorely missed in the Senate. This bill, which was reported out by unanimous vote of the Committee on Foreign Relations, will go a considerable distance toward accomplishing some of the objectives of Senator Humphrey's last legislative effort. I strongly urge my colleagues to support passage of the bill.

Let me touch briefly on the main provisions of the International Development Assistance Act of 1978. The bill first provides a new policy statement concerning U.S. interests in the international developmental process. This statement sets the context in which development assistance programs should be planned and implemented.

The general policy section declares that a principal objective of U.S. foreign policy is the encouragement and sustained support of the development efforts of people in developing countries. In a world which is increasingly interdependent, the U.S. national interest and the traditional humanitarian concerns of the American people require such a commitment.

The section states that U.S. development policies should emphasize four principal goals: alleviation of poverty; promotion of self-sustaining growth; encouragement of societies in which individual civil and economic rights are respected; and integration of developing countries into an open international economic system.

I recognize that these goals are difficult to achieve simultaneously. Accomplishing one may at times even conflict with pursuing another. These goals do reflect, however, the mix of U.S. foreign policy objectives in supporting development of the developing countries. The United States wants to assist nations to reach self-sustaining growth which results in an improvement in the living conditions of the poor. But it is also important to the United States that the process by which this growth is achieved helps produce societies which respect individual civil and economic rights and increases the economic ties of the developing countries with the rest of the world.

The ability of the United States to maintain our system of economic and civil liberties depends on the emergence of a world in which an increasing number of countries share those values. Likewise, the economic welfare of the American people increasingly depends on a world economic system in which we can obtain needed resources from abroad and find new markets for our own products. The developing countries will play a crucial role in such a system.

The section also makes clear that the pursuit of these development goals requires not only a substantial and effective foreign assistance program, but also due consideration of these objectives in formulating and conducting all aspects of U.S. foreign and international economic policy. Such concerns should be taken into account in the formulation of policy on such issues as trade, commodities, debt, transfer of technology, and investment.

A second amendment to the Foreign Assistance Act contained in the bill redrafts the general policy language governing overall U.S. development assistance policy and also elaborates on the specific criteria within which U.S. bilateral development assistance programs should operate. The more general policy language makes the following points:

While developing countries must be the primary contributors to their own growth, they have a long-term need for external assistance. The United States, along with other wealthy nations, should make such a commitment to help provide that assistance. The term "wealthy countries" means that the OECD countries, non-market economy countries, and richer developing countries, particularly the affluent OPEC countries.

Assistance terms should harden as countries increase their GNP per capita and improve the lives of their people. Concessional aid is appropriate for the poorer countries. As countries develop, assistance should shift to helping countries gain access to private capital markets and expertise through programs which involve minimal budget outlays by donor countries.

The United States should use its bilateral aid programs and should influence multilateral agencies to use their resources to assist countries which are committed to meeting basic human needs through strategies of economic growth with equity.

U.S. bilateral aid to such countries should focus on programs which involve and assist the poor majority. The United States should also work to insure that multilateral institutions place appropriate emphasis on such programs.

Bilateral concessional assistance should be directed toward the poor majority in poorer countries through programs which assist them to participate through productive work in the development of their countries.

As regards specific bilateral programs, the bill amends the Foreign Assistance Act by streamlining and consolidating current language, but maintains the basic "new directions" development assistance objectives and policies established in 1973. These new directions policies established in 1973. These new directions policies represented a fundamental shift in emphasis from balance-of-payments and infrastructure aid to more direct assistance to improve the basic living conditions of the poor majority. According to the provisions of the bill, U.S. development assistance is to be furnished principally for the purpose of helping developing countries solve development problems in accordance with a strategy designed to insure the broad and sustained participation of poor people in the benefits of development.

In continuing the new directions policies, substantial portions of the bill are derived from existing policy provisions of the Foreign Assistance Act. One new addition is an amendment intended to increase the awareness among the officials responsible for administering the bilateral assistance programs of the importance of encouraging efficient utilization of energy in the developing countries. While the amendment is not intended to change the basic thrust of the bilateral assistance program, it does reinforce the point that to the extent development programs are designed to conserve energy consumption, both the recipient country and all other oil consuming nations benefit.

Another new policy section which the bill would add to the Foreign Assistance Act provides a clearer and broader policy direction emphasizing a finding by the committee that private and voluntary organizations (PVO's) and cooperatives can effectively assist and accelerate the process of greater participation by poor people in their countries' development efforts. The new language stresses that such organizations are important in mobilizing private American resources for overseas development, and that it is in the U.S. interest that such organizations expand their development efforts overseas by supplementing their own resources with appropriated public funds.

This finding is based on the conviction that increased participation by the majority of people of developing countries in the development process with the resulting benefits of increased incomes, social services, and living standards, requires far greater reliance on human resources and people-to-people interaction at local levels. The committee believes that PVO's and cooperatives are exceptionally well qualified to participate in this effort, and represent a key element in contributing to the success of an equity-oriented development strategy.

The committee received testimony in 1977 and again in 1978 to the effect that the important development contributions of PVO's and cooperatives have yet to be fully understood or creatively used by AID.

The committee believes AID should increase its efforts in the programing guidance it provides to overseas missions, and in its discussions in Washington, place far greater stress on the development potential of these organizations and encourage a greater utilization of such organizations in planning projects and in carrying out development activities using U.S. funds.

Further, the committee believes that AID's training programs should promote a better understanding of the capabilities of PVO's and cooperatives in implementing an equity-oriented development strategy. This would foster a greater understanding and willingness on the part of AID operating staff, particularly overseas, to assess such organizations' potential contributions and to work with them more effectively.

Following the new policy sections, the bill provides funding for the bilateral assistance functional accounts. Agriculture, rural development, and nutrition account for slightly more than half of the funds authorized for bilateral programs. The $665,231,000 authorized by the bill for the account will support programs which address the most fundamental development objectives: Increasing food production, improving nutrition, and furthering overall development of rural areas in developing countries.

Under the new directions mandate, projects supported under this account primarily focus on providing the small farmer with the means to increase his productivity and income. AID funds provide fertilizer, seeds, credit, small-scale irrigation and farm-to-market roads. Cooperatives, farmer associations, and local credit institutions are assisted. Agricultural research activities are encouraged which show promise of producing improved crops or farming techniques of direct relevance to small farmers. Marketing and storage facilities are supported, in order to insure that food can reach those who need it and is not destroyed by pests or spoilage. New language introduced in the bill also stresses the need to create off-farm rural employment opportunities, insuring a balanced approach to rural development.

The second largest category of bilateral assistance involves population planning. The bill authorizes the appropriation of $224,745,000 for fiscal year 1979. Rapid population growth in the developing world offsets economic growth. While birth rates have begun to fall in the developing world over the past decade, their population will still double in the next 30 years at current rates.

Aid funds support the establishment and expansion of programs in developing countries which encourage family limitation on a voluntary basis. Research in the United States and LDC's is sponsored to develop simple but effective means of fertility control. Paramedicals and auxiliaries are trained to provide information on fertility control and to provide contraceptive alternatives. Programs which link maternal health care and fertility control are particularly encouraged.

The bill also revises and consolidates current policy language regarding population planning. In particular, the new language places greater emphasis than does the current Foreign Assistance Act on programs and efforts to change social and economic conditions which produce high birth rates.

Health programs, which include health education, disease prevention, environmental sanitation, dissemination of relevant health research results, and the development of health care professionals appropriate to serve the poor majority in developing countries, are authorized at a level of $143,972,000 in the bill. Such health programs are justifiable not only on strictly humanitarian grounds, but on economic ones as well. People worn down by chronic disease cannot work or learn effectively. When child mortality is high, couples will want to have large numbers of children to insure that some survive.

The major health problems of the poor in developing countries—common infections, malnutrition, and unsanitary conditions—can be substantially ameliorated at a low per capita cost. AID's health programs concentrate on integrating village-based health care, nutrition, and family planning services; the provision of water supplies in rural areas, the control of tropical or parasitic diseases, notably malaria; and health planning.

The bill authorizes $98,162,000 for activities in the fields of education, human resources development, and public administration. The major share of these funds will be used for programs directly related to the poor. A portion will be used for elementary education—including teacher training, school construction, curriculum improvement, and teaching materials. Another portion will be spent for adult and community education and for vocational and technical training. The remainder will go for professional, scientific, and managerial education activities which, while having a less direct impact, will nonetheless address such development issues as agricultural research, energy alternatives, and local government administration. In many of the poorest countries, basic human needs types of programs can only be conducted and sustained if the highly trained manpower is produced to man needed local institutions which plan and conduct such programs.

The final functional account provided for in the bill authorizes $126,244,000 for selected development problems. Projects funded under this account include technical assistance, appropriate technology, energy, research, reconstruction, and urban development. AID also plans to use $32 million from this account for central funding of private and voluntary organizations and cooperatives which conduct activities supportive of U.S. development efforts.

The bill also includes several amendments to this section of the Foreign Assistance Act which encourage AID to:

Place a stronger emphasis on the use of communications tools and technology to improve the industrial, agricultural, and social development of the developing countries;

Work with host countries to examine the feasibility of utilizing various renewable energy technologies in developing countries; and

Increase its awareness of the environmental implications of all its development projects, while at the same time strengthening the capacity of developing countries to come to grips with environmental issues on their own.

An amendment to the FAA contained in the bill would direct that up to $10,000,000 be made available each fiscal year to encourage and promote the participation and integration of women as equal partners in the development process. The committee intends that such funds should be used to find new techniques of program design and evaluation to involve women in the development process, including the provision of support to indigenous women's organizations in developing countries and the dissemination of research findings and data relevant to the role of women in economic development.

The bill would add a new section to the FAA which provides the President with special authorities regarding the relatively least developed countries. The United States, along with other OECD countries, has agreed in international forums that the world's poorest nations should be given special treatment. For example, most OECD countries, including the United States, now provide assistance to these countries only on a grant basis. The section consolidates several existing special authorities for assistance programs in these countries.

In addition, it provides the President with the authority, on a case-by-case basis, to allow the relatively least developed countries to pay interest and principal on official debts to the United States related to past assistance loans into local currency accounts. These funds could then be used by the country for development projects approved by AID. The President would also be able to waive interest payments. Each year, the executive branch is required to obtain an authorization and appropriation for the full amount of principal and interest to be paid into such local currency accounts or waived. From now until 1990, the annual debt service owed the United States by all such countries will average about $16 million and, as the authority would be used on a case-by-case basis, actual amounts involved would be even smaller.

S. 3074 authorizes $25 million for the American schools and hospitals abroad program. These funds are provided for assistance to schools, hospitals, and libraries outside the United States which are demonstration centers for American ideas and practices.

The bill also amends the FAA by revising the general policy statement and authorizing language for the housing guarantee program, and provides a worldwide housing guarantee ceiling of $1,180,000,000 through fiscal year 1980, thereby permitting a program of $150 million for fiscal year 1979. The new policy section notes that in developing countries, financing, materials and labor for most housing must be obtained from local sources. However, U.S. capital and technical expertise can increase the availability of housing and related serv-

ices for low-income people by demonstrating the financial viability of credit systems for low-cost housing, and by assisting in the creation of effective national housing policies and institutions.

In addition to bilateral programs, S. 3074 authorizes $291,150,000 for U.S. voluntary contributions to United Nations and other international organizations. The largest contribution is to the United Nations Development Program, which finances the world's largest multilateral program of technical assistance. The President intends to provide the UNDP with $133 million in fiscal year 1979, which would represent approximately 18 percent of total pledged contributions to that organization for the current year.

The second largest contribution is slated for the U.N. Relief and Works Agency for Palestine Refugees (UNRWA). The committee staff conducted a special study of this program before determining an acceptable contribution level. For fiscal year 1979, $52 million will be contributed, but $10 million of that amount will only be disbursed on a matching basis with contributions to UNRWA by member countries of the Organization of Petroleum Exporting Countries (OPEC). In addition, the bill also releases $9.5 million for fiscal year 1978 which were withheld in last year's bill pending the committee staff study.

Finally, the bill provides a new consolidated set of reporting requirements for the executing branch concerning development activities, and authorizes $261 million in operating expenses for AID.

Mr. President, as I indicated earlier, this bill is important not only because it provides the funds needed for the United States to conduct a vigorous assistance program in the developing countries, but also because it goes a considerable way toward strengthening and modernizing the legislative framework within which those programs are conducted. The United States, as a strong rich, and free Nation, has humanitarian, economic, and security interests in encouraging the economic and social development of the developing countries along a road which will create a better life for their citizens and a better world in which we all must live together. This bill furthers those objectives, and merits the support of my colleagues.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CASE. Mr. President, I am pleased to join with the distinguished chairman of the Committee on Foreign Relations in support of the International Development Assistance Act of 1978. This bill, once again, received the support of the minority and the majority members of the committee. We join together in a bipartisan effort to recommend the authorization of appropriations of funds to help poor people in poor countries to help themselves. Through the years, Republicans and Democrats have supported development assistance legislation, not only because it is a reflection of the humanitarian spirit of our country, but also because it is in our national interest to aid the development efforts of people in countries around the world.

Mr. President, a year ago, our dear friend, Hubert Humphrey, and I began an effort to improve the effectiveness of our foreign aid programs by rewriting the Foreign Assistance Act of 1961 and requiring the consolidation of our bilateral and multilateral aid programs into one agency. The bill which we drafted, the International Development Cooperation Act of 1978, was introduced in January by Senator SPARKMAN and me. Although the Panama Canal debates precluded the committee's consideration of the full range of proposals included in that bill, the legislation which we consider today incorporates many of the policy provisions of the original bill which Senator Humphrey and I drafted. This bill represents a good first step toward the long overdue administrative and organizational reforms which our foreign aid programs require.

I am pleased that the President has indicated his willingness to use executive authority to adopt some of the measures which we recommended.

I would take time to note one particular provision of the bill. Section 11 of the bill continues the authority provided under an amendment I offered last year to help developing countries make use of solar, wind, and other alternative energy sources. This section is intended to help produce alternative energy supplies for these countries, many of which have been hard hit economically by the rise in oil prices. It also is intended to help develop new markets for solar and other renewable energy technologies developed in this country.

Mr. President, in the prevailing proposition 13 atmosphere, one might think it perhaps politically expedient or tempting to target foreign aid legislation for drastic budget cuts. But I believe such a thing would only launch us on a self-defeating course. To substantiate this assertion, I call to the attention of my colleagues an article published in the June 25 edition of the Washington Star, written by Henry Bradsher.

As Mr. Bradsher pointed out:

> While Congress is moving toward cutting foreign aid, academic studies show an increasing linkage between American prosperity and the economic growth of poor nations that U.S. aid is supposed to foster.

The article noted:

> Self-interest is becoming a more important reason for U.S. foreign aid and for opening up American markets to developing countries.

Mr. President, I think it is important once again to emphasize that with only 6 percent of the globe's population, the United States consumes nearly 40 percent of its resources. We must not lose sight of the linkage between our own economic viability and the economic viability of other nations on whom we increasingly rely for our own raw materials. As Deputy Secretary of State Warren Christopher pointed out in a speech last Thursday:

> . . . Nearly 10 million American jobs depend on our exports now, and developing countries are the fastest growing market for U.S. exports. Last year they bought more goods from us than Japan and the nine nations of the European Community combined.

Mr. President, I want to emphasize that. Last year the developing countries bought more goods from us than Japan and the nine nations of the European Community combined.

Today, the world's population is estimated at 4.3 billion people. Competition for space and resources are increasing all the time. We need only look at the energy problem in this country to realize that we cannot isolate ourselves from the developing nations of the world.

Mr. Bradsher's article pointed out that the world's population might begin to level off at around 8 billion if present economic growth trends continue, according to international studies. But slower growth could delay the time at which the world's population stabilizes, and the total might reach 11 billion persons.

He says:

> The difference of 3 billion, equal to the earth's total population less than a quarter-century ago, would have made a major difference in the space and resources available to all nations.

Mr. President, these are the problems we are trying to avoid by our investment in foreign aid. I ask unanimous consent that the Bradsher article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CASE. Mr. President, Senator SPARKMAN has outlined the principal provisions of the bill, the International Development Assistance Act of 1978. I support the passage of S. 3074, and I urge the Senate to pass the bill as recommended by the Committee on Foreign Relations.

EXHIBIT 1

AID ABROAD LINKED TO PROSPERITY AT HOME

(By Henry S. Bradsher)

While Congress is moving toward cutting foreign aid, academic studies show an increasing linkage between American prosperity and the economic growth of poor nations that U.S. aid is supposed to foster.

The studies also show that the United States stands to gain economically from liberalizing trade with developing nations, despite transitional problems for domestic industries that are hurt by imports. Some imports can cool inflation in this country, for instance.

These studies, some of them made by economists who now hold important positions in the Carter administration, have contributed to a growing consciousness in the government that the related policies on aid and trade are of great significance for the health of the U.S. economy.

They have tended to be seen in the past primarily in terms of American charity toward poorer nations, or "conscience" money. Such thinking is still common, but the latest statistics indicate that it is outdated.

Self-interest is becoming a more important reason for U.S. foreign aid and for opening up American markets to developing countries.

There is a growing sense of concern among administration officials who advocate more liberal policies toward the developing world as they view prospects for congressional cuts in the $7.3 billion aid bill. But the new thinking is being heard most clearly not from these officials but from outside organizations such as the Overseas Development Council.

Executive Vice President John W. Sewell of the ODC, an independent non-profit organization, argues in a paper summarizing other studies that rich nations cannot prosper without economic progress by poor nations.

A more far-reaching effort to adapt American policies and economic institutions to world needs could increase the rate of economic growth in the United States by one or two percent, Sewell suggests. But he recognizes that the adjustments will not be easy.

The political focus in Congress has been on the difficulties. The aid bill, which faces proposals for severe cuts in the House, is being attacked on many grounds. One line of attack is by members who do not want American aid used to help industries abroad that will compete with such U.S. industries as steel.

A recent study by William R. Cline of the Brookings Institution shows, on the contrary, that trade liberalization could increase the number of jobs in the United States. Cline found that under the current formula being negotiated for easing trade restrictions, a balance of 30,000 U.S. jobs would be created and U.S. exports would rise by $3 billion.

Existing industries such as steel and shoes would lose jobs, however. While economists talk about comparative economic advantage and the mobility of labor, politicians react both to the complaints of workers who lose their old jobs and have to move to new ones and to the representations of businessmen who are stuck with useless factories.

Another Brookings study, by Charles R. Frank, Jr., says that from liberal trade policies "consumers can realize very substantial savings, (and) workers and firms in export industries stand to gain."

Frank, who has just left a State Department post in economic and development policy, says that "the new benefits of a more liberal trade regime for the United States could be over $10 billion annually." The authority he cites for this is a study by C. Fred Bergsten, now an assistant secretary of the Treasury for international affairs.

The 1974 trade act incorporated a program of adjustment assistance to workers and firms affected by trade changes. In its first two years, up to May 1977, more than 185,000 workers received $249 million in government benefits.

An ODC study by Guy F. Erb, now a White House specialist on foreign economic policy, says the adjustment program "remains hampered by restrictive criteria for determining worker eligibility." Only 220,000 out of the nearly 500,000 workers who applied for help in the first two years were found eligible.

A number of economists argue that the country as a whole would gain—and so would developing nations—from a more forthcoming governmental approach to easing the transition away from industries that cannot complete against foreign imports without protection.

A recent report by the General Agreement, on Trade and Tariffs (GATT) concluded that "attempts to block, postpone or slow down the adjustment, in the illusion that it is possible to avoid the social and political strains which it implies, only make the economy more vulnerable to the oncoming changes . . . maladjustments grow, until a correction is enforced by a more or less severe breakdown. . . ."

In a speech last Thursday in Iowa, Deputy Secretary of State Warren Christopher said that "nearly 10 million American jobs depend on our exports" now, and developing countries are the fastest growing market for U.S. exports. "Last year they bought more goods from us than Japan and the nine nations of the European Community combined," Christopher said.

Sewell argues that allowing more imports from poor nations not only enables them to develop economically, thus increasing their demand for U.S. exports, but also can be used to slow inflation in this country.

The kind of relatively cheap, simple imports that come from developing nations, as contrasted with technologically complex exports of industrialized nations like Japan, are especially important in keeping prices down in the United States, Sewell says. He cites beef from Latin America as a current example.

Beyond these trade and inflation tradeoffs, Sewell says that the United States has an interest in the prosperity of poor nations because of their competition for food and fuel and because of the world population problem.

Studies cited by Sewell show that on present trends, developing countries will have to triple their food imports between now and the year 2000. With yields per acre already beginning to drop in the United States, the main supplier of food in world trade, this demand will push up production costs higher than they would rise from other inflationary factors.

It would therefore benefit the American consumer to take steps to help increase food production in developing countries and thus relieve the pressure on U.S. supplies, Sewell says.

In recent years, direct American foreign aid has given greater emphasis to agricultural improvements. So have loans from such international financial institutions as the World Bank that draw some of their funds from congressional appropriations.

Sewell points out that developing countries are increasing their fuel needs. This makes them competitors with the United States for oil and other fuel traded internationally, such as natural gas. It is in the U.S. interest, he contends, to help these countries develop domestic power resources.

Industrial development and growing prosperity have proven to be the most effective overall factors in checking population growth rates in poor nations. Therefore, Sewell says, it is also in the U.S. interest to help these nations become prosperous.

The world's population, now estimated at 4.3 billion persons, might begin to level off at around 8 billion if present economic growth trends continue, according to international studies. But slower growth, such as the world recession of recent years threatens, could delay the time at which the world population stabilizes—and the total might reach 11 billion.

The difference of 3 billion, equal to the earth's total population less than a quarter-century ago, would make a major difference in the space and resources available to all nations.

Mr. CASE. Mr. President, I ask unanimous consent that a statement by Mrs. HUMPHREY on the International Development Assistance Act of 1978 be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY MRS. HUMPHREY ON THE INTERNATIONAL DEVELOPMENT ASSISTANCE ACT OF 1978

I am pleased to have this opportunity to indicate my strong support for the International Development Assistance Act of 1978, S. 3074, which authorizes approximately $1.86 billion for Fiscal Year 1979 for bilateral and multilateral development assistance programs. This amount represents a 13 percent increase over last year's authorization levels.

In addition, I am extremely pleased to note that this legislation includes substantial portions of the foreign aid legislation, S. 2420, that Hubert had been working on and that was introduced on his behalf. Specifically, many of the provisions that Hubert considered extremely important to any effort to reorganize and reform our aid program have been incorporated in the present legislation. These provisions include:

Reaffirmation of the "New Directions" policy directives for development assistance;

Debt forgiveness for the Relatively Least Developed Countries, when revenues so obtained are used for development purposes;

The deletion of the anachronistic and obsolete references to Communist countries; and

Modification of reporting requirements for annual Executive Branch foreign assistance reports.

As Chairman of the Foreign Assistance Subcommittee, Hubert had specific developmental concerns which he wished to have reflected in new foreign assistance legislation. He had strongly supported the New Directions reforms of 1973 and 1975 and was pleased to find that both the public and Congress showed increased support for a development program that targeted its benefits on the poor majority. While Hubert recognized the need for aid to achieve political and security objectives, he believed that overemphasis on short-term political objectives had severly undermined the U.S. aid program. He stressed that development assistance should emphasize a longer-term perspective of mutual economic interests. The increasing importance of North-South economic negotiations made it imperative that the United States improve its ability to respond effectively on a broad range of international economic issues.

Hubert believed that the U.S. Government was poorly organized to respond positively with respect to these issues. In his view, the U.S. aid program was fragmented and insufficiently integrated with other U.S. Government agencies which made development policy. Thus, he had two major concerns that he sought to have reflected in the new aid legislation:

(1) that development assistance be more effectively and efficiently administered through the establishment of a new agency which would combine the fragmented parts of the present aid program into a coherent organization; and

(2) that development issues be accorded greater importance in economic and foreign policy making.

The increasingly interdependent character of the world made it essential, in Hubert's view, to accord greater importance to Third World issues. This is a point about which I feel strongly as well. In remarks Hubert had prepared for delivery upon introduction of S. 2420, he stated:

"The limitations of national sovereignty have become increasingly apparent. Today, there isn't a nation in the world which controls even the central symbol of independence—the value of its money. Inflation, recession, and stagflation are global in nature.

"Problems we used to regard as domestic—such as energy, pollution, human rights, poverty, education, science and technology, population, food, communications, terrorism, business and labor—all now have international dimensions. And, in many instances, the international aspects require our greatest attention.

The poor growth performance of the poorest developing countries and the increasing disparity between richer and poorer developing countries were particularly troubling to Hubert, and they are disturbing to me as well. Hubert said in a Senate speech on December 8, 1977:

"The poorest developing countries grew much more slowly than the middle income developing countries . . . Even in the middle income developing nations there are

large groups of very poor people who have had few, if any, of the benefits of rapid GNP growth. It is this large group that is the special target of our bilateral aid program, primarily as a result of the new directions focus legislated by Congress in 1973. The new directions mandate emphasizes the development needs of the poor primarily on improving food production and nutrition; health and population planning; and manpower training and education. We recognize that programs in these areas are less easy to devise and administer than are capital intensive projects. But the poor majority require special attention because they have been bypassed by much of the growth in developing countries."

These views were reflected in the new policy language on development assistance in Section 102 of S. 2420 and I am most pleased that they were adopted by the Committee in the new Section 102 of the legislation we are considering today. Several important principles were incorporated in the new Section 102:

U.S. development assistance, bilateral and multialteral, should assist countries which attempt to achieve self-sustaining growth with equity and to meet basic human needs.

U.S. assistance programs should assist the poor majority to satisfy their needs by increasing their productivity and thus incomes, and by improving their access to institutions that give them more control over their own lives.

U.S. bilateral concessional assistance should be concentrated on low-income developing countries.

U.S. assistance to the middle income developing countries should generally consist of non-concessional financing, guarantee programs, and other programs that improve their access to markets and technology.

The focus of the U.S. bilateral aid program on the basic needs of the poor majority in the developing countries, however, does not eliminate the needs for a broader development strategy that addresses other needs of both the low income and middle income developing countries.

Hubert believed that if U.S. aid were to be focused exclusively on the satisfaction of basic human needs goals, such an approach might be perceived as an effort to discourage industrialization and to protect the American market from developing country imports. The policy provisions of the legislation we are considering today reflect this particular concern of Hubert's. The present legislation attempts to strike a balance between a basic human needs focus of bilateral aid strategies and a broader focus which attempts to satisfy a wider range of developing country concerns through coordinated policies on trade, technology transfer, and lending by multilateral institutions.

Hubert felt that current legislation did not place the basic human needs strategy in its proper larger economic context, that it did not state our development goals clearly enough, that it did not differentiate sufficiently among the various categories of developing countries, and that it did not provide the essential organizational framework to carry out diverse goals. Hubert explained how he thought his proposed bill would address these concerns:

"First, it (the International Development Cooperation Act of 1978) makes it very clear that we are out to assist the poorest countries and the poorest people to overcome the worst aspects of absolute poverty.

"Second, by accepting this as the objective, we want to remove all legislative and administrative restrictions that do not advance this goal.

"Third, given this central purpose, we need to organize ourselves administratively to accomplish this goal. This requires a consolidation of the many economic development transfer mechanisms, both bilateral and multilateral, that are now fragmented throughout the federal bureaucracy, into one development agency—the International Development Cooperation Administration. Through the creation of this new Administration, we are elevating our participation in development efforts as a key element in our foreign policy decision-making process."

The bill before us today goes a long way toward meeting the first two of Hubert's objectives. Yet, time constraints precluded the Senate Foreign Relations Committee in consideration of the third objective of Hubert's proposed legislation—the reorganizational changes necessary to implement the policy provisions. Unfortunately, it was not possible for the Committee to conduct a comprehensive examination of the reorganization proposals in order to determine the wisest course on administrative reform, and the issue was deferred until the next Congress.

Nevertheless, in view of the great significance Hubert accorded the reorganizational proposals, it is my hope that this issue will be seriously addressed early in the next Congress. Hubert believed that the organizational question posed by S. 2420 was not simply one of coordination, but rather one of administrative integration. He was concerned that the various delivery mechanisms through which U.S. assistance is channeled—AID, the international financial institutions, U.N. agencies, Peace Corps, PL 480—do not always work to reinforce each other, but sometimes even work at cross purposes. The solution proposed in the bill was not one of simply adding a new layer of interagency coordinating mechanisms. Rather, the bill proposed a consolidation of these programs into a single development agency which would be responsible for administering all the programs and justifying them to Congress.

Hubert hoped for several results from such an arrangement. First, at the working officer level in the field and in Washington, the various programs through which U.S. assistance is channeled would be seen as alternative means to accomplish a particular objective, rather than as bureaucratic competitors.

Secondly, by increasing the scope and prestige of a development agency, both through increasing its administrative responsibilities and guaranteeing its administrator direct access to the President, Hubert hoped that representatives of the agency could more forcefully inject development concerns into the many interagency forums in which general international economic policy is formulated, including issues such as trade, commodities, debt, investment, and transfer of technology.

In conclusion, I am gratified that the Senate Foreign Relations Committee decided to enact many of the policy changes for which Hubert had pressed and about which he felt so strongly, and I would like to take this opportunity to urge all of my colleagues to give these provisions their full consideration and support. Nevertheless, these reforms are but a first step in what I and Hubert had hoped would be the most comprehensive reassessment of our aid program since its enactment in 1961. Socio-economic and political forces governing our relations with the Third World have changed dramatically since that time. An efficient and effective aid program must be adapted to the changing times as well. The real challenge involves restructuring our aid program so that it both reflects the American desire to help the poor and needy in the developing world and responds efficiently and effectively to the unforeseen developmental demands that will arise in the years ahead. I am confident that we can meet this challenge.

UP AMENDMENT NO. 1345

Mr. CASE. Mr. President, if it is in order, I send to the desk a technical amendment to the committee bill, correcting a technical error in section 16.

As currently worded, section 16(a)(4), dealing with an earmark of funds for the United Nations Relief and Works Agency for Palestine Refugees, is not clear that such earmark is for funds authorized in fiscal year 1979. This amendment makes that technical correction.

The PRESIDING OFFICER. The amendment is in order, and the clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. CASE) proposes an unprinted technical amendment numbered 1345.

The amendment is as follows:

On page 37, line 7 strike out section 16(a)(4) and insert the following in lieu thereof:

"Of the funds authorized to be appropriated for the fiscal year 1979, not to exceed $52,000,000 shall be available for voluntary contributions to the United Nations Relief and Works Agency for Palestine Refugees: *Provided*, That not more than $42,500,000 of this amount shall be available unless the President certifies to the Congress that any contributions above this level have been matched by equivalent contributions by members of the Organization of Petroleum Exporting Countries."

Mr. CASE. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

Mr. CASE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CASE. Mr. President, I yield the floor.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2462

Mr. TALMADGE. Mr. President, I am sure that the ranking member of our committee (Mr. DOLE) will probably be here shortly—I have sent for him—but, in order to save time, I call up, in behalf of the Committee on Agriculture, amendment No. 2462, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Georgia (Mr. TALMADGE) proposes amendment No. 2462.

Mr. TALMADGE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, between lines 5 and 6, insert the following:

"TITLE I—DEVELOPMENT ASSISTANCE".

On page 1, line 7, strike out "SEC. 2" and insert "SEC. 101" in lieu thereof.

On page 9, line 20, strike out "SEC. 3" and insert "SEC. 102" in lieu thereof.

On page 16, line 13, strike out "SEC. 4" and insert "SEC. 103" in lieu thereof.

On page 21, line 4, strike out "SEC. 5" and insert "SEC. 104" in lieu thereof.

On page 24, line 15, strike out "SEC. 6" and insert "SEC. 105" in lieu thereof.

On page 24, line 23, strike out "SEC. 7" and insert "SEC. 106" in lieu thereof.

On page 25, line 5, strike out "SEC. 8" and insert "SEC. 107" in lieu thereof.

On page 25, line 20, strike out "SEC. 9" and insert "SEC. 108" in lieu thereof.

On page 26, line 12, strike out "SEC. 10" and insert "SEC. 109" in lieu thereof.

On page 27, line 14, strike out "SEC. 11" and insert "SEC. 110" in lieu thereof.

On page 28, line 23, strike out "SEC. 12" and insert "SEC. 111" in lieu thereof.

On page 31, line 22, strike out "SEC. 13" and insert "SEC. 112" in lieu thereof.

On page 32, line 14, strike out "SEC. 14" and insert "SEC. 113" in lieu thereof.

On page 32, line 22, strike out "SEC. 15" and insert "SEC. 114" in lieu thereof.

On page 36, line 22, strike out "SEC. 16" and insert "SEC. 115" in lieu thereof.

On page 38, line 22, strike out "SEC. 17" and insert "SEC. 116" in lieu thereof.

On page 39, line 5, strike out "SEC. 18" and insert "SEC. 117" in lieu thereof.

On page 39, line 11, strike out "SEC. 19" and insert "SEC. 118" in lieu thereof.

On page 45, line 7, strike out "SEC. 20" and insert "SEC. 119" in lieu thereof.

On page 46, line 15, strike out "SEC. 21" and insert "SEC. 120" in lieu thereof.

On page 46, line 24, strike out "SEC. 22" and insert "SEC. 121" in lieu thereof.

On page 47, line 6, strike out "SEC. 23" and insert "SEC. 122" in lieu thereof.

On page 47, line 13, strike out "SEC. 24" and insert "SEC. 123" in lieu thereof.

On page 47, between lines 16 and 17, insert a new title II as follows:

"TITLE II—FOOD FOR PEACE

"EFFECTIVENESS OF FOOD ASSISTANCE IN MEETING BASIC FOOD NEEDS

"SEC. 201. The Congress finds that food assistance provided by the United States to developing countries under title I of the Agricultural Trade Development and Assistance Act of 1954 often is distributed within those countries in ways which do not significantly alleviate hunger and malnutrition in those countries. In order to determine how United States food assistance can be more effectively used to meet the food needs of the poor in developing countries, the President shall submit to the Congress not later than February 1, 1979, a report (1) explaining why food assistance provided to developing countries under title I of the Agricultural Trade Development and Assistance Act of 1954 is not more successful in meeting the food needs of those suffering from hunger and malnutrition, and (2) recommending steps which could be taken (including increasing the proportion of food assistance which is furnished under titles II and III of that Act) to increase the effectiveness of food assistance under that Act in meeting those needs.

"TRANSPORTATION COSTS FOR FOOD FOR DEVELOPMENT PROGRAMS

"SEC. 202. Section 304 of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new subsection:

"'(d) The Commodity Credit Corporation may pay, with respect to commodities made available under this title to a country on the United Nations Conference on Trade and Development list of relatively least developed countries, freight charges from United States ports to designated ports of entry abroad or to designated points of entry abroad in the case of landlocked countries.'.

"APPLICATION OF FOOD FOR DEVELOPMENT PROCEEDS TO REPAYMENT OBLIGATIONS

"SEC. 203. Section 305 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

"(1) by inserting '(a)' immediately after 'SEC. 305.'; and

"(2) by adding at the end thereof the following new subsection:

"'(b) Such disbursements shall be deemed to be payments with respect to the credit furnished pursuant to the agreement or if, in the case of a country on the United Nations Conference on Trade and Development list of relatively least developed countries, the disbursements in a fiscal year are greater than the amount of the annual repayment obligation which that country would have to meet for that fiscal year under the agreement but for the disbursements in accordance with the Food for Development Program, then the disbursements which are in excess of the amount of that annual repayment obligation may, to the extent provided in the agreement, be considered as payments with respect to the annual repayment obligations of that country for that fiscal year under other financing agreements under this Act.'".

On page 47, line 18, strike out "SEC. 24" and insert in lieu thereof "SEC. 204".

Mr. TALMADGE. Mr. President, as the distinguished chairman of the committee and the ranking minority member know, the Committee on International Relations in the House has jurisdiction of all aspects of foreign aid, including Public Law 480. In the Senate, however, Public Law 480 provisions are vested in the Committee on Agriculture, Nutrition, and Forestry.

Mr. President, on behalf of the Committee on Agriculture, Nutrition, and Forestry, I earlier introduced amendment No. 2462 to S. 3074, the International Development Assistance Act of 1978. It is my understanding that the managers of the bill have no objection to consideration of this noncontroversial amendment. The amendment would add a new title II to the bill entitled "Food for Peace." It makes three changes in the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). The amendment—

First. Requires a study by the President to determine how U.S. food assistance can be more effectively used to meet the needs of the poor in developing countries;

Second. Authorizes the Commodity Credit Corporation to pay freight charges under title III of Public Law 480 for nations on the UNCTAD list of relatively least developed countries; and

Third. Increases the attractiveness of the title III program by making it possible for participating countries to defer obligations under title I agreements.

Mr. President, the food for peace program originated in the Committee on Agriculture, Nutrition, and Forestry, and we have had the lead role in developing and refining it since its inception in 1954. In 1977, our committee developed a package of major amendments to the food for peace program, but because of jurisdictional problems with the House side, most of that package was taken out of the farm bill (S. 275), and added to the foreign assistance legislation. Our committee was involved in the conference on the foreign assistance legislation of 1977.

Today, we are following a similar course in considering amendments which were approved by our committee on June 7 to be added to this year's foreign assistance bill (S. 3074).

These are not major amendments, but I anticipate that we shall likely be holding hearings next year on these and other provisions of the food for peace program.

I should like to point out that these amendments which I am offering on behalf of the Committee on Agriculture, Nutrition, and Forestry are identical to three amendments on the food for peace program contained in H.R. 12222, the International Development and Food Assistance Act of 1978, as passed by the House of Representatives.

The first amendment calls for a study to be completed and submitted by the President to the Congress no later than February 1, 1979, which would explain why food assistance under title I of Public Law 480 is not more successful in reaching those suffering from hunger and malnutrition, and recommend steps which could be taken to increase the effectiveness of our total food assistance effort in addressing hunger and malnutrition abroad.

The committee intends that the President, in making the study, should look at titles I, II, and III of Public Law 480 in terms of their effectiveness in addressing hunger and malnutrition. It is my understanding that, at the present time, food assistance under title II costs approximately $358 per ton, while under title I, the cost per ton runs around $150. This rather significant difference results largely from the fact that all shipping costs for food distribution through voluntary agency programs under title II are paid by the Commodity Credit Corporation. Also, under title II, a large proportion of the shipments are blended foods which are more costly per volume than the unprocessed grains supplied under title I. But the blended foods are more appropriate for maternal and child feeding programs.

Under title I, not less than 50 percent of the commodities shipped must be carried on U.S.-flag vessels. The CCC, under this title, meets only the cost of the ocean freight differential between the foreign flag rate and the rate charged by American carriers.

Therefore, in looking at the effectiveness of the food for peace program in meeting the needs of hungry people abroad, the study should also examine the relative cost effectiveness of the three titles of the program. Thus, I hope that, when the Department of Agriculture carries out the study, it will begin with an open mind and be prepared to offer any recommendations which it feels are warranted on the basis of the facts which it uncovers.

The second amendment authorizes the Commodity Credit Corporation to pay, with respect to commodities made available under title III to a country on the United Nations conference on trade and development list of relatively least de-

veloped countries, freight charges from U.S. ports to ports of entry abroad or designated points of entry abroad in the case of landlocked countries.

This amendment has been designed to increase the attractiveness of the title III program and encourage needy countries to participate where it meets their needs.

While supporting the amendment, our committee voiced concern that this section be used with caution in order to fulfill a need which otherwise would not be met. In addition, our committee felt that funds for title III transportation costs must not reduce the funds made available for commodity financing.

Any funds used for this purpose should be separately identifiable and appropriated, as is that case of funds used for transportation requirement under titles I and II.

The third amendment is designed to increase the attractiveness of the title III program by making it available on a case by case basis to defer obligations coming due under earlier title I agreements.

Under the title III program, a needy country can be forgiven its credit obligations for commodities received if it agrees to program the local currencies generated for agreed-upon development purposes.

Under this amendment, the recipient country would not receive the full forgiveness of its obligation under title III, but a portion of that credit could be applied to title I credits coming due. Thus, it would help the poorest countries in meeting their current cash flow situation.

The committee also agreed that in furnishing food assistance to combat hunger and malnutrition and in terms of the goals of Public Law 480, the President should encourage and assist aid-receiving countries to develop and maintain a sound food grain reserve program.

We requested the Congressional Budget Office to examine the possible cost estimates of the three amendments, and they estimate the costs at $8.7 million in fiscal year 1979, increasing to $24.5 million fiscal year 1983.

Mr. President, the amendments represent a modest attempt to improve the operation of the food for peace program. Our Nation certainly can be proud of the role we have played in developing and improving this important program. I urge the favorable consideration of amendment No. 2462.

Mr. President, I urge the distinguished minority member and the distinguished chairman to accept the committee amendment, that was agreed to with only two dissenting votes.

Mr. DOLE. Mr. President, I endorse and support the statement that Chairman TALMADGE made when he introduced amendment No. 2462 to S. 3074, the International Development Assistance Act of 1978.

Public Law 480 legislation has enjoyed strong bipartisan support since it was strongly endorsed and signed into law by President Eisenhower in 1954. Since that time it has been the vehicle through which our Nation has channeled over $25 billion worth of food assistance to the hungry and malnourished in the developing countries.

While feeding the world's hungry, it has also meant export opportunities for America's farmers.

This amendment will help facilitate the programing of Public Law 480 commodities by:

First. Authorizing the Commodity Credit Corporation to pay freight charges under title III of Public Law 480 for the poorest of the poor countries; and

Second. Making it possible for title III recipient countries under certain conditions to defer obligations under title I agreements.

Mr. President, there have been many amendments to Public Law 480 in order to sharpen it up and make it more responsive to changing conditions. A few have encumbered the program and made it more difficult to manage.

This particular amendment, we hope, will help meet an unfilled need in the developing world while helping the American farmer at the same time. I trust that once this amendment becomes law, that it will receive early implementation by the administration, which has not been the case regarding some earlier Public Law 480 legislation. Hungry people will receive less food than they could have in fiscal year 1978, because of no programing during the first 3 months of the fiscal year.

Faster implementation of the human rights provisions of the International Development and Food Assistance Act of 1977 would have fed more hungry people than were fed and would have helped improve the falling incomes of U.S. farmers.

Mr. President, I join with Chairman TALMADGE in urging favorable consideration of amendment No. 2462.

Mr. CASE. Mr. President, for my chairman and myself and the committee, we are happy to defer to the expertise of our colleagues on the Committee on Agriculture, Nutrition, and Forestry. We agree that the amendment is a good amendment. We understand that it is identical, except for one minor change, with the House language in that respect, striking out the word "ocean" on transit costs.

Mr. TALMADGE. The Senator is correct.

Mr. CASE. I understand that the House wants that change made and that the change will not present any problem at all. We are happy to accept the amendment and ask that the Senate do the same.

Mr. TALMADGE. I thank my distinguished friend.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TALMADGE. Mr. President, I ask unanimous consent that, if Senator DOLE has some remarks he wishes to make on the bill when it arrives, they be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania.

AMENDMENT NO. 2793

Mr. SCHWEIKER. Mr. President, I call up my amendment No. 2793.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SCHWEIKER) proposes an amendment numbered 2793.

Mr. SCHWEIKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 47, between lines 11 and 12, insert the following:

"UNITED NATIONS DEVELOPMENT PROGRAM

"SEC. 24. Section 301(b) of the Foreign Assistance Act of 1961 as amended by adding at the end thereof the following: 'It is the sense of the Congress that the President should instruct the appropriate representatives of the United States to the United Nations to encourage the specialized agencies of the United Nations to transfer the funding of technical assistance programs carried out by such agencies to the United Nations development program.'.".

On page 47, line 13, strike out "24" and insert in lieu thereof "25".

On page 47, line 18, strike out "24" and insert in lieu thereof "26".

Mr. SCHWEIKER. Mr. President, simply put, my amendment calls on the President, through a sense of the Congress provision, to instruct the U.S. Representatives to the United Nations to do what they can to see that the funding of technical assistance for developing countries be funded through the United Nations development program. While this is consistent with both past and present U.S. policy, unfortunately the policy and practice have not been the same. Congress has made itself clear on this issue through the adoption of conference reports covering appropriations contained in both the Foreign Assistance and the State, Justice, and Commerce Appropriations Acts for fiscal year 1978.

The problem my amendment addresses is that despite our efforts large amounts of technical assistance are still funded through the regular assessed budgets of various United Nations specialized agencies. At the same time we are called upon to support ever increasing appropriations for the United Nations development program, which is the proper arm of the U.N. to coordinate and

carry out technical assistance. The propensity of the specialized agencies to include technical assistance in their regular budgets have harmed efforts to secure full funding for UNDP, and until this issue is solved I suspect these problems will continue.

It is my hope that the adoption of my amendment will further induce the administration to not only carry out its own official policy but, likewise to take heed of the warnings Congress has given with respect to this issue in the past.

Mr. President, I hope the managers of the bill can accept my amendment since I think it is not inconsistent with the policies of the Foreign Relations Committee.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SPARKMAN. Mr. President, the Committee on Foreign Relations long has been supportive of the United Nations development program as the central U.N. technical assistance agency. We recognize that not all technical assistance could be appropriately transferred to the UNDP from such specialized agencies as the World Health Organization or the International Labor Organization.

However, the committee is concerned over the proliferation of technical assistance programs within agencies other than NUDP. The committee agrees there is a clear need to have the United Nations development program as the coordinating and administrative center of the U.N. technical assistance system.

Therefore, I am glad, on my part, to accept the amendment offered by the distinguished Senator from Pennsylvania.

Mr. CASE. Mr. President, the minority joins with the chairman in accepting the amendment. I just note that we are advised the executive branch has no objection to it.

Mr. SCHWEIKER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, first, I commend the distinguished chairman of the Foreign Relations Committee, Mr. SPARKMAN, and the ranking minority member of the committee, Mr. CASE, and the committee itself, for including in the bill this year a provision for a consolidated and comprehensive annual report on foreign aid.

I think this is a desirable and important proposal that has been incorporated in the pending foreign aid bill by the Committee on Foreign Relations.

Last year, the Senator from Virginia introduced such an amendment to the international financial institutions authorization bill. That amendment was dropped in conference with the House.

I hope that the pending legislation which contains the requirement for a comprehensive report——

Mr. SPARKMAN. Will the Senator yield?

Mr. HARRY F. BYRD, JR. Yes.

Mr. SPARKMAN. I would like to tell the Senator from Virginia that the House bill contains the language.

Mr. HARRY F. BYRD, JR. The House bill this year contains the same provision?

Mr. SPARKMAN. As ours.

Mr. HARRY F. BYRD, JR. As does the Senate bill.

I thank the Senator from Alabama for pointing that out.

I must say, I was not aware the House bill contained that same provision and I am delighted that it does.

I appreciate the work of the chairman of the Foreign Relations Committee, Mr. SPARKMAN, and the ranking minority member, Mr. CASE, in this regard.

Mr. President, this bill now before the Senate contains an authorization of $1,860.5 million for bilateral foreign aid programs. This represents an increase of $367 million over the amount appropriated last year for bilateral assistance—a 24-percent increase in just 1 year. It is another in a never-ending series of increases in American foreign aid.

This year the Carter administration and now the Foreign Relations Committee are seeking a more than one-third billion dollar increase in just this one part of our foreign aid program.

I want to emphasize, this is only one part of American tax funds that are being given away to foreign countries.

In total, the Carter administration is hoping to spend over $10 billion on foreign aid programs in the coming year. It has announced that it is firmly committed "to increasing economic aid levels substantially over the next 5 years * * *."

These programs will add another huge sum to the estimated $231 billion which the American taxpayers have already paid out in the years since 1945.

We should pause for a moment and contemplate the magnitude of that dollar figure—$231 billion.

The Congress has become quite used to these kinds of figures in recent years with Members rounding figures to the nearest hundred million when negotiating over an amount of funding for some favored project or program. Yet, each and every dollar which goes into that hundred million that is so casually rounded comes out of the pocket of some taxpayer.

It may be from the pocket of some $100,000 lawyer or it may be from a clerk earning the minimum wage, but every dollar that this Congress spends comes from somebody's pocket.

It comes either from someone's pocket in the form of a direct tax or from someone in an indirect way, the indirect tax of inflation. Inflation is a hidden tax, but it is the cruelest tax of all, because it hits hardest those on fixed incomes and those in the low- and middle-income groups.

Mr. President, the money that Congress will be appropriating for foreign aid must be borrowed; it must be borrowed by the American Government. There is no surplus in the Federal Treasury. If this measure is approved today, the money to finance it must come out of borrowed funds for which the Government and the taxpayers pay a high interest rate.

None of us honestly could say to the taxpayer that his money has been well spent on foreign aid.

Could any Senator here assure the taxpayer that the dollar he worked so hard for has reduced appreciably the level of poverty in the Third World or anywhere else? Could any Senator assure him that his dollar was not wasted? Not mismanaged? Not sitting in the Swiss bank account of some foreign official?

I am afraid this Senator could not make those assurances.

The case for continuing foreign aid at these levels has not been made adequately.

We are told by advocates of foreign aid that it feeds the starving children, that it helps better the lives of millions of people. In fact, to vote against foreign aid is very difficult, in view of the emotionalism surrounding the issue.

Yet, I do not believe that a convincing case has been made that our foreign aid program effectively meets these problems.

Somehow, the burden of proof has been residing with the opponents of foreign aid, when it should be the other way around.

A clear and convincing case should be made that the program is of value to the taxpayers and that the program itself is effectively managed.

I submit that these requirements have not been met in the case of foreign aid and, in fact, I believe there is substantial evidence that our foreign aid program has not been effective.

An example of how the real effect of our foreign aid program can be very much different than that intended can be seen in the conclusions of a General Accounting Office report dated November 26, 1975.

That report points out how American food aid has, in fact, restricted increases in food production in less developed countries and has aggravated the food shortages in those countries.

To quote from that GAO report:

> Bulk quantities of food on concessional terms (such as the $27 billion worth provided by the U.S.) have adversely affected production in recipient countries by keeping down prices and by permitting governments to postpone needed agricultural reform.

The report goes on to state:

> Leading world authorities now indicate that such food assistance by the United States and other countries has hindered developing countries in expanding their food production and thus has contributed to the critical world food situation.

I emphasize the last phrase:

> Food assistance by the United States has contributed to the critical world food situation.

Our food aid program has aggravated the problem rather than helping it; yet, a Senator who questions the wisdom of continuing our current foreign aid pro-

gram is considered callous and insensitive to the problems of the Third World.

It is time for the Congress to meet its responsibility for spending the taxpayers' dollars wisely, and this will require a complete review of our foreign aid program—past and present.

We need to know why, after 30 years of foreign aid, the world has more hungry people than ever before.

We need to know how our aid has been used and to whom it has gone.

Mr. President, aside from the question of the overall effectiveness of our foreign aid, there is the important issue of fiscal responsibility.

This bill would authorze an increase of 24 percent in our bilateral aid program over the moneys appropriated last year.

How can Congress justify a 24-percent increase? How can the Congress justify adding almost $22 million to the President's already bloated request?

I believe these proposed increases are unnecessary and are not appropriate at a time when this year's deficit is projected to be $53 billion, rising to $60 billion in fiscal year 1979.

I believe that the Senate should be moving toward a balanced budget and we should not be adding million of dollars beyond the President's already huge request. A 24-percent increase in bilateral foreign aid over the amount appropriated for this year is not warranted.

Congress cannot continue to fund every conceivable project, and we especially cannot do this without raising taxes.

In these times of inflation and deficit spending, Congress must get its financial house in order. That cannot be done by increasing foreign aid by 24 percent.

In my judgment, foreign aid should be reduced—not increased.

I shall vote in opposition to this bill.

Incidentally, I just took this dispatch from the Associated Press teletype machine in the Senate cloakroom. It is datelined Tokyo, and it reads:

The American dollar, which hit a record low today, has declined 25 percent in value against the Japanese yen in less than 10 months.

Mr. President, this is very serious:

The American dollar, which hit a record low today, has declined 25 percent in value against the Japanese yen in yess than 10 months.

It is interesting that this dispatch should come to the attention of the American people at the precise time the Senate is considering a 24-percent increase in foreign aid authorizations as compared to the amount appropriated for foreign aid during the past year.

I shall have several amendments to this bill to present to the Senate, but for the time being I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOLLINGS). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1346

Mr. SPARKMAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. SPARKMAN) for the Senator from Hawaii (Mr. INOUYE) proposes an unprinted amendment numbered 1346.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 47, after line 11, insert the following:

SEC. 24. The Secretary of State shall transmit to the Committee on Foreign Relations of the Senate, the Committee on International Relations of the House of Representatives, and the Committee on Appropriations of each House of the Congress, a copy of the proposed text of any agreement with any foreign government that would result in the cancellation,, renegotiation, rescheduling, compromise, or other form of debt relief with regard to, or any variation or modification of the terms, conditions or manner of repayment of, any debt owed to the United States by any such foreign government, no less than thirty days prior to the date such agreement is to be executed together with a detailed justification of the Interest of the United States in the proposed modification: *Provided*, That this section shall not apply to any such proposed agreement if a statutory requirement exists that the amount of debt so cancelled, renegotiated, rescheduled, compromised, or otherwise varied in any way, including any modifications in the terms, conditions, or manner of repayment may not exceed the amount approved for such purposes in advance in an appropriations Act.

SEC. 25. (a) Sections 302(d), 302(e), 302(f), 302(g), 304, 461, 471, 618, 619, 637(a), 649, 651, 655, 656, 658, and 665 of the Foreign Assistance Act of 1961 are repealed.

(b) Section 4 of the Foreign Disaster Assistance Act of 1974 is repealed.

Mr. SPARKMAN. Mr. President, I offer this amendment on behalf of the chairman of the Appropriations Subcommittee on Foreign Operations who is necessarily absent this afternoon.

I ask unanimous consent that Senator INOUYE's statement be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR INOUYE

As the General Accounting Office has frequently noted, modification of the terms of existing debt is no less assistance than the appropriation of new funds. As a matter of information, we have outstanding $12,779,400,000 in AID loans alone with interest payments in fiscal year 1978 at $260,100,000.

The Appropriations Committee over the past two years has moved to tighten loan terms to those nations with growing economic capacity. Concurrently we believe that no interest should be waived or principal forgiven for which provision is not made in an appropriations act. This is the wise and prudent course followed in the bill before us today.

The amendment which I have offered will simply provide new and more precise reporting requirements to the authorizing and appropriations committees for proposed changes in loans for which provision is not made in appropriation acts.

Mr. SPARKMAN. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I wish the record to show that Senator CASE, who is out of the room just now, is in agreement with the submission of the amendment.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. HARRY F. BYRD, JR. The amendment offered by the Senator from Alabama does not increase the authorization dollarwise?

Mr. SPARKMAN. Not at all.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2451 (AS MODIFIED)

(Purpose: To separate the authorization for population and health assistance, creating a new section on health and disease prevention assistance)

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. Kennedy) proposes an amendment numbered 2451: On page 8, line 9, after "population planning", insert "; health;".

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I ask unanimous consent that the amendment be modified in accordance with the copy I have sent to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 8, line 9, after "population planning", insert "health;".

On page 21, line 6, strike out "SEC. 104. POPULATION AND HEALTH.", and insert "SEC. 104A. POPULATION ASSISTANCE.".

On page 21, line 7, strike out "poor health conditions and".

On page 21, line 20, strike out all after "nutrition." through line 23.

On page 23, strike all of line 15 through line 4 of page 24.

On page 24, line 5, section "(e)" is relettered "(d)".

On page 24, line 11, strike out " "." and insert the following:

"SEC. 104B. HEALTH AND DISEASE PREVENTION.—(a) The Congress recognizes that poor health and widespread debilitating disease can vitiate otherwise successful development efforts. The widespread existence of acute and chronic infectious diseases afflicting tens

and hundreds of millions of people inhibits food production, accentuates the effects of malnutrition, and impedes economic progress. Good health conditions are a principal element in improved quality of life and contribute to the individual's capacity to participate in the development process. The President is authorized, on such terms and conditions as he may determine, to furnish assistance for disease prevention and control, improved sanitation and water facilities, basic health education and the extension of primary health care facilities—

"(1) to expand significantly the provision of basic health and sanitation education and services, especially to rural poor people, and to support such research into primary health care services as may best enhance their capacity for self-help;

"(2) to control the major endemic infectious diseases and their consequences; and

"(3) to expand significantly the provision of simplified and improved health technologies to combat these diseases especially among rural poor people.

There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $143,972,000 for the fiscal year 1979, which amounts are authorized to remain available until expended.

"(b) Assistance provided under this section shall be used primarily for activities which are specifically designed to conserve or restore the health of the poor, through such means as creation and strengthening of local institutions linked to the regional and national levels; the training of appropriate medical care and public health personnel as suitable to their needs; and the creation and strengthening of systems, particularly at the community level, to provide other services and supplies needed by sick people and those at risk from disease, such as by immunization programs, disease vector control, epidemiological support, pure water, health education, and improved sanitation.

"(c) The Congress finds that human suffering and disease are widespread and growing in the poorest and most slowly developing countries. In the allocation of funds under this section, special attention shall be given to improving health in countries which have been designated as least developed by the United Nations General Assembly.

"(d) Assistance provided under this section shall be used in coordination with programs carried out under sections 103 and 104A, since the problems of malnutrition, disease, and excessive population are intimately connected. In particular, the President is encouraged—

"(1) to devise and carry out in partnership with developing nations and international organizations a strategy for programs of preventive medicine and basic health care, emphasizing the most serious infectious diseases which affect large portions of the population and especially those which affect children;

"(2) to insure that programs of maternal and child health include a population planning component;

"(3) to provide technical, financial, and material support to individuals or groups at the local level for such programs; and

"(4) to utilize to the maximum extent practicable the professional and technical capabilities of the Department of Health, Education, and Welfare through interagency agreements.

"(e) Health research carried out under this Act shall—

"(1) be undertaken to the maximum extent practicable in developing countries by developing country personnel, linked with and supported by the unique biomedical research facilities and highly trained personnel of private, public, and governmental research laboratories within the United States;

"(2) take account of the special needs of the poor people of developing countries in the determination of research priorities, including research having a focus on the important disease problems and health care needs of these nations; and

"(3) make extensive use of field testing to adopt basic research to local conditions. Special emphasis shall be placed on disseminating research results to local health units in which they can be put to use, and especially on institutional and other arrangements needed to assure that the general population has effective access to both new and existing technology.".

Mr. KENNEDY. Mr. President, the purpose of this amendment is to strengthen the international health assistance provisions of our foreign assistance program, by creating a new authorization for health and disease prevention—separate from that for population assistance.

Health assistance has for too long been a stepchild of the population program within the Agency for International Development. It has not had an independent mandate nor sufficient priority within AID. In part, this has been due to the fact that too little attention has been paid to international health programs by Congress and, over the years, legislation has not authorized increased programs in the health area. The law has not articulated long-range goals for international health programs, as it now does for assistance in the agricultural or population fields. My amendment corrects this omission.

Mr. President, one of the most important features of the pending bill is its incorporation of new language from the Humphrey bill which strengthens the "new directions" mandated for our foreign assistance program. I strongly support the new authorization language in the bill, especially in the agricultural and nutrition field, as well as for human resources and population assistance.

However, I am concerned over the continued lack of emphasis on international health programs. The time has come for us to more fully acknowledge that the economic development of any country fundamentally depends upon the health and well-being of its peoples. Economic advance will always be impeded by hunger, by widespread disease, and by overpopulation. We must finally give new priority and new authority for international health assistance programs in the Agency for International Development.

This fact has been underscored repeatedly in a series of hearings I have conducted over the past several years before the former Subcommittee on Refugees and the Subcommittee on Health. From those hearings and subcommittee reports, a number of important points have emerged which I believe must be given greater emphasis and attention in designing new and productive approaches to our foreign assistance program.

First, we must recognize that the humanitarian and developmental components of any assistance program must be well integrated, so that assistance programs in the areas of nutrition, health, and population can no longer be thought of as independent of one another.

Second, we must devise programs, especially health and nutrition programs, that meet the real needs of the poor people of the least developed countries, and learn to formulate projects that will get the benefits of our assistance programs down to the grassroots level.

Finally, in our changing political world, we must realize that it is no longer suitable to work alone and paternalistically in our international assistance programs. In the health field, as in other fields, we must develop truly cooperative ventures with needy countries—directed more at helping them to solve their own health problems over the long term, rather than attempting to effect our own short-term solutions to these problems.

Mr. President, the amendment I am proposing today seeks to advance these goals and specifically, to strengthen the authorization for international health programs. In the health field the problems of the Third World are truly massive, and we should be doing more about them. Moreover, what we do, we should be doing more effectively.

First, international health assistance is not only a question of satisfying the traditional American concern for the well-being of their fellow man; it is also something that we should be doing in our enlightened self-interest. The health of one part of the world inevitably affects the health of another part. By helping to eradicate smallpox, for example, in the last afflicted areas of the globe, we eliminated the need for expensive, and sometimes hazardous, smallpox innoculations in other areas of the world.

The U.S. contribution to the worldwide smallpox eradication campaign cost us a total of some $25 million, but because eradication of this disease enabled us to terminate our own domestic smallpox vaccination program, we are now able to save over $125 million a year domestically as the direct result of our modest international effort in this area. Clearly, the growing international health interdependence among nations is reason enough for us and others to redouble our efforts in the international health field.

Second, international health programs are needed to meet the desperate health needs that exist today in most of the developing nations. It is an enormous human tragedy that one-fourth of the people on this Earth have no access to any health care whatever, while another billion people have only the most rudimentary and ineffective care. In some nations, 4 persons out of every 5 receive no health care at all throughout their lives. These are the very people who need health care the most. Over 300 million people throughout the world suffer from filariasis, while in Africa 1 person in 10 will be affected by the "river blindness" form of this disease, which seriously impedes agricultural productivity and economic development. Malaria affects 200 million people, and in some parts of tropical Africa every child over 1 year old will catch this disease 1 million children will die of it each year.

The list is very long, and statistics like these are well known. But behind the figures are the people, the hundreds of mil-

lions of human beings living lives of desperation. Fear and hunger, sickness and death, are the horsemen of their daily living apocalypse.

Why is not more being done? Why do the experts tell us that the situation will get worse by the year 2000? It is time that the people of the United States and other advanced nations rise up in outrage at these conditions, and demand that governments work together to end this global blight. In the United States, very little research is being carried out on tropical diseases, and yet this must be an important component of any foreign assistance program.

Mr. President, the amendment I am proposing will help assure that the United States will better meet its obligations in the international health field. In providing for a new section on health and disease prevention, the amendment establishes in the law clear-cut instructions from Congress on the goals our health assistance must support.

For example, it instructs AID to use the assistance—

Primarily for activities which are specifically designed to conserve or restore the health of the poor, through such means as creation and strengthening of local institutions linked to the regional and national levels . . . and the creation and strengthening of systems, particularly at the community level, to provide other services and supplies needed by sick people and those at risk from disease, such as by immunization programs, disease vector control, epidemiological support, pure water, health education, and improved sanitation.

No such specific instructions exist in current law.

Second, the amendment authorizes for fiscal year 1979 the sum reported out by the committee, $143,972,000. However, it is my clear intent that if this amendment becomes law, and the international health programs in AID are expanded according to these provisions, I shall actively support greatly increased funding for this aspect of our foreign assistance program.

Third, the amendment encourages AID to support health research, with these objectives:

To be undertaken in developing countries by developing country personnel, linked with and supported by the unique biomedical research facilities and highly trained personnel of private, public, and governmental research laboratories within the United States;

To take account of the special needs of the poor people of developing countries in the determination of research priorities; and

To make extensive use of field testing to adapt basic research to local conditions.

Finally, the amendment mandates that international health programs shall be coordinated with programs in the population and nutritional fields, with these objectives:

To devise and carry out in partnership with developing nations and international organizations a strategy for programs of preventive medicine and basic health care, emphasizing the most serious infectious diseases which affect large portions of the population and especially those which affect children;

To insure that programs of material and child health include a population planning component;

To provide technical, financial, and material support to individuals or groups at the local level for such programs; and

To utilize the professional and technical capabilities of the Department of Health, Education, and Welfare through interagency agreements.

And this last point is important, Mr. President, because there is an urgent need for AID to more effectively join in partnership, and to utilize in the field, the international health expertise of various departments within HEW—especially the Center for Disease Control of the U.S. Public Health Service, and the National Institutes of Health. At the same time, we must support efforts to increase and strengthen the institutional capacity of these domestic agencies to contribute to international health programs in the Third World. This amendment encourages progress on both fronts.

Mr. President, I believe this amendment will contribute to the process, which was begun with the introduction of the Humphrey bill, to reform and improve our foreign assistance law. I know the committee is pledged to study and to implement over the coming months the reforms proposed in the Humphrey bill. But in some areas we can begin now—to rectify certain inadequacies in the current bill—and provide the basis for further improvement next year.

Again, Mr. President, this amendment adds no money. All it does is clarify and strengthen the international health assistance portion of our foreign aid program.

Finally, one of the areas that the Senate Health Subcommittee has been interested in—in addition to our concern about domestic health—has been in working with the Foreign Relations Committee to insure that HEW's international health program will have and make available its expertise, its knowledge, and its technical knowhow, to peoples throughout the world.

We have, for example, Mr. President, the National Institutes of Health. They do some important research in certain areas of disease and other types of research that may be of great help and assistance to the developing countries of the world. We, in terms of our own health needs, may have gone beyond that particular research, and yet we feel the type of expertise we have developed ought to be available to Third World countries.

HEW has various programs and strengths which ought to be available. We are currently considering drug legislation which will impact Third World countries. What we basically have attempted to do here is to consolidate the language to make the international health assistance program into what we believe will be more effective in terms of the reorganization and the strengthening of its health office.

Our staffs have talked with the staff of the Foreign Relations Committee. I hope the amendment will be acceptable to the committee. I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, the managers of the bill are prepared to accept the amendment proposed by the Senator from Massachusetts. This amendment complements the efforts of the Committee on Foreign Relations to provide a clear policy framework for U.S. development assistance programs.

Health assistance is one of the most important parts of our efforts to help poor people in poor countries overcome the effects of disease and malnutrition which cause so much suffering and death in developing countries. I am particularly pleased that the amendment continues to emphasize the need for close coordination between health and family planning programs. I also note that the amendment directs AID, as the agency responsible for our international health assistance efforts, to use the resources of the Department of Health, Education, and Welfare in our health programs.

Mr. President, Senator KENNEDY's expertise and leadership in the field of health assistance have often led to improvements in our international development programs. This amendment is one more example of his long list of contributions to making our foreign assistance programs more effective.

On behalf of the committee and the managers of the bill, I am glad to say that we will accept the amendment.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I appreciate the comments of the chairman of the committee and I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2452, AS MODIFIED

(Purpose: To provide assistance to disadvantaged children and orphans in Asia)

Mr. KENNEDY. Mr. President, I send another amendment, as modified, to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an amendment numbered 2452, as modified.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

At the appropriate place in the bill, insert the following:

SEC. (a) Chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by adding the following:

"SEC. . ASSISTANCE TO CERTAIN DISADVANTAGED CHILDREN AND ORPHANS.—(a) The Congress recognizes the humanitarian needs of disadvantaged children in Asian countries

where there has been or continues to be a heavy presence of United States military and related personnel in recent years. Moreover, the Congress finds that inadequate provision has been made for the care and welfare of such disadvantaged children, particularly those fathered by United States citizens, in assisting in the expansion and improvement of orphanages, hostels, day care centers, school feeding programs, and health, education and welfare programs.

"(b) To carry out the purposes of this section, beginning in the fiscal year 1979, the President is authorized to expend from funds made available under chapter I of this Act, in addition to funds otherwise available for such purposes, up to $2,000,000, such amounts to remain available until expended. Assistance provided under this section shall be furnished under the auspices of and by international organizations or private voluntary agencies operating within, and in cooperation with, the countries of Asia where such disadvantaged children reside.".

(b) The Immigration and Nationality Act is amended—

(1) by striking out "fourteen" in subparagraphs (E) and (F) of section 101(b)(1) and inserting in lieu thereof "sixteen";

(2) by adding at the end of section 203(a)(8) the following sentences: "No immigrant visa shall be issued under this paragraph to an adopted child or prospective adoptive child of a United States citizen or lawfully resident alien unless (A) a valid home study has been favorably recommended by an agency of the State of the child's proposed residence, or by an agency authorized by that State to conduct such a study, or, in the case of a child adopted abroad, by an appropriate public or private adoption agency which is licensed in the United States; and (B) the child has been irrevocably released for immigration and adoption: *Provided*, That no natural parent or prior adoptive parent of any such child shall thereafter, by virtue of such parentage, be accorded any right, privilege, or status under this Act. No immigrant visa shall otherwise be issued under this paragraph to an unmarried child under the age of sixteen except a child who is accompanying or following to join his natural parent.";

(3) by striking out "no more than two petitions may be approved for one petitioner in behalf of a child as defined in section 101(b)(1) (E) or (F) unless necessary to prevent the separation of brothers and sisters and" in section 204(c);

(4) by redesignating subsection (e) of section 204 as subsection (f) and by inserting a new subsection (e) to read as follows:

"(e) Notwithstanding the provisions of subsections (a) and (b), no petition may be approved on behalf of a child defined in section 101(b)(1)(f) unless a valid home-study has been favorably recommended by an agency of the State of the child's proposed residence, or by an agency authorized by that State to conduct such a study, or, in the case of a child adopted abroad, by an appropriate public or private adoption agency which is licensed in the United States.";

(5) by striking out "sixteen" in paragraphs (1) and (2) of section 320(a) and inserting in lieu thereof "eighteen", and by amending subsection (b) of section 320 to read as follows:

"(b) Subsection (a)(1) of this section shall apply to a child adopted while under the age of sixteen years who is residing in the United States at the time of naturalization of such adoptive parent, in the custody of his adoptive parents, pursuant to a lawful admission for permanent residence.";

(6) by striking out "sixteen" in paragraphs (4) and (5) of section 321(a) and inserting in lieu thereof "eighteen", and by amending subsection (b) of section 321 to read as follows:

"(b) Subsection (a) of this section shall apply to a child adopted while under the age of sixteen years who is residing in the United States at the time of naturalization of such adoptive parent or parents, in the custody of his adoptive parent or parents, pursuant to a lawful admission for permanent residence.";

(7) by amending subsection (b) of section 322 to read as follows:

"(b) Subsection (a) of this section shall apply to a child adopted while under the age of sixteen years who is residing in the United States, in the custody of the adoptive parent or parents, pursuant to a lawful admission for permanent residence.";

(8) by striking out section 323, and the title preceding that section; and

(9) by striking out "Sec. 323. Children adopted by United States citizens." in the table of contents, title III, chapter 2.

Mr. KENNEDY. Mr. President, the United Nations General Assembly has declared the coming year to be the "International Year of the Child." As our Nation begins to consider policies and programs to support this international observance, I believe there is no better place to start than a long overdue commitment by our country to help meet the needs of tens of thousands of orphans and disadvantaged children scattered in the countries of Asia—especially those fathered by U.S. citizens.

Periods of conflict and war and the heavy presence of American personnel in many parts of Asia, for more than a generation, have left a tragic legacy of disadvantaged children in many countries—especially in Thailand, the countries of the Indochina Peninsula, South Korea, Japan, and the Philippines. The plight of these children has not received the needed attention and concern of our Government. For too many years their cries for help have fallen on deaf ears. And the modest efforts of many private voluntary agencies to help these children have garnered little official support.

I believe that our country has a profound humanitarian obligation toward these children. And I share the view of many Americans that the time is past due to establish national policies and programs to help them. For that reason, I have introduced an amendment to establish a special fund in their behalf.

The purpose of this legislation is to provide tangible support for care and welfare programs in behalf of the disadvantaged children in Asia, and to facilitate their adoption by U.S. citizens, if a new family is in the best interests of certain individual children. The funds made available under this amendment will benefit all disadvantaged children and orphans being assisted by voluntary agencies and others—not just those fathered by Americans.

Part one of the amendment authorizes up to $2 million to assist in the "expansion and improvement of orphanages, hostels, day care centers, school feeding programs, and health, education, and welfare programs." The $2 million authorized for these programs is a relatively small sum, but it will go far in supporting the important humanitarian work of the voluntary agencies and others concerned with helping the disadvantaged children in Asia. The amendment requires that the assistance be provided "under the auspices of and by international organizations or private voluntary agencies" operating directly in the field. These groups, which are the lifeline for many thousands of these children, clearly need the additional support that should and must come from the United States.

The second part of the amendment makes modest but important changes in the Immigration and Nationality Act. In this regard, the amendment repeals the arbitrary limitation on the number of international adoptions permitted an American family. Currently, the limitation is two. But there is no rational basis for this or any other arbitrary number. The sole criteria should be the ability of the petitioner family to care and provide for an adopted child, and this must be governed by valid home studies conducted by State or recognized private agencies—which is required in the amendment. The amendment also increases from 13 to 15 the maximum age for international adoption.

Again, Mr. President, this amendment earmarks some $2 million from general funds for Asian orphans and other children. To date, their needs are basically being provided for by some church groups in different situations throughout Asia. These new funds would be available to supplement the work of the voluntary agencies in those countries—to insure adequate care and the vital needs of those particular children, especially those fathered by Americans.

These voluntary agencies have worked in these areas for a considerable period of time. They have done absolutely yeoman service. It is a historical fact that with the presence of Americans in such a very considerable degree, on the Korean peninsula, in Southeast Asia, and in other places of Asia, and with the development of the late war and other calamities, there are a number of these children who have been left behind. The voluntary agencies have done an excellent job to date—but they need our help.

Finally, Mr. President, one of the aspects of the 1965 Immigration Act was to provide for the reunification of families. However, in many instances today there will be children—orphans—who, because of the war and other circumstances, have no papers, who are unable to meet some of the documentation requirements of the law, and who are left to remain in the Asian countries under very very difficult and harsh circumstances. This amendment permits the voluntary agencies to draw down some $2 million for purposes of caring for the orphans themselves.

Mr. SPARKMAN. If the Senator will yield, I want to suggest to the Senator that he agree to further modification to his amendment on page 2, starting with line 16. The provision seeks to amend the Immigration and Nationality Act and is subject, I am advised, to a point of order in the House. We might end up without any part of the amendment unless we did strike that portion.

Mr. KENNEDY. I would be willing to drop the provision which the chairman of the Foreign Relations Committee refers to. That particular language refers to the limitations on the adoption of foreign children, the limitation being two at

the present time. There have been circumstances where there has been a considerable interest by American parents who are willing to adopt even more than two. Because of that particular provision of the law, they are prohibited from doing so. This only involves a small number of cases. It is noncontroversial, but a long-overdue reform.

I know the House is working on a similar provision—and I am on the Senate Judiciary Committee—and I will see if we can move on that in an independent matter.

Mr. President, I ask unanimous consent to further modify my amendment by striking all after line 15 on page 2. Will that be satisfactory?

Mr. SPARKMAN. Yes.

The PRESIDING OFFICER. The Senator has the right to further modify his amendment. Without objection, the amendment is further modified.

The further modification is as follows:

On page 2, line 16 of the amendment as modified, strike all through page 5, line 12.

Mr. SPARKMAN. I understand with that change, the amendment is acceptable.

Mr. CASE. Yes, with that change, it is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

AMENDMENT NO. 2453

(Purpose: To establish a permanent international disaster assistance authority)

Mr. KENNEDY. Mr. President, I have a final amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk will read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an amendment numbered 2453.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 38, line 22, strike out all through line 3 on page 39, and insert in lieu thereof the following:

SEC. 17. Sections 491 and 492 of the Foreign Assistance Act of 1961 are amended to read as follows:

"SEC. 491. POLICY AND GENERAL AUTHORITY.—(a) The Congress, recognizing that prompt United States assistance to alleviate human suffering caused by natural and manmade disasters abroad is an important expression of the humanitarian concern and tradition of the American people, affirms the willingness of the United States to provide assistance for the humanitarian relief, rehabilitation, and reconstruction of peoples and countries affected by such disasters. Such humanitarian assistance both symbolizes the concern of the United States for the welfare of people in need throughout the world, as well as constitutes an important element in the foreign relations and foreign assistance effort of the United States.

"(b) Notwithstanding any other provision of this Act or any other provision of law, the President is authorized to furnish assistance to any foreign country, international organization, or private voluntary agency, on such terms and conditions as he may determine, for international disaster relief, rehabilitation, and reconstruction, including assistance relating to disaster preparedness, and to the prediction of, and contingency planning for, natural disasters abroad.

"(c) In carrying out the provisions of this section the President shall insure that the assistance provided by the United States shall, to the maximum extent possible, reach those most in need of relief and rehabilitation as a result of natural and manmade disaster, and that reconstruction assistance shall relate to the greatest extent possible to the longer term development needs of the countries and people affected by natural and manmade disaster.

"SEC. 492. INTERNATIONAL DISASTER ASSISTANCE FUND.—There is established an International Disaster Assistance Fund to carry out the purposes of section 491. There is authorized to be appropriated to the President from time to time such amounts as may be necessary for the fund to carry out the purposes of section 491. Amounts appropriated hereunder shall remain available until expended.".

Mr. KENNEDY. Mr. President, one of the most important provisions of the Foreign Assistance Act is the authorization it contains for international disaster assistance. Over the years it has been the clear intent of Congress that the United States should have the means to respond to international disasters whenever and wherever they may occur, and that this is an important expression of the humanitarian concern and tradition of the American people.

Recent experience around the world tells us that legislation supporting our Nation's effort to contribute to humanitarian emergencies, created either by natural or manmade disasters, must be flexible and broadly defined in order to meet all needs that might arise. Regrettably, current law and practice fail to provide this needed flexibility. I believe the law, as it now stands, is both too narrowly defined and restrictive in its application.

The amendment I am proposing today strengthens the international disaster provisions of the Foreign Assistance Act, to assure that the United States can respond adequately and expeditiously to the full range of relief, rehabilitation and reconstruction needs that may be caused by natural or manmade disasters.

Mr. President, the current authorization language is deficient in three important respects. First, it is too narrowly focused on "relief and rehabilitation" assistance, to the exclusion of medium- or longer-term "reconstruction" assistance—projects that might contribute to longer term developmental efforts even as they repair the damages of disaster. This has led, under present practice, to a series of restrictive congressional reports and confining AID regulations on the provision of international disaster assistance.

I believe it is self-defeating and counterproductive for the Congress to stipulate that international disaster relief funds must be utilized within 60 days, solely for relief and barring any longer term programs. It is increasingly clear that important linkages exist between the provision of disaster assistance and longer term rehabilitation, reconstruction, and developmental goals. In many disaster situations the most useful form of assistance, beyond immediate relief supplies, is that which takes into account the implications for future developmental or reconstruction plans.

The most recent example of this occurred in southern India, which was ravaged by a tidal wave in November. There, disaster assistance to help provide housing and shelter, or to restore public facilities, should have looked beyond an arbitrary 60 to 90 day relief period—but it did not, and our aid program has been deficient.

It should not be necessary, Mr. President, for the Congress to pass special legislation every time there is a need for funds for reconstruction assistance—such as in Lebanon today. We should cause unnecessary delay in responding to international disasters by requiring that we amend the Foreign Assistance Act of 1961 every time there is a disaster. It should be a routine and well-established feature of our foreign assistance program that we can respond expeditiously and generously to disaster reconstruction programs.

Some have argued that in expanding the international disaster assistance account to include "reconstruction" assistance in the authorization language, we would be opening the door to abuses of the account—to be raided for developmental projects or other purposes. I reject that argument simply because the effective oversight work of the responsible committee of Congress have eliminated in recent years the past record of misuse of humanitarian assistance funds by the executive branch. And I am confident that such oversight work in the future can correct any abuse of funds intended for international disaster assistance—either relief assistance or reconstruction assistance.

In any case, I believe it is far better to have the flexibility in the law to allow us to respond to reconstruction needs in the aftermath of a major disaster, than to restrict and delay such a response for the sake of a worried possibility that it might, in the future, be misused. If the Congress does its work, I do not believe that possibility will arise, or certainly not repeated.

Mr. President, the need to reform this aspect of our foreign disaster assistance program has been fully documented in an exhaustive study recently completed by the National Academy of Sciences. One of their principal recommendations is that there must be "stronger linkages between the AID/Office of Foreign Disaster Assistance * * * program and the broader developmental programs at AID." I ask unanimous consent that the relevant excerpt from the Academy's recent report be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

(Excerpt from "The U.S. Government Foreign Disaster Assistance Program," by the National Academy of Sciences, 1978)

2. The development of stronger linkages between the AID/OFDA's disaster assistance

program and the broader development programs at AID should be given careful consideration.

The relationship between AID's disaster assistance programs and its general development programs currently is conceptually confused. This is evidenced by attempts to make distinctions between (1) preparedness and prevention programs prior to disaster and (2) short-term relief and long-term recovery programs after the occurrence of disaster. Historically, the AID policy has been that developmental assistance should be long-range and societally directed, whereas disaster assistance should be short-term and largely directed to the individual needs of victim populations. Since preparedness is geared to improve emergency response, it has been an assigned function of the AID/OFDA. Conversely, disaster prevention or mitigation has been seen as a development problem, suggesting that this is the responsibility of other elements of AID.[5] Policy has also directed that relief and rehabilitation programs sponsored exclusively by the AID/OFDA should not involve major capital projects of a developmental character.[6]

The Committee believes that strengthening the organizational linkages between AID's disaster assistance programs and its general development programs should produce a clearer conceptualization of the interrelationships between disasters and the development process that will be beneficial to both types of programs. The precise nature and magnitude of the relationship between disaster and societal development are currently not known, but the theoretical possibilities merit careful study. For example, to the extent that safer physical structures and improved growth management are by-products of economic development, a society reduces its vulnerability to certain types of disasters. More broadly, perhaps the ultimate goal of development is improved economic and social well-being. The realization of that goal should be accompanied by a correlative improvement in a society's ability to cope with various forms of hazards and emergencies. Moreover, with effective disaster-response planning and preparedness measures a society can better respond to the impact of disaster as it develops economically. In many cases the impact of disaster may also serve as an important stimulant to economic and social development.

As stated previously, the AID/OFDA technical assistance program in disaster preparedness has disaster mitigation potential, although its present focus is narrow, its scale is quite small, and it is not currently linked to development assistance planning at the AID. The primary emphasis of the AID/OFDA activities is short-term emergency relief. We believe that this form of disaster assistance also has potential development consequences. On the negative side, unneeded and unwanted external assistance can divert attention away from development problems and within-country programs geared to reducing those problems. On the positive side, emergency assistance may have usefulness beyond the emergency period. For example, recent research indicates that externally provided temporary housing materials have frequently been used locally for permanent housing. This suggests that, with proper planning, emergency assistance and development programs can sometimes be directly linked. These potential linkages between disaster assistance and development assistance programs during both the pre- and post-disaster periods should be further explored.

[5] An excellent case in point is the present AID program to prevent or to mitigate drought problems in the Sahel.

[6] However, some moneys from the AID/OFDA's FY 1977 International Disaster Assistance Fund are being spent for a building construction program in Romania in the aftermath of the March 1977 earthquake. This is a clear exception to the historical policy.

Mr. KENNEDY. Mr. President, the second objective of my amendment is to establish a permanent International Disaster Assistance Fund, to be drawn upon when necessary to meet relief, rehabilitation, and reconstruction needs caused by disasters. The appropriations process will, of course, monitor the replenishment of the Fund and, together with special reporting requirements, will adequately assure Congressional oversight on the responsible use of the Fund. Such a Fund will eliminate the need for special legislation every time there is a disaster of any magnitude.

Mr. President, over a period of recent years, I think many of us have become familiar with the human tragedies that have taken place in many of the countries of the world—the Guatemala earthquake some years ago, earthquakes in Romania, and also northern Italy; in the Indian Ocean, there have been recent tidal waves and typhoons. These have been disasters with an enormous loss of human life.

All this amendment does is to strengthen our international disaster assistance authorization. Under a permanent authority, it would only require that the administration come forward and justify disaster needs on the basis of appropriations. Rather than requiring both the authorization and the appropriations, it would just establish an International Disaster Assistance Fund within AID; then, as each of these disasters take place, the administration would have to make the request and the case for additional funds. There are no additional funds to be included in this amendment now.

What we have seen in the past is that, when each of these disasters takes place, whatever administration it is, they basically are starting from scratch. This has meant, in many instances, very sizable and significant delays.

This was actually a recommendation which was made by our Refugee Subcommittee close to 9 years ago. We were beginning to make some progress, but we were unable to do so under the previous administrations. It is a desirable end. It has been basically underscored by all those who have been involved to any extent in the problems of international disaster assistance and relief. I hope it can be accepted by the Senate.

Mr. SPARKMAN. Mr. President, Senator KENNEDY'S amendment addresses an important aspect of our foreign assistance program—international disaster assistance. Our disaster assistance efforts represent the finest of the humanitarian traditions of our country—in fact, assistance for the victims of the Caracas earthquake of 1812 was the first instance of American foreign aid. This amendment includes provisions which the committee has proposed in the past concerning the establishment of a permanent disaster assistance authorization and the inclusion of reconstruction assistance in the authority.

If I understand correctly, the Senator from New Jersey joins me in accepting for the committee the amendment of the Senator from Massachusetts.

Mr. CASE. Mr. President, the chairman is correct. We have done this before, or tried to, in the Senate. The House would not take it. I hope they will this time. I warmly accept the chairman's recommendation that we go to conference with it.

Mr. SPARKMAN. Mr. President, I move the adoption of the amendment.

Mr. MATSUNAGA. Mr. President, I rise in support of the amendment offered by the Senator from Massachusetts. I ask the permission of the Senator from Massachusetts that I may be named as cosponsor of the amendment.

Mr. KENNEDY. I ask unanimous consent to that effect, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. Mr. President, as is indicated in the amendment, assistance to other peoples of the world during time of disaster indicates a humanitarian concern of the people of the United States for those in need. This is one of the best ways of indicating to the rest of the world that Americans do, in fact, care for peoples in other parts of the world. I believe that, by this amendment, we clearly indicate to the world that we are definitely interested in the welfare of other peoples in areas which happen to become subject to natural disasters.

May I ask one question of the sponsor of the amendment?

Mr. KENNEDY. Yes.

Mr. MATSUNAGA. The Red Cross is included within the term, "international organization," is it?

Mr. KENNEDY. The Senator is correct.

Mr. MATSUNAGA. As defined?

Mr. KENNEDY. The Senator is correct. The International Red Cross is one of the world's most effective international humanitarian organizations.

Mr. MATSUNAGA. Mr. President, I appreciate the effort on the part of the Senator from Massachusetts in offering this most worthy amendment.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. DECONCINI. Mr. President, I ask for the yeas and nays on the Kennedy amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, we are not to have rollcalls prior to 4 p.m. We shall call the roll at that time and in its proper order.

Are there further amendments?

Mr. SPARKMAN. Mr. President, there are a couple of amendments that the Senator from Massachusetts offered that were accepted, but I did not move to reconsider. I should like to make that motion at this time.

Mr. CASE. I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, the motion to lay on the table is agreed to.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the rollcall vote on amendment No. 2453 be vitiated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CASE. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CASE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARRY F. BYRD, JR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3065

Mr. CASE. Mr. President, on behalf of the Senator from Massachusetts (Mr. BROOKE), I call up an amendment numbered 3065 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. CASE) for Mr. BROOKE proposes an amendment numbered 3065.

Mr. CASE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 39, line 3, insert the following:

(3) In order to assist in attempts to control locust plagues in Africa, especially in the Horn of Africa, there is hereby authorized for appropriation, in addition to amounts otherwise authorized for disaster relief purposes, $5,000,000, to remain available until expended.

Mr. CASE. Mr. President, on behalf of the Senator from Massachusetts, I amend the figure from $5 to $2 million in this amendment.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 39, line 3, insert the following:

(3) In order to assist in attempts to control locust plagues in Africa, especially in the Horn of Africa, there is hereby authorized for appropriation, in addition to amounts otherwise authorized for disaster relief purposes, $2,000,000, to remain available until expended.

Mr. CASE. Mr. President, I ask unanimous consent that a statement by Senator BROOKE, together with attachments, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR BROOKE

I am today introducing an amendment to S. 3074, the International Development Assistance Act of 1978, to provide $2.0 million for the specific purpose of combating the locust problem that is currently causing great suffering in Africa, especially the Horn of Africa.

There is an urgent need for concerted action. The FAO reports that 50 locust swarms are estimated to cover a total area of over 2000 square kilometers. These swarms devastate food crops wherever they feed. Given the already existing drought conditions in the Horn, a failure to move with dispatch to destroy the locusts before they multiply further would bring thousands of additional people to the brink of disaster.

It is my hope that Congress, after the July recess, can move rapidly to enact foreign assistance legislation so prompt attention can be given to this problem. Delay only increases the dangers that are inherent in the unique conditions in the Horn.

I ask that various articles and reports on the locust plague be printed in the Record.

SECRET OF THE LOCUSTS

Where do they all come from? The centuries-old question posed by a locust swarm was answered in 1921 by Sir Boris Uvarov (right). He discovered that one of the familiar green grasshoppers of the African and Asian bush is really the ravenous locust in another guise. When repeated rains dampen the desert sands, thousands of eggs hatch. The hoppers constantly touch one another, triggering a change in behavior and color; they seek each other's company and turn yellow, black, and red.

In the Anti-Locust Research Centre in London, founded by Sir Boris, an experiment offers proof. A fan keeps tiny threads swirling inside a jar (left). As the threads brush a grasshopper, simulating the touch of its kin, it slowly changes color.

A laboratory encounter (below) between examples of the two guises shows the differences in coloring. Sir Boris, knighted in 1961 for his research, is completing volume two of his monumental *Grasshoppers and Locusts.*

LOCUSTS: "TEETH OF THE WIND"

(By Robert A. M. Conley)

The first stirring was a mile away from Khalil's patch of bulrush millet when he noticed it. "*Sirb!*" he called to me in Arabic. "A swarm . . . among the dunes!"

Through the glassy waves of heat rising off the Sudanese desert, I could see what he meant. A hint of grayness slid along the sand, vague as a touch of smoke. Then, as we watched, it gathered into a wisp and began to spill over the dune slopes. Once it reached the stubble of scrub growth below, the wisp quickened and spread in the wind until it became a cloud of locusts three miles wide that swept straight toward us.

"*Yella!*" Khalil shouted. "Let's go!"

We sprinted across to his dried-mud house, picked up fistfuls of reeds from a sheaf of roof thatching, and ducked back into the millet plants.

"My father knew these invaders before me," he said. "He called them the 'teeth of the wind.'" And with that, the cloud swirled into us. Flying locusts the size of index fingers bounced off my face, tangled in my hair, and grabbed at my shirt with twitchy legs. Wherever I turned, the swarm glinted in the sun in crystalline flecks that shifted and slid from brown to gold to pink like tumbling bits of mica.

"Bandits! Beggers!" I heard Khalil cry in the fluttering confusion. I yelled too, but my voice was lost in the rush of wings.

We fought for an hour to save his crop—a dozen or so wobbly furrows scratched in the bush—about 10 miles west of Khartoum, Sudan's capital. We slashed at the intruders with the reeds; we found two castaway cans and banged sticks against them; we ran up and down the rows throwing stones; and in the end, in the 110° heat, we knew we had lost.

JUNE 14, 1978.

MEMORANDUM

To: PDC/OFDA, Mrs. Anne C. Martindell, Director.

Thru: PDC/OFDA, Mr. Christian R. Holmes, IV; PDC/OFDA, Mr. Stanley W. Guth.

From: PDC/OFDA, Robert Clary.

BACKGROUND INFORMATION

As early as April we were informed that the Desert Locust Control Organization, East Africa (DLCO–EA), was doing aerial spraying against locust infestation. They have nine aircraft and had sufficient pesticide stocks (deildrin is generally used) for a normal nine-month period. Some of their equipment, including five-ton trucks and other four-wheel drive vehicles, need replacement.

About June 8, we were informed that an FAO survey team had made an assessment in Ethiopia and that their report was being prepared which would indicate a need for approximately $3 million, probably most of it being utilized for the purchase of insecticides.

OFDA, at that time, sent an immediate message to Somalia, Ethiopia, Djibouti, Yemen, and contiguous areas, to request information concerning their analysis and advice on the situation. The response from Addis indicated that the DLCO had located some 30 major swarms in 6 to 14 administrative regions in Ethiopia. Aerial control had been used on 19 of these 30 swarms and the rest would be sprayed. Mission had the impression that everything that could be done by DLCO was being done.

Addis further recommended that the USG response to the locust situation be delayed until the FAO report was received, reviewed, and specific requests evaluated.

The situation in SANA, presently much the same; some 9 swarms had been identified and attacked.

U.N. estimates, however, indicate that approximately 5% of each of these 9 swarms had escaped and that, although rains in the area have not been heavy, there is sufficient moisture to permit additional hatching. U.N. officials estimate that extensive surveillance and control measures are necessary.

OFDA has further been informed that the FAO report has been pouched from Rome. We should be receiving it soon.

PRESENT SITUATION

While we are waiting for the FAO report, we have planned a meeting with locust experts from the USDA and other agencies. In addition to OFDA, the meeting will include AID and State Desk officers. This meeting is scheduled for tomorrow morning, June 15, at 10:00 A.M., in the OFDA Operations Center. It is our intent to focus upon the direction and possible magnitude of USG contribution towards this area emergency.

OFDA is presently making inquiries with regard to availability and costs of pesticides.

Attached for your information is an article concerned with the locust, the area involved, and where they come from. It will provide you with some information concerning the problem, its cause and effect.

LOCUST CONTROL IN EASTERN AFRICA

Ideal breeding conditions in Eastern Africa and the Arabian Peninsula have contributed to massive swarmings of locusts. In addition, the war in the Horn of Africa disrupted normal locust control activities undertaken by the Desert Locust Control Organization of Eastern Africa (DLCO-EA). According to locust control experts, the locusts have created a serious condition in Eastern Africa, but the condition has not yet reached plague proportions.

PRESENT SITUATION

According to reports received from Agency for International Development (A.I.D.) Missions and from the Food and Agriculture Organization (FAO), the locusts are under control in some areas, such as Yemen Arab Republic. In other areas, especially in the Horn of Africa where the largest concentrations of locusts have been found, spraying operations are under way to combat the large swarms, some of which cover areas of over 100 square kilometers. The FAO report indicates that the 33 locust swarms spotted in Ethiopia and 17 swarms spotted in Somalia, together, cover a total area of over 2,000 square kilometers.

Heavy rainfall in some areas of the Horn of Africa has produced the vegetation upon which the locusts feed and has provided soil moisture necessary for the incubation of the eggs, which the locusts bury in the ground. These ideal conditions have contributed to the locust problem. To counter what locust experts term as an upsurge, insecticides are used to attack the locusts at three different stages in their development: (1) beds are treated as the locust nymphs begin to emerge; (2) hoppers, the stage before the locust can actually take flight, are sprayed; and (3) locust swarms are chemically attacked when they settle to rest or feed between flights.

Several different international organizations (including FAO and the Center for Overseas Pest Research) and national units are working to monitor and combat the insects. DLCO-EA, highly regarded by the international community, is carrying out the major international operations against the locust. Fighting in the Ogaden region between Ethiopia and Somalia interrupted or prevented early efforts by DLCO-EA to contain the locusts. If the locust problem continues unabated, USDA and FAO state that the upsurge could develop into a plague with the possibility of the locusts moving into western and northern Africa and moving east as far as Pakistan.

PRESENT COURSE OF ACTION

After receiving the initial outline of a just-completed FAO assessment of the upsurge, A.I.D. hosted, on June 15, an interagency meeting to address the problem.

While waiting for a full report from FAO and a complete review of its assessment, donors, including the U.S. Government, are taking or have taken steps to provide DLCO-EA with assistance. The United Kingdom has provided two aircraft, equipped for spraying, and are in the process of giving two more. The Federal Republic of Germany is reported to have donated $400,000. These contributions will help provide DLCO-EA with much needed support since some of its equipment is old or in need of repair. DLCO-EA presently is using ground equipment and nine airplanes to carry out its operations.

The Center for Overseas Pest Research, a London-based organization working closely with DLCO-EA, has now identified an immediate need for 20,000 liters of insecticide for DLCO-EA. A.I.D.'s Office of U.S. Foreign Disaster Assistance plans to provide all 20,000 liters, valued at $125,000 (including transportation), as an initial contribution. A.I.D. will also send a locust expert from the USDA to meet with FAO and to make, if necessary, an on-site assessment of the situation. Additional assistance will be considered as more information becomes available on the priority items needed to contain the pests and to prevent a potentially devastating plague.

Mr. CASE. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. CASE. Mr. President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. MATSUNAGA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1347

Mr. HARRY F. BYRD, JR. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. HARRY F. BYRD, JR.) proposes an unprinted amendment numbered 1347.

At the end of the bill, insert the following new section:

SEC. —. The total funds authorized in this Act shall be reduced by 5 percent.

Mr. HARRY F. BYRD, JR. Mr. President, this amendment does not require a great deal of explanation. It would reduce the total authorization ceiling by 5 percent. The amount sought to be authorized by the Foreign Relations Committee proposal, which is now before the Senate, is roughly $1.8 billion. This would reduce that total by 5 percent or $93 million.

The proposal brought in by the committee would provide an authorization of $367 million more than was appropriated for fiscal 1978, the current fiscal year.

If the amendment which I have sent to the desk is approved, there would still be an increase of $274 million over the amount appropriated for the current year.

I might say, Mr. President, the House of Representatives adopted an amendment providing for a 5-percent reduction in each of the programs.

This amendment is slightly different. It provides for a 5-percent reduction in the overall ceiling, thus permitting the Appropriations Committee, in consultation, if it wishes, with the Committee on Foreign Relations, to determine where that 5 percent shall be reduced. So there is greater flexibility in this amendment than there is in the House amendment, although I would favor the House amendment also.

To sum up my position, Mr. President, I would say what this amendment does is to reduce the total authorization as reported from the committee by 5 percent which, in dollars, would amount to about $93 million.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia.

Mr. SPARKMAN. Mr. President, will you hold that? I understand the Senator from New Jersey wishes to speak.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CASE. Mr. President, we are all aware that the taxpayers of the Nation are frustrated by what they think is an inexorable increase in Government expenditures and the need for revenues. I think we do understand the feeling that many people have that Government at all levels is a juggernaut which has gotten out of control, rapidly swelling the ranks of Government employees and the budgets and the programs of Government.

This is not the place, I think, for a philosophical colloquy on this taxpayer revolt. However, I do want to make several points about the U.S. foreign assistance program as a "burden to the taxpayer."

I think it is fair to say that foreign assistance and AID program do not meet the image the taxpayers hold of most Government programs. Its budget is not growing rapidly; it is not increasing its ranks of employees; its programs are under control.

Just a few facts on that point: In the early 1960's the U.S. official development assistance accounted for about slightly over one-half of 1 percent of the U.S. gross national product. By 1970 it had dropped to about one-third of 1 percent. It is now about one-quarter of 1 percent.

Again in the early 1960's the official development assistance accounted for about 3 percent of the Federal budget. Now it accounts for about 1 percent.

In the early 1960's development assistance amounted to about 6 percent of the value of the defense budget. Now it is about 4.5 percent of the amount of that budget.

AID's employees numbered between 14,000 and 16,000 throughout the 1960's. AID now has about 6,000 employees, a cutback of 40 percent.

Mr. President, these are not the kinds of statistics generated by most Government agencies. Clearly we are not dealing here with a massive program that has run amok, but rather a relatively small program which has shrunk, in real terms and in numbers of Government employees, and which we are attempting to basically stabilize at a realistic and, indeed, a quite conservative level of funding.

I would note, in fact, that the taxpayers of most developed countries, almost all of whom share a larger tax burden than do the American people,

nonetheless seem to support a relatively larger expenditure in overseas assistance than does the United States.

Of course, I strongly believe it is our duty to listen closely to the cries of alarm by American taxpayers. But I think we ought to resist the temptation to attack our foreign assistance program with a fiscal meat ax because it might seem politically expedient in the short run to do so.

Mr. President, either this is or this is not an important program in humanitarian national self-interest terms. I think that it is important in humanitarian terms and in terms of national self-interest.

If that is so, since it is clearly one which is not out of control, I do not think we should support this particular kind or any kind of an across-the-board cut in the figures which the Committee on Foreign Relations did its very best, with the help of extremely fine staff work, to cut down to the actual size the needs of the recipient countries and the needs of the United States in respect of our relationship to those countries, individually and collectively.

I hope the amendment will not be adopted because I do not think we want to give that kind of signal to the world about the American interest in and concern for the less developed countries of the world and for the needs of human beings all over the world.

This will amount in actual terms to something like this on a 5-percent cut. It would save the American taxpayer 32 cent each. That is enough to buy, perhaps, one beer, one small box of popcorn for the movies, or a small order of french fries under McDonald's golden arches or any other place you would want to get them.

But for that same 32 cents, Mr. President, we could feed a child in a refugee camp for 3 days; we could provide a family with a supply of pure water; we could immunize five children against smallpox.

Mr. President, I think we really have come to the point where we ought to stop this. The message it will send out to the world is the wrong message about the United States. In practical terms it will have no valuable effect upon the finances of the United States of America, upon the condition of the American taxpayers. I think this is one place where we ought to say "no," and I hope the amendment will not be pressed for that reason, and if it is pressed, I hope it will be rejected.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator from Virginia would point out that the proposal does not cut funds which already have been appropriated. It does not cut our current level of foreign aid. What the proposal does is restrain the tremendous increase in expenditures which is being proposed by the Foreign Relations Committee.

The amount of the reduction is 5 percent. In dollars, it amounts to $93 million. It does not tie the hands of the Appropriations Committee. The Appropriations Committee, in consultation with the Foreign Relations Committee, can determine where that 5 percent figure can best be placed.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? The Chair would advise that there is not a sufficient second.

Mr. HARRY F. BYRD, JR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Hawaii.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield to get the yeas and nays?

Mr. MATSUNAGA. I yield to the Senator from Virginia for that purpose.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CASE and Mr. MATSUNAGA addressed the Chair.

The PRESIDING OFFICER. The Chair would advise the Senator from Hawaii that the Senator from New Jersey had the floor.

Mr. MATSUNAGA. I rise in opposition to the amendment.

Mr. CASE. The Senator and I are on the same wave length, absolutely.

I just want to make this point: The 5 percent is really no more than accounting for the rise due to inflation. In the second place, it is not appropriate to recommend that it be authorized. It is practically identical with the budget request. It is extremely modest. The only increase over the budget of any substance relates to population control, some $20 million. The rest is just about identical to the budget request.

I do hope that for the sake of a symbol we will not send out the wrong signal. I appreciate the Senator's yielding for me to make that brief statement.

Mr. MATSUNAGA. Mr. President, the Senator from Virginia has been a champion in the area of trying to save the taxpayers a few dollars. I can appreciate the position of the Senator from Virginia. In fiscal year 1979, Americans will pay an estimated $1,576 per capita in individual Federal income taxes. That sum is indeed a heavy burden, which each of us would like to lighten with reductions in taxes and spending.

Inevitably, foreign aid is the prime target for those cuts. Unlike Federal aid for schools or highways or health care, the benefts of this program are neither immediate nor readily apparent. Foreign aid funds are often spent in obscure places, to help poor people whose impact on our country appears to be minimal.

In fact, however, development assistance is an investment in the future, ours as well as theirs. History repeatedly shows that whenever we neglect a people in any part of the world, dissatisfaction arises, and when that group of people become hungry, they become hungry to a point where they will not only cause disturbances within their own area, but disturbances which will affect our own security.

Mr. President, our foreign aid program is designed to help shape a world in which we and our children can survive without warfare. Unless we come to the aid of those who are hungry, those who are in need of some assistance, and help them to help themselves, we are going to find ourselves in a position where we will need to send our children back to battlefronts on foreign lands.

Foreign assistance is an investment which we must make if the gap between the rich and the poor is to be reduced to peaceful proportions. If a 5-percent across-the-board cut, as proposed by the Senator from Virginia, is made, it would be equivalent to a meat-ax cut. Certainly, the Senator from Virginia would not propose a 5-percent across-the-board cut in any military expenditure. Certainly not.

The foreign assistance program is designed to give assistance to areas which are specific in programing, so that unless we leave it up to the Foreign Relations Committee and those who administer the program, we are going to effect a meat-ax cut, to the point where some of the programs will be worthless without the additional 5 percent.

So, Mr. President, I rise in a strong appeal to the Members of the Senate to defeat this amendment, and then, as the Senator from Virginia pointed out, the House of Representatives has made a somewhat similar cut, but not exactly across the board, and the conferees from the Senate can go into conference with the conferees of the House and arrive at a much more judicious approach to the whole question.

Mr. President, I understand the appeal of voting to cut foreign aid, but we must keep our actions in perspective. The International Development Assistance Act of 1978 authorizes the appropriation of $1.8 billion—a sum which represents four-tenths of 1 percent of the fiscal year 1979 Federal budget. But let me put in another way. This bill will cost an individual citizen $6.30—I repeat, $6.30.

Mr. President, I believe that the taxpayer's $6.30 is well spent. It is a reflection of the best of our humanitarian traditions and a good investment in our future. We should reject this amendment and support an effective foreign assistance program.

Mr. President, I urge rejection of this amendment.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President I say to my friend from Hawaii that this is a judicious approach. What the Foreign Relations Committee has done is to bring to the Senate a proposal to tremendously increase the amount of money to be appropriated as compared to the amount of money that was appropriated for the current fiscal year. The bill provides for a 24-percent increase as compared to the amount that was appropriated for the current year. Dollarwise that amounts to $367 million.

This is not a meat-ax approach at all.

It merely lowers the ceiling on the amount of money that can be appropriated for this particular foreign assistance.

Let us try to visualize how much $93 million is. To pay that amount our Government requires the taxes of 120,000 families earning $10,000 a year. I would say that is not an insignificant sum.

Even if this proposal made by the Senator from Virginia is adopted, and I hope it will be adopted, there will still be a tremendous increase in the amount authorized by this legislation compared to what has been appropriated in the current year. Even if the amendment is approved, and I hope it will be approved, it would allow for a quarter billion dollars of increase over the amount approved for this current year.

I say again, the proposal brought in by the Foreign Relations Committee has a figure of 24 percent greater than the amount appropriated for these items during the current fiscal year.

I want to again read into the record an Associated Press dispatch from Tokyo, which came in on the Associated Press wire. It says that the American dollar hit a record low today. The American dollar has declined 25 percent in value against the Japanese yen in less than 10 months. The reason for that decline is the way the U.S. Congress and the U.S. Government handles its financial affairs. These smashing Government deficits year after year have driven down the purchasing power of the dollar. Every workingman and every workingwoman is being disadvantaged when this Government permits the value of the dollar to decline, as it has been declining in recent years.

There has to be a halt somewhere. There has to be some reasonable control over the continued increase in Government expenditures.

The way the Congress has been operating in the past one would think that no one has to pay for all these appropriations that the Congress makes, but there is only one place the Congress can get money.

Well, I suppose there are two places. One way is out of the pockets of the people who work. The other way is by running the printing presses. When we run the printing presses, operating on deficit financing, that stimulates inflation which eats into every housewife's grocery dollar and the paycheck of every working man and woman.

I do not think there is any justification for asking the Senate today to increase by 24 percent the foreign assistance funds as provided by this bill.

I feel my amendment is an appropriate one. I think it is a reasonable one. I feel it is one that should be approved by the Senate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SARBANES). Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I wonder if I might address a comment and a question to the Senator from Virginia, the sponsor of the amendment.

As the Senator was presenting his argument and I was listening to his presentation, the Senator made reference to the fact that there are two ways for the Government to come up with money to spend. One way was to reach into the pockets of those who work, which is clear. The second reference made was to running the printing presses, the presumption being printing money.

I understand the first but I do not understand the second. It seems to me that when we deficit finance, as we have developed the habit of doing, we actually borrow the money. We borrow it through various kinds of debt forms, but we actually go out and raise the money by borrowing, which, in turn, has to be paid back, and upon which interest is paid. But I am wondering about the reference made to the printing presses being run. I do not want people to have the idea that if we want an extra $5 million we just run the printing presses all week long until we have printed up an extra $5 million and then turn that loose because, of course, we do not do that.

Mr. HARRY F. BYRD, JR. That is approximately what we do, I will say to the Senator from Michigan. It is done in a roundabout way through the Federal Reserve's expansion of the money supply, but that is exactly what we do. We have been operating on printing press money. That is why the money has depreciated so.

Just a few years ago, and the Senator from Michigan has been to Germany, I know, many times, just as the Senator from Virginia, one dollar would buy four deutsche marks. Today one is lucky if it buys two deutsche marks because our currency has depreciated so much as a result of deficit financing and as a result of what I call printing press money.

Mr. RIEGLE. I might say to the Senator that certainly there has been a loss in terms of the value of the dollar as against the mark in recent years. If one looks over the long stretch of history, of course, we have seen a lot of downs both ways. There have been times when the German currency for various reasons has been devalued in comparison to the dollar, and vice versa. The Senator stated it correctly as to today. But I would like the Senator to explain to me how it is that we are creating printing press money. I know it is complicated but I think maybe that is just not a correct way to put it. Perhaps I am wrong.

I wonder if the Senator can explain for me how it is that we go about printing money for which there is no value or for which there is no backing.

Mr. HARRY F. BYRD, JR. That is a shorthand way of putting it, referring to it as printing press money. When the Government goes into the money market to finance its deficit spending, and the Federal Reserve Board becomes an owner of Government securities, we are increasing our money supply which has the same effect as turning the printing presses.

Mr. RIEGLE. Well, I am not sure I follow the Senator. It seems to me that what happens is, when the Federal Government ends up spending more than it takes in in a given year, it does go out and does borrow. It issues bonds and Treasury bills and issues various debt instruments in exchange for the money, and some person or some entity that has the money provides loans to the Government. Of course, all of those have to be paid back. They all have a maturity, they all have an interest rate, and they all get paid back as this debt gets rolled over.

Every dollar that is spent in behalf of the Government does have its source in one of those places. Unless the Senator can explain to me further his analysis of what takes place, I do not want to leave on the record any suggestion that there is an abliity on the part of the Government to go down in the dark of night and run the printing presses and create currency for which there is no backing whatsoever. That just is not done, is it?

Mr. HARRY F. BYRD, JR. It is not done in the dark of the night. The Federal Reserve Board continually expands the money supply.

Mr. RIEGLE. Do they not expand it and contract it? If we are going to talk about the Federal Reserve, the Federal Reserve is an independent body. I do not know that we ought to confuse the Federal Reserve with the Congress, what Congress appropriates or what Congress spends, or in carrying out the implementation of appropriation bills, what the executive branch spends. That is quite different, it seems to me, from the credit policies of the Federal Reserve System, which is an independent branch of Government. Federal Reserve policies change.

As a matter of fact, as the Senator knows, we have high interest rates at the present time, which are beginning to work some considerable hardship. Is the Senator saying, then, that the Federal Reserve System is really the organization that is, in a sense, creating this unbacked currency or this paper money?

Mr. HARRY F. BYRD, JR. The Federal Reserve System has to gear its operations to the fiscal policy of the Congress and the administration. The Federal Reserve System is called upon to expand or contract the money supply. As a general proposition, it has been expanding the money supply. It may contract it on a temporary basis, but generally, it has expanded the money supply. Interest rates are affected, of course, by deficit spending since if the Federal Reserve decides not to accommodate fiscal deficits interest rates will go up.

Mr. RIEGLE. Is the Senator saying that it is the Federal Reserve that is printing up this money that he is making reference to? Who prints it up and on whose authority?

Mr. HARRY F. BYRD, JR. The Federal Reserve determines how great a money supply shall be expanded at any particular time.

Mr. RIEGLE. I hope that we will not

give the impression to anybody that there is some mechanism by which the Federal Government is just endlessly generating unbacked currency, because my observation, I say to the Senator, is that that is not the case. One may argue that one does not like the fact that we are borrowing as much as we are or that we are going into debt to the extent that we are, but those debt instruments do represent bona fide borrowing from people. It is money that has grown out of other places, other sectors of the economy, for which interest is paid. But that is quite a different proposition than the idea that there is no backing to our currency.

The Senator is concerned about the ratio of marks to dollars in terms of the strength of German currency or western currency versus our own. If we were to set loose the notion that we are here printing up funny money, the dollar is going to be worth even less when that news gets outside this Chamber. I do not think we are doing that and I do not think the Senator means to say that.

Mr. HARRY F. BYRD, JR. The Senator is quite right: The dollar is going down all the time. It has been for a few years now. I see no indication that its slide is slackening any.

I do not know whether the Senator was in the Chamber when I read the Associated Press dispatch from Toyko which said the dollar hit a record low today—that is today—and has declined 25 percent in value against the Japanese yen in less than 10 months.

Mr. RIEGLE. I did hear the Senator say that. Let me indicate a couple of reasons why that is so.

We have a very serious trade deficit, as the Senator knows, and we are having great difficulty balancing the trade account, because we import tremendous quantities of oil, which is the single biggest factor creating a deficit for us. This is quite unrelated to the currency arguments per se which the Senator and I have just been discussing.

In addition to that, of course, the Japanese have been very effective in penetrating foreign markets, including the U.S. market, with their products. That is not just in terms of steel products, where, for example, there may be dumping going on—in other words, selling products in this market below their fair manufactured costs. That may help them sell their goods, strengthen the yen, increase our deficit, and devalue the dollar.

Mr. President, to respond to the Senator from Virginia, who has offered the amendment, with respect to our difficulties in currency differentials with Japan today, the problem that has developed with automobiles, for example, is a classic illustration of the problem that we are talking about. What I am saying is that the source of the problem is not the notion that somebody is running Government printing presses here in the United States and creating money without backing; but, rather, that the Japanese have been very effective in penetrating the American market, selling their cars in this market. Frankly, I do not know whether they are sold at full cost or not, unlike the situation that we found in certain steel products, where they have been sold here below their manufacturing costs, as a way to keep their plant and equipment and labor at work; to the harm of the United States.

I do know that what the Japanese have done is erect a whole series of nontariff barriers that act as tariff-type barriers in their country to block effectively the importation of American cars into their market.

So what has happened is that the Japanese have very skillfully penetrated our market in a measurable fashion. At the same time, they have managed to protect their home market from automobiles of American manufacture.

I only cite that example because the trade deficit, which is so crucial to our overall economic situation and these currency differentials which the Senator cited in his earlier remarks, is due much more to those kinds of specific trading problems that we face than they are to a suggestion that somehow or other we are manufacturing without backing——

Mr. HARRY F. BYRD, JR. Will the Senator yield?

Mr. RIEGLE. In just a moment.

I want to say to the Senator, I think that is not a correct way to depict a situation we face.

We have serious economic problems, the Senator and I agree on that. I have great regard for the concern he has about it, and I share his concern about it.

But what I do not want to do is leave his argument on the record that would suggest to the international community, or to people in this country, that in some way or another the Government possesses the power to produce an endless number of dollar bills that have no backing to them.

That is an incorrect assertion, and I think it would hurt the country if that kind of interpretation were left.

Of course, I yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. The Senator from Michigan, of course, interprets it the way he sees it, and that is fine.

I think the central bankers all over the world realize full well that the U.S. Government is on a totally unsound financial basis. They have been trying for quite a while to urge this Government to get back to a sounder position than it has been through the years.

But the reason I wanted the Senator to yield is, that with regard to trade, I think he mentioned a tremendously important problem.

Just this past week I had two meetings with Ambassador Strauss, who I think, incidentally, is one of the ablest and best men in Government.

At this meeting were members of the Finance Committee, along with the Japanese trade negotiators, our negotiators, Ambassador Strauss and his associates, those negotiating for Canada and for the European countries. Those of us on the Senate Finance Committee and the Trade Subcommittee of the Finance Committee who were present tried to emphasize to the representatives of other nations the deep concern of the American people about our continued and worsening balance of trade and balance of payments.

Japan is one of the great problem areas insofar as getting this trade imbalance under control.

I hope that the negotiators from the other countries took seriously the concerns expressed by the five or six Senators who were present at that luncheon meeting because I think it does represent the thinking of the country.

I happen to have been, most of my life, all of my life I suppose, one who believes in free trade. But I think we have gotten to a position in this country now where we cannot have totally free trade. There is no way we can do it. We have a high standard of living in this country and we want to continue it. But we cannot do that if our trading partners do not give adequate consideration to the problems we have here, just as we must give consideration to the problems they have in their own countries.

I do not envy the trade negotiators for any of these countries, including Ambassador Strauss and his associates. They have a very tough job. I think if anybody can make a dent in the problems that we face in the trade area, Ambassador Strauss is the one who can do it.

Mr. RIEGLE. Let me say to the Senator that the deficit that we face is real. It was at its highest level we have experienced in the last quarter. We do not have free trade. We talk about it. But we have given one example of barriers erected in Japan against the importation and the competition they might get from American automobiles where we are free to ship those into their markets, whereas we have not erected those barriers in the United States.

That is a very pointed example of why we have the currency problems we see today.

Productivity is another problem. The Japanese have done very well in that area. As a matter of fact, we have a delegation going over from the Commerce Committee within a matter of days to examine how it is the Japanese have done so well in the area of productivity in their work force. Of course, American industry has made great strides in this area as well.

Also, the Senator and I know, of course, after World War II the countries that were devastated by the war—Japan was among them, as well as Germany—have been rebuilt with the kind of modern equipment and plant capacity that enables them to be more efficient than we can be with older equipment in this country. They can roll over their own inventory of plant equipment with the most modern technology.

Mr. HARRY F. BYRD, JR. Will the Senator yield?

Mr. RIEGLE. In a moment.

But the long and short of it is, it seems to me, that this is a very constructive discussion because that is the root cause of why the dollar is weak, of our trade deficit difficulties. But that is totally separate, I might say, from any notion that somehow the American Government is taking and creating printing press money.

I think it is very important to nail this down. I do not know whether it was the Senator's intention to give that impression or not, but I got that impression, and I do not want anybody else to get that impression because I think it is false.

Mr. HARRY F. BYRD, JR. I think a great many people have that impression.

Mr. RIEGLE. I know. But I think we have an obligation to put it to rest because the Senator knows as well as I do that for the Treasury Department to be able to take and print money, there has to be backing for that money. To suggest there is not, to suggest that somehow someone can, just by waving a wand, create an endless supply of money that bears no relationship to what backs that money is really a false notion.

To suggest that that is where our problems are coming from, on the one hand, when, as we have just been discussing, we know they are coming from real trade problems, and from the oil we import at the high prices administered by OPEC, is false. That is where our difficulties come from, not the notion that somehow somebody is loose with a Government printing press, generating endless stacks of paper money that are worthless.

I hope the Senator will at least acknowledge that point so that we do not have a confusion on the record, because I do not think it serves a good purpose to have it.

Mr. HARRY F. BYRD, JR. I might say, the Senator from Michigan and the Senator from Virginia are not in thorough agreement on this particular matter.

The Government has been, over a long period of time now, spending far more than it takes in in taxes.

Mr. RIEGLE. How do we finance that?

Mr. HARRY F. BYRD, JR. As a result of that, it has been operating on deficit spending and, as a practical matter, that is printing press money.

Mr. RIEGLE. Perhaps we can pin it down. The Senator is saying that when we borrow money from somebody—say, somebody has a payroll deduction for a savings bond. They pay their money and get the savings bond. They lend the money to the Government, and the Government uses that money and it pays an interest rate. At the end of the term, that bondholder turns it back to the Government. It is a standard kind of loan operation, the same way a bank does it.

How do we make the jump from there to characterize it as printing press money? It is real money. The person who has had the deduction from the payroll actually has turned that money over to the Government, has lent it to the Government, at an interest rate.

Mr. HARRY F. BYRD, JR. As the Senator knows, the Federal Reserve is continually increasing the money supply. We have increased the money supply with some degree of frequency. The more deficit financing we do, the more we have to do that.

At one point, as the Senator knows, our money was backed by gold. It is not backed by gold any more. It is not backed by silver, as it once was. It is backed by the credibility of the Government to pay over a period of time.

The problem is in the way the Government has been handling our fiscal situation—our financial situation. The continued deficits have led inevitably—not totally, because the Senator from Michigan has pointed out other reasons—to a weakening of the dollar; and it will do so as long as we continue to pile up these huge deficits.

Mr. RIEGLE. The Senator has acknowledged, I think, that the way we pay for that deficit is to borrow the money. We do not run the printing presses. We borrow the money.

If the Senator will go to Wall Street and talk to the financial community, he will find that many people there are distressed that the Government is borrowing all that money; because when the Government borrows it, some of those people feel that it is not left there for the private investment sources that would like to use that money. But if the Government does borrow the money and uses it to pay its bills, in effect that is what is paying for the deficit.

It is not that we are running the printing presses all night and generating pieces of paper that have no value and turning around and paying people off. It is not a case of people cashing their savings bonds and getting worthless pieces of paper. That would be a suggestion that we are printing counterfeit money. I do not think that is at the heart of the Senator's argument. I believe his argument is strong enough that we do not need to put that characterization on it.

Mr. HARRY F. BYRD, JR. No one said a thing about counterfeit money. There is no counterfeit money involved at all. The Federal Reserve expands the money supply to accommodate the heavy borrowing which results from the deficit spending of the Govervent.

Mr. RIEGLE. The Federal Reserve is now a separate branch of Government, which we do not control, as the Senator knows. I think the Senator has been one of the most forceful people in arguing that the Federal Reserve not come under the control of Congress.

Mr. HARRY F. BYRD, JR. That is right. I think it would be very bad to do otherwise.

Mr. RIEGLE. But does not the Federal Reserve also operate under requirements whereby it has to back currency it makes available? It is not scot-free to give an order, in effect, to tell the Treasury Department to print more dollar bills, is it?

Mr. HARRY F. BYRD, JR. The expansion of the money supply is determined by the Federal Reserve.

Mr. RIEGLE. I know, but are they not supposed to do it in a certain fashion? They just cannot do it willy-nilly. Do they not have certain banking requirements they have to meet?

Mr. HARRY F. BYRD, JR. They expand the money supply to accommodate the amount of borrowing that is done from time to time within broad guidelines. If not, the interest rates would be higher. The Senator complained about the interest rates being terribly high.

Mr. RIEGLE. If the Senator wants to launch an attack on the Federal Reserve System because he feels they are creating more money than is justified, I think we should not confuse that argument with the argument here that is represented by this amendment, as to whether or not this amendment—and the reduction he proposes—is in some way synonymous with creating a sort of artificial kind of money in this country. I do not think it is, and I would not want to leave the suggestion on the record, unless it be clearly established.

Mr. HARRY F. BYRD, JR. In the first place, I have not attacked the Federal Reserve Board at all. I am just saying what the Federal Reserve Board has to do when we—I mean Congress and the executive branch, because we do it together—pile up huge budget deficits. That puts a burden on the Federal Reserve Board to react to it, and they react by expanding the money supply. The Federal Reserve does not operate in a vacuum.

It is interesting that the Senator from Michigan mentioned a little earlier the new plant facilities in Japan. I am not sure whether or not he mentioned Germany.

Mr. RIEGLE. Yes.

Mr. HARRY F. BYRD, JR. Japan, Germany, and Italy. Much of that was done through the foreign aid bills passed by Congress through the years.

As a result, there is another aspect. It was U.S. tax funds in many cases which built the modern plants in these foreign countries which are competing now with the United States.

I think the time has come to draw the line on uncontrolled Government spending, and I cite this bill as one evidence of uncontrolled Government spending. I do not say everyone has to agree with me. As a matter of fact, I am in a minority in my thinking on it. I say this is a part of the uncontrolled Government spending when we talk about passing a bill here today which provides for an authorization 24 percent greater than the amount we spent in this year.

Mr. RIEGEL. I say to the Senator that the assistance we have made available to countries we defeated in World War II, and which got those countries back on their feet, has changed their status. There is not question about it. They are no longer countries that are in a position where they need handouts, per se. They have been able to restore their economic vitality.

It seems to me that the bill is aimed at doing the same for these other countries. In other words, it is an effort to try to effect the same kind of economic renaissance and strengthening for the less-developed countries that are still lagging, countries that never have managed to get into the game, on the theory that if you could get somebody to a point where they are self-sufficient—if you get them off welfare, in effect—in the end, that is not only the right and the humane thing to do, but also, it makes good sense, particularly if you are economy minded, which the United States is. We are much better off if we can bring countries to the point where they can take off on their own and develop their economies and their resources—

human resources and material resources.

That is what this bill is designed to do—in other words, to bring countries along to where they can be self-sufficient, such as the others we previously helped successfully.

Mr. HARRY F. BYRD, JR. If that is what it is designed to do, in my judgment, it has not accomplished its purpose.

Mr. RIEGLE. The Senator just acknowledged that in the cases of Japan and West Germany, it did accomplish its purpose.

Mr. HARRY F. BYRD, JR. It accomplished its purpose in those two cases.

Mr. RIEGLE. Would not Korea and Taiwan be examples?

Mr. HARRY F. BYRD, JR. We are talking about two countries that were crushed by war 30 years ago.

Mr. RIEGLE. I thank the Senator for the opportunity to discuss this matter.

Mr. HARRY F. BYRD, JR. I thank the Senator from Michigan.

Mr. President, I yield to the Senator from North Carolina.

Mr. HELMS. I thank the Senator for yielding.

Mr. President, I have listened to a most remarkable lesson in economics by the Senator from Michigan, to whom I am most grateful. I must confess, however, that the able Senator has left me a little puzzled by some of his statements.

The analogy used by the Senator from Virginia—the "printing press" expression—is absolutely accurate.

In 1923, inflation in Germany was created, was it not, I ask the Senator from Virginia, because the German Government literally printed German marks without any backing? In other words, to use the Senator's analogy, the German Government distributed "'printing press" money?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. HELMS. That, of course, resulted in rampant inflation.

The Senator from Michigan is correct, in a sense, that it is not always done by printing currency. What is today happening is that our inflation is being caused by increasing the money supply. And that happens, does it not, because first the Treasury sells securities and the Federal Reserve buys them?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. HELMS. And this increases the reserves of the banks?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. HELMS. This in turn is rolled over six times when there is not a thing in the world out there backing it up?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. HELMS. That is what the Senator was saying, correctly in the judgment of the Senator from North Carolina.

Mr. HARRY F. BYRD, JR. That is what the Senator attempted to say. In other words, it expands the currency.

Mr. HELMS. This increased Federal debt means an expanded money supply. That means more money in the banks which they, in turn, lend out.

Mr. HARRY F. BYRD, JR. That increases the debt.

Mr. HELMS. Money supply is a function, in many ways of not only currency, but private and governmental debt as well. Is that correct?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. HELMS. That is the genesis of the inflation, and the Senator is absolutely correct in his description of the process of the Federal Government when he says this is printing press money.

Mr. HARRY F. BYRD, JR. That is sort of a shorthand way of saying it, I guess.

Mr. HELMS. The Senator is absolutely correct, nonetheless.

Does the Senator agree that inflation inevitably occurs when the money supply grows faster than the real output of the economy of this country?

Mr. HARRY F. BYRD, JR. That is my judgment, yes.

Mr. HELMS. When the money supply is artificially and politically manipulated, is it not true that the money supply always is expanded when the deficit is growing? Is that not a political fact of life—and an argument against manipulation?

Mr. HARRY F. BYRD, JR. Yes.

Mr. HELMS. And gasoline is thrown on the fire because we feel we have to offset high short-term interest rates politically, with some action that will satisfy the concerns of the American people. The Federal Reserve buys Treasury securities and increases the money supply. We have run out the string now. We have a deadly inflation that reflects itself in so many ways, including proposition 13 out in California. Does the Senator agree with that?

Mr. HARRY F. BYRD, JR. Absolutely. When Congress continually spends beyond the money it takes in, then that creates the inflation.

Mr. HELMS. Let me ask the Senator: Let us suppose that the Federal Government had a constitutional requirement for a balanced budget. Does the Senator believe that much of our inflationary woes would be behind us?

Mr. HARRY F. BYRD, JR. I certainly think so. It is what Congress does. It is the vast sums that we spend. It has to be paid for, and it has to be paid for in some way. The normal way to pay for it is to pay for it through taxation, and the American people are heavily taxed in direct taxes. But we are not paying for all of it. We are only paying for part of it.

Mr. HELMS. And passing it on to whom?

Mr. HARRY F. BYRD, JR. We are passing it on to subsequent generations.

Mr. HELMS. Of course we are.

Mr. HARRY F. BYRD, JR. We are mortgaging the young people. The young people are the ones who should be most concerned about Government finance today because it is the young people who are going to pay for this as the years go by.

Mr. HELMS. The Senator is absolutely correct.

Of course, this economic discussion began as a result of the distinguished Senator's reference to the $231 billion that had been given to foreign countries and taken from the American taxpayers. At the time the Senator referred to the $231 billion total, did the Senator mention the interest on this money?

Mr. HARRY F. BYRD, JR. That figure I do not believe includes the interest charges, which are very great.

Mr. HELMS. That is correct. It does not. And my computations indicate that on top of the $231 billion the American taxpayers have been soaked for at least another $70 billion in interest. The Senator is aware that all of this money, or virtually all of it, has been borrowed money. He has eloquently made that point on scores of occasions. It has been spent for foreign aid in years when the Federal Government was running a deficit.

Mr. HARRY F. BYRD, JR. And our Government is borrowing that money at very high interest rates.

Mr. HELMS. The able Senator is correct.

Mr. HARRY F. BYRD, JR. And either giving it away or loaning it at 1, 2, 3, 4, or 5 percent interest.

Mr. HELMS. The Senator is again absolutely correct. So, assume an added $70 billion figure for interest on this $231 billion total. We are talking about a total of $300 billion of the taxpayers' money that has, in effect, been shipped overseas. That is equivalent to almost half of the Federal debt today, which is nearly three-quarters of a trillion dollars.

Mr. HARRY F. BYRD, JR. It is almost half.

Mr. HELMS. The Senator has mentioned on several occasions this year the interest on the Federal debt will cost the American taxpayers $50 to $55 billion.

Mr. HARRY F. BYRD, JR. $55 billion.

Mr. HELMS. $55 billion to pay the interest on the money appropriated by Congress and spent by the bureaucracy in excess of income of the Federal Government.

Mr. HARRY F. BYRD, JR. The Senator from North Carolina and the Senator from Virginia frequently hear our colleagues in Congress, in the House of of Representatives and Senate, say, "Don't worry about the debt, don't worry about the deficit; just add it to the debt, just add it to the debt." The problem with that, No. 1, is inflation occurs when you do that; No. 2, that discounts the interest charges. There is $55 billion in this budget that does not buy any health plans for the American people, does not buy any weapons for our military forces, does not make any welfare payments to our poor people, and does not give any education benefits to the people of this country. It goes to pay the interest charges to the bondholders.

Mr. HELMS. The Senator remembers that in, I think it was 1963 or 1964, the then-sitting President of the United States realized that for the first time in history the Federal budget would exceed $100 billion. That President, Lyndon B. Johnson, was virtually climbing the wall because he did not want to be the sitting

President when the Federal budget for the first time in history exceeded $100 billion. Here we have the situation today where $55 billion is being spent in 1 year alone just to pay the interest on the money appropriated and spent in excess of income of the Federal Government. Does the Senator know of any business in the United States that could survive with such practices as this?

Mr. HARRY F. BYRD, JR. No way. I am beginning to wonder whether the United States itself can survive if this policy continues much longer, but fortunately I think the people of this country are beginning to see——

Mr. HELMS. No question about it.

Mr. HARRY F. BYRD, JR. (continuing). What some of us in Congress are not willing to see, namely, that someone has to pay for it. Sooner or later there has to be some control over this continued increase in the cost of Government. I think what happened in California—and I am not a Californian, of course, and I do not know the situation first hand in California—is that that reaction of the voters of California was directed as much at Washington, D.C., as it was to the situation in their own State of California. I think the people have begun to understand that we have too much government, we have too much spending, and we have too much control over the lives of the American people, and they want to see that either reversed or at least slowed down.

Mr. HELMS. I will say one thing additionally. The young people of this country are becoming aware the situation that exists with respect to Government spending and Government debt, and how it affects their futures. Seldom a day passes that I do not have a group of young people, or several of them, come to visit with me. They express deep concern, for example, about the social security system.

While the Senator was engaged in his colloquy with the distinguished Senator from Michigan (Mr. RIEGLE), Senator RIEGLE stated that the social security system is in sound shape. He might want to take a close look at the social security trust fund—and I am inclined to put quotation marks around "trust fund," because the social security trust fund largely consists of a bunch of IOU's. In other words, the money paid into the social security system is spent for current benefits or lent to the Federal Government for general administrative purposes, and all that is in the social security trust fund is not enough to pay 1 year's worth of benefits. What remains is mostly a collection of IOU's.

Mr. HARRY F. BYRD, JR. Yes and no. I want to say that I think that it would be a great mistake to attempt to finance social security out of general revenues.

Mr. HELMS. The Senator from North Carolina agrees absolutely.

Mr. HARRY F. BYRD, JR. I think it is very important to maintain the integrity of the social security trust funds. But the point the Senator from North Carolina is making is that those social security trust funds, while they are segregated, still are in the position where the excesses of the general fund operation can affect the purchasing power of the social security dollar.

I mentioned printing-press money earlier in the discussion. When the question came before the Committee on Finance as to whether we would atttempt, last year, to shift some of the burden of the social security system to the general fund, that probably would have been done except for the determination of the chairman of the committee, the Senator from Louisiana (Mr. LONG).

He pointed out so rightfully that the general fund has no money. It is greatly in deficit. He said it would be a great mistake to finance social security payments with printing-press money because he recognized that that is the only way, if you do not have adequate income from taxes, you have to get the money from some place, and you do that by expanding the money supply, which tends over a period of time to depreciate the value of the dollar.

It is a little off the question, but I did want to point out the view taken by the chairman of the Committee on Finance in regard to the social security trust fund.

I find that the social security program is more important to more people than any other Government program.

Mr. HELMS. It is a contract, in effect, with the retired people, indeed all citizens who have participated in the system.

Mr. HARRY F. BYRD, JR. It is a contract with the people, and I find in talking with the young people they are very greatly concerned as to whether there will be any money to pay them when they retire.

Mr. HELMS. Precisely.

Mr. HARRY F. BYRD, JR. I think those of us in Government have a deep obligation to see that we maintain a sound social security system so that when the people reach retirement age there will be adequate funds to protect them in their old age.

But the more we operate on a deficit financing policy, the more it deteriorates the value of the dollar in the fund from which they will be paid at a later date when they become eligible.

Mr. HELMS. Mr. President, I thank the able Senator from Virginia for his patience and for his courtesy to me. I have enjoyed the colloquy, and I want to commend him again for his candor in discussing the financial condition of this Government vis-a-vis foreign aid, and vis-a-vis various other aspects. I assure him that I share his view. I believe the Senator from Virginia is in a position to document every word he has said, including his suggestion that we have a printing-press economy in terms of the production of inflationary money.

I commend the Senator, and I would like to be made a cosponsor of his amendment.

Mr. HARRY F. BYRD, JR. I am grateful to the Senator from North Carolina for this great discussion today, and I appreciate it.

I ask unanimous consent that the Senator from Arizona (Mr. DECONCINI) and the Senator from North Carolina (Mr. HELMS) be made cosponsors of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Senator from South Carolina (Mr. THURMOND) be named as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered, and the Senator from South Carolina (Mr. THURMOND) will be added as a cosponsor.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Senator from Alabama (Mrs. ALLEN) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Senator.

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1348

Mr. DECONCINI. Mr. President, I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The second assistant legislative clerk read as follows:

The Senator from Arizona (Mr. DECONCINI) for himself and Mr. HARRY F. BYRD, JR., proposes an unprinted amendment numbered 1348:

On page 37, line 4, after "$290,150,000" add a comma and the following: "none of which shall be expended for contributions to the United Nations University".

Mr. DECONCINI. Mr. President, at the urging of a number of officials connected with the U.N. and the State Department, I agreed to review my position with respect to the United Nations University. I was glad to do so, because mistakes, misunderstandings, and misperceptions are always possible.

That reassessment, which involved lengthy discussions with several knowledgeable individuals, is now complete. I am bound to say that the additional information I have received, while it increases my respect for the competence and good intentions of UNU's supporters, in no way changes my initial evaluation of the request for UNU. I must still oppose investing our scarce foreign assistance resources in such an enterprise. Indeed, the more I have learned about UNU's program and purposes, the more concerned I have become about the priorities of those who recommend that it be funded year after year.

Let me briefly review some of the considerations which have led me to oppose a U.S. contribution to UNU.

Last year, in a letter to the full Appropriations Committee, I pointed out that:

The literature of the social sciences is replete with study after study of the cultural, spiritual, economic, technical psychological and historical dimensions of development and modernization. . . . it seems

unlikely, therefore, that UNU would make more than an exceedingly marginal contribution to the scope and depth of our understanding of developmental problems.

Take, for instance, the following description of a UNU project under the auspices of the human or social development program: (Underlined material, page 29 of booklet) this resembles nothing quite so much as a syllabus for an advanced graduate seminar in any university in this country.

Furthermore, an analysis of this year's foreign assistance request shows that a number of programs already provide funding for research on developmental issues and thus duplicate areas which UNU claims special jurisdiction.

A good example can be found in the area of agricultural policy. The supporters of UNU suggest that the institution will provide funds for research on programs dedicated to the post-harvest conservation of food.

Yet, S. 3074 actually authorizes $3 million for such activities in a separate program account. Moreover, the FAO has asked for another $10 million for a program aimed at attaining a significant reduction in post-harvest food loss. According to the FAO itself, the technology is at hand to reduce these losses significantly. The problem is one of providing information and financing.

There are numerous other places in S. 3074 where research of a specific, goal oriented, kind is supported: In the provision for an international research and training institute for the advancement of women; in the provision authorizing $1 million for a world assembly on aging. The U.N. Environment Program (UNEP) also promotes research programs designed to foster sound management of marine resources, while the U.N. Institute for Training and Research (UNITAR) conducts research efforts designed to promote economic and social development.

Again, the OAS special multilateral fund has as one of its goals "the improvement of research capabilities to develop an indigenous Latin American technology in the basic and applied sciences."

While UNU claims to have research programs in three basic areas—world hunger, human and social development, and the use and management of natural resources—it can be seen from the above examples that other U.N. programs fund research in these very same policy domains. Thus, it is quite obvious that there is a considerable amount of unnecessary duplication and this poses an extra financial burden for the American taxpayer.

It should also be noted that the above accounting leaves aside the very extensive bilateral activities of a similar kind our own country carries out in less developed countries.

Finally, it is all too apparent that, disclaimers to the contrary notwithstanding, UNU in fact represents another overlay on an already overblown and poorly integrated bureaucracy. In this connection, it is instructive to note that the institution seeks to establish liaison with the U.N. agencies whose programs and jurisdiction overlap its own. Yet the upstart is inevitably further bureaucratization.

For these reasons, Mr. President, I feel compelled once again to oppose a U.S. contribution to UNU. The times are simply not propitious for the launching of yet another research institute, however lofty its aspirations. In light of prevailing economic circumstances, the American people rightfully expect us to be as parsimonious as possible with their hard earned dollars, especially in the foreign aid area. Now is not the time to be undertaking new programs in the foreign assistance budget, particularly where the connection between the activities of the proposed institute and the lives of the poor majority is so indefinite.

● Mr. MARK O. HATFIELD. Mr. President, I rise in opposition to any effort to strike funds for the United Nations University. The United Nations University is composed of networks of collaboration of scholars and scientists, now from more than 40 countries, whose work on common problems is planned and coordinated from a small headquarters in Tokyo. The university is in fact a coordinated worldwide network of scholars and scientists. It is distinctive in three principal respects: First, in the range of knowledge and experience shared on each problem; second, the encouragement of interdisciplinary work to insure that problems are examined comprehensively; third, the blend of research and advanced training resources of both industrialized and developing countries.

The university, of course, is not a Japanese institution. It is an international nonpolitical enterprise in every respect involving the funds, the talents, and the intellectual output of many nations. It is headed by Dr. James M. Hester, an American educator and administrator, a man of sound judgment and leadership in shaping the direction of its program activities.

Since this proposal has also suffered in that many have misunderstood its nature, I would like to try to clarify what the UNU is and what it is not. The UNU was created to meet the need in the U.N. system for mobilizing research and advanced training institutions which are addressing pressing problems of global significance to collaborate in their efforts. It is not a traditional university and is not organized as an intergovernmental organization. It works with the specialized agencies of the U.N. to complement their programs.

The university operates with a small staff at the University Center in Tokyo who plan and coordinate programs. The programs are actually implemented by affiliated academic and research institutions on a worldwide basis. Most of the university's endowment income underwrites advanced training fellowships, multidisciplinary research projects, the dissemination of practical results of research. It also provides a nonpolitical forum for the sharing of ideas and facilitates the collaboration of research efforts. The endowment concept of funding, its autonomy within the U.N. system and its guarantee of academic freedom enable the UNU to implement programs with the high degree of objectivity that is characteristic of our own universities.

United States failure to contribute would:

Set back seriously the long-term effort to coordinate and promote collaboration in international research efforts directly beneficial in the long-term to developing countries.

Almost certainly deter other major donors who have indicated willingness to support UNU but who await solid evidence of U.S. support.

Be seen by the Japanese and the international community as a U.S. rejection of their first multilateral initiative.

Undermine our encouragement of greater Japanese participation and support for multilateral cooperation and burden sharing, at a time when they are increasing their effort in this regard.

Mr. President, I would here like to include in my remarks a list of programs that are currently underway at the university with a brief description of each.

WORLD HUNGER

Filling important gaps in knowledge about nutritional requirements in the tropics so food planning can be based on an accurate assessment of actual needs;

Developing and disseminating knowledge about techniques to avoid the existing huge (up to 40 percent) losses of food after harvest in developing countries. Individuals and institutions from 16 countries in Africa, Asia, Europe, and North and South America participate in this program.

HUMAN AND SOCIAL DEVELOPMENT

Evaluating development strategies to increase their effectiveness;

Examining potential for the transfer of traditional technologies between developing countries as well as technologies from industrialized countries.

Individuals and institutions in 12 industrialized and 20 developing countries are participating.

USE AND MANAGEMENT OF NATURAL RESOURCES

Development of inexpensive applications of solar energy technology for rural communities;

Analyzing failure to apply existing knowledge to improve productivity of vast areas of arid lands.

Institutions and individuals in 42 nations are participating.

Mr. President, pledges and contributions to the endowment fund total almost $126 million. Other than Japan, which has pledged $100 million and paid $70 million, most of the contributions come from developing countries, such as Venezuela, Saudi Arabia, Ghana, Senegal, and Sudan. The current annual income of about $6 million is supporting work on a modest scale.

The UNU is seeking an annual endowment income of $30 to $40 million from a fund of $500 million. Some of the principal nations of Western Europe and North America are awaiting a lead from us before making contributions of their own.

While the United States has supported the development of the UNU in principle, the administration places a high priority upon the need for making a contribu-

tion. Congressional action is required. The $7.5 million requested would amount to 9 percent of the total contribution of $76.4 million made so far to the U.N. University endowment fund and 6 percent of the total pledged, $124.3 million.

What is involved in the UNU is an international endeavor which will be as much to our national advantage as to that of other nations. While there is no rule that says we must contribute to every voluntary program, it is to our advantage to participate in worthy enterprises dedicated to peaceful progress and international well-being, and the UNU can become one of the best.●

The PRESIDING OFFICER. The question is then on agreeing to the amendment of the Senator from Arizona.

Mr. CASE. This does not change the figure?

Mr. DECONCINI. This does not change the figure. I will read it again. It says:

On page 37, line 4, after "$290,150,000" add a comma and the following: "none of which shall be expended for contributions to the United Nations University."

Mr. CASE. I have discussed this with the chairman of our committee, and it is our feeling that probably it would be a good idea for the managers of the bill to make the amendment to conference as was suggested.

Mr. DECONCINI. I thank the distinguished Senator.

Mr. President, I ask unanimous consent that the distinguished Senator from North Carolina be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona.

The amendment was agreed to.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. HARRY F. BYRD, JR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BELLMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Oklahoma.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. BELLMON. I am very happy to yield to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays on passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BELLMON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 1349

(Purpose: To provide for the consideration of the impact of foreign aid on U.S. employment)

Mr. HELMS. Mr. President, I send to the desk an unprinted amendment, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from North Carolina.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 1349:

At the appropriate place in the bill, insert the following: The Secretary shall implement such regulations and procedures so as to assure that before any loan, grant, credit, or other utilization of funds—

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . The Secretary shall implement such regulations and procedures so as to assure that before any loan, grant, credit, or other utilization of funds authorized to be appropriated in this Act, full consideration is given to the extent to which loan, grant, credit or other utilization is likely to have an adverse effect on industries, including agriculture, and employment in the United States, either by reducing demand for goods produced in the United States or by increasing imports to the United States. To carry out the purposes of this Act, the Secretary shall request as part of the annual report as required in Sec. 634 and the United States International Trade Commission shall furnish, a report assessing the impact of such loans or other financial or technical assistance on industries and employment in the United States.

The report shall include an assessment of previous grants, loans, credits or other utilization of funds and provide recommendations concerning general areas of assistance which may adversely affect domestic industries, including agriculture, and employment.

Mr. HELMS. Mr. President, this amendment would direct the Agency for International Development to report on whether the assistance programs will have the effect of subsidizing competition with industries and with agriculture in the United States.

I have no objection to competition with American industries or agriculture when that competition is fair. I do not think it is fair, however, when we find that some foreign operator can get capital at 1 percent a year, or free capital, for that matter, and American firms must pay 10 percent. I do not think it is fair competition when the farmers in the United States must bear high borrowing costs, and then pay taxes to finance the AID so that some foreign farmer can have low cost or even no-cost capital to compete against the American farmer.

If there is an economic reason for some nation to set up an industry that might put Americans out of jobs, then capital for that industry should be raised in the private market, at market rates, without U.S. money or U.S. guarantees.

Mr. President, I ask that my colleagues put themselves in the position of a woman who has worked in a textile or apparel factory all of her life. This woman of whom I am thinking has dutifully paid her taxes every year, and some of her tax money has gone to support the Agency for International Development.

Unbeknownst to her, the AID official approves a loan at a 1-percent interest rate for a clothing factory in some foreign nation. Because of the cheap capital and dirt cheap wages, a flood of inexpensive imports begins to flow into the United States. As a direct result, the company this woman has worked for finds itself unable to sell its goods. It must lay off workers, and our lady is one of the casualties.

Now this may not be the typical case, and I hope it is not. I do think, however, that we should never say that the Congress of the United States approved legislation that taxed people to pay for programs that were the cause of eliminating taxpayers' jobs.

That is all my amendment seeks to accomplish.

My amendment would simply require the U.S. Secretary of State obtain an annual report from the Federal agency with the responsibility of making such determination—the International Trade Commission—to help them decide on individual projects accordingly.

Now, some would point out that the Labor Department administers a program which would provide assistance to our unemployed seamstress and her fellow workers. Indeed, the President has requested trade adjustment assistance to the tune of $190 million for this fiscal year. That is a great deal of money to help a large number of workers.

But it is ironic that today we are being asked to cough up $1.8 billion for projects which might in fact contribute to the unemployment of American workers. If American workers are going to wind up being put out of their jobs, because this Congress makes the mistake of allowing vast amounts of cheap imports into our country, at the very least, let us make sure that those imports are not subsidized by the American taxpayer.

Mr. President, I urge adoption of the amendment.

Mr. CASE. Mr. President, we have had discussions with the Senator from North Carolina about this matter. The purpose is one that we always agree with. Now the mechanics have been worked out in such a fashion that everybody has been satisfied. I am very happy indeed to accept his amendment.

Mr. HELMS. I thank the distinguished Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CASE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

AMENDMENT NO. 2450

(Purpose: Requires the President to report on steps taken to establish an African Development Foundation)

Mr. CASE. Mr. President, on behalf of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Minnesota (Mrs. HUMPHREY), I call up their amendment No. 2450 and ask for its immediate consideration.

The PRESIDING OFFICER. Without amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. CASE), for Mr. KENNEDY and Mrs. HUMPHREY, proposes amendment No. 2450.

Mr. CASE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place in the bill, insert the following new section:

SEC. . AFRICAN DEVELOPMENT FOUNDATION.—(a) The Congress declares that the United States should place higher priority on the formulation and implementation of policies and programs to enable the people of African nations to develop their potential, fulfill their aspirations, and enjoy better, more productive lives. In furtherance of these objectives, the Congress finds that additional support is needed for community-based self-help activities in Africa.

(b) The Congress determines that an African Development Foundation, organized to further the purposes set forth in section 123 of this Act, can complement current United States development programs in Africa. The Congress therefore directs the President to report to the Congress not later than February 1, 1979, on steps he has taken to review proposals to establish an African Development Foundation, and to submit thereafter legislation needed to establish such a foundation.

Mr. CASE. Mr. President, this is a useful concept which has been tested in Latin America by the Inter-American Foundation. There is great scope in Africa for small-scale, community organized self-help programs, and many African governments and organizations strongly encourage such programs. An African Development Foundation could be an important complement to our normal AID programs, especially as it could deal more readily with smaller, locally generated activities that tend to be overlooked by AID. The amendment asks for a report to Congress by February 1, 1979, on the steps the President has taken to review proposals to establish an African Development Foundation. This permits ample congressional consultation based upon the report submitted.

Mr. President, I have a statement that Mrs. HUMPHREY has submitted which I ask to be placed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY MRS. HUMPHREY ON THE AFRICAN DEVELOPMENT FOUNDATION

I am pleased to join Senator Kennedy today in sponsoring an amendment which directs the President to review proposals to establish an African Development Foundation.

The African continent presently is undergoing a crisis of unprecedented proportions. Almost daily, our attention is directed from one political or economic problem to another. While surely the current turmoil in Ethiopia, Angola, Zaire, Rhodesia, Namibia, South Africa, and other countries is attributable to a wide array of factors, a common theme links many of the ongoing conflicts—an effort to bring into being societies that genuinely reflect indigenous African culture. The quest by Africans for independence from the legacy of colonialism, minority rule, or even rule of other Africans originates in an understandable desire to preserve and nurture the authentic heritage of their own people.

As the Africans confront the current turmoil, U.S. policymakers grapple with the question of how we can best assist the countries of Africa. How can we accelerate positive reforms? How can we use our influence in a positive fashion to help resolve the pressing socio-economic problems that are at the root of the current conflict? How can we help give life to the dream of many African leaders to create equitable and modernizing societies that reflect the indigenous values of their own people?

If past foreign policy experience has taught us anything it is that ever increasing amounts of U.S. resources cannot create for others a replica of the democratic and modernizing society that we have attempted to create for ourselves. Only Africans can do this for themselves. Our best hope for promoting these ideals lies in responding to indigenous development initiatives that are consistent with our own values. It is for this purpose that the African Development Foundation is to be established.

The principal purposes of the proposed Foundation are, through loans and grants:

(1) to support self-help initiatives designed to enlarge the opportunities for individual and community development;

(2) to stimulate and assist effective and expanding participation of Africans in their own development process;

(3) to encourage the establishment and growth of indigenous institutions which can respond to the requirements of the poor in Africa;

(4) to improve the quality of life for all Africans.

The legislation further specifies that these purposes shall be carried out in cooperation with and in response to indigenous organizations representative of the needs and aspirations of the poor in Africa.

There are three features of this legislation that would make it an invaluable complement to our existing bilateral aid program.

(1) The African Development Foundation represents a concrete response to the development concepts stressed in the "New Directions" reforms of 1973 and 1975.

The "New Directions" reforms came about in reaction to popular disenchantment with the increasingly dubious directions of our aid program. By the late Sixties, ample evidence made it clear that M.S. foreign aid, for the most part, had failed to produce the significant impact on the lives of the poor that we had hoped for. The prevailing assumption that had governed our aid program since its inception—that U.S. aid should be used to accelerate economic growth rates in developing countries, a process which would eventually improve socio-economic conditions for all—was seriously being re-examined. Such questions were being raised in light of substantial evidence from the field which suggested that, in many developing countries, the rich were getting richer and the poor were getting poorer, by both absolute and relative standards. In short, the pursuit of rapid economic growth to the exclusion of other considerations was producing development for the rich and underdevelopment for the poor. While such trends, admittedly, were the product of a wide array of socio-economic forces in developing countries and not the result of foreign aid per se, it was clear, nevertheless, that a new, more effective approach was needed for foreign aid—an approach that would attempt to close the gap between rich and poor of the world, and as important, of the developing countries themselves.

In light of these considerations, the Congress in 1973 undertook a serious effort to reform our bilateral aid program to promote "equitable development". In amending the Foreign Assistance Act of 1961, the Congress mandated that, to the maximum extent possible, U.S. aid should benefit directly the poor majority in developing countries. Moreover, it was to be administered in accordance with development strategies that emphasize four key concepts. These concepts include:

Participation: U.S. aid should be furnished in a way that would "increase substantially the participation of the poor in the development process."

Self-Help: U.S. aid should focus on countries and activities which "provide opportunities for the poor to better their lives through their own effort."

Community and Rural Development: U.S. aid should "expand the poor's access to the economy through services and institutions at the local level and . . . by spreading productive investment and services out from major cities to small towns and outlying rural areas."

Small-scale Production: Greatest emphasis should be placed on "countries and activities which increase labor-intensive production."

Participation, Self-Help, Community and Rural Development, and Small-scale Production methods are key concepts of the New Directions Reform. They are key development concepts of the African Development Foundation as well.

Five years have elapsed since the initial 1973 reforms, and yet few concrete steps have been taken to create institutions specifically designed to promote these concepts. The African Development Foundation would help fill this need.

(2) The philosophical approach of the African Development Foundation would be especially suited to Africa.

The philosophical approach of the African Development Foundation would be especially suited to Africa for the following reasons:

AFRICAN INFRASTRUCTURE

African economic and technological infrastructure—roads, factories, dams, power plants, etc.—remains the least developed in the Third World. For the time being, at least, Africa is extremely dependent upon its human resources. Yet such dependency can become developed into an asset. Time and experience have proven that equitable development strategies depend upon using and enhancing human resources—especially at the grass roots level.

For example, the relative economic success of Taiwan was fueled in the Fifties by the country's small farmers working small, individual plots of land. In the space of a few years, Taiwan achieved the highest increase per unit of food grain production in the world. Taiwan is unique among developing countries in that it has consistently had low to non-existent unemployment rates and the

incomes of both rich and poor have increased steadily over the years. This is not to say that problems do not exist, but most development observers would agree that the key to the country's relative economic success was its recognition early on of the important contribution of the country's human resources—its small farmers.

Countries like Brazil, on the other hand, that have given relatively less emphasis to the human resource potential of their populations and that have relied primarily upon capital-intensive, high technology production methods have exceedingly high unemployment rates and are prime examples of countries in which the rich appear to be getting richer while the poor are not getting ahead.

Successful, equitable development requires the input, the training and the participation of all, both small farmer and land owner, both rich and poor. At this time, many African countries have not yet made the fateful choice of a high technology, capital-intensive route to development. Accordingly, the African Development Foundation would enhance Africa's human resource potential in an effort to ensure that a decade hence, students of development will not point to Africa as a prime example of development in which the poor have been left behind.

AFRICAN SOCIAL STRUCTURE

The development approach of the African Development Foundation is especially appropriate to traditional African social structure.

The purpose of the Foundation is to assist, through loans and grants, self-help initiatives undertaken by the African people, themselves. While it is impossible to discuss thoroughly at this time the question as to why African social structure is amenable to this approach, I would like to note that according to many observers of African societies, African peoples have traditionally formed a variety of self-help, mutual aid and voluntary organizations to further their economic interests. According to observers such as Hans Seibel, author of *Traditional Organizations and Economic Development: Studies of Indigenous Cooperatives in Liberia*, published by Praeger in 1974,

"There are a multitude of indigenous formal and informal organizations all over Africa, often of ancient origin. Many of these organizations are rural cooperative societies, although, they are not registered as such under some cooperatives societies act. Not only have they survived the coming of a market economy, and a capitalist mode of production but within their limited scope, they even have successfully adjusted to social and economic change and have begun to transform agriculture. Furthermore, they have spread to the new urban centers where they have generated a multitude of new types of voluntary organizations."

The attached bibliography on such organizations in Africa should give the interested reader an elementary idea, at least, of the scope and prevalence of such organizations in Africa.

In addition to the more traditional organizations noted above, it should also be pointed out that modern, self-help organizations have also come into being in recent years.

Information from the Credit Union National Association, Inc., indicates that at the end of 1977, there were approximately 9,900 savings and credit cooperative societies (credit unions) in 21 African countries with a total membership of 1.1 million. As the majority of the members of the credit unions are farmers, many of the loans made by the credit unions were for the purchase of agricultural inputs, supplies and equipment. Two other points should be made: 1) the savings and credit cooperative societies are wholly African owned and managed instruments of development; and, 2) external assistance for these organizations will be needed for some time if the savings movement is to realize its full potential. All of these organizations are prime examples of the kind of indigenous African organizations that might be assisted by the African Development Foundation. The full text of the Credit Union National Association's letter is attached.

DEMOGRAPHIC AND LABOR FORCE STRUCTURE

In Africa, women are the backbone of agricultural production and distribution. In Sub-Saharan Africa, for example, women perform up to 80 percent of all farming and are almost totally responsible for subsistence food production. Yet African women occupy only 15 percent of the places in African agricultural training institutions.

A recent study of rural women in developing countries, Women in Rural Development by Donald R. Mickelvait and others, concluded that, for the four African countries studied, Ghana, Kenya, Lesotho and Nigeria, "Women take part equally with men in basic agricultural production. Despite this fact, external development projects designed to transfer technology to rural people seldom incorporate women as participants."

The African Development Foundation would be especially suited to assisting rural African women because women's enterprises are usually small, local and private in scope. Support for their activities usually entails extreme low levels of funding—an approach difficult if not impossible for bilateral aid agencies which usually work through governments, rather than private organizations, and which usually fund larger, more costly projects.

In sum, poor women in African are heavily involved in agricultural production yet have extremely limited access to training and credit. In view of the congressional mandate to administer aid with a view toward integrating women into the economies of developing countries (the Percy amendment), it makes sense to establish new institutions where needed that can implement these directives most effectively.

(3) Finally, the African Development Foundation would be a unique institution whose goals and purpose would not replicate but complement the efforts of other bilateral aid agencies.

Most U.S. bilateral aid is allocated to host country, government-sponsored development projects. In Latin America, the Inter-American Foundation represents the exception to this rule. At present, there is no official U.S. entity for Africa currently providing assistance specifically for community level, self-directed development. Throughout the period of discussion on the African Development Foundation bill, introduced in the House and Senate last year, the Agency for International Development never raised the issue of such an institution duplicating its own development assistance efforts.

Nor would the African Development Foundation duplicate the efforts of American private voluntary organizations (PVOs), which cover a wide range of activities in developing countries.

Clearly, the African Development Foundation, by concentrating on assisting self-help, community development projects initiated by Africans themselves, would complement the efforts of both our bilateral aid agencies and American private voluntary organizations.

The amendment Senator Kennedy and I are proposing today would direct the President to study the House and Senate legislative proposals for an African Development Foundation and to report to the Congress no later than February 1, 1979, on steps he has taken to review such proposals. It is my hope that the African Development Foundation proposals would be favorably considered by the President during the course of the reorganizational review. Ideally, the African Development Foundation would be similar in philosophy, concept and purpose to the Inter-American Foundation and the Inter-American Foundation experience should be studied carefully by the Executive Branch prior to the submission of executive legislation establishing the African Development Foundation. The African Development Foundation could be located within the proposed International Development Institute, yet would be an autonomous unit with its own governing board.

Equitable development policies are based upon the premise that the most important components of the development process are the intangibles—the slow but steady shift in attitudes, values and perceptions about the world and one's relation to it, about one's fate and the power to change it. The heart of the development process is the realization by poor people that—through participation, initiative, organization and learning—they can change their lives. They no longer need to rely completely on the politician, the landowner or the development technician to determine their future. They are capable of becoming self-sufficient through their own energy and ability.

Such notions were critically important in our own history and in my view, are critically important in the developing world as well. The African Development Foundation could play an invaluable role in support of these concepts in Africa.

Mr. President, I ask that a letter to my office from the Credit Union National Association and a bibliography of books and articles on voluntary associations in Africa be printed in the RECORD.

The material follows:

CREDIT UNION NATIONAL ASSOCIATION, INC.,
Washington, D.C., April 28, 1978.

Ms. MAUREEN NORTON,
Office of Senator Humphrey, Dirksen Senate Office Building, Washington, D.C.

DEAR MS. NORTON: I very much enjoyed talking with you last week about the African Development Foundation. Over the past few days I have been gathering information related to your questions on African directed and managed development organizations and the need for assistance to these organizations to stimulate private, grass roots development efforts. At this time let me give you some information on one such institution: the savings and credit cooperative society. I am collecting information on other types of non-governmental development organizations and will give that information to you as soon as possible.

At the end of 1977, there were approximately 9,900 savings and credit cooperative societies (credit unions) in 21 African Countries with a total membership of 1.1 million. These societies are non-profit and member-owned, with each member having one vote. The societies are usually managed and operated by volunteers, although larger societies may hire full or part time managers.

The purpose of these societies is to offer a safe place to save and make low cost loans to their members for providential and productive purposes. In 1977 the total movement savings in Africa reached $80 million and loans to members came to about $55 million. As the majority of the members of societies are farmers, many of the loans were for the purchase of agricultural inputs, supplies and equipment.

In at least 21 of the African countries, national organizations of savings and credit cooperative societies have been formed to assist with the further development of existing societies and the promotion of new societies through training programs in management, accounting, bookeeping, savings mobilization, loan extension, insurance and risk management, and other essential processes related to the operation of a society.

National associations usually employ a manager, accountant, and field workers/trainers.

Twenty-one national associations are affiliated with the African Cooperative Savings and Credit Association (ACOSCA) which is headquartered in Nairobi, ACOSCA provides many services to its affiliates, the most important being training of national association officials.

Let me not bother you with more details on the structure, purpose, philosophy, etc., of the savings and credit society movement in Africa; if you wish I can provide a more comprehensive statement on the movement at a later time. I think the important point to be noted about the societies is that they are African owned and managed instruments of development. They mobilize local savings and make funds available for development purposes in their communities through low cost loans to their members.

As to the question of need for assistance to these organizations I can answer in the affirmative. The growth and development of existing savings and credit cooperative societies and the promotion of new societies is dependent upon the capability of the national associations to provide development services to these groups. Unfortunately, most national associations do not have the technical or financial capability at this time to provide the services that would stimulate more rapid development at the local society level. Most associations are hampered by the lack of sufficient operating capital to hire the needed technical staff. In recent years private and governmental donors have assisted many of these associations, thus increasing their capabilities. However, institution-building at both the local and national levels is a long-term process and although we know that through careful planning the national associations in Africa can achieve financial and technical self-sufficiency, most can not expect to do so within the next ten years. Hence, external assistance will be needed for some time to come if the movement in Africa is to realize its full potential.

Finally, let me respond to one other point you brought up in our conversation and that is the role of women in savings and credit cooperative societies. There are some instances where societies have only women as members. The Port Loko Women's Thrift and Credit Cooperative Society in Sierra Leone is one example. In the vast majority of cases, however, membership is open to both men and women and the "common bond" of a society is the town, rural community, parish, or employee group. I do not have statistics on the number of women members of societies in Africa but I can say that women are well represented in the African movement. My guess is that in Sierra Lone and in the Cameroon, for example, women make up more than 25% of the membership and in Lesotho they constitute about 80% of the membership. Women serve on local society boards and committees, the boards of national associations and in some countries are employed as technical staff with the national association.

I hope this information is useful in your discussions and I sincerely hope the efforts to reintroduce the legislation on the foundation will be successful. Along that line I should note that the President of ACOSCA's Board and the Executive Secretary of ACOSCA will be in Washington in May and I am sure they would be willing to discuss the needs of their institutions with you or others on the Hill. Let me know if you would like to arrange a meeting with them.

Finally, I will get back to you once I have more information on other institutions. Rather than putting on paper what I come up with, it might be more productive to discuss my findings by phone or in person. I will give you a call soon.

Sincerely yours,

JIM ALRUTZ,
Planning and Evaluations Specialist.

A PARTIAL LIST OF BOOKS AND ARTICLES ON VOLUNTARY AND SELF-HELP ASSOCIATIONS IN AFRICA

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AFRICAN DEVELOPMENT FOUNDATION STUDY

● Mr. KENNEDY. Mr. President, last year I introduced legislation to establish an African Development Foundation. It was introduced as a "working bill" (S. 1348), to provide a framework in which to develop the concept and to provide the basis for hearings to examine how such a foundation would function.

Regrettably, the press of other Senate business and the lengthy Panama Canal debate, made it impossible for the Senate Foreign Relations Committee to schedule hearings on this bill or, for that matter, on the broader Humphrey foreign aid reform legislation—of which an African Development Foundation could reasonably be part.

But over the coming months, both the administration and the Congress will be reviewing proposals to revitalize and reorganize our foreign assistance program. Indeed, the House version of this year's foreign assistance authorization contains a provision that mandates the President to reorganize our foreign assistance program along the lines proposed in the Humphrey bill.

I strongly believe that the African Development Foundation concept should be part of this reform effort, and the amendment I am offering today, with the distinguished Senator from Minnesota (Mrs. HUMPHREY), simply requires that a similar report to Congress be made on legislation necessary to establish an African Development Foundation—following the experience and example of the Inter-American Foundation, and along the lines proposed in my bill S. 1348 or in the House bill, H.R. 8130.

I remain convinced that an African Development Foundation can respond both to the special development needs within many African nations as well as support needed community-based self-help activities not now funded by the United States in Africa.

Mr. President, since I introduced S. 1348 last year, I have pursued the foundation concept with a number of individuals and organizations with long experience in Africa and in the develop-

mental field. For the RECORD, I would like to share some of their comments, as well as excerpts from a study prepared by the Development Group for Alternative Policies, Inc., with whom members of my staff have worked in preparing the original bill.

Mr. President, I ask that this report and several relevant letters be printed at this point in the RECORD.

The material follows:

U.S. FOREIGN ASSISTANCE TO AFRICA: A NEW INSTITUTIONAL APPROACH

The Development Group for Alternative Policies (The Development GAP) is a nonprofit, development resources organization created to explore practical alternatives in development assistance policies, programs and projects.

This report represents the first in a series of papers on development issues to be publishd by The Development GAP.

INTRODUCTION

This report concerns Africa's drive for self-determination through its own development, and our nation's response to that process. In particular, it examines the need for a new institutional approach in foreign assistance to Africa. Our major purpose, however, is to raise issues of fundamental importance to both the African development process and the effective delivery of foreign assistance. In so doing, we hope to expand the current parameters of debate in these two areas.

With this in mind, the report is intended for a diverse audience, including people who may enjoy direct or professional acquaintance with development assistance issues, as well as others who may not. It has therefore been written in a manner which does not presume prior expertise in development or Africa.

A customary word on assumptions and approach is in order, for debate upon the necessity, meaning, and importance of African development spans a wide range of opinion. On one end of the spectrum is the view that worldwide economic growth is of universal value; on the other end is the belief that the material advantages of modernization are far outweighed by the concomitant loss of traditional values and culture. The former position calls for large-scale capital assistance, the later for leaving other societies as they are. In between are found a number of variations on these two themes.

This report presumes that while economic and social change of some sort is both inevitable and necessary if Africa's growing population is to survive and prosper, the appropriate determination of the nature and pace of that change can only be made by the African people themselves. The central challenge facing a nation such as the United States thus becomes one of assisting people in doing what they need and want to do—and in their own manner.

Although this report represents the viewpoint of the Development GAP, which is solely responsible for its content, it is in large part based upon numerous interviews and group discussions held with many individuals in the fields of development and African-American relations. These individuals and their affiliations are listed in Appendix I.

We are profoundly grateful to the people who have shared ideas with us, for without their participation, this report could not have been meaningfully prepared. While perfect consensus has not, of course, been achieved on all of the issues raised, it is indeed fair to say that the vast majority of those interviewed have concurred on the fundamentals of the approach to African development presented in this report. We believe that this concurrence is indicative of the importance that should be attached to the re-examination of our foreign assistance policies toward Africa.

Our major hope is that this report will do justice to the value of the insights gained during the course of its preparation.

PART 1: AFRICA AND THE DEVELOPMENT PROCESS

Suddenly and forcefully, Africa is emerging into the modern world. While still in the process of discarding the last vestiges of its colonial past, it is already becoming an important partner in global affairs. The rapidity of this emergence is increasingly evident. Just a few years ago Africa remained in the minds of most Westerners a virtually unknown and distant entity—the "dark continent." Now, on-going political, economic and military events across the continent make daily headlines.

For the United States the question arises: How can we, as a people and as a nation, best respond to this emergence? For numerous reasons, from the diplomatic to the humanitarian, the importance of recognizing and responding to modern Africa on a more respectful and equitable basis should not be underestimated. Despite its economically less developed status, Africa is a continent of vast human and natural resources. That it will become a critical force in world affairs is inevitable. The direction of its development, and the partnerships forged in that process, remain to be seen.

Although the realities of independent Africa have long called for a new set of diplomatic initiatives, it is only recently that the United States government has begun the task of constructing a rational and comprehensive African foreign policy upon which to base a new relationship. The lack of such a firmly constructed policy has engendered a certain fumbling about in Africa on our part, yet it is by no means too late—given the African perception of time and history—to rectify the situation through a careful resolution of our current policy debate. The United States, having played a minimal political role in Africa's colonial history and having initiated little diplomatic or personal involvement until quite recently, remains a little-known commodity among the African people. Given these circumstances and in light of the high value generally placed upon interpersonal knowledge throughout that continent, we as Americans, are still in a position to forge with Africa's young nations and ancient societies a new and lasting set of relationships.

Although somewhat belated, our current initiatives toward a new Africa policy—having begun a a critical point in Africa's history—offer exciting possibilities in a changing world order. In light of our now substantially greater role in Africa, it is all the more incumbent upon us to carefully deliberate the basis and potential impact of our policy formulations. Hopefully, the wisdom and probity of American humanism will guide these formulations, as misdirections at this point in history may prove irrevocable.

This report, in concentrating on new policies and approaches to development assistance in Africa, attempts to augment, at least in small part, the present policy initiatives of the Congress and Administration.

I. The fundamentals of a new approach toward Africa: The importance of development

Compared to our involvement in other parts of the world, our experience in and understanding of Africa has been quite limited. It is therefore important to take into consideration a number of issues which have particular relevance to the African situation in the formulation of both diplomatic and developmental policy. Some of the more relevant policy issues relate to Africa's diversity, transitional state, independendence, self-determination, and development.

Diversity

Unfortunately, our increasing awareness of Africa has in major part come through a media foucs on the growing invovement of the superpowers in the political and military events of southern Africa. This concentration on the roles of outside forces has tended to reinforce a somewhat shallow and overly homogeneous view of Africa, which in reality is a continent of unparalleled ethnic, political, and geographic diversity.

Covering four climatic zones, Africa's fifty-six nations differ markedly in terms of climate, topography, mineral resources, and other natural elements. Since natural wealth is not equally distributed, enormous imbalances in export earnings and consequent economic standards of living exist throughout the continent. As in other parts of the Third World, the distribution of income and other benefits of development within the nations themselves is characterized by considerable inequity. By comparative economic standards, it is the world's poorest continent.

Ethnically, Africa exhibits a richness of cultural diversity unmatched in the world. Over 2,000 distinct languages have been identified, and many of the larger countries, such as Zaire, contain well over 200 tribal groups. The importance of this diversity is critical since the vast majority of Africans remain extremely traditional in their ethnic and community ties. Although grouped arbitrarily into nation states through colonialism, traditional ethnic communities have remained the backbone of African societies. A realistic cross-section of African life thus presents an enormous range of traditional groups and communities, seemingly endless in the diversity of their social and economic structures but always related, in very specific ways, to the immediate, supporting environments. Any valid understanding of the continent must emanate from this perspective.

Only time will answer the question of whether the ethnic diversity within these nation states will prove to be a strength or liability in Africa's ultimate emergence. For the present, however, one fact is exceedingly clear: to attempt to discern the importance of African events and processes—for whatever intended purpose — without placing them within the context of traditional community life is to deal with the proverbial tip of the iceberg and thereby invite misjudgment. Unfortunately, the history of international relations with African nations has all too often been characterized by such superficial analyses.

State of transition

Perhaps more than any continent, the relatively young countries of Africa face the enormously difficult task of determining the very character of their nationhood and of their relationships within the international community. With their fairly recent independence having taken place primarily in the legal sense, the basic questions relating to the determination of their own political, social, and economic structures—as distinct from those of their colonial past—remain open.

In general terms, this transition represents a search for acceptable means of adapting the still-dominant, Western-oriented political and economic models in a manner appropriate to the diversified, socio-cultural settings of Africa. Such clear indications of this transition as the evolution of the one-party state may represent but the first steps in what should prove to be an eventual "Africanization" of all sectors of public life. Like the continent itself, both this process and its results will remain extremely diverse.

Transition inevitably breeds certain instabilities—a characteristic which could become more prevalent in some nations as leadership passes from a genertaion of rulers associated with original independence to a younger generation, raised in independence and therefore more expectant to exercise it. The characteristics of Africa's emerging leadership remain to be seen; they will, however, be strongly related, as either cause or

effect, to the manner in which this historical transition is resolved.

We would make a tragic mistake, however, were we to overestimate both the depth and the temporal dimensions of Africa's perceived instability. As it is, both the media and the accounting of popular history tend to overdramatize this subject—especially in regard to some of its violent manifestations. Actually, in comparison with the history of other continents, Africa does not emerge as exceedingly unstable. If we consider the map of this enormous continent, with its colonially drawn national borders intersecting, in many cases, homogeneous people and lumping together, in almost all cases, any number of ethnic groups (often as distinct from one another as the French from the Germans) it is in fact a wonder that widespread instability and violence have not been the norm continent-wide.

In considering Africa's transitional aspects, we must therefore: 1) recognize the adaptive nature of present African structures and processes, especially those of predominantly foreign origin; 2) attempt to discern and respond to the emergency of more authentically African social, political and economic structures; and 3) not be trapped into overestimating instability as a dominant feature of African political life.

The Importance of Independence and Self-Determination

While inter-African cooperation through such ventures as the Organization of African Unity has not yet fully materialized, one issue serves to engender consistent unanimity—the issue of independence. Independence in Africa has meaning in both the de jure sense, as exemplified by increasing support for liberation movements in southern Africa, and the wider de facto sense of achieving increased self-determination, as expressed in proud commitments to "nonalignment." As Americans, it is easy for us to take independence for granted. Africans, having recently emerged from de jure colonialism and perceiving the current modes of international politics and economics as de facto neo-colonialism, often conceive independence—both as an issue and an attitude—as underlying all approaches to relations with the rest of the world. As experience at the community level in Africa quickly demonstrates, the establishment of trusting relationships in large part depends on one's honest recognition that Africans are, and indeed, should be, "running the show."

Increasingly, citizens of the developing world are tiring of outside advice on how to better their own lives. In Africa, with its colonial past, this irascibility shows signs of running much deeper. No gesture, therefore, could be taken more seriously than one which demonstrates a recognition that the African people are indeed competent to determine their own life styles and solve their own problems.

The Issue of Development

In the case of Africa, the issue of development interlinks fundamentally with the strivings for self-determination and thus fundamentally with the strivings for self-determination and thus assumes a measure of critical significance. Again and again, leaders of extreme ideological variety have similarly struck at modern Africa's dominant theme: That self-determination cannot be fully achieved while a nation is locked into dependency relationships which are engendered by and which in turn perpetuate its "underdevelopment." To speak to Africans of a new world order is, in most cases, to speak of self-determination and the necessity of development.

As is the case with many of the economic and political institutions operating in Africa today, the predominant models of development are foreign imports, which must eventually undergo a process of "Africanization" in order to be successful. In accepting, often concurrently, contrasting development models—both Eastern and Western, socialist and capitalist—as part of the development assistance process, African nations are, in the long run, not necessarily choosing either. Implicitly or explicitly, they are pursuing a "syncretism" in development; that is, an emergence of diverse and authentically African developmental modes. One cannot overemphasize the importance of this transitional period and the consequent need for the creation of diverse, adaptive, and uniquely African approaches to change. As demonstrated through the history of the Western world, it is the resulting forms of such indigenous development processes which will, in large part, determine the direction of a nation's political and economic future and, subsequently, the nature of its role in international affairs.

Conclusions on Policy

Our attempt, therefore, to establish mutually respectful relationships in Africa should be founded upon three fundamental bases. It must: 1) recognize the unparalleled diversity and transitional nature of the present African situation; 2) honestly represent, both in deed and attitude, a recognition of the competence and responsibility of the African people to determine, in the broadest possible sense, their own state of affairs; and 3) entail, to a large extent, development assistance geared toward the search for authentically African models of development.

In short, it is inevitable that Africa, as it accelerates its emergence from a colonial past, will become increasingly Africanized in all sectors of life. That this process should be assisted and not impeded is imperative in the establishment of strong, honest, and lasting relations with the peoples of that continent. Most fundamentally, support of this transition means to assist, in a responsive manner, African development processes. The remainder of this report is addressed to the question of how we may best set about accomplishing this task.

II. Development assistance: Our experience and insights

Although much time, energy, and resources have been invested in development projects and research, our knowledge of the process of development itself, particularly the engendering factors which lead to self-sustainment, remains very limited. As a result, our attempts to assist this process have not met with resounding success. Despite the transfer of vast amounts of financial, technological, and material resources and the concomitant growth of national and multilateral assistance institutions since World War II, sustained development in the Third World has proceeded at an extremely slow pace. Consequently, the gap, in terms of quality of life, between rich and poor—both internationally and intranationally—has continued to widen amid rising expectations. In turn, the level of tension and the susceptibility to grope at facile solutions has increased substantially.

The shortcomings of our development assistance efforts have in recent years led to a serious re-examination of the approaches and goals associated with these efforts. Some basic questions have arisen. Can the process of development be sufficiently defined and assisted on the basic assumption that economic growth is the sole objective of this process? By following the growth model, might we not be raising expectations of a standard of living unattainable by the majority of citizens in developing countries, while fostering centralized economic structures inimical to a widespread and self-sustaining development process? Can, and should, development be a process which precludes people from a say in the definition and planning of their own programs?

At the very least, this re-examination has suggested that we must pay greater attention to such critical factors as the distribution of benefits resulting from development, the necessity of local self-reliance and control of the process itself, and the ecological impact of imported development models. In short, our learning experience has directed us to the factors regarding the essential quality of life.

Our methods of delivering development assistance have also come under close scrutiny. By strongly relying on high capital and technological input through both bilateral and multilateral loans and sophisticated technical assistance, are we running the risk of exerting inordinate pressure on developing countries to foster capital-intensive, energy-consumptive industries ill-suited to both the employment problems and consumer needs of specific localities? While world interdependence is a reality, the growing dependence of developing nations on foreign capital and technical assistance—as opposed to slower but more equitable and self-reliant alternatives—poses the danger of significant long-term structural imbalances, both domestically and internationally.

Perhaps our great difficulty, however, has come in the attempt to reach those most in need of the benefits of the development process. Although Congress has mandated in its "new directions" legislation that every attempt be made to enlist the participation of the "poor majorities," in the development process, little progress has been made in this area. Lacking in the skills and resources needed to compete in tightly-structured social and economic systems, the marginal populations are all but guaranteed exclusion from the centralized development schemes currently in effect and the benefits they extend. So far, our assistance programs have not sufficiently addressed the problems inherent to this dilemma.

This failure to effectively reach the majority of people for whom our development assistance is intended has led to some fundamental insights regarding both the process of development itself and the most appropriate means of assisting it. Most basically, we now understand that the transfer per se of large amounts of capital and sophisticated technology are at best insufficient and, at worst, harmful factors in the development process. The corollary is that we must concentrate on the underlying social concerns of the process itself. This is not simply a statement of social justice. There is increasing evidence that, whereas the level of local participation and commitment are significantly related to sustained success in development projects, the levels of capital and technological input per se are not.

These findings are rooted in the socio-cultural particularities of developing societies. The so-called "target" populations of our assistance tend to share characteristics uniquely related to the phenomenon of what is considered to be underdevelopment. Generally, they are members of cultural groups and/or social classes which have not undergone the enormous, but relatively gradual transformation. By taking our developed ern world by the advent of science and technology and the ensuing Industrial Revolution. They have not, therefore, culturally assimilated, in any universal sense, either the values or the capacities related to "progress" in the technological sense of the term.

While not implying any value judgment regarding the relative merits of differing cultural orientations, the fact remains that from the traditional perspective, the acceptance of foreign technological and economic innovations often constitutes a wholesale change in a way of life—a one-generation social transformation. By taking our developed status for granted, we have often tended to overestimate the transferability of both the psycho-social characteristics and the technical innovations necessary for development. At the same time, we have underestimated the degree of economic and cultural risk to

traditional populations in sacrificing historically stable, subsistence-level patterns of life for the uncertainties of modernity.

Increasingly, the overly centralized and inflexible patterns of modernization—reinforced in the Third World by conventional foreign assistance programming and private investment—have served to delimit the options of the "poor majorities" to either negotiating their survival in the "modern sphere" or remaining desperately poor. Being ill-equipped to successfully compete for the material benefit of a modernization process insufficient in its scope to support their growing numbers, and being severely limited in their access to productive resources, the world's poor face a dilemma of increasingly critical proportions. The central challenge to our new directions in foreign assistance must therefore involve the expansion of options to this segment of the world's population.

In summation, we now understanding that if self-sustained betterment in the quality of life among those most in need is the legitimate goal of development, effective development assistance is more essentially a matter of quality than quantity. This is to say that the manner in which the essential elements of development are transferred, accepted, and adapted among the legitimate beneficiaries of the process is as significant to success as the transfer itself. While the majority populations of the Third World certainly share in the universal commitment to better one's own life, they have not been granted sufficient support in their attempts to build development upon the traditional social and economic strengths which they possess. Despite the growing emphasis upon intermediate or appropriate technologies, the general orientation of our foreign assistance programs has not allowed the majority of people to adapt the essential elements of development at a pace and in a manner suitable to their own particular needs. This cannot but contribute to the low incidence and low probability of self-sustained development throughout the Third World.

The implications for future development assistance policy resulting from this re-examination are both clear and far-reaching. First, our development assistance programs must be more decentralized. Smaller packages of assistance, more appropriately suited to the specific situation at hand, have been found to have much greater long-term impact than larger, more directive types of support.

Second, efforts should be made to reach the intended beneficiaries of our assistance as directly as possible. Our development experience to date has seriously brought into question the ability of large-scale international and national-level intermediaries to effectively reach and support those most in need of that assistance.

Third, the planning of development assistance policies, programs and projects must clearly reflect a more responsive posture which seeks to address particular problems arising from particular settings. The decentralization of assistance per se will not serve to increase development options unless the resultant projects are specifically designed to complement the on-going social and economic processes of the people involved.

Fourth, and most importantly, to the maximum extent possible the direct participation of the local population should be evident in the identification, planning, implementation and overall control of development projects receiving our assistance. This point is essential, for, in practical terms, the mechanism of participant control guarantees the presence of a number of factors crucial to success. They include: a local commitment to the long-term goals of the project itself (and hence its potential for self-sustainment); an appropriate "fit" or adaptation of economic and technical innovations; an appropriate (self-determined) distribution of economic and social benefits; a broad-based sharing of formal and informal project-related learning experiences; and reduced administrative costs through decentralization and local-level skill development.

III. A basis for African development

After a generation of experience in development assistance, we are presently in the position to effectively translate the insights thus gained into a responsive and constructive approach to development on the world's poorest continent, one which has received relatively little American attention until quite recently. In this light, Africa's economic poverty is at least matched in significance by the strength and nature of its profoundly traditional life and structures.

Despite the centralizing influence of modernization, introduced through colonial rule and accelerated by the advent of the nation state and developmental concerns, African social and economic life may best be viewed as a broad, decentralized mosaic of localized communities, differing vastly in their ethnic, linguistic, geographical and economic characteristics. To the average citizen of Africa, living at or near the subsistence level and at best tenuously involved in the monetary economy and other aspects of the modern state, the immediate community remains as the most relevant and important source of social and economic support. While the traditional structure of community life has not afforded rapid modernization in Africa, it has provided an essential measure of strength and stability perhaps unmatched in the world.

As the legitimate center of social and economic life, however, the local community in Africa has long been overlooked in terms of its importance to development. Although a number of private and voluntary agencies—some with public support—have made significant contributions to community development in Africa, the mainstream of foreign assistance has remained centralized in nature, producing at best, mixed results. While development, in the conventional sense of the term, has been facilitated, it has come about through modernization being "laid over" traditional societies. Because imported technical and economic inputs have not diffused to a majority of the population, the overall incidence and probability of sustained development remains low. As a result, dependence on foreign capital, technology, and consumer products remains dangerously high. This continuing phenomenon has justifiably produced considerable chagrin among many African leaders sensitive to the rights of self-determination on a continent still emerging from colonial rule.

Without a development pattern which increasingly allows for the active participation of the majority of the population, Africa's future presents an ominous picture. We can anticipate an increasingly centralized development process, which involves, at best, 25–40 percent of the populace, while the remaining majority's expectations continue to rise but go unmet. The end result could well involve the creation of "Dualistic societies" not unlike those of Latin America, with their concomitant and seemingly endless social and political strife.

The only feasible alternative to such disaster—a strong commitment to localized development—is one not lost on most African leaders and their governments. From the time of independence, most African countries have initiated, in various forms, country-wide self-development schemes closely identified with self-determination and national pride. Although often based on a concept of national as opposed to ethnic unity, these movements have been geared toward self-initiated and self-controlled betterment of life within the community itself. With minimal external support, the methods of improvement involved have been unique to the various settings. Movements such as "Harambee" in Kenya, "Ujamaa" in Tanzania, and "Ipelegeng" in Botswana, and the various "Investissement Humaine" programs of West Africa are examples of this broad concern. Often lacking the resources needed to effectively and equitably modernize entire national economies, African governments have increasingly turned to localized self-improvement as the answer in development.

The numerous and diverse governmental attempts to reach local communities with assistance have covered a wide range of functional areas, including formal and nonformal education; agricultural education and extension services; technical training; management and administrative services; health, nutrition, and family planning services, and small-scale enterprise and cooperative development. Of further significance is the fact that whereas national governments have remained the primary source of technical and economic expertise within this process, an increasing number of private development institutions—local, national, and, in some case, international—have arisen. Examples include organizations such as S.P.O.N.G. (Secretariat Parmanent des Organisms Non-Gouvernementaux), S.A.E.D. (Societe Africaine des Etudes de Developpement) in West Africa, National Women's Federations in East Africa, various religious organizations, and national cooperatives and credit unions.* We have therefore learned in recent years that, through the emergence of self-development initiatives and institutions, Africa has indeed begun to establish the foundations of a sustained development process in a diverse manner appropriate to the characteristics of the continent and its people.

iv. New requirements in African development assistance

The importance of the self-development process in Africa calls for a new mode of foreign assistance which incorporates the insights of our past experience into the attempt to build upon the inherent strength, stability and competency of the African people. Such initiatives must take shape as part of a reorientation of our African development assistance programs—a reorientation based upon a number of underlying considerations of particular relevance to that continent.

First, we must place much greater emphasis on the processes of social development, i.e., on the development of the human resource and organizational capacities needed to understand, adapt, control, and carry out the economic and technical aspects of development per se.

Second, we must greatly diversify both our approach to the delivery of assistance and the types of assistance offered so that they correspond to the diverstiy of settings and approaches encountered in self-development projects in Africa.

Third, we must directly reach and assist innovative and forceful initiatives and institutions which will enhance the self-sustainment of indigenous development efforts.

And fourth, since we lack significant experience in this approach to development in Africa, we must discover both the diverse methods of self-development and the most suitable means of supporting them. These discoveries can only come about through an experimental "learn as you do" process and an increasing awarenes of our own ethnocentric values.

As innovative as this approach to development may seem to some, the concepts embodied within it are well-known within the development community. The problem re-

*Some examples of African self-development initiatives are presented in Appendix II.

mains, as always, one of implementation, for despite the importance of self-development efforts, we currently lack the institutional mechanisms necessary to effectively support them, particularly in Africa.

The Agency for International Development (AID), our major foreign assistance mechanism, has proven to be too large, too bureaucratic, and too constrained by diplomatic and intra-governmental exigencies to reach local communities rapidly and flexibly with relatively small amounts of financial support. Furthermore, the staffing pattern of the organization was established in accordance with a different set of objectives than those implicit in the approach prescribed in this report. The agency's skills are thus better suited to address other concerns in our foreign assistance program. Presently, the current AID leadership is making significant attempts to decentralize decision-making and to enhance its operational flexibility. But despite both these attempts and the greater latitude given to it by Congress to deal through private channels overseas, the agency (because of its constraining structure and its ties to American short-term foreign policy objectives) cannot in the near future fill the institutional gap that currently exists in our foreign assistance apparatus.

The Peace Corps, perhaps our most successful vehicle in reaching local levels with personal assistance, lacks both the mandate and the capacity to follow up with financial and other more lasting and consistent forms of assistance which leave development squarely in the hands of its participants. As a volunteer organization providing personnel for limited periods of time, the addition of a financial role would have at best a limited enduring effect.

In the attempt to compensate for the limitations of our public institutions we have increasingly channeled funds to private and voluntary international development organizations. Although P.V.O.s have met with greater success in effectively involving people in their own development, a large gap in our assistance programs still exists. One reason for this is that such private entities cannot take the place of our public foreign assistance agencies, as they do not legally represent the people of the United States and therefore lack diplomatic stature. Most are also small and to be effective must remain so. They therefore lack the breadth and long-term resource capabilities needed to provide sustained assistance to a broad geographical and sectoral movement of community development. A third limitation is that most private organizations have arisen through specific technical and disaster-relief concerns which continue to guide their humanitarian efforts in the field. As a result, they lack the broad operational base needed to assist diverse projects emerging throughout Africa. Finally, through their growing tie-in with AID funding, many of these organizations have become increasingly burdened with bureaucratic intricacies and have therefore sacrificed the very autonomy which rendered them effective development organizations in the first instance.

In short, while private and voluntary agencies may collectively represent a flexible and sensible approach to community-level development, they do not and cannot represent a unified, comprehensive, and sustained mechanism for the fostering of self-development in Africa.

V. The need for a new institution

In addressing the institutional gap in our foreign assistance programs for Africa, growing interest has arisen in the diversion of a modest portion of our annual appropriations to create an innovative and experimental institution specifically designed, with a combination of public and private characteristics, to explore through project funding a responsive approach to African development. In addition to its experimental value, such an institution could substantially fill a critical gap in our present foreign assistance to Africa by: 1) reaching and supporting numerous and forceful self-development endeavors in Africa, not currently being assisted by our larger development agencies; 2) assisting directly in the formation and growth of African public and private development institutions, which may prove to be of lasting importance in the future development of the continent; 3) strengthening the capacity of these institutions to develop productive relationships with other more conventional national and international lenders and donors; and 4) discovering, through a rigorous examination of both the methodologies of successful projects and its own experience in supporting them, appropriate development assistance techniques which focus upon the critically important area of self-enablement.

PART TWO: A NEW INSTITUTION FOR AFRICAN DEVELOPMENT ASSISTANCE

The purpose of this section is to outline the essential operating features of a new institution for African social and community development and, in so doing, to demonstrate the potential effectiveness of the approach to development which it embodies.

The task is a sensitive one, for as an innovation in foreign assistance, such an institution must be allowed to chart its own course in little known waters. The history of organizational development is replete with the failures of innovative institutions, well-conceived but subsequently choked with prescribed detail. In this respect, perhaps no greater danger confronts an institution designed to respond to what it encounters in the field than overly dictated measures of response.

Discussion of a new institution is divided into four sections: (1) organizational precedents and characteristics; (2) essential operating features; (3) legal, organizational, and staffing considerations related to its creation; and (4) summary, conclusions, and recommendations.

I. Organizational precedents and characteristics

Although there is no comprehensive and responsive funding institution for African social and community development in the United States, there do exist a number of private and voluntary organizations whose experiences in responsive development assistance are relevant to the formation of a new public institution. What first emerges from a consideration of these organizations is the recognition that inroads to community-level development in Africa can indeed be made. The wide range of community endeavors to which these groups are lending technical, personnel and/or financial support provides sufficient proof of this fact.

What also emerge are common characteristics which are shared by these organizations and which are integrally related to their success in the field. Most of these organizations are small by foreign assistance standards and hence have been able to maintain a high degree of operational and administrative flexibility. They can quickly adapt themselves and their methods of assistance to a number of different development situations. In their staffing patterns, they have taken great care to recruit competent field personnel, well-experienced in the regions to which they are assigned, and sensitive to the intricacies of cross-cultural work. The representatives of these organizations have established lasting and trusting relationships in Africa by demonstrating that their concerns are those of the people involved. This is a subtle but crucial aspect of successful community development.

There are also a number of direct-assistance-type entities which have been created by governments to effect a more responsive development assistance posture. To a great extent, these European, Scandinavian, and Canadian agencies operate in similar fashion to some of the private institutions. Although a more detailed examination of such organizations—both public and private—should be made in laying the groundwork for the establishment of a complementary United States institution, their collective legal, administrative, and field experiences suggest important guidelines to be followed in this process.

First, this institution must embody, in both principle and practice, a "hands-off" approach to development which seeks long-term change rather than short-term technical perfection. Second, it must incorporate a comprehensive development perspective which cuts through and across sectoral considerations to view development as an essentially human and dynamic process. Third, the institution should encompass both the commitment and the capacity required to effectively learn from the projects it assists, adapt its assistance posture accordingly, and disseminate the results of such experiences to a wide audience.

In translating these approaches into practice, the organization must have considerable latitude. It must possess sufficient flexibility in both structure and operations to respond to a wide variety of initiatives arising from a broad array of community settings. As flexibility can only be guaranteed through autonomy, the institution must be free from bureaucratic, political, and diplomatic constraints if it is to fulfill its innovative mandate in a consistent manner.

Given these considerations, strong interest has arisen in the establishment of an African Development Foundation (ADF), structured as an operating foundation capable of providing non-directive assistance to self-development initiatives throughout Africa.

There does exist one American public development institution which is of singular relevance to the design of an African Development Foundation. Created by Congress in 1969 to explore alternatives to standard development assistance approaches and operations in Latin America and the Caribbean, the Inter-American Foundation (IAF) is considered by many as the most worthwhile experiment in the history of U.S. foreign assistance. In its brief lifespan, this public operating foundation has directly identified and assisted more than 400 participant-controlled development initiatives which cut across multiple national, ethnic, sectoral, and methodological lines. It has accomplished this task entirely through responding to expressed requests for funding, without becoming directly involved in any aspect of the projects themselves.

As an experimental, risk-taking organization, the IAF surely has not met with resounding success in every assistance venture. But in its innovative attempt to search for alternatives to development among the marginal populations of Latin America, it has established an enviable record of accomplishment. Some indications of this success are included in the following:

Every dollar extended in assistance has been matched by local in-kind or financial contributions and/or through other national or international donations;

With rare exception, all assisted projects have fulfilled at least the stated objectives, including administrative, financial, and managerial expectations;

Social and economic gains among participants, as measured in conventional terms (e.g., increased employment, income, education, standard of living, etc.), have been impressive;

Although difficult to measure, structural social and economic changes beyond the boundaries of assisted projects seem to have occurred in many cases, as indicated by the enhanced status and critical reflection capabilities among participants, as well as by the

latter's increased leverage in regard to securing access to necessary resources;

Many assisted projects and institutions, while retaining their social process concerns, have proceeded to establish much firmer organizational footing through diversifying their resource bases, tapping more conventional credit mechanisms, and reinvesting productive earnings; this, in turn, has strengthened their capacities in bargaining for further access to and control over developmental resources.

Having begun amid considerable doubt as to the feasibility of assisting the poor directly or through intermediary organizations primarily in the private development sector, the IAF has dramatically broken the myth that the "poor majority" cannot initiate and control a sustained development process. In doing so, it has also clearly demonstrated that an official, bilateral assistance entity can form meaningful and trusting relationships with a wide variety of groups formerly considered incapable of self-development. One of the results of this experience to date has been the initiation of a valuable learning experience regarding the methods and processes inherent in Latin American social development and the effective means of assisting it.

Some of the key elements of the IAF's operational procedures have in major part been responsible for the organization's success in the field. As they may have particular relevance for the planning of a similar institution for Africa, at least two or three of the most important are worth citing here.

Utilizing a regional team approach to decision-making under the ultimate authority and direction of the Board of Directors, the Foundation has been able to decentralize effectively its process of project identification, assessment, and funding, while maintaining a consistency of purpose and operations. This process has assisted, and in turn, has been reinforced by, the responsive posture taken by IAF staffs in field contacts. To avoid interfering with, or being pulled into, either the planning or implementation of projects, IAF staff is not located overseas, but rather travels frequently to establish initial and follow-up contact with proponents and grantees. Of equal importance throughout the IAF's history has been its ability, as previously cited, to establish an extensive learning capability through an examination of grantee projects and processes, and to apply the knowledge gained to subsequent funding decisions.

ii. The operations of an African development foundation

There are no major barriers which would preclude the successful adaptation of the model of an operating foundation to the African context. Such an adaptation must, however, be based on a number of significant factors which distinguish Africa, and its development process, from, for example, Latin America. The most important of these are the following:

Much greater diversity in Africa in terms of community settings, social-cultural structure, and languages—both traditional and official;

Less developed physical and economic infrastructures (in the modern sense of the term), with a correspondingly greater incidence of traditionally supportive, subsistence-level modes of living;

A less developed indigenous private sector engaged in development activities;

A lower availability of skilled manpower in technical, managerial, and administrative areas;

A more pervasive involvement of local and national government in most development activities, especially those involving conventional foreign assistance; and

Perhaps less obvious concern over the actual presence of foreign nationals in development programs, but increasing sensitivity and concern about the appearance of any meddling in internal affairs.

Given these factors, it is evident that an ADF must forge its own road to success with a number of distinct and important operational characteristics. First, it must carefully but openly define and communicate its purposes to appropriate governmental entities without attempting to pursue any particular economic or social ideology. Its responsive orientation will be most valuable in this regard.

Second, it must develop the capacity to work effectively and sensitively through a wide range of intermediary channels in reaching local initiatives. On-going communication with successful development entities both in the United States and abroad will be of paramount importance in this regard.

And third, in its attempts to support such vital activities as institution building, formal and non-formal education, and technical training programs, it cannot disregard such fundamental needs as basic infrastructure and managerial skill development.

Although the specific operational options for a new institution are almost limitless, experience suggests that the most effective overall operational process for an African Development Foundation might be characterized by the following scenario. First, field representatives would initiate direct contact with local development endeavors in Africa and receive, through this process, requests for support from on-going or emerging projects. Once received, such requests would be reviewed in a fair and expeditious manner according to openly communicated criteria. Projects selected for support during the review process would be assisted quickly and appropriately according to needs determined through personal contact with grantees on a case-by-case basis. Follow-up activities for the purposes of both project accountability and the initiation of a learning process would then ensue.

Each of these aspects will receive more detailed consideration under the following headings: A. *Reaching Local Initiatives;* B. *The Review and Selection of Projects to Support;* C. *Methods of Project Support;* D *Financial Transfers and Follow-Up Activities;* and E. *The Learning Experience.*

A. Reaching Local Initiatives

Background. The most crucial and innovative contribution that an African Development Foundation could make would entail its delving below the surface of current development patterns in Africa to support often overlooked, local-level initiatives. As the brief examples presented in Appendix II illustrate, projects being initiated by Africans cover a wide range of development sectors. Projects may range from marketing cooperatives for newly cultivated cash crops to a small salt-processing industry along a seacoast; from the construction of an adult literacy center to the formation of a community development organization in a newly settled housing project. Depending upon their relative size, length of existence, and resource base, such projects will also vary widely in levels of sophistication. Projects which could constructively utilize outside assistance may, for example, vary from small groups of farmers loosely organized within a traditional structure to highly coordinated technical-service organizations with new ideas on traditional methods of adopting intermediate technologies.

The roots of social development initiatives are equally diverse. Some projects seem to arise naturally as extensions of, or improvements on, everyday social and economic activities. Although such endeavors often involve the adoption of more modern technical or organizational techniques, they remain unique and important since they retain traditional structure and local control. On the other hand, there are other projects which may be directly connected to, or spun off from, larger development initiatives. Examples of this latter type would include the many community development and cooperative organizations which have arisen within industrial and housing development schemes in both urban and rural sectors.

No matter how geographically or culturally isolated some projects may seem to be, they are usually connected, in one form or another, to an intermediary entity through which initial communication can be established. Such intermediaries would include churches (or missions), local government extension offices, traditional leaders, or even individuals from certain rural communities living in larger towns or cities.

While some Americans have questioned the existence of widespread local development and effective intermediaries in Africa, the virtually unanimous response drawn from Africans queried has been, "I can show you hundreds of them." This difference of opinion is significant, for it points to the fact that, within the African perspective, authentic development endeavors—particularly those emanating from traditional communities—need not conform to "project delineations" which Western development professionals have been trained to identify. Often, emerging projects may be hard to notice until they have grown and diversified to a more recognizable status. As many of these initiatives can wither over time due to lack of support, the great contributions which can be made by at decentralized organizations such as an ADF is the reaching of such initiatives with assistance in their crucial, formative stages.

Although the identification of emerging endeavors requires a certain capacity to "see the trees for the forest," the experiences of various development organizations have demonstrated its feasibility and have provided valuable insights into the most effective means by which it can be accomplished.

What is called for most essentially is the ability to sift through the various intermediary entities—organizational and individual, public and private—whose roots extend into the community fabric. As Americans with significant experience in Africa will testify, this is by no means an impossible task once the legitimacy of the activities in question is established.

What will be required, however, is the establishment of appropriate, trusting, and lasting relationships with both intermediaries and communities in Africa. This, in turn, will require a high degree of sensitivity in the organization's field operations. An ADF will have to place personnel in the field who are extremely experienced in, and sensitive to, the local conditions to be encountered in Africa. Such representatives will have to possess the capability of being naturally comfortable in a rural, traditional setting one day and in a government ministry the next. Professionals of such caliber are available, and if necessary, great effort should be made to secure their services. (A more thorough discussion of staff selection is presented on p. 42.)

It is of equal importance that direct field contact and project assistance on the part of this Foundation conform to a consistent policy of non-directedness. In gaining the necessary confidence of intermediaries (especially those in the governmental realm) and communities, it must demonstrate that these operations are simply designed to complement and assist that which is already taking place. This would be crucial to the avoidance of any harmful charges of inappropriate meddling in community affairs.

Operational Considerations. Within the context of the above-mentioned considerations, the most suitable approach in making contact with groups and projects in the field would involve the assignment of field representatives on an itinerant basis to Africa.

This would effectively preclude their direct involvement in assisted projects. The primary responsibilities of the representatives would be: to initiate contacts with appropriate governmental and private institutions; to search out development initiatives of potential relevance to the Foundation's funding criteria and purpose; to receive requests and prepare them for in-house review; and to negotiate grant agreements and coordinate follow-up activities.

The core program staff of an ADF would best operate in regional teams to facilitate the process of project identification and assessment. Such teams could be formed on the basis of geographical and/or linguistic factors. Field representatives either could be assigned specific countries or regions, or could work in tandem. The latter option might prove more helpful in the acquisition of a more comprehensive perspective on regions and projects.

Beyond these recommendations, there are a number of complementary options:

a. *Regional offices in Africa.* Given Africa's vast size and distance from the United States, as well as frequent difficulties in communications to and within Africa itself, an ADF might be well advised to maintain regional offices in complementary fashion to its regional team divisions. Although this move could prove valuable for reasons of cost effectiveness and maintenance of contacts, the outstationing of staff could endanger the responsive posture of the organization, create for it an inappropriately high level of visibility, and complicate the administrative and decision-making consistency which it inherently needs. Therefore, a decision on this matter would best be left until after field operations have been initiated through staff travel to the continent.

b. *African national representatives.* Another option that has arisen in considering the complex cultural, linguistic, and physical factors in Africa, particularly at local levels, involves securing the services of African representatives, whether on a national or regional basis. Their role would be to initiate contact with local communities, identify emerging development initiatives, and provide on-going, flexible assistance to both an ADF and, where necessary, individual projects. These national representatives could work in a complementary manner with field representatives.

While this option has considerable operational value, especially in regard to identifying projects, the responsibilities of these representatives would have to be clearly delineated in the areas of project selection and funding decisions. Otherwise, they could be placed in compromising positions where they may have political, ethnic, or community ties. Again, a decision on this option would perhaps best be made after field operations have been initiated.

c. *National oversight committees.* A third option, one which addresses the question of appropriate contact and coordination with official entities, involves the creation of national or regional committees by governments to monitor the activities of a Foundation and, perhaps, approve the funding of particular projects. While such committees could expedite operations in countries with particular concerns relating to the control of foreign development assistance, they present many potential problems. The most specific difficulty lies in the interjection of an additional intermediate step in project consideration. The convening of national committees in any country is a time-consuming matter, and in this case it could cause harmful delays in reviewing projects and providing needed assistance.

An African Development Foundation, through open communication of its purposes and procedures, should be able to achieve a degree of trust sufficient to maintain operations in Africa without direct governmental intervention. It might be wise, however. to initiate field operations in those African nations initially supportive of this approach to development in order to build up trust throughout the continent. Overtime, operations could be patiently extended and adapted to other countries initially more doubtful but perhaps encouraged by precedents already set.

B. The Review, Assessment, and Selection of Projects for Support

Background. As an African Development Foundation would be a small institution with limited resources to spread among many potentially effective endeavors over a vast continent, serious consideration should be given to both the process and criteria of its project review, assessment, and selection activities. This is particularly important given the fact that, as a responsive funder, an ADF would be involved neither in programming nor ear-marking resources for particular regions or development sectors.

There are three factors which should govern its review and selection processes: fairness, openness, and expediency. The first two factors require the careful adoption and open communication of assessment criteria. The third constitutes a critical requirement in effective development assistance, for although emerging initiatives and institutions do not usually require large amounts of assistance, they do need it quickly if they are to survive and grow. If a decentralized review process is sufficiently comprehensive and consistent to ensure fairness and accountability, an ADF should be able to reach final decisions on funding requests within three months of their receipt. This capability, in and of itself, would be an innovation of major importance in our support of African development.

Operational Considerations. A more detailed examination of these processes will be made in three parts: (a) the review process; (b) the project proposal format; and (c) selection criteria.

a. *The review process.* Given competent staff and a high degree of flexibility in field operations, the review process could be greatly expedited. For example, the organization's field representaives would not usually encourage the submission of funding requests from groups whose projects do not demonstrate some measure of congruence with the ADF's selection criteria. Once requests are submitted, fair and rapid appraisal could be facilitated through a three-level review process, consisting chronologically of the regional team (including field representatives and project analysts), the president of the Foundation, and the Board of Directors. The Board could further decentralize the process by delegating project selection responsibility over time to the President and ultimately to the regional teams, according, perhaps, to the amounts of assistance requested.

b. *Project proposal format.* As a high degree of literacy need not be postulated for success in development initiatives, particularly among traditional populations, those communities and organizations requesting funding should not be required to submit detailed written proposals for support in all cases. Field representatives in the contract process should be able to solicit the information necessary to draft in-house project summaries for review. Where possible, written requests for funding should certainly be encouraged.

In all cases, however, both the review process itself and subsequent follow-up and learning activities would be greatly facilitated by the in-house drafting of project proposals according to a consistent format. Designed to provide both simplicity in presentation and comprehensiveness of detail, such a format could be constructed along the following lines:

(1) *Project background:* Includes information on both the overall context out of which the project has arisen and the organizational and/or community factors specifically related to the entity which is to carry out the project.

(2) *Rationale:* Includes those general reasons that exist for supporting such a project; i.e., what is the overall sense, would consequently be changed—physically, socially and economically—and why?

(3) *Objectives:* What specific things are to be accomplished in the endeavor itself, and over what period of time? This would include physical, economic, social and educational accomplishments.

(4) *Work plan or methodology:* includes information on how the objectives cited are to be met, or what specific steps are going to be taken to execute the project.

(5) *Support needs:* How much and what type of assistance is being requested? Includes budgetary information and potential matching resources that are being contributed by project participants and other sources.

(6) Additional factors: What type of special arrangements, including those involving intermediaries and local governments, need to be made? What external factors may play a significant role in determining the outcome of the project? What ecological impact is foreseen?

(7) *Analysis:* Review and comments of in-house staff on the project in question plus additional, outside analysis, if necessary.

c. *Project selection criteria.* The most notable factors to be considered in addressing this question are the great diversity in projects to be reviewed and the equally diverse and manifold social, economic, and environmental contexts out of which they have arisen. The following list of criteria represents an initial attempt to outline some project characteristics which appear to be consistent with the purposes of a foundation of this nature. They are:

A significant degree of self-initiated participation and control over the project process by the people most essentially involved in its execution;

An equitable sharing of the benefits to be accrued through its success;

A significant potential for the advancement in participant learning and understanding of the development process which would be directly attributable to the project itself;

A strong potential for the attainment of project self-sustainment and increased self-reliance among the project's participants;

A high degree of probability that the impact of the project will extend beyond its own boundaries;

A high degree of probability that the methodology employed in the project could be disseminated and replicated elsewhere;

The presence of a sufficient level of technical competence to support implementation of the project; and

A sufficient indication of the ecological soundness of the development project.

C. The Support of Projects

Background. Of singular importance in the approach to development assistance taken by an African Development Foundation will be its ability to determine, on a case-by-case basis, the specific support needs of projects and the means by which appropriate assistance can be extended to them in a "hands-off" manner. As self-initiated projects vary widely in their support needs, personal contact by field representatives allow them the opportunity to directly assess and determine, together with project participants, the amount and type of assistance required. This determination should reflect, in large part, the absorptive capacity of the project under consideration—in terms of its type, size, and level of administrative and managerial capability. Once such determinations are made and approved in the review process, assistance of the appropriate type and magnitude can be provided quickly and effectively.

While the most appropriate and probably most useful type of support that an operating foundation can provide to self-development initiatives is direct financial assistance, serious consideration should also be given to the possibilities of extending technical assistance. The decision is an important one, for there is little doubt as to the necessity of technical support in Africa. This support is of particular need in just those functional areas—management and administration, agriculture, small-scale enterprise and industrial development, small-scale infrastructural development, etc.—within which an ADF is likely to provide financial assistance. This consideration notwithstanding, it would seem clearly inappropriate for an operating foundation of this type to assume such a direct role in the projects it assists, for this would require the development of additional capacities and programming directions antithetical to its responsive mandate.

Perhaps the most appropriate type of involvement in this regard would consist of providing financial assistance to projects for the procurement of this technical advice, thus leaving decisions as to the type of assistance needed and its source up to the participants themselves. While an important role could be played in securing outside technical assistance when such services are not available locally, the initiation of institutional relationships may best be accomplished directly in the field on a project-by-project basis, rather than through prior inter-agency agreements. Again, this would protect the non-directive nature of the assistance provided.

Operational Considerations. Financial aid itself should be specifically suited in type and size to a particular project and extended with few, if any, strings attached. An ADF should thus have the flexibility to provide various types of united aid. The forms of financial transfer that have been mostly strongly considered, and which will subsequently be discussed under separate headings are: *grants, loans,* and *loan guarantees.*

a. *Grants* provide the most flexible and direct means of financial assistance since they can provide catalytic support to virtually any type of development initiative, regardless of size, objective, relative sophistication, or methodology. They also constitute the simplest transfer mechanism in terms of management, administration, ease of arrangement and accountability.

This mechanism would prove to be particularly suitable for support of projects in a number of areas including: organizational and institutional development; formal and non-formal training and educational programs; medical, nutritional, and other programs providing social services; research activities; and small-scale technical services programs at the local level. These are essentially non-productive activities in the conventional sense and hence do not generate funds for repayment in the short- or medium-term.

The only drawback to grants is that they do not inherently compel resource commitments on the part of the local participants. If, however, local participation and commitment to the project are important criteria in project selection, evidence of local resource commitment, both monetary and otherwise, should be present before a grant is made. In this regard, it is interesting to note the high levels of matching funds cited by the Inter-American Foundation and other grant-making institutions in their involvement with local-level projects.

b. *Loans* have been found to be of consistent value in development settings in which there exist sufficient levels of organizational and economic infrastructure upon which to build. This innfrastructure is necessitated by the exigencies of cost recovery which render loans both less flexible than grants and more troublesome in terms of management and accountability. In the appropriate circumstances, however, this mechanism provides a means of extending necessary capital to relatively large groups of people.

Consistent with its "gap funding" mandate, an ADF could make valuable catalytic use of the loan mechanism by extending credits at little or no interest to communities and institutions which would otherwise not receive funds through conventional financial and development organizations. In this way, loans could be effectively used to support a variety of productive projects, including rural and agricultural development projects, cooperative ventures of various types, the development of small-scale enterprises, and some aspects of small sites and services and other housing programs. On the other hand, grants could be used just as, if not more, effectively in these areas by providing seed capital to a revolving loan fund controlled at the local level for the support of productive activities.

c. *Loan guarantees* provide an additional means of extending non-directive financial support to large numbers of people without placing any administrative burden upon them. Poor people are often not extended credit due to their lack of collateral and are thus denied capital to expand production, marketing and other capabilities. Since local banks will not extend loans to such "high-risk" populations, an ADF, through various arrangements, could guarantee loans through local financial institutions to a specific area or project. As both the lending and cost-recovery operations are assumed by the local bank or other financial institution, this process involves no administrative burden to either the assisting entity or to the beneficiaries.

Loan guarantees can be arranged in a number of ways, including the underwriting of any losses incurred by a bank through unrecovered loans and the placing of non-interest-bearing deposits with such institutions sufficient to cover possible losses. The disadvantages, however, of loan guarantees are at least two-fold. First, since they are administered through indirect channels, they do not encourage the establishment of participatory development organizations needed to plan and sustain long-term development goals. Second, they may require the tying up of relatively large amounts of capital which might otherwise be put to more direct use.

As loan guarantees require a relatively high level of organizational infrastructure to be effective, a careful appraisal would have to be made in specific situations before they are extended. As with other options that would be open to a new institution, a "wait-and-see" approach should perhaps govern their adoption.

D. Financial Transfer and Follow-Up

An ADF would undoubtedly encounter nunumerous projects—particularly within traditional communities—which demonstrate effective approaches to self-development but lack sophisticated management and accounting procedures usually deemed necessary in the direct transfer and subsequent utilization of funds. This constraint should not present major difficulties since some type of local institution—such as a school, hospital, mission, or bank—could usually assume responsibility for handling transferred funds. Arrangements for such transfers could be made either by the project group itself or by field representatives. As such situations place intermediaries in very sensitive areas of a project, assurances would have to be given that overall control of the project—and its funds—would remain with the people most directly involved in the development endeavor.

Perhaps the best choice would be to encourage as many project proponents as possible to adopt simple accounting procedures and thereby be able to control their own funds. Where necessary, managerial assistance and/or training could be provided either by local institutions or by African field representatives (if this option is exercised). Grant agreements should, of course, be prepared and signed by all parties involved in a project, including any intermediary groups. In the event that follow-up visits or communications uncover either gross mismanagement or obvious deception, grants could simply be cut off. Audits should be required on all grants and loans, and could be carried out through contract arrangements with African accounting firms on either a national or regional basis.

E. The Learning Experience

Background. As an innovative institution created to break new ground in directly assisting self-development activities in Africa, an African Development Foundation would be in a position to acquire important knowledge regarding the fundamentally common aspects of the projects it assists and the most suitable means of assisting them. The initiation of learning and evaluative activities within a responsive development assistance entity presents a unique opportunity to base the process on the learning experiences of Africans themselves. This innovative orientation is important for reasons of both common sense and empirical accuracy.

Conventional evaluative research in development has long been characterized by lengthy and expensive ex post facto hypothesis-testing studies whose complexity has precluded a high degree of involvement among project participants in the selection of evaluative criteria and the preparation of the evaluation study itself. The first problem with such an approach relates to the fact that resources allocated for studies of this type have not facilitated a learning experience among those who could most appropriately gain from it. A second problem involves the empirical relevancy of the studies themselves, for if a particular piece of research is to be sound and reliable, it must be both rigorous in terms of method and important in the sense that it addresses itself to problems and consequent findings of singular relevance to the situation at hand. Since the participants in a development project are in the best position to assess both the meaning and the importance of the process in which they are involved, the reliability of overall evaluations not based upon their understandings of development must be seriously questioned.

By carefully assessing the importance of participation in both implementation and evaluation, an ADF could initiate a learning process that would be of lasting value to itself, to other development entities, and, most importantly, to Africa. This process would involve two distinct phases: (1) the meaningful abstraction from, and evaluation of, projects by their participants and (2) the analysis of such expressed learning experiences by both an ADF and other, principally African, organizations and individuals.

Two underlying assumptions govern the feasibility of this approach: first, that Africans can indeed provide meaningful insights into their own development process, and, second, that an ADF could generate an atmosphere of trust in its relations with grantees that would allow them to provide such insights in a forthright manner. As too little an attempt has been made to meaningfully involve Africans in either the process of self-development or that of self-evaluation, there is little evidence to indicate that they cannot effectively carry these out, especially if they are provided frameworks relevant to their needs. In creating relationships in a nondirective manner, an ADF should be able to establish an understanding with project participants that its support is not contingent upon absolute success in all phases of a project, and that open and honest reflection on both the drawbacks and gains of a particular project is of vital importance to their own efforts.

Operational Considerations. The learning format discussed in this section represents one feasible approach to implementing the criteria cited above; there are, of course, many paths that could be taken in this regard.

The conceptualization and communication by participants of the objectives and work plan (i.e., methodology) of a project, in however simple or complex a manner, may be taken as the basis of a learning process. As part of the grant agreement and follow-up process, participants could be encouraged or required to carry-out a continual self-assessment process in their own manner, and to communicate progress reports (in written or oral form) on a timely basis. A simple but expressive format for this purpose might address itself to two fundamental sets of question: 1) Are the goals which were cited in the funding request being met according to plan? If so, what factors seem to account for this? and 2) If the goals are not being satisfactorily achieved, what went wrong? By introducing such simple but universally relevant questions, a Foundation would be encouraging the adoption of self-assessment systems based on continuing reflection upon the relationship between methods (i.e., work plans) and goals in development.

From a Foundation's standpoint, this process, together with the project proposal format, would make available in a consistent form, process information on a wide variety of self-development projects. An ADF would then be able to proceed with its own learning experience in a number of ways. By extracting commonalities of structure, method, and approach from a number of successful projects, it could attempt to piece together important organizational and methodological characteristics or indicators of success in African self-development. By then rigorously testing the reliability of such indicators with the assistance of African scholars, it could greatly strengthen its own project identification, selection, and assistance procedures. The subsequent dissemination of important findings to other development entities would constitute a significant contribution to the field.

An ADF might choose to select what seem to be particularly successful or innovative initiatives and carry out in-depth case studies—again perhaps utilizing the services of African scholars. The purpose of these studies would be to explore in creative fashion the relationship between specific development processes and the social and economic contexts out of which they have arisen. A compilation of such studies could provide valuable, exploratory insight into the question of what may constitute authentically African, and therefore self-sustaining, patterns of development.

Dissemination within Africa of information and knowledge gained through the experiences of both project participants and African investigators could take place in a number of ways. Support could be given, for example, to international or intranational grantee conferences should such assistance be requested. An ADF might also decide to aid groups or individuals involved in relevant research, publishing, and/or media-related activities. In supporting these dissemination activities, a Foundation would be playing a catalytic role without becoming directly involved in the process itself.

In summation, by basing its learning process upon the experiences and insights of African project participants and by directing its focus towards that which is relevant to, and important for, authentic development in Africa, an ADF could make important contributions toward the advancement of knowledge in the field. While simultaneously providing the basis for the evaluative accountability required of an institution of the nature of an ADF, a learning process of this type would avoid what one African diplomat succinctly termed "the marked proclivity in development toward more books on Western shelves."

III. Legal, Organizational and Staffing Considerations

To be effective in carrying out its innovative mandate, an African Development Foundation must possess a number of unique structural characteristics. In most general terms, it is essential that there exist a high degree of consistency between the institution's intended operations, or functions, and its organizational structure. The importance of such consistency underlies the more detailed analysis which follows.

Legal Status. Although a method of public accountability must be provided in the formation of an ADF, such an institution has a critical need for maximum operational flexibility. That flexibility can only be protected through a mandate which ensures an appropriate degree of freedom from potential political, diplomatic, and inter-agency interference. To reconcile these needs for both accountability and autonomy, an African Development Foundation could be created as an independent, U.S. government corporation. It would therefore coordinate its development activities with appropriate agencies, without being under the control of those agencies. Additionally, it should be headed by a distinguished Board of Directors, appointed by the President and confirmed by the Senate.

As part of its mandate, an ADF should be legally empowered to receive funds from public and private sources and to dispense such funds in the form of development assistance through public and private channels in Africa.

Financial Appropriations. Although the development needs of Africa may be viewed as immense, an ADF must be appropriately small if it is to be consistent, flexible, and effective in operations, particularly in its early stages. If established with a three-year mandate—which is enough time to demonstrate initial feasibility—a minimum appropriation of $25 milion should prove adequate for project support. After such time, the Congress could conduct a thorough review of the Foundation before appropriating additional funds.

Of great importance in the appropriation process is the matter of long-term resource accessibility. In attempting to respond patiently and consistently to diverse development projects in Africa, such an institution cannot be burdened with the problems inherent in annual appropriation struggles, cyclical budgetary constraints, and prior allocation processes. Thus its initial appropriations should be made available to it throughout the first three years of operations and remain available until fully expended. An ADF could also pursue, if so empowered, complementary, private-sector financial support—perhaps sufficient to cover its operating costs.

Board of Directors. To ensure accountability, consistency, and autonomy, a small Board of Directors should be appointed, with greater representation from the private sector. A seven-member Board would be sufficient, with perhaps five private-sector and two public-sector representatives, the latter being selected from among public officials in the area of African affairs.

The choice of Board members is crucial, so careful attention should be paid to their qualifications. While they need not be experts in the technical and operational aspects of development per se, Board members should be people of recognized knowledge, experience, and sensitivity with regard to Africa and its development processes. They must also both understand and be committed to the approach to development which such a foundation would embody. Given the potential consequences of ineffective and/or misdirected leadership, it is important that a comprehensive search for qualified appointees be undertaken before final recommendations are made to the President.

African Advisory Capacities. The effective participation of Africans, both in the projects assisted and in the overall operations of a Foundation, would be a fundamental necessity. Without constant African feedback and advice, an ADF could easily become entrapped in the very syndrome it was created to counter—namely, the proclivity for dictating development from afar.

By law, foreign nationals cannot sit on the Board of a public agency. This, however, does not preclude the meaningful involvement of Africans in an effective advisory capacity. Initially, this involvement could be effected through the formation of an advisory board consisting of Africans with recognized expertise in social and community development. This Board could perhaps be composed on a regional basis, complementary to the regional-team structure of the Foundation itself. After operations have begun and a number of projects funded, representatives of grantee organizations and communities should also be included in advisory capacities, either through direct representation on the advisory board or through the formation of special advisory panels composed of project participants. In either case, the Board of Directors should meet with the advisory board(s) on at least an annual basis in order to aid them in their review of the on-going operations of the Foundation and their examination of its future directions. These meetings would be crucial in determining the directions of both project assistance and learning and dissemination activities in Africa.

The Selection of Core Staff. Any organization is only as effective as its personnel. In the case of a decentralized entity such as an ADF, this maxim is crucially relevant—especially as it regards field representatives. While a Foundation's core staff would have to meet the basic qualifications of language and professional ability required to initiate normal operations in the field, the organization's ultimate effectiveness will in large part be determined by the extent to which this staff can bring to its task the "extra dimension" necessitated by its responsive operating style. This added dimension most fundamentally consists of a keen understanding of, and sensitivity and commitment to, African people and their inherent process of development. As intangible as these qualities may seem, they are critical in any attempt to initiate and maintain trusting relationships across the African continent.

The selection of field representatives should therefore be based upon two essential criteria: significant development experience at the community level in Africa and a demonstrated commitment to innovative, participatory development processes, again at the community level.

Selection of a Chief Executive. The search for the president of an ADF must be thorough, since the individual selected will be a critical factor in the relative success of the organization. In addition to selecting and building an appropriate staff, the chief executive must also chart an innovative diplomatic and operational course in foreign development assistance. In large part, the success of this foundation, both in determining the correct initial paths to follow and in being able to establish an atmosphere of trust in Africa, would depend upon the integrity and ability of its president.

This position will undoubtedly require a truly unique combination of skills. The person selected must have superior knowledge and experience in African community development, while possessing dynamic abilities in leadership, administration, and diplomacy. Above all, he or she must be a person of impeccable reputation and deep personal commitment to Africa.

The Board of Directors would do well to arrange for an independent talent search to

fill this position. This would be wise for two reasons. First, since qualified candidates are not necessarily well-known in diplomatic or development circles, the recruitment and selection process should be exhaustive. Second, an objective search and review process would help ensure that politics would play no role in the selection of a person for this highly unique and sensitive position.

Personnel Procedures. Although an African Development Foundation would be a federal agency, it should be exempt, for a number of reasons, from Civil Service Personnel Regulations. Recruitment for such specialized and innovative jobs as an ADF would offer would require considerable latitude. Civil Service Procedures, however, can often make it difficult to fill such positions with appropriately skilled and sensitive staff. They may also make it difficult to terminate or transfer individuals from sensitive field positions in the event their performances prove insufficient for the delicate task at hand.

As a creative venture in foreign assistance, a Foundation would also undoubtedly acquire a growing thirst for new ideas, insights, and understandings. It may therefore wish to foster staff turnover for the purpose of continually gaining new perspectives. This could be accomplished, for example, by limiting terms of employment to, say, five or six years, as some organizations. such as the Peace Corps, have done.

There are other considerations as well. Given the criticism of pay scales in some development assistance organizations, an ADF may wish to set salaries at a level which, while sufficient to attract talented individuals, would also be reflective of the nature of anti-poverty work. Civil Service regulations might again prove difficult in this regard. In order to afford protection against politically motivated hiring and other forms of arbitrary intervention in staff selection, serious consideration should be given to the employment of foreign service ratings and other more flexible types of federal government procedures. Ultimately, however, it will be the strength, integrity, and sensitivity of the Board members and the Chief Executive Officer that determine the nature and fortunes of an ADF.

IV. Summary, Conclusion and Recommendations

In the process of establishing credible and lasting relationships with the countries of Africa, it is imperative that the United States recognize and support that continent's strivings for self-determination after a long history of colonial rule. This support must include a form of foreign assistance which complements the efforts of African people to determine their own diverse and unique development modes.

Much remains to be learned, however, regarding responsive measures of development assistance. Despite the transfer of vast amounts of material, technical, and financial aid to the Third World, we have not met with great success in contributing to the establishment of equitable and self-sustaining patterns of development. In large part, our failures are traceable to a dependence on overly centralized and inflexible methods of assistance which do not sufficiently reach intended beneficiaries and do not build upon the social and economic strengths which they inherently possess.

The question of building upon a local community base is a particularly relevant and important one for Africa. As part of the movement toward authentic self-determination, African people at the community level have increasingly become involved in self-development efforts aimed at improving their own quality of life—and in their own way. Though usually small in size, these efforts show great potential in achieving self-reliance for African communities with very limited outside assistance. They may also prove to be of lasting significance in the determination of authentically African models of development.

Although we could greatly enhance these processes by directly assisting self-development efforts at the community level, we currently lack the institutional means to do so. Growing interest has therefore arisen in the diversion of a modest portion of our annual foreign assistance appropriations for Africa to create an experimental institution designed to provide non-directive assistance in support of such initiatives and the formation and growth of indigenous development institutions. To ensure the necessary flexibility, autonomy, and accountability, the institution would most appropriately be established as a public operating foundation with a distinguished Board of Directors appointed by the President and confirmed by the Senate.

Consideration of this new mechanism has come during a time of increased concern in this country about both Africa and the need to directly assist the "poor majorities" of the Third World in their own development processes. In response to that concern, legislation has been introduced in the House of Representatives by Representative Don Bonker (D-Wash.) and in the Senate by Senator Edward Kennedy (D-Mass.) to create the African Development Foundation. As part of the attempt to reorient our foreign assistance programs to better address the needs of present-day Africa, the introduction of this legislation represents an important step in the right direction. The creation of this institution must, however, be accomplished in a manner which both ensures and protects the adoption of consistent, effective, and responsive assistance procedures necessary to support African initiatives at the community level.

In this regard, more work remains to be done. It is imperative, for example, that a mechanism be provided for the infusion of a variety of expert opinion throughout the process of establishing the Foundation. Such on-going advice will be critical in the determination of initial objectives and selection criteria for Board members and staff. A Congressional or Executive Branch appointment of a private oversight committee—composed of both Africans and Americans—would be an effective way of dealing with this matter.

To complement the oversight function, it is also recommended that additional information be ascertained through further, more detailed research. More needs to be known about the exact types of assistance required by self-development projects in Africa and the most appropriate means through which such assistance can be provided. This calls for rigorous examination in two distinct areas: 1) the organizational structures and operational methodologies employed in a wide range of African development ventures; and 2) the administrative and field operations of the more successful international development assistance organizations. Information and insights derived from careful case studies in both of these areas would prove to be of invaluable assistance in the establishment of a new and innovative institution for African social development.

Appendix II

Project Examples

The following projects are a representative sample of the many African self-development ventures which have come to our attention during the course of preparing this report. Some of the groups cited are development organizations already established in their operations, while others are still emerging endeavors. All are meant to serve as examples of what could be readily supported by an African Development Foundation. Africans and Americans who have been in the field for many years calculate that there are hundreds of projects similar to these throughout Africa.

S.P.O.N.G. (Secretariat Permanent des Organisms Non-Governementaux) is a private development consortium in Upper Volta with over twenty member organizations. S.P.O.N.G. represents the private sector in determining national development policies in Upper Volta, and has recently established a technical office through which it hopes to expand direct services in the areas of project planning, community development, development sociology, and hydrology.

The Botswana "Ipelegeng" Movement. Like many other African countries, Botswana has long had a nationwide community development program which assists local groups in physical, social, and economic self-improvement *"Ipelegeng"* means to "lift yourself upward."

With minimal financial and material assistance, a wide range of community ventures have evolved throughout Botswana. They include the construction of schools and clinics, health training programs, small business ventures, and a number of agricultural and marketing cooperatives. These diverse projects—many of which could engender the formation of local private development organizations—offer numerous opportunities for direct support.

The National Christian Council of Kenya Women's Project of Mombasa is a venture by a consortium of ten women's groups which produce tie and dye fabrics, clothing, and jewelry. The project is controlled by the participating women, who have also formed a marketing outlet called "ToToTo" through which they are exporting their hand-make products. As a growing concern, this endeavor could be greatly assisted by the infusion of a small amount of capital to expand production and marketing capabilities.

C.O.N.G.A.T. (Counseil de Coordination des Organisms Non-Gouvernementaux en Activité au Togo) is a private consortium in Togo, which operates in somewhat similar fashion to S.P.O.N.G. It is recognized by the Togolese government as the official representative of private development agencies within the country. Aside from its policy role, C.O.N.G.A.T. organizes numerous regional meetings of local farmer and village organizations to discuss development problems and plan appropriate solutions. It also publishes a directory of private development projects and provides technical services in project planning and management. It hopes to expand both its outreach and technical service functions in the near future.

Rural Village Cooperative in Dar-es-Salaam, Mauritania. In the Village of Dar-es-Salaam, near Rosso, Mauritania a small group of people have recently formed an agricultural cooperative with a small amount of material assistance from a neighboring, successful cooperative across the Senegal River. This is a good example of the natural diffusion of development knowledge which can be facilitated by catalytic project support and subsequent learning processes. This particular project also exemplifies the type an ADF might choose to assist, for although class status has long been noted as inflexible in Mauritania, all of the co-op members in Dar-es-Salaam share equally in work, profits, and membership rights. This particular co-op could use financial assistance from a foundation for the purchase of tools and additional materials

The Ashanti Land Movement Scheme. This project is an attempt by a local youth group in Ghana to clear and re-cultivate an abandoned colonial estate for the purpose of increasing both staple and cash crop production. Assistance is needed to purchase additional tools, seeds, and fertilizers.

The Bobo Dioulasso Fruit Cooperative. In Southwestern Upper Volta, much of the annual mango crop spoils due to lack of storage and processing facilities. The local marketing cooperative in Bobo Dioulasso has attempted for some time to obtain funding to construct and equip a small refrigerated warehouse

and a production plant to process and can mango jelly and chutney. They still need financial assistance.

A Floor Tile Production Co-op in Cameroon. In Doula, Cameroon, an African nun, trained in ceramic design in Spain, has organized local teenagers into a small floor tile production cooperative. The tiles are uniquely designed and mostly hand-produced. Despite a substantial backlog in orders, the co-op has not been able to secure credit and, thereby increase its production to meet demand. The potential effectiveness of a small loan to this type of project is obvious.

AUGUST 12, 1977.

Mr. JERRY TINKER,
Russell Senate Office Building,
Washington, D.C.

DEAR JERRY: Since I have been following for over a year the efforts to establish an African Development Foundation. Jim Grant has suggested that I be the one to respond to your letter to him of June 21. I'm only sorry that it's taken this long to send a response to you.

First of all, let me say that I'm delighted that Senator Kennedy has introduced legislation for an African Development Foundation. The Inter-American Foundation on which it is modeled has been, from the point of view of many of us, a very successful enterprise, showing that our government can indeed respond to grassroots demands for social justice and for thus enhancing the opportunities of poor people to achieve their basic physical needs. I spent some weeks visiting IAF projects in Latin America in late 1975 and was much impressed by them. The IAF's whole philosophy, as reflected in their recent self-assessment, They Know How . . . is entirely appropriate to an era of increasing Third World demands for dignity, justice and self-reliance, and I assume the African foundation would embody a similar philosophy and approach. My only regret, in fact, is that the Senator's legislation proposes a foundation only for Africa and not also for Asia.

In your letter you mention two or three principal arguments against the Foundation concept. They are legitimate arguments but not, I think, persuasive ones. Africa, to be sure, is not Latin America, but experienced Africanists assure me that the private sector is much more developed on their continent than we foreigners generally realize. The same argument regarding an "insufficient private sector" was advanced for Latin America at the time the IAF was launched, and it has proved unfounded. Indeed, the existence of an African Development Foundation could serve to encourage additional private initiative on that continent. And while that is happening, I note that the Foundation would also be permitted by the legislation to make grants to government entities where their principles of operation are compatible with those of the Foundation.

On the second argument, and on the basis of having spent more than two years assessing the role of U.S. private and voluntary agencies in development, I can assure you that there is much that the Foundation could do that various voluntary organizations are not already doing. While there is always a certain amount of competition for good projects, the fact that there is still a development problem suggests that additional enlightened approaches and efforts are needed. While a few voluntary organizations are performing the kinds of educational and consciousness-raising roles that the Foundation would support (emphasizing local identification of development priorities and local participation in their resolution), many others pursue quite different approaches, such as providing capital infrastructure (schools, clinics, and roads) or organizing feeding programs. Thus, an African Development Foundation that would pioneer new approaches would not only not duplicate existing efforts but would hopefully provide an innovative example to other bilateral and multilateral aid programs in Africa and to voluntary agency programs as well. Indeed, the African Development Foundation would hopefully be in a position to help fund some of the better U.S. voluntary agency initiatives where their intermediary roles are of special value in assisting particular African groups. (In suggesting this last point, I am aware that one should be careful not to encourage too many grants to other U.S. agencies lest the primary African constituency become thus neglected and lest U.S. political pressures on behalf of individual U.S. agencies become too strong.)

I hope this response helps as the Senator and you move the pending bill toward action. Let me know if we can help in any other way in the future. Meanwhile, best regards.

Sincerely,

JOHN G. SOMMER,
Fellow.

P.S. It occurs to me that my book *Beyond Charity—U.S. Voluntary Aid for a Changing Third World,* may be of some relevance in connection with the African Development Foundation. It has a chapter on how U.S. government aid could be more effectively organized through just this kind of effort you are proposing. It should be available later next month—with a foreword by Senator Humphrey, incidentally—and I'll make sure you receive a copy then if you don't need a draft copy beforehand.

CORNELL UNIVERSITY,
DIVISION OF NUTRITIONAL SCIENCES,
Ithaca, N.Y., August 23, 1977.

Mr. JERRY TINKER,
Committee on the Judiciary,
Washington, D.C.

DEAR JERRY: I have now had a greater opportunity to consider and to discuss with others the proposal for the establishment of an African Development Foundation.

As I mentioned in my letter to you dated July 12, I very definitely support the Bill as introduced by Senator Kennedy. Africa needs assistance more than any other part of the world. It contains the largest number of very poor and very undeveloped countries. It is my view that the proposed Foundation could contribute to development.

One argument against this kind of help is that the most deserving countries (that is those that are poorest and yet trying very hard to develop themselves) also have a lack of absorptive capacity. For example, people say that Tanzania is receiving so much assistance from so many sources that her few well trained staff are now stretched so thin that they cannot properly utilize the assistance being given. This to some extent is true. But I still believe that the proposed Foundation if sensitive both to needs and local capacity could be very useful.

I would like to see clearly written into the bill three new aspects none of which are now very specific. These would be (1) a role for cooperative agreements between appropriate U.S. universities or departments of universities, the Foundation and African countries to undertake specific activities, (2) a specified undertaking that young U.S. volunteers or Peace Corps workers be utilized to help African development, and (3) a statement that actions to improve health and nutrition will receive special priority.

If you wanted me to do so I could draft something on these three items, but I do not expect this will be necessary.

I do feel that at this stage of development Africa of all the world's regions is most short of its own professionals and that U.S. university involvement could be very helpful, and that young U.S. volunteers could play an important role. There are so many young Americans eager to play a part in development and yet very little opportunity for them to do so. I really think that this talent needs to be better utilized. Lastly, I believe that U.S. assistance has relatively ignored health and nutrition problems in the past. Yet good health and nutritional status are both a felt need of people and also an index of an improved quality of life. In my view they are better indicators of real development than are the customary economic measures such as G.N.P., per capita incomes, or capital investment in industry.

If you feel that there is any assistance that I can give in relation to this bill or to other work of Senator Kennedy's, please let me know.

With all good wishes,

Sincerely,

Dr. MICHAEL C. LATHAM,
Professor of International Nutrition.

EARTH RESOURCES DEVELOPMENT
RESEARCH INSTITUTE,
Washington, D.C., July 13, 1978.

Mr. JERRY TINKER,
Staff Consultant,
Washington, D.C.

DEAR JERRY: I greatly appreciate your letter of June 21, 1977, and the opportunity to comment on the Bill to establish an African Development Foundation.

The two arguments against the Foundation concept, which you have noted, have been offered in various discussions in which I have participated. They were raised particularly in conversations concerning the possibility and need for a Congressionally mandated program for social and economic aid to Africa, outside traditional Government modes of operation, i.e., USAID and international organizations, such as the United Nations agencies and World Bank and its affiliates.

The first argument, that Africa doesn't have the private sector to sustain the work of a Foundation, is a valid point, not against the concept of the Foundation, but rather in establishing that different approaches will be required in Africa as compared to those used in Latin America.

The second argument, that a Foundation cannot do anything not already being done by other organizations, reduces, in my mind, to the question of whether or not we as Americans and as members of the affluent international community are doing all that we should to accelerate and enhance the development process among less fortunate peoples and countries of the world. And to this I emphatically respond that not enough is being done.

The social and economic structures of the numerous societies in Africa are in large part oriented to traditional village and tribal patterns. The nationalization of these societies, and the unification of their economics is making mixed progress. While federal structures exist, they are too often skeletally staffed qualitatively and quantitatively. (Perhaps their most efficient capacity is the collection of taxes.) The outreach of these young governments, in terms of services provided, is limited. And too often the governments efforts are disruptive to traditional patterns while being inadequate to provide substantive alternatives. Much emphasis is now being given to the improvement of the infrastructure and capacity of African governments—an appropriate emphasis.

But emphasis is simultaneously required on the development of a populace capable of dealing with national growth, both through full participation in the national system, and through proper local achievement within that system. African national systems have not developed out of local evolutionary political processes, but have been imposed with little regard to traditional and tribal loyalties and territory. The private

sector of these African countries continues to struggle to grow and to fill the gap introduced with the establishment of national government forms designed from international models.

Traditional societies throughout Africa maintain active organizations with various responsibilities, ranging from the age-old initiation societies to village judicial and administrative groups (often—in our minds—linked to mystical and religious activities) to modern tribal clubs and unions. The effectiveness of these latter, especially in West African nations, in providing scholarships to the young men (and more recently, young women) of the tribe is an excellent example of the private sector's demonstrated capacity for organization and implementation of modern development type activities.

The essential point here is that African societies contain effective private capacities of a uniquely African nature. They are not European or Western nor are they particularly similar to those of Latin America. Consequently they demand programs designed to their uniqueness if those programs are to be effective instruments of development within the private sector of Africa.

The unique nature of the African private sector is in part due to the multiplicity of societies in Africa, which range in national character from Algeria to Zambia, in urban tradition from Cairo to Timbouctou, and in tribal culture from Ashanti to Zulu.

More important perhaps than the multiplicity, however, is the gap between these traditional societies and the goals of their national governments. An organization geared to assisting development through sensitive participation in this sector, particularly in enhancing the productive potential of the private sector to be involved both in national policy development and in local economic and social improvement, could make substantial contributions to national development throughout Africa. Such assistance is to my knowledge not available at national levels, certainly not on a continent-wide basis. An African Development Foundation could be an effective means for meeting at least part of this need.

We are at this point coming very close to meddling in the affairs of sovereign African States in the unilateral development of an organization to assist the private sector within African nations. I maintain that an international foundation would be preferable to an American one. However, I understand from the gentleman at Development GAP that the Congress is required to act unilaterally in the establishment, funding and direction of a nonprofit US government foundation to achieve such goals.

Ideally I would propose that an international group, composed both of donor and African members, study the nature of a possible Foundation program to assist the African private sector, and the nature, especially the governing, of the Foundation. In the case that this type of action is deemed inappropriate/untimely/or just plain impossible, I suggest that the proper first action of the Foundation would be to establish a cooperative operation with African representatives, both private and public. This group would determine the particular areas of the African private sector which can be effectively assisted in the development process by such a foundation, how they are to be reached, and what legal structures are necessary for local channelling of such aid.

In conclusion and summary, my views on the establishment of an African Development Foundation may be condensed as follows:

Imaginative and African-oriented plans are needed to deal with the special development situation unique to Africa.

African input, and special understanding of African social, political and economic conditions, are essential to the establishment of a foundation with an effective program.

The Inter-American Foundation model seems to be an effective plan to build upon, but should not be transferred or imposed on the African scene simply because it works in Latin America; rather it can be adopted and molded to African needs and our desires to assist those development needs.

Except for African participation, the Bill seems designed broadly enough to allow the Foundation to deal with all these needs.

A period of study of the actual needs and potential for development assistance in the private sector of Africa would probably lead to a more effective Foundation. This study, however, can perhaps be accomplished satisfactorily as the first order of business of the Foundation. But again I'll hedge. Such field work would most effectively be done prior to the establishment of the Foundation.

I am trying to get together some research concerning alternatives and possibilities for a Congressionally mandated foundation for social and economic development in Africa. This research was done for us recently, but the final report is not yet in hand. Also I am sharing your letter with some of my associates. And I am interested in defining the types of organizations and groups immediately receptive to this type of aid. So you may be hearing more from me or others active in ERDRI.

The Moderator of the Board of Directors of ERDRI, George E. Sawyer, has asked that I convey to you our willingness to participate further in the discussion and development of the African Development Foundation, including testifying at hearings that may be called on the Bill.

Sincerely yours,

DONALD D. KURTZ,
Program Manager.●

Mr. CASE. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CASE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I believe there are no more pending amendments to the foreign assistance bill. I therefore ask unanimous consent that upon final vote of the pending Byrd amendment, which has already been scheduled to take place after two other votes have occurred, that the bill be deemed to be on third reading.

The PRESIDING OFFICER. Without objection, after action on the Byrd amendment third reading will be had.

Mr. CASE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. I ask unanimous consent that Robert Paquin and Susan Brannigan be granted the privilige of the floor during any other proceedings and all votes today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HAYAKAWA. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURES ON VOTES

(The following occurred earlier:)

Mr. ROBERT C. BYRD. Will the Senator yield, without any interruption showing in the RECORD as an interruption of the colloquy?

Mr. RIEGLE. Yes.

Mr. ROBERT C. BYRD. Would the distinguished Senator from Virginia be agreeable to the vote occurring on his pending amendment following the two votes already ordered on bills that have previously been considered today?

Mr. HARRY F. BYRD, JR. Certainly. Could I suggest that each side have 1 minute prior to the vote?

Mr. ROBERT C. BYRD. Yes, indeed.

Mr. President, I ask unanimous consent that the vote on passage of S. 2579 occur at 5:45 p.m. today, with paragraph 3 of rule XII waived.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on passage of S. 2466 occur immediately upon the disposition of S. 2579 today, with paragraph 3 of rule XII waived, and that that be a 10-minute rollcall vote. By that, I mean the second vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask unanimous consent that the vote on the adoption of the amendment now pending by Mr. HARRY F. BYRD, JR., occur following the vote on passage of S. 2466, with 2 minutes intervening between the vote on passage of S. 2466 and the vote on the amendment by Mr. BYRD, the 2 minutes to be equally divided and controlled by the proponent and the opponent of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that be a 10-minute rollcall vote, with the warning bells to sound after the first 2½ minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any additional rollcall votes ordered for today occur back-to-back following the pending amendment by Mr. BYRD of Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

Was it the majority leader's intention that the additional votes also be 10-minute rollcall votes?

Mr. ROBERT C. BYRD. Yes, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF REPRESENTATIVE WILLIAM M. KETCHUM, OF CALIFORNIA

Mr. HAYAKAWA. Mr. President, I submit a resolution on behalf of myself and Senator CRANSTON. I send a copy to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 493) relative to the death of Representative WILLIAM M. KETCHUM of California.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. HAYAKAWA. Mr. President, the death of the Honorable WILLIAM M. KETCHUM, a Representative from the State of California, is a matter of profound regret and sorrow to all of us. Representative KETCHUM was a man of extraordinary doggedness and conviction. It never bothered him to be a very, very small minority among those opposing a measure if he thought the measure was wrong or foolish or misguided. He was a man of very great energy and convictions and had the strength of those convictions.

He was also an extraordinarily energetic Congressman, pursuing the interests of his constituency, the State, and the Nation with vigor and complete dedication. I wish to express my own great sorrow and the sorrow of my colleagues at the loss of Mr. WILLIAM KETCHUM. I ask for the adoption of the resolution.

● Mr. CRANSTON. Mr. President, the death of Congressman BILL KETCHUM of California deprives the Nation of a rugged, tough-minded advocate of Western agriculture.

Representative KETCHUM stood in Congress for the same principles that guided him as a rancher, president of his local farm bureau, and three-term California State legislator. In the House since 1972, he was a forceful voice for the conservative approach to the problems of cattle and sheep ranchers, fruit and vegetable growers, cotton farmers, oil drillers and mineral interests in and around his adopted hometown of Bakersfield, Calif.

Though we disagreed on some issues—by no means on all—I knew BILL KETCHUM to be an outgoing and friendly human being. His political and legislative adversaries—no less than his compatriots—respected Representative KETCHUM for his direct approach and lack of pretensions. When he felt his positions were right for his district and his country, he was unafraid to be counted among the minority, even an unsuccessful minority.

Representative KETCHUM will be missed by his colleagues, but remembered for his contributions to California.●

The PRESIDING OFFICER. The question in on agreeing to the resolution.

The resolution was agreed to as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Honorable William M. Ketchum, late a Representative from the State of California.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, that when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

The PRESIDING OFFICER. Pursuant to the resolution, the Chair appoints the two Senators from California (Mr. CRANSTON and Mr. HAYAKAWA) to comprise a committee on the part of the Senate to join the committee appointed on the part of the House to attend the funeral of the deceased.

Mr. HAYAKAWA. I thank the Chair.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators being permitted to speak therein for not to exceed 5 minutes with the period not to extend beyond 30 minutes, and that there be no automatic call of the calendar today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that John Carbaugh and Dr. James P. Lucier be granted the privilege of the floor during further discussion of the pending business and any votes thereon.

The PRESIDING OFFICER. Without objection. it is so ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that on June 26, 1978, he had approved and signed the following acts:

S. 2380. An act to amend the Intervention on the High Seas Act to implement the protocol relating to intervention on the high seas in cases of marine pollution by substances other than oil, 1973.

S. 2553. An act to authorize appropriations for the fiscal year 1979 for certain maritime programs of the Department of Commerce, and for other purposes.

MESSAGES FROM THE HOUSE

At 5:06 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 128. A joint resolution designating July 1, 1978, as "Free Enterprise Day."

The message also announced that the House has passed the bill (S. 3040) to amend the Rail Passenger Service Act to extend the authorizations of appropriations for an additional fiscal year, to provide for public consideration and implementation of a rail passenger service study, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

The message further announced that the House agrees to the amendment of the Senate to H.R. 3447, an act to amend chapter 83 of title 5, United States Code, to grant an annuitant the right to elect within 1 year after remarriage whether such annuitant's new spouse shall be entitled, if otherwise qualified, to a survivor annuity, and to eliminate the annuity reduction made by an unmarried annuitant to provide a survivor annuity to an individual having an insurable interest in cases where such individual predeceases the annuitant.

The message also announced that the House agrees to the amendment of the Senate to H.R. 3755, an act to provide for the reinstatement of civil service retirement survivor annuities for certain widows and widowers whose remarriages occurred before July 18, 1966, and for other purposes.

The message further announced that the House disagrees to the amendments of the Senate to H.R. 12933, an act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1979, and for other purposes; agrees to the conference asked by the Senate on the disagreeing votes of the two Houses

thereon; and that Mr. McFALL, Mr. STEED, Mr. DUNCAN of Oregon, Mr. BENJAMIN, Mr. SMITH of Iowa, Mr. ADDABBO, Mr. YATES, Mr. EVANS of Colorado, Mr. CONTE, Mr. EDWARDS of Alabama, Mr. O'BRIEN, and Mr. CEDERBERG were appointed managers of the conference on the part of the House.

The message also announced that the House has agreed to House Resolution 1249 relating to the death of the Honorable WILLIAM M. KETCHUM, a Representative from the State of California.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations, jointly, without amendment:

H.R. 12571. An act to amend the Fishery Conservation Zone Transportation Act in order to give effect to the Reciprocal Fisheries Agreement for 1978 between the United States and Canada (Rept. No. 95–955).

By Mr. MOYNIHAN, from the Committee on Finance, with an amendment and an amendment to the title:

H.R. 4007. An act to amend the Internal Revenue Code of 1954 to designate the home of a State legislator for income tax purposes, and for other purposes (Rept. No. 95–956).

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. 3243. An original bill to authorize the appropriation of funds to provide for additional administrative expenses associated with the implementation of the Local Public Works Capital Development and Investment Act of 1976, as amended (Rept. No. 95–957).

By Mr. SPARKMAN, from the Committee on Foreign Relations, with amendments:

H.R. 7819. An act to complement the Vienna Convention on Diplomatic Relations (Rept. No. 95–958).

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. Res. 492. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 12426, the New York City Loan Guarantee Act of 1978. Referred to the Committee on the Budget.

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. Res. 494. An original resolution waiving section 402(a) of the Congressional Budget Act with respect to the consideration of S. 3243. Referred to the Committee on the Budget.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

Ex. O, 94–2. International Convention for the Safety of Life at Sea (Ex. Rept. No. 95–23).

Ex. L, 95–1. Protocol Relating to Intervention on the High Seas in Cases of Marine Pollution by Substances Other than Oil (Ex. Rept. No. 95–24).

Ex. O, 95–1. Reciprocal Fisheries Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland (Ex. Rept. No. 95–25).

Ex. K, 95–1. Convention Between the United States of America and the Union of Soviet Socialist Republics Concerning the Conservation of Migratory Birds and Their Environment (Ex. Rept. No. 95–26).

By Mr. WILLIAMS, from the Committee on Human Resources:

The following-named persons to be members of the Federal Council on the Aging:

Nelson H. Cruikshank, of the District of Columbia;

Walter L. Moffett, of Idaho;

James T. Sykes, of Wisconsin;

Fannie B. Dorsey, of Kentucky;

Mary A. Marshall, of Virginia;

Bernice L. Neugarten, of Illinois;

Fernando Manuel Torres-Gil, of California; and

Wesley C. Uhlman, of Washington.

(The above nominations from the Committee on Human Resources were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BURDICK (from the Committee on Environment and Public Works):

S. 3243. A bill to authorize the appropriation of funds to provide for greater administrative expenses associated with the implementation of the Local Public Works Capital Development and Investment Act of 1976, as amended; placed on the calendar.

By Mr. HATCH:

S. 3244. A bill for the relief of Maryam Malek; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. HAYAKAWA):

S. 3245. A bill to establish the true location of a portion of northerly boundary of the Angeles National Forest, located in Los Angeles County, Calif., on the common line between sections 16 and 17, township 4 north, range 10 west, San Bernardino meridian, and to establish the center quarter corner of said section 16; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRANSTON (for himself and Mr. HAYAKAWA):

S. 3245. A bill to establish the true location of a portion of northerly boundary of the Angeles National Forest, located in Los Angeles County, Calif., on the common line between sections 16 and 17, township 4 north, range 10 west, San Bernardino meridian, and to establish the center quarter corner of said section 16; to the Committee on Energy and Natural Resources.

ANGELES NATIONAL FOREST

● Mr. CRANSTON. Mr. President, on behalf of Senator HAYAKAWA and myself, I am introducing a bill to establish the true location of a portion of the northerly boundary of the Angeles National Forest in Los Angeles County, Calif.

This legislation is necessary to correct a survey problem in section 16, township 4 north, range 10 west, San Bernardino Meridian, Calif. Very briefly, in 1972 when conducting a survey in connection with the master plan of highways, the Los Angeles County Engineer was unable to locate the southwest corner or the south and west quarter corners of section 16. As a result, the county established and set these corners based on its interpretation of portions of the original field notes from the U.S. General Land Office survey of 1912.

Unfortunately, the section and quarter section corners which the county engineer established are substantially different from the boundaries of use established since the area was subdivided.

As a result, the homes, wells, and other valuable facilities are not located on the lands described in the owners' deeds.

Also, the new boundaries are substantially different from all the U.S. Government and county maps showing section 16 and from the Angeles National Forest boundaries surveyed by the Los Angeles County Surveyor in 1933.

Efforts have been made to resolve this problem through the proper channels of the Bureau of Land Management and the U.S. Forest Service to no avail. Thus, it appears that legislation is the only satisfactory way of rectifying the problem for future title purposes.

I understand that if the existing Angeles National Forest boundary monumented corner identified as monument J–249 on the Los Angeles County Surveyor's Map B–745, sheet 4, is established as the west quarter section corner of section 16 and the mid-point halfway between this boundary marker and the east quarter section corner is established as the center of the section, the property lines will basically fit the lines of usage and resolve the problem. This legislation resets the boundaries in this way.

The Title Insurance & Trust Co. of Los Angeles has aided in the drafting of this legislation and is confident that it will resolve the boundary conflict. The Los Angeles County Engineer's Office has also indicated its support for this legislation.

Mr. President, the bill is a companion to H.R. 11451 introduced in the House by the late Congressman BILL KETCHUM, and already approved by the House Interior Committee Subcommittee on Indian Affairs and Public Lands.

I ask unanimous consent that the text of the measure be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3245

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) The north one-half of section 16, township 4 north, range 10 west, San Bernardino meridian, was conveyed by the United States to Harry M. Miller by Patent recorded August 13, 1923, in book 2511 at page 336, Official Records of Los Angeles County as to a portion thereof, and the remainder to Herbert Colbeck by Patent recorded December 4, 1923, in book 2883 at page 144, Official Records of said county; and

(b) The South one-half of section 16 and section 17 of said township and range are now part of the Angeles National Forest. A question has arisen as to the true location of the common boundary of the Angeles National Forest and the private lands in said section 16; and

(c) The section corners and quarter-corners of said section 16 were established by the United States Government surveyors and depicted upon the official plats of said township approved by the United States Surveyor General on April 24, 1905, and December 4, 1917; and

(d) The southeast, northeast, and northwest corners and the north and east quarter-corners have been recovered; however, the southwest corner and the south and west quarter-corners of said section 16 have been thoroughly searched for on several occasions by both public and private surveyors without success;

(e) The Los Angeles County surveyor, while running the boundary of the Angeles National Forest in 1933, being unable to find the original west quarter-corner of said section 16, set a monument marked "County Surveyor's Monument Forest Reserve Cor. R.E. 62 J-249-FB", at the theoretically correct location of said west quarter-corner to wit: one-half mile south of the found northwest corner and one mile west of the found east quarter corner of said section 16; and

(f) Numerous surveyors and private parties have accepted said county surveyor's monument marked "Forest Reserve Corner" for the past forty years as the true west quarter-corner of said section 16 and have subdivided, resubdivided, and improved such private lands by constructing houses, roads, wells, utilities, and pipelines within the north half of said section in relation thereto;

(g) There are currently numerous parcels of land in private ownership within the north half of said section 16, the boundaries of which would be seriously disrupted should the west quarter-corner of said section be reestablished in any location other than that of the 1933 county surveyor's monument marked "Forest Reserve Corner".

SEC. 2. (a) In order to dispel any uncertainty and to insure that the boundaries of said private land not be needlessly disrupted, it is hereby found and declared that the 1933 county surveyor's monument marked "County Surveyor's Monument Forest Reserve Cor. R.E. 62 J-249-FB", which was set at a point one-half mile south of the northwest corner and one mile west of the east quarter-corner of said section 16, as said corners and monument are shown on the country surveyor's map B-745 on file in the Office of the County Engineer of the County of Los Angeles, is at the true location of said west quarter-corner as originally set by the Government Land Office Surveyor in 1912 and depicted upon the plat of township 4 north, range 10 west, San Bernardino meridian, approved December 4, 1917.

(b) It is further found and decaled that the south line of the north half of said section is a line connecting the east and west quarter-corners hereinabove mentioned and that the center quarter-corner of said section is located at the midpoint of the south line of the north half of said section 16 as hereinabove established.●

ADDITIONAL COSPONSORS

S. 2716

At the request of Mr. NELSON, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 2716, a bill to amend the Interstate Land Sales Full Disclosure Act.

S. 3160

At the request of Mr. GLENN, the Senator from Minnesota (Mrs. HUMPHREY) was added as a cosponsor of S. 3160, to provide for increased allied health personnel in medically underserved urban and rural areas.

S. 3179

At the request of Mr. NUNN, the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Idaho (Mr. BARTLETT) were added as cosponsors of S. 3179, to amend the Small Business Act to create a small business and capital ownership development program.

SENATE RESOLUTION 477

At the request of Mr. CULVER, the Senator from Utah (Mr. HATCH) was added as a cosponsor of Senate Resolution 477, to disapprove the meat imports quota suspension.

AMENDMENT NO. 1757

At the request of Mr. NELSON, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of amendment No. 1757 intended to be proposed to S. 2716, a bill to amend the Interstate Land Sales Full Disclosure Act.

AMENDMENT NO. 2448

At the request of Mr. ROTH, the Senator from Florida (Mr. STONE) was added as a cosponsor of amendment No. 2448, intended to be proposed to S. 2571, to authorize appropriations during the fiscal year 1979 for military procurement.

SENATE RESOLUTION 492—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 492

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 12426, the New York City Loan Guarantee Act of 1978. Such waiver is necessary because the bill authorizes appropriations for fiscal year 1978 and it was not reported by May 14, 1977.

The Legislation was not reported by May 15, 1977 because at that time the Federal seasonal financing program established by the New York City Seasonal Financing Act of 1975, Public Law 94-143, was in effect, there was no pending proposal for continued federal financial assistance for New York City after the seasonal financing program ends on June 30, 1978, nor had any such aid been requested. While the City has made much progress toward fiscal stability and autonomy, the Banking Committee believes the city still has not been able to sell its securities in the public credit markets. In fact, its attempt last fall to sell a moderate amount of securities was unsuccessful. Without such market access, the Banking Committee believes the City cannot achieve its financial goals, and it must look to other sources to satisfy its critical financing needs.

Since the seasonal financing program will end on June 30, the City has requested further Federal aid, in the form of guarantees on its long-term securities, as a means of averting possible bankruptcy and as an essential element of its four-year financial plan, issued on January 20 and subsequently revised, which is designed to allow the City to balance its budget and obtain access to public credit markets within the next four years. While the Banking Committee believed in May 1977, and confirmed as recently as February of this year, when it issued a report on the City's financial condition, that New York City could survive financially without continued Federal aid, it is now convinced, after conducting several days of hearings and reviewing the City's financial plan as revised by the recent labor settlements, that Federal guarantees are necessary. Accordingly, the Banking Committee requests that section 402(a) of the Congressional Budget Act of 1974 be waived with respect to H.R. 12426 in order that New York City may be assured of financial survival.

SENATE RESOLUTION 493—RESOLUTION ON THE DEATH OF REPRESENTATIVE WILLIAM M. KETCHUM, OF CALIFORNIA

Mr. HAYAKAWA (for himself and Mr. CRANSTON) offered the following resolution, which was considered and agreed to:

S. RES. 493

Resolved, That the Senate has heard with profound sorrow the announcement of the death of the Honorable William M. Ketchum, late a Representative from the State of California.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate recesses today, it recess as a further mark of respect to the memory of the deceased Representative.

SENATE RESOLUTION 494—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. BURDICK, from the Committee on Environment and Public Works, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 494

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 3243. Such waiver is necessary to allow for the authorization of funds for administrative expenses authorized by the Public Works Employment Act of 1977. Administrative funds provided in that legislation proved insufficient and an additional authorization is required. This authorization has been recommended by the Administration and the bill reported is as transmitted.

Compliance with section 402(a) was not possible by May 15, 1978, because the required legislation was not transmitted to the Senate until May 10, 1978. The Committee was unable to move this legislation prior to the May 15 deadline because of the press of other legislation being considered at that time. The authorization contained in S.—— is consistent with the Environment and Public Works Committee March 15, 1977 report to the Committee on Budget.

AMENDMENTS SUBMITTED FOR PRINTING

LAND CLAIMS IN RIVERSIDE COUNTY, CALIF.—S. 2590

AMENDMENT NO. 3078

(Ordered to be printed and referred to the Committee on Energy and Natural Resources.)

Mr. CRANSTON (for himself and Mr. HAYAKAWA) submitted an amendment intended to be proposed by them, jointly, to S. 2590, a bill to amend certain provisions of law relating to land claims by the United States in Riverside County, Calif., based upon the accretion or avulsion, and for other purposes.

● Mr. CRANSTON. Mr. President, I am submitting today an amendment to S. 2590, my bill to amend certain provisions of law relating to land claims by the United States along the Colorado River base upon accretion or avulsion. Public Law 91–505 waives the sovereign immunity of the Federal Government and permits the owners of land in dispute along the Raab, Hauser, and Comer Bends and part of the Casad Bend in Riverside County to go to court and assert legal and equitable defenses if they meet six specific conditions. S. 2590 would correct a deficiency in Public Law 91–505 to include the remainder of lands involved in the Casad Bend. This amendment in the nature of a substitute would further extend the area of coverage of the original act to include a 27-acre subdivision in Imperial County known as Harvey's Fishing Hole.

Most of the property owners at Harvey's Fishing Hole meet the six criteria in the existing law. I believe that they should have an equal opportunity to present the merits of their case in court. Fairness and equity would require that they be granted the same relief as the others similarly situated just 2 miles upstream. I am pleased that Senator HAYAKAWA, a cosponsor of S. 2590, is joining me as a cosponsor of this amendment.

Mr. President, I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 3078

Strike out all after the enacting clause and insert in lieu thereof the following:

That the first section of the Act of October 23, 1970, entitled "An Act to render the assertion of land claims by the United States based upon accretion or avulsion subject to legal and equitable defenses to which private persons asserting such claims would be subject" (84 Stat. 1106; Public Law 91–505) is amended by striking out "13.17" and inserting in lieu thereof "14.00", and by striking out "Riverside County" and inserting in lieu thereof "Riverside County or Imperial County".●

TREASURY, POST OFFICE APPROPRIATIONS, 1979—H.R. 12930

AMENDMENTS NOS. 3079 AND 3080

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted two amendments intended to be proposed by him to H.R. 12930, an act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1979, and for other purposes.

NOTICES OF HEARINGS

SUBCOMMITTEE ON FEDERAL SPENDING PRACTICES AND OPEN GOVERNMENT

● Mr. CHILES. Mr. President, the Subcommittee on Federal Spending Practices has changed the hearing on Efforts to Reduce Federal Paperwork Burdens from Tuesday, June 27, to Wednesday, June 28, at 10 a.m., in 3302 Dirksen Building. For further information, contact Mr. Ronald A. Chiodo, subcommittee chief counsel and staff director (244–0211).●

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION AND FEDERAL SERVICES

● Mr. GLENN. Mr. President, I wish to announce that the Subcommittee on Energy, Nuclear Proliferation and Federal Services will hold hearings on nuclear waste management at 10 a.m. in room 3302 of the Dirksen Senate Office Building on July 25, 26, and 27. For additional information please contact the subcommittee staff at 224–2627.●

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT

● Mr. HARRY F. BYRD, JR. Mr. President, the time for beginning the hearings by the Subcommittee on Taxation and Debt Management of the Finance Committee on capital gains tax bills on Wednesday, June 28, 1978, and Thursday, June 29, 1978, has been changed from 9:30 a.m. to 9 a.m. This time applies to both days.

The hearings will be held, as previously announced, in room 2221, Dirksen Senate Office Building.

A large number of persons have requested to testify at these hearings. Because of the limited time available, it will not be possible to schedule everyone requesting to testify.

Those persons who have not been listed as witnesses are encouraged to submit written statements, which will be made a part of the record and printed along with the statements of those giving oral testimony.

Written statements should be submitted by Friday, July 14, 1978, to Michael Stern, staff director, Committee on Finance, room 2227, Dirksen Senate Office Building, Washington, D.C. 20510.●

SELECT COMMITTEE ON SMALL BUSINESS

● Mr. NELSON. Mr. President, I wish to announce that the Select Committee on Small Business has scheduled a hearing on the impact of section 14(i) of the Forest Rangeland Renewable Resources Planning Act amendments of 1976 (Public Law 94–588) on small loggers in the Great Lakes States.

This section of the law permits firms employing less than 500 employees to petition the Secretary of Agriculture to have the Forest Service construct the permanent roads that are required as a condition of a timber sale in the national forests if the estimated cost of the road construction exceeds $20,000.

The hearings will be held in Phillips, Wis., beginning at 8:30 a.m. on July 5, 1978, in the circuit courtroom of the Price County Courthouse.

Further information can be obtained from the committee offices, room 424 Russell Senate Office Building, telephone 224–5175.●

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS—CHANGE OF DATES

Mr. PROXMIRE. Mr. President, on June 23, I announced that the Committee on Banking, Housing, and Urban Affairs would hold a 2-day hearing, on July 10 and 11, on S. 3209, S. 3210, and S. 3211.

I wish to announce that the hearing dates will be July 11 and 12.

ADDITIONAL STATEMENTS

A TRAGIC STEP BACKWARD

● Mr. CHURCH. Mr. President, I fully share the sentiments expressed in a June 20 letter to the editor of the Washington Star from former Congressman Orval Hansen of Idaho. His comments regarding the recent decision by the D.C. Zoning Commission to raise the height limitation for buildings on Pennsylvania Avenue are worthy of note by my colleagues in the Congress and, therefore, I ask that his letter be printed in the RECORD.

The letter follows:

A TRAGIC STEP BACKWARD

The recent vote by the D.C. Zoning Commission to allow an increase in building heights along a five-block section of Pennsylvania Avenue is a tragic step backward. It reflects a failure to grasp the essence of what makes Washington so visually compelling and one of the truly magnificent capitals in the world.

Washington, planned by the brilliant Pierre L'Enfant in 1791, is admired the world over for its beauty, largely because it is visually different. Its most striking difference from all other American cities lies in the fact that there are no tall buildings.

This unique visual setting has been preserved through great personal initiative by a long procession of presidents, members of the Congress and government leaders. In reemphasizing the merit of the L'Enfant Plan, the McMillan Senate Commission of 1901 stressed the maintenance of low height levels, and the National Commission of Fine Arts reinforced this overriding principle for many years.

The decision by the Zoning Commission is in conflict with the Cardinal elements of the L'Enfant Plan, and it is inconsistent with the secretary of the Interior's designation of Sept. 30, 1965, declaring it "The Pennsylvania Avenue National Historic Cite" and clearly emphasizing its national significance and the predominant federal responsibility for its protection.

Years of research in the papers of Pierre L'Enfant by historian Cornelius W. Heine have revealed five essential elements of the L'Enfant master plan:

It was designed to achieve unity and order for an entire city—as a totality.

The most important public buildings, actually and symbolically representing the government, were to be the dominant features of the plan.

All other structures in the city were to be subordinate in size and design to the United States Capitol, thus aesthetically complementing the Capitol as the centerpiece of the whole fabric.

The concept of the broad, unobstructed vista, such as found on Pennsylvania Avenue,

was conceived to connect key focal points and to accentuate the power of the unobstructed visual impact from point to point.

Open spaces and parks were to be, in many respects, as important as buildings, adding visual support to the vistas, beautifying the city and contributing to the well-being of the people.

The inevitable result of the decision to raise the height limit on both sides of the nation's most historic avenue, unless reversed, will be the beginning of the end to Washington's growing legacy of beauty and its intrinsically special inspirational gift to the American people. It will eventually become like every other struggling, choking city, having given away by default its most valuable visual asset—its uniqueness as a horizontal city of vistas—for ephemeral, short-term profits.

This nation gave to Pierre L'Enfant in death a place he did not have in life—an honored resting place high on the hills of Arlington where he could look out on the magnificent city he planned. In 1791, his greatest fear was that speculators would seize upon most of the open spaces and vistas. This was prevented by vigilence and farsighted planning. But, in spirit, as he looks out today on his young creation in a young nation, will history record his ideals as being perpetuated, or will his original fears become realities 187 years later? ●

WHAT CAN WE DO?

● Mr. McCLURE. Mr. President, the debate over energy policy is in reality a debate about whether this Nation will continue the irrational antienergy Government policies of the past decades, or whether the Congress will finally face the tough political decisions that have to be made if we are to resolve our critical energy difficulties. The crux of these difficulties is our overdependence on foreign oil.

Despite the numerous warnings provided to the Congress that we were drifting deeper into this dangerous dependency, it took the 1972–73 fuel shortages and the 1973–74 Arab oil embargo to finally bring about political "expressions of concern and demands for action." But, look at the results.

The Congress has passed one law after another which promoted our dependency on foreign oil, the most blatant being the Energy Policy and Conservation Act of 1975. The present administration appears intent on continuing—and even expanding—the antienergy policies of the past, so it is up to Congress to resolve this issue.

We can look to many sources for advice and recommendations on how to decrease oil imports, but today I will present the recommendations of one organization—the Zionist Organization of America. I am pleased that this organization has expended the time and effort required to thoroughly analyze the complex U.S. energy situation and to present their conclusions for our use.

It is also of interest that their recommendations are the same as the recommendations that have been urged upon me in my visits to the Arab world, particularly in Saudi Arabia. In 1973, the head of the Saudi Arabian Monetary Agency, for instance, urged the same energy policy as set forth by the ZOA. The question now is if we in the Congress have the political courage to objectively evaluate their recommendations and then to act on the logical conclusions.

I do have some disagreements with the ZOA report, "Freedom From Intimidation," but with the conclusions contained in the section "What Can We Do?" I have none.

I ask that the entire section be printed in the RECORD.

The material follows:

WHAT CAN WE DO?

What can we do to get out of the bind we're in? One thing we must have, and that is a comprehensive, realistic national energy policy that cuts U.S. petroleum imports and encourages U.S. energy production.

We can, of course, begin with more efficient use of energy. The quickest and cheapest way to reduce our dependence on foreign oil is to cut down on wasteful uses.

Better installation of homes and other buildings . . . smaller and more efficient cars . . . less waste in heating and cooling . . . these measures are practical and necessary, but they alone cannot solve our problem.

At the same time, we must make an all-out effort to find and produce more domestic oil and natural gas. That means encouraging exploration for new reserves, and making it worthwhile for producers to spend money to go back and try to get more oil out of old, depleted wells.

We must make an all-out effort to mine more coal and use it in place of scarce oil and natural gas.

We must expedite the use of nuclear energy to take the place of fossil fuels in generating our electricity.

To help with this transition, we must streamline the regulations that now hinder the building of coal-fired power plants and—even more importantly—cut the red tape, litigation and delays that make it difficult and unnecessarily expensive to get nuclear plants built and on line.

We must proceed at once with our programs to accumulate strategic stored oil reserves so that, in the event of another embargo, we could operate our industries and transportation for at least six months without Arab oil.

Finally, for the long term, we must apply our inventiveness and ingenuity to researching and developing new sources of energy . . . solar, geothermal, wind and—if possible—nuclear fusion.

New sources of energy, however, will not contribute significantly to our energy needs during the next 25 years, or so.

We must use what we've got.

That is coal and nuclear energy. Most especially, we must press forward urgently with the breeder reactor, which converts waste uranium into burnable fuel and thus produces more nuclear fuel than it consumes.

This source alone will provide more fuel than our entire coal reserves!

We must use ALL of our energy options. We cannot exclude one or another for unsound environmental reasons or because of unreasonable anxieties over unproven dangers!

Unfortunately, there are those who ignore economic dangers and threats to our national security in order to advance their own ideas of ultra-environmental protection, or to wage scare campaigns against nuclear power. Their single-minded opposition to the use of coal or nuclear energy—or both—could cost this nation dearly!

Coal is an abundant and readily available energy source. It can even be converted into synthetic oil or gas. We've got to get on with the job of mining it and putting it to use. The immediate benefits in reducing the drain on foreign exchange will be substantial. Nuclear fuel is our other best bet.

The arithmetic speaks for itself. Each nuclear power plant in operation saves the equivalent of 10 million barrels of oil each year. 125 nuclear plants—about twice the number we have now—will save us the equivalent of one-and-a-quarter billion barrels of oil a year—or ⅓ of our current imports.

It baffles logic to find the Carter administration rejecting the reprocessing of spent commercial nuclear fuel.

This never used reprocessing plant (costing hundreds of millions of dollars) stands as mute evidence of that short-sighted policy. And at the same time, the administration has slowed development of the breeder reactor . . . because of fear that the plutonium fuel it produces might be diverted to military or terrorist purposes.

The President's logic is that these actions by the United States will set a good example for other nations, and induce them likewise to forego recycling of spent nuclear fuel and pull back from construction and use of breeder reactors.

But other nations are looking out for themselves. Several already have breeders operating—France, the Soviet Union, Germany, Britain and Japan, all are pressing ahead with the breeder reactor.

Moreover, there is no indication that these and other nations, now using conventional reactors, intend to forego reprocessing of their spent fuel as an added source of energy.

The irony of all this is that United States government plants recover and process plutonium every day.

As for using plutonium, it is difficult to imagine a safer place for plutonium fuel than within a sealed reactor vessel . . . a thought that obviously has occurred to the leaders of other nations now using nuclear reactors to generate electricity.

Unfortunately, many people assume that science will come up with some magical break-through that will solve all our energy problems. Others are convinced that it's all a gigantic hoax and that, in any case, we will come out all right if we just avoid waste.

These people ignore the harsh realities of our energy dilemma.

There are no magical solutions to our energy problem; only hard choices and costly alternatives.●

NEW DIRECTIONS FOR NATO

● Mr. NUNN. Mr. President, my good friend and colleague, Senator DEWEY BARTLETT of Oklahoma, is in Brussels, Belgium, today addressing a Conference of European and American leaders on "New Directions for NATO."

His statement reviews some of the progress and problems that have occurred within the alliance since we issued our report "NATO and the New Soviet Threat" early last year. The challenge before the alliance at that time was to improve its conventional defenses in order to balance a greater Soviet military threat made more ominous by the loss of American strategic superiority.

In his Brussels statement, Senator BARTLETT outlines NATO's efforts to adjust its defenses to an era of strategic nuclear parity among the superpowers, and he highlights the dangers for all members of NATO if the United States were unable to maintain that parity.

I believe that Senator BARTLETT's statement, "New Directions for NATO" will be of interest to all my colleagues and I ask that it be printed in the RECORD.

The statement follows:

NEW DIRECTIONS FOR NATO

In the winter of 1976, Senator Sam Nunn of Georgia and I came here to NATO, to examine the strength of the world's great alliance of democracies. We examined equipment and depots. We walked along potential battlefields. We talked with airmen and sailors and soldiers in the field. We talked to political, military, and business leaders from throughout the alliance, many of whom are in this room today. Although we received many different answers to the question, "What is to be done?", we found widespread agreement that there was a new Soviet threat to NATO. This we reported to the Senate Armed Services Committee:

Soviet conventional forces in Europe have undergone significant expansion during the past decade and are now being qualitatively improved. Against a background of strategic nuclear parity with the United States and substantial advances in their tactical nuclear capability, the Soviets have provided their non-nuclear forces deployed opposite West Germany an ability to initiate a potentially devastating invasion of Europe with as little as few days' warning. This is evident in a growing emphasis upon firepower and readiness of ground forces and in the dramatic transformation of Soviet tactical aviation from a defensive force into a hard-hitting offensive air armada of extended reach.

In our report to the Senate Armed Services Committee, Senator Nunn and I identified important military tasks now before the alliance which must be addressed. Some progress has been made, but much remains to be done by all members of the alliance, including the United States.

First, we urged the United States Department of Defense to give up its casual and self-serving assumption that three weeks warning would precede any Soviet attack, thus permitting a lengthy NATO mobilization. A Soviet blitzkrieg, unreinforced from the USSR prior to hostilities, could come with little or no warning, and the resulting war might be incredibly intense but of short duration.

This recommendation attracted so much attention that many people thought it was our only recommendation. Certainly, it is fundamental. Within the alliance, however, military leaders disagree on how short such a short war might be. Unfortunately, some members estimate their war reserve needs on the assumption that it will be a very short war indeed. Preparation for a short war should be based on analysis of the Soviet threat, not on a need to reduce defense budgets, and it should not preclude preparation for a long war.

We also recommended a redeployment of forces further to the east and to the north. This difficult task requires forbearance from the population of West Germany, but it would greatly enhance NATO's conventional deterrent.

NATO also needs a quantum jump in deployed firepower, and it needs it now. The West must develop new weapons technologies, both for precision guided weapons and area weapons, and it must maintain its qualitative lead over the Soviet Union. Today, however, we must place equal emphasis on greater numbers because of qualitative improvements in the Warsaw Pact Forces.

Improving the readiness of U.S. and Allied Forces is perhaps the most difficult of our recommendations to fulfill. In peacetime, readiness is difficult to maintain and difficult to measure. There exists throughout NATO a "peacetime garrison mentality" which links readiness to war and assumes war will come only after sufficient warning, but there could be no warning.

Nothing is more disturbing than to be briefed on current war plans which could not possibly be implemented because of long term deficiencies in readiness. Today, our prepositioned materiel stocks (POMCUS) are nearly full. Two years ago, reinforcements arriving in NATO to use these stocks would have found themselves unarmed. Senator Nunn, Congressman Stratton, and I have introduced legislation designed to protect POMCUS and War Reserve Stocks needed in Western Europe.

NATO's air defenses must be transformed. Despite vast improvements in the quality of Soviet tactical air forces, western aviation technology remains superior. However, we have been smug. The air defense of Western Europe still suffers from all of the difficulties one would expect in integrating the air force, navy, and army air defense forces of some 14 nations. And again, I believe that many have underestimated the intensity of future air combat.

Improvements in command, control, and communications are expensive and require long lead time for their development and implementation. Nevertheless, they are vital to conducting mobile warfare on the modern battlefield. More important, however, is the role modern electronics plays in preventing surprise attack and increasing warning time. Here, let me simply restate my belief that establishment of a NATO Airborne Warning and Control System (AWACS), currently up in the air, to make a pun, is the most important single procurement step that the Alliance can take.

Improvements in strategic airlift, for geographical reasons, is largely in the hands of the United States. I assure you that we are working hard to enhance our ability to bring reinforcements across the Atlantic. We are extending the life of the C–5A, lengthening the C–141, building the Advanced Tanker Cargo aircraft (ATCA) and modifying commercial wide-bodied jets. These programs are not completely adequate and, I am not optimistic that we will establish effective programs to improve our theater airlift resources.

Implementation of our final recommendation will certainly be controversial. NATO must increase interoperability and standardization. The need for greater interoperability is widely understood, but the economic, military, and political advantages of standardization are more difficult to comprehend, especially when they are difficult to achieve and easy to ignore. I strongly believe, however, as does a clear majority of the Senate Armed Services Committee, that NATO must increase standardization. And to us, that means a more equitable "two way street".

Complete standardization is neither possible nor desirable. Nevertheless, NATO should reverse the present trend toward destandardization and move back toward a more optimal level of common equipment based upon the needs of the Alliance. Many different roads to standardization will be taken: Direct purchase, competitive research and development, cooperative research and development, and also co-production. Each will have a different economic impact on the Alliance and on each member of the Alliance. In my opinion, however, standardization will be far easier once individual American corporations routinely share in projects from the beginning with one or more of their European counterparts. Clearly, the development of these transatlantic consortia, and competition between them, has already begun.

It should be recognized that by demonstrating the ability of the Alliance to cooperate, and to increase the number and quality of the weapons it fields, standardization works to increase the deterrent effect of the Alliance. I hope everyone in this room understands that the quest for greater standardization is a test of the cohesion of the Alliance. I, personally, am fully committed to that goal.

Inadequate conventional defenses and political fragmentation are not new to NATO, but they have become a luxury we can no longer afford.

Our present course was charted to guide the Alliance safely through an era of American strategic nuclear parity. Since Senator Nunn and I issued our report in 1976 however, some new and ominous warning signs have been coming into view.

As we consider future directions for NATO, we cannot ignore these warning signs. For they suggest that a far more treacherous path may lie ahead—an era of American strategic nuclear inferiority, not even parity, beginning perhaps in the mid 1980s.

This growing perception of future U.S. strategic weakness calls into question America's nuclear umbrella for its allies and undermines the linkage between U.S. strategic nuclear forces and deterrence in Europe. The entire world is aware of the vulnerability of the American Minuteman ICBM force which will occur in the early to mid-1980's unless sufficient crash programs are undertaken immediately. Many are aware that during the same period, the number of U.S. ballistic missile submarines deployed will probably decline as Polaris submarines are retired and Trident submarines delayed. And no one doubts that America's manned bomber forces of lumbering B–52s will have great difficulty penetrating the massive modern Soviet air defenses of the Eighties. Assurances that American Air Launched Cruise Missiles can compensate for nearly all of these deficiencies in the American Triad can hardly be reassuring when the United States accepts restrictions at SALT on this and other new weapons needed to maintain the strategic and theater military balances.

Despite President Carter's recent statement that he would use "all the forces necessary" in the event of an attack on Western Europe, the contribution of America's strategic nuclear forces to deterrence in Europe remains greatly reduced for the mid-eighties. Actual "strategic inferiority" in the mid-eighties would permit the Warsaw Pact, with its powerful ground forces and geographical advantages, to place a devastating strain on the Alliance and on individual members.

The U.S. has been guided by the notion that strategic arms must be taken out of the arena of East-West competition. We say that we are willing to pay the price of that decision. We claim that we will maintain our strategic forces, although we have cancelled the B–1, delayed the MX mobile missile, and may subject the most important innovation in our strategic and theater forces, the cruise missile, to restrictions in SALT. We claim that we will enhance our theater forces and strengthen our alliances although we have delayed programs essential to NATO, such as the enhanced radiation warhead.

In the last few years, European voices have raised concerns quietly, perhaps too quietly, that the United States, in an effort to negotiate strategic parity from a position of declining strength, might make concessions at the Strategic Arms Limitation Talks (SALT) which would undermine the North Atlantic Alliance.

With respect to non-circumvention/non-transfer proposals for the SALT II Protocol, some in NATO were alarmed by Soviet efforts to conclude a formal agreement with the United States to shut off Western Europe from important new defense technologies. Others are concerned about restrictions on Ground Launched Cruise Missiles (GLCM) and Sea Launched Cruise Missiles (SLCM) because these are promising new technologies for countering Soviet conventional and nuclear threats to Western Europe. These theater cruise missiles, similar in function to the Forward Based Systems (FBS) which have been traditionally excluded from strategic arms negotiations, have a range far less than that of Soviet systems such as SS–4 and SS–5 Medium and Intermediate Range Ballistic Missiles, and the mobile SS–20 intermediate range ballistic missile which are

not limited by the Protocol. In fact, with only one warhead, the SS–20 can reach the United States. Cruise Missile ranges are also far less than those of the Backfire bomber, and some fear that the Protocol's 600 KM restriction on SLCMs and GLCMs and the 2500 kilometer restriction on ALCMs will add support to the Soviet definition of strategic systems; namely those weapons which can hit the homelands of the superpowers from wherever they are based. This definition contrasts with the American approach which has focused on weapons with a generally intercontinental range.

The danger in accepting this Soviet definition of "strategic" is that it calls into question the legitimacy of U.S. nuclear (and non-nuclear) military forces deployed on the periphery of the Soviet Union in order to aid our allies and protect our interests. Under this Soviet definition of strategic, Soviet weapons designed to attack Western Europe appear legitimate while U.S. forces designed to defend NATO appear illegitimate. This notion, should it become widespread, would provide the Soviet Union with considerable geopolitical leverage in its efforts to divide the United States from its allies and to pry the United States away from the rimland of the Soviet Union.

The relative decline in America's strategic forces since SALT I has already permitted the Soviet Union to place the tip of the wedge between the United States and Western Europe. We must act quickly and decisively to ensure that they do not expand the crack.

For this reason, I believe that the United States and Great Britain must be cautious in their approach to a cessation of nuclear weapons testing. A Comprehensive Test Ban Treaty should be concluded only after meaningful agreements at SALT and MBFR have been achieved and firm programs to guarantee future nuclear parity are established. NATO's nuclear nations must know what programs they will need, now and in the future, to maintain both strategic and tactical nuclear parity before they preclude the development of new weapons. They must not risk destabilizing the nuclear balance in order to placate "Ban the Bomb" enthusiasts. Any test ban must be verifiable and not endanger the reliability of weapons in the nuclear stockpile. With its 150 kiloton limit, the existing 1974 threshold Test Ban Treaty, sidelined in the Senate Foreign Affairs Committee, meets those standards and should be ratified by the Senate.

The United States and its nucelar NATO allies must also modernize their tactical nuclear weapons in the near future. New weapons which bring greater military effectiveness along with reduced civilian casualties should be introduced. These weapons will also be safer and more secure to deploy. This month the Senate Armed Services Committee approved production of nuclear weapons which can be converted to Enhanced Radiation warheads by the addition of separate components whose production was also approved. I support this step, although I personally believe that we should deploy immediately Enhanced Radiation weapons in Europe.

NATO must also consider deployment of new tactical systems, perhaps cruise missiles or new theater ballistic missiles, which can counter the Soviet medium and intermediate range ballistic missiles such as the SS–4, SS–5, and the new mobile SS–20. In my view, the ability of one SS–20 with its mirved warheads to destroy cities like Paris, Rome, Brussels, and London, makes them as "strategic" to the United States as are the massive Soviet SS–18 ICBMs. The Soviet Union is expected to deploy several hundred SS–20s, but may deploy far more than that. There are no numerical limits on the SS–20, or the SS–4 and SS–5 in SALT.

Thus, NATO is expanding its conventional military capability today to counter a new Soviet threat made more ominous by the loss of American strategic superiority. But what would NATO do if, in the 1980s, the United States lost nuclear parity? Would we take up the burden of ever greater defense expenditures or would we bow to the incredible political, economic, and military pressures created and accept a disadvantageous accommodation? I do not know the answer to that question, but I believe that we must and can avoid that dire situation. I believe that Salt II or no Salt II, the United States should at least begin immediately a multiaim point (MAP) basing system and a new large mobile missile (MX) with appropriate mirved warhead.

The Alliance must not leave itself vulnerable to coercion of any kind, particularly as it seeks to persuade the Warsaw Pact to give up face to face confrontation. At SALT, the United States should accept only a true strategic equality which takes into account our interests and allies overseas. At the Comprehensive Test Ban Talks, Great Britain and the United States must insure that the closed, totalitarian society of the Soviet Union cannnot upset the strategic balance by conducting secret testing. We should not end underground nuclear testing until we are certain that we can maintain nuclear parity, now and in the future.

At MBFR, NATO must insist that the Soviet Union give an accurate accounting of its forces in Eastern Europe. However, NATO should not settle for cosmetic reductions at Vienna which, by themselves, cannot reduce the risk of an attack with little warning on Western Europe.

With or without further arms control agreements, the United States and its European allies must have vigorous programs, not simply options, which will maintain both nuclear and conventional deterence. A NATO, united and strong, will not hinder East-West cooperation, it will compel cooperation. A divided Alliance, however, will only lead to appeasement.

In summary, the challenge before NATO is not in deciding what directions the new alliance shall take, but in understanding that the decision has been made for us, by the passage of American nuclear strategic superiority and the prospect of future strategic inferiority.

The new Soviet threat we acknowledged in 1976 will continue to grow more menacing unless it is countered by a strongly united, adequately prepared, and firmly committed, NATO alliance. I am confident that the United States will do its part, including adopting the strategic nuclear programs which will assure parity with the Soviets and I trust that our NATO allies will likewise fulfill their obligation.

Earlier I referred to NATO as the world's great alliance of democracies. With the measures I have outlined I believe NATO can and will be more than just democracy's alliance; it will be democracy's assurance for the future.

HUBERT H. HUMPHREY: POLITICAL SCIENTIST

● Mr. RIBICOFF. Mr. President, Max M. Kampelman, one of the late Hubert H. Humphrey's closest friends and longtime associates, has written a most perceptive article on Hubert H. Humphrey in the spring 1978 issue of the American Political Science Association news journal.

It is so well done—personal and full of anecodtes which reflect the character and experience of our former colleague—that it should be required reading by all of us. No one but Max Kampelman could have written this wise and understanding article. I ask that it be printed in the RECORD.

The article follows:

HUBERT H. HUMPHREY: POLITICAL SCIENTIST

(By Max Kampelman)

When Hubert H. Humphrey died on January 13, America lost one of its most dedicated teachers and political scientists, as well as one of its best public servants. To political scientists who knew Hubert Humhprey personally, or who worked closely with him—and there were many hundreds of us—it will be widely accepted that he looked upon his major role in life to be that of a teacher and not only a politician aiming to achieve power to carry out his system of values.

This will not be a memorial in the usual sense of that word. The President and Vice President have appropriately and eloquently spoken the words that fit a eulogy and in doing so spoke for many Americans. There is also a kind of weariness in me that does not want to add even more words to those already spoken by the professional word speakers and writers of the media, many of whose public tributes in January were in stark contrast to their previous evaluations.

Nor will this be an analysis of Hubert Humphrey as a public man. His own splendid autobiography, *The Education of a Public Man* (published by Doubleday, 1976), presents that picture vividly and with utter candor. Furthermore, Jeane Kirkpatrick has elsewhere analyzed the public man and his contributions to the American society in a brilliant and perception essay that dare not be emulated. This paper will instead be a personal portrait in the form of anecdotes and comments resulting from more than 30 years of friendship and collegiality.

The core of Hubert Humphrey's personality and system of values was his commitment to democracy. A religious man, he believed in the fatherhood of God, however, defined, and the brotherhood of Man which followed from that article of faith. On one occasion, when we were both scheduled to speak before the same Jewish audience, he heard me define the great historical contributions of the ancient Hebrew tribes as the rejection of primitive idolatry and a belief in many gods for a new belief that there was only one God. In analyzing the revolutionary implications of that message, I pointed out that this created a powerful driving force which became the essence of political democracy. At the conclusion of the evening, Hubert came over to say that I had caught the very roots of his beliefs.

Those who followed Hubert Humphrey's career know that to this cause of human brotherhood he committed every fiber of his being. It was a two-tiered cause. It expressed itself in broad legislative and administrative programs for civil rights. But it also had a personal dimension to it. He had to treat people as his brothers and sisters no matter how sharp their political differences. This explains why he was so forgiving of people who deserved less of him.

Democracy, which was the only form of government deserving of governing children of God, had to rest on an informed awareness by the electorate and that required teaching and learning. It was no accident that Humphrey turned to workers education under the WPA as his vehicle for expression in the period following his graduate studies in political science. Nor was it an accident that he returned to the university teaching of political science after his defeat for the preidency in 1968 and prior to his return to the Senate in 1970.

Much has been said about Hubert Humphrey's capacity to speak at length. He knew of that criticism. One of his greatest irritations was constantly being reminded of it. The way he handled the irritation was by poking fun at himself, such as by quoting his wife, Muriel, to the effect, "A speech, dear, need not be eternal to be immortal," but he

never did fully understand the criticism or appreciate it. Issues were important and should, in a democracy, be discussed thoroughly and not superficially. He grew up before television in the tradition where political speechmaking was an event in the community. How else other than by talking and teaching and explaining could there be an understanding of the issues by the electorate and how else could democracy function? And that required talking and explaining. The formula was simple: "You tell them what you are going to tell them; you then tell them; and then you tell them what you told them."

While watching and listening to the memorial services for Hubert in the Rotunda of the Capitol and in Minnesota and while being surrounded by the television and radio discussion programs and special events featuring details of his life, I could not help but feel a sense of satisfaction in knowing that during that week his message, his face and his voice reached more of us than ever before during his lifetime. A teacher, Hubert Humphrey, during that week, had the nation as his classroom and the American people as his attentive students.

Hubert Humphrey and I first met in 1945. He had just been elected Mayor of Minneapolis and I was about to become an instructor with the University of Minnesota's Department of Political Science. The younger members of the department would occasionally meet on a Saturday evening for talk, food, and fellowship. Art Naftalin, who was then the Mayor's secretary and later to become Mayor on his own before finally returning to the faculty, would attend; and Hubert made a point of attending as many of these functions as he could after his last mayoralty function of the night. The spirit of friendship that he felt for the members of the Political Science Department, many of whom had been instrumental forces in his election and in his total career, was very strong. He felt a personal kinship with them as well as an immense sense of satisfaction from the intellectual exchanges that would be an integral part of those evenings.

There was one night in Mitzi and Herb McClosky's apartment. The street light in front of the house had gone out. When Humphrey appeared, Carrol Hawkins began an ideological attack on the Mayor, for whom he had a deep personal affection, claiming that such a reckless disregard for the public interest could not take place under socialism. That started it. Hubert took the offensive saying that even Norman Thomas knew better than that. Social democracy was fine; but socialism was fraught with danger. The debate went on with all of its ramifications, as I recall, into the early hours. Then I remember, after we moved to Washington, bringing Norman Thomas into the office to meet Humphrey. There was an immediate spark of mutual admiration and respect. Up until then, Norman had felt that it was a mistake for me to leave teaching and get seduced by the fleshpots of Democratic Party politics.

I remember another social gathering of the faculty. At least one of our group, a Jew, was strongly opposed to the establishment of a Jewish state in Palestine. The Zionist in the group was Hubert filled with emotion and compassion.

Watching over this relationship between Humphrey and the political science profession was Evron Kirkpatrick, my faculty advisor, who had served as Hubert's teacher, advisor and good friend when Hubert was a student at the University. Kirk watched over his brood with a caring and attentive eye. Hubert was a particular favorite. It was Kirk who urged Charles Hyneman and the Department of Political Science at Louisiana State University to bring Hubert to LSU on a graduate fellowship. It was Kirk who guided the WPA days, the early teaching at Macalester College and the 1943 and 1945 political campaigns for Mayor. And Kirk was around for all of Hubert's life.

It was also Kirk's former students who were selected in the early days to work with Humphrey. Arthur Naftalin, one of those students, joined with Hubert and Kirk in planning and executing the first mayoralty campaign in 1943, the one that took an unknown political science teacher into a run-off election where he was a close second. When Art in 1947 decided he would return to the University and complete his doctoral requirements, his replacement was George Demetriou, who was in the process of completing his doctoral studies with Kirk. George did not want to go to Washington with Humphrey and the suggestions were then made for me to join the Senator's staff. I had just left Minnesota to take on a teaching assignment at Bennington College and agreed at the outset to spend our three-month winter vacation period with Hubert and his longtime aide Bill Simms, in Washington. One of the key questions in my mind was how a personal relationship could withstand the change to an employer-employee relationship. The doubts were quickly resolved as I saw Hubert eager for assistance, cooperative, respectful, willing to listen and even to share the excitement and glory. I stayed on for six and a half years.

There were other political scientists in addition to those mentioned who played active early roles in Humphrey's politics: Ted Mitau and Dorothy Jacobson at Macalester; Howard Penniman at the University of Minnesota; Scott Johnson at Hamline; and when the politics turned national, there would be Austin Ranney, Jack Peltason, Warren Miller, Richard Scammon, Charles Hagen, John Roche, Herbert McClosky, Norton Long, Nelson Polsby, Charles Gilbert, and Martin Lipset. And in the position of wise sage there was Humphrey's Louisiana State advisor, Charles Hyneman; and the distinguished chairman of the Minnesota Department of Political Science, William Anderson, whose kind encouragement and continued loyalty did much to enrich Humphrey's career and whose emphasis on local and state government played an important role in formulating Hubert's later leadership in the study of intergovernmental relations.

As a new mayor, Humphrey faced two major substantive problems. The city had developed the reputation of being the crime center of the Midwest, succeeding Chicago. And, as he was assuming office, the *Nation* had an article by Carey McWilliams calling Minneapolis the capitol of anti-semitism in America. Given his political science training, it was to be expected that the new mayor would look to experts for guidance.

The crime problem was tackled by elevating a tough detective with FBI schooling to serve as Chief of Police with a promise of full backing from the Mayor. Within three years, Minneapolis was recognized as a "clean city" by the appropriate law enforcement groups of the country. The biographies and Humphrey's own autobiographical *Memoirs* have explained the toughness of purpose and courage of action that helped make this dramatic turnabout. A personal experience, however, illustrates a basic tent of Humphrey's tenure of office, community and group involvement as a support for the chief executive in a "weak mayor" form of government.

While visiting the city hall after classes one day, I noticed that Humphrey was addressing a group in his conference room. He had called a meeting of tavern owners and their wives. He acknowledged that "entrapment" by the police had been prevalent in Minneapolis with minors sent in to buy drinks. This was frequently an opening for bribery. His proposal was simple. He was determined to make the police force honest; the dishonest were to be fired; he wanted the city council to raise police salaries to acceptable levels. There would be no more "entrapment," he promised, but he requested the tavern owners to go to the city council and request a voluntary increase in their license fees, the increase to be applied directly for higher police salaries. At one point, he directed his plea to the wives saying in effect: "Don't you want your husbands to be involved in a legitimate business that doesn't bribe policemen so that you don't have to be ashamed of what your husbands are doing in the eyes of your children?" By the end of this session, the tavern owners voted to cooperate and, indeed, much to the surprise of many, went to City Hall with their request. Humphrey, from that point on could always count on many of the tavern owners for support throughout his political career.

This emphasis on group and community involvement was a hallmark of Humphrey's philosophy of local government. It was an integral part of his program to meet the civil rights challenge that he faced. He knew that there were not many blacks or Jews in the community, but that there was a problem. He had been exposed to some social scientists from Fisk University who had developed a community self-survey tool. The idea was for every part of the city to look at itself in the mirror. Humphrey appointed scores of community-wide citizen groups. Bankers were asked to look at their internal practices; the realtors at theirs; the merchants at theirs; the teachers at theirs, etc. His theory was very much the Gunnar Myrdal's: "If they like what they see in the mirror when they compare it to their American ideals, fine. If not, they will want to bring about a change." He was right. Minneapolis became the first city to create a Fair Employment Practices Commission. It seemed as if everybody—trade unionists, academicians, bankers, industrialists, merchants—was involved in one or another committee appointed by the Mayor. In 1948, as he was leaving the mayoralty to go to Washington, in stark contrast to the 1945 article by Carey McWilliams, Minneapolis won the annual Brotherhood Award of the National Conference of Christians and Jews.

Humphrey was happy as a mayor. His early years in the Senate were frustrating ones as he tried to accommodate himself to the change from a chief executive who could act decisively and see the immediate results of his leadership to the role of a legislator who might never see the results of his efforts and who can produce results only after long debate and persuasion. In later years, I would often hear doubts of many who would question Humphrey's executive capacity to administer or be decisive as they critically evaluated his qualifications for the Presidency. Those of us who remembered him as mayor had no doubts.

The Presidency was in mind even in the early days. In early 1948, the big question was whether to run for the Senate or for Governor. Hubert's advisors seemed more concerned than he. The politically "wise" among us all said that if Humphrey ever wanted to be President, he had to run for Governor, because no Senator could be chosen a Presidential candidate. "Hell," he responded, "you fellows also told me that no one ever moved any place after being mayor."

There was a constant rebellion against turning himself into someone he was not, or into something he was not comfortable with. Television became an object of irritation and concern as advisors would urge activities that would be "better television." How often I heard the refrain of advisors, "Forget about the audience in front of you; think only about the TV cameras." But he could never forget about the audience in front of him. They were there in the flesh, his friends, to be persuaded. These people he could see and the television audience he could not.

One day *The New York Times* caught a candid photograph of Hubert at a session of

the Foreign Relations Committee. It was a great picture. He looked thoughtful and it was always so difficult to get a good picture of Hubert published which didn't have him talking. I looked carefully. He wore glasses in this photo and was listening. Suddenly, the insight. With the glasses, he looked studious. People who read and think wear glasses. Here was a way to undercut criticism that he talks too much. As a studious man, he has a great deal to say. Furthermore, audience attention would be drawn to the glasses and not to the protruding chin or to the small moving mouth. I had it! Hubert was among the wisest and most truly profound of public servants, and yet the public did not know it. This was our solution. I quickly went to Humphrey. The idea made sense to him, but he remained skeptical. "It isn't as if you don't need glasses," I argued. "This is not artificial. You do need them. Why don't you wear them all the time instead of just when you are doing close work?" No promises from him and no performance.

I didn't give up. In 1968, preparing for the Democratic Party Convention, we were fortunate enough to get the assistance of Dr. Ernest Dichter, who volunteered and said he would like to help. He was the psychologist who made a good living telling toothpaste companies what color they should use on their packages to help their sales. I presented the problem to him. He was skeptical, too, but agreed to make a survey. He used a photo of Hubert with glasses and one without. There was no name identification. "What kind of man do you think this is?" was the question. After some weeks, a surprised Dichter came in and said, "You were right." The man with the glasses elicited a much more positive response than the man without. Here was the proof. We presented it to the Vice President. By now, he was using his glasses somewhat more frequently, but still not on television and not for photographs. Why? I don't know why. But I think part of it was that it might appear to be manipulative and he would not be a party to such a manipulation for political gain. People would have to accept him for what he was or not at all.

Did he want to be President? Of course he did, down deep to the marrow. But I became convinced in later years that he was also afraid of it and could never quite believe that he could attain it. From the very first days I met Hubert in 1945, as I have just indicated, his friends thought of the Presidency as a real possibility for him. As early as 1952, with the Democrats undecided between a reluctant Stevenson, an aging Barkley and an uninspired Harriman, Brien McMahon, the Senator from Connecticut who pioneered in the atomic energy field, concluded that Humphrey should be the candidate. He and the Democratic leader in Connecticut, John Bailey, went to see Humphrey about it, but it was too early and Hubert knew it. Furthermore, his job in 1952 was to get a strong civil rights plank through the Convention by acclamation and end the trauma of the 1948 walkout by the South.

By 1956 there was serious talk of Humphrey for Vice President. We were at the Mayflower Hotel at a Congressional dinner. Hubert, as I recall, was Chairman and Adlai Stevenson was the speaker. A quiet whisper between the two. At the end of the dinner, a signal from Hubert to join him upstairs. There we were, the two of us together in a room with an exhausted Adlai Stevenson changing into bedclothes. His trusted friend, Bill Blair, and Jim Finnegan, his political manager, were in the room. "Whom do you think I should have as my running mate?" was Adlai's question. Down the list we went, analyzing each name. Finally, we came to the point, with Stevenson asserting that he wanted to choose a Vice President who was qualified to step in as President as well as a man who could help him politically. And Hubert Humphrey, he unequivocally said, was that man. What he wanted us to do was arrange for some of the Southerners to tell him that Hubert would be acceptable. The task was easy. The revered Walter George of Georgia had already told Humphrey he favored him. Lyndon Johnson had offered to help. So had Sam Rayburn, John Sparkman and Brooks Hays. We left the hotel with stars in the skies and in our eyes.

But it was not to be. Without warning, a change of signals, the Convention was thrown open. Stevenson's opponent for the nomination, Estes Kefauver, who had a committed and organized cadre of delegates at the Convention, became the Vice Presidential nominee. Stevenson must have known this would be the inevitable result. Humphrey and I, in the bitterness of the night, recalled the intense negative feelings about Kefauver and his qualifications that had been expressed by Stevenson in the secrecy of the Mayflower suite.

But it was only a matter of weeks and Hubert was strenuously campaigning for the ticket and insuring that, though the country might go for Eisenhower, Humphrey's friends and supporters would vote Democratic. And these two men, Humphrey and Stevenson, became strong, firm friends. When Stevenson would feel low, it was Hubert to whom he would go. It was Hubert, too, who firmed up the Kennedy appointment of Stevenson as Ambassador to the United Nations.

There is no need to report about 1960 and 1964. Much has been written about those campaigns. What I shall never forget about 1964, however, other than the thrill of victory, was an evening at home. We were holding a strategy session at my home prior to the Atlantic City Convention. Humphrey attended very few of these sessions, but he planned to attend this one and we needed him. The Senate was working late and he was hours late in joining us. It was after 10:00 p.m. when he finally arrived. But he ignored our impatience. "How are the kids?" was his first question and while we fumed and waited in the living room, he bounded up the stairs to visit each of our five children in his or her bedroom. Politics could wait. Children came first. Only his staff could know how many senators, ambassadors, and other high public officials were kept waiting over the years as Humphrey would run across a high school group in the corridors of the Senate Office Building.

An incident comes to mind about 1968. With the opening of the Convention, it was clear that the nomination would be Humphrey's but what would it be worth? Johnson was behaving like a stuck bull. He wanted Hubert to be the nominee, but he also didn't want to give up the Presidency. The pain for the man must have been awful. His party was meeting in convention and his best friends did not want him to attend for fear of personal embarrassment and repudiation. Hubert, always loyal, a friend, thoroughly sympathetic and understanding of the anguish, did not want to add to troubles.

To many of us it seemed clear that something dramatic and meaningful had to be done for the electorate to evaluate Humphrey for the person he was and for the President he would make. Herb McClosky and Kirk had presented persuasive material on this score. A plan evolved. I cleared it with Larry O'Brien, campaign manager. On the second day of the Convention, I took Humphrey aside in his bedroom and presented him with a memorandum. The idea was not new to him because it had been suggested by others, but this was the moment of decision. I knew full well that Hubert would never repudiate Johnson and Vietnam and I would not have supported his doing so. What I proposed was simple:

He would be nominated on Wednesday night. He would then immediately go to the floor of the Convention and dramatically announce with his acceptance that the future health of our democracy depended upon the defeat of Richard Nixon. This required full-time effort without diversion or diminution of energy. The issues had to be brought to the attention of the nation and the task would be a strenuous one calling for a united Democratic Party. Fortunately, the Constitution had just been amended so that a vacancy in the office of Vice President could be immediately filled. He was, therefore, resigning as Vice President so he could devote full-time to the campaign. The President would then select a replacement to be confirmed by the Senate. The speech, I continued, should be one filled with praise for Johnson and his role as President.

To me, the argument was persuasive, the logic unchallengable, and the politics guaranteed of success. But for Hubert, there was no need even to spend a moment considering it. It would not be right, he said, and he would not do it. He was elected as Vice President to serve for four years and he would do so. He would also remain loyal to the President, who was desperately trying to bring the war to a close. It was his Constitutional responsibility to do so as well as his personal commitment. He knew the campaign would be difficult, but he would give it his all. He would explain himself and campaign on the issues. He was Johnson's Vice President. The people knew it. The people would decide. The people, of course, did decide, narrowly, and soon came to regret it. In two years Hubert was back in the Senate.

References must now be made again to the frustration of the early years in the Senate, intensified by the open hostility of the Senate Republican-Southern Coalition power structure, who were joined, on occasion, by Northern Democrats as well who feared Hubert's brashness and liberal aggressiveness. Hubert liked to be liked. These people did not know him, other than through the civil rights speech to the 1948 Democratic Convention and the cover of *Time* showing a tornado coming out of the Midwest. And they did not like him. Humphrey needed to come to grips with this reality and its frustration if he was to function. The technique of how to do so evolved. He had been among the founding members of Americans for Democratic Action in 1947. His leadership in Minnesota of the fight against Communist control of the labor movement and of the Democratic Farmer Labor Party fitted into a pattern of liberal anti-communism that was gaining strength within the CIO and the Democratic Party. The ADA was the vehicle.

In the early months of 1949, Humphrey was asked to accept the national chairmanship of ADA. Here seemed to be the solution. Instead of thinking of himself as a young liberal freshman Senator from Minnesota, he had to think of himself as a national liberal leader of a vital and growing power force in American politics with strong support from organized labor. He now had a national constituency and once he came to accept and feel that reality the adjustment became easier.

Simultaneously, Humphrey set about to do what always came natural to him, namely work carefully and conscientiously at his job and attempt to cultivate close, personal relationships with those with whom he was associated.

This required him to master the rules of the Senate and to master the substance of those legislative problems in which he was to take an interest. Very early, for example, he found that efforts were made to embarrass him by asking him detailed questions when he spoke on the Senate floor. The fact that Humphrey mastered the substance of the issues began the process of persuading his colleagues that he was a serious legislator.

Much has been made of the fact that Humphrey attacked Harry Byrd's Committee on Nonessential Expenditures and that as a result of that attack he was publicly hu-

miliated by most of the members of the Senate. There is no doubt but that this experience hurt and irritated Humphrey immensely. On the other hand, he was firmly persuaded in his own mind that he was right on the issue and he never forgot that both Paul Douglas and the conservative Millard Tydings of Maryland stood by him during the debate. Humphrey took the defeat graciously and with good humor. At the conclusion of the verbal onslaught against him, he went over to Harry Byrd to congratulate him and to shake his hand. I later heard from other members of the Senate that Humphrey climbed a notch in their estimation by that gesture. When, a few years later, the Byrd committee was abolished, Humphrey felt personally vindicated and made a point of noting that vindication in the *Congressional Record*.

If there was a single early debate on the Senate floor that served to raise Humphrey's stature, it was his efforts to close tax loopholes in 1951. For years, tax legislation was the exclusive prerogative of the Senate Finance Committe, whose chairmanship would rotate between Walter George of Georgia and Eugene Milliken of Colorado, both considered among the most powerful of the Senate, from opposing political parties but with similar conservative political convictions. There was not a single liberal on the Senate Finance Committee and Humphrey noted that fact well, given his belief that power in the economy was very much affected by fiscal, monetary and tax policy.

Our preparation for the debate lasted nearly a month. A small group of discreet tax lawyers and economists from inside and outside of government was assembled, who prepared the briefing papers and was then available for Humphrey's questions. In turn, they crossexamined him on each one of the loophole-closing amendments he would propose, attempting to anticipate the arguments of the Finance Committee members. The preparation was well worth it. All the Humphrey-Douglas amendments were defeated, but a new spirit of respect developed for Humphrey who led the fight. At the conclusion of the debate which took days, both Milliken and George came to where Humphrey was sitting, in itself a mark of respect, and there was a three-way hug and embrace.

The friendship that developed at this point between George and Humphrey was noted by the body. In 1954, George offered to help Humphrey's re-election campaign and personally communicated with some of his banking friends in the area to help his friend, acknowledging with a stiff smile that he knew a public endorsement might be counterproductive. In 1956, as we have already noted, he quietly urged Stevenson to select Humphrey as his running mate.

A vignette now comes to mind. Shortly after the tax debate, I found myself using the phones on the edges of the Democratic Senate Cloakroom. Much to my embarrassment, I could hear the booming voice of Walter George in the private cloakroom talking about Humphrey with some of his Southern colleagues. "You know," said George, "that young fellow really believes in this civil rights business." I had two quick insights. This sincerity was obviously a tribute to Humphrey, but equally important was a new awareness in me that the Southern segregationists were themselves sincere and found it difficult to believe that pro-civil rights activity was anything other than vote-seeking rather than principle. Humphrey's sincerity was a surprise to them and a tribute to him. It made later legislative progress in civil rights much more possible.

Hubert's tongue, which often got him in trouble outside the Senate as it became identified with loquaciousness, soon became an asset in the Senate. The criticism that he spoke on too many subjects disappeared as it became known that he spoke with sincerity and a command of the subject matter. He was also entertaining with his ability spontaneously to create and express vivid images to make a point. To listen to Humphrey in debate, was frequently to hear the Senate in laughter and enjoyment. He was also always courteous to his opponents, although his quick, rapier-like arguments and responses could hurt, particularly where the opposition was sharp or unkind.

There were two Senators whom Hubert loved and respected, Paul Douglas and Herbert Lehman. Douglas and he had come to the Senate together and the older Professor of Economics was looked up to by his younger colleague with reverence. Lehman joined the Senate later and Humphrey felt honored to be in the same body with that associate of Franklin Roosevelt's whose career had been such an illustrious one. But Lehman was growing old and showing it. On one occasion, Robert Kerr of Oklahoma, a brilliant debater in his own right, started to make fun of a Lehman mispronounciation of the word "depreciation" on the floor. Humphrey was in the debate like a flash and, as one veteran Senate observer later told me, there was blood all over Kerr's face from Humphrey's attacks against what he perceived to be Kerr's cruelty. That, too, brought respect to Hubert and everlasting loyalty from Lehman.

But it was the growing fellowship and alliance between Humphrey and Texas Senator Lyndon B. Johnson that had its greatest impact on Hubert's career. Johnson, shrewd and calculating, knew that his own ambition to be the Sam Rayburn of the Senate and perhaps a potential Presidential candidate depended upon a window to the liberal community. Humphrey knew that he needed an ambassador with the Southern camp. The men liked each other and neither could abide what they considered to be the pretentions of the eastern elite establishment. Both had been teachers. Both had early populist roots and felt close to the Roosevelt New Deal. The alliance began in 1950.

After the 1952 elections, with the defeat of the Senate Democratic leadership, Johnson phoned Humphrey for support in his quest to become Senate Minority Leader. Hubert gently refused, saying that he was committed to the elder James Murray of Montana who had agreed to put his name up for the office as a way of assembling a respectable liberal vote. It was expected that Johnson would win. Johnson then told Humphrey that a number of the same Senators who were urging Murray to run had already pledged their support to him. He named names. In the weeks to come, as the Senate gathered for the new session, Hubert investigated and found that Johnson was right. The duplicity puzzled him, but it was real. He did not want Murray to be embarrassed or the liberals to come up with a very weak showing. There was concern outside of the Senate among liberal groups that Johnson's southern and conservative identification made him a poor symbolic leader of the Democrats. It proved to be a very delicate period for Hubert. Johnson wanted unanimous support. Humphrey was finally able to arrange for that unanimous support and to prevent Murray from being embarrassed, but with an understanding that the liberals would now be appointed for the first time to the Finance Committee and to the leadership committees.

The growing alliance between Humphrey and Johnson nearly produced effective civil rights legislation in 1954. Humphrey kept urging Johnson that if he had any national ambitions at all or wanted to become a national leader, it was necessary for him to think in terms of national issues and not simply of his Texas constituency. Both agreed civil rights was an area for that activity. I was asked to work with George Reedy, one of Johnson's assistants, to come up with an innovative legislative approach to civil rights. Johnson began working with Richard Russell and other Southern Senators. What we looked for was legislation free of the old controversial and stereotyped symbols. With the Supreme Court decision in *Brown* v. *The Board of Education*, however, and Eisenhower's public dissent from that decision, the Southern Democrat Senators could no longer do anything other than fight public school desegregation. Johnson reluctantly reported to Humphrey that the progress he had made was now down the drain and that they would have to put the issue aside for the time being. It had to wait until he was President in 1964 when he asked Hubert to serve as floor leader for the legislation.

The alliance had many peculiarities attached to it. Johnson resented the fact that Humphrey would be asked to speak to national liberal groups around the country. He would murmur to me and to others that Humphrey was going out making the speeches, but that he, Johnson, was working to get the legislative votes for the liberal programs. Indeed, in the period of the Eisenhower administration, the Democrats in the Senate had an impressive liberal voting record, including issues of tax reform, social and labor legislation. From Humphrey's point of view, the alliance was working. From Johnson's view, the alliance was also working because he was developing a national reputation and gaining liberal acceptance. Johnson would complain to Humphrey about his "bombthrower" allies and Hubert would respond with references to LBJ's "facists"; and they worked well together.

This relationship, of course, then led to developments that are already in the history books and need not be repeated here.

There was one important piece of legislation identified with Humphrey's name that caused him great grief among many liberals. The Joe McCarthy period was a troublesome period for him. Hubert had quietly and effectively defended a number of individuals, including some Senate staff members, who were unjustly accused of being Communists. His good friend, Senator William Benton of Connecticut, had taken on McCarthy as a personal fight, comfortable with his own impressive financial and political resources. But privately he urged Humphrey not to join the Senate debate. Humphrey's anti-communist credentials from the days in 1946–1948 when he defeated the Communists within the Democratic Farmer Labor Party in Minnesota, were clear. Hubert felt that anti-communism was a liberal issue in that totalitarianism was the enemy of liberalism. He regretted the fact that the liberals, since the 1948 anti-Wallace days, had abandoned the public fight against totalitarianism of the left and had relinquished the area to the reactionaries who did not understand the problem or how to meet it and would gain politically from the public's concern.

For many months we discussed the problem. Professor Thomas Cook of Johns Hopkins, his old friend Professor Ben Lippincott of Minnesota, Judge Charles Wyznasky of Massachusetts—all had written that a democracy had a right to defend itself against those who would destroy it from within.

Hubert was obviously no novice to political philosophy, had read a great deal and was inclined to accept the philosophical and pragmatic basis for their conclusion. But what to do? When? How to do it?

A bill was before Congress with negative civil liberties overtones dealing with security investigations in private employment. We began discussions with Tom Harris, a labor attorney assigned by organized labor to monitor and oppose the bill. Out of the discussions came a legislative proposal based on an opinion by Judge Learned Hand of the United States Court of Appeals for the Second District to the effect that the Communist Party was not a legal political party. It was rather part of an international conspiracy to overthrow the government of the

United States by force and violence. If participating in such a conspiracy would be made a crime, then those accused of the crime could sue for libel if falsely charged, or of charges were brought against them, could face their accusers and defend themselves in court, in sharp contrast to the practices of the day.

When Senator Wayne Morse of Oregon, former law school dean, whom Hubert greatly admired, approved the approach and asked to be a co-sponsor, Hubert decided to proceed. Paul Douglas asked to join, as did Herbert Lehman. The amendment in the nature of a substitute for the original McCarran Bill was introduced. But McCarran shrewdly accepted it as an amendment to the bill rather than as a substitute for it. It was then further amended in conference. The legislation that passed had very little relationship to the original Humphrey amendment, but the attacks against Hubert from within the liberal community began and, I suspect, he was never forgiven by those whose sensitivities against any anti-communist legislation is a strong one. Professor Carl Auerbach, an ADA national officer, wrote a law review article while he was at the University of Wisconsin, strongly supporting the philosophy and purpose of the Humphrey legislative effort, but it never permeated through most of the liberal community.

Working with Hubert Humphrey was a great privilege and a tremendous learning opportunity. There were also special moments of incredulity and one now comes to mind.

Hubert had been in Minnesota and was returning on a Wednesday morning. I was vaguely aware that he was due back about noon and had an afternoon speaking engagement in Washington. At about 11:00 a.m., Hubert was on the telephone from the Detroit airport. His plane was temporarily grounded in a snowstorm, but was expected to depart soon. An hour later, another call, but this time with the news that there would be no departures from Detroit for a few hours. Would I take the speaking engagement? Did he have a text? No, he said. Where was the talk and what time? It was to be in two hours at the National Cathedral. He and Cabot Lodge were scheduled to speak, a Republican and a Democrat, but not debate and not at the same time. By now, I hesitatingly asked the subject matter. "God, Man, and the Hydrogen Bomb," was the response and didn't I know it was Ash Wednesday, said Hubert. Emphasizing on the phone that I was neither biologically nor culturally qualified to serve as his substitute in that forum obviously made to impact on him. What choice did we have? None.

Throughout all of these days in the Senate, even with the growing national attention, the political science profession and the American Political Science Association remained close to Hubert. There was inner pleasure when he learned from Ralph Bunche, then President of our Association, that Kirk had been persuaded to leave the State Department and become Executive Director of the Association. Up until then, Hubert, who had joined APSA in 1943 and maintained his membership continuously, attended national conventions regularly and was often asked to participate in session discussions. With Kirk's selection, however, an intimacy with the Association began.

When Hubert became a Vice President of the APSA in 1955, he was as overjoyed and proud as if he'd been elected to national political office. Indeed, he referred to it in his political speechmaking with humor and with pride for years thereafter.

The APSA was also always present in the Humphrey office from the days when the Congressional Fellowship Program began. In 1977, I attended a reunion party of fellows in the Senate at which Humphrey, already ill, was made an Honorary Congressional Fellow, the third such individual to be so honored. At the celebration, it was reported that more than 30 fellows had served in his office including political scientists—Charles H. Backstrom, Robert Healy, Eugene Eidenberg, Charles P. Henry, Robert Kerr, Mark A. Siegal, John G. Stewart, James A. Thurber, and George von der Muhll. Some of those fellows went on to work ably for Humphrey as Senator and Vice President. He had also, over the years, served as an active member of the Advisory Committee of the Program.

In 1959, the affection and respect of our profession for Hubert was expressed in his being awarded, with the advice of the Washington press corps, the APSA Congressional Distinguished Service Award.

No one person can entirely understand another and it is presumptuous to believe that I fully understand Hubert Humphrey. But I have had the immense good fortune to be a part of his life and he of mine. Certainly, no one ever taught me more.

Yes, he suffered many disappointments. There was anguish. There were moments of resentment and despair as he was often the victim of pettiness, and envy. But he had an impressive capacity to forgive those who deserved less from him and he had an immense energy for work. These and his love for learning and teaching gave him strength and courage. The disappointments never came close to matching the overwhelming joys and satisfactions.

Much was made of Hubert Humphrey's optimism. His 1968 campaign announcement speech with references to the "politics of joy" and the "pursuit of happiness" brought him criticism. But to Humphrey, happiness was the pursuit of excellence, the stretching of one's brain and heart to the farthest reaches of one's potential. The effort to matter, to attain, to strive—this was the real pursuit of happiness.

In closing these reminiscences, there comes to mind a brief exchange with Hubert immediately after the death of his father, a man whose commitment to Tom Paine, Thomas Jefferson, and Woodrow Wilson played a crucial role in Hubert's early development. At lunch one day he surprised me by saying in essence: "Now that Dad is dead I wonder what effect that will have on my ability to stay honest to my conscience." He reminded me that his father, who read the Minneapolis newspapers regularly, would never hesitate to telephone if there was an adverse report or question raised. One day, for example, a newspaper reported that Hubert had broken bread with Minneapolis bankers. The next morning's telephone call from his father in South Dakota was a strong warning that Hubert not succumb to the flatteries and attractions of these men of wealth, reminding Hubert how many farmers were foreclosed by bankers during the Depression. A year or so later Humphrey and I were on a train to Philadelphia and I reminded him of his concern. "Dad is still looking over my shoulder," he replied.

To Hubert H. Humphrey, political scientist; author; B.A. University of Minnesota, 1939; M.A., Louisiana State University, 1940; Teaching Assistant, LSU, 1939–1940; Teaching Assistant, University of Minnesota, 1940–1941; Visiting Professor, Macalester College, 1943–1944; Professor of Political Science, Macalester College, and University Professor, University of Minnesota, 1969–1972—to Hubert H. Humphrey, our colleague, goodbye and thanks.●

FILL 'ER UP—IT'S FREE

Mr. CURTIS. Mr. President, I would like to encourage my colleagues in the Senate and the House to take advantage of an offer they would be foolish to ignore. Beginning at 12:30 p.m. on June 28 and running until 3.30 p.m., a tank truck will distribute free automobile fuel to any Congressman or Senator who wishes to fill up at Pennsylvania Avenue and First Street, N.W. facing the peace monument. The truck will also distribute this fuel from 9:30 a.m. to 3:30 p.m. on June 29, and from 9:30 a.m. to 12:30 p.m. on June 30. The American Automobile Association is sponsoring the giveaway program to demonstrate a means of mitigating the energy crunch.

This is not just any automobile fuel. It is a highly efficient, premium fuel, which if marketed nationally, could reduce oil imports by 20 percent, while providing a steady market for farm surpluses. The fuel is gasohol, a mixture of no-lead gasoline and 10 percent ethyl alcohol, derived from renewable resources. For 50 years, race car drivers have used alcohol in their tanks because it is the most efficient, responsive fuel available.

As a sponsor of this event, along with Senators BAYH, CHURCH, JACKSON, JAVITS, and PERCY, I urge each of my colleagues to experience the performance of gasohol in his car. I have already done so on several occasions and can attest to its efficient functioning. In my home State, Nebraska, a station in Lincoln reports 40 percent of its customers are purchasing gasohol on a regular basis due to its wonderful performance in their cars. This is true even though at the present the station charges 6 cents more per gallon than it does for regular no-lead gasoline. The Senate has already passed a waiver of the Federal 4 cent gasoline tax on motor fuel and when this becomes law the price of gasohol will be competitive.

By testing gasohol first hand in their own unmodified engines, Congressmen will be in a better position to answer those skeptics who suggest that gasohol is some crazy scheme concocted by farmers and designed to destroy our cars. In fact, burning alcohol fuels in our cars was endorsed by such notables as: Nikolaus Otto, the inventor of the internal combustion engine; Alexander Graham Bell; Henry Ford; and thousands of race car drivers. Perhaps if Congressmen themselves get the "racer's edge," by filling up with gasohol, their endorsement will spur the rise of a domestic industry capable of converting renewable farm, forest, and municipal waste products into energy.

BUREAUCRATIC IMPERIALISM

● Mr. JOHNSTON. Mr. President, it is one thing to refer to oil as crude, but to be forced to label it unrefined—well, that is a terrible breach of energy etiquette. Especially when it is high time that increasing our domestic refining capacity be promoted to the position of top energy priority.

I was very pleased to note in last week's RECORD that my good friend Senator KENNEDY addressed some of the problems inherent in the entitlements program. This complex program, felicitiously referred to by the Senator from Massachusetts as an "outrageous weed garden of regulation," coupled with what may be excessive enviornmental restraints and the absence of a clearly defined national refinery policy must as-

sume the primary responsibility for the current U.S. inability to meet its domestic demand for refined products.

Throughout my term in office, I have joined with others in urging the Government to allow U.S. producers the freedom to increase our domestic energy supply. With all the talk of energy independence, however, one fact is too frequently ignored—that is that even with enough oil stored up to last us a hundred years, it would be of no use whatsoever in the event of another embargo if we are unequipped to refine it. The advent of higher sulfur crude from the Alaskan North Slope should bring this problem even closer to home after paying over $9 billion to transport the oil to the "lower 48," it would be nothing short of foolish to leave ourselves in the position of having to export it again to be refined. We must also remain aware that more industrial fuel oil will be required to replace declining natural gas supplies in the United States and this, again, will necessitate new or expanded refining facilities.

It would appear that in light of the obvious need to augment our refining capacity every effort would be made to encourage endeavors in this direction. Unfortunately, this has not been the case. There have been numerous well-publicized accounts of planned refineries, the construction of which was ultimately thwarted by years of litigation or the inability to secure the necessary Federal and State permits. One case in point with which I have become familiar is that involving the Hampton Roads Energy Co. and its attempts to build a refinery in Portsmouth, Va.

After an intensive study, HREC concluded that Portsmouth would be an ideal site for a refinery, partly because of its broad, hazard-free channel and its location in the center of a high energy-consuming area with a shortage of low-sulphur resid and unleaded gasoline. The Department of Energy has repeatedly stated that an oil refinery is needed on the east coast, and Virginia State regulatory agencies have approved the project. For 3 years, however, the project has been stymied by opposition from the Federal Environmental Protection Agency, the National Marine Fisheries Service, and the U.S. Fish and Wildlife Service. The most recent development, and to me the most puzzling, is the recent entrance into the case of the U.S. Army Corps of Engineers, which, after reviewing the HREC proposals for 3 years, has suddenly announced its plans to form a Federal agency task force for the purpose of investigating other possible sites. The study is expected to take several months to complete at the minimum; meanwhile, the cost of the proposed project—which has already increased from $300 million to $620 million—continues to escalate. The action of the Army Corps of Engineers is particularly difficult to understand if one is aware of the results of a study which compares the contents of the average daily water discharges of the proposed Portsmouth refinery with those of a recently approved refinery at Freeport, Tex. The Portsmouth project emerges as by far the environmentally superior, as is indicated in the Richmond News Leader editorial which I have submitted.

I have also inserted several other articles which delve into the history of the Hampton Roads Energy Co.'s undertaking in some detail. I feel that they clearly illustrate how well-meaning regulatory actions have inhibited this and other proposed refinery projects, and underscore the pressing need to pass legislation to establish refinery incentives and provide, in general, a more favorable long-term policy toward domestic refiners.

I hope to address this issue in an oversight hearing to be held in the Subcommittee on Energy Conservation and Regulation of the Committee on Energy and Natural Resources on June 28, 1978. The subcommittee will receive testimony from the Department of Energy and selected private witnesses.

The material follows:

[From the Richmond News Leader, May 30, 1978]

BUREAUCRATIC IMPERIALISM

On Thursday the Army Corps of Engineers issued one of the most bizarre pronouncements in its history. Having been asked to issue the Hampton Roads Energy Company a permit for the construction of a petroleum refinery in Portsmouth, the petulant Corps said in effect: "Maybe we will issue such a permit, and maybe we won't."

The Corps' Lieutenant General John Morris said the East Coast needs a major refinery, but declared Portsmouth "not a perfect site," yet a site perhaps better than any other. For the purpose of looking at other possible sites to determine whether the Portsmouth site is best, Morris announced the formation of a federal-agency task force. Asked when the task force might grace the public with its conclusions, Morris wouldn't say.

So here we have the Army Corps of Engineers playing a key role in determining the nation's future refining capacity—a role, surely, that no Senator or Congressman in his right mind ever imagined in even his worst nightmares. And the Hampton Roads Energy Company? It is left to languish while the federal bureaucrats take their time—as it has languished for lo, these many years while the feds have fiddled, and while the estimated cost of the proposed refinery has doubled from $300 million to $620 million (and counting).

Now, all this dawdling strikes one as particularly lamentable in the light of an article in the May issue of *The Virginia Observer*, published in Norfolk. The article compares the contents of the average daily water discharges of the proposed Portsmouth refinery and a refinery just approved for Freeport, Texas. Sharon Stewart—a self-proclaimed environmentalist and a member of something called the President Advisory Committee on Oceans and Atmospheres—has praised the Freeport refinery as, environmentally, "probably the best in the U.S."

The Observer inquired of Edward Lee, an official in the Environmental Protection Agency's Dallas office, about the Freeport refinery's water discharges. (The EPA supported the Freeport refinery; it opposes the Portsmouth refinery.) On the basis of Lee's data, *The Observer* made the following comparison (it should be noted that the Freeport refinery will have a capacity about 25 per cent greater than the proposed Portsmouth refinery):

	Portsmouth	Freeport
B.O.D.*	46 pds.	755 pds.
Organic Carbons	30	1,661
Suspended Solids	30	709
Oil and Grease	3	228
Phenols	.4	4.4
Amonia	7.6	657
Sulphide	.4	3.7
Chromium	.4	10.7
Hexovalent Chromium	.4	.7

* Bichemical Oxygen Demand.

The Portsmouth refinery is demonstrably, overwhelmingly superior—yet it is being hassled, perhaps to death. And if that happens, because of the idiocy of the Corps and other federal agencies, Virginia will be denied one of its largest private undertakings, and the East Coast will be denied the refining capacity it requires. So chalk up yet another victory for bureaucratic imperialism.

[From the Richmond Times-Dispatch, June 7, 1978]

ENERGY "POLICY"

Impressions to the contrary notwithstanding, the federal government apparently *does* have an energy policy. Its policy seems to be to discourage almost any effort by private enterprise to increase domestic energy supplies and push the nation closer to energy self-sufficiency.

Primarily because of restrictive federal regulations, it takes power companies umpteen years to put nuclear plants into operation. Federal price controls discourage the domestic production of gas and oil. Federal regulations make it increasingly difficult to mine and use coal, of which the United States has an abundant supply. Dams, refineries and other energy-related projects are likely to smash into one federal roadblock after another.

The proposed Portsmouth refinery is an example. For about three years now, the Hampton Roads Energy Co. has been trying to build the refinery, and for about three years it has had to combat federal red tape and outright federal opposition.

The federal Department of Energy has said that an oil refinery is needed on the East Coast, and the company, which cannot afford to be casual in its selection of a site, says that its survey established Portsmouth as the best possible location. State regulatory agencies have given their approval, but the federal Environmental Protection Agency, the National Marine Fisheries Service and the United States Fish and Wildlife Service have fought the project. And now the U.S. Army Corps of Engineers, the last barrier to construction, has decided to impose a delay of its own.

The corps announced recently that it would conduct its own survey of the East Coast to determine whether Portsmouth is indeed the best possible site for a refinery. If it finds a much better location, it apparently will not issue a permit for the Portsmouth project. But if Portsmouth turns out to be better than, or as good as, other possible sites, the corps may authorize the Hampton Roads Energy Co. to proceed. The study is expected to take at least three months. Meanwhile, the estimated cost of the refinery, which already has doubled from the original $300 million, is expected to continue to rise.

Company officials have expressed belief that the corps is acting in good faith, that it is not trying to kill the refinery, and they probably are right. But our point is that it should not take the federal government *three years* or longer to determine the fate of such a project. If it can act no more expeditiously than this, how can the nation hope even to approach the point of energy self-sufficiency?

It is important to protect the environment, of course, but it is possible to go to unreasonable extremes, which seems to be the case in this instance. Data from the EPA's own files indicate that the Portsmouth refinery would be less damaging to the surrounding water and air than some other refineries that have gone into operation with the agency's blessings. And while the risks

of oil spills, can never be eliminated, they are, in the case of the Portsmouth refinery, far outweighed by the economic benefits that it would produce. The project should have received final authorization long ago.

[From the Journal of Commerce, June 2, 1978]

PORTSMOUTH REFINERY PLAN STALLED

WASHINGTON.—A proposal to build a 175,000 barrel-per-day refinery at Portsmouth, Va. has been put aside as a federal task force investigates other possible refinery sites on the East Coast.

The refinery, proposed three years ago by the Hampton Roads Energy Co., is presently awaiting approval by the Army Corps of Engineers, which created the task force. It would be the first large refinery to be built on the East Coast in the last 20 years.

According to a Corps spokesman, the task force was created to assist the Corps in reviewing the application for the refinery.

The task force is expected to have its recommendations ready before the end of the year.

Lt. General J. W. Morris, the Corps' Chief Engineer, said last week that he was not convinced that "Portsmouth is the best location for this additional (refinery) capacity."

He did, however, acknowledge that additional capacity was needed on the East Coast.

In addition to reviewing other possible sites, the task force also will look into the possibility of expanding existing refineries.

To assist in the review, Gen. Morris created a task force that includes representatives from five federal agencies: the Environmental Protection Agency, the U.S. Fish and Wildlife Service, the U.S. National Marine Fisheries Service, the Energy Department and the Transportation Department.

[From the Washington Star, June 1, 1978]

PLAN FOR GIANT OIL REFINERY AT PORTSMOUTH IS SHELVED

An embattled three-year-old proposal to build a giant oil refinery in Portsmouth, Va., is being shelved, at least temporarily, while a federal task force tries to find a better site along the East Coast.

The task force, created last week by the Army Corps of Engineers, held its first meeting Wednesday and agreed to search from Maine to Florida for the "best location" for an East Coast refinery.

A task force spokesman said it will be at least early September before alternative locations are found and studied and a decision is made on the proposal by the Hampton Roads Energy Co. to build a refinery in Portsmouth.

No specific alternatives have been mentioned, but a task force spokesman said the Army Corps of Engineers nine district headquarters along the East Coast will be surveyed for possible locations.

"We'll search for the best location from Maine to Florida," said spokesman Edward Greene, adding a tentative list of environmental and economic criteria had been formulated.

Lt. Gen. John W. Morris, the corps chief engineer, last week announced he was not convinced Portsmouth is the best site for an oil refinery and would study alternatives before making a final decision.

To assist in the study, Morris, created the task force that includes representatives from five federal agencies: the Environmental Protection Agency, the U.S. Fish and Wildlife Service, the U.S. National Marine Fisheries Service, the Energy Department and the Transportation Department.

Although delaying a decision on the HREC proposal, Morris said he is convinced oil refining capacity needs to be expanded on the East Coast.●

U.S. MILITARY STRENGTH

Mr. GOLDWATER. Mr. President, there are two things that I have found that the American people will appreciate more than anything else and that is candor and truth. Now it is very distressing to me to find myself at some odds with the Secretary of Defense, Harold Brown, but I had to dispute some of the remarks he made at the Commonwealth Club in San Francisco last week in remarks that I made before the American Fighter Aces Association in New Orleans later. Both of us have access to the same intelligence and I imagine that both of us have the same freedom to interpret that intelligence the way we see it, but I find that the heavy weight of interpretation of intelligence puts us at best even with the Soviets, and if we listen to the different strategic institutes around the world we are ahead of the Soviets in aviation ability but behind her in every other facet of military preparedness. Not much, but we are behind her and it is distressing to me to hear the President of the United States and members of his Cabinet continue to say that we are militarily stronger than the Soviets. So that my colleagues may have some idea of my reasoning, and I will admit that it is not my complete reasoning or arguments on this subject, I ask that my comments made in New Orleans be printed at this point in my remarks.

The comments follow:

REMARKS BY SENATOR BARRY GOLDWATER

Distinguished guests and ladies and gentlemen.

I am pleased to be able to speak to this distinguished association because it represents a special group of aviators I have respected and admired for many years, not only for the feats you have accomplished in aerial combat, but, more importantly, for the service you have performed for our Nation. I am proud to be associated with each and every one of you, and I thank you for having me here.

Tonight I want to talk about our general purpose forces, primarily our tactical air forces, how they stack up against their Soviet counterparts. I am very disturbed over the trends I see and I will explore these trends with you.

I also want to examine the Carter administration's approach to this problem and how this year's defense budget and five-year defense program are not going to be adequate to meet the increasing Soviet threat.

My primary concern is that, if current trends continue, we are not going to have the necessary conventional forces on hand and immediately ready to meet and defeat a Soviet force that is rapidly improving, both quantitatively and qualitatively. If the Soviet Union elects to start a war in Europe, she has no intention of waiting until we get ready.

In this regard, I came across an interesting statement made to a Senator that applies to my concern, and it is as follows:

"We just got to be better prepared than we are. I want to tell you, war is a business with some other nations. When a war shows up, they don't have to stop and put in a draft and sing songs and appoint dollar-a-year men. Their soldiers are trained between wars—not after one starts. You see, we have been lucky in that way, all of our wars have waited on us till we could get ready. But one day we may have one where the enemy won't wait.

"You think that's kidding? Well, you are just another Senator, if you do."

Would you believe Will Rogers said that on March 12, 1932? If anything, it is more true today than then.

Well, I am not convinced that the Carter administration has read Will Rogers. At least, you wouldn't think so after a careful examination of the defense budget request sent to the Congress earlier this year.

In real terms, it is the lowest defense budget since before 1964, and, in my opinion, it is a bare bones budget and a high risk budget, because it places our national security on too thin a margin.

How thin is the margin?

President Ford's last five-year defense program projected a requirement for $8.4 billion more than is contained in this year's Carter defense budget. Over an equivalent five-year period, Ford projected a requirement for $34 billion more than Carter is projecting for the same period.

That represents a dramatic 37 percent reduction in the amount seen as necessary by the Ford administration for the same five-year period.

Let me cite some of the needed defense programs that were cancelled, reduced or delayed to accommodate the Carter defense budget. The list is long but here are some:

1. Army's Infantry fighting vehicle production schedule was delayed.

2. Navy's surface effect ship program was cancelled.

3. Navy's five-year shipbuilding program was drastically reduced from 160 to 70.

4. Navy's F–14 production rate was reduced from 36 to 24, an uneconomical rate of production.

5. Navy's F–18 planned production buildup rate was cut in half.

6. Overall, Navy was only allowed to request 29 fighter aircraft.

7. The Marine AV–8B planned production program was cancelled.

8. Air Force's advanced medium STOL transport program was cancelled; and

9. Air Force's B–1 program was cancelled.

These program cancellations and delays mean the Carter administration intends to hold any real growth in the defense budget over the next five years to about 2 percent or less per year. This means a number of our systems will not come into the inventory at the time needed and in the quantity needed.

By contrast, the Ford administration saw the need for about a 6 percent real growth rate per year as the minimum necessary to keep new systems coming to the services when needed and in the quantity required.

These cutbacks and delays also mean that we pay more for each new system, with the end result being we do not get the total number of weapon systems required because scarce procurement dollars must be diverted to pay for those schedule delays.

In maintaining our readiness and capability for conventional war in NATO, I think the evidence is clear that we may soon not have the numbers of systems needed to win. General Bernard W. Rogers, Army Chief of Staff, tells us the Army must be able to, "fight outnumbered and win."

That is an admirable goal and I am sure that within reasonable limits it can be done.

But I think we may have reached the point, given the current quantity and quality of the Soviet conventional forces, where we can no longer expect to fight outnumbered and win. In fact, we may have passed that point because the Soviet Union has made dramatic improvements in its forces in both quantity and quality over the last few years.

Many of you here tonight know what it is to fight outnumbered and still win. Under those conditions, however, the margin for error is extremely thin and, if the quality factor of the enemy goes up and he retains superior numbers, your odds of winning suddenly go down.

That is what is happening in Europe. Not only are the numbers of Soviet/Warsaw Pact

systems increasing, but the quality of both the pact soldier and his equipment are up.

During our tactical air subcommittee hearings this year, the defense intelligence agency told us that over the past ten years the quantity of Soviet tactical air forces frontal aviation attack aircraft increased over 40 percent, while the quality of aircraft improved significantly.

Since 1969 the Soviets have had underway a full-scale equipment and weapons modernization program for their frontal aviation forces and this modernization, with the addition of aircraft, such as the Fitter-C and Fitter-D, is progressing ahead of DIA's previously predicted modernization rate.

This frontal aviation force now has the technical capability to conduct offensive counterair and deep interdiction operations well beyond the battlefield area. Its counter-air force, which has a high percentage of late model aircraft, has an all-weather capability and can also be employed in an air-to-ground war. In the past two years, its air-to-air capability has been enhanced with the introduction of two new air-to-air missiles.

The record will show that the intelligence community has consistently underestimated the Soviet tactical air modernization rate, both quantitatively and qualitatively. Certainly, a better job needs to be done in this area, but the increased capability of the Soviet tactical air force should be clear to even the most skeptical observer. The trends are clear and they are not encouraging from our viewpoint.

However, these trends should not take us totally by surprise. The Soviet Union is really quite predictable because its military planners stick to the basic principles of war. The Soviet Union has always applied the principle of mass to its ground forces, and now we see the same principle being applied to its tactical air forces. Their intent is to overwhelm any opponent with numbers and firepower, and the modernization of their tactical air forces is pointed at giving them that capability.

What can we do to overcome these disturbing trends in order to counter this increasing Soviet conventional capability?

The first thing that needs to be done is for the Carter administration to recognize the seriousness and the magnitude of the problem and agree to spend more on our conventional forces over the next five years. I would estimate that, as a minimum, we must plan to spend an additional $15 billion more on conventional forces over the next five years than the Carter administration is currently planning to spend.

Let me give you an example of the inadequate approach the Department of Defense is taking in trying to cope with this problem.

Secretary Brown in his posture statement indicated that over about the next five years our ability to reinforce NATO in the first ten days of any conflict will be substantially increased. That statement by itself is very encouraging, but let me tell you what he has in mind. He reported the Air Force by that time, about 1983, will be able to add 60 tactical air squadrons, 20 more than today.

In response to that statement, I asked Secretary of the Air Force Stetson what additional tactical aircraft, squadrons, and airlift will be required in order to attain that goal, and would there be increased reliance on the Air Guard and Reserve.

Stetson replied that the total number of tactical aircraft or squadrons will not increase in numbers, but they will be deployed sooner, along with Air Reserve augmentation forces.

In other words, there is no intention over the next five years by the Carter administration to increase the number of tactical aircraft in the inventory. What is needed here, however, is additional wings above the 26 tactical wings we have in the Active Air Force inventory today. And, of course, the readiness of every unit to deploy should be upgraded.

To do this, the administration should be presenting the Congress with a plan to expand the total number of active tactical air wings, along with a procurement plan over the next five years to fill its wings with F-15's, F-16's and A-10's.

The Navy's problem is somewhat different in that the total number of fighter squadrons and attack squadrons is tied to its 12 carrier decks and, therefore, additional fighter or attack squadrons would be difficult to accommodate. However, I support those in the Navy who believe that an all F-14 fighter force, or 24 squadrons, provides Navy with a greater capability than the high-low mix concept which includes the F-18. I think the F-18 is a good aircraft, but the administration should come forth with a plan to expedite the replacement of the A-7 light attack force with the A-18 and drop the F-18.

Looking to the future for our fighter aircraft, the picture is going to get worse before it gets better. By about 1982 or 1983, under current plans, we will have only two fighter aircraft in production, the F-16 and the F-18. By that time, the production runs of the F-14 and F-15 are scheduled to be completed. I have raised this point with the Secretary of Defense and other senior DOD officials, and while each has expressed a concern, there has been no effort to change the current plan. I do not think that it serves our national interest to have only two fighter aircraft in production.

By contrast, in our hearings this year, Bob Dixon told us that, "the Soviets build three new fighters every day of every week of every month of every year," and that "they have been doing it for four years and it looks as if they will do it for four more."

We also need to expedite the production of the EF-111 tactical jammer aircraft due to the increasing Soviet air defenses and their heavy involvement in electronic warfare. We also are going to require larger numbers of these aircraft than is currently planned, and increased numbers could be bought within the fund increase I am advocating over the next five years.

In addition to the ECM aircraft, we need to continue to press forward with the E-3A AWACS and get that aircraft deployed to Europe on a regular basis as soon as possible. There is no question that it is a proven force multiplier and force manager, and it has the ability to do more with our inferior numbers than anything else I can think of.

I hope the NATO ministers can make their decision on NATO AWACS without further delay. I am sure they are all sold on the military capability of the E-3A, and remaining decisions really revolve around economic issues.

To support our ground forces, we need to spend greater amounts in research and development to develop our ability to provide close air support in night and all weather conditions. Frankly, today we do not have the capability to attack Soviet mobile targets at night and/or in bad weather to the degree required. We are making progress in precision guided munitions, the imaging infrared maverick is an example, and that will help. But our ability to search out enemy mobile targets, acquire that target, and then destroy that target at night or in bad weather is very limited.

Further, I must assume that the Warsaw Pact forces would not only try to launch a surprise attack, but would try to pick the time and conditions that were most unfavorable to our tactical air forces. There is no question in my mind that the Army cannot expect to hold its position unless it is provided with adequate air support and air cover.

Nevetherless, we are currently going to buy over 700 A-10's, none of which has a night, all-weather attack capability, even though this is the air force's primary close air support aircraft for the Army. That shortcoming needs to be resolved through a major modification program because, if it is not, I would predict the A-10, during any conflict, is liable to be operationally ineffective most of the time.

In summary, how effective we are in any conflict in Europe is going to be directly dependent on the number of our weapon systems and the quality of our weapon systems. Today, even though we have lesser numbers, our quality would probably see us through. However, that edge is rapidly disappearing, and if we expect to hold the limited margin that we have now, we must spend more in this area over the next five years.

Thank you, and good night.●

THE BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

● Mr. McCLURE. Mr. President, I have received a letter from Secretary Blumenthal regarding the appropriation for the Bureau of Alcohol, Tobacco, and Firearms which greatly concerns me. The letter contends that BATF would be forced to make significant personnel reductions unless it receives its full budget increase; Treasury claims that if the BATF budget increase is lessened by $4.2 million, as called for by the other body, significant and worthwhile programs would have to be curtailed. This letter is replete with the type of misleading statements that have characterized BATF efforts to promote their firearms regulations from the beginning.

Since I believe the other Members of the Senate have received such letters, I am taking this opportunity to clarify some aspects of the situation. I ask the letter be printed in the RECORD at this point.

The letter follows:

WASHINGTON, D.C.,
June 22, 1978.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MCCLURE: I am writing to urge your support of the Appropriations Committee approval of the budget of the Bureau of Alcohol, Tobacco and Firearms (BATF) which restores $3.8 million of the $4.2 million cut by the House.

A $4.2 million cut will cause a serious curtailment of BATF's regulatory and enforcement responsibilities. The cut will entail a reduction of 135 positions, which translates into over 200 permanent positions. It is likely that this will necessitate a reduction-in-force of BATF employees.

The budget cut would affect all activities of the Bureau, including its ability to assist State and local criminal investigations, its enforcement of Federal revenue laws, and its important regulatory responsibilities in the liquor area. In addition, BATF will be forced to eliminate almost two-thirds of its technical training, which includes training of State and local police in bombing and firearms investigative techniques, and would have to reduce important aspects of its anti-terrorism activities. Major illegal firearms investigations would also be adversely affected.

There has been a great deal of controversy surrounding firearms regulations proposed by BATF in March of 1978. Some have erroneously claimed that the Department intends to use FY 1979 monies to implement these regulations. This is not true. While I believe the proposed regulations would enhance the Federal and local ability to fight

violent crime, it is important to realize that the FY 1979 budget does not contain funds to implement them. As I previously wrote to the Appropriations Committee, a decision to implement these regulations will require the Department either to seek a supplemental appropriation for FY 1979 or include a request for such funds in our 1980 submission. Furthermore, you should note that the Committee bill already contains language which would require a new appropriation in order to implement the regulations. Thus, there is clearly no relation between the controversy over the regulations and the money at issue.

In the event of a floor amendment to reduce BATF's budget, I hope you will actively support the bill as reported by the Appropriations Committee.

Sincerely,

W. MICHAEL BLUMENTHAL.

Mr. McCLURE. If we examine this letter point by point, some interesting questions arise.

For fiscal year 1979, the agency requested a $6.8 million increase. None of that increase was for personnel compensation. In fact, BATF's budget called for a reduction of $194,000 in personnel compensation. Now Treasury acts as if we had not read their budget, and is trying to convince us that deletion of nonpersonnel funds will result in the elimination of some 135 to 200 personnel.

Quite obviously, the agency is employing the bureaucracy's favorite gambit of claiming that necessary services will be cut whenever efforts are made to trim away bureaucratic fat. We all witnessed the opponents of California Proposition 13 claiming that police and fire services would be cut, when the taxpayers were insisting that wasteful and frivolous programs bear the brunt. Now we see the same scare tactic being used by Treasury.

Let us look at the items for which Treasury originally requested the $4.2 million. Included were travel and transportation, printing, supplies, and other services, but nowhere does BATF's budget show that these funds would be spent for personnel. Where then are the positions that Treasury says must be cut if they do not receive the increase they are requesting?

I ask that the text of the budget summary be printed in the RECORD at this point.

The summary follows:

DEPARTMENT OF THE TREASURY—BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, STANDARD CLASSIFICATION SCHEDULE

(Direct Obligations Only)

	Appropriation			1979 increase or decrease (−) over 1978
	1977	1978	1979	
Total number of permanent positions	4,376	4,140	4,068	−72
Average paid employment	4,131	4,041	3,941	−100
Object classification personnel compensation:				
Permanent positions	69,719,213	75,520,000	75,485,000	−35,000
Positions other than permanent	555,586	484,000	484,000	
Other personnel compensation	6,609,658	7,506,000	7,347,000	−159,000
Total personnel compensation	76,884,457	83,510,000	83,316,000	−194,000
Personnel benefits	9,120,225	9,841,000	10,293,000	452,000
Travel and transportation of persons	5,454,128	5,430,000	5,977,000	547,000
Transportation of things	684,479	655,000	655,000	
Standard level user charges	5,929,140	7,166,000	8,230,000	1,064,000
Communications, utilities, and other rent	3,896,196	4,028,000	5,144,000	1,116,000
Printing and reproduction	4,119,927	4,700,000	6,328,000	1,628,000
Other services	6,885,986	7,419,000	8,535,000	1,116,000
Supplies and materials	3,366,038	3,212,000	3,657,000	445,000
Equipment	2,252,250	2,611,000	3,327,000	716,000
Insurance claims and indemnities	46,655	60,000	60,000	
Total obligations	118,639,481	128,632,000	135,522,000	6,890,000
Unobligated balance	24,519			
Total appropriation, authorized level, and budget estimate	118,664,000	[1] 128,632,000	135,522,000	6,890,000

[1] Includes appropriation of $122,600,000 plus proposed pay increase supplemental of $6,032,000.

Mr. McCLURE. Since the agency does not in fact have to reduce personnel as a result of the $4.2 million cut, most of the threatened reductions in law enforcement activities mentioned in the third paragraph are also illusory. Some of these claims do bear closer examination, however. For example, even if the 135 or 200 positions were to be eliminated, it is not clear to me how a reduction of 200 positions out of the 4,000 to be authorized could have such an adverse impact on so many diverse programs. Secretary Blumenthal mentions regulatory responsibilities in the liquor area as one program that would suffer. Their budget documents indicate over 1,200 personnel assigned to liquor regulatory activities. I find it hard to believe that no reduction could be tolerated here.

I note the Secretary refers to reducing important aspects of BATF's antiterrorism efforts. I must take exception to this, inasmuch as BATF has little, if any, in the way of responsibility for combatting terrorists.

Investigations of bombings which appear to be the responsibility of radical or terrorist groups are within the jurisdiction of the FBI. This is by virtue of a memorandum of understanding executed some years ago by the Treasury and Justice Departments. For example, if ATF began an investigation of a bombing and information was received indicating that it was the work of the Weathermen, or some other revolutionary or radical group, the FBI would take over the investigation. Decisions on investigative jurisdiction in individual cases is made by the Criminal Division of the Department of Justice. Local police, of course, also have jurisdiction. ATF is a very small organization with only about 1,550 criminal investigators nationwide. It is no significant factor in the Nation's antiterrorism program.

ATF does not focus on terrorist groups or persons. That is the job of the FBI, which has counterintelligence and internal security jurisdiction. Of course, it is always possible that ATF may make a firearms case against a terrorist. Terrorists are not, however, singled out for special attention.

Further, ATF headquarters in Washington issued instructions to its field offices a few years ago reminding them that they were not to touch unexploded bombs. ATF personnel call the explosives ordnance people of the Army who render safe the unexploded bomb.

The local police trained in investigative techniques by ATF are those in the smaller and rural cities and towns. There is no specific appropriation for this type of activity. The places in which ATF conducts training are those which have the least problem with terrorism and crime generally.

In addition, there is one more area where I must dispute the Secretary's statements. He claims there is no relationship between the firearms regulations and the money. I cannot accept this.

The Treasury introduced its firearms regulations only 13 days after presenting its budget request. There was no mention of these regulations or their costs. Contrary to Treasury's present statements, the initial funding for the regulations were to have come from the present appropriation. The evidence lies both in implementation scheduling documents prepared by Treasury and in the statements of Assistant Secretary Richard Davis to both congressional staff and the press. I do not believe that the press invented the many news reports stating that funding for the regulations would come from within the existing budget.

The other body cut Treasury's increase by the $4.2 million which the agency had indicated it intended to use from its present budget. Obviously, with both the House and the Senate committee stating that none of the fiscal year 1979 funds may be used to implement these regulations, the Treasury Department no longer has a legitimate use of these funds. For us to allow them moneys which they do not need is to open this body to charges of wasting the taxpayers' money.

If the agency is successful in recovering its budget increase, it will be interpreted by the media and the agency as a victory for the agency and for the regulations. If this agency receives any encouragement from the Congress, we may be certain that they will attempt to issue these regulations again next year, and we will have to once again enact restrictive language and once again involve thousands of our constituents in writing

letters of protest to their Government over an issue that should be settled now for good.

In summary, Mr. President, a look at the BATF budget request reveals many areas where increases have been requested that could be cut to accommodate the action taken by the House. I cannot emphasize this too strongly—we are talking about a reduction in the agency's requested increase, not their operating budget. Since none of that requested increase was for personnel compensation there is no reason to believe that requiring a little belt tightening within the BATF will result in a loss of personnel. I firmly believe the agency is trying to scare the Senate, and that they have enlisted the good offices of Secretary Blumenthal to do so.

I would also call to the attention of my colleagues the statement of the chairman of the Treasury Appropriations Subcommittee in the other body, Mr. STEED, during floor consideration of the BATF budget. He was specifically asked if the agency would have enough personnel to carryout its work as a result of the reduction, and the chairman replied, and I quote:

Absolutely. They still would have the manpower to do the things they intended to do when they made this budget in the first place. (Cong. Record, June 7, 1978, page 16654)

Mr. President, we are talking about a possible reduction of $4.2 million of a $6.2 million requested increase; and I repeat again—increase. This is out of a $135 million requested budget. I do not see that a 3-percent reduction in the budget request of BATF would be catastropic.●

OUR UNDEREQUIPPED, UNPREPARED NATO FORCES

● Mr. HATCH. Mr. President, in recent months there has been a renewed emphasis placed upon the relative position of NATO vis-a-vis the Warsaw Pact nations. I have been pleased to see this resurgence of interest in what has become the most important alliance of the United States. I think that it is common knowledge that Western Europe is essential to the security of the United States and vice versa.

At the NATO conference held this past month here in Washington, the leaders of the alliance concluded their meetings with a pledge to strengthen each nation's commitment to the common defense of the alliance. Placed in real terms, this means an increase in the defense budegts of NATO nations, to attempt to meet the ever increasing threat by the Soviet Union and her satellite nations. The amount that seemed to surface most regularly was a 3-percent increase in defense spending. The CIA estimates of the Soviet defense budget show them to exceed U.S. budget authorizations by as much as 40 percent. Soviet expenditures have exanded about 3 percent per year since 1970, whereas U.S. outlays expressed in constant dollars have contracted steadily. While many of these figures are open to question, something that must be kept in mind is that United States and NATO manpower costs have escalated greatly in recent years, whereas Soviet manpower costs have remained basically intact, thus permitting the Soviets to invest more of their defense spending in equipment and R. & D.

It is because of this unavoidable fact, that NATO has found itself sadly lacking in the area of preparedness. President Carter has pledged to increase the U.S. defense commitment by a 3-percent increase in U.S. spending on NATO. At the time of this pledge, many people interpreted this to mean an increase of 3 percent in the defense budget overall. However, this was quickly shattered when the fiscal year 1979 defense budget was submitted to the Congress and showed only a real increase of 1.7 percent. This was explained by stating that the increase would go toward those aspects of our defense that pertain to NATO, therefore, the 3-percent increase that was promised was in fact made. I find this type of logic unacceptable. The defense of this Nation and NATO is an all encompassing system that cannot be differentiated between by theaters of conflict. Everything that is included in the defense budget of this Nation in some way contributes toward the defense of NATO.

NATO at this time is outmanned and outgunned. On April 20, 1978, ABC News broadcast a program entitled, "The American Army: A Shocking State of Readiness." Several items in that report stood out and have caused me to rethink this problem. Bill Wordham, one of the writers and narrators of the program, interviewed soldiers who had recently returned from Germany, and the dialog went like this:

BILL WORDHAM. Those soldiers who are prepared to answer the call to battle have yet another problem, the state of their weapons and equipment. The Army conducts regular investigations into equipment readiness, but its findings in Germany are classified, so we ask the soldiers. These men, recently returned from Germany and about to leave the Army, spoke freely about our readiness to meet a Communist attack. George Brooks was a Sergeant, working as a photographer in military intelligence.

Sgt. GEORGE A. BROOKS. To tell you the truth, if war started right now, there's no, virtually no way—if they came across that border, we would be in trouble, I mean bad trouble, because, like I said, the equipment doesn't work, you know, most, of us really don't know what to do and there, it's, it's a command problem.

Pvt. DAVID G. MALVERN, JR. I agree completely because they, they've been telling us for the last eight months now, we got 48 hours from the time that they start across the border to the time we're supposed to actually move out. And we've had quite a few alerts just in case—just in case—something did happen, and most of the time, none of the equipment's ready.

Pvt. DAVID R. BRAHAM, JR. We got vehicles right now sitting over there, that's sitting in the Q line service, five tanks or six tanks just sitting there rotting away because they can't get the parts for 'em.

Allowing for some distortion and exaggeration, the problem is still one of great magnitude. It becomes clear to the rational person that NATO is not prepared to defend itself against a Warsaw Pact invasion. An article appeared in the June 4, 1978 edition of the Washington Post entitled, "Our Underequipped, Unprepared NATO Forces." This article, written by Arthur Hadley, enumerated some of the areas that we have fallen behind the Soviets. The areas that he lists are all areas that we can overcome the problem if we simply demonstrate the resolve and fund the R. & D. programs necessary to insure better and more reliable equipment. I feel that this article is worth the time of all of my colleagues and urge them to take a few moments and read it today.

Mr. President, I ask that the above mentioned article be printed in the RECORD, along with an editorial from the June 12 issue of the Richmond News Leader which is based upon Mr. Hadley's article.

The material follows:

OUR UNDEREQUIPPED, UNPREPARED NATO FORCES

(By Arthur T. Hadley)

The conventional wisdom in Washington is that NATO, outnumbered in tanks and planes by Soviet and Warsaw Pact forces, nonetheless can defend western Europe because of its superiority in electronic warfare, computer-guided weapons and better-trained personnel. "We need not match the enemy tank for tank," says Defense Secretary Harold Brown. "We retain a qualitative edge."

As a society, the West is far ahead of the Soviet Union in computers and electronics. But in the application of technology to warfare it is the Russians, not the Americans, who have the most sophisticated weapons and communications systems now deployed in Europe. Many of our most modern systems either are still on the drawing boards, don't work as advertised or are so complex that the troops can neither use nor maintain them and the generals don't understand them.

There are three main areas in which NATO must have a "qualitative edge" to offset the Warsaw Pact's numerical advantages: electronic warfare, tanks and guided antitank weapons, and control of the air. In all three areas, the Soviet forces are qualitatively as well as quantitatively ahead. We have been forced back into the world of John Foster Dulles, where we must rely on nuclear weapons to check a Soviet advance into western Europe. But the Soviets now also have quantities of nuclear weapons. So western Europe and even the American heartland are placed in jeopardy from nuclear war because our conventional forces are inadequate for the new electronic precision warfare.

The key to an understanding of the present military balance in Europe lies in the 1973 Middle East war, when Soviet and American weapons were last used against each other in combat. I went to Europe this spring for a month of intensive reporting to see how NATO and the U.S. Army and Air Force were absorbing the lessons of that war. I expected to find new precision-guided weapons being used to hit distant targets, new methods of controlling and massing forces, new systems and tactics for surveying the battlefield so that commanders could locate the enemy and select targets accurately. I found none of this. In fact, I found that the newer weapons and tactics were on the enemy side.

I made few "official visits" to any headquarters. By and large, I traveled along an old-boy network, which has dangers as well as advantages. These were people I had known since they were young majors or captains when I covered the Pentagon during the Korean War, or instructors or cadets at West Point when I lectured there, or officers whom I had met and come to respect in Vietnam. I have taken great care in this article

both to protect their identities and to check everything I was told.

OUR VULNERABLE FIST TEAMS

The first area in which NATO has fallen behind is electronic warfare. Electric warfare (EW for short) includes a variety of weapons and weapons systems. There is radio and radar jamming so that the enemy can't communicate with his units or locate your tanks and planes. There is eavesdropping on enemy radio communications and finding targets by various means. EW also includes our ability to get our own radio messages and other forms of data transmission through so we can control our outnumbered units more efficiently than the Russians control theirs.

In this field of electronic warfare, the experience of the 1973 Yom Kippur war points to a surprising and unpublicized edge for the Russians. Within the first half hour of their attack, the Egyptian forces had stripped the Israelis of virtually all their radar and air-ground communication and most of their long-range ground communication. The Israeli radars and radios either were destroyed by Soviet-made beam-riding missiles or jammed by both ground-based and airborne equipment. After that, the Israeli pilots could not be guided to targets from the ground, or hear the cries of ground commanders for help.

Yet, in spite of the fact that one of the major lessons of the Yom Kippur war is that ground-based radars and ground-to-air communication will not be present, NATO continues to maneuver and plan as if there was no threat from beam-riding missiles or Soviet jammers. Front-line Army and Air Force commanders know this planning is foolish, and it makes them both apprehensive and angry.

The basic unit of U.S. combat communications is the Fire Support Team, or FIST team—six or seven men with special radios deployed at army company level all along the front lines to direct artillery fire, missiles and aircraft at attacking enemy tanks and artillery. Because the radios they use for air-ground communication operate on a unique set of frequencies, the Russians will have an easy time locating them.

"Do you really expect many FIST teams to be alive after the first day?" I ask one officer, walking through his brigade area late at night.

This is a complicated question, he replies. Since our published doctrine calls for the FIST teams to be at the front lines with each infantry and tank company, the Soviets know that by locating our FIST teams they know just where our front is. Indeed, he adds, with our poor communications, the Russians will probably have a better idea where our front is than we will. (He was not the only commander to say this.) So it is to the Russians' advantage to keep the FIST teams alive and marely jam their radios so they can't communicate. On the other hand, the teams' artillery radios are good enough so that some artillery communications may get through. So it may be to the Russians' advantage to kill FIST teams. He doesn't know which they will do.

At another base in Germany, drinking coffee with a group of Air Force colonels and captains, all of whom have flown over North Vietnam. I ask one, "Colonel, do you expect to be talking to the FIST team after the first half hour?"

"Hadley, I don't expect to be able to talk to my wing man after the first 10 minutes." The other pilots rock back and forth on their chair legs are not in agreement. They look slightly nervous in talking to a stranger about what they only hash over in secret.

WORDS VS. DATA BURSTS

Because the Defense Department has kept quiet about the Soviet lead in jamming equipment and beam-riding missiles, the public is unaware of other areas of Soviet excellence.

For instance, the United States has maintained that the electronic warfare equipment on the Mig-25 flown to Japan by a defecting Soviet pilot in September 1976 was markedly inferior to our own. In fact, its electronic equipment performed better. While its radar uses tubes, not modern transistors, it puts out more power to penetrate enemy jamming than does the radar carried by our fighters. The "black box" used to separate friend from foe was so sophisticated that it stumped our code-breakers, and only after months of work did the Japanese crack its secrets.

Our fighters are still guided to their targets by words over radios: "Two bogies, at 3 o'clock, speed 400 knots, 12 miles." Even the old Soviet equipment used by the Egyptians in 1973 prevented such transmissions. The "inferior" Mig doesn't rely on words from the ground; its information on where to go and what to attack comes in a data burst, brief enough (less than a second) and powerful enough to burn through jamming. The data is displayed on the pilot's windshield: an arrow for the direction to fly, a symbol for the target and numbers for the target's direction and speed. The pilot's acknowledgement of the message also is data-coded.

I ask two senior defense officials whether what I had learned about the Mig from sources in Europe were true. Both will only talk for background. Both squirm in their chairs, lace and unlace their fingers, look at the ceiling. Finally one asks me to keep quiet in the "national interest." The other insists that voice transmission is an advantage since it provides command flexibility and is the American way—even if the voice won't reach the aircraft.

FINDING THE TARGET

Another area in which NATO, with its access to the West's advanced communications industry, should be decisively ahead of the Russians is electronic targets location. In fact, we are decisively behind—by "five years," as two generals, one at NATO headquarters, the other at a forward air base, put it.

The Russians have two mobile radio direction-finding units in each division and are about to go to four. These vital pieces of equipment locate the radios being used by enemy headquarters, artillery batteries, or FIST teams, so that fire can be dumped on them. We have none.

The Russians have several mobile radio and radar jamming units with directional antennas in each division. More primitive models of these tied up the Israelis in 1973. We have none.

The Russians have mobile listening stations and have trained their crews in how to distinguish between targets like tank battalions and intelligence sources like brigade headquarters. Our equipment is mostly static and many of its operators understand Vietnamese, not Russian. "I have no one in this headquarters who can tell a tank battalion headquarters from an artillery battery," says a division intelligence officer.

In a maneuver in Texas last summer, the 1st Cavalry Division was loaned special electronic equipment so that it could fight like a Soviet division. Its opponent, the 2nd Armored Division, relied on its regular electronic warfare equipment. The 2nd Armored was wiped out. The journal Military Intelligence drew these conclusions: "The [American] divisional EW equipment was judged, to a large extent, unsuitable for combat. The antennas and vehicles are the wrong type, the system is manpower-intensive, and there is no tactical DF [direction finding]."

When asked about such problems, even on background, senior officials at NATO headquarters and the Pentagon do what I have come to call the "rain dance." They compare the weapon the Russians now have in use in Europe to some American weapons still in the design stage, and the American weapon always beats the Soviet weapon hollow. The trouble is that the American weapons' actual production date is three to five years away, and by then the Soviets may be fielding something better. And many weapons systems when put in the field don't work as well as claimed.

INFRARED AND COMMUNICATIONS

Even when the tools of electronic warfare are available, they are so new and their operations often so complex and expensive to practice that people from privates to generals rarely understand how to employ them.

A division commander lets me interview the four captains who make up his "All Source Intelligence Center." He is proud of the center, which he and his staff perfected to pull together information from radar, scouts, prisoner interrogation, electronic eavesdropping, secret agent reports from higher headquarters, photographic and sensor intelligence, etc. Yet "All Source" is something of an exaggeration, for the center receives no space satellite information, which is so secret that it is kept from front-line troops.

The captains show me some infrared photos, taken for them by the Air Force on recent maneuvers, using a new system called FLIR (for Forward Looking Infra Red) which can pick out parts of a landscape that give out more radiation than others. (A well-known advertisement uses infrared photographs to show the difference between a well-insulated house and a poorly insulated one.) The Air Force-Army cooperation is impressive, but it takes 8 hours from the time the request is made until the information comes into the intelligence center. And the information comes in the form of coordinates and data printouts, so that senior commanders, inexperienced with FLIR, cannot judge its reliability.

The day after the data arrives, the pictures themselves come in. That is what the captains have declassified to show me. It all looks something like snow on an old black-and-white TV set. But right in the middle of one photo is this big, luminous square.

"What's that?" asks the colonel, who is monitoring our meeting.

"That's what we've been trying to explain to you, sir. That's your headquarters, hidden inside that farm house. Remember, we told you all those generators in that building would make it stand out."

"No. They must have found out some other way, then took the picture."

The captains and I exchange glances. Later one of them shows me all the infrared strips. Sure enough, in one of them there is this little pinpoint of light, crying, "notice me, notice me," to some specialist. When it was blown up that bright dot revealed the barn and the division headquarters.

Later I ask one of the specialists if he can tell the difference between a tank and a truck. "Oh, yes, and between a tank with its hatches open or closed. Sometimes I can spot the commander's tank and tell if the tanks have been recently refueled."

"People ask you for this information much?"

"No."

And how would he transmit this information to where it is needed if he were asked? The transmission of information about where we and the enemy are is meant to be one of our strengths—a "combat multiplier," to use the jargon of the trade. But the multiplier is working in favor of the Soviets, who, unlike us, use jam-proof data bursts and often maneuver in a jammed environment.

NATO has as its number one scientific priority a highly classified project to develop secure voice communication for commanders.

All the scientists I talked to regard this project as a waste of time and money. Voice communication is expensive, difficult to make secure, relatively easy to jam and takes up a large portion of the radio spectrum. It also relies on language, and there are many languages in NATO. Data is universal, it is transmitted in short bursts that cut through jamming, is so quick that it can't be located by direction finding, and has no voice signature to tell the enemy who is talking to whom.

Yet the senior U.S. commanders both in NATO and the Joint Chiefs have insisted on voice. They claim they want to get the "feel" of their subordinates.

THE CAMOUFLAGED SENSORS

Our problems in electronic warfare extends to the * * * inserted in the ground behind enemy lines by hand or from the air to measure movement, vibrations, sounds and changes in the electromagnetic field, and broadcast this information automatically so that intelligence officers can gain insight into troop movements they cannot see.

Owing to a painful bit of recent history, the air-dropped sensors are disguised as small palm shoots. Neither the Army nor the Air Force has found the money to change this camouflage. Yet surely a Soviet lieutenant attacking through the pines and snows of Germany will at least blink when his eye lights on a group of baby palm trees along his route.

Next, the sensors broadcast over the same frequencies as German taxis and other private radios. This means no one gets a chance to practice with them. Yet emplacing sensors correctly and interpreting their data is a complex and demanding process. Do we really believe we can do these things right without constant practice?

THE TANK GAP

In tanks, NATO is outnumbered, 3 to 1. Here again, the Warsaw Pact forces also have a qualitative edge. Here again, the American forces in NATO are not well enough trained to use effectively the weapons they do have.

In no other area is the rain dance—the technique of comparing drawing-board U.S. weapons to actively used Soviet weapons—as prevalent. The entire military and civilian high command of the Defense Department compares the Soviet T72 tank, which is now in the field, to the U.S. XM1 main battle tank, which will not arrive in NATO until 1982 at the earliest, and whose gun will not have the killing power of the Soviet tank's.

Even the tanks we do have are so complicated that today's volunteer Army does not use them very well. On a recent three-day maneuver, the 3rd Armored Division had mechanical failures on 150 major systems on its tanks, almost one-third of its total. The problem, as a German staff officer put it, is that "today's weapons are too complex for today's soldiers."

The tank now costs three times as much in constant dollars as the World War II fighter plane; it has more complex weapons systems and is harder to maintain. Yet that fighter was commanded by a lieutenant with two years of college or the equivalent; today's tank is commanded by a sergeant who may well not be a high school graduate.

Or, to look at the problem another way, a tank and a helicopter cost about the same and are equally complex. Yet the helicopter is flown by two warrant officers and maintained by a crew headed by a senior sergeant. But the tank is still commanded by a sergeant and maintained by privates.

Turnover is another part of the problem. A high school dropout comes into the Army, matures and develops into a leader and a great tank commander. After three years, or maybe five, he gets a high school diploma and says to the Army, "Thank you for what you have done for me. I'm getting out now, going to college, to make something of myself." Although both the Army and Air Force put heavy pressure on junior officers to talk their men out of leaving the service, the incentives for the ablest to use the GI Bill to go to college are greater than the rewards for staying in.

The results are predictable. In a recent NATO tank crew competition, the best American crews finished last in gunnery behind such minor powers as the Dutch and the Belgians. The Germans point out, and honest American commanders admit, that the level of tank-driving skill in the U.S. Army is so low that the tanks don't know how to maneuver individually and can only charge in massed formations. On the tank-firing qualification range—in the battalion I watched at least half the tanks had major defects—the crew gets a passing score if they identify a pop-up target and shoot at it in 40 seconds. Actually they are allowed about a minute. In the real world you get 10 seconds.

All over NATO, commanders fudge their figures a bit in an effort to make the mating of today's personnel and modern weapons look better than it is. You can't help but recall those Hamlet Evaluation statistics out of Vietnam. For example, a division commander told me proudly, and his battalion commanders confirmed, that his men scored 95 per cent hits with the hand-held anti-aircraft missile, the infrared-guided Redeye. I found that the reason for the good score was that the target had been slowed down to 60 miles an hour. At speeds closer to that of an attacking aircraft, most soldiers missed the target.

"THAT DRAGON KICKS A BIT"

Another paramount lesson of the Yom Kippur war is the importance of precision-guided infantry antitank weapons, like the Soviet Saggers with which the Egyptian infantry destroyed charging Israeli tanks. The primary U.S. infantry weapon in this field is the wire-guided Dragon. The infantryman has to keep his Dragon sight on the target and the missile will automatically correct its course to make a bull's-eye. I never found a single soldier in NATO who had fired a Dragon, though commanders were always assuring me that most of their men had qualified.

Furthermore, the Dragon has grave problems. It is too heavy to fire standing up, and if it is fired the best way, lying down, its blast burns off the firer's buttocks. Its sight is so delicate that it must be sent to the rear for recalibration every seven days, and there is no device on the weapon to tell the soldier whether the sight needs adjustment.

I watch a test Dragon firing, in which an excellent electronic simulator is used for training. Even with the simulator, everyone has trouble hitting the target. I ask the sergeant training the recruits whether he has ever fired a Dragon. The sergeant, an old-timer, says he hasn't, but he once saw one fired. He was at a special Dragon school and the top man in his class, a Marine captain, got to fire the school's one Dragon. "Did he hit the target?" I ask. "No," says the sergeant in his soft Kentucky twang, the poor fellow didn't. The recruits cluster around listening, leaving their simulator tubes. "He was a big man, sir, real big. But that Dragon kicks a bit. Oh, sir, you should have seen what it done to his neck."

Slightly bigger than the Dragon is the TOW (for tubelaunched, optically tracked, wire-guided) antitank missile, which is fired from the M113 infantry carrier or the Cobra helicopter. You can hit a target with a TOW missile, and I found quite a few people who had fired one or even two rounds (supposedly every TOW gunner gets to fire one round every other year.) But the man who fires it is my candidate for the bravest man in the world. He sits *on top* of the M113, behind a tripod that pops up through the roof. He has to hold his breath as he fires, because the mount is so delicate that his breathing throws the missile off target. The Soviets fire their TOWs from *inside* their infantry vehicles.

The TOW fired from the Cobra helicopter is one of the most sophisticated antitank weapons actually deployed in NATO. A gunner in the nose of the helicopter works a small joystick about the size of an index finger to keep the crosshairs in a 14-power telescopic sight lined up on the target, while the pilot in the rear seat maneuvers the helicopter. It is an accurate and easy-to-handle weapon. Whether the TOW-Cobra system can survive under the massed artillery fire the Soviets employ is a question NATO commanders are loath to face. But then, they have so little else that works.

PRACTICE COSTS MONEY

The pilots flying these Cobras average 110 flying hours a year. According to Air Force fighter pilots and some of their commanders, the men flying NATO's complex speed-of-sound fighter planes like the F4s and F15s average only 115 hours a year. In at least one squadron, cross-wind landings have been forbidden because pilots are not getting enough flying time. The Pentagon's computers insist that the average front-line pilot is flying 170 hours a year, but, as in Vietnam, I would rather trust the evidence from those on the spot.

Even if the figure is 170 hours, consider that both the federal government and the insurance companies believe that I, who fly a far simpler and slower aircraft here in the United States, need at least 200 hours a year in order not to be a danger to myself.

The low flying time for fighter pilots comes about because the fuel is so expensive and the planes so precious. And since the weapons are also expensive, no one gets to fire them often enough to develop confidence. And the little fixes necessary to mate weapons, men and machines don't get made.

For example, one of the vital precision-guided weapons on which the defense of NATO rests is the air-to-ground killer called the Maverick, a fighter-carried missile with a TV camera in its nose. Once the pilot has locked the missile onto the target, the missile follows its own TV picture on down. This is the weapon credited by the Israelis with helping turn the tide of battle once their ground troops had dealt with the Egyptian antiaircraft defenses. But the Israelis found that the missiles, which cost $30,000 apiece, were being wasted by knocking out the same tanks again and again, because the TV pictures seen by the pilots could not distinguish between dead and live tanks.

Now a passive infrared device has been added to the Maverick's TV camera to identify live tanks. But it took the 1973 war to lead to this vital fix. The missiles were so expensive that the Air Force had not practiced enough with them to discover the problem. Today, our pilots get to fire one every other year on a range in the Iranian desert.

All through NATO, the expense, complexity and lethality of weapons combine to leave weapons unperfected and men untrained in their use. Since intensive jamming would knock out European radios, aircraft radars and TV broadcasts, no one maneuvers in a jammed environment. The Army crews that fire the Chaparral antiaircraft missile get to fire one missile every other year from a base in Crete. And how does a tanker learn to maneuver in a town, when the best maneuver is to blast out part of a building wall and snuggle into the rubble?

The answer to such problems is to make massive use of simulators. That's what U.S. commercial airlines do. And both the British and Germans make more use of simulators than we do. But the Defense Department and Congress have been slow in asking and voting funds for simulators. They tend to ask: "You want weapons or simulators, general?" And the general replies, "Weapons."

WHO WOULD CONTROL THE AIR?

What about the final area of NATO's presumed "qualitative edge": control of the air? Even if our pilots lack flying time and can't talk to the ground, are not both they and their planes far superior to the Russians'?

Again, the lessons of the Arab-Israeli war paint a dark picture. The Israelis found they couldn't get through the barrage of missiles and antiaircraft fire protecting the Egyptian and Syrian forces until their tanks and artillery had knocked out the Soviet antiaircraft missiles and gun radars.

The West Germans, who have been much quicker to adopt the lessons of the Yom Kippur war than we have, are particularly concerned about our unquestioned belief that we are superior in this area. "The Soviets are decisively ahead in the air," said one of the highest officials of the German Defense Ministry.

When Soviet armored divisions attack, they advance under something our pilots call "the bubble." That's a protective covering of SAM6 antiaircraft missiles for high-altitude work and ZU23 self-propelled, four-barrelled antiaircraft guns with their own radar, by far the best antiaircraft guns in the world. There are 140 such weapons in a Soviet armored division. The way our aircraft are supposed to penetrate this "bubble" to get at the tanks is to stay below 200 feet, while the Army fires at the radars and jams them to make a corridor through which the aircraft can fly to hit the enemy tanks and then get back out. But in the real world, the Army doesn't have the jamming equipment and the locators to find the enemy radar. The Army and the Air Force have not practiced the split-second timing necessary in this maneuver.

There are special Air Force squadrons called Wild Weasels that have F4 jets with onboard jamming equipment and computers to throw off enemy guns and missiles. But the Wild Weasels lack effective beam-riding missiles to take out the radars. When questioned about this problem, high defense officials do the rain dance again: "HARM takes care of that." But HARM (for High Speed Anti-Radiation Missile) will not be ready until the early 1980s at best.

Another way to keep our planes alive is to have them stay away from the front lines, and lob their weapons in from low altitudes outside the bubble. The weapons would be laser-guided to their targets by the FIST teams. But the planes don't have the beam-riding bombs and the FIST teams don't have the laser designators.

Many NATO fighter pilots also complain that the Air Force is building the wrong type of fighters. They don't believe that one man can operate all the equipment necessary to stay alive at 200 feet while flying 400 knots in a hostile environment. They contend that the F15 has the space and power to have been a two-pilot aircraft, but that the old fighter types at the top of the service kept it a single-pilot plane. This is a serious charge, vigorously denied by most senior Air Force generals, who insist that the F15 is so fully automated that it is easier to fly than a World War II fighter.

TELLING FRIEND FROM FOE

The final area of air control in which NATO falls apart is called IFF (for Identification Friend or Foe). In modern battle all those planes, ours and the enemy's, are going to be mixed together in the air, attacking targets on the ground, often moving at supersonic speeds or within 200 feet of the surface. Helicopters of both sides will be everywhere. Until now, shooting at your own people didn't matter so much because most shots missed. But modern weapons hit the target. Identification is now the ball game.

But in their last two NATO maneuvers, the German air force discovered that its own troops had shot it out of the air after two days. The British Royal Air Force is so short of funds that it has no hope of putting effective IFF equipment on its planes; as a result, the Germans, Americans and even the French have had to quietly insist that if there is a real war the RAF had better stay out of it lest it be shot out of the skies by its allies. Finally, the U.S. medium-range antiaircraft missile system, the Chaparral, requires a man with field glasses to stand in front of the launcher, after the radar picks out a target, he tries to find it in his glasses and tell if it's friend or foe. That's the way it was done in 1944.

On IFF the Defense Department does the rain dance again and talks about JTIDS (for Joint Tactical Information Distribution System). The concept is brilliant, simple and workable: a network of some 600 radios is linked by computers that shift their frequencies roughly 10 times a second. Each time a radio comes on it fires off a burst of data that says roughly: "Here I am, I am doing this, I will need that." The data bursts are almost impossible to jam, the codes virtually unbreakable.

But JTIDS is already over three years late. It is so far behind schedule because the Navy is holding out for a more complicated model that will also tell where its submarines are, and no one in the Defense Department has the courage to take on the Navy and its friends in Congress.

THE VITAL "TAIL"

Yet suppose all the weapons work. After two days the Russians, East Germans and Czechs have been fought to a virtual standstill in the most deadly conventional warfare in history. What happens on the third day?

The Yom Kippur war proved that in the electronic precision-guided munitions age the losses are horrendous, approaching those of nuclear warfare. NATO war plans call for each American division to fire 5,000 tons of ammunition on the first day, and 3,000 tons a day thereafter. At these rates of fire, artillery gun tubes will last less than a week. But there are not enough trucks or drivers to bring such masses of supplies forward. Nor does NATO have the mechanics to do the repairs. With agony on his face, one officer responsible for this problem tells me he will be 500 rounds short for every gun in his division by the third day.

The fault lies in Washington. No one in the Defense Department will ask Congress for funds for trucks, fork lifts or mechanics. Why? Because those are noncombat troops or "tail." And Congress and President Carter want the military to cut the noncombat "tail" in favor of combat "teeth." But as the teeth get more deadly, you must increase the tail, as both the Israelis and West Germans have done since 1973.

If the lessons of the Yom Kippur war are correct and we lose tanks the way the Israelis did, 300 new tanks are going to have to be brought forward in the first two days for each 360-tank armored division. As a result of the 1973 war, the Germans have vastly increased their forward stocks of new tanks. We have not. Nor do we have the tank carriers and crews to move the new tanks forward. Congress has turned down Defense Department requests for mobile steam cleaners to get the mud off and the charred flesh out of damaged tanks so they can be rebuilt. The Israelis and West Germans now have these. Nor do we have the spray to mask the smell of burned flesh which the Israelis developed so mechanics can work inside damaged tanks.

NATO plans call for M60 tanks, stored in climate-controlled warehouses, to be issued to troops that will be flown in from the States. In recent maneuvers, these tanks worked better than those in daily use. But they are stored on the wrong side of the Rhine, the west bank. Will the bridges they must cross still be intact? And the tanks have no radios; the radios are stored in a warehouse miles away, and they don't fit the tanks without a special bracket that takes two days to make.

Another general tells me about the night sights for his division's machine guns, sights which are so delicate and valuable that they have been kept in those warehouses since their arrival five years ago. He has just checked and found out that the sights don't fit his division's machine guns. He can build several thousand $65 brackets to fit the sights but he has been told that his division will get new machine guns two years from now. What should he do?

Over and over one finds examples like this. There is a bitter private jest heard throughout NATO that U.S. plans to fight a war in Europe are based on flying imaginary troops in nonexistent planes to airbases that are destroyed at the command of headquarters no longer in action.

The jest has tragic overtones, because neither the qualitative deficiencies nor the wide gaps in training need occur. The West does have the better technological base. The electronic revolution is more advanced in NATO. But we cannot apply the knowledge and power we have to problems we claim do not exist.

[From the Richmond News Leader, June 12, 1978]

UNREADY NATO

"President Carter has achieved some success in his efforts to improve the political effectiveness and military strength of the North Atlantic Treaty Organization. He deserves high praise for two actions: (1) At his urging, America's allies have agreed to shoulder more of the defense-spending burden. (2) Mr. Carter is leading the fight to end the idiotic congressional embargo on American arms to Turkey, which, he says, 'has shaken very seriously the cohesiveness of the NATO alliance.'

"Yet: the reason for NATO's being—the *sole* reason for NATO's being—is to defend the democratic nationals in the West's European heartland against Soviet attack. The most important question facing the alliance remains: How would NATO's outnumbered and outgunned troops fare if the Red Army's legions swept in West Germany? Estimates vary. Americans and their friends are told that NATO can do the job because NATO possesses better-trained men, and better materiel. Says Defense Secretary Harold Brown: 'We need not match the enemy tank for tank. We retain a qualitative edge.' In fact, the West does remain far ahead of the Soviets in computers and electronics—so far ahead that the Soviets eagerly seek Western technology. But in the application of technology to warfare, the Soviets have the emphatic lead.

"Contrary to published accounts, the electronic components in the MIG–25 flown to Japan by a defector in 1976 were better able to penetrate jamming than were their U.S. equivalents.

"The Soviets have two mobile radio-finding units in each division in order to locate radios being used to direct operations. NATO has none.

"The Defense Department officially compares the Soviet T–72 tank, which is in the field, to the U.S. XM–1 tank, which will not be deployed until 1982.

"In one U.S. armored division, mechanical failures during maneuvers hit a third of the tank force. In recent crew competitions, the best Americans finished last, behind such powers as Belgium and Holland.

"Anti-tank weapons to be used by NATO infantry are heavy, cumbersome, and sometimes so delicate that they must be calibrated every several days. Some are dangerous to the soldier firing them. Practice firing is severely limited.

"Air attacks on Soviet armored divisions

depend on complicated interaction between the Army and the Air Force, with the Army jamming or knocking out enemy radar so that the Air Force can fly in low and hit the tanks. Yet the Army does not have the proper locating and jamming equipment.

"So ineffective is the equipment used to identify aircraft that during the last two NATO maneuvers the West German air force hypothetically was downed by its own troops.

". . . The Soviet commissars do not spend their money on gadgets for consumers; they do not spend their energies on such mundane matters as the achievement of a good life for the Soviet people—many of whom live at Third World levels. No. The Soviets are using their own advanced technology—and the computers they can cage from the West—to build a gargantuan military machine. This machine need not be used to be effective. Its mere presence, glowering behind the Iron Curtain, is sufficient to inhibit Western action elsewhere. In place, the Red Army remains a threat to European stability—a silent partner to the 'Euro-Communists' who so avidly seek respectability in the capitals of the West.

"To counter this presence, the West musters an unready NATO plagued with mechanical problems. Mr. Carter has taken some commendable steps to counter the political erosion of the alliance. Certainly, America's allies should bear their share of the financial burden; certainly, the Turkish link should be reforged. Yet the heart of NATO remains military strength, countering Soviet might and deterring Soviet ambitions in Europe. That is where the fundamental efforts should be made. . . ."●

SALT II

Mr. HATCH. Mr. President, with all of the attention that has been paid to the situation in Africa, we are once again seeing the SALT II Treaty being pushed back from the minds of the American people. Much of this is due to the fact that the administration does not anticipate a SALT treaty to be signed before late fall or early winter. This would necessitate postponing Senate consideration of the treaty until the 96th Congress convenes next year. Rumors about the proposed treaty continue to abound, each one seeming to be more outrageous than the previous one. The media of this Nation has decided to wage a war between Secretary of State Cyrus Vance and National Security Adviser Zbigniew Brzezinski, debating who has control of foreign policy within the administration. All of this hoopla serves only to distract us from the facts of the situation. Fortunately there are some who have remained clear throughout this smokescreen. One of these individuals is Mr. Patrick J. Buchanan. In a column appearing in the New York News on June 20, he lays the facts of the new SALT agreement before us so that we might be the judge. I think that one particular sentence in the column sums up the feeling that I get when I review this proposed treaty, "For the SALT agreement being negotiated will finally, and perhaps fatally, compromise the security of the United States."

Mr. President, I ask that the above-mentioned column be printed in the RECORD.

The column follows:

PLEASE DON'T PASS THE SALT, JIMMY

WASHINGTON.—When the Washington Post reported that Mr. Carter had ordered a freeze on arms negotiations with the Soviets, the President was livid. "This story is totally inaccurate," he lectured the White House press.

A shame the story wasn't true. For the SALT agreement being negotiated will finally, and perhaps fatally, compromise the security of the United States. Look at the numbers. Between now and 1984, Western security will rest upon the three-legged stool known as the strategic "triad." That triad consists now of fewer than 1,500 primary delivery vehicles—or targets.

First is the U.S. land-based missile force of 1,054 rockets. Second is the 415 bombers of the Strategic Air Command. Third is the 41 nuclear submarines of the Poseidon fleet, carrying 16 rockets each.

Now, consider the vulnerability of that deterrent by 1984. Defense Secretary Harold Brown has said that ". . . it would be quite likely by some time around 1985 for the Soviets to have the capability to attack Minuteman (our land-based force) in a way that would leave us very doubtful about its survival." Using a fraction of their huge land-based missile force, with multiple warheads, the Soviet Union could destroy the U.S. land-based force in a first strike.

Part of our bomber force would surely be caught on the ground in that same first strike. The rest—several hundred subsonic bombers, older in years than the crews flying them—would be sent up against a Russian air defense system of 12,000 surface-to-air missiles, 6,500 radars and 2,600 fighter-interceptors coming at three times the speed of a B-52.

Which leaves American's deterrence to a Soviet first strike resting primarily upon 41 submarines. Yet, last December, a published report indicated significant Soviet strides in tracking those submarines by satellite and targeting them with both land and sea-based missiles.

The only quick fix available is the cruise missile—a tiny, pilotless, subsonic weapon that Paul Warnke is trading away at SALT. Already, concessions have been made to the Russians in terms of numbers, range, placement and transfer of these weapons to our NATO allies. Produced by the thousands, cruise missiles could swamp Soviet defenses and provide the United States with the added measure of deterrence desperately needed before new strategic systems—such as the B-1 bomber and the Trident Submarine—come onstream.

Other factors ought to enter Mr. Carter's consideration before signing any SALT 2 agreement that the Russians would applaud—and the Senate reject. The barbarous treatment of dissident Yuri Orlov was an explicit violation of the Helsinki Agreement signed by Mr. Brezhnev and Mr. Ford.

And since SALT 1 was signed in 1972, the Soviets have: (a) tested radars against missiles, (b) temporarily overbuilt their strategic arsenal, (c) constructed command-and-control centers in their missile fields, indistinguishable from missile silos, (d) developed and tested killer satellites, the deployment of which would directly violate SALT 1, (e) replaced their light SS-11 missiles with heavy SS-19s, in violation of an understanding Henry Kissinger attached to SALT 1, and (f) deployed a medium-range mobile missile, the SS-20, which can be readily converted, using available parts, to a strategic missile, the SS-16, and targeted against the United States.●

SENIOR CITIZEN ADVOCATE RENJI GOTO HONORED BY HAWAII STATE LEGISLATURE

● Mr. MATSUNAGA. Mr. President, Hawaii's State plan for the delivery of services to senior citizens has been recognized as one of the best in the Nation. Its excellence is due in large measure to the superior leadership provided, first, by the Hawaii State Commission on Aging and, later, by the Executive Office on Aging, a successor State agency.

Mr. Renji Goto, who formerly served as executive director of the State commission on aging, and who is now director of the new executive office on aging, has been in the forefront of the efforts to implement the Older Americans Act in Hawaii. Because of his dedicated efforts, senior citizens in Hawaii enjoy greater dignity and a better way of life. At a time when so-called big government is under fire from all sides, Hawaii's programs for senior citizens are a shining example of outstanding cooperation between Federal, State, and local governments.

Renji Goto's achievements in the field of aging are too numerous to list here. However, the Hawaii State Senate recently commended him for his contributions to the development of the Hawaii comprehensive master plan for the elderly, his role in the Governor's bicentennial conference on aging, and his achievements as the first director of the State executive office on aging. By way of congratulating Renji Goto and with the thought that it will be of interest to my colleagues, I ask that the text of the Hawaii State Senate resolution commending Renji Goto be printed in the CONGRESSIONAL RECORD.

The resolution follows:

SENATE RESOLUTION No. 490

Whereas, the Older Americans Act of 1965, as amended in 1973, called for a major overhaul of the means of delivering vital social services to older Americans; and

Whereas, prior to the 1973 Amendment of the Older Americans Act, the delivery system for elderly programs and services in the State of Hawaii was basically fragmented and piecemeal, requiring a tremendous amount of endurance and acumen in leadership to bring it up to the level intended by the 1973 Amendment; and

Whereas, the now abolished State Commission on Aging asked Renji Goto its Director, to implement the delivery system and strategy pursuant to the 1973 Amendment of the Older Americans Act; and

Whereas, Renji Goto responded appropriately by successfully directing the molding of the fragmented system into the present comprehensive and coordinated aging network consisting of the four Area Agencies on Aging, their third-party State, County, and private service-providing agencies, and the Executive Office on Aging, the umbrella agency which has replaced the Commission on Aging; and

Whereas, this aging network in the State of Hawaii subsequently gained national citation as one of the best in the nation, attested to by the Federal Administration on Aging and by the fact that Renji Goto was invited to speak to the Assembly Special Subcommittee on Aging of the California State Legislature in November, 1977 on Hawaii's experience in the development and implementation of elderly programs; and

Whereas, during the directorship of Renji Goto, three major accomplishments for the elderly occurred in the State of Hawaii as follows:

The Comprehensive Master Plan for the Elderly was developed by the Commission on Aging and adopted by the Legislature in 1975 as the base document for effectuating improvement in elderly affairs in Hawaii,

The Governor's Bicentennial Conference on Aging, which attracted participants from across the nation and from different countries, took place in 1976, and

The Executive Office on Aging, one of the first of its kind in the nation, was established in 1977; and

Whereas, Renji Goto, as Director of the former Commission on Aging, was honored by the Department of Budget and Finance as the Department's outstanding employee in 1976 as a result of his work in the field of aging, and subsequently was selected by Governor George R. Ariyoshi to head the newly-created Executive Office on Aging in the Governor's Office; now, therefore,

Be It Resolved by the Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, that recognition be given to Renji Goto, the Director of the Executive Office on Aging, as the man most responsible for the successful development of the present aging network in the State of Hawaii; and

Be It Further Resolved that Renji Goto be commended for a job well done for the State of Hawaii and its elderly population; and

Be It Further Resolved that certified copies of this Resolution be transmitted to Renji Goto, to Governor George R. Ariyoshi, to members of the Senate and the House of Representatives to the Directors of the State Departments of Health, Education, and Social Services and Housing, to the members of the Hawaii Congressional delegation, and to the Commissioner of the Administration on Aging.●

FOOD AND ENERGY

● Mr. GOLDWATER. Mr. President, in recent months we have heard a great deal of domestic discussion about the current problem of food and energy throughout the world. I believe it would be helpful for us to see how a person from another country, one highly qualified to discuss these problems, see them. In this connection, I wish to draw the Senate's attention to an important address entitled "Food and Energy" delivered by His Excellency Ardeshir Zahedi, the Iranian Ambassador to the United States, at the Montana College of Mineral Science and Technology. I ask that this be printed at this point in the RECORD.

FOOD AND ENERGY

It is a great honour and a pleasure for me to be here today to address this graduating class.

A distinguished graduate of this university, that great American legislator and my close friend, former Senator and now Ambassador Mike Mansfield, has spoken to me many times of his alma mater, and I am honoured to be selected as an honorary member of your university.

I come to Montana for the first time today, and I come both as a diplomat and as a pilgrim.

As Iran's Ambassador to the United States, I always welcome any opportunity to discover more of this country and to promote understanding and cooperation between our two peoples.

And as an ardent admirer of Mike Mansfield, I come to pay homage to all the fine virtues which this great statesman represents.

I do not think I will offend any of you when I say that your representatives in the Senate are rarely in agreement on any matter.

In June, 1970, however, they were for once unanimous in their tributes to Mike as he achieved the longest tenure ever as Majority Leader.

If I may, I would like to quote now, as one of them did then, from the writings of Alexander Pope:

"Statesman, yet friend to truth: of soul sincere in action faithful, and in honour clear; who broke no promise serv'd no private end, who gained no title, and who lost no friend."

Mike is a truly wonderful and an exceptional man who is respected and admired not only in the United States but throughout the world. He is dedicated, honest and patriotic.

I am honoured today to follow in his footsteps.

When I first considered my address, an obvious topic came to mind.

The reputation of Montana College of Mineral Science and Technology is known around the world.

And the mineral sciences, of course, have been of importance to Iran since the dawn of history.

Iron, bronze, and copper artifacts that have been discovered in my country indicate that mining and smelting were carried on there as long as 7,000 years ago.

But then, as I began to put my thoughts together, I also found myself recalling the changes that have taken place in the world since my own graduation.

And I decided that a mere description of the development of my country's mineral resources would leave too much unsaid.

I was a student when the world was just beginning to recover from the devastation of World War II.

Everywhere, fear and despair were giving way to hope and courage, as nations went about the task of rebuilding their future.

Today, however, much of this optimism has been replaced by uncertainty and even despair, as we have discovered that economic crises, every bit as much as political conflicts, can threaten world peace and stability.

Today the world is divided between rich and poor as 20% of the population enjoys 66% of its riches while 30% is left with only 3% of the wealth.

We are now faced by two major international crises of massive proportions, namely the food and energy crises.

Food and energy constitute the very basis of our existence.

Without food, we cannot survive and without energy, our economies cannot function.

And yet we still have not found the means to feed the world's hungry who today number some 1.29 billion.

In November 1974, the late Senator Hubert Humphrey, made the following statement:

"The great central problem of our time is hunger. There may yet be time to devise a truly cooperative and coordinated international program for the production, distribution, conservation and pooling of existing foods and for the development of new food sources.

"But time is not on our side, and we cannot afford the bickering of the past.

"Millions of human lives are at stake.

"We must be responsive and responsible in our deliberations."

At that time, Senator Humphrey was on his way to the First World Food Conference in Rome.

The Conference marked a growing recognition of the acute nature of the world food supply and distribution problem.

Since then the debate has continued and some progress has been made but much remains to be done.

The effects of malnutrition, of disease, of famine and of drought continue to plague the poor of the world.

Even today, in Northwest Africa, the outer limits of the Sahel Desert are advancing by some thirty miles each year.

And it was only six months ago that Secretary of Agriculture Bergland made the following statement, again in Rome, at the 19th Session of the Food and Agriculture Organization:

"Despite increased production, the number of malnourished people remains intolerably large, and little progress has been made toward the goal of eliminating malnourishment in the poorest developing countries.

We have also permitted industrialized society to rely so heavily on exhaustible resources to fuel their economies and their life styles that demand is overtaking available supplies.

In both these areas we are courting disaster.

The magnitude of the rich-poor problem in general and the food and energy crises in particular, transcends national boundaries and ideological differences and serves to emphasize our ever-growing interdependence.

No one nation can cope with these complex issues alone.

They require a total effort on the part of all nations for it is only through such an effort that we can alleviate the threats to our well-being and our future.

As Pope John the Twenty Third once pointed out, "Development is the new name for peace."

But for each nation to be able to contribute effectively to this total effort, it must first put its own house in order, within the limits of its capabilities and natural endowment.

In Iran, we have the good fortune to enjoy a generous share of the world's natural resources.

And in recent decades, we have been blessed with the enlightened and far-sighted leadership of His Imperial Majesty.

Iran, with a population of 35.2 million people and a land area of about one fifth the size of the United States, borders on the Soviet Union in the North, Afghanistan and Pakistan in the East, Turkey and Iraq in the West and Northwest and the Persian Gulf in the South.

Our 1,250 mile long border with the Soviet Union is second only to that of China.

Iran is a land of Aryans and not Arabs.

At the same time however, we enjoy good relations with them.

The location and strategic importance of Iran have long been recognized.

In the old days, it served as the bridge between East and West, being part of the silk route between China and Europe.

Throughout its long history, Iran has evolved into a center for scholarship, science and culture, and is often referred to as "The Cradle of Civilization."

We have tried to implement a development policy which will improve the economic lot of our citizens while safeguarding their spiritual and social well-being.

The achievements of our economy are well known and I will not bore you with too many facts and figures.

It suffices to say that in 1961, Iran was an aid recipient from the United States.

In 1974, Iran became an aid donor.

To date, we have committed nearly 12 billion dollars in loans and grants to countries throughout the world, of which over 7 billion dollars have already been disbursed.

In 1951, the per capita income in Iran was less than 60 dollars.

Today, I am proud to tell you that it exceeds 2,200 dollars.

It is fashionable these days to raise the question of human rights and to point out the inequities that exist in various societies.

But let me be candid with you.

Societies differ and so do their needs.

In Iran, we have always aimed to protect human dignity and justice.

As a matter of fact, as we know from the Bible, more than 2500 years ago, Cyrus, the great Persian King, freed Daniel and decreed that those who threw Jews into the mouths

of lions would themselves be thrown to the lions.

Cyrus the Great established freedom of religion and worship in Iran and our present constitution provides for that same essential freedom.

As a matter of fact, our parliament today includes representatives of the Jewish, Armenian and Assyrian peoples, a situation which is unique in our part of the world.

At the same time, however, we firmly believe that it is through economic development that we can finally guarantee social justice.

In this regard, I should just like to mention certain reforms which we have introduced in Iran.

In the area of education, we have succeeded in reducing the illiteracy rate from 90 percent in 1950 to 50 percent in 1977.

In 1950, we had only 350,000 students. Today, they number over eight and a half million.

In the field of health, we have extended free medical care to every Iranian, while increasing the number of hospitals and clinics throughout the country.

Recognizing the crisis proportions of world wide food shortages and in an effort to increase domestic agricultural production, we have given priority to agricultural investment and research.

We have executed an extensive Land Reform Program whereby ownership of land has been transferred to the peasants. And the success of this program has been unequalled in the world, even among the socialist countries.

In the industrial sector, we have introduced profit-sharing schemes.

And finally, we have succeeded in bringing Iranian women into the mainstream of our national life.

Women in Iran now have the right to vote and to be elected to public office.

At the present time, we have 20 women serving as Deputies in the Majlis, or lower house, and 2 women Senators.

The success of our domestic program in changing Iran from a backward society to a modern industrialized nation owes much to the proper utilization of our oil revenues.

However, being the fourth largest producer and the second largest exporter of petroleum in the world has not made us complacent.

Should 1975 production rates continue, Iranian proven reserves of some 70 billion barrels will only last for some 25 to 30 years.

Faced with this reality, we aim to create and have in place within the next three decades, a non-oil based economy with self-sustaining characteristics.

And we have embarked upon an energy policy designed to make an efficient use of national energy resources in order to provide better opportunities for future generations.

This policy is an extension of my beloved Sovereign's view that oil with its 70,000 odd by-products is too precious to be used as a fuel.

Actually, he called it a "noble commodity."

Our energy policy aims at the following:

1. The maximum possible reduction in the use of petroleum as fuel and an increase in its use as a base in the petrochemical industries.

2. The optimum use of atomic energy for the generation of electricity to meet part of our domestic needs.

3. The maximum use of natural gas as a substitute for other fuels in commercial and residential uses.

4. Research and development in the fields of solar and geothermal energy.

By 1993, atomic energy will provide 23,000 megawatts or close to one third of the total installed electric generating capacity.

With 18 percent of the world's proven natural gas reserves, we have increased the share of natural gas in the domestic energy market from 1.5 per cent in 1970 to 15.2 percent in 1977, and by 1982, it will reach 22.7 percent.

Given the performer of the various energy sectors, by 1990, the petroleum share of the market will decline from 70 percent to 40 percent.

We are also using the price mechanism to discourage wasteful domestic consumption of gasoline by increasing the prices approximately 11 cents per gallon annually over a five year period which began in 1976 and will end in 1981.

At the present time, the prices of regular and premium gasoline in Iran are 53.8 and 64.6 cents a gallon respectively.

Furthermore, it is a matter of Iran's national policy never to use oil as a political weapon.

Oil, like bread and water, is indispensible and no one should be denied its use.

Not only did we not participate in but we also opposed the oil embargoes of 1967 and 1973.

In 1976, we voiced strong disapproval of the "non-aligned" nations' decision in Sri Lanka to impose new embargoes against France and Israel.

I think by now you are probably beginning to appreciate why I felt a simple description of our natural resources would be an inadequate subject for my talk.

Oil and gas have provided simulus for our domestic economy and helped us to raise living standards at home.

They have enabled us to assist some countries and have caused us to seek assistance, of a technological nature, from others.

They have involved us in political issues with world-wide implications.

In sum, our experience in dealing with our energy resources has led us above all to a recognition of the fact that we live in an interdependent world.

This is why I say to you now that it is only through joint, cooperative action that we can hope to solve the energy crisis which confronts us today.

Every effort must be made to develop alternative sources of energy.

The United States has the means and the resources to play a leading role here.

And as the largest consumer of oil in the world, you have the important responsibility not to allow oil to be used unnecessarily as a fuel, when there are other possible sources.

I am happy to note that you are beginning to realize the importance of conserving oil.

Your country is a great nation.

You are the most powerful nation in the world, economically, militarily and politically.

You have responsibilities not only to yourselves but to your allies and friends as well.

This is why you should become self-sufficient in the field of energy, in order to maintain your strength.

In a recent interview, His Imperial Majesty declared Iran's willingness to join with oil producing countries in a joint investment pool to help American technology develop alternative sources of energy.

This could involve billions of dollars of investment in the development of solar and nuclear energy, and would further recycle petrodollars back into the United States.

In the same way, man's age-old quest for food will only be satisfied if we pursue determined, cooperative policies.

It is estimated that, if the world's population continues to grow at present rates, food production would need to double by the end of the century merely to maintain the present inadequate level of supply.

Recognizing the extreme urgency of this situation, Iran, together with other members of OPEC, has committed 437 million dollars to the newly-created International Fund for Agricultural Development.

This fund provides assistance to developing countries, particularly those with a per capita income of 500 dollars or less.

In the United States, such legislation as the International Development and Food Assistance Act of 1975, together with your very active support of the FAO and the IFAD, provide clear testimony to a profound determination to invest adequately in all areas of agricultural development.

A great challenge lies ahead for all of us.

In Iran, we are certain that we can reach our goals.

The grains of the recent three decades have given us the will, the confidence and the capabilities.

Our confidence and determination are also based on the strong ties we have with the United States.

Mutual active cooperation could shape a world system in which we can all live in peace.

In virtually all the important spheres of national interest, Iran and the United States have developed policies that, on the whole, work to the mutual benefit of our two countries.

From a geopolitical point of view, the partnership and a common outlook have evolved through the years, gaining strength in the process.

From an economic standpoint, Iran and the United States share the same awareness and knowledge that we live in an interdependent world.

The Marshall Plan and the Point Four Program gave recognition to this.

The Marshall Plan offered aid and assistance to a world recovering from the most far reaching man-made destruction in history.

Just a few years later, President Truman initiated the Point Four Program.

I am proud to say that, in recent years, we too have been involved in massive projects of bilateral and multilateral assistance.

The commonality of our interests transcends our national borders in promoting international peace and prosperity.

But we have to recognize that peace and prosperity must embrace all the people of this world, not just half of them.

We must therefore work towards narrowing the gap between the rich and poor if we, as mankind, want a future at all.

This can only be achieved through a system that is firmly based on security, fairness and opportunity for all.

It must include all if it is to be supported by all.

The first major step in this direction requires a serious effort on the part of the industrialized nations.

And here the challenge faces you in particular, for you have the know-how, the capacity and the will to lead the rest of the world in this effort which can very well determine the future of global peace and progress.

It is here, where you, the future decision-makers of this nation, can make the greatest contribution.

You must recognize the absolute necessity of interdependence and cooperation.

I can leave no more important message with you today than this.

We cannot continue to live in a world where a few are rich and the rest are poor.

Surely we can leave no more brilliant heritage than the knowledge that we saw the needs of our fellow man and worked to save him from disease, poverty and starvation.

Some of you will leave here to go abroad to lands where customs are different and the language unfamiliar.

Perhaps your lives will take you to Iran where you will find a warm welcome and a great deal to keep you busy.

But no matter which country you may be in, I urge you to carry with you American standards and ideals, and to respect and care about the needs of others.

For us, America has always symbolized right and justice.

In closing, I would like to leave with you a remark that His Majesty the Shah made on the occasion of the American Bicentennial and I quote:

"The name of America has always conjured in our minds the respect for, and the championship of, human values and right and justice, and it is these very principles that you must safeguard and preserve with the greatest care and concern for the benefit of yourselves and that of all mankind."●

THE NEED FOR REGULATORY REFORM

● Mr. SCHMITT. Mr. President, the American citizen, the small businessman, business in general, and Government are staggering under an increasingly heavy load of regulations. There is a general perception among the people that the regulatory bureaucracy is running out of control. There is a mandate to the Congress to do something about reestablishing control and to reform existing regulations.

The size of this massive burden can be appreciated by recognizing that there are 44 independent regulatory agencies at the Federal level, plus 1,240 boards, commissions, et cetera. These organizations employ over 100,000 individuals responsible for controlling the lives of our citizens. The cost to the taxpayers to finance these bureaucracies is equally large, growing from just over $2 billion in 1974 to an estimated $3,500,000,000 in 1977.

There is little question that in recent decades Congress has increasingly given up much control over the "making of law" to the regulatory agencies. This loss of constitutional congressional authority has occurred through the passage of legislation that calls for the "promulgation" of rules and regulations that supposedly will cure some social ill. Subsequent congressional oversight over the rules and regulations so promulgated has been poor to nonexistent. Thus, the constitutional concept of the separation of powers between the legislative and executive branches of Government have been seriously blurred and compromised.

The Senate has before it several pieces of legislation aimed at controlling the large number of regulations impacting on our citizens. One of these, S. 2011, the Regulatory Reduction and Congressional Control Act, which I introduced on August 4, 1977, preserve and strengthen the constitutional separation of powers between the legislative and executive branches.

SUMMARY OF THIS LEGISLATION

Mr. President, this bill, if adopted, would preserve and strengthen the separation of powers between the legislative and executive branches by:

First, establishing a uniform procedure for systematic and comprehensive congressional review of proposed rules and regulations which may have serious impact on the public;

Second, expanding opportunities for public participation in the agency rulemaking process;

Third, strengthening congressional oversight over Federal regulatory agencies;

Fourth, requiring agencies, when proposing new rules and regulations, to consider carefully the impact of their proposals on the economy—costs versus benefits—on Federal paperwork, and on the workload of the Federal court system;

Fifth, providing more complete information to the public and the Congress about rules and regulations so that they can make informed decisions on future courses of action;

Sixth, making Federal agencies more responsive to the needs, concerns, and interests of the public;

Seventh, substantially reducing the costs of Government regulation, alleviate Federal report filing and recordkeeping requirements and eliminate regulatory excesses; and

Eighth, restoring public confidence in Government institutions.

Mr. President, according to a recent article in the Washington Post, the cost of regulation of the economy has reached an annual rate of $134.8 billion. This figure includes the $96 billion estimated cost to business and industry for compliance with Federal regulations; $2 billion in costs to business for administrative and paperwork associated with regulations; and an additional $2 billion for productivity lost by employees who devote all or part of their time to dealing with regulations.

These are tremendous costs. Clearly the time has come for Congress to develop a systematic procedure for overseeing Federal regulatory programs. S. 2011, the Regulatory Reduction and Congressional Control Act, would accomplish this.

I ask that the Washington Post article of May 13, 1978, be printed in the RECORD.

I would also like to request that, in addition an article which appeared in the June 12 issue of Newsweek entitled "The Regulation Mess," be printed in the RECORD.

The material follows:

[From the Washington Post, May 13, 1978]

$134.8 BILLION COST IS ESTIMATED FOR 1979 REGULATION OF BUSINESS

BOSTON (UPI)—Government regulation of business and industry cost a total of $134.8 billion in 1979, and as resulting in a variety of adverse economic effects, according to Purchasing Magazine.

The Carter Administration, despite pledges to cut red tape, is increasing the fiscal 1979 budget for the 41 government regulatory agencies to $4.82 billion, a 6 percent hike from 1978 and a staggering 115 percent more than the $2.4 billion spent for this purpose in 1974.

The magazine bases its $134.8 billion figure, which is 10.5 percent higher than 1978's $121.5 billion, on the total cost to industry and government for federal regulation and does not include costs for state and local regulations.

The figure includes:

The government's $4.82 billion regulatory agency budget;

The estimated $96 billion business and industry spends to comply with federal regulations;

Additional costs of $32 billion to business for administration and paperwork associated with the regulations;

An estimated $2 billion for productivity lost by employes who have to devote all or part of their time in dealing with the regulations.

But First National Bank of Chicago said there are "a variety of economic effects" beyond what government spends to regulate and what industry spends to comply. These include "lower production, higher prices and fewer consumer goods."

Murray L. Weidenbaum, director of Washington Universities Center for the Study of American Business, said the figures are "a good, direct measure of the rising intervention of government."

Weidenbaum said "newer" agencies are responsible for most of the increase in regulatory spending. For example, government spending on environmental and energy regulations has increased 222 percent since 1974. He said spending for "old-line" agencies has increased at a much slower pace.

The Chicago bank also distinguishes between "old" and "new" regulation.

"The old regulation was generally aimed at specific industries and pursued essentially economic objectives. The new regulation, by contrast, crosses industry lines and zealously pursues noneconomic objectives with a single-minded disdain for costs or technical feasibility."

[From Newsweek, June 12, 1978]

UNCLE SAM'S EYES—THE REGULATION MESS

In the mind's eye of American business, 1984 is already here. Big Brother, in the garb of the government regulator, has infiltrated virtually every corner of private enterprise, imposing standards for everything from smokestack effluents to the shape of toilet seats. Alphabetical watchdogs proliferate: the likes of EPA, OSHA, NHTSA and CPSC, mostly accepted by business as well-meaning but roundly condemned for pickiness, overzealousness and bureaucratic tunnel vision. But times and the national mood are changing, and the regulatory monster may be in for a leashing.

Jimmy Carter has made a start on redeeming his campaign pledge to reduce bloated bureaucracy: his aides say he has reduced federally mandated paperwork by 12 per cent since his Inauguration. The Civil Aeronautics Board has pushed successfully for lower air fares, and other Federal agencies are beginning to whittle down their rule books. And lately, with inflation soaring back to double digits, the effort to cut the sheer cost of regulation has taken on a new head of steam. Twice during the last two weeks, the President's economic advisers have proposed to block major new health rules, on the ground that they were inflationary.

There's a sense, even among thoughtful members of the watchdog Establishment, that the systems intended to protect the public sometimes abuse it, that the regulators' prescriptions for some problems create even bigger ones, that they've got their priorities confused. "Is it possible," asks Harrison Wellford, executive associate director of the Office of Management and Budget, "that we are spending money on the safety of swimming-pool slides when we can eliminate carcinogens from drinking water?" Beyond that, there's a feeling that the regulators may be using the wrong tools. Should they simply keep forcing companies to follow the rules, or should they set up incentives that make it pay to obey? Should they specify how their goals are to be met, or leave industry free to find its own procedures?

The regulatory apparatus leaves itself wide open to scrutiny. There are now no fewer than 87 Federal entities that regulate U.S. business, and to complete the 4,400 different forms they dispense requires 143 million man-hours of executive and clerical effort each year. The regulators are proposing so

many new rules that the Federal Register has ballooned in size to nearly 70,000 pages annually. Companies complain that many of the rules are simply unnecessary. One agency often requests information already on file with another, they say, and at times rulings of one regulator conflict with another's.

UNWINDING THE TANGLE

The biggest beef against regulation, however, is its sheer cost. Economist Murray Weidenbaum of the Center for the Study of American Business at Washington University estimates the total annual bill at $103 billion. Most of the cost is borne by business, which passes it on to the consumer. Weidenbaum estimates that equipment mandated by the regulators accounts for $666 of the average price of this year's car, and that government requirements add $1,500 to $2,500 to the price of a new house. All told, chairman Barry Bosworth of the Council on Wage and Price Stability estimates that regulation adds 0.5 to 0.75 per cent to the cost of living each year.

The cutting edge in Carter's program to unwind this tangle is his effort to deregulate the airline industry. While a deregulation bill has moved glacially through Congress, the President's activist Civil Aeronautics Board has already achieved many of his aims through administrative action. "Air travel is becoming significantly cheaper and it's because of the President," says simon Lazarus, the chief of Carter's regulatory-reform section. Elsewhere, the President has directed agency heads to take more personal responsibility for rule making, and he has told the bureaucrats to write their rules in plain English. "We realize we've lost credibility in the regulatory area," says OMB's Wellford. "There is still support for clean air and water, but the public is more conscious now of the trade-offs."

The pressure is beginning to show results. The Occupational Safety and Health Administration, perhaps the most reviled of all watchdogs, has repealed 1,100 of its more than 10,000 rules, and administrator Eula Bingham says that henceforth "OSHA's going to be looking for the whales, not the minnows." Douglas Costle, chief of the Environmental Protection Agency, now insists that before proposing a new rule his aides consider one more option: doing nothing. And the White House has stepped up its own efforts. Carter's economic advisers have begun spotlighting new regulatory moves that look particularly inflationary. The first was OSHA's proposal to reduce the incidence of lung-damaging cotton dust in textile mills. Then last week, it was disclosed that the White House economists were asking EPA to revise its proposed new regulations for stricter control of air pollution.

Congress's attitude also seems to be changing. Last November, when the White House published a proposed Executive order on "improving government regulation," a coalition of thirteen senior senators promptly informed the President that the regulatory agencies were creatures of Congress and that he should keep his hands off.

THE GRIPES ARE MOUNTING

But last February, faced with the opportunity of creating yet another regulatory body, a consumer protection agency, Congress thought it best to vote no. And currently there is some support for "sunset" legislation that would require a review of each regulatory agency every five years.

Meanwhile, business's gripes are mounting. Among its complaints:

The regulators are overzealous dogooders. Some press health issues with such moral fervor that it becomes unthinkable for industry to discuss the costs. Joan Claybrook, head of the National Highway Traffic Safety Administration, has won a reputation in Detroit as "the Dragon Lady." But that doesn't impress her old mentor, Ralph Nader, who has chastized her for caving in to industry interests. "Regulators today are like the prohibitionists of the teens," says political scientist Irving Kristol. "Instead of trying to regulate, they try to eliminate evil from the world, and you just can't eliminate evil from the world."

Regulators have little sense of cost-benefit trade-offs. Union Carbide, for instance, spent $95 million in recent years to achieve a 90 percent reduction in objectional liquid discharges from its plants. New requirements to reduce the discharges by an added 5 to 6 percent would have cost an estimated $200 million. Carbide and other companies with the same problem convinced Congress that it should relax the rules.

Regulations are ludicrously rigid. U.S. Borax has found, for instance, that in Los Angeles the purity requirements for water that can be dumped into the city's sewer system are stricter than those for drinking water.

Regulators cannot agree with one another. OSHA recently told the Dubuque Packing Co. in Iowa to install guard rails along its beef-kill operations to prevent workers from falling off platforms. But the Agriculture Department, which prevailed, said the guard rails created unsanitary conditions because the carcasses might touch them. Del Monte Corp. tried to reduce noise at its food-packing plants with insulating machinery, only to find out that the insulation absorbed germs and odors that exceeded the limits set by the Food and Drug Administration.

Other types of complaints abound. Ingersoll-Rand has joined in a class-action suit against the EPA rather than give the agency proprietary information on its air compressors that might find its way into competitors' hands. Companies in the Houston area say they are now paying a price for having cleaned up their air in previous years: no new plant can be built in the area unless existing plants reduce their pollution by the amount the new one would add.

HOW TO COPE WITH RED TAPE

Environmental-impact statements are proving a problem for every company—so much so that at least one company has adopted as a rule of thumb what it calls the "150 per cent statement": always furnish 50 per cent more data than was given for the last similar project, and hope for the best. This week, the White House plans to issue guidelines calling for shorter, clearer statements.

For smaller companies, the mere existence of so many regulators means trouble. The Chester Dairy in Chester, Ill., for instance, has but 27 employees—yet it must report to at least twelve different regulators. Farmer John Meats, a small Los Angeles meatpacker, has found one way to cope. "This is a family-owned organization," says vice president Bernie Clougherty, "and as the red tape comes in, we just hand it out to one of the family. We've got twelve Cloughertys here. Luckily, there are enough Cloughertys to handle it." So far.

"GET THE ACT TOGETHER"

More and more companies are beginning to fight back by themselves. Chrysler Corp., for example, found that Claybrook's proposed mileage standards for light trucks might force it to jettison plans for converting its huge East Jefferson Avenue plant in Detroit to light-truck production. Fearing the loss of 3,000 jobs, Michigan politicians put the heat on the Administration, and the standards were reduced.

The White House hopes its regulatory reform will help avoid such confrontations in the future. Carter's strategy counts heavily on a seemingly simple new rule requiring advance notice of proposed new regulations—a move that will give industry more chance to react and help the White House coordinate policy. "We need to get our Federal act together," says Wellford, who is pushing the reorganization effort for the OMB.

As Carter has already learned, actually reducing regulation isn't as easy as it sounds. Businessmen tend to have a kind of briarpatch reaction to the regulatory agencies, loudly protesting rules they find convenient in practice. The nation's 14,000 interstate truckers have grown and prospered in the maze of rules and rates set by the Interstate Commerce Commission, and most of them were far more dismayed than pleased when Carter suggested a dose of competition. Congress too, despite its "new mood," hesitates to offend either industry or the bureaucracy.

Nonetheless, the White House timetable aims to give first priority to cutting regulation in transportation, focusing on the airline industry this year and postponing a confrontation over trucking. A "fundamental look" at OSHA is on the agenda next year, with future priorities on financial institutions and the communications industry.

And Carter's people don't hesitate to suggest some fairly sweeping reforms—not only in cutting regulatory red tape but in changing the basic way rules may be applied. One idea being studied, for example, would offer tax credits as incentives for recycling waste products rather than simply outlawing discharges. "Incentives are not a panacea, but it's a way of changing behavior," says Bill Drayton, a planner for the EPA. Similarly, EPA is toying with the idea, rejected by Congress last year, of charging penalties for each car sold that exceeds specified emissions levels. That amounts to heresy to many on both sides of the issue; environmentalists call it a "license to kill," while some automen see it as an appalling disregard of law itself.

But this willingness to consider new approaches may be the most important part of Carter's reform program. The nation, says Wellford, is "entering a period of limits. There's no free lunch, and there is a trade-off for everybody." That sounds almost like a sensible goal—a welcome novelty in the regulatory world. It won't be easy to get there, but a start has been made.●

HAIG ON NATO

● Mr. SCHMITT. Mr. President, the Senate will soon consider the defense authorization and appropriations bills for fiscal year 1979. The action taken by the Congress with respect to these bills will have a significant impact not only upon our long-term defense posture but also upon how other countries, both friendly and antagonistic, perceive our national will and intent.

I ask that the interview with General Haig, the Supreme Allied Commander in Europe, contained in the June 5, 1978, edition of U.S. News & World Report be printed in the RECORD.

The material follows:

EUROPE'S NEW BALANCE OF POWER—A WARNING FROM THE NATO CHIEF

(Interview With Gen. Alexander M. Haig, Jr., Supreme Allied Commander, Europe)

(Can an outmanned and outgunned Western alliance be sure of deterring a surprise attack? Yes, says NATO's top officer—but not without more troops, more money and a new generation of U.S. nuclear weapons.)

Q. General Haig, why is it that 30 years after the establishment of NATO the United States still stations roughly 300,000 troops in Europe and is sending an additional 8,000 this year? Why can't the Europeans themselves do more?

A. That is an excellent question, in that we often lose sight of the real facts and trends. What you find when you examine those trends closely is this:

Since 1970, the United States fiscal contribution to the NATO security apparatus has declined by roughly 20 percent in real terms. Our European allies, on the other hand, have increased their contributions by roughly 13 percent in real terms.

Furthermore, the European nations today contribute roughly 90 percent of my ground troops, 80 percent of my naval forces and 75 percent of my air assets. If you suggest to a West German that this country is doing less comparatively than the United States, he would point out that in purely demographic terms—in terms of relative population—it would take roughly 40 American divisions in Western Europe to match West Germany's 12 divisions. Our five divisions are far from that.

Q. What are the Europeans doing to strengthen NATO in the face of the big Soviet buildup in Eastern Europe?

A. Since the NATO summit in London last May, we have had a year of intense activity in the alliance.

We have achieved a consensus among the Allies to recognize the relentless character of the growth of Soviet power, and have agreed on a very effective two-pronged program to counter it. There is agreement, first, to apply more resources to the task and, second, to improve the long-term efficiency of the alliance.

I am optimistic at this point that most European nations will meet or exceed the objective for increased spending on defense. Still, we have to understand that one year of hyperactivity doesn't remedy a decade of neglect.

Q. In your view, why are the Soviets continuing to build up their Warsaw Pact forces on a large scale in a period of so-called détente?

A. That is a matter of intentions, and it's something one cannot predict with great accuracy. But, as a military man, I have to be concerned about existing Soviet capabilities. Whatever the reasons behind it, the fact is that the Soviets' capabilities today exceed by purely objective criteria what they need for purely defensive purposes.

Q. Is the Soviet buildup shifting the power balance in Europe?

A. What they have done is systematically eliminate deficiencies in their force structure. In the past, those deficiencies inhibited their ability to function globally.

They've overcome a roughly 10-to-1 inferiority in the central strategic balance—to the point that today they are at parity or essential equivalence with us. The momentum in their strategic-force-building program is such that if it is not capped by acceptable SALT limitations, it will face the West with the burden of additional spending in the immediate future.

Q. How, specifically, have the Soviets beefed up their forces?

A. In air power, as recently as four years ago the Soviets' capability was limited essentially to a defensive role over Warsaw Pact territory. They have revolutionized their theater air arm, doubling the range and quadrupling the payload. These forces are capable of delivering conventional or nuclear armament in most instances.

Beyond that, the Soviets have augmented their air-defense capabilities by introducing a full and sophisticated family of surface-to-air missiles.

Most ominously, they've started the deployment this year of the so-called SS–20, which is a two-stage solid-fuel rocket with multiple independent re-entry vehicles. It is also mobile, which decreases its vulnerability. And it can cover targets throughout Central Europe and the British Isles. So we no longer have an advantage in theater nuclear systems.

You will remember that, only three or four years ago, the Brookings Institution was saying that our 7,000 theater nuclear weapons were far in excess of our needs. Today, we are at a point of parity with the Soviets. And in terms of long and intermediate-range nuclear-weapons-delivery systems in Europe, there is an increasing disparity that favors the Soviets. That explains the increased appetite recently in Western Europe for cruise-missile technology.

Q. What about the conventional military balance in Europe? Is that also shifting to the advantage of the Soviets?

A. The Soviet improvement on land and at sea has been equally impressive.

Over 100,000 men have been added to their forces in the central region alone since 1970. They've had a 40 percent increase in their tank inventories, a substantial increase in their conventional firepower—artillery and rockets—and improvement in their overall mobility. Their tank divisions have increased 12 to 15 percent in size—from roughly 9,000 to 11,000 men; their mechanized-rifle divisions from roughly 11,000 to 13,000. So 20 Soviet divisions today represent roughly 25 in the context of what they were in 1970.

The naval buildup has been no less impressive. In a period of 10 years, they've gone from zero guided-missile cruisers to 25, from 12 guided-missile destroyer types to 35. They've built up their nuclear-submarine inventories from roughly 40 to about 140.

Q. With that kind of buildup, are the Soviets now in a position to launch a surprise attack in Europe?

A. There have been two conflicting trends with respect to warning time of an imminent attack.

On the one hand, we in the West, through more-sophisticated acquisition techniques—overhead photography, eavesdropping and intervention electronic capabilities—are better able to pick up readiness steps that are being taken by the Warsaw Pact. You see, the Soviets would have to transmit a certain increased volume of communications before an all-out attack. In addition, they could not initiate a conflict in Europe without changing their peacetime naval deployments.

For example, 50 percent of their ballistic-missile-submarine fleet is in port, day to day, in the Kola Peninsula and would have to deploy or risk being destroyed. In the Mediterranean, the Soviets would have to reinforce their naval forces or lose the 50 or so ships they now maintain there. So there are a number of purely military and technical indicators of an imminent attack which we are doing a better job of measuring and calibrating.

On the other hand, the improvement in the Warsaw Pact's forward-deployed, in-place capacity has increasingly given them the ability to launch an attack without the extensive reinforcement measures that were required in the past.

The net result of those two conflicting trends is that the cushion of warning time has been reduced but not eliminated. We have an agreed warning-time figure of 48 hours, but I think that is at the bottom edge of reality. The more likely warning time would be something in the neighborhood of a week or two weeks.

Q. Is it feasible to beef up NATO to the point where it could defeat an all-out Soviet attack without resort to nuclear weapons?

A. This has not been our objective per se. We have—and we maintain—a deterrent that's built on central strategic, theater nuclear and conventional capabilities. The core of our deterrent remains uncertainty on the part of a potential aggressor with respect to what our response would be.

Frankly, I think it's self-defeating for us to indulge in detailed public defining of war-fighting scenarios in which we lay out our priorities and the conditions for response. The very fact of doing that provides a road map for the other side to develop strategies which can circumvent our plans.

Secondly, I think it has a destabilizing impact on the unity and solidarity within the alliance, in that there have been traditional concerns about American reliability in the nuclear context—about the willingness to trade Washington for Bonn or Hamburg.

Q. Why then is the U.S. augmenting NATO's conventional strength?

A. The purpose is to build a substantial capability so that in any set of circumstances the commitment an aggressor must make would suggest to him that the potential gains are outweighed by the risks he's assumed. That means that a Western response to Warsaw Pact aggression must not be confined to the victims of that aggression. The response must be sufficiently extensive to impose risks on Warsaw Pact countries and must not be limited to Western Europe—that is, the territory of the victims of that aggression.

Q. In view of the changing balance in Europe, do you see an imminent danger of war there today?

A. Our deterrent is still viable; it's still healthy. But the trends are such that if we don't pull up our socks and apply more resources with greater efficiency, then in the early '80s that deterrent will begin to lose its viability.

You see, the strategic patterns are changing: The threat of instantaneous nuclear reaction by NATO has lost a degree of credibility as the Soviets arrived at parity in central strategic systems in the late '60s and early '70s and as they now arrive at parity—or worse—in theater nuclear capabilities. That is why we need additional conventional capability to force the other side to increase in the most unequivocal way its force commitments in any attack scenario.

For the time being, however, the likelihood of conflict in the central region of Europe is not high because the deterrent is still viable. The immediate danger stems from the ambivalent, ambiguous situations which occur on the flanks of NATO and peripheral areas—such as the Middle East and Africa.

Q. Can we count on European allies to cooperate with the U.S. in dealing with these challenges in Africa and the Middle East?

A. That question, I think, is probably the core challenge for the alliance in the period ahead. In an interdependent, shrinking world, NATO must understand there can be no NATO security if it continues to ignore the implications of events occurring outside of its geographic confine—just as the United States learned in two conflicts that there could be no American security without Western European security.

Now, how we deal with this challenge collectively in the context of the Atlantic Community is a political question. Whether we work through a modified NATO or some other multilateral forum is less important than the reality that we collectively face up to these challenges outside NATO's traditional area of geographic concern and concert together more effectively to meet them.

Q. Getting back to the central front in Europe: Has President Carter's decision to defer production of the neutron bomb hampered NATO's efforts to counter the Soviet buildup?

A. As long as I'm wearing the uniform of my country, I am not going to indulge in post-mortem speculation about things that are policy today.

Q. But you mentioned earlier the problem posed by the Soviet nuclear buildup in Europe—

A. I do not view the availability or lack of availability of neutron weapons as a very significant factor as far as the balance in theater nuclear systems is concerned.

Our problems are not in the area of short-range defensive nuclear capability but rather in the area of longer, intermediate-range weapons, such as potential cruise-missile or ballistic-missile technology that can counter the threat of the highly sophisticated new long-range systems that the Soviets are targeting against Western Europe.

Q. Are the European allies worried that the proposed strategic-arms-limitation treaty will prevent you from deploying cruise missiles to counter that Soviet threat?

A. There are three areas of primary concern in Western Europe today with respect to SALT II.

One involves the Protocol, which would inhibit for an interim period the production and deployment of long-based and sea-based cruise missiles beyond a 600-kilometer range.

The second area of concern is the so-called noncircumvention provisions, which some Europeans fear might inhibit the United States from providing the kind of technology they think they need.

And, thirdly, Europeans are watching very carefully the language of the so-called Statement of Principles dealing with SALT III, the next round. Europeans anticipate that SALT III could get into the problem of forward-based American systems in Europe and the Soviet systems that can strike Western European targets.

These are all areas of great sensitivity for the Europeans. We in the United States must recognize—in fact, I think we already have—that the level and degree of consultation with the European allies on SALT must be increasingly intimate, flexible and responsive to European concerns.

Q. How do you propose to deal with the growing Soviet nuclear threat if not with cruise missiles?

A. I don't reject the cruise option. Today, cruise appears to be a very attractive counter both to the SS-20 and to other ongoing Soviet improvements in theater nuclear weapons. Why? First, cost. Second, accuracy and penetrability. Third, relative invulnerability—the fact that it can be put on mobile platforms.

Now, recognizing the attractiveness of the cruise missile, I have yet to see the empirical data which confirms to me that it is the answer to a maiden's prayer. I remain concerned about potential counters to the cruise missile in the Soviet inventory—for example, interceptor look-down, shoot-down capabilities, and improved ground-to-air missilery which focuses at low levels with the same degree of progress they've made in the medium and high altitudes. Also, because the cruise missile is air-breathing, its flight time is substantially greater than a ballistic system.

Therefore, as a precise 1-for-1 counter for the SS-20, it just doesn't meet the bill. It wouldn't in negotiating terms, and it doesn't in deterrence or war-fighting terms. We've got to look at a whole host of potential options for modernizing our theater nuclear capabilities: ballistic, air-breathing, onshore and offshore.

I'd Ike to see more empirical data before I become an advocate of any single solution or mix.●

RHODE ISLAND: A HISTORY

● Mr. PELL. Mr. President, On June 22, 1978, I had the delightful experience of hearing remarks by William G. McLoughlin, the author of a new history of Rhode Island, and I would like to share those remarks and their reaffirmation of Rhode Island's historical role.

Bill McLoughlin has taught at Brown University since 1954, where he is a professor of history. He has written and edited a dozen books, covering in particular the history of revivalism in America and including highly acclaimed studies of Henry Ward Beecher, Billy Sunday, and Billy Graham.

He received the Melcher prize in 1972 for his book, "New England Dissent: The Baptists and the Separation of Church and State," 2 volumes (1971) and was nominated for the National Book Award. He also has contributed articles to many periodicals and learned journals.

Professor McLoughlin's newest book, "Rhode Island: A History," is the 43d volume in the States and the Nation series, produced by the American Association for State and Local History, through grants provided by the National Endowment for the Humanities.

I had the honor that morning of being the host of a Rhode Island Congressional Delegation meeting with Joseph D. Duffey, Chairman of the National Endowment for the Humanities, Professor McLoughlin and other representatives of the NEH and the AASLH. It was at this meeting that Professor McLoughlin made the remarks that I would like to share with my colleagues.

His remarks not only reaffirm Rhode Island's historical role, they capture the character of her people. He notes that Rhode Island "is a place of optimism, of hope, and of deep religious faith" and terms her people 'perhaps, the most American of Americans."

Mr. President, I ask unanimous consent that these remarks be printed in the RECORD at this point.

The remarks follow:

SOME REMARKS ON PRESENTING COPIES OF THE BICENTENNIAL HISTORY OF RHODE ISLAND TO THE CONGRESSIONAL DELEGATION

It was difficult to sum up the complex history of Rhode Island in 200 pages, and it is even more difficult to express the essence of that essay in five minutes. I am tempted simply to describe some of our heroes and reformers—Roger Williams, Anne Hutchinson, John Clarke, Samuel Gorton, Mary Dyer, Metacomet, Canonchet in the 17th century; Moses Brown, Newport Gardner, Nathanael Greene, Stephen Hopkins, Samuel Slater in the 18th century; Elizabeth Buffum Chace, Paulina Wright Davis, Seth Luther, Thomas Dorr, Charles Gorman in the 19th century; Theodore Francis Green, John F. Fogarty, Aime Forand, Ann Burlak, John Pastore, George Wiley in the 20th century. How many of us really know how much each of these did for our state? And there are scores of others. But if the historian lists the heroes, he must also note the darker side of our history—our participation in slavery, our nativism, our political corruption, and our mistreatment of the Indians. To try to discuss even a few of these would quickly exhaust my five minutes.

Instead I am going to summarize briefly the main themes of Rhode Island's history which I have stressed in the book—themes which link the history of the smallest state in the Union to the history of the Union itself. There are ten of these, beginning naturally with the theme of religious liberty and equality associated with Roger Williams. This ideal was expressed most eloquently by Moses Seixas, the warden of Touro Synagogue, in his famous memorial to George Washington in 1790. We have founded a country, Seixas said, "which gives to bigotry no sanction, to persecution no assistance, but generously affording to all, liberty of conscience." Although Rhode Island has changed from a predominantly Protestant to a predominantly Roman Catholic state, we have never lost our commitment to that noble principle.

The second theme of our history stresses that Rhode Island has always been a haven for the poor and oppressed. In the 17th century these were Quakers, Jews and Baptists; later they were Irish, French-Canadians, Italians and Portuguese; today Rhode Island is a refuge for Vietnamese, Cambodians, Russians, Chinese, Latin Americans who have fled from poverty, oppression and persecution around the world and found hope here. A third theme is that Rhode Island, like the rest of the United States, has always been a place of opportunity for the enterprising and the industrious. To keep opportunity open to all, Rhode Island has steadily supported reforms which overthrew the barriers to those at the bottom of the ladder. It has championed the rights of labor, the right to equal opportunity in employment and housing, the abolition of racial segregation, and the rights of women.

A fourth theme is our ability to survive against heavy odds, epitomized in Oliver Hazard Perry's famous slogan, "Don't give up the ship!"

Fifth, Rhode Islanders have a fierce sense of independence and love of liberty symbolized in our larger-than-life statue of "The Independent Man" which stands on top of our state capitol.

Sixth, Rhode Island has stood as a prime example of "The American Dream"—the Horatio Alger story, the success myth. Here immigrants from all nations have been able to rise to the top in politics, in business, in education, and the arts, through their own determination, persistence, and talent. We are a living testimony to the concept of the self-made man, the rugged individualist.

Seventh, Rhode Island has been, since the days of the Stamp Act Crisis and the burning of the Gaspee, a home of patriots, of men and women willing to lay down their lives for "the grand old flag." And in every town and city the graves of our war dead testify to this last full measure of devotion and sacrifice.

Eighth, Rhode Island has shown to an unusual degree, a willingness to try bold new experiments and to move with the time. This spirit results in part from our diminutive size and limited natural resources. We have had to live by our wits, our ingenuity and imagination, and to recognize that old ways must give place to new ones as the times change. We are a flexible, adaptable, and enterprising people.

Ninth, Rhode Island has, despite its commitment to individual effort and self-reliance, always been a place of easy-going, friendly relationships among neighbors. There is a spirit of "live-and-let-live" here which belies the stereotype of the cold, arrogant Yankee. Our ethnic pluralism is the result of our willingness to let the other fellow do his own thing in his own way and to give our friends a helping hand when they need it. It is a state with a great sense of loyalty to friends, to family, to ethnic group. We carp, complain and criticize a lot (especially about those we elect to office), but at bottom Rhode Island is a friendly, open, warm-hearted place. Its people know that there are times when the individual cannot go it alone and when success requires mutual solidarity, support, and trust.

And, finally, we need to remember in these days of anxiety and crisis that Rhode Island is a place of optimism, of hope, and of deep religious faith. We have our conflicts and our shortcomings, as does every other state—conflicts over conservation, polution, nuclear energy, offshore oil, abortion, censorship, prison reform. We are not doing all we should

to end unemployment, to prevent crime, to improve education, to revive our cities, to stop inflation, and to clean up the Bay. But our faith in our ability to do these things is still strong. We are a strong-willed, strong-minded, frank, forthright, outspoken people. We have not given up the ship or stopped fighting the good fight. Rhode Islanders are, perhaps, the most American of Americans.

I hope my tribute to my adopted state conveys this message of resilience, courage, and faith to those who read it. We Rhode Islanders have a lot to be proud of and thankful for.—William G. McLoughlin, Brown University.●

SOURCES OF CONFLICT IN UNITED STATES-TURKISH RELATIONS

● Mr. CURTIS. Mr. President, within the next few weeks, Congress will have an opportunity to reverse a bad policy it established in 1974, when it imposed an arms embargo on Turkey.

The results of the embargo can be summarized in few words: The policy has failed. Meant largely as a tool to achieve a settlement of the Cyprus issue, it has instead been instrumental in a stalemate occurring. In the meantime, the arms embargo has contributed to a deterioration of Turkish military power; it has raised concern about Turkey's future role in NATO—a not insignificant matter, since the Turkish army of 500,000 is the largest ground force in the alliance.

The embargo has put a significant strain on United States-Turkish relations, a development which, for at least two reasons, should arouse concern. From a geopolitical point of view, few countries have a position as strategic as Turkey's. It serves as juncture to several critical areas: Western Europe, the Balkans, the Middle East and, of course, the Soviet Union, with which it shares a border, and whose access to the sea it controls through the Dardanelles. Driving Turkey into a position of neutrality, or of outright hostility to the United States, would clearly deal a blow to our international strategic posture.

At the same time Turkey, denied arms by the United States, has deprived us of the use of military installations and uniquely valuable intelligence gathering bases. Turkey, it should be emphasized, has stated it would allow the bases to resume operations if the embargo is lifted. Nevertheless, we must recognize that as long as we cling to our current policy, valuable intelligence data on the Soviet Union and other nations in that area will continue being denied to us indefinitely.

Mr. President, I would like to bring to the attention of my colleagues a staff report on the subject prepared by K. A. Samii which, I feel, presents a very lucid analysis of these points. In addition, the paper provides a detailed, and extensively documented, description of the problems which have led to our current impasse with Turkey: The so-called Poppy War and the Cyprus invasion. I commend it to my colleagues as a rational and informative account of events whose interpretation has too often been ruled by emotion—ultimately to the detriment of our foreign policy.

Mr. President, I ask that the report, "Sources of Conflict in United States-Turkish Relations," be printed in the RECORD.

The report follows:

SOURCES OF CONFLICT IN U.S.-TURKISH RELATIONS

HISTORICAL BACKGROUND

The year 1947 is considered by many foreign observers as the crucial period in the history of modern Turkey. Presumably, Turkey was rescued from the threat of Soviet aggression by the Truman Doctrine.[1] Since the mid-1960's, some Turks have rejected this view by maintaining that the years of maximum danger were 1945 and 1946, prior to the existence of any special formal relations between the United States and Turkey.[2] Although Turkey was not in immediate danger, the Administration's concern was heightened by two important factors:

1. The economic conditions in Turkey that suggested the country could not bear the burden of a large military establishment while pursuing economic development programs;

2. The urgency of the situation in Greece that was dominated by economic and political chaos.

One witness appearing before the House Committee on Foreign Affairs stated "it almost appears that . . . Turkey was slipped into the oven with Greece because that seemed to be the surest way to cook a tough bird." [3] After the British withdrawal in early 1947, the United States assumed the role of being Turkey's principal backer. Furthermore, this signified the beginning of extensive involvement in the region and the U.S. policy of global response to the U.S.S.R.

At the time of the proclamation of the Marshall Plan in June, 1947, the Turks expressed desire to be considered within the plan, but the United States proposed only a small role for the Marshall Plan in Turkey. This stemmed in part from the belief that the Turkish economy had escaped physical damage during the war. It was also argued that the absorptive capacity of the Turkish economy could not tolerate a high rate of investment and that the international lending agencies could satisfy the limited aid needed by Turkey.[4] Finally, due to repeated requests from Turkey, the U.S. agreed to extend $10 million in credit as the first installment of an economic assistance program which, by 1971, would total in the neighborhood of $3 billion.[5] American policy makers believed that Turkey could provide the badly needed agricultural products and contribute to European recovery. Therefore, the Marshall Plan, by emphasizing the agricultural development in Turkey, encouraged the Turkish government to adopt a domestic policy oriented toward the rural population. The implication of such a policy was to create an anti-American sentiment among the urban elite in Turkey in later years.

By 1950, when the Menderes Government came to power, the concentration on the rural sector was coupled with the growing disenchantment of the traditional elite with the government. The alienation of the traditional elite was something that the U.S. neither desired nor, for the most part, even recognized at the time. This alienation contributed to casting the U.S. in the image of a force opposed to the urban elite.

The critics of the U.S. policy, which emphasized agricultural development in Turkey, charged that this policy was a direct challenge to the philosophy of etatism inaugurated by Ataturk.[6] They felt that political independence required a self-sufficient industrial base and that the concentration on agriculture would confine the country's development to that of being a mere producer of raw materials for the industrialized nations. These controversies set the stage for the Turkish Revolution of May 27, 1960.

The Soviet Union was quick in attempting to exploit the situation by inviting Turkey to break away from the alliance with the United States. On June 28, 1960, Premier Khrushchev, in a letter to Turkish Prime Minister Gürsel, wrote:

"It is our deep conviction that the relations developed between our two neighboring countries would be most cordial should Turkey take the path of neutrality." [7]

On July 8, 1960, Gürsel in his reply rejected the invitation of neutrality:

"Turkey will abide by its international commitments, in particular those that stem from the fact of the existence of such alliances as NATO and CENTO." [8]

Since the early 1960's, two major issues have influenced American-Turkish relations: the Poppy War and the Cyprus Crisis.

THE POPPY WAR

The first connection between Turkey and the United States involving opium was mutually advantageous. In 1805 when the British East India Company decided against transporting opium by its ships to China, American ship captains immediately moved in and monopolized the trade for a quarter of a century.[9] The American attitude toward the drug trade gradually changed, however. By the 1920's, the belief that opium must be eradicated at its source and the sale of it to addicts forbidden had gained acceptance. The long term outcome of this belief was formulation of a policy of asking or demanding that other countries comply with the American desire to control the drug abuse problem in the United States.

In the 1960's, the number of heroin addicts in the United States grew at an alarming rate. This problem began to occupy a part of the center stage in American social and political life. The Johnson Administration, in search of remedies, made the control of the source of opium supply a major objective. Administration officials approached the Turkish Government to seek stringent control measures to prevent illegal leakage and to move toward total eradication of poppy cultivation. The Demirel Government insisted that total elimination of cultivation would have to be done gradually and his government would undertake to implement rigid control measures.[10] On March 12, 1971, however, the Demirel Government, unable to cope with many social and political problems (not related to the opium issue), was forced out of office by the Turkish military.

The United States kept pressing the Turkish Government for an end to poppy cultivation. Turkey's military-backed government agreed that there had been extensive leakage of Turkish opium into illegal channels. Finally an agreement was reached in 1971 under which the U.S. was to extend $35.7 million in credits to assist Turkey in ending the production of opium. In June, 1974, however, the newly elected political government announced the resumption of poppy cultivation. To permit new plantings by impoverished Turkish farmers was a popular decision and had been pledged by all candidates in the fall election of 1973.

The Turkish decision touched off a strong reaction in the United States. Senator Walter Mondale termed it "a declaration of war against our children." [11] Representative Lester L. Wolff labeled the Turkish action as hostile to the interests of the United States.[12] In some instances newspaper reaction was vitriolic in the extreme. A New York Post column called it "an act of war" and advocated bombing of the poppy fields by the United States Air Force.[13] The final result of the controversy was that a number of bills were introduced to cut the U.S. aid to Turkey.

At the same time, Turkish officials were

Footnotes at end of article.

critical of the United States. In reaction to that charge that Turkey had broken the 1971 agreement, Foreign Minister Turan Gunes insisted "there is no such agreement between the United States and Turkey." The ban, he said, was a "unilateral" action as was Washington's pledge of $35.7 million.[14] This interpretation, however, was heatedly rejected by American officials. In regard to the allegation of anti-American sentiments, Prime Minister Ecevit remarked that a decision not to resume poppy planting would itself have led to virulent anti-Americanism.[15] Furthermore, the Turks pointed out that they had tried in vain to persuade the United States to sign a U.N. agreement controlling the distribution of pep pills and hallucinogens. The United States could not sign the U.N. agreement without enabling legislation which the U.S. drug industry opposed.[16] The Poppy War was regarded by the Turks as an infringement of Turkish sovereignty and American interference with the domestic issues of Turkey.

Along with announcement of resumption of poppy production in 1974, the Turkish Government agreed to change the method of opium harvesting to reduce the chances of diversion into illicit hands. The program was to be monitored by the Turkish Government and the U.N. Fund for Drug Abuse Control. Poppy straw was to be brought directly from the farmers and taken to factories to be converted into legal medicinal opiates. The 1977 U.N. Special Report confirms the success of the Turkish Government's efforts to eliminate unauthorized production of opium.[17] In 1978, according to an official of the Office of International Narcotics Control Matters, U.S. Department of State, "There is no evidence of diversion into illegal channels from the Turkish production of the opium poppy."

The pledge of the Turkish Government to control production was not taken seriously in 1974 in the United States. The controversy strained relations between the two countries just at the time the Cyprus dispute reached its most critical phase.

THE CYPRUS CRISIS

The Mediterranean island state of Cyprus sits just 50 miles off Turkey and 400 miles away from Greece. Starting in 1571, Cyprus was a part of the Ottoman Empire. In 1878 the administration of the island was transferred to Britain. By 1925 it had become a British colony. The present population of Cyprus is approximately 18 percent Turkish and 77 percent Cypriote Greek.

Since 1878, the Greek Cypriote Church has been preaching enosis—the notion of uniting the island with Greece—while some Turkish Cypriotes have reiterated that Cyprus should be returned to Turkey. In 1959 the London-Zurich accords provided for Cyprus to become independent with a government comprised of both Greek and Turkish communities. A key provision of the accords was a Treaty of Guarantee which empowered the guarantor states (Turkey, Greece, and the United Kingdom) to take individual action to maintain the integrity of the new state and to redress violations if joint efforts proved ineffectual.[18]

In 1960 the Republic of Cyprus was established, but the deep suspicion that divided the Turks and Greeks aroused inter-communal conflicts. In 1963 Archbishop Makarios, President of Cyprus, aggravated the already tense situation by proposing to change the constitution to eliminate the privileges of autonomy of the Turkish community. This increased the insecurity of the Turkish Cypriotes and revitalized the age-old conflicts. The Turkish Government communicated with both London and Athens in search of a resolution. Only when the Greek Cypriots refused to cooperate with the three guarantors of the 1959 accords did the Inönü Government decide to send four aircraft to fly over the island to demonstrate Turkey's determination to backup the Turkish Cypriotes. At the same time, the Inönü Government sent a message to President Johnson and other Western leaders requesting assistance in stopping the surge of violence on the island.[19] The United States was reluctant to endorse any positive action to solve the disputes for fear of alienating either Greece or Turkey. The dilemma continued into 1964. The Turks felt that they had supported the United States during the Korean War and the dangerous days of the Cuban Crisis, but at the hour of their need, the U.S. gave them a cold shoulder. On June 5, 1964, in a letter to Inönü, President Johnson wrote, "I must tell you in all candor that the United States can not agree to the use of any United States supplied military equipment for a Turkish intervention in Cyprus under present circumstances." [20] The Turks believed their concern over Cyprus was legitimate and in harmony with the 1959 accords; therefore, they were greatly dismayed. From that point on, the image of the United States in Turkey was stained and every Turkish Government has had to defend its American connection against internal opposition. Pressure from the Cyprus situation slowly relaxed after 1964, but the conflicts were far from settled.

Oppression of the Turkish community of the island continued and the Turkish enclaves were vigorously isolated. Athens found it easy to strengthen the Greek Cypriotes by providing weapons and by infiltrating battalions from Greece onto the island.[21] After the military coup in Greece in April, 1967, a new era of tensions emerged and a serious incident took place between Greek and Turkish Cypriotes. President Johnson sent Cyrus Vance in search of remedies. As a result, an agreement was reached by which Greece would pull back the troops illegally stationed on the island. In this episode neither side could claim victory and bitterness continued. The situation was further complicated in the upcoming years by a division among the Greek Cypriotes over the issue of enosis. Archbishop Makarios and his supporters favored an independent Cyprus while General Grivas and others cherished unification with Greece.

On July 15, 1974, President Archbishop Makarios of Cyprus was overthrown by a coup. There is no doubt the coup was carried out with the approval of the Greek Government. The confirmation came from NATO diplomats and various other sources shortly after the event.[22] What triggered the Greek Government to plan the coup was a letter from President Makarios demanding the withdrawal of 650 Greek officers from Cyprus.[23] Nikos Sampson was named the new president of Cyprus. A fervent support of enosis, Sampson was widely known to the Turkish community as an archenemy. The American public, as well as the world community, through the media became informed of Sampson's past and the involvement of the Greek Government. An article of the July 16 *New York Times* revealed that Mr. Sampson's reputation in Cyprus was "about like that of Al Capone in Chicago." [24] In another article in the *Washington Post*, Joseph Kraft called Sampson "the murderous scoundrel who acted as proxy for the wild men in Greece." [25]

In reaction to the coup, Turkish officials warned that they would not "accept any fait accompli" on the troubled island. Defense Minister Esat Isik stated that under the agreement of guarantee of 1959, Turkey had a right to intervene in Cyprus to protect the rights of the Turkish community.[26] As far as the three guarantor nations were concerned, Britain declined to involve itself in the crisis and the Greek-Turkish relations were already strained by a quarrel between them over oil rights in the Aegean Sea. The relations between the United States and Turkey were disrupted by the Poppy War. Furthermore, other competing issues such as the Arab-Israeli conflict and the oil crisis occupied a lion's share of Washington's concern. Under these circumstances, on July 20, 1974, Turkey took unilateral action by invading Cyprus and citing the 1959 accord as the justification for the military action.

The Turkish invasion resulted in the fall of both the military junta in Greece and the government of Sampson in Cyprus. The more moderate government of Glafkos Clerides that replaced the Sampson regime did not reduce Turkey's anxiety for the safety of Turkish Cypriotes in territory controlled by the Greek Cypriotes. The deadlocked Geneva peace negotiations increased concern over the vulnerability of the Turkish military position in Cyprus. Ankara saw Athens attempting to mobilize international pressure to force the Turkish troops to leave the island. Thus when the Greeks requested more time to study Turkish peace proposals, the Turks responded by expanding their foothold in August, 1974. They established militarily secure territorial boundaries and brought about 36 percent of the island under Turkish control.

The Turkish unilateral action provoked Congressional opposition in the United States and led to the imposition of an embargo against Turkey. The Foreign Assistance Act of 1962 and the subsequent Foreign Assistance Act of 1974 have been the instruments by which the embargo against Turkey has been imposed and maintained. In short, the argument is that Turkey used U.S.-supplied military equipment to invade Cyprus, violating provisions of the Foreign Assistance Act and thereby becoming ineligible for any further assistance.

The Turks, however, have maintained that the invasion of the island was legal and its purpose was to fulfill their responsibility under the 1959 accords. They also believed that in imposing the embargo the U.S. Congress disregarded the gravity of the circumstances faced by the Turkish Cypriots in the absence of Turkish military support. Furthermore, the Turks contended that the action of Greece in using U.S.-supplied equipment to assist the military coup of 1974 was in violation of the U.S. law and that Greece should have been embargoed as well. Presently, the major argument of the proponents of the Turkish embargo suggests that the division of the island is inequitable because the Turks control nearly 40 percent of the island, while the Turkish Cypriotes comprise approximately 18 percent of the population. However, the Turkish Cypriotes maintain that prior to the 1974 invasion, as farmers, they had owned about 32 percent of the island while the Greek population was more heavily concentrated in the urban centers.

MILITARY SECURITY CONCERNS

Since joining NATO in 1952, Turkey has served as the location of fourteen early-warning sites as well as other military and intelligence gathering bases. The strategic significance of Turkey is clear. It shares a 1300-mile border with the Soviet Union and through the Dardanelles controls Soviet naval access to the Mediterranean. The Turkish army of 500,000 men is the largest ground force in NATO.

Turkey is both a European and an Asian nation. Its location is the junction of several critical areas: Western Europe, the Soviet Union, the Balkans, and the Middle East. Turkey is of enormous strategic importance to the viability of NATO's southern flank. Its intelligence-gathering facilities provide critical information concerning Soviet military activities. A report by the House International Relations Committee states:

"The Turkish intelligence installations provide valuable support to the overall U.S. intelligence collection effort and thereby augment knowledge of compliance with ABM and SALT agreements, military activities in

Footnotes at end of article.

the eastern Mediterranean, Black Sea and Southern U.S.S.R. testing of missiles, satellites, and explosions of nuclear devices. It has been estimated that approximately 25% of the hard information that the United States has obtained has come from intelligence facilities in Turkey . . ."

Another seldom acknowledged fact is the importance of a strong Turkey to the security of Greece. Clark M. Clifford in his statement before the Senate Foreign Relations Committee observed.

"It is clear that it is in Greece's interest to have its neighbor Turkey strongly linked to the Western Alliance. Any weakening of Turkey's ties to the West and any weakening of Turkish democracy and modernization would be unsettling to the general situation in the Eastern Mediterranean and certainly would not benefit the quest for a Cyprus settlement.[27]

In regard to the Arab-Israeli conflict and the Persian Gulf, Turkey also plays a very significant role. Access to Turkish airspace is crucial to U.S. military capabilities in the region.

IMPACT OF THE EMBARGO

The embargo has not produced the desired results. It has only contributed to a deterioration of Turkish military capabilities and further strained the troubled alliance between the United States and Turkey. Premier Ecevit and other Turkish leaders have reiterated "No Turkish Government can afford to bow to external pressure and expect to stay in office." The retaliatory actions of Turkey have been confined to the closing of a number of American military installations and intelligence gathering bases, while placing the condition that if the embargo is lifted, the bases can be reopened. Turkey did not withdraw from NATO, nor turn to the U.S.S.R. in desperation. However, the weakening of the Turkish military has been coupled with a continuous modernization of Soviet and other Warsaw Pact forces. As Clark M. Clifford reported:

"Today, Turkey is questioning the reliability of America as an ally. The current United States posture toward Turkey is subjecting our security relationship with this important NATO ally to an intolerable burden."[28]

Some NATO analysts fear that continued neglect of Turkish needs could drive the country toward a more neutral posture. As has been historically demonstrated, the Soviet Union is always ready and willing to exploit the misgivings of the American allies toward the U.S. The planned visit of the Turkish Premier to the U.S.S.R. has been the source of some concern in Washington. In commenting on his scheduled visit to Moscow, Ecevit insisted that by no means is the trip intended to blackmail the U.S. Congress into lifting the embargo. The purpose of the trip, he said, was simply to improve Turkish-Soviet relations.

Irrespective of the outcome of this visit, the decline in the level of Turkish participation in NATO is the most likely result of the continuation of the embargo.

In explaining the Administration policy in regard to the lifting of the embargo, Warren Christopher, Deputy Secretary of State, noted:

"It must be recognized that embargoes are blunt tools for special situations of limited duration. . . . Therefore we have concluded that continued maintenance of the embargo would be harmful to U.S. security concerns, harmful to NATO, and harmful to our bilaterial relations with Turkey.[29]

CONCLUSIONS

The Cyprus Crisis has its roots in historical events. The present Turkish military occupation of the island is not the cause of the problems, but rather the outcome of the events of 1974.

Beyond the issues discussed in this report, American support of Turkey also relates to a very fundamental principle of United States foreign policy: advocating democracy and supporting democratic governments. To quote Secretary of State Cyrus Vance:

"Turkey is a major democracy with a robust parliamentary system. It is also an important developing country—one of the few that has maintained the momentum of development within a strong democratic framework."[30]

The Carter Administration's request that Congress repeal the arms embargo provides a new opportunity for Turkish-American reapproachment, should Congress comply with the request of the President. The broader ramifications of this action would be to break through the vicious circle that surrounds the Cyprus issue. The Greek side is not likely to agree to negotiate with the Turks so long as they hope that the embargo will force Turkey to make additional concessions. The Turkish Government can not amplify its present offers so long as Turkey is under the pressure of the arms embargo. President Carter, therefore, can do little to influence the Turks as long as Congress maintains the embargo. The Congress has been under pressure from Greek sympathizers every time the questions of lifting the embargo has arisen. The Presidential request now places the responsibility of changing the status quo on the Congress.

FOOTNOTES

[1] For detailed analysis of Turkish-American relations, see George S. Harris, *Troubled Alliance* (Washington, 1972).

[2] *Ibid.*, p. 9.

[3] Jones, J. M., *The Fifteen Weeks* (New York, 1964), p. 76, as quoted in Harris, ibid., p. 26.

[4] Harris. *Op. cit.*, p. 31.

[5] *Ibid.*, p. 32.

[6] *Ibid.*, pp. 34–35.

[7] *Current Digest of the Soviet Press 12*, No. 35 (Sept. 28, 1960), pp. 16–18, as quoted in Ramazani, *Iran's Foreign Policy 1941–1973*. (Charlottesville, 1975), p. 322.

[8] Ramazani, R. K. *Iran's Foreign Policy 1941–1973*. (Charlottesville, 1975), p. 322.

[9] For detailed description of the poppy issue, see James W. Spain, "The United States, Turkey and the Poppy," *Middle East Journal*, Summer, 1975.

[10] *Ibid.*, p. 297.

[11] *Christian Science Monitor*. July 11, 1974.

[12] *Congressional Record*. H7657. August 5, 1974.

[13] James W. Spain, op. cit, p. 302.

[14] *New York Times*. July 11, 1974.

[15] *Washington Post*. July 8, 1974.

[16] *Washington Post*. September 9, 1974.

[17] U.N. Fund for Drug Abuse Control 1977 Special Report. *Information Letter*, U.N. Division of Narcotic Drugs, October-November, 1977, p. 4.

[18] For the London-Zurich accords, see Great Britain, Secretary of State for the Colonies, Cyprus, Cmnd. 1093 (London, 1960).

[19] U.S., Department of State, *American Foreign Policy: Current Documents*, 1963 (Washington, 1967), pp. 470–77.

[20] For the text of this letter, see the Middle East Journal, Summer 1966, pp. 382–93.

[21] Harris. *Op. cit.*, p. 121.

[22] *Washington Post*. July 18, 1974.

[23] *Ibid.*

[24] *New York Times*. July 16, 1974.

[25] *Washington Post*. July 25, 1974.

[26] *New York Times*. July 16, 1974.

[27] Clark M. Clifford, The President's Special Representative for the Eastern Mediterranean. Statement before the Senate Foreign Relations Committee, May 2, 1978, p. 6.

[28] *Ibid.*, pp. 3–4.

[29] Warren Christopher. "Administration Policy for the Eastern Mediterranean." *The Department of State Current Policy*, No. 18, Bureau of Public Affairs, May, 1978, p. 4.

[30] Cyrus Vance. "Administration Policy for the Eastern Mediterranean," *Secretary of State Statement*, Bureau of Public Affairs, April 6, 1978, p. 2.

TUITION TAX CREDITS

● Mr. SCHMITT. Mr. President, an issue which has generated much discussion is the proposal for a tuition tax credit. The Senate has acted on this proposal in the past, but the bills have died in the other Chamber. This year, however, the House has acted first and has passed H.R. 12050. A similar proposal is now on the Senate Calendar.

This issue, Mr. President, has generated a great deal of controversy and criticism. A major criticism is that it would benefit the upper and middle economic class. There is no doubt that it would benefit these economic classes. It would, however, also benefit the lower economic class. In fact, Mr. President, the lower and middle economic classes would reap the greatest benefits. Under the House bill, the maximum credit would be $250, and under the Senate bill the maximum credit would be $500. Obviously, a $250 or $500 credit is more valuable to a family with a lower income than to a family with a higher income. In addition, under the Senate bill, the credit is refundable, which would be of direct benefit to those families in the lower income nontax bracket.

Mr. President, the main point is that this proposal will benefit the lower income families both economically and educationally. It will provide these families, particularly minority groups, with an increase in freedom of choice in education which has been available only to those in much higher income brackets. That choice is the most important element of the bill. Finally, parents in this economic group will have more control over the nature and quality of the education of their children.

Mr. President, this past Monday, Dr. James Coleman, the prominent sociologist at the University of Chicago, spoke at the Georgetown Day School on this subject. Professor Coleman, a leader in the fight for the desegregation of schools, has endorsed tuition tax credits as the best method of providing parents with greater choice and children with greater opportunity in the area of education.

At this point, Mr. President, I ask to have printed in the RECORD the story in the Washington Post of Tuesday, June 20, 1978, reporting Professor Coleman's speech.

The article follows:

[From the Washington Post, June 20, 1978]

DESEGREGATION EXPERT BACKS TUITION CREDIT

(By Lawrence Feinberg)

Sociologist James S. Coleman, who headed a massive influential study favoring school desegregation in the mid-1960s, yesterday strongly supported a tuition tax credit to aid parents of private and parochial school pupils.

Coleman, a professor at the University of Chicago, said he favors the tax credit—which has been voted by the House but is bitterly opposed by the Carter administration—because it would "increase the range of choice of low-income black parents."

Particularly in big cities, Coleman said, where large-scale public school desegregation is unlikely, a tax credit "would increase the opportunity of black parents to escape from schools that they think hurt their children."

Opponents of the measure have contended

it would promote segregation, hurt public schools and mainly benefit middle- and upper-income groups.

But Coleman said that because of the relatively modest size of the proposed credit, $100 to $500 per student, "the principal effect would be on lower-income families" sending their children to relatively low-priced schools.

He said "a very large number of black children" already attend low-tuition Catholic schools in big cities, such as Chicago, New York and Washington, with generally positive educational results.

Coleman spoke at a forum on desegregation attended by about 60 persons at Georgetown Day School, 4530 MacArthur Blvd., NW. The forum was sponsored by the Black Student Fund, which during the past decade has aided more than a thousand black students to attend private school in the Washington area.

He was introduced warmly by Alice M. Rivlin, director of the Congressional Budget Office, who later asked him to deal with the "accusation" that programs to help blacks attend private schools are "detrimental" to public education.

"That's not a valid argument," Coleman rejoined. "Anything that allows for an individual to have greater opportunity can't be bad for the country."

Besides favoring a tuition credit on federal income taxes, Coleman said he supported proposals to give vouchers to parents to use for tuition at public or private schools.

Parents and children have a better sense of what's a good school context for them," Coleman said, "than do professionals who must deal with a very large number of children. I trust the parents and children more than the professionals.

"I think the stronger the private schools are the better it will be for the public schools because the public schools will be forced to be better to stay in business."

Overall, Coleman said, school desegregation since 1954 has had "no effect" on educational achievement of black students.

"In the absence of turmoil," Coleman said, "there seems to be an achievement increase." But so far, he said, this has been counterbalanced by reduced black achievement in places where desegregation was accompanied by conflict and fear and "distraction from study."

In general, he said, integration has been most successful in well-disciplined schools headed by strong principals.

Coleman stressed that the main finding of his 1966 report, issued by the U.S. Office of Education, was that black students had higher achievement in mostly white schools not because of the skin color of their classmates but because of the middle-class background and "educational resources" that the white children brought from home.

"Increasingly, class is less correlated with race than it was 10 years ago," Coleman said.

Widespread desegregation, he said, has been "enormously beneficial" to the South by aiding its transformation from a backward region to a thriving "Sun Belt."

But he repeated his view, which has attracted controversy for the past three years, that desegregation programs requiring "instant racial balance" through compulsory busing have caused "very serious harm" by speeding the exodus of whites from big cities.●

SECRETARY BROWN OUTLINES U.S. DEFENSE POLICY

● Mr. CULVER. Mr. President, in remarks to the Commonwealth Club of San Francisco on June 23, Secretary of Defense Harold Brown set forth the Carter administration's basic principles of defense policy and put the much-discussed Soviet threat into perspective.

Secretary Brown avoided simplistic measures of United States and Soviet strength and urged instead a balanced force which can deter strategic nuclear, tactical nuclear, and nonnuclear war.

"We must be concerned," he said of the Soviet threat; "we must act prudently; but we should refuse to be panicked." He also declared that "If we manage our resources properly, we do not need to outspend the Soviets by a large margin in order to assure our security. We can outthink, outdesign, and outperform the Soviets with the resources we have and the steady increases we are requesting."

Secretary Brown supports the strategic arms limitation talks (SALT) as a way of limiting "the Soviet-American competition in these deadly capabilities." While urging great attention to nonnuclear military capabilities, he argued that "If we continue to take the necessary precautions — and particularly if aided by a successful outcome to SALT — strategic nuclear warfare should be the least probable conflict of the future."

Mr. President, I ask that the full text of Secretary Brown's wide-ranging and reassuring address be printed in the RECORD.

The address follows:

REMARKS BY THE HONORABLE HAROLD BROWN, SECRETARY OF DEFENSE

Thank you for the opportunity to speak to you today. After Proposition 13, our national security posture may not, for this week at least, be the public issue uppermost in the minds of a California audience. But there has been a good deal of concern expressed in recent months back in Washington.

This concern is expressed by serious people. Some of it comes from a varety of Soviet-sponsored activities in various parts of the world. Even more of it results from the continuing long-term Soviet military buildup. That Soviet military buildup has been asserted by some to be causing a major tilt in the balance of power toward the Soviet Union. One's conclusions about our position in the world, however, depend on a great many other facts as well, on what those facts imply, and what we are going to do.

In considering the overall balance between the U.S. and the Soviet Union, we must include many elements—the economic, the political, the technological, the ideological, and the degree of domestic cohesion, among others. In these overall terms, there is no doubt in my mind that the United States is the most powerful country in the world. But I want today to discuss with you our military situation and our military course. I would like to explain why I agree there are certain grounds for concern, but also—if we respond in a measured way—for reasonable confidence.

For the foreseeable future, as President Carter said at Annapolis recently, the United States and the Soviet Union will continue to cooperate—and to compete. The precise mixture of the two will depend on the place, the issue, very much on Soviet behavior, and also on how we see our own national interests in each case. We have no illusions about the Soviet Union. Their view of history, of the world, and of the future is very different from our own. We do not believe we should ever rely on good will as a substitute for good defense. The Soviets appear willing to strike some bargains—as we hope for in SALT—that can reduce the chances of mutual destruction. At the same time, because our interests and objectives do diverge in important respects, there have been and will be times and places where U.S. and Soviet policies will conflict and tensions will arise.

This is regrettable, and is not the way we would like the relationship to proceed. But it is a fact of modern life. And it is not all that different from the international relations of the past. Countries, like other political entities, do compete. Unfortunately, they rarely compete by the rules that govern domestic, democratic politics. There is nothing particularly new in that regard either.

Something else is new, however. It is the changed situation of the United States. An impressive number of things have happened to us during the past 40 years. For a long time we have been the mainstay of the great industrial democracies; for the past 35 years, we have been their leader. At the same time, we have grown vulnerable to nuclear attack, and dependent on others for our economic well being. We also have found ourselves the custodians of great military power.

Most of us Americans would prefer to use our resources for other than military purposes. But as long as the world stays the way it is, as long as competition remains at least as important as cooperation on the international scene, U.S. military strength—like the postwar U.S. role and responsibility—will have to remain another fact of modern life. The more assured our military capability, the less we need risk dangerous actions to show our resolves. The weaker we are, the more likely we are compensate (or think we have to compensate) by risky behavior. Our power must be fully adequate at all times to its tasks. If it is truly so, perceptions will, in the long run, catch up with the facts.

Whether the military balance of power has tilted toward the Soviet Union is bound to be an important and difficult issue in these circumstances. The issue is important on two counts: First, because of the outward pressures exerted by the Soviets—for a long time against nations that border on the Soviet Bloc, more recently against nations farther away. Second, because of the resources invested in their military establishment by the Soviets during the past fifteen years—a steady 3% to 4% increase in Soviet military spending each year for that period.

Soviet military capability has improved substantially over the past decade. But the Soviet Union is *not* stronger militarily than the United States. When talking about something as general as the military balance of power, we run into problems of measurement. There are many simple and popular ways to compare our military capabilities with those of the Soviet Union. The subjects for these kinds of comparisons are almost endless. Personnel, tanks, aircraft, ships, submarines, missiles, warheads and megatons can all be counted up and compared. Depending on which items are selected for comparison, the results can be made to favor the side of your choice. It is rare that all the possible indicators point in a single direction.

That is not surprising. The United States and the Soviet Union have quite different political and military objectives. The impact of geography on their needs and goals is bound to be quite asymmetrical. The defense programs of the two countries are affected by differing experiences, traditions, and technologies. Their respective allies differ greatly in wealth, motivation, and loyalty.

For all these reasons, the simple comparisons you hear so much about rarely illuminate more than the idiosyncracies of their authors. They do not tell us much about our ability to defend Western Europe, or to keep open essential sea lanes to Japan. And they certainly do not help us in the planning and programming of our defenses. We could, of course, go out and simply try to duplicate

Soviet capabilities—but it would not make sense to do so. Our interests are different. We do not need four million men, 45,000 tanks, or 10,000 surface-to-air missile launchers. We need whatever it takes to protect our interests.

Basically, we want to forestall or deter conflicts that could jeopardize those interests. To deter, we must be able, ready, and willing to fight—and fight to as successful a conclusion as the facts of modern arms allow. Deterrence cannot be a bluff; it must be credible.

But how can we judge the adequacy of our capabilities for this purpose? The conventional way is by trying to measure the performance of those capabilities in a series of hypothetical combat encounters. We don't necessarily care whether the Soviets have more tanks than we do. We do care whether, in the event of a Soviet attack, we are able to throw it back. We assume—and I think with some merit—that if we can produce that kind of a result, we will have produced a powerful deterrent to attack. And that, I think—rather than simply out-distancing the Soviets in numbers of tanks or any other single item—is what you should demand of the U.S. and allied defense establishments.

I have made the whole process of planning and assessment sound simple. It is not. In order to make the necessary judgments about our capabilities, we have to take a variety of factors into account. In the present and foreseeable state of affairs, one of those factors has to be the total military capabilities of the Soviet Union.

However, while it is critical, that factor cannot be considered in isolation. What the Soviets and their satellites could actually invest in a particular campaign, where and how the attack might take place, and what our allies could contribute toward stopping it—these would be the decisive variables. How many attacks, or contingencies, might occur in a short space of time—and how many we should try to cope with more or less simultaneously—would also be major factors in determining our defense needs and their adequacy.

The universe of possibilities is obviously very large. The United States has developed a wide range of interests. They are reflected in, but not totally defined by, our formal treaty commitments. Those interests are located around the world. There is a small probability that a number of attacks could be launched simultaneously on our interests, but the military capabilities of the Soviets and their allies are far from unlimited. The Soviets cannot be powerful everywhere at once, any more than we can. Nonetheless, we need to have a basic strategic concept which defines the magnitude of the effort that, at all times, we should be prepared to make, and where. Otherwise, we could find ourselves planning to try to defend in all places at once.

This Administration has spent a good deal of time considering what the strategic concept should be. Here, I will only remind you in outline of the objectives and policies we have established. I must also ask you to remember that these objectives and policies are not predictions, forecasts, or ironclad commitments. They constitute guidance designed to make our defense planning problem tractable, to ensure careful conservatism in our planning, and at the same time to keep from trying to attain defense capabilities which would far exceed those realistically necessary.

It is a truism of modern defense policy that we must maintain the military capabilities for three basic types of warfare and their deterrence: strategic nuclear; tactical nuclear; and non-nuclear. Much less obvious is the degree of dependence to place on each. This Administration—like its four predecessors—has decided that while it cannot and will not neglect our nuclear forces, we must keep the barriers to nuclear warfare—our non-nuclear capabilities—as high as our resources permit.

The Soviets and their allies, if considering an attack on us, our forces, or our allies, must also consider the possibility of a nuclear response. However, we reject nuclear escalation as the sole policy on which to base the planning of our forces or the use of those forces. We plan to avoid relying on nuclear weapons unless their use is clearly in our interest (and in the interest of our allies), or is forced on us by the nuclear actions of others.

We and our Allies must have adequate conventional forces. That should be understood by everyone, and it should be understood as our continuing policy.

In our approach to the strategic nuclear forces, we continue to hope that we can limit the Soviet-American competition in these deadly capabilities through SALT. Indeed, we are pursuing that goal with undiminished vigor. But our basic objectives of strategic deterrence, adequate stability, and equivalence are overriding. We will insist on their maintenance with or without a SALT agreement. We will not sacrifice them for the sake of agreement.

What we need for the purposes of deterrence, stability, and equivalence is not dictated by any simple comparison with the forces of the Soviet Union. Our needs are met if our retaliatory forces can satisfy the following conditions:

Survive in adequate numbers after a well-executed surprise attack on them by the Soviets;

Penetrate Soviet defenses and destroy a wide range of targets in the USSR with whatever degree of deliberation and control proves desirable;

Inflict high levels of damage on Soviet society regardless of the measures the Soviets might take to limit such damage; and

Retain thereafter an offensive capability roughly equivalent in performance to that of the Soviet Union.

Second-strike capabilities that can satisfy these conditions would, in my view, provide strategic deterrence, stability, and equivalence; these are the proper conditions to meet rather than the ones implied by the simple, static comparisons that inevitably will also be used by some.

If we continue to take the necessary precautions—and particularly if aided by a successful outcome to SALT—strategic nuclear warfare should be the least probable conflict of the future. Regional conflicts involving non-nuclear capabilities will continue to be much more likely.

To the degree that we fail to maintain the non-nuclear forces necessary to defend and protect our interests, the risk of nuclear warfare will become significant. To the degree that we maintain adequate nuclear and non-nuclear capabilities, Soviet threats to our interests are likely to be channelled into political and economic actions, subversion, and military support to Soviet allies—including those that somehow manage to label themselves as non-aligned—in the developing world.

Analysis tells us that the outcome of traditional non-nuclear conflict appears to be determined by the ratio of forces between the opponents. If the attacker, for example, has a three-to-one advantage over the defender in capability across a front, the odds strongly favor him. Consequently, it is even more tempting here than in the nuclear realm to compare U.S. and Soviet capabilities in a side-by-side fashion.

It is no secret that a quarter of the Soviet non-nuclear capability is on the Chinese frontier; that many aspects of the Soviet logistic capability remain fragile; that current Soviet operating doctrines require larger forces than we would use for the same purposes; and that we have stronger, more reliable allies than the Soviets. The simplistic comparisons ignore all this. As a result, unless adequately explained, they can leave the impression of enormously preponderent Soviet forces about to spill over into western territory. A conventional defense, in such an oversimplified scenario, would seem quixotic. But the real situation, as I said, is more complex.

We and our European allies have about ten percent fewer people under arms than the Soviet Bloc. But we do not need to match the Soviets in everything at once. Our job is to protect our interests, not to try to defeat all Soviet forces wherever they may be.

In particular, a major two-front attack on our interests has become increasingly implausible with the continuation of the Sino-Soviet split and the improvement in our relations with China. What must therefore concern us first and foremost is the heavy concentration of Soviet general purpose forces in Eastern Europe and in the western district of the USSR. Those forces represent a continuing and growing threat to the security of Western Europe, both on the central front and on the flanks. They also define the magnitude of the largest contingency we are likely to face in the foreseeable future.

To stress Europe is not to rule out a major contingency elsewhere, or the possibility of a smaller attack by Soviet or other forces in such sensitive areas as the Middle East, the Persian Gulf, or Korea. But for planning purposes, it seems appropriate to base the size of our ground, naval, and tactical air forces on the assumption of having simultaneously to stop one major attack (with Europe as the most obvious candidate) and a smaller attack elsewhere.

I should stress that such an approach—or strategic concept—is not quite as demanding as it sounds. Wherever appropriate, we plan our general purpose forces on the assumption that they will be supplementing allied forces rather than going it alone.

Moreover, we rely on much more than our active-duty forces. Should any of these possible conflicts be of significant duration, we would depend on our Guard and Reserve units, and on our mobilization base (including the draft), to expand and reinforce our initial combat capabilities. We do not assume that our more costly (and more ready) active-duty forces would have the burden, or needs the resources, to fight to the end of these hypothetical conflicts all by themselves.

Our need for general-purpose forces is obviously dictated by much more than this strategic concept. We will have satisfied that need only if we have provided for ourselves such other military capabilities as:

The retention of a powerful central reserve in the United States, as well as forces deployed in key overseas areas such as Europe and Northeast Asia;

The ability to move substantial forces to threatened theaters with great speed;

The maintenance of forward defenses for at least as long as any enemy could sustain his attack;

The support of these defenses with reinforcements and sustaining supplies; and

Uninterrupted access by air and sea to the theaters of conflict.

In other words, our forces must be fully equipped, modern, combat-ready and highly mobile as well as adequate in numbers. These are essential qualitative conditions to success, which must not be overlooked in force comparisons.

It should be obvious that, if our strategic nuclear and general purpose forces can satisfy the conditions I have outlined, they would be equal or superior to an enemy's capabilities—at least where and how it counts. But are we in fact able to satisfy all these conditions? Is our deterrent strong enough? If, somehow, events should culminate in a failure to deter war, could we reach our objectives? Surely, these are the questions we should be asking, not whether the Soviet

navy has more coastal patrol boats than we do, or whether the U.S. Navy weighs more than that of the Soviets.

We have developed a number of tests as the basis for answering these questions. The first of them is to analyze an exchange following a Soviet surprise attack on our strategic nuclear forces. Admittedly, it is a hypothetical case and only an approximation of potential reality. But by being severe, it provides a conservative test.

Its results show that such an attack would have no prospect of disarming us—any more than we could disarm the Soviets if we struck first. At some point in the foreseeable future, it is conceivable that the Soviets could by a first strike eliminate the bulk of our intercontinental ballistic missile silos. On the other hand, the Soviets would have to consider the possibility that our MINUTEMAN missiles would no longer be in their silos when their ICBMs arrived. We have not adopted a doctrine of launch under attack but they surely would have to take such a possibility into consideration. In any event, our surviving second-strike capability would be very large—and it is scheduled to grow. Not only could we cover a wide range of targets with our retaliation; we could also cause catastrophic damage to the Soviet urban-industrial base. In the circumstances, it is difficult to see how the Soviets could expect to gain any meaningful advantage from starting such a mortal exchange.

With respect to our general purpose forces, the most demanding test would come from an attack by the Warsaw Pact in Europe. In principle, such an attack could begin as a bolt out of the blue. But the more serious likelihood is that it would be preceded by a period of international tension, some degree of preparation by the Pact, and at least a few days of warning. Obviously, the more preparation and warning, the larger and better organized the attack could be. But NATO during that warning period would benefit as well, especially from U.S. reinforcements.

You may have heard it said that in any major European conflict, the Warsaw Pact could simply overrun NATO's defenses. That impression is wrong. NATO already has bought and paid for the basic capabilities necessary for the conduct of a successful forward defense. It is also true, however, that the Pact has somewhat expanded and substantially improved its forces in Eastern Europe during the past decade. NATO, for its part, always has had a number of vulnerabilities; and some have now grown more severe. The Soviets today still cannot be confident of a conventional victory in Europe. But the Alliance, despite its basic strengths, does not have as much assurance in its non-nuclear deterrent as I think prudent.

The recent NATO Summit in Washington defined what needs to be done to increase that assurance. It also endorsed a three percent annual growth in the defense budgets of the NATO countries and an ambitious Long-Term Defense Program for the Alliance. We strongly support both decisions, just as we do the resumption of military assistance to Turkey, which was also a major matter for discussion at the Summit. This is no more the time to rebuff one of our staunchest allies than it is to ignore NATO's longstanding vulnerabilities.

Let me note also that there is no truth in exaggerated allegations of a decline in our Navy. Our Navy is and will remain second to none. U.S. naval forces are still quite capable of maintaining the sea lines of communication to Europe, protecting other essential routes, and supporting allies—whether in the Western Pacific or on the NATO flanks. Moreover, these forces will gain in strength during the years ahead. We still have a number of difficult issues to resolve about the exact future direction of the Navy. But none of those issues brings into question the importance of the Navy, or the desirability of its performing its traditional missions within the guidelines of national strategy.

I could go on—about airlifts and sealifts, war reserve stocks, combat-readiness, and long-term investments. But I have said enough, I trust, to dispel a little of the alarm—but not, I hope, the concern. Complacency is not a condition we can afford. The Soviets are too serious and determined about military issues and military spending for us to be anything but serious and determined in reply. We must be concerned; we must act prudently; but we should refuse to be panicked. The power, determination, and stability of the United States as a competitor, and the degree of cohesion exhibited by U.S. alliances, will strongly influence Soviet behavior.

If we manage our resources properly, we do not need to outspend the Soviets by a large margin in order to assure our security. We can outthink, outdesign, and outperform the Soviets with the resources we have and the steady increases we are requesting. I have consistently been of the opinion that careful, systematic, and thoughtful analysis—unencumbered by ideological baggage—along with technical proficiency and efficiency in management, are where our strengths lie.

To keep our position in the long-run competition, these approaches must characterize our style. A dash less of alarm, more than just the flavor of analysis, a strong infusion of technology, and double shot of efficiency are what we need.

That may not be a new remedy. But it does have a kick. As long as there isn't a proposition on the ballot prohibiting it, we ought to try it. We might even come to like it.

Thank you.●

THE FUTURE OF CIVIL DEFENSE

● Mr. SCHMITT. Mr. President, during at least the past 15 years, the United States has virtually ignored civil defense. At the same time, the Soviet Union has pursued a policy of strengthening their civil defense program. The effort of the Soviet Union in this area far exceeds that of the United States.

The issue of civil defense is important in two respects. First, in the event of a nuclear war, it is absolutely critical that our casualties be kept to an absolute minimum. To pursue any other policy would be a betrayal of the trust that the American people have placed in us as their elected representatives.

Second, we cannot allow our civilians to be used for blackmail in a confrontation between the United States and the U.S.S.R. The Soviet Union has attempted to protect their civilians so that the threat of a nuclear strike by the United States will not be as damaging as a nuclear strike by the Soviets against the United States would be. The fact is that the majority of our civilians live in metropolitan areas. The Soviet Union would not have to strike at too many cities to inflict major civilian casualties on the United States. The threat of this action could become critical in foreign policy considerations at some time in the future if it is not already. As a consequence of surviving the loss of tens of millions of citizens during World War II, the Soviet leaders may be more willing to play this form of "brinkmanship" than we.

Mr. President, civil defense cannot be considered separately from our overall defense planning and arms limitation decisions. The Soviet Union considers it integral to its defense. It is, in fact, a "strategic weapon" that negates many of the qualitative advantages of our defense systems. Yet, in the United States, we have ignored civil defense as demonstrated by the low level of funding and the low priority it has received.

The announcement by the President that civil defense is being brought into the White House is welcome. I hope this signifies that it will receive the attention which it deserves and which the American people deserve. I also hope, however, that all necessary portions of the administration will be involved in planning, training, and implementation.

At this time, Mr. President, I ask to include in the RECORD an article by Rowland Evans and Robert Novak which appeared in the Washington Post on Monday, June 19, 1978.

The article follows:

HIGH-LEVEL JOUSTING OVER CIVIL DEFENSE

(By Rowland Evans and Robert Novak)

President Carter's reorganization plan taking civil defense out of the Pentagon and putting it in the White House will soon be followed by a secret National Security Council (NSC) study demolishing the arms-control lobby's arguments that Soviet civil defense does not matter.

The reorganization plan was fought to the end by Secretary of Defense Harold Brown, a confirmed skeptic about civil defense. The NSC study is passionately opposed by chief disarmament negotiator Paul Warnke, who contends that civil defense is useless. Taken together, the two moves suggest a radical and wholly unexpected shift in Carter administration policy.

However, this is only a beginning. As unconvinced defense-oriented members of Congress point out, there is no money commitment approaching what the Russians spend to protect their people. But Carter now has the organizational and theoretical base to generate public support for civil defense, if he desires.

Civil defense has been dead in this country for 15 years, killed the last year of the Kennedy administration. Carter seemed ready to bury it for good March 30, 1977, when he announced U.S.-Soviet plans to "mutually agree on foregoing major efforts in civil defense." Secretary Brown publicly belittled Soviet civil defense and privately muzzled Air Force intelligence officers worried about it.

Intentionally or not, that fit the arms-control theology that holds U.S.-Soviet agreements are possible only if American citizens perceive that civil defense cannot prevent mutual destruction. Adam Yarmolinsky, counselor of the Arms Control and Disarmament Agency (ACDA), privately contends that advocates of civil defense are saying "a nuclear war could be no worse than a bad cold."

Change was generated last year from an unlikely source: Bardyl Tirana, a liberal Washington lawyer with no military background who opposed the Vietnam War and supported George McGovern. Named head of civil defense in the Pentagon to his own and the military's consternation, Tirana quickly concluded that Jimmy Carter could not take a position countenancing mass slaughter of Americans in a nuclear war. Thus, Tirana became an energetic convert for civil defense.

Simultaneously, NSC staffers, led by former Harvard professor Samuel Huntington, began drafting presidential review memorandum 32 as a rebuttal to the arms-control theology. The preliminary draft for the first time has the U.S. government recognizing the Kremlin's real outlook.

"The Soviets do not subscribe to the view that mutual vulnerability is stabilizing,"

says the PRM-32 draft, classified secret. "To the contrary, they believe that deterrence requires, in addition to offensive forces, a credible defense from attack. In their view, a lack of significant damage-limiting capability inhibits the credibility of retaliation." PRM-32 also argues that the "essential equivalence" of strategic strength between the United States and the Soviet Union "must also involve equivalent survivability of the two societies." Therefore, "a civilian defense program directed toward the goal of equivalent survivability is a necessary corollary to U.S. strategic forces policy."

To arms-control theologists, that is Martin Luther tacking up his thesis at Wittenberg. ACDA Director Warnke "is really screaming," according to one senior official, and will file a strenuous dissent to PRM-32.

As usual, Brown has been subtle, even inscrutable. While not objecting to PRM-32, he has fought backstage against the reorganization plan putting civil defense in the White House. Brown's aides wrote unusually vigorous letters (over Deputy Defense Secretary Charles Duncan's signature) May 4 and May 10 attacking the plan as "unwieldy."

But in opposing the reorganization, Brown has embraced civil defense as never before. Arguing that civil defense "cannot be considered as independent of the rest of strategic nuclear programs," he talked about "its deterrent effect" and "possible effect on reducing casualties."

Advocates of civil defense, suspicious that Brown was changing his tune merely to keep the program under his thumb, backed the reorganization. So did NSC Director Zbigniew Brzezinski, who on May 23 urged that the new disaster agency's chief be given a seat on the NSC, alongside Harold Brown, when appropriate.

On June 2, President Carter chose the option calling for the reorganization. He now has a new agency and a new doctrine in PRM-32, but a projected maximum of only $200 million in annual civil-defense spending, compared with cumulative Soviet expenditures estimated at $65 billion. Although the constrained theory and structure of the past 15 years are gone, it is up to the president whether that is translated into true protection of the nation's citizens, with all that means for global strategy.●

UNIVERSAL APPLICATION OF HUMAN RIGHTS NEEDED

● Mr. GOLDWATER. Mr. President, President Carter in speaking to the annual meeting of the Organization of American States stated that "The United States prefers to take actions that are positive," and then added that Washington will, "continue to demonstrate that there are costs to the flagrant disregard for international standards." He was referring to human rights and I think I can once again tell him that he will not find an American in this country opposed to the subject. But I think you will find many Americans, including myself, questioning why he refuses to chastise Red China which is the worst violator of human rights in recorded history. Instead, we find the administration moving toward diplomatic recognition of the murderous government on mainland China and deliberately turning its back on America's friends on Taiwan.

Mr. President, human rights is a highly laudable concept as a part of foreign policy. But to be effective, it must be universally applied. If the administration is going to be dishonest about its human rights policy, then the policy falls of its own weight. If the human rights violation of right-wing governments bothers President Carter, as he has stated many times, then why does not the same kind of activity on the part of left-wing tyrants evoke the same condemnation? This is particularly true in the case of countries with which the Carter administration is playing a type of foreign policy "footsie." For example, in its great drive to play the so-called "China card" and move closer to Peking, the administration stands absolutely mute on the overriding problem of murder and political and human repression on the mainland of China. And in all of his criticism of Fidel Castro's African policy, I can detect little application of a human rights attitude toward repression of human liberties on the island of Cuba. These are only two prime examples of how the Carter administration policy on human rights is seldom applied where it is needed most.

Mr. President, in conclusion, let me repeat that human rights as a concept of American foreign policy is a dishonest travesty when it is applied on the selective basis which the Carter administration has elected to apply it. It does our Nation dishonor and holds us up as a hypocrite to the rest of the world.●

U.S. FOREIGN POLICY

● Mr. GOLDWATER. Mr. President, the administration's current China policy, needless to say, is causing great apprehension among many Americans who are concerned with our future in the Pacific. Recently, Mr. Stephen H. Chowe, chairman of the Americanism Committee of the American Legion in my State, wrote an extremely penetrating article on the subject entitled "Myopic U.S. Foreign Policy." In it he concludes that the consequences of President Carter's China policy, if pursued to the point where we recognize Red China and cut relations with Taiwan, would go something like this: "The United States would be replaced in the Pacific by the Soviet Union and in consequence, would lose markets and perhaps investments abroad. Mainland China would have been completely surounded by the Soviet Union in the northwest as in the southeast. In fact, it would be impossible for Peking ever to 'liberate' Taiwan. Furthermore, the United States would be unable to provide mainland China with any military aid of any kind."

Mr. President, I ask that Mr. Chowe's article be printed at this point in the RECORD.

The article follows:

MYOPIC U.S. FOREIGN POLICY

(By Stephen H. Chowe)

Several actions in recent months by the Carter administration combine to give quite a clear picture of just what its China policy is. I shall skip discussing the theory and shall limit myself to analyzing the practicality of the President's foreign policy regarding China.

Mr. Carter chose to snub the Republic of China by not sending a U.S. representative to the inauguration of its new president but he timed it to coincide with Brzezinski's presence in Peking on the same day. It has also been reported that the Carter administration has informed the current Chinese Ambassador James Shen that when he leaves Washington his replacement will not be accepted. If true, it is contrary to the established diplomatic courtesy. All of this appears to be a calculated affront designed to provoke Taiwan to break relations with Washington.

Leaving the question of ethics, morality and courtesy, let us consider what the consequences of such a myopic policy would be. First of all, it is a self-contradiction on the part of Peking to demand that the U.S. must first sever relations with Taiwan, if Washington really wants normal relations with Peking, but at the same time Peking wants the U.S. to remain a strong Pacific power in order to protect itself against the possible threat from the Soviet Union in the Pacific. What Peking fails to realize is that if the U.S. breaks with Taiwan, then the U.S. must depart from Taiwan and eventually from the Pacific as well. It would be only a matter of time but an unavoidable sequence, and it would create a sort of diplomatic vacuum on Taiwan which would have to filled by another equivalent power and that "power" will probably be the Soviet Union.

Such a political realignment is quite probable because, on the one hand, the Soviet Union is most anxious to establish a strong position in the Pacific, as she did in the Middle East. This is plainly spelled out in the Kremlin's 20-year foreign policy program.* On the other hand, Chiang Ching-kuo was educated in Russia and his wife a Russian. He not only knows the Russians but also knows how to get along with them, if that should become necessary for survival. Furthermore, when the Soviet Union replaces the U.S. on Taiwan, the nations in southeast Asia will probably, by necessity, have to realign themselves in view of the new political situation to survive. In such an event, a Taiwan-Vietnam-Russian triad would become the dominant political force in the Pacific. Such a geopolitical change would also force Japan, So. Korea (by then all U.S. troops will have been withdrawn), the Philippines, Malaysia, Singapore, Thailand, and Indonesia to reconsider their respective position vis-a-vis the Soviet Union and the United States, and they may have to accept the new political reality to survive. Even Australia and New Zealand would find their respective positions have become vulnerable and that a new reassessment could be imperative.

This projective analysis is not out of the realm of possibility. Consider this: The economy of all Southeast Asian nations has been dominated by the Overseas Chinese for centuries and corollarily anti-Chinese sentiments have been rising with intensity. If the U.S. were to withdraw from the Pacific, which would be inevitable once we withdraw from Taiwan, and if the peoples in the region were to choose between mainland China and the Soviet Union on Taiwan, the odds would favor the Russians who will probably treat Asian nations as "partners," but not as satellites as is the case in East Europe. It may be that some nations in that region would "welcome" the Soviet presence. I do not think the visit to Taiwan by Victor Louis, Soviet's roaming journalist KGB agent, was an accident.

The consequence of Carter's China policy could lead in the end to something as follows: The United States would be replaced in the Pacific by the Soviet Union and in consequence would lose markets and perhaps investments as well. Then mainland China will have been completely surrounded by the Soviet Union in the northwest as well as in the southeast. In fact, it would be impossible for Peking ever to "liberate" Taiwan. Furthermore, the U.S. would be unable to

* In the said 20-year foreign policy program of the Soviet Union, Africa, Latin America, and Asia were specifically mentioned.

provide mainland China with any military aid of any sort at all.

The above analysis, brief as it is, clearly indicates that it will serve no useful purpose for both mainland China and the United States to change the present status of the Republic of China on Taiwan.

COSPONSOR OF S. 2716

● Mr. NELSON. Mr. President, on March 10, 1978, I introduced S. 2716, to amend the Interstate Land Sales Full Disclosure Act. On April 4, 1978, amendment No. 1757 to S. 2716 was filed. Through inadvertence, the distinguished Senator from Colorado (Mr. HASKELL) was not listed as an original cosponsor of either item. I ask that he be added as a cosponsor of both the bill and the amendment. I regret the oversight.●

CONSERVATION PROGRAMS ON MILITARY RESERVATIONS

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 10882.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 10882) entitled "An Act to authorize appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1979, 1980, and 1981", with the following amendments:

Page 1 of the Senate engrossed amendment strike out lines 10 to 12, inclusive, and insert: Secretary of Defense not to exceed $1,500,000 for each of the fiscal years ending September 30, 1979, September 30, 1980, and September 30, 1981, to carry out this title, including the enhancement

Page 2 of the Senate engrossed amendment, strike out lines 7 to 9, inclusive, and insert: Secretary of the Interior not to exceed $4,500,000 for each of the fiscal years ending September 30, 1979, September 30, 1980, and September 30, 1981, to carry out such functions and responsibilities as

Page 3 of the Senate engrossed amendment, strike out lines 5 and 6, and insert: ber 30, 1979, and $15,000,000 for each of the fiscal years ending September 30, 1980, and September 30, 1981, to enable the Department of the

Page 3 of the Senate engrossed amendment, strike out lines 16 and 17, and insert: 1979, and $40,000,000 for each of the fiscal years ending September 30, 1980, and September 30, 1981, to enable the Department of Agriculture

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

NATIONAL CLIMATE ACT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 6669.

The PRESIDING OFFICER (Mr. JOHNSTON) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 6669) to establish a national climate program, and for other purposes and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CANNON, Mr. MAGNUSON, Mr. STEVENSON, Mr. PEARSON, and Mr. SCHMITT conferees on the part of the Senate.

AUTHORIZATION FOR COMMITTEE TO FILE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance may have until midnight tonight to file a report.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON APPROPRIATIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 878, which has been cleared on both sides of the aisle.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 478) authorizing additional expenditures by the Committee on Appropriations for routine purposes, was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations is authorized to expend from the contingent fund of the Senate, during the Ninety-fifth Congress, $75,000 in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946, and in Senate Resolution 113, Ninety-fifth Congress, agreed to April 1, 1977.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-946), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Section 134(a) of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong., 60 Stat. 812, Aug. 2, 1946) authorized each standing committee on the Senate to expend not to exceed $10,000 per Congress for routine committee expenditures.

Senate Resolution 478 would authorize the Committee on Appropriations to expend from the contingent fund of the Senate, during the 95th Congress, $75,000 in addition to the amount, and for the same purposes, specified in said section 134(a). Pursuant to Senate Resolution 113, agreed to April 1, 1977, the committee received an additional $250,000 for such routine purposes. Approval of Senate Resolution 478 would increase to $325,000 the amount which that committee could expend during the 95th Congress in addition to and for the same purposes as its statutory $10,000 per Congress.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. HAYAKAWA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

U.S. DEFENSE POSTURE

Mr. HAYAKAWA. Mr. President, I would like to call attention to the fact that with the current strains that we are experiencing in our relations with the Soviet Union, it is extremely important that we carefully evaluate the state of our defenses. Nowhere is the U.S. defense posture more seriously crippled than in the vital area of research and development. Although the Soviet R. & D. effort is far greater than ours, the administration has refused to increase U.S. spending on new defense improvements above the current $12.5 billion level.

Consequently, one program that got axed from the R. & D. portion of President Carter's defense budget was the Navy's surface effect ship (SES). Fortunately, the House saw fit to reinstate funding for the development of the SES to the tune of $193 million in its authorization bill. It is also my understanding that the House Appropriations Committee included funding for the program at the same level in its bill. The Senate Armed Services Committee, on the other hand, only saw fit to authorize $30 million for the program. I am confident, however, that we, in our wisdom, will join with the House on this matter when it goes to conference.

Surface effect ship development was started in the United States in 1961. Since then, the program has progressed steadily and approximately $350 million has been invested to date. Currently, two 100-ton operational prototypes are being studied and tested by the Navy at Patuxent River, Md. The $93 million requested for funding in the 1979 budget is to begin construction of a 3,000-ton test ship known as the the 3KSES. This size ship is being built to see how an SES will actually hold up in the ocean environment.

The SES is a revolutionary marine vessel that could dramatically alter our Navy of tomorrow. About the weight of a World War II destroyer, the 3KSES will travel over the ocean on a cushion of air. This air bubble is contained between rigid sidewalls and flexible seals across the bow and stern. Because of the reduced drag, a large SES will be able to attain speeds up to 100 knots—quite a feat when you consider that today's surface warships travel at only one-third of that speed.

Quick reaction time, high-speed maneuverability, minimal vulnerability to torpedoes and mines—all these combine to make the SES an exciting innovation to our naval forces.

Because of its unique capabilities, the SES could be used in a variety of missions now being fulfilled by our current, slower surface fleet. To combat the Soviet submarine threat, the SES could be used in an antisubmarine warfare (ASW) mode. By employing sprint and drift tactics, the SES could provide screening capability without delaying the speed of the task force advance.

NATO reinforcement is another vital mission this new supership could fulfill. Considerable cargo could be transported from the United States to Western Europe, greatly reducing the time it now takes to cross the ocean.

The SES would also prove effective in responding to crises that occur on foreign soil. This could be accomplished by deploying SES's configured for amphibious operations.

Lastly, this high-speed ship could be used as an aircraft carrier for V/STOL aircraft and helicopters, thus combating some of the threat of the Soviet aircraft carrier buildup.

These are just a few of the missions that could utilize the SES—the possibilities are exciting. One thing is certain. We should forge ahead for full development of this "flying" ship. For this technology will be the basis for the navy of the future—if not ours, then the Russians. As Admiral Gorshkov, Commander-in-Chief of the Soviet Navy, said in his book, "Sea Power of the State":

> Construction of warships with dynamic principles of support (e.g. SES) already has become practicable. Undoubtedly the appearance *en masse* of such warships in the composition of navies will increase their combat capabilities; the surface forces will be able to carry out combat missions successfully and acquire completely new qualities.

To let such technology go "down the tubes" would be an irreparable loss; for the SES will lend itself toward controlling the seas as the jet has done in the skies.

CECIL FLETCHER HOLLAND
(1907–78)

Mr. GRIFFIN. Mr. President, it is my sad duty to advise the Senate of the death on Thursday, June 22, of a very good friend to many who serve in this body—one who was my working partner for 8 years—Cecil F. Holland.

For a third of a century, the Senate was Cecil Holland's second home.

He closed out a remarkable career when he retired in December 1975, after 8 years of service as my good right arm—first, as administrative assistant in my Senate office, and then as administrative assistant to me in my capacity as the assistant minority leader.

Many in and out of the Senate will well recall that, before he joined my staff in 1968, Cecil Holland was one of the most highly respected and productive newsmen on Capitol Hill. For more than 25 years, he served as a reporter for one newspaper, the Washington Star, and during most of that period his assignment was to cover the U.S. Senate.

During the long period of his service, Cecil Holland learned more about the Senate, its history and its workings, than many who enjoyed the honor of serving as Senators.

Cecil Holland became a trusted friend of all with whom he worked, and he was the respected mentor of many here in the Senate. His wise and quiet counsel, his unfailing courtesy, and his steady helpfulness were extended and available to everyone, from the most senior Senator to the most junior staffer and the youngest page.

His was a special blend of the true reporter's objectivity and detachment, the scholar's insight and perspective, and the active participant's involvement and concern.

Cecil Holland was steeped in the history and traditions of this body. From his seat in the press gallery and, later, on the end of the couch in the back of the Chamber, he watched the ebb and flow and absorbed the lessons of legislative action, maneuver, and debate.

From his wide, deep reading of the history and annals of this body, he gleaned a store of facts and anecdotes, in addition to a wealth of wisdom and understanding.

He possessed a virtue that is rare in the environs of the Senate—the ability and willingness to listen.

That quality often reminded me of a quotation attributed to President "Silent Cal" Coolidge, who at one time was asked for the secret of his success. He replied, "I just listened my way along."

Cecil Holland listened his way along through more than three decades of service in and close to the U.S. Senate. When he did speak, others listened—a measure of the enormous respect he had earned for his wisdom, his dedication, and in his integrity.

Cecil Holland—courtly, courteous, and wise—was a warm friend and a true gentleman in every sense of the word.

On Cecil's last day of service to the Senate, our late beloved colleague, Senator Philip A. Hart, in an extemporaneous tribute perhaps caught his spirit best, in these words:

> I have come to know him well. He is a thoroughly gentle, decent person and the world does not have too many of these, nor the Senate, either. We shall miss him greatly.

Indeed we did—and indeed we shall.

I know I speak for all our colleagues and Cecil Holland's many devoted friends here and elsewhere in extending to his wonderful wife, Alice, to their son and daughters, and their families, our deep and heartfelt sympathy.

Mr. President, I ask unanimous consent that the accounts of Cecil Holland's life, which appeared in the Washington Star, the Washington Post, and the New York Times last weekend, be reprinted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows;

[From the Washington Star, June 24, 1978]

CECIL FLETCHER HOLLAND, 70, DIES; DISTINGUISHED REPORTER FOR THE STAR

Cecil Fletcher Holland, 70, former Washington political correspondent and more recently administrative assistant to Sen. Robert P. Griffin, R-Mich., died yesterday at Walter Reed Hospital of an aeortic aneurysm. He lived at 14 W. Lenox Street, Chevy Chase.

Holland, who was born in Falling Water, Tenn., came to Washington in 1939 to join the staff of The Washington Star.

He covered many of the major stories of his time, including the Army-McCarthy hearings about alleged Communist infiltration of the government, the McClellan Committee hearings into alleged labor racketeering, and every Presidential campaign from 1940 to 1968.

He also traveled throughout the South in the 1960s to report on civil rights troubles—including the landmark integration of the Little Rock, Ark., Central High School, which then-Governor Orvil Faubus sought to block.

Holland remained at The Star until 1968, except for World War II service and brief periods on the Washington staffs of the Chicago Sun and the New York Herald-Tribune.

He was honored by Sigma Delta Chi, the national journalistic organization, for accuracy and clarity in his reporting.

He also received an award from the Washington Newspaper Guild, for the best general news story of 1950—an exclusive on the diary of James Forrestal, the nation's first Secretary of Defense.

Upon leaving The Star in 1968, Holland became Sen. Griffin's Administrative Assistant, a post he held until his retirement in 1976.

He was the author of "Morgan and His Raiders," a widely-acclaimed book about Civil war Gen. John Hunt Morgan, published in 1942.

During World War II Holland was a Major in the Air Force. He served from 1942 to 1945 in the European Theater, but traveled also to North Africa, South America and the Caribbean.

The son of Fletcher and Matilda Holland, he received a bachelor of arts degree from the University of Chattanooga, now the University of Tennessee at Chattanooga, where he majored in Greek and English and graduated with honors.

A skilled basketball player, he played on the university's team and later played semi-professionally.

Holland began his newspaper career with the Chattanooga News in 1926, and worked there until he came to The Star.

He is survived by his wife, the former Alice Carden; a son, Cecil F. Holland Jr. of New York City; three daughters, Mary Frances Holland Hughes of the District, Carden Holland of Providence, R.I., and Martha Holland of Chapel Hill, N.C.; a sister, Hazel Millican of Chattanooga; and a brother, James Edwin of Arlington.

Funeral services service will be held Tuesday at 9 a.m. at Arlington National Cemetery.

[From the Washington Post, June 24, 1978]

CECIL HOLLAND, EX-HILL AIDE, REPORTER FOR STAR, AUTHOR

Cecil Fletcher Holland, 70, a reporter who covered major stories for The Washington Star for nearly 30 years, died of an aneurysm Thursday at Walter Reed Hospital.

After leaving The Star in 1967, he was an administrative assistant to Sen. Robert P. Griffin (R-Mich.) until retiring in 1975.

From 1940 through 1967, Mr. Holland covered all of the presidential campaigns and many of the congressional races. He reported on the McCarthy hearings on alleged Communist infiltration of the federal government and the McClellan hearings on racketeering.

Mr. Holland had traveled throughout the South, covered civil rights problems, including the turbulent desegregation of Central High School in Little Rock, Ark.

He received the top award of Sigma Delta Chi, national professional journalism society. He had been a member of the National Press Club.

Born in Daisy, Tenn., Mr. Holland was a graduate of the University of Chattanooga, where he played varsity basketball. He later played semi-professionally.

He worked for the Chattanooga News before coming to Washington in 1939. He served

briefly on the Washington staffs of the Chicago Sun and the New York Herald Tribune. He was with the Army Air Forces in Europe in World War II.

Mr. Holland was the author of a book about the Civil War, "Morgan and His Raiders," published in 1942.

He is survived by his wife, Alice Carden, of the home in Chevy Chase; a son, Cecil F. Jr., of New York City; three daughters, Mary Frances Hughes, of Washington, Carden Holland, of Providence, R.I., and Martha Holland, of Chapel Hill, N.C.; a sister, Hazel Millican, of Chattanooga, and a brother, James Edwin, of Arlington.

[From the New York Times, June 24, 1978]

CECIL F. HOLLAND REPORTER, DIES

WASHINGTON, June 23.—Cecil Fletcher Holland, a well-known Washington reporter, died yesterday at Walter Reed Hospital of an aeortic aneurysm. He was 70 years old.

Mr. Holland began his career with The Chattanooga News. He moved to The Washington Evening Star in 1939 and soon was covering major stories. He also served briefly on the Washington staffs of The Chicago Sun and The New York Herald Tribune.

He covered all Congressional and Presidential campaigns between 1940 and 1968, the Army-McCarthy hearings into alleged Government infiltration by Communists and the Senate's McClellan hearings into racketeering.

One of Mr. Holland's editors at The Star remembered him as "always a very dedicated and accurate reporter."

Mr. Holland was the author of a widely acclaimed book about the Civil War, "Morgan and His Raiders."

In World War II, Mr. Holland was a major in the Air Force, serving in Europe.

Before his retirement in 1976, Mr. Holland served for eight years as administrative assistant to Senator Robert P. Griffin, Republican of Michigan.

He is survived by his wife, Alice Carden Holland; a son, Cecil F. Holland Jr., of New York City, and three daughters, Mary Frances Holland Hughes of Washington, Carden Holland of Providence R.I., and Martha Holland of Chapel Hill, N.C.

He is survived by a sister, Hazel Millican of Chattanooga; and a brother, James Edwin Holland of Arlington, Va.

Mr. HELMS. Will the Senator yield?

Mr. GRIFFIN. I am glad to yield to the distinguished Senator from North Carolina.

Mr. HELMS. Mr. President, I certainly want to associate myself with the remarks of the able Senator from Michigan.

Cecil Holland was one of nature's noblemen. He befriended this Senator beginning the first day that I arrived in the Senate in January 1973. He was most helpful and considerate at all times and, as the Senator indicated, I suspect Cecil Holland had a relationship with the Senate that was at least equal to any of us who have been honored to serve in the Senate.

I commend the Senator on his remarks and I want to be associated with them

Mr. GRIFFIN. I thank the distinguished Senator from North Carolina.

ORDER OF PROCEDURE—S. 3074

Mr. HELMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HELMS. What is the pending business?

The PRESIDING OFFICER. The Senate is in a period of morning business.

Mr. PROXMIRE. Does the Senator want to speak in the morning hour?

Mr. HELMS. I was going to make an inquiry of the Chair, if I might, as to further amendments to the foreign aid bill.

Is the Senator correct in his understanding that we have a unanimous consent providing for rollcall votes to begin at 5:45?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. But that would not preclude the submission of any further amendments, would it?

The PRESIDING OFFICER. There is a unanimous-consent agreement that would preclude further amendments.

Mr. HELMS. Mr. President, I did not understand the unanimous-consent agreement to have that effect.

I ask unanimous consent that the Senator from North Carolina be accorded 5 minutes in order to present two amendments. I do not intend to make lengthy speeches in connection with them, but I do not wish to be foreclosed in the submission of these amendments.

The PRESIDING OFFICER. If the Senate returns to the bill before 5:45, there can be further amendments.

Mr. CHILES. Mr. President, reserving the right to object——

The PRESIDING OFFICER. There is no unanimous-consent request pending.

Mr. CHILES. I thought the Senator was propounding a unanimous-consent request.

Mr. HELMS. I did propound a unanimous-consent request.

The PRESIDING OFFICER. The Chair did not hear it.

Mr. HELMS. Mr. President, I ask unanimous consent that the Senator from North Carolina, in any event, be accorded no more than 5 minutes to submit two amendments which he hopes the managers of the bill will accept.

Mr. CHILES. Mr. President, reserving the right to object, the manager of the bill not being on the floor at this time and the majority leader not being on the floor at this time, I feel that I would have to object, if the unanimous-consent request is propounded at this time.

Mr. HELMS. Mr. President, I am disturbed by the fact that amendments have been shut off in this manner, because the foreign aid bill was represented, in this Senator's understanding, as being scheduled for Wednesday, not today. Therefore, we have done the best we can to prepare amendments and to have them ready for presentation at this time.

I am a bit concerned, frankly, that such a unanimous-consent request was propounded and that it was granted. It would not have been granted if the Senator from North Carolina had been on the floor at the time.

The PRESIDING OFFICER. The Chair advises that at the conclusion of morning business, if morning business is concluded before 5:45, it would be in order to offer an amendment. The Chair did ask, before we went into morning business, if there were further amendments.

Is there further morning business?

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may be recognized for 5 minutes. I understand that then the morning hour can be concluded, and we can go back to the bill, and the Senator from North Carolina will have an opportunity to present his amendments.

Mr. HELMS. That is perfectly satisfactory.

The PRESIDING OFFICER. Is the Senator asking unanimous consent that the Senator from North Carolina be recognized at the conclusion of the remarks of the Senator from Wisconsin?

Mr. PROXMIRE. That is correct.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HELMS. I thank the Senator.

PRODUCTIVITY: AN IMPORTANT PART OF THE INFLATION SOLUTION

Mr. PROXMIRE. Mr. President, there has been much handwringing about inflation. All of us recognize it as the No. 1 economic problem facing this Nation. We have talked about the importance of meeting it in a variety of ways.

It has been proposed that we reduce the Federal deficit, and that would certainly help.

It has been proposed that we hold down the increase in Federal spending, and that would also help.

The President has engaged in jawboning and has put Robert Strauss to work full time on it, and Mr. Strauss has made some impressive progress.

We have established a Commission on Wage and Price Stability under Barry Bosworth, and that agency has been very useful in spotlighting potential wage and price increases that could be inflationary so that we can take whatever steps are possible to head them off.

Senator ED MUSKIE and his Budget Committee are working on the development of an inflation-impact requirement for legislation that comes before this body, so that when we act on spending legislation or on regulatory legislation, we will have some idea of the inflation implications.

Chairman Miller and the Federal Reserve Board have been conscious of the inflation problem and the desirability of holding down increases in the supply of money so that the country's central bank restrains the classic inflation mechanism: Too much money chasing too few goods.

We have done something but not much to restrain the inflation that flows from higher food prices, and indeed it is difficult to do as much as we would like to do because farm income has been much too low for much too long.

We have done far too little to encourage imports as a vigorous competitive alternative that can hold down domestic prices. Indeed, in too many areas we are still building protectionist fences to keep competitive and anti-inflation imports out.

We have been moving much too weakly to enforce our antitrust laws, and in an economic system where full and free competition is the supreme regulator. that is indeed a serious oversight.

Finally, Mr. President, there is one area where we have been particularly negligent in combating inflation, and that is with respect to productivity. What is productivity? It is the degree of efficiency with which we produce our goods and services. And it is right at the heart of holding down prices while achieving a better life.

The great economic progress of this country throughout its history has been based on a remarkably steady improvement in productivity.

In the first 164 years of our history until 1940, inflation was almost entirely a temporary, wartime phenomenon. Our standard of living improved amazingly. Approximately every generation—every 30 years—our standard of living literally doubled. Each generation was literally twice as well off in material benefits as the preceding generation.

Why? The answer is that throughout that long period, this country averaged a better than 3-percent improvement in productivity. That meant we could double the real wages people received with no increase in the cost of living.

We not only vastly improved the economic life of Americans; we led the world and showed the world the way to the better life. But in the last 30 years since the end of World War II, our economic leadership has begun to fade. Germany and Japan have not only outtraded us; they have not only successfully challenged our technological supremacy; they not only rival our standard of living, but they also have vastly outpaced our productivity increases. Their productivity has been going up by 8 or 10 percent or more each year, while our productivity has fallen to less than half of our historic average. Lately, we have been poking along at about a 1.5-percent increase in productivity.

The result is of more immediate in-the-pocket concern for most Americans than losing our world economic leadership; the result is an additional impetus to inflation.

The reason is simple. Wage increases can be given by employers without any increase in prices only if there is a corresponding increase in productivity. If, for example, a worker who has produced 50 widgets in an hour and has been paid 10 cents per widget, or $5 per hour, enjoys a 10-percent increase in hourly pay so that he is making $5.50, his employer must increase the price of each widget to 11 cents just to cover his labor costs. Result: the 10-percent wage increase results in a 10-percent inflation in the price of widgets.

The story of widgets would be the story of the whole economy if it were not for productivity.

Consider: Suppose that worker increases his productivity by 10 percent at the same time he gets his pay increase. Just suppose that instead of producing 50 widgets in an hour, he produced 55. He gets paid $5.50. But there are more widgets.

So what happens to the wage cost of widgets? It remains at exactly the same 10 cents per widget as the price before the worker enjoyed the pay increase.

How could this happen? It happened because the worker increased his productivity. He earned more. But the employer had to pay no more for each widget produced. So the price remained the same.

Here is why American productivity is so essential to controlling inflation.

What are we as a Government doing about this? The answer is just about nothing. But is something being done privately? It is indeed. It is being done in a modest, limited way, but I think in a heroic way, by Mr. C. Jackson Grayson.

Mr. Grayson, as Senators may recall, was the price control chief in the Nixon administration. He is probably the Nation's outstanding expert on why wage-price controls will not work, and he is an eager-beaver crusader for productivity. In fact, he has established the Nation's one productivity center at Houston, Tex.

It is financed entirely by private money. It is barely a year old. But much of the prospect for this country overcoming inflation and retaining its world economic leadership depends on this center.

Incidentally, both Japan and West Germany have productivity centers. It is not accident that the two countries with major established productivity centers have enjoyed the highest productivity gains in the world and are now the nations that are showing the rest of the world the way in economic progress.

Mr. President, I ask unanimous consent that a facinating article from the U.S. News & World Report, entitled "Why U.S. Workers Are Producing Less," and featuring an interview with Mr. Jackson Grayson, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY U.S. WORKERS ARE PRODUCING LESS

If the U.S. is to cut inflation, avoid wage-price controls and compete in foreign markets, the productivity of American business will have to increase sharply. That message comes from C. Jackson Grayson, Jr., chairman of the American Productivity Center—a private, nonprofit organization with headquarters in Houston, Tex.

Grayson, price-control chief in the Nixon administration, left Washington to return to his former post as dean of the Business School at Southern Methodist University. He set up the new productivity center in 1977, with support from about 80 major companies. Its board of directors includes industrialists, bankers and labor-union leaders.

In this interview, he tells what workers and their bosses must do to boost lagging output.

Q. Mr. Grayson, why are you worried about the recent slowdown in productivity in offices and factories?

A. Because if that continues, the U.S. will lose its competitive edge. Jobs that ought to be held by American workers will go to workers in other countries.

Q. Are jobs already being exported?

A. Yes. In a growing number of industries, we are in serious trouble: shipping, steel, television manufacturing, footwear. Warning signals are flashing in other lines such as computers, autos and electronics.

Q. "Productivity" is a word that causes a lot of confusion. How do you define it?

A. It is a measure of the efficiency with which people produce goods and services. The simplest definition is that it's the ratio between what you get out for what you put in.

Too often, productivity is mistakenly associated with layoffs, stopwatches and a speedup on the assembly line. That's the wrong impression. To measure productivity, we have to include not only man-hours that go into a job but also the capital, the machinery and tools, the input energy and raw materials.

Q. Is there a link between lagging productivity and the rising rate of inflation?

A. Definitely.

Improving the rate of output is one way—really the *only* way—that business can marshall its resources to offer an alternative to government-imposed wage and price controls.

Q. You were the head of the Price Commission during the Nixon administration. From that experience, what advice can you offer about mandatory wage-price controls?

A. Don't install them. They are self-defeating.

They don't get to the root of inflation. All they do is suppress, by coercion, the basic causes.

Eventually, when controls are removed, inflation breaks out at a more virulent rate than ever.

Q. Is jawboning—urging industry and labor to hold down prices and wages voluntarily—an alternative?

A. No. In fact, it's dangerous.

Q. Why?

A. Because it doesn't get results—and since the government doesn't like to admit defeat, it will have to resort to mandatory controls to make up for what wasn't accomplished by the jawboning process. So we come back to the fact that improving productivity is the only real answer to fighting inflation. Every other route says the government should do something.

The private sector has to do the job, and productivity is its chief hallmark.

Q. Why has productivity in this country been declining?

A. I could cite maybe a dozen reasons, but two of them stand out as the most important:

The first is the high degree of government intervention in regulating the economy. One study shows that we have lost almost one fourth of our productivity gains in recent years as a result of industry's need to invest huge sums to meet pollution-control and environmental standards, and safety and health rules. The cost to business of coping with crime is another limiting factor.

The second reason for lagging productivity—and this will surprise some people—is management inattention to the problem. While top executives agree that improving output is important, most have no explicit program to accomplish that. It's an issue that requires sustained, formal efforts at the very top in U.S. corporations.

Q. Do unions tend to block efforts by business to spur worker output?

A. That's a frequent accusation by businessmen. I know there are cases where unions impose work restrictions. But I know, too, that management often imposes restrictions on labor that makes it inefficient. I don't think we can assign blame to either unions or management. It's a joint problem.

Q. A few months ago, the former Federal Reserve Board Chairman, Arthur Burns, commented that too many people get paid for doing nothing, take time off when they should be on the job, get too many lengthy vacations and fringe benefits—

A. It's management's job to see that such things don't get out of hand. If workers are

getting too much time off as a result of labor-contract provisions, then management ought to work with the unions on agreements that will improve worker efficiency, not reduce it.

Another area that badly needs attention from top executives is motivation—looking at the causes of why people don't want to spend time on the job. Something is causing them to take excessive time off, to shirk their duties.

Workers should be involved in corporate efforts and encouraged to share in the benefits from higher output. Restraints can be reduced, opportunities opened up. Some firms and industries already are doing this with productivity teams.

Q. Are there ways to boost worker efficiency in service businesses—utility companies, hotels, restaurants—just as there are on factory production lines?

A. Yes. Suppliers of services need productivity gains just as much as the manufacturing sector does, but I find many service industries resistant to the idea that they can make such gains. Admittedly, it's more difficult to apply productivity standards to service lines because of the problem of defining output: What's the output of a doctor, or a waitress, or a lawyer, for example? But those problems can be worked on, and much can be accomplished.

Q. What has been the average long-term gain in productivity in the U.S.?

A. The most commonly used figure, published by the Bureau of Labor Statistics, shows that output per man-hour has been rising at a rate of about 3.2 percent a year since World War II.

Q. What is it now?

A. Just about half the long-term rate of gain—about 1.5 percent.

We simply have to do better than that if we want to keep our economy growing and provide future jobs for an expanding labor force.

Q. Aren't there areas where it's difficult to get much increase in productivity above what already has been accomplished?

A. Certainly. But in every industry some gains can be made.

If an industry can't improve its output, it will have to go out of existence. It won't be able to meet competition from more-efficient producers.

Q. What are some of the ways industry can make workers more efficient without having to spend a lot on new equipment?

A. Training is a primary step—helping workers improve existing skills, or retraining those whose work patterns have been altered by investment in new machines.

A second method is through motivation—showing workers that they have a stake in the success of the enterprise, that their jobs and their pay depend on improved efficiency.

Third, management can give workers a share of the gains in productivity in the form of fatter paychecks and increased job responsibilities.

Q. How did the American Productivity Center get started?

A. While I was at the Price Commission, I saw the importance of fighting inflation through increases in productivity rather than through controls. And I soon discovered that a lot of firms in this country had no real understanding of what productivity is or how it is measured.

I looked abroad to see what other countries were doing. Both Japan and West Germany, I found, had productivity centers working with their industries, and in those two countries productivity gains had been the highest of any nation in the world.

I suggested that a similar center be created in this country, and when nobody did it, I took on the job myself. For a year, I went around the U.S. asking corporations if they'd contribute funds to such a center. At the end of 12 months, I had signed up 75 companies and several foundations with pledges of 8.5 million dollars in cash over a five-year period, plus 1.5 million dollars' worth of time to be contributed by middle-management executives on loan to the center.

We deliberately avoided having our headquarters in Washington: We didn't want the image that we were a quasigovernmental agency, and we didn't want the government presence that always surrounds any venture there. When a group of Houston business leaders offered to build us facilities free of charge, we were happy to accept.

Q. What sort of activity goes on at the productivity center?

A. It takes three forms.

The first are seminars, conferences and workshops all across the country. In those we tell companies how we think they can improve productivity, how to organize a program, how to involve employes and motivate them.

Second are publications, which include case studies of how particular companies have done things.

Third are advisory services to individual firms—analyzing their specific operations and telling them how we think they can improve efficiency.

Q. You mentioned the productivity centers in Japan and Germany. Are they government-related or privately sponsored?

A. In Japan, it's a privately financed venture with a 13-million-dollar annual budget and 300 full-time employes.

In Germany, the center has some 250 people, and the center is 60 percent financed by the German government.

Q. Can U.S. companies learn from what Germany and Japan have done?

A. Definitely. People from those two countries came here after World War II with cameras and notebooks, and took a look at what our companies were doing to spur production. They went back to their own countries and copied our methods—which at that time were the most advanced in the world.

In recent years, we have neglected to look at what's being done abroad to see if there are ideas worth adopting. It's time we realized that we in the U.S. didn't invent everything, that we cannot continue to coast on the technological superiority and know-how that we had in the mid-1940s.

EXPORT-IMPORT BANK FINANCING PRENOTIFICATION

Mr. PROXMIRE. Mr. President, I call to the attention of my colleagues a communication I have received from the Export-Import Bank pursuant to section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, notifying the Senate of a proposed loan to assist the export of U.S. goods and services to be used for a gas liquefaction plant (LNG-2) in Algeria. Section 2(b)(3)(i) of the act requires the Bank to notify the Congress of proposed loans or financial guarantees in an amount of $60 million or more at least 25 days of continuous session of Congress prior to the date of final approval. Upon expiration of this period, the Bank may give final approval to the transaction unless the Congress adopts legislation to preclude such approval.

In this case, the Bank proposes to extend a loan in the amount of $240 million to SONATRACH, the State-owned oil and gas monopoly of Algeria, to assist in the purchase from the United States of goods and services to be used in the construction and operation of the LNG-2 gas liquefaction plant at Arzew, Algeria. Eximbank has previously supported the export of U.S. goods and services for another liquefaction plant (LNG-1) and related gas field treatment facilities and a gas pipeline. The credit proposed by Eximbank for the LNG-2 plant will cover 75 percent of the total cost of U.S. goods and services to be exported from the United States. The Eximbank loan would bear interest at the rate of 8.5 percent per annum and be repayable over a 9-year period commencing March 1, 1983.

Mr. President, I ask unanimous consent that the letter from Eximbank pertaining to this transaction be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXPORT-IMPORT BANK OF THE UNITED STATES,
Washington, D.C., June 21, 1978.

Hon. WALTER F. MONDALE,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to Section 2(b)(3)(i) of the Export-Import Bank Act of 1945, as amended, Eximbank hereby submits a statement to the United States Senate with respect to the following transaction involving U.S. exports to Algeria.

A. DESCRIPTION OF TRANSACTION

1. Purpose.

Eximbank is prepared to extend a direct credit in the amount of $240,000,000 to Societe Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures (SONATRACH), a state-owned enterprise of the Democratic and Popular Republic of Algeria, to assist in financing the export from the United States of U.S. goods and services for the LNG-2 gas liquefaction plant at Arzew, Algeria (LNG-2 Plant).

The total cost of the LNG-2 Plant is estimated at $1,715,800,000, with non-Algerian costs amounting to $1,164,400,000, including U.S. costs of $320,000,000. There has been strong competition for the sale of exports for the LNG-2 Plant by other countries which are providing officially supported export financing totalling $488,000,000.00.

The LNG-2 Plant is part of an overall system in Algeria consisting of (1) the LNG-2 Plant itself at Arzew on the Mediterranean coast, (2) the gas field treatment facilities at Hassi R'Mel in the Sahara Desert, and (3) a 315-mile gas pipeline connecting the two. Exports for the gas field treatment facilities and the gas pipeline for the LNG-2 Plant are being supplied by non-U.S. exporters whose countries are providing officially supported export financing for such related facilities totalling $411,000,000.00.

An earlier liquefaction plant (LNG-1 Plant) also supported by Eximbank financing, is in process of completion at Arzew and is part of an overall system similar and related to the LNG-2 overall system. Both systems, as well as others which are planned, will draw from the Hassi R'Mel field, and some of the systems will have certain facilities in common. The prior Eximbank financing supported the sale and export of U.S. goods and services not only for the LNG-1 Plant but also for the gas field treatment facilities and gas pipeline built in connection with the LNG-1 Plant.

2. Identity of the Parties.

SONATRACH is the state-owned monopoly of Algeria under the jurisdiction of the Ministry of Energy and Petrochemical Industries charged with the responsibility for the development of Algeria's oil and gas resources.

Banque Algerienne de Developpement is the government-owned development bank which will guarantee repayment of Eximbank's credit for and on behalf of the Democratic and Popular Republic of Algeria.

3. Nature and Use of Goods and Services.

The principal goods and services to be exported from the United States for use in the construction and operation of the LNG–2 Plant include U.S. services for engineering, procurement and construction supervision, and U.S. goods consisting of cryogenic heat exchangers, pumps, compressors, filters, bulk construction materials and equipment, and portable camp housing. The major U.S. suppliers for the project are the Pullman Kellogg Division of Pullman Incorporated, Houston, Texas, and Air Products and Chemicals, Inc., of Allentown, Pennsylvania.

B. EXPLANATION OF EXIMBANK FINANCING

1. Reasons. The proposed extension of a $240,000,000 credit by Eximbank will facilitate the export of $320,000,000 of U.S. goods and services. In addition to the engineering, design, and construction work that will result from this project for Pullman Kellogg, many other firms throughout the United States There has been very active foreign competition offering official export credit support for this project from, among others, Belgium, Canada, Japan, and the Netherlands. None of the goods to be exported is in short supply in the United States, and Eximbank perceives no adverse impact on the U.S. economy from the export of these goods and services.

The LNG–2 Plant and related system are major elements of Algeria's long-range plan to develop its vast reserves of natural gas. They will generate substantial amounts of foreign exchange earnings for Algeria and will help to expand the world supply of energy. Unlike the LNG–1 Plant, which will be a major supplier of natural gas to the United States, there are as yet no final arrangements for the sale of natural gas from the LNG–2 Plant to the United States. Ultimately, sales could be made to the United States or Europe, or both, but Algeria already has sufficient sales contracts to utilize the output of both the LNG–1 and LNG–2 Plants.

Because of present and past sales of U.S. goods and services with the support of Eximbank financing for Algeria's program for development of its natural resources, American firms will be in a better position to compete for further export sales under Algerian plans for other projects in such development.

2. The Financing Plan. The total cost of U.S. goods and services to be exported from the United States for the LNG–2 Plant is estimated to be $320,000,000, which will be financed as follows:

	Percent
Cash Payment, $48,000,000	15
Eximbank Credit, $240,000,000	75
Private Loans, not guaranteed by Eximbank, $32,000,000	10
Total, $320,000,000	100

(a) Eximbank Charges. The Eximbank credit will bear interest at the rate of 7.5 percent per annum, payable semiannually. A commitment fee of ½ of 1 percent per annum will be charged on the undisbursed portion of the Eximbank credit.

(b) Repayment Terms. The total financing of $272,000,000 consisting of the Eximbank credit and private loans will be repaid by the Borrowers in tweny equal semiannual installments beginning March 1, 1982. The private loans would be repaid out of the first two and part of the third installments, and the Eximbank credit would be repaid from the remainder.

Sincerely,

JOHN L. MOORE, JR.

THE GENOCIDE CONVENTION IS A NEGLECTED PART OF OUR POLICY ON HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, one of the consistent and resounding themes of President Carter's foreign policy has been America's commitment to human rights. President Carter reiterated this message last week when he spoke at the annual meeting of the Organization of American States.

"Where basic human rights are concerned, all of our governments must be accountable not only to our citizens, but to the conscience of the world," he said.

I bring this to your attention today because I think that the President's concern for individual liberties throughout the world deserves our support.

This country has a traditional commitment to human rights and moral responsibility in world affairs. Yet, there have been times when we have abandoned this position. In some cases, we have sacrificed our moral leadership and our dedication to the most basic right of all—the right to live.

The example which troubles me most is the Senate's stand on the United Nations Convention on the Prevention and Punishment of the Crime of Genocide. The Senate has in its power today the ability to condemn mass murder and to join with other nations in punishing the crime of genocide by taking the simple action of voting to accede to the Genocide Treaty. But for years this body has delayed taking this important step.

Ratification of the Genocide Treaty is not a bold and daring move. The costs of signing are minimal. It is the costs of not signing which are great.

In the eyes of many nations, the United States has acted as a moral hypocrite by claiming its commitment to human rights and failing to ratify the Genocide Treaty. This has reduced our influence in foreign affairs.

And, tragically, the slaughter of thousands continues daily while we look on and admit that the United States has not agreed to make mass murder an international crime.

President Carter told the foreign ministers of Latin America that the United States would "not be deterred from our open and enthusiastic policy of promoting human rights." But we have been deterred by opposition in the Senate.

It is time for the Senate to protect the rights of people everywhere by standing firmly behind this treaty.

FROM LICENSE TO LIBERTY IN BROADCASTING

Mr. PROXMIRE. Mr. President, the New York Times this morning contains a fascinating editorial entitled "From License to Liberty in Broadcasting." This editorial applauds a new change that the House Subcommittee on Communications has proposed in our basic broadcasting law.

The proposal would exempt radio, in effect, from the "fairness doctrine" and the "equal time" rule. The Times approves that proposal for some good reasons, and I am delighted to see that.

It is fascinating, however, that the Times fails to support the notion of providing exemption from the fairness doctrine and the equal time rule for television. We should keep in mind that if we really believe in freedom of the press, that freedom of the press today is interfered with grievously by those two provisions in the law, because they do provide Federal censorship of the media that provides the principal news to the American people. Polls show that 76 percent of the American people get their news from TV and radio. Yet, those sources are now systematically and regularly licensed and censored by the Federal Government. This is wrong. I have introduced a bill to correct it.

I am delighted to see that the House is moving vigorously and surprisingly in the direction of providing a greater degree of freedom, and I am delighted that the New York Times is supporting that position. However, I regret that that most enlightened and thoughtful paper fails to perceive the freedom of the press issue which is so important in it.

Mr. President, I ask unanimous consent to have printed in the RECORD the editorial from the New York Times.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FROM LICENSE TO LIBERTY IN BROADCASTING

Despite the dramatic changes in American radio and television during the past four decades, the Federal law that governs their operation remains much as it was when enacted in 1934. Efforts to bring it up to date, promised frequently, have succumbed before the complexity and controversy of the task. But now a Congressional committee has come up with a sweeping substitute. The legislative journey is just beginning, and the bill will doubtless be transformed by 1980 when its sponsor, Representative Lionel Van Deerlin of California, hopes it will be enacted. Whatever the outcome, the committee has offered a fresh approach to an unsatisfactory situation.

In a sharp break with tradition, the proposed new Communications Act calls for a turn away from regulation. Government regulation of broadcasting has always been based on the premise that the public airwaves are a scarce resource. Since the airwaves can be used by only a limited number of radio or TV stations in a given area, broadcasters have been licensed by the Federal Communications Commission for a period of three years, with the understanding that they operate as "public trustees."

In fact, the high profits virtually assured by a broadcasting license have not typically been accompanied by a high level of public service. Radio stations abound that play almost nothing but hit records, and TV's prime viewing hours are dominated by sitcoms.

The new bill starts with the recognition that regulation has failed and was probably doomed from the start, given the constitutional protections against Government interference in programming and the political muscle of the broadcasters. By such means as liberating cable television the bill is designed to encourage diversity and let the market work its will.

The marketplaces for radio and television require different treatments. Most areas now receive enough AM and FM stations to permit at least some choice—classical music or news perhaps, along with the sounds of rock. Therefore, under the new bill, radio licenses would be awarded for an indefinite period;

programming requirements would be eliminated and licenses could be revoked only for violation of technical rules.

However, since most of the country is still served by only a handful of TV stations, TV licenses would not become indefinite for another ten years; by then, it is hoped, innovations like cable TV will afford a much wider choice of programs. The "fairness doctrine," which requires that opposing viewpoints be aired, and the "equal time" rule for politics would be relaxed.

In return for their unlimited tenure, broadcasters would for the first time be required to pay for their licenses; fees would be set according to the value of the station. The money would go to support a new, less powerful agency to replace the F.C.C., to assist minority ownership and rural stations, and to finance public radio and television. In effect, commercial broadcasters would be subsidizing types of service which they have been loath to provide.

At this early stage, we like the new bill's bold rejection of ineffectual regulation—with some reservations. For instance, it could be a mistake to eliminate supervision of radio altogether without exceptions for localities that must still depend on just a few stations. And the ten-year timetable for television deregulation may prove optimistic. In some places, tougher not softer rules may be needed to assure at least that news and public issues are not given even shorter shrift during the changeover period. The proposal to ease the "fairness" or "equal rights" rules will require especially close scrutiny.

But in all, the spirit of the bill is compatible with a welcome, if fitful, disposition in Washington to shake off forms of regulation that have served industry better than they have served consumers. The first draft of the Communications Act of 1978 gives Congress a good base from which to begin to shape American broadcasting for the decades ahead.

UNCERTAINTIES OF NATURAL GAS COMPROMISE

Mr. HANSEN. Mr. President, today I want to discuss another of the basic flaws of the natural gas compromise. This is the vast increase in bureaucratic regulation and complexity it will entail.

Today, when a producer starts drilling, he generally knows that one or two prices will prevail. If he sells in the interstate market, he can get the FERC regulated price, now $1.49, while if he sells in the intrastate market, he can get whatever price he can negotiate. Under the new proposal, when a producer starts to drill, he might get any of the following prices:

The new natural gas price—about $1.95 today,

The special development incentive price—about $1.86 today,

The FERC price for gas which is neither of the above—$1.49,

The high cost gas price, which is deregulated after 1 year, and

The stripper well price, which is now about $2.09.

In addition, many of these categories are further subdivided by other rules as to what happens upon rollover of contracts and as to the date and manner of deregulation. Taking into account all of these different features, there are at least 20 different prices that a buyer of gas might pay for gas that would be perfectly identical when used in the home or factory.

It is particularly true in an area that demands fast action under conditions of uncertainty that this type of overregution will discourage activity. At a time when we desperately need increased productive activity, there is no point in tying producers' hands.

Those small producers who have been operating strictly in the free intrastate market will be especially hard hit. They have been accustomed to drilling for gas when they thought it profitable, and selling it in the open competitive market. Now, they will be required at their peril to determine which of these many categories—and the undoubtedly massive regulations which will define them—their gas will come under before being able to figure out whether a particular prospect looks attractive. While this calculation may be easy for a giant company with batteries of lawyers and regulatory analysts, it will divert a small producer's resources into nonproductive areas. In this way, this extensive regulation is likely to diminish competition, not increase it.

HOW TO KILL THE GOLDEN GOOSE

Mr. HELMS. Mr. President, the good news of the Jarvis-Gann proposition in California and the reaction of the stock market to the Steiger capital gains tax reduction are indications that the Nation wants and needs serious tax rate reduction.

It is clear that the Kemp-Roth tax cut bill and the bill to cut capital gains taxes—both of which I cosponsor and support—are needed by the economy to restore incentives and to increase the productive capacity of our economy.

These bills are based on the fact that taxes affect behavior. High tax rates discourage income-producing activity. That means less output of goods and services. That means the entire society is poorer.

The case has been made, I believe, that we can in fact increase Federal revenues by the right kind of tax cuts. In other words, the Federal deficit may be cut if we cut the taxes that determine whether or not people and business work harder. Taxes can determine whether jobs are accepted. Taxes can determine whether investment is made. Taxes can determine whether risk is taken.

The chief economist and most effective exponent of this thesis is Arthur Laffer, with whom I have discussed this important issue.

Laffer agrees with me, however, that some of the Government's "taxes" are not just in the Tax Code.

"Taxes" are not only the confiscation of a portion of income, but taxes are also the requirement of kinds of expenditures. It makes little difference to an investor if an enterprise is unprofitable because of high income taxes or if it is unprofitable because of costly regulations. In either case, that enterprise will not be undertaken. If a small businessman finds that increasing his output will only mean that he will have to pay out as much or more than the added output will earn, there will be no increase in output. It does not matter whether that added cost is a result of direct taxes or a result in OSHA costs, or EPA costs or a dozen other kinds of costs.

Inflation itself is a kind of tax that discourages output. It increases certain costs faster than they can be accommodatedd. It greatly decreases stability and predictability on which business must depend.

The combination of direct taxes, indirect taxes, and the tax of inflation makes it surprising at times that there is any economic growth at all.

Recently I received a letter from a businessman who is personally aware of the costs and effects of Government nosing into business. His commentary on the effect of these regulations is a good lesson to all of us. I only wish that his lesson could be memorized by every Member of Congress voting on regulatory legislation, and every bureaucrat in charge of making the convoluted rules Congress requires.

Mr. President, I ask unanimous consent that excerpts from a letter I recently received be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 12, 1978.

Senator JESSE HELMS,
Russell Senate Building,
Washington, D.C.

DEAR JESSE: I am writing this letter with the hope that you will be able to share my thoughts with your colleagues in the Senate. I believe that the plight of my company is being repeated over and over across America.

Small businesses are taking the brunt of our current economic instability. It is rapidly becoming a question of just how long we can hold on.

Our company is in the fast food restaurant business, operating over 60 restaurants. We have been in this business for nearly 17 years and we have been considered, reasonably, successful restaurant operators.

However, since January 1, 1978, when the minimum wage went from $2.30 to $2.65, we have felt the crunch. We calculate that this additional $35 cents per hour has cost us between $60–$65,000 per month in increased labor costs. And at a time when costs are rapidly rising, we have been unable to raise prices to cover the costs because of the depressed farm economy in the Southeast.

As a result of these increased labor costs, we have not made a profit since the first day of January.

Other cost increases plague us. In the past 90 days, the price we pay for hamburger meat has gone up from $.76 per pound to $1.05 per pound and we are told that it will be at $1.14 by the middle of July. This is a 38% increase in the cost of beef since December.

Prices on our other supplies have gone up far above the average rate. Lettuce, for example, has been on a roller coaster all spring.

All this, in my opinion, is the result of the inflationary practices of the Congress of the United States and the past three administrations of Nixon, Ford and Carter.

In addition to our problems of inflation and the minimum wage, we have been harassed by the Wage and Hour Division of the United States Labor Department. They have twisted statements made by our employees into language claiming that they worked overtime. However, all of these employees admit privately to me that they did not, in fact, work overtime.

In order to get the Federal Labor Department off of our backs, we are being given

the opportunity "to settle" for what they say may be a $125,000 claim for back wages—but they may let us off the hook for possibly $50,000. We do not owe either of these sums, but it will cost us more to defend our position in court. I am still not certain which route we shall take.

But this is not the end of our federal problems. We are constantly harassed by the Environmental Protection Agency about whether or not our charcoal smoke pollutes the air. In order to meet EPA standards, it will cost us about $20,000 per restaurant in additional equipment.

There is more from the Wage and Hour people in the Labor Department. One of their inspectors is now claiming that we have to pay the laundry fee for each employee if we require them to wear a clean uniform each day. If we let them wear a dirty uniform and have no requirements for clean clothes, then we have problems with the local Health Departments.

Therefore, our only alternative is to pay 53¢ per day per minimum wage employee. With approximately 1,000 people affected by this ruling, it raises our costs $530 per day or almost $16,000 per month.

As a result of all of these problems created by federal, state, county and city bureaucracies, our company has curtailed all expansion. Normally, we would be building approximately 10 to 15 new restaurants per year, employing a total of 200 to 300 new employees per year.

We had our own construction company and our own restaurant equipment company—which we have now disbanded—thus laying off approximately 50 employes. This doesn't count the subcontractors who had sub-contracted work as part of our construction of new restaurants.

The bureaucrats in Washington are gradually killing the "goose that lays the golden egg" and if the new labor reform bill passes, I assure you that there will be many small businessmen that will be absolutely squeezed out and cannot compete.

It has gotten to the point that in the fast food business, unless you can do a volume of $700–$800,000 per store, the chances of making a profit are very slim. As you know, McDonalds is a giant and they are in a position to buy the highest number of gross rating points on television of any company in the United States, including Coca-Cola.

The same government that claims to protect small businesses from large giants, through the anti-trust laws, is causing these same businesses to be squeezed out and thrown into bankruptcy. Because, as the small ones close, the volume they were doing then goes to the giants and they can survive.

I am sending you this information with the hopes that you can convince your fellow Senators that, based on this true story, small companies all over America are being inundated by Federal regulations—from Wage and Hour to EPA to Labor Reform to OSHA.

For example, we were fined $125 by OSHA, because a 16-year-old employee used a slicing machine after he had been told not to by the restaurant manager.

Perhaps, because we have made tremendous cuts in our overhead by laying off 40–50 people in our home office, we will be able to survive long enough to feel the effect of our June 1st price increases. We fully expect to have to raise our prices again in July or August. There is danger here, too.

How many price increases will the consumers tolerate? Will they stop buying our products? But, with costs increasing the way they are, we are left with no choice. We have to raise our prices.

Since we are located in an agricultural region, we are keenly aware of the plight of farmers. As I see it, the small businessman is facing the same uncertain future the farmers are so vocally complaining about all over the country.

I just want to share my thoughts about some of the things that are troubling those of us trying to keep America productive. The great strength of our democracy has been the large, productive, working class. As this great bulwark is weakened by inflation, taxes and regulations, we become more and more vulnerable to the ravages of unemployment, recession, run away inflation and even depression.

The only positive sign I have seen is the passage of Proposition 13 in California. This is the first time that Americans have been able to express their feelings about "taxation WITH representation". Maybe now, other legislators will find it easier to say "NO" to more deficit spending.

Someone has to say "NO" to all the federal deficit spending. It is my feelings—and the feelings of many businessmen—that saying "NO" is one of the greatest virtues in modern America.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

INTERNATIONAL DEVELOPMENT ASSISTANCE ACT OF 1978

The Senate continued with the consideration of S. 3074.

UP AMENDMENT NO. 1350

Mr. HELMS. Mr. President, I send to the desk an unprinted amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 1350:

On page 47, between lines 16 and 17, insert the following new section:

PROHIBITING AID TO GROSS VIOLATORS OF HUMAN RIGHTS

SEC. 25. Notwithstanding any other provision of law or of this Act, none of the funds authorized to be appropriated in this Act shall be used for any form of aid or trade, either by monetary payment or by the sale or transfer of any goods of any nature, directly or indirectly, to the Socialist Republic of Vietnam, Cambodia, Uganda, or Cuba.

On page 47, line 18, strike out "4" and insert in lieu thereof "6.".

Mr. HELMS. Mr. President, this amendment would conform the Senate bill to language already passed by the House in its version of the bill. It is language which I believe ought to be noncontroversial.

I doubt that any Members of this body can truly say that their constituents favor the use of U.S. taxpayers' dollars for assistance to Vietnam, Cambodia, Uganda, or Cuba. In fact, there is an overwhelming consensus against aid to any one of these countries.

Yet there is a tendency to close our eyes to the fact that those same dollars, belonging to the U.S. taxpayer, are channeled behind the taxpayer's back to those same countries through various international agencies. What good is it to have a policy that has overwhelming support in this country—and in this Congress—yet to allow that policy to be circumvented by putting no restrictions on money going through third agencies?

Take Vietnam, for example; although direct aid is prohibited by law, yet the United Nations is sending U.S. dollars to a country that is Communist-dominated, whose rulers have killed thousands of U.S. soldiers, and which has even refused to give an adequate accounting of those U.S. servicemen who are still officially missing in action.

Last year, for example, the United Nations General Assembly passed a resolution "to authorize the Secretary General to rehabilitate Vietnam both socially and economically." This motion was sponsored by the Soviet Union, a nation which over the years has contributed a little over $8 million to the United Nations development program, while the United States is slated by this bill to contribute $133 million in 1 year alone.

Our representative to the U.N., Ambassador Andrew Young, failed to vote against this resolution, or even to ask for a recorded vote.

Other international agencies such as the World Bank—to which the United States is a major contributor—will also provide aid. World Bank President Robert McNamara has indicated that U.S. tax dollars will be used to subsidize Vietnam, Cambodia, and Cuba.

A UPI story, dated October 1, 1977, quotes the director of Vietnam's Central Bank as saying that he expects the United States to continue to contribute money into the International Development Association and then the Vietnamese will draw on these funds as a fulfillment of what they consider the U.S. commitment to provide aid. The story says:

Tran Duong, director of Vietnam's Central Bank, says he believes the U.S. eventually will pay $4.75 billion former President Nixon promised in 1973 as a condition to end the war.

"It is of course, necessary for the U.S. to keep its commitment—the Paris Agreement. The U.S. will fulfill the commitment to heal the wounds of war," Duong said in an interview at an economic conference that ended Friday. . . .

"In order to normalize the relations between the U.S. and Vietnam, the U.S. has to fulfill the Paris agreements," Duong said.

In the process, the United States will put money into the IDA—and these commitments would be fulfilled to Vietnam.

A similar story was reported in the Far Eastern Economic Review of September 9, 1977. It discusses the visit of Leonard Woodcock to Hanoi, and states he "was believed to have told the Vietnamese that President Carter suggested providing aid through noncontroversial multilateral aid agencies. The article also said:

The Review has learned that during the second round of United States-Vietnam talks in Paris in May, Assistant Secretary of State for East Asia and the Pacific, Richard Holbrooke, also mentioned the possibility of U.S. assistance through UN and other international agencies.

Thus, even though the administration has publicly stated on other occasions that no aid would be sent to Vietnam, Cambodia, and Cuba, it appears that there is a policy, or consideration of a policy, whereby aid would be given surreptitiously.

As for Uganda, there needs little to be said. The United States has withdrawn its ambassador, and has ceased to give aid directly. Yet the United States contributes U.S. tax dollars to the U.N. Development Program, which has scheduled a 5-year program for Uganda to cost $30 million. UNICEF spent $339,000 last year in Uganda. The International Atomic Energy Agency has approved an atomic energy project for Uganda for this year. The World Bank is currently considering a loan to the East African Community, or to the East African Development Bank.

Mr. President, this must stop. The House has already accepted this very language, offered by Mr. ASHBROOK of Ohio, after decisively turning down a substitute designed to weaken it. I commend the House in its action, and the hard work of Mr. ASHBROOK in sponsoring the measure there. By accepting this language, the Senate will avoid an issue in conference that might delay the conference report. I urge adoption of my amendment.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

UP AMENDMENT NO. 1351

Mr. HELMS. Mr. President, I send to the desk another unprinted amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an unprinted amendment numbered 1351.

Mr. ROBERT C. BYRD. Mr. President, what about the pending amendment?

The PRESIDING OFFICER. The Chair advises that the vote should come at this time on the pending amendment.

Mr. HELMS. I assume that the majority leader would want this to follow.

Mr. ROBERT C. BYRD. Mr. President, we either have to vote on the pending amendment or set it aside to take up the next one.

Mr. HELMS. I believe the rule states otherwise.

Mr. ROBERT C. BYRD. These two amendments cannot both be before the Senate at the same time.

The PRESIDING OFFICER. The Senator from West Virginia is correct.

Mr. ROBERT C. BYRD. The Senator will be accommodated in either event.

Mr. HELMS. I ask unanimous consent that the vote on the amendment follow in its order with other amendments to be voted on.

Mr. ROBERT C. BYRD. That would be following the Byrd amendment, would it not?

The PRESIDING OFFICER. That is correct.

Mr. HELMS. I thank the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I have lost sight of whether the amendment has been stated or not.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes unprinted amendment numbered 1351.

On page 47, between lines 16 and 17, insert the following:

ANTITERRORISM PROVISION

Notwithstanding any other provision of law or this Act, none of the funds authorized to be appropriated in this Act shall be used either directly or indirectly for any form of aid or trade, either by monetary payment or by the sale or transfer of any goods or any nature, to any nation which allows, permits, supports, encourages, or harbors any terrorist or other such military group within its territory and fails to take appropriate measures to prevent such groups from making terroristic or military incursions into territories outside of its borders.

On page 47, line 18, strike out "4" and insert in lieu thereof "6.".

Mr. HELMS. Mr. President, I think the language of the amendment speaks for itself, and I shall not consume the time of the Senate in discussing it. The problem of terrorist groups, harbored by certain nations, is constantly in the headlines.

I call the attention of Senators to four articles, one from the New York Times, June 25, "12 White Teachers and Children Killed by Guerrillas in Rhodesia"; one from the Washington Post, June 26, "Church Becomes Target of Rebel Drive in Rhodesia"; another from the Washington Star of June 25, "12 Britons Massacred in Attack on Mission by Rhodesian Guerrillas;" and an article from the Washington Post, June 25, "Guerrillas Slay 12 at Rhodesian Mission School."

I point out that these terrorists have been harbored and supported in Mozambique. We should use the leverage of our foreign aid to insure that no U.S. taxpayers' funds go, directly or indirectly, to nations which give refuge to terrorists.

I ask unanimous consent that all four articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 25, 1978]

12 WHITE TEACHERS AND CHILDREN KILLED BY GUERRILLAS IN RHODESIA

(By Michael T. Kaufman)

VUMBA, RHODESIA, June 24.—Twelve people, including teachers at a mission school here and their young children, were killed last night in a terrorist attack.

The 12, all whites, were battered and bayoneted to death by black nationalists who gathered together 250 black students and teachers at the school and told them that "some white staff have been arrested." The armed men ordered the students not to report the incident, and it was not until today that the killings were discovered.

By late morning, as reporters arrived here from Salisbury, Rhodesia's capital, aboard flights arranged by the Rhodesian Air Force, the victims still lay on the ground, evidently in the same positions where they had been slain the night before. They were in three groups, about 150 yards apart in a glen near an acacia grove. The victims were three men, their wives, another woman and five children.

One of the dead men had his hands tied behind his back with clothesline. A woman, dressed in a bathrobe with her hair in curlers, had an ax imbedded in her neck. Four children—a boy 4 years of age, two sisters aged 4 and 8, and another girl of 5—lay huddled close together. All were dressed in pajamas, and like the other victims they had all been struck on the head with clubs. Some also had stab wounds. One of the girls had the imprint of a boot on the side of her face.

Nearby lay the body of a woman, her arm encircling her dead 3-week-old daughter. Near them was a heavy wooden limb with blood on it. The woman's engagement ring was turned with the jewel to her palm, perhaps in an attempt to keep it from being taken by men she thought were looters.

Autopsies have not yet been performed, but the bodies of the women were in partial undress and there was a suggestion that they had been sexually assaulted.

All the bodies appeared to be lying where they had fallen, and the deaths seemed to have been quick. None of the students or black teachers was said to have been injured or threatened, and none reportedly heard any outcry. At the time of the killings, the blacks were all in the dormitory area about 300 yards down a slope from a cricket field.

Rhodesian soldiers scouring the area this morning followed a trail of blood that led to a battered and unconscious white woman teacher. She was identified as Mary Fischer, a lay member of the Elim Missions of England, a pentecostal group that operates the Emmanuel School here, which was formerly a white private boarding school. She was flown to a hospital in Salisbury, where her condition is critical.

The only white resident at the school who escaped unharmed was a teacher, Ian McGarrick, who had been warned of the arrival of the terrorists by a black servant, and reportedly spent the night in hiding. He was said to be in seclusion today.

Last night's killings, the most severe attack on missionaries in the long Rhodesian civil war, came against a backdrop of intensifying violence in this country. Because farmers here live in well-fortified and armed garrisons, missionaries have increasingly become targets of terrorist attacks. Vumba, the site of the school, is four miles from the border with Mozambique and 10 miles from Umtali, the nearest town.

21 MISSIONARIES SLAIN PREVIOUSLY

In all, according to Government reports, 21 missionaries had been killed by terrorists before last night's slayings, 5 of them in the last month. In addition, two workers from the International Red Cross were killed five weeks ago in an ambush by terrorists.

Black students and teachers here said that they had not been intimidated by the intruders. The students said that they became aware at 8:39, as evening classes were ending, that terrorists had come onto the campus. They described the men as carrying rifles and wearing knitted ski caps. They said the gunmen spoke the Shona language in addressing them on a playground where they had been ordered to assemble.

One student said the talk lasted only six minutes, and that the terrorists had identified themselves as "freedom fighters from ZANU"—the Zimbabe African National Union, the Mozambique-based guerrilla force headed by Robert Mugabe. He said they

had spoken against Rhodesia's internal settlement, and had specifically castigated the Rev. Ndabaningi Sithole, one of the three black co-leaders of Rhodesia's interim ruling directorate, who has asserted that he holds the allegiance of most ZANU guerrillas based on his longstanding involvement with the organization.

[From the Washington Post, June 26, 1978]

CHURCH BECOMES TARGET OF REBEL DRIVE IN RHODESIA

(By David B. Ottaway)

SALISBURY, RHODESIA.—Christian missionaries and their schools have become a prime target in a war that is dramatically changing in scope and character as nationalist guerrillas seek to show it is they who control the countryside today.

In the past three weeks, eight missionaries and four children have been killed and at least three and possibly four mission schools with over 1,000 students have been closed.

Friday, a guerrilla band visited the Elim Missian Emmanuel school deep in the Vumba Mountains along the Mozambique border and axed, clubbed and bayonetted to death eight missionaries and four of their children, including a 3-week-old baby. This brought to 33 the number of missionaries and dependents killed since the war began escalating six years ago.

Even before the Vumba massacre many of the dozen or more missionary groups working in Rhodesia were weighing whether to continue their operations in view of the rapidly deteriorating security situation.

Now the flight of missionaries from the countryside seems bound to pick up as it becomes clearer that they are being deliberately selected out for attack.

For the several thousand missionaries scattered throughout Rhodesia, it is an agonizing choice. Some of them have been working in the rural areas for 30 or more years and are extremely reluctant to deprive the African population of the only schools, clinics and hospitals available to them.

"Give us police protection and we'll carry on as before," said Ronald Bryan Chapman, director of the Emmanuel school even as the 12 bodies were being carried away and the 260 children were boarding buses to return home.

"Naturally there is concern for the missionaries safety," said Logan Atnip, head of the Southern Baptist Convention mission after the death by stabbing in mid-June of an American Baptist missionary. "But our priority is to do what the local black people desire."

The Baptists nonetheless are on the point of closing two schools with 350 children and a hospital serving 250,000 in the Sanyati tribal reserve in central Rhodesia.

As of early June, 61 African primary schools had been burned down by the guerrillas and another 709 closed for security reasons.

Many of the schools being closed, particularly the high schools, are run by the missionaries though financed heavily by the government.

At the primary level, missionaries were running over 300 schools with 90,000 pupils in 1977, about 10 per cent of the total enrollment. They were also operating 100 high schools having 27,000 students or nearly 60 percent of the total.

Around 200 mission primary schools and a dozen secondary ones have been shut down in the past several years because of the war and the pace of closings seems to be accelerating.

"It is difficult to understand why they want to deny the children education," remarked A. J. Smith, a top official responsible for African education. "I still cannot come up with any explanation that makes any sense. They seem to want to destroy the fabric of education."

Earlier in the war, the two nationalist guerrilla groups, the Zimbabwe African National Union (ZANU) and the Zimbabwe African People's Union (ZAPU), regularly visited the missionary secondary schools in the back-country for recruits. Thousands went, or were taken, across the border into Mozambique or Zambia for training.

Both groups now have more recruits than they can handle with 10,000 or more guerrillas in each of their armies. ZANU is reported to have stopped recruiting altogether.

In fact, neither group is now encouraging youths to leave the country. When guerrillas recently visited the Catholic mission school at Dett in Western Rhodesia, "they just told them to stop going to school and not to leave the area to go to school elsewhere," according to one Catholic missionary.

When they talked to the students at Emmanuel school in the Vumba Mountains Friday night, the guerrillas ordered them to go home but made no effort to take them to Mozambique four miles away.

Rhodesian government officials believe the "terrorists," as they call the guerrillas, are deliberately trying to bring about the collapse of all law and order in the countryside in their attacks on the missionaries who are often the only white people in the African tribal trust lands.

The nationalists used to blame black commandos of the Rhodesian army for the slaying of missionaries, saying it was a ruse to discredit them. Most black Africans still seem to believe it is government troops who are responsible and not the guerrillas.

Yet it seems highly unlikely the government would deliberately undermine its own authority in the countryside.

Some of the missionaries see it all as a Communist assault on the Christian churches aimed at undermining their influence over the 6.8 million Africans in Rhodesia, a large proportion of whom are Christians. "The guerillas are telling the people, 'Don't go to church,'" said one Catholic priest. "The questions the children ask after coming back from vacation show they have been receiving Communist indoctrination," he added.

ZANU leader Robert Mugabe has declared himself in favor of a Marxist state and ZAPU chief Joshua Nkomo has said he favors a socialist one in recent statements by the two leaders.

Western analysts, however, feel the reasons for the attacks are more complex, that they stem from the power struggle now under way between the new multiracial interim government and the externally based guerrilla factions and the latter's desire to show they are the ones now in control of the countryside.

"If they can stop the children from going to school, then they can also stop their parents from voting," said one analyst, referring to the new government's plan to hold elections for a black majority rule before the end of this year.

In fact, there are already grave doubts among many Africans and Europeans here that elections can ever be held in the present atmosphere of insecurity in the rural areas.

Furthermore, the closing of missionary schools and stations is seen as part of a larger guerrilla strategy aimed at uprooting all government institutions in the countryside to replace them with their own.

ZANU leader Mugabe, himself a product of Catholic missionary education, has denied his guerrillas were responsible for the massacre at the Elim mission and said they were concentrating on military targets.

Reflecting the doubts of some black and white Rhodesians as to who is responsible for the slaying of missionaries, one Catholic priest remarked, "They may call themselves guerrillas but they may simply be bandits."

CATHOLIC GROUP IN S. AFRICA SAYS POLICE HOLD LEADERS

JOHANNESBURG.—South African police have arrested 19 members of the Roman Catholic Young Christian Workers movement over the past two months and are holding them without trial, according to a report by the organization made public yesterday.

The report said that South African police are infiltrating meetings of the organization.

The aim of the movement is to educate workers on their rights and assist them in labor disputes.

The bulk of movement's leaders in South Africa, most of whom are black, were detained during a countrywide sweep, the report said.

The Vatican has asked the papal nuncio here to investigate the charges.

[From the Washington Star, June 25, 1978]

12 BRITONS MASSACRED IN ATTACK ON MISSION BY RHODESIA GUERRILLAS

(By Louise Gubb)

VUMBA, RHODESIA.—Black guerrillas wielding clubs, axes and bayonets massacred a dozen British missionaries and members of their families at a remote school for blacks near the Rhodesian border with Mozambique, the government reported yesterday.

A three-week-old girl and four other children were among those killed in the attack, the deadliest raid on a white-run mission in Rhodesia's six-year war with guerrillas.

Mozambique said, meanwhile, that fierce fighting continued between its forces and Rhodesian troops who staged a cross-border raid into Mozambian territory. Mozambique said the helicopter-borne invaders killed 19 persons, including two Belgian U.N. workers, in fighting that began Thursday night in southwestern Mozambique. Rhodesia called the report "completely without foundation."

Six or eight black gunmen who infiltrated from Mozambique attacked the Emmanuel mission school Friday night and killed 12 of the 14 whites there, Rhodesian authorities said. The school, in rugged highlands five miles from the Mozambique border, was operated by the Elim Pentecostal Church based in Cheltenham, England.

The missionaries, wives and children had been battered on the head and face and some had been hacked with bayonets or axes. Their blanket-shrouded bodies lay beside the school cricket field when reporters arrived at the scene yesterday.

One of the victims, Joyce Lynn, 36, her face battered beyond recognition, lay with her left hand touching the battered head of her three-week-old daughter, Pamela. The baby was killed by a single blow to the head. A bloodstained log lay nearby.

One badly beaten white woman missionary who survived, identified as Mary Fisher, 28, had staggered 50 yards into the bush from the scene of the massacre on the cricket field. She was found by troops early yesterday.

Fisher was taken to a hospital in Salisbury, 120 miles northwest of the mission. Her condition was described as critical.

Another white, Ian Milton McGarrick, survived unharmed after being alerted by a black member of the mission staff. McGarrick apparently hid in the bush during the attack. He refused to talk to reporters.

None of the 250 blacks at the co-ed school was hurt in the raid.

They told reporters the guerrillas rousted them from their dormitory beds and told them the school was being closed. They said they were then ordered back to the dorms, some 300 yards from the scene of the massacre, and were unaware of the killings until the bodies were discovered yesterday morning.

The students, who were evacuated to nearby Umtali, said the guerrillas described themselves as "Freedom Fighters from ZANU"—

the Mozambique-based Zimbabwe African National Union.

ZANU, headed by Robert Mugabe, is one of two guerrilla armies in the Patriotic Front alliance fighting to topple the biracial Rhodesian government headed by white Prime Minister Ian Smith. Smith has signed an internal settlement plan with three black moderates, designed to bring about black majority rule by the end of this year.

The guerrillas have denounced the plan and have stepped up their attacks, focusing recently on white missions.

A black member of the school staff said the attack came two days before the missionaries planned to move to Umtali, a heavily defended border town 10 miles north of here, because of increased guerrilla infiltration.

A State Department spokesman said in Washington the United States "deplores this type of tragic violence" which "bring(s) home the urgent need for an international, peaceful settlement in Rhodesia." British Foreign Secretary David Owen, speaking in his home constituency of Plymouth, England, denounced the attack as "senseless killing."

The Rhodesian military command said other victims included Mrs. Lynn's husband, Robert, 37; Phillips George Evans, 29; his daughters Susan, 8, and Rebecca, 4; Peter McCann, 30; his wife Sandra, 30, and their children, Phillip 6, and Joy, 5, and two single women missionaries, Elizabeth Wendy Hamilton, 37, and Catherine Picken, 50.

Bodies of the four pajama-clad children lay in a cluster. One of the girls' bodies had the purple imprint of a boot on her face and neck.

Evans' hands were tied behind his back with a piece of line. One woman, her hair in curlers and clutching a scarf, had an axe embedded in her back. Some of the women were only partly clad.

Thirty-three white missionaries have been killed since the guerrilla war began, five of them in the past three weeks.

The last five deaths were in southwestern Rhodesia, in the area infiltrated by Joshua Nkomo's Zimbabwe African People's Union, based in Zambia and Botswana.

[From the Washington Post, June 25, 1978]

GUERRILLAS SLAY 12 AT RHODESIAN MISSION SCHOOL

(By David B. Ottaway)

VUMBA MOUNTAINS, Eastern Rhodesia.—Rhodesian black nationalist guerrillas axed, bayoneted and clubbed eight British missionaries and four of their children to death at an isolated mission school here in the worst mass murder of church representatives and Europeans in Rhodesia's increasingly grisly civil war.

One other woman missionary was dragged into the bush and assaulted, but was still alive when she was found a short distance from the other victims yesterday morning. She was taken to a hospital in Umtali, where she was reported in serious condition.

The massacre took place Friday when a group of about 20 guerrillas visited the Emmanuel Secondary School in the heart of the mist-shrouded and heavily wooded mountain 10 miles southeast of Umtali on the eastern border of Rhodesia.

The school is run by the Elim Mission of a Pentacostal church based in Cheltenham, England. The mission is active in 10 countries, including four in Africa, and operates three mission sites in Rhodesia.

The killings were the most gruesome in a series of attacks on Rhodesian mission stations that have left 33 missionaries and members of their families dead. It appears that the guerrillas' main objective is to close the schools as part of a campaign to break down government control over the rural population. Many missionaries believe, however, that the guerrillas are Marxists seeking primarily to undermine Christian influence in the country.

Several years ago, guerrillas killed seven Catholic missionaries at a site 35 miles northeast of Salisbury. Two Salvation Army members were killed in southwestern Rhodesia three weeks ago, and an American Baptist missionary, Archie Dunaway, recently was stabbed to death at his mission at Sanyati, 100 miles west of Salisbury.

Robert Mugabe, co-leader of the guerrilla Patriotic Front, said in a statement issued in the Mozambican capital of Maputo that "we are not responsible," and blamed Rhodesian government forces for the killings at the Pentecostal mission.

Mugabe leads the faction of the patriotic Front known as the Zimbabwe African National Union, whose guerrilla forces operate out of Mozambique only four miles from the school.

Western correspondents who went to the site of the massacre yesterday found the bloody bodies of the 12 victims still sprawled on the wet grass around the school's sport pavilion, a short distance from the main building.

There were three couples, two single women, three children and a 3-week-old baby.

The murders took place after the guerrillas had given political talks to the 200 pupils attending the school.

An ax was left in the back of a woman wearing hair curlers. Several victims had had their faces bashed in, while one man had been bayonetted repeatedly in the back.

Four of the five women appeared to have been raped, possibly when already dead or unconscious. One woman lay on her back with three children in pajamas and bathrobes huddled around her.

One of the three men had had his hands tied behind his back before being killed, apparently by an ax.

A short twisted tree branch lay near one group of five bodies. Rhodesian soldiers at the scene said it had been used to club some of the victims.

There was no sign of a struggle.

Visibly shaken by the horror of the scene, school director Ronald Chapman said he had only Friday signed leases on homes in Umtali so that all the missionaries could live in town and commute to the school. They were to have moved next week.

Several students said the guerrillas arrived at the school shortly after 8 p.m. and ordered all of them to assemble outside the main building. Speaking in both English and Shona, the main African language in Rhodesia, six of the armed guerrillas told the students that they were to clear out no later than Monday and return to their homes.

None of the European missionary teachers were present at the meeting, although several African teachers attended and were not harmed.

"We were afraid, but I didn't understand what they were saying except that we had to be gone by Monday," said one student.

It appears there were no witnesses to the killings.

One male missionary who escaped the roundup of Europeans refused to talk to reporters about what had happened.

The El Im mission moved its secondary school here from another site in northeastern Inyanga Park last July 27 because of the increasing danger of guerrilla attacks to Inganga. Two of the buses used in the move hit land mines and two students were killed.

The Emmanuel School occupies the site of the former Eagle School, which catered to European students and was closed in 1975 because of the deteriorating security situation in the Vumba Mountains.

Now it will be closed again. As reporters were leaving the school site, the students could be seen climbing into four buses to return to their homes.

The army set out after the guerrilla band responsible for the killings, but with the Mozambique border only four miles away and the mountains covered with thick forest, there was little expectation here that they would be found.

The Rhodesian government identified the victims as Catherine Picken, 50; Elizabeth Wendy Hamilton, 37; Philip George Evans, 29; Susan Evans, 33; Rebecca Evans, 4; Peter McCann, 30; Sandra McCann, 30; Philip McCann, 6; Joy McCann, 5; Robert John Lynn, 37; Joyce Lynn, 36, and Pamela Grace Lynn, 3 weeks.

Mr. GRIFFIN. Mr. President, will the Senator from North Carolina yield?

Mr. HELMS. I yield.

Mr. GRIFFIN. The subject he raises, of course, is one of great concern, and just a reading of the amendment indicates that he is very interested in doing something. I wonder if he realizes that there is an antiterrorism bill that has been reported by the Foreign Relations Committee and is being marked up tomorrow by the Commerce Committee. Of course, this is a subject that is not an easy one to deal with. I wonder if he knows about that bill. The bill is a very complicated bill, and it comes along after a good deal of hearings have been held on the subject of antiterrorism and what the United States should do about it.

I am in favor of what the Senator from North Carolina is trying to do, but I am afraid that he cannot really hope to deal with the subject in a brief amendment of this kind. That is what disturbs me.

Mr. HELMS. As the Senator knows, the amendment does not attempt to deal with terrorism in general. It merely proposes to forbid the distribution of the taxpayers' money to these nations. It is related only to the foreign aid bill. It would not try to encompass the scope of the legislation of which the Senator speaks.

Mr. GRIFFIN. All right.

I would think that it would be better dealt with in the bill that is directed to the problem of antiterrorism. That would be my first reaction.

Mr. HELMS. I think it should be dealt with both places.

I thank the Senator for his comments.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that just prior to the vote on the amendment by Mr. HELMS 2 minutes be equally divided between Mr. HELMS and the chairman of the committee for a discussion of the amendment before the vote on it.

Mr. HELMS. Mr. President, I say to the able majority leader that would be perfectly satisfactory; however, I am hopeful we can work out an arrangement whereby the rollcall vote will be vitiated and the amendment will be accepted.

I thank the Senator for his courtesy.

Mr. RORERT C. BYRD. Very well.

Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there is an amendment pending by Mr.

HELMS. I take it the floor situation is as follows:

That once all the rollcall votes have occurred which have already been ordered the question will then recur on the adoption of the now pending amendment by Mr. HELMS.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. And I believe I further understand that Mr. HELMS may be able to work out a resolution with respect to his amendment so as to possibly vitiate the yeas and nays when the Senate reaches that point.

Mr. HELMS. I am hopeful of that.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. HELMS. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the Chair.

The PRESIDING OFFICER. The Chair points out that the yeas and nays have not been ordered on the second amendment.

PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH ACT OF 1978.

The Senate continued with the consideration of S. 2579.

The PRESIDING OFFICER. The hour of 5:45 having arrived, the Senate will now proceed to the vote on S. 2579, as amended.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

(Mr. MATSUNAGA assumed the chair.)

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Maine (Mr. HATHAWAY), the Senator from Arkansas (Mr. HODGES), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Mississippi (Mr. STENNIS) and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Minnesota (Mrs. HUMPHREY) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Utah (Mr. GARN), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Illinois (Mr. PERCY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "yea."

The result was announced—yeas 68, nays 10, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—68

Abourezk	Glenn	Muskie
Allen	Griffin	Nelson
Bellmon	Hart	Nunn
Bentsen	Hatch	Packwood
Biden	Hatfield, Mark O.	Pearson
Bumpers	Hatfield, Paul G.	Pell
Burdick	Heinz	Randolph
Byrd, Harry F., Jr.	Hollings	Ribicoff
Byrd, Robert C.	Huddleston	Riegle
Cannon	Jackson	Roth
Case	Johnston	Sarbanes
Chafee	Kennedy	Schmitt
Chiles	Leahy	Schweiker
Church	Lugar	Sparkman
Cranston	Magnuson	Stafford
Culver	Mathias	Stevens
Danforth	Matsunaga	Stevenson
DeConcini	McIntyre	Stone
Dole	Melcher	Talmadge
Domenici	Metzenbaum	Wallop
Durkin	Morgan	Williams
Eagleton	Moynihan	Young
Ford		Zorinsky

NAYS—10

Bartlett	Hayakawa	Scott
Curtis	Helms	Tower
Goldwater	McClure	
Hansen	Proxmire	

NOT VOTING—22

Anderson	Haskell	McGovern
Baker	Hathaway	Percy
Bayh	Hodges	Sasser
Brooke	Humphrey	Stennis
Clark	Inouye	Thurmond
Eastland	Javits	Weicker
Garn	Laxalt	
Gravel	Long	

So the bill (S. 2579), as amended, was passed as follows:

S. 2579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research Act of 1978".

AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT

SEC. 2. The Public Health Service Act is amended by adding after title XVII the following new title:

"TITLE XVIII—PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"ESTABLISHMENT OF COMMISSION

"SEC. 1801. (a) There is established a Commission to be known as the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (hereinafter in this title referred to as the 'Commission').

"(b) The Commission shall be composed of eleven members appointed by the President. The membership of the Commission shall be balanced fairly in terms of the points of view represented and the functions to be performed. The President shall appoint—

"(1) five (and no more than five) members of the Commission from individuals—

"(A) who are or have been engaged in biomedical or behavioral research involving human subjects, and

"(B) who are especially qualified to serve on the Commission by virtue of their training, experience, or background; and

"(2) six members of the Commission from individuals—

"(A) who are not and have not been engaged in biomedical or behavioral research involving human subjects, and

"(B) who are distinguished in the fields of medicine, law, ethics, theology, the biological, physical, and behavioral sciences, philosophy, humanities, health administration, government, and public affairs.

"(c) No individual who is a full-time employee of the United States may be appointed as a member of the Commission.

"(d) The Secretary of Health, Education, and Welfare, the Secretary of Defense, the Director of Central Intelligence, the Director of the Office of Science and Technology Policy (established under the Presidential Science and Technology Advisory Organization Act of 1976), the Administrator of Veterans' Affairs, and the Director of the National Science Foundation shall each designate an individual to serve as a nonvoting, ex officio adviser to the Commission.

"(e) Prior to a member of the Commission having access to any information which is classified or deemed to be classified for any purpose (including national security by any department or agency), each such member must have qualified for all department and agency security clearances necessary to assure such individual's access, as a member of the Commission, to any such information.

"(f) Until such time as the President acts to appoint members of the Commission under subsection (b), those members of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, who are serving upon the date of enactment of this title, are deemed members of the Commission: *Provided*, That no classified information or information protected from unauthorized disclosure by statute shall be made available to such members through a request of the Commission until appropriate security clearances are obtained.

"(g) The term of office of each member of the Commission shall be four years; except that—

"(1) the terms of office of members first taking office shall begin on the date of appointment and shall expire, as designated at the time of their appointment, four at the end of two years, four at the end of three years, and three at the end of four years;

"(2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(3) a member whose term has expired may serve until his successor has been appointed.

"(h)(1) The President shall choose a Chairman (who shall be appointed by and with the advice and consent of the Senate) and one Vice Chairman from among the members of the Commission. Either the Chairman or Vice Chairman may be chosen from among the members appointed pursuant to paragraph (1) of subsection (b); however both shall not be chosen from among such members. No individual may serve as Chairman or Vice Chairman for more than four years.

"(2) Seven members of the Commission shall constitute a quorum for business, but a lesser number may conduct hearings.

"(3) The Commission shall meet at the call of the Chairman or at the call of a majority of its members.

"(4) No individual may be appointed to serve as a member of the Commission, if such individual has served for two terms of four years each.

"(5) Four or less vacancies on the Commission shall not affect the authority or activities of the Commission.

"(i) Members of the Commission shall receive compensation at a rate not to exceed for any day (including traveltime) the daily equivalent of the effective rate for GS–18 of the General Schedule while engaged in the actual performance of the duties vested in the Commission. While away from their homes or regular places of business in the performance of duties of the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in

the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

"DUTIES AND FUNCTIONS OF THE COMMISSION

"Report on Protection of Human Subjects of Biomedical and Behavioral Research

"SEC. 1802. (a) The Commission shall issue a report every two years on the protection of human subjects of biomedical and behavioral research.

"(b) In preparing such report, the Commission—

"(1) shall periodically review the rules, policies, guidelines, and regulations of each department or agency (including the Department of Defense and the Central Intelligence Agency) concerning the conduct of biomedical and behavioral research to determine whether the human subjects involved in such research would be adequately protected if such rules, policies, guidelines, and regulations were followed:

"(2) may review in detail any program of any department or agency (including the Department of Defense and the Central Intelligence Agency) to determine whether the human subjects of any biomedical or behavioral research involved in such program are adequately protected; and

"(3) shall take any other action that it deems necessary to collect the information to adequately prepare such report.

"(c) Commission shall simultaneously issue copies of the report prepared pursuant to subsection (a) to the President, to all departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such report recommendations for administrative or legislative action.

"FOLLOWUP OF WORK OF NATIONAL COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"SEC. 1803. (a) The Commission shall complete any of the duties of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research set forth in section 202 of Public Law 93–348 that remain unfinished on the date of enactment of this title and, where appropriate, conduct additional studies and investigations (with respect to any and all departments and agencies) on any of the matters set forth in such section 202.

"(b) The Commission shall periodically issue reports on its work pursuant to subsection (a). The Commission shall simultaneously submit copies of its reports to the President, to the appropriate departments and agencies and to the appropriate committees of Congress. The Commission shall, as it deems appropriate, include in such reports recommendations for administrative or legislative action.

"GENERAL STUDIES

"SEC. 1804. (a) The Commission shall undertake studies of the ethical, social, and legal implications of—

"(1) advances in biomedical and behavioral research and technology which shall include—

"(A) an analysis and evaluation of scientific and technological advances in past, present, and projected biomedical and behavioral research and services;

"(B) an analysis and evaluation of the implications of such advances, both for individuals and for society, and of public understanding of and attitudes toward such implications;

"(C) an analysis and evaluation of laws and moral and ethical principles governing the use of technology in medical practice, and of public understanding of and attitudes toward such laws and principles; and

"(D) an analysis and evaluation of implications for public policy of such findings as are made by the Commission with respect to advances in biomedical and behavioral research and technology and public attitudes toward such advances; and

"(2) resource allocation decisions concerning health care research and delivery.

"(b) The Commission shall issue a report on its studies pursuant to subsection (a) every three years. The Commission shall simultaneously submit copies of its report to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such report recommendations for administrative or legislative action.

"SPECIAL STUDIES

"SEC. 1805. (a)(1) The Commission shall undertake a study to identify the requirements for informed consent by patients before they receive any medical treatment (regardless of the setting of such treatment) including but not limited to the information that should be given to patients or their legal representatives concerning the purpose of such treatment, whether or not such treatment will be provided in connection with clinical research, the identification of the individuals who will be involved and their respective roles, the description of the procedures to be used, the potential risks and anticipated benefits from such treatment, and the freedom of the patient or his legal representative to make a choice for or against such treatment.

"(2) The Commission shall conduct an investigation and study of the matter of defining death including the advisability of developing a uniform definition of death. In making such an investigation and study, the Commission shall take into account ethical, moral, social, legal, and medical considerations.

"(3) The Commission shall conduct an investigation and study respecting the ethical, moral, social and legal implications of voluntary testing, counseling, and information and education programs with respect to genetic diseases and conditions. Such study shall evidence concern for the essential equality of all human beings, born and unborn.

"(4) The Commission shall undertake a study to assess and evaluate current procedures and mechanisms designed to safeguard the privacy of research subjects, to ensure confidentiality of patient records, and to ensure appropriate access to information contained in such records by such patients. In making such a study, the Commission shall specifically take into account the recommendations developed by the Privacy Protection Study Commission established pursuant to Public Law 93–579 in its report of July 1977, respecting medical records and participants in research studies.

"(5) The Commission may conduct an investigation or study of any other appropriate matter consistent with the purposes of this title on its own initiative, at the request of the head of a department or agency, or at the request of a committee of the Congress.

"(b) The Commission shall issue reports on the studies set forth in subsection (a) upon their completion. The Commission shall simultaneously submit copies of such reports to the President, to the appropriate departments and agencies, and to the appropriate committees of Congress. The Commission may, as it deems appropriate, include in such reports recommendations for administrative or legislative action.

"SPECIAL STUDIES, BINDING AND STATUS OF

"SEC. 1805A. Any special study the Commission undertakes shall not be considered as representative of the views of the Congress or any Committee of the Congress or the Executive Branch. Any conclusions or recommendations by the Commission shall not be considered part of the legislative record and/or history. Any recommendation developed by the Commission shall not be binding on any department or agency of the Government.

"ADMINISTRATIVE PROVISIONS

"SEC. 1806. (a) The Commission may for the purpose of carrying out its duties hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems advisable.

"(b) (1) The Commission may appoint and compensate, at a rate not to exceed the annual rate of basic pay in effect for grade GS–18 of the General Schedule, an executive director, without regard to the provisions of title 5, United States Code, governing appointment and removal in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, who shall administer full time the daily activities of the Commission.

"(2) The Commission may appoint and fix the compensation of such personnel as it deems advisable, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

"(3) The Commission may procure, in accordance with the provisions of section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants. Persons so employed shall receive compensation at a rate to be fixed by the Commission, but not exceeding for any day (including traveltime) the daily equivalent of the effective rate for grade GS–18 of the General Schedule. While away from his home or regular place of business in the performance of services for the Commission, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

"(4) Any persons appointed or employed under this subsection by the Commission must have qualified for any necessary security clearances before being granted access to classified information or information protected from unauthorized disclosure by statute, and are subject to the same restrictions on release of information as set forth in section 1807(c).

"(c) The Commission may, at any time, publish and disseminate to the public such reports, information, recommendations, and other material relating to its functions, activities, and studies as it deems appropriate consistent with the requirements of section 1807.

"(d) Upon the request of the Chairman or a majority of the members of the Commission, each department or agency shall furnish all information requested by the Commission which the Commission determines is necessary to enable it to carry out its duties and functions under this title.

"(e)(1) Within sixty days of the receipt of any recommendation made by the Commission under this title, the appropriate department or agency shall publish it in the Federal Register and provide opportunity for interested persons to submit written data, views, and arguments with respect to such recommendation. Within one hundred and eighty days of the date of the publication in the Federal Register of such recommendation, the appropriate department or agency shall (1) determine whether the administrative or other action proposed by such recommendation is appropriate, and (2) if it determines that such action is not appropriate publish in the Federal Register such determination together with an adequate statement of the reasons for its determination. If the appropriate department or agency determines that the administrative action recommended by the Commission should be undertaken, it shall undertake such action as expeditiously as is feasible.

"(2) On November 1 of each year, each department and agency shall submit a report simultaneously to the President and to the appropriate committees of Congress which shall include with respect to the previous fiscal year—

"(A) a complete list of all recommendations made to such department or agency by the Commission;

"(B) in those situations where such department or agency accepted a recommendation, a description of the policies, procedures, guidelines, or regulations that were implemented, and any other administrative actions that were taken by such department or agency to comply with such recommendation; and

"(C) in those situations where such department or agency failed to accept, in whole or in part, a recommendation, a description of the reasons for such failure.

"(f) The Commission shall determine the priority and order of the duties and functions to be performed under this title.

"(g) The Commission, in performing its duties and functions under this title, may enter into contracts with appropriate public or nonprofit entities.

"(h) Section 14 of the Federal Advisory Committee Act shall not apply with respect to the Commission. The Commission shall be subject to the Federal Advisory Committee Act (Public Law 92-463) except that under the provisions of section 14(a)(1)(B) of such Act the Commission shall continue in existence until four years after the date of enactment of the President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research Act of 1978.

"CONFIDENTIALITY

"SEC. 1807. (a) The Commission shall not disclose any information reported to or otherwise obtained by it pursuant to this title which is exempt from disclosure pursuant to subsection (a) of section 552 of title 5, United States Code, by reason of subsection (b)(4) of such section.

"(b)(1) The Commission shall in securing and maintaining any record of individually identifiable personal data (hereinafter in this subsection referred to as 'personal data') for purposes of this title—

"(A) inform any individual who is asked to supply personal data (i) whether he is legally required, or may refuse, to supply such data and (ii) of any specific consequences known to the Commission of providing or not providing such data;

"(B) upon request, (i) inform any individual if he is the subject of personal data secured or maintained by the Commission and (ii) make the data available to him in a readily understandable form;

"(C) assure that no use is made of personal data which is not within the purposes of this title unless an informed consent has been obtained from the individual who is the subject of such data; and

"(D) upon request, inform any individual (i) of the use being made of personal data respecting such individual and (ii) of the identity of the persons who will use the data and their relationship to the Commission;

(2) Notwithstanding any other provision of law, personal dat.. collected or maintained by the Commission, pursuant to this title, may not be made available or disclosed by the Commission to any person other than the individual who is the subject of such data without such individual's informed consent. No Federal, State, or local civil, criminal, administrative, legislative or other proceeding may require the disclosure of such personal data.

"(c) The Commission shall not disclose any information collected or maintained by it pursuant to this title which is properly classified or is protected from unauthorized disclosure by statute.

"DEFINITIONS

"SEC. 1808. (a) As used in this title, the terms 'department or agency' and 'department and agency' mean each authority of the Government of the United States, whether or not it is within or subject to review by another department or agency, but does not include—

"(1) the Congress;

"(2) the courts of the United States;

"(3) the governments of the territories or possessions of the United States; and

"(4) the government of the District of Columbia.

"(b) As used in this title, the term 'protection of human subjects' includes, among other things, protection of their health and safety and protection of their privacy.

"AUTHORIZATIONS FOR APPROPRIATIONS

"SEC. 1809. For the purpose of carrying out the provisions of this title, there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1979 and for each of the next "three fiscal years thereafter.".

MISCELLANEOUS

SEC. 3. (a) Part A of title II of the National Research Act (42 U.S.C. 2891-1) is amended by adding at the end thereof the following new section:

"FOLLOWUP OF WORK OF THE COMMISSION BY THE PRESIDENT'S COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

"SEC. 206. The President's Commission for the Protection of Human Subjects of Biomedical and Behavioral Research shall complete any of the duties of the Commission set forth in section 202 that remain unfinished when the Commission ceases to exist and, where appropriate, conduct additional studies and investigations on any of the matters set forth in section 202 with respect to any and all departments and agencies of the Government of the United States (but excluding the Congress, the courts of the United States, the governments of the territories or possessions of the United States and the government of the District of Columbia) whether or not such departments and agencies are subject to review by another department or agency.".

(b) Part A of title II of the National Research Act (42 U.S.C. 2891-1) is repealed except for section 206 added by subsection (a).

(c) Sections 211 and 213 of the National Research Act are repealed.

(d) Subsection (f) of section 217 of the Public Health Service Act (42 U.S.C. 218(f)) is repealed.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL INSTITUTES OF HEALTH CARE RESEARCH ACT OF 1978

The PRESIDING OFFICER. Pursuant to a previous order, the Senate will now proceed to vote on S. 2466, as amended. The yeas and nays have previously been ordered, and the clerk will call the roll. Senators are reminded that this will be a 10-minute vote.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Maine (Mr. HATHAWAY), the Senator from Arkansas (Mr. HODGES), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Mississippi (Mr. STENNIS), the Senator from Tennessee (Mr. SASSER), and the Senator from Colorado (Mr. HASKELL) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. McGOVERN) is absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Minnesota (Mrs. HUMPHREY) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Utah (Mr. GARN), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Illinois (Mr. PERCY, the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 30, nays 48, as follows:

[Rollcall Vote No. 174 Leg.]

YEAS—30

Abourezk	Jackson	Moynihan
Bentsen	Johnston	Pell
Case	Kennedy	Riegle
Chafee	Leahy	Sarbanes
Church	Magnuson	Schweiker
Cranston	Mathias	Sparkman
Culver	Matsunaga	Stafford
Durkin	McIntyre	Stevenson
Eagleton	Melcher	Stone
Heinz	Metzenbaum	Williams

NAYS—48

Allen	Glenn	Muskie
Bartlett	Goldwater	Nelson
Bellmon	Griffin	Nunn
Biden	Hansen	Packwood
Bumpers	Hart	Pearson
Burdick	Hatch	Proxmire
Byrd, Harry F., Jr.	Hatfield, Mark O.	Randolph
Byrd, Robert C.	Hatfield, Paul G.	Ribicoff
Cannon	Hayakawa	Roth
Chiles	Helms	Schmitt
Curtis	Hollings	Scott
Danforth	Huddleston	Stevens
DeConcini	Lugar	Talmadge
Dole	McClure	Tower
Domenici	Morgan	Wallop
Ford		Young
		Zorinsky

NOT VOTING—22

Anderson	Haskell	McGovern
Baker	Hathaway	Percy
Bayh	Hodges	Sasser
Brooke	Humphrey	Stennis
Clark	Inouye	Thurmond
Eastland	Javits	Weicker
Garn	Laxalt	
Gravel	Long	

So the bill (S. 2466) was not passed.

INTERNATIONAL DEVELOPMENT ASSISTANCE ACT OF 1978

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Under the previous order, there will be a 2-

minute debate before a vote is taken on the Byrd amendment.

The Senator from Virginia is recognized for 1 minute.

UP AMENDMENT NO. 1347

Mr. HARRY F. BYRD, JR. First, I will read the amendment. "Total funds authorized in this Act shall be reduced by 5 percent."

Mr. President, the total in this bill before the Senate today is 24 percent greater than the amount appropriated for the current fiscal year. It seems to me that cannot be justified. I would hope that my amendment would be adopted.

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard. The Senate will please come to order.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Senator from West Virginia (Mr. RANDOLPH) be made a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator from Alabama seek recognition for 1 minute?

Mr. SPARKMAN. Mr. President, I hope this amendment will not be agreed to. Remember, these are countries where this money goes with whom we do business, with whom we trade, with whom we carry on other activities. I think it has been fairly rationed out, if I may use that term. This bill should be passed as reported by the committee.

Mr. McCLURE. Mr. President, I ask unanimous consent that Mike Hammond and Jim Streeter of my staff be granted the privileges of the floor during the consideration and votes on the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment proposed by the Senator from Virginia. Under the previous order, this is to be a 10-minute vote.

The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Maine (Mr. HATHAWAY), the Senator from Arkansas (Mr. HODGES), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Mississippi (Mr. STENNIS), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. McGOVERN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mrs. HUMPHREY) and the Senator from Iowa (Mr. CLARK) would each vote "nay."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Utah (Mr. GARN), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Illinois (Mr. PERCY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "yea."

The result was announced—yeas 57, nays 22, as follows:

[Rollcall Vote No. 175 Leg.]

YEAS—57

Abourezk	Goldwater	Melcher
Allen	Griffin	Moynihan
Bartlett	Hansen	Muskie
Bentsen	Hart	Nelson
Biden	Haskell	Nunn
Bumpers	Hatch	Packwood
Burdick	Hatfield,	Pearson
Byrd,	Mark O.	Proxmire
Harry F., Jr.	Hatfield,	Randolph
Byrd, Robert C.	Paul G.	Roth
Cannon	Hayakawa	Schmitt
Chiles	Heinz	Schweiker
Curtis	Helms	Scott
Danforth	Hollings	Stevens
DeConcini	Huddleston	Stone
Dole	Jackson	Talmadge
Domenici	Johnston	Tower
Durkin	Lugar	Wallop
Eagleton	Magnuson	Young
Ford	McClure	Zorinsky

NAYS—22

Bellmon	Leahy	Riegle
Case	Mathias	Sarbanes
Chafee	Matsunaga	Sparkman
Church	McIntyre	Stafford
Cranston	Metzenbaum	Stevenson
Culver	Morgan	Williams
Glenn	Pell	
Kennedy	Ribicoff	

NOT VOTING—21

Anderson	Gravel	Long
Baker	Hathaway	McGovern
Bayh	Hodges	Percy
Brooke	Humphrey	Sasser
Clark	Inouye	Stennis
Eastland	Javits	Thurmond
Garn	Laxalt	Weicker

So the amendment (UP 1347) was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to debate the Helms amendment, limited to 2 minutes, divided equally between the opponents and the proponents.

The Senator from North Carolina is recognized for 1 minute.

Mr. HELMS. Mr. President, I believe the Senator from North Carolina and the able managers of the bill have reached accommodation on both amendments of the Senator from North Carolina. I have modifications at the desk as to both amendments. If agreeable to the leadership and the management of the bill, I shall move to vitiate the yeas and nays on the first amendment. I do not have the yeas and nays on the second. I shall let it go by voice vote.

Mr. CASE. The Senator is correct.

The PRESIDING OFFICER. Is there objection to vitiating the yeas and nays?

Without objection, it is so ordered.

UP AMENDMENT NO. 1350 (AS MODIFIED)

Mr. HELMS. Mr. President, I ask that the clerk state my modification.

The PRESIDING OFFICER. The amendment will be stated, as modified.

The legislative clerk read as follows:

On page 47, between lines 16 and 17, insert the following new section:

PROHIBITING AID TO GROSS VIOLATORS OF HUMAN RIGHTS

SEC. 25. Notwithstanding any other provision of law or of this Act, none of the funds authorized to be appropriated in this Act shall be used for any form of aid, either by monetary payment or by the sale or transfer of any goods of any nature to the Socialist Republic of Vietnam, Cambodia, Uganda, or Cuba.

On page 47, line 18, strike out "4" and insert in lieu thereof "6.".

The PRESIDING OFFICER. The amendment is so modified.

The Senator From North Carolina.

UP AMENDMENT NO. 1351 (AS MODIFIED)

Mr. HELMS. Mr. President, will the modification of the second amendment be stated?

The PRESIDING OFFICER. The modification will be stated.

The legislative clerk read as follows:

On page 47, between lines 16 and 17, insert the following:

ANTI-TERRORISM PROVISION

Notwithstanding any other provision of law or this Act, none of the funds authorized to be appropriated in this Act shall be used for any form of aid, either by monetary payment or by the sale or transfer of any goods of any nature, to any nation which allows, permits, supports, encourages, or harbors any terrorist or other such groups within its territory and fails to take appropriate measures to prevent such groups from making terroristic or military incursions into territories outside of its borders.

On page 47, line 18, strike out "4" and insert in lieu thereof "6.".

Mr. HELMS. Mr. President, I yield back the remainder of my time.

Mr. BELLMON. Mr. President, may we have an explanation of what these changes do?

Mr. CULVER. May we have order?

The PRESIDING OFFICER. The amendment is so modified.

The Senator from North Carolina has 1 minute to explain his amendment.

Mr. HELMS. I do not know, Mr. President, if I can explain the modification in such a short length of time, but we met the objections of the managers of the bill to including the forbidding of trade to Vietnam, Cambodia, Uganda, and Cuba. That is the major change in the first amendment.

In the second amendment, we struck the words "directly or indirectly" with respect to the type of aid and trade to be accorded to nations engaging or permitting, supporting, allowing, encouraging, or harboring, any terrorist group.

So those are, in essence, the changes in two amendments.

Mr. ABOUREZK addressed the Chair.

Mr. BENTSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BENTSEN. Have we coupled the two amendments or are we voting just on the second and vitiating the vote on the first?

Mr. HELMS. We have simply vitiated the yeas and nays on the first amendment.

Mr. CASE. They never were ordered on the second.

Mr. HELMS. They never were ordered on the second.

Mr. ABOUREZK. Mr. President, will the Senator yield for a question,

Mr. HELMS. Yes.

Mr. ABOUREZK. I did not quite understand what the Senator's amendments do. He talks about change. I wonder if he might briefly say, as modified, what the amendments do.

Mr. HELMS. Mr. President, perhaps the simplest thing would be to read the amendment and I think it will be entirely clear to the able Senator:

Notwithstanding any other provision of law or of this Act, none of the funds authorized to be appropriated in this Act shall be used for any form of aid, either by monetary payment or by the sale or transfer of any goods of any nature to the Socialist Republic of Vietnam, Cambodia, Uganda, or Cuba.

That is the first amendment as it now reads, as modified.

The second amendment relates to antiterrorism:

Notwithstanding any other provision of law or this Act, none of the funds authorized to be appropriated in this Act shall be used for any form of aid, either by monetary payment or by the sale or transfer of any goods of any nature, to any nation which allows, permits, supports, encourages, or harbors any terrorist or other such groups within its territory and fails to take appropriate measures to prevent such groups from making terroristic or military incursions into territories outside of its borders.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina still has the floor.

Mr. ABOUREZK. Will the Senator yield for a question?

Mr. HELMS. If I have time, which I doubt.

The PRESIDING OFFICER. The time for debate has expired.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that we have 4 minutes just to answer a couple of questions on this.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, the first question, why did the Senator single out the four countries he did on the trade ban? Why did he not include as a general thing instead a trade ban or a foreign aid ban against countries that violate human rights?

Mr. HELMS. I will say to the Senator I was following the precedent of the House language. This is in the House bill.

Mr. ABOUREZK. Well, so what? I mean, we change the House language all the time.

Mr. HELMS. I will say to the Senator, I will be glad——

Mr. ABOUREZK. Is there something right with violation of human rights in right wing countries, but not in left wing countries? Should we not just cover them all in one thing? Would that not be more preferable?

Mr. HELMS. I think the Senator is speaking to something that is not a matter of debate on this amendment. The four countries cited in my amendment are countries where we have not seen fit to maintain diplomatic representation.

Mr. ABOUREZK. Well, then the second question is, How does the Senator from North Carolina define terrorism?

Now, in my mind, terrorism is the instilling of fear in a civilian populace for a political purpose.

Would that include, also, Israel's bombing of South Lebanon, which I would have to say instills an awful lot of fear in the civilian populace down there at times, would that be included in the Senator's definition of terrorism?

Mr. HELMS. Mr. President, I wish the able Senator from South Dakota had been on the floor earlier.

Mr. ABOUREZK. So do I.

Mr. HELMS. As some length, he could have raised the questions and gotten answers satisfactory to him. We are not dealing here with terrorism as such, but with countries which harbor groups of terrorists.

Mr. CASE. Will the Senator yield?

Mr. HELMS. I am delighted to.

Mr. CASE. This amendment has nothing to do with terrorism. This amendment prohibits money from the bill to be used as aid to these countries, period.

Mr. ABOUREZK. Then that prohibits aid to Israel, then, is that correct?

Mr. LEAHY addressed the Chair.

Mr. CASE. I am sorry, I did not hear the Senator.

Mr. LEAHY. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Would the Senator yield for a parliamentary inquiry?

Mr. HELMS. I yield to my friend.

Mr. LEAHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Vermont will state the parliamentary inquiry.

Mr. LEAHY. Are we voting on two separate amendments? Have the yeas and nays on both separate amendments——

The PRESIDING OFFICER. The yeas and nays have been vitiated.

Mr. LEAHY. Entirely?

The PRESIDING OFFICER. The yeas and nays have been ordered on neither.

Mr. HELMS. I might say, Mr. President, the yeas and nays were vitiated because we originally agreed, I simply wanted to save time.

Mr. ABOUREZK. Mr. President, is it the intention of the author of this amendment, on the terrorism one, to include nations that commit terrorism as well as individuals and groups?

That is the question I want to ask.

Mr. HELMS. The question comes down to an appropriation and authorization of funds under this bill to be given to nations that harbor terrorist groups.

Mr. ABOUREZK. All right, if I might start all over again.

The appropriation and authorization of funds under this bill.

When the Senator says "terrorism" does he mean that it includes nations that commit terrorism or is it just individuals or groups?

Mr. HELMS. I think the language is very clear. It says that any nation which allows, permits, supports, encourages, or harbors any terrorist or other such groups within its territory, and so forth.

Mr. ABOUREZK. Then that excludes Israel, does it not?

Mr. HELMS. Well, the Senator can draw his own conclusions.

Mr. ABOUREZK. Well, I would like to know what the author of the amendment has to say.

Mr. HELMS. Well, I would simply say to the Senator that the amendment specifically says, "to any nation which allows, permits, supports, encourages, or harbors any terrorist or other such groups."

Mr. ABOUREZK. Well, the author of the amendment does not wish to answer the question, Mr. President.

I ask for the yeas and nays on the first amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ABOUREZK. Mr. President, may I ask for the yeas and nays on the second amendment as well? May I ask that both votes be 10 minutes?

The PRESIDING OFFICER. The yeas and nays can be ordered only on the pending amendment.

Mr. HELMS. The Senator can ask unanimous consent.

UP AMENDMENT NO. 1350 (AS MODIFIED)

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Maine (Mr. HATHAWAY), the Senator from Arkansas (Mr. HODGES), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Mississippi (Mr. STENNIS), and the Senator from Tennessee (Mr. SASSER) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. McGOVERN) is absent on official business.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) and the Senator from Minnesota (Mrs. HUMPHREY) would vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Utah (Mr. GARN), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Illinois (Mr. PERCY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND), would vote "yea."

The result was announced—yeas 75, nays 4, as follows:

[Rollcall Vote No. 176 Leg.]

YEAS—75

Allen	Hansen	Muskie
Bartlett	Hart	Nelson
Bellmon	Haskell	Nunn
Bentsen	Hatch	Packwood
Biden	Hatfield,	Pearson
Bumpers	Mark O.	Pell
Burdick	Hatfield,	Proxmire
Byrd,	Paul G.	Randolph
Harry F., Jr.	Hayakawa	Ribicoff
Byrd, Robert C.	Heinz	Riegle
Cannon	Helms	Roth
Case	Hollings	Sarbanes
Chiles	Huddleston	Schmitt
Church	Jackson	Schweiker
Cranston	Johnston	Scott
Curtis	Leahy	Sparkman
Danforth	Lugar	Stafford
DeConcini	Magnuson	Stevens
Dole	Mathias	Stevenson
Domenici	Matsunaga	Stone
Durkin	McClure	Talmadge
Eagleton	McIntyre	Tower
Ford	Melcher	Wallop
Glenn	Metzenbaum	Williams
Goldwater	Morgan	Young
Griffin	Moynihan	Zorinsky

NAYS—4

Abourezk	Culver	Kennedy
Chafee		

NOT VOTING—21

Anderson	Gravel	Long
Baker	Hathaway	McGovern
Bayh	Hodges	Percy
Brooke	Humphrey	Sasser
Clark	Inouye	Stennis
Eastland	Javits	Thurmond
Garn	Laxalt	Weicker

So the amendment (No. 1350) as modified, was agreed to.

UP AMENDMENT NO. 1351 (AS MODIFIED)

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the second Helms amendment, as modified.

The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished Senator from New Mexico (Mr. DOMENICI) be made a cosponsor of both of these amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Have the yeas and nays been ordered and seconded?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. CURTIS. Do not order them.

Mr. HELMS. I will go on a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

(Putting the question.)

The ayes appear to have it. The ayes have it.

And the amendment is agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are there any further amendments to be proposed to the bill?

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of H.R. 12222 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 12222) to amend the Foreign Assistance Act of 1961 to authorize development and economic assistance programs for fiscal year 1979, to make certain changes in the authorities of that Act and the Agricultural Trade Development and Assistance Act of 1954, to improve the coordination and administration of United States development-related policies and programs, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

The Senate will be in order.

The Chair is unable to hear what the Senator from Alabama is saying.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to strike all after the enacting clause of H.R. 12222 and to substitute therefor the text of S. 3074, as amended, and to proceed to the third reading of H.R. 12222.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time.

Mr. SPARKMAN. Mr. President, I ask for the yeas and nays on H.R. 12222.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CASE. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, I ask unanimous consent that before the rollcall vote I may yield to the Senator from New Jersey, the ranking minority member on the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. I thank the Senator.

Mr. President, I ask unanimous consent that a statement by Senator JAVITS on this bill be printed in the RECORD before the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR JAVITS

Mr. President, I support S. 3074, which the Foreign Relations Committee has reported favorably. In addition to authorizing $1.86 billion for Fiscal Year 1979 for bilateral assistance, the bill also includes a number of substantive amendments to the Foreign Assistance Act of 1961.

Although I believe that more funds could be authorized for our bilateral developing assistance programs, the bill is a major initiative in providing for the basic human needs of the poorest elements of the population of the developing countries.

The bilateral assistance provisions in this bill must be viewed in the context of the overwhelming need in the U.S. security interest for the transfer of substantial resources to the developing countries. Together with the funds provided by the World Bank, the regional banks, and the IMF as well as private investment, our bilateral assistance programs seek to stimulate economic growth in the developing countries.

All of the foreign assistance programs taken together are not providing enough resources to the developing countries to bring them along as our own and the world's economy requires to avoid recession or depression in 79–80. I am concerned that, unless we undertake further steps to stimulate economic growth in the developing countries through targeted productive investments, we will be faced with severe economic dislocation in the industrialized countries. The expansion of markets in the developing countries for the goods and services of the industrialized countries, which is an important benefit of the growth engendered by our assistance programs, will, in turn lead to higher levels of employment and domestic activity in the industrialized countries and will effectively counter the escalating demands of protectionist forces in the industrialized countries, which can bring on grave political and economic dangers.

I am gratified that my amendments dealing with the Relatively Least Developed Countries (RLDCs) and the energy needs of the developing countries are in the bill as reported by the Committee.

I believe that the amendment dealing with the RLDCs is an important step in meeting the need of the least developed countries for debt relief. My amendment specifically earmarks, in the first instance, that the funds be converted into local currency to be used for development projects determined jointly by the beneficiary government and the United States.

This amendment will represent a clear signal of the U.S. intention to help those countries whose economies need all the external assistance possible and to seek also to help themselves. Their condition has been exacerbated especially by the five-fold increase in the price of oil by the OPEC cartel, which has eaten away at their already scant resources.

Furthermore, I would like to stress that my amendment dealing with the Relatively Least Developed Countries is an important political step for the U.S. It will remove from the current North-South debate a contentious issue which has been viewed by many of these Relatively Least Developed Countries as an important constraint on their economic growth. In including this language, we will be joining other industrialized countries in forgiving the official debts of these, the poorest countries.

My energy amendment calls upon AID to increase its awareness of the importance of encouraging effective utilization of energy in the developing countries.

In addition, I am pleased that the Committee saw fit to authorize $25 million for the American School and Hospital Abroad program for Fiscal Year 1979. I join the Committee in urging that the Executive Branch, which had only asked for $8 million, exercise more realistic forward planning when considering budget requests for this program.

I believe strongly that in administering this program and in making its funding decisions, AID should look at the performance of the individual schools and hospitals and especially at the extent and intensity of their relationship and interchange with U.S. institutions, rather than focusing on country totals. It would be an inefficient use of the resources under the program to impose artificial country limits on the operation of this program in countries where there are a large number of hospitals and universities that meet the criteria of this program and serve as demonstration centers for U.S. educational and medical ideals while also meeting effectively the medical and educational needs of their populations.

Mr. President, I urge my colleagues to support the bill as reported by the Committee.●

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the rollcall vote ordered on the Senate bill be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, did we get the yeas and nays on the House bill?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, this will be the last rollcall vote today.

There will be a rollcall vote tomorrow morning at 10 a.m. on the United Kingdom Treaty.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Minnesota (Mr. ANDERSON), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Maine (Mr. HATHAWAY), the Senator from Arkansas (Mr. HODGES), the Senator from Minnesota (Mrs. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Tennessee (Mr. SASSER), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mrs. HUMPHREY), and the Senator from Iowa (Mr. CLARK) would each vote "yea."

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Massachusetts (Mr. BROOKE), the Senator from Utah (Mr. GARN), the Senator from New York (Mr. JAVITS), the Senator from Nevada (Mr. LAXALT), the Senator from Illinois (Mr. PERCY), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from South Carolina (Mr. THURMOND). If present and voting, the Senator from Illinois would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 49, nays, 30, as follows:

[Rollcall Vote No. 177 Leg.]

YEAS—49

Bellmon	Ford	Kennedy
Bentsen	Glenn	Leahy
Biden	Griffin	Lugar
Bumpers	Hart	Magnuson
Case	Haskell	Mathias
Chafee	Hatfield, Mark O.	Matsunaga
Chiles	Hatfield, Paul G.	McIntyre
Church	Hayakawa	Metzenbaum
Cranston	Heinz	Morgan
Culver	Huddleston	Moynihan
Danforth	Jackson	Muskie
Dole	Pearson	Nelson
Eagleton	Pell	Packwood
	Ribicoff	Sarbanes
	Riegle	Schweiker
		Sparkman
		Stafford
		Stevenson
		Stone
		Wallop
		Williams

NAYS—30

Abourezk	Durkin	Randolph
Allen	Goldwater	Roth
Bartlett	Hansen	Schmitt
Burdick	Hatch	Scott
Byrd, Harry F., Jr.	Helms	Stevens
Byrd, Robert C.	Hollings	Talmadge
Cannon	Johnston	Tower
Curtis	McClure	Young
DeConcini	Melcher	Zorinsky
Domenici	Nunn	
	Proxmire	

NOT VOTING—21

Anderson	Gravel	Long
Baker	Hathaway	McGovern
Bayh	Hodges	Percy
Brooke	Humphrey	Sasser
Clark	Inouye	Stennis
Eastland	Javits	Thurmond
Garn	Laxalt	Weicker

So the bill (H.R. 12222) was passed.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to H.R. 12222, and I ask unanimous consent that consideration of S. 3074 be postponed indefinitely.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. I move that the Senate insist upon its amendments and request a conference with the House and that the Chair be authorized to appoint conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. SPARKMAN, Mr. CHURCH, Mr. CLARK, Mr. BIDEN, Mr. CASE, Mr. JAVITS, and Mr. PERCY conferees on the part of the Senate.

THE DOUBLE STANDARD IN AID TO NEW YORK

Mr. HARRY F. BYRD, JR. Mr. President, we are now on the eve of Senate debate of new Federal aid to New York City, an issue which is, I believe, one of the most important that this body will take up this year and one which would establish a dangerous precedent.

Underlying the question of what, if any, financial aid should be given to New York City, is the issue of how the Federal Government shall deal with its fiscally troubled cities.

Mr. President, it appears as we start debate on aid to New York City that the administration is applying a double standard in its treatment of potentially distressed cities: one standard for New York City and a completely different standard for the rest of the country.

In an early March press conference. President Carter, when questioned whether he supported long-term fiscal aid for New York City, firmly stated that "We intend to fight for it."

Since then, in subsequent press conferences, he has reaffirmed his strong commitment to provide financial assistance to New York.

Most recently this support was evidenced in a New York Daily News June 6 article entitled "Carter Will Twist Arms to Get Loan Aid for City."

President Carter is expected to call personally five to ten undecided Congressmen in the next few days to ask support for legislation to aid New York City as the administration mounts its final drive to win House approval of the bill on Thursday.

* * * * *

Treasury Secretary W. Michael Blumenthal reportedly recommended that Carter call several influential Congressmen on the list and Carter is expected to do so, thus redeeming his promise to Koch last February that he would "personally lead" the fight for aid to the City.

I ask unanimous consent that this June 6 Daily News article be inserted in full at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARRY F. BYRD, JR. Mr. President, New York City is in financial distress for a myriad of reasons, many of which it has brought upon itself.

The city is currently seeking from Congress a new form of aid because its historical sources of financial aid are unwilling, or claim they are unable, to provide it with further aid.

Senator PROXMIRE candidly pointed out that it is the State's responsibility to come to the aid of its cities.

(T)he responsibility for New York City is New York State's responsibility. The state is sovereign. The state can abolish the city; it can expand the city; it can contract the city.

We never had any assistance to any other city in all our history except New York in 1975. Other cities have had lots of difficulties, and when they've had difficulties, they have gone under, as Detroit did in the 1930's, or they have had to come to the state and the state has had to make some very tough sacrifices in order to do the job.

Faced with this responsibility, the State of New York has come before the Senate Banking Committee and has claimed that it is unable to provide further substantial financial aid to the city.

Yet, the Governor of New York proposed and successfully lobbied to have enacted a $750 million tax cut for the State of New York.

One of the main reasons New York State, which under our form of government is the parent of the city, cannot provide further substantial assistance is that the tax cut took away from the State funds it could have used to help its largest city.

On June 13, during the recently completed Senate Banking Committee hearings on New York City aid, committee Chairman PROXMIRE made this cogent observation:

You do have a $750 million tax cut. It is the biggest tax cut in the country. A tax cut is welcome. Mr. Ohrenstein is dead right. There is nothing you can do that would help the economy more. But gentlemen, there is a time and place. After all, to have a tax cut at a time you're coming to the Federal government in this unique situation and saying the state can't possibly do any more doesn't seem to be appropriate.

The obvious conclusion is that if we give New York City guaranteed aid under these circumstances we are letting the

State escape its fundamental responsibility to take care of the financial welfare of its cities.

President Carter and his administration, with their strong support of loan guarantees, are on the record as supporting all of the New York City's and State's recent actions. This support includes approval of the State's tax cut, even though this tax cut has been one of the primary factors preventing the State from providing New York City increased substantial aid in its time of distress.

Contrast this scenario with what has transpired in California.

On June 6 the voters of California decided that they had enough of high taxes and they voted to cut their property taxes by $7 billion.

Immediately this action created a traumatic effect among California's politicians. The question was how could California's communities maintain fiscal solvency with such a drastic cut in their budgets.

All over the State of California, its politicians quickly formulated contingent plans to cope with this problem.

On the Federal level, the administration's reaction to California's action was prompt.

In an article that appeared in the Washington Star on June 14, 1978, entitled "OMB Chief: U.S. Won't Assist States That Cut Back Taxes," it was noted that President Carter's Budget Director had announced that the Federal Government will not bail out California or other States and local governments that vote tax cuts.

OMB's Budget Director James T. McIntyre was quoted in the article as saying:

> So I assert it is wishful thinking that the federal government can . . . help ease the financial burdens resulting from state or local citizen voting.
>
> Looking to Washington for a bail-out isn't going to be a viable or sensible solution in the future.

McIntyre's remarks were made in a speech to the Advertising Council in which he went on to say further that he was afraid that—

> Cities and counties will turn to the federal government more than ever before to bail them out of financial troubles.
>
> I suspect we will be hearing more of these warnings in the weeks ahead. Such thinking raises false hopes.

Mr. McIntyre stated further in his speech that:

> The federal government cannot pay for services the states have trimmed because "federal resources are not infinite. Indeed they are being stretched tight as things stand today."

Mr. President, I ask unanimous consent to have inserted at the end of my remarks the Washington Star article entitled "OMB Chief: U.S. Won't Assist States That Cut Back Taxes."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HARRY F. BYRD, JR. Mr. President, President Carter, at his press conference on June 14, was asked if Budget Director McIntyre spoke for him. He replied:

> I don't think there would be any possibility of our passing a specific law just to deal with California. The reason for the interrelation on taxes, for instance, is to prevent double taxation. And I think even with the reduced taxes on property in California—the taxes, for instance, in states like Georgia or Alabama—would still be quite a lot lower than those in California.
>
> So we still have no means nor inclination to single out California for special Federal programs just because they have lowered property taxes.

It is ironic that later in the same press conference President Carter strongly reaffirmed his support for aid to New York City in the form of long-term loan guarantees.

After reporting that the administration had gone to great lengths to tell California that it would not get any assistance, the June 14 Washington Star article quoted from above indicated that the State of California has no plans to ask the Federal Government for money to make up for the lost revenue. Nor does it appear that they have asked for Federal aid since the article.

California has made it clear that it is willing to fight its own battles, take care of its own problems.

The people of California spoke loud and clear by a two to one vote proclaiming they want less government. Now, by the pending New York City bailout legislation, Californians are being forced to help guarantee funds for the excessive spending of New York City.

The same administration which maintains—and I think correctly—that California is not entitled to special help, is now on the record as favoring special financial aid to New York.

This double standard—one standard for New York State and city and another completely different standard for the rest of the country—troubles me, Mr. President.

This double standard was evidenced further in a June 19 Washington Post article entitled "U.S. Cautions California on CETA Fund Use."

> The Labor Department will oppose proposals for California towns to use U.S. Comprehensive Employment and Training Act funds to fill payroll gaps created by a shortage in tax funds, Assistant Secretary says.
>
> Green, who oversees the $11 billion program of jobs and training for the unemployed said the Labor Department is determined not to waive CETA regulations to allow some of California's public employees to be transferred to the federal payroll.
>
> The intent of Congress in creating CETA three years ago was not to bail cities out of fiscal hardships, but "to provide services and employment opportunities for those who need it."

Mr. President, I ask unanimous consent to have inserted into the RECORD at the end of my remarks the article entitled "U.S. Cautions California on CETA Fund Use."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. HARRY F. BYRD, JR. Mr. President Budget Director McIntyre, in the June 14 Washington Star article cited earlier indicated that,

> The federal government could not pay the salaries of teachers, for example, if California stopped paying some of them with state money.

Contrast this standard that is being applied to California and presumably the rest of the country with that standard which is being applied to New York City.

A recently written report by the New York State Emergency Financial Control Board, detailed in the June 23 edition of the Washington Post, criticized Mayor Edward Koch's administration for relying too much on Federal funds under the Comprehensive Employment and Training Act to hire additional personnel.

The report pointed out that the city now employs 1,200 teachers, 1,000 police officers and 1,500 parks employees, with the help of CETA funding.

It appears that since the city has been using CETA funds openly in this manner, their practice has implicitly received the Carter administration's blessing.

Moreover, the executive budget-fiscal year 1979 for New York City noted that legislation is pending in Congress to tighten CETA practices and eliminate the kinds of uses to which New York City has put the program.

Despite this, New York is very confident that this double standard on CETA fund usage will be continued and expanded as it has put into its purported balanced budget of fiscal year 1979 a large sum of CETA money.

The Fiscal Observer in its May 18 issue, in questioning the city's budget and its estimate of increased revenues had this to say about the city's intended budget for CETA funds:

> "The city's use of the full $306 million in CETA funds for 29,000 employees of mayoral, covered, and charitable organizations depends on Congress's consent to the city's use of a large portion of CETA revenues for workers other than the hardcore unemployed.

New York City's executive budget indicates that the city believes that through its New York congressional delegation, it will be able to convince Congress that they can continue to use CETA funds in this same fashion.

Thus the administration has approved the stretching of the CETA program by New York City but opposes the same policy in California.

What is good for the Big Apple is not good for the city of the Angels.

The administration in effect has told 49 States to "bite the bullet" and then turned around and told New York City not to worry, that it will take care of it and lobby hard to convince the rest of the country that they should help pay for New York City's practices.

Why the double standard?

This country was founded on the Republican form of government which has all States equal in power and all laws and policies being applied equally to all of the States and their cities. No State or city deserves special treatment under our form of Government.

In the debate that will follow on this issue we will hear proponents of long-term guaranteed aid will argue that New York City is unique, a national asset, de-

serving of the special treatment of being the only city to receive long-term Government guaranteed loans.

Will the voters of California be swayed by this argument?

Will the voters of the financially troubled cities of Ohio accept this argument?

Indeed, will tax-conscious voters anywhere accept this argument?

I think not.

That is why this legislation is so crucial.

It's enactment could encourage politicians everywhere to turn to Washington to help them out of any financial problem, no matter what the cause.

Billions upon billions are at stake in this debate. It is vital that the Senate consider carefully the precedent it is setting.

The Senate has been blitzed by a massive lobbying campaign attempting to justify the bailout of New York City.

As of now, despite all of the proponents' hard sell, the case has not been made for special treatment for New York.

A great city it is, but I feel it would be most unwise to set the precedent of the Federal Government guaranteeing city bonds.

EXHIBIT 1

CARTER WILL TWIST ARMS TO GET LOAN AID FOR CITY

(By Bruce Drake)

WASHINGTON.—President Carter is expected to call personally five to 10 undecided congressmen in the next few days to ask support for legislation to aid New York City as the administration mounts its final drive to win House approval of the bill on Thursday.

The House begins debate today on the measure which would provide up to $2 billion in federal loan guarantees for city-related securities and the interest to be paid upon them. At the same time, an openly skeptical Senate Banking Committee will begin consideration of the proposal, hearing first from Mayor Koch on the outcome of the city's labor negotiations.

The administration lobbying effort, and that of allied groups, is now focusing on a list of about 50 to 60 undecided House Democrats culled from congressional surveys conducted by the Treasury Department, the New York congressional delegation and the House Democratic Leadership.

15 HOUSE MEMBERS

Treasury Secretary W. Michael Blumenthal reportedly recommended that Carter call several influential congressmen on the list and Carter is expected to do so, thus redeeming his promise to Koch last February that he would "personally lead" the fight for aid to the city.

Georgian Frank Moore, the White House's chief congressional liaison, is supposed to lobby about 15 House members primarily from the South. The balance of the undecided Democrats will be split up among Blumenthal, Deputy Treasury Secretary Robert Carswell Assistant Secretary Roger Altman and members of the White House domestic policy staff led by Stuart Eizenstat.

The administration is also pressing into service congressional lobbyists from other executive departments such as having the Agriculture Department liaison staff convey the President's support of the New York bill to congressmen on the House Agriculture Committee with whom they regularly deal.

A large bloc of undecided congressmen, about 25, are from three states: Texas, Indiana and Wisconsin. The problem in Texas, which gave New York only three votes in 1975, is the conservative nature of most of the congressional districts.

EXHIBIT 2

OMB CHIEF: U.S. WON'T ASSIST STATES THAT CUT BACK TAXES

President Carter's budget director said today the federal government will not bail out California or other states and local governments that cut back their taxes.

"There was a message for Washington as well as California in the Proposition 13 voting," Budget Director James T. McIntyre said.

"So I assert it is wishful thinking that the federal government can . . . help ease the financial burdens resulting from state or local citizen voting."

"Looking to Washington for a bailout isn't going to be a viable or sensible solution in the future," he said.

McIntyre said the government is considering what federal funds might have to be cut off to California because of the property tax limitation approved there June 6.

He said that the federal government could not pay the salaries of teachers, for example, if California stopped paying some of them with state money.

The government is studying similar restrictions in federal child-nutrition programs and local governments jobs for the unemployed, he said.

The state government has announced no plans to ask the federal government for money to make up for the lost revenue.

In a speech to the Advertising Council, McIntyre said the California vote was only the "loudest single shot fired so far in what some people insist is a taxpayer revolt. But it was hardly the first."

He pointed to an attempt by 23 states to ban federal deficits.

"I would remind you that the citizen discontent over taxes, bureaucracy and red tape is directed against the federal establishment as well as other governments," he said.

McIntyre said he is afraid that "cities and counties will turn to the federal government more than ever before to bail them out of financial troubles.

"I suspect we will be hearing more of these warnings in the weeks ahead. Such thinking raises false hopes," he said.

The federal government cannot pay for services the states have trimmed because "federal resources are not infinite. Indeed they are being stretched tight as things stand today," he said.

EXHIBIT 3

U.S. CAUTIONS CALIFORNIA ON CETA FUND USE

(United Press International)

The Labor Department will oppose proposals for California towns to use U.S. Comprehensive Employment and Training Act funds to fill payroll gaps created by a shortage in tax funds, Assistant Secretary Ernest Green says.

Green, who oversees the $11 billion program of jobs and training for the unemployed, said the Labor Department is determined not to waive CETA regulations to allow some of California's public employes to be transferred to the federal payroll.

The intent of Congress in creating CETA three years ago was not to bail cities out of fiscal hardships, but "to provide services and employment opportunities for those who need it," he said in an interview aired yesterday on the syndicated television program, "America's Black Forum."

California taxpayers earlier this month passed an initiative called Proposition 13 to slash property taxes—setting off a chain reaction among worried public officials that reached all the way to Capitol Hill.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business or for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

STUDY OF MAJOR FEDERAL RETIREMENT SYSTEMS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 884.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

Calendar No. 884, Senate Resolution 244, expressing the sense of the Senate that the Secretary of the Treasury conduct a study of the major Federal retirement systems.

There being no objection, the Senate proceeded to the consideration of the resolution which had been reported from the Committee on Governmental Affairs with an amendment.

The PRESIDING OFFICER. The clerk will report the amendment

The assistant legislative clerk proceeded to read the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 6, strike "June 30, 1978" and insert "December 20, 1979".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The resolution (S. Res. 244), as amended, was agreed to, as follows:

Resolved, That it is the sense of the Senate that in addition to any study which is conducted under section 402 of the Act of November 13, 1966, relating to the report of the Secretary of the Treasury on national debt and tax structure (Public Law 89-809; 31 U.S.C. 757f), the Secretary of the Treasury or his delegate conduct a complete study and investigation of the retirement systems listed in section 3 utilizing estimates computed on the dynamic assumptions basis to determine the extent of the present and future unfunded liability of each system, the method of financing each such system, and the actions which the Secretary or his delegate finds necessary to be taken to insure the solvency of each such system.

SEC. 2. It is further the sense of the Senate that the Secretary of the Treasury or his delegate report to the Congress not later than December 20, 1979, the results of any study and investigation conducted under the first section of this resolution together with such recommendations, including recommendations for legislation, as the Secretary or his delegate considers appropriate.

SEC. 3. The retirement systems referred to in the first section of this resolution are the retirement systems which are provided for—

(1) any individual or a surviving spouse under title II of the Social Security Act;

(2) any officer or employee of the Federal Government under chapter 83 of title 5, United States Code;

(3) any officer or member of the uniformed services;

(4) any officer or employee of the Foreign Service;

(5) the Federal judiciary;

(6) judges of the United States Tax Court;

(7) the Federal Reserve Board;

(8) officers and employees of the Tennessee Valley Authority;

(9) policemen and firemen of the District of Columbia;

(10) teachers of the District of Columbia; and

(11) judges of the District of Columbia.

SEC. 4. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of the Treasury.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 95-953), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY AND PURPOSE

The committee notes that recently there has been a great deal of concern expressed regarding the viability of the social security retirement fund. In addition, a number of the other Federal retirement programs are experiencing continuously increasing unfunded liabilities. The General Accounting Office testified as follows:

As the resolution recognizes, funding of Federal retirement systems remains a serious and growing problem that needs further attention. Federal retirement systems funding requirements vary, and in most cases are less stringent than those imposed by law or private pension plans. Some systems provide for fully funding benefit rights as they accrue, some provide for partial funding, and some are completely unfunded. The reported unfunded liabilities for three major systems have grown from $157 billion in 1970 to $280 billion in 1976, an increase of 79 percent. Under existing funding provisions, the unfunded liabilities will continue to grow.

The GAO also reported that Congress was not being provided with realistic and consistent information on the cost of such retirement programs. According to the August 3, 1977, Comptroller General's report to the Congress, entitled, "Federal Retirement Systems: Unrecognized Costs, Inadequate Funding, Inconsistent Benefits":

The costs and liabilities of Federal retirement programs are much greater than recognized by current costing and funding procedures. Usually, costs are determined on a "static" basis with little or no consideration given to the effect of general pay increases and annuity adjustments on ultimate benefit payments, resulting in a considerable understatement of benefit costs accruing each year. For the civil service retirement system alone, unrecognized retirement costs in 1976 amounted to an estimated $7 billion. In some programs, none of the currently accruing cost is recognized.

The result of such developments, if permitted to continue, could jeopardize the solvency of each of the Federal retirement systems.

One approach toward obtaining more realistic information is to require reports on the financial status of the retirement systems, utilizing the dynamic assumption accounting method. Thus, rather than receiving reports which solely reflect the present financial status of these programs, the reports will be required to provide the present and to estimate the future status.

To accomplish this, Senate Resolution 244 requests the Secretary of the Treasury to report to Congress on the extent of the present and future unfunded liability, the methods of financing, and the actions which the Secretary of the Treasury finds necessary to be taken to insure the solvency of the major Federal retirement systems.

The committee is aware that similar studies are being conducted, including the review authorized by the Social Security Amendment of 1977 (Public Law 95-216). The committee intends that the study provided for in this resolution should not duplicate any other such analysis.

AMATEUR SPORTS ACT OF 1978

Mr. STEVENS. Mr. President, yesterday an article appeared in the Washington Post sports section by Nancy Scannell which outlines in simple terms the intent and need for the passage by the Congress of the Amateur Sports Act of 1978.

This legislation, which was unanimously reported out of the Senate Commerce Committee and passed by voice vote in the Senate, is presently pending in the House Judiciary Committee. Last week 2 days of hearings were held on the bill and Ms. Scannell covered those proceedings. There have been some misconceptions attached to the bill—that it is only for Olympic athletes, that it means Federal interference, that it is a step toward the East German system. Ms. Scannell, who has invested considerable time and effort in not only understanding this Nation's amateur sports community, but also the effect of this legislation on it, clears up all of these misunderstandings and emphasizes the real need for the reforms called for in the bill.

I congratulate Ms. Scannell for her perceptive analysis and ask unanimous consent that the article appear in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD as follows:

OLYMPIC BILL PASSAGE SEEN AS CRUCIAL

(By Nancy Scannell)

Gen. Douglas MacArthur, unable to win the war, settled for a brief truce, never to return. Attorney General Robert F. Kennedy threw his hands up in disgust and walked out of the negotiating room. Labor arbitrator Theodore Kheel, who had tackled the toughest of union disputes, said it was one of the most frustrating tasks he had ever taken on.

Despite their ability to force difficult compromises and devise successful strategies in other arenas, none of these three men, for all their trying, could end the fighting in the amateur sports community that has hindered domestic and international competition.

Dozens of others have tried—mostly U.S. senators and representatives—to find a solution. But the incohesive, uncoordinated and nearly self-destructive nature of the amateur sports system defied repeated attempts to reform it.

Until now.

Since the first jurisdictional dispute in 1928 over the "rights" to athletes in their programs, the nations' two most powerful amateur sports groups have carried on that battle to the point that U.S. participation in international competition was sometimes second-best and other times non-existent as athletes sat out meets rather than risk suspensions.

The turf fights between the Amateur Athletic Union and the National Collegiate Athletic Association hampered the U.S. Olympic movement, particularly because the AAU had effectively controlled the U.S. Olympic Committee for decades.

In 1972, the NCAA withdrew from the USOC in protest. But today, the NCAA is back in a newly reorganized USOC as the result of one of the most carefully researched and sensitively orchestrated overhauls of a strife-torn body—the USOC.

As a result, the 1978 Amateur Athletic Act—the product of that work—has received the support of every major amateur sports organization in the country, the athletes most directly involved, Republicans and Democrats in Congress and the White House.

None of these groups is completely satisfied with the bill; the White House, for example, has reservations about part of the one-time, $30 million appropriation included in the Senate-passed version. The athletes, in a significant gesture to assure the bill's passage and the return of the NCAA to the USOC, agreed to have a bill of athletes' rights deleted from the legislation and incorporated instead in the USOC constitution.

The only objection left to the bill is the AAU's request that the definition of international competition be clarified to reflect the interpretation various sports groups have already agreed upon. This is essentially a matter of getting the definition in black and white.

All sides have made concessions and banded together in an unprecedented spirit of cooperation to get the bill passed, and passed this year. There is apprehension among many sectors of the amateur sports community that if the bill is not passed by Oct. 1 when Congress adjourns, it will not be resurrected in future congressional sessions.

The passage of this bill, many in the amateur sports community believe, represents the most crucial juncture for the success of the U.S. Olympic movement. Several have also expressed concern that the bill may flounder in the House for possible lack of interest or understanding of its effect.

The legislation is the result of extensive research here and abroad by the President's Commission on Olympic Sports and its noteworthy for what it does not do as well as what it does.

It does not, for example, encroach upon the school-college community's domestic competitions or allow the federal government to call the shots in amateur sports by decreeing how money may be disbursed. It also does not create an East German-type system where elite athletes are trained dawn to dusk in special schools. Nor does it force non-Olympic and Pan American sports, like golf, to join the USOC.

What it does is strengthen the USOC as the central coordinating agency for the nation's amateur sports groups in Olympic and Pan American Games competitions.

Most of the PCOS' recommendations have been adopted voluntarily by the USOC, but their effective implementation is tied very much to the $30 million request.

The crux of the USOC reorganization is the establishment of criteria for becoming a national governing body (NGB) in a particular sport. The requirements provide, among other things, for athletes to make up 20 percent of the NGB's membership and for the reasonable representation of other U.S. sports groups (and individuals) that operate active programs in the NGB's sport.

But most important, the bill requires that the NGB's be self-incorporated and completely autonomous in the governance of their sport. An NGB cannot be a member of more than one international sports federation which governs a Pan Am or Olympic sport.

It is the latter provisions that spell the end to power-bloc control of the USOC and help assure that decisions affecting the sport will be made by people active in or knowledgeable about it.

The provisions have a direct impact on the AAU because it will have to divest itself—and officials say they began the process years ago—of its eight Olympic franchises. Officials have indicated, however, that the AAU may seek the track and field franchise.

The NGBs are charged with developing interest and participation in their sport, from the grass-roots level of barely athletic to potential Olympians. Expanded participation by women, the military and the handicapped is urged.

Because of these NGB responsibilities, as well as administrative duties, the $30 million is viewed as essential to help some sports get organized. Some of the minor sports have literally been run out of a volunteer's kitchen. Now, under the autonomy provisions, they will be self-incorporated organizations with a full-time director. They, most of all, will need federal assistance.

The USOC, which would administer any federal aid, has earmarked $18 million to help finance the development and operation of these sports. As the reorganization of the USOC continues to take effect, those in the amateur sports community firmly believe that the private sector will provide the financial resources for the future.

The White House objects in principle to funds for amateur sports, but has left the door open for federal aid if Congress so wishes. The administration believes the $18 million for the reorganization would not set a precedent, but has reservations about the $12 million proposed for ongoing USOC programs, such as permanent training centers and research and sports medicine programs.

It is through the training centers and the programs, however, that the largest number of Americans may eventually be served, USOC officials say.

The training centers at Squaw Valley and Colorado Springs (three or four more are planned) test athletes selected to attend by their NGBs. They represent a diversity of Americans, from teen-agers to senior citizens, talented and untalented athletes.

The sports medicine programs at the centers involve the study of nutrition, exercise physiology, sports psychology, injury treatment, research and the new field of biomechanics. Through biomechanics, which involves tracking an athlete's moves on a computer and comparing that to what is considered the "perfect" motions in the sport, the athlete learns how to improve his performance.

And from the test results of athletes and nonathletes in these programs, the average American, the man recovering from surgery and the woman with a dislocated shoulder may ultimately be the beneficiaries.

JUNIOR WORLD CYCLING CHAMPIONSHIP

Mr. STEVENS. Mr. President, this week the United States and Washington, D.C., are hosting for the first time the Junior World Cycling Championships. Contestants, ages 17 and 18, are current junior champions in their own countries, with many of these same participants expecting to compete for their countries in the 1980 Olympics. Over 1,000 participants, including athletes, trainers, managers, officials and mechanics are involved from 32 countries.

Just 2 weeks ago a last minute effort had to be made by some of us in the Congress to encourage the National Park Service to grant a permit so that a portion of the Baltimore-Washington Parkway could be set aside this Wednesday, June 28, for the team time trials. This was because the original site is now under construction.

On Saturday, June 24, the Washington Post carried an article by staff writer Russell Carter relating news of the cycling championships and the hopes of some of our American entrants in that race. The article relates facts about other aspects of the American cycling experience—that we lack adequate competitive opportunities for our cyclists whereas Europeans are such strong contenders because they are able to race four to five times per week; that U.S. team members have had to pay all of their expenses for travel and training (including the cost of their expensive $1,000 to $1,500 bikes) until their selection for the national team; that no mechanics travel with the American team as they do in other countries; and that two members of the original 10-man American road racing squad were unable to come because they couldn't afford to pay their expenses.

These facts underline one of the reasons why I and others have so strongly supported passage of the Amateur Sports Act of 1978. America needs to stand behind its aspiring young athletes who, because of the total disorganization and lack of financial capability in some sports, have had to totally develop and support themselves with the help and encouragement of understanding parents. The current makeup of our sports organizations does not require them to be responsive to their members. Nor are they sufficiently organized to attract private funding. The Senate, I am glad to say, has expressed itself on the issue by passing the bill by voice vote on May 8th. My colleagues in the House are now looking at H.R. 12626. I hope they will voice their support for it soon so that the reforms which are contained in the bill can be effectuated.

I ask unanimous consent that the Russell Carter cycling article of June 24 be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIX AREA CYCLISTS WANT SHARE OF OLYMPIC SPOTLIGHT

(By Russell Carter)

Tomorrow Greg LeMond and five friends will ride bicycles through Rock Creek Park. Nothing unusual. Right? Wrong.

The group rides farther and faster than most of the two-wheelers usually seen along the Park's bike trails. And for good reason, the sextet will carry the hopes of the United States in the Junior World Cycling Championsips road race.

More than 200 bikers from 32 other countries, including defending overall champion East Germany and strong contenders Russia, Belgium and Italy, present obstacles to the host country's chances of winning the 76-mile race. The event, the second of three comprising the junior championships, is being held in this country for the first time. Earlier this week, track events were held in the Velodrome in Trexlertown, Pa. The championships will wind up Wednesday with a four-man team trial competition on the George Washington Parkway in Arlington.

For LeMond, reigning National Junior champion who is considered America's best hope for a medal, tomorrow's race culminates a three-month training period that began with a tryout camp in March and has continued to occupy much of the time of the 16-year-old Reno, Nev., native and his seven teammates (six from the group will be chosen to ride shortly before the race). The octet daily pedals 60–65 miles at race speeds (25–30 mph) through Rock Creek Park and Potomac Park.

Although that schedule seems arduous, LeMond would probably just as soon ride in an actual race every day. "There is no better training than riding in a race," commented LeMond. "That's why the Europeans are so strong. Over there they race four or five times a week, totalling maybe 250 miles."

The United States team members paid all their travel and training expenses, including buying their bikes ($1,000–$1,500) until their selection to the final national squad. Even now, no mechanics or masseurs travel with the team as do most of the other competing countries.

Two members of the original 10-man American road racing squad, Antonio Conforte of Boulder, Colo., and Bob Burgdahl of Los Angeles, were unable to come here because of lack of money. Equipment sponsors occasionally kick in with a set of new tires or shoes, but beyond that it's mostly up to the individual riders to provide their equipment.

But lack of comparable facilities has not dampened the spirit of LeMond, who started bicycling four years ago as off-season training for skiing. He hopes continued success as a junior will lead to an Olympic berth in 1980 and later to a professional racing career in Europe.

A fellow teammate, Jeff Bradley of Davenport, Iowa, started cycling as an off-season alternative to speed skating, a sport in which he has won the National and North American intermediate titles. He has been almost as successful on wheels, finishing second to LeMond in the last National Juniors. Other members of the team started similarly in the sport for off-season activity or, in some cases, as a more competitive alternative to pleasure riding.

The actual race is almost always the antithesis of pleasure, according to Chris Carmichael of Miami: "During a sprint to the finish line, you have opposing riders pulling each other's jerseys to hold that man back and get an extra boost. There is also blocking (swerving in front of another rider to force him off the course). The other teams do that stuff, we don't."

But the above-board strategy for the 10-lapper around Rock Creek Park is slightly more complex. The United States contingent will start near the rear of the alphabetically-placed national teams, but they will try to move up to the front of the pack as soon as possible.

The initial move has a twofold purpose, according to team member Lee Ziff of Beverly Hills, Calif.: "When you're in the middle of the peloton (the main pack) you stand more of a chance of being involved in a spill. Also, when you move to the front you can see how far ahead of you the breakaway (leading group) is."

Each team holds back its best finisher for the final sprint to the finish line. This is done by letting him draft one or two members of the team, cutting down on the amount of work he has to do.

Forecasting tomorrow's race (10 a.m. starting at Military Road and Ross Drive), Ron

Kiefel of Denver observed, "This will be a race from start to finish. The course does not allow you to coast since there are no downhills. The winner will be the best rider, if he has no bad breaks."

And maybe if he wears a tear-away jersey.

FIREARMS REGULATIONS OF BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

Mr. STEVENS. Mr. President, we are all familiar with the controversy surrounding the proposed firearms regulations of the Bureau of Alcohol, Tobacco, and Firearms. In light of the rather overwhelming vote in the House to prohibit implementation of those regulations, there seems to be a general agreement, at least within the Appropriations Committee and I hope within the Senate, to retain the prohibition, and I fully support this action. However, some dispute has arisen with respect to the $4.2 million the House cut from the Agency's requested budget increase.

The Department of the Treasury is now claiming that such a cut will force them to remove agents from the streets, despite the fact that the Bureau is receiving $2.6 million more than last year under the House bill, and despite the fact that their budget request indicates a decrease in personnel of 72, prior to the House action. I suspect this is more "poor-mouthing" in an attempt to forestall the budget reduction than an accurate statement of the consequences of such a reduction. There is certainly $4.2 million worth of press releases, public relations work, new automobiles and similar frills in a $135 million budget.

I also note that Assistant Secretary Davis, in the briefings announcing the regulations before House staff and the public, states the Bureau intended to use money in the current budget for the regulations. As Treasury has faced opposition to the regulations they have steadily retreated from this position, but I am forced to conclude that the retreat is based on political rather than fiscal considerations.

I ask unanimous consent to place in the RECORD at this point a summary of the differing positions taken by Treasury on this $4.2 million, along with a transcript of Mr. Davis' initial remarks when asked where the funds would come from for the regulations. I believe this will indicate that the Senate can go along with the House budget reductions without adversely affecting law enforcement by BATF.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A SHORT HISTORY OF BATF'S $4.2 MILLION

The Bureau of Alcohol, Tobacco and Firearms is now apparently claiming that a reduction in their budget increase requested for FY 1979 of $4.2 million, as approved by a 314–80 vote in the House of Representatives, will force them to remove agents from the streets. This is quite dubious in light of the agency's earlier statements on their firearms regulations.

When the regulations were first announced, Assistant Secretary Richard Davis stated categorically that the $4.2 million needed to begin to implement the regulations would be re-programmed from existing funds. This statement was made both to a briefing for the House Judiciary Committee staff and in a public briefing, where NRA recorded Mr. Davis' statement, on March 16.

Mr. Davis' next set of remarks on the issue came before the House Treasury Appropriations Subcommittee on April 24, when he was called before the Subcommittee to explain why he did not mention these regulations when he testified on the BATF budget only 18 days before the regulations were issued. He then testified that Treasury now did not know whether it would reprogram funds for the regulations or seek a supplemental appropriation. It was this refusal to make a commitment that led the Subcommittee to cut the $4.2 million from the agency's requested budget increase the next day.

The third set of remarks on the money were made May 4, before the House Judiciary Committee's Subcommittee on Crime, where Mr. Davis stated, for the first time, that no funds for the regulations were in the current budget. When questioned about his earlier statement on re-programming, he stated that he could not clearly recall what he said, but that they now were sure they would need additional funds.

This was re-stated by Deputy Secretary Carswell on May 23, when he wrote a letter to Senator Chiles, Chairman of the Senate Treasury Appropriations Subcommittee, committing the Treasury to not implementing the regulations without receiving additional funding for the regulations. The previous day the full House Appropriations Committee had voted 38–3 against a motion to delete language prohibiting the implementation of the regulations.

After that vote, for the first time, Treasury began to talk of losing agents as a result of the fund cut.

It seems reasonably clear that Treasury has revised its position on the $4.2 million each time it faced pressure on the subject It is now "poor-mouthing" on the subject, when in fact it will still receive $2.6 million more than last year, under the House bill. BATF seems to be adopting the tactics of some officials in California relative to Proposition 13, in publicly threatening to cut the most needed programs when faced with a reduction in funds rather than deferring purchases of new automobiles and similar measures. Only their requested increase was cut, not their operating budget. Furthermore, since their budget request was for 100 fewer positions, the entire increase requested is for administrative overhead. $2.6 million should be more than enough for that, particularly inasmuch as most agencies "pad" their budget requests in anticipation of cuts by the Congress. Since the agency had the regulations under development long before the budget request was sent to Congress, there is reasonable grounds to believe that the $4.2 million was in fact put into the request so that funds would be readily available to begin implementation of the regulations.

An examination of the agency's budget summary (reproduced below), casts further doubt on the necessity of a $4.2 million cut in the requested budget increase having an adverse impact on personnel.

The following especially stand out:

	Total requested [millions]	Increase requested over last year
Personnel compensation	$83.3	(—$194,000)
Travel	5.9	547,000
Communications	5.1	1,100,000
Printing	6.3	1,600,000
Other services (?)	8.5	1,100,000
Supplies and materials	3.6	445,000
Equipment	3.3	716,000

The total requested increase for non-personnel functions is $5.5 million in merely the above categories. Included within this figure is $800,000 to replace aging equipment and authority for replacing 350 automobiles.

BATF could, of course, decide to absorb the $4.2 million cut by the House in its personnel portion of the budget. However, it seems clear that there are increases being sought in other areas that could absorb the cut without in any way harming the personnel budget. Given the reductions being made in the budgets of other agencies, it is not unreasonable to expect BATF to absorb a cut of $4.2 million out of a $135 million request.

DEPARTMENT OF THE TREASURY, BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS—STANDARD CLASSIFICATION SCHEDULE (DIRECT OBLIGATIONS ONLY)

	Appropriation 1977	Appropriation 1978	Appropriation 1979	1979 increase or decrease (—) over 1978
Total number of permanent positions	4,376	4,140	4,068	—72
Average paid employment	4,131	4,041	3,941	—100
Object classification				
Personnel compensation:				
Permanent positions	69,719,213	75,520,000	75,485,000	—35,000
Positions other than permanent	555,586	484,000	484,000	
Other personnel compensation	6,609,658	7,506,000	7,347,000	—159,000
Total personnel compensation	76,884,457	83,510,000	83,316,000	—194,000
Personnel benefits	9,120,225	9,841,000	10,293,000	452,000
Travel and transportation of persons	5,454,128	5,430,000	5,977,000	547,000
Transportation of things	684,479	655,000	655,000	
Standard level user charges	5,929,140	7,166,000	8,320,000	1,064,000
Communications, utilities, and other rent	3,896,196	4,028,000	5,144,000	1,116,000
Printing and reproduction	4,119,927	4,700,000	6,328,000	1,628,000
Other services	6,885,986	7,419,000	8,535,000	1,116,000
Supplies and materials	3,366,038	3,212,000	3,657,000	445,000
Equipment	2,252,250	2,611,000	3,327,000	716,000
Insurance claims and indemnities	46,655	60,000	60,000	
Total obligations	118,639,481	128,632,000	135,522,000	6,890,000
Unobligated balance	24,519			
Total appropriation, authorized level, and budget estimate	118,664,000	[1] 128,632,000	135,522,000	6,890,000

[1] Includes appropriation of $122,600,000 plus proposed pay increase supplemental of $6,032,000.

Q. Will the funds that ATF needs to implement these regulations be available in the FY 79 budget or will you have to amend your budget request?

DAVIS. Well, right now, in terms of, you know, one question is exactly when these will go into effect, because in terms of effective date, you have a comment period, you have a study period, you have what is . . . we are at the beginning of a process of decision-making not at the end of one.

It is our hope in terms of the . . . whatever cost to ATF and our plan to try and do that out of existing ATF resources which are readily available in the FY 1978 budget and presumably be available in the '79 budget, and we do not intend, if at all possible to seek additional funding to implement them. We think there are places where we can come up with the full-time personnel.

In part, what we are talking about is a program that provides us with a basis for a national gun control program with a national impact, as opposed to the CUE program which proved very successful but which has the drawback that it cost $8-million . . . somewhat . . . increasingly now come up with a program with a national impact for less money, so we think we will try and find the resources in existing budget allocations.

ORDER FOR RECESS UNTIL 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PROCEED TO CONSIDERATION OF S. 2549 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the completion of action on Calendar Order No. 733, S. 419, the oil shale bill, on tomorrow, the Senate proceed to the consideration of Calendar Order No. 782, S. 2549, the National Science Foundation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 12930

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the previous order which was entered into with respect to the taking up of the bill H.R. 12930, an act making appropriations for the Treasury Department and the U.S. Postal Service be altered as follows:

That tomorrow, immediately after the votes on the United Kingdom Treaty and the return of the Senate to legislative session, the Senate then proceed to consideration of the Treasury-Postal Service bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately following the recognition of Mr. STEVENS on tomorrow, which order has been previously entered, the Senate transact routine morning business until the hour of 10 o'clock, with Senators allowed to speak during that morning business up to 3 minutes, and that at 10 o'clock the Senate then go into executive session for the vote on the United Kingdom Treaty.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, have the yeas and nays been ordered on the United Kingdom Treaty?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. ROBERT C. BYRD. I thank the Chair.

COMMITTEE MEETING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Practices of the Committee on Judiciary be authorized to meet during the session of the Senate tomorrow to hold hearings on the FBI charter (FBI and Department of Justice testifying).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will come in at 9:30 tomorrow morning. After the two leaders are recognized, each for not to exceed 2 minutes, the distinguished Senator from Alaska (Mr. STEVENS) will be recognized for 15 minutes under the order previously entered, following which there will be a period for the transaction of routine morning business with Senators allowed to speak therein for up to 3 minutes.

The PRESIDING OFFICER. The time for the Senator from Alaska under the order is 10 minutes.

Mr. ROBERT C. BYRD. Yes, 10 minutes, that is right. Then the order for morning business will allow Senators to speak up to 3 minutes each.

At 10 o'clock the Senate will go into executive session to vote on the resolution of ratification of the United Kingdom Treaty, as amended by the Church reservation.

Immediately upon the disposition of that treaty, the Senate will return to legislative session, and at that time will proceed to the consideration of the Treasury-Postal Service appropriation bill.

There is a time limitation on that bill.

Upon the disposition of that bill, the Senate will take up the oil shale bill. There is a time agreement on that bill.

Upon the disposition of that bill, the Senate will take up the National Science Foundation authorization bill. There is a time agreement on that bill.

Mr. President, the Senate is making good progress. It enacted several measures today, and it has that busy schedule for tomorrow. Rollcall votes will occur tomorrow beginning at 10 o'clock a.m.

RECESS UNTIL 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered and, in accordance with Senate Resolution 493, as a further mark of respect to the memory of the deceased Honorable WILLIAM M. KETCHUM, late a Representative from the State of California, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow.

The motion was agreed to; and at 7:10 p.m the Senate recessed until tomorrow, Tuesday, June 27, 1978, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 26, 1978:

INTERNATIONAL COMMUNICATION AGENCY

R. Peter Straus, of New York, to be an Associate Director of the International Communication Agency (new position).

DEPARTMENT OF JUSTICE

Robert E. Hauberg, of Mississippi, to be U.S. attorney for the southern district of Mississippi for the term of 4 years (reappointment).

Clinton T. Peoples, of Texas, to be U.S. marshal for the northern district of Texas for the term of 4 years (reappointment).

DIPLOMATIC SERVICE

The following-named persons for appointment as Foreign Service information officers of class 4, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Yukio Allan Kuniyuki, Jr., of Washington.
Blake Robinson, of Massachusetts.

For appointment as a Foreign Service officer of class 5, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Walter Francis Boyle, of Texas.

For promotion from Foreign Service information officers of class 7 to class 6:

Kathleen A. Brion, of Virginia.
Cindy J. Fox, of New York.
Thomas G. Hart, of Connecticut.
Barry Jay Levin, of Missouri.
Michael J. Mingo, of California.
John F. Mizroch, of Virginia.
Marvin D. Pinkert, of Virginia.
Nancy LeRoy Rosenblum, of Michigan.
Catherine M. Smith, of Connecticut.
Arthur Zegelbone, of Illinois.

For promotion from Foreign Service information officers of class 8 to class 7:

Diane DeBuck, of Virginia.
Frederick M. Knapp, of New Jersey.

Foreign Service reserve officers to be consular officers of the United States of America:

Jerry L. Baker, of Arkansas.
Joseph Gettier, of New York.

Foreign Service reserve officers to be consular officers and secretaries in the Diplomatic Service of the United States of America:

William D. Barrett, of Virginia.
John F. Bender, of Virginia.
Vernon E. Bishop, of Washington.
Peter A. Bogatyr, of Virginia.

Daniel P. Carbognin, of Maryland.
Kathleen M. Cayer, of the District of Columbia.
Miguel de la Pena, of Massachusetts.
Edward G. Gable, of California.
Sheryl B. Garrison, of the District of Columbia.
Joanne Lee Harris, of Virginia.
Lucius H. Horiuchi, of Washington.
Richard L. Hubbell, of Utah.
Ralph C. Hughes, of Maryland.
George W. Jaquay, of Virginia.
Roberta Jones-Booker, of California.
Irving M. Kanter, of Maryland.
Howard C. Kavaler, of the District of Columbia.
Theodore Klein, of Maryland.
Mark S. Massey, of Louisiana.
Gary B. Mattocks, of North Carolina.
Cletis L. Mishler, of Virginia.
Sheila K. O'Neill, of Virginia.
John D. O'Shaughnessy, of New York.
Earl C. J. Prater, of California.
José A. Rodríguez, Jr., of Florida.
Peter K. Shields, of California.
Fred D. Stephens, of Virginia.
Cynthia Ann Thomas, of the District of Columbia.
James B. Torrens, of Connecticut.
Kenneth W. Trotter, of South Carolina.
Charles D. Walker, of Virginia.
Craig L. Walker, of Virginia.
Lawrence M. Wright, of Kansas.
Preston F. Zoller, of Virginia.

Foreign Service reserve officers who are candidates for appointment as junior Foreign Service officers to be consular officers and secretaries in the Diplomatic Service of the United States of America:

J. Mikel Alderman, of Georgia.
Burton O. Allen, of Minnesota.
Philip Norman Antokol, of Maryland.
Eduardo J. Baez, of Florida.
Terry Alan Breese, of California.
James Louis Bruno, of New York.
David R. Burnett, of Idaho.
Thomas A. Farrell, of Rhode Island.
Michael Bart Flaherty, of Virginia.
Thomas M. Givens, of Florida.
William Henry Griffith, of West Virginia.
Jerome P. Harrison, of California.
Robyn Elaine Hinson, of New York.
Anthony John Interlandi, of Connecticut.
Gary Dean Lindsay, of California.
Christopher F. Lynch, of Ohio.
Eileen Anne Malloy, of Connecticut.
Jay Irving Mann, of Massachusetts.
Carl S. Matthews, of Virginia.
S. Jean Melvin, of Pennsylvania.
Alan David Oslick, of Pennsylvania.
Ronald Scott Parson, of Virginia.
Carlos Pérez, of Pennsylvania.
Steven Karl Pifer, of California.
Thomas L. Price, of Missouri.
Patricia Diane Ratcliff, of the District of Columbia.
David Francis Rogus, of New York.
Douglas Carl Rohn, of Oregon.
Alberta Irene Rorick, of Indiana.
John Richard Schmidt, of Wisconsin.
Katherine A. Schwering, of Maryland.
David Lawrence Smith, of Oregon.
Teddy Bernard Taylor, of Maryland.
Mary Jane Thomas, of South Dakota.
Paul A. Trivelli, of Connecticut.
William Capers Warren, of Virginia.
Royal Michael Wharton, of New York.
James Lynard Williams, of Maryland.

Foreign Service reserve officer to be a secretary in the Diplomatic Service of the United States of America:

Frederick Schieck, of California.

Foreign Service staff officers to be consular officers of the United States of America:

Richard M. Brennan, of New York.
George M. Blair, of Arizona.
Elizabeth A. Edwards, of New Jersey.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be general

Lt. Gen. Robert Morin Shoemaker, [redacted], Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutnant general

Maj. Gen. John Adams Wickham, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Robert George Yerks, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. La Vern E. Weber, [redacted], Army National Guard of the United States, to be reappointed as Chief, National Guard Bureau, for a period of four years beginning 16 August 1978, under the provisions of section 3015, title 10 United States Code.

IN THE NAVY

The following-named officer having been designated for commands and other duties of great importance and responsibility in the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment while so serving as follows:

To be vice admiral

Rear. Adm. Ronald J. Hays, U.S. Navy.

Rear Adm. Edward P. Travers, U.S. Navy, to be Director of Budget and Reports in the Department of the Navy for a term of three years pursuant to title 10, United States Code, section 5064.

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force.

MEDICAL CORPS

To be major

Reppart, John T., [redacted].

To be captain

Wright, Donald G., [redacted]

The following persons for appointment as reserve of the Air Force, in grades indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be lieutenant colonel

Brown, Frederick E., [redacted].
Buscher, John, [redacted].
Cherry, John K., [redacted].
Cierebiej, Albert, [redacted].
George, William K., [redacted].
Henderson. Harry R., [redacted].
Koch, David A., [redacted].
Kohut, Vladmir, [redacted].
McGann, Desmond M., [redacted].
Meyer, James E., [redacted].
Postles, William T., [redacted].
Singleton, Charles M., [redacted].

DENTAL CORPS

To be lieutenant colonel

Arnold, Roger R., [redacted].
Harrell, Connie J., [redacted].

The following person for appointment as reserve of the Air Force in the grade indicated, under the provisions of section 593, title 10, United States Code.

LINE OF THE AIR FORCE

To be lieutenant colonel

Reynolds, Clarence C., [redacted].

The following persons for appointment as reserves of the Air Force (ANGUS) in the grade indicated, under the provisions of sections 593 and 8351, title 10, United States, Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be lieutenant colonel

Bickman, Dudley W., [redacted].
Carson, Gordon C., [redacted].
Massin, Trayco R., [redacted].
Reed, Samuel P., [redacted].
Shull, Thomas E., [redacted].

The following officer for promotion in the Regular Air Force, under the provisions of chapter 835, title 10, United States Code, as amended. Officer is subject to physical examination required by law.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Birdman, Murray J., [redacted].

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code.

MEDICAL CORPS

Lieutenant colonel to colonel

Silver, James A., [redacted].

CHAPLAIN CORPS

Major to lieutenant colonel

Caspers, William A., [redacted].

MEDICAL CORPS

Alandydy, Manuel S., [redacted].
Legaspi, Lester M., [redacted].
Paxston, Donald K., [redacted].

NURSE CORPS

Gillane, Melba M., [redacted].
Yeomans, Ruth E., [redacted].

The following named officer for promotion in the U.S. Air Force in the temporary grade indicated, under the appropriate provisions of chapter 839, title 10, United States Code, as amended.

MEDICAL CORDS

Major to lieutenant colonel

Ford, Donald M., [redacted].

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

CHAPLAIN

To be captain

Besteder, Richard C., [redacted].
Ehrlich, Irvin S., [redacted].
Higgs, Gary L., Sr., [redacted].

To be first lieutenant

Beason, Kenneth G., [redacted].
Cook, Darrell L., [redacted].
Fueger, Richard F., [redacted].

Higgins, Richard B., XXX-XX-XXXX.
Isenberg, Herbert L., XXX-XX-XXXX.
Timm, Jeffrey T., XXX-XX-XXXX.
Wilborn, James A., Jr., XXX-XX-XXXX.

JUDGE ADVOCATE CORPS

To be captain

Abbott, John M., XXX-XX-XXXX.
Beall, John P., XXX-XX-XXXX.
Bockstahler, Edwin F. II, XXX-XX-XXXX.
Capone, John W., XXX-XX-XXXX.
Darugh, David G., XXX-XX-XXXX.
Donovan, Kevin W., XXX-XX-XXXX.
Guise, Dennis T., XXX-XX-XXXX.
Jontz, Dennis E., XXX-XX-XXXX.
Kilroy, Michael A., XXX-XX-XXXX.
Linder, N. Steven, XXX-XX-XXXX.
Luchini, Joseph S., XXX-XX-XXXX.
Martinez, John J., Jr., XXX-XX-XXXX.
Maus, John R., XXX-XX-XXXX.
Nye, Michael W., XXX-XX-XXXX.
Reichart, William J., XXX-XX-XXXX.
Reutlinger, Craig A., XXX-XX-XXXX.
Schmidt, William G., XXX-XX-XXXX.
Sutemeier, Robert E., XXX-XX-XXXX.
Tanner, Morris A., Jr., XXX-XX-XXXX.
Tucker, Patrick A., XXX-XX-XXXX.
Vanorsdol, James R., XXX-XX-XXXX.
Wiener, Howard C., III, XXX-XX-XXXX.

To be first lieutenant

Black, Larry G., XXX-XX-XXXX.
Brummett, Duane L., XXX-XX-XXXX.
Buchanan, Bradford L., XXX-XX-XXXX.
Engen, David A., XXX-XX-XXXX.
Everley, Douglas R., XXX-XX-XXXX.
Hoover, Michael J., XXX-XX-XXXX.
Kohrt, Douglas H., XXX-XX-XXXX.
Loburgio, Nicholas J., XXX-XX-XXXX.
Madrid, Michael N., XXX-XX-XXXX.
Owen, Clyde M., Jr., XXX-XX-XXXX.
Oxley, Joel M., XXX-XX-XXXX.
Titrud, Jeffrey S., XXX-XX-XXXX.
Vanness, James G., XXX-XX-XXXX.

NURSE CORPS

To be captain

Baughman, Marjorie A., XXX-XX-XXXX.
Bentley, Brenda J., XXX-XX-XXXX.
Blatchly, Althea L., XXX-XX-XXXX.
Brubaker, Patricia A., XXX-XX-XXXX.
Delorenzo, Kathleen A., XXX-XX-XXXX.
Gambal, Cherly R., XXX-XX-XXXX.
Hill, Ada J., XXX-XX-XXXX.
Huppert, Bonnie J., XXX-XX-XXXX.
Isik, Tela M., XXX-XX-XXXX.
Jehn, James H., XXX-XX-XXXX.
Kohut, Anna, XXX-XX-XXXX.
Tomlinson, Susan, XXX-XX-XXXX.
Wyatt, Sarah L., XXX-XX-XXXX.

To be first lieutenant

Adams, Stephen M., XXX-XX-XXXX.
Babcock, Royce M., XXX-XX-XXXX.
Bjerke, Nancy B., XXX-XX-XXXX.
Bonaros, Margaret A., XXX-XX-XXXX.
Brauchler, Robert J., XXX-XX-XXXX.
Bruce, Glennda L., XXX-XX-XXXX.
Campbell, Minnie L., XXX-XX-XXXX.
Clothier, Christine M., XXX-XX-XXXX.
Cooper, Alfred W., Jr., XXX-XX-XXXX.
Courson, Martha J., XXX-XX-XXXX.
Darrah, Larry R., XXX-XX-XXXX.
Dusenbery, John D., XXX-XX-XXXX.
Feigles, Candace L., XXX-XX-XXXX.
Forkner, Mary E., XXX-XX-XXXX.
Fuller, Brenda K., XXX-XX-XXXX.
Groom, Claire R., XXX-XX-XXXX.
Hall, Ann M., XXX-XX-XXXX.
Jurgensen, Lynn E., XXX-XX-XXXX.
Kanter, Daryl F., XXX-XX-XXXX.
Maynard, John D., XXX-XX-XXXX.
McCain, Robert E., XXX-XX-XXXX.
Miller, Elizabeth A., XXX-XX-XXXX.
Minton, Ralph E., XXX-XX-XXXX.
Morel, Charles W., XXX-XX-XXXX.
Murphy, Diane F., XXX-XX-XXXX.
Pascal, Ethel M., XXX-XX-XXXX.
Patscott, Myra L., XXX-XX-XXXX.
Pearson, Judith A., XXX-XX-XXXX.
Pettit, Gretchen L., XXX-XX-XXXX.
Poskey, William H., XXX-XX-XXXX.
Proudfoot, Richard J., XXX-XX-XXXX.
Ranieri, Kathryn L., XXX-XX-XXXX.
Reinhardt, Belinda R., XXX-XX-XXXX.
Renick, Rae E., XXX-XX-XXXX.
Repko, Mary C., XXX-XX-XXXX.
Shuman, Ann E., XXX-XX-XXXX.
Sinclair, Suzanne P., XXX-XX-XXXX.
Stann, James H., XXX-XX-XXXX.
Stoddard, Peggy A., XXX-XX-XXXX.
Stout, Jack A., Jr., XXX-XX-XXXX.
Toebe, Dianne M., XXX-XX-XXXX.
Vanbrunt, Heidi, XXX-XX-XXXX.
White, Pamela J., XXX-XX-XXXX.
Wiggin, Sandra D., XXX-XX-XXXX.
Yousey, Donald J., XXX-XX-XXXX.

MEDICAL SERVICE CORPS

To be captain

Cserscevits, Martin B., XXX-XX-XXXX.
Drees, Kenneth O., XXX-XX-XXXX.
Fant, David J., XXX-XX-XXXX.
Rothstein, John F., XXX-XX-XXXX.

To be first lieutenant

Alcock, Stephen L., XXX-XX-XXXX.
Cressy, Ronald L., XXX-XX-XXXX.
Diamond, Larry D., XXX-XX-XXXX.
Ferree, Raymond G., XXX-XX-XXXX.
Fescenmeyer, William K., XXX-XX-XXXX.
Jensen, Joseph P., XXX-XX-XXXX.
Kennedy, John W., XXX-XX-XXXX.
Maddox, Richard D., XXX-XX-XXXX.
McMahon, Teresa F., XXX-XX-XXXX.
Murray, Oliver B., II, XXX-XX-XXXX.
Neterer, Gary D., XXX-XX-XXXX.
Noble, Stephen H., XXX-XX-XXXX.
Pinkstaff, Gary J., XXX-XX-XXXX.
Sanders, William T., II, XXX-XX-XXXX.
Smith, Donald B., XXX-XX-XXXX.
Smith, Jackie W., XXX-XX-XXXX.
Taylor, Steven W., XXX-XX-XXXX.
Watson, William J., XXX-XX-XXXX.
Weiskittel, Daniel L., XXX-XX-XXXX.
Whitaker, Kenneth L., XXX-XX-XXXX.
Woodward, Bruce E., XXX-XX-XXXX.

VETERINARY CORPS

To be captain

Davis, Harold, XXX-XX-XXXX.

To be first lieutenant

Cropper, Thomas L., XXX-XX-XXXX.
Fogelman, Vicky L., XXX-XX-XXXX.
Salomon, Richard A., XXX-XX-XXXX.
Wroe, Grover E., XXX-XX-XXXX.

BIOMEDICAL SCIENCES CORPS

To be captain

Daves, Susan R., XXX-XX-XXXX.
Hibler, Neil S., XXX-XX-XXXX.
Huffman, William L., XXX-XX-XXXX.
Merchant, Peter D., XXX-XX-XXXX.
Mittelman, Barry A., XXX-XX-XXXX.
Page, John W., II, XXX-XX-XXXX.
Rappaport, Michael E., XXX-XX-XXXX.
Shramick, Rose M., A., XXX-XX-XXXX.
Stewart, Charles D., XXX-XX-XXXX.
Worthy, Charles D., Jr., XXX-XX-XXXX.

To be first lieutenant

Beeler, David B., XXX-XX-XXXX.
Beirise, Neal S., XXX-XX-XXXX.
Brabon, Alan C., XXX-XX-XXXX.
Brewer, Richard E., XXX-XX-XXXX.
Brier, Kenneth L., XXX-XX-XXXX.
Brothers, John E., XXX-XX-XXXX.
Brown, Christopher C., XXX-XX-XXXX.
Brown, Denise M., XXX-XX-XXXX.
Cayton, Tommie G., XXX-XX-XXXX.
Childers, Louis, XXX-XX-XXXX.
Conwell, Lawrence G., XXX-XX-XXXX.
Davis, Freddy C., XXX-XX-XXXX.
Doane, Thomas R., XXX-XX-XXXX.
Doran, Susan M., XXX-XX-XXXX.
Edwards, Robert, III, XXX-XX-XXXX.
Flanagan, Dona'd R., XXX-XX-XXXX.
Fuselier, Gary D., XXX-XX-XXXX.
Galarowicz, Dennis C., XXX-XX-XXXX.
Glenney, George R., XXX-XX-XXXX.
Grossi, John A., XXX-XX-XXXX.
Klein, Daniel B., XXX-XX-XXXX.
Lehmann, Craig R., XXX-XX-XXXX.
Marlowe, Britton L., XXX-XX-XXXX.
McCoy, Donald E., XXX-XX-XXXX.
Mortimer, Vincent D., Jr., XXX-XX-XXXX.
Parker, Stuart J., XXX-XX-XXXX.
Pendergrast, Thomas L., XXX-XX-XXXX.
Posey, Douglas P., XXX-XX-XXXX.
Shaw, Catherine G., XXX-XX-XXXX.
Stribley, Richard F., XXX-XX-XXXX.
Sweat, Lewin A., XXX-XX-XXXX.
Williamson, Adrain A., XXX-XX-XXXX.
Workman, Wilbur T., XXX-XX-XXXX.

The following officers for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

To be captain

Aanerud, Roy L., XXX-XX-XXXX.
Aguilar, John F., XXX-XX-XXXX.
Ahlquist, John A., XXX-XX-XXXX.
Ahrenholz, Gary C., XXX-XX-XXXX.
Alford, James E., XXX-XX-XXXX.
Allen, William H., Jr., XXX-XX-XXXX.
Allison, Timothy J., XXX-XX-XXXX.
Almany, Patricia A., XXX-XX-XXXX.
Amthauer, David E., XXX-XX-XXXX.
Anderson, Paul W., XXX-XX-XXXX.
Anderson, Raymond E., XXX-XX-XXXX.
Anderson, Warren L., XXX-XX-XXXX.
Andrews, Harry C., XXX-XX-XXXX.
Annas, Richard G., XXX-XX-XXXX.
Antoon, David F., XXX-XX-XXXX.
Appling, Mary E., XXX-XX-XXXX.
Armstrong, Andrew R., Jr., XXX-XX-XXXX.
Ashcraft, Henry L., Jr., XXX-XX-XXXX.
Augustine, Paul E., XXX-XX-XXXX.
Ayers, Lowell W., XXX-XX-XXXX.
Azukas, Charles P., XXX-XX-XXXX.
Baker, Freddy L., XXX-XX-XXXX.
Baker, George T., XXX-XX-XXXX.
Baker, Harold F., XXX-XX-XXXX.
Baker, Michael J., XXX-XX-XXXX.
Ballard, Jerry L., XXX-XX-XXXX.
Balls, Dorin E., XXX-XX-XXXX.
Banholzer, Richard T., XXX-XX-XXXX.
Bankhead, James M., XXX-XX-XXXX.
Bannister, Johnny, XXX-XX-XXXX.
Banta, Anthony J., XXX-XX-XXXX.
Banta, Charles R., XXX-XX-XXXX.
Barber, Gary L., XXX-XX-XXXX.
Barnum, Gary E., XXX-XX-XXXX.
Barr, James W., Sr., XXX-XX-XXXX.
Barrett, Buford L., XXX-XX-XXXX.
Barrett, John J., Jr., XXX-XX-XXXX.
Barreuther, Albert G., XXX-XX-XXXX.
Barrey, Ronald L., XXX-XX-XXXX.
Barthelmes, Paul M., XXX-XX-XXXX.
Barton, George L., XXX-XX-XXXX.
Bartosiak, Steven E., XXX-XX-XXXX.
Bassman, Kenneth C., XXX-XX-XXXX.
Batsford, Richard A., XXX-XX-XXXX.
Bauman, Richard A., XXX-XX-XXXX.
Baxter, William E., XXX-XX-XXXX.
Bayless, Robert F., XXX-XX-XXXX.
Beauvais, Eugene F., XXX-XX-XXXX.
Bechtol, David A., XXX-XX-XXXX.
Belanger, Richard N., Jr., XXX-XX-XXXX.
Bell, Billy W., XXX-XX-XXXX.
Bennett, Kim O., XXX-XX-XXXX.
Berenc, Michael J., XXX-XX-XXXX.
Bernhardt, Charles F., Jr., XXX-XX-XXXX.
Berninger, Charles A., XXX-XX-XXXX.
Bieryla, Joseph P., XXX-XX-XXXX.
Blackmon, Paul D., XXX-XX-XXXX.
Blair, John A., XXX-XX-XXXX.
Blake, Kenneth E., XXX-XX-XXXX.
Blakeman, Leon F., III, XXX-XX-XXXX.
Blakeney, Judy B., XXX-XX-XXXX.
Blanchard, Joseph H., XXX-XX-XXXX.
Blewitt, John J., Sr., XXX-XX-XXXX.
Bloom, Martin G., XXX-XX-XXXX.
Bohannon, Kenneth J., XXX-XX-XXXX.
Bole, Marcus H., XXX-XX-XXXX.
Bonnet, Lawrence M., XXX-XX-XXXX.
Bonney Roy L., Jr., XXX-XX-XXXX.
Bookhardt, John M., XXX-XX-XXXX.
Boozer, Stephen G., XXX-XX-XXXX.
Bortner, Donald B., XXX-XX-XXXX.
Bosserdet, Rodney P., XXX-XX-XXXX.
Boswell, Samuel E., XXX-XX-XXXX.

Bouchard, John P., [redacted].
Bourdon, Gerard A., [redacted].
Bowen, Kenneth W., [redacted].
Brackett, Dewey W., [redacted].
Braden, Jerome K., [redacted].
Braun, Fred W., Jr., [redacted].
Breen, David M., [redacted].
Bridges, Sidney V., [redacted].
Briggs, John W., [redacted].
Brigman, Richard D., [redacted].
Brischke, Harold A., [redacted].
Brock, Gary W., [redacted].
Brooks, Douglas M., [redacted].
Brovetto, Gary, [redacted].
Brown, David J., [redacted].
Brown, Forrest C., [redacted].
Bryant, Michael D., [redacted].
Buck, Michael L., [redacted].
Budde, Charles L., [redacted].
Budura, Victor P., J., [redacted].
Bullock, Charles C., Jr., [redacted].
Burger, Thomas M., [redacted].
Burgess, Bernard H., [redacted].
Burgess, James M., Jr., [redacted].
Burke, John F., Jr., [redacted].
Burnett, Douglas A., [redacted].
Burnett, Stephen A., [redacted].
Burton, Hal S., [redacted].
Bushnell, Jonathan F., Jr., [redacted].
Butchko, Joseph J., [redacted].
Byers, Samuel K., [redacted].
Caldwell, Washington D., Jr., [redacted].
Callahan, William J., [redacted].
Cameron, Paul J., [redacted].
Canham, Michael H., [redacted].
Carellas, Peter, [redacted].
Carland, Phillip J., [redacted].
Carpenter, Donald J., [redacted].
Carr, Patrick J., [redacted].
Carr, Richard F., [redacted].
Carroll, Adam C., [redacted].
Carter, Charles H., [redacted].
Cassidy, William M., [redacted].
Chapman, George E., [redacted].
Cheavens, Stephen B., [redacted].
Chewning, Terrence J., [redacted].
Churchill, Van L., [redacted].
Cielinski, Robert A., [redacted].
Ciucci, Donald H., [redacted].
Claffey, Roger W., [redacted].
Clark, Donald R., [redacted].
Clark, Gregory C., [redacted].
Clark, Marvin O., [redacted].
Clark, Walter D., [redacted].
Clavin, John J., Jr., [redacted].
Clements, James R., [redacted].
Clendaniel, Randon, [redacted].
Cliff, David N., [redacted].
Cline, Gerald L., [redacted].
Cliver, Greg C., [redacted].
Coakley, Thomas P., [redacted].
Cohen, Harold S., [redacted].
Cole, Arthur E., [redacted].
Cole, Dean E., [redacted].
Cole, Zollie D., [redacted].
Collier, Joe L., [redacted].
Collins, Craig C., [redacted].
Como, Bartholomew, [redacted].
Conant, Joseph P., [redacted].
Cook, Thomas F., [redacted].
Cook, William M., [redacted].
Coon, Terry L., [redacted].
Cormany, David W., [redacted].
Cornwell, Jerry D., [redacted].
Cowan, Kevin M., [redacted].
Cox, Robert L., Jr., [redacted].
Cranor, Frank V., [redacted].
Crosier, Michael D., [redacted].
Crowe, Kenneth A., [redacted].
Crumback, Linda G., [redacted].
Cummings, Edwin F., Jr., [redacted].
Cupp, Robert D., [redacted].
Curley, Michael E., [redacted].
Curry, Richard J., [redacted].
Curtis, Thomas W., [redacted].
Czernecki, Alexander J., Jr., [redacted].
Dabrowski, Stephen P., [redacted].
Dahl, Howard A., [redacted].
Daley, Thomas W., [redacted].
Daniels, William A., III, [redacted].
Davis, Kenneth H., [redacted].
Davis, Lawrence C., [redacted].
Davis, Leroy, [redacted].
Day, Lennie D., [redacted].
Debusk, Robert F., III, [redacted].
Decastro, Mervin A., Jr., [redacted].
Decker, Paul D., [redacted].
Deich, Kenton P., [redacted].
Delucca, Arnaldo L., [redacted].
Denton, John R., [redacted].
Depierre, Robert E., [redacted].
Deroche, Alie J., Jr., [redacted].
Deville, Richard L., [redacted].
Dickensheets, James G., [redacted].
Diehl, Douglas W., [redacted].
Dill, Walter R., [redacted].
Dirks, Richard A., [redacted].
Disney, Vernon J., II, [redacted].
Dodson, Larry G., [redacted].
Dohr, Mary E., [redacted].
Donnini, Frank P., [redacted].
Douglass, Moses Jr., [redacted].
Dragich, Dennis P., [redacted].
Drumm, Stanley E., Jr., [redacted].
Dube, Robert C., [redacted].
Duffin, Lester S., [redacted].
Dula, Leslie M., [redacted].
Dunlap, Daniel P., [redacted].
Dunn, Thomas L., [redacted].
Duntz, David. W., [redacted].
Early, Donald E., [redacted].
Earwood, John G., [redacted].
Eason, Cecil L., Jr., [redacted].
Edwards, Louis M., Jr., [redacted].
Edwards, Marvin W. [redacted].
Edwardy, Michael B., [redacted].
Eis, Kenneth E., [redacted].
Ellington, Stephen S., [redacted].
Elliott, Roy R., [redacted].
Elwood, George H. [redacted].
Ely, John S., [redacted].
Emery, Kenneth C., [redacted].
Engelbreit, Gregory A., [redacted].
Escobar, Rudy, [redacted].
Esham, Barry A., [redacted].
Estes, Larry C., [redacted].
Estes, Richard H., [redacted].
Evans, Denny A., [redacted].
Evers, Kenneth R., [redacted].
Ewell, Robert N., [redacted].
Fagan, Dan, Jr., [redacted].
Fahl, Robert G., [redacted].
Fahner, Joseph A., [redacted].
Fairbanks, John F., [redacted].
Felix, James E., [redacted].
Felt, William M., Jr., [redacted].
Ferreira, Orlando G., [redacted].
Finch, Herbert R., [redacted].
Fine, Jerry D., [redacted].
Fischer, Jon A., [redacted].
Fite, James A., [redacted].
Fleullan, James O., [redacted].
Floyd, Jeffrey B., [redacted].
Fodrey, James A., Jr., [redacted].
Fontana, David A., [redacted].
Foote, Charles L., [redacted].
Forbes, Charles W. Jr., [redacted].
Ford, Michael P., [redacted].
Foster, Brady C., [redacted].
Fowler, Dennis W., [redacted].
Fox, Frederick A., Jr., [redacted].
Fox, John J., [redacted].
Fox John L., [redacted].
Fox Louis I., [redacted].
Frank, Douglas J., [redacted].
Frankhauser, William E., [redacted].
Franklin, John T., III, [redacted].
Frederickson, David J., [redacted].
French, Bruce H., [redacted].
Frewert, Kevin K., [redacted].
Funk, Leslie N., Jr., [redacted].
Galindo, Daniel E., [redacted].
Gallagher, Edwin E., Jr., [redacted].
Gasbarro, Louis D., [redacted].
Gaslin, Glenn, [redacted].
Geng, Wendell J., [redacted].
Gervais, Amedee, J., [redacted].
Gikkas, Alexander P., [redacted].
Gilbert, William H., Jr., [redacted].
Gilles, Walter V., [redacted].
Ginnett, Robert C., [redacted].
Girtman, Larry J., [redacted].
Givens, Glen D., [redacted].
Glenn, Philip E., [redacted].
Gmyrek, Robert J., [redacted].
Goble, Paul S. III, [redacted].
Godden, Ronald E., [redacted].
Godfrey, Randall D., [redacted].
Goen, Jerry L., [redacted].
Goodlett, Jeffrey R., [redacted].
Goodwin, Robert C., [redacted].
Gorski, John W., [redacted].
Gossling, Edward H., III, [redacted].
Graham, Robert E., Jr., [redacted].
Gray, Charles W., [redacted].
Green, Gary O., [redacted].
Greening, Douglas J., [redacted].
Griffin, James E., Jr., [redacted].
Gruber, Paul A., [redacted].
Gualtieri, Robert A., [redacted].
Guinn, Larry L., [redacted].
Gunn, Robert J., [redacted].
Gunselman, John H., Jr., [redacted].
Haenel, August W., III, [redacted].
Haggard, Wayne A., [redacted].
Hahn, Ronald F., [redacted].
Haldeman, Georgia L., [redacted].
Hall, John E., [redacted].
Hall, Robert C., [redacted].
Halter, James C., [redacted].
Hammond, Steven L., [redacted].
Hannigan, Henry J., [redacted].
Hanson, Wayne A., [redacted].
Hardie, Thomas R., [redacted].
Hardison, Clifton L., [redacted].
Hardy, Truman D., [redacted].
Hargrove, Anthony E., [redacted].
Harkleroad, Homer L., Jr., [redacted].
Harper, John B., [redacted].
Harper, Thomas E., [redacted].
Harris, Ernest L., Jr., [redacted].
Harris, Stephen L., [redacted].
Harrison, Richard A., [redacted].
Hart, Terrance W., [redacted].
Hartmann, William P., [redacted].
Heekin, David P., Jr., [redacted].
Henderson, John M., [redacted].
Henderson, Joseph F., [redacted].
Henderson, Rodney S., [redacted].
Hendrickson, Judith D., [redacted].
Herzog, Wallace G., [redacted].
Hetzel, Dennis W., [redacted].
Hey, Robert S., [redacted].
Higgins, Michael R., [redacted].
Hildebrandt, James M., [redacted].
Hillblom, Byron C., [redacted].
Hime, Douglas N., [redacted].
Hinton, John H., [redacted].
Hinze, Lloyd H., [redacted].
Hodge, William R., [redacted].
Hodges, Roy A., [redacted].
Hoffman, Steven R., [redacted].
Hofstadter, David L., [redacted].
Hogan, William M., [redacted].
Hogrebe, John W., [redacted].
Holcomb, Ronald H., [redacted].
Holden, Harold H., III, [redacted].
Hollingsworth, James B., [redacted].
Holt, Charles E., Jr., [redacted].
Holt, Frank B., [redacted].
Holt, James M., [redacted].
Hood, Donald R., [redacted].
Hooper, Samuel J., Jr., [redacted].
Horn, James P., [redacted].
Horn, Robert M., [redacted].
Horner, Curtis A., [redacted].
Hotchkin, Douglas R., [redacted].
Houghton, Gary G., [redacted].
House, Eric B, II, [redacted].
Houser, Edward D., [redacted].
Hovis, Johnny D., [redacted].
Huckins, Eddie O., [redacted].
Hughes, Roger T., [redacted].
Hukle, Donald G., [redacted].
Hull, John R., [redacted].
Huntley, Lee W., Jr., [redacted].
Hutto, John R., [redacted].
Hymel, Robert J., [redacted].
Ingram, Ray C., [redacted].
Inniss, Marco A., [redacted].

Isaac, Stephen W., [redacted].
Isaacs, Thomas E., [redacted].
Israel, Annetta, [redacted].
Ivory, George, [redacted].
Jackson, Kenneth L., Jr., [redacted].
Jackson, Louise M., [redacted].
Jackson, Paul E., [redacted].
Jacobs, Harry L., [redacted].
Jacobson, Delloyd J., [redacted].
Jacot, David Murray, [redacted].
Jacques, Edward O., Jr., [redacted].
Jannettee, James C., [redacted].
Jeffries, Lavay W., [redacted].
Jenckes, Edwin K., [redacted].
Jenkins, Julie B., [redacted].
Jenkins, Ronald B., [redacted].
Jerabek, Joel R., [redacted].
Johns, Charles F., [redacted].
Johnson, Dennis D., [redacted].
Johnson, Gregg L. [redacted].
Johnson, Richard R., [redacted].
Johnson, Robert F., Jr., [redacted].
Johnson, Stephen E., [redacted].
Johnston, Deborah L., [redacted].
Johnston, Eugene R. E., [redacted].
Johnston, Thomas H., [redacted].
Jonah, Craig M. [redacted].
Jones, Donald R., [redacted].
Jones, Douglas W., [redacted].
Jones, Thomas G., [redacted].
Jordan, Bradford L., [redacted].
Jordan, Jungus F. [redacted].
Joyce, Daniel G., Jr., [redacted].
Julian, Donald W., [redacted].
Junkin, George M., Jr., [redacted].
Kearney, Francis W. [redacted].
Keating, Patrick H., [redacted].
Keefe, Joseph A., [redacted].
Keller, Mary L., [redacted].
Kelley, Louis P., Jr., [redacted].
Kelly, Patrick, [redacted].
Kenner, John P., [redacted].
Kenney, Michael D., [redacted].
Kern, Patrick M., [redacted].
Kimbrell, William B., [redacted].
King, Charles L., [redacted].
King, Clarence J., [redacted].
King, Danny E., [redacted].
Kirkland, David E., [redacted].
Kirst, Patti P. [redacted].
Kishigian, George J., [redacted].
Kitchens, Norman H., [redacted].
Kittle, John J., [redacted].
Klein, James D., [redacted].
Klich, Michael A., [redacted].
Klobe, Larry T., [redacted].
Knaub, Dennis E., [redacted].
Knight, John T., [redacted].
Knupp, Jan E., [redacted].
Kohn, Daniel J., [redacted].
Kolpin, Erwin D., [redacted].
Kolter, Timothy E., [redacted].
Kopplin, Robert E., [redacted].
Kravitz, Charles S., [redacted].
Krechowski, William H., [redacted].
Krick, Wayland L., [redacted].
Kristoff, Joseph G., [redacted].
Kroop, Ronald H., [redacted].
Kuehnert, John H., [redacted].
Kuespert, John D., [redacted].
Kulbe, Terry L., [redacted].
Kwock, Kenneth G. K., [redacted].
Ladner, Hayward P., [redacted].
Laessig, Wayne F., [redacted].
Lamothe, Laurance M., [redacted].
Lancaster, James S., [redacted].
Landrum, Earnest T., Jr., [redacted].
Lane, Hubert A., Jr., [redacted].
Lane, Teddy L., [redacted].
Lange, James J., [redacted].
Lanier, Raymond H., Jr., [redacted].
Larson, George A., [redacted].
Laske, Richard W., [redacted].
Lavallie, Frederick J., [redacted].
Lawrence, James D., [redacted].
Laws, Virden N., Jr., [redacted].
Lawson, Kim T., [redacted].
Laxx, Gary D., [redacted].
Lebsack, John M., [redacted].
Lee, Robert H., Jr., [redacted].
Legault, Laurent J. J., [redacted].
Lehman, John K., [redacted].
Lemke, Douglas A., [redacted].
Lester, Frank W., Jr., [redacted].
Levy, David J. II, [redacted].
Lewis, Darcy K., [redacted].
Liebermann, Thomas R., [redacted].
Lindle, Steven R., [redacted].
Liphard, Robert E., [redacted].
Lippert, Harold W., [redacted].
Little, Carl S., [redacted].
Littlehale, Robert A., [redacted].
Lixfield, George E., [redacted].
Lockett, Margaret L., [redacted].
Logan, John R., [redacted].
Lombardi, Anthony, Jr., [redacted].
Long, Bruce E., [redacted].
Longi, Raymond J., [redacted].
Lotz, Daniel W., [redacted].
Lowe, Terry R., [redacted].
Lowrey, Tillman L., Jr., [redacted].
Luther, Roman N., Jr., [redacted].
Lyle, Stephen P., [redacted].
Lyle, Timothy C., [redacted].
Macdonnell, Kenneth N., [redacted].
Madden, Patrick J., [redacted].
Maddox, Michael L., [redacted].
Maier, Jerry L., [redacted].
Malsbury, Frank H. II, [redacted].
Maneely, John R., [redacted].
Mann, Claude E., [redacted].
Manning, Stephen E., [redacted].
Mantooth, Calvin T., [redacted].
Maroul, John J., Jr., [redacted].
Marquart, Lester F., Jr., [redacted].
Marsch, William H., [redacted].
Marston, Joseph A., [redacted].
Martin, David E., [redacted].
Martinson, Jon L., [redacted].
Martisauskas, Algis J., [redacted].
Mashburn, Barry W., [redacted].
Mason, William T., [redacted].
Matherne, Bari L., [redacted].
Matheson, Garry W., [redacted].
Mathews, Donald L., [redacted].
Matys, Paul F., [redacted].
Maurer, James R., [redacted].
Maw, Howard S., [redacted].
Maxwell, Thomas, [redacted].
May, Alan C., [redacted].
McAllister, Richard A., [redacted].
McAvoy, James T., [redacted].
McBride, Robert R., [redacted].
McClain, William K., [redacted].
McClary, Timothy L., [redacted].
McClellan, James W., [redacted].
McClellen, Floyd P., [redacted].
McCormack, Michael E., [redacted].
McCort, Douglas M., [redacted].
McCrary, Richard S., [redacted].
McDonald, Richard A., [redacted].
McEneany, Robert N., [redacted].
McKenney, Robert S., [redacted].
McKim, Ronald L., [redacted].
McKinney, Patrick W., [redacted].
McKinnis, Wayne A., [redacted].
McClelland, David M. Jr., [redacted].
McCloughlin, William A., [redacted].
McOmber, Legrand T., [redacted].
Meadors, Homer W., [redacted].
Medling, Hal J., [redacted].
Merkel, John A., [redacted].
Merrell, Gary W., [redacted].
Merriam, Michael C., [redacted].
Messer, Terry H., [redacted].
Metcalfe, Stuart C., [redacted].
Miga, Matthew F. Jr., [redacted].
Mihok, Stephen G., [redacted].
Miller, Gary E., [redacted].
Miller, Michael B., [redacted].
Miller, Richard G., [redacted].
Mills, Peter B., [redacted].
Mills, Randy W., [redacted].
Mills, Robert L., [redacted].
Minner, Gordon L., [redacted].
Mitchell, Merrill L. Jr., [redacted].
Molloy, Laurence P. Jr., [redacted].
Monastesse, Normand A., [redacted].
Monbeck, James H., [redacted].
Mongiovi, James R., [redacted].
Monteath, Alan, [redacted].
Moody, Richard D., [redacted].
Moore, Ernest H., [redacted].
Moore, John A., Jr., [redacted].
Moore, John T., [redacted].
Moore, Michael B., [redacted].
Moore, Neil D., [redacted].
Moore, William C., III, [redacted].
Morgan, Kenneth R., [redacted].
Morgan, William P., [redacted].
Morin, Douglas J., [redacted].
Morris, Douglas G., [redacted].
Morris, John W., Jr., [redacted].
Moser, Joseph L., [redacted].
Mott, Joseph P., [redacted].
Moudy, Robert T., III, [redacted].
Moynihan, Gerald H., [redacted].
Muhr, Christopher J., [redacted].
Mulligan, Edward T., [redacted].
Myers, James L., [redacted].
Nasello, Joseph F., [redacted].
Neil, Alan W., [redacted].
Nelson, Christopher R., [redacted].
Nelson, Clarke J., [redacted].
Nelson, Michael B., [redacted].
Newburg, David A., [redacted].
Newmiller, William E., [redacted].
Nickerson, Timothy J., [redacted].
Nicol, Scott D., [redacted].
Niedbalski, Alan J., [redacted].
Nipper, David W., [redacted].
Noe, William H., [redacted].
Nored, Julian E., [redacted].
Norris, David E., [redacted].
Ockunzzi, Thomas E., [redacted].
Odle, Francis D., [redacted].
Odom, Marshall D., [redacted].
Okeefe, Daniel W., [redacted].
Oldenberg, Thomas J., [redacted].
Olson, Oscar L., [redacted].
Onizuka, Ellison S., [redacted].
Orcutt, William B., [redacted].
Orkin, Richard M., [redacted].
O'Rourke, James S., [redacted].
Orton, George K., [redacted].
Ouitmet, Phillip R., [redacted].
Owens, John P., [redacted].
Paar, Charles W., [redacted].
Padgett, Curtis L., [redacted].
Palmer, Charles M., [redacted].
Palmer, Williston C., Jr., [redacted].
Park, Jon T. [redacted].
Parks, Bruce W., [redacted].
Passchier, Peter H., [redacted].
Patton, Rix C., [redacted].
Paul, George T., [redacted].
Paulus, Gregory S., [redacted].
Payne, Kenneth A., [redacted].
Pearson, John G., [redacted].
Pease, Stephen E., [redacted].
Perkins, Russell A., [redacted].
Perkins, Terry G., [redacted].
Peterson, Lee H., [redacted].
Petro, John A., [redacted].
Phee, Michael E., [redacted].
Phelps, Carl R., [redacted].
Phifer, Lonnie D. III, [redacted].
Phinney, Lewis J., [redacted].
Pierce, Gary W., [redacted].
Polgreen, Richard F. III, [redacted].
Ponder, Michael L., [redacted].
Pope, David E., [redacted].
Porfilio, Ronald A., [redacted].
Powell, George A., [redacted].
Powell, Thomas J., [redacted].
Pratt, Robert C., [redacted].
Price, Thomas B., [redacted].
Prinzbach, Steven L., [redacted].
Pulliam, Gary P., [redacted].
Queen, Joseph M., [redacted].
Quintana, Rocky, [redacted].
Rader, Michael F., [redacted].
Rains, Charles F., [redacted].
Ramm, John C., [redacted].
Ramsey, Dennis R., [redacted].
Randerson, David M., [redacted].
Ranker, Richard A., [redacted].
Ranne, Wayne K., [redacted].
Rasmussen, Robert K., [redacted].
Ray, Robert A., Jr., [redacted].
Raynor, Martin L., [redacted].

Reagan, Dennis F., [redacted].
Reams, Franklin B., Jr., [redacted].
Reavis, James M., [redacted].
Redding, Emmett A., [redacted].
Redmon, David T., [redacted].
Reed, Charles A. III, [redacted].
Reed, Lewis O., Jr., [redacted].
Rehwoldt, Larry D., [redacted].
Reid, Charles, J., [redacted].
Reitz, Armin H. W., [redacted].
Rennell, Robert R., [redacted].
Reyesalfonso, Avelino, [redacted].
Reyher, Franklin K., Jr., [redacted].
Reynolds, Earl F., [redacted].
Richards. John C., [redacted].
Ritchie, James F., [redacted].
Robbins, Valda J. II, [redacted].
Robert, Paul G., [redacted].
Robertson, Ann C., [redacted].
Robertson, John T., [redacted].
Robertson, William G., [redacted].
Rodriguez, Francisco A., [redacted].
Roessler, Robert B., [redacted].
Rogers, Michael F., [redacted].
Romanoff, Harry P., Jr., [redacted].
Romhild, Rex W., [redacted].
Roof, Ronald W., [redacted].
Roomsburg, Thomas W., [redacted].
Rooney, Thomas F., Jr., [redacted].
Ross, John E., [redacted].
Rossman, Carl A., Jr., [redacted].
Rotzko, Ronald R., [redacted].
Roudabush, Richard R., [redacted].
Rounsavall, Johnny R., [redacted].
Routhier, Francis X., III, [redacted].
Rover, Richard C., II, [redacted].
Rowell, James L., [redacted].
Rowley, Curtis G., [redacted].
Ruffin, Henry W., Jr., [redacted].
Ruggeri, Dominic A., [redacted].
Ruhnke, Robert A., [redacted].
Ruiz, Frank D., [redacted].
Rushing, John D., [redacted].
Russell, Thomas L., [redacted].
Ryan, Thomas R., [redacted].
Sadler, Dale L., [redacted].
Saitta, Arthur J., [redacted].
Salminen, Gary E., [redacted].
Samic, Dennis R., [redacted].
Sanchez, Aron M., [redacted].
Sandock, Michael R., [redacted].
Santellen, Arthur J., [redacted].
Sauheaver, Gary W., [redacted].
Saunders, Michael O., [redacted].
Savadge, David, [redacted].
Savage, Donald M., [redacted].
Savage, Michael T., [redacted].
Schafer, Charles P., Jr., [redacted].
Schenck, Alton M., [redacted].
Schoen, Larry D., [redacted].
Schofield, James G., [redacted].
Schott, John T., [redacted].
Schrage, John W., [redacted].
Schroeder, Jerry N., [redacted].
Scofield, Stanley H., [redacted].
Scott, John R., Jr., [redacted].
Seawell, James R., Jr., [redacted].
Seebo, Thomas C., II, [redacted].
Self, Terry L., [redacted].
Sheckman, Leslie H., [redacted].
Shelton, Garry L., [redacted].
Shepherd, Lewis O., [redacted].
Sherrer, Robert C., [redacted].
Shoemaker, Harold D., [redacted].
Sholley, Bonnette L., [redacted].
Sicard, Peter R., [redacted].
Simmons, Lionel W., [redacted].
Simpson, Earl C., Jr., [redacted].
Sizemore, Daniel L., [redacted].
Slattery, William R., Jr., [redacted].
Sliter, Lester A., [redacted].
Slivka, Martin G., [redacted].
Sloboda, Steven J., [redacted].
Smallheer, Kim A., [redacted].
Smallwood, Glenn H., [redacted].
Smicker, Thomas, [redacted].
Smith, Charles C., III, [redacted].
Smith, Clifford T., [redacted].
Smith, David E., [redacted].
Smith, Duane P., II, [redacted].
Smith, John D., [redacted].
Smith, Joseph G. L., [redacted].
Smith, Larry F., [redacted].
Smith, Noel C., [redacted].
Smith Timothy J., Jr., [redacted].
Smith, William G., [redacted].
Smitter, Robert C., Jr., [redacted].
Snead, Stanley E., [redacted].
Sneed, Maxie R., [redacted].
Snow, Richard E., [redacted].
Snyder, Dale L., [redacted].
Snyder, Gregory B., [redacted].
Soeda, Helen I., [redacted].
Sokolowski, Eugene J. A., [redacted].
Sopko, Frank K., [redacted].
Spellman, Timothy P., [redacted].
Spradling, David H., [redacted].
Springer, Arthur G., III, [redacted].
Stanfield, James W., Jr., [redacted].
Stanley, Gregory O., [redacted].
Stearns, Allan M., [redacted].
Stebenne, Audrey, [redacted].
Steinorth, Jeffry H., [redacted].
Stevens, Michael D., [redacted].
Stewart, Cynthia J., [redacted].
Stewart, James C., [redacted].
Stewart, Lacy D., [redacted].
Stewart, Randall D., [redacted].
Stewart, Thomas W., [redacted].
Stith, Kenneth W., [redacted].
Stocchetti, Richard L., [redacted].
Stormont, Marc B., [redacted].
Strader, Daniel W., [redacted].
Strange, Terry L., [redacted].
Strawn, William D., [redacted].
Strickland, William C., [redacted].
Strobbe, James B., [redacted].
Sutherland, Heyward B., [redacted].
Sutton, Frankie S., [redacted].
Swenson, Gregory K., [redacted].
Swenson, Williams R., Jr., [redacted].
Swisher, Rex D., II, [redacted].
Sykes, William E., Jr., [redacted].
Sylvester, Stephen H., [redacted].
Taylor, Betty J., [redacted].
Taylor, James W., [redacted].
Taylor, Jimmy R., [redacted].
Tenhaken, Richard E., [redacted].
Thaxton, William L., [redacted].
Thiele, Arthur J., III, [redacted].
Thompson, Ted M., [redacted].
Thor, Paul V., [redacted].
Tillotson, Lisa M., [redacted].
Tinsley, Michael F., [redacted].
Titus, Stephen D., [redacted].
Tobia, John A., Jr., [redacted].
Toews, Georgette M., [redacted].
Toler, Sidney R., [redacted].
Tolk, John D., [redacted].
Tomlinson, Richard M., [redacted].
Torpey, Ernest T., Jr., [redacted].
Tothacer, James M., [redacted].
Townsend, Larry B., [redacted].
Trainor, Paul V., [redacted].
Traylor, Eddie K., [redacted].
Treadway, Odis J., Jr., [redacted].
Tresemer, John T., [redacted].
Tully, Stephen M., [redacted].
Turner, Jack G., [redacted].
Turner, Kenneth S., [redacted].
Turner, William G., Jr., [redacted].
Turney, Ronald B., [redacted].
Tyler, Gary P., [redacted].
Ulosevich, Steven N., [redacted].
Umberger, Karen C., [redacted].
Vankeuren, Edmund T., [redacted].
Vanwagner, Bruce W., [redacted].
Vazquez, Jaime, [redacted].
Veach, Vivianne, [redacted].
Vega, Guadalupe B., [redacted].
Ventura, Victor V., [redacted].
Vickery, Robert D., Jr., [redacted].
Voigt, Thomas A., [redacted].
Vonsegger, Ernes H., [redacted].
Wachholtz, Robert O., [redacted].
Walker, Douglas G., [redacted].
Walker, James W. B., [redacted].
Walker, Kevin B., [redacted].
Walsh, John G., [redacted].
Walsh, Milton J., [redacted].
Walton, Ray L., Jr., [redacted].
Ward, William N., [redacted].
Warren, Harley S., [redacted].
Watts, Charles D., [redacted].
Watts, Gregory A., [redacted].
Wegenhoft, William D., [redacted].
Weise, John M., [redacted].
Wells, James S., Jr., [redacted].
Wempe, Ralph E., [redacted].
Wenke, Geoffrey C., [redacted].
Wentz, Charles M., [redacted].
Wepfer, Dale R., Jr., [redacted].
Werth, Gerald F., [redacted].
West, Donald W., [redacted].
West, James D., [redacted].
West, James R., [redacted].
Wetterberg, Mayo E., Jr., [redacted].
Whalen, Michael P., [redacted].
White, James P., [redacted].
White, Richard D., [redacted].
White, Victor J., [redacted].
Whitfield, John D., [redacted].
Whitman, Coy E., Jr., [redacted].
Wiederhold, David A., [redacted].
Wilcox, John E., [redacted].
Wilkerson, Danny J., [redacted].
Will, Steven D., [redacted].
Williams, Alan K., [redacted].
Williams, Oscar R., [redacted].
Williams, Ronald E., [redacted].
Williams, Thomas M., [redacted].
Willis, Dick E., [redacted].
Willis, Imogene E., [redacted].
Wilson, Dean H., [redacted].
Wilson, Donald H., [redacted].
Wilson, George S., [redacted].
Wilson, Jon E., [redacted].
Wilson, Scott L., [redacted].
Winzer, Dale R., [redacted].
Woodard, Charles D., [redacted].
Wortham, Michael B., [redacted].
Wright, John C., [redacted].
Wright, Lawrence R., [redacted].
Wuertz, Lester P., [redacted].
Wyrick, Terry J., [redacted].
Young, Johnnie L., [redacted].
Young, William R., [redacted].
Zack, Dennis M., [redacted].
Zazula, Frank A., Jr., [redacted].
Zielinski, Richard J., [redacted].
Znoj, Alex J., [redacted].

To be first lieutenant

Abbott, Steven L., [redacted].
Abrams, Jerry D., [redacted].
Abshire, Daniel J., [redacted].
Aceto, Richard A., [redacted].
Adams, Catherine M., [redacted].
Addison, Leonard B., [redacted].
Adsit, Jay R., [redacted].
Agee, David A., [redacted].
Ahlberg, Ted M., [redacted].
Aitkencade, Philip B., [redacted].
Akana, Chank K., [redacted].
Alba, Roy S. II, [redacted].
Albani, Orlando J., Jr., [redacted].
Albert, Cecilia C., [redacted].
Albrecht, Franklin J., [redacted].
Alcantara, Felix P., [redacted].
Alcaparras, Robert J., [redacted].
Alexaitis, Jon H., [redacted].
Alexander, Garnett T., [redacted].
Alexander, Glen B., [redacted].
Alfieri, Victor, [redacted].
Alfson, Daniel P., [redacted].
Alley, Robert L., [redacted].
Alten, Susan E., [redacted].
Ambrose, Janice L., [redacted].
Amend, James B., [redacted].
Amrhein, Paul G., [redacted].
Anastasia, Philip W., Jr., [redacted].
Anderson, Charles E., [redacted].
Anderson, Ronald N., [redacted].
Anderson, Stanley K., [redacted].
Anderson, Tommy S., [redacted].
Anderson, Walter F., [redacted].
Andre, Jon T., [redacted].
Andrew, Dennis A., [redacted].
Andrews, Ildiko, E., [redacted].
Andrews, Robert L., Jr., [redacted].
Angelico, James V., [redacted].
Annett, Robert J., [redacted].
Antenen, James L., [redacted].
Antonatos, Robert B., [redacted].

Apollonilo, Thomas P., [redacted].
Appelhans, James T., [redacted].
Arafiles, Virgilio P., [redacted].
Arnold, Richard W., [redacted].
Arnone, Frank S., [redacted].
Atherton, Michael J., [redacted].
Atkins, Scott T., [redacted].
Auerswald, Dennis K., [redacted].
Axelrod, Barry, [redacted].
Babler, Jerry L., [redacted].
Babson, June I. R., [redacted].
Bach, George L., [redacted].
Badolato, Anthony G., Jr., [redacted].
Bagley, Donald W., [redacted].
Baham, Alney A., [redacted].
Baiada, Rade M., [redacted].
Bailey, Ricky L., [redacted].
Bailey, Stanley D., [redacted].
Baird, Danny J., [redacted].
Baker, Curtis A., [redacted].
Baker, James R., [redacted].
Baker, John L., [redacted].
Baker, Terry L., [redacted].
Baker, William H., [redacted].
Balding, Joe M., [redacted].
Ballanco, Edward M., [redacted].
Ballantyne, Ge A., Jr., [redacted].
Ballard, Andrew D., [redacted].
Baltz, Robert F., [redacted].
Baralli, Janet E., [redacted].
Barnard, Benjamin H., [redacted].
Barnes, James H., Jr., [redacted].
Barnes, Ray F., Jr., [redacted].
Barnick, Ronald S., [redacted].
Barranti, John C., [redacted].
Barrett, Charles W., Jr., [redacted].
Barrett, Guy K., [redacted].
Barthel, Richard L., [redacted].
Bartlett, Paul A., [redacted].
Bartley, Barbara A., [redacted].
Bass, James M., [redacted].
Bass, William J., [redacted].
Bates, Leonard C., [redacted].
Bauman, Robert H., [redacted].
Baumgartel, Gary P., [redacted].
Beal, Earl R., [redacted].
Beall, Arthur C., [redacted].
Beam, Larry C., [redacted].
Beckett, Edward J., [redacted].
Bedzyk, William L., [redacted].
Beerbower, William R., [redacted].
Beesley, Jon S., [redacted].
Belle, Robert G., [redacted].
Belk, Ronald E., [redacted].
Bellabona, Joseph A., [redacted].
Bellamy, Acy L., [redacted].
Bender, Duane E., Jr., [redacted].
Benefield, Kenneth P., [redacted].
Benham, Robert B., [redacted].
Bennett, Bruce A., [redacted].
Bennett, Douglas L., [redacted].
Bennett, Keith A., [redacted].
Bennett, William C., [redacted].
Bentsen, David C., [redacted].
Benware, Gerald A., [redacted].
Beres, James A., [redacted].
Bergam, Thomas E., [redacted].
Bergdoll, Robert G., [redacted].
Bertoldi, Thomas R., [redacted].
Bertram, Ronald J., [redacted].
Bessette, Gerald R., [redacted].
Betka, Bill E., [redacted].
Bickhart, Gerald L., [redacted].
Birenbaum, Dennis J., [redacted].
Bittner, Martin M., [redacted].
Bizub, Andrew Jr., [redacted].
Black, James O., [redacted].
Blackard, Don E., [redacted].
Bley, William R., [redacted].
Block, Leroy A., [redacted].
Bloss, Ronald R., [redacted].
Blume, John E., Jr., [redacted].
Boehm, Thomas T., [redacted].
Boehmer, Steven C., [redacted].
Boerum, Kenneth R., [redacted].
Bogdanski, Vincent A., [redacted].
Bohlin, Howard R., [redacted].
Bolton, James E., [redacted].
Bonner, Alan L., [redacted].
Booker, Hollis E., [redacted].
Boring, Charles M., [redacted].
Bosi, Louis E., [redacted].
Botts, Douglas L., [redacted].
Boudreau, Robert N., [redacted].
Bowlin, William F., [redacted].
Bowman, Robert L., Jr., [redacted].
Boyd, Harold S., [redacted].
Boydston, John R., [redacted].
Boyer, Marvin R., [redacted].
Boykin, Wade, [redacted].
Boyle, David R., [redacted].
Boyles, Harrell W., [redacted].
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Toltzien, Thomas K., xxx-xx-xxxx.
Tomajan, William K., xxx-xx-xxxx.
Tombarelli, John J., xxx-xx-xxxx.
Tomei, Lawrence A., xxx-xx-xxxx.
Tomlinson, Barry R., xxx-xx-xxxx.
Tooley, Terry L., xxx-xx-xxxx.
Totten, William P., xxx-xx-xxxx.
Towles, Perry M., xxx-xx-xxxx.
Townsend, Earnest K., Jr., xxx-xx-xxxx.
Townsley, Dudley W., xxx-xx-xxxx.
Tramel, James H. F., III, xxx-xx-xxxx.
Traube, Robert J., Jr., xxx-xx-xxxx.
Trent, Phillip W., Jr., xxx-xx-xxxx.
Tritschler, Philip H., Jr., xxx-xx-xxxx.
Tron, James P., xxx-xx-xxxx.
Trosky, Chester J., Jr., xxx-xx-xxxx.
Troutman, Ronald D., xxx-xx-xxxx.
Turelli, Robert R., xxx-xx-xxxx.
Turk, Thomas E., Jr., xxx-xx-xxxx.
Tye, Ernest B., xxx-xx-xxxx.
Upchurch, Philip W., xxx-xx-xxxx.
Urbanowicz, Gary W., xxx-xx-xxxx.
Vandeven, Dale E., xxx-xx-xxxx.
Vanlandingham, Gerald D., xxx-xx-xxxx.
Vanwiggeren, Douglas C., xxx-xx-xxxx.
Vanwinkle, Larry D., xxx-xx-xxxx.
Varner, Michael J., xxx-xx-xxxx.
Vanquez, Jose R., xxx-xx-xxxx.
Venema, Terry L., xxx-xx-xxxx.
Verke, Duane H., xxx-xx-xxxx.
Verzola, Carol L., xxx-xx-xxxx.
Vick, Harry, xxx-xx-xxxx.
Vincent, Michael J., xxx-xx-xxxx.
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Vogel, Frank H., xxx-xx-xxxx.
Vogel, Kurt C., xxx-xx-xxxx.
Vogler, James E., xxx-xx-xxxx.
Volkert, Peter F., xxx-xx-xxxx.
Vonbrandenstein, Doss C., Sr., xxx-xx-xxxx.
Vondersaar, Frank J., xxx-xx-xxxx.
Voss, Carl, xxx-xx-xxxx.
Vuturo, Jeanne D., xxx-xx-xxxx.
Wade, William N., xxx-xx-xxxx.
Wagner, Ronald V., xxx-xx-xxxx.
Wakeland, Gary D., xxx-xx-xxxx.
Waldruff, John L., xxx-xx-xxxx.
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Walker, Carol A., xxx-xx-xxxx.
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Walker, Leon L., Jr., xxx-xx-xxxx.
Wallace, Horace A., xxx-xx-xxxx.
Waller, Francis J., Jr., xxx-xx-xxxx.
Wallgren, Rawn A., xxx-xx-xxxx.
Walsh, James A., Jr., xxx-xx-xxxx.
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Walters, Thomas P., xxx-xx-xxxx.
Wark, Robert E., xxx-xx-xxxx.
Warner, Hollace H., xxx-xx-xxxx.
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Warren, Jerry B., xxx-xx-xxxx.
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Weaver, Houston T., Jr., xxx-xx-....
Webber, James E., xxx-xx-xxxx.
Webre, Alvin A., Jr., xxx-xx-xxxx.
Weems, Rodney, xxx-xx-xxxx.
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Whetstone, Dan D., xxx-xx-xxxx.
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Widen, Steven C., xxx-xx-xxxx.
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Williams, Jeffrey J., xxx-xx-xxxx.
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Williamson, Kenneth R., xxx-xx-xxxx.
Wilson, John R., xxx-xx-xxxx.
Winchell, Dennis E., xxx-xx-xxxx.
Wingfield, Stephen R., xxx-xx-xxxx.
Winkler, Robert E., xxx-xx-xxxx.
Winters, Richard W., Jr., xxx-xx-xxxx.
Wise, Leslie M., xxx-xx-xxxx.
Wisneski, James H., xxx-xx-xxxx.
Witter, Ronald G., xxx-xx-xxxx.
Witthoeft, Henry G., xxx-xx-xxxx.
Wittman, Gerard D., xxx-xx-xxxx.
Wolf, Keith J., xxx-xx-xxxx.
Wolf, Thomas J., xxx-xx-xxxx.
Wood, Thomas H., xxx-xx-xxxx.
Wooderson, William M., xxx-xx-xxxx.
Woodford, Steven F., xxx-xx-xxxx.
Wooley, Billy A., xxx-xx-xxxx.
Worsley, William H., xxx-xx-xxxx.
Wright, Maryanne, xxx-xx-xxxx.
Wrigley, John R., xxx-xx-xxxx.
Wyman, Keith B., xxx-xx-xxxx.
Wysowski, John R., xxx-xx-xxxx.
Yarian, Neil R., xxx-xx-xxxx.
Yonika, David P., xxx-xx-xxxx.
Youdal, David E., xxx-xx-xxxx.
Young, James H., xxx-xx-xxxx.
Younger, William D., xxx-xx-xxxx.
Zabowsky, Harold S., xxx-xx-xxxx.
Zeer, Stephen E., xxx-xx-xxxx.
Ziegler, David R., xxx-xx-xxxx.
Ziemacki, Donald E., xxx-xx-xxxx.
Zourek, Francis G. xxx-xx-xxxx.
Zundel, Erwin R., xxx-xx-xxxx.
Zweifel, Frederick J., xxx-xx-xxxx.
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EXTENSIONS OF REMARKS

LEGISLATION INTRODUCED TO CREATE A MOJAVE NATIONAL PARK

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. BROWN of California. Mr. Speaker, today I am introducing legislation, by request, to create a Mojave National Park in the Eastern region of California's Mojave Desert. I do so, because of the efforts and interest of the Mojave National Park Coalition, which is made up of at least 17 organized groups, all of which earnestly desire to see the Eastern Mojave's unique and precious resources preserved. This legislation is simple to understand and administer. The vast space in the Mojave Desert is not so vast that its more valuable treasures do not need protection. This bill would simply transfer currently owned, Federal land to the administration of the National Park Service, and authorize the acquisition of additional lands by a variety of means. Needless to say, these lands would then be administered, protected, and developed like any other national park.

The Mojave National Park proposed in this legislation encompasses numerous natural, archeological, and historical features that make it deserving of greater recognition and protection. In addition, there are botanical and zoological resources that further enhance this area. Among these resources are 32 volcanic cinder cones, the second highest sand dune system in North America, outstanding and irreplaceable petroglyphs, remains of 19th century military and mining outposts, as well as hundreds of plant and animal species, including several endangered species.

I could go on in describing the virtues of this region of over a million acres as a future national park site. The best evidence, however, comes from reports and studies being conducted by the Bureau of Land Management, the National Park Service, and the California State Park System, all of which have contributed to the understanding of this area, and the recognition that special protections are needed. One of the better short descriptions that I have seen in support of a Mojave National Park was prepared by the California Desert Protective Council, and reprinted in the publication of the San Bernardino Valley Audubon Society.

The article follows:

EAST MOJAVE NATIONAL PARK?

The eastern Majave Desert is considered by many to be worthy of joining Yosemite, the Grand Canyon and other natural and historic wonders of the National Park System. The combination of natural and historic features found there is unequalled elsewhere in the California Desert.

It is a spectacular, with varied and unique geologic formations.

It is alive, with a diverse assemblage of plants and animals.

It is steeped in history and prehistory, with historic trails and towns and prehistoric artifacts.

It is relatively unspoiled, with much of the area still considered for primitive recreation. Many call the eastern Mojave the "gem of the desert."

There has been official recognition of the natural wonders of the eastern Mojave by both National Park Service and the California State Park System.

The Cima Dome, the Jashua Tree area, and the Mojave Cinder Cones (formed less than 1000 years ago) are outstanding features and they have been fully recognized and designated Natural Landmarks by the National Park Service. A recent study by the University of Arizona has proposed 3 additional areas as outstanding candidates for National Landmark status. These are the Central Providence Mountains, the Kelso Dunes (Devils Playground), and the Granite Mountains Pediment.

The California State Park System, in its 1968 plan, stated unequivocally that the above mentioned parts of the eastern Mojave, plus the New York Mountains and Clark Mountains, are "worthy of National Park status." A part of the Providence Mountains, which contains the Mitchell limestone caverns is currently a State Recreation Area.

The scenery of the eastern Mojave is as varied as can be found anywhere.

Outstanding geologic formations attract the eye and interest of visitors; jagged peaks and broad valleys, dunes and red cinder cones, cliffs and mesas, the broad expanse of an intermittent lake and the confines of a river canyon. The Cima Dome still mystifies scientists studying its origin.

The Kelso Dunes appeal not only to the eye of the visitor but also to the ear. They are "singing dunes." That is to say, the sands squeak, whistle, whone and rumble when set into motion by the wind.

The vegetation of the eastern Mojave reflects the mixing of three major desert vegetation types: The Mojave, the Sonorah and the Great Basin. Other relic populations of plants reflecting other influences also occur. For example, at the summit of Clark Mountain is a relic white fir forest, occurring unexpectedly only a few miles from one of the finest cactus gardens in the desert. In the canyons of the New York Mountains there are plants more characteristic of coastal California; oak, ceanothus, manzanita and silk tassel.

The great variety of vegetation types provides habitat for an astonishing numbers of species of insects.

The mountains support populations of deer, porcupines, mountain lions and bighorn sheep. Golden eagles, owls and hummingbirds are frequently seen.

Creosote bush scrub supports the desert tortoise, California's state reptile.

The Kelso Dunes support a variety of animals, including the Mojave Fringetoed lizard, adapted for burrowing in sand. A study of these dunes has revealed that they support three species of insects found nowhere else in the world.

Perhaps the finest "birding" in the desert is in the Ft. Piute area, the site of a rare desert oasis. Over 80 species of birds find sustenance there.

Historical and archeological sites are found throughout the eastern Mojave.

The historic Mojave Road (circa 1853–59) traversed the area from east to west, and much of the original track can still be seen. Fort Piute was an army outpost and relay station in the late 1860's. Relics of early mining efforts still remain. The historic town of Kelso is within the area. Parts of 4 early railroads crossed the eastern Mojave and evidence of their presence can still be seen.

The number and variety of archeological sites is astounding. As many as 15,000 sites may be found. These include pictographs, petroglyphs, a pre-historic village, campsites, milling sites.

A brief cataloging of the superlative features of the eastern Mojave does not do it justice. Protection of the area as a National Park and the establishment of wilderness areas would be a fitting tribute to the "gem of the Desert."

Mr. Speaker, with all these reasons for establishing a Mojave National Park, I am sure there is some question why I am introducing this legislation "by request." My reasons are fairly simple. The Mojave National Park coalition which includes the Desert Protective Council, the Sierra Club, the High Desert Environmental Defense Fund, the Federation of Western Outdoor Clubs, the Desert Environment Conservation Association, the Friends of the Earth, the Morongo Basin Conservation Association, the San Bernardino Valley Audubon Society, the California Native Plant Society, the Riverside Audubon Society,

the Wilderness Society, and the Desert Watch of the Society for California Archeology, to name some of the supporting organizations, asked me to introduce this legislation. I believe the concept has considerable merit, as described above. However, there is legitimate concern by some closely involved with this region that it is premature to attempt the enactment of legislation to create a Mojave National Park until after the completion of the studies ordered in the Federal Land Policy and Management Act of 1976, which created the California Desert Conservation Area. Therefore, I am introducing this legislation "by request" in order to have it before the Congress and give this proposal the extra attention which I believe it deserves. I am not, however, prepared to urge its adoption at this time. Instead, I urge its study and consideration by all interested parties. If this is done, I am confident that the "gem of the desert" which is the Eastern Mojave will be properly protected for future generations.●

PROPOSITION 13

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. BADHAM. Mr. Speaker, last Thursday's Los Angeles Times' included an article by Phil Kerby which represented a thoughtful reply to Senator McGOVERN's statements about the passage of proposition 13 in California. I think this article may interest a number of my colleagues and I insert it at this point in the RECORD:

SOUTHLAND OBSERVATIONS—HEDONISTS? LOOK AGAIN, SENATOR * * *

(By Phil Kerby)

Senator GEORGE MCGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I have long known that you can swing a neat phrase, but you really were in top form when you said that Californians who voted to cut property taxes responded to a "degrading hedonism that tells them to ask what they can take from the needy."

You don't know the half of it, senator. We have all sorts of strange hedonists in California. Here's an example for your next speech. He's a retired policeman. Last month (pre-Jarvis) his lavish one-bath, two-bedroom house was reappraised at 113% above its prior value. The taxes on his place would have gone up by $1,000. In typical hedonist cant, he said, "I simply don't know what I'm going to do. The house is only valuable to me if I sell it." For some odd reason, senator, he didn't want to leave the home where he had lived for 25 years.

Here is another equally apt illustration. This fellow didn't like Proposition 13. He was worried about its effect on education. Then he visited the assessor's office (pre-Jarvis) and discovered that the value of his home, reappraised last year at $60,000, had been boosted to $104,000 this year. His current taxes, a little over $2,000, were scheduled to jump to $3,580—about a $1,500 hike in just one year. He voted for 13.

That $1,500 increase alone, senator, would pay the full tax bill on a $60,000 home in your state of South Dakota, which I discovered, to my surprise, has no state income tax. Hedonism and South Dakota are evident contradictions in terms, so I wouldn't be prepared to say that South Dakotans keep their taxes low to avoid their obligation to "the needy." You are in a better position to render a judgment on that, but I might point out that hedonist California, in addition to whopping property taxes, imposes an 11 percent state income tax.

In California, senator, we have had a marvelously efficient tax collection system. Tax assessors were required to periodically update the valuation of property to reflect the latest market price. As values increased, home taxes went up and up, and rivers of cash flowed to government agencies. In five years, property tax collections jumped from $6.6 billion to $12 billion. Total personal and corporate income taxes rose during the same period from $2.6 to $5.4 billion.

Government agencies began to receive automatic windfalls each year, and they responded by spending more and more. (The Los Angeles County budget grew in a decade from $500 million to $1.6 billion, while the population remained relatively stable,. Just before Jarvis, the county proposed a 9 percent increase.)

Well, senator, the hedonists started to grumble, but the state's sensitive $40 billion-a-year bureaucracy swept aside their sniveling complaints. A year ago, a move was started to return one-tenth of a massive state surplus to homeowners, but you will be glad to know the effort failed. The state Legislature held the line against this scheme, but, unfortunately, the hedonists made an arguments that touched a public nerve.

It was simply this: a tax based on the market value of a home was a tax on potential income, not actual income. Homeowners were taxed on money they had not received. The state's reply was equally simple. Pay up or sell out and get lost.

Then King Kong appeared on the horizon, and the Legislature, in alarm, passed a $1.2 billion tax relief measure called Proposition 8. It could have passed easily a year ago. By now, thanks to the Legislature, it was too late, and California got King Kong and tax reform by sledgehammer. The poor, the way things usually go, will suffer most.

Senator, perhaps it was a totally selfish vote. I think more likely it was a vote based on a mixture of impulses, including reaction against the arrogance reflected in the attitude of a Los Angeles public official who was asked whether he would give up his official car to help the county government meet the emergency. "No way," he said. "I wouldn't want to use my own car, even getting reimbursed for mileage. I don't want pigeon droppings on it and all the other wear and tear."●

ALBERT RAINS SPEECH CONTEST

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. BEVILL. Mr. Speaker, if there are no objections, I would like to have the first- and second-place speeches in the annual Albert Rains Speech Contest of Snead State Junior College in Boaz, Ala., inserted in the RECORD.

The contest, which has become an annual part of the academic year at Snead State, is named for one of our former House colleagues. Albert Rains was a Congressman from Alabama for 20 years, from 1945 through 1965, when he retired.

During his House service, Albert was commonly regarded as one of the best orators in Congress. The Snead State contest is aptly named for that oratorical ability which Albert Rains brought to Congress.

First-place winner in this year's contest was Ms. Karyon Head of Boaz. Ms. Libby Otinger Wright was the second-place recipient.

Entrants were required to use the common theme, "Violence on Television," in preparing their texts. After looking over the speech texts, it is obvious that many hours of research and preparation went into the final drafts:

VIOLENCE ON TELEVISION

(By Karyon Head)

Television for many people is their sight and sound, their touch and feel of a world that has become too complex to be understood without an interpreter. It is town crier, companion, teacher, baby sitter and salesman. It lives with us, sitting in a place of honor. We sit around and listen, and we believe. If we are shown that we are a violent people—we believe. It has convinced young people there is nothing left to do but put another lock on the door. Should it be this way or should we change the message that is often broadcast over the TV?

Dr. Benjamin Spock wrote in "Violence In America," an article in the November 1977 issue of Redbook, "By providing so many dramas of violence—crime violence, western violence, comic violence—I believe it has played a considerable part in the progressive brutalizing of our people, young and old." The T.V. industry's response was, "We're only giving the public what it wants." Another argument was, "It's out there in the real world, we're only reporting it."

They're right, of course, for those viewers who believe that guns are the final argument, that automobiles are for chasing and crashing, that blood is for spilling, that heads are for bashing, that people are for killing or being killed. Is that the world of reality? Or the world of the ratings? If we believe in civilized survival, then we should be concerned enough to teach our children to change that world not to accept and to conform to its mindless violence. How are we going to keep the violent people of this world out of our lives if we can't even keep them out of our own living rooms winning the hearts and minds of our children?

According to the Carnegie Quarterly, more than six out of ten programs contain some act of violence, and about three in ten are saturated with violent acts. Violence continues to sustain stories, the needs of minority children remain ignored and children's shows are still laced with commercials, especially for surgary food and expensive toys.

Marie Winn, journalist and author of a new book, "The Plug In Drug: Television, Children and the Family," looks at the T.V. violence on child behavior and joins the consensus that a least there is some real danger of blurring the lines between reality and fantasy and hence of desensitizing the child to kinds of violence that he may witness or at the worst be drawn into, in the real world.

Children want to be like the "successful" characters they see on T.V. and tend to imitate them, villainous or not. I have a five-year-old daughter, and I see this with her

and with children she comes in contact with. Last year when "Our Gang" a series of the "Little Rascals" was being aired she had watched it for only a few days when I noticed that she was imitating things they would say and do on the program. The first time she answered me with, "Oh yea?" was the last time she watched the show. My niece, while watching some of the same shows, began crossing her eyes and imitating the character Alfalfa. Also last summer my daughter, after having five stitches put in the back of her head from falling backward on her tricycle, told me she was trying to do a sheelie like the Fonz. When she is playing with a group I have noticed they imitate characters from television such as the "Incredible Hulk" and "Big Foot."

Richard Thomas of "The Waltons" said in a U.S. News article, "Where children are concerned its up to the parents to choose shows they consider proper. If parents feel there is something on the tube that is offensive, they should not allow their children to watch. That responsibility starts at home. Parents have to guide their children into discovering between good and bad."

I agree with this, but watching only "worthwhile" programs is not the answer. Some say that almost any play on the part of a child is more worthwhile than TV-watching. The young child's need for fantasy is gratified far better by his own make-believe activities than by adult-made fantasies he is offered on television. The temptation is powerful for parents to use the T.V. as a child-pacifier.

The problem of distinguishing real from unreal is genuine and may be a factor in the development of those hordes of preschool children who spend more time (over a third of their waking hours) in front of the T.V. screen than in any other occupation.

An English teacher who has taught before and after the advent of T.V. said in the April 3, 1978 issue of Business Week, "I have long believed that it is a substantial factor, though surely not the only one, in the decline I have witnessed in independent schools in the ability to read, to speak articulately and to write coherently."

The Wall Street Journal reports that after twenty-five years of debate and criticism and five years after the appearance of the Surgeon-General's study linking T.V. violence and aggressive behavior the level of violence on television remains as high as ever.

Why is this so? The primary business of television is to attract and deliver the maximum number of viewers to advertisers, who represent the industry's sole source of revenue. Violence is their most sure-fire technique available to producers for attracting viewers.

Crime is clearly on the increase and particularly the sort of brutal, spectacular criminal acts that are so often featured on T.V. cop shows such as "Starsky and Hutch" or "Police Woman."

The real question is not violence per se but how violence is used. "Roots" for example contained violence that was vividly portrayed but the series generated little protest because violence was an integral and unavoidable part of the story being told.

The danger that chips away most deeply at our civilized veneer is that violence on T.V. helps to develop an immunity to violence in our every day lives.

The Wall Street Journal says the networks are firm about one thing. They say they will resist pressure to make all shows "tapioca pudding." They will remove violence when it serves only to shock, when it glorifies the criminal or when it shows viewers how to commit crimes.

Ratings and financial statements attests to the fact that violence works. T.V. viewing levels have never been higher, and the networks are expecting to report record incomes and profits for the current year. Violence will diminish only if the advertisers who pay the bills for television programming become convinced that supporting violence is not only of questionable social value, but bad for their business as well.

The people who said no to violence on television have provided a lesson for all of us. We cannot afford not to be involved. We need to back groups such as the American Medical Association whose campaign is based on the doctor's belief that violence on television is injurious to their patients' well being, or the Parents-Teachers Association.

We cannot afford to neglect our responsibility—every one of us. We must say no to violence!

VIOLENCE ON TELEVISION

(By Libby Otinger Wright)

Seventy-three million households, or ninety-seven percent of all United States households have televisions. Nearly forty-five percent of all homes have more than one set. Adult women average watching T.V. about thirty hours a week, while children from the ages of two to twelve average twenty-six hours a week. Adult males watch T.V. on the average of twenty-hour hours a week while the teenagers of America watch twenty hours a week.

Since 1960 violent crime has increased twenty-five percent in the U.S. which suggests only one remedy; show less violence on T.V.

Seventy percent of America thinks there is too much violence on T.V. The top three most violent T.V. programs according to authorities are: Starsky and Hutch, Baretta, and Police Story. Another program considered to be violent is Charlies' Angels. But although these programs are violent they are popular and watched by all ages.

In one study, U.S. Congressman, John M. Murphy, from New York, found NBC leading the pack with violent shows. Violence was found to be in seventy-one percent of its prime time shows while ABC had sixty-seven percent and CBS had fifty-seven percent of violence on their prime time.

According to statistics the U.S. is by far the most violent of all the great western nations. Violent crime has been on the increase six to ten times the rate of the population growth in this country. Violence on T.V. in other countries only comes to half of that in the U.S.

Studies show that the average child between the ages of five and fifteen will witness during a ten-year period the violent distruction of more than 13,400 fellow humans. A child by watching several hours of T.V. may see more violence than the average adult experiences in a life time. Preschoolers watch an average of fifty-four hours of T.V. per week, and during one year they spend more time in front of the tube than they would in front of a teacher. The major lesson that is taught to them is that violence is the only way to get what you want or need. Constructive T.V. programs are praised for giving children constructive ideas, but we deny that destructive scenes give children destructive ideas.

In interviews with many scientists at universities and major research centers across the nation, agree that pretended violence breeds real violence.

A great many factors can be attributed to the rise in violence according to L. D. Eron—editor of the Journal of Abnormal Psychology and chairman of Psychology at the University of Chicago. A child may be predisposed to violence by his genes or by his environment. These factors are hard to control but media violence is something we can control. If you reduce the amount of exposure to media violence, you reduce the amount of later violent behavior. This means a child may still become a violent adult, but he will be less violent than he might have been. Eron says the critical period for exposure to media violence are the formative years, between the ages of six and twelve or even all the way to the age of eighteen.

Why does television have such a dramatic effect on children? T.V. is a much different kind of experience than children had when television had not been invented. Before T.V. children were involved with real life, they learned about sharing, caring, and they learned something about the rights and respect of others. Now T.V. has turned us into passive receivers of canned experience. We have trouble working out our emotional problems and studies show that children have more difficulties in school if they are avid T.V. watchers. These children develop short attention spans because of the break in thought with commercials, and the mind wandering that is inherent with watching T.V.

Television confuses children. There is so much that is questionable on T.V. concerning values and ethics. Children who watch a great deal of T.V. tend to live in a fantasy world and try to use rules and standards they have seen used on T.V. They feel that they must be like the successful characters that they see on T.V.

Some parents use T.V. as their built in baby sitter. If parents themselves were willing to withdraw from the plug-in-drug and read books and do other constructive things then their children would tend to follow their example.

We are a great, free society, with power to shape our destiny and create almost any social, cultural enviroment we wish. Can we not then do away with violence on T.V. and thereby do away with some of the violence in our real everyday lives? ●

GREAT LEADERS HONORED

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. CLAY. Mr. Speaker, the citizens of St. Louis have honored another of their great leaders. I wish to take this opportunity to share with my colleagues the following articles which appeared in the St. Louis Sentinel and St. Louis Argus, respectively:

ST. LOUIS SOCIAL SCENE

(By Mary A. Polk)

"An Evening with Mr. Julius Dix" . . .

"An Evening with Mr. Julius Dix" depicted an evening with a man of many hours of service to mankind, of spreading good will, of humane actions toward others and an individual who has the love, affection, and admiration of many people. Mr. Dix was honored by the Joint Parent Congress of the Banneker-Central Vashon District, St. Louis Public Schools for his many years of outstanding and devoted service to the parents, students, teachers, administrators and residents of the districts. The completely filled multipurpose building of the Carr Lane School was decorated with flowers and greenery, and standing room only indicated the amiable feeling many persons have for Julius Dix. He lives daily by one of his favorite maxims, "It is more important to be human than it is to be important." The program took the format of "This Is Your Life" and Mrs

Nancy Fields, and Mrs. Verna Fichtenmayer, Banneker: Central-Vashon Liaison, served as narrators. Dr. Leonard Osborne, District Superintendent, Banneker: Central-Vashon District, welcomed the many guests and friends on the occasion of special recognition for Julius Dix, presently Associate Superintendent, Operations, St. Louis Public Schools and former Superintendent of the BC/V District. He also introduced Presidents Mrs. Louise Closson, Vashon Parent Congress, who made the introductions.

Dr. Samuel Shepard, Superintendent of Schools, East Chicago Heights, Illinois who flew into St. Louis for this special testimonial, stated that tonight he had an opportunity to say things that he had no chance to voice when in St. Louis. He applauded Julius for his contributions to education of youth and good community relations early in his administrative years. He paid a special tribute to the BC/V staff and charged them to continue to get parents and school together. Presentations were made for the BC/V Administrators, a plaque with all administrators' signatures, by Maurice Bell; for the Parent Congresses by each president, also plaques; for the students a plaque; a scroll signed by everyone who was present and a multitude of personal gifts from friends. Several outstanding persons were part of the "This Is Your Life" for they stated how their encounter with Julius had affecting his life and theirs. Mrs. Nancy Ross, a close friend of the family, enrolled Julius in school for the first time. Childhood friends Dr. Leonard Mershon, Percy "Duck" Ellison, Finley "Gabby" Martin, Leonard "Cricket" Griffin, and Paul Jones, spoke of early years together. Two former teachers, both retired, Mrs. Pearl Schwartz White and Miss Ophelia Hankins, spoke of Mr. Dix as a student. College roommate at Lincoln University, Orrelle Ellison, and his wife Dorothy, Chicago, Ill. spoke of college days. Teacher co-worker at Henry School, Glyneece Eustace, mentioned their work with Houstin Gray as a triad in the school. Ernest Jones, Louis Marion and Julius were referred to as "The Untouchables" as they designed and worked with the programs "Mr. Achiever," "The Charters", good neighbors, students at Washington University and St. Louis University, as well as co-workers and good friends. Mrs. Audrey Gooch represented Head Start, Luther Boykins, The Black Athletic Association, William Pearson, a member for many years at Metropolitan A.M.E. Zion Church, directed the choir (church) in song for the occasion, Maurice Pierce, former Vashon student and presently a teacher, represented former students of Mr. Dix John Anderson, former principal of Vashon School and presently BC/V District Assistant, Alderman John Bass and Dr. Robert Wentz, Superintendent, St. Louis Public Schools, all spoke also. Mrs. Marzelle McPherson, Mr. Dix's secretary, and Mrs. Josephine Herman, former assistant to Mr. Dix and presently administrative assistant in BC/V, presented a short skit.

Dr. James Frank, President, Lincoln University, Jefferson City, Mo. spoke of Mr. Dix's influence as a member of the Board of Curators. Earlier in the program, Mrs. Bettie Dix, the honoree's wife and daughter Deidre were presented orchids. Sons Darrel, teacher at Pruitt Alternative School and Derrick, McDonnell Douglas were also presented. Out of town relatives and close friends who came for the affair were Walter Dix, Vancouver, Washington, Julius's brother, Ms. Doris Bennett, Jacksonville, Fla., a cousin, Dr. John Malone, Detroit, Mich., a high school classmate, Orrelle and Dorothy Ellison, Chicago, Ill., Julius and Bettee's college roomies respectively. Dr. Earl Harvey, a friend and Director of a special program, was also on stage. Julius Dix responded to the many accolades with humility and stated in many ways his gratitude and gratefulness, especially to "THE MAN Upstairs, GOD smiled on me." Mr. Dix gave special recognition to others in the audience, Dr. and Mrs. Charles Quigless, Arthur Dupree, Grover and Gerri Johnson, Eugene Atkins, Doris Williams, Theopulus and Geneva Marshall, Clyde Turner, Frank White, Ann Price, Delores Longely, his godchildren, Houston Gray, Bookie Lemmie and wife, and others. The Vashon Band under the direction of J. Gaines gave the prelude. The Banneker: Central-Vashon Chorus sang directed by Mrs. Eva B. Fisher. The Parent Advisory Council Singers, accompanied by Doris Wilson, closed the testimonial affair. A reception in the school cafeteria followed the affair.

Later that night, the BC/V Choir held a wine and cheese reception for Mr. and Mrs. Julius Dix at the Royal Vagabond Club.

Great Leaders Honored

It was an evening with Julius C. Dix, former district superintendent of the Banneker-Central-Vashon District now Associate Superintendent of Operations at the St. Louis Board of Education, sponsored by the parent congresses. The thunderstorm Thursday let up just in time to allow the SRO crowd to arrive for the program. Julius knew that it would be an "Evening With . . .," but the "This Is Your Life" portion, narrated by Verna Fichtenmayer and Nancy Fields, was planned as a complete surprise.

In that hour or so, people, from Julius' past and present came to pay him homage. His first biggie was the arrival of his older brother, Walter, whom he had not seen for about 15 years, who arrived from Los Angeles. Close behind was his cousin Doris G. Bennett, of Jacksonville, Florida. Going back to his early days brought on the appearance of his first grade teacher, Ophelia Hankins, and the lady who helped take care of him, Nancy Ross. Then there was a group from his youth Leonard Griffin, Percy Ellison, Orrell Ellison (and his wife from Chicago), Gabby Martin, Paul Jones and Leonard Mershon. Then came his fourth grade teacher, Pearl Schwartz White, followed by a voice from Lincoln University, where Julius finished college, none other than Dr. James Franks (his wife and son were in the audience), president from Jefferson City, where Julius serves on the Trustee Board. Sitting on the stage beside him was his wife, Bette, and then the children were introduced—Darryl, physical education instructor at Pruitt School; Derrick, McDonnell Aircraft, and Diedre, a senior in communications at Howard University. Coming all the way from Detroit and arriving just moments before the program began was Dr. John Malone, who brought a prized picture from their high school yearbook.

Then the story moved to Julius' early days of teaching at Henry and Franklin Schools, and one of his students, John LaGrone, recalled some incidents, as did a co-worker, Glyneece Eustace. Then came the "Untouchables," the guys Julius used to move around the district with charts, posters of Mr. Achiever and all the programs that the district was so famous for. His cohorts were Louis Marion and Dr. Ernest Jones, new Deputy Supt., but the big moment came when his former boss, Dr. Samuel Shepard, Jr., who made the Banneker District famous worldwide, appeared with choice remarks about the many innovations Julius had created during his tenure as district supt. Dr. Shepard had come in from East Chicago Heights, Illinois.

Audrey Gooch recalled his days at Headstart, and John Bass spoke of his cooperation with the political community. There was music by the Washington Metropolitan A.M.E. Zion Choir, of which Julius is a member as well as chairman of the Steward Board, and they sang beautifully under the direction of William Pearson. Levi Anthony spoke for the large group of SOP students, with whom Julius worked in the Oberlin College Program, and a teacher whom Julius befriended in his early teaching days also came in from Detroit just for the occasion—Dr. Earl "Duke" Harvey.

When Julius was appointed principal of the high school from which he graduated, Vashon High, his administrator was John Anderson, who remembered many humorous incidents during that period. One of the students that Julius had worked with very hard was Maurice Pierce, and he was there for a few remarks. Finally, it was time to hear from two important ladies in his work life—Marzelle McPherson, his secretary, and Josephine Herman, his administrative assistant. Presentations were made by Dr. Henry Givens, State Department of Education; Dr. Robert Wentz, Superintendent of Schools; B.C.V. Administrators by Maurice Bell; Central Parent Congress by Donna Strong; Vashon Parent Congress, Louise Closson; Parent Advisory Council, Khalidah Hameed, with a few recollections by Evelyn Keys; Luther Boykins for the Black Athletic Association and KMOX; Central High School, Dorothy Wells; and Vashon High School, Cynthia Carthwright.

The program closed with the B.C.V. Chorus, under the direction of Eva B. Fisher with Doris Wilson accompanist, singing two of the honoree's favorite numbers, The Battle Hymn of the Republic and Lean on Me. Preprogram music was by the Vashon High School Jazz Band, J. Gaines, director; The Passionate Ones (a dance group) Featuring Hope and Eric Ross and Linda Glass; vocalist Victoria Woods, 7th grader at Carr Lane and the Central High School Concert Choir directed by Walter Young. The welcome was given by Dr. Leonard Osborne, Supt. B.C.V. District. Out-of-town guests were entertained, following the reception in the Carr Lane cafeteria, at the Vagabond House by the B.C.V. Choir. On Friday night, the tables were turned when Julius and Bette were at the Vagabonds to host an "Evening With" for those who had helped to make the "Evening With Julius Dix" such a memorable occasion in their lives.●

SOLAR POWER

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. FREY. Mr. Speaker, unfortunately, I was unable to be present for the debate and vote on the Solar Power Satellite Research, Development, and Demonstration Act on Thursday, June 22. I would like to take this opportunity to express my full support for H.R. 12505 which provides a necessary research, development and demonstration program to determine the feasibility of collecting solar energy in space and transmitting it to earth. The solar power satellite concept shows great promises for supplying a large portion of our future energy supplies in an environmentally sound manner.

There is no question that we must examine the feasibility of developing all practical, renewable energy sources if we are to satisfy our future energy demands. Collection of solar energy in space is one such option, and offers us a potentially attractive method that deserves further consideration. The basic technology necessary to place solar satellites in space is under development now. Solar power satellites may not only prove to be a cost-

effective way of solving our future energy problems, but also may help erase our Nation's balance-of-trade deficit, making us an energy exporter rather than an energy importer. Thus, the benefits of these systems may be enormous. I believe that we would be remiss if we did not further examine this possible alternative which shows great potential for relieving our dependence on foreign supplies of oil.

Mr. Speaker, H.R. 12505 takes a monumental step toward determining the feasibility of using solar energy, and highlights a concept that challenges both our ingenuity and our commitment. This bill reaffirms our willingness to examine the merits of all possible energy sources. It offers us a chance to develop an energy source with an infinite resource base, one which must be seriously considered in our energy plans for the future. The solar power satellite program may prove to be the best means to use solar energy.●

THE 77TH INFANTRY DIVISION HAS LOST A BUDDY

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. BURKE of Massachusetts. Mr. Speaker, the 77th Infantry Division lost a buddy over the weekend in the passing of Congressman WILLIAM KETCHUM of California. BILL and I served with the famous Statue of Liberty Division in the South Pacific during World War II. It was a great group of fighting men that engaged in nine amphibious landings under enemy fire in Guam, Leyte, Keramaretto, Iwo Jima, and Okinawa. BILL was up there through it all. BILL stayed in the service and served with the Counterintelligence Corps during the Korean conflict. He loved his country and gave unselfishly of his life. He served his community, his State, and his Nation during war and peace. Truly one of God's great noblemen, BILL had a compassion for people. I shall always remember BILL for his many messages of encouragement during my stay in the Bethesda Naval Hospital. As a result of his concern, I heard from many of my World War II comrades from all over the Nation. As a Congressman, BILL could disagree with you without getting disagreeable. He was articulate, and dedicated, and devoted to public service.

I have attached the article from the New York Times which relates the circumstances of his untimely death. I extend my deepest sympathy to Mrs. Ketchum and his children, Robert and Kathy.

The article follows:

REPRESENTATIVE WILLIAM M. KETCHUM; WAS IN THIRD TERM IN HOUSE

BAKERSFIELD, CALIF., June 25.—Representative William M. Ketchum, Republican of California, died last night of an apparent massive coronary. He was 56 years old.

Mr. Ketchum was stricken at his home here at 6:40 P.M. and pronounced dead on arrival at Kern Medical Center at 7 P.M.

Joseph Hummel, the hospital administrator, said Mr. Ketchum had been playing tennis in the afternoon and apparently suffered the attack in the shower a few minutes later.

Mr. Ketchum, a member of the California Assembly from 1966 to 1972, was serving his third term in the House of Representatives and was a member of the House Ways and Means Committee. He represented California's 18th Congressional District.

He was a cattle rancher, farmer and a former president of the San Luis Obispo County Farm Bureau. He was seeking re-election, having run unopposed in the Republican primary this month.●

SIXTH GRADE TRAVEL EXPERTS CORP.

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. GUYER. Mr. Speaker, should you wish to soar through the skies at the Neil Armstrong Air & Space Museum or descend to the depths of Sea World * * * walk the worn floorboards of the Putnam House Cabin or haunt the echoing halls of Piatt Castle * * * savor the quiet culture of the Toledo Art Museum or cheer the gridiron greats at the Pro Football Hall of Fame * * * these exciting exhibits and numerous others have now been cleverly cataloged by an enterprising group of enthusiastic young people, the Sixth Grade Travel Experts Corp., of the Chamberlin Hill School of Findlay, Ohio. Under the supervision of teachers Miss Martha Cramer and Mr. Gary Davidson, these fine students have truly demonstrated expertise of their native State throughout their impressive travel guide, Ohio's Getaway Places.

This publication, 3 years in the making, is a result of the research and illustration efforts of the sixth-grade class of 1975–76, followup research, writing, and format-planning of the 1976–77 class, and final proofreading and finishup work by the 1977–78 sixth-grade class. The cumulative result is a professional quality publication that is informative, interesting, and indispensible for the modern midwest pioneer of the beautiful Buckeye State.

Quaint restaurants and ghost town haunts, hidden trails and Lake Erie sails, Indian ceramics and aerospace dynamics, all found within the boundaries of Ohio and the bindings of this booklet. The Sixth Grade Travel Experts Corp. has conveniently listed the State's numerous exhibits, historical sites, amusement areas, wildlife and park reserves, recreational facilities, craft villages, museums, and commemorative halls, and dining attractions according to region. The booklet suggests as many as 28 complete tours from the northwestern, northeastern, central, southeastern, southwestern, Ohio River Valley, and city of Findlay/Hancock County areas of Ohio. Explanation of these tours includes historical data, tourist information concerning times and dates that attractions are open to the public, possible length of tours, and recommendations for different areas of interest. A number of exhibits are even mentioned independent of the tours.

This hard-working corporation of young people has produced a travel guide worthy of ardent adventurer and tired tourist alike. I am extremely impressed by the outstanding efforts of these dedicated students and teachers and feel a great deal of credit is due them, particularly the teacher, Miss Cramer.

Mr. Speaker, I enthusiastically encourage all to take advantage of this opportunity to enjoy an exhilarating escape to Ohio's Getaway Places.●

STATE COLLEGES VIEW STUDENT AID AS SUPERIOR TO TUITION TAX CREDITS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. FORD of Michigan. Mr. Speaker, for the past several months there has been a lively debate over alternative means to assist middle-income students and their families who are burdened by rising college costs. One aspect of this debate concerns the respective merits of expanded student aid through the Middle Income Student Assistance Act versus tuition tax credits.

The American Association of State Colleges and Universities has formulated a brief analysis of these two policy alternatives for aiding students from hard-pressed middle-income families. They conclude,

There is no question that the proposed student aid bills give more help to middle income students and parents than any of the tuition tax bills proposed.

I would like to share this analysis with my colleagues at this point in the RECORD:

MIDDLE-INCOME STUDENT ASSISTANCE VS. TUITION TAX CREDITS: A COMPARISON OF BENEFITS

Congress is now considering a middle-income student assistance bill and a tuition tax credit bill. Few families apparently realize that they would receive different amounts of financial aid, depending upon which bill is passed. Most students would receive far higher benefits from the student assistance bill than from the tax credit bills.

The following table compares likely optimum benefits by income level:

Family income	Middle-Income Student Assistance Act (H.R. 11274)		Tuition tax credit bill (H.R. 12050)
	Grant	Possible loan subsidy	
$14,000	$1,158	$400	0–$250
$16,000	991	400	0–250
$20,000	669	400	0–250
$24,000	359	400	0–250
$26,000	208	400	0–250
Above $26,000	0	400	0–250

Source: Based on House Committee Report 95-501, 1978.

There are further drawbacks to the tuition tax credit proposals before Congress. Millions of students would receive either no tax credit or a very small credit, for three reasons: the credit may be only 25 percent of tuition, part-time students may receive

no credit, and student aid would be deducted in determining the credit.

There is no question that the proposed student aid bills give more help to middle income students and parents than any of the tuition tax credit bills proposed.●

TREASURY DEPARTMENT URGED TO COLLECT TAXES OWED BY OIL COMPANIES

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. DRINAN. Mr. Speaker, the Government Operations Subcommittee on Commerce, Consumer, and Monetary Affairs, ably chaired by Representative BENJAMIN S. ROSENTHAL, has completed a comprehensive series of hearings on the use of the foreign tax credit by U.S. oil companies. In the course of the hearings held by the subcommittee, of which I am a member, the Internal Revenue Service finally issued a ruling that the oil producers' payments to foreign governments were royalties, not taxes, and were, therefore, deductible as a cost of doing business, rather than credited directly against taxes owed.

It has been calculated that by crediting these payments directly against taxes owed, rather than deducting them from taxable income, the oil companies deprive the U.S. Government of $1.2 billion annually. The subcommittee's hearings produced expert witnesses who testified that the payments were clearly deductible royalties, not creditable taxes, and that the original classification of these payments as taxes was the result of extraordinary political pressure upon the Internal Revenue Service in the mid-1950's.

The subcommittee recommended that the long overdue IRS ruling declaring that oil companies could not make use of the foreign tax credit be made retroactive at least until July 14, 1976, when the IRS placed the companies on notice that their payments to foreign governments were royalties, not taxes. Despite this announcement, the Treasury Department prevailed upon the Internal Revenue Service to defer the effective date of its ruling. This has been done, and now the oil companies will continue to unfairly avail themselves of the foreign tax credit until July 1, 1978.

It is estimated that the decision to delay the effective date of the ruling will cost the U.S. Treasury $2 billion. This delay is inconsistent with Internal Revenue Service policy regarding the applicability of IRS rulings and policy statements in changing circumstances.

The U.S. Government has been deprived of taxes by the petroleum producing companies since 1954. There is no excuse to permit this to continue. The subcommittee report recommended that the ruling regarding use of the foreign tax credit be made retroactive at least as of July 1976, and that the IRS and Treasury Department collect the maximum feasible amount of revenues lost due to the improper use of the credit.

In an editorial of June 9, 1978, the Nashville Tennessean editorially called for action by the Secretary of the Treasury to apply the ruling retroactively and cease special treatment of the oil companies. The editorial, entitled "Collecting Big Oil Taxes Big Government Headache," follows:

COLLECTING BIG OIL TAXES BIG GOVERNMENT HEADACHE

A House subcommittee has accused Treasury Secretary Michael Blumenthal of letting politics interfere with the IRS' efforts to end a $1.2 billion a year tax break for oil companies.

The issue involves American oil company payments to oil producing nations. The oil companies have been claiming these payments are taxes collected by the producing nations and thus should be credited dollar for dollar against taxes the companies owe the U.S. government.

However, the payments are in fact royalties, not taxes. As such they should be deductible from the oil companies' income as a cost of doing business, not credited against taxes owed.

The difference between a deduction and a tax credit is a $1.2 billion a year windfall for U.S. oil companies operating overseas and a $1.2 billion bite out of the U.S. Treasury.

The IRS ruled that the oil companies are not eligible for the tax credit and recommended internally that it be lifted. However, Mr. Blumenthal interceded before the IRS decision was made public and allowed an assistant secretary to delay the lifting of the credit, according to the subcommittee.

The subcommittee, headed by Rep. Benjamin Rosenthal, D-N.Y., says the oil companies should be liable for the tax retroactive to July 14, 1976, at the latest. But the IRS has now set the effective date as July 1 of this year, permitting the oil companies to keep $2 billion in taxes owed the Treasury.

The subcommittee called on Mr. Blumenthal to "take administrative action . . . to insure that the Internal Revenue Service is free of improper political influence."

The Treasury Secretary should do this. He should also insure that the $2 billion the oil companies owe the government is deposited in the Treasury as soon as possible.

It seems one of the federal government's most difficult tasks—in foreign or domestic affairs—is getting the big oil companies to pay their just share of taxes. When attempts to do so are made, delays and evasions are encountered which would never be condoned in an average taxpayer.

But the big oil companies are not average taxpayers. They have friends in government who make it all but impossible for the tax collector to touch them. They are able to hold back billions of dollars and invest the money at rates of return far above the interest they will be charged on their taxes—when and if they are ever paid. This is an outrageous imposition on the rest of the taxpayers.

Mr. Blumenthal may not have been directly responsible for delaying the IRS recommendation concerning the oil taxes. But he is the Treasury Secretary and the oil companies' taxes haven't yet been paid into the Treasury. He should act soon. The administration can't afford many more insinuations that it is getting too friendly with the oil industry.●

NEW IRS RULING; "NO BETTER THAN FIRST"

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. EILBERG. Mr. Speaker, earlier this month the Internal Revenue Service issued a ruling on the tax exempt status of nonprofit organizations, with the intent of clarifying an earlier ruling.

That earlier ruling had stated that non-profit religious, charitable, scientific, and educational groups could lose their tax-exempt status if they published voting records of public officials, or questioned candidates about their positions on issues.

The clarification on June 2 stated that certain types of nonpartisan voter educations activities will be permitted, but does little to ease my concern because the IRS said nonprofit groups cannot publish voting records on a single issue which might be of importance to them. At the same time, the IRS failed to provide guidelines for religious publications.

Mr. Speaker, this past Thursday's edition of the Catholic Standard and Times, published by the Archdiocese of Philadelphia, points to the problems raised by the IRS ruling and its attempts to clarify the ruling. I commend it to the attention of my colleagues, because this article points to the dangers raised by the IRS' action:

IRS RULING CONCERNS CATHOLIC PRESS

(By Jim Castelli)

WASHINGTON.—A new Internal Revenue Service ruling on political activity by some nonprofit, tax-exempt groups has been met with confusion, concern and talk of a constitutional challenge.

Interest in the ruling has been high in the Catholic press because the IRS has not formally indicated whether religious publications would be affected by the new limits on reporting of candidates' positions and voting records.

On May 1, the IRS said religious, charitable, scientific and educational organizations exempt from taxes as non-profit organizations under Section 501 (c) (3) of the federal tax code could not publish voting records or question candidates about their positions on issues.

Those organizations are not allowed to support or oppse candidates or become involved in partisan politics.

Pressure from a number of groups, including the U.S. Catholic Conference and the League of Women Voters, led the IRS to issue a new ruling some people believe is no better than the first.

The new ruling, issued June 2, said 501 (c)(3) organizations could publish voting records or a summary of candidates' positions on a wide variety of issues, but could not publish voting records on a single issue or demonstrate "bias" in the questions or in accompanying editorials.

Emmet Lucey, Washington counsel for the Catholic Press Association, said the new ruling "fails to provide guidelines for religious publications as to what is acceptable and what is not acceptable."

"Even more basic," Lucey said, "it leaves up in the air the question of whether the regulation involved applies to religious publications at all."

USCC attorneys said they had been told informally by the IRS that religious publications were not affected by the ruling. Lucey said he will advise the CPA and several Catholic publishers shortly on whether or not to seek a separate ruling on religious publications.

An answer is important to Catholic newspapers because this is an election year and a number of papers traditionally print responses from candidates on a variety of issues. The same papers, however, also generally editorialize on the issues involved.

At least one paper, The Catholic Standard of Washington, D.C., has said the IRS ruling may affect its practices.

"As it did prior to several previous elections, the Standard planned to question the candidates on several issues and publish the results before Election Day next November," managing editor Tom Rowan said in an editorial. "Our readers have found these surveys to be helpful since they provide information that the reader otherwise could get only with considerable effort.

"But if we aren't allowed to furnish this information for the next election, you can thank the IRS for the blackout," the editorial said.

Rowan also said he was concerned that the IRS could some day extend the prohibition to cover reporting of politicians' public statements on issues. The June 2 ruling "would warm the heart of a totalitarian regime," he said.

Paul Weber, an associate professor of political science and a constitutional specialist at the University of Louisville, Ky., told The Record, Louisville archdiocesan paper, he believed that Section 501(c)(3) itself is unconstitutional because it clashes with the First Amendment guarantee of free speech.

"If tax exemption is a privilege," Weber said, "what you're now having to do is to give up a right (freedom of speech) to exercise a privilege. As a general rule, the Supreme Court says that's not constitutional."

Weber also said Section 501(c)(3) violates guarantees of equal protection under the law. For example, he said, labor union education groups and even corporations are not forbidden to engage in political activities, while charitable and educational organizations are.

Weber believes the constitutionality of both the new IRS ruling and Section 501(c)(3) will be tested in the courts.

The Record also cited an article written by Joel Davidson in a 1973 issue of the Fordham Law Review which said Section 501(c)(3) violated the First Amendment guarantee of freedom of religion. "If a religious belief requires speaking out on an issue of political importance but the exemption necessary for continued existence of the religious organization will be subject to revocation, a religious organization clearly is forced to choose between its religiously motivated beliefs and its continued exemption," Davidson said.

He said this results in "a coercive effect on religious organizations."

Davidson, in his article, said Section 501(c)(3) should be changed to allow tax-exempt organizations to lobby on issues of "direct" interest while still prohibiting contributions to non-exempt organizations or to candidates.

"Short of these (limitations), any activity which is politically motivated should be permitted," he said.●

RACING TAKES ITS CASE TO CAPITOL HILL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. FLORIO. Mr. Speaker, today I am inserting in the RECORD an article entitled, "Racing Takes Its Case to Capitol Hill," by Andrew Beyer, which appeared in the Sports Section of the Washington Star on Friday, June 23.

This article describes some of the counterproductive aspects of a hastily considered "at-the-source" parimutuel withholding tax provision enacted in the waning hours of the 94th Congress as a part of the 1976 Tax Reform Act.

The adverse impact of this tax provision prompted me to introduce legislation, H.R. 6066, to repeal it as a measure which should never have been enacted. The law is discriminatory, confiscatory, and counterproductive both in terms of its economic impact on State revenues in the 32 States which have legalized parimutuel wagering, and its anti-crime value. As a matter of fact, one of the principal objections most of the parimutuel industry has toward the withholding of racetrack winnings is the advantages offered to illegal sources of wagering. To date, 20 of my colleagues have joined my efforts directed toward repeal of the withholding provision. These Members, many of whom have racetracks in their districts, concur in my view that H.R. 6066 merits hearings before the House Ways and Means Committee. Mr. Beyer's persuasive article supports that viewpoint. The text of the article follows:

[From the Washington Star, June 23, 1978]

RACING TAKES ITS CASE TO CAPITOL HILL

(By Andrew Beyer)

Representatives of the racing industry went to the Capitol yesterday to seek a remedy for their major role—the 20 percent withholding tax on certain big winnings at the track.

They made their pitch at a briefing session directed primarily at staff members of congressmen who might co-sponsor, with Rep. James Florio, D-N.J., a bill that would repeal the tax.

Race track executives and officials of the American Horse Council put forth a simple, bread-and-butter argument: The Internal Revenue Service withholds 20 percent of race track winnings that pay more than $1,000 at odds greater than 300 to 1. That amounts to some $100 million a year.

This is money that horseplayers could be betting. A study by the AHC found that every dollar at the track makes its way through the betting windows an average of 3½ times. Since tracks generate their revenue and states collect tax every time the dollar is bet, they are losing money as the IRS takes cash out of circulation.

Florio is sponsoring his bill for this reason: to safeguard New Jersey's tax revenue. And Arnold Kirkpatrick of the agency told his listeners yesterday that they should do the same. "In the wake of Proposition 13," he said, "it is essential that each state protect its sources of revenue. By taking the withholding tax, the federal government is hurting your state."

Presumably, arguments like these form the basis of most tax legislation. Special interest groups plead their case by trying to convince lawmakers that their own interest is synonymous with the public interest. But the withholding tax is more than just a nettle to a particular industry. It is a law which should offend any American's sense of fair play.

The withholding provision has no parallel in this country's tax system. Horseplayers are the only people who, while engaged in an ongoing financial activity, are forced to surrender part of their profits with no regard for any losses they may be suffering at the same time.

Imagine what would happen if Congress passed a bill requiring a 20 percent withholding from any stock market transaction that ended in a profit. We would have 435 new congressmen in the fall. Suppose casino patrons had to surrender 20 percent of their winnings to the government upon leaving the blackjack table. Las Vegas and Atlantic City would become ghost towns overnight.

But horseplayers made a convenient target for such a confiscatory policy of taxation because they don't have much political clout and the legislators found it easy to vote for a tax against sin.

Tad Davis, the AHC's tax expert, offered an intriguing explanation of the reason the IRS wanted this tax to begin with. Big winners at the track used to have to fill out IRS Form 1099, acknowledging their profits. But the IRS never did anything with the data, never tried to match the 1099's with the tax returns. "The IRS just threw those forms in the closet," Davis said.

By passing the withholding bill, the IRS was telling horseplayers, in essence: "It's too much trouble for us to enforce the law. So we'll just take your money anyway and let you worry about trying to get a refund."

And, of course, that is the essential element of the IRS' plan. Horseplayers who suffered a net loss during the year and who do not legitimately owe the government anything, encounter great difficulty getting their money back. The IRS can impose requirements for proof of losses that not one horseplayer in a thousand can meet.

The bill that would end this robbery is mired in the House Ways and Means Committee and may die there, for the obvious reasons.

"When you hear the word gambling," said Rep. Thomas Evans, R-Del. one of the bill's cosponsors, "people throw up their hands and say, 'You can't touch that politically.' But people should look beneath the surface and see just how unfair the present law is."●

ENGINEERS' CLUB OF PHILADELPHIA

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. LEDERER. Mr. Speaker, it is fitting that we pause in the business of the House to honor the centennial of the Engineers' Club of Philadelphia.

Mr. Speaker, in 1876, the technological growth and optimism of Philadelphia helped in securing the right to host the national centennial. The exposition was a monument to the virtual explosion that had taken place in all fields of scientific and engineering endeavors. Of the more than 10 million people who visited the Centennial Exposition, more visited the Machinery Hall than to any other and it was here that Philadelphia engineer, Charles Billin, came up with the idea that some sort of organization was needed to bring engineers together in order to share and promote ideas of their fields.

Mr. Speaker, the idea of Charles Billen came to fruition on January 19, 1878, when the formal organization, bylaws and constitution of the Engineers' Club of Philadelphia were ratified. There were 23 charter members, today there are close to a thousand. During this period of growth, the members of the Engineers' Club of Philadelphia have been instrumental in the growth and improvements in the electrical, water, sewer, transportation, and communication systems. For example, it was members of the club who helped in the massive job of changing Philadelphia's electric system from d.c. to a.c. in the 1920's. At the same time, engineers designed and built the Frankford El which opened up Northeast Philadelphia and by 1927 the radio plant of

Atwater Kent was turning Philadelphians onto the exploits of Babe Ruth, Jack Dempsey, Bobby Jones, and Bill Tilden.

Mr. Speaker, I could go on and on about the accomplishments of the Engineers' Club of Philadelphia. For not only have they made tremendous contributions to the technological development of Philadelphia, but also to the technical education of the young. For instance, there is Mr. Max Paxson. Not only does he devote great amounts of time to the club, but he also was formerly head of the Electrical Engineering Department and Drexel University Evening College. The Engineers' Club of Philadelphia also provides many courses to people in industry in specialized technology which are used in conjunction with the 12 major educational institutions in the Philadelphia area that offer engineering programs.

Mr. Speaker, in this, the 100th year of this fine institution, I can look back and applaud the accomplishments of the Engineers' Club of Philadelphia and look forward to their achievements of the future. I ask that my colleagues here in the House join me in this tribute.●

SCIENCE, TECHNOLOGY, AND AMERICAN DIPLOMACY—III

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. FASCELL. Mr. Speaker, title V on Science, Technology, and American Diplomacy of the recently adopted bill, H.R. 12598, the Foreign Relations Authorization Act for fiscal year 1979 is intended to improve the ability of the U.S. Government to apply science and technology to problems of foreign policy. The growing economic interdependence of the world has blurred the distinctions between domestic and international affairs to a point where particularly in research and development there is often no difference.

Recently, I read a rather startling letter to the editor of Science Magazine in which the author made two important points. First, he noted that the number of scientists and engineers engaged in research and development per 10,000 population was roughly stable for the United States but was growing for Japan, the United Kingdom, West Germany, and the Soviet Union. Second, basic research support by the private sector had declined in real terms since 1967, and has been stable in universities and colleges.

One of the purposes of title V is to stimulate research and development on problems of a scientific or technical nature with international implications. Another purpose is to stimulate further training of specialists who can apply scientific and technological developments to problems of international affairs. I believe the data presented below sheds further light on the need for active, long-term support for research and training by the State Department at our universities and colleges and in nongovernmental research organizations on the application of science and technology to international problems.

The letter to the editor follows:

R. & D. EXPENDITURES IN THE UNITED STATES

Recently published data[1] bear witness to the continuing erosion of support for science and technology in this country. The general trends of the data show two specific problems that deserve a high degree of attention by responsible authorities. These relate to (i) the total expenditure for research and development (R & D) in the nation as a whole and (ii) the expenditure for basic research in industry.

Although the debate regarding the appropriate level of R & D expenditure has continued over the years, with various factions advocating different economic indicators as a basis, no one has raised the issue that the level should perhaps depend upon equivalent activities in other developed nations with which we trade. Perhaps this is due to the continuing change in the value of U.S. currency with respect to that of other countries, as well as to the variation in direct and overhead costs per researcher, which makes such comparisons difficult.

To overcome this confusion and to obtain a more meaningful comparison, I suggest we use the data on the total number of scientists and engineers engaged in R & D activities in the various countries. If we assume equivalent brainpower, dedication, and facilities, these data yield some interesting observations. Perhaps the most striking comparison can be made between the United States and Japan, where the data show, respectively, 25 and 22 scientists and engineers per 10,000 of the general population for 1974. More recent data show the numbers to be 25 and 24, respectively, for 1975, with the number for Japan still rising. Since the population of Japan is about half that of the United States, it follows that, in absolute terms, the United States has twice as many people involved in R & D as does Japan, a preliminarily comforting thought.

Unfortunately, if we then look at the historical record of areas where the government portion of R & D expenditures has been used, we realize that, whereas the U.S. government spends approximately 64 percent of its R & D outlay on defense and space-related work, the Japanese government spends only 8 percent of its outlay. These figures are approximate, but nevertheless they present a telling story about the magnitude of Japan's R & D effort. In terms of actual manpower in work not related to defense or space, Japan in 1975 had three scientists and engineers working in R & D for every four in the United States. While it is possible to cite a few past fallouts from space- and defense-related research in the United States, we should not overlook the fact that Japan has built a powerful R & D force aimed directly at commercial markets. The potential consequences of this strength in terms of overall economic returns for Japan, both now and in the immediate future, are apparent and need not be reemphasized.

The second problem relates to the level of basic research expenditures in industry. Here, the data shows a continuous drop since 1967 to the extent that, in 1976, the value of all basic research in industry, in constant dollars, remains approximately the same as that in 1960. The universities, fortunately, have fared much better, holding their level to approximately the same value as that in the 1967 peak year, or almost three times that in industry. The decline of basic research in industry has, unfortunately, come about through elimination of this type of work in many of the small and medium-sized companies, where the absence of such skills now makes their interaction with universities more difficult. This may, therefore, exclude these companies from participation in joint university-industry research programs of the type that the National Science Foundation is attempting to promote.[2] Although this trend is the direct result of judgments made by the managements of these industries (and perhaps reflects the view that more short-term than long-term investment is desirable at this time), the long-term impact of this change in policy is extremely detrimental to the country as a whole. The companies that will be able to participate in this program are those which need this assistance least, as they already have a reasonable internal component of basic research. Most of these companies will, in fact, shy away from the program because of its extra administrative burden. The result can be a generally unfavorable response to the program.

To counteract this unfortunate trend, it may be necessary for Congress to provide certain tax incentives to industry to promote basic research. With a basic research core reestablished in many of the companies that have now abandoned it, the hope for a more successful promotion of joint university-industry research programs through the National Science Foundation grants may come closer to reality.

MICHAEL M. SHAHIN,
ROCHESTER, *New York.*

FOOTNOTES

[1] National Science Board, Science Indicators 1976 (National Science Foundation, Washington, D.C., 1977).

[2] "Industry/university cooperative research activity" (Notice No. 72, Office of the Director, National Science Foundation, Washington, D.C., 29 March 1978).●

INSURANCE PRICING "DESIGNED TO CONFUSE"

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. LAFALCE. Mr. Speaker, this morning's Washington Post contained an article about insurance and the problems consumers have trying to make sure they are getting the best insurance buy for their money.

While the bulk of the article contains a number of potentially helpful hints for consumers to consider in assessing their insurance needs and options, I think that the most important message in the story came in its last paragraph, which I quote here:

> Unfortunately, there are no general rules. It's difficult to compare the real costs of various types of insurance and their alternatives, because the pricing of insurance products, as one financial planner put it, "is designed to confuse." There's no easy way for a buyer to see which is best.

The insurance industry is able to establish policies that are "designed to confuse" because this multibillion dollar giant is essentially unregulated by the Federal Government. Many States are unable to cope with so large and powerful an industry; those that do try to implement effective regulation find themselves played off against each other

by the industry. Without broad Federal guidelines for this industry it will continue to be perhaps the most significant economic force in the Nation that has almost no constraints about designing its pricing—and other policies—in a way that will confuse consumers. I say it is time to bring that to a halt.

The article follows:

COMPARING COSTS IS DIFFICULT—NO GENERAL RULES IN BUYING INSURANCE

(By Jane Bryant Quinn)

NEW YORK.—If you have a loan against a straight-life insurance policy, consider this: Some 13 percent of you will die with that loan still outstanding, according to the American Council of Life Insurance.

At death, the loan amount is subtracted from the proceeds of the policy, before the beneficiary is paid. On average, policy loans reduce payments by 26 percent. For example, on an $80,000 insurance policy, only about $59,000 might actually be received by your family.

If you own a dividend-paying policy, the dividend can be used to buy annual term insurance, to cover the loan. Then, if you die, the policy will still pay your beneficiaries face value. This raises the cost of your insurance, but at least keeps your family protected.

Although borrowing against a policy can make sense at a time like the present (when interest rates on alternative investments are high), there's a negative factor to consider. If you don't pay the policy loan interest out-of-pocket every year, you'll suffer the effects of compound interest working against you. Interest costs will mount every year you keep the loan.

Say, for example, that you take an insurance-company loan at 6 percent. If you don't pay the interest, that amount is added to the loan's outstanding balance; next year 6 percent will be levied against that increased amount. If you pay nothing back for 10 years, the average cost over the period will be 8½ percent a year. After 15 years, the average annual cost rises to 9.4 percent.

Conservative alternative investments are now paying around 8 percent. But unless those proceeds are reinvested so as to compound annually, the cost of your policy loan will eventually match the money you're earning on the loan proceeds.

Most insurance policy loans now cost in the area of 5 and 6 percent. In recent years, however, policies have been issued that provide for loan interest at 8 percent. That money will be far less attractive to borrow. After 10 years of interest compounding, at 8 percent, the average annual cost of a loan climbs to 12.5 percent.

It's easy to let the interest build up because repayment on a policy loan is not required. So consider repaying at least the interest due every year, in order to keep the long-run charges down.

When you have a loan outstanding against your policy, is it better to cash the policy in, repay the loan, and cover yourself with less expensive term insurance? You could buy a reduced amount of term and still have comparable insurance protection (take the face amount of the straight-life policy, subtract the loan and buy term insurance for that amount). Or you could buy term for the full amount.

Financial planners think this might make sense if you're young and the cash value in the policy is still fairly small. But if you've held your policy for 10 or 15 years, it makes more sense to hang on to it. At that point, the policy's cash values are finally starting to build up rapidly—probably much faster than any return you could get from alternative investments. Those values continue to build, even when there's a loan outstanding.

"Holding on to the policies is particularly smart for people in higher tax brackets—40 or 50 percent," A.P. McMillan, Jr., of Insurance Analytical Service in Charlotte, N.C., told my associate, Linda Rubey. "Because they can write off the interest costs in a meaningful bracket."

An older person sometimes borrows against cash value in order to pay his premiums, which reduces the payment to his beneficiaries. A better solution might be to apply all the cash toward buying "extended term" insurance, which guarantees beneficiaries the full amount of the policy for a certain number of years.

Unfortunately, there are no general rules. It's difficult to compare the real costs of various types of insurance and their alternatives, because the pricing of insurance products, as one financial planner put it, "is designed to confuse." There's no easy way for a buyer to see which is best.●

NUCLEAR PROLIFERATION—THE INDIAN VIEW

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. SOLARZ. Mr. Speaker, the nuclear nonproliferation effort is one of the key undertakings both of the Congress and the Carter administration. If we are to create a safe world for our children, we must do all in our power to halt the spread of nuclear weapons.

Recently the House International Relations Committee considered the supply of nuclear materials to India in response to resolutions of disapproval of such supply offered by several Members.

Because of the overall importance of this issue and because our committee has just considered the Indian case, I would like to make available to all Members an article in the June 19, 1978, international edition written by Mr. Nani A. Palkhivala, India's Ambassador to the United States. Mr. Palkhivala takes issue with the Nuclear Nonproliferation Act passed by the Congress this year, and I think we should be aware of the views of his government on this key issue.

Mr. Speaker, I include the Ambassador's article at this point in the RECORD.

[From Newsweek magazine, June 19, 1978]

DISARMING THE UNARMED

The old Chinese curse "May you live in interesting times" seems to brood over the earth with a strange, new poignancy at a time when we live with the ever-present threat of a nuclear holocaust. In the rippling tensions created by such a hazard, we seem to forget that, barring one or two countries, those without nuclear weapons are not interested in acquiring them.

The deployment of nuclear weapons—if it is to fulfill any perceived security need—requires the possession of very significant natural and financial resources, trained scientific personnel, a sophisticated industrial infrastructure and heavy investments in a guidance and delivery system. Very few countries without an existing nuclear capability possess these, and most realize that possession of nuclear weapons does not make military, let alone economic, sense in today's world.

The great weakness of the nonproliferation effort has been its almost total preoccupation with those countries which do not possess the weapons and do not want them. That effort's principal thrust has been to enhance the prestige, protect the privileges and promote the sense of security of the states that possess nuclear weapons. What appears to be at stake is not the creation of a safe world order—in which the ultimate objective is general and complete disarmament—but the preservation of what has been described as "nuclear apartheid." This has been characterized by strenuous efforts on the part of the major powers that have weapons to increase and improve their existing arsenals, accompanied by an equally vigorous policy of trying to disarm the unarmed.

EXPLOSIVE REACTIONS

Four years ago, India exploded a nuclear device in the Pokhran Desert in Rajasthan. That explosion created political and psychological reverberations around the world far out of proportion to its importance. The reactions were mixed: panic and alarm in some quarters, pride and admiration in others. One of the first statements made by Prime Minister Morarji Desai when he assumed office was that India would *not* acquire or produce any nuclear weapons and, further, would *not* undertake any unobserved nuclear explosions even for peaceful purposes. This unilateral and voluntary pronouncement was an act of moral and political courage, and it came at a time when the nuclear powers were going ahead with periodic underground explosions that are still taking place.

Perhaps nothing illustrates better the serious lopsidedness, and the great weakness, of today's nuclear debate than the contrast between the violent reaction to India's peaceful explosion and the absence of a warm response to the decision of the Indian Prime Minister—a decision that constitutes India's singular contribution to the cause of world peace and disarmament.

WILLING PARTICIPANT

This is not to say that India questions the motives of countries like the United States in the nonproliferation field. On the contrary, there is great admiration for President Jimmy Carter's sincere and imaginative calls for a comprehensive nuclear-test ban and nonproliferation. India is a willing participant in the international nuclear-fuel-cycle evaluation that the U.S. has initiated. We are impressed by the genuineness of President Carter's concerns and share his vision of a world free from the threat of possible abuses of nuclear energy. India has always willingly considered participation in any measure aimed at genuine nonproliferation and disarmament. But there are many good reasons for India's difficulty in accepting some of the provisions of the Nuclear Nonproliferation Act passed by the U.S. Congress earlier this year.

First, the legislation does not apply to all those nations that already possess nuclear weapons; it imposes severe restrictions on many countries that have no nuclear weapons—even if they have no intention whatever of acquiring them. There is very little to assure the non-weapons countries that the nuclear powers are as interested in reducing the stockpiles of their lethal weapons as they are in preventing the non-nuclear horses from bolting and joining the big five. Countries like India, which have no interest in making bombs, are penalized for their volun-

tary restraint. They are asked to subject themselves to full-scope safeguards, which the nuclear-weapons powers reject for themselves. In India's case, the legislation would make the penalty sharper still.

It suggests the distinct threat of a unilateral United States withdrawal from its contractual commitments to supply fuel to the atomic power station at Tarapur if India does not agree to place all its nuclear facilities—including indigenously built ones—under full-scope safeguards. This seems to ignore the fact that Tarapur is already under full international safeguards.

There is another, more general, aspect that deserves to be considered. If there is no commitment on the part of the nuclear nations even to reduce their own arsenals, and the non-weapons powers are simultaneously confronted with increasing uncertainty in the supplies of fuel and technology from the advanced countries, the dangers of proliferation will surely acquire new dimensions. There are today 208 nuclear plants operating in 22 nations. By 1985, there will be an estimated 515 nuclear plants operating in 42 nations. If some of these countries develop their own nuclear technology to make up for a cutoff of fuel or assistance from abroad, then the regulations intended to achieve nonproliferation will result in quite the opposite: more proliferation.

DISCRIMINATORY SYSTEM

Nothing would be so detrimental to the cause of nonproliferation as the evolution of a system that would divide the world into nuclear-weapons powers and second-class countries; which would penalize non-nuclear weapons countries by placing discriminatory restrictions on their peaceful developmental aspirations; which would motivate nations to accelerate their efforts to achieve nuclear self-reliance at any cost; which would underestimate the forces of nationalism, pride and self-respect in countries that are today poor or vulnerable, and which would ignore the energy needs so crucial to their long-range development. In working to reduce the danger of proliferation, the nuclear debate should not be allowed to degenerate into an emotional issue between the "have" and the "have not" nations.●

FAIRFIELD COUNTY VICTIM/WITNESS ASSISTANCE UNIT DEDICATED

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. McKINNEY. Mr. Speaker, this morning I attended the opening of the Fairfield County Victim/Witness Assistance Unit, a unique federally funded program which I think offers tremendous potential to improve our criminal justice system. This program creates victim advocates within the Connecticut State's Attorney's Office whose responsibility it is to treat the criminal victim or witness as a client, answer questions, and generally help the citizen discharge his or her duty to make our criminal enforcement effort work. Funded through the Connecticut Justice Commission by the Federal Law Enforcement Assistance Administration (LEAA), the new office brings a better balance to criminal proceedings and insures that the victims and witnesses in the unfamiliar world of criminal trials are as prepared and protected from embarrassment as the defendant.

LEAA has been criticized for many of its programs, but I think this grant demonstrates that when well-conceived and well-administered at the State level, Federal law enforcement aid can be an invaluable tool. For while the Constitution requires the States to spend money to protect the rights of those accused of a crime, they rarely possess the resources to protect the victim as well. This is best shown by the fear, intimidation, and degradation often suffered by rape victims; and it is this type of program which will bring more willing complainants to our courts and therefore put more guilty offenders behind bars. Once this performance record is established, the State criminal justice budget could be expected to expand and make the improvement permanent.

There are so many dedicated persons responsible for the Fairfield County Victim/Witness Unit that I cannot possibly list them all. I can only commend those associated with the program, urge their continued dedication to this effort and join them in the hope for a more fair and less frightening criminal justice system across the Nation.●

GEORGE MEANY SUPPORTS ERA EXTENSION

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. DRINAN. Mr. Speaker, a few weeks ago the Judiciary Subcommittee on Civil and Constitutional Rights reported out House Joint Resolution 638, which would extend the deadline for ratification of the equal rights amendment for an additional 7 years. The measure is now before the full committee and will, hopefully, reach the House floor this summer.

My own strong support of this vital measure was announced in a statement published in the CONGRESSIONAL RECORD on April 10.

Now I would like to bring to my colleagues' attention the following statement submitted by AFL–CIO president, George Meany. Mr. Meany warmly supports the extension, which he considers to be crucial to the millions of working women of America:

STATEMENT OF GEORGE MEANY

On behalf of the American Federation of Labor and Congress of Industrial Organizations, I would like to express our appreciation of this opportunity to present our views on H.J. Res. 638, which would extend the deadline for ratification of the Equal Rights Amendment. The AFL–CIO supports H.J. Res. 638 and urges Congress to provide for an additional seven-year period for ratification of the Amendment when the original seven-year period expires next March 1979.

The AFL–CIO at its Twelfth Constitutional Convention held in Los Angeles, California in December 1977, unanimously reaffirmed its support of the Equal Rights Amendment and called upon its state federations and affiliated unions to redouble their efforts to secure its ratification by the states. The Convention laid out an active program of information, education, and cooperative effort with other groups supporting the Equal Rights Amendment to obtain the necessary ratifications to put the Amendment into effect.

As is well known, thirty-five states have ratified the Equal Rights Amendment; only three additional ratifications are needed. Those three have proved difficult to obtain largely because of a vicious campaign against it by such right-wing groups as the STOP ERA Movement of Phyllis Schafly, the John Birch Society and the Conservative Caucus. Misinformation, emotional rhetoric and distortion have been used wildly and recklessly to influence state legislators to oppose or hold back on ratification of the Equal Rights Amendment. These groups have even succeeded in obtaining votes to rescind earlier ratifications in three states, even though the constitutionality of these recission votes is questionable.

But while the campaign against ratification of the Equal Rights Amendment has achieved some measure of success, the campaign for it has also had its substantial successes quite apart from the thirty-five states' ratifications thus far achieved. Sixteen states have adopted Equal Rights Amendments of their own. Some states have revised their entire state legal code to conform to the Equal Rights Amendment. Title VII of the Civil Rights Act of 1964 and the Equal Pay Act of 1963, have been extended to cover public employees and many other previously unprotected groups. Changes providing for equal treatment of men and women have been made in the Social Security Act and others are contemplated. The educational opportunities and credit rights of women have been strengthened.

These successes have made it imperative that the campaign for ratification of the Equal Rights Amendment shall be allowed to continue. Balanced against the negative efforts of the opposition to prevent ratification they suggest that the seven-year period which the Congress provided for when it adopted the Amendment was not long enough. It did not allow the necessary broad favorable consensus to develop in the face of the campaign of misrepresentation and distortion waged against it. With three states yet required for ratification, additional time would seem reasonable and required.

The AFL–CIO Executive Council considered this problem at its meeting in February 1978, and adopted a statement calling upon Congress to grant an extension of time for the Equal Rights Amendment to be ratified. This statement pointed out that ratification of the Amendment "is of crucial importance to millions of American women, especially working women," since it would "insure once and for all recognition by the American people that equality under the law is a basic freedom which cannot, and must not, be abrogated because of one's sex." The "majority of women" who favor ratification, the statement urged, "should have sufficient opportunity to present the facts to the public and state legislators." "It would be a travesty of democratic process," the AFL–CIO Executive Council concluded, "to permit the slanderous campaign waged by right-wing extremists to block this recognition of the fundamental rights in our society."

We are aware of the arguments that have been made against extending the period for ratification of the Equal Rights Amendment. They are, we believe, without foundation. If Congress can fix a time limit for ratification of an amendment, it seems to us it can extend that limit if it believes additional time is needed for the public to understand the issues involved in the proposed amendment.

There is no issue here of changing rules in the middle of the game. The consideration and adoption of a constitutional amendment is not a game. It is a serious business, affecting the basic rights of millions of our citizens. The people should have the time they need to render a mature and informed judgment on it; they should not be rushed by vicious campaigns that distort the basic issues, nor should they be overwhelmed by the millions of dollars that have been poured into the effort to stop ratification of the Equal Rights Amendment.

Adoption of H. J. Res. 638 by the Congress would signal the continuing concern of the legislative branch of the government that the movement for equal rights for all is not to be halted. If additional time is needed for ratification of the Equal Rights Amendment, we see no reason why it should not be provided. Nor do we see any reason to believe that provision of additional time will necessarily result in relaxation of efforts to complete ratification within the original seven-year period.

Assurance that "Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex" is a basic requirement of modern-day living. It should be made part of our basic law as soon as possible; if not before March 22, 1979, when the present seven-year ratification period expires, as early in the additional seven-year period H. J. Res. 638 provides for as possible.

The AFL–CIO supports approval of H. J. Res. 638, and urges favorable action on it by the Subcommittee, the full House Judiciary Committee and the Congress.●

A NEW CHAPTER FOR PHILADELPHIA

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. EILBERG. Mr. Speaker, it is with a great deal of pride that I inform my colleagues that a new chapter in Philadelphia's history has been opened.

This past Thursday, city, State, and Federal officials joined in a ground breaking ceremony for the $300 million Center City Commuter Connection.

This project will benefit the entire Delaware Valley region, as it will mean a dramatic expansion of the potential for mass transit in Philadelphia, and will encourage office and retail growth in the city.

The Federal Government has provided $240 million toward construction costs, Mr. Speaker, with the city and State governments sharing the remaining costs equally.

Joining with Mayor Frank L. Rizzo in the ground breaking ceremonies were City Council President George X. Schwartz ; Managing Director Hillel S. Levinson; Edward F. Toohey, president of the Philadelphia Council, AFL–CIO; Greater Philadelphia Chamber of Commerce President Thacher Longstreth; and business manager of the Building and Construction Trades Council, Thomas J. Magrann.

Also participating in the ceremony were the Reverend Thomas J. Ritter, executive chairman of the Opportunities Industrialization Center; Rev. Msgr. James J. Howard, pastor of the Cathedral Basilica of Saints Peter and Paul; and Rabbi Elias Charry of the Germantown Jewish Center.

The project has remained on the drawing boards for more than 10 years before Mayor Rizzo moved it into the construction phase.

Mayor Rizzo said the ultimate effect of the commuter connection and Market Street East on Philadelphia will be comparable to that which followed the demolition of the "Chinese Wall" and the development of Penn Center nearly 30 years ago.

He noted that the commuter connection was the paramount consideration in major downtown commercial renovation which is now underway.

Another benefit of the project, he said, was construction of major office buildings in center city.

Two contracts have been awarded in recent weeks to begin work on the 1.8-mile project, which is expected to take approximately 5 years to complete.

A $3.6 million award has been made for the underpinning of the Reading Terminal.

A second contract totaling $1 million has been awarded for the relocation of underground utilities in the area of city hall.

The commuter connection, the largest project ever undertaken by the city, is expected to provide a peak employment level of approximately 1,500 construction jobs. Another 11,000 business, commercial, and industry-related jobs will be created as a side effect when the project is completed.

Among the transportation benefits will be uninterrupted travel between the western, northwestern, and northeastern sections of the city and Independence Mall, Penn's Landing, center city, and the University City Science Center and educational and medical complexes of West Philadelphia.

The connection also will link the 12 commuter rail lines at Penn Center and 30th Street stations with the airport high speed line now under construction.

The terminus at the historic Reading Terminal, 12th and Market Streets, will be replaced by a modern underground station at 11th and Market Streets which will be a "Grand Central" type hub for rail and subway elevated commuters.●

THE WORLD BANK IN DANGER (II)

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. McHUGH. Mr. Speaker, the Washington Post carried the second of two editorials this morning on the World Bank. Although the foreign assistance appropriations bill is no longer scheduled for consideration this week, it is important for all of us to better understand the work being done by the World Bank and the other international financial institutions.

At the same time, because several Members of the House have already indicated that they plan to offer amendments to reduce funding or to impose various restrictions on our contributions, it is also important for us to understand the basic issues posed by such amendments.

Last Friday I inserted a copy of the first part of this editorial in the RECORD for the benefit of my colleagues who may not have seen it. Today, I am inserting the conclusion:

THE WORLD BANK IN DANGER (II)

When the World Bank appropriation bill finally gets to the House floor, it's going to run into trouble from the chairman of the subcommittee that wrote it. It's an unusual—and ominous—beginning to the debate. The bill was scheduled to come up this week, but the House leaders, fearful of a defeat, have now postponed it until next month. The subcommittee chairman, Rep. Clarence Long (D-Md.), is pressing an amendment to cut the American contribution to the development banks this year by one-fifth, more than half a billion dollars.

He is attempting to deflect even worse cuts, he explains, at the hands of a House that has been stampeded by the California tax vote. Beyond that, he thinks that the United States is funneling too much of its economic aid through the international development banks, over which it has no direct control. The issue of control is now sharpened by the prospect of a World Bank loan to Vietnam.

Last year there was an attempt in the House to prohibit the bank, on grounds of human-rights violations, from lending to Vietnam and several other countries. That was immediately followed by an attempt to prohibit the bank from putting money into any agricultural project the success of which might provide competition to American citrus or sugar producers. Those amendments failed, but they will doubtless be back this year.

The catastrophic unwisdom of trying to impose narrow American interests on this aid should be obvious, when you remember that a rising share of the bank's money is coming from the new rich—for example, the Arab oil states. Their foreign policies, not to mention their ideas about human rights, are quite different from the United States'.

There are large advantages to the United States in running most of its foreign aid through cooperative lending operations like the World Bank. It is run by a board on which both rich and poor countries vote, and there is give-and-take on the loans. Some of the money goes to countries that would not be the United States' first choices. But some of it also goes, at American urging, to countries that other rich donors might not otherwise choose to help.

The World Bank can afford to be rigorous in setting conditions on the use of its money. It doesn't have other political considerations to worry about. Sometimes a U.S. aid mission has to be circumspect, because American military bases, or American economic interests are implicitly part of the deal. That kind of thing is no concern of the World Bank's, and if it doesn't get cooperation the money stops. The same thing is true of the three smaller regional development banks: Inter-American, Asian, African. The U.S. contributions to them, incidentally, are in the same bill as the World Bank money.

But the largest threat to this aid bill is a simple one: the passion for economy that has suddenly seized the House. It is a highly selective passion. It does not extend to dams and highways. It will not reach the Clinch River breeder reactor, or the multibillion-dollar schemes roaring around Congress to help middle-class parents pay college tuition. Instead, the new thrift is focused with dreadful intensity on foreign aid. After all, foreign aid rests on nothing more substantial than conscience and enlightened self-interest, which leaves it in constant jeopardy. The current attitude in the House recalls the story about the family that responded to a sermon on the virtue of thrift by cutting off its contributions to the church and the UGF.●

JOURNEY TO CHINA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. MICHEL. Mr. Speaker, at this point, I would like to insert in the RECORD the second installment of C. L. Dancey's "Journey to China" as printed in the Peoria Journal Star:

THE FARM: "IF YOU DON'T WORK, YOU DON'T EAT"

(By C. L. Dancey)

(Journal Star Editor Charles L. Dancey and wife, Nina, have just returned from a two-week tour with the first group of general tourists to enter the People's Republic of China. Here is the second in a series of stories on what he found there.)

When you ride hundreds of miles across China on railroad cars and buses you begin to think that all China is one gigantic, beautiful, formal garden—carefully landscaped and tended by hundreds of millions of gardeners.

And that isn't far from the truth.

"The peasants are the real heroes," is a constant theme. And the price of their heroism is backbreaking labor in the fields at $15 or $16 a month, hand planting, hand hoeing, hand and horse plowing, hand sculpturing for irrigation, hand felling of trees, hand scrabbling up rocks, hand building with rocks, bricks or mud, and very often hand hauling of incredibly heavy loads.

The "Production Brigade" or Farm Commune that we visited was undoubtedly exemplary—but it was not atypical judging from the scores we looked down into from train windows.

These are not the kind of barracks living arrangement we have been led to believe, in fact, and involve less communal living than an Israeli kibbutz.

People do not function solely as a unit, and draw what they need within reason from common stores. On the contrary, they seem to buy everything except what they provide for themselves—which is considerable.

Every farm commune we physically set eyes upon had one common characteristic—family living in considerable privacy. Each living area is a kind of compact village, surrounded by a wall . . . usually 10 feet high, built of bricks, or concrete, or adobe, or plain mud, or stones—with or without mortar. And each is honeycombed within by more high walls of the same sort.

The family "house" is accompanied by a small yard surrounded by its own heavy wall, where there is the family garden, perhaps a few chickens, and, in one we visited, a couple of pigs.

The commune produced no single "cash crop" and the same characteristic of a wide variety of activities clearly marked those we saw across the country as well. It had its own orchards, wheat fields, extensive vegetable gardens, and pig sties, etc.

Often, the orderly rows of fruit trees in the orchard were amid standing crops, also—and we never saw any grass anywhere—city or country—in north China. Each farm also had its own workshop, working with machinery and iron.

A farm commune visited by the other half of our group was especially an animal farm—although it too had a wide variety of "crops"—and it contained many kinds of animals including breeding minks.

You must understand that factory communes also grow crops on their grounds, that hotels have vegetable gardens and even patches of wheat (in the north); that hospitals grow crops and have vegetable gardens on the grounds; that the army bases include active farming; that the "right-of-way" along the highways are carved into strips of gardening crops; that the river banks are apt to be terraced into gardens; that the mountain sides, where possible, are terraced.

This country obviously needs, and uses, every spare inch of ground and every drop of water it can get into use.

And the farm commune, in addition to its "production brigade" of active farmers, plus their family gardens, includes all community facilities: the commissary or general store, the clinic, the nursery, the school and perhaps a "recreation center."

There is no "fire and police" and utilities are mostly self-supplied to the extent that they exist at all—except electricity, where available.

The members are expected to respond, themselves, directly to any fire or police or other kind of problem.

(Even in the big cities, there is rarely even a usable water supply available that would support a regular fire department as we know it, and there are no lawyers in China. Indeed, even the comparatively high officials to whom we spoke were unable to grasp the idea of a lawyer—or of advocacy. Police action is direct action, apparently.)

There is a commune chief over all these varied activities, but the really key person seems to be the head of the "production brigade"—the major farming efforts of the whole operation.

It looks like a healthy life in the open air with nothing but what we would regard as "health foods" to eat and lots of exercise . . . but the wizened ancient Chinese who was overall head turned out to be only 56 years old.

It's a hard life.

As the householder we visited told us: "Before the liberation, I was a farmer. It was a hard life—and I had nothing . . . working for a landlord.

"It is still a hard life. But, at least, now I have this house, a bicycle, and a radio—and my children go to school, which I never did."

"This house" was small and rude, with beds everywhere—the most intriguing being two wide stone slabs which extended from and above small fireplace stoves, with thin pads and coverlets. It would at least make a warm bed in winter, heated directly by a small wood fire in the fireplace of which it was an integral part.

It was reasonably clean, although that is clearly a staggering task—and many of those we passed but did not visit were indescribably filthy—and smelly. The Chinese are not afraid of dirt, of pollution, of noise, or of stench—that is abundantly clear although officials say they are trying to inculcate a "sanitation" concept.

Across country, indeed, it was ironic how indescribably beautiful was the whole countryside, hand sculptured as it was (and often seeming that it was so sculptured by artists) and then you would come to a "village" (i.e., commune)—a place where *people* lived and the view was suddenly ugly and often filthy. Many made the barrios of Caracas—or the Arab casbahs—seem mild.

The young production chief of the commune in Shansi told us that whenever a worker earned 10 "work points" in a day, he received one yuan for that day's work (about 60 cents).

He was asked about people who did not work up to that standard—incompetent workers. He didn't seem to understand the question, and it was asked several ways.

"If they can't work," he would say, "we take care of them."

The idea of incompetence—in a country which among other things needs people to pick up the animal dung for reuse as fast as it falls—has no real application. Every healthy person can do *something* that is badly needed.

So, finally, he was asked, "But what if somebody can work, but just doesn't measure up?"

He shrugged: "If you dont' work—you don't eat."

It all makes a grim picture, and the physical realities are grimmer than any mere report can possibly convey—and yet that is a false impression.

What cannot be made an effective part of the scene, but actually colors and softens it all amazingly is the cheerfulness of these people.

How can I tell you of the human capacity to accept the harsh reality of a life in a country with 900,000,000 people to feed and only the beginnings of technology?

How can I explain to you how this whole grim scene is changed by the friendliness, good humor, and relaxed attitude of the people, themselves, and their easy relations with us . . . the affluent visitors?

I can only tell you that most of us came away *impressed* by the capacity for hard work in a cheerful spirit, and the sense of purpose and of accomplishment that makes these people proud, self-confident—and formidable.

WOMEN LIBERATED FROM HOUSEHOLD DUTIES

(By Nina Dancey)

Once the most elaborately coiffed women in the world, the Chinese women of today might be the least elaborately coiffed. But the style of the shiney black hair is only a bit of evidence of change of the total woman.

"Since the Liberation" (a quote we heard over and over), women have assumed a new role in society, it would appear.

Equal?

It's hard to say from what we saw and heard. Women are visible, at least, in most professions.

We understood that at the university level women professors are not seen very much, but we saw women doing every possible kind of work—women in the army, women working in the heavy machinery factory, women in important positions in the Neighborhood Committees, women mechanics, women doing heavy labor in the flour mills, in sports, hard manual labor pulling carts, women artisans in the Arts and Crafts factories, women digging ditches with pick and shovel, in high positions at the hospital, singing and dancing in the opera (the story of a woman general of the Yang family), driving buses and at important levels of the China International Travel Service.

"Before the Liberation" (also an oft repeated variation), many women were "fettered by household duties. Since the Liberation, they have gone out from home

into the factories and their enthusiasm has been brought into full play."

I quote from the top man in the Peace Street Neighborhood Commune in Peking. During that "briefing," he said one of the purposes of the organization of the committee was to "free women from worries about household duties."

Women in China today, judging from appearance, work very hard, but perhaps the circumstances for women are better that ever in history, there.

It is well known that in the old days "no matter her circumstances, a woman could look forward to a life of subjugation—to her father and eldest brother in her childhood and to her husband and his mother after marriage." Everything, it seems, has changed.

The old Chinese proverb, "The most beautiful and talented daughter is not as desirable as a deformed son" has been completely rejected, of course.

In fact, little girls honestly seem to be favored over the boys—from what we saw. In the kindergartens we visited, the little girls sang more songs, danced more, recited more, acted as masters of ceremonies—and were incredibly darling!

Of course, they are educated equally with the boys and appeared to be offered equal opportunities with the boys at the Children's Palaces where talented children get special training after their regular school hours, particularly in athletics and the arts.

From what we saw, boys and girls together engage in sports training, painting classes, sketching, singing, and musical instrument instruction—but girls only in the dance class and boys only in the classes where they were building model planes and ships. Isn't that odd? They seem to recognize some special difference in some areas.

And the way they dress the little girls! Such bright, bold colors and sweet gathered skirts—dresses with little puffed sleeves and bright apron tunics. Both little girls and little boys wear brightly colored sandals.

And when the children perform! The little girls were more elaborately made up than the boys; their dear little faces bright with rouge and shining eye makeup.

But . . . somewhere along the years (and I failed to get the age), all the ruffles and fluffles and hairbows and sashes are plucked away, and they pull on the plain pants of plain grey or blue and add the jacket.

We did, however, see young girls who wore flowered blouses with their jackets and pants. And the young women, such as our translator, Chang Yeh, wore blouses with a small figure in the fabric—under the jacket. But I can't remember seeing any woman in a brightly flowered blouse.

The shiny black hair is (for young ladies) usually in two shoulder-length braids or two longer braids.

The middle-aged women didn't seem to wear the braids, and some had almost "bobbed" hair—cut off kind of square—like Sassoon was doing a couple of years ago. Others wear it gathered up in a bun or knot.

I saw only two Chinese women with curly hair—looked like permanents to me. They were working side by side in the Arts and Crafts factory.

I can't remember seeing a single Chinese woman in a skirt or dress while I was in China! Every woman, no matter her age, wears pants. Jacket and pants sometimes of gray, or blue, or dark beige—sometimes matching—sometimes contrasting—and usually with a blouse.

Many women seemed to wear a slipper with rounded toe and one strap—in fabric or leather—usually black, but I saw one pair in navy. Some, Madame Chin, for example, wear a strap sandal.

The "old" women usually were seen in the soft black fabric top and pants.

How "old" she is, that's hard to tell. At one household we visited, the man and woman were introduced as "the old man and old woman," and believe me, they looked it.

You could see the hard life they'd had. During the visit, someone inquired how old he was (since he was retired), and he replied, "Fifty-seven." He looked 20 years older than that. We had a similar experience with a political chief of the factory commune—at 52.

Chinese men smoke more than men in America, it seemed to me, but I looked and looked for a woman smoking—and have but one such note: "A woman smoking!"

There are no pre-arranged weddings in China, now. There are no wedding rings in China now. There are no wedding dresses in China now. This information is from Madame Chin Jo-yi, China International Travel Service top lady who traveled with us the entire time.

Birth control is not only approved but urged, and they promote the Pill and the IUD. Because I never saw one pregnant woman during the entire visit, I asked Chang, our translator about it. "The Pill," she answered.

"But you have babies in the nurseries. Where are the women who are about to have such babies?"

Twice I got that far, and twice Miss Chang was diverted or interrupted at that point. I don't know where the pregnant women are. I didn't see one. Isn't that strange?

Divorce? "Possible"—but clearly not at all probable.

While there are feeding stations, nurseries, kindergartens in the communes and at the factories, still you also see many grandmothers tending little ones. As I mentioned before, it's hard to tell the older folks' real age.

The old ladies were so sweet looking. Many of them have the broken feet which we used to study about in school—far more of them than I expected.

Remember? They bound the feet of girl babies thinking tiny feet were pretty, and today you still see little grey-haired ladies hobbling along on those little half-feet in tiny black moccasin-like slippers.

While the fashion of the adult woman is plain, almost colorless—pants and top—the women themselves are noticeably, though often indefinably, feminine.

I smiled at the time, and it brings a smile to my face now as I remember Madame Chin in her severely plain clothes, with her chopped-off hair, gently removing from her gray jacket pocket a lovely Chinese fan which she deftly opened and fluttered gracefully as we bounced down the dusty highway on a hot day.

THE HONORABLE WILLIAM M. KETCHUM

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. TEAGUE. Mr. Speaker, on Saturday, June 24, the House of Representatives lost one of its distinguished Members, WILLIAM M. KETCHUM of California.

BILL was a very special friend to me. He was a man of great kindness and compassion. During my stay last year in Bethesda Naval Hospital, BILL either called or came to see me every day for 4 months—always cheerful and full of good news and funny stories.

BILL KETCHUM was a good man; and I, for one, will miss him.●

NGOS SPEAK OUT FOR DISARMAMENT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

Mr. LEHMAN. Mr. Speaker, I am inserting into today's RECORD statements of the International Peace Bureau and the World Conference on Religion and Peace. These speeches were delivered on June 12 at the U.N. special session on disarmament. I know my colleagues will find them moving statements on behalf of disarmament and world peace:

INTERNATIONAL PEACE BUREAU

Mr. MCBRIDE (International Peace Bureau). Following upon the holocaust of the last world war and the utilization of nuclear bombs on Hiroshima and Nagasaki, the leaders of the world who had lived through that period, those great leaders who founded this world body, came to certain conclusions. The principal such conclusion can be stated very succinctly in one sentence: "Another world war would endanger the survival of the human race; there is now no alternative to peace". As a result, all the leaders of the world of that period concentrated their efforts on seeking to remove the threat of war and on trying to ensure world peace. They came to the conclusion that general and complete disarmament was the only way of ensuring the survival of the human race. In furtherance of this determination, the Soviet Union and the United States, on 20 September 1961 after several years of difficult and meaningful negotiations, reached complete agreement on the principles upon which the negotiations for a treaty for general and complete disarmament should proceed, and on 20 December 1961 these agreed principles were unanimously—I repeat, unanimously—endorsed by the sixteenth session of the General Assembly. These principles were detailed and comprehensive. They received the enthusiastic support of world public opinion.

Nowadays, it has become fashionable in some quarters to say that it is not realistic to urge general and complete disarmament. The first point I should like to make is to emphasize here that general and complete disarmament is not a question of being realistic or not: it is the only alternative to another world war and to oblivion. The leaders of the post Second World War period were men of vision and integrity, but they were also, above all, realists who were conscious of the historical aggressive immorality of mankind. It is those who argue now that the present accumulation of nuclear and other weapons of mass destruction will not be used who are defying the lessons of history and human aggressiveness. The existing situation is all the more dangerous by reason of the near-total breakdown in the standards of ethics and morality in the world.

My first plea, therefore, is for the calling of a world disarmament conference to elaborate a treaty for general and complete disarmament based upon the principles already agreed upon in 1961 and upon the two draft treaties prepared by the United States and the Soviet Union in 1962.

As immediate interim measures I would respectfully urge the special session, in addition to the calling of a world disarmament conference, to take the following steps. The first is to call for an immediate moratorium on all research, development and deployment

of new weapons—nuclear or conventional. It is the continuous research and development of new weapons which is now threatening the stability of the existing arms situation in the world. The second is the adoption of a convention outlawing the use of nuclear and other weapons of mass destruction. That is quite capable of being achieved simply as was achieved in the case of biological weapons, in the case of dum-dum bullet, in the case of gases, and so on. There should now be a convention outlawing the use of nuclear weapons, and that could be drafted quite quickly and rapidly. Thirdly, there should be an immediate halt to the production of nuclear weapons. Fourthly, I would urge this special session to adopt the two proposals made by the Secretary-General at the opening meeting of this special session. Members will remember that he made two proposals, one for the appointment of an advisory board and another one for the setting aside of a percentage of the military expenditure of each State to be applied to the promotion of disarmament.

Concurrently with a process of concrete disarmament measures, it will be essential to carry out a massive educational campaign to promote peace rather than militarism. It will also be necessary to provide more effective machinery for the resolution of international disputes and tensions. However, the immediate task is to secure a firm resolve to achieve general and complete disarmament and to take immediate and concrete measures of actual disarmament as distinct from measures of arms control.

I am afraid that despite the many measures of so-called arms control there has been aboslutely no progress made in regard to disarmament over the last 17 years—save in respect to biological weapons, and biological weapons were never regarded as militarily significant. On the contrary, the inventories of all other weapons—and in particular of nuclear weapons—have been multiplied continually.

Franky, the organizations with which I am involved place no faith in so-called measures of arms control or other partial measures unless they are accompanied by actual diarmament and by the steps which I have indicated.

Finally, let me express the fervent hope that some better way will be found to link the non-governmental organizations and institutes that are primarily and *bona fide* concerned with disarmament issues, with the United Nations Disarmament Centre and with the appropriate department of the United Nations Educational, Scientific and Cultural Organization (UNESCO). A special consultative status to permit of closer cooperation at all levels would be of value. In the promotion of disarmament more than in any other field the role of public opinion is of primary importance. The non-governmental sector can be of tremendous assistance in the implementation of a disarmament programme. It can inform public opinion and can mobilize the people in support of the disarmament policies decided upon. But the all-important aspect of your work is to restore some confidence in the United Nations and in its determination to bring about disarmament and therefore to take concrete steps of disarmament.

WORLD CONFERENCE ON RELIGION AND PEACE

Mr. Niwano (World Conference on Religion and Peace) (spoke in Japanese, text furnished by the speaker). I should like to express my gratitude for the opportunity to address the special session on behalf of the World Conference on Religion and Peace. I would also express my personal gratitude that, at the United Nations—an international political forum—a representative of religion, like myself, is given an opportunity to speak.

I am a Buddhist. In the parable of the burning house, the Buddha tells of a concerned father who has escaped the flaming wreckage of his decaying home but cannot convince his children to join him because they are so absorbed in their amusements that they remain oblivious to the danger that surrounds them. Viewing our world, the Buddha says, "This world is not a safe place for ordinary men. It is like the burning house." In the Buddha's eyes, mankind's unrestrained greed—like the children who were too busy—exposes us to danger and causes us to suffer. He laments that we are completely unaware of the danger that surrounds us. Yet we Japanese in Hiroshima and Nagasaki have already experienced the truth of the burning house. Also as a Buddhist I cannot forget the words of Pope Paul VI after extending to me an invitation to attend the Second Vatican Council. The Pope said: "Christians must pray for Buddhists and Buddhists must pray for Christians. Unless religious people do so, there is no way they can help mankind."

The World Conference on Religion and Peace held its first meeting at Kyoto in 1970 and then set up its international headquarters in the United Nations community. Participants in our organization are drawn from all the major world religions and from more than 60 States in all social systems. The proximity of our international headquarters and our close contact with the United Nations help keep us alert to the grave problems confronting mankind. We are concerned, however, not only to stop the arms race, to end economic injustice and to eliminate violations of human rights, but also to free the human spirit for a quality of life more in keeping with the dignity and destiny of the person and a life in community at all levels based on freedom, justice and love.

The abolition of war or, better still, the removal of the conditions that lead to war, is a specific and limited objective but it is a crucial first step. The first meeting of our organization in 1970 declared, "A society based on the strength of arms is the negation of a community based on justice."

We Buddhists, Christians, Hindus, Jews, Muslims, and other living faiths each cherish our own religious traditions and seek to use our combined ethical insights and religious experience for global peace and justice. In this spirit we have obtained consultative status with the United Nations and our Secretary-General has had the honour of being Chairman of the Non-Governmental Organizations Committee on Disarmament at United Nations Headquarters since its inception in 1973. Our Secretary-General is Dr. Homer A. Jack.

We shall use these precious minutes, not to comment on the wording of the draft final document, but to suggest some fundamental approaches to disarmament, some taken from the findings of our two world conferences in Japan and Belgium.

First, may we, motivated by our several religions, suggest a greater sense of urgency to you world diplomats in acting to end the arms race? The danger of nuclear war by calculation, miscalculation, accident, or terrorism is increasing. We implore you to act with all deliberate speed, even incautious speed, since—in the words of one of our own congresses—mankind's "continued existence on this planet is threatened with nuclear extinction." The human race must end the arms race before the arms race ends the human race. The most basic human right is survival.

Secondly, may we, motivated by our several religions, suggest that the most complex, technical problem in the domain of international peace and security must, in the end, depend upon ethical decisions which must be explained and justified to the common people? No arms control jargon must be allowed to conceal life-denying decisions of Governments.

Thirdly, may we, motivated by our several religions, suggest that risks must be taken by statesmen for peace as they are obviously taking risks today with arms? I ask especially President Carter and First Secretary Brezhnev, "Instead of taking risks with arms, please take major risks for peace and disarmament." We urge national and regional initiatives for disarmament, which may or may not require immediate reciprocation. We pray that some State, out of strength and not weakness, will take major risks for peace and disarmament.

Fourthly, may we, motivated by our several religions, suggest that there is a great constituency for peace? The victims of the uninterrupted wars of this generation and those praying for peace may be silent, inarticulate and not as influential as those in all social systems with a vested interest in the arms race. Yet all peoples yearn for the freedom from fear of nuclear holocaust and of death and destruction by conventional war. They yearn for world peace and, in the third world and all worlds, they also yearn for the economic and social consequences of an end to the arms race.

Fifthly, may we, motivated by our several religions, suggest that a new appraisal must be made of national and world security? We assert that no nation and no people is secure in a world of more than 15,000 strategic nuclear warheads.

Sixthly, may we, motivated by our several religions, underline the goal of general and complete disarmament? If humanity is to survive this century, it can only be through general and complete disarmament. May the proposed comprehensive programme on disarmament be a bridge to general and complete disarmament. Certainly arms control has been a failure. This is symptomatic of the deeper failure to reconstruct a social and economic order centered on humanity.

Seventhly, may we, motivated by our several religions, thank the special session for allowing non-governmental organizations to speak and participate so fully. We hope that this non-governmental relationship to disarmament issues in the United Nations might be institutionalized.

May we also pay tribute to the Non-Aligned Group for taking the initiative in calling for this special session. We are with the non-aligned in asserting that nuclear disarmament is the first priority of this world organization. We suggest this priority not only for reasons of implementing article VI of the Non-Proliferation Treaty, but because it is ethically, morally and religiously right. The very possession of nuclear weapons must become a crime against humanity.

The use of nuclear weapons in Hiroshima and Nagasaki, and the resulting devastation and human suffering, is on photographic display in this building, thanks to the Japanese delegation to the United Nations. Because some of the pictures were considered too gruesome, I understand that there were requests for their removal from that display. I sincerely hope that people will not turn a blind eye to such hellish scenes of human agony caused by human error. Indeed, we can but affirm the draft sentence in the declaration of this special session which asserts: "We must halt the arms race and proceed to disarmament or perish."

We believe that the United Nations has the ability to extend the realm of peace and the rule of law in our troubled world. We have called upon our religious constituencies to engage in prayer and meditation for the success of this historic meeting. We look to you Member States of the United Nations to reverse the present trends, to save succeeding generations from the scourge of war, and to rally the nations in the search for peace.

justice and true human progress. That is our hope.

To those who would say that disarmament, including the total abolition of nuclear weapons, is a vain dream, I would repeat the words of the thirteenth century Japanese Buddhist priest, Nichiren. He said: "The prayers of believers in the Sutra of the Lotus Flower of the Wonderful Law will never go unanswered." I think that no prayers will ever go unanswered.

And this is what Buddha says: "The universe is my domain; the living beings in it are all my sons. But now this place abounds with distress. I alone am able to save and protect them."

It is also said that the whole world has to adhere to the true law, and I believe that all religions are essentially one, as taught by Buddha. Bound together in heaven and on earth, we are many in body, yet one in mind. If the whole of mankind would pray for world peace, the Lord will surely save us. Unless all human beings become one of hearts, the establishment of a strong United Nations as a world government cannot be achieved, nor can total disarmament be realized without the establishment of a world government.

Therefore, in conclusion, I sincerely hope that you, the leaders of the Governments of the world, will go all out to achieve an everlasting peace. May God, whom we call the Eternal Buddha, bless and protect you.●

LUTHER YOUNGDAHL

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. VENTO. Mr. Speaker. Tributes to Luther Youngdahl, as a man, as lawyer and judge, and as Governor, continue to attest to his outstanding merits.

I would like to share with my colleagues the following items from the Washington Post which evaluate the contributions made by this great Minnesotan.

The articles follow:

[From the Washington Post, June 24, 1977]

BURGER PRAISES YOUNGDAHL AS "ONE OF FINEST JUDGES"

(By J. Y. Smith)

Chief Justice Warren E. Burger said yesterday that Luther W. Youngdahl, who died Wednesday at the age of 82, was "one of the finest judges of the federal or state system."

Burger made his remarks at a special meeting of the U.S. District Court for the District of Columbia, of which Judge Youngdahl was a member from 1951 until his death. Several other judges also attended the session in the ceremonial courtroom of the U.S. Courthouse.

The chief justice recalled that his friendship with his fellow-Minnesotan extended over a half-century. He said that Youngdahl, then a member of the Minneapolis municipal court, was the judge before whom he argued his first case. He said he had been a member of the small group who persuaded Judge Youngdahl to resign from the Supreme Court of Minnesota to run successfully for the governorship of his state.

Judge Youngdahl, a Republican, was elected governor in 1946 and served three terms. In 1951, he resigned and was appointed to the federal bench in Washington by President Truman. In 1966, when he reached the age of 70, he took senior judge status, but remained active almost until his death.

"This occasion is not one primarily for mourning, but for rejoicing in the kind of life (Judge Youngdahl) led," Chief Justice Burger said. He said Judge Youngdahl had been a man of courage, vigor and industry.

Judge Youngdahl's portrait, which hangs in the ceremonial courtroom and which was presented to him last year by his former law clerks, was draped in balck. The judge's wife of 55 years, the former Irene Annet Engdahl, and their three children, the Rev. L. William and P. David Youngdahl and Margaret Peterson, were present.

At the end, Chief Judge William B. Bryant of the U.S. District Court, who presided, said, "Let the record of these proceedings reflect that the court adjourns out of respect for the memory of the Honorable Luther W. Youngdahl."

[From the Washington Post, June 24, 1978]

LUTHER YOUNGDAHL

When Luther W. Youngdahl came to Washington in 1951, we noted in this space that the only mystery about his appointment as a federal district judge was why he accepted it. Judge Youngdahl, who died Wednesday, had resigned from the Minnesota Supreme Court to run for governor and was in the middle of his third term in that office. He was the state's most popular political figure and widely regarded as a serious threat to the political future of its first-term senator, Hubert H. Humphrey. But he turned his back on all that to accept an appointment that Sen. Humphrey had persuaded President Truman to offer.

It turned out, when Judge Youngdahl talked about it years later, that there was no mystery. He had grown tired of political battles, had never really liked being an appellate judge, and wanted to finish his career trying cases in a courtroom. Try cases he did—vigorously and fairly—for almost two decades.

The most famous event of those years was his confrontation with the Department of Justice over the case of Owen Lattimore. After he had blocked the department's efforts to railroad Mr. Lattimore to jail for being a "communist sympathizer," its lawyers launched a monstrous attack on his personal integrity. The judge never flinched from doing what he thought was right, despite the heavy criticism—McCarthyism was in full sway just then—and in the long run both his integrity and his decisions were vindicated.

That episode brought out the tough and stern side that Judge Youngdahl had shown when he cracked down on organized crime in Minnesota. But there was another, compassionate side. We recall the day when his chambers became a juvenile courtroom because he believed the youth brought before him to be tried as an adult did not deserve such harsh treatment. It was the first, and perhaps the only, time a federal district judge had taken that step. But Judge Youngdahl was right again. The youth, whom he placed on probation, caused no more problems.

It was this mixture of gentle firmness and a belief in his fellow men that made Mr. Youngdahl a remarkable governor and judge. The judiciary, this city, and his home state of Minnesota, were all immeasurably richer for his presence.●

TRIBUTE TO MATILDA KOVAL

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Ms. MIKULSKI. Mr. Speaker, on June 26, a mass of Christian burial for Mrs. Matilda Koval, vice president of the Neighborhood Housing Service and southeast Baltimore civic leader, was offered at St. Michael's Church in Baltimore.

Mrs. Koval died Friday afternoon following a heart attack at her office at the Neighborhood Housing Service. She was a founder of that organization which helps tenants in the area to buy their homes and homeowners to improve their properties.

She was also president of Community Taking Action, an improvement association which was an outgrowth of community groups she began organizing in 1972 to deal with problems in her neighborhood, which had deteriorated to the point that she and her husband were thinking of moving.

Mrs. Koval was also a senator in the Southeast Community Organization, in which she as an early leader, and chairwoman of the Southeastern Police Community Relations Committee. In addition, she belonged to the parish council at St. Michael's Church and she was active in Flotilla 13–2 of the Coast Guard Auxiliary.

The housing program Mrs. Koval was involved with won national recognition, leading her to meet with many government officials at her home while explaining its operation. She made similar presentations to the National League of Cities and to the meeting of the National Municipal League which resulted in Baltimore's designation as an All-American City.

Matilda Koval's contributions go way beyond the above accomplishments. We, in Baltimore, thank God for Matilda Koval. We will never forget the impact that her life has had on ours. We will always remember her smile, her frown, her prodding us to do more, her love, her courage, her dedication, her encouragement, her inspiration, the fun times, and the good times.

As long as we live we will bear her impact and be the better for it.●

HUMAN RIGHTS IN LITHUANIA

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. MURPHY of Pennsylvania. Mr. Speaker, the Soviet Union's forcible invasion and occupation of Lithuania in June 1940 and the subsequent deportation of tens of thousands of Lithuanians to Siberia marked the beginning of the deprivation of basic human rights in Lithuania by the Soviet Union.

For the last 34 years, freedom, self-determination, and independence have denied to the Lithuanian people. Soviet repression in Lithuania has reached alarming proportions. Show trials and harsh sentences are used to intimidate and silence the widspread nationalistic and religious movement in this Baltic country.

Today, even after the Helsinki and Belgrade conferences, Lithuanians who

attempt to exercise their basic human rights still end up in Soviet prisons. These prisoners of conscience number in the thousands, but only a few ever reach the West. The plight of Lithuanian dissidents such as Balys Gajauskas, Viktoras Petkus, Petras Plumpa, and Sarunas Zukauskas reflect the Soviet Union's contempt for human rights.

Balys Gajauskas' persecution began in 1948 when he was arrested as a Lithuanian partisan and sentenced to 25 years in Soviet labor camps. Upon being released in 1973, he continued in the struggle for Lithuanian freedom and distributed money to the Lithuanian political prisoners and their families from the Solzhenitsyn fund. The KGB persistently harassed and interrogated Gajauskas and his family. In April 1977, he was arrested and his apartment was searched. Many valuable documents concerning the United Democratic Resistance and the Lithuanian Freedom movement were discovered. Gajauskas was detained for over a year before he was tried and sentenced to 10 years at the Soviet special regime labor camp and to 5 years of exile for his alleged anti-Soviet agitation and propaganda.

The case of Victoras Petkus provides another example of the Soviet harassment of the Lithuanian people. The Soviet repression of Petkus began in 1947 when he was arrested for his activities in the Catholic Youth Organization. After serving 6 years he was released only to return to prison in 1957 and serve 8 more years for possession of anti-Soviet literature. This "anti-Soviet literature" consisted of a set of poems written by a famous Lithuanian in 1907, 10 years before the Soviet Revolution. After being released in 1965, Petkus, became an expert in Lithuanian literature and attracted a wide circle of young Lithuanians. In August 1977 Petkus was again arrested and his apartment searched in connection with the case of Balys Gajauskas. Among the items seized included documents concerning the Lithuanian Helsinki Watch Group, of which he was a member, and copy of the underground periodical, God and Country. Petkus has been in prison for over 9 months and has yet to be tried.

Petrus Plumpa grew up and was educated under the Soviet system but refused to accept the Soviets as his masters. At the age of 19, Petras was arrested. The Soviet authorities charged him with circulating petitions and with having hoisted the Lithuanian national flag. In 1973, Petras was again arrested and held without trial for over a year. Eventually, he was charged with having printed the Chronicle of the Lithuanian Catholic Church which was considered to be propaganda and anti-Soviet agitation. His trial was conducted behind closed doors, the charges were never proven, and evidence was produced that the fingerprints on the Chronicle were not Plumpa's. Nevertheless, he was sentenced to 8 years imprisonment to be served in strict regime camps.

Sarunas Zukauskas represents one of the youngest Lithuanian dissidents. Sarunas, even after undergoing a program of intense Russification in the schools and youth organizations, as well as witnessing the repression of Lithuanian heritage and culture by the Soviet Communist regime, sought to combat the injustices in Lithuania and joined the dissident movement. Just prior to graduation from medical school with top honors, Sarunas was placed under arrest. He was charged with forming an anti-Soviet organization and for distributing anti-Soviet propaganda. In March 1973, Sarunas was convicted and sentenced to 6 years of strict regime labor camp. His family has been continually harassed, taunted and discriminated against in school, work and at home ever since his conviction.

These four cases represent only the tip of the iceberg of the Soviet's repression of the Lithuanian people. Active support for these individuals and for the cause of human rights in Lithuania is urgently needed. Constant exposure of the true facts of Soviet repression may eventually result in some improvement in the basic human rights of the Lithuanian people, to which they are supposedly entitled under international agreement.●

EXPLANATION OF VOTE ON H.R. 13125

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. ROYBAL. Mr. Speaker, I most certainly agree that Korean Ambassador Kim Dong Jo should make himself available to the Committee on Ethics and tell all he knows about "Koreagate" and thus end all manner of rumor and gossip. I voted against the amendment because blackmail will only offend the sovereign Government of Korea and insure that it will not cooperate with us in seeking the truth. I have seldom heard an action so logically opposed and so illogically defended.

Of what possible concern could it be to a dictator that we will no longer help him feed his subjects so long as we assure him that we will continue to supply him with arms to keep them in line? Some say the "honor" of the House of Representatives is at stake. But what honor is there in denying food to the poorest of the poor?

Some of my colleagues predicted—and time could well prove them to be correct—that this action cannot be effective and that the next step will be to deny Korea military aid. I believe that we could get the cooperation of Korea if Congress threatened to cut off arms, ammunition, and sophisticated weapons of war and destruction instead of food for the poor and hungry.

The truth of the matter is that the House action resulted in one winner and many losers. The winner was the Government of Korea and the losers were the Government of the United States, the American people particularly the American farmer and the people of Korea.

The Korean Government won because we have handed it a perfect and internationally acceptable reason not to cooperate. The American Government lost because our actions in cutting 5 percent of Korea's food imports is transparently ineffective and perhaps hypocritical.

How will we act if the Government of Chile asks us to present our former Ambassador to Chile to explain the bribing of Chilean legislators with $200,000 in U.S. Government funds? How will we act if the Government of Italy asks our former Ambassador to explain similar actions in that country?

What do we tell the American farmer when Korea buys the $56 million in food we cut out from some other country? Since there is a surplus of these commodities in world markets, you can believe Korea will do just that. What do we tell our cotton farmers when Korea buys over $348 million of cotton textiles annually from some other source? What do we tell the wheat farmer when Korea buys $266 million of wheat from some other source? What of the $46 million in tobacco, the $43 million in soybeans, and the $38 million in barley? What do we tell the American people when our balance of payments rises yet another billion dollars because Korea decides to buy its annual U.S. imports from some other source.

If we fail to cut military aid to Korea, how do we explain to the Korean people and our own conscience that, in defense of our honor, we will deny them food but provide arms to their dictator so that he may continue to violate their human rights? And if we do in fact cut out military aid, in a few years will we find ourselves in the same position we now face with Turkey?

Finally, Mr. Speaker, let me conclude by saying that basing our foreign policy decisions on whatever in-house problems Congress may have at any given moment is indeed a most foolish course of action.●

CONGRESSIONAL SALUTE TO HON. ESTHER E. EILEN AND EDWARD F. SADLOWSKI, OUTSTANDING CITIZENS AND COMMUNITY LEADERS OF PASSAIC, N.J.

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. ROE. Mr. Speaker, on Wednesday, June 28, the residents of my congressional district, State of New Jersey will gather for the annual fund-raising dinner of the Passaic Heart Fund to give testimony to the outstanding public service rendered by the members of this most prestigious "We Are Fighting for Your Life" organization, the Passaic County Chapter, American Heart Association, and extend special plaudits to

two distinguished citizens of the city of Passaic, N.J.—The Honorable Esther E. Eilen and Edward F. Sadlowski. I know that you and our colleagues here in the Congress will want to join with me in extending our deepest of appreciation to all of the members of the Passaic Heart Fund and our heartiest congratulations to Miss Eilen and Mr. Sadlowski upon their having been chosen as the recipients of this highly coveted award of the Passaic Heart Fund.

Mr. Speaker, with your permission, I would like to insert at this point in our historical journal of Congress a brief profile on the good works and exemplary achievements of Esther and Ed, as follows:

By profession, Esther Eilen, is a social worker and currently serves as the Private Employment Representative of the City of Passaic. She is a long time resident of Passaic, New Jersey and an active participant in government and civic affairs dedicated to community improvements and improved living conditions for the people of our community, State and Nation.

She is affiliated with the following esteemed organizations: She is a Life Member of the Beth Israel Hospital Ladies Auxiliary, Daughters of Miriam, Hadassah, Sisterhood of Tifereth Israel. Miss Eilen is also a member of the National Council of Jewish Women, Pioneer Women, Hillel Academy, American Civil Liberties Union, Aquackanonk Landing Fine Arts Public Exhibit Comm. Inc., Boy Scouts of America, Passaic City Democratic Club, Membership Chairman for the League of Women Voters, YWCA, Historical Commission of City of Passaic. She is a delegate to the Jewish Community Council of Passaic-Clifton and Coordinator of the City of Passaic Heart Fund.

Edward F. Sadlowski is a nationally recognized champion of our veterans and their families and is a long standing community leader in the City of Passaic where he resides with his wife Stasia and five children, Edward Jr., Christine, Kathleen, Anthony and Thomas. He has served three years as Commander of Rosol-Dul Memorial Post 359, American Legion, four years as President of the Rosol-Dul Home Association, four years as Vice Commander of the Passaic County American Legion, two years as Passaic County Membership Chairman, and is presently serving as Commander of the Passaic County American Legion, and Commander of the Passaic Veterans Alliance.

Ed too has made an outstanding contribution in promoting and encouraging community improvement and has actively participated in many charitable and civic endeavors to help improve the social, cultural and educational endeavors of our community, state and Nation. He is a member of the Holy Rosary Honor Guard, served three years as President of the Holy Rosary Elementary School Board, was Past President of Lower Dundee Improvement Association two years, and is a member of the Passaic Criminal Justice Planning Board.

He served four years in the United States Marine Corps, is a graduate of Passaic schools, studied four years at the Newark Academy of Arts and is a graduate of Famous Artists School. He also attended the Passaic County Technical School (Industrial Arts) and is presently employed by the Garden State Parkway Authority.

Mr. Speaker, I am pleased to have this opportunity to call to the attention of you and our colleagues here in the Congress the lifetime of good works of two community leaders and outstanding citizens of the city of Passaic and seek this national recognition of their noteworthy contribution to the quality of life here in America. As they receive the annual distinguished citizens award of the Passaic Heart Fund, we do indeed join in saluting the Honorable Esther E. Eilen and the Honorable Edward F. Sadlowski for their standards of excellence which have truly enriched our community, State, and Nation.●

PASSAGE OF AMATEUR SPORTS ACT SEEN AS CRUCIAL

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. KEMP. Mr. Speaker, I was privileged to serve on the President's Commission on Olympic Sports with three of my colleagues in this House, Messrs. MICHEL, METCALFE, and MINETA.

In pursuit of the objectives of the Commission's recommendations we have jointly introduced H.R. 12626. An identical measure (S. 2727) passed the Senate on May 8 of this year.

Our bill, the Amateur Sports Act of 1978, is the product of many hours of discussion, negotiation, and compromise among the members of our amateur athletic community. This legislation is designed to promote the best interests of amateur sports in the United States and to help coordinate our Nation's amateur sports programs.

The passage of this bill will clearly mark a new era in the history of amateur sports in America, and I earnestly urge my colleagues to join us in enacting this important piece of legislation at the earliest possible date.

In the Sunday edition of the Washington Post, dated June 25, there appeared an important analysis of the current status of our bill by Nancy Scannell. Because I believe Ms. Scannell's news analysis is worthy of the attention of the House, the text of the article follows:

OLYMPIC BILL PASSAGE SEEN AS CRUCIAL

(By Nancy Scannell)

Gen. Douglas MacArthur, unable to win the war, settled for a brief truce, never to return. Attorney General Robert F. Kennedy threw his hands up in disgust and walked out of the negotiating room. Labor arbitrator Theodore Kheel, who had tackled the toughest of union disputes, said it was one of the most frustrating tasks we had ever taken on.

Despite their ability to forge difficult compromises and devise successful strategies in other arenas, none of these three men, for all their trying, could end the fighting in the amateur sports community that has hindered domestic and international competition.

Dozens of others have tried—mostly U.S. senators and representatives—to find a solution. But the incohesive, uncoordinated and nearly self-destructive nature of the amateur sports system defied repeated attempts to reform it.

Until now.

Since the first jurisdictional dispute in 1928 over the "rights" to athletes in their programs, the Nation's two most powerful amateur sports groups have carried on that battle to the point that U.S. participation in international competition was sometimes second-best and other times nonexistent as athletes sat out meets rather than risk suspensions.

The turf fights between the Amateur Athletic Union and the National Collegiate Athletic Association hampered the U.S. Olympic movement, particularly because the AAU had effectively controlled the U.S. Olympic Committee for decades.

In 1972, the NCAA withdrew from the USOC in protest. But today the NCAA is back in a newly reorganized USOC as the result of one of the most carefully researched and sensitively orchestrated overhauls of a strifetorn body—the USOC.

As a result, the 1978 Amateur Athletic Act—the product of that work—has received the support of every major amateur sports organization in the country, the athletes most directly involved, Republicans and Democrats in Congress and the White House.

None of these groups is completely satisfied with the bill; the White House, for example, has reservations about part of the one-time, $30 million appropriation included in the Senate-passed version. The athletes, in a significant gesture to assure the bill's passage and the return of the NCAA to the USOC, agreed to have a bill of athletes' rights deleted from the legislation and incorporated instead in the USOC constitution.

The only objection left to the bill is the AAU's request that the definition of international competition be clarified to reflect the interpretation various sports groups have already agreed upon. This is essentially a matter of getting the definition in black and white.

All sides have made concessions and banded together in an unprecedented spirit of cooperation to get the bill passed, and passed this year. There is apprehension among many sectors of the amateur sports community that if the bill is not passed by Oct. 1 when Congress adjourns, it will not be resurrected in future congressional sessions.

The passage of this bill, many in the amateur sports community believe, represents the most crucial juncture for the success of the U.S. Olympic movement. Several have also expressed concern that the bill may flounder in the House for possible lack of interest or understanding of its effect.

The legislation is the result of extensive research here and abroad by the President's Commission on Olympic Sports and is noteworthy for what it does not do as well as what it does.

It does not, for example, encroach upon the school-college community's domestic competitions or allow the federal government to call the shots in amateur sports by decreeing how money may be disbursed. It also does not create an East Germany-type system where elite athletes are trained dawn to dusk in special schools. Nor does it force non-Olympic and Pan American sports, like golf, to join the USOC.

What it does is strengthen the USOC as the central coordinating agency for the Nation's amateur sports groups in Olympic and Pan American Games competition.

Most of the PCOS' recommendations have been adopted voluntarily by the USOC, but their effective implementation is tied very much to the $30 million request.

The crux of the USOC reorganization is the establishment of criteria for becoming a national governing body (NGB) in a particular sport. The requirements provide, among other things, for athletes to make up 20 percent of the NGB's membership and for the reasonable representation of other U.S. sports groups (and individuals) that operate active programs in the NGB's sport.

But most important, the bill requires that the NGBs be self-incorporaated and completely autonomous in the governance of their sport. An NGB cannot be a member of more than one international sports federation which governs a Pan Am or Olympic sport.

It is the latter provisions that spell the end to power-bloc control of the USOC and help assure that decisions affecting the sport will be made by people active in or knowledgeable about it.

The provisions have a direct impact on the AAU because it will have to divest itself—and officials say they began the process years ago—of its eight Olympic franchises. Officials have indicated, however, that the AAU may seek the track and field franchise.

The NGBs are charged with developing interest and participation in their sport, from the grass-roots level of barely athletic to potential Olympians. Expanded participation by women, the military and the handicapped is urged.

Because of these NGB responsibilities, as well as administrative duties, the $30 million is viewed as essential to help some sports get organized. Some of the minor sports have literally been run out of a volunteer's kitchen. Now, under the autonomy provisions, they will be self-incorporated organizations with a full-time director. They, most of all, will need federal assistance.

The USOC, which would administer any federal aid, has earmarked $18 million to help finance the development and operation of these sports. As the reorganization of the USOC continues to take effect, those in the amateur sports community firmly believe that the private sector will provide the financial resources for the future.

The White House objects in principle to funds for amateur sports, but has left the door open for federal aid if Congress so wishes. The administration believes the $18 million for the reorganization would not set a precedent, but has reservations about the $12 million proposed for ongoing USOC programs, such as permanent training centers and research and sports medicine programs.

It is through the training centers and the programs, however, that the largest number of Americans may eventually be served, USOC officials say.

The training centers at Squaw Valley and Colorado Springs (three or four more are planned) test athletes selected to attend by their NGBs. They represent a diversity of Americans, from teen-agers to senior citizens, talented and untalented athletes.

The sports medicine programs at the centers involve the study of nutrition, exercise physiology, sports psychology, injury treatment, research and the new field of biomechanics. Through biomechanics, which involves tracking an athlete's moves on a computer and comparing that to what is considered the "perfect" motions in the sport, the athlete learns how to improve his performance.

And from the test results of athletes and nonathletes in these programs, the average American, the man recovering from surgery and the woman with a dislocated shoulder may ultimately be the beneficiaries.●

TURKEY'S INSENSITIVITY TO HUMAN RIGHTS IX

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. SAWYER. Mr. Speaker, in recent days, I have been communicating to you, through various means, my desire to see established a prisoner exchange treaty with the Government of Turkey.

I am particularly concerned for the welfare of two young American girls, Ms. Katherine Zenz and Ms. JoAnn McDaniel, imprisoned in Turkey for possession of hashish. Their original sentences of death were commuted to 24 nonparolable years, of which they have served 5.

To date, I have had a great deal of correspondence from concerned individuals throughout the country. It is heartening to see so many people taking an interest in this matter, and it is my goal to see these American citizens released into the custody of the U.S. Government.

For your information, I enclose in the RECORD the most recent letter that I have received from Mr. and Mrs. Frank Wermes, of Fond du Lac, Wis. Mr. and Mrs. Wermes have worked continually for the release of the two girls ever since they read of JoAnn's and Kathey's arrest and sentencing in a Milwaukee Journal article some years ago.

FOND DU LAC, WIS.,
June 19, 1978.

Congressman HAROLD S. SAWYER,
Cannon House Office Building,
Washington, D.C.

DEAREST HONORABLE HAROLD S. SAWYER: We heartily appreciate your informative letter dated June 13, 1978. God bless you for your sincere efforts of caring over Kathy Zenz and JoAnn McDaniels.

We urge you again in this letter to actively pursue your campaign with your colleague in Congress to express the earnestness of a prisoner exchange. Especially through a treaty since the Turkish Law is not valid in the United States.

Since we established our nationwide letter writing campaign two years ago, in behalf of Kathy and JoAnn, we receive weekly letters from people all over our U.S.A. and people who are hearing of our work, to plead with our U.S. officials to bring our Americans home. Especially, our men who served in the U.S. Services who have been stationed in Turkey. Kathy Zenz and JoAnn McDaniels keep in close contact with us.

We can honestly write today that both, young women have health problems. Both are depressed and feel their country has forsaken them. Kathy Zenz served her country beautifully at the Fitzsimmons Veterans' Hospital out in the State of Colorado. Daily working with the battered and shattered minds of returning U.S. Vietnam soldiers. Her heart ached for each one of them.

It is fine to see that Mr. and Mrs. Harold McDaniels have once more rallied to this urgent plight. The aged Zenz don't know what to do to help, we have received lovely letters from them at Lancaster, Wisconsin. We know you keep in touch with them. In Wisconsin my dear friend, Representative Earl McEssy, State Capitol, Madison, Wisconsin has joined with Rep. David Clarenbach to introduce and pass legislation to bring Kathy and JoAnn home.

We plead with you at this writing to impress upon your colleagues not to forget our two, young husband and I can do?

Praise the Lord for your diligent efforts.

Frank and I will never give up our work until Kathy and JoAnn are home.

Thank you.

Yours truly,
Mr. and Mrs. FRANK WERMES.●

THE HUMAN RIGHTS PROBLEM IN CAMBODIA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. SOLARZ. Mr. Speaker, Cambodian Government policy, involving at a minimum the slaughter of hundreds of thousands of Cambodian citizens, has produced one of the worst nightmares mankind has seen in this century. As Americans and members of the human race, it is our obligation to do all we can to relieve the anguish of the millions of captives of the Khmer Rouge regime.

Unfortunately, while many more people have become aware of the abominable situation in Cambodia, measures leading to its resolution once and for all are dangerously slow in coming. With each passing day, distressing new developments in Cambodia responsible for countless deaths of its citizens affirm the fact that there is no end in sight to the mass killings. The deteriorating conditions for the refugees in Thailand and elsewhere in Southeast Asia further reinforce the necessity for prompt and humanitarian action now more than every. Surely the Cambodian situation merits the same serious attention that Latin American and African countries are receiving. Indeed, the human rights record created by the autogenocide perpetrated by the Khmer Rouge far surpasses the serious human rights problems evident in most countries with troublesome human rights records.

Although the United States alone cannot significantly improve the situation in Cambodia, I believe that specific courses of action are available through the modes of public expression indicated in House Concurrent Resolution 573, and our additional encouragement of all the countries of the world including our own to open their doors to the Cambodian refugees.

The commemoration ceremony for the victims of the holocaust in Cambodia on June 12 of this year was a successful example of the perservances of concerned human beings attempting to increase awareness and create the pressure leading to the resolution of the Cambodian problem. Deputy Assistant Secretary of State for Human Rights, Mark L. Schneider, expressed the views of the administration condemning the human rights violations in Cambodia and called for unremitting protest by all nations against the inhuman regime. Ed Strinko, cochairman of the Committee of United People for Human Rights in Cambodia, and his Cambodian wife Vanna spoke out against the indifference of Americans in the face of this real tragedy and urged people to continue in their efforts to put an end to it.

I hereby submit the texts of these moving speeches for the consideration of my colleagues.

STATEMENT BY MARK L. SCHNEIDER

No one can speak at this commemoration ceremony except with sadness and outrage

at the destruction of human life which has taken place in Cambodia. No one can avoid condemning as a pariah, a government whose inhuman policies and practices have destroyed incalculable lives and still threaten an entire population. No one can forget the hundreds of thousands of men, women and children who have been murdered or whose deaths were the intentional result of that regime's oppression.

This administration shares your anguish. I would like to read to you the statement made by President Carter. He said, "America cannot avoid the responsibility to speak out in condemnation of the Cambodian Government, the worst violator of human rights in the world today. Thousands of refugees from Cambodia have accused their government of inflicting death on hundreds of thousands of the Cambodian people through the genocidal policies it has implemented over the past 3 years. Witnesses have recounted abuses that include mass killings, inhuman treatment of the supporters of the previous government, the forced deportation of urban dwellers, and the total suppression of recognized political and religious freedoms, as well as deprivation of food and health care for the general population. Summary executions continue in Cambodia today, and fear of the authorities is pervasive.

We support the growing international protest against the policies of this inhumane regime. On April 17 the Canadian House of Commons, in a unanimous motion, expressed the horror of all its members in the acts of genocide carried out in Cambodia and called on all governments which maintain relations with Canada to protest against the slaughter.

In the private sphere, a Norwegian committee supported by leaders of the major Norwegian political parties will hold hearings in Oslo, beginning today, to illuminate through public testimony the tragic situation existing in Cambodia. Amnesty International has issued an appeal to the Cambodian Government to respond to allegations of continuing summary killings in that country. We welcome and applaud these initiatives.

"We also welcome the recent action taken by the United Nations Human Rights Commission which, this year, in consequence of a British initiative, adopted by consensus a resolution asking the Cambodian Government to respond to allegations of human rights violations.

"The American Government again condemns the abuses of human rights which have occurred in Cambodia. It is an obligation of every member of the international community to protest the policies of this or any nation which cruelly and systematically violates the right of its people to enjoy life and basic human dignities."

We will continue to join other nations in demanding an end to the killing.

We will continue to protest these genocidal policies in the United Nations.

We will continue to be part of an international effort to aid those refugees who still risk mine fields and murderous patrols to find safety in Thailand.

Many of you here today are yourselves refugees of the brutal regime of the Khmer Rouge. I know that there is little that can be said to ease your pain or match your sorrow. Yet I have come here today to express to you this Administration's continuing determination not to be silent before the holocaust deliberately ignited by the Cambodian regime.

I speak for this Administration and I speak for myself in urging all nations to protest against the Cambodian Government's systematic violations of human life and basic human dignity.

Let them know that the international community condemns them.

Let them know that their ruthless disregard for human life cannot be excused, cannot be justified, cannot be countenanced.

Let them know that they stand branded by their own actions before the court of humanity for what they have done. We will not forget and we will not be silent.

STATEMENT BY ED STRINKO

Solzhenitsyn stated in his recent speech at Harvard that "it is time, in the west, to defend not so much human rights as human obligation." There is no better issue in the world today than the issue of genocide in Cambodia in which we, as Americans, can fulfill our human obligation. Solzhenitsyn also stated that there was a "decline in courage" in America. There is no better issue than the issue of holocaust in Cambodia to show the world that America has not lost its courage or its sense of moral outrage.

I have talked to many people about Cambodia. Many of these people listened but in the end said "there is nothing we can do about it." These people are wrong. There is a lot that we can do about it. First of all, we can cease to be indifferent about this issue. If we as a people become indifferent about crimes committed against others, we have dug, for ourselves, a gigantic pit. "The true opposite of love," according to Joseph Fletcher, "is not hate but indifference. Hate, bad as it is, at least treats the neighbor as a thou, whereas indifference turns the neighbor into an it, a thing. This is why we may say that there is actually one thing worse than evil itself, and that is indifference to evil. In human relations, the Nadir of morality, the lowest point as far as Christian ethics is concerned, is manifest in the phrase, 'I couldn't care less.' "

I am ashamed and embarassed to tell you this, especially since many of you have lost your families in Cambodia, but before this ceremony, I wrote to over 350 churches in the area asking them, begging them, to join in this ceremony, to write us a letter or give us a call. Not one, not one church responded!

To end this indifference on this issue we need each State governor and legislature to pass resolutions condemning Cambodia. City councils and groups of all kinds need to do the same. The President, the cabinet and the Congress need to demonstrate real moral outrage. The media needs to pay more attention to this issue. Why haven't they ever asked about Cambodia on "Meet the Press?" Why is this genocide not a subject of discussion? One thing is clear, the group here today cannot do this alone. We, "People United For Human Rights In Cambodia," have no paid staff, no lobbyists to make campaign contributions, and few friends in the media. We have organized this ceremony in three weeks on a budget of under $500.00!

And what good will our denunciation do? Do we realize that by our silence we give consent? And in the future, what will the students of history say about this issue? Will they say that the great and free nation of America had few words for an hour like this? Will they say that America was heartless, afraid to speak and lacking in courage when they knew that innocent men, women and children were being slaughtered? It will be our children who will have the most at stake in the answer to that question.

We can do other things too. We can bring to America as soon as possible the 15,000 refugees from Cambodia in refugee camps in Thailand. We could increase our Voice of America broadcasts to Cambodia. Currently, VOA broadcasts only one hour a day. Refugees tell us that the information does sometime get out to the people. Better yet, why not establish a 24-hour broadcasting AM station in Thailand? If we can have a Radio Free Europe, why not something similar for Cambodia? We can condemn, or support a resolution of condemnation, in the United Nations. I cannot help but wonder if there were today a representative of Nazi Germany, one responsible for the deaths of 6,000,000 Jews, if there would not be a great public outcry to expell this person from the UN? Is it the policy of our government to discuss international issues with terrorists and murderers?

Ladies, gentlemen and friends. I cannot recount here all that the Khmer Rouge has done to the Cambodian people. Cambodia is now a cage in which animals keep human beings. These murderers are responsible, not only for the blood of their innocent victims, but for the potential decendants of these victims to the end of time. And let us be clear about one thing. What is happening in Cambodia is not a revolution. This is not some attempt to establish some new society. This is not some new social experiment. These terms applied to this type of terror and barbarism corrupt the English language. This is murder. This is genocide. This is a holocaust and these are the terms we should be using.

My dear friends, if we listen very quietly, we can hear, even now the voices of our murdered brothers and sisters crying for their unmarked graves. We can hear, if we open our ears, the screams of pain and the unanswered crys for help. We can, if we try, smell the stench of death emanating from that once beautiful land. We may never be able to bring these murderers and barbarians to justice before a court of law. We do know however, that violence begets violence and that nothing established by violence and maintained by force can endure forever.

If we must leave the judgment of these barbarians to God, I hope that there is a special place for them reserved in hell. A place where they can rot and burn and where the blood of their victims constantly drops upon them. And even this would be too kind an end for them.

STATEMENT OF VANNA STRINKO

Ladies and gentlemen,

When we talk about Cambodia, we are talking about a real situation. This is not a TV story. It is happening to real people, people just like you and me. I have heard many stories from friends of mine who have lived with the Khmer Rouge and have recently escaped.

One of my friends spent nearly a year with the Khmer Rouge. During this time, he saw many people taken away and killed for simple mistakes, like taking a cigarette or being late to work. He told me how his child was born with no medical assistance and how the child was placed on the cold ground after it was born because there was no cloth or material available to cover it. He told me how people were starving on the rations of one cup of rice a day. How the best food he had was the skin of a water buffalo which the Khmer Rouge had thrown away and which was spoiled by maggots. These are the everyday realities of life in Cambodia today.

My brother and other members of my family and friends were left in Cambodia.

I pray that my brother, my family and friends in Cambodia are alive today. I fear, however, that they have all been killed. And if they are alive, what kind of life can they have now? In Cambodia, the good have died first while those Khmer Rouge whose heart are as dry as summer dust, continue to live.

I pray that the American government can bring, as soon as possible, all the Cambodian refugees into this country. The Cambodian refugees and other refugees in the world are

like plants without soil or water. Please give them the chance to live again here in America, just as this great country has given me that chance. Thank you very much.●

MASSIVE SYNFUELS SUBSIDIES ARE BACK

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. STOCKMAN. Mr. Speaker, I plan to offer an amendment to delete the funds for a massive new subsidy program for the construction of commercial synthetic fuels plants contained in the fiscal year 1979 Department of Energy civilian programs authorization (H.R. 11392) as reported by the Committee on Interstate and Foreign Commerce. The May 27 issue of Congressional Quarterly contains a very interesting and informative article describing the circumstances under which the committee adopted this new multimillion dollar program. Because of the importance of this question, I would like to commend this article to those of my colleagues who have not had the opportunity of seeing it.

The article follows:

COAL LIQUEFACTION: FEDERAL SUBSIDIES OF PRIVATE SYNTHETIC FUEL PROCESSES TO GET HOUSE TEST VOTE SOON

(By Ann Pelham)

The House will decide soon whether the government should spend $75 million for design of a coal liquefaction plant that Gulf Oil Co. would build in West Virginia.

The test vote, expected in early June, will provide an indication of how far Congress wants to go in subsidizing development of synthetic fuels by private corporations.

The vote, on a proposed amendment by Dave Stockman, R-Mich., to strike the $75 million from the Department of Energy authorization bill (HR 11392), will be a preview of congressional reaction to Energy Department plans to increase spending dramatically for facilities that make liquid fuel and gas from coal, shale and other sources.

In 1975 and 1976, the most recent clear votes on the issue, the House refused to back loan guarantees for private companies wanting to develop synthetic fuels commercially. Fiscal conservatives and liberals favoring other types of energy joined in opposing the guarantees. (Background, 1975 Almanac p. 281; 1976 Almanac p. 174)

THE FEDERAL ROLE

The proposed Gulf plant, which would make liquid boiler fuel out of coal, is expected to cost more than $600 million, of which about 80 percent would be federally funded.

The liquid product would cost twice as much as oil does now, with even higher prices as the plant gears up. In addition to paying most construction costs, the government would subsidize the market price.

Without government aid, Gulf would not build the project because the expensive fuel would not be marketable. "Our stockholders would go bananas and with good reason" if Gulf acted alone, said Dan Denning, a Gulf official based in Washington.

But the government wants to increase energy supplies, and the plant eventually could produce daily an amount of fuel equivalent to 100,000 barrels of oil for use in existing, oil-using facilities. Every day, the process would turn about 30,000 tons of dirty, high-sulfur Appalachian coal into a less polluting, more usable product.

Energy department officials argue that the Gulf project and others like it are needed because government has a responsibility to prepare for predicted higher oil prices and possible future shortages on the world market. Synthetic fuels have been called an "insurance policy" against the energy crunch expected in the 1980s.

"We believe strongly that we need these options in place in the early to mid-1980s," said Robert R. Hansling, executive assistant to Deputy Energy Secretary John F. O'Leary.

But Stockman and others argue that the federal government should not get into the business of commercializing new technologies. Besides, Stockman said, singling out this particular coal liquefaction technology for such massive funding is premature because a major energy department analysis of energy supplies and a proposal to develop new supplies is due early next year.

"In short," wrote Stockman in minority views published in the committee report (H. Rept. 95-1166, Part 2) "this is a deal in which the taxpayers take all the risk and Gulf gets any benefits." Timothy E. Wirth, D-Colo., W. Henson Moore, R-La., and Robert Krueger, D.-Tex., joined Stockman in signing the minority report.

Funding such projects without waiting to review the entire range of possibilities for synthetic fuels means the creation of a "gigantic pork barrel," Stockman said.

Decisions would be based "not on rational economics, but merely on the basis of the tugging and hustling politically for the projects within the authorizing and appropriating committees," Stockman said.

POLITICS' ROLE

Politics has already given the Gulf project a boost.

Congressional sources say the multimillion dollar plant would be built near Morgantown, W.Va., in the district represented by Commerce Chairman Harley O. Staggers, D. "Gulf is not stupid," said one source.

One committee member said only the "sheer power of the chairman" has kept the project in the Commerce Committee's energy authorization bill.

A move by Stockman on May 15 to delete the authorization failed 17-23 in committee.

Another Commerce member, describing Staggers' lobbying for the project, said it was a classic example of "reaching in and trying to grab something for your district just because you sit with a gavel in your hand."

Staggers, asked about his role in the panel's decision, said he didn't do any arm twisting" to get votes. He called the proposal "good for the country" and also noted the project did not originate with him.

GULF AND THE ENERGY DEPARTMENT

The idea came from Gulf and the Department of Energy.

Using federal grants, Gulf has been working since the 1960s on a technology to derive liquid, solid or gaseous synthetic fuels from coal. Satisfied with its progress on coal liquefaction, Gulf proposed to the Energy Department that a commercialization plant be built near the coal fields in West Virginia. The government owns the domestic patent; Gulf, the foreign rights.

The Commerce panel was considering the commercialization project because it was expected to be part of the Energy Department's pending "Phase II" supplement to the 1977 national energy plan.

The project originally appeared as a $150 million authorization in the unnumbered bill presented by staff to the Commerce Subcommittee on Energy and Power for markup. The provision was for "alternate fuel commercialization projects," not for a specific project.

But several sources confirmed that only Gulf's process, known as SRC-II (solvent refined coal), was at a development stage that would allow commercialization. Exxon Co. and Ashland Oil Inc. also have synthetic fuel processes. Like Gulf's, they were developed with government aid, but are at an earlier, pilot stage of development.

Government funds have helped build a pilot project for Ashland in Catlettsburg, Ky., and plan for an Exxon facility in Baytown, Texas.

The Office of Management and Budget cut the energy proposal so that the official "Phase II" announced May 16 called for funding that was apparently less than half of what the Energy Department wanted. The new request was for only $23 million for this stage of coal liquefaction.

SUBCOMMITTEE ACTION

The Energy and Power Subcommittee took up the synthetic fuels provision May 10 and voted 12-8 for a Stockman amendment to strike the $150 million authorization.

But the next day, May 11, the panel, by voice vote, reversed itself, adopting an amendment by Richard L. Ottinger, D-N.Y., to authorize $75 million for commercialization of synthetic fuels. The vote was not by roll call because Stockman had been out of the room, "going to the bathroom," said an aide, and no one present had requested a record vote.

After the vote, Staggers, who had dropped in to watch the markup, went up to Subcommittee Chairman John D. Dingell, D-Mich., and shook hands, observers said.

The amendment by Ottinger, who had been a leader in the 1975 and 1976 fights against loan guarantees, tightened the original authorizing language so that additional legislation would be needed for acquisition of equipment or construction of the commercialization project.

Ottinger, asked if his move indicated a change from his 1976 position, replied, "We did the best we could."

Without his tightening amendment and the reduction in funding, Ottinger said the final bill, with the authorization put back in by full committee, "would have been worse." His changes provide better congressional control of the project, he said.

Asked about the location of the proposed Gulf plant, Ottinger said that "of course" it was planned for Staggers' district.

"That's why [the committee] couldn't stop it," he said.●

GAO REPORT CONFIRMS RENEGOTIATION BOARD ERROR

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. HANNAFORD. Mr. Speaker, I want to call the attention of my colleagues to a June 22 front-page article in the Washington Post titled "GAO Ship Inquiry Finds Lockheed Didn't Overcharge."

As the article explains, the Renegotiation Board had charged Lockheed last June with overcharging the Navy for 117 million pounds of steel in the construction of seven amphibious transport docks (LPD's). The timing of the Board's allegation last year came at a strategic period when authorizing legislation to

expand its powers and extend its life for 5 years was under consideration in the Senate. As a result of that charge, Senator PROXMIRE requested a GAO examination.

After almost 1 year of study, the GAO submitted its report to Senator PROXMIRE. The forwarding letter, signed by Acting Comptroller General R. F. Keller says:

Our review included examinations of appropriate records and discussions with officials at Lockheed Shipbuilding and Construction Company, the Lockheed Corporation, the Department of the Navy, the Renegotiation Board, the Defense Contract Audit Agency, Arthur Young and Company, and the Shipbuilders Council of America.

We conclude that the allegation by the Chairman of the Renegotiation Board is unfounded. . . . We have concluded that the primary reasons for the Board's miscalculation was an erroneous assumption that increased costs of the LPD program were due to increased steel usage.

. . . Since the contracts were competitive, firm fixed priced, the Navy did not require, and Lockheed did not keep, records showing how the steel was used. In addition, the amount of steel actually used did not affect the cost of the Government since the contract was firm fixed priced.

Mr. Speaker, the GAO's findings are significant and uphold the assertion that I made last June in a floor statement and in a "Dear Colleague" letter cosigned by Senator ALAN CRANSTON that the Board had seized upon this charge in order to preserve its own life. That action was particularly repugnant to me and many of my colleagues who recognized it as a bureaucratic misuse of power and of appropriated funds.

At this time, I am glad to remind my colleagues that the passage of appropriation bill H.R. 12934 grants the Renegotiation Board only $3 million with which to process its backlog by March 31, 1979. I believe that this instruction puts the Board on notice that it is an unnecessary agency and cannot look to Congress for resuscitation.

I include the Washington Post article of June 2 in the RECORD:

GAO SHIP INQUIRY FINDS LOCKHEED DID NOT OVERCHARGE

(By Peter Barnes)

The General Accounting Office has concluded that allegations saying Lockheed Shipbuilding and Construction Co. overcharged the government about $8 million for steel used to build seven war vessels were "unfounded."

The GAO findings came in a letter to Sen. William Proxmire (D-Wis.), who had asked the GAO to investigate after Goodwin Chase, chairman of the Renegotiation Board, made the allegations a year ago.

Renegotiation Board officials yesterday disputed the GAO findings, insisting that the company, a subsidiary of Lockheed Corp., had failed to account for all the steel it claimed was used in the project.

But Bob Stephens, an auditor for GAO, said the Renegotiation Board had used faulty methodology in making its charges.

He also said the amount of steel used in the projects was not a factor in determining the validity of the claims.

The dispute arose over a contract for seven amphibious transport docks ships Lockheed constructed for the Navy. After completing the ships, Lockheed presented claims for an additional $62 million in compensation.

The Renegotiation Board disputed the claim, saying in part that Lockheed had charged the Navy for more steel than it could possibly have used.

In its original claim, Lockheed did not cite a figure for the amount of steel used. But the board concluded through its own calculations that the company had charged as much as 208 million pounds of steel to the Navy project, at a cost of $18.1 million.

Timothy Driscoll, a special assistant for the Renegotiation Board, said the Navy had calculated that the completed ships weighed about 84 million pounds. Allowing for scrap during construction, the project could have required 90 million to 100 million pounds of steel, according to Driscoll. On the basis of those figures, the Renegotiation Board concluded that there was a discrepancy of as much as 117 million pounds.

Lockheed later said it had used roughly 130 million pounds of steel. In its letter to Proxmire, the GAO said it had concluded that the company used approximately 134 million pounds, at a cost of $10.8 million.

"We took the 117-million-pound discrepancy the Renegotiation Board said was unaccounted for and essentially worked it down to nothing," the GAO's Stephens said.

Renegotiation Board officials, however, said yesterday that GAO had failed to examine their complaint properly.

"Even if we use the GAO figure of 134 million pounds, there are 40 million pounds of steel being wasted," Driscoll said. "We know Lockheed bought the steel, but where it went, well, there's no chicken tracks."

Driscoll said the GAO audited Lockheed's purchases, while the Renegotiation Board examined the Lockheed claims. The board's chairman Chase said in a prepared statement, "The GAO audited one set of figures while the board used another."

But Stephens dismissed the criticism.

"We discussed the figures with the Renegotiation Board, but simply found that their methodology was not valid," he said. "We gave them full consideration."

Proxmire said he believes the GAO report is "probably correct."

"The GAO is very careful about things and they are usually right. The board just made a mistake."

Roy Anderson, chairman of the Lockheed Corp., issued a statement saying, "We are extremely pleased that the thorough investigation conducted by the GAO has cleared the air and confirmed the company's positions and the findings of our own internal auditors. We consider the matter closed."

Reluctantly, the Renegotiation Board officials agreed that the matter was closed. "As far as I am concerned, that's it," Chase said. "I don't know what else there is to do. I feel no differently that I did last August, but there is nothing else for us to do."

A similar investigation by the FBI, begun in April 1975, is continuing, however. The GAO told Proxmire that one reason the inquiry took so long was that it had to obtain access to work by the FBI.

FBI information officer Steve Gladis confirmed that the FBI investigation into Lockheed was continuing, but gave no indication when it might be completed.●

ANTICRIME MEASURE FOR THE ELDERLY

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. HOWARD. Mr. Speaker, in the 13 years that I have served as the Third District of New Jersey's Representative to Congress, the problems of the elderly have repeatedly come to my attention. Among those problems one of the greatest confronting our senior citizens is the fear of crime.

I have received many, many letters from elderly citizens who express their concern about leaving their homes in the evenings for fear of violent crimes that may be committed against them. A recent report by the House Select Committee on Aging on elderly crime victimization cited the fear of crime as its "most pervasive and consistent finding in the older population." Other studies also rank fear of crime as the most serious problem elderly persons face. That fear has effectively isolated many older citizens.

It is for this reason that I voice my full support for Congressman CLAUDE PEPPER'S amendment to H.R. 12433, the 1978 Housing and Community Development Amendments, which would specifically designate money from the bill's housing assistance funds for anticrime measures. By providing for television monitors, security guards, and safer locks, doors and windows, acceptance of this amendment will demonstrate a congressional commitment to the elderly to provide the basic safety and security needs they need so desperately.

The struggle of our elderly public housing residents for security against rising crime rates must not go unheeded.●

ENVIRONMENTAL PROBLEMS AT COLSTRIP, MONT.

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. McCORMACK. Mr. Speaker, on June 12, the Environmental Protection Agency refused to issue a construction permit for a coal-burning power complex at Colstrip, Mont. The EPA announced that its reason for refusing to grant the permit was that the two new coal plants would violate the new class I, pure air standards over the Northern Cheyenne Indian Reservation nearby.

This unfortunate decision by the Federal Government demonstrates the damage that will be done to our country by the over-enthusiasm of the authors of the Clean Air Act Amendments of 1977 and the unfortunate lack of foresight by the Members of Congress in accepting this legislation. Testimony before the Subcommittee on Advanced Energy Technologies and Energy Conservation of the Science and Technology Committee, which subcommittee I have the honor of chairing, has in recent weeks indicated that the class I standards of the Clean Air Act are frequently exceeded by nature itself with respect to hydrocarbons in the air over certain western vegetation, and with respect to particulate matter over certain desert and arid areas.

Repeatedly, the good intentions of the Members of Congress in attempting to protect the environment are being ex-

ploited by those who would impede energy production and adequate economic growth for full employment. The time has come when we must recognize this fact. There is much mischief that must be undone so that we can provide wholesome environmental protection, provide for the public health and safety, and produce adequate energy and maintain economic stability. The important thing is that we recognize now that much legislation that has been enacted during the last 10 years must be reviewed with the goal of a rational balance between environmental protection and economic stability.

The June 14, 1978 editorial from the Spokesman Review newspaper of Spokane, Wash., speaks eloquently to this point. The editorial, which is reprinted below, merits reading and consideration by all Members of Congress.

POWER FROM COLSTRIP NEEDED

The Environmental Protection Agency, by refusing Monday to issue a construction permit for a $1.4 billion power generating complex at Colstrip, Mont., has deprived the entire Pacific Northwest of needed power unless a way around the denial can be found.

For its reason, the EPA said the coal-fired generating plants, known as Colstrip Units 3 and 4, would violate the pristine air standard, Class I, of the nearby Northern Cheyenne Indian Reservation. Class I is known as the most rigid of the federal air quality standards.

The fight, for five Northwest utilities who seek to add Units 3 and 4 to Units 1 and 2 already on line, has been long and hard. It goes back to 1973, when the consortium first proposed the two new plants. They could produce a combined total of 1,400 megawatts. That amount of electricity would meet the needs of a city of one million, according to statistics.

The additional power Units 3 and 4 would produce is needed urgently to prevent a power shortage in Montana and the Pacific Northwest as early as the mid-1980s. Included in the consortium are Spokane's Washington Water Power Co., Montana Power, Puget Sound Power & Light Co., Portland General Electric Co., and Pacific Power and Light Co.

Both Joseph McElwain, president of Montana Power, and William Coldiron, executive vice president, have emphasized the need for the additional power for many years now. McElwain recently said the delay in construction was costing $165,000 a day, adding that "if the plants are delayed for another year or two, the Pacific Northwest might have to do without the power."

What both the federal government and the public need to recall is that Units 3 and 4 underwent extensive scrutiny at the state level, and were approved by state agencies. Then the Northern Cheyenne and the Northern Plains Resource Council, a coalition of ranchers and environmentalists based in Billings, filed suit in Montana courts to reverse the rulings by the state agencies. An adverse ruling by a state court earlier this year later was overturned. Now comes the EPA refusal.

How quickly we forget! Just one year ago, in June 1977, Montana Gov. Thomas Judge made the first mandatory power cutback in the Pacific Northwest because of the water and hydroelectric power shortage.

Less than a month ago, Washington Gov. Dixy Lee Ray and Sen. Henry M. Jackson emphasized in Spokane the drastic need for power, with firm energy requirements expected to double in the next 20 years. Pacific Northwesterner's also can look back to May 1975, when Canadian gas prices jumped 60 percent and development of coal power became even more imperative.

On one hand, the federal government urges citizens to conserve power and the industry sector is urged to develop more. On the other hand, the EPA refuses to issue construction permits for a coal-fired generating complex, when coal offers the least number of drawbacks.

Perhaps the major error was in granting the Cheyenne Reservation a Class I air quality standard. It would be pleasant if everyone in the U.S. could enjoy the pristine-pure standard granted the Cheyennes—and still eat, produce and keep warm. Unfortunately, energy demands trade-offs. Jobs which enable people to eat and sustain themselves depend on energy. Warm homes also require energy. The time may come when environmental standards on the reservation should yield to the needs of all mankind. Energy and reasonable environmental standards are not incompatible.

In advance of the EPA refusal, Montana Power's McElwain predicted that if the denial came, the consortium would fall back on a ruling by U.S. District Judge James Battin of Billings which held that the permits are not necessary, anyway. The ruling has been on appeal for more than a year to the U.S. 9th Circuit Court of Appeals at San Francisco. A ruling on the appeal may take another year.

Little doubt exists that the Northwest needs the power. Nor does doubt exist that Class I air quality is the most rigid in the nation. Accommodation to a lesser air quality may very well become essential in the reservation area, as it has in other areas of the United States. Reasonable air and pollution standards can co-exist with power development; indeed, they must.

Summary: Coal-fired Units 3 and 4 at Colstrip are needed vitally in the Pacific Northwest. When various arms of the federal government take directly opposite stances on energy, the citizenry suffers.●

REMARKS BY THE HONORABLE PAUL G. ROGERS ON THE HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1978

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. ROGERS. Mr. Speaker, on June 22 I introduced H.R. 13266, the "Health Maintenance Organization Amendments of 1978," which is designed to strengthen and extend Federal assistance for the establishment and operation of health maintenance organizations (HMOs). The goal for the HMO program should be twofold. First, the program should encourage the continued development of health maintenance organizations so that more consumers will have a choice between an organized system for providing care and the fee for service system. Second, it should assure that all HMOs which are qualified by the Federal Government are providing the required services in the manner proscribed by law.

As my colleagues know, one of the most pressing problems facing the Nation today is the rapid rise in the cost of health care. Health maintenance organizations are showing us that because their incentives to provide health services are different from the fee for service system, they can dramatically reduce the cost of care. HMOs are required to provide a variety of services for a fixed prepaid amount; so the economic incentives for an HMO are to maintain the health of their members and to avoid costly and unnecessary treatment.

The initial track record of HMOs is encouraging. Recent studies indicate that they can achieve overall cost savings from 10 percent to 40 percent; that HMO inpatient hospital use is only 488 days per thousand per year compared to a national average of over 1,000 days under the traditional fee for service system; and that physician visits under HMOs are 3.8 per member per year compared to 5.1 per member under the fee for service system. Also, many HMOs are achieving cost savings by employing properly trained nonphysicians to carry out tasks which are performed in other settings by overly qualified physicians.

"The Health Maintenance Organization Act of 1973," Public Law 93–222, which added title XIII to the Public Health Service Act, was designed to encourage the development of HMO's. It soon became apparent that the requirements of the 1973 act were excessive and would keep HMO's from becoming financially viable. Public Law 94–460, the "Health Maintenance Organization Amendments of 1976," went a long way toward minimizing these unnecessary Federal requirements. That legislation also dealt with scattered instances of fraud and abuse by requiring Federal qualification of an HMO receiving medicare and medicaid money.

During the last year the Department of Health, Education, and Welfare has strengthened the HMO program. Secretary Califano and Undersecretary Champion are to be commended for their initiatives to revitalize this program by improving its organization at the Federal level, by strengthening the qualifications and compliance activities, and by encouraging the business and labor community to consider more seriously the promotion of health maintenance organizations. I believe these actions indicate this administration's intent to address the difficult problems which the HMO program has had in the past. In doing so, however, they must balance their enthusiasm to promote health maintenance organizations against the need to thoroughly evaluate the potential of applicants to become self-sufficient HMO's and the need to assure that qualified HMO's remain in compliance with the requirements of title XIII.

The bill I have introduced also addresses this balance. It amends title XIII to assure that a developing HMO will receive adequate Federal loan support so that it can become self-sufficient; and at the same time, the bill authorizes HEW to monitor and prevent those activities of HMO's in which fraud and abuse might occur.

The bill contains the following major provisions:

First, the authorization of the program is extended for an additional 3 years at levels that will allow for a reasonable growth of HMO's.

Second, the services required to be provided by an HMO are modified. Services

would not have to be provided if the organization was unable to do so because of a disaster or war. An HMO would not have to reimburse a member for services provided by another provider if the member intentionally left the area served by the HMO to receive services. The HMO would not be required to provide services which are unusual or infrequent and not generally recognized by health professionals as appropriate for the prevention, diagnosis, or treatment of illness or injury. Provisions also are made to allow an HMO to seek reimbursement for the cost of services provided to members who are entitled to benefits under a workmen's compensation law.

Third, organizational requirements are modified, an HMO would be given up to 5 years to reduce its reliance on contracts with physicians who are not in medical groups or individual practice associations. In the fifth year the amount paid to such physicians could not exceed 15 percent of the total amount paid for physician services. Also, a public health maintenance organization would be allowed to operate even though its policy-making board did not contain members of the HMO. In such case an advisory board would have to be established.

Fourth, financial support for developing HMO's is expanded. An HMO would continue to receive up to $1 million to support its initial development; but it could receive up to $600,000 for each significant expansion of services. Loans to assist with the initial operating costs of an HMO are expanded to cover any cost of operation including the cost of equipment purchases. The maximum amount of loans available is increased to recognize inflation and these additional costs. A new loan authority is established for the acquisition and construction of ambulatory health care facilities.

Fifth, the bill increases HEW's ability to monitor HMO's and to prevent fraudulent or abusive practices. Every HMO would be required to provide financial information and other information regarding all persons with ownership or control interests in the HMO and all transactions between the HMO and any such persons. The Department is also required to establish regulations regarding an HMO's enrollment practices so that practices such as those which arose in door-to-door enrollment of medicaid recipients in California would be prevented.

Sixth, the bill authorizes the establishment of a national health maintenance organization intern program to train individuals to become HMO administrators and managers. It also authorizes the Department to provide technical assistance to HMO's which receive Federal support.

Seventh, employers are required to provide HMO's with equal treatment in payroll deduction. If an employer allows its employees to pay for health benefits through payroll deductions, the employer would be required to allow employees to pay for the cost of membership in the HMO through payroll deductions.

Eighth, the bill allows HEW greater flexibility in the administration of the HMO program. The requirement that the qualification and compliance functions be located in the Office of the Assistant Secretary for Health would be deleted.

Mr. Speaker, I believe this legislation strikes a compromise between responsible promotion and agressive monitoring of HMO's. As we debate these provisions in the next several months, I look forward to receiving constructive comments from my colleagues about these amendments and other provisions which they believe are needed.●

REV. LEROY KELLEY: OUTSTANDING CHURCHMAN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. STOKES. Mr. Speaker, I rise on this occasion to pay tribute to the Reverend Leroy Kelley, of Cleveland, Ohio, who is the distinguished pastor of the Mount Olive Baptist Church. Reverend Kelley is one of the most highly regarded ministers in our city. His work in both religious and community affairs has won him the respect and admiration of the entire community.

Mr. Speaker, after 35 years of dedicated service at Mount Olive Baptist Church, Reverend Kelley has decided to retire from active duty in the ministry. While his guidance and attention to the daily matters of church and community living will be missed, I am certain that he will continue to work with his colleagues in the ministry on the major social and economic problems affecting Cleveland's black community.

Mr. Speaker, so that you and my colleagues in the ministry on the major yourselves with Reverend Kelley's career, I would like to take this opportunity to cite some of the highlights of his life.

On September 29, 1900, Leroy Kelley was born to the Reverend and Mrs. James Kelley of Gifford County, N.C. He received his primary education there, and went on to matriculate at Bennett College in Greensboro, N.C.

In 1923, he came to Cleveland, Ohio, and eventually joined the Mount Olive Baptist Church. During the decade of the thirties he received the call to the ministry and was ordained as pastor of Mount Olive in 1943. In order to strengthen his spiritual work, Reverend Kelley enrolled in the Cleveland Bible College and in 1949 graduated with honors.

One of Reverend Kelley's favorite statements is:

You can talk about Christianity as much as you want, but if you don't live it, it's no good.

Mr. Speaker, surely Reverend Kelley was an exemplary Christian. Let me cite some of his deeds and activities to show the extent of his dedication.

Reverend Kelley helped organize the Mount Pleasant Community Council. He also organized the Mount Pleasant Ministerial Association and was elected and served as president for three terms. He served on the executive board of the World National Baptist Congress in 1955; the Ohio General Executive Board for 25 years and vice president of the Baptist Conference of Cleveland. Since the 1940's he has worked hand in hand with the mayors of our city to make it a better place to live for all citizens, regardless of color or economic status. He has seen Cleveland through the dark days of WWII, the Korean war, and the many social upheavals of the 1960's and 1970's. Reverend Kelley has been a tireless advocate of civil and human rights. Many of our local civil rights victories can be attributed to his leadership.

Reverend Kelley is married to the former Victoria Hunter and is the father of one step-son, Myron, and one grandson David.

Mr. Speaker, on Friday, June 30, a testimonial dinner will be held in honor of Reverend Kelley. In recognition of this occasion, I would like to ask that my colleagues in the House join me in paying tribute to this outstanding churchman and wish him well in the years ahead. I speak for all those in Cleveland who revere Reverend Kelley when I say thank you for your dedicated service to your city, your church, and your community.●

REPRESENTATIVE WILLIAM D. FORD ADDRESSES SALLIE MAE SYMPOSIUM

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. BRADEMAS. Mr. Speaker, Representative WILLIAM D. FORD, the distinguished chairman of the Subcommittee on Postsecondary Education, recently addressed the second annual symposium on student loan issues of the Student Loan Marketing Association (Sallie Mae).

I am pleased, Mr. Speaker, to insert at this point in the RECORD the remarks given at that time by Representative FORD, entitled "Guaranteed Student Loans and Federal Policy for Postsecondary Education."

GUARANTEED STUDENT LOANS AND FEDERAL POLICY FOR POSTSECONDARY EDUCATION

The guaranteed student loan program is an important component of Federal policy for postsecondary education. It, however, must be clearly viewed in the context of general Federal policy for postsecondary education.

Aid to students is the primary Federal mechanism for providing assistance to postsecondary education. Of the almost $4 billion in fiscal year 1978 appropriations for Office of Education Higher Education programs, 93% of the funds is for student aid programs. This has been the consistent thrust of Federal policy since the National Defense Education Act of 1958, and it was strongly reaffirmed in the landmark Education Amendments of 1972 when Congress rejected a program of general institutional aid in favor of the creation of the basic grant program.

THE PRIMARY FEDERAL OBJECTIVE IN HIGHER EDUCATION

The objective of Federal student aid programs is to provide equality of education opportunity. This objective was asserted in the National Defense Education Act which

stated as one of its purposes that "no student of ability will be denied an opportunity for higher education because of financial need." The Higher Education Act of 1965 created the first broad program of Federal grants to students. The purpose of this program was "to assist in making available the benefits of higher education to qualified high school graduates of exceptional financial need . . ."

Through our student aid programs we have taken some long strides toward removing the financial barriers to higher education. We have made it possible for most students to finance a postsecondary education. We have given most students basic access to an education beyond high school.

But this is clearly not enough. Many students still cannot afford the higher education best suited to their interests and abilities. They can get into an institution of postsecondary education but not necessarily into the one where their talents would best be developed. To just provide access without a measure of choice is a sham as a policy of equal educational opportunity. I believe that we must further improve our student aid programs so that they open to all students a range of options from which they can choose the one that fits their individual needs.

We must also go one step beyond choice. We must also expand and improve those Federal programs, like trio, which help students to stay in higher education once they have entered, which help them to complete their education and which help them to maximize their benefits from the educational opportunities available to them. Equal educational opportunity as a goal has to mean getting students in the door, letting them in the right door and making sure it is not a revolving door.

GRANT ASSISTANCE PROGRAMS

Equal educational opportunity is our primary Federal objective in higher education, and student aid is the basic mechanism to reach that objective. Among the student aid programs the major emphasis has been on grant assistance, particularly since the creation of the basic grant program in 1972. Of the $3.6 billion appropriated in FY 1978 for the student aid programs under Title IV of the Higher Education Act, two-thirds of it was for grant programs.

The emphasis on grant aid to students is based on a concept of wise public policy. Spending the taxpayers' dollars on gift aid to students reflects the view that it is just and humane as a matter of public policy to provide opportunity for education, advancement and social and economic mobility to those who come from disadvantaged circumstances. Gift aid is also based on the view that it is society as a whole which primarily benefits from educating an individual who would otherwise not be educated. In part the benefits to society are economic, evidenced in greater productivity, lower reliance on social services and a high return in taxes paid by the educated person. It is of general benefit to our nation to have educated citizens capable of more enlightened and effective self-government. An educated citizenry is also a national asset in charting a prudent and constructive course for the nation in world affairs.

WORK STUDY PROGRAMS

The work-study and loan programs also play a very important role in student aid. As a matter of policy, we have decided that education beyond high school should not be made so attractive, compared to employment or other options, that an artificially large number of young people will continue their education. We now have a commitment to universal free and appropriate education for all through high school. We have not yet expanded that commitment to education beyond high school. This may be a direction in which we should move in the future. However, for now it is our policy that all students should not have a "free ride" for postsecondary education. There is a general belief that postsecondary education should require some sacrifice and commitment from the individual student and his or her family. In our needs analyses systems we calculate and "expected family contribution." Of the student's "need" which remains after taking family contributions into account, the view is that some proportion of it should be met by the student through "self help," that is through work and loans.

One approach to an appropriate balance among different types of aid was recently suggested in the Huff Panel Report which made recommendations to the commissioner of education on the campus-based programs. The Huff Panel suggested that, of the total cost of education at a school, 70% should be met through the family contribution and various forms of gift aid, and the remaining 30% should be met through work and loans. These percentages may not be precisely the right mix. But I believe the general concept that students should meet most of the cost of education through either family support or gift aid and that a lesser proportion should be self help does accurately reflect our Federal policy of student aid.

The College Work Study Program enjoys great popularity on Capitol Hill since it squares with American Horatio Alger notions that "working one's way through school" is the way the poor should get ahead and that indeed this experience is spiritually and morally uplifting. However popular and desirable providing work opportunities to students as a way for them to finance their education may be, it is a simple fact that there are not enough hours in the day nor enough jobs on campus that do not displace adult workers for most students to finance a very large share of their education by working. This is particularly true if we are concerned that students have adequate time for their studies and the other benefits of higher education.

THE GUARANTEED STUDENT LOAN PROGRAM

So we come to the loan program, which is, after all, a means for deferring working one's way through school. With a loan the student gets the money now and works for it later rather than working for and getting the money now as in the work-study program.

The philosophy of the role of loans in student aid that I have expressed—that they should be the residual component of a reasonable self-help burden—applies most clearly to the National Direct Student Loan Program. These 3% loans of Federal capital are made to students by the education institutions, based on the financial need of the students. The Guaranteed Student Loan Program also has come to play an important role in supplying the self-help component of a student's financial aid package.

However, it is important to remember that the guaranteed student loan program was not created primarily as a part of the need-based system of grants, work opportunities and loans. In large measure this program was created as a political response to the intense interest in tuition tax credits for postsecondary education in 1965. Guaranteed student loans were primarily intended to assist students from middle-income families which faced a cash flow or liquidity problem in financing their children's higher education. During the floor debate on the Higher Education Act of 1965, Congresswoman Edith Green of Oregon, a former chairman of the subcommittee which I now chair, remarked that this program "is designed especially for those students who come from middle-income families." "This is a separate loan programs," she continued, "and is designed for those students who do not qualify for the National Defense Education Act loans because they come from families that have a higher income and therefore they would be ineligible for National Defense Education Act loans.

Unfortunately, the student demand for higher education has outraced our ability to provide adequate funding for the grant, work and NDSL loan programs. Therefore the guaranteed student loan program has been pressed into becoming a financial aid program for needy students. Rather than closing the doors of educational opportunity, we have provided loans to some students who probably should not have had them.

Having sketched for you what I see as the appropriate role for student loans in federal policy for postsecondary education, let me turn to a discussion of the Guaranteed Student Loan Program and the issues which it poses for us.

The Guaranteed Student Loan Program is unique, indeed perhaps bizarre among federal programs:

First, the success of the program rides in the final analysis on the willingness of commercial lenders to voluntarily make loans to students. We cannot order or mandate that they make loans. If we encumber the program with burdensome requirements or provide an inadequate yield, the lenders are perfectly at liberty to turn off the student loan spigot and not participate in the program. So democratic legislators like myself, whose empathy level for banks generally is not very high, find themselves in the odd position of trying to be sure that the program is sweet enough for banks so they will make student loans.

Second, the student borrowers get their loans with no collateral. You cannot repossess the knowledge and skill they have gained from an education. It is the government guarantee of these loans that obviously replaces the normal collateral. In addition, the student borrowers are inexperienced with credit relations, highly mobile, and do not have to begin repaying until almost a year after they leave school. I can easily appreciate the difficulty of managing such a program and getting lenders to participate in it.

Third, this is a program in which the Federal Government has placed primary reliance on State agencies to carry out a Federal program. I might note that the legislative history of the Higher Education Act is clear in its intent to "strengthen" and "encourage" State guaranteed loan program. The direct program of Federal insured student loans has always been seen as the temporary or residual component of the program to operate until State agencies are established or in the limited areas that could not be adequately served by State agencies. Our acceptance of and, in fact, enthusiasm for State guarantee agencies in this program is in contrast to our usual more jaundiced view of State agencies in other education programs. We more frequently see State agencies as highwaymen lurking to waylay Federal benefits destined for schools and students at the local level.

MAJOR ISSUES IN THE GUARANTEED STUDENT LOAN PROGRAM

The major issues in the guaranteed student loan program can be summarized quite briefly:

Who should get the loans?

How much indebtendess should students have?

Who should make the loans?

How should the default problem be handled?

The issue of access to loans should be viewed, as I indicated earlier, in the context of loans as a residual self-help component of a student's aid package or as assistance to middle income families with liquidity problems. Unhappily, at least for a time, we will probably have to make loans available for those who should most appropriately be aided

in other ways. We must be careful not to restrict loans so that students are not given an opportunity to finance their educations. On the other hand, we must guard against an excess availability of easy student credit which leaves students with an oppressive repayment burden when they leave school. There is a variation on Gresham's law in student financial aid—easy student credit relieves the pressure for adequate appropriations for the grant and work programs. We need to strike a delicate balance of making sure that adequate credit is available to those who should have it but not so easy that we discourage funding the grant and work programs, with the result that those who should not have student loans are forced to use them.

The guaranteed student loan program is primarily intended to rely on banks and other commercial lenders to make loans. In addition to the commercial lenders, there is a role for school and state lenders. At schools which have a student body drawn primarily from outside the area where the school is located, students may find it difficult to obtain loans from commercial lenders. Such schools have a role to play as lenders serving the legitimate needs of their students for low cost credit. In addition, some states have established "lender of last resort" programs to serve students who cannot obtain loans from commercial lenders. These programs would also seem to serve an important need. I would inject a note of caution here, however. There is a second Gresham's law of student financial aid which is that easy access to lenders of last resort drives out lenders of first resort.

I would also express a concern about school and state lenders generally, when the one who sets the tuition for students, either the school or the state, also makes loans to students who pay the tuition, a potentially dangerous situation exists. There may be a temptation to pass a higher proportion of the costs of education on to the students by raising tuition and making loans to students to pay for the increases. This would certainly run counter to my view that society generally and not the student individually primarily benefits from the education a student receives, and therefore that society ought to pay most of the cost.

With respect to defaults, I think we have done a very poor job of educating the public concerning the nature of this program. As I noted earlier, students are by their nature poor credit risks because of their inexperience, mobility and uncertain job prospects. In addition, many students have received and are receiving loans who should not receive them and would not receive them if our grant and work programs were adequately funded. When these facts are added to the atrocious management of the program during the Nixon-Ford years, what is amazing is not that 13% of the student-borrowers default but that 87% pay back their loans.

I am aware that a politically viable student-loan program must have loans available to those who should have them and must effectively control the problem of excessive defaults. Sallie Mae has played a valuable role in both of these areas. Through the steady growth in its loan purchase and loan warehousing activities, Sallie Mae has helped to assure that lenders have adequate capital available for making new student loans. In addition, the standards which Sallie Mae has set for lenders to be able to participate in its loan purchase and warehousing programs have made an important contribution to improving the integrity and sound management of the program.

THE EDUCATION AMENDMENTS OF 1976

In the education amendments of 1976 Congress also took steps to curb defaults and improve lender participation. We chose to provide a variety of new incentives and inducements to state guarantee agencies as our primary strategy to deal with these problems. This approach was based on the proven record of the state guarantee agencies in getting and keeping lenders in the program, serving students well and holding in check defaults and abuses, especially in contrast to the direct Federal insurance program. It is our hope that the existing state agencies will remain in operation, that new guarantee agencies will soon exist in most states, and that a much reduced, residual direct Federal insurance program will remain. Four new states (Indiana, Kansas, Minnesota and Utah) have already joined the 26 state guarantee agencies that existed in 1976 and five more states (Florida, South Carolina, Kentucky, California and Iowa) are in the final stages of establishing state agencies. All the rest of the states are moving toward the creation of state agencies or are at least seriously considering it.

To encourage lender participation, Congress in the 1976 amendments also tied the special allowance to the interest rate on 91-day treasury bills. Lenders now receive a return which fairly reflects the state of the money market, and they have early and certain notice of what their special allowance will be each quarter. In addition, the Office of Education is required to pay interest on late payments to lenders for default claims, interest subsidy and the special allowance.

With respect to cleaning up the program, Congress in the 1976 amendments also purged some of the most egregious bad actors among the lenders. More importantly, we attempted to create an orderly system of information transfer so that the schools, the lenders and the guarantors can keep track of the status of the student borrower. We also tried to put the students on clearer notice of their of their responsibilities and obligations as borrowers. Finally, we provided some greater flexibility in loan repayments so that defaults will not occur because requirements in the law are too stringent to accommodate the realities of life.

I am very encouraged by the aggressive administrative action to manage the program more effectively that has been taken by HEW Secretary Joe Califano, Commissioner of Education Ernie Boyer and Associate Commissioner for Student Finance Assistance, Leo Kornfeld, some of the steps they have taken were detailed in an oversight hearing on student loan defaults which the subcommittee on postsecondary education held last October. We have been monitoring this situation very closely, and I expect to hear soon from HEW on the additional progress they have made in bringing this program under control.

THE MIDDLE INCOME STUDENT ASSISTANCE ACT

The middle income student assistance act, which I introduced and which I expect will come before the House in the near future, also contains some important provisions related to the guaranteed student loan program. Most importantly, it will provide for a major expansion of the basic grant program. With $1.2 billion in new basic grant funds above the FY 1978 appropriations, the maximum grants will be increased from $1,600 to $1,800 and students from typical families with incomes up to $26,000 will receive assistance. The bill also provides for a $150 million increase in the funds for supplemental opportunity grants, state student incentive grants and the college work-study program. This major expansion of the grant and work study programs will take much of the pressure to borrow off low income students. This should result in reduced defaults as well as in making more student loan capital available for students from middle-income families.

In addition, the middle income student assistance act removes the family income ceiling for eligibility for subsidized student loans. This will make the program available to all students and, I believe, it emphasizes the primary mission of this program to assist students from the higher income families. Finally, the middle income student assistance act increases the yield to lenders from student loans by guaranteeing a 1% floor on the special allowance and by providing a new ½% interest premium during the repayment period to defray the additional administrative costs.

HIGHER EDUCATION LEGISLATION IN THE 96TH CONGRESS

In the next Congress, most of the higher education act will be expiring and will need to be reauthorized. One of our primary efforts will be to look at the student aid programs as a whole, to consider them as a system rather than as a conglomeration of separate and unrelated programs. Although the guaranteed student loan program will not be among the programs expiring in the next Congress, we will necessarily have to take a look at it as we look at the other programs. However, my inclination is not to uproot the plant we seeded in 1976 in order to shake it by its roots and see how it is doing. Instead, I suspect we will do a little fine tuning of the guaranteed student loan program while devoting most of our attention to the programs that did not receive such a thorough review in 1976.

During the reauthorization effort in the next Congress, I am sure the subcommittee will be beseiged with elaborate and expensive student loan panaceas. I hope I can look forward to the wise and constructive counsel of all of you to help us analyse these schemes. My sense is that we need some quite specific improvements in the program to break a few bottlenecks that are hindering our efforts both to curb defaults and to assure that availability of adequate capital. We should be improving the existing program to provide an orderly and controlled channel of student credit rather than abandoning the existing program, starting all over and creating an ocean of student credit.

Thank you.●

THE SPECIAL SESSION ON DISARMAMENT

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. VANIK. Mr. Speaker, the United Nations General Assembly is currently concluding the largest gathering ever convened on the disarmament of weapons. The Special Session on Disarmament (SSD), being held from May 23 to June 28, represents a major step in focusing local, national, and international attention on the arms race. Although it can produce no treaties on disarmament, the SSD can formulate proposals to insure the elimination of the possibility of war. Many nations have recognized that the destructive capacity of nuclear weapons and the acceleration of the arms race present a serious threat to the people of the world. Since efforts for a World Disarmament Conference have been unsuccessful, many have pushed for the SSD, a SALT II agreement, and a Comprehensive Testing Ban Treaty.

Vast amounts of energy and money are currently being devoted to armaments each year. Approximately $400 billion is spent annually around the world on military armaments. In addition, about 40 percent of the most qualified scientific and technological experts in the world

are devoted to the perfection of military machinery. Last year, the world arms trade amounted to $20 billion with the U.S. arms trade accounting for $11.5 billion of the total.

A worldwide commitment of such vast amounts of money and manpower leads to the continued development of new weapons, and to the subsequent development of counterweapons. Nations are then involved in an arms race, and tremendous risks and apprehensions are created with each technological development. The need for a special session on disarmament becomes strikingly evident.

The SSD is designed to formulate a declaration of disarmament and design a program of action. It was called by 86 nonaligned, nonnuclear, member states of the United Nations, after proposals for a World Disarmament Conference were blocked by the United States and China. The significance of the sessions reflected by the interest and participation of all 149 member states of the United Nations. Kurt Waldheim, the United Nations Secretary-General, has stressed the importance of the session by describing it as, "the largest, most representative gathering ever convened to consider the question of disarmament."

Although numerous proposals have been offered, six major proposals which will have the greatest effect on disarmament are: A pledge of no first use of nuclear weapons, a pledge not to use nuclear weapons on nonnuclear states, the creation of a Comprehensive Test Ban Treaty, the halting of production of fissionable material, a cut in the military budget of 15 percent, and a 25-percent cut in arms sales.

Presently, the Strategic Arms Limitations Talks (SALT II) are a positive step toward disarmament. Representative Fred Kaplan, in a study named "SALT II or NO SALT II," emphasizes the importance of a SALT II agreement by stating:

> The U.S. strategic position would be more favorable with a SALT accord than without one, even if an additional $20 billion were spent to build up U.S. forces.

Another positive step toward disarmament is the progress on the Comprehensive Test Ban Treaty and the Soviet moratorium on peaceful nuclear explosions.

The large amount of interest shown in the special session on disarmament demonstrates that the world is very aware of the imminent danger of military weapons. The special session on disarmament may indeed help protect the people of the world from the effect of weapons over which they have no control. It is my strongest hope that the SSD can bring the world closer to the elusive goal of nuclear disarmament.●

"BEWARE THE LITTLE NIPPER"

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. SYMMS. Mr. Speaker, I am concerned over the recent Supreme Court decision favoring the snail darter over completion of the TVA Tellico Dam in Tennessee.

I am particularly concerned over the inflexibility of the Endangered Species Act. The developing pattern indicates that when man and an endangered species are in conflict, man must yield.

I wish to submit an editorial from the Washington Post of June 22, written by Art Buchwald exemplifying the total inflexibility of the Endangered Species Act.

The Buchwald column reads as follows:

[From the Washington Post, June 22, 1978]

BEWARE THE LITTLE NIPPER

(By Art Buchwald)

If "Jaws II" is a success at the box office, Universal Pictures will have no choice but to begin production on "Jaws III." The problem is, how many times can you frighten people with a man-eating shark?

I've been giving it a lot of thought. There is nothing that says "Jaws III" has to be a shark. As Elizabeth Ray once said, "There are a lot of other fish in the sea."

I have my own screen treatment for the third film. "Jaws III," instead of being about a shark, should be about the great snail darter.

The movie would take place at the TVA Tellico Dam in Tennessee. One night, a young workman and Miss Tennessee of 1977 are lying on the banks of the Tellico River telling dam stories, when the girl decides to go swimming. Her boyfriend tells her it's too dangerous, but she goes in anyway.

Out of the murky water appears the cruel head of a monster snail darter measuring three inches from jaws to tail. It swims back and forth, perplexed by the strange body in the water. Suddenly it bares its cruel, razor-sharp teeth and nips the girl on the arm. She screams, but it's too late. The snail darter nips her again on the thigh, then it nips her yet again. The girl frantically swims to shore with nips all over her body.

The workman and the girl go see the chief of police.

The chief of police reports the incident to the head engineer of the TVA project. "It's obviously a snail darter, the most vicious fish known to dam builders," he tells the chief. "If the story gets out that we have snail darters in the Tellico River, they'll keep us from completing the dam. We have to keep this a secret."

"But I'm responsible for the lives and safety of the people along the Tellico," protests the chief of police. "Suppose somebody else gets bitten by the snail darter?"

"Don't worry," the engineer assures him, "having nipped Miss Tennessee of 1977 it could be miles from here by now."

Two days later, the attorney general of the United States is fishing off a pier when the same snail darter sees a toe in the water. Curious, it swims around for a few moments and then suddenly opens its jaws wide and grasps the toe. The attorney general falls over into the water and fights the snail darter for an hour, but the odds are hopeless. The attorney general is finally dragged out and returns to Washington, vowing to get the snail darter if it's the last thing he does.

The secret is out. News of the snail darter spreads like wildfire.

In order to save the dam the town decides to hire a tough sea captain who has hated snail darters ever since one had bitten off his fingernail years ago. From the description by the victims, he suspects this particular one was the same type of fish that had destroyed the use of his left hand. He is determined to get the snail darter, even if it costs him his life.

He goes out in a rowboat with a Swiss-made pocket knife.

Ten yards offshore, the snail darter starts circling under the boat. It nuzzles the side, then it nips one of the oars. The captain glimpses its brown stomach. He is sure now that this is his hated enemy. He takes out the pocket knife and is about to stab it when the chief of police runs down to the shore and shouts, "Stop. The Supreme Court has just ruled 6–3 that the snail darter is an endangered species. If you touch it, I'll have to arrest you."

The captain, his arm raised, pretends not to hear, and the chief takes out his gun and shoots the berserk captain in the chest, explaining later at the inquest, "I had to do it. It was the law of the land." ●

SOLARZ TESTIMONY ON H.R. 12463

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. SOLARZ. Mr. Speaker, on June 27 I will testify on behalf of H.R. 12463 and H.R. 12464, bills I have introduced which would end all new American investment in South Africa and require U.S. corporations there to engage in a fair employment code of conduct. I believe this legislation would mark a significant step in indicating to the South African Government that the United States will no longer support the institution of apartheid.

I ask that my prepared testimony be inserted at this point in the RECORD.

The testimony follows:

TESTIMONY OF HON. STEPHEN SOLARZ ON H.R. 12463

Mr. Chairman, I appear before you today in behalf of H.R. 12463, which I introduced last month. This legislation is designed to prohibit new American investment in South Africa and to regulate existing corporate investments by establishing a fair employment code of conduct. I hope you and your two subcommittees will be able to join me in supporting this modest proposal which will put the United States on record in opposition to the oppressive apartheid system that exists in South Africa today.

The bill before you deals with the vitally important issue of the role that U.S. investment should play in our overall relations with South Africa. Briefly put, I believe that U.S. investment can and should be a key instrument for encouraging constructive change in that society. At the end of 1976, some 350 American companies had invested about $1.67 billion in South Africa, which comprised about 16 percent of total foreign investment there. In addition, U.S. banks had at least $2.2 billion in loans and credits outstanding in South Africa, much of it with government entities. These investments and loans are an important feature in South Africa's economy, and our government's behavior with respect to these is an important signal of American intentions towards the existing system in that country.

The bannings by the South African government last fall and the death of Steve Biko in prison have led many Americans in and outside the Government to re-evaluate the United States role in South Africa. For the first time in history, the House—by the overwhelming margin of 347 to 54—adopted a resolution last October 31 offered by the gentlewoman from Illinois (Mrs. Collins) denouncing acts committed by the Government of the Republic of South Africa "which suppress the expression of political thought and violate the rights of the individual," and urged the President "to take effective meas-

ures against the Republic of South Africa in order to register the deep concern of the American people about the continued violation of human rights in that country." The House took one step further earlier this month by adopting the Evans amendment attaching restrictions onto EXIM bank loans to be used in South Africa. An attempt to delete this provision was defeated by the decisive margin of 116–219.

These actions have been backed by a substantial plurality of public opinion. A Harris Poll conducted last December found that by a 51–24 percent margin, the American people gave its support to the step already taken by the Carter Administration to cut off all shipments of military supplies and replacement parts to South Africa. A 68–21 percent majority of Americans asserted that the system of apartheid in South Africa is "unjustified", and by a 46–26 percent margin, Americans endorsed the principle of the U.S. and other Western nations putting pressure on South Africa to give the blacks there more freedom and participation in government. Most importantly for our considerations here today, by a 46–28 percent margin, Americans favored getting U.S. companies now in business in South Africa to put pressure on the South African government and by a 42–33 percent margin, Americans favored preventing "all new U.S. business investment in South Africa."

Mr. Chairman, in suggesting this legislation, let me clearly explain that I believe we have reached the point where we have to go beyond the ritualistic reaffirmation of our rhetorical support for the elimination of apartheid. In my view, time is short, and concrete action is required today. In 1975, we saw the collapse of Portuguese colonialism in southern Africa and the establishment of black governments in Mozambique and Angola. This year we will probably see a transfer to majority rule in Zimbabwe and Namibia. These factors combine to create the logistical preconditions for the emergence of an effective insurgency within South Africa. In the months ahead, as the attention of Africa turns more and more to the last white redoubt on the African continent, one must assume that the countries which border South Africa will provide the same level of support to an emerging South African liberation movement that the countries which border Rhodesia and Namibia have provided to the Patriotic Front and SWAPO.

Some Members of Congress have expressed the hope that South African society as currently constitute could "reform" itself through gradual change into a system amenable to blacks and whites. They point to such hopeful signs as a reduction in "whites-only" reservations for some jobs, increased integration of sports, and proposed improvements in the pass book system. I think these steps are somewhat encouraging, but they are unfortunately a classic example of "too little, too late." Thirty years have passed since the ascendence of the National Party, and thirty years of time for political reform have been wasted. It seems clear that black Africans will not allow South Africa additional decades to gradually move toward a more equitable system. Moreover, the arrests, bannings, and newspaper closings last fall clearly indicate that the Government of South Africa will do all it can to suppress politically meaningful change in that country.

Mr. Chairman, in my view, in the absence of an abolition of apartheid and an eventual shift toward power sharing arrangements that allow the full participation of all of South Africa's people in the social, political, and economic life of the country, South Africa will inevitably be shaken by a cataclysm that will not only rip that nation apart but could be disastrous for our own multiracial society as well. Accordingly, the United States has an enormous stake in facilitating a peaceful transition to an equitable power sharing arrangement in South Africa. But if we stand aside, waiting for the natural course of events to gradually bring about the necessary changes, we will all be overwhelmed by the on-rushing tide of the emerging South African liberation movement.

Unfortunately, the entire history of South Africa has shown that, in the absence of outside pressure, little constructive change can be expected. I hope this proposed legislation will prompt the Government of South Africa to move promptly toward abolishing the apartheid system. There is no guarantee that if this bill became law, it would produce a willingness on the part of the South African government to undertake the necessary progressive changes. But we can be reasonably certain that without a significant increase in international pressure—coupled with domestic demands for change—the South African Government will never contemplate, let alone implement, the kinds of changes that will make possible the creation of a truly multi-racial society in South Africa.

My bill has two parts. In order to ensure that U.S. economic entanglements in South Africa do not increase, the first part would prohibit all new investments and loans in South Africa by any American corporation, although existing investments could continue as could investments from money earned from on-going investment within South Africa. Violations of this section could bring fines of up to $1 million for a corporation and a fine of $10,000 or imprisonment of up to five years for an individual.

The second part of the bill, similar to a joint resolution introduced in previous years by the distinguished chairman of the Africa Subcommittee (Mr. DIGGS), would prohibit U.S. corporations doing business in South Africa from engaging in unfair employment practices there. This proposal is modeled after legislation designed to accomplish the same purposes here in the U.S.

The fair employment code would prohibit discrimination on the basis of race, religion, sex, or national original for hiring, promotion, rates of pay, selection for training and other areas of employment. Corporations would be required to take affirmative action to end discrimination within American-owned enterprises, among other things by applying the new guidelines to present employees and to potential applicants. The bill would also require employers to allow employees to organize and bargain collectively. Penalties for violating the second part could include termination of export licenses, U.S. Government contracts, tax credits, and the services of the Export-Import Bank for transactions involving South Africa.

Under this section, the administrator of the program would review the employment practices of U.S. corporations operating in South Africa every two years to determine whether they meet fair employment standards as defined in the bill. If judged to be practicing equal opportunity policies, the corporation would be listed on a roster and thereby become eligible for export licenses, government contracts, tax credits, and the services of the EXIM bank.

I believe the Congress should establish this fair employment practices code for two reasons. First, the U.S. government should make it clear that American corporations will not be allowed to engage in practices or to support policies which are abhorrent to the United States. Indeed, we already require corporations to follow U.S. practices outside our own borders with respect to bribery, boycotts, and antitrust practices. And earlier this month, the House accepted the Evans amendment which requires the acceptance of U.S.-developed standards as a precondition for EXIM bank assistance in South Africa.

Secondly, this legislation will help insure that the presence of U.S. corporations in South Africa actually works for the benefit of all races. Some have argued that the United States should completely dissociate itself from our relations with the South African government and withdraw all U.S. investment from that country. Though such action is politically impractical at this time, we should make it clear that to the extent that we do permit U.S. corporations to maintain their investments in South Africa, the only moral justification for that investment is the extent to which it creates opportunities for blacks that they otherwise would not have. U.S. corporations today claim that they actually help improve the lot of blacks in South Africa; this legislation would take the corporations at their word and translate that commitment into action.

In conclusion, Mr. Chairman, I would like to point out several features of H.R. 12463 which should help alleviate the concerns of some who would oppose action of this sort. First, this bill is a moderate proposal. Though it begins the process of limiting U.S. corporate involvement in South Africa, it does not require disinvestment nor prevent the orderly transaction of business by existing enterprises. Since 1975, new investment in South Africa has been quite low. For example, in 1976, it is estimated that of the $82 million increase in the value of the U.S. investment over 1975, only $9 million was new investment, while $73 million was reinvested earnings. Moreover, over the past year South Africa has found itself largely excluded from U.S. bank credit. Though cutting off new U.S. investment may have a significant long-term effect on South Africa's economy, in the short-run it can be viewed principally as a strong political signal.

Secondly, it is my understanding that no part of this bill would explicitly violate existing South African law, although I would urge the Committee to study this matter further. If I am correct, no U.S. corporation would be caught in the difficult dilemma of being ordered to do contradictory things by two different governments. As I understand it, there are no measures in South African law which prohibit equality in wages, recruitment, training, promotion, or fringe benefits. In addition, though black employees are prevented from joining registered labor unions, they may join unregistered labor unions—and employers are free to bargain with these associations. As a further safeguard to American corporations, H.R. 12463 includes a provision permitting a waiver of part of the code if an employer could demonstrate to the satisfaction of the administrator that a conflict of laws existed. However, if the South African government chooses to combat equal treatment of employees of American corporations by passing new laws to prohibit such fair treatment, the corporation would not be granted a waiver. In my view, American corporations should be committed to equal employment standards, benefiting all South Africans, or they should leave. The South African government must know that if it restricts American corporations from practicing equal opportunities, it will lose the presence of American business.

Third, H.R. 12463 would have the support of many South Africans—both black and white—who would like to abolish the apartheid system. In recent testimony before the International Relations Committee, Donald Woods hailed this proposal as a "significant" measure that would provide a "valuable psychological boost in morale" to black South Africans. I fully agree with Woods, and urge the Committee to consider what the impact of this legislation would be on South African blacks. While some express the fear that legislation like this will drive white South Africans "into the laager", I believe that South African whites are already in the "laager." Like all groups who enjoy power, South African whites are unlikely to voluntarily relin-

quish the prerequisites and privileges which are afforded them by apartheid. However, we must remember that in the future, blacks will have the predominant role in the destiny of South Africa, and it is clearly in our own interest to let them know that we are actively on their side in supporting their struggle for a meaningful political role in their country.

There is no doubt that the small damage this bill might cause to the miniscule fraction of the black South African work force employed by American corporations would be more than offset by the gratitude with which this bill would be received by the politically active elements of the black and colored community in South Africa. Despite the claims of some who say that this type of measure is not desired by black South Africans, countless black leaders have expressed the hope that Western countries would curtail investment in South Africa. I have a pamphlet here entitled "U.S. Business in South Africa: Voices for Withdrawal" which quotes many of these leaders—like ANC Acting President-General Oliver Tambo, Bishop Manas Butholezi, Soweto Committee of 10 Chairman Dr. Nthato Motlana, and the late Steve Biko. I ask that two pages of quotations by South Africans in this pamphlet be made part of the record at this point.

Looking at the wider question of U.S. interests in Africa, I urge the Committee to note that almost all black African leaders have urged the U.S. to cut back U.S. investment in South Africa. In the long run, as Nigeria's head of state Lt. General Ousegun Obasanjo put it this winter, U.S. business may be left with the choice "between doing business with us or with the racist regime in Southern Africa."

Finally, I would like to answer those who claim this legislation is too narrow in its exclusive focus on South Africa. In the view of these critics, a bill that "singles out" South Africa is not fair. Mr. Chairman, by focusing on South Africa, H.R. 12463 does not imply a lack of concern about human rights violations elsewhere in the world, no more than the actions the International Relations Committee has taken against Uganda, Cambodia, and the Philippine this year implied a lack of concern about other human rights violations. South Africa is the only state in the world today in which power and privilege are legally based on race, and, in my view, we should not ignore action in this case.

Mr. Chairman, for all of the reasons enumerated here, I urge you and the members of these two subcommittees to join me in supporting this bill which will put the U.S. squarely on record in opposition to apartheid. I would be happy to answer any questions you might have.●

BANK BOARD PROGRAM WILL PROVIDE RELIEF FOR INNER-CITY NEIGHBORHOODS

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. ANNUNZIO. Mr. Speaker, as many as 300,000 housing units in troubled neighborhoods will be renovated, repaired or constructed under a new funding program announced by the Federal Home Loan Bank Board. And the most refreshing aspect of the program is that it will not cost taxpayers a penny.

The program is called the Community Investment Fund and it earmarks $10 billion for revitalization of our Nation's inner-city areas. No tax money will support the fund. The money will come from the sale of securities by the Bank Board. The Board itself is supported by fees from the 4,200 savings and loan associations it regulates. The fund will work this way:

The Bank Board will raise the funds by selling securities in the private capital market. The funds will then be distributed among the 12 regional banks that make up the Federal Home Loan Bank Board system. The regional banks will then lend the money to savings and loan associations that have concrete plans for helping troubled inner-city areas.

To qualify for the loans, the local associations must show that they have detailed plans for working with Federal, State and local government to improve the attractiveness and availability of housing in older neighborhoods. Each savings and loan seeking assistance must have a qualified urban lending specialist on its staff and the savings and loans will be required to provide financial counseling for low to moderate income home buyers.

If the plans are satisfactory, the regional banks will then charge the association a lower rate of at least one-half of a percentage point below the current interest rate in making the loan. The district banks also will forgo certain service fees so that the participating savings and loans may save even more. This will encourage the savings and loans to compete for the loans, and to compete in proposing the most effective revitalization projects.

Bank board spokesmen have vowed that the program will be vigorously monitored by the board, and that lower interest rate subsidies will be cut off if the savings and loans do not comply with the spirit of the program.

The needs of each individual city will be taken into account for determining where the mortgage money will go. Most of the money will be targeted for inner cities, although some funds will go to troubled areas outside the central city.

The total cost of this program will be around $200 million and will be financed totally out of the bank board's own funds. Bank board spokesmen say this figure roughly equals the income of the system in 1 year.

Mr. Speaker, this program is an example of what our urban policy needs most desperately, a concerted effort between private industry and Federal and local governments to solve the problems of our cities. The intent of this program is not only to spur growth and revitalization of these areas in the immediate future, but to establish a pattern of inner city lending and aid that will continue long after the original program expires. I fully support and praise the program and the relief it will provide our Nation's cities and their residents.●

PERE MARQUETTE RIVER

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. VANDER JAGT. Mr. Speaker, section 701 of H.R. 12536 adds the Pere Marquette River of Michigan to the National System of Wild and Scenic Rivers. From personal experience I can testify to the wonderful fishing, outstanding scenery, and memorable history of the Pere Marquette. It is one of the most famous trout streams in a State which has become known as a "water wonderland."

The Pere Marquette is entirely within my district. Because I own property on a different river—the Pine—which may be considered for similar designation in the future, I have remained neutral on this section of the bill to avoid appearance of a conflict of interest. However, I am offering this technical amendment at the request of conservation groups and individual citizens in my district who are concerned that the Congress make its intent very clear to the bureaucrats who will implement this law.

These concerned citizens have observed that during peak periods, the river is used so heavily that the very peace, quiet, and beauty which draws them to the river is being destroyed. The Environmental Impact Statement prepared by the U.S. Forest Service documents this problem as follows (at page 12):

> The heavy conoeing use has resulted in some canoeist-fisherman conflict in the upper portion of the main stream. At times fishermen are interrupted and disturbed by numerous canoeists as they move down the river. Uninformed or inconsiderate canoeists trespass on private property to picnic, relieve themselves, or to rest and frolic. The landowner is often faced with the task of cleaning up litter left by this careless minority. As a result, more land is being posted against public use.
>
> . . . Unregulated auto camping is a problem on nearly all public land along the river with road access. Trailers and campers tend to locate as close to the river as possible, which detracts from the esthetic woodland environment of the river and destroys streambank vegetation.

Nevertheless, the environmental impact statement and the Wild and Scenic River Study Report of April 1976 each projected a further increase in the use of the river as a result of National Scenic River designation. This resulted in widespread concern and some opposition to the proposal not just from property owners, but from conservation groups as well. Even those who support Federal designation, such as Sierra Club, West Michigan Environmental Action Council, and the Michigan United Conservation Clubs have expressed a concern about overuse.

The U.S. Forest Service, which will manage the river under H.R. 12536, held a series of meetings with citizens in west Michigan during the past year. In these meetings Kenton Clark, Supervisor, Huron Manistee National Forest, agreed that the river is already being overused to the point that its attractive essential values are bing degraded; he contended that national designation as a National Wild and Scenic River was the only way to control the abuse; and he pledged that while national designation may stimulate demand, the Forest Service will regulate that demand so that it does not result in more overuse. The study report prepared in 1976 (Wild and Scenic River Study Report, Pere Marquette River, Mich.: USDA Forest Service, April 1976, p. 79) contains a similar promise that:

Controls will be instituted on the numbers, timing, and/or location of boating use to prevent damage to the resources and preserve the quality of the users recreation experience.

My constitutents appreciate these promises from the Forest Service. However, they desire to have these bureaucratic promises reinforced by a congressional mandate. Fortunately, the Interior and Insular Affairs Committee has clarified the purpose of Federal designation in the committee report (at p. 87). It states:

The committee also intends that the managing agencies develop their management plans with full public involvement as rapidly as possible. Significant attention should be paid to the problem of overuse that often occurs on designated rivers to the detriment of the resource such designation attempts to protect. Particular attention and urgency should be paid to the Pere Marquette River, Michigan, to preserve one of the most famous scenic rivers in the midwest region.

However, administrative agencies are not bound to follow the directions contained in committee reports. Therefore, I offer this amendment to clarify our intent in the designation of this river:

On page 297, line 24 thereof, after the phrase "referred to in this paragraph" insert the following:

Any plan prepared pursuant to subsection (b) shall include provisions for information and education to river users, and regulation of recreational use of the river as required to protect its esthetic, scenic, historic, archeologic, and scientific features.●

MEMBERS OF CONGRESS WHO ARE COSPONSORING THE NATIONAL, BIPARTISAN EFFORT TO REDUCE THE INCOME TAX RATES TO HELP RESTORE INCENTIVE AGAIN FOR WORKING, SAVING, AND INVESTING

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. KEMP. Mr. Speaker, a number of National, State, and community taxpayers organizations across the country have requested of my office the names of Members who are cosponsors of the Tax Rate Reduction Act, the Kemp-Roth bill and, of course, the names of those who are not supporting it.

This is the legislation which would answer the demands of the people, the working men and women of America, and taxpayers for lower income tax rates. The bill would lower all taxes rates phased in over 3 years.

First, it would reduce individual income tax rates by approximately 30 percent.

Second, it would reduce the total of the corporate normal tax and corporate surtax from 48 to 45 percent.

Third, it would increase the corporate surtax exemption to $100,000, a matter of substantial importance for America's smaller businesses.

Because of the almost unmanageable volume of the requests for information on cosponsorship which I have received, I am putting in this RECORD cosponsors' names. I want to make it clear to my colleagues that this is in no way intended as pressure on any Member to do anything; it is, rather, fulfilling requests for information on a very important bill.

The cosponsors of the Tax Reduction Act in the House, as of this afternoon, are 151 in number. And they are, by State, as follows:

HOUSE COSPONSORS OF THE TAX REDUCTION ACT

ALABAMA

Mr. Buchanan, Mr. Dickinson, Mr. Edwards.

ALASKA

Mr. Young.

ARIZONA

Mr. Rhodes, Mr. Rudd, Mr. Stump.

ARKANSAS

Mr. Hammerschmidt.

CALIFORNIA

Mr. Badham, Mr. Burgener, Mr. Clausen, Mr. Clawson, Mr. Dornan, Mr. Goldwater, Mr. Ketchum, Mr. Lagomarsino, Mr. Lloyd, Mr. Moorhead, Mrs. Pettis, Mr. Rousselot, Mr. Bob Wilson.

COLORADO

Mr. Armstrong, Mr. Johnson.

CONNECTICUT

Mr. McKinney, Mr. Sarasin.

DELAWARE

Mr. Evans.

FLORIDA

Mr. Bafalis, Mr. Burke, Mr. Chappell, Mr. Frey, Mr. Kelly, Mr. Sikes, Mr. Young.

GEORGIA

Mr. Levitas.

IDAHO

Mr. Hansen, Mr. Symms.

ILLINOIS

Mr. Anderson, Mr. Corcoran, Mr. Crane, Mr. Derwinski, Mr. Erlenborn, Mr. Hyde, Mr. McClory, Mr. Madigan, Mr. Michel, Mr. O'Brien, Mr. Railsback, Mr. Russo.

INDIANA

Mr. Hillis, Mr. Quayle.

IOWA

Mr. Grassley, Mr. Leach.

KANSAS

Mr. Glickman, Mr. Sebelius, Mr. Skubitz, Mr. Winn.

KENTUCKY

Mr. Carter.

LOUISIANA

Mr. Livingston, Mr. Moore, Mr. Treen.

MAINE

Mr. Cohen, Mr. Emery.

MARYLAND

Mr. Bauman, Mrs. Holt, Mr. Steers.

MASSACHUSETTS

Mr. Conte, Mrs. Heckler.

MICHIGAN

Mr. Brown, Mr. Cederberg, Mr. Pursell, Mr. Stockman, Mr. Walker, Mr. Vander Jagt.

MINNESOTA

Mr. Frenzel, Mr. Hagedorn, Mr. Quie, Mr. Stangeland.

MISSISSIPPI

Mr. Bowen, Mr. Cochran, Mr. Lott.

MISSOURI

Mr. Coleman, Mr. Taylor.

MONTANA

Mr. Marlenee.

NEBRASKA

Mrs. Smith, Mr. Thone.

NEW HAMPSHIRE

Mr. Cleveland.

NEW JERSEY

Mrs. Fenwick, Mr. Forsythe, Mr. Hollenbeck, Mr. Rinaldo, Mr. Roe.

NEW MEXICO

Mr. Lujan, Mr. Runnels.

NEW YORK

Mr. Caputo, Mr. Conable, Mr. Fish, Mr. Gilman, Mr. Horton, Mr. Kemp, Mr. Lent, Mr. McEwen, Mr. Mitchell, Mr. Walsh, Mr. Wydler.

NORTH CAROLINA

Mr. Broyhill, Mr. Martin.

NORTH DAKOTA

Mr. Andrews.

OHIO

Mr. Ashbrook, Mr. Brown, Mr. Devine, Mr. Gradison, Mr. Guyer, Mr. Harsha, Mr. Kindness, Mr. Latta, Mr. Miller, Mr. Mottl, Mr. Regula, Mr. Stanton.

OKLAHOMA

Mr. Edwards.

PENNSYLVANIA

Mr. Coughlin, Mr. Goodling, Mr. McDade, Mr. Marks, Mr. Murphy, Mr. Myers, Mr. Schulze, Mr. Shuster, Mr. Yatron.

SOUTH CAROLINA

Mr. Spence.

SOUTH DAKOTA

Mr. Abdnor, Mr. Pressler.

TENNESSEE

Mr. Beard, Mr. Duncan, Mrs. Lloyd, Mr. Quillen.

TEXAS

Mr. Archer, Mr. Collins.

UTAH

Mr. Marriott.

VERMONT

Mr. Jeffords.

VIRGINIA

Mr. Butler, Mr. Dan Daniel, Mr. Robert W. Daniel, Jr., Mr. Robinson, Mr. Trible, Mr. Wampler, Mr. Whitehurst.

WASHINGTON

Mr. Cunningham, Mr. Pritchard.

WISCONSIN

Mr. Kasten, Mr. Steiger.●

FINANCIAL DISCLOSURE STATEMENT

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 26, 1978

● Mr. KASTENMEIER. Mr. Speaker, although Members have filed public financial disclosure statements, as required by the new House Rule XLIV, I am continuing a practice that I first started in 1963 of placing in the CONGRESSIONAL RECORD a report on my financial condition which covers the calendar year 1977. The information contained in this statement is more extensive than that required by House Rule XLIV, which, under the first filing, covered only the last 3 months of 1977. My report also includes the amount of Federal, State, and real estate taxes paid in 1977:

STATEMENT OF FINANCIAL CONDITION, DECEMBER 31, 1977

Cash, account with the Sergeant at Arms, House of Representatives (including January 1, 1978 salary)	$2,857.32
Cash	16.64
Securities	None
Residential real estate:	
Arlington house and lot (1977 assessment)	112,900.00
Less mortgage	26,902.83
Equity	85,997.17

House, Sun Prairie, Wis	29,000.00
Plus improvements	1,766.00
Lot	1,200.00
Total	31,966.00
Less 1st mortgage	17,103.39
Less 2d mortgage	4,500.00
Total	21,603.29
Equity	10,362.61
Household goods and miscellaneous personality	7,000.00
Miscellaneous assets, deposits with U.S. civil service retirement fund through December 31, 1977, available only in accordance with applicable laws and regulations	50,198.07
Additional retirement fund deposit, 1976	1,130.00
Cash surrender, value of life insurance:	
On the life of Robert W. Kastenmeier	None
On the life of Dorothy C. Kastenmeier	544.00
Donaldson Run Deposit	400.00
Automobiles:	
1976 Oldsmobile	3,300.00
1973 Ford LTD	1,200.00
Total assets	163,005.81
Income for calendar year 1977 (in addition to congressional salary allowances, and reimbursements)	
Honorariums (2):	
Brookings Institute	200.00
Christian Science Publishing Society	100.00
Rent gross (before deductions for expenses, etc. Sun Prairie	2,067.67
Income total	2,366.67
Taxes paid:	
1977 Federal income tax	10,298.71
1977 Wisconsin State tax	3,856.40
1977 real estate taxes, Town of Sun Prairie	769.36
1977 real estate taxes, City of Sun Prairie	35.29
1977 real estate taxes, county of Arlington, Virginia	1,682.21
Total 1977 taxes paid	16,641.97

I also am reporting on the separate estate of my wife, Dorothy C. Kastenmeier, which is not subject to my control and thus, not necessarily required to be reported under House Rule XLIV. Fair values are estimated and certain interests in property are subject to life estates in others:

Unimproved land, 129 acres, Chireno, Texas*	$10,000.00
Unimproved land, 160.5 acres, Nacogdoches, Texas*	10,000.00
Frame house and lot, 413 Myrtle Street, Nacogdoches, Texas**	12,000.00
Lot and building, 106 Marilyn St., Nacogdoches, Texas	12,000.00
158 shares, Fredonia St. Bank, Nacogdoches, Texas	6,320.00
Total	50,320.00
*1. All interest in minerals and timber, subject to life estate of others.	
**2. 1977 rental income	575.00
lease income	80.25
Total	655.25

●

SENATE COMMITTEE MEETINGS

Title IV of the Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized scheduled of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

As an interim procedure until the computerization of this information becomes operational the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committees scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 27, 1978, may be found in Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 28

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
4200 Dirksen Building

Finance
Taxation and Debt Management Generally Subcommittee
To hold hearings on S. 3065, 2608, and 2428, proposals affecting taxation of capital gains.
2221 Dirksen Building

Human Resources
To resume hearings on H.R. 8410, to amend the National Labor Relations Act so as to strengthen the remedies and expedite the procedures under such act.
4232 Dirksen Building

9:45 a.m.
*Rules and Administration
To receive testimony from Senators on S. Res. 405, making the Select Committee on Indian Affairs a permanent committee of the Senate; and to consider other legislative and administrative business.
301 Russell Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting on pending calendar business.
322 Russell Building

Appropriations
Public Works Subcommittee
To continue hearings on proposed budget estimates for FY 79 for public works projects.
1223 Dirksen Building

Banking, Housing, and Urban Affairs
To continue markup of S. 50, the Full Employment and Balanced Growth Act.
5302 Dirksen Building

Energy and Natural Resources
To mark up proposed legislation designating certain Alaska lands as national parkland.
3110 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on S. 3209, proposed State Community Conservation and Development Act.
6202 Dirksen Building

Governmental Affairs
Federal Spending Practices and Open Government Subcommittee
To hold hearings on efforts to reduce the Federal paperwork burden.
3302 Dirksen Building

Judiciary
Antitrust and Monopoly Subcommittee
To resume hearings on S. 1927, to promote competition in the energy industry.
2228 Dirksen Building

Joint Economic
To hold hearings to review economic conditions, and to discuss the future outlook.
1202 Dirksen Building

10:30 a.m.
Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings on recent developments in the Middle East.
4221 Dirksen Building

1:30 p.m.
Appropriations
Agriculture and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for FY 79 for the Department of Agriculture.
1223 Dirksen Building

Conferees
On S. 1678, to amend and extend for two years through FY 1979 the Federal Insecticide, Fungicide, and Rodenticide Act.
H-140, Capitol

2:00 p.m.
Conferees
On S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

3:00 p.m.
Judiciary
Antitrust and Monopoly Subcommittee
To hold hearings on oil company ownership of common carrier pipelines.
2228 Dirksen Building

JUNE 29

9:00 a.m.
Armed Services
To consider pending nominations and other committee business.
235 Russell Building

9:30 a.m.
Environment and Public Works
Nuclear Regulations Subcommittee
To continue hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
4200 Dirksen Building

Finance
Taxation and Debt Management Generally Subcommittee
To continue hearings on S. 3065, 2608, and 2428, proposals affecting the taxation of capital gains.
2221 Dirksen Building

Governmental Affairs
To hold hearings on S. 517, 518, and H.R. 8410, legislation dealing with flexible work hours and increased part-time employment opportunities in the Federal Government.
3302 Dirksen Building

Human Resources
To continue hearings on H.R. 8410, to amend the National Labor Relations Act so as to strengthen the remedies and expedite the procedures under such act.
4232 Dirksen Building

Special on Aging
To resume hearings on the degree to which older Americans are purchasing more private health insurance than needed to supplement gaps in the Medicare programs.
457 Russell Building

10:00 a.m.
Commerce, Science, and Transportation
Business meeting on pending calendar business.
224 Russell Building

Energy and Natural Resources
To hold hearings on the nomination of Omi Gail Walden, of Georgia, to be an Assistant Secretary of Energy.
3110 Dirksen Building

Foreign Relations
To hold hearings on S. 2894, to establish an Institute for Human Rights and Freedom to promote respect for and observance of human rights and fundamental freedoms in foreign countries.

Governmental Affairs
To hold hearings on S. 517, authorizing employees and agencies of the Government of the U.S. to experiment with flexible and compressed work schedules, and S. 518, provding increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard hours.
3302 Dirksen Building

Governmental Affairs
Energy and Nuclear Proliferation Subcommittee
To resume hearings on postal reorganization legislation.
357 Russell Building

Judiciary
To hold hearings on the nominations of Santiago E. Campos, to be U.S. district judge for the district of New Mexico; Robert H. McFarland, of Mississippi, to be U.S. district judge for the Canal Zone; and Louis H. Pollak, to be U.S. district judge for the eastern district of Pennnsylvania.
2228 Dirksen Building

Select Indian Affairs
To consider S. 2460, the Indian Self-Determination and Education Assistance Act amendments; S. 2712, the Indian Program Evaluation and Needs Assessment Act; S. 3069, to improve that the Sisseton-Wahpeton Sioux Tribe shall have a preference right to purchase certain North and South Dakota lands held in trust by the U.S. for tribal members; and S. 3153, the Rhode Island Indian Claims Settlement Act.
5110 Dirksen Building

Joint Economic
To receive testimony from Federal Reserve Board Chairman Miller on U.S. monetary policy.
6226 Dirksen Building

10:30 A.M.
Judiciary
Penitentiaries and Corrections Subcommittee
To hold oversight hearings on the Bureau of Prisons, with emphasis on west coast prison facilities.
2228 Dirksen Building

2:00 p.m.
Select Ethics
To hold a business meeting.
Room to be announced

2:30 p.m.
Conferees
On S. 9, to establish a policy for the management of oil and natural gas in the Outer Continental Shelf.
3110 Dirksen Building

3:00 p.m.
Select Intelligence
To hold a closed business meeting.
S-407, Capitol

JUNE 30

9:30 a.m.
Veterans' Affairs
Compensation and Pensions Subcommittee
To hold hearings on S. 379 and H.R. 6501, to provide increased awards of service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities; S. 2828, the Veterans Disability Compensation and Survivor Benefits Act; and S. 1929, to establish, for purposes of paying dependency and indemnity compensation, a presumption of death from service-connected disability in the case of certain blinded veterans.
5110 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Merchant Marine and Tourism Subcommittee
To hold hearings on H.R. 6503, to provide for a just and reasonable rate of return or profit for common carriers by water used in intercoastal commerce.
235 Russell Building

JULY 10

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 3209, the State Community Conservation and Development Act; S. 3210, the Livable Cities Act; and S. 3211, the National Self-Help Development Act.
5302 Dirksen Building

JULY 11

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue hearings on S. 3209, the State Community Conservation and Development Act; S. 3210, the Livable Cities Act; and S. 3211, the National Self-Help Development Act.
5302 Dirksen Building

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on mid-west railroad bankruptcies and on the operation of the Railroad Revitalization Regulation Reform Act (P.L. 94-210).
235 Russell Building

Energy and Natural Resources
Business meeting on pending calendar business.
3110 Dirksen Building

Joint Economic
To resume hearings to review economic conditions, and to discuss the future outlook.
6226 Dirksen Building

JULY 12

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To resume hearings on S. 2775, to improve the siting and licensing process for nuclear power reactors.
6226 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on railroad freight car utilization.
235 Russell Building

Energy and Natural Resources
Business meeting on pending calendar business.
3110 Dirksen Building

Finance
International Trade Subcommittee
To hold hearings on proposed extension of Presidential authority to maintain most-favored-nation trade treatment with Romania under the Trade Act of 1974 (P.L. 93-618).
2221 Dirksen Building

Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
5110 Dirksen Building

JULY 13

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To continue hearings on S. 2775, to improve the siting and licensing process for nuclear reactors.
6226 Dirksen Building

10:00 a.m.
Energy and Natural Resources
Business meeting on pending calendar business.
3110 Dirksen Building

JULY 18

Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
2168 Rayburn Building

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume mark up of S. 2775, the Drug Regulation Reform Act, and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

Joint Economic
To resume hearings to review economic conditions, and to discuss the future outlook.
2168 Rayburn Building

JULY 19

10:00 a.m.
Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
5110 Dirksen Building

JULY 20

9:30 a.m.
Joint Economic
To continue hearings to review economic conditions, and to discuss the future outlook.
2168 Rayburn Building

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To resume markup of S. 2755, the Drug Regulation Reform Act. and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

JULY 21

10:00 a.m.
Human Resources
Health and Scientific Research Subcommittee
To continue markup of S. 2755, the Drug Regulation Reform Act. and S. 3115, to establish a comprehensive disease prevention and health promotion program in the U.S.
4232 Dirksen Building

JULY 25

10:00 a.m.

Budget

To hold hearings on the second concurrent resolution on the Congressional Budget for FY 1979.

6202 Dirksen Building

Joint Economic

To resume hearings to review economic conditions, and to discuss the future outlook.

2220 Rayburn Building

JULY 26

10:00 a.m.

Banking, Housing, and Urban Affairs

To mark up H.R. 10899, proposed International Banking Act.

5302 Dirksen Building

Budget

To continue hearings on the second concurrent resolution on the Congressional Budget for FY 1979.

6202 Dirksen Building

JULY 27

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue markup of H.R. 10899, proposed International Banking Act.

5302 Dirksen Building

Budget

To continue hearings on the second concurrent resolution on the Congressional Budget for FY 1979.

6202 Dirksen Building

AUGUST 2

10:00 a.m.

Governmental Affairs

Federal Spending Practices and Open Government Subcommittee

To hold hearings on the quality of patient care in nursing homes.

3302 Dirksen Building

AUGUST 3

10:00 a.m.

Governmental Affairs

Federal Spending Practices and Open Government Subcommittee

To continue hearings on the quality of patient care in nursing homes.

3302 Dirksen Building

CANCELLATIONS

JUNE 28

9:30 a.m.

Energy and Natural Resources

Energy Conservation and Regulation Subcommittee

To hold oversight hearings on the Department of Energy's administration of the crude oil entitlements program and its impact on the domestic refining industry

3110 Dirksen Building